



**Condensed interim separate financial statements of
Mostostal Warszawa S.A.**

for the period from 01/01/2020 to 31/03/2020

SEPARATE PROFIT AND LOSS ACCOUNT
for the period of 3 months from 01/01/2020 to 31/03/2020

NO.	PROFIT AND LOSS ACCOUNT	First quarter period from 01/03/2020 to 31/03/2020	First quarter period from 01/03/2019 to 31/03/2019
	Continuing operations		
I	Sales Revenue	248,859	216,899
	Revenue from construction contracts	248,088	215,368
	Revenue from sale of services	771	1,500
	Revenue from sale of goods and materials	0	31
II	Cost of goods sold	227,856	201,592
III	Gross profit (loss) on sales	21,003	15,307
IV	Administrative expenses	13,610	11,473
V	Other operating revenue	2,446	12
VI	Other operating expenses	326	324
VII	Profit (loss) from operations	9,513	3,522
VIII	Financial revenue	7,323	54
IX	Financing costs	15,925	3,109
X	Gross profit (loss)	911	467
XI	Income tax	385	1,140
	a) current	0	0
	b) deferred	385	1,140
XII	Net profit (loss) from continuing operations	526	-673
XIII	Discontinued operations	0	0
XIV	Net profit (loss) on discontinued operations		0
XV	Net profit (loss)	526	-673
	Net profit (loss)	526	-673
	Weighted average number of ordinary shares	20,000,000	20,000,000
	Net profit (loss) per ordinary share (PLN)	0.03	-0.03
	Diluted net profit (loss) per ordinary share	0.03	-0.03

SEPARATE STATEMENT OF COMPREHENSIVE INCOME
for the period of 3 months from 01/01/2020 to 31/03/2020

STATEMENT OF TOTAL REVENUE	First quarter period from 01/03/2020 to 31/03/2020	First quarter period from 01/03/2019 to 31/03/2019
Net profit (loss) for the period	526	-673
Other comprehensive income	0	0
Income tax associated with other comprehensive income items	0	0
Total other comprehensive income after tax	0	0
Total comprehensive income	526	-673

SEPARATE STATEMENT OF FINANCIAL POSITION
as at 31/03/2020

No.	ASSETS	as at 31/03/2020	as at 31/12/2019	as at 31/03/2019 (restated)
I	I. Fixed assets (long-term)	96,861	93,197	84,092
I.1	Intangible assets	887	1,106	1,612
I.2	Perpetual usufruct of land	0	0	0
I.3	Property, plant and equipment	32,797	30,454	21,393
I.4	Long term trade and other receivables	661	453	2,511
I.5	Investment property	5,073	5,073	4,927
I.6	Long-term financial assets	30,742	29,442	29,764
I.7	Deferred tax assets	24,977	25,362	23,269
I.8	Long-term accruals	1,724	1,307	616
II.	Current assets (short-term)	777,429	781,520	791,782
II.1	Inventory	8,111	6,763	7,873
II.2	Trade and other receivables	305,264	271,157	310,332
II.3	Prepayments for works	7,919	8,509	8,182
II.4	Short-term financial assets	1,027	1,027	0
II.5	Cash and cash equivalents	144,610	234,410	59,293
II.6	Assets arising from construction contracts	308,076	256,344	369,546
II.7	Other accruals	2,422	3,310	2,464
II.8	Assets available for sale	0	0	34,092
	TOTAL ASSETS	874,290	874,717	875,874

NO.	EQUITY AND LIABILITIES	as at 31/03/2020	as at 31/12/2019	as at 31/03/2019 (restated)
I	Equity	14,939	14,413	15,666
I.1	Share capital	44,801	44,801	44,801
I.2	Supplementary / reserve capital	108,406	108,406	108,406
I.3	Reserve capital from reclassification of loans	201,815	201,815	201,815
I.4	Retained earnings (loss brought forward)	-340,083	-340,609	-339,356
	Accumulated profit (loss brought forward)	-340,609	-338,683	-338,683
	profit (loss) for the period	526	-1,926	-673
II	Long-term liabilities	242,669	90,589	258,556
II.1	Interest-bearing bank loans and borrowings	133,483	0	207,211
II.2	Long-term lease liabilities	16,177	15,411	10,935
II.3	Long-term trade liabilities	31,069	29,911	23,089
II.4	Long-term prepayments for works	52,798	35,416	8,202
II.5	Long-term provisions	9,142	9,851	9,119
III	Short-term liabilities	616,682	769,715	561,642
III.1	Current interest-bearing bank loans and borrowings	95,042	243,341	49,420
III.2	Short-term lease liabilities	7,433	6,932	4,426
III.3	Trade liabilities	210,554	205,236	229,246
III.4	Other liabilities	14,630	26,308	31,541
III.5	Prepayments for works	106,582	98,525	45,528
III.6	Short-term provisions	8,651	11,751	17,147
III.7	Liabilities arising from construction contracts	21,929	28,369	12,800
III.8	Other accruals	151,861	149,253	159,003
III.9	Liabilities associated with assets held for sale	0	0	12,531
IV	Total liabilities	859,351	860,304	820,198
	TOTAL EQUITY AND LIABILITIES	874,290	874,717	835,864

SEPARATE CASH FLOW STATEMENT
for the period of 3 months from 01/07/2019 to 30/09/2019

NO.	CASH FLOW STATEMENT	First quarter period from 01/03/2020 to 31/03/2020	First quarter period from 01/03/2019 to 31/03/2019
I	Cash flows from operating activities		
I.1	Gross profit (loss)	911	467
I.2	Adjustments of items:	-55,448	-47,312
I.2.1	Depreciation	2,567	2,187
I.2.2	Exchange differences	15,213	78
I.2.3	Interest and dividends (received and paid)	2,270	2,493
I.2.4	Profit (loss) from investing activities	0	0
I.2.5	Increase (decrease) in receivables	-35,467	6,871
I.2.6	Increase (decrease) in inventory	-1,348	2,133
I.2.7	Increase (decrease) in liabilities, excluding loans and borrowings	20,237	-10,972
I.2.8	Change in assets and liabilities arising from construction contracts and accruals	-55,093	-41,140
I.2.9	Change in provisions	-3,809	-7,947
I.2.10	Income tax paid	0	0
I.2.11	Other	-18	-1,015
	Net cash from operating activities	-54,537	-46,845
II	Cash flows from investing activities		
II.1	Sale of tangible and intangible assets	30	0
II.2	Acquisition of tangible and intangible assets	-438	-90
II.3	Acquisition of financial assets	-1,300	0
	Net cash from investing activities	-1,708	-90
III	Cash flows from financing activities		
III.1	Repayment of lease liabilities	-1,256	-235
III.2	Proceeds from loans and borrowings	0	4,824
III.3	Repayment of loans and borrowings	-30,348	0
III.4	Interest paid	-1,951	-51
	Net cash from financing activities	-33,555	4,538
IV	Net change in cash and cash equivalents	-89,800	-42,397
	Net exchange differences	0	0
V	Cash opening balance	234,410	101,690
VI	Cash closing balance	144,610	59,293
	Restricted	12,385	56

SEPARATE STATEMENT OF CHANGES IN EQUITY
for the period of 3 months from 01/01/2020 to 31/03/2020

	Share capital	Supplementary / reserve capital	Reserve capital from reclassification of loans	Retained profit / uncovered loss	Total equity
First quarter of 2020 – period from 01/01/2020 to 31/03/2020					
As at 01 January 2020	44,801	108,406	201,815	-340,609	14,413
Profit (loss) for the period	0	0	0	526	526
Other comprehensive income	0	0	0	0	0
Total comprehensive income	0	0	0	526	526
Distribution of previous years' profit	0	0	0	0	0
Dividends paid	0	0	0	0	0
As at 31 March 2020	44,801	108,406	201,815	-340,083	14,939

Year 2019 – period from 01/01/2019 to 31/12/2019					
As at 01 January 2019	44,801	108,406	201,815	-338,683	16,339
Profit (loss) for the period	0	0	0	-1,926	-1,926
Other comprehensive income	0	0	0	0	0
Total comprehensive income	0	0	0	-1,926	-1,926
Distribution of previous years' loss	0	0	0	0	0
Reclassification of loans to equity	0	0	0	0	0
As at 31 December 2019	44,801	108,406	201,815	-340,609	14,413

First quarter of 2019 – period from 01/01/2019 to 31/03/2019					
As at 01 January 2019	44,801	108,406	201,815	-338,683	16,339
Profit (loss) for the period	0	0	0	-673	-673
Other comprehensive income	0	0	0	0	0
Total comprehensive income	0	0	0	-673	-673
Distribution of previous years' profit	0	0	0	0	0
Dividends paid	0	0	0	0	0
As at 31 March 2019	44,801	108,406	201,815	-339,356	15,666

**Additional Notes
to the Condensed Interim Separate Financial Statements
for the period from 01/03/2020 to 31/03/2020**

1. Overview

For the separate profit and loss account, the condensed interim separate financial statements cover the period of 3 months of 2020 and comprise corresponding figures for the period of 3 months of 2019; for the separate cash flow statement, the financial statements cover the period of 3 months of 2020 and comprise the corresponding figures for the period of 3 months of 2019; while the separate statement of financial position prepared as at 31 March 2019 includes corresponding figures as at 31 December 2019 and 31 March 2019.

Mostostal Warszawa S.A. (hereinafter "Company", "Mostostal", or "Issuer") is a joint-stock company incorporated under the laws of Poland, registered with the District Court for the Capital City of Warsaw, 13th Commercial Division of the National Court Register, under the number 0000008820. The Company's registered office is located in Warsaw, at ul. Konstruktorska 12a. The Company's main activities involve construction of residential and non-residential buildings, as specified in the Polish Business Classification (PKD) in section 4120Z. 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.

The parent company of Mostostal is Acciona Construcción S.A. The ultimate controlling party is Acciona S.A.

Mostostal Warszawa S.A. prepared the condensed interim financial statements, which were approved on 18/05/2020.

The aim of the Management Board of Mostostal Warszawa S.A. is to maintain a strong position among the largest construction companies in the country. In order to achieve this objective, the Company takes measures oriented at:

- focusing its activities on the effective organisational structure that guarantees stable financial results and increased margins, which in turn enables further development,
- managing projects while maintaining the highest quality, taking care of safety on construction sites and supporting related initiatives,
- strengthening the role of Mostostal Warszawa SA as the Group's primary management centre and enhancing cooperation within the Group for development of regional centres,
- maintaining a nationwide network of representative offices, capable of providing services in all the segments of civil works, as a general contractor,
- development by the R&B Department of new technologies to improve implementation processes as well as to develop and enhance the engineering ideas, and
- nurturing the achievements of the Polish engineering thought and development of technical knowledge through close cooperation with the research centres and by improving the level of education of future engineers as well as by sharing knowledge and experience gained during over 70 years of its activities.

