UNIMOT CAPITAL GROUP

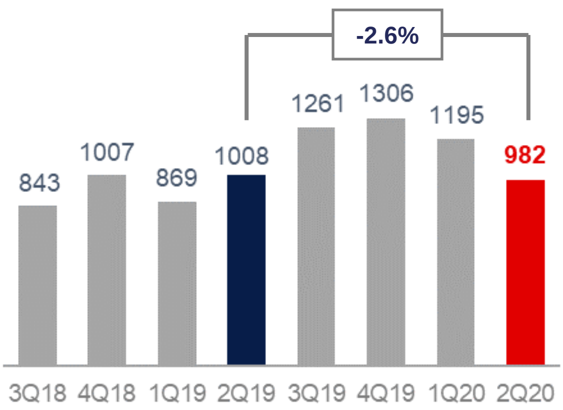
CONSOLIDATED CONDENSED INTERIM STATEMENTS FOR 2020

24th August 2020

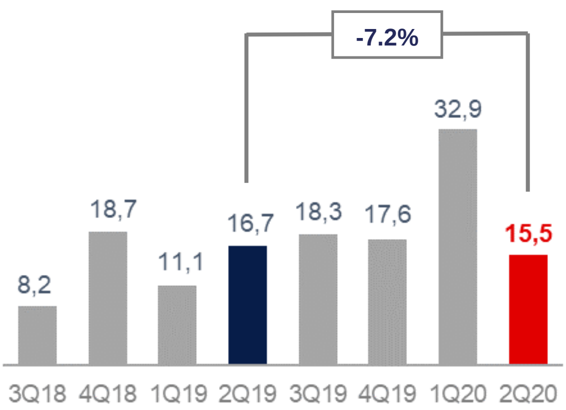
UNIMOT Group

Total revenues	EBITDA	EBITDA adjusted
PLN 2 177 m	PLN 16.3 m	PLN 48.3 m

Total revenues [in PLN m]



EBITDA adjusted [in PLN m]



SELECTED DATA AND FINANCIAL RATIOS

in PLN thousand	01.01.2020-30.06.2020	01.01.2019-30.06.2019
Total revenues	**2 176 962**	**1 877 706**
Gross profit on sales	**99 868**	**90 021**
Gross margin on sales	*4,6%*	*4,8%*
Operating profit	**3 673**	**26 840**
Operating profit margin	*0,2%*	*1.4%*
EBITDA [2]	**16 329**	**37 794**
EBITDA margin	*0.8%*	*2.0%*
EBITDA adjusted [3]	**48 335**	**27 759**
EBITDA margin adjusted	*2,2%*	*1.5%*
Net profit	**7 945**	**24 321**
Net margin	*0.4%*	*1.3%*
Net profit adjusted	**39 952**	**14 286**
Net margin adjusted	*1,8%*	*0.8%*

1. *Realised and unrealised exchange rate differences as well as assets and liabilities evaluation, including inventories, are recognised in the item.*
2. *Earnings Before Interest, Taxes, Depreciation and Amortization.*
3. *Adjusted for the impact of liquid fuels inventories valuation (driven by a significant change of the spread between diesel spot and forwards quotations), movements over time of costs related to NIT fulfilment and maintaining compulsory reserves of fuels as well other one-time events.*

CONTENTS

1. LETTER OF THE PRESIDENT OF THE MANAGEMENT BOARD

Dear Sirs, Dear Shareholders,

I am extremely pleased that I can again show you particularly good financial results. In Q2 2020, despite the surge of the COVID-19 pandemic, we were able to manage our business very well. In the entire H1 2020 we achieved PLN 2 177.0 million of revenues (up by 15.9% yoy), and our consolidated adjusted EBITDA (cleaned for the estimated valuation of compulsory reserve, justified movements and one-time events) amounted to PLN 48.3 million (up by 74.1% yoy). This constitutes over 60% of the increased in June financial forecast for 2020.

The achieved results were driven primarily by favourable external environment in the diesel oil business (higher than assumed volumes and margins) as well as higher than assumed sales volumes of bio-fuels being the outcome of a larger number of won tenders. Good results were also achieved by the LPG segment and Tradea.

We are proud of such good financial results, especially as they were achieved at the time of the COVID-19 pandemic. Due to the restrictions caused by the pandemic for a large part of H1 2020 in some of our business areas we were unable to conduct the activity according to our plans. For instance, Unimot Energia i Gaz while carrying out the signed contracts, temporarily ceased acquisition of new customers. A similar situation influenced the development of the AVIA chain in Poland and Ukraine – we temporarily ceased the planned investments and returned to them only at the end of Q2 2020. Also, the businesses of oils and bitumen encountered serious difficulties in carrying out their assumptions. Green Electricity, the company where we hold 25% of shares, faced a drop in scooter and motor scooter rental for most of this quarter. Being cautious, we decided to conduct a write-off on part of the granted loan.

However, thanks to the determination and commitment of our team we managed to make use of market opportunities in those segments where they appeared - among others, a rapid drop of petroleum prices in March and April 2020, decrease of interest rates and volatility on the markets of fuels and electricity. As a consequence of good results we can also boast good levels of financial ratios at the end of Q2 2020. Current liquidity ratio amounted to 1.28, interest coverage ratio 10.91, and share of equity reached the level of 33.4%. The ROCE ratio demonstrates presently the level of 33.4%, significantly higher than the assumed in the Strategy 15%.

Despite the uncertainty related to the COVID-19 pandemic, we strived to implement these development actions that were possible. In Q1 2020 Tradea joined Nasdaq stock exchange as so-called Non-Clearing Member, that is an entity that participates in the trade through a clearing institution. This allows the company to trade electricity on the Scandinavian market – trade was commenced in May the present year. In Q2 we also commenced petroleum trading – we import it from the USA and Saudi Arabia and supply it to Central Europe. First deliveries have already been made and this business generated significant revenues and profits in Q2. It should also contribute positively to the results in H2 2020. The business is run together with an American company Getka Energy LLC.

In May, our subsidiary Unimot Energia i Gaz commenced the sales of photovoltaic installations under the AVIA Solar brand on the Polish market. Making use of our experience in sales on the market of electricity and gas we provide our customers with a multiproduct offer of photovoltaic installations assembly combined with a possibility energy storage and supplementing it with supplies from the grid. Our product offer is based on cooperation with leading producers of photovoltaic panels, ensuring highest quality of products and longest guarantee of efficiency of the installed devices on the market. From the very beginning we have been developing sales channels – on 19th August we signed a cooperation contract with Blachotrapez, which will help us reach effectively individual customers. We are also conducting talks with another partner – this time the cooperation will concern a wider access to business customers. I hope that soon we will be able to present more details. We expect that the photovoltaic panels business will positively influence the results of the Unimot Group already in H2 2020.

What is also important, this year we have paid our shareholders a dividend from the profit for the year 2019. On 3rd June of the present year the Ordinary General Meeting, during live discussions with a possibility of electronic participation, made a decision to pay a dividend in a record amount PLN 16.1 million, that is PLN 1.97 per share.

I would like to stress the fact that despite our very good financial standing, all the time we maintain a prudent approach to the business and expenses, we attach great importance to receivables as well.
As we can observe a gradual release of the restrictions both in Poland as well as other European countries, our outlook for

the months to come is cautiously optimistic. However, I want to stress the fact that H2 will probably be a poorer period than the first six months of this year. Currently, we can observe a slight decline in the demand following the COVID-19 pandemic and it is possible that this situation will remain in the oncoming months. Our good financial results this year allowed as to donate purchased for PLN 1.5 million tests for COVID-19.

Here, I would like to thank, not only the managers, but all our employees, who every day, despite the difficult market conditions, demonstrate great involvement and efficiency. I also want to express my immense thanks to our Supervisory Board, but first of all you, Dear Sirs – the investors, who support us and have confidence in us. As you have probably heard, our open communication approach has led us recently to a new, large project dedicated to you. Presently, we are conducting intensive works on a loyalty program for the Shareholders of Unimot S.A. The announcement of our full „Unimot Klub+" are already discounts for photovoltaics for our Shareholders.

As you can see the Unimot Group is constantly developing, making steps towards both standard business activities as well as new projects such as photovoltaics. Also, we do not forget about our Employees and Shareholders – despite the turbulent external environment we want to ensure them security, stability, and additional benefits.

Yours faithfully

Adam Sikorski

President of the Management Board of UNIMOT S.A.

2. SELECTED FINANCIAL DATA

2. SELECTED FINANCIAL DATA

2.1 UNIMOT CAPITAL GROUP

	in PLN thousand		in EUR thousand	
	30.06.2020	**Comparable data***	**30.06.2020**	**Comparable data***
I. Revenues on sales	2 176 962	1 877 706	490 163	437 898
II. Profit/loss on operating activity	3 673	26 840	827	6 259
III. Gross profit/(loss)	10 280	30 618	2 315	7 140
IV. Net profit/(loss) attributable to the owners of Parent Equity	7 945	24 516	1 789	5 717
V. Net profit/(loss)	7 945	24 321	1 789	5 672
VI. Net operating cash flows	104 891	(8 283)	23 617	(1 932)
VII. Net investment activity cash flows	(699)	(528)	(157)	(123)
VIII. Net financial activity cash flows	(23 044)	(6 802)	(5 189)	(1 586)
IX. Total net financial flows	76 066	(13 723)	17 127	(3 200)
X. Total assets	715 397	687 120	160 187	161 353
XI. Liabilities and provisions for liabilities	476 567	440 184	106 710	103 366
XII. Long-term liabilities	17 090	21 005	3 827	4 932
XIII. Short-term liabilities	459 477	419 179	102 883	98 433
XIV. Equity	238 830	246 936	53 477	57 987
XV. Share capital	8 198	8 198	1 836	1 925
XVI. Number of shares (in thousands of shares).	8 198	8 198	-	-
XVII. Profit/loss per one common share attributable to the owners of Parent Equity (in PLN/EUR)**	0,97	2,99	0,22	0,70
XVIII. Diluted profit/(loss) per one ordinary share attributable to the owners of Parent Equity (in PLN/EUR)**	0,97	2,99	0,22	0,70
XIX. Book value per one share (in PLN/EUR)***	29,13	30,12	6,52	7,07
XX. Diluted book value per one share (in PLN/EUR)***	29,13	30,12	6,52	7,07

* Data for items concerning the statements of financial condition is presented as of 31st December 2019 and for the items concerning the statements of total profits and the statements of cash flows for the period from 1st January 2019 to 30th June 2019.

** as of 30.06.2020 the number of shares used to calculate the profit per one ordinary share and the diluted profit per one ordinary share was 8 198 thousand of shares.

** as of 30.06.2019 the number of shares used to calculate the profit per one ordinary share and the diluted profit per one ordinary share was 8 198 thousand of shares

*** as of 30.06.2020 the number of shares used to calculate the book value and diluted book value per share was 8 198 thousand of shares.

*** as of 31.12.2019 the number of shares used to calculate the book value and diluted book value per share was 8 198 thousand of shares.

The selected financial data was converted into EUR as follows:

The items of assets and liabilities of the statement of financial position were converted into EUR according to the average exchange rate announced by the National Bank of Poland valid as of 30.06.2020 PLN/EUR 4.4660 and for the comparable data as of 31.12.2019 PLN/EUR 4.2585.

Particular items concerning the profit and loss balance and other total profits and cash flows have been calculated according to the exchange rate being an arithmetical average of average NBP exchange rates valid at the last calendar day of particular months, which amounted respectively PLN/EUR 4.4413 (6 months of 2020), PLN/EUR 4.2880 (6 months of 2019).

2.2 UNIMOT S.A.

	in PLN thousand		in EUR thousand	
	30.06.2020	Comparable data*	30.06.2020	Comparable data*
I. Revenues on sales	2 118 718	1 844 346	477 049	430 118
II. Profit/loss on operating activity	9 102	31 306	2 049	7 301
III. Gross profit/(loss)	6 693	27 458	1 507	6 403
IV. Net profit/(loss)	5 178	21 856	1 166	5 097
V. Net operating cash flows	84 985	(10 237)	19 135	(2 387)
VI. Net investment activity cash flows	(855)	(364)	(193)	(85)
VII. Net financial activity cash flows	(12 917)	(7 161)	(2 908)	(1 670)
VIII. Total net financial flows	66 131	(15 872)	14 890	(3 702)
IX. Total assets	675 519	640 479	151 258	150 400
X. Liabilities and provisions for liabilities	442 883	396 872	99 168	93 195
XI. Long-term liabilities	12 518	15 183	2 803	3 565
XII. Short-term liabilities	430 365	381 689	96 365	89 630
XIII. Equity	232 636	243 607	52 090	57 205
XIV. Share capital	8 198	8 198	1 836	1 925
XV. Number of shares (in thousands of shares).	8 198	8 198	-	-
XVI. Profit (loss) per one ordinary share (in PLN/EUR)**	0,63	2,67	0,14	0,62
XVII. Diluted profit (loss) per one ordinary share (in PLN/EUR)**	0,63	2,67	0,14	0,62
XVIII. Book value per one share (in PLN/EUR)***	28,38	29,72	6,35	6,98
XIX. Diluted book value per one share (in PLN/EUR)***	28,38	29,72	6,35	6,98

* Data for items concerning the statements of financial condition is presented as of 31st December 2019 and for the items concerning the statements of total profits and the statements of cash flows for the period from 1st January 2019 to 30th June 2019.

** as of 30.06.2020 the number of shares used to calculate the profit per one ordinary share and the diluted profit per one ordinary share was 8 198 thousand of shares.

** as of 30.06.2019 the number of shares used to calculate the profit per one ordinary share and the diluted profit per one ordinary share was 8 198 thousand of shares.

*** as of 30.06.2020 the number of shares used to calculate the book value and diluted book value per share was 8 198 thousand of shares.

*** as of 31.12.2019 the number of shares used to calculate the book value and diluted book value per share was 8 198 thousand of shares.

The selected financial data was converted into EUR as follows:

The items of assets and liabilities of the statement of financial position were converted into EUR according to the average exchange rate announced by the National Bank of Poland valid as of 30.06.2020 PLN/EUR 4.4660 and for the comparative data as of 31.12.2018 PLN/EUR 4.2585.

Particular items concerning the profit and loss balance and other total profits and cash flows have been calculated according to the exchange rate being an arithmetical average of average NBP exchange rates valid at the last calendar day of particular months, which amounted respectively PLN/EUR 4.4413 (6 months of 2020), PLN/EUR 4.2880 (6 months of 2019).

3. COMMENTARY TO THE FINANCIAL RESULTS OF THE UNIMOT GROUP

3. COMMENTARY ON THE FINANCIAL RESULTS OF THE UNIMOT GROUP

3.1 PRINCIPAL EVENTS IN THE 1ST HALF OF 2020 WITH A DESCRIPTION OF SIGNIFICANT ACHIEVEMENTS OR FAILURES OF THE CAPITAL GROUP

Building the AVIA stations chain

Following the public issuance of J series shares the Issuer obtained from investors the amount of PLN 96.6 million (net), of which PLN 23 million has been destined for building the chain of AVIA petrol stations based on *master franchising* contracts. The new distribution channel allows for reaching the new segment of fuel customers – retail customers.

After the balance sheet date already the Group launched a new catering concept Eat&Go, which is characterised by new design of petrol stations as well as modern interiors and restaurant zone.

Development of the own brand Eat&Go is connected with the conducted analysis of the market and customer expectations. Having done so the company strived to meet these expectations and decided to introduce a higher level at the stations with regard to aesthetics of interiors and restaurant zone.

The latest solutions introduced at AVIA stations also include ergonomics of a modern convenience shop, comfortable relaxation zone with regular mobile devices charging points, modern lighting, and proper planning of communication paths.

As of the present statements publication date there are already first stations functioning according to the new Eat&Go concept in Poznan and Siedlce. Next implementations will take place successively and will comprise rebranding of new stations joining the chain as well as change of catering concepts at the selected, already functioning stations.

Apart from introducing the new design of the stations, since May AVIA Poland is executing its marketing strategy "A big plus on your way", where "plus" presented in the form of a Swiss cross is supposed to bring the connotations of the roots of the brand. The campaign will be conducted on the Internet, social media, radio, outdoor carriers in the vicinity of the stations and BTL communication at the stations, including modern large format screens Digital Signage.

As of the balance sheet date the AVIA chain included 52 stations, of which 2 were connected to the chain in 2020. Slower than previously dynamics of including new objects into the chain results primarily from the Group's concentration on stations of highest efficiency potential. The Group is conducting negotiations and talks in several other locations in the territory of Poland and upholds its plan to acquire 65-70 stations until the end of 2021 and 200 stations until 2023.

Commencing the activity under the AVIA brand in Ukraine

In 2019 the Group also commenced developing the AVIA chain in the territory of Ukraine. Having signed franchise contracts, the process of first stations rebranding began. The Issuer is introducing the brand as franchise at petrol stations, however, for the time being it does not supply fuels to petrol stations in the territory of Ukraine. Experience shows that the brand was positively welcomed by the market and it produced measurable business profits to the companies that operate petrol stations in this country. As of the day of present statements publication the AVIA chain in Ukraine includes in total 10 stations. The plan of AVIA chain development in Ukraine assumes 30 stations until the end of 2020.

Activity under the AVIA brand in China

The company UNIMOT Asia LLC conducts sales and distribution of automotive oils and lubricants under the AVIA brand in China and other countries of the Far East.

Following the pandemic of the coronavirus, the peak of which in China occurred in Q1 2020 and the introduced by the government restrictions in movements and contacts of people and also limitations regarding the exchange of goods inside the country as well as other countries, the sales of the company were very limited.

In Q2 of the present year the situation improved. However, not to the extent that had been expected. This is impacted by the economic situation in other countries of the world, which weakens Chinese export, and so the economic activity of Chinese enterprises. Fortunately, the state is very supportive and helps to maintain economic activity and allowed to resume production.

Retail sales in China and other export markets in H1 2020 remained at the level higher than the one in the entire 2019, yet it is still lower than assumptions.

Sales of photovoltaics under AVIA Solar brand

In May 2020 Unimot Energia i Gaz commenced sales of photovoltaic installations under the AVIA brand on the Polish market. The offer is dedicated to retail and business customers. The company launched a wide marketing action and image campaign through various channels of communication with potential customers.

Unimot Energia i Gaz, making use of its experience on the electricity and gas market provides the customers with a comprehensive offer of delivery and assembly of photovoltaic installations combined with a possibility of purchasing the energy from the installations, storing energy, and supplementing it with supplies from the grid.

The product offer is based on cooperation with leading producers of photovoltaic panels, ensuring highest quality of products and longest guarantee of efficiency of the installed devices on the market.

Since June salespersons have been conducting active sales of package offerings for photovoltaic installations. In June the offer of photovoltaic panel installation was directed to the chain of AVIA petrol stations, managed by Unimot S.A. Special stands of AVIA Solar are being placed at the stations, where with the use of a tablet station's customers can leave their contact data and receive even PLN 6 thousand of discount for the photovoltaic installation. The offer of AVIA Solar at petrol stations is supported by the campaign BTL and in social media.

On 19th August 2020, UNIMOT Energia i Gaz signed a cooperation agreement with Blachotrapez concerning joint actions on the market of photovoltaic installations. Blachotrapez is a leading Polish producer of roofing and cladding panels, with a sales network in the territory of the whole country. Sales are conducted through the company's 130 branches and 300 salespersons.

As of the present statements preparation date several dozens of first contracts have been signed with individual and business customers. The Group intends to become one of the leading players on the market of solar energy in Poland within next three years.

Petroleum trading

In May 2020 Unimot S.A. took over 75% of shares in 3 SEAS ENERGY LLC with its registered office in Tulsa (USA), which was established to carry out deliveries of American petroleum to the market of Central and Eastern Europe. The second partner is Getka Energy LLC, which ensures solutions in the scope of storing, blending, and transporting petroleum in the territory of the USA. Unimot S.A. is responsible for the physical delivery of the product to the customer.

In H1 Unimot S.A. carried out first deliveries of petroleum. The American direction is especially interesting as it is in line with the policy of diversifying the supplies of energy raw resources to the countries of the Central Europe region.

The Group expects that next deliveries will positively contribute to the Group's result in H2 2020.

Write-off on the investment in blinkee.city

In June 2019 UNIMOT S.A. took over 20 % of shares in Green Electricity sp. z o.o. (in October UNIMOT S.A. purchased additional 5% of shares) operator of blinkee.city platform, which offers services of renting electric bicycles, motor scooters and scooters in Poland and Europe.

The surge of the coronavirus COVID-19 in the world and in Poland (which results from the geographical scope of operations of blinkee.city) undoubtedly had a negative impact in the Company's operations, which dropped significantly compared to the revenues achieved in 2019. In Q2, in the period when the restrictions regarding movement and legal obligations of social distancing were the tightest, the company recorded a loss of revenues of over 90%.

On several European markets, among others, in Spain, where the company also conducts its activity, epidemiological situation was one of the worst in Europe and the company practically ceased its operations there.

Despite the fact that a number of restrictions regarding the functioning of shops, transport and gathering were lifted, partial principles of social distancing are still in force.

All of these led to a significant decrease in the demand for the services rendered by the company and significant drop in revenues. One can observe a tendency to restore revenues, but it is slow and the level of the demand from the period before the pandemic did not occur as of the statements preparation date.

In connection with the situation in Green Electricity that had resulted in a permanent loss of revenues and the forecast that does not assume recovery of losses, the Issuer decided to make a write-off on part of the loan granted to this company in the amount of PLN 4 million.

