



CONSOLIDATED

financial report **Q3 2024**

4iG

Q3

2024

4iG PLC

FLASH REPORT

ON THE COMPANY'S ACTIVITIES FOR THE THIRD QUARTER OF 2024

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The Report was approved by the Board of Directors of the Company by written resolution on **29 November 2024**, by virtue of the Board of Directors' Resolution No. **1/2024 (11.29.)**.

EXECUTIVE SUMMARY

Transformation Programme

The 4iG Group (hereinafter referred to as “4iG”, the “Enterprise”, the “Company”, the “Group of Companies”, the “Group”, “4iG Plc”) has continued to implement the Transformation Programme (hereinafter referred to as the “Programme”) for its domestic businesses in the third quarter of 2024 in accordance with the previously established timetable. In the first phase of the Programme, 4iG will implement a structural separation, transforming its telecommunications subsidiaries into commercial and infrastructure companies. In the second phase of the Programme, the resulting companies will be integrated into joint enterprises according to their functions. The transformation programme will also affect the Group’s IT systems integration activities and its holdings and companies in the (aero) Space and Defence industries. As a result of the structural separation, the Group (of Companies) expects a significant increase in enterprise value of more than HUF 400 billion, while the implementation of the Programme is expected to lead to better exploitation of synergies and create the conditions for more efficient and competitive operations.

Telecommunications

In the third quarter of 2024, 4iG successfully completed the separation of "ANTENNA HUNGÁRIA" Zrt., DIGI Távközlési és Szolgáltató Kft. and Invitech ICT Services Kft. into trading and infrastructure companies. The restructuring of the telecommunications division continues with the structural separation of Vodafone Magyarország Zrt. The infrastructure division of Vodafone Magyarország Zrt. will also be separated, so that from 1 January 2025 the trading arm will be called ONE Magyarország Zrt. and the infrastructure arm will operate as V-Hálózat Távközlési Zrt. During the third quarter, Vodafone Hungary extended its 5G roaming service to additional countries, significantly increasing its international coverage. The company's network connectivity is now available in 84 countries across 6 continents, providing fast and reliable telecommunications services to business and residential customers worldwide.

Information technology - systems integration

The Company announced that it will unbundle its IT systems integration business from 4iG Plc into a separate company, 4iG Informatikai Zrt. by 31 December 2024. At the Extraordinary General Meeting of 4iG Plc held on 30 September 2024, shareholders approved the spin-off of 4iG’s IT division, confirming the Group’s commitment to increasing efficiency and further strengthening the strategic focus of its separate businesses. The IT subsidiaries of 4iG Plc – ACE Network Zrt., Humansoft Szerviz Kft., INNObyte Informatikai Zrt., Poli Computer PC Kft., Rheinmetall 4iG Digital Services Kft. and Veritas Consulting Kft. – will continue their operations under the umbrella of 4iG Informatikai Zrt. from 1 January 2025, except for DTSM Kft., which was sold by the Company on 25 September, and BRISK Digital Group Kft., which will not be transferred to 4iG Informatikai Zrt.

Changing management

On 4 July 2024, 4iG Group appointed new senior executives to support the Company's transformation programme, with responsibility for managing the Group's commercial and infrastructure companies in the Telecoms Division. These professionals, who have decades of experience in the industry, will be responsible for creating an organisational structure aligned to the new structure, integrating business processes and developing long-term strategic direction. The Group is also expanding its senior management team to explore new investment opportunities and strengthen 4iG's international presence in the telecoms, infrastructure and technology sectors.

Tamás Tábori will continue working in his new position as Deputy CEO for Telecom Strategy of the 4iG Group, where he will be responsible for planning, implementing and reviewing the strategy of the telecom business and overseeing the international telecom subsidiaries.

Until the completion of the transformation processes, the Hungarian telecoms commercial companies temporarily created from the Group's telecoms companies, namely DIGI Távközlési és Szolgáltató Kft., Invitech ICT Services Kft., "ANTENNA HUNGÁRIA" Zrt. and Vodafone Magyarország Zrt., will be managed by Tamás Bányai, CEO of Vodafone Magyarország Zrt. Tamás Bányai will thus take over the CEO responsibilities of these trading companies from the current heads of these companies as soon as the legal conditions for the ongoing demergers have been fulfilled. (Pending the completion of the transformation processes, the management of the Group's telecommunications companies will also be transformed into excellent infrastructure companies.) Until the completion of the transformation processes, also the management of the infrastructure companies, which transformed from the Group's telecommunications companies, will change.

Once the legal conditions for the ongoing demergers are fulfilled, Albert Kis, the Group's Head of Wholesale and Infrastructure, will become Chairman of the Board of Directors of these companies. The companies will be managed by Gyöngyvér Papp-Gerlei as CEO.

Board expanded

According to the decision of the Extraordinary General Meeting of 4iG Plc held on 30 September, the Company's Board of Directors has been expanded with two members. The new members are Csaba Thurzó, Deputy Chief Financial Officer of the Group, and Gábor Tomcsányi, Deputy Chief Operating Officer and Chief Transformation Officer of the Group.

Domestic acquisitions, strategic agreements

During the third quarter, 4iG Group took further steps to increase its presence and weight in the domestic television market. In the third quarter, 4iG also agreed to acquire the cable TV operator PR-Telecom as well as the Hungarian satellite services and customer base under the Direct One brand from Luxembourg-based Canal+. In addition, the Group entered into a strategic partnership agreement with RTL Hungary for the distribution of RTL television channels and the exclusive sale of the RTL+ streaming service among Hungarian operators.

PR-Telecom acquisition

"ANTENNA HUNGÁRIA" Zrt., a subsidiary of 4iG Plc, announced on 4 July that it signed an agreement to acquire 100% of the shares of PR-Telecom Zrt. The acquisition will add approximately 250,000 households and 55,000 subscribers to the 4iG Group's customer base and 3,400 kilometres of fixed infrastructure. PR-Telecom's services will be available in 10 counties in nearly 200 municipalities. The transaction is subject to the approval of the Hungarian Competition Authority (GVH).

