



CONSOLIDATED

financial report **Q4 2024**

4iG

Q4

2024

4iG PLC

FLASH REPORT

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

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The Report was approved by the Board of Directors of the Company by written resolution on 28 February 2025, by virtue of the Board of Directors' Resolution No. 1/2025 (II.28.).

EXECUTIVE SUMMARY

Introduction

The first phase of the transformation program of 4iG Group (hereinafter referred to as “4iG”, “Company”, “Group”, “4iG Plc.”) was successfully completed in the fourth quarter of 2024, marking a key period in the strategic development of the Group. As part of the restructuring, set to be completed in the first half of 2025, 4iG Plc. will organize its activities into four distinct groups of companies, each focusing on different business lines and strategic directions.

As of 1 January 2025, the 4iG Group has optimized its fixed and mobile telecommunications services on the Hungarian market under the One brand name. The infrastructure related to these services, along with space and defense industry investments, will be managed in the future by separate holding companies. On 31 December 2024, the IT division of the Group was spun off from the parent company and now operates as an independent legal entity, under the name 4iG Informatikai Zrt.

The aim of 4iG's restructuring is to establish a modern and efficient group of companies with clearly distinguishable business lines, enabling the Group to secure long-term growth and enhance market competitiveness. As a result of the restructuring process, 4iG Plc. has become the majority owner of the recently established holding companies, including 4iG Informatikai Zrt.

The second phase of the transformation will proceed in 2025 with the merger of the commercial telecommunications and infrastructure companies. As a result of the transformations, the Enterprise Value (EV) may increase by HUF 400 billion, unlocking deeper synergies and significantly improving operational efficiency. Throughout the transformation, 4iG Group places a strong emphasis on sustainability and innovation.

The credit rating of 4iG Plc. was affirmed at 'BB-' during Scope Ratings' review on 2 December 2024. Concurrently, the agency revised the outlook on the company's debt rating from positive to stable. This adjustment was justified by the slower-than-expected reduction in the net debt to EBITDA ratio, which may improve if the ratio falls below 4x. Based on 4iG Group's Q4 & FY 2024 results, the Group's net debt/EBITDA ratio has already reached this level, which provides a favourable basis for future developments.

Rebranding

On 1 January 2025, the telecommunications division of the 4iG Group successfully launched the One brand in Hungary, marking a defining milestone in the company's transformation strategy. As of the same date, the Group's telecommunications companies — Vodafone Hungary, DIGI, Invitech, and Antenna Hungária — began offering their services under the unified brand. In the second half of the year, these companies will also undergo a legal merger. Retail and small business customers can access the Group's services under the One Hungary brand, while medium-sized and large enterprises will find tailored solutions under the One Solutions brand. The restructuring enhances the Company's market presence and ensures a unified brand appearance. The rebranding aims to standardize the customer experience and increase customer service efficiency. As part of this initiative, customer service processes will be gradually renewed. In 2025 the store network, consisting of 135 points of sale, will serve residential and small business customers in 98 settlements across the country. However, the introduction of the brand represents more than just the integration of 4iG Group's domestic telecommunications companies. It also entails a complex technical and technological transformation, during which the involved companies will adopt new and unified technical platforms and technologies in Hungary.

Transformation Programme

4iG Group's transformation program involved the separation of the telecommunications companies into commercial and infrastructure entities, spinning off the IT division, and establishing a space and defense division. This process has adhered to the timeline set forth in the program announced on 13 November 2023. Thanks to this adherence, the consolidation of the member companies is set to occur in 2025.

With the separation of Vodafone Hungary on 31 December 2024, the telecommunications company was split into two separate entities: a commercial company (One Magyarország Zrt.) and an infrastructure company (V-Hálózat Távközlési Zrt.). This division marked the final step in the Group's telecommunications structural separation. It will be followed by the merger of the member companies with identical functions in 2025.

On 11 October 2024, "ANTENNA HUNGÁRIA" Zrt., which holds the telecommunications portfolio of 4iG Group, decided to establish four new Hungarian companies aligned with the company's various functions. Starting 1 December 2024, "ANTENNA HUNGÁRIA" Zrt. began operating under the new name 4iG Távközlési Holding Zrt. This change extended to the company's subsidiaries, leading to the creation of 4iG InfraCo Holding Zrt., 4iG ComCo Holding Zrt., and 4iG Műsorszóró Infrastruktúra Kft.

