ALTEO NYRT.

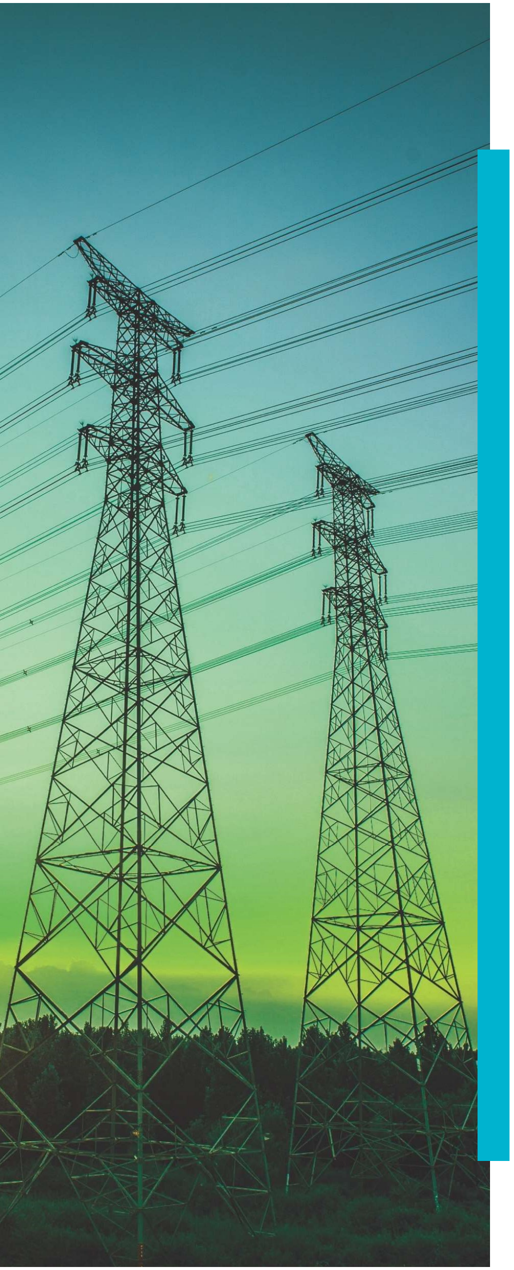
INVESTOR PRESENTATION – ALTEO Group

H1 2023

(non-audited financial income)

H1 2023 NON-AUDITED FINANCIAL INCOME

This information was not compiled on the basis of international accounting standard IAS 34 – Interim Financial Reporting; the information contained in them are non-audited in terms of 2023 results and have not been audited by an independent auditor.
This presentation is for advance information purposes only.



