

## 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 12, 2022, from 11:03 a.m.

Way of participating at the General Meeting: in person.

Participants: as listed in the attached attendance sheet.

**Dr. Dániel Szeszlér:** Good Morning Ladies and Gentlemen! Let's begin. My name is dr. Dániel Szeszlér, I am the Group Legal Director and General Counsel of Magyar Telekom Plc. The Board of Directors proposed me to be the Chairman of the General Meeting, so I will chair the General Meeting until the election of the Chairman as well. Let me just introduce my colleagues sitting at the table: on my left Tibor Rékasi, Chief Executive Officer and member of the Board of Directors of Magyar Telekom Plc. and Daria Dodonova, Chief Financial Officer of Magyar Telekom Plc. and also the member of the Board of Directors, representing the Board of Directors at the General Meeting today. On my right dr. Zsolt Herczegh, registered legal counsel, Head of the Corporate Governance team. Also I would like to welcome the Shareholders and the invitees. So I welcome prof. dr. Attila Borbély as Chairman of the Supervisory Board and of the Audit Committee, who will represent these bodies at the General Meeting. I hereby open the Annual General Meeting of Magyar Telekom Plc. at 11:03 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 results 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. Now I'd just like I ask **Melinda Polgár**, present on behalf of KELER Zrt., to describe the essence and method of computer voting.

**Melinda Polgár:** Good morning! My name is Ms. Melinda Polgár, 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, which indicates the individual voting number of the shareholder. Therefore, please take care of the voting device and do not hand it over to anyone else. During the registration you have received a form with your name and voting device number thereon, for the aim that you can check during the General Meeting whether the given voting device is in your hand. Please check now that the voting device number is identical with the identification code on your device. Please keep this form with you until the end of the General Meeting.

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 "YES" button, button no. 2 is "NO" button, button no. 3 is "ABSTENTION". Proposals will be put to the vote by the Chairman 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 button your device will display the number of the respective button with which you cast your vote then the number disappears, indicating that the voting system received the vote and confirmed its receipt to the voting device. Please note that buttons must not be pressed continuously and in case the button is pressed several times only the last vote will be registered by the system.

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 Chairman. In addition, the number of votes that were not cast will also be displayed. The Chairman 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. Now the voting is closed and the results are displayed on the screen. If the voting device does not work properly, please let us know and we will immediately replace the device.

If you have any questions regarding the voting system, please let us know now.

Thank you for your attention and I wish you good work and a successful General Meeting!

**Dr. Dániel Szeszlér:** Thank you. I inform the shareholders that the number of shares issued by the Company: 1,042,742,543 pcs of which non-voting treasury shares are: 45,777,539. Total number of votes represented by the voting shares: 999,965,004 pcs. Total number of votes represented by the shareholders appeared during registration: 727,183,436 pcs, in percentage: **72.94%**.

Based on the status of the registration, at 11:08 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 during the General Meeting.

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 10, 2022, supplemented notice of the General Meeting has been published on March 21, 2022.

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 simultaneous 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 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 supplemented agenda of the General Meeting, also including shareholders' proposals added thereto in accordance with the law, 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 by the Company 21 days 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 at KELER Zrt., as well as 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, supplemented notice.

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 will withdraw the right to speak. I will also

withdraw the right to speak if a remark is a manifest attempt to delay the General 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 front panel of your 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 case of the delay of the General Meeting, the said maximum time limit may be shortened. The planned duration of the General Meeting is approximately 3 hours.

The General Meeting shall elect the Chairman 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, and in case I am prevented from attending, dr. Zsolt Herczegh 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: 696,803,955 affirmative votes (95.82%), 225,579 negative votes (0.03%), and 165,087 abstentions (0.02%). (Resolution no. 1/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 66.824161%, Negative: 0.021633%, Abstention: 0.015832%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 697,194,621 pcs, and proportion thereof to the registered capital: 66.861626%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 1/2022 (IV.12.).**

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

The General Meeting elects dr. Zsolt Herczegh 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: The General Meeting adopted this Resolution with 674,164,352 affirmative votes (92.71%), 210,000 negative votes (0.03%), and 22,820,269 abstentions (3.14%). (Resolution no. 2/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 64.653002%, Negative: 0.020139%, Abstention: 2.188485%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 697,194,621 pcs, and proportion thereof to the registered capital: 66.861626%.)

**I state that the General Meeting has adopted the proposal in Resolution No. 2/2022 (IV.12.).**

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.

**Chairman:** Please. Please wait for my colleague who will give the microphone, so that we can record it and translate. Thank you.

**Dániel Móricz:** Good morning, I am Dániel Móricz with the voting device no. 107/4, I am the investment director of Hold Asset Management. I would like to propose a counter proposal, to have Tamás Cser, representative of Hold Funds, as the authenticator of the minutes.

**Chairman:** Thank you for the proposal. Pursuant to the Articles of Association of the Company it is the Chairperson of the General Meeting who proposes the authenticator of the minutes. I just made known my proposal, so this is what the Annual General Meeting will vote on. I would like to make sure that the actual minutes will be verbal and as accurate as possible and also voice recording will be done by the Company. Please. Please wait for the microphone to arrive. Thank you.

**Tamás Korányi:** Tamás Korányi, private shareholder. I attended the general meetings of Budapest Stock Exchange companies in the last 32 years, and in most of the cases there were two authenticators, especially with the large companies. This is relatively large general meeting, so I do propose for the sake of good order ..., I am just raising it, not proposing it, what could happen if we would have two authenticators proposed by Mr. Chairman to the General Meeting? We should not spend too much time on this. Thank you.

**Chairman:** Thank you very much, I agree with this. I am not in the position to consider the proposal because according to the Articles of Association of the Company there can be only one authenticator. It is far more important to fully comply with the Articles of Association at this General Meeting. So I propose only one authenticator. Please.

**Gábor Dióslaki:** I am Gábor Dióslaki, representing TEBÉSZ. I would like to raise your kind attention Mr. Chairman that the Articles of Association, just like in other companies providing the right to the Board of Directors to pass on any sort of proposal. But the Articles of Association does not prohibit, and the Civil Code expressly authorizes the shareholder to pass on any modification proposals, or counter proposal in case of any resolution proposals, which qualifies as a modification proposal. There is no legal objection in our view against passing on any other modification proposals. Thank you very much. And I think if Mr. Chairman, You, objects that you are acting illegally at the General Meeting. Thank you very much.

**Chairman:** Thank you very much. The Chief Executive Officer indicated that you did not said the number of the voting device. Please pass the microphone back to the shareholder, to add. Thank you very much.

**Gábor Dióslaki:** Voting device 126/5.

**Chairman:** All right, thank you very much. I do not agree with the legal explanation. Our Articles of Association very clearly stipulates that the authenticator of the minutes is proposed by the Chairman and the authenticator can be only one person. With that I do not really think that we should spend any more time on this. This is like a traditional, technical role. [*Reacting to shareholder's comment not told into the microphone*] I am talking about the provision of our Articles of Association and gladly indicate it. I accept the proposal on voting on both proposals, but only one person can be the authenticator of the minutes. Thank you very much.

**Keeper of the minutes:** Excuse me, just an addition. Please say all comments, question into the microphone because that is the only way we can put them into the minutes. Thank you.

**Chairman:** Beside my proposal, the other proposal, for the sake of good order I adopt, was relating to Tamás Cser, right? There was no other proposal from the other shareholders, commenting shareholders. Good, thank you very much. So first, I put the first proposal I made to the vote. So the proposal can be read on the screen:

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. *[Reacting to KELER representative's remark not told into the microphone]* OK, now I ask to return this somehow and again, please start the 20 seconds when I say "The voting ratio necessary for adopting this resolution is simple majority. I put the proposal to the vote". I ask the shareholders to wait with the voting for a few seconds, this is a technical issue. The voting ratio necessary for adopting this resolution is simple majority. I put the proposal to the vote.

The result of the voting: 668,768,976 affirmative votes (91.97%), 19,172,078 negative votes (2.64%), and 9,253,567 abstentions (1.27%). (Resolution no. 3/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 64.135580%, Negative: 1.838620%, Abstention: 0.887426%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 697,194,621 pcs, and proportion thereof to the registered capital: 66.861626%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 3/2022 (IV.12.).**

As we just agreed I put also the other proposal to the vote. We can't present on the screen, but let me read it out. I ask the attention of the General Meeting that based on the Articles of Association there can be one authenticator of the minutes. In other words, if this resolution proposal were to be adopted by the General Meeting, one of the two would have to be repealed. I announced this in advance. I will then present the resolution proposal and ask the distinguished shareholder, who made such proposal, to make sure that this was exactly the proposal.

The General Meeting elects Tamás Cser 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: 27,335,250 affirmative votes (3.76%), 617,465,232 negative votes (84.91%), and 28,373,116 abstentions (3.90%). (Resolution no. 4/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 2.621476%, Negative: 59.215502%, Abstention: 2.721009%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 673,173,598 pcs, and proportion thereof to the registered capital: 64.557987%.)

**I state that the General Meeting did not approve the resolution proposal in Resolution No. 4/2022 (IV.12.).**

**Chairman:** I propose that the General Meeting approves the order for discussing the items on the agenda in accordance with the Announcement and as presented on the screen. Yes, please.

**Tamás Cser:** Good morning, I am Tamás Cser, representing Hold Asset Management, voting device no. 119-3. My proposal is the following: we have submitted quite a few amendments and proposals to the General Meeting. But the last proposal, item no. 16, is about the report of the Board of Directors on the assessment of shareholders' proposals on the Company's dividend policy, and the request to the Board of Directors to new dividend policy. We think that this relates closely to item no. 4, where the Company will decide on the actual results and the dividends, where we also had counter proposal. So our proposal is to move item no. 16 forward, or right after the decision of the Company on the distribution of profits.

**Chairman:** Thank you very much. The Chairman of the General Meeting has the privilege to make proposal on the order of the agenda. Due to other considerations we thought that this discussion order is the proper one, and this, which is available at the screen, is what we disclosed few weeks before, so this is what I make to the vote.

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 2021;

2. Approval of the 2021 Consolidated Financial Statements of the Company prepared according to International Financial Reporting Standards (IFRS); presentation of the relevant report of the Supervisory Board, the Audit Committee and the Auditor;
3. Approval of the 2021 Separate Financial Statements of the Company prepared according to International Financial Reporting Standards (IFRS); presentation of the relevant report of the Supervisory Board, the Audit Committee and the Auditor;
4. Proposal of the Board of Directors for the use of the profit for the year earned in 2021; presentation of the relevant report of the Supervisory Board, the Audit Committee and the Auditor; use of the profit for the year earned in 2021; *Shareholders' proposal on the decision on the appropriation of profit after tax and dividend determination of the profit distribution*;
5. Information of the Board of Directors on the purchase of treasury shares following the Annual General Meeting in 2021; 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. Amendment of the Articles of Association;
9. Election of members of the Board of Directors; *Removal of a member of the Board of Directors and election of a new member of the Board of Directors and determining his remuneration*;
10. Remuneration of the members of the Board of Directors;
11. Election of members of the Supervisory Board and the Audit Committee;
12. Decreasing the Company's share capital and related modification of the Articles of Association;
13. Advisory vote on the amended Remuneration Policy pursuant to Act no LXVII of 2019; *Request to the Board of Directors to develop a new Remuneration Policy*;
14. Advisory vote on the Remuneration Report pursuant to Act no LXVII of 2019;
15. 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;
16. *Report of the Board of Directors on the assessment of shareholders' proposals on the Company's dividend policy; Request to the Board of Directors to propose a new dividend policy.*

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

The result of the voting: 650,398,073 affirmative votes (89.44%), 17,350,166 negative votes (2.39%), and 29,446,382 abstentions (4.05%). (Resolution no. 5/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 62.373793%, Negative: 1.663897%, Abstention: 2.823936%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 697,194,621 pcs, and proportion thereof to the registered capital: 66.861626%.)

**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. 5/2022 (IV.12.).**

**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 2021**

**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, Chief Executive Officer and member of the Board of Directors of the Company.

**Tibor Rékasi** 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 2021<sup>1</sup> on the following topics:

- Focus on seamless connectivity and customer centricity;
- Awards and recognitions in 2021;
- Hungarian subscriber trends: positive momentum continued in 2021;
- Group revenue growth driven by higher mobile and fixed service contribution;
- Growth in EBITDA AL driven by service margin expansion and cost optimization;
- 2021 investment uplift largely due to RAN modernization;
- 2021 free cashflow reflects strong investment levels;
- Delivery against 2021 financial 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, distinguished Shareholders! I also welcome you on behalf of the Supervisory Board and Audit Committee of Magyar Telekom. 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 2021, which the Supervisory Board acknowledged.

**Chairman:** Thank you. I ask the Shareholders whether there are any questions or remarks regarding the report of the Board of Directors? Yes, please go ahead. You will receive a microphone soon and we listen.

**Pál Kustra:** Thank you. I am Pál Kustra, 130-7. I would like to speak about one thing, this is customer satisfaction.

**Keeper of the minutes:** Excuse me. Please move closer the microphone, because we can't hear...

**Pál Kustra:** I am Pál Kustra, 130-7. I would like to speak about one thing, this is customer satisfaction. Two years ago you offered if I took two years of loyalty, with unchanged conditions you provide tariff decrease. Then it turned out that the analogue lines were switched off, I did not know this. I called customer service. There were side talking, and finally it turned out the offer was applicable if my fixed analogue line is switched to IP, which they did not tell me. I would like to mention, that my neighbour, who unfortunately deceased a year ago, rest in peace, wanted to have some help over the phone, the mobile did not work during a stormy period. The IP phone did not work. He was unable to communicate with anybody. Those of you who know that the analogue line is supported with 48 Volt charger from the center. This is the only way to communicate in case of emergency. I just want to ask you, I know it cost a lot for Magyar Telekom. But I would like to ask not to switch off these analogue lines. And especially do not switch off by misguiding the customers. My problem got resolved three months later when I wrote a letter to Mr. Chief Executive Officer about my complaint. I also have another proposal. As we have a war going on in the neighbouring country, and we need communication channels like that, that can have electric power supply, from the center to maintain, to further operate these analogue lines, and you should go and ask compensation from the central Government, not to pay royalty to Ericsson, Siemens for that by Telekom. So I propose if you will have meeting with the Government, put this item on the list. Thank you very much for your attention.

**Chairman:** Thank you very much for your comment. I ask whether there are any more questions, comments to this item? If not, I close agenda item 1 and we shall continue with agenda item no. 2.

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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.

## **Agenda item no. 2**

### **Approval of the 2021 Consolidated Financial Statements of the Company prepared according to International Financial Reporting Standards (IFRS); presentation of the relevant report of the Supervisory Board, the Audit Committee 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 2021 Consolidated 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. PricewaterhouseCoopers Könyvvizsgáló 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, also displayed on the screen:

The General Meeting approves the 2021 Consolidated Financial Statements of the Company, prepared according to International Financial Reporting Standards (IFRS), including Statements of Financial Position Total Assets of HUF 1,400,671 million and Profit for the year 2021 of HUF 62,847million.

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

**prof. dr. Attila Borbély:** Thank you very much Mr. Chairman. The Supervisory Board, with the involvement of the Audit Committee and the Statutory Auditor, examined the 2021 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 agrees with their content. The Supervisory Board proposes to the General Meeting for approval the 2021 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 proposals of the Board of Directors and the Audit Committee.

I outline the essence of the Audit Committee's Report related to this agenda item: 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 2021 Consolidated Financial Statements prepared according to International Financial Reporting Standards 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, agrees 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 2021 Consolidated Financial Statements of the Company prepared according to International Financial Reporting Standards, and to the General Meeting for approval the Consolidated Financial Statements including Statements of Financial Position Total Assets of HUF 1,400,671 million and Profit for the year 2021 of HUF 62,847 million.

**Chairman:** Thank you very much. I request Zoltán Bárdy, representative of the Auditor, to outline the essence of the Auditor's Report related to this agenda item.

**Zoltán Bárdy:** Distinguished Shareholders! My name is Zoltán Bárdy, employee of PricewaterhouseCoopers, the registered appointed auditor of Magyar Telekom Plc. PricewaterhouseCoopers has audited the 2021 consolidated financial statements of Magyar Telekom Group. The report was signed by myself as registered appointed auditor and Mr. László Radványi, who is also present on behalf of our company. The report is available in whole in the written documents, therefore, let me 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 Nyrt. and its subsidiaries as of 31 December 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and they have been prepared, in all material respects, in accordance with the supplementary requirements of Act C of 2000 on Accounting relevant for the consolidated annual financial statements prepared in accordance with IFRS as adopted by the EU. In our opinion, the 2021 consolidated business report of the Group is consistent with the 2021 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 very much. I ask the Shareholders whether there are any questions or remarks regarding this agenda item? If there are no remarks, 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: 723,385,663 affirmative votes (99.42%), 1,396,153 negative votes (0.19%), and 1,266,175 abstentions (0.17%). (Resolution no. 6/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 69.373372%, Negative: 0.133892%, Abstention: 0.121427%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 726,047,991 pcs, and proportion thereof to the registered capital: 69.628691%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 6/2022 (IV.12.).**

I close agenda item 2 and open agenda item 3.

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

**Approval of the 2021 Separate Financial Statements of the Company prepared according to International Financial Reporting Standards (IFRS); presentation of the relevant report of the Supervisory Board, the Audit Committee and the Auditor**

**Chairman:** In accordance with the provisions of the Accounting Act the 2021 Standalone 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. PricewaterhouseCoopers Könyvvizsgáló Kft. audited the financial statements. I make known the resolution proposal:

The General Meeting approves the 2021 Separate Financial Statements of the Company, prepared according to International Financial Reporting Standards (IFRS), including Statements of Financial Position Total Assets of HUF 1,310,465 million and Profit for the year 2021 of HUF 54,544 million.

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

**prof. dr. Attila Borbély:** The Supervisory Board, with the involvement of the Audit Committee and the Statutory Auditor, examined the 2021 Separate 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 Separate Financial Statements are in compliance with the prescriptions of the law, the Supervisory Board agrees with their content. The Supervisory Board proposes to the General Meeting for approval the 2021 Separate Financial Statements 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.

I outline the essence of the Audit Committee's Report related to this agenda item. The Audit Committee reviewed and evaluated the 2021 Separate Financial Statements of the Company prepared according to International Financial Reporting Standards 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, agrees 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 2021 Separate Financial Statements of the Company prepared according to International Financial Reporting Standards, and to the General Meeting for approval the Separate Financial Statements including Statements of Financial Position Total Assets of HUF 1,310,465 million and Profit for the year 2021 of HUF 54,544 million.

**Chairman:** Thank you very much. I request Zoltán Bárdy to outline the essence of the Auditor's Report related to this agenda item.

**Zoltán Bárdy:** Distinguished Shareholders! PricewaterhouseCoopers has audited the 2021 Standalone 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. Let me 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 of 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with IFRS as adopted by the EU and they have been prepared, in all material respects, in accordance with the supplementary requirements of Act C of 2000 on Accounting relevant for the annual financial statements prepared in accordance with IFRS as adopted by the EU. In our opinion, the 2021 business report of the Company is consistent with the 2021 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:** Thank you very much. I ask the Shareholders whether there are any questions or remarks regarding this agenda item? If there are no remarks, 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: 724,484,951 affirmative votes (99.57%), 1,411,732 negative votes (0.19%), and 176,308 abstentions (0.02%). (Resolution no. 7/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 69.478795%, Negative: 0.135386%, Abstention: 0.016908%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 726,072,991 pcs, and proportion thereof to the registered capital: 69.631089%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 7/2022 (IV.12.).**

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 2021; presentation of the relevant report of the Supervisory Board, the Audit Committee and the Auditor; use of the profit for the year earned in 2021; Shareholders' proposal on the decision on the appropriation of profit after tax and dividend determination of the profit distribution**

**Chairman:** This agenda item covers two submissions. In addition to the proposal of the Board of Directors, Hold 2000 Nyíltvégű Befektetési Alap, Hold 2024 Deep Value Nyíltvégű Befektetési Alap, Hold Columbus Globális Értékalapú Származtatott Befektetési Alap, Hold Közép-Európai Részvény Befektetési Alap, Hold Részvény Befektetési Alap and Hold Rubicon Származtatott Befektetési Alap, as shareholders of the Company jointly holding at least one percent of the votes have submitted, within the statutory deadline, a proposal and draft resolution to this agenda item. Throughout the General Meeting, I will refer to the aforementioned entities as "Hold Investment Funds".

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

I will introduce the Board of Directors' proposal. The substance of the submission: deciding on the utilisation 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:

A total dividend of HUF 15,000,000,000 shall be paid by the Company to the shareholders from the profit of 2021, the dividend on treasury shares will be distributed by the Company among the shareholders who are entitled to dividends. The HUF 15,000,000,000 to be disbursed as dividends shall be paid from the profit after tax of HUF 54,544,759,716 based on the Separate Financial Statements figures. The remaining amount of HUF 39,544,759,716 of the profit after tax based on the Separate Financial Statements figures shall be allocated to retained earnings.

May 10, 2022 shall be the first day of dividend disbursement. The record date of the dividend payment shall be April 29, 2022. On April 25, 2022, 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.

