

*[NON-BINDING CONVENIENCE TRANSLATION -
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REPORT

of the Supervisory Board of
TELEKOM AUSTRIA AKTIENGESELLSCHAFT
on the spin-off of the AT Towers partial business
for absorption in the
A1 TOWERS HOLDING GMBH;
as well as the subsequent spin-off of the shares in
A1 Towers Holding GmbH
for the new formation of the
EUROTELESITES AG

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1. INTRODUCTION

1.1 Subject

The Management Board of Telekom Austria Aktiengesellschaft, FN 144477 t, with its registered office in Vienna (hereinafter referred to as "**Telekom Austria AG**", and together with its direct and indirect subsidiaries hereinafter referred to as the "**Telekom Austria Group**") has drawn up a Spin-off and Transfer Agreement including the Spin-off Plan (hereinafter referred to as the "Spin-off and Transfer Agreement including the Spin-off Plan" or also in short the "**Spin-off Plan**") on June 28, 2023.

According to this report, the Telekom Austria Group is planning a multi-stage restructuring which will result in the spin-off of the passive mobile communications infrastructure into a new listed stock corporation headquartered in Vienna. This report is submitted in connection with the planned spin-off of Telekom Austria AG to incorporate the passive mobile communications infrastructure in Austria and the indirect shareholdings in the tower companies in Bulgaria, Croatia, Slovenia, Northern Macedonia and Serbia into the existing A1 Towers Holding GmbH, FN 543743 y, with its registered office in Vienna (hereinafter referred to as "**A1 Towers Holding GmbH**") and the subsequent spin-off of the shareholding in A1 Towers Holding GmbH to form a new company, EuroTeleSites AG. The passive mobile communications infrastructure in Belarus is not included in the spin-off.

The Management Board of Telekom Austria AG has prepared a spin-off report pursuant to § 4 of the Spin-off Act (hereinafter the "**Spin-off Report**") for the planned spin-off on June 28, 2023.

By resolution dated 28.03.2023, the Supervisory Board appointed Deloitte Audit Wirtschaftsprüfungs GmbH (hereinafter the "**Spin-off Auditor**") as Spin-off Auditor pursuant to section 5 of the Spin-off Act. The planned spin-off and the spin-off and transfer agreement including the spin-off plan were audited by Deloitte Audit Wirtschaftsprüfungs GmbH as spin-off auditor. Deloitte Audit Wirtschaftsprüfungs GmbH issued an spin-off report on this on 28.06.2023.

Pursuant to § 6 of the Spin-off Act, the Supervisory Board of Telekom Austria AG shall review the intended spin-off for absorption or spin-off for new formation on the basis of the spin-off report of the Management Board and the spin-off report of the spin-off auditor and shall issue a written report thereon (hereinafter the "**Spin-off Report**"). In doing so, the Supervisory Board shall examine whether the spin-off is legally correct and economically expedient.

The intended restructuring is described in the spin-off report as follows:

1.2 Overview of the individual steps of the spin-off

- **A1 Upstream Spin-off:** A1 Telekom Austria Aktiengesellschaft, FN 280571 f, with its registered office in Vienna (hereinafter referred to as "**A1**") as the transferring company and its wholly owned parent company Telekom Austria AG as the acquiring company concluded a spin-off and transfer agreement on June 12, 2023 with retroactive effect for tax and accounting purposes as of December 31, 2022 regarding the transfer of the *AT Towers partial business* to Telekom Austria AG. The *AT Towers partial business*

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includes, among other things, the passive infrastructure at approximately 7,528¹ radio sites in Austria. This spin-off has been filed for registration with the commercial register but has not yet been executed. Registration is expected in July 2023.

