

Magyar Telekom Group Q1 2025 Results Presentation

May 14, 2025

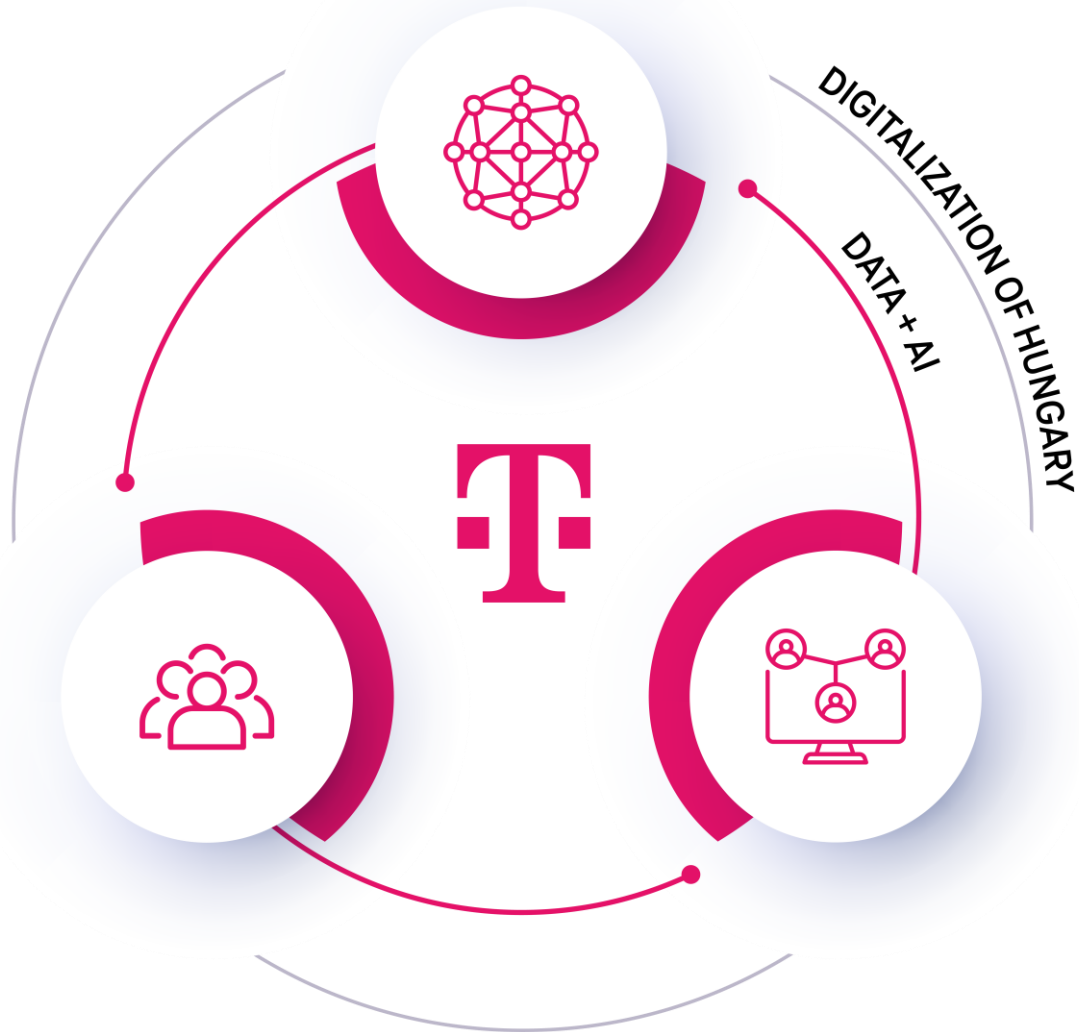
Disclaimer

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.

Delivery against strategic objectives



Network & Investments

- 58,000 fiber access points added, increasing the gigabit coverage ratio of the Hungarian fixed network to 84%
- Population-based outdoor 5G coverage at ~77%



Customers

- 24,000 new fiber broadband customers
- Over 1.4 million Magenta Moments clients

