CONSOLIDATED

financial and management report

4iG

H1

2025

CONTENTS

EXECUTIVE SUMMARY

Introduction

In the first half of 2025, 4iG Plc and its subsidiaries (hereinafter: "4iG Group" or the "Group") continued its telecommunication market consolidation and integration journey in Hungary and in the region while strengthening its space and defence business.

4iG Group continues to be a major telecommunications services provider in Hungary and in the Western Balkans. Furthermore, 4iG has taken important steps to become a significant player in the space and defence industry in Central and Eastern Europe through acquisitions in the Hungarian market and partnerships with key international players in Europe, Asia, the United States and the Middle East.

The operations of 4iG Group delivered a strong first half-year in 2025 compared to the first half of 2024:

- net sales revenue increased by 8.8% to HUF 350.8 billion,
- EBITDA increased by 11.1% to HUF 122.6 billion.

The revenue and EBITDA increase come in a market environment, where retail telecommunication players in Hungary did not index consumer prices with the previous year's inflation. Nevertheless, EBITDA margin in the first half-year was 34.9% (up by 0.7 pp compared to the first half of 2024). Of the net revenue, 87% came from telecommunications, 12% from IT, and 1% from the space and defence division. Geographically, 87% of net revenue was generated in Hungary, 9% in Albania, and 4% in Montenegro.

In the first half of the year, the Group recorded a net loss of HUF 1.1 billion, largely due to non-cash items. The subsequent valuation of purchase price allocations related to subsidiary acquisitions had a negative impact of HUF 11.5 billion. However, unlike in the first half of 2024, the favourable movement of exchange rates for the Group resulted in unrealised foreign exchange gains of HUF 7.7 billion (compared to an FX loss of HUF 8.1 billion in H1 2024). Related to the transformation programme launched in 2024, the Group accounted for approximately HUF 8.2 billion in expenses.

Excluding these items, the adjusted income statement shows a net profit of HUF 10.8 billion.

Group transformation

4iG Plc divided its operations across three main companies in line with its three business segments:
- 4iG Informatikai Zrt. ("4iG IT"),
- 4iG Távközlési Holding Zrt. (formerly named "ANTENNA HUNGÁRIA" Zrt.) ("4iG Telco") and
- 4iG Űr és Védelmi Technológiák Zrt. ("4iG Space&Defence").

Furthermore. 4iG Plc owns 4iG Befektetési Kft. and a minority stake in Space Communications Ltd. Israel (under restructuring).

Third-party analysis

Scope Ratings GmbH, a rating agency accepted by the European Central Bank under the Eurosystem Credit Assessment Framework, affirmed in May 2025 the BB-/Stable issuer rating on 4iG Plc and affirmed the senior unsecured debt rating at BB-. The ratings headroom remains at one notch as the minimum requirement undertaken towards debt investors for both senior unsecured bond issuances (4iG NKP Bond 2031/I, 4iG NKP Bond 2031/II) is B+.

Net Debt/EBITDA was at 3.8x while Gross Debt/LTM EBITDA was at 4.1x on 30 June 2025. This is in line with the expectation of the debt investors (financial covenants in loans, credit rating change triggers).

Further acquisitions may cause short-term fluctuations in the leverage.

HR and Governance

4iG Group employs roughly 8,300 full time employees. 4iG Group earned Gold Class Responsible Employer recognition for its comprehensive HR initiatives, including training, healthcare, workplace development and CSR activities.

- On 9 January 2025 the extraordinary general meeting of 4iG Plc appointed Dr. Zoltán Guller as new member of the Supervisory Board and the Audit Committee and Mr. Klaus Jürgen Neumann as new member of the Supervisory Board.
- On 5 March 2025 Mr. Gellért Jászai, Chairman of the Board of 4iG Plc and majority shareholder, was appointed Ambassador Extraordinary and Plenipotentiary responsible for the development of international business relations by the President of Hungary, upon recommendation from the Minister of Foreign Affairs and Trade. This role focuses on promoting Hungarian economic interests abroad and exploring new investment opportunities. The appointment does not affect Gellért Jászai's role and position at 4iG Plc.
- 4iG Group's Advisory Board was strengthened in the first half of 2025 with the appointment of former USA diplomacy and intelligence experts Mr. Richard Grenell and Mr. Matt Mowers. They replaced Mr. Sunil Sabharwal and Ms. Karen Tramontano, while Mr. Csaba Lantos resigned due to his expanded Hungarian governmental responsibilities.

4iG Group remains committed to achieving its Environmental, Social and Governance objectives.

Data in millions of HUF, unless otherwise indicated

Information on listed securities

Full Name	4iG Public Limited Company		
Short name	4iG Plc		
	Name	**Ticker**	**ISIN**
Listed securities of the issuer	4iG share	4IG	HU0000167788
	4iG NKP Bond 2031/I	4IG2031I	HU0000360276
	4iG NKP Bond 2031/II.	4IG2031II	HU0000361019

4iG Plc shares are listed on the Budapest Stock Exchange.

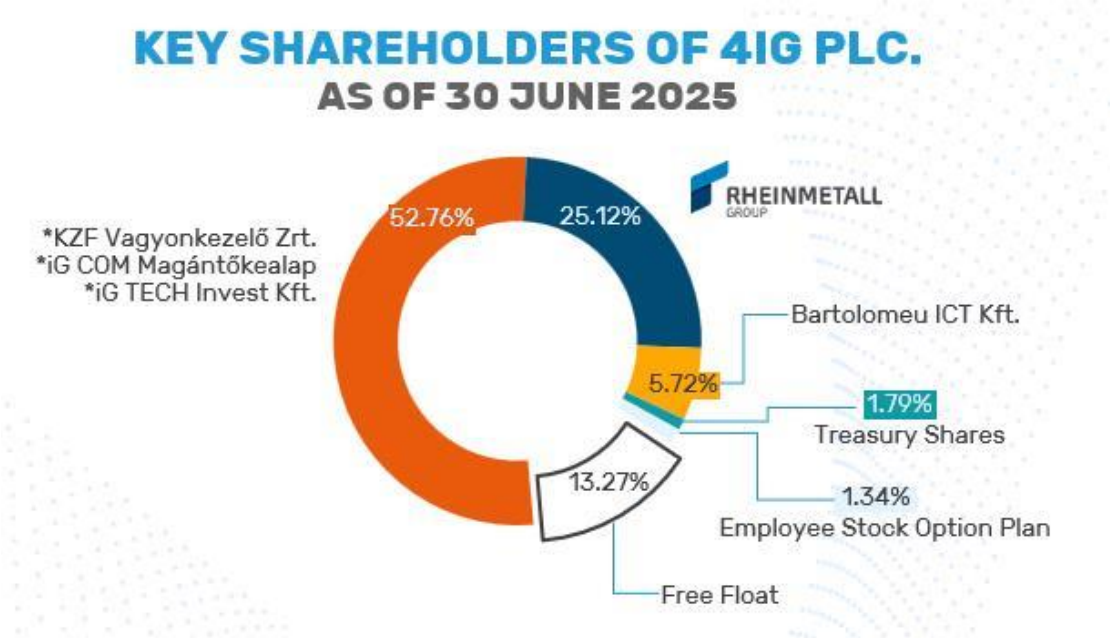
4iG Plc is part of The Austrian Wiener Börse region CECE Index.

Ownership

Mr. Gellért Jászai remains majority shareholder and keeps control by holding more than 52.7% 4iG Plc's shares through his investment companies and private equity funds.

German Rheinmetall AG continues to hold over 25% of shares.

Treasury share ratio increased to 1.79% from 1.67% as a result of share buybacks performed in the first half of 2025.



**Mr. Gellért Jászai's direct control*
Source: Budapest Stock Exchange

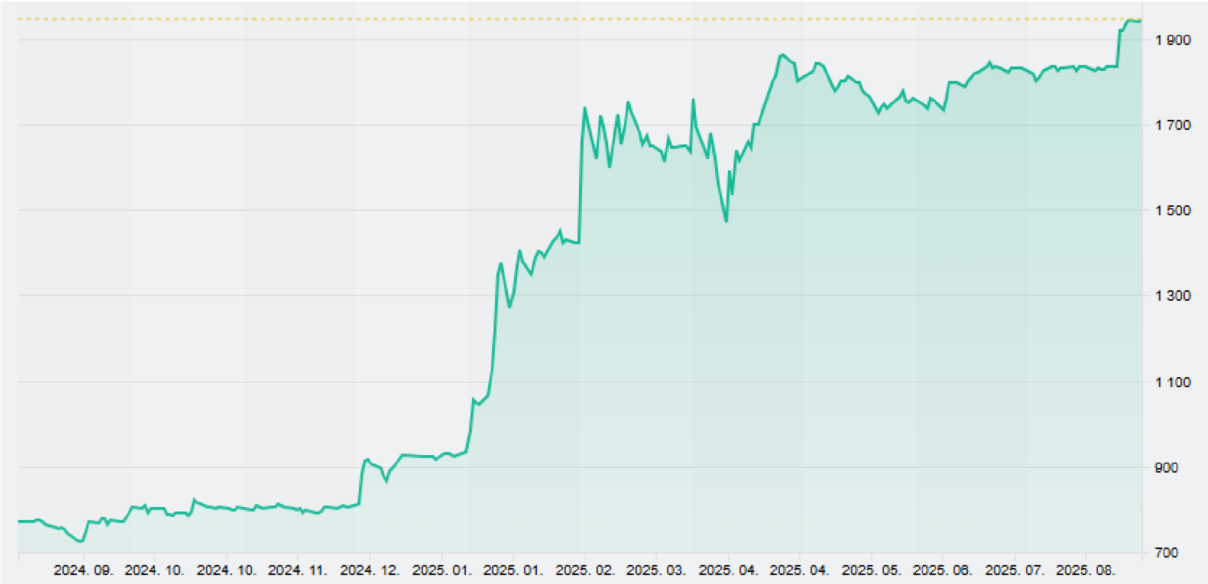
There was no new share issuance on 4iG Plc level in the first half of 2025.

Data in millions of HUF, unless otherwise indicated

Share price performance

The share price increased to HUF 1,834 in the first half of 2025, which represents a 98.5% increase compared to 2024 year-end as a result of successful group transformation and entering the defence business.

	30/12/2024	31/03/2025	30/06/2025
4iG Plc share price (HUF)	924	1 640	1 834
Capitalisation (HUF)	276.3 billion	490.5 billion	548.5 billion



Source: Budapest Stock Exchange, portfolio.hu

	H1 2025	H1 2024 Restated*	Change +/- %
Net sales revenue	**350 827**	**322 481**	**8.79%**
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**122 551**	**110 336**	**11.07%**
Earnings before interest and taxes (EBIT)	28 227	20 097	40.45%
Profit or loss after tax	-1 148	-23 416	-95.10%
Total comprehensive income/(loss)	**-4 704**	**-22 557**	**-79.15%**
Data per share (in HUF)			
EBITDA	409.77	368.92	11.07%
Net profit (EPS)	-3.84	-78.29	-95.10%
Diluted EPS	-3.96	-80.61	-95.09%
Equity	1 043.36	1 062.43	-1.79%

* The comparative figures of the consolidated statement of comprehensive income and the consolidated statement of cash flows are restated figures. The restatements have been made in accordance with Note 2.31 Adjustment of previous year's financial data.

Listed bonds

4iG Plc has two listed bonds under the Bond Funding for Growth Scheme (BGS). There was no change related to the bonds in the first half of 2025.

Name	Total Volume	Outstanding debt
4iG NKP Bond 2031/I	HUF 15.45 billion	HUF 15.45 billion
4iG NKP Bond 2031/II.	HUF 370.75 billion	HUF 370.75 billion

Segment update

1) Information Technology and system integration

4iG Informatikai Zrt. began its operations as the Group's main IT system integration company in January 2025. Revenue increase was driven by multiple large projects, which include the elderly care project (caretaker watch, Gondosóra).

The business seasonality is towards year-end (especially for hardware sales), nevertheless EBITDA contribution to the Group has improved. Building on this momentum and on the expansion of the Telecommunications segment towards the Western Balkans, the IT segment broadens its service offering, while providing IT support services across the Group. Subsidiary Rheinmetall 4iG Digital Services Kft. also holds significant potential in defence-related IT services.

Future growth in the IT segment may be supported by a memorandum of understanding signed with the Uzbekistan IT Park agency, which focuses on information technology, digitization, and research and development projects.

2) Telecommunications

4iG Távközlési Holding Zrt. is the holding company of the telecommunications segment. The Hungarian state has a minority ownership of 37.9% in 4iG Távközlési Holding Zrt. through its investment entity, Corvinus Nemzetközi Befektetési Zrt.

4iG Távközlési Holding Zrt. subsidiaries are in line with its business lines:

- 4iG ComCo Holding Zrt. (under One brand) and 4iG InfraCo Holding Zrt. hold the Hungarian telecommunication business.
- 4iG International Telco Holding Kft. holds the Western Balkan telecommunication companies.
- 4iG Hírközlési Infrastruktúra Kft. and 4iG Műsorszóró Infrastruktúra Kft. operate the news and broadcasting businesses.

Hungary

The Group's large-scale transformation programme progressed according to schedule in the first half of 2025. Vodafone Magyarország changed its brand name on 1 January 2025 and will continue its operations as One Magyarország. The other Hungarian telecommunications companies of 4iG group (DIGI, Antenna Hungária and Invitech) will also operate under the One brand name from this date for their retail and corporate telecommunications services. The legal integration of the companies (merger into One Magyarország Zrt.) will be completed by the end of Q3. The re-branding of the retail telecommunication segment to One at the start of 2025 was a success: One achieving outstanding results in the first half of the year in brand awareness and commitment. Future expansion is based on further exploration of cross selling opportunities, ongoing infrastructural developments, as well as the integration of acquisitions.

In the first quarter, AH Média Kereskedelmi Zrt. and AH Infrastruktúra Szolgáltató Zrt. were separated through a spin-off by merger, with the broadcasting business transferred to 4iG Műsorszóró Infrastruktúra Kft.

In April 2025, 4iG Group announced that, in line with the expectations of the Hungarian government and prevailing market conditions, it would suspend the 3.5% inflation-based price indexation for consumer internet, television, and mobile services until 1 July 2026. In June, One Hungary introduced new reduced tariffs, maintaining competitiveness in the domestic telco market and offering bundles.

After the reporting period, the Hungarian Competition Authority (HCA) approved the acquisition of regional telco provider PR-Telecom Kft., adding 52,000 subscribers, 236,000 endpoints, and 3,800 km of fixed network, subject to conditions. The HCA also cleared the acquisition of the Direct One satellite customer portfolio, making 4iG Group the market leader in the Hungarian DTH segment. In addition, 4iG finalised the purchase of 99% of business quotas of Netfone Telecom Kft., the largest Hungarian MVNO with 106,000 SIM cards. The transaction will close upon receiving approval from the HCA.

Western Balkans and international relations

4iG Group made major strides in mobile network development in the Western Balkans.

One Albania sh.a. signed in January 2025 a EUR 50 million agreement with Ericsson to upgrade its mobile network, leveraging newly acquired 5G frequencies. Ericsson will install cutting-edge standalone 5G technology. The rollout prioritizes ports, airports, industrial zones, hospitals, and coastal resorts. The goal is to provide 5G coverage in all Albanian cities by 2028 and 85% residential coverage by 2030. Additionally, in October 2024 the Group launched a 10 Gbps optical broadband service in Albania. Revenues decreased slightly, while EBITDA margin improved. Nominal EBITDA remained stable in the first half of 2025. The slight top line decrease was mainly due to lower transit revenue.

One Crna Gora d.o.o. entered a partnership in March 2025 with Technopolis, the Montenegrin government agency for R&D, to establish a test centre for 26 GHz 5.5G (5G Advanced) services. The facility will allow startups, researchers, and technology firms to test mmWave (3GPP Rel-18) innovations, creating a stable foundation for next-generation, ultra-fast, and reliable mobile networks that could rival fixed-line broadband. The company also received the prestigious Umlaut “Best in Test” award in June 2025, marking the fourth recognition (2020, 2021, 2024, 2025) for having the best mobile network in the country. Revenues increased above inflation and EBITDA margin improved slightly.

In both Albania and Montenegro migration of prepaid customers to postpaid is ongoing. Expectations from summer season regarding the roaming business are positive.

In North Macedonia, 4iG Group signed an agreement with EuroTelesites in April to support cell site and tower development for the rollout of a nationwide high capacity 5G mobile network. 4iG Group is exploring further expansion possibilities in the region.

Furthermore, 4iG Plc signed Memoranda of Understanding with e& and Mubadala Investment Fund. The aim of the partnerships is to promote economic relations between the United Arab Emirates and Hungary and foster future cooperation in telecommunications infrastructure, digitalisation, and technology investments.

The cooperation with e& focuses on submarine cable projects to enhance digital connectivity between the Middle East, North Africa, and Europe, as well as data centre development in Albania. The Memorandum of Understanding (MoU) between Mubadala Investment Company and 4iG Group paves the way for potential capital market, acquisition, and investment collaborations, with a particular focus on the key economic sectors in Hungary and the Western Balkans.

3) Space and Defence technologies

4iG Űr és Védelmi Technológiák Zrt. is the holding company of the space and defence segment of 4iG Group. 4iG owns furthermore 4iG Befektetési Kft. and a minority stake in Israel-based Space Communications Ltd. 4iG Group’s space and defence portfolio is in the phase of building a strong foundation for amplifying the prospects.

Capital increase

4iG Plc entered into an investment framework agreement with two investors both managed iG TECH Capital Befektetési Alapkezelő Zrt, owned by Mr. Gellért Jászai - namely IG TECH II Magántőkealap and iG TECH III Magántőkealap - in order to carry out a capital increase in 4iG Plc's wholly owned subsidiary, 4iG Űr és Védelmi Technológiák Zrt. The capital injection is to be executed through a capital increase, whereby shares issued by 4iG Space&Defence will be subscribed to the investors. By the end of September 2025, the investors are expected to carry out a total capital increase of HUF 96 billion in 4iG Space&Defence in two stages. With the capital increase, the two private equity funds will acquire a total maximum stake of 49% in the holding company (subject to due diligence and valuations).

The investments are intended to strengthen the financial foundations of 4iG Űr és Védelmi Technológiák Zrt. in order to reach the next milestones of the HUSAT satellite programme, expand manufacturing activities at the REMTECH plant in Martonvásár, build ground stations, and further develop data processing systems. In addition, the capital increases will provide 4iG Space&Defence Zrt. with the opportunity to implement further targeted investments, acquisitions and strategic projects in the Hungarian and international defence industry.

Backlog

The transaction is underpinned by the net backlog of 4iG Space&Defence and its subsidiaries, exceeding EUR 1,37 billion—equivalent to over HUF 548 billion at current exchange rates—and the associated business plans. This backlog reflects long-term contracts and secure revenue streams already committed to the company. Due to the nature of the space and defence sectors, these orders are based on multi-year development and delivery cycles, making the backlog a key indicator of the company's long-term business stability and growth prospects. It also provides a solid foundation for the strategic objectives of the capital increase. It is important to note that the contract portfolio serving as the basis for the valuation and capital increase does not include N7 Defence Zrt., as the acquisition has not yet been closed.

Space

4iG Space&Defence is working on creating a unique space industry ecosystem in Central and Eastern Europe, the foundation of which is the region's first privately financed satellite program, HUSAT. The central element of the program is the space technology manufacturing facility under construction in Martonvásár, where, among others, the eight Earth observation satellites developed under the HUSAT program for low Earth orbit will also be produced. In the first half of 2025, the Group's space business strengthened its international partnerships and infrastructure. Important agreements were signed with:

- Creotech (Poland) to jointly participate in ESA, EUSPA, and Horizon Europe programmes.
- Axiom Space (USA) to collaborate on orbital data centre technologies.
- CPI Vertex Antennentechnik GmbH to supply and install antenna systems for HUSAT program ground stations in Hungary. Eight 9–11.5-meter antennas and the associated radio frequency equipment will be delivered and installed.
- Azercosmos (Azerbaijan) in the fields of Earth observation and satellite MAIT (manufacturing, assembly, integration and test).

Space Communications Ltd. Israel (SpaceCom)

4iG Plc and Israel Aerospace Industries (IAI) jointly submitted a proposal for the comprehensive restructuring of the bond debt of SpaceCom, a Tel-Aviv Stock Exchange listed operator and developer of the AMOS satellite systems. The objective of this joint initiative is to ensure long-term operational continuity and financial stability of SpaceCom. Instead of the bilateral debt settlement proposal, the bondholders accepted SpaceCom's own debt settlement proposal, which was approved by the court.

4iG Plc has the opportunity to participate in the approved debt settlement, the details of which are currently being considered by management. 4iG Plc will inform the public of further developments related to the transaction in accordance with capital market regulations.

Defence

N7 Defence Zrt. transaction

After the reporting period 4iG Space&Defence and the Hungarian State signed a preliminary agreement to establish the first Hungarian state- and privately-owned defence industry holding company. The partnership aims to enhance the competitiveness and export capacity of the Hungarian defence industry, while ensuring a continuous and safe supply for the Hungarian Defence Forces.

As part of a two-step transaction, N7 Holding Zrt. will establish N7 Defence Zrt. and contribute its stakes in defence subsidiaries as in-kind capital (subject to, among other things, shareholder approval by the respective companies). In the second step, 4iG Space&Defence will acquire a 75% + 1 vote majority stake, while N7 Holding will retain 25% - 1 vote. The estimated value of the transaction is between HUF 74.5 and 82.8 billion, excluding critical infrastructure which remains state-owned.

Portfolio companies will pay rental fees for the use of real estate, factories, and industrial facilities. The structure reflects an internationally recognised model that combines state-owned capacities with private-sector resources and international market expertise.

N7 Defence Zrt.’s portfolio will include nine major Hungarian defence companies, covering aviation, land systems, firearms, ammunition, weapons development, and vehicle technology. Companies include Aeroplex Kft., Airbus Helicopters Magyarország Kft., Rheinmetall Hungary Munitions Zrt., Rheinmetall Hungary Zrt., Hirtenberger Defence Systems Kft., SATYS PSP Hungary Zrt., Dynamit Nobel Defence Hungary Zrt., Arzenál Fegyvergyár Zrt., and Colt CZ Hungary Zrt.

Other agreements and transactions

After the reporting period, 4iG Space&Defence signed a strategic cooperation agreement with HM Elektronikai, Logisztikai és Vagyonkezelő Zrt. to explore joint opportunities in defence digitalisation, including software development, system integration, IT infrastructure, and cybersecurity.

Furthermore. a non-binding Term Sheet was signed for the acquisition of 63% of HeliControl Kft., a leading European helicopter maintenance company. The planned acquisition of a majority stake in HeliControl Kft. represents a new market entry opportunity for 4iG Space&Defence and can contribute to securing long-term helicopter maintenance and modernisation capabilities in the Hungary and in the region.

Memorandum of Understanding were signed with United Arab Emirates-based EDGE Group - one of the world's leading defence and advanced technology companies - to develop high-tech defence solutions and support their rollout across European and African markets. The goal of the partnership is to combine the two parties' technological capabilities to develop NATO-compatible defence solutions that are competitive and export-ready for international markets.

The memorandum also covers a comprehensive framework for technology and knowledge transfer, while the other two focus on joint development, localisation, and market introduction of specific defence systems – including UAVs, counter-UAS (C-UAS), air defence and command-and-control solutions. These new collaborations go beyond traditional commercial ties, aiming at co-development, manufacturing, and joint go-to-market strategies.

Through these acquisitions, 4iG Group creates an innovative and competitive defence industry segment with capabilities in aircraft maintenance, helicopter components, munitions, armoured vehicles, mortar systems, small arms and complex weapons development.

Data in millions of HUF, unless otherwise indicated

Presentation of 4iG Group's Q2 2025 results

	H1 2025	H1 2024	Change +/- % in	Q2 2025	Q2 2024	Change +/- % in
		Restated*			Restated*	
Revenue	**352 319**	**324 588**	**8.54%**	**179 820**	**162 287**	**10.80%**
of which: Net sales revenue	350 827	322 481	**8.79%**	179 367	167 849	**6.86%**
Capitalised value of own performance	**7 840**	**8 446**	**-7.17%**	**4 757**	**4 690**	**1.43%**
Raw materials and consumables used	-94 400	-91 517	**3.15%**	-47 454	-47 873	**-0.88%**
Services used	-65 096	-54 515	**19.41%**	-33 004	-28 720	**14.92%**
Employee benefit expenses	-62 869	-55 292	**13.70%**	-33 660	-30 525	**10.27%**
Other operating expenses	-15 243	-21 374	-28.68%	-8 044	-3 751	114.45%
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**122 551**	**110 336**	**11.07%**	**62 415**	**56 108**	**11.24%**
Depreciation and amortisation	-94 324	-90 239	4.53%	-48 999	-45 865	6.83%
Earnings before interest and taxes (EBIT)	**28 227**	**20 097**	**40.45%**	**13 416**	**10 243**	**30.98%**
Financial income	15 416	3 567	332.18%	7 245	-190	-3913.16%
Financial expenses	-37 522	-42 705	-12.14%	-20 290	-13 647	48.68%
Share of profit of associate and joint ventures	-1 015	-399	154.39%	-450	-382	17.80%
Profit or loss before tax	**5 106**	**-19 440**	**-126.27%**	**-79**	**-3 976**	**-98.01%**
Income taxes	-6 254	-3 976	57.29%	-959	-1 306	-26.57%
Profit or loss after tax	**-1 148**	**-23 416**	**-95.10%**	**-1 038**	**-5 282**	**-80.35%**
Other comprehensive income/(loss)	-3 556	859	-513.97%	-2 331	-13	17830.77%
Total comprehensive income/(loss)	**-4 704**	**-22 557**	**-79.15%**	**-3 369**	**-5 295**	**-36.37%**

* The comparative figures of the consolidated statement of comprehensive income and the consolidated statement of cash flows are restated figures. The restatements have been made in accordance with Note 2.31 Adjustment of previous year's financial data.

4iG PLC
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

ACCORDING TO INTERNATIONAL
FINANCIAL REPORTING STANDARDS
30 JUNE 2025

FINANCIAL REPORT

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The Condensed Consolidated Interim Financial Statements were approved by the Board of Directors of the Company by written decision on 28 August 2025 by Board Resolution No. 1/2025 (VIII.28.).
The Consolidated Financial Statements were prepared in Hungarian and English. In case of any discrepancy, the Hungarian version shall prevail.

Data in millions of HUF, unless otherwise indicated

Consolidated statement of comprehensive income

	Notes	H1 2025	H1 2024
			Restated*
Net sales revenue	3	350 827	322 481
Other operating income	4	1 492	2 107
Total net sales revenue and other income		**352 319**	**324 588**
Capitalised value of own performance	5	7 840	8 446
Raw materials and consumables used	6	-94 400	-91 517
Services used	7	-65 096	-54 515
Employee benefit expenses	8	-62 869	-55 292
Other operating expenses	9	-15 243	-21 374
Impairment for financial assets		-2 137	-2 460
Operating costs		**-237 608**	**-222 698**
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		**122 551**	**110 336**
Depreciation and amortisation	10	-94 324	-90 239
Earnings before interest and taxes (EBIT)		**28 227**	**20 097**
Financial income	11	15 416	3 567
Financial expenses	11	-37 522	-42 705
Share of profit of associate and joint ventures	12	-1 015	-399
Profit or loss before tax		**5 106**	**-19 440**
Income taxes	13	-6 254	-3 976
Profit or loss after tax		**-1 148**	**-23 416**
Other comprehensive income that may be reclassified to profit or loss in subsequent periods			
Exchange differences on translation of foreign operations		-3 556	859
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		**-3 556**	**859**
Other comprehensive income/(loss)	14	**-3 556**	**859**
Total comprehensive income/(loss)	15	**-4 704**	**-22 557**

Data in millions of HUF, unless otherwise indicated

Consolidated statement of comprehensive income (continued)

	Notes	H1 2025	H1 2024 Restated*
Earnings per share (HUF)	16		
Basic		-3.84	-78.29
Diluted		-3.93	-79.97
Profit or loss after tax attributable to:			
Owners of the Company		-14 014	-28 213
Non-controlling interests		12 866	4 797
Total comprehensive income/(loss) attributable to:			
Owners of the Company		-16 742	-27 658
Non-controlling interests		12 038	5 101

	H1 2025	H1 2024 Restated*
Profit or loss after tax	-1 148	-23 416
Purchase price allocation effect	11 479	11 574
Adjusted profit or loss after tax**	**10 331**	**-11 842**

* The comparative figures of the consolidated statement of comprehensive income and the consolidated statement of cash flows are restated figures. The restatements have been made in accordance with Note 2.31 Adjustment of previous year's financial data.

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

Data in millions of HUF, unless otherwise indicated

Consolidated statement of financial position

	Notes	30/06/2025	31/12/2024
ASSETS			
Non-current assets			
Property, plant, and equipment	17	413 356	428 027
Customer relationship	18	159 049	164 104
Other intangible assets	19	243 592	248 249
Right-of-use assets	20	158 490	146 974
Deferred tax assets	21	2 706	2 289
Goodwill	22	272 010	274 249
Net investment in the lease – non-current	23	1 140	1 093
Investments in an associate and joint venture	24	9 193	5 870
Other financial assets – non-current	25	12 132	10 844
Other non-financial assets – non-current	25	1 928	1 557
Total non-current assets		**1 273 596**	**1 283 256**
Current assets			
Cash and cash equivalents	26	76 282	60 559
Trade receivables	27	107 181	118 903
Income tax receivable	28	2 994	1 539
Net investment in the lease – current	29	586	673
Inventories	30	13 727	11 049
Other financial assets – current	31	2 191	3 070
Other non-financial assets - current	32	45 113	29 335
Total current assets		**248 074**	**225 128**
Total assets		**1 521 670**	**1 508 384**
EQUITY AND LIABILITIES			
Equity			
Share capital	33	5 981	5 981
Treasury shares	34	-3 974	-3 519
Capital reserve	35	133 492	133 492
Retained earnings		-85 813	-71 799
Share based payment reserve	44	397	397
Accumulated other comprehensive income	36	18 020	20 748
Equity attributable to owners of the company		**68 103**	**85 300**
Non-controlling interests	37	243 940	232 447
Total equity		**312 043**	**317 747**
Non-current liabilities			
Provisions – non-current	38	7 773	7 823
Loans, borrowings, bonds – non-current	39	756 527	768 646
Share based payment liability - non-current	44	474	1 170
Lease liabilities – non-current	40	139 539	130 015
Deferred tax liability	21	17 887	19 779
Other financial liabilities – non-current	41	16 940	3 898
Other non-financial liabilities – non-current	41	1 034	573
Total non-current liabilities		**940 174**	**931 904**

Data in millions of HUF, unless otherwise indicated

Consolidated statement of financial position (continued)

	Notes	30/06/2025	31/12/2024
Current liabilities			
Trade payables	42	81 861	116 026
Provisions – current	38	8 136	7 017
Loans, borrowings, bonds – current	43	33 739	10 051
Share based payment liability – current	44	1 938	1 899
Lease liabilities – current	40	28 599	29 828
Income tax payable	28	2 974	2 733
Other financial liabilities – current	45	26 351	22 432
Other non-financial liabilities – current	46	85 855	68 747
Total current liabilities		**269 453**	**258 733**
Total liabilities and equity		**1 521 670**	**1 508 384**

Data in millions of HUF, unless otherwise indicated

Consolidated statement of changes in equity

	Notes	Share capital	Treasury share	Capital reserve	Retained earnings	Share based payment reserve	Accumulated other comprehensive income	Equity attributable to owners of the Company	Non-controlling interests	Total equity
Balance on 1 January 2024		**5 981**	**-3 199**	**133 492**	**-25 963**	**397**	**11 856**	**122 564**	**233 261**	**355 825**
Profit or loss after tax					-28 213			**-28 213**	4 797	**-23 416**
Other comprehensive income	14						555	**555**	304	**859**
Total comprehensive income		**0**	**0**	**0**	**-28 213**	**0**	**555**	**-27 658**	**5 101**	**-22 557**
Dividends	37							**0**	-1 064	**-1 064**
Balance on 30 June 2024 (restated)		**5 981**	**-3 199**	**133 492**	**-54 176**	**397**	**12 411**	**94 906**	**237 298**	**332 204**
Profit or loss after tax					-17 623			**-17 623**	-6 619	**-24 242**
Other comprehensive income	14						8 337	**8 337**	2 396	**10 733**
Total comprehensive income		**0**	**0**	**0**	**-17 623**	**0**	**8 337**	**-9 286**	**-4 223**	**-13 509**
Share purchase	33		-320					**-320**		**-320**
Increase in non-controlling interest due to acquisition	37							**0**	-611	**-611**
Dividends	37							**0**	-17	**-17**
Balance on 31 December 2024		**5 981**	**-3 519**	**133 492**	**-71 799**	**397**	**20 748**	**85 300**	**232 447**	**317 747**
Profit or loss after tax					-14 014			**-14 014**	12 866	**-1 148**
Other comprehensive income	14						-2 728	**-2 728**	-828	**-3 556**
Total comprehensive income		**0**	**0**	**0**	**-14 014**	**0**	**-2 728**	**-16 742**	**12 038**	**-4 704**
Share purchase			-455					**-455**		**-455**
Dividends	37							**0**	-545	**-545**
Balance on 30 June 2025		**5 981**	**-3 974**	**133 492**	**-85 813**	**397**	**18 020**	**68 103**	**243 940**	**312 043**

Data in millions of HUF, unless otherwise indicated

Consolidated statement of cash flows

	Notes	30/06/2025	30/06/2024 Restated*
Cash flows from operating activities			
Profit or loss before tax		5 106	-19 440
Adjustments:			
Depreciation and impairment of property, plant and equipment and right-of-use assets	10	56 435	54 936
Amortisation and impairment of intangible assets and impairment of goodwill	10	38 314	36 180
Movement in other impairment	9	2 581	-662
Movement in provision	38	1 270	1 476
Other financial income/expenses		30 324	29 441
Net foreign exchange differences	11	-8 250	7 370
Share of profit or loss of associates and joint ventures	12	1 015	399
Gain/loss on sale of property, plant, and equipment		-59	0
Income tax paid		-9 727	-6 698
Changes in working capital			
Changes in trade receivables	27	7 686	8 706
Changes in inventories	30	-2 127	-4 729
Changes in trade payables	41	-31 843	-22 997
Changes in other receivables and payables		18 134	-10 874
Net cash flows from operating activities		**108 859**	**73 108**
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		50	2 385
Purchase of property, plant and equipment	17	-29 208	-37 650
Proceeds from sale of intangible assets		76	7
Purchase of intangible assets	19	-29 346	-23 328
Proceeds from sale of securities	25	0	16
Purchase of other investments		-4 340	-6 043
Dividends and interest received on investments		1 373	0
Net cash flows from investing activities		**-61 395**	**-64 613**
Cash flows from financing activities			
Proceeds from borrowings/ repayment of borrowings	39	-1 240	7 849
Payment of principal portion of lease liabilities		-24 870	-10 975
Repurchased and issued treasury shares		-455	0
Interest paid	10	-3 945	-7 102
Dividends paid to non-controlling interests		-545	-656
Net cash flows from financing activities		**-31 055**	**-10 884**
Net foreign exchange difference		-686	87
Net change in cash and cash equivalents		**15 723**	**-2 302**
Cash and cash equivalents at the beginning of the year	26	60 559	53 175
Cash and cash equivalents at the end of the period		**76 282**	**50 873**

* The comparative figures of the consolidated statement of comprehensive income and the consolidated statement of cash flows are restated figures. The restatements have been made in accordance with Note 2.31 Adjustment of previous years financial data.

1 General information

1.1. About the Group

4iG Public Limited Company (Plc) is a company registered in Hungary (registered office: Krisztina krt. 39., 1013 Budapest), conducts its activities 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).

4iG Plc and its subsidiaries together constitute the 4iG Group (hereinafter referred to as the "4iG Group" or the "Group").

The 4iG Group is not under the independent control of any other company.

The principal activities of the 4iG Group include the provision of comprehensive 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.

"Company" or "the Company" refers to 4iG Plc as a standalone entity, excluding its subsidiaries.

This financial report is also available on the Company's website: www.4ig.hu.

1.2. Basis of preparation

i) Approval and declaration

The interim condensed consolidated financial statements for the period ended on 30 June 2025 were approved by the Board of Directors on 28 August 2025.

The interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as published and incorporated by regulation in the Official Journal of the European Union (EU). IFRS are standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC).
These interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with IAS 34 Interim Financial Reporting, and should be read in conjunction with the Group’s last annual consolidated financial statements as at and for the year ended 31 December 2024 (‘last annual financial statements’). They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Accounting Standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual financial statements.

The interim condensed consolidated financial statements are presented in Hungarian forints, rounded to the nearest million forints, unless otherwise indicated.

The report contains non-audited interim condensed consolidated financial statements for the period ending 30 June 2025. The consolidated financial statements provide comparative information in respect of the previous period. An additional statement of comprehensive income as of 30 June 2024 is presented in these interim condensed consolidated financial statements due to the retrospective correction of comparative period misstatements. See Note 2.31 Adjustment of previous years' financial data for more information.

ii) The basis of preparation of the accounts (Statement of compliance)

The interim condensed financial statements shall present fairly the financial position, financial performance, and cash flows of 4iG Group. Fair presentation requires the faithful representation of the effects of transactions, other events, and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income, and expenses set out in the Framework.

The financial year for the Group is 1 January – 31 December 2025. The balance sheet date of interim condensed financial statement is 30 June 2025.

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

iii) Going concern

The interim condensed consolidated financial statement has been prepared on a going concern basis. This means that they have been prepared on the assumption that the Group will continue to operate for the foreseeable future without management's intention to wind up the entity or significantly reduce its level of activity.

iv) Significant accounting judgements, 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 accompanying disclosures, and the disclosures of contingent liabilities. Estimates and related assumptions are based on historical experience and a number of other factors that are considered 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.

This note provides an overview of the areas that involved a higher degree of judgement or complexity. Detailed information about each of these estimates and judgements is included in other notes.

The areas involving significant estimates or judgements are:

- estimation of current tax payable and current tax expense in relation to an uncertain tax position - Note 13 Income taxes,
- estimated fair value of certain financial assets – Note 25.1 Other financial assets – non-current and Note 31 Other financial assets – current,
- estimated useful life of property, plant and equipment– Note 17 Property, plant and equipment,
- estimation uncertainties and judgements made in relation to lease accounting – Note 20 Right-of-use assets and Note 40 Lease liabilities,
- estimated useful life of intangible asset – Note 19 Other intangible assets,
- estimation of fair values of contingent liabilities and contingent purchase consideration in a business combination – Note 22.2 Business combination,
- recognition of revenue and allocation of transaction price – Note 3 Net sales revenue,
- recognition of deferred tax asset for carried-forward tax losses – Note 21 Deferred tax assets and liabilities,
- impairment of financial assets – Note 9 Other operating expenses,
- consolidation decision and classification of joint arrangement – Note 24 Investments in an associate and joint venture,
- impairment of goodwill – Note 22 Goodwill and business combinations
- The Group acts as a principal or an agent in different relationships with customers, further information can be found in Note 3 Net sales revenues.

2 Material accounting policies

The following note describes the material accounting policies applied in the preparation of the consolidated financial statements and the basis of preparation of the consolidated financial statements. Accounting policies have been consistently applied to the periods presented in these consolidated financial statements.

2.1. Basis of consolidation

The consolidated financial statements comprise the financial statements of 4iG and its subsidiaries. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, 4iG controls an investee if, and only if, the Group has:

- power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- exposure, or rights, to variable returns from its involvement with the investee
- the ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, 4iG considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement(s) with the other vote holders of the investee
- rights arising from other contractual arrangements
- the Group's voting rights and potential voting rights

The Group reassess whether it controls an investee if circumstances indicate that there are changes to one or more of elements of control mentioned above. Consolidation of a subsidiary begins when 4iG obtains control over the subsidiary and ceases when 4iG loses control of the subsidiary. Assets, liabilities, incomes, and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date 4iG gains control, until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest, and other components of equity, while any consequential gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Subsidiaries

The subsidiaries fully consolidated are shown in the table below for the period ended 30 June 2025:

Data in millions of HUF, unless otherwise indicated

Name of subsidiary	Majority owner	Date of inclusion in consolidation	Way of acquiring	Indirect ownership on 30/06/2025	Indirect ownership on 31/12/2024
"Digitális Átállásért" Nonprofit Kft.	4iG Távközlési Holding Zrt.	31/03/2022	cont. in kind	62.10%	76.78%
4iG Befektetési Kft.	4iG Plc	19/03/2025	incorporated	100.00%	n/a
4iG ComCo Holding Zrt.	4iG Távközlési Holding Zrt.	02/08/2023	incorporated	62.10%	76.78%
4iG Hírközlési Infrastruktúra Zrt.	4iG Távközlési Holding Zrt.	19/11/2024	incorporated	62.10%	76.78%
4iG Informatikai Zrt.	4iG Plc	01/01/2025	spin-off	100.00%	n/a
4iG InfraCo Holding Zrt.	4iG Távközlési Holding Zrt.	02/08/2023	incorporated	62.10%	76.78%
4iG International Telco Holding Kft.	4iG Távközlési Holding Zrt.	23/02/2022	incorporated	62.10%	76.78%
4iG Műsorszóró Infrastruktúra Kft.	4iG Távközlési Holding Zrt.	28/10/2024	incorporated	62.10%	76.78%
4iG Távközlési Holding Zrt.	4iG Plc	31/03/2022	cont. in kind	62.10%	76.78%
4iG Űr és Védelmi Technológiák Zrt.	4iG Plc	21/02/2024	incorporated	100.00%	100.00%
ACE Network Zrt.	4iG Informatikai Zrt.	14/04/2021	acquisition	70.00%	70.00%
AH Infrastruktúra Szolgáltató Zrt.	4iG InfraCo Holding Zrt.	01/09/2024	spin-off	62.10%	76.78%
AH Média Kereskedelmi Zrt.	4iG ComCo Holding Zrt.	01/09/2024	spin-off	62.10%	76.78%
Albania Telecom Invest AD	4iG International Telco Holding Kft.	21/03/2022	acquisition	62.10%	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%	100.00%
DIGI Távközlési és Szolgáltató Kft.	4iG ComCo Holding Zrt.	03/01/2022	acquisition	62.10%	76.78%
D-Infrastruktúra Távközlési Kft.	4iG InfraCo Holding Zrt.	01/07/2024	demerger	62.10%	76.78%
Humansoft Szerviz Kft.	4iG Informatikai Zrt.	17/04/2019	incorporated	100.00%	100.00%
Hungaro DigiTel Kft.	Portuguese Telecommunication Investments Kft.	12/05/2021	acquisition	100.00%	100.00%
INNObyte Zrt.	4iG Informatikai Zrt.	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 InfraCo Holding Zrt.	01/07/2024	demerger	62.10%	76.78%
Invitech ICT Services Kft.	4iG ComCo Holding Zrt.	30/09/2021	acquisition	62.10%	76.78%
InviTechnocom Kft.	Invitech ICT Infrastructure Kft.	30/09/2021	acquisition	62.10%	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	62.10%	76.78%
ONE MACEDONIA TELECOMMUNICATIONS DOOEL Skopje	4iG Távközlési Holding Zrt.	18/10/2024	incorporated	62.10%	76.78%
One Magyarország Zrt.	4iG ComCo Holding Zrt.	31/01/2023	acquisition	62.10%	54.13%
Poli Computer PC Kft.	4iG Informatikai Zrt.	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%
Rheinmetall 4iG Digital Services Kft.	4iG Informatikai Zrt.	16/11/2022	incorporated	51.00%	51.00%
Rotors & Cams Kereskedelmi és Szolgáltató Zrt.	4iG Űr és Védelmi Technológiák Zrt.	23/12/2024	acquisition	55.00%	55.00%
Veritas Consulting Kft.	4iG Informatikai Zrt.	10/09/2019	acquisition	100.00%	100.00%
V-Hálózat Távközlési Zrt.	4iG InfraCo Holding Zrt.	01/01/2025	demerger	62.10%	n/a

On 31 December 2024 the demerger of 4iG Plc was completed, so 4iG Informatikai Zrt. started its operations from 1 January 2025, which includes the IT division of 4iG. As a result of the asset transfer carried out within the framework of the demerger, as of 1 January 2025, ACE Network Zrt., Humansoft Szerviz Kft., INNObyte Zrt., Poli Computer PC Kft., Rheinmetall 4iG Digital Services Kft. and Veritas Consulting Kft. became subsidiaries of 4iG Informatikai Zrt.

On 31 December 2024 One Magyarország Zrt. was demerged, so from 1 January 2025 V-Hálózat Távközlési Zrt. started its operations, which includes the infrastructure division.

On 19 March 2025 4iG Befektetési Kft. was established, which is 100% owned by 4iG Plc.

On 15 May 2025 4iG Távközlési Holding Zrt. and Corvinus Nemzetközi Befektetési Zrt. have signed a share sale and purchase agreement and Corvinus Nemzetközi Befektetési Zrt. carried out a capital increase in 4iG Távközlési Holding Zrt. by contributing claims as in-kind contributions. As a result of the multi-step transaction, Corvinus Nemzetközi Befektetési Zrt.'s share in 4iG Távközlési Holding Zrt. increased to 37.90% (from the previous 23.22%), while 4iG Plc's share decreased to 62.10% (from the previous 76.78%). 4iG Távközlési Holding Zrt. is the sole, direct owner of One Magyarország Zrt. and V- Hálózat Távközlési Zrt.

On 26 May 2025, 4iG Plc transferred its 55% stake in Rotors & Cams Zrt. to 4iG Űr és Védelmi Technológiák Zrt.

On 17 June 2025, 4iG ComCo Holding Zrt. acquired from 4iG Távközlési Holding Zrt. the business share representing 100% of the registered capital of DIGI Távközlési és Szolgáltató Kft., the business share representing 100% of the registered capital of Invitech ICT Services Kft. 100% of the share capital of AH Média Kereskedelmi Zrt. in the form of Series A ordinary shares, and 100% of the share capital of One Magyarország Zrt. in the form of Series A ordinary shares.

On 17 June 2025, 4iG InfraCo Holding Zrt. acquired from 4iG Távközlési Holding Zrt. the business share representing 100% of the share capital of Invitech ICT Infrastructure Kft., the ordinary shares issued by AH Infrastruktúra Szolgáltató Zrt. representing 100% of its share capital, and the ordinary shares issued by V-Hálózat Távközlési Zrt. representing 100% of its share capital.

Data in millions of HUF, unless otherwise indicated

Associates and joint venture

In addition to the subsidiaries, on 6 October 2022, 4iG Plc acquired 9.538% of the shares of Space-Communications Ltd., the operator and developer of AMOS satellite systems. The Company increased its stake in Space-Communications Ltd. from 9.538% to 20% by a capital increase effective as of 21 February 2023. Following the capital increase, 4iG gained significant influence over Space-Communications Ltd., and from this date, it is reported as an associate.

On 2 October 2023, RAC Antidrone Zrt. was established, with 4iG Plc holding a 25% share and Rotors & Cams Zrt. holding 50%. However during December 2024, Rotors & Cams Zrt. sold its majority stake in RAC Antidrone Zrt. As a result, although Rotors & Cams Zrt. became a subsidiary, the Group lost its indirect control over RAC Antidrone Zrt., which has subsequently been reclassified as an associate. On 26 May 2025, 4iG Plc transferred its 55% stake in Rotors & Cams Zrt. to 4iG Űr és Védelmi Technológiák Zrt.

On 2 May 2024, 45% shares of REMRED Technológia Fejlesztő Zrt. was acquired by 4iG Űr és Védelmi Technológiák Zrt. According to our valuation, although Group's stake in REMRED Technológiai Fejlesztő Zrt. does not reach 50%, company is considered as a joint venture under IFRS 11 Joint Arrangements, as its owners are required to make certain strategic decisions unanimously and dividend distribution decisions must also be made jointly.

On 30 June 2025, the associated entities and joint ventures are shown in the table below:

Name of the associate/joint venture	Date of acquisition	Way of acquiring	Ownership on 30/06/2025	Ownership on 31/12/2024
RAC Antidrone Zrt.	02/10/2023	incorporated	25%	25%
REMRED Technológia Fejlesztő Zrt.	02/05/2024	acquisition	45%	45%
Space-Communications Ltd.	11/10/2021	acquisition	20%	20%

2.2. Foreign currencies

The Group's consolidated financial statements are presented in HUF (Hungarian forints), which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies at the financial reporting date are translated at the exchange rate of the MNB (Hungarian National Bank) at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities into each Group entity's functional currency at year-end are recognised in the income statement.

Translation at year-end rates does not apply to non-monetary items that are measured at historical cost. Non-monetary assets and liabilities that are measured at fair value in foreign currencies are translated using the foreign exchange rates at the date the fair value is determined.

Group companies

For consolidation purposes, the results and financial position of each entity that have a functional currency different from reporting currency of the Group (HUF) are translated into the reporting currency as follows:

(i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of the respective reporting period,

(ii) income and expenses for each income statement are translated at exchange rates at the dates of the transactions, for practical reasons, taking into account the cost-benefit principle, the Group uses the average monthly exchange rate for the period, to translate income or expenses,

(iii) equity items are translated on historical rate,

(iv) all resulting exchange differences are recognised in other comprehensive income (OCI) as cumulative translation adjustments (CTA). On disposal of a foreign operation, the component of OCI relating to that particular operation is reclassified to profit or loss.

Goodwill arising on the acquisition of a foreign operation is translated at the spot rate of exchange at the reporting date.

2.3. Net sales revenue

The Group recognises revenue from contracts with customers (IFRS 15) and from its leasing activities as a lessor (IFRS 16) recognises lease income on a straight-line basis. The details of the lessor accounting are in Note 2.16 Leases.

According to the requirements of IFRS 15, revenue can be recognised when promised goods or services are transferred to the customer in an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or service. This core principle is applied using a five-step model framework.

Step 1: Identify the contract with the customer

A contract with a customer will be within the scope of IFRS 15 if all the conditions set by IFRS are met. If a contract with a customer does not meet all of the criteria yet, the Group continues to reassess the contract going forward to determine whether it subsequently meets the criteria. From that point, the Group applies IFRS 15 to the contract.

Modification of contracts

If both the scope and the price of the contract increases and the increase in the price corresponds to the standalone selling price of the additional promised goods or services, a contract modification is accounted for as a separate contract with the customer. In other cases, the contract modification is accounted for by modifying the accounting for the current contract with the customer. Such modification is accounted for either prospectively or retrospectively depending on whether the remaining goods or services to be delivered after the modification are distinct from those delivered prior to the modification.

Step 2: Identify the performance obligations in the contract

At the inception of the contract, the Group assesses the goods or services that have been promised to the customer and identify as a performance obligation a good or service (or bundle of goods or services) that is distinct; or series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

A good or service is distinct if both of the following criteria are met:

- the customer can benefit from the good or services on its own or in conjunction with other readily available resources; and
- The Group’s promise to transfer the good or service to the customer is separately identifiable from other promises in the contract.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g. warranties), and whether it act in its arrangements as an agent or principal.

Principal versus agent consideration

When more than one party is involved in providing goods or services to a customer IFRS 15 requires an entity to determine whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customer:

- The Group is a principal (and, therefore, records revenue on a gross basis) if it controls a promised good or service before transferring that good or service to the customer. The revenue recognised is the gross amount to which the entity expects to be entitled.
- The Group is an agent (and, therefore, records as revenue the net amount that it retains for its agency services) if its role is to arrange for another entity to provide the goods or services. The revenue recognised is the net amount that the Group is entitled to retain in return for its services as the agent.

The Group has generally concluded that it is the principal in its revenue arrangements, except for certain IT software licencing and supporting arrangements, because it typically controls the goods or services before transferring them to the customer.

The Group evaluates each contract to determine the number of identifiable performance obligations within the given agreement and recognises revenue accordingly. It is important to highlight that in many cases, the contracts do not contain separately identifiable performance obligations. In such instances, under IFRS 15, the performance obligations are not considered distinct.

For post-sale support and warranty services, it is also necessary to assess individually whether they qualify as separate performance obligations. Statutory warranties required by law are generally not considered separate, whereas extended warranty services voluntarily provided beyond the statutory requirement are typically regarded as distinct performance obligations.

Step 3: Determine the transaction price

The transaction price is the amount to which The Group expects to be entitled in exchange for the transfer of goods and services. In determining the transaction price for the goods and services, the Group considers the effects of variable consideration and existence of a significant financing component.

Variable consideration

Where a contract contains elements of variable consideration, The Group estimates the amount of variable consideration to which it will be entitled under the contract. Variable consideration can arise, for example, as a result of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, penalties or other similar items. Variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Significant financing component

Where consideration is paid in advance or in arrears, the Group considers whether the contract includes a significant financing arrangement and, if so, adjust the promised consideration for the effect of the time value of money. As a practical expedient, the Group elected not to adjust the promised amount of consideration for the effects of a significant financing component if the Group expects, at contract inception, that the period between when the Group transfers a promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Step 4: Allocate the transaction price to the performance obligations in the contracts

Where a contract has multiple performance obligations, the Group allocates the transaction price to the performance obligations in the contract by reference to their relative standalone selling prices. If a standalone selling price is not directly observable, it should be estimated. Any overall discount compared to the aggregate of standalone selling prices is allocated between performance obligations on a relative standalone selling price basis. In certain circumstances, it may be appropriate to allocate such a discount to some but not all of the performance obligations.

The Group applies the portfolio approach method for transaction price allocation for the Hungarian subsidiaries, while the detailed method is applied for the foreign subsidiaries. There is essentially no difference in the amounts calculated using the two methods, as both approaches result in a similar allocation of the transaction price across the performance obligations.

Step 5: Recognise revenue when the Group satisfies a performance obligation

Revenue is recognised as control is passed, either over time or at a point in time.
Control of an asset is defined as the ability to direct the use of and obtain substantially all of the remaining benefits from the asset. This includes the ability to prevent others from directing the use of and obtaining the benefits from the asset. The benefits related to the asset are the potential cash flows that may be obtained directly or indirectly.
The Group recognises revenue over time if one of the following criteria is met:

- the customer simultaneously receives and consumes all of the benefits provided by the Group as the Group performs,
- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

When the Group has determined that a performance obligation is satisfied over time, the standard requires the Group to select a single revenue recognition method for the relevant performance obligation that faithfully represents the Group's performance in transferring control of the goods or services. The appropriate methods of measuring progress include output (recognise revenue based on direct measurements of the goods or services transferred to date relative to the remaining goods or services promised under the contract) and input (recognise revenue based on the Group's efforts or inputs to the satisfaction of a performance obligation) methods. In case of similar performance obligations, the Group applies the selected method consistently.

2.3.1. Main revenue types

IT related revenues

In the case of hardware sales, the Group recognises revenue when control over the hardware is transferred to the customer. This is also documented through performance certificates related to individual deliveries. For hardware sales, the Group always qualifies as a principal in revenue recognition under IFRS 15 because the Group controls the asset before it is transferred to the customer.

The Group is the certified reseller of licenses which often sold with post contract support. In software/license agreements, the Group evaluates the contracts and the performance obligations within. The Group evaluates whether third party is involved in the fulfilment of the promises and if so whether the Group act as an agent or a principal. If 4iG is the solely responsible party for fulfilling the promises (including the licence and the post contract support) the Group considered as the principal.

If third party is involved in the fulfilment of the promises the Group evaluates whether it controls the goods or services before providing it to the customer.

If the Group does not control the goods or services provided before transferring to the customer the Group is considered as an agent. The Group is typically an agent if the contracts include right to access type licenses, or the software manufacturer directly generates the product key for the customer, or the post contract support provided directly to the customer by the software manufacturer. Revenue recognised for such agreements point in time on a net basis as a difference of the consideration received and the related costs.

If the goods and services are controlled by the Group, it is considered as principal. The Group assess control as the ability and opportunity to direct the use of the licence i.e.: The Group has the opportunity and ability to sell the licence to another customer if needed. These licence agreements typically involve licenses which are installed on the customers premises.
For other services (e.g., operational services), the Group recognises the related revenue as a principal over the service period.

For complex projects, the Group assesses whether the project meets any of the following criteria for revenue recognition over time:

- The customer simultaneously receives and consumes the benefits arising from the Group's performance as the Group fulfils its obligations,
- The Group's performance creates or enhances an asset (e.g., work-in-progress) over which the customer gains control from the moment it is created or enhanced, or
- The Group's performance does not create an asset that can be utilized in an alternative manner by the Group, and the Group has an enforceable right to payment for performance completed up to that point.

If any of the above criteria are met, the appropriate method for measuring progress—either the input or output method—is determined based on the characteristics of the project, as described earlier. If billing differs from the service provided, a contract asset or liability is recognised.

Fixed line and mobile telecommunication revenue

The 4iG's other key source of revenue generated from services provided to customers over the Group's telecommunication network and related product sale as well.
The customer's subscription agreement generally contains voice, data, internet, TV or other multimedia services. These types of agreements usually contain product sale or monthly subscription- and usage-based traffic fees.
Several packaged offers contain a subscription for service(s) and device(s). For bundled services, the Group accounts for individual products or services separately if they are distinct. – i.e. in the bundled package a product or service is separately identifiable from other items and if a customer can benefit from it. The consideration is allocated between separate products and services in a bundle based on their stand-alone selling prices. The stand-alone selling prices are determined based on the list price of the devices and the telecommunication services.

In case of a promotional offer which includes a free service period at inception, the Group considers whether a contractual obligation exists during the free period. If there is a contractual obligation to consume the service after the promotional period (there is a contract with the customer) the respective discount is allocated proportionally to each distinct performance obligation. When the customer does not commit to use the service, and the customer can cancel the service at any time during this period, the Group could not allocate revenue for the free period.
Based on IFRS 15 standard, usage-based considerations on use are not usually included in the transaction price (i.e., additional data packages) because the Group is not entitled to the consideration at contract inception date. Subscription fees are recognised in the period in which they apply.
Broadcasting and network connection, network maintenance services are usually recognised over the period, while the related performance obligations are fulfilled.

2.3.2. Contract balances

Contract asset

If the Group performs by transferring goods or services before the customer has paid the consideration or the payment is due, then the Group recognises a contract asset, except to the extent that it recognises it as a receivable. The contractual asset represents the Group’s right to receive consideration for goods and services that it has already transferred. The Group recognises contract assets arising from IFRS 15 accounting in the statement of financial position under other non-financial assets - current and other non-financial assets – non-current.

Contract liability

If the customer pays consideration or the Group recognises a receivable before the Group transfers the good or service, the Group recognises a contractual obligation when the financial settlement is made. This obligation reflects the Group’s obligation to deliver goods or services for which the customer has already paid. Contractual obligations arising from the accounting under IFRS 15 are recognised in the balance sheet as current and non-current other non-financial liabilities.

Cost to obtain a contract

The Group shall recognise as an asset the incremental costs of obtaining a contract with a customer if it expects to recover those costs. The incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained (i.e., a sales commission, or success fees paid to agents). Costs of obtaining a contract with a customer are amortised on a straight-line basis over the period that the related goods or services are transferred to the customer. The Group chooses to classify and present these costs as a separate class of intangible assets and its amortisation in the same line item as amortisation of other intangible assets within the scope of IAS 38 Intangible Assets.

Cost to fulfil a contract

If the costs incurred in fulfilling a contract with a customer are not within the scope of another Standard (i.e., IAS 2 Inventories, IAS 16 Property, Plant and Equipment or IAS 38 Intangible Assets), the Group shall recognise an asset from the costs incurred to fulfil a contract only if those costs meet specific recognition criteria. At the Group such costs cannot be capitalised but expensed as incurred.

2.4. Other operating income

Under this line is shown the income generated from activities that are not part of the Group's primary business activities. Incomes are measured at the fair value of the consideration receivable.

2.5. Capitalised value of own performance

The Group capitalises the costs incurred in the development of internal assets, as well as those related to the carrying amount of property, plant, and equipment at initial recognition, in accordance with IAS 38 Intangible Assets and IAS 16 Property, Plant and Equipment, respectively.

2.6. Raw materials and consumable used

Raw materials and consumables used refers to the direct costs of production of the goods sold by the Group and the costs which incurred while transfer a service directly.

2.7. Services used

The Group presents under this line the services acquired from external parties that are directly or indirectly related to the daily operation.

2.8. Employee benefit expenses

Employee benefits are all forms of consideration given by the Group in exchange for service rendered by employees or for the termination of employment.

At the Group, employee benefits include short-term employee benefits, such as wages, salaries, bonuses and other non-monetary benefits for current employees. Short–term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. These obligations are measured on an undiscounted basis and expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.9. Other operating expenses

Operating expenses include the net amount of provision creation and release (if classified as an expense), the net amount of trade receivables and inventory provision creation and release (if classified as an expense), as well as taxes that do not fall under the scope of income taxes as defined by IAS 12 Income Taxes, along with penalties and other similar costs. Expenses are measured at the fair value of the consideration paid or payable (which not only includes the price for the service but also any indirectly allocated charges).

The Group presents separately from income taxes the extra profit and utility tax in the telecom segment, and the environmental product charge and motor vehicle tax in both the telecom and IT sectors.

2.10. Depreciation and amortisation

Depreciation and amortisation include the depreciation cost of property, plant and equipment and the amortisation of intangible assets. The depreciation of right-of-use assets is also recognised in this financial statement line. See the details under the Note 2.14 Property, plant and equipment and Note 2.15 Intangible assets.

2.11. Financial income/expense

Finance income comprises the following: interest income on investments, dividend income, gains from the financial assets and changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues, using the effective interest method. Dividend income is recognised on the date that the Group's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance expenses comprise the following: interest expense on borrowings, unwinding of the discount on provisions, changes in the fair value of financial assets at fair value through profit or loss, and impairment losses recognised on financial assets.

2.12. Income taxes

Income taxes include all domestic and foreign taxes which are based on taxable profits. Income taxes also include taxes, associate or joint arrangement on distributions to the reporting entity. They are recognised in the statement of profit or loss for the year, except for amounts relating to business combinations or items that are recognised directly in equity or other comprehensive income.

Current tax

At the Group, Hungarian local business tax, innovation tax payable and corporate income tax are presented as current taxes. Current tax is the amount expected to be paid to, or recovered from, the taxation authorities in respect of taxable profits or losses for the current and prior periods. Taxable profits or losses are based on estimates if the financial statements are authorized prior to filing relevant tax returns and any adjustment to tax payable in respect of previous years. Taxes other than on income are recorded within other operating expenses.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets for deductible temporary differences and tax loss carry forwards are recorded only to the extent that it is probable that future taxable profit will be available against which the deductions can be utilized. Deferred tax liabilities shall be recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of goodwill, or the initial recognition of an asset or liability in a transaction which is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit/ (tax loss) and the time of the transaction, does not give rise to equal taxable and deductible temporary differences.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in the statement of profit or loss.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2.13. Earnings per share (EPS)

The Group presents basic and diluted earnings per share (EPS) in its consolidated financial statements.

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The Group discloses instruments (including contingently issuable shares) that could potentially dilute basic earnings per share in the future but were not included in the calculation of diluted earnings per share because they are antidilutive for the period(s) presented.

2.14. Property, plant and equipment

Property, plant, and equipment of the Group comprise properties, vehicles, and other equipment. The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the entity; and the cost of the item can be measured reliably. Assets purchased or constructed are initially measured at cost. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

The Group applies the cost model for subsequent measurement of all of its tangible assets, which means items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment and based on the amount of the depreciable asset value. The depreciable amount of an asset is the cost less any residual value. Land and construction in progress are not depreciated. The useful lives by asset group are as follows:

Real estate:	10-50 years
Telecommunications equipment:	4-15 years
Machinery and equipment:	2-8 years
Office equipment:	3-7 years

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Depreciation methods are reassessed at each reporting date. These changes are treated as changes in the accounting estimates and are accounted for prospectively.

At the end of each reporting period management assesses whether there is any indication of impairment of properties, plant and equipment. If any such indication exists, management estimates the recoverable amount, which is determined as the higher of an asset's fair value less costs to sell and its value in use. The carrying amount is reduced to the recoverable amount and the impairment loss is recognised in profit or loss for the year. An impairment loss recognised for an asset in prior years is reversed if there has been a change in the estimates used to determine the asset's value in use or fair value less costs to sell. Further details with regards to accounting for impairment of non-financial assets see under Note 2.17 Impairment of non-financial assets.

2.15. Intangible assets

Intangible assets are identifiable non-monetary assets without physical substance, including computer software and other intangible assets.

The recognition of an item as an intangible asset requires an entity to demonstrate that the item meets the definition of an intangible asset, and it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and the cost of the asset can be measured reliably. Programme and other broadcast rights meet the definition of intangible assets because they are identifiable non-monetary assets without physical substance, arise from contractual rights and are controlled by the entity. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets acquired individually are recorded at cost. The cost of a separately acquired intangible asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and any directly attributable cost of preparing the asset for its intended use. The cost of intangible assets acquired in a business combination i.e., customer relationships, brands is their fair value at the date of acquisition. Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

After initial measurement, computer software and other intangible assets are stated at acquisition cost less accumulated amortisation and accumulated impairment, if any. The useful lives of intangible assets are finite or indefinite. Assets with finite useful lives are amortised using the straight-line method based on the best estimate of their useful lives. Amortisation is recognised in profit or loss on a straight-line basis, with the exception of goodwill, over the estimated useful lives of intangible assets, from the date that they are available for use. The Group’s intangible assets other than goodwill have definite useful lives and include the followings:

Spectrum fee:	15-20 years
Customer lists:	10-20 years
Trademarks:	1-6 years
Licences:	2-6 years
Software and other intellectual property:	3-6 years
Content rights:	2-5 years

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. The recoverable amount of an intangible asset is the higher of the asset’s fair value less costs to sell and value in use. The Group reviews and validates at the end of each reporting period its decision to classify the useful life of an intangible asset as indefinite. If events and circumstances no longer support an indefinite useful life, the change from indefinite to finite life should be accounted for as a change in accounting estimate under IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which requires such changes to be recognised prospectively (i.e., in the current and future periods). Furthermore, reassessing the useful life of an intangible asset as finite rather than indefinite is an indicator that the asset may be impaired.