Direct One customer takeover

On 26 July, DIGI Távközlési és Szolgáltató Kft., a subsidiary of the 4iG Group, agreed to take over the Hungarian satellite customer base of Direct One and obtained an option to acquire the Hungarian cable TV portfolio of Canal+. The transaction will add 155,000 subscribers to DIGI's satellite TV customer base, enabling the company to strengthen its market leadership in satellite broadcasting services in Hungary. The transaction is subject to the approval of the Hungarian Competition Authority (GVH).

Strategic partnership with RTL Hungary

On 13 August 2024, 4iG Group signed a strategic partnership agreement with RTL Hungary covering the distribution of RTL's television channels and the RTL+ streaming service, as well as cooperation in the production of TV programmes. From January 2025, 4iG Group will be the only Hungarian telecom operator to sell the RTL+ streaming service, which will include UEFA Champions League broadcasts and will be available on 4iG Group's new TV platform, OneTV. In the coming years, 4iG Group's broadcasting business will support RTL Hungary in broadcasting UEFA Champions League matches. The strategic partnership will not only be a milestone in the competition for viewers and subscribers but will also contribute to the renewal of Hungarian TV viewing habits.

The 4iG Group to grow in the Western Balkans

On 2 September, 4iG Group and the Government of North Macedonia signed a Memorandum of Understanding to promote the digital transformation of North Macedonia, focusing on economic and infrastructure development. The document, which sets the foundation for long-term cooperation, outlines the opportunities for the 4iG Group to enter the telecommunications market in North Macedonia and identifies strategic target areas where 4iG Group can participate in the future development of telecommunications services and infrastructure in the Western Balkan country. The document aims to bring faster and more reliable communications and internet services to the North Macedonian telecommunications market through the introduction of cutting-edge mobile and broadband technologies, as well as 5G, IoT and AI-based technologies to support the development of the North Macedonian digital ecosystem, considering the country's "Clean Network" initiative. After the reporting period and in preparation for market entry, 4iG Plc decided to establish a North Macedonian subsidiary, which was registered by the North Macedonian Companies Court on 18 October under the name ONE Macedonia Telecommunications.

20 years on the BSE

On 20 September, the Budapest Stock Exchange (BSE) opened the trading session with a ceremonial bell ringing to mark the 20th anniversary of the listing of 4iG Plc. The Company's shares were listed on the BSE on 22 September 2004, and since then 4iG has shown steady growth, resulting in its inclusion in the premium category and the BUX index basket of the most traded and market capitalised stocks. The Company's market capitalisation now exceeds HUF 241 billion, strengthening its capital market position among investors. The listing of 4iG Plc marked a milestone in the Company's development, as it doubled its balance sheet total in its first year on the stock exchange and successfully completed several important transactions. The Company's growth was given new impetus by the change of ownership and strategy in 2018, which made 4iG Plc a major player in the Hungarian capital market. The Company's achievements have been recognised with several awards from the capital market professional community: at BSE's annual awards ceremony, The Bests of BSE, the Company was awarded the title of "Highest Price Rising Paper Issuer of the Year in the Premium Category" in 2019, and the titles of "Private Equity Issue of the Year" and "Long-Term Price Rising Company of the Year" in 2022. In addition to its presence on the equity market, 4iG is also active as a bond issuer on the BSE, effectively utilising the funding opportunities offered by the capital markets to support its dynamic growth.

Financial performance

4iG Plc's consolidated net sales revenue according to International Financial Reporting Standards (IFRS) amounted to HUF 507.8 billion in the first three quarters of 2024, the Group's EBITDA according to IFRS amounted to HUF 169.8 billion, while the EBITDA margin on net sales amounted to 33.4 percent. Nearly 88 percent of net sales revenue was generated by the telecommunications division and 12 percent by the IT division. Geographically, 88 percent of net sales revenue was generated in Hungary, 9 percent in Albania and 3 percent in Montenegro.

In the first nine months of the year, the Group primarily incurred a net loss of HUF 26.1 billion due to non-cashflow items – interest expense related to bonds, loans, and borrowings amounting to HUF 36.7 billion, interest expense related to right-of-use assets amounting to HUF 9 billion, and unrealized exchange rate losses of HUF 11.8 billion arising from unfavorable exchange rate fluctuations for the Group. However, the profit after tax excluding the total impact of purchase price allocation (HUF 17.1 billion) and the unrealized exchange rate losses mentioned earlier, amounted to HUF 2.8 billion in the first three quarters of 2024.

In addition to the positive adjusted profit after tax, the Company's cash balance increased by HUF 53.2 billion compared to the opening balance on 1 January 2024, partly due to the final consideration amounting to HUF 25 billion received for the sale of fixed assets, intangible assets and right of use assets sold in a batch in the previous year.

Despite the negative result, mostly due to the IFRS adjustment items, the Group's high cash-generating capacity and its ongoing intensive transformation program ensure the realization of future strategic goals and provide a sufficient basis for the further growth of the 4iG Group.

Capital market performance

	Q3 2024	Q3 2023	Change in +/-%
		Modified*	
Net sales revenue	507 794	421 277	20.54%
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	169 750	147 469	15.11%
Profit before financial operations (EBIT)	34 606	35 171	-1.61%
Profit or loss after tax (PAT)	-26 127	-8 335	213.46%
Total comprehensive income/(loss)	-24 637	-8 264	198.12%
Earnings per share (in HUF)			
EBITDA	567.58	493.08	15.11%
Net profit (EPS)	-87.36	-27.87	213.46%
Diluted EPS indicator	-88.72	-28.13	215.39%
Equity	1 115.96	1 201.95	-7.15%

* The comparative figures of the consolidated statement of comprehensive income are restated figures. The restatements have been made in accordance with Section 6 *Adjustment of previous year's financial data*.

