



Mtel a.d. Banja Luka  
Annual Report

2024

# Annual Report for the Business Year 2024

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# Letter to the Shareholders

Dear Shareholders,

The m:tel Company has finished the 2024 business year with excellent results thus with clear proof that the business moves we made in the previous years were wise, and based on a good strategy.

If we compare the financial results, apart from extraordinary income from the sale of antenna masts in 2023, we continue to record increasing profitability trend, shown by the high EBITDA value, realized in 2024 in the amount of BAM 252.963.777. In 2024, the realized EBITDA margin is 49,97%, the percentage that represents a high margin realization in the telecommunications industry, which globally ranges from 30% to 45%.

The customer base is also larger than the previous year, and it is particularly important to emphasize that the largest increase was

recorded in the number of postpaid mobile telephony, internet, and TV services users, this being the result of smart and purposed investments in the services that generate users you can count on in the long term, and the services with certain future.

This is the result of carefully planned and thoroughly researched strategic project we have been following on a long-term basis. In this regard, we have recorded an increase in the revenues from the sale of goods and services in 2024, relative to 2023, with the most significant growth recorded in revenues from the internet access services - by 17,3%, revenues from the sale of related services - by 9,9%, revenues from the integrated services - by 5,8%, and revenues from the mobile network services - by 3,1%. We have increased investments by more than 32%, relative to 2023, and reduced cost where it did not have a significant impact on our business activities.



The previous year was also important for adoption of a strategic document, entitled The Dividend Policy, which ensured the transparency for you, our shareholders, although the adoption of such policy is not imposed as an obligation of the listed companies. We did this as a sign of our commitment to you, and your certainty in your investment.

Let me say that, being the company with the highest profit among large companies, we received the prestigious award "100 Greatest in BiH" in Sarajevo, for the most successful companies in Bosnia and Herzegovina in 2024. This award is given to the most successful companies according to the achieved revenues, exports, profit, and number of employees. We were also declared the most desirable employer in the telecommunications industry in BiH, for the year 2024, among over 500 nominated companies, and the winner position was the result of the research,

conducted by the Kolektiv Company, i.e. the portal of MojPosao.ba. In 2024, m:tel also received the award "Best Taxpayer in the Period 2020–2024" for the telecommunications sector, given by the Republika Srpska Union of Employers. These awards are additional evidence that we are recognized throughout BiH as a company with the results that, year after year, reconfirm our responsible and stable business policy.

Our last year's focus was on protecting children online, which we communicated through a large project, entitled "Don't close your eyes! Protecting children online". Knowing that we all have responsibility towards our children's well-being, it was an honor for us to organize and realize this campaign, and encourage other subjects of the society to become involved in this important topic. As an internet provider, we have the obligation to

offer the schools and families a safe internet, with all software protections, and this was the direction of our investments last year.

We are aware of the overall economic situation, which is visible in the increasingly difficult collection of debts, along with the increased prices of all input components, which, unfortunately, our service prices cannot follow. Therefore, 2025 will be a huge challenge in maintaining such financial performance.



Jelena Trivan,  
PhD, CEO

# Mtel, a.d. Banja Luka

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# 1.1. Business Indicators

## MAIN BUSINESS INDICATORS OF MTEL IN 2024

TOTAL REVENUES

**BAM 510,02**  
million

NET PROFIT

**BAM 80,12**  
million

EBITDA

**BAM 252,96**  
million

EBITDA MARGIN

**49,97%**

CAPEX

**BAM 178,48**  
million

# 1.2. Corporate Profile

- 1.2.1. BASIC DATA, ACTIVITIES, AND BRIEF HISTORY
- 1.2.2. OWNERSHIP STRUCTURE AND CAPITAL SHARE
- 1.2.3. MANAGEMENT BODIES

# 1.2.1. Basic Data, Activities, and Brief History

Mtel a.d. Banja Luka, being one of the three leading national telecommunications operators in Bosnia and Herzegovina, offers integrated communication solutions and the latest telecommunication services, including mobile and fixed telephony, digital television, internet, and data.

COMPANY'S BASIC DATA	
FULL BUSINESS NAME	„Telekomunikacije Republike Srpske“, a.d. Banja Luka
SHORTEN BUSINESS NAME	„Mtel“, a.d. Banja Luka „Telekom Srpske“, a.d. Banja Luka
SEAT	Banja Luka, Vuka Karadžića 2
WEBSITE	www.mtel.ba
OPERATIONS	Communications, information technologies, integrated business solutions
ORGANIZATIONAL FORM	Shareholding company
VALUE OF REGISTERED CAPITAL	BAM 491.383.755
COMPANY'S SHARES	<div><div><ul style="list-style-type: none"><li>• Type of share, SR mark: common shares, TLKM-R-A</li><li>• Securities quotation: Banja Luka Stock Exchange</li></ul></div><div><ul style="list-style-type: none"><li>• Number of shares: 491.383.755</li><li>• Face value of a share: BAM 1</li></ul></div></div>

Mtel’s main business activities are telecommunications, provision of telecommunication and related services, namely voice, data, text, sound, and picture transmission respectively, encompassing:

- activities in the wire telecommunications,
- activities in the wireless telecommunications,
- activities in the satellite telecommunications and
- other telecommunication activities.

Mtel also provides the services in the telecommunication infrastructure leasing, construction, management and protection. Along with these, the Company also pursues other activities, ancillary to the registered activity, usually performed along with the registered activities, to the lesser extent or from time to time.

On the basis of decades long experience and continual modernization, Mtel continuously develops and improves its portfolio of telecommunication services in mobile telephony, multimedia services, fixed telephony, internet and data, following the most contemporary market trends, and offers the customers an impeccable connection and ultimate digital experience at all times, with simultaneous diversification of the above, based on development of the ICT solution based services portfolio.

## BRIEF HISTORY OF STATUS CHANGES

**20/12/1996**

Registered as the Republic of Srpska Public State Enterprise for Telecommunications. Until the end of 1996, the provision of the postal, telegraph and telephone services was performed within one company - Public State Enterprise for PTT Traffic of the Republic of Srpska (Jedinstveno javno preduzeće PTT saobraćaja Republike Srpske).

**1/1/1997**

The Company was divided into two new enterprises – Telekom Srpske, Public State Enterprise and Srpske pošte, Public State Enterprise.

**2002**

Pursuant to the Law on Privatization in the Republic of Srpska and the Republic of Srpska Government's Decision:

- 20% of the government share in the Company was privatized through vouchers (10,5% to the privatization-investment funds, and 9,5% to physical persons).
- the remaining 80% share (government capital – 65%, Pension and Disability Insurance Fund – 10% and Restitution Fund – 5%) was privatized under the Special Privatization Program of the Republic of Srpska Government.

**12/12/2002**

Pursuant to the Basic Court Decision, it was registered the change of name into Telekomunikacije RS, a.d. Banja Luka, and the status change – ownership transformation into the shareholding company was performed.

**28/06/2007**

Pursuant to the Decision of the Basic Court Banja Luka, it was registered the status change – ownership transformation through purchase of the entire government share by the Telekom Srbija, a.d. Beograd.

## 1.2.2. Ownership Structure and Capital Share

Having purchased 65,01% of the government capital share in 2007, Telekom Srbija a.d. Beograd became the major owner of Mtel. **On 31 December 2024, the Mtel's ownership structure was as follows:**

- Telekom Srbija, a.d. Beograd – 65,01%;
- Pension Reserves Fund, a.d. Banja Luka – 8,34%;
- Republic of Srpska Restitution Fund, a.d. Banja Luka – 5,03%;
- DUIF Kristal invest a.d. – OAIF Future Fund – 1,70%;
- Other shareholders – 19,92%.

On 31/12/2024, Mtel had a capital share in five companies, as follows:

- **three subsidiaries, with 100% share:**
  - Logosoft d.o.o. Sarajevo,
  - Blicnet d.o.o. Banja Luka (\*supernova),
  - FINANC d.o.o. Banja Luka,
- **two affiliates, with less than 50% share:**
  - Društvo za telekomunikacije MTEL d.o.o. Podgorica, with 49% capital share (51% Telekom Srbija, a.d. Beograd),
  - MTEL Global, d.o.o. Beograd, with 41% capital share (59% Telekom Srbija, a.d. Beograd).

The County Commercial Court in Banja Luka issued the Decision on Registration on 27 February 2024, according to which the status change of merger by acquisition of the subsidiary company of Trion Tel d.o.o. Banja Luka to the parent company of Mtel a.d. Banja Luka, was finalized. With the mentioned status change of merger by acquisition, all the rights, assets, and liabilities of the merged company of Trion Tel d.o.o. Banja Luka, passed to the acquirer company of Mtel a.d. Banja Luka and the company of Trion Tel d.o.o. Banja Luka ceased to exist without conducted liquidation procedure.

# Capital shares

*\*supernova*

**100%**  
capital share

LOGOSOFT

**100%**  
capital share

 **Financ**

**100%**  
capital share

**III TEL**  
GLOBAL

**41%**  
capital share

**m:tel** Crna Gora

**49%**  
capital share

## 1.2.3. Management Bodies

Mtel is a shareholding/joint stock company and its business operations are regulated by the provisions of the Law on Commercial Companies. Pursuant to these provisions and the Mtel's Articles of Association, the joint stock Company bodies are the following:

- Shareholders Assembly,
- Management Board,
- Auditing Board,
- Internal Auditing,
- CEO,
- Executive Board.

### Shareholders Assembly

The Shareholders Assembly involves all shareholders.

### Management Board

The Management Board functions are performed by Vladimir Lučić, Chairperson, and the members - Milan Plečaš, Dejan Carević, Slavko Mitrović, Draško Marković, Nenad Tomović and Branko Malović.

Danijela Maletić was a Management Board member until 11 March 2025.

### Auditing Board

The Auditing Board functions are performed by Dragana Drakulić, Chairperson, and the members - Radenko Kotur and Srđan Raković.

### Internal Auditing

The Internal Auditor of the Company is Saša Novaković.

### CEO

The Company CEO is Jelena Trivan, PhD.

### Executive Board

The Mtel's Executive Board includes the CEO, Jelena Trivan, PhD, and the Executive Directors:

- Executive Director for Technics  
Rastko Pavlović,
- Executive Director for Sales  
Milosav Parezanović,
- Executive Director for Finance  
Dejan Jokić, and
- Executive Director for Corporate Affairs  
Nikola Tacić.

# Jelena Trivan, Ph.D., CEO

Jelena Trivan, Ph.D. was born in 1973. She graduated and received her Doctor's Degree from the Belgrade University School of Philology.

Until 2000, she worked as a Literature Professor in Prva kragujevačka gimnazija (First Grammar School Kragujevac). In the period of 2000–2006, she was a Deputy Minister in the Ministry for Human and Minority Rights.

During her Deputy Minister's mandate, she was leading Negotiating Team of the Serbia and Montenegro State Union for signing of the Agreement on National Minorities with the neighboring countries, and the Agreement on Readmission with the European Union member states.

She was a co-president of the inter-state commissions for the national minorities' protection, with Croatia, Hungary and Romania, and the team leader for drafting the National Minorities Act and National Minorities' National Councils Act.

Since 2004, she has represented Serbia in the Council of Europe Human Rights Committee. In this period, she has monitored the status of human rights in the Council of Europe member states.

She was the laureate of the 2011 "The Man of the Year" award.

In the period of 2007–2014, she was a national deputy in the Republic of Serbia National Assembly. At the time, she was chairing the Culture and Information Board. She was also a member of the European Integration Board, and the Interparliamentary Delegation between the European Parliament and the Republic of Serbia National Assembly.

In the Republic of Serbia National Assembly, she chaired the Group of Friendship with the Netherlands. She has been a RTS Program Board member since 2013.

In 2017, she received the Serbia Chamber of Commerce Award –

Manager of the Year, and the Serbia Chamber of Commerce and Belgrade Chamber of Commerce annual award of Beogradski pobednik za 2018. godinu (Belgrade Winner 2018) for the achieved results in the economy.

Since 27 January 2015 she has performed the duties of the Director of Javno preduzeće Službeni glasnik (Official Gazette).

She has been the Management Board President of the Film Centre of Serbia since 2018.

Since 2022, she has been an active member of the UNICEF BIH Business Advisory Council.

In accordance with the Company's Management Board decision, Jelena Trivan, Ph.D. has been performing the duties of Mtel a.d. Banja Luka CEO since 15 September 2021, and, on 20 August 2024, her new three-year mandate was confirmed.

She speaks the English language.



# Rastko Pavlović, Executive Director for Technics

Rastko Pavlović was born in 1973 in Kotor Varoš. He completed secondary school of electrical engineering in Banja Luka. He graduated from the School of Electrical Engineering of the Banja Luka University, where he also obtained his master's degree in electrical engineering.

He began his career in 2001 with the Mtel Company, in the Mobile Network Division. From 2007, he was performing the duties of the Head of Billing Department, then Head of the IT Sector in the Mobile Network Division and, afterwards, the duties of the Head of Business Analytics Department in the Division for Technics.

Between 2017 and 2023, he was performing the duties of the Head of Sector for Company Processes Support, and, in August 2023, he was appointed the Director of the Information Technologies Function. He was the leader of

strategic projects related to introduction and improvement of the billing system, provisioning, data warehouse, analytic CRM.

From 2015 to 2016, he was the IT Project Manager for establishing the MVNO operator of m:tel Austria.

During his postgraduate studies, he published several scientific papers in the field of information technologies and communications (ITC) and received a quality award for his author's work at the INFOFEST in Budva, in 2008.

He speaks the English language.

He is married and a father of one.

He was appointed the Mtel a.d. Banja Luka Executive Director for Technics on 11 March 2024.



# Milosav Parezanović, Executive Director for Sales

Milosav Parezanović was born in 1972 in Čačak. He acquired his Manager of Economic and Industrial Management Diploma from the Faculty of Business and Industrial Management of the Union - Nikola Tesla University in Belgrade, and the Master Manager of Media and Public Relations Diploma from the Faculty of Organizational Sciences of the University of Belgrade.

Until 2000, he was performing executive marketing and sales duties with several radio and TV stations in Belgrade. From 2000 to 2005, he headed the executive marketing activities of the RTV B92 Company.

In 2005, he commenced working for the German Company of Burda, having performed the marketing and advertising activities. After the Burda Company acquisition by the Gruner + Jahr Company, in the newly incorporated German - Dutch - Austrian Company - Adria Media Group in Belgrade, he was performing the duties of the

Advertising Director for several printed media and accompanying digital platforms. For years, being the AMG Company Key Account, he was in charge of realization of media campaigns for several major national and international companies, which operated in Serbia and the Region, among them Telekom Srbija as well.

He was engaged in the organization of numerous team buildings, seminars, conferences, and business events in Serbia and abroad. From 2014, he was the Director of the Advertising Division within the Adria Media Group and Kurir Info.

He was appointed the Mtel a.d. Banja Luka Company Executive Director for Marketing and Sales on 18 October 2021, and, since 1 May 2023, he has been performing the duties of the Executive Director for Sales.

He speaks the English language.



# Dejan Jokić, Executive Director for Finance

Dejan Jokić was born in 1969. He graduated from the South Bank University, London BA Business Studies in 1997.

He started his career with the Intereksport Beograd Company in 1998 and, from 1999 to 2002, he was the Sports Marketing Manager of the Delta sport Company. In 2002, he took the Project Leader position in the Auction Privatization Centre, where he participated in the organization and conducting of the public auctions, preparations and conducting of the small and medium enterprises privatization, as well as the communication and negotiations with the national institutions.

In 2004, he initiated and launched the activities for establishing the Bankruptcy Procedures Centre within the Republic of Serbia Agency for Privatization, which commenced the activities in 2005, when he was appointed the Director of the mentioned new Centre and remained on this position until 2013.

In the period of 2013 - 2014, he performed the duties of the Director of the Non-performing Placements Collection Sector within the AIK Bank. He was a co-establisher of the Maxima consulting,

Company for organizational and financial restructuring, established in 2014, where he performed the activities related to making the value assessments, and offering creditors and debtors services in the bankruptcy procedures, and organizational and financial restructuring.

In 2015, he was appointed the Director of the Financial – Accounting Operations Sector with the „JP Službeni glasnik“ Republike Srbije (Official Gazette of the Republic of Serbia) and remained on this position until his appointment to the position of Mtel a.d. Banja Luka Executive Director for Finance.

He was the USAID Brownfield Investment Project leading consultant, the Chairman of the Bankruptcy Trustee Licensing Agency examination board, the Export Insurance and Financing Agency Management Board member. From 2018 to 2021, he was a member of the JP „Službeni glasnik“ (Official Gazette) Supervisory Board and, since July 2021, he has been a member of the „Direktna banka“ Beograd Management Board.

He speaks the English, Italian, and Russian language. He was appointed the Mtel a.d. Banja Luka Executive Director for Finance on 20 September 2021.



# Nikola Tacić, Executive Director for Corporate Affairs

Nikola Tacić was born in 1990 in Prokuplje. He graduated from the Niš University School of Law, after which he passed the Judicial Examination at the Belgrade University School of Law and became a member of the Bar Association of Serbia. He also acquired the mediator's status at the Mediation Academy in Belgrade, and he is presently enrolled at the Master of Business Administration studies at the CITY College, University of York.

During the studies, he has gained practical experience having worked as a trainee - legal associate with the first and second instance courts, as well as with the reputable attorney at law's offices in Belgrade.

In his professional career as an attorney at law, he has specialized in resolution of disputes

originating from civil, labor, administrative, and commercial law, including the legal representation before the judicial and administrative bodies of the Republic of Serbia and Montenegro, as well as in the international disputes. He has also provided his clients with legal services in corporate and contract law.

Prior to his appointment to the position of the Mtel, a.d. Banja Luka Executive Director for Corporate Affairs, on 18 October 2021, he was a partner in charge of the litigation department with a law office in Belgrade.

He is a member of the Republic of Srpska Lawyers' Association Presidency.

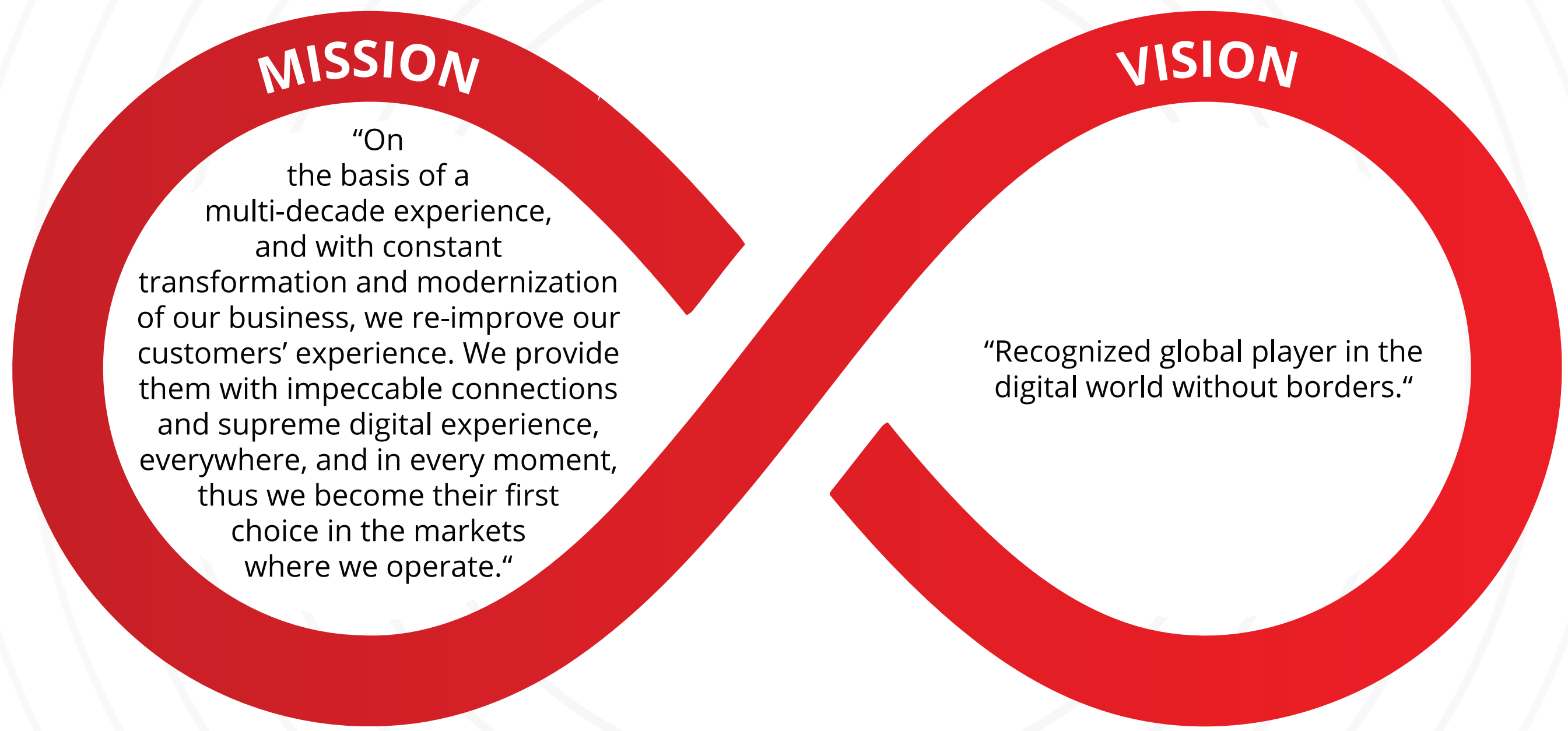
He speaks the English language.



# 1.3. Mission, Vision, and Strategy

## MISSION AND VISION

Mtel's Strategic Business Plan for the period of 2022 - 2026 defines the Company's mission and vision:



The Mtel Company operates in adherence to the fundamental values, being the expression of common belief and playing a significant role in the business life.

Guided by the corporate values, we gain the trust of our customers, business partners, shareholders, and the social community, since trust is the very condition for quality cooperation, which is the result of a years-long practice of investing in the business relationships. Corporate values are the basis for understanding the common obligations and responsibilities, as well as for resolving legal and moral dilemmas.

In the corporate culture improvement context, the Company is determined to pursue business activities in line with the defined corporate values, which include:



## STRATEGY

The Company's basic commitment in the years ahead is to identify and utilize new sources and revenue growth, identify potential synergy effects at the group level, all with the aim of further improving the business results and preserving the position of regional leader in the telecommunications market, as well as further growth and development.

Within the **Mtel a.d. Banja Luka Strategy Plan for the period of 2022-2026** there are identified the strategic areas for further activities and unified in the form of the Strategic House segments, which represents our strategic orientation in the above-mentioned timeframe.

The Strategic House is defined in the form of **five strategic pillars** and **two strategic foundations**. The fil rouge to connect all strategic elements has been **digital transformation**.

Digital transformation should enable more efficient, modern, profitable, and sustainable operations of the company. Mtel is determined to use digital transformation to provide services more simply and efficiently, improve their distribution, and build a better workplace for employees, as well as to achieve better overall customer experience. To this strategic goal, a set of strategic initiatives has been defined:

- **Technological transformation and IT system modernization,**
- **Improvement of digital channels in marketing and sales.**

Mtel has identified eight strategic aims, being the top priority aims, one per each of the strategic pillars and foundations, as well as for material digital/business transformation:

- **Increase revenue and value per user,**

- **Superior user experience,**
- **Improve efficiency and secure business sustainability,**
- **Enhance business operations in the new and existing markets in the segment of telecommunications and multimedia,**
- **Develop digital ecosystem through innovations and partnership,**
- **Further development of technological and service infrastructure,**
- **Further improvement of the employees' dedication, motivation, and competences,**
- **Further implementation of digital transformation to improve external-internal performances of the Company.**

### **STRATEGIC PILLARS: AVERAGE REVENUE PER UNIT AND AVERAGE REVENUE PER ACCOUNT**

Mtel will direct its future activities towards the improvement of the customer base stability, and development of the services portfolio. This relates to further growth of the customer number in the integrated and postpaid services segment, and the mobile internet users' number too, as well as development of the ICT and digital services portfolio, in cooperation with the parent company of Telekom Srbija and the affiliates.

For this strategic aim realization, a set of strategic initiatives has been defined:

- customer base growth in the multimedia and integrated services segment,
- increase of revenues in the multimedia and integrated services segment,
- customer base growth in the mobile postpaid and mobile internet segment,
- increase of revenues in the mobile postpaid and mobile internet segment.

### **STRATEGIC PILLARS: USER EXPERIENCE**

In the modern communication between the users, as well as technological development in the digital communications, there is a need for continual improvement of the channels for digital communication with the customers, namely, commencement of the long-term process of re-directing of interaction with the customers from traditional to online channels.

For this strategic aim realization, a strategic initiative has been defined:

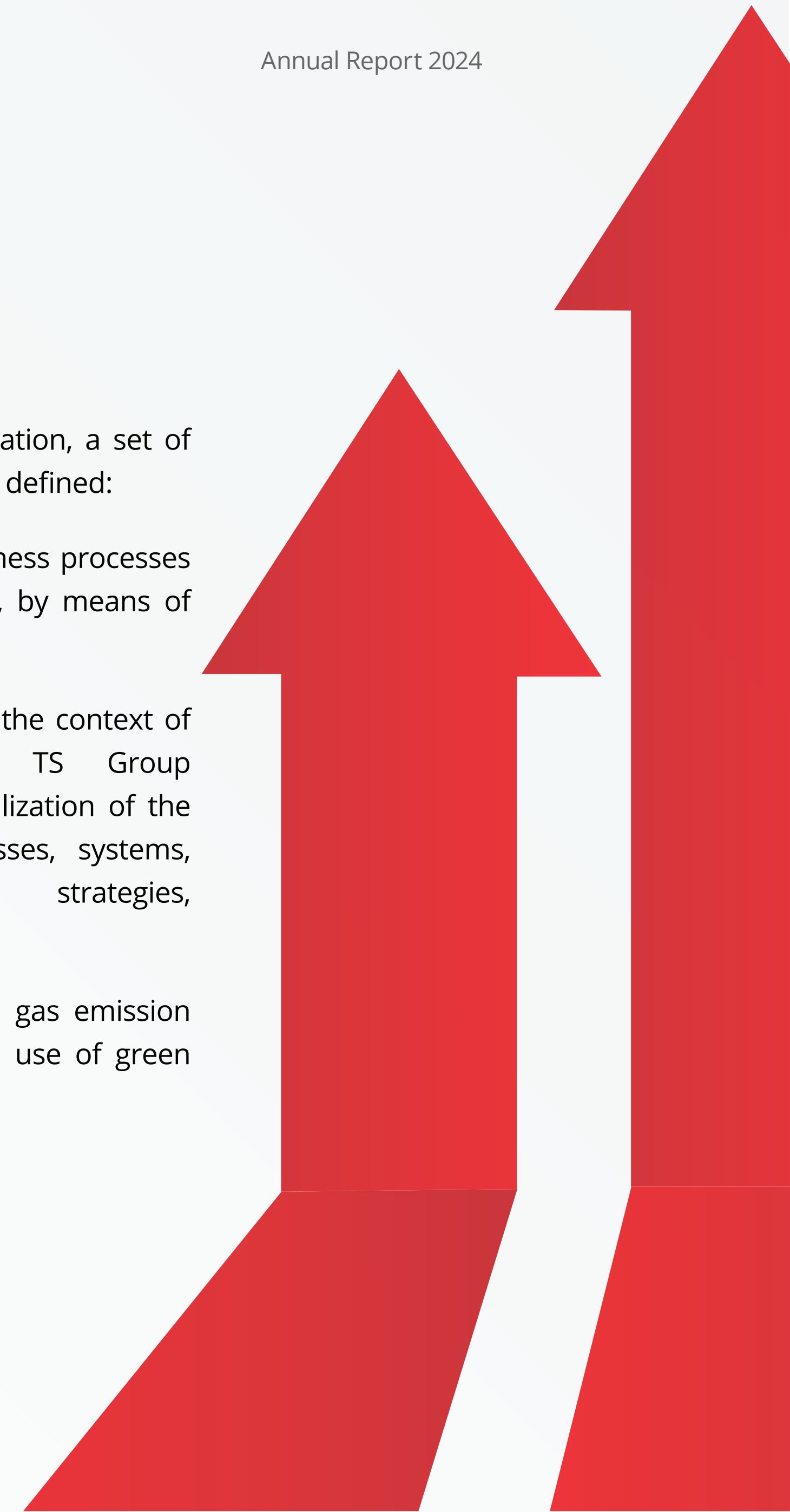
- Improvement of the E2E CEM process.

### **STRATEGIC PILLARS: SUSTAINABLE AND EFFICIENT BUSINESS OPERATIONS**

Mtel is determined to apply the system approach to process management, which includes continual improvement and informatization of the standardized key processes, thus increasing the efficiency level and strengthening the capabilities for sustainable business operations.

For this strategic aim realization, a set of strategic initiatives has been defined:

- Improvement of the business processes management in all fields, by means of informatization,
- Use of synergy effects in the context of centralization of the TS Group management and rationalization of the costs (know-how, processes, systems, products, marketing strategies, procurement, etc.),
- Neutrality of the harmful gas emission into the atmosphere and use of green energy.



### **STRATEGIC PILLARS: TELCO AND MEDIA OPERATIONS ENHANCEMENT**

Telekom Srbija has clearly seen the importance of exclusive media contents possession. The rights have been procured for exclusive sport events and the scope of activities has been enhanced to encompass the production and broadcasting of own content.

The role of Mtel, in the context of the defined strategic aim, along with the further customer acquisition, is also of promotional and mediatory character for the BIH territory, in favor of the contents acquired and created by the parent company.

For the purpose of achieving this strategic aim, identified within this strategic pillar - enhancement of the operations to new and existing markets in the telecommunication and multimedia segments realization, a set of strategic initiatives has been defined:

- growth of the number of users of the contents produced and acquired by the parent company,
- support to promotion of the contents produced and acquired by the parent company,
- customer base growth through potential acquisitions.

### **STRATEGIC PILLARS: DIGITAL ECOSYSTEMS THROUGH INNOVATION AND PARTNERSHIPS**

Through its business processes, the Group clearly and continuously shows the wish to contribute to development of the local IT community, and catch-up with digital transformation and contemporary ICT trends. In that regard, in the oncoming years it is expected the expansion of the ICT services Mtel would offer independently, or in the partnership with the parent company, as well as with the affiliates. Global growth of the IoT market is reflected in the BIH market as well. The Mtel Company has recognized the potential of this market, and undertakes the activities in the introduction of the LoRa WAN technologies-based IoT solutions.

For this strategic aim realization, a set of strategic initiatives has been defined:

- Development of the digital business ecosystems, ICT and IoT services,
- Financial ecosystems and insurance ecosystems,
- Digital user/household.

## **STRATEGIC FOUNDATIONS: TECHNOLOGICAL AND SERVICE INFRASTRUCTURE**

In the broadband internet access, it was continued the development and enhancement of FTTx technologies, which enable the users to use high access speeds to internet, and the services provided by Mtel. Further development of the broadband infrastructure represents the basis for further development of the existing services, but, also, a whole set of services, based on the broadband access. Along with the broadband infrastructure, the basis for further growth will be IoT infrastructure development, aimed at achieving leading market position in the Smart technologies segment.

It was also continued the development of the mobile network capacities with further enhancement of LTE signal coverage of territory and users. Voice over Long Term Evolution, abbrev. VoLTE, is an IP-based data transfer technology, which enables calls and data services through 4G network. This technology offers multiple advantages and better user experience in voice and video calls.

For this strategic aim realization, a set of strategic initiatives has been defined:

- Technological improvement of the private cloud infrastructure,
- Raising the level of corporate resources protection,
- Development of the 5G network and service platforms to support the new 5G business models,
- Development of TC/service platforms,
- Development of TC infrastructure.

## **STRATEGIC FOUNDATIONS: PEOPLE AND ORGANIZATION**

In line with the so-far practice, the Group will continue to improve the employee's dedication, motivation, and competences, and the new organizational culture based on the principles of cooperation of the employees, innovativeness, and establishment of an adequate administrative framework, which would ensure unimpeded and efficient business operations. Mtel Company's competition culture is supported by three culture segments: cooperation of the employees, innovativeness on daily basis, and adequate administrative framework to ensure unimpeded and efficient business operations.

For this strategic aim realization, a set of strategic initiatives has been defined:

- Development of agile and adaptable organization,
- Employer branding – how to attract and retain talents.



# 1.4. Environment and Regulatory Framework

1.4.1. MACROECONOMIC ENVIRONMENT

1.4.2. TELECOMMUNICATIONS MARKET IN BOSNIA AND HERZEGOVINA

1.4.3. REGULATORY FRAMEWORK

# 1.4.1. Macroeconomic Environment

The International Monetary Fund (IMF) has revised its forecasts of the global economic growth for the year 2025, by forecasting the global economic growth to be 3,3%, while, in the period of 2000-2019, it was 3,7%.<sup>1</sup>

The global activities and world economy could, in 2025, realized certain improvements if the economic activity, particulaly in the USA, improved and continued its raising trend. However, the issue of balancing between monetary policy and its influence to the interest rates fluctuation, hence inflation trends as well, still remains. The IMF forecasts the golbal inflation decrease to 4,2% in 2025, with further decline to 3,5% in 2026.<sup>2</sup>

MACROECONOMIC INDICATORS BOSNIA AND HERZEGOVINA	2023	2024
Gross domestic product (in BAM mil.)	49.920	38.089*
Real GDP rate change	2,0%	2,6%*
Average annual depreciation rate	6,1%	1,7%
Industrial production growth rate	-3,8	-4,2%
Unemployment rate	13,2%	12,2%*
Average net salary (in BAM)	1.263	1.381
Public debt (in BAM mill.)	12.960	13.045*
FX reserves (in BAM mill.)	15.680	17.200
% change of export	-7,1%	-3,7%
% change of import	-3,0%	3,2%
Export over import	60,1%	56,1%

\* Data related to Q3 2024  
Source of data: Agency for Statistics of Bosnia and Herzegovina (bhas.gov.ba), Central Bank of Bosnia and Herzegovina (www.cbbh.ba), Ministry of Finance and Treasury of Bosnia and Herzegovina (mft.gov.ba)

In the Eurozone, it is expected a slower growth than expected in October 2024, while political tensions continue to influence the economic conditions. Certain economic recovery was seen towards the end of 2024, particularly in manufacturing, but high political uncertainty has led to expected real GDP growth rate of 1,0% in 2025. The real GDP growth rate is expected to increase by 1,4% in 2026.

Moderate economic growth is expected in the Western Balkans, with the World Bank forecasting that Albania, Bosnia and Herzegovina, Montenegro, North Macedonia, and Serbia could achieve 3,7% growth in 2025, which represents 2,0% increase, compared to the spring 2024 forecast. In the medium term, the gradual recovery of economic activity in the European Union is expected to play a key role in strengthening exports from the region.<sup>3</sup>

Public debt in Bosnia and Herzegovina is still relatively low and is considered sustainable by the IMF. Real GDP growth for 2024 is around 2,8%, while 2025 economic growth is forecasted at 3,0%.<sup>4</sup>

<sup>1</sup><https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>  
<sup>2</sup><https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>  
<sup>3</sup>Ekonomski rasta Zapadnog Balkana u 2025  
<sup>4</sup>EBRD forecast for Bosnia and Herzegovina's real GDP growth

## 1.4.2. Telecommunications Market in B&H

In the telecommunications industry, the Communications Regulatory Agency (hereinafter: the Agency) has continued to conduct the activities for the regulatory framework harmonization with the applicable European regulatory framework and the best practices. The Agency's work is particularly focused on the process of creating affirmative legal and regulatory framework for encouraging and deepening market competition and market liberalization in general. To this aim, the Agency has defined main strategic directions within the strategic framework for three-year period (2024 – 2026) that may be sublimed in one strategic aim - providing competition and protection of the end users in the electronic telecommunications and media market.

The BIH telecommunications market was liberalized in the early 2006 and, at the end of 2024, in this market there were operating:

- 3 licenced operators, i.e., holders of the Licence for Use of the Radiofrequency Spectrum for Provision of Services by Means of Mobile Access Systems (Mtel a.d. Banja Luka, BH Telecom d.d. Sarajevo and HT d.o.o. Mostar);
- 5 registered providers of mobile telephony services;
- 10 holders of the Licence for Provision of the Public Fixed Telephony Services;
- 71 holders of the Licence for Performing the Activities of the Public Electronic Communication Networks Operator;
- 62 holders of the Licence for Performing the Internet Access Provider Activities;
- 28 holders of the Licence for Audiovisual Media Services and Radio Media Services Distribution.



According to the latest available data, total revenues from telecommunications services in Bosnia and Herzegovina in 2023 were BAM 1.331.734.842<sup>5</sup> and were approximately BAM 40 million higher, relative to the year 2022. In terms of each service share in total revenues in the telecommunications services market in 2023, the largest share was achieved by the provision of mobile telephony services, in the amount of around BAM 585 million, which represents 43,9% of total revenue.<sup>6</sup> The revenue from mobile telephony recorded a growth of 5,8%, relative to 2022.

Revenue from the fixed telephony services was 2,1% lower than in 2022, and amounted to around BAM 310 million at the end of 2023.<sup>7</sup> The income from internet services amounted to about BAM 233 million in 2023, which represented an increase of 6,2%<sup>8</sup>, relative to 2022.

