

Mostostal

W A R S Z A W A

Separate financial statements

Mostostal Warszawa S.A.

prepared in accordance with the International Financial Reporting
Standards approved by the European Union

for the period from 01.01.2025 to 31.12.2025.

BUDUJEMY PRZYSZŁOŚĆ.

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(thousand PLN)

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SEPARATE PROFIT AND LOSS ACCOUNT

Item	CONTINUING OPERATIONS	Note	01.01.2025 - 31.12.2025	01.01.2024 - 31.12.2024
	Continuing operations			
I	Sales revenue		988,862	1,294,461
	Revenue from construction contracts	6.1	966,603	1,268,966
	Revenue from sale of services		22,109	23,716
	Revenue from sales of goods and materials		150	1,779
II	Own sales costs	6.2	1,055,059	1,256,504
III	Gross profit (loss) on sales		-66,197	37,957
IV	General administrative expenses		58,794	54,992
V	Other operating revenue	6.3	1,405	7,896
VI	Other operating expenses	6.4	11,744	5,940
VII	Loss from operations		-135,330	-15,079
VIII	Financial revenue	6.5	52,677	10,300
IX	Financing costs	6.6	31,827	19,463
X	Gross loss		-114,480	-24,242
XI	Income tax	7.	-9,945	-2,874
XII	Net loss for the financial year		-104,535	-21,368
	Net loss		-104,535	-21,368
	Weighted average number of ordinary shares		20,000,000	20,000,000
	Net loss per ordinary share (PLN)	10.	-5.23	-1.07
	Net diluted loss per ordinary share (in PLN)		-5.23	-1.07

SEPARATE STATEMENT OF COMPREHENSIVE INCOME

STATEMENT OF TOTAL REVENUE	01.01.2025 - 31.12.2025	01.01.2024 - 31.12.2024
Net loss for the period	-104,535	-21,368
Other comprehensive income before tax	0	0
Income tax relating to components of other comprehensive income	0	0
Other total comprehensive income after tax	0	0
Total comprehensive income	-104,535	-21,368

SEPARATE STATEMENT OF FINANCIAL POSITION

Item	ASSETS	Note	31.12.2025	31.12.2024
I.	Fixed assets (long-term)		169,790	229,983
I.1	Intangible assets	12	69	30
I.2	Use rights	14	54,058	112,270
I.3	Property, plant and equipment	13	40,716	45,031
I.4	Long term trade receivables and other receivables	20	15	9
I.5	Long-term financial assets	17	29,812	35,964
I.6	Deferred tax assets	8	42,781	33,138
I.7	Long-term deferred charges and accruals	18	2,339	3,541
II.	Current assets (short-term)		610,238	690,020
II.1	Inventory	19	22,745	49,869
II.2	Receivables from deliveries and services and other receivables.	20	139,175	202,718
II.3	Income tax receivables		0	2,811
II.4	Prepayments for works		8,290	26,911
II.5	Short-term financial assets	22	201	9,000
II.6	Cash and cash equivalents	21	217,309	155,215
II.7	Assets arising from construction contracts	6.1	208,389	233,967
II.8	Other accruals	23	14,129	9,529
	TOTAL ASSETS		780,028	920,003

Item	EQUITY CAPITAL AND LIABILITIES	Note	31.12.2025	31.12.2024
I.	Equity capital	24	-53,577	50,958
I.1	Base capital		44,801	44,801
I.2	Share premium		108,406	108,406
I.3	Reserve capital from reclassification of loans		201,815	201,815
I.4	Retained profit / uncovered loss		-408,599	-304,064
II.	Long-term liabilities		163,081	117,297
II.1	Interest-bearing bank loans and borrowings	25	74,090	8,718
II.2	Long term liabilities from leasing agreements	28	17,897	43,082
II.3	Long-term trade liabilities	27	26,699	30,470
II.4	Long-term liabilities from construction contracts	6.1	1,802	0
II.5	Long-term provisions	26	42,593	35,027
III.	Short-term liabilities		670,524	751,748
III.1	Current portion of interest-bearing bank loans and borrowings	25	5,859	89,073
III.2	Short term liabilities from leasing agreements	28	65,503	35,842
III.3	Liabilities from deliveries and services and other liabilities	27	257,115	320,763
III.4	Income tax liability		0	0
III.5	Short-term provisions	26	24,856	15,089
III.6	Short-term liabilities from construction contracts	6.1	160,195	86,304
III.7	Employee benefit liabilities	29	7,358	7,079
III.8	Other accruals	30	149,638	197,598
IV.	Total liabilities		833,605	869,045
	EQUITY CAPITAL AND LIABILITIES (TOTAL)		780,028	920,003

SEPARATE CASH FLOW STATEMENT

Item	Item	Note	01.01.2025 - 31.12.2025	01.01.2024 - 31.12.2024
I	Cash flows from operating activities			
I.1	Gross loss		-114,480	-24,242
I.2	Adjustments by items:		205,982	22,036
I.2.1	Depreciation		74,239	78,126
I.2.2	Exchange gain / loss		1,210	-696
I.2.3	Interest and dividends (received and paid)		12,550	6,415
I.2.4	(Profit) / loss on investing activities		-670	-1,123
I.2.5	(Increase)/ decrease in receivables		82,158	68,006
I.2.6	(Increase)/ decrease in inventory		27,124	-8,221
I.2.7	Increase/ (decrease) in liabilities, excluding loans and borrowings		-67,419	6,808
I.2.8	Change in assets and liabilities due to the implementation of construction contracts and accruals		50,192	-119,939
I.2.9	Change in provisions		17,333	731
I.2.10	Income tax paid		3,113	-8,100
I.2.11	Other	31	6,152	29
I	Net cash from operating activities		91,502	-2,206
II	Cash flows from investing activities			
II.1	Sale of tangible fixed assets and intangible assets		817	1,383
II.2	Acquisition of tangible fixed assets and intangible assets		-6,757	-29,723
II.3	Interest and dividends received		4,650	4,961
II.4	Repayment of loans granted		9,000	0
II.5	Loans granted		-200	-9,000
II.6	Other revenue		0	0
II	Net cash from investing activities		7,510	-32,379
III	Cash flows from financial activities			
III.1	Repayment of lease liabilities		-2,580	-32,625
III.2	Proceeds from loans and borrowings		0	31,347
III.3	Repayment of loans and borrowings		-22,628	-59,046
III.4	Interest paid		-11,710	-8,986
III	Net cash from financing activities		-36,918	-69,310
IV	Net increase / decrease in cash and cash equivalents		62,094	-103,895
	Net exchange differences			
V	Cash and equivalents at the beginning of the period		155,215	259,110
VI	Cash and equivalents at the end of the period	21	217,309	155,215

SEPARATE STATEMENT OF CHANGES IN EQUITY

	Base capital	Supplementary capital	Reserve capital from reclassification of loans	Retained profit / uncovered loss	Total equity capital
2025					
period from 01.01.2025 to 31.12.2025					
As at 01 January 2025	44,801	108,406	201,815	-304,064	50,958
Loss for the period	0	0	0	-104,535	-104,535
Other comprehensive income	0	0	0	0	0
Total comprehensive income	0	0	0	-104,535	-104,535
Distribution of previous years' loss	0	0	0	0	0
Reclassification of loans for the capital	0	0	0	0	0
As at 31 December 2025	44,801	108,406	201,815	-408,599	-53,577

	Base capital	Supplementary capital	Reserve capital from reclassification of loans	Retained profit / uncovered loss	Total equity capital
2024					
period from 01.01.2024 to 31.12.2024					
As at 01 January 2024	44,801	108,406	201,815	-282,696	72,326
Loss for the period	0	0	0	-21,368	-21,368
Other comprehensive income	0	0	0	0	0
Total comprehensive income	0	0	0	-21,368	-21,368
Distribution of previous years' loss	0	0	0	0	0
Reclassification of loans for the capital	0	0	0	0	0
As at 31 December 2024	44,801	108,406	201,815	-304,064	50,958

**Additional explanatory information
to the separate financial statements
for the period from 01.01.2025 to 31.12.2025**

1. General information

With regard to the profit and loss account, statement of changes in equity and the cash flow statement, the Separate Financial Statements cover the period of 12 months of 2025 and include the corresponding figures for 12 months of 2024, and with regard to the statement of financial position as at 31 December 2025, they include corresponding figures as at 31 December 2024.

Mostostal Warszawa S.A. (hereinafter referred to as the Company or Mostostal Warszawa S.A.) is a joint stock company with legal form in accordance with Polish law, registered in the District Court for the Capital City of Warsaw in Warsaw, 18th Commercial Division of the National Court Register under KRS number 0000008820. The registered office of the Company is located in Warsaw, at ul. Konstruktorska 12a. The core business is specialised construction work covered by the Polish Business Classification (PKD) in section 41.20Z. The Company's shares are listed on the Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.); construction sector.

The Company is established for an indefinite time.

As at 31.12.2025, the parent company of Mostostal Warszawa S.A. was Acciona Construcción S.A. with its registered office in Madrid (Spain).

On 10 February, 2026, the Management Board of Mostostal Warszawa S.A. informed about receiving a notification from Acciona S.A., Corporación Acciona Infraestructuras S.L., Acciona Construcción S.A. and Acciona Construcción Polonia S.L. submitted under Article 69 of the Act on Public Offering regarding the division by separation of Acciona Construcción S.A. by transferring part of the assets of Acciona Construcción S.A. (including the Company's shares) to the newly established company Acciona Construcción Polonia SL

Mostostal Warszawa S.A. acts as a parent company and a major investor and is responsible for drawing up consolidated financial statements.

2. Composition of the Management Board and the Supervisory Board

As at 31.12.2025, the Management Board of Mostostal Warszawa S.A. was composed of:

Jorge Calabuig Ferre	– President of the Management Board
Juan de Dios Martin Martin	– Member of the Management Board
Javier Sanz Mugica	– Member of the Management Board
Jacek Szymanek	– Member of the Management Board
Marcin Kondraszuk	– Member of the Management Board

On 28 January, 2026, Mr Jacek Szymanek resigned from the position of Member of the Management Board of the Company, with effect from 28 January, 2026.

As at 31.12.2025, the Supervisory Board of Mostostal Warszawa S.A. was composed of the following members:

Jacobo Arnanz González	– Chair of the Supervisory Board
Javier Lapuente Sastre	– Vice-Chair of the Supervisory Board
Javier Lapastora Turpín	– Member of the Supervisory Board
Neil Roxburgh Balfour	– Member of the Supervisory Board
Robert Jędrzejczyk	– Member of the Supervisory Board
Javier Serrada Quiza	– Member of the Supervisory Board

3. Approval of the Financial Statements

The financial statements for 2025 were approved by the Company's Management Board on 29 April 2026. It replaces the unpublished financial statements previously approved on 30 March 2026, before the auditor's opinion was issued.

4. The basis for the preparation of the separate financial statements for 2025 and the accounting principles

4.1. The basis for preparation of the financial statement

The financial statements have been prepared in accordance with the historical cost principle.

4.2. Material uncertainty related to going concern

As at 31 December 2025, the Company's current liabilities amounted to PLN 670,524 thousand, whilst current assets amounted to PLN 610,238 thousand, representing a shortfall in current assets relative to current liabilities of PLN 60,286 thousand. As at 31 December 2025, the Company's equity was negative, amounting to minus PLN 53,577 thousand. In 2025, the Company recorded a gross loss on sales of PLN 66,197 thousand and a net loss of PLN 104,535 thousand.

The Company's results and liquidity position were significantly affected, in particular, by the creation of provisions amounting to PLN 49,369 thousand for contractual penalties related to the withdrawal from a contract in 2025 on one of the projects, in an amount corresponding to the Company's share in the consortium of contractors, and losses on selected projects resulting from cost overruns and delays in their completion due to reasons beyond Mostostal Warszawa's control and other operational factors. The Company's future liquidity position remains dependent on the successful implementation of the financing plan and the corporate actions described below.

After the balance sheet date, events occurred, disclosed in Note 39, which may significantly affect the Company's liquidity, including in particular the enforcement of a guarantee relating to the ESP Porąbka-Żar contract for a total amount of PLN 108 million, the initiation of arbitration proceedings against GE Hydro France S.A.S. for USD 35 million, the filing of a lawsuit against GDDKiA in connection with the S19 Rzeszów Południe – Babica project, and the withdrawal from the S19 Domaradz – Iskrzynia project. With regard to these events, the Management Board, together with external legal advisers, believes that the claims related to them have a significant chance of success; however, their outcome and the timing of a resolution remain uncertain; consequently, the expected positive cash inflows from these items have not been included in the forecasts for the 12 months following the date of approval of the financial statements for publication.

Despite a positive cash balance of PLN 217,309 thousand as at 31 December 2025, the cash flow forecasts prepared by the Management Board indicate significant cash outflows for ongoing projects and the Company's operations until the end of June 2027. The funding requirement in the first quarter of 2026 resulted mainly from the termination of the agreement concerning the Porąbka-Żar project, and the Company expects a greater need for liquidity in the second and third quarters of 2026, depending on progress in securing new financial instruments, the implementation of operational activities and the signing of new contracts. The Management Board estimates that the Company's requirement for additional financing in the third quarter of 2026 may amount to between PLN 425 million and PLN 570 million to cover short-term financial needs, enabling the Company to continue its operations and ensure a sufficient level of working capital in the future, i.e. in 2027. The main financial requirements relate to: ongoing projects amounting to approximately PLN 240 million, cash outflows resulting from the termination of the Porąbka-Żar agreement, totalling PLN 108 million, as well as covering other overheads, taxes and financial costs amounting to PLN 166 million.

Taking the above into account, the estimated funding requirement of between PLN 425 million and PLN 570 million reflects the anticipated peak funding requirement, taking into account the Company's current cash position and projected cash flows from operating activities. The cash flow forecast does not include proceeds from receivables subject to court proceedings, the repayment of which is expected to take place at the end of 2027. These inflows have been included only in the long-term cash flow forecasts and have not been taken into account in the assessment period adopted to justify the going concern conclusions.

Furthermore, pursuant to Article 397 of the Commercial Companies Code, the Management Board is obliged to convene a general meeting to adopt a resolution on the continued existence of the Company. The general meeting, originally convened for 28 April 2026, was cancelled on 10 April 2026 at the request of the majority shareholder. A general meeting, the agenda of which includes a vote on a resolution concerning the continued existence of the Company within the meaning of Article 397 of the Commercial Companies Code, will be convened immediately after the publication of the Company's audited financial statements for 2025.

With regard to financing and financial support, loans granted by Acciona Construcción, S.A. constitute a significant source of funding for the Company's operations. On 31 July 2025, the Company entered into an extension of the existing loan agreement with Acciona Construcción, S.A., with a new repayment date falling in July 2027. The outstanding balance of this loan as at 31 December 2025 amounted to PLN 71,231 thousand.

Furthermore, on 23 January 2026, the Company entered into a short-term loan agreement with Acciona Construcción S.A. for the sum of PLN 108,924 thousand (note 39). In a letter received on 22 April 2026, Acciona Construcción S.A. confirmed the extension of the loan repayment date by a further month, i.e. until 23 May 2026.

At the same time, Acciona Construcción S.A. indicated that it was not interested in extending the Issuer's short-term financing for longer periods, and that any decision regarding further support would require a separate analysis of the Company's current and projected financial situation. In this letter, Acciona Construcción S.A. declared to its intention to cooperate with the Company in assessing alternative financial solutions, including financing by financial institutions and/or potential capital increase transactions, aimed at supporting the continuity of the Company's operations. This letter does not constitute a commitment on the part of Acciona Construcción S.A. to provide further financing after 23 May 2026 or to meet the Company's financial needs.

In the opinion of the Management Board, the above circumstances indicate the existence of significant uncertainty which may raise serious doubts as to the Company's ability to continue as a going concern. In order to secure financing for its operations and maintain financial liquidity, the Management Board is taking measures including, in particular, financing from the majority shareholder and other forms of support from shareholders, securing financing from financial institutions, corporate actions, including a possible increase in share capital, operational measures aimed at improving liquidity and reducing cash requirements, as well as pursuing claims arising from ongoing and completed contracts.

For many years, Mostostal Warszawa has been able to count on the support of its majority shareholder in various aspects of its operations. Currently, the Company has a long-term loan of PLN 71,231 thousand and loans converted into equity of PLN 201,815 thousand. In 2026, Mostostal received a short-term loan of PLN 108,924 thousand. As at 31 December 2025, the Company had received bank guarantees totalling PLN 471,618 thousand from the guarantee limits of Acciona Construcción S.A. Acciona Construcción S.A. is also a partner of Mostostal Warszawa S.A. in several consortia carrying out construction contracts.

This support enables the Company to meet its financial and operational obligations and to continue its operations in the ordinary course of business. In this context, the Management Board takes into account the majority shareholder's demonstrated willingness to assist the Company in seeking alternative financial solutions, and thereby to contribute to the continuity of the Company's operations.

Mostostal Warszawa S.A. has taken steps to secure financial support from several financial institutions. Due to the negative financial results and negative equity, these institutions have adopted a wait-and-see approach regarding future developments concerning the continuation of operations and capital support from shareholders. Should the capital increase be successfully completed, the Company will resume negotiations with financial institutions regarding an increase in their financial commitment.

