

4G

INVESTOR PRESENTATION

2020 ANNUAL RESULT



2020 YEAR KEY HIGHLIGHTS

- *2020 was the strongest financial year of 4iG ever in its history, during which we have delivered strong growth in both revenues and EBITDA:*
 - *HUF 57.3 billion in revenue (39% increase compared to the same period in 2019)*
 - *HUF 5 billion EBITDA (24% increase compared to the same period in 2019)*
- *The Company has made several significant acquisitions in order to further increase the intensity of its organic growth*
- *The outstanding 39% increase in the revenue is a mix of organic and acquisition-driven growth. Organic growth was primarily generated by Development, demonstrating the return on our previous investments.*
- *The number of employees continued to grow, and the headcount reached 944 on 31 March 2021.*

MAJOR EVENTS IN 2020

- *Own share purchase of the Company (between 15 January 2020 and 27 January 2020) With regard to the period between 15 January 2020 and 27 January 2020, 4iG Plc*
- *Upon 10 March 2020, 4iG Plc. purchased 100,000,- quantity of owns shares at Budapest Stock Exchange by means of stock exchange transaction.*

ORGANISATIONAL CHANGES:

- *On the Extraordinary General Meeting, held on the 25th November 2020 the following organizational changes have been concluded:*
 - *Zoltán Simon and Béla Zibriczki, members of the Board of Directors resigned from their positions with effect from the date of the Extraordinary General Meeting and the Board of Directors elected Péter Fekete and László Blénessy as new members of the Board*
 - *János Tima and Zsuzsanna Ódorné Angyal resigned from their positions on the Supervisory Board and the Audit Committee with effect from the date of the Extraordinary General Meeting and the Board of Directors elected Zoltán Simon and dr. Ildikó Rózsa as new members of the Supervisory Board and the Audit Committee*

SUMMARY OF ACQUISITIONS

TRC

On 9th of July 2020, 4iG acquired 100% of the shares of TR Consult Ltd., thus becoming the sole owner of the Target Company. Cybersecurity is one of the key growth areas for 4iG. We have seen an increasing customer demand for home office due to telecommuting, and we aim to further develop our cybersecurity competence to ensure we have the capacity and knowledge to meet the changing market trends. TR Consult was the perfect choice to upgrade our cybersecurity business to provide us with additional capacity and leverage TR Consult's certifications and client network to explore business opportunities in the market.

CARPATHIASAT

On 17th of August 2020, 4iG announced the establishment of CarpathiaSat Hungarian Space Telecommunications Ltd., a joint venture between 4iG (51%), Antenna Hungária (44%) and New Space Industries (5%). 4iG's ambition is to expand into the space and defense industry, with CarpathiaSat Llc. will serve as one of the pillars. The establishment of the company is a huge step forward not only for 4iG but also for Hungarian space telecommunications. Our aim is that CarpathiaSat Llc. will play a research and scientific role in addition to its commercial role.

INNOBYTE
MAKE IT SIMPLE

On 27th of October 2020, 4iG successfully completed its acquisition of a majority stake in INNObyte Ltd., through which it acquired a 70% stake in the company. INNObyte was a "cutting edge solutions creation ready" acquisition opportunity for 4iG, as in addition to complementing 4iG's software development business, INNObyte also brought product development expertise to 4iG. INNObyte has also implemented specific market projects in the field of AI (T-Systems - VANDA call-center automation), which supports 4iG's vision to create export-tailored solutions. INNObyte has also recruited more than 100 programmers and developers.

DIGITAL TECHNOLOGIES
SERVICES & MANAGEMENT

On 7th of December 2020, 4iG successfully completed its acquisition of 100% ownership of DTSM Ltd. DTSM has not only expanded the capacity of 4iG's outsourcing business but has also added data center support as a new portfolio element to 4iG (the company has IT outsourcing, business and desktop computer support units). Based on the current occupancy of data centers in Hungary, 4iG expects strong market demand for new data center construction, which would bring project and operational service opportunities. DTSM employs around 140 outsourcing specialists.

4iG

MAJOR POST BALANCE EVENTS

- *January 26th , 2021, 4iG has signed the **Share Sale and Purchase Agreement** and **acquired 24%** of the shares of **Rotors & Cams Ltd.***
- *February 3rd, 2021, KZF Vagyonkezelő Ltd. as the major shareholder of 4iG, has signed the **Sale and Purchase Agreement** to **acquire 100%** of the shares of **Poli Computer PC Ltd.***
- *February 23rd, 2021, 4iG PLC has signed a **preliminary agreement** aimed at **acquiring 75%** of the shares of **Hungaro DigiTel Ltd.***
- *March 4th, 2021, **Scope Ratings** has placed the **BB-** issuer rating and **BB-** unsecured debt rating of 4iG under **review for a possible upgrade***
- *March 25th, 2021, 4iG PLC **successfully completed bond issuance** within the frame of the Growth Bond Program (NKP) announced by the Central Bank of Hungary (MNB), issues the bond named “4iG NKP Kötvény 2031/I.” (ISIN: HU0000360276), with a 10-year maturity, an average yield of 2.7328% (coupon rate: 2.9%), and a total nominal value of **HUF 15.45 billion***
- *March 29th, 2021, 4iG has signed a **preliminary, non-binding, agreement** with RCS & RDS consortium in order to **acquire the 100%** ownership of **DIGI Távközlési Szolgáltató Kft.** and its subsidiaries, **Invitel Zrt.** and **I TV Zrt.** (“DIGI Group”)*
- *April 14th, 2021, 4iG has **closed** the transaction to **acquire 70%** ownership of the shares of **Spacenet Llc.** (“Spacenet”)*
- *On the General Meeting held on April 29th, 2021, the Board of Directors **elected Pedro Vargas Santos David** as a **new member of the board***

