

MOL GROUP

2023 HALF-YEAR REPORT

2023 HALF-YEAR REPORT OF MOL GROUP

Introduction

General information

MOL Hungarian Oil and Gas Plc. (Reuters: MOLB.BU, MOLBq.L, Bloomberg: MOL HB, MOL LI; website: www.molgroup.info), today announced its 2023 half-year report. This report contains consolidated, unaudited financial statements for the six months period ended 30 June 2023 as prepared by the management in accordance with International Financial Reporting Standards.

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MANAGEMENT DISCUSSION AND ANALYSIS

MOL Group Financial Results

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	(IFRS), in HUF billion	H1 2023	H1 2022	Ch %
2 046.5	1 960.8	2 468.5	(21)	Net sales revenues ⁽⁸⁾	4,007.4	4,364.6	(8)
272.4	160.8	473.1	(66)	EBITDA	433.3	765.3	(43)
272.4	160.8	473.1	(66)	EBITDA excl. special items⁽¹⁾	433.3	765.3	(43)
258.9	140.8	486.2	(71)	Clean CCS-based EBITDA ^{(1) (2)}	399.7	754.7	(47)
175.3	70.6	364.7	(81)	Profit from operation	245.9	593.3	(59)
175.3	70.6	361.0	(80)	Profit from operation excl. special items⁽¹⁾	245.9	548.2	(55)
161.7	50.6	374.1	(86)	Clean CCS-based operating profit ^{(1) (2)}	212.3	537.5	(61)
17.7	17.0	(23.4)	n.a.	Net financial gain / (expenses)	34.6	(21.5)	n.a.
166.4	78.4	249.0	(69)	Net profit attributable to equity holders of the parent	244.8	387.4	(37)
654	(518)	1,410	n.a.	Operating cash flow before ch. in working capital	59.5	901.0	(93)
744	28	957	(97)	Operating cash flow	277.3	348.0	(20)
				EARNINGS PER SHARE			
223.5	105.3	332.1	(68)	Basic EPS, HUF ⁽⁶⁾	328.8	528.8	(38)
223.5	105.3	327.2	(68)	Basic EPS excl. special items, HUF ⁽¹⁾⁽⁶⁾	328.8	467.2	(30)
				INDEBTEDNESS			
0.16	0.30	0.45	-	Simplified Net debt/EBITDA	0.30	0.45	-
6%	10%	14%	-	Net gearing ⁽¹⁶⁾	10%	14%	-

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	(IFRS), in USD million	H1 2023	H1 2022	Ch %
5,653	5,725	6,809	(16)	Net sales revenues ⁽³⁾⁽⁸⁾	11,378	12,625	(10)
751	470	1,307	(64)	EBITDA ⁽³⁾	1,221	2,202	(45)
751	470	1,307	(64)	EBITDA excl. special items^{(1) (3)}	1,221	2,202	(45)
714	411	1,354	(70)	Clean CCS-based EBITDA ^{(1) (2) (3)}	1,125	2,177	(48)
483	206	1,007	(80)	Profit from operation ⁽³⁾	689	1,700	(59)
483	206	997	(79)	Profit from operation excl. special items^{(1) (3)}	689	1,569	(56)
445	148	1,044	(86)	Clean CCS-based operating profit ^{(1) (2) (3)}	593	1,545	(62)
48	50	(69)	n.a.	Net financial gain / (expenses) ⁽³⁾	98	(64)	n.a.
458	229	688	(67)	Net profit attributable to equity holders of the parent⁽³⁾	687	1,110	(38)
654	(559)	1,410	n.a.	Operating cash flow before ch. in working capital ⁽³⁾	136	2,604	(95)
744	(9)	957	n.a.	Operating cash flow ⁽³⁾	772	949	(19)
				EARNINGS PER SHARE			
0.6	0.3	0.9	(66)	Basic EPS, USD ⁽³⁾⁽⁶⁾	0.9	1.5	(39)
0.6	0.3	0.9	(66)	Basic EPS excl. special items, USD ⁽¹⁾⁽³⁾⁽⁶⁾	0.9	1.3	(31)

(1) Special items of operating profit, EBITDA are detailed in Appendix II. and IV.

(2) (3) (6) (8) Please see Appendix XI.

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	EBITDA Excluding Special Items (HUF bn) ⁽¹⁾	H1 2023	H1 2022	Ch %
102.9	33.9	207.7	(84)	Upstream	136.8	370.9	(63)
120.8	52.7	296.3	(82)	Downstream	173.5	400.8	(57)
108.7	35.0	307.4	(89)	CCS-based Downstream EBITDA ⁽²⁾	143.7	392.5	(63)
28.7	20.4	5.5	268	Gas Midstream	49.1	21.1	133
45.7	59.9	16.6	261	Consumer Services	105.6	37.3	183
(18.6)	(37.1)	(25.6)	45	Corporate and other	(55.8)	(35.2)	58
(7.0)	31.0	(27.4)	n.a.	Intersegment transfers ⁽⁹⁾	24.0	(29.5)	n.a.
258.9	140.8	486.2	(71)	Clean CCS-based EBITDA for continuing operation⁽²⁾	399.7	754.7	(47)
272.4	160.8	473.1	(66)	Total EBITDA excluding special items continuing operation	433.3	765.3	(43)
0.7	0.1	39.2	(100)	Total EBITDA excluding special items discontinued operation	0.8	75.6	(99)
273.2	160.9	512.3	(69)	Total EBITDA excluding special items	434.1	840.9	(48)

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	EBITDA Excluding Special Items (USD mn) ⁽¹⁾	H1 2023	H1 2022	Ch %
283	99	576	(83)	Upstream	382	1,080	(65)
333	154	820	(81)	Downstream	487	1,132	(57)
299	102	861	(88)	CCS-based Downstream EBITDA ⁽²⁾	402	1,115	(64)
79	60	16	272	Gas Midstream	139	64	118
127	175	46	380	Consumer Services	301	110	173
(51)	(108)	(73)	48	Corporate and other	(160)	(102)	57
(20)	92	(78)	n.a.	Intersegment transfers ⁽⁹⁾	72	(82)	n.a.
714	411	1,354	(70)	Clean CCS-based EBITDA for continuing operation⁽²⁾	1,125	2,177	(48)
751	470	1,307	(64)	Total EBITDA excluding special items continuing operation	1,221	2,202	(45)
2	1	108	(99)	Total EBITDA excluding special items discontinued operation	3	219	(99)
753	471	1,415	(67)	Total EBITDA Excluding Special Items	1,224	2,421	(49)

(1) Special items of operating profit, EBITDA are detailed in Appendix II. and IV.

(2) (9) Please see Appendix XI.

Financial highlights

- ▶ Clean CCS EBITDA decreased by 70% YoY to USD 411mn in Q2 2023, while operating CF generation after working capital stood at USD 772mn in H1 2023
- ▶ Windfall taxation continues to exert pressure on group financials and affected EBITDA by ca. USD 600mn in Q2 2023, USD 315mn of which relate to the revenue-based tax introduced as of 1 April as FY 2023 burden recognized fully in Q2 EBITDA
- ▶ Downstream CCS EBITDA was down to USD 102mn in Q2 2023 due to the regulatory impact, margin pressure in both Petchem and R&M
- ▶ Consumer Services performed well in the early season and EBITDA reached USD 175mn in Q2 2023 as the share of non-fuel revenue continued to increase
- ▶ Upstream EBITDA stood at USD 99mn in Q2 2023 as the extra royalty levy and the revenue-based tax in Hungary hit results significantly, while hydrocarbon prices continued to trend downwards and a 5% production outage also affected operations negatively

Operational and other highlights

- ▶ A ban on oil exports from Kurdistan towards Turkey, in place since 25 March, remains in force and led to the full halt of production in the Shaikan asset
- ▶ MOL-owned MOHU launched its concession-based waste management service in Hungary on 1 July

Zsolt Hernádi, MOL Chairman & CEO, comments:

“The macro environment was not good enough to counterbalance the negative effects of governments’ interventions in the CEE region that have no doubt left their marks on our results in the first half of the year and especially in the 2nd quarter of 2023. The current level of governments’ takes – unless these extraordinary measures are phased out in the near future – will deteriorate MOL Group’s competitiveness and burden our cash flow generation needed for our investment plans. Disregarding the negative external effects, MOL Group’s operational performance was robust, the businesses continued with their strategic investments and MOL Group also managed to launch its new waste management business line.”

Upstream

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Segment IFRS results (HUF bn)	H1 2023	H1 2022	Ch %
102.9	33.9	207.7	(84)	EBITDA	136.8	370.9	(63)
102.9	33.9	207.7	(84)	EBITDA excl. spec. items⁽¹⁾	136.8	370.9	(63)
72.3	8.4	159.8	(95)	Operating profit/(loss)	80.7	317.6	(75)
72.3	8.4	156.1	(95)	Operating profit/(loss) excl. spec. items⁽¹⁾	80.7	272.5	(70)
28.1	29.9	25.9	16	CAPEX and investments	58.0	53.3	9
4.5	1.6	1.6	(2)	o/w exploration CAPEX	6.1	4.7	30

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Hydrocarbon Production (mboepd)	H1 2023	H1 2022	Ch %
42.0	35.8	40.5	(12)	Crude oil production⁽⁴⁾	38.8	41.3	(6)
9.8	10.0	8.7	15	Hungary	9.9	8.9	12
9.9	9.8	9.8	(1)	Croatia	9.8	10.1	(3)
4.6	0.1	4.5	(99)	Kurdistan Region of Iraq	2.3	4.6	(50)
0.4	0.4	0.5	(11)	Pakistan	0.4	0.5	(17)
15.0	13.5	14.8	n.a.	Azerbaijan	14.3	15.1	n.a.
2.2	2.0	2.2	(9)	Other International	2.1	2.2	(3)
38.4	37.7	37.8	0	Natural gas production	38.0	37.6	1
21.3	21.0	20.1	5	Hungary	21.1	20.0	6
12.6	12.2	13.0	(6)	Croatia	12.4	12.9	(4)
3.5	3.5	3.7	(5)	o/w. Croatia offshore	3.5	3.4	3
0.0	0.0	0.0	n.a.	United Kingdom	0.0	0.0	n.a.
4.5	4.5	4.6	(4)	Pakistan	4.5	4.7	(5)
4.7	4.7	5.0	(7)	Condensate⁽⁵⁾	4.7	4.9	(4)
2.7	2.8	2.9	(6)	Hungary	2.7	2.9	(4)
0.9	0.9	0.9	(5)	Croatia	0.9	0.9	(3)
1.1	1.0	1.2	(10)	Pakistan	1.1	1.1	(6)
85.1	78.1	83.3	(6)	Average hydrocarbon production of fully consolidated companies	81.6	83.9	(3)
3.9	3.9	4.0	(3)	Russia (Baitex)	3.9	4.1	(3)
6.8	5.3	5.0	5	Kurdistan Region of Iraq (Pearl Petroleum)*	6.0	5.3	13
10.8	9.2	9.1	1	Average hydrocarbon production of joint ventures and associated companies	10.0	9.4	6
95.9	87.3	92.4	(5)	Group level average hydrocarbon production	91.6	93.2	(2)

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Main external macro factors	H1 2023	H1 2022	Ch %
81.2	78.1	113.8	(31)	Brent dated (USD/bbl)	79.6	107.9	(26)
362.1	342.5	362.5	(6)	HUF/USD average	352.3	343.6	3

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Average realized hydrocarbon price	H1 2023	H1 2022	Ch %
75.0	74.4	103.9	(28)	Crude oil and condensate price (USD/bbl)	74.7	99.0	(25)
81.6	57.1	112.4	(49)	Average realized gas price (USD/boe)	69.3	102.6	(32)
77.8	66.8	107.5	(38)	Total hydrocarbon price (USD/boe)	72.4	100.5	(28)

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Production cost	H1 2023	H1 2022	Ch %
6.3	6.4	5.1	25	Average unit OPEX of fully consolidated companies	6.3	5.4	17
2.1	2.1	2.1	4	Average unit OPEX of joint ventures and associated companies	2.1	1.9	12
5.7	5.9	4.8	22	Group level average unit OPEX (USD/boe)	5.8	5.0	16

All figures are represented for continuing operations, i.e. excluding UK

(1) Special items affected operating profit and EBITDA are detailed in Appendix II. and IV

(4) (5) Please see Appendix XI.

Second quarter 2023 results

Upstream EBITDA, excluding special items, amounted to HUF 33.9bn (USD 99mn) in Q2 2023 for continued operations, a decrease of HUF 69.1bn (or 67%) compared to the previous quarter, and a 84% decrease compared to Q2 2022.

(-) The new revenue-based tax in Hungary, effective as of 1 April 2023, affected EBITDA negatively by HUF 42bn (USD 122mn) as the tax burden for the whole year of 2023 was recognized in the income statement in the second quarter.

(-) Average realized hydrocarbon prices decreased by 14% (or by 11 USD/boe) to 67 USD/boe in Q2 2023 compared to the previous quarter. This was driven by a 30% quarter-on-quarter decrease in realized gas prices.

(-) Group-level average direct production cost, excluding DD&A, increased by 3%, quarter-on-quarter to 5.9 USD/boe, primarily influenced by stoppage of Shaikan production due to export shutdown since 25th March.

(-) Average daily hydrocarbon production decreased by 8.6 mboepd (or 9%) in Q2 over the preceding quarter and amounted to 87.3 mboepd in Q2 2023. Lower volumes were caused by export line shut in from end of March in case of Shaikan asset, base decline and entitlement change in Azerbaijan and planned maintenance activities on Pearl.

First half 2023 results

EBITDA amounted to HUF 136.8bn (USD 382mn) in H1 2023 for continued operations, a decrease of 63% versus the previous year. The Upstream segment remained a strong cash-flow contributor to the Group.

(-) EBITDA in H1 was also impacted by the aforementioned revenue-based tax amounting to HUF 42bn (USD 122mn), and higher mining royalties also contributed negatively to year-over-year comparisons.

(-) 28% decrease in average realized hydrocarbon prices compared to H1 2022: 25% year-on-year decrease in the realized crude oil and condensate prices, while realized gas prices decreased by 32% over the same period of the previous year.

(-) Group-level average direct production cost, excluding DD&A, increased by 16% to 5.8 USD/boe against the same period last year mainly as a result of increased energy costs together with stoppage of Shaikan production since 25th March.

(-) Average daily hydrocarbon production decreased by 1.7 mboepd (2%) to 91.6 mboepd in H1 2023 compared to H1 2022, driven by lower volumes from ACG to a change in entitlement and base decline, and natural decline in Pakistan and in Croatia.

Upstream operating update and business development

In H1 2023 Upstream CAPEX amounted to HUF 58bn (USD 165mn), an increase of 9% year-on-year, primarily due to increased spending of exploration and development activities in Hungary, and Kurdistan region of Iraq, which was partially offset by lower spending in Pakistan and Russia. More than 85% of the total Upstream CAPEX was spent in the CEE region and Azerbaijan combined.

H1 2023	Hungary	Croatia	Kurdistan Region of Iraq	Pakistan	Azerbaijan	Other	Total - H1 2023	Total - H1 2022
HUF bn								
Exploration	5.2	2.0	0.0	(1.1)	0.0	(0.1)	6.1	4.7
Development	8.4	6.1	3.7	0.0	23.7	2.9	44.7	44.5
Other	1.7	3.3	1.5	0.0	0.6	0.0	7.2	4.1
Total - H1 2023	15.2	11.4	5.2	(1.0)	24.4	2.8	58.0	
Total - H1 2022	7.3	12.3	1.6	2.8	26.0	3.1		53.3

CEE region

Hungary

Hungarian production amounted to 33.8 mboepd in H1 2023, 7% above the same period of last year. The increase is mainly the result of the discovery in Vecsés and intensive production optimization. Internal actions such as surface optimization, well intensification, gas routing and baseline stretch activities were executed to lessen the result of natural decline of mature fields in Hungary.

Exploration

- ▶ The highly successful shallow gas exploration work program continued in H1 2023 with drilling 4 wells. Three wells resulted with discovery after completion and well test, while the fourth one is still waiting to be tested.
- ▶ Üllő 3D seismic project was completed in Q1 2023.

- ▶ After the discovery of Vecsés, trial production started in 2022, which is still ongoing, the appraisal program is already approved.
- ▶ Extension of Zala-Ny and Bázakerettye concession areas are approved.

Field Development

- ▶ Endrőd-É-20 field development well was drilled and completed for selective gas production.
- ▶ Sas-Ny-31 well tie-in works were completed and production is online from March.
- ▶ Somogy phase-3: Mechanical & instrumentation works are ongoing on Vízvár-North and Vízvár Pipeline Junction. Performed well workover on Görgeteg-Babócsa-11 and well is completed for gas production.

Production Optimization

- ▶ Production optimization program continued in H1 2023 to maintain production rates, 8 well workovers were implemented in the period.

Croatia

Production in Croatia was 23.1 mboepd in H1 2023, 3% lower than in H1 2022. Natural decline and higher water cut across main onshore oil and gas fields, partially mitigated by better well performance after putting into production new wells, performing well workovers and production optimization efforts on offshore.

Exploration

- ▶ Veliki Rastovac-1 drilling is finished with a well test to follow. Preparatory activities for Obradovci-1 J drilling are ongoing.
- ▶ Sjevero-zapadna Hrvatska-01 (SZH-01) 50% farm-out process in ongoing.

Field Development

- ▶ Zalata-Dravica project preparation of main design and procurement process for Long Lead Items ongoing.
- ▶ In case of Somogy project, the civil works on Gola gas station are completed and permit request for trial production has been submitted.
- ▶ As part of the North Adriatic Offshore Development Program, evaluation of EPCI offers and permitting process for drilling Izabela-9 are ongoing. Ivana D well plug and abandonment activities are completed.

Production optimization

- ▶ The Enhanced Oil Recovery (EOR) project on Ivanić and Žutica oil fields continued with CO₂ and water injection.
- ▶ 27 onshore well workovers were performed during H1 2023.

Romania

Exploration

- ▶ Activities aimed at delivering the remaining committed work program continued for all licences: EX-1, EX-5.

MEA region

Kurdistan Region of Iraq

Shaikan

- ▶ Production was 2.3 mboepd in H1 2023, 50% lower than in the same period in 2022, which is mainly attributable to the export line shut from 25th of March.
- ▶ Drilling of well SH-17 and SH-18 were completed in Q1 2023, before production stopped end of March.

Pearl

- ▶ H1 2023 average production reached 6.0 mboepd, 13% higher than in H1 2022.
- ▶ Reason for increased production is the higher gas demand after the Bazian power station turbine unite started to work.
- ▶ The Khor Mor gas plant expansion project, KM250, progressed with the completion of engineering and procurement activities, while manufacturing and civil work activities continued.
- ▶ KM-16 and -17 were drilled and tested; KM-18 drilling is in progress.

Pakistan

Production reached 6.0 mboepd during H1 2023, which is 6% lower than in the same period in 2022. The reduction in production was caused by natural decline, production curtailment due to system constraint and wells shut-in due to water loading/security issues.

Exploration activities continued in TAL, Margala, Karak and DG Khan Blocks:

- ▶ In TAL Block, the 3D seismic data processing/reprocessing project continued with prospect generation activities.
- ▶ In Margala Block the Tarnol-1 well has been plugged and abandoned, post well analysis is ongoing.
- ▶ Karak and DG Khan block post well evaluations and source rock modeling are ongoing.

Field Development also continued:

- ▶ In TAL Block, field development well Tolanj West-2 was spudded and successfully drilled to total depth.
- ▶ Various studies (Makori Deep and Makori East Reservoir Simulation Study,) are ongoing.
- ▶ Makori East Secondary Compression.
- ▶ Manzalai Secondary Compression first gas achieved in March with production impact realized in line with plans.
- ▶ Makori South-1 well started production during June.

Production Optimization:

- ▶ Two production optimization jobs were carried out in H1 2023, resulting in sizeable incremental production.

Egypt

- ▶ Egypt production stood at 1.7 mboepd, 10% higher than in H1 2022, attributable to newly drilled wells and performed well workovers.
- ▶ A new exploration concession in Egypt's Western Desert, East Bir El Nus (block WD-08), was awarded to INA and Energean, with a 50-50% participating interest split, and Energean as the Operator. Joint Operating Agreement (JOA) to be signed.
- ▶ In the East Damanhur concession, ED-3X well was drilled with negative results, plugged and abandoned.
- ▶ As part of the Field Development program, 14 oil producing or water injecting development wells were drilled on the non-operated North Bahariya concession.
- ▶ Ras Qattara concession extension procedure is ongoing.

Angola

- ▶ Divestment process was completed on 5th of May 2023.

CIS region

Azerbaijan

- ▶ Average daily entitlement production of H1 2023 was 14.3 mboepd, whereas it amounted to 15.1 mboepd for the same period in 2022. This 6% decrease is attributable to lower entitlement share (due to higher oil price), baseline decline and some unplanned production deferrals on the field.
- ▶ Drilling program activities are in progress, with 8 new wells delivered in H1 2023.
- ▶ The Azeri Central East (ACE) project is progressing.

Russia

- ▶ Production in Russia was 3.9 mboepd in H1 2023, which shows 3% decrease compared to the same period in 2022, mainly driven by the limited investments (lack of drilling and WWO).

