

Magyar Telekom Investor Presentation

March 2026

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, 2024 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.

Magyar Telekom at a glance

Overview

Integrated ICT operations

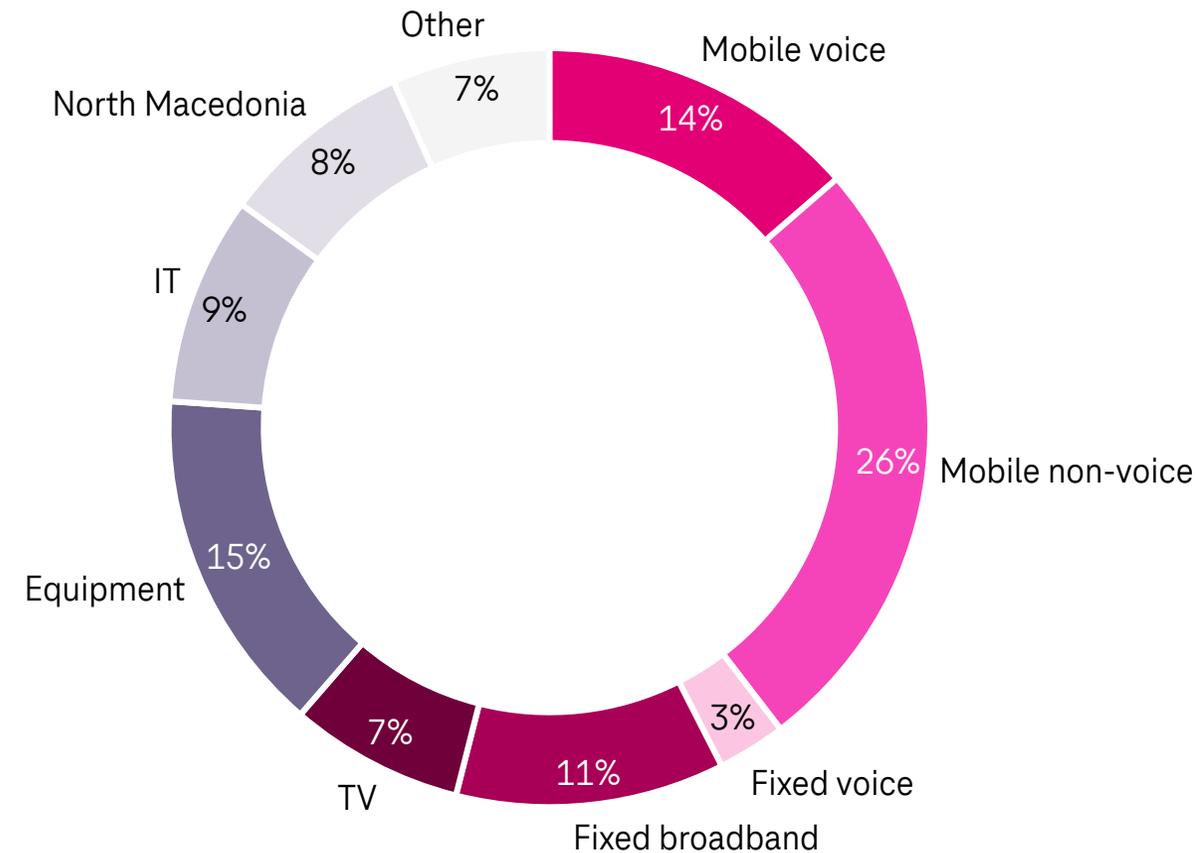
- Leading telecommunications service provider in both countries
- Leading SI/IT service provider in Hungary
- Offering full spectrum of fixed and mobile services across both markets

Majority owned by Deutsche Telekom (65.78%)

EUR 5.2 bn market capitalization¹

Primary listing on Budapest Stock Exchange

2025 revenue composition



Financial highlights of 2025

Revenue

984 bn

HUF

EBITDA AL

387 bn

HUF

Adjusted net income

207 bn

HUF

Free cash flow

221 bn

HUF

Earnings per share

233

HUF

Dividend per share

154

HUF

Share buyback

50 bn

HUF

Net debt

248 bn

HUF

Investment Highlights



Three-pronged strategy for continued success



NETWORK & INVESTEMENTS

Differentiate via **leading network experience** by ensuring **seamless connectivity**



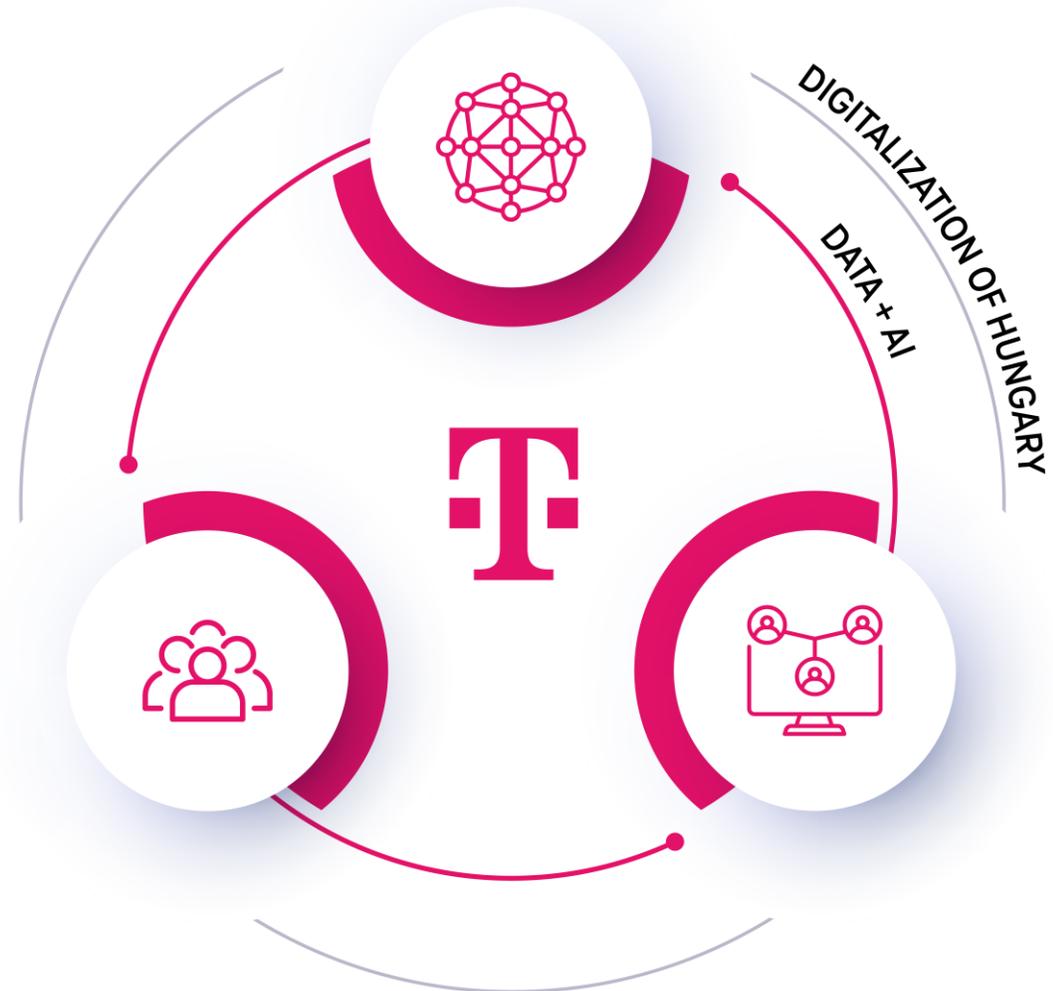
CUSTOMERS

Grow by monetizing high-quality networks & services that **enhance digital life & business with Magenta Advantage**, providing outstanding customer experience



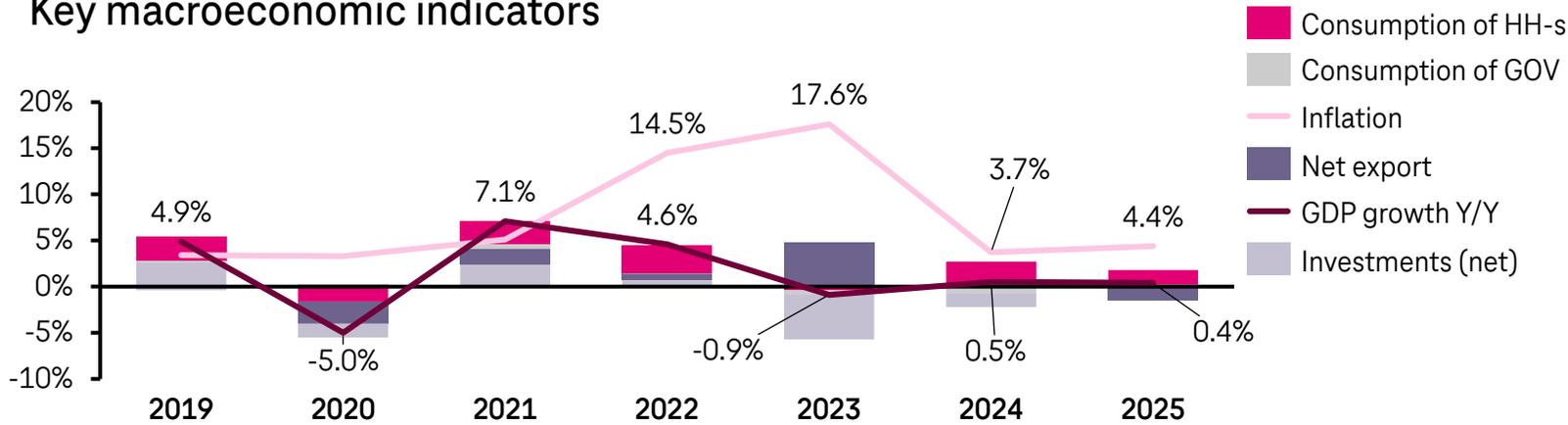
EFFICIENCY

Increase productivity & cost efficiency end-to-end through **continuous automation, simplification & modernization**. Adapt to external challenges.