The intangible assets' residual values, useful lives and amortisation method are reviewed, and adjusted if appropriate, at the end of each reporting period. These changes are treated as changes in the accounting estimates and are accounted prospectively.

Content right

Within content right licensing contracts, the Group is entitled to distribute specific TV channels. These contracts could include fix, variable fees or the combination of the two components based on market practices. Cost accumulation model is used by the Group which means the recognition of an intangible asset and a financial liability only if the license fees are fixed (or variable with a minimum payment). All fixed payments are capitalised for the non-cancellable contract term considering the time vale of money (i.e. discounting future fixed payments on the initial recognition date by using an appropriate discount rate). In case of variable fees, the amount is recognised in the consolidated statement of profit or loss when incurred.

Customer list

The Group recognise customer lists as an identifiable intangible asset as part of the business combinations. Identified customer lists are measured at cost after initial recognition and amortised over the period of expected future benefit. Depending on the type of business, the useful life of the customer relationship may vary significantly.

Spectrum fees

The Group capitalises the costs related to the acquisition of long-term frequency usage licenses, with their useful life determined based on the validity period of the rights. License renewal options are also taken into consideration when determining the amortisation period of the intangible asset.

2.16. Leases

The Group assess at contract inception whether a contract is or contains a lease. A lease is a contract (i.e., an agreement between two or more parties that creates enforceable rights and obligations), or part of a contract, that conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

2.16.1. Lessee accounting

At the commencement date, the Group as a lessee recognises a right-of-use asset and a lease liability.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease. The right-of-use asset is measured at cost, less accumulated depreciation and any impairment losses (if any), and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of the initial measurement of the lease liability, any lease payments made to the lessor at or before the commencement date, less any incentives received from the lessor, any initial direct costs incurred by the lessee, and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are to produce inventories. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The depreciation is presented within the *Depreciation and amortisation* line item in the consolidated statement of comprehensive income. The right-of-use assets are also subject to impairment. Refer to Note 2.17 Impairment of non-financial assets.

Lease contracts contain non–lease components when a lease coupled with an agreement to purchase or sell other goods or services. The Group applies the practical expedience provided by IFRS 16, which means the non-lease components are not separated from the lease, these items are treated as a single lease component and included in the lease liability.

Lease liabilities

At the commencement date, the Group as a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate. The lease payments include fixed payments less any lease incentive receivable, variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date, amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. After the commencement date, the Group measures the lease liability by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made, and remeasuring the carrying amount to reflect any reassessment or lease modifications specified, or to reflect revised in-substance fixed lease payments.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets (below HUF 2 million) recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term. The Group did not apply the short-term lease exemption to company car asset group, these assets are recognised and accounted based on the estimated lease term, or contract maturity if available.

Telecommunication industry specific

An indefeasible rights of use (IRU) contracts have several types in the telecommunication industry, an assessment is necessary for each contract. IRU contract could include several services dark fibre, fibre network (leased line), or network capacity. If the contract relates to an asset without a physical substance (e.g.: wavelengths, radio frequency) the Group chooses to account for leases of such intangible assets under IAS 38 Intangible Assets.

2.16.2. Lessor accounting

At inception date of the lease, the Group as a lessor classifies each of its leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Leases are classified as operating lease if they do not transfer substantially all the risks and rewards incidental to ownership.

Finance lease

At the commencement date, the Group as a lessor recognises assets held under a finance lease in its statement of financial position and present them as a receivable at an amount equal to the net investment in the lease. The Group uses the interest rate implicit in the lease to measure the net investment in the lease.

At the commencement date, the lease payments included in the measurement of the net investment in the lease comprise the following payments for the right to use the underlying asset during the lease term that are not received at the commencement date fixed payments (including in–substance fixed payments), less any lease incentives payable, variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date, any residual value guarantees provided to the lessor by the lessee, a party related to the lessee or a third party unrelated to the lessor that is financially capable of discharging the obligations under the guarantee, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

After lease commencement, the Group accounts for a finance lease, as follows:

- recognises finance income (in profit or loss) over the lease term in an amount that produces a constant periodic rate of return on the remaining balance of the net investment in the lease (i.e., using the interest rate implicit in the lease).
- Income is recognised on the components of the net investment in the lease, including:
    - interest on the lease receivable
    - interest via accretion of the unguaranteed residual asset to its expected value at the end of the lease
- reduces the net investment in the lease for lease payments received (net of finance income calculated above)
- separately recognises income from variable lease payments that are not included in the net investment in the lease (i.e. performance- or usage-based variable payments) in the period in which that income is earned
- recognises any impairment of the net investment in the lease

Operating lease

A lease is classified as an operating lease if it does not transfer substantially all of the risks and rewards incidental to ownership of an underlying asset. A significant element of risk should remain with the Group, as a lessor. An operating lease is usually for a period substantially shorter than the asset's useful economic life. The Group shall present assets subject to operating leases in the statements of financial position according to the nature of the asset. Costs, including depreciation, incurred in earning the lease income are recognised as an expense. Lease income is recognised on a straight-line basis over the lease term even if the receipts are not on such a basis, unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished. Lease income is presented in the consolidated statement of comprehensive income under Net sales revenue line item.

2.16.3. Sublease – Intermediate lessor

If an underlying asset is re-leased by a lessee to a third party and the original lessee retains the primary obligation under the original lease, the transaction is a sublease. That is, the original lessee generally continues to account for the original lease (the head lease) as a lessee and accounts for the sublease as the lessor (intermediate lessor). If a lessee subleases an asset, or expects to sublease an asset, the head lease does not qualify as a lease of a low–value asset.

In classifying a sublease, the Group as an intermediate lessor classifies the sublease as a finance lease, or an operating lease as follows:

a) if the head lease is a short-term lease that the entity as a lessee has accounted for, the sublease shall be classified as an operating lease,
b) otherwise, the sublease shall be classified by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset (for example, the item of property, plant, or equipment that is the subject of the lease).

The Group as the intermediate lessor accounts for the sublease as follows:

a) If the sublease is classified as an operating lease, the original lessee continues to account for the lease liability and right–of–use asset on the head lease like any other lease.
b) If the total remaining carrying amount of the right–of–use asset on the head lease exceeds the anticipated sublease income, this may indicate that the right– of–use asset associated with the head lease is impaired. A right-of-use asset is assessed for impairment under IAS 36 Impairment of Assets.
c) If the sublease is classified as a finance lease, the original lessee derecognises the right-of-use asset on the head lease at the sublease commencement date and continues to account for the original lease liability in accordance with the lessee accounting model. The original lessee, as the sublessor, recognises a net investment in the sublease and evaluates it for impairment.

If the interest rate implicit in the sublease cannot be readily determined, the Group as an intermediate lessor may use the discount rate used for the head lease (adjusted for any initial direct costs associated with the sublease) to measure the net investment in the sublease.

2.17.Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories, deferred tax assets and financial assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated at each reporting date.

The Group examines annually whether there are any indications of impairment, and reviews whether goodwill might be impaired. Accordingly, the recoverable amount of cash-generating unit to which the goodwill is related must be estimated. To determine the recoverable amount the Group assesses the future cash flows of the cash-generating unit and selects an appropriate discount rate to calculate the present value of the cash flows.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ("cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In case the fair value less cost to sell of an asset or a cash-generating unit is higher than its carrying amount, there is no need to determine the value in use for the purpose of the impairment test.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Costs of disposal are incremental costs directly attributable to the disposal of an asset or cash-generating unit, excluding finance costs and income tax expense.

Value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. All impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

According to IAS 36 Impairment of Assets impairment arises in relation with Right-of-use assets when the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of the present value of future cash flows expected to be generated by the use of the asset and its eventual disposal and the fair value less costs to sell, which represents the market value of the asset, reduced by the costs directly related to its sale.

2.18. Business combinations including goodwill

2.18.1. Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

2.18.2. Business combinations under common control

A business combination under common control refers to a situation where all entities involved in the transaction are ultimately controlled by the same party or group of parties, both before and after the transaction, and where such control is not transitory. Such transactions do not represent a substantive change in the economic control or ownership structure of the Group.

These transactions fall outside the scope of IFRS 3 – Business Combinations, as they do not result in a change of control from an economic perspective and thus do not constitute an acquisition in substance. In these cases, the Group applies the predecessor method (book value accounting). Under this approach, the acquired assets and liabilities are recorded at their historical carrying amounts as previously recognised in the consolidated financial statements. No goodwill is recognised, and no gain or loss is reported in the statement of comprehensive income as a result of the transaction.

2.18.3. Goodwill, other intangible and long-lived assets

Goodwill is the positive difference between the acquisition cost and the fair value of the identifiable net assets of the acquired business at the acquisition date. Goodwill is not amortised, but the Group assesses annually whether there are any indications that the carrying amount may not be recoverable.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred including contingent consideration and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain (badwill) is recognised in profit or loss as *Other operating income*.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

According to IAS 36 Impairment of Assets, if the full carrying amount of goodwill must be impaired, the remaining assets within the cash-generating unit must also be reviewed. In such a case, additional impairment losses may need to be recognised for other assets – such as property, plant and equipment or intangible assets – if their carrying amount exceeds their recoverable amount.

2.19. Investment in associates and joint ventures

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Investment in an associate or a joint venture is initially recognised at cost. The Group's investment in its associate and joint venture are accounted for using the equity method. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately. Any excess of the entity's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate or joint venture's profit or loss in the period in which the investment is acquired. The statement of comprehensive income reflects the Group's share of the results of operations of the associate or joint venture (*Share of profit of associate and joint ventures* line item).

At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

2.20. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.20.1. Financial assets

The Group's consolidated statement of financial position includes the following financial assets: loan and other receivables, cash and cash equivalents, trade receivables, other financial assets – current and non-current, finance lease receivables – current and non-current, investments in other entities.
All other assets, such as receivables from the state budget (including tax and social security receivables) other receivables, prepaid expenses and accrued income are shown in the statement of financial position as other non-financial assets.

Financial assets are initially recognised at fair value. Fair value at initial recognition is best evidenced by the transaction price. Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on settlement-date.

IFRS 9 classifies the financial assets in the following measurement categories:

- Fair value through profit or loss (FVTPL),
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost.

Debt instruments

Classification and subsequent measurement of financial assets that are debt instruments depend on the Group's business model for managing the asset ("Business model assessment"); and the cash flow characteristics of the asset ("SPPI test" – solely payment of principal and interest on the principal amount outstanding).

- Business model reflects how the Group manages its assets in order to generate cash flows. That is, whether its objective is to hold the financial assets solely to collect the contractual cash flows from the assets or is to collect the contractual cash flows and sell those financial assets. Factors considered by The Group in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.
- SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, Group assesses whether the financial instruments' cash flows represent solely payments of principal and interest on the principal outstanding. In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement i.e., interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

Based on these factors, Group classifies its financial assets that are debt instruments into one of the following three measurement categories:

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at amortized cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognised and measured. Interest income from these financial assets is included in 'Interest' using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent solely payments of principal and interest, and that are not designated at FVPL, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses on the instrument's amortized cost which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in 'Interest'. Interest income from these financial assets is included in 'Interest' using the effective interest rate method.

Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Besides these assets, all the financial assets which are held for trading and financial assets designated at fair value through profit and loss on initial recognition are measured at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term through trading activities or form part of a portfolio of financial instruments that are managed together for which there is evidence of a recent pattern of short-term profit taking.

The Group has debt instruments that are measured at amortised cost.

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. The Group subsequently measures all equity investments at fair value through profit or loss, except where the Group management has elected, at initial recognition, to irrevocably designate an equity investment at fair value through other comprehensive income. The Group presents investments in equity instruments of another entity as financial assets in the statement of financial position.

2.20.1.1. Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses ('ECL') associated with its debt instrument assets carried at amortised cost and FVTOCI. The impairment loss is recognised in the statement of comprehensive income and reduces the carrying amount of the corresponding financial asset; for financial assets at FVTOCI the impairment loss is recognised in other comprehensive income. The Group recognises a loss allowance for such losses on an annual basis.

There are two approaches to measure the ECL: general approach and simplified approach. The simplified approach does not require the tracking of changes in credit risk but instead requires the recognition of lifetime ECL at all times. The impairment of other financial assets is recognised based on the general approach. The Group chose to apply simplified approach for operating and finance lease receivables, contract assets and trade receivables with a significant financing component that are not considered to be short term (receivables with maturity over 12 months). The Group determines lifetime ECLs using an impairment matrix for the calculation of lifetime ECL under the simplified approach. The matrix considers certain circumstances of the debtors and the number of days past due. The impairment rates in the matrix are determined considering the general requirements of IFRS 9 for the calculation expected credit losses. Factors taken into account when measuring credit loss:

- whether the credit risk of the financial instruments has increased significantly since initial recognition:
  - base of estimate is the aging of receivables, historical write-off experiences, customer creditworthiness, recent changes in customer payment terms
  - trade receivables: the overdue stock of more than 30 days is 10%. The aging of trade receivables is detailed in the Note 48 Risk management.
  - loans given, contract assets: we consider these financial instruments to be low credit risk, as they are typically not past due at the balance sheet date and the risk of default is negligible.
- forward-looking information driven by expected macroeconomic tendencies was also taken into account when estimating the credit loss.

The Group reviews the above-described factors annually and adjusts them in the calculation when necessary. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss is reversed by adjusting the allowance account through profit or loss for the year. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortized cost would have been had the impairment not been recognised at the date the impairment is reversed. Group writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Uncollectible assets are written off against the related impairment loss provision after all the necessary procedures to recover the asset has been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off are credited to impairment loss account in profit or loss for the year.

2.20.2. Financial liabilities

The Group's consolidated statement of financial position includes the following financial liabilities: trade payables and other current and non-current financial liabilities, loans, borrowings, bonds and bank overdrafts.
The Group initially measures all financial liabilities at fair value. In the case of loans and borrowings, transaction costs that are directly attributable to the acquisition of the financial liability are also considered. Financial liabilities within the scope of IFRS 9 are classified into two measurement categories:

- financial liabilities at amortised cost,
- financial liabilities at fair value through profit or loss (FVTPL).

In most cases the Group classifies its financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through profit or loss. This classification is applied to derivatives and financial liabilities held for trading. The Group does not designate other financial liabilities at fair value through profit or loss due to accounting mismatch at initial recognition.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as financial expense in the statement of comprehensive income.

Financial liabilities are derecognised when they are extinguished (i.e. when the obligation specified in the contract is discharged, cancelled or expires). The exchange between Group and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in covenants are also taken into consideration. If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortized over the remaining term of the modified liability.

2.21. Cash and cash equivalents

Cash and cash equivalents include cash on hand, current accounts with banks, short-term deposits and short-term liquid investments with a maturity of three month or less with an insignificant risk of changes in value. Cash and cash equivalents are carried in the balance sheet at amortized cost. As a result, the Group recognises expected credit losses on cash and cash equivalents if needed. In case of bank overdrafts, the Group recognises such item as a current financial liability.

2.22. Inventories

Inventories are assets held for sale in the ordinary course of business, in the process of production for such sales, or in the form of materials or supplies to be consumed in the production process or in the rendering services.

Inventories are recognised at cost at the time of acquisition. The cost of inventories is made up of three main constituent groups based on the IAS 2 Inventories standard. These are the following:

- purchase price: the components of all items that must be reimbursed to an external party (transportation, loading, handling costs, customs duties, non-refundable or non-deductible taxes reduced by discounts received under various legal titles)
- conversion costs: direct conversion costs (e.g.: material costs, wage costs), and divided fixed (e.g.: depreciation, maintenance) and variable general costs (e.g.: indirect material costs, wage costs)
- other costs: all other costs incurred in order to bring the stocks to their current location and condition

Inventories are measured at the lower of cost and net realizable value that is equal to the estimated selling price less costs to complete and sell. The difference between the current net carrying value and net realizable value is material if it reaches 25% of the net carrying value by item, homogenous asset class. The amount of any write-down of inventories to net realizable value and all losses of inventories is recognised as an expense in the period the write-down or loss occurs.
The amount of any reversal of any write-down of inventories, arising from an increase in net realizable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The Group uses the same cost formula for all inventories having a similar nature and use. For inventories with a different nature or use, different cost formulas may be justified. Regarding the inventories used in the telecommunications segment the weighted average cost formula is applied, while inventories used in the IT segment the individual evaluation principle is applied. When inventories are sold, the carrying amount of those inventories shall be recognised as an expense in the period in which the related revenue is recognised.

2.23. Equity

Share capital
Share capital include shares owned by shareholders through equity instrument transactions.

Treasury shares
Treasury shares are recorded as a deduction from equity, at acquisition cost. Gains and losses arising from the sale of treasury shares are recognised in consolidated retained earnings, net of tax. Under IFRS 2 Share-based Payments, the shares held by employees under the Employee Share Ownership Program (ESOP, MRP in Hungarian) are also classified as treasury shares, as they do not confer any additional rights or voting rights within the Company. For further details, please refer to Note 2.27 Share-based payments.

Capital reserves
The capital reserve of the Group includes the difference between the share's nominal and the fair value on commencement (transaction) date.

Retained earnings
The Group's retained earnings include the amounts of current year consolidated profit (or loss) and the accumulated profits and losses from previous years.

Share based payment reserve
The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised in employee benefits expense, together with a corresponding increase in equity (share-based payment reserve), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The share-based payments reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

Other comprehensive income
Elements of other comprehensive income ("OCI") are items of income and expense that are specifically required or permitted by other IFRS-s to be included in other comprehensive income and are not recognised in profit or loss. These items are classified by nature and classified into two separate groups: which may be reclassified and those that will not be reclassified to profit or loss. The Group present as OCI items the exchange differences on translation of foreign operations, share of other comprehensive income/(loss) of associates and joint ventures and Net gain/loss on equity instruments at fair value through other comprehensive income.

2.24. Non-controlling interests

Non-controlling interest represents the portion of equity in a subsidiary that is not owned by the Group. It reflects the interests of minority shareholders in the subsidiary. For each business combination, the Group elects whether to measure the non-controlling interests ("NCI") in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. When the Group pays dividends to non-controlling interests (NCI), the amount of those dividends reduces the carrying amount of the non-controlling interests on the statement of financial position.

2.25. Provisions

General principles

Provisions for liabilities and charges are non-financial liabilities of uncertain timing or amount. They are accrued when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The amount initially recognised as a provision should be the best estimate of the expenditure required to settle the present obligation. All provisions must be revised at least annually and if their balance is changed materially according to such new information, such change(s) must be recognised.

The Group recognises provision for the followings:

- Provisions accounted for unused vacation
- Decommissioning liability/ Asset retirement obligation
- Liabilities expected to arise from legal claims
- Warranty provision

Time value

Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation. The discount rate (or rates) to be used in calculation arriving at the present value is ‘a pre-tax rate (or rates) that reflect(s) current market assessments of the time value of money and the risks specific to the liability. The discount rate(s) does not reflect risks for which the future cash flow estimates have been adjusted.

Asset retirement obligation

The cost of an item of property, plant and equipment or right-of-use asset shall include the estimated costs of dismantling and removing the assets and restoring the site. Estimation and capitalisation of the relevant amount shall be carried out and assigned to the asset when the decision on dismantling and removing the asset and restoring the site has been adopted (i.e., demolition of cell towers, antennas, or related infrastructure, planning the costs of winding up) and there is a direct or indirect legal obligation to do so. No provision and no capitalisation may take place on a decision of dismantling when there is no legal or constructive obligation to do so.

Decommissioning liability is recognised, which is the present value of the estimated future expenditure. This is calculated based on actual price offers where the future value of this amount is calculated with the assumed inflation rate until the expected date of the decommissioning. This expense is discounted then with the discount rate reflecting the time value of money which is based on a government bond rate with a similar currency and remaining term as the provision. Over time, the discounted liability is increased for the change in present value based on the discount rate that reflects current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognised in the statement of comprehensive income as a finance expense. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs, or in the discount rate applied, are added to or deducted from the cost of the asset.

Contingent liabilities

The treatment of contingencies under IAS 37 Provisions, Contingent Liabilities and Contingent Assets is as follows:

Likelihood of outcome	Accounting treatment: contingent liability	Accounting treatment: contingent asset
Virtually certain	Recognise	Recognise
Probable	Recognise	Disclose
Possible but not probable	Disclose	No disclosure permitted
Remote	No disclosure required	No disclosure permitted

It is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group's. It can also be a possible present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required, or the amount of obligation cannot be measured reliably. Unless the possibility of any outflow in settlement is remote, the Group discloses for each class of contingent liability at the end of the reporting period a brief description of the nature of the contingent liability, and where practicable an estimate of its financial effects, an indication of the uncertainties relating to the amount or timing of any outflow, and the possibility of any reimbursement. Where any of the information above is not disclosed because it is not practicable to do so, the Group discloses that fact.

2.26. Government grant

Government grants represent assistance by government in the form of transfers of resources to an entity in return. Government grants are recognised only when there is reasonable assurance that the Group will comply with the conditions attaching to them; and the grants will be received.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. The Group chose to present grants related to income on a gross basis in the statement comprehensive income as *Other operating income*. A government grant relating to assets the Group chose to present the grant in the statement of financial position as deferred income, which is recognised in the statement of profit or loss on a systematic and rational basis over the useful life of the asset.

2.27. Share-based payments

Employees of the Group receive remuneration in the form of share-based payments, (e.g. under an "MRP" plan).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. This cost is recognised in employee benefits expense, together with a corresponding increase in equity, over the period in which the service and, where applicable, performance conditions are met (the vesting period).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.
The dilutive effect of outstanding employee share options is reflected as additional share dilution in the computation of diluted earnings per share.

Cash-settled transactions

A liability is recognised for the fair value of cash-settled transactions. The liability is recognised and measured as follows:

- At each reporting date between the grant and settlement the fair value of the award is determined in accordance with the specific requirements of IFRS 2.
- During the vesting period, the liability recognised at each reporting is the IFRS 2 fair value of the award at that date multiplied by the expired portion of the vesting period.
- From the end of the vesting period until settlement, the liability recognised is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in the statement of comprehensive income under *Employee benefits.*

Employee share ownership programme – ESOP

The Group uses the extended method to measure the "ESOP" share-based payments (extension method). Under this method, the parent company (4iG Plc) is in substantially the same position as if it had directly owned the shares and therefore accounts for them as a separate component in equity. There is no difference between the consolidated financial statements of the parent company and the separate financial statements for the related share-based payment arrangement.

2.28. Segment information

The Group's internal reporting is set up to report in accordance with IFRS. The Group identified the reportable segments based on the financial statements provided to the Chief Operating Decision Maker. The Group CFO is the Chief Operating Decision Maker (CODM) and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

For management purposes, the Group is organised into business units based on its products and services and has four reportable segments, as follows:

- IT segment
- Telecommunication segment
- Space and Defence segment
- Other

No operating segments have been aggregated to form the above reportable operating segments.
Transfer prices between operating segments are on an arm's-length basis in a manner similar to transactions with third parties.

2.29. Events after the reporting period

Events occurring between the reporting date and the date on which the financial statements are authorized for issue should be classified as either adjusting or non-adjusting events.

- Adjusting events provide further evidence of conditions that existed at the reporting date and result in adjustment to the financial statements.
- Non-adjusting events are indicative of a condition that arose after the end of the reporting period and do not result in adjustment to the financial statements. They are disclosed if of such importance that non-disclosure would affect the ability of the users to make proper evaluations and decisions.

Dividends

If 4iG or a member of the Group declares dividends to holders of equity instruments after the reporting period, the Group shall not recognise those dividends as a liability at the end of the reporting period. If dividends are declared after the reporting period but before the financial statements are authorized for issue, the dividends are not recognised as a liability at the end of the reporting period because no obligation exists at that time. Such dividends are disclosed in the notes.

2.30. New and amended standard and interpretations

2.30.1. The standards/amendments that are effective and have been endorsed by the European Union

- **IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (Amendments)**
  The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and are applied retrospectively. The objective of the amendments is to clarify the principles in IAS 1 for the classification of liabilities as either current or non-current. The amendments clarify the meaning of a right to defer settlement, the requirement for this right to exist at the end of the reporting period, that management intent does not affect current or non-current classification, that options by the counterparty that could result in settlement by the transfer of the entity's own equity instruments do not affect current or non-current classification. Also, the amendments specify that only covenants with which an entity must comply on or before the reporting date will affect a liability's classification. Additional disclosures are also required for non-current liabilities arising from loan arrangements that are subject to covenants to be complied within twelve months after the reporting period. The Group applied the amendments consistently in accordance with IAS 1 in the consolidated financial statements for 2024 and retrospectively applied it to 2023. However, it did not have a significant impact, and therefore, it was not presented or disclosed.
- **IFRS 16 Leases: Lease Liability in a Sale and Leaseback (Amendments)**
  The amendments are effective for annual reporting periods beginning on or after 1 January 2024. The amendments are intended to improve the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction in IFRS 16, while it does not change the accounting for leases unrelated to sale and leaseback transactions. Under the amendments, the seller-lessee determines 'lease payments' or 'revised lease payments' in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use it retains. Applying these requirements does not prevent the seller-lessee from recognising, in profit or loss, any gain or loss relating to the partial or full termination of a lease. The amendments apply retrospectively to sale and leaseback transactions entered into after the date of initial application, being the beginning of the annual reporting period in which an entity first applied IFRS 16.
  The Group has determined that there were no significant sale and leaseback transactions in 2024 or in prior periods, and therefore, the impact of the amendments is not significant on the financial statements as of 31 December 2024, or 31 December 2023.
- **IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments Disclosures - Supplier Finance Arrangements (Amendments)**
  The amendments are effective for annual reporting periods beginning on or after 1 January 2024. The amendments supplement requirements already in IFRS and require an entity to disclose the terms and conditions of supplier finance arrangements. Additionally, entities are required to disclose at the beginning and end of reporting period the carrying amounts of supplier finance arrangement financial liabilities and the line items in which those liabilities are presented as well as the carrying amounts of financial liabilities and line items, for which the finance providers have already settled the corresponding trade payables. Entities should also disclose the type and effect of non-cash changes in the carrying amounts of supplier finance arrangement financial liabilities, which prevent the carrying amounts of the financial liabilities from being comparable.

Furthermore, the amendments require an entity to disclose at the beginning and end of the reporting period the range of payment due dates for financial liabilities owed to the finance providers and for comparable trade payables that are not part of those arrangements. The Group has not identified any significant disclosure information required by the amendments in relation to IAS 7.

2.30.2. The standards/amendments that are not yet effective, but have been endorsed by the European Union

- **IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (Amendments)**
  The amendments are effective for annual reporting periods beginning on or after 1 January 2025, with earlier application permitted. The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. A currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity’s objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note that an entity can use an observable exchange rate without adjustment or another estimation technique. The analysis of the financial impact of the amendment is currently ongoing within the Group.

2.30.3. The standards/amendments that are not yet effective and have not yet been endorsed by the European Union

- **IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures - Classification and Measurement of Financial Instruments (Amendments)**
  The amendments are effective for annual reporting periods beginning on or after 1 January 2026. Early adoption of amendments related to the classification of financial assets and the related disclosures is permitted, with the option to apply the other amendments at a later date.
  The amendments clarify that a financial liability is derecognised on the ‘settlement date’, when the obligation is discharged, cancelled, expired, or otherwise qualifies for derecognition. They introduce an accounting policy option to derecognise liabilities settled via electronic payment systems before the settlement date, subject to specific conditions. They also provide guidance on assessing the contractual cash flow characteristics of financial assets with environmental, social, and governance (ESG)-linked features or other similar contingent features. Additionally, they clarify the treatment of non-recourse assets and contractually linked instruments and require additional disclosures under IFRS 7 for financial assets and liabilities with contingent event references (including ESG-linked) and equity instruments classified at fair value through other comprehensive income. The amendments have not yet been endorsed by the EU. The analysis of the financial impact of the amendment is currently ongoing within the Group.

- **IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures - Contracts Referencing Nature-dependent Electricity (Amendments)**
  The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted. The amendments include clarifying the application of the 'own-use' requirements, permitting hedge accounting if contracts in scope of the amendments are used as hedging instruments, and introduce new disclosure requirements to enable investors to understand the impact of these contracts on a company's financial performance and cash flows. The clarifications regarding the 'own-use' requirements must be applied retrospectively, but the guidance permitting hedge accounting have to be applied prospectively to new hedging relationships designated on or after the date of initial application. The amendments have not yet been endorsed by the EU. The analysis of the financial impact of the amendment is currently ongoing within the Group.
- **IFRS 18 Presentation and Disclosure in Financial Statements**
  IFRS 18 introduces new requirements on presentation within the statement of profit or loss. It requires an entity to classify all income and expenses within its statement of profit or loss into one of the five categories: operating; investing; financing; income taxes; and discontinued operations. These categories are complemented by the requirements to present subtotals and totals for 'operating profit or loss', 'profit or loss before financing and income taxes' and 'profit or loss'. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. In addition, there are consequential amendments to other accounting standards. IFRS 18 is effective for reporting periods beginning on or after 1 January 2027, with earlier application permitted. Retrospective application is required in both annual and interim financial statements. The standard has not yet been endorsed by the EU. The analysis of the financial impact of the amendment is currently ongoing within the Group.
- **IFRS 19 Subsidiaries without Public Accountability: Disclosures**
  IFRS 19 permits subsidiaries without public accountability to use reduced disclosure requirements if their parent company (either ultimate or intermediate) prepares publicly available consolidated financial statements in compliance with IFRS accounting standards. These subsidiaries must still apply the recognition, measurement and presentation requirements in other IFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRS accounting standards. IFRS 19 is effective for reporting periods beginning on or after 1 January 2027, with early application permitted. The standard has not yet been endorsed by the EU. There will not be significant impact of this amendment for the Group according to the current analysis.
- **Annual Improvements to IFRS Accounting Standards – Volume 11**
  The IASB's annual improvements process deals with non-urgent, but necessary, clarifications and amendments to IFRS. In July 2024, the IASB issued Annual Improvements to IFRS Accounting Standards — Volume 11. An entity shall apply those amendments for annual reporting periods beginning on or after 1 January 2026. The Annual Improvements to IFRS Accounting Standards - Volume 11, include amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10, and IAS 7. These amendments aim to clarify wording, correct minor unintended consequences, oversights, or conflicts between requirements in the standards. The standard has not been endorsed by the EU. The analysis of the financial impact of the amendment is currently ongoing within the Group.

- **Amendment in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**
  The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015 the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. The amendments have not yet been endorsed by the EU. The analysis of the financial impact of the amendment is currently ongoing within the Group.

2.31. Adjustment of previous years' financial data

Within the framework of the half-yearly consolidated financial statements for the period ended 30 June 2025, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the same period of the previous financial year have been restated.

Reclassifications

The Group has reviewed the structure of the consolidated statement of comprehensive income 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 opportunity 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 period ended 30 June 2024.

For more accurate presentation, services used have been reclassified from the former Material costs line (new designation of the line: Raw materials and consumables used) to a separate line in the statement of comprehensive income in the amount of HUF 54,642 million.

Prior year adjustments

The Group identified the following misstatements during the current year, and has retrospectively corrected their impact in the prior periods restating each of the affected financial statement line items:

A The Group determined that, in the case of certain customer contracts, it acted as an agent rather than as a principal. As a result, it modified the recognised revenue and expenses in accordance with IFRS 15 Revenue from Contracts with Customers. Furthermore, for certain contracts, revenue should have been recognised over time rather than at a point in time, and the impact of this has also been corrected for prior periods. As a result, for the first half of 2024, HUF 5,010 million of Net sales revenue was offset against the cost of Raw materials and consumables used. Due to a contractual obligation recognised during the first half of the year, Net sales revenue was further reduced by HUF 170 million, while the cost of Raw materials and consumables used decreased by HUF 152 million due to prepayments recognised under Other current non-financial assets.

B The Group reviewed its broadcasting contracts, and for some contracts, it was found that they essentially contained a fixed content fee. Consequently, the present value of the essentially fixed future cash flows was capitalised retrospectively, which resulted in the statement of comprehensive income of the first half of 2024, an additional amount of HUF 736 million had to be eliminated from the Raw materials and consumables used line, while Depreciation and amortisation increased by HUF 666 million. Additionally, related to interest and exchange rate differences, Financial income increased by HUF 66 million and Financial expenses rose by a total of HUF 255 million.

C The Group determined that an asset had been incorrectly capitalised in relation to a customer contract in previous periods. Depreciation and amortisation in the consolidated statement of comprehensive income was reduced by HUF 877 million, and in accordance with IFRS 15, HUF 1,004 million of Net sales revenue was offset against Services used.

D In line with the methodology applied in the 2024 year-end financial statements, the net presentation of certain revenue and expense lines was retrospectively adjusted for the first half of 2024. The purpose of this adjustment was to ensure that impairment losses, provisions or reversals of provisions, gain or loss on sale of trade receivables, as well as unrealised foreign exchange gains or losses are presented exclusively either on the revenue side or on the expense side, thereby ensuring consistent accounting presentation. As a result, in the income statement for the first half of 2024, an amount of HUF 5,335million was netted between Other operating income and Other expenses, and HUF 2,284 million was netted between Financial income and Financial expenses.

E For the first half of 2024, the Group identified that rental income in the amount of HUF 267 million had been presented under Other operating income, whereas it should have been recognised under Net sales revenue. Accordingly, the Group retrospectively corrected the classification of the affected items.

Data in millions of HUF, unless otherwise indicated

Impact on consolidated statement of comprehensive income

H1 2024	H1 2024	H1 2024		H1 2024	H1 2024	H1 2024
Published designation	**Published**	**Reclassifi-cations**	**Remark**	**Prior year adjustment**	**Restated**	**Restated designation**
Net sales revenue	328 398		A, C, E	-5 917	322 481	Net sales revenue
Other operating income	7 709		D, E	-5 602	2 107	Other operating income
Total net sales revenue and other income	**336 107**	**0**		**-11 519**	**324 588**	**Total net sales revenue and other income**
Capitalised value of own produced assets	**8 446**			0	8 446	**Capitalised value of own performance**
Material costs	-152 056	54 642	A, B	5 897	-91 517	Raw materials and consumables used
		-54 642	C	127	-54 515	Services used
Staff costs	-55 292			0	-55 292	Employee benefit expenses
Other expenses	-26 709		D, E	5 335	-21 374	Other operating expenses
of which impairment	-2 506			46	-2 460	*Impairment for financial assets*
Operating costs	**-234 057**	**0**		**11 359**	**-222 698**	**Operating costs**
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**110 496**	**0**		**-160**	**110 336**	**Earnings before interest, taxes, depreciation and amortisation (EBITDA)**
Depreciation and amortisation	-90 450		B, C	211	-90 239	Depreciation and amortisation
Profit before financial operations (EBIT)	**20 046**	**0**		**51**	**20 097**	**Earnings before interest and taxes (EBIT)**
Financial income	5 785		B, D	-2 218	3 567	Financial income
Financial expenses	-44 734		B, D	2 029	-42 705	Financial expenses
Profit or loss of associates	-399			0	-399	Share of profit of associate and joint ventures
Profit or loss before tax	**-19 302**	**0**		**-138**	**-19 440**	**Profit or loss before tax**
Income taxes	-3 987		B	11	-3 976	Income taxes
Profit or loss after tax	**-23 289**	**0**		**-127**	**-23 416**	**Profit or loss after tax**

Data in millions of HUF, unless otherwise indicated

Impact on consolidated statement of comprehensive income – continued

H1 2024	H1 2024	H1 2024		H1 2024	H1 2024	H1 2024
Published designation	**Published**	**Reclassifi-cations**	**Remark**	**Prior year adjustment**	**Restated**	**Restated designation**
Other comprehensive income to be recognised in the consolidated income statement in the following period:						Other comprehensive income that may be reclassified to profit or loss in subsequent periods
Activities arising from currency translation exchange rate differences	859			0	859	*Exchange differences on translation of foreign operations*
Net other comprehensive income to be recognised in the consolidated income statement in the following period:	**859**	**0**		**0**	**859**	**Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:**
Other comprehensive income	**859**	**0**		**0**	**859**	**Other comprehensive income/(loss)**
Total comprehensive income	**-22 430**	**0**		**-127**	**-22 557**	**Total comprehensive income/(loss)**
Profit or loss after tax attributable to:						**Profit or loss after tax attributable to:**
Owners of the Company	-28 136		A, B	-77	-28 213	Owners of the Company
Non-controlling interest	4 847		B	-50	4 797	Non-controlling interests
Total comprehensive income attributable to:						**Total comprehensive income/(loss) attributable to:**
Owners of the Company	-27 581		A, B	-77	-27 658	Owners of the Company
Non-controlling interest	5 151		B	-50	5 101	Non-controlling interests

Data in millions of HUF, unless otherwise indicated

Impact on consolidated statement of cash flows

30/06/2024	30/06/2024	30/06/2024		30/06/2024	30/06/2024	30/06/2024
Published designation	**Published**	**Reclassifi-cations**	**Remark**	**Prior year adjustment**	**Restated**	**Restated designation**
Cash flow from operating activities						**Cash flows from operating activities**
Profit after tax	-23 289	3 987	A, B	-138	-19 440	Profit or loss before tax
Adjustments:						*Adjustments:*
Depreciation and amortisation for the year	90 450	-35 514			54 936	Depreciation and impairment of property, plant and equipment and right-of-use assets
		35 514	B	666	36 180	Amortisation and impairment of intangible assets and impairment of goodwill
Impairment	-662				-662	Movement in other impairment
Provisions	1 476				1 476	Movement in provision
Income taxes	3 987	-3 987			0	
Other financial income/(expenses)	29 497		B	-56	29 441	Other financial income/expenses
Foreign exchange rate differences	7 502		B	-132	7 370	Net foreign exchange differences
Share of profit or loss of associates	399				399	Share of profit or loss of associates and joint ventures
Income tax paid	-6 698				-6 698	Income tax paid
Changes in working capital						*Changes in working capital*
Changes in trade receivables	8 706				8 706	Changes in trade receivables
Changes in inventories	-4 729				-4 729	Changes in inventories
Changes in trade payables	-22 997				-22 997	Changes in trade payables
Changes in other receivables and payables	-4 228	-6 306	A, B	-340	-10 874	Changes in other receivables and payables
Changes in financial lease (current)	-6 306	6 306				
Net cash flow from operating activities	**73 108**	**0**		**0**	**73 108**	***Net cash flows from operating activities***

Data in millions of HUF, unless otherwise indicated

Impact on consolidated statement of cash flows – continued

30/06/2024	30/06/2024	30/06/2024		30/06/2024	30/06/2024	30/06/2024
Published designation	**Published**	**Reclassifi-cations**	**Remark**	**Prior year adjustment**	**Restated**	**Restated designation**
Cash flow from investment activities						**Cash flows from investing activities**
		2 385			2 385	Proceeds from sale of property, plant and equipment
Sale/(purchase) of property, plant, equipment	-35 265	-2 385			-37 650	Purchase of property, plant and equipment
		7			7	Proceeds from sale of intangible assets
Sale/(purchase) of intangible assets	-23 321	-7			-23 328	Purchase of intangible assets
Sale/(purchase) of securities	16				16	Proceeds from of securities
Sale/(purchase) of other investments	-6 043				-6 043	Purchase of other investments
Net cash flow from investment activities	**-64 613**	**0**		**0**	**-64 613**	***Net cash flows from investing activities***
Cash flow from financing activities						**Cash flows from financing activities**
Withdrawal/(repayment) of loans and borrowings	7 849				7 849	Proceeds from borrowings/ repayment of borrowings
Financial lease withdrawal/(repayment)	-10 975				-10 975	Payment of principal portion of lease liabilities
Interests paid	-7 102			0	-7 102	Interest paid
Dividends paid to non-controlling interests	-656			0	-656	Dividends paid to non-controlling interests
Net cash flow from financing activities	**-10 884**	**0**		**0**	**-10 884**	***Net cash flows from financing activities***
Foreign exchange rate differences	87			0	87	Net foreign exchange difference
Net change in cash and cash equivalents	**-2 302**	**0**		**0**	**-2 302**	**Net change in cash and cash equivalents**
Cash and cash equivalents at the beginning of the year	**53 175**				**53 175**	Cash and cash equivalents at the beginning of the year
Cash and cash equivalents at the end of the period	**50 873**				**50 873**	**Cash and cash equivalents at the end of the period**

Data in millions of HUF, unless otherwise indicated

3 Net sales revenue

The Group's accounting policy on revenue recognition and the presentation of the main revenue types are described in Note 2.3 Net sales revenue. The Group's revenue from contracts with customers (IFRS 15) and the revenue from its operating leasing activities (IFRS 16) are presented below:

	2025 H1	2024 H1
		Restated
Mobile services	160 217	117 135
Fixed services	97 749	111 421
Other services	41 159	57 139
Total telecommunication revenue	**299 125**	**285 695**
IT projects	21 117	10 079
Hardware and software sales	8 456	10 995
Other IT services	13 471	9 469
Total IT revenue	**43 044**	**30 543**
Revenue from space segment	**676**	**793**
Other revenues	**308**	**250**
Total revenue from contracts with customers	**343 153**	**317 281**
Revenue from leases	7 674	5 200
Total sales revenue	**350 827**	**322 481**

The breakdown of the disaggregated revenue by segment is presented under Note 47 Segment information.

Under other revenue the Group presents revenue from holding activity.

The table below presents the revenues by geographic regions where the Group operates:

	2025 H1	2024 H1
		Restated
Hungary	306 632	279 433
Albania	31 781	31 345
Montenegro	12 414	11 703
Total	**350 827**	**322 481**

Data in millions of HUF, unless otherwise indicated

Contract balances

The Group has recognised the following contract assets and liabilities related to contracts with customers:

	30/06/2025	31/12/2024
Trade receivables	107 181	118 903
Contract assets – current	2 148	1 704
Contract assets – non-current	324	352
Contract liabilities – current	2 601	3 338
Contract liabilities – non-current	1 034	573

Contract assets relate to revenue that has been recognised but not yet invoiced to the customer. Beyond the recognised but unbilled revenue, this also includes devices, such as mobile phones, purchased at a discounted price, which customers bought together in a bundle. If the revenue from the sale of the device has been recognised, but the full purchase price has not yet been invoiced (e.g., instalment payments), the revenue derived from this transaction is recognised as a contract asset.

Contract liabilities include customer advances and unfulfilled performance obligations related to the contract. In cases where a contract budget has been allocated for customer incentives (e.g., discounts, free GBs), but the corresponding services are not yet fully provided, the Group recognises this as a contract liability.

Cost to obtain a contract

Closing balances of assets recognised from the costs incurred to obtain contract with customer in accordance with IFRS 15 Revenue from Contracts with Customers are presented within the Other intangible assets, please refer to Note 19 Other intangibles assets.
The capitalised amount at the beginning and at the end of reporting period, the amount of amortisation recognised during the period and any impairment losses recognised are shown in the movement table below:

	30/06/2025	31/12/2024
Beginning of the period	**13 724**	**11 879**
Capitalisation during the year	1 345	15 181
Disposals during the year	-2 441	0
Amortisation	-7 209	-13 566
Exchange differences	-69	230
Closing balance	**5 350**	**13 724**

Cost to fulfil a contract

Cost to fulfil a contract with a customer include installation costs, such as cabling activities, materials for internet and TV services.

Data in millions of HUF, unless otherwise indicated

The installation costs do not meet the criteria set out in IAS 38 Intangible assets for recognising an asset and, therefore, are not capitalised as intangible assets. Instead, they are expensed in the comprehensive statement of income.

4 Other operating income

The composition of other operating income is as follows:

	2025 H1	2024 H1 Restated
Government grants and refunds	105	118
Provisions release	64	466
Penalties and compensations received	277	296
Recovered assets	0	18
Manufacturers' rebates on sales	408	448
Impairment reversal of other financial assets	124	0
Recognised value of receivables sold, transferred	59	0
Other operating income related to disposal and modification of lease contracts	61	133
Other	394	628
Total	**1 492**	**2 107**

There are no unfulfilled conditions or contingencies attached to the government grants.

During the first half of 2024, the reversal recognised under the provision release line was mainly attributable to changes in the estimation assumptions associated with the asset retirement obligation provision at the Albanian subsidiary.

5 Capitalised value of own performance

	2025 H1	2024 H1
Changes in inventories of finished goods and work in progress	82	30
Own work capitalised	7 758	8 416
Capitalised value of own performance	**7 840**	**8 446**

Own work capitalised include capitalised own performances in connection with internally developed intangible assets recognised in accordance with IAS 38 Intangible Assets, as well as internal expenditures that qualify as part of the cost of property, plant and equipment during the initial measurement in accordance with IAS 16 Property, plant and equipment respectively.

Data in millions of HUF, unless otherwise indicated

6 Raw materials and consumables used

	2025 H1	2024 H1
		Restated
Cost of goods sold	-37 713	-40 093
Intermediated services	-44 043	-36 192
Raw materials	-12 644	-15 232
Total	**-94 400**	**-91 517**

Alongside the rise in revenues, costs also increased, although at a slower rate, indicating sustained benefits from the Group's cost management initiatives.

7 Services used

The following table presents details of the services used.

	2025 H1	2024 H1
		Restated
IT maintenance	-12 270	-11 598
Network maintenance costs	-4 660	-5 896
Maintenance of fixed assets cost and other maintenance costs	-1 584	-1 782
Spectrum fee	-5 082	-5 053
Marketing and communication expenses	-7 252	-3 912
Audit fee	-590	-296
Logistics costs	-2 585	-2 217
Consulting, expert and legal fees	-7 463	-5 182
Cost related to outsourced activities	-5 069	-2 922
Business travel, travel expenses, travel allowance	-1 698	-978
Security services	-566	-548
Administrative costs	-249	-1 444
Notarial fees, regulatory fees	-4 209	-4 235
Insurance costs	-663	-573
Agency fees	-4 651	-3 046
Lease payments	-3 242	-2 515
Miscellaneous other services used	-3 263	-2 318
Total	**-65 096**	**-54 515**

In connection with the new telecommunications brand successfully created and launched during the ongoing transformation program, the Group initiated a comprehensive marketing campaign, including television and online advertising as well as social media activities. As a result of the campaign, marketing and communication expenses increased significantly in the first half of 2025.

The complex financial, operational and regulatory challenges encountered during the transformation program required extensive support from external consultants, industry experts and legal advisors, resulting in increased related expenses.

Data in millions of HUF, unless otherwise indicated

Costs related to outsourced activities include all services that the Group purchases from external contractors and service providers, such as staff leasing, customer relationship management. In the first half of 2025, the increase was primarily attributable to the use of external expertise in connection with the Group's transformation program.

Lease payments include expenses related to short-term leases, leases of low-value assets and lease payments out of scope of IFRS16 Leases. For more details, please refer to Note 40 Lease liabilities.

8 Employee benefit expenses

	2025 H1	2024 H1
Wages and salaries	-49 692	-46 580
Other payments to personnel	-6 155	-2 520
Social security costs and similar deductions	-7 022	-6 192
Total	**-62 869**	**-55 292**
Average statistical number	8 297	8 025

The increase in the average number of employees can primarily be attributed to a significant rise in demand for human resources in newly established areas of operation, as well as a slight expansion resulting from the restructuring of the Group's business activities. Furthermore, a moderate increase in headcount across other subsidiaries resulted from additional tasks arising from organizational transformations and insourcing activities.

9 Other operating expenses

	2025 H1	2024 H1 Restated
Grants provided for foundations	-144	-33
Fines, penalties and compensations	-308	-345
Scrapping of intangible assets and property, plant and equipment	-106	-230
Taxes, duties, contributions	-7 583	-14 898
Write-down of inventories	-520	-830
Impairment, expected credit loss (ECL) of receivables	-2 137	-2 462
Loss on sale of receivables	-1 567	-1 809
Other operating expenses related to disposal and modification of lease contracts	-1 378	0
Other	-1 500	-767
Total	**-15 243**	**-21 374**

During the first half of 2025 the most significant part of other operating expenses are taxes, duties, and contributions – these are typically the public utility tax, telecommunications tax, and the extra profit tax, i.e. taxes that are not income taxes. The withdrawal of the special tax imposed on the telecommunications sector, effective from 1 January 2025, was announced in the second half of 2024, leading to a significant reduction in the tax burden for affected companies.

Data in millions of HUF, unless otherwise indicated

During the first half of 2024, the Group recognised an inventory impairment as a result of the review of slow-moving and obsolete stock. Consequently, a lower level of inventory impairment was required in the current reporting period.

The Group regularly reviews the level of expected credit losses to be recognised on financial assets. Compared to the first half of 2024, a lower amount of expected credit losses was recognised.

Other operating expenses related to disposal and modification of lease contracts arose from the early termination of leases accounted for under IFRS 16. In such cases, a net loss was recognised as a result of the derecognition of the right-of-use asset and the corresponding lease liability. In the first half of 2024, the overall impact of derecognitions and modifications was not significant and was recognised as income under Other operating income.

Impairment movement table for the reporting period:

	Trade receivables	**Other financial assets – current**	**Other financial assets – non-current**	**Inventories**	**Contract assets**
on 31 December 2024	**-28 004**	**-961**	**-129**	**-3 747**	**-45**
Addition	-4 228	-29	-2	-909	-9
Reversal	2 091	162	0	389	0
Decrease due to inventory utilized	0	0	0	97	0
Exchange differences	615	30	0	70	2
Reclassification	91	-91	0	0	0
Derecognition	2 372	-94	0	9	1
on 30 June 2025	**-27 063**	**-983**	**-131**	**-4 091**	**-51**

10 Depreciation and amortisation

The Group's activities are highly asset-intensive due to the expansion of the telecommunication segment.

	2025 H1	**2024 H1**
		Restated
Depreciation and amortisation	-94 324	-90 239
Total	**-94 324**	**-90 239**

The depreciation and amortisation line also includes the depreciation of items recognised as right-of-use assets under IFRS 16 Leases, amounting to HUF 16,124 million in the first half of 2025 (HUF 15,008 million in the first half of 2024). Depreciation of the fair value adjustments recognised for tangible and intangible assets during the acquisitions amounted to HUF 11,970 million (HUF 12,324 million in the first half of 2024).

Data in millions of HUF, unless otherwise indicated

11 Financial income and financial expenses

Financial income

	2025 H1	2024 H1
		Restated
Interest income	1 336	1 365
Interest on lease receivables	44	11
Foreign exchange rate gains	12 136	1 966
Other	1 900	225
Total	**15 416**	**3 567**

Financial expenses

	2025 H1	2024 H1
		Restated
Interest expense on bonds	-11 102	-11 110
Other interest expenses	-15 034	-14 120
Interest on lease liabilities	-6 220	-6 057
Foreign exchange rate losses	-2 558	-10 764
Other	-2 608	-654
Total	**-37 522**	**-42 705**

The increase in foreign exchange gains is a result of favourable HUF fluctuations in 2025, impacting both realized and unrealized foreign exchange gains.

The other interest expenses include interest paid to financial institutions (HUF 13,611 million in the first half of 2025, HUF 13,203 million in the first half of 2024), the most significant of which is the euro-denominated interest expense recognised in connection with the Vodafone acquisition loan (HUF 12,787 million in the first half of 2025, HUF 12,073 million in the first half of 2024). Furthermore, this line presents the interest expense recognised in connection with broadcasting rights, which amounted to HUF 1,262 million in the first half of 2025 (HUF 711 million in the first half of 2024).
The decrease in foreign exchange losses is primarily due to the favourable fluctuation of the HUF in 2025, significantly impacting the Group’s substantial liabilities denominated in foreign currencies and leading to lower realized and unrealized foreign exchange losses.

12 Share of profit of associate and joint venture

The share of profit or loss of associates and joint ventures is accounted for using the equity method and is presented as the Group's share of the profit or loss of associates' and joint ventures’ operations.

In 2024, the Group acquired 45% of the shares of REMRED Technológia Fejlesztő Zrt., which is presented as a joint venture company.
The Group increased its ownership in Rotors & Cams Zrt. to 55% in December 2024, thereby obtaining majority control over the company. As a result, in 2025 it is no longer reported as an associate.

Data in millions of HUF, unless otherwise indicated

Company name	Group's share of profit/loss for the year	Share of ownership
Joint venture		
REMRED Technológia Fejlesztő Zrt.	-1 107	45%
Associates		
Space-Communications Ltd.	92	20%
on 30 June 2025	**-1 015**	

Company name	Group's share of profit/loss for the year	Share of ownership
Joint venture		
REMRED Technológia Fejlesztő Zrt.	-341	45%
Associates		
Rotors & Cams Zrt.	-58	24%
on 30 June 2024	**-399**	

13 Income taxes

The major components of income tax expense are:

	2025 H1	2024 H1 Restated
Current income tax:		
Corporate income tax	-2 419	-960
Local business tax	-5 261	-3 583
Innovation contribution	-838	-703
Deferred taxes:		
Relating to origination and reversal of temporary differences	2 264	1 270
Income tax expense reported in the statement of comprehensive income	**-6 254**	**-3 976**

The income tax payable by the Group is the tax reported in the individual financial statements of the subsidiaries and calculated in accordance with the relevant local rules.
The tax rate applied to the deferred tax expense recognised in the statement of comprehensive income was 9% under the current legislation in Hungary, while in Albania and Montenegro it was 15% in both the first half of 2025 and the first half of 2024, in accordance with the applicable corporate tax rate.

Data in millions of HUF, unless otherwise indicated

Reconciliation of tax expense and the accounting profit:

	2025 H1	2024 H1
		Restated
Profit or loss before tax	**5 106**	**-19 440**
Tax liability calculated at statutory current tax rate	460	-1 750
Local business tax	5 261	3 583
Innovation contribution	838	703
Utilisation of previously unrecognised tax losses	-2 231	-1 197
Deferred tax not recognised for current year loss	2 039	2 245
Share of result of associates and joint ventures	91	36
Effect of higher tax rates in Albania and Montenegro	160	306
Other	-364	50
Income tax expense	**6 254**	**3 976**
Effective income tax rate	**-122%**	**20%**
Income tax expense reported in the statement of profit or loss	**6 254**	**3 976**

As of 1 January 2024, 4iG Group has become subject to the global minimum tax based on the Act on Top-Up Taxes Ensuring a Global Minimum Level of Taxation and on the Amendment of Certain Related Tax Laws LXXXIV of 2023 (hereinafter referred to as the "GMT Act"), given that the annual consolidated revenue *for global minimum tax purposes* of 4iG Plc - the ultimate parent company - exceeded EUR 750,000,000 in 2022 and 2023. The Group has examined the compliance with the exemption rules provided by the OECD and Section 32 of the GMT Act as of 31 December 2024, under which it was exempt from the global minimum tax liability in all jurisdictions based on the data of the country-by-country report preparing for the tax year as per the follows:

- in Hungary, pursuant to Section 32 (2) c) of the GMT Act (Routine Profits test)
- In Bulgaria, Romania and North Macedonia, pursuant to Section 32(2)a) of the GMT Act (De minimis test)
- in Albania and Montenegro pursuant to Section 32(2) b) of the GMT Act (Effective Tax Rate Test).

The examination regarding 2025 is still in progress.

14 Other comprehensive income /(loss)

Within other comprehensive income, the Group recognised the translation adjustments arising from the translation of the financial statements of foreign operations into Hungarian in accordance with the requirements of IAS 21 The Effects of Changes in Foreign Exchange Rates in the consolidated statement of comprehensive income. In the first half of 2025, the Group recognised a translation adjustment loss of HUF 3,556 million, compared with a translation adjustment gain of HUF 859 million in the first half of 2024.

Data in millions of HUF, unless otherwise indicated

15 Total comprehensive income /(loss)

Total comprehensive income/(loss), in addition to other comprehensive income, includes the results of operating activities, income and expenses from financial operations, depreciation and amortisation expense and income taxes.

	2025 H1	2024 H1
		Restated
Profit or loss before tax	**5 106**	**-19 440**
Income taxes	-6 254	-3 976
Profit or loss after tax	**-1 148**	**-23 416**
Other comprehensive income	**-3 556**	**859**
Total comprehensive income	**-4 704**	**-22 557**

16 Earnings per share

Basic earnings per share (“EPS”) is calculated by dividing the profit or loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is calculated by dividing the profit or loss attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the income and shares data used in the basic and diluted EPS calculations:

	2025 H1	2024 H1
		Restated
Profit or loss after tax	-1 148	-23 416
Weighted average number of ordinary shares outstanding during the period	299 074 974	299 074 974
Weighted average number of voting shares	289 776 255	290 495 289
Earnings per share (basic) EPS – in HUF	**-3.84**	**-78.29**
Diluted EPS indicator – in HUF	**-3.93**	**-79.97**

The Group held 5,347,590 treasury shares on 30 June 2025 and 4,579,685 treasury shares on 30 June 2024.

Data in millions of HUF, unless otherwise indicated

17 Property, plant and equipment

	Machinery and other equipment	Land and buildings	Tele-communications equipment and devices	Construction in progress	Total
Gross value					
on 1 January 2024	**45 370**	**193 454**	**325 311**	**46 701**	**610 836**
Additions	25 316	12 116	41 513	2 310	81 255
Disposals	-7 456	-1 983	-26 296	-1 137	-36 872
Reclassification	761	-271	-6 609	-4 476	-10 595
Acquisition	105	23	0	98	226
Exchange differences	-1 569	11 073	27 106	406	37 016
on 31 December 2024	**62 526**	**214 412**	**361 024**	**43 903**	**681 866**
Additions	10 202	1 081	17 163	762	29 208
Disposals	-2 134	-88	-2 196	39	-4 379
Reclassification	43	23	-150	-1 208	-1 292
Exchange differences	256	-2 925	-7 037	-154	-9 860
on 30 June 2025	**70 893**	**212 503**	**368 804**	**43 342**	**695 543**
Depreciation and impairment					
on 1 January 2024	**34 554**	**1 289**	**139 381**	**4 983**	**180 207**
Current year depreciation	17 062	6 797	57 126	0	80 985
Impairment losses	47	17	304	76	444
Reclassification	-1 071	17	-5 809	584	-6 279
Disposals	-5 289	-688	-23 302	0	-29 279
Exchange differences	2 567	2 605	22 625	-36	27 761
on 31 December 2024	**47 870**	**10 037**	**190 324**	**5 607**	**253 839**
Current year depreciation	10 091	1 516	28 392	0	39 999
Impairment losses	0	0	48	24	72
Disposals	-2 059	-62	-2 163	0	-4 284
Reclassification	-79	0	4	-12	-87
Exchange differences	-760	-752	-5 849	9	-7 352
on 30 June 2025	**55 063**	**10 739**	**210 756**	**5 628**	**282 187**
Net book value					
on 1 January 2024	**10 815**	**192 165**	**185 930**	**41 718**	**430 629**
on 31 December 2024	**14 656**	**204 375**	**170 700**	**38 296**	**428 027**
on 30 June 2025	**15 830**	**201 764**	**158 048**	**37 714**	**413 356**

Data in millions of HUF, unless otherwise indicated

On 30 June 2025, the largest item among construction in progress within the Group's telecommunications segment – similarly to the previous year – was the ongoing network development (HUF 10,721 million on 30 June 2025, HUF 36,807 million on 31 December 2024). In the IT segment, the most significant construction in progress, amounting to HUF 1,563 million, was related to the "Gondosóra" (caretaker watch) programme, which is a continuously ongoing project: the number of devices distributed to end users is steadily increasing, resulting in a continuous growth in the carrying amount, and this is expected to generate further increases in the coming years as well.

No borrowing costs have been capitalised. The Company did not have any qualifying assets on 30 June 2025 and 31 December 2024.

On 30 June 2025, property, plant and equipment were pledged in the amount of HUF 25,101 million (31 December 2024: HUF 27,122 million). On both 30 June 2025 and 31 December 2024, the Group had no contractual commitments for the acquisition of property, plant and equipment, and no temporary idle assets were recognised in this asset category.

18 Customer relationship

	Customer relationship
Gross value	
on 1 January 2024	**186 068**
Exchange differences	402
on 31 December 2024	**186 470**
Exchange differences	-199
on 30 June 2025	**186 271**
Amortisation and impairment	
on 1 January 2024	**12 546**
Current year amortisation	9 769
Exchange differences	51
on 31 December 2024	**22 366**
Current year amortisation	4 888
Exchange differences	-32
on 30 June 2025	**27 222**
Net book value	
on 1 January 2024	**173 522**
on 31 December 2024	**164 104**
on 30 June 2025	**159 049**

During the previous reporting periods, the Group has identified intangible assets, separated from goodwill under IFRS 3 - Business Combinations, which are recognised as a separate line item in the consolidated statement of financial position and amortised over their identified useful lives (average 16 years) when measuring each business combination.

Data in millions of HUF, unless otherwise indicated

19 Other intangible assets

	Concessions and similar rights	Software and other intellectual property	Brand name	Content rights	Other intangible assets	Total
Gross value						
on 1 January 2024	**130 922**	**129 750**	**7 472**	**29 137**	**23 285**	**320 566**
Additions	11 067	20 826	0	21 214	14 638	**67 745**
Disposals	-352	-7 998	0	-21 718	0	**-30 068**
Reclassification	-1 279	5 411	-2 121	0	543	**2 554**
Acquisition	0	420	0	0	0	**420**
Exchange differences	5 195	2 119	538	1	505	**8 358**
on 31 December 2024	**145 553**	**150 528**	**5 889**	**28 634**	**38 971**	**369 575**
Additions	3 052	5 450	0	22 143	1 345	**31 990**
Disposals	-209	-323	0	-76	-47	**-655**
Reclassification	0	-45	0	0	-2 394	**-2 439**
Exchange differences	-1 400	-821	-134	-7	-211	**-2 573**
on 30 June 2025	**146 996**	**154 789**	**5 755**	**50 694**	**37 664**	**395 898**
Amortisation and impairment						
on 1 January 2024	**8 316**	**35 803**	**3 248**	**16 998**	**11 406**	**75 771**
Current year amortisation	13 617	22 538	1 998	15 867	13 566	**67 586**
Disposals	-365	-7 645	0	-20 464	0	**-28 474**
Reclassification	2 266	712	-2 121	76	0	**933**
Exchange differences	3 686	1 429	120	0	275	**5 510**
on 31 December 2024	**27 520**	**52 837**	**3 245**	**12 477**	**25 247**	**121 326**
Current year amortisation	3 678	12 939	212	9 203	7 209	**33 241**
Disposals	-132	-318	0	-75	0	**-525**
Reclassification	-1 504	1 494	0	0	0	**-10**
Exchange differences	-1 050	-495	-38	-1	-142	**-1 726**
on 30 June 2025	**28 512**	**66 457**	**3 419**	**21 604**	**32 314**	**152 306**
Net book value						
on 1 January 2024	**122 606**	**93 947**	**4 224**	**12 139**	**11 879**	**244 795**
on 31 December 2024	**118 033**	**97 691**	**2 644**	**16 157**	**13 724**	**248 249**
on 30 June 2025	**118 484**	**88 332**	**2 336**	**29 090**	**5 350**	**243 592**

Data in millions of HUF, unless otherwise indicated

Intangible assets include content rights of HUF 29,090 million on 30 June 2025 (31 December 2024: HUF 16,157 million). The main reason for the increase was that the newly concluded and group-level renegotiated contracts contained a higher proportion of substantially fixed fee components compared to previous contracts, the present value of which was capitalised.

The other intangible assets include the capitalised agent fee (according to IFRS 15 Revenue from Contracts with Customers, cost to obtain a contract) in the amount of HUF 5,350 million on 30 June 2025 (HUF 13,724 million as of 31 December 2024).

On 30 Juen 2025 and on 31 December 2024 the Group had no intangible assets subject to restrictions on title or pledged as security for liabilities, nor any temporarily idle assets. The Group also had no contractual commitments for the acquisition of intangible assets at these reporting dates.

The Group performs an annual year-end impairment test for internally developed intangible assets in progress with significant value at each reporting period. For individually material intangible assets, the Group applied a weighted average cost of capital (WACC) of 12.82% for the year ending 31 December 2024.
The Group's annual year-end impairment test did not identify any indications of impairment.

Individually material intangible assets

The Group's individually material intangible assets (with a gross value exceeding HUF 10,000 million) was HUF 73,828 million on 30 June 2025 (HUF 75,474 million on 31 December 2024), details for the current financial year can be found in the table below:

Description	Book value	Amortisation period	Final date of amortisation
Spectrum fee LTE	12 696	19 years	05/06/2034
Spectrum fee 700 MHz	19 810	20 years	05/09/2040
Spectrum fee 5G	41 322	20 years	08/04/2042
on 30 June 2025	**73 828**		

Data in millions of HUF, unless otherwise indicated

20 Right-of-use assets

	Land and buildings	Machinery, vehicles	Tele-communication devices	Total
Gross value				
on 1 January 2024	**143 083**	**12 114**	**18 158**	**173 355**
Addition due to new leasing	8 229	4 853	5 166	18 248
Modification/Remeasurement	16 828	-302	3 545	20 070
Disposals	-3 863	-1 082	-281	-5 226
Other changes	-4 523	-625	-1 002	-6 149
Exchange differences	2 077	89	20	2 186
on 31 December 2024	**161 831**	**15 047**	**25 606**	**202 484**
Addition due to new leasing	45 565	1 530	106	47 201
Modification/Remeasurement	-55 768	-1 771	-3 956	-61 495
Disposals	-371	-325	-491	-1 187
Other changes	362	0	45	407
Exchange differences	-521	-24	-15	-560
on 30 June 2025	**151 098**	**14 457**	**21 295**	**186 850**
Depreciation				
on 1 January 2024	**23 359**	**4 455**	**5 618**	**33 432**
Depreciation in the current year	24 882	3 504	3 035	31 421
Modification/Remeasurement	-1 046	-465	-546	-2 057
Disposals	-1 934	-1 050	-158	-3 142
Other changes	-3 279	-642	-722	-4 643
Exchange differences	443	50	7	500
on 31 December 2024	**42 425**	**5 851**	**7 234**	**55 510**
Depreciation in the current year	12 665	2 007	1 452	16 124
Modification/Remeasurement	-37 155	-1 493	-3 923	-42 571
Disposals	-78	-309	-44	-431
Other changes	-10	-55	10	-55
Exchange differences	-197	-16	-4	-217
on 30 June 2025	**17 650**	**5 985**	**4 725**	**28 360**
Net book value				
on 1 January 2024	**119 724**	**7 659**	**12 540**	**139 923**
on 31 December 2024	**119 406**	**9 196**	**18 372**	**146 974**
on 30 June 2025	**133 448**	**8 472**	**16 570**	**158 490**

The Group's most significant leases comprise its headquarters, other office buildings, and vehicle leases. Additionally, in line with the expansion of the telecommunications segment, the Group has entered into leases for additional buildings, network infrastructure, and other telecommunication equipment.