The detachment of the IT division from 4iG Plc. was completed on 31 December 2024, resulting in 4iG Informatikai Zrt. start its operation as an independent company. It retained the certifications and professional capacities essential for its role as a system integrator. Following the spin-off, 4iG Plc. emerged as the sole owner of the new IT entity.

Domestic and international acquisitions, collaborations

Space and defense industry

On 20 November 2024, the Group announced its HUSAT program, the largest privately funded satellite initiative in Hungary and Central and Eastern Europe. The program plans to launch one geostationary satellite and eight high-resolution LEO (Low-Earth Orbit) Earth observation satellites by 2032. The LEO satellites are slated to be manufactured at the REMTECH space research center, which is expected to be completed in 2026.

A new era for collaboration between Hungarian and American innovators may be approaching. On 9 December 2024, Gellért Jászai, Chairman of 4iG Group, met with Elon Musk, owner of SpaceX, in the United States. The Chairman presented the HUSAT program and discussed the potential for a future business partnership. The meeting also addressed advancements in artificial intelligence and explored opportunities for cooperation in trade and technology between Hungary and the USA. The companies had further talks on 19 February 2025.

On 20 December 2024, the 4iG Group increased its ownership stake in Rotors and Cams Zrt. to 55%, thereby gaining majority control of the company. Rotors and Cams Zrt. offers comprehensive solutions in drone technology as well as in cartography, industrial diagnostics, disaster relief, agriculture, and environmental protection.

Telecommunications

On 18 October the 4iG Group's subsidiary, ONE MACEDONIA TELECOMMUNICATIONS DOOEL, was registered in North Macedonia. This registration signifies 4iG's ongoing expansion into the Western Balkans with its telecommunications and digitalization services. The company reinforced its market interest with an official letter of intent to the Macedonian Agency for Electronic Communications (AEC). Subsequently, 4iG submitted a preliminary letter of intent to acquire the necessary radio frequencies from the AEC, aiming to establish itself as a new mobile service provider in the country. This strategic move is expected to enhance competition in the telecommunications market and facilitate the introduction of modern technologies and the development of digital infrastructure in North Macedonia.

Financial performance

4iG Plc's consolidated unaudited net sales revenue according to International Financial Standards (IFRS) amounted to HUF 700.4 billion in the full year of 2024. The Group's EBITDA according to IFRS amounted to HUF 230.8 billion, while the EBITDA margin on net sales amounted to 33 percent. 85 percent of net sales revenue was generated by the telecommunications division and 15 percent by IT division. Geographically 87 percent of net sales revenue was generated in Hungary, 9 percent in Albania and 4 percent in Montenegro.

Although the Group incurred a total net loss of HUF 48.5 billion, a significant part was negatively affected by non-cash items. These include the HUF 23.6 billion impact of the purchase price allocation related to the acquisition of subsidiaries and the HUF 17.6 billion unrealized exchange losses presented net amongst finance income/expenses. In addition to the non-cash outflow items, there were also one-off expenses of HUF 9.9 billion related to the structural transformation of the Hungarian telecommunication portfolio. The net profit after adjusting for non-cash and non-recurring items is HUF 2.7 billion.

The restructuring of the Group's domestic telecommunications portfolio will bring significant financial benefits in the medium and long term, contributing to the achievement of strategic objectives and further increasing financial and operational stability, providing a solid basis for the continued strengthening of investor confidence.

Capital market performance

	2024	2023	Change in +/-%
		Restated*	
Net sales revenue	700 367	594 998	17.71%
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	230 766	200 718	14.97%
Profit before financial operations (EBIT)	37 212	29 934	24.31%
Profit or loss after tax (PAT)	-48 503	-20 977	131.22%
Total comprehensive income/(loss)	-43 196	-19 745	118.77%
Data per share (in HUF)			
EBITDA	771.60	671.13	14.97%
Net profit (EPS)	-162.18	-70.14	131.22%
Diluted EPS indicator	-164.72	-70.98	132.07%
Equity	1 051.63	1 200.75	-12.42%