Concession updates

On 9th March 2020 Unimot S.A. obtained from the President of Energy Regulatory Office new concession decisions in the scope of trading fuels (including abroad), production, storage (including reloading) of liquid fuels. The rights of the Company to conduct the trade activity on the fuel market have been adjusted to the legal regulations and simultaneously the product range has been extended being adjusted to the developing trade requirements of the company.

The updated concessions entitle Unimot to trade liquid fuels in the territory of Poland with the use of, among others, fuel depots and petrol stations as well as foreign trade. Additionally, the Company can now conduct the trade of refinery intermediates and heavy heating oils in their full range, and within the storage concession the Company can render services of reloading and storing liquid fuels. The validity period of all the concessions has been sustained until the end of 2030.

Thanks to the updated concessions Unimot can expand its sales offer, increasing in this way its competitiveness level on the domestic and international fuel markets.

Security on the shares of subsidiaries

On 18th March 2020 the Issuer submitted a request for an entry into the Register of Pledges a registered pledge on the shares of subsidiaries (100% of shares in subsidiaries of Tradea Sp. z o.o., Unimot Energia i Gaz Sp. z o.o. and Unimot Paliwa Sp. z o.o.), so as to secure potential recourse claims of the majority shareholder Unimot Express Sp. z o.o. towards the Issuer.

The pledge was entered with relation to mortgages established on immovable property of Unimot Express Sp. z o.o. as a security for one of the credit limit granted to the Issuer and Tradea sp. z o.o. by one of the banks. Recourse claims can arise in case Unimot Express Sp. z o.o. satisfies the bank's claims regarding the abovementioned credit. The value of the credit limit amounts to PLN 59 million, and the maximum value of the security on the shares of subsidiaries amounts in total to over PLN 51 million.

Tradea a member of NASDAQ Commodities

The subsidiary TRADEA Sp. z o.o. has become a member of the Nasdaq stock exchange, which was one of its strategic goals. This will allow the company to trade electricity on the Scandinavian market, which is intended to be commenced in Q2 2020.

Nasdaq is a stock exchange with its main office in the United States and branches all over the world, which provides an opportunity to trade commodities, including electricity and natural gas, which is conducted under the brand of Nasdaq Commodities.

TRADEA has been accepted to Nasdaq Commodities as so-called Non-Clearing Member, that is a unit that participates in trading through a clearing institution, in case of the company Raiffeisen Bank in the Czech Republic. There are about 250 members of Nasdaq Commodities in Europe, coming from over 20 countries. They include producers, distributors, sellers, and large consumers of electricity, as well as banks, stock broking companies, funds, and financial institutions.

Eagle (Orzeł) by Wprost

UNIMOT S.A. has received a prestigious award of „Orzeł" (Eagle) by the weekly Wprost in the Business Leader category among the companies with a seat in the Opolskie Voivodeship.

"ORŁY" (EAGLES) by WPROST is an award for companies, local governments and prominent persons, whose contribution into the development of economy, region and country is outstanding. These organisations and persons care for Poland on a daily basis not only through great achievements and deeds, but also seemingly trivial decisions and actions, which in everyday struggle create the silhouette of contemporary Poland.

ISBnews award

In the second edition of the awards and distinctions gala „The Most Reliable in the Polish Economy" the ISBnews agency honoured companies and institutions that conduct their operations transparently, honestly towards contractors and partners and in compliance with the principles of corporate social responsibility.

During this gala UNIMOT S.A. received an award in the category „The Most Reliable in the Fuel and Chemical Sector" for exceeding financial forecasts and building the value for the shareholders.

SuperBrands Title

Active in over 80 countries organisation Superbrands Ltd. for the second time already chose the best brands on the Polish market. As an outcome of voting by the members of Konfederacja Lewiatan that includes experts of the most influential business organisation in Poland, Unimot was selected among the strongest business brands on the Polish market and was awarded a tittle of Business Superbrands 2020.

Cheetah (Gepard) by Wprost

Unimot S.A. received a prestigious award of Polish Cheetah during the publication of the rank of 200 largest Polish companies by the weekly Wprost in 2020.

It is the sixth time that Wprost has published the list of 200 largest Polish companies, UNIMOT S.A. was awarded as the fastest developing Polish company.

Golden Issuer Website

UNIMOT S.A. came first in the contest Golden Issuer Website. The award was given by the Association of Listed Companies, which has organised the contest already thirteen times.

The final selection of winners was done by the Contest's Board consisting of well-known figures of the capital market and also the most renowned experts in the areas such as graphics, marketing communication, economy, or investor relations.

UNIMOT S.A. was awarded in the classification „Leader of online communication" in the category of small companies.

3.2 PRESENTATION OF BASIC ECONOMIC AND FINANCIAL SIZES OF THE CAPITAL GROUP

Interim consolidated statements of financial situation

in PLN thousand	**30.06.2020**	**31.12.2019**
Fixed assets	**128 567**	**80 393**
Current assets	**586 830**	**606 727**
Inventory	200 194	239 258
Trade and other receivables	304 627	306 314
Financial resources and their equivalents	68 485	38 836
Other current assets	13 524	22 319
TOTAL ASSETS	**715 397**	**687 120**

in PLN thousand	**30.06.2020**	**31.12.2019**
Equity	**238 830**	**246 936**
Liabilities	**476 567**	**440 184**
Long-term liabilities	17 090	21 005
Short-term liabilities	459 477	419 179
TOTAL LIABILITIES	**715 397**	**687 120**

Balance sheet figures remain at the level similar to the end of the previous year.

Working capital (inventories + receivables + cash resources – trade liabilities) is stable.

Inventory level considers operating inventories level and value of the level due to compulsory reserve in the amount of PLN 121.7 million as of 30th June 2020 against PLN 115.1 million as of 31st December 2019.

Receivables level considers the growth in the level of cash deposits and receivables from the transactions on petroleum (settled after the balance sheet date).

Short-term liabilities include working capital facilities for working capital financing and the credit for financing the compulsory reserve in the amount of PLN 88.0 million as of 30th June 2020 against PLN 85.2 million as of 31st December 2019.

Interim consolidated statements of total revenues

in PLN thousand	**01.01.2020-30.06.2020**	**01.01.2019-30.06.2019**
Revenues on sales	2 218 213	1 877 226
Profits (losses) on realised financial instruments regarding fuel trade	(41 251)	480
Cost of sold goods, products, and materials	(2 077 094)	(1 787 685)
Gross profit on sales	**99 868**	**90 021**
Other operating revenues	1 447	944
Sales costs	(75 890)	(53 883)
Overheads	(15 806)	(10 465)
Other net profits/losses	146	895
Other operating costs	(6 092)	(672)
Profit on operating activity	**3 673**	**26 840**
Financial revenues	9 708	8 047
Financial costs	(3 101)	(4 269)
Net financial costs	**6 607**	**3 778**
Profit/(loss) before taxation	**10 280**	**30 618**
Income tax	(2 335)	(6 297)
Net profit/(loss) for the accounting period	**7 945**	**24 321**

In H1 2020 the Group achieved a growth of revenues on sales against H1 2019 at the level of 15.9%. In this period the Group recorded the net result at the level of PLN 7.95 million against net profit of PLN 24.3 million in H1 2019. Such a level of book results is primarily driven by the impact of liquid fuels inventories valuation and movements of costs over time related to NIT achievement and maintaining compulsory reserves of fuels. The total impact of these factors on the book result amounted to PLN -27 576 thousand. The details have been presented in item 3.4 of the present interim statements.

Cost by type structure

in PLN thousand	**01.01.2020-30.06.2020**	**01.01.2019-30.06.2019**
Amortisation	(3 513)	(3 081)
Electricity and materials consumption	(1 147)	(1 363)
Foreign services	(66 695)	(45 479)
Taxes and charges	(655)	(429)
Remunerations	(12 522)	(6 321)
Social security and other benefits	(1 283)	(1 327)
Other cost by type	(4 126)	(3 439)
TOTAL COST BY TYPE	**(89 941)**	**(61 439)**

In H1 2020 the majority of costs by type remains at the level similar to H1 2019. A higher value of foreign services results from a larger scale of Group's operating activity. The higher level of remuneration costs includes bonuses for the results in 2019 paid to the members of the Issuer's Management Board (a detailed description of the remuneration scheme for the Issuer's Management Board Members was presented in the Consolidated Annual Statements for 2019) – also reserves created in 2019 for this purpose were released, so these costs do not influence the results of H1 2020.

Results

in PLN thousand	**01.01.2020-30.06.2020**	**01.01.2019-30.06.2019**
EBIT *	3 673	26 840
EBITDA **	16 329	37 794
GROSS RESULT	10 280	30 618
NET RESULT	7 945	24 321

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

***EBITDA ratio --> defined as Earnings Before Interest, Taxes, Depreciation and Amortization*

In H1 2020 the Group recorded the EBIT result in the amount of PLN 3.7 million against the result of PLN 26.8 million in H1 2019 (down by 86.3% yoy). In the scope of EBITDA result in H1 2020 the Group recorded the result of PLN 16.3 million against PLN 37.8 million in H1 2019 (down by 56.8% yoy).

Such a level of the results is primarily driven by the impact of liquid fuels inventories valuation and movements of costs over time related to NIT achievements and maintaining the compulsory reserve of fuels. The total impact of these factors on the book results amounted to PLN -27 576 thousand. The details have been presented in item 3.4 of the present interim statements.

Results adjusted

in PLN thousand	**01.01.2020-30.06.2020**	**01.01.2019-30.06.2019**
EBITDA -adjusted	48 335	27 759
NET RESULT - adjusted	39 952	14 286

Results in H1 2020 have been adjusted for the following factors:

- Impact of liquid fuels inventories valuation and movements of costs over time related to NIT fulfilment and maintaining compulsory reserve of fuels: PLN -27 576 thousand,
- Write-off on a part of investment value (loan to Green Electricity): PLN -4 000 thousand,
- Other events: PLN -431 thousand.

The abovementioned events of the cumulative negative influence on the book results in H1 2020 in the amount of PLN -32 007 thousand have been described in detail in item 3.4 of the present interim statements.

Data regarding the value of adjusted EBITDA in particular periods has been presented on page 1 of the present statements in the chart „Adjusted EBITDA".

3.3 THE INDEX AND COMPARATIVE ANALYSIS OF THE CAPITAL GROUP

The presented below indicator evaluation of the Group was conducted on the basis of the consolidated financial statements for H1 2020 and the reference period.

Financial liquidity

The following ratios were used to assess the financial liquidity:

- **Current ratio - a ratio of current assets to short-term liabilities.** The ratio determining the ability of the Group to repay its current short-term liabilities in the medium term, this is after the realisation of owned stock, short-term financial assets, collection of short-term receivables and use of cash.
- **Quick ratio - a ratio of current assets net of stock to short-term liabilities.** The ratio determining the ability of the Group to repay its current short-term liabilities within a short time, this is after the realisation of short-term financial assets, collection of short-term receivables and use of cash on bank accounts.
- **Cash ratio - a ratio of cash balance to short-term liabilities.** The ratio determining the ability of the Group to immediately repay its current short-term liabilities within a short time, this is only after the realisation of owned cash on bank accounts.

FINANCIAL LIQUIDITY RATIOS	30.06.2020	31.12.2019
Current liquidity ratio	1,28	1,45
Quick liquidity ratio	0,84	0,88
Cash liquidity ratio	0,15	0,09

Liquidity ratio achieved at the end of H1 2020 remains at safe levels. The possessed experience in the scope of receivables hedging, systematic policy of controlling trade credits and long-term cooperation with financial institutions allow to maintain liquidity ratios at proper levels.

Profitability

Profitability analysis is based on a group of ratios allowing to assess the effectiveness of the sales activities of the Group and the impact of individual groups of costs on its financial result:

- **Rate of return on sales** - return on sales sets the efficiency of carried out sales activities, that is, it allows you to specify the part of profit remaining in the company to cover the costs of its operation – after taking into account the direct costs of sale. Similarly, this ratio allows you to determine the effect of Group's direct sale costs on its result.
- **Gross profitability** - determines the performance of activities carried out by the Group, that is, in general allows the assessment part of the income remaining in the Group to cover tax, after taking into account the costs of financial activities and abnormal events. Similarly, this ratio, interpreted in conjunction with the above ratios of profitability, allows the assessment part of the result that is built not by operating activities, but results from the financial activities or impact of the events of extraordinary nature.
- **Net profitability** - determines the revenue percentage of the Group representing its net result, that is after the costs of its activities have been covered: sales, operating, financial and after taxes have been paid.
- **ROE - Return on equity:** a ratio of net profit to average state of equity during a financial year. The ratio allows the investors to assess the performance of utilisation of capital entrusted to the Group. It means the percentage share of funds earned by the Group (net result) that can be paid in the form of a dividend, to the capital brought by investors plus part of cash earned by the Group in previous years (equity).
- **ROA - Return on assets:** a ratio of net profit to average state of assets during a financial year. The ratio allows the investors to assess the performance of utilisation of all assets owned by the Group.

PROFITABILITY RATIOS	30.06.2020	31.12.2019
ROE	3,3%	24,3%
ROA	1,1%	8,7%

PROFITABILITY RATIOS	H 1 2020	H 1 2019
PROFIT RATE ON SALES	4,6%	4,8%
GROSS PROFITABILITY	0,5%	1,6%
NET PROFITABILITY	0.4%	1.3%

The drop of profitability ratios at all the analysed levels has been driven by a drop of the achieved result against the corresponding period of the past year. The lower book results in H1 2019 resulted from the factors that have been presented in detail in item 3.4 of the present statements.

PROFITABILITY RATIOS adjusted	H 1 2020	H 1 2019
PROFIT RATE ON SALES adjusted	2,2%	1.5%
NET PROFITABILITY adjusted	1,8%	0.8%

The results in H1 2020 have been adjusted for the impact of liquid fuels inventories valuation and movements of costs over time related to NIT fulfilment and maintaining compulsory reserves of fuels, a write-off on a part of investment (loan to Green Electricity) and other adjustments.

The above-mentioned events of the cumulative positive impact on the book results in H1 2020 in the amount of PLN -32 007 thousand have been described in detail in item 3.4 of the present interim statements.

Efficiency of action

The following ratios were used to assess the efficiency of action:

- **Average collection period (days):** a ratio of trade receivables at the end of a financial year to revenue from net sales x 360. The ratio determines the average period in days which is followed by collection of receivables from invoices issued by the Group. In general, you should strive to minimise this ratio.
- **Creditor (days):** a ratio of short-term receivables against suppliers at the end of a financial year to revenue from net sales x 360 days. The ratio determines the average period in days which is followed by repayment of Group's liabilities. In general, you should strive to maximise this ratio.
- **Inventory turnover (days):** a ratio of average state of inventory at the end of a financial year to revenue from net sales x 360. The ratio determines the average period in days during which the Group holds the stock before sale thereof. Considering the performance, you should strive to minimise this ratio.

OPERATION EFFICIENCY RATIOS	30.06.2020	31.12.2019
Rotation of trade receivables (days)	25	25
Rotation of trade liabilities (days)	23	16
Inventory rotation (days)	17	19
Inventories rotation (days) adjusted for compulsory reserve	6	7

The inventory rotation ratio decreased from 19 days in 2019 to 17 days at the end of H1 2020, in this due to compulsory reserve. The inventory rotation ratio adjusted for the value of the compulsory reserve decreased from 7 days at the end of 2019 to barely 6 days at the end of H1 2020, which means a very fast rotation of inventories (primarily diesel).

Cash conversion cycle = a cycle from cash to cash
Cash to Cash = inventory cycle + receivable cycle – liability cycle
Cash to Cash = 17 days + 25 days – 23 days = 19 days

Adjusted for the value of compulsory reserve cash conversion cycle amounts:
Cash to Cash = 6 days + 25 days – 23 days = 8 days

The cash to cash cycle decreased from 28 to 19, i.e. by 9 days compared to the corresponding period of the past year.

The cash to cash cycle adjusted for the value of compulsory reserve decreased from 16 to 8, i.e. by 8 days compared to the end of the past year.

Debt assessment

The assessment of the degree of debt of the Group was made based on the following ratios:

- **Asset coverage ratio:** a ratio of the sum of equity value to the sum of total assets. The ratio determines the degree of coverage of the assets of the Group by its owned equities.
- **Debt ratio:** a ratio of total liabilities amount to value of assets in total. The ratio specifies to what extent the Group's assets were financed with debt.

DEBT RATIOS	30.06.2020	31.12.2019
Total debt ratio	66,6%	64,1%
Equity/assets ratio	33,4%	35,9%
Equity to fixed assets ratio	185,8%	307,2%
Total debt ratio adjusted for credit for compulsory reserve	61,9%	59,0%

Debt ratios at the end of H1 2020 remain at the level similar to the end of 2019, which means that significant sources of external financing of the activity conducted by the Group have not changed.

A positive evaluation of the above-mentioned ratios constitutes a basis for a positive evaluation of Group’s capability to fulfil contracted liabilities and proves lack of threats in this scope.

3.4 PRINCIPAL FACTORS AND EVENTS AFFECTING THE GROUP'S RESULTS IN H1 2020 THAT MAY AFFECT GROUP'S OPERATIONS IN THE SUBSEQUENT QUARTERS

LIQUID FUELS TRADE SEGMENT

Diesel and bio-fuels

In H1 2020 the Group continued sales of diesel, petrol and bio-fuels taking advantage of the favourable market environment.

in PLN thousand	01.01.2020-30.06.2020	01.01.2019-30.06.2019	change %
Sales volume [m3]	613 786	483 261	27,0%
Total revenues	1 856 134	1 656 988	12,0%
EBITDA	19 087	32 381	-41,1%
EBITDA -adjusted	46 663	23 229	100,9%
Profit/(loss) for the period	16 270	28 088	-42,1%
Profit/(loss) for the adjusted period	43 846	18 936	131,5%

In H1 2020 the Group sold over 613 thousand m3 of liquid fuels and bio-fuels, which was up by 27.0% against the corresponding period of the past year. The consequence of the growth of volumes is the recorded growth of revenues to PLN 1 856.1 million (up by 12.0% yoy).

The results in H1 2020 have been adjusted for the impact of liquid fuels inventories valuation and movements of costs over time related to NIT fulfilment and maintaining compulsory reserves of fuels, of total negative impact on the book result in H1 2020 in the amount of: PLN -27 576 thousand.

The achieved EBITDA in H1 2020 amounted to PLN 19.1 million (down by 41.1% yoy), and adjusted EBITDA PLN 46.7 million (up by 100.9% yoy). The net profit for H1 2020 amounted to PLN 16.3 million (down by 42.1% yoy), and the adjusted net profit PLN 43.9 million (up by 131.5% yoy).

The results in H1 2020 in this segment were driven primarily by the following factors:

- **Higher yoy sales volumes of diesel and petrol** (also higher than primary assumptions)
- **Higher levels of trade margins on diesel yoy** - higher levels of margins were driven primarily by more favourable market situation and high land premium,
- **Higher yoy sales volumes of bio-fuels –** once again the Group managed to win more tenders than it had been assumed. This occurred as a result of effective business activities and market changes (a decreased number of bio-fuels customers on the market in connection with cessation of activities by one of the competitors),
- **Lower yoy prices of diesel oil –** lower prices of diesel oil decreased the business capital intensity and decreased the cost of import as well as maintaining the compulsory reserve,
- **Diesel compulsory reserve valuation and justified movements -** prices of diesel stored by Unimot for compulsory reserve are hedged by the Group through futures transactions, therefore, they are not affected by a nominal change in the level of fuel prices. However, the valuation is affected by the spread between the spot price (according to which the Group is obliged to valuate stock levels) and the and forwards price (according to which the Group is obliged to valuate hedging financial transactions). On the day of transaction maturity the spot and forwards prices and the impact of valuations will be neutral.

In connection with the abovementioned level of compulsory reserve and the market situation – the book result achieved by the Group consider the impact of reserve valuation following the change in the difference between the spot and future price.

In the future, on the assumption that the compulsory reserve is physically maintained, one should expect further burdens to the book result for this reason (in the long term the moment the hedging futures are mature, the differences in reserve and futures valuation will be offset).

The results of future periods will primarily be affected by the following factors:

- **Land premium level** (difference between the price on the local market and price in the ports where fuel is supplied to the country) for diesel – the dominant assortment in the Group's sales structure. The level of land premium determines the area of possible to achieve trade margin net of logistics costs (transport costs, costs of transhipment services, quality examination), costs of renting the capacity of fuel bases, costs of securing receivables (following the trade security policy adopted by the Group), and also costs of NIT obligation fulfilment.
- **Dynamics and direction of diesel prices changes** – high dynamics of growth has a negative impact, high dynamics of drops - a positive impact.
- **Market structure** (contango/backwardation).
- **Volume of working capital** indispensable to finance achieved turnovers, which depends on the level of fuel prices on the markets and prolonging possessed working capital facilities.
- **Demand and supply situation in Europe, especially in Poland,** especially in the context of the restrictions introduced following the pandemic of coronavirus COVID-19.

LPG

In H1 2020 the Group continued LPG trading, primarily focusing on wholesale.

in PLN thousand	**01.01.2020-30.06.2020**	**01.01.2019-30.06.2019**	**change %**
Sales volume [T]	88 238	75 894	16,3%
Total revenues	153 760	155 521	-1,1%
EBITDA	4 595	5 009	-8,3%
Profit/(loss) for the period	4 195	4 688	-10,5%

Since the end of March 2020, following the coronavirus pandemic one could observe a very distinct drop in demand for autogas, the main product sold by the Group in this segment. In the following months, this demand was restored due to the holiday season, and despite the still difficult market, the LPG segment managed to achieve higher sales volumes.

In H1 2020 the Group achieved higher by 16.3% volumes, which amounted to 88.2 thousand of tonnes. Following a distinct drop in prices the revenues reached PLN 153.8 million (down by 1.1% yoy).

