

## **Magyar Telekom Telecommunications Public Limited Company Annual General Meeting**

### **MINUTES**

taken at the Annual General Meeting of Magyar Telekom Telecommunications Public Limited Company (registered seat: 1097 Budapest, Könyves Kálmán krt. 36.; registration number: Cg. 01-10-041928) taking place at the headquarters of Magyar Telekom Plc. (1097 Budapest, 9<sup>th</sup> district, Könyves Kálmán krt. 36.; Puskás Tivadar Conference Hall) on April 19, 2023, from 11:11 a.m.

Way of participating at the General Meeting: in person.

Participants: as listed in the attached attendance sheet.

**Dániel Szeszlér:** Good Morning Ladies and Gentlemen! My name is dr. Dániel Szeszlér, I am the Group legal director and chief legal counsel of Magyar Telekom Plc. The Board of Directors proposed me to be the Chairperson of the General Meeting, so I will chair the General Meeting until the election of the Chairperson as well.

Let me introduce my colleagues sitting at the table: on my left Tibor Rékasi, CEO and member of the Board of Directors of the Company; and Darja Dodonova, CFO of the Company also member of the Board of Directors, representing the Board of Directors at the General Meeting today. On my right dr. Gabriella Bognár, registered legal counsel.

I welcome the Shareholders and the invitees. So, I welcome prof. dr. Attila Borbély as chairperson of the Supervisory Board and of the Audit Committee, who will represent these bodies at the General Meeting.

I open the Annual General Meeting of the Company at 11:11 o'clock. The General Meeting is held with shareholders' attendance in person, by decision-making at the General Meeting.

Let me inform the General Meeting that votes will be cast via computer and votes will be counted electronically in accordance with the Articles of Association. I will state the result of the voting as the computer counted votes appear on the screen and recorded in the minutes. The Company assigned KELER Zrt. to contribute at the General Meeting and do the registration and ensure the computerised voting. I ask Mónika Mészárosné Paulov, present on behalf of KELER Zrt., to describe the essence and method of computer voting.

**Mónika Mészárosné Paulov:** My name is Mónika Mészárosné Paulov, representing KELER Zrt. assisting in the management of the General Meeting and in the registration process. I would briefly introduce you the voting system.

During the registration you have received a wireless voting device with your individual voting number assigned thereto. Therefore, please take care of the voting device and do not hand it over to anyone else. You may switch on the device by pressing any button.

Please switch on your devices now by pressing any button. You may vote with pressing buttons 1, 2, and 3: button no. 1 is the "YES" button, button no. 2 is the "NO" button, button no. 3 is the "ABSTENTION" button. Proposals will be put to the vote by the Chairperson of the General Meeting and you can cast your vote following the voice signal indicating starting of the voting until the next voice signal indicating the end of the voting.

After the start of the voting please push the applicable button (1, 2, 3) of the voting device then release it. Simultaneously with pushing the chosen button your device will display the initial font of the respective button: button no. 1 is "Y", like "YES", button no. 2 is "N", like "NO" and button no. 3 is "A" like "ABSTENTION". After casting your vote OK text is displayed in the upper right corner indicating that the voting system received the vote and confirmed its receipt to the voting device. Please note that only the first vote will be registered by the system, buttons cannot be pressed several times. Within a couple of seconds upon the closing of the voting the results are displayed on the screens and the monitor in front of the Chairperson. In addition, the number of votes that were not cast will also be displayed. The Chairperson of the General Meeting will of course declare the result of the voting. Please note that the voting ratio will be rounded to 2 decimal places, therefore, there can be a situation when 1 "NO" vote is cast and the voting ratio will be 0.00% on the screen. Naturally, all votes will be registered both in the system and the minutes of the General Meeting. Now, I propose to have a test voting. Please play the voice signal. The voting is closed and the results are displayed. If the voting device does not work properly, please let us know and we immediately replace the device. If you have any questions regarding the voting system, please let us know now. Please return the voting devices to the registration desk after the General Meeting. Thank you for your attention and I wish you good work and a successful General Meeting!

**Dániel Szeszlér:** Thank you. I inform the shareholders that the number of shares issued by the Company: 1,005,801,352 pcs of which non-voting treasury shares are: 43,078,833 pcs.  
Total number of votes represented by the voting shares: 962,722,519 pcs.  
Total number of votes represented by the shareholders appeared during registration: 713,411,204 pcs (in percentage: 74.10%).

Based on the status of the registration, at 11:00 o'clock, I stipulate that the General Meeting constitutes a quorum, as the shareholders representing more than half of the shares carrying voting rights at the General Meeting are present in person or by proxy. Quorum will be continuously monitored by KELER Zrt. during the General Meeting at each decision. Or after break, when continuing the General Meeting the quorum will be determined again and displayed on screen.

I stipulate that the General Meeting has been convened in compliance with the relevant provisions of law and the provisions of the Articles of Association, the notice of the General Meeting has been published on March 13, 2023. No proposal on the amendment of the published agenda and no resolution proposal relating to items on or to be added to the agenda were submitted to the Board of Directors within the deadline set out in the law.

I outline the main procedural rules of the General Meeting.

Entering the venue of the General Meeting, the Puskás Tivadar Conference Hall, is only possible with the use of the wristband received during registration. When re-entering or returning after a break, the wristband shall be presented to the security personnel again.

The General Meeting is conducted in Hungarian, however, some parts might be in English. Unofficial interpretation provided by the Company from Hungarian into English and from English into Hungarian is ensured during the entire General Meeting. The interpreting devices will be available during the entire General Meeting in the lobby, next to the registration desk and here, next to the entrance of this room.

The distinguished participants are informed that for the purposes of recording true and accurate minutes, the General Meeting will be audio-recorded by the Company. Please indicate at the start of your contribution if you request us to stop recording during your contribution.

The agenda of the General Meeting, the submissions relating to the individual agenda items, the report of the Supervisory Board relating thereto as well as the respective resolution proposals have been published within the relevant legal deadline prior to the General Meeting on the website of the Company and that of the Budapest Stock Exchange, that of operated by the Central Bank of Hungary, and made available in the documentation of the General Meeting here, at the venue of the General Meeting before the start of the meeting.

The General Meeting will only discuss agenda items and adopt resolutions on the published notice.

Before discussing the agenda items, the General Meeting will decide on resolution proposals related to the arrangement of the General Meeting proposed by the Company, not included in the General Meeting's agenda.

The shareholders are entitled to ask for information, make comments and motions at the General Meeting, regardless of their ownership ratio. In order to ensure the correct and intended conduct of the General Meeting, please be informed that these rights may be exercised within the limits of the published agenda items. In case of remarks not relating to the agenda items, I am entitled to withdraw the right to speak. I may also withdraw the right to speak if a remark attempts to or results in delay the meeting, prejudicing the effective and reasonable time management of the General Meeting.

Shareholders or their representatives may make any remarks about the agenda items discussed at the General Meeting after having been given the floor by me. You are kindly asked to state your name and the number indicated on the top of the voting device at the beginning of your remark, and use the microphone throughout your contribution, because only those remarks will be translated and recorded in the minutes that were made using the microphone.

I stipulate that the time limit for each contribution is maximum 3 minutes per shareholder per remark, provided that, in order to prevent the delay of the General Meeting, the said maximum time limit may be shortened. Please be aware of the contribution's time limit.

The planned duration of the General Meeting is approximately 2-3 hours. Following the General Meeting the Company invites the participants of the General Meeting to the lobby for the reception at the buffet. Let me inform you that in accordance with Magyar Telekom's corporate social responsibility efforts catering will be provided at the General Meeting by the Hungarian Food Bank Association, which is a non-profit organization that helps reducing food waste and deprivation.

The General Meeting shall elect the Chairperson of the General Meeting before the discussion of the agenda items. The Board of Directors resolved that it proposes to the General Meeting me, dr. Dániel Szeszlér to be the Chairperson of the Annual General Meeting. I make known the resolution proposal.

The General Meeting elects dr. Dániel Szeszlér to be the Chairman of the General Meeting.

The voting ratio necessary for adopting this resolution is simple majority. I put the proposal to the vote.

The result of the voting: 661,220,761 affirmative votes (92.68%), 6,800 negative votes (0.00%), and 5,729,232 abstentions (0.80%). (Resolution no. 1/2023 (IV.19.), voting ratios in proportion to the registered capital: Affirmative: 65.740691%, Negative: 0.000676%, Abstention: 0.569619%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 666,956,793 pcs, and proportion thereof to the registered capital: 0.663110%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 1/2023 (IV.19.).**

I propose to the General Meeting to elect dr. Gabriella Bognár registered legal counsel, sitting next to me, as Keeper of the Minutes. I make known the resolution proposal.

The General Meeting elects dr. Gabriella Bognár as Keeper of the Minutes.

The voting ratio necessary for adopting this resolution is simple majority. I put the proposal to the vote.

The result of the voting: 685,799,650 affirmative votes (96.13%), 0 negative votes (0.00%), and 27,388,357 abstentions (3.84%). (Resolution no. 2/2023 (IV.19.), voting ratios in proportion to the registered capital: Affirmative: 68.184403%, Negative: 0.000000%, Abstention: 2.723038%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 713,188,007 pcs, and proportion thereof to the registered capital: 0.709074%.)

