

OPINION

OF

4iG PUBLIC LIMITED COMPANY

(Reg. No. 01-10-044993)

approved by resolution

1/2018/06/26

of the Board of Directors concerning

the Mandatory Public Buying Offer received and published on 7 June 2018 (*'Offer'*) made by **OPUS GLOBAL Public Limited Company** (seat: 1065 Budapest, Révay Street 10., registration number: 01-10-042533; tax number: 10931246-2-42), **REPRO I Private Equity Fund** (registration number: 6122-57, tax number: 18948947-1-41), **KONZUM PE Private Equity Fund** (registration number: 6122-44; tax number: 18755561-1-42) and the manager of the above private equity funds, **Konzum Investment Fund Management Private Limited Company** (seat: 1026 Budapest, Riadó Street 1-3., Reg. No.: 01-10-045654; tax number: 13960904-2-41; statistical code: 13960904-6630-114-01) as joint Bidders pursuant to Subsection (4) of Section 73/A of Act CXX of 2001 on Capital Markets (*'Tpt.'*):

1. Name and seat of the limited company (Target):

4iG Public Limited Company (seat: 1037 Budapest, Montevideo Street 8, registration number: 01-10-044993, statistical code: 12011069-6209-114-01, tax number: 10931246-2-42, subscribed capital: HUF 1,880,000,000.00, that is one billion eight hundred and eighty million Hungarian forints, of which HUF 555,000,000, that is five hundred and fifty-five million Hungarian forints, is cash, and HUF 1,325,000,000, that is one billion three hundred and twenty-five million Hungarian forints, is contribution in kind, hereinafter referred to as the *'Target'*).

2. Summary of the Buying Offer:

The Bidders have made a buying offer to all the shareholders of the Target for all the voting shares issued by the Target i.e. for each registered common share having a nominal value of HUF 1000 (that is one thousand forints) (ISIN: HU0000071030) issued by the Target. The offer price quoted by the Bidders is **HUF 2,942 per share** i.e. two thousand nine hundred and forty-two forints (*'Offer Price'*), which is the minimum price calculated according to the mandatory provisions of the Tpt., i.e. in this case, the average stock-exchange price weighted by the trading of the last 180 (one hundred and eighty) days before submitting the Offer to the Supervisory Authority. The Offer Price shall be fully paid in cash, in Hungarian forint.

To manage the acquisition of influence through a Buying Offer, the Bidders engaged **MKB Bank Private Limited Company** (seat: 1056 Budapest, Váci u. 38; registration number: 01-10-040952) (*'Manager'*) that has a licence issued by the Supervisory Authority to provide services in relation to 'advice to companies on capital structure, industrial strategy and related

matters and advice and services relating to mergers and the purchase of companies' pursuant to paragraph d) of Subsection (2) of Section 5 of the Act on Investment Service Providers.

It is a precondition for the acquisition of the Target's shares according to the rates set out in the Offer that, with respect to the possible concentration, the Hungarian Competition Office:

- (i) issue an authority certificate referred to in paragraph b) of Subsection (1) of Section 43/N of the Tptv., or
- (ii) approve the concentration under a competition authority procedure without any conditions or commitments except for conditions or commitments that do not have a material impact on the transaction or the Buyer or on the group of companies controlled by the Buyer (i.e. that are formal only) or which have been previously accepted by the Parties in writing, or
- (iii) decide and notify that no approval is required from the Hungarian Competition Office.

The Buying Offer shall become effective after the National Bank of Hungary has published its decision approving the Buying Offer.

The period open for accepting the Offer (*'Offer Period'*) shall start on 9:00 a.m. on the second day after publication of the Buying Offer (Starting Date) and end on 12:00 a.m. on the Closing Date. The Closing Date of the Offer Period shall be the 30th (thirtieth) day after the Starting Date or if such date is not a working day, then the next working day.

The Bidders shall pay the purchase price to those Shareholders validly accepting the Offer in cash (exclusively in Hungarian forint). The purchase price shall be the product of the Offer Price and the number of Shares sold by the Accepting Shareholder specified in the Declaration of Acceptance that shall qualify as a Share Purchase Agreement.

The Bidders shall pay the Offer Price within 5 (five) working days after the Closing Date set for accepting the Offer exclusively by bank transfer to the bank account or client account held with a Hungarian account-keeping bank specified in the Declaration of Acceptance. If the Offer Price is not paid by the above deadline, the Bidders shall pay default interest on the unpaid Offer Price at the rate specified in the Civil Code. The Bidders and the Manager shall not be liable for any delay relating to bank transfers that has occurred after the bank transfer was initiated.

3. Declaration by the Board of Directors concerning business relationship with the Bidders

The Board of Directors first records the Bidder's ownership currently held in the Target as well as the fact that the Bidders act during the acquisition in concert with the following companies and persons:

The Bidders currently hold 33.57533% of the equity in the Target represented by 614,861 pieces of share. The Target has published a notice on the acquisition of influence as the issuer pursuant to Subsection (2) of Section 55 of the Tpt. on 7 June 2018, simultaneously notifying the Supervisory Authority as well.