NEAR TERM OUTLOOK

- *Our goal is to enter and further strengthen the company in its **three pillar strategic target segments (IT, Telco/Infrastructure, Space & Defense)** in 2021 and become the **#1 integrator in the Hungarian IT market** in the next two years.*
- *Revenue of highly profitable 2020 year was robust with HUF 57.3 billion. For 2021, the Group is having a HUF 31.7 billion contracted backlog by 14 April in addition to the sales already completed*
- *The **dynamic growth** continues:*
 - *the growth rate is expected to be above 20% in 2021;*
 - *annual growth is expected to be above 10% after 2021;*
- *We are targeting an **8-10% EBITDA margin** in the medium term (2-3 years)*

GROWTH STRATEGY OVERVIEW

ROBUST ORGANIC GROWTH SUPPORTED BY ACQUISITIONS

Vision and Strategy



Our goal: To become a diversified technology holding company in Hungary and a major player in the Central and Eastern European region



Target areas for growth

- *Technologies: AI, Blockchain, Cyber Security, Digitalization, Fintech, Industry 4.0*
- *Market Segments: Transportation, Banking, Healthcare, Agriculture, Energetics*
- *Product Strategy: Developing own solutions*

Outlook



*Following revenue of **HUF 57.3 billion in 2020**, forecast for 2021 are solid, with an expected revenue of **HUF 79.8 billion** and a contract backlog of **HUF 31.7 billion** as of 13 April*



Continue to grow strongly but we expect the growth rate to normalize

- *c. **20%+** topline growth expected in 2021*
- *c. **10%+** average annual growth rate beyond 2020*



*In the medium term (2-3 years), we are targeting an **EBITDA margin of 8-10%** due to the acquisition of high-margin target groups*

FOCUS AREAS OF 4IG GROUP STRATEGY

4iG

IT /System Integration



- Aim to become the market leader
- Harmonization and exploitation of competences between IT member companies

4iG

DOTO

INNObyte

Veritas

TRC

SpaceNET

DTSM

*Poli
Computer*

HUMAN SOFT
Szervíz

Telecommunication & Infrastructure



- Significant synergistic opportunities in the IT and Telco industry
- In the form of long-term, predictable contracts that generate ongoing revenue

*Hungaro
DigiTel*

DIGI

Space & Defense



- 4iG as an industry-specific system integrator
- Significant synergies between CapathiaSat and target companies

*Rotors &
Cams*

CarpathiaSat

4iG

STRATEGIC AND FINANCIAL OUTLOOK

2019

ORGANISATIONAL RESTRUCTION AND EXPANSION

Refocused sales
Introduction of new
technologies and
competences

2020

INTENSIVE GROWTH

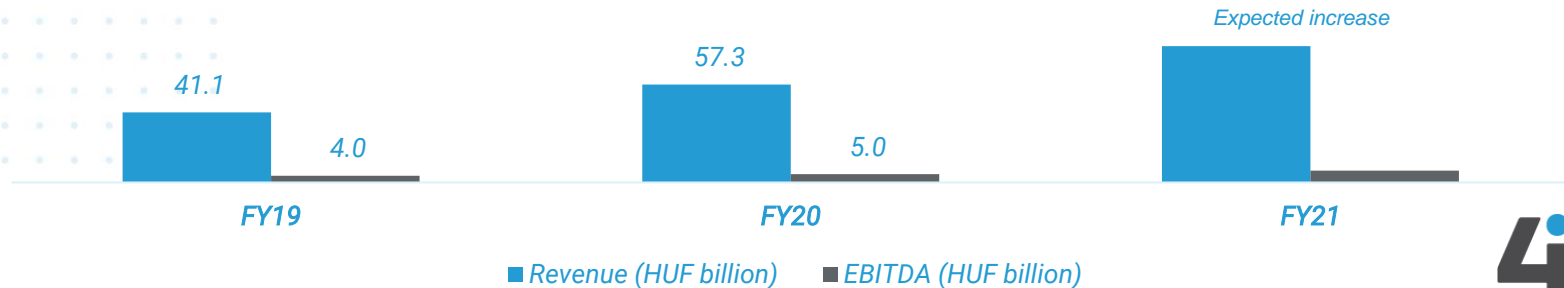
Growth through
acquisitions
Focus on large
projects

2021+

ENTER NEW SEGMENTS AND REGIONAL EXPANSION

Introduction of a three-
pillar group structure
(IT, Telco, Space &
Defense)

4iG Revenues and EBITDA (consolidated)





COMPANY OVERVIEW

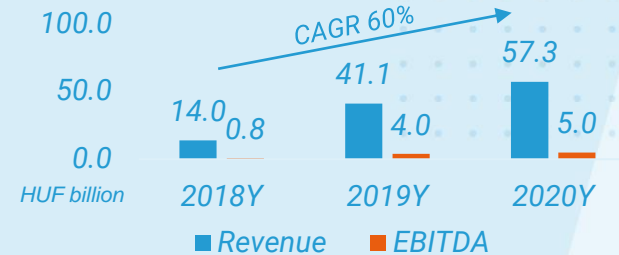
4iG

COMPANY SNAPSHOT

Business Highlights

- Due to its uniquely wide-range of competence and flexibility, 4iG is able to serve its customers' needs of any size or complexity
- 4iG's most important assets are the +700 technical employees (consultants and highly qualified engineers and technicians)
- Using the latest technological and technical solutions, 4iG is constantly striving to improve its services.

Financial Highlights (HUF bn)



