

Annual Report 2024

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Igor Tóth
About 2024





Dear colleagues, dear friends of O₂,

For O₂, 2024 was a year of new beginnings. After 16 years, we moved from Aupark Tower to Bratislava's downtown. However, the change was not just about new furniture in our offices. It was mainly about people. About how we cooperate and how we shift the limits of what it means to be a modern telecommunications operator together. The company's management no longer sits behind closed doors, but together with their teams in an open space office. The dominant element of our new premises is the interior staircase, which symbolizes connectivity, dynamism and constant movement. The new environment allowed us to further strengthen our agile way of working introduced back in 2023.

Already the first weeks in the new environment proved that the change was meaningful. An internal survey confirmed that a more **flexible working environment** supported a more effective cooperation between departments, accelerated the decision-making processes and strengthened the corporate culture. This approach enables us to innovate faster and deliver services that make our customers' lives easier.

Technologies are constantly evolving, and we at O₂ want to be their driving force. 2024 was a year of significant investments into expansion and modernization of our network infrastructure, which is closely related also to the development of our 5G network. While at the beginning of the year the 5G network was available to 70.1% of the population of Slovakia, at year end more than 87% were able to use it. Simultaneously, we started gradually switching off the 3G network in order to use the available frequencies more efficiently and provide our customers with a more stable and faster connection.

Behind each innovation there are people. This is why in our campaigns we also introduced our colleagues from O₂ and CETIN, who have been working every day on building an excellent network. Our ambition was to emphasize that behind technologies there are always real people who are passionate about what they do.

It should not be forgotten that modern technologies bring not only new opportunities, but also challenges. As a responsible operator, we decided to help parents to better protect their children in the online world. The O₂ Junior SIM card is the first solution of its kind in Slovakia – allowing the parents to control their children's mobile consumption, set up limits and block inappropriate content.

However, protection of children in the digital space is not only about technology, but also about education. Therefore, in summer we launched an awareness campaign that helped parents to better understand the digital world of their children. The visual metaphor of the campaign was an interactive installation **"400 Meters on the Screen is Too Much"** demonstrating the amount of content that children scroll through on a daily basis. In cooperation with experts, we provided practical tips on how to balance digital and real life and set healthy boundaries with technology already from the childhood.

Even though we moved to a new address, the values that define us remain firmly anchored in our corporate DNA. Fairness, cooperation and courage to innovate have been moving us forward also during this year full of changes. I can proudly say that our effort has brought visible results – whether in the area of network modernization, service simplification or in improvement of our mutual cooperation.

I would like to thank all my colleagues for their dedication and effort. It is thanks to you that we can keep working hard to be the most recommended digital partner on the market.



Igor Tóth,
Chief Executive Officer of O₂ Slovakia

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People in Company's Management





Igor Tóth,
Chief Executive Officer of O₂ Slovakia

Igor Tóth has rich experience in the commercial area and has been working with O₂ already since 2008. He assumed the office of CEO on January 1, 2021 from the position of a Marketing Director. In O₂, he started out in the position of a Market Survey Specialist where he was responsible for managing marketing activities in the segment of residential as well as business customers including plan product portfolio, brand strategy, marketing communication as well as customer value management. In 2011, he was engaged in the field of customer experience management at the Head Office of Telefónica Europe in London. In 2017, he won the first-ever title Marketer of the Year.

Jana Sekerová,
Human Resources Director

Jana Sekerová has held the position of the Human Resources Director since 1 June 2019. She was engaged with O₂ since 2008 at the Finance Department, where for the past 7 years prior to assuming her new position, she had acted as the Head of the Controlling Department. Moreover, in the period of 2012 – 2013 she was also the financial manager for TESCO Mobile. Before joining O₂, she worked for PricewaterhouseCoopers Slovakia as an auditor for companies mainly from the energy and foodstuffs industries.



Daniel Vida,
Chief Financial Officer and Executive Officer
(from 01/12/2024)

Daniel Vida joins O₂ with many years of experience in financial management in Slovakia and also abroad. During his professional career, he held key management positions in several financial institutions, often focusing on transformation projects. In his last position, as CFO, he was responsible for managing financial operations and leading transformation initiatives for the Swiss insurance company YOUPLUS in eight European countries, both at the group and individual company level. Daniel graduated from the Comenius University in Financial Management.

Dávid Durbák,
Legal Affairs Director and Executive Officer

Dávid Durbák graduated from the Faculty of Law of the Comenius University in Bratislava in 2001. He started his professional career in Slovak Telekom, a.s., at the Department for Regulatory Affairs where he spent 4 years being responsible for providing legal support to the company in proceedings with state authorities, mainly representing the company in several proceedings before the Anti-monopoly Office of the Slovak Republic. He has been engaged in O₂ since 2007, whereas he was responsible for assessment of new products and in 2011 he assumed his current position of Legal Affairs Director.



Lucia Petrášová,
Director of Brand and Communication Division

Since April 1, 2021, Lucia Petrášová has been the Director of the Brand and Communication Division of O₂ Slovakia. Lucia graduated in cultural studies - management in culture, however, from the beginning of her career, she gradually focused more and more on the field of advertising. She first worked in leading positions in advertising agencies in Slovakia and Bulgaria, and in 2011 she joined O₂, where she held several positions with responsibilities for the below-the-line and above-the-line communication, sponsorship and social responsibility. In 2016, she became the Head of Marketing Communication at O₂. In this position, she led several successful campaigns with an emphasis on supporting the image of O₂ as a brand with an opinion. In 2020, she was at the birth of the Radost' (Joy) brand – a digital operator.

Slavomír Pšenák,
Chief Technology Officer

Slavomír Pšenák joined O₂ in October 2022. Slavomír has many years of experience in the field of information technology in Slovakia as well as abroad. During his professional career, in a considerable extent he was bringing modern solutions to superstructure IT systems, such as Business Intelligence, Machine Learning and Cloud. He has successfully led many strategic projects aimed at streamlining and digitalizing processes or higher quality and speed of delivery of solutions. He gained his experience primarily in the companies Erste Group IT, InoCloud and IBM. Slavomír is a graduate of the University of Economics in the field of Business Informatics. He expanded his studies also by marketing and strategic management, which he studied during an exchange stay at the University of Ghent.





Milan Morávek,
Sales and Customer Service Director

Milan Morávek started in O₂ on 1 May 2018 in the position of the Sales and Customer Service Director. He has multiple years of experience in sales in the areas of FMCG and in telecommunications. At the age of 21, he started out in Coca-Cola. He joined O₂ from the position of the Residential Sales Director at Telekom, where for 8 years he went through various areas in the Sales Department and since 2013 he was in charge of the entire residential sales. Milan Morávek got his bachelor's degree in Corporate Management & Economy at the University of Seattle. He got his MBA in finance and marketing at the Open University Business School in the United Kingdom.



Tomáš Kimlička,
Chief Financial Officer and Executive Officer
(until 30/06/2024)

Tomáš Kimlička has been in charge of the finances from 1 February 2020, when he became a member of O₂'s top management. He has several years of work experience in managerial positions in the field of financial management in various companies such as Tatry Mountain Resorts or SkyEurope Airlines. Tomáš was primarily dedicated to implementation of new processes and systems in financial management and covered complex areas of accounting, controlling, procurement and IT. Tomáš Kimlička graduated from the Faculty of Economic Informatics at the University of Economics in Bratislava specialized in accounting and auditing.



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**Best Services
for Customers**



O₂ Paušály

O₂ has constantly continued to improve and simplify its flagship postpaid plans introduced to customers at the beginning of 2023. It was a groundbreaking generation of three postpaid plans – O₂ was the first operator on the Slovak telecommunication market to provide a cashback service that refunds money for unused data. Besides this, O₂ added one of the most popular streaming services worldwide – Netflix to the new O₂ Postpaid plans. This was the first time that Netflix became part of a mobile postpaid plan in Slovakia.

During 2024, several new features were added that undoubtedly contributed to an even greater attractiveness of the postpays. In August, the operator pleased customers using roaming with a significant increase in data in roaming packages in Zone 2. The data in the regular package for €5 was increased by up to 10 times, and there was also a significant increase in data in the Borderless World package from 500 MB to 3 GB. At the end of the year, customers received unlimited data for a month for free. During Christmas, they could stay in unlimited contact with their loved ones. At the same time, it was an opportunity for customers to try out the benefits of O₂'s advanced 5G network in practice.

In September, O₂ presented an interesting offer also for new customers. They could try any O₂ postpaid plan for a month for free directly in the O₂ app. It has never been easier to try out top services from O₂ for a month for free.

O₂ Junior

April's new product in the mobile operator's portfolio is a SIM card designed for parents. The O₂ Junior SIM card is the first solution of its kind on the Slovak market allowing parents to manage their children's mobile consumption, set up limits and protect them from unwanted online content. The O₂ Junior SIM card is designed for parents who have specific requirements regarding security, easy-to-use operation or unlimited connection with their children. In addition, the child can always call three selected phone numbers of any operator, even after the limit is exceeded. All this easily in the O₂ application.

O₂ Security

In April, O₂ introduced a new service O₂ Security. Increased protection through the O₂ Security service represents an extension that protects customers from suspicious activities, such as fake bank and e-shop websites, viruses and malware, phishing or control of the device by a third party, the so-called botnet. There are many threats on the Internet that try to elicit sensitive data, money from smartphone users or spread dangerous viruses. The attackers are constantly improving, so it is increasingly difficult to detect that it is a fraud. In the event of a threat, the O₂ Security service blocks dangerous and fake websites and thus protects the customer from misuse or theft of sensitive data. The customer does not have to install anything and surfing via mobile data is even safer. All you need to do is activate the service, it is free for the first month, and then it is charged only € 1.03 per month.

Digitalization

The operator brought several innovations also in the field of digitalization. Already in April, O₂ digitized the process of purchasing and activating a postpaid plan. Customers could thus purchase a new postpaid plan from anywhere with a mobile phone in hand. All they needed was the O₂ application. In November, O₂ subsequently simplified and fully digitized its eSIM service and brought it free of charge to new customers. O₂ hence continued its mission of being the most recommended partner for digital services in Slovakia.

Radost' (Joy) in the App

Radost' (Joy) – a digital operator in an app – has been operating on the Slovak mobile market since September 2020. The operator uses the O₂ network, which in 2024 covered more than 97% of the population of Slovakia with the 4G LTE network and 84% with the 5G network. In 2024, it brought several novelties. The most prominent was the digital eSIM, thanks to which customers can activate Radost' from anywhere in just a few minutes. At the end of the year, the operator also brought improved programs with a higher data volume and doubled transmission speed. The simple portfolio includes programs priced from EUR 7 to 23. Along with the portfolio adjustment, a new Annual Subscription functionality was introduced, giving the customer the opportunity to subscribe to the service for 12 months at a discounted price.

O₂ Fér

O₂ Fér is a revolutionary product that brought the no commitment principle to the market and the same price for calls to all networks and at any time. And all this is based on the "pay-per-use" principle, without any small print catches. With O₂ Fér, it does not matter whether customers pay for services via invoice or recharge their credit. In both cases, it is them who decide how many minutes they call, SMS they send or how much data they spend.

O₂ Internet optikou

O₂ entered the optical home connection market in 2022 and launched a pilot operation of a superfast optical Internet in selected areas. Since mid-2023, it has expanded its coverage by optical home connection almost to the entire territory of Slovakia.

Customers can choose from three plans, the highest of which provides download speeds of up to 1 Gbps. All plans come with a high-quality router with the Wi-Fi 6 standard including the option of extending the signal across the entire home using modern and powerful mesh extenders. In 2024, we worked mainly on improving sales and after-sales processes with the aim of bringing the best possible customer experience with the setup and use of optical Internet.

O₂ Vol'nost'

With the O₂ Vol'nost' prepaid card, customers do not need to keep track of the minutes called, being able to call as much as they want. A full call to all networks costs them only 15.4 cents, even if it lasted an hour. They pay 8.2 cents for an SMS and they also have unlimited data for €1.44 per day.

O₂ Internet vzduchom

O₂ Internet vzduchom (O₂ Over the Air Internet) is a wireless Internet connection designed for homes and businesses bringing high transmission speed, stable connection without outages with a minimum weather impact. This connection is the best alternative in locations where optical Internet is not available.

It is extremely popular precisely because of its availability, without the need of establishing a physical connection or digging infrastructure up to the home. O₂ Internet vzduchom (O₂ Over the Air Internet) uses mainly higher frequency bands such as 3.5 GHz and 3.7 GHz, which allow us to provide customers with speed and stability similar to metallic networks or even optical networks.

The year 2024 was important for the O₂ Over the Air Internet due to improvement and expansion of the availability of the most modern 5G network. Throughout the whole year, we were replacing our customers' antennas in the locations being improved with the latest 5G devices so that they would be ready for the new network, which will bring fundamental improvements in stability, performance and availability. We will continue this activity until the end of 2025.

O₂ TV

Last year, the operator also brought innovations and improvements to its customers using the O₂ TV service so that they could enjoy the comfort of a modern digital television even more.

In 2024, O₂ launched a new and improved set-top box, the Strong Leap S3 Plus, which guarantees a faster and smoother switching between channels and television functions. This new addition significantly improves the overall experience of using O₂ TV and increases the satisfaction of its customers.

Moreover, O₂ expanded its offer with several new TV stations to meet the wide range of interests and preferences of viewers. This step is part of the effort to constantly improve services and bring the best television experience possible.

Throughout all year, it was offering its customers special collections of thematic films to enjoy every free moment with it. These collections include a selection of the best that O₂ TV has to offer and allow quick and easy access to rich content.

During the year, the operator also significantly simplified and improved the O₂ TV sign-up process to make the user experience even more convenient and accessible. The service is available for all key platforms, including smart TVs, computers and mobile devices, and is part of O₂ Paušál postpaid plans.

O₂ TV continues to bring the benefits of modern digital television with recording and pause functions. It also allows you to replay shows from the archive up to seven days after they were broadcast.

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366 Days of
Experiences



January

8 out of 10 Slovaks can benefit from the 5G network from O₂: While at the beginning of 2024 the 5G network was available to 70.1% of the population of Slovakia, at the end of it 87.1% of people in Slovakia could use it. O₂ is not only significantly expanding the coverage of the 5G network, but is also amidst the modernization of the entire network infrastructure, which customers feel mainly in the connection quality. This process, together with the announced shutdown of the outdated 3G network, the use of freed frequencies and the planned sharing of infrastructure with a partner operator, creates the conditions for building the most modern mobile network from O₂.

O₂

Už 87,1 % ľudí

na Slovensku môže využívať výhody 5G siete od O₂



Pretože nám záleží

February

Powerful optics is here: The first campaign of the year focuses on optical Internet, which, thanks to its speed and reliability, belongs to one of the best solutions among all types of Internet today. The creative concept is inspired by the cult song Nočná optika (Night Optics) by the legendary musician Richard Müller. “Powerful Optics” represents thus a “powerful internet” that reaches every corner of the household.

The campaign promoted the new portfolio of optical Internet, which is one of the best solutions among all types of Internet for households in terms of reliability, speed and also value for money. In locations where optical network is not available yet, O₂ offers customers the best possible technology in the form of 5G internet propagated over the air.

MOCNÁ OPTIKA

Bez učiteliek
a učitelov by bol náš
život plný chýp.

Nezabudnite povedať tým vašim,
že vám na nich záleží.

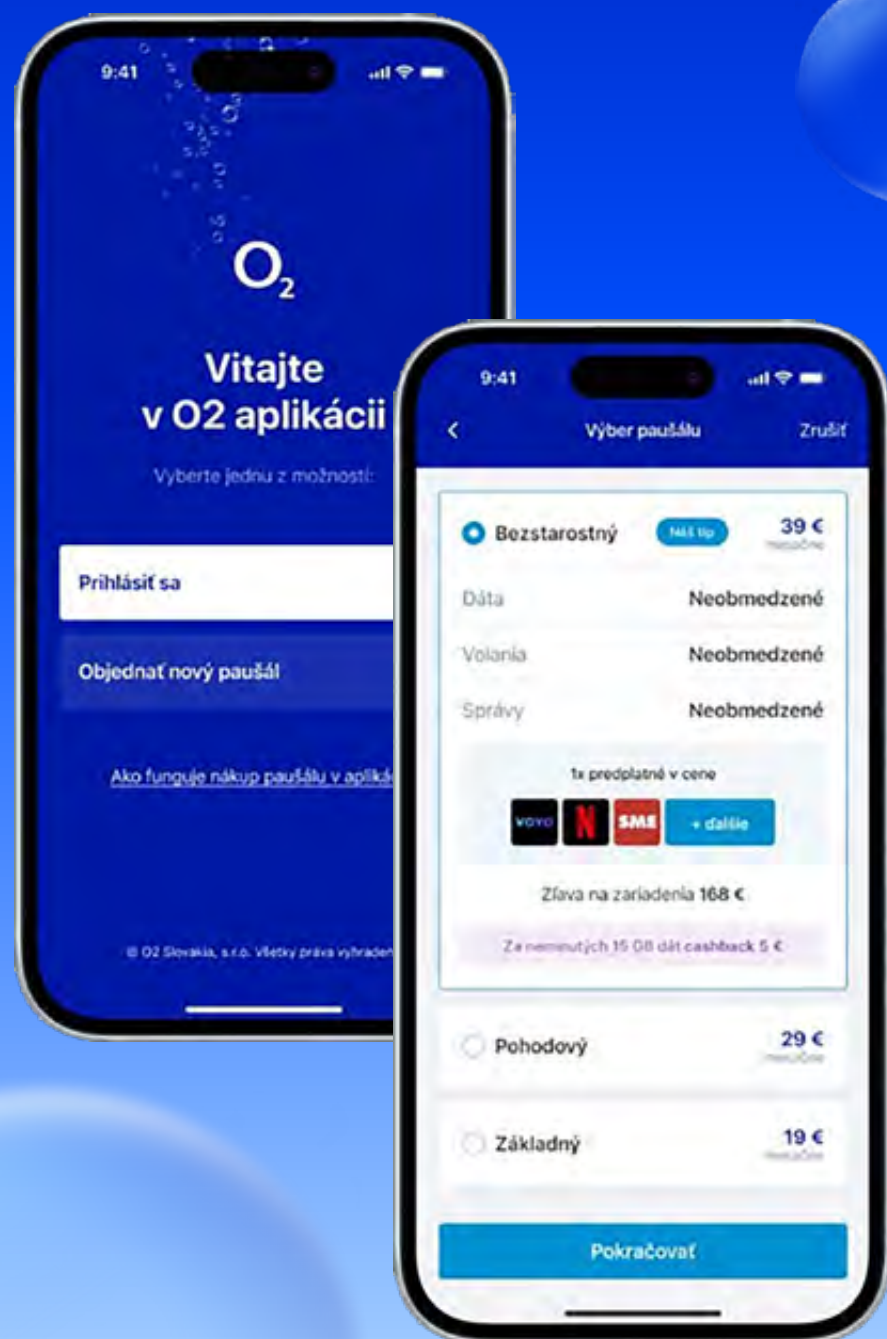
March

Without teachers, our lives would be full of errors (Bez učiteliek a učiteľov by bol náš život plný chýp): Customers found numerous typos and grammatical errors on the O₂ website. In this way, O₂ decided to pay tribute to all teachers who celebrate their day every year on March 28. Through its O₂ Fair Foundation, the operator has long supported various organizations that improve critical thinking, media and digital literacy, and education in Slovakia. The foundation has had a long cooperation with the writer Daniel Hevier on the O₂ Radosná škola (Joyful School) with Daniel Hevier project, which aims to systematically change education bottom up.

O₂ became one of the first members of the Slovak cyber community: In today's world, where digitalization touches almost every area of life, cybersecurity is key to protecting data and privacy. O₂ is aware of this responsibility and actively invests in the cybersecurity of its networks and services, as well as in protecting customer privacy. Within the Slovak cyber community, the operator is committed to contribute to strengthening cybersecurity in the country.

April

Customers can easily purchase a postpaid plan also via an app: O₂ has digitized the process of purchasing and activating a postpaid plan. Customers can purchase a new postpaid plan from anywhere with their mobile phone in hand. All they need is the O₂ app.



O₂ brings increased network protection through the O₂ Security service: The O₂ network is a safe zone in which customers can safely connect to their e-mail accounts, e-shops, Internet banking or communicate with the state authorities. Increased protection through the O₂ Security service is an extension that protects customers from suspicious activities, such as fake bank and e-shop websites, viruses and malware, phishing or control of the device by a third party, the so-called botnet. There are many threats on the Internet that try to elicit sensitive data, money from smartphone users or spread dangerous viruses. Attackers are constantly improving, so it is becoming increasingly difficult to detect that it is a fraud. In the event of a threat, the O₂ Security service will block dangerous and fake sites and protect the customer from misuse or theft of sensitive data.

Even when they are on the mobile, they are still children: O₂ is launching a campaign for the new O₂ Junior SIM card designed for parents who have specific requirements regarding security, easy-to-use operation or unlimited connection with their children. The O₂ Junior SIM card is the first solution of its kind on the Slovak market, which allows parents to control their children's mobile consumption, set up limits and protect them from unwanted online content. In addition, the child can always call three selected phone numbers of any operator, even after the limit has been exceeded.

O₂

Majte bláznovstvá detí pod palcom

Jednoducho so SIM-kou O₂ Junior.



May

Customers have redeemed almost 5 million O₂ surprises over the year: The popular O₂ Surprises loyalty scheme is celebrating its first birthday. Since May 2023, when the O₂ Surprises loyalty scheme began operating, customers have redeemed a total of almost 5 million surprises. The popularity of the loyalty scheme is also confirmed by data from surveys that the operator conducts every month. In general, customers liked the discounts on various phones the most, as well as packages of unlimited calls, SMS text messages or 1 day of free data.



