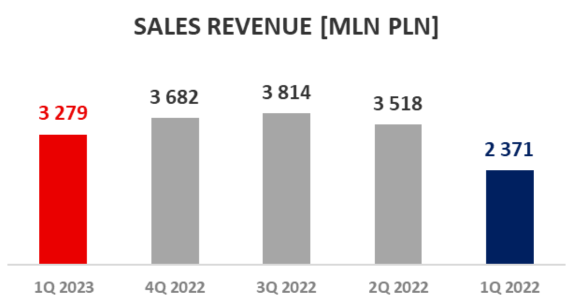
Management Board’s Report on the Activities of the Unimot Group and Unimot S.A. for Q1 2023

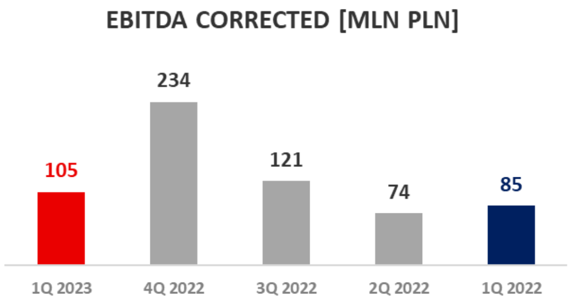
23 MAY 2023

THE UNIMOT Group
Q1 of 2023

Total revenue	EBITDA	Adjusted EBITDA
PLN 3 279.3 million	**PLN 114.6 million**	**PLN 104.9 million**

UNIMOT S.A. is an independent importer of liquid and gaseous fuels, with the following on offer: diesel, liquefied petroleum gas (LPG), natural gas (E, LNG, CNG), biofuels (BIO), electricity, motor oils and asphalts.
It leases the Gulfhavn terminal in Denmark to import diesel with the largest tankers arriving in Europe from destinations other than Russia.





SELECTED FINANCIAL DATA AND INDICATORS [1 2 3]

in PLN thousand	31.03.2023	31.03.2022	31.03.2021	31.03.2020	31.03.2019
Total revenue	**3 279 329**	**2 371 246**	**1 572 324**	**1 200 518**	**868 653**
Gross profit on sales	**248 853**	**210 593**	**90 734**	**31 065**	**44 039**
Gross margin on sales	7,6%	*8,9%*	*5,8%*	*2,6%*	*5,1%*
Operating profit	**109 027**	**144 156**	**39 375**	**(11 382)**	**18 422**
Operating profit margin	3,3%	*6,1%*	*2,5%*	-	*2,1%*
EBITDA	**114 581**	**146 795**	**42 584**	**(9 861)**	**22 854**
EBITDA margin	3,5%	*6,2%*	*2,7%*	-	*2,6%*
Adjusted EBITDA	**104 857**	**85 126**	**28 311**	**32 861**	**11 084**
Adjusted EBITDA margin	3,2%	*3,6%*	*1,8%*	*2,7%*	*1,3%*
Net profit	**81 990**	**114 745**	**30 022**	**(10 616)**	**16 335**
Net margin	2,5%	*4,8%*	*1,9%*	-	*1,9%*
Adjusted net profit	**72 264**	**53 076**	**15 749**	**32 106**	**4 565**
Adjusted net margin	2,2%	*2,2%*	*1,0%*	*2,7%*	*0,5%*

1 Realised and unrealised exchange rate differences and the valuation of assets and liabilities, including inventories, are also included.
2. Earnings Before Interest, Taxes, Depreciation and Amortisation.
3 Adjusted for the impact of the valuation of the compulsory diesel reserve (driven by a significant change in the difference between spot diesel and futures quotes), the time shifts of costs related to the implementation of the NIT and the maintenance of compulsory reserve of fuels and other one-off events.

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Letter of the Presiden of the Management Board

Dear Shareholders,

On behalf of the UNIMOT Group, I am pleased to provide you with the consolidated financial statements for Q1 2023, in which we present the financial and operational results achieved, as well as the key events of the period.

After a challenging 2022, which saw the start of Russia's armed invasion of independent Ukraine and the resulting significant turbulence covering every area of business activity as well as the spheres of private life, the first quarter of 2023 was another period of adjustment of the economy and businesses to the new conditions, including further measures to make supply chains more flexible. The effect of the ongoing war was worsening the conditions for economic development. Available statistical data indicate that Poland experienced a further economic slowdown during the period in question, which became apparent as early as 2022. According to the Central Statistical Office's estimate, the non-seasonally adjusted gross domestic product in the first quarter of 2023 decreased by 0.2% y/y in real terms.

As a result of Russia's invasion of Ukraine, the needs of Ukraine and its people have emerged - at many levels of social and economic life - which are being met, as far as possible, by the international community with a strong Polish participation. I would like to point out that the UNIMOT Group has been actively involved in this process since the beginning of the war and will end it when there is no further interest from Ukraine. We are providing humanitarian aid to the country in need and to the Ukrainians, as well as supplying raw materials on a commercial basis, thus reducing the humanitarian crisis.

The most important event in 2023, and indeed in the entire thirty-year history of UNIMOT, was the completion of the acquisition of the Lotos Terminale assets, comprising Lotos Terminale, Uni-Bitumen (now: Unimot Bitumen), Lotos Infrastruktura (now: Unimot Infrastruktura) and RCEkoenergia. We have dramatically increased the scope of our operations and significantly strengthened the position of the UNIMOT Group in the fuel market. Thanks to this acquisition, we will diversify our revenue sources, which will translate into greater business security. Following the transaction, the UNIMOT Group is the third player on the fuel storage market, the second player on the bitumen sales market and has become an independent fuel logistics operator based on its own infrastructure. We currently have 9 fuel terminals with a total current capacity of 350,000 m^3 and are a producer of modified bitumen.

In Q1 2023, we completed the acquisition of a 90% stake in the rail transport company Olavion. The purchase of the remaining 10% of shares will take place no later than 7 July 2025. This investment, combined with the acquired rail tankers with a total capacity of more than 18,000 m^3 , which will be successively delivered by mid-July 2023, is an important contribution to complementing the UNIMOT Group's value chain, which can now react flexibly to changes in the Company's business environment.

I am convinced that the above-mentioned undertakings will significantly secure the UNIMOT Group's business activities for the coming years and make it independent of external service providers. It is important that the acquired companies will continue their current activities, and will additionally benefit from the resources, experience and business relations of our Group, also in the international environment. These assumptions will be taken into account in the detailed plan being developed for the further development of the acquired assets. I would also like to confirm that we are currently working on setting the UNIMOT Group's business directions and strategic objectives for 2024-2028, which will be announced in the UNIMOT Group's business strategy.

Subsequent ventures undertaken by the UNIMOT Group were aimed at strengthening the supply chain, which needed to be remodelled due to the shift in fuel supply from east to west. From the beginning of 2023, the UNIMOT Group has imported diesel fuel from the United States, which arrived in Poland on two tankers with a capacity of approximately 38,000 tonnes each. This supply direction will be used by the UNIMOT Group in the future. It is worth adding that we also use a terminal in Denmark with a total capacity of 127,000 m^3, which allows us to handle the largest tankers. We are in discussions regarding such deliveries with contractors around the world.

I am convinced that the UNIMOT Group is well prepared to operate effectively for the next periods. We have consistently proven that the UNIMOT Group's speed and flexibility brings positive results. Despite the many challenges encountered in the first quarter of 2023, we achieved very good financial results. Consolidated adjusted EBITDA reached PLN 104.9 million and was 23% higher against Q1 2022. On the other hand, consolidated net profit amounted to PLN 82 million. The financial results generated were a derivative of the operating results achieved. In the reported period, the volume of diesel and biofuel sales exceeded 506,000 m^3 and was 56% higher than a year ago, while LPG sales reached almost 78,000 tonnes (+45% y/y).

UNIMOT's share price on the Warsaw Stock Exchange increased by almost 13% in Q1 2023. I am convinced that UNIMOT has a solid foundation to further increase the Company's capitalisation. I would like to emphasise that we are effectively diversifying the sources of EBITDA generation, which is one of our strategic objectives allowing us to stabilise and secure our financial results.

Considering the good financial and capital situation of the UNIMOT Group, the Management Board of the Issuer recommended to the Ordinary General Meeting convened on 5 June this year the payment of a dividend of PLN 13.69 per share of the Company, which means that 30% of the consolidated net profit will be allocated for this purpose.

I am aware that the remainder of 2023 will be another period requiring us to undertake new initiatives and ventures, but I know that we become even stronger after each new experience.

Finally, on behalf of myself and the entire UNIMOT Management Board, I would like to thank all our partners, investors, Supervisory Board members and employees for their commitment to building the UNIMOT Group.

Yours faithfully

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	
	31.03.2023	**Comparative data***	**31.03.2023**	**Comparative data***
I. Sales revenue	3 279 329	2 371 246	697 655	510 253
II. Profit/(loss) on operating activities	109 027	144 156	23 195	31 020
III. Gross profit/(loss)	104 270	140 264	22 183	30 182
IV. Net profit/(loss) attributable to owners of the Parent Entity	81 830	114 742	17 409	24 691
V. Net profit/(loss)	81 990	114 745	17 443	24 691
VI. Net cash flow from operating activities	(69 864)	51 549	(14 863)	11 092
VII. Net cash flow from investing activities	32 252	3 247	6 861	699
VIII. Net cash flow from financing activities	(9 658)	(6 006)	(2 055)	(1 292)
IX. Total net cash flow	(45 506)	45 791	(9 681)	9 853
X. Total assets	1 928 043	1 665 277	412 372	355 077
XI. Liabilities and provisions for liabilities	1 140 984	961 483	244 035	205 011
XII. Long-term liabilities	186 908	96 614	39 976	20 600
XIII. Short-term liabilities	954 076	864 869	204 059	184 411
XIV. Equity	787 059	703 794	168 337	150 066
XV. Share capital	8 198	8 198	1 753	1 748
XVI. Number of shares (in thousands)	8 198	8 198	-	-
XVII. Profit/(loss) per ordinary share attributable to owners of the Parent Entity (in PLN/EUR)	9,98	14,00	2,12	3,01
XVIII. Diluted profit/(loss) per ordinary share attributable to owners of the Parent Entity (in PLN/EUR)**.	9,98	14,00	2,12	3,01
XIX. Book value per share (in PLN/EUR)	96,01	85,85	20,53	18,31
XX. Diluted book value per share (in PLN/EUR)	96,01	85,85	20,53	18,31

***The comparative data for the items relating to the statements of financial position is presented as of 31 December 2022, while this 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 31 March 2022.*

*** as of 31.03.2023, the number of shares used in the calculation of profit per ordinary share and diluted profit per ordinary share was 8,198 thousand shares*

*** as of 31.03.2022, the number of shares used in the calculation of profit per ordinary share and diluted profit per ordinary share was 8,198 thousand shares*

**** as of 31.03.2023, the number of shares used to calculate book value and diluted book value per share was 8,198 thousand.*

**** as of 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 data has 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 as of 31 March 2023: PLN/EUR 4.6755 and for comparative data as of 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 NBP exchange rates prevailing on the last calendar day of the individual months, which amounted to PLN/EUR 4.7005 (3 months 2023), PLN/EUR 4.6472 (3 months 2022) respectively.

SELECTED DATA FROM THE STANDALONE FINANCIAL STATEMENTS FOR Q1 2023

	in PLN thousand		in EUR thousand	
	31.03.2023	Comparative data	31.03.2023	Comparative data
I. Sales revenue from continuing operations	**280 788**	**300 228**	**59 736**	**64 604**
I. Total sales revenue	***280 788***	***2 293 063***	***59 736***	***493 429***
II. Operating profit/(loss) from continuing operations	(4 145)	(2 388)	(882)	(514)
II. Total operating profit/(loss)	*(4 145)*	*141 629*	*(882)*	*30 476*
III. Gross profit/(loss) from continuing operations	(5 400)	(3 101)	(1 149)	(667)
III. Total gross profit/(loss)	(5 400)	137 818	(1 149)	29 656
IV. Net profit/(loss) from continuing operations	**(5 229)**	**(3 453)**	**(1 112)**	**(743)**
IV. Total net profit/(loss)	**(5 229)**	**110 691**	**(1 112)**	**23 819**
V. Net cash flow from operating activities	(23 660)	47 353	(5 034)	10 190
VI. Net cash flow from investing activities	71 720	4 051	15 258	872
VII. Net cash flow from financing activities	(6 210)	376	(1 321)	81
VIII. Total net cash flow	40 968	48 781	8 716	10 497
IX. Total assets	**702 848**	**711 927**	**150 326**	**151 800**
X. Liabilities and provisions for liabilities	275 157	279 006	**58 851**	59 491
XI. Long-term liabilities	99 122	86 769	**21 200**	18 501
XII. Short-term liabilities	176 035	192 237	**37 651**	40 990
XIII. Equity	427 691	432 921	**91 475**	92 309
XIV. Share capital	8 198	8 198	**1 753**	1 748
XV. Number of shares (in thousands)	8 198	8 198		
XVI. Profit/(loss) per ordinary share (PLN/EUR) from continuing operations	(0,64)	(0,42)	**(0,14)**	(0,09)
XVI. Total profit/(loss) per ordinary share (PLN/EUR)	(0,64)	13,50	**(0,14)**	2,91
XVII. Diluted profit/(loss) per ordinary share (PLN/EUR) from continuing operations	(0,64)	(0,42)	(0,14)	(0,09)
XVII. Total diluted profit/(loss) per ordinary share (PLN/EUR)	(0,64)	13,50	(0,14)	2,91
XVIII. Book value per share (in PLN/EUR)	52,17	52,81	11,16	11,26
XIX. Diluted book value per share (PLN/EUR)	52,17	52,81	11,16	11,26

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

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UNIMOT
GRUPA KAPITAŁOWA

Commentary on financial results of the UNIMOT Group

1. KEY EVENTS IN Q1 2023

1.1. KEY EVENTS IN THE FIRST QUARTER OF 2023 INCLUDING A DESCRIPTION OF THE GROUP'S SIGNIFICANT ACHIEVEMENTS OR FAILURES

1ST QUARTER 2023	
Conditional agreement Olavion sp. z o.o.	On 9 January 2023, a preliminary conditional agreement for the sale of 100% of the shares in Olavion sp. z o.o. was concluded.
Promissory Agreement for the acquisition of 100% of the shares in Lotos Terminale S.A.	On 3 February 2023, UNIMOT Investments sp. z o.o. entered into a conditional promised purchase agreement with PKN ORLEN for 100% of the shares in Lotos Terminale S.A.
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.
Agreement to purchase Olavion sp. z o.o.	7 March 2023, finalisation of the acquisition of 90% of Olavion.
AFTER THE REPORTING DATE	
Conditional agreement for the purchase of shares in the energy raw materials industry	On 5 April 2023, UNIMOT has entered into a preliminary conditional sale agreement to acquire 80% of the shares in a company intended for logistics and trading activities in the energy raw materials industry from two individuals.
Agreement to transfer 100% of shares in Lotos Terminale S.A.	On 7 April 2023, UNIMOT Investments entered into a definitive agreement with PKN ORLEN for the transfer of 100% of the shares in Lotos Terminale S.A.
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.

As part of the acquisition of 100% of the shares in Lotos Terminale S.A., the following events took place:

- On 3 February 2023, UNIMOT Investments sp. z o.o. entered into a conditional Promised Agreement with PKN ORLEN for the acquisition of 100% of the shares in Lotos Terminale S.A. ("Promised Agreement"). 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 Promised Agreement, the parties undertook to conclude the final agreement for the sale of 100% of the shares in Lotos Terminale S.A. under the conditions set out in the Promised Agreement, i.e. related to the non-exercise of the pre-emptive right by the authorised authorities.
- On 7 April 2023, UNIMOT Investments entered into a final agreement with PKN Orlen S.A. for the transfer of 100% of Lotos Terminale shares by PKN Orlen to UNIMOT Investments. Unimot Investments paid to PKN 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 mechanism of the earn-out mechanism, as well as the reimbursement of capital expenditures 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 a 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 350,000 m^3 and, upon completion of ongoing development work, storage capacity will increase to 410,000 m^3. 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 in the future.

The following events took place as part of the investment in fuel 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). 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 in 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 board of directors 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 exposure to the acquired stake in Olavion, taking into account, 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 has acquired rail tankers with a total capacity of more than 18,000 m³. The railcars 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. The purchased rolling stock will represent approximately 55% of the wagon fleet for 2023. The wagons will be delivered successively until 15 July 2023.

In addition, the following events took place after the reporting date in addition 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 will be the acquisition of shares in P2T sp. z o.o., into which a separate part of P2 Trading sp. z o.o.'s enterprise will be contributed, and its activities will include 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. The conclusion of the final agreement is subject to the fulfilment of conditions precedent, including in particular: obtaining the consent of the President of the Office of Competition and Consumer Protection, fulfilment of a number of conditions related to the preparation of the company to carry out established operations, registration of agreed amendments to the company's memorandum of association in the National Court Register, as well as the non-occurrence, in the period until the date of conclusion of the final agreement, of negative events related to the encumbrance of shares, as well as taking unfavourable actions resulting in changes in the economic and financial situation of the company. A deadline was set for the fulfilment of the above conditions precedent by 30 September 2023 at the latest. Pursuant to the preliminary agreement, for the acquisition of 80% of the shares UNIMOT will be obliged to pay the basic price and an additional price determined under the earn-out mechanism through the payment of a share of the profit generated in the years 2023-2024.
- 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. Partners4sky currently sells fuel to companies and individuals with helicopters or small aircraft. It also works with entities that consume aviation paraffin (JET A-1) in technological processes or offer servicing of aircraft engines.

1.2. AWARDS AND PRIZES IN 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 was also among the ten best listed companies.