THE MOST IMPORTANT EVENTS AND RESULTS OF 2023

- **ALTEO achieved a remarkable result** in the first half of 2023. The remarkable rise in profits confirms the success of the Company's strategy (presented at the end of 2019 and updated at the start of 2022) and its effective implementation, where environmental and social sustainability plays a key role in addition to business considerations.
- The energy market in the first half of 2023 was characterized by consolidating prices, which are still significantly above the levels seen before the price increase at the end of 2021. Possibly higher energy price stabilization have a positive impact on ALTEO's long-term strategy, highlighting that energy market opportunities starting in 2022 and continuing in 2023 are unlikely to persist in the long term; as a result of the consolidation of energy prices, the growth rate of profitability in EBITDA and Net Profit for the period on a year per year basis slowed significantly compared to the high levels seen in previous quarters. Thanks to its structure, its strategy based on sustainability and renewable energy production, its diversified portfolio and its outstanding team of professionals, ALTEO intends to continue to exploit the maximum of the opportunities offered by the market in the period ahead. ALTEO's current profitability significantly exceeds the upper band of the median EBITDA range presented at the beginning of 2022.
- **CONSOLIDATED EBITDA REACHES HUF 12.8 BILLION, RISING BY 8% year-on-year,** primarily on account of the remarkable profitability of the Virtual Power Plant controlling heat and electricity production, positively supported by record results in the Retail segment.
- **CONSOLIDATED NET PROFIT WAS HUF 8.9 BILLION, SHOWING A 10% INCREASE** over the same period last year.
- ALTEO's management considers the ramp-up of the Renewable Production Management business, launched at the end of 2020, to be highly successful. Today, this business is the clear market leader in terms of managed renewable power plant capacities in the domestic market, which now exceeds 1,700 MW.
- In the **WASTE MANAGEMENT** segment, which has undergone significant growth after the acquisition of FE-Group in 2022, the waste management concession, launched on 1 July, 2023, could represent significant opportunities. FE-Group Invest Zrt., 75.1% of which is owned by ALTEO, has signed a two-year contract with a two-year extension option with the concession holder, MOHU Zrt.
- ALTEO continues the active **INVESTMENT ACTIVITY** announced in its strategy. On 05.25.2023, the transaction for 100% of the share capital of Energikum Zrt. and 33% of the share capital of ECO-FIRST Kft. was concluded. Energikum holds the business quota representing 99% of the issued capital of Energigas Kft., which is the owner of the biogas plant in Nagykőrös, and ECO-FIRST trades in waste. 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.

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THE MOST IMPORTANT EVENTS AND RESULTS OF 2023

- On March 23, 2023, the joint **TRANSACTION** of MOL RES Investments Zrt, Főnix Private Equity Fund and Riverland Private Equity Fund aimed at acquiring controlling interest **WERE CONCLUDED**.
- Two members of ALTEO Group and K&H Bank concluded the first loan transaction of ALTEO Group that is fully compliant with the so-called Taxonomy Regulation, which entered into force in 2022. Under the agreement, **K&H PROVIDES A HUF 4 BILLION LOAN**, which transaction complies with the EU Taxonomy, the most stringent set of sustainability rules of the European Union.
- The electrical boiler in Sopron commenced operation. The consortium of ALTEO and the Alfréd Rényi Institute of Mathematics was granted funds for the development of the system in the call for tenders announced by the Hungarian National Research, Development, and Innovation Office.
- In December 2022, the HUF 6 billion **PARENT COMPANY LOAN** from Wallis Asset Management was repaid in full on 16.03.2023.
- On 04.02.2023, the new members of the Board of Directors were elected at the Extraordinary General Meeting.
- On 04.21.2023, the General Meeting adopted ALTEO's 2022 annual report.
- On 04.28.2023, ALTEO's Board of Directors adopted a decision to introduce a new long-term share-based incentive for senior and middle managers as well as for key talents and specialists.
- On 05.17.2023, a framework agreement was signed with MOL Nyrt. to provide industrial and power plant rotary machine maintenance services for Alteo, MOL, and its domestic and foreign subsidiaries (in particular Slovnaft or INA), thus exploiting the synergies of the cooperation between the two companies.
- On 05.25.2023, the transaction for 100% of the share capital of Energikum Zrt. and 33% of the share capital of ECO-FIRST Kft. was concluded.
- The Edelyn Solar Kft. solar power plant development project reached ready-to-build status in May 2023. On 07.06.2023, following approval by the Board of Directors, the investment of more than EUR 17 million will commence. ALTEO's solar portfolio will double with this investment.
- On 06.23.2023, SCOPE Ratings GmbH upgraded ALTEO as an issuer from "BB+" to "BBB-". The credit rating agency has left the bonds' previous rating of "BBB-" unchanged.

THE MOST IMPORTANT EVENTS AND RESULTS OF 2023

- On 06.29.2023, Fe-Group Invest Zrt., a subsidiary of ALTEO Nyrt., concluded a two-year contract (with the possibility of extension for another two years) with MOHU MOL Hulladékgazdálkodási Zrt. for the collection, transport, storage, and pre-treatment of waste.

