



HYPE AND REALITY OF ENERGY STORAGE INVESTMENTS IN HUNGARY

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HUNGARIAN BATTERY DAYS

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IMPLEMENTING
INNOVATION
IN EUROPEAN ENERGY MARKETS



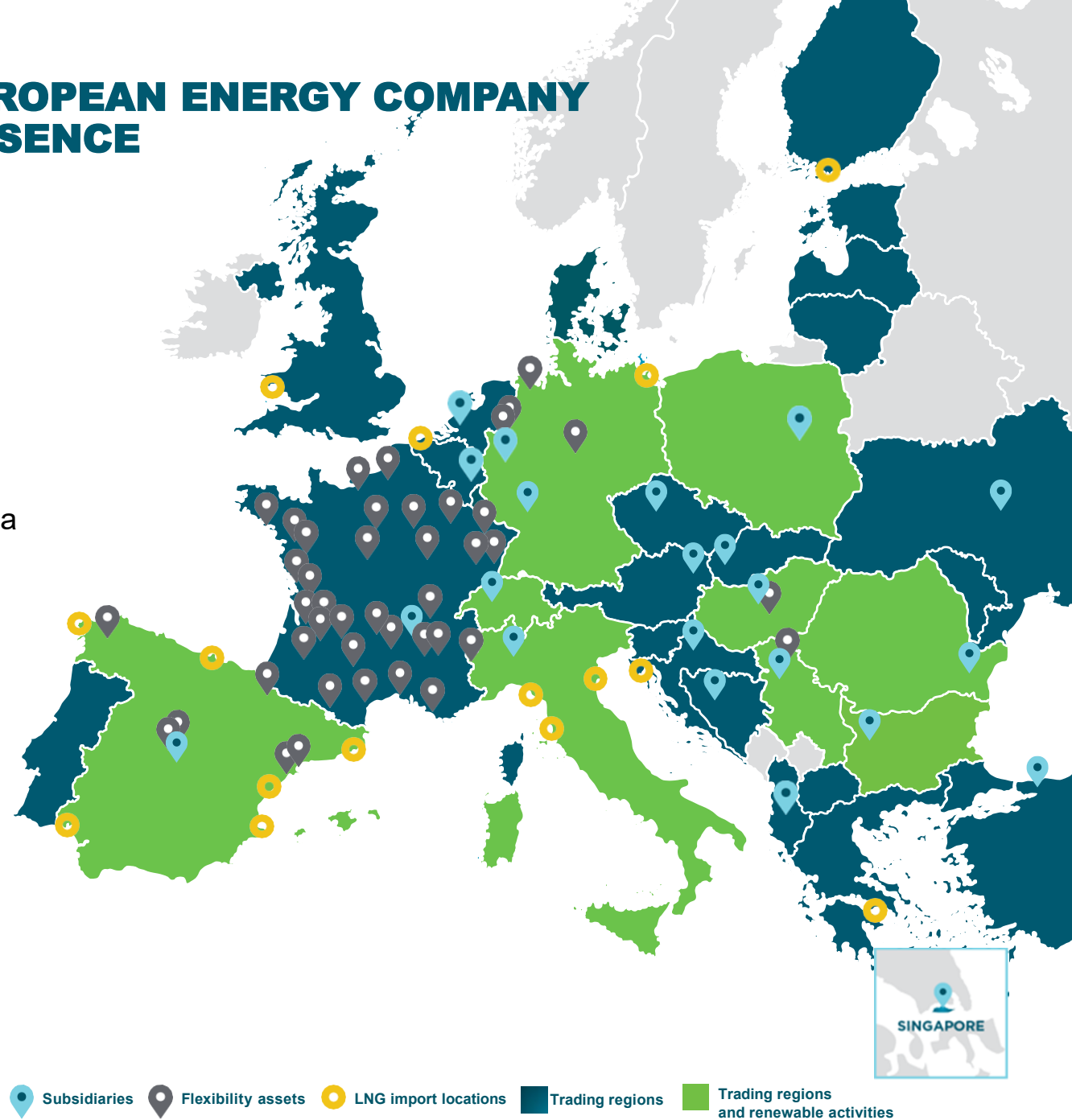
MET GROUP IS AN INTEGRATED EUROPEAN ENERGY COMPANY WITH SIGNIFICANT EUROPEAN PRESENCE

MET GROUP

MET Group is a Switzerland-based integrated European energy company active in natural gas, power, and energy infrastructure, combining renewable and conventional assets to drive the energy transition. Its success is built on talented people, integrated risk management, and operational efficiency, with a mission to become a leading player in the European energy market.