Kazakhstan

Field development

- ▶ Within the frame of EPCC detailed engineering finalization and LLI procurement is ongoing.
- ▶ Feasibility Study was updated, resubmitted to State Expertise and approved in June.

DOWNSTREAM

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Segment IFRS results (HUF bn)	H1 2023	H1 2022	Ch %
120.8	52.7	296.3	(82)	EBITDA	173.5	400.8	(57)
120.8	52.7	296.3	(82)	EBITDA excl. spec. items⁽¹⁾	173.5	400.8	(57)
108.7	35.0	307.4	(89)	Clean CCS-based EBITDA^{(1) (2)}	143.7	392.5	(63)
(17.4)	(4.2)	30.0	n.a.	o/w Petrochemicals ^{(1) (2)}	(21.5)	65.8	n.a.
81.4	14.2	258.1	(94)	Operating profit/(loss) reported	95.6	325.4	(71)
81.4	14.2	258.1	(94)	Operating profit/(loss) excl. spec. items⁽¹⁾	95.6	325.4	(71)
69.2	(3.5)	269.2	n.a.	Clean CCS-based operating profit/(loss)^{(1) (2)}	65.8	317.0	(79)
28,3	40,6	55,2	(26)	CAPEX	68,9	108,7	(37)

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Refinery margin	H1 2023	H1 2022	Ch %
9.4	5.4	16.4	(67)	Brent-based MOL Group refinery margin (USD/bbl)	7.4	8.7	(15)
9.8	5.8	16.6	(65)	Brent-based Complex refinery margin (MOL+Slovnaft) (USD/bbl)	7.8	9.0	(14)
329	358	600	(40)	MOL Group petrochemicals margin (EUR/t) ⁽¹⁵⁾	343	544	(37)
149	224	387	(42)	MOL Group Variable petrochemicals margin (EUR/t)	187	340	(45)

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	External refined product and petrochemical sales by country (kt)	H1 2023	H1 2022	Ch %
1,045	1,286	1,495	(14)	Hungary	2,331	2,704	(14)
543	536	567	(5)	Slovakia	1,079	1,014	6
463	630	553	14	Croatia	1,093	1,003	9
297	410	362	13	Italy	707	725	(2)
1,715	1,917	1,859	3	Other markets	3,632	3,697	(2)
4,063	4,779	4,836	(1)	Total	8,842	9,143	(3)

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	External refined and petrochemical product sales by product (kt)	H1 2023	H1 2022	Ch %
3,738	4,469	4,559	(2)	Total refined products	8,207	8,507	(4)
717	888	952	(7)	o/w Motor gasoline	1,604	1,697	(5)
2,279	2,703	2,678	1	o/w Diesel	4,982	5,076	(2)
46	32	90	(64)	o/w Fuel oil	79	115	(32)
72	155	163	(5)	o/w Bitumen	228	239	(5)
325	310	277	12	Total petrochemicals products	635	636	0
38	40	41	(2)	o/w Olefin products	78	95	(18)
265	251	219	15	o/w Polymer products	516	503	3
22	19	17	12	o/w Butadiene products	41	38	8
4,063	4,779	4,836	(1)	Total refined and petrochemicals products	8,842	9,143	(3)

(1) Special items affected operating profit and EBITDA are detailed in Appendix II. and IV.

(2) (15) Please see Appendix XI.

Second quarter 2023 results

Downstream delivered HUF 35bn (USD 102mn) Clean CCS EBITDA in Q2 2023, which means a 68% decrease quarter-on-quarter and 89% lower than the previous year's performance. The decrease was driven by the following:

- ▶ The new revenue-based tax effective from 1 April, and recognized in the income statement in Q2 for the whole year of 2023, had USD 193mn effect. Brent-Ural taxation was eased somewhat in Q2 as the spread above 7.5 USD/bbl was taxed, resulting in USD 123mn expense.
- ▶ Brent-based total MOL-Group refinery margins in Q2 were 5.4 USD/bbl, 67% lower than the base period due to the drop in gasoline crack spreads compared to 2022, however still higher than 2018-2022 average. Lower diesel crack spreads also exerted pressure on margins and narrower Urals-Brent spread also negatively affected the results.
- ▶ Petrochemicals margin averaged at 358 EUR/t representing a 40% decrease year-on-year from high levels in Q2 2022. The lower results were driven by narrower polymerization margins, while sales increased on a year-to-year basis.
- ▶ Refining crude processing increased by 7% YoY when looking at the Slovnaft and Danube Refineries. After a planned shutdown, Rijeka Refinery started up in April 2023.

First half 2023 results

Downstream delivered Clean CCS EBITDA of HUF 143.7bn (USD 402 mn) in H1 2023, more than halving the profitability year-on-year. The poor performance of H1 2023 is attributable to the decreasing fuel demand and the narrow Urals spread. The refinery margin was 7.4 USD/bbl in H1 2023, while it was 8.7 USD/bbl a year before. Diesel prices followed a decreasing trend throughout H1 2023, while gasoline was at seasonally unusual high level and outperformed diesel.

The gasoline crack spread decreased in H1 2023 compared to the base period because of elevated demand in the base period caused by the Russian-Ukrainian conflict. The diesel crack spread was also lower year-over-year, caused by high import volumes arriving to Europe as a result of the preparation for the product embargo. Refinery throughput was flat H1 over H1. The 95% Brent-Ural taxation applied in Hungary reduced profits by USD 312 mn in H1.

The Petrochemical margin is 37% below last year's result, the business is still suffering from low demand. Despite the fall in demand, petrochemical sales volumes were in line with the base period.

Market trends and sales analysis

In 2023 Q2 and H1 fuel sales in Hungary decreased significantly compared to last year's results, where the consumption in the base period was boosted by the price cap regulation. Among core countries, Croatia showed an increasing trend in consumption and sales. In Slovakia H1 sales numbers overperformed the base period, despite the decrease in demand.

Change in regional motor fuel demand	Market*			MOL Group sales		
Q2 2023 vs. Q2 2022 in %	Gasoline	Diesel	Motor fuels	Gasoline	Diesel	Motor fuels
Hungary	(7)	(14)	(12)	(10)	(18)	(15)
Slovakia	4	(1)	0	(2)	(6)	(5)
Croatia	7	8	8	16	16	16
Other	3	1	1	(2)	7	5
CEE 10 countries	2	(0)	0	(3)	(3)	(3)

Change in regional motor fuel demand	Market*			MOL Group sales		
H1 2023 vs. H1 2022 in %	Gasoline	Diesel	Motor fuels	Gasoline	Diesel	Motor fuels
Hungary	(8)	(15)	(13)	(6)	(17)	(14)
Slovakia	5	(3)	(1)	15	4	7
Croatia	8	7	7	14	11	12
Other	3	(1)	0	(8)	0	(2)
CEE 10 countries	2	(2)	(1)	(1)	(4)	(3)

*Source: Company estimates

Downstream capital expenditures and status of key projects

CAPEX (in HUF bn)	H1 2023	H1 2022	YoY Ch %	Main projects in 2023
R&M CAPEX and investments	48.0	72.3	(34)	MOL: Metathesis Project (Olefin Conversion Unit), New maleic anhydride unit in DR, Fuel additives development, Replacement of CDU1 102 distillation column, Periodical maintenance SN: Periodical maintenance; Catalyst replacement; Fire detection system, Restore PTZ at production units INA: Rijeka Refinery Upgrade Project; Refinery turnaround, CDU efficiency upgrade project, INA road fleet semitrailers replacement, Tank farm improvement program
Petrochemicals CAPEX	19.4	35.1	(45)	MOL: Metathesis Project (Olefin Conversion Unit), Polyol Project, MPC Furnace reconstruction, MPC SC1 Lifetime extension SN: PP3 unit revamp, Ethylene Storage tanks, SN SC Lifetime extension, Periodical maintenance
Power and other	1.4	1.3	5	SN: 110 kV Transformer replacement, Periodical maintenance MOL: Development of Hungarian LPG business
Total	68.9	108.7	(37)	

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	CAPEX by type (in HUF bn)	H1 2023	H1 2022	Ch %
28.3	40.6	55.2	(26)	Total	68.9	108.7	(37)
12.6	28.5	17.5	63	Transformational CAPEX	41.1	49.5	(17)
15.7	12.1	37.7	(68)	Sustain CAPEX	27.8	56.7	(51)

CONSUMER SERVICES

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Segment IFRS results (HUF bn)	H1 2023	H1 2022	Ch %
45.7	59.9	16.6	261	EBITDA	105.6	37.3	183
45.7	59.9	16.6	261	EBITDA excl. spec. items⁽¹⁾	105.6	37.3	183
31.6	47.2	6.3	649	Operating profit/(loss) reported	78.9	17.8	342
31.6	47.2	6.3	649	Operating profit/(loss) excl. spec. items⁽¹⁾	78.9	17.8	342
7.7	11.4	14.2	(19)	CAPEX	19.1	21.6	(12)
7.7	11.4	14.2	(19)	o/w organic	19.1	21.6	(12)

(1) Special items affected operating profit and EBITDA are detailed in Appendix II. and IV.

Second quarter 2023 results

Consumer Services EBITDA increased by 261% year-on-year to HUF 59.9bn (USD 175mn) in Q2. The increase was attributable to the abolishment of the Hungarian fuel price cap, however rising operating costs (resulted mainly from the new Polish operation) and permanent retail tax played a negative role. The results were supported by increasing demand in most CEE countries as well as a further improving non-fuel contribution. The network size stood at 2,341 sites in Q2 2023.

First half 2023 results

Consumer Services EBITDA increased by 183% year-on-year in H1 2023. Similar drivers impacted the results as in the Q2 2022 period.

Retail fuel sales

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Total retail sales (kt)	H1 2023	H1 2022	Ch %
349	387	504	(23)	Hungary	736	914	(19)
191	210	195	8	Slovakia	401	367	9
170	184	0	n.a.	Poland	354	0	n.a.
269	364	277	31	Croatia	633	506	25
178	201	169	19	Romania	379	338	12
113	129	119	8	Czech Republic	242	232	4
111	124	120	3	Other	235	227	4
1,381	1,599	1,384	16	Total retail sales	2,980	2,584	15

Group Retail Fuel Sales volume increased by 16% YoY in Q2 supported by 451mn litres of positive inorganic impact, i.e. the Lotos acquisition. The decrease on the Hungarian market can be attributed to the fuel price cap elimination. The average quarterly fuel throughput increased by 2% in Q2 2023 YoY.

Non-fuel contribution

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Non-fuel indicators	H1 2023	H1 2022	Ch %
33.5%	33.7%	42.9%	(21)	Non-fuel margin share of total (%)	33.6%	39.9%	(16)
1,172	1,180	1,103	7	Number of Fresh corner sites	1,180	1,103	7

In the first half of 2023, the roll-out of the Fresh Corner concept continued, taking the total Fresh Corners to 1,180. Non-fuel margin represents 33.6% of the total margin in H1 2023 decreasing only slightly YoY despite very strong fuel related margin performance. The non-fuel margin increase is 40% on a constant FX basis YoY, supported by the Lotos acquisition and by higher Gastro (Coffee, Hot Dog) and Grocery sales in H1 2023 YoY.

The company has closed the acquisition procedure of OMV Slovenia and will include its results in its books from Q3 2023 onwards.

GAS MIDSTREAM

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Segment IFRS results (HUF bn)	H1 2023	H1 2022	Ch %
28.7	20.4	5.5	268	EBITDA	49.1	21.1	133
28.7	20.4	5.5	268	EBITDA excl. spec. items⁽¹⁾	49.1	21.1	133
24.5	16.2	1.7	880	Operating profit/(loss) reported	40.7	13.1	212
24.5	16.2	1.7	880	Operating profit/(loss) reported excl. spec. items⁽¹⁾	40.7	13.1	212
1.5	1.7	2.3	(23)	CAPEX and investments	3.3	2.8	14
1.5	1.7	2.3	(23)	o/w organic	3.3	2.8	14

(1) Special items affected operating profit and EBITDA are detailed in Appendix II. and IV.

Second quarter and first half 2023 results

Gas Midstream reached HUF 20.4bn (USD 60mn) EBITDA in Q2 2022, showing a significant increase compared to prior year figure. As a result of favorable changes in macroeconomic environment (e.g. easing energy prices) and the regional gas market conditions and transmission demands the EBITDA in 2023 H1 exceeded the prior year and reached HUF 49.1bn (USD 139mn).

- ▶ Domestic transmission volumes in Q2 2023 are down by 7% on a quarter/quarter basis and by 17% in H1 2023 compared to the same period of the previous year. At the same time utilization of gas storage facilities remained at a high level despite the mild winter weather conditions and transmitted volumes to gas storages were similar to prior year in H1 2023 (+1%). Volume of regulated export transmission to neighboring countries was volatile and decreased overall in the first half of 2023 (-14% YoY and -30% YTD). In addition to the traditional southern and eastern routes the increased export to Slovakia could only mitigate the overall decrease of regulated export transmission.
- ▶ Revenues from regulated transportation activities increased by 107% in Q2 2023 and by 71% in H1 2023. Regulated revenues rose from an extremely low base, in line with stabilizing demands for long-term (quarterly and yearly) capacity products and additional revenues due to congestion at certain cross-border interconnection points.
- ▶ Operating expenses lowered by 14% quarter/quarter and 27% half year/half year basis. Operating expenses of the transmission system (OPEX on compressor fuel gas consumption and network loss) decreased as market gas prices got back to normal by the end of H1 2023, however other expenses were influenced by the effect of increasing inflation and increased by almost 20%, strict cost control could only mitigate this unfavorable effect.
- ▶ In a half year comparison, CAPEX expenditures showed an 14% increase compared to the same period in 2022, likewise reflecting the material and service cost increase.

NON-FINANCIAL OVERVIEW

Sustainability highlights

- **Health and Safety:** The Total Recordable Injury rate (TRIR) of MOL Group was 1.34 in the first half of 2023, 6% higher, than over the same period in 2022. It exceeds the tolerable TRIR limit of 1.1 set for 2023. On one hand, this increased number was due to a high number of slip and trip type of injuries, which were not directly linked to oil & gas industry specific hazards and risks – internal investigations found. On the other hand, the high TRIR rate also reflects the dreadful terrorist attack in Pakistan which resulted in the death of six people.

In total, 8 subcontractors lost their lives in the first half of 2023. As mentioned above, on May 22, 2023 six security guards died at the Manzalai-8 facility (MOL Pakistan - Exploration & Production) in a terrorist attack. On June 22, 2023, a crude oil transporter of MOL Pakistan's contracted transport company overturned and caught fire in a traffic accident. The truck driver died on the spot, and another involved person died later in the hospital.

- **People & Communities:** The Diversity and Inclusion Framework has been renewed and approved for the 2023-2025 period. Its 4 pillars are Multi-Generational Collaboration, Women Empowerment, Working Capacity and Wellbeing. LEAD 2022 leadership development program, with over 50 participants was concluded successfully. Other divisional leadership development programs started in 2023 are still in progress. To ensure talent and leadership pipeline, in the first part of 2023 MOL Group has started the recruitment of more than 70 fresh graduates as part of its annual Growww program. Collective Agreement negotiations were concluded in the 3 core countries (Hungary, Slovakia and Croatia), and the spring consultation with the European Work's Council took place as well.
- **Climate Change & Environment:** The volume of hydrocarbon spills in the first half of 2023 was 200 m³, significantly lower than over the same period in 2022. The high value in H1 2022 reflected a major incident at the Rijeka Refinery, Croatia during a refinery shutdown, resulting in 900 m³ fuel spilled primarily to the ground, with a marginal amount spilled into sea. In H1 2023, one major incident occurred at Fényeslitke, Hungary at MOL Logistics' site: 113 m³ crude oil spilled during the reconstruction of a tank when installing stagnant sections, or due to the presence of corrosive material and construction deficiencies. The rest of the reported spills, 87 m³ in total, occurred during upstream operations.

MOL Group non-financial indicators

Q1 2023 Restated	Q2 2023	Q2 2022	YoY Ch %	Environmental & sustainability data	H1 2023	H1 2022	Ch %
1.4	1.4	1.4	1	Carbon Dioxide (CO ₂) under ETS (mn t)	2.8	2.8	-
155	45	917	(95)	Volume of hydrocarbon content of spills (m ³) ⁽¹⁷⁾	200	922	(78)
1.21	1.47	1.22	20	TRIR ⁽¹⁸⁾ – own & contractor & service station staff	1.34	1.26	6
0	0	1	(100)	Fatalities – own employees (pcs)	0	1	(100)
0	8	0	n.a.	Fatalities – contractors (onsite & offsite) (pcs)	8	3	167
3	1	5	(80)	Process safety events (Tier1)	5	7	(29)
24,675	24,759	24,084	3	Total workforce (prs)	24,759	24,084	3
3,228	3,260	2,949	11	Leavers (prs) ⁽¹⁹⁾	3,260	2,949	11
13	13	12	8	Employee turnover rate (%) ⁽¹⁹⁾	13	12	8
28	18	21	(14)	Ethical reports (pcs)	46	53	(13)
7	2	8	(75)	Ethical misconduct (pcs)	9	15	(40)

(17) (18) (19) Please see Appendix XI.

INTEGRATED CORPORATE RISK MANAGEMENT

As operators in a high-risk industry MOL Group is committed to manage and maintain its risks within acceptable limits.

The aim of MOL Group Risk Management is to keep the risks of the business within acceptable levels and safeguard the resilience of its operations as well as the sustainable management of the company. For this purpose, as an integral part of our corporate governance structure, MOL Group has developed a comprehensive Enterprise Risk Management (ERM) system which focuses on the organisation's value creation process, meaning factors critical to the success and threats related to the achievement of objectives but also occurrence of risk events causing potential impact to people, assets, environment or reputation. Within the ERM framework all significant risks throughout the whole Group are identified, assessed, evaluated, treated and monitored, covering all business and functional units, geographies as well as projects, taking into consideration multiple time horizons.

Regular risk reporting to top management bodies, including the Board of Directors with its committees provides oversight on overall the risk profile and the largest risks as well as assurance that updated responses, controls, and appropriate mitigation actions are set and followed.

The Group faces financial, operational and strategic risks, including but not limited to the below.

Risks/processes	Risk description	Risk mitigation methods
Market and financial risks		
Commodity price risk	The Group is exposed to commodity price risk on both the purchasing side and the sales side. The main commodity risks stem from its long positions in crude oil, refinery margin and petrochemical margin.	<ul style="list-style-type: none"> Integrated business model Continuous monitoring When necessary, commodity hedging instruments to mitigate other than 'business as usual' risks or general market price volatility
Foreign exchange (FX) risk	The Group has FX exposure due to mismatch of currency composition of cash inflows and outflows, investments, debts.	<ul style="list-style-type: none"> Monitoring FX risk and balancing the FX exposures of the operating & investment cash flow with the financing cash flow exposures when necessary and optimal
Interest rate (IR) risk	MOL Group has a mixture of floating and fixed interest rate debts. Floating rate debt are subject to interest rate changes.	<ul style="list-style-type: none"> Continuous monitoring Adequate mix of funding portfolio When necessary, interest rate swap hedging instruments to mitigate risks
Credit risk	MOL Group provides products and services with deferred payment terms to eligible customers which exposes it to credit risk.	<ul style="list-style-type: none"> Diversified customer portfolio Customer evaluation model, continuous monitoring Group-wide credit insurance program
Financing/Refinancing risk	MOL Group has significant debt outstanding. Inability to refinance those or inability to draw down funds could cause liquidity problems.	<ul style="list-style-type: none"> Diversified funding sources/instruments Diversified, balanced, and decently long maturity profile Investment grade rating (BBB-) supports smooth capital markets access
Operational Risks		
Physical asset and process safety and equipment breakdown risk	Process Safety Event (Major Industrial accident) due to loss of mechanical integrity, technical, technological or operational issues, process maintenance difficulties, lack of competent human resources.	<ul style="list-style-type: none"> Comprehensive HSE activities, a group-wide Process Safety Management system including asset related operational risk management process Preventive & Predictive maintenance (Uptime program) with thorough equipment criticality assessment behind Group-wide insurance management program
Crude oil and gas supply risk	Crude supply disruption (insufficient quantity or quality) can disrupt refineries and petchem sites continuous operation.	<ul style="list-style-type: none"> Crude oil-supply diversity program ongoing; Emergency reserves available