Select Key Costumers



Long-standing Partnerships

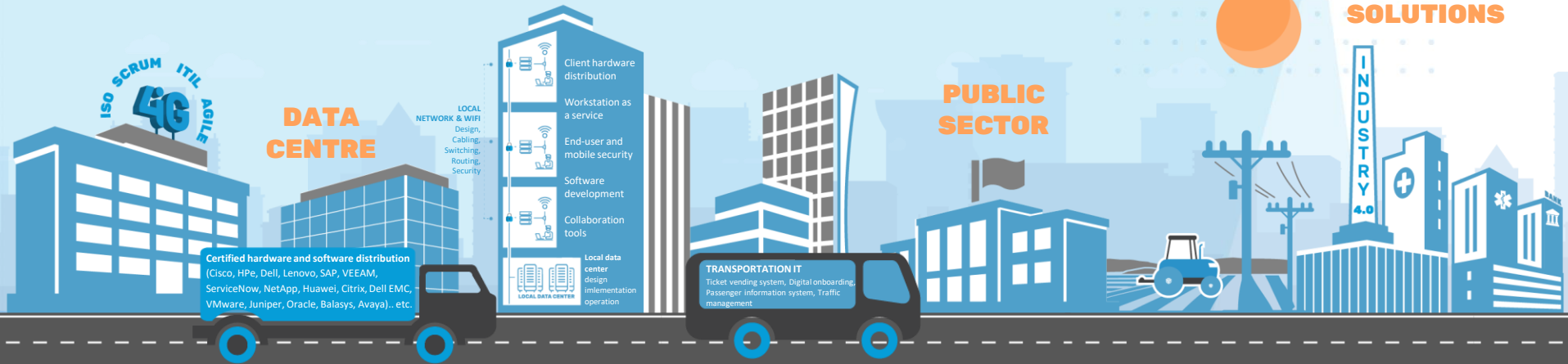


COMPETENCE MAP



CUSTOMER BACK OFFICE

INDUSTRY SPECIFIC SOLUTIONS



1. 7x24h SLA based support-SSC and SOC workforce (managed outsourcing services):

- Remote and onsite support/maintenance of datacenter and user workplace
- Business application support
- Managed cybersecurity

2. Custom software development (desktop, web, mobile)

3. Integration services (Infrastructure and application implementations)

4. Consultancy, audit and quality assurance services

HIGH AVAILABILITY IT SYSTEM IMPLEMENTATIONS:

1. IT Infrastructure: datacenter, server, storage, backup, network, virtualization
2. Business critical backend, middleware platforms: Business applications, Databases, Framework systems

Management: decision support/reporting dashboard
Purchasing: tender/bidding system

Finance: regulatory reporting, budget management system

Legal: GDPR and data, access security

HR: recruitment, examination, training system

BUSINESS ADMINISTRATION EFFICIENCY

- ERP
- Digitalization
- Business intelligence/ data warehouse
- Process automation/workflow system
- Document management
- Artificial Intelligence
- Machine learning

Fund management: application, evaluation, financing, controlling

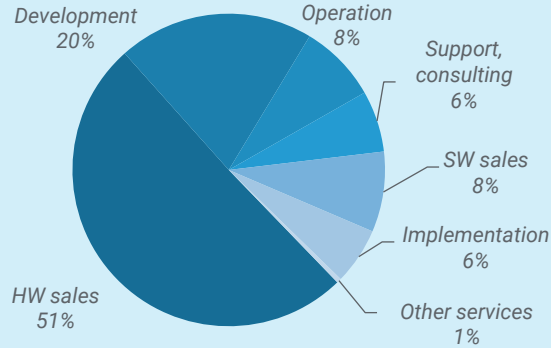
Public sector tailored custom solutions

- INDUSTRY 4.0 / IoT / AI / Machine Learning / Blockchain**
- Manufacturing:** Production and supply chain traceability system
- Pharma:** FDA/GxP validation, FDI readiness
- Bank:** Fintech regulatory, productivity and security solutions
- Utility/Energy:** Mobile client framework for unified field work
- 3D:** Building digitalization, facility, asset management
- Agriculture:** IoT solutions, Process automation, digitalization, Drone systems
- Health Care:** Digital diagnostics, process digitalization