June

O₂ is changing its address after 16 years: More than 500 colleagues moved to Bratislava downtown at the end of June. The new headquarters of the group consisting of O₂ Slovakia, O₂ Business Services and CETIN Networks, is an office building at Pribinová 40. The premises meet the strictest environmental parameters, have excellent facilities for an agile functioning and offer a plenty of opportunities for mutual interactions. The agile way of working was in many ways the catalyst for the change of premises. O₂ has been operating in an agile way since 2023, where team cooperation is essential. In order to bring people in the company closer, the offices were transformed into a generous open space. The dominant element is the interior staircase that connects all three floors. The novelty is a coffee corner with its own barista Ľubka. Employees can now enjoy the view of the Danube from the outdoor terrace, where colleagues meet for coffee.

July

400 Meters on the Screen is Too Much: during the summer O₂ launched a nationwide awareness campaign drawing attention to the amount of time children spend scrolling through social networks. According to the survey results, up to 64% of parents claim that their child spends more time in front of a mobile phone screen than they expected when they got it for them. An effective way for parents to distract children from the online world is to spend time together. According to psychologists, children should build a healthy relationship with new technologies, but they should spend more time moving. O₂ has been providing long-term support to the Matej Tóth Sports Academy, which gives children the opportunity to exercise regularly, build a positive relationship to a healthier lifestyle, and above all, spend quality time. Over 8 years of operation, more than 12,000 children at almost 600 schools across Slovakia have participated in the sports academy programs.



August

O₂ significantly increases data in roaming packages at an unchanged price: As part of improving its services for customers, since August O₂ has increased data volumes in roaming packages at an unchanged price. The operator has increased the data limits in Zone 2 and Zone Ukraine in the Borderless World package from 500 MB to 3 GB. In the daily data package in Zone 2 and Zone Ukraine, customers received an increase of data volume from 50 MB to 500 MB.



September

At O₂, we are busy working on our 5G network: The operator's autumn campaign shows that employees at O₂ Slovakia and CETIN Networks have recently done a huge amount of work so that customers across Slovakia can enjoy the benefits of the state-of-the-art 5G network. At the end of September, it was already available to 81.4% of people bringing mainly a faster and more stable data connection. The main character of the campaign was an employee - the network engineer Tomáš Kinik.

October

O₂ Slovakia became part of the e& PPF Telecom Group: e& became the new majority owner of O₂ Slovakia, thus the operator was integrated into the telecommunications division of the e& PPF Group.



November

The new Radost' (Joy) is coming: Radost' (Joy) has listened to its customers and updated its portfolio with a number of new features. After the recent introduction of the free eSIM service, which makes Radost' fully digital, the operator is adding double the speed to all Radost' customers for an even more comfortable surfing on fast networks with great coverage. Radost' also brings customers an absolute novelty on the Slovak mobile market – a discounted annual subscription.

| Plan Name | Data | Speed | Minutes / SMS / MMS | Monthly Price | Annual Price | Savings |
|-------------------|-------------|-------------|---------------------|---------------|---------------|-------------|
| Nekonečná Radost' | Neobmedzené | 20 Mbit / s | Neobmedzené | 23 € / 30 dní | - | Ušetrí 36 € |
| Dátová Radost' | Neobmedzené | 20 Mbit / s | 0,07 € | - | 15 € / 30 dní | Ušetrí 24 € |
| Veľká Radost' | 12 GB | 20 Mbit / s | 200 mesačne | 12 € / 30 dní | 180 € ročne | Ušetrí 24 € |
| Malá Radost' | 4 GB | 20 Mbit / s | 100 mesačne | 7 € / 30 dní | 60 € ročne | Ušetrí 24 € |

December

At O₂, everyone is working hard on the 5G miracle: The operator involved its real employees also in its Christmas campaign.

The campaign highlights the importance of the work and energy of everyone at O₂, because only thanks to this almost 85% of Slovaks can use faster Internet, a more stable signal, or enjoy a better call quality.



Richard Zichovský
Zamestnanec O₂

Makáme na 5G zázraku

A vám darujeme nekonečné dáta na mesiac zadarmo. Viac na o2.sk.

5
Because
We Care



Manifesto

O₂ has long counted among those companies that are not afraid to voice their opinion also regarding society-wide topics not directly related with its business. It perceives corporate social responsibility as its integral part without hesitating to step up for the values of justice, transparency and fairness and promote them also within a wider happening in the society. Precisely these values are encoded directly in the corporate culture of O₂ and the company uses them as foundations also for its social responsibility strategy. Highlighting the importance of freedom in its various aspects and alerting about the fact that we need to take care of it in order not to carelessly or naively lose it as a society. Supporting tolerance, respect and acceptance of those who are different. Increasing the media literacy and fighting disinformation and hoaxes spreading online, which it considers a dangerous phenomenon, remain the essential pillars of the company's corporate social responsibility activities. It equally emphasizes the importance of responsible use of data and mobile phones, such as their use for the needs of digital education. The basic areas of the social responsibility strategy of O₂ include, besides a fair approach to all customers, also an open relation to employees based on mutual trust and understanding and a careful selection of suppliers with the aim of excluding from the supplier chain businesses with affairs or dubious practices.

Because We Care

As a company, O₂ genuinely cares about its customers and the society we live in. This is the reason why in 2023, the operator transferred to a new communication concept with the signature "Because We Care", which it perceives as a confirmation of its long-term philosophy and mindset.

Environment

O₂ committed to a permanently sustainable development, environmental protection and reduction of negative impact of its activities on the environment. Besides a strict observance of the environmental legislation, the operator has been continuously analysing the impact of its activities on the environment with a view of polluting it as little as possible and mainly reduce its carbon footprint.

• Energy Management

The operator has an energy management system in place, which is certified under the international ISO standard. Adoption of this standard at O₂ allows for a better development of the systems and processes needed to reduce energy consumption and improve energy efficiency and energy use.

• Waste Reduction

O₂ cares about reducing the amount of waste it produces every year. Therefore, the company pays due attention to consistent waste separation in offices, when storing goods, and also during construction and maintenance of its own telecommunications network. In cooperation with external partners, it provides customers with free take-back and subsequent recycling of discarded small electrical appliances, portable batteries or accumulators from households. In addition, the operator has a contract with an authorized packaging company, which ensures the return and recovery of packaging waste in accordance with the Packaging Act.

• Collection of Batteries and Electrical Waste

A total of 579 kg of small electrical waste was collected from O₂ shops, offices of O₂ Slovakia and O₂ Business throughout 2024. During the move to headquarters, we collected 1,549 kg of electrical waste, whereas recycling efficiency stood at 89 %.

• Reducing Emissions Through Movement

O₂ regularly educates its employees so that they would use ecological means of transport. Fortunately, there are a lot of passionate cyclists, runners and scooter riders in the company, who gladly by themselves exchange cars for healthier alternatives. Thus, they contribute not only to reducing their own carbon footprint, but also to a healthier lifestyle.



Corporate Culture

O₂ cares about a healthy corporate culture that is based on mutual trust and understanding, as well as on the values of fairness, transparency, inclusion and openness. O₂ promotes equal opportunities and equal pay opportunities and provides all employees with various opportunities for career growth and development. When choosing colleagues, gender is not important, but rather their experience, abilities and, above all, resonance with the corporate culture. Mutual relations are based on respect, tolerance and acceptance. A big topic within the corporate culture is mental health care and the prevention of possible problems related to its insufficient protection and prevention. O₂ cares about its employees finding mental balance and well-being not only at work, but also in their private lives. Mental health topics such as burnout or stress should not be taboo for them, but in accordance with the corporate culture, they should be discussed together and openly and ways to prevent stressful situations should be found. Therefore, O₂ offers its employees flexible working hours, home office and also the so-called O₂ Prázdniny (O₂ Holidays), which is a holiday in addition to the statutory days, if necessary.

Moreover, at the end of 2024 O₂ introduced a new benefit Recharge, which rewards the employees after having worked 5 years with up to 20 days of holiday on top.

Employees have free access to psychological support through the Mojra platform. Movement is an effective prevention for mental well-being and coping with more demanding periods. Fortunately, more and more colleagues at O₂ do sports. The company has been offering a Multisport card for a long time, which enables the employees to visit various sports venues throughout Slovakia.



Support of Projects that Matter

O₂ Fair Foundation

The O₂ Fair Foundation was founded in 2016 to support projects that aspire to change Slovakia for the better and make it more educated, innovative and open. The foundation has provided systematic and long-term support to projects aimed at supporting critical thinking and increasing media literacy of young people. Another important area is the support of projects and initiatives focused on cementing a divided society and also emphasizing the values of freedom, respect, acceptance, tolerance, democracy, humanity, fairness, transparency and protection of human rights. In 2024, a total of more than 23 projects in the amount exceeding EUR 300,000 were selected and supported.

Did you know that:

- The O₂ Fair Foundation has had a long-term cooperation with the writer Daniel Hevier on the project **O₂ Joyful School with Daniel Hevier**, the goal of which is a systematic bottom-up change in education, coming from the teachers, pupils and their parents

- The O₂ Fair Foundation also supported the 20th edition of the **Journalist Award** (Novinárska cena), **Post Bellum, Conspirators** (Konšpirátori), **The Official Act of the Year project** (Úradnícky čin roka), **Slovak Debate Association** (Slovenská debatná asociácia), **Zmudri**, **Transparent Slovakia Fund** (Fond pre transparentné Slovensko), **Via Iuris**, **Slovensko Digital**, **Your Buddy** (Tvoj Buddy) organization or the charity project **d'akujeme.sk** (thank you).
- The O₂ Fair Foundation has been a proud partner and probably the biggest partner of the LGBTI+ community for several years, supporting it and helping it to live a dignified and fulfilling life in Slovakia even today. We are a partner of the Award of Otherness (Cena inakosti), the Film Festival of Otherness (Filmový festival inakosti), campaigns to make the stories of queer people visible or counselling and psychological assistance.
- Every year, the O₂ Fair Foundation commemorates the **values and legacy of November 17, 1989 and the Velvet Revolution**. It draws attention to the fact that freedom is not commonplace, it is fragile, and if we do not protect and care for it, we can naively and carelessly lose it.
- The O₂ Fair Foundation, together with O₂ Business Services, helped to start the first telephone line in Slovakia, which is aimed at helping people with anorexia, bulimia or binge eating and their loved ones. The **Chut' žiť** (a Taste of Life) line provides access to expert psychologists with experience in the field of eating disorders, who understand the feelings that the caller is experiencing and will provide the necessary support and guidance.

Employee Grant Program of O₂ Fair Foundation

Similarly to previous years, also in 2024 the company announced an Employee Grant Program of the Fair Foundation, owing to which the employees supported tens of projects totalling EUR 68,000.

O₂ Matej Tóth Sports Academy

In 2024, we trained 199 new coaches and visited 125 schools. In autumn 2024, we launched together already the 6th annual competition for the O2 Matej Tóth Sports Academy. A record 649 primary schools were enrolled in the competition, with up to 594,542 votes sent during the competition. Thanks to this, from February 2025 another 40 schools throughout Slovakia will be practising sports.

In June, O2 Matej Tóth Sports Academy, O2, ZMOS (Slovak Municipalities and Cities Association), the Ministry of Education (MŠVVaM SR) and the Ministry of Sport (MCRaŠSR) jointly signed a memorandum of cooperation. In November, we managed to prepare an expert discussion for parents on the topic of children's mental health in the city theatre in Púchov. Based on the success in Púchov, we are planning similar events in other Slovak cities in 2025.



Donation SMS

Every year, O₂ cooperates with various foundations focused on social responsibility. During the year, customers could support those who really need it. The recipients of aid were, for example, homeless people, the blind, children with heart defects, families in need, or patients with serious illnesses. Foundations such as the Donor Forum (Fórum donorov), Depaul Slovakia, Magna, the Children's Foundation of Slovakia (Nadácia pre deti Slovenska), Good Angel (Dobry anjel), the Slovak Committee for UNICEF (Slovenský výbor pre Unicef), the TA3 Foundation, the TV JOJ Foundation, Človek v ohrození, the League for Mental Health of the Slovak Republic (Liga za duševné zdravie SR), White Pencil (Biela pastelka), and the Rádio Expres Foundation (Nadácia Rádia Expres) support these people. Throughout the year, more than € 220,000 was collected through donation SMS text messages.

Board of Trustees of O₂ Fair Foundation



Igor Tóth
predseda správnej rady



Lucia Petrášová
členka správnej rady



Lucia Kardošová
členka správnej rady



Natália Tomeková
členka správnej rady

ESG

The ESG pillars represent the foundations on which our sustainable business is built. Each pillar includes the key topics and non-financial quantitative as well as qualitative information reflecting the development, performance, positioning and impact of our activities in the area of the environment, employment, society and social affairs and also business ethics. In O₂, we are fully aware of our responsibility to the environment and we comply with all relevant legal regulations applicable to environmental protection. Since 2022, O₂ and the PPF Telecom Group have been implementing the ESG strategy, the results and outputs of which are published on the web site www.ppftelcom.eu.

We Care About Having 5G Also in More Distant Regions

O₂ Slovakia has decided to undertake a major upgrade of its network infrastructure aimed at improving signal quality and expanding coverage with 5G technology. This project is not only a technical step, but also part of the company's strategic goals in the area of ESG (environmental, social and governance factors). With the arrival of 5G and artificial intelligence, data demand is expected to grow, whereas in 2023 the total data transfer in the O₂ Slovakia network increased by 45%.

Thanks to the transition to the latest energy efficient network technologies from Ericsson and other partners, we managed to reduce emissions per unit of data transmitted. Despite the fact, total energy consumption for network operation has been growing, which motivates O₂ Slovakia to further improve the energy efficiency.

Throughout all of 2024, O₂ Slovakia invested tens of millions of euros into expansion and modernization of its network infrastructure, while the closely connected development of the 5G network was one of the priorities. While at the end of 2023, the 5G network was available to 70.1% of the population of Slovakia, at the end of 2024, it could be used by more than 87%.

The effort to improve the network infrastructure includes also a gradual shutdown of the outdated 3G network, which allows for more efficient use of the available frequencies and provides users with a more stable and

faster connection. This project is being implemented by O₂ Slovakia in cooperation with CETIN Networks ensuring technical excellence of all network solutions.

The effort to build the best and the most secure converged network in Central and South-Eastern Europe is supported by significant investments into 5G and optical infrastructure, digitalization and cybersecurity. Simultaneously, O₂ Slovakia provides extensive training and skills development opportunities for its employees, thus strengthening its position as an attractive employer.



The company's mission is to provide high-quality and affordable connectivity and digital solutions to as many people as possible with a view of increasing their productivity, improving their health and safety. Through sustainable practices and the deployment of cutting-edge technologies, O₂ Slovakia strives to minimize its environmental footprint.

O₂ Slovakia strives to ensure digital inclusion for all customers and communities, and its goal is to build a connected future that beneficial for businesses, people and the environment. The objectives of the e& PPF Group include providing 5G connectivity to at least 80% of the population in the countries where it operates by 2027 and training 500,000 people in digital skills by 2025.

Commitment to protection of customer data and privacy is key for O₂ Slovakia. It constantly reviews and improves its processes in order to increase customer satisfaction. As a leading company in the industry in Central and South-Eastern Europe, it constantly supports innovation and investments into its product portfolio.

Network modernization and the construction of 5G are not only technical projects, but also a contribution to sustainable development and improving the quality of life of customers. O₂ Slovakia is convinced that through its activities it can contribute to a better and more sustainable world for all.

Coverage of population by 5G network:

12/2023 **70,1 %**

12/2024 **87,1 %**

Number of newly covered municipalities:

At the end of 2024, we covered 1,857 municipalities (over 80 % of population)



In the map of Slovakia, already in the most modern network by O₂, **32** districts were added and the rest will be added by the end of this year



BTS:

53 %
increase in BTS in 2024

81 %
increase in BTS featuring MB/CB = 5G layer

% increase of coverage
indoor 7.22 % / outdoor 1.47 %

We Care About a Healthy Relationship with Technologies

Nowadays when technology is entering everyday lives of children, O₂ considers it important to take responsibility for their safe and sensible use. The O₂ Junior SIM card is the first solution of its kind in the Slovak market, which allows parents to control their children's mobile consumption, set up limits and protect them from unwanted online content. At the same time, this SIM card has become a key tool to support parents in this area.

As a responsible mobile operator, we have decided to open the topic of digital health during the summer of 2024 and, through a nationwide awareness campaign, point at a healthy balance in the use of modern technologies. At O₂, we realize that technologies will forever be part of our everyday lives. However, we care about children building a healthy relationship with them and using them mainly for meaningful activities and not just passive scrolling.

The awareness campaign was based on the alarming finding that children spend an average of four hours a day in front of their mobile phone screens, which corresponds to the distance of 400 meters that they cover with their thumbs on the screen. This fact motivated O₂ to reach out to parents and offer them tips on how to guide their children to use technology more wisely. In cooperation with psychologists Jana and Andrej Zemandl, O₂ created a series of educational videos that provided parents with free practical advice on how to talk to their children about the digital world and its

pitfalls. The website www.400m.sk featuring educational videos from psychologists was visited by over 57 thousand unique users during the campaign.

The O₂ Fair Foundation decided to support projects aimed at prevention and assistance to young people, thus contributing to their healthy development and safety in the online world. The amount of € 50,000 was provided for projects such as STALO SA TO (IT HAPPENED) (IPčko) and AKO DOBRE, ŽE SI (IT'S GOOD YOU EXIST) (UNICEF Foundation), which focus on supporting children and their parents in the field of digital literacy and psychological support.

An important aspect of this awareness-raising initiative was also the emphasis on ESG values (environmental, social and governance). As part of its activities, O₂ strives not only to improve the digital environment for children, but also to protect their mental and physical health. O₂ is aware that technologies can have a negative impact on children if they are not properly regulated. Therefore, it considers it its duty to ensure that children have the tools and support necessary for a safe and responsible navigation in the digital world.

O₂ Junior and the "400 Meters" campaign are interconnected and create a synergistic effect that supports not only technologies but also the ESG values. O₂'s goal is not only to offer a product, but also to create a community focused on responsible parenting in the digital age. O₂ believes that through the O₂ Junior SIM card and the "400 Meters on the Screen is Too Much" campaign, it can contribute to a better and safer digital environment for children.

In conclusion, O₂ appeals to all parents to actively participate in the discussion about digital technologies and their impact



<https://www.youtube.com/watch?v=i-HkqyDxnWA>

on children. Together, it is possible to create an environment in which children will feel safe and have the opportunity to develop not only in the digital world, but also in real life.



We Care About Our Employees Working in a Motivating Environment

After 16 years, O₂ moved its headquarters with more than 500 employees to new premises at Pribinová Street 40. The new headquarters meets the strictest environmental standards, providing excellent conditions for an agile functioning and offering numerous opportunities for mutual interaction, collaboration and creativity. This step reflects O₂'s commitment to ESG (environmental, social and governance factors).

The agile way of working was the key impulse for these changes of premises. Since 2023, O₂ has been operating in an agile mode, which requires intensive team cooperation and autonomous project management within interdisciplinary

teams. This approach helps to support efficiency, creativity and faster adaptation to customer needs. In order to keep employees in closer contact, the offices have been transformed into a generous open space, which now also houses the company's management. A distinctive feature of the new space is the interior staircase interconnecting all three floors and significantly supporting interaction between individual teams.

In line with the principles of sustainability, O₂ donated well-preserved furniture to several schools and the Bratislava Municipality during the move and contributed to reducing waste and supporting the local communities. Books from the old headquarters were sent to the Bratislava City Library, which underlines the company's commitment to social responsibility.

From the perspective of ESG, the modernization of office space and the transition to an agile way of working represent a significant step towards improving the working environment and increasing employee satisfaction. This approach allows O₂

to respond flexibly to customer requirements and constantly improve the services provided. Thanks to agile functioning, the company is able to bring innovations faster and adapt to the changing market needs.

The new premises provide employees with an inspiring environment that supports collaboration and creativity. O₂ continues to focus on digitalization and modernization of its network, while improvement of services and products remains a priority also for the future.

The move to new premises represents a significant step forward for O₂, underlining its commitment to sustainability and innovation. The new headquarters is not only a place for work, but also a space where new ideas and innovative solutions for customers are created. The company believes that these changes will contribute to a better working environment and at the same time to environmental protection.



6

**Strong Position
in the Region**



In 2024, O₂ Slovakia became part of the international group e& PPF Telecom Group B.V., where 50 % + 1 share is owned by Emirates Telecommunications Group Company PJSC under The United Arab Emirates and 50 % - 1 share is owned by the PPF Group managed by the majority shareholder Renáta Kellnerová.

O₂

The Etisalat Group is one of the major global telecommunication groups in the emerging markets providing innovative solutions and services to 155.4 million subscribers in Middle East, Asia and Africa. According to Brand Finance, the company is the strongest brand in all categories in Middle East and Africa. The Etisalat Group based in Abu Dhabi was founded more than four decades ago in the United Arab Emirates as the first provider of telecommunication services in the country.



The investment group PPF has been operating in 25 countries across Europe, Asia and North America. It invests into financial services, telecommunications, media, biotechnologies, real estate or machine engineering. In the recent period, the group has directed its investment into the western markets. The Group's majority shareholder is Renáta Kellnerová with the family, who took over the asset management of PPF following the tragic death of her husband Peter Kellner back in 2021.



7 Brands with a Story



O₂ Slovakia

O₂ came to the market in February 2007 as the third operator. From the beginning of its operation, it has been bringing revolutionary solutions, open communication and fairness for all customers alike. With its product portfolio, it has been systematically trying to change the rules of mobile communication. O₂ counts among the most popular employers engaging itself through its O₂ Fair Foundation also in the area of corporate social responsibility. O₂ is QMS quality certified according to the ISO 9001 standard, which guarantees a high level of quality of services including their constant improvement. It also holds the ISO 27001 certificate aimed at information security management. O₂ is simultaneously a holder the ISO 37001 certificate – anti-corruption management systems, which only enhances observance of the above-mentioned values. O₂ Slovakia operates exclusively in the Slovak market without operating any organizational unit abroad.



O₂ Business Services

The telecommunication operator O₂ Business Services is a 100 % subsidiary of O₂ Slovakia. It was established in 2015 for the purpose of increasing efficiency and flexibility of telecommunication services for corporate customers.



