



**MAGYAR TELEKOM**

**QUARTERLY FINANCIAL REPORT**

**ANALYSIS OF THE FINANCIAL STATEMENTS FOR THE  
FIRST QUARTER ENDED MARCH 31, 2025**



Budapest – May 14, 2025 – Magyar Telekom (Reuters: MTEL.BU and Bloomberg: MTELEKOM HB, hereinafter: Company), the leading Hungarian telecommunications service provider, today reported its Consolidated financial results for the first quarter of 2025, in accordance with IFRS Accounting Standards as adopted by the EU (hereinafter: quarterly financial report). The quarterly financial report contains unaudited figures for each reporting period.

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## 1. HIGHLIGHTS

(HUF millions, except ratios)	Q1 2024	Q1 2025	Change (%)
Revenue	224,229	241,632	7.8%
Operating profit	49,340	69,916	41.7%
<b>Profit attributable to:</b>			
Owners of the parent	33,679	54,164	60.8%
Non-controlling interests	1,337	1,503	12.4%
	<b>35,016</b>	<b>55,667</b>	<b>59.0%</b>
Adjusted profit attributable to owners of the parent	38,054	54,572	43.4%
Gross profit	135,458	150,010	10.7%
EBITDA	84,593	105,226	24.4%
EBITDA AL	76,967	97,488	26.7%
Free cash flow	(904)	28,493	n.m.
Free cash flow excl. spectrum licenses	(904)	28,493	n.m.
Capex after lease	19,739	21,495	8.9%
Capex after lease excl. spectrum licenses	19,739	21,495	8.9%
Number of employees (closing full equivalent)	6,749	6,645	(1.5%)
	<b>Dec 31, 2024</b>	<b>Mar 31, 2025</b>	<b>Change (%)</b>
Net debt	335,681	305,206	(9.1%)
Net debt / EBITDA	0.92	0.79	n.a.

- Group revenue rose 7.8% year-on-year (YoY) in Q1 2025, driven by sustained strong demand for data and connectivity and higher System Integration and IT ('SI/IT') revenues, whilst also supported by the impact of the inflation-based fee adjustment in the first two months of the year.
- Gross profit improved by 10.7% YoY in Q1 2025, reflecting the growth in both telecommunications and SI/IT revenues.
- EBITDA AL increased by 26.7% year-on-year in Q1 2025, thanks to improvements in gross profit coupled with the absence of the supplementary telecommunication tax expense.
- Net income rose to HUF 54.2 billion (+60.8% YoY), with adjusted net income reaching HUF 54.6 billion in Q1 2025, driven by the higher EBITDA contribution.
- Capex after lease increased by 8.9% year-on-year to HUF 21.5 billion in Q1 2025, reflecting increased network related investments in Hungary as well as in North Macedonia.
- Free cash flow rose to HUF 28.5 billion for Q1 2025 (up 29.4 billion YoY), reflecting the improvement in profitability coupled with more favorable working capital developments.



**Tibor Rékasi, Magyar Telekom CEO, commented:**

*“In the first quarter of 2025, we continued to deliver on our commitment to digital transformation, customer-centricity and resilience. Our strong focus on meeting our customers’ data needs – across both mobile and fixed networks – contributed to an 7.8% year-on-year increase in Magyar Telekom Group revenue.*

*We also made significant progress in expanding our gigabit-capable network, adding 58,000 new access points during the quarter. Following the recent upgrade of our CRM system, we entered a new phase of monetization, leveraging the enhanced architecture to further strengthen our resilience.*

*Looking ahead, our strategic priorities remain firmly in place, and we reiterate our full-year 2025 guidance.”*

**Guidance:**

	<b>2024 Actual</b>	<b>Guidance for 2025</b>
<b>Revenue</b>	HUF 967.5 billion	1% - 3% growth
<b>EBITDA AL</b>	HUF 333.1 billion	12% -15% growth
<b>Adjusted net income</b>	HUF 162.6 billion	ca. HUF 190 billion
<b>FCF<sup>1</sup></b>	HUF 165.1 billion	ca. HUF 180 billion

<sup>1</sup> Excluding spectrum licenses



## 2. MANAGEMENT REPORT

### 2.1. Consolidated IFRS Group Results

#### 2.1.1 Group Profit and Loss

(HUF millions)	Q1 2024	Q1 2025	Change	Change (%)
Mobile revenue	130,909	140,553	9,644	7.4%
Fixed line revenue	72,571	78,073	5,502	7.6%
SI/IT revenue	20,749	23,006	2,257	10.9%
<b>Revenue</b>	<b>224,229</b>	<b>241,632</b>	<b>17,403</b>	<b>7.8%</b>
Direct costs	(88,771)	(91,622)	(2,851)	(3.2%)
<b>Gross profit</b>	<b>135,458</b>	<b>150,010</b>	<b>14,552</b>	<b>10.7%</b>
Indirect costs	(50,865)	(44,784)	6,081	12.0%
<b>EBITDA</b>	<b>84,593</b>	<b>105,226</b>	<b>20,633</b>	<b>24.4%</b>
Depreciation and amortization	(35,253)	(35,310)	(57)	(0.2%)
<b>Operating profit</b>	<b>49,340</b>	<b>69,916</b>	<b>20,576</b>	<b>41.7%</b>
Net financial result	(7,805)	(5,169)	2,636	33.8%
Share of associates' and joint ventures' results	-	-	-	-
<b>Profit before income tax</b>	<b>41,535</b>	<b>64,747</b>	<b>23,212</b>	<b>55.9%</b>
Income tax	(6,519)	(9,080)	(2,561)	(39.3%)
<b>Profit for the period</b>	<b>35,016</b>	<b>55,667</b>	<b>20,651</b>	<b>59.0%</b>
Profit attributable to non-controlling interests	1,337	1,503	166	12.4%
<b>Profit attributable to owners of the parent</b>	<b>33,679</b>	<b>54,164</b>	<b>20,485</b>	<b>60.8%</b>

**Total revenue increased by 7.8% year-on-year to HUF 241.6 billion in Q1 2025**, which was attributable to the continued strong demand for mobile data and fixed broadband services, higher SI/IT revenue and the positive impact of the inflation-based fee adjustment implemented in March 2024, in Hungary.

- **Mobile revenue rose by 7.4% year-on-year to HUF 140.6 billion in Q1 2025**, driven by the continued growth in mobile data usage as well as the favorable impacts of the inflation-based fee adjustment.
  - **Voice retail** revenue increased by 7.8% year-on-year to HUF 35.0 billion in Q1 2025, reflecting the positive impact of the inflation-based fee adjustment in Hungary.
  - **Voice wholesale** revenue remained broadly stable year-on-year at HUF 1.9 billion in Q1 2025.
  - **Data** revenue rose by 15.7% year-on-year to HUF 59.8 billion in Q1 2025, as the continued growth in usage levels were further amplified by the Hungarian fee adjustment impacts.
  - **SMS** revenue was higher by 9.7% year-on-year, amounting to HUF 7.4 billion in Q1 2025, thanks to increasing revenue from mass SMS services and the positive effect of the inflation-based fee adjustment.
  - **Mobile equipment** revenue was down 3.6% year-on-year, amounting to HUF 31.5 billion in Q1 2025, reflecting lower sales volumes in the Hungarian operation.
  - **Other mobile** revenue decreased by 8.9% year-on-year to HUF 4.9 billion in Q1 2025, driven by lower interest income in relation to earlier periods' equipment sale on installment.
- **Fixed line revenue increased by 7.6% year-on-year, to HUF 78.1 billion in Q1 2025**, reflecting the increases in fixed broadband driven by the customer base expansions as well as the favorable impact of the inflation-based fee adjustment in the first two months.
  - **Voice retail** revenue decreased by 2.2% year-on-year to HUF 8.7 billion in Q1 2025, as the decline stemming from the erosion in the Hungarian customer base and lower usage level could not be fully offset by the fee adjustment effects.
  - **Broadband retail** revenue increased by 15.9% year-on-year to HUF 29.9 billion in Q1 2025, driven by the positive impact of the continued customer base expansion coupled with further increases in ARPU levels at both operations.



