



4iG
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**CONSOLIDATED, NON-AUDITED, FLASH REPORT
ON THE QUARTERS OF I-IV IN 2019
COMPILED IN LINE WITH
THE INTERNATIONAL FINANCIAL REPORTING
STANDARDS**

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I. MANAGEMENT REVIEW

BUSINESS SUCCESS

Following the structural transformations, in 2019, a new period was started in the life of 4iG Plc. (hereinafter referred to as '4iG'; 'Company'; 'Corporate Group'; 'Corporation'). Besides the throughout-the-year transformations of the Ownership Structure of the Company and the establishment of new subsidiary companies, the Company has made an enormous progress in the improvement of its business efficiency and of the enhancement of its book of contracts assigned by both the public and business sectors.

In respect of the year 2019 the most prominent assignments of 4iG have been awarded in the areas of logistics, education, pharmaceutical industry and health care, and automotive industry and passenger air transport, banking sector and financial advice but 4iG could account significant profit and loss in the fields of license and assets purchase and infrastructure operation, and even in the areas of IT security. The management of 4iG is pursuing to enhance business efficiency of the Corporate Group by means of development and evolvement of diversified service portfolio.

Due to the nature of the sector and the structure of the economy the biggest client of IT and ICT market is the Hungarian State. Accordingly, with regard to the assignments of the Company, 62 percent of revenue sharing comes from the public sector while the remaining 38 percent is due to the corporate business segment.

FINANCIAL RESULTS

In the course of the history of 4iG., the closing of the year of 2019 is considered to be most successful one. Notwithstanding the seasonal feature of the IT market – the corporations typically realize their higher income in the second part of the business year – the Company could report outstanding business success and financial results in each quarter. Accordingly, in respect of the Corporate Group, the consolidated (non-audited) indicators are in line with the expected forecasts being published on 11 December 2019.

Regarding the turnover of the Company, it is almost three times more, exceeding 41 billion Hungarian Forints; while its EBITDA is 4.8 times more, reaching 4.065 billion Hungarian Forints; and the value of after-tax profit and loss is twenty-eight times more, more than 2.8 billion Hungarian Forints compared to the previous base year.

CAPITAL MARKET PERFORMANCE

The value of average stock market price of 4iG shares subject to the quarters from I to IV in 2019 was exceeded with 262% of the value of the average stock market price, of 757 Hungarian Forints, concerning the quarters from I to IV of 2018. On 31 December in 2019, the closing price was 662 Hungarian Forints meaning more than two times growth of the closing price regarding the end of December in 2018. With regards the market capitalization of 4iG it was 62.2 billion Hungarian Forints on 31 December in 2019. Budapest Stock Exchange (hereinafter referred to as BÉT) also acknowledged capital market performance of the Company as it was 4iG Plc. to receive the title of *'The most prominent issuer in premium*

category of the year while reaching the highest exchange rate-rise' at the ceremony held for the Award for the Best at BÉT in 2019.

THE LANDMARKS OF BUSINESS EFFICIENCY

Q1

With regards the first quarter of 2019, 4iG could dynamize its operation and could report its shareholders on more high-value tenders awarded. Hence, among others, 4iG became involved in the realization of the projects as to 'Planning and Command System for the Rolling Stock and Human Resources' and 'Data Warehouse and Reporting System' at **MÁV Zrt.** (in English: Hungarian State Railways Ltd.), but the Company and its consortiums were assigned to perform the tender of 'Transportation Tasks of Active Network Devices and Facilities and its Related Services' awarded by **Kormányzati Informatikai Fejlesztési Ügynökség** (in English: Governmental Agency for IT Development) (hereinafter referred to as **KIFÜ**). Moreover, on behalf of **ND Nemzeti Dohánykereskedelmi Nonprofit Zrt.** (in English: National Tobacco Trade Nonprofit Plc.), the Company in consortium was assigned to establish, to introduce to the market and operate the related systems of the tobacco product identification issuer IT system (hereinafter referred to as **DAKIR**).

