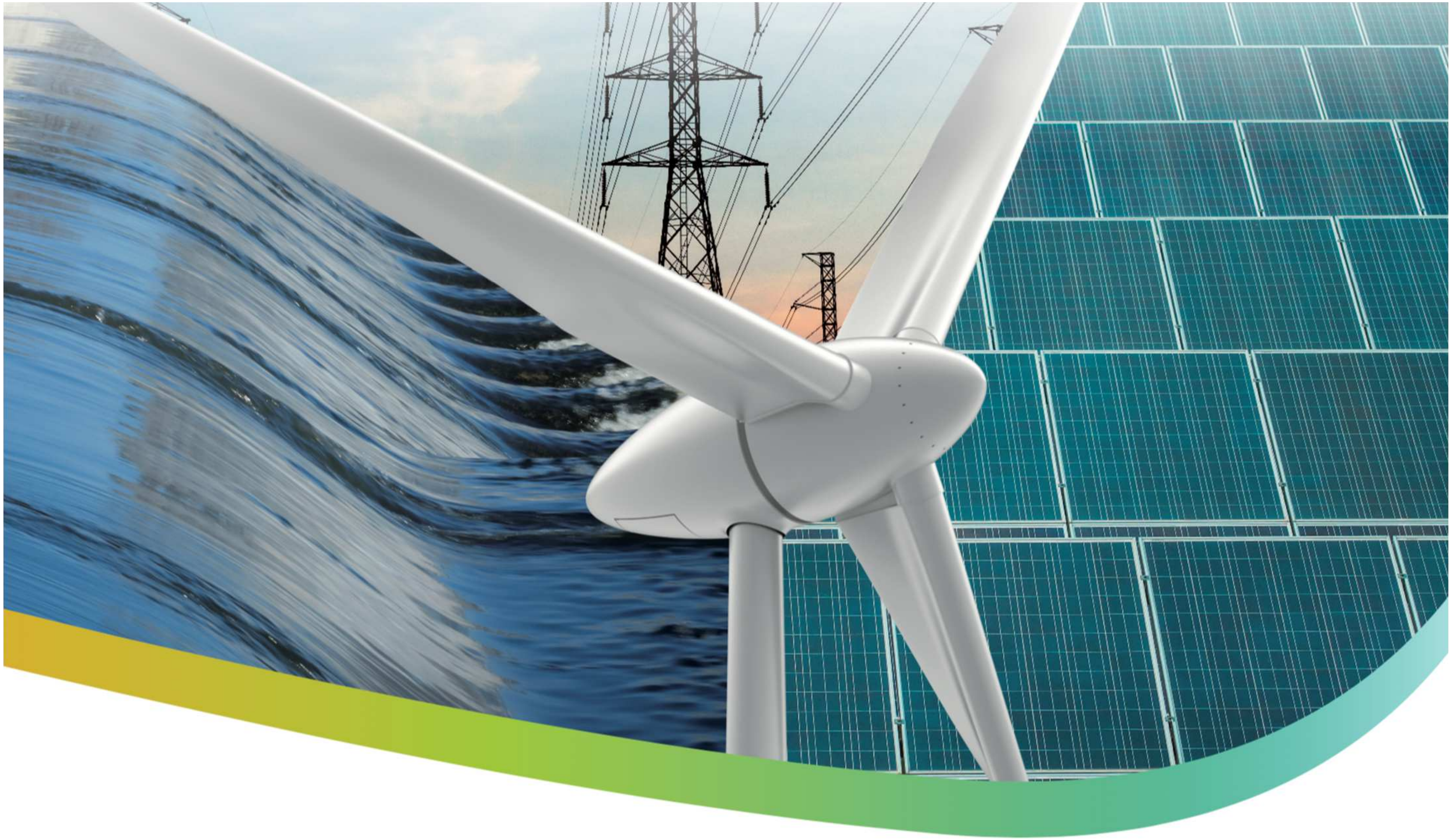


INVESTOR PRESENTATION – ALTEO Group

H1 2019

(non-audited financial results)

alteo

10 YEARS OF WORKING TOWARDS
A COMMON FUTURE

NON-AUDITED FINANCIAL RESULTS H1 2019

This information was not compiled on the basis of international accounting standard IAS 34 – Interim Financial Reporting; the information contained therein are non-audited in terms of H1 2019 results, and have not been audited by an independent auditor. This presentation is for advance information purposes only.