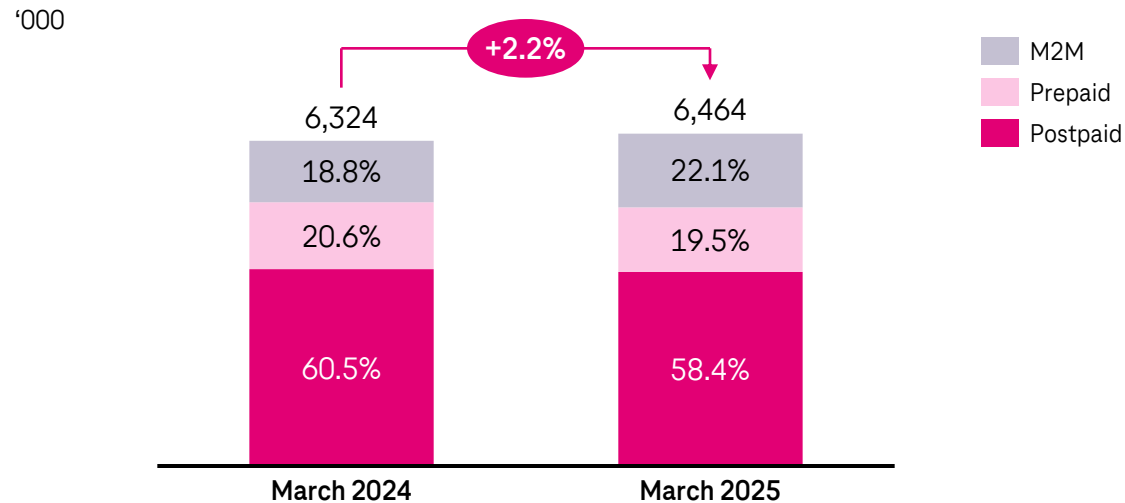


Resilience & Efficiency

- No inflation-based fee adjustment in 2025
- Despite inflationary pressure, indirect costs kept under control

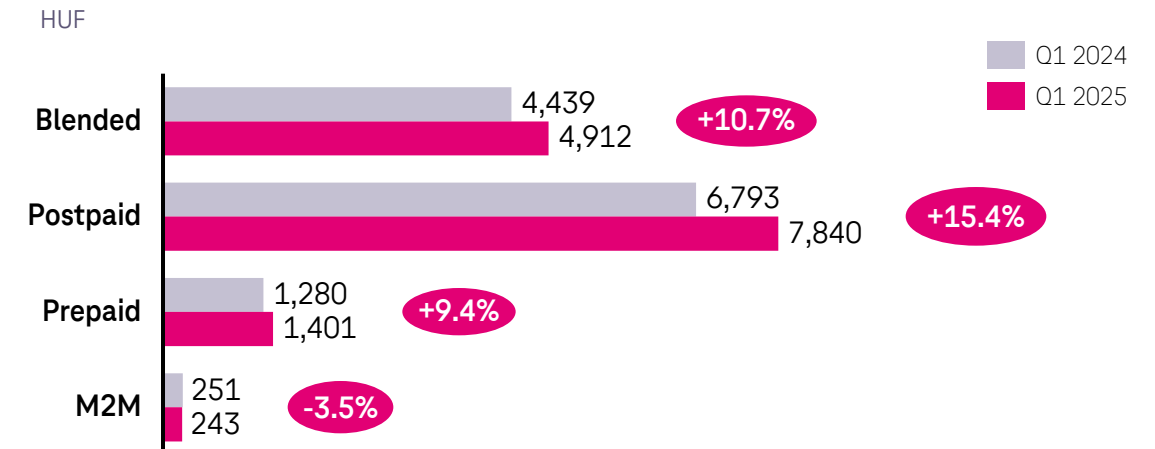
Growing mobile data usage drives momentum in mobile segment

Mobile SIMs



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

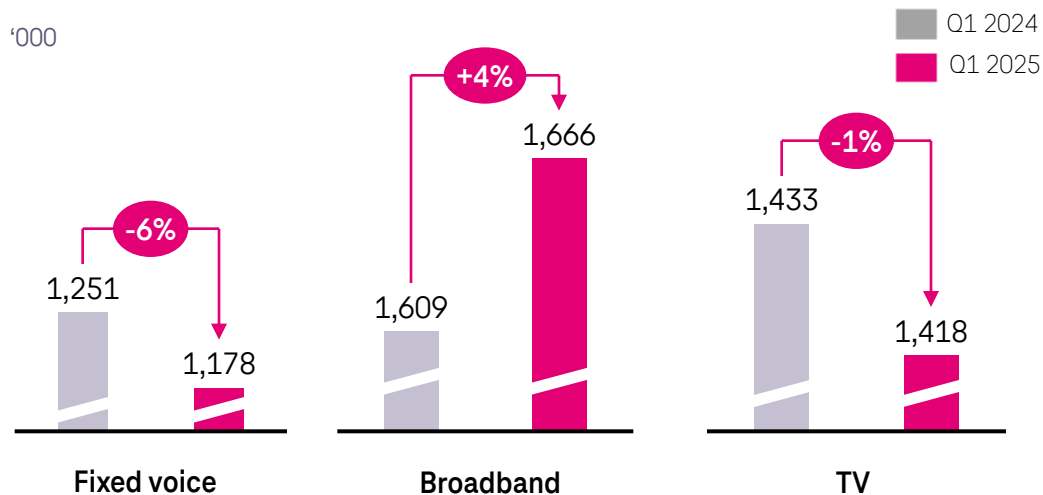
Mobile ARPU



- Mobile data usage growth provides impetus to positive ARPU development
- Postpaid ARPU further supported by inflation-based fee adjustment implemented in 2024