* 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 Q4 2024 results

Title	Q1-Q4 2024	Q1-Q4 2023	Change in +/- %	Q4 2024	Q4 2023	Change in +/- %
		Restated*			Restated*	
Revenues	716 434	621 631	15.25%	200 220	178 874	11.93%
- Of which: Net sales revenue	700 367	594 998	17.71%	192 573	173 721	10.85%
Capitalised value of own performance	21 373	15 835	34.97%	8 306	9 644	-13.87%
Raw materials and consumables used	-335 014	-293 866	14.00%	-94 764	-88 895	6.60%
Employee benefit expenses	-116 048	-95 573	21.42%	-34 781	-28 121	23.68%
Other operating expenses	-55 979	-47 309	18.33%	-17 965	-18 253	-1.58%
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	230 766	200 718	14.97%	61 016	53 249	14.59%
Depreciation and amortisation	-193 554	-170 784	13.33%	-58 410	-58 486	-0.13%
Earnings before interest and taxes (EBIT)	37 212	29 934	24.31%	2 606	-5 237	n.a.
Financial income	11 796	30 609	-61.46%	3 254	6 128	-46.90%
Financial expenses	-90 110	-72 982	23.47%	-25 907	-8 373	209.41%
Profit or loss before tax (PBT)	-41 102	-12 439	230.43%	-20 047	-7 482	167.94%
Income taxes	-7 401	-8 538	-13.32%	-2 329	-5 160	-54.86%
Profit or loss after taxes	-48 503	-20 977	131.22%	-22 376	-12 642	77.00%
Other comprehensive income/(loss)	5 307	1 232	330.76%	3 817	1 161	228.77%
Total comprehensive income/(loss)	-43 196	-19 745	118.77%	-18 559	-11 481	61.65%

* 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

	2024	2023 Restated*
Net sales revenue	700 367	594 998
Other operating income	16 067	26 633
Total net sales revenue and other income	716 434	621 631
Capitalised value of own performance	21 373	15 835
Raw materials and consumables used	-335 014	-293 866
Employee benefit expenses	-116 048	-95 573
Other operating expenses	-55 979	-47 309
<i>Impairment for financial assets</i>	-2 090	-5 863
Operating costs	-507 041	-436 748
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	230 766	200 718
Depreciation and amortisation	-193 554	-170 784
Earnings before interest and taxes (EBIT)	37 212	29 934
Financial income	11 796	30 609
Financial expenses	-88 867	-71 345
Share of profit of associates	-1 243	-1 637
Profit or loss before tax	-41 102	-12 439
Income taxes	-7 401	-8 538
Profit or loss after tax	-48 503	-20 977
Other comprehensive income that may be reclassified to profit or loss in subsequent periods		
<i>Exchange differences on translation of foreign operations</i>	5 307	1 068
<i>Share of other comprehensive loss of associates</i>	0	14
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:	5 307	1 082
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods		
<i>Net gain/loss on equity instruments at fair value through other comprehensive income</i>	0	150
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:	0	150
Other comprehensive income/(loss)	5 307	1 232
Total comprehensive income/(loss)	-43 196	-19 745

Consolidated statement of comprehensive income – continued

	<u>2024</u>	<u>2023</u>
		Restated*
Earnings per share (HUF)		
Basic	-162.18	-70.14
Diluted	-164.72	-70.98
Profit or loss after tax attributable to:	-48 503	-20 977
Owners of the Company	-46 197	-23 002
Non-controlling interest	-2 306	2 025
Total comprehensive income/(loss) attributable to:	-43 196	-19 745
Owners of the Company	-42 121	-21 490
Non-controlling interest	-1 075	1 745
	<u>2024</u>	<u>2023</u>
		Restated*
Profit or loss after tax	-48 503	-20 977
Purchase price allocation effect	23 621	33 094
Adjusted profit or loss after tax**	-24 882	12 117

* The comparative figures of the consolidated statement of comprehensive income, the consolidated statement of financial position and in the consolidated statement of cash flows 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

	31/12/2024	31/12/2023 Restated*
ASSETS		
Non-current assets		
Property, plant, and equipment	458 892	457 682
Customer relationship	164 104	173 522
Other intangible assets	225 206	218 806
Right of use assets	145 005	140 261
Deferred tax assets	1 002	569
Goodwill	271 339	269 118
Net investment in the lease – non-current	1 093	752
Investments in an associate	5 116	572
Other financial assets – non-current	4 059	1 884
Other non-financial assets – non-current	0	280
Total non-current assets	1 275 816	1 263 446
Current assets		
Cash and cash equivalents	60 567	53 114
Trade receivables	123 134	124 926
Income tax receivables	1 641	1 054
Net investment in the lease - current	673	563
Inventories	14 389	11 862
Other financial assets - current	2 612	26 223
Other non-financial assets - current	42 027	30 182
Total current assets	245 043	247 924
Total assets	1 520 859	1 511 370
EQUITY AND LIABILITIES		
Equity		
Share capital	5 981	5 981
Treasury shares	-3 519	-3 199
Capital reserve	133 492	133 492
Retained earnings	-68 870	-22 673
Share based payment reserve	397	397
Accumulated other comprehensive income	15 928	11 852
Equity attributable to the owners of the company	83 409	125 850
Non-controlling interest	231 108	233 263
Total equity	314 517	359 113
Non-current liabilities		
Provisions – non-current	6 139	5 767
Loans, borrowings, bonds – non-current	768 274	741 806
Lease liabilities – non-current	128 677	118 682
Deferred tax liabilities	19 772	22 338
Other financial liabilities - non-current	7 002	3 999
Other non-financial liabilities - non-current	573	0
Total non-current liabilities	930 437	892 592