Presentation of 4iG Company's Q3 2024 results

Title	Q1-Q3 2024	Q1-Q3 2023	Change in +/- %	Q3 2024	Q3 2023	Change in +/- %
		Modified*			Modified*	
Revenues	516 214	442 757	16.59%	180 107	158 997	13.28%
- Of which: Net sales revenue	507 794	421 277	20.54%	179 396	155 030	15.72%
Capitalised value of own performance	13 067	6 191	111.06%	4 621	834	454.08%
Raw materials and consumables used	-240 250	-204 971	17.21%	-88 194	-72 708	21.30%
Employee benefit expenses	-81 267	-67 452	20.48%	-25 975	-23 173	12.09%
Other operating expenses	-38 014	-29 056	30.83%	-11 305	-11 748	-3.77%
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	169 750	147 469	15.11%	59 254	52 202	13.51%
Depreciation and amortisation	-135 144	-112 298	20.34%	-44 694	-39 113	14.27%
Earnings before interest and taxes (EBIT)	34 606	35 171	-1.61%	14 560	13 089	11.24%
Financial income	8 542	24 481	-65.11%	2 757	-5 752	n/a
Financial expenses	-64 203	-64 609	-0.63%	-19 070	-27 101	-29.63%
Profit or loss before tax (PBT)	-21 055	-4 957	324.75%	-1 753	-19 764	-91.13%
Income taxes	-5 072	-3 378	50.15%	-1 085	-1 860	-41.67%
Profit or loss after taxes	-26 127	-8 335	213.46%	-2 838	-21 624	-86.88%
Other comprehensive income(/loss)	1 490	71	1 998.59%	631	3 801	-83.40%
Total comprehensive income(/loss)	-24 637	-8 264	198.12%	-2 207	-17 823	-87.62%

* The comparative figures of the consolidated statement of comprehensive income are restated figures. The restatements have been made in accordance with Section 6 *Adjustment of previous year's financial data*.

Consolidated statement of comprehensive income

	Q3 2024	Q3 2023 Modified*
Net sales revenue	507 794	421 277
Other operating income	8 420	21 480
Total net sales revenue and other income	516 214	442 757
Capitalised value of own performance	13 067	6 191
Raw materials and consumables used	-240 250	-204 971
Employee benefit expenses	-81 267	-67 452
Other operating expenses	-38 014	-29 056
<i>Impairment for financial assets</i>	-2 365	-5 034
Operating costs	-359 531	-301 479
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	169 750	147 469
Depreciation and amortisation	-135 144	-112 298
Earnings before interest and taxes (EBIT)	34 606	35 171
Financial income	8 542	24 481
Financial expenses	-63 877	-64 530
Share of profit/(loss) of associates	-326	-79
Profit or loss before tax	-21 055	-4 957
Income taxes	-5 072	-3 378
Profit or loss after tax	-26 127	-8 335
Other comprehensive income/(loss) to be recognised in the consolidated income statement in the following period: <i>Exchange differences on translation of foreign operations</i>	1 490	71
Net other comprehensive income/(loss) to be recognised in the consolidated statement of comprehensive income in the following period:	1 490	71
Other comprehensive income/(loss)	1 490	71
Total comprehensive income/(loss)	-24 637	-8 264

Consolidated statement of comprehensive income – continued

	<u>Q3 2024</u>	<u>Q3 2023</u>
		Modified*
Earnings per share (HUF)		
Basic	-87.4	-27.9
Diluted	-88.7	-28.1
Profit or loss after tax attributable to:		
Owners of the Company	-34 137	-11 502
Non-controlling interest	8 010	3 167
Total comprehensive income/(loss) attributable to:		
Owners of the Company	-33 094	-12 594
Non-controlling interest	8 457	4 330
	<u>Q3 2024</u>	<u>Q3 2023</u>
		Modified*
Profit or loss after tax	-26 127	-8 335
Purchase price allocation effect	17 096	17 115
Adjusted profit or loss after tax**	-9 031	8 780

* The comparative figures of the consolidated statement of comprehensive income, the consolidated statement of financial position and in the consolidated cash flow statement are restated figures. The restatements have been made in accordance with Section 6 *Adjustment of previous year's financial data*.

** Adjusted profit or loss after tax represents profit or loss after tax adjusted for the effects of the purchase price allocation identified in accordance with IFRS 3 Business Combinations.

Consolidated statement of financial position

	30/09/2024	31/12/2023 Modified*
ASSETS		
Non-current assets		
Property, plant, and equipment	445 573	457 749
Customer relationship	166 348	173 522
Other intangible assets	207 711	218 563
Right of use assets	145 889	140 984
Deferred tax assets	655	688
Goodwill	269 415	269 415
Net investment in the lease – non current	943	752
Other investments	9 888	639
Other non-current assets	2 573	2 164
Total non-current assets	1 248 995	1 264 476
Current assets		
Cash and cash equivalents	109 300	53 175
Trade receivables	120 323	125 147
Other current financial assets	36 462	34 157
Other current non-financial assets	29 186	22 894
Income tax receivables	3 722	1 054
Net investment in the lease - current	602	563
Inventories	13 429	11 870
Total current assets	313 024	248 860
Total assets	1 562 019	1 513 336
EQUITY AND LIABILITIES		
Equity		
Share capital	5 981	5 981
Treasury shares	-3 199	-3 199
Capital reserve	133 492	133 492
Retained earnings	-56 844	-22 707
Reserve for ESOP obligation	397	397
Accumulated other comprehensive income	13 211	12 168
Equity attributable to the owners of the company	93 038	126 132
Non-controlling interest	240 717	233 340
Total equity	333 755	359 472
Non-current liabilities		
Provisions – non-current	5 947	5 864
Loans, borrowings, bonds – non-current	760 087	742 037
Lease liabilities – non-current	122 229	119 081
Deferred tax liabilities	20 156	22 350
Other non-current liabilities	4 345	4 926
Total non-current liabilities	912 764	894 258
Current liabilities		
Trade payables	84 429	87 681
Loans and borrowings - current	11 307	12 663
ESOP obligation	0	624
Dividends payable to owners	8	8
Provisions – current	6 719	5 572
Income tax payable	1 437	1 812
Lease liabilities – current	28 708	24 747
Other current financial liabilities	54 500	21 035
Other current non-financial liabilities	128 392	105 464
Total current liabilities	315 500	259 606
Total liabilities and equity	1 562 019	1 513 336