- **TAG Sidestream Spin-off:** Telekom Austria AG and its wholly owned subsidiary A1 Towers Holding GmbH, FN 543743 y, with its registered office in Vienna, concluded the Spin-off and Transfer Agreement including the Spin-off Plan on June 28, 2023 with retroactive effect for tax and accounting purposes as of March 30, 2023 and March 31, 2023, respectively. On the basis of the Spin-off and Transfer Agreement including the Spin-off Plan, Telekom Austria AG shall transfer the *AT Towers* business unit to A1 Towers Holding GmbH, but enriched, inter alia, by intra-group liabilities to Telekom Finanzmanagement GmbH ("**TFG**") as well as by its 100% shareholdings in the following companies:
 - Shareholding in the amount of EUR 35,000 in A1 Towers Bulgaria Holding GmbH, FN 593831 g, with its registered office in Vienna (hereinafter referred to as "**A1 Towers Bulgaria Holding**"); A1 Towers Bulgaria Holding, as sole shareholder, holds the entire share capital in A1 Towers Bulgaria EOOD, a company incorporated under Bulgarian law, registered in the Companies Register of the Republic of Bulgaria under 206379370, which mainly holds approximately 2,716 mobile towers in Bulgaria;
 - Business share in the amount of EUR 35,000 in A1 Towers Croatia Holding GmbH, FN 593840 w, with its registered office in Vienna (hereinafter referred to as "**A1 Towers Croatia Holding**"); A1 Towers Croatia Holding, as sole shareholder, holds the entire share capital in A1 Towers d.o.o., a company under Croatian law, registered in the Business Register of the Commercial Court of Zagreb under 081349073 (MBS), which mainly holds approximately 1,600 mobile towers in Croatia;
 - Business share in the amount of EUR 35,000 in A1 Towers Macedonia Holding GmbH, FN 593853 p, with its registered office in Vienna (hereinafter referred to as "**A1 Towers Macedonia Holding**"); A1 Towers Macedonia Holding, as sole shareholder, holds the entire share capital in A1 TOWERS DOOEL, a company under North Macedonian law, registered in the Commercial Register at the Central Register of the Republic of North Macedonia under 7474326, which essentially holds approximately 428 mobile towers in North Macedonia;
 - Business share in the amount of EUR 35,000 in A1 Towers Serbia Holding GmbH, FN 280783 t, with its registered office in Vienna (hereinafter referred to as "**A1 Towers Serbia Holding**"); A1 Towers Serbia Holding, as sole shareholder, holds the entire share capital in A1 TOWERS INFRASTRUCTURE d.o.o., a company under Serbian law, registered in the Serbian Commercial Register under 21645575, which essentially holds approximately 1,597 mobile towers in Serbia; and

¹ As of reporting date 31.3.2023.

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- Shareholding in the amount of EUR 35,000 in A1 Towers Slovenia Holding GmbH, FN 594256 g, with its registered office in Vienna (hereinafter referred to as "**A1 Towers Slovenia Holding**" and together with A1 Towers Bulgaria Holding, A1 Towers Croatia Holding, A1 Towers Macedonia Holding and A1 Towers Serbia Holding the "**Tower CEE intermediate holding companies**"); A1 Towers Slovenia Holding holds as sole shareholder the entire share capital in A1 Towers d.o.o., a company incorporated under Slovenian law, registered in the Slovenian Commercial Register under 9222375000, which mainly holds approximately 752 mobile towers in Slovenia.

The spin-off plan further provides for the transfer of the shareholding in A1 Towers Holding GmbH by Telekom Austria AG to the newly established EuroTeleSites AG.

As consideration for the transfer of the Spin-off Assets to EuroTeleSites AG, the shareholders of Telekom Austria AG shall receive 1 (one) share in EuroTeleSites AG for every 4 (four) shares in Telekom Austria AG in proportion to their shareholding in Telekom Austria AG upon the Spin-off taking effect (= registration in the commercial register). The entire share capital of EuroTeleSites AG shall be allocated to the existing shareholders of Telekom Austria AG on a pro rata basis within the scope of this allocation of shares.

The Spin-off Plan requires the approval by resolution of the General Meeting of Telekom Austria AG and shall be submitted to the extraordinary General Meeting of Telekom Austria AG of 01.08.2023 for resolution.

The shares of EuroTeleSites AG are to be admitted to official trading on the Vienna Stock Exchange immediately after the spin-off becomes effective.

Following the implementation of the Spin-off, EuroTeleSites AG shall have taken over the entire passive mobile telecommunications infrastructure (with the exception of the relevant assets in Belarus and a minor number of sites, the transfer of which is currently not possible for legal reasons) from Telekom Austria AG (**EuroTeleSites** AG together with its direct and indirect subsidiaries and shareholdings existing after the Spin-off hereinafter referred to as the "**EuroTeleSites Group**").

1.3 Subject of this report

The subject of this report is the review of the intended spin-off by the Supervisory Board of Telekom Austria AG pursuant to § 6 of the Spin-off Act on the basis of the Spin-off and Transfer Agreement including the Spin-off Plan dated June 28, 2023, the spin-off report of the Management Board of Telekom Austria AG dated June 28, 2023 and the report of the spin-off auditor dated June 28, 2023. The procedures were prepared on the basis of the drafts of the aforementioned documents and finalized on the basis of the final documents.