Tesco mobile

Tesco Mobile is a partner product of TESCO STORES SR, a.s. and O₂ Slovakia, s.r.o. The sale is performed in the Tesco's sales network and the reliability of services provided is ensured via the use of the O₂ Slovakia network. Tesco Mobile was introduced to the telecommunication market in December 2009 and since then it has followed up on its successful operation in the United Kingdom and in Ireland. Currently, it operates also in the Czech Republic. In Slovakia, Tesco Mobile is primarily concentrated on provision of prepaid services.



8

**EU Taxonomy
Disclosures**



Reporting information in accordance with the eu taxonomy

O2 Slovakia, s.r.o. (hereinafter referred to as the "Company") is required, based on Regulation of the European Parliament and the Council (EU) 2020/852 on the establishment of a framework to facilitate sustainable investments and amending Regulation (EU) 2019/2088 (hereinafter referred to as the "Taxonomy Regulation" or "EU Taxonomy"), to evaluate and disclose for the year 2024 information on the share of revenues, capital expenditures, and operating costs associated with eligible economic activities or economic activities that are in accordance with the EU taxonomy.

- The Delegated Regulation (EU) 2021/2139 of the Commission of June 4, 2021 (the "climate delegated regulation"), which contains a classification of economic activities that significantly contribute to climate change mitigation and/or adaptation to climate change. Economic activities falling under this delegated regulation are to be assessed not only for their eligibility but also for their alignment with the EU taxonomy, i.e., relevant technical assessment criteria are also taken into account.
- The Delegated Regulation (EU) 2022/1214 of the Commission of March 9, 2022 (the "supplementary delegated regulation"), which sets out the conditions for economic activities in certain energy sectors.
- The Delegated Regulation (EU) 2021/2178 of the Commission of July 6, 2021 (the "delegated regulation on disclosure") establishes the scope and content of information that companies must disclose regarding environmentally sustainable economic activities, as well as the methodology to fulfill this disclosure obligation.
- The Delegated Regulation (EU) 2023/2486 of the Commission of June 27, 2023 (the "environmental delegated regulation"), which contains a classification of economic activities that significantly contribute to at least one of the remaining environmental objectives of the taxonomy: pollution, water and marine resources, biodiversity and ecosystems, and/or circular economy. Economic activities falling under this delegated regulation are to be assessed not only for their eligibility but also for their alignment with the EU taxonomy,

i.e., relevant technical assessment criteria are also taken into account.

- The Delegated Regulation (EU) 2023/2485 of the Commission of June 27, 2023, which amends Delegated Regulation (EU) 2021/2139 by establishing additional technical review criteria to determine the conditions under which certain economic activities are designated as significantly contributing to climate change mitigation or adaptation to climate change, and to determine whether these activities do not significantly impair the achievement of any of the other environmental objectives.

For the financial year ending December 31, 2024, economic activities are assessed for their eligibility or alignment with the EU Taxonomy for all six environmental objectives (climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, protection and restoration of biodiversity and ecosystems).

EU Taxonomy Criteria

The EU Taxonomy Regulation defines the basic principles for determining an economic activity as environmentally sustainable, which are then further specified by the relevant delegated regulations of the European Union. The taxonomy classification system works with three categories that help determine the degree of their environmental sustainability. Within this regime, the following are distinguished:

- economic activities eligible under the taxonomy,
- economic activities aligned with the taxonomy,
- economic activities not eligible under the taxonomy.

In preparing the disclosure, all economic activities carried out by the Company were reviewed to identify eligible and aligned economic activities according to Annexes I and II of the climate delegated regulation, the supplementary delegated regulation, and Annexes I, II, III, and IV of the environmental delegated regulation.

The table of eligible disclosed activities lists those economic

activities that we have assessed as eligible under the taxonomy. Information on the degree of alignment of these economic activities with the taxonomy, as well as their contribution to the relevant environmental objectives, is provided in tables for individual key performance indicators. In general, from the reported economic activities, the Company generates revenue and incurs capital expenditure and operating expenses related to them.

1. Eligible Economic Activities of the Company

An eligible economic activity according to the EU Taxonomy (hereinafter referred to as "eligible economic activity") is an economic activity described in the delegated regulations supplementing the EU taxonomy, regardless of whether this economic activity meets some or all of the technical review criteria set out in these delegated acts.

The Company is a leading telecommunications operator in the Slovak market providing voice, data, and multimedia services through a public mobile telecommunications network. The Company's activities also include the retail sale of telecommunications and other electronic devices, such as mobile phones and accessories, computing equipment, and audiovisual technology.

Among the eligible economic activities of the Company according to the EU taxonomy, we list the following activities:

Table 1 - Eligible Economic Activities of the Company According to the EU Taxonomy

| Activity Code | Description of Activity | Company's Perspective | Share of Indicator | NACE |
|--|---|--|--|--|
| Activities with a significant contribution to mitigating climate change (CCM, according to EU taxonomy terminology) | | | | |
| CCM_6_5 | Transport by motorcycles, passenger cars, and light commercial vehicles | The Company leases energy-efficient cars | Insignificant | H49.32, H49.39, N77.11 |
| CCM_7_2 | Renovation of existing buildings | Renovation and refurbishment of branded stores and office spaces | Capital expenditures, Operating expenses | F41, F43 |
| CCM_7_3 | Installation, maintenance, and repair of energy-efficient equipment | Renovation and refurbishment of branded stores and office spaces using energy-efficient technologies, use of energy-efficient IT devices | Capital expenditures | F42, F43, M71, C16, C17, C22, C23, C25, C27, C28, S95.21, S95.22, C33.12 |
| CCM_7_7 | Acquisition and ownership of buildings | Leasing of retail and office spaces | Turnover, Capital expenditures | L68 |
| CCM_8_1 | Data processing, hosting, and related activities | Storing and hosting customer data and Company activities | Insignificant | J63.11 |
| Activities with a significant contribution to adaptation to climate change (CCA, according to the terminology of the EU taxonomy) | | | | |
| CCA_8_2 | Computer programming, consulting, and related activities | Use of external consultants for programming and related activities | Capital expenditures | J62 |
| CCA_8_3 | Programming and broadcasting activities | Providing O2 TV service using rights to broadcast television channels | Turnover | J60 |
| Activities with a significant contribution to the transition to a circular economy (CE, according to the terminology of the EU taxonomy) | | | | |
| CE_5_1 | Repair, renovation, and refurbishment | Performing repairs and refurbishing antennas and modems for fixed mobile internet | Insignificant | |
| CE_5_4 | Sale of used goods | Resale of goods returned by customers. | Insignificant | G46, G47 |

In the financial year ending December 31, 2024, the Company identified 9 eligible economic activities, where the economic activities:

- Acquisition and ownership of buildings
- Computer programming, consulting, and related activities
- Programming and broadcasting activities

represent some of the main activities for the Company in terms of revenue, capital, and/or operating expenses.

Turnover, capital expenditures, and operating expenses for the following identified eligible economic activities:

- Transport by motorcycles, passenger cars, and light commercial vehicles
- Data processing, hosting, and related activities
- Repair, renovation, and refurbishment
- Sale of used goods

are in terms of reporting highly insignificant and will not be included in the calculations of key performance indicators since the revenue, capital expenditures, and operating expenses attributable to these activities are in individual cases lower than EUR 200,000.

Based on a detailed review of the EU Taxonomy Regulation and the relevant delegated regulations of the Commission (EU) that

supplement the Taxonomy Regulation by establishing technical review criteria, as well as after a thorough assessment of the Company's economic activities, we did not identify any additional economic activities that would meet the definition of "eligible economic activity" apart from the above-mentioned activities.

2. Aligned Economic Activities of the Company

An economic activity is considered environmentally sustainable if it is aligned with the EU taxonomy (hereinafter referred to as "aligned economic activity") and meets all the following requirements according to Article 3 of the EU taxonomy:

- It meets the technical review criteria established by the European Commission in accordance with the regulations, specifically:
 - Significantly contributes to the achievement of one or more environmental objectives set out in the regulation.
 - Does not significantly impair the achievement of any of these environmental objectives (DNSH principle).
 - Is carried out in accordance with the minimum social safeguards established in the regulation.

2.1 Technical Review Criteria

2.1.1 Significant contribution to:

- a) climate change mitigation
- b) climate change adaptation
- c) sustainable use and protection of water and marine resources
- d) transition to a circular economy
- e) pollution prevention and control
- f) protection and restoration of biodiversity and ecosystems.

To report a significant contribution to a given environmental objective, the relevant economic activity must also meet the specific technical review criteria for that economic activity defined in Annex I of the climate delegated regulation and Annex IV of the environmental delegated regulation. The assessment of these criteria for individual economic activities is described in this chapter.

The Company assessed all its identified eligible economic

activities based on the requirements as defined and established in the Delegated Regulations of the Commission, which set the technical review criteria for individual economic activities.

For the financial year ending December 31, 2024, the Company does not report any of its economic activities that could be considered aligned with the EU taxonomy, as it is not possible to meet all the technical requirements of the regulation for these economic activities. Therefore, all the above-described economic activities are reported by the Company only as eligible but not aligned.

2.1.2 The "Do No Significant Harm" (DNSH) Principle

The technical review criteria, in addition to significant contribution, also address the so-called "Do No Significant Harm" principle, which should ensure that the economic activity does not have a significant negative impact on the environment and does not impair the achievement of any other environmental objective set out in Article 9 of Regulation (EU) 2020/852.

Given the absence of activities that could be considered aligned, we did not need to further verify the requirements of the "Do No Significant Harm" (DNSH) principle.

2.1.3 Minimum Social Safeguards

According to Article 3(c) of the EU Taxonomy, every economic activity that is considered environmentally sustainable must be carried out in accordance with minimum safeguards.

Minimum safeguards are defined in Article 18(a) of the EU Taxonomy as procedures that ensure the performance of environmentally sustainable economic activities in accordance with:

- OECD Guidelines for Multinational Enterprises (2011)¹,
- UN Guiding Principles on Business and Human Rights (UNGPR)², including the principles and rights set out in the eight core conventions listed in the International Labour Organization's Declaration on Fundamental Principles and Rights at Work³;
- International Bill of Human Rights⁴.

The assessment of Minimum Safeguards was carried out according to the Final Report on Minimum Safeguards prepared by the Sustainable Finance Platform in October 2022 .

Assessments of compliance with minimum social safeguards were conducted for four examined areas:

- Human rights (including labor and consumer rights)
- Corruption and bribery
- Taxation
- Fair competition

The Company has not recorded any violations of human rights (including labor and consumer rights) during the reporting period or historically. To ensure the proper functioning of the Company in the area of human rights, an Ethical Policy of the Company has been established. Adherence to the principles and standards should be a priority not only for the Company but also for its suppliers. For this reason, the Company cooperates with its suppliers to ensure their compliance with all relevant laws and regulations and adherence to the same ethical principles as those enshrined in the Company's Ethical Policy. The Company's Ethical Policy is therefore focused not only on the behavior of the Company itself but also on the behavior of its suppliers.

Proper tax practices are also confirmed by the announcement of the tax reliability index in the "highly reliable" category, which the Company has received from the Financial Administration of the Slovak Republic.

3. Company's Accounting Policies

Key performance indicators (KPIs) include the revenue indicator, capital expenditure indicator, and operating expense indicator. The disclosure of KPI indicators is in accordance with the EU taxonomy and according to Annex II to the delegated regulation on disclosure.

Since the Company currently has no aligned activity in accordance with the conditions of the EU taxonomy for the current reporting period, our shares of aligned KPI indicators show zero value for revenue, capital, and operating costs.

The company is obliged to report the data for the first time according to the EU Taxonomy for the year 2024; therefore, the KPI indicators do not contain comparable data for the previous period.

The summary share of eligible economic activities on the individual indicators of the Company is presented in Table 2.

Table 2 - Share of Eligible Economic Activities According to the EU Taxonomy for the Financial Year Ending December 31, 2024 (Revenue, Capital Expenditures, Operating Expenses)

| Year Ending December 31, 2024 | Total (thousand EUR) | Share of Eligible (Non-Aligned) Economic Activities (%) | Share of Aligned Economic Activities (%) | Share of Non-Eligible Economic Activities (%) |
|-------------------------------|----------------------|---|--|---|
| Turnover | 354 401 | 0.6 | 0 | 99.4 |
| Capital Expenditures | 40 781 | 69.2 | 0 | 30.8 |
| Operating Expenses | 3 134 | 6.45 | 0 | 93.55 |

¹ <https://www.oecd.org/daf/inv/mne/48004323.pdf>

² https://www.ohchr.org/sites/default/files/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf

³ https://www.ilo.org/wcmsp5/groups/public/-ed_norm/-declaration/documents/normativeinstrument/wcms_716594.pdf

⁴ <https://www.ohchr.org/sites/default/files/Documents/Publications/Compilation1.1en.pdf>

⁵ https://finance.ec.europa.eu/system/files/2022-10/221011-sustainable-finance-platform-finance-report-minimum-safeguards_en.pdf

3.1 Turnover

The share of eligible economic activities in the total revenues of the Company was calculated as the part of net revenue derived from products and services related to eligible economic activities (numerator) divided by the total net revenue of the Company (denominator) for the financial year ending December 31, 2024.

The total net turnover for the accounting period as of December 31, 2024 (354,401 thousand EUR) includes amounts obtained from the sale of products or provision of services after deducting discounts, value-added tax, and other taxes directly related to revenue. More detailed information is provided in point 21 of the notes to the consolidated financial statements.

The net revenue for eligible activities represents revenue from the following economic activities:

- Acquisition and ownership of buildings
- Programming and broadcasting activities

Table 3 – Revenue indicator for the financial year 2024

| Financial year 2024 | Year 2024 | | | Substantial contribution criteria | | | | | | DNSH criteria (Does Not Significantly Harm) | | | | | | Minimal safeguards | Proportion of turnover taxonomy-aligned (A.1) or eligible (A.2), year N-1 % | Category (enabling activity) | Category (transitional activity) |
|--|-----------|---------------------------------|--------------------------|-----------------------------------|---------------------------|----------------------------|------------------|------------------------------|-----------------------------|---|---------------------------|----------------------------|------------------|------------------------------|-----------------------------|--------------------|---|------------------------------|----------------------------------|
| | Code (s) | Absolute turnover (in EUR ths.) | Proportion of Turnover % | Climate change mitigation | Climate change adaptation | Water and marine resources | Circular economy | Pollution of the environment | Biodiversity and ecosystems | Climate change mitigation | Climate change adaptation | Water and marine resources | Circular economy | Pollution of the environment | Biodiversity and ecosystems | | | | |
| A. TAXONOMY-ELIGIBLE ACTIVITIES % | | | | | | | | | | | | | | | | | | | |
| A.1 Environmentally sustainable activities (Taxonomy-aligned) | | | | | | | | | | | | | | | | | | | |
| Turnover from environmentally sustainable activities (aligned with the taxonomy) (A.1) | | 0 | 0% | | | | | | | | | | | | | | | | |
| Of which transitional activities | | 0 | 0% | | | | | | | | | | | | | | | | |
| Of which supporting activities | | 0 | 0% | | | | | | | | | | | | | | | | |
| A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) | | | | | | | | | | | | | | | | | | | |
| Acquisition and ownership of buildings | CCM_7_7 | 282 | 0,1% | Yes | No | No | No | No | No | Not applicable | | | | | | Yes | | | |
| Program and broadcasting activities | CCM_8_3 | 1,924 | 0,5% | Nie | Yes | No | No | No | No | Not applicable | | | | | | Yes | | | |
| Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2) | | 2,026 | 0,6% | 0,1% | 0,5% | 0% | 0% | 0% | 0% | Not applicable | | | | | | Yes | | | |
| A. Turnover from taxonomy authorized activities (A.1 + A.2) | | 2,206 | 0,6% | 0,1% | 0,5% | 0,0% | 0,0% | 0,0% | 0,0% | | | | | | | | | | |
| B. TAXONOMY-NON-ELIGIBLE ACTIVITIES | | | | | | | | | | | | | | | | | | | |
| Turnover of Taxonomy-non-eligible activities | | 352,195 | 99,4% | | | | | | | | | | | | | | | | |
| TOTAL (A + B) | | 354,401 | 100,0% | | | | | | | | | | | | | | | | |

3.2 Capital Expenditures

The capital expenditure indicator was determined as the share of capital expenditures related to eligible economic activities (numerator) and total capital expenditures according to the definition of the EU taxonomy (denominator) for the year ending December 31, 2024. The Company currently does not have a Capital Expenditure Plan that meets the conditions defined in Annex I of the delegated regulation on disclosure.

The purchase of assets qualifies as capital expenditure aligned with the EU taxonomy if it meets one of three conditions:

1. it is related to assets or processes that are associated with economic activities aligned with the taxonomy,,
2. it is part of a plan to expand economic activities aligned with the taxonomy or to enable eligible economic activities under the taxonomy to become aligned with the taxonomy,,
3. it is related to the purchase of outputs from economic

activities aligned with the taxonomy and to individual measures enabling the target activities to become low-carbon or lead to a reduction in greenhouse gas emissions.

The denominator includes capital expenditures related to additions of tangible fixed assets, intangible fixed assets, and assets with a right of use. This includes primarily additions of tangible assets accounted for under IAS 16, additions of intangible assets accounted for under IAS 38, and assets with a right of use

accounted for under IFRS 16. Thus, the denominator includes total capital expenditure for the accounting period, which includes additions of real estate, machinery, and equipment, and intangible assets (40,781 thousand EUR) as reported in points 7, 8, and 9 of the notes to the financial statements.

The numerator includes all parts of total capital expenditure related to the economic activities identified as eligible.

Capital expenditures for eligible activities represent expenditures from the following economic activities:

- Renovation of existing buildings,
- Installation, maintenance, and repair of energy-efficient equipment,
- Acquisition and ownership of buildings,
- Computer programming, consulting, and related activities.

The company did not record any activities that would be defined as harmonized according to the EU taxonomy, since none of the activities met the technical review criteria as described in paragraph 2.1.1, and thus further assessment of the given economic activities from the point of view of fulfilling the "Do not significantly disturb" principle was irrelevant. The stated amount in the overview represents the amount assessed as eligible according to the criteria of the EU taxonomy.

Table 4 - Capital expenditure indicator for the financial year 2024

| Financial year 2024 | Rok 2024 | | | Substantial contribution criteria | | | | | | DNSH criteria (Does Not Significantly Harm) | | | | | | | | | | |
|---|----------|------------------------------|-----------------------------------|-----------------------------------|---------------------------|----------------------------|------------------|------------------------------|-----------------------------|---|---------------------------|----------------------------|------------------|------------------------------|-----------------------------|--------------------|--|------------------------------|----------------------------------|--|
| Economic activities | Code (s) | Absolute capital expenditure | Proportion of Capital expenditure | Climate change mitigation | Climate change adaptation | Water and marine resources | Circular economy | Pollution of the environment | Biodiversity and ecosystems | Climate change mitigation | Climate change adaptation | Water and marine resources | Circular economy | Pollution of the environment | Biodiversity and ecosystems | Minimal safeguards | Proportion of Capital expenditure taxonomy-aligned (A.1) or eligible (A.2), year N-1 | Category (enabling activity) | Category (transitional activity) | |
| | | (in EUR ths.) | % | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | % | | |
| A. TAXONOMY-ELIGIBLE ACTIVITIES % | | | | | | | | | | | | | | | | | | | | |
| A.1 Environmentally sustainable activities (Taxonomy-aligned) | | | | | | | | | | | | | | | | | | | | |
| Capital expenditure from environmentally sustainable activities (aligned with the taxonomy) (A.1) | | 0 | 0% | | | | | | | | | | | | | | | | | |
| Of which supporting activities | | 0 | 0% | | | | | | | | | | | | | | | | | |
| Of which transitional activities | | 0 | 0% | | | | | | | | | | | | | | | | | |
| A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) | | | | | | | | | | | | | | | | | | | | |
| Restoration of existing buildings | CCM_7_2 | 2,632 | 6,5% | Yes | No | No | No | No | No | | | | | | | Not applicable | Yes | | | |
| Installation, maintenance and repair of energy efficient equipment | CCM_7_3 | 928 | 2,3% | Yes | No | No | No | No | No | | | | | | | Not applicable | Yes | | | |
| Acquisition and ownership of buildings | CCM_7_7 | 13,267 | 32,5% | Yes | No | No | No | No | No | | | | | | | Not applicable | Yes | | | |
| Computer programming, consulting and related activities | CCM_8_2 | 11,405 | 28,0% | No | Yes | No | No | No | No | | | | | | | Not applicable | Yes | | | |
| Capital Expenditure of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2) | | 28,231 | 69,2% | 41% | 28% | 0% | 0% | 0% | 0% | | | | | | | Not applicable | Yes | | | |
| A. Capital expenditure from activities authorized within the taxonomy (A.1 + A.2) | | 28,231 | 69,2% | 41% | 28% | 0,0% | 0,0% | 0,0% | 0,0% | | | | | | | | | | | |
| B. TAXONOMY-NON-ELIGIBLE ACTIVITIES | | | | | | | | | | | | | | | | | | | | |
| Capital Expenditure of Taxonomy-non-eligible activities | | 12,550 | 30,8% | | | | | | | | | | | | | | | | | |
| TOTAL (A+B) | | 40,781 | 100,0% | | | | | | | | | | | | | | | | | |

3.3 Operating Expenses

The operating expense indicator was determined as the share of operating expenses related to eligible economic activities (numerator) and total operating expenses according to the definition of the EU taxonomy (denominator).

Total operating costs according to the definition of the EU taxonomy include direct non-capitalized costs associated with research and development, building renovation measures, short-term leasing, and leasing of low-value underlying assets, maintenance and repair

of buildings, and all other direct costs associated with the daily maintenance of properties, machinery, and equipment that are necessary to ensure the continuous and effective functioning of such assets. In the case of the Company, these operating expenses include costs related to leasing and rental of low-value assets, and other operating costs related to repairs. The value of the denominator can be reconciled with the data provided in the Company's financial statements in note 22, lines:

- Leasing and operating costs
- Repairs of fixed assets.