TELECOMMUNICATION SERVICES REVENUES (in BAM mill.)	2022	2023	% change
Total revenues	1.292	1.332	3,1%
Mobile telephony revenues	553	585	5,8%
Fixed telephony revenues	316	310	-2,1%
Internet services revenues	219	233	6,2%
Other revenues	204	204	0,2%

Source 2022, 2023.<sup>9</sup>

<sup>5</sup>Telekomunikacioni pokazatelji bih u 2023. godini, www.rak.ba  
<sup>6</sup>Telekomunikacioni pokazatelji bih u 2023. godini, www.rak.ba  
<sup>7</sup>Telekomunikacioni pokazatelji bih u 2023. godini, www.rak.ba  
<sup>8</sup>Telekomunikacioni pokazatelji bih u 2023. godini, www.rak.ba  
<sup>9</sup>Telekomunikacioni pokazatelji bih u 2023. godini, www.rak.ba

# Fixed Telephony

In 2024, public telephone services through the fixed telecommunication network was provided by 13 operators in BIH, out of which, 3 operators with the Licence for Provision of the Public Fixed Telephony Services (BH Telecom d.d. Sarajevo, Telekom Srpske a.d. Banja Luka and Hrvatske telekomunikacije d.d. Mostar), and 10 operators with the Licence for Provision of the Public Fixed Telephony Services.<sup>10</sup>

The trend of the fixed telephony users' number decreasing is most visible at the significant market power operators, since they have the largest bases of these users, and the fixed services replacement with the mobile ones has been going on for years. The fixed telephony users' number decrease has been mitigated by the user migration to the integrated services that are provided by means of the fixed network.

The number of active fixed telephone lines of the dominant operators has continued to decrease in 2024. At the end of

2024, the number of active fixed telephone lines of the dominant operators was 443.613<sup>11</sup>, which was 6,2% lower, relative to 2023.

The number of the new operators' own subscribers at the end of 2024 was 139.432<sup>12</sup>, which was 1,1% lower, relative to 2023.

The Number Portability Service for the fixed public telephone service users has increased the competition in the fixed telephony market. The total number of ported telephone numbers in the fixed telephone network at the end of 2024 was 112.796<sup>13</sup>, which was 3,8% higher, relative to the same period of the year 2023.

According to the latest available data from 2023, the penetration rate in the fixed telephone network in BIH was 17,4%<sup>14</sup>, while, at the end of 2022, it was 18,4%.

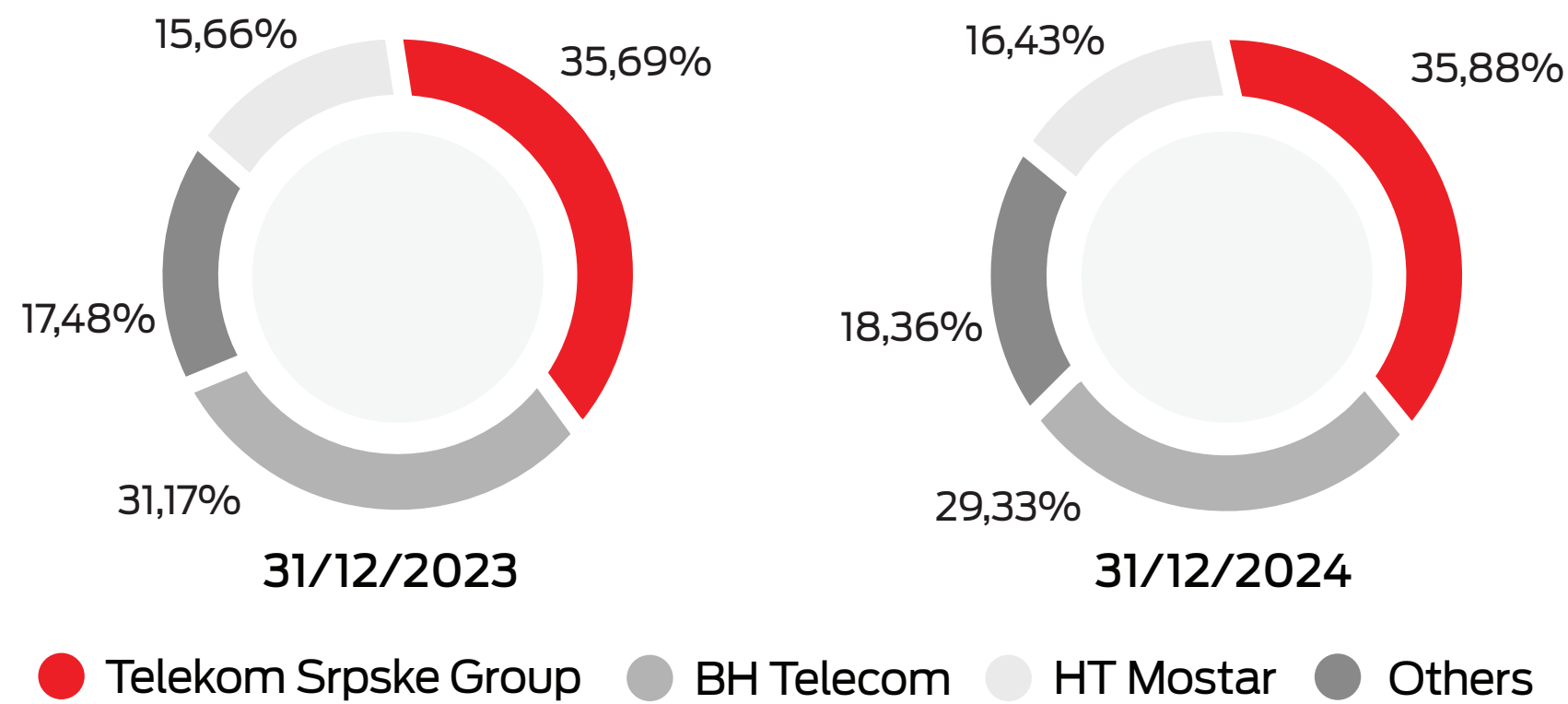
<sup>10</sup>Dozvole za pružanje fiksnih javnih telefonskih usluga, [www.rak.ba](http://www.rak.ba)  
<sup>11</sup>Kvartalni uporedni podaci tržišta elektronskih komunikacija Q4 2024, [www.rak.ba](http://www.rak.ba)  
<sup>12</sup>Kvartalni uporedni podaci tržišta elektronskih komunikacija Q4 2024, [www.rak.ba](http://www.rak.ba)  
<sup>13</sup>Kvartalni uporedni podaci tržišta elektronskih komunikacija Q4 2024, [www.rak.ba](http://www.rak.ba)  
<sup>14</sup>Pregled stanja tržišta telekomunikacija u BIH za 2023, [www.rak.ba](http://www.rak.ba)



FIXED TELEPHONY	2023	2024	% change
Total number of fixed telephony users	613.646	583.045	-5,0%
Number of active telephone lines of SMP operators	472.720	443.613	-6,2%
Number of own subscribers of alternative operators	140.926	139.432	-1,1%
Number of ported fixed numbers	108.665	112.796	3,8%

Source 2023, 2024.<sup>15</sup>

Market shares of fixed telephony operators in Bosnia and Herzegovina are shown in the following pie charts:



Source 2023, 2024.<sup>16</sup>

<sup>15</sup>Kvartalni uporedni podaci tržišta elektronskih komunikacija, www.rak.ba  
<sup>16</sup>Kvartalni uporedni podaci tržišta elektronskih komunikacija Q4 2024, www.rak.ba



# Mobile Telephony

Three licenced mobile operators provide services in Bosnia and Herzegovina, namely: JP BH Telecom, d.d. Sarajevo, Telekomunikacije RS, a.d. Banja Luka and JP Hrvatske telekomunikacije, d.d. Mostar<sup>17</sup>, and five providers of the services in the mobile communications: Logosoft d.o.o. Sarajevo, DASTO SEMTEL d.o.o. Bijeljina, NOVOTEL d.o.o. Sarajevo, Hallo d.o.o. Sarajevo and Blicnet d.o.o. Banja Luka.

Along with the three dominant operators, other mobile service providers are also allowed to provide mobile services under the commercial contracts, concluded with the Holders of the GSM/UMTS/LTE Licences in Bosnia and Herzegovina.

The mobile users' number has continued to grow and it was 3.836.099<sup>18</sup> at the end of 2024, which was 2,3% higher, relative to 2023.

MOBILE TELEPHONY	2023	2024	% change
Number of telephone services users in mobile telephony	3.749.904	3.836.099	2,3%
Number of prepaid users	2.579.694	2.547.141	-1,3%
Number of postpaid users	1.170.210	1.288.958	10,1%
Prepaid users share	68,8%	66,4%	-3,5%
Postpaid users share	31,2%	33,6%	7,7%
Number of M2M users	143.741	169.456	17,9%
The total data quantity transferred (GB)*	48.852.183	59.528.687	21,9%
Number of ported mobile numbers	144.867	174.230	20,3%

\*Data relatred to Q4  
Source 2023, 2024<sup>19</sup>

The prepaid users' number at the end of 2024 was 2.547.141, i.e., several times higher than the postpaid users' number in the mobile telephony, with participation of 66,4% in the total number of the mobile telephony users. The postpaid users' number at the end of 2024 was 1.288.958 i.e., 10,1% higher relative to 2023.

At the end of 2024, the M2M users' number was 169.456<sup>20</sup>, which was 17,9% higher relative to the year 2023.

<sup>17</sup>Pregled stanja tržišta telekomunikacija u BiH za 2023, [www.rak.ba](http://www.rak.ba)  
<sup>18</sup>Kvartalni uporedni podaci tržišta elektronskih komunikacija Q4 2024, [www.rak.ba](http://www.rak.ba)  
<sup>19</sup>Kvartalni uporedni podaci tržišta elektronskih komunikacija, [www.rak.ba](http://www.rak.ba)  
<sup>20</sup>Kvartalni uporedni podaci tržišta elektronskih komunikacija Q4 2024, [www.rak.ba](http://www.rak.ba)

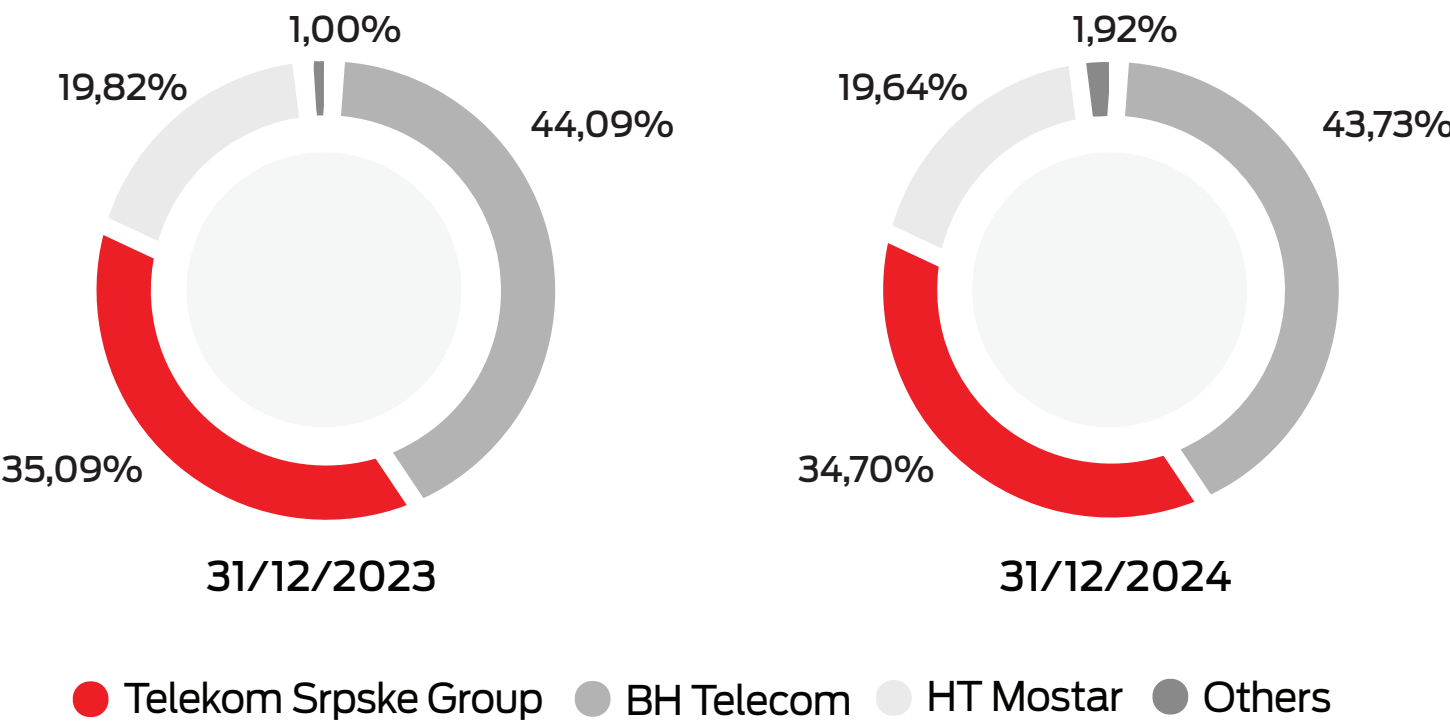
The total data quantity transferred in Q4 2024 was 59.528.687 GB, which was 21,9% higher, relative to the same period of the year 2023<sup>21</sup>. In the long-term prospective, the increase in the data traffic was stimulated by the growth of the smart telephone subscriptions and increased scope of data per subscription, primarily due to more video contents reviewing.

The total number of ported telephone numbers in the mobile network was 174.230<sup>22</sup> in 2024, which was 20,3% higher relative to 2023. Implementation of the number portability service in mobile telephony commenced in 2013.

At the end of 2024, the mobile telephony penetration rate was estimated to be 112,1%<sup>23</sup>, while it was 112,8% in 2023. According to the latest available data in 2023, the GSM mobile network population coverage was 100%, the (UMTS) 3G mobile network coverage was 97% (no

changes), while the (LTE) 4G mobile network population coverage was 96%<sup>24</sup>.

Market shares of mobile telephony operators in Bosnia and Herzegovina are shown in the following pie charts:



Source 2023, 2024<sup>25</sup>

<sup>21</sup>Kvartalni uporedni podaci tržišta elektronskih komunikacija, [www.rak.ba](http://www.rak.ba)  
<sup>22</sup>Kvartalni uporedni podaci tržišta elektronskih komunikacija, [www.rak.ba](http://www.rak.ba)  
<sup>23</sup>Kvartalni uporedni podaci tržišta elektronskih komunikacija Q4 2024, [www.rak.ba](http://www.rak.ba)  
<sup>24</sup>Telekomunikacijski pokazatelji BiH u 2023. godini, [www.rak.ba](http://www.rak.ba)  
<sup>25</sup>Kvartalni uporedni podaci tržišta elektronskih komunikacija Q4 2024, [www.rak.ba](http://www.rak.ba)



# Internet Services

The Holders of the Licence to perform the Internet access provider (ISP) activity at the end of 2024 were 62 operators.<sup>26</sup> The Internet access services market was marked by the access speeds increase for all users, as well as telecommunication and ICT services integration (cloud, data Centres, security).

The total number of the Internet users at the end of 2024 was 931.048, which was 2,5% higher relative to 2023. godinu. In terms of the internet access type, the dominant is broadband internet access via xDSL technology, participating with 50,2%, followed by cable access, participating with 29,8%, and FTTx access with 12,6% share in the market of broadband internet access via fixed network. In 2024, the number of subscribers to the FTTx access continued its rising trend.<sup>27</sup>

<sup>26</sup>Dozvole za obavljanje djelatnosti davaoca pristupa internetu, [www.rak.ba](http://www.rak.ba)  
<sup>27</sup>Pregled stanja tržišta telekomunikacija u BiH za 2023, [www.rak.ba](http://www.rak.ba)  
<sup>28</sup>Kvartalni uporedni podaci tržišta elektronskih komunikacija, [www.rak.ba](http://www.rak.ba)  
<sup>29</sup>Kvartalni uporedni podaci tržišta elektronskih komunikacija, [www.rak.ba](http://www.rak.ba)  
<sup>30</sup>Pregled stanja tržišta telekomunikacija u BiH za 2023, [www.rak.ba](http://www.rak.ba)  
<sup>31</sup>Telekomunikacijski pokazatelji BiH u 2023. godini, [www.rak.ba](http://www.rak.ba)

NUMBER OF SUBSCRIBERS WITH MAIN BROADBAND CONNECTION TYPE	2023	2024	% change
Total number of subscribers with main broadband connection type	907.951	931.048	2,5%
Number of subscribers via xDSL connection	455.381	451.776	-0,8%
Number of subscribers via cable modem	270.869	274.717	1,4%
Number of subscribers via FWA connection	65.331	68.023	4,1%
Number of subscribers via FTTx connection	114.251	134.289	17,5%
Number of subscribers through other technologies	2.119	2.243	5,9%

Source Q4 2023, 2024.<sup>28</sup>

The penetration rate of the Internet users via fixed networks was estimated to be 119,0%<sup>29</sup> at the end of 2024, while it was 115,7% in 2023.

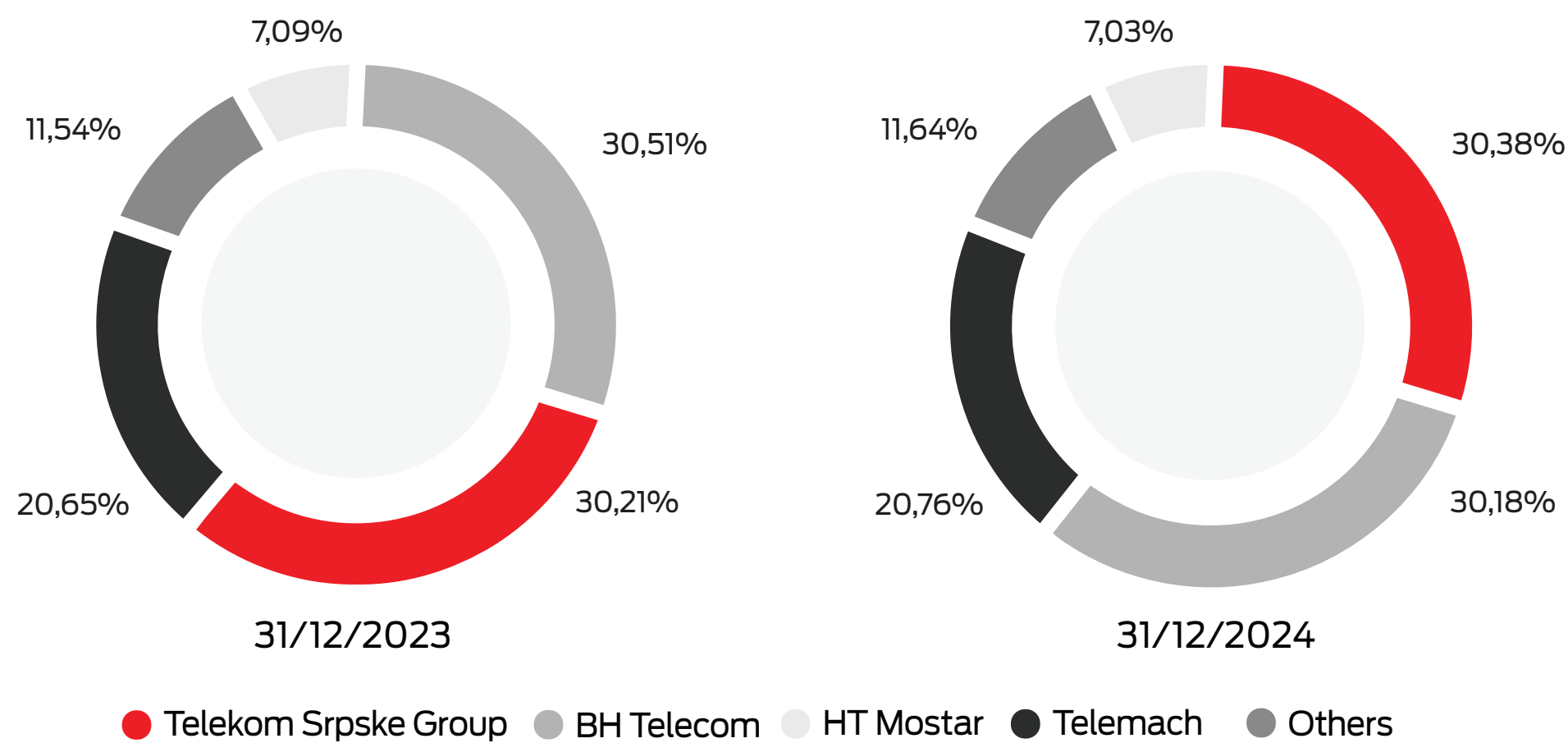
The penetration of broadband internet access connections, according to the latest available data in 2023, was 25,7%, relative to the number of citizens, i.e., 78,6%<sup>30</sup> relative to the number of households (at the end of 2022, the penetration was 24,9%, relative to the total number of citizens and 76,1%, relative to the number of households).

According to the latest available data from 2023, there was an increase in the number of the mobile Internet subscribers, both those with the standard mobile broadband access and those with dedicated access. The number of the mobile Internet subscribers, via standard mobile broadband access, was 2.208.915 at the end of 2023, while the number of the mobile Internet subscribers, via dedicated mobile broadband access, was 17.747.<sup>31</sup>

MOBILE INTERNET	2022	2023	% change
Number of subscribes to mobile internet via standard mobile broadband access	2.081.977	2.208.915	6,1%
Number of subscribes to mobile internet via dedicated mobile broadband access	16.413	17.747	8,1%

Source Q4 2022, 2023<sup>32</sup>

Market shares of all operators in Bosnia and Herzegovina according to the broadband internet access are shown in the following pie charts:



Source Q4 2023 2024<sup>33</sup>

<sup>32</sup>Telekomunikacijski pokazatelj BiH u 2023. godini, [www.rak.ba](http://www.rak.ba)  
<sup>33</sup>Kvartalni uporedni podaci tržišta elektronskih komunikacija Q4 2024, [www.rak.ba](http://www.rak.ba)



# Multimedia

Pursuant to the issued licences for audiovisual media services and radio media services distribution (Licence), the right to distribution hold 28 operators.<sup>34</sup> The Agency has so far issued 12 consents for provision of Video on Demand – VoD services, while six operators provide the distribution service.<sup>35</sup>

The total number of media contents distribution service subscribers was 925.960 at the end of 2024, and recorded a slight increase relative to 2023. The number of IPTV and KDS subscribers has also been growing while the number of DTH subscribers is slightly decreasing.

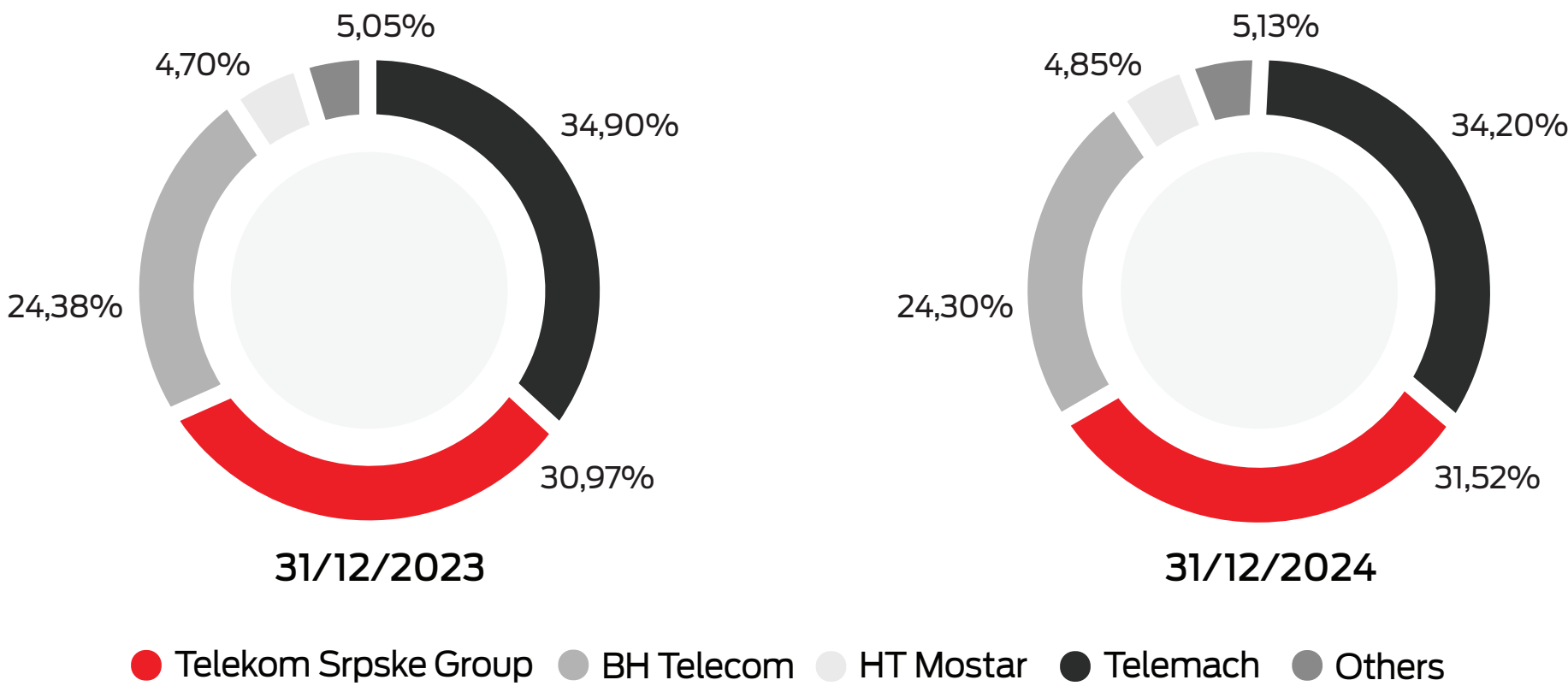
According to the latest available data from 2023, the penetration of audiovisual media services and radio media services distribution, relative to the total number of citizens, was 26,2%, while it was 80,0%, relative to the number of households.<sup>37</sup> (at the end of 2022, the penetration was 26,0%, relative to the total number of citizens and 79,4%, relative to the number of households).

<sup>34</sup>Korisnici dozvole za distribuciju audio-vizuelnih medijskih usluga i medijskih usluga radija, www.rak.ba  
<sup>35</sup>Registar pružalaca audio-vizuelnih medijskih usluga na zahtjev, www.rak.ba  
<sup>36</sup>Kvartalni uporedni podaci tržišta elektronskih komunikacija Q4 2024, www.rak.ba  
<sup>37</sup>Pregled stanja tržišta telekomunikacija u BiH za 2023, www.rak.ba  
<sup>38</sup>Kvartalni uporedni podaci tržišta elektronskih komunikacija Q4 2024, www.rak.ba

MULTIMEDIA	2023	2024	% change
The total number of media contents distribution service subscribers	924.958	925.960	0,1%
IPTV	403.418	406.829	0,8%
CDS (cable distribution system)	345.734	347.021	0,4%
DTH	175.806	172.110	-2,1%

Source 2023, 2024.<sup>36</sup>

Market shares of multimedia services operators in Bosnia and Herzegovina are shown in the following pie charts:



Source 2023, 2024.<sup>38</sup>

# Integrated Services

The total number of service package users at the end of 2024 is 712.600 subscribers, which is 3,5% higher than in 2023. In 2024, two-service packages users have the largest share in the total base of service package users with 54,6%, users of three-service packages have 43,1%, while the share of the four-service packages users is 2,3%.

The number of service packages users is growing in all segments, with the largest increase of 7,3% recorded in the number of four services packages users. The number of two services packages users increased by 5,1%, while the number of three services packages users increased by 1,4%.

According to the latest available data from 2023, the penetration of service packages by the number of households was 59,55%<sup>40</sup>, while at the end of 2022, the penetration by the number of households was 59,50%.

<sup>39</sup>Kvartalni uporedni podaci tržišta elektronskih komunikacija Q4 2024, www.rak.ba  
<sup>40</sup>Pregled stanja tržišta telekomunikacija u BH za 2023 , www.rak.ba

USERS OF SERVICES PACKAGES	2023	2024	% change
Total users of services packages	688.260	712.600	3,5%
Packages of two services	369.811	388.819	5,1%
Packages of three services	303.224	307.447	1,4%
Packages of four services	15.225	16.334	7,3%

Source 2023, 2024.<sup>39</sup>



## 1.4.3. Regulatory Framework

Regulation of the Bosnia and Herzegovina telecommunications falls within the competence of the Communications Regulatory Agency and is based on the Communications Law (Official Gazette of BIH, No. 31/03, 75/06, 32/10 and 98/12), BIH Electronic Communications Sector Policy, Policy Implementation Action Plan, and the by-laws.

The existing BIH regulatory framework is based on the EU regulatory framework, characterized by a constant telecommunications market monitoring and analysis, as well as by passing the required regulatory acts, with the aim of its permanent development, both in the sense of the services number increase and in terms of marketing and technical innovations.

Mtel pursues the activities pursuant to the valid licences, granted by the Agency:

- Licence for Performing the Internet Access Provider Activities,
- Licence for the Distribution Audiovisual Media Services and Media Radio Services,
- Licence for the Public Fixed Telephony Operator,
- Licence for Use of the Radiofrequency Spectrum for Provision of Services by Means of Mobile Access Systems.

The most important regulatory activities in the course of 2024 are as follows:

- In January 2024, the Agency announced Public Invitation for allocation of available frequency resources for radio broadcasting, which is performed via terrestrial radiodifusion in the 87,5—108 MHz VHF bandwidth (list: LRF-R-1/23).

- In January 2024, the Agency announced Public Invitation for granting of the Licence for use of radiofrequency spectrum for provision of services in management of electronic communications network in digital terrestrial radiodifusion in Bosnia and Herzegovina – MULTIPLEX C, in the 470-694 MHz frequency bandwidth.
- In October 2024, the Agency announced that the first constitutive session of the new Communications Regulatory Agency Council was held.
- In November 2024, the Agency Council, at its 2nd session, adopted the Decision on the rate and value

• of the point for calculating the annual license fee.

- According to this Decision, the annual fee for the license to perform telecommunications activities will amount to 0,75% of the total revenue of the licensee in the fiscal year 2024, generated from the performance of telecommunications activities: mobile telecommunications networks, public fixed telecommunications networks, internet access, distribution of audiovisual media services and radio media services, and multiplex management services.
- The annual broadcasting license fee will amount to 0,65% of the total income of the licensee in fiscal year 2024, generated from the provision of audiovisual media services and the provision of radio media services.
- The monetary value of a point will be BAM 0,50 for the calculation of the fee for a telecommunications

license for the use of numbers and codes.

At the session, the Council considered and adopted individual quarterly information on the Agency's activities realized in 2024, and also decided on appeals in the second-instance proceedings, based on previously issued Agency decisions.

In December 2024, the Agency Council held its 3rd session, and, among other things, adopted the Rule on the conditions for the provision of public electronic communications services and relationships with end users.

This Rule regulates the basic principles of provision of public electronic communications services, the BIH operators' obligations in terms of relationships with end users, the quality standards of these types of services, as well as the type of data that the Agency publishes pursuant to its provisions.

The Rule is aligned with the European Union aquis and the need to incorporate European directives into the legislative framework of BIH, and shall be applied one year after its



# 1.5. Corporate Social Responsibility

1.5.1. AWARDS AND RECOGNITION

1.5.2. COMMUNITY

1.5.3. HUMANITY

1.5.4. EDUCATION

1.5.5. CULTURE

1.5.6. MUSIC

1.5.7. SPORT

1.5.8. ECOLOGY

## 1.5.1. Awards and Recognition

**Best Taxpayer  
in the Period 2020–2024  
Plaque,**

RS Employers' Union, 2024

**Thank you note to Mtel  
a.d. Banja Luka for  
support and participation  
in our socially responsible  
activities,**

AmCham BiH, 2024

**Advertising Personality of  
the Year Jelena Trivan,**

No Limit Advertising  
Festival, 2024

**Advertiser  
of the year,**

No Limit Advertising  
Festival, 2024

**Recognition to the  
Company with Highest  
Realized Profit, 100  
Greatest in BiH,**

No Limit  
Advertising  
Festival, 2024

**The Star of Reliability  
Recognition**

LRC, 2024

**The City of Banja Luka  
Golden Coat of Arms  
to Jelena Trivan**

City of Banja Luka,  
2024

**Recognition for  
Contribution to Corporate  
Social Responsibility  
Development 2023,**

Republic of Srpska  
Chamber of  
Commerce, 2024

The golden awards to the campaigns in the categories of social good, integrated campaigns, and digital, "Don't Close Your Eyes! – Protecting Children Online",

—————  
No Limit Advertising Festival, 2024

Thank You Note for support to free journalism and assistance in organization of the "Off The Record 2024" event,

—————  
Banja Luka Journalists' Club, 2024

Thank You Note to Mtel a.d. Banja Luka for donation of books to the school library,

—————  
OŠ „Ivan Goran Kovačić“ Banja Luka, 2024

Thank you note for assistance in organization and realization of the humanitarian concert "Autism speaks with the heart", „Tvoja riječ“ Education Center and Center of Specialist Social Services for Mother and Child “

—————  
Banja Luka, 2024

“The Charter of Humanity” for extraordinary assistance in the work of „Tvoja riječ“ Education Center

—————  
Centar „Tvoja riječ“, Banja Luka, 2024

Thank you note for support in the sphere of traffic safety,

—————  
Republic of Srpska Ministry of Traffic and Communications and the Republic of Srpska Agency for Traffic Safety, 2024

## 1.5.2. Community

### „Don't Close Your Eyes! – Protecting Children Online“

Under the slogan “Don't Close Your Eyes! – Protecting Children Online“, in early 2024, the Mtel Company with the Unicef in BiH and „Plavi telefon“ commenced the activities within an extensive socially responsible campaign, the aim of which was raising awareness about the safety of children and young people in the online environment, as well as the importance of involving parents in the everyday problems this population faces on the Internet.

Since the Mtel Company provides internet access service, security issues within this global network are part of the daily work and services Mtel provides to its users.

Within the press conference that marked the campaign launching, video-spot was presented with the aim of, primarily, encouraging the consideration of this topic.

In 2024, panel discussions have been organized in the BiH cities, with participation of the professionals, professors, pedagogues, psychologists, who are in contact with young people but, also, the representatives of the Ministry of Police, as well as the organizations who work in children protection and children's rights, Unicef, Plavi telefon, and the Mtel Company.

Within the IPTV video store, the Mtel IPTV service users now may watch free of charge six panel discussions, held in the following cities: Sarajevo, Tuzla, Mostar, Trebinje, Bijeljina, and Banja Luka, with the topics: “Violence in digital environment – how to protect yourself” “Prevention of violence and negative consequences of the violence in online environment” “Children and internet – limits and rules of use” “How to stay safe on the internet – a task for all subjects of the society” “Digital literacy as necessity of modern age” and “Violence in real time and virtual world – mutual influence”.



## Siguran Net (Safe Net) Service for all schools in the Republic of Srpska

Jelena Trivan, Mtel CEO, and Željka Stojičić, Minister of the Republic of Srpska Education and Culture have signed the Agreement on Cooperation, which is the basis for introduction of the Safe Net service in all elementary and secondary schools in the Republic of Srpska.

After providing internet access to all schools, thus enabling children in the Republika Srpska to be educated in the most contemporary way, the Mtel Company has also provided a special internet protection so that the youngest are protected from all the dangers the global network brings. The Agreement defines the two-year period in which the Safe Net service will be used in schools, while the costs of the service will be borne jointly by the Republic of Srpska Government and the Mtel Company.