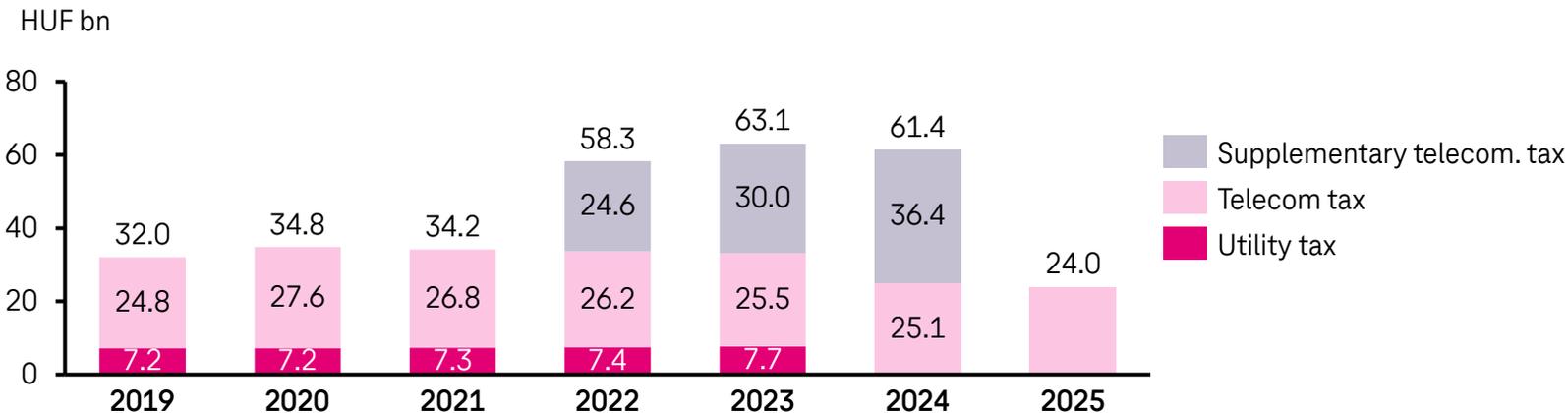
More favourable environment with sector-specific tax removals

Key macroeconomic indicators



- **Inflation** was 4.4% in 2025 but dropped in January 2026 (2.1% YoY)
- **GDP** stagnated YoY in 2025, as moderate growth in household consumption was mitigated by decline in net export
- **Fiscal deficit** target at 5% for both 2025 and 2026

Sector-specific taxes levies on Magyar Telekom*



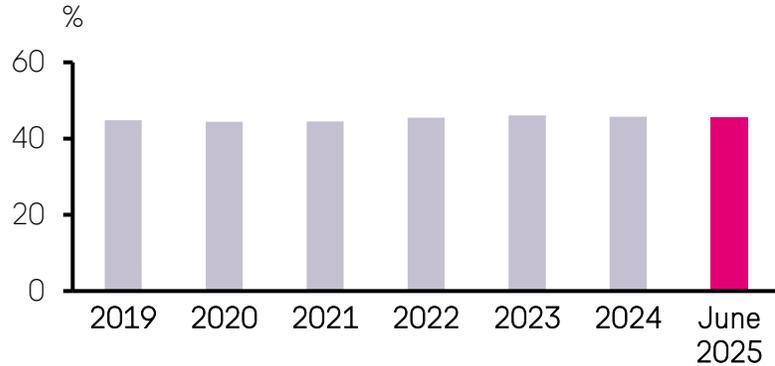
- Financial performance during 2012-2024 affected by sector-specific taxes
 - Traffic-based **telecom tax** introduced in July 2012 and increased in August 2013
 - **Utility tax** levied based on network length in 2013, eliminated in 2024
 - Temporary revenue-based **supplementary telecommunication tax** payable for 2022, 2023 and 2024



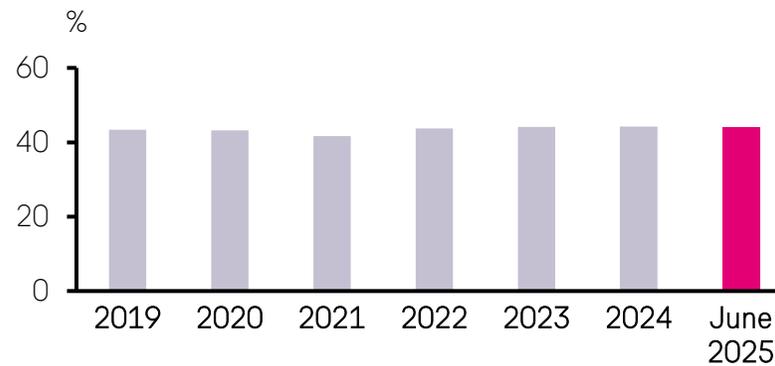
* Sector specific taxes booked as part of Operating Expense reducing EBITDA

Strong market leading position

Mobile voice SIM market share¹

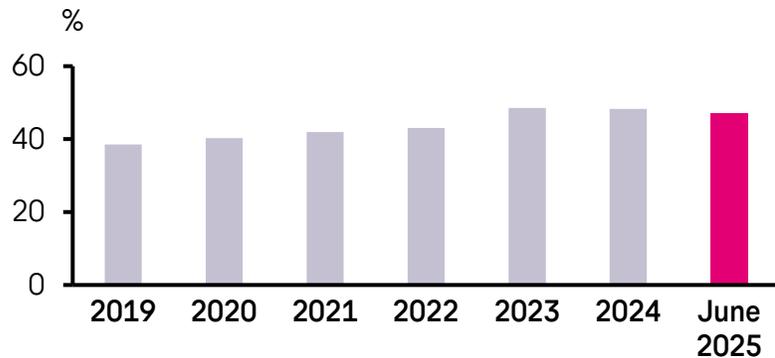


Mobile data SIM market share¹

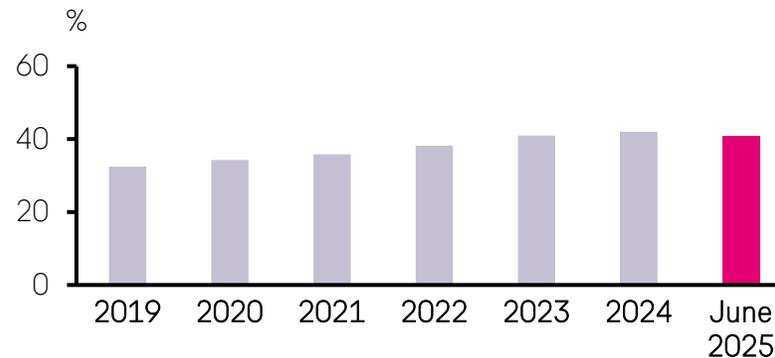


Stable leading position in the Hungarian mobile market

Fixed broadband market share^{2,3}



TV market share^{2,3}



Increasing Hungarian fixed broadband and TV market share

Competitors:

- 4iG: integrated fixed-mobile-IT offering; Yettel/Cetin: mobile only operations; Vantage: Vodafone Group's local tower co.; Small privately-owned cable companies

¹ Based on the total voice/internet traffic generating SIM cards data published by the National Media and Infocommunications Authority (NMIA)

