



# Report of the Management Board on the operations of the Unimot Group and Unimot S.A.

**For the first half of 2023**



**14 September 2023**

## THE UNIMOT Group

### Data for H1 2023

#### Total revenues

PLN 6 528.3 million

#### EBITDA

PLN 196.8 million

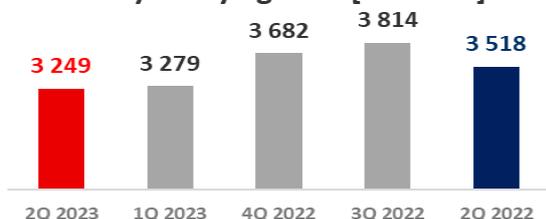
#### Adjusted EBITDA

PLN 167.6 million

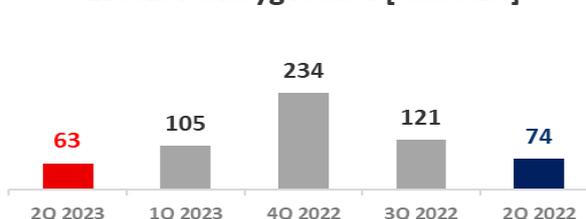


The UNIMOT Group is a multi-energy capital group and a leader among independent importers of liquid and gaseous fuels in Poland. Since December 2016, the company has been a member of the AVIA International association, thanks to which it was the first to obtain the right to build and develop the AVIA petrol station network in Poland and Ukraine. UNIMOT S.A. has over 30 years of experience in the fuel market, specialising in the wholesale of diesel fuel and the distribution of other liquid fuels, both domestically and internationally. In April 2023, the UNIMOT Group finalised the acquisition of the Lotos Terminals assets, including nine fuel terminals and two asphalt plants. The Group is also developing the photovoltaic segment, among others, under the AVIA Solar brand, and is investing in further RES sectors. The company is listed on the main floor of the Warsaw Stock Exchange.

#### Przychody ogółem [mln PLN]



#### EBITDA skorygowana [mln PLN]



#### SELECTED FINANCIAL DATA AND RATIOS<sup>1 2 3</sup>

in PLN thousand	01.01.2023 30.06.2023	01.04.2023 30.06.2023	01.01.2022 30.06.2022	01.04.2022 30.06.2022	01.01.2021 30.06.2021
<b>Total revenues</b>	<b>6 528 344</b>	<b>3 249 015</b>	<b>5 888 966</b>	<b>3 517 720</b>	<b>3 303 507</b>
<b>Gross profit on sales</b>	<b>450 602</b>	<b>201 749</b>	<b>391 113</b>	<b>180 520</b>	<b>173 723</b>
Gross margin on sales	6,9%	6,2%	6,6%	5,1%	5,3%
<b>Operating profit</b>	<b>172 868</b>	<b>63 841</b>	<b>208 722</b>	<b>64 566</b>	<b>63 020</b>
Operating profit margin	2,65%	1,96%	3,5%	1,8%	1,9%
<b>EBITDA</b>	<b>196 782</b>	<b>82 201</b>	<b>214 495</b>	<b>67 700</b>	<b>69 590</b>
EBITDA margin	3,01%	2,53%	3,6%	1,9%	2,1%
<b>Adjusted EBITDA</b>	<b>167 626</b>	<b>62 770</b>	<b>159 453</b>	<b>74 327</b>	<b>45 476</b>
Adjusted EBITDA margin	2,6%	1,9%	2,7%	2,1%	1,4%
<b>Net profit</b>	<b>113 900</b>	<b>31 910</b>	<b>159 740</b>	<b>44 995</b>	<b>46 799</b>
Net margin	1,74%	0,98%	2,7%	1,3%	1,4%
<b>Adjusted net profit</b>	<b>84 744</b>	<b>12 479</b>	<b>104 698</b>	<b>51 621</b>	<b>22 684</b>
Adjusted net margin	1,30%	0,38%	1,8%	1,5%	0,7%

<sup>1</sup> The item includes realised and unrealised exchange rate differences and the valuation of assets and liabilities, including inventories.

<sup>2</sup> Earnings Before Interest, Taxes, Depreciation and Amortisation.

<sup>3</sup> Adjusted for the impact of the valuation of the compulsory reserve of diesel (caused by a significant spread in the difference between spot diesel and futures quotes), time shifts of costs related to the implementation of NIT and maintenance of compulsory reserve of fuels and other non-recurring events.

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# **Letter of the President of the Management Board**



**Dear Sirs, Dear Shareholders,**

On behalf of the UNIMOT Group, I am pleased to provide you with the consolidated financial statements for the first half of 2023, in which we present the financial and operational results achieved, as well as the key events of the period.

The first half of 2023 was a period characterised by numerous events and changes in the fuel market that affected the UNIMOT Group's operations and required rapid business decisions. At the same time, the Group consistently pursued its strategic objectives through the acquisition of new companies, which expanded our value chain and diversified sources of EBITDA profit generation.

From the point of view of the UNIMOT Group's development, undoubtedly the biggest and breakthrough event was the completion of the acquisition of shares in Lotos Terminale S.A. (currently: UNIMOT Terminale sp. z o.o.). As a result, the UNIMOT Group became the owner of 9 fuel terminals with a total capacity of almost 390,000 cubic metres, with the potential to handle 6 million cubic metres of fuels per year, as well as two asphalt production facilities. In addition, RCEkoenergia sp. z o.o. was acquired as part of the transaction, the core business of which is the generation, transmission, distribution and trading of energy utilities, in particular heat and electricity. At present, the UNIMOT Group is the third player in terms of scale of operations on the Polish market for storage and distribution of liquid fuels and the second in terms of asphalt trading. The above acquisition was the most significant transaction in the history of UNIMOT's development, resulting in a leap in the Group's size and growth potential.

Another important step allowing further development of the UNIMOT Group was the acquisition of a 90% share in Olavion sp. z o.o., which provides rail freight services in the country and the organisation of freight transport outside Poland. After the first half of 2023, it held a 1.18% market share in terms of freight work. After the first months of the company's operation within the UNIMOT Group, a number of synergies can be observed, increasing the efficiency and flexibility of our Group's operations and thus strengthening its competitive position. Having more efficient and reliable logistics, at a time of dynamic changes in the directions of goods and raw materials deliveries, is one of the key factors enabling us to achieve our financial targets.

As part of the acquisition activities taking place in the first half of 2023, the UNIMOT Group also purchased 75% of shares in Partners4sky sp. z o.o. (now: Unimot Aviation sp. z o.o.). This entity sells aviation fuel to companies and individuals who own helicopters or small aircraft. It is hoped that in line with the development plans presented, with the financial support of the UNIMOT Group, it will expand its activities and return to passenger aviation operations. The inclusion of Unimot Aviation in the UNIMOT Group broadens our competence in the fuel industry to include the aviation fuel market, which is characterised by high growth potential.

After the balance sheet date, we carried out a transaction to acquire 80% of the shares in P2T sp. z o.o. (now: Unimot Commodities sp. z o.o.), the purpose of which is to conduct logistics and trading activities in the energy raw materials industry, including dealing in energy raw materials (biomass and coal), purchase of sea and land freight, as well as supervision of deliveries at sea and land border crossings. The acquired company is an important pillar for the further development of the solid fuels segment, which was established within the UNIMOT Group structures a few months earlier.

The acquisitions of the companies mentioned above are part of the strategy of building a strong, operationally and financially diversified UNIMOT Group. Each investment was preceded by numerous analyses prepared by internal and external experts. Today, with the benefit of hindsight, I can assess that the expansion of the UNIMOT Group brings the assumed benefits for all stakeholders, and the decisions taken by the UNIMOT Management Board and Supervisory Board were fully justified and contributed to the dispersion of revenue sources, greater flexibility of operations and financial strengthening.

The expansion of the UNIMOT Group's activities has a positive impact on increasing its resilience to changes in the market environment. It should be noted that since the beginning of 2023, the Polish economy has recorded negative gross domestic product dynamics. According to the estimates of the Central Statistical Office, GDP in the first quarter of 2023 decreased by 0.3% y/y, and in the second quarter of this year by 0.6% y/y. The deterioration of economic development conditions has had an impact on the decline in diesel consumption in Poland. In addition, an embargo on imports of this fuel from Russia has been in place since 5 February. At the beginning of the year, there were concerns about the availability of diesel after the embargo, but it soon became apparent that the product was available, but its import was becoming less profitable each month due to a decline in the so-called land premium, which is a determinant of the profitability of imports.

Despite the challenging environment, the UNIMOT Group achieved good financial results in the first half of 2023. The consolidated adjusted EBITDA reached the level of PLN 168 million and the consolidated net profit was close to PLN 114 million. It is particularly noteworthy that in the second quarter of 2023, approximately 60% of EBITDA was generated by entities acquired by the UNIMOT Group since the beginning of the year. In the reported period, the volume of diesel and biofuel sales exceeded 1 million m<sup>3</sup>, and LPG sales exceeded 146,000 tonnes.



We are constantly confronted with the consequences of Russia's armed onslaught against independent Ukraine. Its negative consequences are visible in various areas of business and social life in many countries around the world. We are aware of the needs of Ukraine and its people. Since the beginning of the war, we have supported this heroically defending country on a humanitarian basis and on a commercial basis by supplying raw materials traded by the UNIMOT Group.

I am convinced that with the actions taken in the first half of 2023, the UNIMOT Group has once again proven that it can effectively take advantage of market opportunities, which then provide a solid basis for further stable development. Our aim is to build a competitive Group, which is why we act quickly and react flexibly depending on the market situation.

Looking at the second half of 2023, which has begun, one can say with a high degree of probability that it will be a demanding period that will require us to be even more committed and to take non-standard decisions in order to safeguard the value of the UNIMOT Group.

I would like to thank all our partners, investors, Supervisory Board members and employees for their contribution to building the UNIMOT Group.

With kind regards,

**Adam Sikorski**

President of the Management Board of UNIMOT S.A.

**SELECTED CONSOLIDATED FINANCIAL DATA OF THE UNIMOT CAPITAL GROUP**

	in PLN thousand		in EUR thousand	
	30.06.2023	Comparative data*	30.06.2023	Comparative data*
<b>I. Sales revenues</b>	<b>6 528 344</b>	<b>5 888 966</b>	<b>1 415 206</b>	<b>1 268 435</b>
II. Profit/(loss) on operating activities	172 868	208 722	37 474	44 957
III. Gross profit/(loss)	147 700	199 603	32 018	42 993
IV. Net profit/(loss) attributable to shareholders of the Parent Entity	113 862	159 740	24 683	34 407
<b>V. Net profit/(loss)</b>	<b>113 900</b>	<b>159 740</b>	<b>24 691</b>	<b>34 407</b>
VI. Net cash flow from operating activities	(49 584)	132 266	(10 749)	28 489
VII. Net cash flow from investing activities	(164 839)	2 188	(35 734)	471
VIII. Net cash flow from financing activities	117 794	(14 725)	25 535	(3)
IX. Total net cash flow	(99 675)	106 079	(21 607)	22 849
<b>X. Total assets</b>	<b>2 394 569</b>	<b>1 665 277</b>	<b>538 069</b>	<b>355 077</b>
XI. Liabilities and provisions for liabilities	1 689 394	961 483	379 614	205 011
XII. Long-term liabilities	522 962	96 614	117 512	20 600
XIII. Short-term liabilities	1 166 432	864 869	262 102	184 411
XIV. Equity	705 175	703 794	158 456	150 066
<b>XV. Share capital</b>	<b>8 198</b>	<b>8 198</b>	<b>1 842</b>	<b>1 748</b>
XVI. Number of shares (in thousands)	8 198	8 198	-	-
<b>XVII. Profit/(loss) per ordinary share attributable to shareholders of the parent entity (in PLN/EUR)**.</b>	<b>13,89</b>	<b>19,49</b>	<b>3,01</b>	<b>4,20</b>
XVIII. Diluted profit/(loss) per ordinary share attributable to equity holders of the parent (in PLN/EUR)**.	13,89	19,49	3,01	4,20
<b>XIX. Book value per share (in PLN/EUR)***.</b>	<b>86,02</b>	<b>85,85</b>	<b>19,33</b>	<b>18,31</b>
XX. Diluted book value per share (PLN/EUR)***.	86,02	85,85	19,33	18,31

*\*\*The comparative data for items relating to the statements of financial position is presented as at 31 December 2022, while that for items relating to the statements of total revenues and statements of cash flows is presented for the period from 1 January 2022 to 30 June 2022.*

*\*\* as at 30.06.2023, the number of shares used to calculate profit per ordinary share and diluted profit per ordinary share was 8,198 thousand*

*\*\* as at 30.06.2022, the number of shares used to calculate profit per ordinary share and diluted profit per ordinary share was 8,198 thousand.*

*\*\*\* as at 30.06.2023, the number of shares used to calculate book value and diluted book value per share was 8,198 thousand.*

*\*\*\* as at 31.12.2022, the number of shares used to calculate book value and diluted book value per share was 8,198 thousand*

**The selected financial figures have been converted into euro as follows:**

The asset and liability items of the statements of financial position were converted into euro at the average exchange rate announced by the National Bank of Poland applicable on 30 June 2023: PLN/EUR 4.4503 and for comparative data as at 31.12.2022 PLN/EUR 4.6899.

Individual items relating to the statements of total revenues and the statements of cash flows were converted at an exchange rate representing the arithmetic mean of the average exchange rates of the National Bank of Poland (NBP) in force on the last calendar day of each month, which amounted to PLN/EUR 4.6130 (6 months of 2023), PLN/EUR 4.6427 (6 months of 2022), respectively.

**SELECTED DATA FROM THE INTERIM CONDENSED STANDALONE FINANCIAL STATEMENTS**

	in PLN thousand		in EUR thousand	
	30.06.2023	Comparative data*	30.06.2023	Comparative data*
<b>I. Sales revenues from continuing operations</b>	<b>482 659</b>	<b>631 347</b>	<b>104 630</b>	<b>135 987</b>
<b>I. Total sales revenues</b>	<b>482 659</b>	<b>5 905 765</b>	<b>104 630</b>	<b>1 272 054</b>
II. Operating profit/(loss) from continuing operations	34 353	(21 251)	7 447	(4 577)
<i>II. Total operating profit/(loss)</i>	<i>34 353</i>	<i>198 105</i>	<i>7 447</i>	<i>42 671</i>
III. Gross profit/(loss) from continuing operations	37 219	(27 164)	8 068	(5 851)
III. Total gross profit/(loss)	37 219	188 892	8 068	40 686
<b>IV. Net profit/(loss) from continuing operations</b>	<b>39 405</b>	<b>(21 668)</b>	<b>8 542</b>	<b>(4 667)</b>
<b>IV. Total net profit/(loss)</b>	<b>39 405</b>	<b>153 337</b>	<b>8 542</b>	<b>33 028</b>
V. Net cash flow from operating activities	(19 442)	28 100	(4 215)	6 053
VI. Net cash flow from investing activities	(4 584)	(68 611)	(994)	(14 778)
VII. Net cash flow from financing activities	(12 243)	21 402	(2 654)	4 610
VIII. Total net cash flow	(38 207)	(32 759)	(8 282)	(7 056)
<b>IX. Total assets</b>	<b>776 903</b>	<b>711 927</b>	<b>174 573</b>	<b>151 800</b>
X. Liabilities and provisions for liabilities	416 806	279 006	93 658	59 491
XI. Long-term liabilities	121 136	86 769	27 220	18 501
XII. Short-term liabilities	295 670	192 237	66 438	40 990
XIII. Equity	360 097	432 921	80 915	92 309
<b>XIV. Share capital</b>	<b>8 198</b>	<b>8 198</b>	<b>1 842</b>	<b>1 748</b>
XV. Number of shares (in thousands)	8 198	8 198		
<b>XVI. Profit/(loss) per ordinary share (PLN/EUR) from continuing operations</b>	<b>4,81</b>	<b>(2,64)</b>	<b>1,04</b>	<b>(0,57)</b>
<b>XVI. Total profit/(loss) per ordinary share (PLN/EUR)</b>	<b>4,81</b>	<b>18,70</b>	<b>1,04</b>	<b>2,91</b>
XVII. Diluted profit/(loss) per ordinary share (PLN/EUR) from continuing operations	4,81	(2,64)	1,04	(0,56)
<i>XVII. Total diluted profit/(loss) per ordinary share (PLN/EUR)</i>	<i>4,81</i>	<i>13,50</i>	<i>1,04</i>	<i>2,91</i>
<b>XVIII. Book value per share (in PLN/EUR)</b>	<b>43,92</b>	<b>52,81</b>	<b>9,87</b>	<b>11,26</b>
XIX. Diluted book value per share (in PLN/EUR)	43,92	52,81	9,87	11,26

*\*\*The comparative data for the items relating to the statement of financial position is presented as at 31 December 2022, while that for the items relating to the statements of total revenues and statements of cash flows is presented for the period from 1 January 2022 to 30 June 2022.*

*\*\* as at 30.06.2023, the number of shares used to calculate profit per ordinary share and diluted profit per ordinary share was 8,198 thousand*

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*\*\*\* as at 30.06.2023, the number of shares used to calculate book value and diluted book value per share was 8,198 thousand.*

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 **Commentary**  
on financial results  
of the UNIMOT Group



## 1. KEY EVENTS IN H1 2023

### 1.1. KEY EVENTS IN H1 2023, INCLUDING A DESCRIPTION OF SIGNIFICANT ACHIEVEMENTS OR FAILURES OF THE GROUP

H1 2023	
Acquisition of Olavion sp. z o.o.	On 9 January 2023, a preliminary conditional agreement for the acquisition of shares in Olavion sp. z o.o. was concluded. On 7 March 2023, the purchase of 90% of shares in Olavion was finalised.
Acquisition of 100% of shares in Lotos Terminale S.A. (currently: UNIMOT Terminale Sp. z o.o.).	3 February 2023. UNIMOT Investments sp. z o.o. entered into a conditional promised purchase agreement with ORLEN S.A. for 100% of shares in Lotos Terminale S.A. (currently: UNIMOT Terminale Sp. z o.o.).
Contract for the purchase of rail tankers	On 21 February 2023 the UNIMOT Group concluded a contract for the purchase of new rail tankers designed to carry petrol or diesel.
Conditional agreement for the purchase of shares in the energy raw materials industry	On 5 April 2023, UNIMOT entered into a preliminary conditional sale agreement, by virtue of which it undertook to acquire 80% of the shares in a company intended for logistics and trading activities in the energy raw materials industry from two natural persons. On 4 July 2023 (after the reporting date), a promised agreement was concluded, under which the Issuer acquired the shares referred to above.
Agreement for the transfer of 100% of shares in Lotos Terminale S.A. (currently: UNIMOT Terminale Sp. z o.o.).	On 7 April 2023, UNIMOT Investments entered into a definitive agreement with ORLEN S.A. for the transfer of 100% of the shares in Lotos Terminale S.A. (now: UNIMOT Terminale sp. z o.o.).
Agreement for the transfer of shares in Partners4Sky sp. z o.o.	On 28 April 2023, the Issuer entered into a share transfer agreement with Partners4Sky sp. z o.o., acquiring 75% of the shares in the company. The company operates in the aviation fuels business.
Ordinary General Meeting of UNIMOT S.A.	On 5 June 2023, The Ordinary General Meeting of UNIMOT S.A. approved, inter alia, the financial statements of the Unimot CG and Unimot S.A. and the payment of a dividend from the generated profit of 2022 in the amount of PLN 13.69 per share.
Contract for the purchase of railway engines	The Issuer's subsidiary Olavion sp. z o.o. entered into an agreement for the purchase of 4 railway engines and was granted an option to purchase 16 additional railway engines.

#### Acquisition of 100% of the shares in Lotos Terminale.

The acquisition of 100% of shares in Lotos Terminale, which was finalised on 7 April, was the most important business event in the first half of 2023 and another step in the successive development and strengthening of the Unimot Group as the largest independent operator in the fuel market in Poland

Thanks to the transaction, the assets of the UNIMOT Group have expanded to include nine fuel terminals and two asphalt plants. Thus, the Group has become the third player on the fuel storage market, with the status of an Independent Logistics Operator, i.e. an entity whose storage services may be used by other entities, as well as the second player on the bitumen sales market.

Along with the assets, more than 400 employees moved to the Unimot Group. The key locations included Czechowice-Dziedzice, Jasło, Poznań, Rypin, Piotrków Trybunalski, as well as Szczecin, Bolesławiec, Gdańsk and Gutkowo, where the fuel terminals are located.

The finalisation process took more than two years and started in 2021. Preparation for the transaction required organisational changes within the Group, which is why the fuel, biofuel and LPG business was separated from Unimot S.A. in August 2022 and subsequently transferred as in-kind contribution to Unimot Paliwa sp. z o.o.. Such an operation was necessary due to European Commission's guidelines mandating that the business remain independent and accessible to other market participants.

In addition, the transaction was subject to a number of approvals, ranging from the aforementioned approval of the European Commission, through the approval of the OCCP, to the approvals of the relevant state and local government authorities.

Business operations in their new form have been implemented since 7 April 2023, when the acquired companies joined the Unimot Group, namely: Lotos Terminale S.A. (now operating as Unimot Terminale sp. z o.o.), Uni-Bitumen sp. z o.o. (now known as Unimot Bitumen sp. z o.o.), RCEkoenergia sp. z o.o. and Lotos Infrastruktura S.A. (now Unimot Infrastruktura sp. z o.o.).

The transaction is regarded as a long-term investment, is being progressively developed and has a positive impact on revenue diversification.

The management assumes that the new business areas will fit in with future market trends especially in view of the ongoing energy transition.

**As part of the acquisition of 100% of the shares in Lotos Terminale S.A. (now: UNIMOT Terminale Sp. z o.o.) the following events took place:**

- On 3 February 2023, UNIMOT Investments sp. z o.o. entered into a conditional Promised Agreement with ORLEN S.A. for the acquisition of 100% of shares in Lotos Terminale S.A. (the "Promised Agreement", currently: UNIMOT Terminale Sp. z o.o.). The conclusion of the Promised Agreement took place in connection with the fulfilment of all agreed conditions of the preliminary agreement concluded on 12 January 2022, which enabled the conclusion of the Promised Agreement. Pursuant to the Final Agreement, the parties undertook to conclude the final agreement for the sale of 100% of shares in Lotos Terminale S.A. subject to the conditions set out in the Final Agreement, i.e. related to the non-exercise of the pre-emptive right by the authorised bodies.
- On 7 April 2023, UNIMOT Investments entered into a final agreement with ORLEN S.A. for the transfer by ORLEN of 100% of Lotos Terminale shares to UNIMOT Investments. Unimot Investments paid to ORLEN a part of the agreed sale price of Lotos Terminale shares and refinanced Lotos Terminale S.A.'s liability to the bank in the total amount of PLN 366.4 million. The remaining part of the sale price, including that resulting from the agreed earn-out mechanism, as well as the reimbursement of capital expenditure related to the implementation of the investment in the fuel terminal in Szczecin will take place at later dates agreed between the parties. The payment of the sale price was made from the own contribution made to Unimot Investments by UNIMOT S.A. in the amount of PLN 118.6 million and the use of part of the loan granted to Unimot Investments by a consortium of banks.
- As part of the acquisition of Lotos Terminale, the UNIMOT Group acquired the Independent Logistics Operator business, which includes nine fuel terminals with a total current capacity of 387,000 m<sup>3</sup> and, upon completion of ongoing development work, storage capacity will increase to 410,000 m<sup>3</sup>. In addition, as part of the transaction, the Unimot CG acquired the 'bitumen' business, which includes asphalt plants with a sales department, as well as a ten-year contract for the supply of up to 500,000 tonnes per year of raw material for their production from Rafineria Gdańska. The acquired businesses could generate an additional c. PLN 70 - 100 million in EBITDA result in the future.

**The following events took place as part of the investment in logistics:**

- On 9 January 2023, the Issuer entered into a preliminary conditional agreement to sell 100% of the shares in Olavion sp. z o.o. (the "Preliminary Agreement") from two individuals, including the majority shareholder (the "Seller") and seven executives (the "Executives"). On the basis of the Preliminary Agreement, the parties undertook to conclude the Promissory Agreements for the sale of a total of 100% of Olavion's shares (the first agreement with the Sellers - 90% of Olavion's shares, the remaining agreements with the Management Team - 10% of Olavion's shares). The conclusion of the Promised Agreements is subject to the fulfilment of conditions, including in particular: obtaining consent of the President of the Office of Competition and Consumer Protection, conclusion of a long-term transportation agreement between UNIMOT Paliwa sp. z o.o. and Olavion, as well as non-occurrence of negative events related to the encumbrance of the shares, as well as taking unfavourable actions resulting in changes in the economic and financial situation of Olavion during the period until the date of conclusion of the Promised Agreements. A deadline of 30 June 2023 was set for the fulfilment of the above conditions precedent. Additional conditions for the conclusion of the Promissory Agreements with the Management Team include the maintenance of the current composition of Olavion's management board and key management personnel and the preparation of Olavion's financial statements for 2023 and 2024. Accordingly, it was agreed that the deadline for the acquisition of 10% of the shares from the Management Team would be no later than 7 July 2025. In connection with the Promised Agreement on 7 March 2023, UNIMOT S.A. entered into an agreement to acquire 90% of the shares in Olavion from the Sellers. UNIMOT's total financial engagement to the acquired stake in Olavion including, inter alia, an adjustment for the estimated value of net debt and differences in working capital amounted to PLN 24.2 million.
- On 21 February 2023, the UNIMOT Group concluded another contract for the purchase of new rail tankers for the transportation of petrol or diesel fuel. In total, in previous contracts, the UNIMOT Group purchased rail tankers with a total capacity of over 18,000 m<sup>3</sup>. The rail tankers purchased will constitute a significant addition to the UNIMOT Group's logistics base and will primarily be used by the Group, as well as being made available to external entities as far as possible. The development of the Group's own rail resources makes it possible to increase the efficiency of liquid fuel trading.

- On 13 June 2023, the Issuer's subsidiary Olavion sp. z o.o. concluded an agreement for the acquisition of railway engines. Under the agreement, Olavion will acquire 4 railway engines for a total maximum price of PLN 74 million. In addition, Olavion has been granted the option to purchase 16 additional railway engines. The Issuer Group can exercise the above option until the end of 2025 and is not obliged to purchase all the railway engines provided for in the purchase option pool. The decision to purchase additional railway engines will be made after considering the economic justification for their purchase. Assuming that the option to purchase all 16 railway engines is exercised, the total cash outlay could be up to PLN 304 million at prices prevailing in 2023. As a result of the agreement, Olavion will increase the number of electric railway engines, which will allow it to increase the scale of its operations and strengthen its market position. Securing the ability to purchase more railway engines will allow the Issuer Group to respond flexibly to changing market demand and the Issuer Group's supply capabilities.

**In addition, the following events took place as a complement to the value chain:**

- On 5 April 2023, UNIMOT concluded a preliminary conditional sale agreement, under which it undertook to acquire from two individuals 80% of the shares in a company intended for logistics and trading activities in the energy raw materials industry. The subject of the transaction was the acquisition of shares in P2T sp. z o.o., to which a separate part of the P2 Trading sp. z o.o. enterprise was contributed, and whose business is trading in energy raw materials, including biomass and coal, purchase of sea and land freight, as well as supervision of deliveries at sea and land border crossings. Following the fulfilment of all conditions precedent set out in the preliminary conditional sale agreement, the relevant promised agreement was signed on 4 July 2023.
- On 28 April 2023, the Issuer entered into an agreement for the transfer of shares in Partners4Sky sp. z o.o. (now: Unimot Aviation Sp. z o.o.) , acquiring 75% of the shares in this company. The company currently sells fuel to companies and individuals owning helicopters or small aircraft. It also cooperates with entities consuming aviation paraffin (JET A-1) in technological processes or offering servicing of aircraft engines.

**1.2. AWARDS AND PRIZES IN 2023**



In March 2023, Unimot was recognised in the prestigious Stock Exchange Company of the Year ranking organised by Puls Biznesu. Unimot was ranked 3rd in the "Competence of the Management Board" category and among the top ten listed companies.

<p><b>UNIMOT</b> Jesteśmy Spółką Giełdową 2022 wg rankingu Invest Cuffs</p>	<p>In April 2023, Unimot was awarded first place in the Expo Invest Cuffs competition in the 'Listed Company 2022' category. The awards were based on a vote by the investment community, which cast a total of 120,000 votes.</p>
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## XXV EDYCJA RANKINGU LISTA 500



### 36TH PLACE ON THE RZECZPOSPOLITA 500 LIST

In May 2023, the daily newspaper Rzeczpospolita announced the results of its annual ranking of the largest Polish companies - the List of 500. The UNIMOT Group was ranked 36th, which means a 22-place rise over the year.

The 500 List is a compilation of the country's largest companies by sales revenue in 2022, prepared on the basis of surveys, financial statements, stock market reports and business intelligence resources. The revenues of the companies on this year's 500 List amount to almost PLN 2.4 trillion.

In May 2023, during the „Wall Street 27” conference in Karpacz, the UNIMOT Group was awarded the „Hero of the Capital Market” award in the „Stock Exchange Company” category for the best investor relations among companies outside WIG20 and mWIG40. Organised by the Association of Individual Investors, the plebiscite rewards companies, journalists, bloggers and analysts whose activities contribute to the development of the capital market. At the same time, it honours the UNIMOT Group's contribution to promoting the highest standards of communication and spreading knowledge among participants in the financial market, including, above all, individual investors.

## 2. BASIC INFORMATION ABOUT THE UNIMOT GROUP

The Unimot Group is an independent importer of liquid and gaseous fuels and offers the following products: diesel fuel (diesel), liquefied petroleum gas (LPG), natural gas (high-methane E, LNG, CNG), biofuels (Bio), electricity, motor oils, bitumen, coal and photovoltaic panels. As part of its activities, the Group is also involved in rail transport and freight forwarding services.

The UNIMOT Group is the third player in the fuel storage market, the second player in the bitumen sales market and has become an independent fuel logistics operator based on its own infrastructure. It currently has 9 fuel terminals with a total current capacity of 387,000 m<sup>3</sup> and is a producer of modified bitumen

It is a member of the international association Avia International and has been developing a network of petrol stations under the Avia brand since 2016. The Group's core business is the retail and wholesale of gaseous fuels, liquid fuels, petroleum products, electricity and the development and construction of a natural gas distribution network.

### PARENT ENTITY'S DATA

UNIMOT Spółka Akcyjna ("UNIMOT", the "Company", the "Parent Entity") with its registered office in Zawadzkie, 2a Świerklańska Street is the Parent Entity in the UNIMOT Capital Group (the "Capital Group", the "Group").

The company was entered on 29 March 2011 in the Register of Entrepreneurs of the District Court in Opole, 8th Commercial Division of the National Court Register under KRS number: 0000382244.

The company has the identification number REGON: 160384226 and NIP: 7561967341.

UNIMOT S.A. shares have been listed on the Stock Exchange since 7 March 2017.

The Parent Entity's core business is the control and management of other companies or enterprises in the fuel and energy industry and related industries, strategic and organisational planning and decision-making processes, as well as the commercial operation of petrol stations under the AVIA brand and the marketing of natural gas.

### 2.1. COMPOSITION OF THE PARENT ENTITY'S MANAGEMENT AND SUPERVISORY BOARD

#### Management Board's composition:

- Adam Sikorski - President of the Management Board,
- Robert Brzozowski - Vice-President of the Management Board,
- Filip Kuropatwa - Vice-President of the Management Board.

There were no changes to the composition of the Management Board during the reporting period.

**Composition of the Supervisory Board:**

- Andreas Golombek - Chairman of the Supervisory Board,
- Bogusław Satława – Vice-Chairman of the Supervisory Board,
- Piotr Cieślak - Member of the Supervisory Board,
- Isaac Querub - Member of the Supervisory Board,
- Piotr Prusakiewicz - Member of the Supervisory Board,
- Ryszard Budzik - Member of the Supervisory Board,
- Lidia Banach-Hoheker - Member of the Supervisory Board.

