



**SUBMISSIONS AND PROPOSALS FOR RESOLUTIONS**  
**of Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English:**  
**Appeninn Asset Management Holding Public Limited Company)**  
**held on 13 December 2023 at 14:00 o'clock**  
**EXTRAORDINARY GENERAL MEETING**

**Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság** (seat of business: 1022 Budapest, Bég utca 3-5.; company registration number: 01-10-046538, court of registration: Fővárosi Törvényszék Cégbírósága (in English: Company Registry Court of Budapest-Capital Regional Court); hereinafter referred to as: **“Company”**) shall hereby respectfully inform its Esteemed Shareholders on submissions and proposals for resolutions regarding the related matters of the agenda items of the extraordinary general meeting (hereinafter referred to as: the **“General Meeting”**) to be held as at 13 December 2023.

The Company shall hereby inform its Esteemed Shareholders that, following the disclosure of the invitation letter of the general meeting, no shareholder proposal was submitted to the Board of Directors of the Company in relation to the general meeting agenda items completion, as it is set forth in Subsection 2 of Section 3:259 of the Act V of 2013 on the Hungarian Civil Code (hereinafter referred to as: **“Hungarian Act on the Civil Code”**), within the prescribed deadline.

Having regard to the aforesaid, the Board of Directors of the Company shall submit the hereinafter proposals and resolutions for the General Meeting as follows:

**Agenda Item No. 1:            Decision on the initiation for Company registration as a regulated property investment company**

1.1.    Submission to the General Meeting Agenda Item No. 1:

The Board of Directors informs the Shareholders that it had a feasibility study prepared on the advantages and the possible disadvantages of the Company operating as a regulated real estate investment pre-company (“SZIE”) and then as a regulated real estate investment company (“SZIT”) under Act CII of 2011 on Regulated Real Estate Investment Companies (“SZIT Act”), as well as on the requirements of the registration as a SZIE and a SZIT and the steps of the process.

The Board of Directors informs the Shareholders that currently the Company and its subsidiaries do not comply with all requirements of the registration as a SZIE or SZIT. Based on the feasibility study it is the opinion of the Board of Directors that appropriate operating structure necessary for registration as a SZIE can be set up and the further requirements can be fulfilled until 31 December 2023. The SZIT Act stipulates additional requirements for the registration as a SZIT, which however would have

to be fulfilled only until the last day of the business year following the business year in which the Company was registered as a SZIE. The SZIE status already allows the Company to enjoy the tax advantages attached to the SZIT. These main tax advantages include that in case of operation as a SZIE or SZIT, the SZIE or the SZIT and the project companies thereof (i) as a general rule shall not pay corporate tax on their corporate tax base calculated according to the general regulations, (ii) are exempt from paying local business tax, and (iii) shall uniformly pay 2% duty on onerous transfer of property for the acquisition of any real estate or participation in any company that has domestic real estate assets, however, the duty has no upper limit (i.e. the HUF 200 million duty cap is specified by the general rules is not applicable).

Considering primarily the tax advantages available, the Board of Directors proposes that – after the necessary requirements had been fulfilled - the General Meeting decided to initiate registration as a SZIE and then as a SZIT, and that the General Meeting authorised the Board of Directors to make all the preparations necessary for the SZIE and then the SZIT registration, and then to submit the request for registration of the Company as a SZIE and then a SZIT to the tax authority.

The Board of Directors shall propose the approval of General Meeting Resolution as follows.

