4iG GROUP

CONSOLIDATED

financial report

H1 2026

EXECUTIVE SUMMARY

1 Introduction

4iG Plc and its subsidiaries (hereinafter: "4iG Group" or the "Group") continued its strategic transformation in the first half of 2026, alongside a stable financial performance. The Group focused on building and restructuring an integrated telecommunications infrastructure and rapidly expanding its internationally competitive space and defence industry portfolio.

In accordance with International Financial Reporting Standards (IFRS), 4iG Plc's consolidated net revenue was HUF 409.4 billion in the first half of 2026. The Group's EBITDA was HUF 126.3 billion, while the EBITDA margin relative to net sales revenue stood at 30.9%. The Group maintained a disciplined financial policy, achieving a net debt to last 12 months' EBITDA ratio of 3.7x.

In parallel, the Group further improved its credit profile: the net debt/EBITDA ratio improved, liquidity coverage increased, and the financing base became more international and diversified. During the reporting period, the Group continued to place particular emphasis on the telecommunications segment, which provides stable and predictable cash flows, as well as on rapidly expanding international partnerships and acquisitions.

The favourable operational and financial developments are increasingly reflected in the Group's financing structure and capital market presence. During the first half of the year, the financing base was further broadened, with an increasing share of international funding sources. Two key developments in this process were:

- 4iG Űr és Védelmi Zrt. (4iG SDT) issued a EUR 176.6 million eurobond, fully subscribed by three domestic banks.
- Mubadala Investment Company PJSC, the sovereign investment fund of the Government of Abu Dhabi, made a USD 50 million investment mandatorily convertible into shares.

In the first half of 2026, the Group continued to execute its strategy across the telecommunications, IT, and space and defence industry businesses, while further strengthening its international partnerships.

- In the second quarter of 2026, 4iG SDT completed its total USD 100 million equity investment in Axiom Space, Inc.
- N7 Defence Holding Zrt. signed a binding Term Sheet with Colt CZ Group International s.r.o. regarding the future ownership structure of Colt CZ Hungary Zrt. In addition, 4iG Űr és Védelmi Zrt. and Condor S.A., a member of the EDGE Group, signed a Term Sheet on the establishment of a joint venture in Hungary in the field of non-lethal defence technologies.
- The Group also announced its entry into the energy sector, which, as a new strategic business line, is set to contribute to 4iG's growth over the long term.

Data in millions of HUF, unless otherwise indicated

2 Financial performance

	2026 H1	2025 H1	Change in +/- %
Net sales revenue	**409,365**	**350,827**	**16.69%**
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**126,301**	**122,551**	**3.06%**
Earnings Before Interest and Tax (EBIT)	23,480	28,227	**-16.82%**
Profit after tax (PAT)	21,891	-1,148	**n/a**
Total comprehensive income	**14,098**	**-4,704**	**n/a**
Data per share (in HUF)*			
EBITDA	435.9	422.9	**3.08%**
Net profit (EPS)	17.3	-48.4	**n/a**
Diluted EPS indicator	12.9	-48.4	**n/a**
Equity	1,626.8	1,496.9	**8.68%**
Equity attributable to the owners of the company	462.7	465.2	**-0.55%**

*The Group has reviewed the methodology used to calculate the per-share indicators presented in the table above. Performance-based indicators (EBITDA per share, earnings per share (EPS) and diluted earnings per share (diluted EPS)) are calculated using the weighted average number of voting shares outstanding during the reporting period, whereas position-based indicators (equity per share and parent shareholders' equity per share) are calculated using the number of voting shares outstanding at the reporting date. To ensure consistency and comparability, comparative period figures have been restated in accordance with the revised methodology.

Telecommunications remained the Group's largest business segment, accounting for 75.8% of consolidated net sales revenue, while IT and system integration represented 12.5% and space and defence 11.7%. Geographically, 89% of net sales revenue was generated in the Hungarian, 7% in the Albanian, 3% in the Montenegrin, and 1% in the Austrian market, reflecting the increasing contribution of the Group's international defence operations.

The Group recorded HUF 21.9 billion profit after tax in the first half of 2026. The retrospective assessment of purchase price allocations related to acquisitions had an overall negative impact of HUF 10.1 billion, while unrealised foreign exchange gains had a positive impact of HUF 36.1 billion. Adjusted for purchase price allocation effects, one-off items and unrealised foreign exchange gains, the Group recorded a HUF 3.9 billion loss.

3 Corporate Governance

4iG Plc. transitioned to a renewed corporate governance structure with effect from 15 January 2026. The previous CEO–Deputy CEO model was replaced by a Vice-Chairman structure organised along business unit and functional areas of responsibility. As a result, 4iG Plc. operates as a strategic investment holding company, in which ownership responsibilities and operational management are organisationally separated, in line with the Group's expanding business diversification and growing international presence.

The Chairman and Chief Executive Officer is supported by six Vice-Chairmen, who are also members of the Board of Directors of 4iG Plc.:

- László Blénessy – Vice-Chairman for International Digital Infrastructure;
- Péter Fekete – Vice-Chairman for International Business Relations;
- István Sárhegyi – Vice-Chairman for Government Relations, Space and Defence Industry;
- Csaba Thurzó – Vice-Chairman for Group Finance;
- Gábor Tomcsányi – Vice-Chairman for Group Operations;
- Béla Tóth – Vice-Chairman for Information Technology.

The Board of Directors of 4iG Plc is responsible for the strategic management of the 4iG Group, the supervision of the business divisions' operations and finances, and the management of government and international business relations. Following the restructuring, the operation of the Group is based on four pillars:

1. 4iG Távközlési Holding Zrt. – domestic and Western Balkan telecommunications;
2. 4iG Űr és Védelmi Zrt. – space and defence industry;
3. 4iG Informatikai Zrt. – IT and systems integration;
4. 4iG International Digital Infrastructure Zrt. – international digital infrastructure projects.

3.1 4iG Távközlési Holding Zrt.

4iG Távközlési Holding Zrt. operates as the holding company for the Group's telecommunications interests in Hungary and the Western Balkans, consolidating the strategic management of its telecommunications subsidiaries within a single organisation. The company oversees the Group's Hungarian telecommunications interests – including One Magyarország Zrt., 2Connect Távközlési Infrastruktúra és Hálózati Szolgáltatások Kft., PR-TELECOM Zrt. and Netfone Telecom Kft. – as well as ONE Albania sh.a. and ONE Crna Gora d.o.o., while also coordinating the Group's market entry into North Macedonia.

3.2 General Meeting Resolutions and Restructuring

At the Annual General Meeting held on 30 April 2026, the shareholders approved the Company's separate and consolidated annual financial statements for the 2025 financial year and resolved that no dividend would be paid in respect of the 2025 financial year. The General Meeting granted broad authorisation to the Board of Directors to implement a comprehensive reorganisation of the Group, including the organisational separation and outsourcing of telecommunications activities, as well as the integration of certain support and central functions into a shared service centre (SSC) structure.

The General Meeting also authorised the Board of Directors, for a period of 18 months from 1 October 2026, to acquire treasury shares representing up to 25% of the share capital for use as consideration in acquisitions, capital structure optimisation, share-based incentive programmes, and the establishment of hybrid financing instruments.

At the Extraordinary General Meeting held on 28 May 2026, the shareholders authorised the Board of Directors, for a period of four years, to increase the Company's share capital by up to 10% (a nominal value of HUF 598.15 million, to a maximum total share capital of HUF 6.58 billion). The General Meeting also amended the Articles of Association, reducing the voting threshold for nominating members of the Supervisory Board from 25% to 15%.

Based on the resolutions of the General Meeting, several changes were also made to the composition of the supervisory bodies of 4iG Plc. Dr. Zoltán Pafféri and Dr. József András Veit were elected as new members of the Supervisory Board, while Dr. József András Veit also joined the Audit Committee.

Following the General Meeting, the members of the Supervisory Board are:

- Zoltán Pafféri
- József András Veit
- Klaus Jürgen Neumann
- Ildikó Tóthné Rózsa

The members of the Audit Committee are:

- Ildikó Tóthné Rózsa
- Klaus Jürgen Neumann
- József András Veit

3.3 Environmental, Social, and Governance sustainability (ESG)

The 4iG Group continued to advance its sustainability objectives, with a particular focus on emissions reduction, renewable energy procurement and compliance with international standards.

In 2025, the Group achieved a 10% reduction in Scope 1 emissions through emission-reduction measures and a 42% reduction in Scope 2 emissions, supported by increased renewable energy procurement. Scope 3 emissions increased by 38%, primarily due to acquisitions and the expansion of reported Scope 3 categories.

In Hungary, the Group registered 150,573 MWh of Guarantees of Origin (GO) and aims to increase the share of electricity sourced from renewable energy to 100% in 2026.

The Group also continued to strengthen its ESG and compliance framework. Almost all subsidiaries and affiliates subject to NIS2 requirements have been audited, while 20 Group companies operate 56 certified management systems based on 11 international standards, with a further eight systems under implementation. In addition, the 4iG Group obtained an EcoVadis sustainability rating in 2025.

Data in millions of HUF, unless otherwise indicated

The Group was awarded the Gold-Level Responsible Employer certification in recognition of its comprehensive HR initiatives. The 4iG Group's corporate social responsibility activities are primarily centred around its two foundations, One Alapítvány and 4iG a Digitális Társadalomért Alapítvány, whose programmes support digital inclusion, education, social inclusion and local communities.

As part of the Digitális Esély Program, launched by 4iG a Digitális Társadalomért Alapítvány in 2025, for example, 220 laptops optimised for digital education were provided to 15 schools in Hungary, alongside professional and methodological training for teachers. The programmes of One Alapítvány similarly focus on developing digital skills and promoting equal opportunities, while the Group also participates in long-term partnerships, including with the Ökumenikus Segélyszervezet.

Beyond its foundation programmes, 4iG also supports key social causes. In the recent period, these have included healthcare and educational developments, initiatives related to Semmelweis Egyetem, as well as organisations operating in disadvantaged regions. In 2025, the Group allocated approximately HUF 480 million in total to corporate social responsibility and sponsorship programmes, contributing to the creation of social value alongside its technological and economic presence.

Supporting sports also plays a prominent role in the 4iG Group's sponsorship activities. The Group and its member companies support, among others, the Hungarian men's national football team, One Eger water polo club, One Veszprém handball team, and Formula 3 racing driver Martin Molnár, thereby contributing to the development of Hungarian sports and young talent.

4 Capital Markets

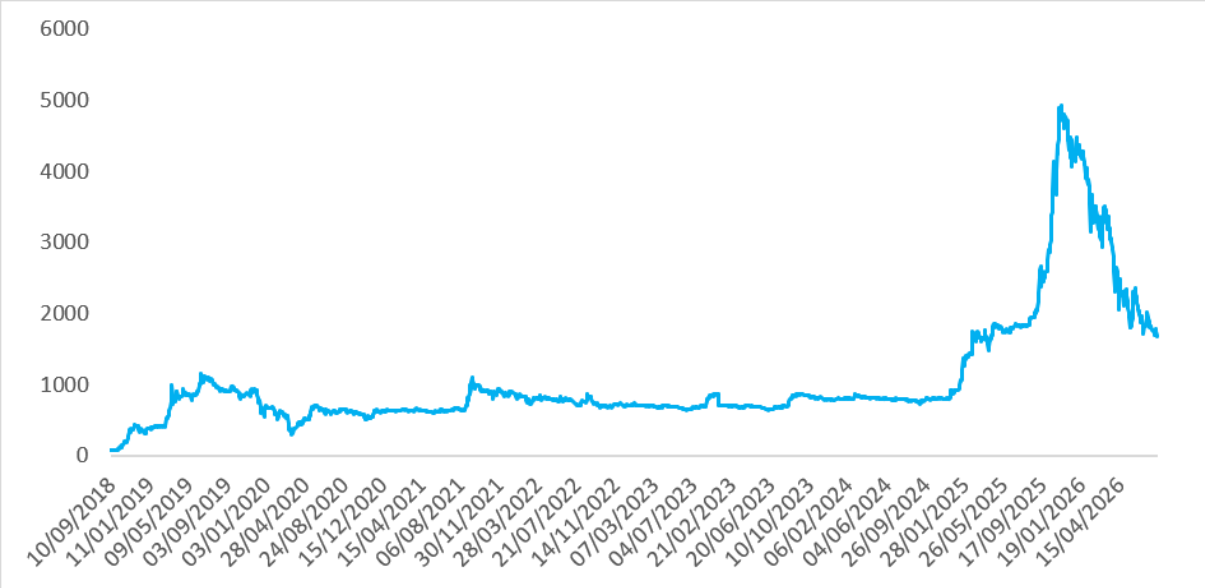
4.1 Information on listed securities

Company full name	4iG Nyilvánosan Működő Részvénytársaság (4iG Public Limited Company)		
Short name	4iG Plc		
	Name	**Ticker**	**ISIN**
The issuer's listed securities	4iG share	4IG	HU0000167788
	4iG NKP bond 2031/I	4IG2031I	HU0000360276
	4iG NKP bond 2031/II	4IG2031II	HU0000361019

4.2 Shares

The shares of 4iG Plc are listed in the Premium category on the Budapest Stock Exchange (BUX). The share is also included in the BUX index, the Wiener Börse CECE regional index, and the FTSE Global Equity Index Series Large Cap index. This strengthens the Company's institutional reach in the capital markets.

Performance of 4iG Plc stocks

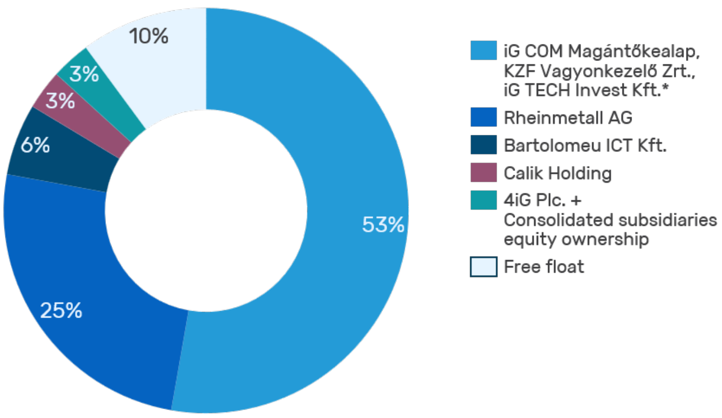


Source: Budapest Stock Exchange, data provided in HUF

4.3 Ownership structure

Gellért Jászai is the majority shareholder of 4iG Plc and exercises control through his investment companies and private equity funds, holding more than 52.7% of the Company's shares. German Rheinmetall AG continues to hold over 25.12% of the Company's shares.

Key shareholders of 4iG Plc



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

Data in millions of HUF, unless otherwise indicated

4.4 Bonds, credit rating

4iG Plc holds two series of exchange-traded bonds issued under the Hungarian National Bank's Növekedési Kötvényprogram (in English: Growth Bond Programme, hereinafter referred to as: NKP). According to Scope Ratings GmbH, a credit rating agency, the liquidity ratio is expected to exceed 110% in 2025, reaching over 200% in 2026–2027.

On 27 February 2026, 4iG Űr és Védelmi Zrt. issued EUR 176.6 million aggregate principal amount of bonds, with ISIN HU0000366349, an eight-year maturity and a fixed annual coupon of 5.1%. The bonds were fully subscribed by three domestic banks.

The proceeds from the bond issuance are being used to finance the Group's defence-industry acquisitions and equity investments, including N7 Defence Holding Zrt., VAB Kft., Hirtenberger Defence Systems Védelmi Ipari Kft., RÁBA Járműipari Holding Nyrt., HeliControl Kft. and Gestamen Kutatás Fejlesztés Zrt.

On 20 January 2026, Scope Ratings GmbH (Scope) affirmed the issuer and NKP bond credit ratings of 4iG Plc at BB- with a stable outlook. Analysts say that the 4iG Group's stable position in the telecommunications market and financial stability are consistent with its credit rating. The credit rating agency highlights that the 4iG Group's liquidity is adequate. It is not subject to any significant debt repayment pressure.

Bond Series	Nominal Value	Interest Rate	Maturity	ISIN
NKP Bond 2031/I.	~HUF 15 bn	2.90%	2031	HU0000360276
4iG NKP Bond 2031/ II. (amended)	~HUF 370 bn	6.75%	2031	HU0000361019
4iG SDT Bond (EUR)	EUR 176.6 million	5.10%	2034	HU0000366349

5 Segments

5.1 IT and Systems Integration

4iG Informatikai Zrt. continued to strengthen its position in the Hungarian IT and system integration market. In the first half of 2026, its revenue increased by 20% year-on-year, while EBITDA and gross margin also improved alongside revenue growth. Recurring revenues accounted for approximately 55% of total revenue. The development of the business was significantly supported by complex infrastructure and managed IT services, SaaS activities, as well as the implementation of the Gondosóra project.

Alongside organic growth, 4iG Informatikai Zrt. completed the ongoing acquisitions of Mobil Adat Kft. and FaceKom Kft. in the first half of 2026, further expanding its service portfolio, with both companies contributing to earnings from the second quarter onwards. In July, 4iG announced that Poli Computer PC Kft. would merge into 4iG Informatikai Zrt., with operations under the new organisational structure commencing on 1 October 2026.

4iG Informatikai Zrt. also increased its ownership interest in ACE Network Zrt. to 100%. ACE Network Zrt. is a Cisco GOLD Integrator partner specialising in network, IT security and data centre infrastructure solutions.

In July, 4iG Informatikai Zrt. regained Microsoft CSP partner status and obtained AI Cloud Partner designation. The Group also continues to pursue the expansion of its IT and system integration capabilities in the Western Balkans, including through the government-to-government (G2G) ICT project being implemented in Montenegro.

5.2 Telecommunications

The Telecommunications segment continued to play a key role in the Group’s operations and earnings generation in the first half of 2026. During the first six months of 2026, the segment generated net revenue of HUF 311.56 billion, EBITDA of HUF 125.26 billion and profit after tax of HUF 43.63 billion.

Hungary

One Magyarország Zrt.

According to calculations by the Nemzeti Média- és Hírközlési Hatóság (NMHH), One Magyarország Zrt. serves approximately 30% of active subscriptions. Growth in mobile service revenue was supported by both customer base expansion and higher ARPU, while the number of postpaid subscriptions increased and the churn rate improved. The B2B mobile customer base grew by more than 30,000 new subscriptions. ONE postponed the inflation-linked residential price adjustment applied in previous years.

2Connect Távközlési Infrastruktúra és Hálózati Szolgáltatások Kft.

The non-binding preliminary share swap agreement signed between 4iG and e& PPF Telecom Group on 19 February 2026 may create further value creation opportunities within the telecommunications portfolio. Under the agreement, 4iG Távközlési Holding Zrt. may acquire a strategic stake of up to 49% in CETIN Hungary Zrt., while e& PPF Telecom Group may acquire a minority stake of up to 38% in 2Connect Kft. Based on the agreement, 4iG Távközlési Holding Zrt. and its subsidiaries may use CETIN Hungary's mobile radio infrastructure from 2028, potentially delivering significant cost and energy efficiency benefits through the consolidation of mobile infrastructure, while also enabling the faster deployment of new technologies. According to 4iG's previous estimates, the new operating model could generate significant cost and investment synergies, as well as additional revenues, with a combined value of up to EUR 1 billion over the coming years.

On 11 February 2026, 2Connect Kft. and Yettel Magyarország entered into a wholesale (FBaaS) agreement, under which Yettel may use 2Connect's nationwide fixed-line infrastructure to provide retail services. Building on this agreement, Yettel Magyarország entered the fixed broadband telecommunications market on 15 July 2026.

The company also continued its network development activities under the SZIP2 programme, with the FTTH network rollout slightly exceeding the pro-rata annual target. The segment's EBITDA margin improved, primarily due to increased cost efficiency.

Western Balkans

ONE Albania sh.a. continued to strengthen its commercial position, supported by the ongoing migration of prepaid customers to postpaid plans and the increasing adoption of convergent fixed and mobile services. Growth in the number of postpaid subscriptions and customers using fixed-mobile convergent services supports the sustainable, organic growth of the Albanian business.

FTTH network coverage reached 88% of the addressable market, in line with the objectives of achieving full coverage and the planned phase-out of the copper network. 5G population coverage reached 75%. The Group continues to focus on increasing the share of recurring revenues and strengthening ONE Albania sh.a.'s position in the Albanian telecommunications market.

Performance is consistent with the strategic priorities presented in the first quarter: network optimisation, modernisation of core infrastructure and the migration of prepaid customers to postpaid plans, reflecting the successful execution of the Group's planned strategy.

ONE Crna Gora d.o.o. maintained a stable market position in the first half of 2026 despite a highly competitive operating environment. The company continued to develop its network capacity and service portfolio, with a particular focus on accommodating growing mobile data traffic, improving service quality and migrating customers to higher-value subscription packages.

The residential postpaid segment remained the main growth driver, while the company upgraded its FWA portfolio to 5G technology and incorporated it into bundled offerings. In line with the Group's broader Western Balkan strategy, the Group continues to develop its telecommunications operations in Montenegro.

In parallel, 4iG's presence in Montenegro expanded beyond the telecommunications sector during the first half of the year, after the Government of Montenegro selected the Group to participate in major IT and digital infrastructure development projects.

5.3 Space and Defence Technologies

4iG Űr és Védelmi Zrt. continued to expand its domestic and international industrial partnerships and portfolio during the first half of 2026. In addition to acquiring a majority stake in RÁBA Járműipari Holding Nyrt. and completing the transaction related to N7 Defence Holding Zrt., 4iG Űr és Védelmi Zrt. entered into several significant partnerships and agreements, including with CSG, TATRA TRUCKS, Northrop Grumman, L3Harris and Apex Technology. During the first half of the year, the two-stage capital increase in Axiom Space, totalling USD 100 million, was also completed, while the restructuring of the ownership structure and capital position of Colt CZ Hungary Zrt. commenced. These transactions and partnerships may further strengthen the holding company's technological capabilities, international network and market opportunities over the medium and long term.

Alongside these strategic developments, the operating performance of the space and defence industry segment also expanded significantly. As a result of revenue growth generated by the portfolio companies' operations, the segment's share of the Group's consolidated net revenue increased from approximately 1% in the first quarter of 2025 to more than 11% in the first quarter of 2026.

4iG Űr és Védelmi Zrt. is the holding company of the Group's space and defence industry segment, whose activities are structured around five strategic business lines: Space, Aero, Land Systems, Weapons & Ammunition, and Cyber and Defence Digitalization.

During the second quarter, the HUSAT programme successfully achieved several significant technical milestones, while contractual processes with strategic suppliers continued. The development of the Ground Segment, as well as the technical preparation of HUGEO and HULEO, progressed broadly in line with plans. The programme's technical preparatory activities remain ongoing.

5.4 International Digital Infrastructure

4iG International Digital Infrastructure Zrt. (4iG IDI) and the Greek Grid Telecom – a wholly owned subsidiary of IPTO, the Greek electricity transmission system operator, operating an optical fibre network of more than 6,000 km – signed a strategic Memorandum of Understanding for the joint development of a high-capacity terrestrial fibre-optic corridor between Albania and Greece, as well as a future Adriatic and Mediterranean submarine cable system. Through these initiatives, the segment is evolving beyond its domestic service provider role into a regional infrastructure platform, where value creation is driven not only by the subscriber base but also by the consolidation of network assets, including backbone networks, data centres and submarine cable systems.

The parties reviewed the non-binding preliminary agreement signed by representatives of 4iG Plc and Telecom Egypt in 2024 regarding the development of a high-capacity submarine data cable between Egypt and Albania. Following an assessment of the project structure and operating model, the parties decided not to establish a joint project company for the implementation of the investment, but instead to cooperate on the project within the framework of a long-term commercial partnership.

On 25 March 2026, the Government of Montenegro selected the 4iG Group to implement projects aimed at the technological development of its law enforcement agencies – with 4iG Informatikai Zrt. acting as supplier under a EUR 54.25 million framework – as well as the development of a government data centre and related infrastructure, under which 4iG International Digital Infrastructure Zrt. will develop a TIER III-certified facility. This represents the Group's first large-scale international government contract in the field of digital infrastructure development.

4iG Plc concluded its assessment of potential entry and cooperation opportunities in the Uzbek telecommunications market with the involvement of a local professional partner; however, the cooperation between the parties ultimately did not materialise.

