



**Annual Report 2022**

**PARAMO, a.s.**

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## 1. Profile

PARAMO Joint Stock Company (hereinafter referred to as the “Company” or “PARAMO”) was established by transformation from the PARAMO Pardubice state enterprise on 1 January 1994, following up on the petroleum processing tradition that began in 1889.

The PARAMO Pardubice joint-stock company was established for an indefinite term without a call for subscription of shares by the National Property Fund of the Czech Republic as the sole founder on the basis of the founding deed (containing the founder’s decision within the meaning of Section 172(2), (3) and Section 171(1) of Act No. 513/1991 Coll., Commercial Code) dated 18 November 1993, in the form of a notarial deed. The Company is entitled to establish other legal entities or to participate in existing legal entities.

PARAMO was privatised in the second wave of coupon privatisation in 1993-1994, with more than 70% of the shares transferred to the National Property Fund of the Czech Republic. This stake was purchased in 2000 by UNIPETROL, which subsequently aggregated the domestic production and sale of lubricating oils after the acquisition of KORAMO. In 2003, KORAMO was incorporated into PARAMO. In November 2007, UNIPETROL increased its 73.53% share in the registered capital of PARAMO to 88.04% by purchasing 14.51% of the shares of the Pardubice refinery from MEI Group companies. In August 2008, UNIPETROL purchased 3.73% of PARAMO shares from PKN Orlen, thus attaining 91.77% of the refinery’s registered capital. Subsequently, in January 2009, it decided to buy out all the remaining PARAMO shares. Unipetrol thus became the sole shareholder of PARAMO, and was renamed ORLEN Unipetrol in 2021.

The PARAMO joint-stock company holds certificates confirming the correct orientation of the quality management system according to ISO 9001: 2015, the environmental management system according to ISO 14001:2015 and the occupational health and safety management system according to ČSN ISO 45001:2018. In its production activities, the company prefers to eliminate or significantly reduce sources of potential environmental risks.

PARAMO is a manufacturer of process oils, slack wax, asphalt insulation products and road asphalts. These products are marketed both domestically and abroad. In 2021-2022, the Company discontinued the traditional production of finishing oils and plastic lubricants.

The joint-stock company, which is managed by a management team with specialised officers and a chief executive officer, had 245 employees as at 31 December 2022.

## 2. Significant events of the year

- In 2022, the restructuring of PARAMO, a.s. continued with the termination of production of base oils at HS Kolín, whereas the sale of finished products and base oils was finalised at the end of the year. The production of final oils was terminated in HS Kolín and Pardubice.

## 3. Strategies and ventures

The Company's future development strategy is based on four pillars.

- Optimisation of process oil production.
- Bitumen and asphalt products
- Services - operation of fuel storage and dispatch
- Optimisation of energy costs in production and non-production areas



## 4. Statutory bodies and management of the company

### 4.1 Board of Directors - status as at 31 Dec. 2022

Jacek Świła	Chairman of the Board of Directors from 30 August 2022
Adam Sadłowski	Vice-Chairman of the Board of Directors from 30 August 2022
Konrad Szykuła	Member of the Board of Directors from 8 December 2022

### Changes to the Board of Directors in 2022

During 2022, the following changes were made to the Board of Directors:

On 16 August 2022, Mr Janusz Fudała - Chairman of the Board of Directors and Mr Marcin Strojny - Vice-Chairman of the Board of Directors, resigned.

On 8 December 2022, Pavel Ballek - member of the Board of Directors resigned and Mr. Konrad Szykuła was elected as member of the Board of Directors as of 8 December 2022.

On 30 August 2022, Mr. Adam Sadłowski, who was a member of the Board of Directors until then, was elected to the position of Vice-Chairman.

On 30 August 2022, Mr Jacek Świła, who was a member of the Board of Directors until then, was elected to the position of Chairman of the Board of Directors.

### 4.2 Supervisory Board - status as at 31 Dec. 2022

Tomáš Herink	Chairman from 24 October 2022
Adam Jarosz	Vice-Chairman from 24 October 2022
Szymon Gajda	Member from 1 June 2018

### Changes to the Supervisory Board in 2022

During 2022, the following changes were made to the Supervisory Board:

On 24 October 2022, Mr. Tomáš Herink, who was a member of the Supervisory Board until then, was elected to the position of Chairman of the Supervisory Board.

On 24 October 2022, Mr. Adam Jarosz, who was a member of the Supervisory Board until then, was elected to the position of Vice-Chairman of the Supervisory Board.

### 4.3 Management - status as at 31 Dec. 2022

Jacek Świła	Chief Executive Officer, Chief Financial Officer
Adam Sadłowski	Chief Security Officer
Ing. Jan Jehlička	Production Director

## 5. Board of Directors Report on the Company's business activity and balance of its assets for 2022

### 5.1 Development of the company

In 2022, the Company's financial results were affected by the restructuring of the Company and a change of the business model, which was initiated in 2021 with the Synergy project with Orlen Oil, Sp. z o. o. (a subsidiary of PKN Orlen). The project was finalised in 2022 and is one of PARAMO's defined strategic objectives. In the course of the year, the Company exited the finished lubricants market and focused its interest on the production of bitumen and asphalt products, process oils and a fuel terminal.

The Company is included in the model of raw material flow management within the ORLEN Unipetrol Group. Joint planning ensures a continuous supply of raw materials for the production of process oils, asphalts and all components for the production and distribution of fuels.

The market for road and industrial asphalts was maintained at the planned values from the beginning of the year, but exceeded them significantly during the course and at the end of the year, ending significantly above the plan.

### 5.2 Production

#### Oils

The production of MOGUL brand lubricating oils has gradually been replaced by the PLATINUM corporate brand, which is already successfully established in many countries in Europe, according to the approved strategy.

Production at PARAMO was gradually concentrated in the economic centre in Pardubice and focused on the production of process oils for the rubber industry.

The challenge for 2022 was to tackle the energy crisis and to initiate steps towards energy optimisation, which will be the main agenda for 2023.

Within the Group, PARAMO is involved in product innovations and their introduction into operational practice mainly in the process oils segment, and is also seeking new directions in the bio lubricants segment.

#### Bitumen and asphalt products

At its production centre in Pardubice, PARAMO produces a wide range of industrial asphalts mainly for industrial and construction purposes and special hard road asphalts for road construction applications and for highly loaded asphalt surfaces at its production centre in Pardubice. PARAMO successfully continued the renewed production of modified asphalts marketed under the MOFALT brand in 2021, and further production of PMB ORBITON was equally successful.

Its distributor with exclusive rights is ORLEN Asfalt Česká Republika, s.r.o. The basic input raw material is purchased from ORLEN Unipetrol. Fluxing agents and other additive materials are purchased on the EU market.

The assortment of asphalt products amends the offer for utilisation in the construction industry and for building roads. PARAMO significantly innovates this area and offers new products especially in the area of asphalt lacquers and sealants. Input raw materials are of its own production. Solvents for manufacturing the lacquers are purchased on the Central European market.

Participation in tenders for the supply of asphalt emulsions for the Road Administration and Maintenance Companies of the Pilsen Region, Hradec Králové Region and the Pardubice Region were a great success in the field of asphalt emulsion production - the tenders were won.

### **Services - operating a warehouse and shipping fuels**

The Company has provided storage services and shipping of motor diesel and petrol for ORLEN Unipetrol and the State Material Reserves Administration. There were major investments to increase flexibility in fuel production in 2022. These involved a project for the automatic blending of HVO in the amount of 2-20% into diesel fuel. The implementation of this project contributed significantly to meeting the legislative requirement for the addition of biocomponents to final motor fuels within the ORLEN Unipetrol Group. Advanced biofuels were also newly added to fuels in 2022, and these also met the legislative requirements.

The expanded storage capacities for diesel fuel, motor gasoline and biofuel components (FAME, HVO) were fully utilised. The fuel storage warehouse in DS Pardubice is connected by a pipeline to the ČEPRO, a.s. network.

### **5.3 Business policy and marketing**

In the course of 2022, customers were definitively transferred to the PKN Orlen brand - Platinum Orlen Oil and the customer portfolio was released to the group of authorised distributors and key customers of Orlen Oil.

In connection with the planned development of process oil production at HS Pardubice, the acquisition of other customers began in 2022.

### **5.4 Services**

The Company maintained a stable level of products and services in 2022. Warranty claims and comments of our customers are resolved operatively by sales and production, including corrective measures. This procedure systematically eliminates the occurrence or recurrence of complaints and customer comments on the quality of all products.

### **5.5 Research and development and commercial and technical service**

In the area of motor fuels that PARAMO releases to the market, there is continuous monitoring and summarisation of data used to calculate the greenhouse gas savings from the supplied gasoline and diesel fuel. In 2022, it was necessary to respond to changes in legislation relating to this area. A new requirement for the amount of advanced biofuels was introduced and the volume obligation for blending biofuels into fuel was abolished. Ongoing monitoring shows that even in 2022, the addition of bioliquids to petrol, methyl ester to diesel and HVO to diesel met the legal emission limit for the content of bio-based components in fuels. The emission savings target was achieved mainly through close cooperation with ORLEN Unipetrol, which is also necessary for the forthcoming period.

In the field of modified asphalts, a binder with the addition of plastic recyclate has been developed. This binder is designed to match the specification and performance of the modified asphalt. This is a special binder that could be quite popular on the market. Binder development continues, with tests being carried out on asphalt mixtures at an external road laboratory. During 2022, the performance parameters of the produced modified asphalts were monitored. Based on this monitoring, a formulation adjustment was proposed for one asphalt binder.

In today's changing times, the development department had to deal with some shortages of chemicals or additives for asphalts and asphalt products in 2022. Thanks to good information flow across the chain, the matter was always resolved in a timely manner. Furthermore, commercial and technical service was

provided for these products, including their complete certification and fulfilment of the requirements arising from the legislation concerning chemicals and their management (REACH, CLP).

Among other things, the development department supervised the high technical level of the existing one so that its application characteristics meet the ever-evolving needs of the market, modern technologies and production principles.

Throughout the year, assistance work related to the Synergy project was carried out. Cooperation with ORLEN UniCRE, a.s. and the University of Pardubice on the Biolubricants development project was rolled out. Phase I was completed at the end of June. Phase II will be completed in April 2023. Within this project, the application potential of synthesised epoxides in the field of lubricants and process oils was identified and special heterogeneous catalysts for their synthesis were developed. This project is co-financed by the Operational Programme Enterprise and Innovation for Competitiveness.

## 5.6 Investments

In 2022, investments were implemented to address operational cost savings, refurbishment of existing equipment and legislative requirements for safety and environmental improvements. The preparation of projects to be implemented in 2023, 2024 and 2025 was also initiated.

Investments in 2022	Acquisition price in CZK mil.	Location	Method of financing
Development buildings	18.7	PARAMO	own
Maintenance constructions total	24.0	PARAMO	own
- renovations	21.0	PARAMO	own
- safety	3.0	PARAMO	own
IFRS 16	6.9	PARAMO	own
Total	49.6	PARAMO	own

## 5.7 Employment policy and social program

As in previous years, the human resources area was managed by the HR department of the ORLEN Unipetrol Group. The main tasks included stabilising personnel processes and the organisation structure.

Based on collective bargaining, a one-off bonus was approved, as well as an increase in basic wages and an increase in flat-rate supplements.

The professional and vocational development of employees was supported to the maximum extent possible. Apart from legally required training, individual technical courses necessary for the development of our employees in specific areas were also conducted, as well as specialised conferences and foreign language lessons.

In 2022, the plan of personnel activities was adapted to the termination of production at the Kolín site and to the concentration on the production of process oils at the Pardubice site. The ORLEN Unipetrol group strategy and policies continued to be applied.

Taking care of our employees and development of their competencies remain our priority.

## 5.8 Environmental policy

In the area of the environment, 2022 was yet another year in which PARAMO continued with the positive trends from previous years. In the course of 2022, there were no major accidents classified under Act No. 224/2015 Coll. The Company managed to maintain a very high level of environmental protection with regard to the impact of all external influences.

Pursuant to the act on integrated prevention, the company has obtained separate integrated permits for the Pardubice Economic Centre (IP Refinery) and the Kolín Economic Centre. Changes of the integrated permits are continuously issued in response to changes of the valid legislature or as a result of implementing individual investment and restructuring projects.

The production and distribution centres have drafted water management emergency plans, which have been approved by the state administrative authorities and incorporated in the IMS documentation.

Despite the fact that PARAMO is not a member of the Association of Chemical Industry of the Czech Republic any more and is thus not entitled to be a holder of the Responsible Care in Chemistry certificate, the company continues to fully embrace all principles of responsible business in chemistry and complies with them. PARAMO was also awarded the prestigious Prize for Sustainable Development.

The Czech Environmental Inspectorate, Regional Public Health Stations and Regional Authorities conducted both partial and integrated inspections of the company. All the inspections concluded that the audited entity was operated in compliance with all environmental legislation.

As part of the restructuring of HS Kolín, an application was submitted to the Central Bohemian Regional Authority on 10 December 2021 to amend the integrated permit in connection with the termination of the operation of the production units (Decision of 22 February 2022). On 4 August 2022, an updated decision was issued extending the validity of the wastewater discharge permit under the stricter discharge conditions.

With regard to environmental investments in 2022, PARAMO implemented the following projects in the area of the environmental protection:

- K2 boiler renewal / K3 boiler demolition - HS Pardubice
- Renewal of level measuring in fuel tanks B02, B03, B04 - HS Pardubice
- Rehabilitation of field instrumentation / replacement of steam pumps on RP - HS Pardubice
- Thermal insulation of storage tanks NR16, R22, R1 (RP, SR) - HS Pardubice

The reimbursement of costs related to the remediation of old environmental burdens is covered by two environmental contracts concluded with the FNM, respectively the Czech Finance Ministry.

At the Časy site, work continued in 2022 to complete the remediation, with remedial and construction pumping, monitoring, and removal of 32,605 tons of contaminated soil. Reclamation was initiated with the delivery and compaction of 5,555 m<sup>3</sup> of reclamation soil.

At the Hlavečnick site, the pumping of rainwater was managed by PARAMO.

Vicinity of the main plant at the U Trojice site saw the remediation pumping of water and 5,816 l of petroleum hydrocarbons from wells in the HOPV system and remediation drains and monitoring managed by PARAMO.

Monitoring works were carried out at the Nová Ves landfill, and in February 50 tonnes of sorbent (bentonite) were applied.

At HS Kolín, cultivation care after the remediation of the acid resin lagoons was completed in April. Quarterly monitoring and one-time pumping of petroleum hydrocarbons from the groundwater surface took place in the area, with a total of 9,960 l of petroleum hydrocarbons pumped out.

The main environmental priorities in 2023 are: implementation of work to complete the remediation of the Časy site, continuation of one-off pumping of petroleum hydrocarbons at HS Kolín, remediation pumping at the U Trojice site, commencement of negotiations with the Finance Ministry to increase the guarantee for the environmental contract to ensure the implementation of remediation at the Hlavečnick site and PARAMO main plant - stage 1B, continuation of works related to cleaning and decontamination of decommissioned equipment at HS Kolín and operation of production facilities, storage tanks and terminals in accordance with the current legislation and ISO 14001:2015 standards.

## **5.9. Financial situation**

In 2022, PARAMO generated a loss of CZK -180,138,000.

The main cause of the negative economic result was high energy costs, mainly due to large price fluctuations on the natural gas market, for example, gas costs for the plant in Pardubice increased by 144%. We were able to raise prices for customers and increase unit margins (margin per tonne) for asphalts and process oils, which partially offset the increase in energy costs. Naturally, PARAMO is reducing energy costs through the implementation of projects to optimise these expenses.

The increase in the volume of sold asphalt compared to 2021 (+17,000 tonnes) and asphalt products (+5,000 tonnes) was also positive. In 2022, a margin was realised on the sale of base oils and finished oils (primarily from 2021 stocks), with 11,000 tonnes of base oils and 3,000 tonnes of finished oils sold.

The company financing was covered by the means of a short-term credit as a part of cash pooling. The company is incorporated into international cash pooling structures within the frame of PKN Orlen.

As part of the fixed cost optimisation, the continuous control of critical items continued.

A great attention continued to be paid to minimizing the work capital, i.e. processing claims, especially to minimizing the risk of bad debt and to optimizing the quantity of raw materials, semi-finished products and final products.

## 6. Company and Group structure

### 6.1 Group structure

The PARAMO joint-stock company is part of the ORLEN Unipetrol Group. As at 31 December 2022, ORLEN Unipetrol a.s. owned 100% of the registered capital of PARAMO, a.s. ORLEN Unipetrol a.s. is owned by the Polish company PKN ORLEN S.A.

#### Entity controlling the issuer

Controlling entity	Value of share entitling voting as at 31 Dec. 2022	Control agreement
ORLEN Unipetrol a.s. Milevská 2095/5, Prague 4, postcode 140 00 Company ID No. 61672190	100%	no

There is no control agreement between the issuer and the above-mentioned company.

#### Structure of the main shareholders of PARAMO, a.s.

Shareholders	Share in registered capital (%)
ORLEN Unipetrol a.s.	100

#### Restrictions on the tradability of PARAMO issues

Due to the transfer of all other shares of PARAMO, a.s. to the main shareholder ORLEN Unipetrol a.s., trading was suspended with effect from 27 February 2009 and the issue of PARAMO, a.s. shares was delisted from trading on the Prague Stock Exchange with effect from 4 March 2009.

#### Acquisition of own shares and interim certificates

As at 31 December 2022, the Company held no own shares or interim certificates.

#### Organisational components of the enterprise

As at 31 December 2022, the Company has no foreign branch organisations.

### 6.2 Company organisation structure

The Chief Executive Officer is responsible for the business, finance, production and security departments. He is also directly superior to the integrated systems and internal audit departments, and the company lawyer.

PARAMO, a.s. has been a part of the ORLEN Unipetrol group of companies since 2000. ORLEN Unipetrol a.s. is owned by the Polish company PKN ORLEN S.A.

## 7. Asset participations

### 7.1 Subsidiaries

PARAMO, a.s. does not have any subsidiaries.

### 7.2 Other asset participations

Information of this nature is presented in the notes to the financial statements.

## 8. Audit report

The audit report is enclosed in Annex No. 1.

## 9. Financial statements of PARAMO, a.s.

The financial statements are enclosed in Annex No. 2.

## 10. Report on relations between related entities

The report on the relationships between related entities is enclosed in Annex No. 3.

## 11. Important subsequent events

The Company management is not aware of any other events occurring after the date of the financial statements that would have a material impact on the financial statements as at 31 December 2022.



## 12. Identification and contact details

Trade name (designation):	PARAMO, a.s.
Registered office:	Přerovská 560, Svítkov, Pardubice
Postcode:	530 06
Company ID No.:	48 17 33 55
VAT Number:	CZ699000139
Registration court:	Regional Court in Hradec Králové
Number under which the company is registered:	Section B, File No. 992
Telephone:	466 810 111
Fax:	466 335 019
E-mail:	paramo@paramo.cz
http:	www.paramo.cz
Bank details:	Česká spořitelna, a.s., Prague
Account number:	1236912/0800
Contact for the shareholder agenda department:	PARAMO, a.s., Přerovská 560, Svítkov, 530 06 Pardubice
Legal code and the legal regulation under which the issuer was established:	
Legal code:	of the Czech Republic
Legal regulation:	Act No. 104/1990 Coll., on joint-stock companies
Legal form:	Joint-stock company
Foundation date:	year 1994 (incorporated in 1889)
Founded for an indefinite term.	

## 13. Details of persons responsible for the annual report

Jacek Świtała  
Chairman of the Board of Directors  
PARAMO, a.s.  
Company ID No.: 48 17 33 55

Adam Sadłowski  
Vice-Chairman of the Board of Directors  
PARAMO, a.s.  
Company ID No.: 48 17 33 55

Konrad Szykuła  
Member of the Board of Directors  
PARAMO, a.s.  
Company ID No.: 48 17 33 55

### AFFIDAVIT

The information given in the annual report corresponds to the facts and no material circumstances that could affect the accurate and correct assessment of PARAMO have been omitted or distorted in any way.

Pardubice dated ..... 2023

**Jacek Świtała**  
Elektronicznie podpisany  
przez Jacek Świtała  
Data: 2023.03.15 21:37:50  
+01'00'

-----  
Jacek Świtała  
Chairman of the Board of Directors

**Mgr. Konrad Szykuła**  
Digitally signed by Mgr.  
Konrad Szykuła  
Date: 2023.03.14 16:23:46  
+01'00'

-----  
Konrad Szykuła  
Member of the Board of Directors

**Adam Sadłowski**  
Digitálně podepsal  
Adam Sadłowski  
Datum: 2023.03.14  
16:33:06 +01'00'

-----  
Adam Sadłowski  
Vice-Chairman of the Board of Directors



**22HLAV**  
audit&consult

MSI Global Alliance  
Independent Member Firm

# **I N D E P E N D E N T   A U D I T O R ' S   R E P O R T**

**on the 2022 Financial Statements**

**of**

**PARAMO, a.s.**

**22<sup>nd</sup> March 2023**



## **INTRODUCTORY DATA**

### **Audited entity**

PARAMO, a.s.  
Seated Přerovská čp. 560, Svítkov, Pardubice  
IČ: 481 73 355  
Subject of enterprise:  
production and sale of asphalt products

### **Audit Report receiver**

sole shareholder after a discussion with a statutory representative of the audited entity

### **Subject of the audit**

Financial Statements for the year ended 31 December 2022 – accounting period 1.1.2022 – 31.12.2022

### **Audit dates**

interim: 12.10.2022 – 19.12.2022  
final: 16.1.2023 – 22.3.2023

### **Audit performed and Audit Report prepared by**

22HLAV s.r.o.  
Všebořická 82/2, Ústí nad Labem  
Audit firm licence No. 277  
Member of MSI Global Alliance,  
Legal & Accounting Firms

responsible auditor: Ing. Filip Konětopský, Auditor licence No. 2449



# INDEPENDENT AUDITOR'S REPORT

for the only shareholder of PARAMO, a.s.

## Financial Statements Audit Report

### Opinion

We have audited the financial statements of PARAMO, a.s. (hereinafter also the “Company”) prepared in accordance with International Financial Reporting Standards as endorsed by the European Union, which comprise the statement of financial position as at 31 December 2022, and statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. For details of the Company, see Note 1 to the financial statements.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements **give a true and fair view of the financial position of PARAMO, a.s. as at 31 December 2022, and of its financial performance and its cash flows for the year then ended** in accordance with International Financial Reporting Standards as endorsed by the European Union.

### Basis for Qualified Opinion

The company has prepared a restructuring program for some of its assets. The company's management reported a reserve of CZK 30 million as of December 31, 2020, but there may potentially be an additional liability in connection with this program. We have not been able to obtain sufficient and appropriate evidence about the completeness of the items "Reserves" and "Deferred tax asset" as of December 31, 2020. For this reason, we have not been able to determine whether it would be necessary to make adjustments to the aforementioned items and the related amounts shown in statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended 31 December 2021.

We conducted our audit in accordance with the Act on Auditors, Regulation (EU) No. 537/2014 of the European Parliament and the Council, and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing (ISAs), as amended by the related application clauses. Our responsibilities under this law and regulation are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Qualified opinion.

### Other facts

The financial statements as at 31 December 2021 have been audited by another auditor who, in his report dated 10 March 2022, expressed an unqualified opinion on those financial statements.



## **Other Information**

In compliance with Section 2(b) of the Act on Auditors, the other information comprises the information included in the Annual Report other than the financial statements and auditor's report thereon. The Board of Directors is responsible for the other information.

Our opinion on the financial statements does not cover the other information. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable law or regulation, in particular, whether the other information complies with law or regulation in terms of formal requirements and procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgments made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- The other information describing the facts that are also presented in the financial statements is, in all material respects, consistent with the financial statements; and
- The other information is prepared in compliance with applicable law or regulation.

In addition, our responsibility is to report, based on the knowledge and understanding of the Company obtained in the audit, on whether the other information contains any material misstatement of fact. As described above in the Basis for Qualified Opinion section, insufficient evidence was available about the completeness of the items "Reserves" and "Deferred tax asset" as at 31 December 2021 and the related amounts shown in statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended 31 December 2021. We were therefore unable to reach any conclusion as to whether the other information in this context is materially misstated.

## **Responsibilities of the Company's Board of Directors and Supervisory Board for the Financial Statements**

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as endorsed by the European Union and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Supervisory Board is responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the



aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the above law or regulation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors and the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

22HLAV s.r.o.

Member of MSI Global Alliance, Legal & Accounting Firm  
Všebořická 82/2, 400 01 Ústí nad Labem  
Audit firm licence No. 277

22<sup>nd</sup> March 2023



Ing. Filip  
Konětopský

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This Auditor's Report includes the following attachments:

1. Statement of profit or loss and other comprehensive income for the year ended 31.12.2022
2. Statement of financial position as of 31.12.2022
3. Statement of changes in equity for the year ended 31.12.2022
4. Statement of cash flow for the year ended 31.12.2022
5. Notes for the year ended 31.12.2022

This Audit Report is a translation of the Czech Audit Report for the audit of the 2022 financial statements



**PARAMO, a.s.**

**SEPARATE  
FINANCIAL STATEMENTS**

Translated from the Czech original

**PREPARED IN ACCORDANCE WITH INTERNATIONAL  
FINANCIAL REPORTING STANDARDS AS ADOPTED BY  
THE EUROPEAN UNION**

**FOR THE YEAR 2022**



Index;

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**SEPARATE FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS AS ADOPTED BY THE EUROPEAN UNION**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Note	2022	2021
<b>Statement of profits or loss</b>			
Revenues	3.	2 308 052	2 748 184
Cost of sales	4.	(2 192 399)	(2 302 658)
<b>Gross profit on sales</b>		<b>115 653</b>	<b>445 526</b>
Distribution expenses		(64 505)	(107 224)
Administrative expenses		(140 250)	(130 623)
Other operating income	5.1.	13 109	21 667
Other operating expenses	5.2.	(72 753)	(281 651)
Loss/reversal of loss due to impairment of financial instruments	5.3.	178	(98)
<b>Loss from operations</b>		<b>(148 568)</b>	<b>(52 403)</b>
Finance income	6.1.	7 612	15
Finance costs	6.2.	(36 372)	(10 520)
<b>Net finance costs</b>		<b>(28 760)</b>	<b>(10 505)</b>
<b>Loss before tax</b>		<b>(177 328)</b>	<b>(62 908)</b>
Tax expense	7.	(2 811)	(19 939)
<b>Net loss</b>		<b>(180 139)</b>	<b>(82 847)</b>
<b>Other comprehensive income</b>			
<b>items which will not be reclassified subsequently into profit or loss</b>		<b>1 470</b>	<b>984</b>
Actuarial gains and losses	16.1.	1 470	984
		<b>1 470</b>	<b>984</b>
<b>Total net comprehensive income</b>		<b>(178 669)</b>	<b>(81 863)</b>

The separate financial statements are to be read in conjunction with the notes forming part of the separate financial statements set out on pages 8 - 47.