Unimot took first place in the Expo Invest Cuffs competition in the 'Listed Company 2022' category. The honours were awarded on the basis of a vote by the investment community, which cast a total of 120,000 votes.

2. BASIC INFORMATION ABOUT THE UNIMOT GROUP

The Unimot Group, an independent, largest importer of liquid and gaseous fuels, offers the following products: diesel fuel, 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.
It is a member of the international association AVIA International and has been developing a chain 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 natural gas distribution networks.

PARENT ENTITY'S DATA

UNIMOT Spółka Akcyjna ("UNIMOT", the "Company", the "Parent Entity") with its registered office in Zawadzkie, Świerklańska Street, 2A, 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 activities of petrol stations under the AVIA brand and the marketing of natural gas.

2.1. COMPOSITION OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD OF THE PARENT ENTITY

Composition of the Management Board:

- 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 Board during the reporting period.

Composition of the Supervisory Board:

- Andreas Golombek - Chairman of the Supervisory Board,
- Bogusław Satława - Deputy 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 of 31 March 2023, the UNIMOT Group comprised 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 organisational 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 in the network system	100,00%	20.01.2014
BLUE LNG Sp. z o. o.	Poland	Sale and distribution of gaseous fuels in the network system	100,00%	04.07.2014
UNIMOT PALIWA Sp. z o.o.	Poland	Wholesale of fuels and related products	100,00%	16.11.2015
UNIMOT ENERGIA I GAZ Sp. z o.o.	Poland	Trading in electricity and gaseous fuels	100,00%	30.12.2015
TRADEA Sp. z o.o.	Poland	Electricity trading	100,00%	23.05.2016
UNIMOT UKRAINE LLC	Ukraine	Distribution of liquid fuels	100,00%	19.04.2018
UNIMOT ASIA LLC	China	Distribution of petroleum products	100,00%	04.09.2018
UNIMOT ENERGY LLC	Ukraine	Electricity distribution	100,00%	02.04.2019
3 SEAS ENERGY LLC	U.S.A.	Distribution of petroleum products	75,00%	21.05.2020
ENERGY CLAST OPERATOR Ltd.	Poland	Planning, generation and coordination of energy distribution, consulting, advisory activities	80,00%	15.02.2021
UNIMOT INVESTMENTS Sp. z o.o.	Poland	Activities of head offices and holding companies, excluding financial holdings	100,00%	20.10.2021
UNIMOT T1 Ltd.	Poland	Non-operating special purpose vehicle	100,00%	20.10.2021
UNIMOT B1 Sp. z o.o.	Poland	Non-operating special purpose vehicle	100,00%	20.10.2021
UNIMOT SA (Unimot LTD)	Switzerland	distribution of liquid fuels	100,00%	17.05.2022
ŻYWIEC OZE-1 Sp. z o.o.	Poland	Non-operating special purpose vehicle	100,00%	13.02.2023
Olavion Sp. z o.o.	Poland	Rail transport and forwarding services	90%	07.03.2023

2.3. ORGANISATIONAL LINKS AND CAPITAL INVESTMENTS MADE

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

Changes in the first quarter of 2023:

In Q1 2023, the following changes occurred in the Unimot Group:

- On 9.01.2023, 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 in the amount of PLN 1 000 000, as a result of which the share capital of this 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. did not change and amounts to 100%.
- On 13 February 2023, a subsidiary of Unimot S.A., viz: 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. did not change and amounts to 100%.

- On 7.03.2023, Unimot S.A. signed a Promised Purchase Agreement from 2 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 of 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 10.03.2023, 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 10.03.2023, Unimot S.A. increased the capital in Unimot T1 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 T1 sp. z o.o. did not change and amounts to 100%.

Mergers made in Q1 2023:

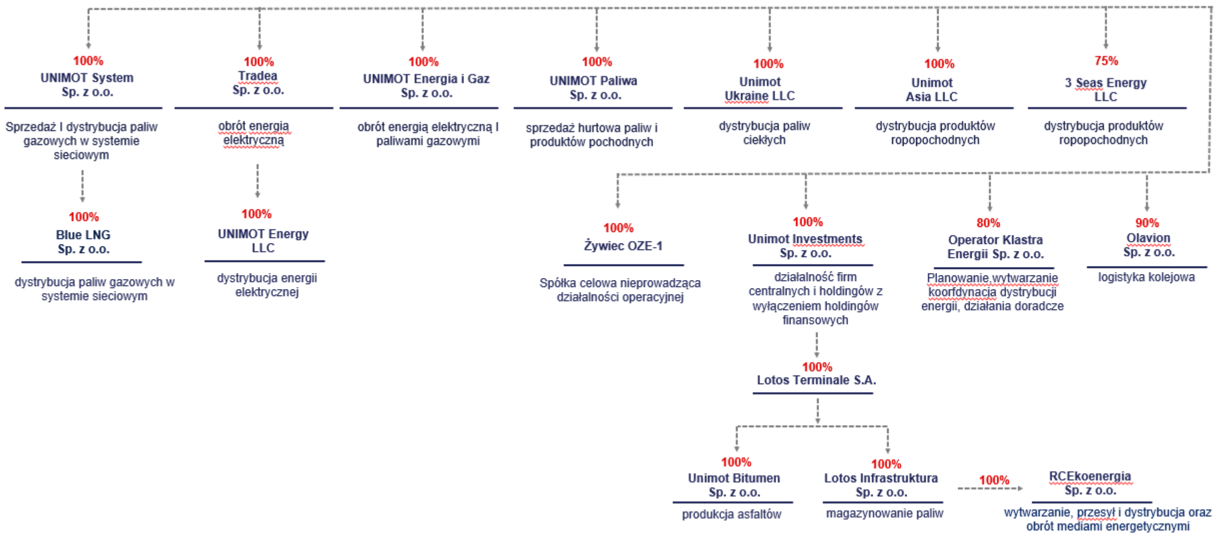
No mergers of companies within the meaning of the Commercial Companies Code were completed in Q1 2023.

Divestments in Q1 2023:

No shares in subsidiaries were disposed of in Q1 2023.

Changes after the reporting date:

- On 5.04.2023, 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 the supplementary capital (agio). Percentage share Unimot S.A. in Unimot Investments sp. z o.o. did not change and still amounts to 100%.
- On 7 April 2023, a subsidiary of Unimot S.A., viz: 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.



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 75million of EBITDA in 2023**

The UNIMOT Group is aiming for annual EBITDA growth by undertaking a number of strategic initiatives, developing both the diesel and LPG, natural gas and electricity businesses, as well as asphalt products, oils and photovoltaics. Ultimately, the steadily expanding AVIA petrol station chain will also make a clear contribution to EBITDA.

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 of 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. **The 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, many measures are being taken - both on the revenue and cost side. As of 31.03.2023, ROCE (adjusted EBITDA/ (equity + long-term liabilities) was 66.9 per cent, significantly higher than the target of 15 per cent for 2023.

- **Business diversification - generating in 2023 70% of EBITDA from intensively growing non-oil 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 started importing and selling asphalt products in Poland. These products are sold under the brand name of AVIA Bitumen.
- 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 residential 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 Tankers Purchase Agreements with a capacity of approximately 18,000 m^3 . The purchased 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.
- Conclusion of a definitive agreement for the acquisition of 100% of shares in Lotos Terminale S.A. by its subsidiary UNIMOT Investments sp. z o.o. The transaction took place as part of the implementation by Polski Koncern Naftowy Orlen S.A. of a number of divestments provided for in the remedies set out in the European Commission's conditional decision of 14 July 2020 for the concentration involving the acquisition of control over Lotos CG by PKN Orlen. The assets include 9 fuel terminals with a total current capacity of 350,000 m^3 , including 5 terminals owned by Lotos Terminale: in Czechowice-Dziedzice, Jasło, Piotrków Trybunalski, Poznan and Rypin, as well as 4 terminals owned by PKN Orlen: in Boleslawiec, Szczecin, Gutkowo and Gdansk. Upon completion of the development work currently underway, storage capacity will increase to 410,000 m^3. As a result of the Transaction, the Issuer's capital group will become the third player in the fuel storage market (after PERN and PKN Orlen) in terms of volume. Additionally, after PKN Orlen completes the modernisation and expansion of the sea terminal in Szczecin, the Issuer will have approximately 10,000 m^3 of capacity dedicated to aviation fuel and 40,000 m^3 dedicated to diesel oil. The Bitumen business will include asphalt production facilities in Jasło and Czechowice-Dziedzice spun off from Lotos Asfalt Sp. z o.o., along with a sales department, as well as a ten-year contract for the Seller to supply asphalt products and raw material for their production in quantities of up to 500,000 tonnes per year, making the Issuer's capital group the second player in the bitumen sales market by volume.
- Conclusion by the Issuer of a preliminary conditional agreement to acquire 80% of shares in a company intended for logistics and trading activities in the energy raw materials industry, including biomass and coal, the 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 150 facilities.

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 expects to continue its organic (natural) growth in wholesale diesel sales based on individual fuel depots, through the use of its own purchasing platform e-Orders 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 limiting the grey market in fuel trading; the use of own stable sources of supply and commercial competence; as well as experience and ability to apply financial and hedging tools.

Independent logistics operator business - Unimot Group started operating as an independent logistics operator from April 2023, as a consequence of the acquisition of 100% of the Lotos Terminals assets. This business includes 9 fuel terminals with a total current capacity of 350,000 m^3 located in Czechowice-Dziedzice, Jasło, Piotrków Trybunalski, Poznań, Bolesławiec, Szczecin, Gutkowo, Rypin and Gdańsk. Upon completion of the ongoing development work, storage capacity will increase to 410,000 m^3 . A ten-year agreement was also concluded for Lotos Terminals to provide fuel storage services to PKN Orlen.

Building the AVIA station chain - in Q1 2023, a further 4 AVIA fuel stations were connected in Poland. A total of 110 AVIA stations were operating in Poland at the end of March 2023, including 74 franchised stations and 36 stations operated directly by the company. The Group is negotiating and discussing further locations in Poland and maintains its plan to have 150 stations by the end of 2023.

LPG - plans for the development of the LPG segment concern a further increase in wholesale (in Poland and abroad) and retail sales, including through the operation of independent petrol stations and AVIA's own petrol stations, investments in tank installations for private and public entities.

Biofuels - the Group expects to continue to sell biofuels and bio-oils, including using expanded sources of purchases of this fuel.

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 will be developed at Unimot S.A. using leased natural gas storage space in caverns. The company will continue to work on opportunities to produce biomethane and introduce it into the gas distribution network owned by Unimot System.

Electricity - wholesale electricity trading through exchange and brokerage platforms by Tradea will continue. The period of Poland's energy transition will continue to pose new challenges for Unimot CG in the following periods.

Photovoltaics - Unimot CG has made dynamic changes to the operation of the photovoltaics segment. Retail sales to individual customers were phased out and relationships in the area of industrial installations began to be built. In addition, the production line of Polish photovoltaic panels launched by the Unimot CG in 2021 was expanded and its capacity tripled to 45 MW per year. In addition, the UNIMOT Group started cooperation with the US company First Solar, thanks to which it delivered photovoltaic panels from the United States to the Polish market in Q4 2022. The anticipated development of photovoltaics in Poland in the next few years will be supported by changes in the perception of ecology in the broadest sense, but will also be forced by the trend to reduce the consumption of fossil fuels. The costs of energy prices, as well as distribution fees, are driving investments in the construction of widely understood 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, the significant need for electricity storage and the stabilisation/extension of the production profile from RES is noted, as well as the potential for 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 will result from the acquisition by Unimot CG of 100% of the shares in Lotos Terminale, covering the production and sale of bitumen. The 'bitumen' business includes the bitumen production plants in Jasło and Czechowice-Dziedzice, together with the sales department, as well as the 'bitumen' segment hitherto operating in UNIMOT CG. With the acquisition of Lotos Terminals, a ten-year contract was signed for the supply by the Lotos Group 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, which are highly dependent on the implementation of the government's National Roads Construction Programme to 2030 (with an outlook to 2033). The programme assumes the completion of all currently planned expressways and connecting all Polish regions and provincial cities with a network of safe and comfortable roads. A total of approximately PLN 294.4 billion will be allocated to the implementation of the investments included in this programme. This is the largest road programme in the history of Poland. The programme is complemented by a programme for the construction of 100 bypasses, under which a further 850 km of roads are to be built, with an estimated value of road works of around PLN 28 billion in the period up to 2030.

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 UNIMOT Group's existing customers. In this regard, at the beginning of 2023, the first coal deliveries addressed to industrial plants, including the heating sector, were made.

3.3. SHAREHOLDING STRUCTURE OF THE ISSUER

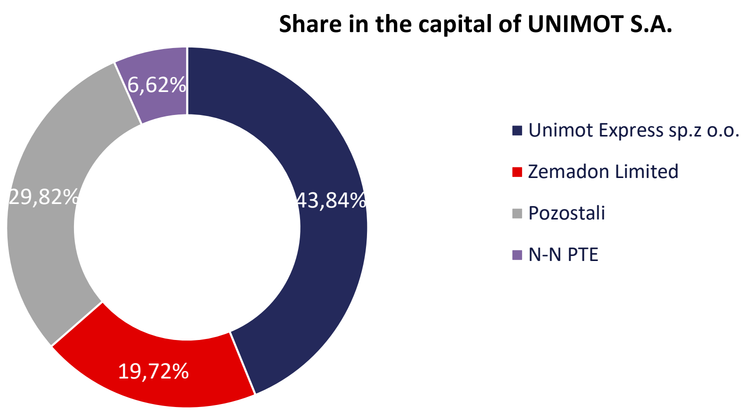
Shareholders holding, directly or indirectly through subsidiaries, at least 5% of the total number of votes at the Issuer's General Meeting as of the date of this interim report:

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

[1] ***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.*

[2] *Nationale-Nederlanden Powszechne 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.



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

A summary of the holdings of shares in the Issuer by the Issuer's management and supervisory personnel as of the date of the report and the change in holdings 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	102 068	1,25%	102 068	1,19%	-
Filip Kuropatwa	21 347	0,26%	21 347	0,25%	-
Isaac Querub	15 700	0,19%	15 700	0,18%	-

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 of 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 of 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 49.75% of the share capital and votes at the shareholders' meeting as of 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 of 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 of 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 the following. 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 of the date of the report, holds 102,068 shares of the Issuer entitling him to 102,068 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 1.19%.

Mr Robert Brzozowski's shareholding has not changed since the previous interim report.

Mr Filip Kuropatwa - Vice President of the Issuer's Management Board, as of the date of the report, holds 21 347 shares of the Issuer entitling him to 21 347 votes at the General Meeting, whose share in the share capital amounts to 0.26% and the share in the total number of votes at the General Meeting amounts to 0.25%.

Mr Filip Kuropatwa's shareholding has not changed since the previous interim report.

Mr. Isaac Querub - Member of the Issuer's Supervisory Board, as of 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%.

There has been no change in Mr Isaac Querub's shareholding since the date of the previous interim report

3.5. DIVIDEND POLICY

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

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

On the Warsaw Stock Exchange ("WSE"), the broad market index WIG gained 1.99% in Q1 2023, being in a sideways trend. The large-cap indices WIG20 and WIG30 performed less well, losing respectively: 1,87% i 0,83%. The WIG-motorisation gained the most: 24.93% , and the WIG-fuels lost the most: 8,74% . 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 Q1 2023, UNIMOT S.A.'s share price increased by 14.64% and behaved similarly to the SWIG80 index, which gained 15.73% . In terms of trading value in Q1 2023, Unimot was in 76th place out of 404 companies listed on the WSE. The minimum price in this period was PLN 88.30 and the maximum price was PLN 115.80. The value of trading was PLN 54.31 million and the average volume per session was 8,149 shares. Capitalisation of UNIMOT S.A. at the end of the period: PLN 841.1 million.

Statistical data and stock market indicators:

	Q1 2023	Q1 2022
Quarterly rate of return	14,99%	5,14%
Capitalisation (million PLN)	841,10	343,90
P/P ratio	3,7	4,5
P/E ratio	1,6	1,14
Dividend rate	-	4,7
Value of turnover (million PLN)	54,31	39,82
Average volume per session (units)	8 149	14 394
Quarterly rate of return	14,99%	5,14%
Capitalisation (million PLN)	841,10	343,90

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.

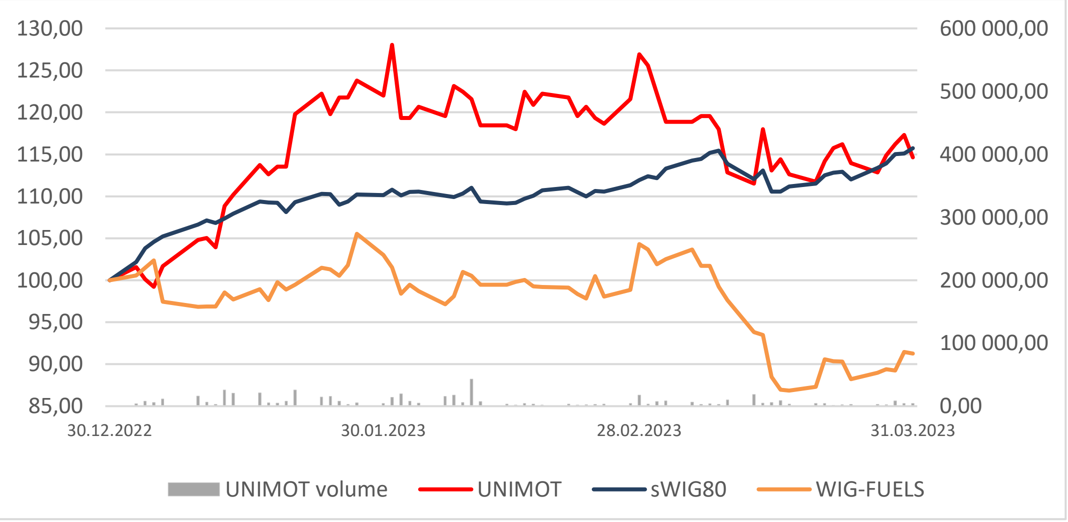
Date of issue	Entity	Fundamental recommendation	Relative recommendation	Valuation over a 12-month horizon	Rate on the day of issue
14-03-2023	DM BOŚ S.A.	Buy	Outweigh	PLN 130.00	PLN 105.60
04-12-2022	DM BOŚ S.A.	Buy	Outweigh	PLN 115.00	PLN 93.00
20-11-2022	DM BOŚ S.A.	Buy	Outweigh	115.00 00zł	PLN 87.60
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
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 possible members of the Management Board, or presentations are prepared. These materials are available on the Company's website: https://www.unimot.pl/relacje-inwestorskie/.
- **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 passing on 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 Klub+ 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 Klub+ is also part of building a stable and conscious shareholding. Any shareholder holding at least 100 shares for a minimum of 6 months. Club members receive access to a wide range of benefits depending on their membership level. Among the benefits are: 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, the programme is not restricted to shareholders holding shares in brokerage houses and offices cooperating with the programme.

