

ALTEO NYRT.



# INVESTOR PRESENTATION – ALTEO Group

H1 2022

(non-audited financial income)





# NON-AUDITED FINANCIAL INCOME H1 2022

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This information was not compiled on the basis of international accounting standard IAS 34 – Interim Financial Reporting; the information herein is non-audited in terms of H1 2022 results, and has not been verified by an independent auditor.

This presentation is for advance information purposes only.



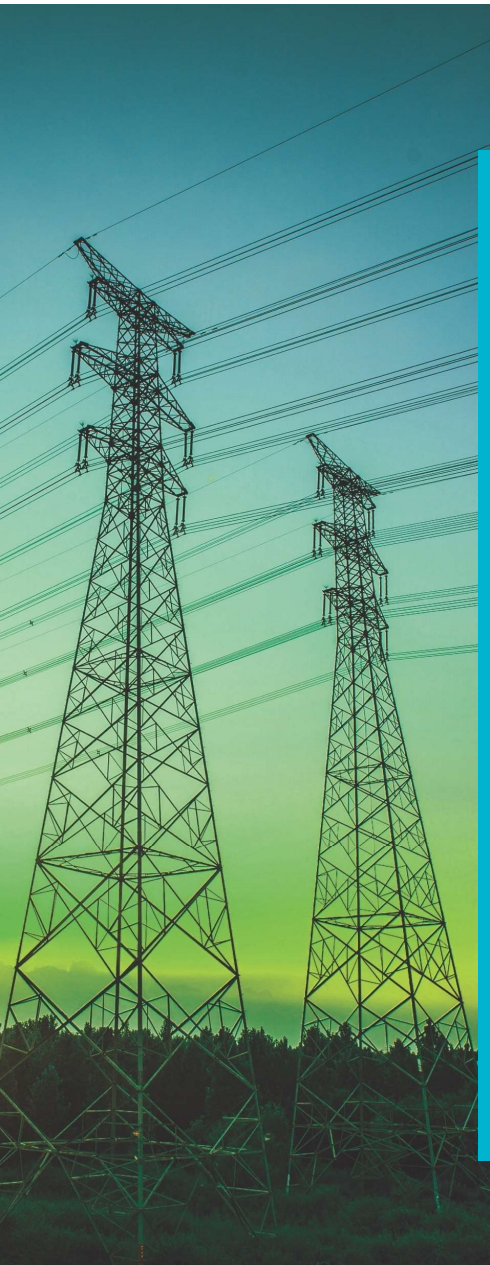
# THE MOST IMPORTANT EVENTS AND RESULTS OF H1 2022

- **ALTEO achieved a remarkable result** in the first half of 2022. The outstanding rise in profits in the recent period confirms the success and effectiveness of the strategy (presented at the end of 2019 and updated at the start of 2022), and the implementation of the same, in which, in addition to business aspects, environmental and social sustainability also play a key role.
- In addition to the price increase already observed at the end of 2021, the impact of the war was also significant in the energy market in H1 2022. At the same time, ALTEO's profitability **has not been hampered so far** by the energy market shocks triggered by the war, which were reflected mainly in high prices and unprecedented market volatility. ALTEO's structure, diversified portfolio, market size, responsiveness and outstanding team of professionals have enabled it to use this period to actively seize opportunities to improve its performance, rather than to lose profitability. ALTEO's current profitability exceeds the upper band of the median EBITDA range presented at the beginning of 2022.
  - **CONSOLIDATED EBITDA REACHES HUF 11.8 BILLION, INCREASING BY 90%** year-on-year, primarily on account of the remarkable profitability of the Virtual Power Plant controlling heat and electricity generation, which was positively supported by a record result in the Retail segment, as well as the stable and good performance of our renewable power plants.
  - **CONSOLIDATED NET PROFIT WAS HUF 8 BILLION, AN OUTSTANDING RESULT IN ALTEO'S HISTORY, SHOWING A 186% INCREASE** over the same period last year.
- The pandemic caused a slight deceleration in respect of the launched business lines of **WASTE MANAGEMENT, E-MOBILITY**, which still had an impact in the first half of 2022.<sup>3</sup>
- ALTEO continues the active **INVESTMENT ACTIVITY** announced in its strategy. After closing the first half of the year, it concluded a sale and purchase contract for the purchase of 75.1% of the shares of FE-GROUP INVEST Zrt., a company engaged in managing and recycling inorganic waste, and also acquired EDELYN SOLAR Kft., a company owning a solar power plant with a nominal capacity of 20MW. In addition to the above, ALTEO is continuously working on further developing its virtual power plant, including the enhancement of IT capabilities, as well as the development of energy storage and other energy production capacities.