- **TV** revenue rose by 3.5% year-on-year to HUF 19.9 billion in Q1 2025, as the positive impact of the fee adjustment was mitigated by underlying price erosion and a drop in the customer base due to the phase-out of the satellite TV service.
  - **Fixed equipment** revenue was broadly unchanged year-on-year, amounting to HUF 5.3 billion in Q1 2025.
  - **Data, wholesale and other fixed line** revenue was up by 6.3% year-on-year, amounting to HUF 14.2 billion in Q1 2025, reflecting the continued increase in leased line fixed internet service revenue and the positive impacts of the fee adjustment that together offset the impact of the lower interest income in relation to earlier periods' equipment sale on installment.
- **System Integration and IT revenue rose by 10.9% year-on-year, amounting to HUF 23.0 billion in Q1 2025**, thanks to higher revenue from major projects at the Hungarian operation.

**Direct costs increased by 3.2% year-on-year to HUF 91.6 billion in Q1 2025**, reflecting the higher SI/IT related costs and the increase in other expenses.

- **Interconnect costs** increased by 8.0% YoY to HUF 4.7 billion in Q1 2025, reflecting primarily higher outpayments to mobile operators in both countries of operation.
- **SI/IT service-related costs** were up by 12.7% YoY, amounting to HUF 17.0 billion in Q1 2025, in line with the year-on-year higher project volumes.
- **Impairment losses and gains on financial assets and contract assets (bad debt expenses)** declined by 10.1% YoY to HUF 3.1 billion in Q1 2025, thanks to more favorable aging of the receivables compared to the base period.
- **Telecom tax** declined by 3.4% year-on-year, amounting to HUF 6.1 billion in Q1 2025, reflecting primarily the lower mobile voice traffic generated by business customers, in line with the decline in this subscriber base.
- **Other direct costs** were up by 1.9% year-on-year at HUF 60.8 billion in Q1 2025, primarily driven by higher TV content fees and some moderate increase in non-voice service-related expenses as well as roaming outpayments.

**Gross profit improved by 10.7% year-on-year to HUF 150.0 billion in Q1 2025**, thanks to improvement in service revenue.

**Indirect costs were lower by 12.0% or HUF 6.1 billion year-on-year, at HUF 44.8 billion in Q1 2025**, as the positive impact from the phase-out of the supplementary telecommunication tax more than offset the increase in employee-related expenses.

- **Employee-related expenses** increased by 14.7% year-on-year, amounting to HUF 25.0 billion in Q1 2025, as a result of the wage increases in effect from May 1, 2024 and March 1, 2025 at the Hungarian operation.
- **Supplementary telecommunication tax** was eliminated effective from January 1, 2025, resulting in a HUF 8.9 billion improvement year-on-year.
- **Other operating expenses** (excluding supplementary telecommunication tax) decreased moderately year-on-year, amounting to HUF 20.9 billion in Q1 2025, as the reduction in energy expenses coupled with the positive impacts stemming from efficiency measures could compensate for the inflationary price pressure impacting several cost lines.
- **Other operating income** amounted to HUF 1.1 billion in Q1 2025.

**EBITDA increased by 24.4% year-on-year to HUF 105.2 billion in Q1 2025**, driven by the improvement in gross profit coupled with lower indirect costs; **EBITDA AL was up by 26.7% year-on-year to HUF 97.5 billion in Q1 2025**.

**Depreciation and amortization ('D&A') expenses remained on the same level year-on-year, amounting to HUF 35.3 billion in Q1 2025**.

**Profit for the period rose by 59.0% year-on-year to HUF 55.7 billion in Q1 2025**, driven primarily by the growth in EBITDA.

- **Net financial result** improved from a loss of HUF 7.8 billion in Q1 2024 to a loss of HUF 5.2 billion in Q1 2025. Year-on-year lower net interest expense was primarily attributable to a reduction in the overall debt levels, lower average interest rates as well as higher interest received related to the liquidity balances. The favorable change in other finance expense year-on-year primarily reflects the more favorable FX change-related results driven by the moderate strengthening of the forint during Q1 2025 vs. weakening during Q1 2024.
- **Income tax expenses** were up by 39.3% year-on-year at HUF 9.1 billion in Q1 2025, driven by the year-on-year higher profit levels.

**Profit attributable to non-controlling interests increased by 12.4% year-on-year to HUF 1.5 billion in Q1 2025**, reflecting YoY higher profit generation at the North Macedonian subsidiary.

**Adjusted net income (profit attributable to owners of the parent)** was up at HUF 54.6 billion in Q1 2025 vs HUF 38.1 billion in Q1 2024, reflecting the improvements in underlying profitability. **Adjustments** to the reported net income of **HUF 0.4 billion** in Q1 2025



is the combined result of the unrealized losses related to measurement of derivatives at fair value, mostly offset by the impact of unrealized FX-gains.

## 2.1.2 Group Cash Flows

HUF millions	1-3 months 2024	1-3 months 2025	Change
Net cash generated from operating activities	42,094	74,572	32,478
Net cash used in investing activities	(18,090)	(40,973)	(22,883)
Less: (Payments for) / Proceeds from other financial assets	(15,684)	2,977	18,661
<b>Investing cash flow excluding Payments for / Proceeds from other financial assets - net</b>	<b>(33,774)</b>	<b>(37,996)</b>	<b>(4,222)</b>
Repayment of lease and other financial liabilities	(9,224)	(8,083)	1,141
<b>Free cash flow</b>	<b>(904)</b>	<b>28,493</b>	<b>29,397</b>
(Payments for) / Proceeds from other financial assets - net	15,684	(2,977)	(18,661)
Proceeds from / (Repayment of) loans and other borrowings - net	(21,657)	(29,405)	(7,748)
Dividends paid to Owners of the parent and Non-controlling interests	(1)	(7)	(6)
Proceeds from corporate bonds	-	-	-
Treasury share purchase	-	(1,657)	(1,657)
Exchange differences on cash and cash equivalents	266	(295)	(561)
<b>Change in cash and cash equivalents</b>	<b>(6,612)</b>	<b>(5,848)</b>	<b>764</b>

**Free cash flow (FCF) amounted to HUF 28.5 billion cash inflow in Q1 2025 (Q1 2024: HUF 0.9 billion cash outflow) mainly due to the reasons described below.**

### *Operating cash flow*

**Net cash generated from operating activities** significantly improved to a cash inflow of HUF 74.6 billion in Q1 2025, compared to cash inflow of HUF 42.1 billion in Q1 2024, attributable to the reasons outlined as follows:

- HUF 20.6 billion **positive impact due to higher EBITDA** in Q1 2025.
- HUF 17.1 billion **positive change in active working capital**, mainly as a result of:
  - favorable change in the development of balances of telecommunication customer related trade receivables in Hungary (positive impact: ca. HUF 5.3 billion) thanks to improvement in the aging of receivables,
  - different project seasonality led to favorable changes in SI/IT trade receivables (positive impact: ca. HUF 5.2 billion) in Q1 2025 compared to Q1 2024 in Hungary,
  - favorable change in net portfolio of installment receivables in Q1 2025 compared to Q1 2024 (positive impact ca. HUF 4.6 billion) as a result of lower handset-related sales volume,
  - favorable change in the trade receivables (positive impact: ca. HUF 2.3 billion) in North Macedonia boosted by the significant effect of the strengthening of HUF vs MKD in Q1 2025 as opposed to the weakening of HUF vs MKD in Q1 2024.
- HUF 0.9 billion **negative change in provisions**, mainly reflecting to employee related provisions in Q1 2025 compared to Q1 2024.
- HUF 6.4 billion **negative change in passive working capital**, primarily driven by:
  - elimination of supplementary telecommunication tax in Hungary led decrease in balance of taxes not related to income taxes resulting in a negative impact of ca. HUF 7.5 billion in Q1 2025 compared to Q1 2024,
  - unfavorable change in liabilities to employees (negative impact: ca. HUF 4.3 billion) driven by different payment dynamics of monthly wage transfer in Q1 2025 compared to Q1 2024,
  - unfavorable changes in contract liabilities aggregate balances in Q1 2025 compared to Q1 2024 (negative impact: ca. HUF 4.3 billion) mainly driven by the seasonal impact of projects,
  - favorable change in the balances of handset, SI/IT, invoiced and non-invoiced trade creditors mainly in Hungary (positive impact: ca. HUF 9.3 billion) due to different seasonality in Q1 2025 compared to Q1 2024.