  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 Klub+ is the Association of Individual Investors.

4. UNIMOT CG OPERATIONS IN THE FIRST QUARTER OF 2023 AND ITS ENVIRONMENT

4.1. MAIN PRODUCTS, SOURCES OF SUPPLY AND MARKETS

In the first quarter of 2023, sales were mainly to domestic customers and accounted for 82.3% of total sales and were by 6.4 p.p. lower against the first quarter of 2022. There was a significant increase in the share of sales to the Ukrainian and Czech markets; the share of sales to the Ukrainian market in 2023 accounted for 6.6% of sales revenue.

in PLN thousand	As of 31.03.2023	As of 31.03.2022	As of 31.03.2021	share % 2023 r.	share % 2022 r.	change % 2023/2022
Poland	2 698 376	2 104 065	1 365 237	82,3%	88,7%	28,2%
Czech Republic	129 510	51 585	39 999	3,9%	2,2%	151,1%
Switzerland	58 299	18 352	2 350	1,8%	0,8%	217,7%
Slovakia	12 394	7 626	3 214	0,4%	0,3%	62,5%
Ukraine	216 802	29 167	1 078	6,6%	1,2%	643,3%
Hungary	112	211	15 983	0,0%	0,0%	-46,9%
Austria	73	7 665	4 511	0,0%	0,3%	-99,0%
Kazakhstan	735			0,0%	0,0%	
Latvia	44			0,0%	0,0%	
Germany	1 439	18 665	21 916	0,0%	0,8%	-92,3%
Taiwan	190	194	124	0,0%	0,0%	-2,1%
Romania	194			0,0%	0,0%	
Netherlands	39 089	64 764	75 106	1,2%	2,7%	-39,6%
Belgium	88 074	47 780		2,7%	2,0%	84,3%
China			1 385	0,0%	0,0%	
Cyprus	8 014		15	0,2%	0,0%	
Bulgaria	25 925	21 172	40 449	0,8%	0,9%	22,4%
Lithuania			957	0,0%	0,0%	
Total	**3 279 329**	**2 371 246**	**1 572 324**	**100,0%**	**100,0%**	

None of the Group's customers exceeded 10% of revenue in the period from 1 January to 31 March 2023 and in the corresponding period of the previous year. In the period from 1 January to 31 March 2023, two of the suppliers exceeded 10% of supplies. These entities are not related in the UNIMOT CG.

4.2. SEASONALITY OF ACTIVITY

The Group's operations are subject to seasonality.
During the year, there is regular and moderate variability in product sales volumes due to seasonal fluctuations in demand, particularly in the segments:
- sales of natural gas and electricity due to significantly higher demand for this product range during the heating season, i.e. Q1 and Q4,
- Fuel/Biofuel/LPG sales - increased demand for fuels in Q3 and Q4,
- bitumen sales - due to the peak road construction and repair season falling in the third and fourth quarters.

The business of selling and installing photovoltaic systems is carried out throughout the year, but there are occasional technical interruptions during the winter due to adverse weather conditions.

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.
Neither the Issuer nor any of its subsidiaries is a party to two or more proceedings 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	31.03.2023			31.12.2022		
	WOMEN	MEN	TOTAL	WOMEN	MEN	TOTAL
Structure of employment in the CG by type of contract	**120**	**197**	**317**	**113**	**115**	**228**
Fixed-term employment contract	45	74	119	46	21	67
Employment contract of indefinite duration	75	123	198	67	94	161
Structure of employment in the CG by nature of contract	**120**	**197**	**317**	**113**	**115**	**228**
full-time	114	188	302	107	110	217
part-time	6	9	15	6	5	11
Employment structure in the CG by age	**120**	**197**	**317**	**113**	**115**	**228**
Up to 30 years	20	23	43	17	13	30
31 to 50 years	86	126	212	81	76	157
Over 50 years	14	48	62	15	26	41

The Unimot CG has an Employment Policy, which regulates the rules for the admission of employees and a Recruitment Policy, which defines the standards and principles according to which the process of obtaining candidates is conducted. The presentation of job offers is transparent - job advertisements are published on the website and on online portals. Candidates for a job 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 concerning age, race, colour, gender, ethnic and national origin, sexual orientation and health status are not applied in the selection of employees. These principles also apply to termination of employment, conditions of employment, promotion and access to training to improve professional qualifications.
As of 31 March 2023, there were 317 employees in the Group, with 89 employees hired in the first quarter of 2023, an increase of 39% compared to the end of 2022. The reason for this significant increase in employment was the transfer of employees from Olavion, where an additional 82 positions were taken over. The new positions are mainly drivers (52 people), dispatchers (11 people) and management and administrative staff.
The gender structure of the workforce has changed, with women accounting for 38% of the workforce and men 62% at the end of March 2023, compared to 50% each at the end of 2022. This change is related to the acquisition of Olavion sp. z o.o. described above. Indefinite contracts account for 62% of all contracts. Full-time employment accounts for 95% of employees. In addition, the largest age group is represented by employees between 31 and 50 years of age (67%). Employees under 30 years of age represent only 13% of the workforce.

5. FACTORS AND EVENTS INFLUENCING THE GROUP'S PERFORMANCE

5.1. MAIN FACTORS AND EVENTS DEFINING THE GROUP'S RESULTS IN THE FIRST QUARTER OF 2023 THAT MAY IMPACT THE GROUP'S OPERATIONS IN THE NEXT YEARS

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 fuel station chain in Poland and Ukraine. UNIMOT has more than 30 years of experience in the fuel market, specialising in the wholesale of diesel 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, including under the AVIA Solar brand, and is investing in further RES sectors.

2022 BASIC FINANCIAL AND OPERTING DATA

Total revenues 3 279 mln zł	ADJUSTED EBITDA** 105 mln zł	EBITDA* 115 mln zł	Net profit 82 mln zł
Sales volume ON&BIO 506 tys. m^3	Sales volume gas LPG 78 tys. t	Sales volume natural gas 257 tys. MWh	Sales volume electicity 1 138 tys. MWh

Petrol stations AVIA
110

Sales volume at own stations
61 tys. m^3

** 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, timing shifts in costs and revenues related to the trading of liquid and gaseous fuels and other energy products and other one-off events*

Capital Group Data

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

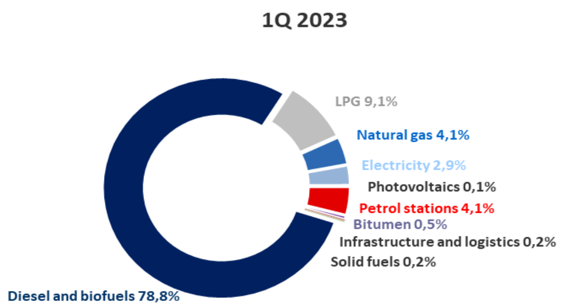
- the acquisition of 90 % of the shares in Olavion sp. z o.o. by the Issuer Group took place. (acquisition of the remaining 10 % of the shares will take place no later than 7 July 2025),
- the acquisition of 100 per cent of the shares in Lotos Terminale S.A., which holds directly or indirectly 100 per cent of the shares in the companies, was completed: Lotos Infrastruktura S.A. (currently: Unimot Infrastruktura S.A.), UniBitumen sp. z o.o. (now: Unimot Bitumen sp. z o.o.) and RCEkoenergia sp. z o.o.

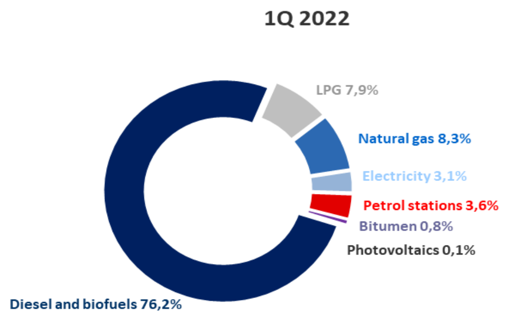
As a result of the transactions, the above-mentioned companies became part of the UNIMOT Group and their financial and operating results will be presented in the following business segments:

- Infrastructure and Logistics segment, i.e. activities related to rail transport, freight forwarding services and fuel storage. This segment presents the operations of Olavion sp. z o.o. and, from the first half of 2023, will present the operations of Lotos Terminale S.A. (future: Unimot Terminale S.A.) together with its subsidiaries Unimot Infrastruktura S.A. (currently: Lotos Infrastruktura S.A.) and RCEkoenergia sp. z o.o.,
- Bitumen segment, i.e. activities related to the production and trade of asphalt products. This segment presents Unimot S.A.'s existing bitumen trading activities and, from the first half of 2023, the activities of Unimot Bitumen sp. z o.o. will be presented.

In addition, the solid fuels segment was separated due to the first hard coal transactions carried out and the potential acquisition of an 80% stake in a company dedicated to logistics and trading in energy raw materials. The scope of activities of this company includes: 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.

Consolidated sales revenues and their structure by product group:



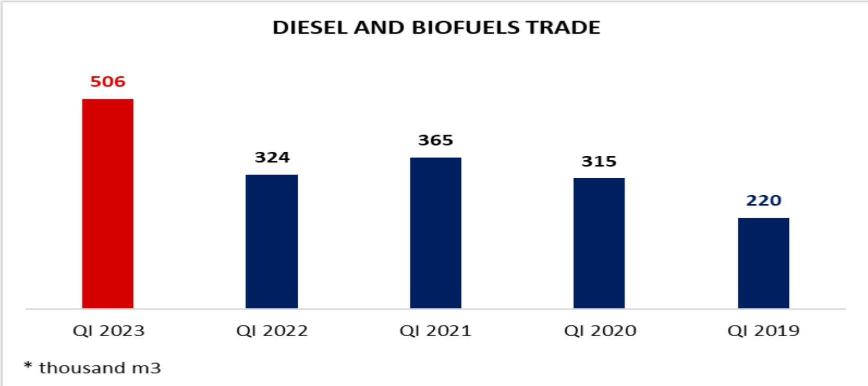


in PLN thousand	**01.01.2023 31.03.2023**	**Structure %**	**01.01.2022 31.03.2022**	**Structure %**
Diesel and biofuels	2 577 311	78,8%	1 804 601	76,2%
LPG	298 461	9,1%	188 211	7,9%
Natural gas	133 391	4,1%	196 910	8,3%
Electricity	94 772	2,9%	74 035	3,1%
Photovoltaics	3 553	0,1%	2 462	0,1%
Petrol stations	134 014	4,1%	84 930	3,6%
Bitumen	17 337	0,5%	18 348	0,8%
Infrastructure and logistics	7 135	0,2%		0,0%
Solid fuels	5 442	0,2%		0,0%
Total	**3 271 416**	**100,0%**	**2 369 497**	**100,0%**

Consolidated volumes by product group:

in m3/T/GWh/KWp/Mg	**01.01.2023 31.03.2023**	**01.01.2022 31.03.2022**	**% change**
Diesel and biofuels [m3]	506 055	324 168	56%
LPG [T].	77 667	53 526	45%
Natural gas [GWh]	257	418	(-39%)
Electricity [GWh]	1 138	746	53%
Photovoltaics [KWp].	759	565	34%
Petrol stations [m3]	61 151	51 618	18%
Bitumen [Mg]	8 165	7 961	3%
Solid fuels [Mg]	4 970	-	

SEGMENT OF DIESEL and BIOFUELS TRADE



In the first quarter of 2023, the UNIMOT Group sold more than 506,000 m³ of diesel and biofuels, an increase of 56% against the previous year. At the same time, a significant increase of 43% in sales revenue was recorded in this segment against the same period of 2022, the revenue received being the effect of the increase in volumes and the dynamic increase in fuel prices. EBITDA generated in Q1 2023 in the liquid fuels trading segment was PLN 97.6 million (down 24% year-on-year), and adjusted EBITDA was PLN 87.1 million (up 80% year-on-year).

Diesel and BIOFUELS

in PLN thousand	**01.01.2023 31.03.2023**	**01.01.2022 31.03.2022**	**01.01.2021 31.03.2021**	**01.01.2020 31.03.2020**	**01.01.2019 31.03.2019**	**% change**
Sales volume [m3]	506 055	324 168	364 841	315 143	220 184	56%
Total revenue	2 577 311	1 804 601	1 263 016	1 035 140	754 006	43%
EBITDA	97 575	128 026	36 335	(15 795)	19 148	-24%
EBITDA - adjusted	87 075	48 324	22 062	26 927	7 378	80%
Net profit/(loss) for the period	69 275	125 237	34 056	(17 403)	17 279	-45%
Net profit/(loss) for the period adjusted	58 775	45 535	19 783	25 319	5 509	29%

The adjusted results achieved in Q1 2023 in the diesel and biofuels segment were primarily driven by the following factors:

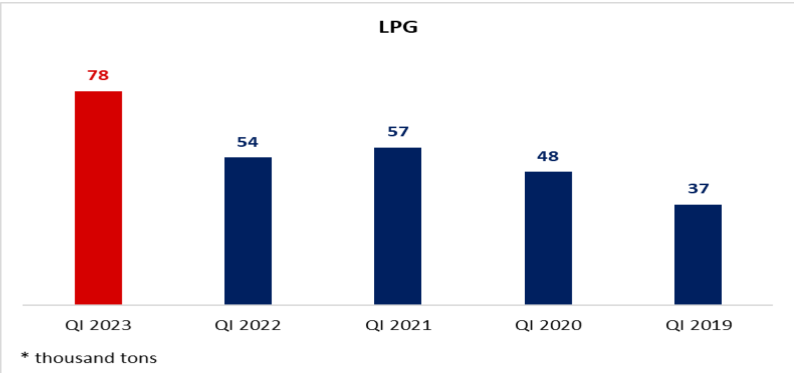
- Concerns about the availability of this product ahead of the 5 February 2023 embargo on diesel from Russia, and therefore increased demand. Consequently, this provided an opportunity for additional margins, which the Issuer Group successfully exploited;
- The increased logistical capacity achieved by the Group thanks to the purchase of rail tankers and the use of the services of the rail transport company Olavion (which is part of the Issuer's Group), which allows additional volumes to be realised and costs to be reduced;
- Meeting the fuel needs of the Ukrainian economy and population. Deliveries to Ukraine began in Q2 2022, allowing additional volumes to be realised at satisfactory margins;
- The adaptation of supply chains to operate under a total embargo on fuel imports from Russia and Belarus, including the leasing of a fuel transhipment terminal in the Danish Straits, has increased purchasing flexibility.

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

- Reorganisation of the UNIMOT Group aimed at preparing the Group to fulfil the role of an independent logistics operator, which it became after the acquisition of Lotos Terminals. 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.) in exchange for the acquisition of new shares. The organised part of the enterprise comprised a part of Unimot S.A., separated in organisational, financial and functional terms, the subject of which is trading in fuels, production of liquid fuels (within the scope of LPG) under the held concessions OPZ and WPC, excluding the activity related to trading in fuels within the developed chain of AVIA fuel stations and the segment related to trading in natural gas. Unimot Paliwa sp. z o.o. commenced operations in this area on the same terms and conditions as Unimot S.A. The effect of the transfer of the organised part of the enterprise to Unimot Paliwa is to reduce the Group's obligation to maintain a compulsory reserve of liquid fuels in the period from 1 July 2022 to 30 June 2024;

- 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 range dominating the Group's sales structure. The amount of the land premium determines the area of the realisable trade 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 trade security policy adopted by the Group), as well as the costs of fulfilling NIT obligations;
- 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 international concerns on the Polish market, including in connection with the implementation of the European Commission's remedies concerning the conditions of the merger between PKN 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 especially in Poland, especially in the context of the war in Ukraine and its further course and resulting from the expected economic slowdown.

LPG



In Q1 2023, the UNIMOT Group sold 77.7 thousand tonnes of LPG, 45% more than in Q1 2022. Revenues amounted to PLN 298.5 million (up 59% year-on-year). EBITDA and adjusted EBITDA generated were equal and amounted to PLN 18.0 million each, and profit reached the level of PLN 14.2 million.