Consolidated statement of financial position (continued)

	<u>31/12/2024</u>	<u>31/12/2023</u>
		Restated*
Current liabilities		
Trade payables	73 369	87 437
Provisions - current	7 563	5 572
Loans, borrowings, bonds - current	10 050	13 682
Share based payment liability	0	624
Lease liabilities - current	29 868	24 694
Income tax payable	2 557	1 812
Other financial liabilities - current	20 673	20 423
Other non-financial liabilities - current	131 825	105 421
Total current liabilities	275 905	259 665
Total liabilities and equity	1 520 859	1 511 370

Consolidated statement of changes in equity

	Share capital	Treasury shares	Capital reserve	Retained earnings	Share-based payment reserve	Accumulated other comprehensive income	Equity attributable to the owners of the Company	Non-controlling interests	Total equity
Balance on 1 January 2023	5 981	-922	133 492	47 181	0	9 722	195 454	102 105	297 559
Accounting policy change				-351		-336	-687	-145	-832
Restated balance on 1 January 2023	5 981	-922	133 492	46 830	0	9 386	194 767	101 960	296 727
Profit or loss after tax				-30 002			-30 002	2 620	-27 382
Share purchase		-2 277					-2 277		-2 277
Other comprehensive income				-959		2 446	1 487	-280	1 207
Share-based payments					397		397		397
Acquisition of non-controlling interests				-37 213			-37 213	129 753	92 540
Dividends							0	-340	-340
Accounting policy change				-1 329		20	-1 309	-450	-1 759
Restated balance on 31 December 2023	5 981	-3 199	133 492	-22 673	397	11 852	125 850	233 263	359 113
Restated balance on 1 January 2024	5 981	-3 199	133 492	-22 673	397	11 852	125 850	233 263	359 113
Profit or loss after tax				-46 197			-46 197	-2 306	-48 503
Share purchase		-320					-320		-320
Other comprehensive income						4 076	4 076	1 231	5 307
Dividends							0	-1 080	-1 080
Balance on 31 December 2024	5 981	-3 519	133 492	-68 870	397	15 928	83 409	231 108	314 517

Consolidated statement of cash flows

	<u>31/12/2024</u>	<u>31/13/2023</u>
		Restated*
Cash flows from operating activities		
Profit or loss before tax	-41 102	-12 439
<i>Adjustments:</i>		
Depreciation and impairment of property, plant and equipment and right-of-use assets	116 970	107 050
Amortisation and impairment of intangible assets and impairment of goodwill	77 767	63 734
Movement in other impairment	-2 090	10 913
Movement in provision	2 051	-3 194
Other financial income/expenses	45 431	44 386
Net foreign exchange differences	17 643	-9 486
Share of profit or loss of associates and joint ventures	1 243	1 637
Gain/loss on sale of property, plant, and equipment	135	-17 494
Income tax paid	-10 389	-9 910
<i>Changes in working capital</i>		
Changes in trade receivables	16 650	-19 384
Changes in inventories	-1 429	2 869
Changes in trade payables	-23 365	6 942
Changes in other receivables and payables	49 739	21 957
Net cash flows from operating activities	249 254	187 581
Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	371	443
Purchase of property, plant and equipment	-76 161	-48 785
Proceeds from sale of intangible assets	7	190
Purchase of intangible assets	-67 409	-43 603
Purchase of securities	0	-108
Purchase of other investments	-5 721	-2 077
Acquisition of a subsidiary, net of cash acquired	-873	-330 348
Dividends and interest received on investments	3 978	1 250
Net cash flows from investing activities	-145 808	-423 038
Cash flows from financing activities		
Proceeds from borrowings/ repayment of borrowings	-4 524	326 698
Payment of principal portion of lease liabilities	-39 348	-27 738
Proceeds from issue of share capital	0	381
Repurchased and issued treasury shares	-320	-2 277
Interest paid	-51 521	-52 718
Dividends paid to non-controlling interests	-1 080	-340
Net cash flows from financing activities	-96 793	244 006
Net foreign exchange difference	800	-1 694
Net change in cash and cash equivalents	7 453	6 855
Cash and cash equivalents at the beginning of the year	53 114	46 259
Cash and cash equivalents at the end of the period	60 567	53 114