Data in millions of HUF, unless otherwise indicated

21 Deferred tax assets and liabilities

The Group's deferred tax asset on 30 June 2025 is HUF 2,706 million (HUF 2,289 HUF on 31 December 2024), and its deferred tax liability is HUF 17,887 million on 30 June 2025 (HUF 19,779 million on 31 December 2024).
Deferred tax arises primarily from differences in useful lives of tangible and intangible assets for tax and accounting purposes, as well as the recognition of provisions for tax loss carry forward and various costs.

	Consolidated statement of financial position		Consolidated statement of comprehensive income	
	30/06/2025	**31/12/2024**	**2025 H1**	**2024 H1**
				Restated
Expected credit losses of financial assets (e.g trade receivables)	2 101	1 676	425	53
Tax loss carry forward	8 294	8 294	0	212
Provisions	1 458	1 350	108	110
Interest deduction capacity	556	1 011	-455	-688
PPE and intangible assets	-30 320	-31 611	1 291	1 864
Foreign exchange rate differences	176	-40	216	-1
Other temporary difference	2 554	1 830	679	-280
Deferred tax expense (benefit)			**2 264**	**1 270**
Net deferred tax liabilities	**-15 181**	**-17 490**		
Reflected in the statement of financial position as follows:				
Deferred tax assets	2 706	2 289		
Deferred tax liabilities:	-17 887	-19 779		
Deferred tax liabilities net	**-15 181**	**-17 490**		

The Group has tax losses and interest deduction capacity that arose in Hungary of HUF 435,377 million (2024: HUF 499,560 million) which can be used limitless or 5 years that are for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets related to those items have been recognised in the amounts shown in the table above. If the Group were able to recognise all unrecognised deferred tax assets, the total amount of deferred tax asset would be HUF 39,184 million (2024: HUF 35,655 million).

Data in millions of HUF, unless otherwise indicated

22 Goodwill and business combinations

22.1 Goodwill

Goodwill movement table:

	Goodwill
on 1 January 2024	**264 740**
Acquisition of a subsidiary	1 609
Sale of subsidiary	-76
Exchange differences	7 976
on 31 December 2024	**274 249**
Exchange differences	-2 239
on 30 June 2025	**272 010**

Neither in the first half of 2025 nor in 2024 goodwill is deductible for tax purposes.

Impairment of goodwill

The Group performs an annual impairment test on goodwill on 31 December each year. The most recent test was performed on 31 December 2024, which did not result in the recognition of any impairment on goodwill. Based on expectations at that time, the carrying amount of goodwill was considered recoverable, and therefore no impairment was required for other non-current assets either.

22.2 Business combinations

The description of the current years' and previous years' common control transactions are presented in the Note 2.1 Basis of consolidation.

Acquisitions in 2025

No subsidiaries were acquired in the first half of 2025.

Acquisitions in 2024

On 20 December 2024 4iG Plc acquired an additional 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.
The Group recognised goodwill on the acquisition due to the expected synergies from combining operations. With the acquisition, the Group aims to take over the control of Rotors & Cams Zrt. to further improve the efficiency in the IT and R&D focused development of UAV (Unmanned Aerial Vehicle) systems, in the processing of remote sensing data with artificial intelligence in various areas of industry 4.0 solutions and diverse aspects of IT imaging. Acquiring controlling rights in Rotors & Cams Zrt. is part of the transformation programme of 4iG Plc. This creates an opportunity for the Group to integrate Rotors & Cams Zrt. into its space and defense portfolio, with the next step being to organize it under 4iG Űr és Védelmi Zrt.

Data in millions of HUF, unless otherwise indicated

The calculation of the purchase price allocation (PPA) in accordance with IFRS 3 Business Combinations is in progress. The Group is exercising the option to finalize the allocation of the acquisition price within one year, as prescribed by the standard, considering the review of the fair values of the acquired assets and assumed liabilities after the initial recognition. Although the process is still ongoing, it is not expected to significantly impact the users' interpretation of the financial statements.

Apart from the business combination detailed above, during the year 2024, the Group carried out a business combination as defined under IFRS 3 Business Combinations, by acquiring three smaller business units, that resulted in a goodwill amount of HUF 595 million.
In line with this transaction, assets were acquired, employees were transferred, and contracts were assumed, which meets the criteria for a business combination. The acquired activities are related to service provision and require minimal physical assets. As a result, the value of the acquired assets is not significant in the context of this acquisition. The primary focus of the acquisition was the transfer of employees rather than tangible assets.

23 Net investment in the lease – non-current

The Group mainly subleases business premises which are 100% owned by the companies of the Group. The non-current portion of net investment in leases amounted to HUF 1,140 million on 30 June 2025 (HUF 1,093 million on 31 December 2024). Detailed information on current net investment in leases is described in Note 29 – Net investment in the lease – current.

24 Investments in an associate and joint venture

The Group had other investments in the following companies on 30 June 2025 and 31 December 2024:

Company name	**Investment in share capital**	**Type of investment**	**Voting right %**
RAC Antidrone Zrt.	1	Associate	25%
REMRED Technológia Fejlesztő Zrt.	8 952	Joint venture	45%
Space-Communications Ltd.	240	Associate	20%
on 30 June 2025	**9 193**		

Company name	**Investment in share capital**	**Type of investment**	**Voting right %**
RAC Antidrone Zrt.	1	Associate	25%
REMRED Technológia Fejlesztő Zrt.	5 424	Joint venture	45%
Space-Communications Ltd.	445	Associate	20%
on 31 December 2024	**5 870**		

The detailed description of the associate and joint venture companies is presented under Note 2.1 Basis of consolidation.

Data in millions of HUF, unless otherwise indicated

Since the joint venture does not contribute significantly to the Group's accounts, either on the statement of financial position or the statement of profit or loss, no further information would be presented. The location of the joint venture is Hungary.

25 Other non-current assets

25.1 Other financial assets – non-current

The breakdown of other financial assets – non-current at the balance sheet date is as follows:

	30/06/2025	31/12/2024
Deposits	779	777
Non-current investment fund units, securities	102	102
Other non-current loans	162	168
Instalment payments – non-current	10 662	9 537
Miscellaneous other non-current financial assets	558	389
Impairment of other non-current financial assets	-131	-129
Total	**12 132**	**10 844**

The non-current portion of instalment receivables primarily arises from device sales conducted by the telecommunications subsidiaries of the 4iG Group. The increase observed during the reporting period is mainly attributable to higher sales volumes of premium devices sold under long-term instalment arrangements.

In accordance with IFRS 9 Financial Instruments, the Group also regularly reviews its non-current financial assets and recognises any impairment of these assets if necessary.

25.2 Other non-financial assets – non-current

	30/06/2025	31/12/2024
Prepayments – non-current	1 604	1 205
Contract assets – non-current	324	352
Total	**1 928**	**1 557**

The prepayments include prepaid license fees, typically covering a period of 3-5 years.
The Group’s contract assets are described in Note 2.3.2 Contract balances. Provision for expected credit losses for contract assets is presented in Note 32 Other non-financial assets – current.

Data in millions of HUF, unless otherwise indicated

26 Cash and cash equivalents

	30/06/2025	31/12/2024
Cash on hand	392	335
Cash at banks	75 890	60 224
Total	**76 282**	**60 559**

The Group measures its cash at amortised cost and has made an estimate of the expected credit loss on its cash and cash equivalents, on the basis of which it does not consider it appropriate to recognise an impairment loss as it only holds its cash with highly rated financial institutions.

27 Trade receivables

	30/06/2025	31/12/2024
Trade receivables	134 244	146 907
Expected credit loss of trade receivables	-27 063	-28 004
Total	**107 181**	**118 903**

The Group has determined the expected credit losses on receivables in accordance with the requirements of IFRS 9. The policy for calculation of expected credit losses on trade receivables is presented in Note 2.20.1.1 Impairment of financial assets. The information about the credit risk exposures related to trade receivables is disclosed in Note 48 Risk management.

The following table outlines the movement in the allowance for expected credit losses on trade receivables:

	Allowance for expected credit losses
on 1 January 2024	**-41 207**
Allowance for expected credit losses	-8 334
Write-off	20 481
Reversal	3 270
Exchange differences	-2 214
on 31 December 2024	**-28 004**
Allowance for expected credit losses	-4 228
Write-off	2 463
Reversal	2 091
Exchange differences	615
on 30 June 2025	**-27 063**

Data in millions of HUF, unless otherwise indicated

28 Income tax receivables and income tax payables

The Group considers the following to be income taxes under IAS 12 Income Taxes:

	30/06/2025	31/12/2024
Corporate income and dividend tax receivables (+) / liabilities (-)	799	-905
Local business tax receivables (+) / liabilities (-)	-392	25
Innovation contribution receivables (+) / liabilities (-)	-387	-314
Total	**20**	**-1 194**
from which: receivables	2 994	1 539
from which: liabilities	-2 974	-2 733

In the table above, the liability balance is shown as a negative number. Income tax receivables and payables are aggregated by company and by tax category.
The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

29 Net investment in the lease - current

As a lessor, the Group engages in leasing activities under IFRS 16 Leases, whereby it provides finance leases of its own assets – typically shops – and also enters into sublease arrangements for assets it leases from others. On 30 June 2025, the Group leased own assets amounting to HUF 252 million (HUF 325 million on 31 December 2024) and, under sublease arrangements, additional assets amounting to HUF 334 million (HUF 348 million on 31 December 2024).

30 Inventories

	30/06/2025	31/12/2024
Goods	16 765	13 716
Raw materials	1 053	1 080
Write-down of inventories	-4 091	-3 747
Total	**13 727**	**11 049**

The Goods line includes inventories held for sale, such as IT equipment, mobile phones, networking devices, accessories and related components.

The carrying amount of inventories pledged as security for liabilities is HUF 6,260 million on 30 June 2025 (on 31 December 2024: HUF 7,027 million).

The Group reviews the turnover of its inventories every year and recognises impairment on slow-moving inventories, while obsolete inventories are written off.

Data in millions of HUF, unless otherwise indicated

	2025 H1	2024 H1
Inventories sold	-37 713	-45 990
Write-down of inventories	-909	-1 049
Reversal of write-down of inventories	389	219
Total	**-38 233**	**-46 820**

31 Other financial assets - current

Other financial assets of the Group consist of the following:

	30/06/2025	31/12/2024
Cash lent for short term	89	28
Guarantees provided	498	341
Treasury bills and investment funds	79	110
Miscellaneous other financial assets – current	1 525	2 591
Total	**2 191**	**3 070**

Following table summarizes the gross value of cash lent for short term as well as the impairment accounted:

	30/06/2025	31/12/2024
Gross value of cash lent for short term	92	32
Impairment of cash lent for short term	-3	-4
Total	**89**	**28**

During the reporting period, the Group has presented treasury bills and investment funds amounting to HUF 79 million (31 December 2024: HUF 110 million). The Group measures these items at fair value through profit or loss.

Table below summarizes the impairment accounted for miscellaneous other financial assets:

	30/06/2025	31/12/2024
Gross value of miscellaneous other financial assets – current	2 505	3 548
Impairment of miscellaneous other financial assets – current	-980	-957
Total	**1 525**	**2 591**

Data in millions of HUF, unless otherwise indicated

The Group has determined the expected credit loss on other current financial assets in accordance with IFRS 9 Financial Instruments and considers it appropriate to recognise a credit loss on these receivables, as they generally carry low credit risk, are not typically past due at the balance sheet date, and the risk of default is considered negligible. The calculation of expected credit losses on other financial assets is presented in Note 2.20.1.1 Impairment of financial assets.

Table below summarizes the movement in the allowance for expected credit losses on other current financial assets (i.e. both cash lent for short term and miscellaneous other financial assets – current):

	Total impairment of other financial assets - current
on 1 January 2024	**-777**
Provision for expected credit losses	-91
Write-off	0
Exchange differences	-93
on 31 December 2024	**-961**
Provision for expected credit losses	-210
Write-off	162
Exchange differences	26
on 30 June 2025	**-983**

32 Other non-financial assets - current

Other non-financial assets – current of the Group include the followings:

	30/06/2025	31/12/2024
Other tax receivables	21 680	11 987
Advances granted	5 908	5 884
Deposits related to leases	771	608
Contract assets	2 148	1 704
Accrued income, prepayments	14 606	9 152
Total	**45 113**	**29 335**

Within other tax receivables, the largest amount is represented by the VAT receivable, which stands at HUF 20,715 million as of 30 June 2025, compared to HUF 11,156 million as of 31 December 2024.

Contract assets include revenue recognised under IFRS 15 Revenue from Contracts with Customers when the Group has transferred control of goods or services but does not yet have an unconditional right to consideration at the reporting date. Contract assets are classified as non-financial assets; however, they are subject to impairment under IFRS 9 Financial Instruments (see Note 2.20.1.1).

Data in millions of HUF, unless otherwise indicated

Accrued income mainly relates to revenues such as interest, rental income or royalties that have been earned during the reporting period and for which the Group has an unconditional right to consideration, but which have not yet been invoiced or received by the reporting date.

The table below provides a breakdown of contract assets, detailing their gross value and related allowance for expected credit losses.

	30/06/2025	31/12/2024
Gross value of contract assets	2 199	1 749
Allowance for expected credit losses of contract assets	-51	-45
Total	**2 148**	**1 704**

33 Share capital

The Company's share capital is HUF 5,981 million on 30 June 2025, which remained unchanged during the current period. The share capital according to IFRS is consistent with the registered capital reported by the Company Court. The share capital of the Company consists of 299,074,974 ordinary registered shares with a nominal value of HUF 20 each, issued dematerialized. Each share carries one vote. There are no preference shares or other special rights attached to the shares. Repurchased treasury shares do not have voting rights.
The shares are traded in the Premium Section of the Budapest Stock Exchange, ISIN code: HU0000167788

34 Treasury shares

The cost of treasury shares is the consideration paid for the repurchase of the Company's own shares, which reduces equity. This balance sheet line also includes the nominal value of the treasury shares; however, the nominal value is not deducted from the registered share capital.

The change in the number of 4iG (treasury) shares held by the Group (number of shares) is shown in the table below:

Treasury shares (number)	30/06/2025	31/12/2024
4iG ESOP organisation	4 000 000	4 000 000
4iG Plc treasury shares	5 347 590	4 967 614
Total	**9 347 590**	**8 967 614**

The repurchase value of the treasury shares is HUF 3,974 million, at an average price of HUF 743 per share. The closing price on the stock exchange for the period was 1,834 HUF per share, and the annual average price was 1,522 HUF per share.

35 Capital reserve

As of 30 June 2025, the capital reserve remained unchanged at HUF 133,492 million.

Data in millions of HUF, unless otherwise indicated

36 Accumulated other comprehensive income

	30/06/2025	31/12/2024
Net gain/loss on exchange differences on translation of foreign operations	18 020	20 748
Total	**18 020**	**20 748**

The Group presents the foreign exchange rate differences arising from the translation of the statement of financial position and statement of profit and loss and other comprehensive income of foreign operations on the Accumulated other comprehensive income line within equity. If certain conditions are met, the exchange difference is an item that may be subsequently reclassified into the statement of profit or loss.

37 Non-controlling interests

Changes in non-controlling interests during the reporting period are shown in the consolidated statement of changes in equity.

In May 2025 4iG Távközlési Holding Zrt. and Corvinus Nemzetközi Befektetési Zrt. have signed a share sale and purchase agreement to acquire the 29.50% of the shares wholly owned by Corvinus Nemzetközi Befektetési Zrt. in One Magyarország Zrt. and V-Hálózat Távközlési Zrt. The transaction has been closed in June 2025, thus 4iG Távközlési Holding Zrt. became the 100% owner of the two subsidiaries. Simultaneously with the share sale and purchase agreement, Corvinus Nemzetközi Befektetési Zrt. has carried out a capital increase in 4iG Távközlési Holding Zrt. by contributing claims as in-kind contributions. As a result of the multi-step transaction, the share of Corvinus Nemzetközi Befektetési Zrt. in 4iG Távközlési Holding Zrt. has increased from the former 23.22% to 37.90%, while 4iG Plc's share has decreased from 76.78% to 62.10%.

In the first half of 2025, the Group paid HUF 545 million dividends to non-controlling interests, and HUF 1,081 million in 2024, which also contributed to the change in the balance of non-controlling interests.
During 2024, the acquisition of Rotors & Cams Zrt. also contributed to the changes in the non-controlling interests. For more information about the acquisitions, please refer to Note 22 Goodwill and business combinations.

Data in millions of HUF, unless otherwise indicated

38 Provisions

	Provision for unused vacation	Provision for legal and litigation expenses	Asset retirement obligations	Total
on 1 January 2024	**1 367**	**5 790**	**5 627**	**12 784**
Acquisition of subsidiaries	17	0	0	**17**
Additions	2 478	4 203	217	**6 898**
Unwinding of discount and changes in the discount rate	0	0	246	**246**
Utilised	-950	-1 239	-733	**-2 922**
Unused amounts reversed	-1 132	-1 237	-447	**-2 816**
Exchange differences	64	205	364	**633**
on 31 December 2024	**1 844**	**7 722**	**5 274**	**14 840**
Additions	1 586	178	36	**1 800**
Unwinding of discount and changes in the discount rate	0	0	104	**104**
Utilised	-10	-111	-30	**-151**
Unused amounts reversed	-352	-131	0	**-483**
Exchange differences	-22	-108	-71	**-201**
on 30 June 2025	**3 046**	**7 550**	**5 313**	**15 909**

The maturity breakdown of provisions:

	30/06/2025	31/12/2024
Non-current provisions	7 773	7 823
Current provisions	8 136	7 017
Total	**15 909**	**14 840**

The provision for unused vacation amounts to HUF 3,046 million on 30 June 2025 (HUF 1,844 million on 31 December 2024), of which HUF 1,586 million provision was created for 2025. It is expected that these costs will be incurred in the next financial year.

The provision for legal and other matters typically includes provisions for legal, litigation, penalties, employee benefits amounting to HUF 7,550 million as of 30 June 2025 (HUF 7,722 million on 31 December 2024), of which HUF 242 million was released and reversed in 2025. It is expected that these costs will be incurred in the next financial year.

The provision for asset retirements obligation includes the discounted provision for the future restoration of the assets of subsidiaries. This provision is presented in the statement of financial position as current and non-current provision. According to IAS 37 Provisions, Contingent Liabilities and Contingent Assets, the discount rate of asset retirements obligation is continuously unwinding, and the decommissioning cost reaches the carrying amount of asset retirement obligation at maturity.

Data in millions of HUF, unless otherwise indicated

39 Loans, borrowings, bonds – non-current

	30/06/2025	31/12/2024
4iG Plc		
Bonds	388 048	388 068
MBH medium-term loan	4 000	4 000
ACE Network Zrt.		
Medium-term USD loan	11	49
4iG Távközlési Holding Zrt.		
MFB investment loan	19 082	18 698
Vodafone acquisition loans	331 437	340 419
INNObyte Zrt.		
MFB Zrt. GINOP loan	51	57
ONE Albania sh.a.		
OTP club loan	10 339	11 401
One Magyarország Zrt.		
Baross Gábor medium-term loan	2 134	3 650
Corvinus Zrt. medium-term loan	1 425	2 304
Total	**756 527**	**768 646**

The movement schedule of Loans, borrowings, bonds – non-current is presented under Note 49 Financial instruments.

The above figures represent the amounts drawn down from permanent working capital facilities contracted, the amounts drawn down from loans and the bonds issued by the Group and its consolidated subsidiaries. Both the Group and its consolidated subsidiaries have fully complied with all debt service obligations arising from financial commitments when due.

4iG Plc

On 30 June 2025, 4iG Plc had an uncommitted credit line (UCL) agreement with Raiffeisen Bank with a total amount of HUF 7,120 million, thereof which it had entered contracts:
1) A multi-currency revolving loan and overdraft facility altogether amounting HUF 1,120 million, maturing on 29 August 2025,
2) A bank guarantee facility of HUF 2,000 million, maturing on 31 August 2030.

The long-term working capital loan of HUF 4,000 million contracted with MBH Bank Nyrt. last year remains in place, with a pledge on the Company's inventories and receivables.
As a framework collateral for the bank loan agreement, pledge on 4iG Informatikai Zrt.'s current receivables and inventories in favour of Raiffeisen Bank were registered in the MOKK (Hungarian National Chamber of Civil Law Notaries) and in the Credit Security.
The contractual amount of the multi-currency revolving loan and bank overdraft facility is available until maturity, the Company has paid interest rate linked to 1-month BUBOR (variable rate) on the drawn down amounts and a commitment fee on the undrawn amounts, on the balance sheet date the exposure was 0 of both facilities.

Data in millions of HUF, unless otherwise indicated

Bonds issued by 4iG Plc

To finance domestic and foreign acquisitions during 2021, the Company conducted 3 successful auctions in the Bond for Growth Programme (Hungarian short name: “NKP”) announced by the MNB (National Bank of Hungary):

Description	4iG NKP Bond 2031/I	4iG NKP Bond 2031/II	4iG NKP Bond 2031/II
ISIN code	HU0000360276	HU0000361019	HU0000361019
Date of issue	29 March 2021	17 December 2021	27 December 2021
Name value	HUF 15,450 million	HUF 287,750 million	HUF 83,000 million
Deadline	10 years	10 years	10 years
Repayment	After a grace period of 5 years 10% on anniversaries 5-9, 50% on maturity	After a grace period of 5 years 10% on anniversaries 5-9, 50% on maturity	After a grace period of 5 years 10% on anniversaries 5-9, 50% on maturity
Interest payments (per year)	fixed 2.90%	fixed 6.00%	fixed 6.00%

Guarantees and company guarantees provided by 4iG

Group member	Supplier	Amount	Cur-rency	Start	Expiry
4iG Informatikai Zrt.	Clico Hungary Kft.	50 000 000	HUF	21/01/2025	31/12/2026
4iG Informatikai Zrt.	Ingram Micro Magyarország Kft.	1 500 000 000	HUF	27/02/2025	31/12/2026
4iG Informatikai Zrt.	HRP Europe Kft.	810 000 000	HUF	17/03/2025	30/09/2026
4iG Informatikai Zrt.	iSTYLE Hungary Kft.	25 000 000	HUF	30/06/2025	31/12/2026
4iG Informatikai Zrt.	TD Synnex Hungary Kft.	465 000 000	HUF	05/05/2025	31/12/2026
D-Infrastruktúra Távközlési Kft.	ALD Automotive Magyarország Kft.	250 000 000	HUF	08/10/2024	31/10/2028
Invitech ICT Infrastructure Kft.	ALD Automotive Magyarország Kft.	350 000 000	HUF	08/10/2024	31/10/2028
One Magyarország Zrt.	CIB Bank	3 630 000 000	HUF	13/12/2023	30/06/2030
One Magyarország Zrt.	MBH Bank	4 000 000 000	HUF	22/11/2023	31/12/2029
One Magyarország Zrt.	Immofinanz Services Kft.	575 000 000	HUF	08/11/2024	31/12/2028
V-Hálózat Távközlési Zrt.	LeasePlan Hungária Zrt.	36 000 000	HUF	05/03/2025	31/12/2027
	Total	**11 691 000 000**	**HUF**		
4iG Informatikai Zrt.	Peridot Financing Solutions GmbH	4 000 000	EUR	13/01/2025	30/09/2026
	Total	**4 000 000**	**EUR**		

ACE Network Zrt.

In November 2021, the company entered into a bank overdraft facility agreement with K&H Bank Zrt. for HUF 250 million at a transaction interest rate linked to O/N BUBOR (variable interest rate), which is available as a liquidity reserve until 30 July 2025 and had a utilisation rate of 0 at the balance sheet date.

In 2024, the company entered with K&H Bank Zrt. for short-term and medium-term, non-revolving, working capital loan agreements with variable rate, thereof USD 1,318,750 (HUF 11 million presented as non-current loan and HUF 440 million as current loan) outstanding was drawn at the balance sheet date.

The above loan agreements were secured by a cash collateral provided by the company and a guarantee by Garantiqa Hitelgarancia Zrt.

4iG Távközlési Holding Zrt.

In order to ensure the liquidity reserves for the company, it has an overdraft facility with MBH Bank Nyrt. in the amount of HUF 5,000 million, exposure was 0 at the balance sheet date.
A HUF 45,851 million 13-years loan contracted with MFB Magyar Fejlesztési Bank Zrt. in 2020, thereof HUF 3,126 million repayment is due on short term and HUF 23,073 million due on long term at the balance sheet date.

Only interest payments were due in 2025 on its long-term loan agreements denominated in EUR with Magyar Export-Import Bank Zrt. and MFB Magyar Fejlesztési Bank Zrt., at a fixed interest rate for the first five years of the tenor. In addition to the company, One Magyarország Zrt. was involved as a co-debtor, and the financing banks have registered liens and mortgages on the assets of the company and the co-debtor as collateral for the loans and have stipulated financial covenants. As a result of the transformation of the company, which started in September 2024, in 2025 following companies directly wholly owned by the debtor: 4iG ComCo Holding Zrt.; 4iG InfraCo Holding Zrt.; AH Média Kereskedelmi Zrt.; AH Infrastruktúra Zrt., 4iG Hírközlési Infrastruktúra Zrt.; 4iG Műsorszóró Infrastruktúra Kft.; V-Hálózat Infrastruktúra Zrt. were included as joint and several debtors in the loan agreements, with amendments to the related security agreements.

INNObyte Zrt.

The company entered into a loan agreement with MFB Magyar Fejlesztési Bank Zrt. in May 2019 for HUF 121 million maturing on 25 April 2029, secured by a bank guarantee issued by K&H Bank Zrt. The company has been repaying this loan monthly, in scheduled equal instalments, at the balance sheet date the outstanding is HUF 51 million.

Data in millions of HUF, unless otherwise indicated

ONE Albania sh.a.

During the current period, ONE Albania sh.a. fully met all its principal and interest payment obligations. During 2025, its total debt from fixed-rate loans taken out from the Italian government was repaid according to schedule.

Financing bank	Loan type	Frame amount	Actual outstanding	Currency	Interest
OTP BANK PLC; DSK BANK AD; BANKA OTP ALBANIA SHA	Syndicate loan	37 000 000	28 860 000	EUR	3M EURIBOR + 4.25%
BANKA OTP ALBANIA SHA	Overdraft	2 000 000	1 019 629,77	EUR	12M EURIBOR +3.5% (min 4.2%)
Italian Government	Bullet term loan	6 808 761	0	EUR	Fix 1%
Raiffeisen Bank Albania sh.a.	Overdraft	1 650 000	392 055,27	EUR	12M EURIBOR + 5% (min 5.3%)
Tirana Bank S.A.	Overdraft	467 009 854	38 799 281	ALL	Yearly T-Bills + 2.5% (min 5.0%)

Out of the HUF 11,940 million OTP Bank loan (EUR 29 million) HUF 10,338 million (EUR 25 million) is presented as a non-current, whereas HUF 1,602 million (EUR 4 million) is presented as current loan. Due to the mid-year seasonality, the use of overdrafts increased compared to the previous period.

One Magyarország Zrt.

Corvinus provided loan at variable interest rate to finance certain liabilities of the company, the outstanding amount at balance sheet date is HUF 2,304 million.
During the current period, the company entered into three loan agreements with K&H Bank Zrt. for investment loans totalling EUR 14,998,211 under the Baross Gábor Reindustrialisation Loan Programme 2024, with a fixed interest rate, scheduled principal repayment over 46 months.
Following the drawdowns during the availability period until the end of November 2024, scheduled repayment started - in equal quarterly instalments - in December 2024, the outstanding amount on 30th of June 2025 is EUR 11,124,681. Pledge on the company's current assets and receivables was registered in favour of the financing bank as collateral.

Bank guarantees

The Company requires bank guarantee facility to secure its performance type commitments (tender, advance payment, performance, warranty) based on its contractor agreements with its customers. The volume of bank guarantees issued under the framework contracted with Raiffeisen Bank Zrt. amounted to HUF 1,833 million at the balance sheet date. As collateral for certain warranty guarantees, a total of HUF 30 million was deposited in a designated bank account.

The beneficiaries did not claim for any bank guarantee during the reporting year.

Data in millions of HUF, unless otherwise indicated

List of bank guarantees issued on behalf of the Company as of 30 June 2025:

Bank	Reference number	Beneficiary	Type	Total	Cur-rency	Date of issue	Expiry date
Raiffeisen Bank Zrt.	IGTE063519	MÁV FKG Kft.	warranty	13 500 000	HUF	14/04/2022	30/01/2026
	IGTE064273	Városliget Zrt.	warranty	19 995 307	HUF	29/09/2022	31/03/2026
	IGTE066114	Kormányzati Informatikai Fejlesztési Ügynökség	good performance	8 644 930	HUF	03/10/2023	02/10/2025
	IGTE066440	Nemzeti Infokommunikációs Szolgáltató Zrt.	performance	14 392 486	HUF	23/11/2023	31/01/2026
	IGTE068127	Bayer Construct Zrt.	advance payment	353 536 748	HUF	03/10/2024	06/05/2026
	IGTE068130	Market Építő Zrt.	advance payment	353 536 748	HUF	10/10/2024	06/05/2026
	IGTE068185	Építési és Közlekedési Minisztérium	advance payment	976 153 600	HUF	01/10/2024	30/09/2026
	IGTE068511	Bayer Construct Zrt.	advance payment	46 406 250	HUF	14/12/2024	06/05/2026
	IGTE068510	Market Építő Zrt.	advance payment	46 406 250	HUF	14/12/2024	06/05/2026
			Total	**1 832 572 319**	**HUF**		

List of bank guarantees issued on behalf of 4iG Informatikai Zrt. as of 30 June 2025:

Bank	Reference number	Beneficiary	Type	Total	Cur-rency	Date of issue	Expiry date
Raiffeisen Bank Zrt.	IGTE062162	Digitális Kormányzati Ügynökség Zrt.	performance	10 000 000	HUF	19/07/2021	03/09/2025
	IGTE062161	Digitális Kormányzati Ügynökség Zrt.	performance	15 000 000	HUF	19/07/2021	03/09/2025
	IGTE062448	Digitális Kormányzati Ügynökség Zrt.	performance	10 000 000	HUF	14/09/2021	29/10/2027
	IGTE062447	Digitális Kormányzati Ügynökség Zrt.	performance	10 000 000	HUF	14/09/2021	29/10/2027
	IGTE062449	Digitális Kormányzati Ügynökség Zrt.	performance	10 000 000	HUF	14/09/2021	31/12/2027
	IGTE062491	Digitális Kormányzati Ügynökség Zrt.	performance	15 000 000	HUF	20/09/2021	12/12/2025
	IGTE062492	Digitális Kormányzati Ügynökség Zrt.	performance	10 000 000	HUF	20/09/2021	31/12/2025
	IGTE063536	Digitális Kormányzati Ügynökség Zrt.	performance	10 000 000	HUF	02/05/2022	13/04/2026
	IGTE063764	Digitális Kormányzati Ügynökség Zrt.	performance	15 000 000	HUF	31/01/2025	31/05/2026
			Total	**105 000 000**	**HUF**		

At the end of 2022, 4iG Plc and CIG Pannónia Első Magyar Általános Biztosító Zrt entered into a surety framework agreement, which 4iG Informatikai Zrt can also use. For the issuance of insurance bonds, the list of bonds issued on behalf of 4iG Informatikai Zrt. as of 30 June 2025:

Data in millions of HUF, unless otherwise indicated

Insurance provider	Reference number	Beneficiary	Type	Total	Cur-rency	Date of issue	Expiry date
CIG Pannónia Első Magyar Általános Biztosító Zrt.	AKC-22-0051/15	Digitális Kormányzati Ügynökség Zrt.	performance	15 000 000	HUF	15/05/2024	31/03/2028
	AKC-22-0051/14	Digitális Kormányzati Ügynökség Zrt.	performance	10 000 000	HUF	15/05/2024	31/03/2028
	AKC-22-0051/16	MVM Partner Energiakereskedelmi Zrt.	performance	14 700 000	HUF	01/05/2024	02/05/2028
	AKC-22-0051/22	Kormányzati Szolgáltató Központ Nonprofit Kft.	advance repayment	5 000 000 000	HUF	01/04/2025	02/02/2026
	AKC-22-0051/19	Digitális Kormányzati Ügynökség Zrt.	performance	7 000 000	HUF	10/09/2024	02/10/2028
	AKC-22-0051/20	Digitális Kormányzati Ügynökség Zrt.	performance	2 000 000	HUF	10/09/2024	31/07/2029
			Total	**5 048 700 000**	**HUF**		

In the reporting period, the 4iG Informatikai Zrt. deposited cash collateral with the contractor/customer as security for certain obligations under certain contractor agreements, instead of issuing bank guarantees, amounting to HUF 149 million at the balance sheet date.

List of bank guarantees issued on behalf of DIGI Távközlési és Szolgáltató Kft. as of 30 June 2025:

Bank	Reference number	Beneficiary	Type	Total	Cur-rency	Date of issue	Expiry date
Citibank Europe Plc. Magyarország Fióktelepe	112366	Yettel Magyarország Zrt.	payment	17 000 000	HUF	24/07/2020	31/12/2025
			Total	**17 000 000**	**HUF**		

During the reporting period, D-Infrastruktúra Távközlési Kft. deposited a cash deposit with the contracting party/customer as security for its obligations under the lease agreement with CEE Property-Invest Kft. instead of issuing a bank guarantee. The amount of the deposit was EUR 76,636 on the reporting date.

List of bank guarantees issued on behalf of INNObyte Zrt. as of 30 June 2025:

Bank	Reference number	Beneficiary	Type	Total	Cur-rency	Date of issue	Expiry date
K&H Bank Zrt.	0402M1D BUDAGO 0021272	MFB Magyar Fejlesztési Bank Zrt.	payment	61 000 000	HUF	26/01/2021	22/10/2025
			Total	**61 000 000**	**HUF**		

Data in millions of HUF, unless otherwise indicated

List of bank guarantees issued on behalf of Invitech ICT Infrastructure Kft. as of 30 June 2025:

Bank	Reference number	Beneficiary	Type	Total	Currency	Date of issue	Expiry date
UniCredit Bank Hungary Zrt.	25020345	Magyar Posta Takarék	payment	36 662 524	HUF	27/02/2025	01/02/2026
	25020349	GÉANT Vereniging	payment	100 000	EUR	27/02/2025	01/02/2026
			Total	**36 662 524**	**HUF**		
			Total	**100 000**	**EUR**		

A total of HUF 37 million and EUR 100 thousand in cash collateral was deposited in a designated bank account for this purpose as security for the bank guarantees.

List of bank guarantees issued on behalf of One Magyarország Zrt. as of 30 June 2025:

Bank	Reference number	Beneficiary	Type	Total	Currency	Date of issue	Expiry date
Citibank Europe Plc. Magyar-országi fióktelepe	5137-621678	Apple Distribution International Ltd.	payment	3 200 000 000	HUF	28/07/2023	11/07/2026
			Total	**3 200 000 000**	**HUF**		

Bank	Reference number	Beneficiary	Type	Total	Cur-rency	Date of issue	Expiry date
CIB Bank Zrt.	EG38780	Alba Bevásárlóközpont Kft.	rental	43 296,00	EUR	13/06/2025	30/06/2026
	EG38605	BKK Budapesti Közlekedési Központ Zrt.	performance	5 000 000	HUF	23/09/2024	21/11/2025
	EG38273	Budapesti Közlekedési Zrt.	rental	3 614 031	HUF	10/06/2024	31/12/2025
	EG38272	Budapesti Közlekedési Zrt.	rental	9 130 179	HUF	10/06/2024	31/12/2025
	EG38598	Budapesti Közlekedési Zrt.	performance	17 937 900	HUF	26/09/2024	31/01/2028
	EG38030	Csaba Center Invest Kft.	rental	18 874,00	EUR	30/04/2025	30/04/2026
	EG37909	Einkaufs-Center Arkaden Pécs G.m.b.H. & Co. KG Mo. Fióktelep	rental	25 862,00	EUR	01/03/2024	31/12/2026
	EG38762	Einkaufs-Center Győr G.m.b.H. & Co. KG Mo. Fióktelep	rental	23 519,00	EUR	15/10/2024	15/10/2029
	EG38346	EKZ Örs Vezér tér Bev. központ Tulajdonközösség	rental	53 551,00	EUR	26/06/2024	31/12/2026
	EG38721	GSZ-Monument Kft.	rental	21 746,00	EUR	11/10/2024	31/10/2025
	EG38722	GSZ-Monument Kft.	rental	13 875,00	EUR	11/10/2024	31/08/2026
	EG38779	GSZ-Monument Kft.	rental	59 589,00	EUR	25/10/2024	31/12/2025
	EG37908	KEQI Kft.	rental	31 432,50	EUR	12/04/2024	31/10/2025
	EG38076	Logicor (CURVE) Hungary Kft.	rental	101 710,31	EUR	23/04/2024	03/09/2025

Data in millions of HUF, unless otherwise indicated

Bank	Reference number	Beneficiary	Type	Total	Cur-rency	Date of issue	Expiry date
CIB Bank Zrt.	EG38464	Mall Invest Zrt.	rental	16 215,00	EUR	09/09/2024	31/03/2030
	EG38059	Network Rider Kft.	rental	9 427 049	HUF	11/04/2024	30/11/2025
	EG38351	OTP Ingatlanbefektetési Alap	rental	26 865,80	EUR	05/09/2024	30/06/2025
	EG39283	OTP Ingatlanbefektetési Alap	rental	3 104,28	EUR	24/03/2025	31/03/2026
	EG38352	Raiffeisen Befektetési Alapkezelő Zrt.	rental	20 513 821	HUF	30/05/2025	01/06/2027
	EG38040	Retail-Property Ingatlanhasznosító Kft.	rental	10 702,00	EUR	03/05/2024	02/05/2026
	EG39238	Statman Repülőtéri Szolgáltató Kft.	rental	1 871 288	HUF	07/03/2025	31/01/2030
	EG38644	SYMMETRY ARENA KFT.	rental	92 245,36	EUR	01/04/2025	31/01/2030
	EG38133	Tesco Globál Áruházak Zrt.	rental	7 146,73	EUR	23/12/2024	31/12/2025
	EG38137	Tesco Globál Áruházak Zrt.	rental	9 049,32	EUR	23/12/2024	31/12/2025
	EG38138	Tesco Globál Áruházak Zrt.	rental	16 703,10	EUR	23/12/2024	31/12/2025
	EG38139	Tesco Globál Áruházak Zrt.	rental	12 639,93	EUR	23/12/2024	31/12/2025
	EG38373	Tummam Kft.	rental	50 551,12	EUR	26/06/2024	31/12/2028
	EG39090	Tummam Kft.	rental	50 551,12	EUR	06/01/2025	31/12/2028
	EG39239	Várnai Cipőkereskedés Kft.	rental	1 871 288	HUF	07/03/2025	31/012030
			Total	**69 365 556**	**HUF**		
			Total	**689 228,57**	**EUR**		

Bank	Reference number	Beneficiary	Type	Total	Cur-rency	Date of issue	Expiry date
MBH Bank Nyrt.	007GFIZ24 0960001	Allee Center Kft.	rental	66 011,95	EUR	24/04/2025	30/04/2026
	007GFIZ24 2990001	Árkád Szeged G.m.b.H & Co. KG Mo. Fióktelep	rental	33 812,94	EUR	20/11/2024	31/03/2028
	007GFIZ24 0780003	Budapest Airport Budapest Liszt Ferenc Nemzetközi Repülőtér Üzemeltető Zrt.	rental	97 001,65	EUR	01/01/2025	31/12/2025
	007GFIZ24 3530001	Campona Shopping Center Kft.	rental	6 027 167	HUF	13/01/2025	01/03/2026
	007GFIZ24 1720001	CA-Zeta Ingatlanhasznosító Kft.	rental	34 246,57	EUR	24/07/2024	31/01/2026
	007GFIZ24 2990002	Dexium Ingatlanfejlesztő Kft.	rental	37 652,00	EUR	18/11/2024	04/09/2028
	007GENH2 40230002	Digitális Kormányzati Ügynökség Zrt.	performance	10 000 000	HUF	29/01/2024	13/06/2028
	007GFIZ24 0150001	Euro-Mall Ingatlanbefektetési Kft.	rental	31 317,68	EUR	18/01/2024	31/01/2026
	007GFIZ24 0510001	Európa Ingatlanbefektetési Alap	rental	26 309,25	EUR	08/03/2024	31/05/2026

Data in millions of HUF, unless otherwise indicated

Bank	Reference number	Beneficiary	Type	Total	Cur-rency	Date of issue	Expiry date
	007GFIZ24 1770001	Futureal Prime Properties Ingatlanfejlesztő Zártkörű Esernyőalap - Futureal Prime Properties Three Ingatlanfejlesztő Részalap	rental	1 140 079,92	EUR	03/12/2024	31/12/2025
	007GFIZ24 0530001	Futureal Prime Properties One Ingatlanfejlesztő Részalap	rental	80 034,00	EUR	08/03/2024	31/01/2026
	007GFIZ24 2780002	GSZ-Monument Kft.	rental	34 074,00	EUR	12/11/2024	31/08/2025
	007GFIZ24 0400001	Immo-Bázis Kereskedelmi Kft.	rental	4 850 000	HUF	07/03/2024	01/04/2026
	007GFIZ24 0390002	Lurdy-Ház Bevásárló- és Irodacentrum Kft.	rental	4 655 730	HUF	01/07/2024	31/05/2027
	007GTEL24 1910001	Miniszterelnöki Kabinetiroda	performance	361 356 406	HUF	21/08/2024	30/06/2025
	007GTEL24 1910002	Miniszterelnöki Kabinetiroda	performance	70 686 613	HUF	21/08/2024	30/06/2025
	007GTEL24 1910003	Miniszterelnöki Kabinetiroda	performance	212 889 741	HUF	21/08/2024	30/06/2025
	007GFIZ24 2290001	ORO-Invest Kereskedelm és Szolgáltató Kft.	rental	35 101,77	EUR	17/10/2024	31/03/2026
	007GFIZ24 0960002	Pólus Shopping Center Ingatlanhasznosító és Vagyonkezelő Zrt.	rental	50 427,00	EUR	13/05/2024	31/10/2027
	007GFIZ24 1590001	Shopper Park Plus Nyrt.	rental	4 489 065	HUF	30/05/2025	31/05/2026
	007GFIZ24 1590002	Shopper Park Plus Nyrt.	rental	5 009 054	HUF	30/05/2025	31/05/2026
	007GFIZ24 3410001	Shopper Park Plus Nyrt.	rental	4 724 313	HUF	13/12/2024	31/12/2025
	007GFIZ24 0780001	Simon Péter	rental	5 460,00	EUR	11/04/2024	31/01/2026
	007GFIZ24 0390001	SK-IMMO Ingatlanhasznosító Zrt.	rental	37 666,00	EUR	07/03/2024	31/10/2027
	007GFIZ24 0860003	T-Szol Tatabányai Szolgáltató Zrt.	rental	1 991 568	HUF	12/04/2024	28/02/2026
	007GFIZ24 1630001	Viktor Explorer Ingatlanhasznosító Kft.	rental	10 920,90	EUR	25/07/2024	31/01/2026
	007GFIZ24 1840005	VPM Projekt Ingatlan és Vagyonkezelő Kft.	rental	3 387,09	EUR	17/07/2024	30/06/2029
	007GFIZ24 2430001	West End Magyarország Ingatlanhasznosító Zrt.	rental	163 108,00	EUR	15/10/2024	02/10/2025
			Total	**686 679 657**	**HUF**		
			Total	**1 886 610,72**	**EUR**		

Data in millions of HUF, unless otherwise indicated

During the reporting period, One Magyarország Zrt. deposited cash collateral with the contracting party/customer as security for its obligations under certain business contracts, instead of issuing bank guarantees. The total amount of these deposits was HUF 4 million and EUR 38,000 on the reporting date.

Bank guarantees issued on behalf of ONE Albania sh.a. as of 30 June 2025 is altogether ALL 43,650,087.58 (equivalent to HUF 179 million and EUR 24,000), the company deposited cash collateral with the bank in a designated bank account.

40 Lease liabilities

The carrying amounts of lease liabilities and the movements during the reporting period are presented below:

	30/06/2025	31/12/2024
Lease liabilities – non-current	139 539	130 015
Lease liabilities – current	28 599	29 828
Lease liabilities – total	**168 138**	**159 843**

	Lease liabilities non-current	Lease liabilities current
On 1 January 2024	**118 402**	**24 663**
Addition from new leases	16 715	2 235
Interest expenditure	12 193	0
Lease payments	0	-39 489
Modification, remeasurement	21 441	74
Reclassification	-41 923	41 924
Disposals	-235	0
Exchange difference	3 422	421
On 31 December 2024	**130 015**	**29 828**
Addition from new leases	42 317	4 923
Interest expenditure	6 219	0
Lease payments	0	-24 870
Modification, remeasurement	-14 628	-3 051
Reclassification	-21 980	21 980
Disposals	-623	0
Exchange difference	-1 781	-211
On 30 June 2025	**139 539**	**28 599**

The amount of undiscounted future lease payments is shown in Note 48 Risk management.
The Group has excluded certain future cash flows to which it may be potentially exposed from the measurement of lease liabilities.

Data in millions of HUF, unless otherwise indicated

- The total amount of undiscounted potential future lease payments related to extension options that are not part of the lease term for subsequent periods is HUF 74,542 million (2024: HUF 74,524 million).
- The undiscounted cash flows related to termination options that was not included in the value of the lease liabilities amounted to HUF 4 million on 30 June 2025 (HUF 4 million on 31 December 2024).
- The future undiscounted lease payment commitment for contracts the Group is committed but not yet commenced on 30 June 2025 amounted to HUF 79 million (HUF 441 million on 31 December 2024).
- As of 30 June 2025, and 31 December 2024, there were no residual value guarantees to which the Group was potentially exposed, and these were not taken into account in the lease liabilities.

The following are the amounts recognised in profit or loss in relation to leases:

	2025 H1	**2024 H1**
Lease-related costs, expenses		
Depreciation expense of right-of-use assets	-16 124	-15 007
Interest expense on lease liabilities	-6 219	-6 057
Foreign exchange loss on lease liabilities	-1 378	-74
Expense relating to short-term leases	-9	-6
Expenses relating to leases of low-value assets	-16	-152
Lease payments out of scope of IFRS 16 Leases	-3 217	-2 357
Total amount recognised in profit and loss	**-26 963**	**-23 653**

Short-term leases or leases of low-value assets are recognised as operating expenses by the Group – these amounts are presented in Note 7 Services used.
Lease payments out of scope of IFRS 16 Leases include payments for operational service contracts, such as agreements for the maintenance of network infrastructure, software licensing and other long-term collaborations.

41 Other liabilities – non-current

41.1 Other financial liabilities – non-current

	30/06/2025	**31/12/2024**
Liabilities related to content fee	16 304	3 169
Liabilities related to software integration	487	580
Deferred consideration	149	149
Total	**16 940**	**3 898**

The Group recognises liabilities related to discounted future fixed payments to media content providers. The main reason for the increase was that in the first half of 2025, the newly concluded and Group-level renegotiated contracts contained a higher proportion of substantially fixed fee components compared to previous contracts, the present value of which was capitalised.

Data in millions of HUF, unless otherwise indicated

Additionally, in December 2024, the Group has accounted for non-current deferred consideration in connection with the acquisition of Rotors & Cams Zrt.

41.2. Other non-financial liabilities – non-current

The Group presents its long-term contract liabilities (according to IFRS 15 Revenue from Contracts with Customers) among the Other non-financial liabilities – non-current line, with a balance of HUF 1,034 million on 30 June 2025 (HUF 573 million on 31 December 2024).

42 Trade payables

The Group's trade payables significantly decreased in line with the improved efficiency of working capital management, supported by the close monitoring of payment obligations and continuous oversight by operational decision-makers: on 30 June 2025 the balance amounted to HUF 81,861 million, compared to HUF 116,026 million on 31 December 2024.

43 Loans, borrowings, bonds - current

	30/06/2025	**31/12/2024**
4iG Plc		
Interest on bonds	11 902	1 228
MBH medium-term loan interest	46	98
ACE Network Zrt.		
Short-term part of medium-term USD loan	63	73
Short-term USD loan	375	433
Short-term USD loan interest	2	2
4iG Távközlési Holding Zrt.		
MFB investment loan	3 126	3 126
MFB investment loan interest	214	218
Vodafone acquisition loans interest	12 436	1 057
ONE Albania sh.a.		
Italian Government loan	0	78
OTP club loan	1 588	1 830
OTP club loan interest	13	24
OTP Bank loan	410	0
Raiffeisen Bank loan	157	0
Tirana Bank loan	158	0
One Magyarország Zrt.		
Baross Gábor short-term loan	2 309	1 825
Baross Gábor short-term loan interest	8	5
Corvinus Zrt. short-term loan	879	0
Corvinus Zrt. short-term loan interest	53	54
Total	**33 739**	**10 051**

The detailed description of Loans, borrowings, bonds - current is presented under Note 39 Loans, borrowings, bonds – non-current.
The movement schedule of Loans, borrowings, bonds – current is presented under Note 49 Financial instruments.

44 Share based payments

The Board of Directors of the Group, acting under the authority of the General Meeting of Shareholders, on 29 April 2020, without holding a meeting, in the framework of a written resolution, pursuant to the authorisation of Government Decree 102.2020 (IV.10.) on different provisions for the operation of associations of persons and property during an emergency, adopted by virtue of Resolution No. 9.2020 (IV.29), the Group approved the launch of the Employee Share Ownership Plan ("ESOP") and the establishment of an organisation ("ESOP Organisation"), called the 4iG Employee Share Ownership Plan Organisation (abbreviated as 4iG ESOP Organisation), and adopted its Articles of Association (hereinafter "Articles of Association").
The remuneration policy (ESOP I.), which was first launched by the Group, has expired. The ESOP III program expired and was paid after the first quarter of 2025.
In 2025, the following remuneration policies are relevant to the Group's financial statement.

44.1 Share based payment reserve

ESOP II.: 4iG Plc has launched a remuneration programme (ESOP II.) by General Meeting Resolution No. 17.2021 (IX.30), under which the ESOP organisation subscribed for 4 million 4iG shares. These shares are legally voting shares with dividend rights, but due to the "extension" approach (under which the ESOP entity is not a separate reporting entity under IFRS), they are presented as treasury shares in the consolidated financial statements. Under the ESOP II., employees may be entitled to share awards at the end of the vesting period by reimbursement of the value of the shares as described by the policy.

The Group recognises the programme starting from the grant date. The grant date is defined as the date on which the parties have agreed on the material terms, and employees have accepted the allocation.

The programme spans two years, with an expiration date of 25 November 2023. By this date, none of the participants exercised their share purchase rights. However, participants retain disposal rights for more than two years after the programme's closure, meaning they can exercise the option until 28 February 2026.

Vesting conditions:

- Service condition: Continuous employment with the Company throughout the programme duration (fulfilled).
- Performance condition: Increase in the Group's consolidated EBITDA per share (fulfilled).

The Company has conducted estimates regarding the expected fulfillment of the ESOP II. programme as of the grant date.

The fair value of the option at the grant date was determined using the Black-Scholes model, based on the following assumptions:

- Exercise price: HUF 879 per share
- Share price at grant date: HUF 818 and HUF 912 per share
- Volatility: 38%
- Dividend yield: 2.8%
- Risk-free interest rate: 4.2% and 3.2%

The Group allocates the fair value of the grant proportionally over the vesting period. The recognised cost is recorded against a separate equity component (Share based payment reserve). This accumulated reserve is reversed when:

- shares are allocated at the end of the program, or
- it is determined at the end of the program that the conditions have not been met.

44.2 Share based payment liability

ESOP III.: On 28 April 2023, subject to the resolution of the General Meeting of the Group No. 17.2021 (IX.30) and the resolution of the Board of Directors of the Group as Founder No. 4.2023 (III.26), the Group launched a new Remuneration Policy (hereinafter "ESOP III."). In order to implement the ESOP III., the Group as Founder granted to the ESOP Organisation options to acquire ordinary shares in 4iG Plc. By this action, the Group intends to achieve greater stakeholder engagement.

The fulfilment requirements of the ESOP III program were tied to the consolidated EBITDA calculated on the basis of the consolidated financial statements for the calendar year 2024, adjusted for the impact of the telecom extra profit tax, which was fulfilled based on the 2024 financial statements. The participants of the ESOP III program have received their remuneration from the program already.

ESOP IV.: Similar purpose for ESOP III. on 29 April 2024, subject to the resolution of the General Meeting of the Group No. 17.2021 (IX.30) and the resolution of the Board of Directors of the Group as Founder No. 1.2024 (IV.[o])), the Group launched the fourth Remuneration Policy (hereinafter "ESOP IV.")."). In order to implement the ESOP IV., the Group as Founder granted to the ESOP Organisation options to acquire ordinary shares in 4iG Plc.

4iG Plc has recognised a staff cost of HUF 768 million against the Share based payment liability during the first half of 2025 as a cover for ESOP IV. costs using the Black-Scholes formula (and same considerations are made as for the ESOP III. programme). considering the option price, time to maturity (option term), probability of KPI fulfilment, the estimated fluctuation of the members and the market price increase factor.

ESOP V.: Similar purpose for ESOP III. on 29 May 2025, subject to the resolution of the General Meeting of the Group No. 17.2021 (IX.30) and the resolution of the Board of Directors of the Group as Founder No. 1.2025 (V.29.), the Group launched the fourth Remuneration Policy (hereinafter "ESOP V."). In order to implement the ESOP V., the Group granted to the ESOP Organisation options to acquire ordinary shares in 4iG Plc.

Data in millions of HUF, unless otherwise indicated

4iG Plc has recognised staff cost of HUF 474 million against the Share based payment liability during the first half of 2025 as a cover for ESOP V. costs using the Black-Scholes formula (and same considerations are made as for the ESOP IV. programme).

45 Other financial liabilities - current

	30/06/2025	31/12/2024
Liabilities related to content fee	14 389	13 532
Payroll related obligations	4 228	3 241
Liabilities related to unreturned asset fee	2 255	1 927
Customers warranty contract	1 276	1 317
Liabilities to insurer	1 280	0
Liability to an associated company	559	0
Derivative liability	291	0
Charity settlement	154	0
Miscellaneous other financial current liabilities	1 918	2 415
Total	**26 351**	**22 432**

The liabilities related to content fees, as presented in the table above, represent the current portion of the future discounted cash flows for fixed payments to media content providers.
The non-current portion of these liabilities is disclosed in Note 41 Other liabilities - non-current.

Payroll-related obligations include salaries earned but not yet paid by the reporting date, along with the related tax and social security contributions.

Liabilities related to unreturned asset fees represent the obligation to replace unreturned assets, such as set-top boxes and routers.

The customer warranty contract is an insurance-type warranty that customers can purchase optionally, constituting a separate performance obligation. The liability gradually decreases over the warranty period as the obligation is fulfilled.

46 Other non-financial liabilities - current

	30/06/2025	31/12/2024
Tax liabilities and contributions	12 505	15 257
Contract liabilities	2 601	3 338
Advances received from customers	6 906	2 774
Advances received from the state budget	80	99
Grants received, deferred income	1 300	739
Deferred income	16 678	32 757
Accrued expenses	45 786	13 783
Total	**85 855**	**68 747**

Tax liabilities and contributions mainly include VAT liability of HUF 6,282 million (HUF 6,877 million on 31 December 2024), payroll tax of HUF 3,304 million (HUF 4,180 million on 31 December 2024), telecommunications tax of HUF 2,743 million (HUF 3,658 million on 31 December 2024), extra profit tax of HUF 21 million (HUF 289 million on December 2024) and other tax liabilities as of 30 June 2025 The Group has no overdue tax liabilities.

Contract liabilities decreased compared to the previous year, mainly reflecting a lower level of advance billings and customer prepayments outstanding at the reporting date.

Accrued expenses include typically unbilled items such as utility charges, consultancy fees, or other costs recognised on an accrual basis that relate to the reporting period but will be invoiced or settled in a subsequent period. Items for which the related contractual obligations have already been fulfilled and only the invoice is pending are presented under trade payables, see Note 42 Trade Payables.

47 Segment information

The strategic decisions for the Group's operations are made by the Board of Directors, and therefore the reports prepared for the Board of Directors have been used by management as the basis for the determination of the segments in preparing these consolidated financial statements.
From 2025, the Group’s activities are divided into four major segments:

- information technology (IT) activities,
- telecommunications activities,
- space and defence activities,
- and other holding activities.

As the significance of the space and defence activities within the Group increased materially during 2025, the chief operating decision maker decided, in accordance with IFRS 8 Operating Segments, to present these activities as a separate operating segment for the current reporting period. Accordingly, the comparative data has also been restated: for the first half of 2024, those profit and loss items that were previously presented under the telecommunications or holding segments but, under the new structure, are attributable to the space and defence segment, have also been reclassified and presented under the new segment.

The Group considered whether entities operating under a government (including government agencies and similar local, national or international bodies) should be treated as a single customer, as a result of which it has determined that it treats such entities as separate customers by virtue of the fact that they have separate budgets. No customer's turnover exceeds 10% of revenue.

Inter-segment revenues are eliminated upon consolidation and reflected in the “Eliminations” column. All other adjustments and eliminations are part of detailed reconciliations presented further below:

Data in millions of HUF, unless otherwise indicated

For the first half-year of 2025:

	Telecom-munication	Information technology	Space and defence	Other activities	Eliminations	Total
Net sales revenue	310 006	46 431	4 302	18 415	-28 327	**350 827**
Other operating income	959	532	52	28	-79	**1 492**
Total net sales revenue and other income	**310 965**	**46 963**	**4 354**	**18 443**	**-28 406**	**352 319**
Capitalised value of own performance	6 299	14	52	0	1 475	**7 840**
Raw materials and consumables used	-69 606	-25 937	-595	-2 058	3 796	**-94 400**
Other services	-72 801	-3 696	-2 152	-8 933	22 486	**-65 096**
Employee benefit expenses	-42 302	-10 241	-1 456	-9 095	225	**-62 869**
Other operating expenses	-15 179	-11	-6	-56	9	**-15 243**
Operating costs	**-199 888**	**-39 885**	**-4 209**	**-20 142**	**26 516**	**-237 608**
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**117 376**	**7 092**	**197**	**-1 699**	**-415**	**122 551**
Depreciation and amortisation	-87 642	-3 848	-422	-2 197	-215	**-94 324**
Profit before financial operations (EBIT)	**29 734**	**3 244**	**-225**	**-3 896**	**-630**	**28 227**
Financial income	23 805	667	1 811	5 558	-16 425	**15 416**
Financial expenses	-24 775	-712	-723	-19 302	7 990	**-37 522**
Share of profit of associate and joint ventures	0	0	-1 107	0	92	**-1 015**
Profit or loss before tax	**28 764**	**3 199**	**-244**	**-17 640**	**-8 973**	**5 106**
Income taxes	-4 122	-779	-211	-355	-787	**-6 254**
Profit or loss after tax	**24 642**	**2 420**	**-455**	**-17 995**	**-9 760**	**-1 148**

Data in millions of HUF, unless otherwise indicated

For the first half-year of 2024 (restated):

	Telecom-munication	Information technology	Space and defence	Other activities	Eliminations	Total
Net sales revenue	292 351	36 554	3 833	3 731	-13 988	**322 481**
Other operating income	2 933	1 007	0	2 160	-3 993	**2 107**
Total net sales revenue and other income	**295 284**	**37 561**	**3 833**	**5 891**	**-17 981**	**324 588**
Capitalised value of own performance	7 571	0	6	869	0	**8 446**
Raw materials and consumables used	-73 695	-19 555	-159	-1 165	3 057	**-91 517**
Other services	-57 143	-2 441	-1 650	-3 584	10 303	**-54 515**
Employee benefit expenses	-38 005	-9 944	-576	-6 762	-5	**-55 292**
Other operating expenses	-23 623	-50	-13	-2 477	4 789	**-21 374**
Operating costs	**-192 466**	**-31 990**	**-2 398**	**-13 988**	**18 144**	**-222 698**
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**110 389**	**5 571**	**1 441**	**-7 228**	**163**	**110 336**
Depreciation and amortisation	-83 104	-4 401	-371	-1 914	-449	**-90 239**
Profit before financial operations (EBIT)	**27 285**	**1 170**	**1 070**	**-9 142**	**-286**	**20 097**
Financial income	7 492	222	246	4 453	-8 846	**3 567**
Financial expenses	-16 616	-318	-109	-15 166	-10 496	**-42 705**
Share of profit of associate and joint ventures	0	0	0	0	-399	**-399**
Profit or loss before tax	**18 161**	**1 074**	**1 207**	**-19 855**	**-20 027**	**-19 440**
Income taxes	-3 389	-101	-177	-315	6	**-3 976**
Profit or loss after tax	**14 772**	**973**	**1 030**	**-20 170**	**-20 021**	**-23 416**

48 Risk management

The Group's financial assets include cash, securities, trade and other receivables and other financial assets, excluding taxes. The Group's financial liabilities include loans and borrowings, trade and other payables, excluding taxes and gains and losses arising from the remeasurement of financial liabilities at fair value. The Group also holds investments in equity instruments.

The Group is exposed to the following financial risks:

- credit risk,
- liquidity risk,
- market risk.

This note presents the above risks faced by the Group, the Group's objectives, policies, process measurement and risk management, as well as the Group's capital management. The Board of Directors has overall responsibility for the establishment, oversight and risk management of the Group. The objective of the Group's risk management policy is to identify and assess the risks faced by the Group, as well as to establish appropriate controls and monitor those risks. The risk management policy and systems are reviewed from time to time to reflect changing market conditions and the Group's activities.

Capital Management

The Group's policy is to maintain a level of share capital sufficient to maintain investor and creditor confidence and to ensure the Group's development. The Board of Directors seeks to maintain a policy of taking on higher exposure from borrowings only at higher yields, based on the benefits provided by a strong capital position and security.

The capital structure of the Group consists of net debt and the Group's equity (the latter includes subscribed capital, other reserves attributable to the equity holders of the parent and non-controlling interests).

In managing capital, the Group aim is to ensure that its members can continue their activities while maximising returns to shareholders by optimally balancing debt and equity, as well as maintaining an optimal capital structure to reduce capital cost. The Group also monitors whether the capital structure of its subsidiaries complies with local legal requirements.
There were no changes in the objectives, policies or processes for managing capital during the years ended on 30 June 2025 and 31 December 2024.

Credit risk

Credit risk is the risk that a debtor or counterparty will not meet its obligation under a financial instrument or customer contract, resulting in a financial loss to the Group. The Group is exposed to credit risk from its operating activities (primarily trade receivables). Financial assets that are exposed to credit risk may be current or non-current borrowings, cash and cash equivalents, trade and other receivables.

The Group determined that the credit risk of financial instruments has not increased significantly since initial recognition, and these financial instruments are considered to have low credit risk.

Data in millions of HUF, unless otherwise indicated

There has been no significant increase in credit risk since initial recognition when financial assets are more than 30 days past due, has been rebutted. The Group has considered that there is no reasonable expectation of recovery and information about the policy for financial assets that are written-off.

The carrying amount of financial assets represents the maximum exposure to risk. The table below shows the Group's maximum exposure to credit risk on 30 June 2025 and 31 December 2024:

Credit risk	**30/06/2025**	**31/12/2024**
Trade receivables	107 181	118 903
Contract assets	2 472	2 056
Other financial assets – current	2 191	3 070
Cash and cash equivalents	76 282	60 559
Total	**188 126**	**184 588**

Under IFRS 9 – Financial Instruments, cash and cash equivalents are also subject to the expected credit loss (ECL) model. However, the Group considers the impairment to be immaterial due to the short-term and highly liquid nature of these assets. Additionally, the Group mitigates credit risk by diversifying its cash holdings across multiple financial institutions, assessing the credit ratings of banks and financial institutions, and continuously monitoring market conditions and regulatory safeguards, such as deposit insurance schemes.
More detailed information on expected credit loss (ECL) is disclosed under Note 27 Trade receivables.

The aging of trade receivables on 30 June 2025 and on 31 December 2024 is as follows:

	30/06/2025	**31/12/2024**
Not yet due	85 399	93 725
1-30 days expired	12 831	10 882
Between 30-90 days overdue	3 641	4 404
Between 90-180 days overdue	2 116	2 494
Between 180-360 days overdue	1 900	2 898
Over 360 days overdue	1 294	4 500
Total	**107 181**	**118 903**

The aging enables the Group to assess the risk of trade receivables. Older receivables are generally higher risk, as the probability that the customer will not be able to make payment increases. The impairment of trade receivables see under Note 2.20.1.1. Impairment of financial assets.

The recovery risk of the Group's overdue receivables is continuously monitored, and the risk is reflected through the recognition of impairment losses.