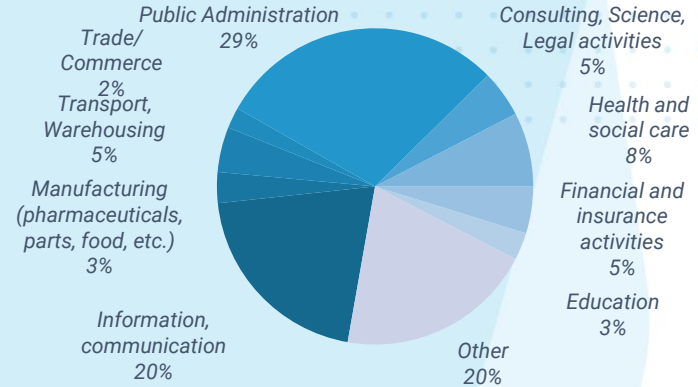


DIVERSIFIED BUSINESS MODEL

SALES BY SERVICE

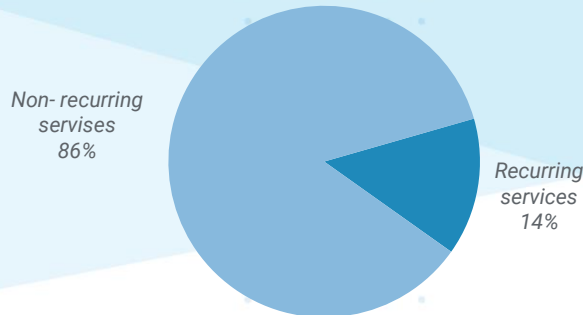


SALES BY INDUSTRY

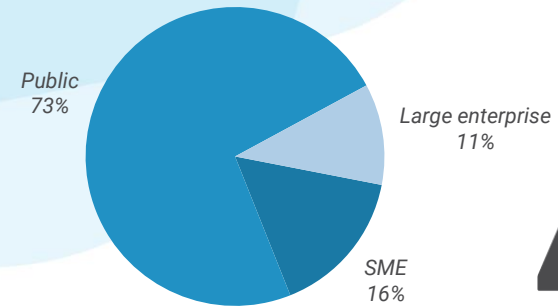


2020Y revenue
breakdown

SALES BY TYPE OF CLIENT



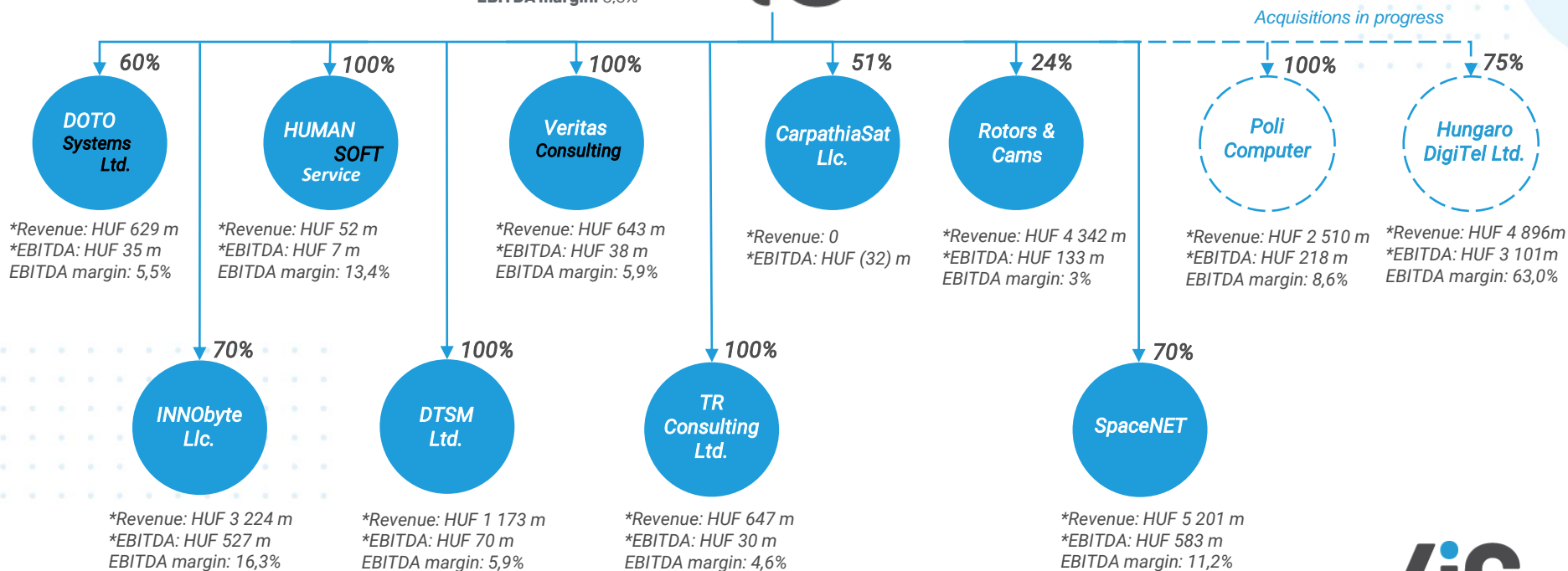
SALES BY CUSTOMER



CURRENT STRUCTURE OF THE GROUP

2020 consolidated result:

Revenue: HUF 57 300 m
EBITDA: HUF 5 047 m
EBITDA margin: 8,8%



ACTIVITIES OF SUBSIDIARIES



- **Founded:** 2019
- **Activity:** certified hardware service



- **Acquired:** 2020
- **Activity:** Hardware developer company that delivers custom software solutions in the field of Artificial intelligence, data warehouse, FINTECH and test automation.



- **Founded:** 2019
- **Activity:** integrated solution for administration and process management through a program package



- **Acquired:** 2021 April
- **Activity:** Delivery of end-to-end IT network solutions in the field of switching, routing and firewalling



- **Acquired:** 2019
- **Activity:** integrated control system, enterprise resource planning system (SAP) consulting, sales



- **Acquired:** 2021 January
- **Activity:** Design, assembly and operation of own UAV defense systems



- **Founded:** 2020
- **Activity:** Space telecommunication, commercial/governmental/scientific research



- **Acquisition:** 2021 – Ongoing
- **Activity:** Focus on outsourcing stack of IT from end user support and infrastructure to Microsoft technologies



- **Acquired:** 2020
- **Activity:** Cybersecurity profiled company offering penetration audit, end point security, security operation center services (SOC) and ethical hacking



- **Acquisition:** 2021 – Ongoing
- **Activity:** Satellite telecommunication and broadcasting service providers

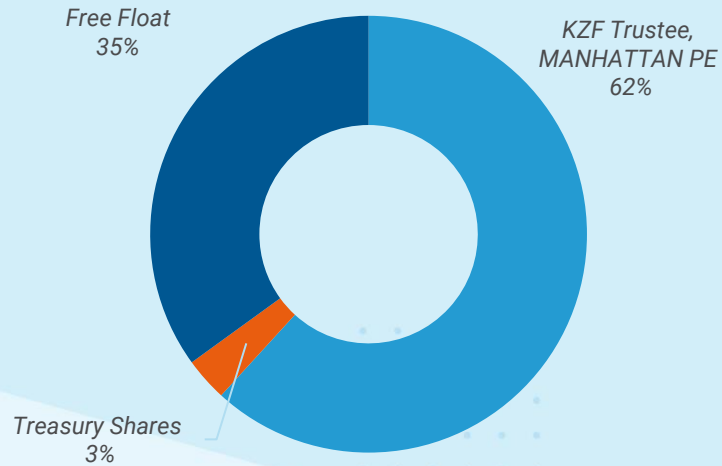


- **Acquired:** 2020
- **Activity:** offering support and maintenance services to Datacenter field infrastructure including high availability facility systems.

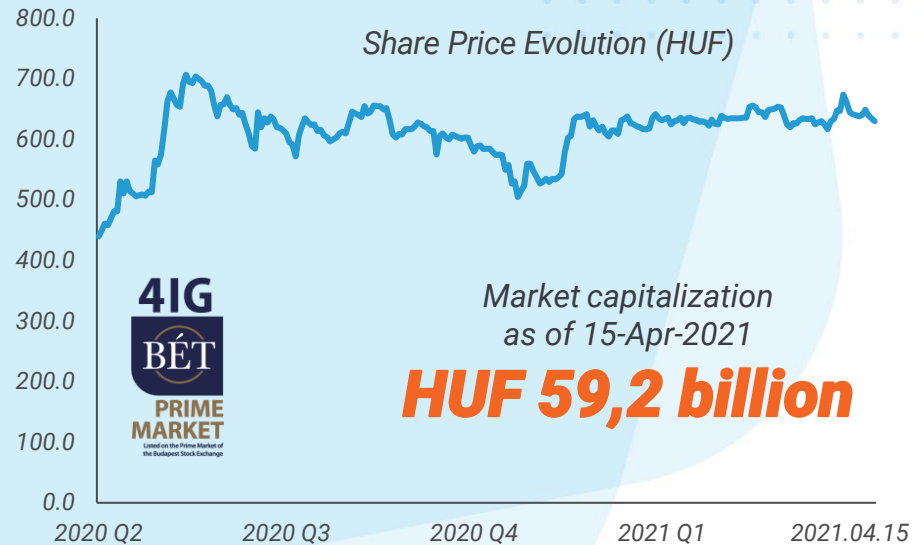


SHAREHOLDER INFORMATION

KEY SHAREHOLDERS(1)