With regard to corporate actions, including a possible share capital increase, a General Meeting, the agenda of which includes a vote on a resolution concerning an increase in the Company's share capital through the issue of new shares, will be convened no later than 30 April 2026. The date of the General Meeting will be set for a day falling between 26 and 29 May 2026. On 28 April 2026, a meeting of the Supervisory Board was held to approve the agenda and consider draft resolutions for the planned General Meeting, including a resolution on increasing the Company's share capital. The draft resolutions will be submitted to the General Meeting. The amount the Company intends to raise through the capital increase will be estimated and will cover the funds necessary to ensure ongoing liquidity.

Mostostal Warszawa settles its due liabilities on an ongoing basis, which translates into good relations with subcontractors, material suppliers and investors, and intends to continue this practice after receiving the capital necessary to cover current liquidity.

The Company has a number of pending claims, as described in the management report, arising from an increase in the scope of works compared to the design (tender) specifications provided to the Company by the contracting authorities, and from an unforeseeable, extraordinary rise in the prices of: construction materials (including fuels, petroleum-derived materials and other materials), transport, equipment hire and construction services, the need for longer contract execution periods, and consequently higher costs, resulting from, amongst other things: the Company's lack of access to the construction site due to adverse weather conditions, defects in the design documentation provided by the client, and other project-specific circumstances. These claims are currently at various stages of negotiation or dispute resolution. The Management Board considers that these claims have contractual and legal grounds; consequently, the expected cash inflows from selected claims have been included in the cash flow forecasts, and their realisation is expected from the latter months of 2027. Consequently, the cash flow forecasts covering the 12 months from the date of approval of the financial statements for publication do not include any cash inflows from these claims. However, the outcome, timing and final amounts of such claims remain subject to significant uncertainty arising from negotiations with customers and dispute resolution processes. Consequently, the amounts included in the forecasts reflect management's best estimates and may change depending on the final resolution of the claims.

In light of the above measures, the Management Board has assessed the Company's ability to continue as a going concern for a period of at least 12 months from the date of approval of the financial statements for publication. In the base-case scenario, the Management Board assumes that the Company will raise funds through a capital increase in the third quarter of 2026, in the amount of PLN 425 million to PLN 570 million, to cover its liquidity needs, eliminate negative equity and continue operations as normal.

The Management Board has prepared these financial statements on a going concern basis, as it assumes that the measures described above will enable the Company to obtain or maintain the financing necessary to settle its liabilities and continue its operations as before.

The implementation of the financing plan and the corporate actions described above depends on a number of factors, some of which are beyond the Company's direct control, including in particular the raising of external financing, the completion of the required corporate actions, the timely implementation of measures aimed at improving liquidity, and the realisation of assumptions regarding selected proceeds from claims. Support from the majority shareholder, to the extent not covered by formally agreed extensions or other binding documentation, remains subject to future decisions and separate arrangements and does not in itself constitute a guarantee of the financing necessary to cover the identified liquidity shortfall. Consequently, there is significant uncertainty which may cast serious doubt on the Company's ability to continue as a going concern.

4.3. Compliance statement

These Financial Statements for the period of 12 months ended on 31 December 2025 have been prepared in compliance with the International Financial Reporting Standards as adopted by the EU ("EU IFRSs"). As at the date of approval of these Financial Statements, taking into account the ongoing process of implementing IFRS in the EU and the activities pursued by the Company as regards the applied accounting policies, we have identified changes to IFRSs that came into force from 01 January 2025. The changes are described in Note 4.25 herein.

IFRS include standards and interpretations approved by the International Accounting Standards Board ("IASB") and by the International Financial Reporting Interpretations Committee ("IFRIC").

The Company has not decided to apply early any of the standards, interpretations or amendments that have been published but are not yet effective.

4.4. Estimates and judgements

Preparation of financial statements in accordance with the EU IFRS requires the Management Board to make judgements, estimates and assumptions that affect the application of the adopted accounting principles and the presented values of assets, liabilities, income and expenses, whose actual values may differ from the estimates. Estimates and related assumptions are based on historical experience and other factors that are considered reasonable in given circumstances, and their results provide the basis for professional judgement. When making judgements, estimates or assumptions regarding major issues, the Management Board may rely on the opinions of independent experts.

Estimates and related assumptions are subject to ongoing verification. Changes in accounting estimates are recognized prospectively starting from the period in which changes to the estimates took place.

4.4.1. Significant Judgments in Applying Accounting Policies

Recognition of revenue from construction contracts

For construction contracts, the Company satisfies the performance obligations over time. Revenue is recognized on the basis of the expenditure incurred in relation to the total expected expenditure to fulfil the obligation to perform the service. In the opinion of the Management Board, taking into account the nature of the contracts being performed, this method allows to reliably determine the status of works performed. Budgets of individual contracts are subject to a formal update (revision) process with the use of current information, at least once a quarter. In the event of any occurrences between official budget revisions that significantly affect the outcome of the contract, the total contract revenue or costs can be updated earlier.

Where it is probable that the total costs associated with the performance of the construction contract exceed the total revenue, the expected loss (the excess of cost over income) is recognized in operating costs, and on the other side, a provision is created for onerous contracts (provision for losses on contracts). The amount of the expected loss is also updated during the budget review and is the best estimate of the costs that the Company has to incur to complete the contract.

4.4.2. Relevant estimates

The estimates significantly affecting the figures disclosed in the separate financial statements are related in particular to the expected useful life of property, plant and equipment and intangible assets (depreciation rates), impairment losses on assets, assumptions adopted to recognize deferred tax assets, provisions (for warranty repairs, employee benefits, anticipated losses on contracts and litigation), assets and liabilities arising from construction contracts and assumptions regarding budgets (budgeted costs and revenues) and margins on the contracts performed.

Useful life of plant, property and equipment and intangible assets

The carrying amount of property, plant and equipment and intangible assets is determined based on the estimated useful lives of particular groups of property, plant and equipment and intangible assets. The adopted useful lives of property, plant and equipment and intangible assets are subject to periodic verification on the basis of analyses carried out by the Company.

Deferred tax assets

The Company recognises financial assets from deferred taxes assuming that a tax profit is to be generated in the future that shall allow to use it. Deterioration of tax results in the future could cause the whole or a part of the deferred tax assets not to be realized (Note 8).

Provisions for warranty repairs

In the case of construction services, the Company is obliged to provide warranties for its services. As a rule, a provision for warranty costs amounting to 0.5% to 1% of the revenue from a specific contract is created. This value is however subject to individual review and may be increased or decreased in justified cases (Note 26.1). The Company analyses the provisions established in terms of their possible realisation dates and classifies them either as short-term or long-term (to be realised over 12 months after the balance sheet date).

Services not invoiced by subcontractors

The Company implements most of construction contracts acting as the general contractor, using a wide range of subcontractors. Completed construction works are subject to approval by the employer under the works acceptance procedure, which involves signing a relevant acceptance report and issuing an invoice. At each balance sheet date, there is a significant part of the completed works that have been neither confirmed nor invoiced by subcontractors, which the Company recognizes as contract costs on an accrual basis. The costs of subcontractors related to completed works that have not been invoiced are determined by technical services based on the physical assessment of completed works and may vary from the value specified under the formal procedure for acceptance of construction works (Note 32).

Provisions for disputes

The Company acts as a party to judicial proceedings. Company prepares detailed analysis of the potential risks associated with the pending judicial proceedings and based thereon makes decisions on the need to include the impact of such proceedings on its books and the value of provisions (Note 26.1). The Management Board also based its estimate on the opinions of external independent law firms regarding individual disputes and their likely resolution. The Company analyses the provisions established in terms of their possible realisation dates and classifies them either as short-term or long-term (to be realised over 12 months after the balance sheet date).

Expected credit loss allowance

For trade receivables and financial assets covered by IFRS 15 (i.e. the measurement of long-term construction contracts), the Company measures the expected credit loss allowance for the entire expected life of a given financial asset. The Company uses an individual approach to assessing the amount of expected credit losses.

For other financial assets not covered by IFRS 15 (i.e. investments in equity instruments, deposits under construction contracts, loans granted and other financial assets not measured at fair value), credit losses are estimated for the entire expected life of a given financial asset if the credit risk associated with a given asset has significantly increased since the initial recognition.

If the Company initially creates an impairment loss equal to the expected credit losses throughout the lifetime of the asset and then determines as of the next reporting date that the credit risk is no longer significantly higher, the Company measures the allowance at 12-month ECL.

4.5. Functional currency and reporting currency

The Company's functional currency and reporting currency is the Polish zloty.

4.6. Shares in subsidiaries, associates and other entities

Shares in subsidiaries and associates and other companies are valued at cost, taking into account their impairment write-offs. At each balance sheet date, the Company analyses whether there is objective evidence indicating an

impairment of an asset or a group of financial assets. If such evidence exists, the Company estimates the recoverable amount of the asset and recognizes an impairment loss equal to the difference between the recoverable value and the carrying amount. The impairment loss is recognized in the profit and loss account for the current period.

4.7. Joint arrangements

Investments in joint arrangements are classified either as joint operations or as joint ventures depending on the contractual rights and obligations of each investor. The Companies of the Group found the nature of their common joint arrangements and agreed that these are joint operations.

The Company implements certain long-term contracts pursuant to consortium agreements, acting as the consortium leader. If the contracts meet the criteria set out in IFRS 11, the Company recognizes such transactions as "joint operations". With regard to its interests in jointly controlled activities, the Company recognizes in its financial statements:

- (a) the assets it controls and the liabilities it has incurred and its share in the assets held jointly and the liabilities jointly incurred;
- (b) the costs incurred, including its share in the costs jointly incurred, and its share in the revenue from the sale of goods or services resulting from joint operations.

4.8. Related party transactions

Transactions with related parties are made on an arm's length basis (Note 33).

4.9. Contingent assets and Contingent liabilities

Contingent liabilities correspond to possible obligations that arise from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or present obligations that arise from past events, in the event of where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or where the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognized in the financial statements, but are disclosed in the notes to the financial statements where appropriate.

Contingent assets - a possible asset that arises as a result of past events, but its existence will only be confirmed in the future, depending on the occurrence or non-occurrence of uncertain future events beyond the entity's control. Contingent assets usually arise as a result of unplanned or other unexpected events that give rise to the possibility of inflow to the entity of resources embodying economic benefits.

4.10. Conversion of items expressed in foreign currencies

Transactions denominated in currencies other than Polish zloty are converted to functional currency using the foreign exchanges rates applicable as at the transaction date.

As at the balance sheet date, monetary assets and liabilities denominated in currencies other than the Polish zloty are converted into Polish zlotys using the average exchange rate set for a given currency by the National Bank of Poland, applicable at the end of the reporting period. The resultant currency translation differences are recognised under the financial revenue (costs), or in situations subject to specific accounting principles, capitalised as part of the assets.

Non-monetary items measured at historical cost in a foreign currency are recorded at the exchange rate as of the transaction date.

4.11. Property, plant and equipment

Property, plant and equipment are recognised as their purchase price/cost of manufacture less depreciation write-offs and any impairment losses. The initial value of fixed assets includes their purchase price increased by any costs directly associated with the purchase and adaptation of the asset to make it fit for use. The costs incurred after the fixed assets are commissioned, such as costs of maintenance and repairs, are recognized in the profit and loss account as incurred.

Depreciation of fixed assets is recognized by the Group according to the following rules:

- fixed assets, except for land, are depreciated on a straight-line basis over their estimated useful lives, which are as follows:

buildings, premises and civil engineering structures	10-40 years
plant and machinery	2.5-20 years
means of transport	2.5-10 years
other fixed assets	4-10 years

If, at the time of the preparation of the financial statements, circumstances were identified which indicate that the carrying amount of tangible fixed assets might not be recoverable, the assets are reviewed for possible impairment. If the balance sheet value exceeds the estimated recoverable value, then the value of these assets or cash-generating units to which these assets belong is reduced to the level of the recoverable value. The recoverable amount corresponds to the higher of the two amounts: fair value less costs to sell or value in use. When determining value in use, estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks associated with the asset. In the case of assets which do not generate cash inflow in an independent manner, recoverable amount is determined for the cash-generating unit to which the given asset belongs. Impairment losses are recognized in the profit and loss account in other operating expenses.

A component of property, plant and equipment can be derecognised in the statement of financial position after its sale or in the event where no economic benefits are expected from the continued use of such a component. Any gains or losses resulting from the derecognition of a given asset component in the statement of financial position (calculated as the difference between potential net income from sales and the carrying amount of the given item) are recognised in the profit and loss account for the period when such derecognition took place.

Works in progress reflect fixed assets under construction or in the process of assembly and are carried either at the purchase price or at the cost of manufacture. A fixed asset under construction is not depreciated until construction is completed and the fixed asset is put into use.

Borrowing costs

Borrowing costs related to the acquisition, construction or production of a qualifying asset are recognized as part of the purchase price or production cost (IAS 23).

4.12. Investment property

Investment properties are maintained in order to obtain rental income, increase their value or for both reasons. Investment properties are intended neither for sale in the course of the Company's normal operations of the, nor for use in the production process nor for administrative purposes. Investment properties, at the moment of their initial recognition, are measured at the purchase price, and thereafter their value is decreased by depreciation write-offs and impairment losses. The investment properties are depreciated using the straight-line method at the rate of 4.5%. The purchase price includes the purchase price of the asset and the costs directly related to the purchase of the property. If the purpose of the property is changed i.e. if the investment property becomes a property occupied by the owner and thus is transferred to property, plant and equipment, its amortized cost as of the transfer date is the cost accepted for future recognition. The value of investment property is reduced by the revaluation write-offs in the event of circumstances indicating its impairment. Investment property is derecognized in the statement of financial position when it is sold or when a given investment property is permanently withdrawn from use, when no future benefits related thereto are expected. Any gains or losses resulting from the derecognition of an investment property in the statement of financial position are recognized in the profit and loss account in the period of such derecognition.

4.13. Recoverable amount of long-term assets (intangible assets, property, plant and equipment)

For each balance date the Company performs testing of assets for any circumstances indicating impairment loss. If such circumstances occur, formal appraisal of recoverable value is performed by the Company. In the event that the carrying amount of a given asset or a cash generating centre exceeds its recoverable amount, its impairment is recognized to adjust its value to the recoverable amount. The recoverable amount is the higher of the two values: the fair value less the cost to sell, or the value in use of an asset or a cash generating unit.

4.14. Financial instruments

Classification and measurement

Financial assets and liabilities are recognized when the Company becomes a party to a binding contract. Initially, financial assets are measured at fair value (in case of financial assets / liabilities later measured at amortized cost, transaction costs should be added to or subtracted from the initial value, as appropriate).

At initial recognition, trade receivables that do not have a significant financing component (determined in accordance with IFRS 15) are measured at their transaction price.

The classification of financial assets is based on the Company's business model for financial asset management and the characteristics of the cash flows for the assets arising from the contract.

In periods after the initial recognition, financial assets are measured at:

- amortised cost
- fair value through other comprehensive income
- fair value through profit and loss

A financial asset is measured at amortized cost if:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through other comprehensive income if:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument within the scope of this Standard that is not held for trading or is a contingent consideration recognized by the acquirer in a business combination for which IFRS 3 applies. If the item is denominated in a foreign currency, foreign exchange differences are also recognized in other comprehensive income.

In all other cases, a financial asset is measured at fair value through profit or loss.

Assets are derecognized, when the rights to receive cash flows on their account have expired or have been transferred and substantially all of the risks and rewards arising from their ownership have been transferred.

After the initial recognition, all financial liabilities are classified as measured at amortized cost, except for financial liabilities measured at fair value through profit or loss (satisfying the definition held for trading) - after initial recognition, these instruments are measured at fair value.

Impairment of financial assets

The Company recognizes allowances for expected credit losses related to the financial asset. A credit loss is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive, taking into account any expected shortages (i.e. lack of payment). If the allowance is recognized in respect of long-term financial assets, the loss allowance should be discounted at the original effective interest rate (i.e. the rate applied on the asset recognition).

Expected credit loss allowance

For trade receivables and financial assets arising from the application of IFRS 15 (i.e. the assets related to long-term construction contracts), the Company measures the expected credit loss allowance for the entire expected life of a given financial asset. The Company uses an individual approach to assessing the amount of expected credit losses.

For other financial assets not covered by IFRS 15 (i.e. investments in equity instruments, deposits under construction contracts, loans granted and other financial assets not measured at fair value), credit losses are estimated for the entire expected life of a given financial asset if the credit risk associated with a given asset has significantly increased since the initial recognition.

If the Company initially creates an impairment loss equal to the expected credit losses throughout the lifetime of the asset and then determines as of the next reporting date that the credit risk is no longer significantly higher, the Company measures the allowance at 12-month ECL.

Trade payables

Trade payables are the liabilities due to be paid for the goods and services acquired in the course of ordinary business operations from suppliers. Trade payables are classified as short term liabilities if payment is due within one year (or in the normal operating cycle of the business, if longer). Otherwise liabilities are accounted as long-term.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest rate method.

Interest-bearing bank loans, borrowings and debentures

On initial recognition all bank loans, borrowings and debentures are formulated according to their fair value reduced by costs related to acquiring the loan.

After initial recognition debentures, bank loans and borrowings subject to interest are measured at depreciated cost using the effective interest rate method.