# THE MOST IMPORTANT EVENTS AND RESULTS OF H1 2022

- ALTEO **EXTENDED ITS OPERATION AND MAINTENANCE CONTRACT** by 15 years with one of its key operating partners, BC Power Plant, owned by BorsodChem Zrt.
- **THE OUTSTANDING PROFITS IN RECENT YEARS** and the success of the investments implemented necessitated the **REVISION OF ALTEO'S STRATEGIC OBJECTIVES** communicated in 2019; the revised objectives and strategy were published by the Company in January 2022, raising the strategic targets of ALTEO.
- ALTEO became the first company in the Hungarian energy sector to obtain an independent **INTERNATIONAL ESG CERTIFICATE**, where its result was better than the industry average. Sustainability remains a strategic priority for the Company.
- In 2021, ALTEO was successful in three categories at the **BEST OF BSE AWARDS**, one of the most prominent events of the Budapest Stock Exchange. ALTEO shared the title of Issuer of the Year with the highest share price increase in the premium category, and also won the Responsibility, Sustainability, Corporate Governance Award and the Issuer Transparency Midcap Award.
- The Company repaid its **BOND PACKAGES** ALTEO 2022/I and 2022/II in an amount of HUF 2,344 million in total.
- ALTEO has simultaneously launched several **EMPLOYEE SHARE OWNERSHIP PROGRAMS**, with the primary objective of increasing the financial motivation of existing human resources through strengthening the ownership approach to promote the Company's profitability.
- After a very successful year in 2021, ALTEO's General Meeting decided to pay a record **DIVIDEND** of nearly HUF 2 billion, which was paid on 6/27/2022.
- The Government imposed a **WINDFALL TAX** on the revenue difference of power plants entitled to KÁT but leaving that system due to more favorable market prices. ALTEO did not leave the KÁT system with its entitled power plants.





# H1 2022 - CHANGED CIRCUMSTANCES, INCREASED RISKS

## Increased CURRENT ASSET REQUIREMENTS

The economic environment has changed dramatically in recent months: energy prices have multiplied with soaring volatility, which generated enormous demand for deposits and bank guarantees compared to previous periods. In addition, due to less favorable business conditions represented by much shorter supplier payment terms and higher trade receivables resulting from the higher revenue, the Company's working capital financing needs have increased drastically. As a result, ALTEO must use a much larger proportion of its financial assets to finance increased working capital and deposit needs than in previous years, which may divert funds from otherwise attractive investment opportunities. To ensure that the financing needs of the investments included in its strategy can be met smoothly, with sufficient security and liquidity reserves, ALTEO's management examines and keeps on the agenda various financing opportunities, such as raising funds in the capital market. In the opinion of the management, even amid increased capital costs, ALTEO has a strong financial position and potentially high-return investments that may justify additional capital market borrowing through the issue of bonds or even shares.

## REGULATORY CHALLENGES

As a consequence of the current economic and, in particular, energy situation, state regulation has also intensified. For instance, taxes have been imposed on windfall profit (albeit this has had no impact on ALTEO's business so far) and, contrary to previous practice, the gas price (i.e. the basis of the heat price) is now set by the Energy Authority for Q4 2022 only, rather than for the entire gas year. Similar state measures cannot be ruled out in the future until the situation settles.

## EXPOSURE TO CUSTOMERS

As a result of the drastically increased energy prices, both our heat supply and retail revenue have increased significantly, resulting in a higher exposure to customers, although we have taken several risk mitigation measures (profile clarification, insurance).

