

Mostostal
W A R S Z A W A

**CONDENSED INTERIM
STAND-ALONE FINANCIAL STATEMENT OF
MOSTOSTAL WARSZAWA S.A.**

**FOR THE PERIOD
01.07.2021 – 30.09.2021**

BUDUJEMY PRZYSZŁOŚĆ.

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SEPARATE PROFIT AND LOSS ACCOUNT

for the 3-month period from 01.07.2021 to 30.09.2021

L.P.	PROFIT AND LOSS ACCOUNT	3rd Q from 01.07.2021 to 30.09.2021	3 quarters of 2021 cumulative period from 01.01.2021 to 30.09.2021	3rd Q from 01.07.2020 to 30.09.2020	3 quarters of 2021 cumulative period from 01.01.2020 to 30.09.2020
	Continued operations				
I	Sales revenues	251 672	646 895	281 861	813 466
	Revenues from construction contracts	251 090	645 769	281 548	811 537
	Revenues from sale of services	581	1 125	311	1 927
	Revenues from sale of goods and materials	1	1	2	2
II	Costs of good sold	239 147	601 400	261 505	761 603
III	Gross profit / (loss) on sales	12 525	45 495	20 356	51 863
IV	General administrative expenses	10 828	35 230	10 673	36 276
V	Other operating revenue	721	4 159	205	3 396
VI	Other operating expenses	172	6 747	4 452	7 332
VII	Profit / (loss) from operating activities	2 246	7 677	5 436	11 651
VIII	Financial revenue	2 160	14 897	220	10 710
IX	Financial costs	4 244	8 840	5 005	19 318
X	Gross profit / (loss)	162	13 734	651	3 043
XI	Income tax	-828	6 460	457	598
XII	Net profit / (loss) on continued operations	990	7 274	194	2 445
XIII	Discontinued operations	0	0	0	0
XIV	Net profit / (loss) from discontinued operations		0		0
XV	Net profit / (loss)	990	7 274	194	2 445
	Net profit / (loss)	990	7 274	194	2 445
	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)	0,05	0,36	0,01	0,12
	Diluted net profit (loss) per ordinary share	0,05	0,36	0,01	0,12

SEPARATE STATEMENT OF COMPREHENSIVE INCOME

for the 3-month period from 01.07.2021 to 30.09.2021

STATEMENT OF COMPREHENSIVE INCOME	3rdQ from 01.07.2021 to 30.09.2021	3 quarters of 2021 cumulative period from 01.01.2021 to 30.09.2021	3rd Q from 01.07.2020 to 30.09.2020	3 quarters of 2021 cumulative period from 01.01.2021 to 30.09.2021
Net profit / (loss) for the period	990	7 274	194	2 445
Other comprehensive income	0	0	0	0
Income tax relating to components of other comprehensive income	0	0	0	0
Total other comprehensive income after tax	0	0	0	0
Total comprehensive income	990	7 274	194	2 445

SEPARATE STATEMENT OF FINANCIAL POSITION

as at 30.09.2021

L.P.	ASSETS	as at 30.09.2021	as at 30.06.2021	as at 31.12.2020	as at 30.09.2020
I	Non-current assets (long-term)	103 908	98 403	103 932	102 922
I.1	Intangible assets	395	504	649	619
I.2	Use rights	28 376	29 696	30 537	31 784
I.3	Tangible fixed assets	10 346	9 759	9 115	4 587
I.4	Long-term receivables for deliveries and services and other receivables	3 733	4 211	3 854	4 890
I.5	Long-term financial assets	35 971	30 424	30 424	30 424
I.6	Deferred tax assets	20 216	19 134	24 004	24 764
I.7	Long-term accruals and deferred income	4 871	4 675	5 349	5 854
II	Current assets (short-term)	690 180	602 266	717 337	716 575
II.1	Stocks	17 222	27 955	11 226	13 455
II.2	Trade and other receivables	254 956	206 838	275 094	267 811
II.3	Advances for works	4 349	3 163	11 929	14 960
II.4	Cash and cash equivalents	156 379	104 721	157 688	116 344
II.5	Assets resulting from construction contracts	251 679	254 097	257 070	299 703
II.6	Other accruals	5 595	5 492	4 330	4 302
	TOTAL ASSETS	794 088	700 669	821 269	819 497

L.P.	EQUITY AND LIABILITIES	as at 30.09.2021	as at 30.06.2021	as at 31.12.2020	as at 30.09.2020
I	Equity	25 979	24 989	18 705	16 859
I.1	Share capital	44 801	44 801	44 801	44 801
I.2	Share premium	108 406	108 406	108 406	108 406
I.3	Reserve capital from reclassification of loans	201 815	201 815	201 815	201 815
I.4	Retained earnings / Uncovered losses	-329 043	-330 033	-336 317	-338 164
II	Long-term liabilities	97 213	107 677	97 965	100 078
II.1	Long-term leasing liabilities	14 966	15 539	16 451	17 917
II.2	Long-term liabilities for deliveries and services	33 243	38 987	41 660	40 942
II.3	Long-term liabilities under construction contracts	39 785	43 668	30 114	33 862
II.4	Long-term provisions	9 219	9 483	9 740	7 357
III	Short-term liabilities	670 896	568 003	704 599	702 561
III.1	Current portion of interest-bearing bank loans and borrowings	134 263	129 688	201 800	195 937
III.2	Short-term leasing liabilities	7 949	8 480	8 522	8 569
III.3	Trade payables	148 605	156 987	182 752	185 972
III.4	Income tax	255	275	0	0
III.5	Other liabilities	30 741	25 654	29 407	22 294
III.6	Short-term provisions	11 867	18 247	12 027	7 664
III.7	Short-term liabilities due to execution of construction contracts	165 737	65 943	92 396	104 457
III.8	Liabilities on account of employee benefits	4 676	4 806	5 709	6 529
III.9	Other accruals and deferred income	166 803	157 923	171 986	171 139
IV	Total liabilities	768 109	675 680	802 564	802 639
	TOTAL EQUITY AND LIABILITIES	794 088	700 669	821 269	819 497

SEPARATE CASH FLOW STATEMENT

for the 3-month period from 01.07.2021 to 30.09.2021

L.P.	CASH FLOW STATEMENT	3rd quarter from 01.07.2021 to 30.09.2021	3 quarters cumulative 2021 period from 01.01.2021 to 30.09.2021	3rd quarter from 01.07.2020 to 30.09.2020	3 quarters cumulative 2020 period from 01.01.2020 to 30.09.2020
I	Cash flows from operating activities				
I.1	Gross profit / (loss)	162	13 734	651	3 043
I.2	Adjustments for items:	53 034	63 035	22 251	-61 443
I.2.1	Depreciation	3 134	9 142	2 982	8 432
I.2.2	Exchange rate differences	3 221	-962	2 637	11 325
I.2.3	Interest received and paid	-501	1 674	1 250	-2 172
I.2.4	Profit/loss on investing activities	-58	-244	-34	-621
I.2.5	Increase / decrease in receivables	-48 826	27 839	48 515	-8 413
I.2.6	Increase / decrease in inventory	10 733	-5 996	-2 923	-6 692
I.2.7	Increase / decrease in liabilities, except for loans and borrowings	-9 039	-41 230	2 910	-23 447
I.2.8	Change in accruals	106 781	81 401	-31 530	-33 274
I.2.9	Change in provisions	-6 644	-681	-1 556	-6 581
I.2.10	Income tax paid	-275	-2 418	0	0
I.2.11	Other	-5 492	-5 490	0	0
	Net cash provided by operating activities	53 196	76 769	22 902	-58 400
II	Cash flows from investing activities				
II.1	Sale of property, plant and equipment and intangible assets	116	431	923	6 793
II.2	Acquisition of property, plant and equipment and intangible assets	-225	-4 095	-1 920	-5 860
II.3	Purchase of financial assets	0	0	0	-1 313
II.4	Interest and dividends received and paid	2 000	3 199	875	8 794
II.5	Repayment of loans granted	0	0	0	1 000
II.6	Other	0	0	369	369
	Net cash from investing activities	1 891	-465	247	9 783
III	Cash flows from financing activities				
III.1	Repayment of lease liabilities	-3 284	-6 165	-1 986	-4 124
III.2	Repayment of loans / credits	0	-68 427	612	-46 420
III.3	Interest paid	-145	-3 021	-761	-18 905
	Net cash from financing activities	-3 429	-77 613	-2 135	-69 449
IV	Net change in cash and cash equivalents	51 658	-1 309	21 014	-118 066
V	Cash and cash equivalents at the beginning of the period	104 721	157 688	95 330	234 410
VI	Cash and cash equivalents at the end of the period	156 379	156 379	116 344	116 344

SEPARATE STATEMENT OF CHANGES IN EQUITY

for the 3-month period from 01.07.2021 to 30.09.2021

	Share capital	Supplementary / reserve capital	Reserve capital from reclassification of loans	Retained profit / uncovered losses	Total equity
Q3 2021					
from 01.07.2021 to 30.09.2021					
As at 1 July 2021	44 801	108 406	201 815	-330 033	24 989
Profit / (loss) for the period	0	0	0	990	990
Other comprehensive income	0	0	0	0	0
Total comprehensive income	0	0	0	990	990
Distribution of profit from previous years	0	0	0	0	0
Dividends paid	0	0	0	0	0
As at 30 September 2021	44 801	108 406	201 815	-329 043	25 979
3 quarters 2021 period					
from 01.01.2021 to 30.09.2021					
Status as of 1 January 2021	44 801	108 406	201 815	-336 317	18 705
Profit / (loss) for the period	0	0	0	7 274	7 274
Other comprehensive income	0	0	0	0	0
Total comprehensive income	0	0	0	7 274	7 274
Distribution of profit from previous years	0	0	0	0	0
Dividends paid	0	0	0	0	0
As at 30 September 2021	44 801	108 406	201 815	-329 043	25 979
2020 YEARLY Period					
from 01.01.2020 to 31.12.2020					
Status on 1 January 2020	44 801	108 406	201 815	-340 609	14 413
Profit / (Loss) for the period	0	0	0	4 292	4 292
Other comprehensive income	0	0	0	0	0
Total comprehensive income	0	0	0	4 292	4 292
Allocation of loss from previous years	0	0	0	0	0
Reclassification of loans into capital	0	0	0	0	0
As at 31 December 2020	44 801	108 406	201 815	-336 317	18 705
3 quarters 2020 period					
from 01.01.2020 to 30.09.2020					
Status on 1 January 2020	44 801	108 406	201 815	-340 609	14 413
Profit / (loss) for the period	0	0	0	2 445	2 445
Other comprehensive income	0	0	0	0	0
Total comprehensive income	0	0	0	2 445	2 445
Distribution of profit from previous years	0	0	0	0	0
Dividends paid	0	0	0	0	0
As at September 30, 2020	44 801	108 406	201 815	-338 164	16 858

**Additional information and explanations
to the condensed interim unconsolidated financial statements
for the period 01.07.2021 - 30.09.2021:**

1. GENERAL INFORMATION

The condensed interim separate financial statements cover the period of 9 months 2021 and the third quarter 2021 for the unconsolidated income statement and contain comparable data for the period of 9 months 2020 and the third quarter 2020, for the separate cash flow statement, the period of 9 months 2021 and the period of Q3 2021 and includes comparable data for the period of 9 months 2020 and Q3 2020, and in the case of the separate statement of financial position prepared as at 30 September 2021, it includes comparable data as at 30 June 2021, 31 December 2020 and 30 September 2020.