The parties consider the Memorandum of Understanding signed between 4iG and Telecom Egypt on 30 June 2024 regarding the establishment of a joint venture for the wholesale-based deployment, operation and commercialisation of FTTH and FTTS passive access infrastructure to have been terminated.

5.5 Energy, new strategic business line

4iG Group is entering the energy sector and plans to establish an energy holding company as a new strategic business line. It will operate as a regional strategic energy platform, primarily focusing on renewable energy generation and modern energy infrastructure, with the objective of meeting the rapidly growing energy demand of critical infrastructure in Hungary, Central and Eastern Europe, and the Balkans. The Group plans to involve long-term investment partners in the ownership structure of the holding company, which – similarly to 4iG's other business lines – will operate within an independent organisational structure.

All of 4iG's business segments – telecommunications, IT and data centre services, as well as the space and defence industry – are energy-intensive activities requiring a continuous and secure energy supply. The new business line may therefore reduce the Group's long-term exposure to energy prices while creating business and operational synergies with its existing divisions, as the 4iG Group itself may also become a direct offtaker of the energy generated by the new production capacities.

The Group is thereby entering a market of strategic importance from a geopolitical perspective and may actively contribute to strengthening the region's energy security. Overall, the new business line aims to establish energy as a new long-term growth pillar of the 4iG Group, building on the Group's existing regional presence and infrastructure capabilities.

6 Significant agreements following the reporting period

1 July 2026 – 2Connect Távközlési Infrastruktúra és Hálózati Szolgáltatások Kft.

Yettel launched its fixed-line services on 2Connect's network on 1 July 2026. The wholesale agreement between the parties provides Yettel with access to 2Connect's gigabit-capable fixed infrastructure and represents an important milestone in the development of 2Connect's neutral wholesale infrastructure model. Under the agreement concluded in February, Yettel's entry into the fixed-line market was planned for the second half of 2026.

3 July 2026 -Merger of Poli Computer PC Kft. into 4iG Informatikai Zrt.

The decision-making bodies of 4iG Informatikai Zrt. and Poli Computer PC Kft. approved the merger of Poli Computer PC Kft. into 4iG Informatikai Zrt. The merger is scheduled for 30 September 2026, with operations under the new organisational structure commencing on 1 October 2026. The transaction is intended to further consolidate the Group's IT and system integration activities.

14 July 2026 – CSG DEFENCE and Rába Nyrt.

As part of the strategic partnership between 4iG Space and Defence Technologies and CSG Defence, applications were submitted to the Austrian and German competition authorities for approval of CSG Defence's planned acquisition of a 49% stake in 4iG SDT EGY Zrt. Through the transaction, CSG Defence would indirectly acquire a 36.75% interest in Rába Járműipari Holding Nyrt., while 4iG SDT would retain majority control of the project company.

14 July 2026 – CSG DEFENCE and Rába Nyrt.

The settlement of the mandatory public takeover offer for Rába Járműipari Holding Nyrt. was completed, as a result of which 4iG SDT EGY Zrt.'s ownership stake increased from 74.34% to 74.58%, while its voting rights increased from 75.01% to 75.26%.

11 August 2026 – CSG DEFENCE and Rába Nyrt.

The German Federal Cartel Office approved CSG Defence's acquisition of a 49% stake in 4iG SDT EGY Zrt., which would result in CSG Defence acquiring an indirect 36.75% stake in RÁBA Járműipari Holding Nyrt. The German competition authority also approved CSG Defence's acquisition of a 49% direct stake in Hirtenberger Defence Systems Kft.

12 August 2026 – CSG DEFENCE and Rába Nyrt.

The Austrian Federal Competition Authority approved CSG Defence's acquisition of a 49% stake in 4iG SDT EGY Zrt. As a result of the transaction, CSG Defence would indirectly acquire a 36.75% stake in RÁBA Nyrt.

27 August 2026 – 4iG Energy

The 4iG Group launched its energy activities as a new strategic business line, marking its entry into another critical infrastructure sector. The Group's strategy aims to build a diversified energy portfolio, initially focusing primarily on renewable energy generation and strategic energy infrastructure, while also exploring opportunities in new energy technologies.

The Group is also assessing longer-term opportunities in the field of advanced nuclear energy. 4iG signed a non-binding Letter of Intent with X-energy, which is traded on the NASDAQ stock exchange in New York. The purpose of the Letter of Intent is the commercial deployment of X-energy's Xe-100 reactor technology in Central and Eastern Europe and the Western Balkans.

4iG Befektetési Kft., a subsidiary of 4iG Plc., submitted a non-binding offer for the acquisition of 100% of a company developing a medium-sized wind farm in Poland. Due diligence on the project is already underway.

4iG Plc is also exploring opportunities to develop wind farms and related energy storage capacity in North Macedonia. The developments could target the deployment of more than 100 MW of wind-based generation capacity in the near future.

In Montenegro, 4iG is also exploring business and investment opportunities in the renewable energy sector together with partners, as well as the development of related grid, energy offtake and digital infrastructure solutions.

4iG Befektetési Kft., a wholly owned subsidiary of 4iG, is submitting a binding offer to the other owners of iG Tech Energy Magántőkealap to acquire their Series "A" investment units. This represents the first step in a multi-stage transaction, upon completion of which 4iG may directly acquire the project company owned by the fund, which holds a 49% stake in a wind farm portfolio with a total capacity of 158 MW across five sites in north-western Hungary. The portfolio accounts for nearly half of Hungary's installed wind power capacity.

The 4iG Group's key events are listed in the summary up to 30 August 2026.

Data in millions of HUF, unless otherwise indicated

Presentation of 4iG Group's H1 2026 results

	2026 H1	2025 H1	Change (%)	2026 Q2	2025 Q2	Change (%)
Revenues	**416,785**	**352,319**	**18.30%**	**207,563**	**179,820**	**15.43%**
of which: Net sales revenue	409,365	350,827	**16.69%**	206,383	179,367	**15.06%**
Capitalised value of own performance	**5,997**	**7,840**	**-23.51%**	**3,229**	**4,757**	**-32.12%**
Raw materials and consumables used	-123,678	-94,400	**31.01%**	-60,693	-47,454	**27.90%**
Services used	-70,391	-65,096	**8.13%**	-36,449	-33,004	**10.44%**
Employee benefit expenses	-86,815	-62,869	**38.09%**	-48,315	-33,660	**43.54%**
Other operating expenses	-15,597	-15,243	2.32%	-8,382	-8,044	4.20%
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**126,301**	**122,551**	**3.06%**	**56,953**	**62,415**	**-8.75%**
Depreciation and amortisation	-102,821	-94,324	9.01%	-55,082	-48,999	12.41%
Earnings Before Interest and Tax (EBIT)	**23,480**	**28,227**	**-16.82%**	**1,871**	**13,416**	**-86.05%**
Financial income	50,073	15,416	224.81%	44,725	7,245	517.32%
Financial expense	-43,906	-37,522	17.01%	-21,274	-20,290	4.85%
Share of profit of associate and joint ventures	1,593	-1,015	n/a	1,861	-450	n/a
Profit or loss before tax	**31,240**	**5,106**	**511.83%**	**27,183**	**-79**	**n/a**
Income tax	-9,349	-6,254	49.49%	-3,551	-959	270.28%
Profit or loss after tax	**21,891**	**-1,148**	**n/a**	**23,632**	**-1,038**	**n/a**
Other comprehensive income/(loss)	-7,793	-3,556	119.15%	-8,252	-2,331	254.01%
Total comprehensive income/(loss)	**14,098**	**-4,704**	**n/a**	**15,380**	**-3,369**	**n/a**

4iG PLC
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

ACCORDING TO INTERNATIONAL
FINANCIAL REPORTING STANDARDS
30 JUNE 2026

FINANCIAL REPORT

CONTENTS

The Condensed Consolidated Interim Financial Statements were approved by the Board of Directors of the Company by written decision on 30 August 2026 by Board Resolution No. 1/2026 (VIII.30.).
These Condensed Consolidated Interim Financial Statements have been prepared in both Hungarian and English. In the event of any discrepancy, the Hungarian version shall prevail.

Data in millions of HUF, unless otherwise indicated

Consolidated statement of comprehensive income

	Notes	2026 H1	2025 H1
Net sales revenue	3	409,365	350,827
Other income	4	7,420	1,492
Total revenue and other income		**416,785**	**352,319**
Capitalised value of own performance	5	**5,997**	**7,840**
Raw materials and consumables used	6	-123,678	-94,400
Services used	7	-70,391	-65,096
Employee benefit expenses	8	-86,815	-62,869
Other operating expenses	9	-15,597	-15,243
Impairment of financial assets	*9*	*-2,528*	*-2,137*
Operating costs		**-296,481**	**-237,608**
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		**126,301**	**122,551**
Depreciation and amortisation	10	-102,821	-94,324
Earnings Before Interest and Tax (EBIT)		**23,480**	**28,227**
Financial income	11	50,073	15,416
Financial expense	11	-43,906	-37,522
Share of profit of associate and joint ventures	12	**1,593**	**-1,015**
Profit or loss before tax		**31,240**	**5,106**
Income tax	13	-9,349	-6,254
Profit or loss after tax		**21,891**	**-1,148**
Other comprehensive income that may be reclassified to profit or loss in subsequent periods			
Exchange differences on translation of foreign operations	*14*	*-7,793*	*-3,556*
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		**-7,793**	**-3,556**
Other comprehensive income/(loss)	14	**-7,793**	**-3,556**
Total comprehensive income/(loss)	15	**14,098**	**-4,704**

Data in millions of HUF, unless otherwise indicated

Consolidated statement of comprehensive income (continued)

	Notes	2026 H1	2025 H1
Earnings per share (HUF)*			
Basic	16	17.26	-48.36
Diluted	16	12.93	-48.36
Profit or loss after tax attributable to:			
Owners of the Company		5,001	-14,014
Non-controlling interest		16,890	12,866
Total comprehensive income/(loss) attributable to:			
Owners of the Company		-168	-16,742
Non-controlling interest		14,266	12,038

	2026 H1	2025 H1
Profit or loss after tax	21,891	-1,148
Purchase price allocation effect	10,100	11,479
Adjusted profit or loss after tax**	**31,991**	**10,331**

*The Group has reviewed the methodology used to calculate earnings per share (EPS) and determined that it had not fully complied in all cases with the requirements of IAS 33 Earnings per Share. Accordingly, in this report, both the current period and the comparative figures are presented based on a methodology that complies with the requirements of IAS 33. The potentially dilutive instruments did not result in dilution in the comparative period, therefore, diluted earnings per share is equal to basic earnings per share.
** 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	30/06/2026	31/12/2025
ASSETS			
Non-current assets			
Property, plant and equipment	17	482,559	428,869
Investment properties	18	173	0
Customer relationship	19	152,419	157,962
Other intangible assets	20	245,676	243,242
Right-of-use assets	21	164,321	157,305
Deferred tax asset	22	4,676	4,046
Goodwill	23	307,881	265,247
Net investment in the lease - non-current	24	1,021	1,262
Investment in associates and joint ventures	25	74,206	31,314
Other investments	25	33,332	9,853
Other financial assets - non-current	26	87,062	76,698
Other non-financial assets - non-current	26	1,378	2,512
Total non-current assets		**1,554,704**	**1,378,310**
Current assets			
Cash and cash equivalents	27	78,372	143,363
Trade receivables	28	129,368	116,808
Income tax receivable	29	7,306	6,013
Net investment in the lease - current	30	728	599
Inventories	31	44,033	11,927
Content rights - current	20	5,488	0
Other current financial assets	32	48,650	46,541
Other current non-financial assets	33	60,181	50,603
Total current assets		**374,126**	**375,854**
Total assets		**1,928,830**	**1,754,164**
EQUITY AND LIABILITIES			
Equity			
Share capital	34	5,981	5,981
Treasury shares	35	-3,974	-3,974
Capital reserve	36	133,492	133,492
Retained earnings		-12,140	-16,571
Accumulated other comprehensive income	37	10,687	15,856
Equity attributable to owners of the company		**134,046**	**134,784**
Non-controlling interest	38	337,279	298,902
Total equity		**471,325**	**433,686**

Data in millions of HUF, unless otherwise indicated

Consolidated statement of financial position (continued)

	Notes	30/06/2026	31/12/2025
Non-current liabilities			
Provisions – non-current	39	13,326	11,965
Borrowings, loans and bonds - non-current	40	848,087	777,027
Share based payment liability - non-current	45	0	1,223
Lease liabilities – non-current	41	131,358	133,418
Deferred tax liability	22	22,644	21,632
Other financial liabilities – non-current	42	60,530	38,369
Other non-financial liabilities – non-current	42	49,586	49,037
Total non-current liabilities		**1,125,531**	**1,032,671**
Current liabilities			
Trade payables	43	100,413	104,910
Provisions - current	39	9,165	6,560
Borrowings, loans and bonds - current	44	48,704	12,087
Share based payment liability - current	45	2,578	8,346
Lease liabilities - current	41	38,706	32,018
Income tax payables	29	1,959	3,489
Other current financial liabilities	46	41,916	26,514
Other current non-financial liabilities	47	88,533	93,883
Total current liabilities		**331,974**	**287,807**
Total equity and liabilities		**1,928,830**	**1,754,164**

Data in millions of HUF, unless otherwise indicated

Consolidated statement of changes in equity

	Notes	Share capital	Treasury shares	Capital reserves	Retained earnings	Share based payment reserve	Accumulated other comprehensive income	Equity attributable to owners of the company	Non-controlling interest	Total equity
Balance on 1 January 2025		**5,981**	**-3,519**	**133,492**	**-71,799**	**397**	**20,748**	**85,300**	**232,447**	**317,747**
Profit after tax					-14,014			**-14,014**	12,866	**-1,148**
Other comprehensive income	14						-2,728	**-2,728**	-828	**-3,556**
Total comprehensive income	**15**	**0**	**0**	**0**	**-14,014**	**0**	**-2,728**	**-16,742**	**12,038**	**-4,704**
Purchase of treasury shares	35		-455					**-455**		**-455**
Dividend	38							**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**
Profit after tax					8,670			**8,670**	20,632	**29,302**
Other comprehensive income	14						-2,164	**-2,164**	-1,315	**-3,479**
Total comprehensive income	**15**	**0**	**0**	**0**	**8,670**	**0**	**-2,164**	**6,506**	**19,317**	**25,823**
Share based payments	35					-397		**-397**		**-397**
Increase in non-controlling interests due to the finalization of the purchase price allocation related to a prior period acquisition	38				-67			**-67**	753	**686**
Increase in non-controlling interest due to acquisition	38							**0**	317	**317**
Changes in non-controlling interest without loss of control	38				60,639			**60,639**	34,575	**95,214**
Balance on 31 December 2025		**5,981**	**-3,974**	**133,492**	**-16,571**	**0**	**15,856**	**134,784**	**298,902**	**433,686**

Data in millions of HUF, unless otherwise indicated

Consolidated statement of changes in equity (continued)

	Notes	Share capital	Treasury shares	Capital reserves	Retained earnings	Share based payment reserve	Accumulated other comprehensive income	Equity attributable to owners of the company	Non-controlling interest	Total equity
Balance on 1 January 2026		**5,981**	**-3,974**	**133,492**	**-16,571**	**0**	**15,856**	**134,784**	**298,902**	**433,686**
Profit after tax					5,001			**5,001**	16,890	**21,891**
Other comprehensive income	14						-5,169	**-5,169**	-2,624	**-7,793**
Total comprehensive income	**15**	**0**	**0**	**0**	**5,001**	**0**	**-5,169**	**-168**	**14,266**	**14,098**
Increase in non-controlling interest due to acquisition	38							**0**	25,889	**25,889**
Changes in non-controlling interest without loss of control	38				-570			**-570**	-931	**-1,501**
Dividend	38							**0**	-847	**-847**
Balance on 30 June 2026		**5,981**	**-3,974**	**133,492**	**-12,140**	**0**	**10,687**	**134,046**	**337,279**	**471,325**

Data in millions of HUF, unless otherwise indicated

Consolidated statement of cash flows

	Notes	2026 H1	2025 H1
Cash flows from operating activities			
Profit or loss before tax		31,240	5,106
Adjustments:			
Depreciation and impairment of property, plant and equipment and right-of-use assets	10	53,750	56,435
Amortisation and impairment of intangible assets and impairment of goodwill	10	49,253	38,314
Movement in other impairment		2,600	2,581
Movement in provision	39	2,436	1,270
Other financial income/expenses		30,282	30,324
Net foreign exchange differences		-18,868	-8,250
Share of profit or loss of associates and joint ventures	12	-1,593	1,015
Gain/loss on sale of property, plant, and equipment		-134	-59
Income tax paid		-12,480	-9,727
Changes in working capital			
Changes in trade receivables	28	824	7,686
Changes in inventories	31	-8,933	-2,127
Changes in trade payables	43	6,921	-31,843
Changes in other receivables and payables		-36,244	18,134
Net cash flows from operating activities		***99,054***	***108,859***
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		214	50
Purchase of property, plant and equipment	17	-30,233	-29,208
Proceeds from sale of intangible assets		7	76
Purchase of intangible assets	20	-50,846	-29,346
Purchase of securities	26	-10,665	0
Purchase of other investments		-25,181	-4,340
Acquisition of a subsidiary, net of cash acquired		-95,084	0
Dividends and interest received on investments		5,879	1,373
Net cash flows from investing activities		***-205,909***	***-61,395***

Data in millions of HUF, unless otherwise indicated

Consolidated statement of cash flows (continued)

	Notes	2026 H1	2025 H1
Cash flows from financing activities			
Proceeds from borrowings	40	96,105	699
Repayment of borrowings	40	-26,311	-1,939
Payment of principal portion of lease liabilities		-19,616	-24,870
Purchase of ownership in a subsidiary without change in control		-1,500	0
Repurchased and issued treasury shares	35	0	-455
Interest paid		-4,108	-3,945
Dividends paid to non-controlling interests	38	-847	-545
Net cash flows from financing activities		***43,723***	***-31,055***
Net foreign exchange difference		-1,859	-686
Net change in cash and cash equivalents		**-64,991**	**15,723**
Cash and cash equivalents at the beginning of the year	27	143,363	60,559
Cash and cash equivalents at the end of the period		**78,372**	**76,282**

Notes to the consolidated financial statements

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. In addition to the above, the Group is also engaged in satellite development, drone manufacturing, the development and production of counter-drone systems, military and civilian land vehicles, and unmanned aerial vehicles, as well as the production of NATO-compatible small arms, ammunition and mortars (including the provision of related engineering and maintenance services), and defence digitalisation.

"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 condensed consolidated interim financial statements for the six-month period ended 30 June 2026 were authorised for issue by the Board of Directors on 30 August 2026.

These interim condensed financial statements for the six months ended 30 June 2026 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 2025 ('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 (HUF), rounded to the nearest million forints, unless otherwise indicated.

These condensed consolidated interim financial statements include comparative information for the six-month period ended 30 June 2025 in the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows. Comparative information in the consolidated statement of financial position is presented as at 31 December 2025.

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 Group's financial year coincides with the calendar year and runs from 1 January 2026 to 31 December 2026. The reporting date of the interim condensed financial statement is 30 June 2026.

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 (FVOCI).

iii) Going concern

The interim condensed consolidated financial statements have been prepared on a going concern basis. This means that they are 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 underlying 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 26.1 Other financial assets – non-current and Note 32 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 21 Right-of-use assets and Note 41 Lease liabilities,
- estimated useful life of intangible assets – Note 20 Other intangible assets,
- estimation of fair values of contingent liabilities and contingent purchase consideration in business combinations – Note 23.2 Business combinations,
- recognition of revenue and allocation of transaction price – Note 3 Net sales revenue,
- recognition of deferred tax asset for carried-forward tax losses – Note 22 Deferred tax assets and liabilities,
- impairment of financial assets – Note 9 Other operating expenses,
- consolidation decision and classification of joint arrangement – Note 25 Investments in an associate and joint venture,
- impairment of goodwill – Note 23 Goodwill and business combinations,
- estimation of asset retirement obligation - Note 39 Provisions,
- estimation of employees share based payment obligation - Note 45 Share based payments.
- 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 reassesses 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.

Data in millions of HUF, unless otherwise indicated

Subsidiaries

Fully consolidated subsidiaries are presented in the table below for the period ended 30 June 2026. The ownership interests are presented at the level of 4iG Plc.

Name of subsidiary	Remark	Majority owner	Date of inclusion in consolidation	Way of acquiring	Indirect ownership on 30/06/2026	Indirect ownership on 31/12/2025
"Digitális Átállásért" Nonprofit Kft.		4iG Távközlési Holding Zrt.	31/03/2022	cont. in kind	62.10%	62.10%
2Connect Távközlési Infrastruktúra és Hálózati Szolgáltatások Kft.		4iG InfraCo Holding Zrt.	01/07/2024	demerger	62.10%	62.10%
2Connect Technocom Kft.		2Connect Távközlési Infrastruktúra és Hálózati Szolgáltatások Kft.	30/09/2021	acquisition	62.10%	62.10%
4iG Befektetési Kft.		4iG Plc	19/03/2025	incorporated	100.00%	100.00%
4iG Broadcast Holding Kft.		4iG Távközlési Holding Zrt.	24/07/2025	incorporated	62.10%	62.10%
4iG ComCo Holding Zrt.		4iG Távközlési Holding Zrt.	02/08/2023	incorporated	62.10%	62.10%
4iG Hírközlési Infrastruktúra Zrt.		4iG Távközlési Holding Zrt.	19/11/2024	incorporated	62.10%	62.10%
4iG Informatikai Zrt.		4iG Plc	01/01/2025	spin-off	100.00%	100.00%
4iG InfraCo Holding Zrt.		4iG Távközlési Holding Zrt.	02/08/2023	incorporated	62.10%	62.10%
4iG International Digital Infrastructure Zrt.		4iG Plc	31/10/2025	incorporated	100.00%	100.00%
4iG International Telco Holding Zrt.		4iG Távközlési Holding Zrt.	23/02/2022	incorporated	62.10%	62.10%
4iG SDT EGY Zrt.		4iG Űr és Védelmi Zrt.	08/08/2025	incorporated	53.80%	53.80%
4iG Távközlési Holding Zrt.		4iG Plc	31/03/2022	cont. in kind	62.10%	62.10%
4iG Űr és Védelmi Zrt.		4iG Plc	21/02/2024	incorporated	53.80%	53.80%
ACE Network Zrt.	B	4iG Informatikai Zrt.	14/04/2021	acquisition	100.00%	70.00%
AEROPLEX Közép-Európai Légijármű Műszaki Központ Kft.	D	N7 Defence Holding Zrt.	27/02/2026	acquisition	40.35%	n/a
Albania Telecom Invest AD		4iG International Telco Holding Zrt.	21/03/2022	acquisition	62.10%	62.10%
ARZENÁL Fegyvergyár Zrt.	D	N7 Defence Holding Zrt.	27/02/2026	acquisition	40.35%	n/a
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 Zrt.	17/08/2020	incorporated	53.80%	53.80%
Digital 4 Defence Zrt.	C	4iG Űr és Védelmi Zrt.	26/02/2026	incorporated	53.80%	n/a