The achieved in H1 2020 EBITDA amounted to PLN 4.6 million (down by 8.3% yoy). The profit for H1 2020 amounted to PLN 4.2 million (down by 10.5% yoy).

The results in H1 2020 in this segment were primarily driven by the following factors:

- **large drop in autogas consumption in Q2 of the present year** – the drop was driven by the coronavirus pandemic and introduced for this reason restrictions.
- **utilising alternative gas supply sources to own depot** - in H1 2020 similarly to the previous ones, the Group utilised not only rail but also road transport, which ensured which ensured better predictability and more favourable margins in the situation of price changes.
- **improved efficiency and concentration on most margin-effective channels of sale and distribution –** utilising a railway siding for purchases of domestic product for own bottler and large purchases of gas from the west.

In the future periods the greatest impact on the Group's operations in the LPG area will constitute the supply situation on the market connected with the planned limitation of product supplies to Poland by the major supplier and development of the situation related to the pandemic of coronavirus COVID-19.

GASEOUS FUELS

The Group conducts activity in the scope of trading, sales, and distribution of natural gas with the use of inhouse infrastructure (gas network, LNG regassification stations), foreign infrastructure, Polish Power Exchange and abroad.

in PLN thousand	**01.01.2020-30.06.2020**	**01.01.2019-30.06.2019**	**change %**
Sales volume [GWh]	408,7	162,3	151,8%
Total revenues	30 485	18 256	67,0%
EBITDA	3 684	(131)	-
Profit/(loss) for the period	2 455	(1 272)	-

In the natural gas segment H1 2020 was a record one with regard to volumes. The Group sold 408.7 GWh of natural gas, that is by 151.8% more than last year. A growth was recorded by the companies that conduct sales with the use of inhouse infrastructure (thanks to new contracts with previous industrial customers), as well as Unimot Energia i Gaz (following the development of sales also to larger than previously enterprises). However, the decisive influence on such a growth in the Group belonged to the development of wholesale in Unimot S.A.

Revenues from external customers of this segment amounted to PLN 30.5 million (up by 67.0% yoy), EBITDA reached the level of PLN 3.7 million and the net profit PLN 2.5 million.

Such positive results in H1 2020 in this segment were primarily driven by the following factors:

- Higher yoy volumes of wholesale,
- Higher yoy sales and distribution tariffs in UNIMOT System and its subsidiary Blue LNG,
- Higher yoy sales volumes in UNIMOT System following new, additional contracts with previous industrial customers,
- Higher yoy sales volumes in UEiG following the extension of the customer portfolio with new customers.

As of the preparation date of the present statements the pandemic of coronavirus COVID-19 does not negatively influence the operations of natural gas companies.

The results of the future periods will be influenced primarily by market prices of natural gas, level of new tariffs in UNIMOT System and Blue LNG, acquisition of new customers as well as development of wholesale.

ELECTRICITY

The Group continues the development of electricity sales project as an element of implementing its strategy of creating a multi-energy sales offer. This segment comprises wholesale electricity trading through exchange and brokerage platforms of Tradea Sp. z o.o. and sales of electricity by Unimot Energia i Gaz Sp. z o.o. to final customers with the use of foreign infrastructure.

in PLN thousand	**01.01.2020-30.06.2020**	**01.01.2019-30.06.2019**	**change %**
Sales volume [GWh]	1 296,4	921,3	40,7%
Total revenues	52 397	29 952	74,9%
EBITDA	3 871	4 344	-10,9%
Profit/(loss) for the period	3 457	4 278	-19,2%

The segment recorded a growth of sales volumes from 921.3 GWh in H1 2019 to 1 296.4 GWh in H1 2020 (up by 40.7% yoy). The growth was recorded both in the area of electricity wholesale through exchange and brokerage platforms in Tradea Sp. z o.o. as well as sales of electricity by Unimot Energia i Gaz Sp. z o.o. to final customers.

According to the valid since 2018 IFRS 15 revenues on the trading activity of Tradea Sp. z o.o. are included directly into the financial revenues/costs (this refers to the amount of PLN 253.2 million of revenues in H1 2020 and PLN 216.1 million of revenues in H1 2019) and therefore the level of revenues in the statements is not proportional to the level of presented volumes.

The segment recorded the result in the amount of PLN 3.5 million in H1 2020 (down by 19.2% yoy) and EBITDA in the amount of PLN 3.9 million in H1 2020 (down by 10.9% yoy).
The companies Tradea Sp. z o.o. and Unimot Energia i Gaz Sp. z o.o. achieved results accordant with the budget for 2020.

Future revenues from contracts signed with customers by Unimot Energia i Gaz Sp. z o.o. as of 30th June 2020 are as follows:

in PLN thousand	**01.07.2020 - 31.12.2023**
Future revenues in the period of 01.07.2020 - 31.12.2023	132 686
Gross profit on sales	21 865
Cost of contract acquisition	(8 234)
Profit on sales	**13 631**

The surge of the coronavirus COVID-19 in Poland affected the operations of Unimot Energia i Gaz Sp. z o.o. Due to the fact that the signed contracts for electricity supply pertain to future periods as of the preparation date of the present statements the development of the coronavirus pandemic had not influenced neither the level of revenues nor the presented financial results. The restrictions related to the pandemic, among others, restrictions (apart from few exceptions) pertaining to the operations of shopping centres, shops, service businesses, restaurants, hotels, and guest houses may result in serious consequences for companies and enterprises that lost the majority of their revenues.

Expecting problems for a number of companies from the SME sector (main group of the Company's customers) and also due to lack of credible forecasts as to the end of the pandemic, on 01.04.2020 the Company ceased to sign new contracts for the supplies of electricity and gas.

The decision made with regard to reopening the economy and lack of significant impact of the coronavirus pandemic caused that since 01.07.2020 the Company returned to active acquisition of new contracts for supplies of electricity and natural gas. However, a procedure was implemented with respect to a more precise than previously verification of potential customers, also with regard to the industries particularly threatened by the consequences of the pandemic.

AVIA Solar

The description of actions related to the launch of the offer of sale, assembly, and servicing of photovoltaic panels for the business segment and individual customers under the AVIA Solar brand were described more widely in item 3.1 of the present statements.

The level of revenues and result of this part of the segment of electricity in H1 2020 was not significant from the perspective of the results of the entire Capital Group.

OTHER ACTIVITY

Petrol stations

The segment's revenues include the revenues on fuel sales at the Issuer's own stations and investment charges, fixed and other charges received from franchised AVIA station. EBITDA includes additionally a fixed charge for each sold litre of fuel at franchise stations (moved from the segment Diesel and bio-fuels – wholesale of fuel).

in PLN thousand	**01.01.2020-30.06.2020**	**01.01.2019-30.06.2019**	**change %**
Sales volume [M litres]	44,8	32,4	38,3%
Total revenues	18 574	16 701	11,2%
EBITDA	(694)	(761)	-
Profit/(loss) for the period	(1 112)	(1 130)	-

In H1 2020 all the AVIA stations in Poland sold 44.8 million litres of fuel, which constitutes a growth by 38.3% against the previous year. The growth of volume was primarily driven by the greater number of stations in the AVIA chain and growth if average sale per one station. Especially in Q2 one could observe a negative impact of the coronavirus pandemic , which was visible both in the drop in sales of fuels as well as non-fuel products. At the end of Q2, and especially after the balance sheet date the demand was restored, and due to the holiday season – it remained at a high level.

The revenues in this segment grew by 11.2% yoy and in H1 2020 amounted to PLN 18.6 million. EBITDA reached the level of PLN -0.7 million and the net profit PLN -1.1 million.

Other petroleum products

The segment comprises sales of bitumen products as well as engine oils and lubricants under the AVIA brand, and since Q2 2020 also petroleum trading. The business of bitumen products as well as oils appeared in the Group in H2 2019.

in PLN thousand	**01.01.2020-30.06.2020**	**01.01.2019-30.06.2019**	**change %**
Sales volume [T] of bitumen and oils	15 702	54	28977,8%
Sales volume [th. bbl] of petroleum	1 240	-	-
Total revenues	63 140	86	73318,6%
EBITDA	177	(334)	-
Profit/(loss) for the period	95	(350)	-

The segment of bitumen products is characterised by seasonability – the season begins at the end of the 1st quarter of the year. This year it was delayed due to the pandemic of coronavirus COVID-19, but in Q2 another challenge appeared – lack of product, primarily due to the refurbishment of PCK Schwedt refinery. Additionally, the lasting pandemic curbed financing the projects of building roads by local governments.

Engine oils were also affected by the coronavirus pandemic – as a result the sales both to China as well as Ukraine were much hindered.

A positive, significant impact on this segment's results had commencing by the Group the sales of American petroleum. First deliveries were made in Q2.

Altogether, in the whole of H1 2020 the total of 15.7 thousand tonnes of products and 1 240 bbl of petroleum were sold within the segment. The revenues in H1 2020 amounted to PLN 63.1 million, the result for the period PLN 95 thousand, and EBITDA PLN 177 thousand.

3.5 LEVEL OF GROUP'S STRATEGY IMPLEMENTATION AND REFERENCE TO FINANCIAL RESULTS FORECASTS

In June 2018, the UNIMOT Group prepared and announced the Strategy for the years 2018-2023. Below, the Issuer presents major strategic goals together with a comment on their implementation:

- **Achieving PLN 75 million EBITDA in 2023**

The UNIMOT Groups strives for annual growth of EBITDA by adopting a series of strategic initiatives, developing the diesel business as well as LPG, natural gas, and electricity, and for several months also bitumen products. Ultimately, the EBITDA result will be also largely contributed by the systematically expanded chain of AVIA petrol stations.

An element of the published strategy constituted the forecasts of the consolidated adjusted EBITDA for the years 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 the year 2018 the UNIMOT Group achieved the consolidate EBITDA result (book one) in the amount of PLN 13.5 million, i.e. exceeding the forecast value of PLN 12 million by 12.6%.

During 2019 the Company several times updated the forecast of the consolidated adjusted EBITDA for 2019. On 5th August 2019 (CR 21/2019) to the level of PLN 46.2 million, on 14th November 2019 to the level of PLN 57.6 million (CR 30/2019) and on 11th December 2019 (CR 32/2019) to the level of PLN 61.4 million. The achieved result reached the level of PLN 63.7 million, which means that the last forecast was exceeded by 3.7%.

On 11th December 2019, the Company informed in the current report NO 32/2019 about the update to the forecast of consolidated adjusted EBITDA for 2020 to the level of PLN 62.3 million. Simultaneously, it informed about changes to its previous information policy in the scope of publishing financial forecasts for the years to come. The Management Board of the Company decided to cancel the forecast of the consolidated adjusted EBITDA for the subsequent years (2021-2023) and publish it each time at the end of the preceding year.

The decision of the Management Board was related to external factors, independent of the Company, primarily significant market changes that occurred since the Strategy had been adopted (problems of one of the competitors) and which may (according to the announcements will) occur in the future (among others, a fusion of the two main fuel concerns). The aforementioned circumstances are highly likely to have an impact on the forecasts for the future years and assessing this impact as of the present statements publication date was impossible.

- **Increased business efficiency measured by the ROCE index (calculated as EBITDA / assets net of short-term liabilities) – in 2023 ROCE = 15%**

The UNIMOT Group is going to systematically improve efficiency of all businesses ultimately reaching the ROCE index at the level of 15%. To do so, it undertakes a number of actions – both on the revenue as well as cost side. At the end of 2019, the ROCE index (calculated as EBITDA / fixed assets net of working capital) amounted to 28.3%, that is more than the assumed level 15% for the year 2023.

- **Activity diversification – generating in 2023 70% of EBITDA from intensively developing businesses beyond diesel**

The UNIMOT Group is developing and enlarging the scale of all conducted businesses. However, the fastest changes are assumed in the areas beyond diesel, which previously constituted the basis of the Issuer's activity. This is carried out primarily through:

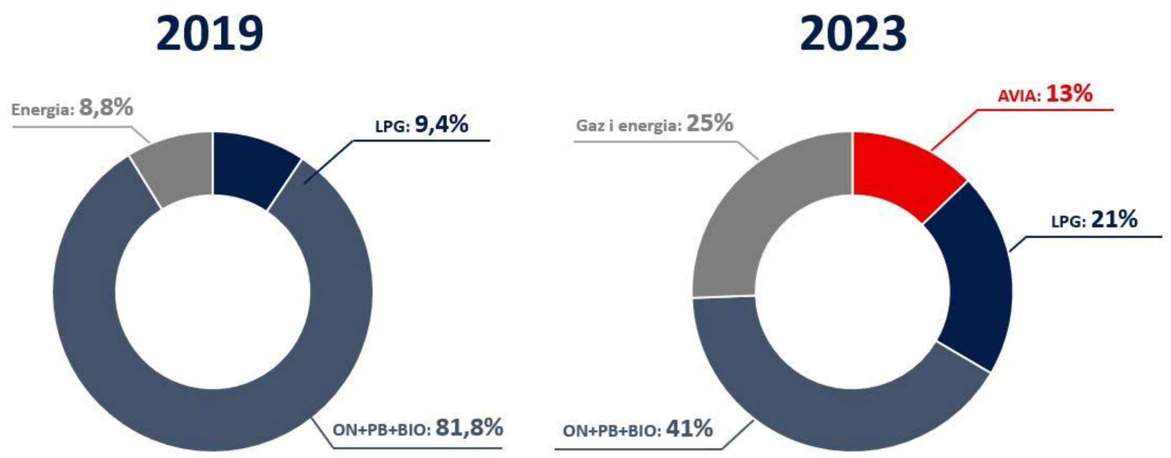
- growth of the number of stations in the AVIA chain to 200 in 2023, currently with an assumption to concentrate on most prestigious locations,
- creation of a new source of profits in the form of non-fuel products sold at AVIA stations,
- developing the sales of LPG, mainly through further development of wholesale and intensification of sales in the scope of autogas,
- development of attractive business areas in the scope of electricity and natural gas in response to future market trends (e.g. LNG stations).

In addition, in August 2019 the UNIMOT Group decided to enter into a new segment of operation and commence import and sales of bitumen products in Poland – this supplemented the Group's offer in the area of petroleum, products. Bitumen products are sold on the Polish market under the AVIA Bitumen brand.

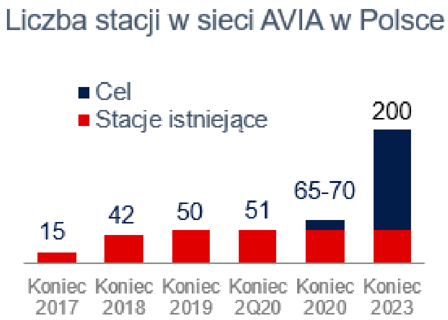
Since 2019 the Unimot Group has been also developing sales of oils in China and Ukraine, assuming for the oncoming years a growth in sales and entering new markets in Europe and Asia.

In H1 2020 the Group commenced trading of petroleum importing it from the USA and Near East and supplying onto the Central European market, previously to Belarus.

In H1 2020 the Group also commenced sale, assembly, and service of photovoltaic panels for the business segment and individual customers under the AVIA Solar brand.



- **Development of AVIA chain in Poland – 200 petrol stations until the end of 2023**



One of the most important elements of the strategy for the years 2018-2023 is a dynamic development of the AVIA chain. The Issuer’s goal is to own 200 of AVIA petrol stations in 2023. To achieve this assumption the Company wants, among others, to increase the attractiveness of franchise offer through: introduction and development of a fleet card, increased elasticity of cooperation terms depending on the station’s potential, creating several flagship stations, and expanding the offer with new products and services. In 2019 the Company focused on the changes in the team in charge of the chain’s development and streamlining the shop concept following the current trend of moving the weight from the fuels themselves to non-fuel products and services.

At AVIA stations the Group launched a new catering concept Eat&Go, which is characterised by new design of petrol stations as well as modern interiors and restaurant zone.

Development of the own brand Eat&Go is connected with the conducted analysis of the market and customer expectations. Having done so the company strived to meet these expectations and decided to introduce a higher level at the stations with regard to aesthetics of interiors and restaurant zone.

At the end of 2019, the AVIA chain included 50 stations, where 12 of them were connected to the chain in 2019 (four were excluded due to chain optimisation process). In 2020 next two stations were incorporated (including one after the balance sheet date) and as of the present statements publication date the AVIA chain in Poland includes 52 stations.

The lower dynamics of connecting new facilities to the chain than before results mainly from the Group's concentration on stations with the highest efficiency potential and restrictions related to the COVID-19 pandemic. Because of the pandemic the Group initially ceases to acquire new stations and resigned from or suspended a series of advanced projects. Execution of the projects has been resumed. However, it seems that the number of stations at he of 2020 will be lower than previously assumed 100.

Simultaneously, the UNIMOT Group has been developing the AVIA chain in Ukraine. At the end of 2019 there were 5 stations operating there, as of the present statements preparation date 10 stations. Until the end of 2020 the number of stations in the chain in Ukraine is expected to reach 30.

- **Annual dividend payment in the amount of min. 30% of net profit of UNIMOT S.A.**

According to the dividend policy in force, in case net profit is achieved in the given fiscal year, the Management Board will recommend to the General Meeting of the Company to pay an annual dividend in the amount of min. 30% of the standalone net profit achieved in the given financial year.
Dividend for the year 2017 was paid on 19th June 2018. The Ordinary General Meeting of the Company decided to pay PLN 13.9 million of dividend (PLN 1.70 per share), which constituted 55.1% of standalone net profit.

In 2018 the standalone net result of UNIMOT S.A. was negative.

On 3rd June 2020, the General Meeting of UNIMOT S.A. decided to pay dividend from the profit for 2019 in the amount of PLN 16.1 million, that is PLN 1.97 per one share, which constituted 30% of standalone net profit

- **Asset optimisation**

Disinvestment in the natural gas area
On 31st December Unimot S.A. concluded an agreement regarding a partial disinvestment in the natural gas area, which covers a venture carried out jointly with Blue Line Engineering S.A. under the investment agreement of 12 February 2014 (Current Report NO 6/2014) as amended.

Under the signed agreement Blue Line Engineering S.A. and Unimot S.A. transferred the ownership of shares in the companies:

- Blue Line Engineering S.A. transferred to Unimot S.A. owned shares in Unimot System Sp. z o.o., which also includes the company Blue LNG Sp. z o.o.,
- Unimot S.A. transferred to Blue Line Engineering S.A. shares owned in Blue Cold Sp. z o.o.

According to the disinvestment agreement the parties also settled mutual receivables and liabilities related to previous financing of the operations of the aforementioned subsidiaries. The total amount of the transaction is PLN 12.64 million. Following the settlement of the transaction Unimot S.A. will pay Blue Line Engineering S.A. the amount of PLN 4.0 million. Based on the negotiated disinvestment agreement the Supervisory Board of the Issuer expressed its consent to implement the process.

The decision was made in relation to the adopted Capital Group's Strategy for the years 2018-2023, in which the Issuer assumes, among others, gas assets optimisation and concentration on most margin-efficient businesses. The Issuer's Capital Group will continue the development of natural gas sales and distribution by UNIMOT System Sp. z o.o., whose operating and financial standing has been gradually improving since mid-2018.

The Company assumes that the optimisation of gas assets will enable the gas segment to generate positive EBITDA in the years to come, which will positively contribute to the EBITDA of the whole Group. In 2019 EBITDA of Unimot System amounted to PLN 1.2 million and Blue LNG PLN 0.9 million.

Sale of LPG cylinders business

In June 2019, the process of selling the business of LPG cylinders was completed, which resulted from the assumption to concentrate only on the most margin-effective businesses in the Group. According to the agreement concluded in December 2018, Unimot transferred for payment the rights and obligations arising from the contracts concluded with customers of LPG in cylinders along with a part of assets related to this business. This allows the Unimot Group to concentrate in the LPG segment on other more promising areas – primarily the wholesale.

3.6 SHARES OF UNIMOT S.A. ON WSE

H1 2020 was characterised by remarkably high volatility of share prices on all world's markets. The reason for this fluctuation was the outbreak of the coronavirus COVID-19 pandemic. In Q1 one could observe large drops of share prices related to the fears and uncertainty as to the scale of the impact on the condition of the companies and the situation of the world's economy as well as the impact of restrictions introduced to social life through states' governments. Growths, which began at the end of Q1, resulted from the introduced by governments fiscal and legal support programs for entrepreneurs, and the hopes of investors as to the quick recovery of economies. The scale of the world's downward corrections at the turn of February and March amounted to over 30%. Since 24th February till the half of March DJI lost 35.6%; S&P 33.0%, DAX 37.9%, and WIG 34.3%. The last week of February was the last since the infamous financial crisis of 2008. Another impulse for drops appeared on 9th March 2020 when the panic related to the coronavirus COVID-19 was intensified by the price war between crude oil producers. On this day, the price of crude oil dropped by almost 30% and main indexes of the largest world's stock exchanges, including the Polish one, lost over 7%.

The beginning of growths occurred already in the half of March and they continued for the whole of Q2. The upward trend interrupted with short corrections, continued despite negative information regarding the pandemic: growth of the number of infected, introduced by the governments of various states tightening in the economy and social life, lack of vaccine and effective medicines. The negative impact of the pandemic on the economy was reflected in the information coming from the world's economies and companies as well as indexes depicting their condition. In Q2 2020 DJI grew by 17.7%; S&P500 by 19.9% and NASDAQ by 30.6% setting in June their all-time records. Similar growths were recorded by stock exchanges in Western Europe: DAX grew by 23.9%, CAC by 12.,3%, and FTSE by 8.8%.

