

EXTRAORDINARY INFORMATION

Budapest, 1 August 2018

PannErgy's subsidiary has entered into an agreement with the Japanese-owned GS Yuasa Hungary Ltd

PannErgy Plc hereby advises the actors of the capital market that today a heat supply agreement for 10 years has been made between its subsidiary, Kuala Ltd and the Japanese-owned GS Yuasa Hungary Ltd. Kuala Ltd as the heat energy producer will supply heat energy to the plant of the Japanese-owned GS Yuasa Hungary Ltd to be established in the Southern Industrial Park of Miskolc.

For 5 years now, the Geothermal Project of Miskolc has been seamlessly supplying geothermal energy to MIHŐ Heat Distribution Ltd, which provides district heating services to Miskolc City of County Rank. In addition to the primary heat consumer, the capacity of the geothermal system allows the supply of the environmentally friendly heat energy to further secondary consumers. In accordance with the agreement signed with the Japanese-owned GS Yuasa Hungary Ltd, the geothermal heat supply is expected to start on this year. PannErgy Group has undertaken to invest in the power-line necessary for the heat supply until the installation of the isolation heat exchanger in the plant's thermal center. The geothermal heat energy consumption is expected to be around 3000 GJ per year.

“Automotive industry accounts for more than 5% of the domestic GDP, the largest suppliers of the automobile industry are present in Hungary, and they are now joined by the Japanese GS Yuasa with the goal to manufacture lithium-ion batteries in Miskolc to be used in electromobility. We are proud that eco-friendly, geothermal energy has teamed up with electromobility as a specific energy-oriented solution in Miskolc, with the potential success of the cooperation placed in the hands of GS Yuasa and PannErgy Group. This agreement will give way to the creation of such a sustainable, environmentally friendly, energy-related process that is matchless all over the world with respect to the fact that batteries will be manufactured partly with the use of geothermal heat” – declared Balázs Bokorovics, Chairman of PannErgy Plc's 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.

