



Investor Release

Magyar Telekom

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The Hungarian Government and Magyar Telekom strengthen their cooperation for the Digital Transformation of Hungary with a Memorandum of Understanding

Budapest – September 15, 2023 – Magyar Telekom (Reuters: MTEL.BU and Bloomberg: MTELEKOM HB, hereinafter the “Company”), the leading Hungarian telecommunications service provider, announces that the Government of Hungary and Magyar Telekom signed a Memorandum of Understanding, confirming their long-term cooperation for the Digital Transformation of Hungary.

According to the Memorandum, the Company is committed to build gigabit-capable fixed network covering an additional 1 million homes and businesses in 4 years, making the fixed gigabit-capable network infrastructure available to 4.5 million Hungarian homes and businesses by the end of 2027. Besides, the Company will also accelerate the rollout of 5G coverage, resulting in an increase to close to 99% population-based outdoor 5G coverage by 2026. In order to fulfill the above commitments, the Company intends to spend an overall HUF 123 billion on its fixed and mobile network development within the period of 2024-2027.

According to the Memorandum, the Government of Hungary intends to support fixed line gigabit internet network, 5G coverage developments and ICT investments, among other things, through the review of sector specific tax rules and the abolition of utility tax payment obligation of electronic telecommunication providers from January 2024, and the abolition of the supplementary telecommunication tax from January 2025.

The Memorandum of Understanding is available on Magyar Telekom’s website at the following link:
https://www.telekom.hu/static-tr/sw/file/Memorandum_of_Understanding_15September2023_eng.pdf

This investor news may contain 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, 2022 available on our website at <http://www.telekom.hu>.