The most important goals, events and results of 2019 so far

Conclusion of the post-IPO investment phase, realization of investment results

- In the current favourable economic environment – in addition to in-progress and completed investment projects planned for 2017-2019 – ALTEO's management has identified additional investment opportunities, the realization of which has resulted in the significant over-performance of the HUF 10-15 billion investment volume previously targeted. The Group has implemented more than HUF 20 billion in investment/capital expenditure by the end of H1 2019.
- One of the key results of the **investment/capital expenditure cycle** between 2017-2019 is that ALTEO's renewables-based power plant portfolio expanded by a capacity of approximately 45 MW, and in terms of the gas turbine portfolio, the Group became the sole owner of Zugló-Therm Kft., which is a key element of our Control Center,
- **ALTEO's first R+D+I project** was completed, whose total cost was HUF 1.1 billion, and for which HUF 500 million grant was awarded to the company. The largest item within the programme, the energy storage unit was completed and delivered at the end of August 2018 and has already commenced live operation, with technical completion and settlement expected in H2 2019.
- **Solar power plant developments**: Significant solar plant development opportunities were also added to the Group's portfolio last year. Of these, the 4 MW Monor solar plant was delivered at the end of 2018. Our 7 MW solar plant in **Balatonberény** started operation in June of this year, and our 7 MW solar plant in **Nagykőrös** was delivered in July.
- **ALTEO has acquired a 100% stake in respect of a 25 MW wind farm**, through which substantial growth is expected in terms of electricity sold within the KÁT system. The wind farm is located in the region of Bőny.
- **Energy enterprises and services projects (construction and maintenance)** – in an overall positive macro-economy that encourages investments, new tendering opportunities at our existing and new clients related to the implementation of their ongoing capital expenditure projects and the maintenance of already existing facilities are announced on an ongoing basis. In addition to the implementation of the above solar plants, the Energy Services division also completed the modernisation of the Sopron power plant aimed at increasing energy efficiency, commenced preparations for the reconstruction works of the Gibárt hydropower plant, and is also implementing two solar plant parks for our external partner with a total nominal capacity of 6 MW.
- **Waste management**: ALTEO launched its waste management division at the beginning of 2019, in relation to which it acquired a 66.6% stake in Eco-First Kft. in Q2 of 2019, with a view to faster entry to the market and developing efficient cooperation possibilities. Through the permits and licences it holds and its network of contacts in the industry, Eco-First Kft. has a well-established corporate clientele in the area of waste management, waste trade and other environmental protection services.

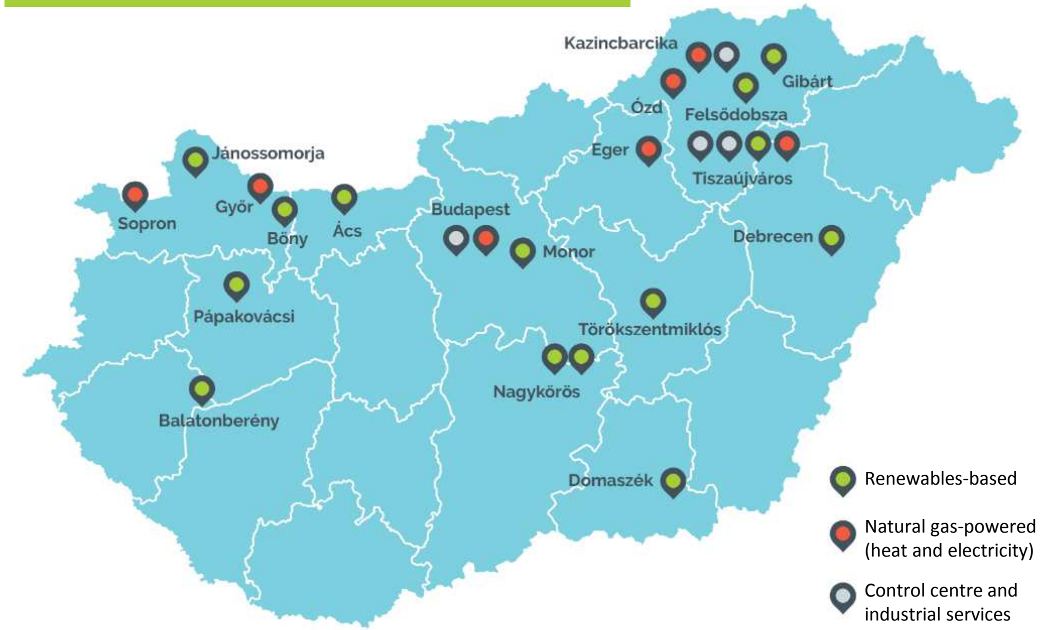
The most important goals, events and results of 2019 so far