- HUF 2.1 billion **positive change in interest and other financial charges paid** in Q1 2025 compared to Q1 2024, mainly reflecting the lower level of the loan portfolio and different timing of interest payment.

*Investing cash flow excluding payments for / proceeds from other financial assets – net*

**Net cash used in investing activities** amounted to HUF 38.0 billion in Q1 2025, compared to HUF 33.8 billion in Q1 2024 reflecting higher outpayments to Capex creditors and higher network related investments in Hungary.

*Repayment of lease and other financial liabilities*

**Repayment of lease and other financial liabilities** improved to HUF 8.1 billion in Q1 2025 from HUF 9.2 billion in Q1 2024, primarily driven by the absence of cash outflow related to trade payables with extended payment term.

**Cash and cash equivalents** improved by HUF 0.8 billion in Q1 2025 compared to Q1 2024. Besides the favorable change in FCF the improvement in Cash and cash equivalents is attributable to the followings:

- **Proceeds from loans and other borrowings** were lower by HUF 79.1 billion due to the lower drawdown of DT Group loans in Q1 2025 compared to Q1 2024.
- **Repayments of loans and other borrowings** improved by HUF 71.4 billion due to the decrease of repayments of DT Group loans partly mitigated by the higher level of repayments of inhouse DT Group funds in Q1 2025 compared to Q1 2024.
- **Treasury share purchase** amounted to HUF 1.7 billion cash outflow in Q1 2025.
- **Exchange differences on cash and cash equivalents** deteriorated by HUF 0.6 billion due to the MKD/HUF foreign exchange rate movement during Q1 2025.

The financial and operating statistics are available on the following website:

[http://www.telekom.hu/about\\_us/investor\\_relations/financial](http://www.telekom.hu/about_us/investor_relations/financial)

### 2.1.3 Consolidated Statements of Financial Position

The most significant changes in the balances of the Consolidated Statements of Financial Position from December 31, 2024 to March 31, 2025 (see Appendix 3.6 and 3.7) can be observed in the following lines:

- Other financial assets (current and non-current combined)
- Assets held for sale
- Trade payables
- Liabilities held for sale
- Treasury stock

**Other financial assets** (current and non-current combined) increased by HUF 32.0 billion from December 31, 2024 to March 31, 2025 mainly as a result of HUF 29.3 billion increase in cash pool receivables.

**Assets held for sale** increased to HUF 9.4 billion and **Liabilities held for sale** to HUF 2.1 billion from December 31, 2024 to March 31, 2025, as Magyar Telekom signed an agreement to sell its stake in ViDaNet Zrt., a company that provides fixed line services. The main assets and liabilities categories classified as held for sale are disclosed below.



(HUF millions)	Dec 31, 2024	Mar 31, 2025		
		Other	ViDaNet Zrt. carrying amount	Total
<b>ASSETS</b>				
Cash and cash equivalents	-	-	849	849
Trade receivables and other current and non-current receivables	-	-	785	785
Inventories	-	-	455	455
Property, plant and equipment	1,565	1,562	3,357	4,919
Right-of-use assets	-	-	926	926
Goodwill	-	-	894	894
Other intangible assets	1,223	-	582	582
<b>Total assets held for sale</b>	<b>2,788</b>	<b>1,562</b>	<b>7,848</b>	<b>9,410</b>
<b>LIABILITIES</b>				
Lease liabilities - current and non-current	-	-	1,042	1,042
Trade payables and other current and non-current liabilities	-	-	1,105	1,105
<b>Total liabilities held for sale</b>	<b>-</b>	<b>-</b>	<b>2,147</b>	<b>2,147</b>

**Trade payables** decreased by HUF 42.3 billion from December 31, 2024 to March 31, 2025 reflecting a decrease in outstanding balances to handset, SI/IT, Capex and OPEX suppliers.

**Treasury stock** increased from December 31, 2024 to March 31, 2025 as a result of HUF 1.7 billion purchase of total of 956,705 Magyar Telekom ordinary shares.

There has not been any other material change in the items of the Consolidated Statement of Financial Position in the period from December 31, 2024 to March 31, 2025. The less significant changes in balances of the Consolidated Statements of Financial Position are largely explained by the items of the Consolidated Statement of Cash Flows for 2025 and the related explanations provided above in section 2.1.2 Group Cash Flows. The changes in Equity are disclosed in the Equity movement table in section 3.10 Consolidated Statements of Changes in Equity.

#### 2.1.4 Related party transactions

The significant changes in the volume of related party transactions have been disclosed in sections 2.1.2 Group Cash Flows and 2.1.3 Consolidated Statement of Financial Position. There have not been any other significant changes in related party transactions since the most recent annual financial report.

#### 2.1.5 Contingencies and commitments

##### Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence of uncertain future events not within the control of the Group. These assets are not recognized in the statement of financial position. The Group has no contingencies where the inflow of economic benefits would be probable and material.

##### Contingent liabilities

No provision has been recognized for these cases as management estimates that it is unlikely that these claims originating from past events would result in any material economic outflows from the Group, or the amount of the obligation cannot be measured with sufficient reliability. The Group has no contingencies where the outflow of economic benefits would be probable and material.

##### Guarantees

Magyar Telekom is also exposed to risks that arise from the possible drawdown of guarantees that in aggregation amounted to a nominal amount of HUF 17.7 billion as at December 31, 2024. The guarantees were issued as collateral to secure the fulfillment of the Group's certain contractual or tender-related obligations.

The Group has been doing its best to deliver on its contractual obligations and expects to continue to do so in the future. Even so disputes may emerge from time to time with our partners and sometimes these can result in the drawdown of the guarantees. These utilizations of the guarantees are not related and have no significant effect on the solvency of the Group.

##### Commitments

There has been no material change in the nature and amount of our commitments in 2025.



### **2.1.6 Material events**

Magyar Telekom has entered into an agreement for the sale of ViDaNet Zrt., a provider of fixed services. The assets and liabilities related to ViDaNet Zrt. were consolidated in MT-Hungary segment. The closing of the transaction took place on May 7, 2025. The estimated gain on this transaction is approximately HUF 1.5 billion and will be recognized in Q2, 2025.

For any material event that occurred between the end of the quarter (March 31, 2025) and the date of publishing this quarterly financial report, please see our Investor Relations website:

[http://www.telekom.hu/about\\_us/investor\\_relations/investor\\_news](http://www.telekom.hu/about_us/investor_relations/investor_news)

## **2.2. Segment reports**

From 2020 the Chief Executive Officer (CEO) and the other Chief Officers together (Chief Officers) fulfill the chief operating decision maker (CODM) function in the Group. The Group's segments are reported in a manner consistent with the internal reporting provided to the CODMs, the key management of Magyar Telekom Plc. The Chief Officers assess the performance of the Group and make their decisions. Magyar Telekom's operating segments are: MT-Hungary and North Macedonia.

The MT-Hungary segment operates in Hungary, providing mobile and fixed line telecommunications, TV distribution, information communication and system integration services to millions of residential and business customers under the Telekom brand. Residential, Small and Medium sized business as well as business customers (corporate and public sector customers) are now served by the unified Telekom brand. The MT-Hungary segment is also responsible for the wholesale of mobile and fixed line services within Hungary, and performs strategic and cross-divisional management, as well as support functions on behalf of the Group, including Procurement, Treasury, Real Estate, Accounting, Tax, Legal and Internal Audit. This segment is also responsible for the Group's points of presence in Bulgaria and Romania, where it primarily provides wholesale services to local companies and operators.

The North Macedonia segment is responsible for the Group's full-scale mobile and fixed line telecommunications operations in North Macedonia.

The following tables present financial information related to these reportable segments. Such information is regularly provided to the Company's Management and reconciled with the corresponding Group numbers. This information includes several key indicators of profitability that are considered for the purposes of assessing performance and allocating resources. It is the Management's belief that Revenue, EBITDA, EBITDA AL and Capex, Capex AL are the most appropriate indicators for monitoring each segment's performance and are most consistent with how the Group's results are reported in the statutory financial statements.