Critical material, equipment or service supply risk	Disruption in critical (raw) materials and/or equipment and/or services may cause delays in operation and/or increase costs	<ul style="list-style-type: none"> • Stock management • Supplier management • Sourcing and supply chain diversification
Exploration & Production reserve replacement	Higher than expected decline and failure to replace reserves.	<ul style="list-style-type: none"> • Production optimization programs and organic reserve replacement activities are both focus areas of Exploration & Production operations
Cyber risk	Global trends showing steadily growing frequency and intensity of Cyber-attacks / incidents as well as more specified Cyber Crime Groups targeting Industrial Control System's weaknesses, which may have increasing economic impact and relevance on MOL Group. UA-RU conflict: significant investment on attacking methods by all stakeholders, which can be potential threat in the future.	<ul style="list-style-type: none"> • Continuous improvement of cyber security capabilities • Continuous supervision of cyber security risks (Group and opco level) ensuring the protection of the confidentiality, integrity and availability of data • Cyber security is built into all the MOL Group products and services • Continuous education of employees and partners.
Fraud Risk	Fraudulent activities (external & internal fraud) may cause significant financial and reputational losses	<ul style="list-style-type: none"> • Control functions on local and group level • Anti-Fraud Awareness (Newsletter, Mandatory trainings) • Anti-Fraud & Investigation procedures, dedicated Team
Pandemic Risk	Pandemics may significantly adversely affect the Group's business environment, including price and demand on the Group's products and services, availability of contractors, subcontractors as well as raw materials, creditworthiness of credit customers, availability of the Group's key personnel.	<ul style="list-style-type: none"> • Crisis Management plans in place • Our Group Pandemic Preparedness Framework methodology instruction was issued in January 2023, summarizing not only the WHO general approach but entire MOL Group internal experiences of last 2-3 years, ensuring a life-proof and working framework to manage any possible further endemic/ pandemic situations. • Continued and sustainable practices defined, adjusted to country local measures and company internal circumstances
Strategic risks		
Climate change risk	Transition and physical risks associated with climate change have the potential to negatively impact MOL's current and future revenue streams, expenditures, assets and financing.	<ul style="list-style-type: none"> • MOL Group's transformational strategy • Several operational steps taken to mitigate physical risks emanating from climate change •
Regulatory and sanctions risk	MOL has significant exposure to a wide range of laws, regulations and policies on the global, the European and the individual country level, that may change significantly over time and may even require the Group to adjust its core business operation.	<ul style="list-style-type: none"> • Continuous monitoring of new regulations and sanctions • Strengthened compliance process • Participation in legislative processes, consultations • Adopting MOL strategy in response to changes
Capex Project Execution Risk	Projects are delayed or less profitable than expected or unsuccessful for numerous reasons, including cost overruns, higher raw material or energy prices, longer lead time in equipment deliveries, limited availability of contractors and execution difficulties.	<ul style="list-style-type: none"> • Disciplined stage gate process across Capex project pipeline • Dedicated team to identify risks at earlier stages, plan for mitigation or avoidance by linking potential risks with schedule and budget to build realistic estimates and following it up through the project lifecycle • Supplier selection criteria, audits
Country risk	The international presence of MOL Group contributes to diversification but also exposure to country specific risk at the same time. Government actions may be affected by the elevated risk of economic and, in some regions, (geo)political crisis, increasing their impact on MOL's operations.	<ul style="list-style-type: none"> • Continuous monitoring of the (geo)political risk, compliance with local regulations and international sanctions. • Investment opportunities are valued with quantifying of country risk in discount rate
Inflation Risk	Increase in material and service prices impacting opex and capex	<ul style="list-style-type: none"> • Stock management, contracting strategy
Reputation risk	MOL, as a major market player and employer in the region with a sizeable operational footprint, operates under special attention from a considerable number of external stakeholders.	<ul style="list-style-type: none"> • Stakeholder governance processes introduced to monitor and adjust to any reputational risks
Human Capital Risk	The Group's ability to implement its 2030+ Strategy is dependent on the capabilities and performance of its people, management, experts and technical personnel.	<ul style="list-style-type: none"> • HR framework to attract, develop, reward and retain employees • Capability development for all employee levels to ensure future-proof skillset

	<p>Unavailability of skilled workforce may lead to disruptions in the operation.</p>	<ul style="list-style-type: none"> • Intergenerational collaboration to enhance internal knowledge transfer • Focus on digital transformation, and employee experience • Developing innovative and collaborative culture • Working environment and conditions framework in order to attract and retain diverse talents
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ESG risks are covered and considered as part of the following topics (including but not limited to): Climate Change, Human Capital, Physical asset and process safety and equipment breakdown risk, Cyber Risk, Fraud Risk, Pandemic Risk, Regulatory and sanctions risk.

OUTLOOK ON STRATEGIC HORIZON

In the wake of regulatory measures and changing consumer and industrial preferences, MOL Group established its 15-year strategy in 2016 based on a continuous transition path to meet the expectations of a low-carbon economy. In the years following the laydown of the 2016 strategy, the assumed direction of the transformation of the external environment proved correct, albeit MOL Group underestimated the speed of change in its core areas of interest. While reaffirming the basics of the strategic shift, MOL Group came out with a more ambitious set of strategic transformation initiatives in its updated “Shape Tomorrow” 2030+ strategy in 2021.

The period since has brought two main changes, both significant on a regional and global scale. The post-pandemic normalization of the economic environment led to a recovery in macro demand, leading to a rebound in the profitability of all sectors in the economy and a rebound in MOL Group’s profit margins across all segments. The war in Ukraine, however, has brought new challenges globally, with MOL Group especially heavily affected as a result of its proximity to the conflict. While - as all companies in the energy sector – MOL Group benefitted from a rising price environment, the incidence of windfall taxation burden has been heavier in the CEE region than elsewhere and MOL Group also had to invest more heavily than its peers to meet new standards of supply security. Overall, MOL Group faced these challenges well in 2022 and posted a record high Clean CCS EBITDA of USD 4.7bn, overperforming its public target and external expectations.

The year 2023 has brought challenges of its own kind. The first wave of shock after the eruption of the Ukrainian war dissipated globally as economies adopted to the new normal, resulting in the normalization of hydrocarbon prices, bringing down the margins in the Upstream segment. Downstream margins also contracted in the effect of higher interest rates started to have a sizeable effect on demand for both petrochemicals and refined products; it is only in the Consumer Services segment where the market environment remains supportive.

While these market factors are challenging but by no means unmanageable, windfall taxation, despite the stabilization of the general economic situation, has not eased as state budgets across the CEE region remain stretched. In the first half of 2023 alone, MOL Group has recognized close to USD 1bn lower profits due to extra taxes, price caps, and other temporary extraordinary regulatory measures. This is close to the Clean CCS EBITDA of 1.125bn the Group realized in this period. While the above challenges do not make reaching the 2030+ targets any easier, MOL Group remains committed to “Shape tomorrow”. Also, shareholder remuneration remains a key aspect as HUF 354 per share dividend was paid after 2022 financials.

In line with the aforementioned trends, **Downstream** EBITDA was at USD 402mn, 64% down year-on-year. The narrowing of the Brent-Ural spread, with fuel crack spreads remaining under pressure from still elevated oil price levels on one side and slowing market demand on the other, have led to lower refining margins. The petchem side of the downstream business is facing an even larger challenge from the demand side, driving EBITDA contribution in the negative territory in the first half of 2023. Notably, these market factors by themselves explain only a little more than half of the decrease, with the rest being due to larger government takes than in H1 2022.

Consumer Services posted a strong first half of 2023 with USD 301mn EBITDA. Although much of the uptick was a result of higher income from fuel sales due to the end to the fuel price cap in Hungary, the high growth in non-fuel sales also contributed to the result, and so did the transaction with PKN Orlen, leading to a takeover of 410 stations in Poland in December 2022.

Upstream continued to support the growth for the Group with USD 382mn EBITDA, a 65% drop year-on-year. The higher royalty levy in Hungary and a new revenue-based tax has had a significant negative impact on the results. The rise in government take was coupled with hydrocarbon prices showing a trendlike decrease in the period, and a production outage starting from end-March on the Shaikan field in the KRI of Iraq. We continue to pursue an opportunistic approach in investing in E&P investments in the region and focusing in the CEE region.

MOL HUNGARIAN OIL AND GAS PLC.

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL
REPORTING STANDARDS**

30 June 2023

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 JUNE 2023

Introduction

General information

MOL Hungarian Oil and Gas Public Limited Company (hereinafter referred to as MOL Plc., MOL or the parent company) was incorporated on 1 October 1991 in Hungary by the transformation of the predecessor National Oil and Gas Trust (OKGT). MOL Plc. and its subsidiaries (hereinafter referred to as the MOL Group or Group) is an integrated, international oil and gas, petrochemicals and consumer retail company, active in over 30 countries with a dynamic international workforce of 24,000 people and a track record of more than 100 years in the industry with its legal predecessor. MOL Group has over 80 years of experience in exploration and production and its diverse portfolio includes active oil and gas presence in 12 countries, with production activity in 8 countries. MOL Group's Downstream division operates three refineries and two petrochemicals plants in Hungary, Slovakia and Croatia, and is made up of different business activities that are part of an integrated value chain and MOL Group's retail network is composed of around 2,400 service stations in 10 countries.

The registered office address of the Company is 1117 – Budapest, Dombóvári út 28., Hungary.

The shares of the Company are listed on the Budapest and the Warsaw Stock Exchange. Depositary Receipts (DRs) are traded Over the Counter (OTC) market in the USA. There is no single ultimate controlling party of MOL Group.

Statement of Compliance

These interim condensed consolidated financial statements have been prepared in accordance with Accounting Standard IAS 34 Interim Financial Reporting and all applicable IFRSs that have been adopted by the European Union (EU). IFRS comprise standards and interpretations approved by the International Accounting Standards Board (IASB) and the IFRS Interpretations Committee.

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Notes	H1 2023 HUF million	Restated H1 2022 HUF million
Net sales	2	4,007,364	4,364,557
Other operating income	3	49,600	9,076
Total operating income		4,056,964	4,373,633
Raw materials and consumables used		3,015,357	3,300,636
Employee benefits expense		185,812	150,328
Depreciation, depletion, amortisation and impairment		187,396	172,009
Other operating expenses		376,238	333,023
Change in inventory of finished goods and work in progress		86,100	(136,017)
Work performed by the enterprise and capitalised		(39,801)	(39,651)
Total operating expenses	4	3,811,102	3,780,328
Profit from operation		245,862	593,305
Finance income		99,507	79,202
Finance expense		64,862	100,746
Total finance income/(expense), net	5	34,645	(21,544)
Share of after-tax results of associates and joint ventures	6	6,910	5,513
Profit/(Loss) before tax		287,417	577,274
Income tax expense	7	31,800	135,768
Profit/(Loss) for the year from continuing operations		255,617	441,506
Profit / (Loss) for the period from discontinued operations	15	865	102,127
PROFIT / LOSS FOR THE PERIOD		256,482	543,633
Attributable to:			
Owners of parent from continuing operations		244,783	387,447
Non-controlling interest from continuing operations		10,834	54,059
Owners of parent from discontinued operations		865	102,127
Non-controlling interest from discontinued operations		-	-
Owners of parent		245,648	489,574
Non-controlling interest		10,834	54,059
Basic earnings per share attributable to owners of the parent (HUF) cont.op.		328.77	528.80
Diluted earnings per share attributable to owners of the parent (HUF) cont.op.		327.97	524.96
Basic earnings per share attributable to owners of the parent (HUF) discount.op.		1.16	139.39
Diluted earnings per share attributable to owners of the parent (HUF) discount.op.		1.16	138.38
Basic earnings per share attributable to owners of the parent (HUF)		329.93	668.19
Diluted earnings per share attributable to owners of the parent (HUF)		329.13	663.34

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	H1 2023 HUF million	Restated H1 2022 HUF million
Profit/(Loss) for the year from continuing operations		255,617	441,506
Profit/(Loss) for the year from discontinued operations		865	102,127
Profit/(Loss) for the year		256,482	543,633
Other comprehensive income			
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>			
Exchange differences on translating foreign operations, net of tax		(226,639)	245,496
Exchange differences on translating discontinued operations, net of tax		-	(13,368)
Net investment hedge, net of tax		29,222	(30,182)
Changes in fair value of debt instruments at fair value through other comprehensive income, net of tax		2,973	(2,584)
Changes in fair value of cash flow hedges, net of tax		(189)	(360)
Share of other comprehensive income of associates and joint ventures		(14,006)	27,817
Other comprehensive income from continuing operation / (loss) for the year, net of tax		(208,639)	240,187
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		(208,639)	226,819
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>			
Changes in fair value of equity instruments at fair value through other comprehensive income, net of tax		5,348	13,679
Remeasurement of post-employment benefit obligations		4	-
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		5,353	13,679
Other comprehensive income from continuing operation / (loss) for the year, net of tax		(203,286)	253,866
Other comprehensive income for the year, net of tax		(203,286)	240,498
Total comprehensive income from continuing operation for the year		52,331	695,372
Total comprehensive income from discontinued operation for the year		865	88,759
Total comprehensive income for the year		53,196	784,131
Attributable to:		-	-
Owners of parent from continuing operation		70,996	611,958
Non-controlling interest from continuing operation		(18,665)	83,414
Owners of parent from discontinued operation		865	88,759
Non-controlling interest from discontinued operation		-	-
Owners of parent		71,861	700,717
Non-controlling interest		(18,665)	83,414

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		30 Jun 2023	31 Dec 2022
	Notes	HUF million	HUF million
NON-CURRENT ASSETS			
Property, plant and equipment	8	3,707,374	3,817,879
Investment property		10,597	9,459
Intangible assets		557,455	552,588
Investments in associates and joint ventures	6	199,415	190,805
Other non-current financial assets	16	300,824	340,291
Deferred tax asset		133,160	109,899
Other non-current assets		73,982	85,555
Total non-current assets		4,982,807	5,106,476
CURRENT ASSETS			
Inventories	10	796,767	997,045
Trade and other receivables	16, 17	867,116	931,511
Securities	16	83,554	7,295
Other current financial assets	16	57,263	177,963
Income tax receivable		16,988	12,239
Cash and cash equivalents	16	427,131	595,244
Other current assets	11	93,513	96,563
Assets classified as held for sale	15	15,068	43,363
Total current assets		2,357,400	2,861,223
Total assets		7,340,207	7,967,699
EQUITY	19		
Share capital		79,183	79,013
Retained earnings and other reserves		3,122,367	2,702,764
(Loss) / Profit for the year attr. to owners of parent		245,648	851,589
Equity attributable to owners of parent		3,447,198	3,633,366
Non-controlling interest		327,958	378,770
Total equity		3,775,156	4,012,136
NON-CURRENT LIABILITIES			
Long-term debt	16	817,890	650,413
Other non-current financial liabilities	16	20,860	20,671
Non-current provisions	12	580,384	584,447
Deferred tax liabilities		127,221	128,482
Other non-current liabilities	13	38,796	39,258
Total non-current liabilities		1,585,151	1,423,271
CURRENT LIABILITIES			
Short-term debt	16	113,785	468,686
Trade and other payables	16	688,285	1,001,634
Other current financial liabilities	16	219,810	231,454
Current provisions	12	49,922	115,001
Income tax payable		139,092	362,466
Liabilities classified as held for sale	15	-	2,161
Other current liabilities	14	769,006	350,890
Total current liabilities		1,979,900	2,532,292
Total liabilities		3,565,051	3,955,563
Total equity and liabilities		7,340,207	7,967,699

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Notes	Share capital HUF million	Share premium HUF million	Fair valuation reserve HUF million	Reserve of exchange differences on translation HUF million	Retained earnings with profit for the year attr. to owners of parent HUF million	Total reserves HUF million	Equity attr. to owners of parent HUF million	Non-controlling interests HUF million	Total equity HUF million
Opening balance 1 Jan 2022 Restated	78,163	219,389	27,567	474,378	1,977,653	2,698,987	2,777,150	312,781	3,089,931
Profit / (loss) for the year from continuing operation	-	-	-	-	387,447	387,447	387,447	54,059	441,506
Profit / (loss) for the year from discontinued operation	-	-	-	-	102,127	102,127	102,127	-	102,127
Other comprehensive income / (loss) for the year from continuing operation, Restated	-	-	7,536	205,262	11,713	224,511	224,511	29,355	253,866
Other comprehensive income / (loss) for the year from discontinued operation	-	-	-	(13,368)	-	(13,368)	(13,368)	-	(13,368)
Total comprehensive income / (loss) for the year, Restated	-	-	7,536	191,894	501,287	700,717	700,717	83,414	784,131
Dividends	-	-	-	-	(224,052)	(224,052)	(224,052)	-	(224,052)
Dividends to non-controlling interests	-	-	-	-	-	-	-	(26,712)	(26,712)
Equity recorded for share-based payments	19	-	-	-	1,268	1,268	1,287	-	1,287
Treasury share transactions	826	-	-	-	15,750	15,750	16,576	-	16,576
Acquisition / divestment of subsidiaries	-	-	-	-	-	-	-	-	-
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Closing balance, Restated 30 Jun 2022	79,008	219,389	35,103	666,271	2,271,906	3,192,670	3,271,678	369,482	3,641,160
Opening balance 1 January, 2023	79,013	219,389	17,477	658,491	2,658,996	3,554,353	3,633,366	378,770	4,012,136
Profit / (loss) for the year from continuing operation	-	-	-	-	244,783	244,783	244,783	10,834	255,617
Profit / (loss) for the year from discontinued operation	-	-	-	-	865	865	865	-	865
Other comprehensive income / (loss) for the year from continuing operation	-	-	6,702	(180,492)	3	(173,787)	(173,787)	(29,499)	(203,286)
Other comprehensive income / (loss) for the year from discontinued operation	-	-	-	-	-	-	-	-	-
Total comprehensive income / (loss) for the year	-	-	6,702	(180,492)	245,651	71,861	71,861	(18,665)	53,196
Dividends	-	-	-	-	(259,794)	(259,794)	(259,794)	-	(259,794)
Dividends to non-controlling interests	-	-	-	-	-	-	-	(38,388)	(38,388)
Equity recorded for share-based payments	170	-	-	-	1,595	1,595	1,765	-	1,765
Treasury share transactions	-	-	-	-	-	-	-	-	-
Acquisition / divestment of subsidiaries	-	-	-	-	-	-	-	6,241	6,241
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Closing balance 30 Jun 2023	79,183	219,389	24,179	477,999	2,646,448	3,368,015	3,447,198	327,958	3,775,156

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Notes	H1 2023 HUF million	Restated H1 2022 HUF million
Profit/(Loss) before tax from continuing operation		287,417	577,274
Profit/(Loss) before tax from discontinued operation		865	104,241
Profit/(Loss) before tax		288,282	681,515
<i>Adjustments to reconcile profit before tax to net cash provided by operating activities</i>			
Depreciation, depletion, amortisation and impairment		187,396	154,799
Increase/(decrease) in provisions		(57,118)	(42,352)
Net (gain)/loss on asset disposal and divestments		(12,512)	(3,419)
Net interest expense/(income)	5	(8,119)	5,592
Other finance expense/(income)	5	(26,574)	4,477
Share of after-tax results of associates and joint ventures	6	(6,910)	(5,513)
Other items		(30,297)	172,408
Income taxes paid		(274,602)	(66,497)
Cash flows from operations before changes in working capital	21	59,546	901,010
<i>Change in working capital</i>		<i>217,803</i>	<i>(552,965)</i>
(Increase)/decrease in inventories	10	184,554	(297,603)
(Increase)/decrease in trade and other receivables	17	(5,831)	(451,270)
Increase/(decrease) in trade and other payables		(192,290)	125,874
(Increase)/decrease in other assets and liabilities	11, 14	231,370	70,034
Cash flows from operations	21	277,349	348,045
Capital expenditures		(176,956)	(247,270)
Proceeds from disposal of fixed assets		15,082	5,255
Acquisition of businesses (net of cash)		(109,546)	(12,117)
Proceeds from disposal of businesses (net of cash)		46,228	-
(Increase)/Decrease in other financial assets		(61,415)	(35,562)
Interest received and other finance income	5	19,531	6,494
Dividends received	5	4,974	11,453
Cash flows used in investing activities	21	(262,101)	(271,747)
Proceeds from issue of bonds, notes and debentures		-	-
Repayments of bonds, notes and debentures		(279,735)	(4)
Proceeds from borrowings		346,030	957,178
Repayments of borrowings		(155,866)	(668,393)
Interest paid and other finance expense	5	(14,419)	(1,055)
Dividends paid to owners of parent	19	(6)	(4)
Dividends paid to non-controlling interest		(297)	(281)
Transactions with non-controlling interest		-	-
Net issue / repurchase of treasury shares		-	16,576
Other changes in equity		-	-
Cash flows used in financing activities	21	(104,293)	304,017
Currency translation differences relating to cash and cash equivalents		(79,511)	60,486
Increase/(decrease) in cash and cash equivalents		(168,556)	440,801
Cash and cash equivalents at the beginning of the year		595,244	367,447
Cash and cash equivalents at the end of the year		427,131	801,505
Change in Cash and cash equivalents		(168,113)	434,058
Change in cash and cash equivalents classified as asset held for sale		-	7,105
Change in Overdraft		(443)	(362)
Increase/(decrease) in cash and cash equivalents		(168,556)	440,801

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS - ACCOUNTING INFORMATION, POLICIES AND SIGNIFICANT ESTIMATES

This section describes the basis of preparation of interim condensed consolidated financial statements, the Group's applicable accounting policies, the seasonality of operations and prior period errors and restatements. This section also provides a brief summary of new accounting standards issued by IASB but have not yet been effective.

1. Accounting information and policies

Basis of preparation

The interim condensed financial statements for the six months ended 30 June 2023 have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and accordingly are to be read in conjunction with the Group's annual financial statements for the year ended 31 December 2022.

Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2022 except for the adoption of new and amended standards as set out below.

The following amendments to the accounting standards are issued by the International Accounting Standards Board (IASB) or IFRS Interpretations Committee, effective from 1 January 2023:

- a) IFRS 17 Insurance Contracts; including Amendments to IFRS 17
- b) Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2
- c) Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors
- d) Amendments to IAS 12 Income Taxes

The following standard and amendments issued by the IASB have not yet been effective:

- e) Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (effective for annual periods beginning on or after 1 January 2024 not yet endorsed by EU)
- f) Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current Date; and Non-current Liabilities with Covenants (effective for annual periods beginning on or after 1 January 2024 not yet endorsed by EU)
- g) Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (effective for annual periods beginning on or after 1 January 2024 not yet endorsed by EU)

The above-mentioned new amendments do not affect significantly the Group's consolidated results, financial position or disclosures.

