



**CONDENSED CONSOLIDATED INTERIM  
FINANCIAL STATEMENTS  
MOSTOSTAL WARSZAWA CAPITAL GROUP**

**for the period 01.01.2021 - 31.03.2021**

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**CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
**for the 3-month period from 01.01.2021 to 31.03.2021**

L.P	CONTINUING OPERATIONS	2021 period from 01.01.2021 to 31.03.2021	2020 period from 01.01.2020 to 31.03.2020
<b>I</b>	<b>Sales revenues</b>	<b>210 241</b>	<b>313 027</b>
	Revenues from construction contracts	208 288	310 778
	Revenue from sale of services	478	1 400
	Revenue from sale of goods and materials	1 475	849
<b>II</b>	<b>Cost of sales</b>	<b>190 634</b>	<b>285 953</b>
<b>III</b>	<b>Gross profit / (loss) on sales</b>	<b>19 607</b>	<b>27 074</b>
<b>IV</b>	General administrative expenses	16 568	17 042
<b>V</b>	Other operating income	1 165	3 413
<b>VI</b>	Other operating expenses	603	572
<b>VII</b>	<b>Operating profit / (loss)</b>	<b>3 601</b>	<b>12 873</b>
<b>VIII</b>	Financial income	1 921	1 012
<b>IX</b>	Financial costs	2 400	16 328
<b>X</b>	<b>Gross profit / (loss)</b>	<b>3 122</b>	<b>-2 443</b>
<b>XI</b>	Income tax	1 102	993
<b>XII</b>	<b>Net profit / (loss) from continuing operations</b>	<b>2 020</b>	<b>-3 436</b>
<b>XIII</b>	Net profit / (loss) for the period from discontinued operations	0	0
<b>XIV</b>	<b>Net profit / (loss) for the period</b>	<b>2 020</b>	<b>-3 436</b>
<b>XV</b>	Net profit / (loss) attributable to shareholders of the Parent Company	1 408	-3 917
<b>XVI</b>	Net profit / (loss) attributable to non-controlling shareholders	612	481

**Earnings per share**

SPECIFICATION	2021 period from 01.01.2021 to 31.03.2021	2020 period from 01.01.2020 to 31.03.2020
Weighted average number of ordinary shares	20 000 000	20 000 000
Net profit (loss) per ordinary share (in PLN)	0,10	-0,17
Diluted net profit (loss) per ordinary share (in PLN)	0,10	-0,17

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

**for the 3-month period from 01.01.2021 to 31.03.2021**

	SPECIFICATION	2021 period from 01.01.2021 to 31.03.2021	2020 period from 01.01.2020 to 31.03.2020
	<b>Net profit / (loss) for the period</b>	<b>2 020</b>	<b>-3 436</b>
	<b>Other comprehensive income that will subsequently be reclassified to profit or loss when certain conditions are met:</b>	<b>100</b>	<b>-416</b>
	Foreign exchange differences on translation of foreign operations	100	416
	<b>Other comprehensive income before tax</b>	<b>100</b>	<b>-416</b>
	Income tax relating to components of other comprehensive income	0	0
	<b>Other net comprehensive income</b>	<b>100</b>	<b>-416</b>
	<b>Total income</b>	<b>2 120</b>	<b>-3 852</b>
	attributed to:		
	Shareholders of the Parent Company	1 508	-4 333
	To non-controlling shareholders	612	481