**I state that the General Meeting has adopted the proposal in Resolution No. 2/2023 (IV.19.).**

I propose to the General Meeting to elect Deutsche Telekom Europe B.V. shareholder and its representative, dr. Rita Bajáky, as authenticator of the Minutes. I make known the resolution proposal.

The General Meeting elects Deutsche Telekom Europe B.V. shareholder and its representative, dr. Rita Bajáky, as authenticator of the Minutes of the General Meeting.

The voting ratio necessary for adopting this resolution is simple majority. I put the proposal to the vote.

The result of the voting: 685,838,700 affirmative votes (96.14%), 372,751 negative votes (0.05%), and 27,174,752 abstentions (3.81%). (Resolution no. 3/2023 (IV.19.), voting ratios in proportion to the registered capital: Affirmative: 68.188286%, Negative: 0.037060%, Abstention: 2.701801%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 713,386,203 pcs, and proportion thereof to the registered capital: 0.709271%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 3/2023 (IV.19.).**

I propose that the General Meeting approves the order for discussing the items on the agenda as proposed by the Board of Directors in accordance with the Announcement and as presented on the screen.

1. Report of the Board of Directors on the management of Magyar Telekom Plc., on the business operation, on the business policy and on the financial situation of the Company and Magyar Telekom Group in 2022;
2. Approval of the 2022 Consolidated Financial Statements of the Company prepared according to International Financial Reporting Standards (IFRS); presentation of the relevant report of the Audit Committee, the Supervisory Board and the Auditor;
3. Approval of the 2022 Separate Financial Statements of the Company prepared according to International Financial Reporting Standards (IFRS); presentation of the relevant report of the Audit Committee, the Supervisory Board and the Auditor;
4. Proposal of the Board of Directors for the use of the profit for the year earned in 2022; presentation of the relevant report of the Supervisory Board and the Auditor; use of the profit for the year earned in 2022;
5. Information of the Board of Directors on the purchase of treasury shares following the Annual General Meeting in 2022; authorization of the Board of Directors to purchase ordinary Magyar Telekom shares;
6. Approval of the Corporate Governance and Management Report;
7. Discharging the members of the Board of Directors from liability;
8. Election of member of the Board of Directors;
9. Decreasing the Company's share capital and related modification of the Articles of Association;
10. Advisory vote on the amended Remuneration Policy;
11. Advisory vote on the Remuneration Report;
12. Election and determination of the remuneration of the Company's Statutory Auditor, and determination of the contents of the material elements of the contract to be concluded with the Statutory Auditor.

The voting ratio necessary for adopting this resolution is simple majority. I put the proposal to the vote.

The result of the voting: 685,978,637 affirmative votes (96.15%), 117 negative votes (0.00%), and 27,389,185 abstentions (3.84%). (Resolution no. 4/2023 (IV.19.), voting ratios in proportion to the registered capital: Affirmative: 68.202199%, Negative: 0.000012%, Abstention: 2.723121%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 713,367,939 pcs, and proportion thereof to the registered capital: 0.709253%.)

**I state that the General Meeting has adopted the order of discussion of the agenda items of the General Meeting, in line with the resolution proposal in Resolution No. 4/2023 (IV.19.).**

**Chairman:** I open the discussion of the first agenda item.

#### **Agenda item no. 1**

**Report of the Board of Directors on the management of Magyar Telekom Plc., on the business operation, on the business policy and on the financial situation of the Company and Magyar Telekom Group in 2022**

**Chairman:** The Report of the Board of Directors is an informative and contains no resolution proposal. The report of the Board of Directors will be presented by Tibor Rékasi, CEO and member of the Board of Directors of the Company.

**Tibor Rékasi:** Tibor Rékasi welcome the shareholders and presents the Report of the Board of Directors on the management of Magyar Telekom Plc., on the business operation, on the business

policy and on the financial situation of the Company and Magyar Telekom Group in 2022<sup>1</sup> on the following topics:

- Strategic priorities;
- External recognitions in 2022;
- Hungarian subscriber trends;
- Revenue: growth reflects strong commercial performance;
- EBITDA AL: positive underlying performance reduced by supplementary telecommunication tax;
- Net income: growth driven by strong commercial results;
- Free cashflow: negative effect of challenging external environment;
- Delivery against 2022 financial targets;
- Total Shareholder remuneration;
- 2023 strategic objectives and targets.

**Chairman:** Thank you. I request dr. Attila Borbély, Chairman of the Supervisory Board to outline the essence of the Supervisory Board's Report related to this agenda item.

**prof. dr. Attila Borbély:** Distinguished General Meeting! I greet you on behalf of the Supervisory Board and the Audit Committee. Distinguished General Meeting! The Supervisory Board's Report prepared for the General Meeting is available in whole in the disclosed written documents and is also included in the handout available to the Distinguished Shareholders here in the venue.

The Supervisory Board examined the report of the Board of Directors on the management of the Company, on the business operation, on the business policy and on the financial situation of the Company and Magyar Telekom Group in 2022, of which the Supervisory Board agreed with and proposed it to the General Meeting for adoption. Thank you.

**Chairman:** Thank you. I ask the Shareholders whether there are any questions or remarks regarding the report of the Board of Directors? Yes, please. You will receive a microphone. Please start with your name and voting device number and after that we are listening to the question.

**Tamás Korányi:** Tamás Korányi, private shareholder, voting device 10. Last year I performed a lot together with several minority shareholders. I think we can declare that the Board of Directors, although it didn't give much sign of this last year, listened to the voices of shareholders other than Deutsche Telekom. So, it must be said that on the one hand the results are also impressive, and on the other hand the 70% total shareholder remuneration ratio is also adequate, and I hope this ratio will remain also in the long term. So, now we want only more dividend if the results also improve accordingly. My question related to this is that the Chief Executive Officer mentioned that Magyar Telekom implemented the inflation-based fee adjustment. Does this mean that inflation of 18-19% on average is expected for this year, so will the company follow this practice in the future? This is one of the questions. The other one, he obviously can't answer, but what chances does the company see for the termination of supplementary telecommunications tax, or shall we live together with it permanently? And please reassure the shareholders that if the revenue increases due to the inflation and the EBITDA also increases, then it may be reflected in the numbers in the next 2-3 years, I mean also in the profit numbers. Thank you.

**Chairman:** Thank you for the remark and the questions. I ask Darja Dodonova, Chief Financial Officer, to answer the question.

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<sup>1</sup> The Report of the Board of Directors was also presented on screen to the Shareholders at the General Meeting in Hungarian and in English. The presented Report is attached as Annex no. 1 to the minutes.

**Darja Dodonova:** Good morning from my side. Following the practice of the last year, I will rephrase the question to ensure that the question is interpreted properly. The first part of the question was about our intention or ambition regarding the inflation-based fee adjustment. Is it the right understanding? So, in accordance with our applicable General Terms and Conditions, which we have in place at Magyar Telekom, monthly fee is adjusted annually, in accordance with the annual average inflation rate published by the Central Statistical Office of Hungary. I hope that answers the question.

**Chairman:** I ask if the answer is okay?

**Darja Dodonova:** My colleagues are whispering to my ears that, there was a second question about the supplementary telco tax. So, what is our understating about the, introduced back in 2022, supplementary telco tax. We work with the current legal environment which was existing of supplementary telco tax, and applicability of this for the year 2022 and 2023.

**Chairman:** Thank you. I ask the shareholders if there are any further questions or remarks? Please.

**Gábor Dióslaki:** Thank you. Representative of TEBÉSZ, Gábor Dióslaki, voting device 9. My question, the first one, is only as an informative nature, now we are discussing the first four-five agendas together, so should I ask my questions, comments in one or separately one by one as the numbers are?

**Chairman:** We are discussing one by one. The current agenda is the report of the Board of Directors, so please ask your question in relation with this. The approval of the Financial Statements and the dividend proposal will be later on the agenda. Thank you.

**Gábor Dióslaki:** Good, thank you. Then I would like to ask that how serious is the challenge the company considers of the new telecommunications and IT company established this year with similar and broad profile having new main Hungarian owner? I think it runs under the collective name of Vodafone, right? And if you consider it a serious challenge then are you preparing a plan to change your usual business operation, so that this serious competitive challenge is not felt by the company's results?

**Chairman:** Thank you for the question. I ask Tibor Rékasi, Chief Executive Officer, to answer the question.

**Tibor Rékasi:** Competitors are changing but our strategy does not change. For years our goal has been to provide the best service on the best network and by this we can help Hungary on the way of digitalization and as a result of our intensive infrastructure investments of the previous years, and these enables us to maintain our position as a strong market participant in the future regardless of the evolution of the competition. We trust that the customers will find their calculation and the most suitable service provider for them in the strong market competition.

**Chairman:** Please.

**Gábor Dióslaki:** Sorry, I feel I haven't got an answer to ....

**Chairman:** Please, don't be angry, but for the sake of the Minutes keeping always, unfortunately, please repeat your name and voting device number.

