

Current Report No. 39/2022

Date: 01.08.2022

Subject: Transfer of an organised part of the Issuer's enterprise to the subsidiary Unimot Paliwa sp. z o.o.

With reference to current report no. 24/2022 of 2 June 2022, the Management Board of UNIMOT S.A. with its registered office in Zawadzkie (the "Issuer") announces that on 1 August 2022, the Issuer and Unimot Paliwa sp. z o.o. (a company 100% controlled by the Issuer, "Unimot Paliwa") an agreement to transfer an organised part of the Issuer's enterprise ("OCP") in exchange for the acquisition of new shares in Unimot Paliwa (the "Agreement").

The OCP comprises an organisationally, financially and functionally separated part of the Issuer's enterprise, the object of which is the trading of fuels, excluding the fuel trading activities within the developed AVIA fuel station network and the segment related to natural gas trading.

The acquisition of the ownership of the OCP from the Issuer by Unimot Paliwa took place upon the conclusion of the Agreement, i.e. on 1 August 2022. The Issuer received 3,258,500 newly created shares in Unimot Paliwa in return for the in-kind contribution (contribution in kind) in the form of ZCP. As at the date of signing the Agreement, the value of the in-kind contribution of ZCP was PLN 325,850,000.

Following the transfer of ZCP to Unimot Paliwa, the Issuer will focus its activities mainly on management functions for all companies in the Issuer Group.

In connection with the transaction for the acquisition of 100 per cent of the shares in LOTOS Terminale Spółka Akcyjna, which is being prepared, the transfer of ZCP to UNIMOT Paliwa is aimed at preparing the Issuer's Group to take over the business of an independent logistics operator and the business of bitumen production and sales.

The ultimate effect of the Issuer's reorganisation process involving the transfer of ZCP to UNIMOT Paliwa is to concentrate the concession business related to fuel import within UNIMOT Paliwa and, as a consequence, to reduce the Issuer Group's obligation to maintain a compulsory reserve of liquid fuels in the period from 1 July 2022 to 30 June 2024, resulting in a reduction of fuel storage costs in this period.

The Issuer estimates that the conclusion of the Agreement will enable the Issuer Group to achieve in this period an additional adjusted EBITDA of the Issuer Group (i.e. earnings before interest, taxes, depreciation and amortisation adjusted for the estimated valuation of the compulsory reserve of diesel stock, justified transfers) of approximately PLN 30 million. The additional adjusted EBITDA of the Issuer Group will be generated by the savings referred to above and will be derived from the additional revenues and costs associated with the conclusion of the Agreement.

At the same time, the Issuer announces that on 1 August 2022 the corporate bodies of the Issuer and Unimot Paliwa took the relevant decisions authorising the conclusion of the Agreement

The Issuer considered the information on the transfer of ZCP to be confidential given the extent of the changes in the Group's structure, as well as the impact of this transaction as part of the Issuer's reorganisation process on the future financial performance of the Issuer and the Issuer Group.

Legal basis:

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

Persons representing the Company:

Filip Kuropatwa, Vice-President of the Management Board