

**PROPOSALS OF THE BOARD OF DIRECTORS  
TO AGENDA ITEMS  
OF THE COMPANY'S ANNUAL GENERAL MEETING CLOSING  
THE 2024 BUSINESS YEAR**

**CAPS COAF: HU20250304021779**

- 1-4. Report of the Board of Directors on the Company's operations in the business year of 2024
5. Corporate Governance Report
6. Resolution on the evaluation of the work carried out by the members of the Board of Directors in the business year of 2024 and on granting the discharge they are entitled
7. Consultative vote on the Remuneration Report of the business year of 2024
8. Resolution on the remuneration of the members of the Management Board
9. Reduction of the Company's share capital by cancelling some of its treasury shares
10. Authorisation of the Management Board to acquire own shares
11. Election of the Company's auditor, the establishment of its remuneration
12. Amendment of the of the Company's Articles of Association due to amendment of the BSE General Terms of Service
13. Amendment of the of the Company's Articles of Association in relation to agenda items no. 9., 11, and relation to the change in the TEÁOR'25 code

**With the resolution 2025.03.19/2 of the Management Board of PannErgy Plc. adopted the proposals related to the agenda items of the Annual General Meeting to be held on 10. April 2025/25. April 2025<sup>1</sup>.**

*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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<sup>1</sup> According to the date of the General Meeting

**PROPOSAL FOR THE ANNUAL GENERAL MEETING REGARDING AGENDA ITEM NO. 1,**

**“REPORT OF THE MANAGEMENT BOARD ON THE ACTIVITIES OF THE COMPANY IN THE BUSINESS YEAR 2024 —  
ADOPTION OF THE REPORT ON THE MANAGEMENT, THE COMPANY’S FINANCIAL POSITION AND BUSINESS  
POLICIES”, AND AGENDA ITEMS NO. 2, 3 AND 4**

Report by the Management Board concerning Agenda Items 1 to 4 of the General Meeting:

In the 2024 financial year, the PannErgy Group continued to focus on the utilisation of geothermal energy resources, its core activity. Accordingly, the subsidiaries operated geothermal projects at the expected technical level, utilising the available geothermal resources at all production sites, including, in particular, in Győr, Miskolc and Szentlőrinc. After the Győr project, the Miskolc project also created a reserve production capacity by deepening a new production well, which allows the geothermal system to bridge the repair period with a modest capacity decrease after only a few hours of changeover time in case of a production pump failure. Thanks to this increased geothermal security of supply, the need to use fossil reserve capacities has been minimised. The reserve system that has been established has enabled PannErgy’s geothermal heat producers to enter the two-member official price regime and thus deliver a much more weather-independent and more predictable economic performance.

With 1,767 TJ of heat sold in 2024, green heat sales exceeded the 1,705 TJ reached in the base period, and approached the 1,773 TJ target for 2024.

**The Company’s consolidated EBITDA reached HUF 3,921 million**, which is consistent with the 2024 EBITDA target published in the Quarterly Production Report for Q4 2024 on 15 January 2025 that projected an economic result around the lower end of the HUF 3,900–4,100 million EBITDA target range. With this result, the Company met its primary business target for the year.

**The Company closed the business year 2024 with an IFRS consolidated net profit of HUF 1,405 million.**

In 2025, the Company intends to continue its investment projects to increase efficiency and operational security, with the aim of making the most economical and reliable use of the energy contained in the geothermal resources explored.

**The Company plans to sell an annual quantity of heat of 1,770 TJ in 2025. The EBITDA target for 2025 is in the range of HUF 4,000 to 4,150 million**, with its mean representing organic growth compared to the baseline EBITDA. This target range corresponds to the targets presented in the Production Report for Q4 2024 already published by the Company.

The quarterly breakdown of heat sales pertaining to the EBITDA target has been presented in the Business and Management Report of the “PannErgy Nyrt. and its subsidiaries — Consolidated



Financial Statements and Annual Report for 2024 in conformity with the IFRS” and in the Company’s public quarterly production reports.

PannErgy Nyrt.’s year-end closing share price in 2024 increased by 24.8%, from the base HUF 1,250 to HUF 1,560.

PannErgy Nyrt.’s regular annual General Meeting closing the business year 2023 – held on 30 April 2024 – authorised the Management Board by its Resolution No. 9/2024 (IV. 30.) to purchase treasury shares up to an amount of HUF 1,500 million (that is, one thousand five hundred million forints) at a price of minimum HUF 1 and maximum HUF 1,997 per share, provided that the ratio of the treasury share portfolio to the total number of shares issued does not exceed 25% at any time during the term of the authorisation. The authorisation covers the period starting from 2 May 2024 and ending on 17 April 2025 and can only be obtained through stock exchange trading and public offer (on-exchange or over-the-counter trading). The purchase price equals to the current market price corresponding to the prevailing bid and ask prices, and must not exceed HUF 1,997 per share according to the resolution of the General Meeting. The Company has so far not made use of the possibility of the General Meeting’s authorisation.

Continuing to observe with particular attention the transparency requirements on the capital market, the Company published quarterly production reports and a half-year report in 2024 on its geothermal projects and overall operation. The reports have sought to disclose public information that goes beyond the statutory requirements.

For 2024, the Company prepared and published separate and consolidated statements, in accordance with the EU IFRS, containing a business and management report on the results of the work of the Management Board and the operation of PannErgy Nyrt. and the PannErgy Group, and also published several public announcements during the relevant period, the knowledge of which is also essential for assessing the performance of the Group and the work of the Management Board.

**The consolidated net earnings for the reporting year in accordance with the EU IFRS is HUF 1,405 million (profit), and the balance sheet total is HUF 28,683 million.**

**The standalone net earnings for the reporting year in accordance with the EU IFRS is HUF 148,041 thousand (profit), whereas the balance sheet total is HUF 10,009,596 thousand.**

The Company publishes extraordinary and other announcements on shareholder information in accordance with laws in force, available, inter alia, on the websites of the Company and of the Budapest Stock Exchange.

The Audit Committee at the Company has examined the Company’s statements and the auditors’ reports as well as the financial reporting processes in place at the Company, and deemed them acceptable.



In view of the financing needs of investment and capital expenditure activities planned for 2025, the necessity of holding a certain level of free cash and cash equivalents required for safe and prudent operation and thus for maintaining a high level of financial and operational stability with adequate flexibility, the Management Board does not recommend the payment of dividends, and proposes that after-tax profit be transferred to retained earnings in full.

The Management Board submits the following draft resolutions of the General Meeting in connection with the agenda items 1–4 published.

**DRAFT RESOLUTION:**

**Considering the report of the Management Board, the opinion of the Audit Committee and the auditor, the General Meeting accepts the report of the Management Board for 2024.**

**Considering the report of the Management Board, the opinion of the Audit Committee and the auditor, the General Meeting accepts the Company's individual (parent company), non-consolidated balance sheet, profit & loss account for 2024 as prepared in conformance to the EU IFRSs, in line with the associated proposal and the auditor's report, with an identical total of HUF 10,009,596 thousand for assets and liabilities, and earnings after taxes, i.e. profit of HUF 148,041 thousand.**

**The General Meeting – considering the report of the Management Board, the opinion of the Audit Committee and the auditor – acknowledges and accepts the EU IFRS consolidated financial statements of the PannErgy Nyrt. Group on its operations in 2024, showing an identical total of HUF 28,683 million for assets and liabilities (balance sheet total), and net earnings, i.e. profit of HUF 1,405 million.**

**The General Meeting accepts the proposal of the Management Board to transfer the total amount of the Company's profit after taxes to the profit reserve, and therefore the Company shall not pay any dividend.**

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**PROPOSAL AND PROPOSED RESOLUTION  
ON AGENDA ITEM 5 OF THE GENERAL MEETING  
"DECISION ON ADOPTING THE CORPORATE GOVERNANCE REPORT  
TO BE SUBMITTED TO BUDAPEST STOCK EXCHANGE"**

The Management Board proposes to the General Meeting the following decision for Agenda Item no. 5 of the General Meeting.

