

EXTRAORDINARY INFORMATION

Budapest, 5 April 2022

PannErgy sells its utility distribution system in Debrecen

PannErgy Geotermikus Erőművek Zrt., 100% owned by PannErgy Nyrt., is the exclusive owner of TT-Geotermia Zrt. (hereinafter: “TT-Geotermia”).

TT-Geotermia owns some, mostly rather obsolete equipment and facilities that provide conventional utility distribution to PannErgy’s properties held for utilisation and sale in Debrecen, as well as to several properties owned by third parties in their vicinity. The operation of the facilities and the related services are not part of PannErgy’s defined strategy for renewable energy production, nor do they generate any significant economic results. In view of this, as well as the operational risks and required resources associated with the activity and the operation of the facilities, PannErgy has opted for divestment by selling its entire shareholding in TT-Geotermia.

According to the sale and purchase agreement concluded today, the sale price of all shares representing the shareholding is HUF 90 million. The share sale and purchase agreement stipulates reasonable rights and obligations for the parties, as are customary in such contracts.

The transaction will not result in an update of PannErgy’s public EBITDA plans.

In the future, the substantially identical energy sales and direct costs mediated by TT-Geotermia will result in a reduction of the corresponding items of the consolidated IFRS income statement (with no significant effect on margin or earnings). In the business year 2021, these items represented approximately HUF 850 million in additional sales revenue and an equal amount of additional direct cost of sales.

PannErgy Plc.

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