## 2.2.1 MT-Hungary

	Q1 2024	Q1 2025	Change	Change (%)
<b>HUF millions</b>				
Voice	29,852	33,133	3,281	11.0%
Non-voice	53,999	62,051	8,052	14.9%
Equipment	29,327	28,391	(936)	(3.2%)
Other mobile revenue	4,650	4,212	(438)	(9.4%)
<b>Mobile revenue</b>	<b>117,828</b>	<b>127,787</b>	<b>9,959</b>	<b>8.5%</b>
Voice retail	7,625	7,425	(200)	(2.6%)
Broadband retail	24,023	27,987	3,964	16.5%
TV	17,893	18,500	607	3.4%
Equipment	5,212	5,299	87	1.7%
Other	11,091	12,051	960	8.7%
<b>Fixed line revenue</b>	<b>65,844</b>	<b>71,262</b>	<b>5,418</b>	<b>8.2%</b>
SI/IT revenue	20,426	22,915	2,489	12.2%
<b>Revenue</b>	<b>204,098</b>	<b>221,964</b>	<b>17,866</b>	<b>8.8%</b>
Direct costs	(82,562)	(85,639)	(3,077)	(3.7%)
<b>Gross profit</b>	<b>121,536</b>	<b>136,325</b>	<b>14,789</b>	<b>12.2%</b>
Indirect costs	(36,390)	(39,247)	(2,857)	(7.9%)
Supplementary telecommunication tax	(8,874)	-	8,874	n.a.
<b>EBITDA</b>	<b>76,272</b>	<b>97,078</b>	<b>20,806</b>	<b>27.3%</b>
EBITDA AL	68,948	89,643	20,695	30.0%
Segment Capex AL excl. spectrum licenses	17,669	18,859	1,190	6.7%
Spectrum licenses	-	-	-	-

<b>Operational statistics – access numbers</b>	<b>March 31 2024</b>	<b>March 31 2025</b>	<b>Change (%)</b>
Number of SIM cards	6,323,547	6,464,351	2.2%
Postpaid share in total	60.5%	58.4%	n.a.
Total fixed voice access	1,250,899	1,177,762	(5.8%)
Total retail fixed broadband customers	1,609,358	1,666,238	3.5%
Total TV customers	1,432,582	1,417,912	(1.0%)

<b>Operational statistics – ARPU (HUF)</b>	<b>Q1 2024</b>	<b>Q1 2025</b>	<b>Change (%)</b>
Blended mobile ARPU	4,439	4,912	10.7%
Postpaid ARPU	6,793	7,840	15.4%
Prepaid ARPU	1,280	1,401	9.4%
M2M ARPU	251	243	(3.5%)
Blended fixed voice ARPU	2,010	2,082	3.6%
Blended fixed broadband ARPU	4,955	5,566	12.3%
Blended TV ARPU	4,174	4,324	3.6%

**Total revenue for the MT-Hungary segment** rose by 8.8% year-on-year to HUF 222.0 billion in Q1 2025, driven by continued increase in mobile data and broadband usage, higher SI/IT revenue and the implemented inflation-based fee adjustment leading to increases in subscription fees.

- Mobile revenue** was up by 8.5% year-on-year in Q1 2025, thanks primarily to increasing service revenue. Service revenue growth continued to be driven by the increases in mobile data usage that was coupled with the positive impacts from the implemented fee adjustment. At the same time, the continued growth in the number of SIM cards was driven by increases in M2M usage whilst both postpaid and prepaid SIM numbers recorded some further declines year-on-year. Increases in the



residential postpaid base were offset by reduction in public sector subscribers, also negatively impacting mobile data subscriber trends. Equipment sales revenue declined YoY, driven by some slowdown in the related sales volumes.

- **Fixed line revenue** grew by 8.2% year-on-year in Q1 2025, with improvement led by continued increase in broadband revenues as further expansion of the customer base was coupled with continued ARPU growth. At the same time, though TV revenues continued to increase thanks to the inflation-based fee adjustment, customer base development reflected the impact of the satellite TV phase-out whilst underlying ARPU development was impacted by temporary discounts in relation to increasing competitive pressure.
- **SI/IT revenue** was up by 12.2% year-on-year in Q1 2025, thanks to higher revenue from major projects.

**Gross profit** rose by 12.2% year-on-year in Q1 2025, in line with the positive revenue trends.

**EBITDA** increased by 27.3% year-on-year and **EBITDA AL** was up by 30.0% year-on-year in Q1 2025, thanks to the improvement in underlying profitability coupled with the favorable impact of the elimination of the supplementary telecommunication tax from January 2025.

**Capex AL excluding spectrum licenses** was up by 6.7% year-on-year in Q1 2025, as result of higher investments toward the fiber as well as the mobile networks.

**Outlook:** Economic, business and competitive developments in Hungary have raised many challenges in the past years. Magyar Telekom closely monitors the development of its external environment to take proactive steps, leverage opportunities and mitigate risks arising from any change in the environment.

## 2.2.2 North Macedonia

	Q1 2024	Q1 2025	Change	Change (%)
<b>HUF millions</b>				
Voice	3,768	3,758	(10)	(0.3%)
Non-voice	4,489	5,196	707	15.7%
Equipment	3,401	3,148	(253)	(7.4%)
Other mobile revenue	701	665	(36)	(5.1%)
<b>Mobile revenue</b>	<b>12,359</b>	<b>12,767</b>	<b>408</b>	<b>3.3%</b>
Voice retail	1,299	1,316	17	1.3%
Broadband retail	1,713	1,900	187	10.9%
TV	1,348	1,448	100	7.4%
Equipment	30	20	(10)	(33.3%)
Other	1,758	1,703	(55)	(3.1%)
<b>Fixed line revenue</b>	<b>6,148</b>	<b>6,387</b>	<b>239</b>	<b>3.9%</b>
SI/IT revenue	323	267	(56)	(17.3%)
<b>Revenue</b>	<b>18,830</b>	<b>19,421</b>	<b>591</b>	<b>3.1%</b>
Direct costs	(6,245)	(5,984)	261	4.2%
<b>Gross profit</b>	<b>12,585</b>	<b>13,437</b>	<b>852</b>	<b>6.8%</b>
Indirect costs	(4,619)	(5,054)	(435)	(9.4%)
<b>EBITDA</b>	<b>7,966</b>	<b>8,383</b>	<b>417</b>	<b>5.2%</b>
<b>EBITDA AL</b>	<b>7,664</b>	<b>8,080</b>	<b>416</b>	<b>5.4%</b>
Segment Capex AL excl. spectrum licenses	2,003	2,636	633	31.6%
Spectrum licenses	-	-	-	-
<b>Operational statistics – access numbers</b>	<b>March 31 2024</b>	<b>March 31 2025</b>	<b>Change (%)</b>	
Number of mobile SIMs	1,266,310	1,259,804	(0.5%)	
Postpaid share in total	46.6%	48.2%	n.a.	
Total fixed voice access	228,611	233,612	2.2%	
Total fixed retail broadband customers	211,395	218,752	3.5%	
Total TV customers	151,088	161,496	6.9%	



**Total revenue in North Macedonia** was up by 3.1% year-on-year to HUF 19.4 billion in Q1 2025 in forint terms, however was broadly stable YoY in local currency terms, as increases in service revenue was offset by lower equipment sales and decline in TV content resale related revenues.

- **Mobile revenue** rose by 3.3% year-on-year in Q1 2025 in forint terms, whilst it was stable in local currency. Mobile data revenue continued to increase thanks to the further expansion of the postpaid customer base and increasing usage, however it was mitigated by lower equipment sales driven by decline in the volume of sold devices and lower incoming international traffic related revenues.
- **Fixed line revenue** was up by 3.9% year-on-year in Q1 2025 in forint terms, whilst remained broadly stable in local currency, as increases in broadband and TV revenues were offset by a decline in TV-content resale revenue.
- **SI/IT revenue** declined by 17.3% year-on-year in Q1 2025 in forint terms.

**Gross profit** increased by 6.8% year-on-year in Q1 2025, thanks to the increase in service revenue.

**EBITDA** grew by 5.2% year-on-year and **EBITDA AL** was up by 5.4% year-on-year in Q1 2025, as improvement in gross profit more than offset the increase in indirect costs.