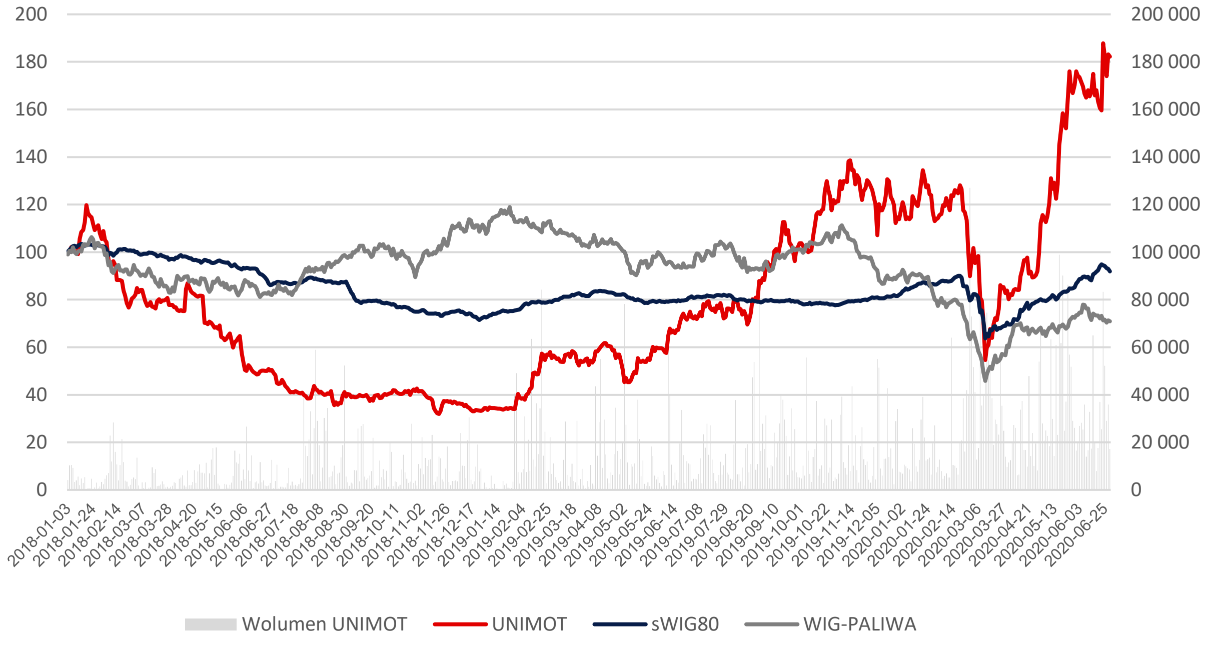
On the Warsaw Stock Exchange main indexes also recorded significant growths in Q2: WIG by 19.1%, WIG80 by 30.7%, WIG_PALIWA by 17.0%, they were the highest for over ten years. However, it needs to be remembered that they were preceded by very deep drops that lasted form 24th February to 12th March. At that time, WIG lost over 35.3%. A high volatility of prices of shares and other financial instruments quoted on the stock exchange and a decrease of interest rates led to an influx of new individual investors to the stock exchange and activation of old and experienced ones. The growth of interest in the investments on the stock exchange resulted in a large increase of turnover on the floor. In the first half of 2020 the value of trading shares on the main floor of the WSE reached a record level of PLN 131 billion. The highest activeness of the investors was observed in June.

The price of Unimot shares behaved better than indexes gaining in Q2 117.3%. In the half of May the price recovered the losses caused by the pandemic reaching the level above the value before its breakout, and at next sessions it set its annual maximums. At the end of Q2 2020 the market value of UNIMOT S.A. amounted to PLN 359.9 million, while the book value PLN 232.6 million. The trade volume at that time mounted to 1 966 thousand of shares (average volume 32.2 thousand of shares), turnover amounted to PLN 66.0 million (average turnover PLN 1.1 million). In June, the members of the Board made transactions of purchasing the shares of Unimot from the resources received as cash bonuses for purchase of shares, within the adopted in the company incentive scheme for the members of the Board. On 11th May the Department of Analyses and Recommendations of the Brokerage House BOŚ S.A. issued a fundamental recommendation „Buy", and relative „Overweigh" pricing Unimot's shares in the 12-month horizon at PLN 40.00. After the balance sheet date 6th July DAR BH BOŚ SA issued a new fundamental recommendation "Hold", relative "Overweigh" with the pricing of PLN 45.00. The company UNIMOT S.A. at the end of H1 was included into : WIG, sWIG80, sWIG80TR, WIG-Poland, WIG-PALIWA, InvestorMS, CEEplus.

At the end of H1 2020 there were 392 domestic companies quoted on the Main Floor of the Warsaw Stock Exchange of the total capitalisation PLN 472.9 billion and 48 foreign companies of the total value PLN 392.8 billion. The value of share trading in H1 2020 amounted to PLN 134.2 billion. in session and package transactions.

Price of UNIMOT shares compared to the indexes sWIG80 and WIG-Paliwa

[left axis: change of price in % (28.12.2018 = 100%), right axis: trade volume in items]



source: bankier.pl, stockwatch.pl

4. INTERIM STATEMENTS OF THE MANAGEMENT BOARD OF THE ACTIVITY OF THE UNIMOT GROUP

4. INTERIM STATEMENTS OF THE MANAGEMENT BOARD ON THE UNIMOT GROUP'S ACTIVITY

4.1 PARENT EQUITY'S DATA

Unimot Spółka Akcyjna ("Unimot S.A.", "Company", "Parent equity") with its registered office in Zawadzkie, at 2A Świerklańska, is a Parent equity in the Unimot Capital Group ("Capital Group", "Group"). The Company was entered on 29th March 2011 into the Business Register of the District Court in Opole VIII Commercial Division of the National Court Register, as KRS number: 0000382244.
Unimot S.A.'s shares from 7 March 2017 have been listed on the regulated market of the Warsaw Stock Exchange.

The primary activity of the Group is retail and wholesale of gas, liquid fuels, petroleum products, electricity and development and construction of natural gas distribution network.

As of the date of this interim condensed consolidated financial statements, the composition of the management and supervisory bodies of the Parent Equity was as follows:

Composition of the Management Board:

- Adam Sikorski - President of the Management Board
- Robert Brzozowski - Vice-President of the Management Board
- Marek Moroz - Vice-President of the Management Board

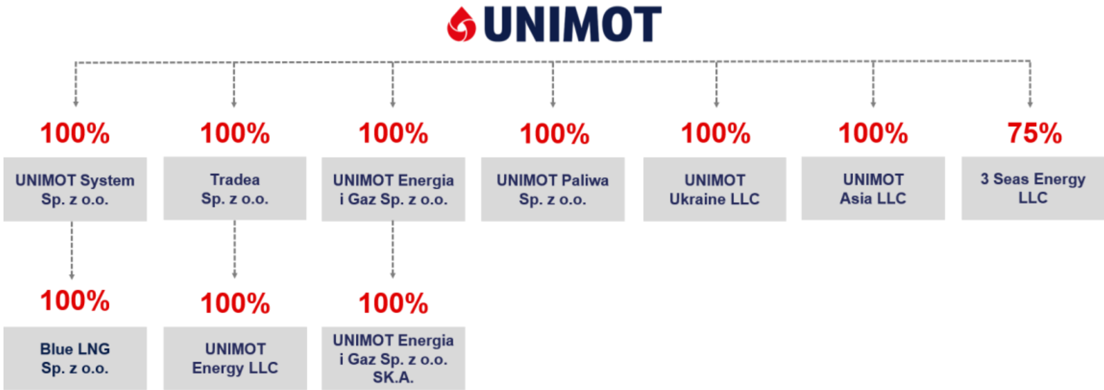
Composition of the Supervisory Board:

- Andreas Golombek – President of the Supervisory Board
- Bogusław Satława - Vice-President of the Supervisory Board
- Piotr Cieślak - Member of the Board
- Isaac Querub - Member of the Board
- Piotr Prusakiewicz - Member of the Board
- Ryszard Budzik - Member of the Board
- Dariusz Formela - Member of the Board

4.2 COMPOSITION OF THE UNIMOT CAPITAL GROUP

As of 30th June 2020 the Parent Equity Unimot S.A. held directly and indirectly shares in the following subsidiaries:

Name of subsidiary	The Seat	Scope of entity's basic operations	Owned shares and voting rights	Date of obtaining control
Unimot System Sp. z o.o.	Poland	distribution of gas fuels through mains	100,00%	20.01.2014
Blue LNG Sp. z o.o.	Poland	distribution of gas fuels through mains	100,00%	04.07.2014
Unimot Paliwa Sp. z o.o.	Poland	liquid fuels distribution	100,00%	16.11.2015
Unimot Energia i Gaz Sp. z o.o.	Poland	electricity and liquid fuels distribution	100,00%	30.12.2015
Unimot Energia i Gaz Sp. z o.o. SK.A.	Poland	liquid fuels distribution	100,00%	30.12.2015
Tradea Sp. z o.o.	Poland	electricity distribution	100,00%	23.05.2016
Unimot Ukraine LLC	Ukraine	liquid fuels distribution	100,00%	19.04.2018
Unimot Asia LLC	China	liquid fuels distribution	100,00%	04.09.2018
Unimot Energy LLC	Ukraine	electricity distribution	100,00%	02.04.2019
3 Seas Energy LLC	USA	petroleum distribution	75,00%	21.05.2020



The following changes occurred in H1 2020 in the organisational structure of the Unimot Capital Group:

- On 25th February 2020, the subsidiary Unimot System Sp. z o.o. increased capital in Blue LNG Sp. z o.o. acquiring 22 000 of new shares at PLN 100 each, as a result the share capital of this company increased by PLN 2.2 million. The percentage share of the subsidiary in Blue LNG Sp. z o.o. has not changed and amounts to 100%.
- On 7th May 2020, the Parent Entity Unimot S.A. increased capital in Unimot Paliwa Sp. z o.o. acquiring 10 000 of new shares at PLN 100 each, as a result the share capital of this company increased by PLN 1 million. The percentage share of the Parent Entity in Unimot Paliwa Sp. z o.o. has not changed and amounts to 100%.
- On 21st May 2020, the Parent Entity Unimot S.A. established a subsidiary 3 Seas Energy LLC with the capital of USD 100 thousand. The percentage share of the Parent Entity in 3 Seas Energy LLC amounts to 75.00 %.

Changes after the balance sheet date:

- On 16th July 2020, the Parent Entity Unimot S.A. increased capital in Unimot Energia i Gaz Sp. z o.o. acquiring 1 500 of new shares at PLN 1 000 each, as a result the share capital of this company increased by PLN 1.5 million. The percentage share of the Parent Entity in Unimot Energia i Gaz has not changed and amounts to 100%.
- On 20th August 2020, the Parent Entity Unimot S.A. increased capital in Unimot Energia i Gaz by PLN 1.25 million. The percentage share of the Parent Entity in Unimot Energia i Gaz has not changed and amounts to 100%.

The Issuer does not hold any foreign or domestic investments into the securities, intangible and legal assets, and property.

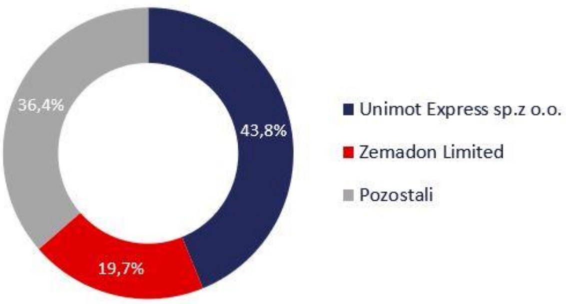
4.3 ISSUER SHAREHOLDER'S STRUCTURE

Shareholders holding directly or indirectly through subsidiaries at least 5% of the total votes at the General Meeting of the Issuer as of 30.06.2020 and the date of submitting the present interim statements:

Shareholder	Number of	Share in capital %	Number of votes	Share in votes %
Unimot Express Sp. z o.o.	3 593 625	43,84%	3 593 625	42,04%
Zemadon Limited	1 616 661	19,72%	1 966 661	23,01%
Others	2 987 532	36,44%	2 987 532	34,95%
Total	**8 197 818**	**100,00%**	**8 547 818**	**100,00%**

The level of holding the Issuer's shares by the shareholders holding at least 5% of the total votes at the General Meeting, in the period since the submission of the previous interim statements has not changed.

Shareholder's structure:



4.4 SUMMARY OF ISSUER'S SHARES HELD BY MANAGING AND SUPERVISING PERSONS

Mr Robert Brzozowski – the Vice-President of the Management Board of the Issuer as of 30.06.2020 held 44 030 of the Issuer's shares entitling to 44 030 votes at a General Meeting, whose share in the share capital amounted to 0.54%, and the share of the total number of votes at a General Meeting represented 0.52%. As of the date of submitting the statements, Mr. Robert Brzozowski holds 51,640 shares of the Issuer, entitling to 51,640 votes at the General Meeting, whose share in the share capital amounts to 0.63%, and the share in the total number of votes at the General Meeting represented 0.60%. In the period from the date of submission of the previous interim statements, Mr. Robert Brzozowski purchased 19,610 shares of the Issuer entitling to 19,610 votes at the General Meeting, whose share in the share capital amounted to 0.24%, and the share in the total number of votes at the General Meeting constituted 0.23 %.

Mr Marek Moroz – the Vice-President of the Management Board of the Issuer as of 30 June 2020 r. held 11 645 of the Issuer's shares entitling to 11 645 votes at the General Meeting, whose share in the share capital amounted to 0.14%, and the share of the total number of votes at a General Meeting represented 0.14%. As of the date of submitting the statements, Mr. Marek Moroz holds 14 645 shares of the Issuer, entitling to 14 645 votes at the General Meeting, whose share in the share capital amounts to 0.18%, and the share in the total number of votes at the General Meeting constitutes 0.17%. In the period from the date of submission of the previous interim statements, Mr. Marek Moroz purchased 9,895 of the Issuer's shares entitling to 9,895 votes at the General Meeting, whose share in the share capital amounted to 0.12%, and the share in the total number of votes at the General Meeting represented 0.12%.

Mr Adam Antoni Sikorski – the President of the Management Board of the Issuer, owns indirectly 100% of shares of Zemadon Ltd. in Cyprus through "Family First Foundation" seated in Vaduz in Liechtenstein which he controls and of which the beneficiary is the family of Mr Adam Antoni Sikorski.

Zemadon Ltd. (Company) with its registered office in Nicosia, Cyprus, is a major shareholder of the Issuer, which as of 30.06.2020 and as of the publication date of the interim statements owns 19.72% in the Issuer's share capital and 23. 01% in votes at the Issuer's General Meeting.

Zemadon Ltd., with its registered office in Nicosia, Cyprus, is also a shareholder in Unimot Express Sp. z o.o. (the main shareholder of the Issuer) which has 49.75% of share in the share capital and votes as of 30.06.2020 and as of the publication date of the interim statements. The second partner of Unimot Express Sp. z o.o. is Mr. Adam Władysław Sikorski (nephew of Mr. Adam Antoni Sikorski) with 49.75% share and votes at a meeting of partners as of 30.06.2020 and as of the publication date of the interim statements. The remaining minority share which is 0.5% in the share capital and votes in Unimot Express Sp. z o.o., as of 30.06.2020 and as of the publication date of the interim statements, is owned by Mrs Magdalena Sikorska, wife of Adam Antoni Sikorski – the President of the Management Board.

As of 30.06.2020 Unimot Express Sp. z o.o. owned 43.84% in the share capital and 42.04% in votes at the General Meeting of Unimot S.A.

Since 5th December 2016 spouses Adam Antoni Sikorski and Magdalena Sikorska, due to their oral agreement on conducting common policy towards Unimot Express Sp. z o.o. and Unimot S.A., indirectly through Unimot Express Sp. z o.o. and Zemadon Ltd. they controlled a total of 63.56% of the share capital and 65.05% of votes in the General Meeting of Unimot S.A.

The entity related with the Issuer, due to being subject to joint control by Unimot Express Sp. z o.o. is Unimot-Truck sp. z o.o. seated in Warsaw, where Unimot Express Sp. z o. o. has 52.02% of share in the share capital and Ammerviel Ltd., seared in Nicosia, Cyprus, in which Unimot Express Sp. z o. o. has 100% of shares.

The company related with the Issuer is also PZL Sędziszów S.A. with its registered office in Sędziszów Małopolski, in which Mr. Adam Antoni Sikorski owns 48.78% and Unimot Express SP. z o.o. owns 48.78% of share in the share capital.

The unit related with the Issuer, due to being subject to common control by Mr. Adam Antoni Sikorski (indirectly by Zemadon Ltd.) is U.C. Energy Ltd. seated in Cyprus.

4.5 COURT PROCEEDINGS

Neither the Issuer nor any of its subsidiaries are a party to the proceedings before a Court, a competent authority for the arbitral proceedings or a public authority concerning the liabilities or claims, which would significantly have an effect on the financial results.

Neither the Issuer nor any of its subsidiaries are a party to two or more proceedings before a Court, a competent authority for the arbitral proceedings or a public authority concerning the liabilities or claims, which would significantly have an effect on the financial results.

4.6 SEASONABILITY OF OPERATIONS

The Group's operations are subject to seasonability. With respect to diesel fuel (the dominant product in the Group's sales), seasonality is manifested by higher demand in the summer and lower in the winter.

4.7 DESCRIPTION OF FACTORS AND EVENTS, INCLUDING UNUSUAL ONES, SUBSTANTIALLY INFLUENCING THE CONDENSED FINANCIAL STATEMENTS

The most important factors that influence the financial results in the Group's operating segments (diesel, bio-fuels, LPG, natural gas, electricity, petrol stations and other petroleum products) have been presented in item 3.4 of the present statements.

Additionally, the factor that influences the financial results is independent maintenance of compulsory reserve of fuels:

- In accordance with the Law on Obligatory Stocks (the Law of 16 February 2007 on stocks of petroleum, petroleum products and natural gas and the principles of proceedings in the situations of state's fuel security threat and disturbances on oil market, i.e. (Journal of Laws. 2014 pos. 1695, with future amendments) the Company is obliged to maintain compulsory reserves of fuels.

  The company fulfils this obligation primarily in the form of physical maintenance of fuel reserves (a small part is fulfilled in the form of charges (tickets) for external companies – fulfilling this obligation on behalf of the Issuer).

  In H1 2020 the Company signed an annex to the credit agreement, which enabled purchases of diesel oil stored for an independent creation of compulsory reserve, prolonging its validity period until 31st May 2021. In Q1 2020 the Company signed annexes to agreements with fuel depots operators, which enable the Issuer to use storage space for independent creation of diesel oil compulsory reserve for the period until 31st December 2020. Additionally, the Company signed an agreement with another fuel depot operator to use storage space for independent creation of diesel oil compulsory reserve for an indefinite period of time.

  Concluding the aforementioned agreements and independent maintenance of compulsory reserve combined with concluding transactions hedging diesel market price, significantly decrease the cost of maintaining compulsory reserves, compared to charges (tickets) for external companies.

4.8 DESCRIPTION OF BASIC THREATS AND RISK CONNECTED WITH THE REMAINING MONTHS OF THE FINANCIAL YEAR

In the Group's opinion, one of the most important factors that may affect the Group's operations in the future is the availability of working capital necessary to finance a further increase in turnover, as well as to finance the purchase of mandatory reserves in subsequent periods. The amount of working capital necessary to finance depends on the level of fuel prices in the markets (especially diesel prices). It will also be important to extend working capital loans and to allocate cash resources in the amount enabling repayment of loans from related entities, or in an optimal scenario to extend the repayment deadline for these loans.

Other factors significant for the development of the Capital Group:

- **Interest rate level** – the Group uses external sources of financing (mainly credits and loans in PLN, and also USD and EUR) the cost of which depends on the level of interest rates. In recent years there has been a significant decline in market interest rates which had a positive impact on debt servicing costs. The negative impact of the coronavirus pandemic on the economy in H1 2020 resulted in a decrease of interest rates to the level below 1 %, which influences the drop of interest costs. In the perspective until the end of 2020 the Group foresees these levels will be maintained.
- **Exchange rate level** – the Group sells on the domestic market and exports, while purchases of fuels are mostly carried out on foreign markets and settled in foreign currencies. The main currencies used for export transactions are EUR and USD. In case of an acquisition the settlement currencies are USD, EUR, and PLN. The effect of the exchange rates on the Group's activity is neutralised by the used hedging instruments.
- **Costs of renting tanks at fuel depots** – in several previous years they were at a stable level, the Group does not also foresee significant changes of these costs in the future. However, further growth of fuel sales volumes will result in a growth of total costs. Rates of taxes and charges and other administrative regulations related to the fuel market – their

increase may limit the demand on the side of customers and therefore influence the growth of competition and decrease of Group’s revenues or margins.