Q2

In May, within the framework of 'Purchasing small and big servers upon the Healthy Budapest Program', the Company participated successfully in the tender called for by **Állami Egészségügyi Ellátó Központ** (in English: National Healthcare Services Centre), and as a result of the hereof, it was 4iG to perform the purchase and installation activities of servers in hospitals and clinics upon Egészséges Budapest Program (in English: Healthy Budapest Program). Following the hereinbefore, the Corporation also won the development advisory project at **Magyar Export-Import Bank Zrt.** (in English: Hungarian Export- Import Bank Private Limited Company), and the Company purchased the interactive whiteboards of **Klebsberg Központ**. Up to the start of the school year the Company assembled and installed the aforementioned boards in two thousand two hundred educational institutions throughout the country.

By the end of the second quarter a large amount contract on tourist mobile application digital instruments development was concluded between and by 4iG and **Kisfaludy2030 Turisztikai Fejlesztő Nonprofit Zrt.** (in English: Kisfaludy2030 Tourist Development Nonprofit Private Limited Company) and then the conclusion of a framework agreement with **MVMI Informatika Zrt.** on purchase and maintenance of office IT devices was followed.

Q3

In July, in line with the agreement concluded between and by 4iG and **Canon Europe**, our Company provided technical services in the areas of digital services for the said corporation. Simultaneously, 4iG took over more than thirty professionals from the Hungarian subsidiary of **Océ Holding** owned by Canon, a leading enterprise in the fields of printer and camera manufacturing. As a result of this step 4iG expanded its places of business with a new one in Szeged.

Following the hereinbefore event a significant subcontractor framework contract was concluded between and by **Sys IT Services Szolgáltató Kft.** (in English: Sys IT Services Service Provider Private Limited Liability Company) and 4iG. The term of the herein contract is to be

signed for a duration of 5+5 years on operating and development of the IT system at BKV Zrt. (in English: Public Transport in Budapest Private Limited Company). By the end of the summer, our Company was assigned to provide services requiring special expertise and knowledge in the **pharmaceutical industry** as to perform validation processes and tasks related to lab instrument controls, and, moreover, a contract between and by a multinational company in the area of **car manufacturing** and our Company was concluded in the view to change client side infrastructure.

It is also the significant business result of the third quarter of the year that the EU supported procurement called for the introduction of **HKIR system** (in English: Interurban Public Transportation Information System) was awarded for the consortium led by 4iG. As part of the aforementioned assignment, to establish a unified ticket sale system at **MÁV** and **Volán**, the Hungarian rail and bus service provider companies, and to provide the necessary IT devices and software were all included to be performed.

In the course of the quarter of the year, 4iG was awarded with bronze partner qualification by the world's biggest IT security company, Trend Micro, established in 1988. Instead of the traditional and conventional antivirus protection solutions, today, content filter, protecting data leakage, supporting virtualization security applications are all gaining more focus. The innovative attitude of the Corporate Group helps to widen the portfolio continuously, and to enhance the market share even in this regard.

Q4

The dynamic growth of 4iG was to continue even in the last three months of 2019. It is well known that the last quarter of the year is considered to be the strongest in the IT industry; thus, the prominent parts of the assignments were concentrated on the hereof period.

As a subcontractor of TIGRA Kft., a large amount contract was concluded by and between the Company and **Lechner Nonprofit Kft.** on the performance of 4iG subtasks to advance digital registration of agriculture and forestry land areas and the administrative system.

In November, our Company introduced **4iG renewed digital services** upon offering new, so-called boxed-offered devices and solutions, primarily for medium-sized national and international companies.

Close to the end of 2019, the Company performed a hardware purchase in a significant amount for **Audi Hungaria Zrt.**, and then, due to the successful participation on two tenders called for by **Nemzeti Adó- és Vámhivatal** (in English: National Tax and Customs Administration of Hungary (hereinafter referred to as **NAV**), 4iG was to provide manufacturer subsidy on products in relation with Dell-EMC made devices, and, moreover, the Company also could deliver Oracle devices for NAV.