**CAPEX AL** rose by 31.6% year-on-year to HUF 2.6 billion in Q1 2025 as a result of higher network related investments.

**Outlook:** Looking ahead, competition is expected to intensify further with the possible entrance of a new operator to the North Macedonian telecommunication market and which may exert pressure on the profitability.



### 3. APPENDIX

#### 3.1. Basis of preparation and initial application, interpretations and amendments of IFRS Accounting Standards

This condensed consolidated financial information was prepared in accordance with IAS 34 (Interim Financial Reporting) and should be read in conjunction with the Consolidated financial statements for the year ended December 31, 2024, which were prepared in accordance with IFRS Accounting Standards as adopted by the European Union. This consolidated interim financial information has not been audited.

The Consolidated and Separate financial statements of Magyar Telekom for December 31, 2024 were audited and the audit reports were unqualified. They were approved by the shareholders at the Annual General Meeting on April 15, 2025 and have been published electronically on the sites required by the relevant laws and regulations.

The principal accounting policies followed by the Group and the critical estimates in applying accounting policies are consistent with those disclosed in the consolidated financial statements for the year ended December 31, 2024. There were not any new accounting principle amendments or interpretations applicable for the Group effective from 2025.

#### 3.2. Macroeconomic environment and critical accounting estimates, climate disclosures

Management continuously monitors the progress in the Hungarian economic environment and the effect of the war in Ukraine, particularly on the macroeconomic tendencies and current market conditions. Currently, the war does not have a significant direct impact on the Group's operations. The associated risks are monitored and assessed by the Group through the quarterly risk reporting process with risk owners.

Magyar Telekom planned to implement inflation-based fee adjustment as of April 1, 2025, amounting to 3.7%. Taking into account the Hungarian economy's developments and the governmental measures aimed at limiting the inflation, the Company decided not to implement inflation-based fee adjustment for its consumers whilst it will also refrain from the implementation of any unilateral price increase or inflation-based fee adjustment for at least until the end of the first half of 2026.

In preparing the interim financial report, management has made judgments and estimates about the future:

- During the updating of the goodwill impairment test the management has taken into account the period-end book values, EUR/HUF exchange rate, and weighted average cost of capital and as a result of that, no impairment was needed to be recognized.
- Considering the general economic factors, the solvency of customers has been assessed and management concluded that there was no need to recognize further one-off allowance for bad debts in the first quarter of 2025.
- No further material impairment needed to be recognized in the first quarter of 2025.

Altogether, the Group continues to meet the increased demand for connectivity through its network and has not identified any events which could jeopardize the going concern of its operation, furthermore, based on the management's assessment of future cashflows, no underperformance is expected in the long term.



### 3.3. Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income – quarterly year-on-year comparison

	Q1 2024 (unaudited)	Q1 2025 (unaudited)	Change	Change (%)
<b>(HUF millions, except per share amounts)</b>				
Mobile revenue	130,909	140,553	9,644	7.4%
Fixed line revenue	72,571	78,073	5,502	7.6%
SI/IT revenue	20,749	23,006	2,257	10.9%
<b>Revenue</b>	<b>224,229</b>	<b>241,632</b>	<b>17,403</b>	<b>7.8%</b>
Interconnect costs	(4,329)	(4,674)	(345)	(8.0%)
SI/IT service related costs	(15,101)	(17,018)	(1,917)	(12.7%)
Impairment losses and gains on financial assets and contract assets	(3,398)	(3,056)	342	10.1%
Telecom tax	(6,305)	(6,089)	216	3.4%
Other direct costs	(59,638)	(60,785)	(1,147)	(1.9%)
<b>Direct costs</b>	<b>(88,771)</b>	<b>(91,622)</b>	<b>(2,851)</b>	<b>(3.2%)</b>
Employee-related expenses	(21,780)	(24,986)	(3,206)	(14.7%)
Depreciation and amortization	(35,253)	(35,310)	(57)	(0.2%)
Other operating expenses	(21,137)	(20,859)	278	1.3%
Supplementary telecommunication tax	(8,857)	-	8,857	n.a.
<b>Operating expenses</b>	<b>(175,798)</b>	<b>(172,777)</b>	<b>3,021</b>	<b>1.7%</b>
Other operating income	909	1,061	152	16.7%
<b>Operating profit</b>	<b>49,340</b>	<b>69,916</b>	<b>20,576</b>	<b>41.7%</b>
Interest income	1,516	1,758	242	16.0%
Interest expense	(5,409)	(4,495)	914	16.9%
Other finance expense - net	(3,912)	(2,432)	1,480	37.8%
<b>Net financial result</b>	<b>(7,805)</b>	<b>(5,169)</b>	<b>2,636</b>	<b>33.8%</b>
Share of associates' and joint ventures' results	-	-	-	-
<b>Profit before income tax</b>	<b>41,535</b>	<b>64,747</b>	<b>23,212</b>	<b>55.9%</b>
Income tax	(6,519)	(9,080)	(2,561)	(39.3%)
<b>Profit for the period</b>	<b>35,016</b>	<b>55,667</b>	<b>20,651</b>	<b>59.0%</b>
<b>Other comprehensive income:</b>				
Items to be reclassified to profit or loss in subsequent periods:				
Exchange differences on translating foreign operations	4,012	(3,006)	(7,018)	n.m.
Items not to be reclassified to profit or loss in subsequent periods:				
Revaluation of financial assets at FV OCI	399	96	(303)	(75.9%)
<b>Other comprehensive income for the year, net of tax</b>	<b>4,411</b>	<b>(2,910)</b>	<b>(7,321)</b>	<b>n.m.</b>
<b>Total comprehensive income for the period</b>	<b>39,427</b>	<b>52,757</b>	<b>13,330</b>	<b>33.8%</b>
<b>Profit attributable to:</b>				
Owners of the parent	33,679	54,164	20,485	60.8%
Non-controlling interests	1,337	1,503	166	12.4%
	<b>35,016</b>	<b>55,667</b>	<b>20,651</b>	<b>59.0%</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the parent	36,376	52,319	15,943	43.8%
Non-controlling interests	3,051	438	(2,613)	(85.6%)
	<b>39,427</b>	<b>52,757</b>	<b>13,330</b>	<b>33.8%</b>
<b>Earnings per share (EPS) information:</b>				
Profit attributable to the owners of the Company	33,679	54,164		
Weighted average number of common stock outstanding used for basic/diluted EPS	929,781,149	908,451,889		
<b>Basic / diluted earnings per share (HUF)</b>	<b>36.22</b>	<b>59.62</b>	<b>23.40</b>	<b>64.6%</b>



### 3.4. Revenue breakdown – quarterly year-on-year comparison

(HUF millions)	Q1 2024	Q1 2025	Change	Change (%)
Voice retail	32,450	34,991	2,541	7.8%
Voice wholesale	1,893	1,900	7	0.4%
Data	51,698	59,800	8,102	15.7%
SMS	6,790	7,447	657	9.7%
Equipment	32,728	31,539	(1,189)	(3.6%)
Other mobile revenue	5,350	4,876	(474)	(8.9%)
<b>Mobile revenue</b>	<b>130,909</b>	<b>140,553</b>	<b>9,644</b>	<b>7.4%</b>
Voice retail	8,935	8,741	(194)	(2.2%)
Broadband retail	25,781	29,887	4,106	15.9%
TV	19,273	19,948	675	3.5%
Equipment	5,242	5,319	77	1.5%
Data, wholesale and other fixed line revenue	13,340	14,178	838	6.3%
<b>Fixed line revenue</b>	<b>72,571</b>	<b>78,073</b>	<b>5,502</b>	<b>7.6%</b>
SI/IT revenue	20,749	23,006	2,257	10.9%
<b>Revenue</b>	<b>224,229</b>	<b>241,632</b>	<b>17,403</b>	<b>7.8%</b>

### 3.5. Operating expenses breakdown – quarterly year-on-year comparison

(HUF millions)	Q1 2024	Q1 2025	Change	Change (%)
Direct costs	(88,771)	(91,622)	(2,851)	(3.2%)
Employee-related expenses	(21,780)	(24,986)	(3,206)	(14.7%)
Depreciation and amortization	(35,253)	(35,310)	(57)	(0.2%)
Other operating expenses	(21,137)	(20,859)	278	1.3%
Supplementary telecommunication tax	(8,857)	-	8,857	<i>n.a.</i>
<b>Operating expenses</b>	<b>(175,798)</b>	<b>(172,777)</b>	<b>3,021</b>	<b>1.7%</b>



