

140/2022/AR

Company	LT fundamental recommendation	12M EFV (PLN)	ST market-relative bias	Analyst
<b>Unimot</b>	<b>Hold</b>	<b>47.0</b>	<b>Neutral</b>	Łukasz Prokopiuk, CFA

**Event: Preliminary consolidated 4Q21 results revealed.**

The Company published its preliminary data regarding 4Q21.

The Company revealed that its preliminary consolidated adjusted EBITDA for 4Q21 amounted to PLN 13.0 million (vs. PLN 15.0 million expected by us). The reported consolidated EBITDA amounted to PLN 35.7 million (vs. PLN 36.0 million expected by us). The quarterly consolidated sales amounted to PLN 2.854 billion.

The Company mentioned that the results had been particularly impacted by:

- Lower margins on diesel products (in comparison to both expectations and in yoy terms).
- Higher yoy margins and volumes on LPG products.
- Negative margins generated on natural gas (due to pumping out of natural gas storages ahead of schedule, negative impact of transactions).
- Negative impact of valuation of LT electric energy contracts of Tradea.
- Lower yoy margins and volumes of the AVIA retail network.

The Company mentioned that the adjusted results had been impacted by a net value of PLN 22.7 million of one offs, including inventory valuation changes, margin transfers and asset impairments.

**Unimot; 4Q21 preliminary consolidated results compared to consolidated expectations**

IFRS, consolidated (PLN m)	4Q21A consolidated	4Q21E (DM BOŚ)	4Q21A vs. expectations (BOŚ's)
Sales	2 854.0	2 749.7	→
EBITDA	35.7	36.0	→
EBIT	n.a.	32.6	-
Net income	n.a.	23.4	-
<b>Adj EBITDA</b>	<b>13.0</b>	<b>15.0</b>	→
<b>Adj EBIT</b>	<b>n.a.</b>	<b>11.6</b>	-
<b>Adj net income</b>	<b>n.a.</b>	<b>6.4</b>	-

Source: Company, PAP, DM BOŚ SA estimates

**Expected impact:** *Neutral. Firstly, the results were published during the session and they should have been already discounted. Secondly, the results are only slightly lower than expected and the market should rather be focused on the results in latter quarters. Investors are probably expecting relatively good margins on the LPG and diesel wholesale business in 1H22. However, the results of other segments are subject to strong uncertainty. A very big risk factor for the Company is the constantly increasing NWC requirements.*

*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.*