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

L.P	ASSETS	30.03.2021	31.12.2020	30.03.2020
<b>I.</b>	<b>Fixed assets (long-term)</b>	<b>130 353</b>	<b>130 705</b>	<b>117 418</b>
I.1	Intangible assets	1 408	1 557	2 000
I.2	Rights of use	44 777	46 006	39 015
I.3	Tangible fixed assets	34 478	34 852	31 280
I.4	Long-term deposits under construction contracts due from customers	14 271	15 604	11 058
I.5	Investment properties	0	0	5 073
I.6	Long-term financial assets	12	12	12
I.7	Deferred tax assets	30 052	27 305	27 205
I.8	Long-term accruals and deferred income	5 355	5 369	1 775
<b>II.</b>	<b>Current assets (short-term)</b>	<b>703 032</b>	<b>832 459</b>	<b>906 876</b>
II.1	Stocks	32 212	20 654	21 202
II.2	Trade receivables	314 238	337 291	369 308
II.3	Income tax receivables	701	539	205
II.4	Other receivables	1 368	5 622	634
II.5	Advances on works	6 111	12 144	5 670
II.6	Cash and cash equivalents	106 830	183 289	169 365
II.7	Short-term financial assets	129	59	291
II.8	Assets resulting from construction contracts	234 707	267 483	334 947
II.9	Other accruals and deferred income	6 736	5 378	5 254
	<b>TOTAL ASSETS</b>	<b>833 385</b>	<b>963 164</b>	<b>1 024 294</b>
L.P	LIABILITIES	30.03.2021	31.12.2020	30.03.2020
<b>I</b>	<b>Equity (attributable to shareholders of the Parent Company)</b>	<b>44 826</b>	<b>43 091</b>	<b>32 834</b>
I.1	Stated capital	44 801	44 801	44 801
I.2	Share premium	108 406	108 406	108 406
I.3	Other reserves	22 742	22 742	30 109
I.4	Reserve capital from reclassification of loans	201 815	201 815	201 815
I.5	Exchange differences on translation of foreign subsidiaries/branches	-552	-652	-1 274
I.6	Retained earnings / (Uncovered losses)	-332 386	-334 021	-351 023
<b>II.</b>	<b>Non-controlling shareholders' equity</b>	<b>13 784</b>	<b>13 172</b>	<b>11 397</b>
<b>III.</b>	<b>Total equity</b>	<b>58 610</b>	<b>56 263</b>	<b>44 231</b>
<b>IV.</b>	<b>Long-term liabilities</b>	<b>237 487</b>	<b>112 268</b>	<b>256 464</b>
IV.1	Interest-bearing bank loans and borrowings	132 315	0	133 483
IV.2	Long-term lease liabilities	24 868	26 505	22 644
IV.3	Long-term deposits under construction contracts due to suppliers	42 668	44 556	37 305
IV.4	Long-term liabilities due to execution of construction contracts	27 193	30 114	52 798
IV.5	Long-term provisions	10 443	11 093	10 234
<b>V.</b>	<b>Current liabilities</b>	<b>537 288</b>	<b>794 633</b>	<b>723 599</b>
V.1	Current portion of interest-bearing bank loans and borrowings	2 722	206 480	104 905
V.2	Short-term leasing liabilities	10 323	10 346	8 904
V.3	Trade payables	175 043	201 721	252 199
V.4	Income tax	1 612	3 096	56
V.5	Other liabilities	27 796	39 360	30 535
V.6	Short-term liabilities due to execution of construction contracts	117 301	122 298	135 018
V.7	Short-term provisions	15 774	17 826	12 305
V.8	Employee benefit obligations	6 544	9 009	6 710
V.9	Other accruals and deferred income	180 173	184 497	172 967
<b>VI.</b>	<b>Total liabilities</b>	<b>774 775</b>	<b>906 901</b>	<b>980 063</b>
	<b>Total equity and liabilities</b>	<b>833 385</b>	<b>963 164</b>	<b>1 024 294</b>