SHARE PRICE PERFORMANCE



Note (1): Shareholders as of 13th April 2021 Source: BET

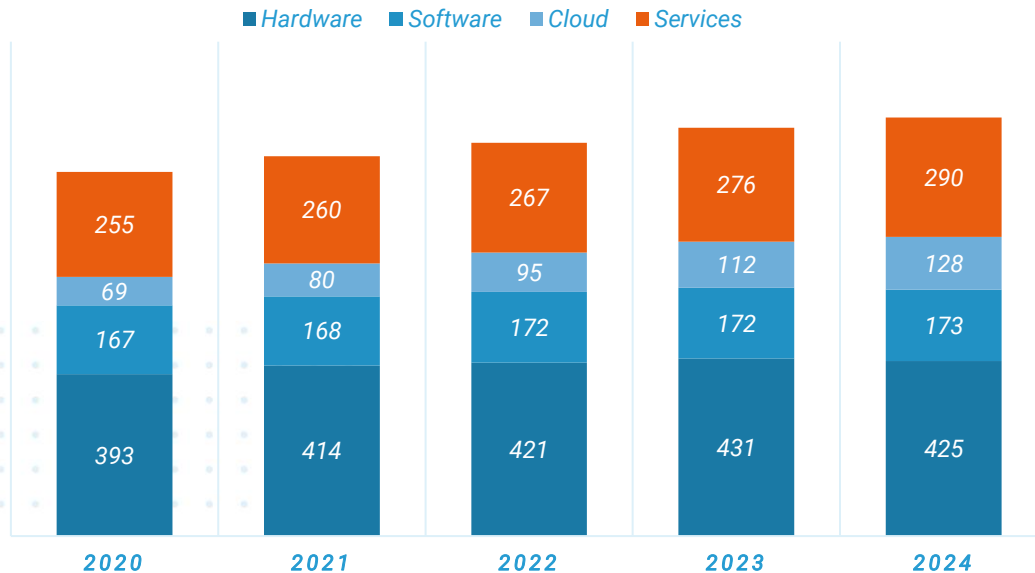
4iG is part of The Austrian Wiener Börse region
CECE Index



HUNGARIAN IT MARKET

HUNGARY'S IT MARKET EXPECTED TO GROW BY AVERAGE 3.5% PER YEAR, MAINLY IN THE INFRASTRUCTURE AND APP/SERVICE SEGMENTS

MARKET GROWTH FORECAST 2020-24



Source: IDC 2020

MAIN MARKET DRIVERS

International technology trends

IoT solutions have started to take off in the manufacturing, utilities, agribusiness and logistics segments, while AI is spreading intensively in the customer service areas

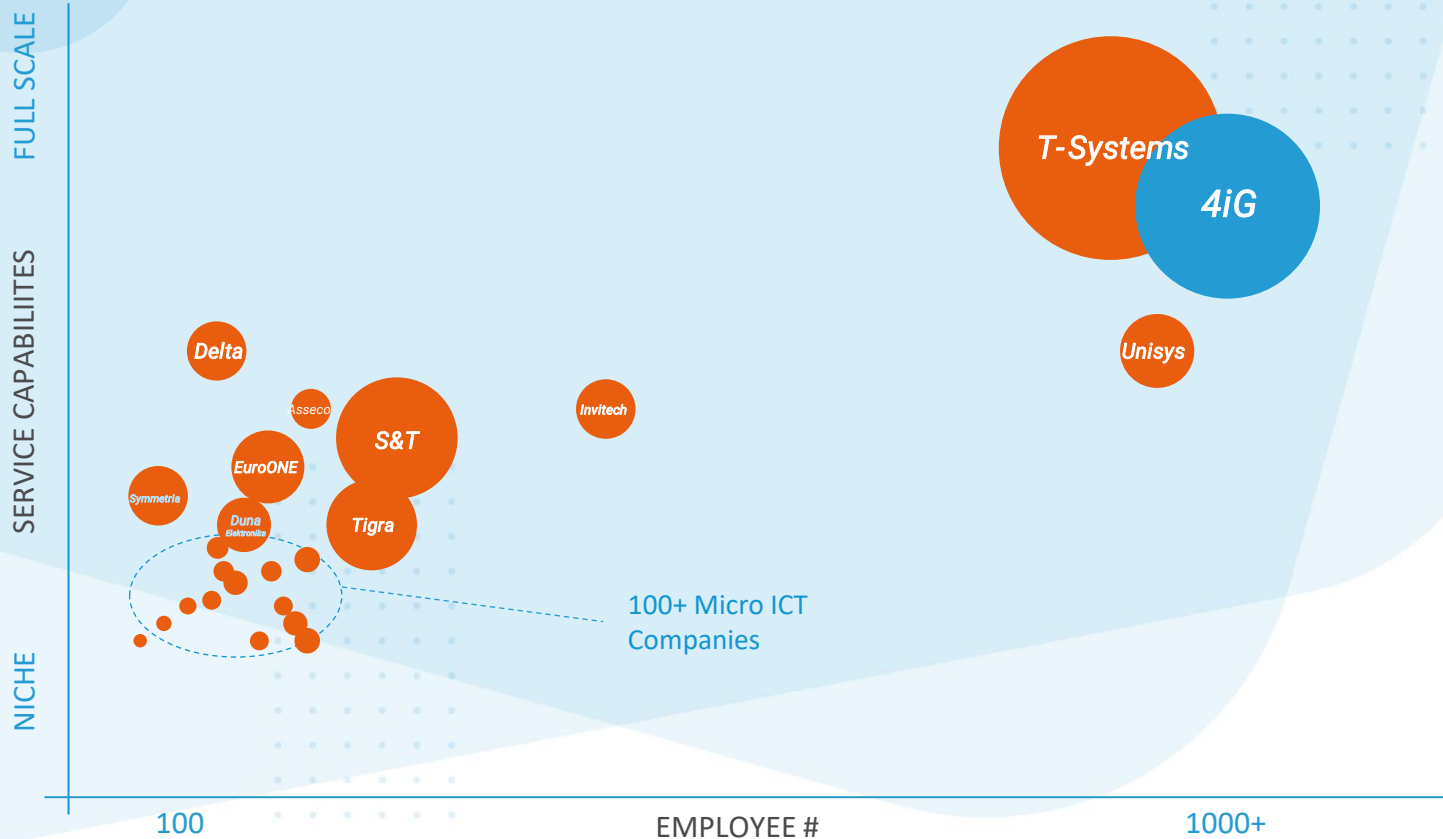
The need for digital switchover, COVID19 effect