**Gábor Dióslaki:** Shall I repeat? Yes, good. Then, representative of TEBÉSZ, Gábor Dióslaki with 9. On the one hand, I would reassure the General Meeting that it wasn't a negotiated question, although I saw you read the answer, but even though we haven't negotiated it in advance that I will ask the question. However, I feel I haven't received an answer that you shall, so do you feel that you shall change something in your business policy or not, so how exactly you respond to this question? Thank you, that's all.

**Tibor Rékasi:** Yes, what I meant to say in my answer that there is no need to change our business strategy. We will proceed according to our strategy that has been in place for years.

**Chairman:** Are there any further questions or remarks? If not, I close agenda item 1 and we shall continue with agenda item no. 2.

## **Agenda item no. 2**

### **Approval of the 2022 Consolidated Financial Statements of the Company prepared according to International Financial Reporting Standards (IFRS); presentation of the relevant report of the Audit Committee, the Supervisory Board and the Auditor**

**Chairman:** In accordance with the provisions of the Accounting Act, the Company shall prepare financial statements and, as a parent company, consolidated financial statements to be approved by the General Meeting. In line with this, the 2022 Consolidated Financial Statements of the Company have been prepared according to International Financial Reporting Standards (IFRS) and the draft of it was published where stipulated in the Articles of Association. Deloitte Könyvvizsgáló és Tanácsadó Kft. audited the financial statements. The Company deposits and discloses its financial statements approved by the General Meeting in compliance with the provisions of the relevant legal regulations. I make known the resolution proposal in accordance with the Board of Director's submission, also displayed on the screen:

The General Meeting approves the 2022 Consolidated Financial Statements of the Company, prepared according to International Financial Reporting Standards (IFRS), including Statements of Financial Position Total Assets of HUF 1,456,417 million and Profit for the year 2022 of HUF 67,074 million.

I request dr. Attila Borbély, Chairperson of the Supervisory Board and the Audit Committee to outline the essence of the Audit Committee's Report and the Supervisory Board's Report, one after the other, related to this agenda item.

**prof. dr. Attila Borbély:** Distinguished General Meeting! The Audit Committee's Report prepared for the General Meeting is available in whole in the disclosed written documents and is also included in the handout that has been available to the Distinguished Shareholders here at the venue. The Audit Committee reviewed and evaluated the 2022 Consolidated Financial Statements prepared according to International Financial Reporting Standards (IFRS) to be submitted to the Supervisory Board and the General Meeting by the Board of Directors, the proposal of the Board of Directors for their approval and listened to the relevant report of the Auditor. The Audit Committee, based on its activities performed during the year and the report of the Auditor, agreed with the content of the Consolidated Financial Statements and the proposal, and submitted it to the Supervisory Board. The Audit Committee proposed to the Supervisory Board for agreement of the content of the 2022 Consolidated Financial Statements of the Company prepared according to International Financial Reporting Standards (IFRS), and to the General Meeting for approval the Consolidated Financial Statements including Statements



of Financial Position Total Assets of HUF 1,456,417 million and Profit for the year 2022 of HUF 67,074 million.

I outline the essence of the Supervisory Board's Report related to the agenda item: The Supervisory Board, with the involvement of the Audit Committee and the Statutory Auditor, examined the 2022 Consolidated Financial Statements prepared according to International Financial Reporting Standards, to be submitted to the General Meeting by the Board of Directors, and the proposal of the Board of Directors for their approval. In the opinion of the Supervisory Board, the Consolidated Financial Statements are in compliance with the prescriptions of the law, the Supervisory Board agreed with their content. The Supervisory Board proposed to the General Meeting for approval the 2022 Consolidated Financial Statements of the Company prepared according to International Financial Reporting Standards including Statements of Financial Position Total Assets and Profit for the year in accordance with the proposal of the Board of Directors and the Audit Committee. Thank you.

**Chairman:** Thank you. I request Kornél Bodor, representative of the Auditor, to outline the essence of the Auditor's Report related to this agenda item.

**Kornél Bodor:** Dear Chairman, thank you for giving me the floor! Distinguished Shareholders! My name is Kornél Bodor, employee of Deloitte Könyvvizsgáló és Tanácsadó Kft., the registered appointed auditor of Magyar Telekom Plc. The 2022 was Deloitte's first annual audit of the Magyar Telekom Group and Deloitte has audited the 2022 consolidated financial statements of Magyar Telekom Group. The report was signed by myself as registered appointed auditor. The report is available in whole in the written documents, therefore, I would read out the essence of the opinion: In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of Magyar Telekom Plc. and its subsidiaries as at 31 December 2022, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as accepted by the European Union and they were prepared in all material respects in accordance with the provisions of the Act on Accounting relevant to the entities preparing consolidated financial statements in accordance with EU IFRS. In our opinion, the 2022 consolidated business report of the Group is consistent with the 2022 consolidated financial statements in all material respects, and the consolidated business report has been prepared in accordance with the provisions of the Accounting Act. Based on our auditing, we propose the financial statements to the General Meeting for approval.

**Chairman:** Thank you. I ask the Shareholders whether there are any questions or remarks regarding this agenda item? If there are none, I inform the Shareholders that the voting ratio necessary for adopting this resolution is simple majority. I put the proposal to vote.

The result of the voting: 713,066,296 affirmative votes (99.95%), 6,800 negative votes (0.00%), and 338,108 abstentions (0.05%). (Resolution no. 5/2023 (IV.19.), voting ratios in proportion to the registered capital: Affirmative: 70.895341%, Negative: 0.000676%, Abstention: 0.033616%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 713,411,204 pcs, and proportion thereof to the registered capital: 0.709296%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 5/2023 (IV.19.).**

I close agenda item 2 and open agenda item 3.

### **Agenda item no. 3**

#### **Approval of the 2022 Separate Financial Statements of the Company prepared according to International Financial Reporting Standards (IFRS); presentation of the relevant report of the Audit Committee, the Supervisory Board and the Auditor**

**Chairman:** In accordance with the provisions of the Accounting Act the 2022 Separate Financial Statements of the Company have been prepared according to International Financial Reporting Standards and the draft of it was published where stipulated in the Articles of Association. The approval on it falls into the exclusive scope of authority of the General Meeting. Deloitte Könyvvizsgáló és Tanácsadó Kft. audited the financial statements. I make known the resolution proposal in accordance with the Board of Director's submission:

The General Meeting approves the 2022 Separate Financial Statements of the Company, prepared according to International Financial Reporting Standards (IFRS), including Statements of Financial Position Total Assets of HUF 1,347,106 million and Profit for the year 2022 of HUF 59,529 million.

I request dr. Attila Borbély, to outline the essence of the Audit Committee's Report and the Supervisory Board's Report, one after the other, related to this agenda item.

**prof. dr. Attila Borbély:** Thank you Mr. Chairman. The Audit Committee reviewed and evaluated the 2022 Separate Financial Statements of the Company prepared according to International Financial Reporting Standards (IFRS) to be submitted to the Supervisory Board and the General Meeting by the Board of Directors, the proposal of the Board of Directors for their approval and listened to the relevant report of the Auditor. The Audit Committee, based on its activities performed during the year and the report of the Auditor, agreed with the content of the Separate Financial Statements and the proposal, and submitted it to the Supervisory Board. The Audit Committee proposed to the Supervisory Board for agreement of the content of the 2022 Separate Financial Statements of the Company prepared according to International Financial Reporting Standards (IFRS), and to the General Meeting for approval the Separate Financial Statements including Statements of Financial Position Total Assets of HUF 1,347,106 million and Profit for the year 2022 of HUF 59,529 million.

I outline the essence of the Supervisory Board's Report related to the agenda item: The Supervisory Board, with the involvement of the Audit Committee and the Statutory Auditor, examined the 2022 Separate Financial Statements prepared according to International Financial Reporting Standards (IFRS), to be submitted to the General Meeting by the Board of Directors, and the proposal of the Board of Directors for their approval. In the opinion of the Supervisory Board, the Separate Financial Statements are in compliance with the prescriptions of the law, the Supervisory Board agreed with their content. The Supervisory Board proposed to the General Meeting for approval the 2022 Separate Financial Statements prepared according to International Financial Reporting Standards (IFRS) including Statements of Financial Position Total Assets and Profit for the year in accordance with the proposal of the Board of Directors and the Audit Committee. Thank you.

**Chairman:** Thank you. I request Kornél Bodor, representative of the Auditor, to outline the essence of the Auditor's Report related to this agenda item.

**Kornél Bodor:** Dear Chairman, thank you for giving me the floor! Distinguished Shareholders! Deloitte has audited the 2022 Separate Financial Statements of the Company in addition to the auditing of the consolidated financial statements of Magyar Telekom. The report is available in whole in the written documents. I would read out the essence of the opinion. In our opinion, the

separate financial statements give a true and fair view of the financial position of Magyar Telekom Plc. as at 31 December 2022, and of its financial performance and its cash flows for the year then ended in accordance with EU IFRS as adopted by the European Union and they were prepared in all material respects, in accordance with the provisions of the Act C on Accounting relevant to the entities preparing financial statements prepared in accordance with EU IFRS. In our opinion, the 2022 business report of the Company is consistent with the 2022 separate financial statements in all material respects, and the business report is in accordance with the relevant provisions of the Accounting Act. Based on our auditing, we propose the separate financial statements to the General Meeting for approval.