Events after the closing of the statement of financial position:

- On 07.03.2023, the result of the ESG rating review was published, in which the company received a more favorable ESG rating than the risk level of last year.
- On 07.06.2023, ALTEO's Board of Directors approved the plans for the construction of Edelyn Solar, which will double the company's own solar power plant portfolio from its current nominal capacity of approximately 20 MW to 40 MW.

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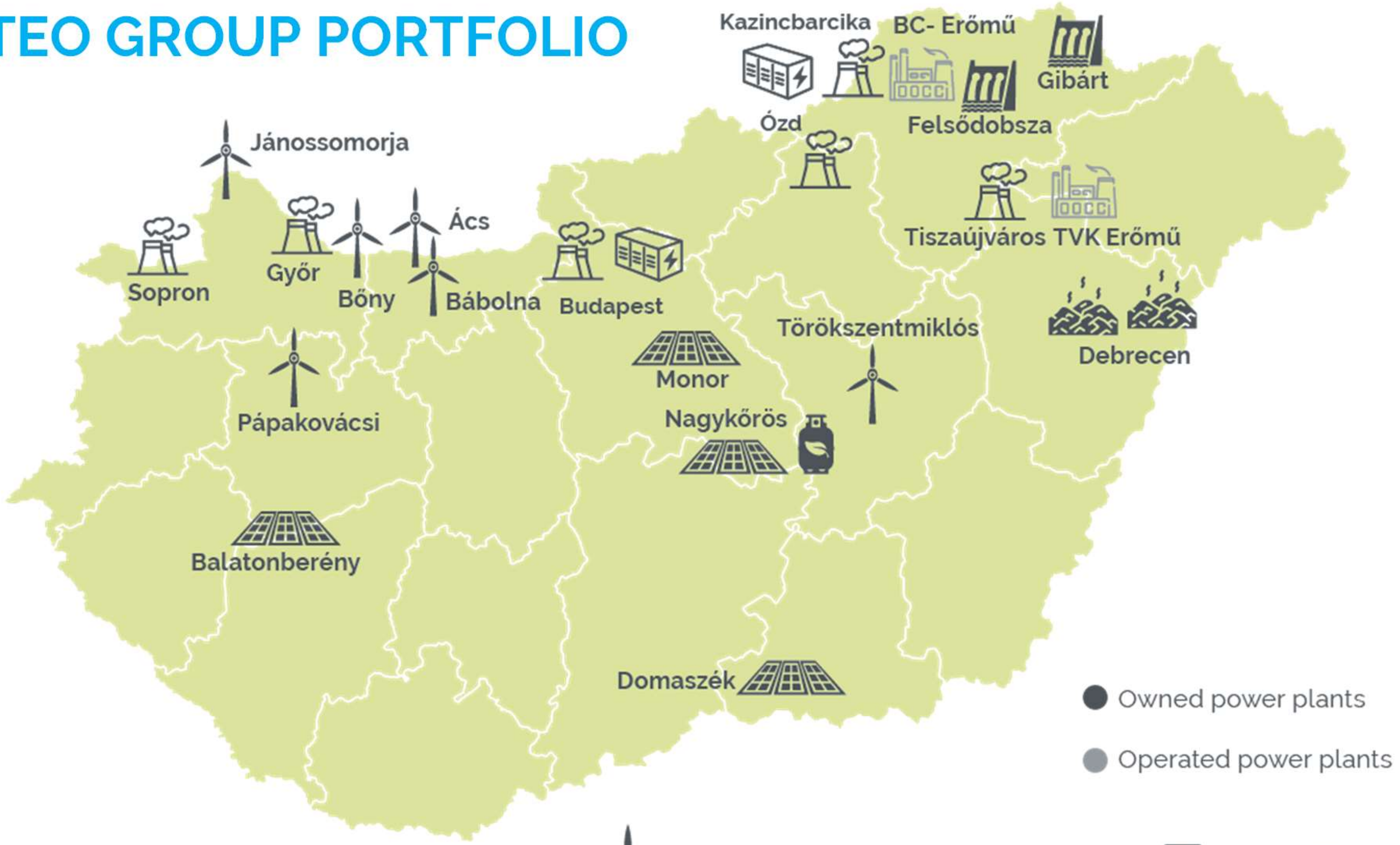
ALTEO GROUP PORTFOLIO