Mostostal Warszawa S.A. (hereinafter also referred to as "the Company", "Mostostal", "the Issuer") is a joint stock company incorporated under the laws of Poland, registered with the District Court for the Capital City of Warsaw in Warsaw, XIII Commercial Division of the National Court Register under number KRS: 0000008820. The Company's registered office is located in Warsaw, at 12a Konstruktorska Street. The main scope of activity includes construction work associated with the erection of residential and non-residential buildings, classified under PKD 4120Z. The Company's shares are listed on the Warsaw Stock Exchange. Industry: construction.

The duration of the Company is indefinite.

The parent company of Mostostal is Acciona Construccion S.A. The ultimate parent company is Acciona S.A. Mostostal Warszawa S.A. prepared abbreviated consolidated interim financial statements which were approved on 05.11.2021.

The Management Board of Mostostal Warszawa S.A. aims at maintaining a strong position among the largest construction companies in Poland. Its achievement will result from the Company's actions aimed at:

- basing its operations on an effective organisational structure guaranteeing the stabilisation of financial results and growth of margins enabling further development,
- implementation of investments with the highest quality, taking care of occupational safety on construction sites and supporting related initiatives,
- strengthening the role of Mostostal Warszawa S.A. as the central management centre of the capital group and tightening cooperation within the Group with regard to the development of regional centres,
- maintaining a network of representative offices covering all of Poland, which will be able to provide services in all segments of the construction industry as a general contractor,
- developing, as part of the activities of the Research and Development Department, new technologies to improve execution processes and to develop and improve engineering thought, as well as
- nurturing the heritage of Polish engineering thought and developing technical knowledge through close cooperation with scientific institutions and raising the level of education of future engineers by sharing with them the knowledge and experience gained in the over 70-year history of the Company.

The composition of the Board of Directors as at 05.11.2021 was as follows:

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

The composition of the Supervisory Board as at 05.11.2021 was as follows:

Antonio Muñoz Garrido	- Member of the Supervisory Board
Javiera Lapuente Sastre	- 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 stand-alone financial statements for Q3 2021 were approved for publication by the Company's Management Board on 05.11.2021.

3. BASIS FOR PREPARING CONDENSED FINANCIAL STATEMENTS AND ACCOUNTING PRINCIPLES

3.1. Basis for the report

The condensed interim unconsolidated financial statements have been prepared on the assumption that the Company will continue as a going concern in the foreseeable future.

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

In the period from 01.01.2021 to 30.09.2021 the Company generated a profit on sales in the amount of PLN 45,495 thousand and recorded a net profit of PLN 7,274 thousand and recorded positive cash flows from operating activities in the amount of PLN 76,769 thousand. The Company's equity as at 30.09.2021 amounted to PLN 25,979 thousand.

An important element of financing the Company's operations are loans granted by the Company's senior parent, Acciona Construcción SA. In H1 2021 The Company repaid a loan with interest in the total amount of PLN 71,014 thousand and signed annexes to two loan agreements with that entity for the total amount of PLN 127,350 thousand, which postpone their repayment date to May 2022. The Company has not experienced, and does not currently foresee any difficulties with potential further postponement of the repayment dates for the remaining amounts of the loans.

Based on the experience to date regarding the course of the pandemic, the Management Board does not anticipate a direct material adverse effect of the COVID-19 outbreak on the Company's business, financial condition and results of operations in the medium to long term. However, it cannot be ruled out that the prolonged period of restrictions on business activities, the expansion and prolongation of coronavirus containment measures that are severe for the Polish economy, will have a negative impact on the Company's financial position and operating results in the medium and long term. Management is monitoring the situation on an ongoing basis and will respond appropriately to mitigate the impact of these events, if they occur.

Based on the analysis of the projected cash flows, the Management Board of Mostostal estimates that the Company will have sufficient cash to finance its operating activities for at least 12 months after the balance sheet date. The value of Mostostal Warszawa S.A.'s order portfolio as at 30.09.2021 was PLN 3,285,204 thousand. At the same time, the Company participates in a number of tendering procedures, which may translate into winning new orders in the near future.

The Management Board concludes that as at the date of approval of these financial statements there are no circumstances indicating a threat to the Company's continued operations.

3.2. Statement of compliance

This condensed interim separate financial statement has been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union. The condensed separate interim financial statement should be read in conjunction with the audited separate financial statements of the Company for the year ended 31 December 2020 and the related notes. The condensed interim stand-alone financial statement of Mostostal Warszawa S.A. has not been reviewed or audited by a statutory auditor.

3.3. Accounting principles

The detailed accounting policies adopted by the Company are described in the separate financial statements for the year ended 31 December 2020.

The accounting policies used to prepare these condensed separate financial statements are consistent with those used to prepare the Company's annual separate financial statements for the year ended December 31, 2020.

Amendments to standards applied for the first time in 2021

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

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 - the IBOR reform - Phase 2,
- Amendments to IFRS 4 "Insurance Contracts" - deferral of IFRS 9.

The above amendments to the standards did not have a material impact on the Company's accounting policies applied 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 the preparation of the financial statements, have not yet been adopted for use:

- IFRS 14 "Regulatory accruals" - in accordance with the decision of the European Commission, the process of approval of the standard in the preliminary version will not be initiated before the publication of the standard in the final version (effective for annual periods beginning on or after 1 January 2016),
- IFRS 17 "Insurance Contracts" (effective for annual periods beginning on or after 1 January 2023),
- Amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" - Transactions for the sale or contribution of assets between an investor and its associate or joint venture - the work leading to the approval of these amendments has been postponed indefinitely by the EU - the effective date has been deferred indefinitely by the IASB,
- Amendments to IAS 1 "Presentation of financial statements". - Classification of liabilities as current or non-current and classification of liabilities as current or non-current - deferral of the effective date (effective for annual periods beginning on or after 1 January 2023),
- Amendments to IFRS 3 "Business Combinations", IAS 16 "Property, Plant and Equipment" and IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" (effective for annual periods beginning on or after 1 January 2022),

- Amendments to various standards "Improvements to IFRSs (2018-2020 cycle)", effective for annual periods beginning on or after 1 January 2022),
- Amendments to IAS 1 "Presentation of Financial Statements" and Code of Practice IFRS 2: Disclosure of Accounting Policies (effective for annual periods beginning on or after 1 January 2023),
- Amendments to IAS 8 "Accounting policies, changes in accounting estimates and errors" (effective for annual periods beginning on or after 1 January 2023),
- Amendments to IFRS 16 Leases: Lease Payment Relief Associated with Covid-19 after 30 June 2021 (effective for annual periods beginning on or after 1 April 2021).

The aforementioned standards and amendments to standards would not have any significant impact on the financial statements if they were applied by the Company as of the balance sheet date.

3.4. Currency of the financial statements

The condensed separate interim financial statements for Q3 2021 have been presented in PLN, and all values have been rounded off to the nearest thousand, unless indicated otherwise.

4. LONG-TERM CONSTRUCTION CONTRACTS

Revenues from construction contracts are adjusted by compensations and penalties paid, whereas the cost of construction works is decreased by compensations and penalties received.

The cost of construction works includes also the costs of provisions created for losses on contracts disclosed in point 10 of this condensed interim separate financial statement.

Revenues from construction contracts in progress as at the balance sheet date

Specification	30.09.2021	30.06.2021	31.12.2020	30.09.2020
Cumulatively estimated revenue from construction contracts in progress	*1 243 572	3 416 016	3 689 027	3 888 791
Cumulative invoiced sales on construction contracts in progress	*1 136 285	3 303 434	3 612 819	3 764 276
Assets and accruals resulting from construction contracts in progress (per balance)	107 287	112 582	76 208	124 515
Advances received for construction contracts in progress	175 983	82 949	101 858	121 678
Short-term and long-term assets and liabilities under construction contracts in progress (per balance)	-68 696	29 633	-25 650	2 837
Reconciliation to items from the separate statement of financial position:				
Assets and accruals resulting from construction contracts in progress (per balance)	107 287	112 582	76 208	124 515
Assets due to execution of construction contracts on completed contracts	114 853	114 853	160 210	158 547
Advances received for construction contracts in progress	175 983	82 949	101 858	121 678
Short-term and long-term assets and liabilities under construction contracts (per balance)	46 157	144 486	134 560	161 384
including:				
Assets resulting from construction contracts	251 679	254 097	257 070	299 703
Long-term liabilities under construction contracts	39 785	43 668	30 114	33 862
Short-term liabilities due to execution of construction contracts	165 737	65 943	92 396	104 457

* Cumulatively estimated revenue from construction contracts in progress and Cumulative invoiced sales on construction contracts in progress are decreased significant in comparison to the value as at 30.06.2021 mainly due to in connection with the completion of the construction of the power plant in Opole and its settlement in the books.

During the course of construction contracts, unforeseen circumstances may arise that result in losses or margin deterioration, damages, increased unanticipated expenses, etc.

These circumstances primarily included:

- increase of the material scope of works in relation to the design (tender) assumptions submitted to the Company by the ordering parties,
- unpredictable, extraordinary increase in the prices of: construction materials (including fuels, petroleum materials and other materials), transport, equipment rental and construction services,
- the need to execute the contracts over a longer period of time, and therefore to incur higher costs, due to, among other things: the Company's inaccessibility to the construction site as a result of adverse weather conditions, defects in the design documentation provided by the ordering party.