Hold Investment Funds made a proposal contrary to that of the Board of Directors. Now I introduce this shareholders' proposal. They proposed a total dividend payment of HUF 25 billion for the 2021 financial year. Furthermore, they proposed that the value of the share buyback should be up to HUF 14.6 billion, specifying that the buyback requires the approval of the General Meeting. I will now introduce the relevant resolution proposal, literally as drafted by Hold Investment Funds.

"The General Meeting resolves to pay a dividend of HUF 25,000,000,000, i.e. twenty-five billion of Hungarian Forints, to the shareholders in accordance with the proposal of the minority of shareholders, the provisions of Section 3:262 of Act V of 2013 on the Civil Code and the provisions of Section 4.3 of the Articles of Association. The General Meeting although resolves that the value of the buyback is HUF 14,600,000,000, i.e. fourteen billion and six thousand millions of Hungarian Forints."

I inform the Shareholders that the stipulation of the dividend amount in the shareholders' proposed resolution is in contrast with the contents of the Board of Directors' resolution proposal as just recently introduced, therefore, if both proposal is passed, one of the adopted General Meeting resolutions would need to be repealed.

As the Company's General Counsel, I also note to the Shareholders that the stipulation relating to the share buyback in the shareholders' proposed resolution fails to satisfy all of the relevant requirements of the Civil Code, since it fails to stipulate the type, class, number, face value and the minimum and maximum price of the obtainable shares.

I note that under the next agenda item the General Meeting will discuss the proposal of the Board of Directors on share buyback. As the written material published and available to Shareholders contains, the Board of Directors proposes a higher share buyback frame amount than Hold Investment Funds. I also note that the Board of Directors targeted a maximum share buyback amount of HUF 14.6 billion, as announced by the Company on February 23, 2022.

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

**prof. dr. Attila Borbély:** Thank you Mr. Chairman. Distinguished Shareholders! Distinguished General Meeting! First, I will outline the essence of the reports related to the Board of Directors' submission and after that I will outline the essence of the reports related to the shareholders' submission.

The essence of the Supervisory Board's Report related to the Board of Directors' proposal is as follows. The Supervisory Board, with the involvement of the Audit Committee, discussed the proposal of the Board of Directors, according to which the Company shall pay a total dividend of HUF 15,000,000,000 to the

shareholders from the profit of 2021. The Supervisory Board agrees with the proposal of the Board of Directors and proposes the proposal to the General Meeting for approval.

The essence of the Audit Committee's Report related to the Board of Directors' proposal is as follows. The Audit Committee reviewed and evaluated the proposal of the Board of Directors, according to which a total dividend of HUF 15,000,000,000 shall be paid by the Company to the shareholders from the profit of 2021. According to the review of the Audit Committee, the appropriate coverage for dividend payment is available, the Audit Committee agrees with the proposal. The Audit Committee proposed the proposal to the Supervisory Board for agreement and proposes to the General Meeting for approval.

The essence of the Supervisory Board's Report related to the shareholders' proposal is as follows. The Supervisory Board, with the involvement of the Audit Committee, examined the proposal of the Hold Investment Funds on the "Decision on the appropriation of profit after tax and dividend determination of the profit distribution", and agrees that the proposal is submitted to the General Meeting in accordance with the applicable laws.

The essence of the Audit Committee's Report related to the shareholders' proposal is as follows. The Audit Committee also reviewed and evaluated the proposal of Hold Investment Funds on the supplemented agenda and the proposed draft resolution regarding the "Decision on the appropriation of profit after tax and dividend determination of the profit distribution" and noted that its submission is in accordance with the relevant provisions of the laws and the Articles of Association, furthermore acknowledged that the proposal is submitted to the General Meeting.

**Chairman:** Thank you very much. I request Zoltán Bárdy to outline the Auditor's Report on this agenda item.

**Zoltán Bárdy:** Distinguished Shareholders! As previously discussed, it is the proposal of the Board of Directors that the Company shall pay a total dividend of HUF 15,000,000,000 from the profit of 2021. Having reviewed the 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? Please, Mr. Korányi.

**Tamás Korányi:** I am Tamás Korányi, private investor. It is 25 years today...

**Keeper of the minutes:** Excuse me. Please indicate the number of your voting device.

**Tamás Korányi:** 131/1. So Tamás Korányi. It is 25 years today, that Magyar Telekom has been listed on the stock exchange. I think probably some of us in this room were bought shares at a price of 730 Forint, which was at that time 3 dollars 65 cents. For the sake of younger people that was the only Hungarian share that got listed on the New York Stock Exchange for a few years, not that actively, but it was a Wall Street share. Since then we have taken a long-long journey. I, as a very loyal shareholder, followed this journey. It is really worth remembering, comparing with the other three blue chips, because investors circle is the same. Since the listing of OTP in '95 the actual price, at the current pressed price level, is 95 times, Richter's price increase is 53 times, in case of MOL approximately 20 times. The actual dividend proposal of these companies, taking into account the splits, even individually, is higher than the issue price. Magyar Telekom, of course due to many reasons, is on a different track. If we take the USD price, the current share price is one-third of the listing price right now. And the HUF 15 dividend is half that the company paid in the end of the nineties in Forints. So I think the Board of Directors of the Company exactly know why the minority shareholders are not that happy. Obviously, there are multifold reasons for that, including the domestic history of telephony, the strategy, tactic of the main shareholder plays a role. I do not want to say too much about this, who knows, knows. Obviously, I am aware of the balance of the power. I suspect the outcome today will be. But still, I'd like to ask the Board of Directors to seriously think about for the future to represent solely and strongly only one shareholder. So I think it is just worth really starting to self-evaluate yourselves, I mean the members of the Board of Directors and the Supervisory Board. Is

this the way the corporate bodies want to then the Company in the future? This is one thing I wanted to say. The other thing to the auditor: we just heard that the Board of Directors proposed 15 billion, and the sufficient funds are available to pay out 15 billion dividend. It is reassuring, but we have to admit that this is a minimum requirement for a company such a size, having reviewed the balance sheet. My question to the auditor: can you really say that the 25 billion dividend would that really endanger the further operation of the Company? I just wonder if the outpayment of 25 billion dividend, would it seriously endanger the Company's operation in financial terms or this situation is different? Thank you very much.

**Chairman:** Thank you very much. If I understand you correctly, the comment has two parts: one of your comments was a comment, the other one was a question. I do not want to, I do not have to answer your comment, as it was a comment. I would like to state one thing. The Board of Directors of the Company, based on the legal stipulations, needs to act on the bases of the priority of interest of the Company, this is the case, not in the interest of specific shareholders, or shareholder groups. The second part of the question will be answered by Daria Dodonova, Chief Financial Officer of the company.

**Daria Dodonova:** Allow myself to reformulate the question, to be sure that I understood it properly. Your question was if there is enough resources financially which would support paying out the dividend of 25 billion. If this is the right understanding of the question herewith I would like to confirm that the coverage would be available and would be provided by the financial statements.

**Chairman:** Thank you very much. Are there any other question or comment? Please.

**Gábor Dióslaki:** Thank you very much. Gábor Dióslaki on behalf of TEBÉSZ. I would like to return...

**Keeper of the minutes:** Excuse me, please indicate the number of the voting device for the minutes.

**Gábor Dióslaki:** Sorry, I have it in my hands but forgot. 126/5. Thank you very much, I would like to return to the previous part. Thank you very much for the previous answer from the employee member of the Board of Directors. Unfortunately we do not have a shareholder representative from the Board of Directors, but this is how it goes in Hungary. I would like to ask you that if you could really answer the question posed by the previous shareholder to the auditor, I'd like to ask the representative of the auditor to answer the question personally. And also I do not hear or maybe I did not listen the Supervisory Board to declare that the coverage have enough resources present and the operation of the Company is not endangered, just like it formed an opinion with respect to the proposal of the Board of Directors. If the Supervisory Board has really examined the situation - it would be just rightful and it is legal - then I think it would be expected from the Supervisory Board representative to explain to the General Meeting that sufficient resources are present. My third question is: I would like to have some information about the minutes of the Board of Directors where the dividend was accepted. Based on the Articles of Association this is the Board of Directors that passes proposal to the General Meeting on the actual volume of the dividend. I would like to know what kind of rationale, what kind of explanation, what kind of arguments were for the 15 billion dividend, and why wasn't it 25 billion just like one of the shareholders proposed. And what kind of discussions went on, what were the arguments for this and that, and how it ended up in 15 billion. I would like to receive information on these three. Thank you.

**Chairman:** Thank you very much. I would like to be a little bit more specific. I am not the member of the Board of Directors, Tibor Rékasi and Daria Dodonova represent the Board of Directors, if this wasn't clear. The first question about the availability of the sufficient resources. From the side of the Board of Directors of the management, the Chief Financial Officer provided you an answer. The Auditor's scope of activity does not cover to provide statement on shareholder's comments. Also the Supervisory Board and the Audit Committee did no declare anything on the sufficient resources. The Supervisory Board resolved as Mr. Chairman, the Chairman of the Supervisory Board said it before. In connection with the last question I inform the shareholders that the meetings of the Board of Directors, the minutes of its meetings, the what was said at the meetings, the number of votes, the opinion of each member of the Board of Directors, the votes are not public, and are considered as the business secrets of the Company. So the officers and the

employees of the Company may not provide information on them. Thank you very much. Any further question? Please.

**Gábor Dióslaki:** Excuse me, I would like to react on this. Gábor Dióslaki, representing TEBÉSZ, 126/5. I do not agree with that it is not the task of the Supervisory Board to provide opinion when it reviews a proposal. Obviously, their opinion may not be restricted neither by you or by someone else, the right to form opinion of the Supervisory Board and the Audit Committee may not be restricted – this is required by law. But let's just agree that we have received information that there are enough resources for the dividend. We haven't received an answer whether this amount would endanger the operation of the Company? I think this is especially the scope of authority of the Audit Committee and the Supervisory Board to state this. Well, if you do not agree with that we would be in an eternal disagreement. I mean not orally, but we never agree. And also the other thing this is the non-public, confidential business information. I totally accept this. So I now state that based on the Civil Code I will keep the business confidentiality, the business secrets, and based on the stipulations of the Metropolitan Court, there is no reason this right to be denied. I think we can vote on this. That in this room who does not want to keep the business secrets may leave the room. And those of us who want to keep the business secrets in the room will vote on this, this can be an obligatory stipulation, this is something that we can get accounted for, and in that form you can inform us about the rationale and arguments of the Board of Directors on the exact decision on why this amount was specified, why it is not more. The less is not important now, but why not less. Why exactly this amount was approved by the Board or Directors? If you feel like, then manage this technical procedure of having shareholders present, who will make a statement and who will not make a statement, and then there will be no one in the room who will not keep a business secret. Obviously, this would be a closed General Meeting session, we can ask the representatives of the press to leave the General Meeting for five minutes, this cannot be a problem legally. Thank you very much.

**Chairman:** Thank you very much. It seems we have a disagreement, indeed. In addition to the confidentiality obligation raised by you or in any other way, the Company is not obliged and - in this case - entitled to disclose a business secret that is a legally classified business secret of the Company. So we have no further conversation or discussion about this, in one way or another, or to answer the question on the merits. But there was another question. Whether the operation of the Company would be endangered by the outpayment of the 25 billion Forint dividend, if I understand correctly. I do propose from the part of the management and the Board of Directors we ask Daria Dodonova, Chief Financial Officer to answer the question.

**Keeper of the minutes:** [*reacting to shareholder's comment not told into the microphone*] Excuse me. Please say your comment into the microphone.

**Gábor Dióslaki:** Excuse me. Thank you very much for the opportunity that the member of the Board of Directors would answer the question. But I addressed the questions specially to the Supervisory Board and the Audit Committee, I have the right to do this based on the law. So I would like to receive answer from them. Thank you. We just pretty much heard the opinion of the Board of Directors in the previous answer. I'd like to be curious about the Supervisory Board and the Audit Committee. Thank you very much.

**Chairman:** All right then. I would like to state that the Supervisory Board or the Audit Committee did not examine the availability of the 25 billion whether the payment of this level of dividends would endanger the operation of the Company. With that, I can see the Chairman of the Supervisory Board and the Audit Committee would like to add something, provide answer. Please, dr. Attila Borbély.

**dr. Attila Borbély:** Thank you very much for the question Distinguished Shareholder. I can just confirm that what the Chief Financial Officer said previously. Thank you very much.

**Chairman:** Thank you very much. Any further questions or comments? Please Mr. Korányi.

**Tamás Korányi:** Tamás Korányi, disappeared but continuously 131/1. I do not really think that we should any further discuss whether the minutes of the Board of Directors, the voting qualifies as business secret

or not. This is the task of the Board. It is just a gentle shareholder's request. There is this 15 billion proposal from the Board of Directors, just like in other companies. So I would like to ask the Chief Executive Officer of the Company to provide arguments in detail why it is exactly 15 billion? Let us know. Thank you very much.

**Chairman:** Thank you very much. Daria Dodonova, Chief Financial Officer will provide an answer on behalf of the Board of Directors of the Company.

**Daria Dodonova:** I reformulate the question again: you would like to ask why exactly the 15 billion was proposed as the dividend payment from the earnings of 2021. While preparing the proposal for the Board of Directors regarding the shareholder remuneration, the Board was focusing on the two component of the shareholder remuneration: the dividend and the share buyback. The share buyback will be discussed later on. And while preparing the proposal for the 15 billion dividend actually the Board was concerning the development net income of 2021, and the free cash flow and based on the development of these two key performance indicators made a proposal of 15 billion.

**Chairman:** Thank you very much. I would like to ask the shareholders whether are the any questions, comments? Please.

**István Pató:** Good afternoon everyone. My name is István Pató, 003-0. We just listened to many comments. I can outline only my theory and I hope nobody will get offended. I do think the Board of Directors do not represent all of the shareholders, but they represent the majority shareholder for years. And as the previous speaker before me, those of us who purchased Matáv shares, as the way back, they are very bad investments. Practically right now the value of the share is the fraction of the original value. What I can right now see, based on the items outlined, everything is very nice, everything is very good, everything is perfect. We can debate, we can submit new proposals, we need to acknowledge that the majority owner will vote us out. The majority owner does not want to pay more dividend. It's goal is to bleed out the minority shareholders, to buy out the minority shareholders at a price as low as possible, and thereafter to delist the shares. So my proposal is: minority shareholders, if we want to achieve something, we need to initiate class action. We can spend time on this, we will be outvoted anyway. No matters how much shares you have. For, you now, 10 or around 10 years, I have shares, if I wanted to sell my shares yesterday, I could not have done that. Because if I was to sell mine, I could not have sold it. You know more than one days share transaction volume would be needed for me to do this. Besides that I see our proposal is neglected and the Board of Directors represent the majority. Nothing would change in this matter. It shall be calculated: in this pace, I think, the book value of the share, I do not know 60 or around 60% or let's be generous 70% they will slowly buy out. We can do only one thing, if we initiate legal actions. Thank you very much.

**Chairman:** Thank you very much for the comment. I ask the shareholders whether are there any other questions, comments? Please.

**Tamás Cser:** I am Tamás Cser, representing Hold Asset Management, voting device no. 119/3. First of all I would like to refer to the legal issues raised about our dividend proposal. Our aim was just like the company indicated that the Company is really thinking about unified shareholder remuneration: dividend and share buyback. That is why our dividend proposal contained these. So that is why we share that really support the share buyback intention of the Company, besides that we would request 25 billion dividend. But we fully support to modify our proposal which is 25 billion dividend if it is feasible legally, our proposal was simply that to vote on the 25 billion Forint dividend. Further on I would like to reflect why we think that way. The Company in the past period, right after the serious frequency costs, is in serious debt decrease process. This is already below two in debt/EBIDTA ratio and which is in the regional peers this is a totally average indebtedness. Additionally, it must be taken into account that it can inflate two things. One: the changes of accounting, in the past few years indebtedness includes the capitalization of the liabilities, and it is inflated with the capitalization of the future frequency costs by the Company. If we would just compare the indebtedness of the Company with its own history, and if we compare the Company's indebtedness with its past and remove all these accounting changes, then the actual

performance of the Company is average. If we take out the frequency costs, as well, then the Company has its lowest indebtedness in its history in the last 25 years. In the light of this I would like to ask you: the company has a strong financial stability, why does such a company needs to pay the more than half of its free cash flow repayment of debts? Let's take into account that the Company paid huge amounts for the frequencies, the Company's strong cash generation is predicted in the next three years, and there are no high investment plans in the Company. So that the Company in such a good financial shape, and its debts are at a very low level compared to its past records, why is it necessary to spend more than half of the cash flow generation, predicted for this year, to repay the debts? Thank you.

**Chairman:** Thank you very much for the question. I ask Daria Dodonova to answer the question.

**Daria Dodonova:** So allow me to formulate the question. If I understand this correctly, so your question relates why the Company believes that the dividend should be paid out, should not be paid out, and the leverage could go down. So that is your question. Can you please repeat the question again?

**Tamás Cser:** OK. My question is the following. The Company expects 70 billion Forint cash-flow generation this year. By comparison, the amount to be paid for dividend and the share buyback is less than half of this. The question is: if the balance sheet situation of the Company is so better now compared to the sector peers and its own history, why you have to spend over half of the free cash-flow on paying back the debts?

**Daria Dodonova:** So the precise question why to spend over half of the free cash-flow to paying the debts? More than half. So that is the question about the leverage. So okay. So first of all, answering the question I'd like to highlight that we are experiencing currently a very serious situation of increasing the interest rates. Not only in Hungary but also in the international markets. Taking into consideration the situation, the Company and the management of the Company really would like to stay conservative when it comes to the level of leverage, and that to the EBIDTA and that is why we actually would like to keep this conservative leverage level as we have already discussed in the previous discussion with you.

**Chairman:** Thank you very much. Any other questions or comments? Yes, please.

**Máté Dudás:** Máté Dudás, ERSTE Alapkezelő, 092/6. From a market perspective I would like to approach this dividend payment situation. What we could see is that Magyar Telekom is conducting a very conservative dividend policy. We agreed upon that with regard to the high frequency costs. In the next few years there will be no huge outpayments, if I know correctly until 2034. So the market just expected Magyar Telekom's management to come up with a consistent dividend policy for the future. For some reasons we needed to wait for that. Up until the actual HOLD Asset Management's request. I think this is a good direction. This 60-80% the company plans to pay out the dividend from adjusted net profits. This is a good direction. I do not really understand why don't you calculate it on the basis of the free cash-flow. Because in all the presentations that you prepared and, in the statements, Ms. Dodonova referred to free cash-flow. So we do not understand why the adjusted net income come into the picture. Because in the peers and in the industry cash-flow is used. The other difficult to understand: why is this plan or adopted policy only for three years if we speak about long term dividend policy? It is market experience from our side, it is not clear enough, is not transparent enough, and due to the not too transparent dividend policy, the actual share price level went down, and stayed at a very low level. I think the fact that the company does not have a dividend policy, constitutes a risk factor and of course, this factor appears in the share price. Now you just mitigated, you just remedied for some time, but is not clear whether this dividend policy will stay as presented by the management about what we can also say that you know the share buyback thing did not really moved the market. The great majority of the players are in for really the dividend and they set the value of Magyar Telekom based on the dividends and not the share buyback. Additionally, we cannot really see what will happen with the result generated by the share buyback. How will this generate value for the shareholders? We understand that would generate in the long-term for the shareholders, but what are your plans in short term? What I can right now say that why splitting the shareholder remuneration policy to dividend and share buyback. This, however, left a factor of uncertainty, despite the fact that their dividend policy has now become more predictable. So all in all we or you need to go back to a very-very straightforward dividend policy. Obviously, you can leave in the

possibility the share buyback but we can see that the market cannot price it. It can price the dividend. And the share buyback: we do not really know the volume. Half, quarter or third will be of the whole remuneration scheme? So I think you should not really force that much. It will generate value in the long run anyway for shareholders. And just like my shareholder colleague mentioned before me, more and more I can really see that with this move Deutsche Telekom can increase its ownership ratio cheaper than by simply paying own capital per amount share at delisting. So we would very much prefer dividend, and the long-term, predictable ratio thereof. Thank you very much.

**Chairman:** Thank you very much. I have two requests to the Shareholders. First, please try to stick to the agenda item we are discussing. The comments we just heard related to the agenda item no. 16. Second, I would like to ask to keep the three minute time limit while contributing. Thank you very much. There is another shareholder question. Please.

**Zoltán Pártl:** Good afternoon, Zoltán Pártl 090-0. I have a specific question to the Chief Financial Officer about the formulation of the dividend policy of the Board of Directors. I did not hear clearly, did the level of indebtedness play role in formulating the dividend payment? When the Board of Directors made a decision was it considered? A simple yes or no answer is sufficient.

**Chairman:** Thank you very much. I'd like to ask Daria to answer the question.

**Daria Dodonova:** Well, preparing the proposal for the Board of Directors regarding the dividend policy and along, I'd say we will discuss the dividend policy in agenda item 16. The Board was considering all the financial indicators of the healthiness business, as well as the proposals of all the shareholders, and also the proposals of the minorities. And I'd like to ask to discuss the topic about the indebtedness also during the discussion of the agenda point 16.