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KD0 Ebbe valahogy nem tudnánk feltüntetni a két energiatárolónkat is?
Kovács Domonkos; 2023-08-09T09:18:00.471

BZ0 0 Ágiék kezelik ezt az amúgy szuper infógrafikát, nem tudok belenyúlni. Jelzem neki.
Bodnár Zoltán; 2023-08-09T12:44:54.562

BZ0 1 Folyamatban
Bodnár Zoltán; 2023-08-17T14:34:17.269

ALTEO GROUP PORTFOLIO

RENEWABLE ENERGY PRODUCTION	INDUSTRIAL AND COMMERCIAL SERVICES	GAS ENGINE AND HEATING POWER PLANTS, ENERGY STORAGE FACILITIES
ALTEO Group has significant competencies, among others, in exploiting renewable energy sources.	**ALTEO Group facilitates the efficient energy management of its consumers through the services provided to industrial facilities.**	**ALTEO Group operates high-efficiency, combined heat and electricity (cogeneration) plants, and energy storage facilities.**
WIND FARMS – Ács – Bábolna – Bőny – Jánossomorja – Pápakovácsi – Törökszentmiklós **RENEWABLE GAS** – Debrecen - landfill gas – Nagykőrös - biogas **HYDROPOWER PLANTS** – Felsődobsza – Gibárt **SOLAR POWER PLANTS** – Domaszék – Monor – Balatonberény – Nagykőrös	**BORSODCHEM** – BC Power Plant - operation – BC Power - operation **MOL Petrolkémia** – TVK Power Plant - operation – Tisza-WTP - treated water service **Heineken Soproni Sörgyár** – heat supply service	**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

data in million HUF	6.30.2023 non-audited	6.30.2022 non-audited	Change HUF million over previous year	Change % over previous year
Sales revenues	**58 854**	**37 988**	**20 866**	***55%***
Material expenses	(37 945)	(22 015)	(15 930)	*72%*
Personnel expenses	(3 731)	(2 526)	(1 204)	*48%*
Depreciation and amortization	(2 088)	(1 955)	(133)	*7%*
Other revenues, expenses, net	(4 708)	(1 796)	(2 912)	*162%*
Capitalized own production	296	157	139	*(88%)*
Impairment loss	-	-	-	*N/A*
Operating Profit or Loss	**10 678**	**9 852**	**826**	***8%***
Net financial income	384	(356)	741	*(208%)*
Profit or loss before taxes	**11 063**	**9 496**	**1 567**	***16%***
Income tax expenses	(2 190)	(1 425)	(765)	*54%*
Net profit or loss	**8 873**	**8 071**	**802**	***10%***
Of which the owners of the Parent Company are entitled to:	*8 961*	*8 067*	*894*	*11%*
Of which the minority interest is entitled to:	*(88)*	4	(92)	*(2 324%)*
Base EPS (HUF/share)	**451,41**	**409,11**	**42,29**	***10%***
Diluted EPS (HUF/share)	**449,59**	**408,98**	**40,60**	***10%***
EBITDA*	**12 766**	**11 808**	**959**	***8%***

Consolidated Comprehensive Statement of Profit or Loss

Net profit or loss	**8 873**	**8 071**	**802**	**10%**
Other comprehensive income (after taxes on profits)	**(1 845)**	**4 334**	**(6 180)**	***(143%)***
Comprehensive income	**7 027**	**12 405**	**(5 378)**	***(43%)***
Of which the owners of the Parent Company are entitled to:	7 116	12 401	(5 286)	*(43%)*
Of which the minority interest is entitled to:	(88)	4	(92)	*(104%)*

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.