**CONSOLIDATED CASH FLOW STATEMENT**  
**for the 3-month period from 01.01.2021 to 31.03.2021**

L.P	SPECIFICATION	2021 period from 01.01.2021 to 31.03.2021	2020 period from 01.01.2020 to 31.03.2020
<b>I</b>	<b>Cash flows from operating activities</b>		
<b>I.1</b>	<b>Gross profit (loss)</b>	<b>3 122</b>	<b>-2 443</b>
<b>I.2</b>	<b>Adjustments for items:</b>	<b>3 497</b>	<b>-66 308</b>
I.2.1	Depreciation	4 287	3 899
I.2.2	Exchange rate differences	-1 099	15 213
I.2.3	Interest	2 709	2 022
I.2.4	Profit/loss on investing activities	-134	-542
I.2.5	Increase / decrease in receivables	34 510	-30 328
I.2.6	Increase/decrease in inventories	-11 558	-5 474
I.2.7	Increase / decrease in liabilities, except for loans and borrowings	-40 128	12 983
I.2.8	Change in assets and liabilities arising from construction contracts and accruals	16 723	-56 154
I.2.9	Change in provisions	-2 703	-3 962
I.2.10	Other	890	-3 965
<b>I.3</b>	<b>Cash from operating activities</b>	<b>6 619</b>	<b>-68 751</b>
	Income tax (paid / received)	-6 771	-1 031
<b>I</b>	<b>Net cash from operating activities</b>	<b>-152</b>	<b>-69 782</b>
<b>II</b>	<b>Cash flows from investing activities</b>		
II.1	Sales of property, plant and equipment and intangible assets	346	685
II.2	Acquisition of tangible and intangible fixed assets	-2 573	-703
II.3	Acquisition of financial assets	0	0
II.4	Interest received	0	0
II.5	Other	0	0
<b>II</b>	<b>Net cash from investing activities</b>	<b>-2 227</b>	<b>-18</b>
<b>III</b>	<b>Cash flows from financing activities</b>		
III.1	Repayment of lease liabilities	-1 722	-1 929
III.2	Proceeds from loans/credits	29	9 852
III.3	Repayment of loans / credits	-66 700	-40 322
III.4	Interest paid	-5 662	-2 092
III.5	Other	-25	-27
<b>III</b>	<b>Net cash from financing activities</b>	<b>-74 080</b>	<b>-34 518</b>
<b>IV</b>	<b>Change in cash and cash equivalents before exchange differences</b>	<b>-76 459</b>	<b>-104 318</b>
	Change in cash and cash equivalents due to exchange differences	0	0
<b>V</b>	<b>Change in cash and cash equivalents net of exchange differences</b>	<b>-76 459</b>	<b>-104 318</b>
<b>VI</b>	<b>Cash and cash equivalents at beginning of period</b>	<b>183 289</b>	<b>273 683</b>
<b>VII</b>	<b>Cash and cash equivalents at the end of the period</b>	<b>106 830</b>	<b>169 365</b>

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<b>2021 YEAR period from 01.01.2021 to 31.03.2021</b>	Stated capital	Share premium	Other reserves	Reserve capital from reclassificatio n of loans	Exchange differences on translation of foreign branches	Retained earnings / uncovered losses	<b>Equity (attributable to shareholders of the Parent Company)</b>	Attributable capital to non-controlling shareholders	<b>Equity total</b>
As at 1 January 2021	44 801	108 406	22 742	201 815	-652	-334 021	<b>43 091</b>	13 172	<b>56 263</b>
Profit (loss) for the period	0	0	0	0	0	1 408	<b>1 408</b>	612	<b>2 020</b>
Other comprehensive income	0	0	0	0	100	0	<b>100</b>	0	<b>100</b>
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100</b>	<b>1 408</b>	<b>1 508</b>	<b>612</b>	<b>2 120</b>
Distribution of retained earnings	0	0	0	0	0	227	<b>227</b>	0	<b>227</b>
<b>Change in capital in the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100</b>	<b>1 635</b>	<b>1 735</b>	<b>612</b>	<b>2 347</b>
<b>As at 31 March 2021</b>	<b>44 801</b>	<b>108 406</b>	<b>22 742</b>	<b>201 815</b>	<b>-552</b>	<b>-332 386</b>	<b>44 826</b>	<b>13 784</b>	<b>58 610</b>