Data in millions of HUF, unless otherwise indicated

Name of subsidiary	Remark	Majority owner	Date of inclusion in consolidation	Way of acquiring	Indirect ownership on 30/06/2026	Indirect ownership on 31/12/2025
EAGLE SPV Zrt.		4iG International Digital Infrastructure Zrt.	17/11/2025	incorporated	100.00%	100.00%
Facekom Kft.	E	4iG Informatikai Zrt.	03/03/2026	acquisition	100.00%	n/a
FaceKom Services Zrt.	E	Facekom Kft.	03/03/2026	acquisition	100.00%	n/a
Gestamen Kutatás Fejlesztés Zrt.		4iG Űr és Védelmi Zrt.	01/12/2025	acquisition	48.42%	48.42%
HeliControl Kft.	G	4iG Űr és Védelmi Zrt.	01/04/2026	acquisition	33.89%	n/a
Hirtenberger Defence Europe GmbH	D	Hirtenberger Defence Holding Ltd.	27/02/2026	acquisition	53.80%	n/a
Hirtenberger Defence Holding Ltd.	D	Hirtenberger Defence Systems Védelmi Ipari Kft.	27/02/2026	acquisition	53.80%	n/a
Hirtenberger Defence International Ltd.	D	Hirtenberger Defence Holding Ltd.	27/02/2026	acquisition	53.80%	n/a
Hirtenberger Defence Systems Védelmi Ipari Kft.	D	4iG Űr és Védelmi Zrt.	27/02/2026	acquisition	53.80%	n/a
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	53.80%	53.80%
HUSAT Orbital Infrastructure Zrt.	C	CarpathiaSat Zrt.	26/02/2026	incorporated	53.80%	n/a
Mobil Adat Távközlési és Informatikai Szolgáltató Kft.	F	4iG Informatikai Zrt.	23/03/2026	acquisition	90.00%	n/a
Mobilháló Kft. „v.a.”		Netfone Telecom Kft.	01/12/2025	acquisition	61.48%	61.48%
MOM-LEHEL Kft.		4iG Informatikai Zrt.	27/10/2025	acquisition	70.00%	70.00%
N7 Defence Holding Zrt.	D	4iG Űr és Védelmi Zrt.	27/02/2026	acquisition	40.35%	n/a
NADIR Geospatial Solutions Zrt.	C	4iG Űr és Védelmi Zrt.	26/02/2026	incorporated	53.80%	n/a
Netfone Telecom Kft.		4iG Távközlési Holding Zrt.	01/12/2025	acquisition	61.48%	61.48%
ONE Albania sh.a.		Albania Telecom Invest AD	21/03/2022	acquisition	59.78%	59.78%
ONE Crna Gora d.o.o.		4iG International Telco Holding Zrt.	21/12/2021	acquisition	62.10%	62.10%
ONE MACEDONIA TELECOMMUNICATIONS DOOEL Skopje		4iG Távközlési Holding Zrt.	10/18/2024	incorporated	62.10%	62.10%
One Magyarország Zrt.		4iG ComCo Holding Zrt.	1/31/2023	acquisition	62.10%	62.10%
Poli Computer PC Kft.		4iG Informatikai Zrt.	6/1/2021	acquisition	100.00%	100.00%
Portuguese Telecommunication Investments Kft.		4iG Űr és Védelmi Zrt.	12/05/2021	acquisition	53.80%	53.80%
PR-TELECOM Zrt.		4iG Távközlési Holding Zrt.	29/08/2025	acquisition	62.10%	62.10%
PR-WORK Kft.		PR-Telecom Zrt.	29/08/2025	acquisition	62.10%	62.10%

Data in millions of HUF, unless otherwise indicated

Name of subsidiary	Remark	Majority owner	Date of inclusion in consolidation	Way of acquiring	Indirect ownership on 30/06/2026	Indirect ownership on 31/12/2025
Rába Futómű Kft.	A	Rába Járműipari Holding Nyrt.	05/01/2026	acquisition	39.99%	n/a
Rába Járműalkatrész Kft.	A	Rába Járműipari Holding Nyrt.	05/01/2026	acquisition	39.99%	n/a
Rába Járműipari Holding Nyrt.	A	4iG SDT EGY Zrt.	05/01/2026	acquisition	39.99%	n/a
Rába Jármű Kft.	A	Rába Járműipari Holding Nyrt.	05/01/2026	acquisition	39.99%	n/a
Rekard Kft.	A	Rába Járműipari Holding Nyrt.	05/01/2026	acquisition	39.99%	n/a
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 Zrt.	23/12/2024	acquisition	29.59%	29.59%
SDT Alpha Zrt.	C	4iG Űr és Védelmi Zrt.	26/02/2026	incorporated	53.80%	n/a
SDT Beta Zrt.	C	4iG Űr és Védelmi Zrt.	26/02/2026	incorporated	53.80%	n/a
VAB Kft.	D	4iG Űr és Védelmi Zrt.	27/02/2026	acquisition	40.35%	n/a
Veritas Consulting Kft.		4iG Informatikai Zrt.	10/09/2019	acquisition	100.00%	100.00%

A. On 5 January 2026, 4iG SDT EGY Zrt. acquired 74.34% of the shares in Rába Járműipari Holding Nyrt., as well as the shares of Rába Futómű Kft., Rába Járműalkatrész Kft., Rába Jármű Kft. and Rekard Kft., wholly owned subsidiaries and 49% ownership interest in Gidrán Páncélozott Járművek Kft.

B. On 17 February 2026, 4iG Informatikai Zrt. acquired further 30% stake in ACE Network Zrt. and thus became a wholly owned subsidiary.

C. On 26 February 2026, four Hungarian subsidiaries were established: Digital 4 Defence Zrt., NADIR Geospatial Solutions Zrt., SDT Alpha Zrt. and SDT Beta Zrt., which are 100% owned by 4iG Űr és Védelmi Zrt. Furthermore HUSAT Orbital Infrastructure Zrt. Hungarian subsidiary was established, which is 100% owned by CarpathiaSat Zrt.

D. On 27 February 2026, 4iG Űr és Védelmi Zrt. acquired 75% + 1 vote of the shares in N7 Defence Holding Zrt. N7 Defence Holding Zrt. acquired 100% ownership interests via a contributions-in-kind transaction in AEROPLEX Közép-Európai Légijármű Műszaki Központ Kft. and in ARZENÁL Fegyvergyár Zrt., 49% ownership interest in Colt CZ Hungary Zrt. and in Rheinmetall Hungary Munitions Zrt. Furthermore 4iG Űr és Védelmi Zrt. acquired 75% + 1 vote in VAB Kft., into which 49% stake in Rheinmetall Hungary Zrt. was contributed. In addition to that 4iG Űr és Védelmi Zrt. acquired 100% of the shares in Hirtenberger Defence Systems Védelmi Ipari Kft., as well as 100% of the shares in Hirtenberger Defence Holding Ltd., a wholly owned subsidiaries and their two wholly owned subsidiaries in Hirtenberger Defence Europe GmbH and in Hirtenberger Defence International Ltd. and 49% ownership in Hirtenberger Defence Technology Ltd.

E. On 3 March 2026, 4iG Informatikai Zrt. acquired 100% of shares in Facekom Kft., as well as the shares of FaceKom Services Zrt., a wholly owned subsidiary.

F. On 23 March 2026, 4iG Informatikai Zrt. acquired 90% of the shares in Mobil Adat Távközlési és Informatikai Szolgáltató Kft.

G. On 1 April 2026, 4iG Űr és Védelmi Zrt. acquired 63% of the shares in HeliControl Kft.

Regarding all of the acquisitions, the purchase price allocation (PPA) calculation under IFRS 3 Business Combinations is still in progress. The Group is exercising the option provided by the standard, which allows one year from the acquisition date to finalise the calculation, therefore, the determination of the fair value of the acquired assets and assumed liabilities is still ongoing. In addition to the determination of fair values, the comprehensive identification and finalization of IFRS adjustment items in accordance with the Group’s accounting policies - particularly for subsidiaries maintaining their statutory accounts under the Hungarian Accounting Act - are still in progress.

Associates and joint venture

In the table below, the indirect ownership interests of 4iG Plc are presented for associates and jointly controlled entities, similarly to the subsidiaries included in the consolidation. Among the entities presented, Hirtenberger Defence Technology Ltd. is domiciled in New Zealand and Space-Communications Ltd. is domiciled in Israel, while the remaining companies are domiciled in Hungary.

Data in millions of HUF, unless otherwise indicated

Name of the associate/joint venture	Remark	Date of acquisition	Way of acquiring	Indirect ownership on 30/06/2026	Indirect ownership on 31/12/2025
Colt CZ Hungary Zrt.	D	27/02/2026	acquisition	19.77%	n.a.
Gidrán Páncélozott Járművek Kft.	A	05/01/2026	acquisition	19.60%	n.a.
Hirtenberger Defence Technology Ltd.	D	27/02/2026	acquisition	26.36%	n.a.
iG TECH III. Magántőkealap		31/12/2025	acquisition	31.21%	31.21%
REMRED Technológia Fejlesztő Zrt.		02/05/2024	acquisition	24.21%	24.21%
Rheinmetall Hungary Munitions Zrt.	D	27/02/2026	acquisition	19.77%	n.a.
Rheinmetall Hungary Zrt.	D	27/02/2026	acquisition	19.77%	n.a.
Space-Communications Ltd.		11/10/2021	acquisition	19.99%	19.99%
THOLUS Védelmi Zrt.		02/10/2023	incorporated	13.32%	13.32%

Other investments

Following its previously made investment of USD 30 million (HUF 9,853 million), 4iG Plc made an additional investment of USD 70 million (HUF 23,479 million) in Axiom Space Inc. on 30 March 2026. As a result, the total investment in Axiom Space Inc. amounted to USD 100 million (HUF 33,332 million).

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 exchange 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 on which 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) and recognises lease income on a straight-line basis. The details of the lessor accounting are in Note 2.17 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 services. 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 increase 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 identifies 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 service 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 acts 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 the 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, adjusts the promised consideration for the effect of the time value of money. As a practical expedient, the Group has 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 is estimated.

The aggregate discount, determined relative to the total of the stand-alone selling prices, is allocated by the Group to the performance obligations based on their relative stand-alone selling prices. However, where the discount is clearly attributable to one or more specific performance obligations – for example, in bundled offerings relating solely to telecommunications services or to devices – the Group allocates the discount only to the relevant 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 passes, 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

Revenue from the IT segment primarily arises from hardware and software sales, IT projects and related services. Revenue is recognised in accordance with IFRS 15 Revenue from Contracts with Customers, based on the identification of performance obligations, assessment of principal versus agent, and the timing of transfer of control.

The Group operates predominantly as a system integrator. In arrangements where hardware, software licences and services (such as configuration, customisation, implementation or integration) are highly interrelated or significantly customised, the Group accounts for the arrangement as a single performance obligation. In such cases, the Group acts as a principal, as it controls and directs the combined solution prior to transfer to the customer, and revenue is recognised on a gross basis, either at a point in time or over time depending on when control transfers.

Where hardware or licences are sold without significant integration, the Group identifies separate performance obligations. The Group acts as a principal where it obtains control of the goods before transfer, and recognises revenue at a point in time, typically upon delivery or customer acceptance.

For software licences and related services (including vendor support), the Group assesses whether the promises are distinct and whether it controls the goods or services before transfer. Where the Group does not control the licence or service—such as when licence keys or support are provided directly by the vendor—it acts as an agent and recognises revenue on a net basis. Otherwise, revenue is recognised on a gross basis as principal.

For IT projects and services, revenue is recognised over time when the criteria in IFRS 15 are met, in particular where the customer simultaneously receives and consumes the benefits, or where the asset is controlled by the customer as it is created. Otherwise, revenue is recognised at a point in time. Progress is measured using an output method where appropriate, or an input method if it is more representative.

Where consideration received differs from performance, contract assets or contract liabilities are recognised. Warranties are assessed to determine whether they represent assurance-type obligations or separate performance obligations, with revenue for extended services recognised over the coverage period.

Fixed line and mobile telecommunication revenue

Another key source of revenue for the Group arises from services provided to customers over the Group’s telecommunications network, as well as from related product sales.

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 the 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 does 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, during which 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 contract 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 contract liability 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. Contract liabilities 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 is presented 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 are incurred while transferring 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 operations.

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 includes not only the price for the service but also any indirectly allocated charges).

The Group reports income taxes separately by business segment, excluding special taxes (see extra-profit tax), environmental product charge, and motor vehicle taxes.

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 2.16 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, payable by associates or joint arrangements 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 authorised 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 combinations, 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 combinations, 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, the Company 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 regard to accounting for impairment of non-financial assets see under Note 2.18 Impairment of non-financial assets.

2.15 Investment properties

Investment property is held to earn rentals or for capital appreciation or both and is therefore not held for sale in the ordinary course of business, or for use for the production or supply of goods or services, or for administrative purposes.

Property that is under construction or redevelopment for future use as an investment property is classified as investment property during the construction or redevelopment phase.

Such property is accounted for in accordance with IAS 40 – Investment Property measured at cost (including directly attributable costs) until construction is complete and the property is available for its intended use.

For consolidated reporting purposes the classification of investment properties shall be assessed from the Group's point of view. Investment properties shall be measured initially at cost. Transaction costs shall be included in the initial measurement.

Investment properties measured using the cost model are depreciated on a straight-line basis over their estimated useful lives, consistent with the policy applied to property, plant and equipment. Residual values, useful lives and depreciation methods are reviewed at each reporting date and adjusted prospectively, if appropriate. Land is not depreciated.

An investment property is derecognised upon disposal or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. The gain or loss on disposal is determined as the difference between the net disposal proceeds and the carrying amount of the asset, and is recognised in profit or loss in the period of disposal.

The Group discloses the fair value of its investment properties, even though it applies the cost model for subsequent measurement. The disclosed fair value is based on valuations performed by an independent, professionally qualified external valuer.

2.16 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 combinations 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 value 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 recognises 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 capitalizes 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.

2.17 Leases

The Group assesses 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.

2.17.1 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 2.18 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 expedient 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.

If an IRU contract relates to an identified asset with physical substance—such as a specific optical fibre, cable or optical network—the Group assesses whether the arrangement contains a lease under IFRS 16. If the definition of a lease is met, the Group recognises a right-of-use asset and a lease liability at the commencement date. As a general rule, the right-of-use asset is depreciated over the lease term, while the lease liability is accounted for using the effective interest method. For IRU arrangements relating to telecommunications infrastructure, the Group accounts for the lease and non-lease components as a single lease component.

2.17.2 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 leases 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 statement 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 the Net sales revenue line item.

2.17.3 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.

2.18 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 into the smallest identifiable groups of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. These groups are referred to as cash-generating units.

In determining such units, the Group has identified the following cash-generating units:
- Information Technology Services,
- Telecommunications, and
- Space and Defence.

These units reflect the lowest level at which management monitors performance, allocates resources, and assesses returns.

Each cash-generating unit is supported by distinct business activities, customer bases, asset structures, and revenue streams.
- The Information Technology Services unit comprises system integration, software development, cloud services, and managed infrastructure services.
- The Telecommunications unit includes fixed and mobile telecommunications services as well as related infrastructure operations.
- The Space and Defence unit covers activities related to defence technology, satellite communications, and space industry projects, primarily based on governmental and institutional contracts.

Management has concluded that these units represent the smallest identifiable groups of assets generating largely independent cash inflows, in accordance with the requirements of IAS 36 Impairment of Assets.

The identified cash-generating units are consistent with the operating segments presented in accordance with IFRS 8 Operating Segments, as the same structure is used for internal performance monitoring, decision-making, and resource allocation.

Goodwill acquired in a business combinations is allocated, for the purpose of impairment testing, to those 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 costs 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.

2.19 Business combinations including goodwill

2.19.1 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 combinations, 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.

2.19.2 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 combinations 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.

2.20 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.

The determination of whether the Group has significant influence over an investee requires the application of judgement. In making this assessment, management considers all relevant facts and circumstances and evaluates the substance of the relationship between the Group and the investee. Indicators of significant influence include, among others, representation on the board of directors (including the ability to appoint members in proportion to voting rights), participation in policy-making processes, interchange of managerial personnel, and the provision of essential technical information.

In assessing these indicators, the Group considers both quantitative and qualitative factors, including the level of ownership interest, contractual arrangements, the extent of involvement in strategic and operational decision-making, and the degree of economic dependency between the parties. No single factor is determinative, and all relevant indicators are evaluated collectively in determining whether significant influence exists.

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.

By applying the equity method, the Group measures its investments in associates based on its direct ownership interest and does not take into account indirect ownership interests arising through the associates' investments in other entities. Under the equity method, the Group recognises its share of the associate's net assets and its share of the associate's profit or loss in proportion to its investment. Profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associate, consistent with the accounting treatment described above.

2.21 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.

2.21.1 Financial assets

The Group's consolidated statement of financial position includes the following financial assets: loans 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 the assets, 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, the Group classifies its financial assets that are debt instruments into one of the following three measurement categories:

Amortised 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 amortised 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 amortised 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 amortised 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. Gains and losses on equity investments at FVTPL are included in the 'financial income' line in the statement of comprehensive income.
The Group presents investments in equity instruments of another entity as financial assets in the statement of financial position.

2.21.1.1 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 FVOCI. 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 FVOCI 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 the 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 the 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 of 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:
  - the basis of the 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 49 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 assets have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off are credited to the impairment loss account in profit or loss for the year.

2.21.2 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 an 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 amortised over the remaining term of the modified liability.

Embedded derivative

A derivative embedded in a hybrid contract containing a financial liability or a non-financial host is separated from the host contract and accounted for as a separate derivative if:

- the economic characteristics and risks of the embedded derivative are not closely related to those of the host contract;
- a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and
- the hybrid contract is not measured at fair value through profit or loss.

A separated embedded derivative is initially and subsequently measured at fair value, with changes in fair value recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

2.22 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 months or less with an insignificant risk of changes in value. Cash and cash equivalents are carried in the balance sheet at amortised 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.

2.23 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 of 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 carrying amount and net realisable value is considered material if it reaches 25% of the carrying amount of an individual item or 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.

2.24 Equity

Share capital
Share capital includes 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 2.28 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 IFRSs 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 presents 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.

2.25 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 combinations, 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.

2.26 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 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 the 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 “capitalization” 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 capitalization 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 the 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, and 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.

2.27 Government grants

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.

2.28 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 the 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 date 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.

2.29 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.
During the current period, the Space and Defence segment became significant to the Group's operations, as it has distinct revenue streams and cost structures, and its economic characteristics—including its risk and return profile—differ from those of the Group's other operating segments.

2.30 Events after the reporting period

Events occurring between the reporting date and the date on which the financial statements are authorised 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 adjustments 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 adjustments to the financial statements. They are disclosed if they are 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.

2.31 New and amended standards and interpretations

2.31.1 The standards/amendments that are effective and have 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 Group applied the amendments from 1 January 2026. The application of the amendments did not have a material impact on the Group’s consolidated financial statements.

- **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 Group applied the amendments from 1 January 2026. The application of the amendments did not have a material impact on the Group’s consolidated financial statements.

- **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, includes 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 Group applied the amendments from 1 January 2026. The application of the amendments did not have a material impact on the Group's consolidated financial statements.

2.31.2 Standards/amendments that have been endorsed by the European Union but are not yet effective

- **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. During the current reporting period, the Group continued to analyse the requirements of the standard and assess its impact. The impact of initial application is not yet reasonably estimable as at the date of authorisation of these financial statements.

2.31.3 Standards/amendments that are not yet effective and have not yet been endorsed by the European Union

- **IFRS 19 Subsidiaries without Public Accountability: Disclosures (including amendments)**

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. The amendments issued in August 2025 reduce the disclosure requirements of new IFRS accounting standards, which had been included in full when IFRS 19 was first issued. IFRS 19 (including the amendments) is effective for reporting periods beginning on or after 1 January 2027, with early application permitted. The analysis of the financial impact of the amendments is currently ongoing within the Group.

- **IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency (Amendments)**

The amendments are effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments require translation from a non-hyperinflationary functional currency into a hyperinflationary presentation currency at the closing rate. If an entity's functional currency is the currency of a non-hyperinflationary economy, but its presentation currency is the currency of a hyperinflationary economy, its results and financial position are translated into the presentation currency by translating all amounts (i.e., assets, liabilities, equity items, income and expenses) and all comparatives at the closing rate at the date of the most recent statement of financial position.

An entity whose functional currency and presentation currency are the currency of a hyperinflationary economy, restates the comparative amounts of a foreign operation, whose functional currency is that of a non-hyperinflationary economy, by applying the general price index, to the foreign operation's comparative figures. The amendments also introduce certain additional disclosure requirements. The analysis of the financial impact of the amendments is currently ongoing within the Group.

- **IFRS 20 Regulatory Assets and Regulatory Liabilities**

IFRS 20 establishes requirements for the recognition, measurement, presentation and disclosure of regulatory assets, regulatory liabilities, regulatory income and regulatory expenses arising from defined rate regulation. The standard applies where an entity is subject to a regulatory agreement that determines the regulated rate charged for goods or services and adjusts future regulated rates to compensate for amounts relating to goods or services supplied in a different period. IFRS 20 is effective for annual reporting periods beginning on or after 1 January 2029, with earlier application permitted. The Group is currently assessing whether the standard is applicable to any of its activities and its potential impact on the consolidated financial statements.

- **IAS 28 Investments in Associates and Joint Ventures: Amendments to the Fair Value Option for Investments in Associates and Joint Ventures**

The amendments clarify which entities are eligible to elect to measure investments in associates and joint ventures at fair value through profit or loss in accordance with IAS 28. In particular, the amendments clarify that eligible entities include those whose main business activity is investing in particular types of assets. The amendments address diversity in practice and clarify the interaction between the fair value option in IAS 28 and the classification requirements of IFRS 18 Presentation and Disclosure in Financial Statements. The amendments are required to be applied when an entity first applies IFRS 18, which is effective for annual reporting periods beginning on or after 1 January 2027. Earlier application is permitted if IFRS 18 is applied early. The analysis of the potential impact of the amendments 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 analysis of the financial impact of the amendments is currently ongoing within the Group.

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:

	2026 H1	2025 H1
Mobile services	172,065	160,217
Fixed services	114,859	97,749
Other telecommunication services	12,790	41,159
Total telecommunication revenue	**299,714**	**299,125**
IT projects	23,778	21,117
Hardware and software sales	8,067	8,456
Other IT services	19,255	13,471
Total IT revenue	**51,100**	**43,044**
Product sales	25,841	0
Repair and maintenance services	14,099	0
Project revenue	2,724	0
Other space and defence revenues	5,151	676
Total space and defence revenue	**47,815**	**676**
Other revenues	550	308
Total revenue from contracts with customers	**399,179**	**343,153**
Revenue from leases	10,186	7,674
Total sales revenue	**409,365**	**350,827**

The breakdown of the disaggregated revenue by segment is presented under Note 48 Segment information.

The increase in net sales revenue was driven by contributions from multiple business segments. Revenue in telecommunication segment increased, reflecting growth in postpaid mobile subscribers and a higher average revenue per user (ARPU). The decrease in revenue from other telecommunications services was also affected, in addition to the increased focus on core telecommunications services, by the disposal of 4iG Műsorszóró Infrastruktúra Kft. in 2025, given that a significant portion of the revenue generated by the company had previously been recognised within this revenue category.
The IT segment also contributed to the overall revenue growth, mainly due to the successful implementation of IT projects and the significant increase in revenue reported under the Other IT services line item in the table above.

Data in millions of HUF, unless otherwise indicated

The increase in revenue in the space and defence industry segment in the first half of 2026 was primarily attributable to the expansion of the Group's activities through acquisitions. As a result of the inclusion of the acquired companies in the Group's consolidation scope, new activities and, consequently, new types of revenue were introduced to the Group that were not present in the comparative period. Accordingly, the majority of the revenue growth is attributable to the revenue generated from the Group's expanded scope of activities resulting from the acquisitions.

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

	2026 H1	2025 H1
Hungary	363,943	306,632
Albania	29,678	31,781
Montenegro	11,873	12,414
Austria	3,861	0
United Kingdom	10	0
Total	**409,365**	**350,827**

The increase in revenue generated in Hungary was primarily attributable to the inclusion of the revenues of companies acquired during the first half of 2026 in the consolidated financial statements. In contrast, the decrease in revenue from the Albanian and Montenegrin operations compared to the same period of the previous year was almost entirely attributable to the appreciation of the Hungarian forint.

The Group has performance obligations that are satisfied at a point in time (such as: sale of mobile phones, licences), and performance obligations satisfied over time (such as: support services, postpaid contracts). The methods used to recognise revenue from performance obligations satisfied over time are described in Note 2.3 Net sales revenue.

Contract balances

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

	30/06/2026	31/12/2025
Trade receivables	129,368	116,808
Contract assets – current	2,983	3,084
Contract assets – non-current	760	1,082
Contract liabilities – current	628	1,295
Contract liabilities – non-current	48,718	49,037

Contract assets relate to revenue that has been recognised but not yet invoiced to the customer. In addition to recognised but unbilled revenue, contract assets also include devices, such as mobile phones, sold at a discounted price as part of bundled arrangements.

Data in millions of HUF, unless otherwise indicated

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 portion of the contract consideration has been allocated for customer incentives (e.g., discounts, free GBs), but the corresponding services are not yet fully provided, the Group recognises a contract liability. See the details in the Note 47 Other non-financial liabilities - current.