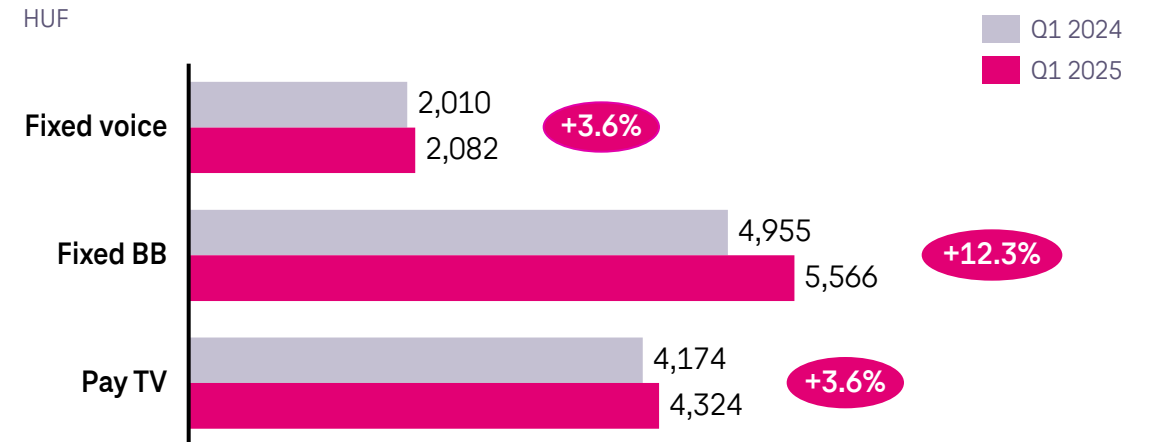
Fiber uptake fuels fixed market growth

Fixed voice, BB and TV customers



- Higher fixed voice churn driven by service rationalization
- Broadband growth fueled by strong fiber uptake
- TV customer trend reflects discontinuation of satellite-TV service

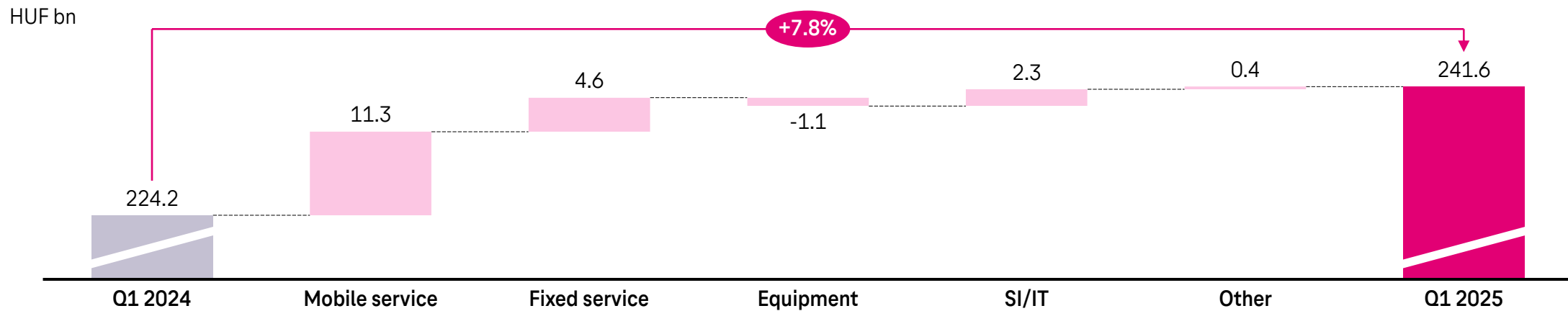
Fixed voice, BB and TV ARPU



- Broadband ARPU trend reflects proactive customer migration to higher bandwidth packages
- ARPU development across all service lines supported inflation-based fee adjustment

Revenue growth reflects inflation-based fee adjustment and positive operational developments