<b>2020 period from 01.01.2020 to 31.12.2020</b>	Stated capital	Share premium	Other reserves	Reserve capital from reclassificatio n of loans	Exchange differences on translation of foreign branches	Retained earnings / uncovered losses	<b>Equity (attributable to shareholders of the Parent Company)</b>	Attributable capital to non-controlling shareholders	<b>Equity total</b>
As at 1 January 2020	44 801	108 406	30 091	201 815	-858	-344 115	<b>40 140</b>	9 768	<b>49 908</b>
Profit (loss) for the period	0	0	0	0	0	5 825	<b>5 825</b>	2 255	<b>8 080</b>
Other comprehensive income	0	0	24	0	206	-24	<b>206</b>	0	<b>206</b>
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>24</b>	<b>0</b>	<b>206</b>	<b>5 801</b>	<b>6 031</b>	<b>2 255</b>	<b>8 286</b>
Distribution of retained earnings	0	0	-7 373	0	0	4 293	<b>-3 080</b>	1 149	<b>-1 931</b>
<b>Change in capital in the period</b>	<b>0</b>	<b>0</b>	<b>-7 349</b>	<b>0</b>	<b>206</b>	<b>10 094</b>	<b>2 951</b>	<b>3 404</b>	<b>6 355</b>
<b>As at 31 December 2020</b>	<b>44 801</b>	<b>108 406</b>	<b>22 742</b>	<b>201 815</b>	<b>-652</b>	<b>-334 021</b>	<b>43 091</b>	<b>13 172</b>	<b>56 263</b>

**Mostostal Warszawa Capital Group**  
Condensed interim consolidated financial statements for the period 01.01.2021 - 31.03.2021

<b>2020 period from 01.01.2020 to 31.03.2020</b>	Stated capital	Share premium	Other reserves	Reserve capital from reclassificatio n of loans	Exchange differences on translation of foreign branches	Retained earnings / uncovered losses	<b>Equity (attributable to shareholders of the Parent Company)</b>	Attributable capital to non-controlling shareholders	<b>Equity total</b>
As at 1 January 2020	44 801	108 406	30 091	201 815	-858	-344 115	<b>40 140</b>	9 768	<b>49 908</b>
Profit (loss) for the period	0	0	0	0	0	-3 917	<b>-3 917</b>	481	<b>-3 436</b>
Other comprehensive income	0	0	0	0	-416	0	<b>-416</b>	0	<b>-416</b>
<b>Total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-416</b>	<b>-3 917</b>	<b>-4 333</b>	<b>481</b>	<b>-3 852</b>
Distribution of retained earnings	0	0	18	0	0	-2 991	<b>-2 973</b>	1 148	<b>-1 825</b>
<b>Change in capital in the period</b>	<b>0</b>	<b>0</b>	<b>18</b>	<b>0</b>	<b>-416</b>	<b>-6 908</b>	<b>-7 306</b>	<b>1 629</b>	<b>-5 677</b>
<b>As at 31 March 2020</b>	<b>44 801</b>	<b>108 406</b>	<b>30 109</b>	<b>201 815</b>	<b>-1 274</b>	<b>-351 023</b>	<b>32 834</b>	<b>11 397</b>	<b>44 231</b>

## ADDITIONAL INFORMATION AND EXPLANATIONS

### 1. General information

Mostostal Warszawa Capital Group consists of the parent company Mostostal Warszawa S.A. and its subsidiaries. The condensed interim consolidated financial statements of the Capital Group cover the period of 3 months of 2021 and contain comparable data for the period of 3 months of 2020 and, in the case of the statement of financial position prepared as at 31 March 2021, contain comparable data as at 31 December 2020 and 31 March 2020.

Mostostal Warszawa S.A., i.e. the Parent Company, 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 No. KRS: 0000008820. The registered office of Mostostal Warszawa S.A. is in Warsaw, Poland (02-673), 12A Konstruktorska Street. The main scope of activity includes specialist construction works included in the PKD division 4120Z. Mostostal Warszawa Group operates in the European Union market. Shares of Mostostal Warszawa S.A. are listed on the Warsaw Stock Exchange, sector: construction.

The duration of the Parent Company and the companies comprising the Group is indefinite.

The parent company of Mostostal Warszawa S.A. is Acciona Construcción S.A.

The ultimate parent company is Acciona S.A.

