

1. General information

Name of business entity: Hungarian Hydrocarbon Stockpiling Association (hereinafter referred to as “Association” or “HUSA”)

Abbreviated company name: HUSA

Website of the company: www.husa.hu

Registered seat: 2151 Fót, Fehérkő utca 7.

Year of establishment: 1993

Start of operation: 1993

Form of business organisation: other incorporated entity

Founder's assets (at the time of establishment): HUF 0

Owners: not applicable

Method of accounting: double entry book-keeping

Balance sheet: type “A”, balance sheet date (fiscal year=calendar year): 31 December

Closing date of balance sheet: January 31, 2025

Profit and loss statement: type “A”, nature of expense method

Currency of the annual report: HUF

Core activities: Implementation of the emergency stockpiling activities defined in *Act XXIII of 2013 on the emergency stockpiling of imported crude oil and petroleum products* (hereinafter referred to as “**Oil Stockpiling Act**”) and in *Act XXVI of 2006 on the emergency stockpiling of natural gas* (hereinafter referred to as “**Gas Stockpiling Act**”).

Dividend: not applicable due to the Association's legal position and purpose of operations.

Name and address of the person authorised to sign the annual report:

Ferenc Zoltán Horváth
2000 Szentendre, Nagybányai utca 7.

2. Rules of Accounting, Accounting Policy

- 2.1. The Association keeps its books and records in compliance with *Act C of 2000 on Accounting* (hereinafter referred to as “**Accounting Act**”), in accordance with the discrepancies laid down in the Oil Stockpiling Act.

The Association possesses the regulations prescribed and required for its operations including a Statutes consolidated with amendments, an Organisational and Operational Policy, Cost Accounting Standards as part of the Accounting Policy, furthermore, as annexes to the Accounting Policy, it has a Valuation Policy, an Inventory and Stocktaking Policy as well as a Cash Management Regulation.

- 2.2. Section (1) of Article 32 of the Oil Stockpiling Act prescribes the preparation of an annual report irrespective of the balance sheet total, the amount of the net revenue and the Association’s participations in other companies. Pursuant to Article 10 of the Accounting Act, the Association is not obligated to compile a consolidated annual report, independent of the fact that it holds 100% participation in HEXUM Holding Zrt., since HUSA is not classified as enterprise, but as other incorporated entity, defined in a separate provision of law as set forth in point 4 q) of Section (1) of Article 3 of the Accounting Act. Accordingly, the Association also prepared annual reports in the previous years, with a content conforming to the principles of Article 15 of the Accounting Act. Under Section (1) of Article 37 of the Oil Stockpiling Act, a detailed business report on the fulfilment of the annual budget containing data and text is also created in relation to the annual report.
- 2.3. Pursuant to point 11.4.2 of the Association’s Statutes, the amount of the profit before taxation, which corresponds to the profit after taxation, enters the capital reserve, as no tax liability is incurred with regard to the fact that the Association is not subject to corporate tax in compliance with Section (1) of Article 13 of the Oil Stockpiling Act.
- 2.4. The valuation procedures applied in the preparation of the annual report comply with the provisions of the Accounting Act as well as with the requirements prescribed in the Valuation Policy, which constitutes an annex to the Association’s Accounting Policy.

In the balance sheet, intangible assets and tangible assets are recorded at a value corresponding to the difference between ordinary and extraordinary depreciation booked in consideration of the acquisition value and the residual value, whereas non-current financial assets are indicated at historical cost.

Depreciation is accounted for on a monthly basis.

For the valuation of inventories, the Association records its stocks at settlement price. The value of petroleum products presented in the balance sheet equals to the aggregate sum of the settlement price, its related price difference, the impairment and reversal of impairment on the balance sheet date. The Oil Stockpiling Act and the Statutes prescribe the mandatory refreshment of stockpiled petroleum products every six years. With regard to this unique feature, on the balance sheet date, in the year-end valuation of crude oil and petroleum product stocks, the market price is determined based on the average of the quoted price of the current year and the quoted prices of the preceding five years in order to support the calculation of impairment. Impairment is calculated for the total volume of each type of stock.

As regards the disposal of the natural gas stockpile, under the provisions of the Gas Stockpiling Act, the volume of natural gas to be sold, the method of disposal as well as the value of the stock based on which the price of natural gas is determined and cannot be sold at a lower price, are stipulated by ministerial decree. The established value of the stock must correspond to the average acquisition value at the minimum. Impairment calculation for the natural gas reserve is not applicable.

Receivables and liabilities are inspected and reconciled, their valuation complies with the Accounting Act. Receivables must be recorded in the balance sheet at historical cost, which implies the book value reduced with bad debts (point 10 of Section (4) of Article 3 of the Accounting Act) and impairment (Sections (1)-(2) of Article 55 of the Accounting Act), increased with the reversal of impairment (Section (3) of Article 55 of the Accounting Act).

The Association's major liabilities are constituted by foreign exchange denominated loans disbursed by financial institutions. In the balance sheet, foreign exchange denominated loans are presented in the disbursed sum, reduced by repayments, converted to Hungarian forint in accordance with Section (2) of Article 60 of the Accounting Act.

The value of cash and cash equivalents is supported by bank statements. In the balance sheet, the value of bank deposits must be recorded corresponding to the value stated in the bank statement of the forint denominated deposit held at the financial institutions on the balance sheet date of the fiscal year, whereas the value of foreign exchange deposited on a foreign exchange account must be indicated corresponding to the value in the bank statement converted to forint in compliance with Section (2) of Article 60 of the Accounting Act.