**DRAFT RESOLUTION:**

**The General Meeting adopts the Corporate Governance Report to be submitted to Budapest Stock Exchange.**

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**PannErgy**  
**Public Limited Company**

**Responsible Corporate Governance Report**  
**in accordance with the Responsible Corporate Governance Recommendations**  
**of the Budapest Stock Exchange**  
**for the Annual General Meeting of the Company closing the 2024 financial**  
**year**

**Management Board of PannErgy Plc.**

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PannErgy Nyrt. (hereinafter: “the Company”) is committed to operate while observing the relevant laws, the MNB’s provisions and the stipulations of the BSE Regulations. The structure and operating conditions of the Company are set out in the Articles of Association adopted by the General Meeting. As far as responsible governance is concerned, PannErgy Plc. provides the following information.

## **Management Board**

In lieu of a Board of Directors and a Supervisory Board, the Company has a Management Board in order to enable a consistent system of governance. The Management Board carries out the statutory functions of both the Board of Directors and the Supervisory Board. As part of its duties as the Board of Directors, the Management Board defines the Company’s strategic policies and supervises its operation.

The Management Board currently has five natural person members, elected by the General Meeting for an indefinite term of office. The Chair of the Management Board is elected by the Board members from among their number. The member of the Management Board serving as the Chief Executive Officer or Acting Chief Executive Officer is appointed by the Board members from among their number.

The Management Board takes decisions with a simple majority. It has a quorum if the majority of its current members are present. In the event of a tie, the Chairman of the Management Board shall have the casting vote.

The Management Board shall establish its own rules of procedure, containing a detailed description of its duties and procedures falling within its competence.

The Management Board shall prepare a report to the General Meeting on the Company’s management, financial position and business policy at least once a year.

The Management Board directly governs the Company and is responsible for carrying out financial duties and implementing its resolutions and decisions. The employer’s rights over the Company’s direct employees are exercised by the Chief Executive Officer.

The Management Board shall comprise the following members:

Dénes Gyimóthy, Chair – not independent

Gábor Briglovics, member – independent

Katalin Gyimóthy, member – not independent

Attila Juhász member – independent

Kálmán Rencsár member – independent

As of 12 December 2022, the CEO duties are performed by István Jaksa.

In 2024, the Management Board met on 7 occasions, with an average participation rate of 69%, and adopted written two resolutions without a meeting.

## **Audit Committee**

In order to ensure that the functions of the Management Board are carried out and sound decisions are made, the Company’s General Meeting has elected a three-member Audit Committee out of the independent members of the Management Board.

The Audit Committee's duties include commenting on the report prepared in accordance with the IFRS, assessing the functioning of the financial reporting system, making proposals on the appointment and remuneration of the auditor, preparing the auditor's contract and carrying out the tasks related to the cooperation with the auditor. Moreover, the Audit Committee regularly monitors whether the classification of transactions between the Company and related parties was appropriate in terms of the identification, public disclosure and regular handling of significant related transactions.

The Audit Committee lays down the rules governing its operation and decision-making. In the 2024 financial year, the members of the Audit Committee were as follows:

Attila Juhász, Chair

Gábor Briglovics, member

Kálmán Rencsár, member

In 2024, the Audit Committee met on 6 occasion, at a participation rate of 78%.

### **Other committees**

The Company does not have a nominations committee or a remuneration committee. These functions are fulfilled by the members of the Management Board as appropriate. The Company operates with a small number of staff and with a narrow scope of activities, therefore establishing various committees and management bodies offers doubtful benefits.

### **Auditor**

The Company's auditor is elected by the General Meeting for a term of 1 year.

The Company's auditor: BLUE RIDGE AUDIT HUNGARY Kft.

The auditor is proposed by the Audit Committee; the proposal is put forward by the presiding officer of the General Meeting that elects the auditor. In the event the candidate of the Audit Committee does not get elected by the General Meeting as the Company's auditor, the Audit Committee shall nominate another person.

The auditor is responsible for auditing the Company's books, submitting a report to the General Meeting on the audit of the reports of the Company under the Accounting Act and the proposal by the Management Board on the distribution of profit and the calculation of dividends, and exercising other rights and carrying out other duties under the law.

During the 2024 financial year, the auditor carried out no activities for the Company other than auditing and the related statutory obligations.

### **The Company's disclosure policy**

With respect to its disclosure policy, the Company acts in accordance with the applicable legislation and stock exchange rules. The Company shall publish its notices on its own website, the website of the Budapest Stock Exchange and on a website specified by the MNB. The publication of notices on the Company's website ([www.pannergy.com](http://www.pannergy.com)) shall replace all other disclosure obligations unless otherwise provided by the law and other applicable regulations.

### **The Company's insider trading policy**

With respect to insider trading, the Company acts in accordance with the applicable legislation and stock exchange rules. It has an Insider Trading Policy regulating the relevant activities, and holds records on the permanent and ad hoc insiders.



## **Exercising shareholder rights, presence at the General Meeting**

The Company's capital stock consists of 18,000,000 dematerialised registered ordinary shares of the nominal value of HUF20 (twenty) each, representing equal membership rights and constituting a single series of shares. At the General Meeting of the Company, each shareholder shall have one vote per ordinary share.

On behalf of the Company's Management Board, the entity authorised by the applicable law to keep the record of shareholders (currently the KELER Central Depository Ltd.) keeps a record of shareholders and shareholders' proxies.

Shareholder's rights may be exercised vis-à-vis the Company by any person whose name is registered in the record of shareholders. Shareholders' proxies may exercise shareholder's rights vis-à-vis the Company after they have been registered in the record of shareholders as a shareholder's proxy.

The rules of procedure related to shareholder verification requested in connection with the closing of the record of shareholders prior to the General Meeting are set out in the regulations of KELER Central Depository Ltd. as amended from time to time.

The Company's supreme body is the General Meeting, which consists of the entirety of shareholders.

An annual General Meeting must be held once a year, respecting the statutory time-limit. The agenda of the annual General Meeting shall by all means include the following:

- the report by the Management Board on the Company's business activities in the previous financial year;
- adopting the Company reports according to the EU-IFRS and a proposal by the Management Board on the distribution of profit and the calculation of dividends;
- determining the remuneration due to members of the Management Board and the auditor;
- adopting the responsible corporate governance report to be submitted to the Budapest Stock Exchange;
- adopting a decision on the evaluation of the work carried out by the members of the Management Board in the previous financial year and on granting the discharge they are entitled to.

An extraordinary General Meeting may be convened by the Management Board when it is considered appropriate for the operation of the Company.