DIVISIONS:

- Trading & wholesale
- European sales
- Green assets
- Flexibility assets



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Countries via subsidiaries

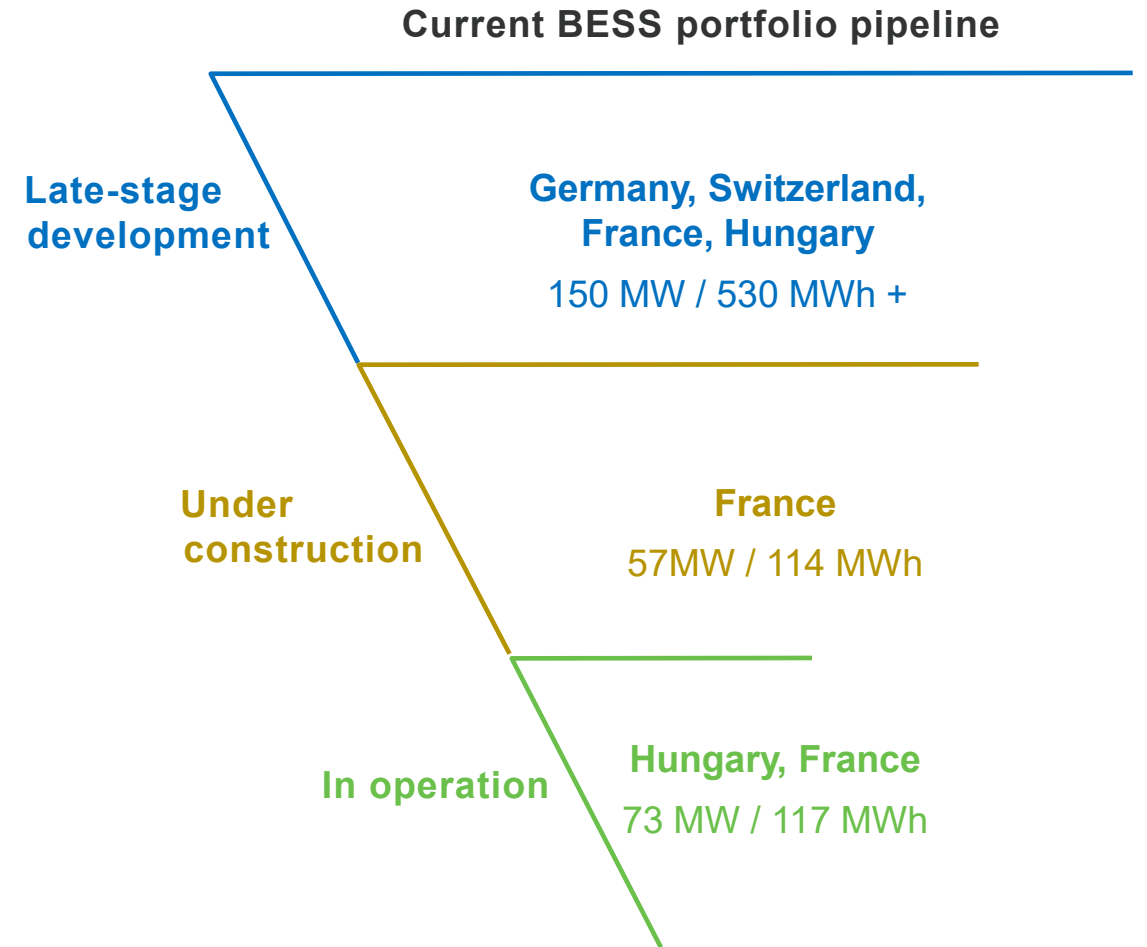
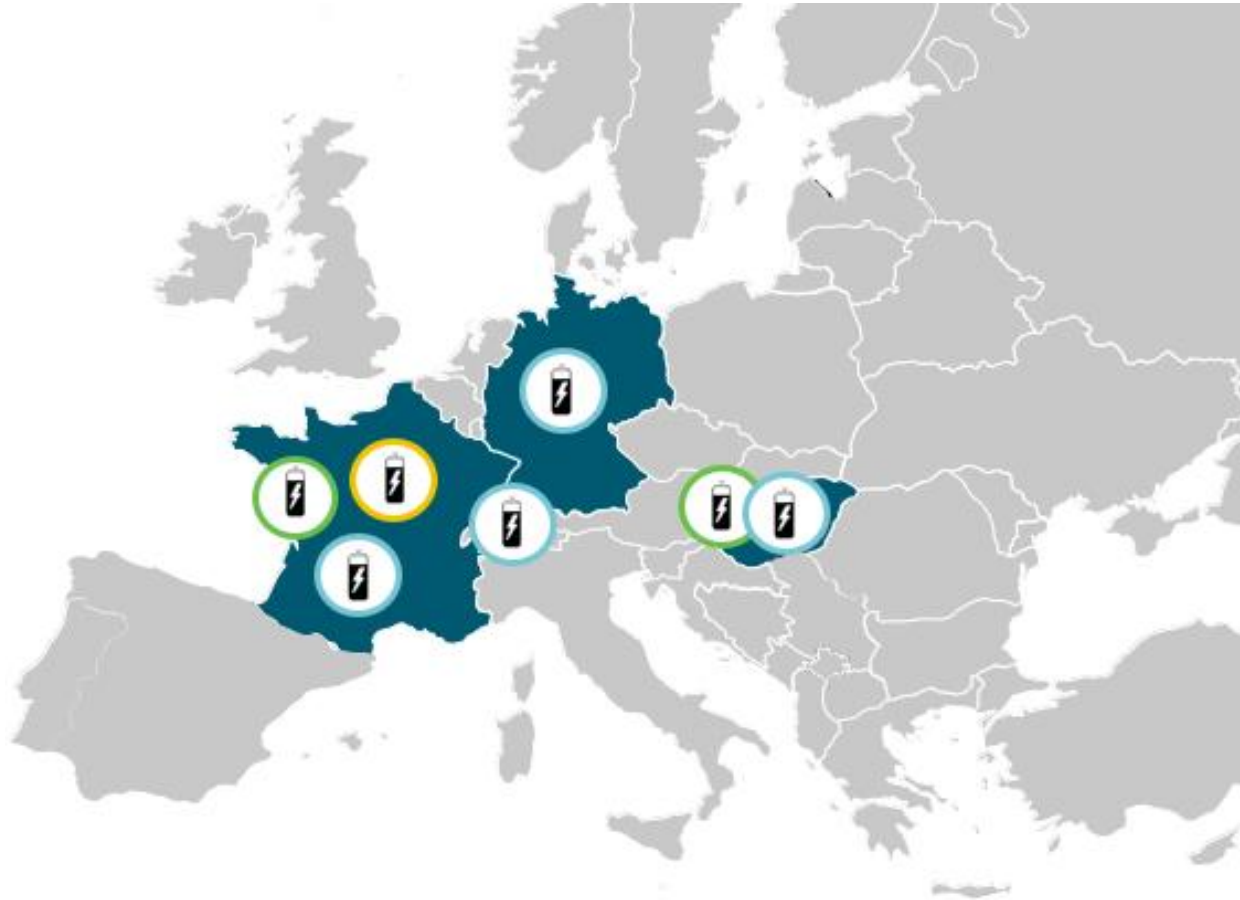
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National energy markets

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International trading hubs

BESS PORTFOLIO IN EUROPE: BLOSSOMING OPERATION IN HUNGARY, DEVELOPMENT FOCUS ON WESTERN EUROPE



ALONG WITH OUR ASSET DEVELOPMENT PIPELINE, WE ARE DEVELOPING SCALABLE AGGREGATOR PLATFORMS IN ALL TARGET MARKETS

TSO balancing markets

DA/ID wholesale markets

MET Hungary Aggregator Platform: 500+ MW FRR capacity under management



Business principles

- Diversified portfolio
- Technology agnostic approach
- Maximising total portfolio value

