

Current Report No. 47/2022

Date:14.11.2022

Subject: Determination of material terms of the transaction for the acquisition by the Issuer of 100% of the shares in a company operating in the rail transport industry

The Management Board of UNIMOT S.A. with its registered office in Zawadzkie ("the Issuer") announces that on 14 November 2022 the Issuer agreed on the material terms of the transaction for the acquisition from two natural persons, including the majority shareholder ("the Seller") and seven members of management, of a total of 100 per cent of shares in Olavion sp. z o.o. with its registered office in Gdańsk ("Olavion") operating in the rail transport industry ("the Transaction"). The material terms of the Transaction have been set out in a term sheet signed on 14 November 2022 (the "Term Sheet").

As part of its operations, Olavion, under its licence, provides rail transport services in Poland, as well as freight forwarding services at home and abroad. It has a qualified staff of drivers and dispatchers, as well as long-standing relationships and contracts that allow it to provide transport and forwarding services to its principals. Olavion has 15 locomotives and employs 64 staff, including 40 drivers. For the nine months of 2022, Olavion carried goods with a total weight of 750,000 tonnes, and its annual freight potential is estimated at around 1.5 million tonnes.

In accordance with the concluded Term Sheet, the parties will, as a result of the negotiations, conclude a preliminary conditional agreement for the sale of the shares and, upon fulfilment of the conditions precedent, a final sale agreement. A fundamental condition for the success of the negotiations and the conclusion of these agreements is the accession to the Transaction, under certain conditions, of seven persons, minority shareholders of Olavion, belonging to the key management of Olavion.

The Transaction will be finalised upon the fulfilment of conditions precedent, including but not limited to: the approval of the President of the Office of Competition and Consumer Protection, the receipt of corporate approvals of the Issuer and the non-occurrence of certain events related to the shares or resulting in changes in the economic and financial situation of Olavion, as detailed in the Transaction documentation, during the period until the date of the Final Agreement.

In the concluded Term Sheet, the parties agreed on the mechanism for determining the price for the acquisition of 90 per cent of the shares from the Sellers in such a way that the offered amount for the acquisition of 90 per cent of the shares will be adjusted for the net debt and working capital differences as at the closing date of the Transaction. In addition, the parties agreed on the terms of a possible increase of this price within earn-out through the payment of a share of the profit generated on an average annual basis in 2023-2024, following the approval of the financial statements for the year 2024.

In relation to the 10 per cent of the shares owned by the management team, the acquisition of these shares is to take place after the approval of the financial statements for 2024 and the buy-out price will be determined based on the share of profit in 2023-2024 as specified in the agreement. The possibility to buy out the shares from the management team will be secured by an option to require the Issuer to buy out the shares for a specified price by the management team, as well as an option to require the Issuer to sell 10 per cent of the shares.

The estimated value of the Transaction, taking into account the agreed mechanisms for determining the price for the acquisition of a total of 100 per cent of Olavion's shares, will be determined as at the date of the Transaction and will be disclosed by the Issuer in a current report.

The parties will seek to conclude a conditional preliminary agreement during the exclusive negotiation period set until 9 December 2022, and a final sale agreement once the conditions precedent have been fulfilled.

The purpose of the Transaction is to complement the UNIMOT Group's value chain and competencies in the area of logistics and transport, taking into account the Issuer's previous experience in supply planning and transport and warehouse logistics, as well as the planned transaction for the acquisition of shares in the company LOTOS TERMINALE S.A., comprising 9 fuel terminals and assets related to the turnover of bitumen products. The acquisition of shares in Olavion is also expected to allow the UNIMOT Group to secure its own transport and logistics needs.

Taking into account the potential impact of the Transaction on the economic, asset and financial situation of the Issuer and its Group, the Issuer deems this information to be confidential.

Legal basis:

Article 17(1) of the Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (MAR Regulation)

Persons representing the Company:

Filip Kuropatwa, Vice-President of the Management Board