* The comparative figures of the consolidated statement of comprehensive income, the consolidated statement of financial position and in the consolidated statement of cash flows 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:	4,988,714 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 restated 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>31/12/2024</u>	<u>31/12/2023</u>
iG COM Magántőkealap	38.93%	38.93%
iG TECH Invest Kft.	1.71%	n/a
KZF Vagyonkezelő Zrt.	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	1.67%	1.53%
Owned by 4iG ESOP Organisation	1.34%	1.34%
Free float	13.39%	13.95%
Total	<u>100.00%</u>	<u>100.00%</u>

4. Officials

The senior executives of 4iG Plc on 31 December 2024 were as follows.

4.1. Company management

Board of Directors:	Gellért Zoltán Jászai, Chairman of the Board of Directors Aladin Ádám Linczényi, 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 31 December 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; however, the Board of Directors is authorized to decide on matters related to the Company's name, registered office, sites, branches, and business activities (excluding the principal activity), as well as on amendments to the Articles of Association related to these matters.

5. Basis of preparation of the balance sheet

i) Approval and declaration

The interim condensed consolidated financial statements for the year ended 31 December 2024 were approved for issue by the Board of Directors on 28 February 2025. 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 31 December 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 2024.

This change in accounting policy, effective from 1 January 2024, 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 financial statements for the financial year 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

	2023	2023	2023
	Published	Accounting policy change	Restated
Net sales revenue	594 510	488	594 998
Other operating income	26 628	5	26 633
Total net sales revenue and other income	621 138	493	621 631
Capitalised value of own performance	15 835		15 835
Raw materials and consumables used	-293 530	-336	-293 866
Employee benefit expenses	-95 570	-3	-95 573
Other operating expenses	-47 309		-47 309
<i>Impairment for financial assets</i>	-8 357	2 494	-5 863
Operating costs	-436 409	-339	-436 748
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	200 564	154	200 718
Depreciation and amortisation	-170 669	-115	-170 784
Earnings before interest and taxes (EBIT)	29 895	39	29 934
Financial income	25 814	4 795	30 609
Financial expenses	-72 907	1 562	-71 345
Share of profit of associate and joint ventures	-1 637		-1 637
Profit or loss before tax	-18 835	6 396	-12 439
Income taxes	-8 547	9	-8 538
Profit or loss after tax	-27 382	6 405	-20 977

Consolidated statement of comprehensive income - continued

	<u>2023</u>	<u>2023</u>	<u>2023</u>
	Published	Accounting policy change	Restated
Other comprehensive income/(loss)			
Other comprehensive income that may be reclassified to profit or loss in subsequent periods			
<i>Exchange differences on translation of foreign operations</i>	1 043	25	1 068
<i>Share of other comprehensive income/(loss) of associates</i>	14		14
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:	1 057	25	1 082
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods			
<i>Net gain/(loss) on equity instruments at fair value through other comprehensive income</i>	150		150
Net other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods	150		150
Other comprehensive income/(loss)	1 207	25	1 232
Total comprehensive income/(loss)	-26 175	6 430	-19 745
Profit or loss after tax attributable to:	-27 382	6 405	-20 977
Owners of the Company	-30 002	7 000	-23 002
Non-controlling interests	2 620	-595	2 025
Total comprehensive income/(loss) attributable to:	-26 175	6 430	-19 745
Owners of the Company	-28 515	7 025	-21 490
Non-controlling interests	2 340	-595	1 745

