

**PROPOSALS AND PROPOSED RESOLUTIONS**  
**regarding the Agenda Items of the ordinary General Meeting of KONZUM Investment and**  
**Asset Management Public Limited Company held on the 26<sup>th</sup> April 2018**

**KONZUM Investment and Asset Management Public Limited Company** (registered seat: II 10 Révay Street, HU-1065 Budapest; company registration number: 01-10-049323; „*Company*”) hereby respectfully informs the Shareholders on the proposals and proposed resolutions regarding the Agenda Items of the ordinary General Meeting held on the 26<sup>th</sup> April 2018.

**1<sup>st</sup> and 6<sup>th</sup> contracted Agenda Items:**

1<sup>st</sup> Agenda Item: Report of the Board of Directors concerning the business year 2017

6<sup>th</sup> Agenda Item: Decision on the acceptance of the report of the Board of Directors concerning the business year 2017

*Proposal for the 1<sup>st</sup> and 6<sup>th</sup> Agenda Items:*

The Board of Directors has prepared the annual report (business and management report) concerning the business operations of the Company in the year 2017 based on the regulation of the Budapest Stock Exchange Ltd, Act CXX of 2001 on the Capital Market and Annex 1 of the Decree of the Minister of Finance No. 24/2008. (VIII.15.).

Report (business and management report) of the Board of Directors is attached to this proposal (Annex 1.)

The Board of Directors proposes to the General Meeting the acceptance of the annexed report of Board of Directors for the year 2017.

Based on the above we ask the Esteemed Shareholders to adopt the following Proposed Resolution regarding the 1<sup>st</sup> and 6<sup>th</sup> Agenda Items.

*Proposed Resolution for the 1<sup>st</sup> and 6<sup>th</sup> Agenda Items:*

**Resolution of the General Meeting No. (...)/2018.(04.26.):**

The General Meeting accepts the report of the Board of Directors concerning the business operations of the Company in the year 2017 in accordance with the proposal.

**2<sup>nd</sup> and 5<sup>th</sup> contracted Agenda Items:**

2<sup>nd</sup> Agenda Item: Proposal of the Board of Directors on the acceptance of the individual and consolidated annual accounts for 2017 according to IFSR

5<sup>th</sup> Agenda Item: Decision on the individual and consolidated annual accounts for 2017 according to IFRS

*Proposal for the 2<sup>nd</sup> and 5<sup>th</sup> Agenda Items:*

Board of Directors proposes to the General Meeting the acceptance of the individual (non-consolidated) annual account for the year 2017 in accordance with the IFSR (International Financial Reporting Standards) with the following contents:

- HUF 2.918.775.000,- total assets/capital and funds
- HUF 555.999.000,- equity capital
- HUF -34.271.000,- total comprehensive profit after taxes.

Board of Directors proposes to the General Meeting the acceptance of the consolidated annual account for the year 2017 in accordance with the IFSR (International Financial Reporting Standards) with the following contents:

- HUF 66.400.176.000,- total assets/capital and funds
- HUF 40.847.907.000,- equity capital
- HUF 19.649.696.000,- total comprehensive profit after taxes.

Under the extraordinary announcement published by the Company on 28<sup>th</sup> March 2018, the Board of Directors records that the data included in the present proposal is unaudited, the financial statements are expected to be finalized at the present General Meeting after these financial statements are approved by the auditor.

The individual (non-consolidated) annual account (Annex 2.) and the consolidated annual account (Annex 3.) are attached to this proposal.

Based on the above we ask the Esteemed Shareholders to adopt the following Proposed Resolution regarding the 2<sup>nd</sup> and 5<sup>th</sup> Agenda Item.

*Proposed Resolution for the 2<sup>nd</sup> and 5<sup>th</sup> Agenda Items:*

**Resolution of the General Meeting No. (...) / 2018.(04.26.):**

The General Meeting accepts the individual (non-consolidated) annual account and the consolidated annual account for the year 2017 in accordance with IFRS (International Financial Reporting Standards) according to the Proposal.