### 3.6. Interim Consolidated Statement of Financial Position - Assets

(HUF millions)	Dec 31, 2024 (unaudited)	Mar 31, 2025 (unaudited)	Change	Change (%)
<b>ASSETS</b>				
Cash and cash equivalents	18,010	12,162	(5,848)	(32.5%)
Trade receivables within one year	211,411	202,692	(8,719)	(4.1%)
Other current assets	9,214	10,460	1,246	13.5%
Derivative financial instruments contracted with related parties	1,804	992	(812)	(45.0%)
Other current financial assets	52,092	84,000	31,908	61.3%
Contract assets	16,903	18,215	1,312	7.8%
Current income tax receivable	135	208	73	54.1%
Inventories	28,756	24,892	(3,864)	(13.4%)
	<b>338,325</b>	<b>353,621</b>	<b>15,296</b>	<b>4.5%</b>
Assets held for sale	2,788	9,410	6,622	237.5%
<b>Total current assets</b>	<b>341,113</b>	<b>363,031</b>	<b>21,918</b>	<b>6.4%</b>
Property, plant and equipment	497,728	491,170	(6,558)	(1.3%)
Right-of-use assets	129,733	126,901	(2,832)	(2.2%)
Goodwill	212,713	211,846	(867)	(0.4%)
Other intangible assets	293,626	286,163	(7,463)	(2.5%)
Investments in associates and joint ventures	-	-	-	-
Deferred tax assets	114	54	(60)	(52.6%)
Trade receivables over one year	25,149	23,371	(1,778)	(7.1%)
Derivative financial instruments contracted with related parties	6,733	4,958	(1,775)	(26.4%)
Other non-current financial assets	6,907	6,994	87	1.3%
Contract assets	4,089	3,695	(394)	(9.6%)
Other non-current assets	12,168	12,322	154	1.3%
<b>Total non-current assets</b>	<b>1,188,960</b>	<b>1,167,474</b>	<b>(21,486)</b>	<b>(1.8%)</b>
<b>Total assets</b>	<b>1,530,073</b>	<b>1,530,505</b>	<b>432</b>	<b>0.0%</b>



### 3.7. Interim Consolidated Statement of Financial Position – Liabilities and Equity

(HUF millions)	Dec 31, 2024 (unaudited)	Mar 31, 2025 (unaudited)	Change	Change (%)
<b>LIABILITIES</b>				
Financial liabilities to related parties	26,734	26,822	88	0.3%
Derivative financial instruments contracted with related parties	74	718	644	n.m.
Lease liabilities	27,866	28,342	476	1.7%
Trade payables	158,058	115,801	(42,257)	(26.7%)
Other financial liabilities	10,093	10,520	427	4.2%
Current income tax payable	5,942	7,827	1,885	31.7%
Provisions	5,922	4,330	(1,592)	(26.9%)
Contract liabilities	16,231	12,818	(3,413)	(21.0%)
Other current liabilities	29,212	25,444	(3,768)	(12.9%)
	<b>280,132</b>	<b>232,622</b>	<b>(47,510)</b>	<b>(17.0%)</b>
Liabilities held for sale	-	2,147	2,147	n.a.
<b>Total current liabilities</b>	<b>280,132</b>	<b>234,769</b>	<b>(45,363)</b>	<b>(16.2%)</b>
Financial liabilities to related parties	60,059	59,189	(870)	(1.4%)
Lease liabilities	119,174	114,963	(4,211)	(3.5%)
Corporate bonds	69,183	69,267	84	0.1%
Other financial liabilities	94,404	92,539	(1,865)	(2.0%)
Deferred tax liabilities	17,669	18,545	876	5.0%
Provisions	19,470	20,182	712	3.7%
Contract liabilities	343	426	83	24.2%
Other non-current liabilities	1,129	1,015	(114)	(10.1%)
<b>Total non-current liabilities</b>	<b>381,431</b>	<b>376,126</b>	<b>(5,305)</b>	<b>(1.4%)</b>
<b>Total liabilities</b>	<b>661,563</b>	<b>610,895</b>	<b>(50,668)</b>	<b>(7.7%)</b>
<b>EQUITY</b>				
Common stock	93,862	93,862	-	0.0%
Capital reserves	24,644	24,644	-	0.0%
Treasury stock	(26,354)	(28,011)	(1,657)	(6.3%)
Retained earnings	691,652	745,816	54,164	7.8%
Accumulated other comprehensive income	39,353	37,508	(1,845)	(4.7%)
<b>Total equity of the owners of the parent</b>	<b>823,157</b>	<b>873,819</b>	<b>50,662</b>	<b>6.2%</b>
Non-controlling interests	45,353	45,791	438	1.0%
<b>Total equity</b>	<b>868,510</b>	<b>919,610</b>	<b>51,100</b>	<b>5.9%</b>
<b>Total liabilities and equity</b>	<b>1,530,073</b>	<b>1,530,505</b>	<b>432</b>	<b>0.0%</b>



### 3.8. Interim Consolidated Statement of Cash Flows

(HUF millions)	1-3 months 2024 (unaudited)	1-3 months 2025 (unaudited)	Change	Change (%)
<b>Cash flows from operating activities</b>				
Profit for the period	35,016	55,667	20,651	59.0%
Depreciation and amortization	35,253	35,310	57	0.2%
Income tax expense	6,519	9,080	2,561	39.3%
Net financial result	7,805	5,169	(2,636)	(33.8%)
Share of associates' and joint ventures' result	-	-	-	-
Change in assets carried as working capital	(6,231)	10,915	17,146	n.m.
Change in provisions	(221)	(1,119)	(898)	(406.3%)
Change in liabilities carried as working capital	(23,808)	(30,180)	(6,372)	(26.8%)
Income tax paid	(5,744)	(6,182)	(438)	(7.6%)
Dividend received	-	-	-	-
Interest and other financial charges paid	(7,193)	(5,048)	2,145	29.8%
Interest received	1,515	1,756	241	15.9%
Other non-cash items	(817)	(796)	21	2.6%
<b>Net cash generated from operating activities</b>	<b>42,094</b>	<b>74,572</b>	<b>32,478</b>	<b>77.2%</b>
<b>Cash flows from investing activities</b>				
Payments for property plant and equipment (PPE) and intangible assets	(33,884)	(38,257)	(4,373)	(12.9%)
Proceeds from disposal of PPE and intangible assets	110	261	151	137.3%
Payments for subsidiaries and business units	-	-	-	-
Cash acquired through business combinations	-	-	-	-
Proceeds from disposal of subsidiaries and business units	-	-	-	-
Payments for other financial assets	(1,575)	(3,036)	(1,461)	(92.8%)
Proceeds from other financial assets	17,259	59	(17,200)	(99.7%)
Payments for interests in associates and joint ventures	-	-	-	-
<b>Net cash used in investing activities</b>	<b>(18,090)</b>	<b>(40,973)</b>	<b>(22,883)</b>	<b>(126.5%)</b>
<b>Cash flows from financing activities</b>				
Dividends paid to Owners of the parent and Non-controlling interests	(1)	(7)	(6)	n.m.
Proceeds from loans and other borrowings	85,914	6,787	(79,127)	(92.1%)
Repayment of loans and other borrowings	(107,571)	(36,192)	71,379	66.4%
Proceeds from corporate bonds	-	-	-	-
Repayment of lease and other financial liabilities	(9,224)	(8,083)	1,141	12.4%
Treasury share purchase	-	(1,657)	(1,657)	-
<b>Net cash used in financing activities</b>	<b>(30,882)</b>	<b>(39,152)</b>	<b>(8,270)</b>	<b>(26.8%)</b>
Exchange differences on cash and cash equivalents	266	(295)	(561)	n.m.
<b>Change in cash and cash equivalents</b>	<b>(6,612)</b>	<b>(5,848)</b>	<b>764</b>	<b>11.6%</b>
Cash and cash equivalents, beginning of period	13,514	18,010	4,496	33.3%
<b>Cash and cash equivalents, end of period</b>	<b>6,902</b>	<b>12,162</b>	<b>5,260</b>	<b>76.2%</b>



