

**Investor Release****Magyar Telekom**

IR contacts:	Position:	Telephone:	E-mail address:
Zoltan Pandi	Head of Investor Relations	+36-1-481-7676	pandi.zoltan@telekom.hu
Rita Walfisch	Investor Relations manager	+36-1-457-6084	walfisch.rita@telekom.hu
Gabriella Pászti	Investor Relations manager	+36-1-458-0332	paszti.gabriella@telekom.hu

Magyar Telekom announces shareholder remuneration proposal

Budapest – February 25, 2021 – Magyar Telekom (Reuters: MTEL.BU and Bloomberg: MTELEKOM HB), the leading Hungarian telecommunications service provider, announces the Board of Directors’ shareholder remuneration proposal with a combination of cash dividend and share buy-back after the closing of year 2020.

The Board of Directors has reviewed the 2020 separate financial statements of Magyar Telekom Plc. and the consolidated financial statements of Magyar Telekom Group prepared in accordance with IFRS and proposes them for approval to the Annual General Meeting. The Board of Directors also proposes a total cash dividend payment of HUF 15,311,396,940 for the 2020 business year for approval at the Annual General Meeting. The Board of Directors also decided on the implementation of a share buyback program with a HUF 10,207,597,960 amount subject to the necessary authorization of the Annual General Meeting.

The Company shall publish the detailed announcement on the order of the dividend disbursement following the Annual General Meeting. The cash dividend is the equivalent of HUF 15 per share taking into account the number of outstanding shares (excluding treasury shares) as of today. The actual amount of dividend paid to shareholders is calculated and paid based on the Articles of Association, so the Company distributes the dividends for its treasury shares among the shareholders who are entitled for dividends on the record date.

According to laws applicable on the day of publishing this investor release, it is not possible to hold the Annual General Meeting in person and the Board of Directors of the Company will decide on the matters set on the agenda of the Annual General Meeting, including the dividend payment and the share buyback authorization. The Company will inform its shareholders of the relevant decisions and developments in due course.

The total number of issued shares and the number of treasury shares as of January 31, 2021 can be downloaded [here](#).

Dr. Robert Hauber, Chairman of the Board of Directors commented on the proposal:

“The proposed form of shareholder remuneration, a combination of dividend and share buy-back, reflects Magyar Telekom’s approach to long-term, sustainable growth and value creation. The proposed level of shareholder remuneration with an equivalent of HUF 25 per share represents stability, while the total sum being significantly higher than the free cash flow generation of the company in 2020 thus further increasing indebtedness. Despite all uncertainties in the external environment, as a result of dedicated improvement and development efforts, Magyar Telekom is now on solid foundations with further growth potential ahead, hence our intention is to put shareholder remuneration on a progressive trajectory moving forward.”



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

Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. Such factors are described in, among other things, our Annual Reports for the year ended December 31, 2019 available on our website at <http://www.telekom.hu>.