The Association opted for the official exchange rate of the National Bank of Hungary for the balance sheet date valuation of its foreign exchange deposited on the foreign exchange account as well as for the valuation of its receivables and liabilities arising in foreign exchange (the most significant thereof are foreign exchange denominated loans).

- 2.5. Extraordinary items are defined in the Accounting Policy of the Association as follows:
Items related to economic events, which occur outside the usual business operations, in case their value (each item separately) reaches or exceeds 5% of total revenues, total costs and expenditures in the given fiscal year.
- 2.6. An error revealed by audit or self-revision is classified as an error of significant value by the Association in case in the year the error was identified, the aggregate sum of the absolute value of increase-decrease in the profit and loss and equity (irrespective of positive or negative sign) caused by the errors and their consequences established during inspections concerning the same year exceed 2% of the balance sheet total of the audited fiscal year. In 2024, no error of significant value was detected.
- 2.7. The balance sheet of the Association is prepared in version "A" in line with Annex 1 to the Accounting Act. Meanwhile, its Profit and Loss Statement is compiled with nature of expense method in version "A" in compliance with Annex 2 to the Accounting Act, with crude oil and natural gas contribution fee revenues indicated separately from other income. Under Section (3) of Article 32 of the Oil Stockpiling Act, in its internal accounting the Association keeps separate accounts of assets and liabilities, revenues and expenditures in relation to crude oil and petroleum product stockpiling, to natural gas stockpiling as well as to non-stockholding activities and presents the aforementioned figures in the Supplementary Notes to the Annual Report.
- 2.8. Pursuant to point 5.6 of the Statutes, a permanent auditor is appointed by the Association. Based on the approval of the General Meeting of the Association, audits are conducted by Gábor Gulyás (certified member of the Budapest Organisation of the Chamber of Hungarian Auditors, registration number: 007293, membership identity card number: 008751), registered auditor of International Consulting Team Audit Kft. (registered seat: 1117 Budapest, Budafoki út 91-93., chamber registration number: 004122, company registration number: 01-09-998752). The annual fee of the audit is net HUF 3 410 000. The Association commissioned HEXUM Holding Zrt. – legal predecessor: HEXUM Finance Kft.- (registered seat: 2151 Fót, Fehérkő utca 7., company registration number: 13-10-042151) to supervise and manage the duties of accounting services and prepare the annual report. The person responsible for the

supervision and management of tasks within the scope of accounting services at HEXUM Holding Zrt. is as follows:

Krisztina Kelenvölgyi (1119 Budapest, Etele út 27. 7/23.)

Head of Accounting and Taxation at HEXUM Holding Zrt.

Registration number: 006205

3. Details and explanations of the Balance Sheet and the Profit and Loss Statement

3.1. Changes in intangible assets and tangible assets (HUF Mn)

	Gross value	Depreciation	Net value
Total opening value 01/01/2024	177	128	49
I. Intangible assets			
<i>Concessions, licences and similar rights</i>			
- Opening value 01/01/2024	35	34	1
- Increase	0	1	
- Decrease	0	0	
- Closing value 31/12/2024	35	35	0
<i>Intellectual property products</i>			
- Opening value 01/01/2024	95	57	38
- Increase	10	19	
- Decrease	0	0	
- Closing value 31/12/2024	105	76	29
II. Tangible assets			
<i>Other fixtures and fittings, tools and equipment, vehicles</i>			
- Opening value 01/01/2024	47	37	10
- Increase	27	4	
- Decrease - disposal	22	18	
- Decrease - write-off	3	3	
- Closing value 31/12/2024	49	20	29
<i>Assets in course of construction</i>			
- Opening value 01/01/2024	0	0	0
- Increase	40	0	
- Decrease - activation	37	0	
- Closing value 31/12/2024	3	0	3
Total closing value 31/12/2024	192	131	61

All depreciation accounted for in 2023 and 2024 was ordinary straight-line depreciation.

3.2. The Association's participations

In 2019, the Association acquired the 51% share package of MFB Magyar Fejlesztési Bank Zárkörűen Működő Részvénytársaság (hereinafter referred to as “**MFB**”) in MMBF Földgáztároló Zárkörűen Működő Részvénytársaság (hereinafter referred to as “**MMBF**”). Moreover, PETROTÁR Kft., PETROTÁR-PÉT INVEST Kft. and ÁMEI Zrt. were fully acquired by OPAL Szolgáltató Zrt., which is in the sole ownership of HUSA. As a result of the above acquisitions, a corporate group of significant size was formed. Since the Association did not possess storage companies at the time of its foundation, neither the Oil Stockpiling Act nor the Statutes contained regulations in terms of control and exercise of ownership rights over the subsidiaries. Therefore, the establishment of the new corporate group required

the formation of a corporate governance structure, which lays the foundations for control over the corporate group in addition to defining the regulations for the Association's exercise of founder's rights over the subsidiaries, adjusting to the best practice in corporate governance and to the changed economic environment. Furthermore, the creation of a new operating system that ensures the fulfilment of the Association's stockholding responsibilities, besides adequately separating its duties from the business activities conducted by the subsidiaries was justified. In December 2019, a new corporate governance concept conforming to the national and international general, business and corporate law practices was approved by the General Meeting of the Association in agreement with the Board of Directors. Accordingly, on February 5, 2020, HEXUM Holding Zrt. (registered seat: 2151 Fót, Fehérkő utca 7.) was founded by the Association with a capital stock of HUF 70 Mn.