LPG

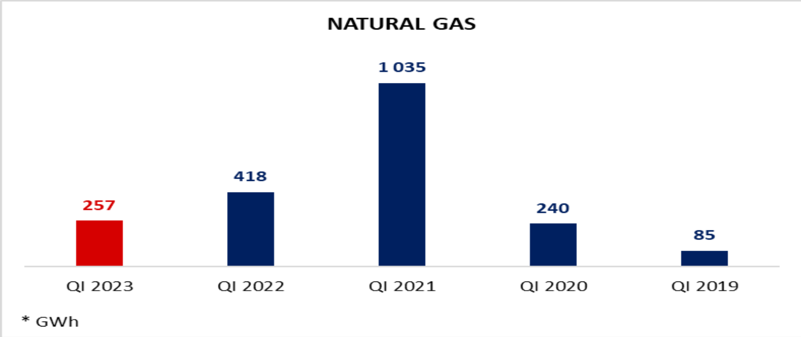
in PLN thousand	**01.01.2023 31.03.2023**	**01.01.2022 31.03.2022**	**01.01.2021 31.03.2021**	**01.01.2020 31.03.2020**	**01.01.2019 31.03.2019**	**% change**
Sales volume [T]	77 667	53 526	57 152	48 387	36 501	45%
Total revenue	298 461	188 211	139 744	93 181	71 819	58%
EBITDA	18 016	17 436	3 348	2 648	2 307	3%
Net profit/(loss) for the period	14 208	17 286	3 136	2 525	2 124	-18%

The results achieved in Q1 2023 in the LPG segment were primarily driven by the following factors:

- Higher LPG sales in Poland, combined with meeting the needs of southern European customers, resulted in higher trading margins;
- The realisation of LPG supply contracts concluded in 2022 for 2023 influenced the profit achieved in the period under review;
- The LPG segment has optimised its rail transport costs, which has further increased the efficiency of the area's operations;
- Sanctions imposed on large LPG suppliers limiting supply from the eastern direction.

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

TRADING IN GASEOUS FUELS



In the natural gas segment in Q1 2023, the UNIMOT Group sold 257 GWh of natural gas. Sales revenue of this segment amounted to PLN 191.6 million (down 3% year-on-year). EBITDA reached the level of PLN 5.1 million and was more than 22% higher against the previous year.

NATURAL GAS

in PLN thousand	01.01.2023 31.03.2023	01.01.2022 31.03.2022	01.01.2021 31.03.2021	01.01.2020 31.03.2020	01.01.2019 31.03.2019	% change
Sales volume [GWh]	257	418	1 035	240	85	-39%
Total revenue	133 391	196 910	92 390	22 066	11 147	-32%
EBITDA	5 129	4 221	5 386	3 192	706	22%
Net profit/(loss) for the period	3 487	3 589	4 941	2 669	342	0%

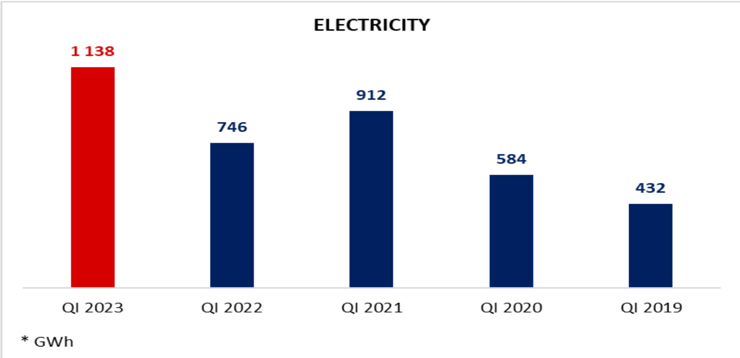
The results achieved in Q1 2023 in the natural gas segment were primarily driven by the following factors:

- 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 has effectively balanced the gas market following the reduction in imports from Russia;
- In the first quarter of 2023, the average price of natural gas purchased in EU or EEA countries was PLN 296.51/MWh and was more than PLN 140 lower than the average price of this fuel in the same period last year (ERO Communication);
- The reduction in demand for natural gas has been influenced by the economic slowdown in Europe, including Poland;
- The fall in natural gas prices from EUR 84/MWh (as of 1 January 2023) to an observed EUR 38.3/MWh (as of 28 April 2023) has put pressure on segment efficiency;
- Limitation on the potential for additional benefits caused by the equalisation of the prices of individual contracts in the futures markets over the first quarter of 2023 (i.e. January, February and March valuations);
- Storage outages and the lack of an approved tariff for the Sanok gas storage facility resulted in limited use of the normally available infrastructure.
- 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 aforementioned Act, the price for eligible (sensitive) entities has been 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 mainly be influenced by market prices for natural gas, the levels of new tariffs at UNIMOT System and Blue LNG and increases in volumes of natural gas sold and distributed.

ELECTRICITY



In the electricity segment, sales volumes in Q1 2023 reached 1 137.7 GWh, 53% more than in the same period of the previous year. The segment's sales revenue amounted to PLN 96.3 million (up 30% year-on-year), EBITDA and adjusted EBITDA reached the level of PLN 8.3 million.

ELECTRICITY

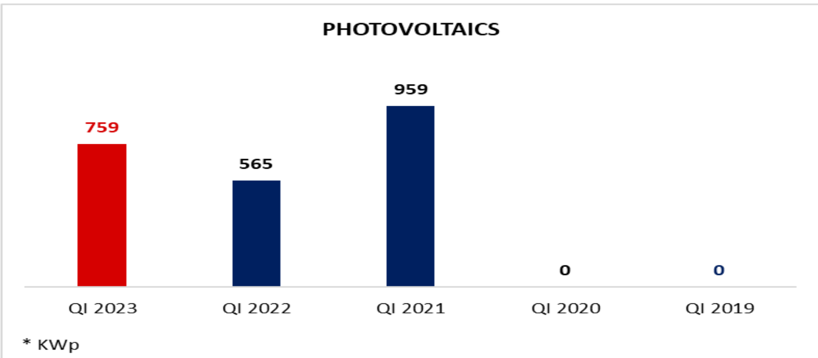
in PLN thousand	**01.01.2023 31.03.2023**	**01.01.2022 31.03.2022**	**01.01.2021 31.03.2021**	**01.01.2020 31.03.2020**	**01.01.2019 31.03.2019**	**% change**
Sales volume [GWh]	1 138	746	912	584	432	53%
Total revenue	94 772	74 035	29 816	32 178	24 003	28%
EBITDA	8 259	2 745	1 407	2 888	2 506	201%
EBITDA - adjusted	8 259	24 245	1 407	-	-	-66%
Net profit/(loss) for the period	6 574	2 597	1 979	2 826	2 488	153%

The results achieved in Q1 2023 in the electricity segment were primarily driven by the following factors:

- Taking advantage of the increased liquidity in the Forward/SPOT electricity market which allowed the UNIMOT Group to increase its activity in this market and thus generate additional profit;
- 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.

Future results may be affected by further improvements in the pricing of the fixed-price PV contract profile and increased PV production.

PHOTOVOLTAICS / RENEWABLE ENERGY SOURCES



In the Photovoltaics/Renewable Energy Sources segment, sales revenue in Q1 2023 reached PLN 3.6 million against PLN 2.5 million a year earlier. The segment generated a loss at the EBITDA and net profit level.

PHOTOVOLTAICS / RENEWABLE ENERGY

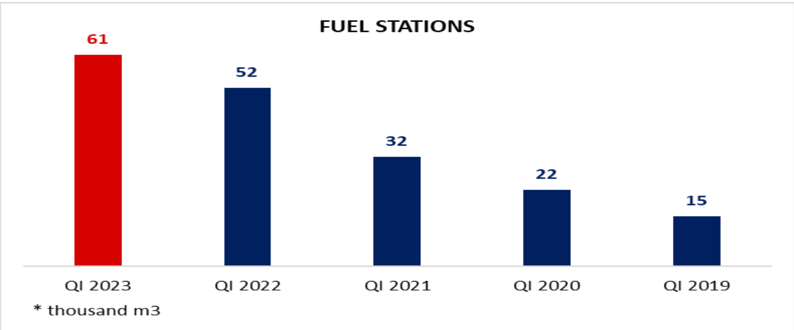
in PLN thousand	01.01.2023 31.03.2023	01.01.2022 31.03.2022	01.01.2021 31.03.2021	% change
Sales volume [KWp]	759	565	959	34%
Total revenue	3 553	2 462	3 234	44%
EBITDA	(686)	(514)	(1 756)	33%
Net profit/(loss) for the period	(602)	(745)	(1 980)	-19%

The results achieved in Q1 2023 in the photovoltaics segment were primarily driven by the following factors:

- Fixed costs to maintain a design/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 realisations.

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 of the date of publication of the report, the Company's portfolio included contracts for large-scale projects (above 50 kWp) at the level of 3.5 MWp. At the same time, the Company is actively seeking new customers interested in industrial installations by extending its product range to include energy storage. 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 panels of non-Asian origin 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.

FUEL STATIONS



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 chain, the Group recorded successive increases in fuel sales at the stations and in Q1 2023, recorded good results in terms of volume sold. The AVIA chain stations operating within the Group sold 61.2 million m^3 of fuel in the period, an increase of 18% year-on-year. Revenues in this segment increased by 58%. y/y. The difference in EBITDA and adjusted EBITDA in Q1 2023 is due to the adjustment of depreciation and amortisation expenses for investments in franchised stations included in operating expenses on the books.

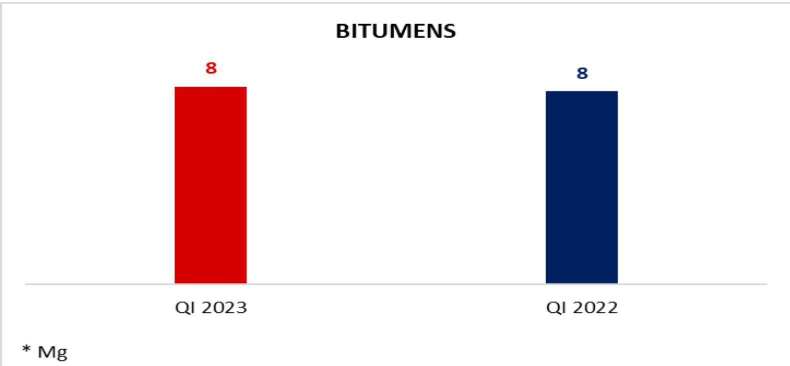
FUEL STATIONS

in PLN thousand	01.01.2023 31.03.2023	01.01.2022 31.03.2022	01.01.2021 31.03.2021	01.01.2020 31.03.2020	01.01.2019 31.03.2019	% change
Sales volume [m3]	61 151	51 618	31 660	22 159	14 500	18%
Total revenue	134 014	84 930	34 553	8 781	7 206	58%
EBITDA	(1 257)	1 352	(277)	(277)	(209)	-
Net profit/(loss) for the period	(4 106)	(211)	(1 076)	(505)	(284)	-1845%

The results achieved in Q1 2023 in the petrol stations segment were mainly driven by the following factors:

- Connection of a further 4 fuel stations to the AVIA chain, including 2 franchised stations and 2 stations operated directly by the Issuer, the so-called own stations (in total, at the end of March 2023, 110 AVIA stations were operating in Poland, including 74 franchised stations and 36 own stations);
- Increased fuel sales volumes at AVIA petrol stations by 18% y-o-y despite the temporary shutdown of four franchised stations due to ongoing ownership changes;
- A significant 43% y-o-y decrease in retail margins in the own-station segment, as a consequence of the unfreezing of VAT on fuels from January 2023 while retail prices could not be increased;
- Launch of a further 4 SPAR Express stores at AVIA stations and the concept is now available to customers at 34 outlets. Unimot regularly records sales growth of over 20% at stations with SPAR shops and is preparing plans to further develop cooperation between the chains;
- Monthly fuel sales linked to the AVIA Card fleet card for business customers exceeded 1 million litres.

Bitumen



The segment includes the production and sale of asphalt products. The segment presents Unimot S.A.'s existing bitumen trading activities, and from the first half of 2023 the activities of Unimot Bitumen sp. z o.o. will be presented.
In Q1 2023, the segment sold 8.2 thousand tonnes of products. Revenues amounted to PLN 17.3 million, down 6% year-on-year. In the reported period, the segment generated a profit of PLN 0.2 million, while EBITDA amounted to PLN 0.3 million.

BITUMENS

in PLN thousand	01.01.2023 31.03.2023	01.01.2022 31.03.2022	% change
Sales volume [Mg]	8 165	7 961	3%
Total revenue	17 337	18 348	-6%
EBITDA	285	242	18%
Net profit/(loss) for the period	182	220	-17%

The results achieved in Q1 2023 in the bitumen segment were primarily driven by the following factors:
-Growth of bitumen sales volumes resulting from prevailing market conditions;
-Achieving additional margin by effectively exploiting market opportunities.
The Bitumen segment's future results will be affected by the commencement of consolidation within the Issuer Group of the operations of Unimot Bitumen sp. z o.o., which was acquired as part of the Lotos Terminals asset acquisition.

Infrastructure and logistics

The Infrastructure and Logistics segment, is a new activity related to rail transport, freight forwarding services and fuel storage. The segment presents the activities of Olavion sp. z o.o., and from the first half of 2023 will present the activities of Lotos Terminale S.A. (future: Unimot Terminale S.A.) together with its subsidiaries Lotos Infrastruktura S.A. (currently: Unimot Infrastruktura S.A. and RCEkoenergia sp. z o.o.

INFRASTRUCTURE AND LOGISTICS

in PLN thousand	**01.01.2023 31.03.2023**
Transport work [million nkm]*	59,1
Total revenue	7 135
EBITDA	2 487
Net profit/(loss) for the period	1 665

**[million ntkm]- million net tonne kilometres*

In Q1 2023, the Infrastructure and Logistics segment included the financial and operating results generated in March 2023 by Olavion Ltd.

The company provides domestic rail freight and transit services - mainly on electric traction, together with last mile and shunting services for loading and unloading. The company also provides services for organising the transport of goods by rail outside Poland. The structure is dominated by transport in wagons provided by principals. The entity provides services both for the UNIMOT Group and for external entities. At the end of March 2023, the company had 16 locomotives and 82 employees, including 52 drivers. After Q1 2023, it held a 1.11% market share in terms of freight work and a 0.59% share by weight of goods carried.

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

- Continued high demand for rail freight;
- Expanding the customer base and winning new freight orders;
- Increasing the scope of cooperation with subcontractors for freight.

Olavion's future results will mainly be affected by the following factors:

- Increasing the operational potential of Olavion in the event of a positive conclusion of talks regarding the acquisition of further locomotives and drivers;
- Further developing cooperation with subcontractors and optimising the use of the company's own resources, i.e. locomotives and drivers, which should improve the efficiency of the company's operations;
- The economic slowdown in the country and in Europe may reduce the volume of freight transported by rail.
- The UNIMOT Group's independent logistics operator business launched in April 2023 as a consequence of the acquisition of 100% of the Lotos Terminals assets. This business includes 9 fuel terminals with a total current capacity of 350,000 m^3 located in Czechowice-Dziedzice, Jasło, Piotrków Trybunalski, Poznań, Bolesławiec, Szczecin, Gutkowo, Rypin and Gdańsk.

Solid fuels

The solid fuels segment presents UNIMOT S.A.'s activities involving trade in hard coal. The offer is addressed to the professional and industrial power industry, heating sector and intermediate wholesale entities. The first deliveries of imported coal in the slack assortment were made in January 2023. This segment will be strengthened following the potential acquisition of an 80% stake in a company dedicated to logistics and trading activities in the energy raw materials industry, including the trading of energy raw materials (biomass and coal), the purchase of sea and land freight, as well as the supervision of deliveries at sea and land border crossings, which the Issuer announced in a current report.

SOLID FUELS

in PLN thousand	**01.01.2023 31.03.2023**
Sales volume [Mg]	4 970
Total revenue	5 442
EBITDA	499
Net profit/(loss) for the period	371

The results achieved in Q1 2023 in the solid fuels segment were primarily driven by the following factors:

- Taking advantage of market opportunities in solid fuel trading;
- Effective acquisition of customers using solid fuels in their operations.

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

- The potential finalisation of the acquisition of a majority stake in a company dedicated to logistics and trading activities in the energy raw materials sector will enable the UNIMOT Group to access the Polish seaport and realise unloading volumes,
- Opportunities to attract more clients.

5.2. DESCRIPTION OF FACTORS AND EVENTS, INCLUDING CERTAIN CHARACTERISTICS, 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 m³, which enables 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 being 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.

Prior to 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 fuel stations were operational in Ukraine.

5.2.2. IMPACT OF THE SARS CORONAVIRUS CoV-2 EPIDEMIC ON THE OPERATIONS AND FINANCIAL SITUATION OF THE CAPITAL GROUP

The Management Board of UNIMOT S.A. is analysing, on an ongoing basis, information concerning the spread of the SARS-CoV-2 coronavirus in the world, particularly in Poland and the region. Based on currently available information, the Management Board of UNIMOT S.A. does not see any threat to the continuation of the supply of essential products, i.e. diesel fuel, biofuels, LPG, natural gas, electricity and other petroleum products. The impact of the COVID-19 pandemic on the business level was negligible in Q1 2023. The introduction of vaccines and the change in regulations to replace the state of epidemic with a state of epidemiological emergency, while at the same time easing restrictions, caused the public to adopt such a situation. It can be seen that, from an economic point of view, the problem of the virus is no longer crucial in contrast to the beginning of the pandemic period (2020 and partly 2021).

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/managers 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.
- Risks in the area of strategic activities and development investments.
- Regulatory and legal 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 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.
Changes in the materiality of individual risk factors in the Group's operations may be influenced in particular by the realisation in 2023 of acquisitions important for the Group's development related to the acquisition of 90% of shares in Olavion sp. z o.o. and 100% of shares in Lotos Terminale S.A.. Should changes in the materiality of the risks listed arise, the Company's Management Board will update the identified risk factors on an ongoing basis. As part of this report, in section 6.2 the Company presents the significant factors for the development of the Group that may affect its operations in future periods.
Below is a table listing 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 issuer assesses risks, categorising them as low, medium, high or critical.