Operating expenses for eligible activities represent expenditures from the following economic activities:

- Renovation of existing buildings

The resulting amount indicated in the numerator represents the value that is designated as eligible according to the EU taxonomy. The Company does not report any activities that would be defined as aligned according to the EU taxonomy criteria as described in section 2.1.1 above.

Table 5 – Operating Expense Indicator for the Financial Year 2024

| Financial year 2024 | Year 2024 | | | Substantial contribution criteria | | | | | | DNSH criteria (Does Not Significantly Harm) | | | | | | | | | | |
|---|-----------|----------------------------|---------------------------------|-----------------------------------|---------------------------|----------------------------|------------------|------------------------------|-----------------------------|---|---------------------------|----------------------------|------------------|------------------------------|-----------------------------|--------------------|--|------------------------------|----------------------------------|--|
| Economic activities | Code (s) | Absolute Operating expense | Proportion of Operating expense | Climate change mitigation | Climate change adaptation | Water and marine resources | Circular economy | Pollution of the environment | Biodiversity and ecosystems | Climate change mitigation | Climate change adaptation | Water and marine resources | Circular economy | Pollution of the environment | Biodiversity and ecosystems | Minimal safeguards | Proportion of Operational expense taxonomy-aligned (A.1) or eligible (A.2), year N-1 | Category (enabling activity) | Category (transitional activity) | |
| | | (in EUR ths.) | % | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | Yes/No | % | | |
| A. TAXONOMY-ELIGIBLE ACTIVITIES % | | | | | | | | | | | | | | | | | | | | |
| A.1 Environmentally sustainable activities (Taxonomy-aligned) | | | | | | | | | | | | | | | | | | | | |
| Operating expenses from environmentally sustainable activities (aligned with the taxonomy) (A.1) | | 0 | 0% | | | | | | | | | | | | | | | | | |
| Of which supporting activities | | 0 | 0% | | | | | | | | | | | | | | | | | |
| Of which transitional activities | | 0 | 0% | | | | | | | | | | | | | | | | | |
| A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) | | | | | | | | | | | | | | | | | | | | |
| Restoration of existing buildings | CCM_7_2 | 202 | 6,45% | Yes | No | No | No | No | No | | | | | | | Not applicable | Yes | | | |
| Operating Expense of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2) | | 202 | 6,45% | 6,45% | 28% | 0% | 0% | 0% | 0% | | | | | | | Not applicable | Yes | | | |
| A. Operating expenses from activities authorized within the taxonomy (A.1 + A.2) | | 202 | 6,45% | 6,45% | 28% | 0,0% | 0,0% | 0,0% | 0,0% | | | | | | | | | | | |
| B. TAXONOMY-NON-ELIGIBLE ACTIVITIES | | | | | | | | | | | | | | | | | | | | |
| Operating Expense of Taxonomy-non-eligible activities | | 2,932 | 93,55% | | | | | | | | | | | | | | | | | |
| TOTAL (A+B) | | 3,134 | 100,0% | | | | | | | | | | | | | | | | | |

9

Additional Financial Information



Research and Development

In 2024, O₂ spent a total of EUR 1,350-thous. on research and development of its internal systems. These costs were incurred as capitalization of the work of employees, particularly for the purpose of improving the new innovative customer servicing system aimed at simplification and unification of internal processes within the assisted self-service project.

Profit Distribution

For 2024, O₂ reached the profit of EUR 29,065 thous. and its distribution will be subject to the decision by its sole partner. The proposal of the statutory body is to transfer the profit to the account of retained earnings of past years.

Other Information

In 2024, the company did not acquire any proprietary shares or had any organizational unit abroad. Following the termination of the accounting period for which the annual report is being compiled, no extraordinary events occurred.

10

**And Some
Good News in
Conclusion:
Independent
Auditor's Report
and Individual
Financial
Statements**





KPMG Slovensko spol. s r.o. | IČO: 4811 000 88 88 41 11
Číslo účtovníčky: 10 | IČD: 1000000000
111 02 Bratislava | IČD: 1000000000
Slovensko

Translation of the Independent Auditors' Report originally prepared in Slovak language

Independent Auditors' Report

To the Owner and Directors of O2 Slovakia, s.r.o.

Report on the Audit of the Individual Financial Statements

Opinion

We have audited the individual financial statements of O2 Slovakia, s.r.o. (the "Company"), which comprise:

- the individual statement of financial position as at 31 December 2024; and, for the year then ended:

- the individual statement of profit or loss and other comprehensive income;
- the individual statement of changes in equity;
- the individual statement of cash flows;

and

- individual notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying individual financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements of the Act No. 423/2015 Coll. on statutory audit and on amendments to Act No. 431/2002 Coll. on accounting as amended ("the Act on Statutory Audit") including the Code of Ethics for an Auditor that are relevant to our audit of the individual financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Responsibilities of the Statutory Body and Those Charged with Governance for the individual Financial Statements

The statutory body is responsible for the preparation of the individual financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as the statutory body determines is necessary to enable the preparation of individual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the individual financial statements, the statutory body is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the statutory body either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the individual Financial Statements

Our objectives are to obtain reasonable assurance about whether the individual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these individual financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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



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

Report on Other Legal and Regulatory Requirements

Reporting on other information in the Annual Report

The statutory body is responsible for the other information. The other information comprises the information included in the Annual Report prepared in accordance with the Act No. 431/2002 Coll. on Accounting as amended ("the Act on Accounting") but does not include the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information in the Annual Report.

In connection with our audit of the individual financial statements, our responsibility is to read the other information in the Annual Report that we have obtained prior to the date of the auditors' report on the audit of the financial statements, and, in doing so, consider whether the other information is materially inconsistent with the audited individual financial statements or our knowledge obtained in the audit of the individual financial statements, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

The Annual Report of the Company was not available to us as of the date of this auditors' report on the audit of the individual financial statements.

When we obtain the Annual Report, based on the work undertaken in the course of the audit of the financial statements we will express an opinion as to whether, in all material respects:

- the other information given in the Annual Report for the year ended 31 December 2024 is consistent with the individual financial statements prepared for the same financial year; and
- the Annual Report contains information required by the Act on Accounting.

In addition, we will report whether we have identified any material misstatement in the other information in the Annual Report in light of the knowledge and understanding of the Company and its environment that we have acquired during the course of the audit of the individual financial statements.

Audit firm:
KPMG Slovensko spol. s r.o.
License SKAU No. 96



Responsible auditor:
Ing. Branislav Prokop
License UDVA No. 1024

Bratislava, 20 May 2025

Separate statement of financial position as at 31 december 2024

| in thousands of EUR | Note | 31. 12. 2024 | 31. 12. 2023 |
|---|-----------|----------------|----------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment (net) | 7 | 10 526 | 9 050 |
| Intangible assets (net) | 8 | 116 913 | 110 807 |
| Right-of-use assets | 9 | 15 270 | 4 431 |
| Capitalized contract acquisition costs and contract assets | 10 | 12 492 | 9 467 |
| Investment in subsidiaries | 5 | 1 534 | 1 534 |
| Investment in joint venture | 5 | 3 | 3 |
| Non-current trade receivables and other financial receivables | 14 | 324 | 359 |
| Deferred tax asset | 11 | 9 015 | 5 968 |
| Total non-current assets | | 166 077 | 141 619 |
| Current assets | | | |
| Inventories | 12 | 13 209 | 12 330 |
| Trade receivables and other financial receivables | 14 | 33 550 | 34 662 |
| Trade receivables at fair value | 15 | 27 837 | 28 526 |
| Contract assets | 10 | 10 938 | 4 717 |
| Cash and cash equivalents | | 24 670 | 26 580 |
| Prepaid expenses | | 1 755 | 1 536 |
| Total current assets | | 111 959 | 108 351 |
| TOTAL ASSETS | | 278 036 | 249 970 |
| EQUITY | | | |
| Share capital | | 51 602 | 51 602 |
| Legal reserve fund and other funds | | 5 160 | 5 160 |
| Retained earnings from previous years | | 16 026 | 9 106 |
| Profit for the period | | 29 065 | 26 919 |
| TOTAL EQUITY | 16 | 101 853 | 92 787 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Loans received | 17 | 60 300 | 0 |
| Lease liabilities | 9 | 12 479 | 2 415 |
| Other non-current liabilities | 18 | 19 772 | 20 948 |
| Total non-current liabilities | | 92 551 | 23 363 |
| Current liabilities | | | |
| Trade payables and other financial liabilities | 19 | 69 071 | 61 592 |
| Lease liabilities | 9 | 2 993 | 2 205 |
| Current income tax liability | | 2 765 | 1 927 |
| Loans received | 17 | 0 | 60 300 |
| Contract liabilities | 20 | 8 803 | 7 796 |
| Total current liabilities | | 83 632 | 133 820 |
| Total liabilities | | 176 183 | 157 183 |
| TOTAL EQUITY AND LIABILITIES | | 278 036 | 249 970 |

The notes on pages 8 to 53 are an integral part of these financial statements.

Separate statement of profit or loss and other comprehensive income for the year ended 31 december 2024

| in thousands of EUR | Note | 2024 | 2023 |
|---|------|----------------|----------------|
| Revenues from services and merchandise | 21 | 349 593 | 339,309 |
| Other operating revenues | 21 | 4 808 | 3,513 |
| Total revenues from operating activities | | 354 401 | 342,822 |
| Cost of sales of merchandise | 22 | -62 591 | -62,201 |
| Services | 22 | -180 702 | -175,978 |
| Depreciation of property, plant and equipment and amortization of intangible assets | 7, 8 | -22 027 | -20,816 |
| Amortization of contract acquisition costs | 10 | -7 623 | -6,589 |
| Personnel expenses | 23 | -34 194 | -29,062 |
| Other operating expenses | 24 | -4 137 | -4,042 |
| Own work capitalized | | 2 077 | 2,073 |
| Impairment of financial assets | 14 | -2 080 | -2,327 |
| Profit from operations | | 43 124 | 43,880 |
| Financial costs | 25 | -5 662 | -3,460 |
| Revaluation losses on financial assets at FVTPL | 15 | -7 238 | -3,731 |
| Net gain on sale of financial assets at amortized costs | | 21 | 425 |
| Financial income | 25 | 6 226 | 457 |
| Net loss from financial activities | | -6 653 | -6,309 |
| Profit before tax | | 36 471 | 37,571 |
| Income tax expense | 26 | -7 406 | -10,652 |
| Profit after tax | | 29 065 | 26,919 |
| Other comprehensive income for the period | | - | 0 |
| Total comprehensive income for the period | | 29 065 | 26,919 |

Separate statement of changes in equity for the year ended 31 december 2024

| in thousands of EUR | Share capital | Legal reserve fund | Retained earnings | Total equity |
|---|---------------|--------------------|-------------------|----------------|
| Balance as at 1. 1. 2023 | 51 602 | 5 160 | 44 106 | 100 869 |
| Dividends | 0 | 0 | -35 000 | -35 000 |
| Total comprehensive income for the period | 0 | 0 | 26 919 | 26 919 |
| Balance as at 31. 12. 2023 | 51 602 | 5 160 | 36 025 | 92 788 |
| Balance as at 1. 1. 2024 | 51 602 | 5 160 | 36 025 | 92 788 |
| Dividends | 0 | 0 | -20 000 | -20 000 |
| Total comprehensive income for the period | 0 | 0 | 29 065 | 29 065 |
| Balance as at 31. 12. 2024 | 51 602 | 5 160 | 45 090 | 101 853 |

Separate statement of cash flows for the year ended 31 december 2024

| in thousands of EUR | Note | 2024 | 2023 |
|---|------|----------------|----------------|
| Profit from ordinary activities before income tax | | 36 471 | 37 571 |
| Cash flows from operating activities | | | |
| Depreciation of property, plant and equipment and amortization of intangible assets | 7, 8 | 22 084 | 20 816 |
| Change in provisions for receivables and write-off of receivables | 14 | 2 080 | 2 327 |
| Net fair value losses on financial assets | 15 | 7 238 | 3 731 |
| Change in accruals and deferrals | | 787 | -146 |
| Interest expense | 25 | 2 860 | 1 507 |
| Interest income | | -531 | -243 |
| Gain on sale of non-current assets | | 89 | 57 |
| Amortization of contract assets | 10 | 7 623 | 6 589 |
| Effect of changes in working capital | | | |
| Change in receivables from operations | | -13 703 | 16 904 |
| Change in payables from operations | | 5 642 | -4 160 |
| Change in inventories | 12 | -879 | 1 385 |
| Cash flows from operating activities | | 69 761 | 86 338 |
| Interest paid | 25 | -2 420 | -1 382 |
| Interest received | | 531 | 243 |
| Income tax paid and levy on business in regulated industries | | -9 616 | -16 833 |
| Net cash flows from operating activities | | 58 256 | 68 366 |
| Cash flows from investing activities | | | |
| Acquisition of property, plant and equipment | | -5 570 | -3 594 |
| Acquisition of non-current intangible assets | | -20 416 | -7 468 |
| Acquisition of capitalized contracts and contract assets | | -10 648 | -7 681 |
| Proceeds from sale of property, plant and equipment | | 89 | 57 |
| Payment of other capital funds from subsidiary | | 0 | 3 000 |
| Net cash flows used in investing activities | | -36 545 | -15 686 |
| Cash flows from financing activities | | | |
| Dividends paid | 16 | -20 000 | -35 000 |
| Lease payments | | -3 621 | -3 091 |
| Net cash flows used in financing activities | | -23 621 | -38 091 |
| Net (decrease) / increase of cash and cash equivalents | | -1 910 | 14 589 |
| Cash and cash equivalents at the beginning of the accounting period | | 26 580 | 11 991 |
| Cash and cash equivalents at the end of the accounting period | | 24 670 | 26 580 |

Notes to the separate financial statements for the year ended 31 December 2024

1 General information about the Company

Reporting entity

O₂ Slovakia, s.r.o. (“the Company”) is a limited liability company, which was established by demerger of original company O₂ Slovakia, s.r.o. to successor companies O₂ Slovakia, s.r.o. and Cetin Networks, s.r.o. The Company was incorporated into the Commercial Register of the City Court Bratislava III, Section s.r.o., file 160894/B on 1 June 2022. An effective day for accounting purposes was determined 1 January 2022.

The Company’s registered office is in Bratislava, Pribinova 40, Slovak Republic, registration number 47259116, tax registration number 2121743437.

The Company has been part of the Emirates Telecommunications Group Company P.J.S.C. (the “Group”) since 30 October 2024. The parent company of the Company is PPF TMT Bidco 1 N.V., with its registered office at Strawinskylaan 933, 1077XX Amsterdam, Kingdom of the Netherlands, registered in the Commercial Register maintained by the Netherlands Chamber of Commerce under number: 858344907.

The parent company of the Company was PPF Comco N.V., until 29 October 2024, which is part of PPF Group N.V.

The Company belongs to the leading telecommunication operators in the Slovak market providing phone, data and multimedia services via a public mobile phone network.

The Company is entitled to conduct its business under the brand name O₂ until 2036 based on a signed license agreement valid from 28 January 2022. The Company is incorporated in the partnership program of the Telefónica Group which enables the partner telecommunication operators to draw economic benefits from the extent of the Telefónica Group and to co-operate in key business areas.

Number of employees

The number of employees of the Company in 2024 amounted to 776, in 2023 amounted to 721.

The number of employees as of 31 December 2024 was 772, thereof 7 managers (as of 31 December 2023: 725 employees, thereof 7 managers).

Information on unlimited liability

The Company is not a partner with unlimited liability in other entities according to Article 56 (5) of the Commercial Code.

Legal reason for the preparation of the Financial Statements

The Company’s separate financial statements have been prepared as statutory financial statements in accordance with Article 17 Sec. 6 and Article 17 Sec. 2 of the Slovak Act No. 431/ 2002 Coll. as amended (“the Act on Accounting”) for the accounting period from 1 January 2024 to 31 December 2024.

The Company is exempted from the obligation to prepare consolidated financial statements and a consolidated annual report according to Article 22 (8) of the Act on Accounting: Its parent accounting entity, e& PPF Telecom Group B.V. prepares its consolidated financial statements according to the IFRS/EU.

The Company and its subsidiary are included in these consolidated financial statements. In addition, based on Article 22 (12) of the Act on Accounting, the Company is exempted from the obligation to prepare consolidated financial statements and a consolidated annual report, because the preparation of separate financial statements pertaining solely to the Company does not materially influence the judgment about the financial position, expenses, income, and profit/loss of the consolidated group.

The consolidated financial statements of e& PPF Telecom Group B.V. are available at the registered office of the company, at Strawinskylaan 933, 1077 XX Amsterdam, Netherlands.

Date of approval of the financial statements for issue

These financial statements have been prepared as of 31 December 2024 and for the year then ended and were prepared and authorized for issue by the Company’s statutory representatives on 13 May 2025.

These financial statements can be amended until their approval by the general meeting.

The Company’s bodies

Statutory representatives:
Ing. Tomáš Kimlička (do 6/2024)
Mgr. Daniel Vida (od 12/2024)
Mgr. Dávid Durbák
Mgr. Igor Tóth, PhD.

Shareholder structure

Shareholder structure is as follows:

| | As of 31 December 2024 (in thousands of EUR) | Share and voting rights (%) | As of 31 December 2023 (in thousands of EUR) | Share and voting rights (%) |
|----------------------|---|--------------------------------|---|--------------------------------|
| PPF TMT Bidco 1 N.V. | 51 602 | 100 | 0 | 0 |
| PPF Comco N.V. | 0 | 0 | 51 602 | 100 |
| Total | 51 602 | 100 | 51 602 | 100 |

Information about the ultimate parent

The Company is controlled by PPF TMT Bidco 1 N.V., whose direct share in the share capital, voting rights and economic benefits in the Company is 100%, and whose controlling entity is, through e& PPF Telecom Group B.V., which is controlled through e& International Holding Limited by Emirates Telecommunications Group Company P.J.S.C., with its registered office at Etisalat Building, Intersection of Zayed, The 1st Street and Sheikh Rashid Bin Saeed Al Maktoum Street, P.O. Box 3838, Abu Dhabi, United Arab Emirates, established in the United Arab Emirates in 1976 by Decree of the Federal Government of the UAE No. 78.

e& PPF Telecom Group B.V. has the following shareholders:

(i) e& International Holding Limited, with registered office at: 2462ResCowork01, 24th Floor, Al Sila Tower, Abu Dhabi Global Market Square, Abu Dhabi, Al Maryah Island, United Arab Emirates, registration number: 15905, a trading company incorporated in the United Arab Emirates, registered in the register kept by the Abu Dhabi Global Market (hereinafter referred to as “e& International Holding Limited”), which holds a 50.01% share in the voting rights of e& PPF Telecom Group B.V. and a 58.82% share in the registered capital and economic benefits of e& PPF Telecom Group B.V.;

(ii) PPF TMT Holdco 4 B.V., with registered office at Strawinskylaan 933, 1077XX Amsterdam, Kingdom of the Netherlands, registration number: 866181179, a Dutch commercial company registered in the Commercial Register maintained by the Netherlands Chamber of Commerce (hereinafter referred to as “PPF TMT Holdco 4 B.V.”), which holds a 49.99% share in the voting rights of e& PPF Telecom Group B.V. and a 41.18% share in the registered capital and economic benefits of e& PPF Telecom Group B.V.

The sole shareholder of e& International Holding Limited, and therefore the entity with 100% of its share capital, voting rights and economic benefits, is Emirates Telecommunications Group Company P.J.S.C.

According to publicly available sources, Emirates Telecommunications Group Company P.J.S.C. is an issuer of shares traded on a regulated market. Emirates Telecommunications Group Company P.J.S.C. shares are traded on the Abu Dhabi Securities Exchange (ADX) under the ticker symbol “EAND”, ISIN: AEE000401019.

PPF TMT Holdco 4 B.V. is controlled through AMALAR HOLDING s.r.o., with registered office at: Evropská 2690/17, Dejvice, 160 00 Prague 6, Czech Republic, Company ID: 19696477, registered in the Commercial Register kept by the Municipal Court in Prague under file number C 390328, by Mrs. Renáta Kellnerová, who holds the majority share in the company.

2 Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS/EU).

3 Basis of preparation

The financial statements were prepared using the going concern assumption.

i. Basis of measurement

The financial statements have been prepared on the historical cost basis, except of trade receivables measured in fair value through profit or loss.

ii. Functional and presentation currency

The financial statements have been prepared on the historical cost basis, except of trade receivables measured in fair value through profit or loss.

iii. Use of estimates and judgments

The preparation of the financial statements in accordance with IFRS/EU requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

In connection with future activities the Company makes estimates and assumptions. Actual results may differ from those estimated. Information about estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed in the following section:

Assessment if Master service agreement contains any lease

The Company entered into Master Service Agreement (hereinafter as “MSA”) with Cetin Networks, s.r.o. (“Cetin”; until 31 December 2023 was the company named as O₂ Networks, s.r.o.) during the reporting period ending 31 December 2022. The MSA contract covers services of unrestricted access to the Mobile Network owned by Cetin. The services provided by Cetin consist of transport services and RAN Services and Cetin is obligated to provide the services in accordance with network performance KPIs, maintenance KPIs and/or other quantity and quality requirements. Cetin is fully responsible for the composition, topology and design of the Mobile Network and for the provision of the services in the agreed quality throughout the term.

The Company assessed if MSA contains any lease component according to IFRS 16. The Company considered the whole network used for rendering services under the MSA to be one unit of account for recognition purposes under IFRS 16. It also means that there would be only one lease component if should MSA contain any lease. The Company concluded that the MSA does not contain any lease because the Company does not control the asset as it cannot obtain substantially all of the economic benefits from use of the asset throughout the period of use as MSA is non-exclusive contract and also there is no substantive substitution right as there is just one mobile network. Based on this conclusion the MSA was assessed as service contract with appropriate charge presented as part of Services s in the Statement of profit or loss and other comprehensive income.