As at 18/05/2020, members of the Management Board included:

Miguel Angel Heras Llorente, President of the Management Board
Jorge Calabuig Ferre, Vice-President of the Management Board
Alvaro Javier De Rojas Rodríguez, Member of the Management Board
Jacek Szymanek, Member of the Management Board

Radosław Gronet resigned from the position of Member of the Management Board of the Company, effective as of 7 January 2020.

As at 18/05/2020, members of the Supervisory Board included:

Antonio Muñoz Garrido, Member of the Supervisory Board
José David Márquez Arcos, Member of the Supervisory Board
Javier Lapastora Turpín, Member of the Supervisory Board
Neil Roxburgh Balfour, Member of the Supervisory Board
Ernest Podgórski, Member of the Supervisory Board
Javier Serrada Quiza, Member of the Supervisory Board

2. Approval of the Financial Statements

The condensed interim separate financial statements for the first quarter of 2020 were approved for publication by the Management Board of the Company on 18/05/2020.

3. Basis for preparation of the Condensed Financial Statements for the first quarter of 2020 and the accounting policies

3.1 Basis for preparation of the Financial Statements

The condensed interim separate financial statements have been prepared with the assumption that the Company would be able to continue its business operations in the foreseeable future.

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

In the first quarter of 2020, the Company generated the sales profit of PLN 21,003 thousand and incurred a net profit of PLN 526 thousand. The Company's equity as at 31/03/2020 was positive and amounted to PLN 14,939 thousand. The Company recorded negative cash flows from operating activities in the amount of PLN 54,537 thousand.

In its separate statement of financial position, the Company shows overdue trade receivables in the amount of PLN 149,174 thousand, for which no revaluation write-offs have been recognized, and the assets arising from construction contracts in the amount of PLN 161,676 thousand, associated with the completed contracts, which are mostly subject to court proceedings. The Management Board assumes that within 12 months from the date of the report, some of these proceedings, given their progress, may be settled.

In the first quarter of 2020, the Company financed its operations using mainly its own funds and borrowings granted by the related party, Acciona Construcción S.A. The loans maturity dates fall for the years 2020 -2021. In the first quarter of 2020, the Company repaid the loan and interest in the amount of PLN 30,348 thousand. In 2020, the Company signed annexes to two loan agreements for the total amount of PLN 124,868 thousand, whereby the deadline for their repayment has been rescheduled until 2021.

The Company's Management Board estimates that the Company will have sufficient cash to fund its operations in the period of at least 12 months after the balance sheet date. The value of the backlog of Mostostal Warszawa S.A. is PLN 2,016,902 thousand (exclusive of the suspended contract for construction of the Power Plant in Ostrołęka). At the same time, the Company is involved in a number of procurement procedures, which may translate into winning new contracts in the near future.

In the medium and long term, the Management Board does not expect the COVID-19 epidemic to have a materially negative impact on the Company's business, financial condition and operating results. However, it cannot be ruled out that a prolonged period of business restrictions, the expansion and prolongation of the coronavirus containment activities affecting the Polish economy will have an adverse effect on the Company's financial condition and operating results in the medium and long term. The Management Board is monitoring the situation on an ongoing basis and will react accordingly to mitigate the impact of these events, if they occur.

The Company's Management Board believes that the liquidity and going concern risks are properly managed, and consequently, there is no significant risk of an intended or forced discontinuation or material limitation of its current activities by the Company for the period of at least 12 months after the balance sheet date. Therefore, according to the Management Board, the going concern assumption for the Company is appropriate.

3.2 Compliance statement

These condensed interim separate financial statements have been prepared in accordance with the International Accounting Standard 34 – Interim Financial Reporting, as approved by the EU. These condensed interim separate financial statements should be read together with the audited separate financial statements of the Company for the year ended 31 December 2019 and the related additional information. The condensed interim separate financial statements of Mostostal Warszawa S.A. have been neither reviewed nor audited by a statutory auditor.

3.3 Accounting Policies

Detailed accounting policies adopted by the Company are described in the separate financial statements for the year ended 31 December 2019.

The accounting principles (policies) applied in the preparation of these condensed separate financial statements are consistent with those applied in the preparation of the annual separate financial statements of the Company for the year ended 31 December 2019.

Changes to standards applied for the first time in 2020

The Company applied for the first time the following amendments to the standards:

- Amendments to IFRS 9 "Financial Instruments", IAS 39 "Financial Instruments: Recognition and Measurement" and IFRS 7 "Financial Instruments: Disclosures". - Reform of the reference interest rate,

- Amendments to IAS 1 'Presentation of Financial Statements' and IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of materiality,
- Changes to References to IFRS Conceptual Assumptions.

The above changes to the standards did not have a significant impact on the accounting policy applied by the Company to date.

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

IFRS in the form approved by the EU do not currently 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 preparation of the statement, have not yet been adopted for use:

- IFRS 14 "Regulatory prepayments and accruals" - in accordance with the decision of the European Commission, the process of approval of the standard in its initial version will not be initiated before the standard is published in its final version (effective for annual periods beginning on or after January 1, 2016),
- IFRS 17 Insurance Contracts (effective for annual periods beginning on or after 1 January 2021),
- Amendments to IFRS 3 "Business Combinations" (effective for annual periods beginning on or after 1 January 2020),
- Amendments to IFRS 10 "Consolidated financial statements" and IAS 28 "Investments in associates and joint ventures" - Transactions of sale or contribution of assets between an investor and its associate or joint venture - the work leading up to the approval of these amendments has been postponed by the EU indefinitely - the effective date has been postponed by the IASB for an unlimited period,
- Amendments to IAS 1 Presentation of Financial Statements - Classification of liabilities as short- or long-term (effective for annual periods beginning on or after 1 January 2022).

The Company does not expect the new standards or amendments to the existing standards to have a significant impact on its statements.

3.4 The principles applied to conversion of selected financial data into EUR

The following principles have been adopted for converting the selected financial data concerning the first quarter of 2020 to EUR:

- individual items of the separate profit and loss account and cash flow account for the third quarter of 2019 were converted at the PLN/EUR rate of 4.3963 which is the arithmetical mean of the rates announced by the National Bank of Poland for the last days of January, February and March of 2020.
- individual items of assets and liabilities on the separate statement of financial position were converted at the PLN/EUR rate of 4.5523 as published by the NBP on 31/03/2020.

3.5 Currency of the financial statements

The condensed interim separate financial statements for the first quarter of 2020 have been presented in Polish zlotys, and all the values stated – unless indicated otherwise – are rounded off to full thousands of zlotys.

4. 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 costs of construction works include the costs of provisions created for the losses expected on contracts disclosed in section 10 of these condensed interim separate financial statements.

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

Item	as at 31/03/2020	as at 31/12/2019	as at 31/03/2019
Estimated incremental revenue from construction contracts in progress	3,539,221	3,371,700	3,025,847
Incrementally invoiced sales of construction contracts in progress	3,414,750	3,305,401	2,829,912
Assets and liabilities arising from construction contracts in progress (on balance)	124,471	66,299	195,935
Prepayments received on construction contracts in progress	159,380	133,941	53,730
Net balance sheet position for construction contracts in progress	-34,909	-67,642	142,205
Reconciliation with the items from the separate statement of financial position:			
Assets and liabilities arising from construction contracts in progress (on balance)	124,471	66,299	195,935
Assets arising from completed construction contracts	161,676	161,676	154,644
Assets and liabilities arising from construction contracts (on balance)	286,147	227,975	350,579

While implementing the construction contracts, especially in the years 2010-2012, circumstances have arisen for which the Company has not been responsible. These circumstances resulted in losses (damages, increased amounts of unplanned expenditures etc.) that have not been caused by the Company. These circumstances included in particular the following:

- broadened scope of works in relation to the design (tender) conditions communicated to the Company by the Ordering Parties,
- 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 resulted in changes to contracts with ordering parties (customers) in accordance with contractual provisions and general legal grounds, and the rights to which it is entitled as a result of the changes to those contracts exist and are enforceable (claims submitted to customers). As a consequence, the Company (in accordance with the provisions of IFRS 15):

- a) estimated the change in the transaction price resulting from the contract modification, taking into account all the information (historical, current, forecasts, legal opinions and expert reports) that were reasonably available,
- b) included in the transaction price some of the amount of variable consideration 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 connection with the foregoing, as at 31/03/2020, the Company recognized assets arising from construction contracts for completed contracts due to amendments of contracts with employers (customers) in the amount of PLN 161,676 thousand. The aforementioned circumstances and modifications of contracts with ordering parties (customers) did not affect the amount of recognized revenue from construction contracts in the first quarter of 2020.

In its separate statement of financial position, the Company shows overdue trade receivables in the amount of PLN 149,174 thousand, for which no revaluation write-offs have been recognized, and the assets arising from construction contracts in the amount of PLN 161,676 thousand, associated with the completed contracts, which are mostly subject to court proceedings. The value of accruals due to unbilled construction works under these contracts is PLN 40,811 thousand. The Management Board expects that within 12 months from the date of the report, some of these proceedings, given their progress, may be settled.

Selected figures from the separate statement of financial position

Assets	as at 31/03/2020	as at 31/12/2019	as at 31/03/2019
Amounts due from customers under construction contracts (long-term contracts)	305,925	271,610	271,432
- including retained deposits	5,274	4,405	6,147
Prepayments for works	7,919	8,510	8,182
Assets arising from construction contracts	308,076	256,344	363,379

Liabilities	as at 31/03/2020	as at 31/12/2019	as at 31/03/2019
Amounts due to the suppliers under construction agreements (long term contracts)	241,623	235,147	252,335
- including retained deposits	82,077	85,619	77,539
Prepayments for works	159,380	133,941	53,730
Provisions for expected losses	2,048	2,765	8,802
Liabilities arising from construction contracts	21,929	28,369	12,800

5. Significant changes in estimates

Preparation of financial statements in accordance with the EU's 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 from the period in which changes to the estimates took place.

Recognition of sales on construction contracts constitutes an essential estimate. The Company recognizes revenue from construction contracts based on inputs measured by reference to the share of costs incurred between the day the contract has been entered into and the day of determining revenue in relation to the total costs of performance. Total revenue from long-term construction contracts denominated in a foreign currency is determined based on the invoices issued by the balance sheet date and the exchange rates applicable as at the balance sheet date. 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.

Information about the created and reversed write-downs is presented in Notes 8 and 9 of this report.

Information on the provisions created and reversed in the reporting period is presented in Note 10 of this report.

The deferred tax assets decreased over the reporting period by PLN 385 thousand and as at 31/03/2020 amounted to PLN 24,977 thousand (cf. PLN 25,362 thousand as at 31/12/2019). The Company recognizes deferred tax assets based on the assumption that future taxable income will allow for its use. Deterioration of tax results in the future could cause the whole or a part of the deferred tax assets not to be realized.

The Management Board has carried out a deferred tax asset recoverability test as at the balance sheet date based on the projections that have been prepared taking into account the planned involvement in the power engineering and infrastructure sectors. The test demonstrates the realization of a deferred tax asset in the amount of PLN 24,977 thousand. In the opinion of the Management Board, the realisation of the deferred tax assets due to tax losses will be possible in the years 2019-2022.

