



PannErgy Nyrt.

QUARTERLY PRODUCTION REPORT
Q4 2023

and

fulfilment of the EBITDA plan for 2023 and
EBITDA plan for 2024

15 January 2024

Introduction

PannErgy Nyrt. publishes a production report on a quarterly basis, presenting its production and utilisation of green energy. In its report, PannErgy presents the green heat sales figures of its key geothermal energy production systems during the reporting period, in addition to other useful information. Each year, the production report for the fourth quarter is supplemented with a preliminary, quarterly heat sales plan for the following year (Figure 2) and the preliminary annual EBITDA plan (Chapter II), whose values are either confirmed or adjusted, as appropriate, at the Company's annual General Meeting.

I. Consolidated production information

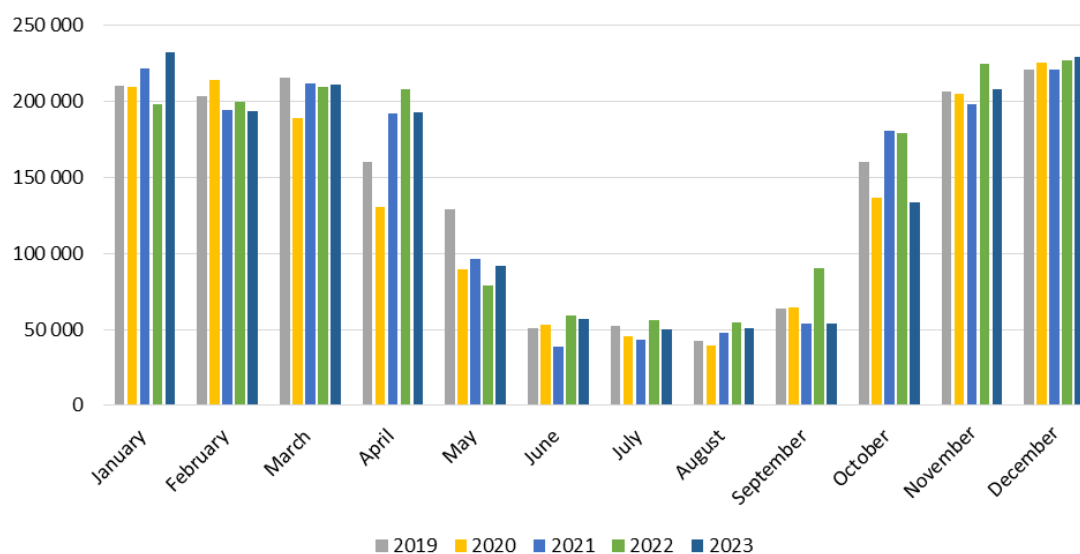


Figure 1

Consolidated quantity of heat sold (GJ)

The chart presents the aggregate volume of heat sold across all operational projects, in a monthly breakdown

	2019	2020	2021	2022	2023	2023 TARGET	2024 TARGET
January	209,999	209,678	221,966	197,923	232,696		
February	203,484	213,855	194,173	199,600	193,989		
March	215,693	189,195	211,762	209,267	211,365		
Q1	629,176	612,728	627,901	606,790	638,050	627,259	634,509
April	160,548	130,407	192,053	207,861	192,834		
May	129,300	89,190	96,333	78,637	92,125		
June	50,780	53,394	38,595	58,955	56,645		
Q2	340,628	272,991	326,981	345,453	341,604	322,084	340,612
July	52,406	45,297	42,919	56,299	50,385		
August	42,415	39,205	48,023	54,838	50,659		
September	63,731	64,096	53,870	90,033	53,905		
Q3	158,552	148,598	144,812	201,170	154,949	193,174	166,451
October	159,888	136,460	180,427	179,453	133,450		
November	206,686	205,417	197,872	224,871	208,031		
December	221,248	225,688	221,198	226,770	229,190		
Q4	587,822	567,565	599,497	631,094	570,671	647,180	631,543
Total	1,716,178	1,601,882	1,699,190	1,784,507	1,705,274	1,789,697	1,773,116

Figure 2

Consolidated actual and target volumes of heat sold, in a table format (GJ)

