

**REPORT and RECOMMENDATION****of the Audit Committee****of ALTEO Energiaszolgáltató Nyilvánosan Működő Részvénytársaság****on the financial statements of the Company for 2022**

The Audit Committee has been operating at the Company since September 6, 2010.

The members of the Audit Committee:

- **István Bakács**, Chairman, energy expert
- **Dr. István Borbíró**, attorney-at-law
- **Dr. János Lukács**, chartered accountant

The Audit Committee performed its activity in 2022 in accordance with the provisions of Act V of 2013 on the Civil Code of Hungary, the Articles of Association of the Company and the Rules of Procedure of the Audit Committee. It held five meetings in 2022. No doubt regarding the independence of the members and no conflict of interest arose during the operation of the Audit Committee; the members attending the meeting of the Audit Committee expressly confirmed their independence by adopting the resolution of the Committee dated March 30, 2023.

The Audit Committee establishes that in 2022, no non-audit services (as defined in Regulation (EU) No 537/2014 of the European Parliament and of the Council) were provided to the to the Company and its subsidiaries by BDO Magyarország Könyvvizsgáló Kft. as the Company's auditor engaged to perform the audit of the annual financial statements of the Company or other companies belonging to the network of the auditor.

The Audit Committee examined the proposals underlying its resolution adopted on March 30, 2023, and taking into account the report of the Company's auditor, a resolution was adopted unanimously by its members in which the Audit Committee approved and accepted the Company's separate financial statement (with a statement of financial position total of HUF 55,135,404 thousand and a comprehensive income of HUF 14,026,987 thousand) and business report prepared for the 2022 financial year in line with the provisions of the Hungarian Accounting Act applicable to entities preparing their annual report according to the EU IFRSs, as well as the Company's consolidated annual report (with total assets of HUF 100,020,394 thousand and with a comprehensive income of HUF 9,606,105 thousand) and business report prepared for the financial year 2022 according to the IFRSs.

The Audit Committee declares that the statements are in compliance with the applicable legal requirements, and give a true and fair view of the Company's management, and therefore it proposes their acceptance by the General Meeting.

The Audit Committee establishes that the mandate of the Company's auditor ends on the date the General Meeting's resolution approving the financial statements of the fiscal year ending on December 31, 2022 is adopted, but not later than on May 31, 2023, and that the General Meeting is, therefore, required to decide on the appointment of an auditor. The Audit Committee proposes to the General Meeting to reappoint BDO Magyarország Könyvvizsgáló Korlátolt Felelősségű Társaság (registered office: H-1103 Budapest, Kőér utca 2/A. C. ép.; company registration number: 01-09-867785; registration number with the Hungarian Chamber of Auditors: 002387) as the permanent auditor of the Company, for the period from April 21, 2023 until the adoption date of the General Meeting's resolution on the report for the business year ending on December 31, 2023, but no later than May 31, 2024. The Audit Committee proposes the appointment of Mr. Péter Krisztián Kékesi (mother's name: Piroska Gelics; address: 1133 Budapest, Pannónia utca 70. 7. em. 9.; registration number with the Chamber of Hungarian Auditors: 007128) as the auditor personally

responsible for the Company's audit. The above are in view of the fact that BDO Magyarország Könyvvizsgáló Kft. has been auditing the Company on an ongoing basis in compliance with the relevant legal provisions since April 17, 2020. No separate selection procedure was required under Regulation (EU) No 537/2014 of the European Parliament and of the Council, as the proposal is aimed at extending the mandate of the auditor. The Audit Committee proposes a remuneration of HUF 15,900,000 + VAT for the auditor.

Budapest, March 30, 2023

Yours sincerely,

---

István Zsigmond Bakács  
Chairman of the Audit Committee

*Disclaimer: All information contained within this article is for information purposes only, and shall not be considered an official translation of the official communication referred to herein. This document does not include the integral wording of the official communication referred to herein, the original Hungarian language version of it remains to be the solely legally binding material in the subject matter. For further information, please do not hesitate to contact us.*