Key moments in H1 2019

- **Consolidated sales revenue** increased by 38% compared to the same period last year, primarily due to the expansion of the retail electricity and natural gas segments, as well as concluded investment projects and the 'maturation' of acquisitions.
- **Consolidated EBITDA** a shows a 127% increase over the same period last year, caused for the most part by the dynamic growth of the Energy Production (market-based) and Retail segments, and the entry of the 25 MW wind farm in the region of Bőny acquired by ALTEO.
- The profit generation of the **Heat and Electricity Production segment (market-based)** grew significantly in H1 2019 over the preceding year, largely as a result of the sales revenue in the structured electricity product sales area from the aFRR+ balancing reserve capacity sold at relatively high price in the electricity industry System Services market. The Group's profitability resulting from continuous operation improved despite the fact that the CO_2 quota allocated to the Group free of charge is continuously shrinking in accordance with the relevant legislation, and the major rise in the quota price in this period significantly increased the costs of the segment. As a result of these two conflicting effects, the segment's EBITDA increased by HUF 630 million compared to the base period.
- **The Retail segment saw organic growth:** the sales revenue and the profitability of the segment increased significantly as a result of the favourable volume and price effects in natural gas and electricity trade.
- **Energy services:** The implementation of the self-implemented solar power plant in Balatonberény was successfully concluded, and the power plant commenced production in June. The development of the Nagykőrös solar plant was also successfully concluded and delivered in July. The primary task of the segment in the first half of this year was to complete the implementation of our own solar plant development projects representing a total nominal capacity of 14 MW. In the second half of the year, in addition to the implementation of a 6 MW solar plant constructed for an external partner and the reconstruction of our hydropower plant in Gibárt, the segment's task is to acquire new implementation and service provision opportunities.
- **Successful private placement and bond issue:** in the interest of exploiting the aforementioned attractive investment opportunities, at the end of March 2019 ALTEO completed a successful private placement in a value of HUF 2 billion, and in line with growth targets successfully issued additional bonds in Q2 2019 with a total face value of HUF 1.7 billion.

ALTEO Group Portfolio

ALTEO GROUP'S POWER PLANT PORTFOLIO IN HUNGARY



RENEWABLE ENERGY PRODUCTION	INDUSTRIAL AND COMMERCIAL SERVICES	GAS TURBINE CHP PLANTS
ALTEO Group has significant competences, 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, hydrocarbon-powered small energy-generation systems.
WIND POWER PLANTS Ács Jánossomorja Pápakovácsi Törökszentmiklós Bőny Renewable gas Debrecen – landfill gas Nagykőrös – biogas HYDROELECTRIC POWER PLANTS Felsődobsza Gibárt BIOMASS Tiszaújváros SOLAR POWER PLANTS Domaszék Monor Balatonberény Nagykőrös	BORSODCHEM BC-Therm boiler BC Power Plant MOL PETROLKÉMIA: TVK Power Plant Tisza-WTP Water Treatment AUDI MOTOR HUNGÁRIA KFT: HEAT PROVISION SERVICE HEINEKEN SOPRONI SÖRGYÁR: HEAT PROVISION SERVICE MOM PARK – ENERGY CENTRE AGRIA PARK – ENERGY CENTRE	HEATING POWER PLANTS Kazincbarcika Tiszaújváros Ózd Zugló Győr Power Plant Sopron Power Plant

Consolidated profit and loss statement (IFRS)

