

COMMUNICATION OF NEW INVESTMENT

ALTEO Energiaszolgáltató Nyilvánosan Működő Részvénytársaság (registered office: H-1131 Budapest, Babér u. 1-5; company registration number: Cg.01-10-045985; hereinafter referred to as „ALTEO” or „Company”) hereby complies with the statutory obligation to provide extraordinary information as required by Section 55 of Act CXX of 2001 on the Capital Market, and Section 1.24 of Annex 4 of Decree No. 24/2008. (VIII. 15.) of the Minister of Finance.

As already notified to the Company’s Investors through its communication dated August 18, 2020, ALTEO as buyer, has concluded a stock purchase agreement for the acquisition of the registered capital representing the entirety of the business interest in **Pannon Szélerőmű Villamosenergia Termelő és Értékesítő Korlátolt Felelősségű Társaság** (registered office: H-9023 Győr, Körkemence u 8. 2. em. 36.; company registration number: Cg. 08-09-015201; hereinafter referred to as „Target Company”) amounting to one thousand one hundred and fifty-three million forints (HUF 1,153,000,000) from EIH Termelő és Szolgáltató Korlátolt Felelősségű Társaság (registered office: H-9023 Győr, Körkemence utca 8. II. em. 36.; company registration number: Cg.08-09-014038), as seller.

The closing conditions specified in detail in the stock purchase agreement have been fulfilled. Accordingly, ownership of the Target Company’s quota has been transferred to ALTEO as of today. However, in view of the combined permit for small power plant of the Target Company, in accordance with Section 93 (1) and 95 (3) of Act LXXXVI of 2007 on Electric Energy - ALTEO will be able to exercise certain membership rights in relation to the Target Company only in possession of the decision of the acknowledgement regarding the acquisition of influence of the Hungarian Energy and Public Utility Regulatory Authority.

The Target Company owns and operates a wind power plant park consisting of 7 units with a capacity of 15 MW electrical power in the vicinity of Bábolna. The produced electric energy is sold in the frame of the so-called feed-in system (also called Obligatory Takeover or KÁT). The KÁT licence expires as of 31 July 2025. As a result of the acquisition, the volume of ALTEO’s wind portfolio will amount to 47.5 MW, and the total power generation capacity of ALTEO will be more than 122 MW.

The acquisition is closely aligned to ALTEO’s strategy comprising of operating power plants with renewable and high- efficiency energy production, as well as leveraging the synergies in the simultaneous operation of different power generation units.

ALTEO will provide information to the honoured Investors of the issued decision of the acknowledgement regarding the acquisition of influence of the Hungarian Energy and Public Utility Regulatory Authority.

Budapest, October 15, 2020

ALTEO Nyrt.

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