**Chairman:** Thank you very much. Another new question. Please.

**Zoltán Pártl:** I did not understand this. Indebtedness: did it play part in formulating was the question or no?

**Chairman:** The merit of the answer was that this question relates to agenda item no. 16. I would like to ask you to come back to the question in 16.

**Zoltán Pártl:** Thank you very much. A simple yes or no answer would have been quicker. Thank you.

**Chairman:** Yes, please. [*shareholders raising hands*] Decide which one of yours. Please. We have two hands raised in the same row.

**Attila Gyurcsik:** Attila Gyurcsik, Accorde Alapkezelő, 121/8. If I understand correctly, the Board of Directors argued for a lower dividend because of the inflation, higher yield environment. In connection with this I would like to ask if you have real assets, i.e. Magyar Telekom's assets, in an increasing inflation environment, would you like to go for it with a lower indebtedness rate or a higher indebtedness rate? I do not know whether you can translate correctly. So in an inflation environment, is it better to increase or decrease the leverage to improve the return on equity? That is the question. Sorry.

**Daria Dodonova:** In the environment when we have substantially higher inflation rate and also other macroeconomical impacts, negative impacts which are impacting our business, we obviously prefer to stay conservative to allow us the flexibility covering the negative impact from the macroeconomical impacts, including inflation.

**Chairman:** Thank you very much. Please.

**Dávid Pekár:** Dávid Pekár, Raiffeisen Alapkezelő, 120/5. Thank you. I have a question to Ms. Dodonova. If I just understood your arguments correctly, in the utilization of free cash-flow, how much you pay out for

the shareholders and how much to repay the debts is depending on the yield environment. If this is not so, then this 25 billion proposal would be realistic. And it would not be a problem if I understood you correctly. Thank you.

**Chairman:** I do not think that the Board of Directors should formulate views on hypothetical scenarios. However, I ask Daria she would answer the question in merit?

**Daria Dodonova:** I allow myself to repeat the question. If you ask in the situation of different macroeconomic situation, so not the inflation rates we are experiencing now, and the additional negative macroeconomic impacts, if we are paying out the 25 billion dividend will endanger the financial position of Magyar Telekom? Is it the right understanding of the question? First of all, as I already answered to the question, from the financial situation based on the stand-alone financial statements, Magyar Telekom would be able to provide the dividend payment of 25 billion, solely based on the financial statements, stand-alone financial statements. The Board of Directors made the proposal for the dividend payment as already indicated taking into consideration the net income development, the free cash-flow development in 2021, and with that we made a proposal of 15 billion.

**Chairman:** Thank you very much. Are there any other questions or comments? Please.

**Dániel Móricz:** Dániel Móricz, 104/7. I would like to ask from the Board of Directors, that despite the fact that there is plan for the next three years for a 60-80% dividend in the dividend policy, depending on the results, was it an intentional move that after the results of 2021 that level does of dividend not even reach the 60% in the ration of the results?

**Chairman:** Thank you. I ask Daria to answer the question.

**Daria Dodonova:** I repeat the question: if there is an intentional move or it was an unintentional move that at the proposal of the dividend payment for 2021 earnings is not reaching 60% of the proposed shareholder remuneration framework. Is it the right understanding? The proposal of the Board of Directors regarding the dividend payment was made prior to introducing the shareholder remuneration framework and the shareholder remuneration policy. Which from the earnings applicable to the year 2022-23-24.

**Chairman:** Thank you very much, I see there is another question or comment. Please.

**Olivér Kovács:** I am Olivér Kovács, 080/7. In '97 I also bought some Telekom share, then I sold it. I am the shareholder of the Company since 2012 with a higher package. Some of the shareholders mentioned this negative sort of distinction thought by the minority shareholder. I would like to call your attention that Magyar Telekom's ESG rating is excellent. And it is also very important in this rating that how it treats the minority shareholders. So either the Supervisory Board or the Board of Directors, I would like you to make some comments whether this treatment of the minority shareholders is in line with the current situation or with the situation in the recent years? Thank you.

**Chairman:** Let me start answering the question, and of course, if the members of the Board of Directors would like they can supplement this. The ESG ratings heavily depend on the methodology of the rating agencies, the set of criteria they apply, the criteria of the main items: Environment, Social and Governance conditions, the scoring, the weighting of the scores and other factors. If we take the three main elements: Enterprise, Social and Governance items, and we focus on the Governance, corporate governance, there are other items like reporting practices, business continuity, any many-many things. The scoring of these is different in the system. There are many rating agencies, that apply different scoring methodology. Magyar Telekom has not influence over this, typically we do not really know their methodology. So ESG ratings are not awarded by the Company to itself, but independent rating agencies give this to the Company. We do not really wish to discuss anything further on. Thank you very much.

Are there any further questions or comments? Thank you. If there are no, the General Meeting will first vote on the Board of Directors' resolution proposal and then secondly on Hold Investment Funds'

resolution proposal. I inform the Shareholders that the voting ratio necessary for adopting this resolution is simple majority. I put the Board of Directors' resolution proposal, I have just outlined and also displayed on screen, to vote.

The result of the voting: 698,719,280 affirmative votes (96.03%), 20,303,174 negative votes (2.79%), and 8,160,982 abstentions (1.12%). (Resolution no. 8/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 67.007842%, Negative: 1.947094%, Abstention: 0.782646%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,183,436 pcs, and proportion thereof to the registered capital: 69.737582%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 8/2022 (IV.12.).**

Now I put the Hold Investment Funds' resolution proposal, that I have also outlined and displayed now on screen, to vote.

The result of the voting: 55,404,461 affirmative votes (7.61%), 671,774,750 negative votes (92.32%), and 4,225 abstentions (0.00%). (Resolution no. 9/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 5.313340%, Negative: 64.423836%, Abstention: 0.000405%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,183,436 pcs, and proportion thereof to the registered capital: 69.737581%.)

**I state that the General Meeting did not approve the resolution proposal in Resolution No. 9/2022 (IV.12.).**

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 2021; authorization of the Board of Directors to purchase ordinary Magyar Telekom shares**

**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. For the efficient time management of the General Meeting the parts of the submission are 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 2021.

On April 16, 2021, upon granting the authorization, Magyar Telekom Plc. owned 21,982,747 series "A" ordinary Magyar Telekom shares. In accordance with the authorization, until February 23, 2022, the Company purchased a total number of 23,794,792 Magyar Telekom ordinary shares with the aggregate face value of HUF 2,379,479,200, which constitute a 2.28% proportion of the share capital, for a total purchase price of HUF 10,207,592,588. The buyback was executed via an auction for the purpose of 2021 shareholder remuneration. I make known the relating resolution proposal:

The General Meeting acknowledges the information of the Board of Directors on the purchase of treasury shares following resolution no. 2/5 (04.16.2021.) of the Board of Directors adopted based on the authorization set out in Section 9 (2) of Government Decree no. 502/2020. (XI. 16.).

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:

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 2022 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 260,685,635 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, based on the authorization set out in section 9 (2) of government decree no. 502/2020. (XI. 16.), by resolution no. 2/5 (04.16.2021.) Of the board of directors 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:** Distinguished Shareholders! The Supervisory Board examined the information of the Board of Directors on the purchase of treasury shares following the Annual General Meeting in 2021 and the proposal of the Board of Directors regarding the authorization to purchase ordinary Magyar Telekom shares, and acknowledged them. Thank you.

**Chairman:** Thank you very much. I ask the Shareholders whether there are any questions or remarks regarding this agenda item? Yes, please. We have one hand raised.

**Dániel Móricz:** Dániel Móricz, 107/4. I would like to ask the Board of Directors what is the reason for buying in the past and in the future such a huge volume of own shares of the Company, and it proposes so?

**Chairman:** Thank you very much. I ask Daria Dodonova to answer the question.

**Daria Dodonova:** The question was: the reasons is buying such a high volume of ordinary shares? As stated already previously, the Board of Directors believes that the shareholder remuneration in total should consists of two elements: dividend and share buyback. The Board of Directors believes that in the in the current situation, I mean not only macroeconomical situation, but looking the share price development of the past, the share buyback is the more value accretive and also the cash part. Therefore, the Board is also proposing to include into the shareholder remuneration share buybacks. Obviously keeping the treasury shares on the balance sheet of the Company does not make sense and to be able further use the capital efficiency it makes sense to purchase back the shares and to cancel the treasury shares.

**Chairman:** Thank you very much. Mr. Móricz would like to ask question again.

**Dániel Móricz:** Excuse me yes, Dániel Móricz, 107/4. Thank you very much for the answer. I'd just like to ask why do you think it is generating value to buy ordinary shares? Do you think that the share is undervalued?

**Chairman:** Thank you, Daria please.

**Daria Dodonova:** If I understand your question correctly, the other question is, if you believe the share are undervalued. If it is the right question, the short answer is yes. The management of this Company and the

Board of Directors believes that the shares of this Company are strongly undervalued, and, therefore, one of the elements which we would like to introduce to support the positive share development is to introduce shareholder remuneration policy first. Second, apart from the shareholder remuneration framework including the share buyback.

**Chairman:** Thank you very much. I see Mr. Korányi raising his hand. Please.

**Tamás Korányi:** Just a quick question. Can you see any connection between the undervalued...

**Keeper of the minutes:** Excuse me. Please indicate the number of your voting device for the minutes.

**Tamás Korányi:** 131/1. So Ms. Dodonova, can you see any connection between the current undervalued nature of the shares and the fact that the dividend policy of the company is very narrow handed or niggard? Thank you very much.

**Chairman:** Thank you for the question. Daria, please.

**Daria Dodonova:** If I understand your question correctly, the question is if we see any connection between the current level of, the current price level of the shares, and the dividend, with proper words the shareholder remuneration policy introduced. If this is the question, and you referring to the current, the really current in the past two-three weeks of the price development of the shares, I strongly believe, that unfortunately, due to the geopolitical situation and the immediate impacts on the economy, unfortunately the share price is not impacted directly by any business situation and business development of the Company, and also unfortunately not by shareholder remuneration policy introduced. But unfortunately by the geopolitical situation. It is also reflected in the overall development of the Hungarian market, and also the peers, and the blue-chips at the Hungarian market.

**Chairman:** Thank you very much. Any other questions or comments? Mr. Korányi, please.

**Tamás Korányi:** I slowly learn my number, 131/1. What we can see that in the BUX index went down 20% in early January. The value of OTP dropped by 45%, Richter's share price went down more than 20% and despite this geopolitical situation MTelekom went down less than the other blue-chip companies. So this is not really true that the geopolitical situation would really condemn Magyar Telekom. And again, what I was talking about is the undervalued shares. I was not really talking about 420 vs 395, but I was talking about the listing price of 730. Or I can say anything, or not, rather I say the 650 Forint book value. Compared to them, the 430 or the buyback price approximately 430 last year or the 394 Forint now, all these prices are explicitly undervalued and I am suspicious that all of this for some mysterious reasons this is connected to the narrow handed dividend policy of the Company mentioned before. Thank you very much.

**Chairman:** Thank you for the comment. Please, a shareholder in the back.

**Zoltán Pártl:** Zoltán Pártl, 090/0. The 260 million pieces, is much more than planned, like 25% of the capital. What is the reason, why exactly that?

**Chairman:** Let me answer. This is the legal maximum and also the general practice here at Magyar Telekom and also at others, that you know the legal stipulations gave authorizations by the General Meeting to the Board of Directors, and the Board of Directors how much they would like to utilize. On the 23<sup>rd</sup> of February, the Board of Directors announced if the General Meeting approves the framework, then the actual statement is that. Thank you very much. Any other question or comments? Please.

**Máté Dudás:** Máté Dudás, 092/6. I would like to ask you the positive results made on the share buybacks in the adjusted results, would you like to factor the buyback value into the adjusted results?

**Chairman:** Thank you. I ask Daria to answer the question.

**Daria Dodonova:** I would need to have a clarification to the question, apologies. So literally, from the interpretation I understood the following interpretation: if you would like to factor in the buyback into the adjusted net income on the adjusted profit. I would like to ask you the question again, because I simply do not understand it properly.

**Máté Dudás:** Yes, it was the question whether you will include this extra return on the bought back shares?

**Daria Dodonova:** So the question is if we are planning to include the positive impact from the share buyback into the reflection of the profit attributable to the shareholders next year? Is that the question? Well, the profit attributable to the shareholders on net profit based on the separate financial statements and the policy what we introduced, if you know our policy, the profit will be adjusted for the positive or negative non-business one-offs, for example the positive or negative impact from the derivatives or the exchange rate impacts or extraordinary depreciation, amortization. Everything else which is a part of the business results, and a part of the net income is the subject of the calculation of the 60-80% shareholder remuneration based on the introduced policy. I hope I understood you correctly.

**Chairman:** Thank you very much. Are there any other questions? Mr. Móricz, please.

**Dániel Móricz:** Dániel Móricz, 104/7, excuse me 107/4. Sorry, please, the answer was not clear to me, returning to this question. So the actual return on share buyback, would this increase the basis on which the actual dividend in the next three years will be decided?

**Chairman:** Thank you very much. Melinda Modok, head of the accounting area will answer the question. Please give a microphone to Melinda.

**Melinda Modok:** I would like to make a minor addition here. There will be no item included in the net income from share buyback, only transactions represented in the income statement will be included into the after-tax profit. What would be accounted for as adjusting items in the net income, the Company will decide when there will be a decision on the given results. So very briefly, it will not influence the adjusted net income.

**Chairman:** Thank you very much. Any further questions, comments? If none, I inform the Shareholders that the voting ratio necessary for adopting this resolution is simple majority. This agenda item covers two resolution proposals on which we will vote in line with the submission, one by one, in the order of the proposals. First, we will vote on the information of the Board of Directors. I put the proposal to vote.

The result of the voting: 711,333,330 affirmative votes (97.76%), 13,189,632 negative votes (1.81%), and 1,638,159 abstentions (0.23%). (Resolution no. 10/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 68.217542%, Negative: 1.264898%, Abstention: 0.157101%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 726,161,121 pcs, and proportion thereof to the registered capital: 69.639541%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 10/2022 (IV.12.).**

Now we will vote on the authorization to purchase treasury shares. I put the proposal to vote.

The result of the voting: 682,753,849 affirmative votes (93.83%), 43,883,236 negative votes (6.03%), and 526,351 abstentions (0.07%). (Resolution no. 11/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 65.476742%, Negative: 4.208444%, Abstention: 0.050478%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,163,436 pcs, and proportion thereof to the registered capital: 69.735664%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 11/2022 (IV.12.).**

**Chairman:** Let me correct my previous mistake. It is not realistic to finish this General Meeting in three hours, it seems this will be much longer. I hereby order a 17 minutes break. We will continue the General Meeting at 13 o'clock 15 minutes. Please be patient for a moment. Please take your voting and translator devices and personal belongings with you during the break. Thank you very much.

**Chairman:** *[after the break]* We continue the General Meeting at 13 o'clock 18 minutes. Please check now that the voting device number in the form you received during registration is identical with the identification code on your device. If the two numbers do not match, please indicate with a show of hands. Please press any key on the voting device so it can be switched on. We will continue the General Meeting with the discussion of agenda item no. 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 Magyar Telekom Plc. for the 2021 business year in line with the disclosed material. I make known the resolution proposal:

The General Meeting approves the Corporate Governance and Management Report of the Company for the 2021 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:** Distinguished Shareholders! The General Meeting approves the Corporate Governance and Management Report of the Company for the 2021 business year.

**Chairman:** Thank you very much. I ask the Shareholders whether there are any questions or remarks regarding this agenda item? If there are no remarks, 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: 700,812,005 affirmative votes (96.33%), 18,993,417 negative votes (2.61%), and 7,243,889 abstentions (1.00%). (Resolution no. 12/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 67.208537%, Negative: 1.821487%, Abstention: 0.694696%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,049,311 pcs, and proportion thereof to the registered capital: 69.724720%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 12/2022 (IV.12.).**

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 officer (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.

Discharging from liability with respect to the 2019 and 2020 business years, also disclosed in the General Meeting's submissions, shall become effective upon the approval of the General Meeting in accordance with the respective resolutions of the Board of Directors, therefore it is necessary to be voted thereon.

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

**prof. dr. Attila Borbély:** Distinguished Shareholders! The Supervisory Board examined the submission of the Board of Directors on discharging the members of the Board of Directors from liability and agrees with that the General Meeting should discharge the members of the Board of Directors from liability for the business year of 2021 and with that the General Meeting should approve the discharging from liability with respect to the 2019 and 2020 business years.

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

**Tamás Cser:** I am Tamás Cser from Hold Alapkezelő, 119/3. According to the Hungarian corporate law the board of directors needs to serve the interest of the company, and the discussion of this is the discharging from liability. I would like to pose three questions to the Board of Directors:

How does this serve the interest of the company that another company is providing share incentives for the management?

How the company strives for good corporate governance while its continuously violates the rights of the minority shareholders? I hereby remind the Company that there was a dividend policy in the past which just gave predictability to the investors. Today we do not have that. In the past the Company incentivized its management with Magyar Telekom shares, now it does with Deutsche Telekom shares. How does these changes serve the interest of the Company?

The third question: the Company and Ms. Dodonova here just said that based on your consideration the Magyar Telekom shares are deeply undervalued. So I just ask you has the Company done everything within its power to reflect in the share price the actual performance of the Company? How did the rejection of our dividend proposal serve this?

**Chairman:** I ask Tibor Rékasi Chief Executive Officer to answer the question.

**Tibor Rékasi:** I will answer the first question. The majority of the remuneration of the top management, all the chief officers including me, is linked to Magyar Telekom performance and is dependent upon that. On average, less than 20% of the total remuneration is linked to Group level KPIs, which also serves indirectly the interest of Magyar Telekom. All officer, manager and other employee of Magyar Telekom is obliged to fulfil his/her tasks solely based on the Company's interest, and not on shareholders' – and that is what they do each day. That is the major driver behind the Company's outstanding business and financial performance. According to the relevant laws, section 3:112 (2) of the Civil Code, the Board of Directors and its members are required to fulfil their management duties in light of the primacy of the best interests of the Company, which is an abstract category and is not identical to the primacy of the best interests of any specific shareholder or any group of shareholders. On behalf of the Company, I vigorously refuse any suggestion that the Board or any Board member failed to perform their management activities in the Company's best interests. Magyar Telekom avoids and treats the potential situations of conflict of interests based on very strict and consequential regulations and internal protocols. Internal protocols ensure the transparency of situations involving conflict of interest and the in the case of interest conflicts the person involved shall not take part in the decision making. We refuse all assumption, insinuation that contrasts with that.

**Chairman:** Thank you very much. There was a statement hidden in the second question with which the Company does not agree and therefore, we are not able to provide an answer on that. I ask Daria Dodonova to answer the third question.

**Daria Dodonova:** The third question was if the Board believes the Board does everything to improve the share price performance? That was the question, the third one from you right Tamás? If the Board believes that everything necessary was done to improve the share price, the performance of the company Is that your third question?

**Chairman:** Please if you clarify or repeat your question...

**Tamás Cser:** Yes, sorry. So if the Board did everything in order that the fundamentals of the Company would be reflected in the share price?

**Daria Dodonova:** The Board believes that we are executing as already stated by our Chief Executive Officer completely in the interest of the company and exactly based on this you can see the Company delivers since several years sustainable growth. Therefore, the Board believes that everything was done in terms of the business performance. When it comes to the share price development, as I said already, we strongly believe the share buyback and the introduced shareholder remuneration policy should in the short term improve the share price performance.

**Chairman:** Thank you very much. Are there any other questions or comments? Please.

**István Tallósy:** István Tallósy, 110/3. I would like to ask you what the obstacle is against not having motivations for share price increase. Why don't you have employee share ownership program? As I was a shareholder of ELMŰ, I recall I had the very same question. According to the answer received the management is motivated with the shares, mother company's shares. We did not regard it really-really proper and obviously I have experience over 20 years that if you do not have the motivation for the management and if the motivation of the management is not directly – I put emphasis on directly – linked to the share price that here is a considerable discount between the own value of the share and the share value and the own value. Now, this is true for this situation, this is like approximately 60-65% of the own value right now. So my question what the actual obstacle is having a direct incentive between the performance of the management and the share price. What are the reasons? This is my question. Thank you.

**Chairman:** Thank you very much. This is something relating to the incentive policy of the company and this is to be discussed at a later stage, so if you still have the question then please pose this question at a later stage. We can't answer under this agenda item. Any other question or comments? Please.

**Tamás Cser:** I am Tamás Cser, Hold Alapkezelő 119/3. I would like to come back to my first question and the answer of Mr. Rékasi. My question was: how does this serve the interest of the company if the management is motivated with Deutsche Telekom shares? How does this serve the interest of the Company?

**Chairman:** The Company provided answer for that.

**Tamás Cser:** He did not provide answer to this. He answered that there are incentives, which include that are really based on the performance of Magyar Telekom.