In the course of December, regarding the tender called for by **Állami Egészségügyi Ellátó Központ** (in English: National Healthcare Services Centre) (hereinafter referred to as **ÁEE**) 4iG was announced to be the winner: the Company, within the framework of 'Healthy Budapest Program' of ÁEEK, delivers and installs software, speech-recording surgical history, for 25 project participants, and establishes WIFI systems for the aforementioned organizations.

Even in the same month, in the course of the public procurement procedure on the delivery of active network devices and on the fulfilment of the related services initiated by

Kormányzati Informatikai Fejlesztési Ügynökség (in English: Governmental Agency for IT Development) (hereinafter referred to as **KIFÜ**), it was our Corporation to be awarded with the hereof.

In respect of the fourth quarter of the year, the Company was also able to widen its assignments in the market: the Company performed a delivery of Cisco Business Critical Services service package for the Hungarian subsidiary company of an international commercial bank and then supported another actor in the money market with application developments related to the obligatory reporting system and also performed support tasks for the herein. Simultaneously, 4iG delivered Dell hardware devices for a prominent international insurance company. The purpose of the project is to provide IT services in relation with sales network of the insurance company and to enhance sales efficiency.

RESEARCH AND DEVELOPMENT, INNOVATION

4iG Plc. shall find important its participation in the areas of research and development thus the professional implementation of its K+F+I projects – namely *‘National Innovation Oncogenomics and Precision Oncotherapy Programme’*, *‘Development of a Complex Sensor System for Detecting UAV Equipment’* and *‘Application of Networked Technologies in the Design, Manufacturing, Assembling, Installation and Maintenance of Steel Structures and in Related Services’* – launched earlier, were continued in 2019. The earlier project of the Company, *‘MEHASCAN5D – Development of Universal Quality Control Solutions for Automotive and Machine-Engineering Technologies’*, was finished on 1st October.

Simultaneously, during summer, the tender, submitted under the title of *‘Medical Diagnostics Equipment Supporting the Evaluation of Genetic Results’*, within the framework of *‘Support for Market-driven Research, Development and Innovation Projects (2019-1.1.1-PIACI KFI)’* called for by Nemzeti Kutatási és Fejlesztési, Innovációs Hivatal (in English: National Research, Development and Innovation Office) was awarded for the Company.

Besides the existing and available solutions and services 4iG is dedicated to work out, validate, store secure and utilize such professional ecosystems and platforms which contribute to the performance of national and industry datasets collection.

NUMBER OF EMPLOYEES AND EMPLOYMENT

In order to realize optimum professional structure, and appropriate level of skills and qualifications, and better operational efficiency the number of employees at Corporate Group is continuously growing. In the interest of the performance of rational management the Company is seeking solutions to have ‘core tasks’, and tasks involving more significant added value performed by own employees and only those parts of activities are outsourced for subcontractors which are featuring ad hoc services, or which are less fundamental from the point of long-term operation of the Corporation.

As a result of the hereinbefore, ***the number of employees was increased by about 60 percent within one said year of the Company.*** Whereas only 376 employees worked at the Corporate Group on 31 December 2019 there were nearly 600 employees at 4iG. Out of the employees, 90 percent are highly qualified engineers and IT specialists.

The key to the growth in ICT-market is rooted in the available expert team. Hence, in the interest of the enhancement of business results, the management of 4iG wishes to expand its available capacity further by means of internal resource development and expansion, or acquisitions of companies available in the platform, or establishment of new strategical partner co-operations.