The Association transferred its participation in OPAL Szolgáltató Zrt. as an in-kind contribution to HEXUM Holding Zrt. at a market value of HUF 20 640 Mn on June 30, 2020. The Association's participation in MMBF was transferred to HEXUM Holding Zrt. as an in-kind contribution at a market value of HUF 38 210 Mn on November 30, 2020. The market value of both in-kind contributions was established based on company valuations prepared by an independent international consultant. Subsequent to the in-kind contributions, the name of OPAL Szolgáltató Zrt. was changed to HEXUM Tartálpark Zrt., whereas that of MMBF was altered to HEXUM Földgáz Zrt.

The core activity of HEXUM Holding Zrt. is asset management. Furthermore, it provides procurement, human resources management, management as well as legal services at corporate group level.

The Association holds 25.9% participation in Terméktároló Zártkörűen Működő Részvénytársaság (registered seat: 2440 Százhalombatta, Olajmunkás utca 2.). Terméktároló Zrt. was founded in 1996, its majority owner is MOL Plc. with 74.1% of the votes. The core activity of the company comprises the storage and stockpiling of petroleum products.

The line items related to participations contain the elements below:

Participation (Company name)	Book value of participation 31/12/2024 (HUF Mn)	Ownership ratio	Remark
HEXUM Holding Zrt.	58 920	100.0%	Subsidiary
Long-term participation in affiliated company	58 920		
TERMÉKTÁROLÓ Zrt.	8	25.9%	Associated company
Long-term major participating interest	8		
Total	58 928		

The equity of the affiliates on December 31, 2024 is demonstrated in the following table:

Company (HUF Mn)	Equity	Share capital	Capital reserve	Retained earnings	Tied-up reserve	Valuation reserve	Profit after taxation
HEXUM Holding Zrt.	64 671	58 920	0	3 115	0	0	2 636
TERMÉKTÁROLÓ Zrt.	1 198	32	0	0	0	0	1 166

3.3. Inventories

Book value of inventories on December 31, 2024:

Product	Unit	Stored volume	Book value of stock (HUF Mn)	Proportion according to stock value (%)
Crude oil	ton	567 374	82 930	5.84
Gasoline RON 95	15°C litre	362 536 714	56 649	3.99
Gas oil EN 590	15°C litre	575 832 558	125 743	8.86
JET-A1	15°C litre	17 852 813	3 727	0.26
Petroleum products			269 049	18.95
Natural gas	kWh	20 601 975 904	1 150 506	81.05
Natural gas			1 150 506	
Total stocks			1 419 555	100.0

Apart from fulfilling the statutory requirements for petroleum product stock replacements in 2024, the Association procured an additional 12.2 kt of kerosene stock while simultaneously selling 11.1 kt of crude oil.

In the Gas Section, the Association sold 2 179 096 kWh of natural gas within the framework of last resort procedure in the final quarter of 2024, thus the volume of the emergency natural gas stock decreased to 12 721 465 MWh by the end of the year.

The volume of the special natural gas reserve remained unchanged in the course of 2024. Pursuant to Government Decree No. 101/2023 (29/03/2023), the Government extended the maintenance of the 7 880 511 MWh of special gas stock until April 1, 2024 for the first time. On January 31, 2024, Government Decree No. 15/2024 (31/01/2024) was issued to modify the deadline for the maintenance of the special natural gas reserve by an additional year, that is, until April 1, 2025. For further information, see Section 7 – Events after the reporting period.

Changes in inventories in the reporting year – impairment (HUF Mn)

Product	Crude oil	Gasoline RON 95	Gas oil EN 590	JET-A1	Natural gas	Total
Opening book value 01/01/2024	80 612	54 960	116 857	388	1 150 563	1 403 380
Historical cost	80 612	54 960	130 185	388	1 150 563	1 416 708
Impairment	0	0	-13 328	0	0	-13 328
Decrease in the reporting year						
Historical cost	20 644	8 076	21 127	991	57	50 895
Impairment *	0	0	2 163	0	0	2 163
Reversal of impairment	0	0	9 385	0	0	9 385
Increase in the reporting year						
Historical cost	22 962	9 765	18 465	5 363	0	56 555
Impairment	0	0	0	-1 033	0	-1 033
Reversal of impairment	0	0	0	0	0	0
Closing book value 31/12/2024	82 930	56 649	125 743	3 727	1 150 506	1 419 555
Historical cost	82 930	56 649	127 523	4 760	1 150 506	1 422 368
Impairment	0	0	-1 780	-1 033	0	-2 813

* Derecognition of impairment related to disposal

- 3.4. On the balance sheet date of December 31, 2023, the Association reported HUF 9 846 Mn **outstanding trade receivables** from gas oil disposal. In 2024, it held HUF 11 582 Mn outstanding **trade receivables** from crude oil and gas oil sale along with HUF 2 Mn from natural gas disposal.

In 2024, the line item **Receivables from affiliated companies**” contains HEXUM Tartálypark Zrt.’s December contribution fee payments. In the base year, this line item also included a credit note invoice for provision of services issued by HEXUM Finance Kft. (merged into HEXUM Holding Zrt. with a cut-off date of August 31, 2024), which remained outstanding on the balance sheet date.

