

## PRESS RELEASE

### **ALTEO Group subsidiary selected as subcontractor for waste management concession**

**June 29, 2023 – Fe-Group Invest Zrt., a subsidiary of ALTEO Nyrt., has signed a two-year service contract, renewable for an additional two years, with MOHU MOL Hulladékgazdálkodási Zrt., the winner of the 35-year waste concession in Hungary, for the collection, transport, storage and pre-treatment of waste. With this the company, which is traded in the Prime Market of the Budapest Stock Exchange (BSE), took a major step towards modern recycling-based waste management, which is also crucial in the transition to a circular economy.**

Fe-Group Invest Zrt., a company with significant recycling capacities and decades of experience in the field, submitted a tender for the position of institutional subcontractor for the waste management concession together with several subcontractor and cooperation partners. The company is 75.1 percent owned by ALTEO Nyrt., which launched its waste management business in 2018 with the acquisition of ECO-FIRST Kft., building on biodegradable waste. This line of business of ALTEO Nyrt. became significantly more integrated less than a year ago as a result of the acquisition of a controlling stake in Fe-Group Invest Zrt., which is 24.9% owned by the Kék Bolygó Klímavédelmi Kockázati Tőkealap (Blue Planet Climate Protection Venture Capital Fund), a fund investing in technologies and solutions that promote climate protection and environmental sustainability.

*"Extending our existing capacities, integrating the latest technological innovations into practice, striving to recycle waste beyond the current material streams with 21st century solutions and value-creating investments,"* said Anita Simon, ALTEO's Deputy CEO for Sustainability and Circular Economy, explaining the reason for the participation of Fe-Group Invest Zrt. in the 35-year concession.

According to the Deputy CEO, finding ways to recycle waste is one of the most important goals, if not the most important, of modern waste management, and it is no coincidence that this approach is supported by EU and national regulatory efforts. They are in full harmony with the objective of MOHU MOL Hulladékgazdálkodási Zrt. to reduce the proportion of waste going to landfills in Hungary, i.e. the amount of collected waste that ends up in landfills, to 10 percent. This requires restructuring and renewing the entire Hungarian system, and essentially the development of additional recovery capacities accompanied by efficient and innovative solutions.

All this can contribute to a more stable and predictable operation in terms of the whole of the waste management market. *"We believe that Fe-Group brings significant added value to the whole of the concession facilitating its operability, and the contract concluded today will increase the size, capacity and sales revenue of the waste management business,"* added Anita Simon, referring specifically to waste streams of Fe-Group Invest Zrt., which are particularly interesting from an energy perspective.

Through the acquisition of FE-Group Invest Zrt., ALTEO Group is already an all-important player in the waste management market today. The capacities of the Group allow it to handle a quarter of the annual PET waste generated in Hungary, 6 thousand tons, while its share in the combined electronics segment is around 10 percent, estimated at 90 thousand

tons (annual figure). The ALTEO Group strategy until 2026 focuses specifically on the field of waste management by setting the goal of stepping up the recycling effort as a key pillar of the transition to a circular economy.

*The capital market disclosure that serves as the basis of this ALTEO Nyrt. press release is available on the company's [website](#), as well as on the dedicated disclosures interface of the [Budapest Stock Exchange](#) and the [Central Bank of Hungary](#).*

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#### *ALTEO Group*

*ALTEO is a Hungarian-owned energy service and trading company with a modern mindset. The scope of its business activities include the production and trade of energy from renewable energy carriers and natural gas, as well as energy services and development customized to individual corporate needs. The Company provides a reliable and environmentally responsible energy supply based on the sustainable use of renewable energy to its costumers, which include small and medium-sized Hungarian enterprises as well as large corporations. Due to its own, optimally designed assets and virtual power plant, the company provides the most innovative services of the highest quality to its partners. In recent years, innovative business sectors such as e-mobility, waste management and scheduling have been added to this range, where aspects of the circular economy are even more prevalent.*

*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 exceeded HUF 100 billion in 2022, and the value of its portfolio of non-current assets surpassed HUF 34 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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