Consolidated profit and loss statement

data in HUF million	H1 2019 non-audited	H1 2018 non-audited*	Change HUF million compared to the previous year	Change % over previous year
Revenues	**12,141**	**8,814**	**3,328**	**38%**
Material-type expenditures	(8,407)	(6,751)	(1,657)	25%
Personnel expenditures	(1,291)	(1,245)	(46)	4%
Depreciation and amortization	(908)	(336)	(572)	170%
Other revenues, expenditures, net	(321)	119	(440)	(369%)
Impairment loss	(80)	(22)	(58)	N/A
Operating profit or loss	**1,134**	**579**	**555**	**96%**
Net financial profit	(361)	(26)	(335)	1,290%
Profit before taxes	**773**	**553**	**220**	**40%**
Income tax expenditure	(290)	(201)	(89)	44%
Net income	**483**	**352**	**131**	**37%**
Of which, to owners of parent company	483	352	131	37%
Of which, to minority shareholders	-	(1)	1	(100%)
Base EPS (HUF/share)	**28.10**	**22.51**	**5.60**	**25%**
Diluted EPS (HUF/share)	**26.89**	**21.45**	**5.44**	**25%**
EBITDA	**2,123**	**936**	**1,187**	**127%**

Consolidated comprehensive profit and loss statement

data in HUF million	H1 2019 non-audited	H1 2018 non-audited	Change HUF million over previous year	Change % over previous year
Net profit	**483**	**352**	**131**	**37%**
Other comprehensive profit (after taxes on profits)	(1,061)	(116)	(945)	815%
Comprehensive income	**(578)**	**236**	**(814)**	**(345%)**
Of which, to owners of parent company	(578)	237	(815)	(344%)
Of which, to minority shareholders	-	(1)	1	(100%)

** 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 Expenditures lines that are used to provide a more detailed elaboration of the EBITDA in the above table. The data of the comparison column was amended on account of the net accounting of a specific transaction, which data do not amend the Group's consolidated EBITDA or the value of net profits.*

In addition to the HUF 3,328 million growth in sales revenue, EBITDA also shows a rise of 127% over the same period in the preceding year.

- **Most important changes in operating profit and loss items:**
  - **Sales revenue increase:** primarily due to the expansion of the retail electricity and natural gas segments, as well as concluded investment projects and acquisitions.
  - **Increase in material-type expenditures:** Primarily the result of the larger market share of the Energy Retail segment, mitigated by the fees now paid to non-third-parties as a result of the consolidation of Zugló-Therm Kft.
  - **Other revenues, expenditures**: The deviation from H1 last year is linked to 2018 revenue with retroactive accounting linked to a long-term service agreement and the CO_2 quota. With the acquisition of the Zugló power plant, the Group's quota to be purchased for the CO_2 emissions increased significantly, to which the considerable rise in exchange rates was added.
- **Financial results:** The deterioration of net financial profits is caused by interest booked on the loan portfolio increased as a result of intense investment activity.
- **Net profits** increased significantly, by 37%. The rate of the increase of net profits falling short of EBITDA can be primarily traced back to increased depreciation expenditures due to realized investments, and increased interest expenditures linked to the greater loan portfolio.
- **Other comprehensive income:** ALTEO concludes hedging transactions in order to keep the future profit content of its activity independent of any changes in the price of factors it cannot control (e.g. interests, gas/electricity/CO_2). Within hedging transactions, the prices fixed in respect for the future at any given time may be different from the current market price of the given product. In such cases, the accounting profit not actually realized must be accounted as per IFRS rules.

Consolidated balance sheet (IFRS)

Consolidated balance sheet

data in HUF million	06/30/2019 non-audited	12/31/2018 comparison*	12/31/2018 audited	Change million HUF	Change %
Non-current assets	**24,087**	**13,809**	**13,716**	**10,278**	**75%**
Current assets	**9,124**	**9,143**	**9,143**	**(19)**	**(0%)**
of which, financial assets	*2,333*	*2,561*	*2,561*	*(228)*	*9%*
TOTAL ASSETS	**33,211**	**22,952**	**22,859**	**10,259**	**45%**
				-	
Equity	**6,310**	**5,145**	**5,145**	**1,165**	**23%**
Long-term liabilities	**19,876**	**9,192**	**9,130**	**10,684**	**117%**
of which credit, loans, bonds, leasing	*18,308*	*8,227*	*8,165*	*10,081*	*123%*
Short-term liabilities	**7,025**	**8,615**	**8,584**	**(1,590)**	**(19%)**
of which credit, loans, bonds, leasing	*1,775*	*1,628*	*1,597*	*147*	*9%*
TOTAL EQUITY and LIABILITIES	**33,211**	**22,952**	**22,859**	**10,259**	**45%**

*The comparison column shows data for the preceding year generated through the use of the IFRS 16 standard,

- **Investments, capital expenditures** the capital intensive phase of investments and capital expenditures continued in 2019. The total joint investment size (own funds plus project loans) of the investment and capital expenditure projects begun in 2017 that for the most part have already been completed or are ongoing exceeds HUF 20 billion.