- 3.5. **Other receivables (HUF Mn):**

Description	31/12/2023	31/12/2024
Value added tax	2 083	2 065
Crude oil contribution fees*	2 344	1 770
booked impairment	-2	-2
Natural gas contribution fees*	4 881	4 911
booked impairment	-506	-345
Deferred technical VAT advances	517	388
Receivables from employees	5	5
Other receivables	2	0
Other receivables	9 324	8 792

*Historical cost of contribution fees, does not include impairment.

The major part of other receivables is composed of member the companies' contribution fee receivables for the month of December, with payment due on January 31 of the year subsequent to the reporting year.

As regards membership contribution fees, impairment was booked in the case of the following partners: (HUF Mn)

Company name	31/12/2023		31/12/2024	
	Historical cost of receivables	Registered impairment	Historical cost of receivables	Registered impairment
ENERGOTT Kft.	263	263	263	263
Duna Cent Kft. "in liq."	22	22	22	22
Alfa-Nova Kft. "in liq."	40	40	40	40
JAS Zrt. "in liq."	20	20	20	20
ISD-Power Kft	161	161	0	0
KBM Hungária Kft.	2	2	2	2
Total:	508	508	347	347

All of the above companies are currently under liquidation proceedings. Their contribution fee debts are fully overdue, for which the financial creditors' proofs of claim were duly filed to the liquidator by the specified deadline. The Association does not expect the outstanding debts to be settled. In the reporting year, based on the liquidator's declaration of uncollectibility, the receivable of ISD-Power Kft., which had previously been impaired in prior years, was derecognised by the Association.

3.6. **Accrued and differed assets (HUF Mn):**

Description	31/12/2023	31/12/2024
Accrued interest	31	13
Accrued income	31	13
Rental fee	3	4
Other	1	2
Accrued expenses	4	6
Accrued and deferred assets	35	19

3.7. **The movements of equity are indicated in the table below:**

Capital element	Opening	Increase	Transfer	Closing
Share capital	-	-	-	-
Share capital unpaid	-	-	-	-
Capital reserve	251 669	-	73 818	325 487
Retained earnings	-	-	-	-
Tied-up reserve	-	-	-	-
Valuation reserve	-	-	-	-
Profit after taxation	73 818	- 62 043	- 73 818	- 62 043
Equity	325 487	- 62 043	-	263 444

3.8. The Association created a **provision** for a three-year period for the projected liability related to long-service benefits augmented with contributions. (HUF Mn)

Description	Opening	Release	Creation	Closing
Liability for long-service benefit	8	3	0	5

No further future obligations or costs requiring the creation of provision are expected by the Association.

Pursuant to the relevant legislation, the Association has no such mandatory tasks in relation to environmental protection that would necessitate the creation of provision.

Furthermore, the Association has neither hazardous waste nor noxious substance in its possession, and holds no tangible assets directly intended for environmental protection.

- 3.9. The Association ensures the fulfilment of its statutory stockholding obligation prescribed in the Oil Stockpiling Act by taking out stock financing loans.

In compliance with the government decree on the special natural gas reserve, in 2022, the Association concluded a syndicated loan agreement with the participation of 10 banks in order to secure the necessary financial resources for the establishment of the special natural gas stock. In the course of 2023, the financing of the special reserve was modified, as the Association was granted a loan of EUR 500 Mn by the Government Debt Management Agency in order to partially redeem the syndicated loan.

The proportion of loans according to maturity on December 31, 2024:

Currency	Short-term maturity Within 1 year	Maturing in over 1 year				Total
		Within 2 years	Within 3 years	Within 4 years	Within 5 years	
EUR Mn	2 267.4	268.5	258.5	105.0	102.0	3 001.4
HUF Mn	929 857	110 109	106 008	43 060	41 829	1 230 863

3.10. Charges related to loans

On June 15, 2015, the Association entered into a pledge and security agreement with the loan providing banks as a security for the loan agreements connected to the financing of the emergency stocks. In the aforementioned agreement, in connection with the stockpiling activities of the Association, lien was established and registered on the insurance revenues from insurance contracts concluded by the storage companies that are in contractual relations with the Association, on the one hand, and on the proceeds derived from the disposal of stocks not prescribed by legislation, on the other hand.

3.11. Off balance sheet liabilities

The Association held no off-balance liabilities on December 31, 2024.

- 3.12. On December 31, 2024, outstanding **trade payables** totalled HUF 13 460 Mn, of which short-term liabilities to affiliated companies include HUF 856 Mn to HEXUM Tartálypark Zrt., providing storage services, in addition to HUF 35 Mn to HEXUM Laboratóriumok Zrt., which renders quality control services as well as HUF 9 Mn to HEXUM Holding Zrt. ensuring economic and legal services. Short-term liabilities to companies linked by virtue of major participating interests comprise outstanding trade payables to Terméktároló Zrt., which provides storage services. Trade payables to external partners made up HUF 12 081 Mn, the major part thereof (HUF 12 011 Mn) consists of supplier invoices from MOL Plc. related to stock procurement and custody fees. In the base year, short-term liabilities to affiliated companies included liabilities arising from storage and quality control services, whereas trade payables contained liabilities connected to stock replacements and storage fees.