### 3.9. Net debt reconciliation to changes in Statement of Cash Flows

HUF millions	Opening Balance at January 1, 2025	Changes in cash and cash equivalents	Changes affecting cash flows from operating activities	Changes in financial liabilities without cash movement	Changes affecting cash flows from investing activities	Changes affecting cash flows from financing activities				Closing Balance at March 31, 2025
						Proceeds from loans and borrowings	Repayment of loans and other borrowings	Repayment of lease and other financial liabilities	Other	
Related party loans	86,793	-	565	(1,283)	-	36,128	(36,192)	-	-	86,011
Derivatives from related parties	74	-	-	1,327	(683)	-	-	-	-	718
Spectrum fee payable	96,047	-	(954)	955	-	-	-	(1,214)	-	94,834
Bonds	69,183	-	(1,045)	1,129	-	-	-	-	-	69,267
Lease liabilities	147,040	-	(1,829)	4,414	-	-	-	(6,320)	-	143,305
Debtors overpayment	1,490	-	(65)	-	-	-	-	-	-	1,425
Contingent consideration	-	-	-	-	-	-	-	-	-	-
Other financial liabilities	6,960	-	(953)	1,193	-	-	-	(400)	-	6,800
- Less cash and cash equivalent	(18,010)	5,848	-	-	-	-	-	-	-	(12,162)
- Less other current financial assets and derivative financial instruments	(53,896)	-	(186)	866	(2,286)	(29,341)	-	(149)	-	(84,992)
<b>Net debt</b>	<b>335,681</b>	<b>5,848</b>	<b>(4,467)</b>	<b>8,601</b>	<b>(2,969)</b>	<b>6,787</b>	<b>(36,192)</b>	<b>(8,083)</b>	-	<b>305,206</b>
Treasury share purchase									(1,657)	
Dividends paid to Owners of the parent and Non-controlling interest									(7)	
<b>Net Cash used in financing activities</b>									<b>(39,152)</b>	



### 3.10. Interim Consolidated Statement of Changes in Equity

	pieces		HUF millions							
	Shares of common stock	Common stock	Capital reserves	Treasury stock	Retained earnings	Accumulated Other Comprehensive Income		Equity of the owners of the parent	Non-controlling interests	Total Equity
						Cumulative translation adjustment	Revaluation reserve for FVOCI financial assets – net of tax			
<b>Balance at January 1, 2024</b>	<b>971,558,867</b>	<b>97,156</b>	<b>25,509</b>	<b>(18,600)</b>	<b>585,866</b>	<b>32,918</b>	<b>618</b>	<b>723,467</b>	<b>42,202</b>	<b>765,669</b>
Dividend declared to Owners of the parent	-	-	-	-	-	-	-	-	-	-
Dividend declared to Non-controlling interests	-	-	-	-	-	-	-	-	-	-
Treasury share purchase	-	-	-	-	-	-	-	-	-	-
Capital decrease with cancellation of treasury share	-	-	-	-	-	-	-	-	-	-
<b>Transactions with owners in their capacity as owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other comprehensive income	-	-	-	-	-	2,469	228	2,697	1,714	4,411
Profit or loss	-	-	-	-	33,679	-	-	33,679	1,337	35,016
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33,679</b>	<b>2,469</b>	<b>228</b>	<b>36,376</b>	<b>3,051</b>	<b>39,427</b>
<b>Balance at March 31, 2024</b>	<b>971,558,867</b>	<b>97,156</b>	<b>25,509</b>	<b>(18,600)</b>	<b>619,545</b>	<b>35,387</b>	<b>846</b>	<b>759,843</b>	<b>45,253</b>	<b>805,096</b>
Dividend declared to Owners of the parent	-	-	-	-	(41,561)	-	-	(41,561)	-	(41,561)
Dividend declared to Non-controlling interests	-	-	-	-	-	-	-	-	(6,077)	(6,077)
Treasury share purchase	-	-	-	(22,363)	-	-	-	(22,363)	-	(22,363)
Capital decrease with cancellation of treasury share	(32,941,370)	(3,294)	(865)	14,609	(10,450)	-	-	-	-	-
<b>Transactions with owners in their capacity as owners</b>	<b>(32,941,370)</b>	<b>(3,294)</b>	<b>(865)</b>	<b>(7,754)</b>	<b>(52,011)</b>	<b>-</b>	<b>-</b>	<b>(63,924)</b>	<b>(6,077)</b>	<b>(70,001)</b>
Other comprehensive income	-	-	-	-	-	2,528	592	3,120	1,915	5,035
Profit or loss	-	-	-	-	124,118	-	-	124,118	4,262	128,380
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>124,118</b>	<b>2,528</b>	<b>592</b>	<b>127,238</b>	<b>6,177</b>	<b>133,415</b>
<b>Balance at December 31, 2024</b>	<b>938,617,497</b>	<b>93,862</b>	<b>24,644</b>	<b>(26,354)</b>	<b>691,652</b>	<b>37,915</b>	<b>1,438</b>	<b>823,157</b>	<b>45,353</b>	<b>868,510</b>
Dividend declared to Owners of the parent	-	-	-	-	-	-	-	-	-	-
Dividend declared to Non-controlling interests	-	-	-	-	-	-	-	-	-	-
Treasury share purchase	-	-	-	(1,657)	-	-	-	(1,657)	-	(1,657)
Capital decrease with cancellation of treasury share	-	-	-	-	-	-	-	-	-	-
<b>Transactions with owners in their capacity as owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,657)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,657)</b>	<b>-</b>	<b>(1,657)</b>
Other comprehensive income	-	-	-	-	-	(1,898)	53	(1,845)	(1,065)	(2,910)
Profit or loss	-	-	-	-	54,164	-	-	54,164	1,503	55,667
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>54,164</b>	<b>(1,898)</b>	<b>53</b>	<b>52,319</b>	<b>438</b>	<b>52,757</b>
<b>Balance at March 31, 2025</b>	<b>938,617,497</b>	<b>93,862</b>	<b>24,644</b>	<b>(28,011)</b>	<b>745,816</b>	<b>36,017</b>	<b>1,491</b>	<b>873,819</b>	<b>45,791</b>	<b>919,610</b>
Of which treasury stock	(30,993,118)									
<b>Shares of common stock outstanding</b>	<b>907,624,379</b>									



### 3.11. Exchange rate information

	Q1 2024	Q1 2025	Change (%)
HUF/EUR beginning of period	382.78	410.09	7.1%
HUF/EUR period-end	395.83	401.90	1.5%
HUF/EUR cumulative monthly average	389.43	404.81	3.9%
HUF/MKD beginning of period	6.22	6.67	7.2%
HUF/MKD period-end	6.44	6.51	1.1%
HUF/MKD cumulative monthly average	6.32	6.57	4.0%

### 3.12. Segment information

HUF millions	Q1 2024	Q1 2025
Total MT-Hungary revenue	204,098	221,964
Less: MT-Hungary revenue from other segments	(23)	(27)
<b>MT-Hungary revenue from external customers</b>	<b>204,075</b>	<b>221,937</b>
Total North Macedonia revenue	18,830	19,421
Less: North Macedonia revenue from other segments	(14)	(10)
<b>North Macedonia revenue from external customers</b>	<b>18,816</b>	<b>19,411</b>
Total consolidated revenue of the segments	222,891	241,348
Measurement differences to Group revenue	1,338	284
<b>Total revenue of the Group</b>	<b>224,229</b>	<b>241,632</b>
<b>Segment results (EBITDA)</b>		
Hungary	76,272	97,078
North Macedonia	7,966	8,383
<b>Total EBITDA of the segments</b>	<b>84,238</b>	<b>105,461</b>
Measurement differences to Group EBITDA	355	(235)
<b>Total EBITDA of the Group</b>	<b>84,593</b>	<b>105,226</b>
<b>Segment Capex AL excl. spectrum licenses</b>		
Hungary	17,669	18,859
North Macedonia	2,003	2,636
<b>Total Segment Capex AL excl. spectrum licenses</b>	<b>19,672</b>	<b>21,495</b>
Measurement differences to Group Capex AL excl. spectrum licenses	67	-
<b>Total Capex AL excl. spectrum licenses of the Group</b>	<b>19,739</b>	<b>21,495</b>