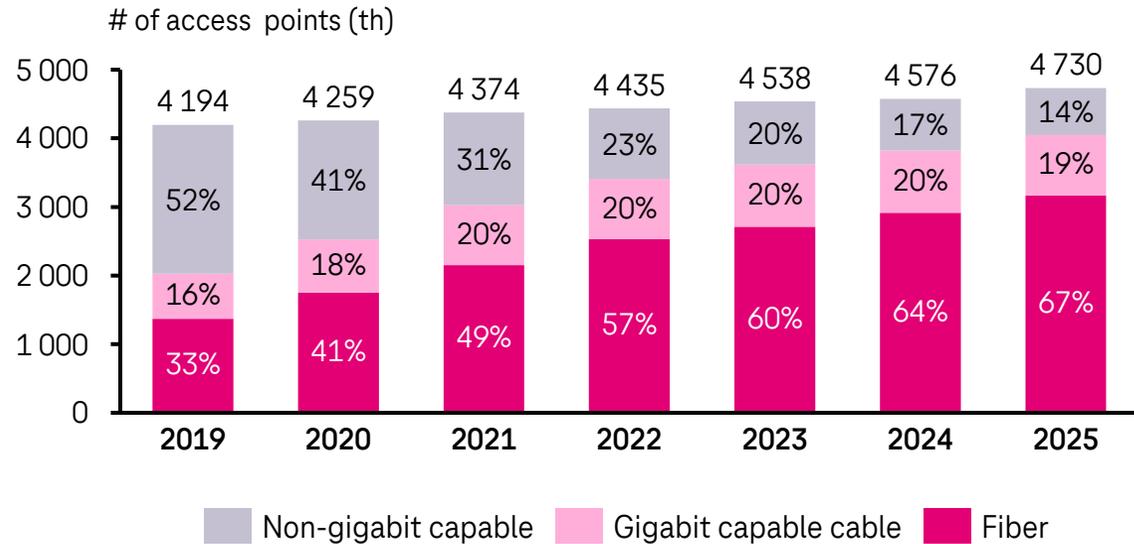
² Based on the BB access/ pay TV data published by the National Media and Infocommunications Authority (NMIA) and internal data and estimates

³ Sale of ViDaNet (fixed line subsidiary) in Q2 2025, fixed broadband and TV market shares declined by ca. 1.5ppt



Outstanding networks: a critical differentiator

Continuous investment into our fixed network

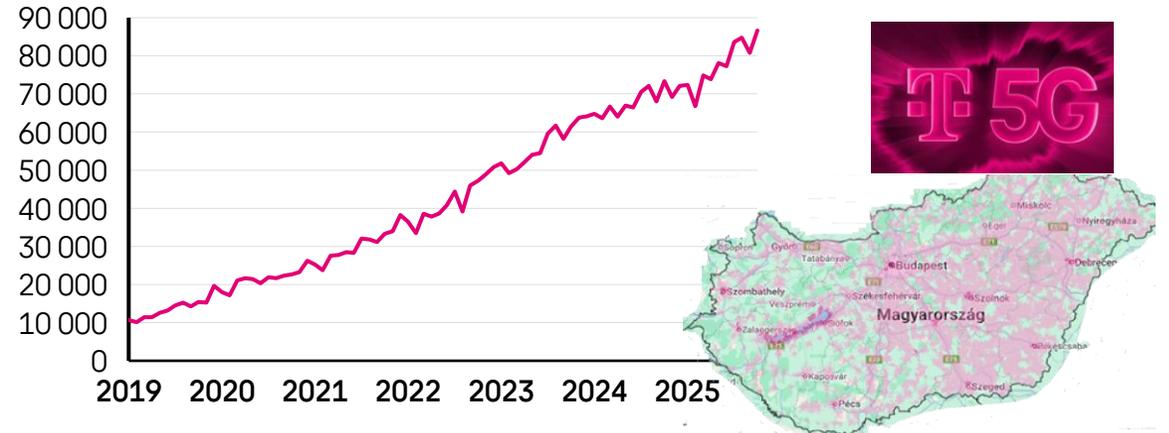


- Continued **fiber rollout** to provide seamless connectivity to a growing customer base
- Gradual copper retirement to increase efficiency
- **Gigabit availability** across over 4 million access points or ~73% of country-wide network
- **Goal:** connect 4.5 million Hungarian homes and businesses by end-2027



Facilitating growing mobile data usage

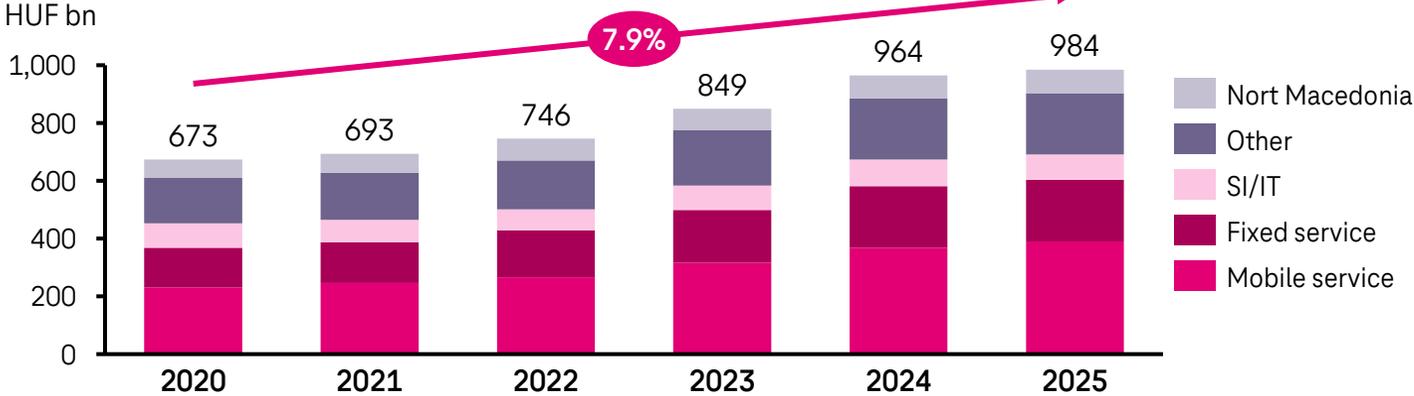
Total monthly mobile traffic (GB thousand)



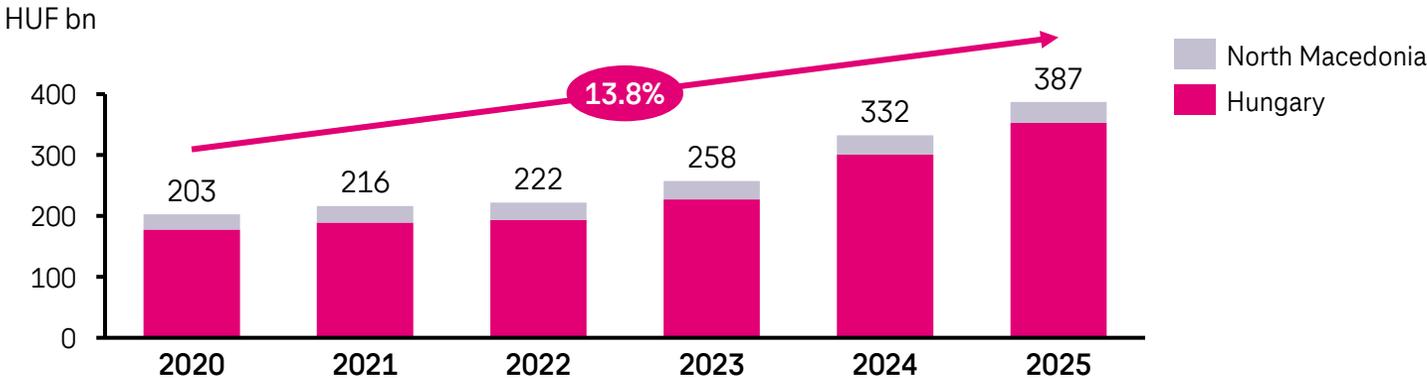
- Steady growth in **mobile data** traffic driven by expanding customer base and increasing data usage
- **Transferring 2G traffic** to Yettel's network to free up capacity
- Population-based **5G** coverage at 86%
- **Goal:** increase population-based outdoor 5G coverage to 99% by end-2026

Consistent improvement in revenue and profitability

Magyar Telekom revenues



Magyar Telekom EBITDA AL



Seamless connectivity experience



Strong brand, excellent servicing & more-for-more pricing strategy



90% of Employees in Budapest HQ working under agile framework



Elimination of 2 out of 3 sector specific taxes & other operating expenses kept under control



ISS Corporate Solutions ranked Magyar Telekom among the best performers of the telecom sector globally with 'B' rating



BBB+ corporate credit rating with stable outlook affirmed by Scope Ratings

Successful delivery against 2025 financial targets

Revenue

2025 guidance

1%-3% growth

2025 results (change y-o-y)

HUF

983.9 bn (+1.7%)

EBITDA AL

ca 15% growth

HUF

386.8 bn (+16.1%)

Adjusted Net Income

HUF

at least 200 bn

HUF

207.4 bn (+27.5%)

FCF¹

HUF

at least 200 bn

HUF

220.9 bn (+33.8%)

