

**PROPOSAL AND DRAFT RESOLUTION**  
**ORDINARY GENERAL MEETING SUMMONED FOR 15 APRIL 2016 FOR THE CLOSING OF THE COMPANY'S BUSINESS YEAR**  
**OF 2015**  
**AMENDMENT OF THE AGENDA FOR THE PURPOSE OF SECTION (2) OF ARTICLE 3:259 OF THE CIVIL CODE**

Following the announcement of the agenda items defined in the letter of invitation to the Company's ordinary general meeting that has been summoned for 15 April 2016 as it was publicly disclosed by PannErgy Public Limited by Shares (hereinafter referred to as the "**Company**") on 10 March 2016, the Company's two shareholders whose individual shareholdings in the Company exceeded 1% (hereinafter referred to as "**Petitioners**") requested the Company's Board of Directors to amend the disclosed agenda of the general meeting on the basis of Article 3:259 of Act V of 2013 on the Civil Code (Ptk.) in the form of their separate petitions received on 16 March 2016 within the statutory period – in line with the rules pertaining to the required details of the agenda, and thus add the following agenda items to the agenda with the proper adjustment of the numbering of the agenda items in the letter of invitation having been published earlier:

On the part of the first petitioner:

***"7. Election of new member(s) to the Board of Directors"***

The petitioner has not worded any specific draft resolution in the petition, and wishes to put forward the actual proposal later in writing or verbally at the general meeting.

On the part of the second petitioner:

***"Decision on the initiation of a scheduled treasury share purchasing program"***

The second petitioner has set out a specific draft resolution in the petition in relation to the agenda item, with respect to the following reasons:

The petitioner opines that in comparison with their actual values PannErgy shares are traded at the Budapest Stock Exchange with considerable discount, and the most efficient way of increasing the assets value for the shareholders is to allocate some of the generated profit to the shareholders by means of purchasing treasury shares from the shareholders. Such scheduled share repurchasing would enhance calculability, stability and credibility. Furthermore, based on the authorization granted in another agenda item, the Company may as well purchase treasury shares over the said volume also to maintain flexibility in this respect.

Draft resolution proposed by the second petitioner:

"In June 2016, PannErgy Plc shall start a treasury share purchasing program. The first month of the program is June 2016, whereas its last month is April 2017. In the framework of the program, PannErgy Plc shall purchase PannErgy shares via the Budapest Stock Exchange in an amount of at least HUF 50 million in each month with the additional condition that in the course of the scheduled share repurchasing program the individual purchase price of the shares may not exceed HUF 500."



**Letter of invitation**  
**to the ordinary General Meeting of**  
**PannErgy Public Company Limited by Shares**  
**closing the Company's business year of 2015 as published on 10 March 2016,**  
**and the amended on 24 March 2016**

The Board of Directors of **PannErgy Public Company Limited by Shares** (registered seat: H-1117 Budapest, Budafoki út 56; company registration number: 01-10-041618; "PannErgy Plc" or the "Company") hereby informs the honourable shareholders that Company

is holding its ordinary annual General Meeting closing the business year of 2015  
(“General Meeting”)

**at 9.00 a.m. on 15 April 2016 (Friday)**

at Pannergy Plc's registered seat (H-1117 Budapest, Budafoki út 56.).

The General Meeting will be held in the presence of the shareholders, or their representatives/agents in person.

Should the General Meeting fail to constitute a quorum within 30 (thirty) minutes following the above time, the General Meeting repeated for the lack of quorum shall be held at the same venue and with unchanged agenda at 9.00 a.m. on 28 April 2016 (Thursday). The rights of participation at the General Meeting repeated for the lack of quorum shall be identical to the rights of participation at the original General Meeting. The General Meeting repeated for the lack of quorum shall be deemed to constitute a quorum concerning the issues included in the original agenda as irrespective of the number of people being present.

The agenda of the General Meeting shall be as follows<sup>1</sup>:

- 1. Report by the Board of Directors on the Company's activities in the business year of 2015 – approval of the report on the management, the Company's asset status and business policy**
- 2. Discussion of the proposals of the Board of Directors in relation to the Company's report prepared in conformance to the Hungarian Accounting Act, the consolidated annual report prepared under IFRS, as well as the application of the profit after taxes (dividend payment)**
- 3. Approval of the report of the Audit Committee and the auditor in relation to the Company's report prepared in conformance to the Hungarian Accounting Act, the consolidated annual report prepared under IFRS, as well as the application of the profit after taxes (dividend payment)**

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<sup>1</sup> Amended with the new agenda item 7 and 11 upon the request of the Company's two shareholders whose individual shareholdings in the Company exceed 1% as required in Section (2) of Article 3:259 of Act V of 2013 on the Civil Code, and in this context duly modified with respect to the agenda item involving the modification of the Company's Articles of Corporation on 24 March 2016.

