

MOL Group and APK Form Strategic Partnership for Plastic Recycling

- ▶ MOL Group and German recycling technology company APK sign strategic cooperation agreement
- ▶ APK's innovative plastic recycling plant is scheduled to start, MOL Group supports its completion
- ▶ APK and MOL Group will also explore joint projects in CEE
- ▶ MOL Group aims to become a regional leader in recycling in line with MOL 2030 strategy

Merseburg, Germany, 2nd August, 2018 – MOL Group and APK AG signed a strategic cooperation agreement yesterday in Merseburg. As a first step in the cooperation MOL will support the completion of APK's Merseburg plant. The plant will serve as a pilot for the innovative solvent-based process, called Newcycling®, which enables the recovery of high-quality materials from complex multi-layer packaging.

Ferenc Horvath, MOL Group's EVP for Downstream commented: *"In line with MOL 2030 strategy, we are taking steps to grow our petrochemicals business and enter knowledge intensive industries together with strategic partners. We see a growing demand from our customers for recycled plastics and at the same time we are also fully committed to the idea of circular economy and sustainability. We aspire to become leaders in recycling in Central and Eastern Europe and with today's agreement we are marking the first milestone on this journey. MOL, as an established polymer player in CEE, together with an innovative partner as APK will work on further developing the Newcycling® technology and bringing it to our core region where the need and the potential for plastic waste recycling is significant."*

APK developed an innovative recycling technology named Newcycling® that can be applied to a broad variety of mixed plastic types and process them into high-quality recyclates. The first Newcycling® plant using APK's core technology is currently being set-up at APK's headquarter in Merseburg.

Klaus Wohnig, APK's speaker of the management board pointed out: *"In the last couple of years, APK developed - funded by its financial investors MIG Fonds and AT Newtec - its Newcycling® technology considerably and is reaching market maturity now, which we have proven in joint projects with leading players in the packaging, FMCG and plastics industry. We are proud to enter now into a strategic partnership with MOL, a highly-reputed player in the polymer industry, in order to finalize our new plant in Merseburg and to enter jointly CEE, which we assess to be a very interesting market in future, since there is expected to be a strong trend from landfill and incineration towards recycling and a truly circular plastics economy. And with MOL's strong roots in this region, we think MOL is the perfect partner to step into CEE."*

One of the cornerstones of MOL Group 2030 strategy is to expand the company's petrochemicals value chain. As such MOL Group plans to invest around USD 4.5 billion until the end of the next decade into petrochemical and chemical growth projects. As part of this growth strategy MOL Group intends to build up its recycling capabilities, as plastic recycling is the most cost-efficient and environmentally friendly option for a responsible management of plastic waste. Plastic packaging is one of the key strategic segments defined in MOL's 2030 Enter Tomorrow Strategy and a sector where both partners recognize a growing demand for recycled materials.

About MOL Group

MOL Group is an integrated, international oil and gas company, headquartered in Budapest, Hungary. It is active in over 30 countries with a dynamic international workforce of 26,000 people and a track record of more than 100 years in the industry. MOL's exploration and production activities are supported by more than 80 years' experience in the hydrocarbon field and its diverse portfolio includes oil and gas presence in 13 countries, with production activity in 8 countries. MOL Group operates four refineries and two petrochemicals plants under integrated supply chain management in Hungary, Slovakia and Croatia, and owns a network of nearly 2,000 service stations across nine countries in Central & South Eastern Europe. MOL Group is a supplier of polymer products such as polypropylene, low-density and high-density polyethylene with more than 1,000 kt annual sales.

About APK

APK is an innovative recycling technology company. At its headquarters in Merseburg near Leipzig, Germany, APK produces high-quality plastic recycle reclaimed from post-consumer and production sources. APK's core technology is its Newcycling® process, a solvent-based technique that makes it possible to recover high-quality plastics from complex mixtures and multi-layer composites (so-called multilayer packaging) that cannot be recycled using conventional recycling systems. This allows the pelletised recycle to be reused in demanding applications, such as flexible packaging. For more information, please visit www.apk-ag.de and www.apk.ag.



Image: APK AG

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