In the Company's opinion, these circumstances result in changes in the contracts with the ordering parties (customers) in accordance with the contractual provisions and general legal grounds, and the rights to which it is entitled as a result of the contractual changes exist and are enforceable (claims submitted to customers). Claims are initially subject to negotiation with the contracting authority. If the parties fail to reach an agreement during the negotiations, the claims are referred to court proceedings. The claims submitted to the clients represent additional remuneration that may be received in case of a favourable outcome of the court proceedings for the Company.

Purchasers may also make claims against the Company, most commonly in the event of delays in contract performance and when defects and faults are identified. Claims against the Company represent the potential amount of reduction in remuneration to be returned to the customer in the event of an unfavourable outcome of legal proceedings.

Due to the high degree of complexity of construction contracts and the fact that court proceedings are multi-instance, it may take many years before a final judgment is issued in a given case.

In the statement of financial position, the Company reports significant asset balances for construction contracts that are subject to litigation.

Amounts recorded as assets/liabilities for construction contracts reflect the estimated value of variable consideration:

- a) the change in the transaction price resulting from the change in the contract is estimated taking into account all information (historical, current, forecasts and legal opinions and expert reports) that was reasonably available to it at the time the financial statements were prepared,
- b) part of the contract modification consideration is included in the transaction price to the extent that it is highly probable that a significant portion of the amount of previously recognized cumulative revenue will not be reversed when the uncertainty of the contract modification consideration ceases.

The table below presents the nominal value of variable remuneration to which the Company will be entitled in the event of a favourable outcome of the court proceedings, the nominal value of liabilities arising from the performance of contracts, which will be returned to the ordering parties in the event of an unfavourable outcome of the court proceedings pending against the Company, as well as the value of assets and liabilities arising from the performance of construction contracts related to claims recognised in the statement of financial position. The claims were grouped according to the following categories:

- Claims subject to litigation:
 - Resulting from closed contracts, which include claims for payment of due remuneration offset with contractual penalties calculated by the ordering party and claims for increase in remuneration due to the occurrence of unforeseeable circumstances,
 - Disputes related to contracts which have not been completed - disputes concerning the determination of the amount of remuneration due to the Company for work performed until the date of withdrawal from the contract,
- Disputes at the pre-litigation stage

30 September 2021	Assets / liabilities arising from construction contracts recognised in the statement of financial position	Nominal value of variable remuneration due to the Company	Nominal value of remuneration to be returned to contracting authorities
Claims subject to litigation:	239 996	812 404	377 260
Contracts completed and accepted by the ordering party	121 536	656 032	135 208
<i>Assets resulting from construction contracts</i>			
Contracts terminated before completion of work	118 460	156 372	242 052
<i>Assets resulting from construction contracts</i>			
Disputes at the pre-litigation stage	7 445	8 600	11 934
<i>Assets resulting from construction contracts</i>			
31 December 2020	Assets / liabilities arising from construction contracts recognised in the statement of financial position	Nominal value of variable remuneration due to the Company	Nominal value of remuneration to be returned to contracting authorities
Claims subject to litigation:	302 194	1 053 316	702 071
Contracts completed and accepted by the ordering party	141 248	825 505	463 160
<i>Assets resulting from construction contracts</i>			
Contracts terminated before completion of work	160 946	227 811	238 911
<i>Assets resulting from construction contracts</i>			
Disputes at the pre-litigation stage	7 445	8 600	11 934
<i>Assets resulting from construction contracts</i>			

Contract assets relate to the Company's rights to remuneration for works executed but not invoiced as at the reporting date in connection with construction contracts. Contract assets have not been impaired. Contract assets are transferred to receivables when the rights become unconditional. This typically occurs when the Company invoices the customer.

Liabilities due to execution of construction contracts relate primarily to accruals, i.e. a situation where the invoiced cumulative value of sales and advances received due to the execution of contracts is higher than sales according to the degree of performance.

Specification	30.09.2021	30.06.2021	31.12.2020	30.09.2020
Long-term liabilities under construction contracts				
Advances for works	39 785	43 668	30 114	33 862
Total	39 785	43 668	30 114	33 862
Short-term liabilities due to execution of construction contracts				
Accruals for construction contracts	29 539	26 661	20 652	16 641
Advances for works	136 198	39 282	71 744	87 816
Total	165 737	65 943	92 396	104 457

Assets due to the performance of construction contracts as at 30.09.2021 amounted to PLN 251,679 thousand and decreased by PLN 5,391 thousand in comparison with the balance as at the end of the previous year. Accruals due to the performance of construction contracts amounted to PLN 29,539,000 and compared to the balance as at the end of 2020 increased by PLN 8,887 thousand.

5. SIGNIFICANT CHANGES IN ESTIMATES

The preparation of the financial statements requires Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities,

income and expenses, the actual amounts of which may differ from estimates. The estimates and related assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, and their results provide a basis for professional judgment. In significant issues, the Management Board, while making judgements, estimates or assumptions, may rely on opinions of independent experts. The estimates and related assumptions are verified on an ongoing basis. Changes in accounting estimates are recognised prospectively from the period in which the estimate is changed.

The recognition of sales on construction contracts is an important estimate. The Company recognises revenue on construction contracts based on measurement of expenditure, measured by the share of costs incurred from the date of contract to the date of revenue recognition in the total costs of service provision. Total revenue under non-current construction contracts denominated in foreign currencies is determined based on invoices issued by the balance-sheet date and on the foreign exchange rate effective as at the balance-sheet date. The budgets of individual contracts are formally updated (revised) based on current information at least once every quarter. In the event of events occurring between official budget revisions which materially affect the contract result, the value of total contract revenues or contract costs may be updated earlier.

For information on created and reversed impairment losses, see Notes 8 and 9 of this report.

Information on provisions reversed and created during the reporting period can be found in Note 10 of this report.

Deferred tax assets decreased in the reporting period by PLN 3,788 thousand and as at 30.09.2021 amounted to PLN 20,216 thousand (as at 31.12.2020: PLN 24,004 thousand). The Company recognises a deferred tax asset based on the assumption that tax profit will be achieved in the future allowing for its utilisation. Deterioration of taxable results in the future could result in all or part of the deferred tax asset not being realised.

The Management Board carried out an analysis of the possibility of realising deferred tax assets as at the balance sheet date based on financial projections for subsequent years. This analysis indicates the realization of deferred tax assets in the amount of PLN 20,216 thousand.

6. SEASONALITY OR CYCLICALITY OF THE COMPANY'S OPERATIONS

The Company's operations may be affected by weather conditions and may be less active during winter periods than during other times of the year. During the third quarter of 2021, weather conditions had no impact on the Company's operations.

7. AMOUNT AND TYPE OF ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS THAT ARE UNUSUAL BECAUSE OF THEIR NATURE, VALUE OR FREQUENCY

In Q3 2021, the financial result was significantly affected by the weakening of the Polish currency against the euro as compared to 30.06.2021, which resulted in recognition of foreign exchange losses on balance sheet valuation of loans in the amount of PLN 3,222 thousand.

The company reversed an impairment loss on shares in AMK Kraków S.A. in the amount of PLN 5,548 thousand due to the positive financial result and the increase in the company's equity.

8. INFORMATION ON WRITE-DOWNS OF INVENTORIES TO NET RECOVERABLE VALUE AND REVERSAL OF WRITE-DOWNS

No inventory write-downs were created or reversed in Q3 2021.

9. INFORMATION ON REVALUATION WRITE-OFFS FOR IMPAIRMENT OF FINANCIAL ASSETS, TANGIBLE FIXED ASSETS, INTANGIBLE ASSETS OR OTHER ASSETS AS WELL AS REVERSAL OF SUCH WRITE-OFFS

In Q3 2021, allowances for impairment of receivables were created in the amount of PLN 1,325 thousand and reversed in the amount of PLN 88 thousand.

10. INFORMATION ON THE CREATION, INCREASE, USE AND RELEASE OF PROVISIONS

30 September 2021	Reserves for jubilee awards, retirement gratuities	Provision for expected losses on contracts	Provision for warranty repairs	Provision for court cases	Total
As of 01.01.2021	2 230	3 792	10 996	4 749	21 767
Created during the financial year	0	24	5 114	868	6 006
Used	-68	-819	-1 791	-2 804	-5 482
Resolved	0	0	-1 163	-42	-1 205
As at 30.09.2021	2 162	2 997	13 156	2 771	21 086
Long-term 30.09.2021	1 862	2 961	4 396	0	9 219
Short-term as at 30.09.2021	300	36	8 760	2 771	11 67

11. INFORMATION ON SIGNIFICANT TRANSACTIONS OF PURCHASE AND SALE OF TANGIBLE FIXED ASSETS

The Company did not enter into any material transactions related to property, plant and equipment in Q3 2021.

12. INFORMATION ON SIGNIFICANT LIABILITIES DUE TO THE PURCHASE OF TANGIBLE FIXED ASSETS

As there were no material purchases of property, plant and equipment in Q3 2021, no material liabilities arose in respect thereof.

13. INFORMATION ON SIGNIFICANT SETTLEMENTS DUE TO COURT CASES

There were no significant settlements of court cases in the reporting period.

14. CORRECTION OF PRIOR PERIOD ERRORS

In the reporting period there were no corrections of prior period errors.

15. ISSUANCE, REDEMPTION AND REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no share issues in Q3 2021. There were no repayments of debt and equity securities.

16. DIVIDENDS PAID (DECLARED) BY THE ISSUER

The Company did not pay dividends in the third quarter of 2021.

17. CHANGES IN THE BASIC PRINCIPLES OF MANAGEMENT IN THE COMPANY

In the reporting period there were no significant changes in the Company's management principles.

18. EVENTS THAT OCCURED AFTER THE BALANCE SHEET DATE AS AT WHICH THE CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS WERE PREPARED AND WHICH MAY HAVE A SIGNIFICANT IMPACT ON FUTURE RESULTS

There were no events after the balance sheet date that could have a significant impact on the achieved results in the future.

19. CONTINGENT LIABILITIES

I.p.	Specification	30.09.2021	31.12.2020
1.	Biomatec Sp. z o.o. - claim for remuneration	22 876	22 876
2.	Cestar A.Cebula J.Starski s. j. - claim for remuneration	12 689	12 689
3.	Other	26 790	23 155
	Total	62 355	58 720

The nominal value (corresponding to the value of the object of litigation in court proceedings) of contingent liabilities resulting from court cases brought against the Company as at 30.09.2021 amounted to PLN 62,355 thousand and increased by PLN 3,635 thousand compared to the end of the previous year.