- **Level of raw material prices –** the business model of the Group mainly relies on the purchase of liquid and gaseous fuels abroad or in Poland, its distribution and subsequent sale. The lack of price stability of liquid and gaseous fuels in Poland and abroad has a significant impact on the margins achieved and consequently on the results obtained by the Group. Additionally, a sharp increase in prices of energy carriers may lead to decrease in consumption, which may translate into deterioration of the financial standing of the Group.
- **Land premium level** (difference between local market price and the price in the port fuel is delivered to the country) for diesel – the dominant assortment in the Group’s sales structure. In practice, the amount of land premium results from the level of trade margin achieved by domestic petrochemical concerns in the segment of production and trade. The amount of land premium determines the area of possible to achieve by the Issuer trade margin net of logistics costs (costs of transport, transhipment, quality control), costs of fuel bases capacity hiring, receivables insurance costs (following the adopted by the Group trade security policy) and also cost of fulfilling the NIT obligation.
- **The grey market in fuel trading -** unfair practices of some entities concern the sale of fuels without paying due fees and taxes and in violation of applicable regulations and laws. This results in decrease in competitiveness and reduction in demand for products offered by the Issuer and its subsidiaries, which may adversely affect the financial results achieved. The Group, having many years of experience on the market, is aware of all kinds of restrictions and risks associated with the grey market. The Group takes into account the possible impact of additional costs related to concession fees or hedge of the risk of solidary VAT in the business and the financial forecasts. Transport package adopted in 2017 imposing the obligation of digital registration of transported goods, including liquid fuels, which enables to register and monitor them by means of satellite systems together with fuel package adopted in 2016, significantly limited the grey market in fuel trade, in the opinion of the Group. In the perspective until the end of 2020 the Group assumes that the present situation will remain the same.
- **Costs of achieving National Indicative Target -** The Group's business is affected by the necessity to achieve a minimum annual share of biocomponents and other renewable fuels in the total volume of liquid fuels and liquid biofuels sold or disposed of, or used in any other form for own use, in accordance with the coefficients – the National Indicative Target and the National Reductive Coefficient. Revision of the legislation of 22 July 2016, introduced an obligation to realise the National Indicative Target to at least 50% (calculated according to the calorific value) using the biocomponents contained in liquid fuels to the act on Biocomponents and Liquid Biofuels. This causes the need for use of logistics or storage infrastructure in order to carry out the required blending (physical composition of fuels with biocomponents). The required under the new law activities are performed as services by operators of fuel depots utilised by the Issuer. The costs of NIT achievement that comprise the level of the National Indicative Target, the level of the National Reductive Coefficient, costs of fuel blending, have an impact on the achieved trade margin, which directly influences the Group’s results.
- **Plans of purchasing the shares of LOTOS S.A. Group by PKN ORLEN S.A.** – on 26th August 2019, an agreement was signed between PKN ORLEN S.A. and the State Treasury and LOTOS S.A. Group regarding conducting the transaction of acquiring the shares of LOTOS S.A. Group by PKN ORLEN S.A. from the State Treasury. The agreement confirms the new framework structure specified in the letter of intent concluded on 27th February 2018 and indicates the further direction of the consolidation venture aimed at purchasing the majority block of shares by PKN ORLEN S.A. in Grupa Lotos S.A.. On July 14, 2020, PKN Orlen S.A. received a positive, conditional decision of the European Commission regarding consent to take control of Lotos S.A. Group. The decision of the European Commission is subject to fulfilment by PKN Orlen S.A. a series of remedial measures to prevent the occurrence of negative effects on the preservation of competition, primarily on the Polish market. It should be expected that in the next few quarters, PKN Orlen S.A. will try to fulfil the remedial measures, which will enable the acquisition of Lotos S.A. Group's shares. Both the buyers (investors) of the remedial measures and the terms of the agreements concluded with them will be subject to approval by the European Commission.

4.9 CORPORATE SOCIAL RESPONSIBILITY

In all the areas of its operation the Group complies with the principles of professionalism and business honesty – simultaneously taking care of the quality and safety of products that it trades. We also scrupulously respect the relationships with customers, suppliers, employees, local community, and investors, resting them on respect and mutual trust.

The UNIMOT Group also endeavours to respect the natural environment and the surrounding in which it operates. As a fuel company it strives to minimise the negative impact on the natural environment, among others, through a diligent implementation of the National Indicative Target and development of alternative means of transport powered with electricity. In June 2019 UNIMOT S.A. made an investment into the Internet platform blinkee.city, therefore entering a new area of operations - electromobility. The investment also involves promotion of the idea of sharing vehicles.

The Group, being simultaneously also an electricity seller strives to ensure that it comes to the largest extent from renewable energy sources. It can be already stated that the total of electricity sold by the company UNIMOT Energia i Gaz is “green” energy, which comes primarily from photovoltaic farms.

The UNIMOT Group also undertakes a series of actions that are aimed to develop positive and responsible relationships with the social groups that surround us.

UNIMOT is also involved in the local community through promotion of sports activities and education. Within the undertaken actions it, among others, supports the cycling race President of Częstochowa Cup, development of sports interests of young persons through sponsoring the cycling club Kolejarz-Jura, and it also cooperates with the Czestochowa University of Technology.

At the end of 2019, the UNIMOT Group started the cooperation with the Zawadzkie Municipality, one of the poorest municipalities in Poland, where the registered office of UNIMOT S.A. is located. Within the cooperation UNIMOT provided for the municipality the amount of PLN 100 thousand, which will be used to build a modern and safe playground for children in the centre of Zawadzkie and will support two local clubs that develop sports passions among the youths: the Karate Club NIDAN and Autonomous Section of Handball.

The UNIMOT group is very socially involved at the time of COVID-19 pandemic. At the very beginning of the pandemic it supported the Polish Ministry of Health and destined over PLN 1.5 million for the purchase of quick test for the presence of coronavirus SARS-CoV-2, which were supplied to the Central Base of Sanitary and Epidemiological Reserves in Poręby near Zduńska Wola. Other actions followed and UNIMOT founded for the senior citizens from the district of Strzelce Opolskie and Zawadzkie Municipality 10 000 of reusable protective masks. Also, over 750 items of hand disinfectants were provided to various governmental institutions in the Opolskie Voivodeship. This support reached, among others, the branch of the National Health Fund in Opole and County Office in Strzelce Opolskie.

4.10 TRANSACTIONS WITH RELATED ENTITIES

Transactions concluded by the Issuer and its subsidiaries with the related entities were conducted on market terms.

5. INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5. INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Interim condensed consolidated statements of financial situation

in PLN thousand	*Note*	30.06.2020 (unexamined)	31.12.2019
Fixed assets			
Tangible fixed assets		39 919	39 343
Right to use assets		13 432	6 153
Intangible assets		18 650	18 578
Other financial assets		2 785	2 916
Other long-term receivables		14 748	2 224
Client contracts assets		9 298	9 184
Derivative financial instruments	*7.5*	22 295	-
Deferred income tax assets		7 440	1 995
Total fixed assets		**128 567**	**80 393**
Current assets			
Inventory		200 194	239 258
Client contracts assets		1 168	1 162
Trade and other receivables		304 627	306 314
Other financial assets		144	3 537
Derivative financial instruments	*7.5*	6 303	12 123
Financial resources and their equivalents		68 485	38 836
Other current assets		5 909	5 497
Total current assets		**586 830**	**606 727**
TOTAL ASSETS		**715 397**	**687 120**

President of the Management Board	*Vice-President of the Management Board*	*Vice-President of the Management Board*
Adam Sikorski	*Robert Brzozowski*	*Marek Moroz*

Person preparing the statements

Małgorzata Walnik

Interim condensed consolidated statement on the financial situation should be analysed jointly with explanatory information which constitute an integral part of the interim condensed consolidated financial statements

Interim condensed consolidated statements of financial situation (continued)

in PLN thousand	*Note*	30.06.2020 (unexamined)	31.12.2019
Equity			
Share capital		8 198	8 198
Other capitals		218 816	181 140
Exchange rate differences from foreign units conversion		(29)	(127)
Previous years' results and current year result		11 741	57 725
Equity of Parent Entity's owners		**238 726**	**246 936**
Non-controlling interests		104	-
Equity in total		**238 830**	**246 936**
Long-term liabilities			
Liabilities due to credits, loans and other debt instruments	*7.4*	16 541	13 094
Employee benefits liabilities		185	185
Derivative financial instruments	*7.5*	364	5 648
Deferred income tax reserve		-	2 078
Total long-term liabilities		**17 090**	**21 005**
Short-term liabilities			
Overdrafts	*7.4*	158 931	205 350
Liabilities due to credits, loans and other debt instruments	*7.4*	8 577	4 867
Derivative financial instruments	*7.5*	5 794	2 421
Employee benefits liabilities		435	435
Income tax liabilities		3 711	1 500
Provisions		-	-
Client contracts liabilities		6 420	3 070
Trade and other liabilities		275 609	201 536
Total short-term liabilities		**459 477**	**419 179**
Total liabilities		**476 567**	**440 184**
TOTAL LIABILITIES		**715 397**	**687 120**

President of the Management Board	*Vice-President of the Management Board*	*Vice-President of the Management Board*
Adam Sikorski	*Robert Brzozowski*	*Marek Moroz*

Person preparing the statements

Małgorzata Walnik

Interim condensed consolidated statement on the financial situation should be analysed jointly with explanatory information which constitute an integral part of the interim condensed consolidated financial statements

Interim condensed consolidated statements of total revenues

in PLN thousand	***Note***	**01.01.2020 - 30.06.2020 (unexamined)**	**01.04.2020 - 30.06.2020 (unexamined)**	**01.01.2019 - 30.06.2019 (unexamined)**	**01.04.2019 - 30.06.2019 (unexamined)**
Revenues on sales		2 218 213	1 041 318	1 877 226	1 001 917
Profits (losses) on realised financial instruments regarding fuel trade		(41 251)	(59 737)	480	5 961
Cost of sold goods, products, and materials	*7.2*	(2 077 094)	(907 641)	(1 787 685)	(963 071)
Gross profit/(loss) on sales		**99 868**	**73 940**	**90 021**	**44 807**
Other operating revenues		1 447	661	944	380
Sales costs	*7.1*	(75 890)	(38 257)	(53 883)	(30 435)
Overheads	*7.1*	(15 806)	(10 849)	(10 465)	(5 549)
Other net profits/losses		146	39	895	548
Other operating costs		(6 092)	(5 942)	(672)	(1 333)
Profit/loss on operating activity		**3 673**	**19 592**	**26 840**	**8 418**
Financial revenues		9 708	4 276	8 047	4 441
Financial costs		(3 101)	(783)	(4 269)	(2 405)
Net financial revenues/(costs)		**6 607**	**3 493**	**3 778**	**2 036**
Share of related entities in net result		-	-	-	-
Profit/(loss) before taxation		**10 280**	**23 085**	**30 618**	**10 454**
Income tax	*7.3*	(2 335)	(4 524)	(6 297)	(2 468)
Net profit/(loss) for the financial year		**7 945**	**18 561**	**24 321**	**7 986**
in this attributable to:					
Parent Entity's owners		7 945	18 561	24 516	8 294
Non-controlling interests		-	-	(195)	(308)
Net profit/(loss) for the financial year		**7 945**	**18 561**	**24 321**	**7 986**
Other total revenues that will be reclassified as profits or losses after complying with defined conditions					
Other total net profits for the financial year, after taxation		-	-	-	-
Total profits for the financial year		**7 945**	**18 561**	**24 321**	**7 986**
in this attributable to:					
Parent Entity's owners		7 945	18 561	24 516	8 294
Non-controlling interests		-	-	(195)	(308)
Total profits for the financial year		**7 945**	**18 561**	**24 321**	**7 986**
Profit/(loss) per one share attributable to Parent Equity's owners (in PLN)		0,97	2,26	2,99	1,01
Diluted profit (loss) per one share attributable to Parent Entity's owners (in PLN)		0,97	2,26	2,99	1,01

President of the Management Board	*Vice-President of the Management Board*	Vice-President of the Management Board
Adam Sikorski	*Robert Brzozowski*	Marek Moroz

Person preparing the statements

Małgorzata Walnik

Interim condensed consolidated statement on total revenues should be analysed jointly with explanatory information which constitute an integral part of the interim condensed consolidated financial statements

Condensed consolidated statements of cash flows

in PLN thousand	*Note*	01.01.2020 - 30.06.2020 (unexamined)	01.04.2020 - 30.06.2020 (unexamined)	01.01.2019 - 30.06.2019 (unexamined)	01.04.2019 - 30.06.2019 (unexamined)
Operating cash flows					
Profit/(loss) before taxation		**10 280**	**23 085**	**30 618**	**10 454**
Adjustments					
Tangible fixed asset amortisation		3 380	1 927	2 965	2 081
Intangible assets impairment		133	68	116	60
Loss (profit) due to exchange rate differences		5 184	(6 694)	(1 883)	(4 707)
(Profit)/loss on sales of tangible fixed assets		(146)	(39)	(895)	(548)
Paid interests and transactional costs (concerning credits and loans) and dividends, net		2 566	1 116	4 062	2 352
Receivables status change		(16 859)	(53 972)	(35 887)	(3 040)
Inventory status change		39 064	(78 704)	(57 673)	(41 986)
Client contracts assets status change		(120)	270	(1 336)	(854)
Client contracts liabilities status change		3 350	(840)	(11 598)	(24 131)
Trade and other short-term liabilities status change		76 858	55 990	44 959	18 864
Status change of assets/(liabilities) due to hedging instruments		(18 386)	17 293	24 020	(2 099)
Provisions status change		(2 078)	-	546	(1 081)
Creating/reversing impairment loss		4 000	3 400	-	-
Income tax (paid)/returned	*7.3*	(2 335)	(4 524)	(6 297)	(2 468)
Operating cash flows		**104 891**	**(41 624)**	**(8 283)**	**(47 103)**
Investment activity cash flows					
Revenues on tangible fixed assets sale		507	121	2 254	1 819
Received interests		433	66	174	71
Revenues on loans		8 589	12	38	11
Tangible fixed assets purchase		(955)	(594)	(826)	(371)
Intangible assets purchase		(208)	(115)	(150)	(140)
Loans granted		(9 065)	-	-	-
Other investments acquisition		-	-	(2 018)	(2 018)
Net investment activity cash flows		**(699)**	**(510)**	**(528)**	**(628)**
Net financial activity cash flows					
Contracting credits, loans, and other debt instruments		81	36	83	83
Repayment of credits, loans, and other debt instruments		(1 158)	(425)	(777)	(453)
Paid dividends		(16 149)	(16 149)	-	-
Payment of liabilities due to financial lease contracts		(1 197)	(627)	(1 188)	(569)
Payment of liabilities due to lease (other rent and lease contracts unrecognised before)		(1 126)	(776)	(689)	(320)
Interests and transactional costs (concerning credits and loans) paid		(3 495)	(1 181)	(4 231)	(2 418)
Net financial activity cash flows		**(23 044)**	**(19 122)**	**(6 802)**	**(3 677)**
Financial resources and their equivalents status change		**81 148**	**(61 256)**	**(15 613)**	**(51 409)**
Influence of exchange rate changes concerning financial resources and their equivalents		(5 082)	6 830	1 890	4 715
Financial resources and their equivalents status change		**76 066**	**(54 426)**	**(13 723)**	**(46 694)**
Financial resources and their equivalents net of overdrafts as of 1st January		**(166 514)**	**(36 022)**	**(168 217)**	**(135 246)**
Financial resources and their equivalents net of overdrafts as of 30th June		**(90 448)**	**(90 448)**	**(181 940)**	**(181 940)**

President of the Management Board

Adam Sikorski

Vice-President of the Management Board

Robert Brzozowski

Vice-President of the Management Board

Marek Moroz

Person preparing the statements

Małgorzata Walnik

Interim condensed consolidated statement on cash flows should be analysed jointly with explanatory information which constitute an integral part of the interim condensed consolidated financial statements

Interim condensed consolidated statements of changes in equity

in PLN thousand	Share capital	Hedge accounting capital	Other capitals (including own shares)	Exchange rate differences from foreign units conversion	Previous years' results	Current year result	**Total**	Non-controlling interests	**Total equity**
	Equity of Parent Entity's owners								
Equity as of 1st January 2019	8 198	-	174 437	-	4 731	110	**187 476**	5 769	**193 245**
Application effect of IFRS 16	-	-	-	-	-	-	**-**	-	**-**
Data adjusted for the influence of IFRS 16 as of 1st January 2019	8 198	-	174 437	-	4 731	110	**187 476**	5 769	**193 245**
Total profits for the financial year	**-**	**-**	**-**	**-**	**-**	24 516	**24 516**	(195)	**24 321**
- Net profit/(loss) for the period	-	-	-	-	-	24 516	**24 516**	(195)	**24 321**
Transactions with Parent Entity's owners recognised directly in equity									
Components of other total revenues	-	-	-	8	-	-	**8**		**8**
Profit/(loss) transfer	-	-	6 703	-	(6 593)	(110)	**-**	-	**-**
equity as of 30th June 2019	**8 198**	**-**	**181 140**	**8**	**(1 862)**	**24 516**	**212 000**	**5 574**	**217 574**

(unexamined)

in PLN thousand	Share capital	Hedge accounting capital	Other capitals (including own shares)	Exchange rate differences from foreign units conversion	Previous years' results	Current year result	**Total**	Non-controlling interests	**Total equity**
	Equity of Parent Entity's owners								
Equity as of 1st January 2019	8 198	-	174 437	-	4 731	110	**187 476**	5 769	**193 245**
Application effect of IFRS 16	-	-	-	-	-	-	**-**	-	**-**
Data adjusted for the influence of IFRS 16 as of 1st January 2019	8 198	-	174 437	-	4 731	110	**187 476**	5 769	**193 245**
Total profits for the financial year	**-**	**-**	**-**	**-**	**-**	60 407	**60 407**	(484)	**59 923**
- Net profit/(loss) for the period	-	-	-	-	-	60 407	**60 407**	(484)	**59 923**
Transactions with Parent Entity's owners recognised directly in equity									
Changes in ownership structure of subordinated entities	-	-	-	-	(820)	-	**(820)**	(5 285)	**(6 105)**
Components of other total revenues	-	-	-	(127)	-	-	**(127)**	-	**(127)**
Profit/(loss) transfer	-	-	6 703	-	(6 593)	(110)	**-**	-	**-**
Equity as of 31st December 2019	**8 198**	**-**	**181 140**	**(127)**	**(2 682)**	**60 407**	**246 936**	**-**	**246 936**

(approved data)

in PLN thousand	Share capital	Hedge accounting capital	Other capitals (including own shares)	Exchange rate differences from foreign units conversion	Previous years' results	Current year result	**Total**	Non-controlling interests	**Total equity**
	Equity of Parent Entity's owners								
Equity as of 1st January 2020	8 198	-	181 140	(127)	(2 682)	60 407	**246 936**	-	**246 936**
Total profits for the financial year	-	-	-	-	-	7 945	**7 945**	-	**7 945**
- Net profit/(loss) for the period	-	-	-	-	-	7 945	**7 945**	-	**7 945**
Transactions with Parent Entity's owners recognised directly in equity									
Additional payments from and payments to the owners	-	-	-	-	-	(16 149)	**(16 149)**	-	**(16 149)**
Dividend	-	-	-	-	-	*(16 149)*	***(16 149)***	-	***(16 149)***
Obtaining control of subsidiaries	-	-	-	-	(104)	-	**(104)**	104	**-**
Components of other total revenues	-	-	-	98	-	-	**98**	-	**98**
Profit/(loss) transfer	-	-	37 676	-	6 582	(44 258)	**-**	-	**-**
equity as of 30th June 2020	**8 198**	**-**	**218 816**	**(29)**	**3 796**	**7 945**	**238 726**	**104**	**238 830**

(unexamined)

President of the Management Board
Adam Sikorski

Vice-President of the Management Board
Robert Brzozowski

Vice-President of the Management Board
Marek Moroz

Person preparing the statements
Małgorzata Walnik

Interim condensed consolidated statement on changes in equity should be analysed jointly with information which constitute an integral part of the interim condensed consolidated financial statement

6. EXPLANATORY INFORMATION TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

6.1 INFORMATION ON PRINCIPLES ADOPTED WHILE PREPARING THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

a) Statement of conformity

The present interim condensed consolidated financial statements (‘’consolidated financial statements”) has been prepared in accordance with the International Accounting Standard 34 "Interim financial reporting" and pursuant to the Regulation of the Minister of Finance of 19 February 2009 on current and periodic information provided by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state (consolidated text: Journal of Laws of 2014 pos.133, as amended Journal of laws of 2016 pos. 860) („Regulation”) and presents financial situation of the Unimot Capital Group (‘’Group”, ‘’Unimot Group”) as of 30 June 2020 and 31 December 2019, the results of its operation and cash flows for the period of 6 and 3 months ended on 30 June 2020 and 30 June 2019.

b) Principle of operation continuity

Interim condensed consolidated financial statements as of the day and period ended on 30 June 2020 has been prepared assuming that the Unimot Group will continue its economic activity in the foreseeable future. As of the day of preparing the present condensed interim consolidated financial statements the circumstances that may indicate threats to continue the operations by the Unimot Group have not been observed.

Time of operation of the Parent Equity and the remaining entities included in the Unimot Group is indefinite.

The present interim condensed consolidated financial statements, except for the consolidated statements of cash flows, has been prepared in accordance with the accrual principle.

c) Significant accounting principles

The present interim consolidated financial statements were drawn up according to the accounting principles in the scope unchanged with relation to the principles that were applied while preparing the consolidated financial statements for 2019.

d) Significant estimates and judgements

Preparation of the financial statements in conformity with International Financial Reporting Standards requires the Management Board of the Parent Entity to make judgments, estimates and assumptions that affect the accepted accounting principles and the reported amounts of assets, liabilities, income, and expenses. The estimates and underlying assumptions are based on historical experience and other factors that are considered reasonable under given circumstances, and their results provide the basis for professional judgment as to the book value of assets and liabilities not derived directly from other sources. The actual value may differ from the estimated value.

Significant estimates and accounting principles as well as estimated uncertainties applied by the Management Board of the Parent Entity while drawing up the present interim condensed consolidated financial statements are identical as the ones applied while drawing up the annual consolidated financial statements for 2019.

6.2 NEW AND AMENDED ACCOUNTING STANDARDS AS WELL AS INTERPRETATIONS OF THE COMMITTEE FOR INTERPRETATION OF INTERNATIONAL FINANCIAL REPORTING (IFR).