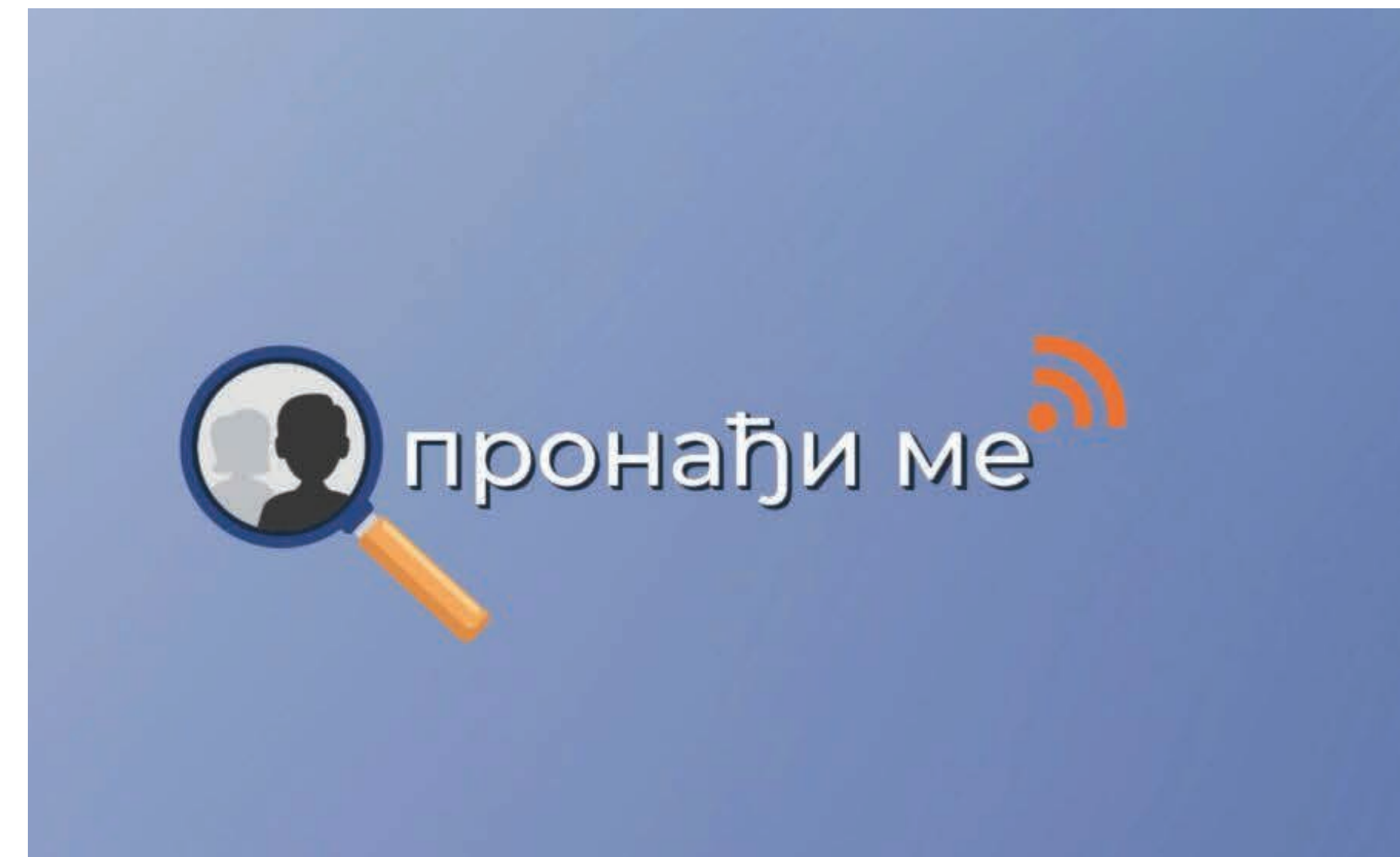


## „Pronađi me“ (Find me) System established

The “Find me” Platform, a system for emergency alert of the public in case a minor child is missing, has been active in the Republic of Srpska since 23 December 2024. The Mtel Company was one of the signatories of the Agreement on Cooperation, by which this mechanism has been officially established.

After the Republic of Serbia, the Republic of Srpska was the first to introduce the platform - emergency notification system for finding the missing children - „Pronađi me“. Strategic partner of the RS Ministry of Police is the Mtel Company that enables all citizens to receive the alerting message on missing children at the moment the child is reported missing.

„Pronađi me“ Platform is a system, or rather a mechanism for finding missing children, modeled after the American "Amber Alert", which involves the general public in the search for a missing minor. This system will also function in the Republic of Srpska so that, in the event of a child's disappearance, the public will be immediately alerted. All information about the disappearance will be placed on the platform, i.e. [pronadjime.vladars.rs](https://pronadjime.vladars.rs) website, and the information will arrive as soon as possible via SMS and media announcements. The content of such an SMS notification will be the child's name, surname, age, place and time of disappearance, a short description, and a link to access the official „Pronađi me“ site.



## Media and Information Literacy Days: Digitally Strong

As part of the "Media and Information Literacy Days: Digitally Strong" campaign, the BiH Communications Regulatory Agency organized the Media and Information Literacy Fair on 4 and 5 November in Sarajevo. The Fair was realized in cooperation with organizations and institutions gathered in the Media and Information Literacy Network, the member of which is also Mtel.

Together with partners from the New Generation, or Blue Phone (Nova generacija, Plavi telefon), Mtel has presented this year's campaign on the safety of children and young people in the online world at this fair, entitled „Ne zatvarajmo oči! Zaštitimo djecu na internetu“ (Don't close your eyes! Protecting children on the Internet). At the same time, this was an opportunity to talk about the need for clearer messages to be sent to the public when it comes to protection of children and young people in the online environment, as well as the need to involve all relevant institutions, organizations and companies in these activities.

## Thanks to the Mtel Company's donation, Lopare received new kindergarten - "Srbija"

The local community of Priboj, in the municipality of Lopare, has received a new daycare center for the preschool children, and Jelena Trivan, Mtel CEO, has named this institution.

After last year's support to children's playground construction, this time Mtel has donated funds for the complete implementation of the project for rehabilitation of the premises within the "Veljko Čubrilović" Elementary School, one of the oldest educational institutions in this part of Bosnia and Herzegovina, purposed for the needs of a preschool children daycare center, with a capacity of up to 50 places.



## Mtel Donates Children's Playground to the Banja Luka Airport

Thanks to Mtel's donation, Banja Luka Airport has enriched its facilities that will provide passengers with a more pleasant environment for relaxation when departing and arriving from their travels. The new children's playground and a landscaped park are located within the airport complex.



## Donation of routers to flood-affected areas

Mtel and Logosoft, as part of their corporate social responsibility, have provided support to citizens affected by the floods, with a special focus on educational institutions, teaching staff, and children. In response to these challenges, Mtel and Logosoft have donated LTE routers with associated mobile internet services to the schools whose networks have been completely destroyed. The donation is directed to two schools: „Ivan Goran Kovačić“ Elementary School and „Muhsin Rizvić“ Elementary School in Fojnica. Thanks to this assistance, the students and teachers now have internet access, which allows them to continue their educational activities and stay connected to the world.

## Cyrillic Park Banja Luka

The Mtel company participated in the construction and installation of the letters-sculptures in the "Cyrillic Park" in Banja Luka. Within this park, there are 30 creatively designed letters adorning this little green oasis all children can enjoy.



## 1.5.3. Humanity

### Niste sami, imate prijatelje!

(You're not alone - you've got friends!)

„Niste sami, imate prijatelje“ is a humanitarian action Mtel launched in December 2021, which continued in 2024 as well. The Municipalities of Bos. Petrovac, Drvar, Glamoč, Bos. Grahovo, have received aid packages for socially vulnerable residents, firewood, and New Year's gifts for children. Within this campaign, more than 400 packages of food and hygiene products, as well as around 80 pallets of firewood, were distributed in 2024.

During this year, it was completed the renovation of a family house in the village of Bravsko, for a single father and his three children. As part of this donation, Mtel completed all the necessary construction and technical works, and purchased new furniture and household appliances. In Bosanski Petrovac, agricultural machinery - a tractor tiller with attached tools, was donated to one family.

#### Odžak

Mtel has once again helped the "Posavina" Serbian Civic Association from Odžak, i.e. the population of this part of the FBiH, who are in need, having donated 50 aid packages.

#### Special Sports Club "Drina" in Goražde

This year, again, the representatives of the Mtel company delivered packages with food and hygiene products to the residents of the Special Sports Club "Drina" in Goražde. The packages are purposed for families in a state of social need, to ease the life challenges they face.



### **Mtel's large donation makes users and employees of the Retirement Home happy**

At the beginning of December, Mtel formally handed over a donation to the Retirement Home in Banja Luka.

This large donation, one of the largest in 2024, included the complete renovation of the facility, including moisture remediation, rooms painting, air conditioning installation in all rooms, and purchase of professional washing machine. The funds for the renovation were entirely provided by Mtel.

### **Plavi telefon (Blue Telephone)**

For years, the Mtel Company has been supporting the activities of the „Nova generacija“ Association from Banja Luka, namely the Blue Telephone (Plavi telefon) Service, the only counselling line for children on the entire BIH territory. This is the result of this humanitarian organization partnership with Mtel, which provides free calls, regardless of the network the children use for calling. In 2024, Mtel has become the Safe Childhood Ambassador, having donated the greatest amount through new program/platform entitled „Štit nove generacije“ (New Generation Shield).

### **Vehicle for the Down Syndrome Center Banja Luka**

Mtel participated in the purchase of a vehicle for the Down Syndrome Center Banja Luka, which will serve to the Center's users in their regular activities and programs.

### **Jelena Trivan, the new Down Syndrome Center Ambassador**

In September 2024, the Mtel CEO, Jelena Trivan, was presented with the Ambassador Charter of the Down Syndrome Center for the territories of Serbia, Kosovo and Metohija, as part of the event „Mogu Hoću Znam“ (I Can I Want I Know), held on Jahorina, which was organized by the Down Syndrome Center Banja Luka.

### **„S ljubavlju hrabrim srcima“ (With Love to Brave Hearts)**

The Mtel Company has supported humanitarian action, entitled “With Love to Brave Hearts”. The funds raised in this year's action are purposed for introduction of screening to spinal muscular atrophy in the newborns, which represents a key step in the battle for the youngest ones' health. Having participated at the donor's dinner with monetary donation, and assigned humanitarian telephone number to this action, the Mtel Company re-confirmed the importance of the corporate social responsibility and corporate philanthropy.

### Donation for the AmCham humanitarian action

During 2024, the American Chamber of Commerce in Bosnia and Herzegovina organized a socially responsible activity aimed at supporting eight exceptional associations that provide the necessary assistance to children and vulnerable categories throughout Bosnia and Herzegovina.

The Mtel Company represents an important partner of this organization in joint efforts to improve the business environment. The associations to which the Mtel company helped with the donation are: "Heart for Children with Cancer" Sarajevo, "SOS Children's Villages of BiH" Sarajevo and Gračanica, "PIPOL Association" Tuzla, "ISKRA" Banja Luka, "Vedri osmijeh" Association of Parents and Children with Special Needs Mostar, "Los Rosales" Center for Children and Youth with Special Needs Mostar, and "Friendly House" Doboj.

### Football against stigma

A friendly football match between Down Syndrome Center Banja Luka and the Mtel Company teams was played at the "Centar" Sports Hall in Banja Luka, under the motto "Football against stigma and discrimination of people with Down syndrome and women Banja Luka".

### Red Cross Banja Luka

During 2024, Mtel has also donated packages with food and hygiene products to the Banja Luka Red Cross.

### Donation of a TV set for a six-member family

In cooperation with the Center for Social Welfare Banja Luka, Mtel donated TV set for a new house of a large family in need from the village of Melina, in Bronzani Majdan near Banja Luka.

### „Sveti Vračevi“ Outpatient Department Čelinac

In August, the „Sveti Vračevi“ Outpatient Department Čelinac opened a field surgery in Jošavka, and the Mtel Company donated TV set for a newly opened surgery. The TV set will be used for the patients' information.

### **Mtel in the blood donation campaign**

In 2024, the Mtel Company's voluntary blood donor activity held two large blood donation campaigns for the Republic of Srpska Institute for Transfusion Medicine in Banja Luka.

The voluntary blood donation campaign, in which Mtel's employees participated, supports the efforts of the Institute for Transfusion Medicine to increase the number of voluntary donors and ensure a constant and reliable blood supply for all those to whom this is of vital importance. In the spirit of solidarity and humanity, more than 30 employees, among them quite many young ones, responded to this invitation.

### **Autizam govori srcem (Autism speaks with the heart)**

On the occasion of the World Autism Day, a traditional humanitarian concert "Autism Speaks with Heart" was held in Banja Luka, jointly organized by the "Tvoja riječ"

Education Center and the Center for Specialist Social Services "For Mother and Child".

The company Mtel is a long-time friend of these associations and traditionally supports the organization of this humanitarian concert.

### **Medical examination and immunization of children with the HPV vaccine in Banja Luka**

The Mtel Company has given support to the preventive activity on the occasion of the "European Immunization Week", organized by the Center for Health Promotion and Disease Prevention of the "Dom zdravlja" Public Health Institution in Banja Luka, having provided two free telephone numbers for informing the parents about vaccination. During that week, there were organized medical examinations and immunization of children aged 11 to 14, with the vaccine against human papillomavirus (HPV) infection.

### **„Transformacija i ti“ (Transformation and you)**

Citizens' Association "Center for Moms" from Banja Luka has organized a motivational public forum entitled "Transformation and you" in Banja Luka, dedicated to oncological patients, having offered a lot of useful information and advice important for education, prevention, and support to the breast cancer patients. The Mtel Company supported the organization of this event, having shown its commitment to humanitarian activities and support to the girls and women treated for breast cancer.

### **„Sve smo mi heroine“ (We are all heroines)**

The "We are all heroines" conference was held in April 2024 in Banja Luka, with the support of the Mtel company. This inspiring conference has discussed the importance of women's mental health, as well as of public speaking, and the influence of media and social networks. The conference included lectures given by criminologists, lawyers, psychologists, and gynecologists.

### „Mozaik prijateljstva“ (Mosaic of Friendship)

In cooperation with the "Mozaik prijateljstva" Citizens' Association from Banja Luka, Mtel provided part of the funds intended for the public kitchen users' summer holiday in Montenegro.

### „Fudbalom do hljeba“ (With Football to Bread)

The humanitarian tournament entitled „Fudbalom do hljeba", organized for the eighth year by the "Mozaik prijateljstva" Citizens' Association was held in 2024 as well, and the Mtel Company supported the organization of the this year's tournament and once again provided assistance to socially vulnerable citizens. Thirty-two teams participated in this year's tournament with the aim of collecting packages with basic food supplies for the users of the public kitchen „Obrok ljubavi“ (Meal of Love).

### Mi igramo oni pobjeđuju (We play, they win)

The traditional veterans' indoor football tournament was held in 2024 and had an international character. This tournament was attended by veterans of

Partizan, Borac, Rijeka, Sarajevo, and the Slovenian selection, which includes former Slovenian national team members, as well as two selections of "Humane Stars" - former Serbia, Croatia and Bosnia and Herzegovina national teams' players. The tournament was also supported by many artists, and it also had a humanitarian character, so Mtel participated in this humane event this time as well.

### Tradition of giving presents

On the occasion of St. Nicholas Day and the New Year, the Mtel Company has, once again, put the focus of its attention on the youngest ones. Traditionally, Mtel has given presents to the youngest users of the Center for Social Welfare Banja Luka, the "Rada Vranješević" Home for Children and Youth Without Parental Care in Banja Luka, the "Sveta Evgenija, carica Milica" Preschool Institution in Trebinje, as well as to the residents of the Safe House in Banja Luka.

This year, a part of the funds for the New Year's presents has also been given to the organization of "World Vision BiH". The presents were delivered to the children, exposed to one or more vulnerability factors, who live in remote rural areas, and areas that are endangered or at risk of natural disasters.

## 1.5.4. Education

With numerous year-round activities, the Mtel company provides important support to young people, their development and the development of the educational system, which stands as a link between the industry and young future experts. Mtel's successful cooperation with the education system is on the level of the company and the educational institution cooperation through student scholarships and professional practice for university students and secondary school students.

### App Challenge

The year 2024 was the beginning of the seventh Regional App Challenge and the new, eighth, cycle of the Mtel App Challenge.

At the Regional App Challenge, held in Belgrade in March 2024, the best were pronounced the applications developed by the teams from Milići, Sremska Mitrovica and Podgorica. All three winning teams were awarded with a five-day trip to a great European event – OFFF Festival in Barcelona.

The Team of the „Milutin Milanković“ Secondary Schools Center from Milići, being among the best three at the Challenge with their application entitled ARTour, had the opportunity to visit, together with their mentor, the Festival in Barcelona, held from 4 to 6 April 2024.

Along with spending good time with the peers from the region, from Serbia and Montenegro, and attending the three-day Festival events, this award enabled the winners of this year's Regional App Challenge to learn about Spanish culture and tradition.

### New cycle of the App Challenge

For eight years in a row, in October 2024, the Mtel Company announced the competition for all secondary school students who wanted to compete in developing applications for mobile devices.

Under the motto "Launch your idea", this year a competition has been opened for all secondary school

students from all over Bosnia and Herzegovina. Also, at the same time, the competition is also open in Serbia and Montenegro, and, after the national competitions winners are pronounced in early 2025, the Regional App Challenge will take the best teams to Podgorica. The winners of the overall competition will have the opportunity to travel to one of the European countries, to a professional conference.

The number of ideas received this year was a record one, as was the number of schools whose students responded to the invitation for this competition.

Since the start of the competition, announced on 10 October 2024, until the end of the year, Mtel has visited several high schools, and also organized a professional lecture on the topic "Modern Trends and Guidelines in Mobile Application Development" given by Jovica Kesić, CTO at Antecna.

## „m:stipendije“ (m:scholarship grants)

At the beginning of the year, Mtel traditionally awards scholarships to students of electrical engineering and information technology. This year, a total of 12 students („m:stipendisti“) will be receiving Mtel's support until the end of the first cycle of studies.

The 14th generation of the m:scholarships beneficiaries includes: Mihajlo Đukić, Zorana Jovičić, Nikolina Jokić, Stefan Bijak, and Milanka Mandić, all from the School of Electrical Engineering in Banja Luka, and Nikolina Šarac, Milica Rundić, Nataša Elez, Nevena Vujić, Jovana Samardžić, Dejana Pjević, and Svetlana Parlić, from the School of Electrical Engineering in Istočno Sarajevo.

The students entitled to apply for the scholarships were from the Schools of Electrical Engineering in Banja Luka and Istočno Sarajevo, School of Electrical Engineering in Tuzla, and School of Natural Sciences and Mathematics in Banja Luka. Along with the

monetary part of the scholarship, in the amount of BAM 300 or BAM 400, depending on the particular Department, they will be receiving until the end of first cycle of their studies, the recipients will be able to perform professional training, and have the opportunity of being provided accommodation during the training (if they come from other cities), as well as to take employment in the Company upon their graduation.

During 2024, the competition was announced for scholarship grants to the 15th generation of m:stipendisti.

Since the project beginning, the scholarship grants have been awarded to around 260 students, out of which many have started working for the Company.



## Mtel is a Friend of Knowledge

“Friend of Knowledge” is a slogan under which the Mtel Company gives presents, support, and help to educational institutions throughout BiH, and this Project was launched in the course of 2024.

Extensive donation in the form of video surveillance for two secondary schools in Banja Luka, as well as TV sets, books, and furniture for another five schools throughout the Republic of Srpska, the Friend of Knowledge action has become a recognizable slogan of the friendship Mtel has been fostering with educational institutions for many years.

**Secondary Schools of Economics and Polytechnics in Banja Luka** have modern video surveillance systems thanks to the Mtel Company. The donation Mtel has given to these Schools, includes installation of 30 new surveillance cameras, recorders, and other equipment required for video surveillance, as well as the upgrade of the existing system. The video surveillance covers part of the streets adjacent to the Schools, as well as the schoolyard, where the safety of 1.500 students of these two schools is very endangered.

Being a long-time friend of the **Banja Luka Grammar School**, the Mtel Company donated funds with which two classrooms of this school were completely rehabilitated, and also purchased the equipment necessary for conducting modern teaching process. The Mtel company donated over BAM 100,000 for the renovation

of classrooms, furniture, and technical equipment, and the installation of video surveillance throughout the school, while the next step will be the purchase of computer equipment.

In addition to the classrooms renovation, the Banja Luka Grammar School also received a video surveillance system that will enable higher safety level for both students and teachers of this educational institution.

**The „Petar Petrović Njegoš” Secondary Schools Center from Čajniče**, despite being located in an underdeveloped municipality, has been achieving splendid results in learning and acquiring knowledge their teacher convey to them. The Mtel Company has visited this School to present them with the donation – two smart TV sets, which will help them in application of contemporary forms of teaching process.

Mtel has donated books to the **„Ivan Goran Kovačić” Elementary School from Banja Luka** library, as well as for the realization of teaching plan and program, which understands reading of the selected literature. The donation consists of 418 books and 26 titles. This School has 560 students and is among the larger ones in the City of Banja Luka.

The **„Sveti Sava” Elementary School from Zvornik** was donated almost 200 books for the school library, which could be a boast to much bigger schools. A reading corner is also organized within the library, being another way for children to experience the beauty of reading in the right way.

The **“Aleksa Šantić” Elementary School from Osmaci** near Zvornik is another one Mtel visited as part of the “Friend of Knowledge” project. Mtel donated bookshelves to this school's library.

The **“Desanka Maksimović” Elementary School from Čelopek**, is a branch school located in the town of Karakaj. Mtel donated a TV set to this school, which will improve and modernize the teaching process at this educational institution.

Mtel donated a TV set to the **"Petar Kočić" Elementary School from Mrkonjić Grad**, which will be used for video surveillance purposes, in order to improve the security situation in this educational institution. Mtel, as a telecom operator, considers the issue of security, especially of our youngest children, to be extremely important.

### **Sports equipment for elementary schools**

The **Jovan Cvijić Elementary School** students now have new basketball backboards on their playground, donated by Mtel as part of its mission to support educational institutions.

Mtel donated three new basketball backboards to the **Dvorovi Elementary School in Bijeljina**, which has more than 400 students, for which they expressed a need. This donation has provided better conditions for physical education classes, providing students with the opportunity for an active and healthy life.

Mtel donated funds to the **Veljko Čubrilović Elementary School in Priboj** for the purchase of basketball backboards for the gym.

### **Donations for elementary schools in Banja Luka and Dragočaj**

One of the activities that Mtel regularly carries out is the donation of office furniture, which greatly facilitates the work of educational institutions throughout BiH. During the year, Mtel also donated furniture to two elementary schools, for which these schools expressed a need. These are the "Miloš Crnjanski" Elementary School from Banja Luka and "Desanka Maksimović" from Dragočaj.



## Professional training Mtel 2024

For the first time, the Mtel Company has organized a summer academy in which students of schools of electrical engineering may learn about business processes and technologies, to feel the team spirit, and gain insight into the professional work. A total of 40 students from SEE Banja Luka, SEE Istočno Sarajevo, SEE Tuzla, SSM Banja Luka and STS Novi Sad, had the opportunity to acquire new knowledge and do internships during August this year.

The Mtel summer academy program includes four engineering fields that are extremely attractive on the labor market for future engineers, and form the backbone of the modern telecommunications companies functioning.

## Secondary School Internship Program

The long-standing successful cooperation between the Nikola Tesla Electrical Engineering School in Banja Luka and the Mtel company continued this year with the organization of internships for students of this school. As many as 67 third and fourth grade students, computer and telecommunications technicians, completed the internship program at the Mtel company.

During the winter and summer semesters, the students worked with experts who shared the knowledge and experience with them, and presented them with all the activities a modern telecom is engaged in, which are closely related to their educational profiles. The internship allowed students to get acquainted with the work environment, gain insights into different jobs, and better understand their interests to help them make decisions about their future careers.

## Professional lecture for the SSM students

Professional lecture for the School of Science and Mathematics students in Banja Luka, was organized for the students of mathematical specialization, and the topic for discussion was the importance of analytics in making business decisions. The lecture was given by Marina Radić, Head of the Analysis and Reporting Department of the Mtel Company. On this occasion, she presented to the students the way in which different machine learning models are integrated into the business decision-making process at Mtel.

The Mtel Company will, in cooperation with the SSM professors, continue to support the students of this School and provide the greatest possible contribution to the development of a new generation of professionals in the business community of the future.



## Elementary school students visit Mtel

As part of the school project "Cooperation between parents and schools", the students from two Banja Luka elementary schools visited Mtel on February 19, 2024. While meeting with representatives of Mtel, the eighth-grade students from the "Ivo Andrić" Elementary School and fifth-grade students from the "Branko Ćopić" Elementary School were introduced to the technologies that enable mobile telephony, internet, and television services, and they also learned a lot about the jobs performed by experts in various professions. The company tour ended with a visit to Mtel Call Center and an interesting quiz to test their acquired knowledge.

At the end of December 2024, Mtel was pleased to host students of the IT department and their

teachers from the "Jovan Cvijić" Secondary School Center in Modriča. The secondary school students were given a professional lecture on databases and the applications that use these databases. The expert lecturers were young Mtel's engineers who introduced them to the practical application of theoretical knowledge, work with databases, and development tools, used for development of application solutions for daily operations of the leading telecommunications company.

The Mtel Company remains committed to supporting education and initiatives the aim of which is to inspire young generations, give them additional motivation for further professional development, and offer them professional advice regarding their knowledge and career.



## CampUp 2024

A five-day innovative startup camp "CampUp" 2024, organized by the Science and Technology Park of the Republic of Srpska, was held at the School of Science and Mathematics in Banja Luka, and was also supported by the Mtel Company. It is a dynamic, several-day program for young entrepreneurs, university students, and Secondary school students. The workshops were led by eminent experts from the region with many years of experience in implementing similar programs in cooperation with local experts. At the end of the program, the participants presented their startup and the skills they acquired, which were the key to successful presentation and promotion of their innovative ideas. The best team was the "Diaspora Service" team, with their platform for connecting diaspora and entrepreneurs.

## Business Skills Academy 2024.

The Association of Economics and Management Students "AIESEC MC", Sarajevo, organized the event "Business Skills Academy 2024" in Banja Luka, the aim of which was to empower young people through business skills developing, connecting with various industries leaders and creating opportunities for professional networking. Mtel helped organization of this event.

## Innovative Teachers Award

The Mtel Company has supported the innovative teachers awarding in Bosnia and Herzegovina. The Award contributes to affirmation of excellence, culture of professionalism, and promotion of the teaching profession. The aim of the annual award is to recognize and promote those individuals who make an immeasurable contribution to the development of education, and who are devoted and dedicated professionals in their work.



## 1.5.5. Culture

### “Petar Kočić” Theater Fest 2024

This year, continuing the years-long tradition, Mtel is the general sponsor of the "Petar Kočić" Theater Fest, as well as the entire season of the Republic of Srpska National Theater.

In early June, the 26th "Petar Kočić" Theater Fest was held at the Republic of Srpska National Theater in Banja Luka. According to the decision of the expert jury, the best play of the 2024 Theater Fest was "Fathers and Forefathers", based on the Slobodan Selenić's novel, directed by Veljko Mićunović, who also received the award for best director.

### Zaplet (the Plot)

This year again, "Zaplet" - the traditional International Actor's Festival, was held having been wholeheartedly supported by friends - the Mtel Company.

Under the slogan "Full throttle!", the Festival was held in October, at the "Jazavac" City Theater, and the audience had the opportunity to see six new competitive plays.

### Days of Jagoš Marković

As a part of the "Days of Jagoš Marković" event, which lasted from 5 to 7 April this year, the audience of the Republic of Srpska National Theater had the opportunity to enjoy watching three plays directed by this celebrated theatre director who passed away too soon. In his memory, the Mtel company also provided its support to the Festival.

### 105<sup>th</sup> Šantić's Poetry Evenings in Mostar

The 105th Šantić's Poetry Evenings were opened in Mostar on 9 September with the exhibition "Aleksa Šantić and the Mostar Literary Circle", by author,

academician Ranko Popović, which were organized by the Serbian Educational Society of "Prosvjeta" - Mostar City Board and the Republic of Srpska Academy of Sciences and Arts. As part of the event, lovers of the written word had the opportunity to enjoy rich program, and the Mtel Company supported the event of "Šantić Poetry Evenings" this year again.

### International Writers' Meetings

The Mtel company supported the traditional literary event of "Belgrade International Writers' Meetings", which was held for the 61st time. This literary event, which brings together literature and cultures from around the world, this year also includes writers from the Republika Srpska.

## PAF

By supporting this year's edition of the Theater Academic Festival (PAF), which was held for the third time in Banja Luka in late June, Mtel has, once again, confirmed its traditional friendly relationship with theater and theater art. As part of the competition program, visitors had the opportunity to watch seven plays, and in addition to the competition, a rich side program was also organized. The award for the best performance went to the students of the University of Banja Luka Academy of Arts for the play "Hekaba", staged by Radoslav Milenković, actor and professor.

## Children's Fair Banja Luka

The Mtel Company was, once again, a friend and general sponsor of the event for the youngest ones - the Children's Fair in Banja Luka. During two days of

the Fair, held in the Borik Sports Hall, visitors had the opportunity to enjoy various contents and, for children, this was the place of great fun with plenty of surprises, competitions, imaginative and creative, as well as sports and gaming corners. In the Mtel corner, as in previous years, great fun and a plenty of gifts were provided for the little ones.

## Children's Fair in Istočno Sarajevo

The Children's Fair in Istočno Sarajevo was held on 8 and 9 June. More than 500 children presented themselves at this event through dance, drama, music, art, and sports activities. In addition to numerous exhibitors from all over the region, many organizations for children's rights protection, health institutions, sports teams, foreign language schools, and the like also presented their activities.

This year, Mtel has provided necessary support through general sponsorship of the Children's Fair "East Sarajevo 2024" and, for all visitors, there were prepared and implemented interesting and creative workshops, education, gifts, as well as a specially created gaming corner where children could enjoy gathering and playing on Play Station 5 consoles.

## Performance at the Jazavac City Theatre

The Jazavac City Theatre in Banja Luka, with friendly support of the Mtel company, hosted a play, romantic comedy „Kako sam se nadala, dobro se nisam udala" (pun). This play is filling the theaters across the region, with celebrated comedians Nataša Aksentijević and Peđa Damjanović as the leads.

## 1.5.6. Music

### Days of Vlado S. Milošević

For years, Mtel has been supporting this event, which marked its 25th anniversary in 2024. "Days of Vlado S. Milošević" were held in April at the Banski Dvor in Banja Luka and, during ten days, hosted eminent regional and domestic lecturers and soloists - singers and instrumentalists. Through educational workshops and lectures, held by domestic and international lecturers, intensive activities were aimed at expanding the knowledge of the university and secondary school students. This year, an important segment of the event was an international scientific conference that performs the research of the Vlado Milošević's work.

### Annual Concert of the University of Banja Luka

The Mtel company supported a grand and unusual event – the annual concert of the University of Banja Luka, an unusual combination of a symphony orchestra and a DJ. The end of academic year 2023/2024 and the World Music Day were marked by the concert in the University City in Banja Luka, entitled "A Gift to the Republic". The concert featured around 80 performers from the Symphony Orchestra of the University of Banja Luka Academy of Arts in collaboration with the Symphony Orchestra of the Serbian National Theatre Novi Sad.

### Đurđevdanski festival celebrates 30<sup>th</sup> anniversary

This year, Đurđevdanski festival celebrates a significant jubilee – 30 years of its existence. This long-lasting manifestation that connects culture, art, talent, creativity, and author's work, has become the greatest festival of children's song in the Southeastern Europe. As a long-time friend of the Đurđevdanski festival, Mtel has been supporting the Festival in its success. Also, with valuable awards having been given throughout the years, Mtel has made this celebration even more special. This year again, Mtel has provided valuable awards for the best festival participants.

### Festival of the Serbian folklore

The "Veselin Masleša" ensemble of folk dances and songs held the ninth Serbian Folklore Festival in Banja Luka this year. This year, the audience had the opportunity to watch concerts of cultural and artistic societies from Banja Luka, Gradiška, Novi Grad and Toronto. The Mtel company has supported the Serbian Folklore Festival again this year, providing support to this event that cherishes tradition and cultural heritage.

## Folklore Festival

The "Mira Lukač" Cultural and Artistic Society from Drvar celebrated its anniversary in 2024 – 100 years of existence and successful work. The Mtel company supported the celebration of this big anniversary and the international folklore festival entitled "Amateri svome gradu" (Amateurs to their Home Town), which has been held since 2021.

## Children Sing to Semberija

The 15th jubiliary children's festival entitled "Children Sing Semberija" was held in Bijeljina, where children had the opportunity to show their talent, knowledge, and skills on the big stage of the "Semberija" Cultural Center in Bijeljina. This festival traditionally brings together talented children from Semberija and neighboring regions and, as early as during October auditions, it attracted great interest from the entire public.

The Mtel company supported the organization of this event and helped ensure that talent, work, and efforts of the youngest ones did not go unnoticed.

## Banja Luka Fest

In many ways a special annual event, a spectacle that once again painted the Kastel fortress in Banja Luka in the most beautiful musical colors, was held in July 2024. Mtel was a proud sponsor of this event in the City on the Vrbas, and, during the Banja Luka Fest, visitors were able to enjoy concerts given by the world-famous cellist Hauser, rock giants "Bijelo dugme" and "Symphony for Two" - Jelena Tomašević and Ivan Bosiljčić duo.

## OK Fest

The tenth edition of OK Fest was held this year, again having being friendly supported by the Mtel Company. This year, the program featured numerous well-known names of the regional music scene. The Mtel company traditionally provided all

festival visitors with a break in the Mtel Chillout Zone with phone charging stations and free WiFi, as well as other entertainment contents.

## Freshwave

Numerous famous names from the world of electronic music performed this year at the Kastel Fortress in Banja Luka, having been a part of the Freshwave Festival, which gained the reputation of one of the most important music events in the region. The Mtel company has been a traditional friend of this festival, and enabled all its visitors to take a break in the Mtel Recharge Zone with phone charging stations and mobile internet cards.

## Garden Fest

Prijedor music event - Garden Fest hosted some of the leading regional stars this year. The two-day festival was held with the friendly support of the Mtel company, as in the previous years.

## „Beerka“ festival

The second edition of the festival was held in 2024, at the same location in Istočno Sarajevo. This festival has become a gathering place for all those who love good music, quality beer and food, but who also think about preservation of nature. From the very beginning, the Mtel company recognized the uniqueness of such an event in our region, and gave its support this event last year, and this year as well.

## „Bijelo dugme“ in Trebinje

Concert of „Bijelo dugme“, which was held in Trebinje in 2024, marked the band's 50th anniversary on stage. This concert was not only a musical event, but also a true tribute to the times and generations that grew up with the rhythms of "Bijelo Dugme". Mtel supported the organization of the concert, thus having completed the rich touristic offer of this region.

## Zoster

With the support of the Mtel company, the "Zoster" group performed on 27 December at the Youth Center in Sarajevo, and this concert was a real holiday gift to all the lovers of great entertainment. The concert was organized with the support of the Mtel Company.

## Concerts in Drvar and Čelinac

The Mtel company supported the organization of the concerts, held on the occasion of the Municipality of Čelinac Patron Saint's Day celebration, as well as in Drvar on the occasion of 100 years of sports and culture.



## 1.5.7. Sport

In the spirit of tradition, in 2024, the friendship continued with numerous sports clubs, individuals, and manifestations.

Mtel is a proud sponsor and friend of the RS Football Association, RS Tennis Association, RS Basketball Association, and RS Handball Association. In terms of the clubs, Mtel's support has been important for the functioning of the Borac Football Club Banja Luka, Borac Mtel Handball Club, Borac Women's Handball Club, Borac Women's Volleyball Club, Borac Volleyball Club, Borac Table Tennis Club, Borac Tennis Club, Borac Basketball Club, Igokea Basketball Club Aleksandrovac, Leotar Basketball Club, Radnik Bijeljina Volleyball Club, Radnik Bijeljina Women's Volleyball Club, Invalids Volleyball Club Laktaši, and the Vrbas Kajak Canoe Club.



## Youth Sports Games

After the children and young people from 46 cities and municipalities across BiH have competed on sports fields in BiH this season, and were declared the state-level winners, the grand finale was held in Sarajevo from 8 to 10 July 2024.

With the crowning event of the competition, a formal ceremony on the Split Riva, the 28th season of the Youth Sports Games closed, having brought together almost 330 thousand competitors in BiH, Serbia, Croatia, and Slovenia. The Mtel company proudly highlights its long-standing partnership with the Youth Sports Games.

## „3×3 League of Bosnia and Herzegovina“

On the plateau in front of the Republic of Srpska National Theater in Banja Luka, the basketball tournament "3×3 League of Bosnia and Herzegovina" was held for the 26th year in a row. The people of Banja Luka once again had the opportunity to enjoy good basketball and attractive moves that always attracted the attention of numerous visitors, and the best basketball players were awarded special awards. The Mtel Company supported the tournament and, following tradition, helped inclusion of another sports event in the calendar of events that promote a healthy sports spirit and socializing among athletes throughout the region.

## X – Streetball tournament 3x3 Gradiška

The streetball tournament was held in Gradiška and Mtel supported realization of this event.



## Summer on Jahorina

The FeJS festival, which lasted from 28 to 30 June, opened the summer tourist season on the Jahorina mountain, and visitors had the opportunity to enjoy free activities and numerous novelties offered by this Olympic beauty.

The event encompassed activities for all tastes and ages. Visitors enjoyed walking, fun activities in the Family Zone and Mtel Corner, local gastronomy and food and drink tasting, music concerts, a free panoramic gondola ride, and competitions on the polygon.

At the beginning of July, the Termag bike marathon was held, a mountain bike ride in which recreational and competitive runners had the opportunity to participate. At this event, visitors could also use the Mtel corner with various entertaining contents for the whole family.

The 10th Jahorina Ultra Trail, which all fans of trail running have been eagerly awaiting all year long, was held this summer. The largest competition of this kind in Bosnia and Herzegovina, for professional and recreational runners, is held on various length trails, in untouched and magnificent nature. Six thousand fans of running participated in the race, and the event brought together 30 countries and 5.000 competitors. The Mtel Company supported this sporting event this year as well.



## Run&More Weekend

For seven years in a row, the "Run and More Weekend" is held in Banja Luka, with participation of the runners from all over the world. On the first day, traditionally, races were held for the youngest, as well as elementary and secondary school students, followed by the "Color fun run" race. On the second day, the races of 5, 10 and 21 kilometers were held, and gatherings were also organized in the Mtel corner, where gifts were prepared for visitors. Also, valuable smart watches were awarded to the fastest half-marathon female and male runners from Banja Luka. This year, Mtel was once again a proud sponsor of this event that promotes healthy living.

## Banjaluka Ladies Open 2024

Banja Luka hosted the „Banjaluka Ladies Open 2024” tournament, which was held for the tenth time and

gathered 32 tennis players from all over the world. This prestigious tournament, played at the tennis courts of the Teniski klub Banjaluka, belongs to the ITF calendar events, and was played for WTA points thus the prizemoney was USD 15.000 and 15 points. The main sponsor of the Tournament was the Mtel Company.