Amortization period of capitalized costs to obtain customer contracts and contract assets

The amortization period (useful life) for capitalized incremental costs of obtaining contracts with customers was set as the expected average time that the customer will use the Company’s services. This amortization period was further specified by the product and the sales channel that received the contract. Amortization periods are revised and reassessed regularly with respect to the development of business activities, trends in the telecommunications sector and the structure of business channels.

Expected credit losses allowance for trade receivables

Expected credit losses estimates are calculated as a weighted average of the probabilities of impairment and realization of a credit loss. Credit losses are calculated as the present value of all cash losses, i.e. as the difference between the cash flows for which the Company is due under the contract and the cash flows the Company expects to receive.

Determining the fair value of trade receivables at fair value through profit or loss non-derivative liabilities

In 2020, the Company for the first time proceeded with the sale of receivables from the financing of equipment sold to end customers, the so-called internal financing in the form of a securitization certificate in order to raise funds before their due date. The Company decided to make such a sale at regular intervals and this decision changed the primary objective of portfolio of receivables, which is their sale, not holding to maturity.

Thus, the Company changed its business model for receivables from sale of equipment and reclassified these receivables from the category of receivables at amortized cost to the category of receivables at fair value through profit or loss. The Company uses some inputs that are not observable, either directly or indirectly, to determine fair value, so these inputs have been classified as Level 3 inputs.

The Company determines fair value as follows:

a) The fair value of invoiced receivables that are more than seven days overdue, the company determines the fair value of such receivables on the basis of indicative offers from collection agencies according to individual categories of days overdue,

b) Fair value of unbilled receivables that are not due or less than seven days past due - The Company determines fair value as the present value of future cash flows discounted at the discount rate from the last successful securitization, which is subsequently adjusted by a mark-up corresponding to future economic developments.

The following inputs were used to calculate the fair value of receivables from internal financing as at 31 December 2024:

in thousands of EUR

| Description | Fair value at 31. 12. 2024 | Unobservable inputs: | Range of inputs: |
|--------------------------------------|----------------------------|----------------------|------------------|
| Receivables from hardware financing: | 27 837 | Quoted buy prices: | 67,6 % - 15 % |
| | | Discount rate: | 7,13 % |

Vstupy použité k 31. decembru 2023:

| Description | Fair value at 31.12.2023 | Unobservable inputs: | Range of inputs: |
|--------------------------------------|--------------------------|----------------------|------------------|
| Receivables from hardware financing: | 28 526 | Quoted buy prices: | 67,6 % - 15 % |
| | | Discount rate: | 5,49 % |

For the fair value of receivables from internal financing, a reasonably possible change as at 31 December 2024 to one of the significant unobservable inputs, holding other inputs constant, would have the following effects: If one of the significant unobservable inputs were to change by $\pm 1\%$ as of December 31, 2024, this change would have the following effects on the fair value of receivables from internal financing, assuming all other inputs remain unchanged.

| In thousands of EUR | Impact on Profit or loss | |
|----------------------------------|--------------------------|------------------------|
| | Increase in assumption | Decrease in assumption |
| Quoted buy prices (1% movement): | 53 | -53 |
| Discount rate (1% movement): | -263 | 403 |

Fair value is determined at initial measurement and for disclosure purposes at each balance sheet date.

An overview of receivables at fair value is given in note 15.

Non-derivative financial liabilities

Non-derivative financial liabilities are measured at fair value, at initial recognition and for disclosure purposes, at each annual reporting date. Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the measurement date. Fair values of loans are calculated by discounting future cash flows using effective interbank rates. For received loans with a remaining maturity of less than three months, it is reasonable to regard their book value as approximate fair value.

4 Significant accounting policies

The accounting policies set out below have been consistently applied in all periods presented in the financial statements.

a) Foreign currency

Transactions in foreign currencies are translated to the functional currency (euro) at the foreign exchange rate of the European Central Bank ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the end of reporting period are translated to euro at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Foreign exchange differences arising on translation are recognized in profit or loss.

b) Intangible assets

i. Recognition and measurement

Intangible assets acquired by the Company have a finite useful life and are measured at cost less accumulated amortization and any accumulated impairment losses (see accounting policy g)). Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed intangible assets includes cost of materials, direct labor, and production overheads.

ii. Subsequent expenditure

Subsequent expenditure is capitalized only when it, increases the future economic benefits embodied in the specific intangible asset to which it relates. All other expenditures, including expenditure on internally generated goodwill and brands, are recognized in profit or loss when incurred.

iii. Amortization

Amortization is calculated from the acquisition cost of the asset.

Amortization is charged to profit or loss on a straight-line basis over the estimated useful lives of each part of intangible assets.

The estimated useful life, amortization method and amortization rate are set out for individual groups of non-current intangible assets, as provided in the table below:

| | Estimated useful life in years | Annual rate of amortization in % | Amortization method |
|----------|--------------------------------|----------------------------------|---------------------|
| Software | 1 to 18 | 5,6 to 100 | straight-line |
| Brand | 15 | 6,7 | straight-line |
| Licenses | 2 to 19 | 5 to 50 | straight-line |

The Company in addition to the acquisition cost of spectrum licenses pays monthly fees that are determined based on utilization of frequency by the Company. The fees are not fixed charges nor charges directly linked to acquisition of licenses. The fees represent a form of levy that the state regulator charges for utilization of frequencies. The Company recognizes these fees as operational expenses due to their variable nature as the amount of fee is changed on regular basis, either annually or bi-annually.

Where the use of non-current intangible assets is determined by a contract (e.g., brand) or by an official decision (license), useful life shall be determined according to the validity of the contract or official decision. Amortization methods and useful lives, as well as residual values, are reassessed at the reporting date and adjusted if appropriate.

c) Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation (see below) and accumulated impairment losses (see accounting policy g)). Cost includes expenditure that is directly attributable to the acquisition of the asset and also the initial estimate of costs related to future dismantle of telecommunication transmitters and bringing of rented locations into original conditions after the end of useful life. The cost of self-constructed assets includes the cost of materials, direct labor and any other costs directly attributable to bringing the assets to a working condition for their intended use.

If items of property, plant and equipment have different useful lives, then they are accounted as standalone items of property plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized net in profit or loss.

ii. Subsequent expenditure

The Company recognizes in the carrying amount of an item of property or plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the Company and its cost can be measured reliably. Expenditure on repairs or maintenance of property and equipment incurred to restore or maintain future economic benefits expected from the assets is recognized as an expense when incurred.

iii. Depreciation

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land and assets under construction are not depreciated.

The estimated useful life, depreciation method and depreciation rate are set out for individual groups of property, plant and equipment as follows:

| | Estimated useful life in years | Annual rate of depreciation in % | Depreciation method |
|-------------------------------------|--------------------------------|----------------------------------|---------------------|
| Buildings | 1 to 23 | 4,35 to 100 | straight-line |
| Technology and office equipment | 1 to 30 | 3,33 to 100 | straight-line |
| Other property, plant and equipment | 2 to 10 | 10 to 50 | straight-line |

Depreciation methods and useful lives, as well as residual values, are reassessed at the reporting date and adjusted if appropriate.

In the event of a temporary decrease in the value of a non-current tangible asset, an impairment provision equal to the difference between its recoverable amount and net book value is recognized.

iv. Impairment review

Factors considered important, as part of an impairment review, include the following:

- technological advancements;
- significant underperformance relative to expected historical or projected future operating results;
- significant changes in the manner of the Company's use of the acquired assets or the strategy for the Company's overall business;
- obsolescence of products.

When the Company determines that the carrying value of non-current assets may not be recoverable based upon the existence of one or more of the above indicators of impairment, any impairment is measured based on the Company's estimates of projected net discounted cash flows expected to result from that asset, including eventual disposition. The estimated impairment could prove insufficient if the analysis overestimated the cash flows or conditions change in the future. For further details refer to note g) Impairment.

d) Leases – IFRS 16

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company considers a contract to be a lease if it meets all of the following criteria:

- there is an identified asset, whether explicit or implicit, and
- the lessee obtains substantially all economic benefits from the use of the identified asset, and
- the lessee has the right to control the use of the identified property.

Within the chosen accounting policy, the Company assesses the possibility and probability of exercising of the right to renew or early termination when reporting the right to use.

Upon initial recognition and subsequent revaluation of a lease that includes a lease and a non-lease component, the Company allocates the contractually agreed consideration to each lease component on a pro rata basis, if agreed separately, and based on the total value of the non-lease components if agreed separately. The company accounts separately for leasing and non-leasing components of land and real estate leases.

Within the chosen accounting policy, the Company assesses the possibility and probability of exercising of the right to renew or early termination when reporting the right to use.

i. Assets leased (the Company as Lessee)

Spoločnosť vykáže právo na využívanie majetku a záväzok z nájmu. The Company recognizes the right-of-use assets and lease obligations at the commencement of the lease. The initial value of the right to use the property is determined as the sum of the initial value of the lease obligation, the rental payments made before or on the commencement date of the lease, the initial direct cost to the lessee less any lease incentives received.

In determining the lease term, the length of the agreed lease term as well as the possibility of its early termination or termination are

considered or the possibility of extending the contract. In assessing the likelihood of exercising the option to extend or prematurely terminate the lease term, the Company takes into account all relevant facts and circumstances that provide economic incentives to exercise (non-exercise) those options. The period by which the contract can be renewed (or the period following the possibility to terminate the contract prematurely) is included in the lease term only if the Company is sufficiently certain that the extension will be exercised.

The right-of-use assets is depreciated on a straight-line basis over the lease term from the commencement of the lease to its termination. If the lease involves a transfer of ownership or a purchase option that is reasonably certain to be exercised, the right-of-use assets is depreciated on a straight-line basis over the useful life of the asset. Depreciation begins on the date of commencement of the lease. The assessment of possible impairment of the right-of-use assets is carried out in a similar way to the assessment of impairment of property, plant and equipment as described in accounting policy (c) iv. above.

The lease obligation is initially measured on the date when the leased asset is made available to the lessee (the lease commencement date). Leases are initially measured at the present value of the lease payments over the lease term that were not paid at the initial measurement using the discount rate, which is the incremental borrowing rate. Lessee's incremental borrowing rate was determined based on available financial information relating to the Company. Subsequent revaluation of the lease obligation is made in the event of a change in the terms of the contract (e.g., a change in the lease term due to the option to extend or prematurely terminate the contract, change in rental payment based on a change in the index or rate used to determine payments, change in the assessment of the probability of a purchase option enforcement, etc.). Any subsequent reassessment of the lease obligation will also affect the measurement of the right-of-use asset. If this would lead to a negative value of the right-of-use asset, the remaining impact is recognized with an impact on profit or loss (so the resulting right-of-use asset will be recognized at nil). During the accounting period, the Company did not account for the revaluation of the lease obligation due to the above changes.

The Company has exercised an optional exemption and does not report the right-of-use asset or lease obligation in lease contracts where the value of the leased assets is clearly less than EUR 5,000. The estimated

value of assets is based on the assumption that they are new assets. If the value of the asset cannot be reliably determined, the optional exemption is not applied to such lease.

In the statement of financial position, the Company recognizes the right-of-use assets under Property, plant and equipment and lease liabilities, as short-term and long-term liabilities. In addition, the Company recognized lease transactions in the cash flow statement as follows:

- principal payments relating to lease obligations in cash flow from financing activities,
- interest payments on lease obligations under cash flow from operating activities (interest requirements are applied here in accordance with IAS 7),
- payments for short-term rental, lease of small assets and payments of variable parts of rent that are not included in the measurement of lease obligations under cash flow from operating activities.

e) Investments in subsidiaries and joint ventures

The Group's shares in entities accounted for using the equity method represent shares in joint ventures.

Interests in associates and joint ventures are accounted for using the equity method. At the initial valuation, they are valued at the purchase price, including the costs related to the acquisition. Upon subsequent valuation, the Group's share of profit/loss and other comprehensive income of entities accounted for using the equity method is included in the consolidated financial statements, until the date of loss of significant influence or joint control.

A subsidiary is an entity, including structured entity, over which the Company has a control as the Company (i) has control over the relevant activities of the entity, (ii) is exposed or has the right to variable returns of the entity and (iii) has the ability to use its powers to affect the return on investment in the entity. The existence and effect of substantive rights, including potential voting rights should be considered when evaluating whether the Company has power over another entity. For a right to be substantive the holder of a right needs to have a practical ability to exercise the right in time when relevant

decisions on entity's activities are made. The Company may have right over the entity even though it owns less than half of the voting rights. In such case, the Company assesses the share of the voting rights of other investors in comparison with its own rights. The Company also assesses the structure of ownership of the other investor's voting rights in order to determine whether it has de-facto decision-making power over the entity. Protecting rights of other investors, such as those that relate to substantive changes in the activities of the entity, or those which are applicable only in exceptional circumstances, shall not prevent the Company to control another entity.

Investment in subsidiary is carried at cost less accumulated impairment in these separate financial statements. The cost is represented by the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire the subsidiary at the time of its acquisition. Decrease in its value is recorded through recording an impairment using the value in use or fair value less costs to sell method, whichever is higher.

f) Financial instruments

i. Non-derivative financial assets and liabilities – recognition and derecognition

The Company initially recognizes loans and receivables on the date when they originated. Other financial assets and financial liabilities are recognized when the Company becomes a part of the contractual relationship.

The Company derecognizes a financial asset when contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset.

Non-derivative financial liabilities are initially recognized at fair value less any directly attributable transaction costs. Subsequently to initial recognition, these liabilities are measured at amortized costs using the effective interest method.

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

ii. Non-derivative financial assets – measurement

The Company classifies financial assets into the following categories: financial assets at amortized cost, financial assets at fair value with fair value through other comprehensive income (FVOCI) and financial assets at fair value through profit or loss (FVTPL). The classification depends on business model for managing the asset and the asset's contractual cash flow characteristics. From the above categories, the Company records assets measured at amortized cost and FVTPL in the reporting period.

iii. Non-derivative financial liabilities – measurement

The Company classifies its financial liabilities according to related contractual relations and depending on the purpose which the Company's management concluded a contract for. The Company has only financial liabilities at amortized cost in the reported periods (loans, trade payables and other financial liabilities, lease liabilities).

The Company's management determines the classification at initial recognition and reassesses it at each reporting date. The initial measurement is at fair value less transaction costs directly attributable to acquisition of a specific financial liability and subsequently stated at amortized carrying amount determined using the effective interest rate method. Profit or loss resulting from financial liabilities is recognized in profit or loss.

Financial liabilities are classified as short-term if the Company does not have an unconditional right to settle the liability in more than 12 months after the reporting date. Financial liability (or its part) is derecognized from the Company's Statement of Financial Position when, and only when it is extinguished, i.e. when the obligation specified in the contract is discharged, cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid is recognized in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount

presented in the statement of financial position if the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

g) Impairment

Financial assets

The Company applies the "expected credit loss" (ECL) model to financial assets that are measured at amortized costs, FVOCI excluding equity instruments, and contract assets.

Financial assets measured at amortized cost using the effective interest method consist of trade and other receivables, cash and cash equivalents.

Under IFRS 9, impairment allowances are measured by the following methods:

- 12-month ECL: ECLs resulting from all possible defaults during the 12 months following the date on which the accounts are drawn up, and
- Lifetime ECL: ECLs that result from all possible defaults over the expected life of a financial assets.

The Company measures impairment allowances at a value equal to expected life-long losses (lifetime ECL). Cash at bank is valued at 12-month ECL where credit risk (i.e. the risk of default over the expected life of a financial asset) since initial recognition did not increase significantly.

Impairment allowances for trade receivables and contractual assets are always measured at lifetime ECL.

In determining whether the credit risk of a financial assets has increased significantly since its initial recognition and in calculating ECL, the Company uses appropriate supporting information that has been assessed as appropriate and available to the Company without incurring disproportionate costs or efforts to obtain it. This includes quantitative and qualitative information and analysis based on the Company's historical experience and credit risk assessment, including information on possible future development.

The Company considers financial assets to be in default if:

- It is unlikely that the Borrower will pay its obligations to the Company in full without the Company performing acts such as the realization of collateral, or
- Financial assets are more than 90 days past due.

The maximum period for estimating ECL is the contractual period during which the Company is exposed to credit risk.

ECL measurement

ECL estimates are calculated as a weighted average of the probabilities of impairment and realization of a credit loss. Credit losses are calculated as the present value of all cash losses, i.e. as the difference between the cash flows for which the Company is due under the contract and the cash flows the Company expects to receive.

Impairment losses

Impairment losses related to financial assets at amortized cost are recognized in profit or loss and reflected in impairment of financial assets.

The carrying amount of receivables is reduced through the use of an allowance account. The creation and reversal of this allowance is recognized in profit or loss and other comprehensive income. Uncollectible receivables are written off. Receivables repaid by debtors that were previously written off are recognized in the income statement and other comprehensive income.

The Company assumes that the credit risk of financial assets has increased significantly if the maturity of the financial asset exceeds 30 days.

Applied scenarios for the development of macroeconomic indicators:

| | Basic scenario | Negative scenario | Positive scenario | Scenario used |
|---|----------------|-------------------|-------------------|---------------|
| GDP development | 2,3 % | 1,8 % | 2,8 % | 2,3 % |
| Development of unemployment | 5,3 % | 5,8 % | 4,8 % | 5,3 % |
| Value of impairment provision in thousands of EUR | 4 548 | 4 657 | 4 366 | 4 548 |

Non-financial assets

As at each reporting date, the carrying amounts of non-financial assets other than inventory and deferred tax assets are reviewed and an assessment is made as to whether there is any indication that the recoverable amounts are lower than the carrying amounts. When there is such an indication, the recoverable amount of the non-financial asset being the higher of the asset's net selling price (i.e. fair value less cost to sell) and the present value of its net cash flows (i.e. value in use), is estimated. Any resulting estimated impairment loss is recognized to full extent in the statement of profit or loss and other comprehensive income in the year in which the impairment occurs. The discount rates used to calculate the net present value of the cash flows are those considered appropriate to the Company in the economic environment in the Slovak Republic as at the end of each reporting period. The Company represents a single cash generating unit ("CGU").

An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognized in profit or loss. A cash-generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups. Impairment losses recognized in respect of cash-generating units are allocated to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or

no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognized.

h) Inventories

Inventories are measured at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Acquisition cost includes the purchase price and related costs (transport costs, customs duty, commissions, etc.). Any discounts and rebates received decrease the cost of inventories.

Slow moving and obsolete inventories are written down for any impairment of value. The amount of any write-down of inventories to net realizable value and all losses of inventories are recognized as an expense in the period the write down or loss occurred.

The cost of inventory is based on the weighted average principle.

i) Prepaid expenses and accrued income

Prepaid expenses and accrued income are presented in accordance with the matching principle in terms of substance and time.

Prepaid expenses comprise mainly performance ordered from the Company's suppliers and providers, and these relate to future periods in terms of substance and time. Upon delivery of a service these will be recognized in cost of services provided or cost of goods.

j) Accrued expenses and deferred income

Accrued expenses are presented in accordance with the matching principle in terms of substance and time.

The Company estimates expenses and liabilities that have not been invoiced at the end of the reporting period. These expenses and

liabilities are recorded in the accounting books and reported in the financial statements for the periods to which they relate.

k) Provisions

A provision is recognized in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

l) Contingent liabilities

Contingent liabilities are not reported in the statement of financial position. They are disclosed in the notes to the financial statements if the outflow of resources representing economic benefits is considered to be remote. Contingent liabilities are not disclosed in the notes to the financial statements if the probability of an outflow of resources representing economic benefits is insignificant.

m) Revenues

Revenues from own services and goods are stated net of Value Added Tax, discounts and deductions (rebates, bonuses, early payment discounts, credit notes etc.). Revenues are recognized at the date of delivery of goods or provision of services. They are measured at fair value of the consideration received or receivable if this amount can be estimated reliably.

Revenues from services are recognized in the accounting period when rendered in proportion to the stage of completion of the service. The stage of completion is assessed by reference to proportion of services rendered to the overall extent of agreed services.

Depending on the tariff, customers may use a defined extent of telecommunication services during the billing period. The unused extent of services is not transferred to the following periods except for data transfer service, where unused data can be transferred to the following period. Services are invoiced at the end of the billing

cycle. The Company has three billing cycles. The invoice is due within 14 days from the date of issuance.

Revenue from prepaid services is recognized in the period in which they were consumed by customers.

In assessing whether revenues should be recognized gross (i.e., with separate disclosure of costs) or on a net basis, the Company considers the following indicators of gross reporting:

- a) the Company is the primary obligor in the arrangement,
- b) the Company is exposed to general inventory risk,
- c) the Company has price latitude,
- d) the Company changes the product or provides additional services,
- e) the Company has discretion in supplier selection,
- f) the Company is involved in the determination of product or service specifications,
- g) the Company is exposed to credit risk,
- h) the company has the option to set the terms of the transaction,
- i) the Company manages control over the transaction.

The relative weight of each indicator is considered when concluding which revenue accounting treatment to use. If the Company enters into a relation characterized by representation or mediation (agent relationship), the revenue is recognized in its net value, i.e., at the amount of a margin or commission.

The main activity of the Company is sale of telecommunication services to end customers, other operators and sale of mobile phones and accessories.

Voice services, SMS and data

Revenues from billed telecommunication services are invoiced to customers on a monthly basis and are recognized in the period of using the service regardless of the date of invoicing. Revenues from prepaid services are recognized in the period of using the service regardless of the date of charging credit.

Sale of mobile phones and accessories

Revenues from sale of mobile phones and accessories are recognized at the date of sale to a distributor or end customer. Resulting losses from sale at a discount are recognized at the date of sale to a distributor or end customer.

Payment for the sale of mobile phones, devices and accessories is made in the total amount at the time of sale, or in the form of installment sale. Depending on whether the company expects to sell receivables from installment sales, they are carried at amortized (see paragraph 14) or fair value (see paragraph 15).

Premium SMS

Revenues from SMS enabling payment via mobile phones for goods and services provided by third parties, are recognized net in the form of commission for the services provided.