On defining the depreciated cost, the costs related to the acquisition of the loan as well as discounts and premiums obtained on settlement of the liability are taken into consideration.

Gains and losses are recognized in profit or loss when the liability is derecognised in the statement of financial position, or when it is accounted for using the effective interest rate method.

Factoring

The Company uses reverse factoring, allowing it to settle its trade liabilities with the involvement of a financial institution (factor). Liabilities to the factor are similar in nature to trade liabilities therefore the Company presents these liabilities under the item "Liabilities from deliveries and services and other liabilities," and the financial flows are included in the separate cash flow statement in operating activities.

Derivatives

Derivative transactions are concluded by the Company in order to hedge cash flows against exchange rate risk. Derivative instruments are measured as at the balance sheet date at a reliably determined fair value. The effects of periodic valuation of derivatives hedging exchange rate fluctuations as well as profits and losses as at the date of their settlement are recognized in the profit and loss account in the item "Financial income" or "Financial costs" as part of financial activity.

Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date and under current market conditions, regardless of whether the price is directly observable or estimated using a different valuation technique. In the fair value measurement of an asset or liability, the Company takes into account the characteristics of a given asset or liability, if market participants take these characteristics into account when valuing the asset or liability as at the measurement date. The fair value for the purposes of valuation and/or disclosure in the Company's financial statements is determined on the above-mentioned basis, with the exception of share-based payment transactions, which are covered by IFRS 2, lease transactions, which are covered by IFRS 16, as well as that have some similarities to fair value but are not fair values, such as net realizable value under IAS 2 or value in use under IAS 36.

The Company classifies fair value measurement principles using the following hierarchy reflecting the importance of source data used for valuation:

- Level 1: quoted prices (unadjusted) from active markets for identical assets or liabilities to which the Company has access on the valuation date,
- Level 2: input data other than quoted prices included in Level 1 that are observable for assets or liabilities either directly (as prices) or indirectly (derived from prices),
- Level 3: input data for assets or liabilities that are not based on observable market data (unobservable source data).

4.15. Inventory

Inventories are measured at the lower of the two values: the purchase price or the cost of manufacture and the realizable net selling price.

Materials are measured at purchase price and their disbursement is determined according to the "first in – first out" rule.

The net realizable value is the estimated price of sale in the ordinary course of business, less finishing costs and estimated costs necessary to effect the sale.

4.16. Cash and cash equivalents

Cash and short-term deposits recognized in the statement of financial position include cash at bank and in hand as well as short-term deposits with an original maturity of up to three months.

The balance of cash and cash equivalents disclosed in the cash flow statement comprises the above cash and cash equivalents.

4.17. Equity

Ordinary shares are classified as equity capital.

Marginal costs directly attributable to the issue of new common shares or options are disclosed in equity capital as a decrease in the proceeds from issue, net of tax.

If the Company acquires shares included in base capital (its treasury shares), than the amount payable comprising any marginal costs (net of income taxes) associated directly with the acquisition, is deducted from equity capital attributable to owners of the Company until the shares are redeemed or reissued. If such ordinary shares are subsequently reissued, any consideration received (net of any directly related marginal transaction costs and related income tax effects) is included in the equity capital attributable to owners of the Company.

Loans whose repayment deadlines have been extended for an indefinite period and whose repayment deadlines depend solely on the decision of the Company are presented in equity capital.

4.18. Provisions

Provisions are created when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that fulfilment of this obligation will cause an outflow of economic benefits within 12 months from the balance sheet date for short-term provisions and over 12 months from the balance sheet date for long-term provisions, and a reliable estimate of the amount of such an obligation can be made. If the Company expects that costs covered by the reserve will be recovered, for instance pursuant to insurance policy, then such recoverable value is recognised as a separate asset component, but only when it is absolutely certain that the value will be indeed recovered. Costs associated with a specific provision are recognised in the profit and loss account after deduction of any refunds. Where the effect of the time value of money is material, the balance of the provision is determined by discounting projected future cash flows to their present value using the gross discount rate, which reflects current market assessment of the time value of money and of the probable risk related to the liability. If a discounting method had been used, the increase of the provisions resulting from the passing of time is presented as a financial costs.

4.19. Retirement severance pay

Under the Company's remuneration schemes, the Company's employees are entitled to retirement severance pay. Retirement severance pay is paid on one-off basis at the time of retirement. The amount of severance pay depends on the period of employment and the employee's average salary. The Company creates provisions for future severance pay in order to allocate the costs to relevant periods. Pursuant to International Accounting Standard 19, retirement payments are specific benefits payable after termination of employment. The current value of these liabilities is calculated by an independent Actuary.

4.20. Lease

At the beginning of the contract, the company assesses whether the contract is a lease or whether it includes a lease. The company recognizes:

- (a) assets and liabilities for all leases entered into for a period of over 12 months, except when the asset is of low value; and
- (b) depreciation of leased assets separately from the interest on the lease liability in the profit and loss account.

On the commencement date, the company as a lessee recognizes the right-of-use asset and the lease liability. The right to use is recognized at the commencement date of the lease at the cost, which includes:

- the amount of the initial measurement of the lease liability,
- any lease payments paid on or before the commencement date, less any lease incentives received.

At the commencement date, liabilities are measured as the present value of the lease payments outstanding, discounted at the marginal interest rate for lease agreements.

The identified right-of-use assets were assessed for impairment as at the date of the first application and no need to recognize impairment was found.

Lease payments are discounted using the incremental borrowing rate calculated for the Company's lease liabilities.

Presentation in the Company's financial statements

The Company presents the right-of-use assets under a separate reporting item.

The Company presents its lease liabilities in the following items of the separate financial statements:

- Long-term lease liabilities
- Short-term lease liabilities

4.21. Revenue

4.21.1. Revenue from contracts with customers

The Company accounts for a contract with a customer only when all of the following criteria are met:

- the parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations;
- the Company can identify each party's rights regarding the 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 (i.e. the risk, timing or amount of the Contract's future cash flows is expected to change as a result of the contract); and
- it is likely that the Company will receive remuneration to which it is entitled in exchange for goods or services to be provided to the client.

The Company combines two or more contracts entered into at or near the same time with the same customer (or related parties of the customer) and account for the contracts as a single contract if one or more of the following criteria are met:

- the contracts are negotiated as a package with a single commercial objective;
- the amount of consideration to be paid in one contract depends on the price or performance of the other contract; or
- the goods or services promised in the contracts (or some goods or services promised in each of the contracts) are a single performance obligation.

At contract inception, the Company assesses the goods or services promised in a contract with a customer and identifies as a performance obligation each promise to transfer to the customer either:

- a good or service (or a bundle of goods or services) that is distinct; or
- a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

A good or service that is promised to a customer is distinct if both of the following criteria are met:

- the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer (i.e. the good or service is capable of being distinct); and
- the Company's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (i.e. the good or service is distinct within the context of the contract).

The Company recognises revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

For each performance obligation identified, the Company determines at contract inception whether it satisfies the performance obligation over time or satisfies the performance obligation at a point in time. If the Company fails to meet a performance obligation over time, the performance obligation is satisfied at that point in time.

For construction contracts, the Company meets its performance obligation over time, because as a result of the services rendered by the Company:

- a) An asset with an alternative use for the Company is not created, and the Company has an enforceable right to payment for the service provided so far; or
- b) creates or enhances an asset that the customer controls as the asset is created or enhanced.

Revenue is recognized on the basis of the expenses incurred over time and that method is applied consistently to similar performance obligations and in similar circumstances. At the end of each reporting period, the Company remeasures its progress towards complete satisfaction of a performance obligation satisfied over time.

To measure progress, the Company uses the input methods. Input methods recognise revenue on the basis of the entity's efforts or inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation.

When (or as) a performance obligation is satisfied, the Company recognises as revenue the amount of the transaction price (which excludes estimates of variable consideration that are constrained) that is allocated to that performance obligation.

Revenues from construction contracts take into account the initial amount of revenue determined in the contract and changes (modifications) made during the performance of the contract (transaction price of the contract).

A variation is an instruction by the customer for a change in the scope of the work to be performed under the contract. A variation may lead to an increase or a decrease in contract revenue. Examples of variations are changes in the specifications or design of the asset and changes in the duration of the contract.

A contract modification exists when the parties to a contract approve a modification that either creates new or changes existing enforceable rights and obligations of the parties to the contract.

A contract modification may exist even though the parties to the contract have a dispute about the scope or price (or both) of the modification or the parties have approved a change in the scope of the contract but have not yet determined the corresponding change in price. In determining whether the rights and obligations that are created or changed by a modification are enforceable, the Company considers all relevant facts and circumstances, including the terms of the contract and other information.

The Company estimates the amount of variable remuneration for each contract individually using one of the following methods, allowing the Company to more accurately predict the amount of remuneration to which it is entitled:

a) Expected value – the expected value is the sum of the products of possible remuneration amounts and their corresponding probabilities of occurrence.

b) Most Probable Value – the most probable value is the single, most probable amount within a range of possible remuneration amounts (i.e. the single, most probable outcome of the contract). Most likely value may be an appropriate estimate of the variable remuneration amount if the contract has only two possible outcomes.

The Company consistently applies one method throughout the duration of the contract to estimate the impact of uncertainty on the amount of variable remuneration to which it is entitled. In addition, the company takes into account all information (historical, current and forecast) that is reasonably available to the company and identifies an appropriate number of possible remuneration amounts. The information a company uses to estimate the amount of variable remuneration is typically similar to the information a company's management uses during the bidding process and to set prices for promised goods or services.

The Company includes in the transaction price some or all of an amount of variable consideration estimated in accordance with the foregoing paragraph only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

In assessing whether it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur once the uncertainty related to the variable consideration is subsequently resolved, the Company considers both the likelihood and the magnitude of the revenue reversal.

When making a judgement and estimation of the amount of remuneration for changing the contract, the Management Board bases its decisions on the opinions of external independent law firms and experts.

The Company accounts for a contract modification as a separate contract if both of the following conditions are present: the scope of the contract increases because of the addition of promised goods or services that are distinct, and the price of the contract increases by an amount of consideration that reflects the Company's stand-alone selling prices of the additional promised goods or services and any appropriate adjustments to that price to reflect the circumstances of the particular contract.

The Company accounts for the contract modification as if it were a part of the existing contract if the remaining goods or services are not distinct and, therefore, form part of a single performance obligation that is partially satisfied at the date of the contract modification. The effect that the contract modification has on the transaction price, and on the Company's measure of progress towards complete satisfaction of the performance obligation, is recognised as an adjustment to revenue (either as an increase in or a reduction of revenue) at the date of the contract modification (i.e. the adjustment to revenue is made on a cumulative catch-up basis).

At the end of each reporting period, the Company updates the estimated transaction price (including updating its assessment of whether an estimate of variable consideration is constrained) to represent faithfully the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period. The Company accounts for changes in the transaction price in accordance with the two foregoing paragraphs.

In the event of a change in the transaction price as a result of a contract amendment:

- a) The Company allocates the change in the transaction price to the performance obligations identified in the contract before the modification if, and to the extent that, the change in the transaction price is attributable to an amount of variable consideration promised before the modification and the modification is accounted for as if the existing contract was terminated and a new contract was created;
- b) In all other cases in which the modification was not accounted for as a separate contract, the Company allocates the change in the transaction price to the performance obligations in the modified contract (i.e. the performance obligations that were unsatisfied or partially unsatisfied immediately after the modification).

After meeting (or during the performance) of the obligation, the Company recognizes the contract in the separate statement of financial position as an asset or a liability under the contract - depending on the relationship between

the fulfilment of the obligation by the Company and the payment made by the customer. The Company presents any unconditional rights to consideration separately as a receivable.

The Company identifies *Assets arising from construction contracts* as contract assets:

The Company identifies *Liabilities arising from construction contracts* as contract liabilities:

When another party is involved in providing goods or services to a customer, the Company determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Company is a principal) or to arrange for the other party to provide those goods or services (i.e. the Company is an agent).

The Company is a principal if it controls a promised good or service before the entity transfers the good or service to a customer. However, the Company is not necessarily acting as a principal if it obtains legal title of a product only momentarily before legal title is transferred to a customer. The Company is a principal in a contract may satisfy a performance obligation by itself or it may engage another party (for example, a subcontractor) to satisfy some or all of a performance obligation on its behalf. When the Company that is a principal meets a performance obligation, it recognises revenue in the gross amount of remuneration to which it expects to be entitled in exchange for those goods or services transferred.

The Company is an agent if its performance obligation is to arrange for the provision of goods or services by another party. When the Company that is an agent meets a performance obligation, it recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the other party to provide its goods or services. The Company's fee or commission might be the net amount of remuneration that the Company retains after paying the other party the remuneration received in exchange for the goods or services to be provided by that party.

4.21.2. Interest

Interest income is recognized as the interest accrues (using the effective interest rate), unless receipt thereof is doubtful. In the separate statement of financial position, interest on receivables accrued and unpaid as at the balance sheet date is presented under Receivables from deliveries and services and other receivables.

4.21.3. Dividends

Dividends are recognized upon determination of the Company's right as a shareholder or equity holder to receive them.

4.22. Income tax

Current corporate income tax liabilities are calculated in accordance with Polish tax regulations.

For financial reporting purposes, deferred tax is recognized using the balance sheet liability method in respect of all temporary differences as at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts disclosed in the financial statements.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that taxable income sufficient for a partial or full realization of the deferred income tax asset will be achieved.

Deferred tax assets and deferred tax liabilities are measured using the tax rates that are expected to apply in the period when the asset is to be realized or the liability is to be settled, based on tax rates (and tax regulations) in force as at the balance sheet date or those whose future application is certain as at the balance sheet date.

Deferred tax assets are offset against the provisions for deferred tax liabilities if, and only if, the business unit has a legally enforceable right to offset such liabilities and they are levied by the same taxation authority.

The income tax on items recognised outside profit and loss is recorded outside profit and loss: in other total income for items included in other total income or directly in the equity capital for items included directly in the equity capital.

Legal provisions on value added tax, corporate income tax, personal income tax, or social security are subject to frequent changes, and thus there is often no reference to the established regulations or legal precedents. The provisions in force also contain uncertainties, resulting in differences in opinions as to the legal interpretation of tax regulations both between government bodies and between business entities and government bodies. Tax settlements and other settlements (e.g. customs or foreign exchange) may be inspected by the authorities, which are entitled to impose severe fines, and the additional liabilities determined as a result of inspections must be paid

together with high interest. These circumstances cause that tax risk in Poland is higher than in countries with more developed tax systems. Tax settlements may be subject to inspection for a period of five years. As a result, the amounts disclosed in the financial statements may change at a later date after the final decision of the tax authorities.

4.23. Government grants

The Company takes advantage of funding under the projects co-financed by European Union. The subsidies are presented in deferred revenue until the corresponding costs are incurred, which these subsidies are intended to compensate. A government grant that becomes receivable as compensation for costs already incurred or loss or is awarded to a business entity with the aim of providing immediate financial support, with no future related costs, is recognized as a reduction of costs in the period in which it becomes payable.

4.24. Net profit (loss) per share

Net earnings (loss) per share for each period are calculated by dividing the net earnings (loss) for this period by the weighted average number of shares in the reporting period.

4.25. Cash Flow

The Company prepares the cash flow statement using the indirect method.

4.26. Changes in the applied accounting principles

The accounting principles (policies) applied in the preparation of the financial statements are consistent with those applied in preparation of the financial statements of the Company for the year ended 31 December 2024.

Amendments to the standards applied for the first time in 2025

The company applied the following changes to the standards for the first time:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: No convertibility (valid for annual periods beginning on or after 1 January 2025, earlier application permitted),

The above changes to the standards did not have a significant impact on the accounting policy of the Company applied so far.

Standards and amendments to standards approved by the EU

- Amendments to IFRS 9 and IFRS 7 Amendments to the Classification and Measurement of Financial Instruments (effective for annual periods beginning on or after 1 January 2026, earlier application is permitted),

- Amendments to IFRS 9 and IFRS 7 Contracts for Electricity from Nature-Based Sources (effective for annual periods beginning on or after 1 January 2026, earlier application permitted),

- Annual Improvements to IFRS Accounting Standards – Volume 11. Changes to:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures;
- IFRS 9 Financial instruments
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows

(effective for annual periods beginning on or after 1 January 2026, earlier application permitted.) The amendment regarding the derecognition of lease liabilities applies only to lease liabilities that have expired since the beginning of the annual reporting period in which the amendment is first applied.

The Company is currently analysing the potential impact of IFRS 18 on the financial statements. The remaining above-mentioned standards and amendments to the standards would not have a significant impact on the financial statements, if they had been applied by the Company as at the balance sheet date.

Standards and amendments to standards adopted by the IASB but not yet endorsed by the EU

At present, IFRS as approved by the EU do not differ significantly from the regulations adopted by the International Accounting Standards Board (IASB), except for the following standards and amendments to standards which, as at the date of these financial statement, have not yet been adopted for application:

- IFRS 18 Presentation and Disclosures in Financial Statements (effective for annual periods beginning on or after 1 January 2027, earlier application permitted),
- IFRS 19 Subsidiaries without public accountability: disclosures. (effective for annual periods beginning on or after 1 January 2027, earlier application permitted.)
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Conversion to the presentation currency, which is a hyperinflationary currency (issued November 13, 2025) (effective for annual periods beginning on or after 1 January 2027, earlier application permitted),
- Amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" – Sales or transfers of assets between the investor and the associate or joint venture – the work leading to the approval of these amendments has been postponed indefinitely by the EU – the date of entry into force has been postponed by the IASB for an indefinite period.