6. Seasonal or cyclical nature of the Company's activities in the first quarter of 2020

The activities of the Company may depend on weather conditions. The Company may be less active during winter than during other seasons. The atmospheric conditions in the first quarter of 2020 had no significant effect on the Company's operations and the results it achieved.

7. Amounts and types of items affecting the assets, liabilities, equity, net financial result or cash flows, which are exceptional due to their type, value or frequency

In the first quarter of 2020, the following events had impact on the profit or loss:

- recognition of due payments from retained profits in previous years from the subsidiary Mostostal Power Development Sp. z o.o. in the amount of PLN 7,000 thousand,
- weakening of the Polish currency against the euro as compared to 31/12/2019, which resulted in the recognition of negative exchange rate differences from the balance sheet valuation of loans in the amount of PLN 15,213 thousand.

8. Impairment of inventory to net realizable value and reversal of the respective allowances

In the first quarter of 2020, no inventory write-downs were created or reversed.

9. Impairment of financial assets, tangible assets, intangible assets, or other assets, and the reversed impairment losses

In the first quarter of 2020, receivables revaluation write-offs were created in the amount of PLN 144 thousand.

10. Creation, increase, use and reversal of provisions

31 March 2020	Provision for anniversary awards and retirement bonuses	Provisions for expected losses on contracts	Provision for warranty repairs	Provision for litigation	Total
As at 01/01/2020	2,086	2,765	11,661	5,090	21,602
Created during the financial year	0	141	435	0	576
Used	-118	-858	-1,607	-1,500	-4,083
Reversed	0	0	0	-302	-302
As at 31/03/2020	1,968	2,048	10,489	3,288	17,793
Long-term as at 31/03/2020	1,671	989	6,482	0	9,142
Short-term as at 31/03/2020	297	1,059	4,007	3,288	8,651

11. Significant acquisitions and disposals of tangible fixed assets

In the first quarter of 2020, the Company did not conclude any significant transactions related to tangible fixed assets.

12. Significant liabilities related to purchase of tangible fixed assets.

In the first quarter of 2020, there were no significant liabilities arising from the purchase of property, plant and equipment.

13. Significant litigation settlements

In the first quarter of 2020, there were no significant litigation settlements.

14. Corrections of prior period errors

In the reporting period, there were no corrections of errors from previous periods.

15. Issue, redemption and repayment of debt and equity securities

No shares were issued in the first quarter of 2020. No debt or equity securities were repaid.

16. Dividends paid (declared) by the Issuer

In the first quarter of 2020, the Company did not pay any dividends.

17. Changes in the basic principles of governance

There were no significant changes to the Company's corporate governance principles in the reporting period.

18. Events that occurred after the balance sheet date as at which the condensed interim financial statements were prepared and which may have a significant impact on the future results.

On 6 April 2020 the Company signed with Acciona Construcción S.A. annexes to loan agreements:

1. Annex no. VII concluded with the effective date of 31 March 2020 to the Loan Agreement of 5 December 2012. Under the Agreement, Acciona grants the Company a loan in the amount of EUR 13.5 million (which is equivalent to PLN 61.3 million at NBP average exchange rate of EUR 1 = PLN 4.5523 as of 31 March 2020) plus interest.

2. Annex no. IX concluded with the effective date of 31 March 2020 to the Loan Agreement of 24 November 2011. Under the Agreement, Acciona grants the Company a loan in the amount of EUR 14.4 million (which is equivalent to PLN 65.6 million at the NBP average exchange rate of EUR 1 = PLN 4.5523 as 31 March 2020) plus interest.

On the basis of the above Annexes, the loans will be repayed by 1 April 2021. The loans may also be repaid in an earlier.

On 30 April 2020 the Company repaid the loan with interest granted to Mostostal by Acciona Construcción S.A. on 05/08/2013 in the total amount of PLN 35,528 thousand (EUR 7,820 thousand).

On 4 May 2020 the Company concluded with Acciona Construcción S.A. Annex no. VII to the Loan Agreement of 27 May 2013 with an effective date of 29 April 2020. On the basis of the Annex Acciona extends to the Company the repayment date of the loan in the principal amount of EUR 11.67 million (which is equivalent to PLN 53.02 million at the average NBP exchange rate of 29 April 2020 of 1 EUR = 4.5432 PLN) plus interest. The loan may also be repaid in a shorter term.

19. Changes in collaterals of commercial contracts and in contingent liabilities, which occurred after the last balance sheet date.

19.1. Contingent liabilities

Contingent liabilities

No.	Item	31/03/2020	31/12/2019
a)	Lubelskie Region Oncology Centre – claims in respect of a penalty for withdrawal from the contract, reduction of remuneration, additional and safety works (description in Note 20.1 item (a))	27,072	27,072
b)	Gamma Inwestycje S.A. – claim for a contractual penalty related to the construction of the housing estate 'Zielona Italia' (description in Note 20.1 item b)	15,784	15,784
c)	Energa Kogeneracja S.A. – construction of a power unit in Elbląg – claim for reduction of remuneration and a contractual penalty for non-compliance with the parameters (description in Note 20.1 item (c))	114,386	114,386
d)	University of Białystok – Construction of the Institute of Biology and the Faculty of Mathematics and Computer Science, together with the University Computing Centre in Białystok – claim for a contractual penalty (description in Note 20.1 item (d))	66,718	66,718
e)	Agencja Rozwoju Miasta S.A. (City Development Agency) – construction of the Czyżyny Sports and Entertainment Arena in Kraków – claim for a contractual penalty (description in Note 20.1 item (e))	20,822	20,822
f)	Biomatec Sp. z o.o. – claim for remuneration (description in Note 20.1 item (f))	22,876	22,876
g)	Cestar A.Cebula J.Starski s.j. – claim for remuneration (description in Note 20.1 item (g))	12,689	12,689
h)	– University of Białystok – claim for a contractual penalty (description in Note 20.1 item (j))	204,967	204,967
i)	Zakład Unieszkodliwiania Odpadów w Szczecinie (Waste Treatment Plant in Szczecin) – counterclaim (description in Note 20.1 item (k))	211,839	211,839
j)	Other	21,933	22,221
	Total	719,086	719,374

Contingent liabilities as at 31/03/2020 amounted to PLN 719,086 thousand and decreased by PLN 288 thousand, compared to the previous year's balance sheet date.

19.2. Collaterals of trade agreements

Granted

Item	31/03/2020	31/12/2019
Promissory notes issued to secure trade agreements	44,280	50,946
Guarantees to secure trade agreements	591,951	512,206
Total contingent liabilities	636,231	563,152

As at 31/03/2020, the collaterals granted to secure trade agreements amounted to PLN 636,231 thousand, which means an increase by PLN 73,079 thousand, as compared to the previous year's balance sheet date.

Received

Item	31/03/2020	31/12/2019
Guarantees received	55,843	57,818
Promissory notes received	1,150	2,071
Total contingent receivables	56,993	59,889

As at 31/03/2020, the collaterals received to secure trade agreements amounted to PLN 56,993 thousand, which means an decrease by PLN 2,896 thousand as compared to the previous year's balance sheet date.

Collaterals of trade agreements to secure repayment of promissory notes, bank guarantees, performance bonds and other are related to long-term construction contracts. The collaterals granted and received pertain also to contracts performed in the consortia.

The Company has no liabilities related to the requirement to purchase fixed assets.

20. Information on significant proceedings pending before a court, arbitration authority or public administration body

The Company participates in proceedings concerning receivables with a total value of PLN 1,127,061 thousand and in proceedings concerning liabilities with a total value of PLN 822,377 thousand.

20.1 Proceedings with the highest litigation value (Mostostal Warszawa S.A. as a defendant)

a) Centre of Oncology of the Lublin Region (plaintiff)

The date of filing the lawsuit: 10/09/2015 r.

The value of the dispute: PLN 27,072 thousand

The Plaintiff is seeking payment of a contractual penalty for the Plaintiff's withdrawal from the contract, claims for a reduction of remuneration, claims for additional and security works performed by the investor. In the opinion of Mostostal Warszawa S.A., the calculated contractual penalties are unjustified, the Company also disputes the remaining claims in full. On 11 September 2012, the Company received a Statement of the St. John of Dukla Oncology Centre of Lublin Region on withdrawal from the contract for the design and execution of construction works for the extension and modernization of the Lublin Region Oncology Centre ("Contract") and a call for payment of a contractual penalty. The said Agreement was concluded on January 3, 2011 between (Centre of Oncology of the Lublin Region) Centrum Onkologii Ziemi Lubelskiej ("the Principal") and a consortium composed of the following members: Mostostal Warszawa S.A. - Leader, Acciona Construcción S.A. - Partner, Richter Med. Sp. z o.o. - Partner ("Contractor"). As the reasons for termination of the Agreement, the Contracting Authority stated failure to perform works in accordance with the material and financial schedule and terms of the Agreement resulting in delays in execution of the Agreement and making it unlikely that the Contractor will be able to complete the subject of the Agreement within the agreed deadline. At the same time, the Company brought a counterclaim and claims against the Ordering Party in the amount of PLN 32,461 thousand concerning remuneration for additional works performed and return of unduly calculated and deducted contractual penalties. An expert opinion was drawn up in the case.

b) Gamma Inwestycje S.A. (plaintiff)

The date of filing the lawsuit: 29/03/2013 r.

The value of the dispute: PLN 15,784 thousand

The claimant who is the legal successor of Zielona Italia Sp. z o.o. ("Ordering Party") shall claim from Mostostal Warszawa S.A. a contractual penalty for withdrawal from the contract. The Company fully disputes the validity of calculating the penalty because it was the first to withdraw from the contract which included construction of a complex of multi-family residential buildings with services and underground garages "Zielona Italia". ("Agreement"). The basis for the Company's withdrawal from the Agreement was the Contracting Authority's failure to accept the completed works, despite repeated submissions by Mostostal Warszawa S.A. Due to the withdrawal from the Contract due to the Ordering Party's fault Mostostal Warszawa S.A. charged a contractual penalty in the amount of 15,784 thousand PLN (not included in revenues). In response, Zielona Italia Sp. z o.o. charged the Company with contractual penalties in the amount of PLN 15,784 thousand. Due to the Management Board's position that the penalty is issued unjustifiably, the amount was not recognised in the measurement of the contract. The dispute in the scope of lack of grounds for charging the Company with the contractual penalty is in the process of being resolved by the Court. Currently, the case has been referred to mediation.

c) Energa Kogeneracja Sp. z o.o. (plaintiff)

The date of filing the lawsuit: 24/07/2017 r.

The value of the dispute: PLN 114,386 thousand.

