

REPORT OF THE AUDIT COMMITTEE OF APPENINN VAGYONEZELŐ HOLDING NYILVÁNOSAN MŰKÖDŐ RÉSZVÉNYTÁRSASÁG

The report of the Audit Committee on its 2019 activity provided to the General Meeting of the Company for the approval of the 2019 consolidated annual report prepared for Appeninn Nyrt. in accordance with the International Financial Reporting Standards (IFRS) adopted by the EU as well as the 2019 not consolidated, (individual) annual report prepared in accordance with the International Financial Reporting Standards (IFRS).

The Audit Committee of **Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság** (H-1118 Budapest, Kelenhegyi út 43. Building B. 5th floor 1., hereinafter referred to as: Company) performed its duties in accordance with the work scheme approved based on the Company's Statutes and the procedures of the Audit Committee, and in the event of an extraordinary case, the review of the same without any delay, taking into consideration the appropriate decision. The Audit Committee met 4 times in 2019.

In accordance with the purpose of the Audit Committee, it supervised the integrity of the Company's financial reports and also whether the Company complies with the related legal and regulatory requirements, to which the Audit Committee's scope of authority and scope of duties are related, the qualifications, independence and performance of the Company's independent external auditor.

The Audit Committee made a proposal to for a new person of the auditor - E&Y Hungary -, which the General Meeting of the Company elected on 14 October 2019 until 31 May 2022. The Audit Committee prepared an agency agreement with the auditor, E&Y Hungary, during the supervision of the work and performance of the independent external auditor, reviewed and gave opinion on the prepared documents, and also supervised the services provided by the independent external auditor, and the related fees too. The independent external auditor - with the general preliminary approval or individual preliminary approval of the Audit Committee - provided audit services and related services to the Company in 2019.

The Audit Committee reviewed and gave opinion on the reports to be submitted to the Budapest Stock Exchange and the financial authorities, including the Company's annual report and the interim, semi-annual report, as well as the applicable press release.

In 2019, no shareholder report was submitted to the Audit Committee. The Audit Committee examined the 2019 consolidated annual report prepared in accordance with

the International Financial Reporting Standards (IFRS) adopted by the EU, to be submitted to the General Meeting, the proposal of the Board of Directors related to the acceptance of the same, and also listened to the related opinion of the independent external auditor.

The Audit Committee agrees with the content of the above report in accordance with its annual activity and the independent external audit opinion.

The Audit Committee suggests that the General Meeting approves the 2019 consolidated annual report prepared for Appeninn Nyrt. in accordance with the International Financial Reporting Standards (IFRS) adopted by the EU with assets/capital and liabilities of a total EUR 190,545,595 (balance sheet total) and total profit of EUR 10,215,198 for the reporting year.

The Audit Committee examined the 2019 individual (not consolidated) annual report prepared in accordance with the International Financial Reporting Standards (IFRS), the proposal of the Board of Directors related to the acceptance of the same, and also listened to the related opinion of the independent external auditor.

The Audit Committee agrees with the content of the above report and the proposal in accordance with its annual activity and the independent external audit opinion.

The Audit Committee proposes that the General Meeting accepts the individual 2019 annual report prepared in accordance with the IFRS with a balance sheet total of HUF 41,340,292,000 and a comprehensive profit of HUF 1,661,208,000 for the reporting year.

Budapest, 26 March 2020

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Chairperson of the Audit Committee