The above-mentioned standards and amendments to the standards would not have a significant impact on the financial statements, if they had been applied by the Company as at the balance sheet date.

4.27. The political and economic situation in the Middle East

The Management Board monitors and analyses the impact of the political and economic situation in the Middle East on the Company's operations. However, it is currently difficult to estimate the scale of the effects and their duration. It is to be expected that this conflict will primarily result in rising inflation, currency fluctuations, limited availability and rising fuel prices.

In view of the impact of this conflict on the political and economic situation in Europe and globally, the Company:

- has conducted an analysis of potential risks arising from the conflict that may affect the Company's operations, and
- has conducted an analysis of the potential impact of the conflict on the 2025 financial statements in the context of assessing the Company's ability to continue as a going concern.

The Company has no direct exposure to entities operating in the Middle East. Based on currently available information and analyses carried out, the Management Board has not identified any material uncertainties regarding events or circumstances that could cast serious doubt on its ability to continue as a going concern. The Company is tracking and monitoring political and economic developments in the Middle East, and is analysing the potential negative consequences of the conflict on the Company's operations in order to take the necessary measures to mitigate any potential impact. Given the significant uncertainty arising from the further development of the conflict and the reaction of the international community, as well as their impact on the economy, as at the date of preparation of the financial statements, the long-term effects of the conflict cannot be determined.

5. Reporting by market segment

The Company is organised and managed by segment, as appropriate for the types of product offered. The following tables presented the data from the profit and loss account for each of the Company's reportable segments for the periods of 12 months ended 31 December 2025 and 31 December 2024.

The following segments exist within continuing business:

1. The industrial and power engineering segment, which includes activities relating to construction of industrial and power engineering facilities.
2. The infrastructural segment, which includes activities relating to construction of roads and bridges.
3. General construction segment, which includes activities related to construction of residential buildings and public utilities.

Unallocated revenue and costs relate to other manufacturing and service activities and administrative costs.

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Profit and loss account for individual reporting segments:

Period ended 31 December 2025	<i>Industry and power engineering</i>	<i>Infrastructure</i>	<i>General construction</i>	<i>Unallocated revenue, costs</i>	<i>Total</i>
Sales revenue					
Sales to external customers	18,405	586,874	379,620	3,963	988,862
Inter-segment sales	0	0	0	0	0
Total revenue of the segment	18,405	586,874	379,620	3,963	988,862
Profit (loss) of segment (taking into account operating costs and revenue)	-103,077	5,625	40,066	-19,150	-76,536
Unallocated costs (administrative costs and sales costs)	-	-	-	58,794	58,794
Profit (loss) on continued activities	-103,077	5,625	40,066	-77,944	-135,330
Financial revenue	14,201	1,662	31,587	5,227	52,677
Financing costs	4,669	3,850	387	22,921	31,827
Gross profit (loss)	-93,545	3,437	71,266	-95,638	-114,480
Income tax	,	,	,	-9,945	-9,945
Net profit (loss) from continuing operations	-93,545	3,437	71,266	-85,693	-104,535
Discontinued operations	0	0	0	0	0
Net profit (loss)	-93,545	3,437	71,266	-85,693	-104,535

Period ended 31 December 2024	<i>Industry and power engineering</i>	<i>Infrastructure</i>	<i>General construction</i>	<i>Unallocated revenue, costs</i>	<i>Total</i>
Sales revenue					
Sales to external customers	123,617	763,398	403,943	3,503	1,294,461
Inter-segment sales	0	0	0	0	0
Total revenue of the segment	123,617	763,398	403,943	3,503	1,294,461
Profit (loss) of segment (taking into account operating costs and revenue)	-35,845	82,095	13,091	-19,428	39,913
Unallocated costs (administrative costs and sales costs)	-	-	-	54,992	54,992
Profit (loss) on continued activities	-35,845	82,095	13,091	-74,420	-15,079
Financial revenue	2,032	1,864	-3	6,407	10,300
Financing costs	1,311	3,490	4,675	9,987	19,463
Gross profit (loss)	-35,124	80,469	8,413	-78,000	-24,242
Income tax	,	,	,	-2,874	-2,874
Net profit (loss) from continuing operations	-35,124	80,469	8,413	-75,126	-21,368
Discontinued operations	0	0	0	0	0
Net profit (loss)	-35,124	80,469	8,413	-75,126	-21,368

The Company's main body responsible for making operational decisions (the Management Board) does not analyse segment assets and liabilities due to the transfers of assets between segments. Revenues and costs are allocated to the individual segments in accordance with the implemented projects. Assets are analysed on the level of the entire Company. Gross profit (loss) from sales adjusted for other operating revenue and costs constitutes a key indicator of segment result.

Both, in 2025 and in 2024, the Company conducted all of its operations on the domestic market.

In the reporting period, the largest recipients of the Company's services were: The General Directorate for National Roads and Motorways with a 56 % share in sales. The remaining customers do not exceed the threshold of a ten percent share in the sales of Mostostal Warszawa S.A.

6. Revenue and costs

6.1. Long-term construction contracts

Revenue from construction contracts is adjusted for the damages and penalties paid, while the costs of constructions works are reduced by the damages and penalties received.

The revenue arising from construction contracts in 2025 amounted to 966,603 thousand PLN (including 814,532 thousand PLN from contracts with public investors). The figures were 1,268,966 thousand PLN (1,141,917 thousand PLN) respectively in the corresponding period.

The costs of construction works include the costs of provisions created for the losses on contracts disclosed in Note 26.1.

Seasonal or cyclical nature of the Company's operations

The Company's activity depends on the weather conditions and in winter it may be less active than in other seasons of the year. In 2025, weather conditions did not affect the Company's operations.

Revenue accrued on the construction contracts in progress as at the balance sheet date:

Item	31.12.2025	31.12.2024
Estimated incremental revenue from construction contracts in progress	3,232,118	2,969,047
Incrementally invoiced sales of uncompleted construction contracts	3,164,788	2,746,005
Assets and accrued liabilities arising from construction contracts in progress (on balance)	67,330	223,042
Advances received on uncompleted construction contracts	123,028	129,457
Assets and short-term and long-term liabilities arising from construction contracts in progress (on balance)	-55,698	93,585
Reconciliation with the items from the separate statement of financial position:		
Assets and accruals arising from construction contracts in progress (on balance)	67,330	223,042
Assets arising from construction contracts for completed contracts	102,090	54,078
Advances received on uncompleted construction contracts	123,028	129,457
Assets and short-term and long-term liabilities arising from construction contracts (on balance)	46,392	147,663
including:		
Assets arising from construction contracts	208,389	233,967
Long-term liabilities from construction contracts	1,802	0
Short-term liabilities from construction contracts	160,195	86,304

Unforeseen circumstances may arise in the course of performance of the contracts, resulting in loss or decrease of margins, damage, increased unexpected expenses, etc.

These circumstances included in particular the following:

- broadened scope of works in relation to the design (tender) conditions communicated to the Company by the Contracting Authorities,
- unexpected and extraordinary increase in the prices of construction materials (including crude oil derivatives and other materials), transport, equipment rental and construction services,
- the need for longer performance of contracts, and accordingly, to incur higher costs *inter alia* as a result of Company's lack of access to the site due to adverse weather conditions, defects in the design documentation supplied by the customer.

In the Company's opinion, these circumstances have resulted in changes to contracts with employers (customers) in accordance with contractual provisions and general legal grounds, and the rights to which the Company is entitled as a result of the changes to those contracts exist and are enforceable (claims submitted to customers).

The claims are initially negotiated with the employers. If the parties fail reach agreement in the course of the negotiations, the claims are brought to court. Claims submitted against customers represent additional remuneration that may be received in the event of outcome of the court proceedings in favour of the Company.

Customers may also file claims against the Company, most often in the event of delays in contract performance and in the event of identified faults and defects. Claims against the Company represent a potential reduction in remuneration to be returned to the customers in the event of an unfavourable outcome of the court proceedings.

Due to the high complexity of construction contracts and the fact that court proceedings can be conducted at various levels, it may take many years before the final judgement in a given case is announced.

In the statement of financial position, the Company presents significant balances of assets arising from construction contracts that are subject to court proceedings.

The amounts recognized as assets/liabilities arising from construction contracts reflect the estimated value of the variable consideration:

- a) the change in the transaction price resulting from the contract variation is estimated taking into account all the information (historical, current, forecasts, legal opinions and expert reports) that is reasonably available at the time of preparation of the financial statements;

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- b) the transaction price includes part of the variable consideration resulting from the contract variation to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The table below presents the total value of court disputes with investors, divided into the nominal value of the variable remuneration that will be due to the Company in the event of a favourable resolution of the court proceedings, including the value of assets from the implementation of construction contracts related to claims recognised in the statement of financial position, and the nominal value of liabilities from the implementation of contracts that will be returned to the Contracting Authorities in the event of an unfavourable resolution of the court proceedings pending against the Company. Claims are grouped into the following categories:

- Claims subject to court proceedings:
 - Resulting from closed and ongoing contracts, which include claims for payment of due remuneration deducted from contractual penalties charged by the Contracting Authority and claims for increase in remuneration due to unforeseeable circumstances,
 - Related to contracts that have not been completed - disputes regarding the determination of the amount of remuneration due to the Company for the works performed until the date of withdrawal from the contract,

31 December 2025	Assets recognised in the statement of financial position relating to the performance of construction contracts*	Value of claims constituting potential nominal variable remuneration due to the Company**	The value of claims constituting potential nominal remuneration to be returned to the Contracting Authority
Claims subject to court proceedings:	189,810	641,410	524,277
Contracts in progress and completed contracts	76,630	473,849	294,667
Contracts terminated prior to completion of works	113,180	167,561	229,610

*the presented assets, listed in the statement of financial position, relate to the implementation of construction contracts and are classified as current (short-term), because the Company expects to realise these assets during the normal operating cycle. As at the balance sheet date, the Company expects that assets worth approximately 190 million PLN will be settled over 12 months from the balance sheet date;

**includes the amounts shown in the column "Assets recognised in the statement of financial position relating to the performance of construction contracts"

31 December 2024	Assets recognised in the statement of financial position relating to the performance of construction contracts*	Value of claims constituting potential nominal variable remuneration due to the Company**	The value of claims constituting potential nominal remuneration to be returned to the Contracting Authority
Claims subject to court proceedings:	185,828	654,963	519,187
Contracts in progress and completed contracts	61,444	473,849	263,878
Contracts terminated prior to completion of works	124,384	181,114	255,309

*the presented assets, listed in the statement of financial position, relate to the implementation of construction contracts and are classified as current (short-term), because the Company expects to realise these assets during the normal operating cycle. As at the balance sheet date, the Company expects that assets worth approximately 186 million PLN will be settled over 12 months from the balance sheet date;

**includes the amounts shown in the column "Assets recognised in the statement of financial position relating to the performance of construction contracts"

The description of the court cases from which the above amounts result is provided in the Report on the activities of Mostostal Warszawa S.A. in point IV.

Contractual assets comprise the Company's rights to remuneration for the works performed under construction contracts that have been completed but not invoiced yet as at the reporting date. Contract assets are subject to impairment testing. As at the balance sheet date, no impairment was identified and they were not written down in this respect. Contractual assets are transferred to receivables when rights become unconditional. This usually takes place when the Company issues an invoice to the customer.

Liabilities arising from construction contracts comprise mainly accrued liabilities i.e. where the invoiced cumulative value of sales and advances received for performance of the contract is higher than the sales, taking into account the extent of the contract performance.

As at 31.12.2025, assets arising from construction contracts amounted to 208,389 thousand PLN and reduced by 25,578 thousand PLN, compared to the previous year's balance sheet date. Liabilities arising from the implementation of construction contracts (total long-term and short-term) amounted to 161,997 thousand PLN and compared to the end of 2024 increased by 75,693 thousand PLN.

On 19 December 2025 the Company received from PGE Energia Odnawialna S.A. ("Ordering Party") a statement of withdrawal from the contract by the Ordering Party along with a demand for payment. The aforementioned correspondence and the statement of withdrawal contained therein concerns the Agreement dated July 22, 2022, concluded between a consortium of companies ("Contractor"): GE Hydro France S.A.S. ("Leader" - 55.14% consortium share) and Mostostal Warszawa S.A. ("Partner" - 44.86% consortium share), with PGE Energia Odnawialna S.A. for the execution under the general contractor mode of the modernization of the technological part of ESP Porąbka-Żar.

The Ordering Party indicated, among others, delay in the execution of the Investment, inability to complete it on time, conducting and planning works by the Contractor incorrectly, including as a result of a design-execution error in the technological layer, as reasons for the Withdrawal from the Agreement. The Ordering Party imposed contractual penalties in the amount of PLN 4.72 million for 28 days delay in commissioning hydro unit no. 3 and a penalty in the amount of PLN 105.33 million for withdrawal from the Agreement due to reasons attributable to the Contractor, as a result of which it issued debit notes indicating GE Hydro France S.A.S. as the payer. It also demanded the Contractor to return the unsettled advance payment received in connection with the conclusion of the Agreement, i.e., the amount of PLN 151.59 million.

As included in Notes 4 and 39, the assessment of the grounds for withdrawal indicated by the Ordering Party suggests that these are circumstances not attributable to the Company, consequently, the Company has submitted a request for arbitration against GE Hydro France S.A.S. with the International Court of Arbitration of the International Chamber of Commerce for the damages incurred as a result of the termination.

The Company has amounts receivable outstanding corresponding to the work performed and not settled as of the termination date. An agreement with the Ordering Party regarding the amounts due and their settlement is expected to be reached during the 2026 fiscal year.

Remaining obligations to provide services

Total amount of the transaction price allocated to performance obligations that are not met (or partially met) at the end of the reporting period to be completed:	31.12.2025	31.12.2024
- up to year	989,707	1,275,315
- more than a year	1,042,900	1,524,632
Total	2,032,607	2,799,947

The value of other outstanding performance commitments, as compared to the previous year, decreased by 767,340 thousand PLN.

Time limits for meeting performance obligations and the applicable payment terms

Long-term construction contracts are settled with investors in the following way:

- in the course of the works – partly in accordance with the progress of works, usually on a monthly basis, based on settlement documents confirming the performance of specific works and other contractual obligations (transitional payment certificates, partial acceptance reports, partial invoices),
- after completion of the works – based on final documents (final acceptance reports, final invoices) confirming completion of works and fulfilment of contractual obligations required for the final settlement.

Payment terms for construction services performed by the Company are usually 30 days, with the proviso that on some contracts the Company obtains financing before the commencement of works in the form of advance payments, which are settled on an ongoing basis with partial invoices and a final invoice.

6.2. Costs by type

Item	01.01.2025 - 31.12.2025	01.01.2024 - 31.12.2024
a) depreciation and amortisation	74,239	78,126
(b) use of materials and energy	275,553	350,538
c) third party services	539,635	733,591
d) taxes and fees	3,527	3,014
e) salaries	130,107	134,631
f) social security and other employee benefits	34,189	34,299
g) other costs by type	11,285	16,695
Costs by type, total	1,068,535	1,350 894
Changes in inventory, products, prepayments and accruals	44,858	-43,418
General administrative expenses (negative value)	-58,794	-54,992
Value of goods and materials sold	460	4,020
Own sales costs	1,055,059	1,256,504

The third-party services include primarily the costs of subcontracted services under the contracts.
 The amount of social security in 2025 amounted to 23,409 thousand PLN (cf. 23,900 thousand PLN in 2024).