An extraordinary General Meeting shall be convened by the Management Board if the previous General Meeting so decided and if it has been requested from the Management Board in writing by the auditor or shareholders representing at least 5% of all votes, the latter specifying the reasons for and the purposes of convening the General Meeting.

The invitation to the General Meeting shall be published by the Management Board in the manner specified for publishing the Company's notices in the Company's Articles of Association, at least 30 (thirty) days prior to the date of the proposed General Meeting.

Any invitations to and any notices regarding the General Meeting shall specify at least the Company's official name and registered office, the venue, date and time of the General Meeting, the agenda of the General Meeting, the conditions prescribed in the Company's Articles of Association of exercising voting

rights and the rights to request information and to add items to the agenda of the General Meeting, and the venue and date of the General Meeting scheduled to be held repeatedly due to a lack of quorum.

Regarding issues not listed in the agenda published, the General Meeting shall not adopt a decision unless all shareholders are present and they unanimously consent to the decision.

Shareholders representing at least one percent (1%) of all votes may request the Management Board in writing to add an issue to the agenda of the General Meeting, specifying the reasons for such request, and may put forward a proposed resolution in connection with the items on the agenda.

Shareholders representing at least one percent of all votes may exercise such right within 8 days of the publication of the notice on convening the General Meeting. The Management Board shall add the proposal to the agenda of the General Meeting and publish such addition in the same manner as the publication of the notice on the General Meeting.

The Company shall publish important data of the report under the Accounting Act and the Management Board report, a summary of proposals related to the items on the General Meeting's agenda and the proposals for resolutions, summaries of the number of shares and voting rights as at the time the General Meeting is convened and the statement on remuneration at least 21 (twenty-one) days before the date of the General Meeting.

The General Meeting shall form a quorum if shareholders representing more than fifty percent of all voting shares are present, in person or through proxy. Such power of attorney shall be issued in the form of a public document or a private document of full probative power and submitted at the place and time specified in the invitation to the General Meeting but at any rate not later than the registration before the General Meeting. Where a shareholder so prefers, the Company shall send him a power of attorney form to the postal or e-mail address specified by the shareholder.

The power of attorney shall remain valid for a single General Meeting or for a fixed term of up to 12 (twelve) months. The power of attorney shall also be valid for the continuation of a suspended General Meeting and a General Meeting that has been repeatedly convened due to a lack of quorum.

Members of the Management Board, the manager, senior executives of the Company and the Company's auditor shall not act as proxies.

In the event the General Meeting still fails to form a quorum 30 (thirty) minutes after the starting time of the General Meeting, the repeated General Meeting shall be convened, with the same agenda, for a time within 15 (fifteen) days of the date of the original General Meeting, with the proviso that the repeated General Meeting shall be convened for a day at least 10 (ten) days later than the day on which it is convened. A General Meeting repeated due to a lack of quorum shall form a quorum with regard to the issues on the agenda of the original General Meeting regardless of the number of persons attending.

At the General Meeting, a person may exercise his or her rights of membership if such person has been registered in the Company's Record of Shareholders on the basis of the shareholder verification initiated in connection with the closing of the record of shareholders prior to the General Meeting.

The date of shareholder verification shall be the 5th (fifth) stock exchange business day prior to the General Meeting unless KELER has specified a different date in its regulations as amended from time to time. Any sale of shares that takes place following the date of shareholder verification prior to the General Meeting shall be without prejudice to membership rights that may be exercised at the General Meeting in question.

On the basis of the records in the record of shareholders, the Management Board shall enable shareholders or shareholder proxies to properly exercise their voting rights by each share at the venue of the General Meeting after they have identified themselves and signed the attendance list.

Shareholders shall not exercise their voting rights unless they have paid up to the Company their contributions that have become due and payable.

Voting at the General Meeting shall be held primarily by voting papers and the manual counting of votes. In that case, the General Meeting shall elect a returning board at the proposal of the Chair of the General Meeting. The returning board shall have 3 (three) members. The returning board shall submit a written report on the result of the vote; the Chair of the General Meeting shall set forth the result and attach the report to the minutes of the General Meeting.

The presiding chair of the General Meeting shall be the Chair of the Management Board. If the Chair of the Management Board is prevented, the presiding chair of the General Meeting shall be elected by the General Meeting by simple majority on the Management Board's proposal, out of the persons present.

The Chair of the General Meeting shall open the General Meeting, determine if it forms a quorum, appoint the recorder, guide the discussion, give leave to speak and cut off speakers, order a break, draft the proposals for resolutions, order the vote and set forth its result, announce the resolutions of the General Meeting, arrange for the drafting of the minutes of the General Meeting and the attendance list and adjourn the General Meeting.

Minutes of the General Meeting shall be kept as provided for by the Civil Code.

### **Internal control systems**

The Company has drawn up an Internal Rules of Procedure on transactions with affiliated parties to ensure the transparency of the transactions with such parties, determine the rules regarding transactions with affiliated parties to prevent them from securing advantages due to their position and appropriately safeguard the interests of PannErgy Nyrt. and non-affiliated party shareholders, including minority shareholders.

### **Remuneration policy**

A new law entered into force on 17 July 2019 transposing the European Union's Shareholder Rights Directive II (SRD II) and facilitating the encouragement of long-term shareholder engagement over short-term risk-taking and improving transparency between public companies limited by shares and investors. Based on the stipulations of 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, the Company has prepared a detailed Remuneration Policy which entered into force on 30 April 2020.

Pursuant to Section 3:268(2) of the Hungarian Civil Code, the Remuneration Policy shall be put on the agenda of the General Meeting in the event of major changes or at least every four years. In particular view of the end of a four-year cycle and considering the changes in the top management of PannErgy Nyrt., the amendments to the Remuneration Policy prepared by the Management Board was adopted by the General Meeting without any comments from shareholders. It was published on the Company's website after its entry into force on 30 April 2024.

The Management Board made the Company's Remuneration Reports for the years 2020-2023 available on the Company's website for a period of at least ten years, following a supportive vote of the general meeting expressing its opinion.

## Statement on remuneration

The Company informs investors of the persons performing a function in its Management Board ('MB') in 2024 and the remuneration received by such persons in 2024 on the basis of such functions.

Name	Position	Duration of performing a function in 2024	Total remuneration received in 2024 (Gross amount)	Grounds for the remuneration
<b>MANAGEMENT BOARD</b>				
Dénes Gyimóthy	Chair of the MB	01.Jan.2024 – 31.Dec.2024.	HUF 2,340,000	Remuneration of the office
Gábor Briglovics	Member of the MB	01.Jan.2024- 31.Dec.2024.	HUF 1,860,000	Remuneration of the office
Katalin Gyimóthy	Member of the MB	01.Jan.2024 – 31.Dec.2024.	HUF 1,860,000	Remuneration of the office
Attila Juhász	Member of the MB	01.Jan.2024 – 31.Dec.2024.	HUF 1,860,000	Remuneration of the office
Kálmán Rencsár	Member of the MB	01.Jan.2024 – 31.Dec.2024	HUF 1,860,000	Remuneration of the office
<b>Total:</b>			<b>HUF 9,780,000</b>	

## Corporate Governance Report on compliance with the Corporate Governance Recommendations

As part of the Corporate Governance Report, the Company makes a statement regarding the extent to which it has implemented in its own corporate governance practice the recommendations and proposals specified in the relevant sections of the Corporate Governance Recommendations issued by the Budapest Stock Exchange Ltd., by completing the following tables.