**Chairman:** I thank you. I ask the Shareholders whether there are any questions or remarks regarding this agenda item? If there are none, I inform the Shareholders that the voting ratio necessary for adopting this resolution is simple majority. I put the proposal to vote.

The result of the voting: 713,091,297 affirmative votes (99.96%), 6,800 negative votes (0.00%), and 313,107 abstentions (0.04%). (Resolution no. 6/2023 (IV.19.), voting ratios in proportion to the registered capital: Affirmative: 70.897826%, Negative: 0.000676%, Abstention: 0.031130%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 713,411,204 pcs, and proportion thereof to the registered capital: 0.709296%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 6/2023 (IV.19.).**

I close agenda item 3 and open agenda item 4.

#### **Agenda item no. 4**

**Proposal of the Board of Directors for the use of the profit for the year earned in 2022; presentation of the relevant report of the Supervisory Board and the Auditor; use of the profit for the year earned in 2022**

**Chairman:** In accordance with the provisions of the Civil Code and the Articles of Association deciding on the utilization of after-tax earnings belongs to the exclusive scope of authority of the General Meeting. Shareholders shall be entitled to dividend who are registered in the Share Register at the record date of the dividend payment identification process ordered by the Company. I make known the resolution proposal in accordance with the Board of Director's submission:

A total dividend of HUF 29,459,309,081 shall be paid by the Company to the shareholders from the profit of 2022, the dividend on treasury shares will be distributed by the Company among the shareholders who are entitled to dividends. The HUF 29,459,309,081 to be disbursed as dividends shall be paid from the profit after tax of HUF 59,528,611,163 based on the Separate Financial Statements figures.

The remaining amount of HUF 30,069,302,082 of the profit after tax based on the Separate Financial Statements figures shall be allocated to retained earnings.

May 19, 2023 shall be the first day of dividend disbursement. The record date of the dividend payment shall be May 10, 2023. On April 25, 2023, the Board of Directors of the Company shall publish a detailed announcement on the order of the dividend disbursement on the homepage of the Company and the Budapest Stock Exchange.

The dividends shall be paid by KELER Ltd., in compliance with the instructions of the Company.

I request dr. Attila Borbély to outline the essence of the Supervisory Board's Report related to this agenda item.

**prof. dr. Attila Borbély:** I will be brief. The Supervisory Board discussed the proposal of the Board of Directors, according to which the Company shall pay a total dividend of HUF 29,459,309,081 to the shareholders from the profit of 2022. The Supervisory Board agreed with the proposal of the Board of Directors and proposed the proposal to the General Meeting for adoption. Thank you.

**Chairman:** Thank you. I request Kornél Bodor, representative of the Auditor, to outline the Auditor's Report on this agenda item.

**Kornél Bodor:** Dear Chairman, thank you for giving me the floor! Distinguished Shareholders! As previously discussed, it is the proposal of the Board of Directors to the General Meeting that the Company shall pay a total dividend of HUF 29,459,309,081 from the profit of 2022. Having reviewed the audited financial statements of Magyar Telekom Plc., including the balances sheet and the profit and loss statement, I hereby confirm that the After-tax Net Income and the available retained earnings of the Company provide sufficient coverage for the dividend payment proposed by the Board of Directors.

**Chairman:** Thank you very much. I ask the Shareholders whether there are any questions or remarks regarding this agenda item? Yes, please Gábor Dióslaki.

**Gábor Dióslaki:** Thank you. Gábor Dióslaki, representative of TEBÉSZ, shareholder with number 9. First of all, I would like to thank the Board of Directors and the Supervisory Board that in this year, in contrast to last year, they managed better to keep also the interest of the minority shareholders in mind when proposing the dividend. However, it is unfortunate, that they forgot to add the HUF 15 left over from last year to this year, even though it would have been obviously covered. Obviously out of forgetfulness, so they obviously raised it because they felt that the minority shareholders' contribution at the last general meeting was actually financially justified. Therefore, I can rate this production of yours only 9 points instead of 10. But anyway, it's also very nice. Thank you very much and keep up this approach.

**Chairman:** Thank you for the remark. I ask the shareholders whether there are further questions or remarks? If none, I inform the Shareholders that the voting ratio necessary for adopting this resolution is simple majority. I put the proposal to vote.

The result of the voting: 713,087,909 affirmative votes (99.95%), 220,500 negative votes (0.03%), and 102,795 abstentions (0.01%). (Resolution no. 7/2023 (IV.19.), voting ratios in proportion to the registered capital: Affirmative: 70.897490%, Negative: 0.021923%, Abstention: 0.010220%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 713,411,204 pcs, and proportion thereof to the registered capital: 0.709296%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 7/2023 (IV.19.).**

I close agenda item 4 and open agenda item 5.

## **Agenda item no. 5**

### **Information of the Board of Directors on the purchase of treasury shares following the Annual General Meeting in 2022; authorization of the Board of Directors to purchase ordinary Magyar Telekom shares**

**Chairman:** The submission has two parts and is available in whole in the disclosed written documents and is also included in the handout that has been available here at the venue. For the efficient time management of the General Meeting the submission is displayed on the screen. I will verbally outline the essence of the submission.

First part of the submission: information of the Board of Directors on the purchase of treasury shares following the Annual General Meeting in 2022

Information of the Board of Directors contains no resolution proposal. The 2022 Annual General Meeting of the Company authorized the Board of Directors to purchase Magyar Telekom ordinary shares for a period of eighteen (18) month as of the date of the decision. On April 12, 2022, upon granting the authorization, the Company owned 45,777,539 shares. In accordance with the authorization, until February 22, 2023, the Company purchased a total number of 34,242,485 Magyar Telekom ordinary shares with the aggregate face value of HUF 3,424,248,500, which constituted a 3.4% proportion of the share capital, for a total purchase price of HUF 14,599,987,095. The buyback was executed via an auction for the purpose of 2022 shareholder remuneration.

Second part of the submission: authorization of the Board of Directors to purchase ordinary Magyar Telekom shares

The Board of Directors proposed to the General Meeting to give an authorization to purchase treasury shares. I make known the resolution proposal in accordance with the Board of Director's submission:

The General Meeting authorizes the Board of Directors to purchase Magyar Telekom ordinary shares, the purpose of which could be the following:

- to execute shareholder remuneration for 2023 through decrease of the share capital;
- to operate share-based incentive plans.

The authorization will be valid for 18 months starting from the date of approval of this General Meeting resolution. The shares to be purchased on the basis of this authorization together with the treasury shares already held by Magyar Telekom shall not at any time exceed more than 25% of the share capital effective from time to time or the corresponding number of shares (at the date of granting this authorization up to 251,450,338 ordinary shares with a face value of HUF 100) of Magyar Telekom Plc.

The shares can be purchased through the stock exchange or on the OTC market. The equivalent value per share paid by Magyar Telekom Plc. may not be more than the value of total capital per share of Magyar Telekom Plc based on the last available separate audited financial statements whereas the minimum value to be paid for one share is HUF 1.

The authorization may be exercised in full or in part, and the purchase can be carried out in partial tranches spread over various purchase dates within the authorization period until the maximum purchase volume has been reached.

Authorization granted to the Board of Directors by Resolution No. 11/2022 (IV.12.) of the General Meeting is hereby repealed.

I request dr. Attila Borbély to outline the essence of the Supervisory Board's Report related to this agenda item.

**prof. dr. Attila Borbély:** Thank you. The Supervisory Board examined the information of the Board of Directors on the purchase of treasury shares following the Annual General Meeting in 2022 and the proposal of the Board of Directors regarding the authorization to purchase ordinary Magyar Telekom shares, agreed with and proposed it to the General Meeting for adoption. Thanks.

**Chairman:** Thank you. I ask the Shareholders whether there are any questions or remarks regarding this agenda item? Please.

**Ferenc Gaál:** Ferenc Gaál, minority shareholder, 7. I consider it progressive that the company buys back its own shares. This seems appropriate for several reasons in today's troubled world. On the one hand, it increases the company's own incentive opportunities, but in the longer term, hopefully, it will also serve the interests of minor investors by increasing share prices. Thank you very much.

**Chairman:** Thank you for the remark. I ask whether there are any more questions or remarks? If there are none, then I inform the Shareholders that the voting ratio necessary for adopting this resolution is simple majority. I put the proposal to vote.

The result of the voting: 665,117,903 affirmative votes (93.23%), 48,072,801 negative votes (6.74%), and 220,500 abstentions (0.03%). (Resolution no. 8/2023 (IV.19.), voting ratios in proportion to the registered capital: Affirmative: 66.128158%, Negative: 4.779552%, Abstention: 0.021923%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 713,411,204 pcs, and proportion thereof to the registered capital: 0.709296%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 8/2023 (IV.19.).**

I close agenda item 5 and open agenda item 6.