A. In the present consolidated financial statements, the following new standards and amendments to the applicable standards have been applied for the first time, which entered into force on January 1, 2020:

a) IFRS 3 'Business Combinations'.

b) Amendments to IFRS 9, IAS 39 and IFRS 7 related to the IBOR reform

c) IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors

d) Changes to the Conceptual Framework in IFRS

In the Group's opinion, the above-mentioned changes do not have a significant impact on the presented consolidated financial statements.

B. Published standards and interpretations that are not yet in force and have not been previously applied by the Group:

In the present consolidated financial statements, the Group have not decided to apply in advance the following published standards, interpretations, or amendments to the existing standards before the date of their entry into force:

a) IFRS 17 Insurance Contracts and amendments to IFRS 17

b) Amendments to IAS 1 Presentation of Financial Statements

c) Amendments to IFRS 3 Business Combinations

d) Amendments to IAS 16 Property, Plant and Equipment

e) Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets

f) Annual amendments to IFRS 2018-2020

g) Amendments to IFRS 16 Leases

h) Amendment to IFRS 4: Application of IFRS 9 Financial Instruments

i) IFRS 14 Regulatory Deferral Accounts

j) Amendments to IFRS 10 and IAS 28 regarding the sale or contribution of assets between an investor and its associates or joint ventures

In the Group's opinion, the above-mentioned standards and interpretations will not have a significant impact on the consolidated financial statements.

6.3 REPORTING SEGMENTS

Operating segments identification has not changed and is compliant with the principles described in the consolidated financial statements as of the day and financial year ending on 31st December 2019

in PLN thousand for the period 01.01.2020 - 30.06.2020	Liquid fuels trade	in this: Diesel and Bio-fuels	LPG	Gaseous fuels trade	Electricity	Other activity	in this: Petrol stations	Other petroleum products	Corporate functions	Reductions of settlements in the Group	Consolidated total
Revenues from external customers	2 051 145	1 897 385	153 760	30 485	52 397	81 714	18 574	63 140	2 472	-	**2 218 213**
Profits (losses) on realised financial instruments regarding fuel trade	(41 251)	(41 251)	-	-	-	-	-	-	-	-	**(41 251)**
Revenues from customers from the Group	48	48	-	6 235	20 483	400	26	374	-	(27 166)	-
Total revenues	**2 009 942**	**1 856 182**	**153 760**	**36 720**	**72 880**	**82 114**	**18 600**	**63 514**	**2 472**	**(27 166)**	**2 176 962**
Cost of goods, products, and materials, sold to external customers	(1 926 757)	(1 784 247)	(142 510)	(23 678)	(50 801)	(75 858)	(15 710)	(60 148)	-	-	**(2 077 094)**
Cost of goods, products, and materials, sold to customers from the Group	(40)	(40)	-	(6 131)	(18 356)	(374)	-	(374)	-	24 901	-
Cost of goods, products, and materials, in total	**(1 926 797)**	**(1 784 287)**	**(142 510)**	**(29 809)**	**(69 157)**	**(76 232)**	**(15 710)**	**(60 522)**	**-**	**24 901**	**(2 077 094)**
Segment results	**83 145**	**71 895**	**11 250**	**6 911**	**3 723**	**5 882**	**2 890**	**2 992**	**2 472**	**(2 265)**	**99 868**
Other operating revenues	1 282	1 149	133	17	67	14	14	-	66	1	**1 447**
Sale and overheads costs	(61 598)	(54 222)	(7 376)	(4 188)	(9 580)	(6 920)	(4 007)	(2 913)	(11 019)	1 609	**(91 696)**
Other net profits/losses	146	-	146	-	-	-	-	-	-	-	**146**
Other operating costs	(75)	(3)	(72)	(19)	(2)	(14)	(12)	(2)	(5 974)	(8)	**(6 092)**
Operating activity result	**22 900**	**18 819**	**4 081**	**2 721**	**(5 792)**	**(1 038)**	**(1 115)**	**77**	**(14 455)**	**(663)**	**3 673**
Financial revenues	229	63	166	3	9 461	25	4	21	57	(67)	**9 708**
Financial costs	(2 664)	(2 612)	(52)	(269)	(212)	(4)	(1)	(3)	(56)	104	**(3 101)**
Income tax	-	-	-	-	-	-	-	-	-	(161)	**(2 335)**
Profit/(loss) for the period	**20 465**	**16 270**	**4 195**	**2 455**	**3 457**	**(1 017)**	**(1 112)**	**95**	**(14 454)**	**(787)**	**7 945**
Amortisation	**(1 114)**	**(755)**	**(359)**	**(756)**	**(164)**	**(533)**	**(489)**	**(44)**	**(897)**	**(49)**	**(3 513)**
Interests	**(2 103)**	**(2 062)**	**(41)**	**(473)**	**(250)**	**33**	**71**	**(38)**	**289**	**(31)**	**(2 536)**
EBITDA*	**23 682**	**19 087**	**4 595**	**3 684**	**3 871**	**(517)**	**(694)**	**177**	**(13 846)**	**(546)**	**16 329**

* EBITDA ratio --> defined as Earnings Before Interest, Taxes, Depreciation and Amortization)

in PLN thousand **for the period 01.04.2020 - 30.06.2020**	**Liquid fuels trade**	**in this:** **Diesel and Bio-fuels**	**LPG**	**Gaseous fuels trade**	**Electricity**	**Other activity**	**in this:** **Petrol stations**	**Other petroleum products**	**Corporate functions**	**Reductions of settlements in the Group**	**Consolidated total**
Revenues from external customers	941 310	880 731	60 579	8 419	25 356	64 946	9 793	55 153	1 287	-	**1 041 318**
Profits (losses) on realised financial instruments regarding fuel trade	(59 737)	(59 737)	-	-	-	-	-	-	-	-	**(59 737)**
Revenues from customers from the Group	8	8	-	3 716	9 378	399	26	373	-	(13 501)	-
Total revenues	**881 581**	**821 002**	**60 579**	**12 135**	**34 734**	**65 345**	**9 819**	**55 526**	**1 287**	**(13 501)**	**981 581**
Cost of goods, products, and materials, sold to external customers	(814 091)	(759 094)	(54 997)	(6 653)	(25 131)	(61 767)	(8 478)	(53 289)	-	-	**(907 641)**
Cost of goods, products, and materials, sold to customers from the Group	-	-	-	(3 646)	(8 336)	(374)	-	(374)	-	12 356	-
Cost of goods, products, and materials, in total	**(814 091)**	**(759 094)**	**(54 997)**	**(10 299)**	**(33 467)**	**(62 141)**	**(8 478)**	**(53 663)**	**-**	**12 356**	**(907 641)**
Segment results	**67 490**	**61 908**	**5 582**	**1 836**	**1 267**	**3 204**	**1 341**	**1 863**	**1 287**	**(1 145)**	**73 940**
Other operating revenues	522	515	7	12	45	14	14	-	66	2	**661**
Sale and overheads costs	(31 667)	(27 705)	(3 962)	(1 930)	(4 777)	(3 220)	(1 962)	(1 258)	(7 983)	471	**(49 106)**
Other net profits/losses	39	-	39	-	-	-	-	-	-	-	**39**
Other operating costs	6	73	(67)	(7)	-	(6)	(6)	-	(5 936)	1	**(5 942)**
Operating activity result	**36 390**	**34 791**	**1 599**	**(89)**	**(3 465)**	**(8)**	**(613)**	**605**	**(12 566)**	**(671)**	**19 592**
Financial revenues	1	(93)	94	1	4 295	10	4	6	36	(67)	**4 276**
Financial costs	(1 048)	(1 025)	(23)	(126)	(200)	1	2	(1)	(53)	643	**(783)**
Income tax	-	-	-	-	-	-	-	-	-	-	**(4 524)**
Profit/(loss) for the period	**35 343**	**33 673**	**1 670**	**(214)**	**630**	**3**	**(607)**	**610**	**(12 583)**	**(95)**	**18 561**
Amortisation	**(770)**	**(577)**	**(193)**	**(374)**	**(85)**	**(288)**	**(264)**	**(24)**	**(452)**	**(26)**	**(1 995)**
Interests	**(617)**	**(568)**	**(48)**	**39**	**(258)**	**106**	**144**	**(38)**	**(349)**	**(31)**	**(1 111)**
EBITDA*	**36 730**	**34 818**	**1 911**	**121**	**973**	**185**	**(487)**	**672**	**(11 782)**	**(38)**	**26 191**

* EBITDA ratio --> defined as Earnings Before Interest, Taxes, Depreciation and Amortization)

in PLN thousand for the period 01.01.2019 - 30.06.2019	Liquid fuels trade	in this: Diesel and Bio-fuels	LPG	Gaseous fuels trade	Electricity	Other activity	in this: Petrol stations	Other petroleum products	Corporate functions	Reductions of settlements in the Group	Consolidated total
Revenues from external customers	1 812 029	1 656 508	155 521	18 256	29 952	16 787	16 701	86	202	-	**1 877 226**
Profits (losses) on realised financial instruments regarding fuel trade	480	480	-	-	-	-	-	-	-	-	**480**
Revenues from customers from the Group	108	-	108	5 163	14 745	446	38	408	169	(20 631)	**-**
Total revenues	**1 812 617**	**1 656 988**	**155 629**	**23 419**	**44 697**	**17 233**	**16 739**	**494**	**371**	**(20 631)**	**1 877 706**
Cost of goods, products, and materials, sold to external customers	(1 729 601)	(1 584 794)	(144 807)	(16 489)	(26 891)	(14 704)	(14 347)	(357)	-	-	**(1 787 685)**
Cost of goods, products, and materials, sold to customers from the Group	(108)	-	(108)	(5 158)	(14 745)	-	-	-	-	20 011	**-**
Cost of goods, products, and materials, in total	**(1 729 709)**	**(1 584 794)**	**(144 915)**	**(21 647)**	**(41 636)**	**(14 704)**	**(14 347)**	**(357)**	**-**	**20 011**	**(1 787 685)**
Segment results	**82 908**	**72 194**	**10 714**	**1 772**	**3 061**	**2 529**	**2 392**	**137**	**371**	**(620)**	**90 021**
Other operating revenues	908	762	146	6	26	3	1	2	1	-	**944**
Sale and overheads costs	(48 067)	(40 964)	(7 103)	(2 216)	(6 731)	(3 989)	(3 517)	(472)	(3 552)	207	**(64 348)**
Other net profits/losses	895	-	895	-	-	-	-	-	-	-	**895**
Other operating costs	(56)	(39)	(17)	(554)	-	(6)	(5)	(1)	(56)	-	**(672)**
Operating activity result	**36 588**	**31 953**	**4 635**	**(992)**	**(3 644)**	**(1 463)**	**(1 129)**	**(334)**	**(3 236)**	**(413)**	**26 840**
Financial revenues	142	17	125	199	7 953	2	2	-	121	(370)	**8 047**
Financial costs	(3 954)	(3 882)	(72)	(479)	(31)	(19)	(3)	(16)	(156)	370	**(4 269)**
Income tax	-	-	-	-	-	-	-	-	-	1	**(6 297)**
Profit/(loss) for the period	**32 776**	**28 088**	**4 688**	**(1 272)**	**4 278**	**(1 480)**	**(1 130)**	**(350)**	**(3 271)**	**(412)**	**24 321**
Amortisation	**(802)**	**(428)**	**(374)**	**(861)**	**(115)**	**(368)**	**(368)**	**-**	**(878)**	**(57)**	**(3 081)**
EBITDA*	**37 390**	**32 381**	**5 009**	**(131)**	**4 344**	**(1 095)**	**(761)**	**(334)**	**(2 358)**	**(356)**	**37 794**

* EBITDA ratio --> defined as Earnings Before Interest, Taxes, Depreciation and Amortization)

in PLN thousand **for the period 01.04.2019 - 30.06.2019**	**Liquid fuels trade**	**in this:** **Diesel and Bio-fuels**	**LPG**	**Gaseous fuels trade**	**Electricity**	**Other activity**	**in this:** **Petrol stations**	**Other petroleum products**	**Corporate functions**	**Reductions of settlements in the Group**	**Consolidated total**
Revenues from external customers	979 548	895 846	83 702	7 109	5 949	9 273	9 495	(222)	38	-	**1 001 917**
Profits (losses) on realised financial instruments regarding fuel trade	5 961	5 961	-	-	-	-	-	-	-	-	**5 961**
Revenues from customers from the Group	(56)	(56)	-	1 978	8 448	408	-	408	134	(10 912)	**-**
Total revenues	**985 453**	**901 751**	**83 702**	**9 087**	**14 397**	**9 681**	**9 495**	**186**	**172**	**(10 912)**	**1 007 878**
Cost of goods, products, and materials, sold to external customers	(943 148)	(864 963)	(78 185)	(6 886)	(4 273)	(8 764)	(8 407)	(357)	-	-	**(963 071)**
Cost of goods, products, and materials, sold to customers from the Group	-	-	-	(1 922)	(8 474)	-	-	-	-	10 396	**-**
Cost of goods, products, and materials, in total	**(943 148)**	**(864 963)**	**(78 185)**	**(8 808)**	**(12 747)**	**(8 764)**	**(8 407)**	**(357)**	**-**	**10 396**	**(963 071)**
Segment results	**42 305**	**36 788**	**5 517**	**279**	**1 650**	**917**	**1 088**	**(171)**	**172**	**(516)**	**44 807**
Other operating revenues	386	263	123	-	-	(7)	-	(7)	1	-	**380**
Sale and overheads costs	(27 677)	(23 993)	(3 684)	(989)	(3 757)	(2 112)	(1 982)	(130)	(1 558)	109	**(35 984)**
Other net profits/losses	548	-	548	-	-	-	-	-	-	-	**548**
Other operating costs	(7)	(36)	29	(778)	(499)	(1)	-	(1)	(48)	-	**(1 333)**
Operating activity result	**15 555**	**13 022**	**2 533**	**(1 488)**	**(2 606)**	**(1 203)**	**(894)**	**(309)**	**(1 433)**	**(407)**	**8 418**
Financial revenues	58	-	58	102	4 391	1	1	-	59	(170)	**4 441**
Financial costs	(2 240)	(2 213)	(27)	(228)	5	41	47	(6)	(153)	170	**(2 405)**
Income tax	-	-	-	-	-	-	-	-	-	-	**(2 468)**
Profit/(loss) for the period	**13 373**	**10 809**	**2 564**	**(1 614)**	**1 790**	**(1 161)**	**(846)**	**(315)**	**(1 527)**	**(407)**	**7 986**
Amortisation	**(380)**	**(211)**	**(169)**	**(651)**	**(63)**	**(342)**	**(342)**	**-**	**(648)**	**(57)**	**(2 141)**
EBITDA*	**15 935**	**13 233**	**2 702**	**(837)**	**1 838**	**(861)**	**(552)**	**(309)**	**(785)**	**(350)**	**14 940**

* EBITDA ratio --> defined as Earnings Before Interest, Taxes, Depreciation and Amortization)

in PLN thousand 30.06.2020	Liquid fuels trade	in this: Diesel and Bio-fuels	LPG	Gaseous fuels trade	Electricity	Other activity	in this: PETROL STATIONS	Other petroleum products	Corporate functions	Consolidated Total
Segment assets	**502 738**	**473 650**	**29 088**	**45 515**	**59 294**	**44 270**	**21 314**	**22 956**	**63 580**	**715 397**
Segment liabilities	**346 732**	**322 352**	**24 380**	**14 003**	**39 579**	**17 209**	**10 932**	**6 277**	**59 044**	**476 567**
Main non-cash items										
Amortisation	(1 114)	(755)	(359)	(756)	(164)	(533)	(489)	(44)	(946)	**(3 513)**
Inventories valuation to fair value	(46 542)	(46 542)	-	-	-	-	-	-	-	**(46 542)**
Balance sheet valuation of derivatives to fair value	18 385	18 385	-	-	-	-	-	-	-	**18 385**
Balance sheet valuation of currency settlements	(5 708)	(5 708)	-	-	-	-	-	-	-	**(5 708)**
Main non-cash items in total	**(34 979)**	**(34 620)**	**(359)**	**(756)**	**(164)**	**(533)**	**(489)**	**(44)**	**(946)**	**(37 378)**

in PLN thousand 30.06.2019	Liquid fuels trade	in this: Diesel and Bio-fuels	LPG	Gaseous fuels trade	Electricity	Other activity	in this: PETROL STATIONS	Other petroleum products	Corporate functions	Consolidated Total
Segment assets	**514 937**	**480 928**	**34 009**	**43 174**	**53 257**	**13 758**	**13 369**	**389**	**51 893**	**677 019**
Segment liabilities	**371 826**	**325 037**	**46 789**	**11 656**	**35 132**	**4 649**	**4 514**	**135**	**36 182**	**459 445**
Main non-cash items										
Amortisation	(802)	(428)	(374)	(861)	(115)	(368)	(368)	-	(935)	**(3 081)**
Inventories valuation to fair value	29 716	29 716	-	-	-	-	-	-	-	**29 716**
Balance sheet valuation of derivatives to fair value	(23 877)	(23 877)	-	-	-	-	-	-	-	**(23 877)**
Balance sheet valuation of currency settlements	1 496	1 496	-	-	-	-	-	-	-	**1 496**
Main non-cash items in total	**6 533**	**6 907**	**(374)**	**(861)**	**(115)**	**(368)**	**(368)**	**-**	**(935)**	**4 254**

Revenues on sales - assortment breakdown

in PLN thousand	01.01.2020-30.06.2020	01.01.2019-30.06.2019
Diesel and Bio-fuels	1 874 708	1 673 689
LPG	153 760	155 521
Gaseous fuels	30 485	18 256
Electricity	52 397	29 952
Other	65 612	288
Total	**2 176 962**	**1 877 706**

Revenues on sales - geographical breakdown according to location of final customers

in PLN thousand	01.01.2020-30.06.2020	01.01.2019-30.06.2019
Poland	1 675 936	1 526 287
Czech Republic	179 011	146 085
Switzerland	1 254	21
Slovakia	1 545	3 723
China	383	416
Hungary	11 673	7 712
Austria	14 047	4 629
Great Britain	132 283	397
Belgium	10 298	-
Germany	91 568	4 302
Taiwan	406	-
The Netherlands	-	88 881
Cyprus	61	12 185
Romania	-	91
France	-	6 450
Bulgaria	38 322	42 437
Estonia	13 601	8 399
Ukraine	2 189	21 896
Serbia	1 570	-
Lithuania	2 815	3 793
Belarus	-	2
Total	**2 176 962**	**1 877 706**

Main customers

In the period of 6 months of 2020 and 6 months of 2019 none of the Group's customers exceeded 10% of consolidated revenues.

7. ADDITIONAL EXPLANATORY NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

7.1 COST BY TYPE

in PLN thousand	**01.01.2020-30.06.2020**	**01.01.2019-30.06.2019**
Amortisation of tangible fixed assets and intangible assets	(2 342)	(2 338)
Asset amortisation due to the right to use assets	(1 171)	(743)
Electricity and materials consumption	(1 147)	(1 363)
Foreign services	(66 695)	(45 479)
Taxes and charges	(655)	(429)
Remunerations	(12 522)	(6 321)
Social security and other benefits	(1 283)	(1 327)
Other cost by type	(4 126)	(3 439)
Costs by type in total	**(89 941)**	**(61 439)**
Cost of sold goods, products, and materials	(2 077 094)	(1 787 685)
Change in inventories and accruals	279	238
Other	(2 034)	(3 147)
Cost of sold goods, products and materials and overheads	**(2 168 790)**	**(1 852 033)**

7.2 COST OF SOLD GOODS, PRODUCTS AND MATERIALS

in PLN thousand	**01.01.2020-30.06.2020**	**01.01.2019-30.06.2019**
Cost of sold goods and materials	(2 105 597)	(1 794 715)
Inventories valuation to fair value	(46 542)	29 716
Item valuation in foreign currency	12 677	(22 381)
Exchange rate differences achieved	62 368	(305)
Total	**(2 077 094)**	**(1 787 685)**

7.3 INCOME TAX

Income tax recognised in the interim condensed consolidated statements of total revenues

in PLN thousand	**01.01.2020-30.06.2020**	**01.01.2019-30.06.2019**
Current income tax		
Income tax for the current year	(9 897)	(5 789)
Deferred tax		
Arising/reversing temporary differences	7 562	(508)
Income tax recognised in the statements on total revenues	**(2 335)**	**(6 297)**

Effective discount rate

in PLN thousand	01.01.2020-30.06.2020	01.01.2019-30.06.2019
Profit/(loss) before taxation	**10 280**	**30 618**
Tax based on applicable tax rate	(1 953)	(5 817)
Fixed costs not being the cost of obtaining revenues	(382)	(480)
Total	**(2 335)**	**(6 297)**
Effective discount rate	**22,7%**	**20,6%**

* including in H1 2020: value of exceptional shortages PLN 63 thousand, value of representation and advertising PLN 60 thousand, donations PLN 19 thousand, lack of deduction of 25% of cost PLN 13 thousand, cost of insurance and membership contributions PLN 24 thousand, other costs PLN 203 thousand.

* including in H1 2019: value of exceptional shortages PLN 22 thousand, value of representation and advertising PLN 63 thousand, donations PLN 3 thousand, lack of deduction of 25% of cost PLN 13 thousand, cost of insurance and membership contributions PLN 17 thousand, NIT cost PLN 119 thousand, other costs PLN 243 thousand.