STATEMENT OF FINANCIAL POSITION

	Note	31/12/2022	31/12/2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	8.	500 003	501 744
Investment property	9.	23 256	23 486
Intangible assets	10.	79 552	65 877
Other non-current assets	11.	59 292	13 439
		<b>662 103</b>	<b>604 546</b>
<b>Current assets</b>			
Inventories	12.	324 113	548 022
Trade and other receivables	13.	751 660	806 635
Current tax assets		4 505	-
Cash and cash equivalents	14.	1 289	1 210
		<b>1 081 567</b>	<b>1 355 867</b>
<b>Total assets</b>		<b>1 743 670</b>	<b>1 960 413</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital	15.	2 036 078	2 036 078
Retained earnings	15.2.	(1 870 270)	(1 691 601)
<b>Total equity</b>		<b>165 808</b>	<b>344 477</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Provisions	16.	77 855	90 719
Lease liabilities	22.	3 467	3 900
		<b>81 322</b>	<b>94 619</b>
<b>Current liabilities</b>			
Trade and other liabilities	17.	687 154	810 424
Liabilities from contracts with customers	17.1.	117	1 153
Loans, borrowings	18.	9	10
Current tax liabilities		-	8 181
Provisions	16.	174 943	220 595
Deferred income	19.	5 643	5 643
Lease liabilities	22.	3 134	3 535
Other financial liabilities	20.	625 540	471 776
		<b>1 496 540</b>	<b>1 521 317</b>
<b>Total liabilities</b>		<b>1 577 862</b>	<b>1 615 936</b>
<b>Total equity and liabilities</b>		<b>1 743 670</b>	<b>1 960 413</b>

The separate financial statements are to be read in conjunction with the notes forming part of the separate financial statements set out on pages 8 - 47.

STATEMENT OF CHANGES IN EQUITY

	Share capital	Retained earnings	Total equity
Note	15.1.	15.2.	
<b>01/01/2022</b>	2 036 078	<b>(1 691 601)</b>	<b>344 477</b>
Net loss	-	(180 139)	(180 139)
Items of other comprehensive income	-	1 470	1 470
<b>Total net comprehensive income</b>	-	<b>(178 669)</b>	<b>(178 669)</b>
<b>31/12/2022</b>	<b>2 036 078</b>	<b>(1 870 270)</b>	<b>165 808</b>
<b>01/01/2021</b>	2 036 078	(1 609 740)	426 338
Net loss	-	(82 847)	(82 847)
Items of other comprehensive income	-	984	984
<b>Total net comprehensive income</b>	-	<b>(81 863)</b>	<b>(81 863)</b>
<b>31/12/2021</b>	<b>2 036 078</b>	<b>(1 691 601)</b>	<b>344 477</b>

The separate financial statements are to be read in conjunction with the notes forming part of the separate financial statements set out on pages 8 - 47.

STATEMENT OF CASH FLOWS

	Note	2022	2021
<b>Cash flows from operating activities</b>			
<b>Loss before tax</b>		<b>(177 328)</b>	<b>(62 908)</b>
Adjustments for:			
Depreciation and amortisation	4.2.	8 728	11 384
Foreign exchange loss		4	8
Interest and dividends, net		32 352	8 327
Recognition of impairment allowances of property plant and equipment, intangible assets and right of use assets	8.2.	41 569	44 569
Profit on investing activities		(8 453)	(7 448)
Change in provisions		2 877	273 268
Other adjustments including:		(115 066)	(54 160)
<i>Settlement of subsidies for CO<sub>2</sub> allowances</i>		<i>(72 568)</i>	<i>(60 720)</i>
<i>Movements in Liabilities from contracts with customers</i>		<i>(1 036)</i>	<i>(416)</i>
Change in working capital	15.3.2.	158 774	(20 004)
<i>inventories, including:</i>		<i>223 908</i>	<i>10 439</i>
<i>change in impairment allowances of inventories to net realisable value</i>		<i>(43 785)</i>	<i>35 065</i>
<i>receivables, including:</i>		<i>56 531</i>	<i>(82 555)</i>
<i>change in impairment allowances to receivables</i>		<i>(3 367)</i>	<i>(209)</i>
<i>Liabilities</i>		<i>(121 665)</i>	<i>52 112</i>
Income tax (paid)		(15 497)	(2 268)
<b>Net cash from/used in operating activities</b>		<b>(72 040)</b>	<b>190 768</b>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment and intangible assets		(48 413)	(21 283)
Disposal of property, plant and equipment and intangible assets		21	94
Other		3 529	3 456
<b>Net cash from/used in investing activities</b>		<b>(44 863)</b>	<b>(17 733)</b>
<b>Cash flows from financing activities</b>			
Outflows from loans and borrowings		(1)	-
Proceeds/(outflows) from cash pool liabilities		151 676	(165 477)
Interest paid		(30 264)	(7 293)
Payments of liabilities under lease agreements		(4 037)	(6 343)
Other		(388)	5 378
<b>Net cash from/used in financing activities</b>		<b>116 986</b>	<b>(173 735)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>83</b>	<b>(700)</b>
Effect of changes in exchange rates		(4)	(8)
Cash and cash equivalents, beginning of the year		1 210	1 918
<b>Cash and cash equivalents, end of the year</b>	14.	<b>1 289</b>	<b>1 210</b>

The separate financial statements are to be read in conjunction with the notes forming part of the separate financial statements set out on pages 8 - 47.

## DESCRIPTION OF THE COMPANY AND PRINCIPLES OF PREPARATION OF THE FINANCIAL STATEMENTS

### 1. DESCRIPTION OF THE COMPANY

#### *Establishment of the Company*

PARAMO, a.s. (the "Company", Paramo), the joint stock company, was incorporated on 1 January 1994 in the Commercial Register of the Regional Court in Hradec Kralove, Section B, Insertion 992.

#### *Identification number of the Company*

481 73 355

#### *Registered office of the Company*

PARAMO, a.s.  
Přerovská 560, Svítkov  
530 06 Pardubice  
Czech Republic

#### *Principal activities*

The main scope of business activities pursued by the Company is the producing of asphalts products and their sale.

#### *Ownership structure*

ORLEN Unipetrol a.s. is the sole shareholder of the Company. Information about rebranding of the sole shareholder is presented in the note 31.

#### *Statutory and supervisory bodies*

Members of the statutory and supervisory bodies of PARAMO, a.s. as at 31 December 2022 were as follows:

	Position	Name
<b>Board of Directors</b>	Chairman	Jacek Świtała
	Vice-chairman	Adam Sadłowski
	Member	Konrad Szykuła
<b>Supervisory Board</b>	Chairman	Tomáš Herink
	Vice-chairman	Adam Jarosz
	Member	Szymon Gajda

Changes in the Board of Directors in 2022 were as follows:

Position	Change	Date of change	Name
Chairman of BoD	Resignation	16.08.2022	Janusz Fudała
Vice-chairman of BoD	Resignation	16.08.2022	Marcin Strojny
Member of BoD	Resignation	08.12.2022	Pavel Ballek
Member of BoD	Elected	08.12.2022	Konrad Szykuła
Vice-chairman of BoD	Elected	30.08.2022	Adam Sadłowski
Chairman of BoD	Elected	30.08.2022	Jacek Świtała

Changes in the Supervisory Board in 2022 were as follows:

Position	Change	Date of change	Name
Chairman of SB	Elected	24.10.2022	Tomáš Herink
Vice-chairman of SB	Elected	24.10.2022	Adam Jarosz

#### *Group identification and consolidation*

The Company is part of the consolidation group of ORLEN Unipetrol a.s. ("the Group"). Pursuant to section 62(2) of Decree No. 500/2002 Coll., the financial statements of the Company and of all entities consolidated by it have been included in the consolidated financial statements of ORLEN Unipetrol a.s. with its registered office at Prague 4, Milevská 2095/5, 140 00, ID No. 616 72 190.

The consolidated financial statements of ORLEN Unipetrol a.s. prepared in accordance with International Financial Reporting Standards as adopted by the European Union will be published pursuant to section 62(3c) of Decree No. 500/2002 Coll. and section 21a of Act No. 563/1991 Coll., on Accounting.

## 2. PRINCIPLES OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and their interpretations approved by the International Accounting Standards Board (IASB) which were adopted by the European Union (EU) and were in force as at 31 December 2022. The financial statements have been prepared based on historical cost, except for: derivatives, financial instruments at fair value through profit and loss, financial assets available for sale, and investment properties stated at fair value.

The financial statements are compliant with all requirements of IFRSs adopted by the EU and present a true and fair view of the Company's financial position as at 31 December 2022, results of its operations and cash flows for the year ended 31 December 2022.

These financial statements have been prepared on a going concern basis. As at the date of approval of the financial statements there is no uncertainty that the Company will not be able to continue as a going concern in the foreseeable future.

The financial statements, except for the statement of cash flows, are prepared on the accrual basis of accounting. Applied accounting policies are listed in note 27.

## EXPLANATORY NOTES TO THE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

### 3. REVENUES

	2022	2021
Revenues from sales of finished goods and services, net	2 253 160	2 640 584
<i>revenues from contract with customers</i>	2 244 090	2 631 218
<i>excluded from scope of IFRS 15</i>	9 070	9 366
<b>Revenues from sales of finished goods and services, net</b>	<b>2 253 160</b>	<b>2 640 584</b>
Revenues from sales of merchandise and raw materials, net	54 892	107 600
<i>revenues from contract with customers</i>	54 892	107 600
<b>Revenues from sales of merchandise and raw materials, net</b>	<b>54 892</b>	<b>107 600</b>
	<b>2 308 052</b>	<b>2 748 184</b>
<i>revenues from contracts with customers</i>	2 298 982	2 738 819

Contracts excluded from the scope of IFRS 15 refer to lease agreements.

#### 3.1. Revenues by assortments

	2022	2021
<b>Revenues from contracts with customers</b>	<b>2 298 982</b>	<b>2 738 819</b>
Medium distillates	87 811	80 627
Heavy fractions	1 739 046	1 474 339
Lubricants	118 659	805 352
Others	119 451	222 197
Services	234 015	156 304
<b>excluded from scope of IFRS 15</b>	<b>9 070</b>	<b>9 365</b>
	<b>2 308 052</b>	<b>2 748 184</b>

Revenues from one of individual customers represented 10% or more of the Company's total revenues.

#### 3.2. Revenues by geographical division

	2022	2021
<b>Revenues from contracts with customers</b>	<b>2 298 982</b>	<b>2 738 819</b>
Czech Republic	1 522 172	1 514 635
Germany	119 566	275 495
Poland	265 681	305 304
Slovakia	114 673	204 402
Other countries	276 890	438 983
<b>excluded from scope of IFRS 15</b>	<b>9 070</b>	<b>9 365</b>
Czech Republic	9 070	9 365
	<b>2 308 052</b>	<b>2 748 184</b>

Revenues from none of the other countries represented 10% or more of the Company's total revenues.



### 3.3. Revenues from contracts with customers by type of contract

	2022	2021
Based on a fixed price contracts	1 364 506	1 868 070
Based on a variable price contracts	934 476	870 749
	<b>2 298 982</b>	<b>2 738 819</b>

### 3.4. Revenues from contracts with customers the moment of revenue recognition

	2022	2021
At the a point in time	2 712 274	2 712 274
Over time	41 438	26 545
	<b>2 298 982</b>	<b>2 738 819</b>

### 3.5. Revenues from contracts with customers duration of the contract

	2022	2021
Short - term	2 298 982	2 738 819
	<b>2 298 982</b>	<b>2 738 819</b>

## 4. OPERATING EXPENSES

### 4.1. Cost of sales

	2022	2021
Cost of finished goods and services sold	(2 132 087)	(2 208 154)
Cost of merchandise and raw materials sold	(60 312)	(94 504)
	<b>(2 192 399)</b>	<b>(2 302 658)</b>

### 4.2. Cost by nature

	2022	2021
Materials and energy	(1 773 179)	(1 772 908)
Cost of merchandise and raw materials sold	(60 312)	(94 504)
External services	(188 567)	(239 623)
Employee benefits	(267 551)	(326 042)
Depreciation and amortization	(8 728)	(11 384)
Taxes and charges	9 267	(5 453)
Other	(88 342)	(306 957)
	<b>(2 377 412)</b>	<b>(2 756 871)</b>
Change in inventories	(92 495)	(65 285)
<b>Operating expenses</b>	<b>(2 469 907)</b>	<b>(2 822 156)</b>
Distribution expenses	64 505	107 224
Administrative expenses	140 250	130 623
Other operating expenses	72 753	281 651
<b>Cost of sales</b>	<b>(2 192 399)</b>	<b>(2 302 658)</b>

### 4.3. Employee benefits costs

	2022	2021
Payroll expenses	(191 406)	(227 439)
Future benefits expenses	5 163	(5 820)
Social security expenses	(65 904)	(77 594)
Other employee benefits expenses	(15 404)	(15 189)
	<b>(267 551)</b>	<b>(326 042)</b>

2022	Employees	Board of Directors	Supervisory Board	Total
Wages and salaries	(186 928)	(4 298)	(180)	(191 406)
Social and health insurance	(64 522)	(1 361)	(21)	(65 904)
Social expense	(14 480)	(924)	-	(15 404)
Change of employee benefits provision	5 163	-	-	5 163
	<b>(260 767)</b>	<b>(6 583)</b>	<b>(201)</b>	<b>(267 551)</b>
Number of employees average per year				294
Number of employees as at balance sheet day				248

#### 4.4. Employee benefits costs (continued)

2021	Employees	Board of Directors	Supervisory Board	Total
Wages and salaries	(221 787)	(5 241)	(411)	(227 439)
Social and health insurance	(75 920)	(1 562)	(112)	(77 594)
Social expense	(14 632)	(557)	-	(15 189)
Change of employee benefits provision	(5 820)	-	-	(5 820)
	<b>(318 159)</b>	<b>(7 360)</b>	<b>(523)</b>	<b>(326 042)</b>
Number of employees average per year				412
Number of employees as at balance sheet day				380

### 5. OTHER OPERATING INCOME AND EXPENSES

#### 5.1. Other operating income

	2022	2021
Profit on sale of non-current non-financial assets	3 265	2 406
Reversal of provisions	-	18 137
Reversal of impairment allowances of property, plant and equipment, intangible assets and right of use assets	135	291
Penalties and compensations	1 027	343
Other	8 682	490
	<b>13 109</b>	<b>21 667</b>

#### 5.2. Other operating expense

	2022	2021
Recognition of provisions	(29 053)	(234 302)
Recognition of impairment allowances of property, plant and equipment, intangible assets and right of use assets	(41 569)	(44 569)
Recognition of grant in excess of consumption of CO <sub>2</sub> allowances	(230)	(989)
Donations	(222)	(220)
Other	(1 679)	(1 571)
	<b>(72 753)</b>	<b>(281 651)</b>

#### 5.3. Loss allowance for trade receivables

Loss relates to impairment of trade receivables at the amount of CZK 178 thousand was recognized based on the expected credit loss model (2021: CZK 98 thousand).

### 6. FINANCE INCOME AND FINANCE COSTS

#### 6.1. Finance income

	2022	2021
Interest	-	15
Other – discounting of provisions...	7 612	-
	<b>7 612</b>	<b>15</b>

#### 6.2. Finance costs

	2022	2021
Interest	(32 716)	(8 422)
Foreign exchange loss	(3 250)	(1 801)
Other	(406)	(297)
	<b>(36 372)</b>	<b>(10 520)</b>

### 7. TAX CREDIT/(EXPENSE)

Domestic income tax is calculated in accordance with Czech tax regulations at the rate of 19 % in 2022 (2021: 19 %) of the estimated taxable income for the year. The deferred tax has been calculated using tax rate approved for years 2023 and forward i.e. 19 %.

**7.1. The differences between tax expense recognized in profit or loss and the amount calculated based on the rate from profit/(loss) before tax**

	2022	2021
Loss for the year	(180 139)	(82 847)
Total tax credit	(2 811)	(19 939)
Loss excluding income tax	(177 328)	(62 908)
Tax using domestic income tax rate	(33 692)	11 953
Non-deductible expenses	(2 054)	(1 584)
Tax exempt income	12	20
Change in not recognized deferred tax assets	32 923	(30 659)
Other	-	332
<b>Income tax expense</b>	<b>(2 811)</b>	<b>(19 939)</b>
<b>Effective tax rate</b>	<b>1,6%</b>	<b>31.7%</b>

**7.2. Deferred tax**

As at 31 December 2022 the Company has not recognized deferred tax assets from tax losses carried forward in amount of CZK 46 921 thousand due to the unpredictability of future taxable income. These unrecognized tax losses will expire by the end of 2027.

**EXPLANATORY NOTES TO THE STATEMENT OF FINANCIAL POSITION**

**8. PROPERTY, PLANT AND EQUIPMENT**

**8.1. Changes in property, plant and equipment:**

	Land	Buildings and constructions	Machinery and equipment	Vehicles and other	Construction in progress	Total
<b>01/01/2022</b>						
<b>Net carrying value</b>						
Gross carrying value	343 076	1 762 263	3 441 053	71 440	23 711	<b>5 641 543</b>
Accumulated depreciation, impairment allowances	-	(1 692 869)	(3 355 556)	(70 591)	(20 783)	<b>(5 139 799)</b>
	<b>343 076</b>	<b>69 394</b>	<b>85 497</b>	<b>849</b>	<b>2 928</b>	<b>501 744</b>
<b>increase/(decrease) net</b>						
Investment expenditures	-	-	-	-	40 927	<b>40 927</b>
Depreciations	-	(3 555)	(4 938)	(130)	-	<b>(8 623)</b>
Impairment allowances	-	(1 423)	(4 305)	(2 487)	(19 099)	<b>(27 314)</b>
Reclassifications	-	3 590	16 202	2 875	(22 277)	<b>390</b>
Sale	-	-	-	(12)	-	<b>(12)</b>
Liquidation	-	(69)	(6 625)	(358)	-	<b>(7 052)</b>
Other decreases	-	-	(57)	-	-	<b>(57)</b>
<b>31/12/2022</b>						
<b>Net carrying value</b>	<b>343 076</b>	<b>67 937</b>	<b>85 774</b>	<b>737</b>	<b>2 479</b>	<b>500 003</b>
Gross carrying value	343 076	1 765 138	3 396 177	72 887	42 362	<b>5 619 640</b>
Accumulated depreciation, impairment allowances	-	(1 697 202)	(3 310 403)	(72 150)	(39 882)	<b>(5 119 637)</b>
	<b>343 076</b>	<b>67 937</b>	<b>85 774</b>	<b>737</b>	<b>2 479</b>	<b>500 003</b>
<b>01/01/2021</b>						
<b>Net carrying value</b>						
Gross carrying value	343 076	1 760 480	3 441 101	70 582	1 062	<b>5 616 301</b>
Accumulated depreciation, impairment allowances	-	(1 686 623)	(3 348 616)	(69 621)	(1 062)	<b>(5 105 922)</b>
	<b>343 076</b>	<b>73 856</b>	<b>92 486</b>	<b>961</b>	<b>-</b>	<b>510 379</b>
<b>increase/(decrease) net</b>						
Investment expenditures	-	-	-	-	37 372	<b>37 372</b>
Depreciations	-	(3 552)	(7 714)	(116)	-	<b>(11 382)</b>
Impairment allowances	-	14 959	(916)	(1 009)	(19 721)	<b>(6 687)</b>
Reclassifications	-	(15 870)	1 670	1 064	(14 631)	<b>(27 767)</b>
Liquidation	-	-	(27)	(51)	-	<b>(78)</b>
Other decreases	-	-	-	-	(92)	<b>(92)</b>
<b>31/12/2021</b>						
<b>Net carrying value</b>	<b>343 076</b>	<b>69 394</b>	<b>85 497</b>	<b>849</b>	<b>2 928</b>	<b>501 744</b>

## 8.2. Changes in impairment allowances

Impairment allowances disclosed in the property, plant and equipment movement table are equal to the amount by which the carrying amount of assets exceeded their recoverable amount. Recognition and reversal of impairment allowances for property, plant and equipment are recognized in other operating activities.

As at 31 December 2022 an impairment provision in relation to property, plant and equipment amounted to CZK 906 124 thousand (CZK 878 810 thousand as at 31 December 2021).

	Land	Buildings and constructions	Machinery and equipment	Vehicles and other	Construction in progress	Total
01/01/2022	-	516 750	330 857	10 420	20 783	878 810
Recognition	-	-	-	-	32 909	32 909
Reclassification	-	1 492	11 334	2 510	(13 810)	1 526
Other decreases	-	(69)	(7 029)	(23)	-	(7 121)
	-	<b>518 173</b>	<b>335 162</b>	<b>12 907</b>	<b>39 882</b>	<b>906 124</b>
increase/(decrease) net*	-	1 423	4 305	2 487	19 099	27 314
01/01/2021	-	531 709	329 941	9 411	1 062	872 123
Recognition	-	526	-	-	34 364	34 890
Reversal	-	-	-	-	(266)	(266)
Reclassification	-	(15 485)	943	1 060	(14 285)	(27 767)
Other decreases	-	-	(27)	(51)	(92)	(170)
	-	<b>516 750</b>	<b>330 857</b>	<b>10 420</b>	<b>20 783</b>	<b>878 810</b>
increase/(decrease) net*	-	(14 959)	916	1 009	19 721	6 687

\*The Company records separately the impairment allowances and accumulated depreciation. The reclassification includes the transfer between impairment allowances and accumulated depreciation after reversal of the impairment relating to the carrying amount of assets as at the balance sheet date.

## Financial projections and assumptions for years 2023-2033 for purposes of impairment analysis as at 31 December 2022

As at 31 December 2022 in accordance with International Accounting Standard 36 "Impairment of assets" the Company has verified the existence of impairment indicators in relation to Cash Generating Units (CGUs) i.e. the smallest identifiable group of assets that generate cash inflows largely independent from other assets. In the Company CGUs are established at the level of operating activities: Oil and asphalt production and Logistic services.

As at 31 December 2022 the tests were carried out for both CGUs based on the most recent available financial projections for the years 2023-2033.

Impairment analysis on Paramo assets' as at 31 December 2022 was based on following financial data:

- non-audited financial statements as at 31 December 2022,
- financial projections for years 2023-2033,
- necessary adjustments mainly relating to capital expenditures and effectiveness activities for years 2023-2033, corresponding with IAS 36 requirement of basing the analysis on projections excluding impact of development and restructuring (IAS 36.33 b).

### Key financial assumptions used in the analysis

During development of assumptions to impairment tests the possibility of estimation of the fair value and value in use of individual assets was considered. Lack of market transactions for similar assets to those held by the Company which would allow to reliably estimating their fair value makes fair value method of valuation not possible to implement. As a result, it was concluded that the best estimate of the actual values of individual assets of the Company will be its value in use ("VIU").

The assets used in analyses: i.e. fixed assets (excluding lands and CO<sub>2</sub> allowances), right of use and net working capital were derived from non-audited financial statements as at 31 December 2022.

For determining the value in use as at given balance sheet date forecasted cash flows are discounted using the discount rates after taxation reflecting the risk levels specific for particular sectors to which the CGU belongs.

The discount rate is calculated as the weighted average cost of capital. The sources of macroeconomic indicators necessary to determine the discount rate were the publications of prof. Aswath Damodaran (source: <http://pages.stern.nyu.edu>) and publicly available as at 31 December 2022 listings of government bonds.

### The structure of the discount rates and long term inflation rate applied in the testing for impairment of assets of individual operating CGUs as at 31 December 2022

	Refinery CGU
Cost of capital	6.24%
Cost of debt after tax	2.41%-6.18%
Capital structure	63.16%
<b>Nominal discount rate</b>	<b>7.62%-11.13%</b>
Long term inflation rate	2.00%

## 8.2. Change in impairment allowances (continued)

Cost of equity is determined by the profitability of the government bonds that are considered to be risk-free, with the level of market and operating segment risk premium (beta). Cost of debt includes the average level of credit margins and expected market value of money for the Czech Republic.

The period of analysis was established on the basis of remaining useful life of the essential assets for the CGU.

### The results of impairment analysis as at 31 December 2022

Based on result of the impairment analysis an impairment charge in the amount of CZK 41 568 thousand was recognized in the Oil and asphalt production CGU. No impairment allowances were recognized for the Logistic CGU.

The Company's future financial performance is based on a number of factors and assumptions including macroeconomics development, such as foreign exchange rates, commodity prices, interest rates outside the Company's control. The change of these factors and assumptions might influence the Company's financial position, including the results of the impairment test of non-current assets, and consequently might lead to changes in the financial position and performance of the Company.

### The results of impairment analysis as at 31 December 2021

Based on result of the impairment analysis an impairment charge in the amount of CZK 44 131 thousand was recognized in the Oil and asphalt production CGU. No impairment allowances were recognized for the Logistic CGU.

### Sensitivity analysis of the value in use as at 31 December 2022

The crucial elements influencing the value in use of assets within individual units responsible for generating cash flows are: operating profit plus depreciation and amortization (known as EBITDA) and the discount rate. The Company prepared sensitivity analysis of changes in the value in use in case of discount rate decrease or increase by 0.50 % and increase or decrease of EBITDA by 5%. No such change would affect the value of the impairment recognized.

## 8.3. Other information on property, plant and equipment

	31/12/2022	31/12/2021
The gross carrying value of all fully depreciated property, plant and equipment still in use	2 025 699	1 860 639

## 9. INVESTMENT PROPERTY

Investment property at 31 December 2022 comprised the lands and buildings owned by the Company and leased to third parties. The changes recorded during the year 2022 are presented in the following table:

	2022	2021
At the beginning of the year	23 486	24 475
Fair value measurement	(230)	(989)
increase	-	-
decrease	(230)	(989)
	<b>23 256</b>	<b>23 486</b>

Rental income amounted to CZK 3 534 thousand in 2022 (2021: CZK 3 461 thousand). Operating costs related to the investment property in reporting period amounted to CZK 137 thousand in 2022 (2021: CZK 328 thousand).

### 9.1. Fair value of investment property measurement

Investment property as at 31 December 2022 included the land and buildings owned by the Company and leased to third parties, which fair value was estimated depending on the characteristics based on comparison or revenue approach. In the revenue approach the calculation was based on the discounted cash flow method. 10 year period forecasts were applied in the analysis. The discount rate used reflects the relation, as expected by the buyer, between annual revenue from an investment property and expenditures required to purchase investment property. Forecasts of discounted cash flows relating to the property consider arrangements included in all rent agreements as well as external data, e.g. current market rent charges for similar property, in the same location, technical conditions, standard and designed for similar purposes (investment property valued under the revenue approach belong to Level 3 as defined by IFRS 7). The discount rate of 9.82% was used for the calculation of the investment property fair value. In the year ended 31 December 2022 and the comparative period there were no change in measurement approach.