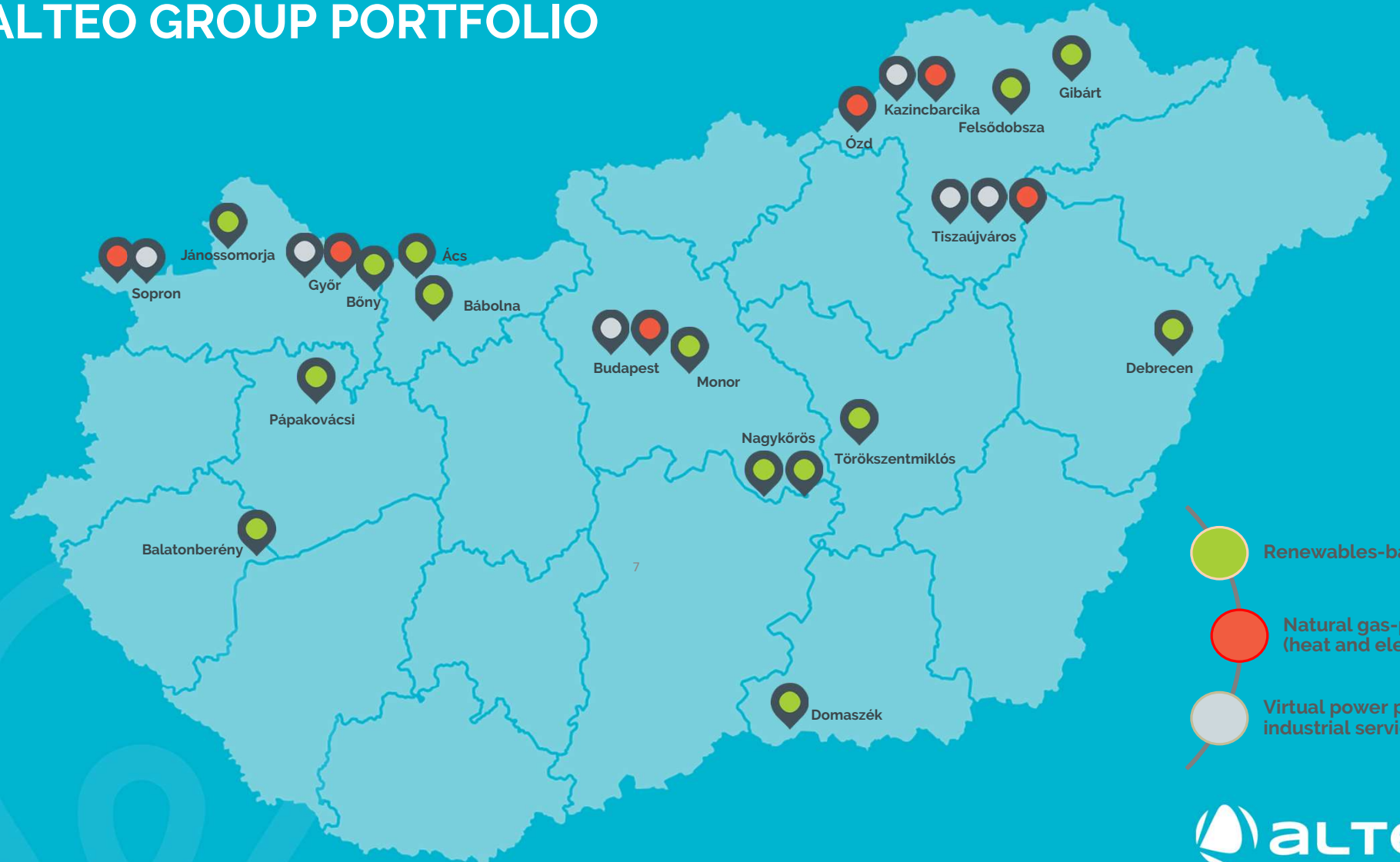


## Events after the closing of the statement of financial position

- With the acquisition of the business share in Edelyn Solar Kft., ALTEO is expected to start the development of a **SOLAR POWER PLANT WITH A CAPACITY OF NEARLY 20MW** near Tereske in H1 2023, after obtaining the necessary permits and approvals.
- Pursuant to the sale and purchase contract signed on 7/27/2022, **ALTEO ACQUIRED A SHARE OF OVER 75%** in Hungarian-owned **FE-GROUP INVEST ZRT.**, leading to a significantly higher level of integration in ALTEO's waste management activities. A 24.9% minority share in the target company will be acquired by Blue Planet Climate Protection Venture Capital Fund, which will exercise joint ownership with ALTEO over the target company, as per the relevant percentages. In addition to paper, metal and electronic waste acceptance and recycling, the target company is engaged in complex waste management activities, with a revenue of over HUF 3 billion in 2021. The target company has been active in waste processing since 1994, and has ample comprehensive and integrated experience in the corporate and industrial submarkets, as well as in the residential and municipal submarkets to a lesser extent.
- Both acquisitions **ARE FULLY IN LINE WITH THE COMPANY'S STRATEGY, UPDATED AT THE BEGINNING OF 2022**, which sets the objective of further strengthening the Company's role in the circular economy and sustainable management.
- The **INVESTIGATION BY THE CENTRAL BANK OF HUNGARY** into the IFRS compliance of ALTEO's Annual Report **WAS CLOSED** without finding any infringement.



# ALTEO GROUP PORTFOLIO



- Renewables-based
- Natural gas-powered (heat and electricity)
- Virtual power plant and industrial services



# ALTEO GROUP PORTFOLIO



## RENEWABLE ENERGY PRODUCTION

ALTEO Group has significant competences, among others, in exploiting renewable energy sources.

### WIND FARMS

- Ács
- Bábolna
- Böny
- Jánossomorja
- Pápakovácsi
- Törökszentmiklós

### RENEWABLE GAS

- Debrecen - landfill gas
- Nagykőrös - biogas, operation

### HYDROPOWER PLANTS

- Felsődobsza
- Gibárt

### SOLAR POWER PLANTS

- Domaszék
- Monor
- Balatonberény
- Nagykőrös