3.13. **Other short-term liabilities (HUF Mn):**

Description	31/12/2023	31/12/2024
Taxes and contributions	15	17
Natural gas and crude oil contribution fees	366	212
Other short-term liabilities in total	381	229

The amount of the natural gas and crude oil contribution fee refunds is recorded by the Association in the category of other short-term liabilities.

3.14. **Accruals and deferred income (HUF Mn):**

Description	31/12/2023	31/12/2024
Subsidy received	12 624	7 147
Accrued and deferred income	12 624	7 147
Fees of loan agreement related to natural gas reserve	1 297	8
Auditing fees	2	2
Interest payable	70	0
Other	1	1
Deferred costs and expenses	1 370	11
Accruals and deferred income	13 994	7 158

The line item “Accrued and deferred income” contains the amount of the subsidy granted by the Overhead Protection Fund “unused” on the balance sheet date. In 2023, HUF 31 Bn was received from the Overhead Protection Fund, with an additional HUF 14 Bn in 2024 in order to offset expenditures related to the special natural gas reserve.

3.15. **Net sales revenue according to core activities (HUF Mn):**

Description	01/01/2023- 31/12/2023	01/01/2024- 31/12/2024
Proceeds from disposal of stocks	63 160	53 885
Of which: Gas oil	14 949	18 978
Gasoline	4 089	9 602
Crude oil	44 122	23 990
Kerosene	0	1 275
Emergency natural gas	0	40
Disposal of booked capacities	235	241
Proceeds from other disposals	7	8
Net sales revenue	63 402	54 134

In both years, the sales revenue from stock disposal was essentially generated in relation to stock replacements. In 2024, the decrease in sales revenue was fundamentally attributable to the lower volume of stock replacements carried out in the reporting year. In 2024, a minimal volume of natural gas was sold to the consumers of two natural gas traders that were unable to provide services.

3.16. **Other income (HUF Mn):**

Description	01/01/2023- 31/12/2023	01/01/2024- 31/12/2024
Crude oil contribution fees	27 475	22 672
Natural gas contribution fees	61 598	54 985
Subsidy received	18 376	19 476
Reversal of impairment	968	9 385
Other	2	4
Other income in total:	108 419	106 522

The decrease in crude oil contribution fees resulted from the reduction in gasoline and gas oil tariff rates. In 2024, consumption for both product categories remained at the 2023 level. In the Gas Section, in addition to the drop in the tariff rate of natural gas, the exemption from the special membership contribution fee granted to higher-capacity electricity-generating power plants also contributed to the decline in revenue.

The portion of the subsidy granted by the Overhead Protection Fund utilised by the balance sheet date is recorded under the line item "Subsidy received".

The line item "Reversal of impairment" indicates the reversal of impairment of inventories (see point 3.3 on Inventories).

3.17. The major proportion of the value of **services used** is constituted by the storage costs of stocks (HUF Mn):

Description	01/01/2023- 31/12/2023	01/01/2024- 31/12/2024
Storage costs of stocks	32 036	30 864
Of which: Storage costs of oil stocks	15 762	16 590
Storage costs of natural gas reserves	16 274	14 274
Other services used	1177	739
Value of services used	33 213	31 603

3.18. **Personnel expenses**

The average statistical headcount of the Association is 9 persons. In the course of 2024, staff was paid HUF 376 Mn in wages and received fringe benefits worth HUF 3 Mn.

In 2024, no employee loans were disbursed. On December 31, 2024, employee loans totalled HUF 26 Mn.

All employees fall into the white-collar category.

Members of the Board of Directors and the Supervisory Board of the Association received HUF 149 Mn in honorariums. They were disbursed no guarantees, loans or advance payments.

Employee benefits booked in the reporting year totalled HUF 19 Mn.

Altogether HUF 50 Mn social contribution tax was accounted for on the total wage bill.

3.19. **Other expenditures (HUF Mn):**

Description	01/01/2023- 31/12/2023	01/01/2024- 31/12/2024
Fines and default interest paid	532	0
Creation of provision	8	0
Impairment	5 837	1 033
<i>of which: receivables</i>	83	0
<i>inventories</i>	5 754	1 033
Other	2	1
Other expenditures in total:	6 379	1 034

No impairment on receivables was recognised in the reporting year.

Impairment was recorded on the JET-A1 stock in the reporting year and on the gas oil inventory in the prior year.

3.20. **Extraordinary revenues, costs and expenditures:**

In the fiscal years of 2023 and 2024, no extraordinary revenues, costs or expenditures occurred.

4. Cash-flow statement

Change in cash and cash equivalents resulting from ordinary activities (HUF Mn)

		01/01/2023- 31/12/2023	01/01/2024- 31/12/2024
I. Cash flow from operations		-71 187	-23 387
1.a	Profit before taxation	73 818	-62 043
	Of which: financial subsidies received for operations	0	0
	Dividends received	-4 796	-175
	Subsidy received	-18 376	-19 476
	Unrealised exchange rate difference	-40 506	75 419
1 b.	Adjustments to profit before taxation	-63 678	55 768
1.	Adjusted profit before taxation	10 140	-6 275
2.	Accounted depreciation	22	24
3.	Accounted impairment and reversal	4 869	-8 351
4.	Difference of provisions created and used	8	-3
5.	Profit and loss on disposal of non-current assets	0	-2
6.	Change in trade payables	-26 004	1 711
7.	Change in other short-term liabilities	367	-152
8.	Change in accruals and deferred income	-385	-1 360
9.	Change in trade receivables	-4 034	-1 738
10.	Change in current assets (w/o trade receivables, cash)	-56 665	-7 257
11.	Change in accrued and deferred assets	495	16
12.	Income taxes paid	0	0
13.	Dividends paid, participations	0	0