**Chairman:** Tibor, please.

**Tibor Rékasi:** Yes, according to my previous answer, and also, I just marked that in my answer. 20% of the total remuneration of the chief officers, or below 20%, depending on the group level indicators indirectly represented in there and all these group level indicators, where the interest of Magyar Telekom appears, group level synergies, that really provides incentives for the management and these are indirectly provides contribution to the results of Magyar Telekom.

**Chairman:** Thank you very much. Any other questions or comments? Tamás Cser, please.

**Tamás Cser:** Yes, I would like to continue, thank you. Does the management of Deutsche Telekom is incentivized for group level synergies?

**Chairman:** This is the General Meeting of Magyar Telekom Plc, so we can't provide answer questions of Deutsche Telekom. Any further questions? If there are no more questions, I inform the Shareholders that we will vote on the discharging liability in line with the submission, one by one, in the order of the proposals. The voting ratio necessary for adopting this resolution is simple majority. I make known the first resolution proposal:

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 2021 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 2021 by giving primacy of the interests of the Company.

I put the proposal to vote.

The result of the voting: 699,881,776 affirmative votes (96.20%), 19,015,848 negative votes (2.61%), and 8,115,646 abstentions (1.12%). (Resolution no. 13/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 67.119327%, Negative: 1.823638%, Abstention: 0.778298%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,013,270 pcs, and proportion thereof to the registered capital: 69.721263%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 13/2022 (IV.12.).**

I make known the second resolution proposal:

The General Meeting of Magyar Telekom Plc. approves the Resolutions of the Board of Directors Nos. 4/7 through 4/13 (04.24.2020) on discharging the members of the Board of Directors from liability with respect to the 2019 business year.

I put the proposal to vote.

The result of the voting: 699,882,276 affirmative votes (96.20%), 18,995,348 negative votes (2.61%), and 8,191,687 abstentions (1.13%). (Resolution no. 14/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 67.119375%, Negative: 1.821672%, Abstention: 0.785591%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,069,311 pcs, and proportion thereof to the registered capital: 69.726638%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 14/2022 (IV.12.).**

I make known the third resolution proposal:

The General Meeting of Magyar Telekom Plc. approves the Resolutions of the Board of Directors Nos. 2/7 through 2/14 (04.16.2021) on discharging the members of the Board of Directors from liability with respect to the 2020 business year.

I put the proposal to vote.

The result of the voting: 699,882,276 affirmative votes (96.20%), 17,901,340 negative votes (2.46%), and 9,265,695 abstentions (1.27%). (Resolution no. 15/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 67.119375%, Negative: 1.716756%, Abstention: 0.888589%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,049,311 pcs, and proportion thereof to the registered capital: 69.724720%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 15/2022 (IV.12.).**

I close agenda item 7 and open agenda item 8.

**Agenda item no. 8  
Amendment of the Articles of Association**

**Chairman:** Decision on the amendment of the Articles of Association falls into the exclusive scope of authority of the General Meeting of the Company, unless otherwise provided for by the law or the Articles of Association. In compliance with the Budapest Stock Exchange's Recommendations the Board of Directors proposes that the amendments of the Articles of Association shall be decided in a single joint vote. I make known the resolution proposal:

The General Meeting resolves that the amendments of the Articles of Association shall be decided in a single joint vote.

The voting ratio necessary for adopting this resolution is simple majority. I put the proposal ... [*reacting to shareholder's comment to not told into the microphone*] Excuse me. First, we vote. Please raise your hand and make your statement in the microphone with your name and the number of your voting device.

**Gábor Dióslaki:** Yes-yes, OK I just raised my hand, I was waiting until you finish. Gábor Dióslaki, representative of TEBÉSZ, 126/5. I am informed that there is a new recommendation of the BSE that is about the acceptance of the Articles of Association. I.e. there is a recommendation to vote separately by chapters. I have just come from another general meeting from another listed company, and I was explicitly said that this is the latest recommendation of the BSE.

**Chairman:** Thank you for your comment. The voting ratio necessary for adopting this resolution is simple majority. I put the proposal, still available on the display, to vote.

The result of the voting: 722,802,622 affirmative votes (99.35%), 4,165,397 negative votes (0.57%), and 25,251 abstentions (0.00%). (Resolution no. 16/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 69.317458%, Negative: 0.399466%, Abstention: 0.002422%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 726,993,270 pcs, and proportion thereof to the registered capital: 69.719346%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 16/2022 (IV.12.).**

The detailed reasons for the modifications and the textual modifications of the Articles of Association are available in whole in the disclosed submissions and is also included in the handout available here at the venue. For the efficient time management of the General Meeting and for ease of reference the textual modifications and the resolution proposals are also displayed on the screen.

The reasons for amending the Articles of Association are as follows. Act V of 2013 on the Civil Code was amended with effect from January 1, 2022. Proposed amendments to the Articles of Association arising from the legislative change are the following:

- Section 4.4. Minority rights:
  - In case of requesting a special audit, the costs of the audit shall be advanced by the requesting members instead of the Company in accordance with Section 3:104 (4) of the Civil Code; and
  - clarification of the text in accordance with Section 3: 105 of the Civil Code.
- Section 5.7. Quorum:
  - Amendment of Section 3:275 of the Civil Code allows the reconvened general meeting to be held the same day as the general meeting having no quorum.

Sections 10.1. and 11.: Increasing and decreasing the registered capital:

- The purpose of the amendment is to facilitate the practical application of the relevant provisions [i.e. Sections 3:293. § (2) and 3:309. § (5) of the Civil Code].

I request 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 amendment to the Company's Articles of Association proposed by the Board of Directors and agrees with it.

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

**Gábor Dióslaki:** Gábor Dióslaki, representing TEBÉSZ, 126/5. At agenda item no. 1 or before the agenda there was a debate between you and a shareholder colleague about the person of the authenticators, about the numbers of authenticators. You were referring to the Articles of Association of the Company and you said that the Articles of Association explicitly regulates this. Could you please let me know what parts of the Articles of Association regulate this? Telling the truth, I do not have the Articles of Association.

**Chairman:** Yes, we are speaking about Section 5.9.b) of the Articles of Association.

**Gábor Dióslaki:** I do not know whether it is long textually, could you please read it out? Thank you very much.

**Chairman:** Section 5.9.b) is about the Chairman of the General Meeting and the text is as follows "The Chairman of the General Meeting shall make recommendations for the minute keeper of the General Meeting, for the shareholder, or its proxy to certify the minutes, and, in the event of non-computerised voting, for the tellers. In the event of computerised voting, the Chairman of the General Meeting shall act as teller." This is the applicable part of the Articles of Association. The Articles of Association is available in the AGM documents and on the website of the Company.

**Gábor Dióslaki:** I do not debate. It is difficult to review the website, I do not debate that it is it, it is easier in this way. Thank you very much. In the beginning of the meeting, there was a long debate between you. Right now I wouldn't like to say that we can adopt an item on the agenda which is on the agenda. I am happy to see the no. 8 is the modification of the Articles of Association. So right now, I'd just like to make a proposal, under the amendments of the Articles of Association item, to adopt this 5.9. which textually would be the same just like you read it up but there would be a change where the proposal would be two authenticators. So may I continue? Excuse me. Although I let you know, you just said that only in one vote, I would just like the AGM to vote for along with the modification of the Articles of Association, because there is an adopted proposal that all changes should be adopted in one. Thank you very much.

**Chairman:** No, I did not say that. So we are acting in accordance with the recommendation of the BSE and the recommendation was about this. The previous voting was about the items already on the agenda this is what we can discuss because the distinguished Shareholders only know these items. That are already in the agenda and you just formulated, only verbally, a resolution proposal and obviously we will vote on this. And then again pursuant to the recommendations of the BSE, we will order a few minutes break. Just to give you time to put them in writing. We will make for a voting. Please.

**Gábor Dióslaki:** I fully agree with the last part and I write it down if it is not that clear or required by the Articles of Association, obviously. I do not agree if we could have the previous resolution proposal back on screen ... no this is not the one ... the submission before that. Where we just accepted. The one before. The approved text of the submission. In which the General Meeting resolves that the amendments of the Articles of Association must be resolved in one single joint vote. I cannot read out, even with legal reasoning, that it is only applicable to the proposals of the Board of Directors. This is about that the General Meeting will decide in one vote on the modifications of the Articles of Association. Where the actual modification comes from, this actual text does not give any guidance. You know you think that way,

I think this way. If there is no legal restrictions, I am right. I think irrespective where the modification comes from, from a shareholder, according to the adopted resolution of the General Meeting, I do not know the number, we need to vote in the joint voting by the General Meeting otherwise that would be a legal problem. Thank you very much.

**Chairman:** Thank you very much for your comment. We are talking about resolution of the General Meeting no. 16/2022 (IV.12.). The previous one was no resolution no. 16/2022. And we do not agree. So when the resolution was made, the shareholders were aware of the submissions that the Board of Directors previously disclosed 21 days before the General Meeting at the relevant publication sites and which were here known to the shareholders. So based on this information level, the Shareholders made resolution no. 16/2022 of the General Meeting. So, we are going to have a voting on the proposal of the Board of Directors on the modification of the Articles of Association, and on your submission as well. There will be two votes. Thank you very much. There is another shareholder comment or question.

**Csaba Jurenka:** Hallo, yes, 095-6, I am Csaba Jurenka, minority shareholder. Excuse me, but you made a mistake here, because the amendment of the Articles of Association is without qualification, as my shareholder colleague said before, could arriving from anywhere. If you would insert that this proposed by the General Meeting or by the Board of Directors, that would be true. But you forgot this, all amendments can be resolved by one unified resolution. Moreover, my interpretation is that it can be applied even in connection with later amendments of the Articles of Association, if there is a resolution that will not limit neither in time, nor person of the submitter now it would be true for all Articles of Association modification from now until it is revoked.

**Chairman:** Thank you very much. We understand your opinion. I hereby order a short technical break. I would like to ask Mr. Dióslaki to formulate in writing your resolution proposal. We will be at your help to formulate, if needed. We will have a few minutes, a six minutes break. Hopefully that will be enough. Please do not go away. For the sake of good order, just a second, I order a short break, in the duration of seven minutes. We will continue the General Meeting at 13 o' clock 55 minutes. Please take your voting and translator devices and personal belongings with you during the break. Thank you.

**Chairman:** *[after the break]* We continue the General Meeting at 14 o' clock 4 minutes. Please check now that the voting device number in the form you received during registration is identical with the identification code on your device. If the two numbers do not match, please indicate with a show of hands. Please press any key on the voting device so it can be switched on. In the meantime we have received from Gábor Dióslaki from TEBÉSZ the modification proposal of the Articles of Association. Also there is a question, comment, or remark from one of the shareholders, please.

**dr. Rita Bajáky:** Good afternoon! My name is dr. Rita Bajáky, representing Deutsche Telekom Europe...

**Keeper of the minutes:** Please speak into the microphone.

**dr. Rita Bajáky:** My name is dr. Rita Bajáky, representing Deutsche Telekom Europe B.V., voting device no. 091/3. In relation to this agenda item I have a new modification proposal. The proposal is the following: The General Meeting repeals General Meeting Resolution no. 16/2022 (IV.12.) and instead approves the following resolution proposal. Please record it or dictate it.

**Chairman:** Yes, please go ahead.

**dr. Rita Bajáky:** The General Meeting resolves that the amendments of the Articles of Association proposed by the Board of Directors shall be decided in a single joint vote, while the amendments proposed by the shareholders at the General Meeting shall be decided by a separate vote on each shareholder's proposal.

**Chairman:** Thank you. Please pass the document on which you read the resolution. Please.

**Zoltán Pártl:** 090/0. I am not a lawyer. Can we provide and submit on those items we already voted on? We have already voted on this one. So can we submit modifications on items we already voted on? I do not understand. I am not a lawyer, it may be possible but...

**Chairman:** We just encountered a technical issue, and one of the shareholders proposed a technical solution in a resolution proposal, which we will put on the vote soon. Not yet. Yes, Mr. Dióslaki, please.

**Gábor Dióslaki:** Thank you very much, Gábor Dióslaki, representing TEBÉSZ, 126/5. First of all I would like to congratulate to the elegant solution, this is far more elegant you originally represented. But yes, indeed, this is a technical, legal technical issue and we have an adopted item and there is another one which contract this. So please resolve this. Before resolving this, I would just like to ask you because, I can now see that far we are less there, the shareholders in the room, so let's comply with the law and just check whether the General Meeting is having a quorum or not after the break. Thank you very much.

**Chairman:** Thank you. KELER continuously monitors the quorum and you can see the quorum on the screen, based on the voting devices allocated to the room. Yes, you can see this on the screen, yes, the General Meeting indeed has a quorum. Thank you for the question. We are in discussing an item on the agenda, the technical issue, the AGM will make a vote on an upcoming request. Once again, I make known the resolution proposal:

“The General Meeting repeals General Meeting Resolution no. 16/2022 (IV.12.) and instead approves the following resolution proposal:

The General Meeting resolves that the amendments of the Articles of Association proposed by the Board of Directors shall be decided in a single joint vote, while the amendments proposed by the shareholders at the General Meeting shall be decided by a separate vote on each shareholder's proposal.”

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

The result of the voting: 617,453,996 affirmative votes (84.87%), 25,852,062 negative votes (3.55%), and 28,835,294 abstentions (3.96%). (Resolution no. 17/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 59.214425%, Negative: 2.479237%, Abstention: 2.765332%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 672,141,352 pcs, and proportion thereof to the registered capital: 64.458994%.)

**Chairman:** Next... yes, please.

**Csaba Jurenka:** Good afternoon, I am Csaba Jurenka, 095/6. I do not want to use any more time, but if the management is not completely enough fair methodology trying to influence the General Meeting. I think we should make a new proposal, for a new submission, we will sitting here until midnight. Because we have discussing an item that has already been adopted. And we can make a proposal on an already decided item? This is what you did, didn't you? I ask did you do that?

**Chairman:** During the discussion of the item shareholder Deutsche Telekom Europe B.V made a resolution proposal in a technical matter, that has happened.

**Csaba Jurenka:** Yes, but still, an already decided item in a technical matter was put on vote again. Based on this, all the already decided and adopted items can receive new modification proposals and we would need to vote on them again? Because all these items are on the agenda of the General Meeting. So we can just starting to vote on item no. 1, item no. 2., item no. 3. etc., because part of the shareholders would like to pass on and submit new modification proposals there already adopted positions we are talking about.

**Chairman:** Thank you very much for the comment. Any further comments? Please.

**Zoltán Pártl:** 090-0, Zoltán Pártl. Mr. Chairman, I would like you to say, that the General Meeting can at any point any time re-vote on any adopted items or amendments? Yes / no or something else is sufficient again.

**Chairman:** Thank you. This was a question. My answer is no. Further questions or comments? Yes, please.

**István Pató:** I am István Pató, 003/0. Should I understand this in my legal interpretation, that depending on who the submitter is we decide whether we vote or not. Thank you.

**Chairman:** Thank you, there was no question, thank you very much for the comment.

**István Pató:** I would like a yes or no.

**Chairman:** So my answer is no. Please.

**Zoltán Pártl:** 090-0. If you have a no answer, how can we re-vote on something on a same resolution proposal.

**Chairman:** We are discussing a very same item, not at a previously closed agenda item.

**Zoltán Pártl:** We have voted on one resolution proposal.

**Chairman:** There was a new technical circumstance arising, there was a new shareholder proposal received. And as the management of this resolution proposal the General Meeting hasn't had enough information on this, one of the shareholders passed on and submitted a technical new proposal.

**Zoltán Pártl:** OK, then put that in the minutes, please, as I can see that in the voting, I would like to highlight this the great majority of the minorities shareholders voted against that, I think.

**Chairman:** Thank you very much for the comment. Are there any questions or comments? Please, Mr. Dióslaki.

**Gábor Dióslaki:** Gábor Dióslaki, representing TEBÉSZ, 126/5. If I am listening carefully what is going on the General Meeting, what I can experience, is that there are two contradictory items that can annul each other, because both of them cannot be adopted. In that case the second one contradicted the first one, will not automatically modify the previous one. Just like you just posed the question, posed this item for voting stucked to the original item, the keeper of the minutes or the authenticator of the minutes, the two proposals annulled each other. One of them was adopted the other one was rejected. Now, here both of them adopted. So in my view, the second one might be legally invalid, because it contradicts the first one, and was not submitted as a modification proposal. I do not know what is your opinion on this? As the Chairman of the General Meeting.

**Chairman:** Thank you for your question. The resolution proposal recently approved as no. 17/2022. repealed the previous one no. 16/2022 (IV.12.), so that legally resolves the alleged contradiction that you were just outline. So, out of the two the 16/2022 is not in effect, and 17/2022 is in effect. We will continue the General Meeting accordingly. Please Mr. Dióslaki.

**Gábor Dióslaki:** Then thank you very much, excuse me. Then I did not pay attention closely. Now, I would like to make a new resolution proposal. I would just like to make a new and put the previous one out effect. This way we can do anything really. Put everything a contrary one. We can make, we can submit any resolution proposal to vote, if I just follow your logic and technique. So I would like the General Meeting to vote on this because I just heard that somebody did not pay attention and voted onerously. At the General Meeting we vote on something, put this out of effect, or just confirm the previous one. This would be the result legally. My official proposal is, if we follow this thought, logic, you know better than me the number of the resolution, the General Meeting can put everything out effect and we put out of effect and

move on. Thank you very much. 17, so this is 17/2022, this is the logic of my arguments as I see. Thank you very much.

**Chairman:** Let me have a question for clarification to Mr. Dióslaki. Would you like to submit again a resolution proposal to the General Meeting in the subject of the previous one?

**Gábor Dióslaki:** I would like to submit a new resolution proposal to the General Meeting the topic of it is repealing General Meeting resolution no. 17/2022. With the very same technic, method as the no. 17 repealed no. 16. It is because I have just heard it was not crystal clear what they are voting on, it is not only me, but others. This would make the situation clear I think and then we could move on. Thank you very much.

**Chairman:** All right, one of my roles is to keep the General Meeting in a reasonable framework and, as far as possible, although it is limited here, and keep the time in reasonable limits have. Allowing proper exercise of rights, Mr. Gábor Dióslaki indicated that he would submit a new resolution proposal in connection with this agenda item, therefore we will have a short break. I request Mr. Dióslaki to write the resolution proposal. I kindly ask the distinguished Shareholders to in this break, to formulate and submit all other proposals to this agenda item, if possible. So I order a break at 14 o'clock 20 minutes, which will be approximately 10 minutes. We aim continue the General Meeting at 14 o'clock 30 minutes. Please take your voting and translator devices and personal belongings with you during the break. Thank you.

**Chairman:** [after the break] We continue the General Meeting at 14 o'clock 31 minutes. Please check that the voting device number in the form you received during registration is identical with the identification code on your device. If the two numbers do not match, please indicate with a show of hands. Please press any key on the voting device so it can be switched on. I ask KELER whether we have a quorum. Yes, we can see on the screen, thank you very much. The General Meeting still has a quorum.

Let me summarize what happened in the discussion of this agenda no. 8 so far. Based on what you can see on the screen and based on the available materials the General Meeting needs to make a decision on a technical issue first. According to the recommendations of the Budapest Stock Exchange and this is about a technical decision how to pass the votes on the substantial modifications of the Articles of Association. When first the General Meeting decided on one single joint vote on the modification of the Articles of Association then it was not yet known that there would be a proposal that was not to be presented by the Board of Directors, but it would be presented by the shareholders. And right after the break, and based on the resolution proposal of one shareholder, resolution no. 17/2022 was adopted. First it repealed resolution no. 16/2022 then it stipulated that there will be one joint vote on the modification of the Articles of Association, proposed by the Board of Directors, and separate vote on the modification proposals by the shareholders. This is still a technical matter, we are not at the voting on the amendments of the Articles of Association in merit. However, at this point one of the minority shareholders indicated that there was some misunderstanding saying that the previous resolution proposal was not very clear. Therefore, TEBÉSZ, represented by Gábor Dióslaki submitted a new resolution proposal and the aim of this resolution proposal is to put resolution no. 16/2022 in effect again, re-enacted. I make known the resolution proposal made by TEBÉSZ:

“The General Meeting resolves that Resolution No. 17/2022 (IV.12.) of the General Meeting shall be repealed.”

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

The result of the voting: 27,176,320 affirmative votes (3.74%), 617,453,996 negative votes (84.87%), and 28,625,044 abstentions (3.93%). (Resolution no. 18/2022 (IV.22), voting ratios in proportion to the registered capital: Affirmative: 2.606235%, Negative: 59.214425%, Abstention: 2.745169%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 673,255,360 pcs, and proportion thereof to the registered capital: 64.565829%.)

**I state that the General Meeting did not approve the resolution proposal in Resolution No. 18/2022 (IV.12.).**

**Chairman:** I would like to continue the discussion of the substantive resolution proposal. Please.

**Csaba Jurenka:** Good afternoon, 095-6. Now, I would like to submit a new resolution proposal ...

**Keeper of the minutes:** Please indicate your name.

**Csaba Jurenka:** Sorry, Csaba Jurenka. I would like to submit a new resolution proposal. I do not know whether it is no. 18 or so, this is about the modification of the previous one and also, I would like to cancel the previous one. You know the problem is that this formula, you want to continue then we will sit here by midnight. Because “n+1” contradictory proposal would repeal the previous one “n”, out of effect, we would question everything, please replace “n” accordingly. So what I propose, I do not know how it happened at previous General Meetings, I do not know how it was handled, I think we should just make a resolution proposal and not to be able to do that. So in this Articles of Association modification, I propose we shall suspend the General Meeting and a proper court forum should decide how the General Meeting be continued at a later phase, and how we can modify a formally adopted resolution. Thank you.