## INDUSTRIAL AND COMMERCIAL SERVICES

ALTEO Group facilitates the efficient energy management of its consumers through the services provided to industrial facilities.

### BORSODCHEM

- BC Power Plant - operation

### MOL Petrolkémia

- TVK Power Plant - operation
- Tisza-WTP - treated water service

### Heineken Soproni Sörgyár

- heat supply service



## GAS ENGINE AND HEATING POWER PLANTS, ENERGY STORAGE FACILITIES

ALTEO Group operates high-efficiency, combined heat and electricity (cogeneration) plants and energy storage facilities.

### HEATING POWER PLANTS

- Ózd Power Plant
- Tiszaújváros Heating Power Plant
- Kazincbarcika Heating Power Plant
- Füredi út Gas Engine Block Power Plant
- Győr Power Plant
- Sopron Power Plant

### ELECTRICITY STORAGE FACILITIES

- Füredi út Storage Facility
- Kazincbarcika Storage Facility



# CONSOLIDATED STATEMENT OF PROFIT OR LOSS (IFRS)

Consolidated Statement of Profit or Loss				
	2022 H1	2021 H1	Change HUF million compared to the previous year	Change % compared to the previous year
<i>data in HUF million</i>	non-audited	non-audited		
<b>Revenues</b>	<b>37 988</b>	<b>19 781</b>	<b>18 207</b>	<b>92%</b>
Capitalized own production	157	133	24	(18%)
Material expenses	(22 015)	(10 983)	(11 032)	100%
Personnel expenses	(2 526)	(2 189)	(338)	15%
Depreciation and amortization	(1 955)	(2 187)	231	(11%)
Other revenues, expenses, net	(1 796)	(528)	(1 268)	240%
Impairment loss	-	-	-	N/A
<b>Operating profit or loss</b>	<b>9 852</b>	<b>4 027</b>	<b>5 826</b>	<b>145%</b>
Net financial income	(356)	(565)	208	(37%)
<b>Profit or loss before taxes</b>	<b>9 496</b>	<b>3 462</b>	<b>6 034</b>	<b>174%</b>
Income tax expenses	(1 425)	(642)	(783)	122%
<b>Net profit or loss</b>	<b>8 071</b>	<b>2 820</b>	<b>5 251</b>	<b>186%</b>
<i>of which the owners of the Parent Company are entitled to:</i>	<i>8 067</i>	<i>2 818</i>	<i>5 249</i>	<i>186%</i>
<i>of which the minority interest is entitled to:</i>	<i>4</i>	<i>2</i>	<i>2</i>	<i>81%</i>
<b>Base EPS (HUF/share)</b>	<b>409,11</b>	<b>148,55</b>	<b>260,56</b>	<b>175%</b>
<b>Diluted EPS (HUF/share)</b>	<b>408,98</b>	<b>145,36</b>	<b>263,62</b>	<b>181%</b>
<b>EBITDA*</b>	<b>11 808</b>	<b>6 213</b>	<b>5 594</b>	<b>90%</b>