7.4 LIABILITIES DUE TO CREDITS, LOANS AND OTHER DEBT INSTRUMENTS AND CREDITS OVERDRAFTS

in PLN thousand	30.06.2020	31.12.2019
Long-term liabilities		
Credits and loans secured on the assets of the Group	4 443	5 580
Financial lease liabilities	3 036	2 396
Liabilities due to lease (other lease and rent contracts unrecognised before)	9 062	5 118
	16 541	**13 094**
Short-term liabilities		
Short-term part of credits and loans secured on the assets of the Group	1 554	1 193
Other loans	-	322
Short-term part of financial lease liabilities	2 345	1 988
Liabilities due to lease (other lease and rent contracts unrecognised before)	4 678	1 364
	8 577	**4 867**
Overdrafts	**158 931**	**205 350**
Total	**184 049**	**223 311**

In Q2 2020 the Issuer started a cooperation with the largest Polish bank PKO BP S.A. and PKO Faktoring S.A. acquiring financing in the form of factoring in the amount of PLN 20 million and treasury limit in the amount of PLN 10 million.

In the period covered by the present interim statements or after the balance sheet date there were no events of failure to repay the principal or interests.

As of 30th June 2020 the following infringements occurred to covenants in the credit contracts (and also contracts for other bank products) held by the Parent Entity:

- BNP Paribas Bank Polska S.A. (formerly Raiffeisen Bank Polska S.A.) covenants verified in quarterly period based on standalone data of Unimot S.A.:
- Profit on sales (adjusted for the result on the transactions hedging product prices and the result on the exchange rate differences) /net revenue on sales > 1 % – value of the ration: 0.4%.

The consequence of infringement to covenants is a possibility to decrease the amount of available limits by the bank, as well as the right for a request to provide an additional collateral or increase the bank’s margin.

The Issuer estimates that this does not bear any significant risks to the Group's operations, the bank did not take any steps with regard to the infringement of the abovementioned covenant. Particularly, as the current bank's involvement results only form the issued bank guarantee amounting EUR 1.2 million.

There were no infringements to other terms stipulated in the credit agreements.

7.5 DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments - financial assets

in PLN thousand	**30.06.2020**	**31.12.2019**
Long-term financial assets		
Futures contracts	22 295	-
Total	**22 295**	**-**
Short-term financial assets		
Futures, forward, swap contracts	6 303	12 123
Total	**6 303**	**12 123**

Derivative financial instruments - financial liabilities

in PLN thousand	**30.06.2020**	**31.12.2019**
Long-term financial liabilities		
Futures contracts	364	5 648
Total	**364**	**5 648**
Short-term financial liabilities		
Futures, forward, swap contracts	5 794	2 421
Total	**5 794**	**2 421**

7.6 VALUATION AT FAIR VALUE METHODS (FAIR VALUE HIERARCHY)

With regard to the previous accounting period the Group has not changed the method of financial instruments valuation.

Fair value of financial assets and liabilities quoted on active markets is established on the basis of market quotations (so called Level 1). In other cases, fair value is established on the basis of other possible to observe directly or indirectly data (so called Level 2) or non-observable data (so called Level 3).

The classification of assets and liabilities according to the hierarchy of fair value is analogous to that disclosed in the annual financial statements for 2019.

In the accounting period and reference period in the Group there were no movements between levels 1 and 2 of fair value hierarchy.

7.7 TRANSACTIONS AND SETTLEMENTS OF GROUP'S COMPANIES WITH RELATED ENTITIES

Related unconsolidated entities:
- Unimot Express Sp. z o.o. (Parent Equity)
- Zemadon Limited (entity related to Unimot Express Sp. z o.o.)
- Ammerviel Limited (entity related to Unimot Express Sp. z o.o.)
- Unimot Truck Sp. z o.o. (entity related to Unimot Express Sp. z o.o.)

	Sale		Purchase	
in PLN thousand	**01.01.2020-30.06.2020**	**01.01.2019-30.06.2019**	**01.01.2020-30.06.2020**	**01.01.2019-30.06.2019**
Unconsolidated related entities	**120**	**114**	**319**	**147**

	Sale		Purchase	
in PLN thousand	**01.04.2020-30.06.2020**	**01.04.2019-30.06.2019**	**01.04.2020-30.06.2020**	**01.04.2019-30.06.2019**
Unconsolidated related entities	**44**	**35**	**172**	**-**

	Trade receivables due to loans and other receivables		Trade and other liabilities , loan liabilities and other liabilities	
in PLN thousand	**30.06.2020**	**31.12.2019**	**30.06.2020**	**31.12.2019**
Unconsolidated related entities	**31**	**45**	**18**	**605**

In the period of 6 months ended on 30th June 2020 and 30th June 2019 there were no transaction in the Group concluded with related entities on conditions different from market one. These transactions concerned primarily purchases of goods and services for the needs of the current operating activity.

7.8 CONTINGENT LIABILITIES

The Group possessed the following contingent liabilities as of 30 June 2020 and 31 December 2019:

The number of guarantees of the Parent Entity Unimot S.A. towards third parties, issued in the course of current activity as of 30 June 2020 and as of 31 December 2019 amounted respectively PLN 31.96 million and EUR 4 million and PLN 30.52 million and EUR 1.7 million. These concerned mainly: civil and law guarantees connected with securing proper execution of contracts, and public and law guarantees resulting from the valid law regulations securing the correctness of conducting licensed activities in the liquid fuels sector and resulting from this activity receivables of tax, customs nature, etc.

The value of standby letters of credit issued on request of the Parent Entity Unimot S.A. as of 30 June 2020 and as of 31 December 2019 amounted respectively USD 9.1 million and USD 19.4 million.

The Parent Entity Unimot S.A. granted a civil surety for the liabilities of a related nonconsolidated entity in the amounts as of 30 June 2020 and as of 31 December 2019 respectively PLN 2.5 million and PLN 2.5 million.

The Parent Entity Unimot S.A. issued a guarantee, civil surety, and promissory notes for the liabilities of related consolidated entities as of 30th June 2020 and as of 31st December 2019 in the amounts respectively PLN 35.8 million and PLN 36.7 million.

The number of guarantees concerning liabilities of subsidiaries towards third parties issued in the course of the current activity as of 30 June 2020 and as of 31 December 2019 amounted respectively PLN 20.74 million and PLN 21.74 million.

The Parent Equity Unimot S.A. granted a surety for the liabilities of related unconsolidated entities due to umbrella contracts as of 30th June 2020 in the amount of PLN 644 thousand.

7.9 ESTIMATION OF THE INFLUENCE OF CORONAVIRUS COVID-19 PANDEMIC ON THE OPERATIONS AND THE FINANCIAL SITUATION OF THE CAPITAL GROUP

The Management Board of the Parent Entity on a daily basis analyses information concerning the surge of the coronavirus COVID-19 in the world, and especially in Poland and the region, which results from the geographical primary scope of operations of the Unimot Capital Group. The largest importance is attached by the Board to information provided by the Polish government, National Bank of Poland, and other leading national institutions.

Based on the currently available information the Management Board of the Parent Entity does not perceive a threat to the continuity of supplies of our primary products to our customers, i.e. diesel, bio-fuels, LPG, natural gas, electricity and other petroleum products. Access to fuels, apart from food and medicines, seems to be of key importance to national authorities and the society. The Group is a leading importer both of diesel and LPG as well as bitumen, and is prepared to continue its operations in these segments. Apart from bitumen, so far our suppliers have not limited availability of the abovementioned products.

For the time being, due to a dynamically changing environment, the Management Board of the Parent Entity is not able to determine precisely the final impact of the coronavirus COVID-19 pandemic as well as the restrictions introduced by the Polish government and the European Union on the operations and the perspectives of the UNIMOT Capital Group in H2 2020. The range of the impact will depend primarily on the duration of the pandemic in our region, which will directly influence the trade limitations and demand-supply changes, which in turn is of key importance to the operations of commercial companies.

However, the Management Board of the Parent Equity, assuming a negative impact on sales in H2 2020, and particularly in Q4, estimates that in the subsequent months the pandemic will have limited, yet negative impact on our primary business lines. Still, as it occurred in the period March-May of the present year, the Group may also become a beneficiary of market changes which are occurring or will occur as a consequence of the spread of the coronavirus COVID-19 pandemic and restrictions imposed by the authorities.

The Group conducts a policy of hedging against price change risks, therefore, their rapid changes do not influence the results. Lower purchase prices improve the financial liquidity of the Group, limiting its exposure to bank credits, as it occurred in the period March-May of the present year. Since May one could observe an increase in the quotations of petroleum and diesel, but still the present level of quotations is significantly lower compared to the ones from the beginning of the year.

Additionally, costs of our operations also depend on the interest rate of bank credits – in the present situation the costs of capital are decreasing together with the decrease of the interest rates by the American FED and NBP.

Agreeing with the available market analyses, the Management Board of the Parent Entity expects a decreased demand for fuels in Poland in the entire year 2020. In the opinion of the Management Board the continuation of the decreased consumption of fuels in the months to come may create a more difficult market environment.

The Group conducts a restrictive policy of granting credit limits, which has been continued for a number of years. Through internal departments the Group conducts a continuous monitoring of balances and supervision over utilisation of credit limits. If maturity of receivables occurs the regulations of debt recovery are applied. Receivables are hedged with insurance and other forms, such as: bank guarantees, mortgages, blocking resources on bank accounts, registered pledges on movables, acts of submission to enforcement under the art. 777 k.p.c. The Group cooperates with the leading insurers of receivables. As of the present day the stance of Insurers is stable and balanced, we do not observe significant deviations in the scope of limit coverage, open processes of negotiating the terms of insurance are not disturbed.

Additionally, the Management Board of the company ensures that no significant acquisitions are planned in 2020.

With regard to the abovementioned information, the Management Board of the Parent Entity assumes that the results of Q3 and Q4 of 2020 measured with Consolidated Adjusted EBITDA will be by several – dozen or so weaker than the results achieved in the corresponding period of 2019, and compared to budget assumptions for H2 2020. According to our estimates, in Q2 2020 the Consolidated Adjusted EBITDA amounted to PLN 15.5 million and was by 7.2% lower against the corresponding period of 2019. Presently, the Management Board of the Parent Entity is not changing the increased in June forecast of Consolidated Adjusted EBITDA that amounts to PLN 80 million.

7.10 EVENTS AFTER THE ACCOUNTING PERIOD

No events to be disclosed.

8. INTERIM CONDENSED STANDALONE FINANCIAL STATEMENTS

8. INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Interim condensed standalone statements of financial situation

in PLN thousand	*Note*	30.06.2020 (unexamined)	31.12.2019
Fixed assets			
Tangible fixed assets		14 667	13 344
Right to use assets		13 362	6 029
Intangible assets		14 460	14 382
Investments into subsidiaries		44 897	43 481
Other financial assets		2 785	2 916
Derivative financial instruments		22 295	-
Other long-term receivables		14 748	2 224
Client contracts assets		4 293	4 317
Deferred income tax assets		5 339	-
Total fixed assets		**136 846**	**86 693**
Current assets			
Inventory		199 419	238 701
Client contracts assets		1 168	1 162
Trade and other receivables		275 848	263 470
Other financial assets		2 680	5 758
Derivative financial instruments		6 303	12 123
Income tax receivables		-	621
Financial resources and their equivalents		48 334	26 776
Other current assets		4 921	5 175
Total current assets		**538 673**	**553 786**
TOTAL ASSETS		**675 519**	**640 479**

President of the Management Board	*Vice-President of the Management Board*	*Vice-President of the Management Board*
Adam Sikorski	*Robert Brzozowski*	*Marek Moroz*

Person preparing the statements

Małgorzata Walnik

Interim condensed standalone statement on the financial situation should be analysed jointly with explanatory information which constitute an integral part of the interim condensed consolidated standalone financial statements

Interim condensed standalone statements of financial situation (continued)

in PLN thousand	*Note*	30.06.2020 (unexamined)	31.12.2019
Equity			
Share capital		8 198	8 198
Other capitals		218 816	181 140
Previous years' results and current year result		5 622	54 269
Total equity		**232 636**	**243 607**
Long-term liabilities			
Liabilities due to loans and other debt instruments	*10.4*	11 969	7 272
Employee benefits liabilities		185	185
Derivative financial instruments		364	5 648
Deferred income tax reserve		-	2 078
Total long-term liabilities		**12 518**	**15 183**
Short-term liabilities			
Overdrafts	*10.4*	158 931	203 504
Liabilities due to loans and other debt instruments	*10.4*	16 688	2 866
Derivative financial instruments		5 794	2 421
Employee benefits liabilities		435	435
Income tax liabilities		3 980	-
Client contracts liabilities		5 919	2 613
Trade and other liabilities		238 618	169 850
Total short-term liabilities		**430 365**	**381 689**
Total liabilities		**442 883**	**396 872**
TOTAL LIABILITIES		**675 519**	**640 479**

President of the Management Board	*Vice-President of the Management Board*	*Vice-President of the Management Board*
Adam Sikorski	*Robert Brzozowski*	*Marek Moroz*

Person preparing the statements

Małgorzata Walnik

Interim condensed standalone statement on the financial situation should be analysed jointly with explanatory information which constitute an integral part of the interim condensed consolidated standalone financial statements

Interim condensed standalone statements of total revenues

in PLN thousand	*Note*	01.01.2020 - 30.06.2020 (unexamined)	01.04.2020 - 30.06.2020 (unexamined)	01.01.2019 - 30.06.2019 (unexamined)	01.04.2019 - 30.06.2019 (unexamined)
Revenues on sales		2 159 969	1 014 531	1 843 866	995 430
Profits (losses) on realised financial instruments regarding fuel trade		(41 251)	(59 737)	480	5 961
Cost of sold goods and materials	*10.2*	(2 024 466)	(883 358)	(1 758 959)	(957 818)
Gross profit/(loss) on sales		**94 252**	**71 436**	**85 387**	**43 573**
Other operating revenues		1 362	602	910	387
Sales costs	*10.1*	(68 184)	(34 237)	(49 149)	(28 390)
Overheads	*10.1*	(12 398)	(8 975)	(6 620)	(3 203)
Other net profits/losses		146	39	895	548
Other operating costs		(6 076)	(5 940)	(117)	(55)
Profit/loss on operating activity		**9 102**	**22 925**	**31 306**	**12 860**
Financial revenues		311	47	265	118
Financial costs		(2 720)	(500)	(4 113)	(2 395)
Net financial costs		**(2 409)**	**(453)**	**(3 848)**	**(2 277)**
Profit/(loss) before taxation		**6 693**	**22 472**	**27 458**	**10 583**
Income tax	*10.3*	(1 515)	(4 270)	(5 602)	(2 190)
Net profit/(loss) for the financial year		**5 178**	**18 202**	**21 856**	**8 393**
Profit/loss per one share in PLN					
Basic		0,63	2,22	2,67	1,02
Diluted		0,63	2,22	2,67	1,02
Statement on total revenues					
Net profit/(loss) for the financial year		**5 178**	**18 202**	**21 856**	**8 393**
Other total revenues that will be reclassified as profits or losses after complying with defined conditions					
Other total revenues		-	-	-	-
Total profits for the financial year		**5 178**	**18 202**	**21 856**	**8 393**

President of the Management Board — *Vice-President of the Management Board* — *Vice-President of the Management Board*

Adam Sikorski — *Robert Brzozowski* — *Marek Moroz*

Person preparing the statements

Małgorzata Walnik

Interim condensed standalone statement on total revenues should be analysed jointly with explanatory information which constitute an integral part of the interim condensed consolidated standalone financial statements

Condensed standalone statements of cash flows

in PLN thousand	*Note*	01.01.2020 - 30.06.2020 (unexamined)	01.04.2020 - 30.06.2020 (unexamined)	01.01.2019 - 30.06.2019 (unexamined)	01.04.2019 - 30.06.2019 (unexamined)
Operating cash flows					
Profit/(loss) before taxation		**6 693**	**22 472**	**27 458**	**10 583**
Adjustments with items:					
Tangible fixed asset amortisation		2 398	1 434	1 936	1 314
Intangible assets impairment		130	67	113	57
Loss (profit) due to exchange rate differences		5 082	(6 831)	(1 890)	(4 714)
(Profit)/loss on sales of tangible fixed assets		(146)	(39)	(895)	(548)
Paid interests and transactional costs (concerning credits and loans) and dividends, net		2 410	1 054	3 848	2 277
Receivables status change		(29 531)	(43 728)	(45 685)	11 473
Inventory status change		39 282	(78 546)	(57 685)	(41 979)
Client contracts assets status change		18	139	(212)	(117)
Client contracts liabilities status change		3 306	(1 219)	(11 976)	(24 143)
Trade and other short-term liabilities status change		73 322	49 211	55 924	8 842
Status change of assets/(liabilities) due to hedging instruments		(18 386)	17 293	23 877	(2 242)
Provisions status change		(2 078)	-	552	(1 073)
Creating/reversing impairment loss		4 000	3 400	-	-
Income tax (paid)/returned	*10.3*	(1 515)	(4 270)	(5 602)	(2 190)
Net operating cash flows		**84 985**	**(39 563)**	**(10 237)**	**(42 460)**
Investment activity cash flows					
Revenues on tangible fixed assets sale		507	121	2 254	1 819
Received interests		395	49	229	134
Revenues on loans		10 289	13	38	11
Tangible fixed assets purchase		(773)	(470)	(717)	(230)
Intangible assets purchase		(208)	(115)	(150)	(140)
Loans granted		(11 065)	(2 000)	-	-
Other investments acquisition		-	-	(2 018)	(2 018)
Net investment activity cash flows		**(855)**	**(2 402)**	**(364)**	**(424)**
Net financial activity cash flows					
Contracting credits, loans, and other debt instruments		10 000	10 000	9 000	4 500
Acquisition of shares in owned subsidiaries		(1 416)	(1 416)	(1 430)	(1 000)
Repayment of credits, loans, and other debt instruments		-	-	(9 000)	(4 500)
Paid dividends		(16 149)	(16 149)	-	-
Payment of liabilities due to financial lease contracts		(987)	(535)	(980)	(464)
Payment of liabilities due to lease (other rent and lease contracts unrecognised before)		(1 072)	(749)	(637)	(268)
Interests and transactional costs (concerning credits and loans) paid		(3 293)	(1 099)	(4 114)	(2 396)
Net financial activity cash flows		**(12 917)**	**(9 948)**	**(7 161)**	**(4 128)**
Financial resources and their equivalents status change		**71 213**	**(51 913)**	**(17 762)**	**(47 013)**
Influence of exchange rate changes concerning financial resources and their equivalents		(5 082)	6 830	1 890	4 715
Financial resources and their equivalents status change		**66 131**	**(45 083)**	**(15 872)**	**(42 298)**
Financial resources and their equivalents net of overdrafts as of 1st January		**(176 728)**	**(65 514)**	**(175 386)**	**(148 960)**
Financial resources and their equivalents net of overdrafts as of 30th June		**(110 597)**	**(110 597)**	**(191 258)**	**(191 258)**

President of the Management Board	*Vice-President of the Management Board*	*Vice-President of the Management Board*
Adam Sikorski	*Robert Brzozowski*	*Marek Moroz*

Person preparing the statements

Małgorzata Walnik

Interim condensed standalone statement on cash flows should be analysed jointly with explanatory information which constitute an integral part of the interim condensed consolidated standalone financial statements

Interim condensed standalone statement of changes in equity

in PLN thousand	Share capital	Hedge accounting capital	Other capitals (including own shares)	Previous years' results	Current year result	**Total equity**
Equity as of 1st January 2019	**8 198**	**-**	**174 437**	**9 346**	**(2 199)**	**189 782**
Application effect of IFRS 16	-	-	-	-	-	-
Data adjusted for the influence of IFRS 16 as of 1st January 2019	**8 198**	**-**	**174 437**	**9 346**	**(2 199)**	**189 782**
Total profits for the financial year	**-**	**-**	**-**	**-**	**21 856**	**21 856**
- Net profit/(loss) for the period	-	-	-	-	21 856	**21 856**
Transactions with owners recognised directly in equity						
Profit transfer	-	-	6 703	(8 902)	2 199	-
Equity as of 30th June 2019	**8 198**	**-**	**181 140**	**444**	**21 856**	**211 638**

(unexamined)

in PLN thousand	Share capital	Hedge accounting capital	Other capitals (including own shares)	Previous years' results	Current year result	**Total equity**
Equity as of 1st January 2019	**8 198**	**-**	**174 437**	**9 346**	**(2 199)**	**189 782**
Application effect of IFRS 16	-	-	-	-	-	-
Data adjusted for the influence of IFRS 16 as of 1st January 2019	**8 198**	**-**	**174 437**	**9 346**	**(2 199)**	**189 782**
Total profits for the financial year	**-**	**-**	**-**	**-**	**53 825**	**53 825**
- Net profit/(loss) for the period	-	-	-		53 825	**53 825**
Transactions with owners recognised directly in equity						
Profit transfer	-	-	6 703	(8 902)	2 199	-
Equity as of 31st December 2019	**8 198**	**-**	**181 140**	**444**	**53 825**	**243 607**

in PLN thousand	Share capital	Hedge accounting capital	Other capitals (including own shares)	Previous years' results	Current year result	**Total equity**
Equity as of 1st January 2020	**8 198**	**-**	**181 140**	**444**	**53 825**	**243 607**
Total profits for the financial year	**-**	**-**	**-**	**-**	**5 178**	**5 178**
- Net profit/(loss) for the period	-	-	-	-	5 178	**5 178**
Transactions with owners recognised directly in equity						
Additional payments from and payments to the owners	-	-	-	-	(16 149)	(16 149)
Dividend	-	-	-		*(16 149)*	*(16 149)*
Profit/(loss) transfer	-	-	37 676	-	(37 676)	-
Equity as of 30th June 2020	**8 198**	**-**	**218 816**	**444**	**5 178**	**232 636**

(unexamined)

President of the Management Board	*Vice-President of the Management Board*	*Vice-President of the Management Board*
Adam Sikorski	*Robert Brzozowski*	*Marek Moroz*

Person preparing the statements

Małgorzata Walnik

Interim condensed standalone statement son changes in equity should be analysed jointly with explanatory information which constitute an integral part of the interim condensed standalone financial statements

9. CONDENSED SUPPLEMENTARY INFORMATION TO THE INTERIM CONDENSED STANDALONE FINANCIAL STATEMENTS

In the condensed supplementary information to the interim condensed standalone statements Unimot S.A. only presented the notes where data consolidation occurred. The remaining notes, based entirely on the data of the Parent Entity (No 7.5), have been presented in the supplementary information to the interim condensed consolidated financial statements.