¹ excluding spectrum licenses



2026 guidance

2026 guidance

Revenue

low-single-digit growth

EBITDA AL

low-single-digit growth

Adjusted Net Income

mid-single-digit growth

FCF¹

around HUF 200 bn



~300,000 new fiber access points



Enhanced customer service and continued streamlining of offer portfolio



Operational improvements leveraging data & AI solutions



Further reduction in incident rates



Further simplification measures, including planned scale-back of third-party equipment export activities

¹ excluding spectrum licenses

Sustainable practices underpin strategic initiatives



Digitalization of Hungary

- 5G coverage
- Gigabit access
- Consultancy



Climate Protection

Scope 1 & 2

- Carbon neutrality (since 2015)
- Green energy
- Energy reduction and efficiency

Scope 1 & 2

- Reaching full circularity
- Lowering suppliers' attributable emissions



Digital inclusion & education

Digital inclusion

- Education platforms
- Child protection

Sensitivity program

- Multi-generation
- Sustainable work

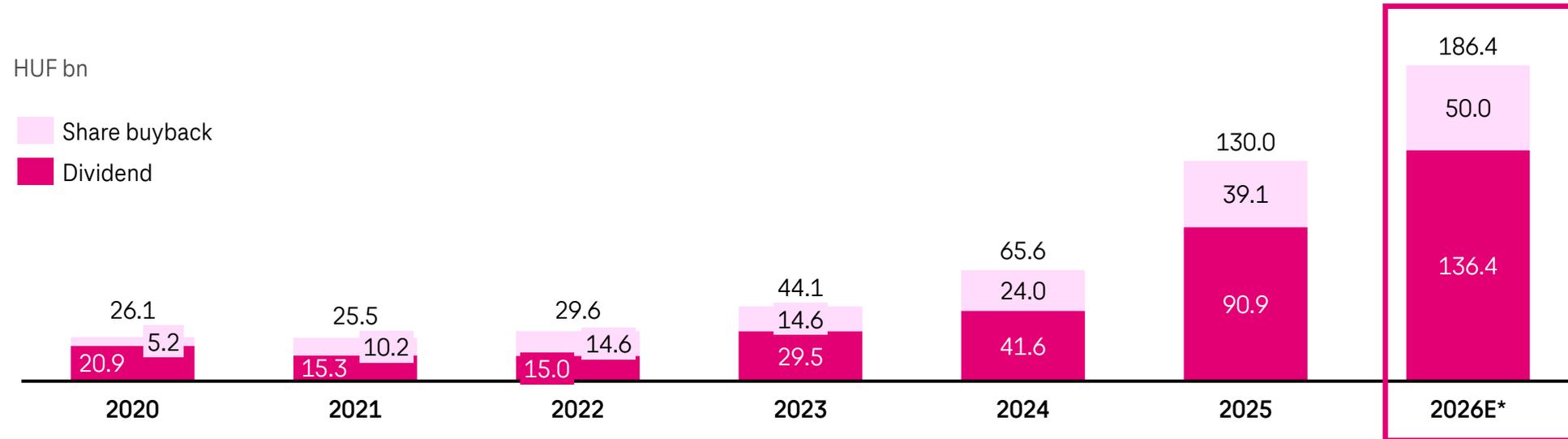
Committed to delivering sustainable shareholder value

Record shareholder remuneration for 2025

- cash dividend of HUF 136.4 billion* (HUF 154 dividend per share)
- share buyback of up to HUF 50.0* billion

Enhanced policy for 2025 and beyond

- Target annual shareholder remuneration: 60% - 100% of consolidated adjusted net income, up from 60% - 80% in 2022-2024
- Delivered through dividend payments and share buybacks



2025 Results



2025 HUNGARIAN HIGHLIGHTS

NETWORK

>4 million gigabit access points

86% population based outdoor 5G coverage

1.6 million fast access customers

Launch of **MTMI** TowerCo

CUSTOMERS

1.6 million Magenta Moments clients

RESILIENCE

Operation Support System transformation

Broad selection of **streaming** services

AI solutions
– Magenta AI, CoMind, KeyStone

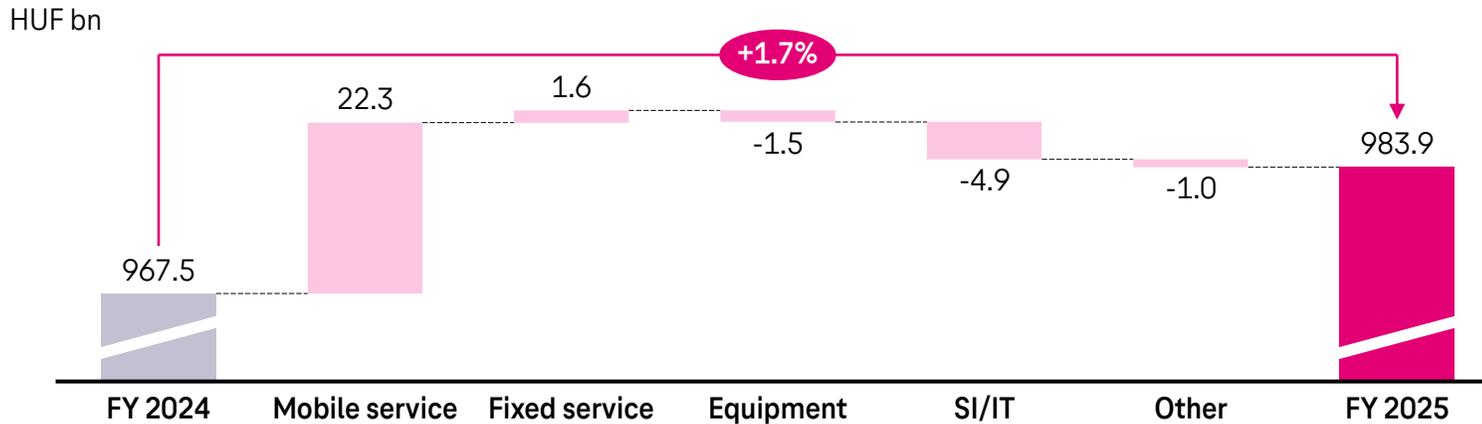
New mobile and home propositions

Strong, undisputed **T brand**



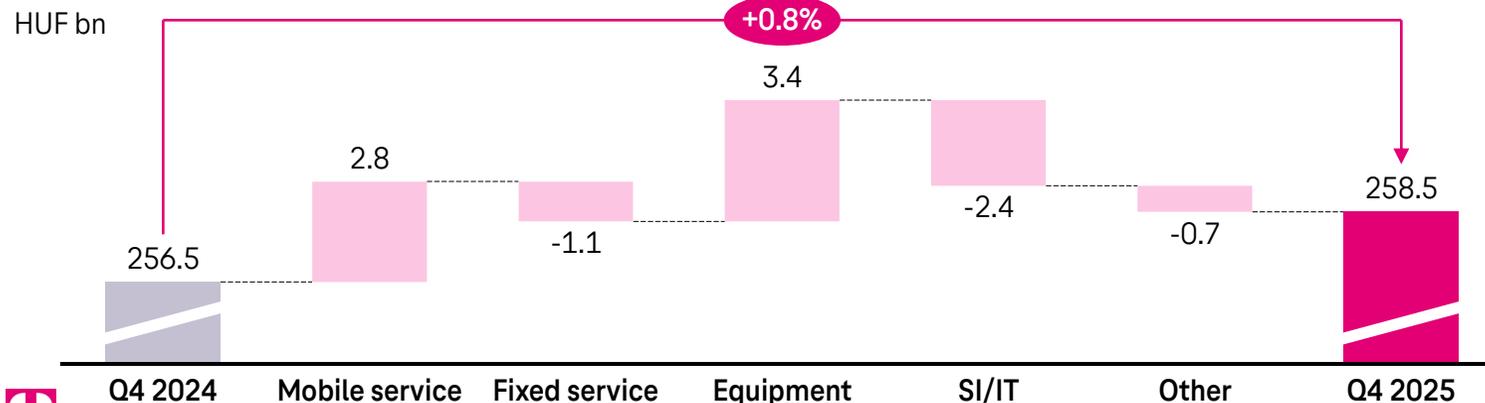
Sustained revenue growth underpinned by steady momentum in service revenues

Revenue, FY 2025 vs FY 2024



- Mobile service revenue growth reflects ongoing expansion in mobile data consumption
- Fixed service revenue reflects ViDaNet deconsolidation impact as of Q2 2025
- Decline in third-party equipment export sales consistent with reduced focus on this activity