20. INFORMATION ON CONTRACTED AND TERMINATED CREDIT AND LOAN AGREEMENTS

The balance of borrowings payable as at 30.09.2021 was PLN 134,263 thousand (the balance of borrowings payable as at 31.12.2020 was PLN 201,800 thousand). The decrease in the balance of loans results from their partial repayment.

In the reporting period the Company used an overdraft facility, the value of which as at the balance sheet date amounted to PLN 0 thousand (the balance of loans as at 31.12.2020 was PLN 0 thousand).

Bank	Type of credit	Amount of credit in PLN '000	Amount used as of 30.09.2020. in PLN '000	Maturity date	Interest rate
Societe Generale S.A. Branch in Poland	In current account	10 000	0	29.06.2022	Wibor 1M + bank margin

No loan agreements were terminated in the third quarter of 2021.

21. INFORMATION ON TRANSACTIONS WITH RELATED ENTITIES

Transactions entered into with related parties in Q3 2021 were typical and routine transactions and were entered into on an arm's length basis.

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

Company name	30.09.2021	31.12.2020
Mostostal Power Development Sp. z o.o.	46	23
Acciona Construcción S.A.	209	489
Mostostal Kielce S.A.	10	18
Mostostal Płock S.A.	2 264	5 286
Acciona Facility Services Poland Sp. z o.o.	41	51
Acciona Nieruchomości Wilanów Sp. z o.o.	2 355	1 611
AMK Kraków S.A.	0	8
Acciona Construcción S.A. Branch in Poland	4	4
Total	4 929	7 490

Trade liabilities to related parties (in thousand PLN):

Company name	30.09.2021	31.12.2020
Mostostal Power Development Sp. z o.o.	9 032	12 689
Acciona Construcción S.A.	19 731	25 065
Acciona Construcción S.A. Branch in Poland	2 664	3 360
Acciona Nieruchomości Wilanów Sp. z o.o.	0	13
Mostostal Kielce S.A.	0	747
Mostostal Płock S.A.	0	10 491
Total	31 427	52 365

Advances for construction works made to related parties:

Company name	30.09.2021	31.12.2020
Mostostal Płock S.A.	0	5 087
Total	0	5 087

Sales of products, materials and goods due to mutual transactions amounted to (in thousand PLN):

Company name	9 months ended 30.09.2021	9 months ended 30.09.2020
Acciona Nieruchomości Wilanów Sp. z o.o.	14 870	35 654
Mostostal Power Development Sp. z o.o.	159	341
Mostostal Kielce S.A.	9	140
Acciona Facility Services Poland Sp. z o.o.	121	135
Mostostal Płock S.A.	780	140
Acciona Construcción S.A. Branch in Poland	26	26
Acciona Construcción S.A.	0	225
AMK Kraków S.A.	28	33
Total	15 993	36 694

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

Company name	9 months ended 30.09.2021	9 months ended 30.09.2020
Mostostal Power Development Sp. z o.o.	4 461	2 399
Acciona Construccion S.A.	8 820	3 774
Mostostal Kielce S.A.	6 690	391
Mostostal Plock S.A.	0	0
AMK Kraków S.A.	0	273
Acciona Nieruchomości Wilanów Sp. z o.o.	444	356
Razem	20 415	7 193

Interest on loans received

Company name	9 months ended 30.09.2021	9 months ended 30.09.2020
Acciona Construcción S.A.	4 439	6 167

Transactions with related parties mainly relate to the performance of long-term contracts.

As at 30.09.2021 the Company received bank or insurance guarantees from the guarantee limits of Acciona Construcción S.A. in the total amount of PLN 628,082 thousand (PLN 668,609 thousand as at 31.12.2020).

As at September 30th 2021 The Company had liabilities under loans to Acciona Construcción S.A. with its registered office in Madrid in the amount of PLN 134,263 thousand (as at 31.12.2020 the value of the loans was PLN 201,800 thousand).

On 23.12.2013. Mostostal Warszawa S.A. and Acciona Construcción S.A. concluded annexes to 3 loan agreements for the total amount of EUR 48,409 thousand (PLN equivalent of 201,815 thousand), in which the conditions of repayment of these loans were determined in such a way that the loan repayment term was extended for an indefinite period of time and Mostostal Warszawa would decide on their repayment. In accordance with IAS 32 Mostostal Warszawa presented these loans in equity.

No collaterals have been established on liabilities with related parties.

22. REPORTING BY MARKET SEGMENTS

The Company is organized and managed by segments according to the type of products offered. The following tables present for each of the Company's reportable segments the income statement data for the three months ended 30 September 2021.

Continuing operations include the following segments:

1. the "Industry and Power Generation" segment, which includes activities related to the construction of industrial and power generation facilities;
2. the "Infrastructure" segment, which includes the activity related to construction of roads and bridges;
3. the "General Construction" segment, which includes activities related to the construction of residential buildings and public utility facilities.

Separate income statement for each reportable segment:

Period ended 30 September 2021	Continuing operations				Total
	<i>Industry and power generation</i>	<i>Infrastructure</i>	<i>General construction</i>	<i>Revenues, unallocated expenses</i>	
Sales revenues					
Sales to external customers	27 403	357 345	263 124	-977	646 895
Inter-segment sales	0	0	0	0	0
Total segment revenues	27 403	357 345	263 124	-977	646 895
Segment profit (loss) (including operating income and expenses)	2 651	18 645	29 602	-7 991	42 907
Unallocated expenses (administrative expenses and cost of sales)	-	-	-	35 230	35 230
Profit / (loss) from continuing operations	2 651	18 645	29 602	-43 221	7 677
Financial income	925	4 527	223	9 222	14 897
Financial costs	851	529	2 269	5 191	8 840
Gross profit (loss)	2 725	22 643	27 556	-39 190	13 734
Income tax				6 460	6 460
Net profit (loss) on continued operations	2 725	22 643	27 556	-45 650	7 274
Net profit (loss)	2 725	22 643	27 556	-45 650	7 274

Period ended 30 September 2020	Continuing operations				Total
	<i>Industry and power generation</i>	<i>Infrastructure</i>	<i>General construction</i>	<i>Revenues, unallocated expenses</i>	
Sales revenues					
Sales to external customers	128 088	190 233	491 891	3 254	813 466
Inter-segment sales	0	0	0	0	0
Total segment revenues	128 088	190 233	491 891	3 254	813 466
Segment profit (loss) (including operating income and expenses)	27 009	8 248	20 377	-7 707	47 927
Unallocated expenses (administrative expenses and cost of sales)	-	-	-	36 276	36 276
Profit / (loss) from continuing operations	27 009	8 248	20 377	-43 983	11 651
Financial income	1 053	923	0	8 734	10 710
Financial costs	2 335	173	50	16 760	19 318
Gross profit (loss)	25 727	8 998	20 327	-52 009	3 043
Income tax				598	598
Net profit (loss) on continued operations	25 727	8 998	20 327	-52 607	2 445
Net profit (loss)	25 727	8 998	20 327	-52 607	2 445

The Company's principal body (the Management Board) responsible for making operating decisions does not analyse segment assets and liabilities due to transfers of assets between segments. Allocation of revenues and costs to individual segments is based on the projects performed. Assets are analyzed at the level of the entire Company.

The main measure of segment performance is gross profit on sales adjusted for other operating income and expenses.

In Q3 2021, the Company operated exclusively in the domestic market.

In the reporting period the largest customer for the Company's services was the General Directorate for National Roads and Motorways with a 47% share in sales. Other customers did not exceed the ten-percent share in Mostostal Warszawa S.A.'s sales.

23. IMPACT OF THE COVID-19 OUTBREAK ON THE COMPANY'S FINANCIAL RESULTS AND OPERATIONS

In the reporting period the Company did not use aid under the "Anti-crisis shield" programme announced by the Polish government.

Up to the date of signing of this condensed interim financial statement, the Company has not recorded any alarming signals related to the continuation of its operations. The Company realized sales and its business activity was continuous.

In order to ensure the continuity of the Company's business operations and liquidity, management has implemented measures that include, in particular:

- possibility of remote working for a significant group of office workers;
- workers employed on construction sites have been trained to observe very strict safety standards, including the need to keep a distance from their immediate surroundings;
- retrofitting with additional personal protective equipment (portable washers, disinfectant fluids, thermometers, etc.);
- temperature measurements are made;
- signs are hung up about the precautions taken on construction sites;
- messages are sent to subcontractors and employees regarding recommendations for precautionary measures;

Management of the Company assesses that there was no risk of significant impairment of assets in connection with COVID-19.

The Management Board estimates that the effects of further restrictions aimed at limiting the spread of the coronavirus will have an increasing impact on the condition of the Polish economy. The Management Board monitors the situation on an ongoing basis and takes measures to mitigate the impact of the epidemic on the Company's operations and its results.

24. JOINT ACTIONS

Financial data of Mostostal Warszawa S.A. as at 30.09.2021 include values attributable to the Company in respect of its 50% share in Mostostal Acciona S19 Tunel CLP., which was appointed to perform the contract "Design and construction of S19 expressway within the section from Rzeszów Południe junction (without junction) to Babica junction (with junction) of the length of approx. 10.3 km". Mostostal Acciona S19 Tunel CLP. is an entity under common control (unanimity of all the shareholders is required in matters relating to business operations), which according to IFRS 11 is treated as a joint operation (the Company's participation in joint contractual arrangements is recognized as a joint operation when the Company has rights to its share of assets and liabilities).

There are no future investment liabilities related to the performance of the contract "Design and construction of the S19 expressway on the section from Rzeszów Południe junction (without junction) to Babica junction (with junction), the length of which is approx. 10.3 km".