With a sales revenue increase of HUF 20,866 million, EBITDA shows an 8% rise year-on-year.

Most important changes in operating profit and loss items:

- **REVENUE:** The substantial increase was primarily the result of electricity and district heating prices fixed in the increased energy market price environment. This is complemented by the growing capacity revenue of the ALTEO Virtual Power Plant and FE Group Zrt. consolidated as of October 2022.
- **MATERIAL EXPENSES:** Increased energy prices also have an impact here, but at the same time, part of the sales revenue growth in the Heat and Electricity Generation segment was realized in activities with non-significant material costs, such as capacity market services, so the increase in expenses is lower in absolute terms.
- **DEPRECIATION:** The level of depreciation is the same as in the comparative period. On 06.30.2023, one of the gas engines owned by ALTEO was significantly damaged; the damage is still being assessed and, in accordance with the principle of prudence, a full impairment has been recognized in the half-year figures. The malfunction is not expected to result in a significant loss of profit.
- **OTHER REVENUES, EXPENSES:** Other expenses increased substantially due to the rise in the world market price of CO_2 quotas, and the liability arising from the introduction of the Energy Efficiency Obligation Scheme to be recognized in the Retail segment. This is also where the extra profit tax, the costs of the RPM business, as well as the difference between the market price and subsidized price granted for renewables produced in the METÁR system are recognized.

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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 the earlier fixing of interest rates on long-term liabilities. Costs were further mitigated by loss of interest on liabilities repaid in the intervening period. In parallel with the above, the interest revenue realized on outstanding cash balances available significantly exceeded the previous period's figure, surpassing the interest costs of loan-type funds.
- **INCOME TAXES:** In line with the significantly higher profit, both local business tax, corporate tax, and Robin Hood tax liabilities increased.
- **NET PROFIT INCREASED BY HUF 802 million** (10%) 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)

Assets and receivables *data in HUF million*

	6.30.2023 non-audited	12.31.2022 audited	Change HUF million over previous year	Change % over previous year
Non-current assets	**37 926**	**34 943**	**2 983**	**9%**
Current assets	**45 198**	**65 078**	**(19 880)**	**(31%)**
of which effect of Other comprehensive income	*2 033*	*2 598*	*(565)*	*(22%)*
of which financial assets	*25 074*	*16 465*	*8 609*	*52%*
of which Inventories	*1 196*	*1 779*	*(583)*	*(33%)*
of which Trade receivables and accruals	*11 510*	*31 384*	*(19 874)*	*(63%)*
of which Other current assets	*5 385*	*12 852*	*(7 467)*	*(58%)*
TOTAL ASSETS	**83 124**	**100 021**	**(16 897)**	**(17%)**

Equity and liabilities *data in HUF million*

	6.30.2023 non-audited	12.31.2022 audited	Change HUF million over previous year	Change % over previous year
Equity	**32 580**	**26 687**	**5 893**	**22%**
of which effect of Other comprehensive income	*224*	**2 069**	*(1 845)*	*(89%)*
Long-term liabilities	**31 226**	**26 717**	**4 509**	**17%**
of which effect of Other comprehensive income	*22*	*205*	*(183)*	*(89%)*
of which credit, loans, bonds, leasing	*25 342*	*21 177*	*4 165*	*20%*
of which Other long-term liability	*5 862*	*5 335*	*527*	*10%*
Short-term liabilities	**19 318**	**46 617**	**(27 299)**	**(59%)**
of which effect of Other comprehensive income	*1 787*	*324*	*1 463*	*451%*
of which credit, loans, bonds, leasing	*1 836*	*7 578*	*(5 742)*	*(76%)*
of which Trade payables and accruals	*8 718*	*27 271*	*(18 552)*	*(68%)*
of which Other short-term liability	*6 977*	*11 444*	*(4 467)*	*(39%)*
TOTAL EQUITY and LIABILITIES	**83 124**	**100 021**	**(16 897)**	**(17%)**

