



Budapest, May 8, 2017

ANNOUNCEMENT

**OF APPENINN VAGYONKEZELŐ HOLDING NYILVÁNOSAN MŰKÖDŐ
RÉSZVÉNYTÁRSASÁG**

on dividend payment in the financial year of 2016.

Based on the resolutions adopted by the repeated annual General Meeting held on April 28, 2017, the Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (registered seat: H-1022 Budapest, Bég street 3-5.; company registration number: 01-10-046538; tax number: 11683991-2-41, hereinafter: „Company”) hereby informs the Honourable Shareholders about the rules of payment of dividend for the financial year 2016:

- i) For the ordinary registered shares of the Company having the face value of HUF 100,- (ISIN HU0000102132) the dividend of HUF 7,- in words gross seven Hungarian forints shall be paid.
- ii) Upon authorization of the General Meeting dividends can be paid in the form of Company s shares as non-monetary allowance to the shareholders upon request of the shareholder in question. In the latter case the amount of own shares transferred to the shareholder in question are calculated according to the following formula:

Amount of dividend* in non-monetary allowance (1st information)
= (amount of share (piece) x HUF 7,- / HUF 223,- (2nd information)

1st information: Dividend payment in the form of non-monetary allowance is possible only if the shares owned by the shareholder in question exceeds 32 ordinary shares. The amount of ordinary shares received as non-monetary allowance shall be specified according to the basic mathematical rounding formulas.

2nd information: Calculated upon the Budapest Stock Exchange (hereinafter: „BSE”) 180 day average price on May 8, 2017.

iii) Conditions of dividend payment

Only the shareholders owning shares on the record date determined in the resolution of the General Meeting on the payment of dividends (June 12, 2017.) and who have proven this fact by a certificate of ownership issued by their account holder shall be entitled to dividend.

The Company shall not be liable for any delays resulting from the incomplete or late provision of any data supported by any of the shareholders or account providers.

With regards to the payment of dividends we hereby notify our shareholders to verify whether their account providers have sufficient data in order to proceed with the payment and/or the determination of tax.

iv) Dates concerning dividend payment

June 8, 2017 is determined as the last trading day on the BSE when ordinary shares of the Company entitling shareholders to dividends with regards to the year of 2016 shall be traded.

The statement day (record date) regarding the dividend payment is June 12, 2017. (E-5)

The starting date of dividend payment (hereinafter: „**E-day**”): June 19, 2017.

The Company shall not be obliged to pay any interests if the dividend is received after the date of August 18, 2017.

The duration of dividend payment: June 19, 2017 – August 18, 2017

The shareholder shall be entitled to claim dividend with regards to the year of 2016 within 5 years, after this duration the claim shall lapse.

v) The method of dividend payment

The amount dividends to be paid to the shareholders shall be determined on the basis of the data provided by the shareholder in question and required for the determination of the amount of the dividend.

The shareholders shall inform the Company whether they would like to receive the dividend payment as non-monetary allowance – Company's shares – or in the form of money by filling out the standard form (which can be downloaded from the Company's website) and sending it to the Company. The shareholders shall provide the above information via the standard form downloaded from the Company's website in a private document providing full evidence. The filled-out form shall be made available for the Company together with the certificate of ownership. If in the occasion the form is inadequately filled out, incomplete, or made available to the Company after the provision of the certificate of ownership, the dividend shall be paid only in the form of money.

Non-monetary allowance as dividend shall be paid by transfer to the shareholder's security account, if the details of the said security account were provided to the Company. In the absence of the abovementioned details the dividend shall be paid by transfer the account provider of the shareholder who shall credit the dividend on the account of the shareholder. If in the event the abovementioned data provided by the shareholder proves to be incomplete, dividend shall be paid only after the provision of the missing data.

Dividend in the form of money shall be paid by bank transfer, directly to the bank account of the shareholder in question if it provided the details of the bank account to the Company. If in the event the abovementioned data provided by the shareholder proves to be incomplete, dividend shall be paid only after the provision of the missing data.

In case of a resident shareholder the Company shall only be obliged to pay dividend if the securities account manager of the shareholder in question provided the personal data of the shareholder to the Company (resident private individual owner's name, birth name, mother's birth name, birth place and date) sex, citizenship and tax number. If any of the data listed is missing, the Company cannot pay the dividend until the missing information is provided.

vi) Deductions and taxes concerning the dividend

The amount of the dividend to be paid and tax to be deducted with regards to each share shall be determined by the Company, according to the effective tax laws and the data provided by account providers.

Tax concerning resident private individual owners

No healthcare contribution is to be paid on dividend payments.

In accordance with Section 8 (1) of Act CXVII of 1995 on personal income tax (hereinafter: „Szja tv.”) the tax rate applicable to dividends paid from the profit of the year 2016 is 15%.