Depreciation

Item	01.01.2025 - 31.12.2025	01.01.2024 - 31.12.2024
Items included in the cost of sale:	70,196	74,345
Depreciation of fixed assets	70,142	74,283
Amortisation of intangible assets	54	62
Items included in the general administrative expenses:	4,043	3,781
Depreciation of fixed assets	4,038	3,712
Amortisation of intangible assets	5	69
Depreciation, total	74,239	78,126

Salaries

Item	01.01.2025 - 31.12.2025	01.01.2024 - 31.12.2024
Salaries included in the cost of sale	98,438	104,833
Items included in general and administrative expenses	31,669	29,798
Total salaries	130,107	134,631

Social security and other employee benefits

Item	01.01.2025 - 31.12.2025	01.01.2024 - 31.12.2024
Social security and other employee benefits included in the cost of sale	25,657	26,730
Social security and other employee benefits included in the general administrative expenses	8,532	7,569
Total social security and other employee benefits	34,189	34,299

6.3. Other operating revenue

Item	01.01.2025 - 31.12.2025	01.01.2024 - 31.12.2024
a) dissolved provisions (due to)	0	1,366
- receivables (excess of the provision resolved over the provision created)	0	0
- other	0	1,366
(b) profit from sale of non-financial fixed assets	710	1,128
(c) other, including:	695	5,402
- damages and penalties	112	403
- write-offs of liabilities	431	4,412
- other	152	587
Other operating revenue, total	1,405	7,896

6.4. Other operating expenses

Item	01.01.2025 - 31.12.2025	01.01.2024 - 31.12.2024
(a) provisions / write-downs (due to)	10,535	3,449
- receivables (excess of the provision created over the provision reversed)	10,535	3,449
(b) other, including:	1,209	2,491
- resolution of disputes	0	1,527
- write-offs of receivables	255	195
- costs of recovering liabilities	204	168
- costs of recovering receivables	0	0
- liquidation of fixed assets	40	5
- other	710	596
Other operating cost, total	11,744	5,940

6.5. Financial revenue

Item	01.01.2025 - 31.12.2025	01.01.2024 - 31.12.2024
a) interest	46,623	5,400
- on cash and deposits	899	2,209
- on late payment interest	45,073	2,461
- interest on loans	651	730
b) dividend and profit sharing	4,000	4,500
(c) other	2,054	400
- revenues from financial instruments	584	0
- surplus of positive exchange differences over negative exchange differences	1,470	400
Total financial revenue	52,677	10,300

6.6. Financing costs

Item	01.01.2025 - 31.12.2025	01.01.2024 - 31.12.2024
a) interest	23,183	18,156
- on loans	5,491	4,106
- on bank loans	295	181
- for late payment of trade and tax liabilities	5,982	6,658
- on lease agreements	1,921	2,642
- from factoring	9,494	4,569
b) gain on revaluation of investments	6,152	0
(c) other	2,492	1,307
- discount	2,492	1,307
Total financial costs	31,827	19,463

7. Income tax

The main components of the tax burden	01.01.2025 - 31.12.2025	01.01.2024 - 31.12.2024
Profit and loss account		
<i>Current income tax</i>	-302	2,356
Current debit due to deferred income tax	-302	2,356
<i>Deferred income tax</i>	-9,643	-5,230
Associated with the occurrence and the reversal of transient differences	-9,643	-5,230
Taxes recognised in the profit and loss account	-9,945	-2,874

Reconciliation of income tax on gross financial result before tax at the statutory tax rate with income tax calculated according to the effective tax rate for the period of 12 months ended on 31 December 2025.

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Item	01.01.2025 - 31.12.2025	01.01.2024 - 31.12.2024
Gross loss before tax	-114,480	-25,242
Tax at the statutory tax rate in force in Poland, amounting to 19%	-21,751	-4,606
Tax correction for costs not constituting tax deductible costs	13,183	3,752
Tax adjustment for non- taxable income	-1,075	-1,156
Tax adjustment for items for which an asset has not been created/asset written off	-302	-864
Tax shown in the profit and loss account	-9,945	-2,874
Including:		
Current income tax	-302	2,356
Deferred income tax	-9,643	-5,230

8. Deferred income tax

8.1. Deferred tax assets

Item	<i>Balance sheet</i>		<i>Profit and loss account for the period</i>	
	31.12.2025	31.12.2024	01.01.2025 - 31.12.2025	01.01.2024 - 31.12.2024
Deferred tax assets				
Exchange gain / loss	64	179	115	578
revaluation of receivables	4,680	4,262	-418	2,152
amortisation & depreciation	18,421	10,002	-8,419	-4,900
Lease liabilities	10,271	21,331	11,060	3,624
Accruals and deferred cost	30,764	41,247	10,483	-8,674
provisions for expected losses	1,637	2,384	747	-559
valuation of long-term contracts	19,113	11,292	-7,821	715
unpaid remuneration	8	8	0	-6
provisions for employee benefits	1,869	1,779	-90	-97
Interest accrued on loans	607	610	3	-528
Assets before offset	87,434	93,094	5,660	-7,695
Offset against the deferred tax liability	-44,653	-59,956	-15,303	2,465
Deferred tax assets	42,781	33,138	-9,643	-5,230

The deferred tax assets increased by 2,828 thousand PLN compared to the end of 2024.

8.2. Deferred tax liability

Item	<i>Balance sheet</i>		<i>Profit and loss account for the period</i>	
	31.12.2025	31.12.2024	01.01.2025 - 31.12.2025	01.01.2024 - 31.12.2024
Deferred tax liability				
foreign exchange gains – balance sheet valuation	-22	-69	47	0
interest	2,008	2,217	-209	-2,097
valuation of long-term contracts	31,453	35,060	-3,607	8,434
Lease assets	10,271	21,331	-11,060	-3,624
discount	943	1,417	-474	-248
Liability before offset	44,653	59,956	-15,303	2,465
Offset against the deferred tax asset	-44,653	-59,956	15,303	-2,465
Deferred tax liability	0	0	0	0
Deferred income tax expense	-	-	-9,643	-5,230
Deferred tax assets	42,781	33,138	-	-
Net reserves from deferred taxes	0	0	-	-

The Levelling-up Tax – Pillar 2 of the BEPS 2.0 reform

Pillar 2 of the BEPS 2.0 reform introduces a general framework for a 15% global minimum tax, as agreed upon within the OECD. For European Union Member States, the first stage of introducing the new rules was the adoption of Council Directive 2022/2523 of 14 December 2022 on ensuring a global minimum level of taxation for multinational enterprise groups and large domestic groups in the European Union (hereinafter: 'the Directive'). In the case of Poland, the Act of 6 November 2024 on the countervailing taxation of constituent entities of international and domestic groups (Journal of Laws 2024, item 1685 – hereinafter the "Act"), implementing the provisions of the Directive, was published on 19 November 2024. In accordance with the Act in question, the Polish legal regulations imposing obligations on liable entities entered into force on 1 January 2025 (for all three adjustment taxes, i.e. the global adjustment tax, the domestic adjustment tax and the adjustment tax on under-taxed profits), with the option of voluntary application of these regulations from 1 January 2024 in the case of the global and domestic adjustment taxes.

As 2025 is the first tax year in which the Mostostal Warszawa is subject to equalisation tax obligations, the final calculation of any potential tax liability in respect of QDMTT tax will be carried out within the statutory deadline, i.e. within 21 months of the end of 2025.

9. Discontinued operations

In the reporting period from 01.01.2025 to 31.12.2025, no discontinued operations have been reported.

10. Profit / loss per share

Basic earnings per share are calculated by dividing the net profit or loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share are calculated by dividing the net profit (loss) for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the financial year (adjusted for the effect of dilutive options and redeemable preference shares convertible into ordinary shares).

Profit and the number of shares used to calculate basic and diluted profit per share:

Item	01.01.2025 - 31.12.2025	01.01.2024 - 31.12.2024
Net loss from continuing operations	-104,535	-21,368
Net loss	-104,535	-21,368
Net loss used in the calculation of the diluted loss per share	-104,535	-21,368

Item	01.01.2025 - 31.12.2025	01.01.2024 - 31.12.2024
Weighted average number of ordinary shares outstanding used to calculate earnings per share	20,000,000	20,000,000
Adjusted weighted average number of ordinary shares used to calculate diluted loss per share	20,000,000	20,000,000

11. Dividends paid and recommended

Mostostal Warszawa S.A. did not pay dividends in 2025 and 2024.

The Management Board of Mostostal Warszawa S.A. proposes to cover the net loss for 2025 in the amount of 104,535 thousand PLN from profits from future years.

12. Intangible assets

31 December 2025	Acquired concessions, patents, licenses and similar assets	Total
Net amount as at 01 January 2025	30	30
Increase (acquisition)	98	98
Decrease (sale)	0	0
Impairment loss	0	0
Depreciation charge for the financial year (sale, liquidation)		
Current depreciation	-59	-59
As at 31 December 2025	69	69

As at 01 January 2025

Gross amount	8,681	8,681
Accumulated depreciation and impairment loss	-8,651	-8,651
Net amount	30	30

As at 31 December 2025

Gross amount	8,779	8,779
Accumulated depreciation and impairment loss	-8,710	-8,710
Net amount	69	69

31 December 2024	Acquired concessions, patents, licenses and similar assets	Total
Net amount as at 01 January 2024	144	144
Increase (acquisition)	17	17
Decrease (sale)	-2,529	-2,529
Impairment loss	0	0
Depreciation charge for the financial year (sale, liquidation)	2,529	2,529
Current depreciation	-131	-131
As at 31 December 2024	30	30

As at 01 January 2024

Gross amount	11,193	11,193
Accumulated depreciation and impairment loss	-11,049	-11,049
Net amount	144	144

As at 31 December 2024

Gross amount	8,681	8,681
Accumulated depreciation and impairment loss	-8,651	-8,651
Net amount	30	30

Mostostal Warszawa S.A. has no liens on intangible assets to secure liabilities.

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13. Property, plant and equipment

31 December 2025	Land	Buildings and structures	Machinery and equipment	Means of transport	Other fixed assets	Fixed assets under construction	Total
Net value on 1 January 2025	5,021	11,467	21,486	2,023	3,984	1,050	45,031
Increases / acquisition, transfer	0	23	1,333	1,257	191	82	2,886
Reduction / sale, liquidation, transfer	0	0	-67	0	-13	0	-80
Increases (+) (lease buyout)	0	0	18,032	0	0	0	18,032
Depreciation write-off (lease buyout)	0	0	-13,892	0	0	0	-13,892
Depreciation write-off (sale, liquidation)	0	0	67	0	13	0	80
Current depreciation	0	-901	-7,306	-1,969	-1,195	0	-11,371
Net value as of 31 December 2025	5,021	10,589	15,513	1,311	2,980	1,132	36,546

As at 01 January 2025

Gross amount	5,021	30,124	47,413	2,486	14,569	1,050	100,663
Accumulated depreciation and impairment loss	0	-18,657	-25,927	-463	-10,585	0	-55,632
Net amount	5,021	11,467	21,486	2,023	3,984	1,050	45,031

As at 31 December 2025

Gross amount	5,021	30,147	66,741	3,743	14,747	1,132	121,531
Accumulated depreciation and impairment loss	0	-19,558	-47,058	-2,432	-11,767	0	-80,815
Net amount	5,021	10,589	19,683	1,311	2,980	1,132	40,716

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31 December 2024	Land	Buildings and structures	Machinery and equipment	Means of transport	Other fixed assets	Fixed assets under construction	Total
Net value on 1 January 2024	5,021	20,486	26,067	2,582	4,336	946	59,438
Increases / acquisition, transfer	0	11	2,866	166	1,663	167	4,873
Reduction / sale, liquidation, transfer	0	-113	-661	-352	-614	-63	-1,803
Depreciation write-off (sale, liquidation)	0	113	988	352	613		2,066
Current depreciation	0	-9,030	-7,774	-725	-2,014		-19,543
Net value as of 31 December 2024	5,021	11,467	21,486	2,023	3,984	1,050	45,031

As at 01 January 2024

Gross amount	5,021	30,226	45,208	2,672	13,520	946	97,593
Accumulated depreciation and impairment loss	0	-9,740	-19,141	-90	-9,184	0	-38,154
Net amount	5,021	20,486	26,068	2,582	4,337	946	59,439

As at 31 December 2024

Gross amount	5,021	30,124	47,413	2,486	14,569	1,050	100,663
Accumulated depreciation and impairment loss	0	-18,657	-25,927	-463	-10,585	0	-55,632
Net amount	5,021	11,467	21,486	2,023	3,984	1,050	45,031

Mostostal Warszawa S.A. has no liens on the property, plant and equipment to secure liabilities.

Purchases of fixed assets are financed with own funds.

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14. Use rights

In the balance sheet item of the right to use, the Company presents fixed assets used on the basis of lease and lease contracts.

31 December 2025	Buildings and structures	Machinery and equipment	Means of transport	Other fixed assets	Total
Net value on 1 January 2025	10,803	83,607	17,704	156	112,270
Increase	747	5,103	3,148	0	8,998
Decreases	0	-193	-2,652	0	-2,845
Reduction - (buyout)	0	-18,062	0	0	-18,062
Depreciation write-off (buyout)	0	13,892	0	0	13,892
Depreciation (liquidation)	0	86	2,527	0	2,613
Current depreciation	-2,412	-52,292	-8,050	-54	-62,808
Net value as of 31 December 2025	9,138	32,141	12,677	102	54,058

As at 01 January 2025

Gross amount	26,645	158,838	35,649	267	221,399
Accumulated depreciation and impairment loss	-15,842	-75,231	-17,945	-111	-109,129
Net amount	10,803	83,607	17,704	156	112,270

As at 31 December 2025

Gross amount	27,392	145,686	36,145	267	209,490
Accumulated depreciation and impairment loss	-18,254	-113,545	-23,468	-165	-155,432
Net amount	9,138	32,141	12,677	102	54,058

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31 December 2024	Buildings and structures	Machinery and equipment	Means of transport	Other fixed assets	Total
Net value on 1 January 2024	11,870	101,085	18,176	209	131,340
Increase	1,346	30,654	7,634	0	39,634
Decreases	0	0	-3,398	0	-3,398
Depreciation write-off (buyout)	0	0	0	0	0
Depreciation (liquidation)	0	0	3,146	0	3,146
Current depreciation	-2,413	-48,132	-7,854	-53	-58,452
Net value as of 31 December 2024	10,803	83,607	17,704	156	112,270

As at 01 January 2024

Gross amount	25,299	128,184	31,418	262	185,163
Accumulated depreciation and impairment loss	-13,429	-27,099	-13,242	-53	-53,823
Net amount	11,870	101,085	18,176	209	131,340

As at 31 December 2024

Gross amount	26,645	158,838	35,649	267	221,399
Accumulated depreciation and impairment loss	-15,842	-75,231	-17,945	-111	-109,129
Net amount	10,803	83,607	17,704	156	112,270

15. Business combinations

In the reporting period, there was no merger with another entity.

16. Participation in joint arrangements

As at 31.12.2025 and as at 31.12.2024, the financial data of Mostostal Warszawa S.A. include the amounts attributable to the Company due to holding 50% of shares in Mostostal Acciona S19 Tunel Spółka Cywilna, established on 2 July 2020 to perform the contract "Design and Construction of S19 Expressway at the Section from the Rzeszów Południe junction (exclusive of the junction) to the Babica Junction (inclusive of the junction) with a length of approx. 10.3 km."

Due to the establishment of a separate entity under joint contractual arrangements, it is treated as a joint operation. Mostostal Acciona S19 Tunel s.c. was established in the form of a civil partnership, which has no legal personality, hence the legal form guarantees the parties the rights to the assets and obligations arising from the liabilities, the share of which is indicated in the agreement between the parties. Moreover, Mostostal Acciona S19 Tunel s.c. is a jointly controlled entity (unanimity of all partners on matters relating to its activities is required), which, in accordance with IFRS 11, is treated as a joint arrangement.

There are no future investment commitments regarding the implementation of the contract "Design and construction of the S19 motorway on the section from the Rzeszów Południe junction (excluding the junction) to the Babica junction (including the junction) approx. 10.3 km long."

17. Long-term financial assets

Item	31.12.2025	31.12.2024
Shares and interests	29,812	35,964

The value of shares and stocks decreased by 6,152 thousand PLN compared to the value as at 31.12.2024, which is the result of the creation of an impairment write-down on the value of AMK Kraków S.A. shares as at the balance sheet date.

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Interests and shares in subsidiaries

Item	a	b	c	d	e	f	g	h	i	j	k	
	name (company) of the entity and legal form	registered office	core business	type of affiliation (subsidiary, joint subsidiary, affiliated company, indication of direct and indirect affiliation)	consolidation method	date of gaining control / joint control / considerable influence	value of shares at the purchase price	value adjustments (total)	share carrying value	percent of owned share capital	share of total voting rights in General Shareholders' Meeting	
1.	Mostostal Kielce S.A.	Kielce	Construction	Subsidiary	Full	07.04.1994	8,498	0	8,498	100%	100%	
2.	AMK Kraków S.A.	Kraków	Construction	Subsidiary	Full	10.07.1998	8,914	-6,152	2,762	100%	100%	
3.	Mostostal Płock S.A.	Płock	Construction	Subsidiary	Full	14.12.1999	18,547	0	18,547	48.69%	53.21%	
4.	Mostostal Power Development Sp. z o.o.	Warsaw	Construction	Subsidiary	Full	23.10.2013	5	0	5	100%	100%	
5.	Mostostal Warszawa Ukraina Sp. z o.o.	Kiev	Construction	Subsidiary	excluded from consolidation	05.2008	25	-25	0	100%	100%	
Total								35,989	-6,177	29,812		

18. Long-term deferred charges and accruals

Item	31.12.2025	31.12.2024
a) accrued expenses, including:	2,339	3,541
insurance	2,339	3,541
other	0	0
Long-term deferred charges and accruals	2,339	3,541

19. Inventory

Item	31.12.2025	31.12.2024
Materials	22,745	49,869
Goods	0	0
Total inventory at the lower of the two values: purchase price (at cost) or net realizable value	22,745	49,869
Impairment loss of inventory	0	0
Total inventory at cost	22,745	49,869

None of the inventory categories provided collateral for loans or borrowings in 2025 and 2024. As at 31 December 2025 and 31 December 2024, there were no inventories valued at the net sales price.

Changes in the impairment loss of inventory

As at 31.12.2025 and as at 31.12.2024, the Company did not create any inventory write-downs.