In doing so, the Supervisory Board must examine whether the spin-off is legally correct and economically expedient. As the result of the spin-off is that the spin-off is proportionate to the formation of a new company, no examination of an exchange ratio is required.

This report of the Supervisory Board was adopted at the meeting of the Supervisory Board of Telekom Austria AG on June 28, 2023.

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2. REASONS FOR THE TRANSFER OF THE PASSIVE MOBILE COMMUNICATIONS INFRASTRUCTURE

2.1 Reasons for the spin-off of the passive mobile communications infrastructure

The decision to submit the spin-off plan to the Annual General Meeting for resolution was preceded by a comprehensive analysis of the available options for action. In the Spin-off Report, the Management Board of Telekom Austria AG dealt with the possible advantages and disadvantages of a spin-off and utilization of the passive mobile communications infrastructure of the Telekom Austria Group. The Management Board of Telekom Austria AG conducted its analysis in close consultation with the Supervisory Board. The results of the analysis are therefore equally valid for this report, and the Supervisory Board of Telekom Austria AG has also come to the conclusion that a spin-off of the passive mobile communications infrastructure, including the issuance of shares to the shareholders of Telekom Austria AG, is in the interest of both the Telekom Austria Group and its shareholders.

The core business of telecommunications companies in general is very capital intensive. As a universal service provider in the field of telecommunications, the Telekom Austria Group is no exception.

For the Telekom Austria Group, this creates the need to allocate limited budget to various competing projects as part of efficient resource allocation. Allocating resources to one project means taking resources away from other projects.

In its function as the Management Board of the parent company of the Telekom Austria Group, the Management Board of Telekom Austria AG pursues the strategic goal of exploiting growth opportunities in the core business and making investments to improve the competitive situation. This is also adequately explained in the Spin-off Report.

The construction and operation of (passive) mobile communications towers is not a necessary part of the core business of the Telekom Austria Group - or of telecommunications companies in general. Passive means that the mobile communications towers in question are to be viewed separately from the actual transmission facilities. Mobile towers are conventional structures made of concrete and steel, primarily designed to support wireless telecommunications antennas. As very simple fixed structures, they do not in themselves contain any technological competitive advantage. The added value for the Telekom Austria Group comes from the installation of its technological equipment (antennas) on the mobile towers. The mobile communications towers themselves have no additional value for the telecommunications network. Since they do not offer any technological advantage, it is true - on the premise that the Telekom Austria Group gains its competitive advantage over competitors from its technological advantage - that the mobile communications towers as such do not contribute to the Telekom Austria Group's competitive advantage.

At the same time, the Management Board of Telekom Austria AG points out in its spin-off report that there is a demand market for the mobile towers described because the marketing of mobile towers represents a consistent business model with a comparatively low risk profile. For example, the Management Board of Telekom Austria AG has observed that other telecommunications companies have repeatedly been able to sell their mobile communications towers without transmission equipment at a multiple of EBITDA.

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With the spin-off of the passive infrastructure, liabilities in the nominal amount of EUR 1,031,000,000 will also be transferred. The Management Board of Telekom Austria AG considers the transfer of these liabilities to increase the strategic flexibility of the Telekom Austria Group to take advantage of alternative investment opportunities. The strategic focus, also on the expansion of fiber optic and 5G networks, can thus be better pursued.

In its spin-off report, the Management Board of Telekom Austria AG therefore considers the following considerations to be particularly relevant for the planned spin-off of the passive mobile communications infrastructure by way of the planned spin-off:

- Reduction of net debt of the Telekom Austria Group by Financial liabilities with a nominal value of EUR 1,031,000,000 ;
- Opportunity to focus investments on the core business of "mobile communications" as well as "fiber optics" and thus on the technological component of the Telekom Austria Group's portfolio, in particular broadband and 5G expansion;
- Increasing the financial flexibility of the Group subsidiary A1, which is active in the core business of the Telekom Austria Group;
- Opportunity for more efficient management of passive infrastructure by TowerCo Group;
- Value generation for the shareholders of the Telekom Austria Group.

The planned spin-off of the passive mobile communications infrastructure would enable the Telekom Austria Group to position itself more focused on the capital market. Radio companies are regularly valued at a higher multiple than traditional telecommunications companies. The earnings potential resulting from the spin-off would remain with the shareholders of Telekom Austria AG.