## **Agenda item no. 6**

### **Approval of the Corporate Governance and Management Report**

**Chairman:** Pursuant the Civil Code, the board of directors of public limited companies must submit the corporate governance and management report to the Annual General Meeting of the company with the approval of the Supervisory Board, prepared according to the rules applicable to the persons of the given stock exchange. The approval of the corporate governance and management report is within the exclusive authority of the General Meeting. The report and the declaration attached thereto were prepared on the basis of the provisions of the Civil Code and the Corporate Governance Recommendations of the Budapest Stock Exchange. The Board of Directors submits to the General Meeting the Corporate Governance and Management Report of the Company for the 2022 business year in line with the disclosed submission of the Board of Directors. I make known the resolution proposal:

The General Meeting approves the Corporate Governance and Management Report of the Company for the 2022 business year.

I ask dr. Attila Borbély to outline the essence of the Supervisory Board's Report related to this agenda item.

**prof. dr. Attila Borbély:** Thank you. The Supervisory Board examined the Corporate Governance and Management Report of the Company for the 2022 business year, and with its approval proposed it to the General Meeting for adoption.

**Chairman:** Thank you. I ask the Shareholders whether there are any questions or remarks regarding this agenda item? If there are none, I inform the Shareholders that the voting ratio necessary for adopting this resolution is simple majority. I put the proposal to vote.

[*INVALID: vote of the shareholder, using voting device no 203 was not properly recorded therefore, the Chairman of the General Meeting, based on the indication of the shareholder, ordered to vote again on this resolution proposal.*] The result of the voting: 700,772,823 affirmative votes (98.23%), 220,500 negative votes (0.03%), and 185,366 abstentions (0.03%).

I state that the General Meeting has adopted the resolution proposal in Resolution No. 9/2023 (IV.19.).

I close... Please.

**Attila Mónus:** Attila Mónus, I think this voting device no. 203 was not working, it didn't accept our voting.

**Chairman:** Thank you for the indication. I ask KELER's representatives to check the functioning of the voting device. What shall we do for this? Once again be kind the voting device number.

**Attila Mónus:** 203.

**Chairman:** 203. [*reacting to the comment of Péter Kis, KELER's assignee, not told into the microphone following voting system's data has been checked*] Please tell it to the microphone to be audio recorded. What you say will be recorded in the Minutes.

**Péter Kis:** So, it detected the vote as not voted on voting device no 203, which can be you probably didn't press in time or not the right button. Or...

**Attila Mónus:** Well, "yes" appears on the display but it didn't go away.

**Péter Kis:** Yes, but it will be accepted by the device when the "OK" text is displayed in the upper right corner. That's the confirmation from the center that it has it.

**Chairman:** My suggestion is, if it's technically possible, to test this voting device now. So please, be kind, if KELER can monitor this, let's have a vote...

**Péter Kis:** One moment, then we will start a test voting. I ask for the test voting.

**Chairman:** In this case we hold a test voting. If you want, press button. But the point is what will appear on the no 203 device. So, this is not a general meeting resolution that comes.

**Péter Kis:** Yes, go ahead. [*test voting due to check voting device no 203*]

**Attila Mónus:** Now it's gone, now we see the "OK".

**Péter Kis:** Yes, when the “OK” text is displayed in the upper right corner that’s the confirmation, we have received the vote.

**Attila Mónus:** Yes, we indicated that we didn’t see the “OK”, so that’s why we asked for it.

**Chairman:** Yes, so the system does not record votes cast either before the or after the voice signal. Considering that the shareholder indicated that he intended to vote, tried to vote but the system didn’t accept his vote, we will repeat the voting regarding the resolution proposal introduced just before.

**Attila Mónus:** Thank you.

**Chairman:** I request the shareholders to pay attention to during the voting that you cast your votes in the time window indicated by the bell and check also that the device gave this “OK” confirmation after pressing the button. Thank you. So, the previous vote is disregarded, and I put the proposal introduced right now to the vote again.

The result of the voting: 713,030,339 affirmative votes (99.95%), 227,300 negative votes (0.03%), and 153,565 abstentions (0.02%). (Resolution no. 9/2023 (IV.19.), voting ratios in proportion to the registered capital: Affirmative: 70.891766%, Negative: 0.022599%, Abstention: 0.015268%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 713,411,204 pcs, and proportion thereof to the registered capital: 0.709296%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 9/2023 (IV.19.).**

I close agenda item 6 and open agenda item 7.

#### **Agenda item no. 7**

##### **Discharging the members of the Board of Directors from liability**

**Chairman:** Pursuant to the Civil Code, a company’s general meeting, simultaneously with the approval of the financial statements, upon request of any corporate law executive officers (i.e., Board member), may discharge such officer from liability and declare that the management activities were carried out in an appropriate manner during the previous business year. The decision on discharging the members of the Board of Directors from liability is within the exclusive scope of authority of the General Meeting. I make known the resolution proposal in accordance with the Board of Director’s submission:

The General Meeting of Magyar Telekom Plc. declares that the management activities of the Board of Directors members of the Company were carried out in an appropriate manner in the previous business year and decides to discharge the members of the Board of Directors of the Company from liability with respect to the 2022 business year. By discharging them from liability, the General Meeting confirms that the members of the Board of Directors have performed the management of the Company in 2022 by giving primacy to the interests of the Company.

I request dr. Attila Borbély to outline the essence of the Supervisory Board’s Report related to this agenda item.



**prof. dr. Attila Borbély:** Thank you Mr. Chairman. The Supervisory Board examined the submission of the Board of Directors on discharging the members of the Board of Directors from liability and agreed with that the General Meeting should discharge the members of the Board of Directors from liability for the business year of 2022.

**Chairman:** Thank you. I ask the Shareholders whether there are any questions or remarks regarding this agenda item? If there are none, I inform the Shareholders that the voting ratio necessary for adopting this resolution is simple majority. I put the proposal to vote.

The result of the voting: 697,969,026 affirmative votes (97.84%), 300,782 negative votes (0.04%), and 15,141,396 abstentions (2.12%). (Resolution no. 10/2023 (IV.19.), voting ratios in proportion to the registered capital: Affirmative: 69.394322%, Negative: 0.029905%, Abstention: 1.505406%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 713,411,204 pcs, and proportion thereof to the registered capital: 0.709296%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 10/2023 (IV.19.).**

I close agenda item 7 and open agenda item 8.

#### **Agenda item no. 8 Election of member of the Board of Directors**

**Chairman:** Dr. Robert Hauber, member of the Board of Directors of the Company resigned from his position being a member of the Board of Directors effective upon the date of the Annual General Meeting of the Company in 2023. Therefore, the Board of Directors proposes a new Board member to be elected by the General Meeting.

The Board of Directors, having considered the Remuneration and Nomination Committee's agreement with the nomination, proposed Daniel Daub to be elected as Board member by the General Meeting. The biography of the nominee is available among the published documents and is presented on the screen along with the respective resolution proposal. I make known the resolution proposal in accordance with the Board of Director's submission:

The General Meeting elects Daniel Daub as member of the Board of Directors of Magyar Telekom Plc. until May 31, 2025, provided that if the 2025 Annual General Meeting is held prior to May 31, 2025, then his mandate expires on the day of the Annual General Meeting.

I request dr. Attila Borbély to outline the essence of the Supervisory Board's Report related to this agenda item.

**prof. dr. Attila Borbély:** Thank you. The Supervisory Board examined the submission of the Board of Directors on the election of member of the Board of Directors, agreed with and proposed it to the General Meeting for adoption.

**Chairman:** Thank you. I ask the Shareholders whether there are any questions or remarks regarding this agenda item? If there are none, I inform the Shareholders that the voting ratio necessary for adopting this resolution is simple majority. I put the proposal to vote.

The result of the voting: 713,103,410 affirmative votes (99.96%), 227,417 negative votes (0.03%), and 80,377 abstentions (0.01%). (Resolution no. 11/2023 (IV.19.), voting ratios in

proportion to the registered capital: Affirmative: 70.899031%, Negative: 0.022611%, Abstention: 0.007991%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 713,411,204 pcs, and proportion thereof to the registered capital: 0.709296%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 11/2023 (IV.19.).**

I close agenda item 8 and open agenda item 9.

### **Agenda item no 9**

#### **Decreasing the Company's share capital and related modification of the Articles of Association**

**Chairman:** The submission is available in whole in the disclosed written documents and is also included in the handout that has been available here at the venue. Therefore, I only summarize the essence thereof. Pursuant to the Civil Code and the Articles of Association resolution on the decrease of the share capital shall be adopted by the General Meeting. The resolution on the decrease of share capital shall also provide for the amendment of the articles of association required by the share capital decrease. Resolution of the General Meeting related to this shall be effective upon compliance with the conditions of the share capital decrease. The General Meeting's resolution on the decrease of share capital shall be considered effective if the holders of the types or classes of shares which are considered affected under the articles of association grant their explicit consent to the decrease of the share capital by way of the means specified in the articles of association. Magyar Telekom purchased 34,242,485 own shares during share buy-back transaction in 2022. The aim of this transaction was to execute shareholder remuneration. In line with prevailing capital market practice following such own share transaction, purchased shares held in treasury are cancelled and the share capital is decreased.

I request dr. Attila Borbély to outline the essence of the Supervisory Board's Report related to this agenda item.

**prof. dr. Attila Borbély:** Thank you. The Supervisory Board examined the submission of the Board of Directors on the capital decrease of the Company and related modification of the Articles of Association, agreed with and proposed it to the General Meeting for adoption.