The plaintiff is pursuing monetary claims against the Company in connection with the construction of Biomass Unit BB20 in Elbląg. The Plaintiff's claims are based on the claims that the BB20 biomass unit in Elbląg, constructed by Mostostal Warszawa S.A. and commissioned in July 2014, has defects, does not achieve guaranteed parameters and needs to be modernized. The amount of the claim covers three groups of claims, i.e: (1) contractual penalties in the amount of PLN 15,170 thousand being a part of the total amount of contractual penalties, of which PLN 7,378 thousand was paid to the Plaintiff under a bank guarantee and the remaining part is claimed in these proceedings, (2) demand for reduction of the contractual price in the amount of PLN 90,286 thousand and (3) capitalized interest in the amount of PLN 959 thousand. After the analysis of the statement of claim the Company is of the opinion that both Energa's claim for contractual penalties due to failure to achieve the guaranteed technical parameters of the Block and the claim for reduction of the contractual remuneration is unfounded. In particular, the Company indicates that in its opinion, the Claimant exploited the Block inconsistently with the terms of the Contract and the operation/maintenance instructions, i.e. burned fuel with parameters inconsistent with the provisions of the Contract, and did not carry out the so-called measurements of guaranteed parameters in accordance with the provisions of the Contract. Mostostal Warszawa S.A.

disputes these claims in their entirety and considers them unfounded. The response to the statement of claim together with the counterclaim in the amount of PLN 7,378 thousand was submitted by Mostostal Warszawa S.A. on 15/12/2017.

d) University of Białystok (plaintiff)

The date of filing the lawsuit: 03/02/2015 r.

The value of the dispute: PLN 66,718 thousand

The subject matter of the claim is the Plaintiff's claim for payment of contractual penalties under various titles in connection with the performance of the agreement of 25.01.2011 concerning "Construction of the Institute of Biology and the Faculty of Mathematics and Informatics with the University Computation Centre" and the agreement of 25/01/2011 concerning "Construction of the Faculty of Physics and the Institute of Chemistry" implemented under the Operational Programme Infrastructure and Environment. Mostostal Warszawa S.A. disputes these claims in their entirety and considers them unfounded. In the court proceedings Mostostal Warszawa S.A. shows a number of obstacles which objectively had a significant impact on the execution of construction works, including the execution date, justifying the lack of grounds for calculating contractual penalties. Mostostal Warszawa S.A. brought a counterclaim against the Plaintiff for the amount of PLN 83,435 thousand on account of overdue remuneration with interest, indirect costs resulting from the extension of the term of performance of contracts and other additional works. The proceedings were covered by conciliatory talks. At the unanimous request of the parties, the proceedings were suspended on 24.04.2019. In connection with the failure to conclude a settlement within the framework of the conducted talks, the proceedings were undertaken by the Court decision of 10/10/2019.

e) City Development Agency S.A.(Agencja Rozwoju Miasta S.A) (plaintiff)

The date of filing the lawsuit: 22/07/2016 r.,

The value of the dispute: PLN 20,822 thousand

The plaintiff demands from the Company to pay contractual penalties for delays in the performance of construction works of the Sports and Entertainment Arena Czyżyny in Kraków - currently TAURON Arena Kraków. After the analysis of the statement of claim, the Company disputes in its entirety, both in principle and in amount, the claims made by the Plaintiff and is of the opinion that there were no grounds for calculating the contractual penalties. As of 14/04/2014 The Contractor in 99% performed the subject of the agreement and the Investor could start the collection. Due to defects in the design documentation, for which the Investor was responsible, the deadline for completion of the acceptance activities went beyond the contractual deadline but not because of the Contractor. In the period of the alleged delay, the Investor could fully use the object, the object already on 12/05/2014 had a permit for final use and on 30/05/2014 the first commercial event took place, so at the time when the Investor was calculating the Contractor's contractual penalties. The Company also filed a counterclaim against the Plaintiff for claims for additional works and remaining remuneration to be paid related to the construction of the Performance and Sports Hall of Czyżyna in Kraków in the amount of PLN 16,439 thousand. The case is at the stage of mediation proceedings, within the framework of which a private and supplementary opinion was drawn up.

f) Biomatec Sp. z o.o. (plaintiff)

The date of filing the lawsuit: 26/05/2014 r.

The value of the dispute: PLN 22,876 thousand

The claimant is claiming from Mostostal Warszawa S.A. for payment of remuneration for subcontracting works performed within the framework of the investment project Construction of 20 MWe Biomass Fired Power Unit in Energa Kogeneracja Sp. z o.o. The basis for the demand for payment is the claim that Mostostal withdrew from the agreement with the Plaintiff in a situation where the Plaintiff was ready to perform it, i.e. there were obstacles in the performance of the aforementioned agreement, but on the part of Mostostal). The Company fully disputes the validity of the Plaintiff's claims. In response to the statement of claim Mostostal Warszawa S.A. claimed that the withdrawal from the agreement was caused by the Plaintiff's fault, while the provisions of the agreement between the parties in the event of the situation eliminate the payment of the entire claim to the Plaintiff, except for the costs incurred by the Plaintiff until the date of withdrawal. In addition, Mostostal Warszawa S.A. in accordance with the agreement concluded, among others, with the Plaintiff, paid all costs incurred by the Plaintiff until the date of withdrawal. An expert's opinion and a supplementary expert's opinion has been prepared in the case. The conclusions of both opinions are unfavorable for the Respondent, therefore Mostostal Warszawa S.A. raised extensive objections to them.

g) CESTAR Andrzej Cebula and Jerzy Starski s. j. (plaintiff)

The date of filing the lawsuit: 16/11/2016 and 20/03/2017,

Total value of disputes: PLN 14,667 thousand

The claimant is claiming from Mostostal Warszawa S.A. for remuneration for works within the framework of the investment "Sewerage of the Zielonka Forest and its surroundings Landscape Park Area" Contract IX - the Basin of the Sewage Treatment Plant in Szlachcin - Task 6 - Murowana Goślina Commune, issued in connection with PSP No 23 and PSP No 24. Mostostal Warszawa S.A. applied for dismissal of the claim due to the fact that the claims asserted by the Plaintiff were deducted in full from the receivables of Mostostal Warszawa S.A. towards the Plaintiff on account of invoices issued for substitute works and contractual penalties imposed. In both cases evidence proceedings are conducted.

h) Rafako S.A. (plaintiff)

The date of filing the lawsuit: 31/03/2017 r.,

The value of the dispute: PLN 16,157 thousand

Rafako S.A. claims payment from the Company for the construction works performed by the Plaintiff on the basis of a sub-contractor agreement within the framework of the investment entitled Construction of a Thermal Waste Neutralisation Facility for the Szczecin Metropolitan Area in Szczecin. The Company disputes the amount of the claim, indicating that the Plaintiff has not provided any evidence of the amount of the claim, in particular in the form of a joint inventory (no protocol signed by both parties confirming the execution of the works) and the quality of the works performed. The court admitted evidence from an expert's opinion. The expert's opinion has not yet been drawn up.

i) Waagner Biro Sp. z o.o. (plaintiff)

The date of filing the lawsuit: 09/10/2014 r.,

The value of the dispute: PLN 10,810 thousand

The Plaintiff shall claim payment from the Company for deliveries and works performed by the Plaintiff as part of the investment consisting in the construction of the National Forum of Music in Wrocław and payment of a contractual penalty and reimbursement of storage costs. The Company contests the legitimacy of the claim because, to the best of the Company's knowledge, the Plaintiff sold a significant part of the supplies and works for which it claims payment to a new contractor of the National Forum of Music. An expert's opinion has been prepared, acknowledging the legitimacy of the claim in the amount of PLN 4.4 million. Mostostal questions the opinion in this respect and requested a supplementary opinion.

j) University of Białystok (plaintiff)

The date of filing the lawsuit: 05/02/2018 r.

The value of the dispute: PLN 204,967 thousand

On 16 January 2018, the University of Białystok filed a lawsuit against Mostostal Warszawa S.A. for the payment of PLN 204,967 thousand together with statutory interest for delay from 12 January 2018 to the date of payment, as contractual penalties for delay in removal by Mostostal Warszawa S.A. 449 defects resulting from the performance of contracts concerning the construction of the Institute of Biology, Faculty of Mathematics and Informatics, University Computation Centre, as well as Faculty of Physics and Institute of Chemistry within the University of Białystok Campus. Mostostal Warszawa S.A., after analysing the content of the claim, questions the validity of the claims made by the Plaintiff. The response to the statement of claim was submitted by the Company on 26 May 2018. Due to the fact that the proceedings were covered by negotiation talks, the parties requested suspension of the proceedings, which took place on 14 November 2018. In connection with the failure to conclude a settlement within the framework of the conducted talks, the proceedings were undertaken by the Court decision of 11/09/2019.

k) Zakład Unieszkodliwiania Odpadów Sp. z o.o. (Waste Treatment Plant in Szczecin) ("ZUO") (counterclaim)

The date of filing the lawsuit: 24/01/2019 r.

The value of the object of dispute: PLN 211,839 thousand

Within the framework of the proceedings on the claim of MW, the defendant filed a counterclaim for the amount of PLN 211,839 thousand. The suit was delivered to MW on 24 January 2019. The counterclaim is currently under analysis. We have questioned the ZUO's claim in its entirety, as it is based on the erroneous assumption that it was the ZUO and not Mostostal that effectively withdrew from the contract. The statement of claim was filed on 25/02/2019. The case is undergoing evidence proceedings.

l) Gamma Inwestycje S.A. (legal successor of Zielona Italia Sp. z o.o.) (plaintiff)

The date of filing the lawsuit: 28/12/2018 r.

The value of the object of dispute: PLN 40,483 thousand

On 28 December 2019 Gamma Inwestycje filed a lawsuit against MW for payment of approximately PLN 40.5 million, consisting of: a) approximately PLN 9.1 million for the costs incurred by Gamma Inwestycje for the removal of defects and faults in buildings C and D constructed by MW, b) approximately PLN 8 million for the additional encumbrance of the bank guarantee of payment granted by MW, c) approximately PLN 8 million for the additional encumbrance of the bank guarantee of payment granted by MW. PLN 12.8 million for the return of salaries paid by Gamma Inwestycje to MW's subcontractors, and d) ca. PLN 10.5 million for compensation for the damage that Gamma Inwestycje suffered as it had to withdraw from the agreement with MW and entrust the unrealized works to another entity, i.e. Eiffage Budownictwo Mitex S.A, at a price 10.5 million PLN higher than MW's remuneration. MW submitted a response to the claim on 11/12/2019. Currently, the case has been referred to mediation.