**OTHER INFORMATION
TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS**
for the period from 01.07.2021 to 30.09.2021

1. SELECTED FINANCIAL DATA FOR THREE QUARTERS OF 2021

Sales revenues

646 895 tys. PLN

Gross profit on sales

45 495 tys. PLN

Order portfolio

3 354 853 tys. PLN

Cash position

156 379 tys. PLN

Net profit

7 274 tys. PLN

SELECTED FINANCIAL DATA	PLN thousand		EUR thousand	
	3 quarters cumulative 2021 period from 2021-01-01 to 2021-09-30	3 quarters cumulative 2020 period from 2020-01-01 to 2020-09-30	3 quarters cumulative 2021 period from 2021-01-01 to 2021-09-30	3 quarters cumulative 2020 period from 2020-01-01 to 2020-09-30
Sales revenues	646 895	813 466	141 910	183 131
Gross profit (loss) on sales	45 495	51 863	9 980	11 676
Profit (loss) on operating activities	7 677	11 651	1 684	2 623
Gross profit (loss)	13 734	3 043	3 013	685
Net profit (loss) on continued operations	7 274	2 445	1 596	550
Net profit (loss)	7 274	2 445	1 596	550
Net cash flows from operating activities	76 769	-58 400	16 841	-13 147
Net cash flows from investing activities	-465	9 783	-102	2 202
Net cash flows from financing activities	-77 613	-69 449	-17 026	-15 635
Cash and cash equivalents at the end of the period	156 379	116 344	33 754	25 701
Net profit / (loss)	7 274	2 445	1 596	550
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	0,36	0,12	0,08	0,03

SELECTED FINANCIAL DATA	PLN thousand		EUR thousand	
	as at 30.09.2021	as at 31.12.2020	as of 30.09.2021	as at 31.12.2020
Total assets	794 088	821 269	171 402	180 407
Long-term liabilities	97 213	97 965	20 983	21 520
Short-term liabilities	670 896	704 599	144 811	154 779
Total liabilities	768 109	802 564	165 794	176 299
Total equity	25 979	18 705	5 608	4 109
Share capital	44 801	44 801	9 670	9 841
Number of shares pcs.	20 000 000	20 000 000	20 000 000	20 000 000

For the calculation of selected financial data for Q3 2021 in EUR, the following rules have been adopted:

- items of the separate profit and loss account and statement of cash flows for the third quarter of 2021 have been converted at the exchange rate of 4.5585 PLN/EUR being the arithmetic mean of exchange rates published by the National Bank of Poland as of the last days of January, February, March, April, May, June, July, August, September 2021.
- individual asset and liability items of the separate statement of financial position have been converted using the average NBP rate of 4.6329 PLN/EUR of 30.09.2021.

2. DESCRIPTION OF SIGNIFICANT ACHIEVEMENTS OR FAILURES AND MAJOR EVENTS AND ASSESSMENT OF FINANCIAL RESOURCES MANAGEMENT

Revenue from sales in the period from 01.07.2021 to 30.09.2021 amounted to PLN 251,090 thousand and was lower by 11% compared to the corresponding period of 2020, which is the result of the implementation of contracts in the "design and build" formula. In the reporting period several construction projects were in the design phase, which is characterized by a lower value of sales. Gross profit on sales amounted to PLN 12,525 thousand (in the corresponding period of 2020 gross profit on sales amounted to PLN 20,356 thousand). In the third quarter of 2021, the Company recorded a net profit of PLN 990 thousand (in the third quarter of 2020 the net profit was PLN 194 thousand).

The value of short-term trade and other receivables as at 30.09.2021 amounted to PLN 254,956 thousand and increased by PLN 48,118 thousand compared to 30.06.2021.

The value of assets due to execution of construction contracts as at 30.09.2021 amounted to PLN 251,679 thousand and was lower compared to 30.06.2021 by PLN 2,418 thousand.

The value of cash as at 30.09.2021 amounted to PLN 156,379 thousand and increased by PLN 51,658 thousand compared to the balance as at 30.06.2021, which is mainly the result of obtaining advances on contracts in progress. In Q3 2021 The Company used an overdraft facility and loans, the balance of which as at 30.09.2021 amounted to PLN 134,263 thousand and compared to 30.06.2021 increased by PLN 4,575 thousand.

Long-term liabilities in Q3 2021 decreased by PLN 10,464 thousand compared to the balance as at 30 June 2021.



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During the reporting period, i.e. from 01.07.2021 to 30.09.2021 the following significant events took place for Mostostal Warszawa S.A:

On 15 July 2021, a settlement was concluded between the Company and the University of Białystok as part of mediation proceedings involving disputes arising from the performance of the agreements of 25 January 2011: Dzp-50.1/R/2010 concerning the construction of the Institute of Biology and the Faculty of Mathematics and Computer Science together with the University Computing Centre and Dzp-50.2/R/2010 concerning the construction of the Faculty of Physics and the Institute of Chemistry. In order to avoid disputes existing between the Company and the University and to avoid uncertainty as to the mutual rights and obligations under the Agreements, the Company, pursuant to the Settlement Agreement, undertook to pay the University the amount of PLN 6.00 million. Payment of this amount will exhaust all claims of the Parties covered by the above mentioned disputes. The settlement was approved by the Court. The total value of disputes closed with a settlement is PLN 355,255 thousand.

On 26 July 2021. On 26 July 2021, the Company entered into an agreement with TAURON Ciepło sp. z o.o. for the performance of the task entitled: "Construction of a 140 MWt gas-fired boiler at ZW Katowice for the needs of the heat market". The gross value of the contract is PLN 109.47 million. Completion date: 20.12.2023 r.

On July 28, 2021. Consortium of Mostostal Warszawa S.A. ("Leader") and Mostostal Płock S.A. ("Partner") - a subsidiary of the Issuer (48.69% shares, 53.10% votes at the GM) concluded with PERN S.A. ("Purchaser") an agreement worth PLN 258.95 million gross for the implementation of the following tasks:

- "Construction of storage tanks 3x32,000 m³ for Class III petroleum products with accompanying infrastructure in the Fuel Depot No. 1 in Koluszki". Value: PLN 105.53 million gross. Mostostal Warszawa's share in the consortium: 31,31%;

- "Construction of storage tanks 3x32,000 m³ for Class III petroleum products with accompanying infrastructure in the Fuel Depot No. 2 in Nowa Wieś Wielka". Value: PLN 109.45 million gross. Mostostal Warszawa's share in the consortium: 31,26%;

- "Construction of a storage tank of 32,000 m³ for petroleum products of class III together with the accompanying infrastructure at the Fuel Depot No. 21 in Debogórz". Value: PLN 43.97 million gross. Mostostal Warszawa's share in the consortium: 35,76%.

On 18 August 2021 the Company as a member of a consortium consisting of: Trakcja S.A. ("Leader"), Mostostal Warszawa SA ("Partner") and Przedsiębiorstwo Eksploatacji Ulic i Mostów Sp. z o.o. ("Partner") signed with the General Directorate for National Roads and Motorways, Branch in Olsztyn ("Employer") Annex No. 3 to the Agreement for the implementation of the task entitled: "Design and construction of the S61 Szczuczyn - Budzisko (state border) expressway with division into tasks: Task No. 2: section Ełk Południe junction - Wysokie junction (together with an interchange within road 16)". The Company informed about the Agreement in the current report 37/2018. The subject of the Annex is the extension of works including soil replacement due to different soil conditions than those provided for in the design. Pursuant to the Annex, the Ordering Party will pay the Consortium the additional remuneration to which it is entitled, amounting to approximately PLN 23.12m (net). The actual amount of remuneration will be confirmed by the Ordering Party's confirmation of the performed work, and may differ slightly from the value provided for in the Annex.

On 17 September 2021 Mostostal Warszawa S.A. concluded a settlement regarding the termination of all court cases between Gamma Inwestycje S.A. and the Company, on the basis of which the Company will receive the amount of PLN 2.4 million. The payment of this amount shall exhaust all claims of the Parties subject to mutual disputes. The proceedings will be discontinued after the approval of the above-mentioned settlement by the Court. The total value of the disputes that will be completed is PLN 118,675 thousand.

On 27 September 2021 the Company was notified by the General Directorate for National Roads and Motorways (the "Employer") of the selection of the most favourable offer made by Mostostal Warszawa S.A. in the proceedings entitled "Construction of a section of National Road No. 74 connecting the National Road No. 9 and the National Road No. 74 - Northern Connector". The offer submitted by the Company includes the contract value: PLN 57.51 million gross and the completion deadline: 33 months.

3. DESCRIPTION OF FACTORS AND EVENTS, IN PARTICULAR NON-RECURRING ONES, AFFECTING THE FINANCIAL RESULTS

In Q3 2021, the financial result was affected by the weakening of the Polish currency against the euro as compared to 30.06.2021, which resulted in the recognition of negative exchange differences on the balance sheet valuation of loans in the amount of PLN 3,222 thousand.

The company reversed an impairment loss on shares in AMK Kraków S.A. in the amount of PLN 5,548 thousand due to the positive financial result and the increase in the company's equity.

4. DESCRIPTION OF THE ORGANIZATION OF THE CAPITAL GROUP

Mostostal Warszawa S.A. Capital Group consists of the following subsidiaries:

Name of the entity	Percentage of share capital held as at 30.09.2021	Consolidation
Mostostal Kielce S.A.	100,00	thus
AMK Kraków S.A.	100,00	thus
Mostostal Płock S.A.	48,69	thus
Mostostal Power Development Sp. z o.o.	100,00	thus



Headquarters of AMK Kraków S.A.



Headquarters of Mostostal Kielce S.A.



Headquarters of Mostostal Płock S.A.

Mostostal Warszawa S.A. is part of the Acciona S.A. capital group with its registered office in Madrid. Acciona Construcción S.A. owns 62.13 % of Mostostal Warszawa S.A. shares as of 30.09.2021.

5. PERFORMANCE FORECASTS

The Company has not published financial result forecasts for 2021.

Estimated results for the third quarter of 2021 were provided on October 8, 2021.

6. THE COMPANY'S MAJOR SHAREHOLDERS

List of shareholders holding at least 5% of votes at the General Meeting of Shareholders of Mostostal Warszawa S.A., as of 05.11.2021 r.:

Shareholder	Number of shares	Number of votes	Share in the 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%
PZU "Złota Jesień" Open-End 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 SUPERVISORY BOARD

In the period from 17.09.2021, i.e. the publication date of the report for H1 2021, to 05.11.2021, no changes occurred in the ownership of the Issuer's shares by persons managing and supervising it.

8. INFORMATION ON SIGNIFICANT PROCEEDINGS PENDING BEFORE A COURT, COMPETENT AUTHORITY FOR ARBITRATION PROCEEDINGS OR A PUBLIC ADMINISTRATION BODY

The Company participates in proceedings concerning receivables of the total dispute value of PLN 903,189 thousand and in proceedings concerning liabilities of the total value of PLN 586,929 thousand.

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

a) Lublin Oncology Centre (Plaintiff)

Date of filing the suit: 10.09.2015 r.

The value of the dispute: PLN 27,072 thousand

The Plaintiff is suing for payment of contractual penalties for withdrawal from the agreement by the Plaintiff, claim for reduction of remuneration, claim for additional and security work performed by the investor. At the same time, the Company instituted a counterclaim and is claiming from the Ordering Party claims of PLN 32,461,000 concerning remuneration for additional works performed and reimbursement of improperly calculated and deducted contractual penalties. An expert opinion was drawn up in the case, according to which the Plaintiff had no grounds to withdraw from the agreement, and thus charge Mostostal Warszawa with the contractual penalty. The Company also disputes the remaining claims in their entirety. At present a supplementary opinion is being drawn up. Until then, the hearing was adjourned without a date.