## 10 Best Athletes of the Republic of Srpska

Mtel has offered a hand of frinedship to the athletes of the Republic of Srpska and supported this manifestation again in 2024. This was a demonstration of how investments in sport and sport events may led to top results of the national competitors. The best athlete of the Republic of Srpska was elected Sara Ćirković, the member of the „Obilić” Boxing Club from Zvornik, the runner up was Srđan Grahovac, the captain of the „Borac”

Football Club from Banja Luka, while the third place, as well as last year, was taken by Marina Kurteš, karateka from „Slavija”.

## European Wildwater Kajak and Canoe Cup

In September 2024, the Vrbas Kajak and Canoe Club organized the European Wildwater Kajak and Canoe Cup on the Vrbas river. Being a long-standing friend of this Club and the events organized by the Club, Mtel has supported the European Cup organization.

## „Trofej Banjaluke 2024“ International Chess Festival

The mass chess tournament for children in the Balkans was held in Banja Luka in August 2024. The international chess festival is intended for children under 18 years of age, and is one of the greatest mass tournaments of this type. The goal is to promote chess as a top intellectual sport. Once again, Mtel offered its full support to the "Gambit" chess school, which was the organizer of this tournament.

## Support for “Sana” Diving Club

“Sana” Diving Club from Prijedor is the oldest diving club in Bosnia and Herzegovina and is the bearer of numerous sports, cultural, and tourist activities in the Prijedor region. In addition to sports and competitive activities, members of this club actively participate in regular cleaning of river and lake beds, rescue of people and property on water and under. The Mtel Company, having been selflessly investing in the community, being a supporter and friend of sports, culture, and humanity, also supported this Prijedor club by donating a GO Pro camera, necessary for their noble and humane activities.



## 1.5.8. Ecology

In line with the practice of maintaining a responsible attitude towards the environment, the Mtel Company puts a special focus on adherence to the laws, as well as on specific activities in the field of environment and people protection.

In 2024, as well as in the previous years, the Mtel Company continued its dedication to the protection of environment and people, having paid the greatest attention on the base stations operations and electromagnetic radiation, emitted from the antenna systems. To that aim, in 2024 Mtel cooperated with all national and republic authorities in charge of monitoring and performance of the obligations related to the protection of environment and people, particularly with the RS Ministry of Health and Social Welfare, Republic Administration for Inspection Affairs (Health and Communal Inspection) BiH Communications Regulatory Agency, as well as with the companies that possess the “Certificate on fulfilment of the conditions for measurements of the non-ionizing radiation levels in the environment” issued by the RS Ministry of Health and Social Welfare (RS Public Health Institute, RS Institute for Protection and Ecology, Koming-Pro).

During 2024, there were developed 352 reports on systematic testing of electric field non-ionizing radiation level on the mobile telephony base stations, and 1.753 measurements of electromagnetic radiation at the base stations’ locations throughout Bosnia and Herzegovina.

Pursuant to the Law on Protection from Non-ionizing Radiation, the RS Public Health Institute performed monitoring of the electromagnetic field sources on 20 locations of the mobile telephony base stations.

With the aim of obtaining permits for use of the base stations, 581 requests were sent to the Ministry of Health and Social Welfare pursuant to the applicable legal regulations, and 787 requests for obtaining safety certificates for the base stations in BiH were sent to the Communications Regulatory Agency.

The Republic Administration for Inspection Affairs, and Health and Communal Inspection, continuously monitor the mobile telephony base stations operation, and the inspections have been performed at 33 base stations’ locations in the Republic of Srpska. As in the previous years, and in accordance with the Contract on transfer of the obligations in the waste electrical and electronic equipment management and disposal in the FBiH, in 2024 Mtel paid the fee to the ZEOS eko-sistem Company, the system operator authorized by the FBiH Environmental Protection Fund. The obligations of the authorized system operator, namely the “ZEOS eko-sistem” Company, is to collect and recycle the waste from electrical and electronic products that are placed on the BiH Federation market, through our sales points or otherwise. By doing this, we directly contribute to protection of environment in the FBiH.

According to the latest data, the FBiH Environmental Protection Fund was delivered a regular annual report on quantity of packaging waste in 2023, placed on the BiH Federation market, through our sales points or otherwise. For the packaging waste, placed in the RS territory, the Eurobeta company was paid the fee, which was purposed for the ecological projects funding.

In 2024, the EuroBeta Company, packaging waste operator in RS, was delivered a regular annual report on quantity of packaging waste, placed on the RS market, for the period of H2 2023 and H1 2024. For the packaging waste, placed in the RS territory, the Eurobeta company was paid the fee, which was purposed for the ecological projects funding.

Pursuant to the RS Law on Waste Management, the RS Environmental Protection and Energy Efficiency Fund was delivered a report on quantities of electric and electronic products and equipment, placed on the RS market, for the period of H2 2023 and H1 2024. In line with the delivered quantities, the Fund was paid the fee, purposed for the ecological projects funding.

With the aim of protecting the environment, during 2024, Mtel has continued the internal and external campaign to save paper, i.e., to promote use of electronic bills

instead of the paper ones. All employees have accepted electronic telephone bills for the Company services, by which we contributed to paper saving activities. Also, the activities have continued in the proper disposal of obsolete and broken electronic equipment, and damaged phones, returned by the end users.

Pursuant to the applicable legal provisions, after the expiry of the deadlines for keeping the documentation in the archives, it has been destroyed. Such paper is delivered to the Grand Promet Company, whose primary activity is organized collection, transport, separation, pressing, and temporary storing of the packaging (undangerous) waste, to further recycling.

Four measurements of the noise level in the environment have been performed on the location of the RC5 Obilićevo. The noise is generated by the air conditioning equipment.

## m:tel – Friend of the Nature

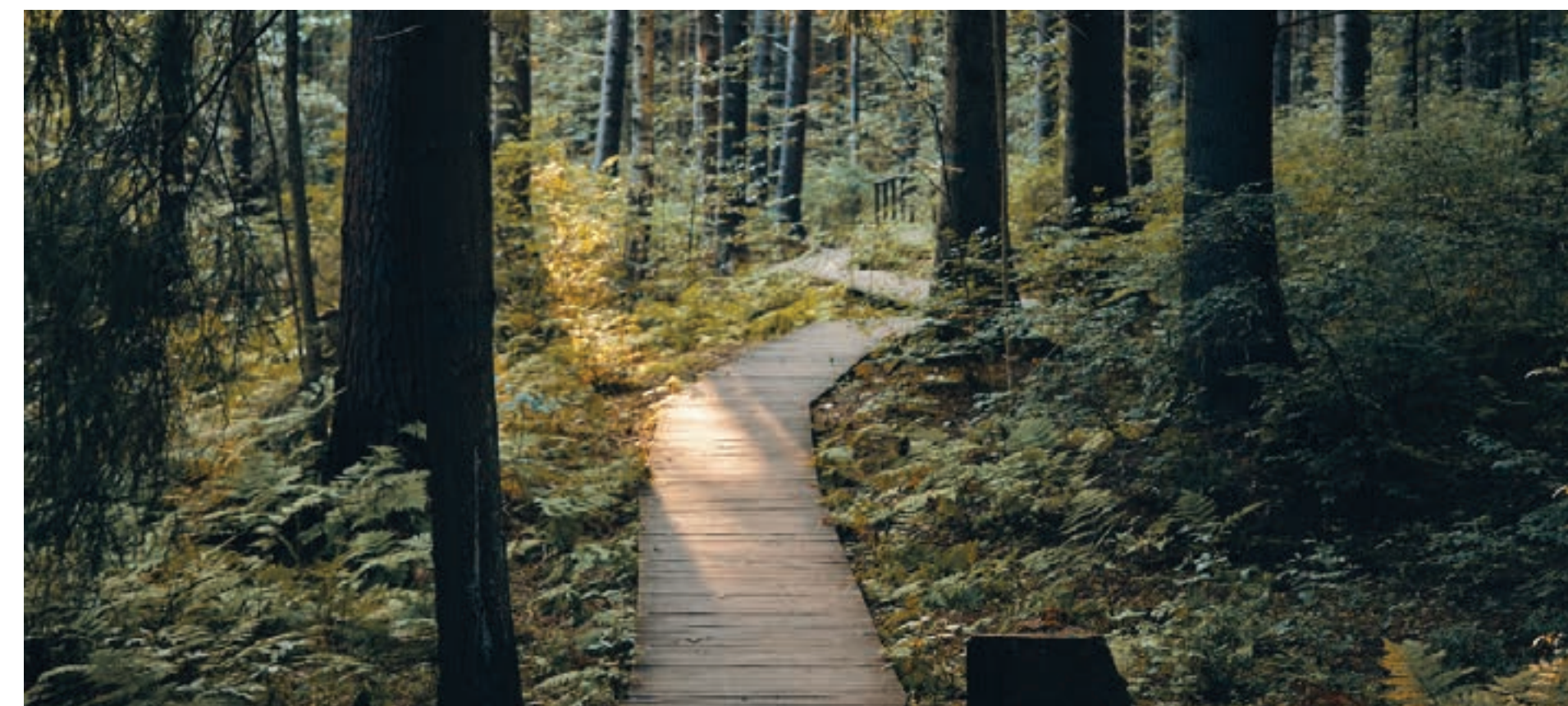
In the community in which it operates, the Mtel Company has a status of highly socially responsible company. One of the key aims in the Mtel's corporate vision is development of the awareness on the need for everyone to be included in creation of better future. This is the very reason for Mtel to send this message through realization of its socially responsible projects and actions, and remind the broader public of this important concern.

Along with the donations and socially responsible activities realized by the Company, the Mtel's employees also feel the need to be responsible as individuals. To that aim, an environment protection project entitled “Friend of the Nature” has been launched. It should bring together all existing activities related to ecology and environment protection that are realized within the Company.

Paper saving, recycling, waste electric and electronic equipment, as well as waste packaging removal and management, are regular activities conducted in the Mtel Company for years. Along with that, the toga, Mtel's employees also collect recyclable plastic, and the funds raised by this activity are purposed for humanitarian associations. The boxes for plastic bottle caps collecting are located in the Company's executive building in Banja Luka. This way, we protect environment and promote humanity, as well as the community spirit among the employees.

## “Pecka Outdoor Festival”

This two-day festival of active staying outdoors that promotes healthy life and nature, was held in the village of Pecka, near Mrkonjić Grad, in 2024. The Festival includes sports-recreational and educational-creative workshops contents, as well as other entertainment programs for all generations. Mtel was, again, a friend of this festival, having recognized and supported the needs of the recreation and nature lovers, as well as the families that are dedicated to healthy life, with active rest and good fun.



# 1.6. Users and Services Portfolio

1.6.1. SERVICE USERS

1.6.2. SERVICES PORTFOLIO

1.6.3. NEW SERVICES AND SERVICES IMPROVEMENT

1.6.4. CUSTOMER CARE

1.6.5. SALES CHANNELS

# 1.6.1. Service Users

Following the latest market trends, Mtel continuously develops and improves its own portfolio of telecommunications services, providing the users with connectivity and a top-quality digital experience at all times, with simultaneous diversification based on the development of its services portfolio.

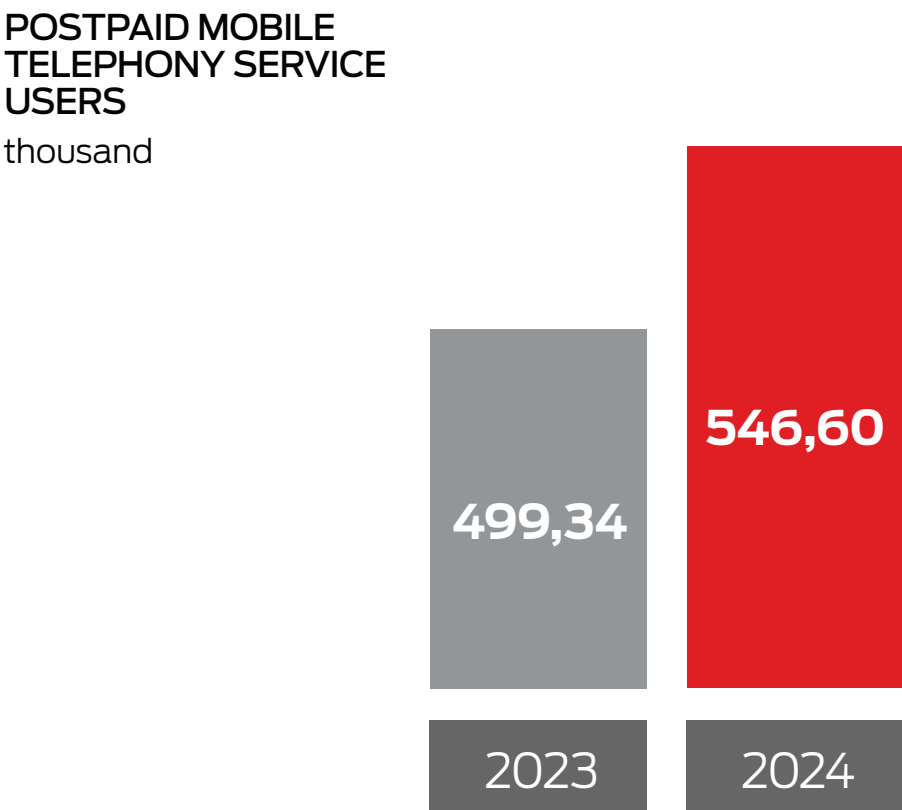
In 2024, the growth was recorded in almost all service segments, particularly in the number of mobile telephony, Internet, and TV Services users.

USERS PER SERVICE SEGMENT*	2023	2024	% change
Mobile telephony (mill.)	1,38	1,41	2,6%
Fixed telephony (thousand)	182,92	174,06	-4,8%
Internet (thousand)	193,82	201,16	3,8%
TV services (thousand)	192,64	199,19	3,4%

\*Users per service segment include solo service users and service package users

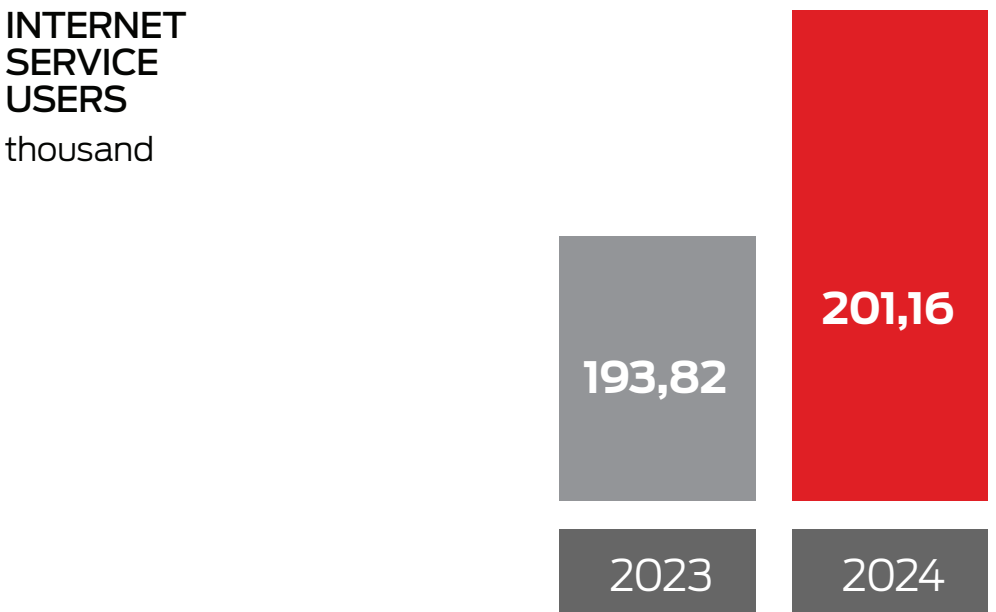
**The mobile telephony users' number** was 1,41 million, and was 2,6% higher relative to 2023. Out of the total number of mobile telephony users, the prepaid users' number was 865.403, and the postpaid users' number was 546.601 (including the M2M users). The total mobile telephony traffic, realized in 2024, was 1.161 million minutes, which was 4,1% higher, relative to the year 2023.

The postpaid mobile telephony users make up 38,7% of the base, which increased by 9,5% in 2024, with a constant growing tendency in the oncoming period. During 2024, postpaid users were offered promotional offers with monthly subscriptions discounts under 24-month contract. The Users were also offered mobile phone service packages, with the option to pay in installments for certain tariff models with 12 or 24-month contract, as well as the option to purchase telephones without contractual obligation.



The prepaid users' number was 1,3% lower than the previous year, primarily due to the transition to postpaid packages. These users account for 61,3% of the total mobile telephony user base. In 2024, Mtel worked on improving its prepaid offer and creating attractive prepaid tariff options and promotional offers with the aim of increasing its prepaid user base.

**The total number of the internet users** recorded 3,8% growth, relative to the previous year, and the highest growth was shown by the number of residential users. In the total internet users' structure, the most significant share belongs to the integrated services packages users, namely 66,3% of the total internet users base. The users of solo services (without packages) participated with 33,7%.



The users' demand for the internet services is on very high level. The internet access services are provided by means of ADSL, VDSL and GPON/FTTH technology.

In 2024, the activities have continued in the access infrastructure improvement, especially in the optical infrastructure (GPON) that provides Internet access to large number of users at extremely high speeds, which is the imperative, particularly in the business users' segment.

**The total number of TV users** in 2024 was 3,4% higher relative to the previous year. TV service is offered to the residential and business users, as a stand-alone (solo) service, as well as in the packages with other services.

Satellite television - m:SAT occupies an important position, in terms of the total number of users. Promotional actions of m:SAT offer, with discounts on monthly subscription and connection, as well as the engagement of significant resources in direct and indirect sales, resulted in the increased number of the m:SAT service users in 2024, both in the solo and package services segment.

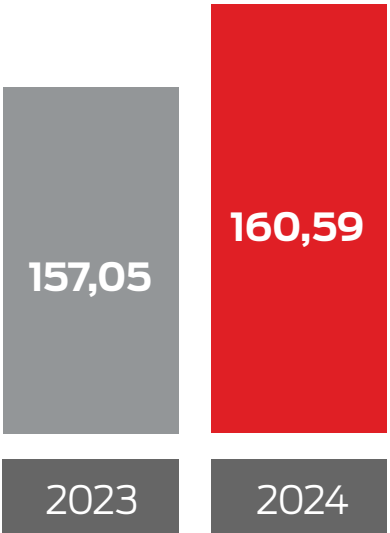
Mtel offers its users various **service packages** with two, three or four services, while adapting to the users' requirements with the aim of increasing the level of their satisfaction and loyalty.

**The total number of the package services users** has recorded 2,3% increase, relative to the previous year. The most significant participation in 2024 was recorded in the two-service packages segment. The growth in the user number was also recorded in the two- service and four-service packages, while the number of the three-service packages recorded a decrease relative to the previous year.

In 2024, the users have shown a particular interest in the packages with TV service, as Mtel offers a very rich TV content, tailored to the interests of different user groups.

The contents included in the IPTV and m:SAT offers in 2024 were carefully selected in order to enrich the packages with quality contents on high user demand.

SERVICE  
PACKAGE  
USERS  
thousand



# 1.6.2. Services Portfolio

## Mobile telephony

- Mobile telephony services (Prepaid, Pretplata tariff models, Total Group, Kombinuj, Kombinuj Biz, Kombinacija)
- Tariff plans for prepaid users
- Tariff options for users with all payment methods
- Mobile internet (Dopuna NET service and tariff options), Pretplata NET
- e-SIM cards
- VoLTE (Voice over Long Term Evolution)
- m:GO app
- Siguran NET
- TOTAL DATA
- VPN Exclusive
- E-commerce service
- International roaming service
- VAS SMS/MMS services
- Humanitarian number
- Premium rate
- Mondo Wap portal Mtel
- Broadcast SMS services
- Mobile internet PRO
- Short number Service
- USSD Service (Moj meni)
- Tariff Add-on (BIZ, MIN, SMS, NET, NET Roaming)
- NBA, Apollon, Balkan Myusic, Arena Cloud
- Pokloni Net
- Number portability
- Special number
- Vehicle surveillance

## Fixed telephony

- Fixed telephony services
- IN services (Premium Rate, Televoting, Unique access number, Humanitarian number, Free Phone)
- Fixed prepaid service
- IP Centrex service
- Homeline plus, Officeline plus
- Tariff options in fixed network
- NBA, Apollon, Balkan Myusic, Arena Cloud
- Number portability
- Short number service

## Internet and data

- Direct internet access services
- Internet access (ADSL/VDSL/GPON)
- Data services (Leased lines, Lease of infrastructure in radio-relay objects, IP/MPLS VPN, E-link, Direct TV broadcasting)
- Homenet, Officenet
- SD WAN service
- Hosting packages and mail hosting
- Siguran net
- NBA, Apollon, Balkan Myusic, Arena Cloud

## Integrated services

- Integrated services packages for residential users (2, 3 and 4 services)
- Biz integrated services packages (2 and 3 services)
- m:SAT service packages (2 and 3 services)
- NBA, Apollon, Balkan Myusic, Arena Cloud

## Multimedia services

- IPTV services
- m:SAT service
- BIZ Hotel TV service
- m:tel TV service
- TV to GO service
- ON TV service
- NBA, Apollon, Balkan Myusic, Arena Cloud

## ICT/SI services

### ICT:

- Virtual Data Center
- Virtual Private Server
- Cloud Security (Premium security service)
- Cloud Backup and Cloud Disaster Recovery
- LoraWan connectivity
- TimeTracking
- Microsoft 365
- Server Housing

### SI:

- Smart Building solution
- Smart Home solutions
- Integrated solutions (ERP, Billing System, CRM, DMS)
- Cloud Call Center service
- Mtel WiFi service
- Printing centar
- BizBook
- PROTOS Sistem
- Infobip services

### S:Bon

## Other services

- Sale of equipment
- Advertising space leasing services
- Home assistance
- Mtel Parking (BIH, Serbia)
- Contact Center

## 1.6.3. New Services and Services Improvement

Mtel's core offer consists of fixed and mobile telephony, internet and data, integrated services, multimedia, ICT/SI, and other services.

### Mobile Telephony

#### Prepaid Services

In order to improve the offer for prepaid users in 2024, we have created personalized (segmented) offers for the „Dopuna" (Top Up) service users. The offer consists of the tariff options "Buy minutes" and "Buy internet" for the "Dopuna" service users who have been Mtel users for three or more months, defined by segmented groups. The offers are available to the users via the USSD menu "Moj meni" (My menu) (dynamic options) and the M:go application.

In 2024, it was enabled the top up option for prepaid accounts via any postpaid number, in the amounts of BAM 15 and BAM 20, as well as the prepaid accounts top up via S:bon.

#### Postpaid Services

In order to improve the offer for postpaid users, we have created numerous promotional offers in 2024. We have also realized personalized (segmented) offers with the tariff options "Buy minutes" and "Buy internet" that Mtel users may use for three or more months, which are defined by segmented groups. The offers were available to the users via the USSD menu "Moj meni (My menu) (dynamic options) and the M:go application.

During 2024, the Company offered the users of old tariff models, who wanted to sign a new contract, to switch to appropriate tariff models from the current Mtel offer, which provided the users with various benefits.



## TOTAL GROUP Services

The Company offers numerous promotional actions for the TOTAL GROUP service users and, among other things, in 2024 a new tariff add-on was introduced for BIZ tariff models users – namely, BIZ NET roaming Europe, within which the users receive certain amount of mobile internet.

### e-Sim Service

In 2024, a fully digital process of purchasing, activating, and paying for e-SIM services was enabled via m:tel.ba.portal, without the need to go to a sales point. The user receives the e-SIM and all accompanying information (including a QR code for quick activation) electronically, which simplifies and speeds up the process of switching to our network, or selling services to new segment of users - tourists, while the eSIM package can be purchased with any payment card from the VISA/MasterCard ecosystem in the country or from around the world.

## Siguran NET (Safe NET) Service

Siguran NET (Safe NET) is a service that Mtel offers to protect its users against various types of cyber threats. Siguran NET is a service that will notify the user, but also, prevent devices from accessing malicious web addresses, unless the user specifically approves it.

In 2024, the Siguran NET service has also been enabled for the mobile telephony service users, i.e. the users with a combined payment method, users of the Net Subscription (Pretplata Net) service, and users of the „Dopuna Net“ (Net Top-up) service. Also, the Mtel mobile telephony service prepaid and postpaid users were able to activate and deactivate the Service by submitting a request at the Mtel sales point / through the direct sales channel.



### m:go Application

During 2024, improvements were made to the m:go application in terms of protection of the users, their data and activities, by applying the following mechanisms and functionalities:

- two-factor authentication when logging in (SMS and Email),
- ability to completely delete the user account by the user,
- log out of all user devices from the admin panel,
- automatic deletion of the user account in case of prolonged inactivity as well as deletion of the user account and data during the number "recycling" procedure,
- providing payment history (including ONTV payments) to the users,
- setting and using a PIN when entering the application and when realizing the payment transactions.

The users are enabled to easily sign up for the monthly bill delivery service via e-mail, and significant changes have also been made to the user data display and user account balances to make them more accurate.

The activation of special offers for the users - Posebno za tebe (Especially for you) has been improved by being implemented within the application itself, which makes activation faster and more natural (without user redirecting). It is enabled for every opening of the application to be reported to the offer system, and also a parallel dynamic offer to be created for each individual user, then it is offered to the user.

In addition to the above, parking payment abroad via the m:go application has been enabled for additional 31 cities/towns in Serbia. The application has also been improved to display the application content in two additional languages – English and Arabic, thus making easier the purchase of the services (top up your account, use tariff options, check your balance, etc.) via the m:go application for the the users who do not speak our language.



## Roaming DATA Tariff Options

Mtel continuously works on developing new roaming tariff options that would cover countries around the world. For the use of mobile internet services in roaming, new tariff options "Net roaming China", "Net roaming USA" and "Net roaming Tanzania" have been introduced in the offer. The allocated mobile internet, as part of the purchased tariff option, can be used in the China Unicom operator network in China, in the T-mobile operator network in the USA (United States of America) and in the Vodacom operator network in Tanzania.

During 2024, the following changes were made to the use of tariff options:

- "Net roaming Slovenia" and "Net roaming Europe" by changing the name of the operator Telekom in Slovenia to the name of the operator Mobitel (Telekom Slovenia),

- "Net roaming Austria/Germany" and "Net roaming Europe" by changing the name of the operator T-Mobile in Austria to the name of the operator T-Mobile (Magenta),
- "Net roaming Europe", where the name of the operator T-Mobile in the Netherlands was changed to the name of the operator Odido Netherlands,
- "Net roaming Greece", where the name of the operator T-Mobile COSMOTE in Greece was changed to the name of the operator OTE S.A,
- "Net roaming Europe", where the use of the specified tariff option in the United Kingdom is also enabled in the Everything Everywhere network, in addition to the Vodafone operator,
- "Net roaming Europe", where the specified option is also enabled in the networks of the operators Megafon and MTS in Russia.

All mentioned roaming tariff options are available to the users via VAS SMS number, USSD menu "My Menu", the M:go application, official Mtel website, and Mtel self-care portal/application "My m:tel".

In accordance with the regulatory obligations defined by the Rule 93/21 on the application of the fair use policy and the assessment of sustainability of the abolition of surcharges for regulated retail roaming services from 01/01/2024, a change has been made to the method of consuming the amount of data (mobile internet) in MB (megabytes) so that the users may use the received amount of data within the selected tariff/option without restrictions in BIH, and in roaming in the Western Balkans region operators' networks at maximum speed.

## SIM Card

In order to motivate the mobile telephony and mobile network users, promotional offers for SIM cards replacement with new ones via the LTE (4G) network (USIM card) were defined. The offers included SIM cards replacement with new cards free of charge.

## Multimedia Services

### Advertising on IPTV Platform

In 2024, the advertising on the IPTV platform service was enabled to presented to the IPTV service users the advertising/promotional video content of an individual advertiser for the purpose of promotion, marketing research, and sales of a service or product, via the available Mtel network infrastructure (IPTV platform). Advertising/promotional video content is displayed on the home page and/or before rewinding content (when using the additional services Catch-up / Start over).

The home page, which displays the advertising content, is displayed on the TV set of the IPTV service user every time the user turns on the STB (set top box) device or TV set. In addition to IPTV advertising, it is important to point out that the home page has been redesigned so

that, along the advertising space on the home page, the list of recently viewed and recommended channels, information about the exact time, weather forecast, application shortcuts, and a video on demand overview is also displayed.

### ON TV Service

In 2024, the number of TV channels available to users with the Start ON and Max ON TV program packages was increased.

In addition to the above, within the Max ON TV program package, the Epic Drama SVoD service and the Viasat World SVoD service are available.

Users of the ON TV service are also able to watch ON TV content via the Android Smart TV application.

In accordance with the enabled useof the ON TV service via Android Smart TV, and ehnanced TV

contents, this service was popularized through promotional offers related to attractive monthly subscription fees.

### m:tel TV Service

During 2024, along with the contents offer improvement, the users who had the Mtel TV service implemented via GPON access technology, and who submitted a request for additional service of additional second and/or third IPTV receiver, were enabled to independently connect their terminal equipment to existing Mtel network terminal equipment. The Users, who independently successfully connected the said terminal equipment, were granted an appropriate discount on the monthly subscription fee for use of the Mtel TV service.

## IPTV Contents

During 2024, Viasat World SVoD, Telcast SVoD, Epic Drama SVoD services and the TV shows binge SVoD service („Bindžuj serije“) were introduced to the offer, as well as an additional IPTV Package 4K.

Also, the possibility of use the APOLLON SVoD service was improved to allow the use of service for 12-month period at more favorable monthly subscription prices.

Viasat World SVoD Service is a video on demand service that, as part of the ON TV service, allows users to watch content from the Viasat World movie content, with unlimited number of views of selected content during the period of use of the service. The service offer consists of the content broadcasted on the Viasat Explore, Viasat Nature, and Viasat History channels.

Telcast SVoD (Subscription Video on Demand) Service is a video on demand service that allows m:tel TV service users to watch podcasts about technologies and innovations, music and films, new trends in media and communications, with unlimited number of views of the selected content during the period of use of the service.

Epic Drama SVoD Service is a video on demand service that, as part of the ON TV service, allows users to watch film content from the Epic Drama video store with unlimited number of views of the selected content during the period of use of the ON package. The service offers films and series, broadcasted on the Epic Drama channel.

Binge SVoD services of „Bindžuj seriju Toma, Bindžuj 12 reči, Bindžuj seriju Ringišpil, Bindžuj seriju Močvara S03“ represent video-on-demand services that enable exclusive viewing of episodes of the series „Toma, 12 reči, Ringišpil, Močvara“ with unlimited number of views of the content during the period of use of the SVoD service.

The additional IPTV package „IPTV Paket 4K“ contains 4TV channels available in 4K resolution and, within this additional package, the use of the Paket 4K SVoD service will also be enabled, which allows viewing certain movie contents in 4K resolution with unlimited number of views during the period of use of the additional TV program package.

### m:SAT Services

As part of the promotional offers, new users of the m:SAT service could use a discount on the connection and monthly subscription, use an additional STB within monthly subscription during the contract term, as well as watch additional TV program packages, while the existing users, whose contractual obligation expired, could use a discount on the monthly subscription and an additional STB within the monthly subscription.

During 2024, users could renew the contract three months prior to the expiration of the minimum contract term.

In addition, for the m:SAT+NET integrated service package users, an additional option has been introduced - occasional use of the service, where the users, at their discretion, submit a request to inactivate the service during the contract term – subscriber relationship.

### Integrated Services

In 2024, modernization of the access network continued, with significant percentage of GPON technology in the fixed access network, and numerous users were offered improved service and multimedia content (HDTV channels, streaming, etc.). The users were particularly interested in the packages with TV service, and IPTV service on several TV receivers (multiple STBs), which contributed to retaining the existing broadband services users and increased the services quality in terms of the service reliability and higher access speeds.

In the course of 2024, Mtel enabled the users of older tariff models, who wanted to sign a contract, to switch to appropriate tariff models from the actual Mtel offer. The users are offered package services with various benefits, in line with their needs.

In 2024, Mtel enabled the users to watch the Olympic Games, through eight special channels opened with IPTV technology, and the contents were available throughout the 2024 Olympic Games duration.

### Fixed Telephony

Fixed telephony users who currently use ISDN BRA technology are no longer able to receive the aforementioned service due to technical reasons, therefore they are allowed to switch to the new POTS/VoBB technology free of charge.

## ICT/SI Services

### Virtual Data Center (VDC) Service and Virtual Private Server (VPS) Service

The Virtual Private Server service enables the use of 100 GB of disk space (SSD), as well as the use of the Virtual Private Server service, within 24 months minimum term contract, whereby the Users are entitled to use a discount on the VPS service monthly subscription.

### Web Hosting, e-mail Hosting and Domain Registration

In 2024, within the framework of web hosting and e-mail hosting services, web presentation resources were increased, as well as resources for larger number of e-mail accounts hosting, and security solutions were improved, primarily in the domain of advanced filtering of unwanted e-mail traffic and its management.



## Integrated Solutions

In 2024, the system integration solutions offer was enhanced with high-quality and highly specialized software solutions. These software solutions are based on the latest technologies that contribute to the efficient management and automation of key business processes, while increasing the productivity, efficiency, and profitability of the business users. Some of the software solutions offered to Mtel users are:

- **ERP System** – comprehensive, integrated information system for managing all business processes and company resources: finances, accounting, goods, materials, fixed assets, etc.
- **BILLING System** – intended for complex business systems where it is necessary to charge and bill products and services for large number of users, or where large number of different services is offered, provided in various ways.
- **Billing System for Utility Companies** – sophisticated software system for billing and collecting various types of utility services such as water, gas, electricity and heating supply, building maintenance and cleaning, waste disposal, and more.
- **Retail Management System** – modern information system that supports the retail stores operations and covers the range from smaller stores, with complete solution on single workstation, to hypermarkets and department stores, with dozens of cash registers and centralized database.
- **Production Management System** – enables tracking every step in the work orders realization, from the allocation of materials to the completion of production and delivery of products to the warehouse. In all these processes, planned and actually spent resources are monitored, and relevant reports are generated to enable the production performance analysis.
- **CRM System** – enables centralized monitoring and control of customer support requests, order issuance, long-term activities (projects) planning and their implementation in companies.
- **DMS System** – created for electronic documents automated management throughout the entire life cycle within the organization, from their reception, further movement, to final archiving (images, scanned documents, e-mails, documents in electronic form).

## mtel.ba Portal and applications

The mtel.ba Portal represents central digital platform of the Company, unifying three key functions: media-information contents, sales channel, and customer service (self care). In 2024, the eCommerce and self care segment were additionally improved.

### Key activities and functionalities:

- **Self-activation of new video stores** and other services via the Moj m:tel web portal and application.
- **Improvements to bill viewing and payment** for several different services within the Moj m:tel account (including quadro and other packages).

- **Improvements to prepaid top-ups for postpaid users** with the debit the account option, and improved security in the top-up transfer between the prepaid accounts.

- **eSIM Services sales** via the mtel.ba portal, being Mtel Company's first end-to-end digital product.

During 2024, the mtel.ba and moj.mtel.ba portals and applications recorded more than 18 million visits, while the number of eCommerce events exceeded 3 million (product searches, activations, payments, etc.). The number of active B2C self-care portal users increased to over 66 thousand, with almost 900 thousand different activities performed within the system.



# 1.6.4. Customer Care

Customer care includes the activities aimed at the increase of the customer satisfaction, from submitting the request for service, through informing users about the installation of the service, and examining the customer satisfaction with the installation and service. Also, the Contact Center facilitates the use of services, resolves technical and administrative challenges, and provides necessary information timely and efficiently. Within the customer care, after-sales activities are also important and include problem reporting obtaining additional information, technical support, or complaint submitting process.

In the course of 2024, it has been received a total of 11.053 users'complaints, fewer than in the previous year. The complaints related to the amount on the bill, service quality, breach of the subscriber contract provisions, as well as to requests for loyalty compromise, alteration or information on the subscriber status, payment information, and other. All received customers' complaints have been resolved within the legally prescribed 30 days deadline.

**The Mtel Contact Center** represents the basis of commitment to customers and daily provision of the top-quality service, and is an important point of customer support, where providing fast, efficient and friendly assistance is paramount. In accordance with the customers' needs, the Contact Center is available 24/7 through the following channels: phone call, e-mail, social networks, applications, and web portal.

The number of calls made to the Contact Center is 1.926.519, while the number of realized calls handled in 2024 is 1.763.440. On average, the percentage of handled calls is 92%, and an operator's average response time is 15 seconds.

CUSTOMER CARE	2023	2024
Total number of complaints on an annual basis	12.171	11.053
The degree of successfully resolved complaints	100,00%	100,00%
Number of calls made in the contact center	2.083.044	1.926.519
Number of calls made in the contact center - serviced	1.886.637	1.763.440



## 1.6.5. Sales Channels

In addition to direct sales channels, Mtel is also focused on other forms of sales in line with the development and growth of the market and services, as well as in accordance with the customers' needs. The emphasis in business and marketing activities is placed on the most adequate presentation and promotion of services to the customers.