### 2. Composition of the Capital Group

In Q1 2021, the consolidated Mostostal Warszawa Group comprises:

Lp.	Company name	Headquarters	Subject of activity	Competent court	Share of Mostostal Warszawa S.A. in votes at the company's General Meeting (31.03.2021)	Mostostal Warszawa S.A. share in the company's share capital (31.03.2021)
1	Mostostal Warszawa S.A. - Parent Company	Warsaw	Construction	District Court for the Capital City of Warsaw, XIII Commercial Division of the National Court Register under number 0000008820	-	-
2	Mostostal Kielce S.A.	Kielce	Construction	District Court in Kielce, 10th Commercial Division of the National Court Register under number 0000037333	100,00%	100,00%
3	AMK Kraków S.A.	Krakow	engineering services, design, construction project management, execution of buildings "turnkey"	District Court for Kraków Śródmieście XI Economic Division of the National Court Register under number 0000053358	100,00%	100,00%
4	Mieleckie Przedsiębiorstwo Budowlane S.A. in liquidation	Mielec	Building and general construction services	District Court in Rzeszów, XII Commercial Division of the National Court Register under number 0000052878	97,14%	97,14%
5	Mostostal Płock S.A.	Plock	Construction	District Court for the Capital City of Warsaw, XIV Commercial Division of the National Court Register under number 0000053336	53,10%	48,69%

6	Mostostal Power Development Sp. z o.o.	Warsaw	Construction	District Court for the Capital City of Warsaw, XIII Commercial Division of the National Court Register under number 0000480032	100,00%	100,00%
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Subsidiaries are all business entities over which the Group exercises control. The Group exercises control over a company when it is exposed to, or entitled to variable financial results from its involvement with that company and has the ability to influence the amount of its results by exercising its authority over that company. Subsidiaries are fully consolidated from the date of transfer of control to the Group. Consolidation shall cease from the date on which control ceases.

As of 31.03.2021 Mostostal Warszawa S.A. held 907,095 ordinary bearer shares and 66,057 registered shares preferred as to voting rights (1 share = 5 votes), accounting for 48.69% of share capital and 53.10% of the total number of votes of Mostostal Płock S.A. Pursuant to Article 4 of the Public Offering Act, the fact that Mostostal Warszawa S.A. holds the majority of votes in the supervisory board of Mostostal Płock S.A., which is authorised to appoint and dismiss members of the management body, as well as the fact of exercising influence on the activities of this company, determines the relation of domination of Mostostal Warszawa S.A. towards Mostostal Płock S.A., which results in consolidation using the full method.

The objective of the Management Board of Mostostal Warszawa S.A. is to maintain a strong position among the largest construction companies in the country. Its achievement will result from actions taken by the Parent Company and the Capital Group aimed at:

- basing its activities on an effective organisational structure guaranteeing the stabilisation of financial results and an increase in margins enabling further development,
- to carry out investments with the highest quality, to ensure safety on construction sites and to support related initiatives,
- strengthening the role of Mostostal Warszawa S.A. as the central management centre of the Capital Group and tightening cooperation within the Capital Group in the development of regional centres,
- maintaining a network of representative offices covering the whole 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; and
- 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 over 70 years of activity.

### **3. Composition of the Management Board and Supervisory Board of the Parent Company**

The Management Board of Mostostal Warszawa S.A. as at 31.03.2021 consisted of:

Miguel Angel Heras Llorente-	President of the Management Board
Jorge Calabuig Ferre -	Vice-President of the Management Board
Carlos Enrique Resino Ruiz -	Member of the Management Board
Jacek Szymanek -	Member of the Management Board

As at 31.03.2021, the Supervisory Board of Mostostal Warszawa S.A. was composed of the following members:

Antonio Muñoz Garrido -	Chairman of the Supervisory Board
José David Márquez Arcos -	Deputy Chairman 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 Ouiza -	Member of the Supervisory Board

#### **4. Approval of the accounts**

These consolidated financial statements were authorised for issue by the Board of Directors of the Parent Company on 21 May 2021.

### **5. Basis of preparation of the consolidated financial statements and accounting policies**

#### **5.1 Basis for the preparation of the condensed interim consolidated financial statements**

The condensed interim consolidated financial statements have been prepared on the assumption that the Parent Company and Group companies will continue as a going concern in the foreseeable future.