(b) Gamma Inwestycje S.A. (Plaintiff)

Date of filing the suit: 29.03.2013 r.

The value of the dispute: PLN 15,784 thousand

On 17.09.2021 the parties entered into a settlement concerning the termination of all court cases between Gamma Inwestycje S.A. and Mostostal Warszawa S.A. On the basis of which the Company will receive the amount of PLN 2.4 million. Payment of this amount exhausts all claims of the Parties covered by the mutual disputes. The proceedings will be discontinued after the above settlement is approved by the Court.

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

Date of filing the suit: 24.07.2017 r.

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

The Claimant is pursuing monetary claims against the Company in relation to the construction of the BB20 biomass unit in Elbląg. The Claimant's demands are based on 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 requires modernisation. Having analysed the claim, the Company is of the opinion that both Energa's claim in respect of contractual penalties for failure to achieve the guaranteed technical parameters of the Unit and its claim for a reduction in the contractual price are unfounded. A reply to the statement of claim together with a counterclaim in respect of the amount of PLN 7,378 thousand was submitted by Mostostal Warszawa S.A. on 15.12.2017. We are awaiting the preparation of an opinion by a court expert. On 05.07.2021 the expert opinion was delivered, which confirms that the obstacles that caused the delay were not on the side of the Contractor. The parties have responded to the opinion.

(d) Agencja Rozwoju Miasta S.A. (Plaintiff)

Date of filing the suit: 22.07.2016 r.,

The value of the dispute: PLN 20,822 thousand

The Plaintiff is demanding from the Company the payment of contractual penalties for delays in the performance of construction works of the Entertainment and Sports Hall Czyżyny in Kraków - currently TAURON Arena Kraków. Having analysed the statement of claim, the Company disputes in its entirety, both in principle and in amount, the claims raised by the Claimant and takes the position that there were no grounds for charging contractual penalties. The Company also filed a counterclaim against the Claimant for claims for additional works and the remuneration remaining to be paid in connection with the construction of the Entertainment and Sports Hall Czyżyny in Kraków in the amount of PLN 16,439 thousand.

(e) Biomatec Sp. z o.o. (Plaintiff)

Date of filing the suit: 26.05.2014 r.

The value of the dispute: PLN 22,876 thousand

The Plaintiff is demanding from Mostostal Warszawa S.A. payment of remuneration for subcontractor works performed within the investment project Construction of a 20 MWe Biomass-fired Power Unit at Energa Kogeneracja Sp. z o.o. The claim for payment is based on the allegation that Mostostal withdrew from the agreement with the Plaintiff in a situation when the Plaintiff was ready to perform it, i.e. there were obstacles to the performance of the aforementioned agreement but on Mostostal's side). The Company disputes the validity of the Plaintiff's claims in their entirety. In the case an expert opinion and two supplementary expert opinions were drawn up. The conclusions of all three opinions are unfavourable for the Respondent, therefore Mostostal

Warszawa S.A. raised extensive objections to them. On 02.07.2020 The Court dismissed Mostostal Warszawa S.A.'s motion to appoint a new expert and closed the hearing. In the verdict of 31.07.2020 the court dismissed the claim in its entirety. Biomatec has filed an appeal, but it has not yet been delivered to the attorney of Mostostal Warszawa S.A. By a judgment of October 21, 2021, the Court of Appeal quashed the judgment and remitted the case for reconsideration.

(f) CESTAR Andrzej Cebula and Jerzy Starski Spółka jawna w restrukturyzacji (Plaintiff)

Date of filing suit: 16.11.2016 and 20.03.2017,

Total value of disputes: PLN 14,667 thousand

The Plaintiff is claiming from Mostostal Warszawa S.A. remuneration for the works within the framework of the investment project "Canalisation of the area of the Zielonka Forest Landscape Park and surroundings" Contract IX - Wastewater treatment plant basin in Szlachcina - Task 6 - Murowana Goślina Commune, issued in connection with Task No. 23 and Task No. 24. Mostostal Warszawa S.A. requested that the case be dismissed. On 6.09.2019. The Court issued a decision to take evidence from an opinion of a research institute. SIDiR submitted its opinion on 17.08.2020. The opinion is unfavourable for Mostostal Warszawa. On October 31st 2020. The Company filed objections to the opinion. By order of 8 February 2021, the court admitted expert evidence. We are awaiting the date of the hearing.

(g) Rafako S.A. (Plaintiff)

Date of filing the suit: 31.03.2017 r.,

The value of the dispute: PLN 16,157 thousand.

Rafako S.A. is claiming payment from the Company for the construction work performed by the Plaintiff under a subcontractor agreement within the scope of the Construction of a Waste Thermal Treatment Facility for the Szczecin Metropolitan Area in Szczecin. The Company disputes the amount of the claim, pointing out that the Claimant failed to present any evidence as to the amount of the claim. In the case an expert opinion was drawn up confirming the legitimacy of Rafako's claims. Mostostal has raised objections to the opinion. We are waiting for a supplementary opinion.

(h) Waagner - Biro Austria Stage Systems GmbH (Plaintiff)

Date of filing the suit: 09.10.2014 r.,

The value of the dispute: PLN 10,810 thousand.

The Plaintiff is demanding payment from the Company for deliveries and works performed by the Plaintiff as part of the investment involving the construction of the National Forum of Music in Wrocław, as well as payment of a contractual penalty and reimbursement of storage costs. The Company contests the legitimacy of the claim. An expert opinion has been issued recognising the legitimacy of the claim in the amount of PLN 4.4 million. Mostostal is contesting the opinion to this extent and has requested a supplementary opinion. The proceedings have been suspended until a common court rules on a potential appeal to set aside the arbitration award.

(i) Zakład Unieszkodliwiania Odpadów Sp. z o.o. with its registered office in Szczecin ("ZUO") (counterclaim)

Date of filing suit: 24.01.2019 r.

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

As part of the MW action, the Respondent filed a counterclaim in the amount of PLN 211,839 thousand. The statement of claim was served on MW on 24 January 2019. The counterclaim is currently under review. We have challenged the OEM's claim in its entirety, as it is based on the erroneous assumption that it was the OEM and not Mostostal that effectively withdrew from the contract. A response to the claim was filed on 25.02.2019. Evidence is pending in the case and an expert witness has been selected.

(j) Gamma Inwestycje S.A. (legal successor of Zielona Italia Sp. z o.o.) (Plaintiff)

Date of filing suit: 28.12.2018 r.

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

On 17.09.2021 the parties entered into a settlement concerning the termination of all court cases between Gamma Inwestycje S.A. and Mostostal Warszawa S.A. On the basis of which the Company will receive the amount of PLN 2.4 million. Payment of this amount exhausts all claims of the Parties covered by the mutual disputes. The proceedings will be discontinued after the above settlement is approved by the Court.

(k) Municipality of Wrocław (Applicant)

Date of action 05.03.2021.

Value of the complaint: PLN 15,941 thousand

In its verdict of 23.12.2020 the arbitration court awarded the amount of PLN 29,036 thousand from the Municipality of Wrocław to Mostostal together with interest from 20.01.2013. On 21.01.2021 Wrocław Municipality paid the amount of PLN 43,501 thousand to the Company. On 5.03.2021 the Municipality of Wrocław appealed to the court to set aside the arbitration award in the amount of 15.941 thousand. The Court accepted the complaint in part and waived the verdict as regards the amount of PLN 3,141,000. Mostostal is considering filing a cassation appeal.

Proceedings with the highest value of litigation (Mostostal Warszawa S.A. as the plaintiff):

a) State Treasury - General Director for National Roads and Motorways (Respondent)

Date of action 03.06.2012

The value of the dispute: PLN 36,961 thousand

Action brought by Mostostal Warszawa S.A. and other consortium members against the Defendant in respect of the agreement for the "Design and Construction of the A-2 Stryków-Konotopa Motorway, section from km 394+500 to km 411+465.8". The plaintiffs are demanding an increase in the fee payable under the agreement by PLN 36,961 thousand, including PLN 18,850 thousand payable to Mostostal Warszawa S.A., due to an extraordinary increase in the prices of liquid fuels and asphalts, and payment of the above amount. The proceedings were originally conducted before the Regional Court in Warsaw, which dismissed the claim in its entirety. As a result of the claimants' appeal, in its judgment of 16 March 2017. The Court of Appeal in Warsaw repealed the judgment of the Regional Court and transferred the case back to it for re-examination. An expert opinion was drawn up in the case. Part of the amount claimed in court is presented in assets due to the execution of construction contracts. An expert opinion was drawn up in the case and a new opinion of an institute in order to determine the fuel consumption of the works.

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

Date of action 09.09.2013.

Dispute value PLN 61,857 thousand

Action brought by Mostostal Warszawa S.A. and Acciona against the Respondent for repair of damage sustained, repayment of improperly calculated contractual penalties and payment of outstanding remuneration by the Respondent in connection with the execution of the Agreement for the construction of a bridge over the Oder River with approach flyovers along the section from km 18+174 to 19+960 within the Wrocław A8 Motorway Bypass. The proceedings are pending before the Regional Court in Warsaw. An expert opinion has been prepared in the case. Part of the amount claimed in court is presented in assets resulting from construction contracts.

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

Date of action 29.03.2013.

Value of litigation PLN 15,785 thousand

On 17.09.2021 the parties entered into a settlement concerning the termination of all court cases between Gamma Inwestycje S.A. and Mostostal Warszawa S.A. On the basis of which the Company will receive the amount of PLN 2.4 million. Payment of this amount exhausts all claims of the Parties covered by the mutual disputes. The proceedings will be discontinued after the above settlement is approved by the Court.

(d) State Treasury Ministry of National Defence (Respondent)

Date of action 23.06.2010

Value of the dispute PLN 19,093 thousand

Claims of consortium Mostostal Warszawa S.A. - Unitek Ltd for additional remuneration and reimbursement of costs incurred in relation to the performance of a contract for the development of Investment Package CP 2A0022, under which the consortium acted as a substitute investor. During the performance of the contract, for reasons beyond the control of the claimants, there were changes in the scope and shape of the investment, resulting in additional costs. On 10.10.2016. The Court awarded the plaintiffs the amount of PLN 7,142 thousand with interest from 3.08.2010. It dismissed the claim in the remaining scope. The plaintiffs appealed against the above judgment. On 8 November 2018. The Court of Appeal in Warsaw amended the judgment of the Court of First Instance in such a way that it dismissed the claim as regards 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 together with due interest. On 15.02.2019. Mostostal Warszawa S.A. filed a cassation appeal against the judgment of the Court of Appeal. On 8.11.2019. Supreme Court accepted the complaint for examination. In a judgment dated 30.03.2021. The Supreme Court revoked the judgment of the Court of Appeal in its entirety and remitted the case to the Court of Appeal for examination.