RISK	DESCRIPTION	RISK RESPONSE	LEVEL RISKS
OPERATIONAL RISKS			
RISK OF PRICE VOLATILITY	**In the liquid and gaseous fuels segment**: Fuel price volatility is influenced by the macroeconomic situation, which has an impact on fuel supply and demand. However, political issues and decisions to increase or decrease global fuel stocks and production are an important element influencing the behaviour of commodity prices. In particular, recent years (COVID-19 pandemic) or the ongoing armed conflict in Ukraine and the related economic sanctions imposed on Russia and Belarus have an impact on, inter alia, fuel demand, refinery margins and costs associated with changing fuel suppliers and direction of supply. Changes in the prices of petroleum products and natural gas on global markets, affect the Polish market, so sales of goods may generate a loss or excess profit. The development of fuel prices may also affect the increase in costs from storage and maintenance of compulsory reserves. **In the electricity segment:** Fluctuations and uncertainties in the prices of key energy and derivative products that shape the price of electricity (e.g. CO2, fuels - gas, coal) also affect price volatility in the electricity segment. These factors may also affect the margins earned by the Issuer's subsidiary in this business area.	• conducting an on-going analysis of the market and prices of fuels and CO^2 allowances to respond to changes accordingly; • the use of hedging transactions to hedge purchases and sales, using futures contracts; in the electricity segment, simultaneous monitoring of deposit hedging on the Polish Power Exchange and with the Transmission Network Operator; • 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; • 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 on these products.	HIGH
RISK OF AN INCREASE IN OPERATING COSTS (INFLATION RISK)	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 have a significant negative impact on the Group's results.	• pursuing a sustainable cost policy; • performing ongoing market analysis and budgeting, taking into account forecasts of macroeconomic developments; • shaping product prices in line with the market situation and increases in operating costs.	HIGH
RISK OF DISRUPTION IN THE SUPPLY CHAIN	The ongoing armed conflict in Ukraine and the resulting economic sanctions imposed on Russia and Belarus, as well as the effects of the economic crisis caused by the COVID-19 pandemic, have an impact on the reduction of sources of supply of liquid and gaseous fuels from eastern directions, as well as high demand for fuels from non-sanctioned directions. The geopolitical situation described above also affects supply chain disruptions in the transport and logistics area related to the need to divert supplies. Incurring 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 throughout the supply chain may reduce volumes or increase the cost of obtaining goods and delivering them to customers, and consequently reduce the Group's financial performance.	• diversification of the Company's sources of supply of 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); • organising the sales and purchasing process in line with the market situation, while applying the required internal procedures for document verification; • purchase of additional fuel tankers to strengthen the logistics base; • 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 be able to purchase fuels in larger volumes in the future and	AVERAGE

		to be partially independent of wagon leasers; • the conclusion of a preliminary agreement for the acquisition of terminals as part of the acquisition of assets from Lotos Terminale S.A., which will have the effect of partially decoupling the Group from external terminals and depots and reducing associated costs; • diversifying the Company'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. • conclusion of a lease agreement for the transshipment terminal at Gulfhavn in Denmark, enabling goods to be delivered from western directions	
RISK OF DEPENDENCE ON EXTERNAL TERMINALS AND BASES	The Company uses external terminals and transshipment bases, the selection of which is determined by location, including optimisation of transport costs to the Company's customers. Termination or non-renewal of cooperation agreements with these operators could result in reduced sales volumes and increased transport costs.	• taking steps to diversify bases and terminals; • Acquisition of own bases and terminals as part of the Lotos Terminale S.A. share sale transaction.	HIGH
RISK OF FAILURE OF STORAGE, LOGISTICS AND TRANSPORT INFRASTRUCTURE	The business of storing, handling and transporting liquid and gaseous fuels is 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 tank cars. From the date of acquisition of the Lotos Terminale S.A. assets, this risk also applies to the terminals and depots acquired as part of the transaction. With regard to means of transport, the risk of failure of locomotives belonging to Olavion sp. z o.o. should also be taken into account. The 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 of or damage to property. Such situations expose the Group to loss of reputation and trust, particularly from contractors, investors or the local community, as well as to liability for damages. To the extent that the Group uses external fuel terminals and depots, the failure of this infrastructure may also disrupt the Group's continuity of fuel supply and sales until it is rectified, or even temporarily reduce the volumes of fuel sold.	• implementation and strict adherence to procedures related to working with flammable substances; • the development of documents identifying the hazard and determining the risk of explosion, as well as appropriate safety instructions; • the appropriate location of the Company's bottling plant in open space; • maintaining equipment and technical infrastructure in good technical condition; • carrying out regular inspections of the infrastructure; • monitoring and a system of sensors to minimise the risk of explosion; • implementing appropriate staff training programmes and emergency response instructions; • employing experienced and properly trained staff (including drivers); • using the services and external infrastructure of reputable entities with the relevant permits, licences and market experience, applying security standards; • for transport additionally: basing transport on our own modern transport fleet which meets the highest safety standards; • for gas networks in addition: selection of suitable materials and execution of works in accordance with the requirements of the	AVERAGE

		regulatory authorities, use of safety installations; • have adequate property and liability insurance.	
RISK OF A SEVERE ECONOMIC DOWNTURN	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. In such an event, consumer needs will be met primarily from goods available on the domestic market, which will increase competition in the market for fuel imports and sales. A reduction in the import gap and a reduction in the demand for goods, could lead to a significant reduction in the Group's turnover volume, as well as its revenues derived from sales and fuels. If this risk materialises, the Group's financial performance would be adversely affected.	• 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. • conducting sales on the domestic market through its own chain of AVIA stations; • 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; • the development of fuel markets abroad; • strengthening trading activities abroad.	HIGH
RISK OF A GREY AREA	The existence of a grey market in the liquid fuels segment reduces competitiveness in the market and reduces demand for the products of the Company and its subsidiaries. The appearance of dishonest counterparties in the supply chain raises risks for the Company's and 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 extorting 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.	• the application of appropriate procedures and the verification of the Company's and its subsidiaries' 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; • 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.	AVERAGE
RISK OF INCREASED COMPETITION	In view of the monopolistic nature of the fuel market in Poland, the impact of the emergence of new multinationals on the Polish market should be taken into account, including in connection with the implementation of the European Commission's remedies concerning the conditions of the merger between PKN Orlen S.A. and Grupa Lotos S.A., as well as the possibility of the emergence of similar companies in the future. Increased competition in the market may affect the pricing of products offered by the Group. Entities operating in the same market as the Company and its subsidiaries are also looking for new sources of supply and use the same infrastructure related to the supply of goods - a high supply of goods and the use of a common warehouse and	• applying a policy of competing not only on price, but on the ability to ensure timely and continuous supply; • building direct and lasting relationships with individual and wholesale customers; • pursuing a secure but attractive policy of granting trade credit to customers; • building its own AVIA chain and developing the brand and brand in Poland, including with partners in Poland and abroad; • Building competitive advantage through the acquisition of Lotos Terminale	HIGH

	logistics infrastructure, with a reduction in their availability, may reduce turnover by the Company or its subsidiaries.		
STRATEGIC AND INVESTMENT RISKS			
RISKS ASSOCIATED WITH THE LOTOS TERMINALE S.A. ASSET ACQUISITION TRANSACTION.	The finalisation of the acquisition of 100% of the shares in Lotos Terminale S.A. will cause the Group to grow by leaps and bounds, both in business and financial terms, but also in terms of human resources and employees. Efficient management and organisational measures will be required to effectively manage the new assets, human resources and finances in the new business areas, including consolidation at both accounting and operational levels. During the initial organisational phase and through the period of the Group's adjustment to the new conditions, there is a risk of reduced business efficiency and agility, which may affect the achievement of lower than expected financial results. The consummation of the transaction will also result in the entry into force of loan agreements and collateral, which will increase the Group's liabilities and reduce free working capital, including for new investments.	• Enforcing that the seller properly prepares the assets for acquisition in terms of: IT resources, personnel and TSA/SLAs; • involvement of experienced management and specialists in asset integration and process optimisation; • a proactive approach to customers and business areas - enabling a rapid response to change; • preparation of incentive, cross-selling and up-selling programmes that can increase business efficiency and profitability • 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;	AVERAGE
RISK OF INVESTMENT (ACQUISITION) FAILURE	As part of the implementation of the Group's strategy, the Company invests in acquisitions of shares of entities operating in the same markets or in complementary markets. The Group takes steps to prepare for 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.	• conducting due diligence on the assets or projects being acquired; • 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; • support from experienced external advisors and experts; • Diversification of projects from the Group's various activities, including the distribution of funds from the pool earmarked for investment among the various projects.	AVERAGE
LEGAL AND REGULATORY RISKS			
RISK OF INSTABILITY OF THE LEGAL AND TAX SYSTEM	The Polish legal and tax system is characterised by high volatility of regulations, including in the area of the fuel 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 operations by requiring it to incur additional costs to adapt its business to the changes or to incur higher tax burdens or costs to comply with new legal requirements. The impact of new legislation coming into force could significantly affect the Group's financial	• advice from experienced tax firms and legal advisers in the areas most important to the Group's business; • monitoring changes in legislation relevant to the Group's business and taking steps in advance to adapt the Group's operations to these changes; • participation in industry organisations involved in consultations on draft fuel market regulations;	HIGH

	results and even change its dividend policy.	• Staff participation in training courses and webinars covering tax legislation.	
RISK OF REVOCATION, EXPIRY OR BREACH OF THE LICENCE	The Company and Group companies operate on the basis of concessions granted by the President of the Energy Regulatory Authority and are therefore exposed to the risk of the revocation, expiry or breach of fuel trading concessions or the imposition of a financial penalty due to a 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.	• selection of managers and advisors with experience in the activities covered by the concessions held by the Company and its subsidiaries; • monitoring the validity of customers' concessions on the ERO website; • monitoring the Company's and its subsidiaries' compliance with the terms of the concessions granted. • Staff participation in training courses and webinars covering concession regulations; • 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.	HIGH
THE RISK OF LEGAL REGULATION OF ENERGY PRICES	In the Group's electricity and natural gas sales business area, the Company 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 in 2023 applies in 2023. And in the field of natural gas, the law of 15.12.2022 on special protection for 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.	• Assessment of the impact of the introduced legislation on the Company - Cooperation with experienced law firms and advisors specialising in energy law • monitoring possible amendments and taking measures that can minimise the negative impact of regulations on the Group's operations.	AVERAGE
RISKS ASSOCIATED WITH THE OBLIGATION TO PROVIDE NIT AND NRT	The Group, while trading in liquid fuels and liquid 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,	• pursuing an appropriate fuel purchasing policy, taking into account the emission performance and biocomponent content of the products purchased; • on-going monitoring of the implementation of the NIT and NRT and the legislation determining the manner and amount of the coefficients set; • joint settlement with other NRT entities; • monitoring and expanding the product range of biocomponents	LOW

	which could result in the Group being fined.	used for the implementation of NIT and NRT; • establishing cooperation with new suppliers of bio-components.	
TRANSFER PRICING RISK	In the course of the Group's operations, transactions are carried out that allow the Group to conduct its business activities in an efficient manner, using the competences and assets belonging to the individual Group companies. With regard to the performance of transactions with related parties, 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 ("transfer prices") and other material terms and conditions, i.e. documentation requirements. Due to the ambiguity of the regulations, there is a potential 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 the Company or its subsidiaries.	• cooperation with experienced law firms and advisors in the creation of transfer pricing documentation; • organising the Group's activities in an efficient and optimal way from the point of view of the need for transactions between related parties; • the application of arm's length conditions in transactions with related parties and the proper documentation of these transactions.	HIGH
FINANCIAL RISKS			
INTEREST RATE RISK	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.	• 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.	AVERAGE
LIQUIDITY RISK	Due to the use of external bank financing and the involvement of significant working capital in liquid and gaseous fuel trading, 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, in the future, the acquisition of 100% of the shares in Lotos Terminale S.A.	• ongoing monitoring of debt ratios and bank covenants; • adjusting the volume of investments and dividend payments in line with the needs for access to working capital; • 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; • taking action to optimise costs; • efficient management of working capital, restrictive policy of granting buyer limits, inter alia through the use of short payment terms; • optimisation of goods procurement, rapid turnover of product inventories.	AVERAGE
CURRENCY RISK	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	• the application of a currency risk hedging procedure to minimise the risk of fluctuations in exchange rates from the point of purchase of	AVERAGE

	exchange rates of these currencies, occurring with intensification, due to the global political and economic situation, may translate negatively into the margins achieved and therefore the Group's financial results.	commercial goods to the point of sale in cases where purchases and sales are made in different currencies; • 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; • 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.	
CREDIT RISK	The Group's trading activities offer some of its counterparties the possibility of using trade credit, 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 of extended time for the repayment of receivables or the need to make allowances for bad debts from counterparties, which may have an insignificant impact on the Group's financial results.	• assessing and monitoring the financial health of counterparties; • 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; • the use of prepayment for new counterparties and those not meeting the conditions for the granting of a buyer's limit; • continuous monitoring of receivables by a dedicated team operating within the Company/Group structures; • the use of transaction collateral and working with insurers to insure receivables; • use of business intelligence services and law firms specialising in debt recovery.	AVERAGE
RISK OF THE IMPACT OF DIFFERENCES IN THE VALUATION OF COMPULSORY RESERVES OF LIQUID FUELS AND GAS ON FINANCIAL RESULTS	The Company and its subsidiary, Unimot Paliwa, are or will be obliged, in connection with their operations, to maintain compulsory reserves of crude oil and other liquid and gaseous fuels. The valuation of inventories 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. 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.	• hedging fuel purchases with appropriate hedging transactions, using futures contracts; • the use of adjusted EBIDTA to enable proper assessment of the Group's activities, including by investors and financial institutions;	AVERAGE
ENVIRONMENTAL RISKS			
RISK OF NON-ADAPTATION OF	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	• conducting market analysis and monitoring legislative developments;	HIGH

ACTIVITIES TO EU CLIMATE POLICY	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 filling stations for the sale of new types of fuel (e.g. electric vehicle charging stations, hydrogen refuelling capabilities, etc.). This will require incremental additional capital expenditure over the long term. The Group's exposure to this risk is lower than that of manufacturing companies in the industry, due to the absence of the highly capital-intensive expenditure required to replace these assets.	• basing revenues from fuel sales on a flexible business model; • continuing the UNIMOT Group's strategy of diversifying into renewable energy sources, including the development of the AVIA Solar brand; • investing in biogas, LNG, CNG production technology;	
RISK OF REDUCED FUNDING FOR FOSSIL FUEL ACTIVITIES	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.	• Monitor legislative changes and market practice; • Transparent ESG information policy and reporting; • Gradual diversification of UNIMOT Group's activities, including towards RES (opportunity to obtain favourable financing conditions); • conducting coal trading activities in a way that does not affect the assessment of the Group's ability to obtain bank financing; • Constant contact with financial institutions regarding risks associated with potential funding reductions and taking corrective action.	HIGH
RISK OF ENVIRONMENTAL POLLUTION IN THE EVENT OF INCIDENTS	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 pipeline or gas installation leak. The risk of a leak, spill or explosion also applies to the terminal and storage facilities acquired as part of the Lotos Terminale S.A. acquisition. There is also a risk of leakage of petroleum substances during transport - both by road and by rail. Such incidents - if they occur - could lead to local environmental contamination and damage to biodiversity that is difficult to repair. In connection with the transaction for the acquisition of the Lotos Group's fuel	• implementation and strict adherence to procedures related to working with flammable substances; • the development of documents identifying the hazard and determining the risk of explosion, as well as appropriate safety instructions; • suitable location of the bottling plant in an open area; • maintaining equipment and technical infrastructure in good technical condition; • carrying out regular inspections of the infrastructure; • monitoring and a system of sensors to minimise the risk of explosion; • implementing appropriate staff training programmes and emergency response instructions;	AVERAGE

	terminals and bitumen production facilities, an increase in risk will result from an increase in the scale of operations and bitumen production activities.	• employing experienced and properly trained staff (including drivers); • for transport additionally: basing transport on our own modern transport fleet which meets the highest safety standards; • 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; • working with specialist environmental and health consultancies to manage these risks, • having adequate liability and property insurance, transferring part of the risk to insurers.	
RISK OF ENVIRONMENTAL POLLUTION AS A RESULT OF ACCIDENTS	The Group's activities in the area of storage, handling and transport of liquid and gaseous fuels involve a risk of explosion or ignition. This may materialise as a result of an accident at a gas bottling plant, which is a high-explosion risk facility entered in the relevant register of the provincial governor, or as a result of a pipeline or gas installation leak. There is also a risk of leakage of an oil-based substance or gas during transport. Such events - if they occur - can lead to local environmental contamination and damage that is difficult to repair.	• implementation and strict adherence to procedures related to working with flammable substances; • the development of documents identifying the hazard and determining the risk of explosion, as well as appropriate safety instructions; • appropriate location of the bottling plant in an open area; • maintaining equipment and technical infrastructure in good technical condition; • carrying out regular inspections of the infrastructure; • monitoring and a system of sensors to minimise the risk of explosion; • implementing appropriate staff training programmes and emergency response instructions; • employing experienced and properly trained staff (including drivers); • for transport additionally: basing transport on our own modern transport fleet which meets the highest safety standards; • 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; • have adequate property and liability insurance.	AVERAGE
SOCIAL RISKS			
RISK OF LOSING KEY MANAGEMENT PERSONNEL	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	• building and maintaining long-term good relationships with key managers and employees; • analysing the market for employment and offering attractive terms of employment; • running a bonus scheme for board members;	AVERAGE

	loss of key management personnel and the difficulty of replacing them quickly can reduce the efficiency of the business.	• team building and focus on substitutability within the team; • building a consistent and positive corporate image;	
THE RISK OF NOT BEING ABLE TO ATTRACT QUALIFIED STAFF	The situation on the labour market related to unemployment, which has been low for several years, and the persistence of the so-called "employee market" affect the demand for qualified employees higher than supply also in the industry in which the Company operates. Such a state of affairs may result in difficulty in attracting qualified people and, consequently, hinder the Group's growth.	• offering competitive working conditions and remuneration; • nurturing good relations with employees; • developing an organisational culture focused on feedback and employee engagement; • providing staff development for ongoing projects;	AVERAGE
RISK OF OCCUPATIONAL ACCIDENTS (OSH)	The Group's employees and those working on behalf of companies cooperating with the Group, carrying out work related to the storage, handling and transport of liquid and gaseous fuels, as well as those carrying out the installation of photovoltaic (PV) panels, are exposed to the risk of occupational accidents. This risk can be increased by routine and by ignoring internal and external regulations. Moderate and severe occupational accidents resulting in loss of health or human life are an unacceptable risk in the UNIMOT Group - they may give rise to negative consequences for the Group in the area of liability for damages, as well as causing loss of reputation and trust on the part of contractors, investors or employees.	• ensuring safe working conditions; • control of the working environment; • employee training in the area of health and safety; • carrying out training instructions before allowing employees to work in a specific position; • building risk awareness, including by providing information on the occupational risk factors associated with specific jobs; • building the right habits among employees.	AVERAGE
RISK OF PERSONAL DATA LEAKAGE	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 its operational processes, the Group has standardised procedures in place to manage the risks associated with the potential occurrence of breaches in data processing processes, including data leakage.	• implementation of standardised procedures related to personal data processing processes, including procedures defining the handling of a personal data breach; • implementation of technical solutions guaranteeing, among other things, the integrity and traceability of all data processing; • improving staff knowledge through regular training; • periodic audits of the technical and organisational solutions used.	LOW
RISK OF CYBER ATTACK	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, together with the increase in 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	• providing optimal hardware solutions from a security point of view; • building user (employee) awareness, raising awareness of danger symptoms, developing good user habits; • the UNIMOT Group's compliance with the requirements of the General Data Protection Regulation (GDPR); • systematic evaluation of the assessment of the risk of loss of confidentiality, integrity or availability of information assets; • strict adherence to and application of the rules arising from, inter alia: Security Policy, Backup Policy; • adaptation to the requirements of, among others, the National Cyber Security System Act;	HIGH