Revenue, Q4 2025 vs Q4 2024

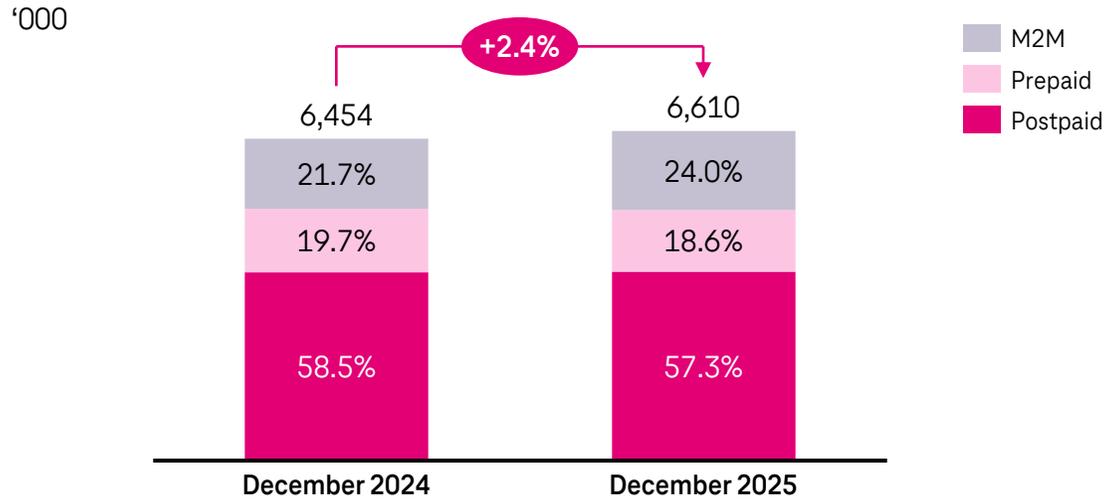


- IT revenue impacted by weaker demand in Hungary and a deliberate shift in strategic focus toward more profitable recurring services



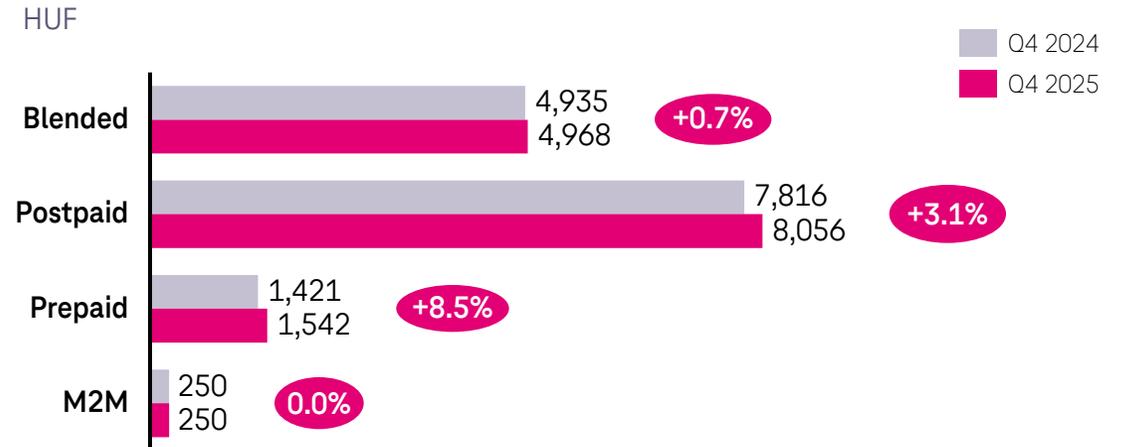
Growing mobile data usage drives positive momentum in mobile segment

Mobile SIMs



- Expansion in residential postpaid customer base offset by higher churn in public sector SIMs
- M2M growth driven by positive momentum in elderly care watch sales and smart meter solutions

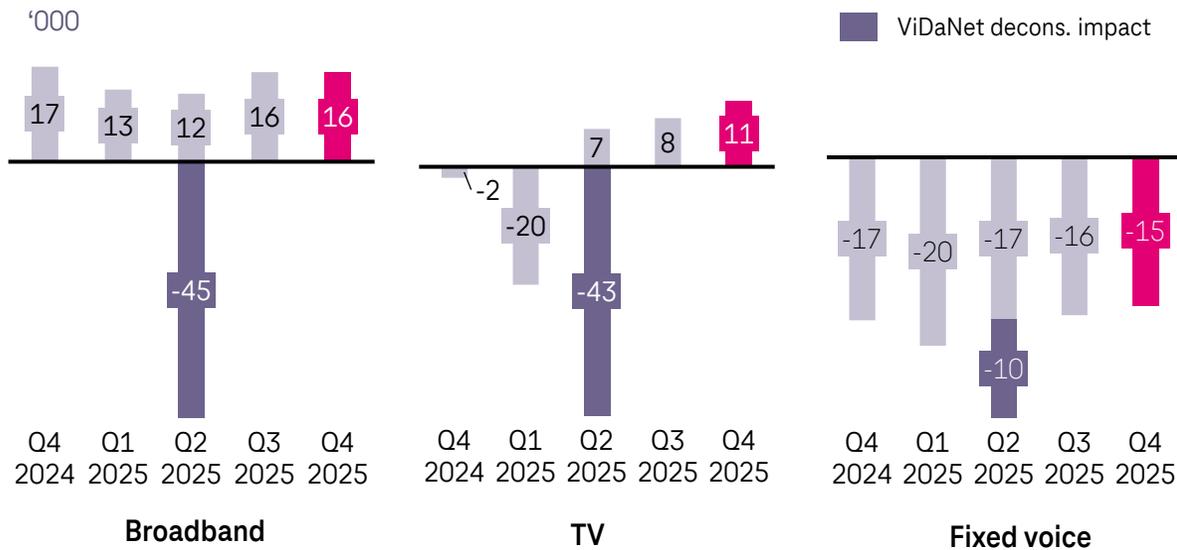
Mobile ARPU



- Mobile data usage growth provides impetus to positive ARPU development
- Blended APRU diluted by strong uptake of low ARPU M2M SIMs

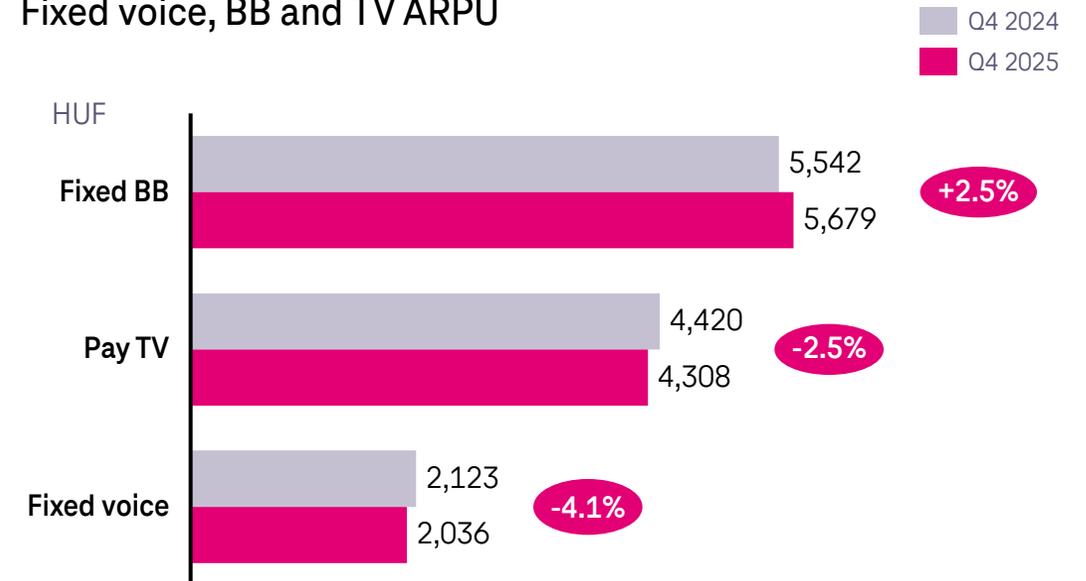
Continued fiber uptake fuels fixed market growth

Broadband, TV and fixed voice quarterly customer net adds



- Broadband growth driven by continued strong fiber uptake
- Decline in YoY TV RPC reflects deconsolidation of ViDaNet and discontinuation of satellite-TV service