These tables provide an overview for the investors of the extent of the compliance - by the relevant company - with certain requirements set out in the Corporate Governance Recommendations at glance, and enable easy comparison of the practices of the specific companies.

### Level of compliance with the Recommendations

The Company indicates whether it follows the relevant recommendation or not, and if not, briefly explains the reasons why it did not follow that specific recommendation.

**1.1.1.** Does the Company have an organisational unit dealing with investor relationship management, or a designated person to perform these tasks?

Yes

No

Explanation:

**1.1.2.** Are the Company's Articles of Association available on the Company's website?

Yes

No

Explanation:

**1.1.4.** If the Company's Articles of Association allow shareholders to exercise their rights in their absence, did the Company publish the methods and conditions of doing so, including all necessary documents?

Yes

No

Explanation:

**1.2.1.** Did the Company publish on its website a summary document containing the rules applicable to the conduct of its General Meetings and to the exercise of voting rights by shareholders?

Yes

No

Explanation:

**1.2.2.** Did the Company publish the exact date when the range of those eligible to participate in a given company event is set (record date), and also the last day when the shares granting eligibility for participating in a given company event are traded?

Yes

No

Explanation:

**1.2.3.** Did the Company hold its General Meetings in a manner providing for maximum shareholder participation?

Yes

No

Explanation:

**1.2.6.** The Company did not restrict the shareholders' right to designate a different representative for each of their securities accounts to represent them at any General Meeting. (Answer Yes, if not)

Yes

**No**

Explanation:

**1.2.7.** For proposals for the agenda items, were the Board of Directors' draft resolution and also the Supervisory Board's opinion disclosed to the shareholders?

Yes

**No**

Explanation: No supervisory board is operated, its functions are carried out by the Management Board

**1.3.3.** The Company did not restrict the right of its shareholders attending a General Meeting to request information, add comments and submit proposals, or set any preconditions for these with the exception of some measures taken to conduct the General Meeting in a correct manner and as intended. (Answer Yes, if not)

Yes

**No**

Explanation:

**1.3.4.** By answering the questions raised at the General Meeting, did the Company ensure compliance with the information provision and disclosure principles set out in legal and stock exchange requirements?

Yes

**No**

Explanation:

**1.3.5.** Did the Company publish on its website the answers to the questions that the representatives of the Company's boards or its auditor present at the General Meeting could not satisfactorily answer at the meeting within 3 working days following the General Meeting, or an official statement explaining why it refrained from giving answers?

Yes

**No**

Explanation: It did not occur in the previous business year, but its proper handling is ensured

**1.3.7.** Did the Chairman of the General Meeting order a recess or suggest that the General Meeting be postponed when a proposal or proposal relating to a particular issue on the agenda was submitted which the shareholders hadn't had a chance to become familiar with before the General Meeting?

Yes

**No**

Explanation: It did not occur in the previous business year, but its proper handling is ensured

**1.3.8.1.** The Chairman of the General Meeting did not use a combined voting procedure for a decision related to electing and recalling executive officers and Supervisory Board members. (Answer Yes, if not)

Yes

**No**

Explanation: No supervisory board is operated at the Issuer

**1.3.8.2.** For executive officers or Supervisory Board members, whose nominations were supported by shareholders, did the Company disclose the identity of the supporting shareholder(s)?

Yes

**No**

Explanation: There were no nominations by shareholders

**1.3.9.** Prior to discussing agenda items concerning the amendment of the Articles of Association, did the General Meeting pass a separate resolution to determine whether to decide on each amendment of the Articles of Association by individual votes, joint votes, or votes combined in a specific way?

Yes

**No**

Explanation:

**1.3.10.** Did the Company publish the minutes of the General Meeting containing the resolutions, the description of the draft resolutions and any important questions and answers related to the draft resolutions within 30 days following the General Meeting?

Yes

**No**

Explanation: With the exception of the minutes of the proceedings of the General Meeting, with the Company did not publish.

### **Section 1.5 (and related questions) repealed**

**1.6.1.1.** Do the Company's publication guidelines cover the procedures for electronic, online disclosure?

Yes

**No**

Explanation:

**1.6.1.2.** Does the Company design its by considering the aspects of disclosure and the information of investors ?

Yes

**No**

Explanation:

**1.6.2.1.** Does the Company have an internal publication policy in place which covers the processing the information listed in Section of the Recommendations document?

Yes

**No**

Explanation:

**1.6.2.2.** Do the internal regulations of the Company cover the methods for the assessment of events judged to be important for publication?

Yes

**No**

Explanation:

**1.6.2.3.** Did the Board of Directors/Governing Board assess the efficiency of the publication processes?

**Yes**

No

Explanation: The disclosure process is directly supervised and controlled by the acting Chief Executive Officer and the Chairman of the Company's Management Board

**1.6.2.4.** Did the Company publish the findings of the efficiency assessment of the publication process?

**Yes**

No

Explanation: The process is under permanent operative supervision – no audits are conducted

**1.6.3.** Did the Company publish its annual company event calendar?

Yes

**No**

Explanation:

**1.6.4.** Did the Company publish its strategy, business ethics and policies regarding other stakeholders?

**Yes**

No

Explanation: The strategy has been published

**1.6.5.** Did the Company publish the career information of Board of Directors / Governing Board, Supervisory Board and management members in its annual report or on the company website?

Yes

**No**

Explanation:

**1.6.6.** Did the Company publish all relevant information about the internal organisation and the operation of the Board of Directors / Governing Board and the Supervisory Board, about the work of the management, the assessments of these and the changes in the current year?

Yes

**No**

Explanation:

**1.6.8.** Did the Company publish its risk management guidelines and information about its system of internal controls, the main risks and the principles for their management?

Yes

**No**

Explanation: As part of the Annual Report

**1.6.9.1.** Did the Company publish its guidelines relating to the trading of its shares by insiders?

Yes

No

Explanation: The Company and the persons deemed insiders shall act in accordance with the relevant laws and the Company's Insider Trading Policy.

**1.6.9.2.** Did the Company disclose the share of the Board of Directors / Governing Board, Supervisory Board and management members in the securities issued by the Company in the annual report or in some other way?

Yes

**No**

Explanation:

**1.6.10.** Did the Company publish the relationship of Board of Directors / Governing Board, Supervisory Board and management members may have with third parties which could affect the operation of the Company?

Yes

**No**

Explanation: It has not occurred

**2.1.1.** Does the Company's Articles of Association contain clear provisions regarding the responsibilities and competences of the General Meeting and the Board of Directors / Governing Board?

Yes

**No**

Explanation:

**2.2.1.** Does the Board of Directors / Governing Board have a rules of procedure in place defining the organisational structure, the actions for arranging for and conducting the meetings, and the tasks regarding the adopted resolutions, as well as other issues related to the operation of the Board of Directors / Governing Board?

Yes

**No**

Explanation:

**2.2.2.** Does the Company publish the procedure used for nominating Board of Directors / Governing Board members?

Yes

**No**

Explanation:

**2.3.1.** Does the Supervisory Board provide a detailed description of its operation and duties, as well as the administrative procedures and processes followed by it, in its rules of procedure and work plan?

Yes

No

Explanation: No supervisory board is operated at the Issuer



**2.4.1.1.** Did the Board of Directors / Governing Board and the Supervisory Board hold meetings periodically at a predefined interval?