In the run-up to the preparation of its spin-off report, the Management Board of Telekom Austria AG also examined in detail possible disadvantages of the planned spin-off and came to the following conclusions:

The Telekom Austria Group will lose direct access to the radio towers and will be in competition with other users of radio towers. The expected rental payments for the lease of the required space on the radio towers will significantly exceed the existing costs related to the lease, construction and management of the radio towers. The lease of the required space on the radio towers will be based on long-term master lease agreements. On the one hand, the master lease agreements ensure long-term access to the radio towers, but on the other hand allow only limited scope for adjustment to changes in economic or technical market conditions during their term. In its report, the Management Board also points out that the shareholders ÖBAG and AMX have agreed on a longer-term partnership with regard to their shareholding in EuroTeleSites AG and that EuroTeleSites AG will therefore be a stable partner for the Telekom Austria Group.

The overall assessment in the spin-off report prepared by the Management Board of Telekom Austria AG shows that the advantages outweigh the disadvantages.

2.2 Decision for the spin-off

2.2.1 Reasons for structuring in the form of the intended spin-off

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In its spin-off report, the Management Board of Telekom Austria AG sets out the reasons why the intended spin-off is in the interest of the Telekom Austria Group and the shareholders of Telekom Austria AG. In this regard, the Management Board asserts the following reasons in particular:

- Even though no liquid funds in the sense of a purchase price would be provided to the Telekom Austria Group in the course of the Spin-off, intra-group liabilities in the nominal amount of approximately EUR 1,031,000,000 would be transferred to A1 Towers Holding GmbH and refinanced by A1 Towers Holding GmbH immediately after the effectiveness of the Spin-off.
- In contrast to a sale of the AT Towers sub-operation by the Telekom Austria Group, the spin-off is tax-neutral, so that no significant tax burden is expected to be incurred by the Telekom Austria Group in the course of the spin-off, with the exception of the legal transaction fee for the master lease agreement.
- The spin-off in the context of a spin-off followed by a listing would lead to a disclosure of value, as experience shows that shares in a company that focuses its business activities on the construction and marketing of passive mobile communications infrastructure are valued at a higher multiple than integrated telecommunications companies.
- After the spin-off, it would be up to the shareholders to make a decision on maintaining the investment and, if necessary, to decide on the timing for a possible sale of the shares.
- The transfer of intra-group financial liabilities which are to be repaid immediately after the effectiveness of the spin-off would significantly limit the risk of spin-off liability in terms of amount. No financial liabilities would be transferred from the Telekom Austria Group to the Tower Group that would not be repaid immediately after the spin-off becomes effective.
- The core shareholders AMX and ÖBAG have publicly announced that similar syndicate agreements have been concluded with regard to both Telekom Austria AG and A1 Towers Austria AG. This also ensures long-term stability in the group of shareholders of both companies.

2.2.2 Reasons against a divestment by way of an M&A transaction

The Spin-off Report of the Management Board of Telekom Austria AG sets out why, prior to its decision, the Management Board considered options for a full or partial disposal of the passive mobile communications infrastructure by way of a sale to one or more investors ("**M&A Transaction**") and, after careful consideration, decided against it:

- The shareholders of Telekom Austria AG would not be able to make an independent investment or sales decision in the event of an M&A transaction.
- An M&A transaction would result in a significant tax burden because the radio towers generally have relatively low carrying amounts, so that there would have been significant exit taxation at the level of the Telekom Austria Group, in particular for the radio towers in Austria.
- In the event of a sale of the passive mobile communications infrastructure (or the shares in EuroTeleSites AG) to one or more investors, Telekom Austria AG and the passive

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mobile communications infrastructure (or EuroTeleSites AG) would no longer be under the joint control of the existing core shareholders. Thus, in the short term, a higher conflict of interest would develop between the Telekom Austria Group and the EuroTeleSites Group as the owner of the passive mobile communications infrastructure.

Overall, therefore, the objectives and economic prospects pursued with the spin-off of the passive mobile communications infrastructure would not have been achievable to the same extent in the structure of an M&A transaction as they are in the structure of the intended spin-off, concludes the Management Board of Telekom Austria AG

2.2.3 Reasons against an internal spin-off within the Telekom Austria Group

The Management Board of Telekom Austria AG also considered a full or partial spin-off of the passive mobile communications infrastructure within the Group. In the course of such an internal spin-off, the entire passive mobile communications infrastructure of the Telekom Austria Group would have been bundled in a separate Group company, whereby the listed Telekom Austria AG would have remained the parent company of all companies involved. Accordingly, a separation of the passive mobile communications infrastructure from the Telekom Austria Group would not have taken place, and more efficient use of the sites under separate entrepreneurial responsibility would appear unlikely. An internal carve-out would also not lead to a disclosure of value from which the shareholders would benefit. The Management Board of Telekom Austria AG states that ultimately no debt-relieving effect could be achieved via an internal spin-off.