Consolidated Comprehensive Statement of Profit or Loss				
	2022 H1	2021 H1	Change HUF million compared to the previous year	Change % compared to the previous year
<i>data in HUF million</i>	non-audited	non-audited		
<b>Net profit or loss</b>	<b>8 071</b>	<b>2 820</b>	<b>5 251</b>	<b>186%</b>
Other comprehensive income (after taxes on profits)	4 334	3 043	1 292	42%
<b>Comprehensive income</b>	<b>12 405</b>	<b>5 863</b>	<b>6 543</b>	<b>112%</b>
<i>of which the owners of the Parent Company are entitled to:</i>	<i>12 401</i>	<i>5 861</i>	<i>6 541</i>	<i>112%</i>
<i>of which the minority interest is entitled to:</i>	<i>4</i>	<i>2</i>	<i>2</i>	<i>45%</i>

With a revenue increase of HUF 18,207 million, EBITDA shows a 92% rise over the preceding year.

## Most important changes in operating profit and loss items:

- **REVENUE INCREASE:** The substantial increase was primarily the result of rising energy market prices, coupled with the significantly growing capacity revenue of the ALTEO Virtual Power Plant and the dynamic development of the Retail segment.
- **INCREASE IN MATERIAL EXPENSES:** Increased energy prices also have an impact here, but, at the same time, part of the revenue growth in the Heat and Electricity Generation segment was realized in activities with non-significant material costs, such as capacity market services. Therefore, increase in material expenses is more moderate than the revenue growth in absolute terms.
- **DEPRECIATION:** During the base period, an impairment of about HUF 340 million was recognized in relation to the two wind farms owned by ALTEO, ensuring a more accurate presentation of their value in the Company's statement of financial position. The adjusted difference is due to the depreciation of transferred assets.
- **OTHER REVENUES, EXPENDITURES:** Other expenditures increased due to the rise in the world market price of CO<sub>2</sub> quotas, the liability arising from the introduction of the Energy Efficiency Obligation Scheme to be recognized in the Retail segment, and the difference between the market price and subsidized price granted for renewables produced in the METÁR system (to be returned to the state), which is to be recognized in other expenditures.



\*In the opinion of the Company, the profit category that can most reliably be used to measure the profitability of the Group is EBITDA (a profit category from which financial items, taxes, depreciation, and non-systematic reductions - typically impairments - have been removed). Therefore, impairment and local business taxes and innovation contributions - if any - have been removed from the Other Revenues and Other Expenses lines that are used to provide a more detailed elaboration of the EBITDA in the above table.

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- FINANCIAL INCOME:** During the relevant period, ALTEO was not adversely affected by the significant changes in the interest rate environment compared to the base period, thanks to earlier fixing of interest rates on long-term liabilities. Costs were mitigated by interest from liabilities repaid in the intervening period. The interest revenue realized on available cash balances significantly exceeded the previous year's figure.
- INCOME TAXES:** In line with the significantly higher profit, both local business tax and corporate tax liabilities increased.
- NET PROFIT INCREASED BY HUF 5,251 million** (186%) compared to the base period. The growth was mainly the result of operating profit.
- OTHER COMPREHENSIVE INCOME:** ALTEO enters into hedging transactions in order to secure the purchase price of raw materials and, thereby, the profit content on heat and electricity sold at fixed prices, and to fix the interest rates on loans. Other comprehensive income includes the result of changes in the fair value of transactions - as financial instruments - that hedge the price of gas used to produce electricity at the time of setting the official heat prices and/or sold at fixed forward prices, the EUR/HUF exchange rate and interest rate changes, until the real transaction is closed. The values shown on this line are not indicative of future trends in profit or loss.