		• preparing for the implementation of ISO 27001; • monitoring legislative developments; • established acceptance path and internal regulations for the access granting process; • training on regulations to prevent money laundering and terrorist financing.	
CORPORATE GOVERNANCE RISKS			
RISK OF INADEQUATE ORGANISATIONAL STRUCTURE	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 will commence operations 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.	• involvement of experienced management and specialists in asset integration and process optimisation; • Implementing internal regulations and procedures that allow the Group to operate efficiently and effectively as an organisation; • process improvement and optimisation aimed at achieving cost synergies and building a business-efficient organisation; • analysing market trends with a view to applying the solutions most appropriate to the Group's level of development; • adapting the structure to current requirements and market practices in the financial, operational and legal/regulatory areas.	AVERAGE
INTERNAL REGULATION EFFECTIVENESS RISK	Due to the Group's growth and the numerous regulatory requirements associated with the Group's fuel and capital market activities, numerous internal procedures and regulations need to be implemented and applied to ensure consistent and effective management of the Group. 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. These situations may reduce the Group's operating efficiency and increase the legal risk of its business.	• Implementing internal regulations and procedures that allow the Group to operate efficiently and effectively as an organisation; • ongoing monitoring of the legislation applicable to Group companies and adaptation of regulations and procedures to new legislation; • analysing market trends with a view to applying the solutions most appropriate to the Group's level of development; • the operation of Internal Audit in the Company, whose task is to detect and assess potential risks that may arise within the Company's operations and to examine and evaluate the adequacy, effectiveness and efficiency of the management control systems; • examination by the Internal Auditor of the compliance and effectiveness of the Group's processes with internal regulations • training to raise staff awareness of key responsibilities set out in internal regulations.	AVERAGE

REPUTATIONAL RISK	If the risks described in this report materialise, the image of the Group and the Board Members may be damaged. A damaged reputation of the Board Members or key managers may translate into a loss of confidence in the Company, 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 perception of the Group on the capital market and thus the share price. In particular, the following factors could affect the Company's image: infrastructure failure and environmental pollution, work accident, disclosure of company secrets imposition of a fine by a regulatory authority, communication of an unethical marketing message.	• managing in a continuous process the risks described in this report; • Adoption of a "Media Contact Policy" in the form of a resolution of the Management Board setting out the rules for external communication; • employing an experienced PR Manager to manage the external communications area; • the use of professional media monitoring tools to control all publications and messages about the Company in real time; • building good relations with the media and the local community and investors; • rapid analysis of the situation and reaction and response to articles; • training of new employees in communication principles, including communication on social media.	AVERAGE
RISK OF CORRUPTION AND BRIBERY	Corruption and bribery are among the key ills of the modern economy, handicapping it and making it inefficient. At Group level, it could lead to sub-optimal decisions from the point of view of the company's interests on the one hand, and expose the company to reputational damage and painful sanctions on the other.	• implementation and application of the Anti-Corruption Programme, which provides the basis for establishing and supporting preventive and educational solutions to counter corrupt behaviour; • exercise of supervision by the Company's Management Board over the implementation of the Anti-Corruption Programme.	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 6.3 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 arising from changes in the economic situation, resulting in 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 Group companies).

LEGAL AND REGULATORY - risks related to changes in the legal system and uncertainties in the regulatory environment, including in relation to unexpected changes, inter alia, in the tax burden, 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 - risk of not achieving the anticipated efficiencies and synergies from the acquisitions completed in early 2023. RISK OF IMPACT and the need for the Group to adapt to operations in new business areas.

COMPETITION - the risk of distortions in competition 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 on 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.

SOCIAL PREFERENCES - risks arising from the expected further evolution of societal preferences towards caring for the environment, running a sustainable business and social responsibility, in terms of mass customer expectations, employer attractiveness ratings and public opinion that may affect the Group.
SECURITY - 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, they started to rise steadily in the second quarter of 2021, which negatively affects the cost of debt servicing. Unfortunately, high domestic and global inflation will have an impact on further increases in 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 currencies of payment 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[1] .
- **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 onshore 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 projections. 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

[1] Cire.pl - Geopolitical and macroeconomic determinants of fuel price increases

the exclusion of fuel supplies from Russia will be permanent and therefore special attention should be paid to the appropriate development of infrastructure.

- **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.
- **The costs of implementing the National Indicative Target, the National Reduction Target, the EFE that fuel producers and importers are obliged to bear, which affect 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^2 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 has an impact on the prices of fuels offered and the margin realised on them.
  - EFE (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 condensed interim consolidated and standalone financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 - Interim Financial Reporting ("IAS 34") and in accordance with the relevant accounting standards applicable to interim financial reporting as adopted by the European Union, as published and effective at the time of preparing the interim financial statements using the same principles for the current and comparable periods.
The detailed accounting policies adopted by the Group are described in the Group's financial statements for the year ended 31 December 2022.
The condensed consolidated and standalone interim financial statements as of 31 March 2023 have been prepared on the assumption that Unimot Group will continue as a going concern in the foreseeable future. As of the date of the condensed interim financial statements, there are no circumstances indicating a threat to Unimot Group's going concern.

7.2. CONSOLIDATED STATEMENTS OF TOTAL REVENUES

in PLN thousand	**01.01.2023 31.03.2023**	**01.01.2022 31.03.2022**	**01.01.2021 31.03.2021**	**01.01.2020 31.03.2020**	**01.01.2019 31.03.2019**	**Change % 2023/2022**
Sales revenue	3 272 244	2 325 031	1 579 142	1 176 895	875 309	41%
Profits/(losses) on financial instruments relating to fuel trading	7 085	46 215	(6 818)	18 486	(6 656)	-85%
Cost of goods and materials sold	(3 030 476)	(2 160 653)	(1 481 590)	(1 169 453)	(824 614)	40%
Gross profit/(loss) on sales	**248 853**	**210 593**	**90 734**	**25 928**	**44 039**	18%
Other operating revenue	985	619	349	786	2 487	59%

Selling costs	(114 029)	(51 650)	(46 423)	(37 633)	(23 448)	121%
Overheads	(23 889)	(12 951)	(5 010)	(4 957)	(4 916)	84%
Other net profits/(losses)	796	(149)	100	107	347	-634%
Other operating expenses	(3 689)	(2 306)	(375)	(150)	(87)	60%
Operating profit/(loss)	**109 027**	**144 156**	**39 375**	**(15 919)**	**18 422**	-24%
Financial revenue	1 142	31	131	5 432	3 606	3584%
Financial costs	(5 899)	(3 923)	(1 476)	(2 318)	(1 864)	50%
Net financial revenue/(expenses)	(4 757)	(3 892)				22%
Profit/(loss) before tax	**104 270**	**140 264**	**38 030**	**(12 805)**	**20 164**	-26%
Income tax	(22 280)	(25 519)	(8 008)	2 189	(3 829)	-13%
Net profit/(loss) for the reporting period	**81 990**	**114 745**	**30 022**	**(10 616)**	**16 335**	-29%

In the first quarter of 2023, the Unimot Group generated sales revenue of PLN 3 279 329 thousand, which was higher by PLN 908 083 thousand, or 41% against those achieved in the corresponding period of 2022.

The following factors contributed to the increase in sales revenue during the period:

- higher revenue from liquid fuel trading by PLN 772,710 thousand or 43%;
- higher revenues from LPG trading by PLN 110,250 thousand or 59%;
- higher revenues from energy trading by PLN 20,737 thousand or 28%.

The cost of goods and materials sold in the first quarter of 2023 increased by PLN 869,823 thousand, or 40 per cent, against the same period in 2022, mainly due to an overall increase in turnover and variable prices of purchased goods and materials.

In the first quarter of 2023, the Group achieved a gross profit of PLN 104 270 thousand, which is PLN 35 994 thousand lower against the same period of 2022.

A consequence of the increase in turnover and in the prices of goods and materials was a significant increase in other costs by type discussed below, as well as an increase in operating and financial costs.

Costs by type

in PLN thousand	01.01.2023 31.03.2023	01.01.2022 31.03.2022	01.01.2021 31.03.2021	01.01.2020 31.03.2020	01.01.2019 31.03.2019	% change
Depreciation of tangible fixed assets and intangible assets	(2 768)	(1 724)	(1 496)	(1 155)	(940)	61%
Amortisation of right-of-use asset	(2 802)	(1 408)	(1 713)	(363)	-	99%
Consumption of materials and energy	(4 862)	(688)	(2 310)	(610)	(657)	607%
Third-party services	(99 511)	(50 979)	(41 692)	(32 934)	(20 758)	95%
Taxes and charges	(5 401)	(1 455)	(448)	(398)	(265)	271%
Salaries	(26 386)	(5 265)	(9 862)	(9 191)	(3 117)	401%
Social security and other benefits	(1 888)	(1 152)	(795)	(654)	(651)	64%
Other costs by type	(4 967)	(5 100)	(3 405)	(1 980)	(1 374)	-3%
Total costs by type	**(148 585)**	**(67 771)**	**(61 721)**	**(47 285)**	**(27 762)**	**119%**

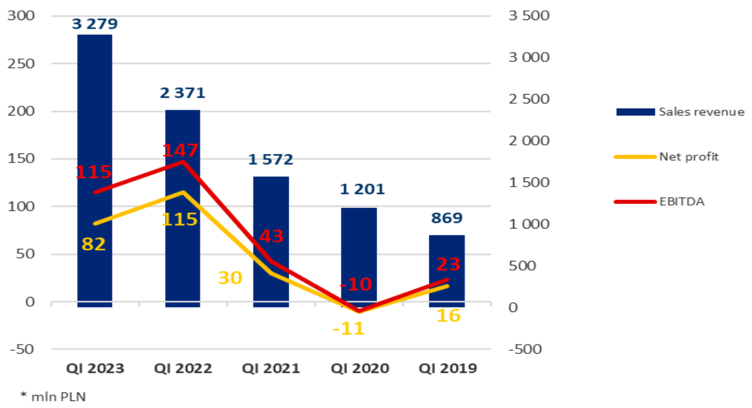
In the first quarter of 2023, costs by type increased by 119% compared with the same period in 2022, amounting to PLN 80,814 thousand.

The largest increase was recorded in the item of third-party services, which grew by 95% and was higher by PLN 48 532 000 against the same period of the previous year. This item includes primarily the costs of services related to transport, warehousing, logistics services, legal services, representative and consultancy contracts. The recorded increase in this item is assessed as stable and inextricably linked to the increase in overall sales revenue.

Salaries in the Unimot Group increased by 401 per cent relative to the first quarter of 2022 and were higher by PLN 21,121 thousand relative to the same period of the previous year. The reason for the increase in salaries is the overall increase in employment in the capital group. A consequence of the increase in remuneration is an increase in employee benefits comprising mainly social security, as well as expenses related to health care and employee training.

Employee benefits increased by approximately 64% and were PLN 736 thousand higher than in Q1 2022.

BASIC FINANCIAL AND ECONOMIC DIMENSIONS OF THE CG



in PLN thousand	01.01.2023 31.03.2023	01.01.2022 31.03.2022	01.01.2021 31.03.2021	01.01.2020 31.03.2020	01.01.2019 31.03.2019
EBIT *	109 027	143 663	39 375	(11 382)	18 422
EBITDA **	114 581	146 795	42 584	(9 861)	22 854
GROSS RESULT	104 270	140 264	38 030	(12 805)	20 164
NET RESULT	81 990	114 745	30 022	(10 616)	16 335

* **EBIT -->** *Earnings Before Interest and Taxes.*
** **EBITDA -->** *Earnings Before Interest, Taxes, Depreciation and Amortisation.*

EBITDA in the first quarter of 2023 amounted to PLN 114,581 thousand, which is PLN 32,214 thousand less against the corresponding period of 2022.
The gross result in the first quarter of 2023 amounted to PLN 104,270 thousand and was PLN 35,994 thousand lower against the same period of 2022.
The net result in the first quarter of 2023 amounted to PLN 81,990 thousand and was PLN 32,755 thousand lower against the same period of 2022.

RESULTS - corrected

in PLN thousand	01.01.2023 31.03.2023	01.01.2022 31.03.2022	01.01.2021 31.03.2021	01.01.2020 31.03.2020	01.01.2019 31.03.2019
Adjusted EBITDA	104 856	85 126	28 311	32 861	11 084
adjusted NET RESULT	72 265	53 076	15 749	32 106	4 565

YTD results in Q1 2023 were adjusted by **PLN 9,725 thousand** as a result of:

- adjustments of the impact of accounting valuations and cost shifts over time related to the turnover of diesel and biofuels: (-)PLN 10 500 thousand,
- Adjustments to depreciation costs of investments in franchised stations recognised in operating expenses: PLN 775 thousand.

7.3. ANNUAL CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

in PLN thousand	31.03.2023	31.12.2022	31.12.2021	31.12.2020	31.12.2019	Percentage share in total
Fixed assets						
Tangible fixed assets	65 404	101 838	45 965	35 834	33 377	3%
Right to use assets	206 879	105 230	69 856	54 278	12 119	11%
Intangible assets	33 028	19 331	21 233	21 714	18 578	2%
Other financial assets	260	260	260	260	2 916	0%
Long-term receivables	6 836	6 675	30 500	13 247	2 224	0%
Derivative financial instruments	-	**7 835**	-	**5 233**	-	0%
Client contract assets	8 365	8 586	7 739	9 899	9 184	0%

Deferred income tax assets	25 871	19 319	12 163	8 267	1 995	1%
Total fixed assets	**346 643**	**269 074**	**187 716**	**148 732**	**80 393**	**18%**
Current assets						
Inventories	432 578	257 175	325 215	166 695	239 258	22%
Client contract assets	2 945	3 094	2 128	1 322	1 162	0%
Trade and other receivables	773 427	728 757	513 303	332 671	306 314	40%
Other financial assets	40 663	72 315	68 076	194	3 537	2%
Derivative financial instruments	22 482	7 820	27 517	14 885	12 123	1%
Income tax receivables	7 748	**5 951**	**11 573**	-	-	0%
Cash and cash equivalents	290 249	312 463	79 092	116 063	38 836	15%
Other current assets	11 308	8 628	16 668	9 773	5 497	1%
Total current assets	**1 581**	**1 396 203**	**1 043 572**	**641 603**	**606 727**	**82%**
TOTAL ASSETS	**1 928**	**1 665 277**	**1 231 288**	**790 335**	**687 120**	**100%**

As of 31 March 2023, the balance sheet figures have increased against those reported at the end of 2022. Total assets increased by 16% compared to the figures reported at the end of 2022, representing PLN 262,766 thousand. Fixed assets accounted for 18% of the balance sheet total and current assets for 82%.

The largest increase in non-current assets was in the item of right to use assets. This increased by 11% compared to the figures published at the end of 2022, which amounted to PLN 101,649 thousand.

This increase is related to the development of rolling stock, i.e. the purchase of wagons and tankers and the acquisition of the fixed assets of the Olavion company, which consisted, among other things, of locomotives. In addition, the change in the item of tangible fixed assets, i.e. a decrease of PLN 36 434 000, is due to the sale of some of the tank cars and the subsequent conclusion of lease agreements, which are reflected in the item of right to use assets.

The value of current assets at the end of the first quarter of 2023 increased by PLN 185 197 thousand or 13% against the end of 2022. The biggest changes occurred on the side of inventories, trade receivables and other financial assets.

The value of inventories increased by 68 %, amounting to PLN 175 403 000. This increase is related to the need to maintain compulsory reserve and operational inventory.

Trade and other receivables increased by 6% relative to the end of 2022, amounting to PLN 44,670k.