Consolidated statement of financial position

	<u>31/12/2023</u>	<u>31/12/2023</u>	<u>31/12/2023</u>
	Published	Accounting policy change	Restated
ASSETS			
Non-current assets			
Property, plant, and equipment	457 749	-67	457 682
Customer relationship	173 522		173 522
Other intangible assets	218 563	243	218 806
Right-of-use assets	140 984	-723	140 261
Deferred tax assets	688	-119	569
Goodwill	277 291	-8 173	269 118
Net investment in the lease – non-current	752		752
Investments in an associate and joint venture	639	-67	572
Other financial assets - non-current	2 164	-280	1 884
Other non-financial assets - non-current		280	280
Total non-current assets	1 272 352	-8 906	1 263 446
Current assets			
Cash and cash equivalents	53 175	-61	53 114
Trade receivables	125 147	-221	124 926
Income tax receivable	1 054		1 054
Net investment in the lease – current	563		563
Inventories	11 870	-8	11 862
Other financial assets - current	34 157	-7 934	26 223
Other non-financial assets - current	22 894	7 288	30 182
Total current assets	248 860	-936	247 924
Total assets	1 521 212	-9 842	1 511 370
EQUITY AND LIABILITIES			
Equity			
Share capital	5 981		5 981
Treasury shares	-3 199		-3 199
Capital reserve	133 492		133 492
Retained earnings	-20 993	-1 680	-22 673
Share based payment reserve	397		397
Accumulated other comprehensive income	12 168	-316	11 852
Equity attributable to owners of the company	127 846	-1 996	125 850
Non-controlling interests	233 858	-595	233 263
Total equity	361 704	-2 591	359 113

Consolidated statement of financial position – continued

	<u>31/12/2023</u>	<u>31/12/2023</u>	<u>31/12/2023</u>
	Published	Accounting policy change	Restated
Non-current liabilities			
Provisions – non-current	5 864	-97	5 767
Loans, borrowings, bonds – non-current	747 681	-5 875	741 806
Lease liabilities – non-current	119 081	-399	118 682
Deferred tax liability	22 350	-12	22 338
Other financial liabilities - non-current	4 926	-927	3 999
Total non-current liabilities	<u>899 902</u>	<u>-7 310</u>	<u>892 592</u>
Current liabilities			
Trade payables	87 681	-244	87 437
Provisions – current	5 572		5 572
Loans, borrowings, bonds – current	12 663	1 019	13 682
Share based payment liability	624		624
Lease liabilities - current	24 747	-53	24 694
Income tax payable	1 812		1 812
Other financial liabilities - current	21 035	-612	20 423
Other non-financial liabilities - current	105 464	-43	105 421
Dividends payable to owners	8	-8	
Total current liabilities	<u>259 606</u>	<u>59</u>	<u>259 665</u>
Total liabilities and equity	<u>1 521 212</u>	<u>-9 842</u>	<u>1 511 370</u>

Consolidated cash flow statement

	<u>31/12/2023</u>	<u>31/12/2023</u>	<u>31/12/2023</u>
	Published	Accounting policy change	Restated
Cash flows from operating activities			
Profit or loss before tax	-18 835	6 396	-12 439
<i>Adjustments:</i>			
Depreciation and impairment of property, plant and equipment and right-of-use assets	107 028	22	107 050
Amortisation and impairment of intangible assets and impairment of goodwill	63 641	93	63 734
Movement in other impairment	10 913		10 913
Movement in provision	-3 194		-3 194
Other financial income/expenses	50 743	-6 357	44 386
Net foreign exchange differences	-9 275	-211	-9 486
Share of profit or loss of associates and joint ventures	1 637		1 637
Gain/loss on sale of property, plant, and equipment	-17 494		-17 494
Income tax paid	-9 910		-9 910
<i>Changes in working capital</i>			
Changes in trade receivables	-19 384		-19 384
Changes in inventories	2 869		2 869
Changes in trade payables	6 942		6 942
Changes in other receivables and payables	22 083	-126	21 957
Net cash flows from operating activities	187 764	-183	187 581
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment	443		443
Purchase of property, plant and equipment	-48 852	67	-48 785
Proceeds from sale of intangible assets	190		190
Purchase of intangible assets	-43 360	-243	-43 603
Proceeds from sale of securities	0		0
Purchase of securities	-108		-108
Purchase of other investments	-2 077		-2 077
Acquisition of a subsidiary, net of cash acquired	-330 348		-330 348
Dividends and interest received on investments	1 250		1 250
Net cash flows from investing activities	-422 862	-176	-423 038
Cash flows from financing activities			
Proceeds from borrowings/ repayment of borrowings	326 698		326 698
Payment of principal portion of lease liabilities	-27 738		-27 738
Proceeds from issue of share capital	381		381
Repurchased and issued treasury shares	-2 277		-2 277
Interest paid	-52 718		-52 718
Dividends paid to non-controlling interests	-340		-340
Net cash flows from financing activities	244 006	0	244 006
Net foreign exchange difference	-1 694		-1 694
Net change in cash and cash equivalents	7 214	-359	6 855
Cash and cash equivalents at the beginning of the year	45 961	298	46 259
Cash and cash equivalents at the end of the period	53 175	-61	53 114