Discontinued operation

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after-tax from discontinued operations in the statement of profit or loss.

Additional disclosures are provided in Note 15. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.

Seasonality of operations

Certain operations of the Group, mainly in the Downstream, Consumer Services and the Gas Midstream segment are exposed to seasonality (in case of Consumer Services, holiday peak results in higher revenues, sales of the Downstream segment are affected by holiday season and higher demand due to spring harvesting and agricultural work, whereby sales of the Gas Midstream segment are higher in the winter heating season), however, changes in regional supply and demand, sanctions against Russia and a regulated price environment distort the overall trends, which should be considered when analysing quarterly financial information.

Significant impact on operation

a) Russia – Ukraine conflict

The economic consequences of Russia's invasion of Ukraine that commenced on 24 February 2022 may affect MOL Group. Management is continuously investigating and assessing the possible effects of the current geopolitical situation, international sanctions and other possible limitations on the supply chain and business activities. MOL Group has made decisions in its credit policy to minimise the exposure.

MOL Group is exposed to Russia mainly through BaiTex LLC. and related receivables. Payments made by BaiTex LLC. towards MOL Group in 2022 are held on a restricted bank account as a result of counter-sanctions of Russia, therefore the amount is not available for general use. MOL Group impaired all the investment value, receivables, and the restricted bank account balance in 2022 (investment value as of 31 December 2021 was HUF 19,678 million). MOL Group exposure to Ukraine is not material.

MOL Group's refining business is exposed to the physical flow of crude oil through the transportation system in Russia and Ukraine. The physical flow of the crude oil from Russia has been periodically disrupted due to war damage on Ukrainian energy infrastructure. An alternative supply route from the Mediterranean Sea, via Croatia, exists however that can supply MOL Group refineries in Hungary and Slovakia with seaborne cargoes of crude oil. The European Union has imposed a partial embargo on Russian crude oil imports as of 5 December 2022 and on Russian petroleum product imports as of 5 February 2023. At the same time, a ban on the export of petroleum products obtained from Russian crude oil has been put in place. The regulations however allow for the continued import of Russian crude oil by pipeline, including to Hungary and Slovakia, as well as the continued export of petroleum products obtained from Russian crude a) from Slovakia to the Czech Republic until 5 December 2023 and b) from Hungary and Slovakia indefinitely as long as the percentage of exports do not exceed the percentage of crude of non-Russian origin if blended with Russian crude as refinery feedstock.

Management is taking actions to manage the risk of possible crude oil supply disruption, including consideration of using alternative supply routes of sufficient capacity. MOL Group has access to state reserves which enables it to supply its markets in case of interruptions of the Druzhba pipeline.

b) Waste management concession

MOL was announced as a winner for the Hungarian state concession tender covering municipal waste management services. The concession agreement covers a period of 35 years with a commencement date of July 1, 2023. According to the agreement, MOL will be responsible for the collection of close to 5 million tonnes of municipal solid waste, will ensure its treatment and will make related investments.

c) Windfall taxes

As a result of the Russian-Ukrainian conflict and the emerging energy crisis, the Hungarian government and the EU have introduced a number of significant measures, which also affect MOL Group.

h) Mining royalty effective from 1 August 2022

The Hungarian oil and gas royalty rates were changed; the fixed parts of the rates were tripled in those categories in which the majority of MOL's production takes place. Final effective rates include unchanged adjusting elements dependent from the spot Brent and TTF prices. The unit values that are determined by Government Decree to be used for calculating the royalty base include minimum thresholds for 2023 and 2024. Production to be taken into account for the tax base in the period concerned cannot be lower than the 2021 level. In the event of a technical impediment or major event impacting production, approval is to be requested from the Mining Authority for the lower production. If the lower production is unjustified, the Mining Authority will still impose the additional mining royalty.

i) Extra profit tax on Brent-Ural spread

From 1 January 2022, the Hungarian government has introduced a Brent-Ural spread-based tax, which tax rate is 25% of the Brent-Ural spread on Ural type crude oil procurement. According to the amendment to the extra profit tax regulation issued by the Hungarian Government on 30 July 2022 effective from 1 August 2022 the Brent-Ural spread based extra profit tax rate on Ural type crude oil procurement was modified to 40%. According to the amendment to the extra profit tax regulation issued by the Hungarian Government on 18 December 2022 the Brent-Ural spread based extra profit tax rate on Ural type crude oil procurement has been modified to 95%. Prospectively from 1 April 2023, the tax based on the Brent-Ural spread would be 95% of the spread minus 7.5 USD. At the same time, a net revenue based tax was introduced based on the 2022 net sales revenues with a tax rate of 2.8%.

j) Retail tax

The Hungarian Government modified the retail tax effective from 1 July 2022 due to which 80% of the 2021 tax had to be paid as a one-off additional tax in 2022. For 2023, tax rate per revenue ranges increase: in the range of HUF 500 million – HUF 30,000 million the rate

will increase from 0.1% to 0.15%, in the range of HUF 30,000 million – HUF 100,000 million the rate will increase from 0.4% to 1%, above HUF 100,000 million the rate will increase from 2.7% to 4.1%. From 2024, the tax rate for the highest revenue rate will be increased to 4.5%.

k) Solidarity contribution

On 6 October 2022, the Council of the European Union adopted a Regulation on „an emergency intervention to address high energy prices“. One of the measures of the Regulation is the temporary Solidarity Contribution. The Solidarity Contribution applies to EU companies and permanent establishments with certain activities in the crude petroleum, natural gas, coal and refinery sectors. The base of the Solidarity Contribution is taxable profits realised in 2022 and/or 2023 which represent more than a 20 per cent increase of the average taxable profits realised in the four preceding fiscal years. The applicable rate is a minimum of 33%. Member States are required to apply the Solidarity Contribution unless they have enacted equivalent national measures.

In the statement of profit or loss the mining royalty, the extra profit tax and retail tax are recorded in other operating expenses, the solidarity contribution (including uncertain tax position) is recorded as income tax expense. The windfall taxes were considered when assessing the assets recoverability.

d) Restatements of comparative periods

MOL Group restated its comparative periods due to the retrospective application of an accounting policy change and due to errors detected during the 2022 financial year. Corrections of errors and effects of accounting policy change are presented below in the primary statements.

Detailed description of the errors detected during 2022

- a) MOL Group adjusted the environmental contingent liability recognised during the acquisition of INA in line with IFRS 3. As a result of the correction HUF (582) million was recognised in finance expense and HUF 150 million in income tax expense as at 30 June 2022.
- b) MOL Group reassessed the accounting treatment of the inventory purchased and sold to the national stockpiling association by MOL Group. As this is a non-monetary exchange only the margin on the transaction should be recorded in net sales. As a result of the revision HUF 33,724 million was netted between net sales and raw materials and consumables used and HUF 12,486 million was netted between net sales and change in inventory of finished goods and work in progress as at 30 June 2022.
- c) MOL Group reassessed the balance of Asset Retirement Obligation of Azeri-Chirag-Gunashli (“ACG”) oil field and detected an error in 2020. As a result of the correction depreciation increased by HUF 2,255 million, finance expenses decreased by HUF 788 million and income tax expense decreased by HUF 367 million.

Transactions due to voluntary accounting policy amendments

- d) Following the fuel price cap enacted in Hungary at the end of 2021, MOL Group has performed an internal, comprehensive review of its pricing procedures. As part of these procedures pricing methodologies were assessed and product prices were broken down into components country by country. Management identified that although EU countries are required to maintain emergency stocks of oil which can be used in case of a disruption to supply emergency oil stocks, governments cover the related expenses in levying a stockpiling fee on wholesalers or incorporating it in the excise duty. Fees collected from customers that must be remitted to a governmental entity do not meet the criteria for recognition as net revenue under IFRS 15. Management believes that it would lead to a more relevant and reliable information being presented if stockpiling association fees were treated similar to excise duties and excluded from Net sales. As a result of the revision HUF 13,623 million was netted between net sales and other operating expenses in 2022 H1.

Effect of the restatements on the Consolidated statement of profit or loss

	Reference	Notes	H1 2023 HUF million	H1 2022 Restated HUF million	Increase/ (Decrease) HUF million	H1 2022 HUF million
Net sales	b	2	4,007,364	4,364,557	(59,833)	4,424,390
Other operating income			49,600	9,076	-	9,076
Total operating income			4,056,964	4,373,633	(59,833)	4,433,466
Raw materials and consumables used	b		3,015,357	3,300,636	(33,724)	3,334,360
Employee benefits expense			185,812	150,328	-	150,328
Depreciation, depletion, amortisation and impairment	c		187,396	172,009	2,255	169,754
Other operating expenses	d		376,238	333,023	(13,623)	346,646
Change in inventory of finished goods and work in progress	b		86,100	(136,017)	(12,486)	(123,531)
Work performed by the enterprise and capitalised			(39,801)	(39,651)	-	(39,651)
Total operating expenses		4	3,811,102	3,780,328	(57,578)	3,837,906
Profit from operation			245,862	593,305	(2,255)	595,560
Finance income			99,507	79,202	-	79,202
Finance expense	a, c		64,862	100,746	(1,370)	102,116
Total finance income/(expense), net		5	34,645	(21,544)	1,370	(22,914)
Share of after-tax results of associates and joint ventures			6,910	5,513	-	5,513
Profit/(Loss) before tax			287,417	577,274	(885)	578,159
Income tax expense	a, c	7	31,800	135,768	(217)	135,985
Profit/(Loss) for the year from continuing operations			255,617	441,506	(668)	442,174
Profit / (Loss) for the period from discontinued operations			865	102,127	-	102,127
PROFIT / LOSS FOR THE PERIOD			256,482	543,633	(668)	544,301
Attributable to:					-	
Owners of parent from continuing operations			244,783	387,447	(888)	388,335
Non-controlling interest from continuing operations			10,834	54,059	220	53,839
Owners of parent from discontinued operations			865	102,127	-	102,127
Non-controlling interest from discontinued operations			-	-	-	-
Owners of parent			245,648	489,574	(888)	490,462
Non-controlling interest			10,834	54,059	220	53,839
Basic earnings per share attributable to owners of the parent (HUF) cont.op.			329	529	(47)	575
Diluted earnings per share attributable to owners of the parent (HUF) cont.op.			328	525	(46)	571
Basic earnings per share attributable to owners of the parent (HUF) discount.op.			1	139	(12)	151
Diluted earnings per share attributable to owners of the parent (HUF) discount.op.			1	138	(12)	150
Basic earnings per share attributable to owners of the parent (HUF)			330	668	(58)	727
Diluted earnings per share attributable to owners of the parent (HUF)			329	663	(58)	721

Effect of the restatements on the Consolidated statement of cash flow

	Notes	H1 2023 HUF million	H1 2022 Restated HUF million	Increase/ (Decrease) HUF million	H1 2022 HUF million
Profit/(Loss) before tax from continuing operation		287,417	577,274	(885)	578,159
Profit/(Loss) before tax from discontinued operation		865	104,241	-	104,241
Profit/(Loss) before tax		288,282	681,515	(885)	682,400
<i>Adjustments to reconcile profit before tax to net cash provided by operating activities</i>				-	
Depreciation, depletion, amortisation and impairment		187,396	154,799	2,255	152,544
Increase/(decrease) in provisions		(57,118)	(42,352)	-	(42,352)
Net (gain)/loss on asset disposal and divestments		(12,512)	(3,419)	-	(3,419)
Net interest expense/(income)	5	(8,119)	5,592	(1,370)	6,962
Other finance expense/(income)		(26,574)	4,477	-	4,477
Share of after-tax results of associates and joint ventures		(6,910)	(5,513)	-	(5,513)
Other items		(30,297)	172,408	-	172,408
Income taxes paid		(274,602)	(66,497)	-	(66,497)
Cash flows from operations before changes in working capital		59,546	901,010	-	901,010
<i>Change in working capital</i>		<i>217,803</i>	<i>(552,965)</i>	<i>-</i>	<i>(552,965)</i>
(Increase)/decrease in inventories		184,554	(297,603)	-	(297,603)
(Increase)/decrease in trade and other receivables		(5,831)	(451,270)	-	(451,270)
Increase/(decrease) in trade and other payables		(192,290)	125,874	-	125,874
(Increase)/decrease in other assets and liabilities		231,370	70,034	-	70,034
Cash flows from operations		277,349	348,045	-	348,045
Capital expenditures		(176,956)	(247,270)	-	(247,270)
Proceeds from disposal of fixed assets		15,082	5,255	-	5,255
Acquisition of businesses (net of cash)		(109,546)	(12,117)	-	(12,117)
Proceeds from disposal of businesses (net of cash)		46,228	-	-	-
(Increase)/Decrease in other financial assets		(61,415)	(35,562)	-	(35,562)
Interest received and other finance income		19,531	6,494	-	6,494
Dividends received		4,974	11,453	(10,330)	21,783
Cash flows used in investing activities		(262,101)	(271,747)	(10,330)	(261,417)
Proceeds from issue of bonds, notes and debentures		-	-	-	-
Repayments of bonds, notes and debentures		(279,735)	(4)	-	(4)
Proceeds from borrowings		346,030	957,178	-	957,178
Repayments of borrowings		(155,866)	(668,393)	-	(668,393)
Interest paid and other finance expense		(14,419)	(1,055)	10,330	(11,385)
Dividends paid to owners of parent		(6)	(4)	-	(4)
Dividends paid to non-controlling interest		(297)	(281)	-	(281)
Transactions with non-controlling interest		-	-	-	-
Net issue / repurchase of treasury shares		-	16,576	-	16,576
Other changes in equity		-	-	-	-
Cash flows used in financing activities		(104,293)	304,017	10,330	293,687
Currency translation differences relating to cash and cash equivalents		(79,511)	60,486	-	60,486
Increase/(decrease) in cash and cash equivalents		(168,556)	440,801	-	440,801
				-	
Cash and cash equivalents at the beginning of the year		595,244	367,447	-	367,447
Cash and cash equivalents at the end of the year		427,131	801,505	-	801,505
Change in Cash and cash equivalents		(168,113)	434,058	-	434,058
Change in cash and cash equivalents classified as asset held for sale		-	7,105	-	7,105
Change in Overdraft		(443)	(362)	-	(362)
Increase/(decrease) in cash and cash equivalents		(168,556)	440,801	-	440,801

Effect of the restatements on the Consolidated statement of other comprehensive income

	Notes	H1 2023 HUF million	Restated H1 2022 HUF million	Increase/ (Decrease) HUF million	H1 2022 HUF million
Profit/(Loss) for the year from continuing operations		255,617	441,506	(668)	442,174
Profit/(Loss) for the year from discontinued operations		865	102,127	-	102,127
Profit/(Loss) for the year		256,482	543,633	(668)	544,301
Other comprehensive income					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translating foreign operations, net of tax		(226,639)	245,496	998	244,498
Exchange differences on translating discontinued operations, net of tax		-	(13,368)	-	(13,368)
Net investment hedge, net of tax		29,222	(30,182)	-	(30,182)
Changes in fair value of debt instruments at fair value through other comprehensive income, net of tax		2,973	(2,584)	-	(2,584)
Changes in fair value of cash flow hedges, net of tax		(189)	(360)	-	(360)
Share of other comprehensive income of associates and joint ventures		(14,006)	27,817	440	27,377
Other comprehensive income from continuing operation / (loss) for the year, net of tax		(208,639)	240,187	1,438	238,749
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		(208,639)	226,819	1,438	225,381
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Changes in fair value of equity instruments at fair value through other comprehensive income, net of tax		5,348	13,679	-	13,679
Remeasurement of post-employment benefit obligations		4	-	-	-
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		5,353	13,679	-	13,679
Other comprehensive income from continuing operation / (loss) for the year, net of tax		(203,286)	253,866	1,438	252,428
Other comprehensive income for the year, net of tax		(203,286)	240,498	1,438	239,060
Total comprehensive income from continuing operation for the year		52,331	695,372	770	694,602
Total comprehensive income from discontinued operation for the year		865	88,759	-	88,759
Total comprehensive income for the year		53,196	784,131	770	783,361
Attributable to:		-	-	-	-
Owners of parent from continuing operation		70,996	611,958	(248)	612,206
Non-controlling interest from continuing operation		(18,665)	83,414	1,018	82,396
Owners of parent from discontinued operation		865	88,759	-	88,759
Non-controlling interest from discontinued operation		-	-	-	-
Owners of parent		71,861	700,717	(248)	700,965
Non-controlling interest		(18,665)	83,414	1,018	82,396

RESULTS FOR THE PERIOD

This section explains the results and performance of the Group for the half financial years ended 30 June 2023 and 30 June 2022. Disclosures are following the structure of statement of profit or loss and provide information on segmental data, total operating income, total operating expense, finance result, income from associates and joint ventures. For joint ventures and associates, statement of financial position disclosures are also provided in this section.

2. Segmental information

For management purposes the Group is organised into five major operating business units: Upstream, Downstream, Consumer Services, Gas Midstream and Corporate and other segments. The business units are the basis upon which the Group reports its segment information to the management who is responsible for allocating business resources and assessing performance of the operating segments.

Six months ended	Upstream	Downstream	Consumer Services	Gas Midstream	Corporate and other	Inter-segment transfers	Total
30 June 2023	HUF million	HUF million	HUF million	HUF million	HUF million	HUF million	HUF million
Net Revenue							
External sales	90,645	2,178,014	1,651,651	70,072	16,982	-	4,007,364
Inter-segment transfers	283,175	1,165,633	6,808	3,640	116,185	(1,575,441)	-
Total revenue	373,820	3,343,647	1,658,459	73,712	133,167	(1,575,441)	4,007,364
Profit/(loss) from operation	80,745	95,600	78,861	40,724	(74,514)	24,446	245,862

Six months ended	Upstream Restated	Downstream Restated	Consumer Services	Gas Midstream	Corporate and other	Inter-segment transfers	Total Restated
30 June 2022	HUF million	HUF million	HUF million	HUF million	HUF million	HUF million	HUF million
Net Revenue							
External sales	100,055	2,776,440	1,386,633	91,149	10,280	-	4,364,557
Inter-segment transfers	404,153	1,283,851	5,404	2,523	109,923	(1,805,854)	-
Total revenue	504,208	4,060,291	1,392,037	93,672	120,203	(1,805,854)	4,364,557
Profit/(loss) from operation	317,588	325,373	17,832	13,053	(51,563)	(28,978)	593,305

3. Other operating income

In 2023 operating income increased due to gain in fair valuation of commodity derivatives and the divestment of Mol Group's participating interest in Angolan Blocks 3/05 (4%) and 3/05A (5.3%).

4. Total operating expenses

	H1 2023	Restated H1 2022
	HUF million	HUF million
Raw materials and consumables used	3,015,357	3,300,636
Crude oil purchased	1,040,397	1,335,522
Cost of goods purchased for resale	1,185,917	1,083,386
Non-hydrocarbon-based material	243,106	349,813
Value of material-type services used	156,039	132,715
Other raw materials	153,189	153,569
Utility expenses	121,271	85,827
Purchased bio diesel component	84,736	129,559
Value of inter-mediated services	30,702	30,245
Employee benefits expense	185,812	150,328
Wages and salaries	131,101	107,290
Other employee benefits expense	28,555	22,707
Social security	26,156	20,331
Depreciation, depletion, amortisation and impairment	187,396	172,009
Other operating expenses	376,238	333,023
Taxes and contributions	130,732	23,850
Mining royalties	117,047	61,292
Other	45,090	22,105
Other services	26,090	19,073
Bank charges	15,597	4,296
Rental cost	9,444	8,123
Consultancy fees	8,432	9,837
Advertising expenses	8,115	7,515
Insurance fees	7,707	6,028
Cleaning costs	4,879	3,858
Contribution in strategic inventory storage	3,105	2,307
Net loss of non-hedge commodity price transactions*	-	164,739
Change in inventory of finished goods and work in progress	86,100	(136,017)
Work performed by the enterprise and capitalised	(39,801)	(39,651)
Total operating expenses	3,811,102	3,780,328

* The net result of the non-hedge commodity price transactions is gain in current year

Operating expenses are mainly driven by the result of fair valuation of commodity derivatives which is a gain in 2023 compared to 2022 when it was a loss, offset by the amended and newly introduced extra profit taxes by the Hungarian Government in 2022 H2:

- Mining royalty: Effective from 1 August 2022, the Hungarian oil and gas royalty rates have been changed, the fixed parts of the rates were tripled in those categories in which the majority of MOL's production takes place. The unit values that are determined by Government Decree to be used for calculating the royalty base include minimum thresholds for 2023 and 2024.
- Retail tax: For 2023 tax rate per revenue ranges increased: in the range of HUF 500mn – HUF 30bn the rate increased from 0.1% to 0.15 %, in the range of HUF 30,000 million – HUF 100,000 million the rate increased from 0.4% to 1%, above HUF 100,000 million the rate increased from 2.7% to 4.1%.
- Brent-Ural spread based tax: Effective from 1 August 2022 the Brent-Ural spread based extra profit tax rate on Ural type crude oil procurement was modified to 40%. From 1 April 2023, the tax based on the Brent-Ural spread is 95% of the spread minus 7.5 USD. At the same time, a net revenue based tax was introduced based on the 2022 net sales revenues with a tax rate of 2.8%.