Data in millions of HUF, unless otherwise indicated

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to liquidity management is to ensure, as much as possible, that it always has sufficient liquidity to fulfil its obligations when they are due, under both normal and extreme conditions, without incurring unacceptable losses or risking the Group's reputation.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

Period ended 30 June 2025	**Less than 1 year**	**1 to 5 years**	**> 5 years**	**Total**
Loans and borrowings	33 739	174 224	591 992	**799 955**
Lease liabilities	29 728	102 688	70 144	**202 560**
Other financial liabilities	26 351	18 446	485	**45 282**
Trade and other payables	81 861	0	0	**81 861**
	171 679	**295 358**	**662 621**	**1 129 658**

Year ended 31 December 2024	**Less than 1 year**	**1 to 5 years**	**> 5 years**	**Total**
Loans and borrowings	10 051	192 163	586 685	**788 899**
Lease liabilities	34 279	118 445	41 418	**194 142**
Other financial liabilities	22 432	4 084	1 066	**27 582**
Trade and other payables	116 026	0	0	**116 026**
	182 788	**314 692**	**629 169**	**1 126 649**

Market risk

Market risk is the risk that changes in market prices, such as exchange rates, interest rates and the prices of investments in mutual funds, will affect the Group's results or the value of its investments in financial instruments. The objective of market risk management is to manage and control exposures to market risk within acceptable limits while optimizing profit. Financial instruments affected by market risk are the OTP club loan at ONE Albania sh.a. and from 2028 onwards the Vodafone acquisition loans at 4iG Távközlési Holding Zrt.

Risk from the war in Ukraine

The Group has no business relations with Ukrainian companies thus, we do not perceive any direct business risk.

Data in millions of HUF, unless otherwise indicated

Sensitivity analysis

The Group has determined that its results are significantly dependent on two key financial variables, foreign exchange risk and interest rate risk.

- Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).
- Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Sensitivity analyses have been performed on these key variables. The Group primarily seeks to mitigate interest rate risk by investing its available cash. The sensitivity analysis assumes how the interest rate will be affected by 1%, 5% or 10% change in the interest rate, as well as how the foreign exchange rate will change in the event of a 1%, 5% or 10% change in foreign exchange rate.

The currency exposure of the Group on 30 June 2025 is as follows:

Currency exposure	**HUF**	**Currency**	**Total**
Trade receivables	83 443	23 738	**107 181**
Trade payables	36 812	45 049	**81 861**
Cash and cash equivalents	63 382	12 900	**76 282**
Loans and bonds	427 494	362 772	**790 266**

Capital repayments on bonds

Years	**4iG NKP bond 2031.I. HU0000360276**	**4iG NKP bond 2031.II HU0000361019**	**Total**
2026	1 545	37 075	38 620
2027	1 545	37 075	38 620
2028	1 545	37 075	38 620
2029	1 545	37 075	38 620
2030	1 545	37 075	38 620
2031	7 725	185 375	193 100

Data in millions of HUF, unless otherwise indicated

Interest payments on bonds

Years	4iG NKP bond 2031.I. HU0000360276	4iG NKP bond 2031.II HU0000361019	Total
2026	448	22 245	22 693
2027	403	20 021	20 424
2028	358	17 796	18 154
2029	314	15 572	15 886
2030	269	13 347	13 616
2031	224	11 123	11 347

Interest rate sensitivity test

The Group's most significant financial liabilities consist of bonds, which bear fixed interest rates, as well as the Vodafone acquisition loan drawn by 4iG Távközlési Holding Zrt., which also carries a fixed interest rate for the five years following its drawdown (i.e., 31 January 2023), as detailed in Note 39 Loans, borrowings, bonds – non-current. Accordingly, in accordance with IFRS 7 Financial Instruments: Disclosures, the Company is not materially exposed to interest rate risk, as future interest payments are predetermined and unaffected by fluctuations in market interest rates.

Data in millions of HUF, unless otherwise indicated

Exchange rate sensitivity testing

The most significant foreign exchange risk impacting the financial statements arises from the EUR-denominated loan related to the Vodafone acquisition.
The table below summarizes the potential impact for the consolidated financial statements of a proportional change in the foreign functional currencies (i.e., EUR, ALL) used by the Group.

With current exchange rates	**30/06/2025**
Non-monetary assets and assets denominated in forint	1 485 035
Foreign currency assets	36 638
Liabilities denominated in HUF	801 835
Foreign currency liabilities	407 796
Net assets	**312 043**
Profit before tax	**5 107**
1%	
Non-monetary assets and assets denominated in forint	1 485 035
Foreign currency assets	37 004
Liabilities denominated in HUF	801 835
Foreign currency liabilities	411 873
Net assets	**308 332**
Change in net assets	***-3 712***
Change in net assets (%)	***-1,19%***
Profit before tax	**1 396**
Change in profit before tax	***-3 712***
Change in profit before tax (%)	***-72,67%***
5%	
Non-monetary assets and assets denominated in forint	1 485 035
Foreign currency assets	38 470
Liabilities denominated in HUF	801 835
Foreign currency liabilities	428 185
Net assets	**293 485**
Change in net assets	***-18 558***
Change in net assets (%)	***-5,95%***
Profit before tax	**-13 450**
Change in profit before tax	***-18 558***
Change in profit before tax (%)	***-363,35%***

Data in millions of HUF, unless otherwise indicated

10%	
Non-monetary assets and assets denominated in forint	1 485 035
Foreign currency assets	40 302
Liabilities denominated in HUF	801 835
Foreign currency liabilities	448 575
Net assets	**274 927**
Change in net assets	***-37 116***
Change in net assets (%)	***-11,89%***
Profit before tax	**-32 008**
Change in profit before tax	***-37 116***
Change in profit before tax (%)	***-726,70%***
-1%	
Non-monetary assets and assets denominated in forint	1 485 035
Foreign currency assets	36 271
Liabilities denominated in HUF	801 835
Foreign currency liabilities	403 718
Net assets	**315 755**
Change in net assets	***3 712***
Change in net assets (%)	***1,19%***
Profit before tax	**8 819**
Change in profit before tax	***3 712***
Change in profit before tax (%)	***72,67%***
-5%	
Non-monetary assets and assets denominated in forint	1 485 035
Foreign currency assets	34 806
Liabilities denominated in HUF	801 835
Foreign currency liabilities	387 406
Net assets	**330 601**
Change in net assets	***18 558***
Change in net assets (%)	***5,95%***
Profit before tax	**23 665**
Change in profit before tax	***18 558***
Change in profit before tax (%)	***363,35%***
-10%	
Non-monetary assets and assets denominated in forint	1 485 035
Foreign currency assets	32 974
Liabilities denominated in HUF	801 835
Foreign currency liabilities	367 016
Net assets	**349 159**
Change in net assets	***37 116***
Change in net assets (%)	***11,89%***
Profit before tax	**42 223**
Change in profit before tax	***37 116***
Change in profit before tax (%)	***726,70%***

Data in millions of HUF, unless otherwise indicated

49 Financial instruments

Financial instruments include financial assets and financial liabilities, both current and non-current such as trade receivables, loans granted, advances paid, bank deposits, securities and cash and cash equivalents, as well as loans and borrowings, trade payables, advances received and other financial liabilities. The Group measures financial instruments in accordance with the requirements of IFRS 9 Financial Instruments and presents them in its books accordingly at the end of the period.

30 June 2025	**Fair value through profit or loss (FVTPL)**	**Amortised cost**	**Total carrying amount**
Financial assets			
Net investment in the lease – non-current	0	1 140	**1 140**
Other financial assets - non-current			
Securities	102	0	**102**
Non-current loans	0	162	**162**
Liabilities under guarantee, deposits	0	779	**779**
Other non-current assets	0	11 089	**11 089**
Total non-current financial assets	**102**	**13 170**	**13 272**
Cash and cash equivalents	0	76 282	**76 282**
Trade receivables	0	107 181	**107 181**
Net investment in the lease – current	0	586	**586**
Other financial assets - current			
Cash lent for short term	0	89	**89**
Guarantees provided	0	498	**498**
Shares and treasury bills	79	0	**79**
Other current receivables	0	1 525	**1 525**
Total current financial assets	**79**	**186 161**	**186 240**
Total financial assets	**181**	**199 331**	**199 512**
Financial liabilities			
Loans, borrowings, bonds – non-current	0	756 527	**756 527**
Lease liabilities – non-current	0	139 539	**139 539**
Other financial liabilities - non-current	0	16 940	**16 940**
Total non-current financial liabilities	**0**	**913 006**	**913 006**
Trade payables	0	81 861	**81 861**
Loans, borrowings, bonds – current	0	33 739	**33 739**
Lease liabilities - current	0	28 599	**28 599**
Other financial liabilities - current	291	26 060	**26 351**
Total current financial liabilities	**291**	**170 259**	**170 550**
Total financial liabilities	**291**	**1 083 265**	**1 083 556**

Data in millions of HUF, unless otherwise indicated

31 December 2024	**Fair value through profit or loss (FVTPL)**	**Amortised cost**	**Total carrying amount**
Financial assets			
Net investment in the lease – non-current	0	1 093	**1 093**
Other financial assets - non-current			
Securities	102	0	**102**
Non-current loans	0	168	**168**
Liabilities under guarantee, deposits	0	777	**777**
Other non-current assets	0	9 797	**9 797**
Total non-current financial assets	**102**	**11 835**	**11 937**
Cash and cash equivalents	0	60 559	**60 559**
Trade receivables	0	118 903	**118 903**
Net investment in the lease – current	0	673	**673**
Other financial assets - current			
Cash lent for short term	0	28	**28**
Guarantees provided	0	341	**341**
Shares and treasury bills	110	0	**110**
Other current receivables	0	2 591	**2 591**
Total current financial assets	**110**	**183 095**	**183 205**
Total financial assets	**212**	**194 930**	**195 142**
Financial liabilities			
Loans, borrowings, bonds – non-current	0	768 646	**768 646**
Lease liabilities – non-current	0	130 015	**130 015**
Other financial liabilities - non-current	0	3 898	**3 898**
Total non-current financial liabilities	**0**	**902 559**	**902 559**
Trade payables	0	116 026	**116 026**
Loans, borrowings, bonds – current	0	10 051	**10 051**
Lease liabilities - current	0	29 828	**29 828**
Other financial liabilities - current	0	22 432	**22 432**
Total current financial liabilities	**0**	**178 337**	**178 337**
Total financial liabilities	**0**	**1 080 896**	**1 080 896**

The fair value of financial instruments is the quoted market price at the end of the reporting period, excluding transaction costs. If no quoted market price is available, the fair value of the instrument is determined using valuation models or discounted cash flow techniques. When discounted cash flow techniques are used, the estimated future cash flows are based on the Group's economic estimates, and the discount rate is the market rate at the balance sheet date for similar instruments with similar instruments with comparable terms and conditions. When valuation models are used, data are based on market valuations performed at the end of the reporting period.

Data in millions of HUF, unless otherwise indicated

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

30 June 2025	Level 1 Fair value measurement using quoted prices in active markets	Level 2 Fair value measurement using significant observable inputs	Level 3 Fair value measurement using significant unobservable inputs	**Total fair value**
Financial assets				
Equity instruments	0	79	0	**79**
Debt securities	102	0	0	**102**
Total financial assets	**102**	**79**	**0**	**181**
Financial liabilities				
Derivative transactions	0	291	0	**291**
Total financial liabilities	**0**	**291**	**0**	**291**

31 December 2024	Level 1 Fair value measurement using quoted prices in active markets	Level 2 Fair value measurement using significant observable inputs	Level 3 Fair value measurement using significant unobservable inputs	**Total fair value**
Financial assets				
Equity instruments	0	110	0	**110**
Debt securities	102	0	0	**102**
Total financial assets	**102**	**110**	**0**	**212**
Financial liabilities				
Derivative transactions	0	0	0	**0**
Total financial liabilities	**0**	**0**	**0**	**0**

Changes in liabilities from financing activities

	1 January 2025	**Cash flows**	**Foreign exchange movement**	**New leases**	**Other**	**30 June 2025**
Bonds	388 068	-448	0	0	12 330	**399 950**
Loans, borrowings - current	10 051	-1 338	-159	0	13 283	**21 837**
Lease liabilities - current	29 828	-24 870	-211	4 923	18 929	**28 599**
Loans, borrowings – non-current	380 578	-1 274	-9 614	0	-1 211	**368 479**
Lease liabilities – non-current	130 015	0	-1 781	42 317	-31 012	**139 539**
Total liabilities from financing activities	**938 540**	**-27 482**	**-11 765**	**47 240**	**-11**	**946 522**

Data in millions of HUF, unless otherwise indicated

	1 January 2024	Cash flows	Foreign exchange movement	New leases	Other	31 December 2024
Bonds	388 357	-289	0	0	0	**388 068**
Loans, borrowings - current	14 104	-7 583	378	0	3 152	**10 051**
Lease liabilities - current	24 663	-38 785	421	2 235	41 294	**29 828**
Loans, borrowings – non-current	353 449	-2 261	24 915	0	4 475	**380 578**
Lease liabilities – non-current	118 402	-704	3 420	16 715	-7 818	**130 015**
Total liabilities from financing activities	**898 975**	**-49 622**	**29 134**	**18 950**	**41 103**	**938 540**

In the above tables, the Other column includes not only the reclassification between short- and long-term but also the effect of interest accruals, as well as modifications and derecognition in the case of lease liabilities.

50 Related party transactions

Note 2.1 Basis of consolidation provides information about the Group's structure, including details of the subsidiaries, associates and joint ventures.

Outstanding balances to related parties are unsecured, interest free and settled in cash. There have been no guarantees provided or received for any related party receivables or payables.
In the first half of 2025, the Group neither granted loans to related parties nor received loans from related parties. The Group has no contractual commitments with related parties either for 30 June 2025 or for 31 December 2024.

51 Commitments and contingencies

51.1 Contingent liabilities

As of 30 June 2025, the members of the Group are not involved in any pending litigation. Provisions are recognised when it becomes probable that an outflow of economic benefits will be required to settle an obligation as a result of a past event and a reliable estimate can be made of the expected cash outflow. Provisions are disclosed in Note 38 Provisions.

The bank guarantees provided, and the available but undrawn credit facilities constitute off-balance sheet items that reflect the Group's capacity for future commitments and its financial flexibility. Loans, borrowings, bonds are disclosed in Note 43 Loans, borrowings, bonds – current and in Note 39 Loans, borrowings, bonds – non current.

51.2 Commitments and guarantees

The future undiscounted lease payment liability for contracts the Group is committed but not yet commenced on 30 June 2025 amounted to HUF 79 million (HUF 441 million on 30 December 2024).

52 Events after the balance sheet date

On 2 July 2025 a cooperation agreement including a non-binding Memorandum of Understanding was signed between 4iG Űr és Védelemi Technológiák Zrt. and HM Elektronikai, Logisztikai és Vagyonkezelő Zrt. in order to explore strategic cooperation opportunities in the field of defence digitalisation and to identify opportunities for cooperation based on mutual benefits. The Agreement specifies that 4iG Űr és Védelemi Technológiák Zrt. and HM Elektronikai, Logisztikai és Vagyonkezelő Zrt.are open to cooperation in several key areas of defence digitalisation, in particular software development, system integration, operations, IT and telecommunications infrastructure development and cybersecurity. As a possible form of cooperation, the parties will also examine the possibility of establishing a joint venture to provide a structured framework for technology development and efficient implementation of domestic and international projects.

On 2 July 2025 4iG Távközlési Holding Zrt. entered into a sale and purchase agreement to acquire the quota representing 99% of the registered capital of the national telecommunications operator, Netfone Telecom Kft. Following the transaction, Netfone Telecom will continue to operate as an independent company, while 4iG Group will continue to provide the necessary network infrastructure, technological support and financial stability for its operations.

On 2 July 2025 a non-binding Memorandum of Understanding was signed between 4iG Űr és Védelmi Technológiák Zrt. and JSC "National Company "Kazakhstan Gharysh Sapary" in order to identify potential collaboration in the field of space industry. The non-binding Memorandum of Understanding sets up a joint working group on several domains that enhance knowledge exchange and joint actions in the fields of satellite data sharing and exploitation for Earth observation and communication data, satellite development and launching, satellite ground segment and MAIT center capabilities.

On 15 July 2025 regarding the share purchase agreement concluded by 4iG Távközlési Holding Zrt. on 4 July 2024, for the acquisition of 100% of shares in the regional telecommunications service provider PR-Telecom Zrt., the Hungarian Competition Authority determined that the competition concerns arising from the Transaction can be eliminated on the affected markets, provided that the rules of conduct undertaken by the companies concerned are complied with. Accordingly, based on the consultations with the HCA, 4iG Távközlési Holding Zrt. has undertaken behavioral commitments among others for a 5-year period following receipt of the final decision, relating to pricing, campaign restrictions, and the monitoring thereof. 4iG Távközlési Holding Zrt. has also undertaken to make these commitments mandatory for all its subsidiaries providing retail telecommunications services. The transaction may be closed in August 2025, following the fulfilment of further closing conditions.

On 17 July 2025 4iG Plc has signed several non-binding Memorandum of Understanding with leading entities of the United Arab Emirates: with e&, a global key player in the telecommunications and digital infrastructure sectors, and with Mubadala Investment Company, one of the world's largest sovereign investment companies. The purpose of the MOU is to cooperate on planning, implementation and operation of Subsea cable projects connecting primarily Middle East, North Africa and Europe, cooperate on planning and deploying large scale Data Center developments in Albania and in Hungary, and evaluate other cooperation possibilities in the field of telecommunications and digital infrastructure. The purpose of the MOU with Mumbadala Investment Company is to establish a framework for potential future collaboration in joint exploration of potential investment and acquisition opportunities in Hungary, Central-Eastern Europe and in the West Balkans Region.

On 17 July 2025 three non-binding Memorandums of Understanding were signed between 4iG Space and Defence Technologies Plc and EDGE Group PJSC in order to provide a supplementary framework to further enhance the areas of cooperation (UAS, CUAS and Space solutions) set out in the MoU signed on 9 April 2025 between the Parties. The collaboration would aim to expand both EDGE's and 4iG S&D's technological and business capabilities in Central and Eastern Europe and Africa.
In another non-binding Memorandum of Understanding the companies expressed their shared intent to collaborate in the fields of co-development, production, enhancement and joint business development of unmanned aerial vehicles and advanced air defence systems in Europe and to explore the opportunity for creating a joint venture in Hungary. The Parties intend to explore the viability and feasibility of joint activities regarding the production, further co-development, and enhancement of the Shadow 25/50 Unmanned Aerial Vehicle and the SkyKnight system in Hungary, as well as identifying potential sales opportunities for the respective systems.
The Parties entered into the third non-binding Memorandum of Understanding to identify potential collaboration opportunities in connection with the applicability and enhancement of the VEGA system (Unmanned Traffic Management System) and the ORION system (Drone Fleet Management system) in Hungary.

On 21 July 2025 4iG Plc has signed a binding Memorandum of Understanding with Israel Aerospace Industries Ltd. to settle Space Communication Ltd.'s full bond debt service and jointly they have submitted their bilateral debt settlement plan to Space Communication Ltd.'s bondholders. The objective of the joint debt settlement plan is to resolve the long-standing debt settlement process and ensure the stability of Space Communication Ltd.'s business and market standing. According to the proposal, the state-owned IAI would acquire a majority 80% stake in Space Communication Ltd., while 4iG Plc would retain its existing 20% shareholding. As part of the financial plan, the parties would provide a total of USD 12 million in the form of a subordinated shareholder loan, bearing 10% interest and maturing in 2035, proportionally to their ownership shares, of which 4iG Plc undertakes to pay USD 2.4 million. Following the acceptance and implementation of the debt settlement plan, Space Communication Ltd. would become the first joint venture where 4iG Plc could become a strategic partner of the internationally recognised, largest space and defence industry company of Israel. 4iG Plc has previously submitted two plan to settle Space Communication Ltd.'s debt. Although the most recent debt settlement plan was accepted by the bondholders, the conditions precedents required for closing were not fully met by the long stop date.

On 22 July 2025 in the merger clearance procedure regarding the business transfer agreement concluded by DIGI Távközlési és Szolgáltató Kft. on 26 July 2024, for the acquisition of the Hungarian satellite customer base of Direct One, the Hungarian Competition Authority determined that the merger resulting from the Transaction does not decrease the competition on the relevant market. The decision of the HCA became final upon notification. The transaction may be closed during Autumn 2025, following the fulfilment of further closing conditions.

On 30 July 2025 4iG Űr és Védelmi Technológiák Zrt. entered into a preliminary, non-binding term sheet to acquire the quota representing 63% of the registered capital of a rotorcraft (helicopter) maintenance service provider with a recognised presence at the regional level, HeliControl Kft. Since its foundation in 2aControl Kft. has become a regionally recognised rotorcraft maintenance company. The firm specializes in helicopter maintenance, repairs, spare parts supply, serving Hungarian as well as Austrian, Swiss, German, Scandinavian, and other European helicopter-operators. Following the successful completion of the transaction, 4iG Űr és Védelmi Technológiák Zrt. may enter a new market – the maintenance and modernization market for rotorcraft.

On 4 August 2025 4iG Plc entered into an investment framework agreement with iG TECH II Magántőkealap and iG TECH III Magántőkealap, both managed by iG TECH Capital Befektetési Alapkezelő Zrt., owned by Gellért Jászai, in order to carry out a capital increase in 4iG Plc's wholly owned subsidiary, 4iG Űr és Védelmi Technológiák Zrt. The purpose of the capital increase is to finance investments in the aviation and/or space industries, as well as projects in industries related to the Hungarian defence sector. The capital injection is to be executed through a capital increase, whereby shares issued by 4iG Űr és Védelmi Technológiák Zrt. will be subscribed to the Investors.
By the end of September, the Investors are expected to carry out a total capital increase of HUF 96 billion in 4iG Űr és Védelmi Technológiák Zrt. in two stages, as follows:

- As an initial investment, iG TECH II Magántőkealap will contribute EUR 75 million, and iG TECH III Magántőkealap will contribute HUF 6 billion — totalling approximately HUF 36 billion — to 4iG Űr és Védelmi Technológiák Zrt., thereby acquiring stakes of 19.7% and 3.9%, respectively (a combined total of 23.6%) in the company.
- In the second stage, expected by the end of September, iG TECH II Magántőkealap will make an additional HUF 6 billion investment, while iG TECH III Magántőkealap will invest a further HUF 54 billion in 4iG Space&Defence. Through this two-stage capital increase, the Investors may jointly acquire up to a maximum 49% ownership stake in the space and defence industry holding company. The second-stage investments will commence following the completion of the ongoing due diligence and valuation processes.

The independent valuation serving as the basis for the capital increase was prepared based on the existing backlog of 4iG Űr és Védelmi Technológiák Zrt. and its subsidiaries, exceeding EUR 1.37 billion, as well as their business plans.

On 5 August 2025 4iG Távközlési Holding Zrt. has established a company in Hungary, which have been registered at the Metropolitan Court of Registration under the name of 4iG Broadcast Holding Kft.

On 7 August 2025 4iG Űr és Védelmi Technológiák Zrt. has decided on the establishment of a company in Hungary under the name of 4iG SDT EGY Zrt.

On 11 August 2025 a binding Memorandum of Understanding of high importance was signed between 4iG Űr és Védelmi Technológiák Zrt. EUTELSAT SA connected to frequency usage rights and orbital positions affecting the performance of the HUSAT program announced on 20 November 2024. The Parties agree to treat the orbital position and the frequency rights leased by Eutelsat SA to 4iG Űr és Védelmi Technológiák Zrt. and covered by the Memorandum of Understanding as confidential, but at the same time, 4iG Űr és Védelmi Technológiák Zrt. confirms with this announcement that the MoU contributes significantly to the successful operation of the HUSAT program.

On 14 August 2025 the bilateral debt settlement proposal submitted jointly by 4iG Plc and Israel Aerospace Industries Ltd. for the settlement of Space Communication Ltd. bond debt was not accepted by the bondholders. Instead of the bilateral debt settlement proposal, the bondholders accepted Space Communication Ltd.'s own debt settlement proposal, which was approved by the court. 4iG Plc has the opportunity to participate in the approved debt settlement, the details of which are currently being considered by management. 4iG Plc will inform the public of further developments related to the transaction in accordance with capital market regulations.

On 14 August 2025, 4iG Plc made a founding resolution about the multi-stage capital increase in 4iG Űr és Védelmi Technológiák Zrt. The purpose of the capital increase is to finance investments in the aviation and/or space industries, as well as projects in industries related to the Hungarian defence sector. In the first phase of the multi-stage capital increase 4iG TECH II Private Equity Fund will contribute EUR 75 million, and iG TECH III Private Equity Fund will contribute HUF 6 billion — totalling approximately HUF 36 billion — to 4iG Űr és Védelmi Technológiák Zrt., thereby acquiring stakes of 19.7% and 3.9%, respectively (a combined total of 23.6%) in the company.

53 Going concern

In the light of the effects of the war in Ukraine and in Israel, and after considering other market and liquidity risks, the Group has assessed and made estimates as to whether there are significant uncertainties regarding its ability to operate as a going concern and it has concluded that it is appropriate to assume that it will continue as a going concern for the foreseeable future, and that there are no significant uncertainties.
The Group's high cash balance and the exceptionally strong operating cash flow presented in the statement of cash flows ensure the timely settlement of outstanding liabilities despite the high level of debt. This is further supported by the fact that the substantial principal repayments on the bond portfolio, which constitutes a significant portion of the Group's debt, are not due before 2031.

54 Registered IFRS accountant responsible for preparing the financial statements

Ferenc Piros
2097 Pilisborosjenő, Tulipán köz 1.
Registration number: 145011

STATEMENT

The Issuer declares that the unaudited Report has been prepared in accordance with the applicable accounting regulations, to the best of our knowledge, based on Section 9/A of the Hungarian Accounting Law and the International Financial Reporting Standards (IFRS) adopted by the European Union, on the basis of the information available at the date of publication provides a true and fair view of the development and performance of the Group, 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 the 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 first half-year of 2025 and for the accuracy of the analyses and conclusions.

Budapest, 28 August 2025

Gellért Zoltán Jászai
Chairman of the Board of Directors

4iG PLC

MANAGEMENT REPORT

ACCORDING TO THE HUNGARIAN ACCOUNTING LAW

30 JUNE 2025

MANAGEMENT REPORT

CONTENTS

Data in millions of HUF, unless otherwise indicated

1. General information about the Company

1.1. General additions (site, branch and other information)

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

1.2. 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

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 maintained 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.

Data in millions of HUF, unless otherwise indicated

- 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.

1.3. Ownership structure

	30/06/2025	**31/12/2024**
iG COM Magántőkealap	38,93%	38,93%
Rheinmetall AG	25,12%	25,12%
Free float	13,27%	13,39%
KZF Vagyonkezelő Zrt.	12,12%	12,12%
Bartolomeu ICT Kft.	5,72%	5,72%
4iG Plc equity ownership	1,79%	1,67%
iG TECH Invest Kft.	1,71%	1,71%
Owned by 4iG ESOP Organisation	1,34%	1,34%
Total	**100,00%**	**100,00%**

1.4. Direct and indirect shareholdings of executive officers

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	17,104,822	17,104,822	5.72%

Data in millions of HUF, unless otherwise indicated

1.5. Officials

The senior executives of 4iG Plc on 30 June 2025 were as follows:

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 Zoltán Guller, Chairman of the SB Gergely Böszörményi-Nagy, Member Dr Ildikó Rózsa Tóthné, Member Klaus Jürgen Neumann, Member
Audit Committee (AC):	Dr Zoltán Guller, Chairman of the AC Gergely Böszörményi-Nagy, Member Dr Ildikó Rózsa Tóthné, Member

1.6. Main activities

Main activity of the Company: 7020 '25 Business and other management consultancy activities.

Other activities of the Company according to the Standard Industrial Classification of Economic Activities (TEÁOR'25):

2620 '08	Computer, peripheral unit manufacturing
2823 '08	Manufacture of office machinery (except computers and peripheral equipment)
3320 '08	Installation of industrial machinery and equipment
4740 '25	Retail sale of information and communication equipment in specialised stores
4690 '25	Wholesale of chemical products
4742 '08	Retail trade services of telecommunications products
5811 '25	Publishing
5821 '25	Computer game publishing
5829 '25	Other software publishing
6290 '25	Other information technology services
6310 '25	Computer infrastructure, data processing, hosting and related services
6391 '25	Activities related to World Wide Web portal services
6420 '08	Asset management (holding)
6812 ‘25	Property development
6920 '25	Accounting, auditing, tax consultancy
7010 ‘25	Activities of heads offices

Data in millions of HUF, unless otherwise indicated

7330 '25	PR activities
7490 '08	Other professional, scientific and technical activities n.e.c.
7820 '25	Temporary employment agency activities, other human resources supply and management
8532 '25	Vocational secondary education
8551 '08	Sport, recreational training
8552 '25	Cultural training
8559 '25	Other education not elsewhere classified
9510 '25	Repair of computers and communication equipment
4312 '25	Site preparation
5819 '25	Other publishing activities
5911 '25	Motion picture, video and television programme production
6220 '25	Information technology consultancy, operation of computer tools and systems
6820 '08	Renting and operating own or leased real estate
7112 '25	Engineering activities, technical consultancy
7120 '25	Technical inspection, analysis
7311 '25	Advertising agency activities
7210 ‘25	Research and experimental development on natural sciences and engineering
7733 '25	Office equipment, computer rental
8230 '08	Conference, trade show organisation
4650 ‘25	Wholesale of information technology and communication products
7499 ‘25	Computer infrastructure, data processing, hosting and related services
9499 '25	Other community, social and cultural activities not elsewhere classified

2. Employment policy

The HR vision of 4iG Group is to create a work environment that builds on and continuously develops the skills of its employees, operates to high professional standards and is at the same time liveable, inclusive and motivating.
It is important for the 4iG Group to attract and retain young people, and to support internal career paths so that those thinking of moving on can find their next career move within the Group.
The 4iG Group’s aim is to create and ensure an equal opportunities and non-discriminatory working environment, to promote diversity and to continue to explore the use of atypical forms of employment (home office, part-time work) in other areas.

The Compliance area, is a stand-alone function, ensures that any complaints from employees who identify any discrimination, or a hostile work environment are investigated by a compliance officer without bias and, if necessary, action is taken to remedy the cause.

The Group places the utmost importance on respect for human rights and therefore rejects all forms of forced labour and fights against all forms of modern-day slavery and child labour with the means at its disposal.
It is important for the Group to consolidate a coherent organizational culture and to develop common leadership practices through regular skills development training programs for managers at different levels.

3. Innovation, research and development

In the first half of 2025, the 4iG Group consistently continued and expanded its research and development (R&D) activities in line with its long-term strategic objectives. These goals include promoting technological innovation, increasing international competitiveness, and supporting the digital transformation of the Hungarian economy. During the period under review, the Group focused significant resources on projects that serve to strengthen its market position and promote sustainability goals.

Among the key results of the first half of the year, the Group's developments in the space industry are worth highlighting. In February 2025, 4iG Űr és Védelmi Technológiák Zrt. has signed a non-binding letter of intent with the Polish company Creotech Instruments to jointly explore opportunities for participation in European space programs and to prepare for further, broader cooperation in this area. Subsequently, in April 2025, 4iG Űr és Védelmi Technológiák Zrt. entered into a priority agreement with EDGE Group, a company operating in the United Arab Emirates. As part of the cooperation, joint research and development programs will be launched in the fields of unmanned aerial vehicles (UAS), anti-UAS technologies (C-UAS), and advanced space surveillance and operations systems. These programs are of strategic importance in terms of further strengthening the 4iG Group's domestic and international market presence.

Social responsibility and economic value creation are both of paramount importance to the 4iG Group. The technologies developed by the Group contribute significantly to Hungary's digitalization and the development of its innovation ecosystem. To this end, the Group has further strengthened its cooperation with several domestic and international higher education institutions with the aim of launching new joint research projects.

In the first half of 2025, the 4iG Group made good progress towards its technological innovation goals, while expanding its international partnerships and further increasing its presence in Central and Eastern European and global markets. In the second half of the year, the Group’s primary goal is to play a more active role in international R&D programs and to further strengthen its sustainability and energy efficiency initiatives.

4. Environment and sustainability

The 4iG Group pays special attention on the environmental cost during the financial planning.

At the Group one part of the environmental costs and responsibilities arise from operations (waste management, operation of point sources), the other part is related to planned renovations and investments (modernization, replacement of point sources).

In case of waste management, to support circular economy, and based on economic considerations, the group member companies strive to change the status of the waste generated to the greatest extent possible and to sell the waste generated as secondary raw materials (e.g. dismantled lattice antenna towers, batteries, discarded equipment, etc.).

The Group is operating several point sources (e.g. back-up generators) in accordance with the air emission limits stated in the permits and in line with the given country's' legal requirements.

During the operation the 4iG Group is affected in waste management and air pollution. Group operation is not affected in industrial activity.

Environmental policy

The 4iG Plc is operating a MSZ EN ISO 14001:2015 environmental management system, and as part of it the management has defined the principals and requirements regarding the protection of the environment. The group member companies are expected to operate in accordance with these principals.

The protection of the environment and the operation in accordance with the relevant legal requirements is our primary focus. The 4iG Group considers environmental protection and sustainable development, their social and economic aspects, to be of paramount importance. During its activities, it takes responsibility for the protection of nature and the environment and for improving the state of the environment.

When planning the point source replacement in 2025, the Group's technical developments and economic aspects were taken into consideration at one of the Group's sites. In case of three other sites, the energy efficiency is the key driver of the replacement. With the replacement, the specific rate of the heat generation units will be reduced resulting in a reduction in energy demand and air polluting emissions.

5. Internal audit

4iG Group has an independent internal audit department which aims to provide a risk-based approach and objective assessment of the effectiveness of the Group's internal control system. The activities of the Internal Audit function are overseen by the 4iG Plc’s Supervisory Board approved by the Company's Supervisory Board and reports directly to the 4iG Plc’s Supervisory Board.

6. Financial indicators

6.1. Financial instruments

The Group’s financial instruments are described in Note 49 Financial instruments.

6.2. Risk management and hedging policy

The Group’s information about risk management and hedging policy is described in Note 48 Risk Management.

6.3. Liquidity

The Group’s information about liquidity is described in Note 48 Risk Management.

7. Corporate governance

7.1. Share capital

The share capital of the Company is HUF 5,981,499,480 out of which amount HUF 3,967,835,820 are contributed in cash while HUF 2,013,663,660 are contribution in kind.

The Share Capital of the Company consists of 299,074,974 pieces of ‘A’ series dematerialized ordinary Share at the nominal value of HUF 20. The shares are subject to provide equal rights and commitments in every aspect. The shares shall hereby provide equal shareholder rights.

7.2. Shares

Chapter 7 of the current Articles of Association, adopted on 9 January 2025 provides for the transfer of shares, it does not contain any restrictions on the transfer of shares or the exercise of voting rights. The Company is not aware of any agreement between the shareholders that would result in a restriction on the transfer of the issued shares or voting rights.

Shareholders holding more than twenty per cent of the Company's shares at the time of preparing this report:

iG COM Magántőkealap	38,93%
Rheinmetall AG	25,12%

7.3. Executive officers

The relevant provisions of the current Articles of Association adopted on 9. January 2025 includes the following provisions for the executive officers:
- appointment and removal and on the amendment of the Articles of Association,
- responsibility, in particular their powers to issue and buy back shares

7.4. Corporate governance statement

The Company is a public company listed on the Budapest Stock Exchange and its ordinary shares are admitted to trading on the regulated market operated by the Budapest Stock Exchange. In 2023, the Budapest Stock Exchange published its Corporate Governance Recommendations (Recommendations), which contain recommendations and suggestions regarding the corporate governance practices of companies listed on the Budapest Stock Exchange. The Recommendations are available on the website of the Budapest Stock Exchange: https://www.bet.hu/Kibocsatok/Ajanlasok-kibocsatoknak/Felelos-tarsasagiranyitas.The Company will make an annual declaration of compliance with the Corporate Governance Recommendations of the Budapest Stock Exchange, which will be published both on the website of the Budapest Stock Exchange (https://www.bet.hu/) and on the website of the Company after approval by the General Meeting. The statement shall describe and explain any deviations from the recommendations and the main features of the Company's internal control and risk management systems in the context of the preparation of the financial statements.

8. Material changes after the balance sheet date

Significant events after the balance sheet date are described in Note 52 Events after the balance sheet date.

9. Risky projects

In its operations, the Group seeks to minimise the business risks arising from its projects and only enters collaborations that do not damage its professional reputation and social standing.

4iG Group conducts its business in a manner that always complies with the law and the highest ethical standards, regulations and practices in the industry. A Code of Ethics has been issued, and the Group is committed to upholding it.

10. Consolidated sustainability report

We present the Group's consolidated sustainability statement on the following pages.

4iG PLC
CONSOLIDATED SUSTAINABILITY STATEMENT

ACCORDING TO HUNGARIAN ACCOUNTING LAW
30 JUNE 2025

CONSOLIDATED SUSTAINABILITY STATEMENT

CONTENTS

1. General information

1.1. About the report

Reporting period	1 January – 30 June 2025 (2025 H1)
Reporting frequency	Half-yearly

Section 134/J. § (1) of the Accounting Act and 24/2008. (VIII. 15.) PM Regulation require the Company to prepare its consolidated business report, including the consolidated sustainability statement,
The report on our sustainability performance is published as an integrated part of the consolidated half-yearly financial report of 4iG Group (hereafter: 4iG, 4iG Group or the Group). The integrated annual report is prepared in Hungarian and English, and in case of any discrepancy, the Hungarian version shall prevail.
Since 2021, the 4iG Group has prepared voluntary sustainability reports in accordance with the guidelines of the Global Reporting Initiative (GRI). The report for 2025 H1 presents the activities, operations and achievements of the 4iG Group in accordance with the guidelines of the new Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), which are part of the CSRD. The new directive sets more stringent requirements for sustainability reporting from 2024.
The scope of consolidation is the same as that used in the financial statements. The 4iG Group prepares a consolidated sustainability report and the subsidiaries included in the consolidation are exempt from individual or consolidated sustainability reporting. 4iG Nyrt., - as the parent company - also publishes a separate report in accordance with legal requirements.
The 4iG Group has numerous stakeholders, including the European Union and the countries in which we operate, management, employees, subcontractors, suppliers, consumers, owners and shareholders, all of whom are of great importance to our activities. The report provides more detailed information about upstream (such as suppliers) and downstream (such as B2B and B2C customers) value chain in the relevant chapter (see: 'Our Activities and Value Chain' chapter). In the materiality assessment, the 4iG Group has assessed and considered the impacts, risks and opportunities of the upstream and downstream value chain.

During the reporting period, the 4iG Group did not make use of the option to omit specific information relating to intellectual property, know-how or innovation results. In its sustainability report, the 4iG Group has not made use of the option of exemption from disclosure of impending developments or matters during negotiation, which would be an option for our Group under Directive 2013/34/EU.

The time horizons provided in the ESRS standard are used by the 4iG Group to communicate its sustainability performance. The time horizon described in the ESRS has also been used to define the impacts, risks and opportunities assessed in the materiality assessment: short term - less than 1 year; medium term - 1-5 years; long term - more than 5 years.

In our report, we strive for factual accuracy in the numerical data presented. Where comprehensive data is not available, we have used estimates or calculations, which are detailed in the explanations of the numerical data in the relevant chapter. For data disclosures based on estimates, we indicate our assumptions and the level of estimation uncertainty in a separate descriptive section, which we believe is necessary for interpreting the estimated data.

Estimations using sector averages and approximations

In the operational areas of the 4iG Group, the use of a local public service provider is mandatory for the management of municipal and selective waste. Pursuant to Government Decree 309/2014 (XII. 11.) on waste registration and reporting obligations, waste producers are not required to keep records of waste falling within the scope of waste management public service activities in accordance with Section 66(1) of Act CLXXXV of 2012. On the basis of these provisions, the public service provider does not certify the measured quantity back to the waste producer, and therefore we can only determine the amount of municipal waste collected under the public service through estimation. The municipal waste generated is calculated on the basis of the volume of the containers and the frequency of emptying in accordance with the current standard for waste containers, MSZ EN 840-1:2013, and for the calculation we also used an assumption based on headcount. The standard on which the calculation is based specifies the maximum amount of waste that can be collected in standard waste bins. The size of the waste bins at the sites varies (120; 240; 1100 litres and 5 m^3 volume).

Where primary and historical data were not available, we estimated using 'proxy' data (operational area (m^2)). The frequency and extent of these estimates are considered to be negligible and low.

Another factor in the estimation uncertainty stemmed from application of the emission factors used. Our Group strived to calculate with the most accurate factors possible, but this was not always possible. In order to be able to make an assessment of magnitude in the absence of more accurate data, we used spend-based data collection several times in Scope 3 emissions, which is at the bottom of the credibility hierarchy, thus increasing the level of uncertainty.

Finally, a so-called scenario uncertainty factor was included for certain processes. This was mainly related to Scope 3 emissions from the use of sold product, where we had limited information on how our service is used by users (e.g. how often, for how long). This led us to make estimates based on educated guesses, which also led to increased uncertainty.

During the assessment, we established an ordinal scale based on the GHG Protocol Guidance[1]. According to this, the assumed level of assurance of the given emission source was categorised as 'high', 'good', 'fair' and 'poor, based on expert judgement.

Our aim is to significantly reduce the extent of these sources of uncertainty in the future. To this end, we plan to implement an Inventory Management Plan (IMP), which will result in more accurate, transparent and consistent data collection and reporting.

No actions were taken during the reporting period to improve the accuracy of the metrics, but this is included in our short-term objectives.

In order to provide as complete a picture as possible of the specificities of our Group of companies' activities, we also present entity-specific indicators adapted from sustainability reporting standards other than the ESRS, as listed below.

- Global Reporting Initiative (hereinafter: GRI) draft standard on remuneration and working time: indicator REWO 7 - Monitoring of working time[2]

[1] reference (p. 13-15): https://ghgprotocol.org/sites/default/files/2023-03/ghg-uncertainty.pdf (GHG Protocol guidance on uncertainty assessment in GHG inventories and calculating statistical parameter uncertainty, Table 2&3)
[2] reference (p. 28): https://www.globalreporting.org/media/btfluea2/gri-topic-standards-for-labor_gri-remuneration-and-working-time-exposure-draft.pdf

- Indicator GRI 418-1: Substantiated complaints about breaches of customer privacy and losof customer data[3]
- GRI Telecommunications Sector Supplement indicator on the extent of availability of telecommunications products and services[4]
- ISO 37002:2022 Whistleblowing management systems. Guidelines - Indicator showing the number of cases of incident investigated and closed[5]

1.2. Our activates and value chain

The 4iG Group, a majority-owned Hungarian group headquartered in Budapest, is the leading integrated telecommunications, IT systems integration, space and technology services provider in Hungary and the Western Balkans region, and a key player in the knowledge-based digital economy. The parent company of the Group is 4iG Nyrt., a capital market company listed in the Premium Category of the Budapest Stock Exchange. 4iG's companies are leading residential and business service providers in the region's digital transformation and telecommunications development.

4iG has been present in the field of ICT technologies in Hungary for almost three decades, with a strong track record in all segments of innovative digital solutions. The company has implemented a comprehensive expansion strategy since 2020, with a series of successful acquisitions in new service areas such as telecommunications, space industry, technology and defence, as well as new markets in Hungary, Montenegro, Albania and Israel. The Group's growth and international partnerships demonstrate 4iG management's commitment to technological advancement and continuous development.

In response to market changes, the Group of companies is constantly expanding its services, its pool of professionals and its portfolio. 4iG's integrated and interdependent telecommunications, IT, space industry and technology services provide a significant competitive advantage over traditional IT or telecommunications companies.

In 2025, the 4iG Group had 35 subsidiaries in 4 countries and 8219 employees. More detailed information on employees can be found in the "3. Social information" Chapter.

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[3] reference (p. 6): https://transparencylab.org/Documentation/Advocacy,%20Monitoring,%20Sustainable%20-%20Responsible%20Initiatives/Global%20Reporting%20Initiative/GRI%20418%20Customer%20Privacy_2016.pdf
[4] reference (p. 9): https://cdn.prod.website-files.com/64abf03488f32826460fe327/64dced6b4d3f0bd8a0cf3a4e_6398b14d7bfc81460de41bd4_gri_telecom-supplement-july-2003.pdf
[5] reference (p. 6): https://www.iso.org/standard/65035.html

Telecommunications

By 2025, the 4iG Group has become one of the region's leading telecommunications service providers, with the majority (81.76%) of its revenues coming from telecommunications. The 4iG Group's telecommunications portfolio in Hungary and the Western Balkans will be consolidated by4iG Távközlési Holding Zrt., in which the Hungarian state holds a 37.90percent stake. Domestic acquisitions made in recent years - including the acquisition of Vodafone Magyarország Zrt., DIGI Távközlési és Szolgáltató Kft. ("DIGI"), Invitech ICT Sevices Kft. and HungaroDigitel. On 31 December 2024, Vodafone Magyarország Zrt. was restructured and as a result of the rebranding process, it will continue to operate under the name One Magyarország Zrt. Accordingly, it will be referred to as One Magyarország throughout the report. 4iG Group, owner of ONE Crna Gora in Montenegro and ONE Albania in Albania, is the leading telecommunications and infocommunications operator in the Western Balkans.

Information Technology, Digitalisation

4iG Group has been operating in the IT market for almost 30 years and has been one of the significant system integrators in Hungary since 2021. The Group's IT services include data centre and cloud services, cyber security solutions and business systems integration.
4iG operates a platform- and vendor-independent IT portfolio and collaborates with the world's leading hardware and software vendors. Its services aim at the digitisation of the business and government sectors. The Group's activities cover IoT (Internet of Things) solutions, data-driven systems, blockchain technology and artificial intelligence. Its infrastructure providers and suppliers meet industry standards for cybersecurity.

The 4iG Group portfolio includes the following IT services:
- Remote Assistance Services,
- Programming and Software Development,
- Data Networking and IT Security Solutions,
- Data Centre Infrastructure Management,
- Hardware Maintenance, SAP Integration,
- Media Platform Operation

Space industry and technology

The 4iG Group's space industry and technology portfolio is managed by 4iG Space and Technology Zrt. (4iG S&T Zrt.), with main market areas in space industry and satellite development, drone manufacturing and defence, and defence digitalisation. 4iG's subsidiaries are partners of some of the world's leading space agencies such as NASA, ESA, JAXA and DLR.
The Group's space manufacturing capacity is provided by the REMTECH Space Manufacturing Centre, a greenfield investment of REMRED Zrt., a member of the Group, dedicated to the development of space assets and the manufacturing, assembly, integration and testing of medium satellites up to 400 kg. The state-of-the-art facility, the only one of its kind in Central and Eastern Europe, will become operational in 2026.
In addition to these, 4iG's capabilities also include drone development and manufacturing (Rotors and Cams Zrt.), satellite ground signal processing (Hungaro DigiTel Kft.) and satellite design (CarpathiaSat Zrt.).

Vision for the future

The 4iG Group aims to serve residential, business, and government needs with digital solutions and technological developments. The Group provides IT and telecommunications services in Hungary and the Western Balkans and has expanded its operations through several acquisitions in recent years. As a result, 4iG has become a converged IT and telecom service provider able to compete with the larger telecom companies in the market.
In the autumn of 2023, the 4iG Group launched its transformation programme aimed at restructuring the Group's operations and increasing its efficiency. The programme aims to create more than HUF 400 billion of added value in the medium term. The 4iG Group continues to expand its resources and enter new markets through acquisitions.
In addition to IT and telecommunications, the 4iG Group is also expanding into the space industry and technology sectors, which could provide further growth opportunities for the Group.
Since 2021, the greatest challenge for the 4iG Group has been the organisational expansion and the tasks associated with it. The subsidiaries that have joined the Group need to harmonise their operations in a number of areas, which requires the standardisation of internal rules, policies and processes. This process is still ongoing at the time of preparing this sustainability report.

Value chain

The key players in the 4iG Group value chain are detailed in the table below.

Upstream *Procurement of products and services*	**Own operations** *Network operation, development of services*	**Downstream** *Sales of products and services*
Technology partners (software providers, hardware manufacturers, IT equipment manufacturers, network developers, maintainers) **Data centre cloud solutions and systems**	**Activity** **Telecommunications:** provision of networks (mobile, internet, fixed) **Product sales:** smartphones, laptops, TV sets, other electronic devices **IT solutions:** business systems, systems integration, cybersecurity consulting/technology integration, IT systems management **Space industry and technology:** Satellite services (data transmission and broadcasting) Drone development and manufacturing	**Operators and service providers** **Vendors** **Clients (business and residential)**

Upstream: The Group's suppliers are mainly technology partners, telecom service providers (mobile phone manufacturers, mobile phone equipment and component suppliers) and network developers and maintainers. The 4iG Group’s procurement strategy is based on a mix of local and international suppliers. The 4iG Group’s technology partners provide IT tools, data centres, software and hardware for the Group’s data centre, cloud services and cyber security solutions. Engineers build complex and secure infrastructures using hardware and software tools, data centres or services provided by the 4iG Group’s telecommunications partners - including network equipment manufacturers, optical and wireless equipment suppliers and software solution providers - contribute to the 4iG Group’s ability to operate modern, high-capacity communications networks.

Own operations: 4iG Group’s activities include the provision of telecommunications networks, the development of IT solutions and systems integration, and the sale of technology equipment. Our activities aim to provide our customers with a stable infrastructure, advanced digital solutions and reliable services, thereby promoting digitalisation and innovation.

Main areas of activity:

Telecommunications – Providing mobile, internet and fixed networks that enable stable and reliable connectivity for residential and business customers.

Product Sales – Distribution of smartphones, laptops, televisions and other electronic devices that support modern digital lifestyles and business efficiency.

IT Solutions – Business systems development and integration for enterprises and institutions, systems integration and cybersecurity technology consulting to help customers operate efficiently and securely. IT systems operation to ensure the smooth functioning and maintenance of IT systems.

Space industry and drone technology – the 4iG Group provides advanced satellite data transmission and communications solutions, as well as innovative drone technology developments that contribute to the digital evolution of modern industries. Satellite solutions provide greater geographical coverage and rapid transmission of critical data, while drone technology developments provide sustainable and efficient tools for various industries, helping to optimise their operations.

Downstream: The Group carries out its operations, service and business sales activities through subcontractors, typically recruitment agencies. IT systems solutions and network maintenance are provided by operations and service personnel who are also subcontractors of the Group. As part of its telecommunications services, the Group operates a number of points of sale, primarily aimed at serving residential customers. These outlets are generally not staffed by the 4iG Group’s own employees, but by employees of recruitment agencies.

Results, value created: Through its activities, the 4iG Group creates value for its customers by providing a stable and reliable digital infrastructure, supporting the digitalisation of businesses and public institutions, and promoting economic and social development.

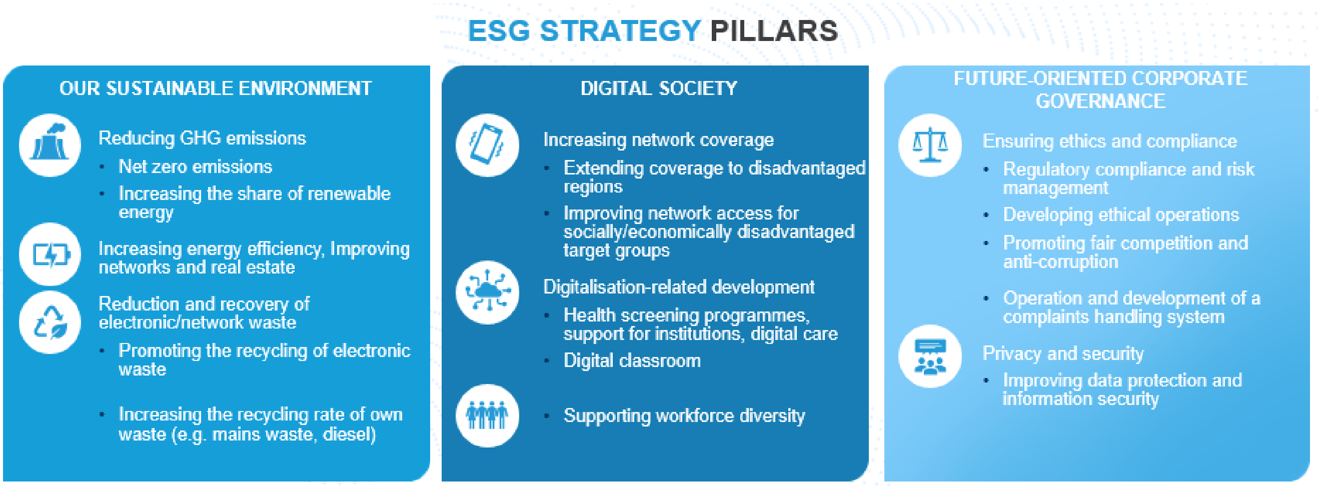
Stable network coverage (mobile, internet, fixed) in the countries where it operates, ensuring uninterrupted communications, continuous availability and access to modern digital services.

Digitisation of public institutions and enterprises through the 4iG Group's IT solutions, contributing to increased efficiency, sustainable operations and competitiveness. Digitalisation reduces the administrative burden and improves process efficiency.

The 4iG Group's goal is to support its customers in maximising the potential of the digital world through its innovative technology solutions and stable network infrastructure.

1.3. ESG strategy

During 2024, the 4iG Group developed its ESG strategy with a main focus on increasing energy efficiency, increasing renewable energy procurement, reducing generated waste, increasing digitalisation and diversity, which was unanimously approved by the 4iG Group's Sustainability Committee. We believe that through our activities and services we can contribute to meeting the challenges of climate change, e.g. by further strengthening digitalisation.



Key elements of the 4iG Group's ESG strategy:

- Increasing energy efficiency and renewable energy procurement, which play a significant role in reducing our direct (GHG emission reductions) and indirect emissions,
- Reducing the amount of electronic and operational waste generated and reusing it as secondary economic raw material to the highest extent possible, which not only supports the reduction of waste generation but also increases the proportion of recyclable materials,
- Increasing network coverage to support digital inclusion in less-developed regions (increasing coverage in disadvantaged regions and border communities, improving network access for socially / economically disadvantaged target groups)
- To support corporate diversity within the 4iG Group, the diversity of generations appearing within the 4iG Group, e.g.: between generations X, Y, Z, ensuring an appropriate balance between experience and fresh perspective,
- To ensure compliance of corporate governance with the relevant and expected legal requirements.

The results of the 2024 double materiality assessment, described in more detail in Chapter 1.7- help us to identify material impacts and risks affecting our strategy, which we address on an ongoing basis. For 2025 H1, the results of the double materiality assessment remained unchanged. Our short-term goal is to fully integrate these results and resulting actions into our strategy and sustainability

reporting. We plan to define the exact financial or emission reduction percentages associated with our ESG strategy for each operational area once the transformation of the 4iG Group is complete.
The ESG objectives have not yet been broken down by product and service groups, customer categories, and geographical areas. The 4iG Group did not market any products or services that are prohibited in certain markets in the reporting year.

In developing the 4iG Group's strategy, business model and value chain, we build on the internal resources and knowledge base of our Group: we conduct competitor analyses and prepare strategic forecasting, and our service provider subsidiaries regularly measure the needs of our customers and the public. We have therefore also relied on our internal documents and on information gathered and provided by our specialist departments.
Our approach to collecting, developing and providing the data needed to produce this report is constantly evolving. In practice, the data collection process involves different departments within the organisation working together to identify and collect data relevant to the 4iG Group's sustainability objectives and reporting standards. This process includes analysing internal data sources, improving existing systems and ensuring data quality and reporting.

1.4. The management of the organisation

The governing body of the 4iG Group is the Board of Directors of 4iG Nyrt., which reports to the General Meeting. The most important governing bodies of 4iG Nyrt. are the General Meeting and the Board of Directors, while the Supervisory Board and the Audit Committee perform the control functions.
Their roles, responsibilities and the method of selecting their members are described below. The figures for the number of members of these bodies reflect the situation in 2025 H1, the current information is available on our website and the relevant provisions are set out in the Articles of Association.
The 4iG Group pays attention to ensuring that the overall knowledge of its governing and control bodies is in line with the organisation's ESG aspirations. To ensure that our executives are up to date on sustainability issues, our senior executives attend a number of compliance, energy and quality management training courses. The Group Management, in conjunction with the Sustainability Committee, reviews annually, in parallel with the materiality assessment, whether the necessary expertise and knowledge to review and assess sustainability issues is available within the 4iG Group's functions and governance bodies. Where necessary, identified knowledge gaps are addressed through training or by involving external expertise to ensure that the impacts, opportunities and risks identified in the materiality assessment are fully assessed, interpreted and, where appropriate, identified.

General Meeting
The supreme body is the General Meeting of 4iG Nyrt., which consists of all shareholders. At annual (ordinary) and ad hoc (extraordinary) general meetings, the shareholders make decisions on the most important issues affecting the Company's operations and exercise their management and control rights.
The General Meeting is attended by the shareholders and - with the right to consultation - by the members of the Board of Directors, the Supervisory Board and the auditor of the company. The Board of Directors proposes the officers of the General Meeting, namely the Chairman, the Keeper of the Minutes, the Counter of the Votes and the Certifier of the Minutes.

Board of Directors

The Board of Directors of the Company is the executive body of the public limited company, and its members are considered to be the senior executives of the Company. In this capacity, the executives cannot be instructed by the shareholders or employees of the Company, and the Board exercises its rights and performs its duties as an independent body.
In accordance with the Articles of Association, the election, recall, and determination of the remuneration of the members of the Board of Directors fall under the exclusive competence of the General Meeting. In 2025, the Board of Directors of the Company consisted of eight members, electing the Chairman from among themselves. The Chairman of the Board of Directors of the Company is Gellért Jászai, the main shareholder of the Company.
The members of the Board of Directors are elected by the Annual General Meeting for an indefinite term, are eligible for re-election and may be recalled from office at any time. The Board of Directors is responsible for all matters relating to the management and business of the Company that do not fall under the exclusive competence of the Company's General Meeting due to the provisions of the Company's Articles of Association or the law. The election of the members of the Group's Board of Directors was not open to employee participation.

	2025 H1
Managing director	7
Non-executive	1
Percentage of independent board members	12.5%
Women	0%
Men	100%

No measures to develop sustainability expertise and skills among the Group's Board members were taken in 2025 H1. The members of the Board of Directors have the professional experience shown in the table.

Board member	Professional experience
Gellért Jászai,	*After graduating from the College of Public Administration, he acquired a broad range of experience in real estate development and investment. As the founder and majority owner of the SCD Group, he directed a leading property development, tourism and venture capital investment company of the CEE region for almost a decade. From 2011, he started to work as a consultant in the international capital market. In 2015, he became Chairman of the Board of Directors as well as minority owner of Konzum* Nyrt. *and also Managing Director of Konzum Management Ltd. Following the restructuring and repositioning of the company, he directed the merger of Konzum Nyrt. and OPUS GLOBAL Nyrt. As of August 2018, he has been the President-CEO of 4iG Nyrt and Chairman of its Board of Directors. His investment activity now focuses solely on IT and the ICTsectors: following the sale of his previous business interests, he became the principal shareholder of the company in July 2020. In 2022, he resigned from the CEO position, while retaining his role as Chairman of the Board.*
Aladin Linczényi,	*After graduating from the College of Modern Business Studies and Corvinus University of Budapest, he started his career at the General Value Turnover Bank (ÁÉB). In 2004, he joined the team of Raiffeisen Bank Ltd., where he servedas a branch director, then, from 2011, as a regional director. Starting in2012, he ledthe real estateinvestment and asset management activities at KONZUM Management Ltd. In 2015, he became the Managing Director of KPRIA Hungary Ltd., from 2016, a member of the Board of Directors of KONZUM Plc., from 2017, a*

Board member	Professional experience
	member of the Board of Directors and also the CEO of Konzum Investment Fund Management Nyrt. Since 2018, he has been the General Deputy CEO of 4iG Nyrt. *and a member of the Board of Directors of theinfocommunications group . From 2022, he also serves as Vice Chairman of the Board in addition to his directorship.*
Blénessy László	*He graduated as a technical IT specialist from the University of Pécs. In 1997, he joined Daten-Kontor Ltd., a forerunner of today's T-Systems Hungary, where he filled several leading roles before becoming the company's managing director and co-owner. In 2011, Daten-Kontor became a subsidiary of the Magyar Telekom Group, where he kept his role as Managing Director. In the following years he directed the corporate application development business of IQSYS Ltd. as well as Daten-Kontor jointly. From 2018, he worked with the CEO of INNObyte Ltd. as his consultant. In 2020, he acquired a majority share in the company, and he was responsible for the management of commercial and production processes as well as for strategy, innovation and business development. In 2020, the majority block of shares was acquired by 4iG, following which he was elected as a member of the Board of Directors of the capital market company. In recent years, László Blénessy has played an active role in the operational management of the corporate group. Following the acquisition of Vodafone Hungary, he served as the interim CEO of the company. From April 2022, he also undertook the role of CEO at Antenna Hungária for nearly a year. Until March 2024, he held the position of Deputy CEO responsible for technology within the 4iG Group.*
Péter Fekete,	*He graduated from Corvinus University in 2005. Additionally, he studied at HEC in Paris and also attended the MBA program at the University of North Carolina. He started his professional career in London, at CIBC World Markets, a Canadian investment bank. Afterwards, he worked for several renowned international investment banks such as UBS Investment Bank, Jefferies International and Houlihan Lockey, where he acquired significant experience in acquisition and corporate finance. He joined Konzum Nyrt.as Deputy CEO in September 2017. He has been working for 4iG Nyrt.since July 2019, initially as presidential consultant, and the, since summer 2020, as Deputy CEO and a member of the Board of Directors. Since 2022, he has been serving as CEO of 4iG Group while retaining his position on the Board.*
Pedro Vargas Santos David	*Pedro Vargas Santos David received his degree in Economics from Universidade Nova de Lisboa in 2006, but also holds a master's degree in business administration from the university of INSEAD. Furthermore, he also studied at Harvard University receiving two degrees in different fields and is currently a PhD candidate in Political Science at the University of Católica Portuguesa. He started his career at McKinsey & Company as a management consultant in 2006 and has held numerous responsibilities throughout the years in many various market leading companies in Portugal, such as Jeronimo Martins Group and PB Colombia, in which he assumed the position of CEO. Currently he is the CEO and Managing Partner of Alpac Capital as of 2013. He is also an Adjunct Professor of Nova School of Business and Economics.*
Csaba Thurzó	*He holds a BSc degree in Business and Economics from the Budapest Business School and a complementary degree in legal studies from the Eötvös Loránd University. He started his professional career as a portfolio manager at Forrás Vagyonkezelési és Befektetési Inc., then he was the Chief Investment and Shareholder and Press Relations Officer between 2003 and 2004. In 2005, he joined Magyar Posta Ltd., where he became Chief Controlling Officer in 2011 and then he was Deputy CEO for Finance between 2017 and 2018. In September 2018, he became Deputy CEO for Finance and Operations at 4iG Nyrt. He has more than 18 years of leadership experience. In 2016, the Budapest Business School recognised his professional achievements with a silver ring. At the 2020 Budapest Economic Forum, he was recognised as*

Board member	Professional experience
	one of the best financial managers in Hungary and received the CFO Master 2020 award. Member of the Board of Directors of 4iG Nyrt. from September 30, 2024.
Gábor Tomcsányi	*After graduating from the Budapest University of Economics and the French ESSCA in 1997, he began his career at CIB Bank in the Project and Structured Finance Department as a department head. In 2001, he became the Director of Finance and later the CEO of SCD Group, a prominent real estate development, tourism, and venture capital investment firm in Central and Eastern Europe. Subsequently, he worked as a capital market advisor and co-owner of Hillside International, facilitating numerous real estate investments and developments in Hungary. From 2018, he served as the CEO of Appeninn Plc., the largest real estate investment and asset management company on the Budapest Stock Exchange. Simultaneously, he was appointed Chairman of the Supervisory Board of 4iG Nyrt. and later became an advisor to the CEO of the company. Since September 1, 2022, he has been leading the operational and support areas of the 4iG Group as the Group's Deputy CEO of Operations. He oversees corporate governance, communications, HR, security, quality management, investment and property management, legal, and procurement at the group level. Member of the Board of Directors of 4iG Nyrt. from September 30, 2024.*
Béla Zsolt Tóth	*As an IT engineer, he has more than 25 years of professional and project experience in the IT market. He started his career within the group in 1995 at HUMANsoft Ltd. He directed the professional businesses for more than a decade as a technical director, then from 2006 to 2010 he filled the role of managing director at the company. To date, he is a member of the Board of Directors of the 4iG Group and works with the CEO as his consultant.*

Supervisory Board

The Supervisory Board supervises the management of the Company for the supreme body of the Company. In this context, it may request information from senior executives and inspect the books and records of the Company. The General Meeting decides on the election, recall and remuneration of its members.

The Supervisory Board consisted of 4 independent members in 2025 H1. Its duties, powers and operation are determined in the Civil Code, the Articles of Association and the Rules of Procedure of the Supervisory Board.

Audit Committee

The three members of the Audit Committee are elected by the General Meeting from among the independent members of the Supervisory Board. At least one member of the Audit Committee must have accounting or auditing qualifications. The duties, powers and operation of the Audit Committee shall be determined by the Civil Code, the regulations of the Budapest Stock Exchange and the Articles of Association.

1.5. Organisational governance of sustainability

Within the 4iG Group, there are several internal committees structured around professional topics, the most important of which for sustainability reporting is the Sustainability Committee. The Committee's objective is to establish and coordinate ESG operations and to develop a unified sustainability, environmental and quality management strategy that applies to all member companies and raises sustainability commitments to the same level.

The CEO of the 4iG Group has decided to establish a Sustainability Committee. The Sustainability Committee is an advisory, opinion-forming and decision-preparing body to the CEO. The Sustainability Committee is chaired by the General and Transformational Deputy Group CEO for Operation, who is responsible at the highest level for the functioning of the Sustainability Committee. The operational leadership is carried out by the Group Head of ESG and Sustainability, who ensures the coordinated implementation of ESG objectives and policies across the Group. The Committee has group-level authority, and its operation is regulated by the 4iG Group ESG and Sustainability Policy.

