

PRESS RELEASE

ALTEO expands Virtual Power Plant by adding new gas engines and battery electricity storage

November 29, 2023 - ALTEO Nyrt. - whose shares are trading in the Prime Market of the Budapest Stock Exchange (BSE) - is making a self-financed investment of HUF 5.5 billion in Sopron and Győr. This will involve the commissioning of an 8 MW/15 MWh battery electricity storage facility and a 3 MW and a 6 MW gas engine in the first half of next year at the two sites. ALTEO will thus further increase the capacity and flexibility of its Virtual Power Plant, which also supports the increased use of renewable energy.

A few months ago, ALTEO's first 5 MW electrical boiler started operation, and a few days ago, two more 6 MW electrical boilers were added to ALTEO's portfolio. The company will now further strengthen its Virtual Power Plant with additional units.

It will be commissioning an 8 MW/15 MWh battery electricity storage facility and a 6 MW gas engine at the Győr Industrial Park. The construction permit for the HUF 4.5 billion, fully self-financed project has been received and on-site construction has already started in the past few days, with a view to having both facilities operational in the second quarter of 2024.

Moreover, an additional 3 MW gas engine will be installed at the Sopron Power Plant, which will also contribute to the supply of the power plant's heat consumers. Following the receipt of the building permit, on-site construction has also started in Sopron, and the gas engine is expected to be operational in the first quarter of next year through a HUF 1 billion investment, also financed from the company's own funds.

'Our aim is to support the dissemination of renewable, weather-dependent energy sources by introducing controllable capacities into the electricity system,' said ALTEO CEO Attila Chikán Jr. He also noted that, in addition to cost-efficiency considerations, the two investments were also designed with circular economy in mind. Following the targeted refurbishment, the condition of both used gas engines will allow them to continue to be useful players in ALTEO's balancing activities for a long time to come. The CEO went on to reaffirm that in the radical transformation of the energy world, balancing energy services continue to play a key role by facilitating and accelerating the spread of renewable energy production.

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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