20. Trade receivables and other receivables (long-term and short-term)

Item	31.12.2025	31.12.2024
Long-term trade receivables	15	9
Trade receivables from other entities	15	9
Other long-term receivables	0	0
Other long-term receivables from third parties	0	0
Total net long-term trade and other receivables	15	9
Short-term trade receivables	131,018	197,509
Trade receivables from related parties (Note 33)	14,348	7,452
Trade receivables from other entities	116,670	190,057
Other short-term receivables	8,157	5,209
Other receivables from subsidiaries and affiliates	50	0
Regulatory charges - VAT	5,334	3,452
Other receivables from third parties	2,773	1,757
Total net short-term trade receivables and other receivables	139,190	202,718
Impairment of receivables	28,103	20,385
Gross trade receivables and other receivables	167,293	223,103

Gross trade receivables maturing after the balance sheet date	31.12.2025	31.12.2024
- up to 30 days	26,199	33,658
- from 31 to 90 days	8,162	29,744
- from 91 to 180 days	0	0
- from 181 days to 365 days	2	3,117
- above 365	15	9
- overdue receivables	124,758	151,375
Total gross trade receivables	159,136	217,903
- allowance for uncollectible accounts from deliveries and services	28,103	20,385
Total net trade receivables	131,033	197,518

In the company's practice, the predominant time frame for settlement of receivables is the period of up to 1 month. However, there are instances where contracts provide for longer time limits for payments, which means that all of the specified time intervals may be associated with the normal course of sales. A special case are the security deposits maturing up to 10 years.

Item	31.12.2025	31.12.2024
- Short-term receivables from security deposits	1,038	3,274
- Long-term receivables from security deposits	15	9
Total receivables from security deposits	1,053	3,283

The discount value of long-term receivables from security deposits as at 31.12.2025 and as at 31.12.2024 was 0 thousand PLN.

Overdue trade receivables – gross overdue receivables broken down by receivables overdue	31.12.2025	31.12.2024
- up to 30 days	3,385	140
- from 31 to 90 days	55	921
- from 91 to 180 days	1,169	27
- from 181 days to 365 days	15,018	822
- above 365	105,131	149,465
Total gross overdue trade receivables	124,758	151,375
- allowance for uncollectible accounts from deliveries and services, overdue	28,103	18,773
Total net overdue trade receivables	96,655	132,602

The Company runs a policy to sell only to verified customers.

Changes in the impairment of receivables

Item	31.12.2025	31.12.2024
Opening balance as at 1 January	20,385	17,285
Increases (including restated figures)	10,935	3,834
Decreases	-3,217	-734
Closing balance as at 31 December	28,103	20,385

Allowances for uncollectible accounts from deliveries and services are measured at the amount of expected credit losses for the full expected life of the financial asset.

Methodology for calculating allowances for expected credit losses for receivables

Mostostal Warszawa S.A. analyses the credit risk of trade receivables divided into the following groups of contractors:

- a) State Treasury Companies,
- b) Companies whose shareholders are local government units,
- c) Public companies other than those in points a) and b) or their subsidiaries,
- d) Other entities.

For the above groups of receivables, a portfolio analysis was performed and a simplified allowance matrix was applied in the individual age ranges of receivables based on the expected credit losses over the entire life of the receivables based on the indicators of impairment losses created in these ranges, determined on the basis of historical data.

As at the balance sheet date, receivables from deliveries and services from entities from groups a), b) and c) constituted 99% of total receivables. Considering that the Company does not assume any significant change in the implemented sales structure and the risk of insolvency of entities from groups a), b) and c), the risk is assessed as immaterial.

Receivables from deliveries and services from other entities included in group d) are exposed to the highest credit risk. However, the Company's preventive credit risk control policy minimises the level of non-performing receivables also in this part of the portfolio. The average share of these receivables over the last 5 years was 3%, and the average credit loss ratio was 31%.

The Company considers receivables that are overdue for more than 180 days or receivables from contractors at risk of bankruptcy to be at risk of receivables whose credit risk has significantly increased. The Company covers these receivables with impairment write-downs at 100% based on a quarterly analysis of overdue receivables from individual contractors.

Costs related to write-downs of receivables are analysed for the entire life of these assets, taking into account that revaluation does not mean a decision to discontinue debt collection, but merely demonstrates a prudent approach to the valuation of financial assets.

The total impairment allowance for expected credit losses for receivables as at 31 December, 2025 amounted to 28,103 thousand PLN (as at 31 December, 2024: 20,385 thousand PLN).

The Company's credit risk exposure related to trade receivables:

Short-term trade and other receivables as at 31.12.2025							
	current	1 - 30 days	31 - 90 days	91 - 180 days	181 - 365 days	above 365	Total
The risk of non-enforcement of receivables*	0%	18.17%	0%	92.73%	22.88%	21.85%	
Gross amount of receivables exposed to risk	34,378	3,385	55	1,169	15,018	105,131	159,136
Allowance for expected credit losses	0	615	0	1,084	3,436	22,968	28,103

Short-term trade and other receivables as at 31.12.2024							
	current	1 - 30 days	31 - 90 days	91 - 180 days	181 - 365 days	above 365	Total
The risk of non-enforcement of receivables*	2.42%	0%	72.20%	0%	16.42%	12.02%	
Gross amount of receivables exposed to risk	66,528	140	921	27	822	149,465	217,903
Allowance for expected credit losses	1,612	0	665	0	135	17,973	20,385

*includes standard risk determined based on historical data and additional provisions created for selected counterparties

Overdue receivables in the amount of 96,655 thousand PLN, for which no impairment loss has been recognized, are not exposed to a high credit risk according to the Management Board. About 5% of these are receivables with payment terms exceeded by no more than 6 months. In other cases, the Company undertakes all necessary legal actions to recover these receivables and is sure of their recovery.

21. Cash and cash equivalents

Cash at bank and in hand bears interest at the variable interest rates. Short-term deposits are created for a period from one day up to one month depending on the Company's current needs with regard to money, and interest on them is calculated according to the percentage rates set for them.

As at 31 December 2025, the Company had at its disposal the unused loans in the amount of 10,000 thousand PLN (cf. as at 31.12.2024: 10,000 thousand PLN).

Bank	Type of loan	Amount of the loan in thousand PLN	Amount used as of 31.12.2025	Maturity	Interest rate
Societe Generale S.A. Branch in Poland	Current account overdraft	10,000	0	30.10.2026	WIBOR 1M + Bank's margin

The balance of cash and cash equivalents disclosed in the cash flow statement comprised the following items:

Item	31.12.2025	31.12.2024
Cash at bank and in hand	46,835	29,416
Short-term deposits	170,474	125,799
Total	217,309	155,215

22. Short-term financial assets

Item	31.12.2025	31.12.2024
Short-term financial assets in entities with		
- granted loans	201	9,000
Total	201	9,000

As at 31.12.2025, the balance sheet item consisted of a short-term loan granted to the subsidiary AMK Kraków S.A. As at 31.12.2024, the balance sheet item consisted of a loan granted to the subsidiary Mostostal Płock S.A. The loan was repaid on 25.07.2025.

23. Other prepayments and accrued income

Item	31.12.2025	31.12.2024
a) accrued expenses, including:	4,376	5,055
insurance	4,376	5,055
(b) other accruals, including:	9,753	4,474
other	9,753	4,474
Accruals and deferred income	14,129	9,529

24. Equity

As at 31 December 2025, equity was negative and amounted to minus PLN 53,577 thousand. The reasons for the negative equity and planned actions to increase it are described in note 4.2 of these separate financial statements.

24.1. Base capital

Number of shares	20,000,000
Base capital	PLN 44,801,224 Including 24,801,224 PLN as the hyperinflation adjustment
Par value per share	1 PLN

Issues	Number of shares	Value of series/issue by its nominal value (thousand PLN)	Registration date	Right to dividend attached to shares
Series I – ordinary shares	3,500,000 shares	3,500	31.01.1991	01.01.1991
Series II – ordinary shares	1,000,000 shares	1,000	15.09.1994	01.01.1994
Series III – ordinary shares	1,500,000 shares	1,500	14.10.1996	01.01.1996
Series IV – ordinary shares	4,000,000 shares	4,000	09.06.1998	01.01.1998
Series V – ordinary shares	10,000,000 shares	10,000	19.04.2006	01.01.2006
Total number of shares	20,000,000 shares			

The number of shares in 2025 and 2024 did not change. The issued base capital is approved and paid up.

According to IAS 29 “Financial reporting in hyperinflationary economies”, components of the Company’s equity capital (except for retained earnings) were restated using an appropriate price index, starting from the date on which the components were contributed or otherwise arose for the period, in which the Polish economy was a hyperinflationary economy (i.e. for the period until the end of 1996). Hyperinflation adjustment was calculated using the monthly price index, taking into account the month during the period of hyperinflation, in which the contribution to base capital was made. Compliance with the requirements of IAS 29 resulted in the increase of the share capital by the amount of 24,801 thousand PLN and at the same time charging the retained earnings from previous years with the corresponding tax expense. This revaluation does not affect the value of the Company’s equity capital as at 31.12.2024 and as at 31.12.2023.

Revaluation effect

Item	31.12.2025	31.12.2024
Authorised capital	20,000	20,000
Restatement of equity in connection with hyperinflation	24,801	24,801
Value disclosed in the financial statements	44,801	44,801

The Parent holds no treasury shares. No shares have been reserved for the purpose of issues related to the exercise of options, or sale contracts.

List of Major Shareholders

Item	31.12.2025
Acciona Construcción S.A.	
share in the capital	62.13%
share of voting rights	62.13%
OFE PZU "Złota Jesień"	
share in the capital	19.14%
share of voting rights	19.14%

24.2. Supplementary/reserve capital

On 29 May, 2025, the Annual General Meeting of Mostostal Warszawa S.A. adopted a resolution on covering the net loss for 2024 in the amount of 21,368 thousand PLN from the profit that will be generated by the Company in future financial years.

On 23.12.2013, Mostostal Warszawa S.A. and Acciona Construcción S.A. concluded annexes to three loan agreements for the total amount of 48,409 thousand EUR (equivalent in 201,815 thousand PLN), under which the terms and conditions for the repayment of the loans were set out in such a manner that the period for repayment of the loans was extended for an indefinite period and the Mostostal Warszawa S.A. will decide about the repayment date thereof. In accordance with IAS 32, Mostostal Warszawa S.A. has presented these loans in equity capital. Loans are presented as of the balance sheet date at the historical rate and do not accrue interest. Interest will accrue from the date of approval of the dividend for payment by the General Meeting and will be calculated at the WIBOR rate plus a margin.

25. Interest-bearing bank loans and borrowings

List of loans received as at 31.12.2025:

Entity	Date of Agreement	Amount of the Loan	Currency	Repayment date
Acciona Construcción S.A.	05.12.2012	71,231	PLN	28.07.2027
ING Leasing Sp. z o.o.	15.04.2024	8,718	PLN	02.04.2029
Total		79,949	PLN	

List of loans received as at 31.12.2024:

Entity	Date of Agreement	Amount of the Loan	Currency	Repayment date
Acciona Construcción S.A.	05.12.2012	66,444	PLN	15.07.2025
ING Leasing Sp. z o.o.	15.04.2024	11,400	PLN	02.04.2029
BFF Polska S.A.	27.12.2024	*19,947	PLN	17.01.2025
Total		97,791	PLN	

*50% of the liability of Mostostal Acciona S19 Tunel s.c., which is attributable to the Company

The loan received from Acciona Construcción S.A. is secured by a notarial deed of submission to enforcement.

On 31.07.2025, the Company signed a loan agreement with Acciona Construcción S.A., which extends the loan principal repayment date to 28.07.2027. In July 2025, interest in the amount of 5,506 thousand PLN was capitalised.

On 15.01.2026, the Company capitalised the interest on the loan accrued to that date in the total amount of 3,442 thousand PLN.

Change in received loans

Item	31.12.2025	31.12.2024
Opening balance as at 1 January	97,791	123,475
Increases due to the receipt of new loans	0	31,347
Increase due to capitalised interest	5,506	0
Increases / decreases due to exchange differences	-705	-764
Increases / decreases due to accrued interest	-15	4,106
Reductions due to interest paid	0	-1,328
Reductions due to capital repayment	-22,628	-59,045
Closing balance as at 31 December	79,949	97,791

The list of loans received and transferred to the reserve capital in 2013:

Entity	Date of Agreement	Amount of the Loan	Currency
Acciona Construcción S.A.	30.03.2012	109,380	PLN
Acciona Construcción S.A.	18.07.2012	66,428	PLN
Acciona Construcción S.A.	11.07.2013	26,007	PLN
Total		201,815	PLN

The carrying amount of the aforementioned loans and borrowings is close to their fair value.

26. Provisions

26.1. Changes in provisions

31 December, 2025	Provisions for anniversary awards, retirement severance pay	Provisions for expected losses on contracts	Provisions for warranty repairs	Provision for litigation	Total
As at 01 January 2025	2,601	15,327	14,549	17,639	50,116
Created during the financial year	439	23,097	6,901	3,706	34,143
Used	-138	-3,936	-6,608	-5,282	-15,964
Dissolved	0	-56	-790	0	-846
As at 31 December 2025	2,902	34,432	14,052	16,063	67,449

Long-term as at 31.12.2025	2,395	16,253	7,882	16,063	42,593
Short-term as at 31.12.2025	507	18,179	6,170	0	24,856

31 December, 2024	Provisions for anniversary awards, retirement severance pay	Provisions for expected losses on contracts	Provisions for warranty repairs	Provision for litigation	Total
As at 01 January 2024	2,324	18,507	11,922	16,632	49,385
Created during the financial year	486	372	9,422	9,568	19,848
Used	-209	-3,552	-5,473	-2,209	-11,443
Dissolved	0	0	-1,322	-6,352	-7,674
As at 31 December 2024	2,601	15,327	14,549	17,639	50,116

Long term as at 31.12.2024	2,337	12,387	7,882	12,421	35,027
Short-term as at 31.12.2024	264	2,940	6,667	5,218	15,089

The Company expects that short-term provisions will be used within 12 months from the balance sheet date, and long-term provisions will be used 12 months after the balance sheet date.

27. Liabilities from deliveries and services and other long-term and short-term liabilities

Item	31.12.2025	31.12.2024
Long-term liabilities from deliveries and services:	26,699	30,470
to related parties (Note 33)	0	0
<i>including deposits</i>	0	0
To other entities	26,699	30,470
<i>including deposits</i>	26,699	30,470
Short-term liabilities from deliveries and services:	130,263	183,002
to related parties (Note 33)	24,638	45,948
<i>including deposits</i>	0	934
To other entities	105,625	137,054
<i>including deposits</i>	52,702	46,896
Other short-term liability	126,852	137,761
Factoring liabilities	87,322	99,503
Liabilities from taxes, duties, social security	39,404	38,247
<i>Value Added Tax</i>	33,874	32,551
<i>Social insurance</i>	3,379	3,556
<i>Personal income tax</i>	2,145	2,139
<i>Other liabilities due to taxes, customs duties, social security</i>	6	1
Other liabilities	126	11
Liabilities from deliveries and services and other liabilities	283,814	351,233

As at the balance sheet date, the Company was a party to three reverse factoring agreements, which allowed to extend the liabilities repayment period to 90 days.

Repayments of security deposit liabilities are recorded in operating activities in the cash flow statement.

28. Liabilities due to leasing agreements

The company uses buildings, construction machinery and equipment under lease agreements and lease agreements with a purchase option.

Item	31.12.2025	31.12.2024
Opening balance as at 1 January	78,924	94,621
increase	8,998	16,861
decrease	0	0
change in exchange rate	-1,942	67
repayment	-2,580	-32,625
Closing balance as at 31 December	83,400	78,924

The Company concludes lease agreements mainly for machinery, equipment and vehicles. The term of the lease is usually 5 years. Office space lease agreements are concluded for a period of up to 7 years. The lease instalments are paid on a monthly basis.

29. Employee benefit liabilities

Item	31.12.2025	31.12.2024
Provision for unused holidays	6,938	6,760
Special funds (Company Social Provision Fund)	420	319
Total	7,358	7,079

30. Other accrued liabilities

Item	31.12.2025	31.12.2024
a) accruals and deferred cost, including:	149,004	197,419
- short-term (by title)	149,004	197,419
works completed and not invoiced	141,090	188,826
provisions for dissolution of fixed assets	7,622	7,995
other	292	598
b) accruals and deferred income	634	179
- short-term (by title)	634	179
other	634	179
Other deferred charges and accruals, total	149,638	197,598

31. Explanatory notes to the cash flow statement

As at 31.12.2025, the item "I.2.11 other" in the amount of PLN 6,152 thousand constituted an adjustment for the write-down of shares in the subsidiary AMK Kraków S.A. (as at 31.12.2024, the item amounted to PLN 29 thousand).

32. Contingent liabilities

	Item	31.12.2025	31.12.2024
1.	Doraco Sp. z o.o. – claim for remuneration	26,962	0
2.	Biomatec Sp. z o.o.– claim for remuneration	22,876	22,876
3.	Transprojekt Gdański Sp. z o.o.	22,152	0
4.	Cestar A.Cebula J.Starski s.j. – claim for remuneration	0	12,615
5.	Partner Bud S.A.	5,255	5,255
6.	Other	9,570	8,285
	Total	86,815	49,031

The nominal value (corresponding to the value of the subject of litigation in court proceedings) of the contingent liabilities resulting from court cases brought against the Company as at 31.12.2025 amounted to 86,815 thousand PLN and compared to the end of the previous year increased by the amount of 37,784 thousand PLN.

Contingent liabilities presented in the table above result from ongoing legal disputes with entities other than investors, in which the risk of an unfavourable outcome for the Company has been determined to be insignificant.