**Chairman:** Thank you very much. I ask the Shareholders whether there are any questions, remarks regarding this agenda item? If there are none, I inform the Shareholders that we will vote on the capital decrease in line with the Board of Director's submission, one by one, in the order of the proposals. The voting ratio necessary for adopting these resolutions is three-quarters majority. I make known resolution proposal no 1:

The holders of dematerialized series "A" ordinary shares each with the face value of HUF 100 present at the General Meeting grant their approval to the proposed share capital decrease in compliance with Section 3:309(5) of the Civil Code and Section 11 of the Articles of Association.

I put the proposal to vote.

The result of the voting: 713,407,704 affirmative votes (100.00%), 3,500 negative votes (0.00%), and 0 abstentions (0.00%). (Resolution no. 12/2023 (IV.19.), voting ratios in proportion to the registered capital: Affirmative: 70.929285%, Negative: 0.000348%, Abstention: 0.000000%.

Shares represented by validly cast votes, i.e. total number of validly cast votes: 713,411,204 pcs, and proportion thereof to the registered capital: 0.709296%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 12/2023 (IV.19.).**

I make known resolution proposal no 2 so, that I introduce the text of the Articles of Association, in accordance with the resolution proposal, with the new wording. The whole text containing the deleted text is displayed on screen:

The General Meeting decreases the share capital of the Company as follows:

Reason of decreasing the share capital: withdrawal of equity.

Amount of which the share capital is being decreased:

By cancellation of 34,242,485 pieces dematerialized series "A" ordinary shares, each with the face value of HUF 100 owned by the Company (treasury shares), decrease of the share capital with HUF 3,424,248,500 to HUF 97,155,886,700.

Method of implementing the share capital decrease:

Decrease the number of 1,005,801,352 pieces of dematerialized series "A" ordinary shares, each with the face value of HUF 100 with 34,242,485 pieces of shares owned by the Company (treasury shares). Decrease of the share capital shall not affect the shareholders' shareholdings in the sense that the number of shares of the shareholders remain unchanged, while the ownership proportionally increases. There is no compensation to be paid to the shareholders upon cancellation.

Amendment of the Company's Articles of Association is required by decreasing the share capital. The effective date of change is the date of registration by the Court of Registration on the decrease of the share capital. The General Meeting approves the amendment of Section 2.1. of the Articles of Association as follows:

2.1. Share capital and shares

The share capital of the Company is HUF ~~100,580,135,200~~97 155 886 700 (that is ~~one hundred billion five hundred and eighty million one hundred and thirtyfive thousand and two hundred~~Ninety-seven billion one hundred and fifty-five million eight hundred and eighty-six thousand seven hundred Hungarian forints), comprised of ~~1,005,801,352~~971,558,867 series "A" ordinary shares, each with the face value of HUF 100.

The shares of the Company are dematerialized shares.

The General Meeting authorizes the Board of Directors to complete the tasks in connection with the implementation of the share capital decrease (share cancellation), particularly the tasks defined in the Civil Code and the Company Registration Act."

I put the proposal to vote.

The result of the voting: 713,410,554 affirmative votes (100.00%), 0 negative votes (0.00%), and 650 abstentions (0.00%). (Resolution no. 13/2023 (IV.19.), voting ratios in proportion to the registered capital: Affirmative: 70.929568%, Negative: 0.000000%, Abstention: 0.000065%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 713,411,204 pcs, and proportion thereof to the registered capital: 0.709296%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 13/2023 (IV.19.).**

I close agenda item 9 and open agenda item 10.

### **agenda item no 10**

#### **Advisory vote on the amended Remuneration Policy**

**Chairman:** Submissions are available in whole in the disclosed written documents and is also included in the handout that has been available here at the venue. Therefore, I only summarize the essence thereof.

The Remuneration Policy of the Company approved by resolution No. 41/2022 (IV.12.) of the Annual General Meeting, shall be amended due to the following reasons, as also displayed on screen:

- the wording of the Company's strategic pillars have changed,
- explaining how the vote of the shareholders was taken into account re the Remuneration Policy,
- changes affecting certain elements of the management remuneration package or the terms of their governing remuneration elements:
  - amendment of the ratio of the base wage and the bonus,
  - supplementing the target indicators of the annual bonus with sustainability targets,
  - Game Changer Incentive has been implemented,
  - Long Term Incentive (LTI) program and Share Matching Plan's (SMP) participation terms and conditions have changed, and
- minor amendments to enhance clarity of the Remuneration Policy.

Pursuant to the Civil Code and the Articles of Association, advisory voting on the Remuneration Policy belongs to the exclusive scope of competence of the General Meeting. The Remuneration Policy shall be put on the agenda of the General Meeting in the case of material changes therein or at least every four years. I make known the resolution proposal in line with the Board of Director's submission:

The General Meeting approves the amended Remuneration Policy of Magyar Telekom Nyrt. in line with the submission.

I request dr. Attila Borbély to outline the essence of the Supervisory Board's Report related to this agenda item.

**prof. dr. Attila Borbély:** Thank you. The Supervisory Board examined the submission prepared by the Remuneration and Nomination Committee submitted to the General Meeting with the agreement of the Board of Directors on the approval of the amended Remuneration Policy, agreed with and proposed it to the General Meeting for adoption.

**Chairman:** Thank you very much. I ask the Shareholders whether there are any questions or remarks regarding this agenda item? If there are none, I inform the Shareholders that the voting ratio necessary for adopting this resolution is simple majority. I put the proposal to vote.

The result of the voting: 667,391,222 affirmative votes (93.55%), 45,825,754 negative votes (6.42%), and 194,228 abstentions (0.03%). (Resolution no. 14/2023 (IV.19.), voting ratios in proportion to the registered capital: Affirmative: 66.354178%, Negative: 4.556144%, Abstention: 0.019311%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 713,411,204 pcs, and proportion thereof to the registered capital: 0.709296%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 14/2023 (IV.19.).**

I close agenda item 10 and open agenda item 11.

**Agenda item no. 11**  
**Advisory vote on the Remuneration Report**

**Chairman:** Pursuant to the Civil Code and the Articles of Association advisory vote on the Remuneration Report belongs to the exclusive scope of authority of the General Meeting. The Remuneration Report was prepared on the basis of the provisions of the relevant law. The statutory auditor of the Company checked that the information required by relevant law has been provided. The Board of Directors, considering the agreement of the Remuneration and Nomination Committee, submits the Company's Remuneration Report for the 2022 business year to the General Meeting for an advisory vote. I make known the resolution proposal in line with the Board of Director's submission:

The General Meeting approves the Remuneration Report of Magyar Telekom Nyrt. for the 2022 business year.

I ask dr. Attila Borbély to outline the essence of the Supervisory Board's Report related to this agenda item.

**prof. dr. Attila Borbély:** The Supervisory Board examined the submission prepared by the Board of Directors submitted to the General Meeting with the agreement of the Remuneration and Nomination Committee on the approval of the Remuneration Report, agreed with and proposed it to the General Meeting for adoption.

**Chairman:** Thank you. I ask the Shareholders whether there are any questions or remarks regarding this agenda item? If there are none, I inform the Shareholders that the voting ratio necessary for adopting this resolution is simple majority. I put the proposal to vote.

The result of the voting: 650,282,806 affirmative votes (91.15%), 62,936,870 negative votes (8.82%), and 191,528 abstentions (0.03%). (Resolution no. 15/2023 (IV.19.), voting ratios in proportion to the registered capital: Affirmative: 64.653205%, Negative: 6.257386%, Abstention: 0.019042%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 713,411,204 pcs, and proportion thereof to the registered capital: 0.709296%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 15/2023 (IV.19.).**

I close agenda item 11 and open agenda item 12.

**Agenda item no. 12**  
**Election and determination of the remuneration of the Company's Statutory Auditor, and determination of the contents of the material elements of the contract to be concluded with the Statutory Auditor**

**Chairman:** Regarding this agenda item the Supervisory Board shall make a proposal to the General Meeting. I request dr. Attila Borbély to present the Supervisory Board's proposal and report related to this agenda item.

**prof. dr. Attila Borbély:** Thank you Mr. Chairman. The relevant part of the Supervisory Board's Report related to this agenda item: The Supervisory Board adopted its proposal on the election and determination of the remuneration of the Company's Statutory Auditor, and determination of the contents of the material elements of the contract to be concluded with the Statutory Auditor and proposed it to the General Meeting for adoption. For the efficient time management, material elements of the contract to be concluded with the Auditor (as Scope of the contract, Billing and payment, Duration of the contract) in addition to elements set out in the resolution proposal, are displayed on the screen. I will read out the resolution proposal in line with the Supervisory Board's submission:

The General Meeting elects as Statutory Auditor of Magyar Telekom Plc. (the "Company") Deloitte Auditing and Consulting Ltd. (registered office: 1068 Budapest, Dózsa György út 84/C.; company registration number: 01-09-071057; registration number: 000083) to perform audit services for the 2023 business year in accordance with the submission, for the period ending May 31st, 2024 or if the Annual General Meeting closing the 2023 business year will be held prior to May 31st, 2024 then on the date thereof.