*\*In the opinion of the Company, the profit category that can most reliably be used to measure the profitability of the Group is EBITDA (a profit category from which financial items, taxes, depreciation, and non-systematic reductions - typically impairments - have been removed). Therefore, impairment and local business taxes and innovation contributions - if any - have been removed from the Other Revenues and Other Expenses lines that are used to provide a more detailed elaboration of the EBITDA in the above table.*



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IFRS)

Consolidated Statement of Financial Position		data in HUF million		
	6.30.2022	12.31.2021	Change	Change
	non-audited	audited	HUF million compared to the previous	% compared to the previous year
<b>Non-current assets</b>	<b>31 029</b>	<b>31 371</b>	<b>(342)</b>	<b>(1%)</b>
<b>Current assets</b>	<b>35 207</b>	<b>29 390</b>	<b>5 817</b>	<b>20%</b>
<i>of which OCI</i>	10 594	5 831	4 763	82%
<i>of which financial assets</i>	7 871	3 679	4 192	114%
<b>TOTAL ASSETS</b>	<b>66 236</b>	<b>60 761</b>	<b>5 475</b>	<b>9%</b>
<b>Equity</b>	<b>29 257</b>	<b>19 009</b>	<b>10 248</b>	<b>54%</b>
<i>of which OCI</i>	9 641	5 306	4 334	82%
<b>Long-term liabilities</b>	<b>25 069</b>	<b>24 491</b>	<b>578</b>	<b>2%</b>
<i>of which OCI</i>	953	525	429	82%
<i>of which credit, loans, bonds, leasing</i>	20 748	20 929	(181)	(1%)
<b>Short-term liabilities</b>	<b>11 910</b>	<b>17 261</b>	<b>(5 351)</b>	<b>(31%)</b>
<i>of which credit, loans, bonds, leasing</i>	684	2 970	(2 286)	(77%)
<b>TOTAL EQUITY and LIABILITIES</b>	<b>66 236</b>	<b>60 761</b>	<b>5 475</b>	<b>9%</b>

- **INVESTMENTS, CAPITAL EXPENDITURES** During the period, the Company focused on the preparation of significant investments, most of which will be completed in H2 2022 and H1 2023. As a result of the market situation, the level of long-term deposits increased compared to the preceding period, which compensated for the decrease caused by the amortization of non-current assets.
- **CURRENT ASSETS** change was primarily impacted by increased energy prices and trade receivables and payables resulting from significantly increased earnings, as well as the receivables and liabilities related to hedging transactions (recognized as OCI (Other Comprehensive Income) in equity).
- **EQUITY CAPITAL** change was due to increased profit for the year and the increased value of other comprehensive income. The dividend approved on the basis of the 2021 profit was also paid in the current year.
- **LONG-TERM LIABILITIES, SHORT-TERM LOANS** portfolio was adjusted by general loan repayments, and the company met its payment obligation under the HUF 2,344 million face value zero-coupon bonds named ALTEO 2022/I and 2022/II.



# HEAT AND ELECTRICITY PRODUCTION (MARKET RATE, NON-SUBSIDIZED)

## Heat and electricity generation (market rate, outside the KÁT regime)

<i>data in HUF million</i>	<b>6.30.2022 non-audited</b>	<b>6.30.2021 comparison**</b>	<b>Change HUF million compared to the previous year</b>	<b>Change % compared to the previous year</b>
<b>Revenue</b>	<b>26 290</b>	<b>10 295</b>	<b>15 995</b>	<b>155%</b>
Capitalized own production	59	45	14	30%
Material expenses	(14 866)	(4 869)	(9 997)	205%
Personnel expenses	(628)	(453)	(175)	39%
Other revenues, expenses, net	(1 631)	(637)	(993)	156%
<b>EBITDA*</b>	<b>9 223</b>	<b>4 380</b>	<b>4 843</b>	<b>111%</b>
Allocated administrative expenses	(340)	(242)	(98)	41%
<b>EBITDA II*</b>	<b>8 883</b>	<b>4 138</b>	<b>4 745</b>	<b>115%</b>

*\*EBITDA: In the opinion of the Company's management, this is the profit category that can most reliably be used to measure the profitability of the Group (a profit category from which financial items, taxes, depreciation, and non-systematic reductions - typically impairments - have been removed).*

