

Remuneration Report of Appeninn Plc. for the Financial Year of 2023

The General Meeting of Appeninn Vagyonkezelő Holding Nyilvánosan Működő Részvénytársaság (in English: 1022 Budapest, Bég utca 3-5.; company registration number: 01-10-046538; registering court: Fővárosi Törvényszék Cégbírósága (in English: Company Registry Court of Budapest-Capital Regional Court; hereinafter referred to as: the "**Company**"), with view to the provisions of Chapter IV of the Act LXVII of 2019 on the promotion of long-term shareholder engagement and the amendment of certain laws for the purpose of legal harmonisation, following the decision of the General Meeting to give its opinion, on 30 September 2020, adopted the remuneration policy of the Company (hereinafter referred to as: "**Remuneration Policy**") to be applied starting from the financial year 2021.

Pursuant to the provisions of the said Act and the Remuneration Policy, the Company is required to prepare an annual remuneration report on the fulfilment of the provisions of the Remuneration Policy (hereinafter referred to as: the "**Report**"), starting from the financial year 2021. The purpose of the Report is to provide a comprehensive overview of the total remuneration awarded or payable to each director in respect of the 2023 financial year and the extent to which the remuneration practices applied in 2023 complied with the Remuneration Policy for that period.

The Board of Directors of the Company submits this Remuneration Report to the General Meeting for an opinion voting. The previous year's remuneration report was unanimously approved by the General Meeting and no comments were received from shareholders on its content.

Remuneration of the Directors

The management body of the Company – instead of the Board of Directors and the Supervisory Board – is the Board of Directors (hereinafter referred to as: the "**Board of Directors**"), which implements a unified management system and is composed of at least 5 (five) and up to 9 (nine) natural persons. The majority of the members of the Board of Directors must be independent persons as defined in the Civil Code, with the exception provided for in the Civil Code. In 2023, the Board of Directors of the Company consisted of five members with three independent and two non-independent members of the Board of Directors.

The members of the Board of Directors, with respect to their office, shall be entitled to receive equal amount of the said honoraria (hereinafter referred to as: the "**Honoraria**"), annually approved by the General Meeting of the Company and fixed in advance. Herewith, the Company in respect of the members of the Board of Directors shall not apply performance criteria.

The members of the Board of Directors shall not be entitled to receive any other benefit or premium in addition to the Honoraria, their remuneration shall not include any changing element. The Directors of the Company have not received any remuneration from companies belonging to the companies group comprising of the direct and indirect subsidiaries of the Company as defined in Act C of 2000 on Accounting.

Moreover, the not-independent members of the Board of Directors, in addition to their Honoraria, in accordance with the provisions of this Remuneration Policy, shall be entitled to receive benefits set forth in the employment contract concluded between and by the Company and the employee.

The total remuneration of the members of the Board of Directors is in accordance with the Remuneration Policy adopted by the Company's General Meeting, and the Company has only granted the members of the Board of Directors the remuneration elements set out in the Remuneration Policy as presented below. Their remuneration contributes to the long-term performance of the Company as follows:

In accordance with the Remuneration Policy, the Company shall hereby ensure comparable competitive benefits to the position as of the Hungarian workforce for the non-independent members of the Board of Directors. The principle of the remuneration system of the Company is to provide competitive remuneration for the Directors and employees of the Company in the interest of the implementation related to long-term strategy, with regard to the Company's view on the incentive effect of the remuneration upon realizing the herein set aims. In determining the level of remuneration, the Company takes into account the principles of equal treatment, transparency, proportionality and non-discrimination, as well as the remuneration data of companies of a similar size and competitors in the premium category of BSE, the Company's general remuneration policy, and the expansion and contraction of responsibility levels and the quality of work performed in the areas of responsibility. Upon setting the remuneration system, the Company pays special attention to reasonable benefits adjusted to the proportions of the liability and responsibility performed by the said position. In addition, as a basic condition, the Company is committed to long-term employment concerning the Company's employees upon providing competitive benefits driven by the continuous workforce of the market. In the course of determination of some element of the remuneration in question, the Company shall evaluate the efficiency, the accomplishment, the experience, and the years spent at the Company of the said person regarding each case.

Upon the determination of the value of the remuneration, the Company is seeking to realize remuneration which is considered to be reasonable, rewarding real performance, promoting implementation of economic aims, and encouraging effective work.

Income of the Board of directors in 2023

Name	Position	Amount of honoraria	Basic salary from employment	Premium	Extra-salary benefit	Fixed share	Variable share
Szathmáriné Szűcs Györgyi Magdolna	Chief Executive Member of the Board of Directors Officer and	2 400 000	25 000 000	9 000 000	420 000	74%	26%
Kertai Zsolt	Chairperson of the Board of Directors	2 400 000	-	-	-		-
Dr. Illés Tibor	Member of the Board of Directors	2 400 000	-	-	-		
Jombik Zoltán	Member of the Board of Directors	2 400 000	-	-	-		
Törő Csaba	Member of the Board of Directors	2.400 000	-	-	-		

No shares were offered to the Directors of the Company, and they were not entitled to share options. The remuneration of the Directors of the Company for the financial year 2022 was fully in line with the Remuneration Policy applicable from the financial year 2021.

Change in classification wage of Chief Executive Officers (without the honoraria for the membership in the Board of Directors)

Period	Classification wage (average)	The value of change (100% of the previous year)
2019	3 000 000	
2020	3 062 500	102%
2021	3 450 000	113%
2022	2 562 500	74%
2023	2 083 333	81%

Remuneration of Employees

The Company shall define the wage (basic salary) of the non-executive officers on market base and upon taking competitiveness into account, with that, what is appropriate for workforce acquisition and retain while enforcing the principles of both liability and responsibility, and fairness.

With regard to the employees, the Company shall hereby apply fix and changing components of the benefits as set forth in the relevant rules of the Company. Regarding the changing component related to the remuneration, the Company shall, in particular, set premium, upon fulfilling the defined conditions, and bonus, on the basis of individual assessment, and respectively shall provide the herein for the employees.

The average classification wage of the non-executive officers, compared to changes of the previous year, is as follows:

Period	Average basic salary/worker	The value of change (100% of the previous year)	Comprehensive income of the Appeninn Corporate Group less with taxation (EUR)	The value of change (100% of the previous year)	Comprehensive income of the Appeninn Nyrt. less with taxation (HUF in thousands)	The value of change (100% of the previous year)
2019	552 667		10 215 198		1 661 208	
2020	683 074	124%	5 799 477	57%	812 906	49%
2021	650 346	95%	-5 779 717	-200%	668 388	82%
2022	666 804	103%	13 925 564	341%	2 192 635	328%
2023	699 024	105%	26 475 417	190%	-157 168	-107%

Miscellaneous information

The Company has not deviated from the provisions of its Remuneration Policy. No circumstances have arisen with regard to the recovery of variable remuneration.

Dated as of 4 April 2024 in Budapest

Appeninn Vagyonkezelő Holding
Nyilvánosan Működő Részvénytársaság
Board of Directors