Change in cash and cash equivalents resulting from investing activities (HUF Mn)

		01/01/2023- 31/12/2023	01/01/2024- 31/12/2024
II. Cash flow from investing activities		3 755	136
14.	Procurement of non-current assets	-12	-40
15.	Disposal of non-current assets	0	6
16.	Repayments, elimination, redemption of long-term loans and bank deposits	-29	-5
17.	Long-term loans and bank deposits	0	0
18.	Dividends received, participations	3 796	175

Change in cash and cash equivalents resulting from financing activities (HUF Mn)

		01/01/2023- 31/12/2023	01/01/2024- 31/12/2024
III. Cash flow from financing activities		17 686	17 680
19.	Proceeds from equity issuance, increase of share capital	0	0
20.	Proceeds from issuance of bonds and debt securities	0	0
21.	Borrowings	300 883	243 227
22.	Cash and cash equivalents received definitely	31 000	14 000
23.	Repurchase of equity, decrease of share capital	0	0
24.	Repayments of bonds and debt securities	0	0
25.	Repayments of borrowings	-314 197	-239 547
26.	Cash and cash equivalents transferred definitely	0	0

Change in cash and cash equivalents (lines I.+II.+III.)

		01/01/2023- 31/12/2023	01/01/2024- 31/12/2024
IV. Change in cash and cash equivalents		-49 746	-5 571
27.	Currency translation of foreign exchange denominated cash and cash equivalents	53	0
V. Change in cash and cash equivalents according to balance sheet		-49 693	-5 571

5. Indicators of assets, financial position and revenues

5.1. Assets of the company

5.1.1. Changes in the asset structure

Description	31/12/2023 HUF Mn	31/12/2024 HUF Mn	Proportion (%)		Change (%)
			2023	2024	2024/2023
Non-current assets	59 003	59 010	3.93	3.90	0.01
Current assets	1 444 345	1 456 130	96.07	96.10	0.82
Accrued and deferred assets	35	19	0.00	0.00	-45.71
Total assets	1 503 383	1 515 159	100.00	100.00	0.78

5.1.2. Changes in the liability structure

Description	31/12/2023 HUF Mn	31/12/2024 HUF Mn	Proportion (%)		Change (%)
			2023	2024	2024/2023
Equity (capital reserve)	325 487	263 444	21.65	17.39	-19.06
Provisions	8	5	0.00	0.00	-
Liabilities	1 163 894	1 244 552	77.42	82.14	6.93
Accruals and deferred income	13 994	7 158	0.93	0.47	-48.85
Total liabilities	1 503 383	1 515 159	100.00	100.00	0.78

5.2. Indicators of assets

5.2.1. Equity ratio

$$\frac{\text{Equity}}{\text{Total assets}} = \frac{325\,487}{1\,503\,383} = 0.22 \quad \frac{263\,444}{1\,515\,159} = 0.17$$

5.2.2. Borrowed capital ratio

$$\frac{\text{Borrowed capital}}{\text{Total assets}} = \frac{1\,177\,896}{1\,503\,383} = 0.78 \quad \frac{1\,251\,715}{1\,515\,159} = 0.83$$

5.2.3. Leverage ratio

$$\frac{\text{Borrowed capital}}{\text{Equity}} = \frac{1\,177\,896}{325\,487} = 3.62 \quad \frac{1\,251\,715}{263\,444} = 4.75$$

The Association was established with "0" founder's assets. Its assets are financed from short-term and medium-term loans.

5.2.4. Coverage of non-current assets

	31/12/2023		31/12/2024
<u>Equity+Long-term liabilities</u>	<u>538 313</u>	= 9.12	<u>564 450</u> = 9.57
Non-current assets	59 003		59 010

5.2.5. Working capital

	31/12/2023		31/12/2024
<u>Current assets – Current liabilities</u>	<u>493 277</u>	= 1.52	<u>512 584</u> = 1.95
Equity	325 487		263 444

5.3. Financial liquidity ratios

5.3.1. Liquidity ratio

	31/12/2023		31/12/2024
<u>Current assets</u>	<u>1 444 345</u>	= 1.52	<u>1 456 130</u> = 1.54
Current liabilities	951 068		943 546

A ratio higher than 1 indicates a good liquidity position.

5.3.2. Long-term debt ratio

	31/12/2023		31/12/2024
<u>Total debt</u>	<u>1 151 764</u>	= 2.14	<u>1 230 863</u> = 2.18
Long-term liabilities+Equity	538 313		564 450

5.4. Profitability indices

The calculation of profitability indices is practically irrelevant due to the non-profit nature of the Association.