Mtel operates in the Bosnia and Herzegovina market through the following sales channels:

- Direct sales channels for residential and business customers,
- Contact center,
- Web shop sales and sales through the mobile application m:go,
- Telemarketing,
- Indirect sales channels through partners – intermediaries for residential and business customers and sales of value-added services.

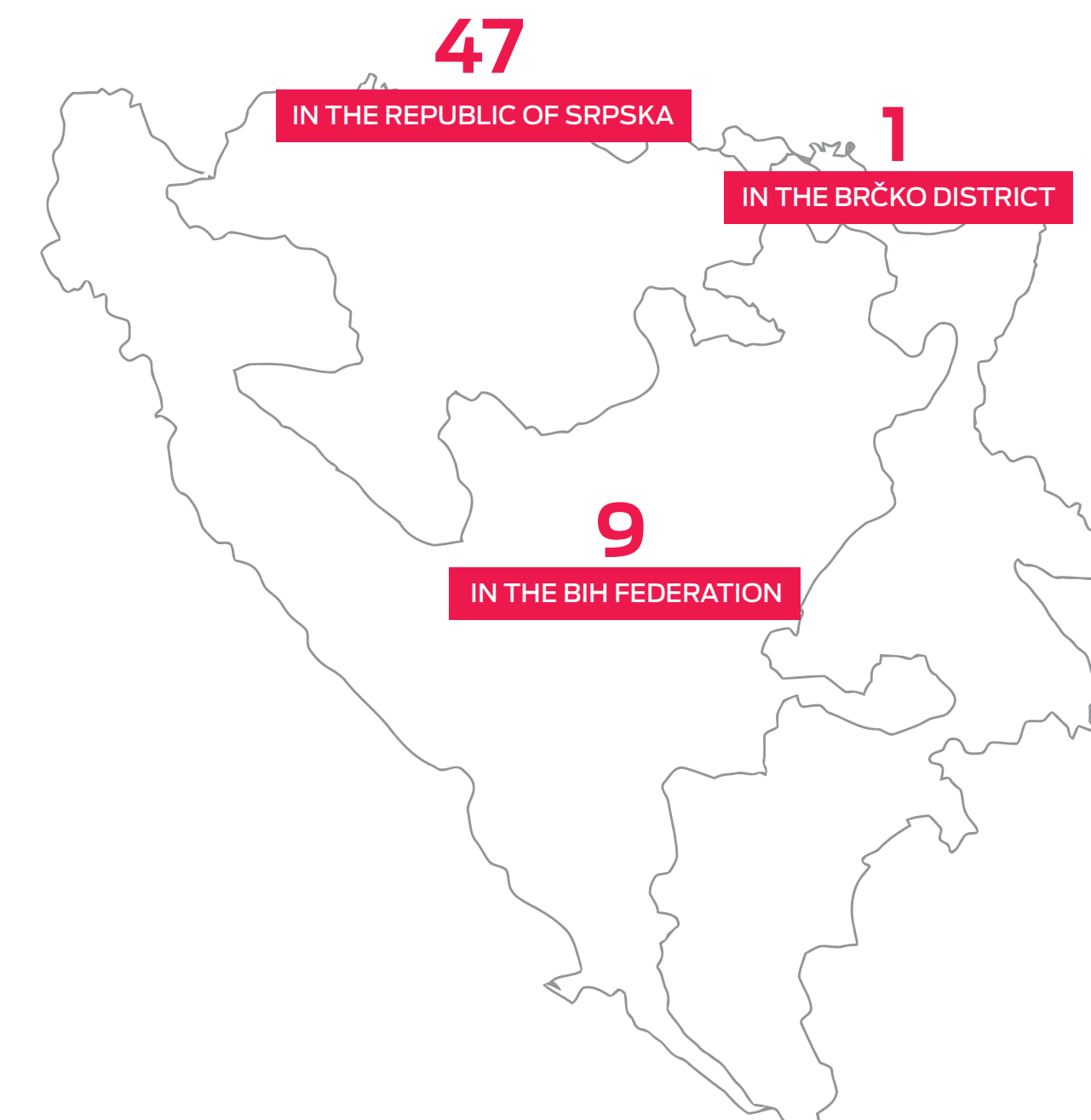
In line with market development and demands, **Mtel also sells ICT services and system integration solutions** in the Bosnia and Herzegovina market.

### Direct sales channel for residential and business customers

In the Bosnia and Herzegovina market, Mtel operates through business units divided into three sales regions: West, East, and South.

The direct sales channel for residential customers currently operates in 57 Mtel business units, out of which, 47 in the Republic of Srpska, 9 in the Bosnia and Herzegovina Federation, and 1 in the Brčko District.

### NUMBER OF BUSINESS UNITS FOR RESIDENTIAL SALES IN 2024



The direct sales channel for business customers operates through business units in: Banja Luka, Prijedor, Doboj, Brčko, Bijeljina, Zvornik, Tuzla, Istočno Sarajevo, Trebinje, and Mostar.

Business units, as a sales channel, represent the primary direct sales channel for all types of basic and value-added services, and terminal equipment, but also serve as a form of customer service for all types of customer requests and inquiries, i.e., they are the most direct communication channel with the existing and potential customers.

### **Contact center**

In addition to providing support to the residential customers, Mtel's contact center is also successfully engaged in sales activities.

In line with customer needs, the contact center is available 24/7 through the following channels: phone calls, email, social media, applications, and the web portal. The contact center helps the customers in use of the services, resolves technical and administrative issues, and provides all necessary information in a fast and efficient manner.

To ensure quality support and continuous service improvement, the contact center employees regularly participate in professional trainings and

development programs. These trainings cover the latest technologies, communication skills, as well as specific problem-solving techniques, enabling them to always stay up to date with the latest trends and customers' needs. This improves employees' ability to meet the customer needs, make their experience with Mtel simple and pleasant, which is monitored through the Contact Center key indicators.

Mtel's Contact Center represents the basis of our dedication to the customers and provision of the top-quality service.

### **Web shop sales and sales through m:go mobile application**

Mtel has developed a web shop to provide services to residential customers, as well as the mobile application m:go, through which both residential and business customers can place orders/purchase services and equipment, top up their prepaid accounts, make online payment of postpaid bills, purchase eSIM prepaid packages, and activate various packages, video stores, additional services, and tariff options/plans.

### **Telemarketing**

Through the telemarketing sales channel, activities are carried out to provide information, animate and retain the residential and business customers, renegotiate contracts, as well as sell all Mtel services, products, and telecommunications equipment via telephone.

### **Indirect sales channel through partners – intermediaries for residential customers**

Through indirect, intermediary sales to residential customers, it is enabled indirect sale of services with prepaid and postpaid payment methods, and the contracts are signed outside of Mtel's business premises.

In the prepaid services segment, Mtel enables the sale of starter prepaid packages, top up of teh customers' prepaid accounts (via POS terminals or scratch vouchers for top-ups), and the purchase of s:bon vouchers at a large number of sales points across Bosnia and Herzegovina, through the intermediary sales network. In addition to these methods, Mtel also allows customers to top up their prepaid accounts via the IPTV platform, mobile application, website, and from postpaid numbers.

In terms of intermediaries in the sale of Mtel services with postpaid payment methods (mobile telephony, m:SAT service, fixed telephony, and integrated service packages), Mtel has contracts with over 20 active intermediaries who participate in the sale of the mentioned Mtel's services.

### **Indirect sales channel through partners – intermediaries for business customers and sales of value-added services**

Through indirect, intermediary sales to business customers, it is enabled the indirect sale of services, including the following: mobile telephony Total Group, Subscription and Subscription Net, internet access NetBiz tariff models, as well as Hotel solutions (IPTV).

Through partners – intermediaries, the sale of the Total Data fiscal cash register service is also realized in the Bosnia and Herzegovina Federation and the Brčko District

of Bosnia and Herzegovina. The sales of value-added services are conducted in cooperation with partners, namely, IN fixed and IN mobile networks.

### **Sales of ICT services and SI solutions**

The sales of business solutions, ICT services, and SI solutions, with a centralized office in Banja Luka, is carried out through the direct sales channel, as well as in cooperation with partners, who have signed business and technical cooperation agreements with Mtel.

The sales include all types of services in the information and communication technologies, the passive and active network infrastructure development, the WiFi networks and video surveillance implementation and maintenance, as well as the sale and maintenance of highly specialized terminal equipment according to the customer needs.

# 1.7. Capital Investments

# 1.7. Capital Investments

The total realized capital investments in 2024 amount to BAM 178,5 million and were 32,5% higher, relative to the previous year. These investments encompass the procurements during the year that Mtel performed within the non-material investments, real estates, and equipment, which include internal effects activation and TV contents distribution rights.

The investments, realized in 2024, contributed to strenghtening of the services provision reliability, new innovative solutions introduction, and established the basis for further development and enhancement of Mtel portfolio in all telecommunications segments.

## Total at the end of 2024

80.585

FTTH users

34,2%

users connected to FTTH network

97,4%

LTE network population coverage

1.730

base stations

178

pico repeaters

## Put into operation in 2024

36

macro base stations

7

micro base stations

12

pico repeaters

46

LoRaWAN Gateways



**Investments in the mobile network** in 2024 were focused on several key areas. The priority was the extension and development of the fourth generation (LTE) radio access network, including the improvement of existing locations and the construction of new, planned base stations. In addition, significant focus was placed on the optimization of the radio access network in order to secure the position of the best mobile network in Bosnia and Herzegovina. In the mobile network core, the CS (Circuit-Switched) core modernization was successfully completed, and the works began in modernization and extension of the PS (Packet-Switched) core. The transport network was extended to meet the growing demands for internet traffic, with the implementation of additional protection routes and capacity improvements. Also, the implementation of quality of service (QoS) was successfully realized. It is particularly important to say that the mobile network is now fully IP-based, across all layers (All-IP network), ensuring maximum efficiency, reliability, and flexibility in provision of services.

**Within the wireless access network upgrade** and modernization in 2024, LTE (4G) services were launched at 72 existing locations. Additional extensions were made in terms of the mobile network capacity and coverage by introducing

additional base station sectors and increasing the number of frequencies on the 3G/4G network in the areas with high capacity requirements. There were commissioned 36 macro base stations, 7 micro base stations, and 12 pico repeaters. At the end of 2024, there were 1.730 base stations and 178 pico repeaters. The mobile network was optimized, which resulted in the 5 MHz of spectrum release on UMTS 2100 technology and the use of the released spectrum on LTE 2100 technology.

The Net Check Company has performed external benchmarking of all three operators in Bosnia and Herzegovina as verification of the implemented strategies and processes successfulness. The result is the **certificate that Mtel is the best mobile network in Bosnia and Herzegovina in 2024**.

Meeting the conditions of the license granted by the BIH Communications Regulatory Agency was one of the strategic goals in 2024. Mtel has developed mobile broadband network and ensured its technical and operational characteristics according to the dynamics and coverage obligations set out in the License. Mtel fully performed the coverage obligations under the License for the end of the five-year period, which expired on 8 April 2024.

COVERAGE UNDER THE CRA LICENCE	31/12/2023	31/12/2024	Obligation under the Licence (at the end of 5-year period - 8 April 2024)
Broadband network coverage of the roads in BIH - MBB (LTE and UMTS) (%)	98,13	98,18	95
Broadband network coverage of the BIH territory - MBB (LTE and UMTS) (%)	84,73	84,73	75
Minimum average internet access speed (Mbit/s)	15,4	16,5	4
Voice service coverage of the BIH territory (%)	90,2	90,2	90
Voice service coverage of the BIH roads (%)	98,1	98,1	98
RSRP for LTE (dBm)	-102	-102	-109

LTE NETWORK COVERAGE IN BIH	31/12/2023	31/12/2024
Population	96,12%	97,41%
Roads	97,10%	97,20%
Territory	75,30%	76,90%
Minimum average Internet access speed (Mbit/s)	15,14	16,5

**Within the wireless transport network**, the need for greater capacities was conditioned not only by the LTE network development, where the enhancements for LTE locations have been successfully performed, but also by increased demand for the internet traffic, as well as by the Mtel services quality. Introduction of MPLS technology in the wireless transport systems has increased the number of the wireless network locations that rely on the systems based on this technology. This opened new possibilities for the existing resources optimization. The higher capacity aggregate points development process for the BIH Federation cities also commenced.

In 2024, the demand for DIA services provision (direct internet access for business users) has increased, and it is particularly important to highlight the increased users' number and the need to protect the existing transport capacities (the user requests backup of the services they use, and wireless transport equipment is often used as a solution here).

As part of the activities in the mobile backhaul network, 5 base stations were switched from the RR system to optics, while the number of RR hops was reduced for about 10 base stations.

The "Wireless Transport Network Modernization" Project was launched in mid-2024 and two clusters were implemented, which significantly improved the network and enabled further LTE network optimization.

**In the mobile telephony switching systems**, the extensions of core elements capacity and licenced enhancement of the capacity were carried out to enable the unhindered use of LTE technology for the domestic and roaming users, as well as to follow the constant growth of mobile Internet traffic. The construction of the IMS system in the mobile telephony network continued in 2024, which enabled the commissioning of the VoLTE service, to provide the users with audio and video calls realization over the 4G LTE network, which would make the calls much clearer and faster, and provide better call quality than over 2G and 3G networks.

It was also continued the development of the parking payment services in additional 10 cities in Serbia to total of 36. Testing of the parking payment services in Montenegro for Mtel BIH users have been successfully completed, as well as the parking payment services in BIH for Mtel Montenegro users, and the commercial operations of the service are expected soon.

**In the intelligent platforms domain** in 2024, the activities have continued under the project of the improvement of the existing Online Charging System, used for the real time billing of the mobile and fixed prepaid users' traffic to the new, virtualized platform - Online Charging Engine (OCE).

Through the project of the OCS Customer Care application extension and improvement with new functionalities, it is enabled direct SMS notifications sending to individual users by the Mtel contact center, as well as the integration of the personalized offers entitled „Posebno za tebe“ (Especially for you) into the Customer Care application.

During 2024, the activities in the m:go platform improvement continued, namely, development and implementation of new functionalities, using entirely new and advanced programming technologies. The m:go application was enriched with several new options, which are available to the end user: top-up amounts management, user application for reception of telephone bills by email, localization of m:go application to foreign languages (English and Arabian), displayed information on charged fee for use of mobile network, removal of security omissions in recycled MSISDN-s, change of m:bon label to s:bon label.

A significant step forward in 2024 was achieved in the provision of “Siguran net” (Safe net) service, since it was delivered to the schools in the Republic of Srpska (over 200 schools). All schools have the same content filtering policies, created upon the Ministry's request, to enhance the security and limit access to unwanted contents. With the aim of realization of automatic provisioning for fixed and mobile users, the required API interfaces have been developed at the appropriate IT systems.

**Investments in the fixed network in 2024**, were primarily focused on the construction of the optical access network, using GPON access technology, and on the users' migration to FTTH.

At the end of 2024, there were 80.585 users of the optical access network, and another 55.000 potential users had the possibility to access. In 2024, the optical access network users' number has increased by 15%, while at the end of the year, 34,2% of the users were connected to the optical access network FTTH (GPON).

The investments in the access equipment, namely, MSAN/ISAM/DSLAM/OLT, have continued, to provide the users with most reliable and high-quality broadband access, introduce new services, as well as create a basis for further enhancement of the

services. The investments in the access equipment mostly relate to the installation of the access equipment in GPON technology and VDSL2 technology with the vectoring function, for the users who satisfy the preconditions for FTTH access.

In the core network, transport network capacities were modernized, enhanced, and new directions were realized in DWDM plane, and it was performed the modernization of the network for synchronization, as part of the preparations for 5G mobile network. Optimization of the fixed backhaul transport plane was completed and QoS introduced thus the fixed network was fully IP-based through all layers (All-IP network).

The optimization, transformation and extension of the main OTN/DWDM network was performed due to high increase in the demand for Internet traffic, and the need for additional protection of the existing ISP links, as well as the requests for the IP/MPLS network links extension. The introduction of ROADM technology has created the conditions for the SDN network introduction, which would enable new generation services implementation, and greater efficiency in new services development, as well as shorten the troubleshooting period.

**Within the investments in the internet**, the internet access network capacities enhancement, new routers and line cards installation, to support advanced network functionalities, as well as integrated functions for DDoS attacks detection and alleviation, were performed in 2024.

MPLS functionality was raised on all ISP routers to enable more efficient traffic routing and protection of services, according to the users' needs.

Analytics system has been developed to provide for a better network analysis and faster response in case of traffic congestion and traffic re-distribution. Also, AntiDDoS system has been developed to provide applicative and volumetric attacks protection to the business users, as well as to other users to whom Mtel provides AntiDDoS protection as a service.

**In the IPTV platforms and CDN services domain**, new main menu and IPTV application browser (search), mini EPG widget and new channels list, as well as the list of all available channels have been implemented, so that the users may see all the channels on the platform, along with those within their subscription.

In 2024, **within the information technologies segment**, the most significant activities were the business processes efficiency improvement, both through the

implementation of ready-made software solutions and internal development of applications and support systems, technological improvement of internal and external cloud infrastructure, as well as raising the level of the corporate resources protection.

During 2024, the sale of eSIM prepaid services was realized via the web, without interaction with the user, new business processes modeling system was implemented, the Data Warehouse system was improved to meet the business analytics and marketing campaigns' requirements, and support was provided for the ISO standards introduction and maintenance. One of the significant projects is support to the "Find Me" system implementation in cooperation with the Republic of Srpska Ministry of Internal Affairs.

During the year, technological improvements implementation and internal and external Cloud infrastructure resources extension have commenced, along with the corporate resources' protection level rising.

The increasing challenges in the IT security field require significant investments in the cyber-attack protection systems thus numerous activities in implementation of new solutions in the field of IT security and raising the level of employees' awareness of the damage caused by potential cyber-attacks have also been implemented in 2024.

# 1.8. Human Resources

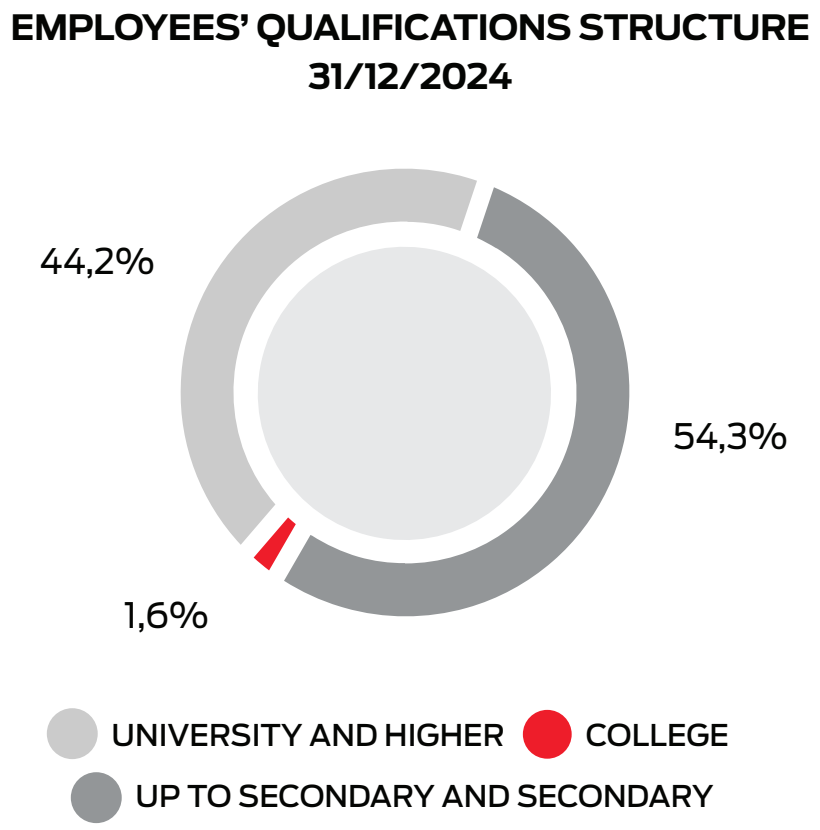
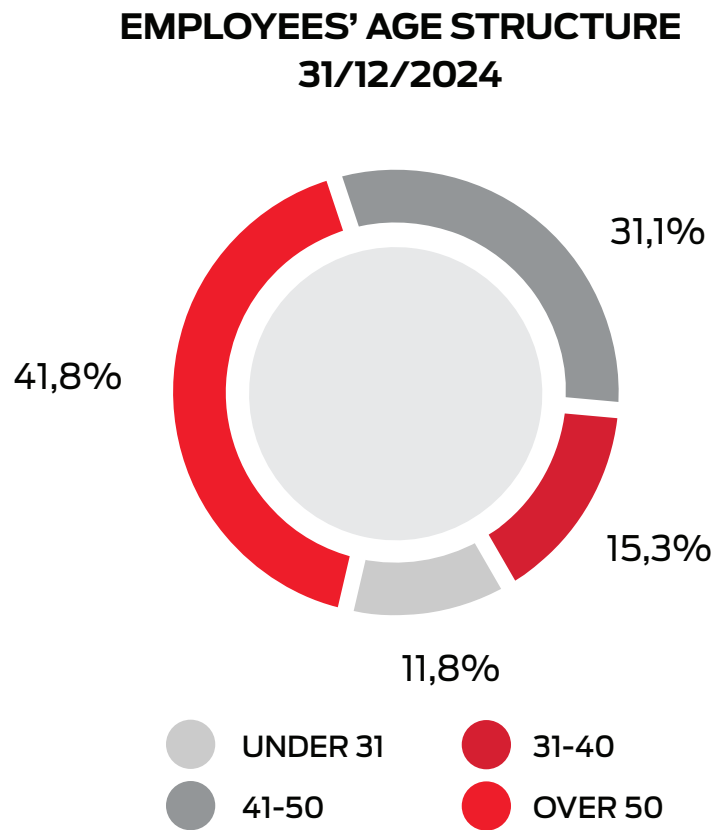
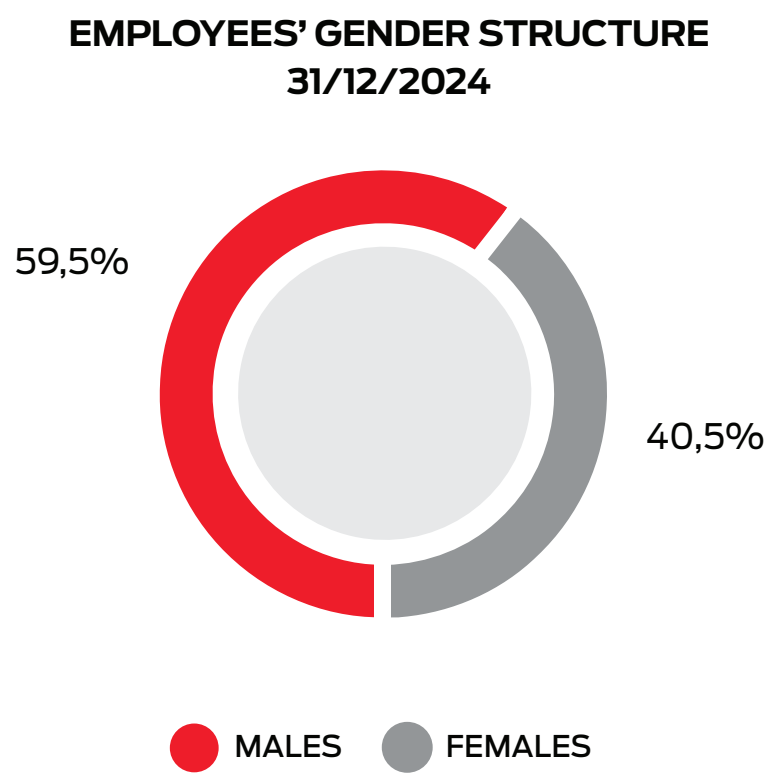
# 1.8. Human Resources

The total number of Mtel employees as of 31/12/2024 was 2.043.

In terms of the gender structure, out of the total number of employees, women make 40,5%, while men make 59,5% out of the total number of employees. In the management gender structure, women make 41,3%, while men make 58,7%.

In the employees' qualification structure, the largest share belongs to the employees with secondary school education - 52,9%, and university degree - 44,2%, followed by the college degree - 1,6%, and non-qualified staff with 1,3%.

EMPLOYEES	31/12/2023	31/12/2024	% changes
Total number of employees	2.051	2.043	-0,4%



Recognizing employees as the organization's most valuable resource in its HR management, this year the Mtel Company has focused more on developing and strengthening talents and internal teams. The internal perspective of human resources means investing in the existing capacities and talents within the Company. This approach contributes to creating a positive work culture, increasing employee satisfaction, and reducing staff fluctuation.

The talents and internal teams development involves continuous education, professional development, and building of interpersonal relationships within the organization. One of the key strategies in this process is creating training programs that enable employees to improve their skills and knowledge.

Team building activities, which proved to be extremely effective in their new form, have also continued in 2024. The employees were able to choose an active team building program. The Company continues to listen to the employees' feedback, and plans to adapt to various employee groups.

This year, Mtel continues training aimed at strengthening the sales team through strategic trainings, the aim of which is not only to increase sales skills, but also to improve the overall professional development of employees. As an introduction

to planning a training program for the sales team, a series of extensive interviews has been conducted, as well as conversations with employees at sales points, which results in a double benefit - in-depth insight into the sales teams needs, and an additional channel for employees to express their needs. In modern organizations, sales are no longer just a transaction, but a process based on trust, understanding the clients' needs, and continual improvement of products and services. For this to happen, the sales staff should also feel this attitude towards themselves, internally. Along with that, it is organized training in sales skills, as well as training for managers - managing a sales team in business and residential sales. The training focused on employee motivation, managing and preventing burnout, team communication, and cohesion. The trainings implemented for the sales staff were not only focused on sales techniques, but also on the development of emotional intelligence, negotiation skills and the ability to build long-term relationships with clients.

Taking care of its talents, Mtel conducts continuous education of engineers and other key employees in the most contemporary systems, trends, and approaches in the narrowest professional sense. In 2024, there were over 400 individual attendees of numerous technical trainings, seminars, and congresses

in the region, technological hubs of Europe - Germany, Italy, the Netherlands, Ireland, Spain, France, Portugal, and even in modern Huawei training centers in China. Also, in 2024, there were over 200 participants in the Company's internal trainings the aim of which was improving competencies, developing personal and professional skills. The external and internal safety and health trainings included 1.939 employees.

Being aware of the importance of employees for success, we actively invest in our employees thus, during 2024, the education of our employees lasted over 45.000 training hours.

The scope and availability of knowledge and trends to the employees strengthens the overall knowledge and human capital of Mtel. Care about employees directly affects the overall organizational efficiency. When employees feel their professional development is a priority, it not only contributes to their personal satisfaction, but also positively affects the dynamics and results of the entire organization.



# 1.9. Financial Results

- 1.9.1. PROFIT AND LOSS STATEMENT AND GENERAL RESULT REPORT
- 1.9.2. FINANCIAL POSITION REPORT
- 1.9.3. CASH FLOW REPORT
- 1.9.4. INFORMATION PER SEGMENT

# 1.9.1. Profit and Loss Statement and General Result Report

Mtel finished the business year 2024 with net profit of BAM 80,12 million, while, in the year 2023, the realized net profit was BAM 332,39 million. The realized EBITDA was BAM 252,96 million in 2024, put the EBITDA margin on the level of 49,97%.

In 2023, the profit was realized from sale of capital share, the result of which was high realization of the business indicators.

PROFIT AND LOSS STATEMENT AND OTHER COMPREHENSIVE INCOME (in BAM mill.)	2023	2024
Sales of goods and services	456,35	477,14
Other operating income	303,01	29,06
Operating expenses	361,79	392,92
Finance income	1,54	3,82
Impairment of financial assets	2,44	2,91
Financial expenses	26,64	24,48
Profit before taxes	370,03	89,70
Income tax expense	37,64	9,58
Net profit	332,39	80,12
Revaluation reserves - actuarial gains	0,29	0,55
Total other comprehensive income, net of income tax	0,29	0,55
Total comprehensive income for the period	332,68	80,67



**In 2024, Mtel recorded high realization of total revenues in the amount of BAM 510,02 million.** The realization of total revenues in the amount of BAM 760,90 million in 2023 was the result of realized profit from sale of capital share.

The total revenues structure consists of the revenues from sales of goods and services, other business revenues, and financial revenues.

TOTAL INCOME (in BAM mill.)	2023	2024
Sales of goods and services	456,35	477,14
Other operating income	303,01	29,06
Finance income	1,54	3,82
Total	760,90	510,02

In the overall revenues structure in 2024, the greatest share of 93,6% belongs to the sales of goods and services, which recorded an increase of 4,6%, relative to the year 2023.

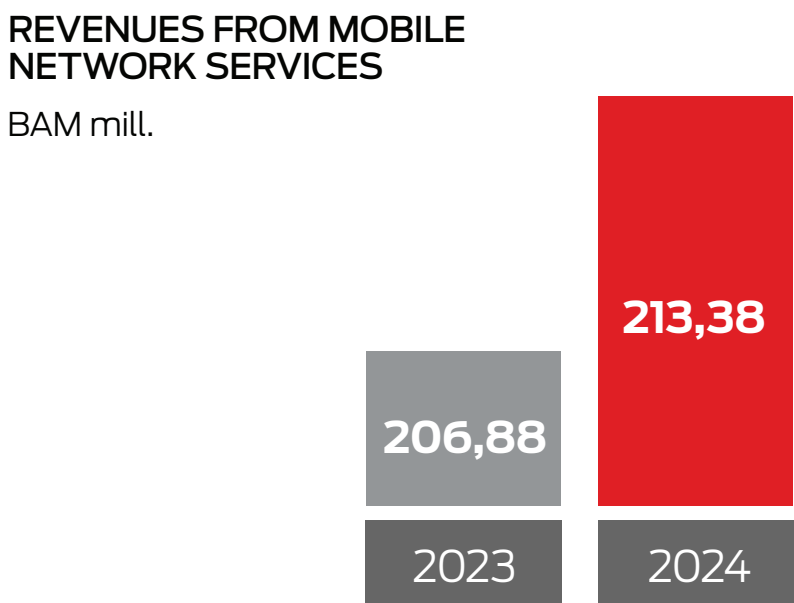
SALES OF GOODS AND SERVICES (in BAM mill.)	2023	2024	% changes
Fixed network services	48,03	48,27	0,5%
Mobile network services	206,88	213,38	3,1%
Integrated services	99,92	105,74	5,8%
Internet access services	29,23	34,27	17,3%
Combined services	31,63	34,77	9,9%
Goods	1,09	1,22	11,5%
ICT and other services	10,26	12,11	18,1%
Total sales in the domestic market	427,04	449,76	5,3%
Income from international settlements	28,54	27,13	-4,9%
Income from sales of licences, goods, ICT and other services	0,76	0,24	-68,2%
Total international market sales	29,30	27,38	-6,6%
Total sales of goods and services	456,35	477,14	4,6%

**The revenues from fixed telephony** services were realized in the amount of BAM 48,27 million. Although the market trends have been showing that the fixed telephony market is declining in the last few years, in 2024 Mtel realized the revenue growth of 0,5%, relative to the year 2023, primarily due to the increased revenues from fixed telephony subscription.

**The revenues from mobile telephony** services were realized in the amount of BAM 213,38 million, which was 3,1% higher, relative to 2023, this having been the result of the increased subscription revenues. In the mobile telephony revenues structure, the traffic revenues participated with 52,0%, the subscription fees with 45,8%, other revenues with 1,5%, and the connection fees with 0,7%.

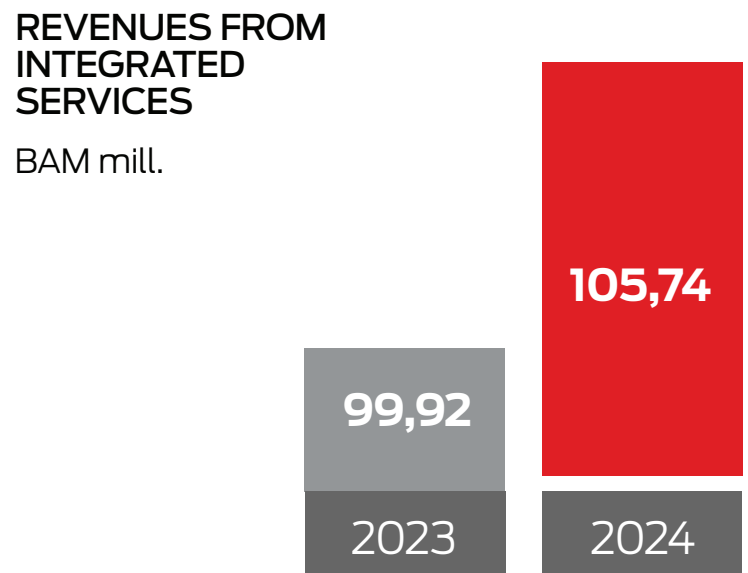
In the total mobile telephony revenues, the subscription revenues have recorded 4,3% growth, relative to the year 2023. The increased subscription revenues were primarily the result of the postpaid users' number increase, due to numerous promotional actions, amended offers, as well as continuous actions with number of benefits, all with the aim of the user

migration from prepaid to postpaid tariff models. In the mobile telephony revenues structure, the traffic revenues had the most significant participation, having recorded an increase of 0,8%, relative to the previous year.

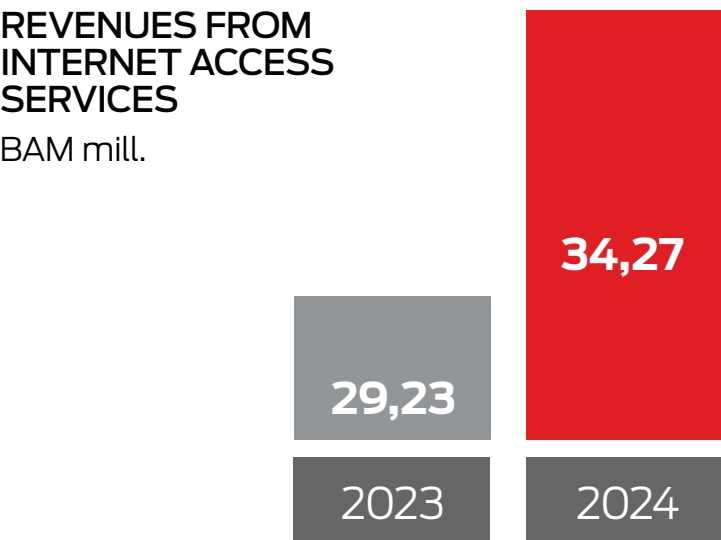


**The total revenues in the integrated services segment** were realized in the amount BAM 105,74 million, which was 5,8% higher, relative to the year 2023, this having been the result of increased number of the integrated services users. In 2024, the most significant growth was shown in the subscription revenues - 6,5% . Within their structure, the revenues from the two integrated services packages had the most significant share, and recorded 13,1% growth, relative to the year 2023.

In the structure of integrated services revenues, the revenues from subscription participate with 92,2%, other revenues with 4,1%, and traffic revenues with 3,7%. Integrated services are subject to continuous improvement and, with the aim of increasing the users' number and their satisfaction, various activities are created to offer benefits to new and existing users.



**The revenues from the internet access services** amounted to BAM 34,27 million in 2024, and recorded 17,3% growth, relative to the year 2023. The most significant growth, compared to the last year, was realized in the internet subscription revenues - 40,1%, this being the result of increased number of users. Mtel continuously performs modernization and invests in the infrastructure, to provide the internet access via latest access technologies with extremely high speeds (VDSL and GPON), tailored to users' needs and requirements. These revenues structure includes the internet subscription revenues with 81,6%, direct Internet access revenues with 17,5% and other services revenues, with 0,9%.



In 2024, **the revenues from related services** were realized in the amount of BAM 34,77 million, and were 9,9% higher, relative to the year 2023. The structure of these revenues includes the revenues from the sale of mobile and fixed telephone devices, TV sets, and other equipment. Following the market demand, in 2024, Mtel offered various models of mobile telephones, and the revenues from their sales recorded the growth of 8,4% relative to the previous year.

**Revenues from ICT and other services** in 2024 were BAM 12,11 million, and recorded 18,1% growth, relative to the year 2023. ICT and other services are subject continuous enhancement and amendment with new services, with the aim of responding to the users' demand, by following the trends and developing ICT solutions. These revenues structure includes: revenues from IPTV licenses with 70,2%, other revenues with 16,0%, revenues from system integration solutions with 9,5% revenues from ICT/IOT services with 4,3%.

**Other business revenues** in 2024 were realized in the amount of BAM 29,06 million. In 2023, the profit was realized from sale of capital share, which was the reason for deviation of these These revenues in 2024, relative to the year 2023. In the other business revenues structure, there are: other revenues with 92,7%, with major participation of the revenues from activation of the effects, based on the costs of employees who work on the network development and enhancement, and on the major capital investment projects, revenues from leases with 3,8% and revenues from the subsidiaries' dividend with 3,4%.

**Financial revenues** were realized in the amount of BAM 3,82 million in 2024, which was BAM 2,29 million higher, relative to 2023, primarily due to higher earnings from other interest rates. In these revenues structure, there are: earnings from other interest rates with 84,6%, earnings from deposit interest rates with 10,2%, positive exchange rates differences 4,8% and other financial revenues with 0,4%.

In 2024, the total expenditures amounted to BAM 420,32 million, which was 7,5% higher, relative to 2023. The total expenditures structure consists of the operating expenses, financial assets impairment (short-time receivables impairment), and financial expenses.