	Carrying amount	Fair value	Fair value hierarchy	
			Level 2	Level 3
31/12/2022	23 256	23 256	-	23 256
31/12/2021	23 486	23 486	-	23 486

## 9.2. Sensitivity analysis of changes in fair value of investment property classified under Level 3 fair value

Analysis of the influence of potential changes in the fair value of investment property on profit before tax in relation to a hypothetical change in discount rate:

		Level 3		
	Increase by	Impact	Decrease by	Impact
Change in discount rate	+1 pp	(908)	-1 pp	970

## 10. INTANGIBLE ASSETS

### 10.1. Changes in intangible assets

The Company as at 31 December 2022 and 31 December 2021 did not possess internally generated intangible assets.

	Software	Licenses, patents and trade marks	Assets under development	CO <sub>2</sub> emission allowance	Other	Total
<b>01/01/2022</b>						
<b>Net carrying value</b>						
Gross carrying value	52 040	19 585	2 582	65 534	9 479	149 220
Accumulated depreciation, impairment allowances	(52 027)	(19 585)	(2 252)	-	(9 479)	(83 343)
	13	-	330	65 534	-	65 877
<b>increase/(decrease) net</b>						
Investment expenditures	-	-	1 749	-	-	1 749
Amortization	(105)	-	-	-	-	(105)
Impairment allowances	(1 773)	(369)	2 252	-	(333)	(223)
Reclassifications	3 239	369	(4 331)	-	333	(390)
Other increases	-	-	-	12 644	-	12 644
<b>31/12/2022</b>						
<b>Net carrying value</b>	1 374	-	-	78 178	-	79 552
Gross carrying value	54 387	19 954	-	78 178	9 812	162 331
Accumulated depreciation, impairment allowances	(53 013)	(19 954)	-	-	(9 812)	(82 779)
	1 374	-	-	78 178	-	79 552
<b>01/01/2021</b>						
<b>Net carrying value</b>						
Gross carrying value	52 250	19 585	-	28 553	9 479	109 867
Accumulated depreciation, impairment allowances	(52 235)	(19 585)	-	-	(9 479)	(81 299)
	15	-	-	28 553	-	28 568
<b>increase/(decrease) net</b>						
Investment expenditures	-	-	2 701	-	-	2 701
Amortization	(3)	-	-	-	-	(3)
Impairment allowances	19	-	(2 252)	-	-	(2 233)
Reclassifications	2	-	(119)	-	-	(117)
Liquidation	(20)	-	-	-	-	(20)
Other increases	-	-	-	36 981	-	36 981
<b>31/12/2021</b>						
<b>Net carrying value</b>	13	-	330	65 534	-	65 877

### 10.2. Changes in intangible assets impairment

Recognition and release of impairment to intangible assets

	Software	Licenses, patents and trade marks	Assets under development	CO <sub>2</sub> emission allowance	Other	Total
<b>01/01/2022</b>						
Recognition	1 962	9 851	2 252	-	100	14 165
Reclassifications	1 773	369	(4 001)	-	333	(1 526)
	3 735	10 220	-	-	433	14 388
<b>increase/(decrease) net</b>	1 773	369	(2 252)	-	333	223
<b>01/01/2021</b>						
Recognition	1 981	9 851	-	-	100	11 932
Reclassifications	-	-	2 371	-	-	2 371
Other decreases	1	-	(119)	-	-	(118)
	(20)	-	-	-	-	(20)
	1 962	9 851	2 252	-	100	14 165
<b>increase/(decrease) net</b>	(19)	-	2 252	-	-	2 233

Recognition and release of impairment to intangible assets are presented in other operating expenses and income.

### 10.3. Other information on intangible assets

	31/12/2022	31/12/2021
The gross carrying value of all fully depreciated intangible assets still in use	38 393	56 658

The amount is represented by intangible assets which were fully depreciated by the time of initial impairment recognition; therefore, no impairment is charged for these items.

#### CO<sub>2</sub> emission rights

The Company received CO<sub>2</sub> emission allowances on 26 April 2022 for Kolín plant in the amount of 18 937 tons / 82.3 EUR and for Pardubice plant on 26 February 2022 in the amount 19 591 tons / 87.71 EUR.

	31/12/2022	
	Value	Quantity (in tonnes)
At the beginning of the year	65 534	43 182
Granted free of charge for the year	72 568	34 888
Settlement for the year	(59 924)	(40 151)
	<b>78 178</b>	<b>37 919</b>
Estimated annual consumption	56 924	26 984

As at 31 December 2022 the market value of one EUA allowance (European Union Emission Allowance) allocated to installations according to National Allocation Program (NAP) amounted to EUR 83.97 (as at 31 December 2021: EUR 80.65).

### 11. OTHER NON-CURRENT ASSETS

	31/12/2022	31/12/2021
Other non-current receivables	59 170	13 317
<b>Financial assets</b>	<b>59 170</b>	<b>13 317</b>
Prepayments	122	122
<b>Non-financial assets</b>	<b>122</b>	<b>122</b>
	<b>59 292</b>	<b>13 439</b>

### 12. INVENTORIES

	31/12/2022	31/12/2021
Raw materials	146 537	251 393
Work in progress	108 388	200 172
Finished goods	67 278	80 832
Merchandise	-	12 329
Spare parts	1 910	3 296
<b>Inventories, net</b>	<b>324 113</b>	<b>548 022</b>
Impairment allowances of inventories to net realisable value	46 104	89 889
<b>Inventories, gross</b>	<b>370 217</b>	<b>637 911</b>

#### Change in impairment allowances to net realizable value

	2022	2021
At the beginning of the year	89 889	54 824
Recognition	43 087	38 135
Reversal	(86 872)	(3 070)
	<b>46 104</b>	<b>89 889</b>

Changes in the net realizable value allowances for inventories amount to CZK 43 785 thousand and are shown in the costs of sales (2021: CZK 35 065 thousand) presented in note 4.1.

### 13. TRADE AND OTHER RECEIVABLES

	31/12/2022	31/12/2021
Trade receivables	230 778	332 612
Other	507 469	472 822
<b>Financial assets</b>	<b>738 247</b>	<b>805 434</b>
Receivables from subsidies	5 643	-
Other taxation, duty, social security receivables	3 733	-
Advances for construction in progress	1 550	-
Prepayments and deferred costs	2 487	1 201
<b>Non-financial assets</b>	<b>13 413</b>	<b>1 201</b>
<b>Receivables, net</b>	<b>751 660</b>	<b>806 635</b>
Expected credit loss	195 102	198 469
<b>Receivables, gross</b>	<b>946 762</b>	<b>1 005 104</b>

Trade receivables result primarily from sales of finished goods and sales of merchandise. The management considers that the carrying amount of trade receivables approximates their fair value. The average credit period on sales of goods, merchandise and services is 56.45 days.

Other receivables, in amount of CZK 507 469 thousand as at 31 December 2022 (CZK 472 822 thousand as at 31 December 2021), represent the receivables from ORLEN Unipetrol RPA s.r.o. that organises centralized settlement of the excise tax liability.

The Company exposure to credit and currency risk related to trade and other receivables is disclosed in note 21 and detailed information about receivables from related parties is presented in note 25.

### 14. CASH AND CASH EQUIVALENTS

	31/12/2022	31/12/2021
Cash on hand and in bank	1 289	1 210
	<b>1 289</b>	<b>1 210</b>

The carrying amount of these assets approximates their fair value.

### 15. SHAREHOLDERS' EQUITY

#### 15.1. Share capital

The share capital as at 31 December 2022 amounted to CZK 2 036 078 thousand (2021: CZK 2 036 078 thousand). It represents 2 036 078 pieces (2021: 2 036 078 pieces) of equity shares, each with a nominal value of CZK 1 000. All shares have been fully paid and bear equal voting rights.

#### 15.2. Retained earnings

ORLEN Unipetrol a.s., as the sole owner of the Company, decided on the transfer of the loss for the year 2021 to retained earnings.

#### 15.3. Equity management policy

Equity management is performed on the Group level in order to protect the Group's ability to continue its operations as a going concern while maximizing returns for shareholders. The statement of the sole Company's shareholder is disclosed in the note 31.

The Company monitors equity debt ratio (net financial leverage). As at 31 December 2022 and 31 December 2021 Company's financial leverage amounted to (0.77 %) and (0.35 %), respectively.

Net financial leverage = net debt / equity x 100

Net debt = Non-current loans and borrowings + current loans and borrowings - cash and cash equivalents

##### 15.3.1. Net debt

	31/12/2022	31/12/2021
Cash on hand and in bank	1 289	1 210
Bank loans and borrowings	(9)	(10)
<i>Bank loans and borrowings current</i>	<i>(9)</i>	<i>(10)</i>
	<b>1 280</b>	<b>1 200</b>



### 15.3.2. Changes in working capital

	Inventories	Receivables	Liabilities	Working capital
31/12/2021	548 022	806 635	810 424	544 233
31/12/2022	324 113	751 660	687 154	388 619
<b>Change from statement of financial position</b>	<b>223 909</b>	<b>54 975</b>	<b>(123 270)</b>	<b>155 614</b>
Movements in prepayments for construction in progress	-	1 550	-	1 550
Movements in investing liabilities	-	-	1 605	1 605
Other	(1)	6	-	5
<b>Statement of cash flows</b>	<b>223 908</b>	<b>56 531</b>	<b>(121 665)</b>	<b>158 774</b>

## 16. PROVISIONS

	Non-current		Current		Total	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Environmental provision	71 419	79 031	114 913	121 145	186 332	200 176
Jubilee bonuses and post-employment benefits provision	6 436	11 688	775	1 792	7 211	13 480
Shield programs provision	-	-	2 331	37 738	2 331	37 738
Provision for CO <sub>2</sub> emission allowances	-	-	56 924	59 920	56 924	59 920
	<b>77 855</b>	<b>90 719</b>	<b>174 943</b>	<b>220 595</b>	<b>252 798</b>	<b>311 314</b>

### Change in provisions in 2022

	Environmental provision	Jubilee bonuses and post-employment benefits provision	Shield programs provision	Provision for CO <sub>2</sub> emission allowances	Other provision	Total
<b>01/01/2022</b>	200 176	13 480	37 738	59 920	-	311 314
Recognition	29 053	364	-	56 928	-	86 345
Reclassification	(7 611)	-	-	-	-	(7 611)
Usage	(35 286)	(979)	(35 407)	(59 924)	-	(131 596)
Reversal	-	(5 654)	-	-	-	(5 654)
	<b>186 332</b>	<b>7 211</b>	<b>2 331</b>	<b>56 924</b>	<b>-</b>	<b>252 798</b>

### Change in provisions in 2021

	Environmental provision	Jubilee bonuses and post-employment benefits provision	Shield programs provision	Provision for CO <sub>2</sub> emission allowances	Other provision	Total
<b>01/01/2021</b>	-	8 550	-	23 740	30 480	62 770
Recognition	169 696	5 732	64 606	59 919	-	299 953
Reclassification	30 480	-	-	-	(30 480)	-
Usage	-	(802)	(8 731)	(23 739)	-	(33 272)
Reversal	-	-	(18 137)	-	-	(18 137)
	<b>200 176</b>	<b>13 480</b>	<b>37 738</b>	<b>59 920</b>	<b>-</b>	<b>311 314</b>

### 16.1. Environmental provision

The Company approved the restructuring program for Company's assets in Kolín site. The Company recognized a provision in respect of costs connected with decontamination of these assets in the amount of 186 332 CZK thousand (2021: 200 176 CZK thousand).

### 16.2. Provision for jubilee bonuses and retirement benefits

The Company realizes the program of paying out retirement benefits and jubilee bonuses in line with remuneration policies in force. The jubilee bonuses are paid to employees after elapse of a defined number of years in service. The retirement benefits are paid as one-time payments at retirement. The amount of retirement benefits as well as jubilee bonuses depends on the number of years of service and average employee's salary. The base for the calculation of provision for an employee is expected benefit, which the Company is obliged to pay in accordance with internal regulation.

The present value of these obligations is estimated at the end of each reporting year and adjusted if there are any material indications impacting the value of the obligations. The accrued liabilities equal discounted future payments, considering employee rotation.

The employment benefit provisions for retirement and anniversary benefits received by employees were created using discount rate 4.70 % p.a. in 2022 (2021: 2.70 %), assumptions used were based on the Collective agreement.

### 16.2.1. Change in employee benefits

	Provision for jubilee bonuses	Post-employment benefits	Total
<b>01/01/2022</b>	3 843	9 638	13 481
Current service cost	128	222	350
Interest expense	104	260	364
Actuarial gains and losses net	(382)	(1 470)	(1 852)
<i>demographic assumptions</i>	(105)	(363)	(468)
<i>financial assumptions</i>	(263)	(880)	(1 143)
<i>other</i>	(14)	(227)	(241)
Past employment costs	(1 026)	(3 126)	(4 152)
Payments under program	(460)	(520)	(980)
	<b>2 207</b>	<b>5 004</b>	<b>7 211</b>

	Provision for jubilee bonuses	Post-employment benefits	Total
<b>01/01/2021</b>	3 490	5 060	8 550
Current service cost	250	454	704
Interest expense	38	56	94
Actuarial gains and losses net	(527)	(984)	(1 511)
<i>demographic assumptions</i>	(137)	(206)	(343)
<i>financial assumptions</i>	(287)	(571)	(858)
<i>other</i>	(103)	(207)	(310)
Past employment costs	984	5 462	6 446
Payments under program	(394)	(409)	(803)
	<b>3 841</b>	<b>9 639</b>	<b>13 480</b>

### 16.2.2. Division of employee benefits liabilities by employees

	Active employees		Pensioners		Total	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Czech Republic	7 211	13 480	-	-	7 211	13 480
	<b>7 211</b>	<b>13 480</b>			<b>7 211</b>	<b>13 480</b>

### 16.2.3. Geographical division of employee benefits liabilities

	Provision for jubilee bonuses		Post-employment benefits		Total	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Czech Republic	2 207	3 841	5 004	9 639	7 211	13 480
	<b>2 207</b>	<b>3 841</b>	<b>5 004</b>	<b>9 639</b>	<b>7 211</b>	<b>13 480</b>

### 16.2.4. Sensitivity analysis to changes in actuarial assumptions

The Company analysed the impact of the financial and demographic assumptions and calculated that the changes of ratios: remuneration ratio by +/- 0.5 p.p., the discount rate by +/- 0.5 p.p. and the rate of turnover by +/- 0.5 p.p. are not higher than CZK 108 thousand. Therefore, the Company does not present any detailed information.

The Company carries out the employee benefit payments from current resources. As at 31 December 2022 there were no funded plans and the Company did not pay contributions to fund liabilities.

### 16.2.5. Employee benefits maturity and payments of liabilities analysis

#### 16.2.5.1. Maturity of employee benefits analysis

	Provision for jubilee bonuses		Post-employment benefits		Total	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Less than one year	253	600	522	1 192	775	1 792
Between one and three years	561	803	494	1 402	1 054	2 205
Between three and five years	426	580	685	1 100	1 111	1 680
Later than five years	967	1 858	3 303	5 944	4 270	7 803
	<b>2 207</b>	<b>3 841</b>	<b>5 004</b>	<b>9 639</b>	<b>7 211</b>	<b>13 480</b>
Prior year's assumption to be used, the provision will be lower (-)/higher(+)					1 611	1 201

### 16.2.5.2. Ageing of employee benefits payments analysis

	Provision for jubilee bonuses		Post-employment benefits		Total	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Less than one year	264	628	549	1 246	813	1 874
Between one and three years	668	931	591	1 574	1 259	2 505
Between three and five years	646	788	950	1 429	1 596	2 217
Later than five years	2 816	4 771	9 773	15 259	12 589	20 030
	<b>4 394</b>	<b>7 118</b>	<b>11 863</b>	<b>19 508</b>	<b>16 257</b>	<b>26 626</b>

### 16.2.6. Changes in employee benefits obligations recognized in profit or loss and other comprehensive income

	31/12/2022	31/12/2021
<b>In profit and loss</b>		
Current service cost	(350)	(704)
Interest expense	(364)	(94)
Actuarial gains and losses net	382	527
<i>demographic assumptions</i>	105	137
<i>financial assumptions</i>	263	287
<i>other</i>	14	103
Past employment costs	4 152	(6 445)
Payments under program	980	803
	<b>4 800</b>	<b>(5 913)</b>
<b>In components of other comprehensive income</b>		
Gains and losses arising from changes	1 470	984
<i>demographic assumptions</i>	363	206
<i>financial assumptions</i>	880	571
<i>other</i>	227	207
	<b>1 470</b>	<b>984</b>
	<b>6 270</b>	<b>(4 929)</b>

Provisions for employee benefits recognized in profit or loss were allocated as follows:

	31/12/2022	31/12/2021
Administrative expenses	5 164	(5 820)
Interest expense	(364)	(93)
	<b>4 800</b>	<b>(5 913)</b>

Based on current legislation, the Company is obliged to pay contributions to the national pension insurance. These costs are recognized as expenses on social security and health insurances. The Company does not have any other commitments in this respect. Additional information about the retirement benefits is in the note 27.3.23.

### 16.3. Provisions on CO<sub>2</sub> allowances

Provisions on CO<sub>2</sub> allowances are created for estimated CO<sub>2</sub> emissions in the reporting period.

## 17. TRADE AND OTHER LIABILITIES

	31/12/2022	31/12/2021
Trade liabilities	146 495	259 655
Investment liabilities	24 415	26 833
Other	7	-
<b>Financial liabilities</b>	<b>170 917</b>	<b>286 488</b>
Payroll liabilities	23 257	34 541
Excise tax and fuel charge	478 481	467 548
Value added tax	-	2 480
Other taxation, duties, social security and other benefits	6 982	10 491
Accruals	7 517	8 876
holiday pay accrual	751	1 208
wages accrual	6 766	7 668
<b>Non-financial liabilities</b>	<b>516 237</b>	<b>523 936</b>
	<b>687 154</b>	<b>810 424</b>

The management considers that the carrying amount of trade and other payables and accruals approximate their fair value.

### 17.1. Liabilities from contracts with customers

	31/12/2022	31/12/2021
Prepayments for deliveries	117	1 153

### 18. LOANS AND BORROWINGS

	Non-current		Current		Total	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Bank loans	-	-	9	10	9	10
	-	-	9	10	9	10

#### By currency (translated into CZK)/by interest rate

	31/12/2022	31/12/2021
CZK/PRIBOR	9	10
	9	10

### 19. DEFERRED INCOME

	31/12/2022	31/12/2021
<b>Current</b>		
Other grants	5 643	5 643
	5 643	5 643

### 20. OTHER FINANCIAL LIABILITIES

	31/12/2022	31/12/2021
Cash pool	625 540	471 776
	625 540	471 776

Based on a loan agreement with the parent company ORLEN Unipetrol a.s., the Company may utilize short-term unsecured loans in the form of overdrafts (cash pool) or loans. Interest is paid on the first working day after the close of the reporting period. The interest rates are based on appropriate inter-bank rates and the fair value of the loans approximated its carrying amount.

**EXPLANATORY NOTES TO FINANCIAL INSTRUMENTS AND FINANCIAL RISK**

**21. FINANCIAL INSTRUMENTS**

**21.1. Financial instruments by category and class**

**Financial assets**

**31/12/2022**

Financial instruments by class	Note	Financial instruments by category	
		Financial assets measured at amortized cost	Total
Trade and other receivables	13.	738 247	738 247
Cash and cash equivalents	14.	1 289	1 289
Other	11.	59 170	59 170
		<b>798 706</b>	<b>798 706</b>

**31/12/2021**

Financial instruments by class	Note	Financial instruments by category	
		Financial assets measured at amortized cost	Total
Trade and other receivables	13.	805 434	805 434
Cash and cash equivalents	14.	1 210	1 210
Other	11.	13 317	13 317
		<b>819 961</b>	<b>819 961</b>

**Financial liabilities**

**31/12/2022**

Financial instruments by class	Note	Financial instruments by category		Total
		Financial liabilities measured at amortized cost	Liabilities excluded from the scope of IFRS 9	
Loans and borrowings	18.	9	-	9
Trade and other liabilities and accruals	17.	170 917	-	170 917
Cash pool	19.	625 540	-	625 540
Lease liabilities	22.	-	6 601	6 601
		<b>796 466</b>	<b>6 601</b>	<b>803 067</b>

**31/12/2021**

Financial instruments by class	Note	Financial instruments by category		Total
		Financial liabilities measured at amortized cost	Liabilities excluded from the scope of IFRS 9	
Loans and borrowings	18.	10	-	10
Trade and other liabilities and accruals	17.	286 488	-	286 488
Cash pool	19.	471 776	-	471 776
Lease liabilities	22.	-	7 435	7 435
		<b>758 274</b>	<b>7 435</b>	<b>765 709</b>

**21.2. Income, costs, gain and loss in the separate statement of profit or loss and other comprehensive income**

**2022**

	Financial instruments by category			Total
	Financial assets and liabilities at fair value through profit or loss	Financial liabilities measured at amortised cost	Liabilities excluded from the scope of IFRS 9	
Interest costs	-	(32 443)	(273)	(32 716)
Foreign exchange gain/(loss)	(5 937)	2 687	-	(3 250)
Other	-	(406)	-	(406)
	<b>(5 937)</b>	<b>(30 162)</b>	<b>(273)</b>	<b>(36 372)</b>

**Other, excluded from the scope of IFRS 7**

Provisions discounting				<b>7 612</b>
				<b>7 612</b>

**2021**

	Financial instruments by category			Total
	Financial assets and liabilities at fair value through profit or loss	Financial liabilities measured at amortised cost	Liabilities excluded from the scope of IFRS 9	
Interest income	15	-	-	15
Interest costs	-	(8 196)	(226)	(8 422)
Foreign exchange gain/(loss)	(7 473)	5 672	-	(1 801)
Other	-	(297)	-	(297)
	<b>(7 458)</b>	<b>(2 821)</b>	<b>(226)</b>	<b>(10 505)</b>

### 21.3. Fair value measurement

		31/12/2022		31/12/2021	
	Note	Fair value	Carrying amount	Fair value	Carrying amount
Financial assets					
Trade and other receivables	13.	738 247	738 247	805 434	805 434
Cash and cash equivalents	14.	1 289	1 289	1 210	1 210
Other financial assets	11.	59 170	59 170	13 317	13 317
		798 706	798 706	819 961	819 961
Financial liabilities					
Loans and borrowings	18.	9	9	10	10
Cash pool	19.	625 540	625 540	471 776	471 776
Financial lease	22.	6 601	6 601	7 435	7 435
Trade and other liabilities and accruals	17.	170 917	170 917	286 488	286 488
		803 067	803 067	765 709	765 709

Financial assets and liabilities carried at fair value by the Company belong to Level 2 as defined by IFRS.

In the year ended 31 December 2022 and the comparative period there were no transfers between Levels 1, 2 and 3 in the Group. Fair value of shares quoted on active markets is determined based on market quotations (so called Level 1). In other cases, fair value is determined based on other input data, apart from market quotations, which are directly or indirectly possible to observe (so called Level 2) and data to valuation, which are not based on observable market data (Level 3).

### 21.4. Risk identification

The Company's activities are exposed to many different types of risk. Risk management is mainly focused on the unpredictability of financial markets and aims to minimize any potential negative impacts on the Company's financial results.

The Group's Corporate Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the risks outlined below relating to the operations of the Group through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including commodity risk, foreign currency risk, interest rate risk and other market price risk), credit risk and liquidity risk.

#### 21.4.1. Currency risk

The currency risk arises most significantly from the exposure of trade payables and receivables denominated in foreign currencies, and the foreign currency denominated loans and borrowings. Foreign exchange risk regarding trade payables and receivables is mostly covered by natural hedging of trade payables and receivables denominated in the same currencies. Hedging instruments (forwards, currency swaps) also could be used, to cover significant foreign exchange risk exposure of trade payables and receivables not covered by natural hedging.

#### Currency structure of financial instruments denominated in main foreign currencies as at 31 December 2022

Financial instruments by class	EUR	USD	PLN	Total after translation to CZK
<b>Financial assets</b>				
Trade and other receivables	3 723	-	629	89 769
Cash and cash equivalents	5	-	-	129
	<b>3 728</b>	<b>-</b>	<b>629</b>	<b>89 898</b>
<b>Financial liabilities</b>				
Trade and other liabilities and accruals	1 935	-	1	46 661
	<b>1 935</b>	<b>-</b>	<b>1</b>	<b>46 661</b>

#### Currency structure of financial instruments denominated in main foreign currencies as at 31 December 2021

Financial instruments by class	EUR	USD	PLN	Total after translation to CZK
<b>Financial assets</b>				
Trade and other receivables	4 166	372	246	111 740
Cash and cash equivalents	6	-	-	142
	<b>4 172</b>	<b>372</b>	<b>246</b>	<b>111 882</b>
<b>Financial liabilities</b>				
Trade and other liabilities and accruals	3 784	-	1	94 074
	<b>3 784</b>	<b>-</b>	<b>1</b>	<b>94 074</b>

#### Sensitivity analysis for currency changes risk

The influence of potential changes in carrying amounts of financial instruments as at 31 December 2022 and as at 31 December 2021 arising from hypothetical changes in exchange rates of relevant currencies in relation to functional currency on profit before tax.

	EUR/CZK		USD/CZK		Total	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Influence on profit before tax	6 487	1 447	-	1 226	6 487	2 672
<b>Total</b>	<b>6 487</b>	<b>1 447</b>	<b>-</b>	<b>1 226</b>	<b>6 487</b>	<b>2 672</b>

#### 21.4.1. Currency risk (continued)

In case of decrease of currency rates by 15%, sensitivity analysis assumes the same value as in the table above only with the opposite sign. Variations of currency rates described above were calculated based on historical volatility of particular currency rates and analysts' forecasts.

Sensitivity of financial instruments for currency risk was calculated as a difference between the initial carrying amount of financial instruments (excluding derivative instruments) and their potential carrying amount calculated using assumed increases/(decreases) in currency rates.

#### 21.4.2. Interest rate risk

The Company is exposed to the risk of volatility of cash flows arising from interest rate loans and cash pool arrangements granted and taken.

##### Interest rate structure of financial instruments:

	PRIBOR		Carrying amount	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
<b>Financial liabilities</b>				
Loans and borrowings	9	10	9	10
Cash pool	625 540	471 776	625 540	471 776
	<b>625 549</b>	<b>471 786</b>	<b>625 549</b>	<b>471 786</b>

##### Sensitivity analysis for interest rate risk

The influence of financial instruments on profit before tax due to changes in significant interest rates:

Interest rate	Assumed variation		Influence on profit before tax		Total	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
PRIBOR	+0.5 pp	+0.5 pp	(3 128)	(2 359)	(3 128)	(2 359)
			<b>(3 128)</b>	<b>(2 359)</b>	<b>(3 128)</b>	<b>(2 359)</b>

The above interest rates variations were calculated based on observations of interest rates fluctuations in the current and prior year as well as on the basis of available forecasts. The sensitivity analysis was performed on the basis of instruments held as at 31 December 2022 and 31 December 2021. The influence of interest rates changes was presented on annual basis. In case of decrease of interest rates by 0.5 pp, sensitivity analysis assumes the same value as in the table above only with the opposite sign.