Personally responsible registered auditor appointed by the Statutory Auditor: Kornél Bodor (chamber membership number: 005343).

In the event he is incapacitated, the appointed deputy auditor is: Gábor Molnár (chamber membership number: 007239).

The General Meeting approves HUF 325,610,706 + VAT to be the Statutory Auditor's annual compensation to perform audit services for the 2023 business year, covering the audits of the Separate Financial Statements and the Consolidated Financial Statements of the Company prepared according to International Financial Reporting Standards (IFRS).

The General Meeting approves the contents of the material elements of the contract to be concluded with the Statutory Auditor according to the submission. Thank you.

**Chairman:** Thank you. We already have a question. Please, Mr. Korányi.

**Tamás Korányi:** Tamás Korányi, 10. Not a question, just a remark. If a person is very old and participated in many MTelekom general meetings and still has a good memory for numbers, then he remembers. At the time of the '97 initiation, a quarter century ago, we shuddered because this was the highest auditor fee payed to a Hungarian listed company, at that time HUF 76 million. I noticed it. At that time this was about the thousandth of the annual results. Well, no matter how nice this annual result is now, the auditor fee increased four and half times since then, while the results roughly remained at that level. So, I would like that the increase of the results would at least reach the increase of the auditor fee in the next years. Thank you.

**Chairman:** Thank you for the remark. We have recorded, the part of which you told to the microphone we have recorded in the minutes. Please.

**Zoltán Horváth:** Zoltán Horváth, 190. I would like to ask how that calculation could HUF ... 706 plus VAT, so how could it end up at HUF 6?

**Chairman:** Thank you for the question. I ask Attila Borbély, Chairperson of the Supervisory Board, to answer the question.

**prof. dr. Attila Borbély:** Thank you for the question. Calculation. That's how it came out. Thanks.

**Chairman:** Thank you. I ask the Shareholders whether there are any questions or remarks regarding this agenda item? If there are none, I inform the Shareholders that the voting ratio necessary for adopting this resolution is simple majority. I put the proposal to vote.

The result of the voting: 712,877,073 affirmative votes (99.93%), 154,498 negative votes (0.02%), and 281,150 abstentions (0.04%). (Resolution no. 16/2023 (IV.19.), voting ratios in proportion to the registered capital: Affirmative: 70.876528%, Negative: 0.015361%, Abstention: 0.027953%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 713,312,721 pcs, and proportion thereof to the registered capital: 0.709198%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 16/2023 (IV.19.).**

I close agenda item 12.

With no more items on the agenda of the General Meeting, let me thank the Shareholders and the invitees for their participation and thank the management of the Company and my colleagues for the preparatory and management work in relation to the General Meeting.

I declare the General Meeting closed at 12:46 p.m.

.....  
dr. Dániel Szeszlér  
Chairman of the General Meeting

.....  
dr. Gabriella Bognár  
Keeper of the Minutes

.....  
dr. Rita Bajáky  
Deutsche Telekom Europe B.V. shareholder's representative  
Authenticator of the Minutes

# Report of the Board of Directors on the management of Magyar Telekom Plc., on the business operation, on the business policy and on the financial situation of the Company and Magyar Telekom Group in 2022

Annual General meeting  
April 19, 2023



## Disclaimer

This investor presentation contains forward-looking statements. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore should not have undue reliance placed upon them. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events.

Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. Such factors are described in, among other things, our Annual Reports for the year ended December 31, 2021 available on our website at <http://www.telekom.hu>.

In addition to figures prepared in accordance with IFRS, Magyar Telekom also presents non-GAAP financial performance measures, including, among others, EBITDA, EBITDA AL, EBITDA margin, and net debt. These non-GAAP measures should be considered in addition to, but not as a substitute for, the information prepared in accordance with IFRS. Non-GAAP financial performance measures are not subject to IFRS or any other generally accepted accounting principles. Other companies may define these terms in different ways. For further information relevant to the interpretation of these terms, please refer to the chapter "Financial and operational data set", which is posted on Magyar Telekom's Investor Relations webpage at [www.telekom.hu/investor\\_relations](http://www.telekom.hu/investor_relations).



# Strategic priorities

## Network

- Fixed network rollout: coverage expanded to 3.4m gigabit capable access points
- Ongoing RAN modernization and completion of 3G switch-off supporting growing demand for increased capacity



**~77%**  
gigabit capable network



**60%**  
of RAN modernization completed

## Customers

- Continued strong momentum in mobile data and gigabit broadband demand
- Successful monetization of network investments reflected in ARPU trends



**10 GB**  
average monthly mobile data usage in 2022, representing an increase of more than 25% YoY



**> 1.2 million**  
customers connected through Gigabit capable network

## Resilience

- Inflation-based fee adjustment clause included in customer contracts
- Energy cost control measures launched to mitigate rise in market prices

**BBB+**

corporate credit rating with stable outlook



**6% saving**

in YoY electricity consumption



# External recognitions in 2022



Constituent of FTSE4Good Index Series

AAA ESG rating from MSCI

Zyntern.com #1 most attractive employer



PwC Hungary – Most Attractive Workplace (Telecommunication category)

Randstad Most Attractive Workplace (Telecommunication sector)

Open Minded Companies Award „Most Tolerant Company” Prize

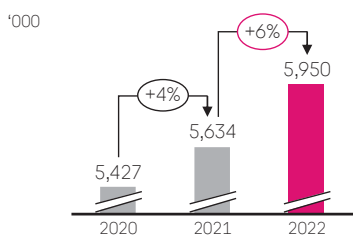
IPRA Golden World Award

CMA Content and Marketing Award

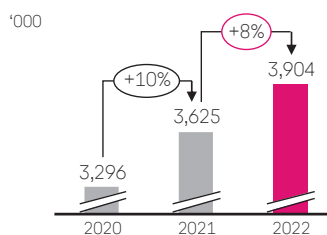


# Hungarian subscriber trends

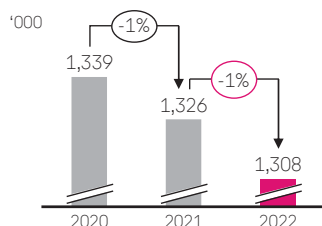
Total mobile SIMs



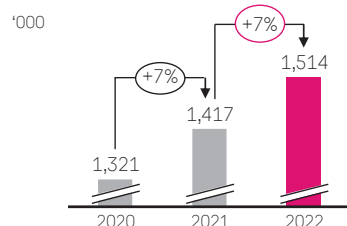
Mobile broadband subscribers



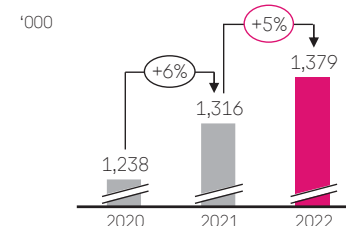
Fixed voice subscribers



Fixed broadband subscribers

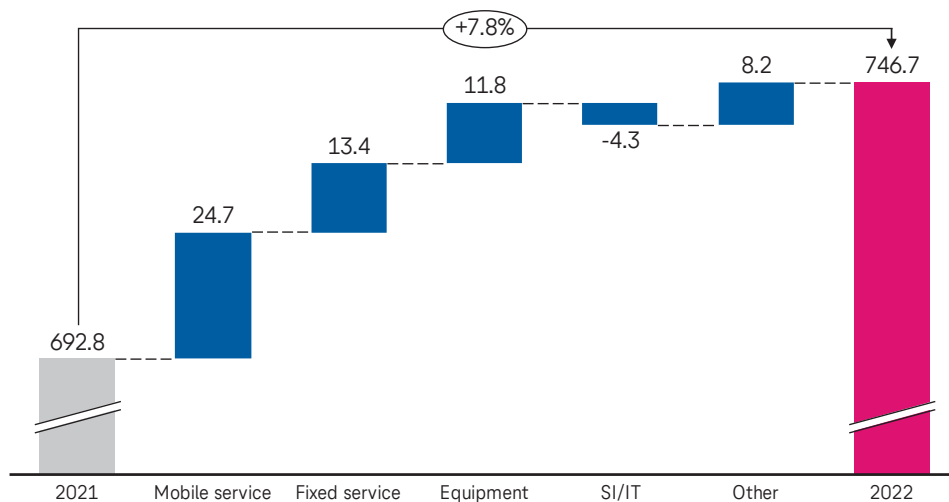


Pay TV subscribers



# Revenue: growth reflects strong commercial performance

HUF bn

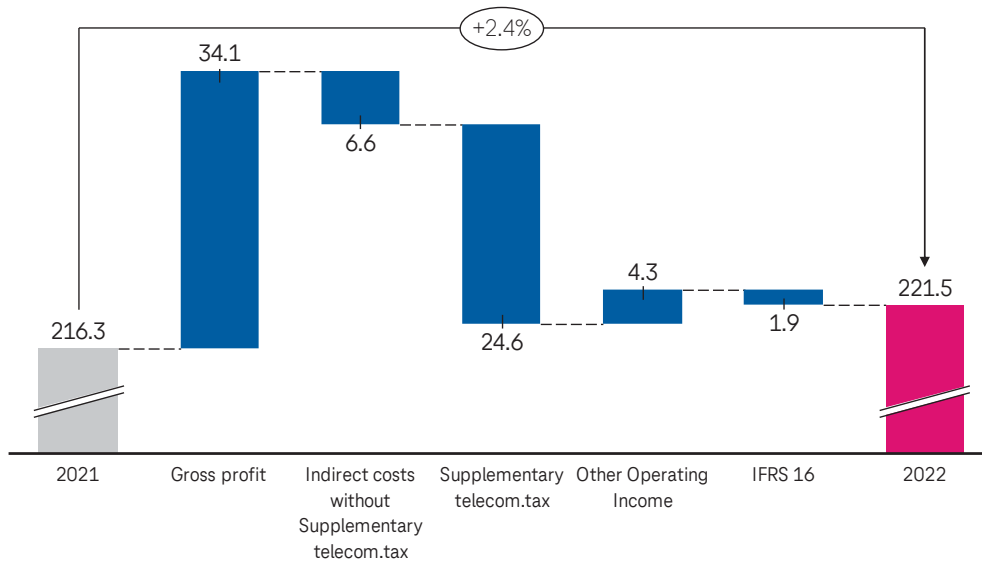


- Increase in mobile service revenue fueled by strong demand for data
- Fixed service revenue growth driven by continued customer expansion
- Higher equipment sales in line with rise in unit prices
- SI/IT revenue contraction reflects lower public sector spending