TOTAL EXPENSES (in BAM mill.)	2023	2024	% change
Operating expenses	361,79	392,92	8,6%
Impairment of financial assets	2,44	2,91	19,2%
Financial expenses	26,64	24,48	-8,1%
Total	390,87	420,32	7,5%

In the total expenditures structure, the largest share of 93,5% belongs to the operating expenses, which recorded 8,6% increase in 2024, relative to the year 2023.

OPERATING EXPENSES (in BAM mill.)	2023	2024	% change
Cost of material, goods and combined services	42,69	44,80	4,9%
Staff costs	81,85	87,39	6,8%
Depreciation and amortization charge	115,58	142,60	23,4%
Cost of production services	88,20	86,44	-2,0%
Other operating expenses	33,47	31,68	-5,3%
Total	361,79	392,92	8,6%

**The costs of materials, goods, and related services** amount to BAM 44,80 million in 2024, and were 4,9% higher, relative to 2023. These costs include: costs of materials for related services, electrical energy costs, other costs of materials, fuel and lubricants costs, and purchase price of sold goods.

In these costs structure, the largest share belongs to the costs of materials for related services - 71,4% and the electrical energy costs - 18,5%. The increase in materials, goods, and related services costs, relative to 2023, is primarily due to 7,9% higher costs of materials for related services, namely purchase of mobile telephones, TV sets, and other equipment, since larger quantities of mobile telephones were purchased in 2024.

**The costs of employees** amounted to BAM 87,39 million in 2024, and were 6,8% higher, relative to 2023, as the result of the gross salaries and other employees' personal income growth, due to the net salaries increase and increased costs of hot meals.

**Depreciation costs** amount to BAM 142,60 million in 2024, and were 23,4% higher, relative to the year 2023, mostly as the result of growing depreciation of the assets under lease.

**The production services costs** were BAM 86,44 million, which was 2,0% lower, relative to 2023, primarily due to lower advertising and promotional costs, and contents broadcasting fees.

Within the production services costs structure, 31,2% were international settlement costs, 23,2% maintenance costs, 23,1% other production services costs, 16,1% advertising and promotional costs, 4,8% contents broadcasting fees, and 1,6% were the lease costs of land and business premises.

*The advertising and promotional costs* were BAM 13,90 million, which was 15,6% lower, relative to 2023, since the Cooperation Contracts with the BIH Football Association and FBIH Football Association were not extended in 2024.

*The contents broadcasting fees* were BAM 4,11 million, which was 34,5% lower, relative to 2023, due to continuation of the TV Channel Distribution Contract capitalization.

*The international settlement costs* were BAM 26,98 million, which was 6,6% higher, relative to 2023, due to increase in the outgoing international traffic and increased prices of termination in the countries of the Region and EU.

The maintenance costs were BAM 20,09 million, which was 7,3% higher, relative to 2023, due to increase in the software and computer equipment maintenance costs.

**Other operating expenses** amounted to BAM 31,68 million, which was 5,3% lower, relative to 2023, primarily due to lower roadway costs, which have been capitalized in 2024.

These expenses structure includes: other expenses - participating with 41,9 %, the fees payable to the Communications Regulatory Agency - with 36,3%, indirect taxes that are non-dependent of business result - with 8,9%, provisioning costs - with 5,7%, losses from writing off of the real estate, equipment, and non-material investments - with 3,8%, real estate and equipment devaluation - with 3,3%, and deficits - with 0,1%.

**Financial expenses** amounted to BAM 24,48 million, which was 8,1% lower, relative to 2023, primarily due to lower costs of other interests and interests under loan arrangements. These expenses structure consists of expenditures under the loan agreements - with 56,5%, expenses under rental and lease obligations - with 35,9%, other interests costs - with 5,0%, and negative exchange rate differences – with 2,6%.



# 1.9.2. Financial Position Report

As of 31/12/2024, the value of the total assets, and total liabilities of the Mtel Company, amounted to BAM 1.713,27 million, and recorded 0,9% growth, relative to 31/12/2023.

SEPARATE STATEMENT OF FINANCIAL POSITION (in BAM mill.)	31/12/2023	31/12/2024	% change
Long-term assets	1.276,24	1.493,14	17,0%
Current assets	421,37	220,13	-47,8%
Total Assets	1.697,61	1.713,27	0,9%
Equity	1.013,56	1.061,18	4,7%
Long-term liabilities and provisions	226,46	358,56	58,3%
Current liabilities	457,59	293,53	-35,9%
Total Equity and Liabilities	1.697,61	1.713,27	0,9%

In **the assets structure**, as of 31/12/2024, the fixed assets increased significantly by 17,0% compared to 31/12/2023, due to the increase in the leased assets value, as well as the increase in the tangible and intangible assets value, due to continued investments in the network extension and infrastructure construction.

In **the liabilities structure**, as of 31/12/2024, the value of total capital increased by 4,7% compared to 31/12/2023, and the capital accounted for 61,9% of the value of the Company's total liabilities at the end of the year 2024. Compared to 31/12/2023, the total liabilities and provisioning decreased by 5,9% as a result of the short-term operating liabilities decrease.

The following table shows significant business indicators:

FINANCIAL INDICATORS	31/12/2023	31/12/2024
ROA – return of assets	21,77%	4,70%
ROE – return of equity	39,23%	7,72%
Debt-to-equity ratio	21,61%	12,05%
Net financial debt/EBITDA	0,50	1,42

The business indicators in 2023 are influenced by the realized profit from sale of capital share.

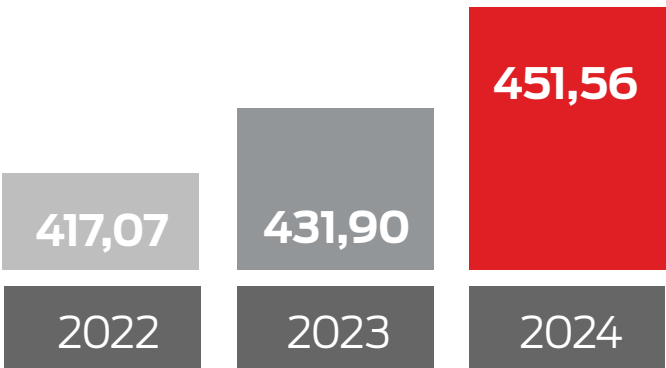
# 1.9.3. Cash Flow Report

At the end of 2024, cash and cash equivalents amounted to BAM 26,78 million.

SEPARATE STATEMENT OF CASH FLOWS (in BAM mill.)	2023	2024	% change
Net cash inflow from operating activities	189,75	118,73	-37,4%
Net cash inflow/outflow from investing activities	(108,65)	107,08	-
Net cash outflow from financing activities	(80,60)	(219,08)	171,8%
Net increase in cash and cash equivalents	0,50	6,73	-
Cash and cash equivalents at the beginning of the period	19,55	20,05	2,6%
Cash and cash equivalents at the end of the period	20,05	26,78	33,6%

When looking at Mtel's **business activity** in 2024, evident is a net inflow of BAM 118,73 million, generated by the inflow in the amount of BAM 454,30 million, and the outflow in the amount of BAM 335,56 million, primarily towards the suppliers.

PROCEEDS FROM SALE  
AND PREPAYMENTS  
BAM mill.



In the **investment activity** segment in 2024, a net inflow of BAM 107,08 million was realized. This net inflow is the result of inflows in the amount of BAM 272,46 million, primarily realized from the sale of shares and capital share, and the outflow in the amount of BAM 165,39 million.

Regarding the **financial activities** of the Company in 2024, a net outflow of BAM 219,08 million was realized, within which, the most significant outflow in the amount of BAM 116,14 million was the result of the dividends paid to the shareholders.

# 1.9.4. Information per Segment

In line with the IFRS 8, Mtel's reporting segments are fixed network and mobile network.

The revenues and the segments results for the one-year period, ending on 31/12/2023 and 31/12/2024, represent the revenues generated from the sales to the external customers, where the inter-segment revenues within the stated period have been eliminated.

The profit of the segments represents the profit of each segment, with included all costs alocation, based on the revenues realized by each respective segment.

SEGMENT REVENUES AND RESULTS (in BAM mill.)	2023			2024		
	Fixed-Line Network	Mobile Network	Total	Fixed-Line Network	Mobile Network	Total
Sales of goods and services	185,33	271,02	456,35	197,59	279,55	477,14
Other operating income	20,12	282,90	303,01	18,58	10,47	29,06
Intersegment settlement	85,17	35,11	120,28	88,86	36,44	125,30
Operating expenses	163,35	198,43	361,79	180,19	212,73	392,92
Finance income	0,62	0,91	1,54	1,58	2,24	3,82
Impairment of financial assets	0,99	1,45	2,44	1,21	1,71	2,91
Financial expenses	10,86	15,77	26,64	10,14	14,34	24,48
Intersegment settlement	35,11	85,17	120,28	36,44	88,86	125,30
Profit before taxes	80,93	289,11	370,03	78,63	11,07	89,70
Income tax expense	8,23	29,41	37,64	8,40	1,18	9,58
Net profit	72,69	259,70	332,39	70,23	9,89	80,12

# 1.10. Information to the Investors

# 1.10. Information to the Investors

In 2024, the total turnover at the Banja Luka Stock Exchange amounted to BAM 736,12 million, which was significantly lower than the previous year when it was even BAM 1,05 billion. The reason for that was lower emission of bonds and treasury notes of the Republic of Srpska in 2024, relative to the year 2023.

The regular turnover at the Banja Luka Stock Exchange was BAM 92,10 million and recorded 34,5% increase, relative to the regular turnover in the previous year, due to 67,6% increase in the shares turnover, while the turnover in bonds recorded the 14,4% growth, relative to the previous year.

The Mtel's shares transactions in 2024, amounted to BAM 4,96 million in 1.032 transactions. Although the turnover is lower than in the previous year, Mtel is still among top 10 issuers in 2024, according to the realized turnover in the total regular turnover of the Banja Luka SE, as well as in the top 5 shareholding companies.

Mtel's share's price reached the level of BAM 1,15 on the last trading day of the year 2024, which was 3,4% lower, relative to 31/12/2023, when it was BAM 1,19.

Mtel's market capitalization was BAM 565,09 million on 31/12/2024, and was 3,4% lower, relative to the previous year.

INFORMATION TO THE INVESTORS, TLKM-R-A	2023	2024
Number of shares* (mill.)	491,38	491,38
EPS (Earning per share)	0,6764	0,1630
Price movement		
Lowest price (BAM)	1,14	1,07
Highest price (BAM)	1,70	1,45
Price on the last trading day of the year* (BAM)	1,19	1,15
Average price (BAM)	1,41	1,20
Share transactions		
Number of transactions	1,541	1.032
Total turnover (in BAM mill.)	8,89	4,96
Market capitalization (in BAM mil.)	584,75	565,09

\* ordinary (regular) shares, each nominal value of 1 BAM  
\*\* official rate

On 23 February 2024, the Mtel's Management Board adopted a strategic document entitled „Dividendna politika“ (Dividend Policy), with the aim of providing shareholders with transparent information regarding the Company's profit distribution. The adopted Dividend Policy should contribute to maintaining the stability of the Company's operations, increasing the Company value, as well as the value of the shares.

In that regard, the Mtel Shareholders' Assembly held its 48th session on 19 June 2024, and passed the decision to pay the dividend from 2023 in the amount of BAM 32,95 million, proportionally to all the Company shareholders, upon the principle of the same face value of BAM 0,06706 per share. The Assembly also decided to transfer BAM 274,12 million to the Company's reserves and retain the remaining part of the net profit in the amount of BAM 25,31 million.



# 1.11. Risk Management

1.11.1. FINANCIAL RISKS

1.11.2. ISO STANDARDS

## 1.11.1. Financial Risks

In its regular business operations, Mtel is exposed to certain financial risks, such as market risk, liquidity risk, and credit risk, in various degrees. The risk management in Mtel is directed towards minimizing potentially negative impacts on Mtel's financial standing and business operations, in the unpredictable situation in the financial markets. The risk management is defined by the Company's accounting policies.

In the year having ended on 31 December 2024, Mtel did not enter into any transactions with derivative financial instruments (derivatives), such as interest rate swaps or forwards

### Market risk

Market risk includes the risk of the foreign currency exchange rate fluctuation, risk of the interest rate change, and risk of the capital prices changes respectively.

- Risk of the foreign currency exchange rate fluctuation - although Mtel performs part of its transactions in the foreign currency, the Management's opinion is that it is not exposed to any significant foreign currency exchange rate fluctuation risk in its business operations in the country and abroad, since the business transactions are performed mostly in the local currency, convertible mark

(KM/BAM), and in EURO, to which the convertible mark is related by the fixed exchange rate (1 EUR = 1,95583 BAM). Mtel's management has not performed the sensitivity analysis of the foreign currency exchange rate fluctuation, except for the USD, due to having certain liabilities in that currency.

- Risk of the interest rates change – Mtel is exposed to various risks, which, through the interest rates level changes, affect its financial position and cash flows. Given that Mtel does not have any significant interest-bearing assets, the income is quite independent in terms of the market interest rates changes. The Mtel's risk of the interest rates change arises primarily from the long-term loans received from the suppliers. The changeable interest rate loans expose Mtel to the cash flow interest risk, while the fixed interest rate loans expose Mtel to the risk of changes in the interest rate fair value. During the year which ended on 31 December 2024, most of the liabilities under the loans had variable interest rates, related to the EURIBOR. The liabilities under the changeable interest rate loans have mostly been in foreign currency (EUR). Mtel performs the analysis of interest rate changes risk exposure on a dynamic basis, taking into account alternative sources of financing and refinancing, primarily for the long-term

obligations, because they represent the most significant interest-bearing position. Mtel still does not swap variable for the fixed interest rates, or vice versa, but takes appropriate measures to secure the bank loans under more favorable conditions.

- Risk of the capital value change – in the 2024 reporting period, Mtel has been exposed to certain risk of changes in the registered securities prices. These investments are purposed more for strategic purposes than for the daily trading purposes and are not subject of the active transactions.

### **Liquidity risk**

Liquidity management is centralized on the Mtel Company's level. The responsibility for liquidity rests with the management, which has established specific procedures related to the short-term and long-term liquidity risk.

Mtel has sufficient high-liquidity assets (cash and cash equivalents) at its disposal, as well as a continuous inflow of funds from realization of the services, which enables it to service the obligations in due time. Mtel does not use financial derivatives.

For the risk management purposes, Mtel has adopted the financial policies that define dispersion within the decision-making levels in the procurement process for

specific products/services. This dispersion is managed by establishing the limits to which the individual persons, or the bodies of Mtel, may decide on the specific procurement.

### **Credit risk**

Credit risk is related to the risk of the other party's nonperformance of its contractual obligations towards Mtel, which will result in the Mtel's financial loss. Mtel has adopted the policies for monitoring of the partner's credit standing, as well as for requesting certain warranties (collaterals) where possible, all with the aim of reducing the potential risk of financial losses, caused by nonperformance of the contractual obligations.

The credit risk arises in relation with the receivables from legal entities and physical persons, cash and cash equivalents, deposits with banks and financial institutions, and commitments.

Mtel is exposed to the credit risk to the limited extent. The credit risk security was established by undertaking certain measures and activities on the Mtel's level. In case of an untimely settlement of the Customer's obligations towards the Company, further use of the services is disabled.

Mtel does not have a significant credit risk concentration related to the receivables, since it has numerous mutually non-related customers with small amount of respective debts. Along with the services suspension, the following collection mechanisms are used: debt re-programming, settlement with legal entities, legal actions, out of court settlements, etc.

Repayment of the credits, extended to the Mtel's employees, is secured by application of the administrative measures, namely deduction of the specific amount from the salary. The employee who leaves the Company regulates the manner for the outstanding debt repayment when leaving Mtel.

With the aim of minimizing the credit risk, Mtel has developed and maintains the credit risk assessment, to categorize the exposure according to the level of risk of non-performance of the obligations. The credit rating information is provided by the independent Rating Agencies and, in case they are not available, Mtel uses other publicly available financial information and the Company's own trading data to assess its major customers and other debtors. Mtel's exposure and all contractual parties' credit ratings are continuously monitored, and the total value of the realized transactions is shared among the authorized partners.

### **Capital risk management**

The capital management aim is to maintain the ability to continue operations for an unlimited period in the foreseeable future, in order to preserve the optimum capital structure, with the aim of reducing the capital costs and providing dividend to the shareholders. The Company monitors capital on the basis of the indebtiness coefficient.

The Mtel's management reviews the capital structure on need basis and, following that, it balances the capital structure, through new long-term investments, as well as by taking out new loans or buying out the existing ones. The overall strategy for the capital management remains unchanged.

## 1.11.2. ISO Standards

Being a socially responsible company, Mtel appreciates satisfaction of all interested parties, as well as a constant improvement of business system and processes through standardization. The ISO standards introduction improves the business operations and contributes to harmonization of the relationships with all interested parties.

The Company has established the Integrated Management System (IMS), which unifies the requirements of two internationally recognized standards - ISO 9001:2015 and ISO/IEC 27001:2013, for all business processes in the Company.

In the course of 2024, IMS has been enriched with new management systems:

- Services Management System (ISO/IEC 20000-1:2018),
- Business Continuity System Management (ISO 22301:2019) and
- Complaint Management (ISO 10002:2018).

ISO standard introduction and maintenance has brought multiple advantages:

- **Quality:** ISO standards ensure the product and service quality, increasing reliability, business processes efficiency, and the user satisfaction;
- **Efficiency:** through the business processes optimization, the Company eliminates failures and improves its performance;
- **Information security:** ensures adequate protection of the Company, users, and other interested parties' information at all organizational levels;
- **Compliance:** compliance of the business operations with the international standards, strengthens recognizability of the Company's brands and provides for the market competitiveness;

- **International recognition:** maintenance of the existing ISO Certificates contributes to the Company's reputation and increases the trust of all interested parties;
- **Innovations and competitiveness:** the Standards continuously encourage the Company to permanently improves the processes, technology and work styles, which increases innovativeness and competitiveness in the market;
- **Continual improvement:** Standards emphasize the importance of continual improvement, allowing the Company to adapt to changes and improve the processes.

## ISO 9001:2015 Quality Management System

The Quality Management System – QMS, represents the structure and processes the Company establishes to ensure that the products and services satisfy the quality requirements and expectations of all interested parties. Implementation of QMS not only guarantees quality, but is also a framework for a continual improvements, compliance and stronger competitiveness.

Additional advantages that the Quality Management System implementation brings to the Company include:

- **Higher customer satisfaction:** focus on quality leads to the products and services that better

satisfy the customer needs, by which the loyalty to the Company and its good reputation are enhanced;

- **Better decision-making:** management passes decisions based on the facts emerging from QMS;
- **Risk reduction:** risk management helps in identification and reduction of the risks related to processes and products;
- **Encouraging cooperation and team work:** engagement of the employees contributes to better communication and cooperation;
- **Openness to changes:** Company more easily adapts to the market changes, new technologies, and customers' demands.

## ISO/IEC 20000-1:2018 Services Management System

In modern business, IT services must be reliable, efficient and consistent. ISO/IEC 20000-1 helps organizations effectively manage IT services and deliver quality service. With this system implementation, a company optimizes its IT resources' reliability, improves service quality, ensures the performance of contractual obligations (SLA), reduces risks and increases customer satisfaction.

## ISO 22301:2019 Business Continuity Management System

The Company has recognized the need for uninterrupted business operations and maintaining their continuity to the benefits of customers, suppliers, employees, and other stakeholders. By implementing the Business Continuity Management System (BCMS), the Company provides protection against service interruptions due to natural disasters, technical failures, or cyber-attacks. The benefits of this System include:

- Identification of critical business processes and the consequences of downtime,
- Increased flexibility and recovery capacities,
- Timely response to incidents,
- Alternative processes management in emergency situations,

- Reducing the risk of non-compliance with laws and regulations,
- Maintaining the Company's good reputation.

## ISO 10002:2018 Complaints Management

The Company's primary goal is to ensure successful business operations and develop services in accordance with the users' needs and expectations. Feedback from the users plays a key role in improving the services quality. A functional complaints management system allows maintaining good relationships with users, even after their complaints, thereby increasing their loyalty and quality of services.

## ISO/IEC 27001:2013 Information Security Management System

ISO/IEC 27001 Information Security Management System enables the Company to implement ISO/IEC 27001 Information Security Management System enables the Company to implement efficient measures for protection of information. This system contributes to building the users' trust, improving business relationships, and reducing risk. The benefits include:

- **Increased user's confidence:** the users can be confident in the protection of their data and the security of services;
- **Business risk management:** proactive approach to potential vulnerabilities;
- **Improving business relationships:** better understanding of information flows within the Company;
- **Improving security:** continuous investment in security and strengthening resilience to threats.

# 1.12. Statement of Application of the Corporate Management Standards

## 1.12. Statement of Application of the Corporate Management Standards

The Mtel Company has its own Code of Conduct and Corporate Management, which is fully applied and thoroughly defines the mechanisms for the Company bodies' functioning and protection of interests in the mutual relations of various stake-holders in the Company.

The Company Code is established pursuant to the Law on Commercial Companies, Corporate Management Standards, issued by the Republic of Srpska Securities Commission, as well as on the basis of the Corporate Management Standards, adopted by the Organization for Economic Cooperation and Development (OECD). This all ensures efficient application of the corporate management principles.

Where the Code is silent, the provisions of the Commercial Companies Law, Corporate Management Standards, Articles of Incorporation, and other general acts of the Company, are directly applied.

Corporate management in the Company has created a structure through which goals and means for its implementation are determined, and their effects monitored. This has created a permanent and consistent controlling system of the corporate bodies' work and protection of interests in the stakeholders' mutual relations, with the more efficient use of resources, all with the aim of further increase of the confidence in the Company's business and work.

Having implemented the Corporate Management Standards and its own Code of Conduct and Corporate Management, in the course of 2024 Mtel ensured the effective application of corporate management principles and the application of the rules of conduct relating to the shareholders' rights, equal treatment of shareholders, the role of stakeholders - interest holders in the joint-stock companies management, the publication and publicity of information, and the role and responsibility of the boards.

With continuous application of the standards, as well as with responsible management and supervision of the business and managerial functions, Mtel aims at enhancing competitiveness and providing a more favourable environment for the investment activities.

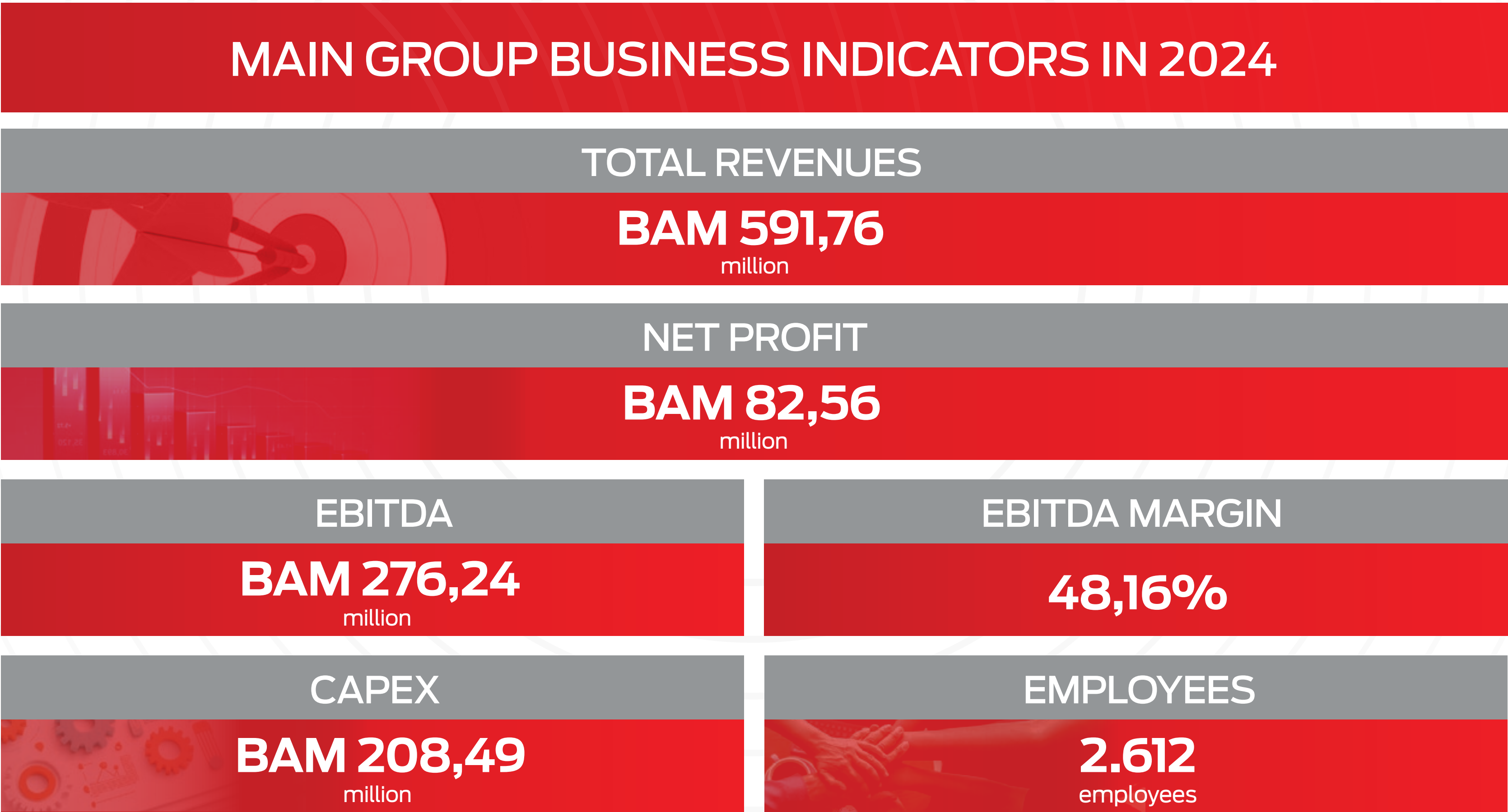
As a responsible and market-oriented company, truly committed to its business improvement, and by applying the principles of corporate management, Mtel shall exercise its rights on fair principles of market operations and perform its obligations in a responsible manner thus trying to ensure the long-term prosperity of the Company and its shareholders.

Mtel's statement on harmonization of the organization and activities with the Code of Conduct/Corporate Management Standards, forms an integral part of this Report, and is published on the Company's Internet site [www.mtel.ba](http://www.mtel.ba) under the section „Investitori“ and the Stock Exchange Internet site [www.blberza.com](http://www.blberza.com).

# 2. Consolidated Financial Reports for the year 2024

- 2.1. BUSINESS INDICATORS
- 2.2. USERS
- 2.3. PROFIT AND LOSS STATEMENT AND GENERAL RESULT REPORT
- 2.4. FINANCIAL POSITION REPORT
- 2.5. CASH FLOWS REPORT
- 2.6. INFORMATION PER SEGMENT
- 2.7. HUMAN RESOURCES

# 2.1. Business Indicators



## 2.2. Users

In line with market trends, the Group provides its customers with connectivity and top-quality digital experience at all times, with simultaneous diversification based on the development of its service portfolio.

At the end of 2024, growth was recorded in almost all service segments, the most significant among mobile telephony and internet users. The Group's customers include the users of Mtel, Blicnet, and Logosoft.

Within the Group, **the mobile telephony services** have been provided by Mtel and Logosoft and, since September, also by Blicnet as a Service Provider of Mtel. Mtel users make up 99,9% of the total number of the mobile telephony users. The prepaid users within the Group are solely Mtel's and they make up 61,2% of the total mobile telephony customer base. The number of postpaid users makes up 38,8% of the total mobile telephony customer base, and has grown by 9,4%, relative to 2023, with expected growing trend in the following years as well.

The total **number of internet service users** at the Group level is 2,6% higher than the previous year, which is in accordance with the users' demand but, also, due to the offer adapted to the all users' requirements.

The number of **TV service users** is 1,5% higher than the previous year thus continuing the growth trend from the previous year due to the users' interest in this service, as well as constant promotional offers.

The number of the **services package users** on the Group level is 228,53 thousand and is 1,6% higher, compared to the previous year. Within its integrated services offer, the Group offers various services packages, depending on the user's needs and wishes. The packages are available as two, three, or four services. The two-service package users have the highest participation in the total number of the integrated services users.

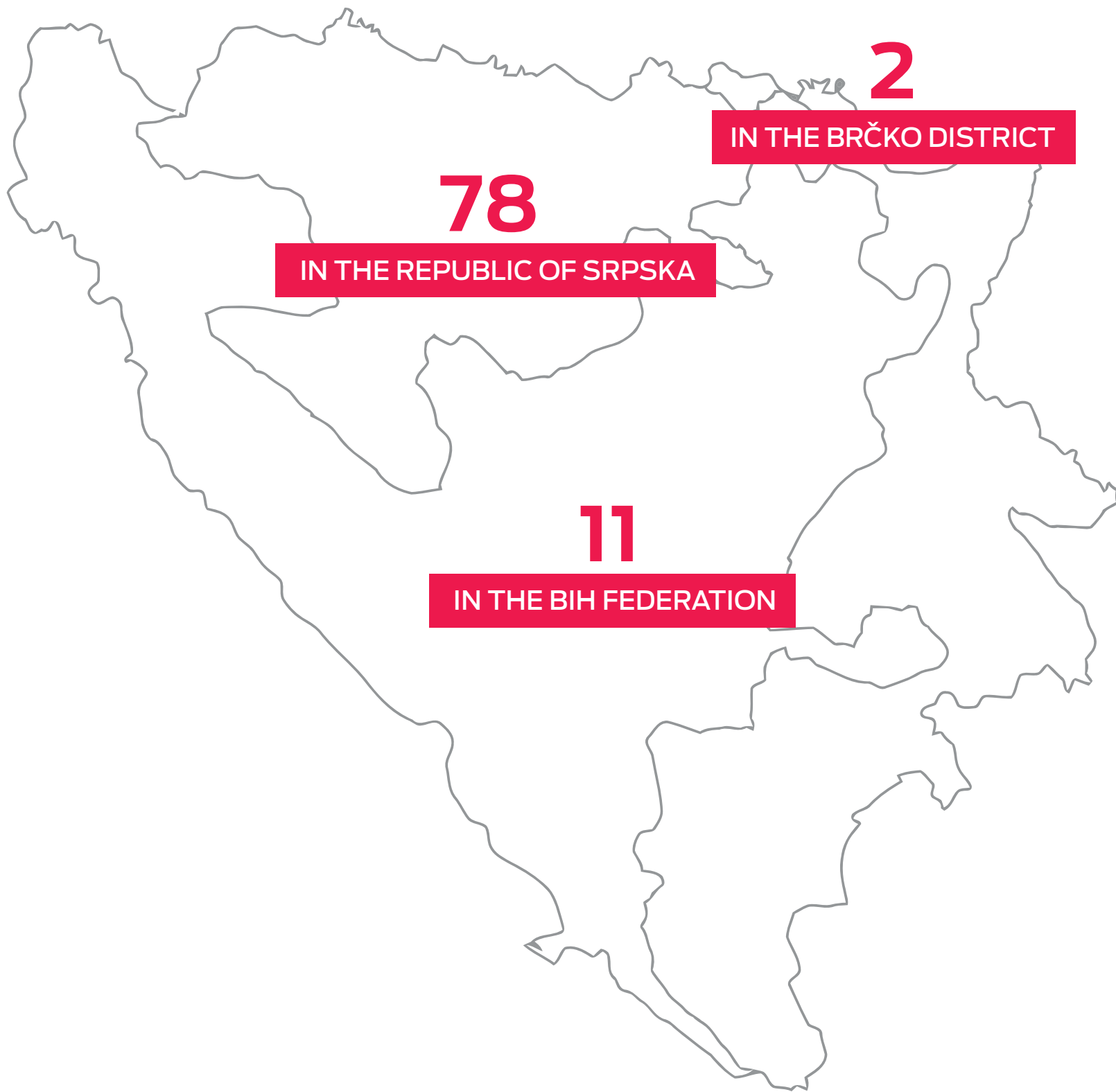
**USERS PER SERVICE  
SEGMENT\***

	2023	2024	% change
Mobile telephony (million)	1,38	1,41	2,6%
Fixed telephony (thousand)	217,84	207,47	-4,8%
Internet (thousand)	274,82	282,07	2,6%
TV services (thousand)	295,17	299,64	1,5%

\*Users per service segment include solo service users and services package users

# Sales Channels in BiH

In the Bosnia and Hezegovina territory, the Group network has 91 sales points, as follows:



Direct sales channels enable direct communication with end users, the result of which is a quicker response to the inquiries and demands. Understanding users' needs and wishes leads to improved services and shapes the overall user experience. This way, a better relationship with the users is achieved, which increases user loyalty and trust, and competitive advantage in the market also increases.

In addition to direct sales channels, indirect sales channels are also available through intermediaries, contact centers, web shop, mobile applications, as well as telesales and field sales.



# 2.3. Profit and Loss Statement and the General Result Report

The Group net profit in the business year 2024 amounts to **BAM 82,56 million**, while, in 2023, realized net profit was BAM 354,47 million. In 2023, the profit was realized from sale of the capital share, and all the business indicators were realized at a higher level.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME (in BAM mill.)	2023	2024
Sales of goods and services	517,75	540,79
Other operating income	309,37	32,74
Operating expenses	426,25	459,34
Finance income	2,21	4,03
Impairment of financial assets	2,88	3,17
Financial expenses	28,53	25,56
Share in the profit of associates	20,94	2,95
Profit before taxes	392,60	92,43
Income tax expense	38,12	9,87
Net profit	354,47	82,56
Revaluation reserves - actuarial gains	0,29	0,55
Total other comprehensive income, net of income tax	0,29	0,55
Total comprehensive income for the period	354,76	83,11



In 2024, the Group records high **total revenues realization in the amount of BAM 591,76 million**. The total revenues realization in the amount of 856,61 million in 2023 was the result of sale of the capital share.

TOTAL INCOME (in BAM mill.)	2023	2024
Sales of goods and services	517,75	540,79
Other operating income	309,37	32,74
Finance income	2,21	4,03
Share in profit of associated company and joint venture using equity method	27,29	14,21
Total	856,61	591,76



In the total revenues structure in 2024, the most significant participation belongs to the revenues from the sale of goods and services with 91,4%, other business revenues with 5,5%, participation in the results of the affiliates with 2,4%, and financial revenues with 0,7%.

The the most significant increase of 4,4%, relative to the year 2023, was recorded in the revenues from the sale of goods and services in 2024.

SALES OF GOODS AND SERVICES (in BAM mill.)	2023	2024	% change
Fixed network services	57,42	58,37	1,7%
Mobile network services	206,73	213,18	3,1%
Integrated services	135,94	143,75	5,7%
Internet access services	35,90	41,40	15,3%
Combined services	31,89	35,08	10,0%
Goods	2,67	3,75	40,4%
ICT and other services	3,43	3,55	3,6%
Total sales in the domestic market	473,98	499,09	5,3%
Income from international settlements	34,73	32,24	-7,2%
Income from sales of licences, goods, ICT and other services	9,04	9,45	4,6%
Total international market sales	43,77	41,70	-4,7%
Total sales of goods and services	517,75	540,79	4,4%

**Revenues from fixed telephony services** were realized in the amount of BAM 58,37 million. Although the fixed telephony market has been declining in the recent years, the Group recorded 1,7% revenue growth in 2024, compared to 2023, primarily due to the growth in the fixed telephony subscription revenues.

**Revenues from mobile network services** were realized in the amount of BAM 213,18 million, and were 3,1% higher than in 2023, as a result of increased postpaid users' number, due to constant offer improvement, creation of attractive packages, and promotional offers. The mobile network revenues consist of the subscription revenues, traffic revenues, connections, and other revenues. The most significant share of 52,0% belongs to traffic revenues and the subscription revenues, with 45,8%, which recorded the most significant growth of 4,3%, compared to the year 2023.

**Revenues from integrated services** segment were BAM 143,75 million and 5,7% higher, relative to 2023, as a result of increased number of integrated services packages users. The integrated services revenues structure includes subscription revenues with 93,6%, traffic revenues with 3,3%, and other revenues with 3,1%. In 2024, the subscription revenues had the highest growth of 6,4%, in the structure of which the most significant share belongs to the three-service packages revenues, followed by the two-service packages revenues.

**Revenues from internet access service** in 2024 were BAM 41,40 million and recorded 15,3% growth, relative to 2023. The internet access service revenues growth was caused by the internet users' number increase in 2024, relative to the year 2023. The structure of these revenues includes the revenues from internet service subscription with 81,8%, direct

internet access service revenues with 16,9%, and other internet services revenues with 1,3%. The revenues from the internet service subscription recorded the highest growth, compared to 2023, where the number of users has been recording a continuous growth, due to continual investments in the latest technologies and modernization.

**Revenues from sales of related services** in 2024 were realized in the amount of BAM 35,08 million and were 10,0% higher, relative to 2023. The structure of these revenues consists of revenues from sale of mobile and fixed telephones, TV sets, and other equipment. Following the market demand, in 2024 offer there were included various models of mobile telephones, hence the revenues recorded 8,3% growth, relative to the previous year.