Within the large enterprise segment, digitization has been a high priority in recent years. In contrast, most SMEs have paid much less attention to digitalization until the beginning of 2020. Subsequently, COVID-19 has had a positive impact on digitization needs, providing project opportunities for IT solution providers

Main public sector expenditure

In 2020, a number of high-profile and high-budget projects were carried out in the public sector

KEY PLAYERS IN HUNGARIAN IT MARKET



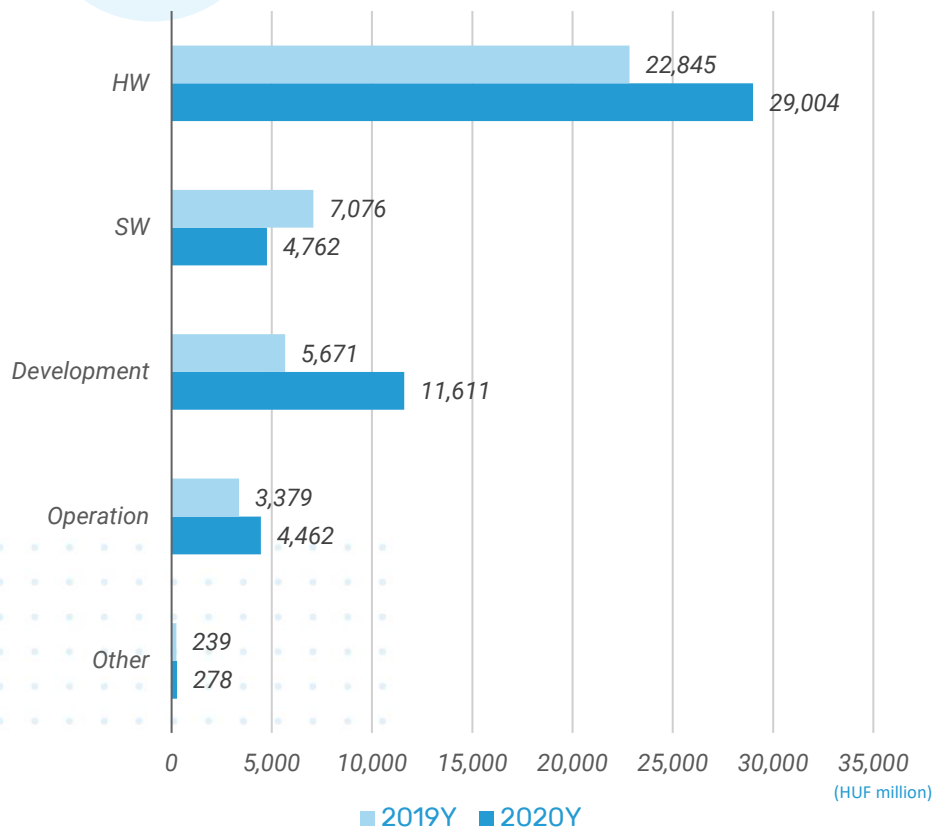
Note: Size of the bubble indicated estimated revenue
Source: 4iG, public sources



FINANCIAL OVERVIEW

4G

REVENUE EVOLUTION BY SEGMENTS



HW SALES: HW sales picked up in the last quarter of the year, with turnover now exceeding the base again.

SW SALES: In some cases, the manufacturer sold the software as part of the product associated with the device (OEM), so these SW sales appeared on the manufacturer's HW product lines.

DEVELOPMENT: The number of development projects has continued to increase in the past period, with the number of companies acquired in the second half of the year contributing to this, while the change in workload due to the pandemic situation continues to have no impact on the completion of most projects according to the planned schedule.

OPERATION: Several successful, long-prepared operation contracts were concluded last year, and will continue to have an impact in 2021. In most cases, our partners have not reduced operational and support services despite the pandemic situation.