20.2 Proceedings with the highest value of a dispute (Mostostal Warszawa S.A. as the claimant)

a) State Treasury General Director of National Roads and Motorways (GDDKIA) (Defendant)

Date of bringing the action 03/06/2012

The value of the dispute: PLN 36,961 thousand

Proceedings brought by Mostostal Warszawa S.A. and other members of the consortium against the Defendant for shaping the contract "Design and construction of the Stryków-Konotopa A-2 motorway at the section from km 394 + 500 to km 411 + 465.8". The Plaintiffs demand that the remuneration due under the agreement be increased by PLN 36,961 thousand, including PLN 18,850 thousand for Mostostal Warszawa S.A., in connection with an extraordinary increase in the prices of liquid fuels and asphalt, and that the aforementioned amount be paid. The proceedings were

originally conducted before the District Court in Warsaw, which dismissed the claim in its entirety. As a result of the plaintiffs' appeal, in the judgment of 16/03/2017 The Court of Appeal in Warsaw overturned the judgment of the Regional Court and referred the case back to it for reconsideration. The proceedings are pending again before the court of first instance. Part of the amount claimed by the court is presented in the assets due to execution of construction contracts. An opinion of a court expert has been prepared in the case.

b) State Treasury - General Director of National Roads and Motorways (GDDKIA) (Defendant)

Date of bringing the action 09/09/2013

Value of the dispute PLN 61,857 thousand

Proceedings brought by Mostostal Warszawa S.A. and Acciona against the Defendant for compensation of the damage suffered, reimbursement of the unduly calculated contractual penalties and payment of the overdue remuneration by the Defendant in connection with the performance of the Agreement for the construction of a bridge over the Odra River together with access flyovers on the section from km 18+174 to 19+960 within the Wrocław Motorway Ring Road A8. The proceedings are conducted before the District Court in Warsaw. Part of the amount claimed by the court is presented in the assets due to execution of construction contracts.

c) Gamma Inwestycje S.A. (legal successor of Zielona Italia Sp. z o.o.) (Defendant)

Date of bringing the action 29/03/2013

Value of the dispute PLN 15,785 thousand

The Company's proceedings to determine the non-existence of the Defendant's right to demand payment from the bank guarantee - guarantee of proper execution of the investment for the construction of the "Zielona Italia" housing estate in Warsaw, transformed into a case for payment - reimbursement of the equivalent of the amount paid by the bank under the bank guarantee as an undue performance. The Company withdrew from the contract for reasons attributable to the Defendant, so there were no prerequisites for satisfying the Ordering Party with a performance bond. The proceedings are conducted before the District Court in Warsaw. The Company created a revaluation write-down for this receivable. Currently, the case has been referred to mediation.

d) State Treasury Ministry of National Defence (Defendant)

Date of bringing the action 23/06/2010

Value of the dispute PLN 19,093 thousand

Claims of the Mostostal Warszawa S.A. consortium - Unitek Ltd for additional remuneration and reimbursement of costs incurred in connection with the performance of the contract for the implementation of the Investment Package CP 2A0022 projects, under which the consortium acted as a substitute investor. During the performance of the contract, for reasons independent of the reasons, changes in the scope and shape of the investment took place, which resulted in additional costs, the reimbursement of which is claimed by the claimants. On 10/10/2016 The court awarded the claimants the amount of PLN 7,142 thousand with interest from 3/08/2010. The claim was dismissed to the remaining extent. The claimants appealed against the above judgment. On 8 November 2018. The Court of Appeal in Warsaw amended the judgment of the Court of First Instance so that it dismissed the claim for the amount of PLN 6,085 thousand. As a consequence of the judgment, the judgment of the Court of First Instance became final as regards the amount of PLN 1,057 thousand plus accrued interest. On 15 February 2019. Mostostal Warszawa S.A. filed a cassation appeal against the judgment of the Court of Appeal. On 8/11/2019. The SN accepted the complaint for examination. We are waiting for the cassation hearing to be appointed before the Supreme Court.

e) State Treasury General Director of National Roads and Motorways (GDDKIA)(Defendant)

Date of bringing the action 30/05/2012

Dispute value: PLN 212,105 thousand

Together with the consortium member, the Company filed a lawsuit with the Regional Court of Warsaw against the Defendant to shape the legal relationship by amending agreement No. 2811/3/2010 of February 26th 2010 for performance of works involving construction of the A-4 motorway Tarnów-Rzeszów, in the section from the Rzeszów Centralny junction to the Rzeszów Wschód km. junction, approx. 574+300 to approx. 581+250 by increasing the gross remuneration by PLN 77,345 thousand. On 23/08/2012. The Company extended the claim in such a way that in addition to the existing request for shaping the agreement, it applied for (i) determination pursuant to Article 189 of the Civil Code, that the defendant is not entitled to demand from the Company a contractual penalty for exceeding the Time for Completion of works in connection with the execution of the section of the A4 motorway covered by the Agreement and (2) for an award from the General Directorate for National Roads and Motorways (GDDKiA) in favour of the Company, the amount of PLN 11,368 thousand with statutory interest on account of unjustified deduction of the contractual penalty for exceeding the Time for Completion with remuneration due for the execution of construction works. On 15/04/2013, a second extension of the claim was submitted, in which the value was updated: (i) the amount by which the claimants apply for the Court to increase the remuneration - to PLN 195.723 thousand gross, and (ii) the claimed payment of the due remuneration deducted as a contractual penalty - to PLN 13.243 thousand. The value of the subject matter of the dispute is currently PLN 207,530 thousand. By judgment of 04/08/2016. The Regional Court in Warsaw awarded the amount of PLN 11,298 thousand together with statutory interest for delay to the Company and Accion, and dismissed the remainder of the claim. On 20 December 2016, the claimants filed an appeal in which the said judgment was appealed against in the part dismissing the claim and ordering the claimants to pay the costs of the proceedings. The Defendant also appealed against the said judgment by challenging it in the part upholding the claim and ordering the respondent to pay the costs of the proceedings. At present, the appeal proceedings are pending, under which an expert

was appointed in respect of MW's claim for payment of the remuneration due, deducted as a contractual penalty for the Defendant. Some of the amounts claimed in court are presented by the Company in the position of trade receivables and other receivables in the group of overdue receivables for which no revaluation write-offs have been created and in assets by virtue of execution of construction contracts. An expert opinion has been prepared in the case in the range of reasons of exceeding the time for completion.

f) State Treasury General Director of National Roads and Motorways (GDDKIA) (Defendant)

Date of bringing the action 02/07/2013

Value of the dispute PLN 25,537 thousand

The Company and its consortium member filed a lawsuit against the Defendant with the Regional Court in Warsaw to shape the legal relationship by amending the content of agreement no. 210/RK/110/2009/2010 of 01/09/2010. to perform works consisting in the extension of the S-7 road to the parameters of a two-lane road on the section of the ring road between Kielce, Kielce (DK 73 Wiśniówka junction) - Chęciny (Chęciny junction) by increasing the remuneration by the amount of PLN 25,537 thousand gross in connection with an extraordinary increase in the prices of liquid fuels, asphalt and steel. Part of the amount claimed in court is presented in the assets for the execution of construction contracts.

g) State Treasury General Director of National Roads and Motorways (GDDKIA) (Defendant)

Date of bringing the action 23/05/2014

Dispute value PLN 103,644 thousand

Proceedings against the Company and other consortium members are conducted before the Regional Court in Warsaw. The case concerns compensation for the damage suffered by the claimants as a result of incorrect description of the Ordering Party's Requirements concerning ten Engineering Facilities and a Bridge over the Rawka River, which the contractor was obliged to perform under the contract "Design and construction of the A-2 Stryków-Konotopa motorway on the section from km 394 + 500 to km 411 + 465.8". The Plaintiffs requested that the defendant be ordered to pay the amount of PLN 103 644 thousand to the Plaintiffs, including PLN 81,824 thousand to the Company. Part of the amount claimed in court is presented in the assets due to the execution of construction contracts.

h) Gamma Inwestycje S.A. (formerly Zielona Italia Sp. z o.o.) (Defendant)

Date of bringing the action 09/05/2013

The value of the dispute: PLN 52,344 thousand

The Company claims payment of amounts resulting from the settlement of the investment and for additional works performed. The key issue in this case is to examine the statement on withdrawal from the agreement due to the fault of Zielona Italia sp. z o.o. (on 6 March 2013). If the Court accepts the statement on withdrawal from the agreement by Mostostal Warszawa S.A. due to the fault of Zielona Italia sp. z o.o., the validity of the Company's claims is ensured. The case is currently pending before the District Court in Warsaw. The Company has covered a write-down of assets related to this case. Currently, the case has been referred to mediation.

i) Municipality of Wrocław (Defendant)

Date of bringing the action 13/11/2012

The value of the dispute: PLN 71,439 thousand

Case brought by the consortium of Mostostal Warszawa S.A., ACCIONA CONSTRUCCIÓN S.A., WPBP No. 2 "Wrobis" S.A., Marek Izmajłowicz PH-U IWA (Cause) for payment of PLN 71,439 thousand (after modifications). Originally, the claim concerned determination of the non-existence of the right of the Commune of Wrocław to demand payment from bank guarantee - guarantee of proper execution of the investment. The claim was modified and the case is pending for payment on account of final settlement of the investment in connection with withdrawal from contract no. 7/2009/NFM of December 22, 2009 for the construction of the National Music Forum in Wrocław ("Contract"). . In a preliminary ruling, the Court of Arbitration established that the Executive Consortium (Mostostal Warszawa S.A.-Lider, Acciona Construcción S.A., Marek Izmajłowicz - IWA, WPBP Wrobis S.A.) effectively withdrew from the Contract on 5 October 2012. The case is still being examined by the same Court of Arbitration in accordance with the position of Mostostal. Part of the amount claimed by the court is presented in assets due to execution of construction contracts. An expert opinion was drawn up in the case together with a supplementary opinion.

j) Centre of Oncology of the Lublin Region (Defendant)

Date of bringing the action 03/10/2014

The value of the dispute: PLN 32,461 thousand

In the proceedings brought against the defendant, Mostostal Warszawa S.A., together with its consortium members, claims for payment in connection with the construction of the Lublin Region Oncology Centre. The case is pending before the Regional Court in Lublin. The above mentioned amount of the lawsuit consists of the claims of the claimant: (i) payment for work undisputedly performed, (ii) interest for late payment in the course of contract execution, (iii) reimbursement of improperly calculated and deducted contractual penalties, (iv) other claims in which the claimants demand payment for materials purchased and left for incorporation, guarantee maintenance costs and lost profits. In the case in question, the Defendant filed a counterclaim, under which it demands that the Plaintiff pay the total amount of PLN 27,072 thousand for the claimant: (i) contractual penalty for withdrawal from the contract, (ii) reimbursement of costs and (iii) payments to subcontractors. The case is currently at the stage of evidence proceedings. A part of the amount claimed in court is presented by the Partnership as trade charges and other charges in the group of overdue

charges, for which no updating write-downs have been created and in assets by virtue of construction contracts implementation. An expert opinion was prepared in the matter.

k) University of Białystok (Defendant)