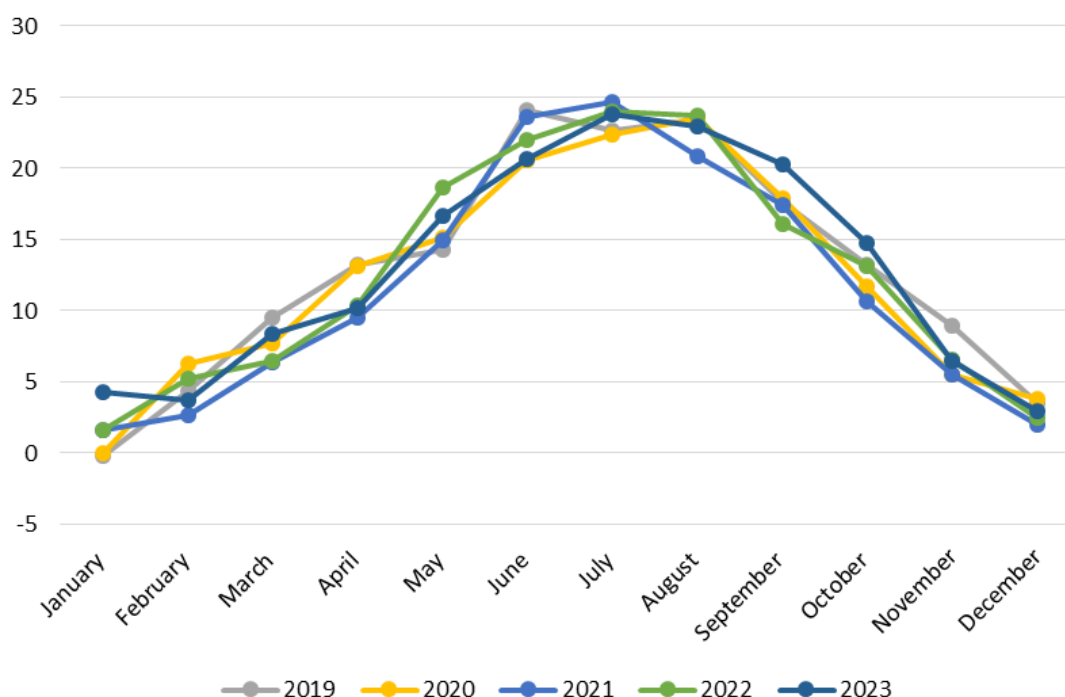


Figure 3
Average temperatures

In the period under review (primarily in October), the weather was significantly milder than during the corresponding period of 2023 and in comparison with the average of recent years, and thus represented a significantly less favourable heating potential at Group level.

A comparison of the 2023 Q4 heat sales figures with the average values of the equivalent period in historical years indicates that PannErgy achieved below-average heat sales in the period under review, and fell significantly short of the record heat sales of the base period and of the target for the period. PannErgy underperformed the target by around 11.8% for the quarter and by around 9.6% for the base period, due in part to unfavourable weather conditions and in part to the postponement of the expansion of the Miskolc Project with a third production well until 2024.

II. Fulfilment of the EBITDA plan for 2023 and projected EBITDA for 2024

In consideration of the information presented in this production report, **PannErgy's expectation for consolidated EBITDA in 2023 is an economic result close to the lower end of the HUF 3,950–4,150 million EBITDA target range published previously (on 13 January 2023) for the 2023 business year.**

The Company's management has defined a consolidated EBITDA target in the range of HUF 3,900–4,100 million under the IFRS for the 2024 business year, which represents a moderate increase in the median value compared to the expected results of the 2023 business year. The planned quarterly heat sale volumes assigned to the target are presented in the table of Figure 2.

The 2024 EBITDA plan and heat sales plan include the successful boring of the Miskolc Project's third production well in 2024 and its expected commissioning by the start of the 2024/2025 district heating season.

III. Major projects

Miskolc Geothermal Project

(Miskolci Geotermia Kft., Kuala Kft.)

