



Extraordinary Announcement of 4iG Plc.

on the resolution of Board of Directors regarding share capital increase

4iG Public Limited Company (“4iG”) hereby informs the participants of the capital market that on the 23rd of February 2022 with Resolution of the Board of Directors No. 2/2022 (II.23.), the Board of Directors has decided, regarding the Resolution No. 21/2021 (IX.30.) of the General Meeting passed on the 30th of September, 2021 by the General Meeting, to increase the share capital of 4iG in private by issuing new shares, by providing of a cash contribution of HUF 33,650,000,270, i.e. thirty-three billion six hundred and fifty million two hundred and seventy Hungarian Forints to 4iG by Rheinmetall Aktiengesellschaft (registered seat: Rheinmetall Platz 1., Düsseldorf, Germany DE-40476; registration number: HRB 39401). The capital increase by Rheinmetall Aktiengesellschaft is part of a multi-stage transaction announced¹ on 25 January 2022, in which institutional investors will raise a total of EUR 125 billion in 4iG Plc.

The share capital increase will be carried out by the issue 50,223,881, i.e. fifty million two hundred and twenty-three thousand eight hundred and eighty-one 4iG shares with a par nominal value of HUF 20,- i.e., twenty Hungarian Forints per share and an issue value of HUF 670,- i.e., six hundred and seventy Hungarian Forints per share (“New Shares”), the share capital (subscribed capital) of 4iG will be increased by HUF 1,004,477,620,- i.e. one billion four million four hundred and seventy-seven thousand six hundred and twenty Hungarian Forints in such a way that the part exceeding the amount of the share capital increase, which is HUF 32,645,522,650, i.e. thirty-two billion six hundred and forty-five million five hundred and twenty-two thousand six hundred and fifty Hungarian Forints, will be placed in the capital reserve of 4iG.

Rheinmetall Aktiengesellschaft has undertaken – related to the planned increase of share capital - not to sell the 4iG shares acquired during the share capital increase for a period of 24 (twenty-four) months as specified in the contribution agreement concluded on 25th of January 2022¹. (“Lock-Up Period”).

In view of the above, the Board of the Directors of 4iG stated in Resolution of the Board of Directors No. 1/2022 (II.23.) - given that the share capital will be increased by cash contribution - that the business justification of restriction or exclusion of the execution of subscription preferential rights of other shareholders of the 4iG to subscribe for New Shares that (i) Rheinmetall Aktiengesellschaft as a strategic investor in the field of Technologys for the digitalization of the battlefield and technologies for secure communication networks. Through Rheinmetall Aktiengesellschaft will only invest the cash contribution in the 4iG under the conditions set out in the Resolution of the Board of Directors No. 1/2022 (II.23.), as a result of which the share capital of 4iG will be increased, furthermore (ii) in order for the 4iG to continue its dynamic development in the future, it is essential to realize the cash contribution, as well as similar strategic investments that provide a stable growth background for the 4iG, subject to the 2 (two) years lock-up period, all of which also serve to protect the minority shareholders of 4iG.

¹ https://bet.hu/newkibdata/128665461/4iG_20220125_RT_RM_ENG.pdf

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The issue value per share of the New Shares is HUF 670, i.e. six hundred and seventy Hungarian Forints, thus the share price is HUF 670/share, which price is equal with the share discount of 9,83% on the average 4iG share price closing price (HUF 743,-) prior to the date on which the resolution proposal is put to written vote. The adequacy of the discount and the amount not exceeding the rate used in business practice were also confirmed by the experts involved by the 4iG (DLA Piper Business Advisory Kft.) considering international investor practice, according to which, if a capital increase of this volume takes place in a listed company, during which a lock-up period is applied, the equivalent discount rate for a 2-year lock-up period is estimated at 23.6%.

The Board of Directors of 4iG with Resolution of the Board of Directors No. 1/2022 (II.23.) decided to exclude subscription preferential rights of other shareholders of the 4iG to subscribe for New Shares in connection with the increase of the share capital, referring to Article 8.5 of the Articles of Association of the 4iG and also to the resolution proposal of business justification for the restriction or exclusion of the subscription preferential rights and the planned issue value of the shares.

Rheinmetall Aktiengesellschaft is entitled to subscribe for and take over the new 4iG shares. The offering of the new 4iG Shares is considered private under the Section 14 of the Act CXX of 2001 on the Capital Market and Regulation (EU) 2017/1129 of the European Parliament and of the Council on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC (“EU Directive”). In order to the new 4iG Shares to be issued during the share capital increase, and to be admitted to trading on a regulated market operated by the Budapest Stock Exchange, the 4iG is required to publish a prospectus specified by the Section 21 of the Act on the Capital Market pursuant to the Subsection (3) of Article 3 of EU Directive.

Budapest, February 23rd, 2022

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