Revenue, Q1 2025 vs Q1 2024

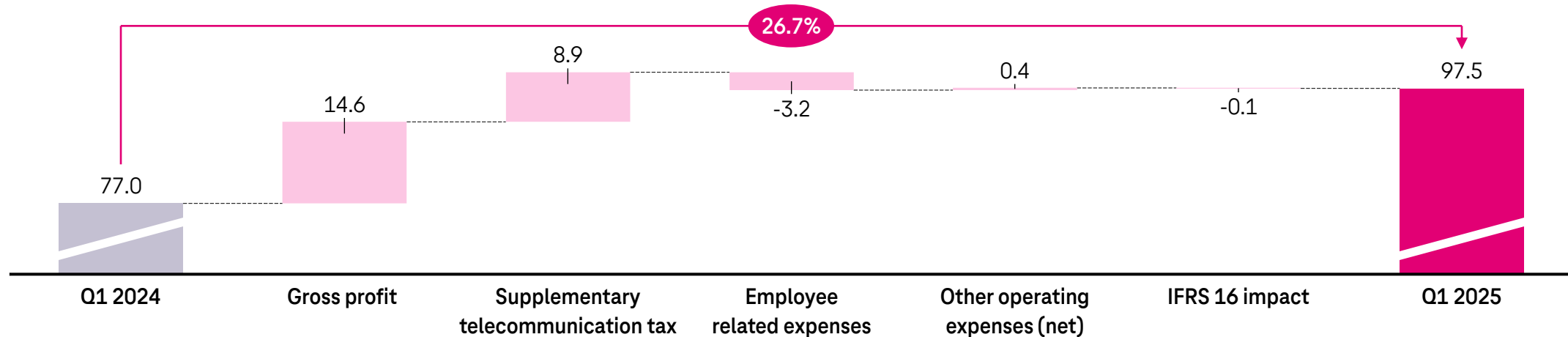


- Service revenue growth driven by continued demand for data and connectivity
- Subscription revenues boosted by 2-month impact of inflation-based fee adjustment
- SI/IT performance reflects delivery of major projects in Hungary
- Equipment sales development reflects general slowdown in customer spending trends

EBITDA AL growth driven by strong gross profit momentum and expiry of the supplementary tax

EBITDA AL, Q1 2025 vs Q1 2024

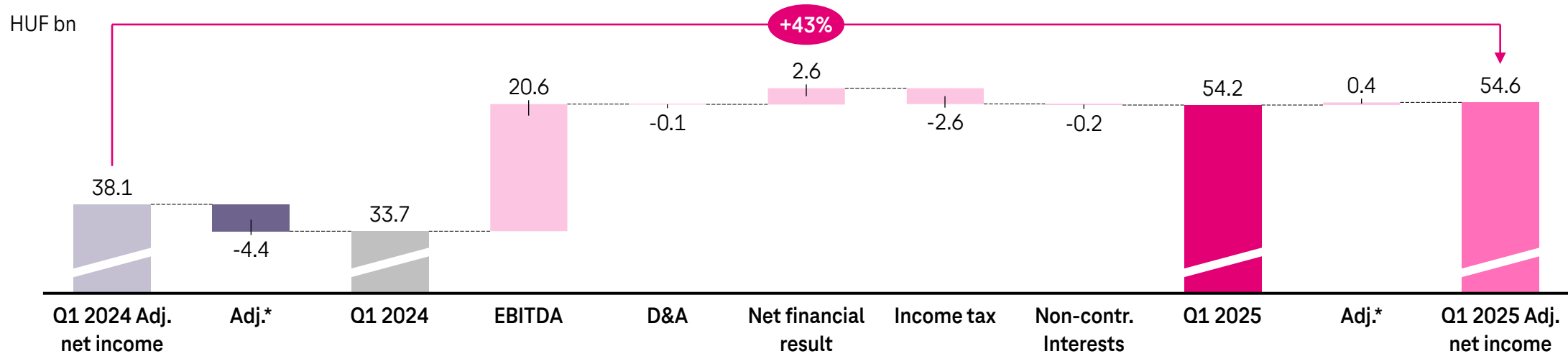
HUF bn



- Gross profit up in line with revenues
- Employee-related expense reflects higher wage
- Other operating expenses kept under control despite inflationary pressure
- Supplementary telecommunication tax has expired as of January 1, 2025