6. Balance Sheet and Profit and Loss Statement of the Oil and Gas Sections

BALANCE SHEET "A" Assets

HUF Mn

Line no.	Description of item	Crude oil 31/12/2024	Natural gas 31/12/2024	Total 31/12/2024
1	A. Non-current assets	20 725	38 285	59 010
2	I. INTANGIBLE ASSETS	15	14	29
3	1. Capitalised value of formation/ restructuring expenses			
4	2. Capitalised value of research and development			
5	3. Concessions, licences and similar rights			
6	4. Intellectual property products	15	14	29
7	5. Goodwill			
8	6. Advance payments on intangible assets			
9	7. Adjusted value of intangible assets			
10	II. TANGIBLE ASSETS	16	16	32
11	1. Land and buildings and rights to immovables			
12	2. Plant and machinery, vehicles			
13	3. Other fixtures and fittings, tools and equipment, vehicles	14	15	29
14	4. Breeding stock			
15	5. Assets in course of construction	2	1	3
16	6. Advance payments on tangible assets in course of construction			
17	7. Adjusted value of tangible assets			
18	III. NON-CURRENT FINANCIAL ASSETS	20 694	38 255	58 949
19	1. Long-term participations in affiliated companies	20 675	38 245	58 920
20	2. Long-term loans to affiliated companies			
21	3. Long-term major participating interests	8	0	8
22	4. Long-term loans to companies linked by virtue of major participating interests			
23	5. Other long-term participations			
24	6. Long-term loans to other companies linked by virtue of participating interests			
25	7. Other long-term loans	11	10	21
26	8. Long-term debt securities			
27	9. Adjusted value of non-current financial assets			
28	10. Valuation margin of non-current financial assets			
29	IV. DEFERRED TAX ASSETS			

BALANCE SHEET "A" Assets

HUF Mn

Line no.	Description of item	Crude oil 31/12/2024	Natural gas 31/12/2024	Total 31/12/2024
30	B. Current assets	288 519	1 167 611	1 456 130
31	I. INVENTORIES	269 049	1 150 506	1 419 555
32	1. Raw materials and consumables			
33	2. Work in progress and intermediate goods			
34	3. Rearing animals, hogs and other livestock			
35	4. Finished products			
36	5. Goods	269 049	1 150 506	1 419 555
37	6. Advance payments on inventories			
38	II. RECEIVABLES	14 507	5 901	20 408
39	1. Trade receivables	11 582	2	11 584
40	2. Receivables from affiliated companies	32	0	32
41	3. Receivables from companies linked by virtue of major participating interests			
42	4. Receivables from other companies linked by virtue of participating interests			
43	5. Bills receivable			
44	6. Other receivables	2 893	5 899	8 792
45	7. Valuation margin of receivables			
46	8. Positive valuation margin of derivative instruments			
47	III. SECURITIES	0	0	0
48	1. Participations in affiliated companies			
49	2. Major participating interests			
50	3. Other participating interests			
51	4. Own shares and own partnership shares			
52	5. Debt securities held for trading			
53	6. Valuation margin of securities			
54	IV. CASH AND CASH EQUIVALENTS	4 963	11 204	16 167
55	1. Cash in hand, checks			
56	2. Cash at bank	4 963	11 204	16 167
57	C. Accrued and deferred assets	6	13	19
58	1. Accrued income	3	10	13
59	2. Accrued expenses	3	3	6
60	3. Deferred expenses			
61	Total assets	309 250	1 205 909	1 515 159

BALANCE SHEET "A" Liabilities

HUF Mn

Line no.	Description of item	Crude oil 31/12/2024	Natural gas 31/12/2024	Total 31/12/2024
62	D. Equity	159 132	104 312	263 444
63	I. SHARE CAPITAL			
64	Of which: ownership shares repurchased at nominal value			
65	II. SHARE CAPITAL UNPAID (-)			
66	III. CAPITAL RESERVE	162 744	162 743	325 487
67	IV. RETAINED EARNINGS			
68	V. TIED-UP RESERVE			
69	VI. VALUATION RESERVE			
70	1. Valuation reserve for adjustments			
71	2. Fair value reserve			
72	VII. PROFIT AFTER TAXATION	-3 612	-58 431	-62 043
73	E. Provisions	3	2	5
74	1. Provisions for contingent liabilities	3	2	5
75	2. Provisions for future expenses			
76	3. Other provisions			
77	F. Liabilities	82 033	1 162 519	1 244 552
78	I. SUBORDINATED LIABILITIES	0	0	0
79	1. Subordinated liabilities to affiliated companies			
80	2. Subordinated liabilities to companies linked by virtue of major participating interests			
81	3. Subordinated liabilities to other companies linked by virtue of participating interests			
82	4. Subordinated liabilities to other economic entities			
83	II. LONG-TERM LIABILITIES	50 870	250 136	301 006
84	1. Long-term loans			
85	2. Convertible and equity bonds			
86	3. Debenture loans			
87	4. Investment and development credits			
88	5. Other long-term credits	50 870	250 136	301 006
89	6. Long-term liabilities to affiliated companies			
90	7. Long-term liabilities to companies linked by virtue of major participating interests			
91	8. Long-term liabilities to other companies linked by virtue of participating interests			
92	9. Other long-term liabilities			
93	10. Deferred tax liabilities			

