

COMMUNICATION

CONCERNING A NEW INVESTMENT

In compliance with its obligation to provide notification of extraordinary events as set out in Section 55 of Act CXX of 2001 on the Capital Market, and Section 1.24 of Annex 4 of Decree No. 24/2008 (VIII. 15.) of the Minister of Finance, **ALTEO Energiaszolgáltató Nyilvánosan Működő Részvénytársaság** (registered office: H-1131 Budapest, Babér u. 1-5; company registration number: Cg.01-10-045985; hereinafter: “**Company**” or “**ALTEO**”) hereby provides the following information:

The Company – as buyer – concluded a business share purchase contract with **ECO-FIRST Hulladék Kereskedelmi Korlátolt Felelősségű Társaság** (registered office: H-2045 Törökbálint, külterület 0152/12.; company registration number: Cg. 13-09-187861; hereinafter: “**Target Company**”) for the transfer of the ownership of business shares representing 66.6% of the issued capital of the Target Company, in the amount of HUF 3,000,000, to the Company.

By signing the business share purchase contract and meeting the conditions set out therein, the ownership of business shares representing 66.6% of the issued capital of the Target Company was transferred to the Company.

As the Company has already informed Investors in its communication of January 10, 2019, the Company launched its Waste Management Division. The aforementioned transaction is related to this market entry.

The acquisition enables the Company to enter the market more rapidly, improve its assets, develop opportunities for effective cooperation and have access to EU tenders. The Company’s plans also include a further biogas plant expansion, with the Target Company providing its raw material base in the future.

The Target Company was founded in 2017 for the purpose of conducting waste trading service operations. The Target Company provides professional services to several large enterprises and is also involved in the development of new, complex activities, aligned with the needs of the waste management market. Its services mainly include waste collection from supermarkets as well as complex waste management and sustainability services. The Target Company’s partners are primarily companies that produce a large amount of waste during their operations, but employ business strategies with a focus on the environmental impact of their services and seek forward-looking solutions to support their waste management processes in a comprehensive and sustainable manner. The Target Company had a turnover of HUF 56 million and a pre-tax profit of HUF 10 million in 2018.

Budapest, June 25, 2019.

ALTEO Nyrt.