#### 21.4.3. Liquidity and credit risk

##### Liquidity risk

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities using the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

##### Maturity analysis of financial liabilities

	Note	31/12/2022				Total	Carrying amount
		Up to 1 year	From 1 to 3 years	From 3 to 5 years	Above 5 years		
Loans and borrowings	18.	9	-	-	-	9	9
Cash pool - undiscounted value	19.	625 540	-	-	-	625 540	625 540
Trade and other liabilities	17.	170 917	-	-	-	170 917	170 917
Lease liabilities	22.	3 133	3 406	171	-	6 710	6 601
		<b>799 599</b>	<b>3 406</b>	<b>171</b>	<b>-</b>	<b>803 176</b>	<b>803 067</b>

	Note	31/12/2021				Total	Carrying amount
		Up to 1 year	From 1 to 3 years	From 3 to 5 years	Above 5 years		
Loans and borrowings	18.	10	-	-	-	10	10
Cash pool - undiscounted value	19.	471 776	-	-	-	471 776	471 776
Trade and other liabilities	17.	286 488	-	-	-	286 488	286 488
Lease liabilities	22.	3 535	3 286	672	-	7 493	7 435
		<b>761 809</b>	<b>3 286</b>	<b>672</b>	<b>-</b>	<b>765 767</b>	<b>765 709</b>

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate liquid funds, borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Company has available a credit limit from ORLEN Unipetrol a.s., based on which the Company may draw short-term loans up to CZK 1 300 000 thousand.

#### 21.4.4. Credit risk

The Company's credit risk is primarily attributable to its trade receivables. The amounts presented in the Statement of financial position are net of impairment losses, estimated by the Company's management based on prior experience and their assessment of the credit status of its customers.

The Company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of dealing only with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. This information is supplied by independent rating agencies where available and, if not available, the Company uses other publicly available financial information and its own trading records to rate its major customers.

The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management. Before accepting any new customer, the Company uses own or an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of debtors and, where appropriate, credit guarantee insurance cover is purchased or sufficient collateral on debtor's assets obtained.

The Company does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Company defines counterparties as having similar characteristics if they are related entities. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

#### The aging analysis of trade receivables past due, but not impaired

	31/12/2022	31/12/2021
Up to 1 month	12 875	23 444
From 1 to 3 months	526	507
From 3 to 6 months	10	-
From 6 to 12 months	16	-
	<b>13 427</b>	<b>23 951</b>

The Company sets impairment charges based on analysis of customers' creditworthiness and ageing of receivables.

In determining the recoverability of a trade receivable, the Company considers any change in the credit quality of the debtor from the date credit was initially granted up to the reporting date. Accordingly, the management considers that there is no further credit risk allowance required in excess of the allowance for impairment charges. Increases and reversals of impairment allowances in respect of principal amount of trade and other receivables are included in other operating expense or income and in respect of interest for delayed payments in financial expense or income.

#### Change in expected credit loss of trade and other receivables

	31/12/2022	31/12/2021
At the beginning of the year	198 469	198 678
Recognition	98	113
Reversal	(276)	(15)
Usage	(3 156)	(203)
Foreign exchange differences	(33)	(104)
	<b>195 102</b>	<b>198 469</b>

The Company management believes that the risk of impaired financial assets is reflected by recognition of an impairment.

#### Ageing analysis of trade receivables and expected credit loss as at 31 December 2022

	Trade receivables, gross value	Expected credit loss (in horizon of whole life)	Weighted average rate of expected credit loss	Trade receivables, net value
2022				
Current	217 462	111	0.0005	217 351
from 1 to 30 days	12 911	36	0.0028	12 875
from 31 to 60 days	337	60	0.1780	277
from 61 to 90 days	249	-	0.0000	249
more than 90 days past due	194 921	194 895	0.9999	26
	<b>425 880</b>	<b>195 102</b>		<b>230 778</b>



#### 21.4.4. Credit risk (continued)

##### Ageing analysis of trade receivables and expected credit loss as at 31 December 2021

2021	Trade receivables, gross value	Expected credit loss (in horizon of whole life)	Weighted average rate of expected credit loss	Trade receivables, net value
Current	308 860	199	0.0006	308 661
from 1 to 30 days	23 493	49	0.0021	23 444
from 31 to 60 days	514	7	0.0136	507
from 61 to 90 days	27	27	1.0000	-
more than 90 days past due	198 187	198 187	1.0000	-
	<b>531 081</b>	<b>198 469</b>		<b>332 612</b>

The Company sets impairment charges based on analysis of customers' creditworthiness and ageing of receivables. In determining the recoverability of a trade receivable, the Company considers any change in the credit quality of the debtor from the date credit was initially granted up to the reporting date. Accordingly, the management considers that there is no further credit risk allowance required in excess of the allowance for impairment charges.

Increases and reversals of impairment allowances in respect of the principal amount of trade and other receivables are included in other operating expense or income and in respect of interest for delayed payments in financial expense or income.

The carrying amount of financial assets represents the maximum credit exposure.

The maximum credit risk in respect of each class of financial assets is equal to the carrying value.

#### 21.4.5. Emission allowances risk

The Company monitors the emission allowances granted to the Company under National Allocation Plan and CO<sub>2</sub> emissions planned. The Company might enter into transactions on emission allowances market in order to cover for shortages or utilize the excess of obtained emission allowances over the required amount.

## OTHER EXPLANATORY NOTES

### 22. LEASE

#### 22.1. The Company as a lessee

##### Change in right of use assets

	Vehicles and other	Total
<b>01/01/2022</b>		
<b>Net carrying amount</b>		
Gross carrying amount	15 479	15 479
Accumulated depreciation and impairment allowances	(15 479)	(15 479)
	-	-
<b>increase/(decrease), net</b>		
New lease agreements	6 776	6 776
Impairment allowances	(6 776)	(6 776)
	-	-
<b>31/12/2022</b>		
<b>Net carrying amount</b>		
Gross carrying amount	13 286	13 286
Accumulated depreciation and impairment allowances	(13 286)	(13 286)
	-	-
<b>01/01/2021</b>		
<b>Net carrying amount</b>		
Gross carrying amount	21 042	21 042
Accumulated depreciation and impairment allowances	(21 042)	(21 042)
	-	-
<b>increase/(decrease), net</b>		
Depreciation		
New lease agreements, increase in leasing remuneration	7 284	7 284
Impairment allowances	(7 284)	(7 284)
Other		
<b>31/12/2021</b>	-	-
<b>Net carrying amount</b>	-	-

##### Balances of lease liabilities

	31/12/2022	31/12/2021
Current	3 134	3 535
Non-current	3 467	3 900
	<b>6 601</b>	<b>7 435</b>

##### Maturity analysis lease liabilities

	31/12/2022	31/12/2021
up to 1 year	3 134	3 535
from 1 to 2 years	2 566	2 093
from 2 to 3 years	839	1 193
from 3 to 4 years	171	473
from 4 to 5 years	-	200
	<b>6 710</b>	<b>7 494</b>
Discount	(110)	(59)
	<b>6 600</b>	<b>7 435</b>

##### Amount of lease contracts recognized in the statement of profit or loss and other comprehensive income

	2022	2021
<b>Costs due to:</b>		
interest on lease	(9 264)	(15 045)
Finance cost	(273)	(226)
short-term lease	(8 991)	(14 819)
Cost by nature: External Service		

#### 22.2. The Company as a lessor

Operating leases relate to the investment property owned by the Company with lease terms of 3 years or with lease terms for indefinite period.

Rental income earned by the Company from its investment property and direct operating expenses arising on the investment property for the year are set out in note 9.

## 22.2. The company as a lessor (continued)

### Maturity analysis for undiscounted lease payments

	31/12/2022	31/12/2021
up to 1 year	4 201	5 039
from 1 to 2 years	4 268	5 039
from 2 to 3 years	4 336	5 036
from 3 to 4 years	4 405	5 032
from 4 to 5 years	4 476	5 028
over 5	27 196	33 520
	<b>48 882</b>	<b>58 694</b>

## 23. INVESTMENT EXPENDITURES INCURRED AND FUTURE COMMITMENTS RESULTING FROM SIGNED INVESTMENT CONTRACTS

The total value of investment expenditures including capitalized interest costs incurred in 2022 and 2021 amounted to CZK 49 587 thousand and CZK 47 382 thousand respectively.

As at 31 December 2022 and as 31 December 2021 the value of future commitments resulting from contracts signed to this date amounted to CZK 15 693 thousand and CZK 11 217 thousand respectively.

## 24. PAST ENVIRONMENTAL LIABILITIES

The Company is the recipient of funds provided by the National Property Fund of the Czech Republic for settling environmental liabilities relating to historic environmental damage.

An overview of funds provided by the National Property Fund (currently administered by the Ministry of Finance) for the environmental contracts is provided below:

	Total amount of funds to be provided	Used funds as at 31/12/2022	Unused funds as at 31/12/2022
PARAMO, a.s. / premises in Pardubice	1 241 502	1 108 094	133 408
PARAMO, a.s. / premises in Kolín	1 906 590	1 902 903	3 687
	<b>3 148 092</b>	<b>3 010 997</b>	<b>137 095</b>

	Total amount of funds to be provided	Used funds as at 31/12/2021	Unused funds as at 31/12/2021
PARAMO, a.s. / premises in Pardubice	1 241 502	993 355	248 147
PARAMO, a.s. / premises in Kolín	1 906 590	1 902 217	4 373
	<b>3 148 092</b>	<b>2 895 572</b>	<b>252 520</b>

The management of the Company did not identify any other environmental liabilities which are not covered with funds mentioned above.

## 25. RELATED PARTY TRANSACTIONS

### 25.1. Material transactions concluded by the Company with related parties

In 2022 and in 2021 there were no transactions concluded by the Company with related parties on other than arm's length terms.

### 25.2. Transactions with key management personnel

In 2022 and in 2021 the Company did not grant to key management personnel and their relatives any advances, borrowings, loans, guarantees and commitments or other agreements obliging them to render services to Company and related parties. As at 31 December 2022 and as at 31 December 2021 there were no significant transactions concluded with members of the Board of Directors, Supervisory Board, their spouses, siblings, descendants, ascendants or their other relatives.

### 25.3. Transaction with related parties concluded by key management personnel of the Company

As at 31 December 2022 and as at 31 December 2021 members of the key management personnel of the Company submitted statements that they have not concluded any transaction with related parties.

## 25.4. Transactions and balances of settlements of the Company with related parties

### Parent company and ultimate controlling party

The controlling party is Polski Koncern Naftowy ORLEN S.A., which held a majority (100%, resp. 100%) of shares in the parent company ORLEN Unipetrol a.s. in 2022 and 2021.

2022	PKN Orlen	ORLEN Unipetrol a.s.	Entities under control or significant influence of PKN Orlen
Sales	-	-	1 057 117
Purchases	-	3 215	1 106 409
Finance costs	-	32 318	-

  

31/12/2022	PKN Orlen	ORLEN Unipetrol a.s.	Entities under control or significant influence of PKN Orlen
None-current receivables	-	-	59 170
Trade and other receivables	-	-	619 658
Trade and other liabilities, including loans	-	628 789	76 414

  

2021	PKN Orlen	ORLEN Unipetrol a.s.	Entities under control or significant influence of PKN Orlen
Sales	-	-	821 052
Purchases	-	2 885	1 272 422
Finance costs	-	8 192	-

  

31/12/2021	PKN Orlen	ORLEN Unipetrol a.s.	Entities under control or significant influence of PKN Orlen
None-current receivables	-	-	13 317
Trade and other receivables	-	-	561 145
Trade and other liabilities, including loans	-	474 646	114 248

## 26. REMUNERATION PAID AND DUE OR POTENTIALLY DUE TO THE BOARD OF DIRECTORS, THE SUPERVISORY BOARD AND OTHER MEMBERS OF KEY EXECUTIVE PERSONNEL OF THE PARENT COMPANY AND THE GROUP COMPANIES

The Board of Directors, the Supervisory Board's and other key executive personnel's remuneration includes short term employee benefits, retirement benefits, other long-term employee benefits and termination benefits paid, due and potentially due during the period.

### 26.1. Key management personnel and statutory bodies' members' compensation

	31/12/2022	31/12/2021
Short-term employee benefits	(10 621)	(10 790)
Termination benefits	-	-
	<b>(10 621)</b>	<b>(10 790)</b>

Further detailed information regarding remuneration of key management personnel is included in note 4.3.

### 26.2. Bonus system for key executive personnel of the Company

In 2022 the key executive personnel was participating in the annual MBO bonus system (management by objectives). The regulations applicable to Management Board, directors directly reporting to Management Boards of entities and other key positions have certain common features. The persons subject to the above mentioned systems are remunerated for the accomplishment of specific goals set at the beginning of the bonus period, by the Supervisory Board for the Management Board Members and by the Management Board members for the key executive personnel. The bonus systems are structured in such way, so as to promote the cooperation between individual employees in view to achieve the best possible results for the Company. The goals so-said are qualitative or quantitative (measurable) and are accounted for following the end of the year for which they were set, on the rules adopted in the applicable Bonus System Regulations. Regulation gives the possibility to promote employees, who significantly contribute to results generated by the Company.

## 27. ACCOUNTING PRINCIPLES

### 27.1. Impact of IFRS amendments and interpretations on financial statements of the Company

#### 27.1.1. Binding amendments to IFRSs and interpretations

Standards and Interpretations adopted by the EU	Impact on financial statements
Amendment to IFRS 16 Leases: COVID-19-Related Rent Concessions beyond 30 June 2021	no impact expected
Amendments to IAS 16 Property, Plant and Equipment – Proceeds before Intended Use	no impact expected
Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract	no impact expected
Amendments to IFRS 3 Business Combinations – Reference to the Conceptual Framework with amendments to IFRS 3	no impact expected
Amendments to various standards due to “Improvements to IFRSs (cycle 2018-2020)”	no impact expected

#### 27.1.2. IFRSs, amendments and interpretations to IFRSs endorsed by the European Union, not yet effective

New and revised IFRS Standards adopted by the EU in issue but not yet effective	Possible impact on financial statements
IFRS 17 Insurance Contracts including amendments to IFRS 17	no impact expected
Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information	no impact expected
Amendments to IAS 1 Presentation of Financial Statements and the IASB guidelines on disclosures regarding accounting policies in practice – The requirement to disclosure material information on accounting policies	no impact expected
Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates	no impact expected
Amendments to IAS 12 Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	no impact expected

#### 27.1.3. New and revised IFRS standards, amendments and interpretations adopted by International Accounting Standards Board, waiting for approval of the European Union

New and revised IFRS Standards adopted by the EU in issue but not yet effective	Possible impact on financial statements
Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture and further amendments	no impact expected
Amendments to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-Current	no impact expected
Amendments to IFRS 16 Lease Liability in a Sale and Leaseback	no impact expected
Amendments to IAS 1 Non-current Liabilities with Covenants	no impact expected

### 27.2. Functional currency and presentation currency of financial statements

These separate financial statements are presented in Czech crowns (CZK), which is the Company's functional and presentation currency. All financial information presented in CZK has been rounded to the nearest thousand.

### 27.3. Applied accounting policies

#### 27.3.1. Transactions in foreign currency

A foreign currency transaction is recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. The transaction day is the day on which the transaction for the first time qualifies for recognition under IFRS. In particular, when the transfer of significant risks and rewards of ownership of assets (IAS 18) or in the case of financial instruments, the day on which the Company commits to purchase or sell an asset.

At the end of the reporting period:

- foreign currency monetary items including units of currency held by the Company as well as receivables and liabilities due in defined or definable units of currency are translated using the closing rate, i.e. spot rate as at the end of the reporting period,
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement and valuation of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition as finance income or expense in the period in which they arise, except for monetary items which hedge the currency risk, are accounted in accordance with cash flow hedge accounting principles.

Foreign exchange differences are included in the financial result (or in certain circumstances in other comprehensive income) on a net basis, unless they relate to the individually significant transactions.

### 27.3.2. Revenues

The Company applies the principles of IFRS 15 in a five-step model in relation to the portfolio of contracts (or performance obligations) with similar characteristics, if the entity reasonably expects that the impact of the following principles on the financial statements will not significantly differ from the application of the following principles to individual contracts (or performance obligations).

#### *Requirements to identify a contract with a customer*

A contract with a customer meets its definition when all of the following criteria are met: the parties of the contract have approved the contract and are committed to perform their obligations; the Company can identify each party's rights regarding goods or services to be transferred; the Company can identify the payment terms for the goods or services to be transferred; the contract has commercial substance and it is probable that the Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

#### *Identification of performance obligations*

At contract inception the Company assesses the goods or services promised in the contract with a customer and identifies as a performance obligation each promise to transfer to the customer: goods or services (or a bundle of goods or services) that can be separated or groups of separate goods or services which are basically the same and for which the transfer to the customer is of the same nature.

#### *Determination of the transaction price*

The Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, some sales taxes, fuel charges, excise taxes). The consideration promised in the contract with a customer may include fixed amounts, variable amounts or both.

To estimate variable consideration, the Company decided to apply the most probable value method for contracts with one value threshold and the expected value method for contracts with more value thresholds from which a rebate is granted to the customer.

#### *Allocating the transaction price to individual performance obligations*

The Company allocates the transaction price to each performance obligation (or distinct good or service) at an amount that reflects the amount of consideration to which the Company expects to be entitled in exchange for transferring the promised goods or services to the customer.

#### *Recognition of revenue when performance obligations are satisfied*

The Company recognises revenue when (or as) the Company satisfies performance obligations by transferring a promised good or service (i.e. an asset) to a customer (the customer obtains control of that asset). Revenues are recognised as amounts equal to the transaction price that has been allocated to a given performance obligation.

The Company transfers control of good or service over time and, therefore, satisfies a performance obligation and recognises revenues over time, if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits from performance as the Company performs,
- the asset is created or enhanced as a result of the performance, and the customer controls the asset as it is created or enhanced,
- as a result of the performance of the service, an alternative component for the Company is not created, and the Company has an enforceable right to payment for performance completed to date.

### 27.3.3. Costs

Costs (relating to operating activity) include costs that relate to core activities, i.e. activities for which the Company was founded, costs are recurring and are not of incidental character.

Costs are recognized in the statement of profit or loss when a decrease in future economic benefits related to a decrease in an asset or an increase of a liability has arisen that can be measured reliably. The Company recognizes costs in accordance with the principle of proportionality of revenues and costs. In line with matching concept, cost that relate to the earned revenues are:

- costs that may be directly attributed to the revenues of the reporting period,
- costs that are not directly attributable to the revenues, for which there is evidence that they led to the economic benefits received in the reporting period.

Cost of sales comprises costs of finished goods, services, merchandise and raw materials sold and adjustments related to inventories written down to net realizable value.

Additional costs of contract inception and costs of performance of the contract

The Company recognizes costs in accordance with matching concept. In line with matching concept, cost that relate to the earned revenues are: Additional costs of contract inception are recognized as costs when they are incurred, if the depreciation period of the asset that would otherwise were recognized by the Company is one year or less. Distribution expenses include trading expenses, advertising and promotion expenses as well as distribution expenses.

General and administrative expenses include expenses relating to management and administration of the Company as a whole.

#### 27.3.4. Other operating income and expenses

Other operating revenues and expenses indirectly refer to operating activity and are incidental.

Other operating income includes, in particular income from liquidation and sale of non-financial non-current assets, surplus assets, return of court fees, penalties earned, excess of grants received to revenues over the value of costs, assets received free of charge, settlement of grants related to assets, reversal of receivable impairment allowances, non-current assets and intangible assets, right of use assets and some provisions, compensations earned and revaluation gains, valuation and gain on the sale of investment property, settlement and valuation of derivative financial instruments (in scope of exposure to risk related to operating activity).

Other operating expenses include in particular loss on liquidation and sale of non-financial non-current assets, assets deficit, court fees, contractual penalties and fines, penalties for non-compliance with environmental protection regulations, cash and tangible assets transferred free of charge, settlement of grants related to assets, impairment allowances (except those that are recognized as financial costs and cost of sales), compensation paid, write-off of construction in progress which have not produced the desired economic effect, cost of recovery of receivables and revaluation losses, valuation and loss on sale of investment property, settlement and valuation of derivative financial instruments (in scope of exposure to risk related to operating activity).

#### 27.3.5. Finance income and costs

Finance income and costs are related to financial operations, including obtaining financing sources and its servicing.

Finance income includes, in particular, income from the sale of shares and other securities, dividends received, interest earned on cash in bank accounts, term deposits and loans granted, increase in the value of financial assets and net foreign exchange gains, settlement and valuation of derivative financial instruments (in terms of exposure to risk related to financial activity). Dividend income from investments is recognized when the shareholders' rights to receive payment have been established.

Finance costs include, in particular, loss on sale of shares and securities and costs associated with such sale, impairment losses relating to financial assets such as shares, securities and interest, net foreign exchange losses, interest on own bonds and other securities issued, interest on lease, commissions on bank loans, borrowings and guarantees, interest and other costs of a similar nature accrued on provisions created (including actuarial provisions), settlement and valuation of derivative financial instruments (in terms of exposure to risk related to financial activity).

#### 27.3.6. Losses due to impairment of financial instruments

The losses due to impairment of financial instruments include in particular:

- Losses due to impairment of receivables,
- Losses due to impairment of interest on receivables,
- Reversal of losses due to impairment of receivables,
- Reversal of losses due to impairment of interest on receivables,
- Losses due to impairment of loans granted,
- Reversal of losses due to impairment of loans granted,
- Losses due to impairment of other financial instruments,
- Reversal of losses due to impairment of other financial instruments.

#### 27.3.7. Tax expense

Income tax expenses include current tax and deferred tax.

Current tax expense is determined in accordance with the relevant tax law based on the taxable profit for a given period and is recognized as a liability, in the amount which has not been paid or as an asset, if the amount of the current and prior periods income tax paid exceeds the amount due.

Deferred tax assets and liabilities are accounted for as non-current, are not discounted and are offset in the statement of financial position, if there is a legally enforceable right to offset the recognized amounts.

The transactions settled directly in equity are recognized in equity.

#### 27.3.8. Profit/(loss) per share

Basic profit/(loss) per share is calculated by dividing the net profit or loss for a given period which is attributable to ordinary shareholders of the parent company by the weighted average number of ordinary shares outstanding during the period. The Company has no potential dilutive shares.



### 27.3.9. Property, plant and equipment

Property, plant and equipment are assets that are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and are expected to be used during more than one period (one year or the operating cycle, if longer than one year).

Property, plant and equipment include both fixed assets (assets that are in the condition necessary for them to be capable of operating in the manner intended by management) as well as construction in progress (assets that are in the course of construction or development necessary for them to be capable of operating in the manner intended by management).

Property, plant and equipment are initially stated at cost, (without including the grants related to assets). The cost of an item of property, plant and equipment comprises its purchase price, including any costs directly attributable to bringing the asset into use.

The cost of an item of property, plant and equipment also includes estimated costs of dismantling and removing the item and restoring the site/land on which it is located, the obligation for which is connected with acquisition or construction of an item of property, plant and equipment and capitalized borrowing costs.

Property, plant and equipment received for free are initially included in the cost corresponding to the estimated fair value. Income from property, plant and equipment received for free, which does not require the Group to meet any conditions related to its activities, is recognised directly in other operating income at the moment of recognition of the asset in the accounting records. Where there are additional conditions relating to the receipt of an asset for free, such a transaction is treated in the same way as an asset granted and is recorded as described in note 27.3.27 – Government grants.

Property, plant and equipment are stated in the statement of financial position prepared at the end of the reporting period at the carrying amount i.e. (cost) after deducting any accumulated depreciation and accumulated impairment losses (without including received grants related to assets).

Borrowing cost directly attributable to the acquisition, construction or production of an item of property, plant and equipment are part of the initial cost.

Land, precious metal and pieces of art are not depreciated. Their value is decreased by impairment allowances. Their value is decreased by the eventual impairment allowances.

Depreciation of an item of property, plant and equipment begins when it is available for use that is from the month it is in the location and condition necessary for it to be capable of operating in the manner intended by the management, over the period reflecting their estimated useful life, considering the residual value. Components of property, plant and equipment which are material for the whole item are depreciated separately in accordance with their useful lives.

The following standard useful lives are used for property, plant and equipment:

Buildings and constructions	10-40 years
Machinery and equipment	4-35 years
Vehicles and other	2-20 years

The straight-line method of depreciation is used. Residual values, estimated useful lives and depreciation methods are reassessed annually. The adjustments to depreciation expense are accounted for in subsequent period (prospectively).

The costs of significant repairs and regular maintenance programs are recognized as property, plant and equipment and depreciated in accordance with their useful lives. The costs of current maintenance of property, plant and equipment are recognized as an expense when they are incurred.

Property, plant and equipment are tested for impairment, when there are indicators or events that may imply that the carrying amount of those assets may not be recoverable.

### 27.3.10. Investment property

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both.

Investment property is recognized as an asset only when:

- it is probable that the future economic benefits that are associated with the investment property will flow to the Company, and
- the cost of the investment property can be measured reliably.

An investment property shall be measured initially at its cost. Transaction costs are included in the initial measurement. The cost of a purchased investment property comprises its purchase price and any directly attributable expenditure. Directly attributable expenditure includes, for example, professional fees for legal services, property transfer taxes and other transaction costs. For internally constructed investment property the cost is set at the date of construction completion when the asset is brought into use, in accordance with rules set for property, plant and equipment. After initial recognition investment property shall be measured at fair value applying comparative and income methods depending on the nature of the investments. Gains and losses resulting from changes in fair value of investment property are presented in the statement of profit or loss and other comprehensive income in the period which they arise. The Company determines fair value without any deduction for transaction costs it may incur on sale or other disposal.

If the Company determines that the fair value of an investment property is not reliably determinable on a continuing basis, the Company shall measure that investment property at cost in accordance with rules set for property, plant and equipment. An investment property is derecognized on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected.



### 27.3.11. Intangible assets

Intangible assets include identifiable non-monetary assets without physical substance. An asset is identifiable if it is either separable, i.e. is capable of being separated or divided from the Company and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, identifiable asset or liability, regardless of whether the Company intends to do so, or arises from contractual or other legal rights, regardless of whether those rights are transferable or separable from the Company or from other rights and obligations.

Intangible assets are recognized if it is probable that the expected future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

An intangible asset arising from development (or from development phase of an internal project) shall be recognized if, and only if, the Company can demonstrate all of the following: the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete the intangible asset and use or sell it, its ability to use or sell the intangible asset, how the intangible asset will generate probable future economic benefits, among other things, the Company can demonstrate the existence of a market for the output of the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset, the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset, its ability to measure reliably the expenditure attributable to the intangible asset during its development.

If the definition criteria of an intangible asset are not met, the cost incurred to acquire or self develop an asset are recognized in profit or loss when incurred. An intangible asset that is acquired in a business combination, the cost of that intangible asset is its fair value at the acquisition date.