There were no changes in the composition of the Supervisory Board during the reporting period.

**2.2. COMPOSITION OF THE UNIMOT GROUP**

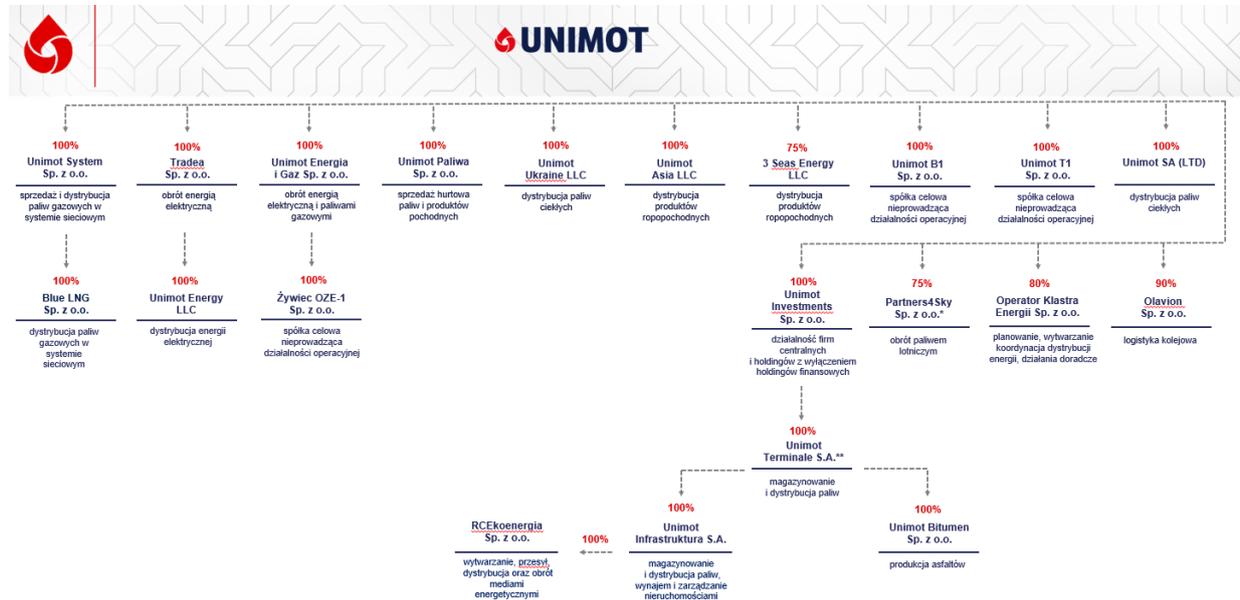
As at 30 June 2023, the UNIMOT Group consisted of the following directly and indirectly consolidated subsidiaries:

Name of unit	Headquarters	Scope of the unit's core business	Shareholdings and voting rights	Date of obtaining control
UNIMOT S.A.	Poland	Controlling and managing other companies in the fuel and energy industry and related industries, strategic and organizational planning and decision-making processes; Running the commercial activities of the petrol stations under the AVIA brand; Trading in natural gas	not applicable	Parent Entity
UNIMOT SYSTEM Sp. z o.o.	Poland	Sale and distribution of gaseous fuels through mains	100%	20.01.2014
BLUE LNG Sp. z o.o.	Poland	Sale and distribution of gaseous fuels through mains	100%	04.07.2014
UNIMOT PALIWA Sp. z o.o.	Poland	Wholesale of fuels and related products	100%	16.11.2015
UNIMOT ENERGIA I GAZ Sp. z o.o.	Poland	Trading in electricity and gaseous fuels	100%	30.12.2015
TRADEA Sp. z o.o.	Poland	Electricity trading	100%	23.05.2016
UNIMOT UKRAINE LLC	Ukraine	Distribution of liquid fuels	100%	19.04.2018
UNIMOT ASIA LLC	China	Distribution of petroleum products	100%	04.09.2018
UNIMOT ENERGY LLC	Ukraine	Electricity distribution	100%	02.04.2019
3 SEAS ENERGY LLC	U.S.A.	Distribution of petroleum products	75%	21.05.2020
ENERGY CLAST OPERATOR Ltd.	Poland	Planning, generation and coordination of energy distribution, consulting, advisory activities	80%	15.02.2021
UNIMOT INVESTMENTS Sp. z o.o.	Poland	Activities of head offices and holding companies, excluding financial holdings	100%	20.10.2021
UNIMOT T1 Ltd.	Poland	Non-operating special purpose vehicle	100%	20.10.2021
UNIMOT B1 Sp. z o.o.	Poland	Non-operating special purpose vehicle	100%	20.10.2021
UNIMOT SA (Unimot LTD)	Switzerland	distribution of liquid fuels	100%	17.05.2022
ŻYWIEC OZE-1 Sp. z o.o.	Poland	Electricity generation	100%	13.02.2023
Olavion Sp. z o.o.	Poland	Rail transport and forwarding services	90%	07.03.2023
UNIMOT TERMINALE Sp. z o.o.*	Poland	Storage and distribution of fuels	100%	07.04.2023
UNIMOT INFRASTRUKTURA Sp. z o.o.**	Poland	Fuel storage and distribution, rental and property management	100%	07.04.2023
UNIMOT BITUMEN Sp. z o.o.	Poland	Bitumen production	100%	07.04.2023
RCKOENERGIA Sp. z o.o.	Poland	Generation, transmission, distribution and trading of energy utilities	100%	07.04.2023
UNIMOT AVIATION Sp. z o.o.***	Poland	Trading in aviation fuel	75%	28.04.2023

\* conversion from S.A. to Ltd. - registration in KRS 31.07.2023.

\*\* conversion from S.A. to Ltd. - registration in KRS 01.08.2023.

\*\*\* change of name of PARTNERS4SKY sp. z o.o. to UNIMOT AVIATION sp. z o.o. - KRS registration 24.07.2023.



\* Aktualnie Unimot Aviation Sp. z o.o.  
 \*\* Aktualnie Unimot Terminale Sp. z o.o.

### 2.3. ORGANISATIONAL LINKS AND CAPITAL INVESTMENTS MADE

The Issuer did not make any capital investments outside the Group during the reporting period.

#### Changes in H1 2023:

In the first half of 2023, the following changes occurred in the Unimot Group:

- On 9 January 2023, Unimot S.A. increased the capital in Unimot Investments sp. z o.o. by taking up 2 000 new shares at PLN 50 each, covering them entirely with a cash contribution of PLN 1 000 000, as a result of which the share capital of that company increased by PLN 100 000. The surplus over the nominal value of the shares taken up, i.e. the amount of PLN 900 000, was transferred to the supplementary capital (agio). The percentage share of Unimot S.A. in Unimot Investments sp. z o.o. has not changed and amounts to 100%.
- On 13 February 2023, a subsidiary of Unimot S.A., i.e.: UNIMOT Energia i Gaz sp. z o.o. entered into an agreement to acquire 95% of the shares in Żywiec OZE-1 sp. z o.o., and on 15 February 2023 acquired the remaining 5% of shares.
- On 13.02.2023, Unimot S.A. increased the capital in Unimot Investments sp. z o.o. by taking up 6 000 new shares at PLN 50 each, covering them entirely with a cash contribution in the amount of PLN 3 000 000, as a result of which the share capital of this company increased by PLN 300 000. The surplus over the nominal value of the shares taken up, i.e. the amount of PLN 2 700 000, was transferred to the supplementary capital (agio). The percentage share of Unimot S.A. in Unimot Investments sp. z o.o. has not changed and amounts to 100%.
- On 7 March 2023, Unimot S.A. signed a Promised Purchase Agreement from two individuals, including the acquisition of 4,140 shares representing 90% of the shares in the share capital of Olavion sp. z o.o. from the existing majority shareholder. As at the acquisition date, the amount of the consideration transferred (basic price) amounted to PLN 24,200,772.90 and represented cash paid. The basic price consists of a predetermined component in the contract and a component depending on the value of the net debt at the acquisition date and the difference in the value of the working capital at the acquisition date compared to the value at 30.11.2022. The basic price stated above was adjusted (increased) on 18.04.2023 by an amount of PLN 854 thousand, taking into account the actual value of net debt and the actual value of working capital, both of which were included in the calculation of the price on the date of acquisition based on estimates. The total consideration transferred is subject to change, due to the earn-out mechanism included in the agreement. The additional price is

dependent on the EBITDA of the acquired Company to be achieved in 2023 and 2024 and will be settled by the end of July 2025.

- On 10 March 2023, Unimot S.A. increased the capital in Unimot B1 sp. z o.o. by taking up 240 new shares at PLN 50 each, covering them entirely with a cash contribution of PLN 12 000, as a result of which the share capital of that company increased by PLN 12 000. The percentage share of Unimot S.A. in Unimot B1 sp. z o.o. has not changed and amounts to 100%.
- On 5 April 2023, Unimot S.A. increased the capital in Unimot Investments sp. z o.o. by taking up 264 000 new shares at PLN 50 each, covering them entirely with a cash contribution of PLN 132 000 000. As a result, the share capital of this company increased by PLN 13 200 000, from PLN 901 000 to PLN 14 101 000. The surplus over the nominal value of the shares taken up, i.e. the amount of PLN 118,800,000, was transferred to supplementary capital (agio). The percentage share of Unimot S.A. in Unimot Investments sp. z o.o. has not changed and still amounts to 100%.
- On 7 April 2023, a subsidiary of Unimot S.A., i.e.: UNIMOT Investments sp. z o.o. concluded a final agreement for the acquisition of 100% of the shares in Lotos Terminale S.A., which holds directly or indirectly 100% of the shares in Lotos Infrastruktura S.A. (from 17.05.2023 Unimot Infrastruktura S.A.), Uni-Bitumen sp. z o.o. (from 10.05.2023 Unimot Bitumen sp. z o.o.) and RCEkoenergia sp. z o.o., as a result of which all the above companies became part of the Unimot Group.
- On 28 April 2023, Unimot S.A. entered into a share transfer agreement with Partners4Sky sp. z o.o., acquiring 75% of the shares in the company.

#### **Mergers made in H1 2023:**

No company mergers within the meaning of the Commercial Companies Code were completed in H1 2023.

#### **Divestments in H1 2023:**

No shares in subsidiaries were disposed of in the first half of 2023.

#### **Changes after the reporting date:**

- On 4 July 2023. Unimot S.A. entered into a Promised Agreement to acquire 80% of the shares in a company called P2T sp. z o.o.
- As of 11 July, Unimot S.A. does not hold shares in 3 Seas Energy LLC.
- On 20 July 2023, a subsidiary of Unimot S.A. - Unimot Aviation sp. z o.o. (former Partners4Sky sp. z o.o.) established Unimot Aviation Services sp. z o.o.
- On 31 July 2023, a subsidiary of Unimot S.A. - Unimot Terminale S.A. converted from a joint stock company to a limited liability company.

### **3. GROUP'S STRATEGY AND DEVELOPMENT PLANS**

#### **3.1. STATUS OF IMPLEMENTATION OF THE GROUP'S STRATEGY, INCLUDING FINANCIAL FORECASTS**

In June 2018, the Company prepared and announced a Strategy for 2018-2023. The Issuer sets out the main strategic objectives below, together with a commentary on their implementation.

##### **➤ Achieving PLN 75 million of EBITDA in 2023**

The UNIMOT Group is pursuing EBITDA growth through a number of strategic initiatives, developing current operational activities as well as engaging in new businesses, including in particular logistics, fuel storage and bitumen production.

Part of the published Strategy were forecasts of consolidated adjusted EBITDA for the period 2018-2023. The company assumed the following levels: 2018 = PLN 12 million (book EBITDA), 2019 = PLN 34.0 million, 2020 = PLN 44.2 million, 2021 = PLN 54.3 million, 2022 = PLN 64.9 million, 2023 = PLN 74.8 million.

For 2018, the UNIMOT Group achieved a consolidated (book) EBITDA result of PLN 13.5 million, i.e. exceeding the forecast by 12.6%. In the course of 2019, the Company updated the forecast of consolidated adjusted EBITDA for 2019 several times, and the achieved result was at the level of PLN 63.7 million. The Company updated the forecast of consolidated adjusted EBITDA for 2020 twice. Initially, the forecast was raised to a level of PLN 62.3 million and then to PLN 80 million.

##### **➤ Increase in business efficiency as measured by ROCE - calculated as: EBITDA / (equity + long-term liabilities) - in 2023. ROCE = 15%**

The UNIMOT Group is systematically improving the efficiency of all businesses with the ultimate goal, in line with the Strategy, of achieving a ROCE of 15%. To this end, a number of measures are being taken - both on the revenue and cost sides. As at 30 June 2023, ROCE (adjusted EBITDA/ (equity + long-term liabilities) was 62%, significantly higher than the 15% target for 2023.

➤ **Business diversification - generating in 2023 70% of EBITDA from intensively growing non-diesel business**

The UNIMOT Group is developing and increasing the scale of all its businesses, including in businesses outside diesel and biofuels, which to date have been the Company's core business. It has implemented this through, among other things:

- Developing stations in the AVIA chain with the aim of focusing on more prestigious locations and building a new source of profit in the form of non-fuel products sold at AVIA stations.
- Expansion of offer in the area of petroleum products. From August 2019 the UNIMOT Group has been importing and selling asphalt products in Poland.
- Developing oil sales in China and Ukraine from 2019, assuming sales growth and entry into new markets in Europe and Asia for the next few years.
- Commencement of sales, installation and service of photovoltaic panels for business and individual customers under the AVIA Solar brand (from Q2 2020).
- Commissioning of a photovoltaic panel factory in the halls of PZL Sędziszów in July 2021.
- Purchase of 90% of shares in Olavion sp. z o.o. As part of its business activities, Olavion, under its licence, provides rail transport services in Poland, as well as freight forwarding services at home and abroad.
- Conclusion of Rail Tanker Purchase Agreements with a capacity of approximately 18,000 m<sup>3</sup>. The purchased Rail Tankers constitute a significant addition to the logistics base of the Issuer Group and will be primarily used by the Issuer Group and, as far as possible, will be made available to external entities. The development of the Issuer's own rail resources will allow the Issuer Group to make its operations more flexible and increase the efficiency of liquid fuel trading.
- Purchase of the assets of Lotos Terminale S.A. (now: UNIMOT Terminale sp. z o.o.) comprising the companies: UNIMOT Bitumen, RCEkoenergia and UNIMOT Infrastruktura. Assets include, among others, 9 fuel terminals with a total current capacity of 387,000 m<sup>3</sup> in Czechowice-Dziedzice, Jasło, Piotrków Trybunalski, Poznań, Rypin, Bolesławiec, Szczecin, Gutkowo and Gdańsk. Upon completion of the development work, the storage capacity will increase to 410,000 m<sup>3</sup>. As a result of the Transaction, the Issuer's capital group has become the third player in the fuel storage market. The Bitumen business includes asphalt plants in Jasło and Czechowice-Dziedzice. The UNIMOT CG has become the second entity on the bitumen sales market.
- The conclusion by the Issuer of an agreement to acquire 80% of the shares in P2T sp. z o.o. intended for logistics and trading activities in the energy raw materials industry, including biomass and coal, purchase of sea and land freight, as well as supervision of deliveries at sea and land border crossings.

The market share in renewables is expected to add significant value to the Group in the future and further diversify the business.

➤ **Development of the AVIA chain in Poland**

One of the most important elements of the 2018-2023 Strategy is the dynamic development of the AVIA chain. The Issuer's assumption was to have 200 stations in the AVIA chain in 2023 in Poland, but due to unexpected market events, including the pandemic and the war in Ukraine, which significantly affected the dynamics of fuel market development, the real number of stations at the end of 2023 should be at least 140 stations. As at the date of publication of the report, the Unimot Group has opened more than 119 stations.

The Unimot Group is seeking to acquire as many stations as possible and, to this end, is increasing the attractiveness of the franchise offer by, among other things: introducing and developing a fleet card, increasing the flexibility of the terms and conditions of cooperation depending on the potential of the station, creating several flagship stations and expanding the offer with additional products and services.

➤ **Annual dividend payment**

In accordance with the dividend policy in force, in the event of a net profit in a given financial year, the Management Board will recommend to the Company's General Meeting of Shareholders the payment of a dividend each year to represent a minimum

of 30% of the consolidated net profit of the Group, with the proviso that the recommendation of the Management Board will depend each time on the operational and financial situation of the UNIMOT Group.

### 3.2. GROUP DEVELOPMENT DIRECTIONS

**Diesel** - the Group anticipates further organic (natural) growth in wholesale diesel sales based on individual fuel depots, through the use of the company's own e-procurement platform for wholesale customers, as well as its own team of sales department employees. Favourable factors include insufficient domestic diesel production relative to consumption; additional demand for fuels from the Ukrainian market; the so-called fuel package and transport package introduced in Poland to reduce the grey market in fuel trading; the use of own stable sources of supply and commercial competence; as well as experience and the ability to apply financial and hedging tools. Access to its own terminal infrastructure enabling it to increase its market share and expand its range of fuel services and products.

**Development of AVIA station chain in Poland** - in the first half of 2023, the Issuer launched a further 13 AVIA petrol stations in Poland. In total, at the end of June 2023, 119 AVIA stations were operating in Poland, including 79 franchised stations and 40 stations operated directly by the company. The Group is negotiating and discussing further locations in Poland and expects to have more than 140 stations by the end of 2023 (however, reaching the previously agreed level of 150 stations by the end of this year may be a challenge). The Issuer estimates that the potential of the UNIMOT Group to develop the AVIA station chain in Poland will allow it to open approximately 30 petrol stations per year.

**LPG** - plans for the development of the LPG segment concern further increasing wholesale (in Poland as well as abroad) and retail sales, e.g. by operating independent filling stations and the AVIA station chain, investing in tank installations for external customers.

**Biofuels** - the Group expects to continue to sell bio-fuels and bio-oils, including using new sources of supply and markets.

**Natural gas** - The Group is developing the natural gas segment, the essence of which is the multi-directional intensification of gas fuel sales. Following the sale of some assets in this business segment in 2019, the Group is focusing on the highest-margin businesses, including the sale and distribution of natural gas through Unimot System from its own distribution network. Wholesale trading is also being developed using leased natural gas storage space in caverns and natural gas transactions are being carried out on the Dutch TTF exchange. In addition, the Issuer will continue to work on opportunities to produce biomethane and feed it into the gas distribution network owned by Unimot System.

**Electricity** - there will be a continuation of wholesale electricity trading via exchange and brokerage platforms by Tradea. Further development of cooperation with producers producing electricity from renewable energy sources. The Group is also exploring the possibility of participating in electricity trading in neighbouring markets.

**Photovoltaics** - The UNIMOT Group has made dynamic changes in the operation of the photovoltaics segment. Retail sales to individual customers were phased out and the building of relationships in the field of industrial installations began. In addition, the production line of Polish photovoltaic panels launched by the Unimot Group in 2021 was expanded and its capacity tripled to 45 MW per year. The anticipated development of photovoltaics in Poland in the next few years should be supported by changes in the perception of a broadly understood ecology, but may also be forced by trends towards reducing the consumption of fossil fuels. The costs of energy prices, as well as distribution fees, are the driving force for investments in the construction of RES industrial installations. The UNIMOT Group sees its opportunities in the further development of renewable energy sources, both in terms of the construction of PV installations for business customers and the construction of its own RES generation sources, and is analysing market opportunities arising from the prospects of subsidies in this area. At the same time, a significant need for electricity storage and stabilisation/extension of the production profile from RES is noticeable.

The Issuer and its related companies have identified the potential to exploit opportunities pertaining to the development of distributed energy within energy cooperatives and energy clusters.

**Bitumen products** - in the area of bitumen products, the Group is planning intensive growth in volumes and their contribution to the Group's result throughout 2023, which is related to the acquisition on 7 April 2023 by the UNIMOT Group of 100% of shares in Lotos Terminale (now: Unimot Terminale sp. z o.o.), covering the production and sale of bitumen. Along with the acquisition of Lotos Terminale, a ten-year contract was signed for Orlen Group's supply of asphalt products and raw material for their production in quantities of up to 500,000 tonnes per year. The segment's activities are closely linked to the development of road works.

**Solid fuels** - in 2022, the UNIMOT Group identified business opportunities in hard coal trading. The analyses carried out have shown the Group's ability to source this raw material, as well as to locate it at home and abroad. In addition, revenue synergies can be expected from exploiting the potential of the UNIMOT Group's existing customers. In this regard, the first coal deliveries addressed to industrial plants, including the heating sector, were made at the beginning of 2023. The development of the Issuer

Group's business in the trading of energy raw materials (biomass and coal) was strengthened( after the reporting date) by the acquisition on 4 July 2023 of P2T sp. z o.o. (now: Unimot Commodities sp. z o.o.), which additionally has experience in purchasing by sea and land freight and in supervising the delivery of sea and land border crossings.

**Infrastructure and logistics** – the Unimot Group started operating as an independent logistics operator from April 2023, as a consequence of the acquisition of 100% of the assets of Lotos Terminale (now: UNIMOT Terminale). This business includes 9 fuel terminals with a total capacity of 387,000 m<sup>3</sup> . located in Czechowice-Dziedzice, Jasło, Poznań, Bolesławiec, Szczecin, Gutkowo, Rypin, Gdańsk and Piotrków Trybunalski, which also includes an LPG terminal. As part of the development of this business, an investment is under way at the terminal in Szczecin, which envisages the possibility of accepting fuels from maritime transport and the construction of a fully functional terminal for JET A-1 aviation fuel. In parallel, a number of modernisation tasks are being carried out to increase flexibility in the scope of services provided, and to introduce a new range of products, e.g.: E10 petrol, or the production of light fuel oil based on diesel.

In terms of logistics activities, the UNIMOT Group will focus on maximising the use of rail tankers and railway engines. In the long term, the UNIMOT Group sees the need to purchase or lease modern rolling stock with high technical efficiency and operational capabilities.

### 3.3. SHAREHOLDING STRUCTURE OF THE ISSUER

Shareholders holding, directly or indirectly through subsidiaries, at least 5% of the total number of votes at the Issuer's General Meeting as at the date of this interim report:

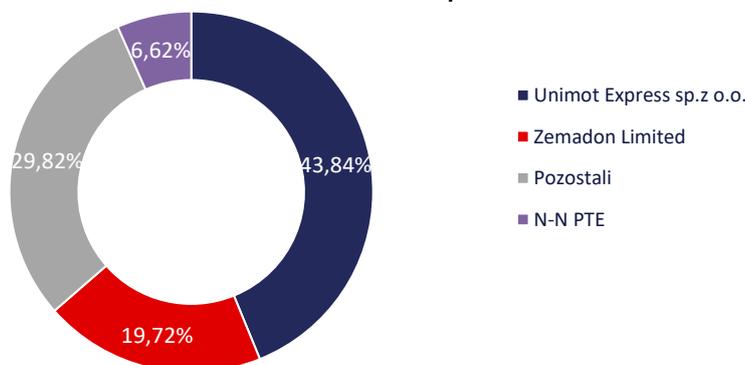
Shareholder	Number of shares	Share in capital	Number of votes	Share of votes%
Unimot Express sp. z o.o. <sup>1</sup>	3 593 625	43,84%	3 593 625	42,04%
Zemadon Limited <sup>1</sup>	1 616 661	19,72%	1 966 661	23,01%
Nationale-Nederlanden Powszechno Towarzystwo Emerytalne S.A. (portfolio) <sup>2</sup>	542 400	6,62%	542 400	6,35%
<i>of which: Nationale-Nederlanden Otwarty Fundusz Emerytalny.</i>	<i>428 719</i>	<i>5,23%</i>	<i>428 719</i>	<i>5,02%</i>
Others	2 445 132	29,82%	2 445 132	28,60%
<b>Total</b>	<b>8 197 818</b>	<b>100,00%</b>	<b>8 547 818</b>	<b>100,00%</b>

<sup>1</sup> **Mr Adam Antoni Sikorski and his family are indirectly controlling the Issuer and Unimot Express sp. z o.o. and Zemadon Ltd. through the "Family First Foundation" and in connection with the agreement concluded on 5.12.2016 between spouses Adam Antoni Sikorski and Magdalena Sikorska as to joint policy towards Unimot Express sp. z o.o. and Unimot S.A.. A detailed description of the structure of entities exercising control over the Issuer is provided in the section below the Report.**

<sup>2</sup> *Nationale-Nederlanden Powszechno Towarzystwo Emerytalne S.A. through Nationale-Nederlanden Otwarty Fundusz Emerytalny indicated above and: Nationale-Nederlanden Dobrowolny Fundusz Emerytalny, Nationale-Nederlanden Dobrowolny Fundusz Emerytalny Nasze Jutro 2025, Nationale-Nederlanden Dobrowolny Fundusz Emerytalny Nasze Jutro 2030, Nationale-Nederlanden Dobrowolny Fundusz Emerytalny Nasze Jutro 2035, Nationale-Nederlanden Dobrowolny Fundusz Emerytalny Nasze Jutro 2040, Nationale-Nederlanden Voluntary Pension Fund Our Tomorrow 2045, Nationale-Nederlanden Voluntary Pension Fund Our Tomorrow 2050, Nationale-Nederlanden Voluntary Pension Fund Our Tomorrow 2055, Nationale-Nederlanden Voluntary Pension Fund Our Tomorrow 2060 and Nationale-Nederlanden Voluntary Pension Fund Our Tomorrow 2065.*

There were no changes in the ownership of significant shareholdings in UNIMOT in the period since the previous interim report.

Share in the capital of UNIMOT S.A.



### 3.4. SUMMARY OF SHAREHOLDING IN THE ISSUER BY MANAGEMENT AND SUPERVISORY PERSONNEL

A summary of the shareholding in the Issuer by the Issuer's management and supervisory personnel as at the date of the report and the change in shareholding since the date of the previous interim report.

Shareholder	Number of shares	Share in capital	Number of votes	Share of votes	Changes in ownership
Robert Brzozowski	102 829	1,25%	102 829	1,20%	761
Filip Kuropatwa	24 601	0,30%	24 601	0,29%	3 254
Isaac Querub	15 700	0,19%	15 700	0,18%	0

**Mr Adam Antoni Sikorski** - President of the Issuer's Management Board, indirectly holds 100% of the shares in Zemadon Ltd. in Cyprus through the "Family First Foundation" based in Vaduz, Liechtenstein, which he controls and whose beneficiaries are the family of Mr Adam Antoni Sikorski.

**Zemadon Ltd.** of Nicosia, Cyprus as at the date of publication of the interim report holds 19.72% in the Issuer's share capital and 23.01% in the votes at the Issuer's General Meeting. The shareholding has not changed since the date of the previous interim report.

Zemadon Ltd, based in Nicosia, Cyprus, is also a shareholder in Unimot Express sp. z o.o. (the Issuer's main shareholder), in which it holds 49.75% of the share capital and voting rights as at the date of publication of the interim report. The other shareholder of Unimot Express sp. z o.o. is Mr Adam Władysław Sikorski (nephew of Mr Adam Antoni Sikorski) holding a 49.75% interest and votes at the shareholders' meeting as at the date of publication of the interim report. The remaining minority interest, representing 0.5% of the share capital and votes at Unimot Express sp. z o.o. as at the date of publication of the interim report, is held by Ms Magdalena Sikorska, wife of Mr Adam Antoni Sikorski, President of the Management Board.

As at the date of publication of the interim report, **Unimot Express sp. z o.o.** holds 43.84% of the share capital and 42.04% of the votes at the General Meeting of Unimot S.A. The shareholding has not changed since the date of the previous interim report.

As of 05.12.2016, spouses Adam Antoni Sikorski and Magdalena Sikorska, due to a verbal agreement between them to pursue a common policy towards Unimot Express sp. z o.o. and Unimot S.A., indirectly through Unimot Express sp. z o.o. and Zemadon Ltd. controlled a total of 63.56% of the share capital and 65.05% of the votes at the General Meeting of Unimot S.A. An entity related to the Issuer by virtue of being jointly controlled by Unimot Express sp. z o.o. is Unimot-Truck sp. z o.o., seated in Warsaw, in which Unimot Express sp. z o.o. holds 52.02% of shares, and Ammerviel Ltd, seated in Nicosia, Cyprus, in which Unimot Express sp. z o.o. holds 100% of shares. Another company related to the Issuer is PZL Sędziszów S.A., based in Sędziszów Małopolski, in which Mr Adam Antoni Sikorski holds 48.78% and Unimot Express sp. z o.o. holds 48.78% of the share capital. An entity related to the Issuer, due to being under common control by Mr Adam Antoni Sikorski (indirectly through Zemadon Ltd.), is U.C. Energy Ltd. with its registered office in Cyprus. The shareholding of Mr Adam Sikorski has not changed since the date of the previous interim report.

**Mr Robert Brzozowski** - Vice President of the Issuer's Management Board, as at the date of publication of the report, holds 102,829 shares in the Issuer entitling him to 102,829 votes at the General Meeting, whose share in the share capital amounts to 1.25%, and his share in the total number of votes at the General Meeting was 1.20%.

In the period since the publication of the previous interim report, Mr Robert Brzozowski acquired 761 shares of the Issuer entitling him to 761 votes at the General Meeting, whose share in the share capital amounts to 0.01% and the share in the total number of votes at the General Meeting was 0.01%.

**Mr Filip Kuropatwa** - Vice President of the Issuer's Management Board, as at the date of the report, holds 24,601 shares of the Issuer entitling him to 24,601 votes at the General Meeting, whose share in the share capital amounts to 0.30% and the share in the total number of votes at the General Meeting amounts to 0.29%.

In the period since the publication of the previous interim report, Mr Filip Kuropatwa acquired 3 254 shares in the Issuer entitling him to 3 254 votes at the General Meeting, with a 0.04% share in the share capital and a 0.04% share in the total number of votes at the General Meeting.

**Mr. Isaac Querub** - Member of the Issuer's Supervisory Board, as at the date of this report, holds 15,700 shares in the Issuer entitling him to 15,700 votes at the General Meeting, whose share in the share capital amounts to 0.19%, and whose share in the total number of votes at the General Meeting amounts to 0.18%.

Mr Isaac Querub's shareholding has not changed since the previous interim report.

### 3.5. DIVIDEND POLICY

The Issuer's dividend policy is described in the Group's Strategy in section 3.1 of this Management Board's Report.

### 3.6. SHARES OF UNIMOT S.A. ON THE WARSAW STOCK EXCHANGE

On the Warsaw Stock Exchange ("WSE"), the WIG broad market index gained 17.09% in the first half of 2023. The large-cap indices WIG20 and WIG30 behaved similarly, gaining respectively: 14,98% i15,85%. The WIG-real estate index gained the most: 31.90, while the WIG-mining lost the most: 13.80%.

UNIMOT S.A. shares are listed on the parallel market of the WSE, in the continuous trading system. They are included in the indices: WIG, WIG-PALIWA, sWIG80, sWIG80TR, WIG-Poland, InvestorMS, CEEplus. In the first half of 2023, the share price of UNIMOT S.A. increased by 29.54%, which is higher than the increase of the following indices: sWIG80, (24.03%) and WIG-Paliwa, which increased by 1.09%. In terms of trading volume in the first half of 2023. Unimot was ranked 75th out of 416 companies listed on the WSE. The minimum price in this period was PLN 88.30 and the maximum price was PLN 126.80. The trading volume in H1 2023 amounted to PLN 111.35 million and the average volume per session was 8 257 shares. Capitalisation of UNIMOT S.A. at the end of the period: PLN 844.38 million.