Consolidated statement of changes in equity

	Share capital	Treasury shares	Capital reserve	Retained earnings	Reserve for ESOP obligations	Accumulated other comprehensive income	Equity attributable to the owners of the Company	Non-controlling interest	Total equity
Balance on 1 January 2023	5 981	-922	133 492	47 170	0	9 722	195 443	102 111	297 554
Acquisition - Purchase price allocation change				3			3	409	412
Modified balance on 1 January 2023	5 981	-922	133 492	47 173	0	9 722	195 446	102 520	297 966
Profit or loss after tax				-10 001			-10 001	3 621	-6 380
Purchase of treasury shares		-2 277					-2 277		-2 277
NCI (non-controlling interest)				-80 345			-80 345	137 017	56 672
Other comprehensive income						-1 092	-3 332	1 163	-2 369
Dividends allocated to non-controlling interests							0	-341	-341
Balance on 30 September 2023	5 981	-3 199	133 492	-43 173	0	8 630	101 731	243 980	345 711
Balance on 1 January 2024	5 981	-3 199	133 492	-20 993	397	12 168	127 846	233 858	361 704
Acquisition - Purchase price allocation change				-1 714			-1 714	-518	-2 232
Modified balance on 1 January 2024	5 981	-3 199	133 492	-22 707	397	12 168	126 132	233 340	359 472
Profit or loss after tax				-34 137			-34 137	8 010	-26 127
Other comprehensive income						1 043	1 043	447	1 490
Dividends allocated to non-controlling interests							0	-1 080	-1 080
Balance on 30 September 2024	5 981	-3 199	133 492	-56 844	397	13 211	93 038	240 717	333 755

Consolidated statement of cash flows

	<u>30/09/2024</u>	<u>30/09/2023</u>
		Modified*
Cash flow from operating activities		
Profit or loss after tax	-26 127	-8 335
<i>Adjustments:</i>		
Depreciation and amortisation	135 144	112 298
Impairment	-2 319	6 026
Provisions	1 229	-761
Income taxes	5 072	3 378
Other financial (income)/expenses	43 826	39 979
Net foreign exchange differences	9 486	23
Share of profit or loss of associates	326	79
(Gain)/loss on sale of fixed assets	0	-15 970
<i>Changes in working capital</i>		
Changes in trade receivables	8 868	-4 325
Changes in inventories	-1 214	-2 017
Changes in trade payables	-11 373	-18 058
Changes in financial lease (current)	-6 599	-6 625
Changes in other receivables and payables	18 249	3 637
Income tax paid	-10 171	-7 794
Net cash flow from operating activities	164 397	101 535
Cash flow from investment activities		
Proceeds/(purchase) of property, plant, equipment	-46 293	-55 512
Proceeds/(purchase) of intangible assets	-30 216	-18 752
Proceeds/(purchase) of securities	42	-109
Proceeds/(purchase) of other investments	-6 152	-2 077
Acquisition of a subsidiary, net of cash acquired	0	-320 963
Dividends and interest received on investments	2 572	1 250
Net cash flow from investment activities	-80 047	-394 086
Cash flow from financing activities		
Proceeds from borrowings/(repayment) of borrowings	2 011	337 446
Payment of principal portion of lease liabilities	-18 883	-22 589
Repurchased and issued treasury shares	0	-2 277
Interest paid	-10 738	-9 988
Dividends paid to non-controlling interests	-673	-340
Net cash flow from financing activities	-28 283	302 252
Net foreign exchange difference	58	287
Net change in cash and cash equivalents	56 125	9 988
Cash and cash equivalents at the beginning of the year	53 175	45 961
Cash and cash equivalents at the end of the period	109 300	55 949

* The comparative figures of the consolidated statement of comprehensive income, the consolidated statement of financial position and in the consolidated cash flow statement are restated figures. The restatements have been made in accordance with Section 6 *Adjustment of previous year's financial data*.

1. General section

1.1. Presentation of the company

4iG Plc is a company incorporated in Hungary (registered office: Krisztina körút 39, 1013 Budapest, Hungary), which conducts its business in accordance with the provisions of Hungarian law, maintains its accounting and financial records in accordance with International Financial Reporting Standards (IFRS) and its shares are traded in the Premium Category of the Budapest Stock Exchange (BSE).

No other company has independent control over the 4iG Group of companies.

The principal activities of the 4iG Group of Companies (hereinafter referred to as the “Company”, the “Group” or the “Group of Companies”) is the provision of full telecommunications services, the operation of telecommunications-related infrastructure, platform-independent, custom software design and development, the design and implementation of full-scale enterprise IT solutions, IT operation and support, service provision, the operation of ERP (complex enterprise resource planning) systems, full support for banking data services, the development and operation of document and case management systems.