POSSIBILITIES, VISION

Regarding the available services 4iG tries to focus on IT solutions tailored to the claims of the clients. In the rapid changing technological environment, the corporate group is seeking the possibilities to improve continuously its existing and available services, to upgrade the competencies of its employees, and, moreover, to have new technologies adapted into its portfolio at an appropriate pace. Regarding the goals of the Company, upon national and international cooperation, such new technologies are to be introduced for the participation of 4iG of which initiations are already available in the foreign or domestic professional workshops. Having stable background of manufacturers and customers, the Corporate Group cooperates upon long-term agreements but is still open to establish new partnerships. Regarding the significant growth potential realized by 4iG in the areas of industry specific solutions, the set goals of the Company are to own the widest possible range of own developments and products in the fields set forth. Taking the complex service level, the aforementioned elements are already available and included in the existing present portfolio.

As being an integrator corporation, in relation with the performance of the Corporate Group, the management is expecting further growth. The company is continuously considering the national and international possibilities for growths and expansion. With regards seeking new potential acquisition targets, and analyses of new business possibilities a separate strategical staff was set up to deal with the hereof matters within 4iG.

Following the record year of 2019, and on the basis of the proposal of the Board of Directors, the General Meeting of the Company, being held in April, may make a decision on dividend disbursement. Upon the value of the payable dividend it should be kept in mind that enough available resources to realize the growth plan of the Corporate Group are to be remained from the distributable profit and loss but at the same time the shareholders are to be also accounted from the profit at an appropriate rate.

Consolidated main indicators compiled on the basis of the international financial reporting standards of 4iG Plc. is included in the chart hereinbelow (not-audited data; in thousand Hungarian Forints, and the data in brackets indicate negative value):

Description	2019.	2018.	Change +/- in percentage
Net sales revenues	41,129,298	14,007,455	193.6%
Earnings before interest, taxes, depreciation and amortization (EBITDA)	4,065,075	841,573	383.0%
Earnings before interest and taxes (EBIT)	3,327,818	240,421	1,284.2%
Profit after tax (PAT)	2,826,709	101,922	2,673.4%
Total comprehensive income	2,826,709	101,922	2,673.4%
Stock market indices			
Stock exchange closing price of the share* (in HUF)	662	316	109.5%
Average stock market price of the shares (in HUF)	757	209	262.4%
P/E ratio	21	284	(92.4%)
Market capitalization of 4iG Plc. (in billion HUF)	62.2	29.7	109.5%
The value per share			
EBITDA**	43	9	383.0%
Net result / Earnings per share (EPS)**	31	1	2,669.0%
Diluted EPS indicator**	30	1	2,605.9%
Own equity**	58	29	102.0%

*at the end of the period

** in Hungarian Forint

II. FINANCIAL REPORT

4iG Plc. IFRS-based consolidated statement of comprehensive income (profit and loss)

Description	2019	2018	Change +/- in percentage	Q4 2019	Q4 2018	Change +/- in percentage
Revenues	41,485,014	14,487,630	186.3%	16,299,126	4,849,547	236.1%
-out of which: net sales revenues	41,129,298	14,007,405	193.6%	16,156,580	4,705,145	243.4%
ELÁBÉ (cost of goods sold) + Intermediation	30,125,908	8,937,915	237.1%	11,900,351	2,595,676	358.5%
Operational costs	1,850,355	1,425,353	29.8%	756,033	442,546	70.8%
Staff costs	5,378,661	3,070,784	75.2%	2,018,621	836,439	141.3%
Other expenditures	65,015	212,005	-69.3%	42,959	178,156	-75.9%
Earnings before interest, taxes, depreciation and amortization (EBITDA)	4,065,075	841,573	383.0%	1,581,162	796,730	98.5%
Depreciation	737,257	601,152	22.6%	241,155	295,652	-18.4%
Earnings before interest and tax (EBIT)	3,327,818	240,421	1284.2%	1,340,007	501,078	167.4%
Financial income	173,814	112,629	54.3%	40,169	38,218	5.1%
Financial expenditures	182,055	134,014	35.8%	57,406	52,261	9.8%
Profit before tax (PBT)	3,319,577	219,036	1415.5%	1,322,770	487,035	171.6%
Profit-type taxes	492,868	117,114	320.8%	188,026	92,916	102.4%
Net profit and loss	2,826,709	101,922	2673.4%	1,134,744	394,119	187.9%
Other comprehensive income	0	0	n.d. (no data)	0	0	n.d.
Total comprehensive income	2,826,709	101,922	2673.4%	1,134,744	394,119	187.9%
<i>From which: profit and loss accounted for discontinuing operation</i>	<i>0</i>	<i>0</i>	<i>n.d.</i>	<i>0</i>	<i>0</i>	<i>n.d.</i>
Profit and loss per share	31.12.2019	31.12.2018				
Earnings per share (EPS)	31	1				
Diluted values of earnings per share	30	1				
Out of the net profit and loss:	31.12.2019	31.12.3128				
Share applicable to the owners of the parent company	2,892,492	101,922				
Share applicable to the non-controlled equity participation	(65,783)	-				
Out of total comprehensive income:	31.12.2019	31.12.2018				
Share applicable to the owners of the parent company	2,892,492	101,922				
Share applicable to the non-controlled equity participation	(65,783)	-				