7. Subsidiaries included in the consolidation

Name of subsidiary	Majority owner	Date of inclusion in consolidation	Way of acquiring	Indirect ownership on 31/12/2024	Indirect ownership on 31/12/2023
"Digitális Átállásért" Nonprofit Kft.	4iG Távközlési Holding Zrt.	31/03/2022	cont. in kind	76.78%	76.78%
4iG ComCo Holding Zrt.	4iG Távközlési Holding Zrt.	02/08/2023	incorporated	76.78%	76.78%
4iG Hírközlési Infrastruktúra Kft.	4iG Távközlési Holding Zrt.	19/11/2024	incorporated	76.78%	n/a
4iG InfraCo Holding Zrt.	4iG Távközlési Holding Zrt.	02/08/2023	incorporated	76.78%	76.78%
4iG International Telco Holding Kft.	4iG Távközlési Holding Zrt.	23/02/2022	incorporated	76.78%	76.78%
4iG Műsorszóró Infrastruktúra Kft.	4iG Távközlési Holding Zrt.	28/10/2024	incorporated	76.78%	n/a
4iG Távközlési Holding Zrt.	4iG Plc	31/03/2022	cont. in kind	76.78%	76.78%
4iG Űr 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 Infrastruktúra Szolgáltató Zrt.	4iG Távközlési Holding Zrt.	01/09/2024	spin-off	76.78%	n/a
AH Média Kereskedelmi Zrt.	4iG Távközlési Holding Zrt.	01/09/2024	spin-off	76.78%	n/a
Albania Telecom Invest AD	4iG International Telco Holding Kft.	21/03/2022	acquisition	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 Űr és Védelmi Technológiák Zrt.	17/08/2020	incorporated	100.00%	84.78%
DIGI Távközlési és Szolgáltató Kft.	4iG Távközlési Holding Zrt.	03/01/2022	acquisition	76.78%	76.78%
D-Infrastruktúra Távközlési Kft.	4iG InfraCo Holding Zrt.	01/07/2024	demerger	76.78%	n/a
DTSM Kft.	4iG Plc	07/12/2020	acquisition	n/a	100.00%
Humansoft Szerviz Kft.	4iG Plc	17/04/2019	incorporated	100.00%	100.00%
Hungaro DigiTel Kft.	Portuguese Telecommunication Investments Kft.	12/05/2021	acquisition	100.00%	94.2%
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 Infrastructure Kft.	4iG Távközlési Holding Zrt.	01/07/2024	demerger	76.78%	n/a
Invitech ICT Services Kft.	4iG Távközlési Holding Zrt.	30/09/2021	acquisition	76.78%	76.78%
InviTechnocom Kft.	Invitech ICT Infrastructure 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.	4iG International Telco Holding Kft.	21/12/2021	acquisition	76.78%	76.78%
ONE MACEDONIA TELECOMMUNICATIONS DOOEL Skopje	4iG Távközlési Holding Zrt.	18/10/2024	incorporated	76.78%	n/a
Poli Computer PC Kft.	4iG Plc	01/06/2021	acquisition	100.00%	100.00%
Portuguese Telecommunication Investments Kft.	4iG Űr és Védelmi Technológiák Zrt.	12/05/2021	acquisition	100.00%	100.00%
Rheinmetal 4iG Digital Services Kft.	4iG Plc	16/11/2022	incorporated	51.00%	51.00%
Rotors & Cams Kereskedelmi és Szolgáltató Zrt.	4iG Plc	23/12/2024	acquisition	55.00%	37.00%
Veritas Consulting Kft.	4iG Plc	10/09/2019	acquisition	100.00%	100.00%
Vodafone Magyarország Távközlési Zrt.	4iG Távközlési Holding Zrt.	31/01/2023	acquisition	54.13%	54.13%

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

On 30 June 2024, the separation of DIGI Távközlési és Szolgáltató Kft. and Invitech ICT Services Kft. by way of a spin-off was completed, D-Infrastructure Távközlési Kft., which includes the DIGI infrastructure division and Invitech ICT Infrastructure Kft., which includes the infrastructure division of Invitech, started operations, as of that day, the commercial and infrastructure divisions continue to operate in separate companies.

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.

On 18 October 2024, ONE MACEDONIA TELECOMMUNICATIONS DOOEL Skopje was established, which is 100% owned by 4iG Távközlési Holding Zrt.

On 28 October 2024, 4iG Műsorszóró Infrastruktúra Kft. and on 19 November 2024, AH NÉGY Kft. was established, which are 100% owned by 4iG Távközlési Holding Zrt.