Payment terms typically provide for settlement within 30–60 days. Consideration is generally not variable in nature. Due to the close alignment between the timing of performance and invoicing, contract assets are typically not significant, indicating that it is uncommon for the Group to recognise revenue without having an unconditional right to consideration. Contract liabilities are also generally low, as it is not typical for the Group to receive significant advance payments prior to performance. The balance recognised in the current period primarily relates to an amount received for a multi-year project and represents a non-recurring item outside the Group's ordinary course of business.
Set out below is the amount of revenue recognised from:

	2026 H1	2025 H1
Amounts included in contract liabilities at the beginning of the period	50,332	3,911

Cost to obtain a contract

Closing balances of assets recognised from costs incurred to obtain contracts with customers in accordance with IFRS 15 Revenue from Contracts with Customers are presented within the Other intangible assets, please refer to Note 20 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:

	30/06/2026	31/12/2025
Beginning of the period	**14,088**	**13,724**
Capitalisation during the period	8,829	16,742
Disposals during the period	0	-1,564
Amortisation	-8,093	-14,690
Exchange differences	-123	-124
Closing balance	**14,701**	**14,088**

Data in millions of HUF, unless otherwise indicated

Cost to fulfil a contract

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

	2026 H1	2025 H1
Government grants and refunds	506	105
Provision release	111	64
Penalties and compensations received	144	277
Manufacturers’ rebates on sales	271	408
Impairment reversal of loans and other financial assets	1,576	124
Recognised value of receivables sold, transferred	134	59
Other operating income related to disposal and modification of lease contracts	2,000	61
Other	2,678	394
Total	**7,420**	**1,492**

There are no unfulfilled conditions or other contingent liabilities related to the government grants.

In the first half of 2026, the release of provisions amounted to HUF 111 million (H1 2025: HUF 64 million). The majority of the releases in the first half of 2026 related to other future obligations (HUF 108 million) and asset retirement obligations (AROs) (HUF 3 million).
For each provision category, additions and releases were determined on a net basis, with the resulting net balance recognised as either other expense or other income, as appropriate. Further information is provided in Note 39 Provisions.

The reversal of impairment losses on other financial assets amounted to HUF 1,576 million in the first half of 2026 (H1 2025: HUF 124 million), significantly exceeding the amount recognised in the corresponding period of the previous year. The increase was primarily attributable to the reversal of impairment losses previously recognised in respect of receivables from a customer. Pursuant to an agreement concluded between the parties, a significant portion of the receivables was recovered in several instalments, resulting in an improvement in the related recovery prospects and a reduction in expected credit losses. Consequently, a portion of the previously recognised impairment loss was reversed.

Data in millions of HUF, unless otherwise indicated

The significant increase in other operating income arising from the derecognition and modification of lease agreements was primarily attributable to the derecognition of rental agreements and modifications to the contractual terms of office lease agreements. In the comparative period, the impact of these transactions was recognised on a net basis within other operating expenses. For further information, please refer to Note 9 Other operating expenses.

5 Capitalised value of own performance

	2026 H1	2025 H1
Changes in inventories of finished goods and work in progress	171	82
Own work capitalised	5,826	7,758
Total	**5,997**	**7,840**

Own work capitalised includes 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.
The decrease in capitalised own performance is primarily attributable to the operational synergies realised as a result of the transformation programme implemented, under which the telecommunications subsidiaries were integrated into a unified organisational structure.
As a result of the integration, network operations became more centralised and efficient, reducing duplicated activities and the volume of internally generated costs eligible for capitalisation. Accordingly, the decrease reflects improved operational efficiency and the realisation of synergies rather than a decline in the Group's underlying level of activity.

6 Raw materials and consumables used

	2026 H1	2025 H1
Cost of goods sold	-42,305	-37,713
Intermediated services	-56,878	-44,043
Raw materials	-24,495	-12,644
Total	**-123,678**	**-94,400**

In parallel with the expansion of the Group’s activities and the number of entities included in the consolidation, the costs incurred during the reporting period increased overall.

The majority of the cost of goods sold and the value of intermediated services is attributable to the cost of sold devices and IT equipment, content rights, roaming charges, and content service fees. The most significant components of raw materials include electricity, fuel, and materials used for network maintenance.

Data in millions of HUF, unless otherwise indicated

7 Services used

The following table presents details of the services used.

	2026 H1	2025 H1
IT maintenance	-11,597	-12,270
Network maintenance costs	-7,149	-4,660
Maintenance of fixed assets cost and other maintenance costs	-3,126	-1,584
Spectrum fee	-5,221	-5,082
Marketing and communication expenses	-5,111	-7,252
Audit fee	-268	-590
Logistics costs	-3,193	-2,585
Consulting, expert and legal fees	-5,130	-7,463
Cost related to outsourced activities	-5,310	-4,511
Business travel, travel expenses, travel allowance	-1,971	-1,698
Security services	-759	-566
Administrative costs	-208	-249
Notarial fees, regulatory fees	-2,937	-4,209
Insurance costs	-1,075	-663
Agency fees	-5,236	-4,651
Lease payments	-2,286	-3,242
Training and education services costs	-329	-558
Miscellaneous other services used	-9,485	-3,263
Total	**-70,391**	**-65,096**

IT maintenance expenses include costs associated with the continuous maintenance, support, and operation of the Group’s IT systems, encompassing software maintenance agreements, IT infrastructure support, and external IT service engagements.

The increase in costs during the first half of 2026, compared to the comparative period, was primarily attributable to the expansion of the Group's telecommunications portfolio, the modernisation of its network infrastructure, and maintenance activities across both domestic and foreign subsidiaries. This increase is primarily reflected in the maintenance costs related to the network, as well as in the maintenance and other operating costs related to property, plant and equipment, as presented in the table above.

The Group conducts comprehensive marketing activities to promote its unified product portfolio and service packages, including television and online advertising as well as social media campaigns. The related expenses are recognised within marketing and communication expenses (2026 H1: HUF 5,111 million; 2025 H1: HUF 7,252 million).

Data in millions of HUF, unless otherwise indicated

The decrease in expenses in the current period was primarily attributable to significant marketing expenditures incurred in the comparative period in connection with the launch of the One brand, which did not recur in the current period following the completion of the brand launch. The decrease was also supported by the increased brand awareness and market presence of the other brands owned by the Group compared with the previous period, allowing their continued promotion with a lower level of marketing expenditure.

The complex financial, operational and regulatory challenges arising in connection with the acquisitions required extensive support from external advisors, industry experts and legal counsel. Despite the significant number of acquisitions completed during the reporting period, the significant decrease in the Consulting, expert and legal fees line item is primarily attributable to the Group's cost rationalisation measures. Beyond the above, the Group's comprehensive transformation program was completed in 2025, which indirectly contributed to the decrease in the amounts recognized in the reporting period.

Costs related to outsourced activities include services purchased from external contractors and service providers, such as staff leasing and customer relationship management services. The increase in costs was primarily attributable to the engagement of external expertise in connection with the Group's strategic transformation.

The increase in travel, accommodation and logistics expenses was primarily attributable to the strengthening of the Group's international market presence. As part of its expansion strategy, the Group engages in stakeholder and relationship-building activities with representatives of various countries, which require increased travel. Consequently, these costs have grown in line with the Group's overall expansion.

Lease payments include expenses related to short-term leases, leases of low-value assets and lease payments out of scope of IFRS 16 Leases. For more details, please refer to Note 41 Lease liabilities.

Miscellaneous other services include, among others, costs and fees related to occupational health services, as well as various internal trainings and corporate events, which increased significantly in line with the continuous expansion of the Group.

8 Employee benefit expenses

	2026 H1	2025 H1
Wages and salaries	-68,851	-49,692
Other payments to personnel	-8,531	-6,155
Social security costs and similar deductions	-9,433	-7,022
Total	**-86,815**	**-62,869**
Average statistical number	10,849	8,297

The increase in the average number of employees is primarily attributable to the expansion of the Group's portfolio through acquisitions.

Data in millions of HUF, unless otherwise indicated

The increase in personnel expenses was primarily attributable to the higher overall payroll resulting from the acquisitions completed during the reporting period, as well as base salary increases aimed at maintaining competitive remuneration levels.

9 Other operating expenses

	2026 H1	2025 H1
Grants provided for foundations	-156	-144
Penalties and compensations	-1,449	-308
Scrapping of intangible assets and property, plant and equipment	-505	-106
Taxes, duties, contributions	-8,127	-7,583
Write-down of inventories	-787	-520
Impairment, expected credit loss (ECL) of receivables	-2,528	-2,137
Loss on sale of receivables	-743	-1,567
Other operating expenses related to disposal and modification of lease contracts	0	-1,378
Other	-1,302	-1,500
Total	**-15,597**	**-15,243**

The amount of fines, penalties and compensation recognised in the first half of 2026 was HUF 1,449 million, compared with HUF 308 million recognised in the first half of 2025. The increase was primarily attributable to a HUF 352 million fine imposed by the Hungarian Competition Authority (GVH) and a HUF 345 million fine imposed by the Hungarian Tax and Customs Administration (NAV) recognised during the reporting period.

In the first half of 2026, as part of the organisational restructuring process, the Group reviewed its portfolio of intangible assets and property, plant and equipment and identified assets that no longer generate significant economic benefits for the Group. As a result, the Group disposed of a higher volume of unused assets compared with the first half of 2025.

In the first half of 2026, the most significant component of other operating expenses comprised taxes, duties and contributions, including telecommunications tax, i.e. taxes that do not qualify as income taxes.

In the reporting period, the expense recognised for expected credit losses on receivables amounted to HUF 2,528 million, compared with HUF 2,137 million in the previous year. The increase reflects higher customer credit risk and the application of a more conservative methodology compared with the previous year, resulting in a higher impairment charge. The impairment allowance is determined based on the forward-looking Expected Credit Loss (ECL) model in accordance with IFRS 9.

In the first half of 2026, the Group recognised a loss of HUF 743 million in connection with the sale of receivables, compared with HUF 1,567 million in the corresponding period of the previous year.

Data in millions of HUF, unless otherwise indicated

The decrease primarily reflects the composition of the receivables portfolio sold during the reporting period, as well as the recovery and market conditions prevailing at the time of the transactions. The Group continuously assesses the expected recoverability and related credit risk of receivables in connection with their sale.

Other operating expenses arising from the derecognition and modification of lease agreements were primarily attributable to the derecognition of rental agreements and modifications to the terms and conditions of office lease agreements. In the first half of 2026, the net impact of these transactions was recognised as other operating income. For further information, please refer to Note 4 Other operating income.

Impairment movement table for the first half of 2026:

	Long-term loans	Other financial assets - non-current	Trade receivables	Inventories	Other financial assets - current	Contract assets
on 1 January 2026	**-1,742**	**-132**	**-28,121**	**-3,895**	**-1,068**	**-45**
Addition	0	0	-3,451	-1,823	-72	0
Reversal	1,634	3	923	1,036	5	6
Derecognition	0	0	739	12	715	0
Acquisition	-66	0	-365	-793	-2	0
Exchange differences	1	0	1,200	129	11	2
on 30 June 2026	**-173**	**-129**	**-29,075**	**-5,334**	**-411**	**-37**

10 Depreciation and amortisation

The Group's operations became significantly more asset-intensive as a result of the expansion of the Space and Defence segment and the integration of manufacturing activities during the reporting period. Consequently, depreciation and amortisation expense increased significantly compared to the same period of the previous year.

	2026 H1	2025 H1
Depreciation and amortisation	-102,821	-94,324
Total	**-102,821**	**-94,324**

The depreciation and amortisation line also includes the depreciation of items recognised as right-of-use assets under IFRS 16 Leases, amounting to HUF 18,070 million in the first half of 2026 (HUF 16,124 million in 2025 H1) and the depreciation of the fair value adjustments recognised for tangible and intangible assets during the acquisitions, amounting to HUF 10,788 million in the first half of 2026 (HUF 11,970 million in 2025 H1).

Data in millions of HUF, unless otherwise indicated

11 Financial income and financial expenses

Financial income

	2026 H1	2025 H1
Interest income	4,325	1,336
Interest on lease receivables	42	44
Foreign exchange rate gains	44,027	12,136
Other	1,679	1,900
Total	**50,073**	**15,416**

Financial expenses

	2026 H1	2025 H1
Interest expense on bonds	-12,598	-11,102
Other interest expenses	-15,611	-15,034
Interest expense on lease liabilities	-6,051	-6,220
Foreign exchange rate losses	-6,610	-2,558
Other	-3,036	-2,608
Total	**-43,906**	**-37,522**

The interest income line includes interest received from financial institutions.
The increase in foreign exchange gains is a result of favourable HUF fluctuations in the first half of 2026, impacting both realized and unrealised foreign exchange gains.

Other financial income for the first half of 2026 includes HUF 1,547 million arising from the fair value adjustment of the convertible loan obtained by 4iG Plc from Mubadala in 2026.

Interest expense on bonds is recognised using the effective interest method, which allocates interest over the relevant period based on the amortised cost of the bonds. Accordingly, the interest expense includes the unwinding of any premium or discount on initial recognition, irrespective of the timing of interest payments or the nominal coupon rate.

The other interest expenses line mostly reflects interest paid to financial institutions in the amount of HUF 13,400 million in 2026 H1 (2025 H1: HUF 13,611 million), as well as interest expenses recognised in connection with content rights in the amount of HUF 1,392 million in 2026 H1 (2025 H1: HUF 1,262 million) and interest expense related to asset retirement obligations amounting to HUF 415 million in 2026 H1 (2025 H1: HUF 104 million).

Interest on lease liabilities includes interest expenses on leases recognised in accordance with the IFRS 16 Leases standard, amounting to HUF 6,051 million in 2026 H1 (2025 H1: HUF 6,220 million).

Data in millions of HUF, unless otherwise indicated

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.

Company name	Group's share of profit/loss for the year	Share of indirect ownership
Joint venture		
REMRED Technológia Fejlesztő Zrt.	-537	24.21%
Associate		
Colt CZ Hungary Zrt.	-187	19.77%
Hirtenberger Defence Technology Ltd.	252	26.36%
iG TECH III. Magántőkealap	-11	31.21%
Rheinmetall Hungary Munitions Zrt.	667	19.77%
Rheinmetall Hungary Zrt.	1,154	19.77%
Space-Communications Ltd.	255	19.99%
on 30 June 2026	**1,593**	

Company name	Group's share of profit/loss for the year	Share of indirect ownership
Joint venture		
REMRED Technológia Fejlesztő Zrt.	-1,107	24.21%
Associate		
Space-Communications Ltd.	92	19.99%
on 30 June 2025	**-1,015**	

13 Income taxes

The major components of income tax expense are:

	2026 H1	2025 H1
Current income tax:		
Corporate income tax	-2,387	-2,419
Local business tax	-5,635	-5,261
Innovation contribution	-988	-838
Deferred tax:		
Relating to origination and reversal of temporary differences	-339	2,264
Income tax expense reported in the statement of comprehensive income	**-9,349**	**-6,254**

Data in millions of HUF, unless otherwise indicated

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 corporate income tax rates applied in determining the deferred tax expense presented were 9% in Hungary, 15% in Albania and Montenegro, 23% in Austria, and depending on the level of taxable profit, between 19% and 25% in the United Kingdom in both 2026 and 2025.
Reconciliation of tax expense and the accounting profit:

	2026 H1	2025 H1
Profit or loss before tax (+ / -)	31,240	5,106
Tax liability calculated at statutory current tax rate (-)	2,812	460
Local business tax (-)	5,635	5,261
Innovation contribution (-)	989	838
Utilisation of previously unrecognised tax losses (+)	-921	-2,231
Deferred tax not recognised for current year loss (-)	1,164	2,039
Share of result of associates and joint ventures (-)	143	91
Non-deductible expenses for tax purposes:		
Non-taxable income (+)	-862	0
Effect of tax rates in foreign jurisdictions differing from the Hungarian statutory tax rate (+ / -)	72	160
Other (+ / -)	316	-364
Income tax expense	**9,349**	**6,254**
Effective income tax rate	30.00%	122.48%
Income tax expense reported in the statement of profit or loss	**9,349**	**6,254**

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. As of 31 December 2025 the Group has examined the compliance with the exemption rules provided by the OECD and Section 32 of the GMT Act, under which it is 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, Albania and Montenegro pursuant to Section 32 (2) b) of the GMT Act (Effective Tax Rate Test)
- In Bulgaria and North Macedonia, pursuant to Section 32(2) a) of the GMT Act (De minimis test).

The assessment for 2026 is still ongoing.

Data in millions of HUF, unless otherwise indicated

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 forint in accordance with the requirements of IAS 21 The Effects of Changes in Foreign Exchange Rates in the consolidated statement of comprehensive income. The increase recognised during the reporting period was primarily attributable to the strengthening of the Group's international presence.

Other comprehensive income

	2026 H1	2025 H1
Exchange differences on translation of foreign operations	-7,793	-3,556
Total	**-7,793**	**-3,556**

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.

	2026 H1	2025 H1
Profit /(loss) before tax	**31,240**	**5,106**
Income tax	-9,349	-6,254
Profit /(loss) after tax	**21,891**	**-1,148**
Other comprehensive income/(loss)	**-7,793**	**-3,556**
Total comprehensive income/(loss)	**14,098**	**-4,704**

Data in millions of HUF, unless otherwise indicated

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 share data used in the basic and diluted EPS calculations:

	2026 H1	2025 H1 Restated
Profit or loss after tax	21,891	-1,148
Profit or loss after tax attributable to the owners of the Company	5,001	-14,012
Weighted average number of ordinary shares outstanding during the period	299,074,974	299,074,974
Weighted average number of voting shares	289,727,384	289,776,255
Earnings per share (basic) EPS – in HUF	**17.26**	**-48.36**
Diluted EPS indicator – in HUF	**12.93**	**-48.36**

The Group held 9,347,590 treasury shares on 30 June 2026 and on 30 June 2025. Further information on treasury shares is provided in Note 35 Treasury Shares.

The Group has reviewed the methodology used to calculate earnings per share (EPS) and determined that it had not fully complied in all cases with the requirements of IAS 33 Earnings per Share. Accordingly, in this report, both the current period and the comparative figures are presented based on a methodology that complies with the requirements of IAS 33. The potentially dilutive instruments did not result in dilution in the comparative period, therefore, diluted earnings per share is equal to basic earnings per share.

Diluted earnings per share for the current period reflects the potential dilutive effect of the convertible loan agreement entered into during the reporting period. The calculation includes the weighted average number of ordinary shares that would be issued upon conversion of the instrument, including any additional shares required to satisfy the guaranteed minimum return. The number of additional shares is determined based on the conditions existing at the reporting date and the market price of the Group shares.

The earnings used in the calculation are adjusted for the finance costs and other effects on profit or loss associated with the host liability and the separated embedded derivative—including the related foreign exchange differences and fair value movements—that would not have arisen upon the assumed conversion.

Data in millions of HUF, unless otherwise indicated

17 Property, plant and equipment

	Machinery and other equipment	Land and buildings	Telecommuni-cations equipment and devices	Construction in progress	Total
Gross value					
on 1 January 2025	**83,640**	**81,057**	**466,942**	**56,035**	**687,674**
Additions	10,295	2,500	56,305	26,839	**95,939**
Disposals	-3,646	-4,064	-8,723	-1,581	**-18,014**
Reclassifications	122	-52	95	708	**873**
Acquisition	2,717	926	3,350	453	**7,446**
Sales	-13,567	-16,040	-18,449	-414	**-48,470**
Exchange differences	-1,258	-2,326	-14,267	-316	**-18,167**
on 31 December 2025	**78,303**	**62,001**	**485,253**	**81,724**	**707,281**
Additions	7,871	9,638	16,703	0	**34,212**
Disposals	-4,815	-2,167	-1,677	-3,914	**-12,573**
Reclassifications	-720	-1,566	575	-18	**-1,729**
Acquisition	31,297	26,079	0	6,183	**63,559**
Exchange differences	-374	-216	-15,350	-376	**-16,316**
on 30 June 2026	**111,562**	**93,769**	**485,504**	**83,599**	**774,434**
Accumulated depreciation					
on 1 January 2025	**41,901**	**2,705**	**209,434**	**5,607**	**259,647**
Current year depreciation	14,443	4,233	54,621	0	**73,297**
Impairment losses	0	0	49	126	**175**
Reclassification	105	40	-29	-64	**52**
Disposals	-3,844	-794	-5,595	-6	**-10,239**
Exchange differences	-11,875	-5,291	-13,797	0	**-30,963**
Sales	-1,446	525	-12,652	16	**-13,557**
on 31 December 2025	**39,284**	**1,418**	**232,031**	**5,679**	**278,412**
Current year depreciation	10,777	2,442	22,121	0	**35,340**
Reclassification	-613	33	580	0	**0**
Disposals	-5,007	-1,608	-3,179	-56	**-9,850**
Exchange differences	-1,485	447	-11,002	13	**-12,027**
on 30 June 2026	**42,956**	**2,732**	**240,551**	**5,636**	**291,875**
Net book value					
on 1 January 2025	**41,739**	**78,352**	**257,508**	**50,428**	**428,027**
on 31 December 2025	**39,019**	**60,583**	**253,222**	**76,045**	**428,869**
on 30 June 2026	**68,606**	**91,037**	**244,953**	**77,963**	**482,559**

Acquisitions during the reporting period increased the Group's gross carrying amount of property, plant and equipment at the reporting date by HUF 63,559 million.
On 30 June 2026, a significant portion of construction in progress related to ongoing network development projects, network infrastructure and network equipment.

No borrowing costs have been capitalised, as the Group did not have any qualifying assets on 30 June 2026,.
On 30 June 2026, property, plant and equipment were pledged in the amount of HUF 52,480 million (31 December 2025: HUF 17,832 million).
As of 30 June 2026 and 31 December 2025, there were no contractual commitments in relation to the acquisition of property, plant and equipment.
There were no temporarily idle property, plant and equipment on 30 June 2026 and on 31 December 2025, because the Group seeks to maximise the economic benefits from tangible assets.

18 Investment properties

The investment property comprises a plot of land held by the Group for capital appreciation and intended to be sold in several phases. The property was acquired by the Group as part of a business combinations completed in 2026.

The carrying amount of the investment property was HUF 173 million as at 30 June 2026. No additions or disposals have occurred since its acquisition, and no impairment loss has been recognised. As the property consists of land, it is not depreciated. No rental income or direct operating expenses relating to the property were recognised during the reporting period.

The assessment of the fair value of the investment property was still in progress at the date of preparation of these financial statements. The harmonisation of the accounting and reporting processes of the entities newly included in the Group has also not yet been completed. Consequently, the Group will disclose its fair value in its annual consolidated financial statements.

Data in millions of HUF, unless otherwise indicated

19 Customer relationship

The movement of customer relationship for the current period and the prior period is presented in the table below:

	Customer relationship
Gross value	
on 1 January 2025	**186,470**
Acquisition	4,035
Exchange differences	**-450**
on 31 December 2025	**190,055**
Exchange differences	-546
on 30 June 2026	**189,509**
Amortisation and impairment	
on 1 January 2025	**22,366**
Current year amortisation	9,808
Exchange differences	-81
on 31 December 2025	**32,093**
Current year amortisation	5,126
Exchange differences	-129
on 30 June 2026	**37,090**
Net book value	
on 1 January 2025	**164,104**
on 31 December 2025	**157,962**
on 30 June 2026	**152,419**

During the previous reporting periods, the Group 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), determined upon initial recognition in each business combination.

