

**Resolutions of the Board of Directors of PannErgy Public Company
Limited by Shares accepted
in association with the agenda items of the Company's annual ordinary General
Meeting to be held on 17 April 2020/30 April 2020***

Resolution no. 2020.03.24./2 of the Board of Directors

In association with **Agenda Items no.1–4**, with the contents and substances attached to this Resolution, the Board of Directors proposes to the shareholders to accept the Company's following reports in relation to the business year of 2019:

Related document:

- 2_PE_Eves_Egyedi Beszamolo_en
- 3_PE_Eves_IFRS_Konszolidalt_en
- 4_PE_IT_kozgyulesi_eloterjesztesek_en

Within the scope of the above documents, the Company sets 1,646 TJ as its consolidated heat sales target for 2020 and a HUF 2,530 to 2,600 million target range for its EBITDA.

Resolution no. 2020.03.27./1 of the Board of Directors

In respect of the **Agenda Items no. 1 to 4** of the annual General Meeting closing the business year of 2019, the Management Board submits a proposal to the General Meeting on the payment of HUF 17 as dividend per share. The dividend shall be paid from the after-tax profit of 2019 and the profit reserve available for dividend payment, with regard to the provisions laid down in Sections 3:261 and 3:262 of Act V of 2013 on the Civil Code. Start date of dividend payment: 2. November 2020.

Resolution no. 2020.03.24./3 of the Board of Directors

In association with **Agenda Item no. 5**, in the form of the appendix to this Resolution the Board of Directors proposes to the shareholders to accept the Company's corporate governance report, stating to what extent the recommendations and proposals described in the relevant provisions of Budapest Stock Exchange's Corporate Governance Recommendations have been applied in the Company's own corporate governance practices.



Resolution no. 2020.03.24./4. of the Board of Directors

The Board of Directors proposes - in association with **Agenda Item no. 6**, - to The General Meeting to grant the discharge defined in Section (1) of Article 3:117 of Act V of 2013 on the Civil Code and detailed in Paragraph 19.z) and 20.g) of the Company's Articles of Corporation to the members of the Board of Directors for the period starting on 27 April 2019 and ending on 17 April 2020/30 April 2020. By granting such discharge, the General Meeting confirms that the members of the Board of Directors have properly executed their management activities in the previous business year. The Company may have any claim against the members of the Board of Directors based on their violation of their managerial obligations in case the facts or data serving as the basis of the provision of this discharge are untrue or incomplete.

Resolution no. 2020.03.24./5 of the Board of Directors

In association with **Agenda Item no. 7**, in the form of the appendix to this Resolution the Board of Directors proposes to the shareholders to accept Pursuant to Section 3:268(2) of the Hungarian Civil Code, the Remuneration Policy prepared in accordance with the Act LXVII of 2019 on the Encouragement of Long-term Shareholder Engagement and the Amendment of Certain Acts with the Purpose of Legal Harmonisation, submitted to the General Meeting for a consultative vote, and proposes that it be adopted by the Management Board.

The General Meeting authorises the Management Board to immediately publish the Remuneration Policy on the website of the Company, together with the date and result of the consultative vote.

Resolution no. 2020.03.24./6 of the Board of Directors

In association with **Agenda Item no. 8**, the Board of Directors proposes to the General Meeting to establish the emoluments of the Chairman of the Board of Directors to be a gross amount of HUF 195,000 a month, and the emoluments of the individual members to be a gross amount of HUF 155,000 from 1. May 2020.

Resolution no. 2020.03.24./7 of the Board of Directors

In association with **Agenda Item no.9**, The Board of Directors proposes that the General Meeting should grant authorization to the Board of Directors to purchase treasury shares up to an amount of HUF 1,000,000,000 (in words one billion Hungarian Forints) at a share rate corresponding to at least HUF 1 and up to HUF 950 at the maximum. The authorization shall be valid in the period



starting on 1 May 2020 and ending on 29 April 2021. The shares may be purchased solely in trading at the stock exchange.

Resolution no. 2020.04.24./8 of the Board of Directors

In association with **Agenda Item no. 10**, in line with the opinion of the Audit Committee the Board of Directors has proposed to the General Meeting that for the business year of 2020 (for the period ending on 30 April 2021) the Company should re-elect the current audit firm, i.e. elect Venilia Vellum Könyvvizsgáló és Adótanácsadó Kft. (Venilia Vellum Auditing and Tax Counseling Ltd) to act as the Company's permanent auditor.

The Board of Directors has proposed Rózsa Bukri to be elected as the person assuming personal responsibility for the auditing activities.

For the business year of 2020 (for the period starting on 17/30 April 2020 and ending on 30 April 2021), the General Meeting has elected

Data of the company:

Venilia Vellum Könyvvizsgáló és Adótanácsadó Kft.
Company registration number: 01-09-566797
Tax number: 12229888-2-41
Registration number at the Chamber of Auditors: 000340
Registered address: H–1026 Budapest, Szilágyi Erzsébet fasor 79. fsz. 3.

Data of the natural person:

Rózsa Bukri – member of the Chamber of Auditors
Membership number at the Chamber: 001130
Number of the auditor ID card: 002395
Address: H–1026 Budapest, Szilágyi Erzsébet fasor 79. fsz. 3.
Mother's name at birth: Rozália Kamrás
Born: Budapest, 06.07.1973
Tax ID: 8389020572

as the person in charge of auditing activities. The General Meeting has established the annual remuneration of the permanent auditor as a maximum amount of HUF 6,500,000 + VAT in relation to the auditing of the individual and consolidated annual reports, equally prepared in conformance to the EU IFRSs. The other essential conditions of contracting with the permanent auditor shall be identical to the terms and conditions agreed earlier. The General Meeting has requested the Audit Committee to prepare the contract to be concluded with the permanent auditor, and the Board of Directors to sign the contract.



Resolution no. 2020.03.24./9 of the Board of Directors

This proposal of the Board of Directors has been drafted to initiate the amendment of the Articles of Corporation because of the election of the auditor in the framework of **Agenda Item no.11** for the business year of 2020.

*according to the date of the Annual General Meeting

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

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