(e) State Treasury - General Director for National Roads and Motorways (Respondent)

Date of action 30.05.2012

Value of litigation 194.196 thousand PLN

Together with the consortium, the Company filed a lawsuit with the Regional Court in Warsaw against the Defendant to amend the wording of agreement no. 2811/3/2010 of 26 February 2010 on the performance of works regarding the construction of the A-4 Tarnów-Rzeszów motorway, section from the Rzeszów Centralny interchange to the Rzeszów Wschód interchange, km. 574+300 to approx. 581+250 through increasing the gross remuneration to PLN 194,196 thousand (after a few revisions), and (ii) the claimed payment of the remuneration due, deducted as a contractual penalty, to PLN 13,244 thousand. As a result of the partial judgement of the Court of Appeal of 30.04.2021, the amount of PLN 13,244,000 together with interest in the amount of PLN 9,822,000 was awarded to the Company. The judgement is final and was paid by the Defendant. As regards the remaining amount (i.e. PLN 194,196,000), the proceedings in the second instance are pending. Part of the amounts claimed in court is presented by the Company under assets resulting from the performance of construction contracts.

(f) State Treasury - General Director for National Roads and Motorways (Respondent)

Date of action 02.07.2013.

Value of litigation PLN 25,537 thousand

The Company and the consortium member filed a lawsuit with the Regional Court in Warsaw against the Defendant for modification of the legal relationship by amending Contract No. 210/RK/110/2009/2010 of 1.09.2010 for execution of works consisting in extension of road S-7 to the parameters of a dual carriageway within the section of Kielce bypass, Kielce (DK 73 Wiśniówka junction) - Chęciny (Chęciny junction) by way of increasing the remuneration by the gross amount of PLN 25,537 thousand due to extraordinary increase in the prices of liquid fuels, asphalts and steel. Part of the amount claimed in court is presented in assets resulting from construction contracts. A court expert opinion was prepared in the case. The District Court in its verdict of 22.12.2020 increased the remuneration of Mostostal and Acciona by PLN 13,580 thousand. The Company filed an appeal on 18.03.2021. We expect an appeal hearing to be scheduled.

(g) State Treasury - General Director for National Roads and Motorways (Respondent)

Date of action 23.05.2014.

Value of the dispute PLN 103,644 thousand

Action by the Company and other consortium members against the Respondent is pending before the Regional Court in Warsaw. The case concerns compensation for damage suffered by the plaintiffs as a result of improper description of the Ordering Party's Requirements regarding ten Engineering Works and the bridge over the Rawka River, which the contractor was obliged to execute under the agreement entitled "Design and Construction of the A-2 Stryków-Konotopa Motorway along the section from km 394+500 to km 411+465.8". The plaintiffs requested that the amount of PLN 103,644 thousand be adjudged against the defendant in favour of the plaintiffs, of which the Company is entitled to PLN 81,824 thousand. Part of the amount claimed in court is presented in assets due to the performance of construction contracts. An expert opinion was prepared in the case. The court ordered a supplementary opinion.

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

Date of action 09.05.2013.

Value of the dispute: PLN 52,344 thousand

On 17.09.2021 the parties entered into a settlement concerning the termination of all court cases between Gamma Inwestycje S.A. and Mostostal Warszawa S.A. On the basis of which the Company will receive the amount of PLN 2.4 million. Payment of this amount exhausts all claims of the Parties covered by the mutual disputes. The proceedings will be discontinued after the above settlement is approved by the Court.

(i) Lublin Oncology Centre (Respondent)

Date of action 03.10.2014.

Value of the dispute: PLN 32,461 thousand

In an action brought against the Respondent, Mostostal Warszawa S.A. and its consortium members are pursuing claims for payment in respect of the construction of the Lublin Oncology Centre. The case is pending before the Regional Court in Lublin. The aforementioned lawsuit amount consists of claims for: (i) payment for works undisputedly performed, (ii) interest for delays in payments during the performance of the contract, (iii) reimbursement of improperly calculated and deducted contractual penalties, (iv) other claims in which the plaintiffs seek payment for materials purchased and left for incorporation, costs of maintaining warranties, and lost profits. In the proceedings in question, the Respondent filed a counterclaim in which it demands that the Claimant pay the total amount of PLN 27,072 thousand. Part of the amount claimed in court is presented by the Company under trade and other receivables in the group of overdue receivables for which no impairment losses were recognised, and under assets due to the performance of construction contracts. An expert opinion has been prepared in this case. At present, a supplementary opinion is being prepared. The parties received the supplementary opinion and responded to it in writing. The Court obliged the Expert to take a stand.

(j) Agencja Rozwoju Miasta S.A. (Respondent)

Date of action 28.04.2017.

Value of the dispute PLN 23,017 thousand

Mostostal Warszawa S.A. filed a counterclaim against the Defendant for payment of the amount of additional works connected with the construction of the "Czyżyny" Sports and Entertainment Arena in Kraków. Part of the amount claimed in court is presented by the Company in the item of trade receivables and other receivables in the group of overdue receivables for which no revaluation write-offs were created and in assets resulting from the performance of construction contracts. As no agreement has been reached through mediation, the case will continue before the court.

(k) Gamma Inwestycje S.A. (formerly Zielona Italia Sp. z o.o.) (Respondent)

Date of action 07.06.2013.

Value of litigation PLN 9,963 thousand

On 17.09.2021 the parties entered into a settlement concerning the termination of all court cases between Gamma Inwestycje S.A. and Mostostal Warszawa S.A. On the basis of which the Company will receive the amount of PLN 2.4 million. Payment of this amount exhausts all claims of the Parties covered by the mutual disputes. The proceedings will be discontinued after the above settlement is approved by the Court.

(l) Zakład Unieszkodliwiania Odpadów Sp. z o.o. (Respondent)

Date of action 10.02.2017.

Value of litigation 33,770 thousand PLN

A dispute for payment by way of unjust enrichment in connection with the performance by the Respondent of a bank performance bond granted to the Respondent at the request of Mostostal Warszawa S.A. as part of an investment project entitled Construction of a Thermal Waste Neutralisation Facility for the Szczecin Metropolitan Area in Szczecin. On 29 March 2018. The Regional Court in Szczecin awarded Mostostal Warszawa S.A. the amount of PLN 33,770 thousand with interest. On 30 May 2018. The Respondent filed an appeal against the judgment. In its verdict of 4.12.2018, the Court of Appeal dismissed the Respondent's appeal in its entirety. MW initiated enforcement proceedings against the Respondent. 5.02.2019 r. The Respondent filed a cassation appeal with a motion to stay enforcement of the judgments. The Court of Appeal granted the Respondent's motion to stay the execution of the judgments until the cassation appeal was resolved by the Supreme Court. As a result of the Court of Appeal's decision, enforcement proceedings against the Respondent were suspended. The amount claimed in court is presented by the Company under trade and other receivables in the group of overdue receivables for which no impairment losses have been recognised. On 29.06.2021 the Supreme Court revoked the verdict of the Court of Appeal and returned the case for reconsideration.

m) State Treasury - General Director for National Roads and Motorways (Respondent)

Date of action 17.05.2017.

Value of the dispute PLN 29,063 thousand

Mostostal Warszawa S. A. and its consortium are demanding payment for additional costs arising from the performance of contract No. 122/2010 of 31.08.2010 concluded with the Respondent for the execution of works consisting in "Extension of National Road No. 8 to the parameters of an expressway within the section from the

border of Mazowieckie/Łódzkie Voivodeship to Radziejowice". The proceedings are pending before the Regional Court in Warsaw. At present, the expert is being selected. Part of the amount claimed in court is presented in assets resulting from construction contracts.

n) State Treasury - General Director of National Roads and Motorways (Respondent)

Date of action 03.07.2017.

Value of litigation PLN 20,614 thousand

The Company and the consortium member filed a lawsuit with the Regional Court in Warsaw against the Defendant for compensation in favour of the Plaintiff jointly and severally of the amount of PLN 20,614 thousand with statutory interest for delay from the day of filing the lawsuit until the day of payment. The object of the dispute is the reimbursement from the Defendant to the Plaintiff of the costs of carrying out works on the extension of road S-7 to the section of Kielce bypass, contract no. 210/RK/110/2009/2010 of 01.09.2010 for the performance of works consisting in the extension of road S-7 to the parameters of a dual carriageway on the section of Kielce bypass, Kielce (DK 73 Wiśniówka junction) - Chęciny (Chęciny junction) within an extended time to completion. Part of the amount claimed in court is presented in assets due to the performance of construction contracts. An expert opinion was commissioned in the case. On 14 May 2021, we received a partially favourable expert opinion.

(o) Energa Kogeneracja Sp. z o.o. (Respondent)

Date of filing suit: 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 with statutory interest from the date of filing the suit to the date of payment plus costs. Mostostal Warszawa S.A. is demanding payment for construction works performed as part of an investment project: 20 MWe Power Block in Elbląg. The Respondent paid the Claimant only a part of the amount due on account of the performed works. The principal amount due results from invoices that were reduced by deductions due to contractual penalties that, in Mostostal Warszawa S.A.'s opinion, were unjustified. The Respondent had no right to charge contractual penalties, since the delay occurred due to circumstances for which Mostostal Warszawa S.A. was not responsible. The contractual penalty charged by the Respondent is grossly excessive. On 2 February 2018. The Regional Court in Gdańsk, 9th Commercial Department issued a payment order in the proceedings by writ of payment. On 23 February 2018. The Respondent filed an objection to the order for payment. On 10 April 2018. Mostostal Warszawa S.A. submitted a reply to the objection to the order for payment. Evidence proceedings are in progress. A court expert has been selected to prepare an opinion in the case. On 05.07.2021 we received a positive opinion of the expert, which confirms that the delay was not caused by the Contractor.

(p) Zakład Unieszkodliwiania Odpadów Sp. z o.o. (Respondent)

Date of action 15.01.2018.