1.2. Proposal for Resolution to the Agenda Item No. 1:

**General Meeting Resolution No. [■]/2023 (12.13.)**

**By virtue of this resolution the General Meeting decides to initiate the registration of the company as a regulated real estate investment pre-company (“SZIE”) and then as a regulated real estate investment company (“SZIT”) under Act CII of 2011 on Regulated Real Estate Investment Companies (“SZIT Act”). In order to ensure the SZIE and SZIT registration, the General Meeting invites and authorises the Board of Directors to make all the preparations necessary for the registration, and then to request that the tax authority registered the Company as a SZIE and then a SZIT.**

\*\*\*

**Agenda Item No. 2:            Decision on the amendment of the Articles of Association and the inclusion of the consolidated version of the Articles of Association necessary to the operation of the Company as a regulated property investment company**

2.1. Submission to the General Meeting Agenda Item No. 2:

The Board of Directors informs the Shareholders that the registration of the Company as a SZIE and then as a SZIT requires the amendment of the Articles of Association in accordance with the SZIT Act. The Board of Directors emphasises that it had amended the scope of activity of the Company in accordance with the SZIT Act, with which and due to the change of home address of Board of Directors and Audit Committee Member Kertai Zsolt László, the updating of the Articles of Association is also necessary.

The Board of Directors informs the Shareholders that in accordance with Section 51(2) of Ctv., if the Articles of Association are amended, then the Articles of Association shall be incorporated in a consolidated version as amended to date, with which the Board of Directors intends to commission the permanent legal counsel of the Company.

The Board of Directors shall submit the hereinunder proposal for resolution on the amendment and the implementation of the Articles of Association to the General Meeting.

2.2. Proposal for Resolution to the Agenda Item No. 2:

**General Meeting Resolution No. [■]/2023 (12.13.)**

The General Meeting amends the Articles of Association of the Company by the text written in *italics* in the present resolution and also adds new provisions (chapters and sections) thereto, in addition, also marked with *italics*, updates the Articles of Association with changes that otherwise do not require the separate amendment of the instrument of constitution. The Roman numerals indicated in square brackets mark the chapter of the Articles of Association concerned with changes, i.e. the sections listed below the square brackets refer to the changes of the sections indicated in the square brackets or to the addition of new sections thereto. Due to the new Section 5 added to Chapter XI of the Articles of Association, the numbering of the former Section and the Sections thereafter was adjusted accordingly. The summary of the provisions of the SZIT Act are included in the newly added Chapter XIV of the Articles of Association. For this reason, the former Chapter XIV was numbered XV.

**[I.]**

- 7) Form of company: public company limited by shares, *which operates as a regulated real estate investment pre-company (hereinafter referred to as "SZIE") from the date of registration by the state tax authority and then as a regulated real estate investment company (hereinafter referred to as "SZIT") under Act CII of 2011 on Regulated Real Estate Investment Companies ("SZIT Act").*
  
- 10) Other activities: sale and purchase of own real estate  
renting and operating of own or leased real estate  
*deleted*  
management of real estate

**[III.]**

- 10) *After its registration as a SZIT, the Company shall issue ordinary shares, preference shares (except for the preference share ensuring the right specified in Section 3:232 (2) of the Civil Code) and employee shares exclusively, with that right to current dividend preference cannot be attached to any type of shares. In the application of this provision, the series of shares issued with the limitation specified in Section 11(b) of Chapter III of the Articles of Association shall be regarded as the other series of ordinary shares of the Company.*

11) *In the Company, compared to the total nominal value of the entire subscribed capital,*

- a) *at the time of the registration as a SZIT, at least 25% shall be represented by shares the owners of which each – indirectly or directly – own at least 5% of the total nominal value of the entire subscribed capital, if the – except for employee and preference shares – the Company has shares admitted to trading on the regulated market exclusively; OR*
- b) *in course of the operation as a SZIT, at least 25% shall be represented by the series of shares (free float) the owners of which each – indirectly or directly – own no more than 5% of the total nominal value of the entire subscribed capital (hereinafter referred to as free float share limitation), with that if any shareholder acquires any ownership share in excess of the free float share limitation, then the procedure specified in Section 3(3a) of the SZIT Act shall be applied, and such shareholder may exercise no more than 5% of the voting rights to be exercised with the series of shares.*

## [VII.]

2) Members of the Board of Directors:

Szathmáriné Szűcs Györgyi Magdolna (mother's name: address: commencement of membership: termination of membership:	Fischer Györgyi 1172 Budapest Tura u. 46.) 29 April 2022 indefinite
---	--