#### Statistical data and stock market indicators:

	H1 2023	H1 2022
Rate of return	29,54%	26,07%
P/P ratio	2,5	2,6
P/E ratio	1,07	0,94
Dividend rate	13,3%	3,9
Value of turnover (million PLN)	111,35	77,72
Average volume per session (units)	8 257	13 662
Share of turnover	0,08%	0,05%
Capitalisation (million PLN)	844,38	412,35
Book value	785,89	440,86

data source: WSE, bankier.pl

Recommendations prepared by analysts at Dom Maklerski Banku Ochrony Środowiska S.A. on behalf of the WSE as part of the Stock Exchange Analytical Support Programme 3.0.

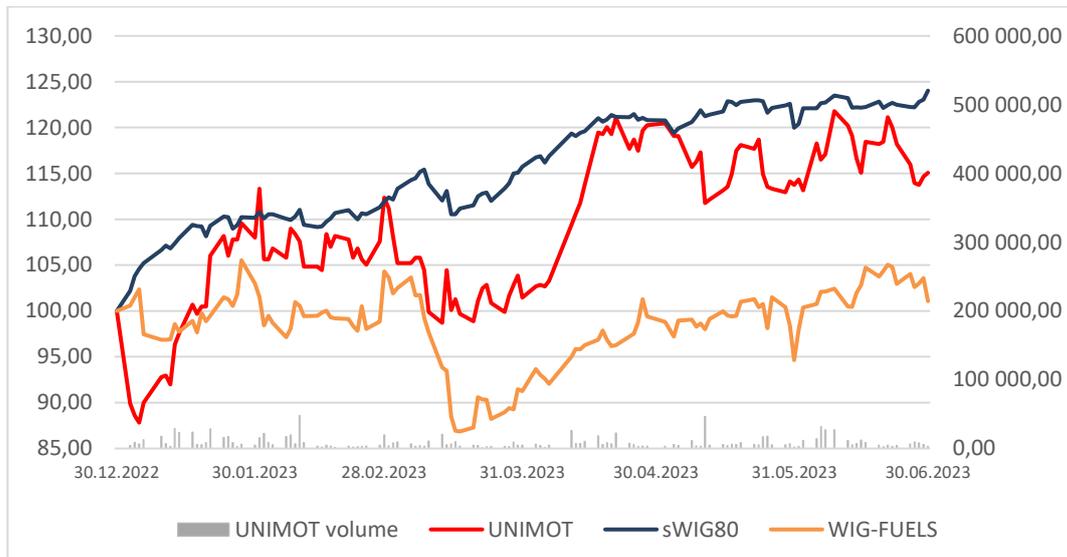
Date of issue	Entity	Fundamental recommendation	Relative recommendation	Valuation over a 12-month horizon	Price the day of issue
09-06-2023	DM BOŚ S.A.	Buy	Outweigh	PLN 116.30	PLN 109.00
10-05-2023	DM BOŚ S.A.	Hold	Neutral	PLN 130.00	PLN 118.60
14-03-2023	DM BOŚ S.A.	Buy	Outweigh	PLN 130.00	PLN 105.60
04-12-2022	DM BOŚ S.A.	Buy	Outweigh	PLN 115.00	PLN 93.00
20-11-2022	DM BOŚ S.A.	Buy	Outweigh	115.00 00zł	PLN 87.60
27-10-2022	DM BOŚ S.A.	Buy	Outweigh	PLN 95.00	PLN 70.20
16-08-2022	DM BOŚ S.A.	Buy	Outweigh	PLN 87.00	PLN 64.50
05-12-2021	DM BOŚ S.A.	Hold	Neutral	PLN 47.00	PLN 41.00
25-08-2021	DM BOŚ S.A.	Buy	Outweigh	PLN 67.00	PLN 48.05

#### Other recommendations

Date of issue	Entity	Recommendation	Target price
23.05.2023	DM Trigon S.A.	Buy	PLN 137.50
14.03.2023	BM Bank Pekao S.A.	Buy	PLN 137.61
14.12.2022	DM Trigon S.A.	Buy	PLN 111.20

### UNIMOT share price compared to sWIG80 and WIG-Fuels indices

[left axis: price change, right axis: trading volume in units].



data source: stockwatch.pl

\*differences between the quoted values and those published on some websites may be influenced by the dividend paid being taken into account.

Main activities carried out by UNIMOT S.A. in the field of investor relations:

- **Performance conferences** - online meetings of the Management Board with representatives of financial institutions (analysts, fund managers) following the publication of interim reports and at other times as required.
- **Investor chats** - online meetings between the Management Board and individual investors held quarterly after the publication of interim reports. Prior to the chats there is a performance presentation by a member of the Management Board. Reports of the chats are posted on the Company's website: <https://www.unimot.pl/relacje-inwestorskie/materialy-informacyjne/relacje-z-czatow/>
- **Online conferences, presentations and commentaries** - when important events occur in the company or in the market environment, online conferences are held with the President of the Management Board and possibly members of the Management Board, or presentations are prepared. These materials are available on the Company's website: <https://www.unimot.pl/relacje-inwestorskie/>.
- **WallStreet Conference** - Participation of Company representatives in the annual largest meeting of individual investors in Poland at the WallStreet Conference organised by the Association of Individual Investors: <https://www.wallstreet.org.pl/>
- **Investor relations tab on the company's website** - the company informs on the website, among other things, about the most important events and new recommendations. The tab is also regularly supplemented with new content and information materials (video, audio, presentations, one-pagers). The website operates in Polish and English: <https://www.unimot.pl/relacje-inwestorskie/>.
- **Twitter communication** - the company actively communicates through the social medium Twitter by providing key information and answering questions as they arise; the company's Twitter account is followed by more than 1,300 people.
- **IR notifications** - investors can benefit from receiving by e-mail: notifications about important company events that have taken place and a set of result materials. Consent to receive e-mails can be submitted via the website under investor relations at <https://www.unimot.pl/relacje-inwestorskie/powiadomienia-inwestorskie/>.
- **UNIMOT Klub+**

A loyalty programme for UNIMOT S.A. shareholders called UNIMOT Club+ was launched in 2021. The aim of the Club is to build a long-term relationship with shareholders and to recognise loyal investors who hold UNIMOT shares for a long time. UNIMOT Club+ is also part of building a stable and conscious shareholding. Any shareholder who has held at least 100 shares for a minimum of 6 months can become its member. Club members receive access to a wide range of benefits depending on their membership level. The benefits include: one-time reimbursement of fuel costs at AVIA stations, discounts on home LPG installation, participation in online meetings with the President, discounts on subscriptions to

partner stock exchange media (StockWatch.pl, Investor Zone, e-Kiosk), discounts on conferences and training courses or insurance cover. A Club Member can also benefit from a reduced or waived membership fee to the Association of Individual Investors depending on the Club membership level. In addition, Members can attend the WallStreet Conference on preferential terms. All shareholders can join the Club regardless of which financial institution they have their shares deposited with.

An online platform has been made available for Club members, where benefits can be activated after logging in: <https://www.unimotklubplus.pl/>.

The main partner of UNIMOT Club+ is the Association of Individual Investors.

Investor Relations activities are appreciated by participants in the capital markets. The company has been repeatedly nominated for capital market-related competitions and has won awards: Hero of the Capital Market; Golden Issuer Website, Stock Exchange Company of the Year, Invest Cuffs.

## 4. OPERATIONS OF THE UNIMOT CG IN H1 2023 AND ITS ENVIRONMENT

### 4.1. MAIN PRODUCTS, SOURCES OF SUPPLY AND MARKETS

In H1 2023, sales were mainly to domestic customers and accounted for 81% of total sales and were up by 4 pp against H1 2022. Sales to the Ukrainian market accounted for 8% of total sales and were by 1 p.p. down against the corresponding period of 2022. The share of sales to the Czech market was up by 2 p.p. against the corresponding period of 2022. The Unimot CG opened new markets, e.g. Romania, Sweden, Lithuania, Denmark.

<i>in PLN thousand</i>	<b>01.01.2023 30.06.2023</b>	<b>01.01.2022 30.06.2022</b>	<b>01.01.2021 30.06.2021</b>	<b>Share % 2023</b>	<b>Share % 2022</b>	<b>Changes % 2023/2022</b>
Poland	5 276 638	4 560 831	2 873 806	81%	77%	16%
Czech Republic	232 128	110 789	142 373	4%	2%	110%
Switzerland	144 803	84 500	3 766	2%	1%	71%
Slovakia	21 894	24 166	7 399	0%	0%	-9%
Ukraine	505 427	525 308	3 419	8%	9%	-4%
Hungary	1 207	7 563	29 319	0%	0%	-84%
Georgia	-	151	-	0%	0%	-100%
United Kingdom	-	99 725	-	0%	2%	-100%
Austria	231	8 763	14 461	0%	0%	-97%
Estonia	867	71 622	-	0%	1%	-99%
Belgium	129 046	162 026	-	2%	3%	-20%
Germany	18 147	29 461	50 004	0%	1%	-38%
Taiwan	190	385	317	0%	0%	-51%
Netherlands	45 869	166 186	123 301	1%	3%	-72%
China	525	120	4 108	0%	0%	338%
Serbia	-	3 823	-	0%	0%	-100%
Cyprus	53 650	7 818	15	1%	0%	586%
Bulgaria	41 955	25 102	46 665	1%	0%	67%
Kazakhstan	735	261	-	0%	0%	182%
Romania	11 583	196	-	0%	0%	5810%
Sweden	7 980	-	-	0%	0%	-
Latvia	1 559	170	-	0%	0%	817%
Lithuania	16	-	4 554	0%	0%	-
Dishes	14	-	-	0%	0%	-
Turkey	1	-	-	0%	0%	-
Luxembourg	467	-	-	0%	0%	-
France	54	-	-	0%	0%	-
<b>TOTAL</b>	<b>6 528 344</b>	<b>5 888 966</b>	<b>3 303 507</b>	<b>100%</b>	<b>100%</b>	<b>11%</b>

In the period from 1 January to 30 June 2023, at least 3 suppliers exceeded 10% of the value of deliveries. These entities are not related to the UNIMOT CG. In the 6 months of 2023 and 6 months of 2022, none of the Group's customers exceeded 10% of revenue.

#### 4.2. SEASONALITY OF OPERATIONS

The Group's operations are subject to seasonality.

During the course of the year, there is regular and moderate volatility in volumes and the associated change in revenue from product sales due to seasonal fluctuations in demand, particularly in the segments:

- sales of natural gas, solid fuels and electricity due to significantly higher demand for this product range during the heating season, i.e. Q1 and Q4,
- bitumen sales - due to the peak road construction and repair season falling in the third and fourth quarters.
- Fuel/Biofuel/LPG sales - increased demand for fuels in Q3 and Q4.

There is no significant seasonality or cyclicity in the Unimot CG's other segments.

#### 4.3. INFORMATION ON AGREEMENTS CONCLUDED THAT ARE SIGNIFICANT FOR THE OPERATIONS OF UNIMOT S.A. AND THE CAPITAL GROUP

No such agreements are in place.

#### 4.4. CHANGES TO THE FUNDAMENTAL PRINCIPLES OF MANAGEMENT OF THE ISSUER AND ITS GROUP

The basic principles of management of the Company and its Group did not change significantly during the period under review.

#### 4.5. LEGAL PROCEEDINGS

Neither the Issuer nor any of its subsidiaries is a party to any proceedings pending before a court, an authority competent to conduct arbitration proceedings or a public administration authority concerning liabilities or receivables that could materially affect the financial results.

#### 4.6. GROUP EMPLOYMENT

SPECIFICATION	30.06.2023			31.12.2022		
	WOMEN	MEN	TOTAL	WOMEN	MEN	TOTAL
<b>Structure of employment in the CG by type of contract</b>	<b>227</b>	<b>548</b>	<b>775</b>	<b>113</b>	<b>115</b>	<b>228</b>
Fixed-term employment contract	62	82	144	46	21	67
Employment contract of indefinite duration	165	466	631	67	94	161
<b>Structure of employment in the CG by nature of contract</b>	<b>227</b>	<b>548</b>	<b>775</b>	<b>113</b>	<b>115</b>	<b>228</b>
full-time	220	536	756	107	110	217
part-time	7	12	19	6	5	11
<b>Employment structure in the CG by age</b>	<b>227</b>	<b>548</b>	<b>775</b>	<b>113</b>	<b>115</b>	<b>228</b>
Up to 30 years	23	43	66	17	13	30
31 to 50 years	161	314	475	81	76	157
Over 50 years	43	191	234	15	26	41

The Unimot Group has a Recruitment Policy that sets out the standards and principles according to which the recruitment process is conducted.

The presentation of job vacancies is transparent and accessible - job advertisements are published on the website and on online portals.

Candidates for employment are selected on the basis of objective criteria such as education, work experience, general and specific competences, knowledge of foreign languages. Candidate selection decisions are not made on a one-person basis, which significantly enhances objectivity in recruitment.

Criteria relating to age, race, colour, gender, ethnic and national origin, sexual orientation and health status do not apply in the selection of employees. These rules also apply to termination of employment, conditions of employment, promotion and access to training to improve professional skills.

As at 30 June 2023, the Group's staff level was 775 employees, while as at 31 March 2023 the staff level was 317, an increase of 144% in the second quarter.

The increase in employment was influenced in the second quarter of 2023, by changes related to the addition of new companies to the Unimot Group, i.e. Unimot Terminals - 201 employees, Unimot Infrastruktura - 75 employees, Unimot Bitumen - 99 employees, RCEkoenergia - 64 employees and Unimot Aviation, where 1 employee was hired.

There was a significant change in the employment rate of women (they accounted for 29% of total employment at the end of the first half of 2023, with women accounting for half of those employed across the Group at the end of December 2022).

The number of female employees at 30 June 2023 compared to the end of 2022 increased by a factor of two, while the number of male employees increased by nearly four times.

The vast majority of employees - 81% - have permanent contracts. The number of permanent contracts increased by nearly 300% compared to the end of 2022.

As at the end of June 2023, 98% of staff are employed full-time.

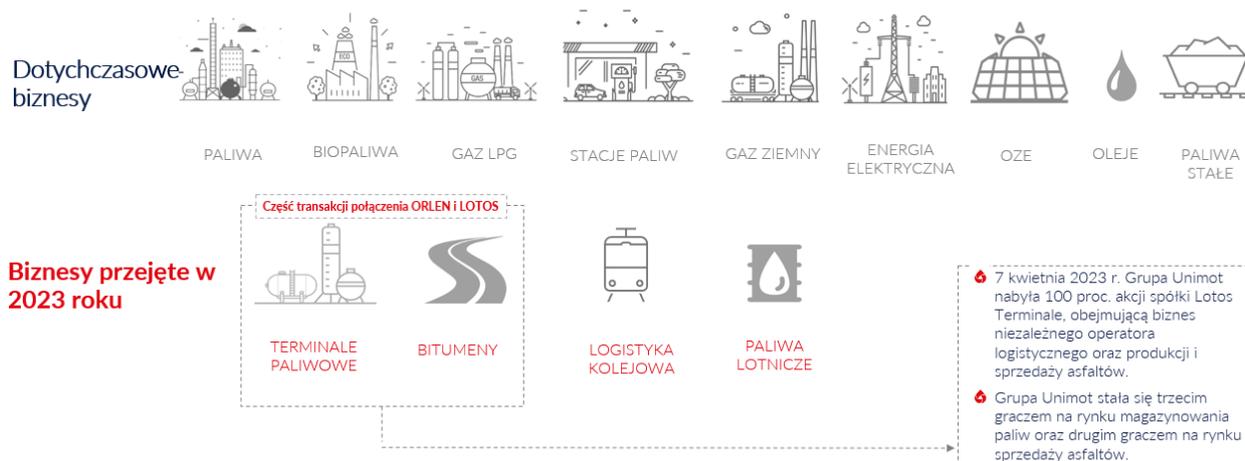
Among the employees hired at the end of the first half of 2023 as at the end of 2022, the largest group were employees in the 31-50 age bracket (61%), followed by employees in the over-50 age bracket (30%) and in third place by employees in the under-30 age bracket (9%).

Women are the largest group in the 30-50 age bracket (71%) and the smallest group in the under-30 age bracket (10%).

Men are the largest group in the 30-50 age bracket (57%) and the smallest in the under-30 age bracket (8%).

## 5. FACTORS AND EVENTS INFLUENCING THE GROUP'S PERFORMANCE

### 5.1. MAIN FACTORS AND EVENTS DEFINING THE GROUP'S RESULTS IN THE FIRST HALF OF 2023 THAT MAY HAVE IMPACT ON THE GROUP'S ACTIVITIES IN THE NEXT YEARS



The UNIMOT Group is a multi-energy group and a leader among independent importers of liquid and gaseous fuels in Poland. UNIMOT has over 30 years of experience in the fuel market, specialising in the wholesale of diesel fuel and the distribution of other liquid fuels, both domestically and internationally. In April 2023, the UNIMOT Group finalised the acquisition of the Lotos Terminals assets, including nine fuel terminals and two asphalt plants. UNIMOT thus acts as an Independent Logistics Operator, being the third player in the fuel storage market, and is also second in the bitumen production market in Poland. The company is also developing the photovoltaic segment, inter alia, under the AVIA Solar brand, and is investing in further RES sectors.

## I PÓŁROCZE 2023 ROK: PODSTAWOWE DANE FINANSOWE I OPERACYJNE

Przychody ogółem <b>6 528,3 mln zł</b>	EBITDA skorygowana** <b>167,6 mln zł</b>	EBITDA* <b>196,8 mln zł</b>	Zysk netto <b>113,9 mln zł</b>
Wolumen sprzedaży ON&BIO <b>1 016 tys. m<sup>3</sup></b>	Wolumen sprzedaży gazu LPG <b>146 tys. t</b>	Wolumen sprzedaży gazu ziemnego <b>386 GWh</b>	Wolumen sprzedaży energii elektrycznej <b>2 414 GWh</b>



\* EBITDA: earnings before interest, taxes, depreciation and amortisation; \*\* Adjusted EBITDA, EBITDA (S): EBITDA adjusted for the impact of the valuation of inventories of liquid and gaseous fuels and other energy products, time shifts in costs and revenues related to the trading of liquid and gaseous fuels and other energy products and other non-recurring events

### Capital Group's Data

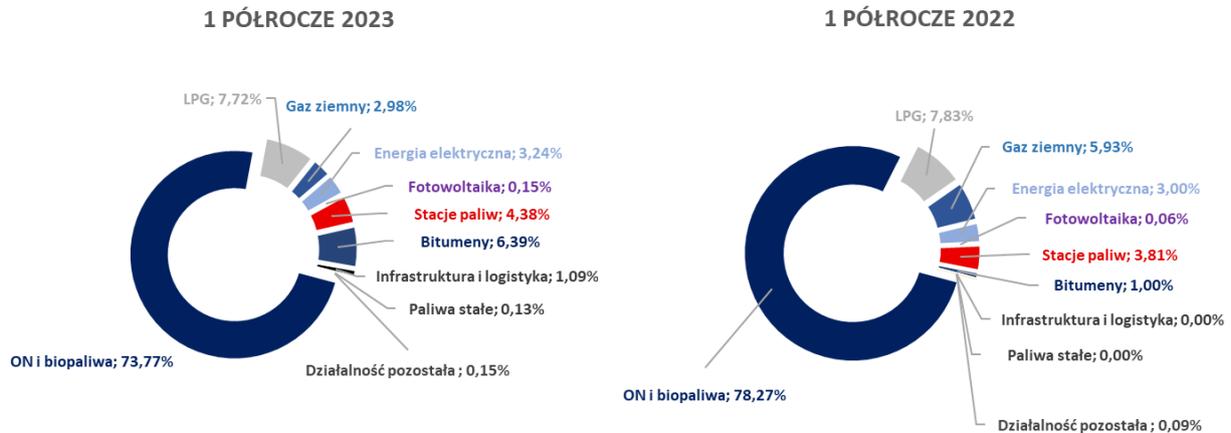
From 1 January 2023 to the date of publication of this financial report, significant changes occurred in the Issuer Group, i.e.:

- the acquisition by the Issuer Group took place: on 7 March 2023, 90% of the shares in Olavion sp. z o.o. (acquisition of the remaining 10% of shares will take place no later than 7 July 2025), on 28 April 2023, 75% of the shares in Partners4sky sp. z o.o. (now: Unimot Aviation sp. z o.o.) and on 4 July 2023, 80% of the shares in P2T sp. z o.o. (now: Unimot Commodities sp. z o.o.);
- on 7 April 2023, the acquisition of 100% of the shares in Lotos Terminale S.A. was completed. (now: Unimot Terminale sp. z o.o.), which holds directly or indirectly 100% of the shares in the companies: Lotos Infrastruktura S.A. (currently: Unimot Infrastruktura sp. z o.o.), UniBitumen sp. z o.o. (now: Unimot Bitumen sp. z o.o.) and RCEkoenergia sp. z o.o.

As a result of the transactions, the above-mentioned companies became part of the UNIMOT Group and their financial and operating results are presented in the following business segments:

- Infrastructure and Logistics segment**, i.e. activities mainly related to rail transport, freight forwarding services and fuel storage. This segment presents the activities of the companies: Olavion sp. z o.o. and Lotos Terminale S.A. (currently: Unimot Terminale sp. z o.o.), which holds directly or indirectly 100% of shares in the companies: Lotos Infrastruktura S.A. (currently: Unimot Infrastruktura sp. z o.o.) and RCEkoenergia sp. z o.o.;
- Bitumen segment**, i.e. activities related to the production and trading in asphalt products. This segment presents Unimot S.A.'s existing bitumen trading activities and presents the activities of Unimot Bitumen sp. z o.o.;
- Diesel and biofuels trading segment** - the operations of Unimot Aviation sp. z o.o. have been included in this segment;
- Solid fuels segment**, i.e. trading in energy raw materials (biomass and coal), purchase of sea and land freight, as well as supervision of deliveries at sea and land border crossings. This segment presents the existing activities carried out by UNIMOT S.A. in the field of energy raw materials, and will also present, starting from Q3 2023, the activities of P2T sp. z o.o. (currently: Unimot Commodities sp. z o.o.).

### Consolidated sales revenue and its structure by product group:

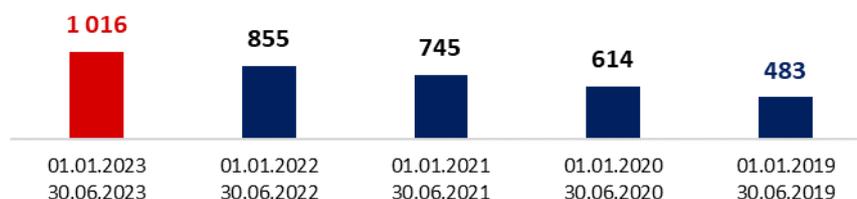


### Structure in individual assortment groups:

<i>in PLN thousand</i>	<b>01.01.2023 30.06.2023</b>	<b>Structure %</b>	<b>01.04.2023 30.06.2023</b>	<b>01.01.2022 30.06.2022</b>	<b>Structure %</b>
Diesel and biofuels	4 816 016	73,77%	2 238 705	4 609 208	78,27%
LPG	504 183	7,72%	205 722	461 368	7,83%
Natural gas	194 304	2,98%	60 913	349 383	5,93%
Electricity	211 825	3,24%	117 053	176 768	3,00%
Photovoltaics	9 714	0,15%	6 161	3 730	0,06%
Petrol stations	286 179	4,38%	152 165	224 255	3,81%
Bitumen	416 942	6,39%	399 605	58 838	1,00%
Infrastructure and logistics	71 440	1,09%	64 305	0	0,00%
Solid fuels	8 204	0,13%	2 762	0	0,00%
Other activities	9 536	0,15%	1 623	5 416	0,09%
<b>Total</b>	<b>6 528 344</b>	<b>100%</b>	<b>3 249 015</b>	<b>5 888 966</b>	<b>100%</b>

### Consolidated volumes by product group:

<i>in m3/T/GWh/KWp/Mg</i>	<b>01.01.2023 30.06.2023</b>	<b>01.04.2023 30.06.2023</b>	<b>01.01.2022 30.06.2022</b>	<b>% change</b>
Diesel and biofuels [m3]	1 015 937	509 882	855 367	19%
LPG [T]	146 395	68 728	117 625	24%
Natural gas [GWh]	386	129	733	-47%
Electricity [GWh]	2 414	1 276	1 316	83%
Photovoltaics [KWp].	1356	597	903,7	50%
Petrol stations [th. m3].	135	74	109	23%
Bitumen [Mg]	121 926	113 761	21 832	458%
Solid fuels [Mg]	7 887	1 186	-	-
Infrastructure and logistics [million ntkm].	245	186	-	-
Other activities [Mg]	275	135	241	14%

**SEGMENT OF DIESEL AND BIOFUELS TRADING**
**ON + BIOPALIWA**


\*Dane w tys. m<sup>3</sup>

In the first half of 2023 the UNIMOT Group sold almost 1,016 thousand m<sup>3</sup> of diesel and biofuels, an increase of 19% against the previous year. Revenues from this segment accounted for almost 74% of total operating revenues. EBITDA generated in H1 2023 in the liquid fuels trading segment amounted to PLN 150 million (down 21% year-on-year), and adjusted EBITDA amounted to PLN 119.3 million (up 8% year-on-year).

**DIESEL AND BIOFUELS**

<i>in PLN thousand</i>	<b>01.01.2023 30.06.2023</b>	<b>01.01.2022 30.06.2022</b>	<b>01.01.2021 30.06.2021</b>	<b>01.01.2020 30.06.2020</b>	<b>01.01.2019 30.06.2019</b>	<b>% change</b>
Sales volume [m <sup>3</sup> ]	1 015 937	855 367	744 883	613 786	483 261	19%
Sales revenue	4 816 016	4 609 208	2 712 916	1 856 134	1 656 988	4%
EBITDA	150 024	189 187	72 414	19 087	32 381	-21%
EBITDA - adjusted	119 300	110 251	46 555	46 663	23 229	8%
Net profit/(loss) for the period	110 934	181 488	67 635	16 270	28 088	-39%

The adjusted results achieved in the first half of 2023 in the diesel and biofuels segment were primarily driven by the following factors:

- Concerns about the availability of diesel ahead of the 5 February 2023 embargo on this product from Russia resulted in increased demand, which allowed the Issuer Group to achieve additional margin. However, this situation began to change over time and, from the beginning of the second quarter of 2023, the diesel market came under pressure as a consequence of reduced consumption with the observed oversupply of this product. The effect of this market environment in the second quarter of 2023 was the reduced profitability of diesel imports;
- The increased logistical potential achieved by the Group thanks to the purchase of rail tankers of the rail transport company Olavion (belonging to the Issuer's Group), which further optimised costs in this area;
- Meeting the fuel needs of the Ukrainian economy and population. Deliveries to Ukraine began in the second half of 2022, allowing additional volumes to be realised at satisfactory margins;
- The adaptation of supply chains to operate under the total embargo on fuel imports from Russia and Belarus, including the rental of a fuel transshipment terminal in the Danish Straits and the import of diesel from, among others, the United States increased the flexibility of the UNIMOT Group's operations.

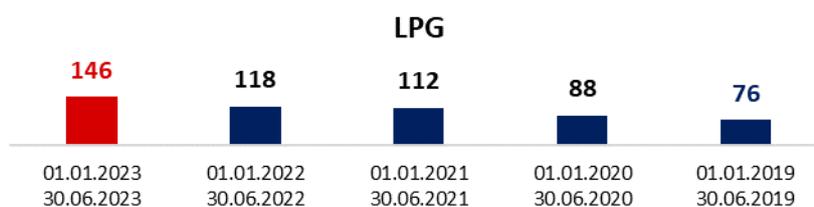
The following factors may mainly affect the results of future periods:

- The amount of the land premium (the difference between the price on the local market and the price in the ports for diesel - the assortment dominating the Group's sales structure. The amount of the land premium determines the area of the realisable trading margin less the costs of logistics (transport costs, handling costs, quality testing), the costs of renting fuel depot capacity, the costs of insuring receivables (in connection with the trading security policy adopted by the Group), as well as the costs of fulfilling NIT obligations.  
From the beginning of the third quarter of 2023 to the date of publication of this financial report, the Issuer observed a significant decrease in the land premium, which translates into a reduction in the efficiency of diesel imports and a reduction in EBITDA generation opportunities in the diesel and biofuel segment;
- Restriction of the obligation to maintain compulsory reserve of liquid fuels by the UNIMOT Group in the period from 1 July 2022 to 30 June 2024, related to the reorganisation of the UNIMOT CG, carried out in 2022, the purpose of

which was to prepare for the role of an independent logistics operator, which it became after the acquisition of the company Lotos Terminale (currently: Unimot Terminale). As part of the reorganisation process, UNIMOT S.A. transferred an organised part of the enterprise to UNIMOT Paliwa sp. o.o. (100% controlled by UNIMOT S.A.). The organised part of the enterprise comprised organisationally, financially and functionally separated activities related to fuel trading, production of liquid fuels (in the scope of LPG) within the scope of the held concessions OPZ and WPC, excluding activities related to fuel trading within the framework of the developed chain of AVIA petrol stations and the segment related to natural gas trading. Unimot Paliwa sp. z o.o. commenced operations within the same scope and under the same conditions as Unimot S.A.;

- Dynamics and direction of changes in diesel prices - high dynamics of price increases have a negative impact, while high dynamics of price decreases have a positive impact;
- Futures market structure (contango/backwardation);
- Market and competitive situation - commencement of operations of new multinationals on the Polish market, including in connection with the implementation of the European Commission's remedies concerning the terms and conditions of the merger of Orlen S.A. and Grupa Lotos S.A. Increased competition in the market may affect the pricing of products offered by the Issuer Group;
- The amount and cost of working capital required to finance the turnover carried out, which depends on the level of fuel prices in the markets;
- Terms and conditions for the extension of existing working capital loans;
- The demand and supply situation in Europe and Poland in particular, which is affected in particular by the ongoing war in Ukraine and the economic slowdown limiting the consumption of liquid fuels.

## LPG



*\*Dane w tys. T*

In the first half of 2023 the UNIMOT Group sold 146.4 thousand tonnes of LPG, 24% more than in the first half of 2022. Revenues amounted to PLN 504.2 million (up 9% year-on-year). EBITDA and adjusted EBITDA generated were equal and amounted to PLN 29.9 million each, while profit reached the level of PLN 22.3 million and was by 46% lower against the same period last year.

## LPG

<i>in PLN thousand</i>	<b>01.01.2023 30.06.2023</b>	<b>01.01.2022 30.06.2022</b>	<b>01.01.2021 30.06.2021</b>	<b>01.01.2020 30.06.2020</b>	<b>01.01.2019 30.06.2019</b>	<i>% change</i>
Sales volume [T]	146 395	117 625	112 313	88 238	75 894	24%
Sales revenue	504 183	461 368	265 548	153 760	155 521	9%
EBITDA	29 902	41 449	4 787	4 595	5 009	-28%
Net profit/(loss) for the period	22 277	41 091	4 364	4 195	4 688	-46%

The results achieved in H1 2023 in the LPG segment were primarily driven by the following factors:

- The UNIMOT Group recorded an increased demand for LPG from the Ukrainian economy, which was largely met using the fuel depots belonging to the UNIMOT Group since 7 April this year;
- Moderate demand from Polish customers while strong demand from southern Europe;
- The realisation of contracts concluded in 2022 with Western European partners for the supply of LPG for 2023 influenced the result achieved in the period under review;

- The LPG segment optimised rail transport costs, which further increased the efficiency of the area's operations, including the launch - in cooperation with the UNIMOT Group company Olavion - of combined trains: diesel and LPG from Polish ports to the fuel depot in Piotrków Trybunalski, which serves customers, particularly from Ukraine;
- Sanctions imposed on large LPG suppliers limiting supply from the eastern direction particularly of EN 589 compliant gas.

In future periods, the Group's LPG business may be most affected by the demand and supply situation in the market related to the ongoing war in Ukraine and possible further sanctions imposed on Russia and Belarus.

