



www.pannergy.com

EXTRAORDINARY INFORMATION

Budapest, 30 September 2014

PannErgy's subsidiary has entered into an agreement with Takata Safety Systems Hungary Ltd

PannErgy Plc hereby advises the actors of the capital market that today a heat supply agreement for 5+5 years has been made between its subsidiary, Kuala Ltd and Takata Safety Systems Hungary Ltd. Pursuant to the agreement, Kuala Ltd as the heat supplier will provide heat energy to the Miskolc factory unit of Takata Safety Systems Hungary Ltd (Takata Ltd) solely from geothermal heat.

Having been operating since last May, the Geothermal Project of Miskolc runs two production and three reinjection wells to cover approximately 55–60% of the heat energy demands of Miskolc Heat Distribution Ltd. In addition to the primary heat consumer, i.e. the district heating system of Miskolc City of County Rank, the capacity of the geothermal system allows the supply of the environmentally friendly geothermal heat to other consumers. For the enhanced utilization of the heat capacities of the geothermal system, PannErgy Group started the negotiations with Takata Ltd this January.

With respect to the carrying capacity of the heat transmission line owned by PannErgy Group and connecting Kistokaj and the Avas District, the facility is fully suitable for covering Takata Ltd's heat demands from geothermal sources. The provision of heat is expected to commence on 1 October 2014, until then PannErgy Group has undertaken to connect the heat energy line to the utility center of the factory under construction. The contracted capacity of the geothermal heat to be supplied is 3.9 MW, while the expected heat energy consumption is minimum 20,000 GJ annually. The Parties have further agreed that the backup heat supply for the entire system will be kept in place by Miskolc Heat Distribution Ltd (MIHŐ Ltd).





www.pannergy.com

"The agreement made with Takata Safety Systems Hungary Ltd is still another step towards the maximization of the benefits of our Miskolc-based heat production capacities. In addition to our flawless supply of geothermal energy to the district heat services of Miskolc last year, our Company has entered into this 5-year agreement to undertake to deliver renewable heat energy to one of the key industrial consumers of Borsod-Abaúj-Zemplén County for at least 5 years, while our partner will fully cover its heat demands from our geothermal source. Takata Ltd's annual, minimally 20,000 GJ heat demand can be satisfied without any emission of carbon dioxide, and therefore the release of at least 1044 tons of carbon dioxide can be avoided for the great delight of the people living in the surroundings. We are proud that by applying our environmentally sparing technologies and saving energy we can also contribute to the successes of Takata Ltd." – said Péter Tóth, PannErgy Plc's Chief Executive Officer, member of the Board of Directors.

PannErgy Plc