Dr. Illés Tibor Endre (mother's name: address: commencement of membership: termination of membership:	Németh Mária 2014 Csobánka, Panoráma utca 3.) 29 April 2022 indefinite
---	---

Kertai Zsolt László (mother's name: address: commencement of membership: termination of membership:	Dr. Mayer Erzsébet 8220 Balatonalmádi, Pince utca 21.) 30 September 2020 indefinite
---	--

Törő Csaba (mother's name: address: commencement of membership: termination of membership:	Buzsáki Margit 1022 Budapest, Bimbó út 94. FE. 4.) 16 November 2022 indefinite
--	---

Jombik Zoltán (mother's name: address: commencement of membership: termination of membership:	Antalics Erzsébet 1047 Budapest, Szabadkai utca 11. 2. em. 11.a.) 16 November 2022 indefinite
---	---

3) Matters within the exclusive scope of the authority and competence of the General Meeting:

- (a) to define the principles of the Company's business policy

- (b) to convene the General Meeting, except in the cases provided for in the Civil Code
- (c) to prepare the Company's financial report in accordance with the Accounting Act and the proposal for the distribution of profits and to submit them to the General Meeting
- (d) to approve the Company's organisational and operational rules
- (e) to establish its rules of operation and adopt its rules of procedure
- (f) to report on the Company's management, assets and business policy at least once a year to the General Meeting and every 3 (three) months to the Audit Committee on the Company's management, equity capital and business policy
- (g) to ensure the proper keeping of the Company's business records
- (h) DELETED
- (i) to ensure the submission of the minutes of the General Meeting or an extract thereof with the Company Registry Court, together with a certified copy of the relevant attendance sheet, any amendments to the Articles of Association, the rights, facts and data contained in the company documents and any changes thereto
- (j) to monitor the Company's operations and business management, to decide on the Company's business and development concepts and strategic plan, and to decide on the adoption of the annual business plan and, as part of this, to approve the annual credit line
- (k) to take measures for the publication and filing of the Company's balance sheet in accordance with the rules on publishing
- (l) to perform all statutory duties in relation to companies operating with the participation of the Company, including the decision on the authorisations to hold meetings of the supreme body of the said companies
- (m) to approve the interim balance sheet on which the payment of the interim dividend is based
- (n) in the event of authorisation by the General Meeting, to decide on the disposal of own shares in the Company acquired in any form or by any means
- (o) to decide on the increase of share capital, unless otherwise provided for in the Civil Code
- (p) to decide on any matter which the Board of Directors tenders under its competence from the CEO.
- (q) to appoint the CEO. The contract of employment with the CEO is concluded by the Board of Directors of the Company. The contract of employment shall be signed by the two members of the Board of Directors appointed by the Board of Directors by vote.
- (r) *after the registration of the Company as a SZIT, the prior approval of the acquisition of any asset with the value in excess of 10% of the balance sheet total, with that the prior approval shall be*

*considered granted exclusively if the majority of the independent members of the Board of Directors under Section 3:287 of the Civil Code also voted in favour of the approval of the acquisition.*

- 17) *The members of the Board of Directors shall be considered executive persons under Section 2(4)(a) of the SZIT Act. In course of the operation of the Company as a SZIE and then as a SZIT, the members of the Board of Directors and the persons specified as executive persons in the instrument of constitution or the internal regulations of the Company may fulfil executive officer duties in credit institutions, investment enterprises, investment fund management companies, real estate appraisal company, hedge fund management company, insurance company, reinsurance company, as well as in any SZIT in which the SZIT that had employed such persons as executive persons earlier has no share.*

## [VIII.]

- 2) Members of the Audit Committee:

Kertai Zsolt László (mother's name: address: commencement of membership: termination of membership:	Dr. Mayer Erzsébet, 8220 Balatonalmádi, Pince utca 21.) 30 September 2020 indefinite
Törő Csaba (mother's name: address: commencement of membership: termination of membership:	Buzsáki Margit 1022 Budapest, Bimbó út 94. FE. 4.) 16 November 2022 indefinite
Jombik Zoltán (mother's name: address: commencement of membership: termination of membership:	Antalics Erzsébet 1047 Budapest, Szabadkai utca 11. 2. em. 11.a.) 16 November 2022 indefinite

## [IX.]

- 8) *After the registration of the Company as a SZIT, a chartered auditor (auditor company) with valid auditor licence can be commissioned by the Company to fulfil the auditors duties only if*
- a) *the auditor has no direct or indirect ownership in the Company,*
  - b) *the auditor has no outstanding overdue claim against the Company or any project company thereof,*
  - c) *the Company or the owner thereof with qualified control has no direct or indirect ownership in the auditor company.*

*The limitations specified in Subsections a) and b) shall be applicable to the auditor's close relatives under the Civil Code.*

[XI.]

- 5) *After the registration of the Company as a SZIE and SZIT, in its proposal the Board of Directors shall propose the approval of a rate of dividend equal to at least the required dividend specified in the SZIT Act at the annual general meeting, the rate of which required dividend shall be 90% of the profit that may be paid as dividend in accordance with the relevant law on the day of the general meetings decision on the operation of the Company as a SZIE and SZIT, and which profit was achieved from the registration of the Company as a SZIE or SZIT and until the removal from the registration (not including the sum of the one-time transition difference recognised as retained earnings which was claimed in connection with the transition to the annual accounts compliant with IFRS in case of SZIT or SZIE, in accordance with the provisions of Act C of 2000 on Accounting). If the proposal for the approval of the required dividend is accepted by the general meeting, then the dividend shall be paid within 30 trading days of the approval of the annual accounts. If the sum of the available cash of the Company is below the sum of the required dividend, then the Board of Directors shall propose the payment of 90% of the available cash as dividend.*

**XIV. Provisions under the SZIT Act**

- 1) *In accordance with the provisions of the SZIT Act, the following provisions shall be applicable to the Company after its registration as a SZIE, until the Company is registered as a SZIT.*
- a) *Its scope of activities may be amended only subject to the limitations specified in the SZIT Act.*
  - b) *The Company shall pay dividend in compliance with the SZIT Act in all cases, in accordance with the rules specified in Section 5 of Chapter XI above.*
  - c) *Apart from the project companies under the SZIT Act, other regulated real estate investment companies as well as business associations engaged in development of building projects (TEÁOR [Hungarian activity classification] 4110), or the Construction of residential and non-residential buildings (TEÁOR 4120) as their main activity, it shall not have share in any other business associations, with that the Company shall not have more than 10% share or voting rights in any SZIT.*
  - d) *No more than 10% of the total voting rights of the Company shall be exercised jointly and directly by insurance companies and credit institutions.*
  - e) *Its executive persons shall always be elected in compliance with the provisions of the SZIT Act.*
  - f) *It shall otherwise comply with those provisions of the SZIT Act that are applicable to the SZIE.*
- 2) *In accordance with the provisions of the SZIT Act, in addition to the provisions specified in Section 1 of this Chapter, the following provisions shall be applicable to the Company after its registration as a SZIT:*
- a) *The initial capital (the sum of the subscribed capital, the capital reserve and the retained earnings) - in case of companies required to prepared consolidate annual accounts, the initial capital recognised in the consolidated balance sheet - of the Company shall amount to at least five billion Hungarian Forints.*
  - b) *May issue only the shares specified in Section 10 of Chapter III of the Articles of Association.*
  - c) *Shall comply with the requirements specified in Section 11 of Chapter III of the Articles of Association.*
  - d) *Shall compile its asset portfolio in compliance with the SZIT Act, in addition, the acquisition of any asset with the value in excess of 10% of the balance sheet total shall be subject to prior approval of the Board of Directors as specified in Section 3(r) of Chapter VII.*
  - e) *it shall have a real estate portfolio the value of which shall be equal to at least 70% of its balance sheet total calculated in compliance with the accounting laws, and the value of any of the real estate properties or share held in any other SZIT in the portfolio of the Company – or in case the Company is required to prepare consolidated annual accounts, then the consolidated portfolio of all companies involved in the consolidation – shall not exceed 30% of the Company’s balance sheet total calculated in compliance with the accounting laws.*
  - f) *The external liabilities without repayment obligation (not including the sum of the collateral security received) recognised in the annual accounts of the Company – if the Company is required to prepare consolidated annual accounts, then in its consolidated annual accounts – shall not exceed 65% of the total value of the real estate and the investments recognised in the in the annual accounts of the*