2020-23: „Proof of Concept”

R&D (pilot projects)

- Digitalization, platform development
- Strategic partnerships with technology and service providers
- Pilot BESS project (4 MW / 8 MWh)
- Collecting rookie mistakes and learning points: gaining experience with limited cost and capital exposure through time consuming development stages

2024-25: „Minimum Viable Product”

HU Aggregator & METÁROLÓ

- Know-how is successfully internalized: commercial launch
- Successful participation at ‚METÁROLÓ’ tender (10-year capacity-CfD mechanism coupled with capex grant)
- 2025 H2: growing know-how: BESS optimisation and efficient commercial strategy development

2026 onwards: „Scaling”

Portfolio and know-how scaling

- Development of Aggregator features: high degree of automation and extensive use of algorithmic trading
- Adaptation to new market design: MARI, PICASSO
- Exploring new investment opportunities, managing and servicing 3rd party assets
- Continuous learning and adaptation to market environment and search for sweet spots



FLAGSHIPS COMING ONLINE IN 2025: AGGREGATOR PLATFORM AND 40 MW / 80 MWH BESS



- **Commercial launch of in-house aggregator platform:**
01-Jan-2025, 00:00
- **New 40 MW / 80 MWh BESS plant**
 - 30 MW / 60 MWh within METÁROLÓ framework
 - 10 MW / 20 MWh in a merchant business model
 - Grant amount: HUF 4 050m
 - Key milestones:
 - FID: 2024.05.22
 - CoD: 2025.07.01
 - Brownfield development in separate investment vehicle. Technology is ringfenced from conventional generation assets of Dunamenti Power Station

WHILE METÁROLÓ GAVE A POSITIVE INITIAL BOOST TO HUNGARIAN BATTERY ECOSYSTEM, IT ALSO CREATED MARKET DISTORTIONS

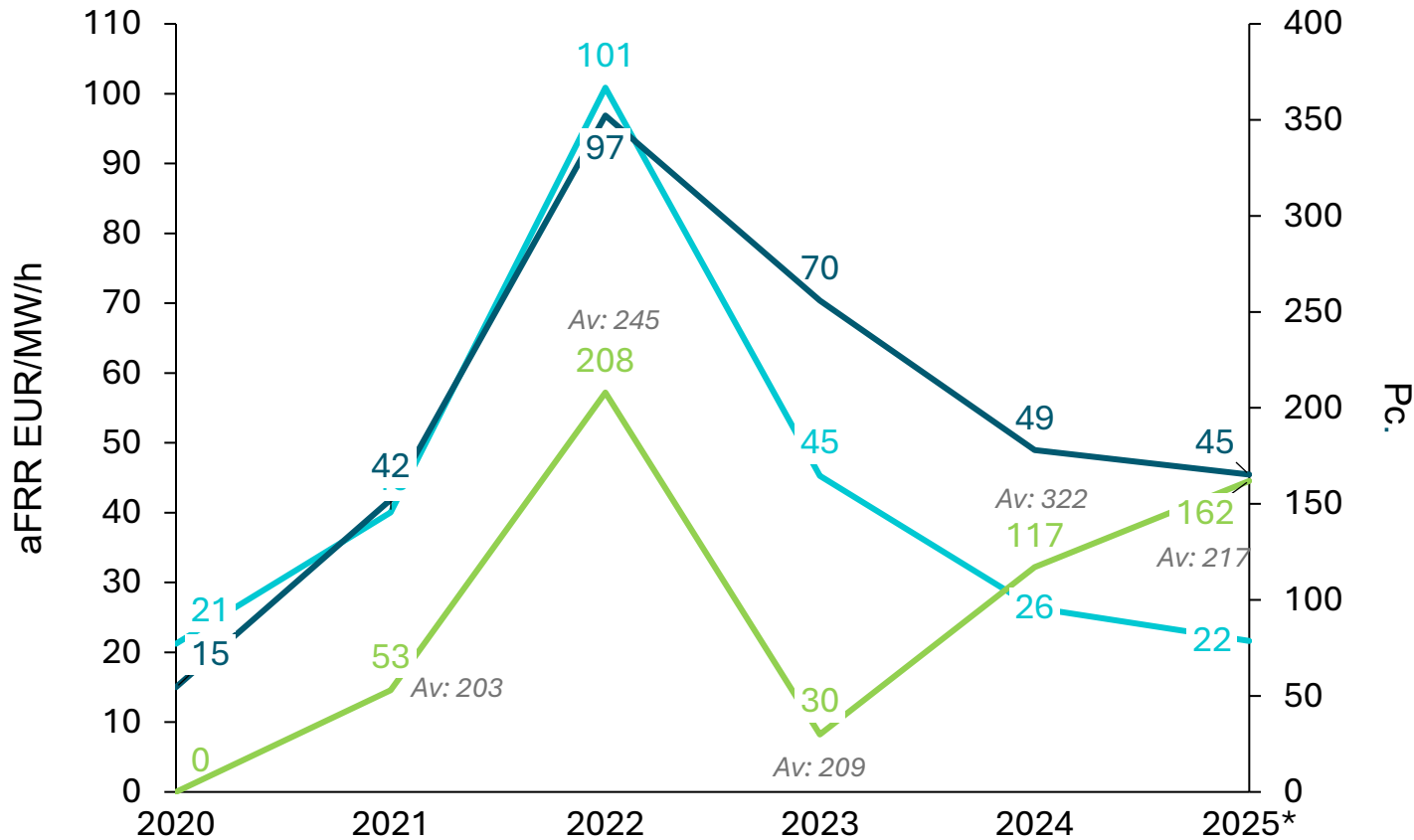
METÁROLÓ in a nutshell:

- Is a support scheme aimed at the construction of BESS projects with a total capacity of over 800 MWh by 2026 Q2
 - The Program provides both CAPEX and revenue support through a Contract for Difference (CfD) mechanism for 10 years
- | | + | |
|---|---|---|
| <ul style="list-style-type: none">• CAPEX and revenue subsidy for new investments• Projects became bankable due to „stable” cash-flow• EPC ecosystem and know-how developed in the past year• TSO costs decreasing | | <ul style="list-style-type: none">• FOMO (fear of missing out): projects awaiting the subsidy program, kept on delaying investments• Subsidies have market distortion effects: promotes market cannibalisation, decreasing available revenue for late entrants or those outside the CfD-scheme |
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REVENUE STACK FOR BESS IS EVOLVING: SHIFT FROM BALANCING MARKETS TO WHOLESALE MARKETS

Evolution of capacity prices and HUPX DAM spreads



— HUPX DAM spread (>150 EUR/MWh piece) — aFRR+ — aFRR-

*2025: values contain only Q1 & Q2, number of HUPX DAM spreads are annualised

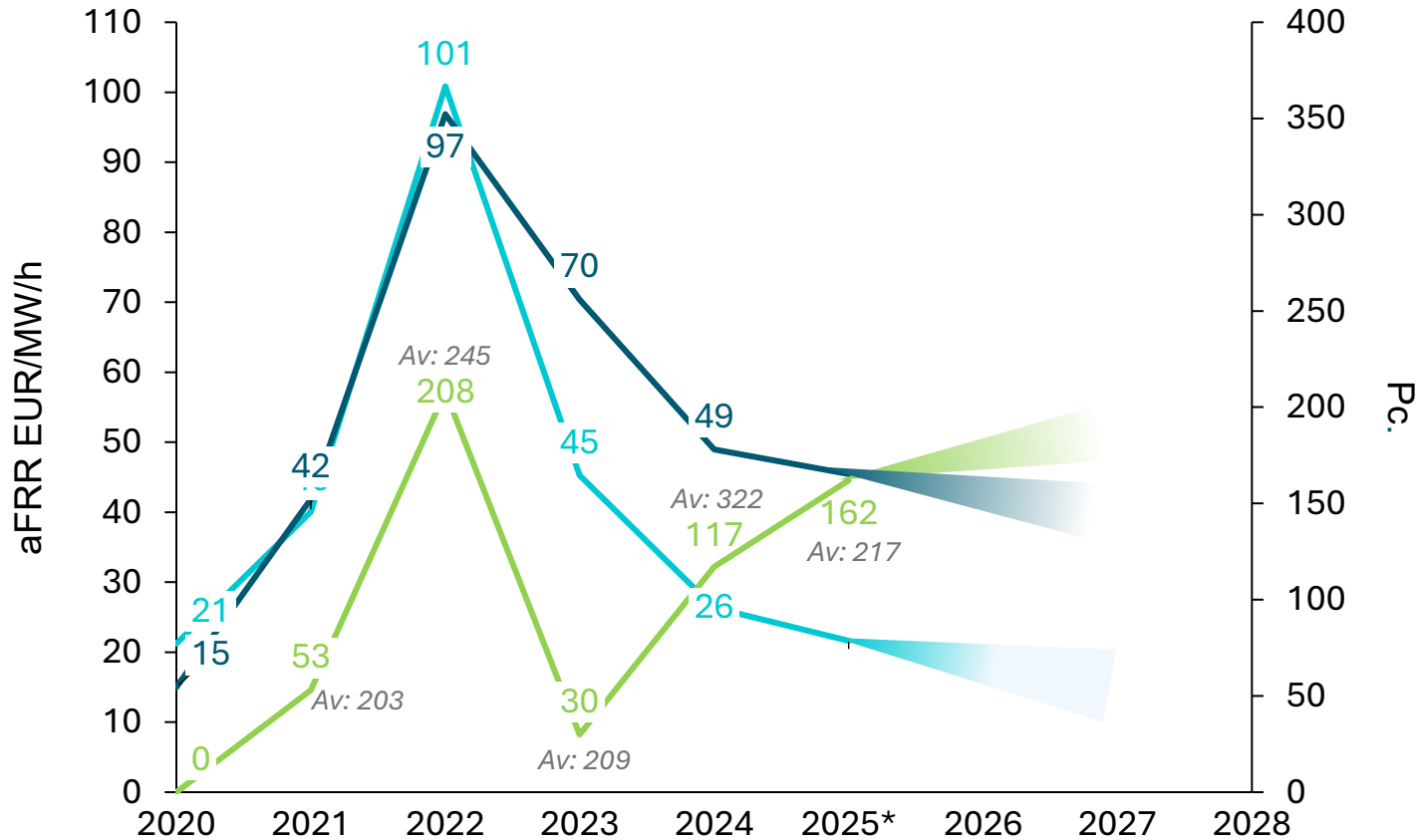
Average spread of the two lowest and highest hours, if both are over 150 EUR/MWh

- BESS developments were triggered by soaring balancing capacity prices of 2022-23