## TRADING IN GASEOUS FUELS



\*Dane w GWh

In the natural gas segment in the first half of 2023, the UNIMOT Group sold 386 GWh of natural gas. Revenues from sales of this segment amounted to PLN 194.3 million (down 44% year-on-year). EBITDA reached the level of PLN 13.8 million and was over 91% higher than in the previous year.

### NATURAL GAS

<i>in PLN thousand</i>	01.01.2023 30.06.2023	01.01.2022 30.06.2022	01.01.2021 30.06.2021	01.01.2020 30.06.2020	01.01.2019 30.06.2019	% change
Sales volume [GWh]	386	733	1 179	409	162	-47%
Sales revenue	194 304	349 383	111 546	30 485	18 256	-44%
EBITDA	13 845	7 267	3 966	3 684	(131)	91%
Adjusted EBITDA	13 845	10 781	5 256			28%
Profit/(loss) for the period	8 234	5 436	2 202	2 455	(1 272)	51%

The results achieved in H1 2023 in the natural gas segment were primarily driven by the following factors:

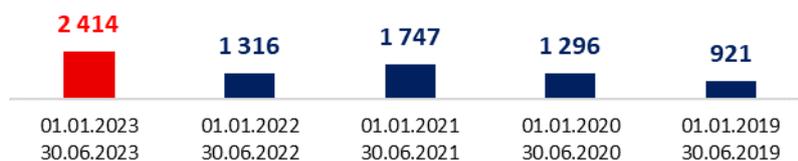
- Lower gas consumption in Europe as a consequence of the mild winter. Storage stocks on the continent remained at a relatively high level of around 60% ahead of the coming summer;
- The oversupply of LNG in Europe imported from the United States effectively balanced the gas market following the reduction in imports from Russia;
- The reduction in demand for natural gas was influenced by the economic slowdown in Europe, including Poland;
- The fall in natural gas prices from EUR 84/MWh (as at 1 January 2023) to an observed EUR 27.3/MWh (as at 1 June 2023) put pressure on segment efficiency;
- Limitation on the potential for additional benefits caused by the equalisation of prices of individual contracts in the futures markets over the first quarter of 2023 (i.e. valuations);
- Decision of the President of the ERO of 30 December 2022 approving a new tariff for Unimot System customers, introducing new rates for gas fuel and distribution. Gas fuel rates increased by 130% (from 27.59 gr/kWh to 63.4 gr/kWh), while distribution rates increased on average by 14% (from 6.07 gr/kWh to 6.92 gr/kWh). The new rates took effect from 14 January 2023 (under the current law, prices for gas fuel rates and distribution rates are frozen);
- Decision of the President of the ERO of 23 March 2023 to change (reduce) the gas fuel rates by 27% (from 63.4 gr/kWh to 46.39 gr/kWh) for Unimot System customers. The new rates took effect from 5 April 2023 (under the current law, prices for gas fuel rates and distribution rates are frozen);
- Decision of the President of the ERO of 4 January 2023 approving a new tariff for Blue LNG customers, introducing new rates for gas fuel and distribution. Gas fuel rates increased by 169% (from 27.6 gr/kWh to 74.3 gr/kWh), while distribution rates increased on average by 90% (from 7.74 gr/kWh to 14.72 gr/kWh). The new rates took effect from 18 January 2023 (under the current law, prices for gas fuel rates and distribution rates are frozen);

- The entry into force of the Act of 15 December 2022 on the special protection of certain consumers of gaseous fuels in 2023 in connection with the gas market situation. In accordance with the principle provided for in Article 3(1) of the above Act, the price for eligible (sensitive) entities was set at PLN 200.17 (net), treating it as a maximum. The above Act makes it necessary for companies to apply for compensation for the difference in rates between the tariff rate and the amount the companies are obliged to apply under the Act. The Act in question also froze distribution rates, at the 2022 level. For this reason, compensation is provided for in the Act, representing the difference between the rate from the new tariff introduced in 2023 and the rate applied last year. The provisions of the Act are valid until 31 December 2023.

The results of future periods will be influenced mainly by the market price of natural gas, the levels of new tariffs at UNIMOT System and Blue LNG, as well as changes in the volumes of natural gas sold and distributed. At the end of the second quarter of this year, a tariff was approved for the gas storage facility in Sanok allowing the use of this storage facility from July;

## ELECTRICITY

### ENERGIA ELEKTRYCZNA



\*Dane w GWh

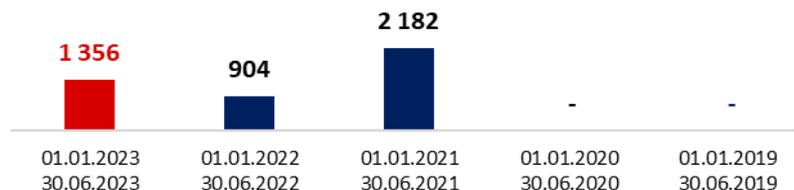
In the electricity segment, sales volumes in the first half of 2023 reached 2 414 GWh, 83% more than in the same period of the previous year. The segment's sales revenue amounted to PLN 211.8 million (up 20% year-on-year), EBITDA and adjusted EBITDA were at PLN 10.2 million.

## ELECTRICITY

<i>in PLN thousand</i>	01.01.2023 30.06.2023	01.01.2022 30.06.2022	01.01.2021 30.06.2021	01.01.2020 30.06.2020	01.01.2019 30.06.2019	% change
Sales volume [GWh]	2 414	1 316	1 747	1 296	921	83%
Sales revenue	211 825	176 768	85 460	61 748	29 952	20%
EBITDA	10 243	3 557	1 700	3 871	4 344	188%
Adjusted EBITDA	10 243	25 057	1 700			-59%
Profit/(loss) for the period	7 993	2 364	2 673	3 457	4 278	238%

The results achieved in the first half of 2023 in the electricity segment were primarily driven by the following factors:

- Taking advantage of the price volatility and high liquidity in the Forward/SPOT electricity market, which allowed additional profit to be generated;
- Favourable revaluation of the profile of PV contracts entered into at a fixed price for 2023;
- Increase in volumes and margins of contracts with renewable energy generators concluded for 2023.

**PHOTOVOLTAICS / RENEWABLE ENERGY SOURCES**
**FOTOWOLTAIKA / OZE**


\*Dane w KWp

In the Photovoltaics/Renewable Energy Sources segment, sales revenue in the first half of 2023 reached PLN 9.7 million compared to PLN 3.7 million a year earlier. The segment generated an EBITDA loss of (-)PLN 1.5m and a net result of (-) PLN 1.4m. PLN 1.4M.

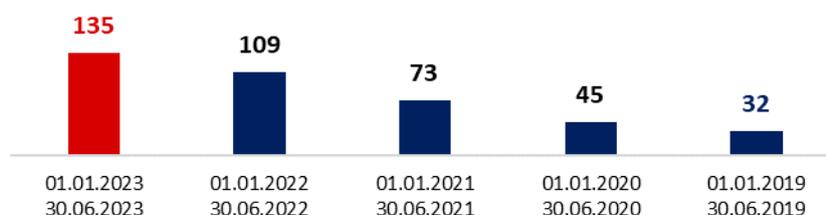
**PHOTOVOLTAICS / RENEWABLE ENERGY SOURCES**

<i>in PLN thousand</i>	<b>01.01.2023 30.06.2023</b>	<b>01.01.2022 30.06.2022</b>	<b>01.01.2021 30.06.2021</b>	<b>01.01.2020 30.06.2020</b>	<b>01.01.2019 30.06.2019</b>	<i>% change</i>
Sales volume [KWp]	1 356	904	2 182	-	-	50%
Sales revenue	9 714	3 730	7 362	-	-	160%
EBITDA	-1 540	4 484	(5 918)	-	-	-134%
Profit/(loss) for the period	(1 390)	5 128	(6 032)	-	-	-127%

The results achieved in the first half of 2023 in the photovoltaic segment were primarily driven by the following factors:

- Fixed costs to maintain a design and implementation team working on large-scale projects for clients and in-house projects;
- Reduction in the realisation of installations below 50 kWp due to the strategy of transitioning to industrial realisation;
- Lower than expected revenues from large-scale projects.

In line with the adopted strategy, the team operating in the photovoltaic segment within Unimot Energia i Gaz deals with the implementation of projects above 50 kWp, the development of own projects and activities aimed at building long-term value for the UNIMOT Group. As at the date of publication of the report, the Company's portfolio included contracts for large-scale projects (above 50 kWp) at the level of 3.8 MWp. At the same time, the Group is actively seeking new customers interested in industrial installations by extending its product range to include energy storage, and has also started trading in components. Significant price volatility in the electricity market has resulted in increased interest in photovoltaic and energy storage solutions among business customers, resulting in an increase in the portfolio of active projects and the number of bids submitted. At the same time, the Group is taking steps to expand its offerings to include non-Asian panels through cooperation with US panel manufacturer First Solar and increasing the capacity of the Polish photovoltaic module production line to 45 MW per year. The UNIMOT Group sells these panels under the AVIA Solar brand.

**PETROL STATIONS**
**STACJE PALIW**


\*Dane w tys. m3

The segment revenues include revenues from fuel sales at the Issuer's own stations and those received from franchisees of AVIA stations. EBITDA additionally includes a fixed fee for each litre of fuel sold at franchised stations (transferred from the

Diesel and BIO segment - wholesale fuel sales). Thanks to the development of the network, the Group has recorded successive increases in fuel sales at stations and in the first half of 2023, recorded good results in terms of volume sold. The AVIA chain stations operating within the Group sold 135,000 m<sup>3</sup> of fuel in the period, an increase of 24% year-on-year. Revenues in this segment increased by 28% y/y. The difference in EBITDA and EBITDA adjusted in the first half of 2023 is due to the adjustment of depreciation costs for investments in franchised stations included in operating expenses on the books.

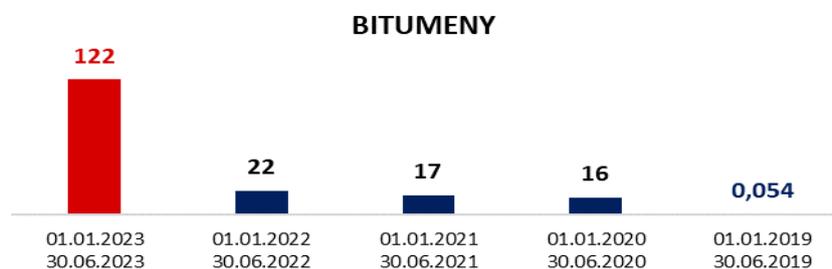
#### PETROL STATIONS

<i>in PLN thousand</i>	<b>01.01.2023 30.06.2023</b>	<b>01.01.2022 30.06.2022</b>	<b>01.01.2021 30.06.2021</b>	<b>01.01.2020 30.06.2020</b>	<b>01.01.2019 30.06.2019</b>	<i>% change</i>
Sales volume [thousand m <sup>3</sup> ]	135	109	73	45	32	24%
Sales revenue	286 179	224 255	88 025	18 574	16 701	28%
EBITDA	-407	1 796	454			-123%
Adjusted EBITDA	1 162		907	-	-	
Profit/(loss) for the period	(6 269)	(2 255)	(1 802)	(1 112)	(1 130)	178%

The results achieved in the first half of 2023 in the petrol station segment were primarily driven by the following factors:

- Adding a further 16 petrol stations to the AVIA chain (a total of 119 AVIA stations were operating in Poland at the end of June 2023, including 79 franchised stations and 40 own stations);
- Increased fuel sales volumes at AVIA petrol stations by 24% y/y despite the temporary shutdown of four franchised stations due to ongoing ownership changes;
- Making up for the decline in retail margins from the beginning of the year, related to the unfreezing of VAT rates, to average market levels to offset the Q1 results this year;
- Launch of a further 10 SPAR Express stores at AVIA stations (the concept is currently available to customers at 40 outlets). Unimot regularly records sales growth of more than 20% at stations with SPAR shops and is preparing plans to further develop cooperation between the networks;
- Fuel sales linked to the AVIA Card fleet card for business customers are approaching around 1.5 million litres per month and are experiencing dynamic growth.

#### Bitumens



\*Dane w tys. Mg

The segment includes the production and sale of asphalt products. The segment presents Unimot S.A.'s existing bitumen trading activities and, from 7 April 2023, the activities of Unimot Bitumen sp. z o.o. are presented.

The segment sold 121.9 thousand tonnes of products in the first half of 2023. The revenues amounted to PLN 416.9 million, which is more than 600% higher y/y. In the reported period, the segment generated a profit of PLN 21.1 million, while EBITDA reached the level of PLN 29.7 million.

#### BITUMENS

<i>in PLN thousand</i>	<b>01.01.2023 30.06.2023</b>	<b>01.01.2022 30.06.2022</b>	<b>01.01.2021 30.06.2021</b>	<b>01.01.2020 30.06.2020</b>	<b>01.01.2019 30.06.2019</b>	<i>% change</i>
Sales volume [Mg]	121 926	21 832	17 349	15 702	54	458%
Total revenue	416 942	58 838	32 117	63 140	86	609%
EBITDA	29 712	1 119	(498)	177	(334)	2555%
Net profit/(loss) for the period	21 147	2 516	(554)	95	(350)	741%

The results achieved in the first half of 2023 in the Bitumen segment were primarily driven by the following factors:

- Incorporation of Unimot Bitumen sp. z o.o. into the structures of the Issuer Group from 7 April 2023 (acquired as part of the acquisition of 100% of shares in Lotos Terminale S.A. - currently UNIMOT Terminale sp. z o.o.), whose financial results are presented in the bitumen segment. With the aforementioned acquisition, a ten-year contract for Orlen Group's supply of asphalt products and raw material for their production in the amount of up to 500,000 tonnes per year began to be implemented;
- The increase in the segment's trading competence achieved by combining the experience and knowledge of the teams of UNIMOT S.A. and Unimot Bitumen sp. z o.o., which further strengthened the position of the UNIMOT Group as a reliable and stable supplier of bitumen on the European market;
- Expansion of the price offer, which influenced the achievement of additional margin;
- Optimum utilisation of the asphalt production facilities in Jaslo and Czechowice-Dziedzice and in terms of production and product availability.

The Bitumen segment's future results will be impacted by the achievement of further synergies within the Issuer Group of the Unimot Bitumen sp. z o.o. business.

### Infrastructure and logistics

In the first half of 2023, the Infrastructure and Logistics segment included the financial and operating results generated since March 2023 by Olavion sp. z o.o., and since April 2023 the activities of UNIMOT Terminale sp. z o.o. are also presented. (previous company name: Lotos Terminale S.A.) together with its subsidiaries UNIMOT Infrastruktura Sp. z o.o. (formerly: Lotos Infrastruktura S.A.) and RCEkoenergia sp. z o.o.

### INFRASTRUCTURE AND LOGISTICS

<i>in PLN thousand</i>	<b>01.01.2023</b>
	<b>30.06.2023</b>
Transport work [million nkm]*	245
Transshipment/release volume at terminals [m ] <sup>3</sup>	712 031
Total revenue	71 440
EBITDA	10 779
Adjusted EBITDA	10 779
Net profit/(loss) for the period	1 044

\*[million ntkm]- million net tonne kilometres

Olavion sp. z o.o. provides rail freight transport services and domestic and transit organisation services - mainly on electric traction, together with last mile services. The structure is dominated by carriage in wagons provided by the principals. The entity provides services both for the UNIMOT Group and for external entities. At the end of June 2023, the company had 17 railway engines and 88 employees, including 57 drivers. After the first half of 2023, it held a 1.18% market share in terms of freight work and a 0.61% share by weight of goods transported in Poland.

UNIMOT Terminals, together with UNIMOT Infrastruktura have a storage capacity of 387,000 m<sup>3</sup> and a reloading potential of 6 million m<sup>3</sup> of fuels per year, is the third player in the Polish liquid fuel storage and distribution market in terms of scale of operations, with a market share of several percent. Fuel terminals are located in: Czechowice-Dziedzice, Jasło, Poznań, Bolesławiec, Szczecin, Gutkowo, Rypin, Gdańsk and Piotrków Trybunalski, which also includes an LPG terminal. UNIMOT Terminals, acting as an independent logistics operator, provides services on the basis of long-term contracts in the field of storage, transshipment, blending with bio-components and refining of fuels for the largest fuel companies operating on the Polish market. Another important service is the storage of compulsory reserves of liquid fuels.

RCEkoenergia sp. z o.o. is a company operating in the licensed area: it generates, transmits and supplies heat, generates, distributes and trades electricity and distributes gaseous fuels. In addition, the company provides industrial and municipal wastewater collection and treatment services, distributes industrial, deep-water and drinking water, produces and distributes softened water and industrial gases. RCEkoenergia generates heat with 2 OR32 coal-fired boilers with a limited output of 14.8 MWt and a backpressure turbine with an installed capacity of 0.74 MW. In addition, it has its own PV installations with a capacity of 0.3 MW.

The results achieved in the first half of 2023 in the Infrastructure and Logistics segment were primarily driven by the following factors:

- High demand for rail freight (in terms of freight work) in the first quarter of 2023, which declined in the second quarter, with a decrease in the weight of freight carried;
- Expanding the customer base and winning new freight orders and working with subcontractors, which has increased Olavion's capacity in the short term (this is important during a shortage of drivers and railway engines);
- With regard to fuel storage activities, the main factor influencing the financial results achieved was lower fuel consumption in Poland, which translated into revenues from the provision of handling services and lower revenues from the storage of compulsory reserve.

The following factors will mainly affect the results of future periods:

- If the trend of declining freight levels continues, which is, among other things, a consequence of the unfavourable situation on the liquid fuel import market, it is possible that performance will deteriorate in subsequent periods;
- High costs of access to rail infrastructure and electricity costs;
- Competitors' determination to win new haulage contracts, limiting the ability to compensate for increases in operating costs;
- Execution of fuel storage contracts containing the so-called "take or pay" clause (i.e. "take or pay" consisting in the contractor having the choice of one of two possible courses of action. He can either take the fuel in the agreed volume or pay the UNIMOT Group for its readiness to release it). It is estimated that the recovery of revenues from transshipment services will take place in Q4 2023;
- Given the timing of compulsory reserve accumulation by obligated entities, revenues are expected to increase in 2024.

#### Solid fuels

The solid fuels segment presents UNIMOT S.A.'s activities involving trading in hard coal. Coal is offered to the professional and industrial energy sector, the heating sector and to intermediary wholesale entities. The UNIMOT Group is able to provide the entire supply chain from the mine to the customer's gate. The first deliveries of imported coal in the fine coal assortment were made in January 2023.

#### SOLID FUELS

<i>in PLN thousand</i>	<b>01.01.2023</b>
	<b>30.06.2023</b>
Sales volume [Mg]	7 887
Sales revenue	8 204
EBITDA	612
Adjusted EBITDA	612
Profit/(loss) for the period	420

The results achieved in the first half of 2023 in the solid fuels segment were primarily driven by the following factors:

- Seizing market opportunities in solid fuel trading;
- Successful acquisition of customers using solid fuels in their operations.

The following factors will mainly affect the results of future periods:

- Acquisition on 4 July 2023 of 80% of shares in P2T sp. z o.o. (now: Unimot Commodities sp. z o.o.) intended for logistics and trading activities in the energy commodities industry, including the trading of energy commodities (biomass and coal), the purchase of sea and land freight, and the supervision of deliveries at sea and land border crossings;
- Opportunities to win more clients.

## 5.2. DESCRIPTION OF FACTORS AND EVENTS, INCLUDING UNUSUAL ONES, HAVING A SIGNIFICANT IMPACT ON FINANCIAL RESULTS

### 5.2.1. SITUATION IN THE EAST

On 24 February 2022, the armed aggression of the Russian Federation against Ukraine began, which is having a strong negative impact on the global economic and social situation previously weakened by the effects of the covid-19 pandemic. The conflict in Ukraine remains one of the key factors shaping macroeconomic conditions in Poland and worldwide. Among other things, it affects the rate of economic growth, the level of fuel consumption and interest rates. The consequences of the outbreak of war include interrupted or disrupted supply chains, trade restrictions related to, inter alia, the introduction of successive sanctions packages imposed on Russia, and an increase in geopolitical risks in the CEE region. The conflict in Ukraine has a direct or indirect impact on the conduct of business by companies in Poland and thus also affects the operations of the Unimot Group through, inter alia, changes in supply conditions and directions, prices and availability of raw materials. The intensity of the impact on the Group's operations and financial results, will largely depend on the further course of the war and the imposition of further sanctions on Russia and Belarus.

The Unimot Group continuously monitors the political and economic steps taken by the government administration, as well as the international community, and analyses their impact on its business. The Unimot Group is prepared for various scenarios in the fuel market and adapts to all national and international sanctions.

With regard to diesel, the Unimot Group has taken decisive steps to become independent of purchasing this fuel from the East. Currently, the Group uses a number of fuel suppliers, the vast majority of which come from abroad. In addition, as of 15 April 2022, the Unimot CG has a leased deep-water fuel terminal Gulfhavn (Denmark) with a total capacity of 127,000 m<sup>3</sup>, which allows the unloading of diesel from the largest tankers arriving from directions other than Russia and the further transport of fuel to Poland and other ports in the Baltic Sea. The terminal's transshipment capacity makes it possible to fully meet Poland's diesel oil import needs (not only the volumes currently handled by Unimot) and creates additional trading opportunities. The Unimot Group became involved in meeting the fuel needs of the Ukrainian economy and population immediately after the outbreak of the war and has been continuously supplying diesel to the territory of Ukraine.

In terms of LPG supply sources, the Unimot Group has worked intensively to switch its LPG purchasing logistics from the east to the west. LPG is imported from Sweden, the UK, the Netherlands and Norway, among others. The change in the direction of imports entails the need to organise new transport solutions. Given the infrastructural and logistical constraints, the Unimot CG identifies challenges in storing gas from new suppliers.

The Unimot CG trades, sells and distributes natural gas using its own infrastructure (gas network, LNG regasification stations), external infrastructure, on the Polish Power Exchange and with foreign suppliers. The terms of supply, due to the high diversification of sources in the Unimot CG, did not change and were still based on concluded long-term contracts and market offers. The general international situation significantly affected fuel prices on global markets. However, a stabilisation of natural gas prices is currently observed, which allows the adopted strategies and assumptions to be implemented in an uninterrupted manner. Lower stock market prices translate into lower capital intensity of the business which has a positive impact on the CG's exposure management.

Before the outbreak of war on Ukrainian territory, the Unimot Group was developing a chain of AVIA petrol stations, which included 14 facilities. The armed conflict had a direct impact on their operation. It was the reason for the temporary exclusion of some stations from customer service and fuel sales. The stations faced interruptions in the supply of fuel and electricity, as well as needing repairs after the hostilities. At the end of March 2023, 13 AVIA petrol stations were operational in Ukraine.

## 6. DESCRIPTION OF SIGNIFICANT RISKS AND THREATS

### 6.1. RISKS IN THE UNIMOT GROUP'S OPERATIONS

Risk management in the UNIMOT Group is carried out at the operational level within the Group's various business segments by the managers/supervisors and by the boards of directors of the subsidiaries, and at the strategic level of the Group, by the Management Board. The policy adopted is to manage continuous risks "at source" through the substantive units. This allows significant business risks to be managed efficiently and optimally from the Group's point of view. In turn, risk monitoring is carried out through regular operational meetings where the most significant risks for the Group are discussed. The potential impact of these risks on the Group's operations is determined and the necessary mitigating actions are identified. Assessment of the adequacy and effectiveness of the solutions adopted is carried out by the Internal Auditor. Comprehensive supervision of the management of the identified risk categories is exercised by the Supervisory Board.

During the reporting period, risks in the following most significant risk categories were identified and managed in the Group:

- Risks associated with the loss of human health and life (risks of this nature are unacceptable in the Group and are managed and mitigated as a priority within the individual risk groups).
- Operational risks that may affect the Group's business continuity.
- Strategic and investment risks.
- Legal and regulatory risks.
- Financial risks.
- Environmental risks.
- Social risks.
- Corporate governance risks.

An extraordinary factor that affects the Group's operations in the area of the various risk categories listed above is the ongoing war in Ukraine. The Management Board continuously monitors the changing market conditions related to the implementation of the existing sanctions imposed on Russia and Belarus, as well as the draft and new sanctions regulations and their implementation. It also assesses their impact on the Group's operations on an ongoing basis, particularly in the area of its ability to secure and secure sources of supply and transport (i.e. supply chain assurance). The impact of the armed conflict in Ukraine on the Group's operations is further described in section 5.2.1 of this report.

The risk factors and threats described in the table below are the most significant for the reporting period presented, which does not mean that other factors affecting the Group's business are not identified. Additional risk factors which are not known or which are not currently considered material may also have a negative impact on the Group's operations, results and financial position in the future.

The table below lists the most significant risks identified in the Group, together with a description, risk response and assessment of the level of these risks in terms of their possible impact on the Issuer and the Group. The risk factors presented and the assessment of the level of materiality also take into account the new subsidiaries acquired in Q1 2023 and their activities.

The issuer assesses risks, categorising them as low, medium, high or critical.

RISK	DESCRIPTION	RISK RESPONSE	LEVEL OF RISK
<b>OPERATIONAL RISKS</b>			
<b>RISK OF PRICE VOLATILITY IN TRADING ACTIVITIES</b>	<p>The volatility of the prices of commodities that are the subject of the UNIMOT Group's commercial activities, including: liquid fuels, solid fuels, gaseous fuels, bitumen and electricity, is influenced by the macroeconomic situation, which has a bearing on demand and supply. Decisions taken at national, EU and global level are an important element influencing the behaviour of the prices of these commodities.</p> <p>In addition, the ongoing armed conflict in Ukraine and the related economic sanctions imposed on Russia and Belarus affect, among other things, the supply of fuel and the costs associated with changing commodity suppliers and the direction of supply. Changing commodity prices on global markets, affect the margins achievable on the Polish market. Consequently, their turnover may generate a loss or an excess profit. In addition, the development of fuel prices may also affect the increase in costs from storage and maintenance of compulsory reserve.</p>	<ul style="list-style-type: none"> <li>• making an on-going analysis of the market and prices of fuels and CO<sub>2</sub> allowances to respond to changes accordingly;</li> <li>• the use of hedging transactions to hedge purchases and sales, using futures contracts; in the electricity segment, simultaneous monitoring of deposit hedging on the Energy Commodity Exchange and with the Transmission Network Operator;</li> <li>• in the case of fast-moving goods, transferring price formulas to the customer and setting buying and selling prices in the shortest possible time interval;</li> <li>• in electricity trading - using index-linked price formulae, particularly to the short-term market (Day-Ahead and/or Intraday type), while at the same time limiting the margins of these products.</li> </ul>	HIGH

<p><b>RISK OF AN INCREASE IN OPERATING COSTS (INFLATION RISK)</b></p>	<p>Fluctuations in the prices of raw materials and energy carriers caused by the conflict in Ukraine, increases in the prices of materials and services, including transport and warehousing services, as well as higher wage pressures and increases in employment costs may adversely affect the Group's results. The volatility of fuel prices can also have an impact on the development of the cost of bitumen production, as well as the final margin on bitumen product sales.</p>	<ul style="list-style-type: none"> <li>• pursuing a sustainable cost policy;</li> <li>• performing ongoing market analysis and budgeting, taking into account forecasts of macroeconomic developments;</li> <li>• shaping product prices in line with the market situation and increases in operating costs;</li> <li>• the use of provisions in contracts allowing for rate adjustments in the event of macroeconomic changes.</li> </ul>	<p>HIGH</p>
<p><b>RISK OF DISRUPTION OR INTERRUPTION OF THE SUPPLY CHAIN</b></p>	<p>The ongoing armed conflict in Ukraine and the resulting economic sanctions imposed on Russia and Belarus have made it necessary to organise the supply of liquid gaseous and solid fuels from non-sanctioned directions. The geopolitical situation described above also affects supply chain disruptions in the transport and logistics area. The incurrence of higher fuel transport and handling costs, as well as additional expenditures on own means of transport, are factors that also influence the Group's pricing policy. Disruptions in the entire supply chain can reduce volumes, disrupt asphalt production, CHP plant operations or increase the cost of obtaining goods and delivering them to customers, with a consequent reduction in the Group's financial performance and the threat of monetary sanctions, due to the failure to fulfil ordered deliveries.</p>	<ul style="list-style-type: none"> <li>• diversification of the Group's sources of supply for liquid and gaseous fuels (in the case of liquid fuels: Saudi Arabia, India, USA, in the case of gaseous fuels: from Polish and Western European suppliers);</li> <li>• diversifying the Group's sources of revenue, taking into account renewable energy sources as well as new planned investments in the area of logistics centres and bitumen, in order to reduce the share of diesel and gas in revenue;</li> <li>• organising the sales and purchasing process in line with the market situation, while applying the required internal procedures for document verification;</li> <li>• purchase of additional fuel tankers to strengthen the logistics base;</li> <li>• investment in the purchase of shares in Olavion sp. z o.o., in order to make the Group partially independent of external rail transport companies and to reduce the associated costs building strong and lasting relationships with new and existing suppliers, in order to enable the purchase of fuels in larger volumes in the future and to become partially independent of wagon leasers;</li> <li>• the acquisition of terminals as part of the acquisition of assets from Lotos Terminale S.A., which will affect the Group's partial independence from external terminals and depots and reduce related costs;</li> <li>• the conclusion of a lease agreement for a transshipment terminal in Denmark Guldhavn, enabling the delivery of goods from western directions;</li> <li>• maintaining stocks of solid fuel and raw materials for production;</li> <li>• diversifying the sources of solid fuel supply by concluding a permanent cooperation agreement with a major supplier of such fuel; ultimately,</li> </ul>	<p>AVERAGE</p>

		<p>converting coal-fired boilers to gas-fired ones.</p>	
<p><b>RISK OF DEPENDENCE ON TERMINALS, BASES AND COUNTERPARTIES</b></p>	<p>Despite the acquisition of new logistics and warehousing assets, the UNIMOT Group continues to use external terminals and transshipment bases, the selection of which is determined by location, including the optimisation of transport costs to the recipients of its goods. Termination or non-renewal of cooperation agreements with these operators, could affect the reduction of sales volumes and increase of transport costs. Also, the newly acquired companies are bound by contracts that may result in the dependence of their operations on their sources of supply or their main counterparties who are recipients of services, which may result in a temporary reduction or suspension of their operations in the event of a lack of supply of raw material or a reduction in revenue in the event of the termination of cooperation or a reduction in the receipt of services or products supplied. As a consequence, dependence on these counterparties may impair the financial performance of the UNIMOT Group.</p>	<ul style="list-style-type: none"> <li>• taking steps to diversify bases and terminals;</li> <li>• acquisition of own bases and terminals as part of the Lotos Terminale S.A. share deal;</li> <li>• maintaining a secure stock of products needed for production;</li> <li>• the possibility of securing supplies from external sources in connection with the diversification of the UNIMOT Group's activities;</li> <li>• contractual security for the delivery and acceptance of services or products under concluded contracts;</li> <li>• the use of safeguard clauses in contracts with product customers in the event of supply chain disruption;</li> </ul>	<p>HIGH</p>
<p><b>RISK OF FAILURE OR DESTRUCTION OF SIGNIFICANT GROUP ASSETS</b></p>	<p>Activities related to the storage, handling and transport of liquid and gaseous fuels are associated with the risk of failure of the equipment and infrastructure used for this purpose, i.e. gas bottling plants, stations, pipelines, storage facilities, as well as means of transport and tankers. This risk also relates to newly acquired assets in the form of terminals, depots and accompanying infrastructure, as well as industrial accidents related to uncontrolled and unplanned release of substances accompanying production processes, and disruptions in the functioning of IT systems used to control production. Breakdowns or destruction of industrial plants or storage infrastructure can occur due to wear and tear of infrastructure, operational errors, vandalism, adverse weather conditions, natural disasters, terrorist attacks and other force majeure events. With regard to means of transport, the risk of failure of railway engines should also be taken into account. Failure of these equipment and infrastructure carries a high risk of explosion and ignition, which poses a threat to human health and life, as well as destruction or damage to property. Failure or destruction of the Group's own and external infrastructure could also disrupt the Group's continuity of production, service provision, delivery and fuel sales until the infrastructure is removed or restored. Such a situation would affect the need to stop providing services or temporarily reduce the volumes of fuel or bitumen sold. The effect of failure or destruction of property would also expose the Group to liability for damages in relation to personal injury or property damage.</p>	<ul style="list-style-type: none"> <li>• implementation and strict adherence to procedures related to working with flammable substances;</li> <li>• the development of documents identifying the hazard and determining the risk of explosion, as well as appropriate safety instructions;</li> <li>• suitable location of the bottling plant in an open area;</li> <li>• maintaining equipment and technical infrastructure in good technical condition;</li> <li>• carrying out regular inspections of the infrastructure;</li> <li>• monitoring and a system of sensors to minimise the risk of explosion;</li> <li>• implementing appropriate staff training programmes and emergency response instructions;</li> <li>• employing experienced and properly trained staff (including drivers);</li> <li>• using the services and external infrastructure of reputable entities with the relevant permits, licences and market experience, applying security standards;</li> <li>• for transport additionally: basing transport on own modern transport fleet which meets the highest safety standards;</li> <li>• for gas networks in addition: selection of suitable materials and execution of works in accordance with the requirements of the regulatory</li> </ul>	<p>AVERAGE</p>