*Company, or if the Company is required to prepare consolidated annual accounts, the in its consolidated annual accounts.*

- g) Shall apply the provisions of the SZIT Act related to accounting and the valuation of real estate*
- h) Shall have no more than 10% share in any other SZIT.*
- i) Except for contracts concluded with financial institutions for the provisions of credit or money lending, the Company shall not conclude any contract and shall not undertake any unilateral obligation which limits the payments of the dividend or which grants option to purchase to any other person regarding any real estate within the real estate portfolio.*
- j) Its auditor shall always comply with the provisions of the SZIT Act.*
- k) Shall otherwise always comply with the provisions of the SZIT Act related to the SZIT and the SZIT project company.*

\*\*\*

**Agenda Item No. 3:                    Decision on the annual fee rise of the Company’s and its subsidiary companies’ auditor entrusted**

3.1.    Submission to the General Meeting Agenda Item No. 3:

The Board of Directors informs the Shareholders that in the spring of 2023, the current auditor of the Company, Ernst & Young Könyvvizsgáló Korlátolt Felelősségű Társaság (in English: Ernst & Young Audit Limited Liability Company) (“Ernst & Young”) initiated the review of the rate of the remuneration specified in the contract of services concluded by Ernst & Young and the Company. Taking into consideration the extremely high inflation, and that since the election of Ernst & Young the portfolio of Company and its subsidiaries, as well as the scope of the subsidiaries has changed, the Audit Committee requested offers for the audit of the Company and its subsidiaries, and it also requested that Ernst & Young itself made an offer for the changed scope.

Based on the offers received the Audit Committee proposed to the Board of Directors that the audit of the Company and its subsidiaries continued to be carried out by Ernst & Young, however, the Audit Committee supported the increase of the remuneration. The Board of Directors – in accordance with the proposal of the Audit Committee – decided to submit the issue of increasing the audit fee of Ernst & Young to the General Meeting for decision.

Simultaneously, the Board of Directors informs the Shareholders that Ernst & Young assigned Varga János (address: HU-1221 Budapest, Tanító u. 15. 2. a.; mother’s name: Bucsuházi Éva Julianna; Chamber of Hungarian Auditors registration number: 007319; tax identification number: 8403474539) as proceeding auditor instead Bartha Zsuzsanna. The change in the proceeding auditor does not require decision by the general meeting.

The Board of Directors proposes that the General Meeting approved the fee of Ernst & Young for 2023 – which includes the audit of the Company and its Hungarian subsidiaries – in the amount of HUF 50,622,000.- + VAT.

The Board of Directors shall submit the hereinunder proposal for resolution to the General Meeting.



3.2. Proposal for Resolution to the Agenda Item No. 3:

**General Meeting Resolution No. [■]/2023 (12.13.)**

**The General Meeting decides to approve the increase of the fee payable for 2023 to agent Ernst & Young Könyvvizsgáló Korlátolt Felelősségű Társaság, and the General Meeting approves the 2023 fee of the auditor – which includes the audit of the Company and its Hungarian subsidiaries – in the amount of HUF 50,622,000.- + VAT.**

Dated as of 20 November 2023 in Budapest

**Appeninn Vagyonkezelő Holding  
Nyilvánosan Működő Részvénytársaság  
Board of Directors**