Yes

**No**

Explanation: Beyond the determined minimum number of meetings, meetings are summoned regularly

**2.4.1.2.** Did the rules of procedure of the Board of Directors / Governing Board and the Supervisory Board provide rules for the conduct of meetings that cannot be planned in advance, and for decision-making using electronic telecommunications means?

Yes

**No**

Explanation:

**2.4.2.1.** Did board members have access to the proposals to be presented at the meeting of the respective board at least five days prior to the meeting?

Yes

**No**

Explanation:

**2.4.2.2.** Did the Company arrange the proper conduct of the meetings, the drawing up of the meeting minutes and management of the resolutions made by the Board of Directors / Governing Board and the Supervisory Board?

Yes

**No**

Explanation:

**2.4.3.** Do the rules of procedure provide for the regular or ad hoc participation of non-board members at respective board's meetings?

Yes

**No**

Explanation: There are not requirements or limitations in relation to regular attendees. Based on the usual practice of the board, employees whose invitation is justified for the discussion of the given agenda items are invited tot he board meetings.

**2.5.1.** Were the members of the Board of Directors / Governing Board and the Supervisory Board nominated and elected in a transparent process, and was the information about the candidates made public in due time before the General Meeting?

Yes

**No**

Explanation:

**2.5.2.** Does the composition and size of the boards comply with the principles set out in Section of the Recommendations?

Yes

**No**

Explanation:

**2.5.3.** Did the Company ensure that the newly elected Board of Directors / Governing Board and Supervisory Board members became familiar with the structure and operation of the Company and their tasks were carried out as members of the respective boards?

Yes

**No**

Explanation:

**2.6.1.** Did the Governing Board / Supervisory Board request (in the context of preparing the annual corporate governance report) its members considered to be independent to confirm their independence at regular intervals?

Yes

**No**

Explanation: The Corporate Responsibility Report names all the members with the indication of their independent status, which is also confirmed by the members with the approval of the report.

**2.6.2.** Does the Company provide information about the tools which ensure that the Board of Directors / Governing Board assesses objectively the management's activities?

Yes

**No**

Explanation: Only the activities of the acting CEO shall be evaluated directly, primarily in the basis of the Company's annual, audited economic indicators

**2.6.3.** Did the Company publish its guidelines concerning the independence of its Governing Board / Supervisory Board members and the applied independence criteria on its website?

**Yes**

No

Explanation: The Company follows the relevant statutory criteria

**2.6.4.** Does the Supervisory Board of the Company have any members who has held any position in the Board of Directors or in the management of the Company in the previous five years, not including cases when they were involved to ensure employee participation?

**Yes**

No

Explanation: No supervisory board is operated at the Issuer

**2.7.1.** Did members of the Board of Directors / Governing Board inform the Board of Directors / Governing Board and (if applicable) the Supervisory Board (or the Audit Committee if a uniform governance system is in place) if they, or individuals they have business relations with, or their relatives have interest in any business transactions of the Company (or any subsidiaries thereof) which excludes their independence?

Yes

**No**

Explanation: It has not occurred

**2.7.2.** Were transactions and assignments between members of boards/ members of the management/individuals closely associated with them and the Company/subsidiaries of the Company carried out in accordance with the Company's general business practice but applying more stringent transparency rules compared to general business practice, and were they approved?

Yes

**No**

Explanation:

**2.7.3.** Did board members inform the Supervisory Board / Audit Committee (Nominating Committee) if they had received an appointment for board membership or management position of a company not belonging to the Company Group?

Yes

**No**

Explanation: It has not occurred, and is required only for conflicts of interests

**2.7.4.** Did the Board of Directors / Governing Board develop guidelines for the flow of information and the management of insider information within the Company, and monitor compliance with them?

Yes

**No**

Explanation:

**2.8.1.** Did the Company create an independent internal audit function that reports directly to the Audit Committee / Supervisory Board?

Yes

**No**

Explanation: For case-by-case internal auditing activities, the Company relies on external, independent experts.

**2.8.2.** Does Internal Audit have unrestricted access to all information necessary for carrying out audits?

Yes

**No**

Explanation:

**2.8.3.** Did shareholders receive information about the operation of the system of internal controls?

Yes

**No**

Explanation: As part of the Auditor's Report

**2.8.4.** Does the Company have a function ensuring compliance (compliance function)?

Yes

**No**

Explanation: They are part of the different relevant departments

**2.8.5.1.** Is the Board of Directors / Governing Board or a committee operated by it responsible for the supervision and management of the entire risk management of the Company?

Yes

**No**

Explanation:

**2.8.5.2.** Did the relevant organisation of the Company and the General Meeting receive information about the efficiency of the risk management procedures?

Yes

**No**

Explanation:

**2.8.6.** With the involvement of the relevant areas, did the Board of Directors / Governing Board develop the basic principles of risk management taking into account the special idiosyncrasies of the industry and the Company?

Yes

**No**

Explanation: The major risks associated with the Company have been identified, and the Company shall make its decisions by considering such risks. The major risks associated with the Company are also presented in the Company's Annual Report.

**2.8.7.** Did the Board of Directors / Governing Board define the principles for the system of internal controls to ensure the management and control of the risks affecting the Company's activities as well as the achievement of its performance and profit objectives?

Yes

**No**

Explanation: Principles are determined, and risks are managed on the level of the operative management, which the Board of Directors monitors during its activities, and intervenes as necessary

**2.8.8.** Did internal control systems functions report about the operation of internal control mechanisms and corporate governance functions to the competent board at least once a year?

Yes

**No**

Explanation: Owing to its very small size as an organisation, the Company has constant oversight of the operation of all areas

**2.9.2.** Did the Board of Directors / Governing Board invite the Company's auditor in an advisory capacity to the meetings on financial reports ?

Yes

No

Explanation:

## Level of compliance with the Proposals

The Company must state whether it follows the relevant proposal included in the Corporate Governance Recommendations, or not (Yes / No). The Company can also explain any derogation from it.

**1.1.3.** Does the Company's Articles of Association provide an opportunity for shareholders to exercise their voting rights also when they are not present in person?

Yes

No

(Explanation:)

**1.2.4.** Did the Company determine the place and time of General Meetings initiated by shareholders by taking the initiating shareholders' proposal into account?

Yes

No

(Explanation:) It has not been initiated

**1.2.5.** Does the voting procedure used by the Company ensure a clear, unambiguous and fast determination of voting results, and in the case of electronic voting, also the validity and reliability of the results?

Yes

No

(Explanation:)

**1.3.1.1.** Were the Board of Directors/Governing Board and the Supervisory Board represented at the General Meeting?

Yes

No

(Explanation:)

**1.3.1.2.** In the event the Board of Directors/Governing Board and the Supervisory Board was absent, was it disclosed by the Chairman of the General Meeting before discussion of the agenda began?

Yes

No

(Explanation:)

**1.3.2.1.** The Articles of Association of the Company did not preclude any individuals from receiving an invitation to the General Meetings of the Company at the initiative of the Chairman of the Board of Directors/Governing Board and being granted the right to express their opinion and to add comments there if that person's presence and expert opinion is presumed to be necessary or help provide information to the shareholders and help the General Meeting make decisions. (Answer Yes, if not)

Yes

No

(Explanation:)

**1.3.2.2.** The Articles of Association of the Company did not preclude any individual from receiving an invitation to the General Meetings of the Company at the initiative of shareholders requesting to supplement the agenda items of the General Meeting and from being granted the right to express their opinion and to add comments there. (Answer Yes, if not)

Yes

No

(Explanation:)

**1.3.6.** Does the annual report of the Company prepared as specified in the Accounting Act contain a brief, easy-to-understand and illustrative summary for shareholders, including all material information related to the Company's annual operation?