		<p>authorities, use of safety installations;</p> <ul style="list-style-type: none"> <li>for newly acquired assets in addition: use of fixed fire-fighting installations, regular maintenance and technical diagnostics, use of vision systems, internal communications, rapid notification, strict control of the technological and logistical process; use of specific procedures and emergency plans;</li> <li>have adequate property and liability insurance.</li> </ul>	
<p><b>RISK OF PLACING ON THE MARKET PRODUCTS OR FUEL OF INADEQUATE QUALITY</b></p>	<p>The activities related to the manufacture of asphalt products, the storage of fuel, as well as its transport and sale, require control of their origin, quality and characteristics at the various stages of the supply chain, including, in particular, when they are placed on the market. Some of the products or products also require their proper labelling within the framework of the legislation in force. Within the UNIMOT Group, including the newly acquired companies, procedures and quality standards are applied to meet the requirements of the law, as well as the quality conditions agreed with customers for the products sold. However, a situation cannot be ruled out where, due to human error or a disruption in the supply chain, a product or product would be delivered that does not comply with standards or customer expectations, which may expose the Group to financial losses resulting from contractual penalties or administrative fines or the resignation of cooperation by counterparties.</p>	<ul style="list-style-type: none"> <li>quality control of receipt, storage and distribution of fuels;</li> <li>operation of plant and equipment in accordance with OMM and applicable regulations;</li> <li>participation in training courses, conferences for staff responsible for production or infrastructure;</li> <li>in asphalt production: the application of product quality testing systems and procedures related to ensuring that the labels of marketed products comply with current legislation; the design of new technologies and upgraded products; the application of complaint procedures and commercial terms governing the risk of liability for the final quality of the delivered product.</li> </ul>	<p>AVERAGE</p>
<p><b>RISK OF AN ECONOMIC SLOWDOWN (EVEN RECESSION)</b></p>	<p>A further increase in inflation and the possibility of a deepening macroeconomic crisis may lead to an economic slowdown and even recession on global markets, which will have a direct impact on the deterioration of the economic situation in Poland and Europe. The economic slowdown may lead to a decrease in demand for goods, including fuels.</p> <p>A reduction in demand for goods, could lead to a significant reduction in the Group's turnover volume, as well as its revenue. If this risk materialises, the Group's financial performance would be adversely affected.</p>	<ul style="list-style-type: none"> <li>diversification of revenue sources, including fuel storage and handling on the basis of assets acquired in connection with the sale of Lotos Terminale S.A. shares;</li> <li>conducting sales on the domestic market through its own chain of AVIA stations;</li> <li>competing in the market not only on price, but also by offering attractive terms of cooperation to customers, including by granting trade credits to trusted and regular customers;</li> <li>the development of fuel markets abroad;</li> <li>strengthening trading activities abroad.</li> </ul>	<p>HIGH</p>
<p><b>RISK OF DELAYS IN THE LOGISTICS PROCESS</b></p>	<p>Within the UNIMOT Group there are entities using external and internal logistics operators, as well as an entity providing rail transport services. In both its commercial and transport activities, the Group is obliged to make a delivery or provide a service on time. Due to malfunctions or accidents in the logistics process, delivery may be delayed or, in</p>	<ul style="list-style-type: none"> <li>monitoring the progress of delivery;</li> <li>application of established procedures for the supply and distribution of products;</li> <li>the use of reliable carriers, if subcontractors are used, and their diversification contractual security of liability for delays,</li> </ul>	<p>AVERAGE</p>

	<p>the worst case, not performed, which may result in the Group being obliged to pay contractual penalties to its contracting parties and, in the event that ordered components are not received on time, in the need to stop or limit production.</p>	<p>whether with external carriers or with those using the transport service;</p> <ul style="list-style-type: none"> <li>• training own fleet employees and drivers, as well as dispatchers, for breakdowns, accidents and downtime;</li> <li>• use of emergency plans, responding to the consequences of accidents or incidents;</li> <li>• creating higher stocks of raw material for production;</li> <li>• working with a logistics operator on the possibility of acquiring new tankers (replacing the fleet with newer ones);</li> <li>• lease/purchase of own rail tankers in order not to be dependent on the availability of tank cars provided by a logistics operator by a logistics operator</li> </ul>	
<p><b>RISK OF THE GREY AREA</b></p>	<p>The existence of a grey market in the fuel segment reduces competitiveness in the market and reduces demand for the Group's products. The appearance of dishonest counterparties in the supply chain raises risks for the Group's operations also in the legal area, exposing the Group to liability in terms of VAT refunds and charges related to the participation in the chain of dishonest suppliers involved in the practice of defrauding this tax. Following the ban on the supply of certain products of Russian and Belarusian origin, the grey market also concerns the non-compliant marketing of prohibited products. Despite the application of strict verification procedures, the risk of purchasing goods from dishonest suppliers, including those breaking VAT regulations or the embargo, cannot be ruled out.</p>	<ul style="list-style-type: none"> <li>• the application of appropriate procedures and the verification of the Group's counterparties, in terms of the origin of the goods, as well as the risks associated with the involvement of the Issuer or Group entities in unfair market practices related, inter alia, to VAT fraud or violations of the applicable embargo;</li> <li>• taking into account the possible impact of additional costs related to concession fees or hedging the risk of joint and several VAT in business operations and financial projections.</li> </ul>	<p>AVERAGE</p>
<p><b>RISK OF INCREASED COMPETITION</b></p>	<p>The emergence of new multinationals on the Polish market or changes in the behaviour of entities operating in Poland in the goods trading business may result in a decrease in the efficiency of their imports. Increased competition in the market may affect the pricing of products offered by the Group. Entities operating on the same market as the Group also seek new sources of supply and use the same infrastructure related to the supply of goods - high demand for goods and the use of common warehouse and logistics infrastructure, with a decrease in their availability, may reduce the Group's turnover. Nevertheless, when assessing this risk, it should be borne in mind that, due to the acquisition of new assets in H1 2023, the UNIMOT Group's competitive position has increased significantly.</p>	<ul style="list-style-type: none"> <li>• applying a policy of competing not only on price, but on the ability to ensure timely and continuous supply;</li> <li>• building direct and lasting relationships with individual and wholesale customers;</li> <li>• pursuing a secure but attractive policy of granting trade credit to customers;</li> <li>• building its own AVIA chain and developing the brand in Poland, including with partners in Poland and abroad;</li> <li>• Building competitive advantage through the acquisition of Lotos Terminals; applying established commercial and customer communication policies in the acquired businesses.</li> </ul>	<p>AVERAGE</p>
<p><b>STRATEGIC AND INVESTMENT RISKS</b></p>			

<p><b>RISKS ASSOCIATED WITH THE LOTOS TERMINALE S.A. ASSET ACQUISITION TRANSACTION.</b></p>	<p>The finalisation of the acquisition of 100% of the shares in Lotos Terminale S.A. resulted in a leap in the Group's growth, both in the business and financial areas, but also in terms of staff and personnel.</p> <p>Despite management and organisational measures being taken to enable effective management of new assets, human resources and finances in the initial phase, there is a risk of reduced business efficiency and agility, which may affect the underperformance of financial results.</p> <p>The consummation of the transaction resulted in the entry into force of loan agreements and collateral, which have the effect of increasing the Group's liabilities and reducing free working capital, including for new investments.</p>	<ul style="list-style-type: none"> <li>• Enforcing that the seller properly prepares the assets for acquisition in terms of: IT resources, personnel and TSA/SLAs;</li> <li>• involvement of experienced management and specialists in asset integration and process optimisation;</li> <li>• a proactive approach to customers and business areas - enabling a rapid response to change;</li> <li>• preparation of incentive, cross-selling and up-selling programmes that can increase business efficiency and profitability</li> <li>• management of covenants and liquidity ratios at Issuer and Group level, with the aim of ensuring that ratios are at appropriate levels before further significant Group commitments are made.</li> </ul>	<p>AVERAGE</p>
<p><b>RISK OF INVESTMENT (ACQUISITION) FAILURE</b></p>	<p>As part of the implementation of the Group's strategy, investments are made in acquisitions of shares of entities operating in the same markets or in complementary markets. The Group is taking steps to achieve the anticipated financial and economic effects, including in connection with the acquisition of the assets of Lotos Terminale S.A. and Olavion sp. z o.o.. The Group may also invest in projects with risks due to their early stage of development. Failure of the investment may result in lower than expected returns or necessitate write-downs of loans or acquired shares, which may have a direct impact on the Issuer's result.</p>	<ul style="list-style-type: none"> <li>• conducting due diligence on the assets or projects being acquired;</li> <li>• security of contracts concluded with partners in order to reduce the risk of financial failure of investments in the form of contractual penalties, the right to withdraw from concluded contracts or the option to exit under certain conditions;</li> <li>• support from experienced external advisors and experts;</li> <li>• Diversification of projects from the Group's various activities, including the distribution of funds from the pool earmarked for investment among the various projects.</li> </ul>	<p>AVERAGE</p>
<p><b>LEGAL AND REGULATORY RISKS</b></p>			
<p><b>RISK OF INSTABILITY OF THE LEGAL AND TAX SYSTEM</b></p>	<p>The Polish legal and tax system is characterised by high volatility of regulations, including in the area of the fuel and rail market, as well as changes in tax law affecting the Group's operations (VAT, excise tax, fuel surcharge, tributes and taxes of a solidarity nature). Changes in legislation may impede the Group's business by requiring it to incur additional costs to adapt its operations to the changes or to incur higher tax burdens or to meet new legal requirements. The impact of new legislation coming into force may affect the Group's financial results and even change its dividend policy.</p>	<ul style="list-style-type: none"> <li>• advice from experienced tax firms and legal advisers in the areas most important to the Group's business;</li> <li>• monitoring changes in legislation relevant to the Group's business and taking steps in advance to adapt the Group's operations to these changes;</li> <li>• participation in industry organisations involved in consultations on draft fuel market regulations;</li> <li>• Staff participation in training courses and webinars covering tax legislation.</li> </ul>	<p>HIGH</p>

<p><b>RISK OF REVOCATION, EXPIRY OR BREACH OF THE LICENCE OR REVOCATION OR SUSPENSION OF THE LICENCE</b></p>	<p>Group companies operate on the basis of concessions granted by the President of the Energy Regulatory Office and are therefore at risk of having their fuel trading or fuel storage concessions revoked, terminated or breached, or of a financial penalty being imposed for breach of the Energy Law. This risk may arise in particular in cases of breaches of security or fair-trading rules or other conditions of the licences issued. The newly acquired companies also operate on the basis of a railway operator's licence and a single safety certificate, the suspension or loss of which would significantly limit or ultimately prevent them from operating on the railway market.</p>	<ul style="list-style-type: none"> <li>• selection of managers and advisors with experience in the activities covered by the concessions held by Group companies;</li> <li>• monitoring the validity of customers' concessions on the ERO website;</li> <li>• monitoring Group companies' compliance with the terms and conditions of the concessions granted;</li> <li>• Staff participation in training courses and webinars covering concession regulations;</li> <li>• a dedicated internal procedure in place to regulate the defined responsibilities of employees in terms of taking care to maintain the necessary collateral established for the concessions granted by the ERO;</li> <li>• implementation of and compliance with the provisions set out in the procedures and instructions of Olavion's Safety Management System and rail traffic regulations.</li> </ul>	<p>HIGH</p>
<p><b>THE RISK OF LEGAL REGULATION OF ELECTRICITY AND NATURAL GAS PRICES</b></p>	<p>In the Group's electricity and natural gas sales business, the Group identifies risks arising from the introduction of legislation by the legislator limiting electricity and natural gas prices. In terms of electricity, the Law of 27.10.2022 on emergency measures to limit the level of electricity prices and support for certain consumers applies in 2023. And in the field of natural gas, the law of 15.12.2022 on special protection of certain consumers of gaseous fuels in 2023 in connection with the gas market situation applies. There are also proposed legal solutions related to the imposition of additional burdens on energy companies in the form of a solidarity contribution. The introduced restrictions or additional burdens may have an impact on lower margins of energy sold and the Group's lower financial results in this segment.</p>	<ul style="list-style-type: none"> <li>• assessing the impact of introduced legislation on the Group - working with experienced law firms and advisors specialising in energy law;</li> <li>• monitoring possible amendments and taking measures that can minimise the negative impact of regulations on the Group's operations.</li> </ul>	<p>AVERAGE</p>
<p><b>RISKS ASSOCIATED WITH THE OBLIGATION TO PROVIDE NIT AND NRT</b></p>	<p>The Group, while trading in liquid fuels and biofuels, is obliged to ensure a minimum share of biocomponents and other renewable fuels in the total volume of liquid fuels and liquid biofuels sold, disposed of or otherwise consumed for its own use in a given year, in accordance with a specified NIT (National Indicative Target) factor. The Group is also obliged to ensure an appropriate level of NRT (National Reduction Target) relating to the reduction of lifecycle greenhouse gas emissions of fuels per unit of energy. There is a hypothetical risk of failing to meet the legally required biofuel levels, which could result in the Group being fined.</p>	<ul style="list-style-type: none"> <li>• pursuing an appropriate fuel purchasing policy, taking into account the emission performance and biocomponent content of the products purchased;</li> <li>• on-going monitoring of the implementation of the NIT and NRT and the legislation determining the manner and amount of the coefficients set;</li> <li>• joint settlement with other NRT entities;</li> <li>• monitoring and expanding the product range of biocomponents;</li> <li>• used for the implementation of NIT and NRT;</li> <li>• establishing cooperation with new suppliers of biocomponents.</li> </ul>	<p>LOW</p>

<p><b>TRANSFER PRICING RISK</b></p>	<p>In the course of the Group's activities, transactions are carried out that allow the Group to conduct its business in an efficient manner, using the competences and assets belonging to the individual Group companies. With regard to the performance of related-party transactions, specific tax regulations apply, which regulate the necessary terms and conditions of related-party transactions, including those relating to the prices used in such transactions (the "transfer prices") and other relevant conditions, i.e. documentation requirements. Due to the ambiguity of the regulations, as well as the increase in transactions performed within the Group, there is a risk that the adopted transfer pricing documentation may be challenged by the tax authorities or tax inspection authorities, which may impose higher than expected tax liabilities on Group companies.</p>	<ul style="list-style-type: none"> <li>• cooperation with experienced law firms and advisors in the creation of transfer pricing documentation;</li> <li>• organising the Group's activities in an efficient and optimal way from the point of view of the need for transactions between related parties;</li> <li>• the application of arm's length conditions in transactions with related parties and the proper documentation of these transactions.</li> </ul>	<p>HIGH</p>
<p><b>FINANCIAL RISKS</b></p>			
<p><b>INTEREST RATE RISK</b></p>	<p>As a result of the Group's use of third-party sources, including bank loans and leases, to finance its operations based on floating interest rates, the Group is exposed to the risk of changes in interest rates, resulting in a possible increase in debt servicing costs and a deterioration in the financial efficiency of projects, as well as a reduction in the availability of third-party financing for day-to-day operations, investments and hedging transactions.</p>	<ul style="list-style-type: none"> <li>• controlling interest rate risk through a system of limits relating to the maximum potential loss from changes in interest rates, in effect translating the risk into the final price of the products;</li> <li>• use of IRS hedging transactions.</li> </ul>	<p>AVERAGE</p>
<p><b>LIQUIDITY RISK</b></p>	<p>Due to the use of external bank financing and the involvement of significant working capital in the trade of liquid and gaseous fuels, the Group is exposed to the risk of disruption or loss of financial liquidity. This risk also arises from the commitment of free funds to the Group's investment activities and the acquisition of 100% of shares in Lotos Terminale S.A.</p>	<ul style="list-style-type: none"> <li>• ongoing monitoring of debt ratios and bank covenants;</li> <li>• adjusting the volume of investments and dividend payments in line with the needs for access to working capital;</li> <li>• increasing the scale of operations through the acquisition of significant new assets as part of the acquisition of shares in Lotos Terminale S.A., the use of which will make it possible to generate financial resources adequate to the credit burden;</li> <li>• taking action to optimise costs;</li> <li>• efficient management of working capital, restrictive policy of granting buyer limits, inter alia through the use of short payment terms;</li> <li>• optimisation of goods procurement, rapid turnover of product stocks.</li> </ul>	<p>AVERAGE</p>
<p><b>CURRENCY RISK</b></p>	<p>By making purchases (fuel imports) and sales (fuel exports) in different currencies (euro, US dollar), the Group is exposed to currency risk. The volatility of the exchange rates of these currencies, occurring with intensification, due to the global political and economic situation, may translate negatively into the margins</p>	<ul style="list-style-type: none"> <li>• the application of a currency risk hedging procedure to minimise the risk of fluctuations in exchange rates from the point of purchase of commercial goods to the point of sale in cases where purchases and sales are made in different currencies;</li> </ul>	<p>AVERAGE</p>

	<p>achieved and therefore the Group's financial results.</p>	<ul style="list-style-type: none"> <li>risk hedging through natural balancing of currency positions, i.e. pursuing a closed currency position against a single currency, implying a state of equilibrium between the volume of all inflows and outflows;</li> <li>the use of currency risk hedging instruments (mainly forwards and currency swaps), which are reflected in actual transactions and provide a hedge of the rates for calculating trading margins.</li> </ul>	
<b>TRADE CREDIT RISK</b>	<p>The Group's trading activities offer some of its counterparties the possibility of using trade limit, in accordance with the established procedure for granting such limits. In view of the above, it cannot be ruled out that there may be cases where the time for repayment of receivables is extended or that bad debts from counterparties may have to be written off, which would affect the Group's financial results.</p>	<ul style="list-style-type: none"> <li>assessing and monitoring the financial health of counterparties;</li> <li>the application of a system for the granting of trade limits in accordance with the established procedure involving verification of the creditworthiness of counterparties prior to the start of commercial cooperation;</li> <li>the use of prepayment for new counterparties and those not meeting the conditions for the granting of a trade limit;</li> <li>continuous monitoring of receivables by a dedicated team operating within the Group's structures;</li> <li>the use of transaction collateral and working with insurers to insure receivables;</li> <li>use of business intelligence services and law firms specialising in debt recovery.</li> </ul>	AVERAGE
<b>VALUATION RISK OF COMPULSORY RESERVE</b>	<p>The Group and its subsidiary, Unimot Paliwa, are or will be obliged, in connection with their operations, to maintain compulsory reserve of liquid and gaseous fuels. Inventory valuation is affected by the difference between the commodity price - spot at which the Group can sell the commodity (i.e. the price at which the inventory is valued) and the futures price - forward (i.e. the price at which financial transactions hedging the commodity price are valued). The spot and forward prices can differ significantly distorting the valuation performed during the life of these transactions.</p> <p>Differences in inventory valuation resulting from the above mechanism for determining the price of stored fuel and the price in the futures contract may periodically affect the development of its accounting results and thus misjudge the efficiency of the Group's operations.</p>	<ul style="list-style-type: none"> <li>hedging fuel purchases with appropriate hedging transactions, using futures contracts;</li> <li>the use of adjusted EBITD to enable proper assessment of the Group's activities, including by investors and financial institutions.</li> </ul>	AVERAGE
<b>RISK OF CO2 EMISSIONS ALLOWANCE PRICE CHANGES</b>	<p>From the date of acquisition of the LOTOS Group companies in H1 2023, by law the obligation to redeem CO2 emission allowances also falls on the Group company, which, in connection with its operations, is obliged to purchase the missing CO2 emission allowances. Fluctuations in the prices of these allowances observed in recent years, may increase this cost in relation to the</p>	<ul style="list-style-type: none"> <li>managing the purchase of CO2 allowances during periods of falling prices;</li> <li>the use of hedging transactions in relation to these rights.</li> </ul>	LOW

	adopted forecasts and affect the estimated financial result of this company.		
<b>ENVIRONMENTAL RISKS</b>			
<b>RISK OF NON-ADAPTATION OF ACTIVITIES TO EU CLIMATE POLICY</b>	<p>EU climate policy, followed by national economic policy, is geared towards the goal of reducing the carbon footprint of transport. This can be done by replacing conventional propulsion with internal combustion engines, alternative units powered by hydrogen, electricity, liquefied natural gas (LNG) and compressed natural gas (CNG). Consequently, in view of the long-term decline in demand for the products that dominate the UNIMOT Group's revenues today, this risk could potentially have the effect of reducing diesel sales levels, as well as increasing competition in the market and reducing margins. The reduction of diesel engines in transport will also entail the need for the Group to adapt in the long term to new market conditions, including the preparation of petrol stations for the sale of new types of fuel (e.g. electric vehicle charging stations, hydrogen refuelling capabilities, etc.). With regard to newly acquired entities, the above risk may manifest itself in the obligation to reduce the share of exhaust emissions by the owned rolling stock or by the introduction of regulations from 2025 requiring the reduction of emission standards by the operating CHP plant. The Group's compliance with the applicable regulations will require incremental additional capital expenditure over a shorter or longer time horizon. The Group's exposure to this risk is lower for service companies than for manufacturing companies, due to the absence of the need to incur the highly capital-intensive expenditures required to replace these assets. to replace these assets.</p>	<ul style="list-style-type: none"> <li>conducting market analysis and monitoring legislative developments;</li> <li>basing revenues from fuel sales on a flexible business model;</li> <li>continuing the UNIMOT Group's strategy of diversifying into renewable energy sources, including the development of the AVIA Solar brand;</li> <li>investing in biogas, LNG, CNG production technology;</li> <li>the gradual replacement of the Olavion rolling stock with more modern and electrically powered rolling stock;</li> <li>the planned modernisation of the RCEkoenergia CHP plant, aiming to meet legal requirements in 2025; ultimately working on an investment project to replace coal-fired boilers with gas-fired boilers (in the longer term).</li> </ul>	HIGH
<b>RISK OF REDUCED FUNDING FOR FOSSIL FUEL ACTIVITIES</b>	<p>The introduction of solutions provided for by the EU systematics (so-called taxonomy) will translate into difficulties in financing activities that do not qualify as sustainable in the sense of the systematics. In particular, it may mean difficulties in obtaining financing for activities for entities operating in areas related to fossil fuels, including hard coal, or reduced availability of financing from some financial institutions. At the same time, the consequence of the entry into force of these solutions will be the possibility of obtaining favourable financing conditions for investments in low-carbon areas of activity in which the UNIMOT Group is already present (e.g. photovoltaics) or those towards which it will move by modernising the managed fuel distribution and sales network towards low-carbon transport.</p>	<ul style="list-style-type: none"> <li>monitoring legislative developments and market practice;</li> <li>transparent ESG information policy and reporting;</li> <li>gradual diversification of the UNIMOT Group's activities, including towards RES (opportunity to obtain favourable financing conditions);</li> <li>conducting coal trading activities in a way that does not affect the assessment of the Group's ability to obtain bank financing;</li> <li>Constant contact with financial institutions regarding risks associated with potential funding reductions and taking corrective action.</li> </ul>	HIGH

<p><b>RISK OF ENVIRONMENTAL POLLUTION IN THE EVENT OF INCIDENTS OR ACCIDENTS</b></p>	<p>The Group's activities in the area of storage, handling and transport of liquid and gaseous fuels involve the risk of leakage, emission, explosion or ignition. This may materialise as a result of fortuitous events such as an accident at a gas bottling plant, which is a high-explosion risk facility entered in the relevant governor's register, or as a result of a leak in a pipeline or gas installation. The risk of a leak, spill or explosion also applies to the newly acquired terminal and storage assets. There is also a risk of leakage of petroleum substances during transport - both by road and by rail. In connection with the acquisition of asphalt plants and combined heat and power plants, the Group also identifies the risk of unplanned and uncontrolled release of substances (also non-toxic and non-flammable) accompanying bitumen production processes or heat and steam production. Such events - if they occur - can lead to local environmental contamination and damage to biodiversity that is difficult to repair.</p>	<ul style="list-style-type: none"> <li>• implementation and strict adherence to procedures related to working with flammable substances;</li> <li>• the development of documents identifying the hazard and determining the risk of explosion, as well as appropriate safety instructions;</li> <li>• suitable location of the bottling plant in an open area;</li> <li>• maintaining good technical condition of equipment and technical infrastructure;</li> <li>• carrying out regular inspections of the infrastructure;</li> <li>• monitoring and a system of sensors to minimise the risk of explosion;</li> <li>• implementing appropriate staff training programmes and emergency response instructions;</li> <li>• employing experienced and properly trained staff (including drivers);</li> <li>• for transport additionally: basing transport on own modern transport fleet which meets the highest safety standards;</li> <li>• for rail transport, in addition: liaising with the dangerous goods advisor, implementing and adhering to specific SMS safety procedures in emergency situations, as well as procedures related to dealing with accidents, analysing potentially dangerous situations and rail traffic safety, maintaining rolling stock in accordance with established cycles and checking the general technical condition of wagons before each start-up;</li> <li>• for gas networks in addition: selection of suitable materials and execution of works in accordance with the requirements of the regulatory authorities, use of safety installations;</li> <li>• working with specialist environmental and health consultancies to manage these risks;</li> <li>• having adequate liability and property insurance, transferring part of the risk to insurers.</li> </ul>	<p>AVERAGE</p>
<p><b>RISKS ASSOCIATED WITH THE OBLIGATION TO REMEDIATE HISTORICALLY CONTAMINATED LAND AND THE UNDERESTIMATION OF RESERVES FOR THIS PURPOSE</b></p>	<p>The plants of some of the newly acquired companies operate on properties on which oil processing activities have been carried out since the 1920s. Due to the technology used at the time, some of the properties on which operations are currently carried out are classified as historically contaminated land, subject to legal regulations regarding the obligation to remediate them. Updating of the remediation obligation in cases defined by the legislation will result in the need to</p>	<ul style="list-style-type: none"> <li>• physical monitoring of sites at risk of remediation;</li> <li>• monitoring of environmental legislation;</li> <li>• obtaining external information on the plant's impact on its surroundings;</li> <li>• annual reviews and verification of the value of the costs of potential land remediation;</li> <li>• consultation with environmental advisors;</li> </ul>	<p>AVERAGE</p>

	<p>incur the costs of this remediation, for which financial provisions are created. The value of these provisions may not be sufficient to cover these costs and their amount may adversely affect the financial result of the UNIMOT Group.</p>	<ul style="list-style-type: none"> <li>consultation with the Management Board and relevant organisational units;</li> <li>update of risk characteristics and valuation in the financial statements.</li> </ul>	
<p><b>RISKS ASSOCIATED WITH NON-COMPLIANCE OR VIOLATION OF IMPOSED STANDARDS OR CONDITIONS FOR THE USE OF THE ENVIRONMENT AS SET OUT IN DECISIONS OR PERMITS</b></p>	<p>Some of the newly acquired companies are engaged in activities that may or may have a significant impact on the environment, which involves the obligation to hold the relevant environmental permits, e.g. with regard to air emissions or the protection of water and soil. Despite the safety procedures in place, as well as technological safeguards, periodic exceedance of emission standards or contamination of water and soil may occur in connection with the operations of these plants. Such situations may occur in connection with an accident, leakage or explosion and may result in the revocation of granted permits, suspension of operations and the obligation to pay administrative financial penalties. On the other hand, in connection with its transport activities, the Group is obliged to comply with emission standards in connection with the use of rolling stock, subject to the obligation to take non-compliant assets out of service.</p>	<ul style="list-style-type: none"> <li>maintaining the technological regime and safety procedures;</li> <li>- controls on emissions of gases and dust into the atmosphere;</li> <li>keeping a register of potential emergency incidents;</li> <li>Olavion's exclusive use of authorised railway vehicles;</li> <li>aiming to replace rolling stock with more modern rolling stock, particularly in the area of emissions standards.</li> </ul>	<p>AVERAGE</p>
<p><b>SOCIAL RISKS</b></p>			
<p><b>RISK OF LOSING KEY MANAGEMENT PERSONNEL</b></p>	<p>The Group's market success depends to a large extent on the competence and experience of those in managerial roles. Qualified personnel are particularly important in the fuel industry, where experience and established business relationships allow the business to operate efficiently and effectively. The loss of key management personnel and the difficulty of replacing them quickly can reduce the efficiency of the business.</p>	<ul style="list-style-type: none"> <li>building and maintaining long-term good relationships with key managers and employees;</li> <li>analysing the market for employment and offering attractive terms of employment;</li> <li>running a bonus scheme for board members;</li> <li>team building and focus on substitutability within the team;</li> <li>building a consistent and positive corporate image.</li> </ul>	<p>AVERAGE</p>
<p><b>THE RISK OF NOT BEING ABLE TO ATTRACT QUALIFIED STAFF</b></p>	<p>The situation on the labour market, associated with unemployment being low for several years and the persistence of the so-called 'employee market', influences a higher demand for qualified employees than supply, also in the industry in which the Group operates. Such a state of affairs may result in difficulty in recruiting qualified people, particularly in technical trades related to the maintenance of warehouse infrastructure, terminals, maintenance, bitumen production, machinists or dispatchers, and consequently hinder the Group's growth. It may also be necessary to train and retrain employees, entailing higher employment costs and a greater risk of operational errors until the required qualifications are achieved.</p>	<ul style="list-style-type: none"> <li>offering competitive working conditions and remuneration;</li> <li>nurturing good relations with employees;</li> <li>developing an organisational culture focused on feedback and employee engagement;</li> <li>providing staff development for ongoing projects;</li> <li>providing specialised training for employees (retraining);</li> <li>diversification of subcontractors in key aspects of the companies' operations to ensure business continuity;</li> <li>cooperation with trade unions or employee representatives;</li> <li>offering opportunities for growth and new ventures as part of organisational change;</li> <li>team building and focus on substitutability within the team;</li> </ul>	<p>AVERAGE</p>