Date of bringing the action 29/04/2015

Value of dispute: PLN 83,435 thousand

Mostostal Warszawa S.A., as a mutual reason, claims payment for basic and additional and replacement works, payment of overdue remuneration with interest, indirect costs resulting from the extension of the work schedule and other additional works in connection with the performance of the agreement of 25/01/2011 concerning "Construction of the Institute of Biology and the Faculty of Mathematics and Computer Science with the University Calculation Centre" and the agreement of 25/01/2011 concerning "Construction of the Faculty of Physics and the Institute of Chemistry" implemented under the Operational Programme Infrastructure and Environment. Part of the amount claimed in court is presented by the Company under trade receivables and other receivables in the group of overdue receivables, for which no revaluation write-offs were created. The proceedings were covered by conciliatory talks. At the unanimous request of the parties, the proceedings were suspended on 24/04/2019. In connection with the lack of settlement within the framework of the conducted talks, the proceedings were undertaken by the Court decision of 10/10/2019.

l) City Development Agency S.A. (Defendant)

Date of bringing the action 28/04/2017

Value of the dispute PLN 23,017 thousand

Mostostal Warszawa S.A. has filed a counterclaim against the Defendant for payment of the amount for additional works related to the construction of the "Czyżyny" sports and entertainment hall in Kraków. The case is in the phase of mediation proceedings within which a private opinion was drawn up. A part of the amount claimed in court is presented by the Company in the position of trade receivables and other receivables in the group of overdue receivables, for which no updating write-offs were created and in assets by virtue of execution of construction contracts. The case is in the phase of mediation proceedings, within the framework of which a private opinion and a supplementary opinion was prepared.

m) Gamma Inwestycje S.A. (formerly Zielona Italia Sp. z o.o.) (Defendant)

Date of bringing the action 07/06/2013

Dispute value: PLN 9,963 thousand

Mostostal Warszawa S.A. demands that the infringement of the copyrights to the multi-discipline executive design of the "Zielona Italia" housing estate be discontinued and that the respondent be ordered to pay to the claimant an amount equal to three times the market value of the executive design. The proceedings are conducted before the District Court in Warsaw. Currently, the case has been referred to mediation.

n) Zakład Unieszkodliwiania Odpadów Sp. z o.o. (Waste Treatment Plant in Szczecin) (Defendant)

Date of bringing the action 10/02/2017

Value of the dispute PLN 33,770 thousand

Dispute over payment for unjustified enrichment in connection with the defendant's performance of the bank guarantee for proper performance of the contract, granted to the defendant on behalf of Mostostal Warszawa S.A. within the framework of the investment project entitled Construction of Waste Disposal Facility for the Szczecin Metropolitan Area in Szczecin. On 29 March 2018. the District Court in Szczecin awarded Mostostal Warszawa S.A. the amount of PLN 33,770 thousand with interest. On 30 May 2018. The Defendant appealed against the judgment. The Court of Appeal dismissed the Defendant's appeal in its ruling of 4 December 2018 in its entirety. MW initiated enforcement proceedings against the Defendant. 05/02/2019 r. The Defendant filed a cassation appeal together with a motion to suspend execution of judgments. The Court of Appeal granted the defendant's motion to suspend execution of judgments until the Supreme Court decides the cassation complaint. In connection with the decision of the Court of Appeal, the enforcement proceedings against the Defendant were suspended. On 25 October 2019. On 25 October 2019, the Supreme Court admitted the cassation appeal for consideration. We are currently awaiting the appointment of the cassation hearing before the Supreme Court. The amount collected in court is presented by the Company in the position of trade receivables and other receivables in the group of overdue receivables, for which no revaluation write-offs were created.

o) State Treasury - General Director of National Roads and Motorways (GDDKIA) (Defendant)

Date of bringing the action 17/05/2017

Dispute value PLN 29,063 thousand

Mostostal Warszawa S. A. together with the consortium member demand payment for additional costs arising from the execution of contract no. 122/2010 of 31/08/2010 concluded with the Defendant for the execution of works consisting in "Extension of national road no. 8 to the parameters of the expressway on the section of the border of Mazowieckie/łódzkie Voivodeship - Radziejowice". The proceedings are conducted before the District Court in Warsaw. Part of the amount claimed in court is presented in the assets due to execution of construction contracts.

p) State Treasury - General Director of National Roads and Motorways (GDDKIA) (Defendant)

Date of bringing the action 03/07/2017

Value of the dispute PLN 20,614 thousand

The Company and the consortium member filed a lawsuit against the Defendant with the Regional Court in Warsaw to award jointly and severally the amount of PLN 20,614 thousand plus statutory interest for delay from the date of filing the lawsuit to the date of payment. The subject matter of the dispute is reimbursement by the Defendant to the Plaintiff of the costs of carrying out works on the extension of the S-7 road on a section of the ring road of Kielce, agreement no. 210/RK/110/2009/2010 of 01/09/2010 on the performance of works consisting in the extension of the S-7 road to the parameters of a dual carriageway road on a section of the ring road of Kielce, Kielce (DK 73 junction Wiśniówka) - Chęciny (Chęciny junction) in an extended time for completion. Part of the amount claimed in court is presented in the assets due to the execution of construction contracts.

q) Energa Kogeneracja Sp. z o.o. (Defendant)

The date of filing the lawsuit: 20/01/2018 r.

The value of the dispute: PLN 26,274 thousand

Mostostal Warszawa S.A. applied for payment of PLN 26,274 thousand together with statutory interest from the date of filing the suit to the date of payment together with costs. Mostostal Warszawa S.A. claims payment on account of construction works performed within the investment: 20 MWe power unit in Elbląg. The value of the object of dispute covers the main receivable - PLN 19,948 thousand and interest capitalized as of the day preceding filing the statement of claim - PLN 6,326 thousand. The defendant paid the Plaintiff only a part of the amount due for the work performed. The main receivable results from invoices, which were reduced by the deduction of contractual penalties charged, unjustifiably in the opinion of Mostostal Warszawa S.A.. The Defendant had no right to charge contractual penalties, as the delay occurred as a result of circumstances for which Mostostal Warszawa S.A. was not responsible. The contractual penalty calculated by the Defendant is grossly exorbitant. Mostostal Warszawa S.A. also applied for issuing a payment order in the proceedings by writ of payment. On 2 February 2018. The Regional Court in Gdańsk, IX Commercial Division issued a payment order in the proceedings by writ of payment. On 23 February 2018. The defendant filed an objection against the order for payment. On 10 April 2018. Mostostal Warszawa S.A. submitted a reply to the statement of opposition to the order for payment. The court proceedings are pending.

r) Zakład Unieszkodliwiania Odpadów Sp. z o.o. (Waste Treatment Plant in Szczecin) (Defendant)

Date of bringing the action 15/01/2018

Value of the dispute PLN 90,141 thousand

Mostostal Warszawa S.A. applied for payment of PLN 90,141 thousand together with statutory interest for the delay from 28 November 2016 to the payment date. With the said statement of claim Mostostal Warszawa S.A. claims that the Defendant shall pay the remuneration for works, deliveries, designs and other services provided to the Defendant until the date of withdrawal by Mostostal Warszawa S.A. from the contract for the construction of Waste Treatment Plant in Szczecin, i.e. until 14 June 2016, for which Mostostal Warszawa S.A. did not receive remuneration under the interim payment certificates issued every month. The response to the Defendant's statement of claim was received by the Company on 24 May 2018. On 24/01/2019. MW received a counterclaim for the amount of PLN 211,839 thousand in the Company's opinion unfounded. The settlement of the case will be subject to the assessment of a court expert. Evidence is pending in the case. A part of the amount claimed in court is presented by the Company under trade receivables and other receivables in the group of overdue receivables, for which no revaluation write-offs were created.

s) State Treasury General Director of National Roads and Motorways (GDDKIA) (Defendant)

The date of filing the lawsuit: 24/01/2018 r.

Value of the dispute PLN 98,585 thousand

Mostostal Warszawa S.A. together with its consortium member filed a lawsuit against the Defendant with the Regional Court in Warsaw for the payment of PLN 98,585 thousand with statutory interest from 31 December 2014 to 31 December 2015 and with statutory interest for delay from 1 January 2016 to the payment date. The Plaintiff is bringing claims against the Defendant by Mostostal Warszawa S.A. arising from the construction in 2010-2012 of the section of the A-4 motorway Tarnów-Rzeszów Wschód resulting from the Contractor's encounter with obstacles for which the Defendant is responsible in the course of construction (e.g. unpredictable physical conditions), as well as additional costs related to the extension of the contract performance time. Part of the amount claimed in court is presented in assets due to the execution of construction contracts.

t) Energa Kogeneracja Sp. z o.o. seated in Elbląg ("Energa") (Defendant)

The date of filing the lawsuit: 15/12/2017

Value of the dispute PLN 7,753 thousand

The subject matter of the counterclaim proceedings is Mostostal against Energa Kogeneracja Sp. z o.o. (Energa) is a claim for payment (return) of contractual penalties, which were calculated and paid by Energa from a bank guarantee issued in connection with the contract EKO/86/2011 of 25 March 2011 for the construction of a 20 MWe biomass-fired power unit in Elbląg. The Investor (Energa) claims that the contract was improperly performed, design and execution errors were made, as a result of which the unit does not achieve guaranteed parameters, and Energa was entitled to contractual penalties. In the opinion of Mostostal the cause of malfunction of the Block and failure to achieve the guaranteed parameters is mainly exploitation of the Block with the use of fuel not meeting the contract requirements. The amount collected in court is presented by the Company in the position of trade receivables and other receivables in the group of overdue receivables, for which no revaluation write-offs were created.

u) Miejskie Przedsiębiorstwo Wodociągów i Kanalizacji m.st. Warszawa S.A.(Water Supply and Sewerage Company in Warsaw) ("MPWiK") (Defendant)

The date of filing the lawsuit: 04/03/2019 r.

Value of dispute: PLN 9,438 thousand

Action for payment of the amount paid by MPWiK - without any factual or legal basis - from the guarantee of proper performance of the contract. On 12/03/2019. The Court issued an order for payment to Mostostal in the proceedings by writ of payment. The Defendant objected to the order for payment. He indicated in it that he fulfilled the contract performance bond due to corrosion of technological pipelines. The causes of the corrosion were to be, on the one hand, the use of the wrong type of steel and, on the other hand, manufacturing errors in the welding process. On 09/08/2019. Mostostal submitted a reply to the objection, in which it indicated that on the day of the bank's request for payment the amount of the entitlement guarantee the defendant was not entitled to a specific, inter alia, as regards the amount, due claim that is part of improper performance or non-performance of the contract. The amount collected in court is presented by the Company in the position of trade receivables and other receivables in the group of overdue receivables, for which no revaluation write-offs were created.

Some of the claims brought in the aforesaid cases were recognized by the Company in the budgets of contracts and accounted as previous years' revenue. Details are described in Note 4 of the Additional Notes to the condensed interim separate financial statements for the period from 01/03/2020 to 31/03/2020.

21. Credits and loans incurred and terminated in the first quarter of 2020

The balance of loans payable as of 31/03/2020 amounted to PLN 228,524 thousand (the balance of loans payable as of 31/12/2020 amounted to PLN 243,341 thousand). The lower balance of loans results mainly from their repayment.

In the reporting period, the Company used the overdraft amounting to PLN 0 thousand as at the balance sheet date (the balance of loans as at 31/12/2019 amounted to PLN 0 thousand).