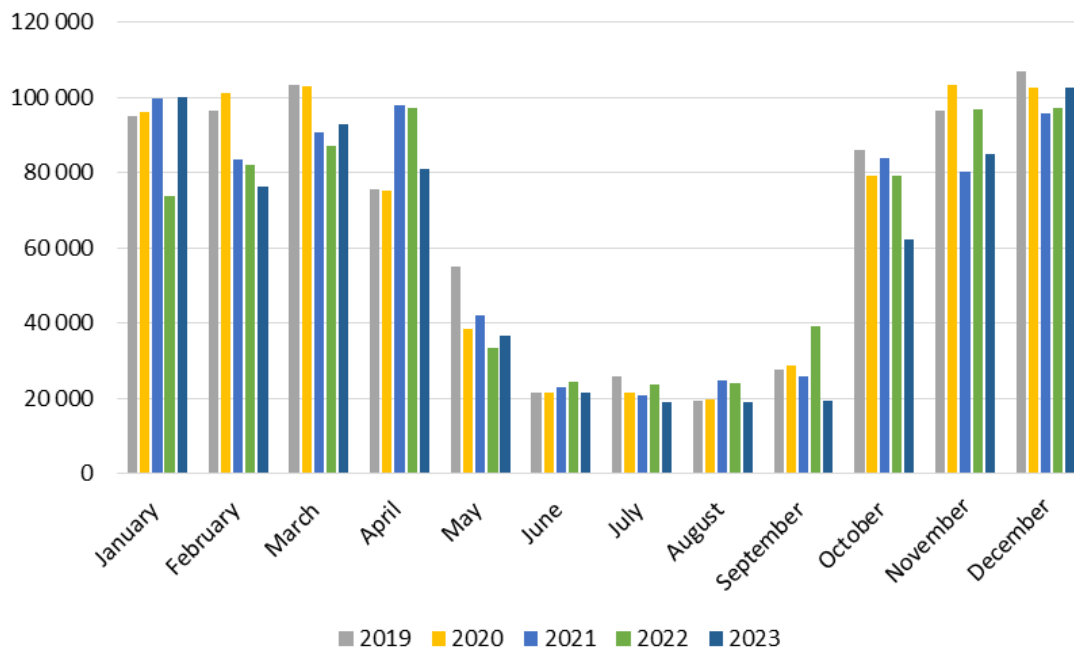


Figure 4
Volume of heat sold in Miskolc (GJ)

The Miskolc Geothermal System sold a total of 250,086 GJ of thermal energy in 2023 Q4, which falls substantially short of the average of the corresponding period of previous years, and is 8.5% below the heat sales achieved in the same period of 2022, due mainly to the weather conditions described above.

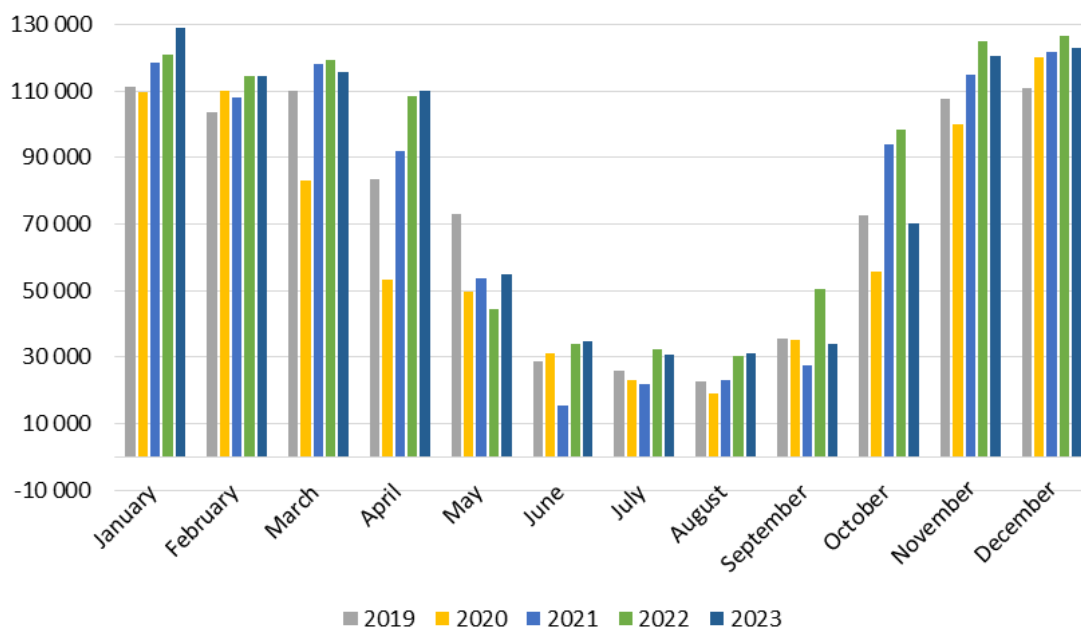
Győr Geothermal Projects*(DD Energy Kft., Arrabona Koncessziós Kft.)*

Figure 5

Volume of heat sold in Győr (GJ)

The Geothermal System of Győr sold a total of 313,436 GJ of thermal energy in 2023 Q4. While this is in line with the average of the corresponding period of previous years, it falls 10.3% short of the record value of 2022 Q4. The primary reasons for the average performance, achieved in the face of the unfavourable weather conditions described above, were the investment activity in recent periods, as well as the Company's previously disclosed commercial agreement with GYŐR-SZOL Zrt., which ensures priority to geothermal energy.

PannErgy Nyrt.

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