- **Working capital**: Due to seasonal and structural reasons, the volume of trade payables is lower, but at the same time unrealized hedge positions increase the volume of liabilities. The portfolio of financial assets dropped slightly, mainly on account of intense investment activity, something that was not fully compensated for by this year's private placement (HUF 2 billion) and bond issue (HUF 1.5 billion). The majority of the latter was used to refinance bonds maturing this year.

- **Equity:** The effect of the private placement represented an increase on the equity line, which is partly offset by the unrealized effect of hedge position changes booked against equity.

- The fundamental reasons for the increase of **long-term liabilities**: (i) additional phases of bank financing were drawn down in relation to the new solar projects, and (ii) the purchase of the acquired wind farm was also completed through a bank loan,

Heat and Electricity Production (market rate, outside the compulsory feed-in tariff system)

Heat and Electricity Production (market rate, outside the compulsory feed-in tariff system)					
data in HUF million	**H1 2019** **non-audited**	**H1 2018** **non-audited***	**H1 2018** **non-audited**	**Change HUF million over previous year**	**Change % compared to the previous year**
Sales revenue	**6,574**	**4,934**	**4,934**	**1,639**	**33%**
Material-type expenditures	(5,044)	(4,242)	(4,275)	(802)	19%
Personnel expenditures	(58)	(24)	(6)	(34)	143%
Other Revenues and Other Expenditures	(340)	(167)	(167)	(173)	(104%)
EBITDA*	**1,132**	**502**	**487**	**630**	**125%**

** 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 Expenditures lines that are used to provide a more detailed elaboration of the EBITDA in the above table.*

- The segment's sales revenue increased by 33% (HUF +1,639 million), primarily due to the outstanding results accomplished at capacity tenders in Q2, as well as the revenues from the battery energy storage project commissioned in Q3 and the consolidation of Zugló Therm Kft. from April 2018.
- In parallel, the segment's material-type expenditures rose by 19% (HUF -802 million).
- As a result of the cost increase falling short of the increase in revenues, the segment realized **HUF 630 million higher EBITDA (+125%)**.
- The Control Center successfully integrated the energy units of the Group which had completed their KÁT quotas.

Heat and Electricity Production (market rate, outside the compulsory feed-in tariff system)

The **segment's** profitability improved considerably compared to the preceding period. The positive effect of expenditures falling short of the dynamics of sales revenue increase was that the segment realized HUF 630 million higher EBITDA (+125%) than in the preceding period.

- The higher profits realised on the production of **structured electricity products** can be traced back to the following factors:
  - the Control Center achieved considerably higher margin on the balancing reserve market than in the same period in 2018;
  - the surplus profit effect of the consolidation of Zugló-Therm Kft. as of Q2 2018;
  - profit realized on the commercial operation of the energy storage system commencing operation from September 2018;
  - the Control Center can already use the successfully integrated energy production units on the System Services market as well, enabling it to achieve higher added value.
- The profit generating capacity of the **heat energy production (district heating) and sales** has not changed substantially between the periods reviewed.

Electricity production
(within the compulsory feed-in tariff system)

Electricity production (within the compulsory feed-in tariff system)					
	H1 2019	**H1 2018**	**H1 2018**	**Change HUF million**	**Change %**
data in HUF million	**non-audited**	**non-audited***	**non-audited**	**over previous year**	**compared to the previous year**
Sales revenue	**891**	**381**	**381**	**511**	**134%**
Material-type expenditures	(211)	(86)	(86)	(125)	145%
Personnel expenditures	-	(51)	(51)	51	(100%)
Other Revenues and Other Expenditures	20	27	28	(8)	(28%)
EBITDA*	**700**	**270**	**271**	**429**	**159%**

** 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 Expenditures lines that are used to provide a more detailed elaboration of the EBITDA in the above table.*

- The Group is continuously monitoring investment opportunities into renewable energy. Accordingly, at the end of 2018 it increased its weather-dependent renewable portfolio with a new capital expenditure, the **Monor solar power plant**, from 1 June 2019 with the **Balatonberény solar power plant,** and from 1 April 2019 with **13 wind towers**, and the portfolio reached a capacity of 50 MW with the **Nagykőrös** solar plant project delivered in July.
- The EBITDA increase achieved by the segment is mainly linked to the above-mentioned investment projects and acquisitions, partly mitigated by the removal of the three **wind farms** and the Gibárt **hydropower plant from KÁT**.
- In the case of the other plants in the segment producing under a subsidised system (hydropower plants, wind farms, landfill gas), production was slightly lower than last year, primarily due to the drop in water yield, as well as other minor malfunctions that have been repaired since.
- Due to the **solar plant investments** completed this year, further increases are expected in the segment. In addition to the Domaszék and Monor projects, the Balatonberény solar plant (7 MW) and the Nagykőrös solar plant (7 MW) also commenced operation in June and July respectively.