5. Finance result

	H1 2023	H1 2022
	HUF million	Restated HUF million
Finance result		
Interest income	29,439	6,579
Dividend income	473	1,509
Foreign exchange gains	66,200	49,849
Other finance income	3,395	21,265
Total finance income	99,507	79,202
Interest expense	11,093	4,742
Unwinding of discount on provisions	10,275	5,714
Foreign exchange losses	41,145	88,472
Other finance expense	2,349	1,818
Total finance expense	64,862	100,746
Net finance expense / (income)	(34,645)	21,544

Net foreign exchange result increased compared to H1 2022 as a result of Hungarian Forint strengthening against both Euro and US Dollar.

MOL Group revised the valuation method and accounting treatment of the share swap agreement with OTP in FY22. It was detected that the accounting treatment of the dividend paid and received on the shares involved in the swap agreement and the valuation method of the derivative instrument is not appropriate. The dividends should modify the fair value of the derivative financial instrument. As a result, for H1 2022 an amount of HUF 10,330 million was reclassified from dividend income to other finance income.

6. Joint ventures and associates

			Ownership	Contribution to net income		Net book value of investments	
			H1 2023	H1 2023	H1 2022	30 Jun 2023	31 Dec 2022
Company name	Country	Range of activity	%	HUF million	HUF million	HUF million	HUF million
Investment in joint ventures							
BaiTex LLC. / MK Oil and Gas B.V.	Russia / Netherlands	Exploration and production activity / Exploration investment management	51%	2,384	176	-	-
Terra Mineralna Gnojiva d.o.o. / Petrokemija d.d	Croatia	Investment management	50%	-	(251)	-	-
ENEOS MOL Synthetic Rubber Plc.	Hungary	Production of synthetic rubber	49%	(2,878)	(3,309)	4,853	959
Rossi Biofuel Plc.	Hungary	Biofuel component production	25%	(853)	771	5,953	7,331
Dunai Vízmű Plc.	Hungary	Water production, supply	33%	-	2	118	118
Datapac Group	Slovakia	IT services	25%	(1)	(40)	672	725
ITK Holding Plc.	Hungary	Mobility and public transport service	74%	(785)	(990)	-	-
ALTEO Nyrt	Hungary	Energy supplier	25%	-	-	14,217	
Other				66	7	-	9
Investment in associated companies							
Pearl Petroleum Ltd.	Kurdistan region/Iraq	Exploration of gas	10%	8,626	6,896	166,448	173,733
BTC	Cayman Islands	Oil transportation	9%	671	1,870	855	977
Ural Group Limited	Kazakhstan	Exploration and production activity	28%	(248)	(194)	-	-
Meroco a.s.	Slovakia	Production of bio-diesel component (FAME)	25%	(129)	523	2,622	2,977
DAC ARENA a.s.	Slovakia	Facility management	28%	(3)	6	1,450	1,563
Messer Slovnaft s.r.o	Slovakia	Production of technical gases	49%	41	46	798	936
Plinara d.o.o. Pula	Croatia	Distribution and gas trading	49%	3		995	1,070
Plinara Istočne Slavonije d.o.o. za opskrbu plinom	Croatia	Distribution network of gas fuels	40%	16	-	434	407
Total				6,910	5,513	199,415	190,805

7. Taxation

a) Analysis of taxation charge for the year

Total applicable income taxes reported in the consolidated financial statements for the interim period ended 30 June 2023 include the following components:

	H1 2023 HUF million	H1 2022 HUF million
Current corporate income tax and industry taxes	53,561	99,919
Local trade tax and innovation fee	13,308	14,663
Deferred taxes	(35,069)	21,186
Total income tax (benefit)/expense	31,800	135,768

Corporate income tax decreased in line with the decreased profit before tax of MOL Plc., MOL Petrochemicals, Slovnaft and INA during the first half of 2023 compared to the comparative period.

Industry income taxes include tax on energy supply activities in Hungary.

Local trade tax represents an income-based tax for Hungarian entities, payable to local municipalities. Tax base is calculated by deducting material costs, cost of goods sold and remediated services from sales revenue. Tax rates vary between 0-2% dependent on the regulation of local governments where the entities carry on business activities.

Deferred tax benefits in H1 2023 are primarily attributable to changes in tax losses carried forward and changes in the temporary differences between the carrying amount of assets and liabilities and its tax base.

Extra profit taxes are out of the scope of IAS 12 Income taxes standard, for further information see Note 4.

b) Current income taxes

Change in tax rates

There are no changes in corporate income tax rates effective from 1 January 2023 to be taken into account

c) Deferred tax assets and liabilities

Change in tax rates

The following changes due to change of legislation in corporate income tax rates effective from 1 January 2024 are taken into account in deferred tax calculation:

- a. change in Austria to 23% (2023: 24%)

NON-FINANCIAL ASSETS AND LIABILITIES

This section describes those non-financial assets that are used, and liabilities incurred to generate the Group's performance. This section also provides disclosures on the Group's recent acquisitions and disposals.

8. Property, plant and equipment

Property, plant and equipment

During the six months ended 30th June 2023, the Group purchased assets with cost of HUF 276,291 million, compared to HUF 234,024 million in H1 2022.

The purchase in the current period mainly related to capital expenditures in the Upstream (production and production optimisation projects in Azerbaijan, Hungary and Croatia and field development project in Azerbaijan) and Downstream segments (entering new market and growth projects in Hungary and refinery upgrade in Croatia)

Increase in the property, plant and equipment in the current period partly related to M&A project in the Consumer Services segment strengthening the Group's position on the Slovenian market (please see note 9).

In 2017, MOL Group started, and in 2023, continued its Polyol Project with which it intends to become a significant producer of polyether polyols, high-value intermediates for products applied in the automotive, packaging and furniture industry. Under the project, a new polyol plant will be constructed to which part of capital expenditures relate both in the current and comparative period. The Polyol Project is at 99% of completion as of 30 June 2023, and in 2023 HUF 6,103 million was capitalised in connection with it.

Impairments

MOL Group assessed as at 30 June 2023 if there are any indicators suggesting that assets have suffered a loss in value and if so, an economic estimate must be performed for the value in use of the asset. As a result of the assessment MOL identified no impairment indicator for the period.

9. Business combinations

a) Closed acquisitions

Acquisition of Lotos Paliwa Sp.z.o.o

On 12 January 2022 the Group signed a set of agreements with PKN Orlen and Grupa Lotos covering the sale and purchase of several portfolio elements within Consumer Services. As a result of the transaction, MOL Group acquired 417 service stations in Poland including 270 company owned sites with a country-wide coverage and the potential to reach a top 3 position in the local fuel retail market. An additional long-term agreement provides motor fuel supply for the acquired network in Poland at competitive terms. MOL Group signed an agreement to acquire the 100% share capital of Normbenz Magyarország Kft on 11 January 2022 consisting of 79 service stations with the aim to resell to PKN Orlen Group. The Group divested a total of 185 service stations to PKN Orlen located in Hungary and Slovakia for a total consideration of EUR 219 million (using year-end FX rate HUF 87,655 million). The divested assets include 143 service stations in Hungary and 39 stations in Slovakia. The closing is expected in 2023 and 2024 years for the divested assets. The two agreements are priced at their respective fair value, that is why reallocation between the two prices is not required.

The European Commission has approved the acquisition of 100% share of Lotos Paliwa Sp. z o.o. of Poland, by MOL and the acquisition of 100% share of Normbenz Magyarország Kft and of a number of assets of MOL, by PKN Orlen S.A. of Poland on 18 July 2022. The Commission concluded that the proposed acquisitions would raise no competition concerns, given the companies' moderate combined market position and the presence of strong competitors in Poland, in Hungary and in Slovakia. The transactions were examined under the normal merger review procedure.

The deal provides an outstanding inorganic expansion opportunity and an excellent fit to the Consumer Services segment's ambitious growth strategy.

Through the completion of the acquisition MOL's regional footprint further diversified and the captive market extended in the largest economy of the CEE region. The purchased set of assets provide a basis for future growth in the country, where MOL had limited presence thus far.

The acquired Lotos branded, Lotos Paliwa owned network captured particularly strong market positions amongst highway stations with further organic growth opportunity and significant upside to expand non-fuel sales. The transaction covered trademark licence arrangements and the takeover of fuel cards issued by Lotos Paliwa. The average throughput of the MOL service station network is expected to improve following the closing of the transaction.

Regarding the financial implications, the transaction is expected to have a mid-term positive annual EBITDA generation potential of around USD 70 million (using year-end FX rate HUF 26,298 million) to the Consumer Services segment and it is financed from available liquidity. The deal has no adverse effect to MOL Group's dividend payment capacity.

The agreed total purchase price amounts to USD 610 million (using year-end FX rate HUF 229,165 million), the sum of a cash consideration and a finance lease liability in relation to the purchase transaction and subject to customary adjustments.

The acquisition was successfully closed on 1 December 2022.

The measurement period is not closed yet for the acquisition of the polish retail network purchase price allocation as the management is still seeking for more information to finalise the calculation, which could affect the goodwill.

The assets and liabilities recognised as a result of the acquisition are as follows:

Lotos Paliwa BC

1 Dec 2022

	HUF million
Non-current assets	203,792
Intangible assets	14,272
Property, plant and equipment	188,819
Other non-current asset	701
Current assets	53,319
Inventories	12,103
Trade and other receivables	33,356
Cash and cash equivalents	2,018
Other current assets	5,842
Non-current liabilities	(56,325)
Non-current provisions	(1,127)
Long-term debt	(41,446)
Other non-current liabilities	(40)
Deferred tax liability	(13,712)
Current liabilities	(62,139)
Current provisions	(72)
Short-term debt	(1,889)
Trade and other payables	(54,323)
Income tax payable	(1,041)
Other current liabilities	(4,814)
Net assets	138,647
MOL Group's share of net assets	138,647
Goodwill on acquisition	
Fair value of consideration transferred	175,525
Less: fair value of identifiable net assets acquired	(138,647)
Goodwill on acquisition	36,878
Net cash outflow on acquisition of subsidiaries	
Consideration paid in cash	175,320
Less: cash and cash equivalent balances acquired	(2,009)
Net cash outflow	173,311

According to IFRS 3 the following intangible assets were identified and recognised: customer relationship in the amount of HUF 2,558 million and fuel supply agreement in the amount of HUF 11,267 million.

Factors that make up the goodwill recognised include expected synergies from the combining operations and potential future prospects in both further organic growth and non-fuel sales. It will not be deductible for tax purposes.

	Net revenue	FINAL Profit/(loss) for the period
Acquired Company 1 Dec 2022 - 31 Dec 2022	HUF million	HUF million
Lotos Paliwa	68,360	721

As described above during the acquisition of Lotos Paliwa SP.z.o.o, MOL Group has acquired several portfolio elements and not the whole business of Lotos Paliwa. Disclosing revenue and profit information for the combined entity for 2022 is impracticable, since such data is not readily available for the acquired portfolio elements and the costs of obtaining that information would exceed its utility to readers.

The amount of acquisition-related costs recognised as an expense is HUF 1,769 million, which mainly relate to taxes payable due to the acquisition.

Acquisition of OMV Slovenija d.o.o.

MOL Group reached an agreement with OMV to acquire OMV's 92.25% stake in OMV Slovenija d.o.o. from OMV Downstream GmbH as direct shareholder. The agreed purchase price is EUR 301 million (100% share of OMV Slovenija). The transaction includes 120 service stations across Slovenia.

The acquisition was successfully closed on 30 June 2023.

MOL is determined to ensure business continuity, relying on the professionalism and the expertise of the teams at its extended Slovenian network. OMV Slovenija d. o. o. will be renamed to MOL & INA d. o. o., with its headquarters remaining in Koper. MOL & INA as a part of MOL Group will strengthen the Group's position on the Slovenian market and enable retail and wholesale customers to access top quality products and services more conveniently in the future. According to an agreement between MOL and INA, INA will increase its share in MOL & INA d.o.o. from the current 7.75 percent to 33 percent. Out of the newly acquired service stations, 27 will be operating under the INA brand.

For obtaining a positive decision by the European Commission to complete the OMV Slovenija transaction, MOL Group in March 2023 concluded an asset sales and purchase agreement with Shell regarding 39 service stations of its joint Slovenian network. The closing of the transaction with Shell is expected by the second half of 2023.

The measurement period is not closed yet for the acquisition of the sloven retail network purchase price allocation as the management is still seeking for more information to finalise the calculation, which could affect all the balance sheet lines including the goodwill.

OMV Slovenija doo Purchase Price Allocation

30 June 2023

HUF million

Non-current assets	34,080
Intangible assets	19
Property, plant and equipment	32,306
Deferred tax asset	1,755
Current assets	41,192
Inventories	17,147
Trade and other receivables	23,011
Cash and cash equivalents	1,034
Non-current liabilities	(13,034)
Non-current provisions	(142)
Long-term debt	(12,892)
Current liabilities	(23,708)
Current provisions	(80)
Trade and other payables	(7,905)
Income tax payable	(285)
Other current liabilities	(15,438)
Net assets	38,530
MOL Group's share of net assets	32,290
Goodwill on acquisition	
Fair value of consideration transferred	124,953
Less: fair value of identifiable net assets acquired	(32,290)
Goodwill on acquisition	92,663
Net cash outflow on acquisition of subsidiaries	
Consideration paid in cash	102,368
Less: cash and cash equivalent balances acquired	(1,034)
Net cash outflow	101,334

b) Ongoing acquisitions

MOL Group signed an agreement with BayWa AG on the purchase of Szarvas Biogas Plant, a waste processing plant using organic wastes to produce electricity and heat through cogeneration with a peak electric power capacity of around 4 megawatts (MW).

MOL Group strives to expand its biofuel portfolio to meet the goals set by the European Union's Renewable Energy Directive. This acquisition is also in line with the aims of the REPowerEU action plan, which has set a high target for biogas and methane production to reasonably increase the overall energy independence of the European Union. A sense of responsibility for the security of the energy supply in the Central and Eastern European region is a fundamental part of MOL Group's identity and mindset for operation and development.

MOL and OGD signed an agreement in which MOL acquires a 49% stake in three exploration licenses of OGD in Central Hungary. The cooperation between the two companies will allow MOL to explore hydrocarbon prospects in the Paleogene Basin, a geological unit located in the vicinity of Budapest.

Both transactions' acquisition closing process is ongoing, control is not yet obtained, and both transactions are immaterial for the Group.

c) Update on acquisition of Aurora Kunststoffe GmbH and its subsidiaries

On 31 October 2019, MOL Group has acquired 100% shareholding of Aurora Kunststoffe GmbH. As of 30 June 2023, the fair value of contingent consideration is HUF 3.868 million, calculated by the most conservative approach, which equals to the maximum amount of the earn-out payable according to the sale and purchase agreement.

10. Inventories

Total amount of inventories decreased to HUF 796,767 million as of 30 June 2023 (HUF 997,045 million as of 31 December 2022) driven by strengthening HUF, lower crude oil and product prices and lower purchased alternative crude inventory volumes.

11. Other current assets

	30 Jun 2023 HUF million	31 Dec 2022 HUF million
Prepaid and recoverable taxes and duties (excluding income taxes)	38,685	48,552
Advance payments	27,267	30,102
Prepaid expenses	25,675	13,804
Dividend receivable	513	3,526
Other	1,373	579
Total	93,513	96,563

Other item contains mainly revenue accruals and receivables regarding employees.

12. Provisions

Total amount of provisions as of 30 June 2023 decreased compared to 31 December 2022 by HUF 69,143 million and amounted to HUF 630,305 million. The decrease was mainly due to the decrease in recognised provision for CO2 quotas (HUF -60,999 million) and the decrease in field abandonment provision due to FX change (HUF -6,792 million).

13. Other non-current liabilities

	30 Jun 2023 HUF million	31 Dec 2022 HUF million
Government grants received	20,938	22,357
Received and deferred other subsidies	7,944	6,666
Deferred compensation for property, plant and equipment	3,855	4,045
Deferred income for apartments sold	1,307	1,409
Liabilities to government for sold apartments	244	338
Other	4,508	4,443
Total	38,796	39,258

Other item contains mainly the liability of customer loyalty points and advances received from customers.

14. Other current liabilities

	30 Jun 2023 HUF million	31 Dec 2022 HUF million
Taxes, contributions payable (excluding corporate tax any mining royalty)	350,654	233,770
Dividend payable	313,345	765
Amounts due to employees	33,182	42,886
Advances from customers	24,170	22,002
Mining royalty	21,025	23,878
Custom fees payable	9,480	10,407
Fee payable for strategic inventory storage	4,598	4,171
Government subsidies received and accrued	2,981	2,789
Other accrued incomes	1,472	3,830
Other	8,099	6,392
Total	769,006	350,890

Taxes, contributions payable mainly include contributions to social security, value added tax and excise tax.

15. Assets held for sale and discontinued operation

A. Asset held for sale

	30 June 2023	31 Dec 2022
	HUF million	HUF million
Assets and liabilities held for sale		
Assets		
Property, plant and equipment	13,761	27,696
Intangible assets	489	490
Investment in associated companies and joint ventures	-	11,004
Other non-current financial assets	-	275
Deferred tax assets	223	118
Inventories	365	3,565
Other current assets	230	215
Assets classified as held for sale	15,068	43,363
Liabilities		
Trade and other payables	-	2,161
Liabilities related to assets classified as held for sale	-	2,161

Assets held for sale decreased by HUF 28,295 million and mostly include service stations in Hungary and Slovenia as of 30 June 2023. Liabilities held for sale decreased by HUF 2,161 million.

INA and PPD successfully closed the previously announced transaction with the Turkish YILDIRIM Group regarding the sale of their shares in Terra Mineralna Gnojiva d.o.o. Following fulfilment of all preconditions from the sales contract, the sale of shares in Terra Mineralna Gnojiva d.o.o. company, a joint venture company owned by PPD and INA which holds a 54.52% stake in Petrokemija, to the Turkish YILDIRIM Group, has been successfully completed on 28 April 2023. The transaction is immaterial for the Group.

In 2022 MOL Group initiated divestment process of its participating interest in Angolan Blocks 3/05 (4%) and 3/05A (5.3%) and signed an agreement on 18 July 2022 with Afentra (Angola) Ltd. In December 2022 the transfer was approved by the Minister of Mineral resources in Croatia and on 5 May 2023 the transaction was closed. The transaction is immaterial for the Group.

B. Discontinued operation

1. Description

On 23 March 2022, MOL Plc. signed an agreement with Waldorf Production Limited covering the sale of its entire Upstream portfolio in the United Kingdom.

The divested offshore assets included MOL Plc.'s 20% stake in the Catcher field, a 50% stake in Scolty & Crathes and a 21.8% stake in Scott as well as stakes in a number of other licences. MOL Plc.'s UK working interest production peaked above 18 mboepd in 2019 and was falling in 2020 and 2021, accordingly Q4 2021 production was marginally above 12 mboepd. MOL's corresponding proved and probable reserves (SPE 2P) amounted to 14.9 MMboe at the end of 2021.

Waldorf offered a base cash consideration of USD 305 million, which was subject to customary purchase price adjustments and was based on an economic effective date of January 1, 2021. In addition, the agreement contained an earn-out scheme mainly dependent on oil prices during 2022-2025. Please refer to Note 18 for further information.

MOL Plc. has successfully closed the deal with Waldorf Production Limited regarding the sale of its entire E&P portfolio in the United Kingdom on 10 November 2022. As a result of the transaction, Waldorf retained all future field abandonment liabilities.

List of divested assets:

Asset	MOL Working Interest
Greater Catcher Area	20.00%
Scott	21.83%
Telford	1.59%
Rochelle	20.71%
Scolty & Cratches	50.00%
Broom	29.00%
Brent Pipeline System	1.77%
Sullom Voe Terminal	0.72%

2. Financial performance and cash flow information

	H1 2023 HUF million	H1 2022 HUF million
Net sales	-	68,545
Other operating income	817	43
Total operating income	817	68,588
Raw materials and consumables used	-	(7,712)
Employee benefits expense	-	341
Depreciation, depletion, amortisation and impairment	-	(17,210)
Other operating expenses	-	403
Change in inventory of finished goods and work in progress	-	-
Work performed by the enterprise and capitalised	-	-
Total operating expenses	-	(24,178)
Profit from discontinued operation	817	92,765
Finance income	48	13,589
Finance expense	-	2,114
Total finance expense, net	48	(11,475)
Share of after-tax results of associates and joint ventures	-	-
Profit/(Loss) before tax from discontinued operation	865	104,240
Income tax expense	-	2,114
Profit / (Loss) for the period from discontinued operations	865	102,127

Other operating income is higher compared to H1 2022 due fair valuation of the contingent receivable recognised in connection to the divestment of the UK operation in November 2022.

Total operating expenses and total finance expenses decreased as the divestment of UK operation closed in November 2022.

	H1 2023 HUF million	H1 2022 HUF million
Profit/(Loss) before tax from discontinued operation	865	104,240
Cash flows from operations	61,379	61,379
Cash flows used in investing activities	26,826	(7,610)
Cash flows used in financing activities	(3,451)	(3,451)

Cash flow from operations and cash flows from financing activities decreased to zero as the divestment of UK operation closed in November 2022. Cash flows used in investing activities contain the consideration received from the earn-out scheme.