In 2023, we started to develop an organisational structure to support the management and implementation of ESG activities to create synergies between the Group and its member companies. This supports consistent sustainability data collection and smooth data provision and reporting. It also supports cooperation with related specialised areas and the compliance of future activities with ESG aspects. The governance function responsible for managing impacts, risks and opportunities within the Group is the Sustainability Committee. The Sustainability Committee is a Group-level support committee that provides central approaches on ESG issues and sets principles and guidelines for all our subsidiaries. The Committee specialises in dealing with ESG issues in a complex way, so no single function has a mandatory reporting line to it, but each function can consult it for guidance. Where necessary, the Sustainability Committee may seek advice from the Group's senior executives for specific decisions or information but does not take independent decisions. Where appropriate, the Sustainability Committee may initiate Group-level projects on a significant sustainability issue. The subsidiaries of the 4iG Group operate several certified ISO management systems. Our subsidiaries operating in the IT sector have ISO 9001 and ISO 14001, and our subsidiaries operating in the telecommunications sector have ISO 9001 and, if related to their operations, ISO 27001 management systems (One Magyarország Zrt., DIGI Kft.). In addition, 4iG Nyrt. has ISO 37001, 45001 and 50001 management systems. These management systems and the procedures implemented and operated on the basis of them help to effectively manage areas, including those related to sustainability, and monitor compliance with the measures identified for risks and impacts. Management processes are constantly being improved and made more efficient so that the business can respond quickly and effectively to emerging challenges and opportunities. The management reviews the organisation's governance systems regularly, on an annual basis to ensure their continuous suitability, adequacy and effectiveness.

In accordance with its annual work plan, the Sustainability Committee meets at least four times a year. The annual work plan is adopted by the Sustainability Committee at its last committee meeting preceding the year in question. The work plan includes the planned dates and agenda of the meetings as well.

The members of the Sustainability Committee are:

- Chairman: General and Transformational Deputy Group CEO for Operation
- Group Head of Procurement
- Group Head of Compliance
- Group Human Resources Director
- Group Head of Legal and Regulatory

- Group Head of Quality Management and Internal Regulatory
- Group Head of Corporate Governance and Operations Development
- Group Head of Corporate Affairs and Communications
- Group Head of Accounting
- Group Head of Treasury
- Group Head of Controlling
- Group Head of Tax
- Group Head of Finance Operations Director
- Group Head of Investment and Real Estate
- Government and International Relations Manager
- Group Head of Investor Relations and Capital Markets
- Group Head of ESG and Sustainability

Key objectives and main tasks of the Sustainability Committee:

Auditing role:

- To oversee all sustainability-related (“non-financial”) risks, policies, activities, strategies and systems;
- To check public sustainability reports in line with international standards;

Stimulating sustainability performance:

- To support continuous improvement of the 4iG Group’s ESG rating (EcoVadis). This includes assessing sustainability factors such as the environmental impact of business operations, social responsibility and governance practices, requesting information from the management of individual business units on environmental, social and long-term economic and sustainability risks and opportunities, and discussing mitigation and improvement actions related to those;
- To ensure that long-term economic, environmental and social considerations are integrated into the day-to-day operations of the 4iG Group.

The Sustainability Committee reports to the Company’s Board of Directors on the information published by the Group, while seeking information on specific topics from the relevant specialised areas. The Sustainability Committee reports to the Board of Directors on its work and results at least once a year. At one of the annual reporting meetings, the Sustainability Committee informs the Board of Directors about the impacts, opportunities and risks identified in connection with the materiality assessment, including feedback from stakeholders and the manner and outcome of stakeholder engagement in the materiality assessment process.

ESG and Sustainability Operating Model

1. **Governance and decision-making (Group level)**
    - The **Chairman's Cabinet** receives quarterly reports on performance according to ESG and sustainability KPIs.
    - There is continuous coordination between the **General Deputy Group CEO for Operations** and the **Sustainability Committee**, which meets every two months on key ESG and sustainability issues.
    - The role of the **Group Head of Quality Governance and Internal Regulatory** supports the provision of ESG compliance and regulatory frameworks.
2. **Competence Centre (Group level)**
    - The Head of **ESG and Sustainability** is a key player and reports bi-weekly on the progress of ESG and sustainability activities.
    - **Group level specialised areas** report monthly on the progress of ESG and sustainability actions, ensuring strategic alignment.
3. **Implementation (Member company level)**
    - **Designated member-company ESG officers** and **functional experts** report monthly on the progress of ESG and sustainability actions.
    - **The management of the member company** receives information quarterly on the performance according to ESG and sustainability KPIs.
4. **Coordination platforms**
    - To integrate ESG and sustainability objectives, **ESG working groups** and **functional working groups** provide continuous professional support.

      The ESG and Sustainability Working Group is a consultative platform for ESG and sustainability experts at Group and member company level. Its role is to share best practice, resolve issues and provide input into the development of Group-level ESG and sustainability objectives, policies and initiatives. It is chaired by Group Head of ESG and Sustainability. Functional Working Groups are coordination platforms for group-level and member company functional experts, which, similar to the ESG working group, help share good practices and clarify controversial issues. They also provide input for the development of specialized ESG and sustainability objectives, regulations, and initiatives. The working groups are directed by the leaders of the group-level functional specialized areas.

This structure ensures the integration of ESG and sustainability principles at an organisational level, clear lines of responsibility and regular monitoring at both group and member company level.

In 2024, there were still significant differences in the sustainability governance of individual member companies, which are planned to be mitigated during 2025 and 2026.

GOV-3 Integration of sustainability-related performance in incentive schemes

The 4iG Group's incentive mechanisms do not currently include elements of sustainability performance, including climate change considerations. Incentives need to be effective and aligned with the 4iG Group's business model and industry environment. The Group is exploring opportunities to integrate sustainability considerations into incentive mechanisms.

GOV-4 Due diligence

CORE ELEMENTS OF DUE DILIGENCE	PARAGRAPHS IN THE SUSTAINABILITY STATEMENT
a) Embedding due diligence in governance, strategy and business model	**1.5. Organisational governance of sustainability** **1.7. Double materiality assessment**
b) Engaging with affected stakeholders in all key steps of the due diligence	**1.7. Double materiality assessment** **3. Social information**
c) Identifying and assessing adverse impacts	**1.7. Double materiality assessment** **2.2. Energy, Climate Change Adaptation, Climate Change Mitigation** **2.3. Resource outflow related to products and services, Waste** **3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)** **3.2. Training and skills development** **3.3. Health and Safety** **3.4. Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value, Employment of inclusion of persons with disabilities, Diversity)** **3.5. Privacy** **3.6. Access to products and services**
d) Taking actions to address those adverse impacts	**2.2. Energy, Climate Change Adaptation, Climate Change Mitigation** **2.3. Resource outflow related to products and services, Waste** **3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)** **3.2. Training and skills development** **3.3. Health and Safety** **3.4. Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value, Employment of inclusion of persons with disabilities, Diversity)** **3.5. Privacy** **3.6. Access to products and services**
e) Tracking the effectiveness of these efforts and communicating	**2.2. Energy, Climate Change Adaptation, Climate Change Mitigation** **2.3. Resource outflow related to products and services, Waste** **3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)** **3.2. Training and skills development** **3.3. Health and Safety** **3.4. Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value, Employment of inclusion of persons with disabilities, Diversity)**

CORE ELEMENTS OF DUE DILIGENCE	PARAGRAPHS IN THE SUSTAINABILITY STATEMENT
	3.5. Privacy **3.6. Access to products and services**

The 4iG Group applies due diligence procedures to identify, manage and monitor ESG impacts, risks and opportunities.

Key aspects and steps of the due diligence process include an annual assessment by the Sustainability Committee of the material environmental and social impacts of the Company's operations, supply chain and stakeholders. The Group engages with relevant stakeholders – employees, suppliers, investors – to ensure transparency and consideration of wider risk considerations. In addition, the 4iG Group takes into account applicable legislation, international standards and industry best practice.

Regular ESG data collection and analysis of IROs (Impacts, Risks, Opportunities) are carried out from internal and external sources. ESG impacts, risks and opportunities are discussed by the Sustainability Committee and brought to the appropriate decision forums and decisions.

1.6. Our affected stakeholder relations

The 4iG Group is one of the players in the IT and telecommunications sector in the region, with an extensive upstream and downstream value chain. The value chain structure ensures supply stability, the application of sustainability principles and efficiency of business process.

- **Employees/Managers**: Due to its main activity, the Group's most important asset is its people and the community formed by its employees and partners, as they possess the knowledge, professional expertise and experience on which 4iG's services are built. For years, the HR function has been undergoing continuous improvement with a focus on people, employee experience and service HR.
  Employee satisfaction surveys, called the "Pulse Survey", are sent to employees of the 4iG Group by the Group's central HR department.

  The 4iG Group communicates with its employees mainly by e-mail and through its own intranet pages with continuous internal communication and information. This ensures that employees have first-hand knowledge of the Group's key business decisions.

- **Customers (B2B - corporate and B2C - residential)**: The 4iG Group has been present in the field of innovative technologies in the industrial and non-industrial sectors for 30 years, during which time it has been in contact with a significant portion of national public, multinational and privately-owned companies. The Company could only achieve this success by making customer focus and quality work a priority. 4iG has made personal contact, professional training and direct communication a priority in its customer service and relations with clients. We also communicate with our clients through our website and e-mail.
  The relationship of trust that 4iG has built with its B2C customers just like with its business partners supports a true understanding of needs and maximises customer satisfaction.

  Strategic partners, business partners, suppliers: 4iG Nyrt. has implemented the Anti-Corruption Management System in accordance with ISO 37001:2019 standard. By obtaining this certification, 4iG has implemented the improvement of its corporate culture and the translation of ethical and business values into practical operations. Accordingly, it expects its suppliers and business partners to accept the terms and conditions prohibiting corruption and unfair business practices as part of its General Terms and Conditions (GTC) and to familiarise themselves with and accept its Code of Ethics for Business Partners. The 4iG Group has an established network of suppliers and business partners in many sectors of the economy and on a global basis. It is critical to the success of the group of companies to establish long-term business relationships with partners that are trustworthy, who themselves meet sustainability standards and who are increasingly integrating sustainability into their approach and operations. The 4iG Group's supply chain is based on close collaboration, building on relationships between suppliers and member companies and exploiting synergies available at the member company level.

The vast majority of the Hungarian subsidiaries' procurement budgets are spent with domestic suppliers.

- **Shareholders, Investors**: The management of the 4iG Group is aware of its fundamental duty to represent and promote the interests of shareholders and recognises its accountability through the performance and activities of the Company. Investor confidence is the primary basis for the achievement of the Company's strategic objectives and therefore it maintains continuous and active contact with all its shareholders through regular reports and announcements, who can participate in decision-making at the General Meeting.

  For the 4iG Group, the provision of comprehensive and transparent information to our investors are of paramount importance and forms an essential part of our activities. An integral part of this is the presentation of sustainability, which is not only one of our Company's strategic priorities but also reflects our commitment as a shareholder listed in the premium category of the Budapest Stock Exchange.

  Information is provided through a wide and diverse range of channels, including:
    - Roadshows and reverse roadshows, where we meet investors and analysts directly to share our most important results and plans.
    - Analyst and investor conferences, which give us the opportunity to present our business strategy and results, while receiving valuable feedback from market players
    - Video and conference calls, which allow us to communicate quickly and flexibly with our stakeholders.
    - Annual and Extraordinary General Meetings, which provide a platform for direct dialogue with shareholders.
    - Official announcements on the Company's website and on the Budapest Stock Exchange website, which ensure wide availability and transparency of information.
    - Press releases and public press conferences, which allow media representatives to be directly informed about our Company's news.
    - Active use of social media channels, which provide a modern and interactive means of communication.

- **Governmental institutions and regulators**: The 4iG Group acts in good faith and honestly, in accordance with relevant legal requirements in its operations, applying only permitted methods. The 4iG Group seeks to establish good and transparent relations with government and EU officials, as well as other external stakeholders, including through continuous communication with representatives and members of national and international professional organisations. Examples of such organisations are the National Media and

Infocommunications Authority (NMHH), the Communications Reconciliation Council (HÉT) or the Association of Digital Enterprises (IVSz).

- **Civil organisations:** Stakeholders include local, regional and national communities, as well as specific groups, NGOs, businesses, schools and universities. We actively contribute to the economic and social development and digitisation of the communities in which the 4iG Group operates. We operate a separate 4iG Foundation, through which we provide ongoing support for such initiatives.

The aim of stakeholder engagement is to understand their needs and expectations, and to identify sustainability challenges and opportunities.

As part of the double materiality assessment, we prepared a questionnaire for external stakeholders; consumers, shareholders, investors, strategic partners, business partners, suppliers, governmental institutions, regulators, NGOs, where we listed the 4iG Group's topics that had been preliminarily determined to be potentially material, marking those topics that could be considered material and reached or exceeded the threshold value, and also marking those with a definition that did not reach the threshold value and therefore could not be declared material topics.

External stakeholders could decide whether or not to accept the 4iG Group's material issues, in which case they were given the opportunity to provide their views and insights.
The evaluable responses received were taken into account in the evaluation process as a means of channelling external stakeholder opinion. The details and results of the double materiality assessment are presented in the next chapter.

Our short-term goals include taking an even deeper consideration of our stakeholders' views.

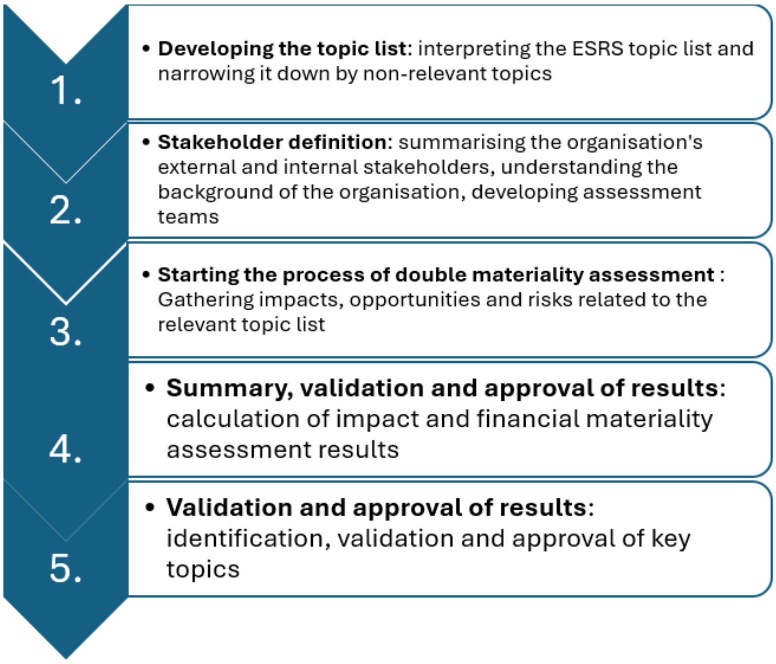
1.7. Double materiality assessment

During the preparation of our 2024 yearly report, and in line with the requirements of the CSRD, we carried out a double materiality assessment in the last quarter of 2024 to identify the material issues on which we report our sustainability performance in line with the methodology required by the ESRS. Compared to the 2024 financial year, the results of the double materiality assessment remained unchanged for 2025 H1.
Sustainability reporting under the ESRS is based on the dual materiality principle of ESRS 1-21, so the materiality assessment is the starting point for sustainability reporting under the ESRS. The purpose of the analysis is to identify the material, sustainability-related impacts, risks and opportunities that need to be reported. A key element of this process is engagement with relevant stakeholders. Stakeholders are those who may have an impact on the 4iG Group, or on whom our Group may have an impact, and within this we distinguish between two main groups:

1. affected stakeholders: individuals or groups whose interests are affected or could be affected, positively or negatively, by the activities of the 4iG Group and its direct or indirect business relationships across its value chain; and
2. users of our sustainability reporting: primary users of our general-purpose financial reporting (existing and potential investors, lenders including asset managers, credit institutions, insurance undertakers) and other users of our sustainability reporting, including the 4iG

Group's business partners, trade unions and social partners, civil society and non-governmental organisations, governments, analysts and academics.

The main process steps used to identify the material topic:



Following the double materiality methodology defined in the ESRS, we first identified the topics relevant to the 4iG Group's operations as defined in the so-called application requirements (ESRS 1 AR16). We divided the ESRS topics into 70 topic groups and then, in our initial analysis, classified 14 of the 70 topic groups as non-relevant because our operations do not relate to them for the double materiality assessment perspective. For the remaining 56 topics, we identified the most characteristics impacts, opportunities and risks arising from our operations or value chain, involving the relevant specialised areas and experts within the 4iG Group. Where relevant, we also considered, screened and analysed the opportunities and risks arising from the impacts, following the methodology described below.
In determining these, and subsequently in performing impact and financial materiality, we took into account the specific impacts, risks, and opportunities arising from the geographical location and activities of our group of companies and our suppliers, which may arise, for example, from a region's less comprehensive legal regulation or less developed occupational safety maturity. In addition, we benchmarked our review by examining reports prepared for the financial year of 2023 that were considered by the reporters to be ESRS-based for the steps in the process and consulted with Group level disciplines relevant to the assessments. We have also applied the due diligence process described in Chapter 1.6 – Organisational governance of sustainability – during the analysis of double materiality. Data and information related to the identification and evaluation of impacts, risks and opportunities were obtained from publicly available databases and our internal procurement records.

The resulting 48 negative impacts, 34 positive impacts, 56 risks and 56 opportunities were assessed, also with the help of our experts, using the following criteria. When identifying the risks and opportunities, we have examined the relationships arising from the dependencies and impacts of the 4iG Group and, where relevant, we have recorded and assessed them using the methodology described below.

- Impact assessment test criteria:
    - Degree of environmental and social impact (1, minimal, negligible – 5, very high);
    - Scale of environmental and social impact (1, limited – 5, global, total);
    - Likelihood of environmental and social impact (1, unlikely, almost never [<10%] – 5, guaranteed, almost certain [71%<]);
    - Where negative impacts were assessed, we also considered the reversibility of the impact (1, easily remediable – 5, irreversible);
    - In addition, we considered the following factors, which did not influence the impact rating: Location of impact (upstream, operational or downstream value chain); Time horizon of impact (short, medium or long term); Actual or potential nature of impact).
- Our assessment of financial materiality was based on our test criteria as follows[6]:
    - Probability of occurrence of risk or opportunity (1, very low, almost never – 5, almost certain);
    - Magnitude of financial impact (1, very low – 5, very high);
    - In addition, we also examined the following factors that did not influence the impact score: location of impact (upstream, operational or downstream value chain); time horizon of impact (short, medium or long term); type of financial impact (cash flow or equity).

The assessment against the above criteria has been performed using an expert judgement methodology, considering the internal information available to us on the assessment criteria. No other sources of input data or specific assumptions were used in our materiality assessment.

Following the assessment, our information materiality process determined the number of points above which an impact, risk or opportunity is considered material to the overall assessment scores. We set this threshold at 2.2 out of a maximum of 5 points for both impact materiality and financial materiality in order not to overlook an issue that is important to our business. Management's decision to set the materiality threshold at 2.2 points was based on the results of the issue analysis and management's view of the 4iG Group.

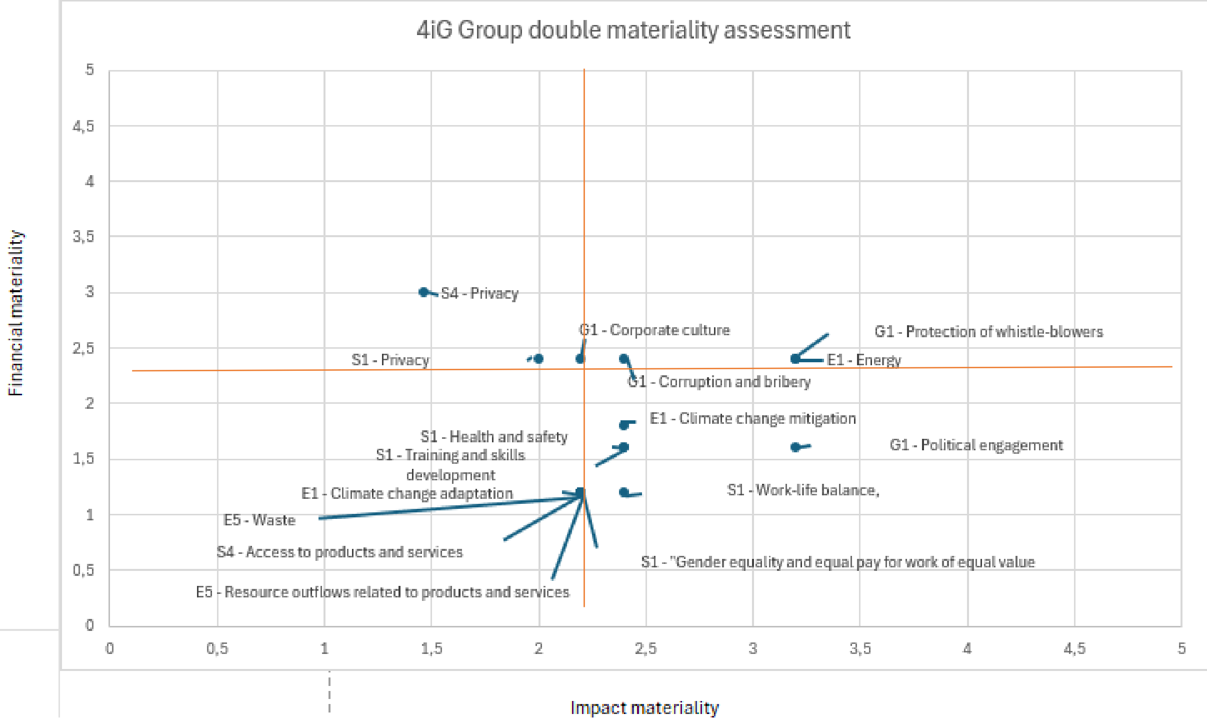
In validating our materiality assessment, we prepared a questionnaire for external stakeholders (consumers, shareholders, investors, strategic partners, business partners, suppliers, government bodies, regulators, NGOs), presenting our issues classified as material and non-material. By completing the questionnaire, external stakeholders could decide whether they agreed with the 4iG Group's material issues. The evaluable responses received were taken into account in the evaluation process as a channel for external stakeholder opinion.

Following the validation of the list of material topics with external stakeholders, a final internal validation was carried out with the relevant specialised areas and the final list was then approved in a first round by the 4iG Group Sustainability Committee, chaired by the 4iG General and Transformational Deputy Group CEO for Operation. Following the approval by the Sustainability Committee, the Board also formally approved the 4iG Group's double materiality assessment. This process aligns with the general approval process of the 4iG Group. The risks and opportunities identified in the double materiality assessment are not currently integrated in our standard risk management processes and will be considered in context at a later stage. Accordingly, sustainability-related risks have not been compared or ranked with other risk types or prioritised.

[6] *The process to identify, assess, and manage opportunities* is not currently embedded in the overall management process of the company.

Following our evaluation scoring system, the figure below shows the impact and financial materiality classification of our topics identified as material

We classified a total of 10 topics as material solely based on impact, 2 topics solely based on financial materiality, and 4 topics based on both impact and financial materiality.



The results of the double materiality assessment provide a comprehensive picture of the environmental and social impacts of the organisation’s activities as well as the associated financial risks and opportunities

Topic		Impacts, risks and opportunities	Value chain	Time horizon	Chapter
E1 Climate change	(-)	The 4iG Group's infrastructure developments are aimed at mitigating the effects of extreme weather and rising temperature (e.g., new technologies, reinforced transmission towers, new energy supply systems). These may increase the demand for energy and resources, thereby increasing our own GHG emissions, which may have adverse impact on the value chain and the environment. (actual impact)	*Own operations Downstream*	*Medium term*	*2.2.*
	(+)	Lower carbon dioxide emissions thanks to energy-efficient technologies, thereby mitigating global warming and reducing local and global impacts. (actual impact)	*Upstream, Own operations, Downstream*	*Medium term*	*2.2.*
	(-)	The organisation uses more energy than necessary and emits more greenhouse gases, contributing to climate change, which could have negative consequences for the country and our customers through more extreme weather. (actual impact)	*Upstream*	*Long term*	*2.2.*
	(+)	Energy-efficient operation, reduced dependence on purchased energy. Reduction of greenhouse gas emissions, which can have a positive impact on potential investors, as there is increasing interest and expectation in investment decisions on this topic, and can also have a positive impact on customers who prioritise the 4iG Group's sustainability efforts before using products and services. (actual impact)	*Upstream*	*Medium term*	*2.2.*
	(✓)	Green financing opportunities, attracting investors and customers who consider ESG aspects.	*Own operations, Downstream*	*Short term*	*2.2.*
E5 Circular economy	(-)	The 4iG Group distributes and uses a large number of electronic equipment for infrastructure construction and services. Improper disposal of obsolete, replaced or faulty equipment can result in e-waste which may pose a threat to the environment and local communities. (potential impact)	*Upstream Downstream*	*Medium term*	*2.3.*
	(-)	Equipment handled by the 4iG Group, such as mobile phones and network equipment, may contain hazardous substances that, if not properly disposed as waste, can contaminate soil, water and air, adversely affecting local communities and the health of waste processing workers. (potential impact)	*Own operations Downstream*	*Medium term*	*2.3.*
S1 Own workforce	(+)	Good working conditions and employment practices increase employee satisfaction, engagement and productivity. (actual impact)	*Downstream*	*Short term*	*3.1.*
	(+)	Prevention of occupational accidents, minimisation of employee illnesses (e.g. provision of appropriate protective equipment) (actual impact)	*Downstream*	*Short term*	*3.3.*
	(-)	Increased turnover among talented employees, difficulty in attracting employees and lack of interest in sustainability among employees. (potential impact)	*Own operations Downstream*	*(-) Long term*	*3.2.*
	(+)	Increase retention of talented employees, making the recruitment process easier. Increase employee knowledge and engagement. (actual impact)		*(+) Short term*	

Topic		Impacts, risks and opportunities	Value chain	Time horizon	Chapter
	(-)	A lack of equality and inclusion can lead to dissatisfaction and make it difficult to attract new staff and hinders the professional advancement of some talented people. (potential impact)	*Downstream*	*Long term*	*3.4.*
	(✓)	With regard to personal data, there is an opportunity to strengthen trust between employees and the employer, as transparent cooperation strengthens the relationship and cooperation between the parties.	*Downstream*	*Short term*	*3.5.*
S4 Consumers and end-users	(!)	Fines and sanctions that may result from the misuse and mismanagement of data. Risk of loss of revenue and investment due to reduced investor and customer confidence.	*Own operations Downstream*	*(!) Medium term*	*3.5.*
	(✓)	Reliable monitoring of data flows, lawful handling of personal data, high level of cyber security and avoidance of data leakage ensure greater market presence through the positive perception of the 4iG Group..		*(✓) Short term*	
	(-)	Market opportunities may be lost if the 4iG Group fails to provide appropriate products, services, employment and inclusion opportunities for disadvantaged groups (including older people and people with disabilities). (potential impact)	*Downstream*	*Long term*	*3.6.*
G1 Business conduct	(-)	Violation of legal and ethical rules will have a negative impact on the Group and make it a less attractive place to work for employees and investors. (actual impact)	*Own operations Downstream*	*Medium term*	*4.1.*
	(✓)	Maintaining/increasing competitiveness by implementing appropriate policies and practices can lead to lower adaptation costs.			
	(+)	Operating a whistleblower policy to encourage ethical behaviour and transparency can have a positive impact on our employees. (actual impact)	*Own operations Downstream*	*Short term*	*4.2.*
	(✓)	Ensuring whistleblower protection strengthens the 4iG Group's internal transparency and security through proper communication between the company and employees and the enforcement of policies and procedures.			
	(-)	Corruption and bribery significantly reduce the confidence of business partners and investors in the Group's supply chain and reduce transparency. (actual impact)	*Upstream Own operations Downstream*	*(-) Long term*	*4.3.*
	(+)	The measures put in place to prevent and detect corruption and bribery, including training, reinforce the ethical standards and transparency of the 4iG Group and increase the confidence of partners and users. (actual impact)		*(+) Short term*	
	(✓)	Anti-corruption measures protect the reputation of the 4iG Group and the reliability of our services, strengthen our business relationships and can provide a long-term competitive advantage.		*(✓) Long term*	

Topic		Impacts, risks and opportunities	Value chain	Time horizon	Chapter
	(-)	Any unethical political involvement by the 4iG Group could lead to allegations of corruption, which could have a negative impact on the perception of the Group by its stakeholders. (potential impact)	*Upstream* *Own operations* *Downstream*	*(-) Long term* *(+) Medium term*	*4.4.*
	(+)	Maintaining transparency helps to preserve trust in the 4iG Group and avoid corruption risks. (actual impact)			

Legend: positive impact (+), negative impact (-), risk (!), opportunity (✓)

A detailed presentation of the impacts, opportunities and risks that form the basis of our assessment, and their implications for our operations and strategy, is provided in the chapter sections on each of the relevant topics.

Our Group's ESG strategy, described in more detail in Chapter 1.3, was approved by the Sustainability Committee in 2024 and subsequently by the Group Management Committee. The strategy addresses the majority of the impacts now identified as material issues, but a resilience assessment of our strategy, which looks in more detail at the resilience of the strategy to the risks identified in the material issues assessment, has not yet been completed.

Our assessment is that there are no financial risks that would require a material adjustment to the carrying value of assets and liabilities in the relevant financial statements in the next reporting period.

For the disclosure requirements set out in the ESRS we have included in our report all the mandatory disclosures for our material topics that are relevant to our business and reporting practices. The exact location of each indicator within the report is described in detail in the ESRS Index chapter at the end of our report. For ease of identification, the disclosure codes are provided in curly brackets at the beginning of each chapter.

In order to provide organisation-specific information on the 4iG Group's activities within the relevant topics, we also report data according to the GRI indicator definitions, which are also included in the index. The organisation-specific indicators are applied in the following thematic groups to present the 4iG Group's performance through additional sustainability reporting and sector-specific standards in the absence of sector-specific EU standards. The topics covered are:

- Working time of our own employees
- Protection of our consumers' data
- Access of our consumers and potential consumers to our products and services
- Protection of whistle-blowers

We have identified three groups of topics (pollution, water resources and biodiversity) that are not considered material, but which are required to be disclosed under the ESRS disclosure requirements, based on the results of our double materiality assessment.

In order to identify and assess the impacts, opportunities and risks of pollution, the 4iG Group has conducted due diligence of its own operations and sites based on an analysis of the information available to it, including a review of the technologies and materials applied that could be identified as hazardous and potentially polluting sources. Taking into account the results of the due diligence, the low level of historical contamination and the fact that the 4iG Group has no manufacturing or production activities, the associated risks, opportunities and impacts were rated low in our analysis. In identifying the impacts, opportunities and risks related to water resources, we examined the 4iG Group's activities in terms of the technologies and processes applied and the location of our sites. Our analysis concluded that the Group does not use water-intensive technologies or have any connection to or use of marine resources. To identify impacts, risks and opportunities related to biodiversity and ecosystems, we used a questionnaire survey and map analysis to assess whether our sites are located in or near national parks or Natura 2000 protected areas. Given that only 5 of the 4iG Group sites touch such areas in terms of land use rights, no systemic risks or opportunities, dependence on biodiversity, ecosystems and their services, risks of displacement and physical risks or opportunities were identified. Based on the information available to us, the 4iG Group's sites do not affect biodiversity sensitive areas and we do not operate any technology or equipment in relation to our land use rights in such areas that would result in damage to natural habitats and species habitats or disturbance of species for which a protected area has been designated. The 4iG Group assesses the need for environmental permitting procedures for its construction and installation works in accordance with applicable EU legislation and carries out these procedures according to the regulations. In 2025 H1, we did not receive or have any

obligation that would have required us to implement environmental or conservation mitigation measures. We consulted with our internal stakeholders in carrying out the due diligence described above and did not conduct specific consultation with our external stakeholders specifically on this issue.
The impacts, risks and opportunities identified in our dual materiality assessment were considered by the 4iG Group Board of Directors in 2024 when they became acquainted with the assessment material. The entire assessment, including the impacts, opportunities and risks identified, was presented to and accepted by them.

Conducting the assessment was the responsibility of the Sustainability Committee, so through the committee's work – whose leader is also a board member – our highest decision-making body could also learn about the identified list.

1.8. Risk management

The 4iG Group is committed to creating a working environment and corporate culture capable of recognizing and averting the danger of risks occurring and ensuring the settlement of damages that have occurred. In this spirit, we also managed the risks associated with the development of our sustainability report. It is in this spirit that we have managed the risks associated with the development of our Sustainability Report. A standardised and documented Group-level risk management system is still being developed, but we have already applied a number of methods to ensure that the completeness and accuracy of the information and data reported is as reliable as possible. In preparation for the 2025 H1 Sustainability Report, a data collection guide was developed, and indicators were agreed with the relevant specialised areas. The cross-checking of data presented in the report and the approval of individual sections of the report was the responsibility of the 4iG Group's line managers. During the compilation of the 2025 H1 sustainability report, our risk management focused on the following factors:

- Completeness of reported data
- Accuracy of reported data and information
- Verifiability of reported data and information

For all three factors, a second set of eyes was used as a control, i.e. all data was checked by at least two independent experts. In order to clarify the scope of the report, data requests were sent to our reporting units with the exact subsidiaries concerned to avoid the risk of incomplete information being reported. With regard to the accuracy of the data, we asked the reporting parties to indicate whether the information was based on verifiable evidence, calculations or estimates. In the case of calculations, the four-eye principle meant checking the application of the appropriate calculation methodology and, in the case of estimates, checking the known or suspected inaccuracy of the estimate. In the case of verifiable data reported from our internal systems, our data providers have also verified the data by reproducing the data and cross-checking the data with the results of reports for other purposes. If we became aware of any information that may affect the reliability or completeness of the data, we indicate this in the specific data release.

We have not applied any specific risk prioritisation methodologies in relation to our sustainability risk management and we are not aware of any significant risks that could affect the accuracy or reliability of the reported data and therefore no such risks have been disclosed to management.
Our calculation of Scope 3 GHG emissions is the most imprecise due to its methodology, as it is based on assumptions and estimates.

2. Environmental information

We believe that our efforts in environmental protection and energy efficiency guarantee our company's operations, competitiveness, and continuous sustainable development. In pursuit of this goal, 4iG Nyrt.has committed to implementing and operating management systems according to the ISO 14001 environmental management and ISO 50001 energy management standards. In 2024, these standards were implemented at 4iG Nyrt., 4iG Távközlési Holding Zrt., One Magyarország Zrt., ACE Network Zrt., and two foreign subsidiaries, ONE Albania and ONE Crna Gora. In 2025, we plan to extend our management systems to other subsidiaries.

As stated in the integrated environmental management and energy management system policy[7] of 4iG Nyrt., we are committed to reducing the energy consumption needed for our services and, consequently, greenhouse gas emissions, in line with our commitment to sustainable development. Our vision is to create a balance between achieving our business goals, protecting the environment, and efficient energy use. To improve the quality and standards of 4iG's activities and reduce environmental impact, we continuously develop the energy and environmental awareness of 4iG's employees.

The 4iG Group currently does not have a unified corporate policy, measures, or goals for the material topics listed in this chapter (Energy, Climate Change Mitigation, Climate Change Adaptation, Resource Outflows, Waste) that apply across the entire group. The reason for this is that in 2025 H1, our operational focus was on corporate integrations following acquisitions, and a unified policy will be defined and implemented after the completion of the integration process.

2.1. EU Taxonomy[8]

1. Regulation

The EU Taxonomy Regulation adopted by the European Commission (2020/852/EU) is designed to establish a classification system for sustainable economic activities. Its aim is to determine under what conditions specific economic activities can be considered sustainable. The regulation provides a common interpretative framework within the EU, with the purpose of eliminating the unfounded use of terms like 'green' or 'sustainable.' Additionally, the regulation imposes reporting obligations on certain financial and non-financial companies regarding the extent to which their activities align with the sustainability criteria set forth in the regulation.

The reporting obligations are detailed in the Disclosure Delegated Act (2021/2178). Entities falling under the regulation must present three financial indicators for two categories—aligned and eligible economic activities—namely CapEx, which indicates the company's investments; OpEx, which reflects maintenance costs; and turnover data (although the word ‘turnover’ is used in the taxonomy, the Group uses the more common term ‘revenue’ in its accounting policy and EU Taxonomy report). The precise interpretation of these indicators is outlined in EU Regulation 2021/2178.

An activity is classified as eligible under the Taxonomy Regulation if it supports one of the six environmental objectives of the EU:

1. Climate Change Mitigation
2. Climate Change Adaptation

[7] https://www.4ig.hu/sw/static/file/4iG_Nyrt-Kornyezet-es-energiairanyitasi-politika-2021-08-24.pdf
[8] EU Taxonómia

3. Sustainable Use and Protection of Water Resources and Marine Resources
4. Transition to a Circular Economy
5. Pollution Prevention and Control
6. Protection and Restoration of Biodiversity and Ecosystems

The determination of an activity's supportive nature is set out by the delegated acts of the Taxonomy Regulation, which list the activities that can be considered eligible. These acts contain specific rules regarding the criteria (known as technical screening criteria) that must be met for the activity to be classified as aligned. One of the conditions is that the execution of the activity must not significantly jeopardize the achievement of any of the six EU objectives (known as the – does not significantly harm - DNSH criteria), and that the specified minimum safeguards must also be applied to ensure compliance with human rights and responsible business conduct.

2. Identified economic activities

The 4iG Group, during the determination of the Taxonomy indicators, first identified the activities carried out by the subsidiaries of the Group and matched them with the list of economic activities outlined in the Taxonomy Regulation. In these preliminary assessments, the Group used the NACE codes of the activities performed by the subsidiaries. Activities that could not be matched with the economic activities listed in the EU Taxonomy Regulation were classified as non-eligible. For those activities that received an eligible classification, we examined the technical screening criteria, DNSH criteria, and minimum safeguard expectations necessary to demonstrate compliance.

As a result of the above assessments, we identified the following eligible activities:

CCA 8.2 - Computer programming, consultancy and related activities

This activity includes the revenue, capital- and operating expenditures related to the Group's IT experts and engineering activities.
The revenue includes custom software design and development that is platform-independent, the design and implementation of comprehensive enterprise IT solutions, IT operations and support, the operation of ERP (complex Enterprise Resource Planning) systems, full support for banking data services, as well as the development and management of document and case management systems.
The capital expenditure consists of the equipment needed for development, the activated costs associated with the Careful Watch development and IoT module development for 4iG Nyrt., as well as other assets related to software development.

CCA 8.3 - Programming and broadcasting activities

As part of this activity, the revenues, capital expenditures, and operating expenditures associated with the broadcasting activities of 4iG Távközlési Holding Zrt., AH Média Kereskedelmi Zrt., AH Infrastruktúra Szolgáltató Zrt.; One Magyarország Zrt., and DIGI Távközlési és Szolgáltató Kft. are included.
Revenue encompasses income generated from nationwide terrestrial television ("DVB-T services"), radio content distribution and broadcasting services. The essence of the services related to radio and television content distribution is that the entities transmit radio and television signals from the studios of radio and television service providers to clients, as well as distributing content created by these providers via terrestrial and satellite broadcasting systems. Furthermore, it offers digital satellite transmission services that facilitate connections between TV studios, mobile equipment, regional studios, and international program sources.

The operating expenditure includes the repair and maintenance costs related to broadcasting activities. The capital expenditures consist of the costs incurred in the current year for the establishment and modernization of the wired network associated with broadcasting. Additionally, CapEx also includes the capitalized broadcasting rights, which consist of fixed payments to media providers (such as TV2 and HBO) that are not dependent on viewer numbers.

CCA 13.3 - Motion picture, video and television programme production, sound recording and music publishing activities

As part of this activity, there are revenue, capital expenditures, and operating expenditures associated with the production of media (program) content, provided by 4iG Távközlési Holding Zrt. and AH Média Kereskedelmi Zrt.

The revenue comprises income generated from live broadcasts, program recordings, and signal transmission provided to external partners (such as MTVA, AMC cable channel, and domestic sports associations) during program production services. The respective entities primarily focus on the production of sports events, cultural events, concerts, as well as TV studio productions and entertainment shows, both in the domestic and international markets.

Starting from 2024, the entities utilize state-of-the-art technology (up to 24 cameras) to produce television and internet broadcasts, as well as programs, using HD and UHD (4K) ready OB production vehicles that offer unique capabilities in the domestic markets. As a result, the operating and capital expenditures include costs related to the equipment used for program production.

CCM 8.1 - Data processing, hosting and related activities

In this activity, the revenue, capital expenditures, and operating expenditures related to the GDPR data removal services provided by 4iG Távközlési Holding Zrt. and AH Média Kereskedelmi Zrt., along with the cloud-based services and data centers of Invitech ICT Services Kft. and Invitech ICT Infrastructure Kft., have been considered.

At the end of 2021, service contracts were signed with the National Media and Infocommunications Authority for the provision of a new application that facilitates the permanent removal of data (GDPR data removal service). Within the framework of this activity, the revenue derived from the GDPR data removal services provided by the respective entities are accounted for on a net basis.

Invitech ICT Services Kft. and Invitech ICT Infrastructure Kft. ("Invitech") offer cloud-based services that are accessible to users, allowing them to flexibly and securely store, manage, and access their data from anywhere, at any time. Additionally, Invitech's data center capabilities extend to six geographically separate locations, which are located in Budapest and the Southern Great Plain. These facilities primarily serve the needs of commercial, current, and future business and institutional clients. Invitech's data centers are built based on international recommendations defined by the Uptime Institute, which pertain to technological details, capacities, redundancy levels, and maintainability. The key features of these specialized facilities include high capacity and highly redundant telecommunications connections with exceptional transmission capabilities.

The operating expenditures covers the costs of maintenance and repairs related to the data centers, whereas the capital expenditures include the purchase of equipment and servers required for network development, along with the IT equipment acquired for the data centers.

CEY 5.2 - Sale of spare parts

This activity consists of revenue generated from the sale of spare parts, which operates as a separate business unit within 4iG Nyrt., providing both warranty and non-warranty repairs, as well as selling associated spare parts.

CEY 5.5 – Product-as-a-service and other circular use- and result-oriented service models

For entities One Magyarország Zrt., a DIGI Távközlési és Szolgáltató Kft. and ONE Albania sh.a., the capitalized value of CPE assets - including set-top boxes (such as the Vodafone Mediabox, which provides Vodafone TV service to subscribers), modems, and routers - is classified as capital expenditures. These assets are owned by the respective entities and are leased to customers during the provision of TV services.

Since the revenue from CPE devices does not qualify as a distinct performance obligation under IFRS 15 (given that the provider uses the set-top boxes to connect the customer to its service), we do not allocate separate revenue to the lease component of the transaction (leasing of CPE assets) that could be presented within this economic activity under the EU taxonomy.

During our assessment, we did not identify any taxonomy-aligned activities, considering that the 4iG Group has not yet conducted an assessment in 2025 regarding several fundamental requirements for compliance (e.g., the resilience of the activity to climate mitigation change). We plan to carry out these assessments necessary for demonstrating compliance during 2025 H2.

The verification of the compliance criteria for the economic activities identified as eligible was carried out on a Group-level by the ESG team, with the involvement of subsidiary environmental experts. As a first step, the technical screening criteria related to each activity, focusing on different environmental objectives, were interpreted, as a result of which 1-1 examination questionnaire was compiled for each activity. These included the criteria for relevant significant substantial contribution criteria and DNSH criteria (does not significantly harm). The questions of the questionnaire were answered on a Group level by the ESG department in consultation with the relevant subsidiary environmental experts. The expectations regarding minimum safeguards were interpreted and answered with the involvement of a Group-level by the Compliance team.

3. Accounting principles

General principles

The key performance indicators (KPIs) represent the amount ascribed to taxonomy-eligible or taxonomy-aligned activities as a percentage of total revenue, CapEx, or OpEx of the Group. The Group determined the numerator and a denominator for each KPI. The purpose of the KPIs is to show the extent to which the Group's revenue, CapEx, and OpEx during a financial year are associated with sustainable economic activities. Only the revenue, CapEx, and OpEx of the subsidiaries in the consolidated Group's financial statements are included in the denominator of the KPIs. Revenue, CapEx and OpEx from economic activities performed by the Group's investments accounted for in accordance with the equity method are not included in the required KPIs. *When collecting the financial data for the identified taxonomy-eligible economic activities, the Group has taken into consideration eliminations and adjustments made during the consolidation process.*

Double counting

When calculating KPIs, the Group avoided double counting in the numerator ensuring that the same revenue, CapEx, or OpEx was not allocated to more than one taxonomy-eligible economic activity. *In the current reporting period, the Group did not identify any amount of revenue, CapEx, or OpEx that would be relevant to more than one eligible economic activity.*

Contribution to multiple objectives

When an economic activity contributes to several environmental objectives (as listed above), the Group must demonstrate that theeconomic activity complies with all relevant criteria for the applicable objectives to which it contributes. In the reporting templates, any revenue, CapEx, or OpEx related to such an activity must be disclosed as contributing to all objectives to which the activity contributes substantially. *In the current reporting period, the Group identified economic activities, where the relevant amount can be directly allocated to one economic activity supporting one objective.*

Disaggregation of KPIs

In some cases, it may be appropriate for the Group to disaggregate an item of revenue, CapEx, or OpEx to allocate parts of that item to different economic activities so that no more than 100% of that item is allocated to the different economic activities. *In the current reporting period, the Group did not identify any item related to revenue, CapEx, or OpEx where allocation would have been necessary; therefore, no allocation method was applied to distribute the amounts among different economic activities.*

4. Calculation of key performance indicators (KPIs)

Revenue

The denominator of the revenue KPI should generally be the same as the amounts presented as revenue in the Grorup's financial statements in accordance with IAS 1.82(a). The Group's *Net sales revenue* line in the consolidated statement of comprehensive income can be reconciled to the denominator of the revenue KPI presented in the EU Taxonomy report, which amounts to HUF 350 827 million in 2025 H1 (refer to Note 3 – Net sales revenue).

At the Group, the typical revenue transactions include those that the Group recognised in accordance with *IFRS 15 Revenue from contracts with customers* and *IFRS 16 Leases*. Income that is not presented as revenue is not included in the denominator. For example, proceeds from the sale of non-current assets and government grants are not included in the definition of revenue under IAS 1 and these incomes are excluded from the denominator of the revenue KPI.

The numerators of the eligible, non-aligned KPI are determined by aggregating the revenue associated with eligible, non-aligned economic activities. As a general principle, the Group considers revenue to be associated with an eligible economic activity if that revenue is derived directly from the output of that eligible activity.

The information related to revenue (KPIs) is presented in tabular form, using the table specified in Annex II of Commission Delegated Regulation (EU) 2021/2178 (without any significant modifications) as follows:

				Substantial contribution criteria*						DNSH criteria (Does Not Significantly Harm)									
Economic activity	**Code**	**Turnover (Million HUF)**	**Proportion of turnover 2025 H1 (%)**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Pollution**	**Circular economy**	**Biodiversity**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Pollution**	**Circular economy**	**Biodiversity**	**Minimum safeguards**	**Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) turnover 2024 (%)** ***Audited***	**Category enabling activity**	**Category transitional activity**
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities *(Taxonomy-aligned)*																			
		0	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**0%**		
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Data processing, hosting and related activities	CCM 8.1	2,532	0.72%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,66%		
Data-driven solutions for GHG emissions reductions	CCM 8.2	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,00%		
Professional services related to energy performance of buildings	CCM 9.3	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,00%		
Computer programming, consultancy and related activities	CCA 8.2	29.090	8.29%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								7,56%		
Programming and broadcasting activities	CCA 8.3	37.500	10.69%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								11,25%		
Motion picture, video and television programme production, sound recording and music publishing activities	CCA 13.3	1,191	0.62%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								0,70%		
Sale of spare parts	CEY 5.2	77	0.02%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0,03%		
Sale of second-hand goods	CEY 5.4	0	0.00%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0,00%		
A.2. Turnover of Taxonomy-eligible but not environmentally sustainable activities *(Not Taxonomy-aligned activities)*		**71.390**	**20,35%**														**20,20%**		
A. Turnover of Taxonomy-eligible activities (A.1. + A.2.)		**71.390**	**20,35%**														**20,20%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		**279.437**	**79,65%**														**79,80%**		
TOTAL (A+B)		**350.827**	**100%**														**100%**		

** EL – Taxonomy-eligible activity for the relevant objective; N/EL – Taxonomy-non-eligible activity for the relevant objective.*

Capital expenditure (CapEx)

The denominators in the CapEx KPIs consist of additions to tangible and intangible assets during the financial year before any depreciation, amortisation, or any re-measurements, including those resulting from revaluations and impairment. The denominator also includes additions to rights of use assets, and tangible and intangible assets resulting from business combinations.

At the Group, CapEx covers costs that are accounted for based on:

- IAS 16 Property, Plant and Equipment, paragraph 73(e)(i) and (iii)
- IAS 38 Intangible Assets, paragraph 118(e)(i)
- IFRS 16 Leases, paragraph 53(h)

The denominator in the CapEx KPI equals the sum of additions to tangible and intangible assets and right of use assets in the Group's consolidated financial statements. The assets additions are disclosed in the following notes:

- Additions to tangible assets – *Note 17 – Property, plant and equipment*
- Additions to intangible assets – *Note 19 – Other intangible assets*
- Additions to right of use assets – *Note 20 – Right of use assets*

The total CapEx of the Group for 2025 H1 amounts to HUF 108 399million.

The Group identified only economic activities that are taxonomy-eligible but not taxonomy-aligned; the related CapEx items are also classified as eligible, non-aligned.

The Group did not identify any CapEx that is part of a CapEx plan to expand taxonomy-aligned economic activities or to enable taxonomy-eligible economic activities to become taxonomy-aligned; therefore, the requirements associated with the CapEx plans to disclose such plans are not applicable.

The information related to capital expenditure (KPIs) is presented in tabular form, using the table specified in Annex II of Commission Delegated Regulation (EU) 2021/2178 (without any significant modifications) as follows:

				Substantial contribution criteria*						DNSH criteria (Does Not Significantly Harm)									
Economic activity	**Code**	**CapEx (Million HUF)**	**Proportion of CapEx 2025 H1 (%)**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Pollution**	**Circular economy**	**Biodiversity**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Pollution**	**Circular economy**	**Biodiversity**	**Minimum safeguards**	**Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) CapEx 2024 (%)** ***Audited***	**Category enabling activity**	**Category transitional activity**
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities *(Taxonomy-aligned)*																			
		0	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**0%**		
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,00%		
Acquisition and ownership of buildings	CCM 7.7	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,00%		
Data processing, hosting and related activities	CCM 8.1	285	0.26%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,34%		
Data-driven solutions for GHG emissions reductions	CCM 8.2	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,00%		
Computer programming, consultancy and related activities	CCA 8.2	3,988	3.68%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								6,29%		
Programming and broadcasting activities	CCA 8.3	21,036	19.41%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								12,34%		
Motion picture, video and television programme production, sound recording and music publishing activities	CCA 13.3	133	0.12%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								1,00%		
Product-as-a-service and other circular use- and result-oriented service models	CEY 5.5	4,415	4.07%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								1,97%		
A.2. CapEx of Taxonomy-eligible but not environmentally sustainable activities *(Not Taxonomy-aligned activities)*		**29,857**	**27.54%**														**21,94%**		
CapEx of Taxonomy-eligible activities (A.1.+A.2.)		**29,857**	**27.54%**														**21,94%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		**78,542**	**72.46%**														**79,00%**		
TOTAL (A+B)		**108,399**	**100%**														**100%**		

** EL – Taxonomy-eligible activity for the relevant objective; N/EL – Taxonomy-non-eligible activity for the relevant objective.*

Operating expenditure (OpEx)

In case of OpEx there is no requirement to apply direct reference to the related line items in the Group's consolidated financial statements as the OpEx definition in the EU taxonomy may deviate from how OpEx is defined under different accounting frameworks.

According to the EU Taxonomy Regulation, the denominator in the OpEx KPIs consists of direct non-capitalised costs that are related to:

- research and development
- building renovation measures
- short-term leases
- maintenance, repair and materials related to maintenance
- any other direct expenditures relating to the day-to-day servicing of assets of property, plant, and equipment by the entity or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets

In addition, expenses incurred due to training and other human resources adaptation needs that are related to the items in the list above are also part of the denominator.

Costs that are not included in the denominator of the OpEx KPIs are raw materials, costs related to employees operating assets, costs related to managing R&D projects, and costs related to electricity fluids or reagents needed to operate property, plant, and equipment. Generally, the Group also excludes overhead costs, such as administrative expenses, from the denominator of the OpEx KPIs.

Similar to CapEx, if an item of OpEx qualifies as taxonomy-eligible, that item is reported as taxonomy-eligible within the respective economic activity and is considered in the numerator of the OpEx KPIs.

The information related to operating expenditure (KPIs) is presented in tabular form, using the table specified in Annex II of Commission Delegated Regulation (EU) 2021/2178 (without any significant modifications) as follows:

				Substantial contribution criteria*						DNSH criteria (Does Not Significantly Harm)									
Economic activity	**Code**	**OpEx (Million HUF)**	**Proportion of OpEx 2025 H1 (%)**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Pollution**	**Circular economy**	**Biodiversity**	**Climate change mitigation**	**Climate change adaptation**	**Water**	**Pollution**	**Circular economy**	**Biodiversity**	**Minimum safeguards**	**Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) OpEx 2024 (%)** ***Audited***	**Category enabling activity**	**Category transitional activity**
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activity (Taxonomy-aligned)																			
		0	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**0%**		
A.2. OpEx of Taxonomy-eligible but not environmentally sustainable activities (Not Taxonomy-aligned activities) (A.2.)																			
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,00%		
Freight transport services by road	CCM 6.6	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,00%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,00%		
Acquisition and ownership of buildings	CCM 7.7	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,24%		
Data processing, hosting and related activities	CCM 8.1	79	0.46%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,47%		
Data-driven solutions for GHG emissions reductions	CCM 8.2	0	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,00%		
Computer programming, consultancy and related activities	CCA 8.2	13	0.08%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								0,48%		
Programming and broadcasting activities	CCA 8.3	1,023	5.98%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								2,87%		
Motion picture, video and television programme production, sound recording and music publishing activities	CCA 13.3	45	0.26%	N/EL	EL	N/EL	N/EL	N/EL	N/EL								0,26%		
A.2. OpEx of Taxonomy-eligible but not environmentally sustainable activities ***(Not Taxonomy-aligned activities)***		**1,160**	**6.78%**														**4,32%**		
OpEx of Taxonomy-eligible activities (A.1. + A.2.)		**1,160**	**6.78%**														**4,32%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		**15,947**	**93,22%**														**95,68%**		
TOTAL (A+B)		**17,107**	**100%**														**100%**		

** EL – Taxonomy-eligible activity for the relevant objective; N/EL – Taxonomy-non-eligible activity for the relevant objective.*

2.2. Energy, Climate Change Adaptation, Climate Change Mitigation

The considerate management of natural resources and energy is a defining element of our Group's ESG strategy. Our long-term goal is to develop and implement technical solutions and processes that lead to both material and energy savings while simultaneously reducing environmental impact and mitigating environmental risks.

The 4iG Group currently does not have a transition plan. After the completion of the ongoing transformation within the Group, we intend to define the transition plan, the climate change mitigation policy, as well as the related targets and action plans in 2025 H1. In 2025 H1, the 4iG Group assessed its Scope 1, Scope 2, and Scope 3 emissions (within Scope 3, all relevant categories were assessed, which are as follows: 3.1 Purchased goods and services, 3.2 Capital goods, 3.6 Business travel, 3.11 Use of sold products). The 4iG Group defined 2024 as its base year and will publish future comparative data accordingly.

Impacts, risks and opportunities assessment

Energy	
Material Impact / Opportunity	**Time horizon**
Negative impact: The organisation uses more energy than necessary and emits more greenhouse gases, thereby contributing to climate change, which, with its more extreme weather effects, can have negative consequences for both the country and our customers.	Long term
Positive impact: Energy-efficient operation, reduced dependence on purchased energy. Reduction of greenhouse gas emissions, which can have a positive impact on potential investors, as there is increasing interest and expectation in investment decisions on this topic, and can also have a positive impact on customers who prioritise the 4iG Group's sustainability efforts before using products and services.	Long term
Opportunity: Green financing opportunities, attracting investors and customers who consider ESG aspects.	Short term

During our double materiality assessment regarding energy use and energy efficiency, we identified a long-term negative impact primarily on the environment and indirectly on people: the failure to identify or implement certain potential energy efficiency investments in our supply chain or operations further increases our GHG (Greenhouse Gas) emissions and thereby exacerbating global warming. If we can strengthen the Group's energy efficiency through various energy efficiency initiatives, this can increase trust in our Group from investors, the public, and customers as a positive impact, and we can also reduce GHG emissions from our energy consumption. For the 4iG Group, a short-term opportunity lies in leveraging of green financing sources and attracting investors and customers who prioritise ESG aspects. We primarily observe these impacts and opportunities concentrated mainly in our supply chain (manufacturing processes related to product procurement) and in our energy-intensive activities (operation of mobile relay stations and servers). As part of our strategy, the ISO 50001 energy management system presented in the chapter "1. Policy - Energy, Climate Change Adaptation, Climate Change Mitigation" is designed to manage these impacts, risks, and opportunities; the management of the relevant subsidiaries makes annual decisions on the implementation of identified energy efficiency investment opportunities and ensures the necessary financial resources are made available for these projects. The impacts, risks, and opportunities were identified as part of the double materiality assessment in 2024, therefore, their expected financial performance implications have not yet been assessed.

Climate Change Adaptation	
Material impact	**Time horizon**
Negative impact Infrastructure developments implemented by the 4iG Group aimed at mitigating the effects of extreme weather events and temperature increases (e.g., by introducing new technologies, reinforced data towers, or building new energy supply systems) may increase energy and resource demands. This increases GHG emissions from our own operations, which has a negative impact on our entire value chain and the environment.	Medium term

The determination of group-level impacts on and resulting from climate change was primarily based on the impacts, risks, and opportunities identified during our double materiality assessment. The impacts, risks, and opportunities were determined with the involvement of expert departments, incorporating their perspectives into the assessment. Regarding climate adaptation, the data and observations used for the analysis were based on historical records; future climate models are currently not available to our Group for identifying either physical or transition risks, neither in relation to our suppliers, our own operations, nor our customers. As a result, we have not conducted climate scenario analysis when assessing our impacts, opportunities, and risks either. Regarding our own operations, during the preparation of the double materiality assessment, we identified a medium-term relevant negative impact in the form of additional GHG emissions associated with our infrastructure expansion, which exacerbates global warming. The impact is real and medium-term, which through continuous measures provides significant advantages in ensuring uninterrupted operation, therefore the magnitude of the impact is moderate. We have not yet conducted a climate change resilience assessment regarding our group's strategy, as the Group is still undergoing transformation in 2025. Our expectations suggest that the identified impacts and risks will not result in material financial effects that would be significant in the context of our risk management processes.

Climate Change Mitigation	
Material impact	**Time horizon**

Positive impact: Lower carbon dioxide emissions thanks to energy-efficient technologies, thereby mitigating global warming and reducing local and global impacts.	*Medium term*

In the medium term, we identified lower carbon dioxide emissions resulting from energy-efficient technologies as an actual positive impact, which contributes to mitigating global warming and reducing local and global impacts. This impact is most present in our own operations and indirectly affects the environment and people through the development of global warming. We do not expect the presented transition impacts and risks to have a significant financial impact in the short term that would be relevant to our risk management procedures.

In our Group, we track our implemented and to-be-implemented energy efficiency projects that impact the reduction of our Scope 2 emissions through the ISO 50001 energy management systems introduced and operated at our subsidiaries presented in "*Chapter 1. Policy - Energy, Climate Change Adaptation, Climate Change Mitigation*". The previous year's specific energy data always serve as the baseline for our performance measurement.

1. Policy - Energy, Climate Change Adaptation, Climate Change Mitigation

In 2025 H1, due to its intensive acquisition activities, the 4iG Group did not have a unified group-level climate change and energy management policy applicable to all its subsidiaries. Activities related to climate change adaptation and climate change mitigation are currently implemented through the operation of energy management systems.

4iG Nyrt.has had a consolidated Environmental and Energy Management Policy since 2021. In addition to 4iG Nyrt., One Magyarország Zrt. and 4iG Távközlési Holding Zrt., also have independent energy management policies. The applicable subsidiary-level energy management regulations set out the personnel, material, and organisational conditions of energy management. All subsidiaries with policies operate energy risk assessment systems, which are supported by an energy specialist as an external contracted partner, as well as by the group-level risk management and the energy department.

4iG Nyrt. has an energy management policy related to the ISO 50001 energy management system certified by the external party. The policy confirms our commitment to reducing the energy consumption and the emission of greenhouse gases necessary for our operations. The policy's scope extends to the trade of IT equipment and solutions, service activities, IT system development, system integration, IT operations, software development, consulting, prime contracting, project management carried out at the company's headquarters, and related supporting activities, including all employees, subcontractors, and stakeholders associated with 4iG Nyrt.

Compliance with the provisions of the Policy is the responsibility of all employees; however, the managers of 4iG Nyrt. bear special responsibility for communicating, observing, and enforcing the provisions. Employees and other relevant stakeholders, including subcontractors where necessary, are actively involved (e.g., through specialist workshops and email feedback) in identifying energy-related risks and regulatory compliance issues. The policy is communicated to all employees and subcontractors and made accessible on the Company's internal network (intranet). It is reviewed annually to ensure its effectiveness and alignment with our corporate group's objectives.

One Magyarország Zrt. and 4iG Távközlési Holding Zrt. also had their own energy management policies and internal regulations by 2025 H1. These policies address making energy management sustainable, reducing and optimising energy use, complying with legal requirements, and maintaining a balance between achieving our business objectives, ensuring efficient energy use, and thereby protecting our environment.

2. Actions, Targets – Energy, Climate Change Adaptation, Climate Change Mitigation

Certain member companies of the 4iG Group qualify as large enterprises under the 2015 Act LVII on Energy Efficiency. The law imposes several obligations for large enterprises, such as the obligation to perform an energy audit every four years. A large enterprise that implements and operates an energy management system in compliance with the ISO 50001 standard is exempt from the mandatory audit obligation every four years.

Energy audits and internal and external audits under the ISO 50001 standard have identified opportunities to improve energy efficiency, contributing to sustainable operations and cost reduction.

- Simple measures (requiring little or no investment), such as reducing consumption outside operating hours, setting appropriate temperature, improving vehicle efficiency, introducing an energy monitoring system, training employees, and checking bills.
- Cost-optimal investments (economically viable without subsidies) such as introducing sub-metering systems, lighting modernisation, improving cooling system, consolidating network equipment (HUB), installing solar panel systems, or energy-efficient equipment procurement.
- Cost-intensive investments (with longer payback or requiring subsidies), such as building renovation, mechanical engineering developments, installation of condensing boilers.

The 4iG Group has set as a short-term goal the formulation of a unified group-level energy management policy for all our member companies and employees following the transformation period currently underway at the Hungarian member companies.

In 2024, the 4iG Group began to assess its greenhouse gas emissions for the year 2023, partly due to the inclusion of One Magyarország Zrt. in the corporate group that year. A separate GHG assessment covering 2025 H1 was conducted for the purposes of this report. The 4iG Group plans to define its climate change emission reduction targets and the remuneration ratios related to their achievement in 2025 H2, after the completion of the Group's transformation. At that time, we also intend to review whether to take climate-related considerations into account in the remuneration of members of the administrative, executive, and supervisory bodies, which are not currently included.

Metrics

[E1-5] Energy Consumption and Structure

On the global scale, the ICT sector is not classified as a high climate-impact sector; our Group's total energy consumption is presented in the table below, including energy use related to our operations, technology, transportation, and energy management.

Energy consumption and mix	**2025 H1**
Total fossil energy consumption (MWh)	19 891,33
Share of fossil sources in total energy consumption (%)	13,12%
Consumption from nuclear sources (MWh)	10 369,24
Share of consumption from nuclear sources in total energy consumption (%)	6,84%
Energy consumption and mix	**2025 H1**
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	0
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	121 361,09
The consumption of self-generated non-fuel renewable energy	0
Total renewable energy consumption (MWh)	121 361,09
Share of renewable sources in total energy consumption (%)	80,04%
Total energy consumption (MWh)	151 621,66

In respect of 2025 FY 4iG Group has secured green electricity procurement for its entire Hungarian operations through Guarantees of Origin (GO). Projected onto the national energy mix, our Montenegrin operations have been assessed as 53,3% renewable-based. The electricity consumption of One Albania was calculated as renewable, considering that Albania produces the country's electricity needs 100% on a renewable basis – largely using hydropower.

Energy Production Data

By non-renewable energy production, we mean the energy produced by stationary point sources, combustion equipment, and generators located at the 4iG Group's sites. The combustion equipment primarily serves to meet the heating and hot water needs of our buildings, while the generators produce the electricity necessary for uninterrupted technologies (server rooms, network operation equipment in cases where external power sources are unavailable. For Hungarian member companies, there was no renewable energy production in 2025 H1.

The data of renewable and non-renewable energy production are detailed in the table below.

Renewable energy production (MWh)	0
Non-renewable energy production (MWh)*	11 528

**These data represent the 2024 Non-renewable energy production.*

During the reporting period, the 4iG Group, in the case of One Albania and its entire Hungarian operations secured its entire electricity demand from renewable energy sources. The largest energy-consuming companies within the Group are 4iG Távközlési Holding Zrt., DIGI, and One Magyarország.