Connection fees

Revenues from connection fees arise from phone calls started in the network of another domestic or foreign operator but finished or transferred via the Company's network. These revenues are recognized at the time of accepting such a phone call in the Company's network. The same approach is also applied for SMS and MMS.

n) Finance costs and finance income

Finance costs and finance income comprise mainly from:

- bank charges,
- interest expense,
- interest income
- losses from the issuance of investment certificates,
- foreign currency gains and losses
- dividends.

Interest income is recognized in profit or loss as they accrue, using the effective interest method.

Foreign currency gains and losses on financial assets and liabilities

are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

The loss from the issuance of investment certificates represents the difference between the nominal value of the underlying receivables from hardware financing and the issue price of investment certificates adjusted for the cost of the service obligation and the settled provisions for receivables.

Dividends are received from financial assets measured at cost in line with IAS 28. Dividends are recognised when the right to receive payment is established in profit or loss, unless they clearly represent a recovery of part of the cost of an investment. The group presents dividends recognised in profit or loss as finance income.

o) Income tax

Income tax (expense) comprises current and deferred tax. Current tax and deferred taxes are recognized in profit or loss except to the extent that they relate to items recognized directly in equity or in other comprehensive income.

i. Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

ii. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and jointly controlled entities, in specific cases.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profit will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

iii. Tax exposures

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes or interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Company to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

As part of the addendum to the Amendments to IAS 12 Income Taxes: International Tax Reform – Pillar Two Model Rules, the Company assessed the amendments when they were first applied and assessed that they had no impact on its financial statements.

p) Employee benefits

Short-term employee benefits

Short-term employee benefits obligations are measured on an undiscounted basis and are expensed as the related service is provided. A provision is recognized for the amount expected to be paid under short-term cash bonus if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Employee benefits after termination of employment

The company calculates a provision for retirement benefits based on the requirements of the Labor Code. In the calculation, it uses actuarial methods using the probability of life according to age, average annual fluctuation, discount rate and average salary of the employee and its increase in the future. In the past and also in current year, the Company did not create this provision as its amount was insignificant. Due to its total amount, which is still insignificant, the Company has decided not to disclose the sensitivity of the amount of the provision to changes in the assumptions used.

Employee benefits – Recharge liabilities

PPF Group has introduced a new long-term benefit program called PPF Recharge. This program provides an additional 20 days of leave after every 5 consecutive years of an employee's service for a company. This benefit is applicable to all employees with regular job contracts, regardless of their working hours.

IAS 19 provides only limited guidance specific to other long-term employee benefits (from recognition, via measurement to disclosures). However, to ensure comprehensive and consistent accounting for the PPF Recharge benefit, the Group has adopted selected principles from the guidance on defined benefit plans in a reasonable and balanced manner [IAS 8.12]. For determination of the discount rate, the Company followed the same principles and guidance as required for defined benefit plans.

q) Interest capitalization according to IAS 23

IAS 23 Borrowing Costs requires that borrowing costs directly attributable to the acquisition, construction, or production of a qualifying asset. Other borrowing costs are recognized as an expense.

The Company acquired license Spektrum 3 600 – 3 700 MHz during June 2022, which will be put in use in the year 2026. Acquisition of license fulfill the definition of qualifying asset according to IAS 23, as liability from acquisition license is due in two terms: August 2025 and August 2026. In accordance to IAS 23 the Company capitalized to acquisition price of license value of amortized costs of EUR 415 thousand in the year 2024. For calculation of amortized costs was used discount rate 3.32%.

In January 2023, the Company acquired a Spectrum 1 800 MHz license, which will be put in use in 2026. The acquisition of the license fulfills the definition of a qualifying asset according to IAS 23, as the liability for the acquisition of the license is due in six installments until 2029. In accordance with IAS 23, the Company capitalized the value of the amortized costs amounting to EUR 338 thousand into the acquisition cost of the license in 2024. A discount rate of 5.5% was used to calculate the amortized costs.

r) Equity

Ordinary and preference shares

Share capital is recognized at the fair value of the consideration received by the Company.

Legal reserve fund

The legal reserve fund has been set up in accordance with Slovak legislation to cover potential future losses and is not distributable. The legal reserve fund may not be distributed among the shareholders. It is designed to cover future losses from operations and to increase registered capital in accordance with valid regulations.

Dividends

Dividends are recognized in the statement of changes in equity and recorded as liabilities in the period in which they are declared.

5 Investments in subsidiaries and joint ventures

The Company has a 50% share in the company Tesco Mobile Slovakia, s.r.o. which is joint venture of the Company and Tesco Stores SR, a.s. Share capital of the company is EUR 5 thousand. Financial statements of the company Tesco Mobile Slovakia, s.r.o. for 2024 were not available as at the date of preparation of these financial statements. Profit for 2023 amounted to EUR 33 thousand. Retained earnings from previous years amounted to EUR 176 thousand as of 31 December 2023. Joint venture Tesco Mobile Slovakia, s.r.o. is presented within line Investment in joint venture in the Statement of financial position.

The Company has 100% ownership of O₂ Business Services, a.s. The cost of the Company's investment in O₂ Business Services, a.s was EUR 1,528 thousand (as of 31 December 2023: EUR 1,528 thousand). At 31 December 2024, O₂ Business Services, a.s reported net equity or EUR 6,121 thousand (as of 31 December 2023: EUR 7,107 thousand). The Company assessed the potential impairment of investment and reached the conclusion that the investment is not impaired.

The Company has an investment in „Férová nadácia” at cost of EUR 6,6 thousand (as of 31 December 2023: EUR 6,6 thousand).

6 Impact of legislative changes

Standards and interpretations not yet adopted as of 31 December 2024

The following new Standards and Interpretations are not yet mandatorily effective for annual periods beginning on or after 1 January 2024 and have not been applied in preparing these financial statements.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of exchangeability

Effective for annual reporting periods beginning on or after 1 January 2025. Earlier application is permitted.

Under IAS 21 The Effects of Changes in Foreign Exchange Rates, a company uses a spot exchange rate when translating a foreign currency transaction. In some jurisdictions, no spot rate is available because a currency cannot be exchanged into another currency.

IAS 21 was amended to clarify:

- when a currency is exchangeable into another currency; and
- how a company estimates a spot rate when a currency lacks exchangeability.

The amendments also include additional disclosure requirements to help users to assess the impact of using an estimated exchange rate on the financial statements.

The Company does not expect that the amendments, when initially applied, could have a material impact on its financial statements.

Amendments to IFRS 9 and IFRS 7 Amendments to Classification and Measurement of Financial Instruments

Effective for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

Settlement of liabilities through electronic payment systems

There has been diversity in practice over the timing of the recognition and derecognition of financial assets and financial liabilities, particularly when they are settled using electronic payment system. The amendments to IFRS 9 clarify when a financial asset or a financial liability is recognised and derecognised.

Under the amendments, a company generally derecognises its trade payable on the settlement date. Normally this is the date, on which payment is completed.

The amendments also provide an optional exception, which allows the company to derecognise its trade payable earlier than the settlement date, potentially on the date when payment is initiated and cannot be canceled. The exception is available when the company uses an electronic payment system that meets all of the following criteria:

- no practical ability to withdraw, stop or cancel the payment instruction;
- no practical ability to access the cash to be used for settlement as a result of the payment instruction; and
- the settlement risk associated with the electronic payment system is insignificant.

Companies can choose to apply the exception for electronic payments on a system-by-system basis.

Classification of financial assets with ESG-linked features

Under IFRS 9, it was unclear whether the contractual cash flows of some financial assets with ESG-linked features represented SPPI, which is a condition for measurement at amortized cost. This could have resulted in financial assets with ESG-linked features being measured at fair value through profit or loss.

The amendments introduce an additional SPPI test for financial assets with contingent features that are not related directly to a change in basic lending risks or costs – e.g. where the cash flows change depending on whether the borrower meets an ESG target specified in the loan contract.

Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature.

The amendments also include additional disclosures for all financial assets and financial liabilities that have certain contingent features that are:

- nesúvisia priamo so zmenou základných úverových rizík alebo nákladov a
- nie sú oceňované v reálnej hodnote cez výkaz ziskov a strát.

Contractually linked instruments (CLIs) and non-recourse features

The amendments clarify the key characteristics of CLIs and how they differ from financial assets with non-recourse features. The amendments also include factors that a company needs to consider when assessing the cash flows underlying a financial asset with non-recourse features (the ‘look through’ test).

Disclosures on investments in equity instruments

The amendments require additional disclosures for investments in equity instruments that are measured at fair value with gains or losses presented in other comprehensive income (FVOCI).

Amendments to IFRS 9 and IFRS 7: Contracts Referencing Nature-dependent Electricity

Effective for annual reporting periods beginning on or after 1 January 2026. Earlier application is permitted.

The amendments enable nature-dependent electricity contracts, which are sometimes referred to as renewable power purchase agreements (PPAs), to be better reflected in the financial statements.

The amendments:

- Clarify the application of the own use exemption to these contracts.
- Amend the hedge accounting requirements to allow contracts

for electricity from nature-dependent renewable energy sources to be used as a hedging instrument if certain conditions are met.

- Introduce additional disclosure requirements to enable investors to understand the impact of these contracts on a company's financial performance and future cash flow.

The Company is in the process of assessment of the potential impact on its financial statements resulting from the application of the amendments.

IFRS 18 Presentation and Disclosure in Financial Statements

Effective for annual reporting periods beginning on or after 1 January 2027. Earlier application is permitted.

IFRS 18 replaces IAS 1 Presentation of Financial Statements. The major changes in the requirements are summarized below.

A more structured statement of profit or loss

IFRS 18 introduces newly defined ‘operating profit’ and ‘profit or loss before financing and income tax’ subtotals and a requirement for all income and expenses to be allocated between three new distinct categories based on a company's main business activities: operating, investing and financing.

Under IFRS 18, companies are no longer permitted to disclose operating expenses only in the notes. A company presents operating expenses in a way that provides the ‘most useful structured summary’ of its expenses by either:

- nature;
- function; or
- using a mixed presentation

If any operating expenses are presented by function, then new disclosures apply.

MPMs – Disclosed and subject to audit

IFRS 18 also requires some ‘non-GAAP’ measures to be reported in the financial statements. It introduces a narrow definition for Management Performance Measures (“MPMs”), requiring them to be:

- a subtotal of income and expenses;
- used in public communications outside the financial statements; and reflective of management’s view of financial performance.

For each MPM presented, companies need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.

Greater disaggregation of information

The new standard includes enhanced guidance on how companies group information in the financial statements. This includes guidance on whether information is included in the primary financial statements or is further disaggregated in the notes.

Companies are discouraged from labelling items as ‘other’ and are required to disclose more information if they continue to do so.

Other changes applicable to the primary financial statements

IFRS 18 sets operating profit as a starting point for the indirect method of presenting cash flows from operating activities and eliminates the option for classifying interest and dividend cash flows as operating activities in the cash flow statement (this differs for companies with specified main business activities). It also requires goodwill to be presented as a new line item on the face of the balance sheet.

Transition

In its annual financial statements prepared for the period in which the new standard is first applied, an entity shall disclose, for the comparative period immediately preceding that period,

a reconciliation for each line item in the statement of profit or loss between:

- the restated amounts presented applying IFRS 18; and
- the amounts previously presented applying IAS 1.

The Company is in the process of assessment of the potential impact on its financial statements resulting from the application of IFRS 18.

IFRS 19 Subsidiaries without Public Accountability Disclosures

Effective for annual reporting periods beginning on or after 1 January 2027. Earlier application is permitted.

IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19.

A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date:

- it does not have public accountability;
- its parent produces consolidated financial statements under IFRS Accounting Standards.

A subsidiary applying IFRS 19 is required to clearly state in its explicit and unreserved statement of compliance with IFRS Accounting Standards that IFRS 19 has been adopted. The Company is in the process of assessment of the potential impact on its financial statements resulting from the application of IFRS 19.

Annual Improvements to IFRS Standards – Volume 11

Effective for annual reporting periods on or after 1 January 2026. Earlier application is permitted. The amendment on derecognition of lease liabilities applies only to lease liabilities extinguished on or after the beginning of the annual reporting period in which the amendment is first applied.

In this volume of improvements, the IASB makes minor amendments to IFRS 9 Financial Instruments and to a further four accounting standards¹. The amendments to IFRS 9 address:

- a conflict between IFRS 9 and IFRS 15 Revenue from Contracts with Customers over the initial measurement of trade receivables; and how a lessee accounts for the derecognition of a lease liability under paragraph 23 of IFRS 9.

The amendments to IFRS 9 require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15. They also clarify that when lease liabilities are derecognized under IFRS 9, the difference between the carrying amount and the consideration paid is recognized in profit or loss.

The Company does not expect that the amendments, when initially applied, could have a material impact on its financial statements.

Amendments to IFRS 10 and IAS 28: Sale or contribution of assets between an investor and its associate or joint venture

Effective date deferred indefinitely. Available for optional adoption in full IFRS financial statements. The European Commission decided to defer the endorsement indefinitely, it is unlikely that it will be endorsed by the EU in the foreseeable future.

The Amendments clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business, such that:

- a full gain or loss is recognised when a transaction between an investor and its associate or joint venture involves the transfer of an asset or assets which constitute a business (whether it is housed in a subsidiary or not), while
- a partial gain or loss is recognised when a transaction between an investor and its associate or joint venture involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

The Company does not expect that the amendments, when initially applied, could have a material impact on its financial statements.

¹ IFRS 1 Prvé prijatie medzinárodných štandardov finančného výkazníctva; IFRS 7 Finančné nástroje; Zverejnenia; IFRS 10 Konsolidovaná účtovná závierka a IAS 7 Výkaz peňažných tokov.

7 Property, plant and equipment

| in thousands of EUR | Buildings | Telco | Technologies and office equipment | Acquisition of property, plant and equipment | Total |
|-----------------------------------|--------------|---------------|-----------------------------------|--|---------------|
| Acquisition cost | | | | | |
| Balance as at 1. 1. 2023 | 4 986 | 13 170 | 9 781 | 1 923 | 29 859 |
| Additions | 621 | 839 | 985 | 117 | 2 562 |
| Disposals | 121 | 520 | 409 | 0 | 1 050 |
| Transfers | 427 | 902 | 711 | -2 040 | 0 |
| Balance as at 31. 12. 2023 | 5 913 | 14 391 | 11 068 | 0 | 31 371 |
| Balance as at k 1. 1. 2024 | 5 913 | 14 391 | 11 068 | 0 | 31 371 |
| Additions | 574 | 965 | 2 235 | 1 352 | 5 126 |
| Disposals | 0 | 321 | 245 | 0 | 566 |
| Transfers | 59 | 57 | 336 | -452 | 0 |
| Balance as at 31. 12. 2024 | 6 546 | 15 092 | 13 394 | 900 | 35 931 |

| in thousands of EUR | Buildings | Telco | Technologies and office equipment | Acquisition of property, plant and equipment | Total |
|-----------------------------------|--------------|---------------|-----------------------------------|--|---------------|
| Accumulated depreciation | | | | | |
| Balance as at k 1. 1. 2023 | 3,410 | 10,556 | 6,757 | 0 | 20,723 |
| Additions | 339 | 792 | 1,453 | 0 | 2,584 |
| Transfers | 111 | 472 | 401 | 0 | 984 |
| Balance as at 31. 12. 2023 | 3,638 | 10,876 | 7,809 | 0 | 22,323 |
| Stav k 1. 1. 2024 | 3,638 | 10,876 | 7,809 | 0 | 22,323 |
| Additions | 923 | 492 | 2,182 | 0 | 3,597 |
| Transfers | 0 | 270 | 244 | 0 | 514 |
| Balance as at 31. 12. 2024 | 4,561 | 11,098 | 9,747 | 0 | 25,406 |

| in thousands of EUR | Buildings | Telco | Technologies and office equipment | Acquisition of property, plant and equipment | Total |
|-----------------------------------|--------------|--------------|-----------------------------------|--|---------------|
| Carrying amount | | | | | |
| Balance as at 1. 1. 2023 | 1,576 | 2,613 | 3,024 | 1,923 | 9,136 |
| Balance as at 31. 12. 2023 | 2,275 | 3,515 | 3,260 | 0 | 9,050 |
| Balance as at 1. 1. 2024 | 2,275 | 3,515 | 3,260 | 0 | 9,050 |
| Balance as at 31. 12. 2024 | 1,985 | 3,994 | 3,647 | 900 | 10,526 |

Property, plant and equipment do not include any separate, individually significant items. The Company does not record any property, plant and equipment which are not utilized, except for property, plant and equipment in acquisition.

The Company does not lease its property, plant and equipment to third parties.

Pledged assets

No pledge has been established on property, plant and equipment as of 31 December 2024 (as of 31 December 2023: nil).

The Company does not have any restricted rights to property, plant and equipment as of 31 December 2024 (as of 31 December 2023: nil).

Insurance

The Company's non-current assets are insured within the Group insurance with sister Company O₂ Czech Republic, a.s. for damage caused by theft and natural disaster.

8 Intangible assets

| in thousands of EUR | Licences | Software and valuable rights | Brand | Acquisition of intangibles | Total |
|---|---------------|------------------------------|---------------|----------------------------|----------------|
| Acquisition cost / Conversion cost | | | | | |
| Balance as at 1. 1. 2023 | 84 618 | 78 345 | 39 389 | 20 648 | 223 000 |
| Additions | 0 | 13 140 | 0 | 5 590 | 18 730 |
| Disposals | 0 | 175 | 0 | 0 | 175 |
| Transfers | 0 | 4 733 | 0 | -4 733 | 0 |
| Balance as at 31. 12. 2023 | 84 618 | 96 043 | 39 389 | 21 505 | 241 555 |
| Balance as at 1. 1. 2024 | 84 618 | 96 043 | 39 389 | 21 505 | 241 555 |
| Additions | | 7 290 | 0 | 14 067 | 21 357 |
| Disposals | | 655 | 0 | 0 | 655 |
| Transfers | | 2 640 | 0 | -2 640 | 0 |
| Balance as at 31. 12. 2024 | 84 618 | 105 318 | 39 389 | 32 932 | 262 257 |

| in thousands of EUR | Licencie | Softvér a oceníteľné práva | Obchodná značka | Obstarávaný majetok | Spolu |
|-----------------------------------|----------------|----------------------------|-----------------|---------------------|-----------------|
| Accumulated amortization | | | | | |
| Balance as at 1. 1. 2023 | -32 521 | -56 908 | -26 250 | 0 | -115 679 |
| Additions | -6 379 | -7 926 | -939 | 0 | -15 244 |
| Disposals | 0 | -175 | 0 | 0 | -175 |
| Balance as at 31. 12. 2023 | -38 900 | -64 659 | -27 189 | 0 | -130 748 |
| Balance as at 1. 1. 2024 | -38 900 | -64 659 | -27 189 | 0 | -130 748 |
| Additions | -6 379 | -7 934 | -938 | 0 | -15 251 |
| Disposals | 0 | -655 | 0 | 0 | -655 |
| Balance as at 31. 12. 2024 | -45 279 | -71 938 | -28 127 | 0 | -145 344 |

| in thousands of EUR | Licencie | Softvér a oceníteľné práva | Obchodná značka | Obstarávaný majetok | Spolu |
|-----------------------------------|---------------|----------------------------|-----------------|---------------------|----------------|
| Carrying amount | | | | | |
| Balance as at 1. 1. 2023 | 52 096 | 21 438 | 13 140 | 20 648 | 107 321 |
| Balance as at 31. 12. 2023 | 45 718 | 31 384 | 12 200 | 21 505 | 110 807 |
| Balance as at 1. 1. 2024 | 45 718 | 31 384 | 12 200 | 21 505 | 110 807 |
| Balance as at 31. 12. 2024 | 39 339 | 33 380 | 11 262 | 32 932 | 116 913 |

The Company does not have any non-current intangible assets which are not utilized in meeting its objectives, except for non-current intangible assets in acquisition and part of license.

The Company does not lease its non-current intangible assets to third parties.

Non-current intangible assets include a telecommunication license acquired between 2006 to 2024, key information system and a brand summarized as follows:

| in thousands of EUR | | 31. 12. 2024 | 31. 12. 2023 |
|---------------------------|------------------|--------------|--------------|
| Telecommunication license | Acquisition cost | 114 380 | 108 547 |
| | Carrying amount | 39 339 | 69 646 |
| CRM system | Acquisition cost | 56 526 | 54 435 |
| | Carrying amount | 17 517 | 16 642 |
| Brand | Acquisition cost | 39 389 | 39 389 |
| | Carrying amount | 11 263 | 12 201 |

The brand includes license fee for using O₂ Brand paid upfront in amount of EUR 14, 000 thousand. The license fee is prepaid until the year 2036. Company is obliged to sublicense the Brand to O₂ Business services. The telecommunications license also includes licenses for the spectrum of 3 600 to 3 700 MHz, 1800 MHz and 900 MHz with a total value of EUR 29,765 thousand. These licenses are part of the assets under acquisition as the Company cannot put them into use until 2026, because their validity begins in 2026.

Lien

No lien has been established on non-current intangible assets as of 31 December 2024 (as of 31 December 2023: nil). The Company does not have any restricted rights to non-current intangible assets as of 31 December 2024 (as of 31 December 2023: nil).

Insurance

See note 7 Property, plant and equipment.

9 Leasing

The Company especially leases sales premises, administrative and technological buildings, vehicles and various office equipment.

Leases for the sales premises and administrative buildings are usually for a period of 3 to 5 years. Contracts may include options to extend the lease term and the amount of payments is often adjusted according to the development of the consumer price index. If it is probable that the option will be applied, it is taken into account in determining the length of the lease.