Consolidated balance sheet

data in thousands of Hungarian Forints unless otherwise

	<u>31.12.2019</u>	<u>31.12.2018</u>
ASSETS		
Over the year assets		
Tangible assets	322,353	140,157
Intangible assets	1,101,631	568,824
Deferred tax assets	0	75,929
Goodwill	411,243	651,703
Other investments	88,488	133,946
Over the year assets in total	<u>1,923,715</u>	<u>1,570,559</u>
Current assets		
Liquid assets and cash equivalents	6,246,873	175,570
Trade receivables	12,891,747	4,305,683
Other receivables and accrued and deferred assets	1,723,947	1,626,385
Actual income tax receivables	0	32,094
Securities	442,600	442,600
Inventories	523,318	242,112
Current assets in total	<u>21,828,485</u>	<u>6,824,444</u>
Assets in total	<u><u>23,752,200</u></u>	<u><u>8,395,003</u></u>
RESOURCES		
Own equity		
Issued capital:	1,880,000	1,880,000
Repurchased own share	(92,251)	(101,740)
Capital Reserve	816,750	816,750
Accumulated profit reserve	2,951,762	124,546
Own equity per parent company in total	<u>5,556,261</u>	<u>2,719,556</u>
Non-controlling interest	(63,783)	-
Own equity in total:	<u>5,492,478</u>	<u>2,719,556</u>
Long-term liabilities		
Provisions	56,717	18,197
Deferred tax liabilities	2,121	0
Financial leasing liabilities	242,778	0
Long-term liabilities in total	<u>301,616</u>	<u>18,197</u>
Short-term liabilities		
Trade creditors and other accounts payable	11,609,090	2,219,684
Short-term credits and loans	1,500,000	1,758,056
Other short-term liabilities and accrued liabilities	4,410,401	1,674,520
Affiliated liabilities	0	0
Financial leasing liabilities	438,615	4,990
Short-term liabilities in total	<u>17,958,106</u>	<u>5,657,250</u>
Liabilities and own equity in total	<u><u>23,752,200</u></u>	<u><u>8,395,003</u></u>

Consolidated statement on own equity change

data in thousands of Hungarian Forints unless otherwise indicated

	Issued capital:	Own shares	Capital reserve	Accumulated profit reserve	Own equity per parent company in total	Non-controlling interest	Own equity in total
Balance on 1 January 2018	1,880,000	(101,741)	1,074,500	(235,124)	2,617,635	-	2,617,635
Own share							
Transfer to accumulated profit reserve			(257,750)	257,750	0	-	0
Total comprehensive income				101,922	101,922		101,922
Rounding				(1)	(1)		(1)
Balance on 1 January 2019	1,880,000	(101,741)	816,750	124,546	2,719,556	-	2,719,556
Delisting of the subsidiary company goodwill				(240,460)	(240,460)	-	(240,460)
Sale of own share		9,490		175,184	184,674		184,674
Profits in the subject year				2,892,492	2,892,492	(65,783)	2,826,709
NCI (non-controlling interest)						2,000	2,000
Rounding				(1)	(1)		(1)
Balance on 30 December 2019	1,880,000	(92,251)	816,750	2,951,762	5,556,261	(63,783)	5,492,478