2.3 Statement of the Supervisory Board

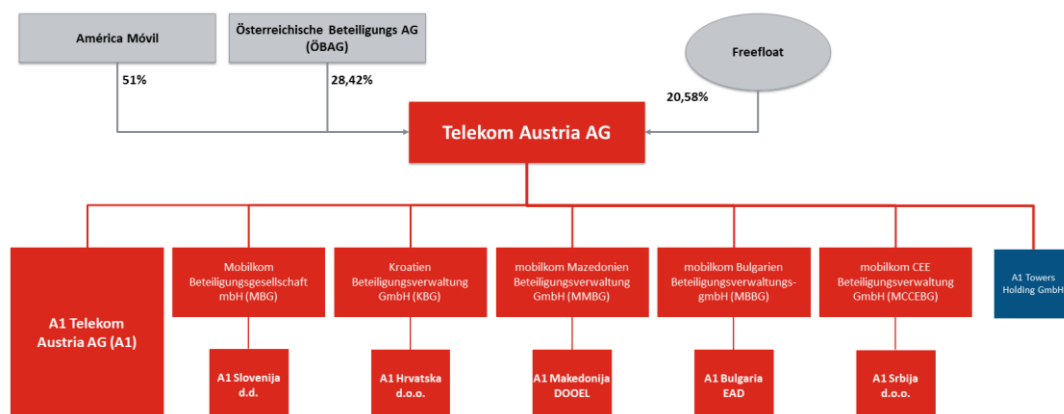
The Supervisory Board shares the view of the Board of Management that the spin-off of the passive mobile communications infrastructure is in the interests of both the Company and its shareholders and that the reasons for the spin-off outweigh the potential disadvantages. Furthermore, the Supervisory Board also supports the justification for the specific transaction structure. The reasons given by the Management Board are conclusive and well comprehensible. The spin-off enables shareholders to make individual investment and divestment decisions. At the same time, the spin-off leverages value potential and creates shares with different risk profiles.

3. THE LEGAL IMPLEMENTATION OF THE SPIN-OFF

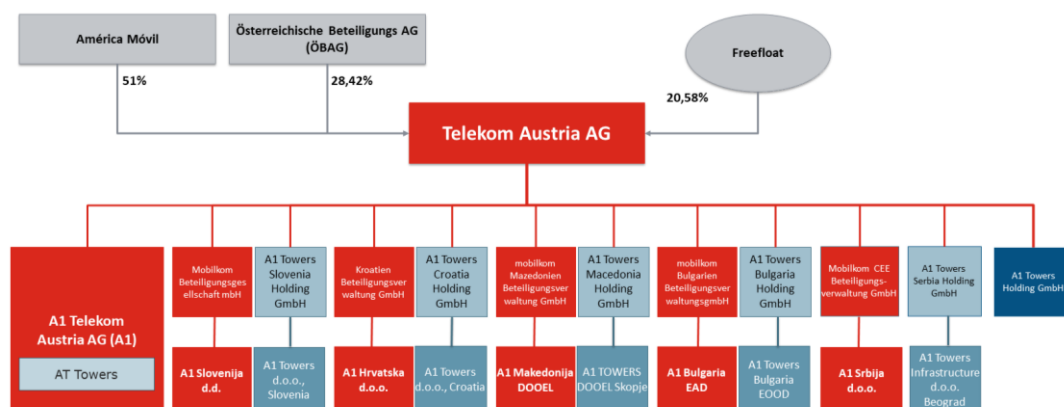
3.1 Overview of the steps of the legal carve-out

Prior to the start of the Spin-off, the Towers Business units were part of the Telekom Austria Group's mobile operators in their respective markets. The structure chart below shows the simplified structure of the Telekom Austria Group prior to the Spin-off.