As of 1 December 2024, "ANTENNA HUNGÁRIA" Zrt. will continue its operations under the corporate name 4iG Távközlési Holding Zrt. and certain subsidiaries exclusively owned by the company will also undergo name changes:

- AH EGY Zrt. will continue its operation under the corporate name 4iG InfraCo Holding Zrt.,
- AH KETTŐ Zrt. will continue its operation under the corporate name 4iG ComCo Holding Zrt.,
- AH NÉGY Kft. will continue its operation under the corporate name 4iG Műsorszóró Infrastruktúra Kft.

4iG Albánia Kft. will continue its operation under the name 4iG International Telco Holding Kft.

On 20 December 2024 4iG Plc acquired 31% of the shares of Rotors & Cams Zrt. Accordingly, 4iG has acquired majority of the shares of Rotors & Cams Zrt. and control rights over Rotors & Cams Zrt.

In December 2024 following contribution-in-kind transactions were carried out:

- CarpathiaSat Zrt. and Portuguese Telecommunication Investments Kft. are contributed to 4iG Űr és Védelmi Technológiák Zrt.,
- Albania Telecom Invest AD and ONE Crna Gora d.o.o. are contributed to 4iG International Telco Holding Kft.,
- D-Infrastruktúra Távközlési Kft. is contributed to 4iG InfraCo Holding Zrt.

8. Events after the balance sheet date

On 1 January 2025, the name of Vodafone Magyarország Zrt. has been changed to One Magyarország Zrt., as well as V-Hálózat Távközlési Zrt. – which includes the infrastructure division – has started its operation, therefore the commercial and infrastructure divisions continue to operate in separate companies.

On 1 January 2025, 4iG Informatikai Zrt. – which includes the IT division – has started its operation, therefore the IT division continue to operate in separate company.

On 1 January 2025, the CEO of 4iG has created the position of Deputy CEO for Space and Defence Technologies, which will be filled by Dr. István Sárhegyi as of date. The Deputy CEO for 4iG Űr és Védelmi Technológiák Zrt. will perform his duties under the direct supervision of the CEO of 4iG Group.

On 9 January 2025, the Extraordinary General Meeting decided to amend the provisions of the Articles of Association of the Company. The General Meeting acknowledged that Dagmar Steinert and László Tamás Dr. Fellegi had resigned from their position as a member of supervisory board and appointed Klaus Jürgen Neumann and Dr. Zoltán Guller as new members of supervisory board for an indefinite time. The General Meeting elected Dr. Zoltán Guller as a new member of Audit Committee for an indefinite period.

On 7 February 2025, the Hungarian Competition Authority has imposed a fine on DIGI Távközlési és Szolgáltató Kft. for an infringement committed from 11 November 2022 until the end of December 2022. The Hungarian Competition Authority found that DIGI's information on the increase in subscriber fees and the post-inflation adjustment was not clear.

On 14 February 2025, a non-binding Memorandum of Understanding was signed between 4iG Űr és Védelmi Technológiák Zrt. and Creotech Instruments S.A. in order to identify potential collaboration in the field of space industry.

On 17 February 2025, a non-binding Letter of Intent was signed between 4iG Űr és Védelmi Technológiák Zrt. and Axiom Space, Inc. in order to identify and develop potential collaboration in the field of space industry with special regard to the field of Orbital Data Centre. To enhance partnership, 4iG Űr és Védelmi Technológiák Zrt. and Axiom Space Inc. will convene a joint task force to explore the fields of development in accordance with the synergies between the parties.

In the framework of the share buy-back programme – adopted and published on **16 October 2024**, 4iG acquired between the period

- 2 and 9 January 2025 at an average price of HUF 926.54 per share 63,300,
- 10 and 16 January 2025 at an average price of HUF 986.77 per share 52,750,
- 17 and 23 January 2025 at an average price of HUF 1,140.69 per share 52,750,
- 24 and 30 January 2025 at an average price of HUF 1,341.97 per share 52,750,
- 31 January and 6 February 2025 at an average price of HUF 1,389.94 per share 52,750,
- 7 and 13 February 2025 at an average price of HUF 1,429.8 per share 52,750,
- 14 and 20 February 2025 at an average price of HUF 1,427.74 per share 31,650,

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 5,347,414 (1.79%), therefore there was no crossing.

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 fourth quarter of 2024 and for the accuracy of the analyses and conclusions.

Budapest, 28 February 2025

Gellért Zoltán Jászai
Chairman of the Board of Directors

Péter Krisztián Fekete
CEO



4iG NYRT.

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