		<ul style="list-style-type: none"> <li>building a consistent and positive company image through personal visits and meetings with new crews and integration with key members of the UNIMOT Group teams.</li> </ul>	
<b>RISK OF OCCUPATIONAL ACCIDENTS (OSH)</b>	<p>Employees of the Group and those working for companies cooperating with the Group, performing work related to: storage, handling and transportation of liquid and gaseous fuels, performing installation of photovoltaic (PV) panels, including employees of newly acquired companies, are at risk of occupational accidents, including those of a collective, serious or fatal nature. This risk may be increased by routine and by ignoring internal and external regulations and laws. Technical aspects can also have an impact on the occurrence of such an accident, as well as risks related to explosion, ignition, substance release or oil spills. Moderate and severe occupational accidents resulting in loss of health or human life are an unacceptable risk in the UNIMOT Group - they may have negative consequences for the Group in the area of criminal and indemnity liability, which is why the Group attaches the highest importance to maintaining occupational safety.</p>	<ul style="list-style-type: none"> <li>Ensuring safe working conditions, in particular by providing individual and collective protective equipment for employees, controlling the working environment, training employees in the area of health and safety, carrying out training instructions, before allowing employees to work on a specific position;</li> <li>building risk awareness, including by providing information on the occupational risk factors associated with specific jobs;</li> <li>building the right habits among employees;</li> <li>ongoing monitoring and implementation of legal changes and so-called good health and safety practices in the industry;</li> <li>the application in newly acquired workplaces of internal procedures and instructions related to: health and safety monitoring, emergency preparedness and response, hazard identification and risk assessment, and the reporting and management of accidents and occupational diseases;</li> <li>technical safeguards in place (process and technical safety);</li> <li>inspections and periodic security assessments and analyses.</li> </ul>	AVERAGE
<b>RISK OF OCCUPATIONAL DISEASES</b>	<p>Workers in the newly acquired plants are exposed to harmful factors in the working environment due to working with petroleum substances, as well as due to the shift work, twelve-hour work and night work systems used. As a result of these factors, workers in the new workplaces are exposed to a higher degree of occupational diseases than other workers. So far, no cases of such diseases have been reported, but the long-term effects of performing such work cannot be ruled out.</p>	<ul style="list-style-type: none"> <li>analysis of historical data and risk management based on this data;</li> <li>Carrying out tests on harmful factors in the working environment and analysing these factors on an ongoing basis;</li> <li>assess the ongoing effectiveness of measures to control the occurrence of risks;</li> <li>implementation of procedures related to the identification and assessment of occupational risks, as well as monitoring and occupational health safety.</li> </ul>	AVERAGE
<b>RISK OF PERSONAL DATA LEAKAGE</b>	<p>As a result of unintentional or deliberate actions by employees or third parties, unauthorised disclosure or access to personal data processed by the Group could potentially occur. As part of the operational processes, standardised procedures have been implemented within the Group to manage the risks associated with the potential occurrence of data processing breaches, including data leakage.</p>	<ul style="list-style-type: none"> <li>implementation of standardised procedures related to personal data processing processes, including procedures defining the handling of a personal data breach;</li> <li>implementation of technical solutions guaranteeing, among other things, the integrity and traceability of all data processing;</li> <li>improving staff knowledge through regular training;</li> </ul>	LOW

		<ul style="list-style-type: none"> <li>periodic audits of the technical and organisational solutions used.</li> </ul>	
<b>RISK OF CYBER ATTACK</b>	<p>Cyber risk is no longer just a technological problem, the digitisation of more and more business processes, including the spread of remote forms of contact, with the simultaneous rise of threats from criminal groups and the use of attacks on IT systems by entities hostile to Poland in order to destabilise the socio-economic system, make companies exposed to an increasing risk of data destruction and theft or other similar threats related to the disruption of their business-critical security or control systems.</p>	<ul style="list-style-type: none"> <li>providing optimal hardware solutions from a security point of view;</li> <li>building user (employee) awareness, raising awareness of danger symptoms, developing good user habits;</li> <li>the UNIMOT Group's compliance with the requirements of the General Data Protection Regulation (GDPR);</li> <li>systematic evaluation of the assessment of the risk of loss of confidentiality, integrity or availability of information assets;</li> <li>strict adherence to and application of the rules arising from, inter alia: Security Policy, Backup Policy;</li> <li>adaptation to the requirements of, among others, the National Cyber Security System Act;</li> <li>preparing for the implementation of ISO 27001;</li> <li>monitoring legislative developments;</li> <li>established acceptance path and internal regulations for the access granting process;</li> <li>training on regulations to prevent money laundering and terrorist financing;</li> <li>entering into a contract for the provision of cyber security services within the meaning of the LNCS with an external provider of a comprehensive range of SOC services.</li> </ul>	HIGH
<b>REPUTATIONAL RISK</b>	<p>If the risks described in this report materialise, the image of the Group and the Management Board may be damaged. Damage to the reputation of the Board's Members or key managers may translate into a loss of confidence in the Group, including from the local community, which may express opposition to the Group's activities in areas with environmental risks, among others. The loss of reputation may also affect the Group's perception on the capital market and thus the share price. In particular, the following factors may affect the Group's image: infrastructure failure and environmental pollution, work accident, disclosure of company secrets imposition of a fine by a regulatory authority, transmission of an unethical marketing message.</p>	<ul style="list-style-type: none"> <li>managing in a continuous process the risks described in this report;</li> <li>Adoption of a "Media Contact Policy" in the form of a resolution of the Management Board setting out the rules for external communication;</li> <li>employing an experienced PR Manager to manage the external communications area;</li> <li>use of professional media monitoring tools to keep all publications and messages about the Group under review;</li> <li>building good relations with the media and the local community and investors;</li> <li>rapid analysis of the situation and reaction and response to articles;</li> <li>training of new employees in communication principles, including communication on social media.</li> </ul>	AVERAGE
<b>RISK OF LOSS OF PUBLIC ACCEPTANCE OF THE</b>	<p>The operation of storage and handling of flammable hydrocarbons, including gaseous fuel, could raise certain concerns</p>	<p>With regard to gas bottling plants:</p> <ul style="list-style-type: none"> <li>a long-standing policy of openness to dialogue with</li> </ul>	AVERAGE

<b>ACTION BY THE LOCAL COMMUNITY</b>	<p>among local community residents. Failure to address these concerns, arising from unfamiliarity with the operation of the plant, could lead to protests, reports of irregularities in the operation to the authorities, resulting in inspections and, in an extreme situation, to a lack of consent for the operation to continue.</p>	<p>representatives of local communities,</p> <ul style="list-style-type: none"> <li>the plant's long history of operation, in which not a single industrial accident has occurred and no significant complaints from local residents have been recorded;</li> </ul> <p>With regard to warehouses:</p> <ul style="list-style-type: none"> <li>identification of places and processes that could potentially give rise to complaints from residents,</li> <li>monitoring complaints and responding to reported nuisances.</li> </ul>	
<b>CORPORATE GOVERNANCE RISKS</b>			
<b>RISK OF INADEQUATE ORGANISATIONAL STRUCTURE</b>	<p>The company operates as part of the Group, conducting business in various business segments. In connection with the acquisition of the assets of Lotos Terminale S.A. Group started to operate in new business areas, which requires reorganisation and consolidation of existing and new activities. The adoption of an inappropriate organisational structure within the Group may result in delays in the implementation of business processes, limitations in internal and external communication, duplication of tasks performed or their implementation in isolation from business processes. An inappropriate organisation of the Group may also reduce the efficiency of operations or lengthen decision-making processes, which may hinder the Group's growth.</p>	<ul style="list-style-type: none"> <li>involvement of experienced management and specialists in asset integration and process optimisation;</li> <li>Implementing internal regulations and procedures that allow the Group to operate efficiently and effectively as an organisation;</li> <li>process improvement and optimisation aimed at achieving cost synergies and building a business-efficient organisation;</li> <li>analysing market trends with a view to applying the solutions most appropriate to the Group's level of development;</li> <li>adapting the structure to current requirements and market practices in the financial, operational and legal/regulatory areas.</li> </ul>	<b>AVERAGE</b>
<b>RISK OF INCONSISTENCY OR NON-COMPLIANCE WITH LEGISLATION</b>	<p>As a result of the Group's growth and the numerous regulatory requirements associated with the Group's activities in the fuel and capital markets, as well as in the new markets in which the newly acquired entities operate, it is necessary to implement and apply numerous internal procedures and regulations in line with the applicable legislation. This is necessary from the point of view of ensuring the legal security of the business and business efficiency. Due to the dynamic development of the Group and the changing regulatory and legal environment, there is a risk of inconsistency of regulations with applicable laws, with other internal regulations and procedures, as well as inadequacy of regulations in relation to market practices. In the worst-case scenario, this may result in Group companies failing to comply with legal requirements and obligations. The above situations may reduce the efficiency of the Group's operations and increase the legal risk of its business and, in situations</p>	<ul style="list-style-type: none"> <li>Implementing internal regulations and procedures that allow the Group to operate efficiently and effectively as an organisation;</li> <li>ongoing monitoring of the legislation applicable to the Group's companies and adaptation of regulations and procedures to new legislation;</li> <li>analysing market trends with a view to applying the solutions most appropriate to the Group's level of development;</li> <li>the operation of Internal Audit in the Group, whose function is to detect and assess potential risks that may arise within the Group's operations and to examine and evaluate the adequacy, effectiveness and efficiency of the management control systems;</li> <li>examination by the Internal Auditor of the compliance and effectiveness of the Group's</li> </ul>	<b>AVERAGE</b>

	where non-compliance with certain obligations is threatened by a monetary sanction, may result in a financial loss.	<p>processes with internal regulations;</p> <ul style="list-style-type: none"> <li>training to raise staff awareness of key responsibilities set out in internal regulations.</li> </ul>	
<b>RISK OF SIGNIFICANT FRAUD, INCLUDING THE RISK OF CORRUPTION AND BRIBERY</b>	The risk of material malpractice understood as a culpable act or omission to act that constitutes a breach of the law or a breach of the UNIMOT Group's rules, which may result in unjustified financial losses or may lead to unauthorised benefits for third parties or employees. The risk of corruption and bribery should also be classified as a risk of material fraud.	<ul style="list-style-type: none"> <li>the implementation and application of the Anti-Fraud Policy, which provides the basis for establishing and supporting preventive and educational solutions to counter abusive behaviour;</li> <li>the supervision by the Company's Management Board over the implementation of the Anti-Fraud Policy.</li> </ul>	AVERAGE
<b>RISK OF DISCRIMINATION AND HUMAN RIGHTS VIOLATIONS</b>	Discrimination against anyone (employees, customers, etc.) on the basis of gender, age, origin, religion or belief is not only ethically unacceptable, it is also a violation of the rights enshrined in the Universal Declaration of Human Rights. From a corporate point of view, it can also lead to suboptimal choices that are dictated by factors other than merit. In turn, sub-optimal decisions, if only in terms of staffing, can reflect on business performance. Such effects are associated with both traditional discrimination and so-called reversed discrimination.	<ul style="list-style-type: none"> <li>the implementation of procedures and long-standing business practice concerning employees, including their recruitment, which make decisions independent of criteria such as gender, age, origin, religion, belief or sexual orientation or on the basis of any intrinsic characteristic not relevant to the job;</li> <li>Code of Ethics prohibiting any behaviour or attitude that expresses discrimination in the workplace;</li> <li>adoption of a whistleblowing procedure (also anonymous).</li> </ul>	LOW

## 6.2. CHARACTERISTICS OF EXTERNAL AND INTERNAL FACTORS SIGNIFICANT FOR THE DEVELOPMENT OF UNIMOT S.A. AND THE CAPITAL GROUP

In addition to the risk factors described in section 6.1 within the Group's ongoing operations during the reporting period under review, the Group identifies future material risks that may affect the Group's long-term financial performance in the following key areas of the Company's and Group's operations:

**GEOPOLITICS** - risks arising from changing geopolitical factors and phenomena (e.g. European Union climate policy, divergence of interests, armed conflict in Ukraine), resulting in limited access to and supply of raw materials, as well as significant price volatility in the fuel and electricity markets and supply chain disruptions.

**MACROECONOMY** - the risk resulting from changes in the economic situation, causing fluctuations in macroeconomic indicators and prices of raw materials and fuels, affecting the Group's operations, including changes in exchange rates, interest rates. Changes may also lead to an economic slowdown or even recession in global markets and thus in the domestic market (economic changes that may affect the deterioration of financial indicators of the Group companies).

**LAW AND REGULATIONS** - risks related to changes in the legal system and uncertainty in the regulatory environment, including in relation to unexpected changes, inter alia, in tax burdens, the imposition of additional financial and non-financial obligations on fuel and energy market operators, and regulatory changes arising from environmental requirements affecting the Group.

**STRATEGY** – the risk of not achieving the anticipated efficiencies and synergies from the acquisitions completed in early 2023. The risk related to the effect and the need for the Group to adapt to operations in new business areas.

**COMPETITION** - the risk of competitive distortions due to the existence of the grey market (non-compliance by dishonest contractors with concession, VAT or embargo regulations), as well as the risk of the effects of increased competition in the market due to the implementation of the European Commission's remedies implemented in connection with the merger of PKN Orlen S.A. and Grupa Lotos S.A., including the entry into the Polish market of new players, i.e. Saudi Aramco and MOL, who will pursue their business strategies that may affect the local fuel business.

**SOCIAL PREFERENCES** - risks arising from the expected further evolution of social preferences towards caring for the environment, conducting sustainable operations and social responsibility, in terms of mass customer expectations, evaluation of employer attractiveness and public opinion that may affect the Group.

**SECURITY** - the risk arising from the negative impact of, inter alia, the geopolitical situation on both the physical security and cyber security of the Group's operations;

**Within the above main categories of risks that may affect the Issuer and its Group in the near term, the following factors in particular should be borne in mind:**

- **Level of interest rates** - the Group uses external sources of financing (mainly loans and borrowings in Polish zloty and also in US dollars and euros), the cost of which depends on the level of interest rates. After several years of relatively low interest rates, in the second half of 2021 these rates started to rise steadily, which negatively affects the cost of debt service. However, in September 2023, the Monetary Policy Council decided to reduce interest rates.
- **Exchange rate levels** - The Group sells to domestic and foreign markets, while fuel purchases are mostly made abroad and settled in foreign currencies. The main currencies for export transactions are EUR and USD. For acquisitions, the payment currencies are: USD, EUR and PLN. The impact of exchange rates on the Group's operations is offset by the hedging instruments used.
- **Raw material price levels** - the Group's business model is predominantly based on the purchase of liquid and gaseous fuels abroad or in Poland, their distribution and subsequent sale. The lack of price stability of liquid and gaseous fuels at home and abroad has a significant impact on the margins achieved and, consequently, on the Group's results. In addition, a sharp increase in the prices of energy carriers may result in a decrease in consumption, which may translate into a worsening of the Group's financial situation. Changes in energy commodity prices are dictated by several key factors. The first category of factors includes the interrelationship of raw materials with each other, as, for example, changes in natural gas prices are highly dependent on crude oil prices. Then there is the impact of the value of the exchange rates in which these raw materials are denominated in the markets. The exchange rate determines the level of the cost of purchasing imported raw materials and, consequently, their price on the domestic market. The last group includes a number of geopolitical factors such as armed and political conflicts or economic crises in commodity-rich regions<sup>1</sup>.
- **The amount of the land premium** (the difference between the price on the local market and the price at the ports of delivery of fuel to the country) for diesel - the dominant product in the Group's sales structure. In practice, the level of the land premium is determined by the level of margins realised by domestic petrochemical companies in the production and trading segments. The amount of the land premium determines the area of the trade margin realisable by UNIMOT less the costs of logistics (transport costs, handling costs, quality testing), costs of leasing fuel depot capacity, costs of receivables insurance (in connection with the trade security policy adopted by the Group), as well as costs of fulfilling the NIT obligation.
- **Grey market in fuel trading** - unfair practices of some entities relate to the sale of fuels without paying due fees and taxes and in violation of applicable regulations and laws. This results in a decrease in competitiveness and a reduction in demand for products offered by UNIMOT and its subsidiaries, which may adversely affect the financial results achieved. The Group, with its many years of experience in the market, is aware of all the constraints and risks associated with the grey market. The Group takes into account the possible impact of additional costs related to concession fees or hedging the risk of joint and several VAT in its business operations and financial forecasts. The transport package enacted in 2017, making it compulsory to digitally record the carriage of goods, including liquid fuels, enabling them to be recorded and monitored using satellite systems, together with the fuel package enacted in 2016, in the Group's view, have significantly reduced the grey market in fuel trading. Looking ahead to 2023, the Group assumes that the current situation will continue.
- **Logistics** - meeting the needs of customers depends to a large extent on: the logistical capacity of the supply of fuels by sea, their distribution by rail and road, and the storage infrastructure for petroleum products. It should be assumed that the exclusion of fuel supplies from Russia will be permanent and therefore special attention should be paid to the appropriate development of infrastructure.

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<sup>1</sup> Cire.pl - Geopolitical and macroeconomic determinants of fuel price increases

- **Market competition** - the change in market and competitive conditions associated with the implementation of the European Commission's remedies implemented in connection with the merger of PKN Orlen S.A and Grupa Lotos S.A. has resulted in the emergence of new players on the Polish market, i.e. Saudi Aramco and MOL, who will pursue their business strategies that may affect the local fuel business.
- **Costs of implementing the National Indicative Target, the National Reduction Target and the EE that fuel producers and importers are obliged to bear, affecting the Issuer Group's operations:**
  - NIT (National Indicative Target) - the need to achieve, in a given year, a minimum share of bio-components and other renewable fuels in the total volume of liquid fuels and liquid biofuels sold, disposed of or otherwise consumed for own use. This results in the need to use logistics and storage infrastructure to carry out the required blending (physical blending of fuel with bio-components). These activities are performed as a service by fuel depot operators used by the Issuer. The costs of performing NIT and the costs of fuel blending services, affect the achieved sales margin, which has a direct impact on the Group's results.
  - NRT (National Reduction Target) - the need to fulfil the obligation to reduce the average CO<sub>2</sub> emissions of transport fuels introduced onto the domestic market. In practice, this means the advisability of using lower-emission bio-components, concluding contracts with importers of lower-emission fuels (CNG, LNG and LPG) and purchasing so-called UER, i.e. allowances resulting from emission reductions in the extraction of energy resources, which also affects the prices of fuels offered and the margin realised on them.
  - EE (energy efficiency) - the need to meet a final energy saving target. Obligated entities include companies selling electricity, district heat and gaseous fuels to end users. From mid-2021, fuel entities marketing liquid fuels have this obligation. The obligation can be fulfilled by: completing an energy efficiency improvement project at the end user, completing a programme of non-refundable subsidies to co-finance energy efficiency improvement projects or obtaining/purchasing white certificates, which they will present to the President of the Energy Regulatory Office for redemption.

## 7. FINANCIAL POSITION OF THE GROUP

### 7.1. PRINCIPLES FOR THE PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as endorsed by the European Union ("IAS 34").

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2022, which were published on 20 April 2023.

The interim consolidated financial statements are presented in Polish zloty ("PLN") and all values, unless otherwise indicated, are given in thousands of PLN.

The interim condensed consolidated financial statements of the Group present the financial position of the UNIMOT Group (the "Group", the "UNIMOT Group", the "CG") as at 30 June 2023 and 31 December 2022, the results of its operations and its cash flows for the 6 and 3 months ended 30 June 2023 and 30 June 2022.

The interim condensed consolidated financial statements have been reviewed by the auditor.

The interim condensed consolidated financial statements of the UNIMOT Group have been prepared on the assumption that the Parent Entity and the UNIMOT Group companies will continue as a going concern in the foreseeable future. As at the date of preparation of the interim condensed consolidated financial statements, no circumstances indicating a threat to the going concern were identified.

### 7.2. CONSOLIDATED STATEMENTS OF TOTAL REVENUES

#### Condensed consolidated statements of total revenues

<i>in PLN thousand</i>	<b>01.01.2023</b>	<b>01.04.2023</b>	<b>01.01.2022</b>	<b>01.04.2022</b>	<b>01.01.2021</b>	<b>Change %</b>
	<b>30.06.2023</b>	<b>30.06.2023</b>	<b>30.06.2022</b>	<b>30.06.2022</b>	<b>30.06.2021</b>	<b>2023/2022</b>
Sales revenue	6 500 323	3 228 079	5 912 319	3 587 288	3 264 982	10%

Profits/(losses) on financial instruments relating to fuel trading	28 021	20 936	(23 353)	(69 568)	38 525	-220%
Cost of services, goods and materials sold	(6 077 742)	(3 047 266)	(5 497 853)	(3 337 200)	(3 129 784)	11%
<b>Gross profit on sales</b>	<b>450 602</b>	<b>201 749</b>	<b>391 113</b>	<b>180 520</b>	<b>173 723</b>	<b>15%</b>
Other operating income	4 556	3 571	11 256	10 637	766	-60%
Selling costs	(215 283)	(101 254)	(138 994)	(87 344)	(94 754)	55%
General and administrative expenses	(63 403)	(39 514)	(46 084)	(33 133)	(16 347)	38%
Other net profits/(losses)	1 473	677	(2 948)	(2 799)	284	-150%
Other operating costs	(5 077)	(1 388)	(5 621)	(3 315)	(652)	-10%
<b>Operating profit/(loss)</b>	<b>172 868</b>	<b>63 841</b>	<b>208 722</b>	<b>64 566</b>	<b>63 020</b>	<b>-17%</b>
Financial income	3 420	2 278	439	408	229	679%
Financial costs	(28 588)	(22 689)	(9 558)	(5 635)	(3 093)	199%
Net financial income/(expenses)	(25 168)	(20 411)	(9 119)	(5 227)	(2 864)	176%
<b>Profit/(loss) before tax</b>	<b>147 700</b>	<b>43 430</b>	<b>199 603</b>	<b>59 339</b>	<b>60 156</b>	<b>-26%</b>
Income tax	(33 800)	(11 520)	(39 863)	(14 344)	(13 357)	-15%
<b>Net profit/(loss) for the reporting period</b>	<b>113 900</b>	<b>31 910</b>	<b>159 740</b>	<b>44 995</b>	<b>46 799</b>	<b>-29%</b>

In the first half of 2023, the Unimot Group generated sales revenue of PLN 6,528,344 thousand, which was up by PLN 639,378 thousand or 11% against those achieved in the corresponding period of 2022. Revenues in the second quarter of 2023 were down by PLN 30 314 thousand against those achieved in the first quarter of 2023. The decrease in the second quarter relative to the first quarter occurred in the following items: diesel and biofuels, LPG and natural gas segments. Revenues from sales of bitumen, petrol stations and infrastructure and logistics increased.

The following segments contributed to the increase in sales revenue in H1 2023 compared to the same period in 2022:

- higher by PLN 206 808 000, i.e. 4%, revenues from liquid fuel trading;
- higher revenues from LPG trading by PLN 42,815 thousand or 9%;
- higher by PLN 35,057 thousand or 20% revenues from energy trading.
- revenues from photovoltaic trading higher by PLN 5 984 000, i.e. 160%.
- higher revenue from fuel sales at AVIA stations by PLN 61,924 thousand or 28%.
- higher revenues from bitumen trading by PLN 358,104 thousand or 609 %.
- new segments, i.e. Infrastructure & Logistics and Solid Fuels, which increased revenues by PLN 79,644 thousand.

The cost of goods and materials sold in the first half of 2023 increased by PLN 579,889 thousand, or 11 per cent, against the same period in 2022, mainly due to variable( higher) prices of purchased trade goods.

In the first half of 2023, the Group achieved a gross result of PLN 147,700 thousand, i.e. by (-) PLN 51,903 thousand less than in the same period of 2022.

The result was mainly driven by capitalised costs related to the finalisation of the acquisition of Lotos Terminale (now: Unimot Terminale), as well as lower margins in the liquid fuels and LPG segments. In addition, there were non-recurring revenues in 2022, e.g. the sale of shares in Naturalna Energia sp. z o.o.

Finance costs in the first half of 2023 increased by PLN 19 030 thousand, which means that they were 199% higher than those incurred in the same period of 2022. The finance costs item consists of commissions on loans granted and interest on borrowings.

The significant increase in finance costs is due to higher financial exposure related, among other things, to the drawdown of the syndicated loan financing the Lotos Terminale acquisition, as well as the financing of the purchase of rail tankers and wagons under concluded sale-leaseback transactions and the taking out of new finance leases.

A consequence of the increase in turnover was a significant increase in other costs by type discussed below.

### Costs by type

<i>in PLN thousand</i>	<b>01.01.2023</b>	<b>01.04.2023</b>	<b>01.01.2022</b>	<b>01.04.2022</b>	<b>01.01.2021</b>	<b>Change</b>
	<b>30.06.2023</b>	<b>30.06.2023</b>	<b>30.06.2022</b>	<b>30.06.2022</b>	<b>30.06.2021</b>	<b>%</b>
Depreciation of tangible fixed assets and intangible assets	(15 880)	(14 156)	(3 724)	(2 000)	(3 053)	326%
Amortisation of right-of-use asset	(8 050)	(6 642)	(2 976)	(1 568)	(3 611)	170%
Consumption of materials and energy	(148 978)	(148 290)	(3 329)	(2 641)	(5 109)	4375%
Third-party services	(240 266)	(189 287)	(132 262)	(81 283)	(83 776)	82%

Taxes and charges	(9 011)	(7 556)	(3 751)	(2 296)	(1 235)	140%
Salaries	(56 870)	(51 605)	(33 530)	(28 265)	(15 999)	70%
Social security and other benefits	(8 321)	(7 169)	(2 501)	(1 349)	(1 643)	233%
Other costs by type	(12 797)	(7 697)	(10 975)	(5 875)	(8 311)	17%
<b>Total costs by type</b>	<b>(500 173)</b>	<b>(432 402)</b>	<b>(193 048)</b>	<b>(125 277)</b>	<b>(122 737)</b>	<b>159%</b>
Cost of services, goods and materials	(5 859 164)	(3 700 323)	(5 494 652)	(3 335 811)	(3 122 568)	7%
Change in inventories and prepaid	3 025	1 174	2 920	1 069	(1 365)	4%
Other	(116)	377	1 849	2 342	5 785	-106%
<b>Cost of services, goods and materials sold, selling, general and</b>	<b>(6 356 428)</b>	<b>(4 131 174)</b>	<b>(5 682 931)</b>	<b>(3 457 677)</b>	<b>(3 240 885)</b>	<b>12%</b>

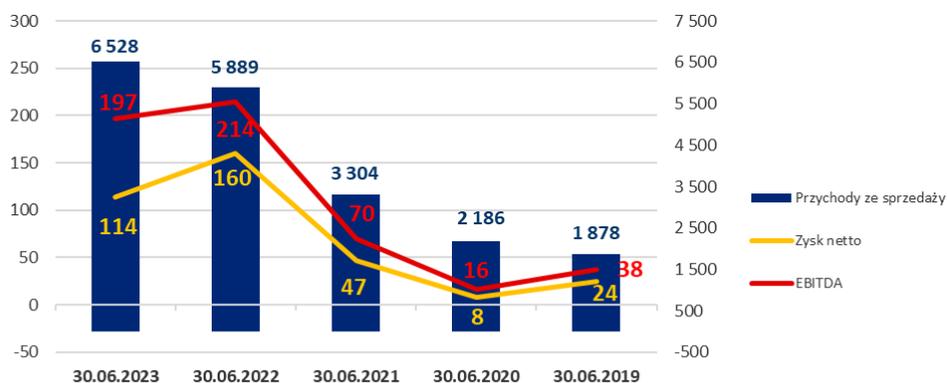
In the first half of 2023, costs by type increased by 12%, i.e. by PLN 673,497 thousand, mainly as a result of the inclusion in the consolidation of the costs of new businesses from the LOTOS Group.

Costs by type increased by 159% against the corresponding period of 2022, amounting to PLN 307,125 thousand. There was an increase in all cost items, with the largest increase in materials and energy consumption, which is related to the acquisition of the bitumen production business and the business of providing storage capacity and handling at fuel terminals. This increase amounted to 4 375%, representing an increase of PLN 145 649 thousand. Costs are at levels that reflect the scale of the business and are reflected in sales revenue.

The costs of third-party services increased by 82% and were higher by PLN 108 004 000 against the same period of the previous year. This item includes primarily the costs of services related to transport, warehousing, logistic services, legal services, representative and consultancy contracts. The recorded increase in this item is assessed as stable and inextricably linked to the increase in sales revenue.

Remuneration in the Unimot Group increased by 70% compared to the first half of 2022 and was higher by PLN 23,340 thousand against the same period of the previous year. The reason for the increase in salaries is the increase in employment related to the acquisition of shares in new companies.

#### BASIC FINANCIAL AND ECONOMIC VALUES OF THE CG



\* Dane w mln zł

in PLN thousand	01.01.2023 30.06.2023	01.04.2023 30.06.2023	01.01.2022 30.06.2022	01.04.2022 30.06.2022	01.01.2021 30.06.2021	Change % for half year 2023/2022
EBIT *	172 868	63 841	207 792	64 129	62 960	-17%
EBITDA **	196 782	82 201	214 495	67 700	69 590	-8%
GROSS RESULT	147 700	43 430	199 603	59 339	60 156	-26%
NET RESULT	113 900	31 910	159 740	44 995	46 799	-29%

\* EBIT --> defined as Earnings Before Interest and Taxes.

\*\* EBITDA --> defined as Earnings Before Interest, Taxes, Depreciation and Amortisation.

EBITDA of the CG in the first half of 2023 amounted to PLN 196,782 thousand, i.e. by PLN (-)17,713 thousand less against the corresponding period of 2022.

The gross result in the first half of 2023 amounted to PLN 147,700 thousand and was down by (-) PLN 51,903 thousand against that generated in the first half of 2022.

The net result in the first half of 2023 amounted to PLN 113,900 thousand and was down by (-) PLN 45,840 thousand against the result generated in the first half of 2022.

### RESULTS - adjusted

<i>in PLN thousand</i>	01.01.2023 30.06.2023	01.04.2023 30.06.2023	01.01.2022 30.06.2022	01.04.2022 30.06.2022	01.01.2021 30.06.2021	<i>Change % for half year 2023/2022</i>
Adjusted EBITDA	167 626	62 770	159 453	74 327	45 476	5%
ADJUSTED NET result	84 744	12 479	104 698	51 621	22 684	-19%

YTD results in the first half of 2023 were adjusted by an amount of (-) **PLN 29,156 thousand** as a result:

- adjustments of the impact of accounting valuations and cost time shifts related to the turnover of diesel and biofuels: (-) PLN 30,725 thousand,
- Adjustments to the cost of depreciation of investments in franchised stations included in operating expenses in the accounts: PLN 1,569 thousand.

### 7.3. ANNUAL CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

<i>in PLN thousand</i>	30.06.2023	31.12.2022	31.12.2021	Percentage share in total assets
<b>Fixed assets</b>				
Tangible fixed assets	420 836	101 838	45 965	18%
Right to use assets	183 143	105 230	69 856	8%
Intangible assets	6 004	1 427	3 329	0%
Goodwill	39 017	17 904	17 904	2%
Other financial assets	260	260	260	0%
Long-term receivables	8 691	6 675	30 500	0%
Derivative financial instruments	198	7 835	-	0%
Assets from contracts with customers	8 317	8 586	7 739	0%
Deferred tax assets	31 864	19 319	12 163	1%
<b>Total fixed assets</b>	<b>698 330</b>	<b>269 074</b>	<b>187 716</b>	<b>29%</b>
<b>Current assets</b>				
Inventories	455 723	257 175	325 215	19%
Assets from contracts with customers	2 920	3 094	2 128	0%
Trade and other receivables	857 839	728 757	513 303	36%
Other financial assets	28 130	72 315	68 076	1%
Derivative financial instruments	27 648	7 820	27 517	1%
Income tax receivables	13 552	5 951	11 573	1%
Cash and cash equivalents	295 557	312 463	79 092	12%
Other current assets	14 870	8 628	16 668	1%
<b>Total current assets</b>	<b>1 696 239</b>	<b>1 396 203</b>	<b>1 043 572</b>	<b>71%</b>
<b>TOTAL ASSETS</b>	<b>2 394 569</b>	<b>1 665 277</b>	<b>1 231 288</b>	<b>100%</b>

As at 30 June 2023, the balance sheet figures increased against those shown at the end of 2022. Total assets increased by 44% against the figures as at the end of 2022, representing PLN 729 292 thousand. Fixed assets accounted for 29% of the balance sheet total and current assets for 71%.