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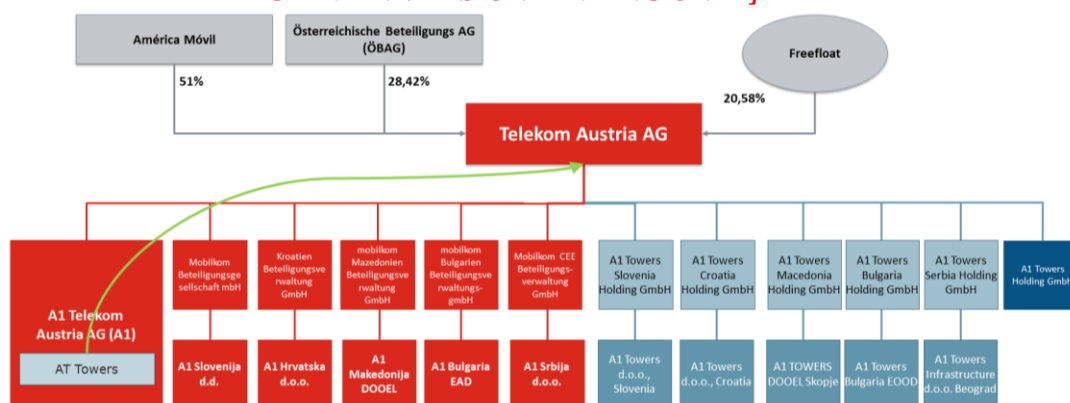
In order to separate the "AT Towers" partial business of the Telekom Austria Group from the other business areas of the Telekom Austria Group, the tower business areas in the CEE countries Bulgaria, Croatia, Northern Macedonia, Serbia and Slovenia were initially spun off from the local mobile network operators into sister companies. Subsequently, the intermediate holding companies were split up so that the shares in each CEE Tower company are held by a separate intermediate holding company that exclusively holds the shares in the CEE Tower company. These steps have already been fully implemented.



3.2 A1 Upstream spin-off

A1 Telekom Austria Aktiengesellschaft as the transferring company and its wholly-owned parent company Telekom Austria AG as the acquiring company entered into a spin-off and transfer agreement on 12 June 2023 regarding the transfer of the "AT Towers" division to Telekom Austria AG by way of a spin-off for absorption pursuant to §§ 1 para. 2 no. 2, 17 **Spin-off Act** ("A1 Upstream Spin-off"). The A1 Upstream Spin-off was filed for registration with the commercial register at the time of publication of this review report, but has not yet been registered and therefore has not yet been carried out.

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In the course of the A1 Upstream Spin-off, A1 and Telekom Austria AG have resolved to transfer the "AT Towers" division of the Transferor Company to the Acquiring Company by way of a spin-off for absorption (§ 17 of the Spin-off Act), taking advantage of the benefits under Article VI of the Reorganization Tax Act, without granting any shares. The share capital of the Transferring Company in the amount of EUR 10,000,000 and the share capital of the Acquiring Company in the amount of EUR 1,449,274,500 shall remain unchanged. The articles of association of the companies involved in the spin-off shall not be amended. No special rights or benefits pursuant to § 2 para. 1 items 8 and 9 of the Spin-off Act will be granted to shareholders, corporate bodies or auditors. The Spin-off shall take effect for accounting and tax purposes as of December 31, 2022. As of the beginning of January 1, 2023, all actions of A1 Telekom Austria AG with regard to the Spin-off Assets shall be deemed to have been taken for the account of Telekom Austria AG.

3.3 TAG Sidestream spin-off

3.3.1 Representation of the TAG Sidestream spin-off

Telekom Austria AG and its wholly owned subsidiary A1 Towers Holding GmbH entered into a spin-off and transfer agreement including the spin-off plan on June 28, 2023 ("**TAG Sidestream Spin-off**").

On the basis of the Spin-off and Transfer Agreement including the Spin-off Plan, Telekom Austria AG shall transfer the *AT Towers* business unit received from A1, enriched in particular by receivables from and liabilities to Telekom Finanzmanagement GmbH, FN 155563 w, as well as its 100% shareholdings in A1 Towers Bulgaria Holding, A1 Towers Croatia Holding, A1 Towers Macedonia Holding, A1 Towers Serbia Holding and A1 Towers Slovenia Holding to A1 Towers Holding GmbH by way of a spin-off for incorporation with effect as of March 30, 2023. The spin-off plan further provides for the transfer of the shareholding in A1 Towers Holding GmbH by Telekom Austria AG to the newly established EuroTeleSites AG by way of a spin-off for the purpose of new formation with accounting and tax effect as of March 31, 2023. In the course of the spin-off of Telekom Austria AG, assets are thus transferred both to an acquiring corporation and to a new corporation pursuant to § 1 para. 3 of the Spin-off Act. In this context, the provisions of both a spin-off for absorption and a spin-off for new formation must be complied with.

