

Current Report NO. 9/2024

Date: 24.04.2024

Subject: Adoption of the UNIMOT Group's strategy for the period 2024-2028

The Management Board of UNIMOT S.A. with its registered office in Zawadzkie (the "Issuer"), announces that on 23 April 2024, the Issuer's Management Board and Supervisory Board adopted the UNIMOT Group Strategy for the years 2024-2028.

The Strategy of the UNIMOT Group is a response to the challenges related to the current situation and the future of the fuel and energy market, as well as the growing requirements in the field of environmental protection and climate change. In the process of developing the Strategy, the directions of the market, regulatory, social and economic environment were analysed, translating them into opportunities and risks for the Issuer.

The objective of the UNIMOT Group is to maximise the potential of the existing key business segments and strengthen their market position. At the same time, the Issuer aims to actively participate in the energy transition and increase its market share, and consequently increase the Group's value for all its stakeholders while achieving climate neutrality by 2050.

The Strategy sets out a mission to provide clean and affordable energy. Organisational agility, cost-effectiveness, openness to change and looking beyond the horizon are intended to allow the Group to stay ahead of the competition by offering the best products and the highest quality of service in the market, thereby sustainable development of a diversified business.

The mission and vision provided the basis for the Issuer to define two key strategic action paths:

1. maintaining business efficiency in the areas of fuels, trading and logistics, together with gradual expansion of the product portfolio and diversification of the customer portfolio towards lower carbon fuels and energy;
2. making investments in new directions of development, including in the areas of power and heat, in order to diversify sources of revenue.

In accordance with the Strategy's assumptions, maintaining the position of an independent leader in the area of import and distribution of liquid fuels will allow the UNIMOT Group to finance the construction of a diversified investment portfolio. In the Strategy horizon, the Issuer will reduce its carbon footprint through the use of energy from RES, investments in sources and modernisation of assets.

In order to increase the efficiency of its operations, the Unimot Group intends to concentrate its key business activities in the area of energy transition in one company - Unimot Energia i Gaz. The company will be responsible, as before, for investments in RES (investments in electricity and heat sources are planned), the offer of RES implementation and distribution components for external customers, as well as the sale of electricity and natural gas; in addition, it will be responsible for the support of local communities in the energy transition

(clusters and energy cooperatives), which has so far been concentrated in the Energy Cluster Operator (ECO), energy trading and balancing services, which are handled by the Tradea company, and the production and sale of electricity and heat concentrated in the RCEkoenergia company. In this way, the Unimot Group intends to achieve synergies in its energy transition activities.

The Strategy sets out the commitments that govern the UNIMOT Group's approach to sustainable development, defining lines of action and objectives regarding environmental and climate protection, concern for society and attention to the highest standards of corporate governance.

Taking the above into account, the following strategic objectives of the Issuer for 2024-2028 have been identified:

1. an increase in EBITDA to the level of PLN 690 million by 2028.
2. cumulative net profit of PLN 1 billion by 2028.
3. share of transition and transformation segments in the Group's EBITDA (excluding terminals, logistics and service stations) at 40 per cent in 2028.
4. investment in transformational businesses at the level of PLN 700 million by 2028.
5. annual dividend payment at a minimum of 30 per cent of net profit
6. an EBITDA/net debt ratio (excluding debt from compulsory reserves) of 40 per cent of net profit.

The Strategy also identifies strategic development areas in the field of energy transition and defines objectives for this area:

1. investment in own sources to support the development of the offer and the energy transition of the UNIMOT Group.
2. use of experience in the heating market and energy communities - RCEkoenergia and the energy cluster in Żywiec.
3. declaration of investments at a minimum level of 50% of the net profit after dividends to be invested in the energy transition over 5 years, which will translate into investments of approximately PLN 700 million by 2028.
4. achievement of climate neutrality (so-called net zero emission) by 2050.

The Strategy sets out specific objectives to which detailed development and investment plans have been assigned. At the same time, financial targets have been set for each business segment of the Issuer Group. The strategic objectives and the assumed target EBITDA in 2028 will be as follows:

1. Fuels and biofuels: *further product diversification and increase in share of high-margin products* (assumed EBITDA in 2028: PLN 161.7 million)
2. AVIA petrol stations and AVIA Card: *doubling the fuel sales volume and result on non-fuel sales* (assumed EBITDA in 2028: PLN 34.2 million)
3. LPG: *increasing market share through diversification of logistics, purchase sources and markets* (assumed EBITDA in 2028: PLN 23.5 million)

4. Infrastructure and logistics - terminals: *market opening - increase in scale of operations* (assumed EBITDA in 2028: PLN 98.9 million)
5. Infrastructure and logistics - rail: *increase in the scale of operations - doubling the volume transported compared to 2023* (assumed EBITDA in 2028: PLN 48.4 million)
6. Bitumen: *increasing volumes and maximising profit* (assumed EBITDA in 2028: PLN 114.9 million)
7. Solid fuels: *further development of the current business and diversification of the product portfolio* (assumed EBITDA in 2028: PLN 9 million)
8. Natural gas: *building the position of the largest independent seller of natural gas in Poland* (assumed EBITDA in 2028: PLN 82.5 million)
9. Electricity: *an increase in sales volumes and an increase in the share of green energy in the offering* (assumed EBITDA in 2028: PLN 73.9 million)
10. Photovoltaics: *increase in market share in the implementation of RES installations and sales of components* (assumed EBITDA in 2028: PLN 14.8 million)
11. RCEkoenergia: *increasing the production of electricity and heat in a modernised source adapted to environmental requirements and active participation in the transformation of the heat market* (assumed EBITDA in 2028: PLN 9.7 million)

A presentation with detailed information on the adopted Strategy has been attached to this current report.

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