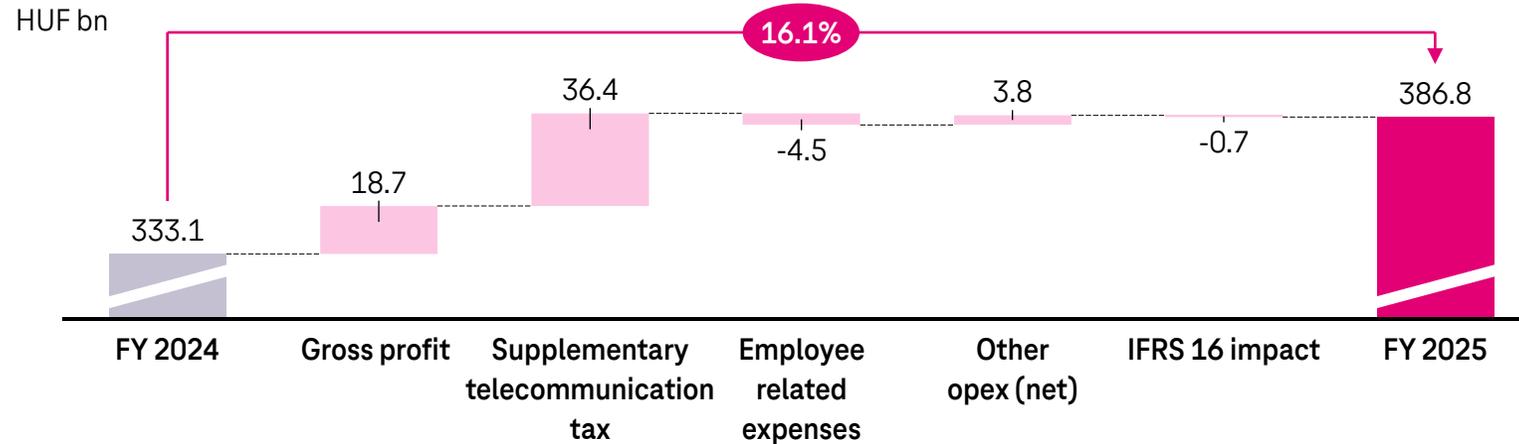
Fixed voice, BB and TV ARPU



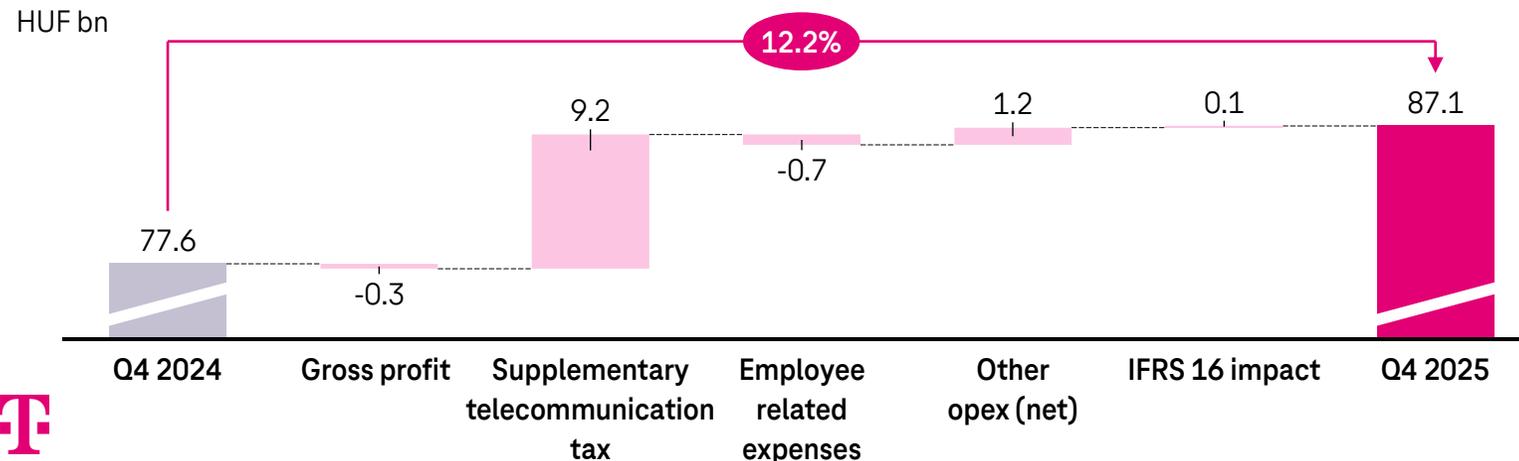
- Broadband ARPU trend reflects successful customer migration to higher bandwidth packages
- TV ARPU decline driven by higher discount levels

EBITDA AL growth driven by higher gross profit and expiry of supplementary tax

EBITDA AL, FY 2025 vs FY 2024



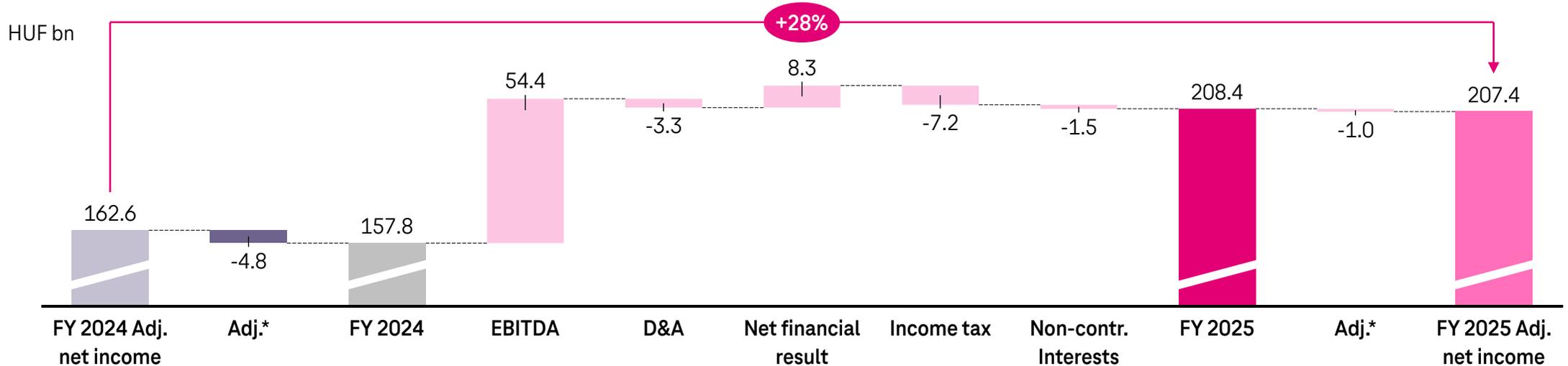
EBITDA AL, Q4 2025 vs Q4 2024



- Gross profit development in line with service revenue trends
- Profitability supported by expiry of supplementary telecommunication tax as of January 1, 2025
- Employee-related expense impacted by wage increase
- Savings in other opex achieved despite inflationary pressure thanks to disciplined cost management and improved energy costs

Significant rise in net income driven by EBITDA growth

Net income (and adjusted net income), FY2025 vs FY 2024



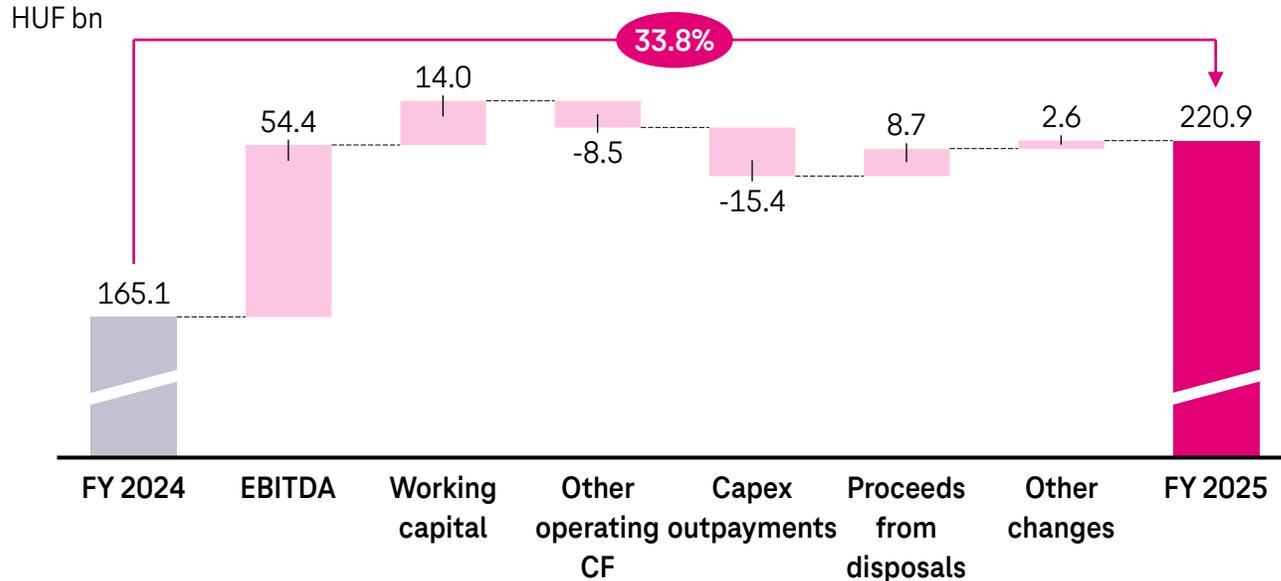
- Strong EBITDA growth boosts net income
- Net financial result improvement reflects lower interest expense
- Higher income tax expense in line with growth in profit before tax
- Higher profit attributable to minority shareholders reflects improved profitability at the North Macedonian subsidiary



