

MOL GROUP ENTERS INTO RECYCLED PLASTIC COMPOUNDING BY ACQUIRING AURORA GROUP

- The acquisition is in line with MOL Group 2030 Strategy's objective to extend petrochemical portfolio with higher value-added products
- The transaction with Aurora will enable MOL to strengthen its position as automotive supplier
- MOL and Aurora envisage ambitious growth of the business in Germany and find expansion into Central Eastern Europe an attractive opportunity
- This strategic step complements MOL's initiatives in the recycling sector

Budapest, 15 April 2019 - MOL Group announced that it has signed a sales-purchase agreement to acquire Aurora, a recycled plastic compounder with production plants located nearby automotive manufacturing and plastics conversion clusters in Baden-Württemberg, Germany.

Aurora is a medium-size German company, headquartered in Neuenstein, with a unique and lean closed loop concept assuming collection of post-industrial plastic waste, regrinding and compounding, ultimately supplying the automotive industry and other industries. The company's portfolio largely consists of engineering plastics and polypropylene recycle-based compounds.

With this investment, MOL will be able to offer a wide range of high-quality polyamide, polypropylene and other recycle-based compounds, complementing its existing portfolio of virgin polypropylene and polyethylene. Leveraging on Aurora's know how and loop logistic system, MOL will enable the customers to reach higher content of recycled material in their end products, in an efficient way.

Ferenc Horvath, MOL Group Executive Vice President of Downstream commented: *„In line with our MOL 2030 strategy, we have reached yet another milestone on our transformational journey to become the leading chemical player in the CEE region. This partnership will enable us to grow and add value to our petrochemical business as well as to increase our footprint in the automotive supplier market. As an established polymer player, we plan to use the strength of our integrated business model, while keeping the flexibility of Aurora as an independent compounder. At the same time, Aurora's operations profile complements our initiatives in the recycling sector and reaffirm our commitment to sustainability and circular economy.”*

Dr. György Bacsa, MOL Group Senior Vice President of Group Strategic Operations and Corporate Development: *„We are pleased to have managed and executed another successful investment on the path towards petrochemicals growth, and marking another milestone of MOL Group's strategy. We look forward to the future cooperation with our new partner and believe in the continuation and expansion of Aurora's previous success as part of MOL Group.”*

Gerhard Schweinle, founder and member of the Management Board of Aurora: *„In MOL Group, we have found a partner with the same drive for sustainable development and innovation as we have in Aurora. We are confident that MOL is the ideal partner for our company to advance our ambitious goals with regard to sustainability and environmental protection even more intensively than before. As part of MOL Group, one of Europe's leading suppliers of polymers, Aurora will*

continue to expand its expertise in the processing of engineering plastics. Our extensive range of sustainably manufactured products and MOL's many years of experience will enable us to work more intensively to protect our raw material resources and relieve the burden on the environment. Together with MOL, we will continue Aurora's success story and accelerate our growth even further."

One of the cornerstones of MOL Group 2030 strategy is to expand the company's petrochemicals value chain. As such, MOL plans to invest around USD 4.5 billion until the end of the next decade into petrochemical and chemical growth projects. Compounding and recycling are among the key areas defined in MOL's 2030 Strategy and the automotive industry is a strategic sector, where both MOL and Aurora recognize a growing demand for recycled materials.

The transaction is subject to the relevant merger control approvals.

** Aurora Group consists of Aurora Kunststoffe GmbH, Aurora Kunststoffe VS GmbH and Aurora Kunststoffe Walldürn GmbH.*

About Aurora

Aurora Kunststoffe GmbH, founded in 2009, is a family-run, medium-sized company headquartered in Neuenstein (Germany) focusing on the production of high-quality technical plastic compounds. The company exclusively recycles single-variety industrial plastic residues, which are processed into plastic grinding materials, granulates and compounds in a resource- and environment-friendly process at its headquarters as well as at its two grinding centers in Walldürn and Villingen-Schwenningen. The product range includes materials such as polyamide PA 6, PA 6.6, PA 11, PA 12, POM, PP, PC and PC-ABS, which are supplied to customers in the automotive, furniture, electrical, construction and machine industries. The unique Aurora Lean Logistics concept consists of its own box concept for the collection of unmixed plastics, which gives Aurora extensive access to high-quality secondary raw materials. In the beginning of 2019, a new state-of-the-art compounding facility was completed in Neuenstein, doubling production capacity compared to the previous year up to 15,000 tons per year.