**Chairman:** Thank you very much. I just outlined how these resolutions no. 16, 17, 18/2022 came about. I think this is a very clear situation. So every single proposal that were referred by you as “n-1” would serve the prolongation of the General Meeting and for that reasons we would not follow the rightful conduct of the General Meeting properly. So right now I would like to move on with the substantial discussion of the items. So right now the General Meeting will discuss the modification of the Articles of Association in a substantial manner. So let me just move on. I would like to go on with the proposal of the Board of Directors followed by the proposal of TEBÉSZ. The detailed reasons for the modifications and the textual modifications of the Articles of Association are available in whole in the disclosed submissions and is also included in the handout available here at the venue. For the efficient time management of the General Meeting and for ease of reference the textual modifications and the resolution proposals... Thank you, the keeper of the minutes informed me that I have already made known the proposal of the Board of Directors and the Chairman of the Supervisory Board has already outlined the essence of the Supervisory Board’s report related to this agenda item. After this the shareholder made a proposal in the technical issue. So the General Meeting will vote on the substantial proposal of the Board of Directors, which I have already read out, I will not repeat it. You can see the resolution proposal on the screen. I inform the Shareholders that the voting ratio necessary for adopting this resolution is three-quarters majority. I make known the resolution proposal:

The General Meeting approves the amendment of Sections 4.4., 5.7., 10.1. and 11. of the Articles of Association according to the submission.

I put this proposal to vote.

The result of the voting: 699,650,397 affirmative votes (96.17%), 4,138,936 negative votes (0.57%), and 23,279,978 abstentions (3.20%). (Resolution no. 19/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 67.097137%, Negative: 0.396928%, Abstention: 2.232572%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,069,311 pcs, and proportion thereof to the registered capital: 69.726637%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 19/2022 (IV.12.).**

**Chairman:** I make known the resolution proposal made by Gábor Dióslaki, representing TEBÉSZ, regarding Section 5.9.(b) of the Articles of Association:

“[5.9. Chairperson of the General Meeting]

(b) shall make recommendations for the minute keeper of the General Meeting, for two shareholders, or their proxy to certify the minutes, and, in the event of non-computerised voting, for the tellers. In the event of computerised voting, the Chairperson of the General Meeting shall act as teller.”

I inform the Shareholders that the voting ratio necessary for adopting this resolution is three-quarters majority. I put the proposal to vote.

The result of the voting: 27,002,361 affirmative votes (3.71%), 617,436,759 negative votes (84.87%), and 28,586,240 abstentions (3.93%). (Resolution no. 20/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 2.589552%, Negative: 59.212771%, Abstention: 2.741448%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 673,025,360 pcs, and proportion thereof to the registered capital: 64.543771%.)

**I state that the General Meeting did not approve the resolution proposal in Resolution No. 20/2022 (IV.12.).**

I close agenda item 8 and open agenda item 9.

#### **Agenda item no 9**

**Election of members of the Board of Directors; Removal of a member of the Board of Directors and election of a new member of the Board of Directors and determining his remuneration**

**Chairman:** [Referring to the comment of Mr. Gábor Dióslaki told not into the microphone] I would like to ask Mr. Dióslaki to wait until I finish. I closed the previous agenda item. If you would have any comments to that, there is no chance for that. First, I did not give you the right to speak Mr. Dióslaki. We have closed the previous agenda item. If you have any disagreement, of a legal nature, with the conduct of the General Meeting, and in connection with the resolutions adopted, any shareholder has the right to decide on initiating legal actions. The General Meeting is not the forum for legal discussions. So I will continue with agenda item no. 9.

This agenda item covers two submissions. In addition to the proposal of the Board of Directors, Hold Investment Funds, as shareholders of the Company jointly holding at least one percent of the votes have submitted, within the statutory deadline, a proposal and draft resolution to this agenda item.

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.

First, I will introduce the Board of Directors' proposal. The General Meeting shall elect new Board of Directors members as the mandate of the members of the Board of Directors expires on the day of the Annual General Meeting, i.e. as of today. On behalf of the Company I would also thank in here the work of the Board of Directors' members, Éva Somorjay-Tamássy and Ralf Nejedl. In accordance with the provisions of the Articles of Association the Board of Directors shall be comprised of a minimum of 5, and a maximum of 11 members. The Board of Directors, having considered the Remuneration and Nomination Committee's agreement with the nominations, proposes the following persons to be elected by the General Meeting:

1. Dodonova Daria Aleksandrovna
2. Gábor Fekete
3. Elvira Gonzalez
4. Dr. Robert Hauber
5. Frank Odzuck
6. Péter Ratatics
7. Tibor Rékasi
8. Melinda Szabó

The biographies of the nominees are available among the published documents and are presented on the screen along with the respective resolution proposals.

Hold Investment Funds made a proposal contrary to that of the Board of Directors, now I introduce this shareholder resolution proposal. They requested the removal of Frank Odzuck from his position as a member of the Board of Directors. Additionally, they proposed the election of Gábor Szendrői as a new member of the Board of Directors for a term of 3 years as of the date of the General Meeting, to replace the removed member, as provided for in Article 6.2 of the Articles of Association. The curriculum vitae of Gábor Szendrői was attached to the request for the addition to the agenda. Biography of Gábor Szendrői is also displayed on screen. I will now introduce the relevant resolution proposals, literally as drafted by Hold Investment Funds:

“The General Meeting recalls Frank Odzuck (address: 1121 Budapest, Csillagvölgyi út 4. F. ép., date of birth: 1959.11.11., mother's name: Irene Watzke) from his position as a member of the Board of Directors of the Company.”

“The General Meeting elects Gábor Szendrői (address: 1053 Budapest, Magyar u. 23, II. 27a., place of residence: 1223 Budapest, Őszibarack u. 10., date and place of birth: Budapest 12, 06.06.1976., mother's name: Zsófia Mária Kisbocskói) as a member of the Board of Directors of the Company for a term of 3 (three) years and requests the elected executive officer to declare in a separate document the acceptance of the position, the disqualifications, conflicts of interest and prohibitions related to his person. The Board member shall be entitled to a gross monthly remuneration of HUF 450,000 -, i.e. HUF four hundred and fifty thousand per month.”

I inform the Shareholders that under the next agenda item the General Meeting will discuss the remuneration of members of the Board of Directors. While the remuneration in the shareholders' proposal I just summarized is in line with the current remuneration of Board members, it is in contrast with the proposal of the Remuneration and Nomination Committee made under the next agenda item.

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

**prof. dr. Attila Borbély:** Dear General Meeting, dear Shareholders. First, I will outline the essence of the reports related to the Board of Directors' submission and after that I will outline the essence of the reports related to the shareholders' submission. The essence of the Supervisory Board's Report related to the Board of Directors' proposal is as follows. The Supervisory Board examined the submission of the Board of Directors on the election of members of the Board of Directors and acknowledged it. The essence of the Supervisory Board's Report related to the Shareholders' proposal is as follows. The Supervisory Board examined the submission of the Shareholders on the “Removal of a member of the Board of Directors and election of a new member of the Board of Directors and determining his remuneration” and agrees that the proposal is submitted to the General Meeting in accordance with the applicable laws. Thank you.

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

**Tamás Cser:** I am Tamás Cser from Hold Alapkezelő, representative 119/3. I would like to explain why we made this proposal and to disclose our arguments. We sent an open letter to the Company's Board of Directors regarding the dividend policy. We thought it would be a great help to the Company's minority shareholders because it would provide a clue as to how long the Company's debt relief would take. Our proposal was not accepted by the Board of Directors. It did not deal with the most important point: to give guidance in connection with the debts. This gives us an impression that the rights of the minority shareholders are not sufficiently represented in the Board of Directors of the Company. Therefore, we proposed to have a candidate for the minority shareholders, who is supported by the minority shareholders. At the same time, we did not want Deutsche Telekom's share of the Board to fall, therefore,

we proposed to replace one independent member with another independent member. An independent member, Mr. Gábor Szendrői, who is here, and he can briefly introduce himself. In our view, he would better represent the interests of the minority shareholders in the company. In short, I would like to explain why we are requesting the replacement of an existing Board member. Mr. Frank Odzuck, despite the fact that we believe that an independent Board member and independent Board members have a prominent role in the Company in ensuring that conflict of interest arise between the shareholders of the Company, hear and comments on them. He has refrained from asking us to say our arguments earlier. Additionally, Mr. Frank Odzuck is a member of the Remuneration Committee which has, in our view developed a very bad practice in which company incentivize its management with shares of another company. Thank you very much. And I do not know that is it possible that Mr. Szendrői ...

**Chairman:** I do not see an obstacle. Mr. Szendrői, as far as I know, is present as a shareholder, in addition, another shareholder nominated him as a member of the Board of Directors. If you would like to comment as a shareholder, of course you have the opportunity.

**Gábor Szendrői:** Thank you very much. I am Gábor Szendrői, 081/1. Then I would only make comments to greet the participants of the General Meeting, and on the other hand, although my CV was presented briefly, I would also like to introduce myself very briefly. I graduated from three business schools at Corvinus University, HEC, and INSEAD. I had experience as strategic consultant at McKinsey and in capital markets, corporate governance and transaction adviser. I have worked in a number of international positions, as well as in a domestic position. Of course, I have been on the board of directors and, as such, of a domestic listed company operating in another industry. I know that the goal is for the board to represent the interests of the company, and within that, the interests of all shareholders. If I were elected, that would be my goal. Thank you very much.

**Chairman:** Thank you very much. I ask the Shareholders are there any further questions or comments? Yes, Dániel Móricz, please.

**Dániel Móricz:** Dániel Móricz, 107/4. I would like to make a thought to the shareholder representative of Deutsche Telekom. I would like to ask you to include in the minutes, like the other things that have been said, that if Deutsche Telekom wants to stay true to its excellent ESG rating and corporate governance assessment, please support the election of an independent Board member in a publicly traded company, who is nominated by a minority shareholder and not by Deutsche Telekom. Thank you very much.

**Chairman:** Thank you very much for your comment, remark. Of course we will record it in the minutes. If there are no other questions, remarks, the General Meeting will first vote on the Board of Directors' resolution proposal and as second on Hold Investment Funds' resolution proposal. We will vote on the Board of Directors members one by one, in the order of the proposals. I inform the Shareholders that the voting ratio necessary for adopting this resolution is simple majority. Resolution proposals of the Board of Directors displayed on screen in order. I make known resolution proposal no 1:

The General Meeting elects Dodonova Daria Aleksandrovna 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 her mandate expires on the day of the Annual General Meeting.

I put the proposal to vote.

The result of the voting: 705,734,674 affirmative votes (97.01%), 5,138,889 negative votes (0.71%), and 16,195,748 abstentions (2.23%). (Resolution no. 19/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 67.680625%, Negative: 0.492824%, Abstention: 1.553188%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,069,311 pcs, and proportion thereof to the registered capital: 69.726637%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 21/2022 (IV.12.).**

I make known resolution proposal no 2:

The General Meeting elects Gábor Fekete 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 put the proposal to vote.

The result of the voting: 699,893,013 affirmative votes (96.20%), 3,977,995 negative votes (0.55%), and 23,178,293 abstentions (3.19%). (Resolution no. 22/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 67.120405%, Negative: 0.381493%, Abstention: 2.222820%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,049,301 pcs, and proportion thereof to the registered capital: 69.724718%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 22/2022 (IV.12.).**

I make known resolution proposal no 3:

The General Meeting elects Elvira Gonzalez 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 her mandate expires on the day of the Annual General Meeting.

I put the proposal to vote.

The result of the voting: 698,743,612 affirmative votes (96.05%), 5,082,198 negative votes (0.70%), and 23,243,501 abstentions (3.19%). (Resolution no. 23/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 67.010176%, Negative: 0.487388%, Abstention: 2.229074%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,069,311 pcs, and proportion thereof to the registered capital: 69.726638%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 23/2022 (IV.12.).**

I make known resolution proposal no 4:

The General Meeting elects Dr. Robert Hauber 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 put the proposal to vote.

The result of the voting: 657,455,397 affirmative votes (90.37%), 45,245,560 negative votes (6.22%), and 24,368,354 abstentions (3.35%). (Resolution no. 24/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 63.050597%, Negative: 4.339092%, Abstention: 2.336948%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,069,311 pcs, and proportion thereof to the registered capital: 69.726637%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 24/2022 (IV.12.).**

I make known resolution proposal no 5:

The General Meeting elects Frank Odzuck 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 put the proposal to vote.

The result of the voting: 698,404,489 affirmative votes (96.00%), 27,428,431 negative votes (3.77%), and 1,226,377 abstentions (0.17%). (Resolution no. 25/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 66.977654%, Negative: 2.630413%, Abstention: 0.117611%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,059,297 pcs, and proportion thereof to the registered capital: 69.725678%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 25/2022 (IV.12.).**

I make known resolution proposal no 6:

The General Meeting elects Péter Ratatics 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 put the proposal to vote.

The result of the voting: 706,886,957 affirmative votes (97.16%), 2,945,801 negative votes (0.40%), and 16,132,531 abstentions (2.22%). (Resolution no. 26/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 67.791130%, Negative: 0.282505%, Abstention: 1.547125%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 725,965,289 pcs, and proportion thereof to the registered capital: 69.620760%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 26/2022 (IV.12.).**

I make known resolution proposal no 7:

The General Meeting elects Tibor Rékasi 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 put the proposal to vote.

The result of the voting: 698,183,097 affirmative votes (95.97%), 10,976,549 negative votes (1.51%), and 17,899,651 abstentions (2.46%). (Resolution no. 27/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 66.956422%, Negative: 1.052661%, Abstention: 1.716594%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,059,297 pcs, and proportion thereof to the registered capital: 69.725677%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 27/2022 (IV.12.).**

I make known resolution proposal no 8:

The General Meeting elects Melinda Szabó 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 her mandate expires on the day of the Annual General Meeting.

I put the proposal to vote.

The result of the voting: 699,334,037 affirmative votes (96.13%), 2,909,760 negative votes (0.40%), and 24,815,500 abstentions (3.41%). (Resolution no. 28/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 67.066798%, Negative: 0.279049%, Abstention: 2.379830%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,059,297 pcs, and proportion thereof to the registered capital: 69.725677%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 28/2022 (IV.12.).**

Now we will vote on the Hold Investment Funds' resolution proposals. The first shareholders' proposal is on the recall of Frank Odzuck, the resolution proposal is also displayed on the screen, we will vote thereon now. I put the proposal to the vote.

The result of the voting: 63,184,060 affirmative votes (8.68%), 662,695,301 negative votes (91.09%), and 1,179,936 abstentions (0.16%). (Resolution no. 29/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 6.059411%, Negative: 63.553109%, Abstention: 0.113157%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,059,297 pcs, and proportion thereof to the registered capital: 69.725677%.)

**I state that the General Meeting did not approve the resolution proposal in Resolution No. 29/2022 (IV.12.).**

The second shareholders' proposal is on the election of Gábor Szendrői, the resolution proposal is displayed on the screen, we will vote thereon now. I put the proposal to the vote.

The result of the voting: 54,159,952 affirmative votes (7.44%), 671,774,750 negative votes (92.34%), and 1,124,595 abstentions (0.15%). (Resolution no. 30/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 5.193991%, Negative: 64.423836%, Abstention: 0.107850%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,059,297 pcs, and proportion thereof to the registered capital: 69.725677%.)

**I state that the General Meeting did not approve the resolution proposal in Resolution No. 30/2022 (IV.12.).**

I close agenda item 9 and open agenda item 10.

#### **Agenda item no. 10 Remuneration of the members of the Board of Directors**

**Chairman:** I introduce the essence of the submission. The remuneration of the members of the Board of Directors of Magyar Telekom Nyrt. was last adjusted in 2014. According to the Rules of Procedure of the Remuneration and Nomination Committee of Magyar Telekom Plc., the Remuneration and Nomination Committee makes a proposal to the General Meeting on the compensation of the members of the Board, the Supervisory Board and the Audit Committee. In 2020, the Remuneration and Nomination Committee proposed to change the remuneration of the members of the Board of Directors (except the Chairperson of the Board of Directors), however, no resolution was passed as there has been no General Meeting since 2020. Therefore, the following resolution proposal is re-submitted to the General Meeting for adoption:

The General Meeting determines the remuneration of the members of the Board of Directors as follows:

- Chairperson of the Board of Directors: HUF 600,000/month,
- Member of the Board of Directors: HUF 500,000/month

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 on the remuneration of the members of the Board of Directors to be re-submitted to the General Meeting and agrees with it.

**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: 707,821,535 affirmative votes (97.29%), 2,703,398 negative votes (0.37%), and 16,534,354 abstentions (2.27%). (Resolution no. 31/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 67.880757%, Negative: 0.259258%, Abstention: 1.585660%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,059,287 pcs, and proportion thereof to the registered capital: 69.725675%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 31/2022 (IV.12.).**

I close agenda item 10 and open agenda item 11.

### **Agenda item no. 11**

#### **Election of members of the Supervisory Board and the Audit Committee**

**Chairman:** I make known the essence of the submission. The General Meeting shall elect new Supervisory Board and Audit Committee members, as the mandate of the Supervisory Board and Audit Committee members expires on the day of the Annual General Meeting, i.e. as of today. On behalf of the Company I would also thank in here the work of the Supervisory Board members, Zsoltné Varga and Tamás Lichnovszky. According to the Articles of Association the Supervisory Board shall be comprised of 5 members. Three members of the Supervisory Board must be independent and two members must be employees of the Company.

The employee representatives in the Supervisory Board shall be nominated by the Central Works Council considering the opinion of the trade unions operating at the Company. Persons nominated by the Central Works Council shall be elected by the General Meeting as members of the Supervisory Board, except if a disqualification exists in respect of the nominated persons.

According to the Articles of Association the General Meeting shall elect 3 independent members of the Supervisory Board as members of the Audit Committee for the same period as their mandate in the Supervisory Board.

The Board of Directors, having considered the Remuneration and Nomination Committee's agreement with the nominations, proposes the following persons to be elected by the General Meeting as members of the Supervisory Board and proposes the independent nominees to be elected by the General Meeting as members of the Audit Committee as well:

1. Gyula Bereznai (employee representative, upon Central Works Council nomination)
2. Dr. Attila Borbély (independent)
3. Krisztina Dorogházi (independent)
4. András Szakonyi (independent)
5. Endre Szepesi (employee representative, upon Central Works Council nomination)

According to the Articles of Association the General Meeting has the right to elect employee substitute members to the Supervisory Board and independent substitute members to the Supervisory Board and the Audit Committee. To ensure a continuous operation of the Supervisory Board and the Audit Committee, for the case in which the number of the employee representative members falls below two or the number of independent members falls below three, it is proposed to elect one employee representative substitute member to the Supervisory Board and one independent substitute member to the Supervisory Board and the Audit Committee. The Board of Directors proposes the nominees to be elected for a term covering three business years. The Board of Directors, having considered the Remuneration and Nomination Committee's agreement with the nominations, proposes the following persons to be elected by the General Meeting as substitute members of the Supervisory Board and the independent substitute nominee to be elected by the General Meeting as substitute member of the Audit Committee:

1. Júlia Barbara Romhányi (independent)
2. Zsoltné Varga (employee representative, upon Central Works Council nomination)

The biographies of the nominees are available among the published documents and are presented on the screen along with the respective resolution proposals.

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

**prof. dr. Attila Borbély:** Distinguished Shareholders! Supervisory Board examined the submission of the Board of Directors on the election of members of the Supervisory Board and the Audit Committee and acknowledged it.

**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 we will vote on the Supervisory Board members and the substitute members in line with the submission, one by one, in the order of the proposals. The voting ratio necessary for adopting these resolutions is simple majority.

I make known resolution proposal no 1:

The General Meeting elects Gyula Bereznai as member of the Supervisory Board 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 put the proposal to vote.

The result of the voting: 706,345,778 affirmative votes (97.09%), 2,873,323 negative votes (0.39%), and 17,840,186 abstentions (2.45%). (Resolution no. 32/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 67.739231%, Negative: 0.275554%, Abstention: 1.710891%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,059,287 pcs, and proportion thereof to the registered capital: 69.725676%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 32/2022 (IV.12.).**

I make known resolution proposal no 2:

The General Meeting elects Dr. Attila Borbély as member of the Supervisory Board and as member of the Audit Committee 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 put the proposal to vote.

The result of the voting: 701,047,325 affirmative votes (96.36%), 9,245,784 negative votes (1.27%), and 16,746,178 abstentions (2.30%). (Resolution no. 33/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 67.231104%, Negative: 0.886679%, Abstention: 1.605974%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,039,287 pcs, and proportion thereof to the registered capital: 69.723757%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 33/2022 (IV.12.).**

I make known resolution proposal no 3:

The General Meeting elects Krisztina Dorogházi as member of the Supervisory Board and as member of the Audit Committee of Magyar Telekom Plc. until May 31, 2025, provided that if the 2025 Annual General Meeting is held prior to May 31, 2025, then her mandate expires on the day of the Annual General Meeting.