33. Related parties

Transactions concluded in 2025 with related entities were typical and routine transactions.

Trade receivables and other receivables from related parties amounted to (thousand PLN):

Company name	31.12.2025	31.12.2024
Acciona Construcción S.A.	428	219
Mostostal Kielce S.A.	144	147
Mostostal Płock S.A.	19	86
Acciona Nieruchomości Wilanów Sp. z o.o.	0	22
AMK Kraków S.A.	63	2
Acciona Construcción S.A. Branch in Poland	*13,694	*6,976
Total	14,348	7,452

* including receivables in the amount of 12,316 thousand PLN (as at 31 December 2024, it amounted to 6,881 thousand PLN) included in the balance sheet of Acciona Construcción S.A. Branch in Poland, which result directly from settlements with Mostostal Acciona S19 Tunel s.c.

Advances for construction works transferred to related entities:

Company name	31.12.2025	31.12.2024
Mostostal Płock S.A.	0	17,089
Mostostal Kielce S.A.	3,039	3,553
AMK Kraków S.A.	525	1,622
Total	3,564	22,264

Mostostal Warszawa S.A.
Separate financial statements for the period 01.01.2025 - 31.12.2025.
(thousand PLN)

Trade liabilities and other liabilities to related entities (thousand PLN):

Company name	31.12.2025	31.12.2024
Mostostal Power Development Sp. z o.o.	1,196	1,205
Acciona Construcción S.A.	17,306	16,487
Acciona Construcción S.A. Branch in Poland	5,972	15,122
Mostostal Kielce S.A.	164	61
Mostostal Płock S.A.	0	12,851
Ingenieria Especializada	0	222
Total	24,638	45,948

Sales of products, materials and goods under intercompany transactions amounted to (thousand PLN):

Company name	12 months ended 31.12.2025	12 months ended 31.12.2024
Mostostal Płock S.A.	2,529	270
Acciona Construcción S.A.	197	335
Acciona Construcción S.A. Branch in Poland	16,565	*21,459
AMK Kraków S.A.	209	44
Acciona Nieruchomości Wilanów Sp. z o.o.	0	100
Mostostal Kielce S.A.	177	186
Mostostal Power Development Sp. z o.o.	7	8
Acciona Facility Services Poland Sp. z o.o.	0	6
Total	19,684	22,408

* including sales in the amount of 14,313 thousand PLN (in 2024, it amounted to 20,625 thousand PLN) included in the profit and loss account of Acciona Construcción S.A. Branch in Poland, which directly result from the sale to Mostostal Acciona S19 Tunel s.c.

Purchases of products, goods and materials under intercompany transactions amounted to (in thousand PLN):

Company name	12 months ended 31.12.2025	12 months ended 31.12.2024
Acciona Construcción S.A. Branch in Poland	18,773	35,293
Acciona Construcción S.A.	15,189	2,872
Mostostal Kielce S.A.	20,409	11,016
Mostostal Płock S.A.	79,711	26,556
AMK Kraków S.A.	4,914	14,439
Mostostal Power Development Sp. z o.o.	0	464
Total	138,996	90,640

Interest on the loans received

Company name	12 months ended 31.12.2025	12 months ended 31.12.2024
Acciona Construcción S.A.	5,491	4,106

Dividends

Company name	12 months ended 31.12.2025	12 months ended 31.12.2024
Mostostal Kielce S.A.	4,000	4,500

Interest on loans granted

Company name	12 months ended 31.12.2025	12 months ended 31.12.2024
Mostostal Płock S.A.	525	461
Acciona Construcción S.A. Branch in Poland	123	0
AMK Kraków S.A.	3	0
Total	651	461

Transactions with related entities mainly concern the performance of long-term contracts.

In connection with the agreement concluded with Acciona Construcción S.A., as of 31.12.2025, the Parent Company recognised rights to use a tunnelling machine with an initial value of 60,203 thousand PLN (as at 31.12.2024, the initial value was 59,226 thousand PLN). The value of the liability (long- and short-term) arising from the leasing of this machine amounted to 50,784 thousand PLN as at the balance sheet date (40,757 thousand PLN as at 31.12.2024).

As at 31.12.2025, the Company received bank or insurance guarantees under the guarantee limits of Acciona Construcción S.A. in the total amount of 471.618 thousand PLN (498.415 thousand PLN as at 31.12.2024).

As at 31.12.2025 The Company received promissory notes from subsidiaries with a total value of 21,140 thousand PLN (40,907 thousand PLN as at 31.12.2024)

As at 31.12.2025, the Company had short-term receivables from loans granted to its subsidiary AMK Kraków S.A. in the amount of 201 thousand PLN. As at 31.12.2024, the Company had receivables from a short-term loan in the amount of 9,000 thousand PLN from Mostostal Płock S.A. The loan was repaid in full on 25.07.2025.

As at 31.12.2025, the Company recognized liabilities arising from the loans from Acciona Construcción S.A. with its registered office in Madrid in the amount of 71,231 thousand PLN (as at 31.12.2024, the value of loans was 66,444 thousand PLN).

On 13.12.2024, the Company submitted a Letter of Support to its subsidiary Mostostal Płock in connection with the process of obtaining a contract from Orlen S.A. On 11.06.2025, the Management Board of the Company adopted a resolution to grant Mostostal Płock a bank guarantee up to the amount of 24.285 million PLN to secure the claim for the return of the advance payment.

On 23.12.2013, Mostostal Warszawa S.A. and Acciona Construcción S.A. concluded annexes to three loan agreements for the total amount of 48,409 thousand EUR (equivalent in Polish Złotys 201,815 thousand), under which the terms and conditions for the repayment of the loans were set out in such a manner that the period for repayment of the loans was extended for an indefinite period and the Mostostal Warszawa will decide about the repayment date thereof. In accordance with IAS 32, Mostostal Warszawa has presented these loans in equity capital.

Information on the loans received from related parties is presented in Note 25.

No collateral was established for obligations with related parties.

33.1. The parent company of Mostostal Warszawa S.A.

As at 31.12.2025, Acciona Construcción S.A. with its registered office in Madrid was the holder of 12,426,388 common bearer shares of Mostostal Warszawa S.A., ensuring 62.13% in the share capital 62.13% of the total voting rights of Mostostal Warszawa S.A. Acciona S.A. prepares the consolidated financial statements and is the ultimate controlling party.

In accordance with Article 4 of the Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading System and Public Companies, Acciona Construcción S.A., which has four out of six votes in the Supervisory Board of Mostostal Warszawa S.A., thus being authorised to appoint and dismiss members of the governing bodies, and also taking into consideration the practical effect on the company's operating and financing activities of the company, is the dominant entity of Mostostal Warszawa S.A., while Mostostal Warszawa S.A., – as company of Acciona Construcción S.A. Group – is its subsidiary.

33.2. Terms of transactions with related parties

The company prepares a comparative analysis of transactions with related entities.

33.3. Remuneration of the Company's Senior Management

In the event of termination of their employment contracts, Members of the Management Board are entitled to severance pay of not more than their 6 month's salary.

Members of the Management Board and the Supervisory Board of the Company, both as at 31 December 2025 and 31 December 2024, had no outstanding loans, credits or guarantees granted by Mostostal Warszawa S.A. as well as were not parties to other agreements obliging them to provide services to Mostostal Warszawa S.A.

As of 31 December 2025, there were no contracts obliging members of the Supervisory Board to provide services to Mostostal Warszawa S.A.

The total remuneration of the members of the Management Board in 2025 amounted to 3,885 thousand PLN (cf. in 2024: 3,821 thousand PLN). Remuneration of the Supervisory Board in 2025 amounted to 545 thousand PLN (cf. 492 thousand PLN in 2024).

33.4. Other transactions with management and supervisory persons

Members of the Management Board, members of the Supervisory Board of the Company and their spouses, relatives and in-laws up to the second degree, adoptees or adoptive parents and other persons with whom they are personally related as at 31 December, 2025 and 31 December, 2024 did not have any outstanding loans, credits or guarantees granted by Mostostal Warszawa S.A. and its subsidiaries.

34. Agreement with the entity authorized to audit financial statements

On 08.07.2025, the Company entered into an agreement with KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp. k. z ograniczoną odpowiedzialnością for the review of interim financial statements and the audit of annual financial statements and group reports.

The net remuneration for works associated with 2025 amounted to 865 thousand PLN.

The net remuneration for works associated with 2024 amounted to 776 thousand PLN.

In addition, the Company is obliged to cover the expenses related to the above-mentioned activities up to the amount of 10% of contract value.

On 18.03.2026, the Company concluded an agreement with KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp. k. to provide assurance services regarding the report on the remuneration of the Management Board and Supervisory Board for 2025.

The net remuneration for works associated with 2025 amounted to 34 thousand PLN.

The net remuneration for works associated with 2024 amounted to 31 thousand PLN.

On 23.09.2025, Mostostal Acciona S19 Tunel s.c. concluded an agreement with KPMG Audyt Spółka z ograniczoną odpowiedzialnością sp. k. for the audit of the financial statements.

The net remuneration for works associated with 2025 amounted to 100 thousand PLN.

The net remuneration for works associated with 2024 amounted to 100 thousand PLN.

35. Objectives and principles of financial risk management

The main financial instruments used by the Company include interest-bearing bank loans, finance lease, factoring, cash and short-term investments. The main purpose of these financial instruments is to raise funds for the activities of the Company. The Company uses various other financial instruments such as receivables and liabilities from deliveries and services that arise directly from its operations.

The main risks arising from financial instruments of the Company include interest rate risk, liquidity risk, currency risk and credit risk. The Management Board reviews and sets the policies for managing each of these risks. The relevant principles are briefly discussed below. The Company also monitors the market price risk arising from all its financial instruments held.

35.1. Interest rate risk

The Company's exposure to the risk of interest rate fluctuations is associated primarily with the bank loans received, borrowings, finance lease obligations and cash.

The risk associated with the existing debt is deemed irrelevant for the Company's results, which is why, at present, the management of interest rate risk is limited to monitoring the current market situation. In case of increase of the Company's debt under bank loans and borrowings, measures will be taken to provide adequate protection against interest rate fluctuations.

35.2. Currency risk

The Company is exposed to a foreign exchange risk related to contracts for construction works. Such risk arises as a result of the operating unit's sale or purchase transactions in currencies other than Polish Złotys. In 2025, the Company did not use derivative instruments to hedge against exchange rate risk.

Sensitivity to exchange rate fluctuations is now largely limited to the loans received from a related party.

The Company conducted the analysis of sensitivity of the balance sheet items denominated in foreign currencies to the exchange rate fluctuations of -10 % and + 10% compared to the NBP's average exchange rate as of 31.12.2025 (in 2024, of -10 % and + 10 % compared to the NBP's average exchange rate as of 31.12.2024). The values of exchange rate

fluctuations result from the high vulnerability of the Polish currency to the exchange rate fluctuations in relation to the EUR in 2025. The sensitivity of the financial performance and the revaluation reserve is presented below.

Sensitivity analysis for the current year

Classes of financial instruments	31.12.2025		Analysis of sensitivity to currency risk as at 31.12.2025. EUR / PLN			
	Carrying amount	Currency value at risk	EUR/PLN rate +10%		EUR/PLN rate -10%	
	thousand PLN	thousand PLN	Profit and loss account*	Equity**	P&L	Equity**
Long-term and short-term trade receivables and other receivables	139,190	8,277	828	0	-828	0
Cash	217,309	16,046	1,605	0	-1,605	0
Interest-bearing bank loans and borrowings	-79,949	-70,841	-7,084	0	7,084	0
Long-term and short-term liabilities from deliveries and services and other liabilities***	-244,410	-68,158	-6,816	0	6,816	0
Total	32,140	-114,676	-11,467	0	11,467	0

*P&L means profit and loss account

** without taking into account the amounts affecting P&L

*** The disclosed value of liabilities from deliveries and services and other liabilities excludes non-financial liabilities, i.e. liabilities for taxes, customs duties and social security, specified in Note 27.

Sensitivity analysis for the previous year

Classes of financial instruments	31.12.2024		Analysis of sensitivity to currency risk as at 31.12.2024. EUR / PLN			
	Carrying amount	Currency value at risk	EUR/PLN rate +10%		EUR/PLN rate -10%	
	thousand PLN	thousand PLN	Profit and loss account*	Equity**	P&L	Equity**
Long-term and short-term trade receivables and other receivables	202,727	13,551	1,355	0	-1,355	0
Cash	155,215	6,164	616	0	-616	0
Interest-bearing bank loans and borrowings	-97,791	-66,054	-6,605	0	6,605	0
Long-term and short-term liabilities from deliveries and services and other liabilities***	-312,986	-52,222	-5,222	0	5,222	0
Total	-52,835	-98,561	-9,856	0	9,856	0

*P&L means profit and loss account

** without taking into account the amounts affecting P&L

*** The disclosed value of liabilities from deliveries and services and other liabilities excludes non-financial liabilities, i.e. liabilities for taxes, customs duties and social security, specified in Note 27.

35.3. Commodities price risk

The Company is exposed to the price risk associated with an increase in prices of frequently purchased construction materials such as steel and concrete as well as petroleum materials such as gasoline, diesel, asphalt and fuel oil. In addition, as a result of an increase in the prices of materials – the prices of services provided to the Company by the subcontractors may increase. Prices in the agreements concluded with the investors are fixed throughout the duration of the contract – usually from 6 to 36 months, while contracts with subcontractors are concluded at a later date, along the progress of individual works.

In order to mitigate the price risk, the Company continuously monitors the prices of frequently purchased construction materials, while the concluded contracts are appropriately matched in terms of duration of the contract and the contract value in relation to the market conditions.

35.4. Credit risk

The Company enters into transactions with companies having good credit standing. Prior to entering into a contract, each contractor is evaluated for the ability to meet its financial obligations. In the case of the negative assessment of the contractor's credit standing, entering into the contract is conditional on providing adequate financial or property security. In addition, contracts with investors include clauses providing for the right to suspend the works, if there is a delay in the transfer of payments for the services completed. If possible, the Company introduces contractual provisions conditioning the payments to subcontractors on the receipt of funds from the investor.

The Management Board believes that thanks to the ongoing monitoring of receivables, the risk of bad debts is properly managed. In cases where contractors are insolvent, the Company is forced to create provisions that are charged to the result for the reporting period.

With regard to other financial assets of the Company, such as cash and other financial assets held for sale, the Company's credit risk is related to non-payment by the other party to the contract, and the maximum exposure to this risk is equal to the carrying amount of these instruments.

As at 31.12.2025, the maximum credit risk of the Company amounts to PLN 565,074 thousand (cf. PLN 600,900 thousand as at 31.12.2024) and is associated with the following items: short-term trade receivables, other receivables, short-term financial assets, assets arising from long-term contracts and cash. In addition, the Company is exposed to the credit risk related to the guarantees granted. In the case of the aforementioned assets, no impairment loss or decrease in credit quality was reported as at the balance sheet date.

The Company assumes that the significant concentration of credit risk exists when the receivables exceed 10% of the maximum credit risk. As at the balance sheet date, there was a significant concentration of cash held in bank accounts with Credit Agricole in the amount of 205,811 thousand PLN.

35.5. Liquidity risk

The Company's objective is to maintain the balance between continuity and flexibility of funding through use of various sources of financing, such as bank borrowings, overdrafts, bank loans and financial leases and factoring.

As at 31.12.2025, the Company's liabilities from deliveries and service and other liabilities amounted to 283,814 thousand PLN. The time structure of liabilities from deliveries and service and other liabilities as at the balance sheet date was as follows: liabilities with a maturity period up to 12 months from the balance sheet date 257,115 thousand PLN (including overdue liabilities 6,426 thousand PLN), over 12 months 26,699 thousand PLN.

As at 31.12.2025 the Company's maximum liquidity risk is 766,156 thousand PLN (818,929 thousand PLN on 31.12.2024) and is related to the following items: interest-bearing bank loans and borrowings, trade liabilities and other liabilities lease liabilities and liabilities arising from long-term contracts, employee benefit liabilities and other accruals.

The Company assumes that the significant concentration of liquidity risk exists when the liabilities exceed 10% of the maximum credit risk. There was no significant concentration of liabilities as at the balance sheet date.

The Management Board monitors the liquidity of the Company on the on-going basis, based on the expected cash flows. Given the involvement of a related entity that grants the loans and the portfolio of orders held so far, in the opinion of the Management Board, there is no significant risk to the liquidity of Mostostal Warszawa S.A. On 23 December 2013, the Company and Acciona Construcción S.A. concluded annexes to three loan agreements with a total value of 201,815 thousand PLN, under which the terms and conditions for the repayment of the loans were set out in such a manner that the repayment period of the loans was extended for an indefinite period and the borrower i.e. Mostostal Warszawa will decide about the repayment date thereof.

The table below presents the analysis of the Company's financial liabilities according to their maturity dates, corresponding to the remaining period as at the balance sheet date until the contractual maturity date. The amounts disclosed in the table comprise contractual non-discounted cash flows.

