

**Resolutions of the Board of Directors of PannErgy Public Company
Limited by Shares accepted
in association with the agenda items of the Company's annual ordinary General
Meeting to be held on 16 April 2021**

Resolution no. 2021.03.24./2 of the Board of Directors

In association with **Agenda Items no.1–4**, with the contents and substances attached to this Resolution, the Board of Directors proposes to the shareholders to accept the Company's following reports in relation to the business year of 2020:

Related document:

- Report of the Board of Directors on the activities of the Company in the business year of 2020 — approval of the report on the management, the Company's financial position and business policies
- PannErgy Plc. Annual Report and Business Report (prepared in accordance with International Financial Reporting Standards as adopted by the EU) 2020 – including Independent Auditor's Report
- PannErgy Plc. and its subsidiaries Consolidated Financial Statement and Annual Report in conformity with the IFRS 2020 – including Independent Auditor's Report

The Board of Directors - within the scope of the above documents - confirms the consolidated heat sales target for 2021 as 1,733 TJ, and the proposed EBITDA range in 2021 between HUF 2,800 and HUF 2,880 million of the Company, as it was announced in Quarterly Production Report for 2020 Q4.

For the General Meeting the Management Board recommends a dividend payment of HUF 15 per ordinary shares to shareholders entitled to dividend payment under Sections 56.3 and 58 of the Company's Articles of Association, from the reporting year's profit after taxes and the positive retained earnings from previous periods' profitable operations.

The first dividend amount will be paid on 14 July 2021. For the purposes of dividend payment, the accounting date for shareholder verification is 30 June 2021

Resolution no. 2021.03.24./3 of the Board of Directors

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

Resolution no. 2021.03.24./4. of the Board of Directors

The Board of Directors proposes - in association with **Agenda Item no. 6**, - to The General Meeting to grant the discharge defined in Section (1) of Article 3:117 of Act V of 2013 on the Civil Code and detailed in Paragraph 19.z) and 20.g) of the Company's Articles of Corporation to the members of the Board of Directors for the period starting on 1 May 2020 and ending on 16 April 2021. By granting such discharge, the General Meeting confirms that the members of the Board of Directors have properly executed their management activities in the previous business year. The Company may have any claim against the members of the Board of Directors based on their violation of their managerial obligations in case the facts or data serving as the basis of the provision of this discharge are untrue or incomplete.

Resolution no. 2021.03.24./5 of the Board of Directors

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

Resolution no. 2021.03.24./6 of the Board of Directors

In association with **Agenda Item no. 8**, the Board of Directors proposes to the General Meeting to establish the emoluments of the Chairman of the Board of Directors to be a gross amount of HUF 195,000 a month, and the emoluments of the individual members to be a gross amount of HUF 155,000 from 17. April 2021.

Resolution no. 2021.03.24./7 of the Board of Directors

In association with **Agenda Item no.9**, The Board of Directors proposes that the General Meeting should grant authorization to the Board of Directors to purchase treasury shares up to an amount of HUF 500,000,000 (in words fivehundred million Hungarian Forints) at a share rate corresponding to at least HUF 1 and up to HUF 900 at the maximum. The authorization shall be valid in the period starting on 17 April 2021 and ending on 14 April 2022. The shares may be purchased solely in trading at the stock exchange.

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 authorized to purchase ordinary shares of a HUF 20 nominal value up to a quantity with which the portfolio of own shares does not exceed, at any time during the term of the authorization, 25% of the total portfolio of shares issued.

Resolution no. 2021.03.24./8 of the Board of Directors

In association with **Agenda Item no. 10**, in line with the opinion of the Audit Committee the Board of Directors has proposed to the General Meeting that for the business year of 2021 (for the period ending on 30 April 2022) the Company should re-elect the current audit firm, i.e. elect Venilia Vellum Könyvvizsgáló és Adótanácsadó Kft. (Venilia Vellum Auditing and Tax Counseling Ltd) to act as the Company's permanent auditor.

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

Data of the company:

Venilia Vellum Könyvvizsgáló és Adótanácsadó Kft.

Company registration number: 01-09-566797

Tax number: 12229888-2-41

Registration number at the Chamber of Auditors: 000340

Registered address: H-1026 Budapest, Szilágyi Erzsébet fasor 79. fsz. 3.

Data of the natural person:

Rózsa Bukri – member of the Chamber of Auditors

Membership number at the Chamber: 001130

Number of the auditor ID card: 002395

Address: H-1026 Budapest, Szilágyi Erzsébet fasor 79. fsz. 3.

Mother's name at birth: Rozália Kamrás

Born: Budapest, 06.07.1973 Tax

ID: 8389020572

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

Resolution no. 2021.03.24./9 of the Board of Directors

The Management Board—with respect to **Agenda Item no. 11**—proposes that the General Meeting appoint Gábor Briglovics, place and date of birth: Baja, 01.10.1969; address: 2483 Gárdonyi, Barabás Miklós utca 10.; mother's name: Gertrúd Juhász) as a member of the Management Board as of 16. April 2021, for an indefinite term.

Resolution no. 2021.03.24./10 of the Board of Directors

In association with **Agenda Item no.12**, the Management Board proposes that the General Meeting should elect Gábor Briglovics, (address: 2483 Gárdony, Barabás M. u. 10.; mother's name: Gertrúd Juhász) as a member of the Audit Committee as of 16. April 2021, for an indefinite term.

Resolution no. 2021.03.24./11 of the Board of Directors

The Management Board - in association with **Agenda Item no.13** - pursuant to Section 9(2) of Government Decree no. 502/2020. (XI. 16.) ("Decree") on the repeated implementation of provisions governing the operation of partnerships and joint-stock companies during the state of emergency states that - in the meaning of Section 5(2)(d) of the Decree - the management of the Company is not entitled to decide on the proposal for resolution put forth by the shareholders collectively possessing at least one percent of votes in the Company in connection with such agenda item, in their submission received on 13 March 2021 – based on the Section 3:259(2) of Act V of 2013 on the Civil Code ('Civil Code') - the following proposal concerning the agenda item "Reducing the Company's share capital by cancelling some of the treasury shares owned by the Company".

For the reason stated above, the Management Board refrains from adopting a decision in connection with item 13 added to the agenda of the General Meeting

Resolution no. 2021.03.24./12 of the Board of Directors

In association with **Agenda Item no. 10, 11, 12 and 13**, the Board of Directors proposes to the General Meeting to accept to initiate the amendment of the Articles of Corporation.

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