Bank	Type of loan	Amount of loan in thousands of PLN	Amount used as at 30/09/2019 in thousands of PLN	Due date	Interest rate
Societe Generale S.A. Branch in Poland	Current account overdraft	10,000	0	30/06/2020	WIBOR 1M + Bank's margin

In the first quarter of 2020, no loan agreement was terminated.

22. Related party transactions

Related party transactions in the first quarter of 2020 were typical and routine transactions, and were entered into on arm's length basis.

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

Company name	31/03/2020	31/12/2019
Mostostal Power Development Sp. z o.o.	196	69
Acciona Construcción S.A.	360	365
Mostostal Kielce S.A.	85	198
Mostostal Płock S.A.	6,677	6,684
Acciona Facility Services Poland Sp. z o.o.	44	31
Acciona Nieruchomości Wilanów Sp. z o.o.	6,609	1,761
AMK Kraków S.A.	20	0
Total	13,991	9,108

Advances for the construction works granted to related parties:

Company name	31/03/2020	31/12/2019
Mostostal Power Development Sp. z o.o.	2,637	2,637

Trade payables towards related parties amounted to (in thousands of PLN):

Company name	31/03/2020	31/12/2019
Mostostal Power Development Sp. z o.o.	25,897	15,948
Acciona Construcción S.A.	25,065	21,654
Acciona Construcción S.A. Branch in Poland	3,704	3,891
MPB Mielec S.A.	100	100
Acciona Nieruchomości Wilanów Sp. z o.o.	0	40
Mostostal Kielce S.A.	245	723
Mostostal Płock S.A.	10	313
Total	55,021	42,669

Advances for the construction works received from related parties:

Company name	31/03/2020	31/12/2019
Mostostal Płock S.A.	3,611	4,875

As at 31/03/2020, the Company received bank or insurance guarantees under the guarantee limits of Acciona Construcción S.A. in the total amount of PLN 414,081 thousand (cf. 326,752 thousand as at 31/12/2019).

As at 31/03/2020, the Company granted bank guarantees under its guarantee limits to Mostostal Płock S.A. for the total amount of PLN 15,374 thousand (as at 31/12/2019 – PLN 15,374 thousand) and for the value of PLN 6,500 thousand for the subsidiary AMK Kraków S.A.

As at 31/03/2020, the Company recognized liabilities arising from the loans from Acciona Construcción S.A. with its registered office in Madrid in the amount of PLN 228,524 thousand (as at 31/12/2019, the value of loans was PLN 243,341 thousand).

As at 31/03/2020, the Company recognized receivables arising from short-term loans from AMK Kraków S.A. in the amount of PLN 1,027 thousand (as at 31/12/2019 – PLN 1,027 thousand).

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

Company name	3-month period ended 31/03/2020	3-month period ended 31/03/2019
Acciona Nieruchomości Wilanów Sp. z o.o.	13,894	4,748
Mostostal Power Development Sp. z o.o.	158	467
Mostostal Kielce S.A.	14	366
Acciona Facility Services Poland Sp. z o.o.	49	31
Mostostal Płock S.A.	0	41
Acciona Construcción S.A. Branch in Poland	6	8
Acciona Construcción S.A.	76	0
AMK Kraków S.A.	20	11
Total	14,217	5,672

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

Company name	3-month period ended 31/03/2020	3-month period ended 31/03/2019
Mostostal Power Development Sp. z o.o.	1,333	27,616
Acciona Construcción S.A.	3,773	7,613
Mostostal Kielce S.A.	429	3,457
Mostostal Płock S.A.	0	1
Acciona Nieruchomości Wilanów Sp. z o.o.	159	18
Total	5,694	38,705

Interest on the loans received

Company name	3-month period ended 31/03/2020	3-month period ended 31/03/2019
Acciona Construcción S.A.	2,132	2,442

23. Reporting by market segment

The Company is organised and managed by segment, as appropriate for the types of products offered. The tables below present data from the profit and loss account for the Company's individual reporting segments for the 3-month period ended 31 March 2020.

The segments of continuing operations are as follows:

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.

Separate profit and loss account for individual reporting segments:

Period ended 31 March 2020	Continuing operations				
	Industry and power engineering	Infrastructure	General civil engineering	Unallocated revenue, costs	Total
Sales Revenue					
Sales to external customers	58,167	30,301	160,133	258	248,859
Sales between segments	0	0	0	0	0
Total revenue from segment	58,167	30,301	160,133	258	248,859
Profit (loss) of segment (taking into account operating costs and revenue)	10,440	3,019	13,112	-3,448	23,123
Unallocated costs (administrative expenses and cost of sales)	-	-	-	13,610	13,610
Profit (loss) on continuing operations	10,440	3,019	13,112	-17,058	9,513
Financial revenue	0	585	0	6,738	7,323
Financing costs	1,947	17	57	13,904	15,925
Gross profit (loss)	8,493	3,587	13,055	-24,224	911
Income tax	-	-	-	385	385
Net profit (loss) from continuing operations	8,493	3,587	13,055	-24,609	526
Discontinued operations	0	0	0	0	0
Net profit (loss)	8,493	3,587	13,055	-24,609	526

Period ended 31 March 2019	Continuing operations				
	Industry and power engineering	Infrastructure	General civil engineering	Revenues, unallocated costs and consolidation adjustments	Total
Sales revenue					
Sales to external customers	54,773	23,234	137,563	1,329	216,899
Sales between segments *	0	0	0	0	0
Total revenue from segment	54,773	23,234	137,563	1,329	216,899
Profit (loss) of segment (taking into account operating costs and revenue)	7,888	1,885	7,145	-1,923	14,995
Unallocated costs (administrative costs and sales costs)	-	-	-	11,473	11,473
Profit (loss) on continued activities	7,888	1,885	7,145	-13,396	3,522
Financial revenue	0	5	0	49	54
Financing costs	69	36	62	2,942	3,109
Gross profit (loss)	7,819	1,854	7,083	-16,289	467
Income tax	-	-	-	1,140	1,140
Net profit (loss) on continuing operations	7,819	1,854	7,083	-17,429	-673
Discontinued operations	0	0	0	0	0
Net profit / (loss)	7,819	1,854	7,083	-17,429	-673

The main body of the Company (the Management Board) responsible for operational decisions does not conduct a review of segment assets and liabilities, due to transfers of assets between segments. Revenue and costs are allocated to the individual segments on the basis of the implemented projects. Assets are analysed at the level of the entire Company. Gross profit (loss) on sales adjusted for other operating revenue and costs constitutes a key indicator of segment result.

In the first quarter of 2020, the Company operated only on the domestic market.

24. Financial Instruments - Fair values

The fair value of financial assets and liabilities does not differ significantly from their carrying amount

As at 31/03/2020, the Company did not have any financial instruments used for hedge accounting.

**Other information
to the condensed interim financial statements
for the period from 01/03/2020 to 31/03/2020**

1. Selected financial data

SELECTED FINANCIAL DATA	thousand PLN		thousand EUR	
	1 quarters of 2020, incrementally, period from 01/01/2020 to 31/03/2020	1 quarters of 2019, incrementally, period from 01/01/2019 to 31/03/2019	1 quarters of 2020, incrementally, period from 01/01/2020 to 31/03/2020	1 quarters of 2019, incrementally, period from 01/01/2019 to 31/03/2019
Sales Revenue	248,859	216,899	56,606	50,467
Gross profit (loss) on sales	21,003	15,307	4,777	3,562
Profit (loss) from operations	9,513	3,522	2,164	819
Gross profit (loss)	911	467	207	109
Net profit (loss) from continuing operations	526	-673	120	-157
Net profit (loss)	526	-673	120	-157
Net cash from operating activities	-54,537	-46,845	-12,405	-10,900
Net cash from investing activities	-1,708	-90	-389	-21
Net cash from financing activities	-33,555	4,538	-7,633	1,056
Cash closing balance	144,610	59,293	31,766	13,785
Net profit (loss)	526	-673	120	-157
Weighted average number of ordinary shares	20,000,000	20,000,000	20,000,000	20,000,000
Net profit (loss) per ordinary share in PLN	0.03	-0.03	0.01	-0.01

	thousand PLN		thousand EUR	
	as at 31/03/2020	as at 31/12/2019	as at 31/03/2020	as at 31/12/2019
Total assets	874,290	874,717	192,055	205,405
Long-term liabilities	242,669	90,589	53,307	21,273
Short-term liabilities	616,682	769,715	135,466	180,748
Total liabilities	859,351	860,304	188,773	202,020
Total equity	14,939	14,413	3,282	3,385
Share capital	44,801	44,801	9,841	10,520
Number of shares	20,000,000	20,000,000	20,000,000	20,000,000

2. Significant achievements and setbacks as well as major events in the first quarter of 2020; assessment of financial resources management

Sales revenue in the first quarter of 2020 amounted to PLN 248,859 thousand and was higher by 15% as compared to the corresponding period of 2019. Gross profit on sales amounted to PLN 21,003 thousand (gross profit on sales in the same period of 2019 amounted to PLN 15,307 thousand). In the first quarter of 2020, the Company incurred a net profit of PLN 526 thousand (in the first quarter of 2019, the net loss amounted to PLN 673 thousand). A significant impact on the Company's results was a weakening of the PLN currency against the EUR, which resulted in the recognition in the Company's books in the first quarter of 2020 of an excess of negative exchange rate differences over positive ones in the total amount of PLN 13,613 thousand.

Short-term trade receivables and other receivables as at 31/03/2020 amounted to PLN 305,264 thousand and compared to the figures as at 31/12/2019 increased by PLN 34,107 thousand.

The assets arising from construction contracts as at 31/03/2020 amounted to PLN 308,076 thousand and were higher by PLN 51,732 thousand as compared to the value as at 31/12/2019.

The value of cash as at 31/03/2020 amounted to PLN 144,610 thousand and compared to the figures as at 31/12/2019 decreased by PLN 89,800 thousand. In the first quarter of 2020, the Company was using an overdraft facility and loans, the value of which as at 31/03/2020 amounted to PLN 228,525 thousand and compared to the figures as at 31/12/2019 decreased by PLN 14,816 thousand.

Long-term liabilities in the first quarter of 2020 increased by PLN 152,080 thousand compared to 31/12/2019 mainly as a result of signing annexes to two loan agreements with effect from 31/03/2020, as a result of which their repayment date was extended to 1 April 2021. (which is described in note 18 to the additional information and explanations to the condensed interim separate financial statements for the period from 01/01/2020 to 31/03/2020.

The value of short-term trade liabilities at the end of the first quarter of 2020 amounted to PLN 210,554 thousand and compared to the figures as at 31/12/2019 were higher by PLN 5,318 thousand.