Scope 1, 2, and 3 Gross and Total GHG Emissions

Greenhouse gas (GHG) emissions are categorized as follows:[9]

- Direct Emissions (Scope 1): Emissions originating from sources owned or controlled by the company.
- Indirect Emissions (Scope 2): Emissions resulting from the generation of purchased energy. For example, emissions from grid electricity production fall into this category.
- Other Indirect Emissions (Scope 3): Emissions that result from the company's operations but originate from sources not owned or controlled by the company.

In the reporting year, the Group's companies assessed their Scope 1, Scope 2, and Scope 3 emissions according to a unified methodology.

From 2024 onwards, for member companies co-locating on transmission towers within the Group, the owner of the main meter reports the emissions in all cases, thereby avoiding double counting.
The 4iG Group's 2025 H1 emission inventory was prepared in accordance with the Greenhouse Gas Protocol, following the principle of financial control, according to which the enterprise is responsible for – and thus must report – all emissions related to assets under its financial control. The Scope 1-2-3 calculation applied the “GHG Emission Calculation Tool” provided by the GHG Protocol (WRI, 2014). The calculation methodology follows the guidance of the Greenhouse Gas Protocol: “Technical Guidance for Calculating Scope 3 Emissions"(version 1.0) and “Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard” (WRI, WBCSD, 2013).

Emission Factors Applied:
Scope 1:
- Stationary combustion: EPA, "Emission Factors for Greenhouse Gas Inventories[10]"
- Mobile combustion: EPA, "Emission Factors for Greenhouse Gas Inventories"
- Fugitive emissions: IPCC Sixth Assessment Report, 2020 (AR6)

Scope 2:
- Location-based electricity: IEA data from the IEA (2024) EmissionFactors 2024[11]
- Market-based electricity: AIB, European Residual Mixes 2023, May 30, 2024
- Purchased district heating: EPA, "Emission Factors for Greenhouse Gas Inventories"

Scope 3:
Purchased goods and services:
- Applied source: US EPA: US Environmentally-Extended Input-Output (USEEIO) database (Ingwersen, 2024b)

Capital goods:

[9] Source of the definitions: GHG Protocol.
[10] reference: EPA - Emission Factors for Greenhouse Gas Inventories - https://www.epa.gov/system/files/documents/2025-01/ghg-emission-factors-hub-2025.pdf
[11] reference: IEA - www.iea.org/statistics

- Applied source: US EPA: US Environmentally-Extended Input-Output (USEEIO) database (Ingwersen, 2024b)

Business travel:

- DEFRA: Greenhouse gas reporting: conversion factors 2024 (DEFRA, 2024)
- For expenditure-based data: US EPA: US Environmentally-Extended Input-Output (USEEIO) database (Ingwersen, 2024b)

Use of sold products:

- Location-based electricity: IEA data from the IEA (2024) Emission Factors 2024

Assumptions and estimates used in the calculations:

- Fugitive emissions of refrigerants: if the refrigerant is a mixture, we calculated its global warming potential (GWP) from the GWP data of the gases constituting the mixture;
- GHG emissions from fire extinguishers and equipment was assumed to be zero; based on the data submissions indicating no such emission in 2025 H1;
- Electricity consumption-related GHG emissions: we used reference data from the International Energy Agency (IEA) for location-based calculations, and reference data from the Association of Issuing Bodies (AIB) for market-based calculations.
- If electricity consumption data for the given period was not available in the reporting year, and no operational and structural changes occurred, we used the consumption data of the same period from the previous year as an estimate.
- In the calculation, we considered CO_2, CH_4, N_2O, and HFCs as relevant GHGs.

The criteria applied for the Scope 3 calculation were based on industry-specific guidelines. A sector-specific framework was used (ITU, GESI, GSMA, SBTI, 2020), which emphasises that the most significant Scope 3 environmental impact categories for ICT companies are likely to be:

- 3.1 Purchased goods and services;
- 3.11 Use of sold products;
- 3.2 Capital goods due to significant financial exposure and related emissions
- 3.6 Business travel as the Group has expanded internationally.

The table below presents our emissions in Scope 1, 2, and 3 categories:

	Total emissions / Scope (t CO2e)
Scope 1 – market-based	**6 005**
of which stationary combustion	1 240
of which mobile combustion	4 671
of which fugitive emissions from refrigerants	93
of which under EU ETS	0
Scope 2 – market-based	**38 473**
of which purchased electricity	37 875
of which purchased district heating	598
Scope 2 – location-based	**19 016**
of which purchased electricity	18 419
of which purchased district heating	598
Scope 3 – market based	**41 073**
3.1 Purchased goods and services	18 403
3.2 Capital goods	8 903
3.6 Business travel	181
3.11 Use of sold products	13 587
Total GHG emissions Scope 1,2,3 – market-based	**85 551**
Total GHG emissions Scope 1,2,3 – location-based	**66 094**

There is no company over which the 4iG Group exercises operational control, so there are no GHG emissions associated with them.
None of the 4iG Group's member companies conduct activities subject to EU ETS.

Planned measures for the future in Scope 1,2,3 categories:
For Scope 1,2 and 3 emissions, the level of uncertainty is low, but supporting data collection with a software solution is a planned measure of the Group.

Purchased goods and services, as well as capital goods:

- All expenditures must be categorized.

- Relevant stakeholders of the company must be involved in linking procurement categories and EEIO database factors.
- Scope 1 and 2, as well as product-related greenhouse gas (GHG) data, must be requested from key suppliers.

Business travel:

- The distance-based method must be mandatorily applied, and activity data must be collected accordingly.
- The travel class (e.g., business, economy) and the exact departure/destination location (e.g., airport name, IATA codes) must be tracked.

Use of sold products:

- The list of relevant products must be re-evaluated based on their assumed impact to improve the representation of services.
- The specification of products and services must be elaborated in more detail (e.g., energy consumption, assumed lifespan, indirect emission potential).
- Research findings from surveys or secondary data must be applied to define more accurate product usage scenarios.

Disclosure of the impacts of significant events and changes in circumstances between the reporting date of the economic entities in its value chain and the general-purpose financial statements of the enterprise (related to its GHG emissions). The 4iG group has no subsidiary with a different reporting year.

Greenhouse Gas Emission Intensity

The intensity of greenhouse gas (GHG) emissions indicates how much greenhouse gas – expressed as carbon dioxide equivalent– emissions are associated with the creation of one unit (billion HUF) of economic value. In the reporting half-year, the 4iG Group's total GHG intensity on a market-based basis was 243.9 tonnes CO_2e/billion; total GHG intensity on a location-based basis was 188.4 tonnes CO_2e/billion HUF relative to the total net revenue (350, 827 million HUF).

2.3. Resource Outflow Related to Products and Services, Waste

In the second half of 2023, a new waste management system was established in Hungary, according to which MOHU MOL Hulladékgazdálkodási Zrt. (hereinafter: MOHU) has rights and obligations (collection, disposal, recycling, etc.) for certain waste streams. Accordingly, the Hungarian member companies of the 4iG Group have contracts with MOHU for these waste streams, For other waste types (municipal waste), we are in contact with service providers who ensure the highest possible rate of recycling of the collected waste. According to Government Decree 197/2014 on waste management activities related to electrical and electronic equipment, we provide our residential customers and business partners with the option to return electronic devices (such as mobile phones, routers, boxes, landline telephones, laptops, etc.) at retail premises, by postal return, or in case of malfunction, colleagues performing on-site installation take them away. These devices are then documented and handed over to authorized recycling partners for recycling. Municipal waste is collected by the respective municipal public service provider as part of the mandatory public service.

Impacts, risks and opportunities assessment

Resource Outflow Related to Products and Services	
Material impact	**Time horizon**
Negative impact: The 4iG Group trades and uses a significant amount of electronic devices for infrastructure development and service provision. The e-waste generated from device obsolescence, replacement, malfunction, or improper disposal/recycling can pose risks to local communities and the environment.	Medium term
Waste	
Material impact	**Time horizon**
Negative impact: Devices handled by the 4iG Group, such as mobile phones and network equipment, may contain hazardous materials, the improper waste management of which can contaminate soil, water, and air, negatively affecting the health of local communities and waste processing workers.	Medium term

In the double materiality assessment regarding resource outflow related to products and services, we identified the depletion of non-renewable resources and e-waste generated from distributed products as medium- and long-term impacts affecting both people and the environment within our upstream value chain, which may pose a threat to the environment. We see this negative impact concentrated mainly in our supply chain (manufacturing processes related to product procurement). We anticipate that in the medium- to long-term, we must prepare for procurement price increases resulting from the scarcity of raw materials, for which we currently do not have a management plan.

The scope of activities within the 4iG Group that generate significant actual and potential waste varies by company. Our highest waste-generating activities include infrastructure maintenance, IT

operations, and network maintenance, which result in electronic and other waste, such as packaging materials. Additionally, packaging waste is generated during procurement and distribution.
A key element of our ESG strategy is reducing waste generated during our operations. We aim to achieve this by maintaining and increasing the recycling rate of waste and by prioritizing suppliers whose products and services have less packaging material, higher energy efficiency, and longer lifespans.
The 4iG Group manages waste generated during its work in compliance with current legislation. The 4iG Group fulfils its manufacturer and distributor obligations by using the state recycling system while paying the product fee for electronic devices subject to the product fee law. We pay EPR fees for packaging materials, batteries, and electronic devices procured from abroad. The Hungarian subsidiaries of the 4iG Group have the mandatory environmental liability insurance prescribed by Government Decree 681/2023 (XII.29) on the detailed rules of financial guarantee, provision, and environmental insurance requirements related to waste management.

1. Resource Outflow Related to Products and Services, Waste

In 2025 H1, the 4iG Group did not have a unified policy related to resource outflow and waste management for products and services applicable to all its subsidiaries.

4iG Nyrt. has had a combined Environmental and Energy Management Policy since 2021. After the completion of the Group's transformation project in 2025 H2, we intend to issue a unified, group-level environmental policy for the subsidiaries. At the end of 2024, in addition to 4iG Nyrt., ACE Network Zrt., One Montenegro, and One Albania had environmental management policies and a certified ISO 14001 management systems. The existing environment management-related regulations 4iG Távközlési Holding Zrt., 4iG Nyrt., One Magyarország Zrt. - Integrated Management Manual, Environmental and Energy Management Regulation) set out the personnel, material, and organisational conditions for environmental protection activities. Subsidiaries with established policies operate a risk assessment system related to environmental factors, which is supported by an environmental consultant as an external contracted partner, as well as by Group-level risk management and the environmental department.

The management of the 4iG Group is committed to protecting the environment, and within this framework, we pay special attention to preventing and continuously mitigating the environmentally harmful impacts arising from our operation.

4iG Nyrt.has an environmental policy within the framework of its externally certified ISO 14001 environmental management system. The policy demonstrates our commitment assessing the environmental impact of our activities and developing environmental programmes to address significant impacts. The policy's scope extends to the trade of IT equipment and solutions, service activities, IT system development, system integration, IT operations, software development, consulting, prime contractor activities, project management carried out at the company's headquarters, and related supporting activities, including all employees, subcontractors, and stakeholders associated with 4iG Nyrt.

Compliance with the provisions of the Policy is the responsibility of all employees; however, the managers of 4iG Nyrt.bear special responsibility for communicating, observing, and enforcing the provisions. We actively involve employees and other stakeholders – subcontractors when necessary – in identifying environmental risks and legal compliance issues. We communicate the policy to all employees and subcontractors and make it accessible on the Company's internal network (intranet). The policy is reviewed annually to ensure its effectiveness and alignment with the Group's objectives.

2. Actions, Targets - Resource Outflow Related to Products and Services, Waste

Whitin our Group, we monitor the implementation of environmental protection measures through the ISO 14001 environmental management systems introduced and operated for our subsidiaries presented in the Chapter "1. Policy - Resource Outflow Related to Products and Services, Waste," with annual remeasurement. An important pillar of the 4iG Group's ESG Strategy adopted in 2024 is reducing waste generation and promoting the recycling of electronic waste generated, such as increasing the recycling rate of our own waste (e.g., network waste, maintenance waste, etc.). The specific objectives related to this strategy are intended to be determined in 2025 H2, based on the volume of waste generated in 2024.

During our double materiality assessment, we identified the potential negative environmental impact of our waste and waste management practices as a medium-term concern. Specifically, if hazardous materials were to be released into the environment from our operations or from products distributed to customers, this could pose a significant risk. Types of waste and secondary raw materials characteristic of our operations include: for broadcasting: transmitter equipment frames, switches, routers, feeder cables, antennas, antenna mounting towers and metal supporting brackets, as well as secondary raw materials resulting from the modernisation and replacement of other equipment necessary to ensure continuous operation; for telecommunications: mobile phones, landline devices, setup boxes, Wi-Fi routers, outdoor units, batteries/accumulators, dismantled cables, other devices and equipment necessary for continuous service.

We recognise opportunities in maximising waste recycling and preventing waste generation within our own operations (our daily operations, routers placed at customers, etc.), or across our waste management value chain. Measures aimed at waste reduction have been introduced, such as in the case of One Magyarország, the introduction of electronic contracting, invoicing, e-communication, e-SIM, and device trade-in programmes when purchasing a new device.

These directions are supported by the ISO 14001 environmental management system introduced at our parent company, within the framework of which we pay attention first to improving our own waste management practices, as well as to the activities of selected waste management service providers. We see these impacts, risks, and opportunities concentrated in our supply chain (manufacturing processes related to product procurement, for example, considering the proportion of recycled packaging material, the proportion of recycled material content in products in the case of tenders) and in our internal waste management practices. As part of our strategy, the ISO 14001 management system presented in the Chapter "1. Policy - Resource Outflow Related to Products and Services, Waste" is designed to manage these impacts, risks, and opportunities. Decisions on identified waste management opportunities are made annually by the leadership of the affected subsidiaries, ensuring the necessary financial resources are allocated accordingly.

Metrics - Resource Outflow Related to Products and Services, Waste

Municipal (selective and mixed) waste generated at our sites is collected through mandatory public waste services and transported by the designated service provider, MOHU. According to the law on waste registration, the obligation to keep records related to the transported waste lies with MOHU; the basis of the public service contract is not the weight of the waste but the number and frequency of collection of waste collection containers of a given volume. Thus, we only have an estimated quantity for these waste streams, calculated based on the volume of the containers, emptying frequency, and the currently valid Msz EN 840-1:2013 standard for waste collection containers. The standard sets the maximum amount of waste that can be collected in standard waste collection containers, which forms the basis of the calculation. The size of waste collection containers at the sites varies (120; 240; 1100 litres and 5 m³ size), so we also took these into account in the calculation.

Selective waste collection is conducted at 11 sites, with an estimated total annual waste volume of 176.8 tonnes, based on container capacity, emptying frequency, and the allowable waste volume per the standard.

The MSZ EN 840 standard mandates that only compliant waste containers may be used for public waste services and collected by standardised collection vehicles.

The Msz 840-1 standard applies to containers with volumes of 120 and 240 liters, the 840-2 standard to containers with volumes of 500; 770 and 1100 liters, and the 840-3 standard to containers with convex lids of 770 and 1100 liters.

Maximum waste amount that can be placed according to the standard depending on the volume: 70 liters-20 kg, 120 liters-40 kg, 240 liters-60 kg, 1100 liters-300 kg, 3 m³-800 kg, 5 m³-1000 kg.

For the two affected member companies (4iG Távközlési Holding Zrt. and Invitech), the waste volume was determined by calculation, based on the number of collection containers, emptying frequency, and the maximum amount of waste that can be placed according to the standard.

As the actual weight of emptied waste is unknown and the waste collection vehicles (rotopress, variopress) only regulate collection based on overloading rather than weighing waste, calculations were based on the maximum allowable waste volume.

Data and Information on Waste:

	2025 H1	Related activity, waste source
Total waste produced (tonnes)	**792.242**	
of which hazardous waste	**32.305**	
Lead battery	32,305	UPS battery replacements at broadcasting stations
Used motor oil	0	
Electronic waste	0	Vehicle maintenance
Battery	0	
of which non-hazardous waste	**759.937**	Contaminated IT-related waste
Mixed waste	0	Office waste
Industrial mixed metal waste	0	
Other plastic-containing waste	1.937	Unsorted construction and demolition waste
Electronic waste	36.897	Construction and demolition waste
Industrial metal waste	176.908	Packaging and other technological waste
Municipal waste	390.623	IT and technology-related waste
Selective waste	89.96	Construction and demolition waste
Electronic waste	3.089	Estimated quantity, communal-type office waste
Wood waste	10.3	Office selective waste, mainly packaging material and paper

	2025 H1	Related activity, waste source
Electronic equipment	18.944	Telecommunications maintenance
Paper waste	0	Pallets and wooden poles resulting from operations and maintenance
Cable	11.03	Telecommunications maintenance
Copper, bronze, brass	0	Packaging and office waste
Aluminium	0.876	
Primary battery, Secondary battery	0.004	Telecommunications maintenance and construction
Bulky IT equipment/decommissioned hardware	3.9	Telecommunications maintenance and construction
Concrete waste	15.469	Telecommunications maintenance and construc
Total amount of radioactive waste (tonnes)	**0**	-

The table above contains all relevant waste types generated by 4iG Group's activities.

	Unit	2025 H1		
		On site	*Outsourced*	*Total*
The total amount of waste diverted from disposal	**tonnes**	**0**	**386.15**	**386.15**
Hazardous waste diverted from disposal	**tonnes**	**0**		32.305
Preparation for reuse	tonnes	0	32.305	32.305
Recycling	tonnes	0	0	0
Other recovery operations	tonnes	0	0	0
Non- hazardous waste diverted from disposal	**tonnes**	**0**	**353.845**	**353.845**
Preparation for reuse	tonnes	0	353.845	353.845
Recycling	tonnes	0	0	0
Other recovery operations	tonnes	0	0	0

	Unit	2025 H1		
		On site	*Outsourced*	*Total*
The total amount of waste directed to disposal	**tonnes**	**0**	**406.09**	**406.09**
Hazardous waste directed to disposal	**tonnes**	**0**	**0**	**0**

	Unit	2025 H1		
		On site	*Outsourced*	*Total*
Incineration	tonnes	0	0	0
Landfill	tonnes	0	0	0
Other disposal operations	tonnes	0	0	0
Non- hazardous waste directed to disposal	**tonnes**	**0**	**406.09**	**406.09**
Incineration	tonnes	0	0	0
Landfill	tonnes	0	406.092	406.092
Other disposal operations	tonnes	0	0	0

For non-hazardous waste, all landfilled waste consists of municipal waste. Selective waste collection bins are in place at our sites and offices. 48,74% of hazardous and non-hazardous waste generated during operations is sent for recycling.

3. Social information

For the 4iG Group, the most valuable assets are its employees, who contribute to the Group's successful operation and continuous growth with their professional knowledge and individual competencies. In recent years, including 2025 H1, the greatest challenge for the 4iG Group's human resources area has been the transformation process taking place in the group and its dynamic growth, especially in terms of the integration of various member companies. This process required and continues to require continuous harmonization, especially in areas affecting employees.
The aim of the process is to create a common corporate value system that plays a defining role in the life of the group in the long term.
Our strategic goal is to harness the unique strengths, knowledge base, and proven practices of our member companies, thereby promoting the establishment of a unified corporate culture. Building on these existing values, we strive for the sustainable growth and efficient operation of the 4iG Group.

During the double materiality assessment, the 4iG Group identified five material topics related to its workforce:

- Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)
- Training and skills development
- Health and safety
- Equal treatment and opportunities for all (Gender equality and equal pay for equal work of equal value, Employment and inclusion of persons with disabilities, Diversity)
- Privacy (*presented in Chapter 3.5*)

The topics presented in the following subtopics and the impacts and opportunities described there affect all employees of the 4iG Group, so we do not make distinctions between them during the presentation; the descriptions apply to the entire employee group. In 2025 H1, the 4iG Group had few non-employee colleagues, approximately 3% of the total workforce. They are student workers hired through student cooperatives, and those with contract-based employment relationships. The number of our Employees, who make up the vast majority (97%) of our workforce, is thus more than 8,200.
The 4iG Group is a company group built on a knowledge-based workforce, so the well-being, health, and safety of our colleagues is a key focus area of our operations. Our operations have mostly positive impacts on our employees; our goal is to strengthen these positive impacts, reduce the likelihood of potential negative impacts and risks, and exploit related opportunities as we carry out our tasks.
The main negative impact on our own employees is the occurrence of workplace accidents. In each of our subsidiaries, work is predominantly office-based, however, One Magyarország, Digi, and 4iG Távközlési Holding Zrt. also employ a larger number of technicians. According to our workplace accident records, negative impacts occur only sporadically, not at a system-level.
The most tangible positive impact of our operation is increasing employment and providing fair compensation for our colleagues. Currently, we offer different benefit packages at the subsidiary level within our group, which share the common feature of being competitive, attractive packages that serve employee needs and support our recruitment and employee retention goals. We strive for effective, open communication with our employees, providing opportunities for their involvement and incorporating their feedback into operations. Our subsidiaries currently have different regulations but uniformly provide opportunities for our employees to complete the training necessary for their job positions, which even in the short term carries the potential for increasing the group's knowledge base and success. Our group currently does not engage with unified equal opportunity or female quota-linked programs, which has been identified as a medium-term risk during our analyses. Due to

corporate acquisitions in 2025 H1 and the significantly expanded operational holding structure, one of the most important tasks for 2025 H2 will be - among other things in matters affecting our own employees - the development of a unified 4iG Group operational structure. Our group has not identified specific group-related impacts, risks, or opportunities arising from different geographical locations - especially regarding Albania and Montenegro.

We have not identified material impacts on our own workforce resulting from transition plans aimed at reducing negative environmental impacts and implementing greener and climate-neutral operations. The 4iG Group does not employ, either directly or indirectly, in a status other than employee status, persons with specific characteristics, those working under certain circumstances, or those performing specific activities who would be exposed to significantly greater danger than what is generally associated with their job position.

The 4iG Group actively cooperates with its employees in order to ensure that their opinions are taken into account and incorporated into decision-making processes.
The Group maintains open communication channels that encourage feedback and provide opportunities for meaningful participation in decision-making processes related to workplace conditions and organizational goals.
The 4iG Group has established regular contact opportunities through various platforms:

- **Employee surveys (Pulse Survey):** These surveys allow the 4iG Group to collect feedback on key issues related to the commitment of the entire workforce such as career development opportunities and overall well-being.
- **Employee forums**: The management of the 4iG Group regularly holds employee forums; during the transformation, the Project management reports on all significant results to employees in person, via email, or through video messages, as well as on the current status of the transformation. The purpose of these forums is to inform employees about Group-level results, guidelines, and the Group's future prospects.

In addition, we use communication platforms and channels, such as the intranet and our so-called "Viva Engage" platform, to communicate measures and provide opportunities for employees to raise their questions.
Regarding decisions affecting larger groups of employees, representative groups were informed. In 2025 H1, among the 4iG Nyrt.'s subsidiaries, One Magyarország Zrt., 4iG Távközlési Holding Zrt., and DIGI Távközlési és Szolgáltató Kft. had occupational safety and health representatives. The other subsidiaries did not have representatives in the reporting half-year. Employees can contact the occupational safety and health representatives via email, or in person if needed. The contact person is included in the annual mandatory occupational safety and health training.
At the operational level, the Group Head of HR is responsible for ensuring that these collaborations take place and that the results permeate the approach applied by the 4iG Group.
The 4iG Group has not published any global framework agreement or other agreement with employee representatives specifically aimed at respecting the human rights of its own workforce.

S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns

The correction of negative impacts affecting employees, as well as channels allowing employees to voice concerns, are primarily provided by the Group HR Directorate. The employees of the 4iG Group

are obliged to report any unsafe work environment, accident, or other occupational safety issue to their direct supervisor or HR manager by phone or email. The Group currently does not conduct evaluations on how well its own employees know and trust the structures or processes for raising and addressing their concerns or needs.
Employees are also entitled to submit whistleblowing reports to the Compliance organisation if they experience any perceived or actual illegal conduct or conduct that violates the requirements of the Code of Ethics and Business Conduct or internal regulations. Detailed information about the availability of the whistleblowing channel and the handling of whistleblowing reports can be found in Chapter 4.2. The whistleblowing channel does not replace the channels available to employees for expressing concerns, but operates independently and in parallel with them.

3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)

Vision

Maintaining an appropriate balance between work and private life is crucial for employee well-being, as it helps prevent burnout in the long term and reduces the risk of employee turnover. To this end, the 4iG Group continued to provide part-time employment for its employees in 2025, and we remain committed to the hybrid work model (on-site and remote work) throughout the whole Group. In addition, the group-level Code of Ethics and Business Conduct (hereinafter: Code of Ethics or Code) also includes forms of behaviour to be followed and avoided regarding fair working conditions, as well as labour principles, respect for working hours, and work-life balance.
Respect for human rights is a fundamental aspect of the 4iG Group's business model. The 4iG Group's Code of Ethics and Business Conduct integrates the guiding principles of the United Nations Universal Declaration of Human Rights, which serve as the basic framework for its labour policies. Although not explicitly stated in the Code of Ethics, it adheres to internationally recognised human rights standards, including the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. The 4iG Group ensures compliance with labour laws, fair wages, non-discrimination, and the provision of an adequate work environment. The 4iG Group does not tolerate any form of forced labour, child labour, or other forms of unethical employment, such as withholding wages, denying sick leave or daily rest periods, or abuse of alternative forms of employment.
To support these commitments, individual member companies of the 4iG Group have implemented policies such as health and safety regulations, remote work regulations, remuneration policies, and guidelines included in the Code of Ethics, such as well-being, inclusion, diversity, and equality, which

Impacts, risks and opportunities assessment

Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)	
Material Impact	**Time Horizon**
Positive Impact Increased employee satisfaction, commitment, and productivity through appropriate working conditions and employment practices.	Short term

Work-life balance and appropriate working conditions have a direct impact on employee well-being. To mitigate turnover, the 4iG Group ensures fair working conditions, competitive compensation, and work-life balance; some member companies have developed mitigating measures, including labour policies, to address negative impacts (more detailed description in subsection "1. Policies"). Excessive impacts concentrating on employees reduce their motivation and increase stress levels. These factors can contribute to the development of mental and physical health problems.
The identified positive impact is directly linked to the 4iG Group's strategy and business model, as human capital is one of the most important factors in the Group's sustainable growth. The 4iG Group's own operations are affected by impacts related to working conditions, as these impacts may appear within its own employee group.

1. **Policies - Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)**

Due to the 4iG Group's transformation process, unified group-level policies were not yet available in all areas in 2025 H1. However, the member companies already had their own labour policies and practices in place independently, which ensured the regulation and compliance of their operations.

4iG Nyrt. and One Magyarország have company-level remote work regulations that define the conditions for home-based work, the work order, and related procedures. For DIGI and 4iG Távközlési Holding Zrt., the Human Resources Policy includes working time management and home-based work requirements. Invitech regulates both office and home-based work, which is documented in the Computer-Based Work Regulation.
In the area of fringe benefits and incentives, the companies applied different regulations. 4iG Nyrt. introduced a Cafeteria Regulation, which provides the opportunity for fringe benefits tailored to individual needs. DIGI operates a so-called Variable Salary Regulation, which defines the framework for employee bonuses and benefits. In the case of 4iG Távközlési Holding Zrt., the Employee Handbook records fringe benefits – including bonuses – and in addition, Invitech, One Magyarország, ONE Albánia, and ONE Crna Gora have Bonus and Remuneration Regulations, which record the details of incentive programs and remuneration criteria.
Different regulations were in effect at various companies of the 4iG Group for the regulation of leave management and working time records in the reporting year. 4iG Nyrt. apply a dedicated Leave Regulation, which provides a unified framework for employees to request and manage leave. In the case of 4iG Távközlési Holding Zrt. and DIGI, the Human Resources Policy contains provisions for leave management. One Magyarország's leave management appears integrated in their Home-Based Work Regulation.
The policies and regulations applied by the given member company cover all employees employed by it. The main internal stakeholders of labour policies are employees and managers, while from the perspective of external stakeholders, it is the legislators. The 4iG Group's central remuneration area regularly monitors that employees do not receive wages below the specified reference value of the given country (minimum wage or guaranteed minimum wage). This also ensures maintaining the feeling of a stable workplace and appreciation. In 2025 H1 - in line with our stock exchange remuneration report - sustainability-related incentives were not built into remuneration at the Group's subsidiaries.

The managerial levels responsible for implementing and monitoring labour policies vary by company. In the case of 4iG Nyrt., the HR director oversees compliance with regulations, while at 4iG Távközlési Holding Zrt., the HR organization and the professional manager are responsible. At DIGI, the HR Business Partner (HRBP) leader, while at Invitech and One Magyarország, the deputy CEO and HR director carry out this task. In implementing the regulations, the companies respect various third-party standards and initiatives, including management systems introduced and certified according to ISO 9001 and ISO 27001 standards, OECD guidelines, and EU employment rules.
Regarding the availability of the aforementioned labour regulations, every member company where there is a regulation in effect makes it available to its employees through internal systems, such as intranet or SharePoint platforms.

Some subsidiaries did not yet have approved labour policies for specific sustainability issues in 2025 H1. Additionally, the size of the affected member companies did not yet necessitate the introduction of these labour policies. The member companies are actively carrying out the development process and, where it is justified, they plan to introduce these policies in the short term.
Affected member companies:

- Hungaro Digitel Kft. (HDT)
- Poli Computer PC Kft.
- Innobyte Zrt.
- ACE Network Zrt.
- BRISK Digital Group Kft.
- CarpathiaSat Zrt.
- Rotors&Cams Kft.

2. **Actions - Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)**

In the 4iG Group, our policies, procedures, and processes serve as the basis for our activities aimed at preventing potential negative impacts and promoting positive outcomes. These frameworks help identify and implement measures to address potential negative and positive impacts on our workforce. By conducting regular assessments and incorporating feedback from employees through channels such as employee surveys (Pulse Survey) and internal channels, platforms (intranet, Viva Engage), they ensure that our efforts align with their needs and contribute to a supportive and inclusive workplace. Our goal is to ensure that our practices do not cause or contribute to significant negative impacts on our workforce.
In the reporting half-year, we provided a unified group-level health insurance benefit for all employees in Hungary to preserve and improve their health. To support families with young children, we provide extra paternity leave for our eligible employees beyond the legal requirements.
The member companies of the 4iG Group ensure the protection of employee rights and employment conditions through specific measures while complying with local labour regulations. The measures applied include:

- Working hour regulation, leave: Management of working hours and overtime in accordance with local regulations, including ensuring appropriate rest periods and days off. The 4iG Group expects this from all its member companies. Additionally, employees can take paternity leave; we provide fathers with an extra 10 days of paid leave when a child is born. For mothers, we provide extra supplementary leave beyond the statutory maternity leave. Those whose employment has existed for at least 1 year are entitled to 44 working days of parental leave until their child turns three years old.
- Wages and benefits: The company develops its employee remuneration system in accordance with minimum wage requirements and industry standards.
- Working conditions: Based on the principle of equal treatment, opportunities for all and a non-discriminatory environment are ensured during the selection and employment processes as an operational principle prescribed in the Code of Ethics.
- Work-life balance: Remote work and flexible working opportunities are available to employees of the companies mentioned in the "1. Policies" Chapter, where the nature of the job allows it.

These measures ensure that the member companies of the 4iG Group comply with legal requirements while supporting employee well-being and long-term commitment.
After the intensive group-level transformation, in the coming years, we will focus on maintaining a high standard of workplace practices in working conditions that align with legal requirements and ethical guidelines, ensuring that all employees receive fair and respectful treatment.

3. **Targets - Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)**

In 2025 H1, due to group-level transformations, we did not set specific objectives; however, as part of our business operations, we evaluate our initiatives and their impacts at appropriate management levels. We record our established processes within the functions that have daily responsibility for ensuring compliance with our policies, and our continuous engagement channels and channels for raising concerns are also available. This decision reflects our commitment to strategic focus and industry-specific priorities. The 4iG Group plans to define objectives in the medium term after the completion of the transformation project, which it aims to achieve at the Group level.

Metrics - [S1-6] Characteristics of the undertaking's employees

The headcount data presented in the Social Chapter reflect the sets of statistics of the 4iG Group as of June 30, 2025, except in cases where the ESRS requests different data (e.g., S1-15 and S1-16).
When providing headcounts – where the ESRS does not request otherwise – the report is prepared considering those in employment who belong to the statistical headcount according to the KSH (Hungarian Central Statistical Office) guide - thus employees who are absent due to childbirth, absence due to illness longer than 30 days, exemption from work, and those on unpaid leave are not taken into account. Furthermore, employees employed for less than 60 hours per month according to their employment contract are also not taken into account.
The data are given in Headcount, the number of employees according to the full-time equivalent (FTE) was only used in the calculation of the remuneration indicators (pay gap and total remuneration, S1-16 indicators).
The most characteristic data for the end 2025 H1 headcount presented here is the statistical average headcount appearing in the personnel expenses chapter of the financial statement.

S1-6 Distribution by gender

Number of own employees by gender (persons)	**2025 H1**
Male	5 192
Female	3 027
Other	0
No information	0
Total employees	**8219**

Calculation method - Distribution by gender
"Distribution by gender" means the number of employees whose legally recognized gender is female or male. At the 4iG Group, "distribution by gender" is calculated by summing the total number of women and men across all operating countries.

S1-6 Geographical distribution

Number of own employees (persons)	**2025 H1**
Hungary	7 098
Albania	725
Montenegro	396
Total employees	**8 219**

Calculation method - Geographical distribution
We calculate the geographical distribution of employees by summing the total number of employees at each geographical location where our companies are located. The Albanian and Montenegrin employment regulations do not contain different definitions for own employees in terms of the S1-6 metric.

S1-6 Employee characteristics by contract type

	2025 H1				
Characteristics of employees (persons)	Female	Male	Other	No information	Total
Employees	3 027	5 192	0	0	**8 219**
Permanent employees	2 951	5 145	0	0	**8 096**
Temporary employees	47	76	0	0	**123**
Number of non-guaranteed hours employees	2 675	4 625	0	0	**7 241**

Calculation method - Employee characteristics by contract type
Permanent employees: permanent employees are defined as employees with permanent contract. For the 4iG Group, the number of "permanent employees" is calculated by summing up the number of permanent employees in all member companies.
Temporary employees: By temporary employees, we mean the number of employees whose employment contract is for a specified period. At the 4iG Group, the number of "temporary employees" is calculated by summing up the number of temporary employees working in all member companies.
Non-guaranteed hours employees: an employee whose contractual working hours are not irregular and whose daily working schedule is therefore predetermined. In addition, the employer may order on-call time, standby duty or downtime. The number of non-guaranteed hours employees is calculated by summing up the number of employees by gender whose contractual working time is not irregular.

S1-6 Employee turnover

Employee turnover	2025 H1
Turnover rate (%)	7,9%
Number of employees who offboarded the company (persons)	647

Calculation method – Employee turnover
The "number of employees who offboarded the company" represents the total number of employees who left the 4iG Group, while the "turnover rate" is the percentage of employees leaving the 4iG Group. The total number of employees leaving the 4iG Group is calculated by summing up departures in all operating countries during the reporting period. By employees leaving the 4iG Group, we mean those who had an employment relationship with any member company of the group and this employment relationship was terminated during 2025 H1 in any way (by mutual agreement, notice, immediate termination, expiration of fixed-term, or due to employee's death). Employees who established an employment relationship with another member company of the group on the day following the termination – considering group employment – are not included among those who left. To determine the percentage of departing employees, we divide the total number of offboarding by the total statistical headcount as of June 30, 2025.

[S1-7] Characteristics of non-employee workers in the undertaking's own workforce

S1-7 Non-employee workers

	2025 H1
Number of non-employees (persons)	374
Interns	335
Individuals with contract-based employment relationships	39

Calculation method - Non-employee workers

Interns and individuals with contract-based employment relationships are not considered employees. They are individuals whose work contributes to the 4iG Group, but who are not in an employment relationship with us. The total number of interns and individuals with contract-based employment relationships (typically self-employed individuals hired for temporary or seasonal project work) is presented according to the closing date of the reporting period.

[S1-10] Adequate wages

All employees of the 4iG Group receive adequate wages compared to the applicable reference wages (minimum wage and guaranteed minimum wage).

[S1-15] Work-life balance

Work-life balance	2025 H1
Proportion of employees eligible for family leave (%)	40,91%
Proportion of men taking family leave (%)	52,49%
Proportion of women taking family leave (%)	47,51%
Total proportion of employees taking family leave (%)	30,48%

Calculation method - Work-life balance

Family leave includes maternity leave, paternity leave, additional child leave and carer's leave guaranteed by law. The number of employees who took family leave was determined by examining which employee was entitled to family leave and which employee took family leave in 2025 H1among the employees in the labour law staff (employed on 30 2025). The resulting headcount was divided by the total number of employees in the labour law staff. In the course of the calculations, employees with legal relationships with several member companies were taken into account only once in order to avoid headcount bias. The proportion of employees taking family leave is calculated by adding up the number of employees taking family leave, maternity leave, paternity leave, parental leave and carer's leave by gender and then dividing it by the total number of employees entitled to family leave.

Group-specific indicator - Working time monitoring

	2025 H1		
	Hungary	Montenegro	Albania
Proportion of employees with flexible working time arrangements (%)	9.3%	66%	0%
Proportion of non-employees with flexible working time arrangements (%)	0	0	0

The 4iG Group presents information on working time according to point 'd.' of the GRI REWO-7 (working time monitoring) indicator. Accordingly, we present the proportion of our employees and non-employee workers who are entitled to flexible working time arrangements. The data have been aggregated separately for our most significant operational areas, namely Hungary, Montenegro, and Albania. Point 'd.' of GRI REWO-7 asks the Group to report the percentage of employees and non-employee workers working in flexible working time arrangements by significant operational locations. In the case of Albania and Montenegro, the higher figure is due to the fact that, in addition to core working hours, the start time of the working day is flexible, as stipulated in the employment contracts. Accordingly, the employees concerned are classified as flexible working time employees.

Calculation method - Working time monitoring
By flexible working time arrangements, we mean employees classified in flexible work schedules. In their case, the employer has specified their daily working time but has transferred the right to schedule daily working time to the employee. The percentage of employees with flexible working time arrangements is calculated by dividing the number of employees with flexible working time arrangements by the total number of employees and multiplying by 100. The proportion of non-employees with flexible working time arrangements is calculated by dividing the number of non-employees with flexible working time arrangements by the total number of non-employees and multiplying by 100. The data were provided based on the status as of June30, 2025.

3.2. Training and skills development

Vision

Our company group's activities are centred on the customer, and the basic condition of our operation is correct and accurate customer service. To this end, we continuously train our professionals so that we can handle our clients' needs using technologies and with a short response time, regarding any segment of our industries.

Impacts, risks and opportunities assessment

Training and skills development	
Material impacts	Time horizon

Negative impact	
Increased turnover among talented employees, difficulty in attracting employees, development of employee disinterest in sustainability.	*Long term*
Positive impact	
Increased commitment of talented employees, easier recruitment process. Increased related knowledge and commitment of employees.	*Short term*

The 4iG Group is committed to attracting and retaining talent, as well as strengthening the organisational presence of sustainability. Its goal is to provide employees with appropriate training and skills development opportunities. Furthermore, the goal is that the Group's own practices do not cause material negative impacts on its workforce and do not contribute to such material impacts.
Potential negative impacts include increasing turnover of talented employees and disinterest due to lack of sustainability knowledge. These can impact the Group's expertise and operational efficiency in the long term.
The impacts have long-term effects and are primarily concentrated on the Group's operations, i.e., its own employees, and its downstream value chain (e.g., those working in stores who are not its own employees).
The 4iG Group aims to further develop its training and skills development strategy, ensuring the integration of sustainability competencies into decision-making and organisational operations, thereby supporting long-term business success and employee satisfaction.

1. Policies - Training and skills development

The operational condition of the 4iG Group is to fully comply with current legal requirements and the requirements of its qualifications. To this end, it is mandatory for all employees to complete e-learning courses upon entry and annually. Compliance is checked by regular labour and ISO audits, which may result in fines and business risks in case of non-compliance. The training regulations of the individual member companies ensure the regulation of corporate operations and the continuous professional development of employees.

In 2025 H1, as a consequence of the 4iG Group's centralization process, there was no approved group-level policy regarding the management of material impacts related to training and skills development for its own workforce, but the Group flexibly applied measures to support the workforce, adapting to continuous changes and needs.

The training regulations of the member companies were as follows in 2025 H1:

Policy	Main content elements of the policy	Scope of the policy*	Highest level responsible for enforcement	Internationally applied standards	Availability
Training and skills development regulation	The training regulation describes in detail and monitors training processes, participation conditions, and relevant training programs. Details the conditions of study contracts – in the case of One Magyarország, Digi Kft.	One Magyarország, 4iG Távközlési Holding Zrt., Digi, Invitech	Group Head of HR Board and MNC grade managers are responsible for implementation. - In the case of Invitech	-	Intranet
E-learning regulation	Process of participation in mandatory e-learning courses, responsibilities, obligations Related process steps Consequence management	4iG Nyrt.**	Group Head of HR	The E-learning regulation takes into account the MSZ ISO 45001, ISO 27001, ISO 14001 standards	Intranet

**At the listed member companies, the scope of the policies extends to all employees employed by them.*
***The scope of the Regulation extends to the employees of 4iG Nyrt., as well as to its employees in other employment relationships in terms of training according to point 2.5 of the Regulation.*

In the case of One Magyarország, the content of the policy extends to the basic principles, available education and development opportunities, application guidelines, cancellation and absence, evaluation of training and feedback, study contract, compliance with the regulation.
When developing the future group-level policy, we will request the contribution of key stakeholders in reviewing the policy before finalization. The entry into force is preceded by an approval process.

New entrants had a total of 14 days to complete the mandatory e-learning courses, including the day of entry.
Recurring mandatory e-learning courses must be completed every calendar year according to the specified performance conditions. Employees who work under onsite (office and site-based work) or remote work contracts, i.e., who do not work in the 4iG group's office buildings, were also not exempted from this. In the case of onsite work, it may happen that certain mandatory training must be completed at the service location (at the client) if the client requires it. In such cases, the employee must comply with both requirements. Completion of occupational and fire safety training is also mandatory for individuals employed in contractual and internship legal relationships at the beginning of the legal relationship, and then annually. The Training-Development Department notified employees by email about the available courses and completion deadlines. The departments responsible for the content of the courses had to update the content of the materials before the refresher training period. The allocation of mandatory e-learning courses, the provision of access, and the information of employees about technical and other information were performed by the Training-Development Department according to the policy.

The following mandatory training was defined for 4iG Nyrt.

- Occupational and fire safety training
- Information security awareness training
- Information security regulation training
- Anti-corruption and bribery regulation training
- Code of Ethics training
- Energy management system training
- Integrated management system training
- Employee Data Protection and Data Management training

According to the training policy adopted by Digi, Invitech, 4iG Távközlési Holding Zrt., and One Magyarország, in the case of group-organised training affecting multiple participants, the organisation of the training included contact with the external partner, coordination, consultation between the training partner and the participating organisation, notification of employees, initiation of the procurement request, and if necessary, the conclusion of a study contract, taking into account the current legislation.

No approved training policy was available for the other member companies included in the consolidation scope in 2025 H1.

2. Actions - Training and skills development

4iG Nyrt. provided access to the e-learning platform for all new employees from the day of entry and also provided them with all mandatory online courses. Occupational and fire safety training was held in person on the first day of the employees, and beyond this, every new employee had to complete the e-learning course related to this on the day of entry and pass a successful exam on the material.

Generally characterise at the entire company group level that the Company monitors and evaluates feedback related to training, collects workshop satisfaction data, and colleagues receive an electronic feedback questionnaire after the training. We process participant evaluations immediately upon receipt and investigate assessment aspects below 70% and take corrective actions, which we communicate to the supplier and the leader of the participating organisational unit.

At the group level, it identifies problems based on feedback collected during training and determines measures that mitigate the impact of changes. HR supports employees in dealing with difficulties related to changes while continuously ensuring professional development. Through these processes, we determine what measures are necessary to address specific actual or potential negative impacts on our own workforce. We involve colleagues in the measures at HR events, provide information, and incorporate their observations and suggestions into management decisions.

In case the price of a training exceeds a certain amount specified in the company's regulations (different by member company, the exact amount is contained in the regulations), a study contract was concluded between the employee and employer. A basic condition for participation in the training was the signing of the study contract before the beginning of the training, the HR professional provided prior information about this to the employee. The study contract was developed based on the Labour Code.

During the supported training, the following forms of support were possible:

- Tuition and/or cost support

- Working time allowance

Participation in professional conferences was possible following prior consultation with and approval by the professional manager and/or HR manager. Within the change management challenges, the 4iG Group provided comprehensive action plans and resources as a principle to effectively manage material impacts, risks, and opportunities on its own workforce. As part of this, we organised a large-scale Change Management workshop for 120 top managers at the beginning of 2024 to support a major transformation project, which focused on managing human risks and exploiting opportunities. We subsequently expanded the program to middle management level, and then involved a wider range of employees, thus ensuring a change management strategy covering the entire organisation. The purpose of these measures is to support effective organisational transformation and promote the continuous development and adaptability of employees. 4iG Nyrt., One Magyarország Zrt., Invitech, 4iG Távközlési Holding Zrt., and DIGI participated in this program.
The scope of the measures extends to management, middle managers, and the entire workforce, thereby ensuring that unified goals and guidelines are applied at all levels during the transformation. The planned time horizon for implementing change management measures is short-term, which ensures that changes and developments are implemented at an appropriate pace and efficiently.
Part of the annual corporate cost planning is that each member company determines its training framework for the given year.

4iG Nyrt. has taken steps to manage impacts and ensure correction for the entire company group. We launched mentoring programs to ensure that new employee and organisational changes happen smoothly. In 2025 H1, we ensured that employees successfully adapted to the new structures through change-supporting mentoring and training programs.
We support our colleagues with targeted training (skill development training: time management training, stress management, adaptability development training, professional training closely related to their field). We have extended our "Coach Corner" - internal coaching program service to all our member companies, where internal colleagues support those colleagues who would like to work on their work-related struggles. The Navigator program serves the same purpose for leaders. Employees of DIGI, 4iG Távközlési Holding Zrt., Invitech, One Magyarország Zrt. can access e-learning content either for mandatory or self-development purposes on their own e-learning or internal corporate communication platform, on various topics.
Resources are provided flexibly and mostly from within the company, and adapted to specific situations to manage impacts, taking into account the current needs and priorities of the 4iG Group.

3. Targets - Training and skills development

In 2025 H1, due to group-level transformations, we did not set specific objectives. The 4iG Group plans to define objectives in the medium term after the completion of the transformation project, which it aims to achieve at the group level. Following the 2025 H2 corporate transformation, we expect to define group-level goals on the topic in the medium term, within 2-3 years. Currently, we do not monitor the effectiveness of our policies and measures.
Although the company group did not have a defined objective, we establish principles in the policy in order to keep our training processes within frameworks.

Metrics – [S1-13] Training and skills development

	Percentage of employees participating in performance reviews; (%) 2025 H1	Average number of training hours (per person) 2025 H1
Female	3.0%	2.97
Male	5.7%	5.94
Total	**8.7%**	**8.91**

Calculation method

Average training hours

Training hours represent time spent on training and skills development. Training and skills development encompass various methods. We calculate the training hours per employee and by gender by dividing the total training hours recorded in the 4iG Group, and the total training hours broken down by gender, by the total number of employees, and the number of individuals of each gender, using the total employee headcount appearing in the S1-6 disclosure.

Performance evaluations

The percentage of employees participating in performance evaluation is calculated using the total employee headcount appearing in the S1-6 disclosure as the denominator. The denominator includes employees who are not eligible for performance evaluation but are part of the total headcount. Employees who received performance evaluation make up the numerator.

3.3. Health and Safety

Vision

Due to its activities, the 4iG Group interprets the topic of health and safety in two ways. At our subsidiaries where increased risks arise from the type of work, we aim to comply with strict occupational safety regulations. These companies are One Magyarország, 4iG Távközlési Holding Zrt., and DIGI Távközlési és Szolgáltató Kft., where our colleagues performing physical work - installers, infrastructure network element installers, network system builders - may perform work at heights, tasks involving long travel, and work in shafts. We wish to prevent accidents and health risks through the Group's regulatory compliance, continuous inspections, maximum attention to each other, and the creation of a culture of a safe work environment. In the case of other employees of the 4iG Group performing office work, we also pay special attention to creating and maintaining healthy, ergonomic, and safe working conditions.

Impacts, risks and opportunities assessment

Health and Safety	
Material impact	**Time horizon**
Positive impact Prevention of workplace accidents, minimisation of employee illnesses (e.g., provision of appropriate protective equipment).	Short term

In connection with the topic of health and safety, during preparation for reporting, we identified workplace accidents as a material topic. We identified efforts to prevent workplace accidents, minimise employee illnesses and accidents through the provision of appropriate protective equipment as an actual positive impact. The identified material impact is felt in our company group's operations, mainly affecting our own employees, even in the short term. Although hazardous working conditions may occur during our company group's operations, especially in the case of our installer staff, the occurrence of accidents cannot be directly linked to our company's strategy or business model. With our unified occupational safety regulations planned to be developed in the coming years, we intend to respond to these accidents and reduce their number. In 2025 H1, workplace accidents that occurred did not have a material impact on our company group's financial performance.

1. Policies - Health and safety

The 4iG Group in 2025 H1 – due to its intensive acquisition activity – did not have a unified occupational safety regulation covering all its subsidiaries. On January 8, 2024, 4iG Nyrt.'s own occupational safety regulation was issued, and in 2025 H2, we intend to issue a unified, group-level occupational safety guidance for the subsidiaries. Besides 4iG Nyrt., One Magyarország Zrt., 4iG Távközlési Holding Zrt., and DIGI Távközlési és Szolgáltató Kft. also have their own occupational safety regulations. Our other subsidiaries, where primarily office work is performed, have not yet developed their own occupational safety regulation system, however, the relevant occupational safety regulations are complied with in the case of these companies as well. The existing occupational safety regulations establish the personal, material, and organisational conditions of occupational safety. Each subsidiary included in the report operates a comprehensive workplace risk assessment and occupational safety system, supported by an occupational and fire safety professional, possibly an external occupational and fire safety service provider. The occupational safety risk assessment also extends to the infrastructures operated by the member companies – for example, mobile towers providing network coverage. Depending on the activities of the member companies, we conduct risk analysis examining the following areas, processes:

- workplaces, workplace environment,
- technology and activities
- machines and equipment, work tools,
- screen display workplaces, psycho-social load of employees,
- manual material handling,
- hazardous substances and mixtures
- biological hazards.

One of the main goals of the 4iG Group's leadership is to provide a safe and healthy work environment for all employees, subcontractors, visitors, and other stakeholders as well. The 4iG Group does not have a group-level policy; the principles related to safe work are established in Chapter 3.2 of the Group's Code of Ethics and Business Conduct, extending to all employees and the value chain.
4iG Nyrt. has an occupational safety policy in connection with its ISO 45001 management system certified by an external party. The policy expresses our commitment to preventing work-related injuries, illnesses, and occupational diseases, as well as continuously improving workplace health protection and safety. The policy's scope extends to the trade of IT equipment and solutions, service activities, IT system development, system integration, IT operation, software development, consulting, main contractor activities, project management, and related supporting activities performed at the company's headquarters, including all employees, subcontractors, visitors, and stakeholders who are in contact with 4iG Nyrt. Compliance with the provisions of the Policy is the responsibility of all employees, however, the managers of 4iG Nyrt. bear special responsibility for communicating, complying with, and enforcing the provisions. We actively involve employees and other interested parties – subcontractors if necessary – in identifying hazards related to workplace health and safety issues, evaluating risks, and issues related to legal compliance. We communicate the policy to all employees and subcontractors and make it accessible on the Company's internal network. We review the policy annually to ensure that it is effective and appropriate to the goals of our Company Group.

One Magyarország Zrt., 4iG Távközlési Holding Zrt., and DIGI Távközlési és Szolgáltató Kft. had their own occupational safety regulations at the end of 2024. These address the requirements for ergonomic office and hybrid work, the obligation to report accidents and rules for investigation, rules for working

in potentially dangerous environments or circumstances (work at heights, in underground shafts, or work involving long travel), and the expected preparedness and behavioural norms from our subcontractors.
We pay special attention to mandatory occupational health medical fitness examinations, occupational safety training, occupational safety inspections, the prohibition of working under the influence of alcohol or other substances, and the provision and proper wearing of appropriate personal protective equipment and work tools.
Our regulations are based on the domestic legal environment, including the Labour Code, the Act on Mandatory Health Insurance Benefits, the Act on Occupational Safety, and the dozens of related decrees and Safety regulations, and are prepared and reviewed taking these into account. The regulations presented above also contain accident prevention and risk reduction, and risk management action parts.

2. Actions, Targets - Health protection and safety

In 2025 H1, the 4iG Group did not have top managers-approved measures or measurable goals regarding workplace health and safety that extended to the entire company group. Following the corporate transformation in 2025 H1, our focus will be on developing group-level occupational health and safety regulations, policies, and defining measures and goals in 2025 H2. However, for 4iG Nyrt., measures and goals were already designated in 2024, with a completion deadline in the second quarter of 2025 H2. These were as follows:

- Increasing awareness of workplace health and safety, increasing the participation rate in annual training to 90%.
- Increasing the number of colleagues who have completed first aid training to 30 people.
- Identification, assessment, and reduction of occupational and health hazards. Elimination and/or minimization of risks through regular site visits, review of workplace risk assessment documents. Holding at least 12 site visits per year.

In addition, our company provides a complex health insurance package for our colleagues through an external service provider, about which we write more in chapter 3.1. At some of our companies, including 4iG Nyrt., 4iG Távközlési Holding Zrt., Digi Kft., and Invitech Kft., we provide free fruit to our colleagues on certain days, and we support team sports by providing venues.

The 4iG Group's central occupational safety manager continuously monitors the number of accidents occurring at the company group, as well as the number of injuries and potential fatalities resulting from these. In 2022 H1, our company group did not experience any serious or fatal workplace accidents either among our own workforce or other employment groups. In 2025 H1, among the subsidiaries of 4iG Nyrt., One Magyarország Zrt., 4iG Távközlési Holding Zrt., and DIGI Távközlési és Szolgáltató Kft. had company-level occupational safety representatives. The other member companies did not have occupational safety representatives in the reporting year. Employees can contact the occupational safety representatives via email, or in person if needed. The contact person is included in the annual mandatory occupational safety training.

We also monitor the number of recordable, reportable accidents at our company group. The 20 registered workplace accidents resulted in a total of 103 days of lost working time. All accidents occurred in the Hungarian operation; we did not register any workplace accidents in Albania and Montenegro. Employees who do not belong to the employee category (interns and seconded personnel) also did not suffer workplace accidents in 2025 H1. Our company group did not experience any work-related recordable illnesses in the reporting year. In 2025 H1, there were no work-related employee deaths (including employed and non-employed workers) within the 4iG Group.

Metrics [S1-14] Health and safety

	2025 H1
Proportion of employees covered by the health and safety management system (%)	10%
Proportion of interns and contractors covered by the health and safety management system (%)	9%
Number of work-related accidents	20
Rate of recordable work accidents (per million hours worked)	2,30
Number of days lost due to workplace injuries resulting from work-related accidents	103
Number of recordable occupational illnesses	0
Number of fatalities resulting from work-related injuries/illnesses	0

Calculation method

Number of work-related accidents: The consolidated number of accidents affecting employees recorded in the local occupational safety management systems of companies belonging to the 4iG Group during the reporting period.

Rate of recordable work accidents: This rate represents the number of work accidents per one million hours worked, calculated by dividing the number of cases registered in the reporting period by the total working hours of the 4iG Group, and multiplying by one million.

Number of recordable occupational illnesses: No occupational diseases[12] occurred in the 4iG Group in 2025 H1.

Number of days lost: The number of days lost, starting from the first full day of absence and the last day, including all calendar days of the period (e.g., including weekends and holidays).

Number of fatalities: The number of fatalities registered among the 4iG Group and other employees working at the Group's sites, which occurred as a result of work-related injuries or work-related illnesses.

[12] Occupational disease: an acute and chronic health problem that occurs in the course of work or occupation, or that appears or develops after the exercise of the occupation

3.4. Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value, Employment and inclusion of persons with disabilities, Diversity)

Vision

The 4iG Group expects all its employees to refrain from any behaviour, measure, condition, omission, instruction, or practice that constitutes (direct or indirect) discrimination, harassment, ostracism, unlawful segregation, or retaliation. Direct discrimination is any measure or behaviour that results in a person or group receiving less favourable treatment due to a real or perceived protected characteristic than another person or group in a comparable situation receives, has received, or would receive. These expectations are also contained in the Company Group's Code of Ethics and Business Conduct, which every employee becomes familiar with after joining.

Impacts, risks and opportunities assessment

Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value, Employment and inclusion of persons with disabilities, Diversity)

Material Impact	**Time horizon**
Negative Impact Lack of opportunities for all and inclusion causes dissatisfaction and makes the attraction of new workforce and the professional advancement of some talented employees difficult.	Long term

The impacts, risks, and opportunities related to Equal treatment and opportunities for all are primarily concentrated in the Group operations, that is, in our own employee community. Material negative impacts resulting from a lack of diversity and inclusion include increased employee dissatisfaction, weakened cohesion of the workplace community, and difficulty in attracting new talent. In addition, the professional advancement of certain employee groups may face obstacles, which can hinder individual development and innovation potential. The collaboration of diverse groups can facilitate the incorporation of new perspectives into decision-making processes, which can lead to sustainable growth in the long term.

1. **Policies - Equal treatment and opportunities for all**

Currently, the Company Group's unified Diversity and Social Inclusion Policy is contained in its Code of Ethics and Business Conduct. Apart from this, none of the company group's member companies had a dedicated diversity and inclusion policy in the reporting year. Our medium-term goal is to incorporate this important area into a unified regulatory system following the transformation period currently taking place at the Hungarian member companies, and to formulate clear, measurable, and motivating goals for all our member companies and employees.

2. **Actions, Targets - Equal treatment and opportunities for all**

Due to the intensive acquisition activity in recent years, the 4iG Group has become a melting pot of companies with different backgrounds and cultures, and diversity and inclusion as a core value has

been further strengthened in everyday life. We know that without an approach based on understanding, respecting, and accepting each other, we would be less successful in retaining our existing customer base and supplier partners and acquiring new ones.
Regarding our employees, our policy is to treat them equally throughout the entire employee lifecycle, from the recruitment process through access to training, promotions, and compensation.
In 2025 H1, we do not report specific measures related to equal treatment and opportunities for all and other social inclusion-related topics at the 4iG Group level. Although the 4iG Group aims to provide equal opportunities for all and to treat applicants and employees equally regardless of their personal characteristics, such as race or ethnicity, colour, religious or political views or lack thereof, origin, gender, sexual orientation, age, gender identity or its expression, nationality, marital status, pregnancy, childbirth, genetic trait, health condition, or other status, characteristic, or feature protected by applicable laws (hereinafter together: "protected characteristic"). These expectations are also contained in our Code of Ethics; however, we do not have a report on actually identified mitigation or promotion impacts.

At the 4iG Group level in 2025 H1, we focused on improving the equal opportunity situation of the following employee groups:

- Support for families with young children - extra paternity leave beyond legal requirements

We plan to launch future programs in the following topics:

- Reintegration of mothers returning from home childcare into the organisation
- Supporting the employment of career starters with internship programs
- Cultural diversity – Hungarian, Albanian, and Montenegrin employees work together in our Mentoring Program.

In 2025 H1, the further organisational and operational transformation process of the 4iG Group's member companies is taking place, aiming to establish efficiently operating new organisations and new cooperation structures. This process is accompanied by the digitalisation of group-level HR systems, the harmonisation and unification of our processes, and significant movement of employees through legal succession and organisational restructuring. Therefore, during 2025, establishing a coherent comparable base year would face great difficulties. Therefore, our plans include creating and fine-tuning processes as the main goal, so that by 2026 we will have base year data and, building on these, setting measurable short-term goals in the areas of diversity and inclusion as well.

Metrics [S1-9] Diversity metrics

S1-9 Gender distribution in top management

	2025 H1	
Top management by gender	Headcount	Proportion
Male	86	76%
Female	27	24%
Total top management	**113**	**100%**

Calculation method - Gender distribution in top management
Top management means one level below the CEO. At the 4iG Group, the gender distribution was calculated by summing the total number of women and men working in top management. These aggregate numbers are divided by the total number of women and men working in top management to calculate the distribution ratio of each gender. This calculation is based on the closing date of the reporting period (30.06.2025).

S1-9 Distribution of employees by age group

Distribution of employees by age group in headcount	**2025 H1**
Under 30 years	1437
Between 30-50 years	4900
Over 50 years	1882
Total employees	**8219**

Calculation method – Distribution by age group
The distribution of employees by age group is calculated by summing the total number of employees under 30 years old (29 years or younger), between 30 and 50 years old (30-49 years), and 50 years or older, as of June30, 2025. Employees whose birthday is on December 31 were considered with the higher age on that day. The headcounts were determined based on those belonging to the statistical headcount on June 30, 2025.

S1-12 Proportion of persons with disabilities
The percentage of people with disabilities was 0,4% in the reporting half-year. The calculation method used: the number of employees with altered working capacity, divided by the total number of employees in the statistical headcount as of June30, 2025. The definition of employees with altered working capacity was based on Act CXCI of 2011.

[S1-16] Remuneration metrics (pay gap and total remuneration)

S1-16 Pay gap

	2025 H1
Gender / pay ratio	20,84%

The gender pay gap in this statement is determined by the internal composition, as men are typically overrepresented in the composition of top management in the company group. However, it can be said that the pay difference between employees employed in the same position or job level is minimal.

Calculation method
The gross hourly wage was determined based on the contractual monthly gross base salary, taking into account the daily number of hours. When calculating the percentage ratio, the average gross hourly wage of male employees is subtracted from the average gross hourly wage of female employees, which is divided by the average gross hourly wage of male employees and finally multiplied by -100.

3.5. Privacy

Vision

All member companies of the 4iG Group are committed to the protection of personal data, compliance with data and information security regulations, and the comprehensive investigation of privacy complaints, as well as remedying substantiated privacy complaints, in order to ensure that the rights of data subjects related to human dignity and respect for privacy, as well as employment-related rights, are properly enforced at both the group level and the level of individual member companies. Furthermore, the 4iG Group has a significant number of employees, which stems from both the number of companies belonging to the Group and their wide range of activities. Due to these two factors, it can be said that the member companies of the 4iG Group process a significant amount of personal data, which requires them to proceed with increased caution to ensure compliance. Any unlawful data processing may entail, in addition to harmful social impacts – e.g., loss of revenue, significant loss of trust, etc. – extremely serious legal consequences at both the group and member company level. With this in mind, the 4iG Group pays special attention to the protection of personal data by introducing new data protection requirements and continuously monitoring and developing them.

The 4iG Group ensures high-level professional advice necessary for data protection compliance and the continuous and process-integrated monitoring of this compliance through the cooperation of a data protection organisation system consisting of data protection officers and persons and areas cooperating with them for the individual member companies. In 2025 H1, the data protection officers appointed at the member companies of the 4iG Group investigated the validity of data protection complaints and, if necessary, proposed measures aimed at preventing or restoring violations. The data protection officers operating at the individual member companies carry out this activity partly within the framework of a contractual relationship, partly within the framework of an employment relationship.

In parallel, the 4iG Group has begun to develop unified data protection training for the employees of the 4iG Group. As part of this, we introduced new training material in 2023, which is mandatory for the employees of 4iG Nyrt. In addition, One Magyarország Zrt. maintains an annually recurring mandatory data protection training.

Impacts, risks and opportunities assessment

Privacy (protection of personal data of own employees)	
Material opportunity	**Time horizon**
In terms of the processing of personal data, there is an opportunity to strengthen trust between employees and the employer, as transparent cooperation strengthens the relationship and collaboration between the parties.	*Short term*

Privacy (protection of personal data of consumers and end users)	
Material Risk / Opportunity	
Risk: *Fines and sanctions that may result from improper handling of personal data and their misuse. Loss of revenue and investment due to decreasing investor and customer confidence.*	*Medium term*
Opportunity: *Reliable supervision of data traffic, legality of personal data processing, high cybersecurity, and avoiding data leakage provide the company with a greater market role through the company's positive perception.*	*Short term*

The impacts and risks threatening the fundamental rights and freedoms of natural persons (whether employees or customers (subscribers)) – such as freedom of expression – may arise with varying likelihood and severity during the processing of personal data, which may result in physical, material, or non-material damages.
Accordingly, in the reporting year, in terms of privacy (including personal data) protection, the impacts, risks, and opportunities affecting employees were examined on one hand, and the impacts, risks, and opportunities affecting consumers and end-users on the other.

In terms of employees, opportunities were identified from a materiality perspective – "*In terms of personal data processing, there is an opportunity to strengthen trust between employees and the employer, as transparent cooperation strengthens the relationship and collaboration between the parties.*" The reason for this is that an appropriate data protection framework can strengthen trust in the relationship between employees and employers. This has a positive impact even in the short term, as transparent cooperation is capable of improving relationships between the parties. This opportunity also arises from a financial perspective, as increasing trust can also increase employee commitment and reduce turnover.

In terms of consumers and end-users, significant risks were identified on one hand – "*Fines and sanctions that may result from improper handling of personal data and their misuse. Loss of revenue and investment due to decreasing investor and customer confidence,*" and opportunities on the other – "*Reliable supervision of data traffic, legality of personal data processing, high cybersecurity, and* *avoiding data leakage provide the company with a greater market role through the company's positive perception."*

The identified risks can be significant, they can have a noticeable impact on the daily lives of those who conserned beyond inconveniences, as data leakage (such as location data, traffic data, or personal data related to payroll in the case of employees) or the leakage of identification data used for service provision can have significant negative impacts on the data subjects (e.g., profiling or misuse of the service through identification data), as this allows access to information that more intrusively interferes with the data subjects' private sphere, and this data can be misused. The impact is actual, as our customers and employees are located in multiple countries, a possible data breach would have a widespread impact,and could also lead to regulatory authority proceedings or data protection authority proceedings.