Other financial assets fell by 43% on the corresponding period of 2022, representing an amount of (-) PLN 31,652 thousand.

Derivative financial instruments increased by 187% on the corresponding period of 2022, amounting to PLN 14,662 thousand.

in PLN thousand	**31.03.2023**	**31.12.2022**	**31.12.2021**	**31.12.2020**	**31.12.2019**	**Percentage share in total assets**
LIABILITIES						
Equity						
Share capital	8 198	8 198	8 198	8 198	8 198	0%
Other capital	306 992	306 922	234 946	218 816	181 140	16%
Foreign exchange differences on translation of foreign operations	(73)	(56)	82	16	(127)	0%
Retained earnings and current year result	470 770	388 940	82 923	38 950	57 725	24%
Equity of shareholders of the Parent Entity	**785 887**	**704 074**	**326 149**	**265 980**	**246 936**	**41%**
Non-controlling interests	1 172	(280)	(274)	(99)	-	0%
Total equity	**787 059**	**703 794**	**325 875**	**265 881**	**246 936**	**41%**
Long-term liabilities						
Loans, borrowings, leases and other debt instruments liabilities	186 604	96 332	65 078	48 996	13 094	10%
Employee benefit obligations	282	282	219	256	185	0%
Derivative financial instruments		-	24 944	3 438	5 648	0%
Deferred tax liability	22	-	2 056	-	2 078	0%
Total non-current liabilities	**186 908**	**96 614**	**92 297**	**52 690**	**21 005**	**10%**
Short-term liabilities						
Overdraft facilities	230 046	206 754	336 563	172 440	205 350	12%

Loans, borrowings, leases and other debt instruments liabilities	22 616	11 300	8 829	9 401	4 867	1%
Derivative financial instruments	14 450	16 356	58 685	17 700	2 421	1%
Employee benefit obligations	1 290	1 290	753	539	435	0%
Income tax liabilities	952	23 144	-	2 621	1 500	0%
Liabilities from contracts with customers	33 299	73 429	9 492	4 130	3 070	2%
Trade and other liabilities	651 423	532 596	398 794	264 933	201 536	34%
Total current liabilities	**954 076**	**864 869**	**813 116**	**471 764**	**419 179**	**49%**
Total liabilities	**1 140 984**	**961 483**	**905 413**	**524 454**	**440 184**	**59%**
TOTAL LIABILITIES	**1 928 043**	**1 665 277**	**1 231 288**	**790 335**	**687 120**	**100%**

Shareholders' equity as of 31 March 2023 increased by 12% compared to published 31 December 2022, representing PLN 83 265 thousand. The main influence on the increase in equity was the profit generated in the first quarter.
Shareholders' equity at 31 March 2023 represented 41% of total assets and was by 1 p.p. lower compared to the figures at 31 December 2022.
Long-term liabilities increased by 93%, amounting to PLN 90,294 thousand. The highest increase in this section was recorded in the item of liabilities from loans, borrowings, leases and debt instruments, which increased by 94% compared to the figures as of 31 December 2022. The liability items are presented in detail in the notes to the consolidated financial statements prepared as of 31 March 2023.
Short-term liabilities accounted for 49% of the balance sheet total. In Q1 2023, they increased by 10%, amounting to PLN 89 207 thousand. The highest changes in this section were recorded in the item Liabilities on account of loans and borrowings, which increased by 100%, amounting to PLN 11 316 thousand.
Liabilities from contracts with customers 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. In the first quarter of 2023, there was a decrease of 55% in liabilities from contracts with customers, which amounts to PLN 40,130 thousand.
Trade and other liabilities in the first quarter of 2023 increased by 22% compared with the same period in 2022, an increase of PLN 118,827 thousand.
The increase in external financing is linked to the overall increase in turnover.

7.4. INDEX AND COMPARATIVE ANALYSIS OF THE GROUP

The Group's ratio assessment presented below is based on the consolidated financial statements for Q1 2023 and the comparative period.

Liquidity

The following indicators were used to assess liquidity:

- **Current ratio - the ratio of current assets to current 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 current liabilities.** A ratio indicating the Group's ability to repay its current short-term liabilities in the short term, i.e. after liquidating short-term financial assets, collecting short-term receivables and using 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	31.03.2023	31.12.2022	31.12.2021	31.12.2020	31.12.2019	Change
Current ratio	1,7	1,6	1,3	1,4	1,4	*10 p.p.*
Quick liquidity ratio	1,2	1,3	0,9	1,0	0,9	*(10)p.p.*
Cash flow ratio	0,3	0,4	0,1	0,2	0,1	*(10) p.p.*

In the first quarter 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 indicators allowing the Group to assess the effectiveness of its sales activities and the impact of individual 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 indicator 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 revenue 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 indicator 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 indicator 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 INDICATORS	31.03.2023	31.03.2022	31.03.2021	31.03.2020	31.03.2019	*Change (p.p.)*
ROE	10,4%	26,0%	10,1%	-4,5%	7,8%	*(15.6) p.p.*
ROA	4,3%	5,4%	2,8%	-1,4%	2,5%	*(1.1) p.p.*
RATE OF PROFIT ON SALES	7,6%	8,9%	5,8%	2,6%	5,1%	*(1.3) p.p.*
EBIT PROFITABILITY	3,3%	6,1%	2,5%	-0,9%	-	*(2.8) p.p.*
EBITDA PROFITABILITY	3,5%	6,2%	2,7%	-0,8%	-	*(2.7) p.p.*
NET PROFITABILITY	2,5%	4,8%	1,9%	-0,9%	-0,9%	*(2.3) p.p.*

The return on equity ratio in the first quarter of 2023 was 10.4 per cent, down by 15.6 p.p. against the same period of the previous year.

The return on assets ratio was 4.3% (down by 1.1 p.p. on the first quarter of the previous year).

Profitability ratios in the first quarter of 2023 were on average by 2.6 p.p. lower than the ratios achieved in the corresponding period of 2022.

Performance

The following indicators 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 90 days. The ratio represents the average period, defined in days, after which receivables are collected from invoices issued by the Group. In general, the aim should be to minimise this ratio.
- **Short-term liabilities turnover (in days): Ratio** of current liabilities to suppliers at the end of the financial year to net sales revenue x 90 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 90 days. The ratio represents the average period, defined in days, over which the Group holds inventory before selling it. For reasons of efficiency, efforts should be made to minimise this ratio.

PERFORMANCE INDICATORS	31.03.2023	31.03.2022	31.03.2021	31.03.2020	31.03.2019	Change
Turnover of trade receivables (in days)	21	33	29	18	29	*(12)*
Turnover of trade liabilities (in days)	18	32	24	17	19	*(14)*
Inventory turnover (in days)	12	27	14	9	21	*(15)*
Inventory turnover (in days) adjusted by compulsory reserve	10	13	5	4	9	*(3)*

In the first quarter of 2023, the turnover rate of trade receivables was 21 days, down by 12 days on the same period last year.

The liabilities turnover ratio in the first quarter of 2023 was 18 days (down by 14 days).
The inventory turnover rate in days was 12 days, down by 15 days against the same period in 2022.
The inventory turnover ratio adjusted for compulsory reserve in days was 10 days, down three days against the same period in 2022.

CASH TO CASH	31.03.2023	31.03.2022	31.03.2021	31.03.2020	31.03.2019	Change
inventory cycle + receivables cycle - liabilities cycle	15	28	19	10	31	*(13)*
Adjusted for the value of compulsory reserve, cash cycle	13	14	10	5	19	*(1)*

The cash to cash ratio in the first quarter of 2023 was 15 days. Compared to the first quarter of 2022, the cycle was 13 days shorter.

Debt assessment

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

- **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	31.03.2023	31.12.2022	31.12.2021	31.12.2020	31.12.2019	*Change (p.p.)*
Total debt ratio	59%	58%	74%	66%	64%	*1 p.p.*
Asset coverage ratio	41%	42%	27%	34%	36%	*(1) p.p.*
Equity to fixed assets ratio	227%	262%	174%	179%	307%	*(35) p.p.*
Total debt ratio adjusted for the loan to compulsory reserve	59%	58%	66%	56%	52%	*1 p.p.*

In the first quarter of 2023, the total debt ratio stood at 59% and was of a similar level to the value received at the end of 2022. The value received means that the CG's assets are approximately 59% financed through third-party financing.
In turn, the asset coverage ratio was 41%, which means that the CG's assets are 41% financed by equity.
The equity to fixed assets ratio calculated on the basis of financial data for the first quarter of 2023 was 227%.

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,
- 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 in PLN thousand	31.03.2023	31.12.2022	31.12.2021
Credits and loans	0	348	3 617
Lease liabilities	209 220	107 284	70 290
Overdraft facilities	230 046	206 754	336 563
Total Liabilities from loans, borrowings, leases and overdrafts	**439 266**	314 386	410 470

in PLN thousand	Lease payments	Interest	Capital	Lease payments	Interest	Capital
		31.03.2023			31.12.2022	
up to one year	34 036	11 420	22 616	16 515	5 563	10 952
1 to 5 years	108 034	32 712	75 322	50 794	16 255	34 539
Over 5 years	139 046	27 764	111 282	78 312	16 519	61 793
Total	**281 117**	**71 896**	**209 220**	**145 621**	**38 337**	**107 284**

As of 31 March 2023, the Group reported liabilities from loans, borrowings and leases of PLN 439,266 thousand, these liabilities increased by 39% relative to 31.12.2022. Lease liabilities increased by 95% relative to year-end 2022.
Capital lease liabilities with a term of up to one year represent 10% of the value of these liabilities.
Capital lease liabilities with terms of between 1- and 5-years account for 36% of the value of these liabilities.
Capital lease liabilities with a term of more than 5 years represent 54% of the value of these liabilities.

Analysis of credit and loan agreements as of 31.03.2023

in PLN thousand

Name of financing company	Long-term part	Short-term part	Carrying amount	Rate %	Currency of the loan	Type of liability	Date of award	Termination period of contract
BOŚ Bank S.A.	-	393	393	3M WIBOR + margin	PLN	Revolving credit/overdraft facility	29.06.2021	28.06.2023
Bank Millennium S.A.	-	-	-	1M WIBOR/ EURIBOR/ SOFR+ margin	PLN/ USD/ EUR	Umbrella loan / overdraft facility	25.11.2019	19.02.2023
mBank S.A.	-	-	-	1M WIBOR+ margin	PLN	Overdraft facility	29.12.2021	13.02.2024
mBank S.A.	-	214 670	214 670	SOFR+ margin	USD	Revolving credit/overdraft facility	07.07.2015	13.02.2024
BOŚ Factoring	-	14 982	14 982	1M WIBOR/ EURIBOR/ LIBOR+ margin	PLN/ USD/ EUR	Reverse factoring line agreement	15.11.2021	13.11.2023
PKO Factoring S.A.	-	-	-		PLN/ EUR	Limit Factoring with and without recourse	22.06.2020	for an indefinite period
Total	**-**	**230 046**	**230 046**					

Security for the loans and advances listed in the table

Umbrella overdraft agreement with Bank Millennium:

- declaration of surrender to enforcement,
- pledge of cash,
- 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 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 pledge on account receivables - Unimot S.A.

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 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 surrender to enforcement,
- accession to the debt of Unimot S.A. by Unimot Paliwa sp. z o. o.

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'Assufiance 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 surrender to enforcement.

The margin on borrowings and other debt instruments depends on the variable interest rate to which it relates. A range analysis of the margin is presented below:

- WIBOR 1M - margin between 1.0% and 1.2%
- WIBOR 3M - margin of 1.4%
- LIBOR 1M - margin of 1.8%
- EURIBOR 1M - margin between 1.3% and 1.5%
- SOFR ON - margin between 1.35% - 1.4%

After the balance sheet date, on 6 April 2023 and 14 April 2023 there were disbursements of credit tranches partially financing the Lotos Terminale S.A. acquisition transaction. - payment of the price for the shares to the Seller and refinancing of Lotos Terminale S.A.'s credit liabilities in the total amount of PLN 234.8 million, and disbursement of a revolving credit facility in the amount of PLN 8 million. The own contribution amounted to PLN 118.6 million. The loans financing the transaction were granted by a syndicate of 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 the Annexes dated: 30 September 2022 and 21 December 2022. The loans will be repaid in tranches, with full repayment of the loans no later than 31 December 2028. The loans bear interest on the basis of 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, Unimot Bitumen sp. z o.o., RCEkoenergia 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

Group loans granted in 2023:

As of 31.03.2023, 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 16 thousand.

As of 31.12.2022, 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 GIVEN

in PLN thousand/EUR/USD	As of 31.03.2022			As of 31.12.2022		
	PLN	EUR	USD	PLN	EUR	USD
Parent Entity's own contingent liabilities	**0**	**0**	**0**	**356**	**3 500**	**-**
insurance guarantees provided as security for excise duty	-	-	-	-	-	-
guarantees for performance bonds and trade limits	-	-	-	356	3 500	-
Contingent liabilities relating to associated entities	**84 306**	**24 000**	**0**	**79 126**	**25 000**	**3 600**
insurance guarantees provided as security for excise duty	30 000			27 100	-	-
Sureties issued for insurance guarantees lodged as concession bonds	27 000			27 000	-	-
guarantees for performance bonds and trade limits	20 106	12 000		18 943	14 000	-
sureties for performance bonds and trade limits	7 200	12 000	-	6 083	11 000	3 600
Summary	**84 306**	**24 000**	**0**	**79 482**	**28 500**	**3 600**

Companies in the Unimot Group provided insurance guarantees as collateral for public-law liabilities, performance bonds and guarantees for the due performance of contracts and trade limits, and sureties for the due performance of contracts and trade limits as of 31 March 2023 for a total of PLN 84.3 million and EUR 24 million. (For comparison, as of 31.12.2022: PLN 79.5 million, EUR 28.5 million and USD 3.6 million).
In addition, Unimot S.A. signed a guarantee in the amount of PLN 6 million for the future liabilities of its subsidiary Unimot Investments sp. z o.o. which may arise as a result of the agreement concluded for the acquisition of a part of the assets from PKN Orlen S.A. This item is not included in the table presented.
The change in the value of guarantees provided is mainly due to a change in the forms of security for trade limits and reorganisation within the Group.

On 01.12.2022, an agreement concerning the expansion of the fuel terminal in Szczecin was concluded between Unimot S.A. and Unimot Investment sp. z o.o. and PKN Orlen S.A. and Lotos Terminale S.A.. Under the Agreement, Unimot S.A. and Unimot Investments have provided a joint and several surety for the payment by Lotos Terminale to PKN Orlen of the amount of settlement of expenditures and incidental receivables agreed in the Agreement, up to a maximum amount of PLN 78 million. The surety will come into effect subject to the completion of the transaction for the acquisition by Unimot Group of 100% of the shares in Lotos Terminale and will remain in force until 31 December 2032.
In addition, on 14 March 2023, an insurance guarantee agreement was concluded with Sopockie Towarzystwo Ubezpieczeń ERGO Hestia S.A. to secure the payment of excise duty and fuel surcharges by LOTOS Terminale S.A. effective after the acquisition by Unimot Investments sp. z o.o. of 100% of the shares in Lotos Terminale. 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. In order to secure its claims, Unimot S.A. issued a blank promissory note in favour of ERGO Hestia S.A. with the surety of Unimot Paliwa sp. z o.o. and Unimot Investment sp. z o.o.

7.9. CURRENT AND PREDICTED FINANCIAL POSITION OF 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 quarter 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 (a related entity 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 transactions with related entities is disclosed in note 2.21 of the Unimot Group's interim condensed financial statements for the first quarter of 2023.

7.11. SIGNIFICANT OFF-BALANCE SHEET ITEMS

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

8. FINANCIAL SITUATION OF THE ISSUER UNIMOT S.A.

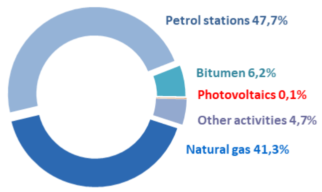
8.1. THE ISSUER'S PRINCIPAL PRODUCTS, GOODS AND SERVICES

Unit sales revenues and their structure by product group:

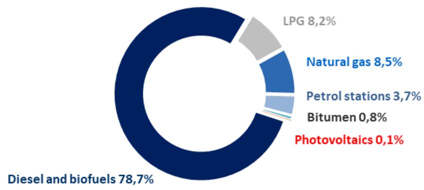
in PLN thousand	1q. 2023	Structure %	1q. 2022	Structure %
Diesel and biofuels	-		1 804 624	78,7%
LPG	-		188 211	8,2%

Natural gas	115 983	41,3%	195 613	8,5%
Petrol stations	134 014	47,7%	84 930	3,7%
Bitumen	17 337	6,2%	17 223	0,8%
Photovoltaics	316	0,1%	2 462	0,1%
Other activities	13 138	4,7%		0,0%
Total	**280 788**	**100,0%**	**2 293 063**	**100,0%**

Q1 2023



Q1 2022



8.2. FACTORS AND NON-TYPE EVENTS IMPACTING ON THE PERFORMANCE OF THE ISSUER

in PLN thousand	**01.01.2023 31.03.2023**	**01.03.2022 31.03.2022**
EBIT *	3 202	141 665
EBITDA **	(246)	144 205
GROSS RESULT	(5 400)	137 818
NET RESULT	(5 229)	110 691

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

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

In the first quarter of 2023, the Issuer achieved a gross result of PLN (-)5,400 thousand, which was lower by PLN(-) 143,218 thousand against the same period of the previous year.

In the first quarter of 2023, the Issuer achieved a net result of PLN (-)5,229 thousand, which was lower by PLN (-)115,920 thousand against the same period of the previous year.

The EBITDA result in the first quarter of 2023 was PLN (-)144,451 thousand lower against the same period of the previous year.