- Balancing capacity prices are in steady decline since 2022, albeit only 100 MW of BESS capacity came online so far. More competitive landscape due to market design changes, decreasing market entry barriers for renewables, and some quickly deployed new supply
- Number of days where HUPX DAM spread is higher than 150 EUR/MWh is on the rise
- BESS revenue stack is evolving. DA & ID arbitrage are in focus, where grid parity driven system usage cost has high impact on cycle profitability



FUTURE VALUE OF THE REVENUE STACK WILL BE SET BY WHOLESALE MARKET TRENDS

Evolution of capacity prices and HUPX DAM spreads in the future?



— HUPX DAM spread (>150 EUR/MWh piece) — aFRR+ — aFRR-

*2025: values contain only Q1 & Q2, number of HUPX DAM spreads are annualised

Average spread of the two lowest and highest hours, if both are over 150 EUR/MWh

Balancing market value drivers

- + Balancing capacity loss on conventional generators due to stricter market standards (MARI-Picasso) or asset retirements
- New entrants: 400 MW METÁROLÓ-backed BESS supply, new merchant or hybrid BESS, and later on 1500 MWs of 3 new CCGT units of MVM
- Further balancing capacity demand decrease (eg. monthly PL aFRR downreg)

Wholesale market value drivers

- + New solar non-hybrid PV installations
- + Uninterrupted increase in electrification: heating, mobility
- + Black swan events
- New entrants in regional stack: BESS, CCGTs,
- Demand response, esp. in peak hours
- Cross border capacity debottlenecking