Rental of vehicles is usually concluded for a period of 2 years. Rental of office equipment is usually short-term or a low-value underlying asset. The company has decided not to report right of use assets and lease liabilities from these leases. An overview of the rights to use leased assets in accordance with IFRS 16 reported under property, plant and equipment is given in the following table:

| in thousands of EUR | Administratívne priestory s právom na používanie | Ostatný majetok s právom na používanie | Spolu |
|-----------------------------------|--|--|---------------|
| Acquisition cost | | | |
| Balance as of 1. 1. 2023 | 11 547 | 353 | 11 900 |
| Additions | 2 320 | 249 | 2 569 |
| Disposals | 0 | 0 | 0 |
| Balance as of 31. 12. 2023 | 13 867 | 602 | 14 469 |
| Balance as of 1. 1. 2024 | 13 867 | 602 | 14 469 |
| Additions | 14 298 | 0 | 14 298 |
| Disposals | -97 | 0 | -97 |
| Balance as of 31. 12. 2024 | 28 067 | 602 | 28 669 |

| in thousands of EUR | Administratívne priestory s právom na používanie | Ostatný majetok s právom na používanie | Spolu |
|-----------------------------------|--|--|----------------|
| Accumulated depreciation | | | |
| Balance as of 1. 1. 2023 | -7 002 | -44 | -7 046 |
| Additions | -2 837 | -155 | -2 992 |
| Disposals | 0 | 0 | 0 |
| Balance as of 31. 12. 2023 | -9 839 | -198 | -10 038 |
| Balance as of 1. 1. 2024 | -9 839 | -198 | -10 038 |
| Additions | -3 207 | -155 | -3 362 |
| Disposals | 0 | 0 | 0 |
| Balance as of 31. 12. 2024 | -13 047 | -353 | -13 400 |

| in thousands of EUR | Administratívne priestory s právom na používanie | Ostatný majetok s právom na používanie | Spolu |
|-----------------------------------|--|--|---------------|
| Carrying amount | | | |
| Balance as of 1. 1. 2023 | 4 545 | 309 | 4 854 |
| Balance as of 31. 12. 2023 | 4 028 | 403 | 4 431 |
| Balance as of 1. 1. 2024 | 4 028 | 403 | 4 431 |
| Balance as of 31. 12. 2024 | 15 021 | 249 | 15 270 |

An overview of lease liabilities according to maturity is given in the following table:

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|------------------------------|---------------|--------------|
| Less than 1 year | 2 993 | 2 205 |
| 1 to 5 years | 6 702 | 2 415 |
| More than 5 years | 5 777 | 0 |
| Total lease liability | 15 472 | 4 620 |

In 2024, the additions of lease liabilities are amount of EUR 14,033 thousand (in 2023 EUR 2,567 thousand). In 2024, the Company signed a long-term lease agreement for new administrative premises at Pribinova 40, Bratislava which is part of the rental increment.

An overview of lease-related transactions reported in profit or loss is given in the following table:

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|--|--------------|--------------|
| Administrative premises | 1 456 | 1 435 |
| Stores | 1 584 | 1 400 |
| Motor vehicles | 155 | 155 |
| Total amortization of the right of use asset | 3 195 | 2 990 |
| Interest expense (included in finance costs) | 439 | 125 |
| Costs of low-value assets not reported under current lease liabilities (included in service costs) | 82 | 83 |
| Variable costs not included in rental liabilities (included in service costs) | 0 | 0 |

Payments for leases relating to principal during the accounting period in the amount of EUR 3,621 thousand (in 2023 EUR 3,092 thousand) are reported under cash flows from financing activities in the cash flow statement.

10 Capitalized contract acquisition costs and contract assets

Capitalized contract acquisition costs are mostly commissions paid to external intermediaries directly attributable to obtaining a contract with customers (see note 3.iii Use of estimates and judgments).

| in thousands of EUR | Vplyv aplikácie IFRS 15 |
|--|-------------------------|
| As at 1 January 2023 | 8 375 |
| Capitalization of contract acquisition costs | 7 681 |
| Amortization of contract acquisition costs | 6 589 |
| As at 31 December 2023 | 9 467 |
| As at 1 January 2024 | 9 467 |
| Capitalization of contract acquisition costs | 10 648 |
| Amortization of contract acquisition costs | 7 623 |
| As at 31 December 2024 | 12 492 |

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|------------------------------|---------------|--------------|
| Current contract assets | 10 938 | 4 717 |
| Total contract assets | 10 938 | 4 717 |

Contract assets represent revenues from contracts with Customers, for which the Company did not deliver all services, so does not have right to invoice to Customers as of balance sheet date.

11 Deferred tax asset

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|--|--------------|--------------|
| Deffered tax at the beginning of the period | 5 968 | 6 133 |
| Change in statement of profit or loss | 3 047 | -165 |
| <i>there of: effect of a change in tax rate</i> | 293 | 0 |
| Change in prior year profit | 0 | 0 |
| <i>there of: effect of a change of accounting method</i> | 0 | 0 |
| Deferred tax assets at the end of the period | 9 015 | 5 968 |

Odložené daňové pohľadávky prislúchajú k týmto položkám:

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|---|--------------|--------------|
| Property, plant and equipment and non-current intangible assets | 191 | 105 |
| Allowance for Trade receivables and other financial receivables | 758 | 547 |
| Fair value adjustment for Trade receivables at fair value | 1 206 | 764 |
| Trade payables and other financial liabilities | 6 812 | 4 535 |
| Lease liabilities | 3 713 | 1 002 |
| Right of use | -3 665 | -985 |
| Total deferred tax asset | 9 015 | 5 968 |
| Part realizable in 12 months | 8 709 | 5 777 |
| Part realizable later than in 12 months | 306 | 191 |
| Total deferred tax asset | 9 015 | 5 968 |

The Company has offset deferred tax assets and liabilities when permitted by IAS 12, because there is a legally enforceable right to offset current tax assets against current tax liabilities, which relate to the same tax authority. Deferred taxes are calculated using currently enacted tax rates expected to apply in the period in which the asset is realized or the liability settled. Deferred tax rate applied to temporary differences relating to corporate income tax pursuant to Act 595/2003 Coll. on Income Tax is 24% (2023: 21%). The total deferred tax asset contains also the deferred tax liability from the special tax on business in the regulated sectors.

The Company records deferred tax liability for the special levy on business in regulated industries resulting from adjustments to the Company's profit or loss according to Decree of the Finance Ministry of the Slovak Republic No. MF/011053/2006-72 from 15 February 2006, as amended on 19 December 2006 by Decree of the Ministry of Finance of the Slovak Republic No. MF/026217/2006. To calculate the deferred tax on a special levy on business in regulated industries, the Company uses the expected coefficient of the share of the revenues

from the regulated activity to the total revenues of the Company and the applicable tax rates expected to apply in the period in which the liability is settled.

As part of the amendment to IAS 12 regarding changes in the reporting of deferred tax assets and liabilities related to a single transaction, the company separately reported a deferred tax asset from a lease liability and a deferred tax liability from a right of use. This adjustment does not affect the reporting of deferred tax assets in the Individual Financial Statements, as the company offset these transactions in accordance with IAS 12 and reported them within the Deferred Tax Asset.

12 Inventories

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|--------------------------|---------------|---------------|
| Material | 651 | 730 |
| Merchandise | 12 558 | 11 600 |
| Total inventories | 13 209 | 12 330 |

The Company recognized a provision for slow moving material and merchandise in total amount of EUR 50 thousand (as of 31 December 2023: EUR 50 thousand).

No lien has been established on inventories as of 31 December 2024 (as of 31 December 2023: nil).

In 2024, material in the amount of EUR 1,423 thousand, merchandise in the amount of EUR 61,875 thousand were recognized as expenses (In 2023, material in the amount of EUR 1,125 thousand, merchandise in the amount of EUR 61,568 thousand).

13 Financial instruments according to categories

| 31. 12. 2024 (in thousands of EUR) Assets according to statement of financial position | Amortized cost | FVTPL | Total |
|---|----------------|---------------|---------------|
| Trade receivables and other financial receivables | 33 550 | | 33 550 |
| Contract assets | 10 938 | | 10 938 |
| Trade receivables at fair value | | 27 837 | 27 837 |
| Long-term receivables | 324 | | 324 |
| Cash and cash equivalents | 24 670 | | 24 670 |
| Total assets according to statement of financial position | 69 482 | 27 837 | 97 319 |

| 31. 12. 2024 (in thousands of EUR) Liabilities according to the statement of financial position | Amortized cost | Total |
|--|----------------|----------------|
| Other long-term liabilities | 19 772 | 19 772 |
| Trade payables and other financial liabilities | 59 722 | 59 722 |
| Loans received | 60 300 | 60 300 |
| Lease liabilities | 15 472 | 15 472 |
| Total liabilities according to the statement of financial position | 155 266 | 155 266 |

| 31. 12. 2023 (in thousands of EUR) Assets according to statement of financial position | Amortized cost | FVTPL | Total |
|---|----------------|---------------|---------------|
| Trade receivables and other financial receivables | 34 662 | | 34 662 |
| Contract assets | 4 717 | | 4 717 |
| Trade receivables at fair value | | 28 527 | 28 527 |
| Long-term receivables | 359 | | 359 |
| Cash and cash equivalents | 26 580 | | 26 580 |
| Total assets according to statement of financial position | 66 319 | 28 527 | 94 846 |

| 31. 12. 2023 (in thousands of EUR) Liabilities according to the statement of financial position | Amortized cost | Total |
|--|----------------|----------------|
| Other long term payables | 20 948 | 20 948 |
| Trade payables and other financial liabilities | 53 265 | 53 265 |
| Loans received | 60 300 | 60 300 |
| Lease liabilities | 4 621 | 4 621 |
| Total liabilities according to the statement of financial position | 139 134 | 139 134 |

14 Trade and other financial receivables

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|------------------------|---------------|---------------|
| Trade receivables | 38 098 | 39 447 |
| Impairment allowance | -4 548 | -4 785 |
| Net receivables | 33 550 | 34 662 |

Ageing structure of receivables impaired:

| 31. 12. 2024 (in thousands of EUR) | Not past due | Overdue less than 90 days | Overdue less than 180 days | Overdue less than 365 days | Overdue more than 365 days | Total |
|------------------------------------|--------------|---------------------------|----------------------------|----------------------------|----------------------------|---------------|
| Percentage of impairment | 3 % | 23 % | 67 % | 84 % | 100 % | |
| Trade receivables | 31 672 | 3 058 | 673 | 1 274 | 1 420 | 38 098 |
| Impairment provision | 890 | 710 | 454 | 1 074 | 1 420 | 4 548 |

| 31. 12. 2023 (in thousands of EUR) | Not past due | Overdue less than 90 days | Overdue less than 180 days | Overdue less than 365 days | Overdue more than 365 days | Total |
|------------------------------------|--------------|---------------------------|----------------------------|----------------------------|----------------------------|---------------|
| Percentage of impairment | 3 % | 24 % | 84 % | 93 % | 100 % | |
| Trade receivables | 32 735 | 3 439 | 594 | 960 | 1 718 | 39 447 |
| Impairment provision | 849 | 827 | 501 | 891 | 1 718 | 4 785 |

Ageing structure of impairment provision:

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|----------------------------|--------------|--------------|
| Not past due | 1 478 | 1 528 |
| Overdue less than 90 days | 566 | 587 |
| Overdue less than 180 days | 372 | 364 |
| Overdue less than 365 days | 890 | 687 |
| Overdue more than 365 days | 1 242 | 1 619 |
| Total | 4 548 | 4 785 |

Movements in the impairment provision:

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|--|--------------|--------------|
| At the beginning of the period | 4 785 | 4 805 |
| Use of impairment provision | -2 317 | -2 347 |
| Impairment loss in the statement of profit or loss | 2 080 | 2 327 |
| Impairment provision at the end of the period | 4 548 | 4 785 |

The total value of impairment provisions at the end of 2024 also includes provision for long-term receivables in the amount of EUR 3 thousand (as of 31 December 2023: EUR 4 thousand).

Long-term receivables consist mainly of trade receivables due to the provision of financing for the transfer of a contractual penalty from another operator in the amount of EUR 324 thousand (as of 31 December 2023: EUR 260 thousand).

The Company's experience in recovering receivables is reflected in the created provision. The Company also included into the value of the provision information concerning the future development of the economy (see note 4. g) Impairment). The Company's management believes that there are no other risks that would reduce the value of receivables beyond the impairment provision.

The Company's receivables are covered by a combination of bank guarantees, blank promissory notes and collateral received as shown in the following table (at fair values):

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|--|--------------|--------------|
| Combination of bank guarantees and blank promissory note | 0 | 40 |
| Collaterals received | 427 | 475 |
| Total secured receivables | 427 | 515 |

Credit risks and currency risks to which the Company is exposed to and impairment provisions to trade receivables and other financial receivables are described in note 27.

As of 31 December 2024, receivables are not secured by a lien (as of 31 December 2023: nil).

The Company does not have any restricted rights to receivables.

15 Trade receivables at fair value

| in thousands of EUR | Nominal value as at 31. 12. 2024 | Fair value as at 31. 12. 2024 |
|--|----------------------------------|-------------------------------|
| Not past due | 28 127 | 26 139 |
| Overdue less than 90 days | 732 | 532 |
| Overdue less than 180 days | 875 | 323 |
| Overdue less than 365 days | 2 499 | 732 |
| Overdue more than 365 days | 740 | 111 |
| Total trade receivables at fair value | 32 973 | 27 837 |

| in thousands of EUR | Nominal value as at 31. 12. 2023 | Fair value as at 31. 12. 2023 |
|--|----------------------------------|-------------------------------|
| Not past due | 28 725 | 27 208 |
| Overdue less than 90 days | 686 | 470 |
| Overdue less than 180 days | 867 | 323 |
| Overdue less than 365 days | 1 550 | 457 |
| Overdue more than 365 days | 455 | 68 |
| Total trade receivables at fair value | 32 284 | 28 526 |

The development of receivables at fair value over the years 2024 and 2023 is shown in the table below:

| Development of receivables at fair value | in thousands of EUR |
|---|---------------------|
| Receivables as at 1 January 2023 | 42 594 |
| Increase of receivables from hardware sales | 63 129 |
| Payments of receivables from hardware sales | -30 346 |
| Receivables securitization | -41 959 |
| Loss from sale of receivables | -1 161 |
| Receivables revaluation costs | -3 731 |
| Receivables as at 31 December 2023 | 28 526 |
| Receivables as at 1 January 2024 | 28 526 |
| Increase of receivables from hardware sales | 69 632 |
| Payments of receivables from hardware sales | -22 820 |
| Receivables securitization | -38 331 |
| Loss from sale of receivables | -1 931 |
| Receivables revaluation costs | -7 238 |
| Receivables as at 31 December 2024 | 27 837 |

16 Equity

Share capital

Total authorized and issued share capital of the Company amounts to EUR 51,602 thousand as of 31 December 2024 (as of 31 December 2023: EUR 51,602 thousand). The share capital is fully paid up. Shareholder's share represents rights and responsibilities of shareholders.

Legal reserve fund

According to the Commercial Code the Company is obliged to create a legal reserve fund in the minimum amount of 5% of net profit (annually) and up to a maximum of 10% of share capital. As of 31 December 2024, the balance of legal reserve fund is in the amount of EUR 5,160 thousand (as of 31 December 2023: EUR 5,160 thousand). The Company has reached the maximum amount of legal reserve fund creation. The legal reserve fund may only be used to cover the Company's losses.

Distribution of accounting profit reported in the preceding accounting period

The sole shareholder decided on the payment of dividends in the total amount of 20,000 thousand EUR; 10,000 thousand EUR on September 20, 2024, and on the payment of dividends of 10,000 thousand EUR on December 17, 2024. At the same time, the sole shareholder decided to transfer the profit for the year 2023 in the amount of 26,919 thousand EUR to retained earnings from previous years.

In 2024, the Company generated a profit of EUR 29,065 thousand and its distribution will be decided by a single shareholder. As of the date of preparing the financial statements, it is not known how the management will propose to distribute profit after tax.

17 Loans received

| in thousands of EUR | Interest rate | Maturity | 31. 12. 2024 | 31. 12. 2023 |
|-----------------------------|--|----------------|---------------|---------------|
| Loans received | | | | |
| e& PPF Telecom Group B.V. | 1M EUROBOR + 1,3 % p. a. (year 360 days) | 30. April 2029 | 60,300 | 0 |
| e& PPF Telecom Group B.V. | 2,26 % p. a. (year 360 days) | 30. April 2024 | 0 | 60,300 |
| Total loans received | | | 60,300 | 60,300 |

The Company has established a credit line with the parent company and with several banks according to the following overview:

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|-----------------------------------|---------------|---------------|
| Slovenská sporiteľňa, a. s. | 5 000 | 5 000 |
| e& PPF Telecom Group B.V. | 60 300 | 60 300 |
| Total agreed loan facility | 65 300 | 65 300 |

The Company provided a credit limit to subsidiary O₂ Business Services in the amount of EUR 5,000 thousand.

Within the scope of financial costs or financial income, the Company reports interest on credit received as well as from the granted and undrawn credit facility.

| Reconciliation of cash flow liabilities movements from financial activities: | Loans received | Lease liabilities | Total |
|--|----------------|-------------------|---------------|
| Balance as at 1.1.2024 | 60 300 | 4 621 | 64 921 |
| Changes in cash flows from financing activities | | | |
| Repayments of lease liabilities - principal | 0 | -3 182 | -3 182 |
| Interest paid - loans | -2 420 | 0 | -2 420 |
| Interest paid - leases | 0 | -439 | -439 |
| Total changes in cash flows from financing activities | -2 420 | -3 621 | -6 041 |
| Other changes | | | 0 |
| Interest expense | | 439 | 2 859 |
| New lease contracts | 0 | 14 034 | 14 034 |
| Other changes | 0 | 0 | 0 |
| Total other changes | 2 420 | 14 473 | 16 893 |
| Balance as at 31.12. 2024 | 60 300 | 15 473 | 75 773 |

| Reconciliation of cash flow liabilities movements from financial activities: | Loans received | Lease liabilities | Total |
|--|----------------|-------------------|---------------|
| Balance as at 1.1.2023 | 60 300 | 5 021 | 65 321 |
| Changes in cash flows from financing activities | | | |
| Repayments of lease liabilities - principal | 0 | -2 967 | -2 967 |
| Interest paid - loans | -1 382 | 0 | -1 382 |
| Interest paid - leases | 0 | -124 | -124 |
| Total changes in cash flows from financing activities | -1 382 | -3 091 | -4 473 |
| Other changes | | | 0 |
| Interest expense | 1 382 | 124 | 1 506 |
| New lease contracts | 0 | 2 567 | 2 567 |
| Other changes | 0 | 0 | 0 |
| Total other changes | 1 382 | 2 691 | 4 073 |
| Balance as at 31.12.2023 | 60 300 | 4 621 | 64 921 |

18 Other non-current liabilities

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|---|---------------|---------------|
| Liabilities from acquisition of licenses | 11 277 | 19 723 |
| Service liability | 324 | 260 |
| Social fund | 6 | 16 |
| Payables from acquisition of non-current intangible asset | 7 000 | 0 |
| Other | 1 165 | 949 |
| Total non-current liabilities | 19 772 | 20 948 |

The Company manages the underlying receivables during the validity of the investment certificates; therefore, it is reported a service obligation in accordance with IFRS 9. The balance of the service liability at the end of the accounting period was in the amount of EUR 324 thousand (as of 31 December 2023: EUR 260 thousand).

Out of which: Social fund

The social fund liability is recognized as a payable to employees and its movements during the accounting period were as follows:

| in thousands of EUR | Sociálny fond |
|---------------------------------------|---------------|
| Balance as at 1 January 2023 | 17 |
| Creation | 210 |
| Drawing | 211 |
| Release | 0 |
| Balance as at 31 December 2023 | 16 |
| Balance as at 1 January 2024 | 16 |
| Creation | 248 |
| Drawing | 258 |
| Release | 0 |
| Balance as at 31 December 2024 | 6 |

According to the Social Fund Act, the social fund is used for social, health and other needs of employees.

19 Trade and other financial liabilities and other current liabilities

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|--|---------------|---------------|
| Trade payables | 38 901 | 35 941 |
| <i>from which: Supplier financing liabilities -factoring</i> | <i>1 638</i> | <i>0</i> |
| Unbilled supplies | 20 821 | 17 324 |
| Total financial liabilities | 59 722 | 53 265 |
| Tax liabilities -except for income tax | 2 890 | 3 819 |
| Employees | 5 795 | 3 922 |
| Other | 664 | 586 |
| Total trade and other financial liabilities and other current liabilities | 69 071 | 61 592 |

The company has concluded supplier financing agreements with several financial institutions that offer suppliers the possibility of early collection of receivables. These agreements allow suppliers to get paid earlier, while the company pays the financial institution on or after the originally agreed due dates.

As at 31 December 2024, the liabilities included in these agreements are reported as follows:

| Item in Balance sheet in thousands of EUR | 31. 12. 2024 |
|---|--------------|
| Trade payables | 1 638 |
| Total Supplier financing liabilities (factoring) | 1 638 |

Out of the total amount of liabilities from supplier financing of EUR 1,638 thousand, suppliers collected EUR 1,118 thousand from financial institutions as of 31 December 2024.

The maturities of liabilities under these agreements range from 30 to 90 days, while comparable liabilities outside these agreements have maturities between 15 and 45 days.

There were no material non-monetary changes in the carrying amount of these liabilities during the year. The main providers of funding are two financial institutions: one of which covers about 82% and the other covers 18% of the total volume indicating diversified liquidity risk.

Ageing structure of current liabilities:

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|--|---------------|---------------|
| Not past due | 68 725 | 59 500 |
| Overdue less than 180 days | 140 | 1 887 |
| Overdue less than 365 days | 21 | 9 |
| Overdue more than 365 days | 185 | 196 |
| Total trade and other financial liabilities and other current liabilities | 69 071 | 61 592 |

The structure of liabilities according to their maturity is presented in note 27 part Liquidity risk.

Trade payables and other financial liabilities are not secured by a lien or any other form of security.

20 Contractual liabilities

Contractual liabilities are the Company's obligation to deliver goods or provide services for which the Company has already received the consideration from the customer. Contractual obligations include a commitment to prepaid telecommunication service customers on

prepaid cards in the amount of EUR 4,355 thousand -as of 31 December 2023: EUR 4,527 thousand , annual fee for Radost -Joy in amount of EUR 1,318 thousand and the rest are other contractual obligations. The revenue is recognized when the call or data transfer is made, other services are provided or expiry of the card's life and associated prepaid credit.