Consolidated Cash Flow Statement

data in thousands of Hungarian Forints unless otherwise indicated

	31.12.2019	31.12.2018
Cash flow from operating activities		
Profit after tax	2,826,709	101,922
Corrections:		
Depreciation and impairment in the current year	737,257	601,152
Impairment booked for customers	(1,496)	(16,000)
Provisions	38,520	10,073
Deferred tax	78,051	48
Interests	18,769	11,223
<i>Changes in working capital</i>		
Change in trade and other receivables	(8,584,569)	182,270
Change in inventories	(281,206)	31,498
Change accounts payable for suppliers	9,389,405	(379,639)
Change in financial lease	433,625	(9,433)
Change in other liabilities	2,670,413	(1,203,897)
Net cash flow from operating activities	7,325,478	(670,783)
Cash flow from investment activities		
Sale (and purchase) of tangible assets	(337,094)	(71,654)
Purchase of intangible assets	(1,115,166)	(48,119)
Purchase of securities	-	-
Acquisition of interests	2,798	220
Over the year assets	44,660	(3,000)
Net cash flow from investment activities	(1,404,802)	(122,553)
Cash flow from financing activities		
Long-term loans		
Bank credits / (repayment)	(258,056)	661,858
Raise of financial leasing (repayment)	242,778	(5,123)
Own shares issued/repurchased	9,490	0
Interest of credits and loans	(18,769)	(11,223)
Profit of own share sale	175,184	-
Net cash flow from financing activities	150,627	645,512
Net change of cash and cash-like items	6,071,303	(147,824)
Balance of cash and cash-like items at the beginning of the year	175,570	323,394
Periodical balance of cash and cash-like items	6,246,873	175,570

General Information on the Issuer

Name of the company:	4iG Public Limited Company (Former FreeSoft Plc. and Fríz 68 Service Provider and Trading Limited Company by shares)).
Legal status of the company:	Public Limited Company
Seat of business:	1037 Budapest, Montevideo u. 8.
Branches:	8000 Székesfehérvár, Seregélyesi út 96. 6722 Szeged, Tisza Lajos körút 41. 6782 Mórahalom, Röszei út 43.
Company registration number:	Cg. 01-10-044993
Tax number:	12011069-2-41
Statistical number:	12011069-6201-114-01
Share capital:	HUF 1,880,000,000,-
Date of foundation:	8 January 1995
Date of transformation:	2 April 2004
The date of being listed on the stock exchange:	22 September 2004

1. Information on Shares

Type of shares:	registered equity share, dematerialized
Nominal value of the shares:	HUF 20,-/quantity
Quantity of the shares:	94,000,000 quantity
ISIN-code of the shares:	HU 0000167788
Series of the share class:	'A'
Serial number of the shares:	0000001-94000000
Repurchased own shares:	2,250,000 quantity

Other information related to the shares:

- Each share shall have the same rights and each share shall mean 1 vote.
- The shares are registered in Premium category in the Budapest Stock Exchange and the shares herein shall represent the issued share capital in full, and there shall not be other existing issued equity holding at 4iG Plc.

2. Ownership Structure

The former ownership structure was as it follows:	<u>31 December 2019</u>	<u>31 December 2018</u>
KZF Asset Management Private Limited Liability Company	35.02%	n.d.
Manhattan Invest Kft.	3.29%	n.d.
MANHATTAN Private Equity Fund	1.90%	n.d.
KONZUM PE Private Equity Fund	11.63%	26.74%
OPUS GLOBAL Plc.	9.95%	13.80%
REPRO I. Invest Kft.	n.d.	22.57%
4iG own shares	2.39%	2.59%
Free float	35.82%	34.30%
Total	<u>100.00%</u>	<u>100.00%</u>

4iG Plc. owned 2,250,000 quantity of own shares on 31 December 2019.