The several stakeholders (including consumers, end-users) are of key importance to the 4iG Group, as the protection of personal data processed by us and the data traffic we supervise have a direct impact on the security and trust of the data subjects. Maintaining a high level of information and cybersecurity, as well as preventing data leaks and abuses, forms a fundamental part of our business strategy and extends to our entire value chain. The reasonably expected time horizon of the identified impacts and risks may already exist in the short term, as data breaches affecting customer and employee data, as well as regulatory and trust risks related to data processing, pose a continuous and immediate challenge.

The risks in the area of data protection and information security are closely related to our business strategy and operational model. The constantly changing customer base, especially the growing number of residential customers, necessitates continuous data protection requirements and developments.

In terms of consumers and end-users, opportunities were also identified alongside the risks. In terms of consumers and end-users, the trust of consumers and end-users emerges as a positive opportunity. The more consumers and end-users trust that their personal data are processed in accordance with the prescribed legal requirements, the more positive financial impact it can have for the 4iG Group, as it can prevent the migration of consumers and end-users.

The 4iG Group provides professional advice and inspections through the cooperation of data protection officers to support practical data protection compliance. In 2025 H1, the group's data protection officers investigated complaints related to data protection and conducted risk assessments to address potential issues.

The impacts thus actually appear on both the employee and customer (subscriber) sides. The scope of those affected by the impact can thus be determined on one hand in terms of employees, and on the other hand in terms of customers (subscribers), as they can significantly prevail in relation to them. These impacts are therefore related on one hand to the services provided by the subsidiaries of the 4iG Group (electronic communications service), and on the other hand arise in connection with the member companies’ own workforce (i.e., employees in an employment relationship with the individual member companies).

Physical, material, or non-material damage may be realized in a case where the data processing leads to discrimination, identity theft, fraud, financial loss, damage to reputation, loss of confidentiality of personal data protected by professional secrecy (for example, by unauthorized reversal of pseudonymized data) or other significant economic or social disadvantage.

Furthermore, a negative impact or risk may exist if data subjects are deprived of their rights and freedoms, or if they are prevented from exercising control over their personal data.
From a data protection perspective, it is also considered risky if the member companies of the 4iG Group process personal data that qualifies as sensitive personal data. This may occur to a limited extent for employees, for example in case of a workplace accident.
In relation to employees, an actual negative impact may arise if their employer, as a data controller, processes their personal data for purposes incompatible with the laws and they suffer a disadvantage as a result (e.g., if they were monitored during work and as a result the employer determines that their performance is not adequate, or they would suffer discrimination as a result of the data processing, or the employer would attempt to illegally interfere with the employees' private lives beyond its control authority). All this can lead to significant loss of trust on the part of employees. Thus, it is also considered a significant data protection risk if profiles about the data subjects' work performance, economic situation, health status, personal preferences or interests, reliability or behaviour, location or movement are created or used through the analysis or processing of personal data.
In addition, within the framework of certain services of the member companies of the 4iG Group, wider access to products and services by consumers may result in the processing of a large number of their personal data.
Based on this, it can be seen that the actual negative impacts for both groups of data subjects may arise partly from an operational perspective, and partly on the downstream side (i.e., at the next level of the supply chain). For both groups of data subjects, the significant impact may pose a risk, as the unlawful processing of personal data of customers (subscribers), or data protection incidents affecting them, may result in customer loss, whereby customers may terminate their subscription with the member companies of the 4iG Group, and in the case of employees, such loss of trust may result in the employee's migration from the company. In addition, risks may potentially arise on the financial side as well, as unlawful data processing activities may result in authority sanctions (fines), the publication of which also presents a reputational risk. It can thus be seen that negative impacts may occur even in the short term.
For both groups of data subjects, it may have a positive impact if the member companies belonging to the 4iG Group conduct their data processing activities within lawful, well-defined frameworks, providing prior, accurate, and complete information about them to both employees and customers. This can have a particularly significant positive impact on employees, it can strengthen trust between the employee and the employer, as it will be clear to the employee exactly why their personal data are being processed, thereby ensuring that they can control who, why, and on what basis can access their personal data. Furthermore, appropriate data protection measures and high-level data security measures can provide a significant competitive advantage. Reliable data processing and the prevention of data protection incidents strengthen the company's market position, contributing to maintaining and increasing customer trust.

For these reasons, our applicable data protection legal requirements (which fully extend to and do not distinguish between internal data related to employees and external data related to customers) also expect a risk-based approach to the processing of personal data, taking into account the varying likelihood and severity of risks to the rights and freedoms of natural persons affected by the processing, considering the nature, scope, and purposes of the processing.

The 4iG Group accordingly fully implements the obligations set out in Articles 24-25 of the General Data Protection Regulation ("GDPR").

1. **Policies – Protection of personal data of consumers and employees**

The data protection regulation of the 4iG Group is based on applicable data protection laws, particularly the provisions of the General Data Protection Regulation ("GDPR"). It includes the obligations related to compliance with data processing principles, informing data subjects, and enforcing the data protection rights of data subjects. It also defines the requirements for the involvement of processors and further processors[13], the recording of data processing activities, the reporting of data protection incidents, and the data protection impact assessment of high-risk data processing.

The data protection regulation does not differentiate between natural persons whose personal data are processed by the member companies of the 4iG Group. Thus, the expectations laid down regarding the processing of personal data must apply equally to both employees, consumers and end-users. However, this does not mean that individual member companies cannot regulate certain specific issues for certain groups of data subjects. Examples include the adoption of internal regulations containing rules for data processing related to subscribers, or for employer controls.

The regulation is approved by the CEO of the 4iG Group, and its enforcement is also his responsibility. All organisational units that process personal data are responsible for complying with the obligations set out in the regulation. Compliance with applicable data protection laws and the requirements set out in the data protection regulation is monitored by the data protection officer. The data protection officer is a function that reports to the CEO at the member companies in the corporate hierarchy.

The regulation extends to all member companies of the 4iG Group and applies to all of our processes affected by data processing activities, particularly to processes related to employee and customer data processing.

The 4iG Group takes into account especially the following third-party laws, standards, and guidelines:

- The GDPR as a mandatory applicable law,
- The guidelines of the European Data Protection Board (EDPB) and national supervisory authorities,
- The recommendations of the WP29[14] working group.

Key stakeholders of the data protection regulation and the data processing notice are the data subjects whose personal data are processed, as well as the owners of the related business processes of the 4iG Group, i.e., the organisational units that process or plan to process personal data during the design of processes. It is particularly important for data subjects to be aware of the data processing concerning them and the circumstances of such processing (especially the purpose of the processing, legal basis, retention period of personal data, the entities (recipients) to whom the personal data are transferred, the fact and guarantees of international data transfers), their data protection rights and how to

[13] Processors are natural or legal persons who process personal data on behalf of the data controller. Employees are not considered as processors, as they act under the control of a data controller. Further processors are natural or legal persons who are involved by a processor in the processing of personal data.
[14] The Working Party on Data Protection, established under Article 29 of the former EU Data Protection Directive and composed of representatives of the national authorities of the Member States. The EDPB replaced the Working Party that dealt with privacy and personal data protection issues until 25 May 2018 (the date of mandatory application of the GDPR).

exercise them, as well as the possibility of making a data protection complaint to the relevant companies of the 4iG Group, and that their data protection complaints are properly investigated.

The data protection regulations are not public, as they contain internal processes and internal process procedures that qualify as business secrets, consequently they are only available to employees. In certain cases, considering the principle of accountability in the GDPR, the regulations must also be made available to the supervisory authority or court.

However, the member companies of the 4iG Group make data processing notices available to data subjects, which contain detailed information about the data processing purposes, legal bases, retention periods, and the possibilities for exercising data subject rights, as well as other circumstances of the processing, such as the fact of international data transfer and the guarantees applied, as well as the entities who, as recipients, process the personal data either as independent controllers or as processors.

The member companies of the 4iG Group are obliged to consider potential data protection risks arising from their activities while planning their activities, during which they must examine the varying likelihood and severity of risks posed to the rights and freedoms of natural persons affected by the processing, considering the nature, circumstances, and purposes of the processing. If a data processing activity poses a high risk to the rights and freedoms of data subjects, a data protection impact assessment must be carried out in order to identify the emerging risks, determine necessary risk-reducing measures, and ensure their implementation.

In some cases – when the relevant member company identifies legitimate interest as the appropriate legal basis – a legitimate interest assessment test must also be carried out to determine whether the rights and freedoms of the data subjects take precedence over the legitimate interests of the member companies of the 4iG Group. The legitimate interest assessment must take into account the interests of the data subjects, the potential impacts of the planned activity, the possible risks, and the applicable risk-reducing measures. The result of the legitimate interest assessment determines whether the legitimate interest of the member company of the 4iG Group acting as a controller can indeed serve as the legal basis for the processing.

The Code of Ethics and Business Conduct of the 4iG Group requires respect for human rights in all activities. From a data protection compliance perspective, this means that the rights and freedoms of data subjects must be respected during all data processing activities, and individual data processing activities must be designed with regard to these rights. This cannot be linked to a single specific human right, as it depends on the specific data processing activity which fundamental rights may be affected by the processing (e.g., right to privacy, freedom of expression, right to a fair procedure, prohibition of discrimination). The member companies of the 4iG Group are obliged to make their data processing notice available for the relevant group of data subjects in a manner easily accessible to them. If a new data processing activity is introduced or a significant change occurs in an existing activity that results in a modification of the processing, the data subjects must also be informed about these changes – through the data processing notice. In the case of consumers, end-users, these notices are publicly available on the website of the subsidiary that processes the personal data of the data subjects. For employees, the member companies make the data processing notice available on their intranet surfaces.

The executives responsible for implementing the data protection regulation are obliged to ensure that the organisation's data processing practice complies with the provisions of the GDPR and the relevant data protection requirements. The 4iG Group conducts data processing activities in accordance with the provisions of the GDPR, which defines the most comprehensive regulatory requirements for the processing of personal data.

2. Processes for engaging with consumers and end-users about impacts

In the case of all groups of data subjects, the member companies of the 4iG Group are obliged to consider potential data protection risks arising from their activities during the planning of their activities and must apply risk-reducing measures proportionate to the risks. To this end, the Group Compliance at the group level, and the data protection officer designated at each member company, cooperate with the professional areas that have a defining role in terms of the data processing activity.

If a data processing activity poses a high risk to the rights and freedoms of data subjects, a data protection impact assessment must be carried out. Its purpose is to identify risks to the rights and freedoms of data subjects, determine necessary risk-reducing measures, and ensure their implementation.

The data subjects (including consumers, end-users, and employees) are entitled to exercise their data protection rights – such as the right of access, the right to rectification, or the right to object – at any member company of the 4iG Group that acts as a controller and processes the personal data of the data subjects. In addition, they are entitled to submit a data protection complaint to the individual member company for investigation to determine whether the processing was carried out lawfully.

If a member company acts as a processor, it is obliged to inform the organisation acting as a controller about the requests received, and provide information to the data subjects about the controller. Those member companies of the 4iG Group that process personal data for a large number of data subjects - in accordance with Article 24 of the GDPR and the practice of the National Authority for Data Protection and Freedom of Information - have adopted internal regulations that govern the conditions for exercising data subject rights, the relevant procedures, and other issues.
If a member company of the 4iG Group acts as a controller, it is obliged to provide appropriate information to the data subjects about the measures related to the exercise of their data protection rights. This obligation is not limited to a specific group of data subjects; it must apply in all cases where a member company of the 4iG Group processes the personal data of the data subject and the data subject submits a request aimed at exercising rights.

Furthermore, if a data protection incident is likely to result in a high risk to the rights and freedoms of data subjects, the subsidiary of the 4iG Group is obliged to notify the data subjects without delay. The notification must contain the contact details of the data protection officer or other contact person where further information can be requested, a description of the likely consequences of the data protection incident, as well as details of the measures taken or planned to address the incident, including measures to mitigate potential adverse effects.

Beyond the above, data subjects are always entitled to request and receive individual information about such circumstances of data processing that the member companies acting as controllers would not be obliged to provide information about under the relevant laws. This additional possibility ensures that data subjects can receive appropriate and understandable information about any circumstance of the processing.

The member companies of the 4iG Group may directly or indirectly contact the data subjects (including consumers, subscribers, and employees) depending on a given activity. Those member companies that process a significant amount of personal data due to the nature, scope, or purposes of their activities have already designated data protection officers. Currently, the following member companies have a data protection officer:

- 4iG Nyrt.
- One Magyarország Zrt.
- DIGI Távközlési és Szolgáltató Kft.
- D-Infrastruktúra Távközlési Kft.
- Invitech ICT Services Kft.
- Invitech ICT Infrastructure Kft.
- 4iG Távközlési Holding Zrt.
- AH Média Kereskedelmi Zrt.
- AH Infrastruktúra Zrt.
- InviTechnokom Kft.
- HungaroDigiTel Kft.
- ONE Crna Gora
- ONE Albania

The Compliance professional area of the 4iG Group continuously monitors the activities of the member companies and, if necessary, proposes to the CEO the appointment of a data protection officer. The data subjects are entitled to contact the data protection officer in all matters related to the processing of their personal data, and to exercise their data protection rights in accordance with applicable data protection laws. For this purpose, the individual member companies provide appropriate infrastructure (e.g., dedicated email address) for the data protection officers, about which the data subjects are also informed in the data processing notice. If a member company has not designated a data protection officer, the 4iG Group Compliance provides support to the member company in handling data protection requests.

If a new data processing activity is introduced or a significant change occurs in an existing activity that results in a modification of the processing, the data subjects must also be informed about these changes – through the data processing notice. In the case of consumers, end-users, these notices are publicly available on the website of the member company that processes the personal data of the data subjects. For employees, the member companies make the data processing notice available on their intranet surfaces. The frequency of communication with data subjects cannot be determined in advance, as the modification of the data processing notice and its communication to the data subjects depends on the data processing activities introduced or modified by the individual organisational units. In terms of the exercise of data subject rights, it depends on the decision of the data subjects whether they wish to exercise their data protection rights. Direct or indirect contact may occur on a daily basis depending on the given activity or the data subject's exercise of rights.

Within the individual companies, the data protection officer reports directly to the CEO, ensuring operational independence and separation from other organisational units and business decision-makers, thereby also ensuring the implementation of cooperation with data subjects and the organisational incorporation of proposals formulated regarding data processing. The effectiveness of the cooperation can be measured through the responses and measures to the data protection requests of data subjects handled by the member companies of the 4iG Group.

The member companies belonging to the 4iG Group must plan their activities taking into account the varying degrees of data protection risks arising from them. In the event that the data processing activity poses a high risk to the rights and freedoms of data subjects, the member companies must conduct a data protection impact assessment to assess what inherent risks may arise in connection with the given data processing activity, and they must assess what necessary measures need to be taken to mitigate these risks, as well as supervise the implementation of such measures. If the planned data processing activity is directed at a vulnerable group of data subjects (e.g., children, the elderly), the data protection impact assessment must take into account their unique situation.

In individual cases, where necessary, a legitimate interest assessment test is also carried out with respect to the data subjects to check whether the rights and freedom of the data subjects take precedence over the legitimate interests of the member companies belonging to the 4iG Group, and whether the planned processing is necessary and proportionate to achieve the given processing purpose. During the legitimate interest assessment, the interests and rights of the data subjects must be carefully considered, and it must be examined whether the planned activity may involve risks, unwanted effects on the interests, rights, and freedoms of the data subjects, and it must also be checked whether such risks can be mitigated by implementing appropriate measures, and how these measures reduce such risks, thereby ensuring that the interests, rights, or freedoms of the data subjects will not override the legitimate interest of the controller.

3. Processes to remediate negative impacts and channels for own workers, consumers and end-users to raise concerns

Data subjects, whether consumers or employees, are entitled to exercise their data protection rights (e.g., right of access, right to rectification, right to object) at those companies belonging to the 4iG Group that process their personal data as controllers. If a member company of the 4iG Group acts as a processor, it is obliged to notify the organisation acting as a controller about the data subject's request and provide information to the data subjects about the identity of the controller and the fact that the request has been forwarded. If a member company of the 4iG Group operates as a controller, it must inform the data subjects about the measures taken based on the data subject's request when exercising their data protection rights.

Measures taken based on the exercise of data protection rights may in some cases extend to non-material redress (such as an apology to the data subject), and in some cases to material redress as well (such as providing compensation to the data subject). Such non-material and material redress depends on the circumstances of the specific case, as well as the potential damage or loss suffered by the data subject.

Furthermore, in the event of a potential high-risk data protection incident (i.e., a data protection incident that is likely to pose a high risk to the rights and freedoms of natural persons), the affected member companies of the 4iG Group are obliged to inform the data subjects without delay. In such situations, the company must provide information to data subjects about the data protection officer or other contact point where further information can be requested; describe the likely consequences of the incident affecting personal data; and the measures taken or planned, including steps to mitigate potential adverse effects.

For all data subjects, the member companies of the 4iG Group that process their personal data are responsible for operating dedicated channels through which employees, as well as consumers or end-users, can contact the data protection officer.

The following companies have separate dedicated channels available:

- 4iG Nyrt. (dpo@4ig.hu)
- One Magyarország Zrt. (dpo@one.hu)
- DIGI Távközlési és Szolgáltató Kft. (dpo@digi.hu)
- D-Infrastruktúra Távközlési Kft. (dpo-infra@digi.hu)
- 4iG Távközlési Holding Zrt. (dpo@ahrt.hu)
- AH Média Kereskedelmi Zrt. (dpo-media@ahrt.hu)
- AH Infrastruktúra Zrt. (dpo-infra@ahrt.hu)
- Invitech ICT Services Kft. (dpo@invitech.hu)
- Invitech ICT Infrastructure Kft. (dpo-infra@invitech.hu)
- ONE Albania (dataprivacy@one.al)
- ONE Crna Gora (dpo@1.me)
- Rheinmetall 4iG Digital Services Kft. (dataprotection@r4ds.hu)

Those subsidiaries of the 4iG Group that process a significant amount of personal data based on the nature, scope, and/or purpose of their activities have already designated data protection officers in order to comply with the requirements of applicable data protection laws.

The subsidiaries of the 4iG Group are obliged to publish contact information for their data protection officer(s) under applicable data protection laws, if such an appointment has been made. If a given subsidiary of the 4iG Group has not appointed a data protection officer, it is still obliged to provide a specific channel through which data subjects can submit their data protection requests.

Those subsidiaries belonging to the 4iG Group that operate as controllers and directly or indirectly process the personal data of consumers have already established their own data protection channels, through which data subjects can contact the data protection officer to exercise their data protection rights.

The trust of data subjects in the data protection channels can be strengthened by data protection requests submitted through these channels. In general, data subjects are aware of the existence of data protection channels, as the subsidiaries of the 4iG Group are obliged to include these in their data protection notices and make them available to data subjects.
Data subjects also have the opportunity to submit their data protection complaint through the compliance channel designated at the companies of the 4iG Group (in the so-called whistleblowing system). Through this, data subjects enjoy protection within the general framework provided by the whistleblowing policy.

4. Actions – Protection of personal data of consumers and employees

One of the key measures of the 4iG Group is the creation and extension of a unified data protection control mechanism at the Group's subsidiaries. The purpose of the measure is to establish unified processes and standards in the area of data protection compliance, thereby increasing the effectiveness of data protection governance. In addition, it intends to create data protection control mechanisms adjusted to the ongoing transformations within the 4iG Group in order to effectively address the resulting challenges.

The subsidiaries of the 4iG Group are obliged to address, in proportion to the risks, any data protection issues that may affect the rights or freedoms of data subjects, thereby minimising actual or potential negative impacts resulting from data processing. If the subsidiary has appointed a data protection officer, it is obliged to consult with them about planned data processing activities or changes in data processing and their possible risks. If there is no designated data protection officer, the subsidiary should turn to the 4iG Group Compliance organisation. After analysing the planned processing, the data protection officer or the Compliance organisation determines detailed control requirements to reduce the risks associated with the given data processing activity. The business unit performing the data processing is responsible for implementing the control measures.

Subsidiaries must plan their activities taking into account data protection risks of varying likelihood that may arise. If a data processing activity poses a high risk to the rights and freedoms of data subjects, a data protection impact assessment must be carried out to identify the risks arising from the processing, determine the necessary risk-reducing measures, and supervise their implementation.

The data protection procedures of the 4iG Group ensure that all data processing activities are carried out in accordance with the relevant laws, and that the necessary risk assessment and risk mitigation measures are fully implemented.

The subsidiaries of the 4iG Group publish the measures they plan or implement to reduce material risks arising from impacts on consumers and/or end-users and dependencies related to them. In addition, they demonstrate how they monitor the effectiveness of these processes. The subsidiaries consider what risks the impacts on consumers and end-users may pose, including damage to reputation or legal liability in cases where, as a result of the exercise of data subject rights, it can be determined that the organisational unit involved in the data processing did not act in accordance with data protection legal expectations.

At the same time, they also identify business opportunities, such as customer retention and growth through market differentiation and the provision of secure products. When subsidiaries assess whether dependencies related to consumers can turn into risks, they take into account external factors and their impacts. When integrating them into risk management processes, they analyse to what extent and how they are incorporated into existing risk management mechanisms.

Measures aimed at exploiting business opportunities related to consumers and end-users are not relevant from the perspective of data protection controls, as their primary purpose is to mitigate risks related to data processing and protect the rights and freedoms of data subjects.

When subsidiaries assess whether dependencies related to employees can turn into risks, they take into account external and internal factors and their impacts. When integrating them into risk management processes, they analyse to what extent and how they are incorporated into existing risk management mechanisms.

Furthermore, the subsidiaries of the 4iG Group consult on their planned data processing activities in order to assess potential negative impacts on data subjects and take appropriate measures to mitigate risks.

No serious human rights issues or incidents related to consumers and end-users, as well as employees, were reported in 2025 H1.

The time horizon for implementing the measure extends to the medium term. Within this framework, the Compliance area of the 4iG Group has already begun to develop a new data protection control mechanism, which contains unified processes and requirements (for example, internal procedures, new templates, etc.). The measure also includes multi-level training materials that take into account the characteristics of different business segments, as well as the data processing risks associated with them. The subsidiaries of the 4iG Group are obliged to comply with applicable data protection regulations based on their legal obligation, so the fulfilment of these requirements is continuously ensured.

No disclosure was made regarding this in a previous period. Ensuring data protection compliance falls within the scope of the 4iG Group Compliance function, with the related costs borne by the 4iG Group Compliance organisation and the individual member companies.
The 4iG Group is committed to preventing, mitigating, and correcting material negative impacts on data subjects, particularly employees, consumers, and end-users. Currently, in the current phase of implementing key measures, the most significant identified negative impact is potential data protection incidents affecting customer data (subscriber, end-user data), as well as the development of processes incompatible with data protection laws.

5. Targets – Protection of personal data of consumers and employees

The objective of extending a unified data protection compliance framework within the 4iG Group is in line with the policy, as it is in the interest of all subsidiaries of the 4iG Group to have a unified approach and processes that facilitate the effective and unified enforcement of data protection controls. Recognising this, the 4iG Group has also highlighted the development of data protection requirements in its sustainability strategy.
The measurable value of the objective from this perspective is the extension of unified group-level expectations and processes to all member companies belonging to the 4iG Group. The nature of the objective is thus measurable in the extension of unified requirements.
The scope of the objective includes those member companies belonging to the 4iG Group that process personal data. The base value is thus the establishment of unified internal processes, controls, and requirements at the regulatory level, with the base year being the 2025 business year. The period is medium-term, the timeframe has been determined in the 2025 and 2030 business years.
We are currently unable to determine specific milestones related to the objective; the 4iG Group is expected to provide information on this in the next reporting period.
A significant assumption in determining the objective is that unified processes, controls, and requirements promote the effectiveness of compliance requirements for organisational units and facilitate the transparency of processes. This objective is not linked to an environmental objective that would need to be based on convincing scientific evidence. There has currently been no change regarding the objective.
The stakeholders that the 4iG Group can involve in this process are the data protection officers operating within the Group. Consumers and end-users have not been involved in monitoring performance and identifying lessons or improvements derived from performance, as the planned processes and internal requirements are considered business secrets.
The development and extension of a unified data protection control mechanism for the subsidiaries of the 4iG Group is in line with the guidelines determined by the Group. It is beneficial for all subsidiaries to apply a unified approach and processes to ensure data protection compliance, which facilitates the improvement of the efficiency of data processing-related processes.

6. Metrics – Protection of personal data of consumers and employees

In the report, we also present indicators that derive from other reporting standards and complement the ESRS requirements. The indicator used in the consumer protection topic is the GRI standard indicator number 418-1, which presents the number of substantiated complaints regarding breaches of customer privacy and losses of customer data for the reporting period.

	2025 H1
Complaints received from external parties (Number of complaints substantiated by the organisation, pieces)	2162
Complaints received from regulatory bodies (Number of complaints received from regulatory authorities, pieces)	3
Total substantiated complaints (pieces)	2165
Identified customer data leaks (Number of confirmed data leaks, pieces)	74
Identified customer data thefts (number of confirmed data thefts, pieces)	0
Identified losses of customer data (number of confirmed data losses, pieces)	31

Total identified incidents (pieces)	105
Total amount of legal sanctions related to customer privacy (in euros):	0

Calculation method - Organisation-specific indicator for the protection of consumers and end-users
By complaint, the 4iG Group means complaints received from external parties (subscribers) and data protection investigations received from regulatory bodies. Would like to highlight to the fact that regulatory bodies do not make complaints, they conduct investigations and other proceedings (data protection authority proceedings) regarding the 4iG Group. The term identified customer data leaks was evaluated by the 4iG Group as a confidentiality incident in view of the practice of the Article 29 Data Protection Working Party (WP 29 Working Party) and the European Data Protection Board. The number of these incidents is shown in the table above. All received complaints and incidents were summarized.

S1-17 Incidents, complaints, and severe human rights impacts

	2025 H1
Number of severe human rights incidents affecting employees in the reporting period:	0
Number of severe human rights incidents related to the company's employees in the reporting period, including an indication of how many cases did not respect the provisions of the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises.	0
Total amount of fines, penalties, and compensation imposed due to disclosed incidents:	-
Total number of discrimination incidents during the reporting period	0
Number of complaints submitted through channels maintained for employees to raise concerns	0
Total amount of fines, penalties, and compensation imposed due to disclosed incidents:	-

The member companies of the 4iG Group did not receive any data protection complaints from employees in the 2025 H1. The concept of data protection complaint is as defined above.

3.6. Access to products and services

Vision

The operations of the 4iG Group were determined by two main business segments in 2025 H1: telecommunications activities, in the telecommunications segment, the 4iG Group provides mobile, fixed-line, and internet services to its customers. This includes providing network infrastructure, as well as operating and developing related digital and communication services. Furthermore, IT services and commercial activities, in this segment, the 4iG Group provides hardware and software sales, development, operation, support, consulting, and implementation services. This includes the integration of business systems, IT infrastructure operation, and cybersecurity solutions.

Among the Group's member companies, in 2025 H1, One Magyarország, DIGI, 4iG Távközlési Holding Zrt., Invitech, and two foreign subsidiaries, One Crna Gora and One Albania, provided telecommunications solutions to their customers, whether it was fixed or mobile services, broadcasting, or various value-added services.

The portfolio of telecommunications services can be divided into the following main groups:

- ***Wired Internet Service:*** The 4iG Group provides broadband, stable, and up to 1000 Mbit/s maximum download speed fixed internet connection in Hungary and the Balkan regions (Montenegro, Albania) for home and business users. The service is available through optical (FTTH), coaxial (HFC), and copper-based (DSL) technologies, enabling fast and reliable data connection. The Group continuously develops its network to comply with commitments and avoid competitive disadvantage. We write about the commitments in more detail in the "*2. Measures, Objectives - Access to products and services"* section of this chapter.
- ***Landline Telephone Service:*** Landline (telephone) continues to play an important role in communication. The Group applies modern analogue and VoIP (Voice over IP) technologies, ensuring voice transmission.
- ***Broadcasting Service***: In the field of television and radio listening, the Group offers innovative solutions, whether it's cable, satellite, or IP-based (IPTV) content provision.
- ***Mobile Voice and Internet Service***: The Group's mobile communication services provide users with the opportunity for voice calls and fast internet access, provided by advanced 2G, 4G, and 5G networks.
- ***Value-Added and Supplementary Services***: The 4iG Group offers not only basic telecommunications services but also provides numerous supplementary solutions for its customers. These extra options enhance the customer experience and make the use of services more comfortable and secure. The range includes smart devices (e.g., smartwatches, tablets), network accessories that facilitate internet use (e.g., Wi-Fi routers, signal boosters), and security solutions that make internet use safer (such as antivirus software, firewalls), which help customers fully discover and utilise the digital world.
- ***Support for Disadvantaged Customers:*** One Magyarország and ONE Albania provided several services in 2025 H1 that strengthened social responsibility, with special attention to services available to disadvantaged customers. Disadvantaged customers are natural persons or groups who have limited access to digital services, products, and infrastructure due to various social, economic, health, or technological factors. This category may include, among others, elderly customers, customers with disabilities, including people with visual, hearing, mobility, and other sensory or cognitive limitations, low-income customers, for whom access to the internet and related services may face financial barriers, and customers living in isolated or rural areas who have limited access to telecommunications and digital services due to their geographical location.

In addition, the 4iG Group's services range from data centre and cloud solutions, IT security, and artificial intelligence to data-based technologies. The 4iG Group provides integrated IT solutions and digital services spanning life cycles to its customers, about which we write in more detail in the "*1.2 Our Activities*" chapter.

Impacts, risks and opportunities assessment

Material Impact	Time horizon
Negative Impact *It can lead to the loss of market opportunities if the 4iG Group does not provide adequate products, services, employment, and inclusion opportunities for disadvantaged groups (including the elderly and people with disabilities).*	*Long term*

The 4iG Group is committed to developing products and services that promote the development of network access for socially/economically disadvantaged target groups.

The risks and opportunities identified during our materiality assessment are directly related to our business model, our own operations, and our value chain, especially downstream, in the customer-related segment. Failure to provide adequate digital access to disadvantaged groups may lead to the loss of market opportunities, reduce demand for our products and services, and weaken the social perception and competitiveness of the 4iG Group. In contrast, by promoting digital inclusion, we can not only achieve business growth but also become more attractive both in the labour market and in the investment environment. The negative impact is typically systemic and widespread, as limited digital access is a challenge affecting the entire industry. Failure to serve consumer groups facing geographical, economic, or technological barriers poses a risk not only to the 4iG Group but to the entire telecommunications and information technology sector. Furthermore, the aforementioned disadvantaged customer groups - elderly, disabled, low-income, and customers living in rural, isolated areas - may be more exposed to the risk of limited access to digital products and services.

The negative impact is estimated to occur only in the long term in the downstream value chain.

The integration of inclusive services into the 4iG Group's strategy and business model is a defining factor in the long term as well. The development of accessible solutions not only responds to current market demands but also creates opportunities to reach new customer groups and adapt to technological development. All of this receives special attention in our business decision-making to ensure the sustainable growth and competitiveness of the 4iG Group.

The impacts and measures related to ensuring accessibility are effective in the long term, as the needs of those affected and technological possibilities are constantly changing. Therefore, our goal is to continuously adapt our development strategy to new challenges and opportunities.

The 4iG Group takes an active role in managing material impacts and implementing them through business relationships. We work with our suppliers and technology partners to continuously expand and develop products and services.

1. **Policies - Access to products and services**

It is important for the 4iG Group that all customer groups have access to its products and services. Based on the General Terms and Conditions (hereinafter: GTC), it provides affordable and widely available services, which are particularly important for disadvantaged users. To ensure accessibility and universal service, the Group implements voluntary and mandatory measures that enable the elderly, people with disabilities, and low-income users to have continuous communication and digital access to our products and services. The availability of services extends to the full spectrum of customers, including both business and residential customers.

All relevant information about our products and services is available to customers on the Group's official website and through customer service channels. The availability of services, pricing, and fee conditions appear clearly and in an easily accessible way, ensuring informed decision-making for customers.

Through accessibility developments of the website and mobile application, visually and hearing-impaired customers can also easily use digital administration options.

The 4iG Group did not have a separate policy on access to products and services in 2025 H1. However, the related obligations and principles were defined in the GTC, which set out the availability, accessibility, and conditions of use of services, including provisions for disadvantaged and vulnerable groups. The reason for the lack of a policy is that the requirements and commitments regarding the accessibility of services are already determined by existing regulatory frameworks, contractual obligations, and industry standards. The GTC contains the basic principles that apply to the provision of services, including the universal service obligation, affordable packages available to low-income customers, and compliance with relevant legislation, such as the provisions of Act XVII of 2022 on access for people with disabilities.

The 4iG Group continuously examines the possibility of developing a separate access policy that also covers sustainability aspects, which may be developed in the medium term if justified.

S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

The 4iG Group continuously develops services and customer relationships based on identified complaint cases and feedback. Consumers and end-users can report their complaints or make observations through the following channels:

- In person at customer service offices
- By phone through customer service – (Hungary) Free from domestic: 1270 From abroad: 1270 or +36 70 700 1270 (can be called at normal rates), (Montenegro) Can be called from both domestic and abroad: 1700, (Albania) Free from domestic: 142 / 123, or 24/7 customer service message contact: +355688000142.
- On an online complaint submission interface
- By email - ugyfelszolgalat@one.hu, (Montenegro) korisnickiservis@1.me, (Albania) contactus@one.al

The complaint handling channels are operated by the company itself, without the involvement of external third parties.

The 4iG Group expects its partners to comply with industry and regulatory requirements in the areas of customer service processes and complaint handling mechanisms. The Group monitors the customer management processes of connected service providers, especially regarding the fulfilment of universal service obligations.

The 4iG Group monitors incoming complaints, the time and effectiveness of their handling. It uses customer feedback to improve the complaint handling system and identifies problems that regularly affect the customer experience.

The Group ensures that customers have access to transparent and easily accessible information about their complaint handling processes. To this end, it also details the customer service channels and complaint handling procedures on its website.
The 4iG Group has a Whistleblowing and Whistleblower Protection Policy, which is detailed in the "*4.2. Protection of Whistleblowers*" chapter. This ensures that customers and other stakeholders can report any complaint or misconduct without fear, and they cannot be subject to discrimination or retaliation in this regard. The company strictly handles such cases and ensures the protection of complainants.

2. Actions, Targets – Access to products and services

The 4iG Group continuously strives to develop innovative products and services so that all customer groups have equal access to our services. In 2025 H1, among the services of One Magyarország and ONE Albania, there was a solution available that provided support to disadvantaged customers.
In order to make communication services accessible, One Magyarország joined the accessibility recommendation of the Communications Reconciliation Council (HÉT), which aimed to ensure barrier-free access to information and services for users with disabilities. Within the framework of digital accessibility, the company has implemented and plans to further develop the following measures:

- Customer service staff receive sensitivity training to provide effective assistance to customers with disabilities. The themes of the training were developed by HÉT organisations in consultation with the advocacy organisations for people with disabilities. The training programs began no later than four months after joining, and their aim is for all customer relationship staff to receive training on handling special customer service situations.
- To facilitate the orientation of customers with disabilities, the company provides a detailed guide on the services available to them, discounts, and locations that are accessible, both at customer service offices and on its official website. In addition, we have made the Global Accessibility Reporting Initiative (GARI) database available on the website, which provides information about devices and tools suitable for people with various disabilities. The accessibility of the website also fulfils the legal obligations of Act C of 2003[15].
- One Magyarország has completed the accessibility of its website, with the exception of the webshop, by the deadline set in the recommendation, and as a result, a significant percentage of the pages on our public website developed for residential subscribers are now WCAG compliant.
- One Magyarország provides opportunities for customers with disabilities to try out the devices offered for the services on-site at its customer service locations. This is particularly important for those who use special endpoint devices, such as phones compatible with hearing aids.

One Magyarország's accessibility measures are not only based on voluntary commitments but also fulfil legal requirements. Act XVII of 2022[16] on improving accessibility for people with disabilities requires service providers to ensure digital and physical accessibility for everyone. Accordingly, it ensures that information related to electronic communications services is easily understandable and accessible, creates barrier-free customer service interfaces and communication channels, and ensures that customers with disabilities can use all services under the same conditions.

[15] Act C of 2003 on Electronic Communications
[16] Act XVII of 2022 - General Rules on Compliance with Accessibility Requirements for Products and Services

In addition, One Magyarország has established cooperation with various organisations to enable their members to use certain electronic communications services under preferential conditions. The organisations participating in the cooperation:

- National Federation of Interest Representatives of People with Intellectual Disabilities and their Helpers (ÉFOÉSZ)
- Hungarian Federation of the Blind and Visually Impaired (MVGYOSZ)
- National Federation of Associations of People with Physical Disabilities (MEOSZ)
- Sályi Foundation for Children with Physical Disabilities
- National Association of the Deaf and Hard of Hearing (SINOSZ)

Among One Magyarország's services, the Senior Smartwatch tariff package was available, which was moved to tariff packages not available in commercial circulation with effect from December 1, 2023, but due to contracts concluded for an indefinite period, several hundred customers are still using the tariff package. The initial cost of the Senior Smartwatch tariff package is 10,000 HUF, its monthly fee with an indefinite-term contract is 4,765 HUF (2,875 HUF tariff package + 1,890 HUF internet), while with a 1-year fixed-term contract it is 4,265 HUF (2,375 HUF tariff package + 1,890 HUF internet), which includes 100 minutes of domestic and EU roaming calls, as well as 500 MB of data traffic. The purpose of the Senior Smartwatch tariff package is to facilitate the tracking of the subscriber's or their family members' movement and maintain contact. The smartwatch transmits geolocation data and can call a pre-set phone number, which can be specified and modified free of charge through a smartphone application. The watch also measures pulse and blood pressure, however, the data obtained this way are for informational purposes only and do not qualify as certified medical measurements. The use of the device is subject to the registration of the associated application and website, as well as the acceptance of third-party contractual terms.

ONE Albania is also committed to making its products and services accessible to everyone. To this end, ONE Albania's website has been designed to be accessible to all users, regardless of their language, location, or abilities. This includes considering the needs of people with hearing, mobility, and visual impairments. The website supports keyboard-based navigation, allowing browsing with the "Tab" and "Enter" keys, which is particularly useful for users with mobility limitations (e.g., users who cannot use a mouse). In addition, audio formats of ONE Albania's General Terms and Conditions are available on the website, which facilitate access to information for visually impaired users.

ONE Albania offers discounted tariff packages for people with disabilities, such as:

- "One Ultra Fiber" 60 Mbps: ~4200 HUF/month instead of ~5400 HUF
- "One Ultra Fiber" 100 Mbps: ~5900 HUF/month instead of ~6700 HUF

Furthermore, One Magyarország and DIGI, as universal service providers designated by the National Media and Communications Authority (hereinafter: NMHH), are obliged to provide accessible and affordable communications services in specified geographical areas.
Within the framework of universal service, it provides fixed broadband internet access and voice service in all designated numbering areas, with a minimum download speed of 8 Mbit/s and upload speed of 2 Mbit/s. It offers these services at a discounted price for economically challenged customers, so the establishment of telephone and internet connection is free for low-income or socially

disadvantaged users. The monthly subscription fee is 899 HUF for fixed telephone service, which includes 105 minutes of domestic calls, while the fee for fixed internet access is 1766 HUF per month. The telephone and internet service are also available in a combined package for 2665 HUF/month.
In the designated universal service areas, the 4iG Group is obliged to operate public telephone stations (phone booths), which provide the opportunity to initiate emergency calls and communicate in places where no other alternative is available.
Within the framework of universal service, the affected member companies must comply with the requirements set out in NMHH Decree 13/2011. (XII.27.) and NMHH Decree 6/2015. (X.26.), which regulate network quality and the reliability of subscriber services.

The public telephone stations provided by the 4iG Group must comply with the requirements set out in Sections 19-21 of NMHH Decree 6/2015. (X.26.). The performance data for 2025 H1 were as follows:

- The proportion of operational coin and card public telephone stations in the primary zone is 99.99%, while the target value required by law is 90%.
- In the secondary zone, the achieved performance is 98.10%, which also exceeds the legal target value of 90%.
- At the national level, the proportion of operational stations reached 100% in 2024, so the 4iG Group fully ensures the prescribed universal service conditions.

In 2023, the 4iG Group and the Government of Hungary signed a letter of intent on the development of the digital infrastructure. The aim of the agreement is to strengthen the role of the infocommunications group in the implementation of the government's economic policy aimed at increasing domestic and international competitiveness, as well as the National Digitalisation Strategy (NDS) at the highest possible level. In line with the Government's digitalisation targets, the 4iG Group has committed to implement a mobile and fixed network investment worth HUF 150 billion in Hungary by 2028.

According to the agreement, 4iG will contribute to the digitalisation of Hungary with its IT skills and expertise and support the government's digitalisation efforts with its technological solutions, with which it will provide modern services to Hungarian citizens and economic actors, including in the fields of e-government, healthcare and education.

Supporting the Hungarian Government's digitalization goals, 4iG Group has made four key commitments in the field of mobile and fixed network investments:

- The Group will implement a mobile and fixed network investment worth HUF 150 billion in Hungary until 2028.
- As a result of the investments, 4iG will make the gigabit-enabled network available to an additional 1.1 million households by 2028 using fixed or high-capacity 5G wireless technologies.
- 4iG makes broadband internet and high-definition television services available to nearly one hundred percent of the population.
- The 4iG Group undertakes the construction of high-capacity 5G technology in Budapest and its agglomeration, in the county seats, and along the main transport routes, in the framework of which it will install the most modern 5G technology currently available at at least 1000 base stations.

In 2025 H1, due to the Group-level transformations, we did not set specific objectives to mitigate the material negative impact. The 4iG Group plans to define objectives in the medium term after the completion of the transformation project, which it would like to achieve at the Group level. Following the 2025 H1 corporate transformation, we expect to define Group-level goals on the topic in the medium term, within 2-3 years.

Metrics – Access to products and services

To determine the telecommunications network coverage data, we used the GRI's indicator published in the Telecommunications Sector Supplement - Availability of Telecommunications Products and Services. The indicator presents telecom network coverage data for indoor mobile and fixed network coverage rates (for mobile networks) by technology, and for fixed network coverage rates for the number of households covered in the country - in millions - and the percentage of Gigabit-capable access points. These indicators are published annually, therefore no updated data are available for the first half of 2025. Accordingly, the figures for the end of 2024 are presented.

Telecommunications network coverage

Within the 4iG Group, One Magyarország, One Crna Gora and ONE Albania have their own mobile radio telephone networks on which they provide mobile telephony, internet and other data transmission services. The mobile telephony network provides national indoor coverage of above 99% for 2G and 4G technologies in Hungary and above 50% for 5G technologies, 97% for 2G and 4G technologies and 73% for 5G technologies in Montenegro, and above 98% for 2G and 4G technologies and 46% for 5G technologies in Albania.

Mobile network - national indoor population coverage rate by technology (%)	**Hungary**	**Montenegro (One Crna Gora)**	**Albania (ONE Albania)**
2G	above 99%	above 97%	above 98%
4G	above 99%	above 97%	above 98%
5G	above 50%	above 73%	above 46%

Among the other member companies of the 4iG Group that do not have their own mobile network, DIGI serves its subscribers as a mobile virtual network operator (MVNO) through the mobile network of One Hungary. On 30 June 2024, 4iG Távközlési Holding Zrt. ceased to provide mobile internet services and, similarly, Invitech provides or has provided mobile internet services to its customers using the networks of other mobile operators (including the mobile radiotelephony network of One Hungary).

Number of mobile network subscriptions (SIM cards) at the end of 2024:

	One Magyarország	**DIGI**	**Invitech**	**Montenegro**	**Albania**
Mobile network - number of active subscriptions - SIMs (residential, business, mobile phone, mobile internet, M2M)	near 4,2 million	near 150 thousand	under 3 thousand	near 400 thousand	near 1,3 million

One Magyarország, in consultation with the NMHH and other mobile operators, started to switch off the outdated 3G technology in 2022, completing the phase-out of 3G networks in all parts of the country between 27 March and 10 April 2023. The 3G switch-off, which affected all mobile operators, resulted in better use of available frequencies and improved quality of 4G and 5G services.
In terms of the use of mobile technologies on the subscriber side, there are several constraints on the highest quality of service available at a given location from the handset side:

- handset configuration,
- handset network capability,
- SIM card type,
- network technology available at a given geographical location,
- weather, terrain, building structure,
- base station load and distance.

To access the 4G/5G network, you need at least a 4G capable SIM card, a 4G/5G capable device with these technologies enabled in its settings and of course the appropriate network technology available in the location.

Fixed network coverage
Within the 4iG Group, One Magyarország and DIGI have unified networks (typically within a single municipality) covering larger geographical areas. In 2024, D-Infrastruktúra Kft. will be demergedfrom DIGI, providing DIGI with access to unified networks on unchanged terms, and therefore DIGI's coverage is given as its own.
4iG Távközlési Holding Zrt. and Invitech, which are part of the 4iG Group, typically provide business subscribers with electronic communications services built to their specific needs, either through their own network construction projects or through wholesale cooperation using leased sections or sub-constructions from other network operators, but do not form a single coverage network in the locality or geographical area.
In determining the number of households covered, the most up-to-date technology available within the own or exclusive access unified network at a given endpoint was included in the aggregation - fibre-to-the-home (FTTH), Hybrid Fibre-Coax (HCF), xDSL in order of availability - where more than one was available.

The table below shows the fixed network coverage of One Magyarország, DIGI, One Crna Gora and ONE Albania, highlighting the number of households and business access points and the proportion of Gigabit-capable access points. The table also provides a technological breakdown of the network infrastructure, distinguishing between Hybrid Fibre Coax (HFC) and fibre-to-the-home (FTTH) technologies.

Provider	Covered households and business access points	Percentage of Gigabit-enabled access points (%)	Technology
One Magyarország	2.2 million	95	Hybrid Fiber Coax (HFC)
Digi	2.1 million	80	Fibre to the Home (FTTH)
Montenegro	near 650 thousand	22*	Fibre to the Home (FTTH)

Albania	near 290 thousand	75*	Hybrid Fiber Coax (HFC), Fibre to the Home (FTTH)

For Montenegro and Albania, the figures do not represent the ratio but the number of gigabit-capable access points across the country.

Number of fixed network subscribers at the end of 2024:

	One Magyarország	DIGI	4iG Távközlési Holding Zrt.	Invitech	Montenegro	Albania
Fixed network - number of subscribers (residential, business, telephone, internet and broadcasting services)	near 750 thousand	near 1 million	near 60 thousand	under 5 thousand	under 5 thousand	near 290 thousand

In the case of fixed networks, there are also technological constraints that can affect the quality of the subscriber service:

- technology available at the address,
- distance to the end point,
- owned or leased network: in some areas we use other operators' networks - for example leased infrastructure or wholesale access - which may provide different availability and speed,
- terminal equipment and devices: the terminal equipment deployed by the operator is determined by the technology required by the subscriber and available at a given location, the capacity of which may be heavily influenced by additional equipment used by the user, such as a Wi-Fi router, or by technical solutions such as wireless instead of wired connection.

Calculation method

The coverage rate in Hungary is 2.2 million for One Magyarország and 2.1 million for DIGI, but there is a significant overlap, so network coverage and business demand points have not been consolidated. The percentage of gigabit-capable access points for One Magyarország (95%), DIGI (80%), for Montenegro and Albania shows the number of gigabit-capable access points countrywide, 22 for Montenegro and 75 for Albania.

4. Governance information

The 4iG Group considers it necessary to establish and continuously develop an ethical framework to ensure effective and efficient corporate governance that, beyond legal compliance, also emphasizes the communication of fundamental ethical values. In the life of a company, ensuring lawful operations in itself only creates the framework for operation; these frameworks are filled with content by the ethical expectations that the 4iG Group communicates to employees and business partners during its daily activities. In view of this, the 4iG Group has established ethical operation and compliance as a corporate governance objective in its ESG strategy.

In giving substance to the legal framework, building and nurturing a corporate culture that promotes ethical, fair, and transparent behaviour within the 4iG Group is a key element. Regarding the enforcement of these core values, the 4iG Group has identified four key themes that contribute to the enforcement of these requirements.

The first theme is corporate culture, which section describes the 4iG Group's basic ethical framework (Chapter 4.1), the second theme focuses on the functioning of the whistleblowing and whistleblower protection system (Chapter 4.2), the third deals with anti-corruption and anti-bribery measures (Chapter 4.3), while the fourth theme covers political engagement and lobbying activities (Chapter 4.4).

4.1. Corporate Culture

Impacts, Risks and Opportunities Assessment

Corporate Culture		
Material Impact	**Opportunity**	**Time Horizon**
Negative impact Breaking legal and ethical rules has a negative impact on the organisation, making it a less attractive place to work for employees and investors.	Maintaining/increasing competitiveness through the application of appropriate policies and practices may lead to lower adaptation costs.	Medium term

Corporate culture includes not only following rules, but also unwritten, ethical expectations that are present in everyday life. Therefore, in terms of impacts, risks and opportunities, the given activity and location are significant to the extent that they may influence the applicable legal requirements in respect of certain member companies of the 4iG Group. On the other hand, sectors and transactions do not play a significant role, as the requirements enforced through the corporate culture are independent of the sector and the transaction, and must be enforced regardless of their nature. In the reporting year, the identified material negative impact in this topic is actual, as ethical norm violations and non-compliance issues may arise at any time. Therefore, regarding corporate culture and ethical behaviour, we place great emphasis on building an ethical framework and incorporating it into the daily operations of the 4iG Group, which contributes to preventing actual ethical norm violations and non-compliance issues and situations, as well as reducing the resulting risks. In developing requirements related to corporate culture and ethical behaviour, the 4iG Group has therefore taken into account the totality of internal and external factors that have influenced ethical operation, i.e., factors that may affect the operation of the 4iG Group, or factors on which the 4iG Group otherwise has an impact through its activities.

Regarding corporate culture, compliance with applicable legal requirements and related regulatory guidelines and expectations has been identified as a significant negative impact. Legal compliance is an essential part of the life of any organisation, as these requirements define the action frameworks within which businesses must organise their operations. These requirements have a significant impact on the operation of the 4iG Group, as non-compliance with applicable legal requirements appears as a risk in the activities of the 4iG Group. Violation of these requirements has an adverse impact on the organisation and may also have an adverse impact on persons outside the 4iG Group's member companies, such as customers, investors/owners, or suppliers.

From the investors' perspective, the negative impact arising from compliance with applicable legal requirements is most relevant for 4iG Nyrt., as 4iG Nyrt., as a listed company, is obliged to publish significant events not only concerning its own but also the member companies of the 4iG Group in order to inform investors. Legal non-compliance poses a risk to the operation of 4iG Nyrt., as it reduces investor confidence and may lead to negative investor perception.

Another internal factor is the value awareness of managers, which - as described in the Chapter on Leadership Engagement - is one of the prerequisites for creating a value-conscious corporate culture. It is expected that senior and middle managers set an example and convey corporate culture throughout the organisation, as their behaviour influences the behaviour of employees.

In terms of opportunities, developing a healthy corporate culture contributes to maintaining and increasing competitiveness. The introduction of appropriate policies, rules, and practices means lower adaptation costs, which promotes the development of legal and ethical frameworks, thereby having a positive impact on operations.

Due to the impacts identified above, and the risks and opportunities arising from them, one of the most important elements of the 4iG Group's operating model is ethical business conduct and full compliance with laws. To ensure compliance, the key players of the 4iG Group are the Compliance and Quality Management areas, whose activities are approved at the highest management level. The activities involved include employee training or, for example, ensuring ethical behaviour during cooperation with business partners.

The 4iG Group pays particular attention to managing impacts, risks, and opportunities in its strategic decisions. To maintain ethical operation, it continuously develops its internal regulations and produces regular reports as part of its transparency efforts. Such measures not only ensure legal compliance in the short term but also contribute to maintaining competitiveness and sustainable growth in the long term.

1. **Policies - Corporate Culture**

In order to manage the risks and opportunities arising from the impacts described in the previous section, 4iG Group has developed a business ethics compliance framework, which includes a Code of

Ethics and Business Conduct, a Code of Business Partner Ethics and six additional policies[17] which apply to all employees of the 4iG Group and other persons affected by the respective regulations.

The 4iG Group aims to create a value-conscious corporate culture. The values embraced by the 4iG Group are contained in the Code of Ethics and Business Conduct of the 4iG Group. The purpose of the Code of Ethics and Business Conduct is to set out the principles and basic norms necessary for creating an ethical culture and operation that comply with legislation and internal regulations, and to define the expected business conduct and core values of the 4iG Group. The Code of Ethics and Business Conduct, adopted in 2020, forms the basis of the 4iG Group's regulatory framework, setting out the basic operating frameworks. To this end, the Code of Ethics and Business Conduct sets out the expectations that must be enforced during daily operations.

The rules set out in the Code of Ethics and Business Conduct apply to all employees of the 4iG Group, i.e., 4iG Nyrt. and its subsidiaries under its direct or indirect controlling influence, including managers. In any company that is not part of the 4iG Group but in which 4iG Nyrt. or any of its subsidiaries has an ownership interest, efforts should be made to ensure that this company adopts the ethical standards of the 4iG Group or follows an equivalent set of rules and culture.

Within the regulatory structure of the 4iG Group, the Code of Ethics and Business Conduct is the highest level of regulator, and therefore the Governing Body and Senior Management of the 4iG Group are responsible for its implementation, and all other regulators must be in compliance with it. In the development of the Code of Ethics and Business Conduct, particular attention has been paid to international ethical and anti-corruption standards, in particular the ISO 37001: 2019 Anti-Corruption Management System Standard operated by 4iG Nyrt.

The Code of Ethics and Business Conduct is intended to provide frameworks for ethical, fair, and transparent behaviour which sets out in chapters the fundamental commitments and requirements related to human rights, ethical and fair conduct (such as non- discrimination, fair treatment of employees, healthy work environment, basic expectations for fair employment conditions, protection of corporate property, and the protection of intellectual property and personal data), as well as requirements related to transparent and fair business conduct containing obligations towards employees and management (such as zero tolerance for bribery and corruption, respect for competition law rules, respect for sanctions, import and export restrictions).

The Code of Ethics and Business Conduct provides specific guidance for employees in each chapter in order to facilitate the recognition of behaviours that may be followed or avoided in a given situation. The Code of Ethics and Business Conduct also emphasises that if employees have any questions about the assessment of a given situation, or if they encounter situations where they consider that the Code of Ethics and Business Conduct does not provide adequate guidance, they should contact the Compliance organisation.

During the development of the ethical compliance framework, the establishment of the anti-corruption management system, and the creation of the Code of Ethics and Business Conduct, we have identified the third parties involved and the interests and expectations of the stakeholders. In this context, we have identified that adherence to the principles set out in the Code of Ethics and Business Conduct and ensuring the functioning of the ethics organisation is also crucial for third parties. For this

[17] These rules are described in this chapter. These policies are the Whistleblowing and Whistleblower Protection Policy, the Ethics Committee Procedures Policy, the Anti-Corruption and Bribery Policy, the Bidding Policy, the Conflicts of Interest Policy and the Compliance Function Policy

purpose, we publish the regulations of the ethical framework relevant to interested parties (including the Code of Ethics and Business Conduct) on the Compliance.4ig.hu website, and include provisions regarding the acknowledgment of the Code of Ethics and Business Conduct and the prohibition of corruption among our contractual controls.

The Code of Ethics and Business Conduct, as the highest-level regulation, defines the operational framework of the 4iG Group. In parallel, expectations towards business partners are set out in the Code of Ethics for Business Partners . These expectations are requirements formulated towards business partners that are intended to enforce the organizational requirements of the Code of Ethics and Business Conduct "outwards", towards business partners.

The Code of Ethics for Business Partners contains the expectations that the 4iG Group considers binding for itself in its business activities arising from the principles set out in the 4iG Group's Code of Ethics and Business Conduct, and which it also wishes to enforce with its partners. Business partners of the 4iG Group are expected to take measures proportionate to the size and complexity of their organization and their risk exposure to ensure ethical operation and compliance, to be familiar with and follow the ethical and compliance principles espoused by the 4iG Group, and to apply these in their own value chain.

The 4iG Group expects its partners to promptly inform the 4iG Group through the Ethics and Compliance Line established for this purpose if they become aware of information related to a violation of the 4iG Code of Ethics for Business Partners, as well as the results of an internal procedure (self-audit) conducted based on such suspicion.

In drafting the Code of Ethics for Business Partners, the factors described for the Code of Ethics and Business Conduct have been taken into account, with the explicit aim of the Code of Ethics for Business Partners being communication to interested third parties. To this end, the Code of Ethics for Business Partners is also published on Compliance.4ig.hu.

In addition to the Code of Ethics and Business Conduct and the Code of Ethics for Business Partners, the Compliance organization has developed several regulations that, on the one hand, affect corporate culture and, on the other hand, are closely related to the prevention of corruption, the reduction of corruption risks, and the development of ethical conduct and the enforcement of ethical requirements.

In order to effectively enforce the rules of the Code of Ethics and Business Conduct and the value-conscious corporate culture, the 4iG Group has implemented an ethical compliance program and, in conjunction with this, an ISO 37001:2019 Anti-Corruption Management System in September 2020, which was also certified by an external auditor in December 2020. The 4iG Group has therefore established the rules necessary for the realization of the above, created the Ethics (Compliance) organisation, and provided the resources necessary for its operation.

This basic Compliance Framework includes the Whistleblowing and Whistleblower Protection Policy, the Ethics Committee Procedures Policy, the Anti-Corruption and Anti-Bribery Policy, the Gift Policy, the Conflict of Interest Policy, and the Compliance Function Description Policy.[18] The Group Compliance Leader is responsible for the operational implementation of these policies. The basic requirements of these policies are set out in the Code of Ethics and Business Conduct, while detailed, specific guidelines and expectations for managers and employees are set out in the individual policies.

[18] Note that the Gift Policy, the Conflicts of Interest Policy and the Compliance Function Description Policy have not been disclosed to the public, but are internal regulatory documents available to managers and employees

The Codes are fully accessible to employees via the intranet platforms and are communicated to employees when the Codes are issued (e.g., following revision).

A further key element in ensuring ethical and anti-corruption compliance is the system of process-embedded controls, which have been incorporated into internal policies for the relevant processes, as well as into contractual and other documentation.

The 4iG Group is committed to the principles of the Universal Declaration of Human Rights and the OECD Guidelines on Anti-Corruption and Ethical Business Conduct, which commitment is reflected in the principles formulated in the Code of Ethics and Business Conduct (e.g., equal opportunities, equal treatment, prohibition of discrimination, human dignity, anti-corruption requirements, fair trade and competition, respect for sanctions requirements). It regularly communicates these commitments to stakeholders through newsletters, intranet, and the Compliance sub-page available on the 4iG Group's public website. The Code of Ethics for Business Partners, the Anti-Corruption and Anti-Bribery Policy, the Whistleblowing and Whistleblower Protection Policy, and the Ethics Committee Procedures Policy are also publicly communicated on the 4iG Nyrt. website.

The Board of Directors and the CEO of the 4iG Group supervise the ethics framework, within the framework of which the Compliance organisation reports on its activities, ethics and other compliance matters and tasks within the Compliance competence, and furthermore - given that 4iG Nyrt.. also operates an ISO 37001:2019 Anti-corruption management system - it annually reviews the operation of the anti-corruption management system within the framework of a management review.

Leadership Engagement

Regarding leadership engagement and commitment, it is worth highlighting the display and communication of the ethical values and regulations espoused by the 4iG Group. In addition, we have taken steps to enforce, monitor, and control these with employees and business partners of the 4iG Group. To achieve this goal, the 4iG Group has decided to set up an ethics organization consisting of an Ethics Committee and an independent compliance function with direct access (Group Compliance), the primary task of which is to ensure the operation of the 4iG Group in accordance with laws, standards, and the Group's ethical commitment, with the aim of preserving the trust of the 4iG Group's employees, customers, shareholders, business partners, and other stakeholders, and to safeguard the good reputation of the Group.

A prerequisite for creating a value-conscious corporate culture is that senior managers ("tone at the top") and middle managers ("mood in the middle") set an example and communicate the corporate culture throughout the Organisation. To this end - among other things - the 4iG Group expects all its managers to set an example through their ethical behaviour to all employees of the Group. Given that workplace managers play a key role in establishing, evaluating, and continuously monitoring the ethical atmosphere to be created based on the Code, managers are required to be thoroughly familial with the provisions of the Code and the principles formulated therein, and to appropriately communicate and enforce them in their instructions, decisions, and daily activities. The Senior Management, by maintaining the Ethics (Compliance) Organisation, provides an opportunity for employees and other persons to report unethical behaviour through the Ethics and Compliance Line (see Section 4.2, Subsection 1) without exposing the whistleblower or employees who express problems or questions through other channels to any form of retaliation.

The above rules apply to all managers, so the 4iG Group ensures the business conduct expertise of the administrative, executive, and supervisory bodies through training, awareness-raising, the use of regulations in line with the principle of norm clarity, and the aforementioned Ethics (Compliance) Organisation.

According to the Code of Ethics and Business Conduct, the responsibilities of the 4iG Group's managers include setting a good example in ethical behaviour and compliance, familiarizing their directly supervised colleagues with the Code, ensuring that their colleagues understand it, and that respect for ethical regulations is reflected in all their actions. The 4iG Group considers the deliberate or seriously negligent disregard or non-consideration of compliance risks as a clear lack of managerial capabilities.

2. Actions – Corporate culture

To develop corporate culture, the expectation was formulated towards the member companies of the 4iG Group to adopt the group-level framework at the member company level, as well as the expectation to establish an Ethics (Compliance) organisation, in order to strengthen the presence of group-level expectations and requirements at the member company level. As a result of the organisational changes, the group-level harmonization and significant integration of certain member companies of the 4iG Group under the group-level requirements began in FY 2023 and continued in 2025 H1, with subsidiaries operating partly according to their own commitments and partly according to group-level expectations. This integration into group-level expectations occurred in 2025 H1 for the following member companies belonging to the 4iG Group:

- One Magyarország Zrt.;
- D-Infrastruktúra Távközlési Kft.;
- Invitech ICT Services Kft.;
- Invitech ICT Infrastructure Kft.;
- AH Média Kereskedelmi Zrt.;
- AH Infrastruktúra Zrt.
- ONE Albania
- ONE Crna Gora

Some member companies had already partially or fully adapted to the group-level requirements during FY 2023 (e.g., DIGI Távközlési és Szolgáltató Kft.). This is the case for Rheinmetall 4iG Digital Services Kft., which already had a Code of Ethics and Business Conduct, Code of Ethics for Business Partners, Conflict of Interest Policy, and Gift Policy aligned with the group-level requirements during the FY 2024. Rheinmetall 4iG Digital Services Kft. also began developing a Whistleblowing and Whistleblower Protection Policy and an Ethics Committee Procedures Policy at the member company level during the 2024 business year. Our foreign subsidiaries (ONE Albania, ONE Crna Gora) also follow the Group-level Code of Ethics and Business Conduct.

The extension of group-level Compliance requirements and codes to the member-company level coincides with the objective of extending the anti-corruption management system to the group level. The regulations related to the anti-corruption management system are closely interlinked, as the Code of Ethics and Business Conduct not only expects basic behavioural requirements from employees (e.g., human dignity, fairness, zero tolerance for harassment) but also defines basic requirements relevant to business life (e.g., zero tolerance for corruption, fair business practices), which also provide the basic framework for the anti-corruption management system. In addition, numerous Compliance policies (e.g., Compliance Function Description Policy, Gift Policy, Conflict of Interest Policy, and

Whistleblowing and Whistleblower Protection Policy) have been created, which not only play a key role in shaping corporate culture but are also an integral part of the anti-corruption management system.

Employee training also plays a significant role in this regulatory framework, the basic purpose of which is to increase employee awareness and ensure knowledge and compliance with the rules by colleagues, both from an ethical and anti-corruption perspective.

For the 4iG Group, training other than ethics and anti-corruption training, such as data protection training, is part of the corporate culture and is closely linked to the data protection compliance objectives, which can be understood as a parallel extension of the data protection compliance framework within the Group, i.e. the primary objective is to ensure that the expectations, processes and responsibilities regarding data protection obligations are known, understood by employees and enforced in their daily work.
The scope of the corporate culture measures therefore coincides with the objective of extending the anti-corruption management system and the data protection framework at the group level for those member companies that are engaged in substantive business activities on the anticorruption side, i.e. where there is transactional, business interaction with external third parties (customers, suppliers, other business partners), and on the data protection side, where personal data are processed.

The time horizon for implementing these measures (both in terms of extending the anti-corruption management system and the data protection compliance framework) is medium-term, with a target date set for 2030.

Regarding the allocation of current and future financial resources for the above objectives related to corporate culture, no separate financial resources have been identified but are included in the financial resources identified in section 4.3.

3. Targets - Corporate Culture

As described in the previous section, in terms of corporate culture, both the extension of Compliance policies and the extension of related training are closely linked to the 4iG Group's objective of enforcing a unified Compliance framework within the 4iG Group, thereby contributing to the management of risks and realization of opportunities detailed in the "Impacts, Risks, and Opportunities" section of Chapter 4.1.

The achievement of the target can be measured in two values: one value of target achievement is the establishment of an operational framework at the member-company level that aligns with the group-level Compliance policies (which are designed to define the necessary operational frameworks at the policy level), and the other is the percentage of completion of the related Compliance training by employees of the member companies where the Compliance Framework is deployed and the related awareness-raising training is introduced. Detailed information on this is provided in the "Metrics and Indicators" section of Chapter 4.1.

