



Arca acquired majority interest of the heating plant in Handlová. It will focus on green energy

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Financial group Arca Capital entered the company KMET Handlová a.s., which produces and supplies heat for the town of Handlová in the Trenčín region in Slovakia. Arca's subsidiary ACS teplo j.s.a acquired a 90 % share of the company. The remaining 10 % share is owned by the city. "By this acquisition, we broaden our portfolio of heat industry companies. The city of Handlová joined Topolčany and Bardějov where we already operate heat plants," says Rastislav Velič, chair of Arca Capital's managing board.

Topolčany, Bardějov and now Handlová

The Handlová heat plant supplies heat for over four thousand households, which represents eighty percent of all the households in the city. **The distribution network consists of eight kilometres of pipelines and 114 heat exchangers in residential buildings.** The company recently invested in buying three new gas boilers. Total sales of the company reached 2 million EUR in 2018. The heating plant reported a profit of 650 thousand EUR before taxation.

"We come to Handlová with the idea of sustainable growth. We plan to change the composition of our fuel to incorporate a much higher portion of renewable energy resources," says Matej Danóci, investment director of Arca Capital. Power engineering represents a substantial part of Arca Capital's assets for several years and the present investment is in accord with the company's extensive strategy in this industry segment. **Through its subsidiaries, the Arca Capital group provides heat to more than 18 000 households in Topolčany, Bardějov and Handlov. The total power of distributed energy amounts to 184 000 MWh.**

Green energy as a trend

The main fuel used by the group is biomass with added gas. The companies Bioenergy Topolčany s.r.o. and Bioenergy Bardějov s.r.o. generate electricity and subsequently heat by burning woodchips. **They guarantee heat price 10 % lower compared to the price of heat produced by the burning of natural gas.** Austrian technologies by the renowned company Riegler & Zechmeister GmbH are used in the combined production of electricity and heat. **"Using wooden waste, from either production, forest cleaning or municipal green, instead of gas or coal is one of the most ecological ways of disposing of waste wood. Not only do we protect the environment and develop the philosophy of green energy, but we also create new job opportunities,"** adds Rastislav Velič.



The total length of the distribution systems which Arca operates through its subsidiary ACS Teplo j.s.a. is almost 64 kilometres. Sales of the whole heat industry group amount to 10 million EUR. **"We are working on the long-term growth of our heat industry business. It is a regulated business with guaranteed appropriate profit determined by the Regulatory Office for Network Industries. Despite that, we set an ambitious goal of attaining a consolidated income from households over 30 million EUR,"** concludes Matej Danóci.

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