In accordance with Section 15 (4) and Section 66 (3) of the Szja tv. the shareholder shall be obliged to settle its tax related obligations arising out of the payment of dividends as non-monetary allowance. Consequently the shareholder shall solely be liable to declare and pay any taxes arising out of the payment of dividends.

In accordance with Section 67 (9) point af) of the Szja tv. the amount of value paid against the shares received by way of dividend payment is equivalent the value of dividend income. In accordance with Section 46 (9) of the Act XCII of 2003 on the rules of taxation the Company shall issue a certificate to the shareholders with regards to the value of their dividend income. In accordance with the above-mentioned the Company hereby informs the shareholders that in case the dividend is paid as non-monetary allowance it is obliged to disclose the amount of the non-deducted tax to the National Tax and Customs Administration of Hungary.

Tax payment of foreign-resident private individual owners

In the case of foreign-resident private individual owners, when paying dividends, the Company may only make use of the preferential tax deduction opportunity stipulated in a double taxation convention (DTC) concluded with the government concerned if the shareholder or his duly authorized securities account manager sends to the Company either the English language version or the professional Hungarian translation or the duplicate copy of one of these documents, issued by the foreign tax authority in the given year, certifying the shareholder's foreign-resident status, as well as the Hungarian translation of the beneficial owner's declaration made by the shareholder or his securities account manager with regard to the shareholder, if such declaration affects the tax liability.

In the absence of the above documents, tax must be deducted at the generally applicable rate from the dividend paid to shareholders who are foreign-resident private individuals

If the shareholder is a foreign-resident private individual, the Company may only pay dividend to it if the shareholder's securities account manager has provided the shareholder's identification data (the foreign-resident private individual's name, address in the country of residence, place and date of birth, tax number) by performing a share-ownership verification procedure. If any of the data listed is missing (with the exception of the tax number), the Company cannot pay the dividend until the missing information is provided.

If the tax rate deducted from the dividend paid to a foreign-resident private individual is higher than the tax rate to be applied based on the relevant international convention, the foreign-resident shareholder may submit to Large Taxpayers' Tax and Customs Directorate of the National Tax and Customs Administration an application for the refund of the difference between the

amount of tax deducted and the amount of tax stipulated in the convention, by presenting the certificate of payment and the certificate of residence.

Deduction exemptions concerning shares held on a long-term investment accounts

The payment of dividends on shares held on a long-term investment account is not subject to the deduction of tax, whether in the case of domestically resident or foreign-resident private individuals. In order to ensure that the dividend payment is exempt from tax, simultaneously with submitting a claim for the dividend, the securities account manager must disclose to the Company the list of shareholders that hold their shares on long-term investment accounts. If the Company is unaware that the share is held on a long-term investment account, tax will be deducted at the generally applicable rate from the dividend, while also taking into account any other conditions that may have a bearing on the tax liability.

Tax payment of dividends paid to shareholders that are domestically resident or foreign-resident non-private entities

The Company does not have to deduct tax from dividends paid to shareholders that are domestically resident or foreign-resident non-private entities; dividends paid to non-private entities are not subject to dividend tax.

Dividend payment to a foreign-resident private individual through the shareholder's representative)

If the dividend is paid to a foreign-resident private individual through the shareholder's representative, in order for the Company to issue the paying agent's declaration the shareholder's representative must declare the foreign-resident private individual's details (the foreign-resident private individual's name, address, place and date of birth, residence, and the forint amount of the dividend paid/to be paid to him or her). The shareholder's representative must make this declaration in the form of a document prepared in Hungarian, or in Hungarian and English, and bearing the necessary authorized signatures, and he or she must attach to it a certificate of residence and a beneficial owner's declaration.

If based on the declaration the Company is unable to provide the tax authority with information on a foreign-resident private individual who receives dividend income, it must comply with its reporting obligation by disclosing the name (company name) and registered seat of the shareholder's representative, and also – in the case of a domestic resident – the representative's tax number and the amount of dividend paid to the representative.

If prior to the dividend payment the shareholder's representative declares that the income beneficiary or some of the beneficiaries are not private persons,

when paying dividends the Company will not deduct tax from the part of the dividend that is due to the non-private entities.

In the course of the share-ownership verification procedure conducted by the Company, the Company shall accept the classification (with regards to any of the shareholder categories) of the shareholder(s) represented by the shareholder's representative as equivalent to the declaration referred to above.

The Company will only accept a foreign-resident private individual's certificate of residence and beneficial owner's declaration, as well as the declarations on the shareholder category of the shareholder represented by the shareholder's representative, if these documents mentioned in the present chapter will have to be made available to the Company together with the certificate of ownership.

Appennin Vagyonkezelő Holding
Nyilvánosan Működő Részvénytársaság
Board of Directors