I put the proposal to vote.

The result of the voting: 703,069,951 affirmative votes (96.64%), 6,205,192 negative votes (0.85%), and 17,784,144 abstentions (2.44%). (Resolution no. 34/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 67.425076%, Negative: 0.595084%, Abstention: 1.705516%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,059,287 pcs, and proportion thereof to the registered capital: 69.725676%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 34/2022 (IV.12.).**

I make known resolution proposal no 4:

The General Meeting elects András Szakonyi as member of the Supervisory Board and as member of the Audit Committee 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 put the proposal to vote.

The result of the voting: 703,536,860 affirmative votes (96.71%), 5,737,592 negative votes (0.79%), and 17,784,835 abstentions (2.44%). (Resolution no. 35/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 67.469853%, Negative: 0.550241%, Abstention: 1.705583%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,059,287 pcs, and proportion thereof to the registered capital: 69.725677%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 35/2022 (IV.12.).**

I make known resolution proposal no 5:

The General Meeting elects Endre Szepesi as member of the Supervisory Board 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 put the proposal to vote.

The result of the voting: 706,325,088 affirmative votes (97.09%), 2,873,323 negative votes (0.39%), and 16,750,431 abstentions (2.30%). (Resolution no. 36/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 67.737247%, Negative: 0.275554%, Abstention: 1.606382%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 725,948,842 pcs, and proportion thereof to the registered capital: 69.619183%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 36/2022 (IV.12.).**

I make known resolution proposal no 6:

The General Meeting elects Júlia Barbara Romhányi as independent substitute member of the Supervisory Board and as substitute member of the Audit Committee of Magyar Telekom Plc. Her mandate shall commence with the condition and at the time if and when the number of the independent members of the Supervisory Board and thus the number of the members of the Audit Committee falls below three, and her mandate shall end on May 31, 2025, provided that if the 2025 Annual General Meeting is held prior to May 31, 2025, then the mandate expires on the day of the Annual General Meeting.

I put the proposal to vote.

The result of the voting: 708,897,073 affirmative votes (97.44%), 1,472,077 negative votes (0.20%), and 16,690,137 abstentions (2.29%). (Resolution no. 37/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 67.983902%, Negative: 0.141174%, Abstention: 1,600600%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,059,287 pcs, and proportion thereof to the registered capital: 69.725676%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 37/2022 (IV.12.).**

I make known resolution proposal no 7:

The General Meeting elects Zsoltné Varga as employee representative substitute member of the Supervisory Board of Magyar Telekom Plc. Her mandate shall commence with the condition and at the time if and when the number of the employee representative members of the Supervisory Board falls below two, and her mandate shall end on May 31, 2025, provided that if the 2025 Annual General Meeting is held prior to May 31, 2025, then the mandate expires on the day of the Annual General Meeting.

I put the proposal to vote.

The result of the voting: 706,325,088 affirmative votes (97.09%), 2,873,323 negative votes (0.39%), and 17,860,876 abstentions (2.46%). (Resolution no. 38/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 67.737247%, Negative: 0.275554%, Abstention: 1.712875%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,059,287 pcs, and proportion thereof to the registered capital: 69.725676%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 38/2022 (IV.12.).**

I close agenda item 11 and we will have an 18 minute break. We will continue the General Meeting at 15 o' clock 40 minutes. Please take your voting and translator devices and personal belongings with you during the break.

**Chairman:** [*after the break*] We continue the General Meeting at 15 o' clock 42 minutes. Please check that the voting device number in the form you received during registration is identical with the identification code on your device. If the two numbers do not match, please indicate with a show of hands. Please press any key on the voting device so it can be switched on. I see on the screen that the General Meeting still has a quorum, now it is displayed on the screen. I open the discussion of agenda item 12.

## **Agenda item no. 12**

### **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 totally 36,941,191 pieces of own shares during share buy-back transactions in 2020 and 2021. The aim of the transactions 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:** Distinguished Shareholders! The Supervisory Board examined the submission of the Board of Directors on the capital decrease of the Company and in relation to this modification of the Articles of Association, and with its acknowledgement proposes it to the General Meeting for acceptance.

**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 we will vote on the capital decrease in line with the 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: 725,891,211 affirmative votes (99.78%), 690 negative votes (0.00%), and 650 abstentions (0.00%). (Resolution no. 39/2022 (IV.12.), Voting ratios in proportion to the registered capital: Affirmative: 69.613656%, Negative: 0.000066%, Abstention: 0.000062%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 725,892,551 pcs, and proportion thereof to the registered capital: 69.613784%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 39/2022 (IV.12.).**

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 36,941,191 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 3,694,119,100 to HUF 100,580,135,200.

Method of implementing the share capital decrease:

Decrease the number of 1,042,742,543 pieces of dematerialized series "A" ordinary shares, each with the face value of HUF 100 with 36,941,191 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 104,274,254,300 (that is one hundred and four billion two hundred and seventy four million two hundred and fifty four thousand three hundred Hungarian forints)~~ 100,580,135,200 (that is one hundred billion five hundred and eighty million one hundred and thirtyfive thousand and two hundred Hungarian forints), comprised of ~~1,042,742,543~~ 1,005,801,352 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: 727,002,306 affirmative votes (99.93%), 0 negative votes (0.00%), and 56,731 abstentions (0.01%). (Resolution no. 40/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 69.720211%, Negative: 0.000000%, Abstention: 0.005441%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,059,037 pcs, and proportion thereof to the registered capital: 69.725652%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 40/2022 (IV.12.).**

I close agenda item 11 and open agenda item 12.

### **Agenda item no. 13**

#### **Advisory vote on the amended Remuneration Policy pursuant to Act no LXVII of 2019; Request to the Board of Directors to develop a new Remuneration Policy**

**Chairman:** This agenda item covers two submissions. In addition to the proposal of the Board of Directors, Hold Investment Funds, as shareholders of the Company jointly holding at least one percent of the votes have submitted, within the statutory deadline, a proposal and draft resolution to this agenda item.

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.

First, the Board of Directors' proposal. The Remuneration Policy of Magyar Telekom Nyrt., approved by resolution no. 4/26 (04.24.2020) of the Board of Directors, shall be amended due to the following reasons:

- Company's strategic pillars has changed as of January 1, 2022,
- changes affecting certain elements of the management remuneration package:
  - the Repeated performance incentive (RPI) ended at the end of 2021,
- inserting procedural rules related to exceptional circumstances,
- minor amendments to enhance clear applicability of the Remuneration Policy.

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:

The General Meeting approves the amended Remuneration Policy of Magyar Telekom Nyrt. pursuant to Act LXVII of 2019 in line with the submission.

Hold Investment Funds made a proposal altering to that of the Board of Directors. Now I introduce this shareholder proposal. According to the Hold Investment Funds statement the Section 3.3 b) and c) of the Company's current Remuneration Policy, the Company makes management's medium and long-term incentives dependent on the development of the price of Deutsche Telekom AG Shares. Hold Investment Funds proposal is that within 120 days, the Board of Directors shall develop and submit to the General Meeting for approval a new remuneration policy in which the medium- and long-term incentives of the management are dependent on the development of the share price of Magyar Telekom Plc. instead of the development of the share price of Deutsche Telekom AG. I will now introduce the relevant resolution proposal, literally as drafted by Hold Investment Funds.

"The General Meeting resolves that the Board of Directors shall develop a new remuneration policy within 120 days and submit it to the General Meeting for approval within the above deadline. In the

new remuneration policy, the Company shall make the medium and long-term incentives of the management dependent on the development of the Magyar Telekom Plc. share price instead of the development of the Deutsche Telekom AG share price.”

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

**prof. dr. Attila Borbély:** Thank you Mr. Chairman. First, I will outline the essence of the report related to the Board of Directors’ submission and after that I will outline the essence of the report related to the shareholders’ submission.

The essence of the Supervisory Board’s Report related to the Board of Directors’ proposal is as follows. 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, and with its acknowledgement proposes it to the General Meeting for acceptance.

The essence of the Supervisory Board’s Report related to the shareholders’ proposal is as follows. The Supervisory Board examined the submission of the Shareholders on the “Request to the Board of Directors to develop a new Remuneration Policy” and agrees that the proposal is submitted to the General Meeting in accordance with the applicable laws.

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

**Tamás Cser:** I am Tamás Cser from Hold Asset Management, with voting device no. is 119-3. I would like to briefly argue why we think the incentive and remuneration systems in place for the Company are extremely bad and why it needs to be changed. The current remuneration and incentive system incentivizes the management of Magyar Telekom with Deutsche Telekom shares and does not encourage with Magyar Telekom shares. We think there are several problems with this. One is that it is not incentivizing at all. Magyar Telekom's management has virtually no impact on how Deutsche Telekom's finances will develop. It incentivizes with something having no influence over. The Magyar Telekom Group within the Deutsche Telekom groups is negligible. Meanwhile, there are many intra-group transactions between Magyar Telekom and the Deutsche Telekom Group. Let me highlight just the most important ones: Deutsche Telekom provides financing to Magyar Telekom. In addition, many service contracts are provided in the fields of info, IT and roaming. They all have to somehow establish a pricing that the two companies settle. This pricing is never a black and white objective thing. All we can do is look at international or industry benchmarks and try to make a decision within them. With the current incentive system, Magyar Telekom’s management is incentivized to err in the direction of Deutsche Telekom in such a negotiation. Of course, we are aware that Magyar Telekom’s management does not want to harm Magyar Telekom, but in such a case, it is motivated to make mistakes in that direction, if they make mistakes. In addition, Mr. Rékasi has already told us about my previous questions that Magyar Telekom's management is incentivized by Magyar Telekom's fundamentals, but alone that is not enough. It is not in itself important for Magyar Telekom's shareholders to achieve the business goals and check that we are exceeding our goals, but it is in the interest of Magyar Telekom’s shareholders that these fundamentals be reflected in the Company’s share price. In our opinion, Magyar Telekom does not incentivize this with its remuneration policy. We think that all this, together with the rejection of our proposed dividend policy, reinforces the perception and fear of capital market participants that Magyar Telekom is subordinated to Deutsche Telekom’s interests. These are our arguments for why we think a new incentive policy is needed. And I would like to ask two specific questions for a start. The first is to start: how many virtual and real Deutsche Telekom shares does Magyar Telekom’s management incentivized? The second question: what is stopping the Board of Directors from incentivizing the management of Magyar Telekom shares? Thank you.

**Chairman:** I will try to answer the first question. The Company has published its remuneration report, which contains all the information that the Company is required to disclose in accordance with applicable law. In addition to this, the Company cannot and may not disclose further information regarding DT

shareholding, regarding DT shareholding of individual members of the Board of Directors or the management. I ask Daria Dodonova to answer the second question.

**Daria Dodonova:** I will reformulate the question: the question is about the introduction of the remuneration system management linked to the Magyar Telekom shares. As the management, the Board of Directors constantly looking on the opportunities how to have a competitive remuneration system and we are also constantly examining the possibility of incorporating the share based payment elements. However, currently we are not able to provide information on the specific time of introduction of any programs. Myself, Daria Dodonova, CFO, as soon as the insider regulation allows, I am planning to buy Magyar Telekom shares.

**Chairman:** Thank you very much. I ask the shareholders if there is a question or comment? Mr. Móricz, Please.

**Dániel Móricz:** Dániel Móricz, with voting device no. 107/4. I would like to ask the Board of Directors whether you think that the management of Magyar Telekom has a greater impact on Magyar Telekom's performance or Deutsche Telekom's performance?

**Chairman:** Thank you. I ask Tibor Rékasi to answer the question.

**Tibor Rékasi:** Of course I have more impact on Magyar Telekom.

**Chairman:** Please, Mr. Móricz.

**Dániel Móricz:** May I ask what percentage of Magyar Telekom's results is Deutsche Telekom's consolidated results?

**Chairman:** We are not able to provide information on Deutsche Telekom's consolidated results here. This is the General Meeting of Magyar Telekom Plc.

**Dániel Móricz:** May I ask the opinion of the Board of Directors about the magnitude? This is just an opinion.

**Chairman:** Sorry, this is not an opinion issue. This is a question of fact that I think is most likely to be available from public sources. But this General Meeting is not the forum for this discussion. We cannot answer here question about DT's consolidated results.

**Dániel Móricz:** Thank you, I will continue then. I have a question that I got the answer from Ms. Dodonova, thank you. I would also like to ask Mr. Rékasi in which case he would feel more motivated: if his remuneration would depend on the share price of a company that he has a large impact or one that he has a small impact?

**Tibor Rékasi:** This is such a hypothetical question. I feel motivated to represent Magyar Telekom as Chief Executive Officer through Magyar Telekom's results and I work to make them as good as possible. At the time I received my appointment, that is why I bought 100,000 Magyar Telekom shares.

**Dániel Móricz:** Thank you.

**Chairman:** Thank you very much. Are there any further questions or comments to the agenda item? Please, Tamás Cser.

**Tamás Cser:** Tamás Cser, Hold Asset Management, voting device no. 119-3. My question would be that Ms. Dodonova stated here at the General Meeting that, in the opinion of the Company's Board of Directors, Magyar Telekom's shares were undervalued. They are deeply underestimated. I raise again the question of what prevents a Company from incentivizing the Company's management in such a situation to make

the Company's fundamentals better reflected in the share price? What are the factors that make it currently inappropriate for the Company to incentivize the management with Magyar Telekom shares?

**Chairman:** I ask Daria Dodonova to answer the question.

**Daria Dodonova:** I would like simply to repeat the answer which I was giving five minutes ago. As the management of the Company we strive to have a competitive remuneration system and we are constantly assessing the possibility of introducing share matching remuneration systems to the Magyar Telekom. However, we are currently not in the position to introduce the right timing and to say more about this element of the remuneration.

**Chairman:** Please Mr. Korányi. Yes, the questioner Tamás Cser would like to respond if I understand correctly.

**Tamás Cser:** Excuse me, but just let us ask you what is currently causing the Company to be unable to respond or unable to move in that direction? What is stopping you?

**Chairman:** I can say to this that the Company is able to disclose or share with the General Meeting information that has been decided. Implicit from what the Chief Financial Officer said seems that no decision has been taken on this issue so far. Please, Mr. Korányi.

**Tamás Korányi:** Tamás Korányi. Let us help the Company, the Board of Directors in this hard work that is finding the new ways of the remuneration policy. There are two companies on the Budapest Stock Exchange, and by chance I am a shareholder in both of them, which has started a special employee share ownership program in the last six months. OTP and MOL. These programs provide fairly generous, large-scale share awards to key executives of the company. There are companies and Chief Executive Officers who can get shares even up to several billion forints, with ten times the amount of leverage. Obviously, there is a reason for this. Obviously, they also pay attention to the stock exchange rate. Even if they now have a worse exchange rate than the January level than MTelekom's. But they are still working on it. Does not MTelekom, following such examples, want to launch an employee share ownership program? Which is a ten-year program, Hungarian laws allow for this and there may be less conflict between the shareholders and the Company in this regard during this ten year period. I think I feel that some broken lines can be felt here in this General Meeting as well. Nota bene I have already felt this at the General Meeting three years ago, and these broken lines should not be strengthened but mitigated. It does not cost that much. Maybe if the Board of Directors and the main owner behind it were to consider these aspects by next spring, we would all be better off and then call the Company not stingy but gallant. Thank you very much.

**Keeper of the minutes:** Please provide the number of your voting device for the minutes. Thank you.

**Tamás Korányi:** 131/1.

**Keeper of the minutes:** Thank you.

**Chairman:** Thank you very much. The proposal or the suggestion or the comment was recorded in the minutes. It was meant to be, if I understood correctly. Thank you very much. Any other question? Dániel Móricz, please.

**Dániel Móricz:** Dániel Móricz, 107-4. As we understand at Deutsche Telekom's general meeting last week, it was very important for both Deutsche Telekom's shareholders and its subsidiaries to have a good ESG rating. Based on these, I would like to ask you whether this remuneration policy, which incentivizes the management not to change the share price of Magyar Telekom but to increase the share price of Deutsche Telekom, does this improve Magyar Telekom's ESG rating?

**Chairman:** What was said at the general meeting of another listed company is not the subject of this General Meeting. As far as ESG ratings are concerned, I have tried to answer this previously. The decision on ESG ratings is independent of Magyar Telekom Plc. External independent agencies will make a decision on this. Please.

**Dániel Mórićz:** Understood, Thank you. I just asked one question what their opinion was on this.

**Chairman:** I think that the Board of Directors and the Company do not have a corporate opinion on this. No decision was made by the Board of Directors containing an opinion of the Board of Directors relating to the ESG rating.

**Dániel Mórićz:** Then after that, I think it is unnecessary to ask if it is important for the Company to have a good ESG rating anyway. Because I am not going to get a Board of Directors opinion on that, if I understand correctly.

**Tibor Rékasi:** Of course, it is important that we have a good opinion, and I think that the independent rating agencies carry out the rating review on the basis of which they rate us year after year.

**Dániel Mórićz:** Thank you. Then one more question in connection with this. Do you think there is a connection, in the case of Ms. Dodonova it was said that the shares are considered undervalued. A potential explanation has already been given that dividend policy does not support a rise in the share price. I would now like to ask here whether the remuneration policy supports this, the increase in the share price? Is it important for You to change the undervaluation of the shares?

**Chairman:** I ask Daria Dodonova to answer the question.

**Daria Dodonova:** Based on the proposal of the Board of Directors, there is an opinion that this remuneration policy should support and increase the motivation to increase and grow substantially the results of the Company. Also I would like to highlight that although I stated that the management and the Board of Directors believes that the price is strongly undervalued and we believe that with new remuneration policy and also with the shareholder remuneration policy we would like to increase the share price. The share price not and the solely one element of the success of the operation of the Company. I would like to highlight here if you look at the financials, the healthiness of the development of the business, this Company is delivering since the last decade, is constant growth in terms of revenues and EBIDTA.

**Chairman:** Thank you very much. Please.

**Olivér Kovács:** Olivér Kovács, 080-7. Mr. Chairman, the Chairman of the General Meeting mentioned earlier that ESG had already been mentioned. It is not the methodological issues that interest me in this regard. I have some insight into the rating system, not much. I was not referring to methodology, but rather to the moral side of it, so to speak. The fact that the company treats minority shareholders, customers, suppliers, employees is obviously reflected in the ESG, and obviously preparation and keeping in shape is just as important for the Company, as they are assessed every year. This is a competition the companies that are the ones who get, say, how many stars in the ESG rating competition. I think that the news, which is coming out of today's General Meeting, because it has been featured in recent years, I am very confident that it will also leave a mark on this page, as well. And I am also confident that they will leave a positive mark. Thank you very much.

**Chairman:** Thank you very much. Please.

**Attila Gyurcsik:** Attila Gyurcsik 121/8. I have a question. In fact, I see that even the smallest proposals of minority shareholders have been swept away, and apparently the Company does not want to take into account the development of the share price in the remuneration. So it could be even 100 forints and we could still sit here and watch each other. I would like to ask what do You think is the reason why Magyar Telekom is listed on the stock exchange?

**Chairman:** Thank you very much. This question does not belong to this agenda item, so we cannot answer it now. Are there any other questions or comments? The gentleman in the light blue shirt appeared first in the back. Thank you.

**Zoltán Pártl:** 090-0, Zoltán Pártl. It would be my question to the Board of Directors, not to the Chairman of the General Meeting, if it is possible that when minority shareholders make any proposals, they will usually give reasons. While we rarely receive reasoning for the Board of Director's submissions. Still, I would now like to ask the Board of Directors, with whom the remuneration policy was drafted. This question has been raised in several contexts, but not in this way. Why does the Board of Directors think that the remuneration of Deutsche Telekom shares is more motivating for the management than the remuneration of Magyar Telekom shares? After all, this is included in the remuneration policy approved by the Board of Directors.

**Chairman:** I ask Tibor Rékasi to answer the question.

**Tibor Rékasi:** Yes. At an earlier item on the agenda, I partially responded to this question. The Board of Directors does not think that it motivates better, which is why most of the so-called variable incentives are not related to Deutsche Telekom, but to Magyar Telekom.

**Chairman:** Please. The floor is yours.

**Zoltán Pártl:** Thank you.

**Chairman:** Please once again your name and voting device number. Thank you.

**Zoltán Pártl:** Zoltán Pártl 090/0. In the meantime I forgot the question, oh yes. But if the Magyar Telekom shares are more motivating for the management, why is it listed with 0 pieces, why with 0 motivations? And why is there, why is Deutsche Telekom there, why not Magyar Telekom? Even if obviously Deutsche Telekom share price also motivates the management.