1.2. General information about the issuer

Company name:	4iG Nyilvánosan Működő Részvénytársaság (Public Limited Company)
Company form:	Public limited company
Registered office:	1013 Budapest, Krisztina körút 39.
Sites:	1037 Budapest, Montevideo utca 2/C 1107 Budapest, Somfa utca 10.
Branches:	8000 Székesfehérvár, Seregélyesi út 96. 6722 Szeged, Tisza Lajos krt. 41. 4025 Debrecen, Barna utca 23.
Company registration number:	01-10-044993
Tax number:	12011069-2-51
Statistical code:	12011069-6201-114-01
Share capital:	HUF 5,981,499,480
Date of foundation:	8 January 1995
Date of transformation:	2 April 2004
Listing date:	22 September 2004

2. Share information

Type of shares:	registered ordinary shares, dematerialised
Nominal value of shares:	HUF 20 per share
Number of shares:	299,074,974 shares
ISIN code of the shares:	HU 0000167788
Series of shares:	"A"
Shares serial number:	0000001 - 299074974
Treasury shares repurchased:	4,579,685 units
Owned by 4iG ESOP Organisation:	4,000,000 units

Other information on shares:

- Each share carries the same rights, each share represents 1 vote.
- The shares are traded in the "PREMIUM" category of the Budapest Stock Exchange and represent the total issued share capital, there are no other issued shares of 4iG Plc.
- There are no restrictions on the sale of shares, no pre-emptive rights are stipulated, but shares may only be transferred by debiting or crediting a securities account. In the event of a transfer of shares, the shareholder may only exercise his/her shareholder rights vis-à-vis the Company if the name of the new owner is entered in the share register.
- The share register of the Company is kept by KELER Zrt.
- There are no special management rights.
- There is no shareholder agreement on management rights that we are aware of.
- Voting rights are not restricted, only the repurchased treasury shares do not carry voting rights.
- Minority rights: shareholders representing at least 1 percent of the voting rights may request the convening of a general meeting of the Company at any time, stating the reason and purpose.
- The elected officers are elected by the General Meeting by simple majority, in accordance with the Articles of Association.
- The Company is managed by the Board of Directors.
- The General Meeting decides on the increase of the share capital on the basis of a proposal by the Board of Directors. The decision of the General Meeting is not required only if the increase of the share capital is made under the authority of the Board of Directors pursuant to the Articles of Association. At the time the Annual Report is drawn up, the Board of Directors is not authorised to issue new shares.
- No agreement shall enter into force, be modified or terminated as a result of a change in the contractor's management following a public tender offer.
- There is no agreement between the Company and an officer or employee that provides for indemnification in the event of the officer's resignation or termination of employment, the officer's or employee's wrongful termination of employment, or termination of employment as a result of a tender offer.

3. Ownership structure

	<u>30/09/2024</u>	<u>31/12/2023</u>
iG COM Magántőkealap	38.93%	38.93%
iG TECH Invest Kft.	1.71%	n/a
KZF Vagyonkezelő Kft.	12.12%	12.12%
Manhattan Invest Kft.	n/a	1.03%
Manhattan Magántőkealap	n/a	0.26%
Rheinmetall AG	25.12%	25.12%
Bartolomeu ICT Kft.	5.72%	5.72%
4iG equity ownership	1.53%	1.53%
Owned by 4iG ESOP Organisation	1.34%	1.34%
Free float	13.53%	13.95%
Total	<u>100.00%</u>	<u>100.00%</u>

4. Officials

The senior executives of 4iG Plc on 30 September 2024 were as follows.

4.1. Company management

Board of Directors:	Gellért Zoltán Jászai, Chairman of the Board of Directors Aladin Ádám Linczéni, Member of the Board, Deputy Chairman Péter Krisztián Fekete, Member of the Board of Directors, CEO László Blénessy, Member of the Board of Directors Pedro Vargas Santos David, Member of the Board of Directors Béla Zsolt Tóth, Member of the Board of Directors Csaba Ferenc Thurzó, Member of the Board of Directors Gábor Tomcsányi, Member of the Board of Directors
Supervisory Board (SB):	Dr Tamás László Fellegi, Chairman of the SB Gergely Böszörményi-Nagy, Member dr Ildikó Rózsa Tóthné, Member Dagmar Steinert, Member
Audit Committee (AC):	Dr Tamás László Fellegi, Chairman of the AC Gergely Böszörményi-Nagy, Member dr Ildikó Rózsa Tóthné, Member

4.2. Remuneration of officials

The remuneration of the members of the Board of Directors, the Supervisory Board and the Audit Committee of the Company during this period was as follows. The General Meeting decided in its Resolution No. 15/2022 (IV.29.) that the members of the Board of Directors shall receive an honorarium of HUF 600,000/month each, while the Chairman of the Board of Directors shall receive an honorarium of HUF 750,000/month. The General Meeting decided in its Resolution No. 14/2022 (IV.29.) that the members of the Supervisory Board shall receive an honorarium of HUF 450,000/month each and the Chairman of the Supervisory Board shall receive an honorarium of HUF 600,000/month. The members of the Audit Committee shall not receive any special remuneration for their work on the Audit Committee.

4.3. 4iG shareholdings of senior executives as of 30 September 2024

Name	Position	Direct ownership (units)	Indirect ownership (units)	Direct and indirect (units)	Ownership (%)
Gellért Zoltán Jászai	Chairman of the Board of Directors	0	157 787 385	157 787 385	52.76%
Béla Zsolt Tóth	Member of the Board of Directors	452 200	0	452 200	0.15%
László Blénessy	Member of the Board of Directors	611 265	0	611 265	0.20%
Pedro Vargas Santos David	Member of the Board of Directors	0	19 258 398	19 258 398	6.44%

4.4. Persons authorised to sign the statements

Pursuant to the resolutions of the Extraordinary General Meeting of the Company held on 21 January 2013, the Chairman of the Board of Directors is authorised to sign the statements either individually or jointly with any two members of the Board of Directors

4.5. Election and dismissal of senior executives

The senior executives of the Company are elected and may be dismissed by the General Meeting.

4.6. Powers of officials

The senior executives of the Company are not authorised to issue or purchase shares. The General Meeting may, on a case-by-case basis, authorise the Board of Directors to issue or repurchase treasury shares.

4.7. Amendment of the Articles of Association

The Articles of Association of the Company may only be amended by the General Meeting.

5. Basis of preparation of the balance sheet

i) Approval and declaration

The interim condensed consolidated financial statements for the year ended 30 September 2024 were approved for issue by the Board of Directors on 29 November 2024. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as published in the Official Journal of the European Union (EU) and adopted by the EU. IFRS are standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC).

The consolidated financial statements are presented in Hungarian forints, rounded to the nearest million forints, unless otherwise stated. The financial year is the same as the calendar year.