### 3.13. Fair value of financial instruments – financial assets

March 31, 2025 HUF millions	Financial assets				Carrying amount	Fair value
	Amortized cost	FVOCI (Level 1)	FVTPL (Level 2)	FVTPL (Level 3)		
Cash and cash equivalents	12,162	-	-	-	12,162	12,162
Bank deposits with original maturities over 3 months	2,266	-	-	-	2,266	2,266
Cash-pool receivables	80,511	-	-	-	80,511	80,511
Trade receivables within one year	202,692	-	-	-	202,692	202,692
Trade receivables over one year	23,371	-	-	-	23,371	21,757
Derivative financial instruments contracted with related parties	-	-	5,950	-	5,950	5,950
Finance lease receivable	1,188	-	-	-	1,188	1,110
Equity instruments	-	3,470	-	1,400	4,870	4,870
Other current receivables	903	-	-	-	903	903
Other non-current receivables	1,256	-	-	-	1,256	1,234
<b>Total</b>	<b>324,349</b>	<b>3,470</b>	<b>5,950</b>	<b>1,400</b>	<b>335,169</b>	<b>333,455</b>

December 31, 2024 HUF millions	Financial assets				Carrying amount	Fair value
	Amortized cost	FVOCI (Level 1)	FVTPL (Level 2)	FVTPL (Level 3)		
Cash and cash equivalents	18,010	-	-	-	18,010	18,010
Bank deposits with original maturities over 3 months	-	-	-	-	-	-
Cash-pool receivables	51,170	-	-	-	51,170	51,170
Trade receivables within one year	211,411	-	-	-	211,411	211,411
Trade receivables over one year	25,149	-	-	-	25,149	23,281
Derivative financial instruments contracted with related parties	-	-	8,537	-	8,537	8,537
Finance lease receivable	1,181	-	-	-	1,181	1,113
Equity instruments	-	3,445	-	1,400	4,845	4,845
Other current receivables	576	-	-	-	576	576
Other non-current receivables	1,227	-	-	-	1,227	1,218
<b>Total</b>	<b>308,724</b>	<b>3,445</b>	<b>8,537</b>	<b>1,400</b>	<b>322,106</b>	<b>320,161</b>

### 3.14. Fair value of financial instruments – financial liabilities

March 31, 2025 HUF millions	Financial liabilities			Carrying amount	Fair value
	Measured at amortized cost	FVTPL (Level 2)	FVTPL (Level 3)		
Financial liabilities to related parties	86,011	-	-	86,011	90,540
Derivative financial instruments contracted with related parties	-	718	-	718	718
Trade payables	115,801	-	-	115,801	115,801
Frequency fee payable	94,834	-	-	94,834	70,240
Bonds	69,267	-	-	69,267	62,435
Lease liabilities	143,305	-	-	143,305	130,568
Debtors' overpayment	1,425	-	-	1,425	1,425
Other current liabilities	4,107	-	-	4,107	4,107
Other non-current liabilities	2,693	-	-	2,693	2,673
<b>Total</b>	<b>517,443</b>	<b>718</b>	<b>-</b>	<b>518,161</b>	<b>478,507</b>

December 31, 2024 HUF millions	Financial liabilities			Carrying amount	Fair value
	Measured at amortized cost	FVTPL (Level 2)	FVTPL (Level 3)		
Financial liabilities to related parties	86,793	-	-	86,793	91,830
Derivative financial instruments contracted with related parties	-	74	-	74	74
Trade payables	158,058	-	-	158,058	158,058
Frequency fee payable	96,047	-	-	96,047	72,278
Bonds	69,183	-	-	69,183	61,444
Lease liabilities	147,040	-	-	147,040	134,071
Debtors' overpayment	1,490	-	-	1,490	1,490
Other current liabilities	3,667	-	-	3,667	3,667
Other non-current liabilities	3,293	-	-	3,293	3,195
<b>Total</b>	<b>565,571</b>	<b>74</b>	<b>-</b>	<b>565,645</b>	<b>526,107</b>



### 3.15. EBITDA reconciliation

(HUF millions)	Q1 2024 MT Group	Q1 2024 MT-Hungary	Q1 2024 North Macedonia	Q1 2025 MT Group	Q1 2025 MT-Hungary	Q1 2025 North Macedonia
EBITDA	84,593	76,272	7,966	105,226	97,078	8,383
IFRS 16 related D&A	(5,823)	(5,559)	(264)	(5,909)	(5,647)	(262)
IFRS 16 related Interest	(1,803)	(1,765)	(38)	(1,829)	(1,788)	(41)
<b>EBITDA after lease</b>	<b>76,967</b>	<b>68,948</b>	<b>7,664</b>	<b>97,488</b>	<b>89,643</b>	<b>8,080</b>
Other D&A (unallocated)	(29,430)	n.a.	n.a.	(29,401)	n.a.	n.a.
Other Financial result (unallocated)	(6,002)	n.a.	n.a.	(3,340)	n.a.	n.a.
<b>Profit before tax</b>	<b>41,535</b>	<b>n.a.</b>	<b>n.a.</b>	<b>64,747</b>	<b>n.a.</b>	<b>n.a.</b>

### 3.16. Adjusted profit attributable to owners of the parent reconciliation

(HUF millions)	Q1 2024	Q1 2025	Change	Change (%)
Profit attributable to the owners of the parent	33,679	54,164	20,485	60.8%
Changes in depreciation and amortization	-	-	-	-
Changes in net financial result*	4,375	408	(3,967)	(90.7%)
Changes in income tax	-	-	-	-
<b>Total adjusting factors</b>	<b>4,375</b>	<b>408</b>	<b>(3,967)</b>	<b>(90.7%)</b>
<b>Adjusted profit attributable to owners of the parent</b>	<b>38,054</b>	<b>54,572</b>	<b>16,518</b>	<b>43.4%</b>

\* Related to unrealized FX gains and losses and derivative fair value changes

### 3.17. Capex from Interim Consolidated Statement of Cash Flows

(HUF millions)	1-3 months 2024 MT Group	1-3 months 2025 MT Group
Payments for PPE and intangible assets	33,884	38,257
Less spectrum payments	-	-
<b>Payments for PPE and intangible assets excl. spectrum payments</b>	<b>33,884</b>	<b>38,257</b>
+/- Cash adjustments	(14,145)	(16,762)
<b>Capex AL excl. spectrum</b>	<b>19,739</b>	<b>21,495</b>
ROU capex	10,232	5,074
Spectrum capex	-	-
<b>Capex</b>	<b>29,971</b>	<b>26,569</b>



### 3.18. Capex from Interim Consolidated Statement of Financial Position

(HUF millions)	Q1 2024 MT Group	Q1 2024 MT-Hungary*	Q1 2024 North Macedonia*	Q1 2025 MT Group	Q1 2025 MT-Hungary*	Q1 2025 North Macedonia*
Capex AL excl. spectrum licenses	19,739	17,736	2,003	21,495	18,859	2,636
ROU capex	10,232	10,077	155	5,074	4,929	145
Spectrum capex	-	-	-	-	-	-
<b>Capex</b>	<b>29,971</b>	<b>27,813</b>	<b>2,158</b>	<b>26,569</b>	<b>23,788</b>	<b>2,781</b>

\*Deviation versus segment Capex values may occur due to measurement differences.



## 4. DECLARATION

We the undersigned declare that to the best of our knowledge this report prepared in accordance with IFRS Accounting Standards as adopted by the EU, gives a true and fair view of the assets, liabilities, financial position and profit or loss of Magyar Telekom Plc. and its consolidated undertakings. In addition, the report gives a fair view of the position, development and performance of Magyar Telekom Plc. and its consolidated undertakings and contains risk factors and uncertainties relating to future events.

Independent Auditor's Report was not prepared on the quarterly financial report.

Tibor Rékasi  
Chief Executive Officer, member of the Board

André Lenz  
Chief Financial Officer, member of the Board

Budapest, May 14, 2025

This investor news 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 financial statements for the year ended December 31, 2024, available on our website at <http://www.telekom.hu> which have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and adopted by the European Union.