**3<sup>rd</sup> Agenda Item:**

Report of the Auditor concerning the Proposals for the General Meeting and the individual and consolidated annual accounts for 2017 according to IFSR

*Proposal for the 3<sup>rd</sup> Agenda Item:*

The Auditor of the Company has prepared its independent auditor's report on the individual (non-consolidated) annual account for the year 2017 – according to IFRS (International Financial Reporting Standards) –, and on the consolidated annual account for the year 2017 – according to IFRS (International Financial Reporting Standards).

Based on the above we ask the Esteemed Shareholders to adopt the following Proposed Resolution regarding the 3<sup>rd</sup> Agenda Item.

*Proposal Resolution for the 3<sup>rd</sup> Agenda Item:*

**Resolution of the General Meeting No. (...)/2018.(04.26.):**

The General Meeting accepts the independent auditor's reports of the Auditor concerning the Proposals for the General Meeting and the individual and consolidated annual accounts for 2017 according to IFSR.

**4<sup>th</sup> Agenda Item:**

Report of the Supervisory Board and the Audit Committee concerning the Proposals for the General Meeting and the individual and consolidated annual accounts for 2017 according to IFSR

*Proposal for the 4<sup>th</sup> Agenda Item:*

The Supervisory Board and the Audit Committee has prepared its report concerning the Proposals for the General Meeting and the individual and consolidated annual accounts for 2017 according to IFSR.

Report of the Supervisory Board and the Audit Committee concerning the Proposals for the General Meeting and the individual and consolidated annual accounts for 2017 according to IFSR is attached to this proposal (Annex 4.)

Based on the above we ask the Esteemed Shareholders to adopt the following Proposed Resolution regarding the 4<sup>th</sup> Agenda Item.

*Proposed Resolution for the 4<sup>th</sup> Agenda Item:*

**Resolution of the General Meeting No. (...)/2018.(04.26.):**

The General Meeting accepts the report of the Audit Committee concerning the Proposals for the General Meeting and the individual and consolidated annual accounts for 2017 according to IFSR.

**7<sup>th</sup> Agenda Item:**

Decision on the Company Governance and Management Report

*Proposal for the 7<sup>th</sup> Agenda Item:*

The Board of Directors presents the Company Governance and Management Report for 2017 to the General Meeting for acceptance.

The Company Governance and Management Report is attached to this proposal (Annex 5.).

Based on the above we ask the Esteemed Shareholders to adopt the following Proposed Resolution regarding the 7<sup>th</sup> Agenda Item.

*Proposed Resolution for the 7<sup>th</sup> Agenda Item:*

### **Resolution of the General Meeting No. (...)/2018.(04.26.)**

The General Meeting accepts the Company Governance and Management Report for 2017 in accordance with the proposal.

#### **8<sup>th</sup> Agenda Item:**

Decision on the evaluation concerning the work of the Board of Directors, and on issuing hold-harmless warrant for the Members of the Board of Directors

*Proposal for the 8<sup>th</sup> Agenda Item:*

The Board of Directors proposes to the General Meeting to discuss the evaluation of the work performed by the Members of the Board of Directors in the year 2017 and decide on issuing hold-harmless warrant for the Members of the Board of Directors. By issuing hold-harmless warrant the General Meeting certifies that the Members of the Board of Directors performed their work in the best interests of the Company in the year 2017.

Based on the above we ask the Esteemed Shareholders to adopt the following Proposed Resolution regarding the 8<sup>th</sup> Agenda Item.

*Proposed Resolution for the 8<sup>th</sup> Agenda Item:*

### **Resolution of the General Meeting No. (...)/2018.(04.26.)**

The General Meeting concludes that the Members of the Board of Directors performed their work in the best interest of the Company in the year 2017, therefore the General Meeting issues hold-harmless warrants for the Members of the Board of Directors for the year 2017.