Significant rise in net income driven by EBITDA growth

Net income (and adjusted net income), Q1 2025 vs Q1 2024



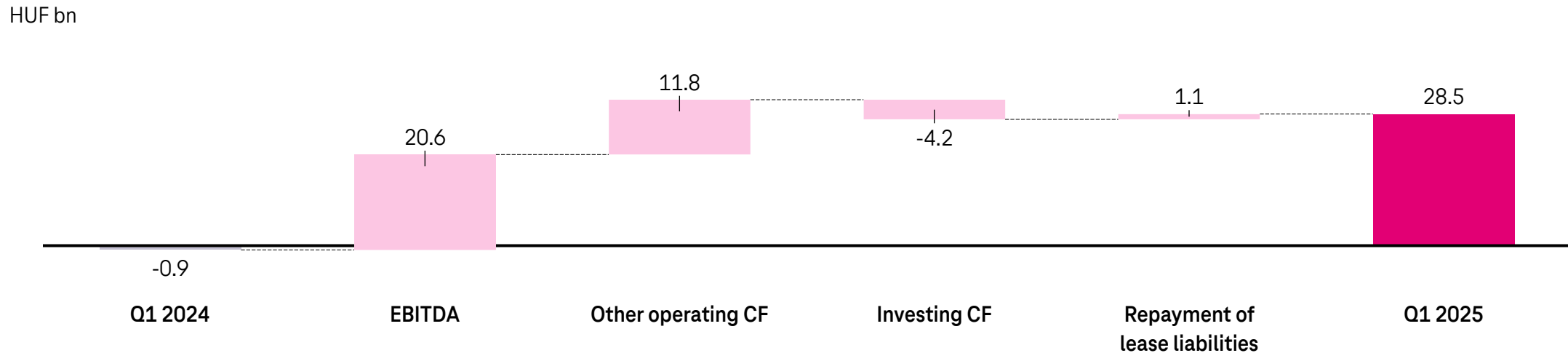
- Strong EBITDA growth boosts net income
- Net financial result improvement reflects lower interest expense
- Adjustments made for unrealized gains/losses related to FX changes and measurement of derivatives at fair value

*Adjustments are unaudited



Positive trends in EBITDA and working capital changes drive strong free cash flow

Free cash flow excluding spectrum licenses, Q1 2025 vs Q1 2024



- Strong increase in free cash flow in line with EBITDA uplift
- Working capital positively impacted by favorable development in instalment and other customer related receivables
- Higher cash generation supported by lower interest outpayments
- Higher capex outpayment related to network investments

2025 guidance reaffirmed

	2024 results	2025 guidance	Q1 2025 results <small>change y-o-y</small>
Revenue	HUF 967.5 bn	ca 1-3% growth	HUF 241.6 bn (+7.8%)
EBITDA AL	HUF 333.1 bn	ca 12-15% growth	HUF 97.5 bn (+26.7%)
Adjusted Net Income	HUF 162.6 bn	HUF ca 190 bn	HUF 54.6 bn (+43.4%)
FCF ¹	HUF 165.1 bn	HUF ca 180 bn	HUF 28.5 bn

¹ excluding spectrum licenses



For further questions please contact the IR team

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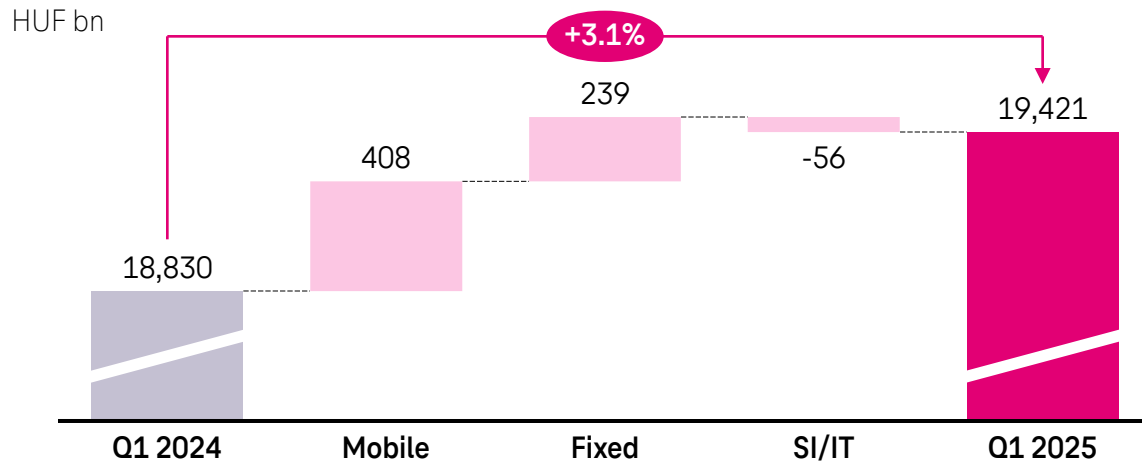
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Back-up

North Macedonia performance highlights

Revenues, Q1 2025 vs Q1 2024



EBITDA AL, Q1 2025 vs Q1 2024