9.1 REPORTING SEGMENTS

Identification of operating segments has not changed and is accordant with the principles described in the standalone financial statements as of and for the financial year ending on 31st December 2019.

in PLN thousand **for the period 01.01.2020 - 30.06.2020**	**Liquid fuels trade**	**in this:** **Diesel and Bio-fuels**	**LPG**	**Gaseous fuels trade**	**Other activity**	**in this:** **Petrol stations**	**Other petroleum products**	**Corporate functions**	**Total**
Revenues from external customers	2 051 153	1 897 393	153 760	25 411	80 933	18 188	62 745	2 472	**2 159 969**
Profits (losses) on realised financial instruments regarding fuel trade	(41 251)	(41 251)	-	-	-	-	-	-	**(41 251)**
Total revenues	**2 009 902**	**1 856 142**	**153 760**	**25 411**	**80 933**	**18 188**	**62 745**	**2 472**	**2 118 718**
Cost of goods, products, and materials, sold to external customers	(1 926 758)	(1 784 248)	(142 510)	(21 950)	(75 758)	(15 690)	(60 068)	-	**(2 024 466)**
Cost of goods, products, and materials, in total	**(1 926 758)**	**(1 784 248)**	**(142 510)**	**(21 950)**	**(75 758)**	**(15 690)**	**(60 068)**	**-**	**(2 024 466)**
Segment results	**83 144**	**71 894**	**11 250**	**3 461**	**5 175**	**2 498**	**2 677**	**2 472**	**94 252**
Other operating revenues	1 282	1 149	133	-	14	14	-	66	**1 362**
Sale and overheads costs	(61 504)	(54 128)	(7 376)	(1 813)	(6 246)	(3 659)	(2 587)	(11 019)	**(80 582)**
Other net profits/losses	146	-	146	-	-	-	-	-	**146**
Other operating costs	(75)	(3)	(72)	(13)	(14)	(12)	(2)	(5 974)	**(6 076)**
Operating activity result	**22 993**	**18 912**	**4 081**	**1 635**	**(1 071)**	**(1 159)**	**88**	**(14 455)**	**9 102**
Financial revenues	229	63	166	-	25	4	21	57	**311**
Financial costs	(2 663)	(2 611)	(52)	-	(1)	(1)	-	(56)	**(2 720)**
Income tax	-	-	-	-	-	-	-	-	**(1 515)**
Profit/(loss) for the period	**20 559**	**16 364**	**4 195**	**1 635**	**(1 047)**	**(1 156)**	**109**	**(14 454)**	**5 178**
Amortisation	**(1 114)**	**(755)**	**(359)**	**-**	**(517)**	**(474)**	**(43)**	**(897)**	**(2 528)**
Interests	**(2 435)**	**(2 395)**	**(40)**	**-**	**(1)**	**(1)**		**55**	**(2 381)**
EBITDA*	**24 108**	**19 514**	**4 594**	**1 635**	**(529)**	**(681)**	**152**	**(13 612)**	**11 602**

* EBITDA ratio --> defined as Earnings Before Interest, Taxes, Depreciation and Amortization)

in PLN thousand **for the period 01.04.2020 - 30.06.2020**	**Liquid fuels trade**	**in this:** **Diesel and Bio-fuels**	**LPG**	**Gaseous fuels trade**	**Other activity**	**in this:** **Petrol stations**	**Other petroleum products**	**Corporate functions**	**Total**
Revenues from external customers	941 318	880 739	60 579	7 620	64 306	9 407	54 899	1 287	**1 014 531**
Profits (losses) on realised financial instruments regarding fuel trade	(59 737)	(59 737)	-	-	-	-	-	-	**(59 737)**
Total revenues	**881 581**	**821 002**	**60 579**	**7 620**	**64 306**	**9 407**	**54 899**	**1 287**	**954 794**
Cost of goods, products, and materials, sold to external customers	(814 091)	(759 094)	(54 997)	(7 609)	(61 658)	(8 458)	(53 200)	-	**(883 358)**
Cost of goods, products, and materials, in total	**(814 091)**	**(759 094)**	**(54 997)**	**(7 609)**	**(61 658)**	**(8 458)**	**(53 200)**	**-**	**(883 358)**
Segment results	**67 490**	**61 908**	**5 582**	**11**	**2 648**	**949**	**1 699**	**1 287**	**71 436**
Other operating revenues	522	515	7	-	14	14	-	66	**602**
Sale and overheads costs	(27 497)	(23 690)	(3 807)	(806)	(2 781)	(1 683)	(1 098)	(12 128)	**(43 212)**
Other net profits/losses	39	-	39	-	-	-	-	-	**39**
Other operating costs	6	73	(67)	(4)	(6)	(6)	-	(5 936)	**(5 940)**
Operating activity result	**40 560**	**38 806**	**1 754**	**(799)**	**(125)**	**(726)**	**601**	**(16 711)**	**22 925**
Financial revenues	1	(93)	94	-	10	4	6	36	**47**
Financial costs	(5 047)	(5 024)	(23)	-	-	-	-	4 547	**(500)**
Income tax	-	-	-	-	-	-	-	-	**(4 270)**
Profit/(loss) for the period	**35 514**	**33 689**	**1 825**	**(799)**	**(115)**	**(722)**	**607**	**(12 128)**	**18 202**
Amortisation	**(770)**	**(577)**	**(193)**	**-**	**(279)**	**(256)**	**(23)**	**(452)**	**(1 501)**
Interests	**(928)**	**(1 000)**	**72**		**10**	**4**	**6**	**(105)**	**(1 023)**
EBITDA*	**37 212**	**35 266**	**1 946**	**(799)**	**154**	**(470)**	**624**	**(11 571)**	**24 996**

* EBITDA ratio --> defined as Earnings Before Interest, Taxes, Depreciation and Amortization)

in PLN thousand for the period 01.01.2019 - 30.06.2019	Liquid fuels trade	in this: Diesel and Bio-fuels	LPG	Gaseous fuels trade	Other activity	in this: Petrol stations	Other petroleum products	Corporate functions	Total
Revenues from external customers	1 811 933	1 656 508	155 425	14 552	17 010	16 602	408	371	**1 843 866**
Profits (losses) on realised financial instruments regarding fuel trade	480	480	-	-	-	-	-	-	**480**
Total revenues	**1 812 413**	**1 656 988**	**155 425**	**14 552**	**17 010**	**16 602**	**408**	**371**	**1 844 346**
Cost of goods, products, and materials, sold to external customers	(1 729 511)	(1 584 794)	(144 717)	(14 808)	(14 640)	(14 283)	(357)	-	**(1 758 959)**
Cost of goods, products, and materials, in total	**(1 729 511)**	**(1 584 794)**	**(144 717)**	**(14 808)**	**(14 640)**	**(14 283)**	**(357)**	**-**	**(1 758 959)**
Segment results	**82 902**	**72 194**	**10 708**	**(256)**	**2 370**	**2 319**	**51**	**371**	**85 387**
Other operating revenues	908	762	146		1	1	-	1	**910**
Sale and overheads costs	(47 974)	(40 964)	(7 010)	(465)	(3 778)	(3 408)	(370)	(3 552)	**(55 769)**
Other net profits/losses	895	-	895	-	-		-	-	**895**
Other operating costs	(56)	(39)	(17)	-	(5)	(5)	-	(56)	**(117)**
Operating activity result	**36 675**	**31 953**	**4 722**	**(721)**	**(1 412)**	**(1 093)**	**(319)**	**(3 236)**	**31 306**
Financial revenues	142	17	125	-	2	2	-	121	**265**
Financial costs	(3 954)	(3 882)	(72)	-	(3)	(3)	-	(156)	**(4 113)**
Income tax	-	-	-	-	-	-	-	-	**(5 602)**
Profit/(loss) for the period	**32 863**	**28 088**	**4 775**	**(721)**	**(1 413)**	**(1 094)**	**(319)**	**(3 271)**	**21 856**
Amortisation	**(802)**	**(428)**	**(374)**	**(1)**	**(368)**	**(368)**	**-**	**(878)**	**(2 049)**
EBITDA*	**37 477**	**32 381**	**5 096**	**(720)**	**(1 044)**	**(725)**	**(319)**	**(2 358)**	**33 355**

* EBITDA ratio --> defined as Earnings Before Interest, Taxes, Depreciation and Amortization)

in PLN thousand for the period 01.04.2019 - 30.06.2019	Liquid fuels trade	in this: Diesel and Bio-fuels	LPG	Gaseous fuels trade	Other activity	in this: Petrol stations	Other petroleum products	Corporate functions	Total
Revenues from external customers	979 396	895 790	83 606	6 036	9 827	9 419	408	171	**995 430**
Profits (losses) on realised financial instruments regarding fuel trade	5 961	5 961	-	-	-	-	-	-	**5 961**
Total revenues	**985 357**	**901 751**	**83 606**	**6 036**	**9 827**	**9 419**	**408**	**171**	**1 001 391**
Cost of goods, products, and materials, sold to external customers	(943 054)	(864 963)	(78 091)	(6 064)	(8 700)	(8 343)	(357)	-	**(957 818)**
Cost of goods, products, and materials, in total	**(943 054)**	**(864 963)**	**(78 091)**	**(6 064)**	**(8 700)**	**(8 343)**	**(357)**	**-**	**(957 818)**
Segment results	**42 303**	**36 788**	**5 515**	**(28)**	**1 127**	**1 076**	**51**	**171**	**43 573**
Other operating revenues	386	263	123	-	-	-	-	1	**387**
Sale and overheads costs	(27 631)	(23 993)	(3 638)	(276)	(2 128)	(1 891)	(237)	(1 558)	**(31 593)**
Other net profits/losses	548	-	548	-	-	-	-	-	**548**
Other operating costs	(7)	(36)	29	-	-	-	-	(48)	**(55)**
Operating activity result	**15 599**	**13 022**	**2 577**	**(304)**	**(1 001)**	**(815)**	**(186)**	**(1 434)**	**12 860**
Financial revenues	58	-	58	-	1	1	-	59	**118**
Financial costs	(2 240)	(2 213)	(27)	-	(2)	(2)	-	(153)	**(2 395)**
Income tax	-	-	-	-	-	-	-	-	**(2 190)**
Profit/(loss) for the period	**13 417**	**10 809**	**2 608**	**(304)**	**(1 002)**	**(816)**	**(186)**	**(1 528)**	**8 393**
Amortisation	**(380)**	**(211)**	**(169)**	**(1)**	**(342)**	**(342)**	**-**	**(648)**	**(1 371)**
EBITDA*	**15 979**	**13 233**	**2 746**	**(303)**	**(659)**	**(473)**	**(186)**	**(786)**	**14 231**

* EBITDA ratio --> defined as Earnings Before Interest, Taxes, Depreciation and Amortization)

in PLN thousand 30.06.2020	Liquid fuels trade	in this: Diesel and Bio-fuels	LPG	Gaseous fuels trade	Other activity	in this: PETROL STATIONS	Other petroleum products	Corporate functions	Consolidated Total
Segment assets	501 956	472 868	29 088	18 775	43 695	20 569	23 126	111 093	675 519
Segment liabilities	346 718	322 338	24 380	18 918	18 204	10 877	7 327	59 043	442 883

in PLN thousand 30.06.2019	Liquid fuels trade	in this: Diesel and Bio-fuels	LPG	Gaseous fuels trade	Other activity	in this: PETROL STATIONS	Other petroleum products	Corporate functions	Consolidated Total
Segment assets	514 734	480 872	33 862	18 286	13 481	12 863	618	78 934	625 435
Segment liabilities	371 803	325 037	46 766	586	5 227	4 451	776	36 181	413 797

Revenues on sales - assortment breakdown

in PLN thousand	**01.01.2020-30.06.2020**	**01.01.2019-30.06.2019**
Diesel and Bio-fuels	1 918 887	1 657 396
LPG	153 760	155 425
Gaseous fuels	25 411	14 552
Other	20 660	16 973
Total	**2 118 718**	**1 844 346**

Revenues on sales - geographical breakdown according to location of final customers

in PLN thousand	**01.01.2020-30.06.2020**	**01.01.2019-30.06.2019**
Poland	1 617 692	1 492 927
Czech Republic	179 011	146 085
Switzerland	1 254	21
Slovakia	1 545	3 723
China	383	416
Hungary	11 673	7 712
Austria	14 047	4 629
Great Britain	132 283	397
Belgium	10 298	-
Germany	91 568	4 302
Taiwan	406	-
The Netherlands	-	88 881
Cyprus	61	12 185
Romania	-	91
France	-	6 450
Bulgaria	38 322	42 437
Estonia	13 601	8 399
Ukraine	2 189	21 896
Serbia	1 570	-
Lithuania	2 815	3 793
Belarus	-	2
Total	**2 118 718**	**1 844 346**

Main customers

In the period of 6 months of 2020 and 6 months of 2019 none of the Company's customers exceeded 10% of standalone revenues.

10. ADDITIONAL EXPLANATORY NOTES TO THE INTERIM CONDENSED STANDALONE FINANCIAL STATEMENTS

10.1 COST BY TYPE

in PLN thousand	**01.01.2020-30.06.2020**	**01.01.2019-30.06.2019**
Amortisation of tangible fixed assets and intangible assets	(1 411)	(1 359)
Asset amortisation due to the right to use assets	(1 117)	(690)
Electricity and materials consumption	(1 043)	(1 154)
Foreign services	(61 577)	(39 697)
Taxes and charges	(184)	(119)
Remunerations	(10 780)	(5 018)
Social security and other benefits	(1 001)	(1 048)
Other cost by type	(3 704)	(3 268)
Costs by type in total	**(80 817)**	**(52 353)**
Cost of sold goods, products, and materials	(2 024 466)	(1 758 959)
Change in inventories and accruals	73	264
Other	162	(3 680)
Cost of sold goods, products and materials and overheads	**(2 105 048)**	**(1 814 728)**

10.2 COST OF SOLD GOODS, PRODUCTS AND MATERIALS

in PLN thousand	**01.01.2020-30.06.2020**	**01.01.2019-30.06.2019**
Cost of sold goods and materials	(2 052 969)	(1 765 989)
Inventories valuation to fair value	(46 542)	29 716
Item valuation in foreign currency	12 677	(22 381)
Exchange rate differences achieved	62 368	(305)
Total	**(2 024 466)**	**(1 758 959)**

10.3 INCOME TAX

Income tax recognised in the interim condensed consolidated statements of total revenues

in PLN thousand	**01.01.2020-30.06.2020**	**01.01.2019-30.06.2019**
Current income tax		
Income tax for the current year	(8 931)	(5 049)
Deferred tax		
Arising/reversing temporary differences	7 416	(553)
Income tax recognised in the statements of total revenues	**(1 515)**	**(5 602)**

Effective discount rate

in PLN thousand	01.01.2020-30.06.2020	01.01.2019-30.06.2019
Profit/(loss) before taxation	**6 693**	**27 458**
Tax based on applicable tax rate	(1 272)	(5 217)
Fixed costs not being the cost of obtaining revenues	(243)	(385)
Total	**(1 515)**	**(5 602)**
Effective discount rate	**22,6%**	**20,4%**

* including in H1 2020: value of exceptional shortages PLN 63 thousand, value of representation and advertising PLN 60 thousand, donations PLN 19 thousand, lack of deduction of 25% of cost PLN 13 thousand, cost of insurance and membership contributions PLN 24 thousand, other costs PLN 64 thousand.

* * including in H1 2019: value of exceptional shortages PLN 22 thousand, value of representation and advertising PLN 63 thousand, donations PLN 3 thousand, lack of deduction of 25% of cost PLN 13 thousand, cost of insurance and membership contributions PLN 17 thousand, NIT cost PLN 119 thousand, other costs PLN 148 thousand.

10.4 LIABILITIES DUE TO CREDITS, LOANS AND OTHER DEBT INSTRUMENTS AND OVERDRAFTS

in PLN thousand	30.06.2020	31.12.2019
Long-term liabilities		
Financial lease liabilities	2 907	2 178
Liabilities due to lease (other lease and rent contracts unrecognised before)	9 062	5 094
	11 969	**7 272**
Short-term liabilities		
Short-term part of credits and loans	10 000	-
Short-term part of financial lease liabilities	2 082	1 604
Liabilities due to lease (other lease and rent contracts unrecognised before)	4 606	1 262
	16 688	**2 866**
Overdrafts	**158 931**	**203 504**
Total	**187 588**	**213 642**

In Q2 2020 the Issuer started a cooperation with the largest Polish bank PKO BP S.A. and PKO Faktoring S.A. acquiring financing in the form of factoring in the amount of PLN 20 million and treasury limit in the amount of PLN 10 million.

In the period covered by the present interim statements or after the balance sheet date there were no events of failure to repay the principal or interests.

As of 30th June 2020 the following infringements occurred to covenants in the credit contracts (and also contracts for other bank products) held by the Parent Entity:

- BNP Paribas Bank Polska S.A. (formerly Raiffeisen Bank Polska S.A.) covenants verified in quarterly period based on standalone data of Unimot S.A.:
- Profit on sales (adjusted for the result on the transactions hedging product prices and the result on the exchange rate differences) /net revenue on sales > 1 % – value of the ration: 0.4%.

The consequence of infringement to covenants is a possibility to decrease the amount of available limits by the bank, as well as the right for a request to provide an additional collateral or increase the bank's margin.

The Issuer estimates that this does not bear any significant risks to the Group's operations, the bank did not take any steps with regard to the infringement of the abovementioned covenant. Particularly, as the current bank's involvement results only form the issued bank guarantee amounting EUR 1.2 million.

There were no infringements to other terms stipulated in the credit agreements.

10.5 TRANSACTIONS AND SETTLEMENTS OF GROUP'S COMPANIES WITH RELATED ENTITIES

The Group concludes transactions with the Parent Entity and related entities specified below:

- Unimot System Sp. z o.o.
- Blue LNG Sp. z o.o.
- Unimot Paliwa Sp. z o.o.
- Unimot Energia i Gaz Sp. z o.o.
- Unimot Energia i Gaz Sp. z o.o. SK.A.
- Tradea Sp. z o.o.
- Unimot Ukraine LLC
- Unimot Asia LLC
- Unimot Energy LLC
- 3 Seas Energy LLC
- Unimot Express Sp. .z o.o. (Parent Equity)
- Zemadon Limited (entity related to Unimot Express Sp. z o.o.)
- Ammerviel Limited (entity related to Unimot Express Sp. z o.o.)
- Unimot Truck Sp. z o.o. (entity related to Unimot Express Sp. z o.o.)

	Sale		Purchase	
in PLN thousand	**01.01.2020-30.06.2020**	**01.01.2019-30.06.2019**	**01.01.2020-30.06.2020**	**01.01.2019-30.06.2019**
Related entities	8 157	5 840	958	696

	Sale		Purchase	
in PLN thousand	**01.04.2020-30.06.2020**	**01.04.2019-30.06.2019**	**01.04.2020-30.06.2020**	**01.04.2019-30.06.2019**
Related entities	4 437	2 716	592	191

	Trade receivables due to loans and other receivables		Trade and other liabilities , loan liabilities and other liabilities	
in PLN thousand	**30.06.2020**	**31.12.2019**	**30.06.2020**	**31.12.2019**
Related entities	8 777	8 480	11 680	4 122

In the period of 6 months ended on 30th June 2020 and 30th June 2019 there were no transaction in the Company concluded with related entities on conditions different from market one. These transactions concerned primarily purchases of goods and services for the needs of the current operating activity.

10.6 ESTIMATION OF THE INFLUENCE OF CORONAVIRUS COVID-19 PANDEMIC ON THE OPERATIONS AND THE FINANCIAL SITUATION OF THE ISSUER

The impact has been described in detail in item 7.9 of the present statements.

Zawadzkie, 24th August 2020

……………………………………………………..

Adam Sikorski

President of the Management Board

……………………………………………………..

Robert Brzozowski

Vice-President of the Management Board

……………………………………………………..

Małgorzata Walnik

Person preparing the statements

……………………………………………………..

Marek Moroz

Vice-President of the Management Board

REPRESENTATIONS OF THE MANAGEMENT BOARD OF UNIMOT S.A.

Regarding the accuracy of drawing up the interim condensed consolidated and standalone financial statements

The Management Board of Unimot S.A. hereby represents that according to its best knowledge the present interim condensed consolidated and standalone financial statements have been drawn up in accordance with the provisions in force in relation to the Issuer, and that they reflect in a true, honest and clear manner the property and financial situation of the Issuer and the financial result of the Capital Group and Unimot S.A.

Regarding the interim Statements of the Management Board on the operations of the Unimot Group

The Management Board of Unimot S.A. hereby represents that the present interim statements of the Management Board on the operations of the Capital Group include the real picture of the development and achievements of the Unimot Group, including a description of the main threats and risks.

Zawadzkie, 24th August 2020

……………………………..........	……………………………..........	……………………………..........
Adam Sikorski President of the Management Board	**Robert Brzozowski** Vice-President of the Management Board	**Marek Moroz** Vice-President of the Management Board