Data in millions of HUF, unless otherwise indicated

20 Other intangible assets

	Concessions and similar rights	Software and other intellectual property	Brand name	Content rights	Other intangible assets	Subtotal	Content rights - short-term	Total
Gross value								
on 1 January 2025	**130,283**	**162,820**	**5,889**	**28,634**	**38,971**	**366,597**	**0**	**366,597**
Additions	4,720	12,202	0	38,662	16,006	**71,590**	0	**71,590**
Disposals	-290	-2,797	0	0	0	**-3,087**	0	**-3,087**
Reclassification	-630	553	0	0	183	**106**	0	**106**
Acquisition	36	5,129	0	430	0	**5,595**	0	**5,595**
Sales	-4,185	-800	0	0	0	**-4,985**	0	**-4,985**
Exchange differences	-2,507	-1,643	-239	-12	-419	**-4,820**	0	**-4,820**
on 31 December 2025	**127,427**	**175,464**	**5,650**	**67,714**	**54,741**	**430,996**	**0**	**430,996**
Additions	17,978	14,197	0	2,501	8,829	**43,505**	**8,172**	**51,677**
Disposals	-89	-84	0	-20,203	0	**-20,376**	0	**-20,376**
Reclassification	-1,262	1,321	0	0	0	**59**	0	**59**
Acquisition	838	1,286	0	0	4	**2,128**	0	**2,128**
Sales	0	0	0	0	0	**0**	0	**0**
Exchange differences	-2,326	-1,753	-197	-10	-474	**-4,760**	0	**-4,760**
on 30 June 2026	**142,566**	**190,431**	**5,453**	**50,002**	**63,100**	**451,552**	**8,172**	**459,724**

Data in millions of HUF, unless otherwise indicated

	Concessions and similar rights	Software and other intellectual property	Brand name	Content rights	Other intangible assets	Subtotal	Content rights - short-term	Total
Amortisation and impairment								
on 1 January 2025	**22,152**	**55,227**	**3,245**	**12,477**	**25,247**	**118,348**	**0**	**118,348**
Current year amortisation	11,836	29,979	419	19,111	15,701	**77,046**	0	**77,046**
Disposals	21	-103	0	0	0	**-82**	0	**-82**
Reclassification	85	-814	0	0	0	**-729**	0	**-729**
Sales	-2,873	-647	0	0	0	**-3,520**	0	**-3,520**
Exchange differences	-1,886	-1,052	-74	-3	-294	**-3,309**	0	**-3,309**
on 31 December 2025	**29,335**	**82,590**	**3,590**	**31,585**	**40,654**	**187,754**	**0**	**187,754**
Current year amortisation	10,278	14,460	199	8,368	8,093	**41,398**	**2,684**	**44,082**
Disposals	-89	-40	0	-20,203	0	**-20,332**	0	**-20,332**
Reclassification	-1,066	1,439	0	0	0	**373**	0	**373**
Sales	0	0	0	0	0	**0**	0	**0**
Exchange differences	-1,680	-1,200	-78	-7	-352	**-3,317**	0	**-3,317**
on 30 June 2026	**36,778**	**97,249**	**3,711**	**19,743**	**48,395**	**205,876**	**2,684**	**208,560**
Net book value								
on 1 January 2025	**108,131**	**107,593**	**2,644**	**16,157**	**13,724**	**248,249**	**0**	**248,249**
on 31 December 2025	**98,092**	**92,874**	**2,060**	**36,129**	**14,087**	**243,242**	**0**	**243,242**
on 30 June 2026	**105,788**	**93,182**	**1,742**	**30,259**	**14,705**	**245,676**	**5,488**	**251,164**

In the table above the Subtotal column corresponds to the carrying amount of Other intangible assets presented in the statement of financial position, while the Total column includes the amount of short-term content rights recognized within current assets in addition to that balance.

Data in millions of HUF, unless otherwise indicated

Intangible assets include content rights of HUF 35,747 million on 30 June 2026 (31 December 2025: HUF 36,129 million). The Group presents contracts relating to content rights with a contractual term of less than one year as a separate line item in the consolidated statement of financial position. Accordingly, as at 30 June 2026, short-term content rights amounting to HUF 5,488 million (31 December 2025: HUF 0 million) were recognised within current assets. As these assets, in terms of their economic substance, represent rights of the same nature as long-term content rights, movements in these assets during the reporting period are presented in the movement schedule of intangible assets.

The brand name amounted to HUF 1,742 million as at 30 June 2026 (31 December 2025: HUF 2,060 million), and includes the brand name of ONE Albania sh.a.
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 14,705 million on 30 June 2026 (HUF 14,087 million as of 31 December 2025).

No intangible assets were subject to restrictions on title on 30 June 2026 and on 31 December 2025 and no intangible assets were pledged as security for liabilities on 30 June 2026 and on 31 December 2025.
There were no contractual commitments for the acquisition of intangible assets as at 30 June 2026 or 31 December 2025. No temporarily idle intangible assets were on 30 June 2026 and on 31 December 2025, because the Group seeks to maximise the economic benefits from intangible assets.

The Group performs an annual impairment and value assessment of material internally developed intangible assets under development at each reporting date. For individually material intangible assets, the Group applied a weighted average cost of capital of 12.75%.
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) were HUF 67,568 million on 30 June 2026 (HUF 70,189 million on 31 December 2025), details for the current financial year can be found in the table below:

Description	Carrying amount	Amortisation period	Final date of amortisation
Spectrum fee LTE	11,275	19 years	05/06/2034
Spectrum fee 700 MHz	18,505	20 years	05/09/2040
Spectrum fee 5G	37,788	20 years	08/04/2042
on 30 June 2026	**67,568**		

Data in millions of HUF, unless otherwise indicated

21 Right-of-use assets

	Land and buildings	Machinery, vehicles	Telecommunication devices	Total
Gross value				
on 1 January 2025	**161,831**	**15,047**	**25,606**	**202,484**
Addition due to new leasing	34,426	3,164	292	37,882
Modification/Remeasurement	5,816	-103	-2,733	2,980
Disposals	-1,411	-1,317	-1,056	-3,784
Acquisition	434	136	1,211	1,781
Disposal of subsidiary	-1,152	-331	-8	-1,491
Other changes	6,716	599	-4,689	2,626
Exchange differences	-1,075	-43	-34	-1,152
on 31 December 2025	**205,585**	**17,152**	**18,589**	**241,326**
Addition due to new leasing	4,339	3,544	804	8,687
Modification/Remeasurement	421	-504	221	138
Disposals	-540	-230	-8	-778
Acquisition	15,682	917	0	16,599
Other changes	-374	0	-1,488	-1,862
Exchange differences	-1,242	-15	-48	-1,305
on 30 June 2026	**223,871**	**20,864**	**18,070**	**262,805**
Depreciation				
on 1 January 2025	42,425	5,851	7,234	55,510
Depreciation in the current year	25,931	4,135	1,715	31,781
Modification/Remeasurement	-2,480	-394	-199	-3,073
Disposals	-485	-893	-101	-1,479
Disposal of subsidiary	-431	-109	-1	-541
Other changes	561	549	1,181	2,291
Exchange differences	-427	-32	-9	-468
on 31 December 2025	**65,094**	**9,107**	**9,820**	**84,021**
Depreciation in the current year	15,005	2,302	763	18,070
Modification/Remeasurement	-229	-493	0	-722
Disposals	-415	-230	-27	-672
Other changes	0	0	-1,634	-1,634
Exchange differences	-554	-12	-13	-579
on 30 June 2026	**78,901**	**10,674**	**8,909**	**98,484**
Net book value				
on 1 January 2025	**119,406**	**9,196**	**18,372**	**146,974**
on 31 December 2025	**140,491**	**8,045**	**8,769**	**157,305**
on 30 June 2026	**144,970**	**10,190**	**9,161**	**164,321**

The Group’s most significant leases comprise its headquarters, other office buildings, and vehicle leases. In addition, the Group’s lease portfolio includes additional buildings, network infrastructure, and other telecommunication equipment.

Data in millions of HUF, unless otherwise indicated

The increase in additions due to new leases is primarily attributable to current-year acquisitions. The review of lease arrangements of subsidiaries acquired during the reporting period was still in progress at the date of preparation of the interim financial report. The review includes assessing consistency with the Group's IFRS accounting policies and identifying the related IFRS adjustment entries. Accordingly, the amounts presented in respect of right-of-use assets and the corresponding lease liabilities should be considered provisional and may be subject to change upon completion of the review process.

22 Deferred tax assets and liabilities

The Group's deferred tax asset as at 30 June 2026 amounted to HUF 4,676 million (HUF 4,046 million on 31 December 2025), and its deferred tax liability is HUF 22,644 million on 30 June 2026 (HUF 21,632 million on 31 December 2025).
The items giving rise to deferred tax relate primarily to timing differences in the depreciation of tangible and intangible assets and the timing of the recognition of provisions for tax loss carry forward and various costs.

	Consolidated statement of financial position		Consolidated statement of comprehensive income	
	30/06/2026	31/12/2025	2026 H1	2025 H1
Expected credit losses of financial assets (e.g. trade receivables)	495	482	13	425
Tax loss carry forward	5,759	5,543	216	0
Provisions	1,447	1,324	123	108
Interest deduction capacity	387	140	247	-455
PPE and intangible assets	-25,756	-27,537	1,781	1,291
Foreign exchange rate differences	-8	-6	2	216
Other temporary difference	-292	2,468	-2,721	679
Deferred tax expense (benefit)			**-339**	**2,264**
Net deferred tax liabilities	**-17,968**	**-17,586**		
Reflected in the statement of financial position as follows:				
Deferred tax assets	4,676	4,046		
Deferred tax liabilities	-22,644	-21,632		
Deferred tax liabilities net	**-17,968**	**-17,586**		

The Group has tax losses that arose in Hungary of HUF 464,729 million (2025: HUF 415,052 million) which can be utilised either indefinitely or within 5 years that are for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the Group; according to the business plan the Group does not expect tax planning opportunities or other evidence of recoverability in the near future for this part of losses. If the Group were able to recognise all unrecognised deferred tax assets, the amount of deferred tax asset would be HUF 41,826 million.

Data in millions of HUF, unless otherwise indicated

23 Goodwill and business combinations

23.1 Goodwill

The table below presents the goodwill allocated to each operating segment::

	30/06/2026	31/12/2025
IT segment	18,803	4,615
Telecom segment	249,442	254,447
Space&Defence segment	39,636	6,185
Total book value of goodwill	**307,881**	**265,247**

In connection with the 2026 acquisitions, the Purchase Price Allocation (PPA) calculations under IFRS 3 Business Combinations are still ongoing. The Group is exercising the option provided by the standard, which allows a one-year measurement period from the acquisition date to finalize the calculations; therefore, the determination of the fair value of the acquired assets and assumed liabilities is still in progress; therefore, the amount of recognised goodwill may change significantly upon completion of the valuation process.

Goodwill movement table:

	Goodwill
on 1 January 2025	**274,249**
Acquisition of a subsidiary	6,742
Sale of subsidiary	-10,442
Impact of prior period purchase price allocation (PPA) adjustments	-994
Exchange differences	-4,308
on 31 December 2025	**265,247**
Acquisition of a subsidiary	46,809
Exchange differences	-4,175
on 30 June 2026	**307,881**

Further details regarding the Group's acquisitions during the period are provided in Notes 23.2 Business Combinations.

Impact of prior period purchase price allocation (PPA) adjustments appearing in 2025 includes the correction of goodwill recognised in connection with Rotors&Cams Zrt., acquired in 2024.
Neither in 2026 nor in 2025 goodwill is deductible for tax purposes.

Impairment of goodwill

The Group performs an impairment test for goodwill annually as of December 31. The test was last conducted on 31 December 2025 , at which time no impairment loss was required to be recognised for goodwill. Furthermore, as the carrying amount of goodwill was expected to be recoverable based on expectations at that time, no write-down of other non-current assets was necessary. In connection with the review for the current period, the Group did not identify any events or circumstances that would qualify as an indicator of impairment for goodwill or cash-generating units containing goodwill; therefore, no additional impairment test was performed for the reporting date of 30 June 2026.

23.2 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 2026

In 2026, 4iG Group continued its active acquisition strategy, particularly in the IT as well as space and defence sectors.

4iG SDT EGY Zrt., a project company of 4iG Űr és Védelmi Technológiák Zrt., acquired a 74.34% stake in Rába Járműipari Holding Nyrt., thereby gaining control over its wholly owned subsidiaries: Rába Futómű Kft., Rába Jármű Kft., Rába Járműalkatrész Kft., and REKARD Kft.

In accordance with the agreement concluded with N7 Holding Zrt., 4iG Űr és Védelmi Technológiák Zrt., a subsidiary of 4iG Plc., acquired a controlling interest of 75% + one vote in N7 Defence Zrt., thereby gaining control over its wholly owned subsidiaries: AEROPLEX Közép-Európai Légijármű Műszaki Központ Kft. and ARZENÁL Fegyvergyár Zrt.
In parallel with the N7 Defence transaction, 4iG Űr és Védelmi Technológiák Zrt. acquired Hirtenberger Defence Systems Védelmi Ipari Kft., engaged in mortar and ammunition manufacturing, along with its subsidiaries (Hirtenberger Defence Holding Ltd., Hirtenberger Defence Europe GmbH, and Hirtenberger Defence International Ltd.) from N7 Holding Zrt. in a separate transaction. Under the terms of the contract, the transaction covers 100% of the equity interests in the companies.
Furthermore, the acquisition of a majority ownership interest of 75% + 1 vote in VAB Kft. is also linked to the transaction concluded with N7 Holding Zrt.

Key IT acquisitions include the acquisition of a 100% stake in FaceKom Kft. and its subsidiary FaceKom Services Zrt., as well as a 90% stake in Mobil Adat Kft.

Acquisitions in the space and defence segment during the period include the acquisition of a 63% stake in HeliControl Kft.

The tables below provide a detailed overview of the acquisitions, where the data for the acquired subsidiaries are presented on a consolidated basis together with their respective subsidiaries.

Data in millions of HUF, unless otherwise indicated

	Rába Járműipari Holding Nyrt.	N7 Defence Holding Zrt.	Hirtenberger Defence Systems Védelmi Ipari Kft.	VAB Kft.	FaceKom Kft.	Mobil Adat Távközlési és Informatikai Szolgáltató Kft.	HeliControl Kft.
Assets acquired and liabilities assumed							
Of which:							
Property, plant, and equipment	25,848	30,269	1,856	0	18	14	1,390
Investment properties	4,356	0	0	0	0	0	0
Other intangible assets	768	929	323	0	129	177	7
Right-of-use assets	25	0	0	0	0	0	0
Deferred tax assets	77	0	352	0	0	0	0
Other investments	0	26,538	130	12,852	0	0	0
Investments in associates and joint ventures	-39	0	0	0	0	0	0
Other investments	39	0	0	0	0	0	0
Total non-current assets	**31,074**	**57,737**	**2,661**	**12,852**	**147**	**191**	**1,396**
Cash and cash equivalents	6,714	2,727	1,864	213	3,216	1,577	1,685
Trade receivables	7,435	6,496	4,661	0	123	203	743
Income tax receivable	67	54	0	0	1	0	17
Inventories	11,708	4,521	8,917	0	0	10	329
Other current financial assets	17,990	265	5,379	0	99	0	6
Other current non-financial assets	2,525	2,226	2,448	5	1,053	80	2,517
Total current assets	**46,440**	**16,290**	**23,269**	**218**	**4,493**	**1,869**	**5,298**

Data in millions of HUF, unless otherwise indicated

	Rába Járműipari Holding Nyrt.	N7 Defence Holding Zrt.	Hirtenberger Defence Systems Védelmi Ipari Kft.	VAB Kft.	FaceKom Kft.	Mobil Adat Távközlési és Informatikai Szolgáltató Kft.	HeliControl Kft.
Provisions - non-current	194	478	0	0	0	0	0
Borrowings, loans, bonds - non-current	10,873	7,400	12,952	0	750	0	0
Lease liabilities – non-current	17	0	0	0	0	0	0
Deferred tax liability	372	0	0	0	0	0	0
Total non-current liabilities	**11,456**	**7,877**	**12,952**	**0**	**750**	**0**	**0**
Trade payables	7,629	2,180	3,898	0	21	193	478
Provisions - current	236	28	0	0	0	0	0
Borrowings, loans, bonds - current	23,198	765	12,093	0	896	0	0
Lease liabilities - current	10	0	0	0	0	0	0
Income tax payable	338	130	9	0	316	42	10
Other current financial liabilities	3,546	700	260	0	121	126	19
Other current non-financial liabilities	4,166	2,836	4,034	1	436	274	4,320
Total current liabilities	**39,123**	**6,639**	**20,294**	**1**	**1,791**	**635**	**4,828**

The table below presents the main components of the preliminary goodwill arising from the acquisition, taking into account that the assessment of the fair values of the identifiable assets acquired and liabilities assumed, and therefore the measurement of non-controlling interests based on their proportionate share of the net assets, is currently ongoing.

	Rába Járműipari Holding Nyrt.	N7 Defence Holding Zrt.	Hirtenberger Defence Systems Védelmi Ipari Kft.	VAB Kft.	FaceKom Kft.	Mobil Adat Távközlési és Informatikai Szolgáltató Kft.	HeliControl Kft.
Total consideration	17,918	52,689	14,500	10,358	13,176	4,393	4,198
Non-controlling interests	6,912	14,877	0	3,267	0	143	690
Total identifiable net assets at fair value	26,935	59,510	-7,316	13,070	2,099	1,425	1,866

Data in millions of HUF, unless otherwise indicated

The table presents the preliminary purchase price obligations as follows:

	Rába Járműipari Holding Nyrt.	N7 Defence Holding Zrt.	Hirtenberger Defence Systems Védelmi Ipari Kft.	VAB Kft.	FaceKom Kft.	Mobil Adat Távközlési és Informatikai Szolgáltató Kft.	HeliControl Kft.
Paid purchase price	17,918	34,000	14,500	10,358	8,966	2,222	4,164
Deferred consideration	0	18,689	0	0	4,210	0	0
Contingent consideration liability	0	0	0	0	0	2,171	34
Total consideration	**17,918**	**52,689**	**14,500**	**10,358**	**13,176**	**4,393**	**4,198**

The table below presents the undiscounted cash flows of deferred and contingent consideration payable in the future:

	Rába Járműipari Holding Nyrt.	N7 Defence Holding Zrt.*	Hirtenberger Defence Systems Védelmi Ipari Kft.	VAB Kft.	FaceKom Kft.	Mobil Adat Távközlési és Informatikai Szolgáltató Kft.	HeliControl Kft.
Less than 1 year	0	2,201	0	0	0	778	34
1 to 5 years	0	8,805	0	0	4,463	1,530	0
> 5 years	0	8,805	0	0	0	0	0
Total	**0**	**19,812**	**0**	**0**	**4,463**	**2,308**	**34**

*The deferred and contingent consideration payable in the future in respect of N7 Defence Holding Zrt. is contractually payable in EUR, and has been converted into HUF in the table using the exchange rate as of 30 June 2026

Data in millions of HUF, unless otherwise indicated

The table below presents the analysis of the cash flow on acquisition:

	Rába Járműipari Holding Nyrt.	N7 Defence Holding Zrt.	Hirtenberger Defence Systems Védelmi Ipari Kft.	VAB Kft.	FaceKom Kft.	Mobil Adat Távközlési és Informatikai Szolgáltató Kft.	HeliControl Kft.
Transaction costs of the acquisition (included in cash flows from operating activities)	0	0	0	0	0	0	0
Net cash acquired with the subsidiary (included in cash flows from investing activities)	6,714	2,727	1,864	213	3,216	1,577	1,685
Transaction costs attributable to issuance of shares (included in cash flows from financing activities, net of tax)	0	0	0	0	0	0	0
Net cash flow on acquisition	**-11,204**	**-31,273**	**-12,636**	**-10,145**	**-5,750**	**-646**	**-2,479**

On 5 January 2026, the acquisition of a majority 74.34% stake in Rába Járműipari Holding Nyrt. by 4iG Űr és Védelmi Technológiák Zrt., a subsidiary of 4iG, (and directly: its project company, 4iG SDT EGY Zrt.) was successfully completed. The closing of the acquisition represents another milestone in the development of 4iG's defence industry capabilities. The strategic objective of the transaction is to expand the land systems division of 4iG's space and defence holding company with advanced ground mobility capabilities, thereby creating an internationally competitive defence industry group based on integrated land, air, and space technologies. Rába's substantial manufacturing infrastructure, decades of engineering expertise, and defence industry experience, combined with its highly qualified workforce of over 1,200 professionals, provide a stable and predictable foundation for implementing 4iG's space and defence strategy.

On 27 February 2026, the sale and purchase agreement concluded between 4iG Űr és Védelmi Technológiák Zrt., a subsidiary of 4iG, and N7 Holding Zrt. was closed. Accordingly, the Group acquired a majority ownership interest of 75% + 1 vote in N7 Defence Zrt., while N7 Holding Zrt. retains a 25% - 1 percent voting interest in the company. N7 Defence's portfolio covers critical areas of the Hungarian defence industry, ranging from civil and military aviation technology to arms and ammunition manufacturing. Through the transaction, the Group gained control over N7 Defence Zrt.'s wholly owned subsidiaries, namely as the aircraft repair company Aeroplex Kft., and ARZENÁL Fegyvergyár Kft., which is engaged in the manufacture of small arms and defence industry components. Within the framework of the agreement, 4iG Űr és Védelmi Technológiák Zrt. acquired a 100% stake in the mortar and ammunition manufacturer Hirtenberger Defence Systems Védelmi Ipari Kft. and its subsidiaries. Hirtenberger Defence Systems has been present in the defence industry for over 160 years across numerous international markets, including New Zealand. Nowadays it is one of the world's leading manufacturers of mortars and ammunition. Its product portfolio covers a full range of 60, 81, and 120 mm mortars, ammunition, as well as digital fire control and sighting systems. In addition to the above transactions, on the same day, the Group acquired a majority ownership interest of 75% + 1 vote in VAB Kft.

On 3 March 2026, 4iG Informatika Zrt., a subsidiary of 4iG Plc, acquired business shares representing 100% of the registered capital of FaceKom Kft. With this acquisition, 4iG further strengthens its position in the market for digital customer experience and electronic administration support solutions. Following the acquisition, the subsidiary will continue to expand its digital capabilities and IT security services, enabling it to offer complex, integrated digital customer relationship solutions to its enterprise, financial, telecommunications, and public administration clients. Digital identification and authentication solutions can be directly integrated into 4iG Informatikai Zrt.'s call center, customer communication, and cloud services portfolio, enabling companies to digitize the entire customer journey and significantly reduce administrative costs. The new competencies in video-based identification and remote administration make business processes faster, more efficient and more secure, while guaranteeing regulatory compliance (KYC) during remote customer identification.

On 23 March 2026, the Group's subsidiary, 4iG Informatikai Zrt., acquired a 90% stake in Mobil Adat Távközlési és Informatikai Szolgáltató Kft., a company specializing in IoT data communication technologies. Mobil Adat Kft.'s main activity is securing data communication: providing data communications for online cash registers, POS devices, charging stations, vending machines, and other IoT devices requiring real-time data connectivity.

Built on its proprietary, cloud-based integrated SIM and IoT management platform—which is unique in the telecommunications market—the company offers flexible and scalable technological solutions, as well as technology consulting and development support to its partners.

On 1 April 2026, 4iG Űr és Védelmi Zrt., the space and defence technology subsidiary of 4iG Group, acquired a 63% stake in HeliControl Kft. With the successful completion of the transaction, 4iG Group took a strategically significant step in expanding its defence and aviation portfolio, entering a new market segment: rotorcraft maintenance and modernisation. The acquisition is expected to significantly strengthen domestic helicopter maintenance capabilities and capacity, reducing the sector's long-term reliance on foreign service providers.

Acquisitions in 2025

In 2025, 4iG Group accelerated its expansion through strategic acquisitions in telecommunications, defence, and IT. Key acquisitions included acquiring 100% of PR-TELECOM Zrt. and its subsidiary PR-WORK Kft, 99% of Netfone Kft. and its subsidiary Mobilháló Kft and 90% of Gestamen Zrt. The following tables present details of the acquisitions, with PR-TELECOM Zrt. and Netfone Kft. shown on a consolidated basis, including their respective subsidiaries. The Group has assessed the acquisition of MOM-LEHEL Költségosztó Kft. and concluded that it does not have a significant impact on the financial statements; therefore, the purchase price allocation has not been disclosed.

Data in millions of HUF, unless otherwise indicated

	PR-TELECOM Zrt.	Netfone Telecom Kft.	Gestamen Zrt.
Assets acquired and liabilities assumed			
Of which:			
Property, plant, and equipment	7,176	92	181
Customer relationship	0	4,035	0
Other intangible assets	457	1,788	3,350
Right-of-use assets	1,597	110	74
Net investment in the lease - non-current	124	0	0
Other investments	3	0	0
Total non-current assets	**9,357**	**6,025**	**3,605**
Cash and cash equivalents	1,308	1,338	1,497
Trade receivables	406	356	0
Income tax receivable	2	3	0
Net investment in the lease - current	25	0	0
Inventories	6	55	0
Other current financial assets	1	0	9
Other current non-financial assets	39	188	397
Total current assets	**1,787**	**1,940**	**1,903**
Borrowings, loans, bonds - non-current	1,004	0	191
Lease liabilities – non-current	1,431	66	0
Deferred tax liability	0	326	292
Other financial liabilities - non-current	357	0	0
Total non-current liabilities	**2,792**	**392**	**483**
Trade payables	971	1,118	25
Provisions - current	0	0	0
Borrowings, loans, bonds - current	1	0	180
Lease liabilities - current	317	44	0
Income tax payable	2	122	2
Other current financial liabilities	150	267	8
Other current non-financial liabilities	1,072	1,216	1,640
Total current liabilities	**2,513**	**2,767**	**1,855**
Total consideration	6,047	7,259	6,851
Non-controlling interests	0	0	317
Total identifiable net assets at fair value	5,839	4,806	3,170

The acquisition date fair value of the trade receivables of the subsidiaries acquired during the year equals their net amount, which in aggregate amounts to HUF 762 million.