The largest increases in fixed assets were in the items of tangible fixed assets, which increased by (313%), amounting to PLN 318,998 thousand, and intangible assets (an increase of 321%), as well as in goodwill, where the value increased by 118%.

The increase in fixed assets is related to the expansion of the UNIMOT Group's activities to include the function of Independent Logistic Operator ('ILO') of fuels based on its own infrastructure ('ILO' business), companies: Lotos Terminale S.A., Lotos Infrastruktura S.A., RCE Ekoenergia Sp. z o.o.) and the production of modified bitumen.

The assets acquired by RCEkoenergia include a wastewater treatment plant, a combined heat and power plant with 2 coal-fired boilers with a total installed capacity of 14.8 MWt and a backpressure turbine with an installed capacity of 0.74 MW.

In addition, the value of the fixed assets was influenced by the development of the rolling stock, i.e. the purchase of wagons and rail tankers and the acquisition of the fixed assets of the Olavion company, which consisted, among other things, of railway engines.

The value of current assets at the end of the first half of 2023 increased by PLN 300 036 thousand, or 21%, against the end of 2022. The biggest changes occurred on the side of inventories, derivative financial instruments and income tax receivables.

The value of inventories increased by 77%, representing PLN 198,548 thousand. This increase is related to the need to maintain compulsory and operational reserves.

The value of current assets at the end of the first half of 2023 increased by PLN 300 036 thousand, or 21%, against the end of 2022. The biggest changes occurred on the side of inventories, derivative financial instruments and income tax receivables.

Trade and other receivables increased by 18% relative to the end of 2022, amounting to PLN 129,082 thousand.

Other financial assets fell by 61% against the corresponding period in 2022, amounting to (-) PLN 44,185 thousand.

Derivative financial instruments increased by 254% against the corresponding period of 2022, amounting to PLN 19,828 thousand.

<i>in PLN thousand</i>	<b>30.06.2023</b>	<b>31.12.2022</b>	<b>31.12.2021</b>	<b>Percentage share in total assets</b>
<b>LIABILITIES</b>				
<b>Equity</b>				
Share capital	8 198	8 198	8 198	0%
Other capital	312 027	306 922	234 946	13%
Foreign exchange differences on translation of foreign	(160)	(56)	82	0%
Retained earnings and current year result	385 516	388 940	82 923	16%
<b>Equity of shareholders of the Parent Entity</b>	<b>705 581</b>	<b>704 074</b>	<b>326 149</b>	<b>29%</b>
Non-controlling interests	(406)	(280)	(274)	0%
<b>Total equity</b>	<b>705 175</b>	<b>703 794</b>	<b>325 875</b>	<b>29%</b>
<b>Long-term liabilities</b>				
Liabilities from loans, borrowings, leases and other debt instruments	469 970	96 332	65 078	20%
Employee benefit obligations	19 049	282	219	1%
Derivative financial instruments	5 181	-	24 944	0%
Deferred tax liability	17 961	-	2 056	1%
Other liabilities	10 801	-	-	0%
<b>Total long-term liabilities</b>	<b>522 962</b>	<b>96 614</b>	<b>92 297</b>	<b>22%</b>
<b>Short-term liabilities</b>				
Overdraft facilities	289 523	206 754	336 563	12%
Liabilities from loans, borrowings, leases and other debt instruments	74 131	11 300	8 829	3%
Derivative financial instruments	14 540	16 356	58 685	1%
Employee benefit obligations	4 792	1 290	753	0%
Reserves	17 591	-	-	1%
Income tax liabilities	1 604	23 144	-	0%
Liabilities from contracts with customers	41 871	73 429	9 492	2%
Trade and other payables	722 380	532 596	398 794	30%
<b>Total short-term liabilities</b>	<b>1 166 432</b>	<b>864 869</b>	<b>813 116</b>	<b>49%</b>
<b>Total liabilities</b>	<b>1 689 394</b>	<b>961 483</b>	<b>905 413</b>	<b>71%</b>
<b>TOTAL LIABILITIES</b>	<b>2 394 569</b>	<b>1 665 277</b>	<b>1 231 288</b>	<b>100%</b>

Equity at 30 June 2023 was at a similar level to that published on 31 December 2022 and represented 29% of total assets.

Long-term liabilities increased by 441 per cent, representing PLN 426,348 thousand. The highest increase in this section was recorded in the items of liabilities from loans, borrowings, leases and debt instruments, which increased by 388% compared to liabilities as at 31 December 2022. The items of liabilities from loans, borrowings and leases are presented in detail in section 7.8 of this Management Board's Report. Long-term liabilities accounted for 22% of the balance sheet total.

Short-term liabilities increased in the first half of 2023 by 35%, amounting to PLN 301 563 thousand. The largest changes in this part were recorded in the item liabilities from loans and borrowings, which increased by 556%, which amounts to PLN 62 831 thousand.

In the first half of 2023, there was a 43% decrease in liabilities from contracts with customers, amounting to PLN (-)31,558 thousand. These include prepaid remuneration received for services not yet performed by the Group, e.g. prepaid subscription

and commercial fees for energy distribution, services performed through the use of prepaid gas meters, contracts related to the purchase of liquid and gaseous fuels.

Trade and other liabilities in the first half of 2023 increased by 36% against with the same period in 2022, representing an increase of PLN 189,784 thousand.

The increase in liabilities is mainly related to the settlement of the Lotos Terminals transaction.

#### 7.4. RATIO AND COMPARATIVE ANALYSIS OF THE GROUP

The Group's ratio assessment presented below is based on the consolidated financial statements for the first half of 2023 and the comparative period.

##### Liquidity

The following ratios were used to assess liquidity:

- **Current ratio - the ratio of current assets to short-term liabilities.** A ratio indicating the Group's ability to repay its current short-term liabilities in the medium term, i.e. after liquidating its inventory holdings, short-term financial assets, collecting short-term receivables and use of cash.
- **Quick ratio - the ratio of current assets less inventories to short-term liabilities.** A ratio indicating the Group's ability to repay its current short-term liabilities in the short term, i.e. after liquidation of short-term financial assets, collection of short-term receivables and use of cash in bank accounts.
- **Cash liquidity ratio - the ratio of cash to short-term liabilities.** A ratio indicating the Group's ability to immediately repay its current short-term liabilities in the short term, i.e. using only cash held in bank accounts.

LIQUIDITY RATIOS	30.06.2023	31.12.2022	31.12.2021	Change % 2023/2022
Current ratio	1,5	1,6	1,3	-9%
Quick liquidity ratio	1,1	1,3	0,9	-18%
Immediate liquidity ratio	0,3	0,4	0,1	-37%

In the first half of 2023, the liquidity ratios oscillated around the values of the end of 2022. All ratios are within the recommended norms.

##### Profitability

The analysis of profitability is presented on the basis of a group of ratios allowing the Group to assess the effectiveness of its sales activities and the impact of the various cost groups on its financial result:

- **Profit rate on sales** - profitability on sales determines the effectiveness of the sales activities carried out, i.e. it allows us to determine the proportion of revenue remaining in the company to cover its operating costs - after taking into account the direct costs of sales. Similarly, this ratio allows us to determine the impact on the Group's result of the direct costs of sales made by it.
- **Gross profitability** - determines the efficiency of the Group's operations, i.e. it allows us to assess the portion of revenues remaining in the Group to cover tax, after taking into account the costs of financial activities and extraordinary events. Similarly, when interpreted in conjunction with the above profitability ratios, this ratio makes it possible to assess what proportion of the result is built up not by operating activities but by its financial activities or the impact of extraordinary events.
- **Net profitability** - determines the percentage of the Group's revenue that represents its net result, i.e. after covering all the costs of its operations: sales, operating, financial and payment of taxes.
- **ROE** - return on equity: the ratio of net profit to shareholders' equity during the financial year. The ratio allows investors to assess the effectiveness of the use of capital entrusted to the Group. It represents the percentage of funds generated by the Group (net profit) that can be paid out as dividends to the capital contributed by investors plus the portion of funds generated by the Group in in previous years (equity).
- **ROA** - return on total assets: the ratio of net profit to assets during the financial year. The ratio allows investors to assess the efficiency of the Group's use of all its assets.

PROFITABILITY RATIOS	30.01.2023	01.04.2023	01.01.2022	01.04.2022	01.01.2021	Change % for half year 2023/2022
	30.06.2023	30.06.2023	30.06.2022	30.06.2022	30.06.2021	
ROA	4,8%	1,3%	7,3%	2,1%	4,1%	-35%
ROE	16,2%	4,5%	32,9%	9,3%	15,8%	-51%
RATE OF PROFIT ON SALES	6,9%	6,2%	6,6%	5,1%	5,3%	5%
EBIT PROFITABILITY	2,6%	1,3%	3,5%	-	1,9%	-25%
EBITDA PROFITABILITY	3,0%	2,5%	3,6%	1,9%	2,1%	-16%
NET PROFITABILITY	1,7%	1,0%	2,7%	1,3%	1,4%	-35%

The return on equity ratio in the first half of 2023 was down by 16.2% against the same period last year.

The return on assets ratio was 4.8% (down 35% against the first half of the previous year).

Among the profitability ratios presented in the first half of 2023, only the profit on sales rate recorded a slight increase (of around 5%) against the same period of the previous year. Other profitability ratios such as EBIT profitability, EBITDA profitability and net profitability fell by more than 20% on average.

### Performance

The following ratios were used to assess performance:

- **Receivables turnover (in days):** ratio of trade receivables at the end of the financial year to net sales revenue x 180 days. The ratio determines the average period, defined in days, after which receivables from invoices issued by the Group are collected. In general, the aim should be to minimise this ratio.
- **Short-term liabilities turnover (in days):** Ratio of short-term liabilities to suppliers at the end of the financial year to net sales revenue x 180 days. The ratio represents the average period, defined in days, after which the Group's liabilities are repaid. Efforts should be made to maximise this ratio.
- **Inventory turnover (in days):** Ratio of average inventory at the end of the financial year to net sales revenue x 180 days. The ratio represents the average period, defined in days, over which the Group holds inventories before selling them. For reasons of efficiency, efforts should be made to minimise this ratio.

PERFORMANCE RATIOS	30.01.2023	01.04.2023	01.01.2022	01.04.2022	01.01.2021	Change for half-year 2023/2022 (days)
	30.06.2023	30.06.2023	30.06.2022	30.06.2022	30.06.2021	
Turnover of trade receivables (in days)	24	24	23	19	28	1
Turnover of trade liabilities (in days)	20	20	16	13	22	4
Inventory turnover (in days)	13	13	27	23	18	-14
Inventory turnover (in days) adjusted for compulsory reserve	6	6	13	13	5	-7

In the first half of 2023, the turnover rate of trade receivables was 24 days, one day higher against the same period of the previous year.

The turnover rate of trade liabilities at 30 June 2023 was 20 days, up four days against the same period last year.

The inventory turnover rate in days was 13 days, down 14 days against the same period in 2022.

The inventory turnover rate adjusted for compulsory reserve in days was 6 days, down 7 days against the same period in 2022.

CASH TO CASH	30.01.2023	01.04.2023	01.01.2022	01.04.2022	01.01.2021	Change for half- year 2023/2022 (days)
	30.06.2023	30.06.2023	30.06.2022	30.06.2022	30.06.2021	
inventory cycle + receivables cycle - liabilities cycle	17	17	34	29	24	-17
Cash cycle adjusted for the value of compulsory reserve	11	11	20	20	11	-9

The cash to cash ratio in the first six months of 2023 was 17 days and the cycle was 17 days shorter against the same period in 2022.

The adjusted cash to cash ratio in the first half of 2023 was 11 days, down nine days against the same period in 2022.

#### Debt assessment

The Group's degree of indebtedness was assessed based on the following ratios:

- **Asset coverage ratio:** the ratio of total equity to total assets. The ratio indicates the extent to which the Group's assets are covered by the equity it holds.
- **Overall debt ratio:** the ratio of total liabilities to total assets. The ratio indicates to what extent the Group's assets have been financed by its debt.

DEBT RATIOS	30.06.2023	31.12.2022	31.12.2021	Change % 2023/2022
Total debt ratio	71%	58%	74%	22%
Asset coverage ratio	29%	42%	27%	-30%
Equity to fixed assets ratio	101%	262%	174%	-61%

In the first half of 2023, the total debt ratio was 71%, an increase of 22% against the end of 2022.

The asset coverage ratio was 29%, a decrease of approximately 30% against the end of 2022.

The equity to fixed assets ratio calculated at 30 June 2023 was 101%, 61% lower against the end of 2022.

### 7.5. MANAGEMENT OF THE GROUP'S FINANCIAL RESOURCES

The Group manages financial resources both at the individual company level and at the consolidated level.

The management process is directed towards taking measures to ensure stable and efficient financing of operations.

The Group is guided in its liquidity management by the following principles:

- ensuring stable and diversified funding from external institutions,
- drawing up plans for the financial resources required to implement investment tasks
- allocating financial surpluses to the repayment of interest-bearing debt or effectively investing them in safe instruments,
- credit limits for business partners,
- the collection of receivables in accordance with their due dates, possibly issuing interest notes,
- effective management of other elements of working capital.

### 7.6. LIABILITIES FROM LOANS AND LEASES AND OVERDRAFTS

Specification	30.06.2023	31.12.2022	31.12.2021
<i>in PLN thousand</i>			
Credits and loans	256 296	348	3 617
Lease commitments	287 805	107 284	70 290
Overdraft facilities	289 523	206 754	336 563
Total Liabilities from loans, borrowings, leases and overdrafts	<b>833 624</b>	314 386	410 470

<i>in PLN thousand</i>	30.06.2023			31.12.2022		
	Lease payments	Interest	Capital	Lease payments	Interest	Capital
up to one year	49 756	16 006	33 750	16 515	5 563	10 952
1 to 5 years	147 580	48 370	99 210	50 794	16 255	34 539
Over 5 years	306 184	151 338	154 846	78 312	16 519	61 793
Total	<b>503 520</b>	<b>215 714</b>	<b>287 806</b>	<b>145 621</b>	<b>38 337</b>	<b>107 284</b>

As at 30 June 2023, the Group reported liabilities from of loans, borrowings and leases in the amount of PLN 833,624 thousand, these liabilities increased by 165% against 31 December 2022. Lease liabilities increased by 168% against the end of 2022. This was due to a change in the structure of the Unimot Group and the start of operations in the rail transport sector, which resulted in a significant increase in rolling stock in the freight section.

Capital lease commitments with a term of up to one year represent 12% of the value of these commitments.

Capital lease commitments with terms of between 1 and 5 years account for 34% of the value of these commitments.

Capital lease commitments with maturities of more than 5 years account for 54% of the value of these commitments.

#### Analysis of credit and loan agreements as at 30.06.2023

Name of financing company	Long-term part	Short-term part	in PLN thousand		Rate %	Currency of the loan	Type of commitment	Date of award	Date of contract termination
			Carrying amount						
BOŚ Bank S.A.	-	74 847	74 847		WIBOR3M + margin	PLN	Revolving credit/overdraft facility	20.06.2023	19.06.2025
Bank Millennium S.A.	-	24 735	24 735		WIBOR1M/ EURIBOR/ SOFR+ margin	PLN/ USD/ EUR	Umbrella loan / overdraft facility	25.11.2019	19.02.2024
mBank S.A.	-	-	-		WIBOR1M+ margin	PLN	Overdraft facility	29.12.2021	13.02.2024
mBank S.A.	-	184 342	184 342		SOFR ON+ margin	USD	Revolving credit/overdraft facility	07.07.2015	13.02.2024
BOŚ Factoring	-	5 600	5 600		WIBOR1M/ EURIBOR/ LIBOR+ margin	PLN/ USD/ EUR	Reverse factoring line agreement	20.06.2023	19.06.2025
PKO Factoring S.A. - reverse	-	51	51		WIBOR1M/ EURIBOR+ margin	PLN/ EUR	Limit Factoring with and without recourse	22.06.2020	for an indefinite period
mBank S.A. /PKO BP S.A./ Pekao S.A./ Haitong Bank S.A.	215 693	10 380	226 073		WIBOR3M + margin	PLN	Syndicated loan	12.01.2022	31.12.2028
<b>Total</b>	<b>215 693</b>	<b>299 955</b>	<b>515 648</b>						

## Security for the loans and advances listed in the table

### Umbrella loan agreement at Bank Millennium:

- declaration of submission to enforcement - all beneficiaries of the limit,
- joint mortgage of up to PLN 3.4 million on real estate owned by Unimot Express sp. z.o.o., together with assignment of rights under an insurance policy,
- joint mortgage of up to PLN 8.5 million on real estate owned by Unimot Express sp. z.o.o, together with assignment of rights under an insurance policy,
- declaration of Unimot Express sp. z.o.o. on submission to enforcement against property (real estate) up to PLN 8.5 million, PLN 16 million and PLN 3.45 million,
- joint and several mortgages of up to PLN 16 million on real estate belonging to: Unimot S.A., located in Zawadzkie, Unimot Express sp. z o.o., located in Częstochowa, 3B Torowa Street,
- mutual guarantees from Unimot S.A.; Unimot Paliwa sp. z o.o.; Tradea sp. z o.o. and UEIG sp. z o.o.
- Registered and financial pledge on PLN, EUR, USD accounts - Unimot Paliwa,
- Registered and financial pledge on PLN, EUR, USD accounts - Unimot SA,

### Revolving credit/overdraft agreement with mBank:

- Surety by Unimot SA under the statement until 21.02.2027 - USD 75 million,
- Registered pledge on inventories - diesel (agreement no. 23/002/15 dated 07.07.2015),
- Assignment of receivables from debtors pursuant to agreement no. 23/007/15 dated 07.07.2015,
- Assignment of claims under the diesel insurance contract,
- Assignment of rights to future indemnities under a credit insurance contract with Atradius Credit Insurance,
- Assignment of rights to future indemnities under a receivables insurance contract with TU Euler Hermes SA,
- Assignment of rights to future indemnities under a receivables insurance contract with KUKE SA,
- Declaration of submission to enforcement of Unimot SA and Unimot Paliwa up to USD 75 million,

### Overdraft agreement with mBank:

- Cash deposit of PLN 1.1 million - ZAB/123/00052/2022 until 28.02.2023,
- Declaration of submission to enforcement up to PLN 8.25 million - borrower,
- Declaration of submission to enforcement up to PLN 8.25 million - Unimot SA,
- Surety of Unimot SA on the basis of the statement until 21.02.2025

### Revolving credit/overdraft agreement with BOŚ Bank S.A. covering two Group companies:

- power of attorney to dispose of accounts, with the exception of the account opened by the Bank to handle VAT under the split payment mechanism,
- a financial pledge with an offsetting clause on the rights to funds deposited on the BOŚ S.A. client's accounts, excluding the account opened by the Bank to handle VAT under the split payment mechanism,
- blank promissory note with declaration,
- PLG FGP BGK guarantee, up to PLN 88 million,
- declaration of submission to enforcement,

### Factoring limit agreement with recourse and non-recourse concluded with PKO Factoring S.A.:

- tripartite agreement to the Receivables Insurance Policy concluded by the Client, Factor and Compagnie Francaise D'Assurance Pour Le Commerce Exterieur S.A. Branch in Poland.

### Reverse factoring facility agreement with BOŚ Factoring

- promissory note with declaration,
- power of attorney for funds,
- financial pledge of cash,
- LGF FGP BGK guarantee of up to PLN 29.5 million,
- accession to the debt of Unimot S.A. by Unimot Paliwa sp. z o.o. ,
- declaration of submission to enforcement.

### Syndicated loan

On 6 and 14 April 2023, tranches of the syndicated loan financing the Lotos Terminals acquisition were released (financing banks: mBank S.A., Powszechna Kasa Oszczędności Bank Polski S.A., Bank Polska Kasa Opieki S.A and Haitong Bank, S.A. Spółka Akcyjna Oddział w Polsce under the Loan Agreement dated 12 January 2022 and Annexes dated: 30 September 2022 and 21 December 2022) in the total amount of PLN 242,771 thousand; during the period there was a total repayment of the revolving credit facility in the amount of PLN 8,000 thousand and interest and commissions in the amount of PLN 8,043 thousand, interest accrued at the effective interest rate amounted to PLN 6,208 thousand, the amount of PLN 10,380 thousand and the amount of PLN 10,380 thousand relating to loan C (4 instalments of the loan facility) amounted to PLN 8,043 thousand. PLN 10 380 thousand relating to loan C (4 quarterly instalments) was presented in the short-term part, the remaining part in the long-term part (the remaining part of loan C repayable quarterly, loan D - first payments in 2025 and loan D - payable in a balloon instalment, repayment date is 31 December 2028 at the latest); the loan balance as at 30 June 2023 amounts to PLN 226 073 thousand. Interest rate: WIBOR 3m + margin. The margin is variable and depends on the EBITDA/net debt ratio of the Unimot Investments Group (Unimot Investments, Lotos Terminale S.A., Lotos Infrastruktura S.A, RCEkoenergia sp. z o.o., Unimot Bitumen sp. z o.o.). The margin will be verified and revised on a quarterly basis - based on data in terms of EBITDA generated over the last 12 months and the level of Net Debt at the end of the quarter. The first quarterly margin revision will take place at the end of June 2024.

### 7.7. LOANS AND BORROWINGS GRANTED

#### Loans granted by the Group in 2023:

The Unimot Group has not granted any new loans in 2023.

#### As at 30.06.2023, the item Loans granted includes:

- the balance of educational loans for people in higher education as part of cooperation with the IVY Poland Foundation - an amount of PLN 19 thousand.

### 7.8. SURETIES, LOANS AND GUARANTEES GRANTED

<i>in PLN/EUR/USD thousand</i>	As at 30.06.2022			As at 31.12.2022		
	PLN	EUR	USD	PLN	EUR	USD
<b>Parent Entity's own contingent liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>356</b>	<b>3 500</b>	<b>-</b>
insurance guarantees provided as security for excise duty	-	-	-	-	-	-
performance bonds and trade limits	-	-	-	356	3 500	-
<b>Contingent liabilities relating to associated undertakings</b>	<b>523 808</b>	<b>24 000</b>	<b>-</b>	<b>79 126</b>	<b>25 000</b>	<b>3 600</b>
insurance guarantees provided as security for excise duty	205 000	-	-	27 100	-	-
Sureties issued for insurance guarantees lodged as concession bonds	27 000	-	-	27 000	-	-
performance bonds and trade limits	20 326	12 000	-	18 943	14 000	-
performance bonds and trade limits	271 482	12 000	-	6 083	11 000	3 600
<b>Summary</b>	<b>523 808</b>	<b>24 000</b>	<b>-</b>	<b>79 482</b>	<b>28 500</b>	<b>3 600</b>

Companies in the Unimot Group provided insurance guarantees as security for public-law liabilities, performance bonds and guarantees for performance bonds and trade limits, and sureties for performance bonds and trade limits for a total of PLN 523.8 million and EUR 24 million as at 30 June 2023. (For comparison, as at 31.12.2022: PLN 79.5 million, EUR 28.5 million and USD 3.6 million).

Unimot S.A. is the guarantor of obligations under the Insurance Guarantee Agreement concluded on 10 March 2023 with Sopockie Towarzystwo Ubezpieczeń ERGO Hestia S.A. to secure payment of excise tax and fuel charges by Unimot Paliwa Sp. z o.o.. The amount of the guarantee is PLN 30 million and its validity period is from 11.04.2023 to 10.04.2024. The beneficiary of the guarantee is the Head of the Tax Office in Pruszków.

Unimot S.A. is the guarantor of obligations under the Insurance Guarantee Agreement concluded on 24 March 2023 with UNIQA Towarzystwo Ubezpieczeń S.A. to secure the payment of excise tax and fuel charges by Unimot Paliwa Sp. z o.o.. The amount of the guarantee is PLN 25 million and its validity period is from 11.04.2023 to 10.04.2024. The beneficiary of the guarantee is the Head of the Tax Office in Pruszków.

Unimot S.A. is the guarantor of obligations under the Insurance Guarantee Agreement concluded on 14 March 2023 with Sopockie Towarzystwo Ubezpieczeń ERGO Hestia S.A. to secure the payment of excise tax and fuel charges by Unimot Terminale S.A. (Formerly Lotos Terminale SA effective upon the acquisition by Unimot Investments sp. z o.o. of 100 per cent of Lotos Terminale shares). The amount of the guarantee is PLN 150 million and its validity period is from 01.04.2023 to 31.03.2024. The beneficiary of the guarantee is the Head of the 2nd Tax Office in Bielsko-Biała.

Unimot S.A. has guaranteed the payment by Unimot Investments sp. z o.o. to Orlen S.A. (PKN Orlen S.A.) of such amounts as may arise under the agreement for the acquisition of shares in Lotos Terminale S.A. (SPA) dated 12.01.2022 and the agreement concerning the lease and settlement of investment expenditures in Szczecin (Szczecin Agreement) dated 12.01.2022. The maximum amount of the surety is PLN 6 million and the maximum term of the surety is 31 December 2032.

On 1 December 2022, an agreement was concluded for the provision of real estate and settlement of capital expenditures related to the implementation of the investment in the fuel terminal in Szczecin. The agreement was concluded between PKN Orlen and Lotos Terminale with Unimot S.A. and Unimot Investments Sp. z o.o. as guarantors. Under the agreement, Unimot S.A. and Unimot Investments provided joint and several surety for the payment by Lotos Terminale to Orlen S.A. (PKN Orlen S.A.) the amount of the settlement of expenditures and incidental receivables agreed in the agreement up to a maximum amount of PLN 78 million. The surety came into effect on the date of execution of the transaction of acquisition by UNIMOT Group of 100% of shares in Lotos Terminale and the maximum term of the surety is 31 December 2032.

On 30 June 2023, a Surety Agreement was executed between Unimot Paliwa Sp. z o.o. and ORLEN S.A. securing ORLEN S.A.'s receivables from Unimot Investments Sp. z o.o. under the Conditional Master Sale Agreement dated 12 January 2022 (the "Secured Agreement"). The maximum value of the security amounts to PLN 180,000,000.00 and the maximum period of the security expires on 31 December 2024.

In addition, on 19 July 2023, a bank guarantee in the amount of PLN 2.4 million was issued under the umbrella loan with Bank Millennium, guaranteed by Unimot S.A., as security for proper performance of the agreement for the creation and maintenance of stocks of diesel, unleaded petrol and light fuel oil concluded between Unimot Paliwa Sp. z o.o. and PERN S.A.. The guarantee is valid until 30 June 2024.

#### **7.9. CURRENT AND PROJECTED FINANCIAL POSITION OF THE UNIMOT CG**

The Unimot Group does not publish financial forecasts for future years; additionally, the Issuer's Management Board decided not to publish a forecast of consolidated adjusted EBITDA for 2023, having regard to external market factors beyond the Company's control, related to the high volatility and uncertainty of the fuel market situation caused by the ongoing armed conflict in Ukraine and the economic effects of sanctions on Russia and Belarus imposed in connection with this event. In addition, the inability to estimate and publicise the forecast for 2023 is due to the difficult to predict impact on the Group's results this year of the planned acquisition of the Lotos Terminals assets.

#### **7.10. TRANSACTIONS WITH RELATED ENTITIES**

In the current reporting period, transactions concluded in the Unimot Group with related companies concerned typical commercial transactions and business operations, carried out on an arm's-length basis.

No individual transactions between the Group and related parties were identified that were significant due to their unusual scope and value, with the exception of the one described below. These transactions mainly related to the purchase of materials and services for day-to-day operations: trading in liquid and gaseous fuels, trading in electricity, rental services.

In the first half of 2023, the UNIMOT Group carried out transactions with related parties:

- Unimot Express sp. z o.o. (parent entity),
- Zemadon Limited (a related entity of Unimot Express sp. z o.o.),

- Ammerviel Limited (an affiliate of Unimot Express sp. z o.o.),
- Unimot Truck sp. z o.o. (a related entity of Unimot Express sp. z o.o.),
- GO & BIOGAS sp. z o.o. (a personally related entity of Unimot S.A.),
- U.C. Energy Ltd. (a personally related entity of Unimot S.A.).

Supplementary information on related party transactions is disclosed in note 2.16 of the Unimot Group's condensed interim financial statements for the first half of 2023.

#### 7.11. SIGNIFICANT OFF-BALANCE SHEET ITEMS

There are no significant off-balance sheet items on the Unimot Group's books, except for the contingent liabilities disclosed in the report.

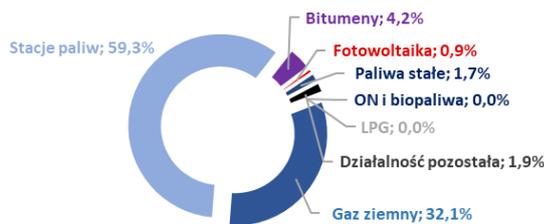
## 8. FINANCIAL POSITION OF THE ISSUER UNIMOT S.A.

### 8.1. THE ISSUER'S BASIC PRODUCTS, GOODS AND SERVICES

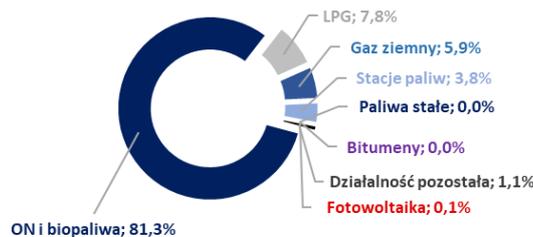
Standalone sales revenues and their structure by product group:

<i>in PLN thousand</i>	<b>01.01.2023 30.06.2023</b>	<i>Structure %</i>	<b>01.04.2023 30.06.2023</b>	<b>01.01.2022 30.06.2022</b>	<i>Structure %</i>
Diesel and biofuels	0	0,0%	0	4 802 774	81,3%
LPG	0	0,0%	0	461 368	7,8%
Natural gas	154 705	32,1%	38 722	349 383	5,9%
Petrol stations	286 179	59,3%	152 165	224 255	3,8%
Bitumens	20 223	4,2%	2 886	0	0,0%
Photovoltaics	4 210	0,9%	3 894	3 730	0,1%
Solid fuels	8 204	1,7%	8 204	0	0,0%
Other activities	9 138	1,9%	-4 000	64255	1,1%
<b>Total</b>	<b>482 659</b>	<b>100,0%</b>	<b>201 871</b>	<b>5 905 765</b>	<b>100,0%</b>

#### 1 PÓŁROCZE 2023



#### 1 PÓŁROCZE 2022



<i>in m3/T/GWh/KWp/Mg</i>	<b>01.01.2023 30.06.2023</b>	<b>01.01.2022 30.06.2022</b>	<i>% change</i>
Diesel and biofuels [m3]	0	855 367	-100%
LPG [T]	0	117 625	-100%
Natural gas [GWh]	386	733	-47%
Petrol stations [000 m3]	135	109	24%
Bitumens [Mg]	9351	21 832	-57%
Photovoltaics [KWp]	1 356	904	50%
Solid fuels [Mg]	7 887	202	3804%
Other activities [Mg]	275	241	14%

## 8.2. STANDALONE STATEMENTS OF FINANCIAL PERFORMANCE AND OTHER TOTAL REVENUES

<i>in PLN thousand</i>	<b>01.01.2023 30.06.2023</b>	<b>01.04.2023 30.06.2023</b>	<b>01.01.2022 30.06.2022</b>	<b>01.04.2022 30.06.2022</b>	<b>Change % 2023/2022</b>
<b>Continuing operations</b>					
Sales revenue	483 821	207 862	631 347	331 119	-23%
Profits/(losses) on financial instruments relating to fuel trading	(1 162)	(1 616)	-	-	
Cost of goods and materials sold	(451 465)	(191 185)	(600 552)	(311 922)	-25%
<b>Gross profit/(loss) on sales</b>	<b>31 194</b>	<b>15 061</b>	<b>30 794</b>	<b>19 196</b>	<b>1%</b>
Other operating revenues	59 583	56 787	11 806	11 448	405%
Selling costs	(31 206)	(13 583)	(39 190)	(28 681)	-20%
Overheads	(24 362)	(15 158)	(11 405)	(9 555)	114%
Other net profits / (losses)	186	114	-	-	
Other operating costs	(1 042)	(348)	(13 255)	(11 270)	-92%
<b>Operating profit/(loss)</b>	<b>34 353</b>	<b>42 873</b>	<b>(21 251)</b>	<b>(18 863)</b>	<b>-262%</b>
Financial income	13 812	7 703	65	50	21195%
Financial costs	(10 946)	(7 957)	(5 978)	(5 250)	83%
<b>Net financial revenues / (costs)</b>	<b>2 866</b>	<b>(254)</b>	<b>(5 913)</b>	<b>(5 200)</b>	<b>-148%</b>
<b>Profit/(loss) before tax</b>	<b>37 219</b>	<b>42 619</b>	<b>(27 164)</b>	<b>(24 063)</b>	<b>-237%</b>
Income tax	2 186	2 015	5 496	5 848	-60%
<b>Net profit/(loss) for the reporting period from continuing operations</b>	<b>39 405</b>	<b>44 634</b>	<b>(21 668)</b>	<b>(18 214)</b>	
<b>Discontinued operations</b>					
<b>Net profit/(loss) for the reporting period from discontinued operations</b>	<b>-</b>	<b>-</b>	<b>175 005</b>	<b>60 861</b>	<b>-100%</b>
<b>Net profit/(loss) for the reporting period</b>	<b>39 405</b>	<b>44 634</b>	<b>153 337</b>	<b>42 646</b>	<b>-74%</b>

As at 30 June 2023, the Issuer generated sales revenues of PLN 482,659 thousand, which down by (-) PLN 148,688 thousand, i.e. (-) 24 % against the revenues generated in the corresponding period of 2022.