- The segment's revenue rose by 155% (HUF 15.9 billion).
- The **REVENUE FROM SCHEDULE-BASED ELECTRICITY GENERATION INCREASED** as a result of significantly higher electricity market prices in relation to the comparative period. This was coupled with the overall spark spread (specific coverage available from electricity generation with gas engines) currently available in the market, which is higher than last year. In addition, there was a significant rise in **CAPACITY REVENUE AND REGULATORY REVENUE**, and considerable revenue growth in the **RENEWABLE PRODUCTION MANAGEMENT** subsegment, launched in late 2020. As a result of these, **EBITDA II INCREASED BY HUF 4.8 BILLION (+115%)**. We note that the extremely high pricing levels are generating important financing needs related to the segment, and although such price environment is beneficial for performance, its long-term continuation is not to be taken for granted.
- The increase in **MATERIAL EXPENSES** was primarily due to higher gas costs. A large part of the segment's profit is typically driven by growth in high-margin (capacity and regulatory market) activities, and, as such, the increase in material expenses in absolute terms is lower than the rise in revenue.
- Higher **OTHER EXPENDITURES** are typically the result of the significantly increased CO<sub>2</sub> quota price.



# ELECTRICITY PRODUCTION (WITHIN THE SUBSIDIZED SYSTEM)

## Electricity production (within the subsidized system)

<i>data in HUF million</i>	<b>6.30.2022</b> non-audited	<b>6.30.2021</b> comparison**	<b>Change HUF million</b> compared to the previous year	<b>Change %</b> compared to the previous year
<b>Revenue</b>	<b>3 090</b>	<b>2 703</b>	<b>387</b>	<b>14%</b>
Capitalized own production	-	-	-	n.a.
Material expenses	(409)	(309)	(100)	32%
Personnel expenses	(100)	(104)	5	(4%)
Other revenues, expenses, net	(99)	19	(118)	(628%)
<b>EBITDA*</b>	<b>2 482</b>	<b>2 308</b>	<b>174</b>	<b>8%</b>
Allocated administrative expenses	(88)	(48)	(40)	85%
<b>EBITDA II*</b>	<b>2 394</b>	<b>2 260</b>	<b>134</b>	<b>6%</b>

*\*EBITDA: In the opinion of the Company's management, this is the profit category that can most reliably be used to measure the profitability of the Group (a profit category from which financial items, taxes, depreciation, and non-systematic reductions - typically impairments - have been removed).*

- The **EBITDA II OF THE SEGMENT INCREASED BY HUF 134 MILLION (6%)**, of which 14% is down to higher revenue, somewhat dampened by higher scheduling costs due to changeable whether, and the expenditure related to the Gibárt hydropower plant arising from METÁR overcompensation, recognized in **OTHER REVENUES AND EXPENSES**.
- The profit/loss of the other plants in the segment producing within the subsidized system (solar power plants, landfill gas) overall matched the figures for the previous year.
- As of June 30, 2022, the production opportunities within the subsidized system (KÁT) expired for several of the power plants in ALTEO's renewables portfolio. Given the current electricity prices in the market, this will not lead to a drop in ALTEO's profitability, and ALTEO's virtual power plant and experts are prepared for the transition.
- The capacity of ALTEO's portfolio of power plants utilizing renewable sources of energy now exceeds 70MW, and is expected to be supplemented with an additional 20MW solar power plant with the acquisition of EDELYN SOLAR Kft. in July, provided that the development is fully realized. The project is expected to start in the first half of 2023.



# ENERGY SERVICES

Energy services				
	6.30.2022	6.30.2021	Change HUF million	Change %
<i>data in HUF million</i>	non-audited	comparison**	compared to the	compared to the
			previous year	previous year
<b>Revenue</b>	<b>1 777</b>	<b>1 480</b>	<b>296</b>	<b>20%</b>
Capitalized own production	99	66	32	49%
Material expenses	(734)	(591)	(142)	24%
Personnel expenses	(861)	(771)	(90)	12%
Other revenues, expenses, net	-	75	(75)	(100%)
<b>EBITDA*</b>	<b>280</b>	<b>260</b>	<b>21</b>	<b>8%</b>
Allocated administrative expenses	(374)	(369)	(5)	1%
<b>EBITDA II*</b>	<b>(94)</b>	<b>(110)</b>	<b>16</b>	<b>(14%)</b>