Data in millions of HUF, unless otherwise indicated

The gross amount of trade receivables is HUF 1,378 million which is reduced by an expected credit loss allowance of HUF 616 million. It is expected that the full net amount will be collected.
The following table presents the details regarding the trade receivables:

	PR-TELECOM Zrt.	Netfone Telecom Kft.	Gestamen Zrt.
Trade receivables gross	468	910	0
Expected credit loss	-62	-554	0
Trade receivables net	**406**	**356**	**0**

Purchase consideration

	PR-TELECOM Zrt.	Netfone Telecom Kft.	Gestamen Zrt.
Paid purchase price	3,311	500	3,711
Deferred consideration	2,736	0	0
Contingent consideration liability	0	6,759	3,140
Total consideration	**6,047**	**7,259**	**6,851**

Future payments relating to deferred and contingent consideration have been discounted using the weighted average cost of capital (WACC) specific to each subsidiary. For PR-Telecom Zrt., the deferred consideration is payable in two instalments in 2026 II. and 2027. Contingent consideration depends on the number of subscribers for Netfone Telecom Kft., and on the future realised EBITDA for Gestamen Zrt., with payments for both subsidiaries extending until 2031.
The table below presents the schedule of undiscounted future payments:

	PR-TELECOM Zrt.	Netfone Telecom Kft.	Gestamen Zrt.
Less than 1 year	1,986	1,737	0
1 to 5 years	1,324	6,713	4,135
> 5 years	0	1,232	165
Total	**3,310**	**9,682**	**4,300**

Data in millions of HUF, unless otherwise indicated

The table below presents the analysis of the cash flow on acquisition:

	PR-TELECOM Zrt.	Netfone Telecom Kft.	Gestamen Zrt.
Transaction costs of the acquisition (included in cash flows from operating activities)	0	0	0
Net cash acquired with the subsidiary (included in cash flows from investing activities)	1,308	1,335	1,497
Transaction costs attributable to issuance of shares (included in cash flows from financing activities, net of tax)	0	0	0
Net cash flow on acquisition	**-2,003**	**835**	**-2,214**

The Group recognised goodwill on the acquisitions due to the expected synergies from combining operations.

On 29 August 2025, the transaction for the acquisition of PR-TELECOM Zrt. and PR-WORK Kft. was completed resulting in 4iG Távközlési Holding Zrt. acquiring a 100% ownership stake in the regional telecommunications service provider. The transaction added nearly 3,800 kilometers of network infrastructure to the Group's asset base, including approximately 1,000 kilometers of optical backbone and 800 kilometers of optical access network segments. The acquisition enables 4iG Group to reduce the need for time- and resource-intensive network expansion investments in certain service areas while further reinforcing its leading position in the fixed-line segment. In the future, the transaction also creates opportunities to introduce convergent service packages that combine fixed-line and mobile subscriptions, offering PR-Telecom customers a broad range of high-quality services.

On 1 December 2025, 4iG Távközlési Holding Zrt. acquired 99% of the shares in Netfone Telecom Kft. a fast-growing nationwide virtual mobile operator. The purpose of the transaction is to expand the Group's customer base and thus further strengthen its position in the Hungarian telecommunications market. This acquisition adds a customer-centric, agile, and efficient service provider to the Group's telecommunications portfolio. Netfone Telecom's experience, spanning over 10 years, 106,000 customers and 200 resale shops will create new opportunities for service development.
In line with international telecommunications trends, this collaboration ensures the security and efficiency of a strategic partnership, bringing the MVNO (Mobile Virtual Network Operator) and the providing MNO (Mobile Network Operator) into a common interest group.

On 1 December 2025, 4iG Űr és Védelmi Zrt. acquired a 90% ownership interest in Gestamen Kutatás Fejlesztés Zrt. The acquisition strengthens the weapons and ammunition business line of the Group, reinforcing its defence technology competencies. Gestamen Arms' portfolio provides the Group with development and engineering expertise that represents significant value from a technological, industrial and geopolitical perspective.
The acquisition contributes to the expansion of Hungarian intellectual property-based small arms and light weapons development and manufacturing capacities and strengthens the independence of the domestic defence industry.

Data in millions of HUF, unless otherwise indicated

Gestamen’s modular weapon systems will enable the development of new-generation handguns to become faster and more predictable in the future through intra-group cooperation, while NATO-compatible technical principles will ensure the wider applicability of technologies in both the domestic and allied environments.

The calculation of the purchase price allocation (PPA) for both Netfone Telecom Kft. and Gestamen Zrt. acquisitions 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.

24 Net investment in the lease – non-current

Finance lease arrangements primarily relate to assets provided to business customers, the most significant of which are office premises. These assets are made available to customers under service agreements, while legal ownership of the assets remains with the service provider or with subsidiaries of the Group.
Net investment in the lease on 30 June 2026 and 31 December 2025 were as follows:

Net investment in the lease	**30/06/2026**	**31/12/2025**
Net investment in the lease – non-current	271	270
Net investment in the lease - non-current – subleasing	750	992
Total	**1,021**	**1,262**

Future undiscounted minimum rentals receivable under non-cancellable leases are as follows:

	30/06/2026	**31/12/2025***
Between 1 and 5 years	1,012	1,096
More than 5 years	113	189
Total	**1,125**	**1,284**

*As part of a detailed review of its lease portfolio and the related payment schedules, the Group refined the future undiscounted amounts associated with contracts in force as at 31 December 2025. The comparative information has been adjusted accordingly.

Data in millions of HUF, unless otherwise indicated

25 Investments

25.1 Investments in an associate and joint venture

The Group had the following investments in associates and joint ventures as at 30 June 2026 and 31 December 2025.

Entity name	Investment in share capital	Voting right %
Joint venture		
REMRED Technológia Fejlesztő Zrt.	7,414	24.21%
Associate		
Colt CZ Hungary Zrt.	1,689	19.77%
Hirtenberger Defence Technology Ltd.	371	26.36%
iG TECH III. Magántőkealap	21,489	31.21%
Rheinmetall Hungary Munitions Zrt.	27,005	19.77%
Rheinmetall Hungary Zrt.	14,006	19.77%
Space-Communications Ltd.	2,232	19.99%
on 30 June 2026	**74,206**	

Entity name	Investment in share capital	Voting right %
Joint venture		
REMRED Technológia Fejlesztő Zrt.	7,836	45.00%
Associate		
iG TECH III. Magántőkealap	21,500	31.21%
Space-Communications Ltd.	1,977	19.99%
THOLUS Védelmi Zrt.	1	25.00%
on 31 December 2025	**31,314**	

The detailed description of the associate and joint venture companies is presented under Note 2.1 Basis of consolidation.
As the Group's associates and joint ventures are not individually material and do not have a significant effect on the consolidated financial statements, no further disclosures are presented.

25.2 Other investments

	Investing in share capital
Other investments	
Company name	
Axiom Space Inc.	33,332
on 30 June 2026	**33,332**

Data in millions of HUF, unless otherwise indicated

Other investments	Investing in share capital
Company name	
Axiom Space Inc.	9,853
on 31 December 2025	**9,853**

Following its previous investment of USD 30 million (HUF 9,853 million), 4iG Plc made an additional investment of USD 70 million (HUF 23,479 million) in Axiom Space Inc. on 30 March 2026. As a result, the total investment in Axiom Space Inc. amounted to USD 100 million (HUF 33,332 million).

26 Other non-current assets

26.1 Other financial assets – non-current

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

	30/06/2026	31/12/2025
Loan receivables - non-current	217	192
Deposits	829	780
Non-current investment fund units, securities	10,767	102
Instalment payments - non-current	12,041	12,426
Security deposits	62,562	62,562
Miscellaneous other non-current financial assets	775	768
Impairment of other non-current financial assets	-129	-132
Total	**87,062**	**76,698**

Non-current investment fund units, securities include investment fund units acquired by the Group during the reporting period in closed-end investment funds, amounting to HUF 10,665 million.

The balance of non-current instalment receivables relates to assets sold by the Group under instalment arrangements. Short-term portion of the instalment payments is presented under 28 Trade receivables.

Under security deposits, HUF 50,500 million represents a portion of the proceeds from the disposal of a subsidiary in the previous period that the Group is required to hold in a restricted account in accordance with the bank’s requirements. The remaining HUF 12,062 million also relates to a cash collateral held with the bank, which is connected to an advance payment; the short-term portion of the cash collateral is presented under 32 Other financial assets - current.

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.

Data in millions of HUF, unless otherwise indicated

26.2 Other non-financial assets – non-current

	30/06/2026	31/12/2025
Prepayments – non-current	617	1,430
Contract assets – non-current	761	1,082
Total	**1,378**	**2,512**

The prepayments include prepaid license fees, typically covering periods of three to five 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 33 Other non-financial assets – current.

27 Cash and cash equivalents

	30/06/2026	31/12/2025
Cash on hand	504	461
Bank	77,868	142,902
Total	**78,372**	**143,363**

Cash and cash equivalents are measured at amortised cost. The Group 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.
The decrease in cash and cash equivalents during the reporting period was primarily attributable to cash outflows related to the Group's acquisitions during the period.

28 Trade receivables

	30/06/2026	31/12/2025
Trade receivables	158,443	144,929
Expected credit loss of trade receivables	-29,075	-28,121
Total	**129,368**	**116,808**

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 2.21.1.1 Impairment of financial assets. The information about the credit risk exposures related to trade receivables is disclosed in Note 49 Risk management.

Data in millions of HUF, unless otherwise indicated

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

	Allowance for expected credit losses
on 1 January 2025	**-28,004**
Allowance for expected credit losses	-7,563
Write-off	2,799
Reversal	4,057
Acquisition	-607
Exchange differences	1,197
on 31 December 2025	**-28,121**
Allowance for expected credit losses	-3,451
Write-off	739
Reversal	923
Acquisition	-365
Exchange differences	1,200
on 30 June 2026	**-29,075**

29 Income tax receivables and income tax payables

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

	30/06/2026	31/12/2025
Corporate income and dividend tax receivables (+) / liabilities (-)	814	870
Local business tax receivables (+) / liabilities (-)	4,284	1,637
Innovation contribution receivables (+) / liabilities (-)	249	17
Total	**5,347**	**2,524**
of which: receivables	7,307	6,014
of which: liabilities	-1,959	-3,489

In the table above, income tax liabilities are presented with a negative sign. Income tax receivables and liabilities are aggregated by company and by tax type.
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.

Data in millions of HUF, unless otherwise indicated

30 Net investment in the lease - current

	30/06/2026	31/12/2025
Net investment in the lease – current	235	254
Net investment in the lease - current – subleasing	493	345
Total	**728**	**599**

The Group, as a lessor, engages in leasing activities in accordance with IFRS 16 Leases. It leases its owned assets under finance leases and subleases assets leased from other parties. The assets related to such arrangements primarily consist of retail premises leased out by entities operating in the telecommunications segment.

31 Inventories

	30/06/2026	31/12/2025
Work in progress	6,666	9
Goods	27,022	15,390
Raw materials	15,593	423
Refundable packaging	86	0
Write-down of inventories	-5,334	-3,895
Total	**44,033**	**11,927**

	2026 H1	2025 H1
Inventories sold/utilized	-42,305	-37,713
Write-down of inventories as expense	-1,823	-909
Reversal of write-down of inventories as expense	1,036	389
Total	**-43,092**	**-38,233**

During the first half of 2026, the Group’s portfolio was expanded through the acquisition of several companies operating in the space and defence sectors. As a result of these acquisitions, the total value of inventories increased significantly during the reporting period compared to the comparative period.

Work in progress comprises semi-finished products related to mortar systems, automotive components and ammunition production.

Goods comprise inventories held by the Group for sale, including, among others, IT equipment, mobile phones, network equipment and finished defence industry products, in particular small arms, forged products and components.

Data in millions of HUF, unless otherwise indicated

Raw materials and consumables primarily comprise raw materials and components used in the manufacture of motor vehicles, aircraft and other aviation equipment.

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

32 Other financial assets - current

Other financial assets of the Group consist of the following:

	30/06/2026	31/12/2025
Cash lent for short term	10,127	3,908
Guarantees provided	785	499
Treasury bills and investment funds	125	60
Miscellaneous other financial assets – current	37,613	42,074
Total	**48,650**	**46,541**

Current period cash lent for short term includes loans granted by 4iG Űr és Védelmi Zrt. to its associates and joint ventures.

The Group assessed its other current financial assets in both the current and comparative periods. Based on the financial position of the associates and joint ventures, as well as the information available regarding the recoverability of the loans, the Group considers that no impairment loss is required to be recognised on these financial assets.

During the reporting period, the Group has presented treasury bills and investment funds amounting to HUF 125 million (31 December 2025: HUF 60 million). The Group measures these items at fair value through profit or loss.

Both 30 June 2026 and 31 December 2025 Miscellaneous other financial assets primarily include a cash collateral deposit placed with a bank as security for an advance, amounting to HUF 36,186 million, the long-term portion of which is disclosed in Note 26.1 Other financial assets – non-current.
The table below summarises the impairment accounted for miscellaneous other financial assets:

	30/06/2026	31/12/2025
Gross value of miscellaneous other financial assets – current	38,024	43,142
Impairment of miscellaneous other financial assets – current	-411	-1,068
Total	**37,613**	**42,074**

Data in millions of HUF, unless otherwise indicated

The Group has assessed the expected credit loss on these financial assets in accordance with IFRS 9 Financial Instruments. Given that these gross balances mainly relate to deposits held with financial institutions and amounts due in connection with investment transactions, the associated credit risk is considered low. Accordingly, the recognised loss allowance remains limited and reflects the low probability of default.

The calculation of expected credit losses on other financial assets is presented in Note 2.21.1.1 Impairment of financial assets.

Table below summarises the movement in the allowance for expected credit losses on miscellaneous other financial assets:

	Total impairment of other financial assets - current
on 1 January 2025	**-961**
Provision for expected credit losses	-353
Exchange differences	48
on 31 December 2025	**-1,068**
Provision for expected credit losses	-72
Reversal	5
Derecognition	715
Exchange differences	11
on 30 June 2026	**-411**

33 Other non-financial assets - current

The Group's current other non-financial assets comprise the following:

	30/06/2026	31/12/2025
Other tax receivables	26,382	20,654
Advances granted	7,065	6,959
Deposits related to leases	985	697
Contract assets	2,983	3,084
Accrued income	8,454	10,244
Prepayments	14,312	8,965
Total	**60,181**	**50,603**

The balance of other tax receivables amounted to HUF 26,382 million as at 30 June 2026, compared with HUF 20,654 million as at 31 December 2025. The increase was primarily attributable to a HUF 5,913 million increase in VAT receivables resulting from the higher level of business activity, partially offset by a decrease in other tax receivables excluding VAT.

Data in millions of HUF, unless otherwise indicated

The slight increase in advances paid was primarily attributable to higher procurement and service ordering activity, resulting in an increase in advance payments made to suppliers.

Contract assets include revenue recognised in accordance with IFRS 15 Revenue from Contracts with Customers for services completed and documented before 30 June 2026 but invoiced only after the reporting date. When the Group transfers control of the service over time, subject to the conditions set out in the standard, revenue from the sale of services is also recognised over time, in line with the applicable methods set forth in the standard, depending on the nature of the service. Although contract assets are classified as non-financial assets, the calculation of expected credit loss falls under the scope of IFRS 9 Financial Instruments, as detailed in Note 2.21.1.1 Impairment of financial assets.

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

	30/06/2026	31/12/2025
Gross value of contract assets	3,020	3,129
Allowance for expected credit losses of contract assets	-37	-45
Total	**2,983**	**3,084**

The increase in prepayments was primarily attributable to the change in the Group's consolidation scope, resulting in the inclusion of expenses related to newly consolidated entities in the consolidated financial statements. The increase was also attributable to the Start Garancia guarantee fee incurred in the Space segment from February 2026, as well as the accrual of Oracle licence fees incurred in the telecommunications segment.

34 Share capital

The Company's share capital amounted to HUF 5,981 million following four capital increases carried out in 2022 and has remained unchanged since then. The share capital of the Company 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

	30/06/2026	31/12/2025
Share capital	5,981	5,981
Total	**5,981**	**5,981**

Data in millions of HUF, unless otherwise indicated

35 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 reflects the nominal value of 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)	30/06/2026	31/12/2025
4iG ESOP organisation	0	4,000,000
4iG Informatikai Zrt.	2,055,000	0
4iG Plc	7,292,590	5,347,590
Total	**9,347,590**	**9,347,590**

The repurchase value of the treasury shares is HUF 7,083 million, at an average price of HUF 3,447 per share. The closing price on the stock exchange for the period was HUF 1,821 per share, and the annual average price was HUF 2,884 per share.

36 Capital reserve

As of 30 June 2026, the capital reserve remained unchanged at HUF 133,492 million.

37 Accumulated other comprehensive income

	30/06/2026	31/12/2025
Share of other comprehensive income/loss of associates	14	14
Net gain/loss on equity instruments at fair value through other comprehensive income	-959	-959
Net gain/loss on exchange differences on translations of foreign operation	11,632	16,801
Total	**10,687**	**15,856**

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.

38 Non-controlling interests

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

The Group’s significant non-controlling interests (NCI) primarily arise through its holding structures within the telecommunications and the space and defence segments. As at 30 June 2026, 4iG Plc holds a 62.1% ownership interest in 4iG Távközlési Holding Zrt. and a 53.8% ownership interest in 4iG Űr és Védelmi Zrt. As a result, non-controlling interests are recognised in respect of the subsidiaries operating under these holding entities in the consolidated financial statements.

The increase in non-controlling interests includes a contribution of HUF 25,889 million attributable to minority interests acquired through business combinations during the first half of 2026, compared with a decrease of HUF 317 million recognised in 2025.

In both 2026 (in the amount of HUF 847 million) and 2025 (HUF 545 million), the Group paid dividends to its non-controlling interests, which also contributed to the change in the non-controlling interests balance.

The summarised financial information relating to these interests is presented in Note 48 Segment information. These amounts are prepared for consolidation purposes, adjusted for IFRS modifications and fair value differences arising from purchase price allocation, and do not correspond to the statutory financial statements of the individual subsidiaries prepared under Hungarian Accounting Law. The information is presented before intercompany eliminations.

Data in millions of HUF, unless otherwise indicated

39 Provisions

	Provision for unused vacation	Provision for legal and litigation expenses	Asset retirement obligations	Total
on 1 January 2025	**1,844**	**7,722**	**5,274**	**14,840**
Additions	2,786	1,218	4,826	**8,830**
Unwinding of discount and changes in the discount rate	0	0	241	**241**
Utilised	-886	-1,725	-65	**-2,676**
Unused amounts reversed	-1,898	-413	-9	**-2,320**
Disposal from consolidation area	-22	0	0	**-22**
Exchange differences	-38	-173	-157	**-368**
on 31 December 2025	**1,786**	**6,629**	**10,110**	**18,525**
Acquisition of subsidiaries	236	700	0	**936**
Additions	3,768	1,770	511	**6,049**
Unwinding of discount and changes in the discount rate	0	0	415	**415**
Utilised	-199	-902	-21	**-1,122**
Unused amounts reversed	-1,025	-975	-4	**-2,004**
Exchange differences	-29	-125	-154	**-308**
on 30 June 2026	**4,537**	**7,097**	**10,857**	**22,491**

The maturity breakdown of provisions:

	30/06/2026	31/12/2025
Provisions - non-current	13,326	11,965
Provisions - current	9,165	6,560
Total	**22,491**	**18,525**

The provisions for unused vacation amounted to HUF 4,537 million on 30 June 2026 (HUF 1,786 million on 31 December 2025), of which HUF 3,768 million provision was recognised for 2026, whereas HUF 199 million was utilised. 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 on 30 June 2026 mainly at 4iG Távközlési Holding Zrt., One Magyarország Zrt. and ONE Albania sh.a. It is expected that these costs will be incurred in the next financial year.

The provision for asset retirement obligation includes the discounted provision for the future restoration of the assets of 2Connect Távközlési Infrastruktúra és Hálózati Szolgáltatások Kft., One Magyarország Zrt., ONE Albania sh.a. and ONE Crna Gora d.o.o. 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 retirement obligation is continuously unwinding, and the decommissioning cost reaches the carrying amount of asset retirement obligation at maturity.

During the reporting period, the Company reassessed its estimates of asset retirement obligations related to active and passive infrastructure. As a result of this reassessment, the estimated amount of these obligations increased, and accordingly, the Company recognised an increase in the related provision in the reporting period.

Data in millions of HUF, unless otherwise indicated

40 Loans, borrowings, bonds – non-current

	30/06/2026	31/12/2025
4iG Plc		
Bonds	400,389	401,934
MBH medium-term loan	4,000	4,000
Mubadala USD loan	14,398	0
4iG Távközlési Holding Zrt.		
MFB investment loan	14,776	14,584
MFB loan	2,829	2,829
Vodafone acquisition loans	296,251	321,744
4iG Űr és Védelmi Zrt.		
CSG Defence A.S. convertible loan	19,173	20,812
Bonds	62,702	0
AEROPLEX Közép-Európai Légijármű Műszaki Központ Kft.		
CIB investment loan	983	0
MFB investment loan	6,221	0
Hirtenberger Defence Systems Védelmi Ipari Kft.		
MFB loan	7,844	0
ONE Albania sh.a.		
OTP club loan	7,366	9,017
One Magyarország Zrt.		
Baross Gábor medium-term loan	790	1,715
PR-TELECOM Zrt.		
MFB loan	349	392
Rába Futómű Kft.		
Investment loan	10,016	0
Total	**848,087**	**777,027**

The movement schedule of Loans, borrowings, bonds – non-current is presented under Note 50 Financial instruments.

The above figures represent the amortised cost balances of financial liabilities arising from committed permanent working capital facilities, loan agreements and bonds issued by the Group, including accrued interest and net of repayments. The Group has fully complied with all debt service obligations arising from these financial liabilities when due.

4iG Plc

On 30 June 2026, 4iG Plc and 4iG Informatikai Zrt. had a joint uncommitted credit loan (UCL) agreement with Raiffeisen Bank with a total amount of HUF 7,120 million, of which 4iG Plc had entered into the following contracts:
1) A multi-currency overdraft facility amounting HUF 500 million, maturing on 31 August 2026,

Data in millions of HUF, unless otherwise indicated

2) A bank guarantee facility of HUF 2,000 million, maturing on 31 August 2031.

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 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.

The contractual amount of the multi-currency 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. As at the reporting date, no amounts were outstanding.
On 27 February 2026, 4iG Plc. and Mubadala Investment Company PJSC (Mubadala), one of the world's leading sovereign investment companies, entered into a USD 50 million convertible loan agreement.
Under the terms of the agreement, Mubadala will provide a USD 50 million convertible loan to 4iG. The conversion price will be based on the volume-weighted average share price (VWAP) of 4iG shares over the 90 trading days preceding the signing of the agreement. Subject to compliance with all applicable legal and regulatory requirements, the conversion of the loan into shares will take place at the end of 30 March 2029. The transaction also includes a derivative component, the details of which are disclosed in Note 46 Other financial liabilities - current.

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
Face value	HUF 15,450 million	HUF 287,750 million	HUF 83,000 million
Term	10 years	10 years	10 years
Repayment	After a grace period of 5 years 10% on anniversaries 5-9, 50% on maturity	100% on maturity	100% on maturity
Interest payments (per year)	fixed 2.90%	fixed 6.75%	fixed 6.75%

4iG has entered into an agreement to amend the terms and conditions of NKP Bond 2031/II (HU0000361019 ISIN), under which the principal will be repaid in a bullet at the end of the term in

Data in millions of HUF, unless otherwise indicated

2031, while the interest rate for the remaining years will change from a fixed annual rate of 6.00% to 6.75%.