**Tibor Rékasi:** I would like to clarify that I did not say that Magyar Telekom shares are more motivating, but the smaller part is related to Deutsche Telekom type goals, and the larger part is related to Magyar Telekom goals or goals relating to Magyar Telekom's performance. In that sense, I can only repeat myself. The result of Magyar Telekom is very important to us, we are, and we are working to make it as good as possible. If we look at the results of the recent years, it seems that it has succeeded. As a minority shareholder myself, I regret that this is not reflected in the share price. However, there have been quite a few extraordinary events in the recent time period that have had an impact on this. It also seemed that whenever we did something, the share price first started to increase and then something else came up that practically eliminated those effects.

**Chairman:** Thank you very much. In order to avoid further delays in the General Meeting, I ask that only new questions and comments be made. Please, Tamás Korányi.

**Tamás Korányi:** Although it is not new, however, we are arguing here: Deutsche Telekom was EUR 13 four years ago, now it is 17. So I think I understand why this motivates better, but we also have to think about the Company's shareholders. Thank you.

**Chairman:** Thank you very much. Please.

**István Pató:** Than you. István Pató, 003/0. I would like to draw the Board of Directors' attention to the fact that a wise man once said that it is not enough to be honest, that is what it should look like. I now see that wherever we get around the subject, you keep getting out of the way of answers, and virtually minority shareholders have, so to speak, no option or right other than to literally say, ventilate our mouths here. So

I would like the Board of Directors to think about, not being honest enough, that's what it should look like. Thank you.

**Chairman:** Thank you very much. Are there any new questions, comments in terms of content? Tamás Cser, please.

**Tamás Cser:** Tamás Cser, Hold Asset Management, 119/3. I would like to ask the Board of Directors what it says about the fact that according to the Company's announcements, the management of Magyar Telekom has not bought any shares in the last 5 years, including You? Mr. Rékasi said you bought shares a long time ago. For the last 5 years, if I know right, you haven't bought. The shares are very undervalued anyway. What do you think this sends to the outside world that the Company's management is not buying any shares?

**Tibor Rékasi:** Let me respond to this, because there is a material error. So in 2018, as we announced at the time, I bought 100,000 Magyar Telekom shares right after my appointment. That was less than 5 years ago anyway. Anyway, Dani, I'd give you the floor.

**Chairman:** I would like to point out that this item is about Magyar Telekom's remuneration policy. The personal investment decisions of each individual as to what shares to buy or not to buy are not the subject of this agenda. Moreover, not to the General Meeting. I would like to ask the distinguished Shareholders if there are any new questions or comments in terms of content? Please, Dániel Móricz.

**Dániel Móricz:** Thank you and I will be brief and excuse me that this still belongs to this. 107/4, Dániel Móricz. I would like to ask the representative of Deutsche Telekom whether you see this as compatible with Deutsche Telekom's aspiration of an excellent ESG rating, the incentivization of the management of its publicly listed subsidiary by another share, specifically with Deutsche Telekom shares price appreciation?

**Chairman:** There is no opportunity for shareholders to ask each other at the General Meeting. Shareholders can ask the representatives of the Board of Directors, the management and the Company present. Thank you very much for your understanding.

**Dániel Móricz:** You're right, thank you, excuse me. Then I would just like to express my hope that the shareholder of Deutsche Telekom will vote accordingly.

**Chairman:** Thank you very much. I ask are there any other questions? Please, Mr. Dióslaki.

**Gábor Dióslaki:** Gábor Dióslaki, representing TEBÉSZ, 126/5. I am listening here to the debate and Your management of the meeting and I would like to ask you really now, that if a question is asked to the members of the Board of Directors and it is on the agenda, you let the members of the Board of Directors answer, if they want to. Because I think that would be important. And then the members of the Board of Directors present, unfortunately there are only two members, as we learned at the beginning, please let me know. Here, I listen to their discussion with fund managers, please let me know how the Board's proposal system works? The law, in principle, prohibits any owner from giving instructions to members of the Board of Directors. Furthermore, as stated by the members of the Board of Directors, they act in interests of Magyar Telekom Plc. Then please, here with regard to remuneration policy, how this remuneration policy material, or this General Meeting proposal was created, as we are now voting here. Which of them, how, who invented it to be so, to be a Deutsche Telekom share rather than a company share? Or should we give at all or not give, how much? How they work within the Board of Directors, because that is, in principle, the decision-making power of the Board of Directors to make proposals. No one else can comment on that. Not even the Supervisory Board, they only analyses legally and financially whether there is sufficient for it. So if we could get a little out of this, we might soon understand why this was created. Thank you very much.

**Chairman:** Thank you very much. First of all, I would like to record that the representatives of the Company present decide among themselves who will react to what extent. This will continue to be the case and, of course, I will not intervene in any of the members of the Board of Directors. If anyone wants to add anything, they have the possibility. Additionally, your question is to the agenda, and I would like to point out that, insofar as the decision-making process of the Board of Directors is public, it can be found on the Company's website, including the Rules of Procedure of the Board of Directors. I suggest studying this. I don't want to go into that in detail again. This is not part of this agenda. I ask the distinguished shareholders if there are any other new questions or remarks in terms of content? Mr. Dióslaki, please.

**Gábor Dióslaki:** Then Gábor Dióslaki, TEBÉSZ representative 126/5. For the sake of the minutes, I do not agree with You that this issue should not relate to the agenda, as that is what the agenda is about, and it would have been very helpful, in my view, to understand the content of the agenda. This is absolutely part of it, so I think it is illegal for any of the members of the Board of Directors present to be able to answer this, if they want to. Thank you very much.

**Chairman:** Thank you very much for your comment. I ask if there are any other comments, questions? Please.

**Dávid Pekár:** A question was asked... Excuse me, Dávid Pekár, 120-5. A question was asked to Deutsche Telekom shareholders. And the answer was, they can't be asked, I understand. It was also important to you that Mr. Rékasi said that Magyar Telekom's ESG rating should be good. And by the way, what do you think about this discussion of the remuneration policy and ceteris paribus of the minutes and atmosphere of this General Meeting will improve or worsen Magyar Telekom's ESG rating? Thank you.

**Chairman:** Although I am not an ESG expert, I do not think that the mood of the General Meeting would directly affect the ESG evaluation. By the way, as discussed in detail earlier, the ESG indicators are complex, made up of many elements, governance is a very important aspect, which again has many of sub-indicators. Otherwise, I don't think that's the case. Thank you very much. Please.

**Andor Almás:** I am Andor Almás private investor, voting device no. 147/3. I just want to speak because I've been to a lot of general meetings in the last 30 years, and I haven't heard that one shareholder couldn't have asked the other shareholder. It may be that a general meeting with less owners, for example, may have shareholders jointly decide at the general meeting whether to form blocks, groups, decide what they will vote for together, or whether how to have effect the number of their shares. Here it is obviously only formal, but even so I think it is false information, or I am misinformed. Could we hear some legislation on this, why shouldn't a shareholder ask the other? Thank you.

**Chairman:** I'm wondering if it was a question or a comment, but more of a question. So I try to answer. Legislation in which it is described that a shareholder may not ask the other shareholder at the general meeting, I am not aware of such, I will not be able to show such. From the purpose of the General Meeting, the principles of the Civil Code principles, the logics of the general meeting, routines, court decisions, BSE recommendations, etc. it is perfectly clear that the purpose of the general meeting is, and that is what I have just said. So the distinguished shareholders can ask the present representatives of the company or the Board of Directors. I do not think it is necessary to have any further endless debates on this, and Mr. Pártos was the first who raised his hand. Please.

**Zoltán Pártl:** Thank you, Zoltán Pártl, 090/0. So then, just to make sure, it was just Your opinion, and in principle one can ask, and if the other shareholder thinks he or she is answering, then answers, won't you ban it? Am I correct?

**Chairman:** As the Chairman of the General Meeting, I will not give the floor to another shareholder in order to answer a question posed by one shareholder. What I have said is my standpoint, I, as the Chief Legal Counsel of the Company, represent the legal position of the Company.

**Zoltán Pártl:** Thank you.

**Chairman:** Thank you. Dániel Móricz, please.

**Dániel Móricz:** Dániel Móricz 107/4. Then all I want to note is that the General Meeting is the forum where the owners of a joint stock company meet and together decide on matters. So here the matters can be discussed. So, given that no legal ban has been raised in this regard, I would like to ask the representative of Deutsche Telekom once again whether she considers it compatible with Deutsche Telekom's aspiration for an excellent ESG rating that its publicly listed subsidiary, Magyar Telekom, is its management incentivized by the shares in another company?

**Chairman:** Thank you very much. Maintaining what I have said before, we have said. the purpose of this forum is to decide on General Meeting proposals. For this purpose, it is not necessary for one shareholder to answer a question posed by the other shareholder. So I'm not going to give the floor. Thank you very much. Do you have any further questions or comments?  
Please.

**István Pató:** István Pató 003/0. By this answer, do we mean that, I see that, the questions from minority shareholders about to understand how a company, we own part of it, operates? I would like to understand that and we do not get answers to these questions continuously. We just see that there is constant side-talk, smearing and you can't give a straight answer to a simple question. I think this is the proper forum where we have the opportunity and the right to do so, because practically the other side of the Board of Directors is theoretically representing us, we don't feel that way. We want answers, and what we don't get. Thank you.

**Chairman:** Thank you for the comment. Are there any other question, comments? Please, Dániel Móricz.

**Dániel Móricz:** Dániel Móricz 107/4. Dear Mr. Chairman. I would just like to point out that this statement, that you will not give the floor, sounds strong enough. I assume that if the shareholder of Deutsche Telekom would like to speak, you will give her the floor. But You can't decide that in advance, she has to decide that. Thank you very much.

**Chairman:** Of course. I did not see that Deutsche Telekom's shareholder representative would have asked me to speak. I would have given him the floor if she requested so, and the conditions were met. I think we should return to the agenda and put it to the vote if there are no further substantive new questions or comments. The General Meeting will first vote on the Board of Directors' resolution proposal and then secondly on Hold Investment Funds' resolution proposal. I inform the Shareholders that the voting ratio necessary for adopting this resolution is simple majority. I put the Board of Directors' resolution proposal, I have just outlined and also displayed on screen, to vote.

The result of the voting: 654,585,351 affirmative votes (89.98%), 71,335,677 negative votes (9.81%), and 928,008 abstentions (0.13%). (Resolution no. 41/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 62.775357%, Negative: 6.841159%, Abstention: 0.088997%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 726,849,036 pcs, and proportion thereof to the registered capital: 69.705513%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 41/2022 (IV.12.).**

Now I put the Hold Investment Funds' resolution proposal, I have also outlined and is displayed on screen, to vote. So I put the proposal to the vote.

The result of the voting: 87,869,992 affirmative votes (12.08%), 638,979,148 negative votes (87.83%), and 0 abstentions (0.00%). (Resolution no. 19/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 8.426816%, Negative: 61.278707%, Abstention: 0.000000%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 726,849,140 pcs, and proportion thereof to the registered capital: 69.705523%.)

**I state that the General Meeting did not approve the resolution proposal in Resolution No. 42/2022 (IV.12.).**

I close agenda item 13 and open agenda item 14.

#### **Agenda item no. 14**

##### **Advisory vote on the Remuneration Report pursuant to Act no LXVII of 2019**

**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 Act LXVII of 2019 on the encouragement of long-term shareholder engagement and the amendment of certain Acts for EU harmonization purposes ("SRD Act"). In line with the SRD Act, the statutory auditor of the Company checked that the information required by the SRD Act has been provided.

The Board of Directors, considering the agreement of the Remuneration and Nomination Committee, submits the Remuneration Report for the 2021 business year to the General Meeting for an advisory vote. I make known the resolution proposal:

The General Meeting approves the Remuneration Report of Magyar Telekom Nyrt. prepared pursuant to Act LXVII of 2019 for the 2021 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:** Distinguished Shareholders! 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, and with its acknowledgement proposes it to the General Meeting for acceptance.

**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: 655,513,359 affirmative votes (90.10%), 63,311,537 negative votes (8.70%), and 8,178,100 abstentions (1.12%). (Resolution no. 43/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 62.864354%, Negative: 6.071637%, Abstention: 0.784288%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,002,996 pcs, and proportion thereof to the registered capital: 69.720279%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 43/2022 (IV.12.).**

I close agenda item 14 and open agenda item 15.

#### **Agenda item no. 15**

##### **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 essence of the Supervisory Board's proposal and report related to this agenda item.

**prof. dr. Attila Borbély:** Thank you Mr. Chairman. I would read out the relevant part of the Supervisory Board's Report related to this agenda item: The Supervisory Board, considering and based on the result of

the audit rotation tender procedure performed by the Audit Committee, 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 submits it to the General Meeting. For the efficient time management, material elements of the contract to be concluded with the Auditor (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:

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 2022 business year in accordance with the submission, for the period ending May 31st, 2023 or if the Annual General Meeting closing the 2022 business year will be held prior to May 31st, 2023 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 282,450,300 + VAT to be the Statutory Auditor's annual compensation to perform audit services for the 2022 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 very much.

**Chairman:** Thank you very much. On behalf of the Company I would like to thank also in here the work of PricewaterhouseCoopers Auditing Ltd. as the auditor of the Company. 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: 722,260,141 affirmative votes (99.28%), 3,773,768 negative votes (0.52%), and 739,086 abstentions (0.10%). (Resolution no. 44/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 69.265433%, Negative: 0.361908%, Abstention: 0.070879%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 726,772,995 pcs, and proportion thereof to the registered capital: 69.698220%.)

**I state that the General Meeting has adopted the resolution proposal in Resolution No. 44/2022 (IV.12.).**

I close agenda item 15 and open agenda item 16.

#### **Agenda item no 16**

***Report of the Board of Directors on the assessment of shareholders' proposals on the Company's dividend policy; Request to the Board of Directors to propose a new dividend policy***

**Chairman:** Adding of this agenda item was requested by Hold Investment Funds, as shareholders of the Company jointly holding at least one percent of the votes have submitted, within the statutory deadline.

This agenda item covers two submissions which are 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, parts of the submission are displayed on the screen.

First part of the agenda item: “*Report of the Board of Directors on the assessment of shareholders' proposals on the Company's dividend policy*” does not contain resolution proposal. The substance of the submission:

Hold Investment Funds request the Board of Directors to report on how the dividend policy proposal attached to their submission has been considered, how the members of the Board have personally considered it and how they have voted.

The Board of Directors is kindly requested to explain why a dividend policy that will repay a significant part of the existing real financial debt in the coming years, while the Company's financial position is already sound compared to its peers in the regional sector, is value-creating for shareholders.

The Board of Directors is kindly requested to report on how the Board of Directors serves the interests of the Company by refusing to set the target debt level:

- a) which the parent company Deutsche Telekom AG is also doing for itself, and
- b) which would clearly increase predictability for a wide range of investors.

As the Company's General Counsel, I inform the General Meeting that the contents of Board meeting minutes are not public. Therefore, the Company's officers and employees are not at liberty to disclose the decision-making considerations of the Board or the opinions and votes of Board members, as stated before. Considering that since the receipt of Hold Investment Funds' proposals no Board meeting or resolution took place, Chief Financial Officer Daria Dodonova will respond on the management's behalf. I ask Daria to respond to the submission considering the aforementioned.

**Daria Dodonova:** Thank you Mr. Chairman. In February this year, the Board of Directors has decided to set a new shareholder remuneration policy for the years 2022-2023-2024. The policy envisages growth in annual shareholder remuneration as a combination of dividend payments and share buybacks in line with improvements in the Company's financial performance. Going forward, the total value of annual shareholder remuneration is expected to be between 60% and 80% of the Company's annual adjusted “profit attributable to the owners of the parent” i.e. adjusted net income, generated during the preceding financial year.

Our aim now with the announced shareholder remuneration policy – that provides further clarification compared to the framework announced last year – is to ensure predictability, transparency and reliability of our shareholder remuneration practice.

With regards to the financial indicators to which the shareholder remuneration is linked, there is often a debate which KPI is the most appropriate to serve as a basis of such policy. We believe that amongst potential KPIs net income reflects the most properly the underlying business performance and is least exposed the fluctuations.

While preparing the recommendation to the Board of Directors regarding shareholder remuneration policy, management decided to stay conservative when it comes to the leverage level to keep the flexibility for any unforeseen events and negative macroeconomical impacts.

Concerning the optimal level of the leverage, it is highly dependent on the available price of financing. For the past several months we are experiencing sharp increase not only in the Hungarian market of the interest rates, but also regarding interest rate expectations globally. Consequently, the Board believes that it is now not the right time to set target leverage level.

**Chairman:** Thank you very much. Second part of the agenda item requested by Hold Investment Funds: “*Request to the Board of Directors to propose a new dividend policy*”. There will be soon an opportunity to ask questions, to make comments. I would like to make know the second part of the proposal. The substance of the submission of the second part of the agenda item: Hold Investment Funds proposed to the Board of Directors of the Company to develop a new dividend policy that takes into account the optimal level of indebtedness of the Company when paying dividends. The dividend policy should reflect the Company's commitment to maintain the level of indebtedness within the optimal range. I will now introduce the relevant resolution proposal, literally as drafted by Hold Investment Funds.

“The General Meeting resolves that the Board of Directors of the Company shall develop a new dividend policy within 90 days of the date of this Resolution taking into account the following aspects:  
a) takes into account the optimal level of indebtedness of the Company when paying dividends;

b) reflects the Company's efforts to keep indebtedness within the optimal range.”

I request dr. Attila Borbély to outline the essence of the Supervisory Board's Report related to the shareholders' submission.

**prof. dr. Attila Borbély:** Thank you Mr. Chairman. Distinguished Shareholders! Distinguished General Meeting! The Supervisory Board examined the submissions of the Shareholders on the “Report of the Board of Directors on the assessment of shareholders' proposals on the Company's dividend policy”, and the “Request to the Board of Directors to propose a new dividend policy” and agrees that the proposals are submitted to the General Meeting in accordance with the applicable laws.

**Chairman:** Thank you very much. I inform the Shareholders that determining the dividend policy belongs to the exclusive scope of authority of the Board of Directors in accordance with Section 6.4.(a) of the Articles of Association and Section 4.3.(i) of the Board of Directors' Rules of Procedure. According to the Company's position, the contents of this resolution proposal violate section 3:112 (2) of the Civil Code, which provides that the General Meeting may not discharge the powers of the Board of Directors. Therefore, if passed, this General Meeting resolution would be unlawful. I ask the Shareholders whether there are any questions or remarks regarding this agenda item? Please, Tamás Korányi.

**Tamás Korányi:** Tamás Korányi, 131/1. I have already learned. I understand that the Board of Directors intends to keep the establishment of the dividend policy within its own authority. It's all right. It came up with a dividend policy with a cornerstone of 60-80% of net income. But I think it wants to determine the ratio of the dividends and the shareholder repurchases year after year in the proposal to be submitted to that General Meeting. So this is not predetermined. Therefore, I propose that if it discusses this before next year's General Meeting, that it shall take into account that at the current General Meeting, at least for me, but perhaps also for the Board of Directors, it is clear that a significant number of shareholders are not only dissatisfied with the level of dividends, it is natural from a minority shareholder, but with the distribution of shareholder remuneration. However, this is easy to remedy, it does not fundamentally change the Company's indebtedness. So I propose that, the dividend is obviously as much as the Board of Directors wisely proposes to the General Meeting for approval, as it obviously consults with the main owner in advance. But when establishing these ratios, please keep in mind: more cash and less repurchases. I think you do understand. Thank you very much.

**Chairman:** Thank you very much. I ask the shareholders are there any additional questions, comments? Please, Mr. Móricz.

**Dániel Móricz:** Dániel Móricz, 107/4. I would like to ask the members of the Board of Directors present what damage do you think a targeted level of long-term indebtedness would cause to the Company?

**Chairman:** Thank you very much. I ask Daria Dodonova to answer the question.

**Daria Dodonova:** Your question goes again towards the indebtedness and leverage level. As I indicated in my statement, that in the current circumstances the Board and the management would like to keep the level of the leverage in a way that it stays conservative for any unpredicted changes, and we see some of them, macroeconomical development. And we also would like to stay conservative to observe any potential market opportunities.

**Chairman:** Thank you very much. Mr. Móricz, please.

**Dániel Móricz:** Thank you. Dániel Móricz, 107/4. In this connection, I would like to ask when this..., when is the time when such an optimal indebtedness level can be determined? So what is the market situation when you think this can be established? By the way, all your competitors and other group members have something like that.

**Chairman:** Thank you very much. This is a hypothetical, forward-looking question. Along with this, I ask Daria Dodonova to answer the question.

**Daria Dodonova:** Your question is about, exactly stated by the Chairman, forward looking hypothetical statement. I would like to remain conservative on that because it is very much links to macroeconomic outlook and the outlook the Company was providing.

**Chairman:** Mr. Móricz, please.

**Dániel Móricz:** Thank you, in connection with this, I would like to indicate that ...

**Chairman:** Please, excuse me, I know it is boring, but please so kind to indicate your ... Thank you.

**Dániel Móricz:** Dániel Móricz, 107/4. In this regard, I would like to point out that in March last year, when interest rates were at a record low, Hold Asset Management wrote a letter to the Board of Directors and we proposed to determine an optimal indebtedness level. I respect the Board of Directors of Magyar Telekom that if they had already seen the Russian-Ukrainian war conflict, they did not do so, but then I would like to ask what was the obstacle to this?