#### **9<sup>th</sup> Agenda Item:**

Decision on the remuneration of the Members of the Board of Directors, the Members of the Supervisory Board and the Members of the Audit Committee

*Proposal for the 9<sup>th</sup> Agenda Item:*

KONZUM PE Magántőkealap (registered seat: 1-3 Riadó Street, HU-1026 Budapest; registration number: 6122-44), as a shareholder owning the shares, embodying 40,31 percentage of ownership, issued by the Company, proposes to the General Meeting to determine the remuneration of the Members of the Board of Directors, the Members of the Supervisory Board and the Members of the Audit Committee in accordance with the amounts included in the Resolutions of the General Meeting No. 10/2017 (IV.26.), 11/2017 (IV.26.) and 12/2017 (IV.26.).

Based on the above we ask the Esteemed Shareholders to adopt the following Proposed Resolution regarding the 9<sup>th</sup> Agenda Item.

*Proposed Resolution for the 9<sup>th</sup> Agenda Item:*

### **Resolution of the General Meeting No. (...)/2018.(04.26.)**

The General Meeting determines the remuneration of the Members of the Board of Directors, the Members of the Supervisory Board and the Members of the Audit Committee in accordance with the amounts included in the Resolutions of the General Meeting No. 10/2017 (IV.26.), 11/2017 (IV.26.) and 12/2017 (IV.26.).

#### **10<sup>th</sup> Agenda Item:**

Resignation of the Member of the Supervisory Board, and decision on election of the new Member of the Supervisory Board and on its remuneration

#### *Proposal for the 10<sup>th</sup> Agenda Item:*

The General Meeting of the Company has elected Dr. Kadosa Adorján Antal (mother's maiden name: Jolán Kovács; date of birth: 17.01.1976.; address: 1. Panoráma köz, HU-2013 Pomáz; tax ID: 8398270276) as a Member of the Supervisory Board for a definite period of time starting the 26<sup>th</sup> April 2017 and ending the 30<sup>th</sup> April 2019. Dr. Kadosa Adorján Antal has resigned from his office as a Member of the Supervisory Board, therefore election of a new Member of the Supervisory Board has become necessary.

The Board of Directors proposes to the General Meeting to elect a new person as the Member of the Supervisory Board.

At the same time with the election of the new Member of the Supervisory Board, the Board of Directors introduces a proposition on the remuneration of the new Member of the Supervisory Board for the General Meeting. The Board of Directors proposes to the General Meeting to determine the remuneration of the new Member of the Supervisory Board to be identical to the remuneration of the other Members of the Supervisory Board.

As a result of the election of the new Member of the Supervisory Board, the Supervisory Board will continue its operation with 3 (three) members in accordance with the Articles of Association.

Based on the above we ask the Esteemed Shareholders to adopt the following Proposed Resolutions regarding the 10<sup>th</sup> Agenda Item.

#### *Proposed Resolutions for the 10<sup>th</sup> Agenda Item:*

### **Resolution of the General Meeting No. (...)/2018.(04.26.)**

The General Meeting acknowledges the resignation of Dr. Kadosa Adorján Antal as Member of the Supervisory Board on the present day, and at the same time decides to remove him as Member of the Supervisory Board from the Company's documents and from the Register of Companies.

### **Resolution of the General Meeting No. (...)/2018.(04.26.)**

Based on point 8.4. of chapter V of the Articles of Association, the General Meeting elects [...]¹ (mother's maiden name: [...]; date of birth: [...]; address: [...]; tax ID: [...]) as Member of the Supervisory Board for the definite period of time ending the 30<sup>th</sup> April 2019. The new Member of the Supervisory Board performs its duties based on agency agreement.

#### **11<sup>th</sup> Agenda Item:**

Resignation of the Member of the Audit Committee, and decision on election of the new Member of the Audit Committee and on its remuneration

#### *Proposal for the 11<sup>th</sup> Agenda Item:*

The General Meeting of the Company has elected Dr. Kadosa Adorján Antal (mother's maiden name: Jolán Kovács; date of birth: 17.01.1976.; address: 1. Panoráma köz, HU-2013 Pomáz; tax ID: 8398270276) as a Member of the Audit Committee for a definite period of time starting the 26<sup>th</sup> April 2017 and ending the 30<sup>th</sup> April 2019. Dr. Kadosa Adorján Antal has resigned from his office as a Member of the Audit Committee, therefore election of a new Member of the Audit Committee has become necessary.