- **INVESTMENTS, CAPITAL EXPENSES** Several capacity expansion and efficiency improvement projects are underway during the period and are expected to be delivered in 2023. Investments related to the projects (together with the Energigas acquisition) are recognized among Non-current assets, at a rate exceeding depreciation.
- The change in **CURRENT ASSETS** was primarily the result of the decrease in energy prices and the impact of energy market seasonality on trade receivables and trade payables. Decreasing energy prices have also reduced the number of deposits, security deposits, and advance payments required. The significant increase in cash and cash equivalents is mainly due to the positive change in the generated profit and net working capital. By tying up its available cash and cash equivalents, ALTEO earns significant interest income in the short term in the rising interest rate environment.
- In addition to general loan repayments, the portfolio of **LONG-TERM LIABILITIES, SHORT-TERM LOANS** decreased with the repayment of the HUF 6 billion short-term loan disbursed by Wallis Group, and the HUF 4 billion K&H loan contracted in the previous year was also drawn down.

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HEAT AND ELECTRICITY PRODUCTION AND MANAGEMENT

Heat and electricity production and management				
data in HUF million	6.30.2023 non-audited	6.30.2022 non-audited	Change HUF million over previous year	Change % over previous year
Sales revenue	**47 567**	**26 290**	**21 277**	**81%**
Material expenses	(31 805)	(14 866)	(16 939)	114%
Personnel expenses	(793)	(628)	(165)	26%
Other revenues and Other expenses	(4 904)	(1 631)	(3 274)	201%
Capitalized own production	181	59	123	209%
EBITDA*	**10 245**	**9 223**	**1 022**	**11%**
Allocated administrative expenses	(407)	(340)	(67)	20%
EBITDA II*	**9 838**	**8 883**	**955**	**11%**

**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 sales revenue rose by 81% (HUF 21.3 billion).
- Revenue from both electricity and heat energy sales increased significantly compared to the comparative period. Higher overall spark spreads (specific coverage available from electricity generation with gas engines) on electricity generation compared with the first half of last year contributed to the increase in the segment's profit compared with the previous year. In addition, the **RENEWABLE PRODUCTION MANAGEMENT** sub-segment, which was launched at the end of 2020, saw considerable growth in sales, driven not only by the price environment but also by significant market expansion.
- The increase in **MATERIAL EXPENSES** was primarily due to increased gas costs and purchased electricity costs. This is complemented by an increase in the expenses of Renewable Production Management, which although significant, do not exceed sales revenue. A large part of the segment's profit was driven by growth in typically high-margin (capacity and regulatory market) activities.
- Higher **OTHER EXPENSES** are due to increased CO_2 quota expenses, the HUF 650 million recognized as extra profit tax (retroactively recognized in November 2022), and the Renewable Production Management's scheduling surcharge for power plants producing more than 1,000 MW in the scheduled KÁT system.
- As a result of these factors, **EBITDA II INCREASED BY HUF 955 BILLION (+11%).**

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RENEWABLES-BASED ENERGY PRODUCTION

Renewables-based energy production				
data in HUF million	6.30.2023 non-audited	6.30.2022 non-audited	Change HUF million over previous year	Change % over previous year
Sales revenue	**2 611**	**3 090**	**(479)**	**(16%)**
Material expenses	(756)	(409)	(347)	85%
Personnel expenses	(147)	(100)	(47)	47%
Other revenues and Other expenses	(32)	(99)	67	(67%)
Capitalized own production	-	-	-	n.a.
EBITDA*	**1 675**	**2 482**	**(807)**	**(33%)**
Allocated administrative expenses	(117)	(88)	(29)	33%
EBITDA II*	**1 558**	**2 394**	**(836)**	**(35%)**