During the reporting period i.e. from 01/01/2020 to 31/03/2020, the following events significant for the Mostostal Warszawa S.A. took place:

On 07 February 2020, the Company and the General Directorate for National Roads and Motorways in Szczecin (GDDKIA) entered into the contract for the project entitled "Design and construction of the S11 Expressway from Koszalin to Szczecinek: Section 1 from Koszalin Zachód (exclusive of the node) to the village of Bobolice, and Section 2 from Zegrze Pomorskie node (exclusive of the node) to Koszalin Południe node (exclusive of the node)". The gross value of the contract is PLN 478.3 million. Time limit for completion: 36 months; winter periods (i.e. from 15 December to 15 March) are not included in the time limit for construction works; winter periods (i.e. from 15 December to 15 March) are included in the time limit for design works.

On 11 February 2020, the Company and the Municipality of Krakow (the "Employer") entered into the contract for the implementation of the project entitled "Social and Economic Innovation Cluster Zabłocie 20.22. Reconstruction and change of the intended use of the existing post-industrial facilities in Krakow at Zabłocie 20-22". The gross value of the contract is PLN 39.3 million. Time limit for completion: 30/07/2021

On 17 February 2020, the Company announced the receipt of the notice from GE Power Sp. z o.o. ("GE Power") on suspension of works under the contract for implementation of a subcontract entitled "Execution of Construction Works at the Construction Site of the Ostrołęka C Power Plant with a capacity of approx. 1000 MW - Packages V30, V02, V20, V32 and V33". The Company was asked to present the status of works carried out so far and the related costs as well as the information on the works that need to be completed for technical/technological reasons, and their costs. The Company will inform about subsequent stages and activities related to the contract in current reports.

On 19 February 2020 Mostostal Warszawa S.A. concluded agreements with two existing shareholders of its subsidiary AMK Kraków S.A., as a result of which it acquired 200,000 shares in AMK Kraków S.A. Before the transaction Mostostal Warszawa SA held 300,000 shares in AMK Kraków SA, which represented 60.00% of its share capital and entitled to 60.00% of votes at the General Meeting of AMK Kraków SA. As a result of the transaction Mostostal Warszawa SA holds 500,000 shares in AMK Kraków SA, which accounts for 100.00% of its share capital and entitles to 100.00% of votes at the General Meeting of AMK Kraków SA.

On 20 February 2020, the Company and ST Katowice Krasińskiego Sp. z o.o. ("Employer") with its registered office in Warsaw entered into the contract for the implementation of the project entitled "Construction of BASECAMP KATOWICE - Collective Housing Building - a student house with accompanying amenities and public utilities, including sports, commercial, and food catering facilities along with internal installations, adjacent land development, including a road and pedestrian communication system with a fire road and parking spaces at Zygmunta Krasińskiego 29, Borough of Bogucice-Zawodzie in Katowice, on plots 92/6, 92/8 and 92/10, Registration Area: 246901_1.0002, Section Bogucice-Zawodzie, Cadastral Unit: 246901_1 Katowice". The gross value of the contract is PLN 110.9 million. Time limit for completion: 18 months and 27 days.

On 10 March 2020 the Company concluded with Credit Agricole Bank Polska Annex no. 13 ("Annex") to the Guarantee Facility Agreement from 14 December 2015. ("Agreement")

The following changes have been introduced under the Annex to the Agreement:

- the value of the maximum available line was increased to PLN 66.50 million, which includes PLN 6.50 million for guarantees issued for liabilities of AMK Kraków S.A., a subsidiary of Mostostal Warszawa (100% of the share capital);
- the availability period of bank guarantees is till 30 June 2020,
- additional security for the guarantee line has been established in the form of a registered pledge on the Company's account kept by Credit Agricole Bank Polska.

On 11 March 2020 The World Health Organisation recognised the coronavirus epidemic as a pandemic, while on 12 March 2020 the Polish government introduced an epidemic emergency. In order to mitigate the potentially significant threat to public health of COVID-19, the Polish authorities took measures to contain the epidemic, including restrictions on the cross-border movement of persons, a temporary ban on entry into Poland by the foreigners and a ban on activities in certain industries pending further developments. In particular, air and rail transport of persons was suspended.

The wider economic impact of these events includes in particular:

- disruption of economic activity in Poland, with a cascading effect on supply chains;
- significant restrictions for companies in certain sectors, both in Poland and on markets with high dependence on foreign supply chains, as well as on export-oriented companies that rely heavily on foreign markets. The sectors affected include mainly trade and transport, travel and tourism, entertainment, manufacturing, retail, insurance, education and the financial sector;
- a significant fall in demand for non-required goods and services;
- increased economic uncertainty reflected in fluctuations in asset prices and foreign exchange rates.

On 18 March 2020, the Polish government announced a state aid programme ("Crisis Shield") to counteract the negative economic impact of the COVID-19 epidemic.

Mostostal Warszawa S.A. operates in the construction sector, which has not been significantly affected by the COVID-19 epidemic. Over the past weeks, the Company has been making relatively stable sales and its business activity was continuous. Based on publicly available information as of the date on which these financial statements were approved for publication, the management of the Company has considered a number of extreme but still probable scenarios with respect to the potential development of the epidemic and its expected impact on the Company and the business environment in which it operates, including measures already taken by the Polish government.

In order to ensure the continuity of the Company's business and liquidity, the management has started to implement measures which include in particular:

- implementation of a remote work programme for a large group of office workers;
- the employees employed on the construction sites have been trained to comply with very strict safety standards, including the need to keep a distance from their immediate surroundings;
- retrofitting with additional personal protective equipment (portable washers, disinfectants, thermometers, etc.);
- temperature measurements are carried out;
- information boards are hung about precautionary measures introduced on construction sites;
- communications are made to subcontractors and employees regarding recommendations for precautionary measures;
- all meetings with contractors are abandoned or reduced to a minimum and they are held in the form of teleconferences or videoconferences

On the basis of publicly available information, taking into account the main indicators characterizing the current financial position of the Company and the actions initiated by the management, we do not expect the COVID-19 epidemic to have a materially negative impact on the Company's business, financial condition and operating results in the medium and long term. However, the Company's management cannot exclude that a prolonged period of business restrictions, expansion and prolongation of the coronavirus containment activities, which are severe for the Polish economy, will have an adverse effect on the Company's financial condition and operating results in the medium and long term. The Company's management monitors the situation on an ongoing basis and will respond appropriately to mitigate the impact of these events, if they occur.

On 31 March 2020 the Company was notified by the General Directorate for Roads and Motorways Branch in Warsaw (GDDKIA) about the selection of the most advantageous offer of Mostostal Warszawa S.A. in the proceedings entitled: "Design and construction of the S7 expressway on the section Płońsk-Czosnów, Section II from the "Załuski" interchange (with node) to Modlin node (without interchange)". The offer submitted by Mostostal Warszawa S.A. includes: Contract value: PLN 635.06 million gross.

The decision on the selection of the most advantageous tender may be appealed against, which may be lodged within 10 days of the date on which the circumstances giving rise to the decision were known or could be ascertained.

3. Extraordinary factors and events affecting the profit or loss

In the first quarter of 2020, the following events had impact on the profit or loss:

- recognition of due payments from retained profits in previous years from the subsidiary Mostostal Power Development Sp. z o.o. in the amount of PLN 7,000 thousand,
- weakening of the Polish currency against the euro as compared to 31/12/2019, which resulted in the recognition of negative exchange rate differences from the balance sheet valuation of loans in the amount of PLN 15,213 thousand.

4. Group Structure

The Mostostal Warszawa Group consists of the following subsidiaries:

Name of the entity	Percentage of the share capital held as at 30/09/2019	Consolidation
Mostostal Kielce S.A.	100.00	yes
AMK Kraków S.A.	100.00	yes
MPB Mielec S.A. in liquidation	97.14	yes
Mostostal Płock S.A.	48.69	yes
Mostostal Power Development Sp. z o.o.	100.00	yes

Mostostal Warszawa S.A. is a company of Acciona S.A. Group based in Madrid. Acciona Construcción S.A. holds 62.13 % of shares in Mostostal Warszawa S.A. as at 31/03/2020.

On 19 February 2020 Mostostal Warszawa S.A. concluded agreements with two existing shareholders of its subsidiary AMK Kraków S.A., as a result of which it acquired 200,000 shares in AMK Kraków S.A. Before the transaction Mostostal Warszawa SA held 300,000 shares in AMK Kraków SA, which represented 60.00% of its share capital and entitled to 60.00% of votes at the General Meeting of AMK Kraków SA. As a result of the transaction Mostostal Warszawa SA holds 500,000 shares in AMK Kraków SA, which accounts for 100.00% of its share capital and entitles to 100.00% of votes at the General Meeting of AMK Kraków SA.

5. Financial performance forecasts

The Company did not publish financial performance forecasts for 2020.

6. Key shareholders of the Company

List of shareholders having at least 5% of votes at the General Meeting of Mostostal Warszawa S.A. as at 18/05/2020

Shareholder	Number of shares	Number of votes	Share in share capital	Share in the total number of votes at the General Meeting
Acciona Construcción S.A.	12,426,388	12,426,388	62.13%	62.13%
Otwarty Fundusz Emerytalny PZU Żłota Jesień (pension fund)	3,826,194	3,826,194	19.13%	19.13%

7. Shares of Mostostal Warszawa S.A. held by Members of the Management Board and the Supervisory Board as at 18/05/2020

In the period from 21/04/2020 i.e. from the publication of the financial statements for the 2019 until 18/05/2020, there were no changes in the Issuer's shares held by members of the management and supervisory bodies.

8. Legal proceedings pending before a court, authority competent for the arbitration proceedings or a public administration body

Information on significant proceedings is presented in Note 21 of the Additional Notes to the condensed interim separate financial statements for the period from 01/01/2020 to 31/03/2020.

9 Information on transactions with related entities

The Company concluded transactions with related entities on market principles. Information on transactions with related entities was presented in note 22 Additional information and explanations to the condensed interim separate financial statement for the period 01.01.2020 - 31.03.2020.

10 Information on credit or loan sureties or guarantees granted by Mostostal Warszawa S.A.

In the reporting period, the Company did not grant any credit or loan sureties or guarantees to one entity of significant value.

11. Other information vital for assessing the Company's situation

It is the opinion of the Management Board that there is no other information vital for assessing the Company's situation, except from those specified in the notes to the separate financial statements for the period from 01/01/2020 to 31/03/2020 and other sections of the Additional Notes to the separate financial statements for the period from 01/01/2020 to 31/03/2020.

12. Factors to affect the results achieved in the perspective of at least the next quarter

Factors which may affect the Company's results achieved in the next quarter are:

- a) the risk of change in the prices of construction materials and subcontractors' services,
- b) the risk of foreign exchange fluctuations affecting the valuation of liabilities under the loans,
- c) stiff competition on the market of construction/assembly services,
- d) slowdown of investment processes,
- e) coronavirus pandemic and the related announcement of the state of epidemic threat in the territory of the Republic of Poland.

Warsaw, 18/05/2020

Full name	Title	Signatures
Alvaro Javier de Rojas Rodriguez	Member of the Management Board	
Jarosław Reszka	Proxy	