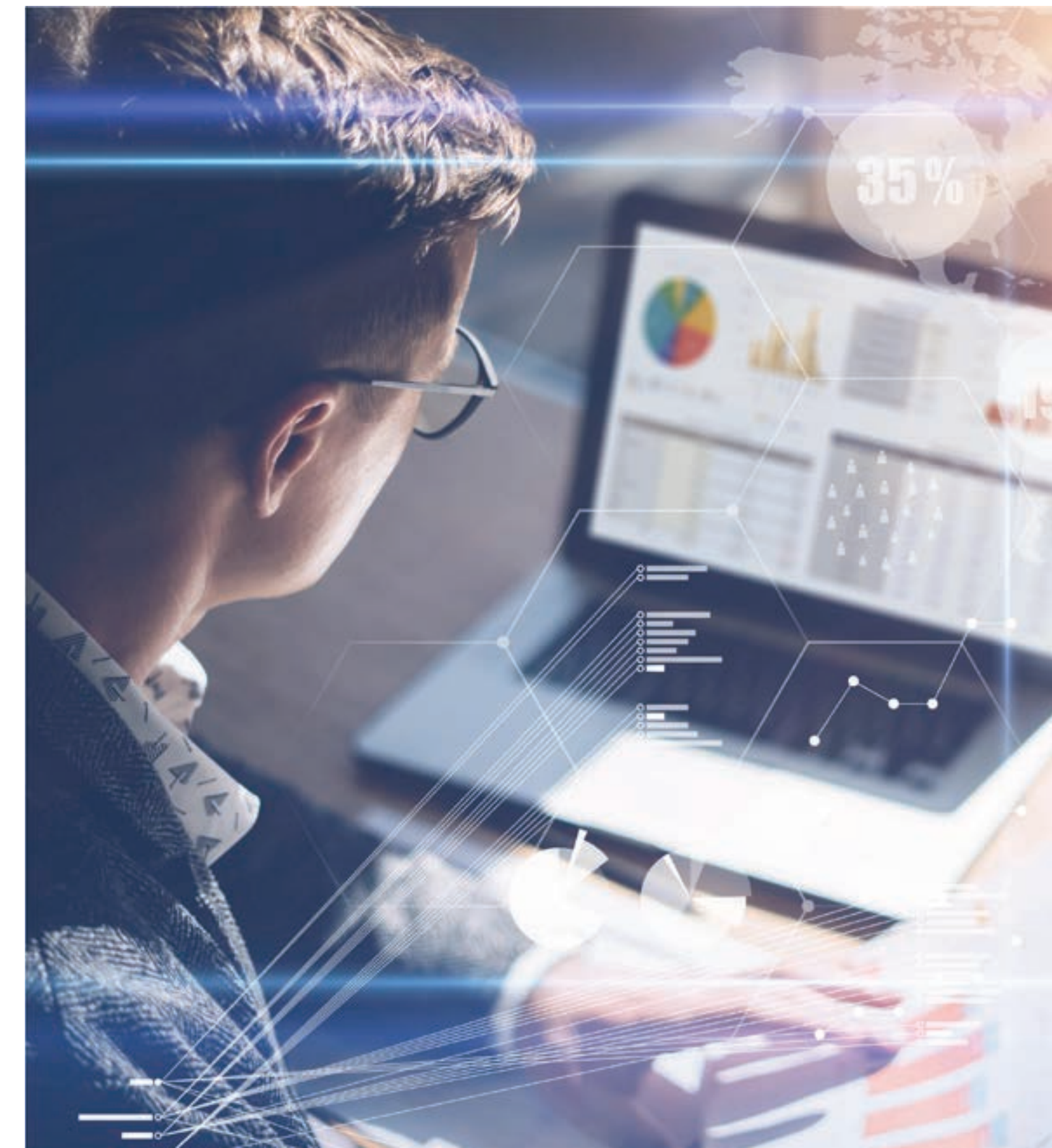
**Revenues from sales of goods** recorded 40,4% increase in 2024, while the **revenues from ICT and other services** recorded 3,6% increase, relative to 2023, which was closely related to the new business orientation of the Group in the system integration domain, particularly in the segment of business solutions and services, and Cyber security solutions. The ICT and other services revenues structure includes revenues from system integration solutions with 63,8%, other revenues with 20,7%, and revenues from ICT/IOT services with 15,4%.

**Other business revenues** in 2024 were realized in the amount of BAM 32,74 million. In 2023, profit was realized from sale of the capital share, which was the main reason for divergence of these revenues in 2024, relative to the year 2023. The other revenues structure includes the other revenues with 98,2%, where the most significant

were earnings from activation of effects, based on the costs of the employees that worked on the network development and enhancement, as well as other capital investments projects, and the revenues from leases with 1,8%.

**Financial revenues** in 2024 were realized in the amount of BAM 4,03 million, which, relative to the year 2023, was almost doubled amount, primarily due to higher earnings from other interests. The structure of these revenues includes earnings from other interests with 81,1%, earnings from interests on deposits with 9,7%, positive exchange rate differences with 8,8%, and other financial revenues with 0,4%.

**The Group participation in the affiliates' profit** was BAM 14,21 million, which was 47,9% lower, relative to the year 2023.



In 2024, **the total Group expenditures were BAM 499,33 million**, which was 7,6% higher, relative to the year 2023.

TOTAL EXPENSES (in BAM mill.)	2023	2024	% change
Operating expenses	426,25	459,34	7,8%
Impairment of financial assets	2,88	3,17	10,1%
Financial expenses	28,53	25,56	-10,4%
Share in loss of associated company and joint venture using equity method	6,35	11,26	77,4%
Total	464,01	499,33	7,6%



In the overall expenditures structure in 2024, the most significant share of 92,0% belongs to the business expenses, 5,1% to the financial expenses, 2,3% to the participation in the affiliates' result, and 0,60% to the financial assets depreciation.

The most significant growth of expenditures in 2024 was recorded at business expenses, which were 7,8% higher, relative to the year 2023.

**The costs of materials, goods, and related services** amount to BAM 49,26 million in 2024, which is 5,3% higher, relative to 2023, primarily due to the is primarily due to 7,7% higher costs of materials for related services, namely purchase of mobile telephones, TV sets, and other equipment, since large quantities of mobile telephones were procured in 2024. In

these costs structure, the largest share belongs to the costs of materials for related services – 65,5%, and costs of electricity - 18,5%.

**The costs of employees** in 2024 amount to BAM 110,07 million, that is 8,2% higher than in 2023, which was the result of raised employees' gross salaries and other personal income, due to the increase in the salaries and hot meals amount.

**The depreciation costs** amount to BAM 165,22 million in 2024, which is 19,1% higher, relative to the year 2023. This was mostly the result of increased leased assets depreciation.

**The costs of production services** amount to BAM 97,65 million, which is 3,5% lower, relative to 2023, due to 32,3% lower costs of content broadcasting fees. The production services costs structure includes the international settlement

OPERATING EXPENSES (in BAM mill.)	2023	2024	% change
Cost of material, goods and combined services	46,76	49,26	5,3%
Staff costs	101,75	110,07	8,2%
Depreciation and amortization charge	138,70	165,22	19,1%
Cost of production services	101,21	97,65	-3,5%
Other operating expenses	37,84	37,14	-1,8%
Total	426,25	459,34	7,8%

costs - 30,8%, other production services costs - 22,9%, maintenance costs – 21,4%, advertising and promotion costs - 14,7%, content broadcasting fees – 8,2%, and land and business premises lease - 2,0%.

**Other business expenditures** amount to BAM 37,14 million, which is 1,8% lower, relative to 2023, primarily due to 39,5% lower expenses of indirect taxes, non-dependable on the business result. The other business expenses structure consists of other expenses – 46,3%, the Regulatory Agency for Communications fees - 32,6%, indirect taxes, non-dependable on business result - 9,5%, provisioning costs – 5,0%, losses from the real estate, equipment, and intangible investments disposal – 3,7%, real estate and equipment devaluation – 2,8%, and the deficits - 0,1%.

**Financial expenses** amount to BAM 25,56 million, which is 10,4% lower, relative to the year 2023,

primarily due to lower costs of other interests and interests from loan agreements. These expenses structure includes: expenses of interests from loan agreements – 54,2%, expenses from lease and rental obligations - 35,1%, expenses of other interests – 7,5%, and negative exchange rate differences - 3,2%.

**The Group participation in the affiliates’ loss** is BAM 11,26 million, which is 77,4% higher, compared to the year 2023.



# 2.4. Financial Position Report

As at 31/12/2024, the value of the total assets, i.e., total liabilities, was BAM 1.788,02 million and recorded 1,7% growth, relative to 31/12/2023.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (in BAM mill.)	31/12/2023	31/12/2024	% change
Long-term assets	1.330,25	1.558,35	17,1%
Current assets	428,35	229,67	-46,4%
TOTAL ASSETS	1.758,60	1.788,02	1,7%
Equity	1.033,77	1.083,92	4,9%
Long-term liabilities and provisions	243,12	386,54	59,0%
Current liabilities	481,72	317,56	-34,1%
TOTAL EQUITY AND LIABILITIES	1.758,60	1.788,02	1,7%



# 2.5. Cash Flow Report

At the end of 2024, cash and cash equivalents of the Group were BAM 37,50 million, namely BAM 12,5 million or 50,0% higher, relative to the final cash status in the previous year.

CONSOLIDATED STATEMENT OF CASH FLOWS (in BAM mill.)	2023	2024	% change
Net cash inflow from operating activities	208,11	144,72	-30,5%
Net cash inflow/outflow from investing activities	(124,69)	88,74	-
Net cash outflow from financing activities	(83,00)	(220,97)	166,2%
Net increase in cash and cash equivalents	0,41	12,49	-
Cash and cash equivalents at the beginning of the period	24,59	25,01	1,7%
Cash and cash equivalents at the end of the period	25,01	37,50	50,0%



## 2.6. Information per Segment

In line with the IFRS 8, Mtel's reporting segments are fixed network and mobile network.

The revenues and results of the segments for the respective one-year periods, ending on 31/12/2023 and 31/12/2024, represent the revenues generated from the sales to the external customers, where the inter-segment revenues within the period have been eliminated.

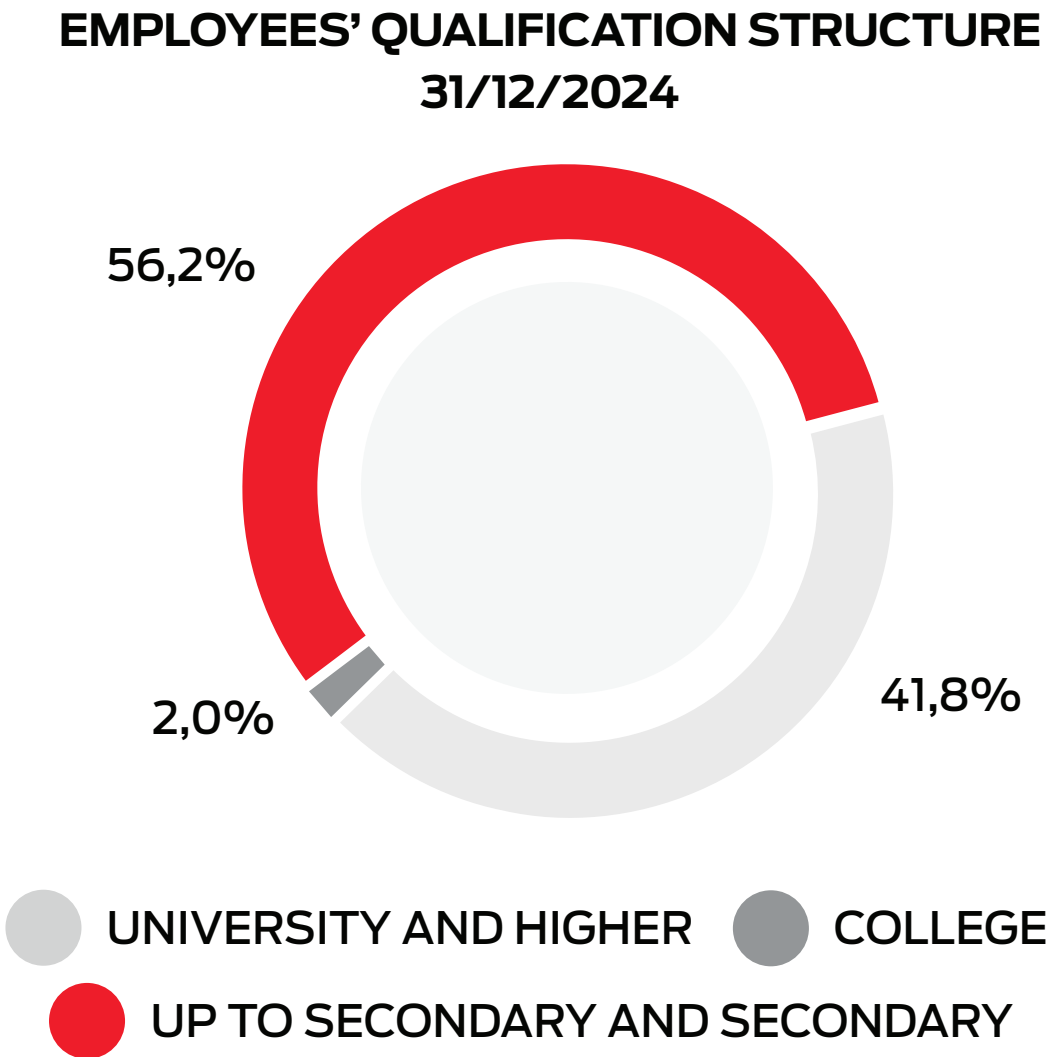
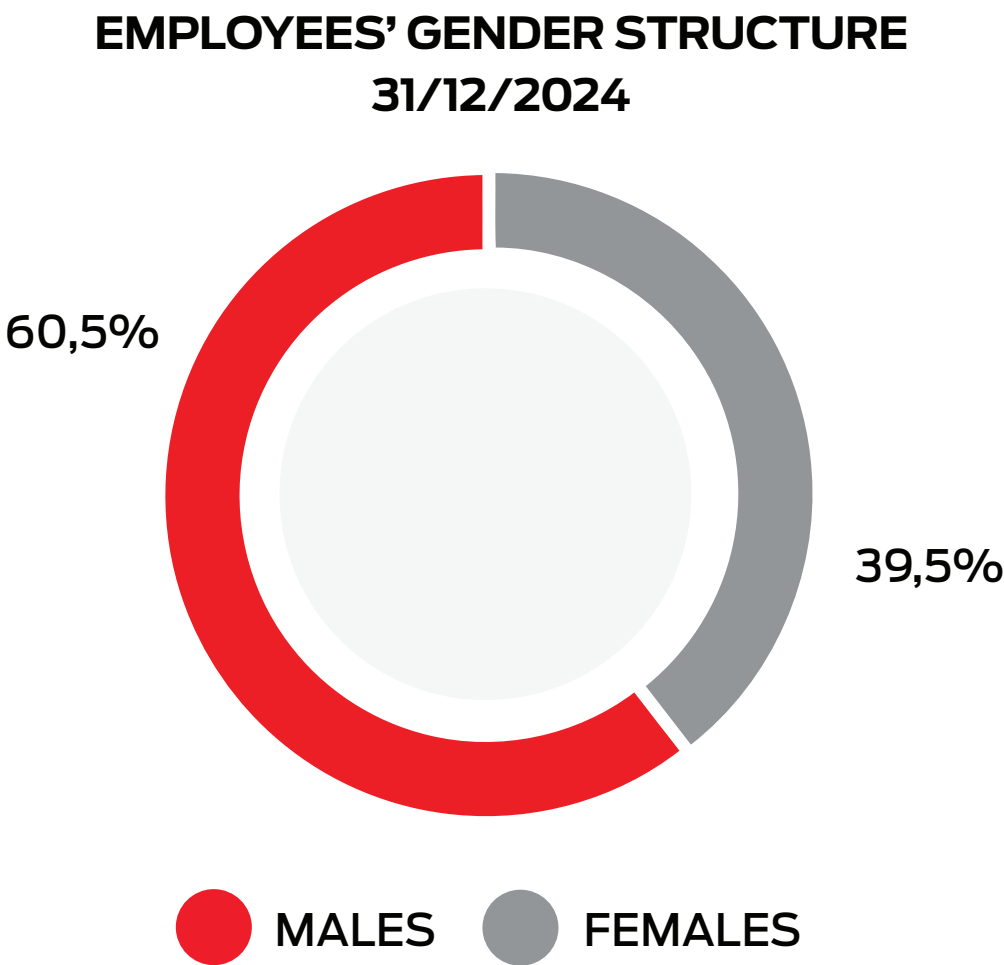
The profit of the segments represents the profit of each segment, with included all costs allocation, on the basis of the revenues realized by each respective segment.

SEGMENT REVENUES AND RESULTS (in BAM mill.)	Fixed-Line Network	2023 Mobile Network	Total	2024		
				Fixed-Line Network	Mobile Network	Total
Sales of goods and services	245,12	272,62	517,75	259,45	281,34	540,79
Other operating income	26,36	283,00	309,37	23,08	9,66	32,74
Intersegment settlement	85,17	35,11	120,28	88,86	36,44	125,30
Operating expenses	228,50	197,75	426,25	245,07	214,26	459,34
Finance income	1,40	0,81	2,21	2,02	2,01	4,03
Impairment of financial assets	1,37	1,51	2,88	1,51	1,67	3,17
Financial expenses	13,92	14,61	28,53	12,36	13,21	25,56
Intersegment settlement	35,11	85,17	120,28	36,44	88,86	125,30
Share in the profit of associates	9,91	11,02	20,94	1,42	1,53	2,95
Profit before taxes	89,07	303,53	392,60	79,43	13,00	92,43
Income tax expense	8,65	29,48	38,12	8,99	0,88	9,87
Net profit	80,42	274,05	354,47	70,45	12,11	82,56

# 2.7. Human Resources

As at 31/12/2024, the total number of the employees on the Group level was 2.612, i.e., there were 9 employees fewer than at the end of the previous year.

NUMBER OF EMPLOYEES OF THE GROUP	31/12/2023	31/12/2024
Mtel a.d. Banja Luka	2.051	2.043
Logosoft d.o.o. Sarajevo	214	208
Blicnet d.o.o. Banja Luka	308	325
FINANC d.o.o. Banja Luka	39	37
Trion Tel d.o.o. Banja Luka	10	-
Total	2.621	2.612



# 3. Subsidiaries

- 3.1. BLICNET, D.O.O. BANJA LUKA
- 3.2. LOGOSOFT, D.O.O. SARAJEVO
- 3.3. FINANC, D.O.O. BANJA LUKA

# 3.1. Blicnet, d.o.o. Banja Luka



## COMPANY'S BASIC DATA

### FULL BUSINESS NAME

„Blicnet“, društvo sa ograničenom odgovornošću za telekomunikacije Banja Luka

### SHORTEN BUSINESS NAME

„Blicnet“, d.o.o. Banja Luka (brand \*supernova)

### SEAT

Banja Luka, Vuka Karadžića 2

### WEBSITE

www.supernovabih.ba

### OPERATIONS

Information, communications, business solutions, system integrations

### ORGANIZATIONAL FORM

Limited liability company

Blicnet's main business activity is wire telecommunication, and the Company provides fixed public telephony services, mobile telephony services, internet access, and distribution of audio-visual media services and radio media services, as well as performs other activities.

Blicnet operates in accordance with the valid licences granted by the Agency:

- General Licence for public operator, continued through the Licence for performance of the activities of the operator of public electronic communications networks,
- Licence for performance of the activities of the provider of fixed public telephone services,
- Licence for performance of the activities of the internet provider,
- Licence for distribution of audio-visual media services and radio media services.

Since April 2024, Blicnet has been listed on the active providers of public mobile telephony services list.

BRIEF HISTORY OF STATUS CHANGES

1992

Incorporated under the name of Aneks d.o.o. Banja Luka

2008

70% o the capital share sold to the legal entity of Telekom Slovenija d.d. Ljubljana. According to the Decision of the Basic Court in Banja Luka, it was performed merger by acquisition of the „Blic.Net“ d.o.o. Banja Luka Company and amendment of activities

2009

According to the Decision of the Basic Court in Banja Luka, it was performed status change of merger by acquisition of the Company of Netkom d.o.o. Banja Luka.

21/02/2013

The District Commercial Court in Banja Luka, performed the registration of the of the change of membership (withdrawal) in the register and transfer of the Company's capital share, by which the Company obtained one sole owner of 100% capital share.

30/07/2013

Name branding was performed and Company's business name change registered with the District Commercial Court. The legal entity continued to pursue activities under the name of „Blicnet“ Limited Liability Company for Telecommunications Banja Luka („Blicnet“ društvo sa ograničenom odgovornošću za telekomunikacije Banja Luka.

2019

According to the Decision of the District Commercial Court in Banja Luka, it was performed the registration of the status change, when Telekomunikacije Republike Srpske a.d. Banja Luka, became the new owner of 100% Blicnet d.o.o. Banja Luka capital share.

2022

According to the Decision of the District Commercial Court in Banja Luka, of 12/09/2022, in the business Entities Registre of this Court, it was performed the registration of the status change of merger by acquisition of the „Elta-Kabel“Company for transmission of sound, picture and other information and „TEL RAD NET“ Limited Liability Company to the acquisitor company of „Blicnet“ d.o.o. Banja Luka, with amendment of activities and increase of the capital.

2023

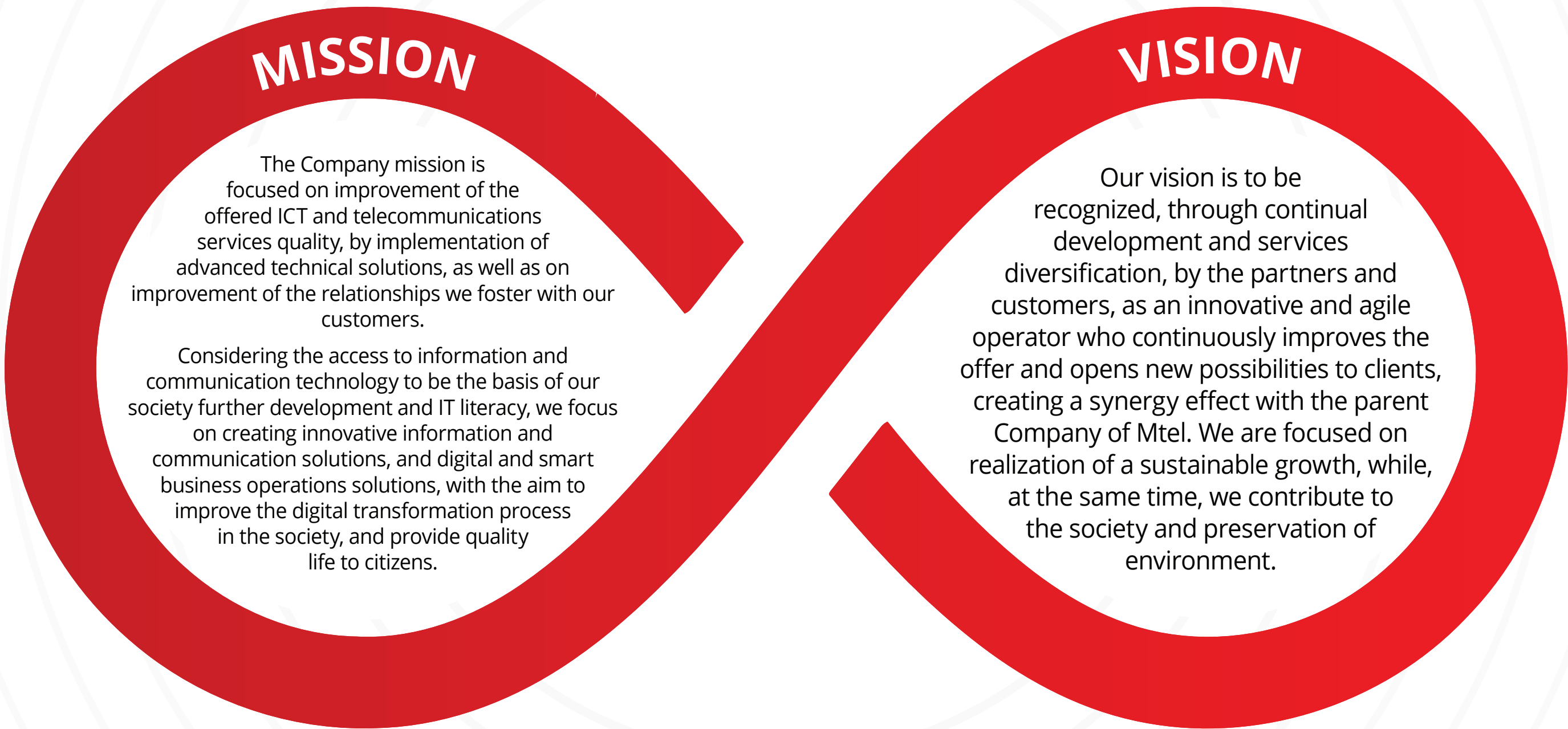
According to the Decision of the District Commercial Court, the amendment of the Company's activities was registered , by which the Company satisfied the requirements for obtaining the license for organization of games of chance.

Management Bodies

The Decision on new internal organization of the Blicnet d.o.o. Banja Luka Company was passed in September 2022.

Management bodies of the Company are the Company Assembly and Management. The Company Management includes the Director and Functions Directors.

Mission, Vision, and Corporate Values



The Blicnet Company is committed to pursuing its its business activities in adherence to the core values, which are shared by all Company employees and which ensure trust and quality cooperation within the Group, with the users and business partners.



# Services Portfolio

## Fixed telephony

- Fixed telephony services
- Number portability
- IP Centrex service
- Tariff options: INO+, BiH flat, Prijatelj broj
- Free customer service number 0800
- BIZ IP trunk

## Internet and data

- Internet service, cable, optical and wireless infrastructure
- Asymmetric Internet access
- Asymmetric direct access
- Direct Internet access
- Fix IP address
- Siguran internet Service
- Other internet services (Web hosting and Domain)
- VPN MPLS L2/L3
- Lease of E-line
- Lease of optical fiber

## Integrated services

- Service packages for residential users (2 and 3 services)
- BIZ – integrated services packages (2 and 3 services)
- Provisional connection
- Prepaid integrated package - television and mobile internet

## Mobile telephony

- Mobile telephony services
- Mobile internet
- Number portability
- Roaming services
- Tariff options Internet
- Tariff options – INO

## Multimedia services

- Digital television, cable, optical and wireless infrastructure
- Non-linear multimedia services (catch-up, pause, watch back)
- Multiscreen
- Video stores
- Streaming services

## ICT/SI services

- Software development
- Android application development
- SMART City solutions
- System integrations and ICT solutions
- Call Center Solutions (3CX)
- Server housing
- Control of access to commercial and residential objects
- Maintenance of computer equipment
- Maintenance of telephone exchanges

## Other services

- LAN and WAN computer network design
- Design of security IT solutions
- Procurement and delivery of licenses
- Training
- Lease of WiFi and other equipment

## New Services and Improvement of Existing Services

Blicnet is committed to continuous improvement of the services' quality, which is reflected in a strong commitment to provision of the telecommunications services that meet the users' needs and expectations.

Blicnet's focus during 2024 was strengthening the \*supernova brand, the MOVE brand, and promotion of the services from the portfolio in the BIH territory. During 2024, the service portfolio has been extended to the organization of online games of chance.

### MOBILE TELEPHONY

In early September 2024, Blicnet officially launched its mobile telephony service as Mtel's service provider, within which it offered the users the postpaid mobile telephony and postpaid mobile internet services.

The offer of mobile telephony services includes the postpaid tariff models with the commercial names **DOBRA, BOLJA and NAJBOLJA** (GOOD, BETTER and THE BEST), within which the users are offered a certain amount of bonus minutes, messages, and internet.

Bonus minutes and bonus SMS messages, allocated within the selected tariff model, can be used when the users are in the \*supernova network, and in roaming as well, in the countries of the Western Balkans region (BIH, Serbia, Montenegro, North Macedonia and Albania).

The offer also includes **MobNet20 and MobNet100** postpaid mobile internet tariffs with a more mobile internet bonus within the monthly subscription, while voice traffic is not allowed. After the mobile internet bonus, included in the selected tariff model subscription, is used, the user may use mobile internet only by **purchasing internet tariff options**.

### MULTIMEDIA SERVICES

In 2024, the IPTV platform has allowed for the television service portfolio extension, to offer the users the **MOVE TV** on the open network as an OTT service, on the internet networks of other operators within BIH, offering program contents in accordance with OTT distribution rights in the BIH territory.

With the development of the MOVE IPTV platform, the technical prerequisites were created for \*supernova to expand the territory in which it provides services and increase the Mtel Group's market share in the BIH territory, through business and technical cooperation with smaller cable operators.

In 2024, new **MOVE tariffs** are offered that include advanced TV functionalities in the areas where it is technically possible. \*supernova includes Super and Super Move tariffs in its offer.

**Super tariffs** include the offer of fixed television, internet, and telephony services via cable, optical, and wireless technology (non-integrated and integrated services), which are created as a result of several months of analyses of the existing tariffs of all three former companies.

**Super MOVE tariffs** include television services via cable and optical technology (solo or in a package with other fixed services) with advanced TV functionalities such as: start over, catch-up, pause TV, and video on demand. Advanced TV functionalities are available to the users on their TV receivers via hybrid STBs, as well as on mobile devices (mobile phones and/or tablets) via a mobile application that the users receive upon signing new Super MOVE tariff contract with television service. The Super MOVE tariff is currently offered in accordance with the technical capabilities of the \*supernova network.

**During 2024, improvements were made to the TV content and the MOVE TV platform.** The new version of the MOVE TV application brings a more modern look to the user interface, new and improved existing options through the menu: SVoD contents are aggregated into one page “Video club”, My TV (Home). The page allows for creation of active promotional strips to facilitate the content selection and enable the promotion of selected content, and the new page, “Packages and services” allows the user to subscribe to packages and install applications such as Youtube on their Move STB.

**Also, during 2024, the content offer in existing video stores** (Nick plus, Superstar, Pickbox NOW, Apollon, Filmbox) was enhanced with films and series of various genres from domestic and foreign production. New video libraries AXN Now, Epic Drama, Telcast, Balkan Music and Videoteka 4K with content in 4K resolution were introduced to the offer.

In addition to SvoD content in video stores, in 2024, users were offered to “binge” the series - “Toma”, “12 reči II sezona” and “Močvara 3”.

**Non-linear functionalities, catch-up, time shift and start over, have been enhanced**, increasing the number of channels on which the service is available and the number of days of recorded content on individual channels, so that, through the platform, the users may access catch-up content for one, three, seven and twelve days, depending on the channel. At the end of 2024, the users had 176 channels with non-linear functionalities available, out of which, 133 channels with 7-day catch-up option.

Through standard and \*supernova digital television, it is possible to watch larger number of new TV channels in the program schedule. The following new TV channels stand out: AXN, AXN

Spin, Yachting TV, NEWSMAX Balkans, Supertar 3, Hayatovci, Hayat Stil. Nine radio stations have also been added into the distribution.

**INTEGRATED SERVICES**

Following the market demand, the integrated services portfolio was enhanced in 2024 with a unique offer in the BIH market, namely, **integrated prepaid package with television service (MOVE TV) and mobile internet**, for users who prefer the service without contract, which can be purchased in retail stores (gas stations, kiosks, etc.). Within the integrated prepaid package MOVE TV and mobile internet, the user can purchase one of two starting packages:

- MOVE TV+Mob Net 20 GB
- MOVE TV+Mob Net 100 GB

MOVE TV account can be topped up by registering any bank’s payment card for payment on the movetv.ba portal and via Sbon vouchers.

In 2024, new Super MOVE tariffs are offered, with functionality of higher price rank than the Standard tariffs, and the most important services from the offer include:

- **DUO integrated services package called Super Move TV+NET**, which is unique in its features and price, and meets all user requirements. The package is available via cable and fiber optic infrastructure in accordance with technical capabilities.
- **TRIO integrated services package called Super Move TRIO**, which combines all services with better bonuses and great cost-effectiveness. The package is available via cable and fiber optic infrastructure in accordance with technical capabilities.

**INTERNET**

The Wireless infrastructure modernization at the locations where \*supernova cannot provide the internet service via optical or cable infrastructure, enhanced the network and increased the number of business users who receive the service via reliable PTP Wireless technology.

**FIXED TELEPHONY**

The solo fixed telephony service can be implemented on all three existing infrastructures (Cable, Optical, and Wireless).

In 2024, activities have continued to support and improve 3CX solutions and procurement of licenses on behalf of the users, with the aim of maintaining the achieved Silver Partner status.

The \*supernova service portfolio includes the delivery and implementation of 3CX corporate telephony and call center solutions. The offer also includes IP Centrex solutions aimed at connecting multiple remote end-user locations into one group, free calls within the Centrex group, call plan (outgoing and incoming calls, forwarding), short connection, call transfer, etc.

**ICT/SI SERVICES**

During 2024, significant progress has been made in improvement of the internal information and communication technologies (ICT) and information systems (IS), given the growing trend to use advanced technologies. In addition to sophisticated IT solutions, the focus was also put on hardware and software programs.

In 2024, with the aim of the ICT/IS services diversification, the service portfolio was enhanced with new highly specialized solutions, out of which the following are emphasized:

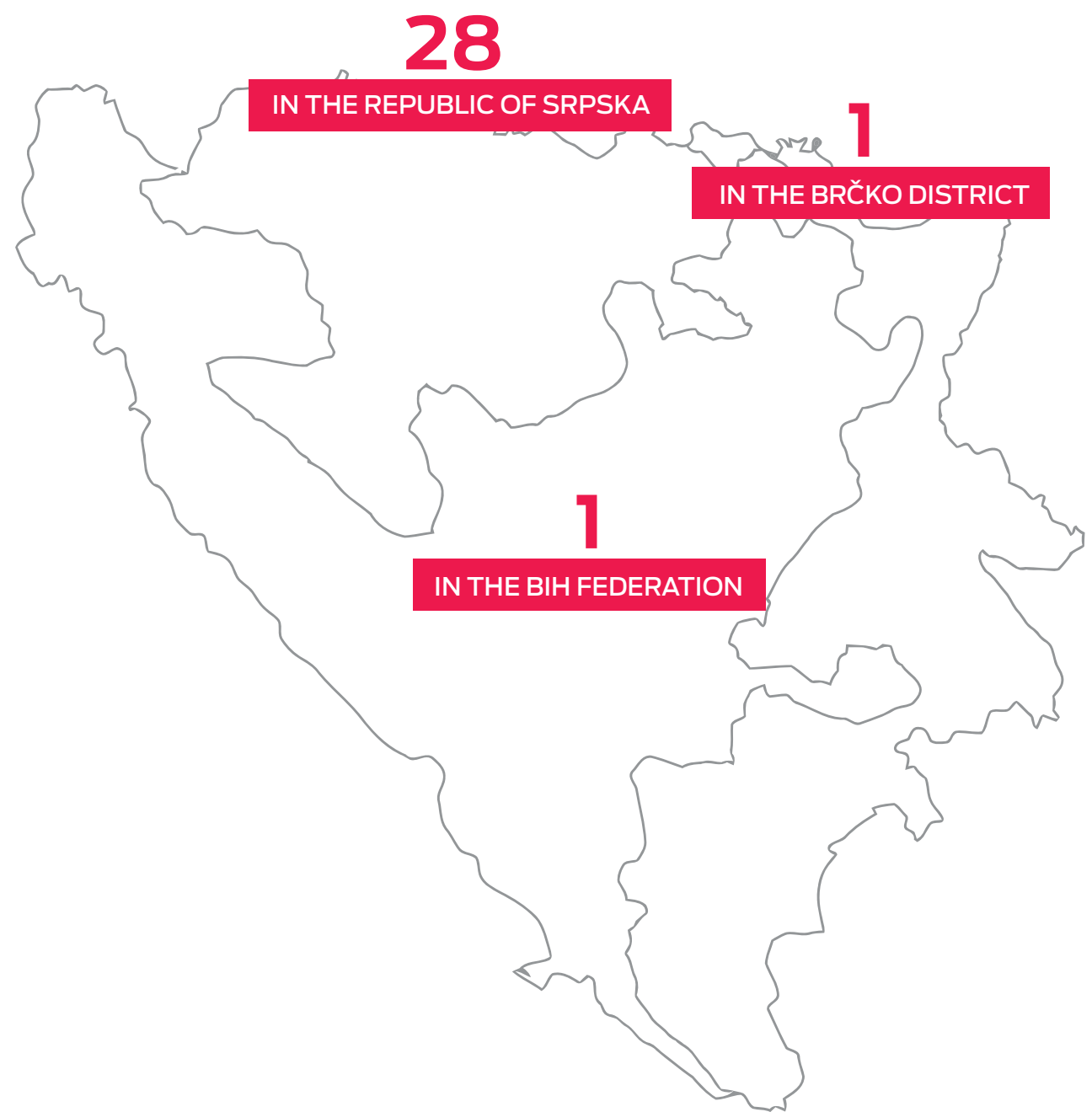
- Preparation of all types of investment technical documentation, technical project control, passive network infrastructure implementation, SD WAN network infrastructure implementation, IP Telephony systems, contact centers, business WiFi networks, Data Centers design and implementation, virtualization systems implementation, data backup systems implementation, data storage systems implementation, monitoring and management systems implementation, IT Security solutions implementation, highly available infrastructure services, IP Security (perimeter), internal network infrastructures security, centralized authentication and authorization of users and computers in the network (LDAP), virtualization environments implementation, desktop platforms (deployment) implementation, data archiving systems implementation, "Smart City" solutions implementation, implementation of

solutions for print consolidation, telecommunications and energy systems design and development, of products and services "gamification", software solutions development, Android and iOS mobile applications development and delivery, access control and time recording.