*Adjustments are unaudited

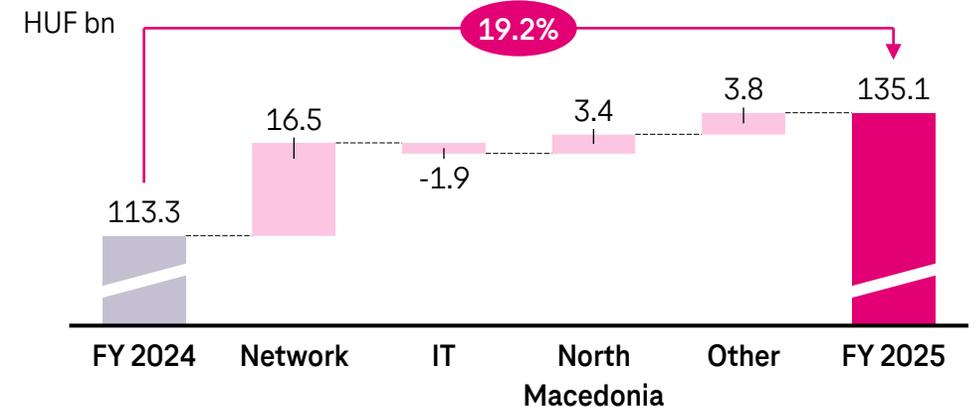
Strong free cash flow driven by EBITDA uplift

Free cash flow FY 2025 vs FY 2024



- Working capital positively impacted by:
 - favorable development in equipment instalment receivables
 - lower vendor outpayments due to different seasonal dynamics
- Significantly higher income tax expense in line with enhanced profitability
- Higher capex outpayments reflect increase in investment activity
- 2025 free cash flow benefited from one-off proceeds related to real estate and subsidiary disposals

Capex AL, FY 2025 vs FY 2024



- Higher fixed and mobile network investments across both countries; reported capex reflects asset retirement obligation accruals
- 250k new gigabit access points reached thanks to successful fiber roll-out in Hungary