FINANCIAL INSTRUMENTS, CAPITAL AND FINANCIAL RISK MANAGEMENT

This section describes the financial instruments applied to fulfil policies and procedures to manage the capital structure and the financial risks the Group is exposed to.

16. Reconciliation of financial instruments

30 Jun 2023		Fair value through profit or loss	Derivatives used for hedging	Amortised cost	Fair value through other comprehensive income	Total carrying amount
Carrying amount of financial instruments		HUF million	HUF million	HUF million	HUF million	HUF million
Financial assets						-
Other non-current financial assets	Equity instruments	14,874	-	-	93,259	108,133
	Loans given	-	-	68,418	-	68,418
	Deposit	-	-	1	-	1
	Finance lease receivables	-	-	6,773	-	6,773
	Debt securities	-	-	-	55,050	55,050
	Commodity derivatives	1,909	-	-	-	1,909
	Other	16,924	-	43,616	-	60,540
Total non-current financial assets		33,707		118,808	148,309	300,824
Trade and other receivables		-	-	867,116	-	867,116
Finance lease receivables		-	-	-	-	-
Cash and cash equivalents		-	-	427,131	-	427,131
Debt securities		-	-	-	83,554	83,554
Other current financial assets	Commodity derivatives	29,444	-	-	-	29,444
	Loans given	-	-	1,854	-	1,854
	Deposit	-	-	6	-	6
	Finance lease receivables	-	-	650	-	650
	Foreign exchange derivatives	14	-	-	-	14
	Other derivatives	-	-	-	-	-
	Other	10,575	-	14,720	-	25,295
Total current financial assets		40,033	-	1,311,477	83,554	1,435,064
Total financial assets		73,740	-	1,430,285	231,863	1,735,888
Financial liabilities						-
Borrowings (long-term debt)		-	-	653,844	-	653,844
Finance lease liabilities		-	-	164,046	-	164,046
	Other derivatives	1,560	-	-	-	1,560
	Other	-	-	19,611	-	19,611
	Interest rate derivatives	-	(311)	-	-	(311)
Total non-current financial liabilities		1,560	(311)	837,501	-	838,750
Trade and other payables		-	-	688,285	-	688,285
Borrowings (short-term debt)		-	-	88,268	-	88,268
Finance lease liabilities		-	-	25,517	-	25,517
Other current financial liabilities	Transferred "A" shares with put&call options	-	-	180,663	-	180,663
	Commodity derivatives	17,423	-	-	-	17,423
	Foreign exchange derivatives	202	-	-	-	202
	Other derivatives	6,448	-	-	-	6,448
	Other	-	-	15,071	-	15,071
Interest rate derivatives		-	3	-	-	3
Total current financial liabilities		24,073	3	997,804	-	1,021,880
Total financial liabilities		25,633	(308)	1,835,305	-	1,860,630

31 Dec 2022		Fair value through profit or loss	Derivatives used for hedging	Amortised cost	Fair value through other comprehensive income	Total carrying amount
Carrying amount of financial instruments		HUF million	hedge acc.*	HUF million	HUF million	HUF million
Financial assets						
Other non-current financial assets	Equity instruments	15,781	-	-	104,251	120,032
	Loans given	-	-	80,988	-	80,988
	Deposit	-	-	391	-	391
	Finance lease receivables	-	-	7,346	-	7,346
	Debt securities	-	-	-	42,027	42,027
	Commodity derivatives	7,141	-	-	-	7,141
	Other	28,342	-	54,024	-	82,366
Total non-current financial assets		51,264	-	142,749	146,278	340,291
Trade and other receivables		-	-	931,511	-	931,511
Finance lease receivables		-	-	-	-	-
Cash and cash equivalents		-	-	595,244	-	595,244
Debt securities		-	-	-	7,295	7,295
Other current financial assets	Commodity derivatives	55,792	-	-	-	55,792
	Loans given	-	-	3,506	-	3,506
	Deposit	-	-	103	-	103
	Finance lease receivables	-	-	636	-	636
	Foreign exchange derivatives	0	-	-	-	-
	Other derivatives	0	-	-	-	650
	Other	27,071	-	90,205	-	117,276
Total current financial assets		83,513	-	1,621,205	7,295	1,712,013
Total financial assets		134,777	-	1,763,954	153,573	2,052,304
Financial liabilities						
Borrowings (long-term debt)		-	-	494,331	-	494,331
Finance lease liabilities		-	-	156,082	-	156,082
	Other derivatives	509	0	-	-	509
	Other	0	-	20,732	-	20,732
	Interest rate derivatives	-	(570)	0	-	(570)
Total non-current financial liabilities		509	-570	671,145	-	671,084
Trade and other payables		-	-	1,001,634	-	1,001,634
Borrowings (short-term debt)		-	-	437,397	-	437,397
Finance lease liabilities		-	-	31,289	-	31,289
Other current financial liabilities	Transferred "A" shares with put&call options	-	-	179,573	-	179,573
	Commodity derivatives	35,349	-	-	-	35,349
	Foreign exchange derivatives	-	-	-	-	-
	Other derivatives	-	-	-	-	-
	Other	-	-	16,529	-	16,529
	Interest rate derivatives	-	3	-	-	3
Total current financial liabilities		35,349	3	1,666,422	-	1,701,774
Total financial liabilities		35,858	-567	2,337,567	-	2,372,858

*hedge acc: under hedge accounting

The EUR 750 million 7-year maturity fixed-rate Eurobond (coupon 2.625%) issued in 2016 by MOL has been fully repaid along with the last coupon payment on the maturity date in April.

17. Trade and other receivables

Decrease of trade and other receivables to HUF 867,116 million is driven by decrease in crude oil and diesel prices in Downstream, seasonally higher demand and strengthening HUF during first half of 2023 (HUF 931,511 million as of 31 December 2022).

18. Fair value hierarchy

	30 Jun 2023				31 Dec 2022			
	Level 1 Unadjusted quoted prices in active markets HUF million	Level 2 Valuation techniques based on observable market input HUF million	Level 3 Valuation techniques based on unobservable input HUF million	Total fair value HUF million	Level 1 Unadjusted quoted prices in active markets HUF million	Level 2 Valuation techniques based on observable market input HUF million	Level 3 Valuation techniques based on unobservable input HUF million	Total fair value HUF million
Fair value hierarchy								
Financial assets								
Equity instruments	35,289	72,844	-	108,133	37,243	82,789	-	120,032
Debt securities	-	138,604	-	138,604	-	49,322	-	49,322
Commodity derivatives	-	31,353	-	31,353	-	62,933	-	62,933
Foreign exchange derivatives	-	14	-	14	-	-	-	-
Other derivatives	-	-	-	-	-	650	-	650
Other	-	-	27,499	27,499	-	-	55,413	55,413
Total financial assets	35,289	242,815	27,499	305,603	37,243	195,694	55,413	288,350
Financial liabilities								
Commodity derivatives	-	17,423	-	17,423	-	35,349	-	35,349
Foreign exchange derivatives	-	202	-	202	-	-	-	0
Other derivatives	-	8,008	-	8,008	-	509	-	509
Interest rate derivatives	-	(308)	-	(308)	-	(567)	-	(567)
Total financial liabilities	-	25,325	-	25,325	-	35,291	-	35,291

Other financial assets (both current and non-current) relate to the disposal of MOL's UK portfolio and INA's Angolan portfolio which are classified as a financial asset and measured at fair value through profit or loss. The fair values of these considerations are considered level 3 valuation inputs under the fair value hierarchy.

The fair value of the UK and the Angolan Block 3/05 earn-out consideration is determined by multiplying the average daily Brent price exceeding a pre-agreed Brent price and the number of produced oil barrels for the companies' percentage interest under the relevant Joint Operation Agreements and Production Sharing Agreement. Cash flows are estimated based on inputs including quoted Brent price and production volumes related to the disposed operations. The fair value of the consideration for the Angolan Block 3/05a is determined by the restart of the production on each Punja and Caco-Gazela field together with reaching the predetermined threshold production. Future cash flows are estimated based on best estimation on when production will restart and when threshold would be reached.

19. Capital management

Equity

Share capital

Changes in the number of ordinary, treasury and authorised shares:

Series "A" and "B" shares	Number of shares issued	Number of treasury shares	Shares under repurchase obligation	Shares under retransfer agreement	Number of shares outstanding	Authorised number of shares
1 Jan 2022	819,424,825	36,920,309	114,222,907	42,977,996	625,303,613	1,059,424,825
Share distribution for the members of the Board of Directors and participants of MRP	-	(190,625)	-	-	190,625	-
Settlement of share option agreement with Commerzbank A.G.	-	9,844,626	(9,844,626)	-	-	-
Settlement of share option agreement with ING Bank N.V.	-	2,438,877	(2,438,877)	-	-	-
Settlement of share option agreement with Unicredit Bank A.G.	-	(6,872,214)	6,872,214	-	-	-
Treasury shares sold to MOL Plc. SESOP Organizations	-	(6,609,424)	-	-	6,609,424	-
31 Dec 2022	819,424,825	35,531,549	108,811,618	42,977,996	632,103,662	1,059,424,825
Share distribution for the members of the Board of Directors and participants of MRP	-	(1,353,198)	-	-	1,353,198	-
Settlement of share option agreement with ING Bank N.V.	-	3,353,987	(3,353,987)	-	-	-
Settlement of share option agreement with Unicredit Bank A.G.	-	3,704,188	(3,704,188)	-	-	-
30 Jun 2023	819,424,825	41,236,526	101,753,443	42,977,996	633,456,860	1,059,424,825
Series "C" shares						
1 Jan 2022	578	578	-	-	-	578
31 Dec 2022	578	578	-	-	-	578
30 Jun 2023	578	578	-	-	-	578

Treasury share put and call option transactions

MOL Plc. has two option agreements concluded with financial institutions in respect of 61,669,435 pieces of series "A" shares ("Shares") as of 30 June 2023. Under the agreements, MOL Plc. holds American call options and the financial institutions hold European put options in respect of the Shares. The expiry of both the put and call options are identical.

Counterparty	Underlying pieces of MOL ordinary shares	Strike price per share	Expiry
ING Bank N.V.	30,927,069	EUR 8.5423	24 Jun 2024
UniCredit Bank AG	30,742,366	EUR 8.1321	24 Jun 2024

MOL agreed with ING Bank N.V. ("ING") on 20 June 2023, that the option rights in relation to 34,281,056 MOL Series "A" Ordinary shares ("Shares") under the share option agreement executed between ING and MOL on 20 June 2022 are either fully cash settled or partly physically and partly cash settled on 23 June 2023. Simultaneously, MOL and ING entered into a new share option agreement. According to the new share option agreement MOL received American call options and ING received European put options in relation to 30,927,069 Shares, with the effective date of 27 June 2023. The maturity date of both the call and put options is 24 June 2024, and the strike price of both options is EUR 8.5423 per Share.

MOL agreed with UniCredit Bank AG ("UniCredit") on 20 June 2023, that the option rights in relation to 34,446,554 MOL Series "A" Ordinary shares ("Shares") under the share option agreement executed between UniCredit and MOL on 20 June 2022 are either fully cash settled or partly physically and partly cash settled on 23 June 2023. Simultaneously, MOL and UniCredit entered into a new share option agreement. According to the new share option agreement MOL received American call options and UniCredit received European

put options in relation to 30,742,366 Shares, with the effective date of 27 June 2023. The maturity date of both the call and put options is 24 June 2024, and the strike price of both options is EUR 8.1321.

Share swap agreement with OTP

MOL Plc. and OTP entered into a share-exchange and a share swap agreement in 2009. Under the agreements, initially MOL transferred 40,084,008 "A" series MOL ordinary shares to OTP in return for 24,000,000 pieces OTP ordinary shares. The agreement contains settlement provisions in case of certain movement of relative share prices of the parties, subject to net cash or net share settlement. The agreement, concluded on 16 April 2009 has been further extended in 2022 until 11 July 2027, which did not trigger any movement in MOL Plc.'s treasury shares.

Until the expiration date each party can initiate a cash or physical (i.e. in shares) settlement of the deal.

Dividend

The Annual General Meeting of MOL Plc. held on 27 April 2023 approved to pay a dividend of HUF 279,752 million in respect of the 2022 financial year.

OTHER FINANCIAL INFORMATION

This section includes additional financial information that are either required by the relevant accounting standards or management considers these to be material information for shareholders. Commitments and contingent liabilities

20. Commitments and contingent liabilities

l) Guarantees

The total value of bank guarantees, letter of credits and other commitments undertaken to parties outside the Group and equity consolidated investments is contractually HUF 1,043,251 million.

b) Capital and Contractual Commitments

The total value of capital commitments as of 30 June 2023 is HUF 367,091 million (31 December 2022: HUF 299,287 million), of which HUF 172,505 million relates to operation in Hungary, HUF 111,709 million to Croatian operation and HUF 30,472 million to operation in Slovakia.

The most significant amounts relate to the Rijeka Refinery Upgrade Project (HUF 56,674 million). MOL is committed to the transformation of the refinery business and raising the competitiveness of the Rijeka Refinery. The investment will make the Rijeka Refinery one of the most modern refineries in Europe and will increase the proportion of profitable "white" products, i.e. motor fuels, to better serve market needs. Other large commitments in Croatia relate to the development projects of the Izabela SE and Irena gas fields in the Adriatic Sea (HUF 13,382 million) and the replacement of condensing turbines with electric drive (HUF 8,248 million).

MOL Group's most significant commitments in Hungary relate to a polyol project of MOL Petrochemicals (HUF 41,215 million), which aims to become a major producer of polyether polyols (high-value intermediate products for the automotive, packaging and furniture industries) in Europe, and to the implementation of a metathesis project, which is a greenfield investment providing propylene for the polyol complex (HUF 41,674 million).

As part of waste management, MOL is committed to improving and expanding the efficiency of the circular economy by boosting recycling through various innovative options, such as the automated redemption system for beverage packaging (HUF 35,755 million). Other substantial capital commitments in Hungary relate to expanding the capacity of Maleic Anhydride Unit at Danube Refinery (HUF 11,967 million).

MOL has further commitments in upstream to drill and complete 16 wells, reach new oil reserves, improve reservoir pressure maintenance and cover annual work programme (HUF 37,464 million).

The largest investment commitment in Slovakia relates to a debottlenecking and process optimisation project in petrochemical business (HUF 14,783 million).

MOL Group has a take-or-pay contract with JANA F in the amount of HUF 14,235 million.

MOL has a commitment in Romania for a minimum work-programme on license EX-6 as per concession agreement in the amount of HUF 8,456 million.

As part of corporate social responsibility, MOL Group is committed to spending HUF 835 million via sponsorship agreements.

c) Operating leases

	30 Jun 2023 HUF million	31 Dec 2022 HUF million
Unrecognised lease commitments*		
Due within one year	1,625	2,266
Due later than one year but not later than five years	1,122	1,328
Due later than five years	-	306
Total	2,747	3,900

*Lease commitments for short-term leases and leases of low-value assets

d) Authority procedures, litigation

General

None of the litigations described below have any impact on the accompanying consolidated financial statements except as explicitly noted. MOL Group entities are parties to a number of civil actions arising in the ordinary course of business. Currently, no further litigation exists that could have a material adverse effect on the financial condition, assets, results or business of the Group.

The total value of claims in litigations/arbitrations where members of the MOL Group act as defendant or respondent is HUF 14,753 million for which HUF 5,403 million provision has been made.

ICSID arbitration (MOL Plc. vs. Croatia)

The International Centre for Settlement of Investment Disputes (ICSID) delivered its verdict in the arbitration case between the Republic of Croatia and MOL Plc. on the 5 July 2022. MOL filed a request for arbitration against Croatia in 2013 for breaching contractual obligations on multiple occasions under the agreements signed between the parties in 2009 mainly concerning gas trading.

The ICSID award clearly states that Croatia's bribery related allegations are unfounded. The three-member council unanimously rejected Croatia's objection that the 2009 agreements were a result of criminal conduct. Similarly, to the UNCITRAL Tribunal in 2016, this international judicial forum also characterized the story of the Croatian criminal proceedings' crown witness as weak and full of contradictions. Furthermore, the court expressed strong doubts about the truthfulness and reliability both in the arbitral and criminal proceedings in Zagreb.

According to the ruling of the arbitration tribunal Croatia caused substantial damages to INA, and thus indirectly to MOL by failure to take over the gas trading business of INA as well as by breaching contractual obligations of natural gas pricing and royalty rate increases, thus awarding MOL with damages in the amount of USD 167.8 million. The tribunal awarded a further USD 16.1 million in damages caused by Croatia by forcing the sale of stored natural gas of INA's subsidiary (Prirodni Plin). Together with interest MOL was awarded a total of around USD 236 million in damages, which amount had not yet been paid to MOL. The contingent asset has not been recognised in the Statement of Financial Position.

CONCESSIONS (INA Group)

On 29 July 2011 the Ministry of Economy, Labour and Entrepreneurship (hereinafter: the Ministry) rendered three Decisions depriving INA of the license to explore hydrocarbons in exploration areas "Sava", "Drava" and "North-West Croatia".

On 29 August 2011, INA filed three administrative lawsuits against the Ministry's Decisions. The Administrative Court annulled the Ministry's Decisions.

On 10 November 2014, and on 20 February 2015 the Ministry adopted new Decisions in which it again deprived INA of the license to explore hydrocarbons in exploration areas "Sava" and "North-West Croatia" and "Drava", with the same explanations. INA filed lawsuits against new Ministry Decisions regarding exploration areas "Sava", "Drava" and "NW Croatia".

In November 2016 the Administrative Court reached a decision and rejected INA's claim in the case regarding exploration area "Drava". INA has filed an appeal against that decision in December 2016.

On 08 September 2017 INA received the judgment brought by the High Administrative Court rejecting INA's appeal against the first instance verdict in the "Drava" case. Thus, the Decision on seizure of hydrocarbon exploration approvals in the "Drava" research area, became final.

On 6 October 2017 INA filed a constitutional lawsuit before the Constitutional Court of Republic of Croatia against judgments brought by the High Administrative Court and Administrative Court of the Republic of Croatia in the "Drava" case. In its request, INA asked the Constitutional Court to annul all of these judgments. Constitutional Court rejected INA's claim.

The court also reached a decision regarding exploration area "North-West Croatia". Administrative Court rejected INA's claim. INA filled an appeal which was also rejected by High Administrative Court. Thus, the decision on seizure of hydrocarbon exploration approvals in the "North West Croatia" research area, became final.

INA filed a constitutional lawsuit before the Constitutional Court of Republic of Croatia with request that the Court annuls all of the above-mentioned judgments. Constitutional Court of Republic of Croatia rejected INA's claim.

On 12 July 2018, INA received a decision from the High Administrative Court cancelling the previous decision of the Administrative Court and the Ministry of Economy's decision regarding the "Sava" exploration licence and has returned the case for retrial. In reassessment proceedings Administrative Court reached a decision and rejected INA's claim. INA has filed an appeal against the first instance verdict which was rejected by the High Administrative Court.

In November 2021 INA filed lawsuit before Constitutional Court of Republic of Croatia which case is still in progress.

As at the date of this Prospectus, INA is not entitled to operate the "Sava", "North-West Croatia" and "Drava" exploration areas based on the contested licenses. However, new public tenders were held in 2016 and 2020 under which parts of these exploration areas were awarded to INA (amongst others) to perform exploration activities. The terms under which INA currently operates at these exploration areas are different from the terms of its initial operations due to changes in the applicable legislation.

BELVEDERE, INA No NŠ-14/17

In July 2017 INA received a lawsuit from Belvedere d.d. Dubrovnik with a claim of HRK 220 million. The claim relates to a loan provided by INA in 2005 to Belvedere d.d. (hotel "Belvedere" in Dubrovnik served as security for the loan). Since Belvedere d.d. has not returned the loan, enforcement procedure was initiated in 2012, and the hotel was sold to a highest bidder on a public auction. Belvedere d.d. now claims that the hotel was sold below its market value and also claims damage to its reputation and loss of profit.

Although the outcome of this procedure is uncertain it is more likely in favour of INA than not. Notwithstanding the possible outcome, request for the damage is deemed to set too high considering three independent court experts already discussed the market price issue. Case is interrupted until resolution of case INA No. 018-11/17 which represents preliminary issue for resolving this case. In case INA No. 018-11/17 final decision was reached in favour of INA. Currently this case is before Supreme Court of the Republic of Croatia since Belvedere filled proposal for permission to file a revision.

Revision court has rejected proposal for permission to file revision. Case Nš-14/17 will now continue.

MOL and INA vs. Federation of the Bosnia and Herzegovina (FBiH)

MOL and INA initiated arbitration against FBiH in 2012, in front of the International Court of Arbitration in Zurich. The case was in abeyance until November 2019.

On April 13th, 2022, ICC Tribunal has rendered its Partial Award by which the Tribunal has dismissed FBiH's counterclaim in its entirety (all claims have been dismissed) and MOL/INA Claim has been partially accepted as regards to its merits, while the amount of payment was postponed to be decided in the Second Phase of the arbitration.

Parties entered into negotiations in order to determine the amount of the MOL/INA Claim in a peaceful manner. Settlement was concluded on June 27th. According to the settlement, upon payment being received by MOL/INA, MOL/INA will withdraw its arbitration claim, expected end of July.