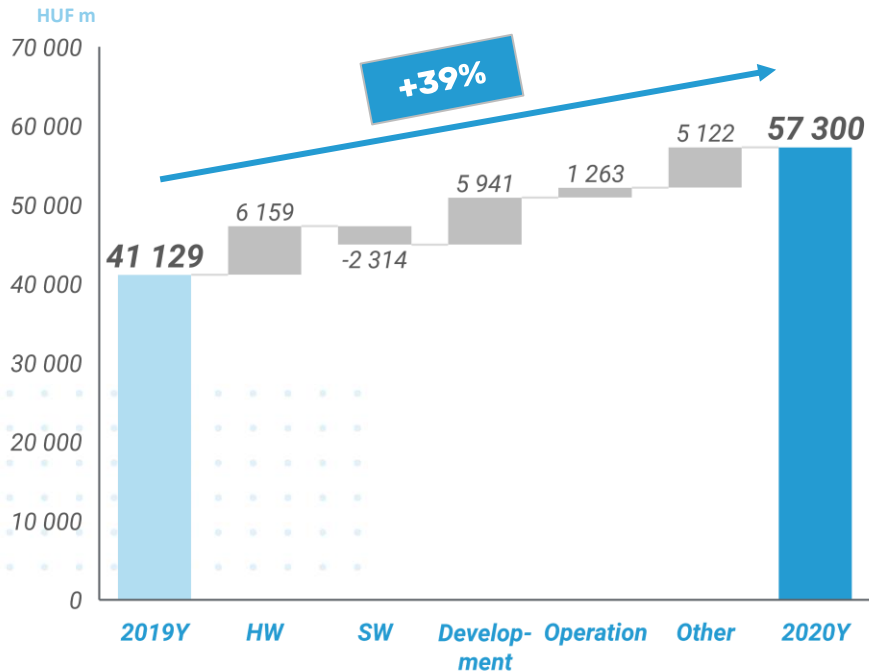
OTHER: Several contracts for support and implementation services have been signed for 2021.



(1) Other revenue includes Support, Consulting, Implementation and Other services

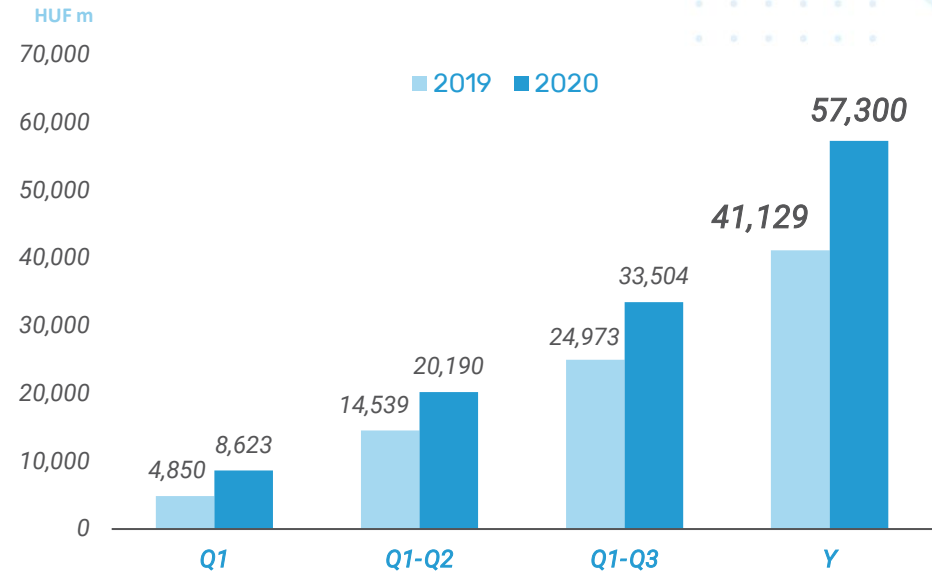
2020 REVENUE BRIDGE

REVENUE BY TYPE OF SERVICE



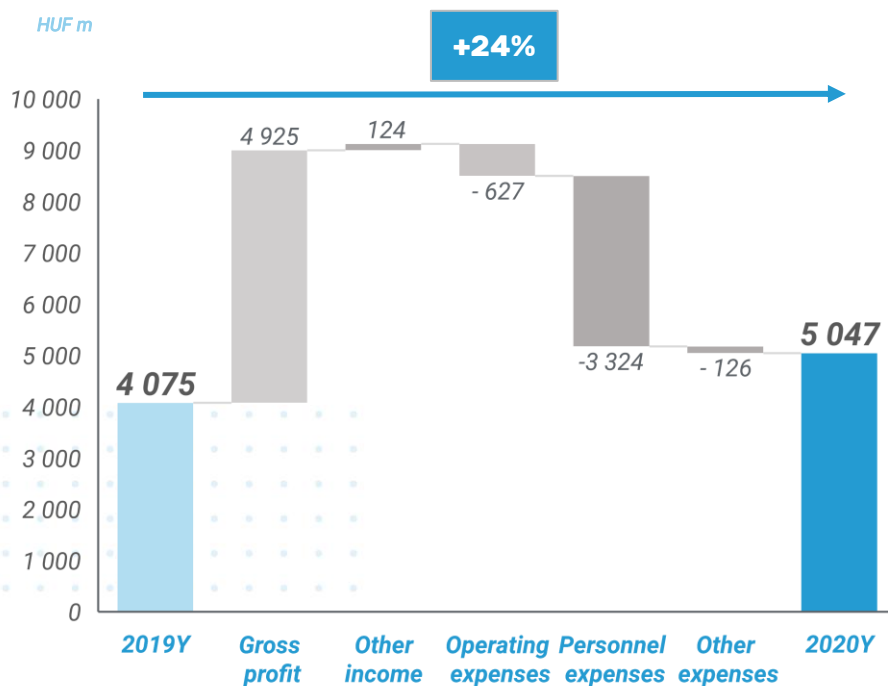
(1) Other revenue: support, consultancy, implementation and other services