**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 **EBITDA II DECREASED BY HUF 836 MILLION (35%)**, accompanied by sales revenue that is HUF 479 million lower. The 16% drop in sales revenue is explained by lower electricity prices and the expiry of some of the subsidy periods. The increase in material expenses is due to higher material and raw material costs, insurance premiums, and, in the case of wind turbines, an increase in the content of operation contracts to reduce risk.
- As of June 30, 2022, the production opportunities within the subsidized system (KÁT) expired for several of the power plants in ALTEO's renewable portfolio. ALTEO's Virtual Power Plant and its experts completed the transition without any interruption, and power plant production continues to contribute to the segment's profits in a balanced and predictable fashion.
- The capacity of ALTEO's portfolio of power plants utilizing renewable sources of energy now exceeds 70MW and is being expanded with the addition of a 20 MW solar power plant, EDELYN SOLAR Kft.
- The biogas power plant acquired by ALTEO through the acquisition of Energigas Kft., which was concluded on 05.25.2023, is consolidated as of 06.01.2022 in the renewable segment.

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ENERGY SERVICES

Energy services					
data in HUF million	6.30.2023 non-audited	6.30.2022 comparison	6.30.2022 non-audited	Change HUF million over previous year	Change % over previous year
Sales revenue	**2 162**	**1 581**	**1 777**	**580**	**37%**
Material expenses	(831)	(573)	(734)	(258)	45%
Personnel expenses	(966)	(824)	(861)	(142)	17%
Other revenues and Other expenses	94	0	-	94	25 796%
Capitalized own production	115	99	99	16	16%
EBITDA*	**574**	**283**	**280**	**291**	**103%**
Allocated administrative expenses	(472)	(352)	(374)	(120)	34%
EBITDA II*	**102**	**(69)**	**(94)**	**171**	**(247%)**

**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).*

- As of 01.01.2023, the waste management business, previously presented under Energy Services, is presented as a separate segment.
- The Energy Services segment realized EBITDA I of HUF 574 million, significantly higher than in the same period last year, partly driven by the higher margin activity of the Business and Project Development division for external partners and partly by the reversal of a previously recognized customer impairment.
- The profit realized by the segment from **operation and maintenance services for third parties (MOL, Borsodchem, Budapest Power Plant, Főtáv, Siemens, Uniper)** was higher than in the comparative period. The trade receivables accumulated by one of ALTEO's external O&M partners have been settled thanks to a successful agreement, thus the reversal of the previously recognized impairment loss on trade receivables has increased the profit.
- **The E-MOBILITY** business is in a ramp-up phase, as expected, and has no significant profit-generation capacity for the time being.
- The moderate EBITDA II value (after allocated administrative costs) is the result of, on the one hand, the higher allocated administrative costs related to the ramp-up of the E-mobility business relative to its profit-generating capacity and, on the other, the shift of focus of project development activity to internal projects that do not generate immediate results at a consolidated level.

WASTE MANAGEMENT

Waste management					
data in HUF million	6.30.2023 non-audited	6.30.2022 comparison	6.30.2022 non-audited	Change HUF million over previous year	Change % over previous year
Sales revenue	**2 008**	**195**	**-**	**1 813**	**928%**
Material expenses	(1 573)	(160)	-	(1 412)	881%
Personnel expenses	(424)	(37)	-	(387)	1 044%
Other revenues and Other expenses	81	-	-	81	n.a.
Capitalized own production	-	-	-	-	n.a.
EBITDA*	**92**	**(2)**	**-**	**94**	**(4 796%)**
Allocated administrative expenses	(131)	(22)	-	(109)	488%
EBITDA II*	**(39)**	**(24)**	**-**	**(15)**	**60%**

