

PRESS RELEASE

AKKO Invest closes profitable year, significant growth is expected for this year

Budapest, April 15, 2021 – Following the losses of 2019, burdened with a transformation process, the Premium category Budapest Stock Exchange company AKKO Invest has closed a profitable year in 2020. The consolidated profit of the company surpassed HUF 50 million, as opposed to the significant loss of last year. The asset management company's investment portfolio includes several types of real estate and project companies, and last year it announced the HUF 18.5 billion worth acquisition of NEO Property Services Zrt., a rather significant transaction for the Hungarian facility management and property services segment. The closing of the NEO acquisition took place in 2021, but any dividend paid on the basis of NEO's results from last year will increase AKKO's results of this year.

2020 was the year of development for AKKO Invest Nyrt.: following a year of loss in 2019 (HUF -693 million), partially due to one-time items related to the transformation, **the year 2020 was already closed with a profit of HUF 50 million by the Premium category company of the Budapest Stock Exchange.** Zoltán Prutkay, president of AKKO Invest pointed out that the company had indicated its significant growth plans already at its 2019 transformation, and they have been continuously exploring the acquisition opportunities. It was in this context that they concluded an agreement with the WING group about the acquisition of NEO Property Services Zrt. (earlier called STRABAG Property and Facility). **The transaction, which is significant also for the facility management and property services segment in Hungary, was eventually closed in February this year, with NEO becoming a 100% subsidiary of AKKO Invest for HUF 18.5 billion.** All this means that NEO's administration of finances and its results will appear in the 2021 figures of AKKO. **Zoltán Prutkay added that in accordance with the acquisition agreement, any dividend paid based on NEO's last year's results would be fully attributed to AKKO,** even though the related decision, the acceptance of NEO's 2020 report has not yet been adopted. Zoltán Prutkay explained that NEO had achieved a HUF 23.3 billion revenue and a nearly HUF 1.5 billion EBITDA (earnings before interest, tax, depreciation and amortization) in 2019, and based on preliminary data, the company continued to grow in 2020 as well. The company is on a dynamic growth path, nearly having doubled its revenue since 2015. The president of AKKO Invest also pointed out that the acquisition of NEO was well in line with their growth strategy and that since the closing of the transaction they had been exploring further acquisition opportunities with the goal of becoming a major asset manager of the Hungarian capital market. In order to finance its growth, AKKO Invest had decided earlier about the possibility of a maximum tenfold increase of its share capital.

AKKO Invest Nyrt.

AKKO Invest Nyrt., a company listed in the Premium category of the Budapest Stock Exchange, is involved in asset management, and has been listed on the stock exchange since 2011. Its operations are primarily focused on real economy investments, including the purchasing of company shares and properties that are promising both in terms of growth and profitability. The main objective of AKKO Invest is to operate as an asset management company that represents readily definable asset-based values through the continuous expansion of its investment portfolio.

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