NET REVENUE BUILD-UP

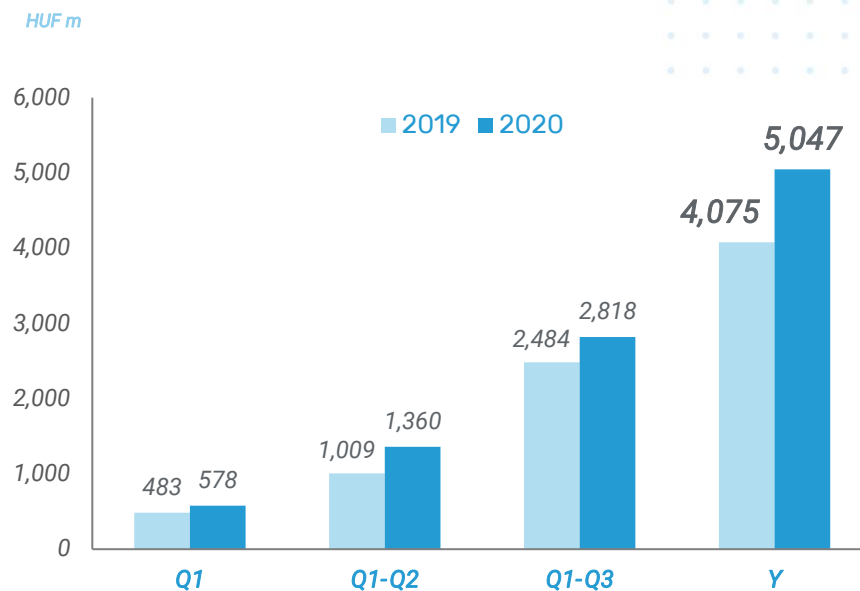


2020 EBITDA BRIDGE

EBITDA BRIDGE



EBITDA BUILD-UP



2020 P&L OVERVIEW

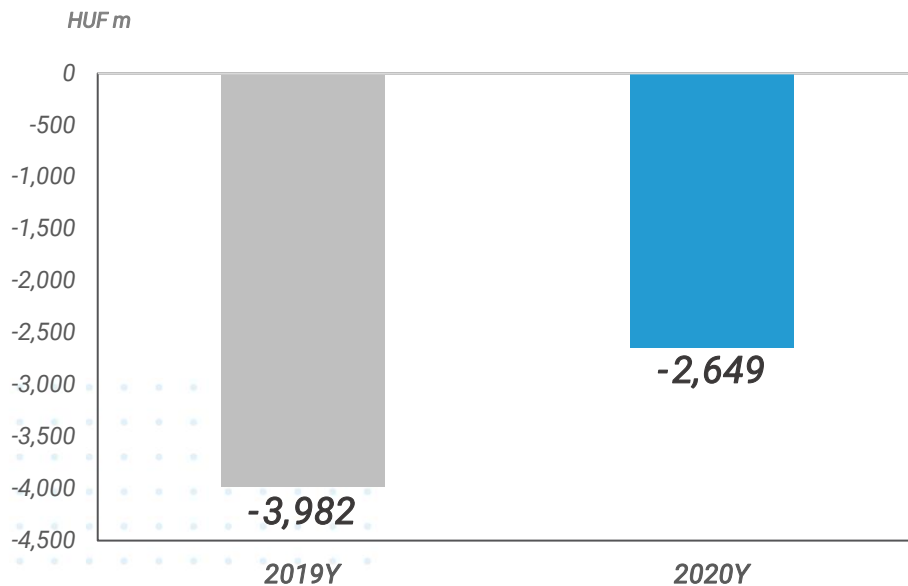
<i>4iG Nyrt</i> (HUF M)	2019Y	%	2020Y	%	2020Y / 2019Y
Net Revenues	41 129	99%	57 300	99%	139%
Other operating income	356	1%	480	1%	135%
Total income	41 485	100%	57 780	100%	139%
Cost of Goods and Subcontractors	30 126	81%	41 372	78%	137%
Operating expenses	1 840	5%	2 467	5%	134%
Personnel expenses	5 379	14%	8 703	17%	162%
Other expenses	65	0%	191	0%	294%
Operating costs	37 410	100%	52 732	100%	141%
EBITDA	4 075		5 047		124%
Depreciation and impairment	743		836		113%
Net financial income	-18		-36		203%
Profit before taxes (PBT)	3 314		4 175		126%
Income taxes	488		736		151%
Profit / Loss after Tax	2 827		3 439		122%

- After the slowdown due to the pandemic situation in Q2 2020, traffic growth continued to strengthen, with an increase in the number of ongoing service transactions and development projects that generate regular revenue.
- In addition to the organic turnover growth, the new subsidiaries also contributed to the profit growth in the second half of the year.
- In line with our growth strategy, the number of employees has increased significantly in line with turnover; and in 2019 and 2020, wage increases have been made in line with market trends. The impact of these has been felt in the EBITDA margin, which has improved during the year, helped by the ongoing organizational reorganization and subsidiary integration steps implemented so far.

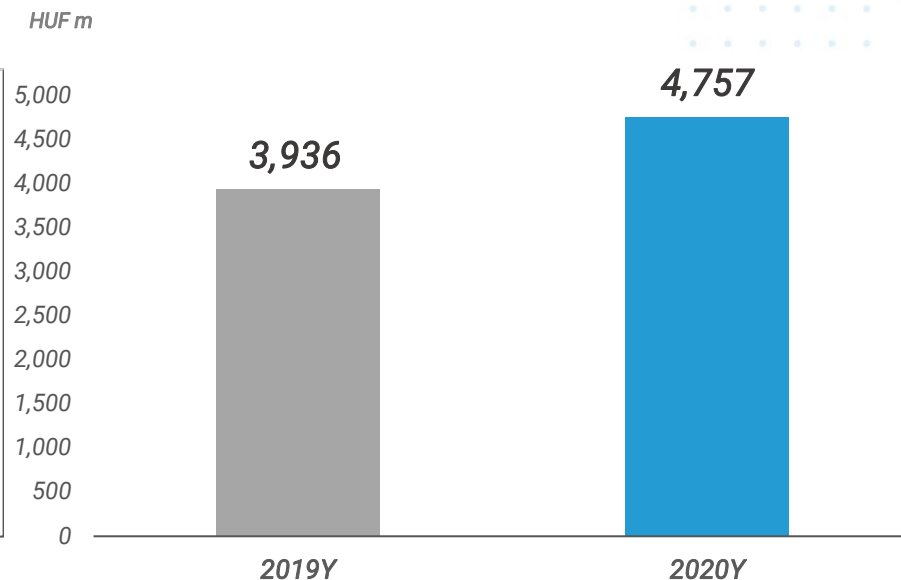


2020 BALANCE SHEET SUMMARY

NET DEBT/(-CASH) ⁽¹⁾



WORKING CAPITAL ⁽²⁾



(1) Net debt: including provisions and long-term leases, rentals (IFRS16), excluding guarantees and securities

(2) Working capital = Fixed assets - Current liabilities



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