In total, however, by the date of issuing this Opinion, KONZUM PE Private Equity Fund, and/or the person appointed by it has acquired or may acquire voting rights over 614,861 pieces of already called share and 233,660 pieces of uncalled share (i.e. 848,521 pieces in total) with a nominal value of HUF 1,000 (i.e. one thousand forints) each, which represents a total share of 46.334656% (33.57533+12.759326) in the Target. The Target as the issuer has published a

notice on the acquisition of influence by the Bidders pursuant to Subsection (2) of Section 55 of the Tpt. on 6 June 2018, simultaneously notifying the Supervisory Authority as well.

As certain shareholders of the Target and OPUS GLOBAL Plc. made additional contracts aiming at the acquisition by the Bidders with respect to a total of 72,300 pieces of common share providing 3.9480409% influence, this transaction may lead to additional acquisition of influence by the Bidders. The transactions contemplated in the contracts, i.e. the acquisition of the Shares by OPUS GLOBAL Plc (and indirectly by the other Bidders), are subject to the decision by the Hungarian Competition Office described above.

The Bidders, qualifying as Persons Acting In Concert, will have a share of 33.57533% as at the date of the Offer made within the statutory deadline after the disclosure set out in Subsection (2) of Section 55 of the Tpt. due to the reason set out in Subsection (2) of Section 68 of the Tpt, and if KONZUM PE Private Equity Fund or the person appointed by it calls all the shares specified in the contract providing the buying option, and if the Economic Competition Office has made its decision concerning the contracts aimed at further acquisition and the resulting concentration, then the Bidders will have a total of 50.28272% influencing share in the Target without acceptance of the Offer, i.e. without an offer by the shareholders accepting the Offer, in the following breakdown:

Bidder's name	Number of shares (pcs)	Rate of direct influence: (%)	Rate of indirect influence: (%)	Total (%)
OPUS GLOBAL Plc.	259,416	14.165	36.115	50.28
REPRO I. Private Equity Fund	424,260	23.167	27.113	50.28
KONZUM PE Private Equity Fund	237,145	12.949	37.331	50.28
Konzum Investment Fund Management Ltd.	0	0	50.28	50.28
Total	920,821	50.28		50.28

The Target has no other business relationship with the Bidders.

4. The Target's ownership structure

At the time of adopting this Opinion, the following shareholders have a share in the Target exceeding five percent of voting rights:

Shareholder's name	Number of shares pcs	Ownership ratio (%)
OPUS GLOBAL Plc.	187,116	9.95

KONZUM PE Private Equity Fund	427,745	22.75
István Fehér	109.930	5.84
Béla Zsolt Tóth	107,269	5.71 (of which 1.89% is held indirectly through HS Board Kft)
HS Board Ltd.	106.577	5.67

According to the share register, the following percentage of shares are free float: 51.96%.

5. The impact of the acquisition on the Target's employees

According to our information at the time of adopting this Opinion, the Persons Acting In Concert do not plan any changes in the Target's management, or the composition and headcount of its employees. They wish to implement the Target's business plans with the current management and staff, however, it cannot be ruled out that certain changes may be implemented in the Target's organisation and activities in view of the future tasks of the Target.

6. Proposal of the Board of Directors

The Bidders have stated in the Offer that they wish to continue to operate the Target according to the current main strategic directions, i.e. keeping the existing portfolio and target market and expanding the same by further acquisitions thereby strengthening the Target's market position.

The Bidders have also stated that they want to draw up the budget (for the management, subsidiary, commercial and professional levels) based on the Target's current business policies. As far as we know, they do not plan to change the methodology of budgeting.

With respect to maintaining the current staff and management positions of the Target including any changes in the terms of employment, the Bidders have said that after the conclusion of the necessary authority procedure in connection with the possible concentration, they wish to delegate representatives into the Target's Board of Directors from their own management and owners' group, however, they do not want to replace the current management who have full information on the day-to-day operation and tasks. In addition, they also plan to continue to employ the currently registered employees of the target as well as of its subsidiaries.

The Bidders wish to keep the Target's shares floating on the stock-exchange. It is very important for them to retain the trust of small investors.

The Board of Directors considers the implementation of the above concept as well-founded based on the Offer submitted by the Bidders as Persons Acting In Concert. As a result of the cooperation with the Bidders, it will become possible to more effectively operate the portfolio owned by the Target and its subsidiaries as well as to implement development projects with the involvement of external investors. The successful investments may increase demand for the Target's shares which can ensure the continuous increase of the share price.

The Board of Directors records that on the last trading day before adopting the resolution i.e. on 25 June 2018 the closing price of the shares on the stock exchange was HUF 3,500.

In view of the above, the Board of Directors does **not** recommend for the shareholders to accept the Bidder's buying offer. It is in the Target's interest to keep as many shares as possible in free float within the company and thereby ensure the necessary high level of shareholders' control, the company's presence on the stock exchange and the transparency of its operation.

Based on the stock exchange reports and disclosures, the shareholders can keep track of the implementation of the Bidder's goals. If the planned developments are implemented and the companies in the portfolio operate with profit, it may provide direct financial benefit for our shareholders, too, as a result of the continuously increasing market value of the shares they hold.

The attending members agreed to the proposal of the Board of Directors.

7. Appointed financial consultant

Pursuant to Subsection (5) of Section 73/A of the Tpt., the Board of Directors does not have to appoint an independent financial consultant to evaluate the buying offer if the buying offer is made by persons acting in concert.

8. The employees' opinion on the Buying Offer

The Board of Directors does not enclose the employees' opinion to the present opinion as no such opinion is available to the Board of Directors.

26 June 2018, Budapest

The Board of Directors of 4iG PLC