

174/2022/AR

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

Event: Initial signaling regarding 1Q22 EBITDA.

The Company revealed that it expects at least PLN 80 million of adjusted EBITDA in 1Q22. The Company explained that such a results can be attributed to the closing of several electric energy transactions of Tradea (expected effect of PLN 21 million which was previously mentioned) but also very high margins generated in the wholesale ON and LPG business along with high retail business margins.

Expected impact: *Positive. It's a quarterly result which far exceeds our initial expectations for 1Q22 (of roughly PLN 43 million). The very high level of inland fuel margins support the possibility that the Company has strong chances of generating record high margins in the ON business. Most probably March proved to be an extremely good month. The war in Ukraine, relatively low fuel inventory levels in the region along with the stoppage in the Gdańsk refinery proved to be positive drivers on inland fuel margins. Unfortunately, the very high EBITDA has been probably generated at a very high cost related to increasing NWC requirements, which to a large extent lowers our optimism.*

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.