This extended portfolio reflects our commitment to provide high-quality and innovative solutions, and position \*supernova as even more competitive entity in the market.

## Sales channels

Thirty business units are available to users in Bosnia and Herzegovina:



### Retail sales to residential customers are organized through:

- **Direct sales channel**, organized through four sales network services: Region 1, Region 2, Region 3 and Region 4, which operate in 30 business units in Bosnia and Herzegovina. Within the direct sales business units, sales employees present and sell all Blicnet services, as well as receive complaints about goods and telecommunications equipment/services.
- **Telesales**, which performs the services presentation activities, provides pre-sales support and initiates the conclusion of contracts for the use of all services and telecommunications equipment by telephone, throughout Bosnia and Herzegovina.
- **Web sales**, carried out through the website [www.supernovaBIH.ba](http://www.supernovaBIH.ba) for a significant part of the services from the Blicnet portfolio. The user

requests are received through the web shop, being an integral part of the web portal, and are processed in the Blicnet business units. Afterwards, the contracts and equipment are sent to the users via delivery services directly to the user's address.

- **Field sales**, organized through the activities of individuals who present the services and initiate the conclusion of contracts through direct contact in the field (door to door sales) with the existing and potential Blicnet users.
- **Indirect sales channel**, organized throughout Bosnia and Herzegovina, through the authorized intermediaries/partners activities who have concluded intermediary agreement or business and technical cooperation agreement with Blicnet. Intermediaries/partners present and sell certain portfolio of services in door to door sales, or in their own business units.

In accordance with market demand, Blicnet sales to business users are organized through direct sales channel. The offer includes fixed and mobile telephony telecommunications services, Internet access services, IPTV and digital cable television, ICT services, and system integration solutions in the Bosnia and Herzegovina territory.

Sales of telecommunications services, business solutions, ICT services, and system integration solutions to business users are carried out at two direct sales locations, in Banja Luka and Bijeljina. All of the above services and business solutions are implemented by engaging internal resources, or in cooperation with partners, who have signed the business and technical cooperation contracts with Blicnet.

Blicnet offers the following ICT services and business solutions: web applications, Android applications, configuration and maintenance of IP telephone

exchanges, monitoring and maintenance of user equipment and passive infrastructure, design and implementation of WiFi solutions, video surveillance, access control and recording at work, smart solutions based on LoRaWan technology (various types of reading and management using LoRaWan sensors) and other services in accordance with users' requirements.

### Capital Investments

The most important investment projects in 2024:

- **GPON optimization, new provisioning integration and VCCE data update** have been finished – the project realization enabled provisioning process automation and user equipment management in a uniform way for all devices;
- **HFC network upgrade** – along with standard maintenance of primary systems of HFC, WADSL and FTTH network, in 2024, the focus was on revitalization of cable infrastructure and

replacement of complete HFC access equipment. This included setting the new 10K CMTSSs, replacement of optical platforms with new Teleste equipment, and segmentation and upgrade to 16x4 DS/US configuration;

- **Revitalization of WADSL wireless network** – during 2024, the preparation and configuration of Event equipment for Wi-Fi, cnMaestro onboradinf, and additional new VLAN has been made for Wi-Fi Apps mng;
- **Optical infrastructure** – during 2024, significant FTTH network projects, as well as user migration, were implemented in cities and towns in the Republika Srpska. These projects provided users with access to faster, more stable, and reliable internet services, which improved the quality of everyday life and business;
- **Transport network development** – the project realization enabled a significant improvement of

the network, links are available and protected, and network maintenance simplified. Technical support has been provided, having provided for higher system availability, better service quality, and higher user satisfaction. Internet links with Mtel were raised to 50G, and with MTS - to 20G.

### Corporate Social Responsibility

As a socially responsible company, Blicnet has carried out numerous activities in 2024, the most significant of which are:

#### EDUCATION

- **Internship for secondary school students**, which offered the students a practical experience in the ICT profession and empowered them to apply it wherever they decide to continue their work and education;

- **support to the "Students' Days" event**, which included numerous sports games, educational workshops, lectures, humanitarian action, and entertainment;
- **third Supernova Hackathon in Istočno Sarajevo**, where Blicnet, in cooperation with the School of Electrical Engineering of the Istočno Sarajevo University, organized a programming competition. On this occasion, a rich prizemoney was provided for all competitors, all with the aim of strengthening the ambitions and development of young talented people in this field;
- **Smart City Forum**, which gathered a large number of experts in digital transformation, representatives of the local governments, educational institutions, IT companies, and international organizations, with the aim of exchanging ideas, experiences, and solutions for the improvement of smart cities in Bosnia and Herzegovina and the region;

- **Friend of the largest innovation fair in the country - "INOST 2024"** organized by the Association of Innovators of the Republic of Srpska and Association of Innovators of the City of Banja Luka, which gathers innovators from all over the world, people of various ages and categories.

#### CULTURE

- **Support to the 23rd Theater Festival "Comedy Days" in Bijeljina**, recognized as a significant event in the field of cultural events in our country by the Company, which proudly accepted to be a friend of the festival;
- **Folklore - guardian of tradition - "Pronija", "Đeram", "Kozarsko kolo" and "Easter Concert"** - during 2024, several different events were supported in Prijedor and Prnjavor;
- **"Kriva Drina" International Festival of Humor and Satire.**

## HUMANITY

- The **“Super Human Stories”** project, the aim of which was to promote talented, inspiring, brave and humane people in Bosnia and Herzegovina. The most memorable stories were selected, awarded, and presented to the public and the media through TV reports, interviews, etc. The project lasted for a year, and 29 awards were given in the form of tablets and Move services;
- **“Banja Luka Woman of the Year”** - at the ceremony in the Youth Center to announce the winners, Supernova awarded presents to brave and successful women;
- **Support to many civic associations and cultural and educational institutions** such as the Association of Parents of Children with Malignant Diseases "Iskra" Banja Luka (Parents' House), the Association of Citizens "Zmajevac" Bijeljina, the Association of

Women with Breast Cancer "Iskra" Banja Luka, the Technical School Mihajlo Pupin Bijeljina, the Student Parliament and many others.

## SPORT

- **Support to the 3rd International Bowling Tournament "Gradiška Cup 2024";**
- **Blicnet and numerous local sports collectives** deserve public attention for their work and dedication, their striving to foster greater motivation for the sports clubs to continue active engagement and improve their results;
- **Hero's run - the obstacle race** was an ideal opportunity for the Company to further connect with sports and nature lovers, and be a friend of this exciting event;
- **Supernova partner of the sports scene in Doboj** - numerous sports events have been held in Doboj lately, and Supernova has wholeheartedly supported them as a partner and promoter of sports in this city.

## MUSIC

- **"OK Fest" on Tjentište and "Beerka Festival"** - during the summer, Supernova, with the Move brand, supported two festivals that gathered large number of visitors from the entire region. The Move brand was presented there, and entertainment was provided for all ages.

## ECOLOGY

During 2024, numerous activities were carried out with the aim of environmental protection, including the ecological disposal of equipment and materials that contain hazardous components.

This process helped reduce the negative impact of hazardous substances on the environment. Also, in order to raise awareness about the environmental situation, the 41st fine art and environmental colony "Bardača-Srbac 2024" was supported, which gathered artists and environmental activists, having created space for creative expression and education about the importance of nature preservation.

Human Resources

As at 31/12/2024, the total number of Blicnet employees was 325.

In the employee structure, the majority of employees have secondary school education – 53,8%, and are followed by the employees with university degree - 43,4%, and the employees with college degree - 2,8%. Out of the total number of employees, 40,0% were females and 60,0% were males.

The Company continuously recognizes the need to improve the employees knowledge and skills, required for performing their daily work, as well as the need to improve employees' motivation. Numerous training sessions with more than 640 participants in various types of

EMPLOYEES	31/12/2023	31/12/2024
Total number of employees	308	325
Employees' qualification structure		
up to Secondary and Secondary	164	175
College	8	9
University and higher	136	141
Employees' age structure		
<30	53	59
30-50	205	205
>50	50	61
Employees' gender structure		
Male	186	195
Female	122	130

education were held during the year, which indicates a significant commitment to employee education and progress. Team building activities were also organized for over 120 employees.

Trainings for employees assigned to positions with increased risk were regularly organized, namely, training in occupational health and safety, fire protection, as well as training for working at height, and they obtained the appropriate licenses.

During 2024, mandatory occupational health and fire protection trainings were regularly conducted, in accordance with the deadlines set by the acts in the field of occupational health and safety, and in connection with the deadlines from the Risk Assessment Act. During 2024, occupational health and fire protection trainings were organized for 322 employees and all of them successfully passed the trainings.

## Customer Care

Last year was dedicated to activities in improving the customer experience, so that the customers would feel that we care about their needs at all times.

With the aim of measuring customer satisfaction and controlling the quality of service, the Contact Center provided customer support through various communication channels, including voice service, responding to incoming emails, inbox on social networks (Facebook and Instagram), as well as through mobile user application and WEB Self Care portal.

CUSTOMER CARE	2023	2024
Total number of complaints on an annual basis	3.715	3.274
The degree of successfully resolved complaints	100,00%	100,00%
Number of calls made in the contact center	540.186	617.913
Number of calls made in the contact center - serviced	361.008	500.582

The Contact Center plays a key role in providing fast and efficient support to customers. The main tasks include achieving a high level of serviced calls, providing accurate information, providing maximum technical assistance to resolve customer issues, and responding to each customer's request as soon as possible.

In 2024, the number of complaints in relation to the total number of issued invoices was only 0,14%, which is a decrease of 0,03% compared to 2023. This trend indicates an improvement in customer satisfaction and service quality. Also, the percentage of serviced calls in the Contact Center has significantly increased, and the number of received contract termination requests and requests for bill reduction, due to poor service quality, has decreased.

The total number of received customer requests and complaints in 2024 decreased by 441 compared to the previous year, which confirms the successful approach in providing quality customer support and continuous improvement of the user experience.

## Risk Management

In its business operations, the Company is, in various extents, exposed to financial risks, such as market risk (includes the foreign currency exchange rate fluctuation risk, interest rate change risk, and the capital price change risk respectively), liquidity risk and credit risk.

The risk management in the Company is directed towards minimizing potentially negative impacts on the financial standing and business operations in the unpredictable situation at the financial markets.

## ISO Standards Implementation

The Company's management, being aware that the ISO standards introduction brings multiple advantages, such as ensuring the quality of products and services that affect user satisfaction, as well as information security that ensures adequate protection of the Company's data, users, employees, and other stakeholders at all stages of processing, decided to direct the activities towards the implementation of international standards.

In May 2024, a decision was made to introduce two international ISO standards:

- ISO 9001:2015 - Quality Management System and
- ISO/IEC 27001:2022 - Information Security Management System.

These standards allow the Company to improve operational efficiency and provide guaranteed high standards in all business processes, which further contributes to maintaining and strengthening its reputation in the market.

At the end of October 2024, members of the project team attended online training for internal ISO auditors, lasting for several days. All of them successfully passed the test and received certificates, having confirmed their competences for performing internal audits, which further connected the value of the Company with the application of the highest standards.

In the oncoming period, the Company plans to continue working on identifying, assessing, and treating information security risks, as well as continuously monitoring, measuring, controlling, and improving all elements of the IMS (Integrated Management System). By introducing new standards, the Company seeks to preserve and improve its status in the market, with a constant commitment to quality and safety.



## 3.2. Logosoft d.o.o. Sarajevo



### COMPANY'S BASIC DATA

**FULL BUSINESS NAME**

“Logosoft privredno društvo za informatički inženjering”, d.o.o. Sarajevo

**SHORTEN BUSINESS NAME**

“Logosoft” d.o.o. Sarajevo

**SEAT**

Sarajevo, Grbavička 4

**WEBSITE**

[www.logosoft.ba](http://www.logosoft.ba)

**OPERATIONS**

Information, communications, business solutions, system integrations

**ORGANIZATIONAL FORM**

Limited liability company

Logosoft's core business are the service activities in the sphere of:

- fixed telephony,
- mobile telephony,
- internet and data,
- ICT/IOT services,
- combined services,
- multimedia,
- other services.

The Company of Logosoft d.o.o. Sarajevo was founded in 1995 as IT engineering company. Since its incorporation until today, the Company has extended the range of its services, from internet access services via its own optical infrastructure, fixed and mobile telephony services, IP television, network integrations, software

and business solutions, collocation, and cloud services in its own Data Center, services related to cyber security, to IT education.

In February 2017, Mtel a.d. Banja Luka became 100% owner of Logosoft.

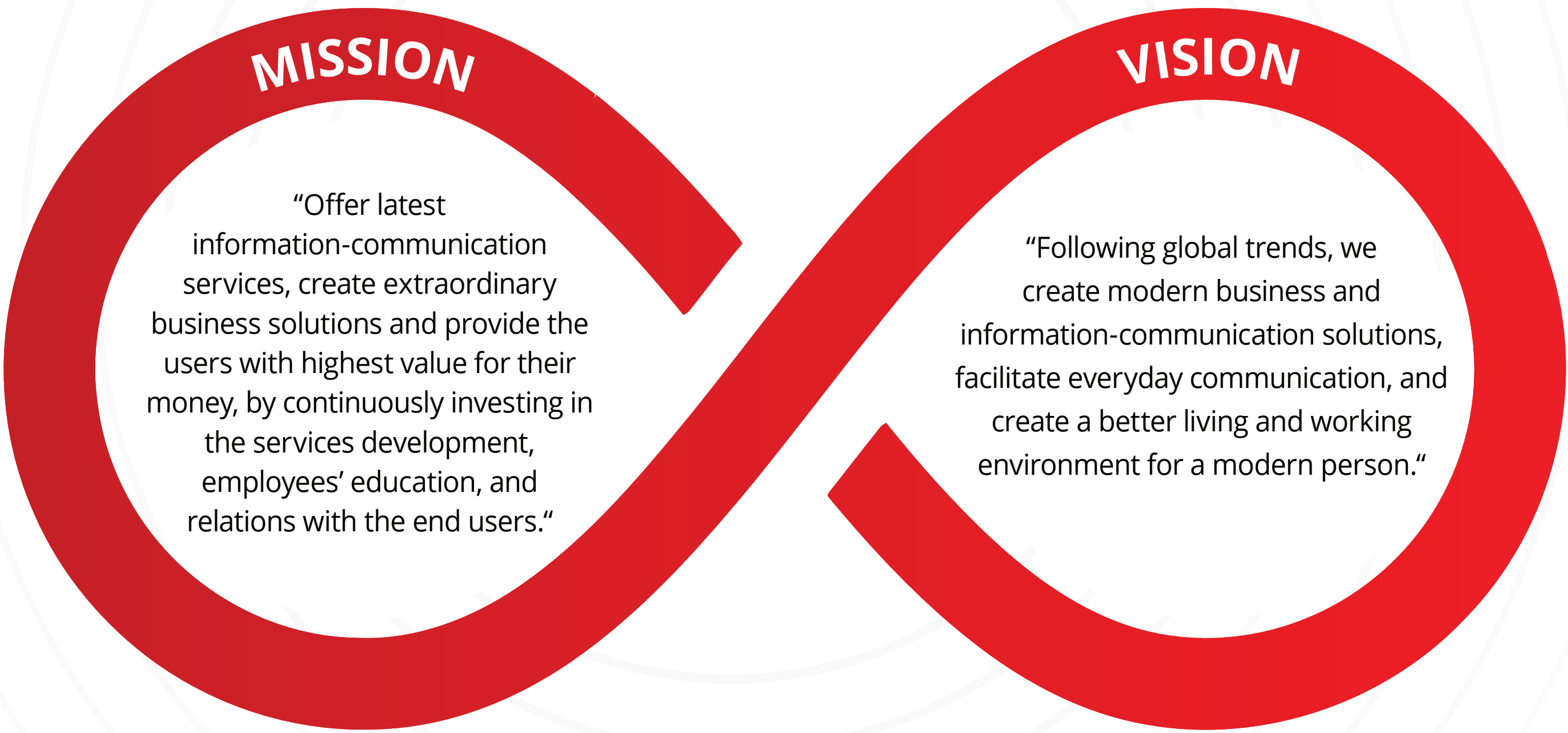
In 2017, Logosoft d.o.o. Sarajevo enhanced its business activities outside the BiH market, and established the daughter company of „mts sistemi i integracije d.o.o. Beograd“ in Serbia. This Company, 100% owned by Logosoft, operates in the information systems development and maintenance, from the ICT infrastructure design, implementation, and supervision, to the introduction of business solutions, using the products of leading corporations.

The Company is recognized as the leader in the market of modern, business information-communication solutions for clients of all profiles.

### Management Bodies

Management bodies of the Company are the Company Assembly and Management. The Management includes the CEO and, at least, two Executive Directors, one of them being the Executive Director for Finance.

### Mission and Vision



# Services Portfolio

## Fixed telephony

- Fixed telephony services
- Number portability
- IP Centrex service
- Robocaller service
- Direct Routing for Microsoft Teams

## Mobile telephony

- Mobile telephony services (postpaid within integrated packages, LOGO! BIZ tariffs)
- Tariff options
- Number portability
- Mobile internet (LoGO!NET)
- International Roaming Services
- eSIM service

## Internet and data

- Permanent internet links
- Internet packages (xDSL)
- Logosoft PRO WiFi
- Remote locations connecting (L2VPN link, leased lines)
- Other internet and related services (DDoS protection, WEB&E-mail Hosting, Domain registration)

## Integrated services

- Integrated services packages for residential users - internet, television, fixed and mobile telephony
- LoGO! Slagalica (2, 3 and 4 services)

## Multimedia services

- LoGO! Move service

## ICT/IoT services

- Cloud services in Logosoft Data center (Virtual machines, Virtual firewall, Offline backup, Hosting)
- Colocation services in the Logosoft Data Center
- Authorized Microsoft CSP partner (Microsoft 365, Windows 365, Microsoft Defender and all other Microsoft licenses)
- Data protection and Cyber security solutions
- Fortinet, Cisco, DELL EMC, Supermicro, Ubiquiti solutions and services
- Business solutions (Microsoft Dynamics 365 Business Central and CRM)
- System integration services
- Implementation and maintenance services
- Distribution of YubiKey security keys
- Professional IT education - authorized Microsoft education center
- Certification Services - Pearson Vue Testing Center
- Consulting services

## Other services

- Civil construction and installation works

## New services and improvement of existing services

**In the business solutions and services segment in 2024, the activities continued in the Cyber Security Solutions service visibility and enhancement,** which included a set of required solutions for the companies to be, and remain, safe from the cyber-attacks, but also the ways for cyber-attacks recovery. The mentioned solutions, among other things, encompass the protection of key company resources - employees, equipment, network, identity, and data, as well as documenting the policies, procedures, and rules, and education of all employees. Along with these, it was enhanced the security solutions volume with the so-called Threat intelligence platform, which enables detection, prevention, elimination, and recovery from modern cyber threats.

**In terms of continuous services for business users,** the most prominent services in 2024 are permanent internet links, remote locations connecting – VPN, fixed and mobile telephony services with mobile internet, Microsoft 365 solutions for server and business applications, local, global, and hybrid cloud solutions, and network and system infrastructure maintenance services. In addition, other solutions that significantly affect business improvement, such as YubiKey security solution, Robocaller, IP centrex, Anti-DDoS protection against unwanted attacks, SSL certificates, and consulting services, are recognized by companies as services that significantly increase agility, protection, collaboration, and overall work efficiency.

**During 2024, within the combined packages of LoGO! Slagalica, an OTT service for providing TV services was additionally introduced to the users,**

implemented via the Move application. Postpaid mobile tariff services intended for residential users have become more competitive on the market through increased mobile internet bonuses amount and the implementation of the so-called "Move zero" consumption in all Logosoft mobile tariffs.

**During 2024, the Logosoft Company has maintained its position in the local, and realized business expansion in the regional market,** by continuing a successful partnership with global cloud vendors, and direct connection with the greatest global transit super providers, by which it was enabled a high level of quality, availability, reliability, and scalability of cloud-based services. This has led Logosoft to maintain the position of a perfect partner in the contemporary security cloud-based technologies and collocation services, with information-communication platform, enhanced with cloud and collocation services, which the users have recognized as the best

business solution. The most important advantages of the cloud-based services are cost reduction, flexibility, business continuity, and information security, but, also, user support that enables the user to focus on market and competition, working in a reliable IT environment in which they can realize their aims. In line with the above, during 2024, **a positive trend in sales of the collocation services and cloud-based services from the Logosoft Data Centre has continued**, with the majority of users of these services from the public sector.

In 2024, the Company implemented a project in the public segment, with the aim to digitalize the scholarship awarding process, the first project of this type in Bosnia and Herzegovina.

During 2024, **partnership and cooperation was established with the world leader in the server and AI infrastructure solutions – Supermicro.**

During 2024, Logosoft has continued to build up its innovation and expertise through its presence on the Microsoft AppSource platform, with three officially released applications: "Logosoft BA Localization", "Payrolls", and "Compensations", which are subject to constant updates and improvements.

"Logosoft BA Localization" allows the adaptation of the Microsoft Dynamics environment to the specifics of the Bosnia and Herzegovina market, while "Payrolls" and "Compensations" provide advanced solutions for efficient payroll and compensation management. These applications not only highlight Logosoft's expertise in the Microsoft Dynamics ecosystem, but also provide great value to clients, optimizing their business processes in accordance with the local laws, standards, and requirements, directly affecting the efficiency and productivity increase on the clients' side.

**The Logosoft Company possesses the prestigious Microsoft Gold Enterprise partner competence** and has a localization CfMD module for Business Central 14, 18, 21, 22, 23, NAV 2018, NAV 2016, NAV 2013, NAV 2009, NAV 2005, as well as a CfMD module for the HR module and payroll for the BiH market, which all represent significant comparative advantage. Logosoft is also one of few Microsoft Cloud Solution Providers (CSP) in the region, enabling the direct sale of complete Microsoft cloud services portfolio, without intermediaries.

## Corporate Social Responsibility

As a socially responsible company, Logosoft carried out numerous socially responsible activities in the following areas during 2024:

- **Culture and Arts** – through the following activities:
  - support for the Sarajevo Philharmonic, Chamber Theater 55 and Youth Theater;
  - donation to the "Music on a Wire" project, which provided children with access to classical music and its educational aspects.
- **Sports** – through sponsoring the Sports Association of the Deaf and Hearing Impaired, supporting sports competitions and the integration of people with disabilities into society.
- **Healthcare** – through providing support to the Clinical Center of the University of Sarajevo, support was also provided to the "Race for the Cure" event, which was organized to raise awareness about breast cancer and raise funds for research and support to patients.

- **Education** – through the following activities:
  - support to the project "I Love Mathematics", a popular science event that motivates students to engage in science and research,
  - support to the students of the Second Grammar School in Sarajevo, who participated in the STEM Olympiad,
  - donation to educational institutions located in areas affected by the floods in 2024.
- **Support to humanitarian associations** – which aim to help the most vulnerable categories of society through **donations to the citizens' and patients' associations** (Association Pomozi.ba, Citizens' Association Radio Club "Sarajevo", "UG RUKE", Citizens' Association "Culture of Memories", Association of PTSD patients "Život" and Association of Cerebral Palsy Patients of the Sarajevo Canton), thus continuing the mission of providing assistance to those who need it most.

With a special focus on **helping children with special needs and children from vulnerable families**, last year Logosoft provided funds to four organizations (Association "Svaki dan ljubavi daj", "World Vision BIH", "Obrazovanje gradi BIH" and Association "Ruku na srce").

Financial **support was also provided to the purchase of medical equipment and the improvement of the work of eight associations that provide support to children and vulnerable groups in BIH**, as part of a project organized by the American Chamber of Commerce (AmCham) in Bosnia and Herzegovina. The associations that received funds are: Heart for Children with Cancer, SOS Children's Villages BIH, PIPOL Association, ISKRA, "Vedri osmijeh" Association of Parents and Children with Special Needs, "Los Rosales" Center for Children and Youth with Special Needs and Prijateljska kuća.

**Various material resources were donated**, including TV sets, PlayStation consoles, laptops and

related technical equipment to the Bjelave Children's Home in Sarajevo, which enabled the improvement of the conditions for children in this institution.

**Presents were also donated to children** in the children's psychiatry department at the KCUS Sarajevo, to improve the conditions for treatment and staying of children in this institution.

- **Contribution to the progress of the business sector, innovation and competitiveness in Bosnia and Herzegovina** - through supporting the work and activities of AmCham BIH.

## Human Resources

**As at 31/12/2024, the total number of the Logosoft employees was 208.** The total number of employees has also encompassed the 100 employees of the „mts sistemi i integracije“, d.o.o. Beograd Company, recorded on 31/12/2024.

In the employee structure, the majority of employees have secondary school education – 78,4%, and are followed by the employees with university degree - 16,8%, and the employees with college degree - 4,8%. Out of the total number of employees, 73,1% were males and 26,9% were females.

EMPLOYEES	31/12/2023	31/12/2024
Total number of employees	214	208
Employees' qualification structure		
up to Secondary and Secondary	172	163
College	16	10
University and higher	26	35
Employees' age structure		
<30	52	48
30-50	135	131
>50	27	29
Employees' gender structure		
Male	151	152
Female	63	56

## Risk Management

### Financial Risks

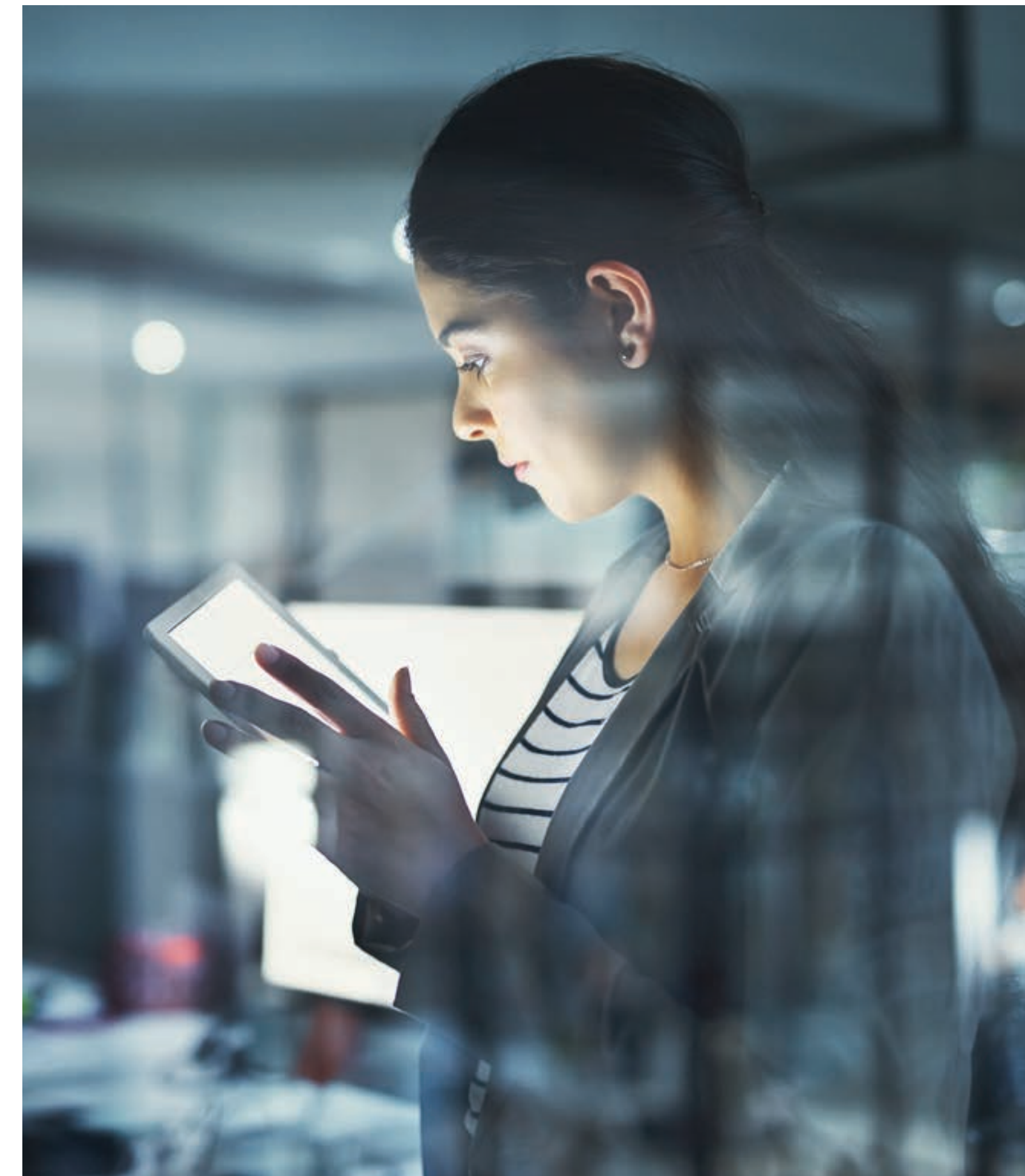
In its regular business operations, the Company is, in various extents, exposed to financial risks, such as market risk (includes the foreign currency exchange rate fluctuation risk, interest rate change risk, and the capital price change risk respectively), liquidity risk and credit risk. The risk management is directed towards minimizing potentially negative impacts on financial standing and business operations in the unpredictable situation at the financial markets.

### ISO Standards

The risk management, which is conducted in accordance with the **ISO 31000 Standard – Risk Management**, enables Logosoft to continuously achieves its aims through the ISO standards implementation.

**In 2024, the Company had recertification of 4 ISO Standards and supervisory check for additional two ISO Standards, and, at the end, was certified with six prestigious internationally recognized certificates, which confirm the compatibility with the requirements of the International ISO Standard** as follows: ISO/IEC 27001:2022 for Information Management System, ISO/IEC 20000-1:2018 for the IT Services Management System, ISO 9001: 2015 for the Quality Management System, ISO 22301: 2019 for the Business Continuity Management System, ISO/IEC 27701:2019 for Privacy Information Management, and ISO 18295-1: 2017 for management of the Logosoft Customer Contact Centre Services.

With the above mentioned certificates, the Company re-affirmed its position of a regional leader in management of the information security and privacy, services, quality, business continuity, and the Customer Contact Centre.



## 3.3. Financ, d.o.o. Banja Luka



### COMPANY'S BASIC DATA

#### FULL BUSINESS NAME

"FINANC" Društvo sa ograničenom odgovornošću za trgovinu i usluge, Banja Luka

#### SHORTEN BUSINESS NAME

„FINANC“ d.o.o. Banja Luka

#### SEAT

Banja Luka, Bulevar srpske vojske 15 D

#### WEBSITE

[www.financ.ba](http://www.financ.ba)

#### OPERATIONS

Mediation in sales of telecommunication services and provision of processing services

#### ORGANIZATIONAL FORM

Limited liability company

"FINANC", limited liability company, Banja Luka was founded on 12/03/2002. with its headquarters in Banja Luka. Since its establishment, the Company has been owned by private individuals and has undergone changes and additions to its core business.

In February 2020, Mtel a.d. Banja Luka became the owner of the company "FINANC" d.o.o. Banja Luka with a 100% ownership stake.

The main activity of the Company is mediation in the sale of prepaid services - electronic top-ups, prepaid numbers, vouchers/coupons, as well as other prepaid programs, and mediation in concluding user contracts with potential users. The Company has many years of experience in performing intermediary sales of telecommunications services. In addition, the Company also provides processing services, as well as the services related to online games of chance.

The Company occupies a leading position in the sale and distribution of prepaid electronic top-ups for Mtel a.d. Banja Luka.

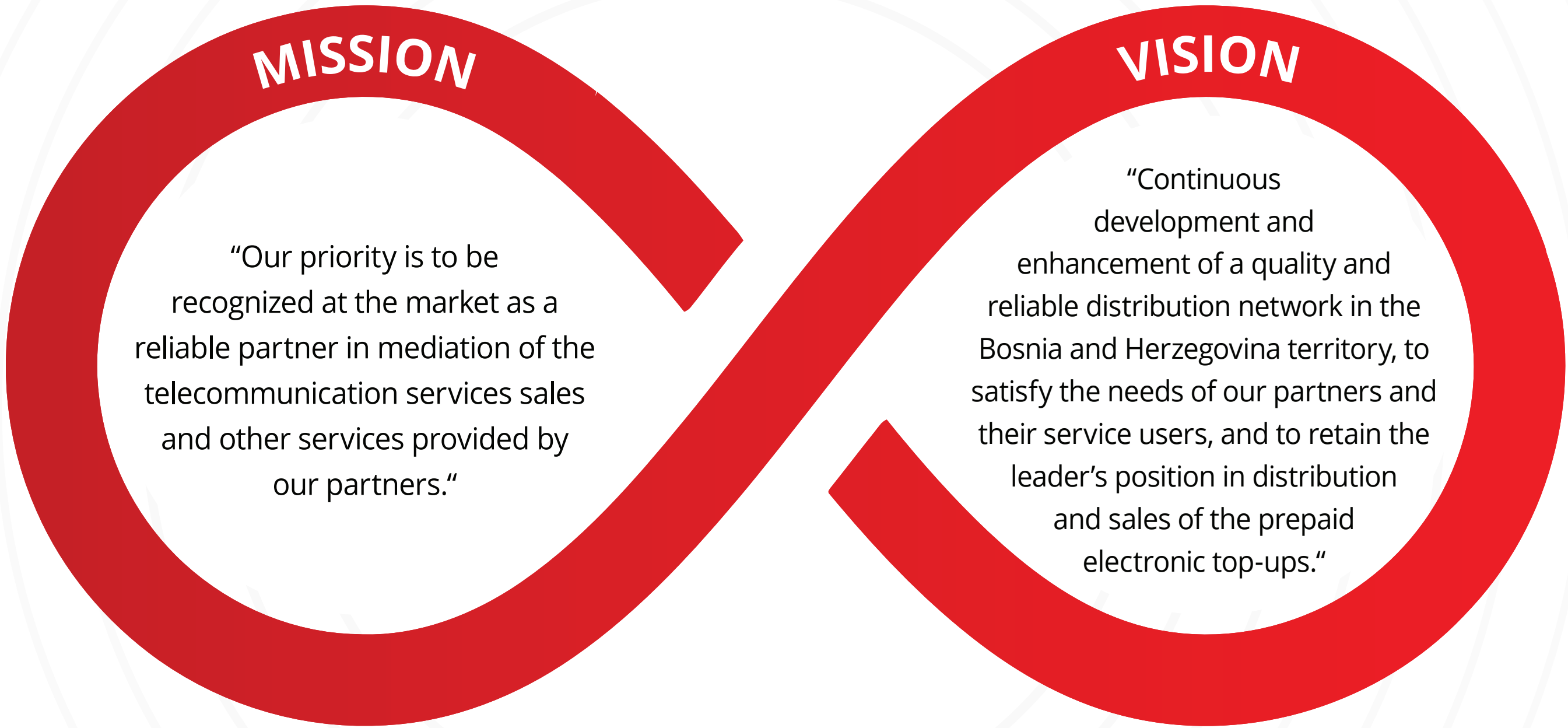
Management Bodies

The management body of the Company is the Company Assembly. The governing body of the Company is the Director.

Strategy

Improvement and enhancement of the existing services, and improvement of cooperation with the business partners. Through cooperation with the Group's telecom operators, the Company's activities are mostly focused on mediation in the sales of services from their portfolios, in the entire territory of Bosnia and Herzegovina. Respecting the needs and following the quality policy, the Company aims to set and improve the standards in the services provision, through intensive work in the field, and continuous training and education of the sales agents, so that cooperation with the partners is mutually satisfactory.

Mission and Vision



Services Portfolio

- Mediation in the sale of fixed telephony services for telecom operators
- Mediation in the sale of e-top-ups and other prepaid mobile telephony programs
- Mediation in the sale of postpaid mobile telephony services for telecom operators
- Mediation in the sale of Internet access services for telecom operators
- Mediation in the sale of integrated services for residential users for telecom operators
- Mediation in the sale of multimedia services for telecom operators
- Mediation in the sale of e-vouchers, and scratch vouchers of service providers
- Processing services.

Human Resources

As at 31/12/2024, the total number of employees of "FINANC" d.o.o. Banja Luka was 37.

In the employee structure, the majority of employees have secondary school education – 56,8%, and are followed by the employees with university degree - 37,8%, and the non-qualified staff - 5,4%.

Out of the total number of employees, 48,6% were females and 51,4% were males.

EMPLOYEES	31/12/2023	31/12/2024
Total number of employees	39	37
Employees' qualification structure		
up to Secondary and Secondary	23	23
University and higher	16	14
Employees' age structure		
<30	10	7
30-50	22	22
>50	7	8
Employees' gender structure		
Male	20	19
Female	19	18

The Company pays special attention to employee development, so in 2024, there were organized team building, internal training in the field of service sales, and employees also participated in external education in the country and abroad, with the aim of improving their business skills.

Risk Management

In its business operations, the Company is, in various extents, exposed to financial risks, such as market risk (includes the foreign currency exchange rate fluctuation risk, interest rate change risk, and the capital price change risk respectively), liquidity risk and credit risk.

The risk management in the Company is directed towards minimizing potentially negative impacts on the financial standing and business operations in the unpredictable situation at the financial markets.

# Contacts



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