Guarantees provided by 4iG Plc on behalf of the Group members

Group member	Beneficiary	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
4iG Űr és Védelmi Zrt.	MNS AERO Zártkörűen Működő Részvénytársaság	5,000,000,000	HUF	01/04/2026	until further notice
2Connect Távközlési Infrastruktúra és Hálózati Szolgáltatások Kft.	LeasePlan Hungária Zrt.	36,000,000	HUF	05/03/2025	31/12/2027
2Connect Távközlési Infrastruktúra és Hálózati Szolgáltatások Kft.	ALD Automotive Magyarország Kft.	23,000,000	HUF	01/01/2025	30/09/2026
2Connect Távközlési Infrastruktúra és Hálózati Szolgáltatások Kft.	ALD Automotive Magyarország Kft.	250,000,000	HUF	08/10/2024	31/10/2028
2Connect Távközlési Infrastruktúra és Hálózati Szolgáltatások Kft.	ALD Automotive Magyarország Kft.	350,000,000	HUF	08/10/2024	31/10/2028
AEROPLEX Közép-Európai Kft.	CIB Bank	3,000,000,000	HUF	24/02/2026	23/02/2036
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
PR-Telecom Zrt	X System kereskedelmi és Szolgáltató Zrt	50,000,000	HUF	02/02/2026	29/01/2027
PR-Telecom Zrt	CHS Hungary Kereskedelmi és Szolgáltató Kft.	30,000,000	HUF	02/02/2026	29/01/2027
PR-Telecom Zrt	K&H bank Zrt	200,000,000	HUF	04/03/2026	03/03/2027
	Total	**19,994,000,000**	**HUF**		

Data in millions of HUF, unless otherwise indicated

Group member	Beneficiary	Amount	Cur-rency	Start	Expiry
4iG Informatikai Zrt.	Peridot Financing Solutions GmbH (DELL)	4,000,000	EUR	13/01/2025	30/09/2026
Hirtenberger Defence Europe GmbH	MBH Bank Nyrt.	29,480,000	EUR	24/02/2026	15/09/2031
Hirtenberger Defence Systems Kft.	MFB Zrt.	25,327,500	EUR	24/02/2026	30/09/2030
4iG Űr és Védelmi Zrt.	N7 Holding Zrt.	62,000,000	EUR	24/02/2026	31/12/2036
AEROPLEX Közép-Európai Kft.*	CIB Bank	8,000,000	EUR	24/02/2026	23/02/2036
4iG Űr és Védelmi Zrt.	EXIM-K&H-MBH	247,240,000	EUR	17/02/2026	27/08/2034
	Total	**376,047,500**	**EUR**		

4iG Informatikai Zrt.

On 30 June 2026, 4iG Plc and 4iG Informatikai Zrt. had a joint uncommitted credit loan (UCL) agreement with Raiffeisen Bank with a total amount of HUF 7,120 million, of which 4iG Informatikai Zrt. had entered into the following contracts:
1) A multi-currency overdraft facility amounting HUF 500 million, maturing on 31 August 2026,
2) A bank guarantee facility of HUF 800 million, maturing on 31 August 2031.

The contractual amount of the multi-currency 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 HUF 63.1 million.

4iG Távközlési Holding Zrt.

In order to ensure the liquidity reserves for the subsidiary, it has an overdraft facility with MBH Bank Nyrt. in the amount of HUF 1,000 million, exposure was HUF 0 at the balance sheet date.

A HUF 45,851 million 13-years loan contracted with Magyar Fejlesztési Bank Zrt. in 2020, thereof HUF 3,126 million repayment is due on short term and HUF 23,073 million nominal value due on long term at the balance sheet date.

In January 2023, the subsidiary entered into long-term loan agreements denominated in EUR with Magyar Export-Import Bank Zrt. and Magyar Fejlesztési Bank Zrt. for the acquisition of a majority stake in One Magyarország Zrt. Considering the grace period, only interest payment obligations will arise in December 2026, with the interest rate fixed for the first five years of the loan term. 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.

Data in millions of HUF, unless otherwise indicated

As a result of the transformation of the subsidiary initiated in September 2024, in 2025 the entities directly and wholly owned by the borrower, namely 4iG ComCo Holding Zrt., 4iG InfraCo Holding Zrt., AH Média Kereskedelmi Zrt., AH Infrastruktúra Zrt., 4iG Hírközlési Infrastruktúra Zrt., 4iG Műsorszóró Infrastruktúra Kft. and V-Hálózat Infrastruktúra Zrt., were included in the loan agreements as joint and several co-borrowers, together with the corresponding amendments to the related security agreements.
Furthermore, in April 2026, 2Connect Infrastruktúra Kft., as the legal successor of AH Infrastruktúra Zrt. and V-Hálózat Infrastruktúra Zrt., executed a unilateral declaration in the form of a notarial deed to accede to the Loan Agreement as a co-borrower, in order to comply with the requirements of the financing banks.

4iG Űr és Védelmi Zrt.

In August 2025, CSG Defence a.s. entered into a loan agreement with 4iG Űr és Védelmi Zrt. for an amount of EUR 54 million, which was fully drawn down by the borrower at signing. The purpose of the transaction is to strengthen the long-term strategic cooperation between the parties. The borrower is required to use the proceeds exclusively for purposes related to its ongoing operations.

The loan bears a fixed nominal interest rate of 6% per annum. Under the terms of the agreement, the lender has the option to convert the outstanding loan amount into an equity participation in 4iG SDT EGY Zrt. and/or other subsidiaries of 4iG Űr és Védelmi Zrt.

On 27 February 2026, 4iG Űr és Védelmi Zrt. issued bonds worth EUR 176.6 million, which can be used for acquisitions in the defence industry.

Description	4iG-SDT 2034/1 EUR Bond
ISIN code	HU0000366349
Date of issue	27/02/2026
Face value	EUR 176,6 million
Term	8 years
Repayment	10% of the face value, EUR 10,000 on the 4th anniversary of the issue; 20% of the face value, EUR 20,000 on the 5th anniversary of the issue; 20% of the face value, EUR 20,000 on the 6th anniversary of the issue; 25% of the face value, EUR 25,000 on the 7th anniversary of the issue; 25% of the face value, EUR 25,000 on the 8th anniversary of the issue, which coincides with the maturity date
Interest payments (per year)	fixed 5.10%

Data in millions of HUF, unless otherwise indicated

The collection and assessment of data relating to the loans and bank guarantees of the entities acquired in the first half of 2026 and included in the S&D segment are currently in progress. The related information will be comprehensively assessed and disclosed in the Group's 2026 annual financial statements.

ACE Network Zrt.

In November 2021, the subsidiary 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 28 September 2026 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 1,131,250 (HUF 353 million presented as current loan) outstanding was drawn at the balance sheet date.

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

ONE Albania sh.a.

During the reporting period, ONE Albania sh.a. fully complied with all due principal and interest payment obligations.
On 22 April 2026, the terms and conditions of the existing OTP syndicated loan agreement were amended, including a reduction of the loan's reference interest rate. On the same date, the parties also entered into a new loan agreement with a facility amount of EUR 31 million, intended to refinance the shareholder loan granted by 4iG Plc in 2022 to ALBtelecom sh.a., the legal predecessor of ONE Albania sh.a. The loan has a tenor of 10 years from the date of drawdown, and its terms and conditions are identical to those of the amended loan agreement currently in force with OTP. As of the reporting date, no amounts had been drawn under the facility, and the shareholder loan had not yet been repaid.

Financing bank	Loan type	Credit limit	Actual outstanding	Currency	Interest
OTP BANK PLC; DSK BANK AD; BANKA OTP ALBANIA SHA	Syndicate loan	37,000,000	24,882,500	EUR	3M EURIBOR + 4.25%
BANKA OTP ALBANIA SHA	Overdraft	5,000,000	0	EUR	12M EURIBOR +3.5% (min 4.2%)
Raiffeisen Bank Albania sh.a.	Overdraft	1,650,000	0	EUR	12M EURIBOR + 5% (min 5.3%)
Tirana Bank	Overdraft	4,000,000	0	EUR	12M EURIBOR +3.5% (min 4.75%)

Out of the HUF 8,835 million OTP Bank loan (EUR 24.9 million) HUF 7,225 million (EUR 20.4 million) is presented as a non-current, whereas HUF 1,609 million (EUR 4.5 million) is presented as current loan. At the end of the year, the utilization of ONE Albania's overdraft facilities was HUF 0.

During the period, the overdraft facility agreement with Tirana Bank was renewed through a technical extension, ensuring the continued availability of the facility to ONE Albania sh.a. as of the reporting date.

One Magyarország Zrt.

Corvinus Nemzetközi Befektetési Zrt. provided loan at variable interest rate to finance certain liabilities of the subsidiary, the loan was repaid in full in January 2026.
In 2024, the subsidiary entered into three loan agreements with K&H Bank Zrt. for investment loans totalling EUR 14,998,211 (HUF 5,908 million) 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 at balance sheet date is EUR 6,674,808 (HUF 2,372 million). Pledge on the subsidiary's current assets and receivables was registered in favour of the financing bank as collateral.

PR- TELECOM Zrt.

In connection with the acquisition of PR-TELECOM Zrt. the purchase price was financed by Magyar Fejlesztési Bank Zrt. to 4iG Távközlési Holding Zrt. with a total loan amount of HUF 7,000 million on 29 August 2025, with 50% of the purchase price disbursed, totalling HUF 3,217 million (HUF 2,829 million non-current and HUF 388 million current debt service obligation outstanding on 30 June 2026 at 4iG Távközlési Holding Zrt.). As part of the transaction closing, the 4iG Távközlési Holding Zrt. provided a loan to PR-TELECOM Zrt. to repay all of its outstanding debt to K&H Bank Zrt., in the total amount of HUF 569 million.
As security for the Magyar Fejlesztési Bank Zrt. loan, a pledge was created on all shares representing 100% of PR-TELECOM Zrt., as well as on the pledge revenue account. On 19 December 2025, PR-TELECOM Zrt. joined the loan agreement as a co-debtor and signed a mortgage agreement as collateral.
In 2018, PR-TELECOM Zrt. signed a total of seven agreements with Magyar Fejlesztési Bank Zrt. in the framework of GINOP-8.2.1-3.4.1-15 new generation access network (NGA) and local network development loan programme. Their outstanding balance on the reporting date was HUF 349 million.

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 1,098.7 million at the balance sheet date. As collateral for certain warranty guarantees, a total of HUF 20.87 million was deposited in a designated bank account.
The beneficiaries did not claim for any bank guarantee during the reporting year.

List of bank guarantees issued (above HUF 200 million) on behalf of the Company as of 30 June 2026:

Data in millions of HUF, unless otherwise indicated

Bank	Reference number	Beneficiary	Type	Total	Cur-rency	Date of issue	Expiry date
Raiffeisen Bank Zrt.	IGTE068185	Építési és Közlekedési Minisztérium	advance payment	976,153,600	HUF	01/10/2024	30/09/2026
			Total	**976,153,600**	**HUF**		

At the end of 2022 4iG Plc entered into a master surety insurance agreement with CIG Pannónia Első Magyar Általános Biztosító Zrt., which can also be used by 4iG Informatikai Zrt. As at 30 June 2026, there were no individual items exceeding HUF 200 million in the insurance guarantees issued on behalf of 4iG Informatikai Zrt.

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 19 million at the balance sheet date.

List of bank guarantees (above HUF 200 million) issued on behalf of 4iG Űr és Védelmi Zrt. as of 30 June 2026:

Bank	Reference number	Beneficiary	Type	Total	Currency	Date of issue	Expiry date
Deutsche Bank Magyarországi Fióktelepe	875BGA2500121	Nemzetgazdasági Minisztérium	advance payment	125,188,576	EUR	23/12/2025	29/01/2027
			Total	**125,188,576**	**EUR**		

List of bank guarantees issued (above HUF 200 million) on behalf of One Magyarország Zrt. as of 30 June 2026:

Bank	Reference number	Beneficiary	Type	Total	Cur-rency	Date of issue	Expiry date
Citibank Europe Plc. magyarországi fióktelepe	5137621678	Apple Distribution International Ltd.	reverse-guarantee	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
MBH Bank Nyrt.	007GFIZ241770001	Futureal Prime Properties Ingatlanfejlesztő Zártkörű Esernyőalap - Futureal Prime Properties Three Ingatlanfejlesztő Részalap	rental	1,166,473	EUR	03/12/2024	31/12/2026
			Total	**1,166,473**	**EUR**		

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, in amounts totalling HUF 7.4 million and EUR 11,543.54 as of the balance sheet date.

One Magyarország Zrt. and MBH Bank Nyrt. signed a Framework Agreement in June 2025, which can also be used by 2Connect Távközlési Infrastruktúra és Hálózati Szolgáltatások Kft.
During the reporting period 2Connect Távközlési Infrastruktúra és Hálózati Szolgáltatások Kft. in accordance with the lease agreement of CEE Property-Invest Kft., instead of issuing a bank guarantee as security for the existing obligation, a cash deposit was placed with the contracting party/customer, in the amount of EUR 71,731 on 30 June 2026.

Bank guarantees issued on behalf of ONE Albania sh.a. as of 30 June 2026 is altogether ALL 41,597,616 (HUF equivalent is 159.7 million) and EUR 24,000, the subsidiary deposited cash collateral with the bank in a designated bank account.

Data in millions of HUF, unless otherwise indicated

41 Lease liabilities

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

	Lease liabilities non-current	Lease liabilities current
on 1 January 2025	**130,015**	**29,828**
Addition from new leases	33,044	2,829
Interest expenditure	12,237	-276
Lease payments	-1,064	-40,891
Modification, remeasurement	3,329	392
Acquisition	1,497	361
Reclassification	-40,368	40,368
Disposals	-1,432	-273
Exchange difference	**-3,840**	**-320**
on 31 December 2025	**133,418**	**32,018**
Addition from new leases	6,709	844
Interest expenditure	6,125	6
Lease payments	-411	-20,884
Modification, remeasurement	423	110
Acquisition	14,519	3,231
Reclassification	-23,957	23,957
Disposals	-50	-197
Exchange difference	-5,418	-379
on 30 June 2026	**131,358**	**38,706**

The amount of undiscounted future lease payments is shown in Note 49 Risk management.

The Group has excluded certain future cash flows from the measurement of lease liabilities to which it may be exposed. 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 171,441 million (2025: HUF 147,652 million).

The undiscounted cash flows related to termination options that were not included in the measurement of lease liabilities amounted to HUF 5 million on 30 June 2026 (HUF 5 million on 31 December 2025). The future undiscounted lease payment liability for contracts to which the Group is committed but which have not yet commenced on 30 June 2026 amounted to HUF 1,371 million (HUF 1,378 million on 31 December 2025).

As of 30 June 2026, and 31 December 2025, there were no residual value guarantees to which the Group was potentially exposed, and these were not taken into account in the lease liabilities.

Data in millions of HUF, unless otherwise indicated

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

	2026 H1	2025 H1
Lease-related costs, expenses		
Depreciation expense of right-of-use assets	-18,070	-16,124
Interest expense on lease liabilities	-6,131	-6,219
Foreign exchange gain/(loss) on lease liabilities	2,357	-1,378
Expense relating to short-term leases	-418	-9
Expenses relating to leases of low-value assets	0	-16
Lease payments out of scope of IFRS 16 leases	-1,868	-3,217
Total amount recognised in profit and loss	**-24,130**	**-26,963**

Short-term leases and 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.

42 Other liabilities – non-current

42.1 Other financial liabilities – non-current

	30/06/2026	31/12/2025
Liabilities related to content fee	23,365	28,051
Deferred consideration	25,888	9,390
Liabilities related to software rental	0	12
Spectrum fee liabilities	9,598	0
Other non-current financial liabilities	1,679	916
Total	**60,530**	**38,369**

The Group recognises liabilities related to discounted future fixed payments to media content providers.

Deferred payment liabilities primarily comprise deferred consideration payable arising from the acquisition of subsidiaries. The balance increased during the first half of 2026, mainly due to acquisitions completed in the space and defence segment. Further information is provided in Note 23 Goodwill and Business Combinations.

The spectrum fee liabilities comprise the fees payable by the Group that are classified as non-current liabilities based on the applicable payment schedule. The current portion of the spectrum fee liability is presented in Note 46 Other short-term financial liabilities.

The amount presented under other non-current financial liabilities primarily comprises the non-current portion of a supplier liability in connection with asset acquisition.

42.2 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 49,586 million on 30 June 2026 (HUF 49,037 million on 31 December 2025).

Under contractual liabilities, an advance payment of HUF 48,248 million received in connection with a long-term development programme is presented. The advance supports the initial phases of the related activities and is subject to defined contractual conditions and milestones. In accordance with the agreed structure, 75% of the advance becomes available upon formalisation of the related guarantee arrangements, while the remaining 25% is retained as collateral until January 2027. The funds are held in a pledged account with Deutsche Bank in line with these contractual requirements.

43 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 2026 the balance amounted to HUF 100,413 million, compared to HUF 104,910 million on 31 December 2025.

Data in millions of HUF, unless otherwise indicated

44 Loans, borrowings, bonds - current

	30/06/2026	31/12/2025
4iG Plc		
Interest on bonds	12,248	1,199
Interest on MBH medium-term loan	46	43
Short-term part of Mubadala USD loan	263	0
4iG Távközlési Holding Zrt.		
Short-term part of MFB investment loan	3,126	3,126
Interest on MFB investment loan	181	184
Short-term part of MFB loan	388	388
Interest on Vodafone acquisition loans	10,962	888
ACE Network Zrt.		
Short-term part of medium-term USD loan	10	41
Short-term USD loan	343	359
Interest on short-term USD loan	0	2
4iG Űr és Védelmi Zrt.		
Interest on CSG Defence A.S. convertible loan	978	434
Interest on bonds	1,101	0
AEROPLEX Közép-Európai Légijármű Műszaki Központ Kft.		
Interest on CIB investment loan	3	0
Interest on MFB investment loan	78	0
MBH bank overdraft	953	0
Hirtenberger Defence Europe GmbH		
MBH short-term loan	8,990	0
Hirtenberger Defence Systems Védelmi Ipari Kft.		
Interest on MFB loan	16	0
MFB loan short-term loan	574	0
MOM-LEHEL Kft.		
Aluradiátor Projekt Kft. loan	0	2
ONE Albania sh.a.		
OTP club loan	1,508	1,324
Interest on OTP club loan	11	16
One Magyarország Zrt.		
Baross Gábor short-term loan	1,582	1,715
Interest on Baross Gábor short-term loan	0	3
Corvinus Zrt. short-term loan	0	2,304
Interest on Corvinus Zrt. short-term loan	0	59
Rába Járműipari Holding Nyrt.		
Bank overdraft	228	0
Rába Futómű Kft.		
Investment short-term loan	4,696	
Interest on Investment loan	26	0

Data in millions of HUF, unless otherwise indicated

	30/06/2026	31/12/2025
Rekard Kft.		
Bank overdraft	87	0
Short-term loan	306	0
Total	**48,704**	**12,087**

The detailed description of Loans, borrowings, bonds - current is presented under Note 40 Loans, borrowings, bonds – non-current.
The movement schedule of Loans, borrowings, bonds – current is presented under Note 50 Financial instruments.

45 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 policies (ESOP I., II., III.), which were first launched by the Group, have expired.
In 2026, the following remuneration policies are relevant to the Group's financial statements.

45.1 Share based payment liability

ESOP IV: 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.29.), the Group launched the fourth Remuneration Policy (hereinafter “ESOP IV.”). To implement ESOP IV., the Group as Founder granted to the ESOP Organisation options to acquire ordinary shares in 4iG Plc. The awards granted under the programme were ultimately settled in cash; therefore, the programme was classified as a cash-settled share-based payment. The ESOP IV program performance period lasted until 31 December 2025, and the option was exercised in May 2026.

ESOP V: 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 fifth Remuneration Policy (hereinafter “ESOP V.”). To implement the ESOP V., 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 2,300 million against the Share based payment liability during 2026 as a cover for ESOP V. costs using the Black-Scholes formula considering the option price, time to maturity (option term), probability of KPI fulfilment, and estimated fluctuation of the members.

Data in millions of HUF, unless otherwise indicated

As at 30 June 2026, the non-current liability related to share-based payments was HUF 0, compared to HUF 1,223 million as at 31 December 2025. The entire decrease was attributable to the reclassification of the liability related to ESOP V as current. Although this reclassification increased the current balance, the current liability related to share-based payments decreased overall by HUF 5,768 million compared to the balance as at 31 December 2025. This net decline was attributable to the completion of the ESOP II and ESOP IV programme and the derecognition of the related outstanding liabilities.

As there were no outstanding equity-settled share-based payment as at 30 June 2026, the ESOP remunerations had no impact on diluted earnings per share.

46 Other financial liabilities - current

	30/06/2026	31/12/2025
Payroll related obligations	7,449	3,078
Liabilities related to content fee	16,362	11,830
Customers warranty contract liability	1,182	1,241
Dividends payable	374	267
Liability to an associated company	1,368	10
Derivative liability	495	0
Deferred consideration payable	11,388	3,824
Miscellaneous other financial liabilities - current	3,298	6,264
Total	**41,916**	**26,514**

Payroll related obligations line item includes the portion of salaries accrued but not yet paid as of the reporting date, together with the related tax and social security obligations.

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 42 Other liabilities - non-current.

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.

The derivative liabilities include an embedded derivative in the amount of HUF 487 million relating to the convertible loan agreement concluded with Mubadala Capital. The Group separated the embedded derivative from the host financial liability because its economic characteristics and risks were not closely related to those of the host contract, a separate instrument with the same terms would meet the definition of a derivative, and the hybrid contract was not measured at fair value through profit or loss in its entirety.
The separated embedded derivative has not been designated as a hedging instrument in a qualifying hedge accounting relationship under IFRS 9. Accordingly, hedge accounting is not applied and all changes in the fair value of the derivative are recognised in profit or loss.

Data in millions of HUF, unless otherwise indicated

The deferred consideration payable line includes amounts payable in second half of 2026 and 2027 in respect of subsidiaries acquired during the current and prior periods. Further information on acquisitions made during the current year is provided in Note 23.2 Business combinations.

47 Other non-financial liabilities - current

	30/06/2026	31/12/2025
Tax liabilities and contributions	12,343	14,157
Contract liabilities	628	1,295
Advances received from customers	3,974	4,496
Advances received from the state budget	2,685	24
Grants received, deferred income	8,424	9,839
Accrued income	21,989	19,410
Accrued expenses	38,490	44,662
Total	**88,533**	**93,883**

Tax liabilities and contributions mainly include VAT liability of HUF 5,676 million, payroll tax of HUF 6,444 million, telecommunications tax of HUF 71 million and other tax liabilities of HUF 151 million as of 30 June 2026. The Group has no overdue tax liabilities.

Contract liabilities represent obligations arising from contracts with customers where consideration has been received or is due before the Group satisfies its performance obligations, including deferred income balances arising from billing arrangements that do not align with the timing of performance.

Advances received from customers form part of contract liabilities and specifically relate to amounts invoiced and collected in advance (typically based on advance invoices) prior to the transfer of goods or services.
Accordingly, advances received are presented as a subset of contract liabilities. Given the nature of the Group’s operations, they are disclosed separately in order to distinguish balances arising from advance invoicing and cash collection from other contract liabilities driven by timing differences in revenue recognition, thereby providing more transparent information to users of the financial statements.

Advances received from the state budget include unamortized grant advances received by the Group under the Factory Saving Programme. As the final settlement of the related investments and grants had not been completed as of the reporting date, these amounts were not recognised as deferred income.

The increase in deferred income is associated with the expansion of the Group's operations. Conversely, the decrease in accrued expenses is primarily attributable to the resolution of transitional difficulties following the Group's merger in the prior period, as well as the subsequent improvements in incoming invoice processing workflows and capacity.

48 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.
The Group’s activities are divided into four major segments:

- telecommunication activities
- information technology (hardware and software resale, as well as development, operation, support, consulting, implementation and other IT services),
- space and defence activities, and
- other activities.

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. For the first half of 2026, no customer's turnover exceeds 10% of revenue.

Comparative information for the prior year reflects this change in the segment structure. For further details on the basis and considerations applied in defining the reportable segments, see Note 2.29 Segment information.