- 4. Decision on the acceptance of the report prepared in conformance to the Hungarian Accounting Act, the consolidated annual report prepared under IFRS, as well as the application of the profit after taxes (dividend payment)**
- 5. Decision on the acceptance of the report of the Board of Directors concerning the Corporate Governance to be submitted to the Budapest Stock Exchange**
- 6. Decision on the appraisal of the performance by the members of the Boards of Directors in the business year of 2015, as well as the discharge to be granted to them**
- 7. Election of new member(s) to the Board of Directors**
- 8. Decision on the emoluments for the members of the Board of Directors**
- 9. Decision on a new management share option plan**
- 10. Authorization of the Board of Directors for the acquisition of treasury shares (pursuant to Article 3:223 of the Civil Code)**
- 11. Decision on the initiation of a scheduled treasury share purchasing program**
- 12. Election of the Company's auditor, the establishment of its remuneration, the determination of the substantial elements of the contract to be concluded with the auditor on the basis of the Audit Committee's associated proposal**
- 13. Amendment of the Company's Articles of Corporation with agenda item no. 7 and 12**

At the General Meeting, only those shareholders shall have the right to vote whose names are registered in the Shareholders' Ledger of the Company in the course of the shareholder identification that is to be initiated in connection with the closing of the said Shareholders' Ledger, and thus are included in the Shareholders' Ledger at 6.00 p.m. (time for the closing of the Shareholders' Ledger) on the second business day prior to the starting day of the General Meeting.

The closing date for the identification of the shareholders shall be the 5<sup>th</sup> (fifth) business day at the stock exchange prior to the General Meeting or any other closing date specified in the relevant regulations of KELER Ltd in effect from time to time, i.e. 8 April 2016, and thus the Company is closing the Shareholders' Ledger at 6.00 p.m. on 13 April 2016. Any alienation of shares following the closing time for the identification of shareholders shall not affect the membership rights that can be exercised at the General Meeting. The Board of Directors hereby recommends the honourable shareholders to consult with their respective securities account managers on the tasks in relation to the identification of the shareholders, as well as the associated deadlines.

Shareholders are entitled to attend the General Meeting, as well as vote in person or by way of their representatives. Any authorization for representation shall be provided in the form of a public deed or fully conclusive private deed, and submitted during the registration prior to the General Meeting at the latest. Any authorization for representation shall be valid for the General Meeting announced in this letter of invitation or any definite period not exceeding 12 (twelve) months.

We kindly request the honourable shareholders and their authorized representatives to support the flawless course of registration by being present at the venue of the General Meeting at least 1 (one) hour before the starting time of the General Meeting. They are also requested to bring the docu-

ments required to confirm their personal identities and delegation as representatives, as well as the related authorizations.

On the basis of the data recorded in the Shareholders' Ledger, for the shareholders and their authorized representatives the Company's Board of Directors shall ensure the practical option to cast a vote with respect to each share at the venue of the General Meeting after the proper confirmation of their personal identities and execution of the attendance register.

Having fulfilled the relevant preconditions, any shareholder of the Company has the right to attend the General Meeting, request information in conformance to the relevant regulations, make observations and proposals, as well as vote in possession of any voting share.

Within the meaning of Article 28 of the Company's Articles of Corporation, at the General Meeting each equity share with an individual face value of HUF 20, in words twenty Hungarian forints, shall entitle its holder to cast one vote.

Concerning the matters included in the agenda of the General Meeting, the Board of Directors is obliged to provide all and any of the shareholders – upon their written inquiry submitted at least 8 (eight) days prior to the date of the General Meeting – with the necessary information. The Board of Directors may refuse to provide the requested information only if it opines that the provision of such information would prejudice the Company's business secrets. The shareholders' right to request information shall not involve the right to inspect the Company's books and other business documents.

By putting forward their proposal complying with the rules that pertain to the details of the agenda, shareholders jointly representing at least one percent (1%) of the votes may request the Board of Directors in writing to include a certain issue into the agenda of the General Meeting, or propose a draft resolution in connection with a specific item included or to be included in the agenda. Shareholders representing at least one percent of the votes are entitled to exercise this right within 8 (eight) days following the publication of the announcement to summon the General Meeting. The Board of Directors shall publish a notice of the amended agenda, the draft resolutions put forward by the shareholders after the presentation of the given proposal to the General Meeting. The issue specified in the notice shall be deemed to have been included in the agenda.

The report prepared in conformance to the Accounting Act, as well as the other proposals and proposed resolutions in relation to the agenda of the General Meeting may be reviewed from 25 March 2016 in the Company's office in H-1117 Budapest, Budafoki út 56., on business days from 9.00 a.m. to 4.00 p.m., on the Company's website at [www.pannergy.com](http://www.pannergy.com), as well as on the website of the Budapest Stock Exchange ([www.bet.hu](http://www.bet.hu)). The public notice on the material information that has been included in the report prepared in conformance to the Accounting Act, as well as in the reports of the Board of Directors and the Audit Committee will also be published by the Company in the form of a public disclosure.

Budapest, 24 March 2016

*This announcement is published in Hungarian and English languages. In case of any contradiction between these two versions, the Hungarian version shall prevail.*

**PannErgy Plc's Board of Directors**