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As consideration for the transfer of the Spin-off Assets to EuroTeleSites AG, the shareholders of Telekom Austria AG shall receive 1 (one) share in EuroTeleSites AG for every 4 (four) shares in Telekom Austria AG in proportion to their shareholding in Telekom Austria AG upon the Spin-off becoming effective (registration in the commercial register). The entire share capital of EuroTeleSites AG shall be allocated to the existing shareholders of Telekom Austria AG as part of this allocation of shares. The spin-off for the purpose of new formation will therefore be effected on a pro rata basis. No cash compensation will be granted.

The spin-offs are subject to the provisions of the Reorganization Tax Act (UmgrStG) and are tax-neutral for Telekom Austria AG, its shareholders, A1 Towers Holding GmbH and EuroTeleSites AG. The tax office for large companies confirmed the applicability of the UmgrStG to the spin-offs in an information notice dated April 18, 2023.

The effectiveness of the Spin-off Plan is subject to the condition precedent of approval by the shareholders' meeting of Telekom Austria AG and the shareholders' meeting of A1 Towers Holding GmbH.

Immediately after the Spin-off to form a new company and the issue of EuroTeleSites AG shares to the shareholders of Telekom Austria AG has become effective, the EuroTeleSites AG shares shall be admitted to official trading on the Vienna Stock Exchange.

3.3.2 Annual General Meeting of Telekom Austria AG and Annual General Meeting of A1 Towers Holding GmbH

Pursuant to § 8 of the Spin-off Act, the spin-off for the purpose of absorption shall require the approval of the shareholders' meeting of Telekom Austria AG and pursuant to §§ 17 Z 5 of the Spin-off Act in conjunction with 98 of the Limited Liability Companies Act the approval of the shareholders' meeting of A1 Towers Holding GmbH. Pursuant to § 8 of the Spin-off Act, the spin-off for the purpose of new formation shall require the approval of the shareholders' meeting of Telekom Austria AG. The resolution must be adopted by a majority of three quarters of the share capital represented at the time of the adoption of the resolution in the case of Telekom Austria AG, and by a majority of three quarters of the validly cast votes in the case of A1 Towers Holding GmbH.

The resolution at Telekom Austria AG is planned for an extraordinary shareholders' meeting on August 1, 2023. The approval of the general meeting of A1 Towers Holding GmbH will be granted by Telekom Austria AG as its sole shareholder.

In preparation for the General Meeting of Telekom Austria AG, the Spin-off Documents pursuant to § 108 para. 3 to 5 Stock Corporation Act shall be made available on the website of Telekom Austria AG registered in the commercial register (www.a1.group). The Spin-off Documents (§§ 17 iVm 7 Abs 2 SpaltungenG and 221a Abs 2 AktG) comprise

- the spin-off plan including its annexes,
- the audited financial statements and management reports of Telekom Austria AG for the last three financial years (2020, 2021 and 2022),
- the financial statements of A1 Towers Holding GmbH for the last three financial years (2020, 2021 and 2022),

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- the audited closing balance sheets of Telekom Austria AG as of March 30, 2023 (closing balance sheet for the spin-off for absorption) and as of March 31, 2023 (closing balance sheet for the spin-off for re-establishment)
- Telekom Austria AG's Corporate Governance Reports for the last three financial years (2020, 2021 and 2022),
- the spin-off report of the Management Board of Telekom Austria AG,
- the spin-off report of the spin-off auditor Deloitte Audit Wirtschaftsprüfungs GmbH and
- the report of the Supervisory Board of Telekom Austria AG.

The spin-off documents will also be presented at the shareholders' meeting of Telekom Austria AG.

3.4 Spin-Off report of the Spin-Off Auditor

The spin-off was audited by Deloitte Audit Wirtschaftsprüfungs GmbH as spin-off auditor pursuant to § 5 of the Spin-off Act. The Supervisory Board of Telekom Austria AG appointed Deloitte Audit Wirtschaftsprüfungs GmbH as spin-off auditor by resolution dated March 28, 2023.