**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 Waste Management segment significantly increased in size with the acquisition of FE-Group in 2022. Accordingly, as of 01.01.2023, the waste management business, previously presented under Energy Services, is presented as a separate segment.
- As a result of the acquisition, by 2023 **sales revenue had increased more than 10-fold by HUF 1.8 billion**, accompanied by a lower ramp-up in profit growth.
- The typical behavior in the industry in the first half of 2023 was to prepare for the concession launched on July 1. The concession was won by MOL Nyrt. for 35 years, under which MOL manages the collection and treatment of municipal solid waste. FE Group is an important player in the industry as a direct subcontractor of MOL in this activity. On 06.29.2023, FE Group signed a two-year contract (with a two-year extension option) with the concession holder, MOHU Zrt. ALTEO's management expects significant profit growth with the launch of the concession system.
- The increase in size and complexity has also led to a significant increase in the administrative costs allocated to the segment.

RETAIL ENERGY TRADE

Retail energy trade				
data in HUF million	6.30.2023 non-audited	6.30.2022 non-audited	Change HUF million over previous year	Change % over previous year
Sales revenue	**9 532**	**11 091**	**(1 559)**	**(14%)**
Material expenses	(7 307)	(9 838)	2 531	(26%)
Personnel expenses	(80)	(65)	(15)	23%
Other revenues and Other expenses	79	(47)	126	(267%)
Capitalized own production	-	-	-	n.a.
EBITDA*	**2 224**	**1 141**	**1 083**	**95%**
Allocated administrative expenses	(64)	(59)	(4)	7%
EBITDA II*	**2 160**	**1 082**	**1 079**	**100%**

**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 lower **SALES REVENUE AND MATERIAL EXPENSES** compared to the first half of last year are due to the indexed pricing of contracts within the portfolio. Following last year's price boom, global electricity prices fell significantly in the first half of 2023.
- The segment's **DYNAMIC EBITDA GROWTH** was driven by fixed-price contracts with high coverage. This is also noteworthy as, for risk management reasons, the segment has cleared up its portfolio and did not extend contracts with low-margin, riskier customers.
- The significant increase in Other Revenues and Other Expenses is due to the one-off effect of the better-than-expected price of purchased EEOS (Energy Efficiency Obligation Scheme) quotas.
- The **MARGIN OF ELECTRICITY TRADING SHOWS A HUF 811 MILLION INCREASE** compared to the first half of the preceding year, while there was a drop of 63 GWh in volume due to portfolio cleansing. The positive trend is primarily a consequence of the higher price and margin levels from increased electricity prices last year, and the fact that ALTEO has been faster to react to extreme volatility than its major competitors, due to its dynamic and flexible operating methods.
- The **GAS TRADE BUSINESS LINE** realized a **SURPLUS MARGIN OF HUF 180 MILLION** year-on-year, mainly due to higher specific margin resulting from the drop of competition on the supply side. On account of the mild weather and the mandatory savings, there was a significant drop in consumption, with 73 GWh less sold compared to the previous year.

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OTHER ACTIVITIES NOT ASSIGNED TO SEGMENTS

Other segments

data in HUF million	6.30.2023 non-audited	6.30.2022 non-audited	Change HUF million over previous year	Change % over previous year
Sales revenue	**3**	**0**	**3**	**2 082%**
Material expenses	(293)	(116)	(177)	153%
Personnel expenses	(543)	(322)	(221)	69%
Other revenues and Other expenses	(19)	(19)	(0)	2%
Capitalized own production	-	-	-	n.a.
EBITDA*	**(853)**	**(457)**	**(396)**	**87%**

**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 specific segments, but rather the Group as a whole, and as such are not part of distributed administrative expenses.
- Compared to the comparative period, the increase in costs is mainly driven by the costs of the long-term management incentive scheme and the exceptionally high inflation rate, as well as an increase in consultancy fees mainly related to active investment activities and cost increases corresponding to the Group's growth.

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THANK YOU FOR YOUR ATTENTION

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