An intangible asset is measured initially at cost (without including the grants related to assets). An intangible asset that is acquired in a business combination, is recognized initially at fair value.

After initial recognition, an intangible asset shall be presented in the financial statements at its net carrying amount, without including grants related to assets.

Intangible assets are measured at acquisition or at construction cost less amortization and impairment allowances. Intangible assets with a finite useful life are amortized when they become available for use that is when they are in the location and condition necessary for them to be capable of operating in the manner intended by the management over their estimated useful life. The depreciable amount of an asset with a finite useful life is determined after deducting its residual value. Excluding particular cases, the residual value of an intangible asset with a finite useful life shall be assumed to be zero.

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset, e.g. interest, commissions, are part of the initial cost.

The following standard useful lives are used for intangible assets:

Acquired licenses, patents, and similar intangible assets	2-15 years
Acquired computer software	2-10 years

The straight-line method of amortization is used. Appropriateness of the applied amortization periods and rates is periodically reviewed, at least at the end of the reporting year, and potential adjustments to amortization allowances are made in the subsequent periods. Intangible assets with an indefinite useful life are not amortized. Their value is decreased by the eventual impairment allowances. Additionally, the useful life of an intangible asset that is not being amortized shall be reviewed each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset.

### 27.3.12. Carbon dioxide emission allowances

CO<sub>2</sub> emission rights are initially recognized as intangible assets, which are not amortized (assuming the high residual value), and tested for impairment.

Granted emission allowances should be recognised and included as separate items as intangible assets in correspondence with deferred income at fair value as on the date of registration (grant in scope of IAS 20). Purchased allowances should be recognised as intangible assets at purchase price.

If the allowances in a given year were not registered on the account under the date resulting from regulations, they should be recognized as receivable at the reporting date in correspondence with deferred income (as separate items) in the fair value of allowances due at the reporting date. The receivable is settled at the moment of allowances registration in the subsequent period by the disclosure of intangible assets in the amount determined in accordance with point Deferred income should also be re-evaluated.

For the estimated CO<sub>2</sub> emission during the reporting period, a provision is created in costs of operating activity (taxes and charges).

Grants should be settled on a systematic basis to ensure proportionality with the related costs which the grants are intended to compensate. Consequently, the cost of recognition of the provision in the statement of profit or loss and other comprehensive income is compensated by a decrease of deferred income (grants) and takes into consideration the proportion of the estimated quantity of emission (accumulated) to the quantity of evaluated annual emission.

Granted/purchased CO<sub>2</sub> emission allowances are amortized against the carrying value of provision, as its settlement. Outgoing of allowances is recognized using the average weighted method.

### 27.3.13. Right of use assets

At the commencement date, the Company measures the right of use assets at cost.

The cost of the right of use asset comprises:

- the amount of the initial measurement of the lease liability;
- all lease payments paid on or before the date of commencement, less any lease incentives received;
- all initial costs directly incurred by the lessee;
- estimated costs to be incurred by the lessee in connection with the dismantling and removal of underlying assets, the refurbishment of premises within which they are located, or the refurbishment of underlying assets to the condition required by the terms and conditions of the lease, unless these costs are incurred with the aim of creating stocks.

Other variable payments, which do not depend on an index or a rate and do not have a set minimal level, should not be taken into account when calculating lease liability. Such payments are recognized in the profit and loss account in the period of the occurrence which renders them payable.

After the commencement date, the lessee shall measure the right of use asset applying the cost model.

- in applying the cost model, the lessee shall measure the cost of the right of use asset, less any accumulated amortization and any accumulated impairment losses and combined losses on account of loss of value.
- corrected in respect of any updates to the measurement of lease liability not resulting in the necessity for recognition of a separate asset.

Right of use assets shall be depreciated linearly over the shortest of the following two periods: the period of lease or the period of utilization of the underlying assets. However in cases where the Company can be reasonably sure that it will regain ownership of the asset prior to the end of the lease term, right of use shall be depreciated from the day of commencement of the lease until the end of the useful life of the asset.

If the lease transfers ownership of the underlying asset to the lessee by the end of the lease term or if the cost of the right of use asset reflects the fact that the Company will exercise the call option, the lessee shall depreciate the right of use asset from the date of commencement until the end of the useful life of the underlying assets. Otherwise the Company shall depreciate the right of use asset from the date of commencement of the lease until the end of the useful life of the asset or the lease term, whichever is sooner.

In determining the lease term, the Company shall consider all important facts and incidents behind the economic incentives to make use of the option to extend the lease or not to exercise the option of its termination. The useful life of right of use assets shall be determined in the same manner as for tangible fixed assets.

The lessee shall apply IAS 36 Impairment of Assets to determine whether the right of use asset is impaired and to account for any impairment loss identified.

### 27.3.14. Impairment of property, plant and equipment, intangible assets and right of use assets

At the end of the reporting period the Company assesses whether there are indicators that an asset or cash generating unit (CGU) may be impaired or any indicators that the previously recognized impairment should be reversed. If any such indicator exists, the Company shall estimate the recoverable amount of the asset (CGU).

The recoverable amount of other assets is the higher of the fair value less costs to sell and value in use.

Fair value less costs to sell is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, less costs to sell.

Value in use is the present value of the future cash flows expected to be derived from an asset or CGU.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Assets that do not generate independent cash flows are grouped at the lowest level at which cash flows, independent from cash flows from other assets, are generated (cash generating units).

To the cash generating unit the following assets are allocated:

- goodwill, if it may be assumed, that the cash generating unit benefited from the synergies associated with a business combination with another entity,
- corporate assets, if they may be allocated on a reasonable and coherent basis.

If there are external or internal indicators that the carrying amount of an asset as at the end of the reporting period may not be recoverable, impairment tests are carried out. The tests are also carried out annually for intangible assets with an indefinite useful life and for goodwill.

When the carrying amount of an asset or a cash generating unit exceeds its recoverable amount, the carrying amount is decreased to the recoverable amount by an adequate impairment allowance charged against cost in profit or loss.

The impairment loss shall be allocated to the carrying amount of the assets of the unit in the following order:

- first, to reduce the carrying amount of any goodwill allocated to the cash-generating unit; and
- then, to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit.

At the end of each reporting period an assessment shall be made whether an impairment loss recognized in prior periods for an asset shall be partly or completely reversed. Indications of a potential decrease in an impairment loss mainly mirror the indications of a potential impairment loss in prior periods.

A reversal of an impairment loss for an asset other than goodwill shall be recognized immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard.

### 27.3.15. Inventories

Inventories are assets held for sale in the ordinary course of business, or in the process of production for such sale, or in the form of materials or supplies to be consumed in the production process or in the rendering of services.

Inventories comprise products, semi-finished products and work in progress, merchandise and materials.

Finished goods, semi-finished products and work in progress are measured initially at production cost. Production costs include costs of materials and costs of conversion for the production period. Costs of production also include a systematic allocation of fixed and variable production overheads estimated for normal production level.

Finished goods, semi-finished products and work in progress shall be measured at the end of the reporting period at the lower of cost or net realizable value, after deducting any impairment losses.

Disposals of finished goods, semi-finished products and work in progress are determined based on the weighted average cost formula, the cost of each item is determined from the weighted average of the cost of similar items produced during the reporting period.

Merchandise and materials are measured initially at acquisition cost.

As at the end of the reporting period merchandise and raw materials are measured at the lower of cost or net realizable value, considering any impairment allowances. Disposals of merchandise and raw materials are determined based on the weighted average acquisition cost or production cost formula except for inventories which, due to technical parameters and/or the specifics of the production process, are issued from the warehouse according to the order in which they are received (e.g. materials/electricity goods, printing materials) – outgoing according to FIFO method. Impairment tests for specific items of inventories are carried out on a current basis during an annual reporting period. Write-down to net realizable value concerns raw materials and merchandise that are damaged or obsolete.

Raw materials held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. However, when a decline in the price of materials indicates that the cost of the finished products exceeds net realizable value, the materials are written down to net realizable value.

Recognition and reversal of impairment allowances of inventories is recognized in cost of sales.

### 27.3.16. Trade and other receivables

Receivables, excluding trade receivables, are recognized initially at a fair value and subsequently, at amortized cost using the effective interest rate including expected credit loss. On initial recognition, the Company measures trade receivables that do not have a significant financing component at their transaction price. After the initial recognition, these receivables, except for the portfolio of receivables transferred to non-recourse factoring within the limit granted to the Group, are valued at amortized cost adjusted for any loss allowance for expected credit loss. Receivables subject to non-recourse factoring are measured at fair value through profit or loss.

The Company applies simplified method of valuation of receivables measured at amortized cost if it does not distort information concluded in the statement of financial position, in particular when the period until the repayment date is not long.

Receivables accounted at amortised cost, where the Company applies simplifications, are accounted at the initial recognition in the amount due, and later, including at the end of the reporting period, in the amount of the payment due less impairment allowances.

Recognition and reversal of impairment losses of receivables are recognized in other operating activity in relation to the principal amount and in financial activities in relation to interest for delayed payments.

As default the Company considers the event when the customer does not meet obligations after 90 days from maturity of receivables.

For the purpose of estimating the expected credit loss, the Company uses the provision matrix, which was estimated based on historical levels of repayment and recoveries from receivables from customers. The Company includes information on the future in parameters used in the expected loss estimation model, through the management adjustment of the basis default probability rates.

The Company does not monitor changes in the credit risk during life of instrument. From 1 January 2018 the Company estimates the expected credit loss until maturity of the instrument. The expected credit loss is calculated when the receivables are recognised in the statement of financial position and is updated on each subsequent day ending the reporting period.

### 27.3.17. Cash and cash equivalents

Cash comprises cash on hand and in bank accounts as well as cash in transit. Cash equivalents are short-term, highly liquid investments (of original maturity up to three months) that are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

### 27.3.18. Non-current assets held for sale and discontinued operations

Non-current assets (or disposal groups comprising assets and liabilities) that are expected to be recovered primarily through sale rather than continuing use are classified as held for sale.

Non-current assets are classified as held for sale when the following criteria are simultaneously met:

- the sales were declared by the appropriate level of management;
- the assets are available for an immediate sale in their present condition;
- an active program to locate a buyer has been initiated;
- the sale transaction is highly probable and can be settled within 12 months following the sale decision;
- the selling price is reasonable in relation to its current fair value;
- it is unlikely that significant changes to the sales plan of these assets will be introduced.

The classification of assets into this category is made in the reporting period when the classification criteria are met. If the criteria for classification of a non-current asset as held for sale are met after the reporting period, an entity shall not classify a non-current asset as held for sale in those financial statements when issued.

Immediately, before classification as held for sale, the assets (or components of a disposal group) are remeasured in accordance with the Company's accounting policies. Thereafter generally the assets (excluding financial assets) are measured at the lower of their carrying amount or fair value less cost to sell. Any impairment loss on a disposal group first is allocated to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets or investment property, which continue to be measured in accordance with the Company's accounting policies. While a non-current asset is classified as held for sale it shall not be depreciated (or amortized). A gain is recognized for any subsequent increase in fair value less costs to sell of an asset, but not in excess of the cumulative impairment loss that has been previously recognized.

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations,
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, or
- is a subsidiary acquired exclusively with a view to resale.

The Company re-present the disclosures presented with reference to the discontinued operation for prior periods included in the financial statements so that the disclosures relate to all operations that have been discontinued by the end of the reporting period for the latest period presented.

If the Company ceases to classify discontinued operations, the results of operations previously included under discontinued operations are reclassified and included in the results from continuing operations for all periods presented. The amounts for prior periods shall be described as having been re-presented.

### 27.3.19. Equity

Equity is recorded in the accounting records by type, in accordance with statutory regulations and the Company's articles of association. Equity includes:

#### Share capital

The share capital is paid by shareholders and is stated at nominal value in accordance with the parent company's articles of association and the entry in the Commercial Register.

#### Hedging reserve

The hedging reserve relates to valuation and settlement of hedging instruments that meet the criteria of cash flow hedge accounting. The Company applies cash flow hedge accounting to hedge commodity risk, exchange rate risk and interest rate risk. Changes in fair value, which are an ineffective part of the hedge relationship, are recognized in the statement of profit or loss.

#### Revaluation reserve

The revaluation reserve includes revaluation of items, which, according to the Company's regulations, relates to the revaluation reserve, including particularly:

- change in the fair value of the available-for-sale financial assets;
- differences between the net carrying value and the fair value of an investment property at the date of reclassification from the property occupied by the Company to an investment property.

#### Retained earnings

Retained earnings include:

- the amounts arising from profit distribution/loss cover,
- the undistributed result from prior periods,
- the current reporting period profit/loss,
- the corrections (profit/loss) of prior period errors,
- changes in accounting principles,
- reserve capital created from the distribution of profits and used in accordance with the Commercial Group Code,
- other reserve capital as additional payments to equity,
- actuarial gains and losses from retirement benefits.

#### 27.3.20. Trade and other liabilities

Liabilities, including trade liabilities, are initially stated at fair value, increased by, in the case of financial liability not qualified as those measured at fair value through profit or loss, transaction cost and subsequently, at amortized cost using the effective interest rate method.

The Company applies simplified methods of valuation of liabilities measured at amortized cost if it does not distort information included in the statement of financial position, in particular when the period until settlement of the liability is not long.

Accruals are liabilities due for goods received or services provided, but not paid, invoiced or formally agreed with the seller, together with amounts due to employees.

Although it is sometimes necessary to estimate the amount or timing of accruals, the related uncertainty is generally much lower than it is for provisions.

#### 27.3.21. Provisions

A provision is a liability of uncertain timing or amount. Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be measured reliably. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

Provisions are not recognized for future operating losses.

#### 27.3.22. Environmental provision

The Company creates provisions for future liabilities due to reclamation of contaminated land or water or elimination of harmful substances if there is such a legal or constructive obligation. The environmental provision for reclamation is periodically reviewed on the basis of expert assessment.

#### 27.3.23. Jubilee bonuses and retirement benefits

Under the Company's remuneration plans, its employees are entitled to jubilee bonuses and retirement benefits. Jubilee bonuses are paid to employees after the elapsing of a defined number of years in service. Retirement benefits are paid once at retirement. The amount of retirement benefits and jubilee bonuses depends on the number of years of service and an employee's average remuneration.

The jubilee bonuses are other long-term employee benefits, whereas retirement and pension benefits are classified as retirement defined benefit plans.

The provision for jubilee bonuses, retirement and pension benefits is created in order to allocate costs to relevant periods.

The present value of those liabilities is estimated at the end of each reporting period by an independent actuary and adjusted if there are any material indications impacting the value of the liabilities. The accumulated liabilities equal discounted future payments, considering the demographic and financial assumptions including employee rotation, planned increase of remuneration and relate to the period ended at the last day of the reporting year.

Actuarial gains and losses from:

- post employment benefits are recognized in components of other comprehensive income,
- other employment benefits, including jubilee bonuses, are recognized in the statement of profit and loss.

#### 27.3.24. Shield programs

Shield programs provision (restructuring provision) is created when the Company initiates a restructuring plan or announces the main features of a restructuring plan to those affected by it in a sufficiently specific manner to raise a valid expectation in them that the restructuring will be carried out. A restructuring provision shall include only the direct expenditures arising from the restructuring, i.e. connected with the termination of employment (paid leave payments and compensations), termination of lease contracts, dismantling of assets.

#### 27.3.25. CO<sub>2</sub> emissions costs

The Company creates a provision for the estimated CO<sub>2</sub> emissions during the reporting period in operating activity costs (taxes and charges). Provision is recognized based on the value of allowances taking into account the weighted average method. In case of a shortage of allowances, the provision is created based on the purchase price of allowance in forward contracts concluded by the Group for own-use for the purpose of fulfilment of the redemption obligation by Parent company and Group entities (or purchase prices from other binding purchase agreements) or market quotations of allowances at the reporting date.

#### 27.3.26. Other provisions

Other provisions include mainly provisions for legal proceedings and are recognized after consideration of all available information, including opinions of independent experts. If on the basis of such information it is more likely than not that a present obligation exists at the end of the reporting period, the Company recognizes a provision (if the recognition criteria are met).

If it is more probable that no present obligation exists at the end of the reporting period, the Company discloses a contingent liability, unless the possibility of an outflow of resources embodying economic benefits is remote.



### 27.3.27. Government grant

Government grants are transfers of resources to the Company by the government, government agencies and similar bodies whether local, national or international, in return for past or future compliance with certain conditions relating to the activities of the entity.

Government grants are recognized in the statement of financial position as deferred income when there is reasonable assurance that it will be received and that the Company will comply with the conditions attached to it. Grants related to costs are presented as compensation to the given cost in the period they are incurred. Surplus of the received grant over the value of the given cost is presented as other operating income.

If the government grant relates to assets, excluding investment property, they are recognized as deferred income and disclosed separately as liabilities in the statement of the financial position. A grant is recognized in other operating income on systematic basis over the useful life of the asset. The treatment regarding CO<sub>2</sub> emission allowances granted is described in note 20.4.5.

### 27.3.28. Statement of cash flows

The statement of cash flows is prepared using the indirect method.

Cash and cash equivalents included in the statement of cash flows and in the consolidated statement of financial position are identical.

Dividends received are included under cash flows from investing activities.

Dividends paid are included under cash flows from financing activities.

Interest received from finance leases, loans granted, short-term securities and the cash pool system are included under cash flows from investing activities. Other interests received are presented in cash flows from operating activities.

Interest paid and provisions on bank loans and borrowings received, cash pool facility, debt securities issued and finance leases are included under cash flows from financing activities. Other interests paid are included under cash flows from operating activities.

Proceeds and outflows due to the settlement of derivatives which are not recognized as hedge position are included under cash flows from investing activities.

Lease payment expenditures in relation to short-term and low-cost leases as well as variable lease payments not included in the valuation of the lease liability are included under cash flows from financing activities.

### 27.3.29. Financial instruments

#### Measurement of financial assets and liabilities

At initial recognition, the Company measures financial assets and liabilities not qualified as at fair value through profit or loss (i.e. held for trading) at their fair value plus, in the case of a financial asset or a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. The Company does not classify instruments as measured at fair value through profit or loss upon initial recognition, i.e. does not apply the fair value options.

At the end of the reporting period, the Company measures item of financial assets and liabilities at amortized cost using the effective interest rate method, except for derivatives, which are measured at fair value.

The Company uses simplified methods of valuation of financial assets and liabilities measured at amortized cost if it does not distort information included in the statement of financial position, in particular when the period until the repayment of debt or settlement of the liability is not long.

Financial assets measured at amortized cost, where the Company applies simplifications, are accounted at initial recognition in the amount due, and later, including at the end of the reporting period, in the amount of the payment due less impairment allowances.

Financial liabilities for which the Company applies simplifications are measured at initial recognition and at a later date, including at the end of the reporting period, in the amount of payment due less expected credit loss impairment allowances.

With regard to equity instrument, in particular quoted/unquoted shares held for trading, the Company classifies the instruments as measured at fair value through other comprehensive income.

Gains and losses resulting from changes in fair value of derivatives, for which hedge accounting is not applicable, are recognized in the current year profit or loss.

The Company classifies financial assets into one of the following categories:

- measured at amortized cost,
- measured at fair value through other comprehensive income,
- measured at fair value through profit or loss,
- hedging financial instruments.

The Company classifies debt financial assets to the appropriate category depending on the business model of financial assets management and on the characteristics of contractual cash flows for a given financial asset.

The Company as assets measured at amortized cost classifies trade receivables, loans granted, other financial receivables as well as cash and cash equivalents.

At the moment of initial recognition, the Company classifies equity instruments, i.e. shares in other entities, to the category of financial instruments measured at fair value through other comprehensive income.

### 27.3.29 Financial instruments (continued)

The Company classifies to assets measured at fair value through profit or loss derivatives that are not designated for hedge accounting and hedged items that are measured in accordance with hedge accounting principles.

The Company classifies financial liabilities into one of the following categories:

- measured at amortized cost,
- measured at fair value through profit or loss,
- hedging financial instruments.

The Company as liabilities measured at amortized cost classifies trade liabilities, loans, borrowings and bonds. Liabilities on derivatives not designated for hedge accounting are classified by the Company as measured at fair value through profit or loss.

The Company classifies to the category of hedging financial instruments, financial assets and liabilities which constitute derivative hedging cash flows and fair value.

#### *Measurement of financial assets at amortized cost*

The Company applies the effective interest rate method to measure financial assets at amortized cost.

Trade receivables after initial recognition are measured at amortized cost using the effective interest rate method, including impairment allowances, while trade receivables with a maturity of less than 12 months from the date of recognition (i.e. not including the financing component) and not appointed to factoring, are not discounted and are measured at nominal value.

#### *Measurement of financial assets at fair value through other comprehensive income*

Gains and losses on a financial asset constituting an equity instrument for which was applied the option of fair value through other comprehensive income is recognized in other comprehensive income, except for revenues from received dividends.

#### *Measurement of financial assets at fair value through profit or loss*

Gains or losses on the measurement of a financial asset that is classified as measured at fair value through profit or loss are recognized in profit or loss during the period in which they were recognized. Gains or losses from the valuation of items measured at fair value through profit or loss also include interest and dividend income.

#### *Measurement of hedging financial instruments*

Hedging financial instruments are measured in accordance with the principles of hedge accounting.

### **Impairment of financial assets**

The Company recognizes impairment allowances due to expected credit losses on financial assets measured at amortized cost or measured at fair value through other comprehensive income (with the exception of investments in capital assets and contract assets).

The Company uses the following models for determining impairment allowances:

- general model (basic),
- simplified model.

The general model is applied by the Company for financial assets measured at amortized cost-other than trade receivables and for debt instruments measured at fair value through other comprehensive income.

In the general model, the Company monitors the changes in the level of credit risk associated with a given financial asset and classifies financial assets to one of the three stages of impairment allowances based on the observation of the change in the credit risk level in relation to the initial recognition of the instrument.

Depending on the classification to particular stages, the impairment allowance is estimated in the 12-month horizon (stage 1) or in the life horizon of the instrument (stage 2 and stage 3).

On each day ending the reporting period, the Company considers the indications resulting in the classification of financial assets to particular stages of determining impairment allowances. Indications may include changes in the debtor's rating, serious financial problems of the debtor, a significant unfavourable change in its economic, legal or market environment.

For the purpose of estimating the expected credit loss, the Company applies default probability levels based on market credit quotes of derivatives for entities with a given rating and from a given sector.

The Company includes information about the future in the parameters of the expected loss estimation model by calculating the probability parameters of insolvency based on current market quotes.

The simplified model is applied by the Company for trade receivables.

In the simplified model, the Company does not monitor changes in the credit risk level during the life and estimates the expected credit loss in the horizon up to maturity of the instrument.

In particular, in case of insolvency ("default") event, the Company recognizes that the contractor defaulted after expiration 90 days after the due date of receivables.

For the purpose of estimating the expected credit loss, the Company applies the provision matrix estimated on the basis of historical levels of repayment and recoveries from receivables from contractors.

The Company includes information about the future in the applied parameters in the expected credit loss estimation model, through the management adjustment of the basic insolvency probability parameters.

The expected credit loss is calculated when the receivable is recognized in the statement of financial position and is updated on each subsequent day ending the reporting period, depending on the number of overdue days of the receivable.

### 27.3.29 Financial instruments (continued)

For debt financial instruments measured at fair value through other comprehensive income, losses or gains (reversal of loss) due to impairment, regardless of the stage in which the write-down is calculated, are recognized in profit or loss in correspondence with other comprehensive income (the impairment allowance does not reduce the carrying amount of the financial asset).

The expected credit loss calculated at the moment of initial recognition of the financial asset, and any subsequent increase of the expected credit loss, regardless of the stage in which the write-down is calculated, are recognized in the profit or loss.

The Company discloses in the notes financial assets, for which the terms were renegotiated and which would otherwise be overdue or impaired. For assets measured at amortized cost using effective interest rate, the carrying amount of the asset is recalculated by discounting future cash flows (reassessed) using the initial interest rate of a financial asset. The adjustment is recognized as a revenue or expense for the period, respectively.

#### Transfers

In the Company, there were no particular circumstances for the reclassification of financial instruments measured at fair value through profit or loss.

### 27.3.30. Lease

#### The Company as a lessee

Rights resulting from lease, rental, hire or other agreements which meet the definition of a lease as per IFRS 16 are recognised as right of use underlying assets within the framework of non-current assets with a corresponding lease liabilities.

#### Initial recognition and measurement

The Company recognises the right of use asset as well as the lease liability on the date of commencement of the lease. On the date of commencement the Company measured the right of use asset at cost.

The cost of the right of use asset is inclusive of the following:

- a) the amount of the initial measurement of the lease liability,
- b) all lease payments made on or before the date of commencement, less any lease incentives received,
- c) all initial costs directly incurred by the lessee, and
- d) estimated costs to be incurred by the lessee in connection with the dismantling and removal of underlying assets, the refurbishment of premises within which they were located, or the refurbishment of underlying assets to the condition required by the terms and conditions of the lease, unless these costs are incurred with the aim of creating stocks.

Lease payments included in the evaluation of lease liability include:

- fixed lease payments;
- variable lease payments, which depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts that are expected to be paid by the lessee as part of the guaranteed residual value;
- the call exercise price, should it be assumed with reasonable certainty that the Company shall decide to exercise the call option;
- penalty payments for termination of a lease, unless it can be assumed with reasonable certainty that the Company shall not terminate the lease.

Variable payments, which do not depend on an index or a rate should not be taken into account when calculating lease liability. Such payments are recognised in the profit or loss in the period of the occurrence which renders them payable. The lease liability on the commencement date shall be calculated on the basis of the current lease payments that are payable by that date and discounted by the incremental borrowing rates of the lessee.

The Company does not discount lease liabilities by the lease interest rate as the calculation of such rates requires information known only to the lessor (the non-guaranteed final value of the leased asset as well as the direct costs incurred by the lessor).

#### Determining the lessee's incremental borrowing rate

Lessee's incremental borrowing rates were specified as the sum of:

- a) the risk free rate, based on the Interest Rate Swap (IRS) in accordance with the maturity of the discount rate, and the relevant basic rate for the given currency, as well as
- b) the Company's credit risk premium based on the credit margin calculated inclusive of the credit risk segmentation of all companies which have entered into lease agreements.

#### Subsequent measurement

After the commencement date, the Company measures the right of use asset applying the cost model.

In applying the cost model, the Company shall measure the cost of the right of use asset:

- a) less any accumulated depreciation and accumulated impairment losses; and
- b) adjusted in respect of any updates to the measurement of lease liability not resulting in the necessity for recognition of a separate asset.

After the date of commencement the Company shall measure the lease liability by:

- a) increasing the carrying amount to reflect interest on the lease liability,
- b) decreasing the carrying amount to reflect any lease payments made, and



### 27.3.30 Lease (continued)

c) remeasuring the carrying amount to reflect any reassessment or lease modifications or to revise in-substance fixed lease payments.

The Company shall remeasure the lease liability in cases where there is a change in future lease payments as a result of a change in the index or rate used to determine lease payments (e.g. a change in payment associated with the right of perpetual use), in cases where there is a change in the amount expected by the Company to be payable under the residual amount guarantee, or if the Company reassesses the likelihood of the exercise of the call option, or the extension or termination of the lease.