21. Notes to the consolidated statements of cash flows

Operating cash inflow before changes in working capital decreased to HUF 59,546 million in H1 2023 (H1 2022: HUF 901,010 million). This decrease was mainly driven by the change in profit before tax and income taxes paid. Operating cash inflow decreased to HUF 277,349 million considering the effect of changes in working capital (H1 2022: HUF 348,045 million).

Net cash used in investing activities decreased to HUF 262,101 million in H1 2023 (H1 2022: HUF 271,747 million). Cash flows used in acquisition of businesses increased, while capital expenditures decreased compared to the comparative period

Net cash outflow of financing activities increased to HUF 104,293 million in H1 2023 (H1 2022: HUF 304,017 million inflow) mainly due to repayments of bonds, notes and debentures and changes in borrowings.

22. Related party transactions

	30 Jun 2023 HUF million	31 Dec 2022 HUF million
Trade and other receivables due from related parties	4,744	7,313
Long-term loans given to related parties	60,333	71,792
Long-term receivables from related parties due to finance lease	6,127	6,419
Short-term loans given to related parties	161	2,644
Short-term receivables from related parties due to finance lease	650	636
Trade and other payables due to related parties	10,309	14,461
Long-term liabilities to related parties due to finance lease	3,006	3,481
Short-term liabilities to related parties due to finance lease	593	541
Net sales to related parties	19,773	55,947

The Group purchased and sold goods and services with associated companies and joint ventures during the ordinary course of business in 2023 and 2022. All of the transactions were conducted under market prices and conditions.

23. Events after the reporting period

a) Amendment to windfall taxes

In 2023 July the Hungarian government introduced CO₂ tax from 1 January 2023 (retrospectively). 40 EUR/t has to be paid after total CO₂ emission by each company with significant free quota allocation. First payment liability is due on 15 November (for Q1-Q3), both MOL Plc. and MPC (with significant free emission quote) are affected. From 1 September 2023 calculation of mining royalty rates changes (different rates will apply depending on market prices), this will result in further increase in Hungarian royalty payment liability. Besides that, the rate of the net revenue based tax for 2024 was established to be 1% of the revenue in 2022.

b) Business combinations

After the Hungarian Competition Authority granted its approval, MOL Group acquired the Szarvas Biogas Plant in July 2023. The Group signed an agreement in May 2023 with BayWa AG to purchase the plant, which is another important step in the implementation of the Group's long-term strategy. The priority is to further expand the Group's sustainability portfolio and accelerate the green energy transition. The transaction is immaterial for the Group.

In July 2023, the Group has acquired 100% of Lead Ventures Alapkezelő Zrt., which transaction is immaterial for the Group.

c) Cancel of INA's obligation to sell gas output

In 2022 September, the Croatian government decided to oblige INA to sell all of its domestically produced gas to HEP (national energy company) at a fixed price in order to secure gas supply to the domestic market. On 7 July 2023 the Croatian government revoked its decision and cancelled INA's obligation to sell gas output.

d) MOHU was launched on 1 July

On 1 July, new waste management system was launched in Hungary, under which MOHU MOL Waste Management Ltd. is responsible for the collection and treatment of around 5 million tonnes of municipal waste per year. The concession agreement covers a period of 35 years.

APPENDICES

Appendix I.

Key IFRS data by business segment

Unaudited figures (in HUF million)

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Net Sales Revenues (HUF mn) ^{(3) (8)}	H1 2023	H1 2022	Ch %
211,107	162,713	281,678	(42)	Upstream	373,820	504,208	(26)
1,727,992	1,615,655	2,336,326	(31)	Downstream	3,343,647	4,060,292	(18)
43,175	30,537	35,232	(13)	Gas Midstream	73,712	93,672	(21)
818,724	839,735	811,086	4	Consumer Services	1,658,459	1,392,037	19
60,715	72,452	68,698	5	Corporate and other	133,167	120,203	11
2,861,713	2,721,092	3,533,020	(23)	Total Net Sales Revenues	5,582,805	6,170,412	(10)
(815,167)	(760,274)	(1,064,548)	(29)	Intersegment transfers ⁽⁹⁾	(1,575,441)	(1,805,855)	(13)
2,046,546	1,960,818	2,468,472	(21)	Total external net sales revenues from cont.op.	4,007,364	4,364,557	(8)
-	-	39,867	(100)	Total external net sales revenues from discont.op.	-	68,545	(100)
2,046,546	1,960,818	2,508,339	(22)	Total External Net Sales Revenues	4,007,364	4,433,102	(10)

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	EBITDA (HUF mn)	H1 2023	H1 2022	Ch %
102,927	33,891	207,742	(84)	Upstream	136,818	370,890	(63)
120,789	52,743	296,341	(82)	Downstream	173,532	400,788	(57)
28,679	20,394	5,543	268	Gas Midstream	49,073	21,085	133
45,714	59,920	16,581	261	Consumer Services	105,634	37,271	183
(18,644)	(37,121)	(25,641)	45	Corporate and other	(55,765)	(35,197)	58
(7,021)	30,987	(27,444)	n.a.	Intersegment transfers ⁽⁹⁾	23,966	(29,523)	n.a.
272,444	160,814	473,122	(66)	TOTAL EBITDA from cont.op.	433,258	765,314	(43)
723	93	39,212	(100)	Total EBITDA from discont.op.	816	75,555	(99)
273,167	160,907	512,334	(69)	Total EBITDA	434,074	840,869	(48)

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Depreciation (HUF mn)	H1 2023	H1 2022	Ch %
30,614	25,459	47,978	(47)	Upstream	56,073	53,302	5
39,421	38,511	38,244	1	Downstream	77,932	75,415	3
4,202	4,147	3,885	7	Gas Midstream	8,349	8,032	4
14,097	12,676	10,277	23	Consumer Services	26,773	19,439	38
9,075	9,674	8,327	16	Corporate and other	18,749	16,366	15
(242)	(238)	(306)	(22)	Intersegment transfers ⁽⁹⁾	(480)	(545)	(12)
97,167	90,229	108,405	(17)	Total depreciation from cont.op.	187,396	172,009	9
-	-	-	n.a.	Total depreciation from discont.op.	-	(17,210)	(100)
97,167	90,229	108,405	(17)	Total Depreciation	187,396	154,799	21

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Operating Profit (HUF mn)	H1 2023	H1 2022	Ch %
72,313	8,432	159,764	(95)	Upstream	80,745	317,588	(75)
81,368	14,232	258,097	(94)	Downstream	95,600	325,373	(71)
24,477	16,247	1,658	880	Gas Midstream	40,724	13,053	212
31,617	47,244	6,305	649	Consumer Services	78,861	17,832	342
(27,719)	(46,795)	(33,968)	38	Corporate and other	(74,514)	(51,563)	45
(6,779)	31,225	(27,139)	n.a.	Intersegment transfers ⁽⁹⁾	24,446	(28,978)	n.a.
175,277	70,585	364,717	(81)	Total operating profit cont.op.	245,862	593,305	(59)
723	93	39,212	(100)	Total operating profit discont.op.	816	92,765	(99)
176,000	70,678	403,929	(83)	Total Operating Profit	246,678	686,070	(64)

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Operating Profit Excluding Special Items (HUF mn) ⁽¹⁾	H1 2023	H1 2022	Ch %
72,313	8,432	156,085	(95)	Upstream	80,745	272,459	(70)
81,368	14,232	258,097	(94)	Downstream	95,600	325,373	(71)
24,477	16,247	1,658	880	Gas Midstream	40,724	13,053	212
31,617	47,244	6,305	649	Consumer Services	78,861	17,832	342
(27,719)	(46,795)	(33,968)	38	Corporate and other	(74,514)	(51,563)	45
(6,779)	31,225	(27,138)	n.a.	Intersegment transfers ⁽⁹⁾	24,446	(28,978)	n.a.
175,277	70,585	361,039	(80)	Total operating profit excluding special items cont.op.	245,862	548,176	(55)
723	93	39,212	(100)	Total operating profit excluding special items discount.op.	816	92,765	(99)
176,000	70,678	400,251	(82)	Total Operating Profit Excluding Special Items	246,678	640,941	(62)

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Capital Expenditures (HUF bn)	H1 2023	H1 2022	Ch %
28.5	29.9	31.0	(3)	Upstream	58.4	59.8	(2)
28.3	40.6	55.3	(26)	Downstream	68.9	108.7	(37)
1.5	1.7	2.3	(23)	Gas Midstream	3.3	2.8	15
7.7	126.0	24.6	413	Consumer Services	133.7	32.0	317
5.9	11.7	13.4	(12)	Corporate and other	17.7	32.5	(46)
(0.5)	(0.6)	(0.3)	76	Intersegment transfers ⁽⁹⁾	(1.1)	(0.6)	80
71.3	209.4	126.1	66	Total	280.8	235.3	19

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	EBITDA Excluding Special Items (HUF mn) ⁽¹⁾	H1 2023	H1 2022	Ch %
102,927	33,891	207,742	(84)	Upstream	136,818	370,890	(63)
120,789	52,743	296,341	(82)	Downstream	173,532	400,788	(57)
108,657	35,043	307,446	(89)	Downstream - clean CCS-based ⁽²⁾	143,701	392,461	(63)
28,679	20,394	5,543	268	Gas Midstream	49,073	21,085	133
45,714	59,920	16,581	261	Consumer Services	105,634	37,271	183
(18,644)	(37,121)	(25,641)	45	Corporate and other	(55,765)	(35,197)	58
(7,021)	30,987	(27,444)	n.a.	Intersegment transfers ⁽⁹⁾	23,966	(29,523)	n.a.
258,852	140,825	486,215	(71)	Total - clean CCS-based⁽²⁾	399,677	754,665	(47)
272,444	160,814	473,122	(66)	Total EBITDA excluding special items cont.op.	433,258	765,314	(43)
723	93	39,212	(100)	TOTAL EBITDA excluding special items discount.op.	816	75,555	(99)
273,167	160,907	512,334	(69)	Total EBITDA Excluding Special Items	434,074	840,869	(48)

Intangible assets (HUF mn)	30 Jun 2023	31 Dec 2022	Ch %
Upstream	230,668	260,111	(11)
Downstream	42,161	103,267	(59)
Gas Midstream	3,287	4,306	(24)
Consumer Services	129,079	125,947	2
Corporate and other	155,553	61,373	153
Intersegment transfers ⁽⁹⁾	(3,293)	(2,416)	36
Total Intangible Assets	557,455	552,588	1

Tangible Assets (HUF mn)	30 Jun 2023	31 Dec 2022	Ch %
Upstream	837,099	878,870	(5)
Downstream	1,669,928	1,726,376	(3)
Gas Midstream	245,359	247,861	(1)
Consumer Services	683,625	722,575	(5)
Corporate and other	306,580	278,693	10
Intersegment transfers ⁽⁹⁾	(35,217)	(36,496)	(4)
Total Tangible Assets	3,707,374	3,817,879	(3)

Inventories (HUF mn)	30 Jun 2023	31 Dec 2022	Ch %
Upstream	22,274	27,469	(19)
Downstream	696,904	932,260	(25)
Gas Midstream	10,176	11,441	(11)
Consumer Services	34,230	37,027	(8)
Corporate and other	58,564	41,143	42
Intersegment transfers ⁽⁹⁾	(25,381)	(52,295)	(51)
Total Inventories	796,767	997,045	(20)

Trade receivables (HUF mn)	30 Jun 2023	31 Dec 2022	Ch %
Upstream	36,412	25,884	41
Downstream	667,010	723,892	(8)
Gas Midstream	6,014	10,075	(40)
Consumer Services	40,285	48,083	(16)
Corporate and other	60,978	96,046	(37)
Intersegment transfers ⁽⁹⁾	(31,476)	(100,346)	(69)
Total Trade receivables	779,223	803,634	(3)

Trade payables (HUF mn)	30 Jun 2023	31 Dec 2022	Ch %
Upstream	(26,020)	(45,080)	(42)
Downstream	(421,633)	(664,612)	(37)
Gas Midstream	(3,023)	(9,891)	(69)
Consumer Services	(93,773)	(109,297)	(14)
Corporate and other	(43,631)	(29,361)	49
Intersegment transfers ⁽⁹⁾	36,400	63,330	(43)
Total Trade payables	(551,680)	(794,911)	(31)

(1) Special items of operating profit and EBITDA are detailed in Appendix II. and IV.

(2) (3) (8) (9) Please see Appendix XI.

Appendix II.

Special items in operating profit and EBITDA

Unaudited figures (in HUF million)

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Special items - operating profit (HUF mn)	H1 2023	H1 2022	Ch %
175,277	70,585	361,038	(80)	Operating profit excl.spec.items from continuing operation	245,862	548,176	(55)
		3,679	(100)	Upstream		45,129	(100)
		3,679	(100)	Impairment on Upstream assets in the Group		45,129	(100)
		3,679	(100)	Total impact of special items on operating profit from continuing operation		45,129	(100)
175,277	70,585	364,717	(81)	Operating profit from continuing operation	245,862	593,305	(59)

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Special items - EBITDA (HUF mn)	H1 2023	H1 2022	Ch %
272,444	160,814	473,122	(66)	EBITDA excl. special items from continuing operation	433,258	765,314	(43)
272,444	160,814	473,122	(66)	EBITDA from continuing operation	433,258	765,314	(43)

Appendix III.

Key IFRS data by business segment

Unaudited figures (in USD million)

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Net Sales Revenues (USD mn) ^{(3) (8)}	H1 2023	H1 2022	Ch %
582	475	781	(39)	Upstream	1,057	1,469	(28)
4,774	4,717	6,443	(27)	Downstream	9,491	11,725	(19)
119	89	98	(9)	Gas Midstream	208	277	(25)
2,262	2,452	2,236	10	Consumer Services	4,714	4,015	17
168	212	189	12	Corporate and other	380	347	10
7,905	7,945	9,747	(18)	Total Net Sales Revenues	15,850	17,833	(11)
(2,252)	(2,220)	(2,938)	(24)	Intersegment transfers ⁽⁹⁾	(4,472)	(5,208)	(14)
5,653	5,725	6,809	(16)	Total external net sales revenues from cont.op.	11,378	12,625	(10)
-	-	109	(100)	Total external net sales revenues from discount.op.	-	198	(100)
5,653	5,725	6,918	(17)	Total External Net Sales Revenues	11,378	12,823	(11)

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	EBITDA (USD mn)	H1 2023	H1 2022	Ch %
283	99	576	(83)	Upstream	382	1,080	(65)
333	154	820	(81)	Downstream	487	1,132	(57)
79	60	16	272	Gas Midstream	139	64	118
127	175	46	380	Consumer Services	301	110	173
(51)	(108)	(73)	48	Corporate and other	(160)	(102)	57
(20)	92	(78)	n.a.	Intersegment transfers ⁽⁹⁾	72	(82)	n.a.
751	470	1,307	(64)	TOTAL EBITDA from cont.op.	1,221	2,202	(45)
2	1	108	(99)	Total EBITDA from discount.op.	3	219	(99)
753	471	1,415	(67)	Total EBITDA	1,224	2,421	(49)

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Depreciation (USD mn)	H1 2023	H1 2022	Ch %
85	74	133	(44)	Upstream	159	155	2
109	112	105	7	Downstream	221	220	0
12	12	11	10	Gas Midstream	24	24	1
39	37	28	32	Consumer Services	76	56	35
25	28	23	22	Corporate and other	53	48	12
(2)	1	-	n.a.	Intersegment transfers ⁽⁹⁾	(1)	(1)	137
268	264	300	(12)	Total depreciation from cont.op.	532	502	6
-	-	-	n.a.	Total depreciation from discount.op.	-	(50)	(100)
268	264	300	(12)	Total Depreciation	532	452	18

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Operating Profit (USD mn)	H1 2023	H1 2022	Ch %
199	25	442	(94)	Upstream	224	924	(76)
224	42	714	(94)	Downstream	266	912	(71)
68	47	5	849	Gas Midstream	115	40	187
88	137	18	661	Consumer Services	225	54	319
(77)	(136)	(95)	43	Corporate and other	(213)	(149)	43
(19)	91	(77)	n.a.	Intersegment transfers ⁽⁹⁾	72	(81)	n.a.
483	206	1,007	(80)	Total operating profit cont.op.	689	1,700	(59)
2	1	108	(99)	Total operating profit discount.op.	3	269	(99)
485	207	1,115	(81)	Total Operating Profit	692	1,969	(65)

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Operating Profit Excluding Special Items (USD mn) ⁽¹⁾	H1 2023	H1 2022	Ch %
199	25	433	(94)	Upstream	224	793	(72)
224	42	714	(94)	Downstream	266	912	(71)
68	47	5	840	Gas Midstream	115	40	187
88	137	18	661	Consumer Services	225	54	319
(77)	(136)	(95)	43	Corporate and other	(213)	(149)	43
(19)	91	(77)	n.a.	Intersegment transfers ⁽⁹⁾	72	(81)	n.a.
483	206	998	(79)	Total operating profit excluding special items cont.op.	689	1,569	(56)
2	1	108	(99)	Total operating profit excluding special items discount.op.	3	269	(99)
485	207	1,106	(81)	Total Operating Profit Excluding Special Items	692	1,838	(62)

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Capital Expenditures (USD mn)	H1 2023	H1 2022	Ch %
79	87	85	2	Upstream	166	174	(5)
78	119	152	(22)	Downstream	197	316	(38)
4	5	6	(17)	Gas Midstream	9	8	18
21	368	68	444	Consumer Services	389	90	332
16	34	37	(8)	Corporate and other	51	96	(47)
(1)	(2)	(1)	85	Intersegment transfers ⁽⁹⁾	(3)	(2)	78
197	612	348	76	Total	809	682	19

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	EBITDA Excluding Special Items (USD mn) ⁽¹⁾	H1 2023	H1 2022	Ch %
283	99	576	(83)	Upstream	382	1,080	(65)
333	154	820	(81)	Downstream	487	1,132	(57)
299	102	861	(88)	Downstream - clean CCS-based ⁽²⁾	402	1,115	(64)
79	60	16	272	Gas Midstream	139	64	118
127	174	46	380	Consumer Services	301	110	173
(51)	(108)	(73)	48	Corporate and other	(160)	(102)	57
(20)	92	(78)	n.a.	Intersegment transfers ⁽⁹⁾	72	(82)	n.a.
714	411	1,354	(70)	Total - clean CCS-based⁽²⁾	1,125	2,177	(48)
751	470	1,307	(64)	Total EBITDA excluding special items cont.op.	1,221	2,202	(45)
2	1	108	(99)	TOTAL EBITDA excluding special items discount.op.	3	219	(99)
753	471	1,415	(67)	Total EBITDA Excluding Special Items	1,224	2,421	(49)

Intangible assets (USD mn)	30 Jun 2023	31 Dec 2022	Ch %
Upstream	674	692	(3)
Downstream	123	275	(55)
Gas Midstream	10	12	(17)
Consumer Services	377	335	12
Corporate and other	454	163	178
Intersegment transfers ⁽⁹⁾	(10)	(6)	50
Total Intangible Assets	1,628	1,471	11

Tangible Assets (USD mn)	30 Jun 2023	31 Dec 2022	Ch %
Upstream	2,445	2,339	5
Downstream	4,877	4,595	6
Gas Midstream	717	660	9
Consumer Services	1,997	1,923	4
Corporate and other	895	742	21
Intersegment transfers ⁽⁹⁾	(103)	(96)	7
Total Tangible Assets	10,828	10,163	7

Inventories (USD mn)	30 Jun 2023	31 Dec 2022	Ch %
Upstream	65	73	(11)
Downstream	2,035	2,482	(18)
Gas Midstream	30	31	(3)
Consumer Services	100	99	1
Corporate and other	171	110	56
Intersegment transfers ⁽⁹⁾	(74)	(141)	(48)
Total Inventories	2,327	2,654	(12)

Trade receivables (USD mn)	30 Jun 2023	31 Dec 2022	Ch %
Upstream	106	69	54
Downstream	1,948	1,927	1
Gas Midstream	18	27	(35)
Consumer Services	118	128	(8)
Corporate and other	178	256	(30)
Intersegment transfers ⁽⁹⁾	(92)	(268)	(66)
Total Trade receivables	2,276	2,139	6

Trade payables (USD mn)	30 Jun 2023	31 Dec 2022	Ch %
Upstream	(76)	(120)	(37)
Downstream	(1,231)	(1,769)	(30)
Gas Midstream	(9)	(26)	(66)
Consumer Services	(274)	(291)	(6)
Corporate and other	(127)	(78)	63
Intersegment transfers ⁽⁹⁾	106	168	(37)
Total Trade payables	(1,611)	(2,116)	(24)

(1) Special items of operating profit and EBITDA are detailed in Appendix II. and IV.

(3) (8) (9) Please see Appendix XI.

Appendix IV.

Special items in operating profit and EBITDA

Unaudited figures (in USD million)

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Special items - operating profit (USD mn)	H1 2023	H1 2022	Ch %
483	206	997	(79)	Operating Profit excl. Special items from continuing operations	689	1,569	(56)
		10	(100)	Upstream		131	(100)
		10	(100)	Impairment on Upstream assets in the Group		131	(100)
		10	(100)	Total impact of special items on EBIT		131	(100)
483	206	1,007	(80)	Operating Profit	689	1,700	(59)
Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Special items - EBITDA (USD mn)	H1 2023	H1 2022	Ch %
751	470	1,307	(64)	EBITDA excluding special items	1,221	2,202	(45)
751	470	1,307	(64)	EBITDA from continuing operations	1,221	2,202	(45)

Appendix V.