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|--------------------------------------|--------------|--------------|
| Current Contractual liabilities | 8 803 | 7 796 |
| Non-current Contractual liabilities | - | - |
| Total Contractual obligations | 8 803 | 7 796 |

The amount of EUR 7 796 thousand reported as of 31 December 2023 under contractual liabilities was recognized as revenue in 2024.

In the following year, the Company expects to recognize revenue in the amount of EUR 8 803 thousand in respect of contractual liabilities from prepaid but not yet delivered services.

21 Revenues from operating activities

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|--|----------------|----------------|
| Mobile revenues | 238 013 | 227 370 |
| Revenues from home internet | 13 824 | 11 773 |
| Wholesale | 25 108 | 30 024 |
| Selling of equipment and accessories | 72 648 | 70 142 |
| Other revenues from operating activities | 4 809 | 3 513 |
| Revenue from operating activity total | 354 401 | 342 822 |

Mobile revenues are created by providing telecommunication mobile services to end customers.

Revenues from home internet are created by providing broadband internet services.

Wholesale: revenues from roaming customers other networks and revenues from other mobile operators for incoming phone call and SMS.

Selling of equipment and accessories include all telecommunications and non-telecommunications equipment, including accessories to this equipment.

Other revenues include mainly other telecommunications and non-telecommunications revenues.

22 External purchases

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|---|---------------|---------------|
| Cost of merchandise | 61,876 | 61,568 |
| Purchase of SIM cards | 715 | 633 |
| Total cost of sales of merchandise | 62,591 | 62,201 |

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|--|----------------|----------------|
| Telecommunication services | 30 795 | 33 360 |
| Customer related services | 19 507 | 19 800 |
| Marketing costs | 13 423 | 12 007 |
| Outsourcing of services within the Group and from external suppliers | 11 271 | 11 373 |
| Cost for network services | 97 909 | 91 569 |
| Lease and other cost of buildings | 2 297 | 2 385 |
| Cost for assembly and other service activities | 695 | 634 |
| Cost for representation | 373 | 313 |
| Energy consumption | 233 | 344 |
| Repairs of property, plant and equipment | 837 | 784 |
| Legal and consulting services | 869 | 1 341 |
| Other | 2 493 | 2 068 |
| Total services | 180 702 | 175 978 |

Expenses related to audit of financial statements in the year ended 31 December 2024 amounted to EUR 136 thousand - as of 31 December 2023: EUR 72 thousand. On 20 September 2024 KPMG Slovensko spol. s r.o. was appointed as an independent auditor for the period ended 31 December 2024.

In the year ended 31 December 2024 the company had no costs for tax advice provided by the audit firm -as at 31 December 2023: EUR 43 thousand. The auditor did not provide any other services.

23 Personnel costs

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|------------------------------|---------------|---------------|
| Wages and salaries | 25 772 | 22 017 |
| Social security | 8 422 | 7 045 |
| Total personnel costs | 34 194 | 29 062 |

24 Other operating expenses

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|--|--------------|--------------|
| Fees paid to the Group | 1 535 | 1 224 |
| Fees to Telecommunication Office for frequencies | 2 191 | 2 054 |
| Other | 411 | 764 |
| Total other expenses | 4 137 | 4 042 |

25 Finance income and finance costs

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|---|--------------|--------------|
| Interest expense | 2 859 | 1 508 |
| Exchange rate losses | 163 | 263 |
| Loss on sale of receivables at fair value | 1 931 | 1 161 |
| Other financial expenses | 709 | 528 |
| Total financial expenses | 5 662 | 3 460 |

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|-------------------------------|--------------|--------------|
| Interest income | 617 | 296 |
| Exchange rates gains | 109 | 161 |
| Dividends | 5 500 | 0 |
| Total financial income | 6 226 | 457 |

26 Tax expenses and reconciliation of the effective tax rate

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|--|--------------|---------------|
| Deferred tax | -3 047 | 165 |
| Special levy on business in regulated industries | 1 234 | 1 101 |
| Current tax | 9 219 | 9 386 |
| Total tax expenses | 7 406 | 10 652 |

In accordance with Act No. 235/2012 Coll. on Special Levy on Business in Regulated Industries and on Amendments and Supplements to certain laws in the wording of Act No. 440/2012 Coll. the Company considers itself a regulated legal person. Consequently, the Company is obliged to pay a special levy provided that its profit for the accounting period exceeds EUR 3,000 thousand.

The levy is determined on the basis of the latest known profit before tax adjusted according to Decree of the Finance Ministry of the Slovak Republic No. MF/011053/2006-72 from 15 February 2006 as amended on 19 December 2006 by Decree of the Ministry of Finance of the Slovak Republic No. MF/026217/2006 and multiplied by the coefficient determined as the proportion of revenues generated from activities in the regulated area -electronic communications under a general authorization or an individual right-to-use numbers or frequencies to the total revenue of the Company. The rate of levy in 2024 is 0.00363 -Act No. 235/2012 Coll. – article 6 paid on a monthly basis.

Under the tax settlement of previous years the difference between the booked income tax provision and the actual tax liability paid on the basis of the tax return is reported.

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|--|--------------|---------------|
| Profit before tax | 36 471 | 37 571 |
| Theoretical tax of 21% | 7 659 | 7 890 |
| Special levy on business in regulated industries | 1 234 | 1 268 |
| Permanent differences | 78 | 1 102 |
| there of: effect of a change in tax rate | -293 | 0 |
| Other differences | -1 306 | 965 |
| Settlement of tax from previous years | 34 | -573 |
| Total tax expenses | 7 406 | 10 652 |
| Effective tax rate | 20% | 28% |

27 Financial instruments and financial risk management

The Company is exposed to various financial risks due to its activities. The Company's overall risk management focuses on unpredictability of financial markets and economic environment and pursues to minimize potential adverse impacts on the Company's financial results.

Financial instruments include cash, a capital instrument of another accounting entity, any arrangement entitling to gain or binding to provide cash or another financial asset or any arrangement entitling or binding to exchange financial assets and liabilities.

The main risks arising from financial instruments used by the Company are market risk, credit risk and liquidity risk. The financial department is responsible for financial risk management based on rules approved by the parent company.

Market risk management

The market risk represents risk of fluctuations in fair value of future cash flows of a financial instrument due to changes in market prices. The market risk includes currency, interest rate and other price risks.

Currency risk

The currency risk represents the risk of fluctuations in fair value of future cash flows of a financial instrument due to changes in foreign exchange rates.

The Company is exposed to movements in the American Dollar, Czech Crown and reserve currency created by the International Monetary Fund XDR -Special Drawing Rights which represents a minimum risk in connection with the position of these currencies on the total amount of liabilities/assets and therefore no sensitivity analysis was performed.

Overview of financial assets in foreign currencies translated at the exchange rate as of 31 December 2024 to EUR is as follows:

| in thousands of EUR | XDR | Spolu |
|----------------------------------|------------|------------|
| Not past due | 67 | 67 |
| Overdue less than 180 days | 234 | 234 |
| Overdue less than 365 days | 7 | 7 |
| Overdue more than 365 days | 1 | 1 |
| Total current receivables | 309 | 309 |

Overview of financial receivables in foreign currencies converted at the exchange rate as of 31 December 2023 to EUR is as follows:

| in thousands of EUR | XDR | Spolu |
|----------------------------------|------------|------------|
| Not past due | 275 | 275 |
| Overdue less than 180 days | 0 | 0 |
| Overdue less than 365 days | 7 | 7 |
| Overdue more than 365 days | 1 | 1 |
| Total current receivables | 283 | 283 |

Overview of financial liabilities in foreign currencies translated at the foreign exchange rate as of 31 December 2024 to EUR is as follows:

| in thousands of EUR | CZK | USD | XDR | Spolu |
|----------------------------------|------------|----------|------------|--------------|
| Not past due | 731 | 8 | 420 | 1159 |
| Overdue less than 180 days | 0 | 0 | 213 | 213 |
| Overdue less than 365 days | 0 | 0 | 1 | 1 |
| Overdue more than 365 days | 0 | 0 | 75 | 75 |
| Total current receivables | 731 | 8 | 709 | 1 448 |

Overview of financial liabilities in foreign currencies translated at the foreign exchange rate as of 31 December 2023 to EUR is as follows:

| in thousands of EUR | CZK | USD | XDR | Spolu |
|----------------------------------|-----------|----------|------------|--------------|
| Not past due | 95 | 6 | 577 | 678 |
| Overdue less than 180 days | 0 | 0 | 290 | 290 |
| Overdue less than 365 days | 0 | 0 | 0 | 0 |
| Overdue more than 365 days | 0 | 0 | 37 | 37 |
| Total current receivables | 95 | 6 | 904 | 1 005 |

Interest rate risk

The Company statement of profit and loss is not significantly affected by changes in market interest rates.

The Company concluded Loan agreement with e&PPF Telecom Group B.V. Credit limit was set up to EUR 60, 300 thousand.

The Company prepared a sensitivity analysis for a change in interest rates of +/- 1%. Based on the contractual terms that the Company has agreed with the banks, a change of +/- 1% for cash and cash equivalents means a change of +/- 0.75%. A change in the interest rate of +/- 1% on a loan would mean a change of +/- 1%.

If the interest rates announced by the ECB were to change by +/- 1%, it would have the following impact on the pre-tax profit for the year:

| In thousands of EUR | Increase about 1 p. p. | Decrease about 1 p.p. |
|---------------------------|------------------------|-----------------------|
| Received loan | -603 | 603 |
| Cash and cash equivalents | 185 | -185 |

The Company's management does not use hedging instruments to manage the risk of variable interest rate.

Other price risks

Other price risks arise in the case of financial instruments, for example, due to changes in prices of commodities or shares. The Company is not exposed to any significant price risk.

Credit risk

Credit risk represents the risk that one party to a financial instrument causes financial loss to another party by failing to fulfil an obligation.

The Company is exposed to credit risk resulting from its operating activities. The Company's rules for credit risk management define maturity and limits for individual partners. The Company decreases the credit risk of partners by using bank guarantees or blank promissory notes.

Concentration of credit risk in connection with trade receivables is limited due to the Company's large client base. Additionally, if the

client fails to pay the outstanding amount for provided services even after follow-up notices, the Company limits outgoing calls to the client and subsequently the provision of services is interrupted.

The Company uses bad debt provision matrix to estimate expected credit losses from receivables that consist of small balances from large number of customers.

Allowances rates are calculated using the „roll rate“ method based on the probability that the receivable falls through the stages of the delinquency until its write-off.

Percentage losses are based on actual credit losses over the previous six years, also considering the experience of the Company's predecessor company. They are adjusted for the expected revenue from the sale of receivables. The Company usually sells receivables that are more than 1 year but less than 2 years overdue.

Credit risk and impairment of receivables for significant receivables is assessed individually.

The summary of the ageing structure of short-term receivables is disclosed in Note 14. Receivables which were overdue as at the reporting date without impairment are kept from creditworthy partners with good payment discipline. On the basis of past experience with payment discipline of these contractual partners the Company's management as judged that no material credit losses are expected to arise.

The Company is also exposed to the risk of insolvency in connection with trade receivables, which are measured at fair value through profit or loss. The maximum exposure to insolvency risk in this case is the current carrying amount of these receivables.

Liquidity risk

The liquidity risk represents risk that the Company will have difficulties in fulfilling obligations relating to financial liabilities which are settled using cash or other financial assets.

The Company's liquidity risk mitigation policy defines the level of cash, cash equivalents and credit resources available to the Company to enable meeting its obligations in a timely manner.

The table below shows financial liabilities of the Company based on undiscounted cash flows taking into account the earliest possible dates when the Company may be required to pay off these liabilities including interest expense from these liabilities.

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|-----------------------------|----------------|----------------|
| Without maturity | | |
| Maturity up to 180 days | 53 347 | 115 771 |
| Maturity up to 365 days | 21 | 0 |
| Maturity more than 365 days | 101 898 | 23 363 |
| Total liabilities | 155 266 | 139 134 |

In the category maturity more than 365 days, the financial liabilities of the Company include liabilities from purchase of licenses of EUR 11, 278 thousand, liabilities from the acquisition of fixed assets of EUR 7, 000 thousand, received loan from the related company in the amount of EUR 60, 300 thousand and long-term lease liabilities of EUR 12, 479 thousand. Credit limit of loan is withdrawn in full amount of EUR 60, 300 thousand. Future interests for the loan are of EUR 10, 580 thousand.

The table below shows information about the Company's expected maturity of non-derivative financial assets. The table was prepared based on undiscounted contractual maturity of financial assets including interest income from these assets.

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|--|---------------|---------------|
| Without maturity | 24 670 | 26 580 |
| Maturity up to 180 days | 32 769 | 32 629 |
| Maturity up to 365 days | 15 777 | 18 236 |
| Maturity more than 365 days | 13 165 | 12 683 |
| Total receivables and cash and cash equivalents | 86 381 | 90 127 |

Company monitors the level of expected cash inflows on trade and

other receivables together with expected cash outflows on liabilities. At 31 December 2024, the expected cash inflows from receivables maturing within 180 days is together with financial asset of EUR 57, 439 thousand -as of 31 December 2023: EUR 59, 209 thousand and expected cash outflow from liabilities within 180 day is of EUR 62, 696 thousand -as of 31 December 2023: EUR 115, 771 thousand. The Company expects to generate sufficient cash flow from its operating activities within 180 days to meet its obligations when they become due. This, along with the available credit line -refer to Note 17 and the ability to transfer payments for obligations within the e& PPF Telecom group, mitigates the potential risk of unforeseeable extreme circumstances.

Financial assets and liabilities offsetting

The following financial assets were subject to offsetting, netting agreements and similar agreements enabling offsetting:

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|---|---------------|---------------|
| Trade and other receivables prior to offsetting | 96 995 | 94 597 |
| Gross offset amount | -397 | -112 |
| Trade and other receivables after offsetting | 96 598 | 94 485 |

The following financial liabilities were subject to offsetting, netting agreements and similar agreements enabling offsetting:

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|--|---------------|---------------|
| Trade and other payables prior to offsetting | 69 071 | 61 704 |
| Gross offset amount | -397 | -112 |
| Trade and other payables after offsetting | 68 674 | 61 592 |

The Company records no financial assets and financial liabilities which would be subject to offsetting agreements, and which were not offset in the balance sheet.

Capital risk management

The Company is not subject to external capital requirements.

The primary objective of the Company's capital management is to ensure support of its business activities and maximize the shareholder value, taking into account guidelines of the parent company. In 2023 there were no changes carried out in objectives, principles and procedures.

The capital structure of the Company consists of the shareholder's equity which includes share capital, reserve fund and retained earnings from previous periods. The Company's management manages the capital measured with equity in the amount of EUR 101, 853 thousand -as of 31 December 2023: EUR 92, 787 thousand.

The Company may adjust the profit share paid to the shareholder or refund part of the capital to the shareholder in order to maintain or adjust the capital structure. The Company ensures capital management in co-operation with the parent company.

Fair value estimation

The carrying amount of each class of the Company's financial instruments approximates their fair value. The carrying amount of trade receivables less provisions for bad and doubtful receivables, the carrying amount of other trade financial payables, loans and borrowings as well as the carrying amount of liabilities approximates their fair value. In case of short-term receivables and payables the impact on their present value is insignificant.

| in thousands of EUR | Carrying amount as at 31. 12. 2024 | Fair value as at 31. 12. 2024 |
|---------------------|------------------------------------|-------------------------------|
| Loans received | 60 300 | 60 426 |

| in thousands of EUR | Carrying amount as at 31.12. 2023 | Fair value as at 31. 12. 2023 |
|---------------------|-----------------------------------|-------------------------------|
| Loans received | 60 300 | 59 327 |

28 Related party transactions

Identity of related parties

Related parties of the Company are entities controlled by PPF Comco N.V. and PPF TMT Bidco 1 N.V., entities controlled by the owners of PPF Comco N.V. and PPF TMT Bidco 1 N.V., their affiliates and joint ventures, key members of the Company's management, and their close family members. Until 29 October 2024 the Company's parent company was PPF Comco N.V. and the Company's parent company has been PPF TMT Bidco 1 N.V. since 30 October 2024 -see section 1. Until 29 October 2024, the majority shareholder of the company was the companies of the PPF Group N.V. controlled by Mrs. Renáta Kellnerová and from 30 October 2024 these are companies controlled by Emirates Telecommunications Group Company P.J.S.C. -detail in Note 1 section Information on the parent company, which prepares financial statements for all groups of accounting entities of the consolidated unit.

All related party transactions were conducted on terms that are intended to approximate an arms-length basis. The balances of receivables and payables are not interest bearing, not secured and payments are expected in cash or in form of offsetting.

Balances of financial assets are reviewed for impairment as at the reporting date. No value adjustment was recorded due to impairment.

Receivables, payables, expenses and revenues with related parties are disclosed in the following tables:

1. Transactions with the parent company

Transactions with PPF TMT Bidco 1 N.V.

For the period from 30 October 2024 to 31 December 2024, the Company paid dividends for 2023 in the total amount of EUR 10,000 thousand to PPF TMT Bidco 1 N.V. The Company did not carry out any other transactions with the parent company for the period from 30 October 2024 to 31 December 2024.

Transactions with PPF Comco N.V.

As of 29 October 2024, the Company paid dividends for 2023 to the parent company PPF Comco N.V. in the total amount of EUR 10,000 thousand -2023: EUR 35,000 thousand. The Company did not carry out any other transactions with the parent company for the period up to 29 October 2024.

2. Transactions with subsidiary

Assets and liabilities from transactions with subsidiary are stated in the following overview:

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|-----------------------------|--------------|--------------|
| Shares in companies | 1 528 | 1 528 |
| Trade and other receivables | 730 | 700 |
| Provided short-term loans | 2 | 24 |
| Trade payables | 538 | 2 715 |

The Company realized the following transactions with subsidiary:

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|-----------------------------------|--------------|--------------|
| Sales of merchandise and services | 2 912 | 2 657 |
| Purchase of services | 5 852 | 5 444 |
| Finance income | 26 | 26 |
| Dividends received | 5 500 | 0 |

3. Transactions with other related parties

Assets and liabilities from transactions with other related parties within the Emirates Telecommunications Group P.J.S.C. and Tesco Mobile Slovakia, s.r.o. are listed in the following overview:

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|-----------------------------|--------------|--------------|
| Shares in companies | 3 | 3 |
| Trade and other receivables | 2 314 | 16 421 |
| Trade payables | 1 081 | 8 758 |

The company realized the following transactions with other related companies within the PPF Group N.V. -from 1 January 2024 to 29 October 2024 and within group Emirates Telecommunications Group P.J.S.C. and Tesco Mobile Slovakia, s.r.o.:

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|--------------------------------------|--------------|--------------|
| Sales of merchandise and services | 4,655 | 5,441 |
| Purchase of merchandise and services | 124,143 | 117,446 |
| Finance cost | 2,804 | 0 |

Receivables and payables arising from transactions with other related companies within the PPF Comco N.V. group are listed in the following overview:

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|---|--------------|--------------|
| Trade receivables and other receivables | 2,842 | 16,421 |
| Trade payables | 6,473 | 8,758 |

The company drew a loan in the amount of EUR 60,300 thousand -as of 31 December 2023: EUR 60,300 thousand.

The Company carried out the following transactions with other related companies within PPF Group N.V. -from 30 October 2024 to 31 December 2024:

| in thousands of EUR | od 31. 10. 2024 do 31. 12. 2024 |
|--------------------------------------|---------------------------------|
| Sales of merchandise and services | 295 |
| Purchase of merchandise and services | 2,911 |
| Finance cost | 445 |

The company issued securitization certificates of EUR 37,591 thousand in 2024 -in 2023: 42,370 thousand EUR.

The list of companies from the PPF Group N.V. which the Company realized transactions in 2024 with includes the following companies: PPF bank, Česká telekomunikační infrastruktura a.s., PPF Telecom Group, Air Bank, CME and O2 Czech Republic a.s.

The list of Emirates Telecommunications Group P.J.S.C. companies with which the Company has realized transactions in 2024 includes the following companies: Yettel Bulgaria, Serbia and Hungary and CETIN Networks -O2 Networks until 31 December 2023.

29 Information on income and remuneration of key management members

Among key management members in 2024 was 7 -in 2023: 7 members of the executive management of the Company.

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|------------------------------|--------------|--------------|
| Short-term employee benefits | 2 497 | 1 650 |
| Total | 2 497 | 1 650 |

30 Contingent liabilities

Litigations and claims

The Company is not a participant in any litigations or claims except for ordinary business litigations. No significant adverse impact of litigations on the Company's financial position ,results of operating activities or cash flows is expected.

Uncertainties in tax legislation

As many areas of the Slovak tax law have not been sufficiently tested in practice, there is some uncertainty as to how the tax authorities would apply them. The extent of this uncertainty cannot be quantified. The probability of imposing an additional tax will be reduced only when there are precedents or official interpretations by the tax authority. The management of the Company is not aware of any circumstances that would incur significant costs for the Company.

Other financial liabilities

As of 31 December 2024, the Company has contingent financial liabilities in the amount of EUR 232 thousand -as of 31 December 2023: EUR 121 thousand which it committed to provide to its customers after all conditions are met.

31 Investment and other commitments

These commitments mainly relate to telecommunications and information technology and exchange of equipment in sales points.

| in thousands of EUR | 31. 12. 2024 | 31. 12. 2023 |
|--|--------------|--------------|
| Investment and other commitments contracted but not included in the financial statements yet | 722 | 764 |
| Total investment and other commitments | 722 | 764 |

32 Subsequent events

No events with a material impact on the true and fair presentation of facts subject to the accounting occurred after 31 December 2024.

13 May 2025

Mgr. Igor Tóth, PhD.
*Chief executive officer
and statutory representative*

Mgr. Daniel Vida
*Chief financial officer and
statutory representative*