Updating the lease liability also adjusts the value of the right of use asset. In a situation where the carrying amount of the right of use asset has been reduced to zero, further reductions in the measurement of the lease liability shall be recognised by the Company as profit or loss.

#### *Depreciation*

The right of use asset is depreciated linearly over the shorter of the following two periods: the period of lease or the useful life of the underlying asset. However in cases where the Company can be reasonably sure that it will regain ownership of the asset prior to the end of the lease term, right of use shall be depreciated from the day of commencement of the lease until the end of the useful life of the asset.

The useful life of right of use asset is determined in the same manner as for property, plant and equipment.

The Company has leases agreements regarding mainly:

- a) Land, including:
  - perpetual usufruct of land for a fixed period of up to 99 years,
  - land for petrol stations and motorway service areas concluded for a specified period up to 30 years and for an indefinite period.
- b) Buildings and construction, including petrol stations, storage tank, office spaces for a fixed period up to 30 years.
- c) Vehicles and other, including:
  - railway tank concluded for a specified period of 3 to 10 years,
  - cars for a fixed period up to 3 years,
  - locomotives for a fixed period up to 3 years.

#### *Impairment*

The Company applies IAS 36 Impairment of Assets to determine whether the right of use asset is impaired and to account for any impairment loss identified.

#### *Exemptions, simplifications and practical solutions in the application of IFRS 16*

##### a) Exemptions

Following agreements within the Company are not included within the scope of IFRS 16:

- lease for the exploration or use of natural resources,
- licences granted and recognised in accordance with IFRS 15 – “Revenue from Contracts with Customers”, and
- lease of intangible assets in accordance with IAS 38 - Intangible Assets.

The Company does not apply IFRS 16 to lease agreements or similar for intangible assets.

##### b) Simplifications and practical solutions

###### *Short-term lease*

The Company applies a practical solution for asset classes in relation to short-term lease contracts, which are characterised by a maximum possible contract term of up to 12 months, including any options to extend.

Simplifications regarding these contracts involve the settlement of lease payments as costs:

- on a straight-line basis, for the duration of the lease agreement, or
- another systematic method, if it better reflects the way of spreading the benefits gained by the user in time.

###### *Leases of low-value assets*

The Company does not apply the rules concerning recognition, measurement and presentation outlined in IFRS 16 to lease agreements of low-value assets.

As low-value assets are considered assets which, when are new, have the value up to CZK 100 thousand for each concluded lease agreement.

Simplifications in respect of such contracts are due to the settlement of costs on:

- a straight-line basis for the term of the lease contract; or
- another systematic method basis should it be more representative of the time pattern of the user's benefit.

An asset covered by a lease must not be counted as a low-value asset if the asset would typically not be of low value when new. As low-value items, the Company includes for example: gas cylinders, coffee machines, and small items of furniture.

The underlying asset may have a low-value only if:

- a) the Company lessee may benefit from use of the underlying asset itself or in conjunction with other resources which are readily available to him, and
- b) the underlying asset is not highly dependent on or related to other assets.

### 27.3.30 Lease (continued)

If the Company lessee transfers asset into subleasing or expects the asset to be transferred to subleasing, then the main lease does not qualify as lease of a low-value asset.

Determining the lease term: indefinite contracts

When establishing the term for indefinite leases contracts, the Company determines the lease period, in which termination of the contract will not be justified by making makes a professional judgment and taking into account, among others:

- expenditure incurred in connection with the contract or
- potential costs connected with the termination of the lease contract, including the costs involved in obtaining a new lease contracts, such as negotiation costs; reallocation costs, costs of identifying other underlying asset suitable for the lessee's needs; costs of integrating a new asset into the Company's operations; or termination penalties and similar costs, including costs associated with returning the underlying asset in a contractually specified condition or to a contractually specified location or
- existing business plans and other existing contracts justifying the use of the leased item in the given period.

In cases where the costs connected with the termination of the lease contract are substantial, the lease term adopted is equal to that adopted for the depreciation period of a similar fixed asset with parameters similar to the subject of the lease.

In cases where expenditure incurred in connection with the contract is substantial, the lease term adopted is equal to that of the expected period of economic benefits derived from the incurred expenses.

The value of the incurred expenses represents a separate asset to the right of use asset.

Separating non-lease components

From contracts, that include lease and non-lease components, the Company separates and recognises non-lease components separately for all asset classes e.g. service of assets constituting the subject of the contract and allocates consideration based on the terms of the contract, unless all non-lease items are considered immaterial in the context of the whole contract.

#### *Professional judgement*

Determining the lease term

In determining the lease term, the Company considers in all important facts and events resulting in existence of the economic incentives to make use of the option to extend the lease or not to exercise the option of its termination.

The Company also makes a professional judgment to determine the period of contract enforceability (lease term in which termination of the contract will not be justified) in the case of contracts concluded for an indefinite period.

An assessment of a lease term is carried out on the date of commencement of the lease. A reassessment is made upon the occurrence of either a significant event or a significant change in circumstances, that the lessee controls, that impact such an assessment.

#### *Estimations*

The useful life of right of use asset

The estimated useful life of right of use asset is determined in the same manner as for property, plant and equipment.

Determining the lessee's incremental borrowing rate

Due to the fact that the Company does not have information regarding the interest rate for lease contracts, it uses the incremental borrowing rate to measure lease liabilities, that the Company would have to pay, to borrow, over a similar term and with a similar security, the funds in a given currency necessary to obtain an asset of a similar value to the right of use asset in a similar economic environment.

### **The Company as a Lessor**

When the Company is the lessor, the lease shall be classified as finance or operating lease at inception date of the lease.

In order to classify a lease as described above, the Company assesses whether all risks and rewards associated with ownership of the underlying assets are transferred substantially to the lessee. In case of the substantial transfer of all risks and rewards, the leasing is classified as a finance lease. If the substantial transfer of risks and rewards does not take place it is classified as an operations lease.

Determination of whether the risks and rewards are to be transferred is carried out based on an assessment of the content of the economic transaction.

When assessing the classification of leases the Company considers some situations, such as whether ownership of the asset is to be transferred to the lessee before the end of the lease term as well as the relationship between the lease terms and the useful life of the asset in questions, even in cases where the legal title of the asset is not to be transferred.

If a contract contains both lease and non-lease components, the Company shall allocate the consideration in the contract to each lease component in accordance with IFRS 15.

On the date of commencement of the lease the lessor recognizes any assets leased as part of a financial lease in its statement of financial position and includes them as receivables equal to the value of the net investment in the lease.

### 27.3.30 Lease (continued)

On the date of commencement of the lease, lease payments included in the measurement of the net investment in the lease comprise of the following payments for the right of use of the underlying assets, which have not yet been received on the date of commencement.

- a) fixed lease payments, including of in-substance fixed lease payments, minus any lease incentives;
- b) variable lease payments, that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- c) all guaranteed residual values awarded to the lessor by the lessee, an entity connected to the lessee or an independent third party;
- d) the exercise price, of a purchase option if the lessee is reasonably certain to exercise that option;
- e) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

If the Company conveyed to another entity the right to use an asset under the finance lease, the present value of the minimum lease payments and unguaranteed residual value is recognised in the statement of financial position as receivables with the division into short and long-term part. The minimum lease payments and unguaranteed residual value are discounted using interest rate implicit in the lease, i.e. rate at which the sum present value of the minimum lease payments, unguaranteed residual value and initial direct costs of conclusion of a contract equal the fair value of the leased asset.

- a) lease payments and
- b) any unguaranteed residual value is equal to the sum of:
  - (i) the fair value of the leased asset and
  - (ii) any initial direct costs of the lessor.

Assets leased by the Company to other entities for use on the basis of an operational lease are accounted for as Company's assets. Lease payments from operations leases are recognised by the lessor linearly as revenue from the sale of products and services.

The methods of calculating of impairment allowances for assets used under finance lease are similar to the ones applied for assets owned by the Company.

### Subleases

In respect of subleases, the Company operates as both a lessee and lessor in relation to the same underlying assets. Such contracts are classified as operational or finance leases using the same criteria applied by the lessor, however they are considered in relation to right of use as part of the main lease rather than in relation to the underlying assets. If the main lease is a short-term lease, the Company classifies the sublease as an operational lease.

### 27.3.31. Contingent assets and liabilities

The Company discloses at the end of reporting period information on contingent assets if the inflow of resources embodying economic benefits is probable. If it is practicable the Company estimates the financial impact of contingent assets valuing them according to the principles of valuation provisions.

At the end of reporting period the Company discloses information on contingent liabilities if:

- it has a possible obligation, which arose as a result of past events, the existence of which will be confirmed only when one or more uncertain future events occur that are not fully controlled by the Company, or
- it has a current obligation, which arose as a result of past events, but an outflow of funds have economic benefits in it, is not probable or the Company is not able to value liabilities reliably enough.

The Company does not disclose the contingent liability when the probability of outflow of funds included economic benefits is remote.

## **28. APPLICATION OF PROFESSIONAL JUDGEMENTS AND ASSUMPTIONS**

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

In the matters of considerable weight, the Company's management bases its estimates on opinions of independent experts. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of IFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in notes: 7. Tax expense, 8. Property, plant and equipment and 10. Intangibles assets in relation to impairment, 8. Impairment of property, plant and equipment and intangible assets, 12. Changes in impairment allowances of inventories to net realizable value, 21.4.4. Changes in impairment allowances of trade and other receivables, 21. Financial instruments and 29. Contingent assets and liabilities.

The accounting policies described above have been applied consistently to all periods presented in these financial statements.

## **29. CONTINGENT ASSETS AND LIABILITIES**

### **Purchase of shares of PARAMO, a.s.**

In January 2009 ORLEN Unipetrol a.s. effected a squeeze out of PARAMO, a.s. shares and became sole shareholder of PARAMO, a.s.

In accordance with the resolutions of the Extraordinary General Meeting of PARAMO, a.s. of 6 January 2009, all other shares in PARAMO, a.s. were transferred to the Company and the Company provided to the other shareholders of PARAMO, a.s. monetary consideration of CZK 977 per share of PARAMO, a.s.

In connection with the squeeze-out, certain minority shareholders of PARAMO, a.s. filed a petition with the Regional Court in Hradec Králové for a review of the adequacy of compensation within the meaning of the Czech Commercial Code. The case is now pending at the Regional Court in Hradec Králové.

On 23 June 2015 the court decided to appoint another expert witness - Expert Group s.r.o. having its registered seat at Radniční 133/1, České Budějovice - to provide a valuation of the PARAMO, a.s. shares.

The Expert Group s.r.o. valuation report regarding of PARAMO, a.s. shares received by ORLEN Unipetrol a.s. on 1 December 2016 provides for PARAMO, a.s. share value as at:

- a) 6 January 2009 – CZK 1 853/share;
- b) 4 March 2009 – CZK 1 691.53/share.

ORLEN Unipetrol a.s. submitted two independent expert reports to the court – one expert report reviewed conclusions made by the Expert Group s.r.o. report and the other expert report provided valuation of PARAMO, a.s. and comments on methodology applied by Expert Group s.r.o. and reliability of their conclusions. The court expert determined value of PARAMO, a.s. share at CZK 909/share as at 6 January 2009 and CZK 905/share as at 4 March 2009.

On 8 August 2019 the court ruled to dismiss the petition of the minority shareholders in full. During October 2019, all claimants filed an appeal against the first instance court filing.

On 3 August 2021, the High Court in Prague (in its position of appellate court) resolved to annul the decision of the Regional Court in Hradec Králové and returned the case to the Regional Court in Hradec Králové.

On 12 January 2022, the Regional Court in Hradec Králové again resolved to dismiss the petition of the minority shareholders in full. The minority shareholders filed an appeal against the decision of the Regional Court in Hradec Králové.

### 30. THE PARENT COMPANY AND STRUCTURE OF THE CONSOLIDATED GROUP

#### 30.1. Group structure

The following table shows subsidiaries and joint operations forming the consolidated group of ORLEN Unipetrol a.s., and the parent company's interest in the capital of subsidiaries and joint operations held either directly by the parent company or indirectly by the consolidated subsidiaries and allocation of subsidiaries into the Operating segments (as of 31 December 2022).

Name and place of business	Ownership interest of the parent company in share capital	Ownership interest in share capital through subsidiaries	Operating segment	Website
<b>Parent company</b>				
ORLEN Unipetrol a.s. Milevská 2095/5, 140 00 Praha 4, Czech Republic			Corporate Functions	www.unipetrol.cz
<b>Subsidiaries consolidated in full method</b>				
HC VERVA Litvínov, a.s. S.K. Neumannova 1598, Litvínov Czech Republic	--	70.95%	Corporate Functions	www.hokej-litvinov.cz
Nadace ORLEN Unipetrol Milevská 2095/5, 140 00 Praha 4, Czech Republic	--	100.00%	Corporate Functions	www.nadaceunipetrol.cz
Normbenz Magyarország Kft. Benczúr utca 13. B. ép., 1068 Budapest, Hungary	--	100.00%	Retail	www.orlen.hu
PARAMO, a.s. Přerovská 560, Svítkov, 530 06 Pardubice, Czech Republic	100.00%	--	Refining	www.paramo.cz
PETROTRANS, s.r.o. Střelnická 2221, 182 00 Praha 8, Czech Republic	0.63%	99.37%	Refining	www.petrotrans.cz
SPOLANA s.r.o. ul. Práce 657, 277 11 Neratovice, Czech Republic	--	100.00%	Petrochemical	www.spolana.cz
ORLEN Unipetrol Deutschland GmbH Paul Ehrlich Str. 1/B, 63225 Langen/Hessen, Germany	0.10%	99.90%	Petrochemical	www.unipetrol.de
ORLEN Unipetrol Doprava s.r.o. Litvínov - Růžodol č.p. 4, 436 70 Litvínov, Czech Republic	0.12%	99.88%	Refining	www.unipetrol-doprava.cz
ORLEN Unipetrol RPA s.r.o. Litvínov - Záluží 1, 436 70 Litvínov, Czech Republic	100.00%	--	Refining Petrochemical Energy Corporate Functions Retail	www.unipetrolrpa.cz
ORLEN Unipetrol Hungary Kft. 2040 Budaörs, Puskás Tivadar utca 12, Hungary	--	100.00%	Refining	www.unipetrol.hu
ORLEN Unipetrol Slovakia s.r.o. Kalinčiaková 14083/33A, 831 04 Bratislava, Slovak Republic	13.04%	86.96%	Refining Retail	www.unipetrol.sk
ORLEN Unicre a.s. Revoluční 84/č.p. 1521, Ústí nad Labem, Czech Republic	100.00%	--	Corporate functions	www.vuanch.cz

The Group has a 70.95% interest in HC VERVA LITVÍNŮV, a.s., the remaining non-controlling interest in this company is owned by municipality of Litvínov.

#### 31. THE STATEMENT OF THE COMPANY'S SHAREHOLDER

ORLEN Unipetrol a.s. as the sole shareholder of the Company confirmed its continuing interest in successful operation of the Company and declared that it will, within the limits allowed under applicable laws, use its influence on the Company's management and exercise its rights as a sole shareholder of the Company in such a way that the Company would meet its obligations towards third parties covering at least the period of 12 months from the date of the Company's 2022 statutory financial statements.

ORLEN Unipetrol a.s. is ready to continue to provide loan financing to the Company at least for the period of 12 months from the date of the Company's 2022 statutory financial statements issuance.  
Based on the above facts, the financial statements have been prepared on a going concern basis.

## 32. EVENTS AFTER THE REPORTING DATE

### Impact of the Russian invasion of Ukraine

#### Basis for the preparation of financial statements

As part of the assessment of the Company's ability to continue as a going concern, management analysed the risks associated with the Russian invasion of Ukraine to the activities of its companies. The ongoing military operation in Ukraine and the related sanctions targeted against the Russian Federation may have impact on the European economies and globally. The Company does not have any significant direct exposure to Ukraine, Russia or Belarus. The Company performed a detailed analysis of sales realized on the Ukrainian and Russian markets. Due to low sales volumes in this territory, the Company did not identify any indicators to adjust the assumptions made to estimate the expected credit loss.

However, the impact on the general economical situation may require revisions of certain assumptions and estimates. This may lead to material adjustments to the carrying value of certain assets and liabilities including long term assets within the next financial year. At this stage management is not able to reliably estimate the impact as events are unfolding day-by-day.

The longer-term impact may also affect trading volumes, cash flows, costs and pricing of the sold production with related impact on profitability. Nevertheless, at the date of these financial statements the Company continues to meet its obligations as they fall due and therefore continues to apply the going concern basis of preparation.

The Group has taken number of measures in connection with the situation in Ukraine, in particular developing emergency action plans to ensure the continuity of critical infrastructure operations, ensure the realization of revenues and provide key services provided by the Group. During 2022, there were no major interruptions in any of the Group's areas of activity, nor were there any threats in the supply chain, both in the area of purchasing raw materials and goods and in the area of internal logistics.

The Company's management is not aware of any other events that have occurred since the balance sheet date that would have any material impact on the financial statements as at 31 December 2022.

## 33. STATEMENTS OF THE MANAGEMENT BOARD AND APPROVAL OF THE FINANCIAL STATEMENTS

The Management Board of PARAMO, a.s. hereby declares that to the best of their knowledge the foregoing separate financial statements and comparative data were prepared in compliance with the accounting principles applicable to the Company in force (disclosed in note 27) and that they reflect true and fair view on financial position and financial result, including basic risks and exposures.

The separate financial statements were authorized for issue by the Company's statutory representatives on **8 March** 2023.

Signature of statutory bodies:

**Jacek  
Świtala**

Elektronicznie  
podpisany przez  
Jacek Świtala  
Data: 2023.03.15  
21:36:06 +01'00'

Jacek Świtala

Chairman of the Board of Directors

**Adam  
Sadłowski**

Digitálně podepsal  
Adam Sadłowski  
Datum: 2023.03.14  
16:36:59 +01'00'

Adam Sadłowski

Vice-chairman of the Board of Directors

**REPORT ON RELATIONS BETWEEN THE CONTROLLING PERSON  
AND THE CONTROLLED PERSON**

**AND**

**BETWEEN THE CONTROLLED PERSON AND OTHER PERSONS  
CONTROLLED BY THE SAME CONTROLLING PERSON**

**in 2022**

**in accordance with article 82 of the Act No. 90/2012 Coll., on Business Companies and Cooperatives  
(on Business Corporations), as amended (hereinafter the „Act on Business Corporations“)**



Financial period from 1 January 2022 to 31 December 2022 is the vesting period for this Report on relations between the controlling person and the controlled person and between the controlled person and other persons controlled by the same controlling person (hereinafter the „Report on Relations“).

#### The structure of relations between the entities

##### **Controlled Person**

PARAMO, a.s. with registered office at Přerovská 560, Svítkov, 530 06 Pardubice, Corporate ID: 48173355, entered in the Commercial Register maintained by the Regional Court in Hradec Králové, Section B, Enclosure 992 (hereinafter „PARAMO, a.s.“).

##### **Controlling Persons**

ORLEN Unipetrol a.s. with registered office at Milevská 2095/5, 140 00 Praha 4, Corporate ID: 61672190, entered in the Commercial Register maintained by the Municipal Court in Prague, Section B, Enclosure 3020 (hereinafter „ORLEN Unipetrol a.s.“).

Polski Koncern Naftowy Spółka Akcyjna with registered office at Chemików 7, PŁOCK, Poland (hereinafter „Polski Koncern Naftowy Spółka Akcyjna“) is the sole shareholder of ORLEN Unipetrol a.s.

##### **Other Controlled Persons**

The entities controlled by the Controlling Person – Polski Koncern Naftowy Spółka Akcyjna are members of business group „PKN ORLEN S.A.“, whose scheme is shown in Appendix No. 2.

The entities controlled by ORLEN Unipetrol a.s. are members of PKN ORLEN S.A. business group and are also members of „ORLEN Unipetrol“ business group, whose scheme is shown in Appendix No. 1.

#### The role of the Controlled Person

The role of PARAMO, a.s. within the business group is sale of products from crude oil, the production, processing and sale of chemicals and the production and final processing of oils and asphalts.

#### The method and means of controlling

ORLEN Unipetrol a.s. is the sole shareholder of PARAMO, and has direct influence in PARAMO, a.s.

Polski Koncern Naftowy Spółka Akcyjna is the sole shareholder of ORLEN Unipetrol a.s. and has indirect influence in PARAMO, a.s. through UNIPETROL a.s.

#### The list of actions undertaken in the last financial period made on instigation or in the interest of the Controlling Person or entities controlled by such entity, on condition such actions concern assets exceeding 10% of the controlled entity's equity capital identified in the last financial statements

In the vesting period there were actions carried out in accordance with article 82 (2d) of the Act on Business Corporations. The list of mutual agreements with the details is enclosed in Appendix No. 3., the list of transactions and balances of the Company with related parties is presented in the note 25 of the Separate financial statements of PARAMO, a.s. for the year 2022.

#### The list of mutual agreements between the Controlled Person and the Controlling Person or between the Controlled Persons

The mutual agreements between PARAMO, a.s. and ORLEN Unipetrol a.s. and Polski Koncern Naftowy Spółka Akcyjna and Other Controlled Persons were concluded on the standard terms, while agreed and provided performances or counter-performances were based on the standard terms of business relations.

The list of mutual agreements with the details is enclosed in Appendix No. 3.



### The conclusion

The statutory representatives of PARAMO, a.s. based on available information declare that PARAMO, a.s. incurred no detriment, special advantage or disadvantage in accordance with the article 82 (4) of the Act of Business Corporations as a result of any contracts, acts or measures taken between entities in business group. No risks arise from the relations between entities in business group to PARAMO, a.s. except those arising from standard participation in international business group.

The statutory representatives prepared the Report on Relations based on information available on the date of the Report on Relations.

The Report on Relations is to be read in conjunction with the Appendix No. 1, 2 and 3.

Pardubice, 6 March 2023

On behalf of statutory representatives of PARAMO, a.s.

<p>Signature of statutory bodies:</p> <p><b>Jacek Świtala</b></p> <p><small>Elektronicznie podpisany przez Jacek Świtala Data: 2023.03.15 21:39:19 +01'00'</small></p> <p>Jacek Świtala</p> <p>Chairman of the Board of Directors</p>	<p><b>Adam Sadłowski</b></p> <p><small>Digitálně podepsal Adam Sadłowski Datum: 2023.03.14 16:39:45 +01'00'</small></p> <p>Adam Sadłowski</p> <p>Vice-chairman of the Board of Directors</p>
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## Appendix No. 1

## CAPITAL GROUP OF ORLEN Unipetrol a.s. – CONTROLLED COMPANIES

1 January - 31 December 2022

Company controlled by ORLEN Unipetrol a.s.		Residence	Shares in directly and indirectly controlled company in %		Note
			as at 1.1.2022	as at 31.12.2022	
Companies with direct share of ORLEN Unipetrol a.s.					
Companies with indirect share of ORLEN Unipetrol a.s.					
1. ORLEN Unipetrol RPA s.r.o., IČ 275 97 075	Litvínov, Záluží 1, Czech Republic	100.00	100.00		
1.1 HC VERVA Litvínov, a.s., IČ 640 48 098	Litvínov , S.K. Neumanna 1598, Czech Republic	70.95	70.95		
1.2 ORLEN Unipetrol Doprava s.r.o., IČ 640 49 701	Litvínov, Růžodol 4, Czech Republic	99.88	99.88		0.12% of share owned by ORLEN Unipetrol a.s.
1.3 ORLEN Unipetrol Deutschland GmbH, IČ HRB 34346	Langen, Paul-Ehrlich-Strasse 1B, Germany	99.90	99.90		0.10% of share owned by ORLEN Unipetrol a.s.
1.4 ORLEN Unipetrol Slovakia s.r.o., IČ 357 77 087	Bratislava, Kalinčiaková 14083/33A, Slovakia	86.96	86.96		13.04% of share owned by ORLEN Unipetrol a.s.
1.5 ORLEN Unipetrol Hungary Kft., IČ 13-09-181774	2040 Budaörs, Puskás Tivadar utca 12, Hungary	100.00	100.00		
1.6 SPOLANA s.r.o., IČ 451 47 787	Neratovice, ul. Práce 657, Czech Republic	100.00	100.00		
1.7 Nadace ORLEN Unipetrol, IČ 056 61 544	Praha, Milevská 2095/5, Krč, Czech Republic	100.00	100.00		
1.8 PETROTRANS, s.r.o., IČ 251 23 041	Praha 8, Libeň, Střelnická 2221/50, Czech Republic	99.37	99.37		0.63% of share owned by ORLEN UNIPETROL a.s.
1.9 Normbenz Magyarország Kft. IČ 13-10-0595244	Benczúr u. 13, H-1068 Budapest, Hungary	0,00	100,00		100% share acquired on 1.12.2022
2. ORLEN UniCRE a.s., IČ 622 43 136	Ústí nad Labem, Revoluční 1521/ 84, Czech Republic	100.00	100.00		
3. PARAMO, a.s., IČ 481 73 355	Pardubice, Svítkov, Přerovská 560, Czech Republic	100.00	100.00		
4. Butadien Kralupy a.s., IČ 278 93 995	Kralupy nad Vltavou, O. Wichterleho 810, Czech Republic	51.00	51.00		49.00% of shares owned by SYNTHOS Kralupy a.s.
Other companies with share of ORLEN Unipetrol a.s.					
1. UNIVERSAL BANKA, a.s, IČ 482 64 865	Praha 1, Senovážné náměstí 1588/4, Czech Republic	16.45	16.45		12.24% of shares owned by ORLEN Unipetrol RPA s.r.o.
2. ORLEN HOLDING MALTA LIMITED, IČ C 39945	Level 3, Triq ir-Rampa ta' San Giljan, Balluta Bay, St Julians, STJ1062, Malta	0.50	0.50		99.50% of share owned by PKN ORLEN S.A.