Downstream – key segmental operating data

Refining and marketing

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	External refined product sales by product (kt)	H1 2023	H1 2022	Ch %
72	80	98	(19)	LPG ⁽¹⁰⁾	152	184	(17)
45	16	4	304	Naphtha	61	5	n.a.
717	888	952	(7)	Motor gasoline	1,604	1,697	(5)
2,279	2,703	2,678	1	Diesel	4,982	5,076	(2)
88	74	72	3	Heating oils	161	187	(14)
95	159	146	9	Kerosene	253	236	7
46	32	90	(64)	Fuel oil	79	115	(32)
72	155	163	(5)	Bitumen	228	239	(5)
161	178	356	(50)	Other products	340	768	(56)
3,738	4,469	4,559	(2)	Total refined products	8,207	8,507	(4)
566	505	396	27	Petrochemical feedstock transfer	1,071	979	9

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Refinery processing (kt)	H1 2023	H1 2022	Ch %
119	120	105	15	Own produced crude oil	239	218	10
2,785	3,400	3,497	(3)	Imported crude oil	6,185	6,504	(5)
30	35	28	26	Condensates	65	59	10
547	773	740	4	Other feedstock	1,320	1,301	1
3,481	4,328	4,370	(1)	Total refinery throughput	7,809	8,082	(3)
1,123	1,047	754	39	Purchased and sold products	2,170	1,765	23

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Refinery production (kt)	H1 2023	H1 2022	Ch %
75	127	122	4	LPG ⁽¹⁰⁾	201	208	(3)
475	412	325	27	Naphtha	887	758	17
583	743	837	(11)	Motor gasoline	1,325	1,487	(11)
1,529	1,754	1,915	(8)	Diesel and heating oil	3,284	3,525	(7)
73	136	115	18	Kerosene	209	191	9
113	129	161	(20)	Fuel oil	242	268	(10)
65	152	156	(3)	Bitumen	217	241	(10)
224	519	341	52	Other products	742	681	9
3,135	3,972	3,972	0	Total	7,107	7,359	(3)
13	25	22	15	Refinery loss	38	36	6
342	350	376	(7)	Own consumption	692	687	1
3,490	4,347	4,370	(1)	Total refinery throughput	7,837	8,082	(3)

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Refinery processing (kt) ⁽²⁰⁾	H1 2023	H1 2022	Ch %
119	120	105	15	Own produced crude oil	239	218	10
2,785	2,921	2,745	6	Imported crude oil	5,706	5,742	(1)
2,904	3,041	2,850	7	Total crude process	5,945	5,960	0

(10) (20) Please see Appendix XI.

Petrochemicals

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Petrochemical sales by product group (kt)	H1 2023	H1 2022	Ch %
38	40	41	(2)	Olefin products	78	95	(18)
265	251	219	15	Polymer products	516	503	3
22	19	17	12	Butadiene products	41	38	8
325	310	277	12	Total outside MOL Group	635	636	0
169	142	103	38	Olefin products sales within MOL Group	311	264	18

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Petrochemical production (kt)	H1 2023	H1 2022	Ch %
178	160	119	34	Ethylene	338	323	5
95	84	61	38	Propylene	179	166	8
201	159	122	30	Other products	360	326	10
474	403	302	33	Total olefin	877	815	8
21	18	17	6	Butadiene	39	37	5
30	26	27	(4)	Raffinate	56	60	(7)
51	44	44	0	Total BDEU production	95	97	(2)
57	54	48	13	LDPE	111	113	(2)
86	66	33	100	HDPE	152	125	22
128	119	100	19	PP	247	237	4
271	239	181	32	Total polymers	510	475	7

Appendix VI.

Consumer services – key segmental operating data

Retail

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Refined product retail sales (kt)	H1 2023	H1 2022	Ch %
370	450	375	20	Motor gasoline	820	677	21
977	1,109	985	13	Gas and heating oils	2,086	1,862	12
34	41	24	71	Other products	75	45	66
1,381	1,599	1,384	16	Total oil product retail sales	2,980	2,584	15

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Refined product retail sales (kt) Gasoline	H1 2023	H1 2022	Ch %
125	142	156	(9)	Hungary	267	276	(3)
53	60	53	13	Slovakia	113	97	16
44	52	0	n.a.	Poland	96	0	n.a.
56	81	66	23	Croatia	137	115	19
39	48	39	23	Romania	87	76	14
34	42	36	17	Czech Republic	76	69	10
19	25	25	0	Other	44	44	0
370	450	375	20	Total gasoline product retail sales	820	677	21

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Refined product retail sales (kt) Diesel	H1 2023	H1 2022	Ch %
223	240	344	(30)	Hungary	463	630	(27)
136	147	139	6	Slovakia	283	264	7
113	118	0	n.a.	Poland	231	0	n.a.
209	278	205	36	Croatia	487	380	28
134	148	125	18	Romania	282	253	11
76	83	79	5	Czech Republic	159	157	1
86	95	93	2	Other	181	178	2
977	1,109	985	13	Total diesel product retail sales	2,086	1,862	12

MOL Group filling stations	30 Jun 2022	31 Mar 2023	30 Jun 2023
Hungary	466	465	465
Croatia	438	439	440
Poland	0	411	410
Slovakia	272	247	235
Romania	244	250	248
Bosnia and Herzegovina	105	105	105
Serbia	75	71	71
Czech Republic	303	301	301
Slovenia	53	53	54
Montenegro	11	12	12
Total	1,967	2,354	2,341

Appendix VII.

Main internal and external parameters

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Macro figures (average)	H1 2023	H1 2022	Ch %
81.2	78.1	113.9	(31)	Brent dated (USD/bbl)	79.7	107.9	(26)
51.5	56.3	77.6	(27)	Ural Blend (USD/bbl) ⁽¹¹⁾	53.8	82.7	(35)
(32.5)	(22.3)	(34.8)	(36)	Urals-Brent spread (USD/bbl) ⁽¹⁴⁾	(27.6)	(23.2)	1300
53.7	35.1	100.2	(65)	TTF gas price (EUR/MWh)	44.4	99.5	(55)
841	835	1,231	(32)	Premium unleaded gasoline 10 ppm (USD/t) ⁽¹²⁾	838	1,084	(23)
847	716	1,192	(40)	Gas oil – ULSD 10 ppm (USD/t) ⁽¹²⁾	784	1,055	(26)
647	568	810	(30)	Naphtha (USD/t) ⁽¹³⁾	609	831	(27)
359	414	549	(25)	Fuel oil 3.5 (USD/t) ⁽¹³⁾	386	535	(28)
226	245	369	(34)	Crack spread – premium unleaded (USD/t) ⁽¹²⁾	235	267	(12)
233	125	331	(62)	Crack spread – gas oil (USD/t) ⁽¹²⁾	181	238	(24)
33	(23)	(52)	(56)	Crack spread – naphtha (USD/t) ⁽¹³⁾	6	15	-156
(255)	(177)	(313)	(44)	Crack spread – fuel oil 3.5 (USD/t) ⁽¹³⁾	(217)	(282)	(23)
19.7	22.2	33.8	(34)	Crack spread – premium unleaded (USD/bbl) ⁽¹²⁾	20.9	22.1	(5)
32.5	18.0	46.1	(61)	Crack spread – gas oil (USD/bbl) ⁽¹²⁾	25.5	33.7	(24)
(8.5)	(14.3)	(22.9)	(38)	Crack spread – naphtha (USD/bbl) ⁽¹³⁾	(11.3)	(14.5)	1 020
(24.4)	(12.7)	(27.2)	(53)	Crack spread – fuel oil 3.5 (USD/bbl) ⁽¹³⁾	(18.7)	(23.4)	(20)
9.4	5.4	16.4	(67)	Brent-based MOL Group refinery margin (USD/bbl)	7.4	8.7	(15)
9.8	5.8	16.6	(65)	Brent-based Complex refinery margin (MOL + Slovnaft) (USD/bbl)	7.8	9.0	(14)
1,242	1,217	1,618	(25)	Ethylene (EUR/t)	1,229	1,484	(17)
366	412	593	(30)	Butadiene-naphtha spread (EUR/t)	389	453	(14)
329	358	600	(40)	MOL Group Petrochemicals margin (EUR/t) ⁽¹⁵⁾	343	544	(37)
149	224	387	(42)	MOL Group Variable Petrochemicals margin (EUR/t)	187	340	(45)
362.1	342.5	362.5	(6)	HUF/USD average	352.5	343.6	3
388.6	372.9	385.9	(3)	HUF/EUR average	380.9	375.1	2
4.9	5.4	1.5	252	3m USD LIBOR (%)	5.2	1.0	1 391
2.6	3.4	(0.4)	n.a.	3m EURIBOR (%)	3.0	(0.4)	(163)
16.2	15.9	7.0	129	3m BUBOR (%)	16.0	6.0	169

Q1 2023	Q2 2023	Q2 2022	YoY Ch %	Macro figures (closing)	H1 2023	H1 2022	Ch %
79.1	75.0	120.5	(38)	Brent dated closing (USD/bbl)	75.0	120.5	(38)
49.8	56.7	85.4	(34)	Urals dated closing (USD/bbl)	56.7	85.4	(34)
349.9	342.4	380.0	(10)	HUF/USD closing	342.4	380.0	(10)
381.0	371.1	396.8	(6)	HUF/EUR closing	371.1	396.8	(6)
2,564	2,988	2,918	2	MOL share price closing (HUF)	2,988	2,918	2

(11) (12) (13) (14) (15) Please see Appendix XI.

Appendix VIII.

Regulated information in 2023

Announcement date	Subject
13 Jan 2023	Director/PDMR transaction
17 Jan 2023	Change in the number of Treasury shares of MOL
17 Jan 2023	Directors/PDMR transaction
19 Jan 2023	Transaction by a person closely associated with a person discharging managerial responsibilities
20 Jan 2023	Director/PDMR transaction
25 Jan 2023	Director/PDMR transaction
31 Jan 2023	Number of voting rights at MOL Plc
06 Feb 2023	The Hungarian National Bank has approved the mandatory public takeover bid for the shares of Alteo Plc
17 Feb 2023	Publication of MOL Group's Q4 and Full Year 2022 results
20 Feb 2023	MOL transferred further Treasury shares to MOL ESOP Organization
20 Feb 2023	Directors/PDMR transaction
23 Feb 2023	MOL Treasury share transaction
23 Feb 2023	Director/PDMR transaction
28 Feb 2023	Number of voting rights at MOL Plc
01 Mar 2023	Transaction by a person closely associated with a person discharging managerial responsibilities
03 Mar 2023	Submission of applications for competition authority approvals defined in the public takeover bid for the shares of Alteo Plc.
14 Mar 2023	Result of the mandatory public takeover bid for the shares of Alteo Plc.
14 Mar 2023	Az Alteo Nyrt. részvényeire tett nyilvános vételi ajánlat eredményének közzététele
22 Mar 2023	Closing of the transaction to acquire majority control of Alteo Plc
23 Mar 2023	Announcement by the Board of Directors of MOL Plc on the convocation of the Annual General Meeting
23 Mar 2023	Proposals of the Board of Directors to the 2023 Annual General Meeting
31 Mar 2023	Number of voting rights at MOL Plc
04 Apr 2023	Dividend proposal of the Board of Directors to the 2023 Annual General Meeting
05 Apr 2023	Publication of Annual General Meeting documents
27 Apr 2023	Resolutions of the Annual General Meeting of MOL Plc. held on 27 April 2023
27 Apr 2023	MOL Plc. Corporate Governance Report in accordance with Budapest Stock Exchange Corporate Governance Recommendations
27 Apr 2023	Change in the composition of the Supervisory Board
27 Apr 2023	Statement of the Board of Directors on the efficiency of the publication processes of MOL Plc. according to the BSE CG Recommendations
27 Apr 2023	Publication of MOL Plc. Annual Report, Integrated Annual Report and GRI Reporting Table
28 Apr 2023	Repayment of the EUR 750 million Eurobond
28 Apr 2023	Number of voting rights at MOL Plc
12 May 2023	MOL Group releases First Quarter 2023 Earnings Report
12 May 2023	Share distribution to the members of the Board of Directors
18 May 2023	MOL Plc announcement regarding the distribution of dividend for financial year of 2022
25 May 2023	Revolving credit facility increase
31 May 2023	The number of voting rights attached to MOL shares and the share capital of the Company
31 May 2023	Change in the number of Treasury shares of MOL
02 Jun 2023	Fitch Ratings ("Fitch") improved the outlook to stable from negative and affirmed MOL's investment grade credit rating at 'BBB-'
13 Jun 2023	Director/PDMR transaction
13 Jun 2023	Director/PDMR transaction
14 Jun 2023	Director/PDMR transaction
14 Jun 2023	Personnel Change in Investor Relations Officer
15 Jun 2023	Director/PDMR transaction
20 Jun 2023	Settlement of option agreements and conclusion of new agreements
21 Jun 2023	Articles of Associations
23 Jun 2023	Settlement of option agreements and terms and conditions of new share option agreements
29 Jun 2023	Director/PDMR transaction
30 Jun 2023	MOL will take over waste management activities on 1 July
30 Jun 2023	Number of voting rights at MOL Plc
30 Jun 2023	Director/PDMR transaction
03 Jul 2023	Director/PDMR transaction
04 Jul 2023	Director/PDMR transaction
05 Jul 2023	Director/PDMR transaction
05 Jul 2023	Director/PDMR transaction
05 Jul 2023	Director/PDMR transaction
10 Jul 2023	Change in the number of Treasury shares of MOL
17 Jul 2023	Personnel Change in Investor Relations Officer
18 Jul 2023	Change in the number of Treasury shares of MOL

18 Jul 2023	MOL is to pay HUF 354.26 dividend per share
25 Jul 2023	Credit rating update without change

Appendix IX.

Shareholder structure

Shareholders (%)	30 Sep 2021	31 Dec 2021	31 Mar 2022	30 Jun 2022	30 Sep 2022	31 Dec 2022	31 Mar 2023	30 Jun 2023
Foreign investors (mainly institutional)	26.72	27.01	29.73	31.14	31.37	31.22	30.81	30.65
Hungarian State (MNV Zrt.)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MOL New Europe Foundation	10.49	10.49	10.49	10.49	10.49	10.49	10.49	10.49
Maecenas Corvini Foundation	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Mathias Corvinus Collegium Foundation	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
MOL Plc. SESOP Organizations ⁽⁷⁾	0.00	0.00	7.95	7.95	7.95	7.95	7.95	7.95
OmanOil (Budapest) Limited	7.14	7.14	0.00	0.00	0.00	0.00	0.00	0.00
OTP Bank Plc.	4.90	4.90	4.92	4.89	4.89	4.90	4.90	4.89
OTP Fund Management	1.31	1.34	0.68	0.32	0.28	0.26	0.34	0.31
ING Bank N.V.	4.48	4.48	4.41	4.18	4.18	4.18	4.18	3.77
UniCredit Bank AG	3.37	3.37	4.76	4.20	4.20	4.20	4.20	3.75
Commerzbank AG	1.20	1.20	0.00	0.00	0.00	0.00	0.00	0.00
Domestic institutional investors	10.52	10.54	9.87	9.18	8.83	8.99	9.27	8.83
Domestic private investors	7.29	6.96	5.59	5.27	5.29	5.31	5.38	5.91
MOL Plc. (treasury shares)	2.58	2.58	1.60	2.37	2.51	2.51	2.48	3.44

Please note that data above do not fully reflect the ownership structure in the Share Register. The registration is not mandatory. The shareholder may exercise its rights towards the company if the shareholder is registered in the Share Register.

According to the registration requests to the Share Register and the shareholders notifications, five shareholder groups had more than 5% voting rights in MOL Plc. on 30 June 2023, MOL New Europe Foundation having 10.49%, Maecenas Corvini Foundation having 10%, Mathias Corvinus Collegium Foundation having 10%, MOL Plc. SESOP Organizations having 7.95% and OTP Bank Plc. (including OTP Fund Management) having 5.20% voting rights in MOL. Please note that the voting rights are calculated as the number of shares held to total shares. According to the Articles of Association no shareholder or shareholder group may exercise more than 10% of the voting rights.

Appendix X.

Changes in organization and senior management

The 2023 Annual General Meeting made the following resolutions:

- ▶ elected Mr. Zolt Hernádi as member of the Board of Directors from 1 May 2023 to 30 April 2028.
- ▶ elected Mr. Zoltán Áldott as member of the Supervisory Board from 1 May 2023 to 30 April 2028.
- ▶ elected Mr. András Láncki as member of the Supervisory Board from 1 May 2023 to 30 April 2028.
- ▶ elected Mr. Péter Bíró as member of the Supervisory Board from 1 May 2023 to 30 April 2028.
- ▶ elected Mr. Péter Bíró as member of the Audit Committee from 1 May 2023 to 30 April 2028.

Appendix XI.

Footnote collection

Number of footnote	
(1)	Special items affected operating profit and EBITDA is detailed in Appendix II, and IV.
(2)	As of Q2 2013 our applied clean CCS methodology eliminates from EBITDA/operating profit inventory holding gain / loss (i.e.: reflecting actual cost of supply of crude oil and other major raw materials); impairment on inventories; FX gains / losses on debtors and creditors; furthermore, adjusts EBITDA/operating profit by capturing the results of underlying hedge transactions. Clean CCS figures of the base periods were modified as well according to the improved methodology.
(3)	Both the 2022 and 2023 figures have been calculated by converting the results of each month in the period on its actual monthly average HUF/USD rate.
(4)	Excluding separated condensate
(5)	Including LPG and other gas products
(6)	Basic earnings per share are calculated by decreasing the net profit for the period attributable to ordinary shareholders with the coupon paid to the owners of Perpetual Exchangeable Capital Securities and divided by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is calculated considering the potentially dilutive effect of the conversion option embedded in the Perpetual Exchangeable Capital Securities in the number of outstanding shares and by excluding the fair valuation difference of the conversion option from the net income attributable to equity holders of the parent.
(7)	On 27 January Oman Oil (Budapest) Limited sold a total of 58,530,352 "A" Series MOL ordinary shares ("MOL Shares") to MOL Plc. Special Employee Share Ownership Program ("SESOP") Organization 2021-1 and MOL Plc. SESOP Organization 2021-2. At the same day based on the authorization of the Extraordinary General Meeting of the Company held on 22 December 2021 MOL sold 3,304,712 MOL Shares to MOL Plc. SESOP Organization 2021-1 and 3,304,712 pieces of MOL Shares to MOL Plc. SESOP Organization 2021-2. As a result of the above transaction the combined number of voting rights of MOL Plc. SESOP Organization 2021-1 and MOL Plc. SESOP Organization 2021-2 in MOL increased from 0 vote to 65,139,776 votes and the proportion of voting rights increased from 0% to 7.95%
(8)	Net external sales revenues and operating profit includes the profit arising both from sales to third parties and transfers to the other business segments.
(9)	This line shows the effect on operating profit of the change in the amount of unrealised profit deferred in respect of transfers between segments. Unrealised profits arise where the item transferred is held in inventory by the receiving segment and a third-party sale takes place only in a subsequent quarter. For segmental reporting purposes the transfer or segment records a profit immediately at the point of transfer. However, at the company level profit is only reported when the related third-party sale has taken place. Unrealised profits arise principally in respect of transfers from Upstream to Downstream.
(10)	LPG and pentanes
(11)	CIF Med parity
(12)	FOB Rotterdam parity
(13)	FOB Med parity
(14)	Brent dated price vs. average Ural MED and Ural ROTT prices
(15)	As of Q2 2013 Integrated petrochemical margin captures MOL Petrochemicals and Slovnaft Petrochemicals numbers, as well. Integrated petrochemical margin of the base periods was modified as well according to the improved methodology.
(16)	Net gearing: net debt divided by net debt plus shareholders' equity including non-controlling interests
(17)	Excluding spills related to road accidents
(18)	Total recordable injury rate – number of Medical treatment cases, Restricted work cases and Lost-time injuries (including fatalities) per 1 million man-hours worked
(19)	Annual rolling figures to allow comparison with 'total workforce' figures
(20)	Refinery processing include Danube and Slovnaft refinery

Statement of responsibility

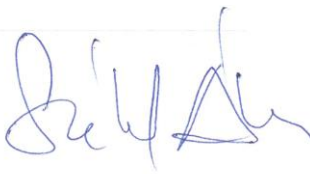
Undersigned, authorised representatives of MOL Hungarian Oil and Gas Public Limited Company (MOL Plc.) the issuer of MOL ordinary shares, hereby declare that MOL Plc. takes full responsibility for the announced interim consolidated financial statement (in accordance with International Financial reporting Standards) of 2023 half-year results, which has been prepared to the best of our knowledge in accordance with the applicable financial reporting standards, and give a true and fair view of the assets, liabilities, financial position, and profit and loss of MOL Plc. and its consolidated companies.

Moreover, we declare that the Management Discussion and Analysis presents a fair review of the position, development and performance of MOL Plc. and its consolidated companies together with a description of principal risks and uncertainties regarding the next six months of the financial year.

Budapest, 4 August 2023.



József Simola
Group Chief Financial Officer



Dr. Ákos Székely
Senior Vice President
Group Financial Planning and Reporting