The Board of Directors proposes to the General Meeting to elect a new person as the Member of the Audit Committee.

At the same time with the election of the new Member of the Audit Committee, the Board of Directors introduces a proposition on the remuneration of the new Member of the Audit Committee for the General Meeting. The Board of Directors proposes to the General Meeting to determine the remuneration of the new Member of the Audit Committee to be identical to the remuneration of the other Members of the Audit Committee.

As a result of the election of the new Member of the Audit Committee, the Audit Committee will continue its operation with 3 (three) members in accordance with the Articles of Association.

Based on the above we ask the Esteemed Shareholders to adopt the following Proposed Resolutions regarding the 11<sup>th</sup> Agenda Item.

#### *Proposed Resolutions for the 11<sup>th</sup> Agenda Item:*

### **Resolution of the General Meeting No. (...)/2018.(04.26.)**

The General Meeting acknowledges the resignation of Dr. Kadosa Adorján Antal as Member of the Audit Committee on the present day, and at the same time decides to remove him as Member of the Audit Committee from the Company's documents and from the Register of Companies.

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¹ The Board of Directors requests the General Meeting to propose a new member of the Supervisory Board.

### **Resolution of the General Meeting No. (...)/2018.(04.26.)**

Based on point 8.8.1. of chapter V of the Articles of Association, the General Meeting elects [...]² (mother's maiden name: [...]; date of birth: [...]; address: [...]; tax ID: [...]) as Member of the Audit Committee for the definite period of time ending the 30<sup>th</sup> April 2019. The new Member of the Audit Committee performs its duties based on agency agreement.

#### **12<sup>th</sup> Agenda Item:**

Decision on the amendment of the Articles of Association related to the election of the new member of the Supervisory Board and the Audit Committee

*Proposal for the 12<sup>th</sup> Agenda Item:*

The Board of Directors proposes to the General Meeting to amend those provisions of the Articles of Association that are necessary to be amended regarding the election of the new Member of the Supervisory Board and the Audit Committee.

Based on the above we ask the Esteemed Shareholders to adopt the following Proposed Resolutions regarding the 12<sup>th</sup> Agenda Item.

*Proposed Resolution for the 12<sup>th</sup> Agenda Item:*

### **Resolution of the General Meeting No. (...)/2018.(04.26.)**

Based on point 3.5. of chapter V of the Articles of Association, the General Meeting amends those provisions of the Articles of Association that are necessary to be amended regarding the election of the new Member of the Supervisory Board and the Audit Committee performed by the ordinary general meeting held on 26<sup>th</sup> April 2018:

Point 8.4. of chapter V of the Articles of Association is amended as follows:

Deleted text:

Dr. Kadosa Adorján Antal (mother's maiden name: Jolán Kovács; address: 1 Panoráma köz, HU-2013 Pomáz)

*New text:*

*The Member of the Supervisory Board for the definite period starting the 26<sup>th</sup> April 2018 and ending 30<sup>th</sup> April 2019:*

*[...]³ (mother's maiden name: [...]; [...])*

Point 8.8. of chapter V of the Articles of Association is amended as follows:

Deleted text:

Dr. Kadosa Adorján Antal (mother's maiden name: Jolán Kovács; address: 1 Panoráma

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<sup>2</sup> The Board of Directors requests the General Meeting to propose a new member of the Audit Committee.

<sup>3</sup> The Board of Directors requests the General Meeting to propose a new member of the Supervisory Board

köz, HU-2013 Pomáz)

*New text:*

*The Member of the Audit Committee for the definite period starting the 26<sup>th</sup> April 2018 and ending 30<sup>th</sup> April 2019:*

*[...]<sup>4</sup> (mother's maiden name: [...]; address: [...])*

5<sup>th</sup> April 2018, Budapest

**KONZUM Investment and Asset Management  
Public Limited Company  
Board of Directors**

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<sup>4</sup> The Board of Directors requests the General Meeting to propose a new member of the Audit Committee