Yes

**No**

(Explanation:)

**1.4.1.** In line with Section, did the Company pay dividend within 10 working days to those of its shareholders who had submitted all the necessary information and documents?

Yes

**No**

(Explanation:)

**1.6.11.** Did the Company publish its information in English as well, in line with the provisions of Section

Yes

**No**

(Explanation:)

**1.6.12.** Did the Company inform its investors about its operation, financial situation and assets on a regular basis, but at least quarterly?

Yes

No

(Explanation:) The Company prepares quarterly reports on its production results and half-year reports on its financial and asset position.

**2.9.1.** Does the Company have in place internal procedures regarding the use of external advisors and outsourced activities?

Yes

**No**

(Explanation:) The Company has Internal Rules of Procedure on transactions with Affiliated Parties.

\* \* \*

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**PROPOSAL AND PROPOSED RESOLUTION  
ON AGENDA ITEM 6 OF THE GENERAL MEETING**

**"DECISION ON THE EVALUATION OF THE WORK CARRIED OUT BY THE MEMBERS OF THE MANAGEMENT BOARD IN THE BUSINESS YEAR OF 2024 AND ON GRANTING THE DISCHARGE TO WHICH THEY ARE ENTITLED"**

The Company, at the request of the members of the Management Board proposes the General Meeting the following resolution for Agenda Item no. 6:

**DRAFT RESOLUTION:**

**The General Meeting has resolved 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 Association to the members of the Management Board for the period starting on 1 May 2024 and ending on 10 April 2025/25 April 2025<sup>1</sup>. By granting such discharge, the General Meeting confirms that the members of the Management Board have properly executed their management activities in the previous business year. The Company may have any claim against the members of the Management Board 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.**

\* \* \*

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<sup>1</sup> According to the date of the General Meeting



**PROPOSAL AND PROPOSED RESOLUTION  
ON AGENDA ITEM 7 OF THE GENERAL MEETING  
"CONSULTATIVE VOTE ON THE REMUNERATION REPORT OF THE BUSINESS YEAR OF 2024"**

The Management Board proposes to the General Meeting the following decision for Agenda Item no. 7 of the General Meeting.

**DRAFT RESOLUTION:**

**The General Meeting supports the Remuneration Report for the business year 2024 prepared by the Management Board in accordance with 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.**

\* \* \*

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## Remuneration Report of PannErgy Public Limited Company for the financial year 2024

The Remuneration Policy of PannErgy Public Company Limited by Shares (registered office: 1112 Budapest, Boldizsár u. 2.; company registration number: 01-10-041618; hereinafter referred to as 'PannErgy Plc.' or 'the Company'), serving as the basis for this Remuneration Report ('Report'), entered into force on 30 April 2024.

The Company submits a Remuneration Report on an annual basis, for the first time for the financial year 2020. The purpose of the Report is to provide a comprehensive overview on the total amount of remuneration awarded in the latest financial year or due on the basis of its results, established for each manager in accordance with the Remuneration Policy, including those of the managers employed for the first time during the financial year under review.

In the financial year 2024, the following members of PannErgy Plc's Management Board and the Chief Executive Officer acted as the Company's managers:

Name	Position	Date of entry into office	End/termination of office
Dénes Gyimóthy	Member, Chairman	12.12.2022	indefinite term
Gábor Briglovics	Member	16.04.2021	indefinite term
Katalin Gyimóthy	Member	28.04.2016	indefinite term
Attila Juhász	Member	31.08.2007	indefinite term
Kálmán Rencsár	Member	30.04.2020	indefinite term
István Jaksa	Chief Executive Officer	13.12.2022	indefinite term

The Remuneration Policy provides that the characteristics of the remuneration of the Company's managers should reflect the Company's evolution and its risk profile. While in the previous energy transformation period certain members of the Management Board (former Board of Directors) joined an executive stock option scheme besides the fixed remuneration of the members, the shareholders decided that only a fixed remuneration shall apply for the current organic operation period.

According to the guidelines set out in the Remuneration Policy, the Company's strategic objectives are achieved mainly through the operational management, the Company's professional staff and permanent partners. Accordingly, the Company has developed a contractual relationship with its employees and strategic partners that uses fixed and performance-based incentives, thereby facilitating the Company's business strategy, long-term interests and sustainability.

In the financial year 2024, the Company's Managers received the following remuneration:





Name	Remuneration amount (thousand HUF)	Fixed part (%)	Variable part (%)
Dénes Gyimóthy	2,340	100.00 %	0.00 %
Gábor Briglovics	1,860	100.00 %	0,00 %
Katalin Gyimóthy	1,860	100.00 %	0.00 %
Attila Juhász	1,860	100.00 %	0.00 %
Kálmán Rencsár	1,860	100.00 %	0.00 %
István Jaksa	15,349	85.00 %	15.00 %

The actual remuneration fully complies with the requirements set out in the Remuneration Policy.

While no performance criteria have been laid down in connection with the remuneration on the basis of the principles described above, it should be noted that the Company has achieved its EBITDA target for the financial year 2024, such value constituting the primary financial performance indicator for the Company.

During the past five years, the yearly changes in Group-level remuneration and the development of the Company's performance and the average Group-level remuneration of Company employees other than managers during such period are shown in the tables below, expressed in FTE in a manner enabling comparison:

Financial year	EBITDA consolidated according to the IFRS (million HUF)	Change in EBITDA consolidated according to the IFRS from the previous financial year (%)	Change in the average annual per capita income of managers from the previous financial year (%)	Change in the average annual per capita income of employees other than managers from the previous financial year (%)
2015	1,614			
2016	1,715	6.28 %	-19.49 %	2.19 %
2017	2,241	30.65 %	-8.54 %	1.95 %
2018	2,231	-0.45 %	0.20 %	-0.35 %
2019	2,666	19.48 %	0.00 %	-5.75 %
2020	2,735	2.60 %	0.49 %	28.29 %
2021	2,878	5.23 %	-0.36 %	18.93 %
2022	3,612	25.50 %	-0.11%	22.80 %
2023	3,930	8.80%	102.93%	23.12%
2024	3,943	0.33%	6.99%	32.50%



Financial year	Remuneration of managers			Remuneration of employees other than managers		
	Average headcount (number of persons)	Total annual income (thousand HUF)	Average annual per capita income (thousand HUF)	Average headcount (number of persons)	Total annual income (thousand HUF)	Average annual per capita income (thousand HUF)
2015 *	6.55	17,115	2,614	37.84	162,664	4,299
2016	7.36	15,478	2,104	23.72	104,200	4,393
2017	7.52	14,480	1,925	15.25	68,300	4,479
2018 *	7.00	13,500	1,929	13.61	60,742	4,463
2019	7.00	13,500	1,929	15.41	64,821	4,206
2020	6.61	12,820	1,938	15.85	85,535	5,396
2021	6.71	12,958	1,931	16.19	103,908	6,418
2022	6.90	13,310	1,959	16.15	127,281	7,881
2023	6.00	23,487	3,915	16.70	162,050	9,704
2024	6.00	25,129	4,188	13.2	169,711	12,857

\*includes the wages of permanent employees only; temporary, project-based wages have been eliminated

In the past 5 financial years, the Company's annual EBITDA has increased by 47.9%, the average per capita annual income of managers has increased by 117.2%, whereas the average per capita annual income of employees other than managers has increased by 205.6%.