8.3. STANDALONE STATEMENTS OF FINANCIAL PERFORMANCE AND OTHER TOTAL REVENUE

in PLN thousand	**01.01.2023 31.03.2023 (unexamined)**	**01.01.2022 31.03.2022 (unexamined)**	**% change**
Continuing operations			
Sales revenue	280 788	300 228	-6%
Cost of goods and materials sold	(260 280)	(288 630)	-10%
Gross profit/(loss) on sales	**20 508**	**11 598**	**77%**
Other operating revenue	2 796	358	681%
Selling costs	(17 623)	(10 509)	68%
Overheads	(9 204)	(1 850)	397%
Other net profits / (losses)	72	-	
Other operating expenses	(694)	(1 985)	-65%
Operating profit/(loss)	**(4 145)**	**(2 388)**	**74%**
Financial revenue	1 734	15	11460%
Financial costs	(2 989)	(728)	311%
Net financial revenue/(expenses)	**(1 255)**	**(713)**	**76%**
Profit/(loss) before tax	**(5 400)**	**(3 101)**	**74%**
Income tax	171	(352)	-149%
Net profit/(loss) for the reporting period from continuing operations	**(5 229)**	**(3 453)**	**51%**
Discontinued operations			
Net profit/(loss) for the reporting period from discontinued operations	**-**	**114 144**	**-100%**
Net profit/(loss) for the reporting period	**(5 229)**	**110 691**	**-105%**

As of 31 March 2023, the Issuer generated sales revenue of PLN 280,788 thousand, which was lower by (-) PLN 19,440 thousand, i.e. (-) 6%, than the revenue generated in the corresponding period of 2022.
The cost of goods and materials sold was lower as of 31 March 2023 by (-) PLN 28 350 thousand, i.e. (-) 10% compared to the costs incurred in the corresponding period of 2022.
The decrease in revenue and costs in the first quarter of 2023 was driven by organisational changes related to the transfer of the organised part of Unimot S.A. to Unimot Paliwa sp. z o.o. on 1 August 2022.
Despite the decrease in revenue, the Issuer recorded a gross profit on sales higher by PLN 8 910 000, compared with the same period (an increase of 77%). This profit was reduced by other sales and management and operating expenses, consequently showing a loss of (-) PLN 5 229 000 in the standalone statements of financial result.

STRUCTURE OF COSTS BY TYPE

in PLN thousand	01.01.2023 31.03.2023	01.01.2022 31.03.2022	% change
Depreciation of tangible fixed assets and intangible assets	(1 224)	(780)	56%
Depreciation of right-of-use asset	(2 224)	(1 032)	115%
Consumption of materials and energy	(949)	(604)	57%
Third-party services	(14 750)	(5 965)	147%
Taxes and charges	(910)	(323)	182%
Salaries	(3 200)	(2 333)	37%
Social security and other benefits	(832)	(484)	72%
Other costs by type	(3 013)	(3 089)	-2%
Total costs by type	**(27 102)**	**(14 610)**	**86%**

As of 31 March 2023, costs classified by type increased by PLN 12 492 thousand compared to the first quarter of 2022, an increase of 86%. Significant impact on the increase in all volumes of costs classified by type was caused by organisational changes in the Group related to the transfer of the organised part of the Unimot S.A. enterprise to Unimot Paliwa sp. z o.o.
Salaries at Unimot S.A. increased by PLN 867 thousand and were 37% higher than in the first quarter of the previous year. A consequence of the increase in remuneration costs is an increase in employee benefits comprising mainly social security, as well as health care and employee training expenses.
Employee benefits increased by PLN 348 000 and were 72% higher than in the first quarter of the previous year.
Third-party services increased by PLN 8,785 thousand, an increase of 147 % compared with the first quarter of the previous year.
In the first quarter of 2023, the cost of materials and energy consumption was 57% higher than in the corresponding period of the previous year.

8.4. INTERIM STATEMENTS OF FINANCIAL POSITION

in PLN thousand	31.03.2023	31.12.2022	Share %
Fixed assets			
Tangible fixed assets	41 156	41 716	6%
Right to use assets	104 009	91 274	15%
Intangible assets	1 558	1 266	0%
Investments in subsidiaries	238 370	210 145	34%
Other financial assets	260	260	0%
Derivative financial instruments	-	7 835	0%
Long-term receivables	1 187	1 026	0%
Client contract assets	8 277	8 562	1%
Deferred tax assets	11 205	11 504	2%
Total fixed assets	**406 022**	**373 588**	**58%**
Current assets			
Inventories	24 888	20 742	4%
Client contract assets	2 945	3 094	0%
Trade and other receivables	149 242	112 018	21%
Other financial assets	27 202	126 109	4%

Derivative financial instruments	12 969	794	2%
Income tax receivables	6 342	5 872	1%
Cash and cash equivalents	70 997	67 348	10%
Other current assets	2 241	2 363	0%
Total current assets	**296 826**	**338 339**	**42%**
TOTAL ASSETS	**702 848**	**711 927**	**100%**

Fixed assets at the end of the first quarter of 2023 represented 58% of total assets, while current assets represented 42% of total assets.

Significant increases occurred in fixed assets in the item related to the right to use assets, which is due to the signing of new leasing contracts, trade receivables and cash and cash equivalents also increased.

in PLN thousand	**31.03.2023**	**31.12.2022**	**Share %**
Equity			
Share capital	8 198	8 198	1%
Other capital	306 991	306 991	44%
Retained earnings and current year result	112 502	117 732	16%
Total equity	**427 691**	**432 921**	**61%**
Long-term liabilities			
Loans and other	99 030	86 677	14%
Employee benefit obligations	92	92	0%
Derivative financial instruments	-	-	0%
Total long-term liabilities	**99 122**	**86 769**	**14%**
Short-term liabilities			
Overdraft facilities	15 376	52 695	2%
Loans and other	8 441	8 869	1%
Derivative financial instruments	12 784	13 268	2%
Employee benefit obligations	746	746	0%
Liabilities from contracts with customers	1 604	342	0%
Trade and other liabilities	137 084	116 317	20%
Total short-term liabilities	**176 035**	**192 237**	**25%**
Total liabilities	**275 157**	**279 006**	**39%**
TOTAL LIABILITIES	**702 848**	**711 927**	**100%**

Equity at the end of the first quarter of 2023 represented 61% of total assets.

Long-term liabilities at the end of the first quarter represented 14% of the balance sheet total, while short-term liabilities represented 25% of the balance sheet total.

Shareholders' equity at 31 March 2023 decreased by 1% compared to the end of 2022, a difference of PLN 5,230k.

The decrease in capitals was influenced by the negative financial result of the current quarter.

In contrast, a 14% increase in long-term liabilities from loans and other debt instruments was driven by an increase in liabilities from leases.

Short-term trade liabilities in Q1 2023 decreased by 18%, amounting to PLN (-)20,767 thousand.

8.5. INDEX AND COMPARATIVE 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 current liabilities.** A ratio indicating the Group's ability to repay its current 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 current 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 31.03.2023	01.01.2022 31.12.2022	Change 2023/2022
Current ratio	1,7	1,8	*(0.1) p.p.*
Quick liquidity ratio	1,5	1,7	*(0.2) p.p.*
Cash flow ratio	0,4	0,4	*(0.0) p.p.*

The current ratio at the end of March 2023 was by 1.7, 0.1 p.p. lower against the end of 2022. The quick ratio also recorded a decrease of 0.2 p.p. reaching 1.5 at the end of Q1 2023, the cash ratio remained unchanged at 0.4.

Profitability

The analysis of profitability is presented on the basis of a group of indicators 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 indicator 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 revenue 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 indicator 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 indicator 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 INDICATORS	01.01.2023 31.03.2023	01.01.2022 31.03.2022	Change 2023/2022
ROA	-0,7%	5,5%	*(6.2) p.p.*
ROE	-1,2%	26%	*(27.2) p.p.*

In the first quarter of 2023, the company recorded declines in profitability ratios: ROA reached -0.7% (down by 6.2 p.p. against the first quarter of 2022), while ROE reached -1.2%, down by more than 27 p.p. against the previous accounting period.

PROFITABILITY INDICATORS	01.01.2023 31.03.2023	01.01.2022 31.03.2022	Change 2023/2022
RATE OF PROFIT ON SALES	7,3%	3,9%	*3.4 p.p.*
EBIT PROFITABILITY	-1,5%	-0,9%	*(0.6) p.p.*
EBITDA PROFITABILITY	-1,5%	0,4%	*(1.9) p.p.*
NET PROFITABILITY	-1,9%	-1,2%	*(0.7) p.p.*

There were slight decreases in the EBIT and EBITDA profitability ratios; the profit margin on sales was 7.3 per cent, 3.4 p.p. higher than the margin in the corresponding period of 2022. The ratios for 2022 are presented according to the profit and loss account for continuing operations.

Performance

The following indicators 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 90 days. The ratio represents 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 current liabilities to suppliers at the end of the financial year to net sales revenue x 90 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 90 days. The ratio represents the average period, defined in days, over which the Group holds inventory before selling it. For reasons of efficiency, efforts should be made to minimise this ratio.

PERFORMANCE INDICATORS	01.01.2023 31.03.2023	01.01.2022 31.12.2022	Change 2023/2022
Turnover of trade receivables (in days)	48	34	*14*
Turnover of trade liabilities (in days)	56	58	*-2*
Inventory turnover (in days)	8	6	*2*
Inventory turnover (in days) adjusted by compulsory reserve	6	5	*1*

The receivables turnover ratio calculated in days was 48 days at the end of the first quarter of 2023 (at the end of 2022 -34 days). The liabilities turnover ratio at the end of the first quarter of 2023 was 56 days, 2 days less than the ratio obtained at the end of 2022.

The inventory turnover rate for the current reporting quarter 2023 was 8 days (adjusted 6 days), an increase of 2 days and 1 day respectively from its level at the end of 2022.

31.03.2023
Cash to Cash = inventory cycle + receivables cycle - liabilities cycle.
Cash to Cash = 8 days + 48 days - 56 days = 0 days.
Adjusted for the value of the compulsory reserve, the cash cycle is:
Cash to Cash = 6 days + 48 days - 56 days = (-)2 days.

31.12.2022
Cash to Cash = inventory cycle + receivables cycle - liabilities cycle.
Cash to Cash = 6 days + 34 days -58 days = (-)18 days.
Adjusted for the value of the compulsory reserve, the cash cycle is:
Cash to Cash = 5 days + 34 days - 58 days = (-)19 days.

The cash to cash ratio was 0 days in the first quarter of 2023 ((-)2days adjusted for compulsory reserve), while at the end of 2022 it was (-) 18 days ((-)19 days adjusted).

Debt assessment

The Group's indebtedness was assessed based on the following indicators:

- **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	31.03.2023	31.12.2022	Changes
Total debt ratio	39%	39%	*0 p.p.*
Asset coverage ratio	61%	61%	*0 p.p.*
Equity to fixed assets ratio	105%	116%	*(11) p.p.*
Total debt ratio adjusted for the loan to compulsory reserve	39%	38%	*1 p.p.*

Debt ratios at the end of the first quarter were very close to those shown at the end of 2022.

8.6. BORROWINGS

Analysis of credit and loan agreements as of 31.03.2023 in PLN thousand

Name of financing company	Long-term part	Short-term part	Carrying amount	Currency of the loan/ loans	Type of liability	Date of award	Duration of contract

Bank Ochrony Środowiska S.A.	-	393	393	PLN	Revolving credit/overdraft facility	29.06.2021	28.06.2023
Bank Millennium S.A.	-	-	-	PLN/USD/EUR	Umbrella overdraft facility	25.11.2019	13.02.2024
BOŚ Factoring	-	14 983	14 983	PLN/USD/EUR	Reverse factoring line agreement	15.11.2021	13.11.2023
Unimot Paliwa sp. z o.o.	-	-	-	PLN/EUR/USD	Loan agreement within the limit	24.05.2022	for an indefinite period
U.C. Energy Ltd	-	-	-	EUR/USD	Loan agreement within the limit	01.03.2015	for an indefinite period
Total	**-**	**15 376**	**15 376**				

As of 31.03.2023, the Parent Entity had an agreement for a revolving credit facility with Bank Ochrony Środowiska to finance current business needs. The repayment date was set at 28.06.2023. At the end of the first quarter of 2023, there was also an active agreement for an umbrella loan at Bank Millennium S.A. with a repayment date of 13.02.2024.
In addition, the Parent Entity entered into a reverse factoring agreement with BOŚ Faktoring S.A., the subject matter of which is the provision of factoring services on terms and conditions specified in detail in the agreement, and a factoring line with recourse and without recourse with PKO Faktoring S.A., the subject matter of which is the provision of factoring services on terms and conditions specified in detail in the agreement. The banks granted financial limits in PLN, USD and EUR.
The margin on borrowings and other debt instruments depends on the variable interest rate to which it relates. A range analysis of the margin is presented below:

Credits:

- WIBOR 1M - margin between 1.0% and 1.1%,
- WIBOR 3M - margin of 1.4%,
- LIBOR 1M - a margin of 1.8%,
- EURIBOR 1M - margin between 1.3% and 1.5%,
- SOFR ON - margin of 1.35%.

Loans:

- WIBOR 3M - margin of 3.75%,
- EURIBOR 3M - margin in the range of 3.75%,
- SOFR 3M - a margin of 3.75%.

Collateral:

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 cash 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 88 million,
- declaration of surrender to enforcement.
- accession to the debt of Unimot S.A. by Unimot Paliwa sp. z o.o.

Umbrella overdraft agreement with Bank Millennium:

- declaration of surrender 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'Assufiance 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 29.5 million,
- accession to the debt of Unimot S.A. by Unimot Paliwa sp. z o.o.,
- a declaration of surrender to enforcement.

Analysis of leases as of 31.03.2023:

Contract type	Long-term part	Short-term part	Carrying amount at 31.03.2023	Currency	Type of liability	Date of award	Duration of contract:
Lease contracts for means of transport	1 469	1 219	2 688	PLN	leasing	31.07.2020	31.12.2025
Lease agreements relating to leases	97 214	7 176	104 390	PLN	leasing	24.11.2014	31.01.2042
Leasing agreements for photovoltaic equipment	347	46	393	PLN	leasing	19.10.2022	25.10.2029
Total	**99 030**	**8 441**	**107 471**				

**Data in PLN thousand*

On 31 March 2023, the Parent Entity had financial liabilities under leasing agreements concluded in the amount of PLN 107 471 thousand. The subject of the leasing agreements were mainly agreements concerning the lease of office properties and petrol stations and leasing agreements concerning means of transport. The value of leasing liabilities relating to photovoltaic installations amounted to PLN 404 thousand.

Schedule of repayment of lease obligations:

in PLN thousand	Lease payments	Interest	Capital	Lease payments	Interest	Capital
		31.03.2023			31.12.2022	
up to one year	14 586	6 145	8 441	12 219	4 624	7 595
1 to 5 years	47 417	20 133	27 283	39 846	14 962	24 884
Over 5 years	94 769	23 022	71 747	78 312	16 519	61 793
Total	**156 772**	**49 301**	**107 471**	**130 377**	**36 105**	**94 272**

8.7. LOANS AND BORROWINGS GRANTED

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

No loans granted in the first quarter of 2023.

Loans granted before 31 March 2023 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 of 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 of 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 of 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 of the balance sheet date, a total of PLN 406 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 of 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.

8.8. SURETIES AND GUARANTEES GIVEN

in PLN thousand/EUR/USD	As of 31.03.2023			As of 31.12.2022		
	PLN	EUR	USD	PLN	EUR	USD
Parent Entity's own contingent liabilities	**0**	**0**	-	**356**	**3 500**	-
insurance guarantees provided as security for excise duty	-	-	-	-	-	-
performance bonds and trade limits guarantee	-	-	-	356	3 500	-
Contingent liabilities relating to related parties issued by the Parent Entity	**64 306**	**24 000**	**0**	**65 127**	**25 000**	**3 600**
sureties issued in respect of insurance guarantees given as security for excise duties	10 000	-	-	13 100	-	-
sureties issued for insurance guarantees lodged as concession security	27 000	-	-	27 000	-	-
surety for performance bonds and merchant's limits	27 306	24 000	0	25 027	25 000	3 600
loan guarantees	-	-	-	-	-	-
Summary	**64 306**	**24 000**	**0**	**65 483**	**28 500**	**3 600**

The amount of guarantees relating to Unimot S.A.'s liabilities issued in the course of ongoing operations as of 31 March 2023 amounted to PLN 0, and as of 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 in amounts totalling PLN 64.3 million and EUR 24.0 million as of 31 March 2023. (For comparison, as of 31.12.2022: PLN 65.5 million EUR 25.0 million and USD 3.6 million).

In addition, Unimot S.A. signed a guarantee in the amount of PLN 6 million for the future liabilities of its subsidiary Unimot Investments sp. z o.o. which may arise as a result of the concluded agreement for the acquisition of a part of the assets from PKN Orlen SA. This item is not included in the table above.

On 14 March 2023, an insurance guarantee agreement was concluded with Sopockie Towarzystwo Ubezpieczeń ERGO Hestia S.A. to secure the payment of excise duty and fuel surcharges by LOTOS Terminale S.A. effective after the acquisition by Unimot Investments sp. z o.o. of 100% of the shares in Lotos Terminale. 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 referred to above is the Head of the 2nd Tax Office in Bielsko-Biała. In order to secure its claims, Unimot S.A. issued a blank promissory note to ERGO Hestia S.A. with a guarantee from Unimot Paliwa sp. z o.o. and Unimot Investment sp. z o.o.

8.9. CURRENT AND PREDICTED 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.

8.10. 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. 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 Unimot Group's activities for the first quarter ended 31 March 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 23 May 2023.

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