

Resolutions of the Board of Directors of PannErgy Public Company Limited by Shares accepted on 20. March 2017. and 22 March 2017 in association with the agenda items of the Company's annual ordinary General Meeting to be held on 13 April 2017/28 April 2017*

Resolution no. 2017.03.22/2 of the Board of Directors

In association with Agenda Item 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 2016:

- report of the Board of Directors;
- non-consolidated annual report under the Hungarian accounting regulations;
- IFRS consolidated financial statements of the Company and its subsidiaries.

The Board of Directors proposes to the General Meeting to set off the total amount of the Company's profit after taxes (loss) against the existing amount of the profit reserve. The Company does not propose any dividend payment.

Resolution no. 2017.03.22/3 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 shareholders 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. 2017.03.22/4 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 2016 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 29 April 2016 and ending on 13 April 2017/28 April 2017. 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. 2017.03.22/5 of the Board of Directors

In association with Agenda Item no.7, 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 15 April 2017/29 April 2017*.

Resolution no. 2017.03.22/6 of the Board of Directors

In association with Agenda Item no.8, The Board of Directors proposes to the General Meeting to grant authorization to the Board of Directors to purchase treasury shares in an amount of HUF 1,000,000,000 (in words one billion) Hungarian Forints) at the minimum rate of HUF 1 per share and a maximum rate corresponding to the equity per share value stated in PannErgy Plc's last audited report approved by the General Meeting or – if it is dated later – last 6-monthly, IFRS-based, consolidated and published report. To calculate the equity per share value, the total number of shares stated in the same report has to be taken into account less the number of the repurchased treasury shares. The authorization shall be valid in the period starting on 29 April 2017 and ending on 27 April 2018*. The shares may be purchased solely in trading at the stock exchange.

Resolution no. 2017.03.22/7 of the Board of Directors

In association with Agenda Item 9 and in line with the opinion of the Audit Committee, the Board of Directors hereby makes the following proposal to the General Meeting.

With respect to the fact that the auditing time limitations set forth in the new legal regulations pertaining to the rotational requirements for the auditors of public limited companies impose restrictions on the persons having been in charge of auditing in 2016, the General Meeting has to introduce changes for the business year of 2017.

Accordingly, for the business year of 2017 (for a period ending on 30 April 2018) the Board of Directors proposes the following persons to be elected as the permanent auditors of the Company:

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 seat: H–1026 Budapest, Szilágyi Erzsébet fasor 79., ground floor 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., ground floor 3.

Mother's name at birth: Rozália Kamrás

Born: Budapest, 06.07.1973

Tax ID: 8389020572

as the person in charge of auditing activities.

The General Meeting has established the annual remuneration of the permanent auditor as a maximum amount of HUF 6,500,000 + VAT, including the remuneration of the auditing of the IFRS-based individual and consolidated reports. 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 conclude the contract.

Resolution no. 2017.03.22/8 of the Board of Directors

In association with Agenda Item no. 10, the Board of Directors proposes to the General Meeting to modify Company's Articles of Corporation in line with the provisions of the appendix to this document.

This proposal of the Board of Directors has been drafted to initiate the amendment of the Articles of Corporation because of the election of the auditor for the business year of 2017 in the framework of Agenda Item no. 9.

*according to the date of the Annual General Meeting

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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