The report includes unaudited consolidated financial statements for the period ended 30 September 2024.

ii) Basis of preparation of the statements (Statement of compliance)

Accounting policies have been consistently applied to the periods presented in these consolidated financial statements. This flash report should be read in conjunction with the consolidated financial statements for the year ended 31 December 2023.

The interim condensed consolidated financial statements have been prepared under the historical cost convention, except for assets and liabilities presented at fair value, which are financial instruments at fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVTOCI).

iii) Going concern

The financial statements have been prepared on a going concern basis. This means that they have been prepared on the assumption that the Company will continue in operation for the foreseeable future without management's intention to wind up the entity or significantly reduce its level of activity.

iv) Material accounting estimates and assumptions

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and the accounting policies used. Estimates and related assumptions are based on historical experience and a number of other factors that are believed to be reasonable under the circumstances, and whose results form the basis for estimating the carrying amounts of assets and liabilities that are not readily determinable from other sources. Actual results may differ from these estimates.

Estimates and baseline assumptions are regularly reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only the current year, or in the period of the revision and future periods if the revision affects both current and future years.

6. Adjustment of previous year's financial data

The Company has reviewed the structure of both the consolidated statement of comprehensive income and the consolidated statement of financial position and concluded that it may be necessary to highlight certain lines due to significant transactions or balances on those lines, and has therefore taken the option provided by IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors to present the primary financial statements in accordance with the new structure in the consolidated financial statements for the year ended 31 December 2023.

This change in accounting policy, effective from 1 January 2023, has resulted in a restatement of the statement of comprehensive income for the comparative period, given that the change in accounting policy was implemented retrospectively after the publication of the interim financial statements for the third quarter of 2023.

In addition to the above, the consolidated statement of financial position as of 31 December 2023 has also been restated compared to the published figures for 2023, as the Company changed its accounting policy as of 1 January 2024 to use the MNB's (National Bank of Hungary) exchange rate for the translation and revaluation of monetary assets and liabilities denominated in foreign currencies instead of the Raiffeisen Bank's commercial foreign exchange selling rate.

Consolidated statement of comprehensive income

Q3 2023	Q3 2023	Q3 2023	Q3 2023	Q3 2023
Modified designation	Modified	Accounting policy change	Published	Published designation
Net sales revenue	421 277		421 277	Net sales revenue
Other operating income	21 480	-6 191	27 671	Other operating income
Total net sales revenue and other income	117 872	-1 347	119 219	Total revenue
Capitalised value of own performance	6 191	6 191		
		111 894	-111 894	Goods and services sold
Raw materials and consumables used	-204 971	-111 894	-93 077	Operating expenses
Employee benefit expenses	-67 452		-67 452	Staff costs
Other operating expenses	-29 056		-29 056	Other operating expenses
<i>Impairment for financial assets</i>	<i>-5 034</i>	<i>-5 034</i>		
Total operating costs	-301 479	0	-301 479	Operating costs
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	147 469	0	147 469	Earnings before interest, taxes, depreciation and amortisation (EBITDA)
Depreciation and amortisation	-112 298		-112 298	Depreciation and amortisation
Earnings before interest and taxes (EBIT)	35 171		35 171	Earnings before interest and taxes (EBIT)
Financial income	24 481		24 481	Financial income
Financial expenses	-64 530	-1 876	-62 654	Financial expenses
	-79	-79	0	
Profit or loss before tax	-4 957	-1 955	-3 002	Profit or loss before tax
Income taxes	-3 378		-3 378	Income taxes
Profit or loss after tax	-8 335	-1 955	-6 380	Profit or loss after tax

Consolidated statement of comprehensive income – continued

Q3 2023	Q3 2023	Q3 2023	Q3 2023	Q3 2023
Modified designation	Modified	Accounting policy change	Published	Published designation
Other comprehensive income(/loss) to be recognised in the consolidated income statement in the following period:				
<i>Exchange differences on translation of foreign operations</i>	71	71	0	
Net other comprehensive income(/loss) recognised in the consolidated statement of comprehensive income in the following period:	71	71	0	
Other comprehensive income(/loss)	71		71	Other comprehensive income
Total comprehensive income(/loss)	-8 264	-1 955	-6 309	Total comprehensive income
Profit or loss after tax attributable to:				Profit or loss after tax attributable to:
Owners of the Company	-11 502	-1 501	-10 001	Owners of the company
Non-controlling interest	3 167	-454	3 621	Non-controlling interest
Total comprehensive income(/loss) attributable to:				Total comprehensive income attributable to:
Owners of the Company	-12 594	-1 501	-11 093	Owners of the company
Non-controlling interest	4 330	-454	4 784	Non-controlling interest

Consolidated statement of financial position

	<u>31/12/2023</u>	<u>31/12/2023</u>	<u>31/12/2023</u>
	Modified	Accounting policy change	Published
ASSETS			
Non-current assets			
Property, plant, and equipment	457 749		457 749
Customer relationship	173 522		173 522
Other intangible assets	218 563		218 563
Right of use assets	140 984		140 984
Deferred tax assets	688		688
Goodwill	269 415	-7 876	277 291
Net investment in the lease – non-current	752		752
Other investments	639		639
Other non-current assets	2 164		2 164
Total non-current assets	1 264 476	-7 876	1 272 352
Current assets			
Cash and cash equivalents	53 175		53 175
Trade receivables	125 147		125 147
Other current financial assets	34 157		34 157
Other current non-financial assets	22 894		22 894
Income tax receivables	1 054		1 054
Net investment in the lease - current	563		563
Inventories	11 870		11 870
Total current assets	248 860	0	248 860
Total assets	1 513 336	-7 876	1 521 212
EQUITY AND LIABILITIES			
Equity			
Share capital	5 981		5 981
Treasury shares	-3 199		-3 199
Capital reserve	133 492		133 492
Retained earnings	-22 707	-1 714	-20 993
Reserve for ESOP obligation	397		397
Accumulated other comprehensive income	12 168		12 168
Equity attributable to the owners of the company	126 132	-1 714	127 846
Non-controlling interest	233 340	-518	233 858
Total equity	359 472	-2 232	361 704