The nature of the target is thus measurable in terms of the consistency of the Compliance Framework and related training, i.e., that in every member company belonging to the 4iG Group that falls within the scope of the action (i.e., as described above, those that conduct transactional, business activities that may fall within the scope of the anti-corruption management framework, or that perform substantial activities related to personal data processing from a data protection perspective), the

Compliance Framework is established at the level of uniform level of standards and expectations, along with the introduction of related awareness training.

There was no change in the determination of the target and the appropriate target values in 2025 H1. The base year of the designated targets, i.e., the starting year, is the financial year 2024, in which significant progress has already been made regarding the member companies affected by the transformation being carried out within the group. The period associated with the objective is medium-term, i.e., the objective is for all member companies meeting the above criteria to be integrated under the unified framework by the financial year 2030.

No specific milestones have yet been set for the achievement of the targets in 2025 H1, for the reason that the still ongoing transformation programme in FY2025 will determine the milestones to be achieved in the medium term. For this reason, it is expected that the 4iG Group will be able to set more specific milestones in its report for the 2025 financial year.

No separate methodology has been determined for achieving the targets, as it is assumed that it is in the interest of all 4iG Group member companies covered by this scope of measures to act according to a common set of processes and rules in their day-to-day work. This results in efficiency improvement on the part of the member companies, as all member companies will thus have to comply with a uniform set of requirements, which will facilitate cooperation within the group. There are no environmental protection objectives associated with the objectives, so the existence of scientific evidence is not applicable in this respect.

Stakeholders were not directly involved in defining the targets. It can be generally stated that in terms of risks and opportunities, there is a general expectation among external stakeholders (suppliers, customers, business partners) that business partners with whom they conduct business activities should conduct their business according to similar principles and ethical standards as those they themselves hold. It is therefore common practice in international business to publish codes of ethics that reflect these fundamental commitments, and which are made available to each party on a reciprocal basis to ensure that both parties are convinced of these fundamental commitments. Another set of the stakeholders are investors, who generally expect businesses to operate in a transparent manner and in accordance with the requirements belonging to the sphere of basic ethics and business integrity, and for companies to act with appropriate awareness.

The performance achieved in terms of the objectives in FY 2025 H1 can be considered significant, as within the framework of the ongoing transformation within the 4iG Group, the member companies affected by the demerger successfully established a Compliance Framework aligned with the group-level expectations. This covers a total of 5 member companies: D-Infrastruktúra Távközlési Kft., Invitech ICT Services Kft., Invitech ICT Infrastructure Kft., AH Média Kereskedelmi Zrt. and AH Infrastruktúra Zrt.), and One Magyarország Zrt. also completed the implementation of the 4iG Group's Compliance Framework during the 2024 business year.

The data for 2025 H1 is presented in the "Metrics and Indicators - Corporate Culture" subsection of Chapter 4.1.

The standardisation of awareness-raising training related to the framework will begin in 2025 H2 with the involvement of the HR organisation.

Metrics – Corporate Culture

To develop corporate culture, some member companies of the 4iG Group have already introduced training of varying depths during the 2024 financial year to promote the enforcement of ethical requirements within the companies, which also promotes the conscious action of employees. There are some member companies where the training framework has not yet been established. In the member companies where training has already been established, the Training Policy[19] also makes it mandatory for all employees to complete anti-corruption and anti-bribery training upon entry and annually.

The individual member companies are currently at different levels of development. The 4iG Group's HR organization is responsible for establishing uniform training systems and defining and communicating training obligations.

While in 4iG Nyrt. and One Magyarország Zrt., separate specialized training is available for employees with a corruption risk rating higher than low, some member companies provide uniform training for all employees. This training is issued as mandatory for everyone. In 4iG Nyrt, as due to the limitations of the training system, it is currently not possible to differentiate between job positions

The Group Compliance Manager provides management training for the Senior Management (senior executives responsible for operational management) and the Governing Body (i.e., the Board of Directors), after which they make a written anti-corruption declaration every year, stating their knowledge of the relevant policies. In general, the Compliance organisation has built and plans to extend this training framework to its member companies in three major areas: Ethics training (which is intended to present the basic expectations of the Code of Ethics and Business Conduct), Anti-corruption training (which presents the expectations according to the Anti-Corruption and Anti-Bribery Policy, as well as the related gift and conflict of interest requirements), and basic data protection training, which is intended to present the basic requirements of data protection laws (in particular the EU General Data Protection Regulation 2016/679 - "GDPR") to employees. These three areas form the basis of the organisational-specific indicators provided below.

The anti-corruption training informs employees about what constitutes corruption, what cases of corruption can occur, what the role of the various actors within the organisation is in recognizing and managing corruption risks, presents the role of the Compliance organisation in managing corruption risks, and informs employees about the whistleblowing channel, reporting options and protection against retaliation in case of whistleblowing.

Entitiy-specific indicator: Organization-specific indicator: Number (pcs) of employees who participated in Code of Ethics training, anti-corruption training, and data protection training in the 2025 H1

Training category	2025 H1
Number of employees who received training related to the Code of Ethics (Ethics Training, persons)	3231
Number of employees who received anti-corruption training (persons)	3236

[19] Note that Training Policy have not been published, they are internal regulatory documents available to managers and employees

Number of employees who received data protection training (persons)	3289

The methods behind the metrics reflect the number of employees in the given member company, in the given business year, who completed the trainings of varying depths shown in the table. No significant assumptions or limitations have been identified regarding the method. The metric has not been validated by an external body.

4.2. Protection of Whistleblowers

Impacts, Risks and Opportunities Assessment

Protection of Whistleblowers		
Material Impact / Risk	**Opportunity**	**Time Horizon**
Positive impact An appropriate whistleblowing system encourages ethical behaviour and transparency.	Ensuring the protection of whistleblowers strengthens the 4iG Group's internal transparency and security through appropriate communication between the company and employees, and through the practice of policies and regulations.	Short term

We are committed to developing an effective and comprehensive ESG (environmental, social, and governance) corporate governance model, defined by the principles of ethical corporate culture. We believe that this contributes directly to the satisfaction of our employees, customers, shareholders, suppliers, and other stakeholders.

As part of our governance processes, we identify and assess governance and accountability-related risks to effectively manage and mitigate them.

The 4iG Group is committed to protecting whistleblowers, preventing any retaliation against them, thereby avoiding legal and ethical problems causing retaliation against whistleblowers and the resulting risks that can also affect the reputation of the Group.

The material positive impact identified in the reporting year - *An appropriate whistleblowing system encourages ethical behaviour and transparency* - can already manifest in the short term. A properly designed whistleblowing system can have an actual positive impact in the short term, as it encourages ethical behaviour and transparency, and has the potential to increase trust through the protection of whistleblowers.

The possibility of accepting anonymous reports has been identified as an opportunity in terms of receiving whistleblowing reports and protecting whistleblowers. The possibility of making anonymous reports (i.e., without providing any direct or indirect identification) can act as a factor increasing the effectiveness of the whistleblowing system, as there are individuals who approach whistleblowing channels with greater confidence if they can also report anonymously.

The operation of a whistleblowing system can also have a positive financial impact, as the investigation and faster handling of reported violations (e.g., in case of non-compliance with internal policies) can reduce potential costs through the introduction of appropriate measures. The probability of the impacts inherent in the opportunity occurring is high, as the 4iG Group is already addressing this issue as described in the section below.

The introduction of mechanisms for reporting violations and ensuring the protection of whistleblowers is of paramount importance to the 4iG Group. This is also significant as Act XXV of 2023 on complaints, public interest disclosures, and rules related to the reporting of violations only allows for reporting by a person who has had, has, or intends to establish a future legal relationship with the company, as defined therein. In contrast, the 4iG Group does not restrict the range of persons making reports, and therefore the protection afforded to them.

Our aim is to ensure that individuals making reports can report violations safely and free from retaliation, thereby contributing to strengthening the principles of transparency, ethical operation, and accountability. The lack of adequate protection can result in legal and ethical problems and risks arising from retaliation against whistleblowers, which can negatively affect the reputation and operations of the 4iG Group.

To prevent legal and ethical problems, our company has implemented several measures. The basis for this is provided by the Code of Ethics and Business Conduct, which establishes the basic framework for receiving and handling whistleblowing reports. The Whistleblowing and Whistleblower Protection Policy builds on these basic requirements, establishing specific procedural processes, requirements, and control mechanisms aimed at preventing retaliation against whistleblowers and ensuring the proper handling of violations. In addition, we ensure transparency and information flow for stakeholders through regular reports and disclosures.

The impacts of whistleblower protection measures are continuous and long-term, so we are committed to further developing our existing practices. The material positive impact identified affects our own operations through employees and our value chain through external stakeholders. Our goal is to establish uniform and effective standards at all levels of the value chain that strengthen the confidence of employees and other stakeholders. Through this approach, our company complies with the principles of ethical operation and transparency, while minimizing risks and maximizing stakeholder satisfaction.

1. Policies - Protection of Whistleblowers

The whistleblowing procedure is defined at a high level in the Code of Ethics and Business Conduct, the details of which are set out in the Whistleblowing and Whistlerblower Protection Policy (hereafter referred to as the ‘Policy’ in this subsection). The Policy sets out the detailed procedural rules for investigating whistleblowing reports, describes the reporting channels, the possibility for whistleblowers to report any potential violation or misconduct (which may relate to violations of applicable legal requirements, the Code of Ethics and Business Conduct, and internal company policies), and sets out the requirements for the protection of whistleblowers and the prohibition of any form of retaliation against whistleblowers.

The investigation of whistleblowing reports is conducted by the independent Compliance Officer operating at group level and member company level, who, if necessary, refers the matter to the Ethics

Committee. For this purpose, the Rules of Procedure of the Ethics Committee has been adopted at the group level in connection with the whistleblowing procedure, which may convene as a result of conducting a whistleblowing procedure if the severity of the case (the severity of the potential violation or misconduct) necessitates its convening. Based on the conducted whistleblowing investigation, the Compliance Officer makes a recommendation for the convening of the meeting.

The 4iG Group has a two-tier whistleblowing policy. On the one hand, it covers group-level whistleblowing channels and procedures, and on the other hand, it prescribes an implementation obligation for subsidiaries of the group under Hungarian jurisdiction, which have an implementation obligation related to the policy in order to comply with Hungarian regulatory reporting requirements (e.g., Act XXV of 2023). The group-level whistleblowing channel can receive all whistleblowing reports related to the activities of the 4iG Group's subsidiaries. Reports can be made anonymously by both internal and external stakeholders, regardless of whether the whistleblower has a legal relationship with the company.

Affiliated companies to which Act XXV of 2023 is directly applicable are required to establish their own whistleblowing channel and to independently handle and investigate whistleblowing reports. In FY 2025 H1, the following companies had their own whistleblower channels and implemented their own policies that reflects the requirements, obligations, and investigation procedures of the group-level policy:

- 4iG Nyrt. (4iG Nyrt.'s whistleblowing channel is also the group-level whistleblowing channel)
- One Magyarország Zrt.
- DIGI Távközlési és Szolgáltató Kft.
- D-Infrastruktúra Távközlési Kft.
- Invitech ICT Services Kft.
- Invitech ICT Infrastruktúra Kft.
- 4iG Távközlési Holding Zrt.
- AH Média Kereskedelmi Zrt.
- AH Infrastruktúra Zrt.
- HungaroDigiTel Kft.
- ACE Network Zrt.
- ONE Albania
- ONE Crna Gora

The Hungarian subsidiaries implement the group-level whistleblowing policy, allowing the group to provide a unified approach to handling and investigating whistleblowing through its own channels. In FY 2024, Rheinmetall 4iG Digital Services Kft. also began establishing its own whistleblowing channels, structure, and policy.

The other Hungarian subsidiaries have not yet established individual whistleblowing channels. This is because some subsidiaries do not have actual commercial activities that may be subject to compliance monitoring, or they employ fewer than 50 employees, making them exempt from the scope of Act XXV of 2023.

The 4iG Group declares zero tolerance for retaliation against whistleblowers. The Whistleblowing and Whistleblower Protection Policy details the measures that may constitute retaliation and guarantees the protection of whistleblowers. The whistleblowing channels documented in the Code of Ethics and the policy are accessible to all employees through the intranet, while external whistleblowers can access the information via the company's website.

Employees are informed about how to report whistleblowing through training as specified in the metrics provided in the Corporate Culture chapter, both within the ethics training and anti-corruption training topics. The Whistleblowing and Whistleblower Protection Policy is regularly reviewed, and the results communicated to employees.

The group-level whistleblowing channel can be accessed via:

- In writing: Compliance@4ig.hu
- By mail: to the address of 1013 Budapest, Krisztina krt. 39., addressed to the Compliance Officer
- Online: https://www.4ig.hu/etika-Compliance-bejelentes

2. Actions - Protection of Whistleblowers

The key measures to be taken regarding the protection of whistleblowers coincide with those on corporate culture (Chapter 4.1) and anti-corruption and anti-bribery efforts (Chapter 4.3). The reason for this is that the fundamental ethical considerations belonging to the sphere of corporate culture, which are at a high level in the Code of Ethics and Business Conduct, and the requirements related to the anti-corruption management system in the relevant policies (in particular the Anti-Corruption and Anti-Bribery Policy, the Gift Policy, and the Conflict of Interest Policy) are enforced. With respect to both objectives, it is expected that all persons who, in connection with the conduct of the 4iG Group's member companies, experience a situation that may indicate violations of the law, ethical standards, or corruption-related misconduct, should be investigated according to uniform processes and aspects. As a result, the continuous extension of the group-level compliance Framework includes the extension of whistleblowing procedures and the Whistleblowing and Whistleblower Protection Policy to the member-company level, including safeguards regarding the protection of whistleblowers.

The scope of the measures related to the protection of whistleblowers therefore coincides with the objective of extending the group-level corporate culture and anti-corruption management system to those member companies that carry out substantive business activities, i.e., where there is transactional, business interaction with external third parties (customers, suppliers, other business partners).

The time horizon for implementing these measures (such as extending the anti-corruption management system) is medium-term, with a target date set for 2030.

Regarding the set of requirements for the whistleblowing procedure and the protection of whistleblowers, a material impact can be identified in that, as a result of the operation of an effective whistleblowing system, employees may be held accountable or business relationships with business partners may be terminated if violations of law or internal policies are established. However, the benefits associated with the effective operation of the system outweigh these disadvantages, as several safeguards have been incorporated into the system. These include the independence and impartiality of the Compliance Officers acting during the investigation, as well as the possibility of referring the case to the Ethics Committee.

Regarding the objectives related to the protection of whistleblowers, no separate financial resources have been allocated for current and future financial resources; they are included in the financial resources specified in Chapter 4.3, Subsection 2.

3. Targets - Protection of Whistleblowers

In terms of protecting whistleblowers, both the extension of group-level Compliance policies to member companies (including the Whistleblowing and Whistleblower Protection Policy) and the alignment of whistleblowing channels with group-level expectations (in particular by ensuring the anonymity requirement) can contribute to managing the risks and realizing the opportunities detailed in Subsection 2 of Chapter 4.3.

The measurable value of achieving the target is thus the extension of group-level Compliance policies to the member-company level, and the establishment of a whistleblowing framework that meets the requirements specified in the group-level policies.

The nature of the target is thus measurable in the uniformity of the Compliance framework and whistleblowing procedures at the member-company level. This means that all member companies must build and maintain whistleblowing channels in accordance with group-level requirements and incorporate the expectations and guarantees set out in the group-level Whistleblowing and Whistleblower Protection Policy into their own operations.

The scope of the target aligns with the scope defined in the Corporate Culture chapter (4.1) and the chapter on anti-corruption and anti-bribery efforts (4.3). The scope of the objective therefore aligns with the range of member companies belonging to the 4iG Group that have a substantive activity, i.e., maintain transactional, business relationships with third parties.

No changes were made to the target and the definition of the corresponding target values during 2025 H1.

The period associated with the target is medium-term, i.e., the target is for all member companies meeting the above criteria to be integrated under the unified framework by the 2030 business year.

Regarding the achievement of the targets, specific milestones have not yet been determined in 2025 H1 due to the fact that the transformation program in progress during the business year will determine the milestones to be achieved in the medium term. Therefore, the 4iG Group will likely be able to define more concrete milestones in its report for the 2025 business year.

No separate methodology has been determined for achieving the targets, as we start from the significant assumption that it is in the interest of all member companies belonging to the 4iG Group and covered by this set of measures to follow uniform processes and rules in their daily work. This results in efficiency improvement on the part of the member companies, as each member company must thereby adhere to a uniform set of requirements, which facilitates cooperation within the group. There is no environmental protection target associated with the objectives, so the existence of scientific evidence is not applicable in this respect.

Stakeholders were not directly involved in defining the targets. It can be generally stated that in terms of risks and opportunities, there is a general expectation among external stakeholders (suppliers, customers, business partners) that the business partners with whom they do business should conduct their business according to similar principles and ethical standards as those they themselves hold. This includes the requirement that business partners themselves, their employees, are able to report misconduct involving 4iG Group member companies so that it can be investigated, ensuring that they are protected from retaliation in the course of that investigation. For employees, it is also a basic expectation that they have access to a whistleblowing framework through which they can confidently approach the Compliance organisation, with the assurance of protection against retaliation for making a report.

The performance achieved in terms of the objectives in the 2024 business year could be considered significant, as within the framework of the ongoing transformation within the 4iG Group, the member companies affected by the demerger successfully established a Compliance Framework aligned with the group-level expectations. This covers a total of 5 member companies: D-Infrastruktúra Távközlési Kft., Invitech ICT Services Kft., Invitech ICT Infrastructure Kft., AH Média Kereskedelmi Zrt. and AH Infrastruktúra Zrt.), and One Magyarország Zrt. also completed the implementation of the 4iG Group's Compliance Framework during the 2024 business year. No changes were recorded in 2025 H1.

Metrics - Protection of Whistleblowers

Number of whistleblowing incidents received and investigated by 4iG Group member companies in 2025 H1. The definition of whistleblowing was defined in accordance with ISO 37002:2022 (Whistleblowing management systems - Guidelines), clause 3.10.

Definition: The reporting of a suspected or actual offence by the person reporting the abuse.

	2025 H1	
Total number of whistleblowing reports	0	
	Under investigation	**Closed**
Total number of investigated and closed whistleblowing reports	0	0

Calculation Methodology

The method behind the above metrics reflects the number of whistleblowing procedures received and investigated by the individual member companies in 2025 H1, in which the protection of whistleblowers must also apply. The metrics have not been approved by an external body.

4.3. Corruption and Bribery

Impacts, Risks, and Opportunities Assessment

Corruption and Bribery

Material Impact/Risk	Opportunity	Time horizon
Negative Impact *Corruption and bribery significantly reduce the confidence of business partners in the supply chain and the trust of investors in the company, and reduce transparent operations.* *Positive Impact* *With measures introduced to prevent and detect corruption and bribery (including training that prepares our employees to detect corrupt practices), we can strengthen the 4iG Group's ethical standards and transparency, which increases the trust of users, our partners, and suppliers.*	*With practices against corruption and bribery, we not only protect our company's reputation but also ensure the reliability of our services. This proactive approach facilitates the establishment of sustainable business relationships and contributes to strengthening our market position, which can provide a competitive advantage in the long term.*	*Long term*

The material negative impact identified in the reporting year - *Corruption and bribery significantly reduce the trust of business partners in the supply chain and the trust of investors in the company, and reduce transparent operations* - is actual. The negative impact can severely damage the 4iG Group's reputation, investor confidence, and relationships with business partners in the long term.

The fight against corruption and bribery represents an important objective for the 4iG Group, as these factors have material impact on the transparency of our business model, the quality of relationships with stakeholders, and the overall image of our company. Identifying and managing the risks of corruption and economic misconduct, as well as the practical application of the zero-tolerance principle, are fundamental elements of our strategy.

The negative impacts associated with corruption and bribery include a decrease in the company's transparency and a loss of trust among partners and investors, which in the long term impair the company's business results and reputation. At the same time, measures taken to prevent corruption, such as regular training and risk management processes, strengthen the 4iG Group's ethical standards, increase the confidence of stakeholders - customers, partners, and suppliers - and contribute to transparent and responsible operations. The magnitude of the negative impact is high, as allegations of corruption and bribery can have widespread negative consequences for business relationships and the social perception of the 4iG Group. The significant negative consequences are also difficult to remedy, as restoring a damaged reputation takes a long time.

Taking proactive measures against corruption and bribery appears as a positive impact, serving not only to protect the reputation of the group but also to ensure the reliability of services. This facilitates the establishment of sustainable business relationships and the strengthening of the market position, which can provide a significant competitive advantage for the company in the long term. Such practices have a positive impact on stakeholder satisfaction while reducing potential financial and reputational risks. The positive impacts already manifest in the short term, are capable of strengthening ethical standards, and thereby increasing trust in the 4iG Group and the business ecosystem.

Moreover, opportunities also lie in the measures taken against corruption and bribery, as these measures are capable of protecting the company's reputation, are suitable for ensuring the reliability of services, and thereby contribute to building sustainable business relationships and strengthening our market position. This represents a significant - positive - opportunity from a financial perspective.

The impacts inherent in this opportunity are long-term, as building trust takes time, but they are capable of reducing legal and financial risks through positive impacts on the company's financial position.

To manage corruption risks, 4iG Nyrt. has maintained a control and monitoring system in compliance with the ISO 37001 anti-corruption standard since December 2020, which is certified annually by an external auditor. The gradual extension of this framework within the 4iG Group is a priority.

The assessment and management of corruption risks occur at the level of organisational units, with particular attention to supplier and customer relationships, public procurements, and acquisition and merger transactions.

With measures aimed at managing corruption and bribery, we ensure transparent operations and maintain the trust of stakeholders. These measures extend throughout the entire value chain and provide an opportunity to strengthen our operations.

1. **Policies - Corruption and Bribery**

As detailed in Chapter 4.1 (Corporate Culture), the 4iG Group has adopted a group-level Code of Ethics and Business Conduct, Code of Ethics for Business Partners, Anti-Corruption and Anti-Bribery Policy, Whistleblowing and Whistleblower Protection Policy, which define the basic requirements for ethical, fair, and transparent behaviour. The Code of Ethics and Business Conduct expresses zero tolerance for all forms of corruption and bribery, while the requirements related to the fight against bribery and corruption are detailed in the Anti-Corruption and Anti-Bribery Policy. The entire organisation is responsible for implementing and enforcing the requirements in the policies and the Code of Ethics and Business Conduct, with the Compliance organisation responsible for performing the specific tasks specified in the policies.

These policies reflect the 4iG Group's effort to create a work environment and corporate culture that recognises and prevents the occurrence of corruption risks and ensures that the resulting damages are remedied.

The 4iG Group explicitly prohibits and opposes all forms of corruption and is committed to developing and maintaining a corporate culture that is conductive of preventing corruption and detecting potential actions of corruption. The 4iG Group continuously strives to adopt anti-corruption good practices in accordance with industry norms and standards and to train its employees accordingly.

To this end, 4iG Nyrt. has implemented an Anti-corruption management system in accordance with MSZ ISO 37001:2019 standard, which is being continuously implemented at the subsidiary level. The main mission of the Compliance function is to operate the Anti-corruption management system according to the requirements of the MSZ ISO 37001:2019 standard. For this purpose, we have assessed and identified corruption risks and designed the Compliance Framework in such a way that the controls applied are proportionate to the corruption risks.

In its Anti-Corruption and Anti-Bribery Policy - which qualifies as an anti-corruption policy according to the MSZ ISO 37001:2019 standard - the 4iG Group has defined the framework necessary for achieving anti-corruption goals in accordance with the basic requirements established in the Code of Ethics and Business Conduct.

The 4iG Group prioritises the detection of all corruption incidents or threats thereof as soon as possible, therefore the 4iG Group operates reporting channels (e.g., the Ethics and Compliance line available on the Compliance.4ig.hu page) through which employees, partners, customers of the 4iG Group, and other persons aware of a corrupt act can report it, even anonymously. For those member companies where independent whistleblowing channels have been established (further details of which can be found in section 4.2), the member companies themselves can receive whistleblowing reports related to corruption or bribery independently.

The 4iG Group supports, encourages, and expects its employees and - in accordance with the anti-corruption provisions of contracts - its contractual partners to report every corruption event that comes to their attention. We believe that employees, contractual partners, and customers who first detect a potential act of corruption or the imminent threat of corruption play a key role in detecting and preventing it.

The acquisitions and takeovers that have taken place in recent years have also encouraged the 4iG Group to meet the increasingly stringent new owner, regulatory, and customer expectations. The group strives for full transparency in the development, presentation, and application of its processes. In the reporting year, no legal proceedings were initiated against any of the Group's companies for anti-competitive behaviour or breaches of antitrust (including anti-monopoly) laws.

The design and operation of the anti-corruption framework based on the requirements of the ISO 37001 standard ensures strong anti-corruption control and monitoring system. The company assesses and evaluates corruption risks based on organisational units. Significant risks identified include the selection of suppliers, subcontractors, risk related to suppliers and customers, risk related to public procurement, transactions in consortium, other relationships with public officials, sponsorship and donations, gifts, acquisitions and mergers. During the reporting period, no confirmed corruption case occurred at any of the Group's companies, and in 2025 H1, there were no public legal proceedings initiated in connection with corruption at the member companies or among employees, and there were no convictions or fines for violations of anti-corruption and anti-bribery laws.

In addition, no confirmed incidents of corruption or bribery were detected at 4iG Group member companies in 2025 H1. As a result, there were no confirmed corruption or bribery incidents that resulted in disciplinary action or dismissal of employees, and no confirmed corruption or bribery incidents that resulted in the termination or non-renewal of contracts with business partners. There were no corruption or bribery-related legal proceedings initiated against member companies of the 4iG Group or employees of member companies in 2025 H1, nor were there any legal proceedings initiated prior to 2025 H1 that were concluded in 2025 H1.

Knowledge of anti-corruption policies and procedures is mandatory for all board members and operational management members. The 4iG Group's Training Policy makes it mandatory for all employees to complete anti-corruption and anti-bribery training upon entry and annually. The training covers the concept of corruption, its conceptual elements, situations for recognising risks, risks associated with business partners, and expects that appropriate controls are in place when entering into contracts by requiring the use of anti-corruption contractual clauses or the making of an anti-corruption declaration. The Group Compliance Manager provides leadership training for the Senior Management and the Governing Body, after which the Senior Management and the Governing Body make a written anti-corruption declaration every year, in which they declare their knowledge of the relevant policies.

The HR organization of the 4iG Group is responsible for developing the training policy within the 4iG Group. For those 4iG Group member companies where a training system is available, employees are required to complete specific training as defined in the "Metrics" section of subsection 4.1.6 on Corporate Culture including training on the prevention of corruption and bribery. Completion of the training is mandatory annually.

The 4iG Group conducts extensive risk identification, assessment, analysis, and evaluation, in particular as the individual member companies of the 4iG Group are certified according to different ISO standards, requiring them to perform these tasks to maintain certification. Part of this activity is the identification, assessment, analysis, and evaluation of corruption risks in light of the requirements of the ISO 37001 standard. The corruption risk assessment includes the corruption risk of jobs, activities, and individual functions. The methodology for corruption risk identification and assessment is contained in the Risk Management and Opportunity Planning Policy[20].

Following the completed risk identification and assessment, corruption risks are aggregated based on the individual organisational units/professional areas and corruption risk types. The highest score assigned during the corruption risk assessment is recorded for each organisational unit/professional area and corruption risk type. After that, the corruption risk classification is assigned to the individual scores. This classification forms the basis for determining the level of expected controls.

Based on the completed risk assessment, it can be stated that within the 4iG Group, the group-level and member-company-level management, financial, and procurement, sales, and technical implementation responsible professional areas are the functions most exposed to corruption risks.

The investigation of corruption and bribery cases falls within the competence of Compliance. According to the Whistleblowing and Whistleblower Protection Policy, the Compliance function, the Compliance Officer, is responsible for conducting the investigation of corruption cases. The Compliance function acts as an independent, impartial function within the organisation when investigating whistleblowing. The independence and impartiality of the Compliance function are ensured by the fact that it operates under the direction of the Chief Executive Officer. This avoids professional conflict, and the independence aspects to be enforced during the investigation do not conflict with the priorities of other business or support areas. The independence and impartiality of the Compliance function are further detailed in the Compliance Function Description Policy[21], which not only expects independence from the Compliance organisation but also from the Compliance Officers working in the organisation. The requirement of independence and impartiality is also set out as a principle in the Whistleblowing and Whistleblower Protection Policy.

Similarly, if as a result of an investigation, the severity of the case necessitates the convening of the Ethics Committee, the independence of the Ethics Committee is ensured by the fact that it also operates separately from the organisation of the companies. The Board of Directors and the CEO of the 4iG Group oversee the ethical framework, within which the Compliance organisation reports at the group level on its activities, ethical and other matters, tasks within the Compliance competence (including the member companies of the group), and furthermore - given that 4iG Nyrt. also operates an ISO 37001 Anti-corruption management system - it annually reviews the operation of the anti-corruption management system within the framework of a management review. In addition, the Group Compliance Manager reports annually to the Board of Directors of 4iG Nyrt. on the previous year's activities, including presenting the activities carried out by the group's member companies, including

[20] The Policy is not public, it is available internally to managers and employees
[21] Note that the Policy is not public, it is only available internally to managers and staff.

the investigation of corruption cases and their results. If the severity of the case warrants it, following the Ethics Committee's procedure, the Group Compliance Manager can submit an extraordinary report to the Board of Directors, as the Governing Body, on the investigation results, the Ethics Committee's proceedings and their outcomes.

For those member companies where anti-corruption and anti-bribery training has been introduced, training material is distributed uniformly for all employees. Detailed information on this can be found in the "Metrics and Indicators - Corporate Culture" section of Chapter 4.1.

2. Actions – Corruption and Bribery

The 4iG Group Compliance organisation aims to continuously extend the Compliance framework at member company level and to build and develop an anti-corruption system compliant with ISO 37001.

Regarding the extension of the anti-corruption management system, the 4iG Group's subsidiaries must implement the group-level requirements related to the anti-corruption management system (including all relevant policies), establish the necessary processes, appoint Compliance Officers to manage the system, and fully align internal policies and procedures with the requirements of the ISO 37001 standard. In addition, they are expected to introduce an awareness-raising training system on the prevention of corruption and bribery, to ensure the investigation of whistleblowing reports by the Compliance Officer, and to participate in the monitoring of contractual relationships and the risk assessment of third parties.

The extension of the framework to the individual member companies continued throughout 2025 H1, as the individual telecommunications member companies completed the establishment of the Compliance and anti-corruption framework. These subsidiaries are:

- One Magyarország Zrt.
- D-Infrastruktúra Távközlési Kft.
- Invitech ICT Services Kft.
- Invitech ICT Infrastruktúra Kft.
- AH Média Kereskedelmi Zrt.
- AH Infrastruktúra Zrt.

The scope of the measures includes those member companies that have substantive commercial activities, i.e., engage in activities during which they have business relationships with third parties (business partners, customers, suppliers), and thus may be exposed to corruption risks.

The time horizon for implementing the measures is medium-term, set for the financial year 2030.

The material impact identified in connection with the extension of the anti-corruption system within the 4iG Group is positive, as it allows for the promotion of fair and transparent operations of the member companies. It is also a material impact that the operation of an effective anti-corruption management system contributes to the detection of corruption cases, which may result in employee accountability or the termination of business relationships with business partners if violations of law or internal policies are established. However, the benefits associated with operating the anti-corruption management system outweigh the disadvantages, as in the long term, the system contributes to ethical and transparent corporate operations.

3. Targets - Corruption and Bribery

The overall objective is that by 2030, those member companies belonging to the 4iG Group that conduct substantive commercial activities, i.e., engage in activities during which they have transactional, business relationships with third parties (business partners, customers, suppliers), should align with the group-level anti-corruption policies and processes. This objective is closely related to the 4iG Group's anti-corruption policy, which is based on the ISO 37001 standard.

The measurable value of the target is therefore (similar to what is recorded in Chapters 4.1 and 4.2) the extension of group-level Compliance policies to the member-company level and the implementation of related processes at the member-company level.

The nature of the target is thus measurable in the establishment and standardisation of the Compliance Framework at the member-company level. This means that all member companies must build and operate the anti-corruption management system and all its elements in accordance with the group-level requirements, and these expectations must be incorporated into their own operations.

The scope of the target aligns with the scope defined in the Corporate Culture chapter (4.1) and the chapter on the protection of whistleblowers (4.3). The scope of the objective therefore applies to those member companies belonging to the 4iG Group that have substantive activities, i.e., maintain transactional, business relationships with third parties, thereby potentially exposing them to corruption risks in their operations.

There is currently no change in the determination of the target and the appropriate target values.

The period associated with the objective is medium-term, i.e., the objective is for all member companies meeting the above criteria to be integrated under the unified framework by the 2030 business year.

Regarding the achievement of the targets, specific milestones have not yet been determined in 2025 H1 due to the fact that the transformation program in progress during the business year will determine the milestones to be achieved in the medium term. Therefore, the 4iG Group will likely be able to define more concrete milestones in its report for FY 2025.

No separate methodology has been determined for achieving the targets, as we start from the significant assumption that it is in the interest of all member companies belonging to the 4iG Group and covered by this set of measures to follow uniform processes and rules in their daily work and for the controls of the anti-corruption management system to apply uniformly to the affected member. This results in efficiency gains on the part of the member companies, as each member company must thereby adhere to a uniform set of requirements, which facilitates cooperation within the group. There are no environmental protection objectives associated with the objectives, so the existence of scientific evidence is not applicable in this respect.

Stakeholders were not directly involved in defining the targets. It can be generally stated that in terms of risks and opportunities, there is a general expectation among external stakeholders (suppliers, customers, business partners) that business partners with whom they conduct business activities should conduct their business activities in accordance with similar principles and ethical expectations as they themselves represent. This includes the requirement that business activities should be conducted in accordance with the requirements of business integrity and transparency.

The performance achieved in terms of the objectives in the 2025 H1 can be considered significant, as within the framework of the ongoing transformation within the 4iG Group, the member companies affected by the demerger successfully established a Compliance framework aligned with the group-level expectations. This covers a total of 5 member companies: D-Infrastruktúra Távközlési Kft., Invitech ICT Services Kft., Invitech ICT Infrastructure Kft., AH Média Kereskedelmi Zrt. and AH Infrastruktúra Zrt.), and One Magyarország Zrt. also completed the implementation of the 4iG Group's Compliance Framework during the 2024 financial year.

Metrics - Corruption and Bribery

Anti-corruption and anti-bribery training

Detailed information on training can be found in the "Metrics" section of the Corporate Culture chapter. (Cf. Chapter 4.1.6)

Figures on Incidents of Corruption

In 2025 H1, the 4iG Group's Compliance organisation did not receive any reports of cases indicating corruption or bribery.

4.4. Political influence and lobbying activities

Impacts, Risks and Opportunities assessment

Material Impact/Risk	Time horizon
Negative Impact Unethical political involvment that may lead to allegations of corruption	Long term
Positive impact Maintaining transparent operations which help preserve trust in the company and avoid corruption risks.	Medium term

The potential negative impacts of the political engagement topic include unethical political engagement that may lead to allegations of corruption, resulting in economic competitive disadvantage. At the same time, participation in shaping the industry regulatory environment may present an opportunity for the 4iG Group, which can promote innovation and sustainability considerations. Furthermore, utilising opportunities has positive impacts including maintaining transparent operations, which helps preserve the trust of partners and investors in the company, as well as avoiding corruption risks.

Political engagement can have an impact on several areas of the 4iG Group's operations, including upstream (supply chain), internal operations (own employees), and downstream (customers, partners). 4iG continuously monitors the development of the regulatory environment and ensures that its comments are communicated to decision-makers in an appropriate manner through its professional working groups. The Group's long-term goal is to strengthen business transparency, which contributes to maintaining regulatory compliance and ensuring market stability.

The 4iG Group's political engagement primarily focuses on participation in shaping industry regulation and supporting international digitalization developments. Within this framework, it has signed memoranda of understanding with the governments of Hungary, Albania, North Macedonia, and Montenegro, aimed at developing digital infrastructure, promoting innovation, and supporting sustainable technological solutions. These collaborations should not be interpreted as political lobbying activities but as strategic initiatives supporting the technological development of the countries concerned.

1. Policies – Political influence and lobbying activities

The 4iG Group does not have a separate policy or regulation, as it conducts its activities along existing corporate guidelines and legal compliance. The Group's Legal and Regulatory Directorate is responsible for activities compatible with political engagement and lobbying activities in the 4iG Group. The area operates and performs tasks based on the provisions of the Organizational and Operational Regulations (hereinafter: OOR). Upon completion of the 4iG Group's transformation program, in the short term, if warranted, the 4iG Group may develop a separate policy or regulation for activities related to its political engagement and lobbying activities. 4iG Nyrt. is listed in the EU Transparency Register - 616062152002-13 - and under the registration number EuroAtlantic Consulting & Investment PLC - 972512343021-81.

Upon completion of the 4iG Group's transformation program, in the medium term, if warranted, the 4iG Group may develop a separate policy or regulation for activities related to its political engagement and lobbying activities. The members of the administrative, management and supervisory bodies appointed during the reporting period do not include any person who has held a similar position in public administration, including regulatory bodies, in the two years preceding their appointment.

2. Actions and Targets – Political influence and lobbying activities

The 4iG Group is committed to transparent and ethical business operations, with a particular focus on its political engagement and its relationship with the regulatory environment. The Group has signed strategic agreements and Memoranda of Understanding with the governments of Hungary and several Balkan countries to promote digitalisation, telecommunications network development, modernisation of digital infrastructure and support sustainable economic development.

The strategic agreement signed with the Government of Hungary on November 9, 2023, aims to expand the 4iG Group's activities in Hungary and its active participation in the implementation of the National Digitalisation Strategy's objectives until 2030. The cooperation covers several areas, including digitalisation, telecommunications network development, and increasing competitiveness. According to the agreement, the Government of Hungary abolishes the public utility tax on telecommunications providers from January 1, 2024, and phases out the telecommunications surtax from January 1, 2025. In addition, joint programs will be launched to promote the digitalisation of small and medium-sized enterprises, the development of Industry 4.0, and the support of energy and sustainability efforts. The agreement extends to innovation, research and development, and training support, and also emphasises the importance of developing social responsibility, education, healthcare, sports, and national defence.

In the Balkan region, 4iG has concluded several cooperation agreements, among which the Memorandum of Understanding (MoU) signed on February 5, 2024, with the National Agency for Information Society of the Republic of Albania and the Ministry of Infrastructure and Energy of Albania stands out. The aim of the Albanian cooperation is to promote the country's digital development and implement the sub-Mediterranean cable project, which provides a new alternative connection between Albania and other regions.

In North Macedonia, 4iG strives for long-term cooperation in the introduction of state-of-the-art mobile and broadband technologies, the integration of 5G, IoT, and artificial intelligence, and the development of the digital ecosystem. The Memorandum of Understanding promotes the region's competitiveness, economic growth, and the development of the local workforce through training programs and new employment opportunities.

With Montenegro, 4iG signed a Memorandum of Understanding to support the implementation of the 2022-2026 digital transformation strategy. As part of the agreement, the company contributes to the implementation of the 5G network, smart city projects, and e-government developments, and supports the country's telecommunications and digitalisation efforts.

Furthermore, the Group has not identified any material targets in the year 2025 H1 that would be relevant for disclosure purposes; however, it shapes its strategy along the lines of digital infrastructure development, innovation, and sustainability efforts, with targets expected to be defined in the medium term.

Table of organisational memberships:

National trade unions/industry associations:

Organisational memberships (trade unions/industry associations)	**Organisations participating in the membership**
5G Coalition (5GK)	4iG Nyrt., Invitech ICT Services Kft., AH Média Kereskedelmi Zrt., One Magyarország Zrt.
Blockchain Coalition	4iG Nyrt.
Association for Critical Communications (CritCom)	4iG Nyrt.
Electronic Payment Service Providers' Association (EFISz)	One Magyarország Zrt.
Communications Reconciliation Council (CRC) (HÉT)	DIGI Távközlési és Szolgáltató Kft., Invitech ICT Services Kft., AH Média Zrt., One Magyarország Zrt., D-Infrastruktúra Távközlési Kft.
Scientific Association for Infocommunications (HTE)	4iG Nyrt., One Magyarország Zrt., DIGI Távközlési és Szolgáltató Kft., Invitech ICT Services Kft.
Council of Hungarian Internet Providers (ISzT)	AH Média Zrt., One Magyarország Zrt., Invitech ICT Services Kft.
Hungarian Association of Digital Companies (IVSz) -	4iG Nyrt., One Magyarország Zrt., 4iG Informatikai Zrt.
Hungarian Association for Innovation (MISZ)	4iG Nyrt.
Hungarian Communications Association (MKSz)	DIGI Távközlési és Szolgáltató Kft., Invitech (pártoló tag)
Hungarian Chemical Industry Association (MVEde)	One Magyarország Zrt.
Hungarian Association of Competition Law (MVE)	One Magyarország Zrt.
AI Coalition Hungary	4iG Nyrt.

European/International trade unions/industry associations:

Organisational memberships (trade unions/industry associations)	**Organisations participating in the membership**
American Chamber of Commerce in Hungary (AmCham)	4iG Nyrt., 4iG Informatikai Zrt., ONE Albania, ONE Montenegro

Organisational memberships (trade unions/industry associations)	Organisations participating in the membership
Connect Europe	4iG Nyrt., One Albania
Digital Europe	4iG Nyrt.
EMF-Portal	DIGI Távközlési és Szolgáltató Kft., One Magyarország Zrt.
GSM Association (GSMA) database/intelligence	DIGI Távközlési és Szolgáltató Kft., One Magyarország Zrt., ONE Albania, ONE Montenegro, 4iG Nyrt.
O-RAN Alliance	4iG Nyrt.

The 4iG Group is able to enforce its position through trade unions and industry associations, especially in relation to legislation. Organisational memberships are important players in the labour and regulatory processes, particularly in the communications, information technology and telecommunications sectors, as they act as intermediaries between companies, workers and government. Through organisational memberships, the Group can even influence the regulatory environment, which can affect its operations.

For the year 2025 H1, the 4iG Group has not adopted measurable, outcome-oriented targets that would be relevant for disclosure purposes, as the Group does not engage in such activities, where appropriate, targets may be set in the medium term. We do not currently monitor the effectiveness of our policies and measures.

Metrics - [G1-5] Political influence and lobbying activities

The measures presented show that the Group did not make any direct or indirect financial or in-kind contributions to political parties, political campaigns or other organisations with political aims during the reporting period.

Financial contributions are defined as direct monetary contributions made to political parties, political organisations or campaigns. In-kind contributions may include, for example, the provision of free or discounted services, the provision of infrastructure or equipment, or other forms of non-monetary support. Indirect contributions could take the form of political contributions made by the Group through other organisations or third parties.

The legal departments of each of the Group's member companies were involved in the collection and verification of the data. No validation by an external body was performed during the reporting period.

Direct or indirect financial and in-kind political contributions	2025 H1	
Country/Geographic Area	Financial contribution (million HUF)	In-kind contribution (million HUF)
Hungary	0	0
Albania	0	0
Montenegro	0	0

5. Annexes

1. Annex

Disclosure requirement		Chapter	Page	Additional information
ESRS 2 General communications				
BP-1	General basis for preparing sustainability statements	1.1. About the report	3	
BP-2	Disclosures relating to specific circumstances	1.1. About the report	3	
GOV-1	The role of the administrative, management and supervisory bodies	1.4. The management of the organisation	11	
GOV-2	Information provided to the company's administrative, management or supervisory bodies and the sustainability issues they address	1.5. Organisational governance of sustainability	14	
GOV-3	Building sustainability performance into incentive mechanisms	1.5. Organisational governance of sustainability	14	
GOV-4	Statement on due diligence	1.5. Organisational governance of sustainability	14	
GOV-5	Risk management and internal control over sustainability reporting	1.8. Risk management	29	
SBM-1	Strategy, business model and value chain	1.2. Our activities and value chain	5	
SBM-2	Interests and views of interested parties	1.6. Our affected stakeholder relations	19	
SBM-3	Material impacts, risks and opportunities and their interaction with the strategy and business model	1.7. Double materiality assessment	21	
IRO-1	Description of procedures for identifying and assessing significant impacts, risks and opportunities	1.7. Double materiality assessment	21	

Disclosure requirement		Chapter	Page	Additional information
ESRS 2 General communications				
IRO-2	Disclosure requirements under ESRS covered by an entity's sustainability statements	Annexes	129	

Disclosure requirement		Chapter	Page	Additional information
ESRS E1 Climate change				
ESRS 2, GOV-3	Building sustainability performance into incentive mechanisms	1.5. Organisational governance of sustainability	14	
E1-1	Climate change mitigation transition plan	2.2. Energy, Climate Change Adaptation, Climate Change Mitigation	41	
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with the strategy and business model	1.7. Double materiality assessment	21	
ESRS 2 IRO-1	Description of procedures for identifying and assessing material climate-related impacts, risks and opportunities	1.7. Double materiality assessment	21	
E1-2	Climate change mitigation and adaption policies	2.2. Energy, Climate Change Adaptation, Climate Change Mitigation	41	
E1-3	Actions and resources related to climate change policies	2.2. Energy, Climate Change Adaptation, Climate Change Mitigation	41	
E1-4	Targets set for climate change mitigation and adaption	2.2. Energy, Climate Change Adaptation, Climate Change Mitigation	41	
E1-5	Energy consumption and structure	2.2. Energy, Climate Change Adaptation, Climate Change Mitigation	41	
E1-6	Gross and total GHG emissions in scope 1, 2, 3	2.2. Energy, Climate Change Adaptation, Climate Change Mitigation	41	
E1-7	GHG mitigation projects financed through GHG removals and carbon credits	N/A	N/A	Not material topic
E1-8	Internal carbon pricing	N/A	N/A	Not material topic

Disclosure requirement		Chapter	Page	Additional information
ESRS E1 Climate change				
E1-9	Expected financial impacts from significant physical and transition risks and potential climate-related opportunities	N/A	N/A	Phase-in disclosure

Disclosure Requirement		Chapter	Page	Additional information
ESRS E5 Circular economy				
ESRS 2 IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	1.7. Double materiality assessment	21	
E5-1	Policies related to resource use and circular economy	2.3. Resource Outflow Related to Products and Services, Waste	50	
E5-2	Actions and resources related to resource use and circular economy	2.3. Resource Outflow Related to Products and Services, Waste	50	
E5-3	Targets related to resource use and circular economy	2.3. Resource Outflow Related to Products and Services, Waste	50	
E5-4	Resource inflows	N/A	N/A	Not material topic
E5-5	Resource outflows	2.3. Resource Outflow Related to Products and Services, Waste	50	
E5-6	Anticipated financial effects from material resource use and circular economy-related risks and opportunities	N/A	N/A	Phase-in disclosure

Disclosure Requirement		Chapter	Page	Additional information
ESRS S1 Own workforce				
ESRS 2 SBM-2	Interests and views of stakeholders	1.6. Our affected stakeholder relations	19	
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	1.7. Double materiality assessment	21	
S1-1	Policies related to own workforce	3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment) 3.2. Training and skills development 3.3. Health and Safety 3.4. Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value, Employment and inclusion of persons with disabilities, Diversity) 3.5. Privacy	57 64 69 74 78	
S1-2	Processes for engaging with own workers and workers' representatives about impacts	3. Social information 3.5. Privacy	55 78	
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	3. Social information 3.5. Privacy	55 78	
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)	57 64 69	

Disclosure Requirement		Chapter	Page	Additional information
ESRS S1 Own workforce				
		3.2. Training and skills development 3.3. Health and Safety 3.4. Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value, Employment and inclusion of persons with disabilities, Diversity) 3.5. Privacy	74 78	
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment) 3.2. Training and skills development 3.3. Health and Safety 3.4. Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value, Employment and inclusion of persons with disabilities, Diversity) 3.5. Privacy	57 64 69 74 78	
S1-6	Characteristics of the undertaking's employees	3.1. Working conditions (Work-life balance, Working	57	

Disclosure Requirement		Chapter	Page	Additional information
ESRS S1 Own workforce				
		time, Adequate wages, Secure employment)		
S1-7	Characteristics of non-employee workers in the undertaking's own workforce	3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)	57	
S1-8	Collective bargaining coverage and social dialogue	N/A	N/A	Not material topic
S1-9	Diversity metrics	3.4. Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value, Employment and inclusion of persons with disabilities, Diversity)	74	
S1-10	Adequate wages	3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)	57	
S1-11	Social protection	N/A	N/A	Phase-in disclosure
S1-12	Persons with disabilities	3.4. Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value, Employment and inclusion of persons with disabilities, Diversity)	74	
S1-13	Training and skills development metrics	3.2. Training and skills development	64	
S1-14	Health and safety metrics	3.3. Health and Safety	69	

Disclosure Requirement		Chapter	Page	Additional information
ESRS S1 Own workforce				
S1-15	Work-life balance metrics	3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)	57	
S1-16	Compensation metrics (pay gap and total compensation)	3.4. Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value, Employment and inclusion of persons with disabilities, Diversity)	74	
S1-17	Incidents, complaints and severe human rights impacts	3.5. Privacy	78	
Entity - specific indicator	GRI - REWO 7d Monitoring of working time	3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)	57	

Disclosure requirement		Chapter	Page	Additional information
ESRS S4 Consumers and end users				
ESRS 2 SBM-2	Interests and views of stakeholders	1.6. Our affected stakeholder relations	19	
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business mode	1.7. Double materiality assessment	21	
S4-1	Policies related to consumers and end-users	3.5. Privacy	78	
		3.6. Access to products and services	91	
S4-2	Processes for engaging with consumers and end-users about impacts	3.5. Privacy	78	
		3.6. Access to products and services	91	
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	3.5. Privacy	78	
		3.6. Access to products and services	91	
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and endusers, and effectiveness of those action	3.5. Privacy	78	
		3.6. Access to products and services	91	
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	3.5. Privacy	78	
		3.6. Access to products and services	91	
Entity - specific indicator	Indicator GRI 418-1: Substantiated complaints about breaches of customer privacy and loss of customer data	3.5. Privacy	78	
Entity - specific indicator	GRI Telecommunications Sector Supplement indicator on the extent of availability of telecommunications products and services	3.6. Access to products and services	91	

Disclosure requirement		Chapter	Page	Additional information
ESRS G1 Business Conduct				
ESRS 2 GOV-1	The role of the administrative, supervisory and management bodies	4.1. Corporate Culture	101	
ESRS 2 IRO - 1	Description of the processes to identify and assess material impacts, risks and opportunities	1.7. Double materiality assessment	21	
G1-1	Corporate culture and business conduct policies and corporate culture	4.1. Corporate Culture	101	
G1-2	Management of relationships with suppliers	N/A	N/A	Not material topic
G1-3	Prevention and detection of corruption and bribery	4.3. Corruption and Bribery	116	
G1-4	Confirmed incidents of corruption or bribery	4.3. Corruption and Bribery	116	
G1-5	Political influence and lobbying activities	4.4. Political influence and lobbying activities	123	
G1-6	Payment practices	N/A	N/A	Not material topic
Entity - specific indicator	ISO 37002:2022 Whistleblowing management systems. Guidelines - Indicator showing the number of cases of incident investigated and closed	4.2. Protection of Whistleblowers	110	

2. Annex

List of data points from other EU legislation in horizontal and thematic standards

Disclosure requirement and associated data point	Reference to the Regulation on sustainability disclosures	Reference to Pillar 3	Reference to the Regulation on benchmarks	Reference to the EU	Chapter	Page
ESRS 2 GOV-1 Gender composition of the Management Board Paragraph 21(d)	Indicator No 13 in Table 1 of Annex I		Annex II to Commission Delegated Regulation (EU) 2020/1816		1.4. The management of the organisation	11
ESRS 2 GOV-1 Percentage of independent directors referred to in paragraph 21(e)			Annex II to Delegated Regulation (EU) 2020/1816		1.4. The management of the organisation	11
ESRS 2 GOV-4 Due diligence declaration paragraph 30	Indicator No 10 in Table 3 of Annex I				1.5. Organisational governance of sustainability	14
ESRS 2 SBM-1 Participation in fossil fuel-related activities Paragraph 40(d)(i)	Indicator No 4 in Table 1 of Annex I	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Quality information on environmental risk and Table 2: Quality information on social risk	Annex II to Delegated Regulation (EU) 2020/1816		N/A	N/A
ESRS 2 SBM-1 Participation in activities related to the manufacture of chemicals Paragraph 40(d)(ii)	Indicator No 9 in Table 2 of Annex I		Annex II to Commission Delegated Regulation (EU) 2020/1816"		N/A	N/A
ESRS 2 SBM-1 Participation in activities related to disputed weapons Paragraph 40(d)(iii)	Indicator No 14 in Table 1 of Annex I		Delegated Regulation (EU) 2020/1818 ([29]), Article 12(1) of Delegated Regulation (EU) 2020/1816, Annex II		N/A	N/A
ESRS 2 SBM-1 Participation in activities linked to tobacco growing and production Paragraph 40(d)(iv)			Delegated Regulation (EU) 2020/1818, Article 12(1) of Delegated Regulation (EU) 2020/1816 , Annex II		N/A	N/A
ESRS E1-1 A plan for a climate neutral transition by 2050 Paragraph 14				(EU) 2021/1119 rendelet, 2. cikk (1) bekezdés	2.2. Energy, Climate Change Adaptation, Climate Change Mitigation	41

Disclosure requirement and associated data point	Reference to the Regulation on sustainability disclosures	Reference to Pillar 3	Reference to the Regulation on benchmarks	Reference to the EU	Chapter	Page
ESRS E1-1 Enterprises excluded from the EU benchmarks aligned to the Paris MOU Paragraph 16(g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) No 2022/2453, Table 1: Banking book - Climate change adaption risk: credit quality of exposures by sector, by emission volume and by remaining maturity	Delegated Regulation (EU) 2020/1818, Articles 12(1)(d)-(g) and 12(2).		2.2. Energy, Climate Change Adaptation, Climate Change Mitigation	41
ESRS E1-4 GHG emission reduction target paragraph 34	Indicator No 4 in Table 2 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) No 2022/2453, Table 3: Banking Book - Climate Change Convergence Risk: Adjustment metrics	Delegated Regulation (EU) 2020/1818, Article 6		2.2. Energy, Climate Change Adaptation, Climate Change Mitigation	41
ESRS E1-5 Energy use from fossil sources, by source (only sectors with significant climate impact) Paragraph 38	Indicator 5 of Table 1 and Indicator 5 of Table 2 of Annex I				2.2. Energy, Climate Change Adaptation, Climate Change Mitigation	41
ESRS Energy consumption and structure, paragraph 37	Indicator No 5 in Table 1 of Annex I				2.2. Energy, Climate Change Adaptation, Climate Change Mitigation	41
ESRS E1-5 Energy intensity in relation to activities in sectors with high climate impact paragraphs 40-43	Indicator No 6 in Table 1 of Annex I				Not a material topic	
ESRS E1-6 Gross and total GHG emissions in scope 1, 2, 3 paragraph 44	Indicator 1 and 2 of Table 1 of Annex I	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) No 2022/2453, Table 1: Banking book - Climate change adaption risk: credit quality of exposures by sector, emission volume and remaining maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), Articles 6 and 8(1)		2.2. Energy, Climate Change Adaptation, Climate Change Mitigation	41

Disclosure requirement and associated data point	Reference to the Regulation on sustainability disclosures	Reference to Pillar 3	Reference to the Regulation on benchmarks	Reference to the EU	Chapter	Page
ESRS E1-6 Gross GHG emission intensity Paragraphs 53-55	Indicator No 3 in Table 1 of Annex I	Regulation (EU) No 575/2013, Article 449a; Commission Implementing Regulation (EU) 2022/2453, Table 3: Banking Book - Climate Change Convergence Risk: Adjustment metrics	Regulation (EU) 2020/1818, Article 8(1)		2.2. Energy, Climate Change Adaptation, Climate Change Mitigation	41
ESRS E1-7 GHG emissions and carbon credits Paragraph 56				(EU) 2021/1119 rendelet, 2. cikk (1) bekezdés	N/A	N/A
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks Paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II, Delegated Regulation (EU) 2020/1816, Annex II		N/A	N/A
ESRS E1-9 Amounts broken down by acute and chronic physical risk, paragraph 66(a) ESRS E1-9 Location of significant assets exposed to significant physical risk paragraph 66(c)		Regulation (EU) No 575/2013, Article 449a; Commission Implementing Regulation (EU) 2022/2453, Recitals 46 and 47; Table 5: Banking Book - Physical Risk: Exposure to Physical Risks.			N/A	N/A
ESRS E1-9. Breakdown of the carrying amount of real estate assets by energy efficiency class paragraph 67(c)		Regulation (EU) No 575/2013, Article 449a; Commission Implementing Regulation (EU) 2022/2453, Recital 34; Table 2: Banking Book - Climate change adaption risk: loans secured on real estate - Energy efficiency of collateral			N/A	N/A
ESRS E1-9 Portfolio exposure to climate-related opportunities Paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		N/A	N/A
ESRS E2-4 The quantity of each pollutant released to air, water and soil listed in Annex II of the European PRTR (Pollutant Release and Transfer Register) Regulation, paragraph 28	Indicator No 8 in Table 1 of Annex I, Indicator No 2 in Table 2 of Annex I, Indicator No 1 in Table 2 of Annex I, Indicator No 3 in Table 2 of Annex I				Not a material topic	

Disclosure requirement and associated data point	Reference to the Regulation on sustainability disclosures	Reference to Pillar 3	Reference to the Regulation on benchmarks	Reference to the EU	Chapter	Page
ESRS E3-1 Water and marine resources, paragraph 9	Indicator No 7 in Table 2 of Annex I				Not a material topic	
ESRS E3-1 Targeted policy, paragraph 13	Indicator No 8 in Table 2 of Annex I				Not a material topic	
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator No 12 in Table 2 of Annex I				Not a material topic	
ESRS E3-4 Total recycled and reused water, paragraph 28(c)	Indicator 6.2 in Annex I, Table 2				Not a material topic	
ESRS E3-4 Total water consumption from own activities in m^3/million EUR net revenue Paragraph 29	Indicator 6.1 in Annex I, Table 2				Not a material topic	
ESRS 2 - IRO 1 - E4 paragraph 16(a)(i)	Indicator No 7 in Table 1 of Annex I				Not a material topic	
ESRS 2 - IRO 1 - E4 paragraph 16(b)	Indicator No 10 in Table 2 of Annex I				Not a material topic	
ESRS 2 - IRO 1 - E4 paragraph 16(c)	Indicator No 14 in Table 2 of Annex I				Not a material topic	
ESRS E4-2 Sustainable land use/agricultural practices or policies Paragraph 24(b)	Indicator No 11 in Table 2 of Annex I				Not a material topic	
ESRS E4-2 Sustainable ocean/marine practices or policies Paragraph 24(c)	Indicator No 12 in Table 2 of Annex I				Not a material topic	
ESRS E4-2 Policies to address deforestation, paragraph 24(d)	Indicator No 15 in Table 2 of Annex I				Not a material topic	
ESRS E5-5 Non-recycled waste, paragraph 37(d)	Indicator No 13 in Table 2 of Annex I				2.3. Resource Outflow Related to Products and Services, Waste	50
ESRS E5-5	Indicator No 9 in Table 1 of Annex I				2.3. Resource Outflow Related to	50

Disclosure requirement and associated data point	Reference to the Regulation on sustainability disclosures	Reference to Pillar 3	Reference to the Regulation on benchmarks	Reference to the EU	Chapter	Page
Hazardous waste and radioactive waste, paragraph 39					Products and Services, Waste	
ESRS 2 - SBM3 - S1 Risk of incidence of forced labour, paragraph 14(f)	Indicator No 13 in Table 3 of Annex I				3. Social infromation	55
ESRS 2 - SBM3 - S1 Risk of child labour paragraph 14(g)	Indicator No 12 in Table 3 of Annex I				3. Social infromation	55
ESRS S1-1 Political commitments on human rights Paragraph 20	Indicator 9 in Table 3 and Indicator 11 in Table 1 of Annex I				3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)	57
ESRS S1-1 Due diligence policies on topics covered by ILO core conventions 1-8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)	57
ESRS S1-1 Procedures and actions to prevent trafficking in human beings Paragraph 22	Indicator No 11 in Table 3 of Annex I				3.1. Working conditions (Work-life balance, Working time, Adequate wages, Secure employment)	57
ESRS S1-1 an occupational injury prevention policy or management system, paragraph 23	Indicator 1 in Table 3 of Annex I				3.3. Health and Safety	69
ESRS S1-3 complaints/grievance mechanisms, paragraph 32(c)	Indicator No 5 in Table 3 of Annex I				3. Social infromation	55
ESRS S1-14	Indicator No 2 in Table 3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		3.3. Health and Safety	69

Disclosure requirement and associated data point	Reference to the Regulation on sustainability disclosures	Reference to Pillar 3	Reference to the Regulation on benchmarks	Reference to the EU	Chapter	Page
Number of deaths and number and rate of work-related accidents, paragraph 88(b) and (c))						
ESRS S1-14 Number of days lost due to injury, accident, death or sickness 88(e)	Indicator No 3 in Table 3 of Annex I				3.3. Health and Safety	69
ESRS S1-16 Unadjusted gender pay gap point 97(a)	Indicator No 12 in Table 1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		3.4. Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value, Employment and inclusion of persons with disabilities, Diversity)	74
ESRS S1-16 Excessive CEO remuneration rates Point 97(b)	Indicator No 8 in Table 3 of Annex I				3.4. Equal treatment and opportunities for all (Gender equality and equal pay for work of equal value, Employment and inclusion of persons with disabilities, Diversity)	74
ESRS S1-17 Incidence of discrimination, point 103(a)	Indicator No 7 in Table 3 of Annex I				3.5. Privacy	78
ESRS S1-17 Non-compliance with the UN Guiding Principles on the Responsibilities of Businesses with regard to Human Rights and the OECD Paragraph 104(a)	Indicator 10 in Table 1 and Indicator 14 in Table 3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II, Delegated Regulation (EU) 2020/1818, Article 12(1)		3.5. Privacy	78
ESRS 2 - SBM3 - S2	Annex I, Table 3, metrics 12 and 13				Not a material topic	

Disclosure requirement and associated data point	Reference to the Regulation on sustainability disclosures	Reference to Pillar 3	Reference to the Regulation on benchmarks	Reference to the EU	Chapter	Page
Significant risk of child labour or forced labour in the value chain, point 11(b)						
ESRS S2-1 Political commitments on human rights Section 17	Indicator 9 in Table 3 and Indicator 11 in Table 1 of Annex I				Not a material topic	
ESRS S2-1 Value chain policies for employees Section 18	Annex I, Table 3, metrics 11 and 4				Not a material topic	
ESRS S2-1 Failure to comply with UN Guiding Principles on the Responsibilities of Businesses with regard to Human Rights and OECD Guidelines Paragraph 19	Indicator No 10 in Table 1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II, Delegated Regulation (EU) 2020/1818, Article 12(1)		Not a material topic	
ESRS S2-1 Due diligence policies on topics covered by ILO core conventions 1-8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		Not a material topic	
ESRS S2-4 Human rights issues and incidents related to upstream and downstream value chains Paragraph 36	Indicator No 14 in Table 3 of Annex I				Not a material topic	
ESRS S3-1 Political commitments on human rights, paragraph 16	Indicator 9 in Table 3 and Indicator 11 in Table 1 of Annex I				Not a material topic	
ESRS S3-1 failure to comply with UN Guiding Principles on the Human Rights Responsibilities of Business, ILO principles or OECD Guidelines Section 17	Indicator No 10 in Table 1 of Annex I		Delegated Regulation (EU) 2020/1816 Annex II, Delegated Regulation (EU) 2020/1818 Article 12(1)		Not a material topic	
ESRS S3-4 Human rights issues and incidents, paragraph 36	Indicator No 14 in Table 3 of Annex I				Not a material topic	
ESRS Policies for consumers and end-users, paragraph 16	Indicator 9 in Table 3 and Indicator 11 in Table 1 of Annex I				3.5 Privacy	78
ESRS S4-1 Ignoring the UN Guiding Principles on the Responsibilities of Businesses with	Indicator No 10 in Table 1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II, Delegated Regulation (EU) 2020/1818, Article 12(1)		3.5 Privacy	78

Disclosure requirement and associated data point	Reference to the Regulation on sustainability disclosures	Reference to Pillar 3	Reference to the Regulation on benchmarks	Reference to the EU	Chapter	Page
regard to Human Rights and the OECD Guidelines Section 17						
ESRS S4-4 Human rights issues and incidents, paragraph 35	Indicator No 14 in Table 3 of Annex I				3.5 Privacy	78
ESRS G1-1 UN Convention against Corruption, paragraph 10(b)	Indicator No 15 in Table 3 of Annex I				4.3. Corruption and Bribery	116
ESRS G1-1 Protection of whistleblowers Paragraph 10(d)	Indicator No 6 in Table 3 of Annex I				N/A	N/A
ESRS G1-4 Fines for breaches of the anti-corruption and anti-bribery laws, paragraph 24(a)	Indicator No 17 in Table 3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		4.3. Corruption and Bribery	116
ESRS G1-4 Anti-corruption and anti-bribery standards Paragraph 24(b)	Indicator No 16 in Table 3 of Annex I				4.3. Corruption and Bribery	116

STATEMENT

The Issuer declares that the Management Report for the first half of 2025 provides a true and fair view of the Company’s position, development and performance, describing the principal risks and uncertainties, and does not omit any fact or information that is significant for the assessment of the Issuer’s position.

Furthermore, the Issuer declares that the Sustainability Report included in the Management Report has been prepared in accordance with the sustainability reporting standards required by the Hungarian Accounting Act (Act C of 2000), the European Sustainability Reporting Standards (ESRS), and the provisions of Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council (EU Taxonomy Regulation).

Budapest, 28 August 2025

Gellért Zoltán Jászai
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