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 of 2026:

	Telecommunication	**Information technology**	**Space and defence**	**Other activities**	**Eliminations**	**Total**
Net sales revenue	311,561	55,640	50,510	22,142	-30,488	**409,365**
Other operating income	6,622	329	2,690	4,611	-6,832	**7,420**
Total net sales revenue and other income	**318,183**	**55,969**	**53,200**	**26,753**	**-37,320**	**416,785**
Capitalised value of own performance	**5,412**	**0**	**585**	**0**	**0**	**5,997**
Raw materials and consumables used	-72,911	-27,973	-21,953	-5,266	4,425	**-123,678**
Other services	-66,744	-6,418	-13,823	-7,088	23,682	**-70,391**
Employee benefit expenses	-41,092	-12,886	-17,237	-15,886	286	**-86,815**
Other operating expenses	-17,593	-143	-852	-2,914	5,905	**-15,597**
Operating costs	**-198,340**	**-47,420**	**-53,865**	**-31,154**	**34,298**	**-296,481**
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**125,255**	**8,549**	**-80**	**-4,401**	**-3,022**	**126,301**
Depreciation and amortisation	-89,723	-5,905	-4,520	-2,354	-319	**-102,821**
Profit before financial operations (EBIT)	**35,532**	**2,644**	**-4,600**	**-6,755**	**-3,341**	**23,480**
Financial income	54,746	740	10,713	14,644	-30,770	**50,073**
Financial expense	-39,416	-1,078	-2,985	-23,415	22,988	**-43,906**
Share of profit of associate and joint ventures	0	0	1,348	245	0	**1,593**
Profit or loss before tax	**50,862**	**2,306**	**4,476**	**-15,281**	**-11,123**	**31,240**
Income taxes	-7,237	-1,130	-684	-376	78	**-9,349**
Profit or loss after tax	**43,625**	**1,176**	**3,792**	**-15,657**	**-11,045**	**21,891**

Data in millions of HUF, unless otherwise indicated

For the first half of 2025:

	Telecommunication	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 expense	-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**

49 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 aims 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 30 June 2026 and 31 December 2025.

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.

Data in millions of HUF, unless otherwise indicated

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.

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 2026 and 31 December 2025:

	30/06/2026	31/12/2025
Credit risk		
Trade receivables	129,368	116,808
Contract assets	3,743	4,166
Other current financial assets	48,650	46,541
Cash and cash equivalents	78,372	143,363
Total	**260,133**	**310,878**

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 28 Trade receivables.

The ageing of trade receivables on 30 June 2026 and on 31 December 2025 is as follows:

	30/06/2026	31/12/2025
Ageing of trade receivables		
Not yet due	108,292	103,408
1-30 days expired	11,634	9,141
between 30-90 days overdue	4,138	1,886
between 90-180 days overdue	1,649	939
between 180-360 days overdue	1,757	695
Over 360 days overdue	1,898	739
Total	**129,368**	**116,808**

The ageing 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 2.21.1.1 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, including contractual interest payments related to those liabilities:

	Less than 1 year	1 to 5 years	> 5 years	Total
Loans and borrowings	48,704	506,624	350,281	**905,609**
Lease liabilities	47,300	125,263	60,119	**232,682**
Other financial liabilities	39,163	52,659	7,745	**99,567**
Trade and other payables	100,413	0	0	**100,413**
on 30 June 2026	**235,580**	**684,546**	**418,145**	**1,338,271**

	Less than 1 year	1 to 5 years	> 5 years	Total
Loans and borrowings	34,515	117,657	747,919	**900,091**
Lease liabilities	44,345	121,459	68,930	**234,734**
Other financial liabilities	32,665	37,437	1,324	**71,426**
Trade and other payables	104,910	0	0	**104,910**
on 31 December 2025	**216,435**	**276,553**	**818,173**	**1,311,161**

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.

Data in millions of HUF, unless otherwise indicated

Risk from the wars in Ukraine and Middle East

The Group does not maintain business relationships with companies based in Ukraine or the Middle East; accordingly, it does not consider itself to be exposed to any direct business risks arising from the ongoing conflicts in these regions. Based on the Group's current assessment, the conflict in the Middle East is also not expected to have a material impact on its investment in Space-Communications Ltd.

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% change in the interest rate, as well as how the foreign exchange rate will change in the event of a 1% change in foreign exchange rate.

The currency exposure of the Group on 30 June 2026 is as follows:

Foreign currency exposure	**HUF**	**Currency**	**Total**
Trade receivables	95,740	33,628	**129,368**
Trade payables	49,671	50,742	**100,413**
Cash and cash equivalents	68,096	10,276	**78,372**
Loans and bonds	439,197	457,594	**896,791**

Data in millions of HUF, unless otherwise indicated

Capital repayments on bonds

Years	4iG NKP bond 2031/I HU0000360276	4iG NKP bond 2031/II HU0000361019	Total
2027	1,545	0	1,545
2028	1,545	0	1,545
2029	1,545	0	1,545
2030	1,545	0	1,545
2031	7,725	370,750	378,475

Interest payments on bonds

Years	4iG NKP bond 2031/I HU0000360276	4iG NKP bond 2031/II HU0000361019	Total
2027	403	25,026	25,429
2028	358	25,026	25,384
2029	314	25,026	25,340
2030	269	25,026	25,295
2031	224	25,026	25,250

Capital repayments and interest payments on EUR-denominated bonds

Years	4iGSDT EUR bond HU0000366349 capital	4iGSDT EUR bond HU0000366349 interest	Total EUR
2027	0	9,006,600	9,006,600
2028	0	9,006,600	9,006,600
2029	0	9,006,600	9,006,600
2030	17,660,000	8,105,940	25,765,940
2031	35,320,000	6,304,620	41,624,620
2032	35,320,000	4,503,300	39,823,300
2033	44,150,000	2,251,650	46,401,650
2034	35,320,000	450,330	35,770,330

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 40 Loans, borrowings, bonds – non-current. Accordingly, in accordance with IFRS 7 Financial Instruments: Disclosures, the Group 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

	30/06/2026
With current interest rate	
Loans with fix interest rate	863,425
Loans with flexible interest rate	33,366
Interest liability	**13,400**
Profit before tax	**31,240**
1%	
Interest liability	**13,534**
Change in interest liability	***134***
Change in interest liability (%)	***1.000%***
Profit before tax	**31,374**
Change in profit before tax	***134***
Change in profit before tax (%)	***0.429%***
5%	
Interest liability	**14,070**
Change in interest liability	***670***
Change in interest liability (%)	***5.000%***
Profit before tax	**31,910**
Change in profit before tax	***670***
Change in profit before tax (%)	***2.145%***
-1%	
Interest liability	**13,266**
Change in interest liability	***-134***
Change in interest liability (%)	***-1.000%***
Profit before tax	**31,106**
Change in profit before tax	***-134***
Change in profit before tax (%)	***-0.429%***
-5%	
Interest liability	**12,730**
Change in interest liability	***-670***
Change in interest liability (%)	***-5.000%***
Profit before tax	**30,570**
Change in profit before tax	***-670***
Change in profit before tax (%)	***-2.145%***

Data in millions of HUF, unless otherwise indicated

Exchange rate sensitivity testing

Note that the table below presents percentage and not percentage point changes.

	30/06/2026
With current exchange rates	
Non-monetary assets and assets denominated in forint	1,884,897
Foreign currency assets	43,904
Liabilities denominated in HUF	949,451
Foreign currency liabilities	508,336
Net assets	**471,043**
Profit before tax	**31,240**
1%	
Non-monetary assets and assets denominated in forint	1,884,897
Foreign currency assets	44,343
Liabilities denominated in HUF	949,451
Foreign currency liabilities	513,419
Net assets	**466,370**
Change in net assets	***-4,673***
Change in net assets (%)	***-0.99%***
Profit before tax	**26,567**
Change in profit before tax	***-4,673***
Change in profit before tax (%)	***-14.96%***
5%	
Non-monetary assets and assets denominated in forint	1,884,897
Foreign currency assets	46,099
Liabilities denominated in HUF	949,451
Foreign currency liabilities	533,753
Net assets	**447,792**
Change in net assets	***-23,251***
Change in net assets (%)	***-4.94%***
Profit before tax	**7,989**
Change in profit before tax	***-23,251***
Change in profit before tax (%)	***-74.43%***
10%	
Non-monetary assets and assets denominated in forint	1,884,897
Foreign currency assets	48,294
Liabilities denominated in HUF	949,451
Foreign currency liabilities	559,170
Net assets	**424,571**
Change in net assets	***-46,472***
Change in net assets (%)	***-9.87%***

Data in millions of HUF, unless otherwise indicated

	30/06/2026
Profit before tax	**-15,232**
Change in profit before tax	***-46,472***
Change in profit before tax (%)	***-148.76%***
-1%	
Non-monetary assets and assets denominated in forint	1,884,897
Foreign currency assets	43,465
Liabilities denominated in HUF	949,451
Foreign currency liabilities	503,253
Net assets	**475,658**
Change in net assets	***4,615***
Change in net assets (%)	***0.98%***
Profit before tax	**35,855**
Change in profit before tax	***4,615***
Change in profit before tax (%)	***14.77%***
-5%	
Non-monetary assets and assets denominated in forint	1,884,897
Foreign currency assets	41,709
Liabilities denominated in HUF	949,451
Foreign currency liabilities	482,919
Net assets	**494,236**
Change in net assets	***23,193***
Change in net assets (%)	***4.92%***
Profit before tax	**54,433**
Change in profit before tax	***23,193***
Change in profit before tax (%)	***74.24%***
-10%	
Non-monetary assets and assets denominated in forint	1,884,897
Foreign currency assets	39,514
Liabilities denominated in HUF	949,451
Foreign currency liabilities	457,502
Net assets	**517,457**
Change in net assets	***46,414***
Change in net assets (%)	***9.85%***
Profit before tax	**77,654**
Change in profit before tax	***46,414***
Change in profit before tax (%)	***148.57%***

Data in millions of HUF, unless otherwise indicated

50 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.

30/06/2026	Fair value through profit or loss (FVTPL)	Amortised cost	Total carrying amount
Financial assets			
Net investment in the lease – non-current	0	1,021	**1,021**
Other investments	33,332	0	**33,332**
Other financial fixed assets			
Securities	10,767	0	**10,767**
Non-current loans	0	217	**217**
Liabilities under guarantee, deposits	0	829	**829**
Other non-current assets	0	75,249	**75,249**
Total non-current financial assets	**44,099**	**77,316**	**121,415**
Cash and cash equivalents	0	78,372	**78,372**
Trade receivables	0	129,368	**129,368**
Net investment in the lease – current	0	728	**728**
Other financial assets - current			
Cash lent for short term	0	10,127	**10,127**
Guarantees provided	0	785	**785**
Shares and treasury bills	125	0	**125**
Other current receivables	0	37,613	**37,613**
Total short term financial assets	**125**	**256,993**	**257,118**
Total financial assets	**44,224**	**334,309**	**378,533**
Financial liabilities			
Loans, borrowings, bonds – non-current	0	848,087	**848,087**
Lease liabilities – non-current	0	131,358	**131,358**
Other financial liabilities - non-current	0	60,530	**60,530**
Total non-current financial liabilities	**0**	**1,039,975**	**1,039,975**
Trade payables	0	100,413	**100,413**
Loans, borrowings, bonds – current	0	48,704	**48,704**
Lease liabilities - current	0	38,706	**38,706**
Other financial liabilities - current	487	41,429	**41,916**
Total current financial liabilities	**487**	**229,252**	**229,739**
Total financial liabilities	**487**	**1,269,227**	**1,269,714**

Data in millions of HUF, unless otherwise indicated

31/12/2025	Fair value through profit or loss (FVTPL)	Amortised cost	Total carrying amount
Financial assets			
Net investment in the lease – non-current	0	1,262	**1,262**
	9,853	0	**9,853**
Other financial fixed assets	0	0	**0**
Securities	102	0	**102**
Non-current loans	0	192	**192**
Liabilities under guarantee, deposits	0	780	**780**
Other non-current assets	0	75,624	**75,624**
Total non-current financial assets	**9,955**	**77,858**	**87,813**
Cash and cash equivalents	0	143,363	**143,363**
Trade receivables	0	116,808	**116,808**
Net investment in the lease – current	0	599	**599**
Other financial assets - current	0	0	
Cash lent for short term	0	3,908	**3,908**
Guarantees provided	0	499	**499**
Shares and treasury bills	60	0	**60**
Other current receivables	**0**	**42,074**	**42,074**
Total short term financial assets	60	307,251	**307,311**
Total financial assets	**10,015**	**385,109**	**395,124**
Financial liabilities			
Loans, borrowings, bonds – non-current	0	777,027	**777,027**
Lease liabilities – non-current	0	133,418	**133,418**
Other financial liabilities - non-current	0	38,369	**38,369**
Total non-current financial liabilities	**0**	**948,814**	**948,814**
Trade payables	0	104,910	**104,910**
Loans, borrowings, bonds – current	0	12,087	**12,087**
Lease liabilities - current	0	32,018	**32,018**
Other financial liabilities - current	0	**26,514**	**26,514**
Total current financial liabilities	**0**	**175,529**	**175,529**
Total financial liabilities	**0**	**1,124,343**	**1,124,343**

The carrying amount of the Group’s financial instruments, except for bonds and two long-term loans, approximates their fair value. The fair value calculated of the bonds using the market interest rate of the bonds issued by 4iG Űr és Védelmi Zrt. amounted to HUF 56,991 million as at 30 June 2026 (31 December 2025 HUF 0), while the fair value of the bonds issued by 4iG Plc amounted to HUF 396,206 million on 30 June 2026 (HUF 385,520 million on 31 December 2025) while the fair value at issue date was HUF 23,512 million lower than the book value of the bonds.

Data in millions of HUF, unless otherwise indicated

The difference between the fair value at issue date and the book value is amortised by the Group using the effective interest rate method over the term of the bonds.

As of 30 June 2026, the fair value of Vodafone acquisition loans and MFB investment loan taken by 4iG Távközlési Holding Zrt. amounted to HUF 351,432 million (HUF 354,049 million on 31 December 2025), while the carrying amount was HUF 325,296 million (HUF 340,526 million on 31 December 2025) as presented in Note 40 Loans, borrowings, bonds – non-current and Note 44 Loans, borrowings, bonds –current. The fair value of these loans corresponds to Level 3 of the fair value hierarchy.

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

30/06/2026	**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	125	44,099	**44,224**
Total financial assets	**0**	**125**	**44,099**	**44,224**
Financial liabilities				
Derivative transactions	0	487	0	**487**
Total financial liabilities	**0**	**487**	**0**	**487**

31/12/2025	**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	102	60	9,853	**10,015**
Debt securities	0	0	0	**0**
Total financial assets	**102**	**60**	**9,853**	**10,015**

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.

Data in millions of HUF, unless otherwise indicated

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 comparable terms and conditions. When valuation models are used, data are based on market valuations performed at the end of the reporting period.
There were no transfers between the fair value levels of any financial instruments during the reporting period and the comparative period.

Changes in liabilities from financing activities

	01/01/2026	Cash flows	Foreign exchange movement	New leases	Other	30/06/2026
Bonds	403,133	64,363	-3,654	0	11,497	**475,339**
Current loans and borrowings	10,888	-4,136	-1,213	0	30,917	**36,456**
Non-current loans and borrowings	375,093	14,174	-30,556	0	26,285	**384,996**
Current lease liabilities	32,018	-20,884	-379	844	27,107	**38,706**
Non-current lease liabilities	133,418	-411	-5,418	6,709	-2,940	**131,358**
Total liabilities from financing activities	**954,550**	**53,106**	**-41,220**	**7,553**	**92,866**	**1,066,855**

	01/01/2025	Cash flows	Foreign exchange movement	New leases	Other	31/12/2025
Bonds	389,296	-22,692	0	0	36,529	**403,133**
Current loans and borrowings	8,823	-31,885	-331	0	34,281	**10,888**
Non-current loans and borrowings	380,578	24,152	-22,426	0	-7,211	**375,093**
Current lease liabilities	29,828	-40,891	-320	2,829	40,572	**32,018**
Non-current lease liabilities	130,015	-1,064	-3,840	33,044	-24,737	**133,418**
Total liabilities from financing activities	**938,540**	**-72,380**	**-26,917**	**35,873**	**79,434**	**954,550**

In the above table, the cash flows column includes repayments, proceeds from borrowings and bonds, and interest paid during the reporting period. The other column includes interest expense recognised in finance costs during the reporting period, determined using the effective interest rate method, as well as reclassifications between current and non-current liabilities. Further information on bonds and borrowings is provided in Note 40 Loans, borrowings, bonds – non-current.
Under lease liabilities, the cash flows column presents lease payments made during the reporting period.

The other column includes, among other items, reclassifications between current and non-current liabilities, interest expense recognised during the reporting period, and the effects of lease modifications and derecognition of lease contracts. Further information, including a breakdown of the changes presented between current and non-current liabilities, is provided in Note 41 Lease liabilities.

51 Related party transactions

The Group expanded significantly during the reporting period, with a number of new entities being brought into the consolidation. The integration of the financial and accounting processes of these new entities, the harmonisation of their accounting policies, and the development of their IFRS-based reporting processes are still ongoing. Consequently, the comprehensive identification and reconciliation of the Group's balances with related parties had not yet been completed as of the date of preparation of the financial statements.

52 Remuneration of key management personnel of the Group

The remuneration of the members of the Board of Directors, the Supervisory Board and the Audit Committee of the Group during the reporting period was as follows. The General Meeting of Shareholders decided in its Resolution No. 15.2022 (IV. 29.) that the members of the Board of Directors shall receive a remuneration of HUF 600,000 per month each, while the Chairman of the Board of Directors shall receive a remuneration of HUF 750,000 per month. Pursuant to General Meeting Resolution No. 10/2026 (28 May), effective from 1 June 2026, the remuneration of the members of the Board of Directors was set at a uniform gross amount of HUF 2,000,000 per month. The General Meeting decided in its Resolution No. 14.2022 (IV. 29.) that the members of the Supervisory Board shall receive an honorarium of HUF 450,000 per month each and the Chairman of the Supervisory Board shall receive an honorarium of HUF 600,000 per month. The members of the Audit Committee do not receive any special remuneration for their work on the Audit Committee.

53 Commitments and contingencies

53.1 Contingent assets

A contingent asset is a possible asset arising from past events whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future events not entirely within the entity's control. These are not recognised on the consolidated financial statement.
On 30 June 2026 the Group has no contingent receivables for which the inflow of economic benefits is probable and significant.

53.2 Contingent liabilities

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 39 Provisions.

On 30 June 2026 and on 31 December 2025, the Group did not have any expected future obligations whose settlement is not probable or whose amount cannot be reliably estimated. Accordingly, the Group has no contingent liabilities as defined by IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

53.3 Commitments and guarantees

The future undiscounted lease payment liability for contracts the Group is committed but not yet commenced on 30 June 2026 amounted to HUF 1,371 million (HUF 1,378 million on 31 December 2025).

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 44 Loans, borrowings, bonds – current and in Note 40 Loans, borrowings, bonds – non current.

In 2025 the Group entered into a binding commitment to execute a capital increase in Axiom Space Ltd. in two tranches, for a total amount of USD 100 million. The investment of USD 30 million under the first tranche was completed in 2025. In respect of the second tranche, the Group committed to complete an additional capital increase of USD 70 million, which was fulfilled by 31 March 2026.

54 Events after the balance sheet date

Acquisitions and merger by absorption

Significant changes in the Group's structure after the reporting date are presented below. In accordance with IAS 10 Events after the Reporting Period, these events are not considered adjusting events, as they have no material financial impact on the 2026 H1 financial statements.

On 3 July 2026, 4iG Informatikai Zrt. and Poli Computer PC Kft. have adopted resolutions on the merger into 4iG Informatikai Zrt. The employees of Poli Computer PC Kft. will continue to be employed by 4iG Informatikai Zrt. as of the date of the merger. The date of the merger has been designated by the supreme corporate bodies as 30 September 2026, and the first day of operation under the new structure will be 1 October 2026.

On 14 July 2026, the share purchase agreement entered into on 2 March 2026 between 4iG Űr és Védelmi Zrt. as the seller and CSG DEFENCE a.s. as the buyer relating to the sale and purchase of 980 shares, each with a nominal value of HUF 5.000 representing 49% of the registered capital of 4iG SDT EGY Zrt., as a result of which CSG DEFENCE a.s. would indirectly acquire a 36.75% influence in Rába Járműipari Holding Nyrt., the relevant competition authority applications have been submitted to the Austrian Federal Competition Authority and the German Federal Cartel Office on 13 July 2026, for the purpose of approving the concentration arising from the indirect acquisition of a 36.75% interest in Rába Járműipari Holding Nyrt by CSG DEFENCE a.s.

On 11 August 2026, the German Federal Cartel Office has granted its approval for the acquisition by CSG DEFENCE a.s. of a 49% shareholding in 4iG SDT EGY Zrt., as a result of which CSG DEFENCE a.s. would indirectly acquire a 36.75% interest in Rába Járműipari Holding Nyrt. At the same time, the German Federal Cartel Office also approved the direct acquisition by CSG DEFENCE a.s. of a 49% shareholding in Hirtenberger Defence Systems Kft.

On 12 August 2026, Austrian Federal Competition Authority has granted its approval for the acquisition by CSG DEFENCE a.s. of a 49% shareholding in 4iG SDT EGY Zrt., as a result of which CSG DEFENCE a.s. would indirectly acquire a 36.75% interest in Rába Járműipari Holding Nyrt. At the same time, the Austrian Federal Competition Authority also approved the direct acquisition by CSG DEFENCE a.s. of a 49% shareholding in Hirtenberger Defence Systems Kft.

On 17 August 2026, pursuant to Section 3.3.3 of the mandatory public takeover offer made by 4iG SDT EGY Zrt., as the designated offeror, to all shareholders of Rába Járműipari Holding Nyrt. for the registered ordinary shares with a nominal value of HUF 1,000 each issued by Rába Járműipari Holding Nyrt., which was approved by Resolution No. H-KE-III-218/2026 of the Magyar Nemzeti Bank and published on 19 March 2026, 4iG SDT EGY Zrt. took the necessary steps to make payment of the consideration for the ordinary shares to the shareholders who accepted the offer.

Significant agreements

In accordance with IAS 10 Events after the Reporting Period, the following events are not considered adjusting events, as they have no material financial impact on the amounts recognised in the 2026 H1 financial statements.

On 27 August 2026, 4iG Plc is preparing the necessary steps to create a new energy business line, as part of this process 4iG Plc will establish a new holding company. 4iG Plc has signed a non-binding Letter of Intent with X-Energy Reactor Company LLC, which provides modular nuclear reactor technology, nuclear fuel, and related services. The purpose of the LOI is the commercial deployment of X-energy's Xe-100 reactor technology in Central and Eastern Europe and the Western Balkans.
4iG Plc is also exploring wind power and related energy storage in North Macedonia. The project under consideration could involve more than 100 MW of wind capacity.
4iG Plc is reviewing business and investment opportunities in the renewable energy sector in Montenegro, as well as related grid, energy supply and digital infrastructure solutions. 4iG Plc will inform the participants of the capital market about the results of the reviews.
4iG Befektetési Kft. has submitted a binding offer to the other owners of the iG Tech Energy Magántőkealap to acquire their Series “A” investment units. This opens a multi-stage transaction that would give 4iG Befektetési Kft. ownership of the fund's project company, which holds 49 percent of a 158 MW wind farm portfolio at five sites in north-western Hungary. The portfolio accounts for close to half of Hungary's installed wind capacity.
4iG Befektetési Kft. has also submitted a non-binding offer for the potential acquisition of the shareholding representing 100% of the registered capital of a company is developing a medium-scale, turnkey wind farm in Poland. Due diligence on the project is now under way.

55 Going concern

In the light of the effects of the war in Ukraine and in the Middle East, 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.

56 Registered IFRS accountant responsible for preparing the financial statements

Szilvia Turai
2509 Esztergom-Kertváros, Hőtáv utca 26.
Registration number: 202391

Statement

The Issuer declares that the Condensed Consolidated Interim Financial Statements have 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 these Condensed Consolidated Interim Financial Statements for the six-month period ended 30 June 2026 and for the accuracy of the analyses and conclusions.

Budapest, 30 August 2026

Gellért Zoltán Jászai
Chairman and CEO