# EBITDA AL: positive underlying performance reduced by supplementary telecommunication tax

HUF bn



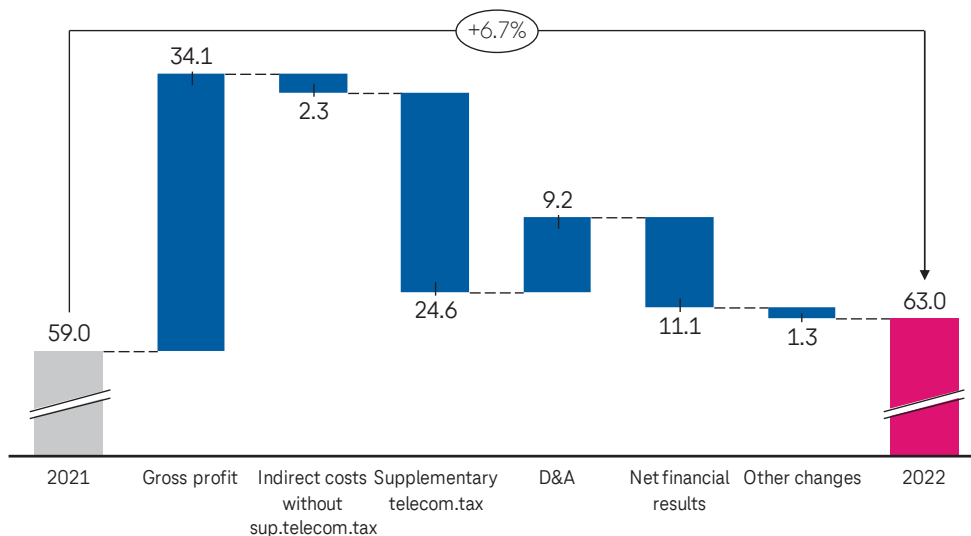
- Increase in gross profit thanks to improvements in mobile and fixed service margins
- Pressure on indirect costs from cost inflation
- Introduction of supplementary telecommunication tax weigh on profitability
- Increase in operating income due to gain on sale of subsidiary



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# Net income: growth driven by strong commercial results

HUF bn

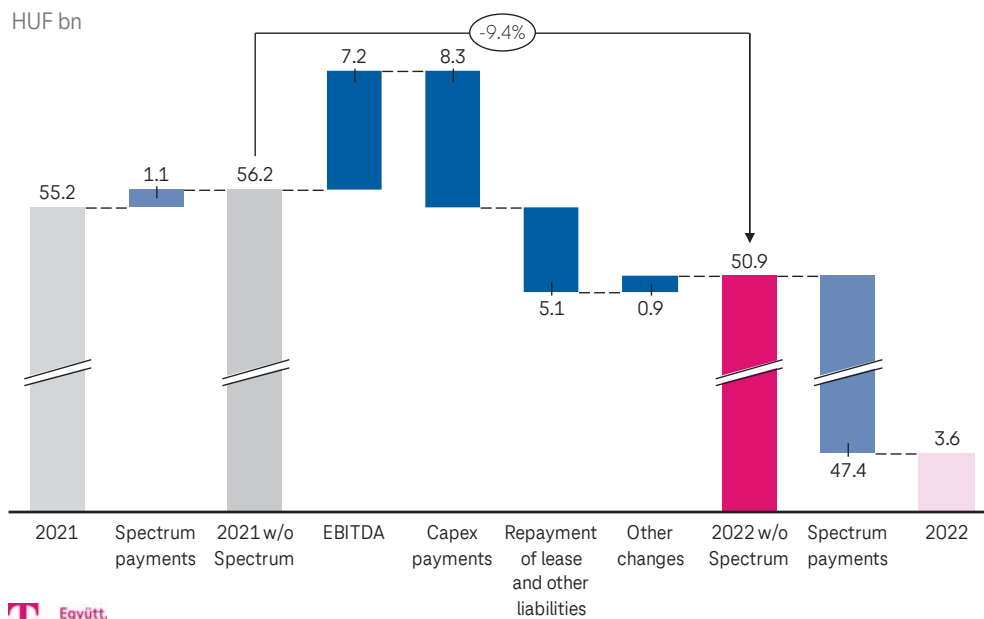


- Strong operational performance driven by continued strong demand for fixed and mobile data services
- Increased external pressure negatively impacted profitability
- Lower D&A driven by changes in the asset composition and frequency license conditions
- Decline in net financial results reflect absence of unrealized revaluation gains



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# Free cashflow: negative effect of challenging external environment



- Improvements in EBITDA despite supplementary telecommunication tax charge, thanks to strong underlying performance
- Increased capex outpayments stemming from weakening of the forint and strong inflationary pressure
- Increase in rental payments related to fiber network and mobile base station contracts

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# Delivery against 2022 financial targets

	2021 results	2022 guidance	2022 results (change YoY)
REVENUE	HUF 692.8 bn	ca 5% growth <sup>3</sup>	HUF 746.7 bn (+7.8%)
EBITDA AL	HUF 216.3 bn	moderate decline <sup>2</sup>	HUF 221.5 bn (+2.4%)
CAPEX AL <sup>1</sup>	HUF 109.3 bn	broadly stable	HUF 126.7 bn (+15.9%)
FCF <sup>1</sup>	HUF 56.2 bn	moderate decline <sup>2</sup>	HUF 50.9 bn (-9.4%)

<sup>1</sup> EXCLUDING SPECTRUM LICENSES

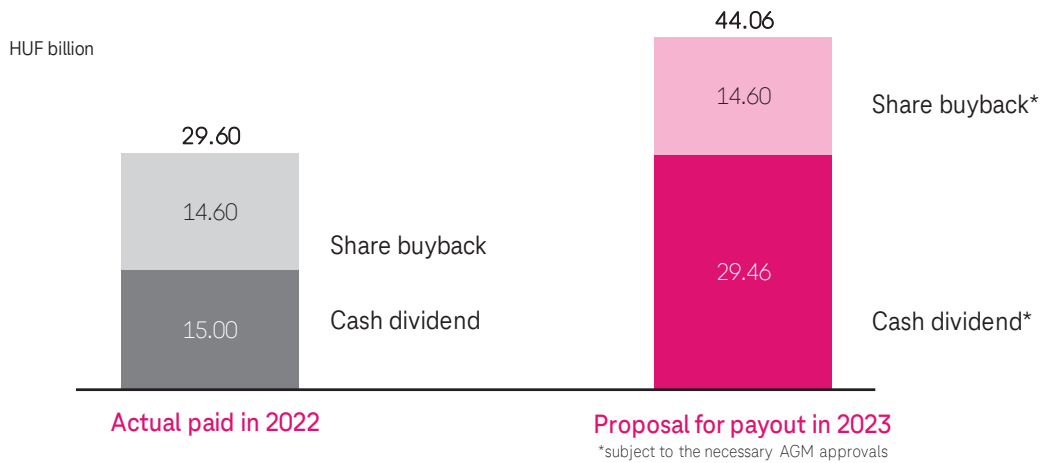
<sup>2</sup> MODIFIED FOLLOWING ANNOUNCEMENT OF TEMPORARY SUPPLEMENTARY TELECOMMUNICATION TAX

<sup>3</sup> DISCLOSED ON THE 8TH OF NOVEMBER 2022

# Total Shareholder remuneration

Total shareholder remuneration is proposed to be equal to ca 70% of the 2022 adjusted net income:

- 1) cash dividend of HUF 29.46 bn\* (corresponding to HUF 30.60 dividend per share)
- 2) share buyback up to HUF 14.60 bn\*



## 2023 strategic objectives and targets

#1 CHOICE OF CUSTOMERS

DIGITALLY NATIVE BUSINESS

2023

UNDISRUPTABLE TELEKOM

MOST ADMIRABLE COMMUNITY

**Thank you!**