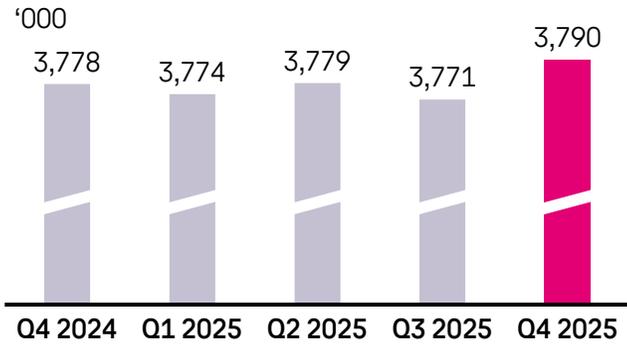


Appendix

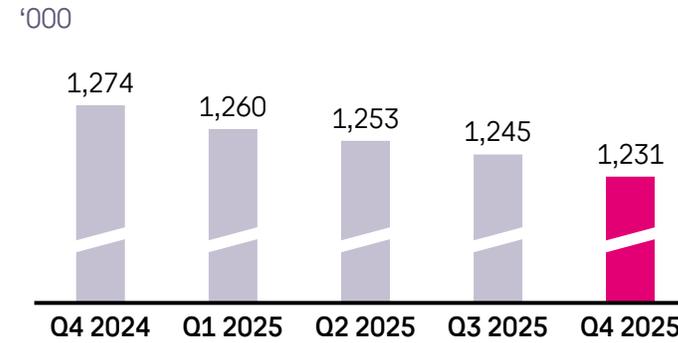


Mobile KPIs

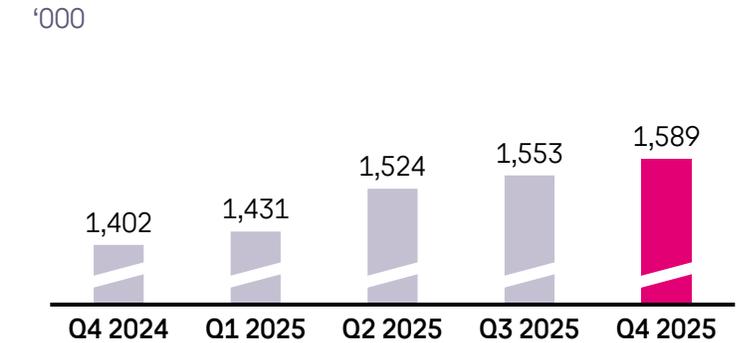
Postpaid customers



Prepaid customers

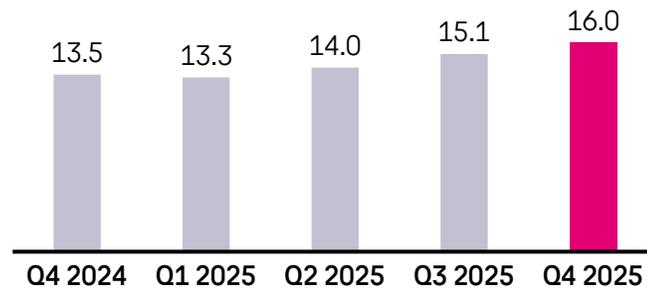


M2M



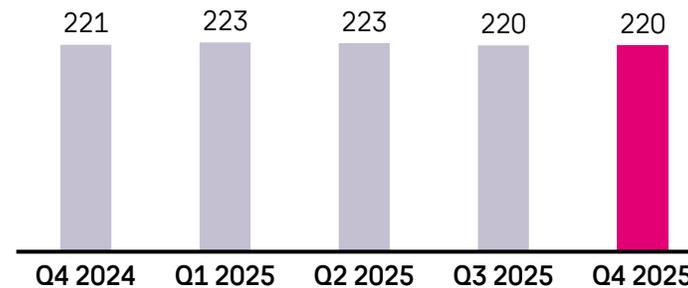
Average mobile data usage

GB/month



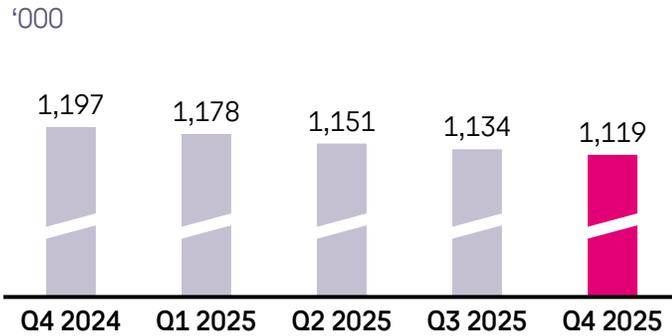
Mobile voice usage

Minutes/month

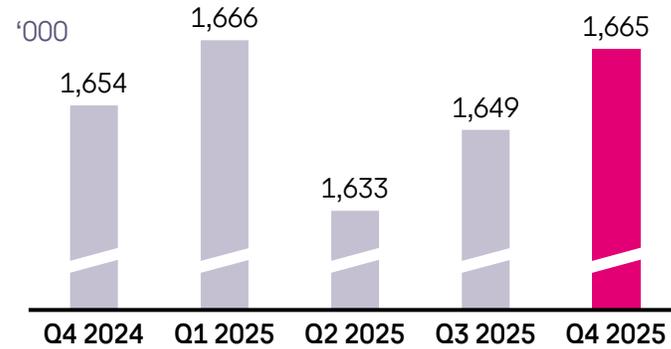


Fixed KPIs

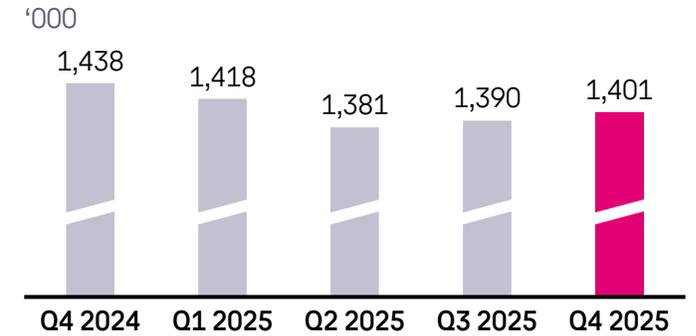
Fixed voice customers



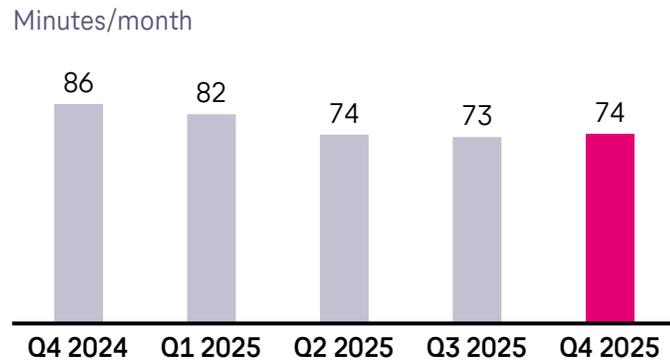
Fixed broadband customers



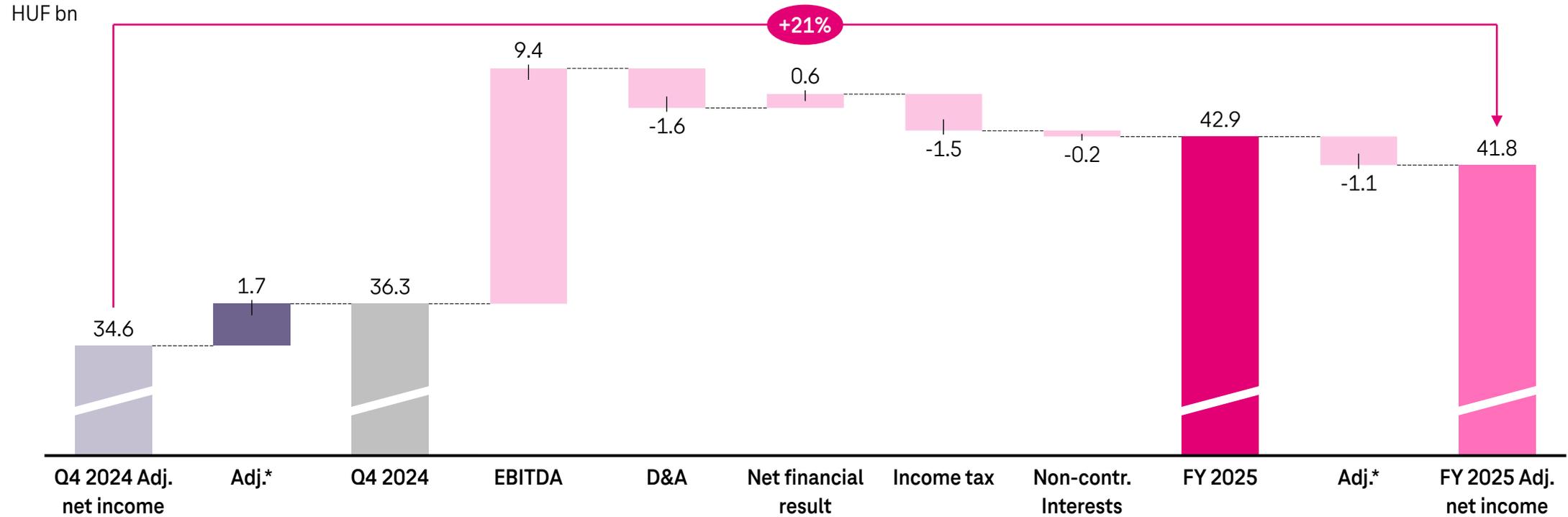
Pay TV customers



Fixed voice usage



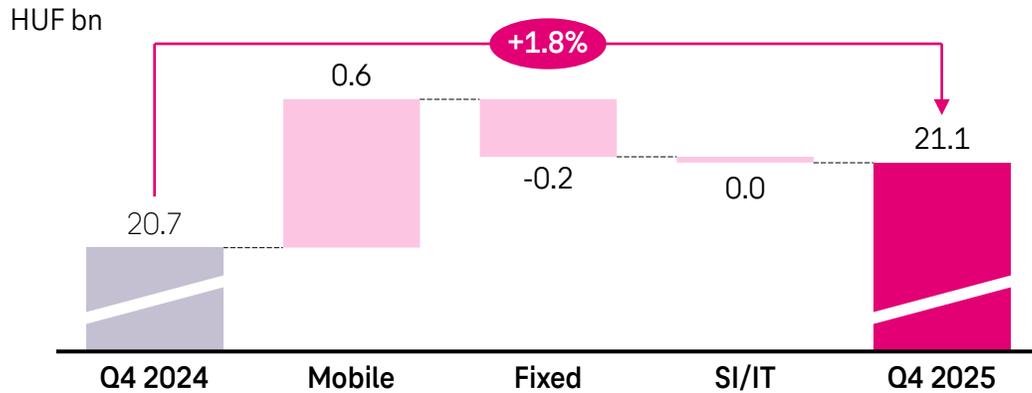
Net income Q4 2025 vs Q4 2024



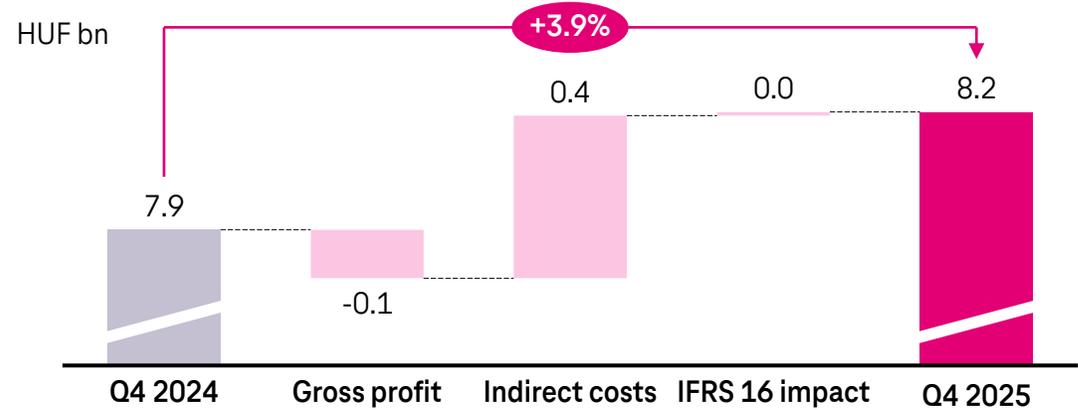
*Adjustments are unaudited

North Macedonia performance highlights

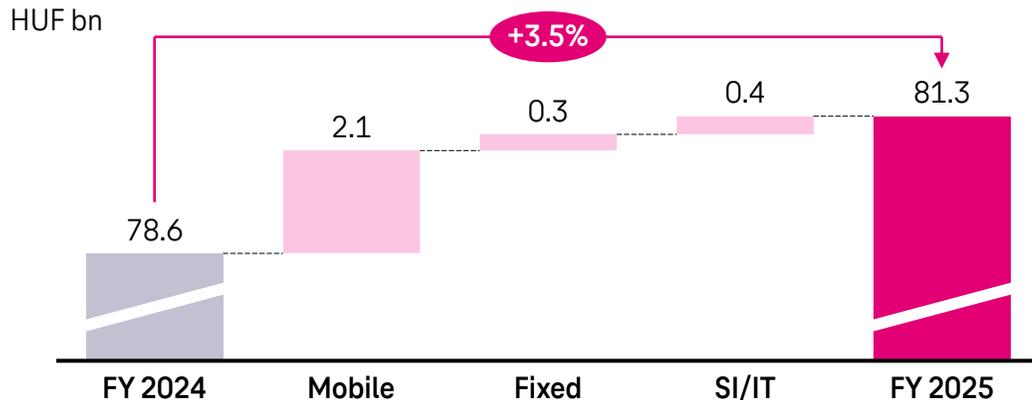
Revenues, Q4 2025 vs Q4 2024



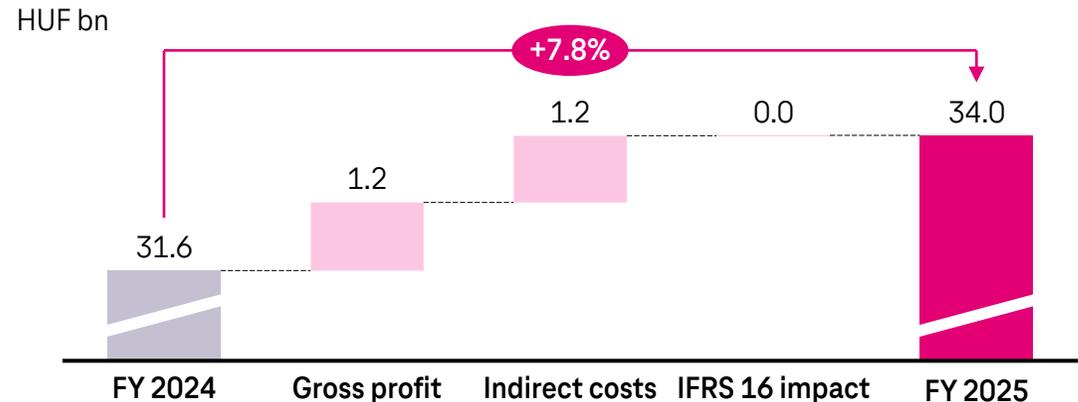
EBITDA AL, Q4 2025 vs Q4 2024



Revenues, FY 2025 vs FY 2024



EBITDA AL, FY 2025 vs FY 2024



For further questions please contact the IR team

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