	Up to 1 year	From 1 to 10 years
As at 31 December 2025		
- Interest-bearing bank loans and borrowings	5,859	74,090
- Short-term liabilities from deliveries and services and other liabilities	257,115	
- Long-term liabilities from deliveries and services and other liabilities		26,699
- Short-term and long-term liabilities from leasing agreements	65,503	17,897
- Liabilities arising from construction contracts and other accruals	309,833	1,802
Total	638,310	120,488
As at 31 December 2024		
- Interest-bearing bank loans and borrowings	89,073	8,718
- Short-term liabilities from deliveries and services and other liabilities	320,763	
- Long-term liabilities from deliveries and services and other liabilities		30,470
- Short-term and long-term liabilities from leasing agreements	35,842	43,082
- Liabilities arising from construction contracts and other accruals	283,902	0
Total	729,580	82,270

35.6. Equity risk management

In terms of equity risk management, the aim of the Company is to secure the Company's ability to continue its operations, so as to generate return for shareholders and benefits for other stakeholders as well as maintain an optimal equity structure to reduce its cost.

In order to maintain or adjust the equity structure, the Company may adjust the amount of declared dividends to be paid to shareholders, return equity to shareholders, issue new shares or sell assets to reduce debt.

The company monitors capital using the leverage ratio. The leverage ratio is calculated as the ratio of net debt to total equity plus net debt. Net debt includes interest-bearing loans and borrowings, trade and lease liabilities, as well as other liabilities (excluding accruals and provisions), less cash and cash equivalents. The Management Board plans to improve the leverage ratio by generating positive financial results.

The leverage ratio as at 31 December 2025 and 31 December 2024 was as follows:

	31.12.2025	31.12.2024
Interest-bearing bank loans and borrowings (Note 25)	79,949	97,791
Liabilities excluding credits, loans, provisions, liabilities arising from the implementation of construction contracts and accruals	374,572	437,236
Less cash and cash equivalents (Note 21)	-217,309	-155,215
Net debt	237,212	379,812
Equity capital	-53,577	50,958
Equity capital and net debt	183,635	430,770
Leverage ratio	1.29	0.88

36. Financial instruments – other information

Item	31.12.2025	31.12.2024
FINANCIAL ASSETS		
Financial assets measured at amortised cost		
Receivables from deliveries and services and other receivables (long-term and short-term)	139,190	202,727
Cash and cash equivalents	217,309	155,215
Financial assets at fair value through profit or loss		
Short-term financial assets - level 2 of the fair value measurement hierarchy under IFRS 13	201	9,000
Closing balance	356,700	366,942
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost		
Liabilities from deliveries and services and other long-term and short-term liabilities*	244,410	312,986
Current portion of interest-bearing bank loans and borrowings	5,859	89,073
Closing balance	250,269	402,059

*The disclosed value of liabilities from deliveries and services and other liabilities excludes non-financial liabilities, i.e. liabilities for taxes, customs duties and social security, specified in Note 27.

The fair value of financial assets and liabilities measured at amortised cost does not differ significantly from their book value.

During the 12-month periods ended 31 December, 2025 and 31 December, 2024, there were no transfers between Level 1 and Level 2 of the fair value measurement hierarchy and there were no transfers from/to Level 3.

Items of income, expenses, gains and losses recognised in the profit and loss statement by financial instrument category

Period from 1 January, 2025 to 31 December, 2025:

	Financial assets measured at fair value through profit and loss account from initial recognition	Financial assets measured at amortised cost	Financial liabilities measured at amortised cost	Total
Revenue / expenses from interest	0	899	24,757	25,656
Gains/(losses) from exchange rate differences on valuation (unrealised)	0	0	806	806
Dissolution / (creating) write-downs	0	-10,535	0	-10,535
Write-off of overdue liabilities	0	0	431	431
Gains / losses from valuation	0	0	-2,492	-2,492
Gains/(losses) from derivative currency financial instruments	584	0	0	584
Total	584	-9,636	23,502	14,450

Period from 1 January, 2024 to 31 December, 2024:

	Financial assets measured at fair value through profit and loss account from initial recognition	Financial assets measured at amortised cost	Financial liabilities measured at amortised cost	Total
Revenue / expenses from interest	0	2,209	-8,126	-5,917
Gains/(losses) from exchange rate differences on valuation (unrealised)	0	0	3,100	3,100
Dissolution / (creating) write-downs	0	-3,449	0	-3,449
Write-off of overdue liabilities	0	0	4,412	4,412
Gains / losses from valuation	0	0	-1,307	-1,307
Gains/(losses) from derivative currency financial instruments	0	0	0	0
Total	0	-1,240	-1,921	-3,161

37. Differences between the data from the annual report and the previously prepared and published financial statements

Until the date of publication of these financial statements, the Company has not published any other previously prepared statements for the period ended on 31 December 2025 (note 3).

38. Employment structure

The average employment at Mostostal Warszawa S.A. in 2025 amounted to 761 FTE, including 133 blue-collar workers (labourers) i.e. 18 % and 628 white-collar workers i.e. 82 %.

The average employment at Mostostal Warszawa S.A. in 2024 amounted to 807 FTE, including 138 blue-collar workers (labourers) i.e. 17 % and 669 white-collar workers i.e. 83 %.

39. Events occurring after the balance sheet date

The following events occurring after 31 December 2025, that may affect the entity's financial position as of that date are:

On 23 January, 2026, the Company entered into a loan agreement with Acciona Construcción S.A. The loan value is 108.9 million PLN. The Parties agreed that the loan shall be repaid by 23 March 2026. On 23 March 2026, the Company agreed with Acciona Construcción, S.A. on the terms of extending the repayment deadline of a short-term loan granted to the Company by one month, i.e., until 23 April 2026. On 22 April 2026, the Company announced another extension of the short-term loan repayment deadline by one month, to 23 May 2026. In both cases, the extension covered the remaining loan amount plus interest accrued in accordance with the applicable loan agreement. The other terms of the loan remained unchanged.

On 10 February, 2026, the Management Board of Mostostal Warszawa S.A. informed about receiving a notification from Acciona S.A., Corporación Acciona Infraestructuras S.L., Acciona Construcción S.A. and Acciona Construcción Polonia

S.L. submitted under Article 69 of the Act on Public Offering regarding the division by separation of Acciona Construcción S.A. by transferring part of the assets of Acciona Construcción S.A. (including the Company's shares) to the newly established company Acciona Construcción Polonia SL

On 11 February, 2026, the Company concluded an annex to the conditional guarantee facility agreement with INTESA SANPAOLO S.p.A. Spółka Akcyjna Branch in Poland ("Bank"). Pursuant to the annex to the agreement, the Bank increased the existing limit of 225 million PLN to 350 million PLN (limit increase by 125 million PLN). The remaining terms of the agreement remain unchanged.

On 19 March 2026, a claim (dated 30 December 2025) was filed by the West Pomeranian (Zachodniopomorskie) Province (the Contracting Authority) against Mostostal Warszawa S.A. (the Contractor) for payment of PLN 25,111 thousand plus interest until the date of payment. The Contracting Authority entered into a contract with Mostostal for the design and construction works for the investment project "Consolidation of the headquarters of the Marshal's Office of the West Pomeranian Province in Szczecin". The claim concerns two types of claims:

- The sum of PLN 8,457 thousand as compensation for improper performance of the contract due to the loss of market value of the building housing the Marshal's Office of the West Pomeranian Province in Szczecin.
- The sum of PLN 16,654 thousand as contractual penalties for delay in rectifying defects. The proceedings are pending before the Regional Court in Szczecin.

The deadline for submitting a response to the claim is 3 months.

On 30 March 2026, the Company convened an Extraordinary General Meeting for April 28, 2026 to adopt a resolution on the continuation of the Company's existence, in connection with the occurrence of premises specified in Article 397 of the Commercial Companies Code, on the basis of Article 398 in connection with Article 397 of the Commercial Companies Code and Articles 4021 and 4022 of the Commercial Companies Code and § 14(3) of the Company's Articles of Association.

On 30 March 2026 the Company announces that, together with Acciona Construcción S.A. acting as a civil law partnership under the name Mostostal Acciona S19 Tunel civil law partnership ("Contractor," "Plaintiff"), filed a lawsuit seeking the establishment of a legal relationship and payment against the State Treasury – General Director of National Roads and Motorways in the amount of PLN 487 million gross.

Based on the aforementioned complaint, the Contractor requested:

- a) an amendment of the Contract No. 2410.1.2019 concluded between the State Treasury – General Director of National Roads and Motorways ("Defendant") and the Contractor on July 10, 2020 regarding "The design and construction of the S19 expressway on the section from the Rzeszów Południe road junction (excluding the road junction) to the Babica road junction (including the road junction), approx. 10.3 km in length" together with subsequent annexes, by increasing the remuneration due to the Contractor for the performance of the Contract by the amount of PLN 487 million gross, through a corresponding increase in the Contract Price specified in Subclause 14.1 of the Special Conditions of the Contract, and the Maximum Liability Amount specified in § 4(3) of the Contract;
- b) order the Defendant to pay the Plaintiff the amount of PLN 487 million gross, together with statutory default interest calculated from the date of the judgment until the date of payment, with the effect that the performance of the obligation in favor of any of the Plaintiffs shall extinguish the claim in that amount against the other Plaintiff;
- c) order the Defendant to pay the Plaintiff the costs of the proceedings, including legal representation costs.

The basis for the Contractor's claim is an extraordinary change in economic conditions, manifested in a drastic increase in prices and contract performance costs, which were not compensated by the contractual mechanism for adjusting the remuneration, thereby entitling the Contractor, pursuant to Article 3571 § 1 and Article 632 § 2 of the Civil Code, to seek, through the courts, an increase in the lump-sum remuneration provided for in the contract.

On 2 April 2026 The Management Board of Mostostal Warszawa S.A. ("Company, Contractor"), informed that being the Contractor for the task entitled "Design and construction of the S19 expressway section from Domaradz interchange (excluding the interchange) to Iskrzynia interchange (excluding the interchange) approx. 12.5 km" carried out under contract No. 2410.2.2022 concluded on November 7, 2022 ("Contract") between the Contractor and the State Treasury - General Director for National Roads and Motorways ("Ordering Party"), withdrew from the Contract with effect for the future (ex nunc) for reasons attributable to the Ordering Party.

The basis for the withdrawal was Art. 491 § 1 and 2 of the Civil Code (main legal grounds), as well as Art. 640 of the Civil Code in connection with Art. 656 § 1 of the Civil Code (subsidiary legal basis).

In its Statement of Withdrawal from the Contract, the Contractor indicated that on February 27, 2026, it called on the Ordering Party to eliminate the prolonged state of delay in fulfilling the obligations arising from the Contract and legal provisions and to cooperate with the Contractor as necessary to execute the Contract under the penalty of withdrawal from the Contract, setting a 30-day deadline.

Despite the lapse of the deadline set in the letter dated February 27, 2026, on March 30, 2026, preceded by previous calls, the Ordering Party had not fulfilled any of the above-mentioned contractual obligations by the time the statement of withdrawal was made, remaining in delay and not cooperating with the Contractor.

The Company indicates that the Ordering Party's delay and lack of cooperation necessitated the Contractor's exercise of its right to withdraw from the Contract. The Contractor tried for many months to have the Ordering Party meet its obligations, but these attempts proved unsuccessful.

The Company also reserved the right to pursue claims due to the withdrawal, including, apart from the contractual penalty due to withdrawal from the contract for reasons pertaining to the Ordering Party, also, among others, the claim for payment of remuneration for uncompleted construction works until the end of the Contract implementation resulting from Art. 649(4) § 3 of the Civil Code. The Contractor informs that it will address this matter with the Ordering Party through separate correspondence.

On 3 April 2026 the Company filed a request for arbitration against GE Hydro France S.A.S. ("the Respondent") with the International Court of Arbitration of the International Chamber of Commerce ("ICC").

The request for arbitration concerns the Company's claims against the Respondent arising in connection with the Consortium Agreement of 21 April 2022 ("Consortium Agreement"), under which the Company acted as a partner and the Respondent as the Consortium leader, in relation to the performance of contract No. CRU/340/OP/2022 concerning the modernisation of the technological section of the Porąbka-Żar hydroelectric power station for PGE Energia Odnawialna S.A. ('the Client') ('the Project Agreement').

The Company estimates the current value of the claims covered by the request for arbitration at USD 35 million. This amount may change in the course of further arbitration proceedings. The Company's claims seek to establish that the Respondent is liable for breaches of the Consortium Agreement, to obtain compensation for the Company for damages arising from such breaches, and to indemnify the Company against any potential claims by third parties, including the Client, in connection with the submitted notice of withdrawal from the Project Agreement.

The Management Board's assessment together with external legal lawyers consider the Company should be successful, with high probability, in its recourse claims against GE related to the withdrawal damages.

On 10 April 2026 The Management Board of Mostostal Warszawa S.A. (the "Company") informed that it has received from Acciona Construcción S.A. - Acciona Construcción Polonia S.L., the majority shareholder of the Company (a dominant entity in relation to the Company - 62.13% of the total number of votes at the General Meeting), a request to:

- a) provide information regarding: (i) the anticipated capital needs of the Company resulting from the forecasted financial effects of contract terminations in recent months and in light of the estimated financial results disclosed in the current report no. 7/2026 dated March 30, 2026 ("Report"); and (ii) the planned sources of financing for the above-mentioned capital needs - pursuant to Article 428 § 1 and § 6 of the Act of September 15, 2000 - the Commercial Companies Code ("CCC") in connection with the notice of convening an Extraordinary General Meeting dated March 30, 2026 ("EGM"), and particularly with point 7 of the agenda regarding the adoption of a resolution on the continuation of the Company's existence within the meaning of Article 397 CCC; and
- b) cancel the EGM, which is to be convened again for a date that allows the adoption of a resolution on the continuation of the Company's existence within the meaning of Article 397 CCC only after:
 - providing the Company's shareholders with the requested information; and
 - publishing the audited financial statement of the Company for the year 2025; and
 - the Management Board of the Company presents information regarding medium- and/or long-term financing by financial institutions made available to the Company or the General Meeting considers a resolution on increasing the Company's share capital in response to the current and forecasted financial situation of the Company i.e. for a date allowing a comprehensive analysis of the materials and financial statements provided by the Company.

According to the Shareholder's request, the Management Board of the Company canceled the Extraordinary General Meeting convened for April 28, 2026.

All materials provided to the Shareholder in accordance with Article 428 § 1 and § 6 CCC will be disclosed by the Company in accordance with applicable law.

The Management Board informs that the General Meeting will be convened again without delay with a resolution on the continuation of the Company's existence within the meaning of Article 397 CCC, included in the agenda for that day, in such a way as to allow all shareholders a comprehensive analysis of the materials and financial statements provided by the Company prior to this General Meeting.

On 16 April 2026 The Management Board of Mostostal Warszawa announces that based on preliminary financial data for the financial year ended 31 December 2025, the Company recorded significant losses, resulting in negative equity as of the balance sheet date and identified significant threat or doubts regarding the continuation of the Company's operations and its capital group.

In this context, the Management Board convened an Extraordinary General Meeting to adopt a resolution on the further existence of the Company, which was reported by the Company in current report No. 8/2026 dated 30 March 2026, fulfilling its obligation specified in Article 397 of the Commercial Companies Code.

Subsequently, after considering the majority shareholder's request, the Extraordinary General Meeting was canceled to allow shareholders to be acquainted with the Management Board's information estimating the Company's anticipated capital needs and regarding planned sources of financing these needs, and to enable shareholders to comprehensively analyze the materials and financial statements, which will be provided by the Company before such General Meeting, as reported by the Issuer in current report No. 12/2026 dated 10 April 2026.

Additionally, in the Management Board's assessment, the Company's liquidity projection indicates an increased need for funds to finance ongoing operations and meet liabilities as they become due. The assumption of the Company's and Group's continuation of operations is significantly dependent on the implementation of financing activities, particularly potential support from shareholders. Given the significant uncertainty regarding the possibility of the Company's continued operations, the Management Board is taking actions to ensure appropriate financing and improve the Company's liquidity situation.

On 17 April 2026 The Company, informed that:

- (i) the anticipated capital needs of the Company resulting from the forecasted financial effects of contract withdrawals in recent months and in light of the estimated financial results disclosed in current report No. 7/2026 dated March 30, 2026 ("Report") amount to between PLN 425 million and PLN 570 million. The final amount is currently under analysis and may change depending on the final impact of the aforementioned events.

(ii) with regard to the planned sources of financing the aforementioned capital needs, the Management Board of the Company is making every effort and taking actions to obtain new debt financing from financial institutions. Due to difficulties in obtaining it, the Management Board is currently considering the possibility of increasing the share capital and has begun analyzing available options, however, as of the date of publication of this report, no binding decisions regarding the choice of a specific instrument or transaction structure have been made.

The Company will inform about the subsequent stages of the process and the choice of a specific financing method in accordance with applicable law.

Furthermore, the Management Board informed that the General Meeting including on its agenda a vote on a resolution regarding the further existence of the Company in the understanding of Article 397 of the Commercial Companies Code, will be convened immediately after the publication of the audited financial statements of the Company for the year 2025, in such a manner as to enable all shareholders to comprehensively analyze the materials and financial statements provided by the Company prior to this General Meeting.

Warsaw, 29 April 2026

Full name	Job title
Jorge Calabuig Ferre	President of the Management Board
Juan de Dios Martin Martin	Member of the Management Board
Javier Sanz Mugica	Member of the Management Board
Marcin Kondraszuk	Member of the Management Board
Jarosław Reszka	Chief Accounting Officer