

PRESS RELEASE

March 6, 2023 – The new electrical boiler installed at ALTEO's Sopron Power Plant is now in operation, further increasing the flexibility of the Company's Virtual Power Plant and creating the possibility to convert electricity generated from renewable energy sources into heat. The consortium of ALTEO and the Alfréd Rényi Institute of Mathematics won funding for the development of the system as part of tender no. 2020-1.1.2-PIACI KFI, entitled "Support for Market-driven Research/Development and Innovation Projects", announced by the Hungarian National Research, Development and Innovation Office.

Through its rapid load switching capability, the commissioned electrical boiler provides a high level of flexibility for ALTEO's Virtual Power Plant. The company's first electrical boiler has an output of 5 MW, and the steam it produces is utilized by the heat consumers of the Sopron Power Plant. The investment project, worth around HUF 600 million, is part of ALTEO's own energy engineering IT system to manage and optimize power plant electricity generation, which is being developed with the professional support of the Alfréd Rényi Institute of Mathematics. The consortium of ALTEO and the Alfréd Rényi Institute of Mathematics won funding for the development of the system as part of tender no. 2020-1.1.2-PIACI KFI, entitled "Support for Market-driven Research/Development and Innovation Projects", announced by the Hungarian National Research, Development and Innovation Office, after the Ministry of Innovation and Technology found the grant application entitled "Development of a Real-time Autonomous Power Engineering Information and Generation Management System", with ID 2020-1.1.2-PIACI-KFI-2021-00229, worthy of support. The total cost of the project is HUF 854,584,200, of which the non-reimbursable grant is HUF 401,021,730. The innovative information and production management system is perfectly aligned with ALTEO's long-standing ambition to make its Virtual Power Plant a leading player in the Hungarian balancing energy and capacity market. The world's energy mix is increasingly dominated by renewable energy-based, largely weather-dependent power plants, whose operational characteristics pose a major challenge to system stability. On account of the above, there is therefore a growing need for consumer solutions that can be integrated and controlled within existing systems to adjust for generation/consumption imbalances stemming from forecasting inaccuracies. By installing the electrical boiler at the Sopron Power Plant, ALTEO contributes to increasing the stability of the electricity system, enhancing security of supply and supporting the further expansion of renewable energy power plants.

ALTEO Group

ALTEO Nyrt. is a Hungarian-owned energy service and trading company with a modern outlook. The scope of our business activity covers renewable and natural gas energy production, energy trade and bespoke energy services and development for companies. The Company provides customers with a reliable and environmentally responsible energy supply based on the sustainable use of renewable energy. As an energy trading company, its partners include Hungarian small and medium-sized businesses and large corporations alike. The optimum mix of its assets and its virtual power plant allow the Company to serve the needs of its customers effectively. ALTEO was first listed on the Budapest Stock Exchange in October 2010. In 2016, the Company successfully completed a public offering. The Company is continuously active in the capital market, and following its public offering, it continued to carry out private placements of shares and bonds among institutional investors, raising an aggregate total of close to HUF 20 billion in funds. Sales revenues have been growing dynamically and reached HUF 44 billion in 2021, while the value of its portfolio of non-current assets exceeded HUF 31 billion. ALTEO is a dynamically developing company committed to sustainability, and is always on the lookout for new opportunities for investment and growth, and the Company is continuously working to ensure that they provide their customers and partners with the most innovative range of services of the highest quality in an effort to achieve a steady increase in shareholder value.

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