BALANCE SHEET "A" Liabilities

HUF Mn

Line no.	Description of item	Crude oil 31/12/2024	Natural gas 31/12/2024	Total 31/12/2024
94	III. CURRENT LIABILITIES	31 163	912 383	943 546
95	1. Short-term loans			
96	Of which: convertible and equity bonds			
97	2. Short-term credits	17 707	912 150	929 857
98	3. Advances received from customers			
99	4. Trade payables	12 072	9	12 081
100	5. Bills payable			
101	6. Short-term liabilities to affiliated companies	896	4	900
102	7. Short-term liabilities to companies linked by virtue of major participating interests	479	0	479
103	8. Short-term liabilities to other companies linked by virtue of participating interests			
104	9. Other short-term liabilities	9	220	229
105	10. Valuation margin of liabilities			
106	11. Negative valuation margin of derivative instruments			
107	G. Accruals and deferred income	2	7 156	7 158
108	1. Accrued and deferred income	0	7 147	7 147
109	2. Deferred costs and expenses	2	9	11
110	3. Deferred income			
111	Total liabilities	241 170	1 273 989	1 515 159

PROFIT AND LOSS STATEMENT "A"

(nature of expense method)

HUF Mn

Line no.	Description of item	Crude oil 01/01/2024- 31/12/2024	Natural gas 01/01/2024- 31/12/2024	Total 01/01/2024- 31/12/2024
1	01. Net domestic sales	53 849	285	54 134
2	02. Net external sales			
3	I. Total net sales (01+02)	53 849	285	54 134
4	03. Variation in inventories of finished goods and in work in progress			
5	04. Own work capitalised			
6	II. Work performed by the company for its own purposes and capitalised (±03+04)	0	0	0
7	III. Other income	32 059	74 463	106 522
8	Of which: impairment loss reversed	9 385	0	9 385
9	Contribution fees, Oil Section	22 672	0	22 672
10	Contribution fees, Gas Section	0	54 985	54 985
11	05. Raw materials and consumables	2	2	4
12	06. Value of services used	16 743	14 860	31 603
13	07. Cost of other services	5	5	10
14	08. Cost of goods sold	48 676	56	48 732
15	09. Value of services sold (mediated)	4	4	8
16	IV. Material costs (05+06+07+08+09)	65 430	14 927	80 357
17	10. Wages and salaries	262	263	525
18	11. Other personnel expenses	10	9	19
19	12. Contributions on wages and salaries	25	25	50
20	V. Personnel expenses (10+11+12)	297	297	594
21	VI. Depreciation	12	12	24
22	VII. Other expenditures	1 034	0	1 034
23	Of which: impairment loss	1 033	0	1 033
24	A. PROFIT AND LOSS OF OPERATING ACTIVITIES (±II+III-IV-V-VI-VII)	19 135	59 512	78 647

PROFIT AND LOSS STATEMENT "A"

(nature of expense method)

HUF Mn

Line no.	Description of item	Crude oil 01/01/2024- 31/12/2024	Natural gas 01/01/2024- 31/12/2024	Total 01/01/2024- 31/12/2024
25	13. Dividends and profit-sharing receivable	175	0	175
26	Of which: from affiliated companies	0	0	0
27	14. Income from participating interests, foreign exchange gains			
28	Of which: from affiliated companies			
29	15. Income from non-current financial investments (equity shares, loans), foreign exchange gains			
30	Of which: from affiliated companies			
31	16. Other interests receivable and similar income	237	783	1 020
32	Of which: from affiliated companies	0	0	0
33	17. Other finance income	256	399	655
34	Of which: valuation margin	0	0	0
35	VIII. Total finance income (13+14+15+16+17)	668	1 182	1 850
36	18. Expenses and foreign exchange losses on participating interests			
37	Of which: to affiliated companies			
38	19. Expenses on non-current financial assets (equity shares, loans), foreign exchange losses			
39	Of which: to affiliated companies			
40	20. Interests (paid) payable and similar charges	3 242	56 051	59 293
41	Of which: to affiliated companies	0	0	
42	21. Losses on shares, securities, long-term loans and bank deposits		0	
43	22. Other finance expenses	4 703	78 544	83 247
44	Of which: valuation margin	0	0	
45	IX. Total finance expenses (18+19+20+21+22)	7 945	134 595	142 540
46	B. FINANCE RESULT (VIII-IX)	-7 277	-133 413	-140 690
47	C. PROFIT BEFORE TAXATION (±A±B)	11 858	-73 901	-62 043
48	X. Tax liability			
49	X/1. Temporary tax differences			
50	D. PROFIT AFTER TAXATION (±C-X)	11 858	-73 901	-62 043
51	E. Profit after taxation deposited in capital reserve	11 858	-73 901	-62 043

7. Events after the reporting period

Pursuant to Government Decree No 260/2022 (21/07/2022) on the establishment of the special natural gas reserve, the Government of Hungary mandated the Association to establish a special natural gas stock in addition to the emergency natural gas reserve, to the extent of its available financial resources. In compliance with the decree, the Association established and stockpiled the special natural gas reserve, which was to be maintained until April 1, 2024. Nevertheless, the Government modified the deadline for maintaining the special natural gas reserve to April 1, 2025 under Government Decree No 15/2024 (31/01/2024) on the amendment of Government Decree No 260/2022 (21/07/2022) on the establishment of the special natural gas reserve, and subsequently in accordance with Government Decree No. 10/2025 (14/02/2025) by an additional year until April 1, 2026. Accordingly, the Association initiated negotiations with the bank consortium financing the special natural gas reserve and the Government Debt Management Agency about extending the maturity of the loan agreements by one year, namely until April 30, 2026, as well as about the amendment of the service contract with the natural gas trader designated by the decree to stockpile the reserve. The amended loan agreements and the service contract were signed by the end of April 2025.

Budapest, May 7, 2025

Ferenc Zoltán Horváth
CEO