Energy services

Energy enterprises and services					
	H1 2019	H1 2018	H1 2018	Change HUF million	Change %
data in HUF million	non-audited	non-audited*	non-audited	over previous year	compared to the previous year
Sales revenue	**5,375**	**1,825**	**2,305**	**3,550**	**194%**
Material-type expenditures	(3,257)	(699)	(1,163)	(2,557)	366%
Personnel expenditures	(949)	(775)	(708)	(174)	22%
Other Revenues and Other Expenditures	(46)	243	243	(289)	-119%
EBITDA*	**1,122**	**594**	**677**	**529**	**89%**

** 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 Expenditures lines that are used to provide a more detailed elaboration of the EBITDA in the above table.*

- The sales revenue of Energy Enterprises and Services increased by 194% (HUF 3,550 million), primarily on account of **self-implemented solar plant projects** commenced in Q3 2018.
- In H1 2019, ALTEO Group continued to focus on the implementation of internal projects, with only minor implementations completed for third parties, but at the same time, **the sale of maintenance services expanded substantially** as provided to external partners (MOL, Borsodchem, LEGO, Siemens).
- The profit on **other revenues/expenditures** changed primarily on account of 2018 revenue with retroactive accounting linked to a long-term service agreement, and due to fees relating to in-progress solar plant investment projects.
- The revenues and expenditures of these self-implemented projects are filtered out during consolidation.

Retail energy trade

Retail energy trade					
data in HUF million	**H1 2019** **non-audited**	**H1 2018** **non-audited***	**H1 2018** **non-audited**	**Change HUF million over previous year**	**Change % compared to the previous year**
Sales revenue	**4,725**	**3,261**	**3,261**	**1,464**	**45%**
Material-type expenditures	(4,464)	(3,194)	(3,194)	(1,270)	40%
Personnel expenditures	(36)	(22)	(22)	(14)	62%
Other Revenues and Other Expenditures	11	14	14	(4)	(26%)
EBITDA*	**236**	**60**	**60**	**176**	**295%**

** 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 Expenditures lines that are used to provide a more detailed elaboration of the EBITDA in the above table.*

- **The segment's sales revenue for H1 2019 increased substantially, by 45% (HUF 1,464 million)** compared to the same period in 2018. The growth of sales revenue was mostly the result of market acquisition by the electricity business line (HUF 958 million), but the gas trade business line also produced significant growth (HUF 506 million).
- In comparison with the preceding period in 2018, **due to the increased volume and unit margin**, the gross margin of electricity trade grew by HUF 141 million, while that of gas trade increased by HUF 49 million. Beyond the gross margin, other operating costs and personnel-type expenditures were HUF 14 million higher.
- The **segment's EBITDA increased by HUF 176 million** over the same period in 2018.

Other activities not assigned to segments

Other segments

data in HUF million	H1 2019 non-audited	H1 2018 Comparison	H1 2018 non-audited	Change HUF million over previous year	Change % compared to the previous year
Sales revenue	**201**	**167**	**167**	**33**	**20%**
Material-type expenditures	(213)	(227)	(246)	13	(6%)
Personnel expenditures	(335)	(395)	(480)	59	(15%)
Other Revenues and Other Expenditures	(1)	1	1	(2)	(231%)
EBITDA*	**(349)**	**(453)**	**(558)**	**104**	**23%**

** 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 Expenditures lines that are used to provide a more detailed elaboration of the EBITDA in the above table.*

- The segment's sales revenue primarily comprises the services provided to subsidiaries, which are not taken into account in consolidated figures.
- The personnel-type expenditures for the segment were HUF 59 million lower, mainly due to the effect of one-off expenditures related to the transformation of the management structure and other structural transformations last year.

THANK YOUR FOR YOUR ATTENTION!

www.alteo.hu