

This report is prepared for the Warsaw Stock Exchange SA within the framework of the Analytical Coverage Support Program 3.0.

79/2023/AR

February 9, 2023

Company	LT fundamental recommendation	12M EFV (PLN)	ST market-relative bias	Analyst
Unimot	Buy	115.0	Overweight	Lukasz Prokopiuk, CFA

Event: Preliminary consolidated 4Q22 results revealed.

The Company published its preliminary data regarding 4Q22.

- The Company revealed that its preliminary consolidated adjusted EBITDA for 4Q22 amounted to PLN 222 million (vs. PLN 180 million expected by us). The reported consolidated EBITDA amounted to PLN 236 million (vs. PLN 180 million expected by us). The quarterly consolidated sales amounted to PLN 3.564 billion.
- The Company mentioned that the quarterly results had been particularly impacted by very high margins generated in the diesel/bio and LPG segments. The Company observed very high fuel premium margins supported by (i) logistical constraints, (ii) the war in Ukraine, (iii) uncertainty on global markets and (iv) as an effect of introduced sanctions on Russian and Belarus fuel imports.
- According to the Company, the quarter was very challenging from the logistical perspective. The securing of own logistical assets was crucial, according to Unimot, in reaching such good quarterly results.
- The Company added that the successful strategies in the electric Energy and natural gas segments also positively contributed to the overall results.
- The Company admits its costs of salaries increased strongly in the quarter, apart from created reserves for salary bonuses for the year 2022 and apart from increasing costs tied with the takeover of Lotos and Orlen assets.

Unimot; 4Q22 preliminary consolidated results compared to consolidated expectations

IFRS, consolidated (PLN m)	4Q22A consolidated	4Q22E (DM BOŚ)	4Q22A vs. expectations (BOŚ's)
Sales	3 564.0	4 118.5	↓
EBITDA	236.4	180.0	↑
EBIT	n.a.	175.4	-
Net income	n.a.	136.3	-
Adj EBITDA	222.1	180.0	↑
Adj EBIT	n.a.	175.4	-
Adj net income	n.a.	136.3	-

Source: Company, PAP, DM BOŚ SA estimates

Expected impact: Positive. The results were published after the session and could not have been discounted yet. We support our positive stance towards the equities. The scale of the positive surprise is a meaningful one. Furthermore, the very high level of generated EBITDA may support the positive performance of the equities given that the market may expect a dividend payment from the profits generated in 2022: our DPS estimate of PLN 12 per share seems to be very realistic (with a gross dividend yield of c. 11%).

The report is not a recommendation within the meaning of Commission Delegated Regulation (EU) 2016/958 of 9 March 2016 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for technical arrangements for objective presentation of investment recommendations or other information recommending or suggesting an investment strategy and for disclosure of particular interests or indications of conflicts of interest.