**Chairman:** Excuse me, in fact this repeats the previous question. As we understand this together with Daria. Please, Mr. Móricz.

**Dániel Móricz:** Dániel Móricz, 107/4. It doesn't repeat in the sense that I wanted to ask, I didn't get an answer to my question when is the optimal situation for this? If it wasn't at a time when interest rates were at record lows and there were good growth prospects for the Hungarian economy and the world economy, then would I have a hard time seeing when this would be the case? Can we say that Magyar Telekom will never have the target debt level?

**Chairman:** I give the floor to Daria Dodonova.

**Daria Dodonova:** Your question is about the real time. What is the good timing to define the target leverage? First of all let me allow to stay that obviously we were not able to predict Ukrainian-Russian war and from the perspective of the conservativeness I am happy that we capped this conservativeness level, because we are currently experiencing quite impacts of this war on our financial results, inflation exchange rate. Now, when it comes to your question, back to March 2021, back at that time, after the introduction of the shareholder remuneration framework, and preparing to the discussions this year, we started to work on the shareholder remuneration policy, which we introduced in February, 2022.

**Elnök:** Thank you, please.

**Attila Gyurcsik:** Attila Gyurcsik, 121/8. I may not get an answer to my question, but how is it that Deutsche Telekom does not see the same risks? So that You are in the same group of companies. Deutsche Telekom is more indebted than Magyar Telekom. In contrast, they are able to come up with a debt-related dividend policy. How is it possible that Deutsche Telekom does not detect the same risks and is able to come up with a transparent and otherwise correct dividend policy? While You don't. So how can the risk profile or risk assessment be contradictory within a group of companies? Thank you.

**Elnök:** I will surely not surprise you when I say that this is the General Meeting of Magyar Telekom Plc. We cannot talk about Deutsche Telekom's decisions here. Is there another question? Tamás Cser raised his hand first.

**Tamás Cser:** I am Tamás Cser, Hold Alapkezelő, 119-3. I would like to ask, or I would like to say, that when we talk about formulating a targeted indebtedness in a company's dividend policy, this is not about paying a huge amount of dividend right now and jeopardize the company's, stretch the current corporate indebtedness or balance sheet. It is simply about what direction the company wants to go in the coming

years, and it's about a guidance for investors to know, under normal market conditions, in what situation to expect a higher dividend payment. From this point of view, we do not understand and we cannot accept that you establish your position on the current situation that the Company cannot set goals. The current situation today is completely different than it was a year ago. We could not have imagined that this would be the case today. We could not have imagined that this would be the case today. We asked You for that a year ago, you did not do that. So this is for the medium term. This is an objective of what kind of targeted debt you have, if the Company's ability to generate profits would decrease, for other reasons debt would increase: such a system would automatically reduce dividend payments. This is what we have proposed. So we don't understand what to look out for carefully beyond that.

**Chairman:** Thank you for the comment. Are there any additional question, proposal? Please.

**Gábor Dióslaki:** Thank you, Gábor Dióslaki representing TEBÉSZ, 126/5. I would like to ask the Board of Directors what were the technical reasons for not discussing the request for a report from a group of shareholders, not convening a Board of Directors' meeting? I think morally, members of the Board of Directors feel it is important that shareholders want to ask something, moreover they are informing them in advance to form an opinion on the proposal they have written, then that is morally expected. It is obvious that there was a technical reason, why the Board of Directors, which operates for 5-600 thousand forints/member, could not include one more meeting between the 3 or 4 meetings per year. The Supervisory Board was able to meet and to form an opinion on this. What technical problems did the Board of Directors have with not being able to do this? Thank you very much.

**Chairman:** The Board of Directors operates according to its own Rules of Procedure, according to an annual meeting schedule, with meeting days scheduled in advance for several months. I believe that on behalf of the Company, Daria Dodonova, who is a member of the Board of Directors and Chief Financial Officer of the Company, is competent to provide that answer. So she gave the answer. Please.

**Gábor Dióslaki:** Thank you very much. Excuse me, I ... Gábor Dióslaki, representing TEBÉSZ 126/5. Excuse me, I feel I did not get an answer to my question. Obviously, the Supervisory Board has a meeting scheduled defined in advance. I think that you, as a lawyer, know the term extraordinary meeting, and everyone at the Company knows this. So there is no legal reason why this could not have happened. I emphasized that this was obviously a moral issue and that an extraordinary meeting should be convened. You answered from the legal point of view, again we do not agree, this is not the first time this has happened and that is why I would like to ask once again, for the last time: what was the technical reason that the members of the Board of Directors were obviously unable to hold an extraordinary Board meeting on opining the letter from one of the shareholders that can be said to the shareholder's question at the annual General Meeting? Thank you very much.

**Chairman:** I would like to clarify or make it clear. The Supervisory Board met very shortly, within a few days after receiving the proposal of the shareholder Hold, formally submitted to the General Meeting, because the Supervisory Board is obliged to submit to the General Meeting of the Company any agenda item or proposal, which is received in this particular timeframe, which is received within 8 days of the publication of the invitation to the general meeting. So, therefore, the meeting and the decision of the Supervisory Board was necessary, this was, of course, ensured by the Company. Just to avoid any misunderstandings, Hold published an open letter and sent it to the members of the Board of Directors. If I'm not mistaken, I say this by heart now, sometime in the second half of January. Of course, this was known at the meeting of the Board of Directors held on February 23, the members of the Board of Directors received it. As I said before, I can't say much more about it either, but they made sense of it and made their decisions, including their decision on shareholder remuneration policy, having known the letter of Hold. Subsequently, after the invitation to the General Meeting was published, Hold Investment Funds, as I have already mentioned, exercised their rights by law and submitted a shareholder proposal, which was put on the agenda by the Company in accordance with its applicable rules and procedures, and disclosed by the Company as the supplemented invitation. To the best of our knowledge, there was no significant, material novelty in this that the Board of Directors should have met urgently, immediately, as its contents were already known at

the time of the previous decision of the Board of Directors. Thank you very much. I ask if there are any further questions or comments? Tamás Cser, please.

**Tamás Cser:** Tamás Cser, Hold Asset Management, 119-3. I would like to say that last Thursday we attended the general meeting of Deutsche Telekom by proxy. At the general meeting of Deutsche Telekom, we asked the management of Deutsche Telekom for information on whether Deutsche Telekom has an instruction on the indebtedness of Magyar Telekom. The Chief Executive Officer of Deutsche Telekom has said definitely that there is none. Based on this, in our view, only local interests should be taken into account by the Board of Directors. That's fine. By the way, Deutsche Telekom communicates itself on the comfort indebtedness. As a similar industry example, Orange, whose subsidiary Orange Polska is majority French-owned. The local Orange Polska can communicate targeted indebtedness to address specifically these problems. I would like to ask a representative of Deutsche Telekom how much damage it would cause Magyar Telekom to declare the targeted debt, the statement about the target indebtedness and whether it is in line with Deutsche Telekom's aspiration to have excellent ESG rating to deny this to Magyar Telekom's shareholders?

**Chairman:** Thank you very much. The remark, and everything you said, is, of course, on record. Otherwise, we run the same laps. Although one shareholder can ask the other shareholder at a General Meeting, the General Meeting is not the forum for that. Thank you very much. Do you have any further comments or questions? Thank you. If there are none, I inform the Shareholders that the voting ratio necessary for adopting the resolution proposal of Hold Investment Funds is simple majority. I put the proposal to vote.

The result of the voting: 55,266,660 affirmative votes (7.60%), 671,774,750 negative votes (92.34%), and 1,190 abstentions (0.00%). (Resolution no. 45/2022 (IV.12.), voting ratios in proportion to the registered capital: Affirmative: 5.300125%, Negative: 64.423836%, Abstention: 0.000114%. Shares represented by validly cast votes, i.e. total number of validly cast votes: 727,042,600 pcs, and proportion thereof to the registered capital: 69.724075%.)

I close the discussion of the agenda item.

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 closed all agenda items, but maybe a vitally important will be said, Dániel Móricz, please.

**Dániel Móricz:** Thank you very much. Dániel Móricz, 107/4. I would like to add that thank you for chairing the General Meeting. Actually I would like to make a comment. Although Deutsche Telekom, at the level of words, is proud of its excellent corporate governance and ESG rating, at the level of actions today objected three items: first to have a member delegated by the minority shareholders to the Board of Directors, second that there be some kind of a guidance on the Company's targeted debts, third that the management of the Company be incentivized by the Company's own shares...

**Chairman:** Excuse me, Mr. Móricz, I do not like to stop anyone while speaking, but there is no shareholder's summary on the agenda of the General Meeting. The decisions made will be published in a manner, at the sites and in time as specified by law, those will be available to anyone.

**Dániel Móricz:** Thank you very much, I have finished. That is all I wanted to say.

**Chairman:** Thank you very much. I declare the General Meeting closed at 17 o'clock 6 minutes.

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

.....  
dr. Zsolt Herczegh  
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 2021

ANNUAL GENERAL MEETING

APRIL 12, 2022



EGYÜTT. VELED

## DISCLAIMER

This 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 "Reconciliation of pro forma figures", which is posted on Magyar Telekom's Investor Relations webpage at [www.telekom.hu/investor\\_relations](http://www.telekom.hu/investor_relations).



LIFE IS FOR SHARING.

# FOCUS ON SEAMLESS CONNECTIVITY AND CUSTOMER CENTRICITY

## Network

- Fixed network rollout: coverage expanded to 3m gigabit capable access points
- RAN modernization continues



**69%**

gigabit capable network



**1180**

base stations modernized (RAN program)

## Customers

- Further improvement in customer satisfaction
- Strong momentum in mobile data usage trend continued
- Increasing penetration on gigabit capable fixed network



**7.6 GB**

average monthly mobile data usage in 2021, representing an increase of more than 30% YoY



**> 1 million**

customers connected through Gigabit capable network

## Resilience

- BBB+ rating with stable outlook affirmed by Scope Ratings
- 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



# AWARDS AND RECOGNITIONS IN 2021



FTSE4Good

Constituent of FTSE4Good Index Series



AA ESG rating from MSCI

MSCI  
ESG RATINGS



Zyntern.com #2 most attractive employer

PwC Hungary – Most Attractive Workplace (Telecommunication category)



Randstad Most Attractive Workplace (Telecommunication sector)

IPRA Golden World Award

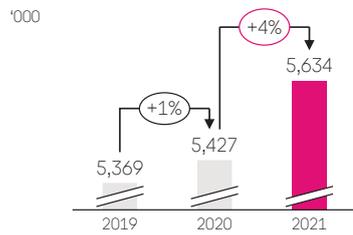


GKI Digital - the biggest turnover online in the mobile phone and tablet segment

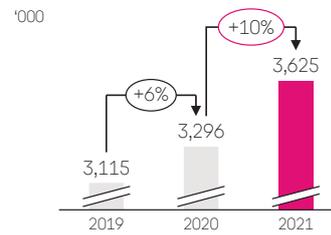


# HUNGARIAN SUBSCRIBER TRENDS: POSITIVE MOMENTUM CONTINUED IN 2021

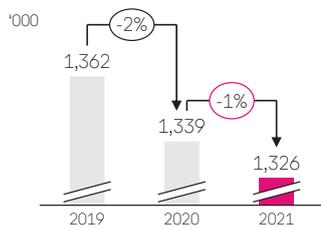
Total mobile subscribers



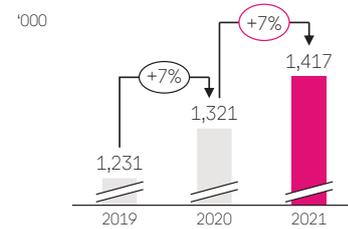
Mobile broadband subscribers



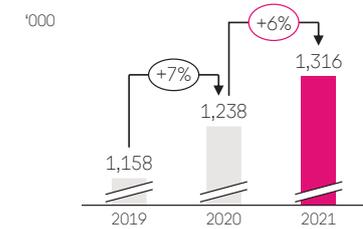
Fixed voice subscribers



Fixed broadband subscribers

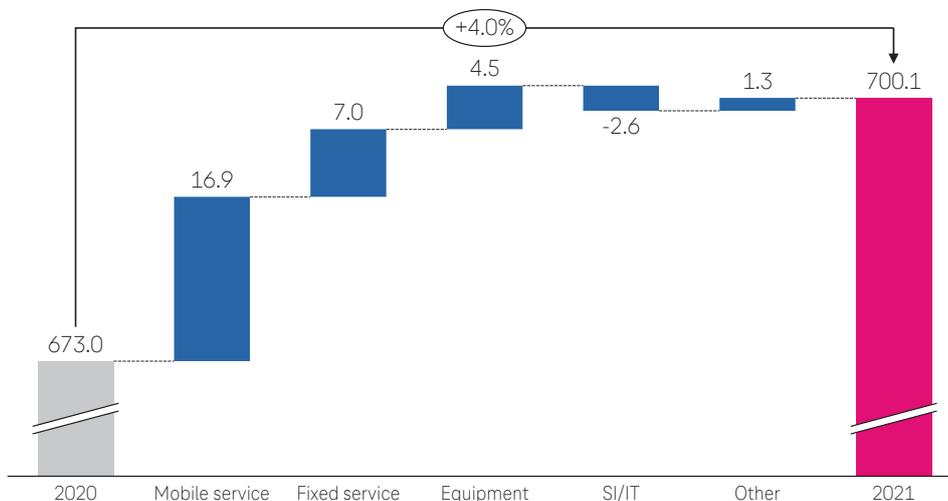


Pay TV subscribers



# GROUP REVENUE GROWTH DRIVEN BY HIGHER MOBILE AND FIXED SERVICE CONTRIBUTION

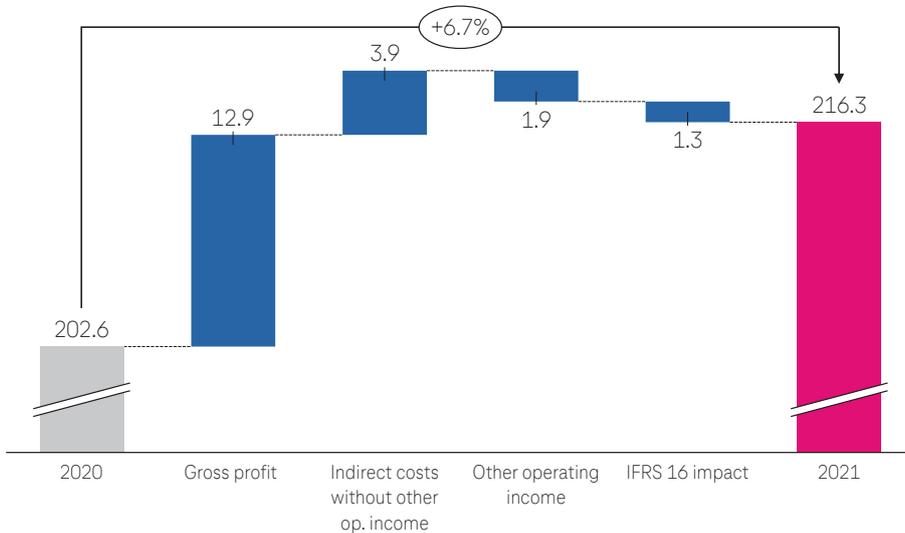
HUF bn



- Increase in mobile service revenue fueled by strong demand for data
- Fixed service revenue growth thanks to monetization of fiber network
- SI/IT revenue contraction driven by reduced deliveries to the public sector

# GROWTH IN EBITDA AL DRIVEN BY SERVICE MARGIN EXPANSION AND COST OPTIMIZATION

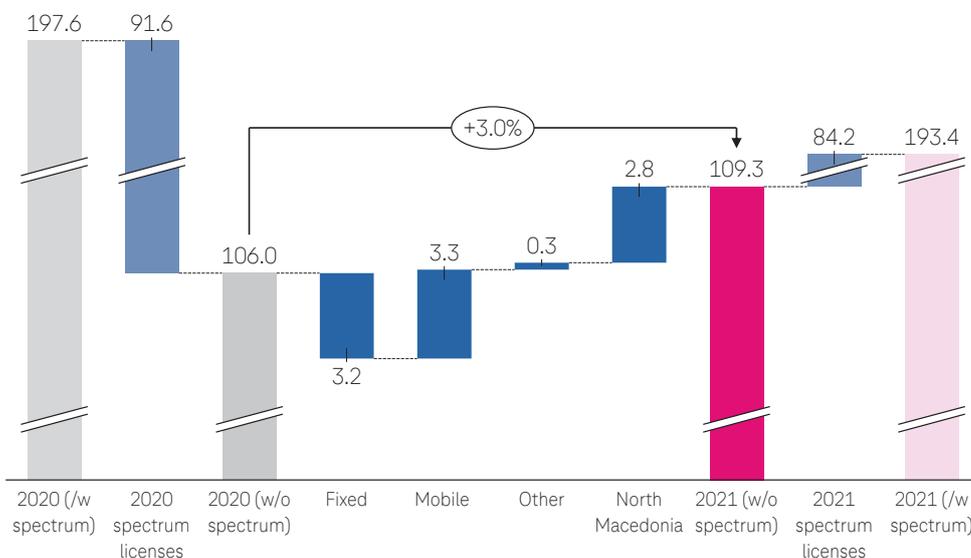
HUF bn



- Increase in gross profit from telecommunication services
- Reduction in indirect costs driven by lower headcount and other general cost saving measures
- Decline in other operating income reflects lower real estate sales

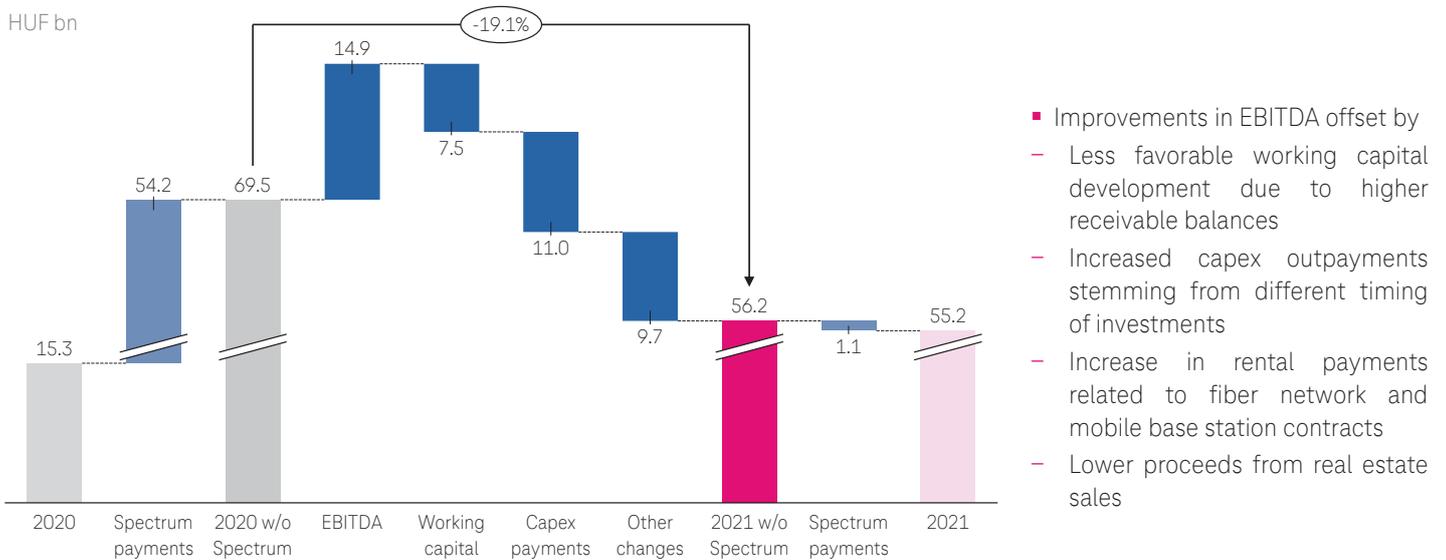
# 2021 INVESTMENT UPLIFT LARGELY DUE TO RAN MODERNIZATION

HUF bn



- Savings in fixed network capacity investments while fiber roll-out continued
- 440k access points upgraded to gigabit capacity in 2021
- RAN modernization continued in Hungary
- Increased investment in North Macedonia driven by the launch of local RAN modernization program

## 2021 FREE CASHFLOW REFLECTS STRONG INVESTMENT LEVELS



## DELIVERY AGAINST 2021 FINANCIAL TARGETS

	2020 results	2021 guidance (vs 2020)	2021 results (YoY change)	2021 guidance delivery
REVENUE	HUF 673.0 bn	Grow around 3%	HUF 700.1 bn +4.0%	✓
EBITDA AL	HUF 202.6 bn	Grow at least 3%	HUF 216.3 bn +6.7%	✓
CAPEX AL*	HUF 106.0 bn	Broadly stable	HUF 109.3 bn +3.0%	✓
FCF*	HUF 69.5 bn	Broadly stable / slight increase	HUF 56.2 bn -19.1%	✗

\* EXCLUDING SPECTRUM LICENSES

# THANK YOU!

FOR FURTHER QUESTIONS PLEASE CONTACT THE INVESTOR RELATIONS:

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