Value of the dispute PLN 90,141 thousand

Mostostal Warszawa S.A. brought an action for the payment of PLN 90,141 thousand with statutory interest for delay from 28 November 2016 to the date of payment. By the said statement of claim Mostostal Warszawa S.A. seeks from the Respondent payment of remuneration for works, deliveries, projects and other services performed for the benefit of the Respondent up to the date of withdrawal by Mostostal Warszawa S.A. from the contract for the construction of the Thermal Waste Neutralisation Plant in Szczecin, i.e. up to 14 June 2016, for which Mostostal Warszawa S.A. did not receive remuneration within the interim payment certificates issued every month. The reply to the Respondent'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 opinion of the Company without any grounds. The resolution of the case will be subject to the assessment of an expert witness. Evidentiary proceedings are pending in the case and an expert has been selected. Part of the amount claimed in court is presented by the Company under trade and other receivables in the group of overdue receivables for which no impairment losses have been recognised.

(r) State Treasury - General Director for National Roads and Motorways (Respondent)

Date of filing suit: 24.01.2018 r.

Value of the dispute PLN 98,585 thousand

Mostostal Warszawa S.A., together with the consortium, filed a statement of claim with the Regional Court in Warsaw against the Respondent 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 date of

payment. By means of the Statement of Claim, Mostostal Warszawa S.A. is pursuing claims against the Respondent arising in the course of construction in 2010-2012 of the Tarnów-Rzeszów Wschód section of the A-4 motorway resulting from obstacles encountered by the contractor in the course of construction for which the Respondent is responsible (e.g. unpredictable physical conditions), as well as additional costs related to the extension of the contract execution time. Part of the amount claimed in court is presented under assets due to the performance of construction contracts. On May 28, 2020. The Court hearing the case decided to dismiss the Respondent's motion to dismiss the lawsuit. The Respondent appealed against the said decision. Evidence proceedings are pending.

s) Energa Kogeneracja Sp. z o.o. with its registered office in Elbląg ("Energa") (Respondent)

Date of filing the lawsuit: 15.12.2017

Value of litigation PLN 7,753 thousand

The subject matter of the action brought by Mostostal against Energa Kogeneracja Sp. z o.o. (Energa) is a claim for payment (reimbursement) of contractual penalties that were calculated and paid by Energa from a bank guarantee issued in connection with 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 performed improperly, there were design and workmanship errors that resulted in the unit not reaching guaranteed parameters, for which Energa was entitled to contractual penalties. According to Mostostal the reason for the malfunction of the Unit and the failure to achieve the guaranteed parameters is mainly the operation of the Unit with fuel that does not meet the contractual requirements. An expert is being selected in the case. The amount claimed in court is presented by the Company under trade and other receivables in the group of overdue receivables for which no impairment loss has been recognised.

t) Miejskie Przedsiębiorstwo Wodociągów i Kanalizacji m.st. Warszawa S.A. ("MPWiK") (Respondent)

Date of filing suit: 4.03.2019 r.

Dispute value: PLN 9,438 thousand

A lawsuit for payment for the amount paid by MPWiK - without factual and legal basis - from the guarantee of due performance of the contract. On 12.03.2019. The Court issued a payment order in the writ of payment procedure in favour of Mostostal. The defendant filed an objection to the payment order. It indicated therein that it executed a performance bond in connection with corrosion of technological pipelines. The reasons for the corrosion were, on the one hand, the use of the wrong type of steel and, on the other hand, execution errors in the welding process. On 09.08.2019. Mostostal filed a reply to the objection, in which it indicated that as at the date of the bank's request for payment of the guarantee amount, the respondent was not entitled to a specific, e.g. as to the amount, due claim included in improper performance or non-performance of the contract. Evidentiary proceedings are pending. The amount claimed in court is presented by the Company under trade and other receivables in the group of overdue receivables for which no revaluation write-downs have been made.

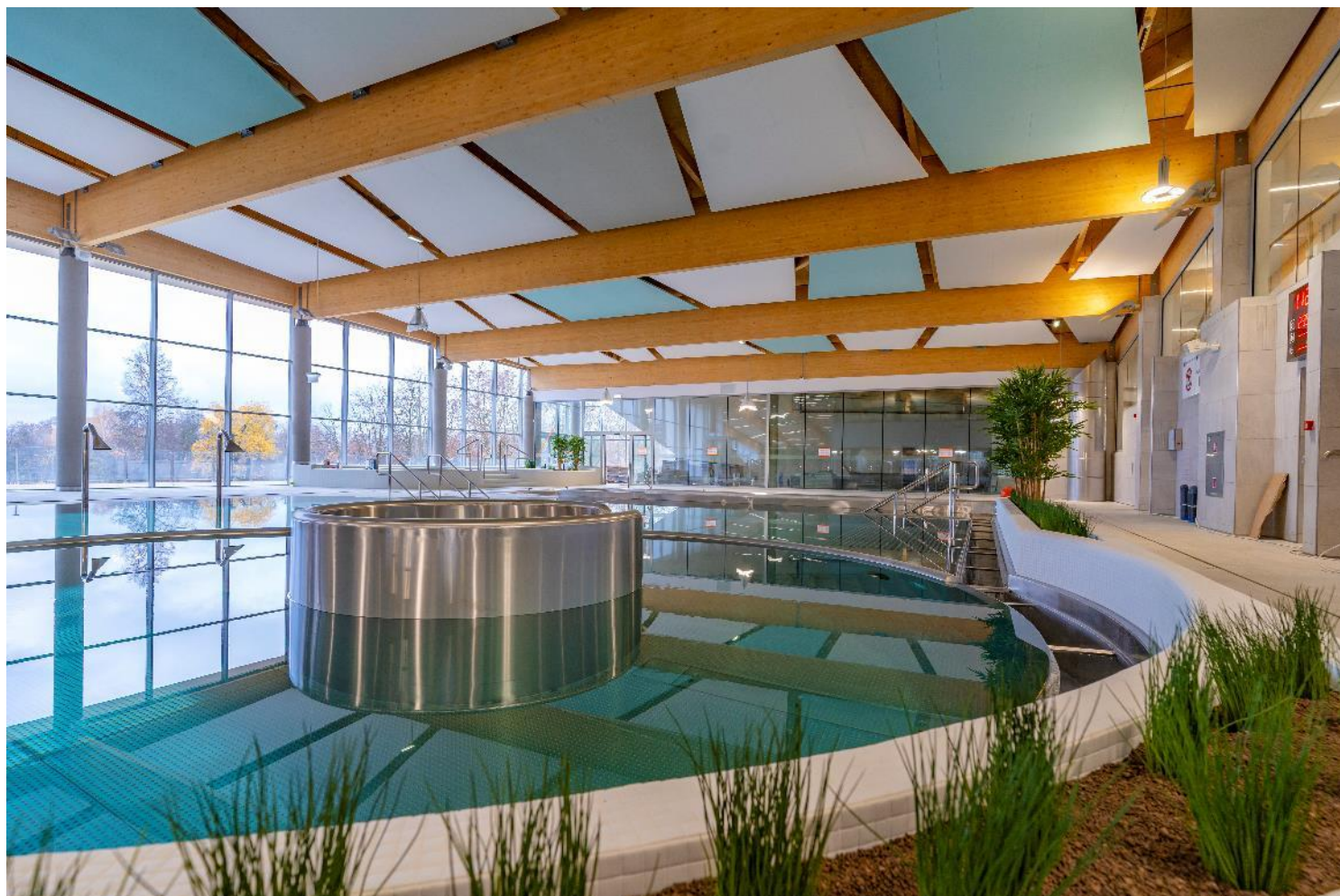
u) PERN S.A. (Respondent)

On 31.03.2021 the Consortium of companies Mostostal Płock S.A. - Consortium Leader (58.3% share in the Consortium) and Mostostal Warszawa S.A. - Consortium Partner (41.7% share in the Consortium) hereinafter referred to as "Plaintiff", filed a statement of claim against PERN S.A. with the Court of Arbitration at the Confederation of Leviathan, in which the Parties seek compensation for payment of unduly set-off contractual penalties in the amount of PLN 3,521,000, compensation for the amount of PLN 1,154,000 for additional works and establishment that PERN S.A. is not entitled to claim payment of contractual penalties by the Claimant in the total amount of PLN 11,934,000. The parties negotiated the terms of the settlement. The assumptions adopted for its conclusion were taken into account in the financial result for 3 quarters of 2021.

Part of the claims from the above-mentioned court cases was recognized by the Company in contract budgets and included in revenues of previous years. Details are described in Note 4 of Additional information and explanations to the condensed interim separate financial statements for the period 01.07.2021 - 30.09.2021.

9. INFORMATION ON TRANSACTIONS WITH RELATED ENTITES

The Company entered into transactions with related parties on an arm's length basis. Information on transactions with related entities have been presented in Note 21 of Additional information and explanations to the condensed interim unconsolidated financial statements for the period 01.07.2021 - 30.09.2021.



Sports Centre in Zduńska Wola

10. INFORMATION ON SURETIES FOR LOANS OR CREDITS OR GUARANTEES GRANTED BY MOSTOSTAL WARSZAWA S.A.

In the reporting period, the Company did not issue sureties for loans or borrowings or guarantees to any single entity of significant value.

11. OTHER INFORMATION IMPORTANT FOR THE ASSESSMENT OF THE COMPANY'S SITUATION

In the opinion of the Management Board there is no other information essential for the assessment of the Company's situation, other than mentioned in the notes to the condensed separate financial statements for the period 01.07.2021 - 30.09.2021 and other items of information to the condensed separate financial statements for the period 01.07.2021 - 30.09.2021.



BaseCamp student house in Katowice

12. FACTORS THAT WILL INFLUENCE THE RESULTS TO BE ACHIEVED IN AT LEAST THE NEXT QUARTER

Factors that may affect the Company's results in the outlook for the next quarter include:

- a) the risk of changes in the prices of construction materials and subcontractor services,
- b) foreign exchange risk, which affects the valuation of loan liabilities,
- c) high competition on the construction and installation services market,
- d) slowing down of investment processes,
- e) coronavirus pandemic and the related declaration of a state of epidemiological emergency on the territory of the Republic of Poland.

Warsaw, 05.11.2021 r.

Name	Position	Signatures
Carlos Enrique Resino Ruiz	Member of the Management Board	
Jarosław Reszka	Proxy	

Mostostal

W A R S Z A W A

Kontakt:

Mostostal Warszawa S.A.

ul. Konstruktorska 12A, 02-673 Warszawa

tel. +48 22 250 70 00, fax: +48 22 250 70 01

www.mostostal.waw.pl