For the financial year 2024, no shares or share options have been offered to the Company's managers.

For the financial year 2024, no variable remuneration has been determined for managers and, therefore, there is no possibility of reclaiming such remuneration.

The Remuneration Policy has been implemented in full accordance with the requirements laid down in the Policy; no exceptions have been made.

Since this is the first time the Company has drawn up a Remuneration Report, no resolution adopted by consultative vote by the General Meeting concerning the Remuneration Report for the previous financial year could be taken into consideration.

Budapest, 19 March 2025

**Management Board of PannErgy Plc.**

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**PROPOSAL AND PROPOSED RESOLUTION ON  
AGENDA ITEM 8 OF THE ANNUAL GENERAL MEETING  
"RESOLUTION ON THE REMUNERATION OF THE MEMBERS OF THE MANAGEMENT BOARD"**

In association with Agenda Item 8, the Management Board proposed that the General Meeting should, from 11 April 2025/26 April 2025<sup>1</sup>, fix the remuneration of the Chair of the Management Board in the gross amount of HUF 195,000/month, the same as in the previous year, and the remuneration of members in the gross amount of HUF 155,000/month, again the same as in the previous year.

**PROPOSED RESOLUTION:**

**The General Meeting has established that the remuneration of the Chairperson and other members of the Management Board shall be HUF 195,000/month, and HUF 155,000/month, respectively, as from 11 April 2025/26 April 2025<sup>1</sup>.**

\* \* \*

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<sup>1</sup> According to the date of the General Meeting



**SUBMISSION AND PROPOSAL FOR A RESOLUTION ON ITEM  
"9. REDUCTION OF THE COMPANY'S SHARE CAPITAL BY CANCELLING SOME OF ITS TREASURY SHARES"  
ON THE AGENDA OF THE GENERAL MEETING**

The Management Board proposes to the General Meeting the following decision for Agenda Item no. 9 of the General Meeting.

**DRAFT RESOLUTIONS:**

- 1. The General Meeting resolves to reduce the current share capital of the Company of HUF 360,000,000 (three hundred and sixty million forints) by HUF 40,000,000 (forty million hundred forints), to HUF 320,000,000 (three hundred and twenty million forints), in order to increase other elements of the Company's equity.**

**The holders of the ordinary shares present at the General Meeting consent to the planned reduction of the share capital in accordance with Section 3:309(5) of the Hungarian Civil Code.**

- 2. The General Meeting reduces the share capital of the Company according to Section 3:309(3)-(4) and Section 3:310(1)-(2) of the Civil Code as follows:**

Current (pre-reduction) amount of share capital:	HUF 360,000,000
Amount of share capital reduction:	HUF 40,000,000
Shares affected by the reduction in share capital	2,000,000 pieces
Amount of share capital following reduction of the share capital:	HUF 320,000,000

**The purpose (reason) of the reduction of share capital is to increase another element of the Company's equity.**

**Amount of share capital reduction:**

**Reducing the share capital by HUF 40,000,000 (forty million forints) to HUF 320,000,000 (three hundred and twenty million forints), by cancelling 2,000,000 (two million pieces) of registered dematerialized ordinary shares owned by the Company (treasury shares) having a nominal value of HUF 20 (twenty forints) each.**

**How to execute the share capital reduction:**

**Reduction of the number of the Company's 18,000,000 registered dematerialized ordinary shares with a nominal value of HUF 20 (twenty forints) each, representing a single series of shares with equal and identical membership rights attached, by 2,000,000 (two million pieces), by cancelling shares held by the Company (treasury shares).**

**The reduction of the share capital does not affect the shareholdings of the Company's shareholders.**

\* \* \*

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**PROPOSAL AND DRAFT RESOLUTION ON  
AGENDA ITEM NO. 10 OF THE ANNUAL GENERAL MEETING,  
“AUTHORISATION OF THE MANAGEMENT BOARD TO ACQUIRE TREASURY SHARES”**

The Management Board proposes that the General Meeting grant authorisation to the Management Board to purchase own shares up to a value of HUF 1,500,000,000 (one billion five hundred million forints) at a share price of at least HUF 1 and at most HUF 2,072.

The authorisation shall be valid for the period starting on 28 April 2025 and ending on 10 April 2026. The shares can be acquired through both stock exchange and over-the-counter transactions.

The purchasing of treasury shares is supported, among others, by the stock exchange pricing of the Company's shares below the target price of OTP Bank Nyrt.'s analysts (HUF 2,072 per share on 17 January 2025). The Management Board intends to implement the intensity, schedule, and extent of share purchases taking into account prudential considerations and the prevailing business opportunities, as the Group should operate safely with adequate investment and financial reserves. Reserves should provide coverage for any scheduled and unexpected or emergency investment, operation and financial expenses

**DRAFT RESOLUTION:**

**The General Meeting authorises the Management Board to purchase treasury shares up to an amount of HUF 1,500,000,000 (in words one billion five hundred million forints) at a share price at least HUF 1 and at most HUF 2,072.**

**To the extent permitted by law and considering the provisions laid down in Section 3:222(1) of the Hungarian Civil Code, the Management Board is authorised to purchase ordinary shares with a nominal value of HUF 20 (twenty forints) up to a quantity with which the portfolio of treasury shares does not exceed, at any time during the term of the authorisation, 25% of the total portfolio of shares issued.**

**The authorisation shall be valid for the period starting on 28 April 2025 and ending on 10 April 2026. The shares can be acquired through both stock exchange and over-the-counter transactions.**

**\*\*\***

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**PROPOSAL AND A PROPOSED RESOLUTION  
ON AGENDA ITEM 11 OF THE ANNUAL GENERAL MEETING**

**“ELECTION OF THE AUDITOR OF THE COMPANY, DETERMINATION OF HIS/HER REMUNERATION AND THE MATERIAL ITEMS OF THE CONTRACT TO BE CONCLUDED WITH HIM/HER BASED ON THE PROPOSAL OF THE AUDIT COMMITTEE”**

Regarding the item 11 on the agenda, in agreement with the opinion of the Audit Committee, the Management Board proposes that the General Meeting elect the audit firm BLUE RIDGE AUDIT HUNGARY Kft. as the Company’s continuing auditor for the financial year 2025 (for the period ending 30 April 2026). The Management Board proposes that Gábor Merkel be elected as the person responsible for carrying out the audit activities.

**DRAFT RESOLUTION:**

**The General Meeting elects as the Company’s continuing auditor for the financial year 2025 (from 11 April 2025/26 April 2025<sup>1</sup> to 30 April 2026)**

**Company data:**

BLUE RIDGE AUDIT HUNGARY Korlátolt Felelősségű Társaság

Company registration number: 01-09-717568

Tax number: 13076858-2-41

Chamber of Auditors registration number: 004410

Registered office: H–1026 Budapest, Sodrás utca 5. 2. em. 1.

**Data of natural person:**

Gábor Merkel – Auditor, Member of the Hungarian Chamber of Auditors

Chamber of Auditors membership number: 007363

Home address: H-1138 Budapest, Jakab József utca 21. 2. em. 7.