3. Officers

With regards the period between 01 January 2019 and 31 December 2019 the executive officers of 4iG Plc. shall be the persons listed as follows.

3.1 Company Management

Board of Directors:	Jászai Gellért Zoltán, Chairperson of the Board of Directors, Chief Executive Officer Tóth Béla Zsolt, member of the Board of Directors Linczényi Aladin Ádám, member of the Board of Directors Zibriczki Béla, member of the Board of Directors Simon Zoltán, member of the Board of Directors (from 6 September 2019)
Supervisory Board:	Tomcsányi Gábor, chairperson of the Supervisory Board (from 06 September 2019) Kunosi András (from 6 September 2019) Simon Zoltán, the chairperson of the Supervisory Board (until 05 September 2019) Ódorné Angyal Zsuzsanna, member Tima János, member
Audit Committee:	Tomcsányi Gábor, chairperson of the Audit Committee (from 6 September 2019) Kunosi András, member (from 6 September 2019) Simon Zoltán, the chairperson of the Audit Committee (until 5 September 2019) Ódorné Angyal Zsuzsanna, member Tima János, member

3.2 Remuneration of the officers

With regards the remuneration of the members of the board of directors, supervisory board and audit committee of the company in the said period is as it follows.

In line with the general meeting resolution under the number of 37./2014(10.27), issued by the General Meeting, the members of the board of directors are entitled to receive the remuneration of the amount of 175,000,-HUF per month per person, while the chairperson of the Board of Directors is eligible for 200,000,-HUF per month.

In line with the general meeting resolution under the number of 42./2014(10.27), issued by the General Meeting, the members of the supervisory board are entitled to receive the remuneration of the amount of 155,000,-HUF per month per person, while the chairperson of the supervisory board is eligible for 175,000,-HUF per month.

The members of the audit committee are not entitled to receive any remuneration for their work performed in the audit committee.

3.3 4i G Shareholding of the Executive Officers

Senior Officers		Number of shares on 31 December 2019			Capital ownership rate (%)
Name	Position	Direct capital ownership	Indirect capital ownership	Direct and indirect	Direct and indirect
Jászai Gellért Zoltán	president and Chief Executive Officer	0	37,798,850	37,798,850	40.21%
Tóth Béla Zsolt	Member of the Board of Directors	1,052,200	0	1,052,200	1.12%

3.4 Appointment and Removal of the Officers

With regards the executive officers of the company the General Meeting is entitled to appoint and remove the herein.

3.5 Competence of the Officers

Regarding the executive officers of the company are not authorized to issue or purchase shares. If so requested, the General Meeting is entitled to authorize the board of directors to issue or repurchase own shares.

4. Entitled Persons to Sign the Report

Regarding signing this report, the chairperson of the board of directors is entitled to sign individually, or any two members of the directorate shall jointly practice signing.

5. Amendment of the Articles of Association

It is the exclusive right of the General Meeting to amend the articles of association of the company.

6. Subsidiary companies

Name of the subsidiary company	Seat of business	Capital ownership	
		2019	2018
Humansoft Szerviz Kft.	1037 Budapest, Montevideo u. 8.	100%	n.d.
DOTO Systems Zrt.	1037 Budapest, Montevideo u. 8.	60%	n.d.
Veritas Consulting Kft.	1037 Budapest, Montevideo u. 8.	100%	n.d.

III. DECLARATION

4iG Nyrt. shall state hereby that this flash report represents the company's development and performance in a reliable way, and the data and statements are in accordance with reality, and do not hide any fact considered to be significant from the point of the evaluation of the situation in relation with the issuer.

In line with Subsection 1 of Section 57 of the Act on the Capital Market 4iG Nyrt. shall be liable for any and all damage caused by its failure to meet the obligation of disclosure of regulated information.

We, the undersigned, shall undertake that the data of the statement included in this flash report on the quarters of I-IV of 2019 and the contents of the analyses and the conclusions are in compliance with reality.

Dated as of 28 February 2020

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