**Appendix No. 2**  
**Capital Group of PKN ORLEN S.A. - Controlled Companies**  
**1 January 2022 - 31 December 2022**

	Company	Country	Address	Shares in directly and indirectly controlled company in % as at 1.1.2022	Shares in directly and indirectly controlled company in % as at 31.12.2022
1	AB ORLEN Lietuva	Lithuania	Juodeikiai	100,00%	100,00%
1.1	ORLEN Eesti OU	Estonia	Tallin	100,00%	100,00%
1.2	SIA ORLEN Latvija	Latvia	Riga	100,00%	100,00%
1.3	UAB Naftelf	Lithuania	Vilnius	0,00%	34,00%
1.5	UAB ORLEN Mockavos terminalas	Lithuania	Lazdijų r. sav	100,00%	100,00%
2	AB ORLEN Baltics Retail (previously AB Ventus Nafta)	Lithuania	Vilnius	100,00%	100,00%
3	ANWIL S.A.	Poland	Włocławek	100,00%	100,00%
4	Inowrocławskie Kopalnie Soli "SOLINO" S.A.	Poland	Inowrocław	100,00%	100,00%
5	Kopalnia Soli Lubień sp. z o.o.	Poland	Warszawa	100,00%	100,00%
6	ORLEN Administracja Sp. z o.o.	Poland	Płock	100,00%	100,00%
7	ORLEN Asfalt Sp. z o.o.	Poland	Płock	100,00%	100,00%
7.1	ORLEN Asfalt Česká republika s.r.o.	Czech Republic	Pardubice	100,00%	100,00%
8	ORLEN Aviation Sp. z o.o.	Poland	Warszawa	100,00%	100,00%
9	ORLEN Budonafit Sp. z o.o.	Poland	Limanowa	100,00%	100,00%
10	ORLEN Capital AB	Sweden	Stockholm	100,00%	100,00%
11	ORLEN Centrum Usług Korporacyjnych sp. z o.o.	Poland	Płock	100,00%	100,00%
11.1	Energa Centrum Usług Wspólnych Sp. z o.o.	Poland	Gdańsk	100,00%	100,00%
12	ORLEN Deutschland GmbH	Germany	Elmshorn	100,00%	100,00%
12.1	ORLEN Deutschland Betriebsgesellschaft mbH	Germany	Elmshorn	100,00%	100,00%
13	ORLEN EKO Sp. z o.o.	Poland	Płock	100,00%	100,00%
13.1	ORLEN EkoUtylizacja Sp. z o.o.	Poland	Płock	100,00%	100,00%
14	ORLEN Laboratorium S.A.	Poland	Płock	100,00%	100,00%
15	ORLEN Ochrona Sp. z o.o.	Poland	Płock	100,00%	100,00%
15.1	UAB ORLEN Apsauga	Lithuania	Juodeikiai	100,00%	100,00%
15.2	Energa Ochrona Sp. z o.o.	Poland	Gdańsk	100,00%	0,00%
16	ORLEN OIL Sp. z o.o.	Poland	Kraków	100,00%	100,00%
17	ORLEN Paliwa Sp. z o.o.	Poland	Wielka	100,00%	100,00%
18	ORLEN Południe S.A.	Poland	Trzebinia	100,00%	100,00%
18.1	Energomedia sp. z o.o.	Poland	Trzebinia	89,00%	100,00%
18.2	KONSORCJUM OLEJÓW PRZEPRACOWANYCH - ORGANIZACJA ODZYSKU OPAKOWAŃ I OLEJÓW S.A.	Poland	Jedlicze	0,00%	90,00%
18.3	Bioenergy Project sp. z o.o.	Poland	Warszawa	0,00%	100,00%
18.4	CHP Energia sp. z o.o.	Poland	Wojny Wawrzyńce	0,00%	100,00%
18.5	Bioutil sp. z o.o.	Poland	Buczek 10	0,00%	100,00%
19	ORLEN Projekt S.A.	Poland	Płock	100,00%	100,00%
20	ORLEN Serwis S.A.	Poland	Płock	100,00%	100,00%
20.1	ORLEN Service Česká republika s.r.o.	Czech Republic	Litvinov	100,00%	100,00%
20.2	UAB ORLEN Service Lietuva (previously UAB EMAS)	Lithuania	Juodeikiai	100,00%	100,00%
21	ORLEN Upstream Sp. z o.o.	Poland	Warszawa	100,00%	100,00%
21.1	ORLEN Upstream Canada Ltd.	Canada	Calgary	100,00%	100,00%
21.1.1	Pieridae Production GP Ltd.	Canada	Calgary	0,00%	51,17%
21.1.1.1	671519 N.B. Ltd. (New Brunswick)	Canada	Saint John	0,00%	51,17%
21.1.2	KCK Atlantic Holdings Ltd.	Canada	Calgary	100,00%	100,00%
21.1.2.1	Pieridae Production LP (Limited Partnership)	Canada	Calgary	0,00%	80,47%
22	ORLEN Usługi finansowe sp. z o.o.	Poland	Warszawa	100,00%	100,00%
23	ORLEN Unipetrol a.s.	Czech Republic	Prague	100,00%	100,00%
24	ORLEN KołTrans S.A.	Poland	Płock	100,00%	100,00%
25	ORLEN Neptun I sp. z o.o. (previously ORLEN Wind I Sp. z o.o.)	Poland	Warszawa	100,00%	100,00%
25.1	ORLEN Neptun II sp. z o.o. (previously ORLEN Wind 2 Sp. z o.o.)	Poland	Warszawa	100,00%	100,00%
25.2	ORLEN Neptun III sp. z o.o.	Poland	Warszawa	100,00%	100,00%
25.3	ORLEN Neptun IV sp. z o.o.	Poland	Warszawa	100,00%	100,00%
25.4	ORLEN Neptun V sp. z o.o.	Poland	Warszawa	100,00%	100,00%
25.5	ORLEN Neptun VI sp. z o.o.	Poland	Warszawa	100,00%	100,00%
25.6	ORLEN Neptun VII sp. z o.o.	Poland	Warszawa	100,00%	100,00%
25.7	ORLEN Neptun VIII sp. z o.o.	Poland	Warszawa	100,00%	100,00%
25.8	ORLEN Neptun IX sp. z o.o.	Poland	Warszawa	100,00%	100,00%
25.9	ORLEN Neptun X sp. z o.o.	Poland	Warszawa	100,00%	100,00%
25.10	ORLEN Neptun XI sp. z o.o.	Poland	Warszawa	100,00%	100,00%
26	ORLEN Energia sp. z o.o.	Poland	Warszawa	100,00%	100,00%
27	ORLEN Wind 3 Sp. z o.o.	Poland	Warszawa	100,00%	100,00%
27.1	Livingstone sp. z o.o.	Poland	Warszawa	100,00%	100,00%
27.2	Nowotna Farma Wiatrowa sp. z o.o.	Poland	Gdańsk	100,00%	100,00%
28	ORLEN Olefiny sp. z o.o.	Poland	Płock	100,00%	100,00%
29	ORLEN VC sp. z o.o.	Poland	Warszawa	100,00%	100,00%
30	ORLEN International Trading (Suzhou) Co., Ltd.	China	Suzhou	100,00%	100,00%
31	ORLEN Centrum Serwisowe Sp. z o.o.	Poland	Opole	100,00%	100,00%
32	ORLEN Transport Sp. z o.o.	Poland	Płock	100,00%	100,00%
33	Polska Press Sp. z o.o.	Poland	Warszawa	100,00%	100,00%
33.1	PL24 Sp. z o.o.	Poland	Warszawa	0,00%	100,00%
33.2	Pro Media Sp. z o.o.	Poland	Opole	53,00%	53,00%
33.3	Kościarska Oficyna Wydawnicza Sp. z o.o.	Poland	Kościan	0,00%	50,00%
33.4	Południowa Oficyna Wydawnicza Sp. z o.o.	Poland	Jarocin	0,00%	40,11%
33.5	Wągrowiecka Oficyna Wydawnicza Sp. z o.o.	Poland	Wągrowiec	0,00%	39,00%
34	ORLEN Trading Switzerland GmbH	Switzerland	Baar, Zug	0,00%	100,00%
35	Orlen Holding Malta Limited	Malta	St. Julians	100,00%	100,00%
35.1	Orlen Insurance Ltd	Malta	St. Julians	100,00%	100,00%
36	LOTOS Lab Sp. z o.o.	Poland	Gdańsk	0,00%	100,00%
37	LOTOS Ochrona Sp. z o.o.	Poland	Gdańsk	0,00%	100,00%
38	LOTOS Straż Sp. z o.o.	Poland	Gdańsk	0,00%	100,00%
39	LOTOS Gaz S.A. w likwidacji	Poland	Kraków	0,00%	100,00%

	Company	Country	Adress	Shares in directly and undirectly controlled company in % as at 1.1.2022	Shares in directly and undirectly controlled company in % as at 31.12.2022
40	LOTOS Kolej Sp. z o.o.	Poland	Gdańsk	0,00%	100,00%
41	LOTOS Oil Sp. z o.o.	Poland	Gdańsk	0,00%	100,00%
42	Rafineria Gdańska Sp. z o.o.	Poland	Gdańsk	0,00%	70,00%
43	LOTOS Serwis Sp. z o.o.	Poland	Gdańsk	0,00%	100,00%
44	LOTOS Petrobaltic S.A.	Poland	Gdańsk	0,00%	99,99%
44.1	Energobaltic Sp. z o.o.	Poland	Władysławowo	0,00%	99,99%
44.2	B8 Sp. z o.o.	Poland	Gdańsk	0,00%	99,99%
44.3	B8 Sp. z o.o. BALTIC S.K.A.	Poland	Gdańsk	0,00%	99,99%
44.4	Milana Shipholding Company Ltd	Cyprus	Nikozja	0,00%	99,99%
44.4.1	Milana Shipmanagement Ltd	Cyprus	Nikozja	0,00%	99,99%
44.4.2	Kambr Navigation Company Ltd	Cyprus	Nikozja	0,00%	99,99%
44.4.3	Petro Aphrodite Company Ltd	Cyprus	Nikozja	0,00%	99,99%
44.4.4	Petro Icarus Company Ltd	Cyprus	Nikozja	0,00%	99,99%
44.4.5	St. Barbara Navigation Company Ltd	Cyprus	Nikozja	0,00%	99,99%
44.4.6	Granit Navigation Company Ltd	Cyprus	Nikozja	0,00%	99,99%
44.4.7	Bazalt Navigation Company Ltd	Cyprus	Nikozja	0,00%	99,99%
44.4.8	Technical Ship Management Sp. z o.o.	Poland	Gdańsk	0,00%	99,99%
44.4.8.1	SPV Baltic Sp. z o.o.	Poland	Gdańsk	0,00%	99,99%
44.4.8.2	SPV Petro Sp. z o.o.	Poland	Gdańsk	0,00%	99,99%
45	LOTOS Upstream sp. z o.o.	Poland	Gdańsk	0,00%	100,00%
45.1	LOTOS Exploration and Production Norge AS	Norway	Stavanger	0,00%	100,00%
45.2	AB LOTOS Geonafta	Lithuania	Gargždai	0,00%	100,00%
45.2.1	UAB "Manifoldas"	Lithuania	Gargždai (Gorždy)	0,00%	100,00%
45.2.2	UAB "Gencių nafta"	Lithuania	Gargždai (Gorždy)	0,00%	100,00%
45.2.3	UAB "MINIJOS NAFTA"	Lithuania	Gargždai (Gorždy)	0,00%	50,00%
45.3	Baltic Gas Sp. z o.o.	Poland	Gdańsk	0,00%	50,00%
46	LOTOS Green H2 Sp. z o.o.	Poland	Gdańsk	0,00%	100,00%
47	LOTOS SPV 3 Sp. z o.o.	Poland	Gdańsk	0,00%	100,00%
48	LOTOS SPV 4 Sp. z o.o.	Poland	Gdańsk	0,00%	100,00%
49	LOTOS SPV 5 Sp. z o.o.	Poland	Gdańsk	0,00%	100,00%
50	LOTOS SPV 6 Sp. z o.o.	Poland	Gdańsk	0,00%	100,00%
51	LOTOS Terminale S.A.	Poland	Czechowice-Dziedzice	0,00%	100,00%
51.1	LOTOS Infrastruktura S.A.	Poland	Jasło	0,00%	100,00%
51.1.1	RCEkoenergia Sp. z o.o.	Poland	Czechowice-Dziedzice	0,00%	100,00%
51.2	Uni - Bitumen Sp. z o.o. (previously LOTOS SPV 2 Sp. z o.o.)	Poland	Gdańsk	0,00%	100,00%
52	Exalo Drilling S.A.	Poland	Pila	0,00%	100,00%
52.1	Oil Tech International F.Z.E.	UAE	Ajman	0,00%	100,00%
52.2	Zakład Gospodarki Mieszkaniowej Sp. z o.o.	Poland	Pila	0,00%	100,00%
52.3	EXALO DRILLING UKRAINE LLC	Ukraine	Kijów	0,00%	100,00%
52.4	Exalo Diament Sp. z o.o.	Poland	Zielona Góra	0,00%	100,00%
53	Gas Storage Poland Sp. z o.o.	Poland	Dębogórze	0,00%	100,00%
53.1	Ośrodek Badawczo-Rozwojowy Górnictwa Surowców Chemicznych CHEMKOP Sp. z o.o.	Poland	Kraków	0,00%	92,82%
54	GEOFIZYKA Kraków S.A. w likwidacji w upadłości likwidacyjnej	Poland	Kraków	0,00%	100,00%
55	GEOFIZYKA Toruń S.A.	Poland	Toruń	0,00%	100,00%
56	PGNiG Obrót Detaliczny Sp. z o.o.	Poland	Warszawa	0,00%	100,00%
57	PGNiG Serwis sp. z o.o.	Poland	Lublin	0,00%	100,00%
57.1	Polskie Centrum Brokerskie sp. z o.o.	Poland	Warszawa	0,00%	100,00%
58	PGNiG SPV 10 Sp. z o.o.	Poland	Warszawa	0,00%	100,00%
59	PGNiG SPV 6 Sp. z o.o.	Poland	Warszawa	0,00%	100,00%
59.1	GAS-TRADING S.A.	Poland	Warszawa	0,00%	79,58%
60	PGNiG SPV 7 Sp. z o.o.	Poland	Warszawa	0,00%	100,00%
61	PGNiG Upstream Polska Sp. z o.o. (previously PGNiG SPV 8 Sp. z o.o.)	Poland	Warszawa	0,00%	100,00%
62	PGNiG SPV 9 Sp. z o.o.	Poland	Warszawa	0,00%	100,00%
63	PGNiG Supply & Trading GmbH	Germany	Monachium	0,00%	100,00%
63.1	PST Europe Sales GmbH in liquidation	Germany	Monachium	0,00%	100,00%
63.1.1	XOOL GmbH in liquidation	Germany	Monachium	0,00%	100,00%
63.2	PGNiG Supply & Trading Polska Sp. z o.o.	Poland	Warszawa	0,00%	100,00%
63.3	PST LNG SHIPPING LIMITED	England	London	0,00%	100,00%
63.4	PST LNG TRADING LIMITED	England	London	0,00%	100,00%
64	PGNiG Technologie S.A.	Poland	Krosno	0,00%	100,00%
64.2	Gazobudowa Kraków Sp. z o.o. w upadłości likwidacyjnej	Poland	Kraków	0,00%	47,17%
65	PGNiG TERMIKA SA	Poland	Warszawa	0,00%	100,00%
65.1	PGNiG TERMIKA Energetyka Rozproszona sp. z o.o.	Poland	Wrocław	0,00%	100,00%
65.2	PGNiG TERMIKA Energetyka Przemysłowa S.A.	Poland	Jastrzębie-Zdrój	0,00%	100,00%
65.2.1	PGNiG TERMIKA Energetyka Przemysłowa - Technika Sp. z o.o.	Poland	Jastrzębie-Zdrój	0,00%	100,00%
65.3	PGNiG TERMIKA Energetyka Przemysł Sp. z o.o.	Poland	Warszawa	0,00%	100,00%
65.4	Zakład Separacji Popiołów Siekierki sp. z o.o.	Poland	Warszawa	0,00%	70,00%
65.5	Elektrociepłownia Stalowa Wola S.A.	Poland	Stalowa Wola	0,00%	50,00%
66	PGNiG Upstream North Africa B.V.	Netherland	Amsterdam	0,00%	100,00%
67	PGNiG Upstream Norway AS	Norway	Stavanger	0,00%	100,00%
68	PGNiG Ventures sp. z o.o.	Poland	Warszawa	0,00%	100,00%
69	Polska Spółka Gazownictwa Sp. z o.o.	Poland	Tarnów	0,00%	100,00%
69.1	Gaz Sp. z o.o.	Poland	Blonie	0,00%	100,00%
69.2	PSG Inwestycje Sp. z o.o.	Poland	Warszawa	0,00%	100,00%
70	Polski Gaz Towarzystwo Ubezpieczeń Wzajemnych	Poland	Warszawa	0,00%	100,00%
70.1	Polski Gaz Towarzystwo Ubezpieczeń Wzajemnych na Życie	Poland	Warszawa	0,00%	100,00%
71	PGNiG GAZOPROJEKT S.A.	Poland	Wrocław	0,00%	95,17%
72	LLC "Karpatgazvydobuvannya"	Ukraine	Kyiv	0,00%	85,00%
73	GAS-TRADING S.A.	Poland	Warszawa	0,00%	79,58%
73.1	Gas-Trading Podkarpacie Sp. z o.o.	Poland	Dębica	0,00%	78,82%

	Company	Country	Address	Shares in directly and indirectly controlled company in % as at 1.1.2022	Shares in directly and indirectly controlled company in % as at 31.12.2022
74	ENERGA S.A.	Poland	Gdańsk	90,92%	90,92%
74.1	Energa Informatyka i Technologie Sp. z o.o.	Poland	Gdańsk	90,92%	90,92%
74.2	Energa Invest Sp. z o.o.	Poland	Gdańsk	90,92%	90,92%
74.3	Energa Logistyka Sp. z o.o.	Poland	Płock	90,92%	90,92%
74.4	Centrum Badawczo-Rozwojowe im. M. Faradaya Sp. z o.o.	Poland	Gdańsk	90,92%	90,92%
74.5	Energa Finance AB	Sweden	Stockholm	90,92%	90,92%
74.6	ENERGA-OBROT S.A.	Poland	Gdańsk	90,92%	90,92%
74.6.1	ENERGA SLOVAKIA s.r.o.	Slovakia	Bratislava	90,92%	90,92%
74.7	Enspirion Sp. z o.o.	Poland	Gdańsk	90,92%	90,92%
74.8	ENERGA Oświetlenie Sp. z o.o.	Poland	Sopot	90,92%	90,92%
74.9	ENERGA-OPERATOR SA	Poland	Gdańsk	90,92%	90,92%
74.9.1	ENERGA-OPERATOR Wykonawstwo Elektroenergetyczne Sp. z o.o.	Poland	Słupsk	90,92%	90,92%
74.10	Energa Wytwarzanie S.A.(previously Energa OZE S.A.)	Poland	Gdańsk	90,92%	90,92%
74.10.1	Energa Elektrownie Ostrołęka S.A.	Poland	Ostrołęka	81,50%	81,50%
74.10.1.1	ECARB Sp. z o.o.	Poland	Gdańsk	58,73%	81,50%
74.10.1.2	Energa Serwis Sp. z o.o.	Poland	Ostrołęka	52,31%	81,50%
74.10.2	ENERGA MFW 1 Sp. z o.o.	Poland	Gdańsk	90,92%	90,92%
74.10.3	ENERGA MFW 2 Sp. z o.o.	Poland	Gdańsk	90,92%	90,92%
74.10.4	Energa LBW 1 sp. z o.o.	Poland	Gdańsk	0,00%	90,92%
74.11	Energa Kogeneracja Sp. z o.o.	Poland	Elbląg	58,73%	90,92%
74.11.1	Energa Ciepło Kaliskie Sp. z o.o.	Poland	Kalisz	84,78%	82,96%
74.11.2	Energa Ciepło Ostrołęka Sp. z o.o.	Poland	Ostrołęka	0,00%	90,92%
74.12	CCGT Gdańsk Sp. z o.o.	Poland	Gdańsk	90,92%	90,92%
74.13	CCGT Grudziądz Sp. z o.o.	Poland	Grudziądz	90,92%	90,92%
74.14	CCGT Ostrołęka Sp. z o.o.	Poland	Ostrołęka	90,92%	95,46%
74.15	Energa Green Development Sp. z o.o.	Poland	Gdańsk	90,92%	90,92%
74.16	Elektrownia Ostrołęka Sp. z o.o.	Poland	Ostrołęka	45,46%	45,46%
75	Sigma BIS S.A.	Poland	Warszawa	66,00%	66,00%
76	RUCH S.A.	Poland	Warszawa	64,94%	65,00%
76.1	Ruch Detal S.A. w Likwidacji	Poland	Warszawa	0,00%	65,00%
76.2	Ruch Marketing Sp. z o.o.	Poland	Warszawa	64,94%	65,00%
76.3	Ruch Nieruchomości V Sp. z o.o.	Poland	Warszawa	64,94%	65,00%
76.4	Fincores Business Solutions Sp. z o. o.	Poland	Warszawa	64,94%	65,00%
77	Ship - Service S.A. w likwidacji	Poland	Warszawa	60,86%	60,86%
78	Baltic Power Sp. z o.o.	Poland	Warszawa	51,41%	51,34%
79	SOLGEN Sp. z o.o.	Poland	Kraków	0,00%	60,00%
79.1	PGES Polska Grupa Energetyki Słonecznej Sp. z o.o. w likwidacji	Poland	Złotniki	0,00%	15,00%
80	System Gazociągów Tranzycyjnych EUROPOL GAZ S.A.	Poland	Warszawa	0,00%	51,18%
81	Basell Orlen Polyolefins Sp. z o.o.	Poland	Płock	50,00%	50,00%
81.1	Basell ORLEN Polyolefins Sprzedaż Sp. z o.o.	Poland	Płock	50,00%	50,00%
82	Płocki Park Przemysłowo-Technologiczny S.A.	Poland	Płock	50,00%	50,00%
82.1	Centrum Edukacji Sp. z o.o.	Poland	Płock	34,72%	34,72%
83	Orlen Synthos Green Energy sp. z o.o.	Poland	Warszawa	0,00%	50,00%
84	PFK GASKON S.A.	Poland	Warszawa	0,00%	45,94%
84.1	ALFA-CENTER Sp. z o.o.	Poland	Warszawa	0,00%	45,94%
85	"GAZOMONTAŻ" S.A. w upadłości likwidacyjnej	Poland	Ząbki	0,00%	45,18%
86	Zakład Wytwórczy Urządzeń Gazowniczych "INTERGAZ" Sp. z o.o.	Poland	Tarnowskie Góry	0,00%	38,30%
87	"Dewon" PSA	Ukraine	Kyiv	0,00%	36,38%
87.1	INTERNAFTA INVEST Ltd.	Ukraine	Kyiv	0,00%	36,38%

**Annex No. 3****An overview of mutual contracts between the controlled entity and the controlling entity or between controlled entities**

DOK ID	Contract/amendment number	Subject of the document	Company	Valid from	Valid till	Contract conclusion date
214894619	96-2012 rev. 0 dod. 1	Addendum No. 1 - change of contact persons	ORLEN Asfalt Česká republika s.r.o.	2013-03-15	indefinite	not stated
214655390	0159 - 2021 rev. 0 dod. 0	Framework purchase and sale agreement for a fixed price	ORLEN Asfalt Česká republika s.r.o.	2021-12-01	indefinite	2021-11-30
214609666	0131 - 2014 rev. 0 dod. 0	SLA	ORLEN Asfalt Česká republika s.r.o.	2014-04-01	indefinite	2014-03-25
214630792	0143 - 2020 rev. 0 dod. 0	Framework purchase and sale agreement - for OACR	ORLEN Asfalt Česká republika s.r.o.	2020-12-01	indefinite	2021-11-30
214849877	0060 - 2020 rev. 0 dod. 0	Sale and purchase agreement for the supply of asphalt - OACR	ORLEN Asfalt Česká republika s.r.o.	2020-01-01	indefinite	2020-05-19
214849931	0060 - 2020 rev. 0 dod. 1	Addendum No. 1 - change in point 5.3	ORLEN Asfalt Česká republika s.r.o.	2020-01-01	indefinite	2020-05-29
214880790	0084 - 2019 rev. 0 dod. 0	Agreement on the processing of personal data	ORLEN Asfalt Česká republika s.r.o.	2019-06-04	indefinite	2019-06-19
214750755	0233 - 2016 rev. 0 dod. 0	Sale of OACR asphalt	ORLEN Asfalt Česká republika s.r.o.	2016-01-01	indefinite	2016-01-01
214751835	0234 - 2016 rev. 0 dod. 0	Sale of OACR asphalt	ORLEN Asfalt Česká republika s.r.o.	2016-01-01	indefinite	2016-01-01
214752642	0235 - 2016 rev. 0 dod. 0	Sale of OACR asphalt	ORLEN Asfalt Česká republika s.r.o.	2016-01-01	indefinite	2016-01-01
214890170	0009 - 2016 rev. 0 dod. 0	SALE AND PURCHASE AGREEMENT	ORLEN Asfalt Česká republika s.r.o.	2016-01-01	indefinite	2016-01-01
214890221	0009 - 2016 rev. 1 dod. 0	SALE AND PURCHASE AGREEMENT, amendment No.1	ORLEN Asfalt Česká republika s.r.o.	2016-01-01	indefinite	not stated
214894669	96-2012 rev. 0 dod. 2	Addendum No. 1 - change of contact persons	ORLEN Asfalt Česká republika s.r.o.	2013-03-15	indefinite	not stated
214781057	281-2011 rev. 0 dod. 3	Addendum No. 2/2014	ORLEN Asfalt Česká republika s.r.o.	2014-01-01	indefinite	not stated
214844546	0055 - 2019 rev. 0 dod. 0	Information protection	ORLEN Asfalt Sp. z o.o.	2019-04-01	2029-04-01	2019-02-19
214844600	0055 - 2019 rev. 0 dod. 2	Annex 1 to the OA/GD/8/2019 data confidentiality agreement	ORLEN Asfalt Sp. z o.o.	2021-04-16	indefinite	2021-06-07
214849369	60-2012 rev. 0 dod. 0	Rent of non-residential premises	ORLEN Ochrana Sp. z o.o.	2012-03-01	indefinite	not stated
214849517	60-2012 rev. 0 dod. 101	addendum No. 1 to the lease no. space	ORLEN Ochrana Sp. z o.o.	2012-07-01	indefinite	not stated
214849419	60-2012 rev. 0 dod. 1	Non-residential space for rent	ORLEN Ochrana Sp. z o.o.	2012-12-01	indefinite	not stated
214849468	60-2012 rev. 0 dod. 2	Rent of non-residential premises	ORLEN Ochrana Sp. z o.o.	2013-04-01	indefinite	not stated
214542134	0111 - 2019 rev. 0 dod. 0	Definition of mutual rights and obligations in the processing of personal data	ORLEN Ochrana Sp. z o.o.	2019-07-30	indefinite	2019-10-24
214540328	0110 - 2019 rev. 0 dod. 0	Definition of mutual rights and obligations in the processing of personal data	ORLEN Ochrana Sp. z o.o.	2019-07-30	indefinite	2019-10-24
214539170	0109 - 2019 rev. 0 dod. 0	Definition of mutual rights and obligations of the parties in the processing of personal data	ORLEN Ochrana Sp. z o.o.	2019-07-30	indefinite	2019-10-26
214711600	0192 - 2014 rev. 0 dod. 0	Addendum No. 3 to the contract on the conditions for the provision of cleaning services dated 4/23/2012	ORLEN Ochrana Sp. z o.o.	2014-08-01	indefinite	2014-08-01
214878793	83-2012 rev. 0 dod. 0	Ensuring property security in HS Kolín	ORLEN Ochrana Sp. z o.o.	2012-03-01	indefinite	not stated
214878842	0083 - 2012 rev. 0 dod. 1	Performance of a specialized internship service (change in scope of services)	ORLEN Ochrana Sp. z o.o.	2014-06-01	indefinite	2014-05-30
214878895	0083 - 2012 rev. 0 dod. 2	Provision of physical security services	ORLEN Ochrana Sp. z o.o.	2015-02-01	indefinite	2015-01-19
214878945	0083 - 2012 rev. 0 dod. 3	Provision of physical security services in HS Kolín	ORLEN Ochrana Sp. z o.o.	2012-03-01	indefinite	2016-03-16
214878995	0083 - 2012 rev. 0 dod. 4	Provision of physical security services	ORLEN Ochrana Sp. z o.o.	2012-03-01	indefinite	2016-10-10
214879047	0083 - 2012 rev. 0 dod. 5	Provision of physical security at HS Kolín	ORLEN Ochrana Sp. z o.o.	2012-03-01	indefinite	2017-02-08
214879100	0083 - 2012 rev. 0 dod. 6	Ensuring security at HS Kolín.	ORLEN Ochrana Sp. z o.o.	2018-01-01	indefinite	2018-02-08
214879156	0083 - 2012 rev. 0 dod. 7	Provision of physical security services	ORLEN Ochrana Sp. z o.o.	2019-01-01	indefinite	2019-02-28
214879215	0083 - 2012 rev. 0 dod. 8	New "Appendix No. 1" Instructions for the performance of PARAMO Kolín security.	ORLEN Ochrana Sp. z o.o.	2019-10-15	indefinite	2019-12-05
214879269	0083 - 2012 rev. 0 dod. 9	Provision of physical security services at HS Kolín.	ORLEN Ochrana Sp. z o.o.	2020-01-01	indefinite	2020-05-12
214879323	0083 - 2012 rev. 0 dod. 10	Provision of physical security services in the HS Kolín building.	ORLEN Ochrana Sp. z o.o.	2021-01-01	indefinite	not stated