*\*EBITDA: In the opinion of the Company's management, this is the profit category that can most reliably be used to measure the profitability of the Group (a profit category from which financial items, taxes, depreciation, and non-systematic reductions - typically impairments - have been removed).*

- In H1 of this year, the segment realized an EBITDA II value of HUF 281 million, slightly up compared to last year.
- The moderate EBITDA II value (after allocated administrative costs) can be explained mainly with the higher allocated administrative costs, relative to profit generation capacity, associated with the launch and ramping-up of new business lines such as E-mobility or Waste Management. ALTEO's management continues to see the long-term value-creation of these business lines to be ensured.
- The profit generated from **operation and maintenance services for third parties (MOL, Borsodchem, Budapest Power Plant, Főtáv, Siemens, Uniper)** was higher than in the comparative period.
- In the business and project development division, the focus will continue to shift to internal construction works in H1 2022, boosting profits in other business lines.
- The E-MOBILITY business has a profit-generation capacity corresponding to the expectations.
- In the WASTE MANAGEMENT business, dynamic growth is expected after the successful acquisition of FE-GROUP.



# RETAIL ENERGY TRADE

Retail energy trade				
	6.30.2022	6.30.2021	Change HUF million	Change %
<i>data in HUF million</i>	non-audited	comparison**	compared to the previous year	compared to the previous year
<b>Revenue</b>	<b>11 091</b>	<b>6 839</b>	<b>4 252</b>	<b>62%</b>
Capitalized own production	-	-	-	n.a.
Material expenses	(9 838)	(6 347)	(3 491)	55%
Personnel expenses	(65)	(57)	(8)	13%
Other revenues, expenses, net	(47)	24	(71)	(300%)
<b>EBITDA*</b>	<b>1 141</b>	<b>459</b>	<b>682</b>	<b>149%</b>
Allocated administrative expenses	(59)	(68)	9	(13%)
<b>EBITDA II*</b>	<b>1 082</b>	<b>390</b>	<b>691</b>	<b>177%</b>

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- The segment's **DYNAMIC REVENUE GROWTH** is mainly the result of significantly higher energy prices compared to the same period last year. This effect is mitigated by the fact that, for risk management reasons, the segment did not extend contracts with lower margins but riskier customers, and has cleared up its portfolio.
- The **ELECTRICITY TRADE MARGIN SHOWS A HUF 618 MILLION INCREASE** compared to the preceding year. The positive trend is mainly caused by the higher price level due to increased electricity prices, as well as by the fact that ALTEO has been able to react to extreme volatility more rapidly than its major competitors, due to its dynamic and flexible operating methods. A further increase in the result is caused by the fact that the electricity booked, but not used by customers could be sold at high SPOT and balancing prices.
- The **GAS TRADE BUSINESS LINE** realized a **SURPLUS MARGIN OF HUF 140 MILLION** year-on-year, mainly due to higher specific margin resulting from the drop of competition on the supply side.



## OTHER ACTIVITIES NOT ASSIGNED TO SEGMENTS

Other segments				
	6.30.2022	6.30.2021	Change HUF million	Change %
<i>data in HUF million</i>	non-audited	comparison**	compared to the previous year	compared to the previous year
<b>Revenue</b>	-	-	-	n.a.
Capitalized own production	-	-	-	n.a.
Material expenses	(116)	(126)	10	(8%)
Personnel expenses	(322)	(338)	16	(5%)
Other revenues, expenses, net	(19)	(1)	(18)	1 277%
<b>EBITDA*</b>	<b>(457)</b>	<b>(466)</b>	<b>9</b>	<b>(2%)</b>

*\*EBITDA: In the opinion of the Company's management, this is the profit category that can most reliably be used to measure the profitability of the Group (a profit category from which financial items, taxes, depreciation, and non-systematic reductions - typically impairments - have been removed).*

- The segment shows costs primarily related to strategic growth and stock exchange presence that are not linked to various segments, but rather the Group as a whole, and as such are not part of distributed administrative expenses.
- The savings relative to the comparative period were primarily a result of a reduction in employer's contribution, mitigated by the support provided to UNICEF in the context of the war in Ukraine, and by the general cost increase corresponding to the Group's growth.





ALTEO NYRT.

# THANK YOU FOR YOUR ATTENTION

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