Consolidated statement of financial position – continued

	<u>30/09/2023</u>	<u>30/09/2023</u>	<u>30/09/2023</u>
	Modified	Accounting policy change	Published
Non-current liabilities			
Provisions – non-current	5 864		5 864
Loans, borrowings, bonds – non-current	742 037	-5 644	747 681
Lease liabilities – non-current	119 081		119 081
Deferred tax liabilities	22 350		22 350
Other non-current liabilities	4 926		4 926
Total non-current liabilities	894 258	-5 644	899 902
Current liabilities			
Trade payables	87 681		87 681
Loans and borrowings - current	12 663		12 663
ESOP obligation	624		624
Dividends payable to owners	8		8
Provisions – current	5 572		5 572
Income tax payable	1 812		1 812
Lease liabilities – current	24 747		24 747
Other current financial liabilities	21 035		21 035
Other current non-financial liabilities	105 464		105 464
Total current liabilities	259 606	0	259 606
Total liabilities and equity	1 513 336	-7 876	1 521 212

Consolidated cash flow statement

	<u>30/09/2023</u>	<u>30/09/2023</u>	<u>30/09/2023</u>
	Modified	Accounting policy change	Published
Cash flow from operating activities			
Profit or loss after tax	-8 335	-1 955	-6 380
<i>Adjustments:</i>			
Depreciation and amortisation	112 298		112 298
Impairment	6 026		6 026
Provisions	-761		-761
Income taxes	3 378		3 378
Other financial income/expenses	39 979		39 979
Other non-cash items	23	1 955	-1 932
Net foreign exchange differences	79		79
Share of profit or loss of associates	-15 970		-15 970
Gain/loss on sale of fixed assets			
<i>Changes in working capital</i>			
Changes in trade receivables	-4 325		-4 325
Changes in inventories	-2 017		-2 017
Changes in trade payables	-18 058		-18 058
Changes in financial lease (current)	-6 625		-6 625
Changes in other receivables and payables	3 637		3 637
Income tax paid	-7 794		-7 794
Net cash flow from operating activities	101 535	0	101 535
Net cash flow from investment activities	-394 086	0	-394 086
Net cash flow from financing activities	302 252	0	302 252
Net foreign exchange difference	287	0	287
Net change in cash and cash equivalents	9 988	0	9 988
Cash and cash equivalents at the beginning of the year	45 961	0	45 961
Cash and cash equivalents at the end of the period	55 949	0	55 949

7. Subsidiaries included in the consolidation

Name of subsidiary	Majority owner	Date of inclusion in consolidation	Way of acquiring	Indirect ownership on	Indirect ownership on
				30/09/2024	31/12/2023
4iG Albánia Kft.	"ANTENNA HUNGÁRIA" Zrt.	23/02/2022	incorporated	76.78%	76.78%
4iG Úr és Védelmi Technológiák Zrt.	4iG Plc	21/02/2024	incorporated	100.00%	n/a
ACE Network Zrt.	4iG Plc	14/04/2021	acquisition	70.00%	70.00%
AH EGY Zrt.	"ANTENNA HUNGÁRIA" Zrt.	02/08/2023	incorporated	76.78%	76.78%
AH Infrastruktúra Szolgáltató Zrt.	"ANTENNA HUNGÁRIA" Zrt.	01/09/2024	spin-off	76.78%	n/a
AH KETTŐ Zrt.	"ANTENNA HUNGÁRIA" Zrt.	02/08/2023	incorporated	76.78%	76.78%
AH Média Kereskedelmi Zrt.	"ANTENNA HUNGÁRIA" Zrt.	01/09/2024	spin-off	76.78%	n/a
Albania Telecom Invest AD	"ANTENNA HUNGÁRIA" Zrt.	21/03/2022	acquisition	76.78%	76.78%
"ANTENNA HUNGÁRIA" Zrt.	4iG Plc	31/03/2022	cont. in kind	76.78%	76.78%
BRISK Digital Group Kft.	4iG Plc	15/11/2022	acquisition	75.00%	75.00%
BRISK Digital Hungary Kft.	BRISK Digital Group Kft.	15/11/2022	acquisition	75.00%	75.00%
BRISK Digital International Kft.	BRISK Digital Group Kft.	15/11/2022	acquisition	75.00%	75.00%
CarpathiaSat Zrt.	4iG Plc	17/08/2020	incorporated	84.78%	84.78%
"Digitális Átállásért" Nonprofit Kft.	"ANTENNA HUNGÁRIA" Zrt.	31/03/2022	cont. in kind	76.78%	76.78%
D-Infrastruktúra Távközlési Kft.	"ANTENNA HUNGÁRIA" Zrt.	01/07/2024	demerger	76,78%	n/a
DIGI Távközlési és Szolgáltató Kft.	"ANTENNA HUNGÁRIA" Zrt.	03/01/2022	acquisition	76.78%	76.78%
DTSM Kft.	4iG Plc	07/12/2020	acquisition	100.00%	100.00%
Humansoft Service Kft.	4iG Plc	17/04/2019	incorporated	100.00%	100.00%
Hungaro DigiTel Kft.	Portuguese Telecommunication Investments Kft.	12/05/2021	acquisition	100.00%	94.20%
INNObyte Zrt.	4iG Plc	14/10/2020	acquisition	100.00%	100.00%
INNOWARE Kft.	INNObyte Zrt.	14/10/2020	acquisition	100.00%	100.00%
Invitech ICT Services Kft.	"ANTENNA HUNGÁRIA" Zrt.	30/09/2021	acquisition	76.78%	76.78%
Invitech ICT Infrastructure Kft.	"ANTENNA HUNGÁRIA" Zrt.	01/07/2024	demerger	76,78%	n/a
InviTechnocom Kft.	Invitech ICT Services Kft.	30/09/2021	acquisition	76.78%	76.78%
ONE Albania sh.a.	Albania Telecom Invest AD	21/03/2022	acquisition	73.92%	73.92%
ONE Crna Gora d.o.o.	"ANTENNA HUNGÁRIA" Zrt.	21/12/2021	acquisition	76.78%	76.78%
Poli Computer PC Kft.	4iG Plc	01/06/2021	acquisition	100.00%	100.00%
Portuguese Telecommunication Investments Kft.	4iG Plc	12/05/2021	acquisition	100.00%	100.00%
Rheinmetal 4iG Digital Services Kft.	4iG Plc	16/11/2022	incorporated	51.00%	51.00%
Soft Media Europe srl.	BRISK Digital Group Kft.	2022.11.15.	incorporated	49.50%	49.50%
Veritas Consulting Kft.	4iG Plc	10/09/2019	acquisition	100.00%	100.00%
Vodafone Magyarország Távközlési Zrt.	"ANTENNA HUNGÁRIA" Zrt.	31/01/2023	acquisition	54.13%	54.13%