169860706	83-2012-11	Provision of physical security services in the HS Kolin building.	ORLEN Ochrona Sp. z o.o.	2022-01-01	indefinite	2022-01-01
214877371	82-2012 rev. 0 dod. 0	Ensuring property security in HS Pardubice	ORLEN Ochrona Sp. z o.o.	2012-03-01	indefinite	not stated
214877422	0082 - 2012 rev. 0 dod. 1	Provision of physical security services	ORLEN Ochrona Sp. z o.o.	2012-03-01	indefinite	2012-07-25
214877472	0082 - 2012 rev. 0 dod. 2	Provision of physical security services in HS Pardubice	ORLEN Ochrona Sp. z o.o.	2012-03-01	indefinite	2015-01-19
214877522	0082 - 2012 rev. 0 dod. 3	Provision of a specialized guard service in HS Pardubice	ORLEN Ochrona Sp. z o.o.	2012-03-01	indefinite	2015-10-01
214877572	0082 - 2012 rev. 0 dod. 4	Provision of physical services	ORLEN Ochrona Sp. z o.o.	2012-03-01	indefinite	2016-02-23
214877622	0082 - 2012 rev. 0 dod. 5	Provision of physical security services	ORLEN Ochrona Sp. z o.o.	2012-03-01	indefinite	2016-10-10
214877672	0082 - 2012 rev. 0 dod. 6	Provision of physical security services in HS Pardubice	ORLEN Ochrona Sp. z o.o.	2012-03-01	indefinite	2017-02-08
214877722	0082 - 2012 rev. 0 dod. 7	Security of the building in HS Pardubice.	ORLEN Ochrona Sp. z o.o.	2018-01-01	indefinite	2018-02-08
214877776	0082 - 2012 rev. 0 dod. 8	Provision of physical security services in HS Pardubice	ORLEN Ochrona Sp. z o.o.	2019-01-01	indefinite	2019-02-28
214877831	0082 - 2012 rev. 0 dod. 9	New "Appendix No. 1" Instructions for the performance of PARAMO Pardubice security	ORLEN Ochrona Sp. z o.o.	2019-10-15	indefinite	not stated
214877885	0082 - 2012 rev. 0 dod. 10	Provision of physical security services in HS Pardubice	ORLEN Ochrona Sp. z o.o.	2020-01-01	indefinite	2020-05-12
214877939	0082 - 2012 rev. 0 dod. 11	Provision of physical security services in the HS Pardubice building	ORLEN Ochrona Sp. z o.o.	2021-01-01	indefinite	not stated
169851248	82-2012-12	Provision of physical security services in the HS Pardubice building	ORLEN Ochrona Sp. z o.o.	2022-01-01	indefinite	2022-05-25
214843721	55-2012 rev. 0 dod. 0	Provision of routine cleaning, maintenance of greenery	ORLEN Ochrona Sp. z o.o.	2012-03-01	indefinite	not stated
214844300	55-2012 rev. 0 dod. 101	Addendum No. 1 cleaning service	ORLEN Ochrona Sp. z o.o.	2012-07-01	indefinite	not stated
214843774	55-2012 rev. 0 dod. 1	Ensuring reception staff and activities of the training center.	ORLEN Ochrona Sp. z o.o.	2014-01-01	indefinite	not stated
214843826	0055 - 2012 rev. 0 dod. 2	Maintenance of greenery and gravel areas	ORLEN Ochrona Sp. z o.o.	2015-02-01	indefinite	2015-01-27
214843877	0055 - 2012 rev. 0 dod. 3	Ensuring the management of a car rental company	ORLEN Ochrona Sp. z o.o.	2012-03-01	indefinite	2015-04-01
214843929	0055 - 2012 rev. 0 dod. 4	Ensuring cleaning services in HS Pardubice and Kolín	ORLEN Ochrona Sp. z o.o.	2012-04-23	indefinite	2016-03-16
214843979	0055 - 2012 rev. 0 dod. 5	Providing cleaning services, reception, archive, car rental and training	ORLEN Ochrona Sp. z o.o.	2012-03-01	indefinite	2017-02-08
214844030	0055 - 2012 rev. 0 dod. 6	Provision of cleaning services, reception, file room, rental office, training center.	ORLEN Ochrona Sp. z o.o.	2018-01-01	indefinite	2018-02-08
214844085	0055 - 2012 rev. 0 dod. 7	Providing cleaning services, training ex. companies, reception, file room	ORLEN Ochrona Sp. z o.o.	2018-06-11	indefinite	2019-03-04
214844139	0055 - 2012 rev. 0 dod. 9	Providing cleaning services. training ex. companies, reception, file room	ORLEN Ochrona Sp. z o.o.	2019-01-01	indefinite	2019-03-04
214844193	0055 - 2012 rev. 0 dod. 10	Notes for the provision of cleaning and support services, price increases.	ORLEN Ochrona Sp. z o.o.	2020-01-01	indefinite	2020-05-27
214844247	0055 - 2012 rev. 0 dod. 12	Addendum No. 12 to the Agreement on the provision of cleaning services, price increase for services at the reception and in the file room	ORLEN Ochrona Sp. z o.o.	2021-01-01	indefinite	not stated
170009157	55-2012-13	Addendum No. 13 to the Agreement on the provision of cleaning services, price increase for services at the reception and in the file room	ORLEN Ochrona Sp. z o.o.	2022-01-01	indefinite	2022-05-25
192146832	55-2012 dodatek č. 14	Addendum No. 14 to the Agreement on the provision of cleaning services, price increase for services at the reception and in the file room	ORLEN Ochrona Sp. z o.o.	2022-08-01	indefinite	2022-09-16
214678979	173-2012 rev. 0 dod. 0	Camera service activities. system	ORLEN Ochrona Sp. z o.o.	2012-06-25	indefinite	not stated
214679050	0173 - 2012 rev. 0 dod. 1	Ensuring service activity on the camera system	ORLEN Ochrona Sp. z o.o.	2012-06-25	indefinite	2016-01-19
192350456	192350456	SoD for the purchase and installation of a security camera system in Paramo - HS KO.	ORLEN Ochrona Sp. z o.o.	2022-10-17	indefinite	2022-10-17
214528530	10-2014 rev. 0 dod. 0	Buying oils	ORLEN OIL Sp. z o.o.	2013-12-19	indefinite	not stated
214528746	0010 - 2014 rev. 0 dod. 3	Addendum No. 2 to the Sales Agreement dated 12/19/2013	ORLEN OIL Sp. z o.o.	2013-12-19	indefinite	2014-12-31
214746752	230-2013 rev. 0 dod. 0	Production of plastic lubricants	ORLEN OIL Sp. z o.o.	2013-09-26	indefinite	not stated
214746802	230-2013 rev. 0 dod. 1	Production of plastic lubricants II	ORLEN OIL Sp. z o.o.	2013-11-22	indefinite	not stated
214759876	247-2011 rev. 0 dod. 0	Participation in the PIMS and Benchmarking program	ORLEN OIL Sp. z o.o.	2011-11-25	indefinite	not stated
214779746	279-2009 rev. 0 dod. 0	Confidentiality Agreement Segment oil	ORLEN OIL Sp. z o.o.	2009-06-17	indefinite	not stated

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214608380	130-2009 rev. 0 dod. 0	base oil reprocessing	ORLEN OIL Sp. z o.o.	2009-04-10	indefinite	not stated
214539684	110-2009 rev. 0 dod. 0	participation in the PIMS and Benchmarking program	ORLEN OIL Sp. z o.o.	2009-03-25	indefinite	not stated
214686634	0179 - 2021 rev. 0 dod. 0	DATABASE SALES	ORLEN OIL Sp. z o.o.	2021-12-30	indefinite	2021-12-31
214675677	0171 - 2021 rev. 0 dod. 0	SERVICE CONTRACT	ORLEN OIL Sp. z o.o.	2021-12-20	2023-12-20	not stated
214896495	0098 - 2021 rev. 0 dod. 0	DATABASE SALES AGREEMENT	ORLEN OIL Sp. z o.o.	2021-05-31	indefinite	2021-05-27
214620514	0137 - 2020 rev. 0 dod. 0	Umowa o zachowaniu poufności / Confidentiality Agreement	ORLEN OIL Sp. z o.o.	2020-09-01	indefinite	2020-11-05
214543534	0011 - 2020 rev. 0 dod. 0	Mutual payment for PWC advisory services	ORLEN OIL Sp. z o.o.	2020-01-27	indefinite	2020-01-31
214804305	0032 - 2018 rev. 0 dod. 0	Production, purchase and sale of goods	ORLEN OIL Sp. z o.o.	2017-12-01	indefinite	
214879476	0083 - 2016 rev. 0 dod. 0	Sales and supply of lubricants	ORLEN OIL Sp. z o.o.	2016-04-15	indefinite	2016-05-20
214878088	0082 - 2016 rev. 0 dod. 0	Sales and supply of lubricants	ORLEN OIL Sp. z o.o.	2014-05-05	indefinite	
214673706	0170 - 2015 rev. 0 dod. 0	Contract of sale	ORLEN OIL Sp. z o.o.	2015-09-30	indefinite	2015-09-30
214892971	0094 - 2015 rev. 0 dod. 0	THE PIMS LUBRICANTS OPERATIONS BENCHMARKING PROJECT 2014	ORLEN OIL Sp. z o.o.	2015-03-10	indefinite	2015-03-10
214686282	0179 - 2014 rev. 0 dod. 0	Addendum to the sales contract dated 12/19/2013	ORLEN OIL Sp. z o.o.	2013-12-19	indefinite	2013-12-19
214683589	0177 - 2014 rev. 0 dod. 0	Production and sale of lubricants	ORLEN OIL Sp. z o.o.	2014-05-05	indefinite	2014-05-05
214598243	0122 - 2014 rev. 0 dod. 0	Sharing the costs of operating the sl. car - K. Pietrzyk	ORLEN OIL Sp. z o.o.	2014-01-01	indefinite	2014-01-01
214754996	0239 - 2014 rev. 0 dod. 0	Agreement on the sale and purchase of vacuum distillates P23 and P24	ORLEN OIL Sp. z o.o.	2014-11-01	indefinite	not stated
214528598	0010 - 2014 rev. 0 dod. 1	Addendum No. 1	ORLEN OIL Sp. z o.o.	2013-12-19	indefinite	not stated
214528666	0010 - 2014 rev. 0 dod. 2	Addendum No. 2	ORLEN OIL Sp. z o.o.	2014-12-31	indefinite	not stated
177193382	177193382	Licence Agreement - Trademark KONKOR	ORLEN OIL Sp. z o.o.	2022-07-01	indefinite	2022-06-20
186908540	186908540	Addendum to the License Agreement - Trademark KONKOR	ORLEN OIL Sp. z o.o.	2022-07-01	indefinite	2022-08-01
197528224	197016635	services related to the import of goods, in particular the reporting of imports to the Customs Office	ORLEN OIL Sp. z o.o.	2022-07-01	indefinite	2022-10-20
214644010	0015 - 2014 rev. 0 dod. 3	Slackwax Paraffin Wax Supplies	ORLEN Południe S.A.	2020-04-01	indefinite	2020-07-14
199882706	22-131	Protection of confidential information and the related need to regulate the rights and obligations between the parties in their cooperation and in the disclosure of such information to the obligee.	ORLEN UniCRE a.s.	2022-10-25	indefinite	2022-10-25
	1/03/040	Mandate contract for the operation of the railway on the Kolín I. and II.	ORLEN Unipetrol Doprava s.r.o.	2003-11-01	2022-06-30	2003-11-01
212716283		The contracting parties hereby agree to terminate the above-mentioned contract with effect from June 30, 2022.	ORLEN Unipetrol Doprava s.r.o.		2022-06-30	not stated
		Mandate contract for the operation of the railway on the PARAMO siding	ORLEN Unipetrol Doprava s.r.o.	2003-12-31	indefinite	2003-12-31
	0068-2017	Contract for the provision of transport services on railway tracks - sidings PARAMO Pardubice, PARAMO Kolín I and PARAMO Kolín II - port charges	ORLEN Unipetrol Doprava s.r.o.	2017-01-01	indefinite	2017-03-10
153872870	0068-2017 dodatek 5	The subject of this Addendum is the determination of the price of port dues on the Company's siding	ORLEN Unipetrol Doprava s.r.o.	2022-01-01	2022-12-31	2022-01-12
212559140	0068-2017 dodatek 6	The subject of this Addendum is the modification of the following provisions of the Agreement. The mentioned articles are canceled and replaced with new wording	ORLEN Unipetrol Doprava s.r.o.	2022-07-01		not stated
214737922	0002 - 2020 rev. 0 dod. 0	Contract for the lease of railway freight cars	ORLEN Unipetrol Doprava s.r.o.	2020-01-01	indefinite	2020-01-28
		Purchase contract for the supply of fuel	ORLEN Unipetrol Doprava s.r.o.	2002-01-01	indefinite	2001-12-20
		Lease agreement for 2 cars	ORLEN Unipetrol Doprava s.r.o.	2004-03-31	indefinite	2004-03-31
		Contract on the lease of non-residential premises and the provision of related services No. 306/2004	ORLEN Unipetrol Doprava s.r.o.	2005-01-01	indefinite	2004-12-22
214832147	0045 - 2017 rev. 0 dod. 0	Framework contract for the supply of oils and lubricants	ORLEN Unipetrol Doprava s.r.o.	2017-01-01	indefinite	2017-04-27



157567671	0104-2016 dodatek 6	This is an addendum to the existing contract from 2016 for the repair and maintenance of the siding in PARAMO in the centers of Pardubice and Kolin for the year 2022. The composition of the price and the usual item prices remain. The total price is reduced by 249,000 CZK compared to previous years, because the own maintenance in the Kolin center for the second half of 2022 is canceled (synergistic effects event)	ORLEN Unipetrol Doprava s.r.o.	2022-01-01	2022-12-31	not stated
		Contract for the lease of space used for business	ORLEN Unipetrol RPA s.r.o.	2017-04-01	indefinite	2018-05-03
		Supplies of oils and lubricants	ORLEN Unipetrol RPA s.r.o.	2017-01-01	indefinite	2017-12-31
		Supplies of oils and lubricants	ORLEN Unipetrol RPA s.r.o.	2017-01-01	indefinite	2017-03-31
		Lease agreement	ORLEN Unipetrol RPA s.r.o.	2012-01-01	indefinite	2012-09-21
		Addendum No. 1 to the lease agreement	ORLEN Unipetrol RPA s.r.o.	2015-01-01	indefinite	2015-01-01
		Addendum No. 2 to the Lease Agreement	ORLEN Unipetrol RPA s.r.o.	2018-12-01	indefinite	2019-03-07
214796768	0031 - 2016 rev. 0 dod. 0	Service contract	ORLEN Unipetrol RPA s.r.o.	2016-01-01	indefinite	2016-03-08
	0031 - 2016 rev. 0 dod. 1	Agreement for the provision of services - Addendum No. 1	ORLEN Unipetrol RPA s.r.o.	2016-06-01	indefinite	2016-08-09
	0031 - 2016 rev. 0 dod. 2	Agreement on the provision of services - Addendum No. 2	ORLEN Unipetrol RPA s.r.o.	2017-06-01	indefinite	2017-08-23
	0031 - 2016 rev. 0 dod. 3	Service Agreement - Addendum No. 3 (SLA)_Paramo	ORLEN Unipetrol RPA s.r.o.	2018-01-01	indefinite	2018-05-15
	0031 - 2016 rev. 0 dod. 4	Service Agreement - Addendum No. 4 (SLA)_Paramo	ORLEN Unipetrol RPA s.r.o.	2018-06-01	indefinite	2018-07-17
	0031 - 2016 rev. 0 dod. 5	Service Agreement - Addendum No. 5 (SLA)_Paramo	ORLEN Unipetrol RPA s.r.o.	2019-01-01	indefinite	2019-05-20
	0031 - 2016 rev. 0 dod. 6	Service Agreement - Addendum No. 6 (SLA)_Paramo	ORLEN Unipetrol RPA s.r.o.	2020-01-01	indefinite	2020-04-30
	0031 - 2016 rev. 0 dod. 7	Service Agreement - Addendum No. 7 (SLA)_Paramo	ORLEN Unipetrol RPA s.r.o.	2021-01-01	indefinite	2021-04-27
181907038	0031 - 2016 rev. 0 dod. 8	Service Agreement - Addendum No. 8 (SLA)_Paramo	ORLEN Unipetrol RPA s.r.o.	2022-07-20	indefinite	2022-07-20
		HVO storage	ORLEN Unipetrol RPA s.r.o.	2019-10-15	indefinite	2019-11-29
	0122 - 2017 rev. 0 dod. 0	nivol purchase	ORLEN Unipetrol RPA s.r.o.	2017-01-01	indefinite	2017-01-14
		Frame Contract: Unipetrol + Paramo taking part in motor fuels auctions	ORLEN Unipetrol RPA s.r.o.	2015-01-15	indefinite	2015-01-14
		Paramo - Agreement on the mediation of the purchase of goods	ORLEN Unipetrol RPA s.r.o.	2021-07-08	2023-03-31	not stated
		Insurance contract and its management - liability insurance - 2nd layer	ORLEN Unipetrol RPA s.r.o.	2021-05-01	2022-04-30	2021-10-19
		Trade secret transfer agreement	ORLEN Unipetrol RPA s.r.o.	2020-11-01	2023-10-31	2020-11-06
		PERSONAL DATA PROCESSING AGREEMENT_PARAMO	ORLEN Unipetrol RPA s.r.o.	2019-01-01	indefinite	2019-09-17
		Addendum to the company agreement due to the amendment of the legislation	ORLEN Unipetrol RPA s.r.o.	2020-04-20	indefinite	2020-05-05
		Addendum to the company agreement due to the extension of the association, addition of data on the transfer of emissions and affidavit for the year 2020	ORLEN Unipetrol RPA s.r.o.	2021-03-01	2024-03-01	2021-03-23
		AGREEMENT ON INTERMEDIATION AND PRE-INVOICING OF ELECTRICITY SUPPLY	ORLEN Unipetrol RPA s.r.o.	2017-01-01	indefinite	2016-12-22
		Change in the planned costs of business services, extension of the effectiveness of the contract	ORLEN Unipetrol RPA s.r.o.	2020-01-01	indefinite	2020-06-23
		Change in the planned costs of business services	ORLEN Unipetrol RPA s.r.o.	2021-01-01	indefinite	2021-02-09
		Trade secret protection	ORLEN Unipetrol RPA s.r.o.	2007-06-01	indefinite	2007-07-20
		Contract for the purchase and sale of oil hydrogenates No. 3324/2016/HVD/LVD - PARAMO, as	ORLEN Unipetrol RPA s.r.o.	2016-11-22	indefinite	2017-08-22
		sale of asphalt from 1 January 2016 / transition to transfer pricing	ORLEN Unipetrol RPA s.r.o.	2016-01-01	indefinite	2016-01-01
		Agreement on storage and provision of other services	ORLEN Unipetrol RPA s.r.o.	2014-10-15	indefinite	2014-10-13

		updating rates for storage and handling of asphalt products	ORLEN Unipetrol RPA s.r.o.	2021-11-01	indefinite	2021-11-01
		Agreement on the provision of services between PARAMO, as and UNIPETROL RPA, s.r.o	ORLEN Unipetrol RPA s.r.o.	2013-01-01	indefinite	2013-09-25
		Addendum No. 1 to the Agreement on the provision of services between PARAMO, as and UNIPETROL RPA, s.r.o	ORLEN Unipetrol RPA s.r.o.	2017-03-28	indefinite	2017-03-30
164584316	10. 9. 2021 Poskytování služeb skladování včetně služby aditivace.	Agreement on storage and provision of other services	ORLEN Unipetrol RPA s.r.o.	2012-07-01	indefinite	2012-07-11
		Specifying the place of delivery	ORLEN Unipetrol RPA s.r.o.	2017-02-01	indefinite	2017-04-05
		increase in storage fee + additivity	ORLEN Unipetrol RPA s.r.o.	2019-01-01	indefinite	2019-02-14
		increase in additives. fee	ORLEN Unipetrol RPA s.r.o.	2021-10-01	indefinite	not stated
		Collection of goods 2018	ORLEN Unipetrol RPA s.r.o.	2018-01-01	indefinite	2018-01-01
		RS on the use of the Benzina payment card	ORLEN Unipetrol RPA s.r.o.	2015-04-01	indefinite	2015-04-01
217929393		Insurance contract and its management - liability insurance 1st layer	ORLEN Unipetrol RPA s.r.o.	2022-05-01	2023-04-30	2022-09-27
217921732		Insurance contract and its management - liability insurance 2nd layer	ORLEN Unipetrol RPA s.r.o.	2022-05-01	2023-04-30	2022-09-27
206646951	206646951	Lease assignment agreement - apartment Mr. Konrad Szykula.	ORLEN Unipetrol RPA s.r.o.	2022-07-29	indefinite	2022-07-29
181012002		Storage of PHM, additives and bio-components at Paramo, a.s.	ORLEN Unipetrol RPA s.r.o.	2022-07-01	indefinite	2022-08-01
170190760	43-2011-03	Lease of non-residential premises in the PARAMO, a.s.	ORLEN Unipetrol RPA s.r.o.	2022-01-01	indefinite	2022-05-30
164584316	10. 9. 2021	Provision of storage services including additive service.	ORLEN Unipetrol RPA s.r.o.	2012-07-01	indefinite	2012-07-11
162507626		Electricity supply	ORLEN Unipetrol RPA s.r.o.	2022-01-01	indefinite	2022-02-18
		Collection of goods 2018	ORLEN Unipetrol RPA s.r.o.	2018-01-01	indefinite	2018-01-01
214596155	0121 - 2020 rev. 0 dod. 0	Trade secret transfer agreement	ORLEN Unipetrol a.s.	2020-10-01	2023-09-30	not stated
		Contract No. 0047-2020 on insurance and its management - liability insurance - 1st layer	ORLEN Unipetrol a.s.	2021-05-01	2022-04-30	not stated
179935389	179935389		ORLEN Unipetrol a.s.	2022-05-01	2023-04-30	2022-09-27
214886542	0089 - 2019 rev. 0 dod. 0	Framework contract to ensure the provision of certain information and access to information systems	ORLEN Unipetrol a.s.	2019-01-01	indefinite	not stated
207201552	42-2019	Liability insurance for members of statutory bodies	ORLEN Unipetrol a.s.	2022-01-01		2022-12-01
		Contract to ensure the development and use of a common information environment for monitoring the surroundings of the Unipetrol Group, as amended later	ORLEN Unipetrol a.s.	2008-01-01	indefinite	2008-04-28
		CLA Agreement, as amended	ORLEN Unipetrol a.s.	2008-01-01	indefinite	2008-01-01
		Framework agreement on cost transfer	ORLEN Unipetrol a.s.	2007-12-06	indefinite	2007-12-06
		Credit agreement	ORLEN Unipetrol a.s.	2007-07-23	indefinite	2007-07-23
		Credit agreement	ORLEN Unipetrol a.s.	2008-06-16	indefinite	2008-06-16
		CLA contract - area of internal audit	ORLEN Unipetrol a.s.	2016-01-01	indefinite	2016-03-01
164638919	159368816	Liability insurance for members of statutory bodies	ORLEN Unipetrol a.s.	2021-11-01	2022-10-31	2021-11-01
164284196	159672559	Non-technological property - Contract for the payment of a share of the insurance	ORLEN Unipetrol a.s.	2022-01-01	2022-12-31	2022-01-01
159676071	159672559	Insurance of non-technological property	ORLEN Unipetrol a.s.	2022-01-01	2022-12-31	2022-05-17
214865591	0072 - 2019 rev. 0 dod. 0	Rent of non-residential premises and parking space	PETROTRANS s.r.o.	2019-05-01	indefinite	2019-05-16
214782402	28-2013 rev. 0 dod. 0	Land and steel shed rental	PETROTRANS s.r.o.	2013-01-01	indefinite	not stated
214628361	142-2008 rev. 0 dod. 0	transportation of things	PETROTRANS s.r.o.	2008-09-30	indefinite	not stated
214628422	142-2008 rev. 0 dod. 1	Appendix No. 1 - transportation	PETROTRANS s.r.o.	2009-09-01	indefinite	not stated
214628553	142-2008 rev. 0 dod. 2	Addendum No. 2 Contract for the carriage of goods No. 14/Do/2008 - prices for 2010, according to tender 11/2009	PETROTRANS s.r.o.	2010-06-25	indefinite	not stated
214628648	142-2008 rev. 0 dod. 3	Addendum No. 3 Contract for the carriage of goods No. 14/Do/2008 - prices according to the selection procedure for the year 2011	PETROTRANS s.r.o.	2011-05-18	indefinite	not stated
204544523	204544523	Leasing of PKN ORLEN - PARAMO, a.s. railway tankers	PKN Orlen S.A.	2022-11-30	indefinite	not stated
214844451	0055 - 2017 rev. 0 dod. 0	Framework contract for the supply of oils and lubricants	SPOLANA s.r.o.	2017-01-01	indefinite	2017-03-31