The cost of goods and materials sold was down as at 30 June 2023 by PLN (-) 149 087 thousand, i.e. (-) 25%, against the costs incurred in the corresponding period of 2022.

The decrease in revenue and cost of goods sold in the first half of 2023 was driven by changes in raw material prices and lower margins on goods.

### STRUCTURE OF COSTS BY TYPE

<i>in PLN thousand</i>	<b>01.01.2023 30.06.2023</b>	<b>01.04.2023 30.06.2023</b>	<b>01.01.2022 30.06.2022</b>	<b>01.04.2022 30.06.2022</b>	<b>Change % 2023/2022</b>
Depreciation	(7 186)	(3 738)	(4 305)	(857)	67%
Consumption of materials and energy	(2 111)	(1 162)	(2 792)	(1 843)	-24%
Third-party services	(32 038)	(17 288)	(18 375)	(3 625)	74%
Taxes and charges	(1 159)	(249)	(462)	448	151%
Salaries	(5 069)	(1 869)	(17 786)	(14 586)	-72%
Social security and other benefits	(1 754)	(922)	(1 845)	(1 013)	-5%
Other costs by type	(6 271)	(3 258)	(7 843)	(4 830)	-20%
<b>TOTAL COSTS BY TYPE</b>	<b>(55 588)</b>	<b>(28 486)</b>	<b>(53 408)</b>	<b>(26 306)</b>	<b>4%</b>

As at 30 June 2023, costs by type increased by 4% against the costs incurred in the same period of the previous year, amounting to PLN 2 180 000. The largest valuable changes occurred in the item of third-party services, which increased by more than 74%, amounting to PLN 13 663 thousand.

The increase in third-party services costs is mainly related to the increase in the number of Avia stations and their maintenance costs, as well as the costs of legal and advisory services related to the finalisation of the acquisition of additional assets relating to Lotos Terminals.

Salaries at Unimot S.A. at the end of the first half of 2023 were 72% lower against those reported in the corresponding period of 2022, amounting to PLN 12,717 thousand. The decrease in remuneration is related to the organisational changes that took place on 1 August 2022, when the organised part of the Unimot S.A. enterprise was transferred to Unimot Paliwa sp. z o.o.

Employee benefits decreased by PLN 91 000 and were 5% lower against the first quarter of the previous year. These costs consist mainly of social security, as well as expenses related to health care and employee training.

Taxes and fees increased by 151%, amounting to PLN 697,000, this item mainly consists of accrued property tax, tax on civil law transactions, paid concessions and fees for perpetual usufruct of land.

Depreciation increased by 67%, amounting to PLN 2 881 thousand against the corresponding period of 2022. The increase in depreciation is due to an increase in newly concluded contracts for the purchase or right of use of fixed assets.

In the first half of 2023, the cost of materials and energy consumption was down by 24% against the same period of the previous year.

### 8.3. INTERIM STANDALONE STATEMENTS OF FINANCIAL POSITION

<i>in PLN thousand</i>	<b>30.06.2023</b>	<b>31.12.2022</b>	<b>Percentage share in total assets</b>
<b>Fixed assets</b>			
Tangible fixed assets	43 720	41 716	6%
Right to use assets	112 541	91 274	14%
Intangible assets	1 480	1 266	0%
Investments in subsidiaries	379 157	210 145	49%
Other financial assets	260	260	0%
Derivative financial instruments	-	7 835	0%
Long-term receivables	1 949	1 026	0%
Assets from contracts with customers	8 215	8 562	1%
Deferred tax assets	13 280	11 504	2%
<b>Total fixed assets</b>	<b>560 602</b>	<b>373 588</b>	<b>72%</b>
<b>Current assets</b>			<b>0%</b>
Inventories	25 675	20 742	3%
Assets from contracts with customers	2 920	3 094	0%
Trade and other receivables	98 547	112 018	13%
Other financial assets	22 314	126 109	3%
Derivative financial instruments	17 976	794	2%
Income tax receivables	6 784	5 872	1%
Cash and cash equivalents	40 325	67 348	5%
Other current assets	1 760	2 363	0%
<b>Total current assets</b>	<b>216 301</b>	<b>338 339</b>	<b>28%</b>
<b>TOTAL ASSETS</b>	<b>776 903</b>	<b>711 927</b>	<b>100%</b>

A vertical analysis of the balance sheet provides information that fixed assets at the end of the first half of 2023 accounted for 72% of total assets, while current assets accounted for 28% of total assets. These proportions have changed significantly compared to the figures as at 31 December 2022. At the end of 2022, fixed assets accounted for 52% of the balance sheet total and current assets for 48%. In the first half of 2023, the most significant changes took place in the item investments in subsidiaries, which increased by 80%, amounting to PLN 169,012 thousand. These investments included shares in newly established companies, i.e. Unimot Investments, Unimot T1, Unimot B1 and Olavion.

Significant increases occurred in fixed assets in the item related to the right to use assets, due to the signing of new leasing contracts. Trade receivables and cash and cash equivalents also increased. In terms of value, significant changes occurred in the items: other financial assets and short-term derivative financial instruments. The increase in this item was mainly due to the balance sheet valuation of derivatives. Other financial assets consist of restricted cash hedging future hedging transactions and restricted cash hedging natural gas trading transactions.

<i>in PLN thousand</i>	30.06.2023	31.12.2022	Percentage share in total assets
<b>Equity</b>			
Share capital	8 198	8 198	1%
Other capital	312 050	306 991	40%
Retained earnings and current year result	39 849	117 732	5%
<b>Total equity</b>	<b>360 097</b>	<b>432 921</b>	<b>46%</b>
<b>Long-term liabilities</b>			
Liabilities from loans, leases and other debt instruments	107 022	86 677	14%
Employee benefit obligations	92	92	0%
Derivative financial instruments	3 720	-	0%
Other liabilities	10 302	-	
<b>Total long-term liabilities</b>	<b>121 136</b>	<b>86 769</b>	<b>16%</b>
<b>Short-term liabilities</b>			
Overdraft facilities	63 879	52 695	8%
Liabilities from loans, borrowings, leases and other debt instruments	122 152	8 869	16%
Derivative financial instruments	10 050	13 268	1%
Employee benefit obligations	746	746	0%
Liabilities from contracts with customers	90	342	0%
Trade and other payables	98 753	116 317	13%
<b>Total short-term liabilities</b>	<b>295 670</b>	<b>192 237</b>	<b>38%</b>
<b>Total liabilities</b>	<b>416 806</b>	<b>279 006</b>	<b>54%</b>
<b>TOTAL LIABILITIES</b>	<b>776 903</b>	<b>711 927</b>	<b>100%</b>

Equity at the end of the first half of 2023 accounted for 46% of the balance sheet total and was down by 17% against the end of 2022, amounting to PLN (-) 72 824 thousand. The difference was mainly driven by the result from previous years and the current year, which amounted to PLN 39,849 thousand at the end of June 2023 and PLN 117,732 thousand at the end of 2022. Long-term liabilities at the end of the first quarter represented 16% of the balance sheet total, while short-term liabilities represented 38% of the balance sheet total.

The 23% increase in long-term liabilities from loans and other debt instruments was driven by an increase in liabilities from leases and loan agreements.

Short-term trade liabilities in H1 2023 accounted for 13% of the balance sheet total and decreased by 15% against the end of 2022, amounting to PLN (-)17,564 thousand.

#### 8.4. RATIO ANALYSIS OF THE ISSUER

The Group's ratio assessment presented below is based on the 2022 consolidated financial statements and the comparative period.

##### Liquidity

The following indicators were used to assess liquidity:

- **Current ratio - the ratio of current assets to short-term liabilities.** A ratio indicating the Group's ability to repay its current short-term liabilities in the medium term, i.e. after liquidating its inventory holdings, short-term financial assets, collecting short-term receivables and using cash.
- **Quick ratio - the ratio of current assets less inventories to short-term liabilities.** A ratio indicating the Group's ability to repay its current short-term liabilities in the short term, i.e. after liquidation of short-term financial assets, collection of short-term receivables and use of cash in bank accounts.
- **Cash flow ratio - the ratio of cash to short-term liabilities.** A ratio indicating the Group's ability to immediately repay its current short-term liabilities in the short term, i.e. using only the cash held in its bank accounts.

LIQUIDITY RATIOS	01.01.2023 30.06.2023	01.01.2021 31.12.2022	Change 2023/2022	Change 2023/2022
Current ratio	0,7	2,2	(1,5)	-1,5

Quick liquidity ratio	0,6	2,1	(1,4)	-1,4
Cash flow ratio	0,1	0,7	(0,6)	-0,6

The current ratio at the end of June 2023 was 0.7 and was down by 1.5 p.p. against that calculated at the end of 2022. The quick ratio also dropped by 1.4 p.p., reaching 0.6 at the end of the second quarter of 2023. The cash ratio dropped by 0.6 p.p. and was 0.1 at 30.06.2023.

### **Profitability**

The analysis of profitability is presented on the basis of a group of ratios allowing the Group to assess the effectiveness of its sales activities and the impact of the various cost groups on its financial result:

- **Profit rate on sales** - profitability on sales determines the effectiveness of the sales activities carried out, i.e. it allows us to determine the proportion of revenue remaining in the company to cover its operating costs - after taking into account the direct costs of sales. Similarly, this ratio allows us to determine the impact on the Group's result of the direct costs of sales made by it.
- **Gross profitability** - determines the efficiency of the Group's operations, i.e. it allows us to assess the portion of income remaining in the Group to cover tax, after taking into account the costs of financial activities and extraordinary events. Similarly, when interpreted in conjunction with the above profitability ratios, this ratio makes it possible to assess what proportion of the result is built up not by operating activities but by its financial activities or the impact of extraordinary events.
- **Net profitability** - determines the percentage of the Group's revenue that represents its net result, i.e. after covering all the costs of its operations: sales, operating, financial and payment of taxes.
- **ROE** - return on equity: the ratio of net profit to average equity during the financial year. The ratio allows investors to assess the effectiveness of the use of capital entrusted to the Group. It represents the percentage of funds generated by the Group (net profit) that can be paid out in the form of dividends to the capital contributed by investors plus the portion of funds generated by the Group in previous years (equity).
- **ROA** - return on total assets: the ratio of net profit to average assets during the financial year. The ratio allows investors to assess the efficiency of the Group's use of all its assets.

PROFITABILITY RATIOS	30.01.2023 30.06.2023	01.01.2022 30.06.2022	Change % for half year 2023/2022
ROA	5,1%	8,6%	(3.5) p.p.
ROE	10,9%	32,7%	(21.8)p.p.
RATE OF PROFIT ON SALES	6,4%	3,2%	3.2 p.p.
EBIT PROFITABILITY	7,1%	3%	3.7 p.p.
EBITDA PROFITABILITY	7,1%	3%	3.7 p.p.
NET PROFITABILITY	8,1%	2,60%	5.5 p.p.

In the first half of 2023, the Company recorded declines in profitability ratios: ROA reached 5.1% (down 3.5 p.p. against Q2 2022), while ROE reached 10.9%, resulting in a decrease of almost 22 p.p. against the previous accounting period. These declines are related to the large commitment of earned capital to new investments in the first half of 2023.

Several percent increases were recorded in the EBIT and EBITDA profitability ratios, i.e. 3.7 p.p., the profit margin on sales 3.2 p.p. and net profitability 5.5 p.p.. EBIT profitability in the first six months of 2023 was 7.1 per cent against 3.4 per cent in the first six months of the previous year, EBITDA reached 7.1 per cent (in 2022 3.4 per cent), the profit on sales rate was 6.4 per cent against the 3.2 per cent recorded in the corresponding period of 2022, while the net profitability rate - ROS recorded the level of 8.1 per cent at the end of the first six months of 2023 (in 2022 2.6 per cent).

### **Performance**

The following ratios were used to assess performance:

- **Receivables turnover (in days):** ratio of trade receivables at the end of the financial year to net sales revenue x 180 days. The ratio determines the average period, defined in days, after which receivables from invoices issued by the Group are collected. In general, the aim should be to minimise this ratio.
- **Short-term liabilities turnover (in days):** Ratio of short-term liabilities to suppliers at the end of the financial year to net sales revenue x 180 days. The ratio represents the average period, defined in days, after which the Group's liabilities are repaid. Efforts should be made to maximise this ratio.
- **Inventory turnover (in days):** Ratio of average inventory at the end of the financial year to net sales revenue x 180 days. The ratio represents the average period, defined in days, over which the Group holds inventories before selling them. For reasons of efficiency, efforts should be made to minimise this ratio.

PERFORMANCE RATIOS	01.01.2023 30.06.2023	01.01.2022 31.12.2022	Change 2023/2022
Turnover of trade receivables (in days)	34	5	29
Turnover of trade payables (in days)	58	2	56
Stock turnover (in days)	10	1	9
Inventory turnover (days) adjusted for mandatory stock	8	1	7

The receivables turnover ratio calculated in days was 34 days at the end of the first half of 2023 (5 days at the end of 2022). The liabilities turnover ratio in the first half of 2023 was 58 days and was 56 days higher against the end of 2022. The inventory turnover ratio in the first half of 2023 was 10 days and adjusted 8 days, an increase of 9 days and 7 days adjusted respectively against the end of 2022.

#### 30.06.2023

**Cash to Cash = inventory cycle + receivables cycle - liabilities cycle.**

Cash to Cash = 9 days + 33 days - 56 days = -14 days.

**Adjusted for the value of the compulsory reserve, the cash cycle is:**

Cash to Cash = 8 days + 34 days - 57 days = -15 days.

#### 31.12.2022

**Cash to Cash = inventory cycle + receivables cycle - liabilities cycle.**

Cash to Cash = 1 day + 5 days - 2 days = 4 days.

**Adjusted for the value of the compulsory reserve, the cash cycle is:**

Cash to Cash = 1 day + 5 days - 2 days = 4 days.

The cash to cash ratio was -14 days in the first six months of 2023, while it was 4 days at the end of 2022.

The adjusted cash to cash ratio was in the first six months of 2023 -15 days, while at the end of 2022 it was 3 days.

### Debt assessment

The Group's degree of indebtedness was assessed based on the following ratios:

- **Asset coverage ratio:** the ratio of total equity to total assets. The ratio indicates the extent to which the Group's assets are covered by the equity it holds.
- **Overall debt ratio:** the ratio of total liabilities to total assets. The ratio indicates to what extent the Group's assets have been financed by its debt.

DEBT RATIOS	01.01.2023 30.06.2023	01.01.2021 31.12.2022	Change 2023/2022
Total debt ratio	51,8%	37,7%	14.2 p.p.
Asset coverage ratio	46,4%	62,3%	(16.0) p.p.
Equity to fixed assets ratio	64,2%	120,8%	(56.6) p.p.
Total debt ratio adjusted for the loan for compulsory reserve	51,8%	37,7%	14.2 p.p.

The total debt ratio was 51.8% against 37.7% at the end of 2022. The equity to fixed assets ratio reached 64.2% against 120.8% at the end of 2022. The asset coverage ratio was 46.4% against 62.3% reported at the end of 2022, a decrease of 16 p.p.

## 8.5. BORROWINGS

### Analysis of credit and loan agreements as at 30.06.2023 in PLN thousand

Name of financing company	Long-term part	Short-term part	Carrying amount	Currency of the loan/ Loans and interest index	Type of commitment	Date of award	Duration of contract
Bank Ochrony Środowiska S.A.	-	39 145	39 145	PLN WIBOR3M	Revolving credit/overdraft facility	29.06.2021	19.06.2025
Bank Millennium S.A.	-	24 735	24 735	PLN WIBOR1M	Umbrella overdraft facility	25.11.2019	19.02.2024
PKO Faktoring S.A.	-	51	51	PLN/EUR VIBOR1M/EURIBOR1M	Factoring limit	22.06.2020	for an indefinite period
Unimot Paliwa sp. z o.o.	-	113 495	113 495	PLN/EUR/USD/ VIBOR3M/EURIBOR3M/ SOFR3M	Loan agreement within the limit	15.06.2023	for an indefinite period
<b>Total</b>	<b>-</b>	<b>177 426</b>	<b>177 426</b>				

On 20.06.2023, Annex No. 3 to the Renewable Loan Agreement concluded with Bank Ochrony Środowiska S.A. was signed, the repayment date was set at 19.06.2025.

As at 30.06.2023, the Umbrella Loan Agreement with Bank Millennium S.A. remained active, with a repayment date set for 19.02.2024.

On 20 June 2023, the Reverse Factoring Line Agreement with Bank Ochrony Środowiska S.A. was transferred to Unimot Paliwa sp. z o.o..

Unimot S.A. on 15.06.2023 used the limit in the loan line, incurring a liability of PLN 113,000 thousand to Unimot Paliwa. The value of the liability to Unimot Paliwa as at 30.06.2023 amounts to PLN 113,495 thousand.

#### Security for the loans:

##### Revolving credit/overdraft agreement with BOŚ Bank S.A.:

- power of attorney to dispose of accounts, with the exception of the account opened by the Bank to handle VAT under the split payment mechanism,
- a financial pledge with an offsetting clause on the rights to funds deposited on the BOŚ S.A. client's accounts, with the exception of the account opened by the Bank to handle VAT under the split payment mechanism,
- blank promissory note with declaration,
- PLG FGP BGK guarantee of up to 80% of the loan amount, i.e. PLN 35.2 million,
- a declaration of submission to enforcement.
- accession to the debt of Unimot S.A. by Unimot Paliwa sp. z o.o.

##### Umbrella overdraft agreement with Bank Millennium:

- a declaration of submission to enforcement,
- joint mortgage of up to PLN 3.4 million on real estate owned by Unimot Express sp. z o.o., together with assignment of rights under an insurance policy,

- joint mortgage of up to PLN 8.5 million on real estate owned by Unimot Express sp. z o.o., together with assignment of rights under an insurance policy,
- declaration of Unimot Express sp. z o.o. on submission to enforcement against property (real estate) up to PLN 8.5 million and PLN 3.45 million,
- registered and financial pledge on receivables,
- joint and several mortgages up to PLN 16 million on real estate belonging to: Unimot S.A., located in Zawadzkie, Unimot Express sp. z o.o., located in Częstochowa, 3B Torowa St.
- mutual guarantees from Unimot S.A. and Tradea sp. z o.o.
- mutual guarantees of Unimot S.A. and UEIG sp. z o.o.
- registered and financial pledge on PLN, EUR, USD accounts - Unimot Paliwa;
- Registered pledge on account receivables - Unimot SA.

#### Factoring limit agreement with recourse and non-recourse concluded with PKO Factoring S.A.:

- tripartite agreement to the Receivables Insurance Policy concluded by the Customer, the Factor and Compagnie Francaise D'Assurance Pour Le Commerce Exterieur S.A. Branch in Poland.

#### Analysis of leases as at 30.06.2023:

Contract type	Long-term part	Short-term part	Carrying amount at 30.06.2023	Currency	Type of commitment	Date of award	Duration of contract:
Lease contracts for means of transport	1 569	1 271	2 840	PLN	leasing	31.07.2020	31.12.2025
Lease contracts relating to leases	105 118	7 339	112 457	PLN	leasing	24.11.2014	31.01.2042
Lease contracts for photovoltaic equipment	335	47	382	PLN	leasing	19.10.2022	25.10.2029
<b>Total</b>	<b>107 022</b>	<b>8 657</b>	<b>115 679</b>				

\*Data in thousands of PLN

On 30 June 2023, the Parent Entity had financial liabilities due to concluded lease contracts in the amount of PLN 115,679 thousand. The subject of the lease contracts was mainly contracts concerning the lease of office properties and petrol stations, as well as lease contracts concerning means of transport. The value of leasing liabilities relating to photovoltaic installations amounted to PLN 382 thousand. In the first half of 2023, the lease of five petrol stations was commenced in Kraków, Pyskowie, Maliszewo, Sokołów, Bielany, among others.

#### Schedule of repayment of lease obligations:

in PLN thousand	Lease payments	Interest	Capital	Lease payments	Interest	Capital
	30.06.2023			31.12.2022		
up to one year	15 556	6 898	8 657	12 219	4 624	7 595
1 to 5 years	52 020	22 806	29 214	39 846	14 962	24 884
Over 5 years	103 219	25 410	77 808	78 312	16 519	61 793
<b>Total</b>	<b>170 794</b>	<b>55 114</b>	<b>115 679</b>	<b>130 377</b>	<b>36 105</b>	<b>94 272</b>

## 8.6. LOANS AND BORROWINGS GRANTED

#### Loans granted by Unimot S.A. in the first half of 2023:

Unimot S.A. granted a loan to Partner4Sky sp. z o.o. in the amount of PLN 1,000 thousand. The interest rate was WIBOR 3M + margin.

#### Loans granted before 31 December 2022 but still active:

- Unimot S.A. granted loans to Unimot Paliwa sp. z o.o. in the total amount of PLN 264,400 thousand, USD 40,000 thousand and EUR 13,750 thousand. The interest rate is WIBOR 3M / EURIBOR 3M / SOFR 3M + margin. As at the balance sheet date, the balance is equal to 0.

- Unimot S.A. granted a loan to Unimot Energia i Gaz sp. z o.o. in the amount of PLN 3,000 thousand. As at the balance sheet date, the loan was repaid. The interest rate is WIBOR 3M + margin.

- Unimot S.A. granted a loan to Operator Klastra Energii sp. z o.o. in the total amount of PLN 360 thousand. The borrower is obliged to repay the loan within one year of receipt, i.e. the amount of PLN 180 thousand by 04.07.2022 and the amount of PLN 180 thousand by 10.11.2023. As at the balance sheet date, PLN 360 thousand remained to be repaid. The margin indicated in the agreement is fixed.

- Unimot S.A. granted loans to Blue LNG sp. z o.o. for a total of PLN 2 106 thousand. As at the balance sheet date, a total of PLN 328 thousand remains to be repaid. The lender is obliged to repay the debt by 31.12.2023.

- Unimot S.A. granted a loan to Unimot Ukraina sp. z o.o. in the amount of EUR 150 thousand. As at the balance sheet date, EUR 100 thousand remains to be repaid. The borrower is obliged to repay the loan in full by 10.08.2024.

In calculating the margins used in the loan agreements, particular consideration was given to the fact that the loans were granted without material collateral, without preparatory or other fees and commissions. Lenders in the unsecured lending market take into account the fact that there is no hard collateral by requiring a higher interest rate, which reflects the higher degree of risk incurred.

## 8.7. SURETIES AND GUARANTEES GIVEN

<i>in PLN/EUR/USD thousand</i>	As at 30.06.2023			As at 31.12.2022		
	PLN	EUR	USD	PLN	EUR	USD
<b>Parent Entity's own contingent liabilities</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>356</b>	<b>3 500</b>	<b>-</b>
insurance guarantees provided as security for excise duty	-	-	-	-	-	-
performance bonds and trade limits	-	-	-	356	3 500	-
<b>Contingent liabilities relating to related parties issued by the Parent Entity</b>	<b>343 807</b>	<b>24 000</b>	<b>0</b>	<b>65 127</b>	<b>25 000</b>	<b>3 600</b>
sureties issued in respect of insurance guarantees given as security for excise duties	205 000	-	-	13 100	-	-
sureties issued for insurance guarantees lodged as concession security	27 000	-	-	27 000	-	-
surety for performance bonds and trade limits	11 807	24 000	0	25 027	25 000	3 600
loan guarantees	-	-	-	-	-	-
<b>Summary</b>	<b>343 807</b>	<b>24 000</b>	<b>0</b>	<b>65 483</b>	<b>28 500</b>	<b>3 600</b>

The amount of guarantees relating to Unimot S.A.'s liabilities issued in the course of ongoing operations as at 30 June 2023 amounted to PLN 0, and as at 31 December 2022 amounted to, respectively: PLN 0.4 million and EUR 3.5 million

The Parent Entity provided sureties for insurance guarantees as collateral for public-law liabilities, guarantees for performance bonds and trade limits, and sureties for performance bonds and trade limits as at 30 June 2023 for a total of PLN 343.8 million and EUR 24.0 million. (For comparison, as at 31.12.2022: PLN 65.5 million EUR 25.0 million and USD 3.6 million).

In addition, after the reporting date of 19 July 2023, a bank guarantee in the amount of PLN 2.4 million was issued under the umbrella loan with Bank Millennium, guaranteed by Unimot S.A., as security for the proper performance of the agreement for the creation and maintenance of inventories of diesel, unleaded petrol and light fuel oil concluded between Unimot Paliwa sp. z o.o. and PERN S.A.. The guarantee is valid until 30 June 2024.

## 8.8. CURRENT AND PROJECTED FINANCIAL POSITION OF THE ISSUER

The Unimot Capital Group does not publish financial forecasts for future years; additionally, the Issuer's Management Board decided not to publish a forecast of consolidated adjusted EBITDA for 2023, having regard to external market factors beyond the Company's control, related to the high volatility and uncertainty of the fuel market situation caused by the ongoing armed conflict in Ukraine and the economic effects of sanctions on Russia and Belarus imposed in connection with this event. In addition, the inability to estimate and publicise the forecast for 2023 is due to the difficult to predict impact on the Group's results this year of the planned acquisition of the Lotos Terminals assets.

## 8.9. SIGNIFICANT OFF-BALANCE SHEET ITEMS

There are no significant off-balance sheet items on Unimot S.A.'s books, except for the contingent liabilities disclosed in the report.

## 9. OTHER INFORMATION

### 9.1. CORPORATE SOCIAL RESPONSIBILITY

In all areas of activity, the Group adheres to the principles of professionalism and business integrity while taking care of the quality and safety of the products it trades. We also conscientiously take care of relations with customers, suppliers, employees, the local community and investors, basing them on respect and mutual trust. The UNIMOT Group strives to conduct its business activities in a socially responsible and sustainable manner, i.e. so that the needs of the present generation are met without compromising the chances of future generations to have their needs met. The Group's priority is to act transparently, taking into account environmental (including climate), social and management objectives.

On 25 March 2022, the Management Board of the company adopted the UNIMOT Group ESG Strategy, which is based on five pillars (strategic objectives) from the main ESG areas: environment ("E" for environment), society ("S" for social responsibility) and corporate governance ("G" for corporate governance). Within the framework of the above pillars, the Group has defined twelve activities as a means of achieving these objectives. In addition to the existing internal regulations (policies, procedures) concerning the ESG area, additional regulations have been adopted to support the achievement of the stated objectives and activities. The Board of Directors has declared its support for the activities resulting from these regulations and the provision of adequate resources and means to achieve the objectives defined therein. The full content of the Strategy can be found at <https://www.unimot.pl/relacje-inwestorskie/>.

The Unimot Group also makes every effort to respect the environment and the surroundings in which it operates. As a fuel company, it strives to minimise its negative impact on the environment by, among other things, conscientiously implementing the National Indicative Target. The Group, while also being a seller of electricity, endeavours to ensure that it comes from renewable sources as much as possible.

The AVIA station chain is offering Fairtrade-certified coffee in its new Eat&Go food and drink concept. The Fairtrade certification system seeks to improve the situation of small farmers in countries in the South who are involved in, among other things, coffee cultivation. Farmers affiliated to Fairtrade cooperatives receive at least a minimum purchase price for their crop, which protects them from sharp price drops on the world market. For every pound of coffee sold, they receive a Fairtrade premium for development projects. In addition to economic considerations, Fairtrade places a strong emphasis on appropriate social conditions - equal rights for women and combating forced and child labour.

The Unimot Group supports the education of outstanding young Poles at the best American and European universities (such as Harvard, Stanford, Yale, Oxford and Cambridge) by cooperating with the IVY Poland Foundation (now Ivy Consultants). The organisation promotes education and runs an educational counselling programme. To the candidates selected by the organisation, the UNIMOT Group has provided interest-free loans to cover the cost of studies. In total, the Group provided loans to 12 participants for over PLN 200,000.

The Unimot Group has also undertaken a number of activities that shape positive and responsible relations with the social groups that surround us. It is involved in the local community through the promotion of sporting activities and education. As part of its activities, it sponsors the cycling club Kolarz-Jura Częstochowa, Sport Club Efektowni in Stalowa Wola and the Speedway Fan Club Częstochowa Association. The association runs a speedway club: the Lions AVIA Częstochowa. At the end of 2019, the Unimot Group established cooperation with the Zawadzkie municipality, where the registered office of Unimot S.A. is located. Since then, as part of the cooperation, Unimot Group has donated the amount of PLN 202,000 to the municipality, which was used to build a modern and safe children's playground in the town centre, including the retrofitting of Skate Park equipment. The funds also supported two local youth sports clubs: Nidan Karate Club and the Autonomous Handball Section.

For humanitarian aid, the Unimot Group made donations in the form of fuel supplies and funds. These funds were donated to organisations that support those in need.

*Statement of the value of in-kind and cash donations*

<b>Purpose of the donation/beneficiary</b>	<b>Value</b>
Humanitarian aid	PLN 3 462 283
Support for the development of sport among children and young people	PLN 31 355
Supporting the day-to-day activities of community organisations and institutions	234 584 PLN

On 10 May 2022, the company published a non-financial report (hereafter referred to as 'ESG') for 2022. Under current non-financial reporting law, the company is not required to publish it. Pursuant to the CSRD - Corporate Sustainability Reporting Directive - adopted in November 2022, the obligation to publish the ESG report will arise in 2025 and will include ESG disclosures for 2024.

The report is posted on the website: <https://www.unimot.pl/relacje-inwestorskie/>.

## 10. APPROVAL OF THE MANAGEMENT REPORT ON THE UNIMOT GROUP'S ACTIVITIES

The Management Board of Unimot S.A. declares that this report entitled Report on the operations of the Unimot Group for the first half of 2023 ended 30 June 2023 provides a true picture of the development, achievements and situation of the Unimot Group, including a description of the main threats and risks, and was approved for publication and signed by the Management Board of Unimot S.A. on 14 September 2023.

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**Adam Sikorski**

President of the Management Board

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**Filip Kuropatwa**

Vice-President of the Management Board

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**Robert Brzozowski**

Vice-President of the Management Board