On 21 February 2024, 4iG Úr és Védelmi Technológiák Zrt. was established, which is 100% owned by 4iG Plc.

On 30 June 2024, DIGI Távközlési és Szolgáltató Kft. and Invitech ICT Services Kft. were reorganized, D-Infrastruktúra Távközlési Kft., which includes the DIGI infrastructure division and Invitech ICT Infrastructure Kft., which includes the infrastructure division of Invitech, started operations.

On 12 July 2024, Portuguese Telecommunication Investments Kft. concluded a sales contract with "ANTENNA HUNGÁRIA" Zrt. to acquire a 25% stake in Hungaro DigiTel Kft., making Portuguese Telecommunication Investments Kft the 100% owner of Hungaro DigiTel Kft.

On 31 August 2024, the separation from "ANTENNA HUNGÁRIA" Zrt was completed, the AH Infrastruktúra Szolgáltató Zrt. and AH Média Kereskedelmi Zrt. created by the transformation, started their operations on 1 September 2024. "ANTENNA HUNGÁRIA" Zrt. will continue to operate as a holding company.

On 25 September 2024, REPRO Capital Investment Kft. entered into a share sale and purchase agreement with 4iG Plc. for the purchase of 100% of the share capital of DTSM Kft. The purchase price was paid on 1 October 2024, so DTSM Kft. will be deconsolidated from that date.

8. Events after the balance sheet date

On 11 October 2024, "ANTENNA HUNGÁRIA" Zrt. has decided on the establishment of four company in Hungary under the names AH HÁROM Kft., AH NÉGY Kft., AH ÖT Kft. and AH HAT Kft., and one company in North-Macedonia under the name of Company for Communication Services ONE MACEDONIA TELECOMMUNICATIONS DOOEL Skopje.

On 16 October 2024, the Board of Directors of 4iG, has decided to adopt a share buy-back programme in order to meet the obligations arising from stock option plans and to acquire the shares necessary to operate the 4iG share-based incentive scheme. In the framework of the share buy-back programme 4iG acquired between the period

- 25 and 31 October 2024 at an average price of HUF 800.061947 per 44,635 shares,
- 4 and 7 November 2024 at an average price of HUF 800.404201 per 33,894 shares,
- 8 and 14 November 2024 at an average price of HUF 806.72039 per 51,250 shares,
- 15 and 21 November 2024 at an average price of HUF 802.9 per 52,750 shares

dematerialised ordinary shares of series "A" with ISIN code HU0000167788 and the face value of HUF 20 from its own share portfolio on the Budapest Stock Exchange with the assistance of Equilor Befektetési Zrt. as investment service provider. As a result of the Transaction, the number of treasury shares held by 4iG is currently 4,762,214 (1.59%), therefore there was no crossing.

On 18 October 2024, "ANTENNA HUNGÁRIA" Zrt. has actually established its subsidiary in North Macedonia, which have been registered at the court of registration of North Macedonia under the name of Company for Communication Services ONE MACEDONIA TELECOMMUNICATIONS DOOEL Skopje on this day.

On 20 November 2024, 4iG Úr és Védelmi Technológiák Zrt. has announced its satellite program named HUSAT as a program with strategic importance. The HUSAT program is the largest satellite program in Hungary and the CEE region, which is initiated and financed by the private sector. The 4iG S&D plans to launch one geostationary telecommunication satellite (HUGEO) and eight low Earth orbit VHR Earth observation satellites (HULEO) in the framework of the HUSAT program by 2032 and operate them during their lifetime. The HULEO constellation will consists of six electro-optical satellites (HUEOP) and two synthetic aperture radar satellites (HUSAR).

4iG S&D plans to manufacture the low Earth orbit satellites in the satellite integration centre of Martonvásár, which has been funded jointly by 4iG S&D and REMRED Zrt. to be operational by 2026. The HUGEO and the first HUEOP satellite will be operational in orbit by the end of 2028 according to the schedule of the program. Main services offered in the HUSAT program are the followings: Earth observation, data processing and telecommunication. Hungaro DigiTel Távközlési Kft. and REMRED Technológia Fejlesztő Zrt are also participating in the HUSAT program as members of the 4iG Group's portfolio.

9. Statement

The Issuer declares that, based on the information available at the time of publication, the unaudited report gives a true and fair view of the development and performance of the Company, that its data and statements are accurate and that it does not omit any fact material to the assessment of the Issuer's position.

Pursuant to Section 57 (1) of Act CXX of 2001 on the Capital Market, the Issuer shall be liable for compensation for any damage caused by the non-disclosure or misleading content of regulated information.

I accept responsibility for the figures in this report for the third quarter of 2024 and for the accuracy of the analyses and conclusions.

Budapest, 29 November 2024

Gellért Zoltán Jászai
Chairman of the Board of Directors

Péter Krisztián Fekete
CEO



4iG NYRT.

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