

Pandemic unable to upset ALTEO's development plans, implementation of strategy continues

Budapest, 5/4/2020 In the first phase of a more than HUF 2 billion investment program, 3 gas engines with a total capacity of 9°MW_e were put into operation today at ALTEO's Tiszaújváros and Győr sites. In an effort to expand supply in the domestic balancing energy market. In the next stage of the development, an additional 3 gas engines with a total electrical capacity of 9°MW will be installed, resulting in a 33% expansion in ALTEO's gas engine energy production capacities by the end of the program and transforming the control center into one of the largest in the country.

One of the key elements of ALTEO's new strategy adopted in the fall of 2019 is the further development of the Company's control center, particularly in view of the growing demand for more sophisticated regulation services as a result of the domestically increasing availability of renewables-based power plant capacities. Even under the circumstances caused by the COVID-19 pandemic and amidst the enhanced internal security measures introduced, ALTEO was able to continue the development works at its Tiszaújváros and Győr plants. Although the situation created significant challenges in terms of logistics and investment project scheduling, everything has been completed on schedule, and as of today, the total capacity of the ALTEO's control center has increased by a further 9°MW_e. In another major coup, despite pandemic-related restrictions and in full compliance with safety requirements, the permits and accreditation for the commercial utilization of extra capacities have been obtained in time, enabling the gas engines to immediately start fulfilling market needs.

This, however, does not spell the end of development works. In the second phase of the more-than HUF 2 billion program, the Company will be installing three gas engines with a total capacity of 9°MW_e. As a result, by the end of the program, ALTEO's control center will increase its installed output by nearly 33%, making it one of the largest facilities of its kind in the country.

"First of all, I would like to thank all of ALTEO's staff, third-party professional partners and any stakeholders involved in the implementation of the development project for contributing to the successful completion of this first and crucially important phase of the investment project, even in the face of the difficulties caused by the pandemic. Both Hungary and ALTEO have highly ambitious plans for renewable energy production. On account of the fluctuations in the output of weather-dependent renewable energy-based power plants, however, there is a significant market need for scheduling and balancing activities as well. For this reason, in addition to creating power plants producing renewable energy, ALTEO also views the development of these two services as a major market opportunity. The gas engines just commissioned show that we have made and will continue to make considerable advances also in this area", said ALTEO Group CEO Attila Chikán Jr.

"This is a state-of-the-art system with flexible operation. ALTEO's control center and renewables scheduling department continuously monitors the relevant markets through the automated collection and processing of countless inputs (meteorological forecasts from multiple service providers, own measurements, natural gas, electricity and balancing energy price and volume information, etc.). Based on the data collected and processed, it performs real-time production optimization, enabling ALTEO to adapt to any market situation in virtually real time", underlined Péter Luczay, Director for Wholesale and Control Center Management.

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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. We provide our customers with a reliable and environmentally responsible energy supply based on the sustainable use of renewable energy. As an energy trader, our partners include small and medium-sized Hungarian enterprises as well as large corporations. Our optimum mix of assets and our control center enable us to serve the needs of our customers effectively. ALTEO was first listed on the Budapest Stock Exchange in October 2010. In 2016, we had a successful public offering, quadrupling the free float of our shares, while raising nearly HUF 1.4 billion for the implementation of our strategic plans. With dynamically growing sales revenues that reached

HUF 25.6 billion in 2019 and a portfolio of non-current assets close to HUF 25 billion, the Company is continuously active in the capital market and issued bonds or shares in a value of HUF 12.5 billion in 2019. ALTEO is a dynamically developing company committed to sustainability, and we are always on the lookout for new opportunities for investment and growth and we work continuously to ensure that we provide our customers and partners with the most innovative range of services of the highest quality in an effort to achieve a continuous increase in shareholder value.

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