

EXTRAORDINARY INFORMATION

Budapest, 24. June 2016

PannErgy Plc's two subsidiaries have made a refinancing agreement with CIB Bank Ltd

PannErgy Plc hereby advises the actors of the capital markets that its two subsidiaries involved in the implementation of the Geothermal Project of Győr, DD Energy Production and Service Ltd and Arrabona Geothermal Ltd have executed a loan agreement with CIB Bank Ltd after accepting its refinancing offer.

On 11 November 2014, PannErgy Plc's two subsidiaries, DD Energy Production and Service Ltd and Arrabona Geothermal Ltd entered into a EUR 18 million worth investment loan agreement with the state-owned Hungarian Export-Import Bank Ltd (Eximbank), and now the Company has decided on the refinancing of this loan by CIB Bank Ltd. Under the agreement concluded with CIB Bank Ltd, the borrowers will have the option to rely on a long-term funding line in an amount of nearly HUF 7 billion. The tenor of the loan is 7 years, following a repayment profile aligned with the 10-year term of depreciation. The financing line opened today offers the opportunity to implement the Győr developments to be launched this year with CIB Bank's funding.

"With the startup of the commercial operation of the Geothermal System of Győr, it became obvious that the financing that had a margin to cover the risks of the project needed to be changed for a much funding favourable facility. On behalf of PannErgy Group, we want to thank Eximbank for its having backed our Company for one and a half years, and supported one of the largest renewable energy investments in the Carpathian Basin. The Geothermal Project of Győr has entered a new phase for the realization of which our Company has accepted an offer from CIB Bank Ltd with favourable conditions."– declared Balázs Bokorovics, Chairman of the Board of Directors.

PannErgy Plc

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