

MOL Group Q1 results: strong EBITDA driven by excellent internal performance

- MOL Group delivered Clean CCS EBITDA of USD 714mn in Q1 2023, a strong performance despite normalizing macro conditions and regulatory headwinds
- Downstream CCS EBITDA increased to USD 299mn in Q1 2023 year-on-year, diminishing petchem contribution was offset by higher refining EBITDA generation
- Consumer Services EBITDA doubled year-on-year and reached USD 127mn in Q1 2023 due to the improvement of regulatory framework and increasing non-fuel contribution
- Upstream EBITDA decreased to USD 283mn in Q1 2023 due to decreasing oil and gas prices, the extra royalty in Hungary and the regulated gas price scheme in Croatia, production volumes increased

Budapest, 12 May 2023 – Today, MOL Group announced its financial results for Q1 2023. MOL Group delivered USD 714mn Clean CCS EBITDA in Q1 2023, despite regulatory headwinds and decreasing oil and gas prices. The strong performance was due to solid internal performance throughout the divisions: Consumer Services rebounded from last year's lows, Upstream production volumes rose and refining remained profitable in Downstream. MOL generated over USD 500mn simplified free cash flow in Q1 2023, almost exactly as in the previous quarter and in the same quarter last year, with all the divisions contributing their fair share.

Chairman-CEO Zsolt Hernádi commented on the results: *"MOL Group delivered stable 1st quarter results in 2023, as normalizing macro conditions were mostly mitigated by good internal performance of the divisions. Our company reached important milestones in supporting energy sovereignty of the region, Upstream managed to increase domestic production volumes, we shipped our own crude from Azerbaijan to Europe and we continued with investments allowing our landlocked refineries to access crude oil from diverse sources. In addition, Consumer Services emerged from last year's crisis stronger, and started the operations in Poland.*

One year after the beginning of the war in Ukraine, it is clear that the economic consequences are here to stay changing the landscape of the European energy scene. Despite the negative impact of regulatory headwinds, our integrated, resilient business model proved to be successful in this highly challenging environment, allowing us not only to continue with our diversification efforts but to stay on track with our transformational projects, as well."

- **Downstream** Clean CCS EBITDA increased by 18% compared to the same quarter last year and reached USD 299mn. Petchem margin remained under pressure, but refining and marketing performance was able to offset the negative drivers, despite the windfall taxation in Hungary. Motor fuel demand decreased by 14% in Hungary year-on-year during the Q1 period since the price cap boosted consumption in Q1 last year, while demand slightly increased in Slovakia by +3% and Croatia by 1%. A milestone was reached in the crude diversification efforts in March when MOL Group transported Azeri light crude from its co-owned ACG field in Azerbaijan to Slovnaft refinery in Bratislava, further supporting crude sourcing flexibility.

- **Consumer Services** EBITDA increased by 97% in Q1 2022 year-on-year, driven by an improvement of the regulatory framework and non-fuel margin increased further. Sales volume developed by 16% compared to last year's same period, supported by around 200mn litres of positive inorganic impact as a result of the Lotos acquisition in Poland. Following the expansion of the Consumer Services portfolio in Poland in late 2022, the MOL brand was launched in the country and service station rebranding is in progress. The number of Fresh Corner sites rose throughout the network to 1,172 in Q1 2023, from 1081 in Q1 2022.
- **Upstream** EBITDA decreased to USD 283mn in Q1 2023 as lowering oil and gas prices, the extra royalty levied upon production in Hungary and the regulated gas price scheme in Croatia dented the results. However, the division generated USD 205 mn simplified free cash flow. As a result of our relentless field development efforts production volumes increased in Hungary and in Iraqi Kurdistan. ACG entitlement was also higher due to the higher share in low oil-price environment, bringing total production above 95 mboepd, above the production guidance. The implementation of the shallow gas drilling program continued in Hungary, 3 wells were successfully tested in the Q1 2023, bringing the total shallow gas well count to 19 since the start of the program, 2019. Despite the cost pressure across the value chain, group-level unit OPEX remained below 6 USD/bbl in Q1 2023.
- **Gas Midstream** Q1 2023 EBITDA reached USD 79mn, rose by 64% year-on-year, due to the increased cross-border capacity demands in line with higher export volumes. Decreasing gas price and changing transmission flows had positive impact on gas consumption cost.

About MOL Group

MOL Group is an international, integrated oil, gas, petrochemicals and consumer retail company, headquartered in Budapest, Hungary. It is active in over 30 countries with a dynamic international workforce of 24,000 people and a track record of more than 100 years. MOL Group operates three refineries and two petrochemicals plants under integrated supply chain-management in Hungary, Slovakia and Croatia, and owns a network of almost 2400 service stations across 10 countries in Central & South-Eastern Europe. MOL's exploration and production activities are supported by more than 85 years' experience in the field of hydrocarbons and 30 years in the injection of CO₂. At the moment, there are production activities in 8 countries and exploration assets in 10 countries.

MOL is committed to transform its traditional fossil-fuel-based operations into a low-carbon, sustainable business model and aspires to become net carbon neutral by 2050 while shaping the low-carbon circular economy in Central-and Eastern Europe.

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