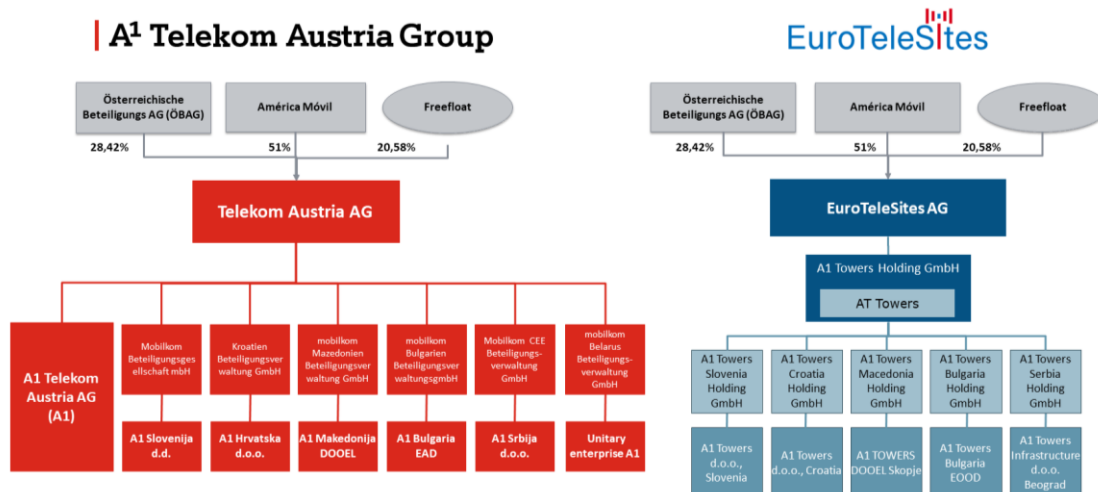
The spin-off auditor was required to conduct a spin-off audit on the basis of the spin-off plan and to prepare a written report on the results of the audit. Deloitte Audit Wirtschaftsprüfungs GmbH has determined in its report that the Spin-off and Transfer Agreement including the Spin-off Plan dated June 28, 2023 is complete and correct both with regard to the spin-off for absorption between Telekom Austria AG as the transferring company and A1 Towers Holding GmbH as the acquiring company and with regard to the spin-off for new formation from Telekom Austria AG as the transferring company to the newly formed EuroTeleSites AG as the acquiring company pursuant to § 2 para. 1 of the Spin-off Act.

The spin-off report of the spin-off auditor shall be published simultaneously with the spin-off report (of the Management Board of Telekom Austria AG).

3.5 Structure after TAG Sidestream Spin-off

With the implementation of the TAG Sidestream Spin-off, the structure of the Telekom Austria Group and the EuroTeleSites Group will be as follows:

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Following completion of the spin-off of A1 Towers Holding by registration in the Austrian Companies Register, the EuroTeleSites Group will become a leading operator of mobile towers in Central and Eastern Europe in terms of size and geographical diversification, with a total of approximately 14,677 sites² (including shared use rights and ARGE sites) in six markets, namely Austria, Bulgaria, Croatia, Macedonia, Serbia and Slovenia. The EuroTeleSites Group offers similar services and products in all countries in which it will operate. Revenues are allocated to the respective country-specific company of the EuroTeleSites group.

3.6 Statement of the Supervisory Board

In the opinion of the Supervisory Board, the spin-off plan complies with the applicable legal requirements.

4. RESULT OF THE SUPERVISORY BOARD'S REVIEW

The Supervisory Board of Telekom Austria AG has reviewed the intended spin-off on the basis of the spin-off plan, the spin-off report (prepared by the Management Board of Telekom Austria AG) and the spin-off report of the spin-off auditor.

On this basis, the Supervisory Board records as a result of its examination:

Based on the provisions of the Spin-off and Transfer Agreement including the Spin-off Plan and the explanations in the Spin-off Report, the Spin-off shall be executed in a legally correct manner.

Under items 2.7. and 5.7. of the Spin-off and Transfer Agreement including the Spin-off Plan, it is stated that neither the members of the Management Board or the Supervisory Board of the companies involved in the Spin-off, nor an auditor of financial statements, residual assets, spin-off, contribution in kind or any other auditor will be granted any special benefit.

The Supervisory Board is convinced that the implementation of the spin-off is economically expedient and advantageous for the shareholders of Telekom Austria AG.

² As of 03/31/2023: 1480 micro sites and 13,197 macro sites

***[NON-BINDING CONVENIENCE TRANSLATION -
GERMAN VERSION BINDING ONLY]***

Vienna, on 28.06.2023

Dr. Edith Hlawati
Chair of the Supervisory Board of
Telekom Austria AG