Mother’s name: Mária Erzsébet Nagy

Date of birth: 15.11.1978

Tax ID: 8408601032

**The Management Board has established that the maximum annual amount of the continuing auditor’s remuneration shall be HUF 7,800,000 + VAT in relation to the auditing of the stand-alone and consolidated annual reports, equally prepared in conformance to the EU IFRS. The other essential conditions of contracting with the continuing auditor shall be identical to the terms and conditions agreed earlier. The Management Board requests the Audit Committee to prepare the contract of the continuing auditor, and the Management Board to sign it.**

\* \* \*

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<sup>1</sup> According to the date of the General Meeting



**PROPOSAL AND DRAFT RESOLUTION  
REGARDING AGENDA ITEM NO. 12 OF THE ANNUAL GENERAL MEETING,  
“AMENDMENT OF THE ARTICLES OF ASSOCIATION OF THE COMPANY DUE TO THE AMENDMENT OF THE GENERAL  
TERMS OF SERVICE OF THE BUDAPEST STOCK EXCHANGE”**

The Management Board, in connection with agenda item no. 12, proposes to the General Meeting to adopt an amendment to Article 23 of the Articles of Association of the Company.

Due to the amendment of the General Terms of Service of the Budapest Stock Exchange (hereinafter referred to as “BSE GTS”) effective from 27 January 2025, it is necessary to amend the Articles of Association of the Company in order to comply with Section 17.1.9/B of the BSE GTS, as requested by the BSE. Article 23 of the Articles of Association of the Company provides for a time limitation on the validity of proxies granted for the purpose of representation at the General Meeting of the Company, which the Management Board proposes to be removed due to the alignment of the practice of BSE listed issuers regarding proxies with international practice.

**DRAFT RESOLUTION:**

**The General Meeting amends Article V.23. of the Articles of Association of the Company as follows (amendments marked in italics, underlined):**

“Article 23. The General Meeting shall form a quorum if shareholders representing more than fifty percent of all voting shares are present, in person or through proxy. Such power of attorney shall be issued in the form of a public document or a private document of full probative power and submitted at the place and time specified in the invitation to the General Meeting but at any rate not later than the registration before the General Meeting. Where a shareholder so prefers, the Company shall send him a power of attorney form to the postal or e-mail address specified by the shareholder.

~~*The power of attorney shall remain valid for a single General Meeting or for a fixed term of up to 12 (twelve) months.*~~ The power of attorney shall also be **valid** for the continuation of a suspended General Meeting and a General Meeting that has been repeatedly convened due to a lack of quorum.

Members of the Management Board, the manager, senior executives of the Company and the Company’s permanent auditor shall not act as proxies.”

\* \* \*

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PROPOSAL AND DRAFT RESOLUTION  
REGARDING AGENDA ITEM NO. 13 OF THE ANNUAL GENERAL MEETING,  
“AMENDMENT OF THE ARTICLES OF ASSOCIATION OF THE COMPANY IN RELATION TO AGENDA ITEMS NO. 9, 11  
AND CHANGES ACCORDING TO THE TEÁOR’25 CODES”

The present proposal of the Management Board proposes the amendment of the Articles of Association due to the reduction of the Company’s share capital by the issue of treasury shares, as decided under agenda item no. 9, the appointment of the auditor for the financial year 2025, as decided under agenda item no. 11, and changes according to the TEÁOR’25 Codes.

DRAFT RESOLUTION:

- 1. Under Section 3:309(4) of the Hungarian Civil Code, the General Meeting, simultaneously with the decision to reduce the share capital, also rules on the necessity to amend the Company’s Articles of Association due to the capital reduction, according to which it amends Articles IV. 7 and 8 of the Articles of Association as follows (amendments underlined and in bold italics):*

“IV.

SHARE CAPITAL AND SHARES

7. The share capital of the Company is **HUF 320,000,000 F, i.e. three hundred and twenty million forints.**
8. Shares of the company:

The share capital of the company consists of **16,000,000** dematerialized registered ordinary shares with a nominal value of HUF 20 each, i.e. twenty forints, representing equal and identical membership rights attached, forming a single series of shares.”

***This point of the resolution of the General Meeting, the amendment to the Articles of Association related to the capital reduction, shall enter into force if the conditions for the reduction of the share capital are met.”***





2. Pursuant to Resolution no. [\*/2025.(IV.10.)/[\*/2025.(IV.25.)<sup>1</sup> of the General Meeting, the General Meeting amends Article VIII.47.2 of the Company's Articles of Association as follows (amendments marked in italics, underlined):

"The Company's Auditor shall be:

name of the company: BLUE RIDGE AUDIT HUNGARY Korlátolt Felelősségű  
Társaság  
registered office: H-1026 Budapest, Sodrás utca 5. 2. em. 1. ajtó  
company registration number: 01-09-717568  
registration number at the Chamber: 004410  
Chamber:

Person in charge of auditing activities:

name: Gábor Merkel  
name at birth: Gábor Merkel  
mother's maiden name: Erzsébet Mária Nagy  
home address: H-1138 Budapest, Jakab József utca 21. 2. em. 7 ajtó  
Registration no. at the Chamber: 007363  
**title as from:** **11 April 2025/26 April 2025<sup>1\*</sup>**  
**title until:** **30 April 2026"**

3. The General Meeting – in accordance with Section 131(1)–(3) of Act V of 2006 on Public Company Information, Company Registration and Winding-up Proceedings (hereinafter referred to as "Ctv.") and Section 51(2a) of the Ctv. – in view of the changes in the core activity and other activities of the Company according to the TEÁOR'25 Code, hereby updates the core activity and other activities indicated in the Articles of Association of the Company in accordance with the data of the Commercial Register and accordingly amends Articles III.5 and 6 of the Articles of Association as follows (amendments marked in italics, underlined):

"Article 6 Scope of the Company's activities according to **TEÁOR'25**:

<b><u>70.10 '25</u></b>	<b><u>Activities of head offices – core activity</u></b>
<b><u>3522 '25</u></b>	<b><u>Distribution of gaseous fuels through mains</u></b>
<b><u>6220 '25</u></b>	<b><u>Computer consultancy activities and computer facilities management activities</u></b>
<b><u>6310 '25</u></b>	<b><u>Computer infrastructure, data processing, hosting and related activities</u></b>
<b><u>6392 '25</u></b>	<b><u>Other information service activities</u></b>

<sup>1</sup> Depending on the date of the General Meeting



<u>6811 '25</u>	<u>Buying and selling of own real estate</u>
<u>6820 '25</u>	<u>Renting and operating own or leased real estate</u>
<u>6920 '25</u>	<u>Accounting, bookkeeping and auditing activities; tax consultancy</u>
<u>7020 '25</u>	<u>Management consultancy activities, other management consultancy activities</u>
<u>7112 '25</u>	<u>Engineering activities and related technical consultancy</u>
<u>7210 '25</u>	<u>Research and experimental development on natural sciences and engineering</u>
<u>7499 '25</u>	<u>Other professional, scientific and technical activities n.e.c.</u>
<u>7711 '25</u>	<u>Renting and leasing of motor vehicles</u>
<u>7740 '25</u>	<u>Leasing of intellectual property and similar products, except copyrighted works</u>
<u>8240 '25</u>	<u>Intermediation of other business support service activities</u>

\* \* \*

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