The condensed interim consolidated financial statements have been prepared under the historical cost convention.

In Q1 2021, the Capital Group generated a gross profit on sales of PLN 19,607 thousand and achieved a net profit of PLN 2,020 thousand. The total equity of the Capital Group as at 31.03.2021 amounted to PLN 58,610 thousand.

In Q1 2021, the Parent Company repaid a loan with interest in the total amount of PLN 71,014 thousand and signed annexes to two loan agreements with a total amount of PLN 127,350 thousand, which postpone their repayment date to May 2022.

The Parent Company's Management Board does not foresee any direct materially negative impact of the COVID-19 outbreak on the Parent's and the Group's business, financial position and operating results in the medium and long term. However, it cannot be ruled out that the prolonged period of restrictions on business activities, the extension and prolongation of the coronavirus containment measures which are severe for the Polish economy, will have a negative impact on the financial position and operating results of the Parent Company and the Capital Group in the medium and long term. The Management Board of the Parent Company is monitoring the situation on an ongoing basis and will react accordingly to mitigate the impact of these events, should they occur.

Based on the analysis of the projected cash flows, the Management Board of Mostostal Warszawa S.A. estimates that the Parent Company and the Capital Group will have sufficient cash to finance their operating activities for at least 12 months after the balance sheet date. The value of the order portfolio as of 31.03.2021 of Mostostal Warszawa S.A. amounted to PLN 2,605,458 thousand, while of the Capital Group amounted to PLN 2,793,332 thousand. At the same time, the companies of the Capital Group participate in a number of tender procedures, which may translate into winning new orders in the near future.

The Management Board of the Parent Company is of the opinion that, as at the date of approval of these consolidated financial statements, there are no circumstances indicating a threat to the continuity of operations by the Parent Company and companies of the Mostostal Warszawa Capital Group.

## **5.2 Statement of compliance**

These condensed interim consolidated financial statements for the 3-month period ended 31 March 2021 have been prepared in accordance with IAS 34 "Interim Financial Reporting" as approved by the European Union. The condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements of Mostostal Warszawa Capital Group for the year ended 31 December 2020 and the related notes.

Mostostal Warszawa S.A. and AMK Kraków S.A. prepare their individual financial statements in accordance with International Financial Reporting Standards, whereas the remaining companies of the Capital Group keep their accounting books in accordance with accounting policies (principles) specified by the Accounting Act of 29 September 1994 ("the Act") and regulations issued on its basis (collectively: "Polish accounting standards"). The consolidated financial statements include adjustments not disclosed in the books of account of the Group companies, which were made in order to bring the financial statements of those companies to conformity with IFRS.

The condensed interim consolidated financial statements of Mostostal Warszawa Capital Group were not subject to review or audit by a statutory auditor.

## **5.3 Accounting principles**

The detailed accounting policies adopted by Mostostal Warszawa Group are described in the consolidated financial statements for the year ended 31 December 2020.

The accounting policies applied in the preparation of these condensed interim consolidated financial statements are consistent with those applied in the preparation of the annual consolidated financial statements of Mostostal Warszawa Capital Group for the year ended 31 December 2020.

### **Amendments to standards applied for the first time in 2021**

The Group has 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 significant impact on the Group's accounting policies to date.

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

IFRSs as endorsed by the EU do not currently differ significantly from the regulations adopted by the International Accounting Standards Board (IASB), with the exception of the following standards and amendments to standards which, as at the date of this report, 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 standard in the final version is issued (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 endorsement 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 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 had a material impact on the consolidated financial statements if they had been applied by the Group at the balance sheet date.

#### **5.4 Rules adopted for conversion of selected financial data into EURO**

The following rules have been adopted for the calculation of the selected financial figures for Q1 2021 in EUR:

- items of the income statement and statement of cash flows for the first quarter of 2021 were converted at the rate of 4.5721 PLN/EUR being the arithmetic mean of exchange rates announced by the National Bank of Poland for the last days of January, February, March 2021.
- individual asset and liability items of the statement of financial position were converted at the exchange rate as at 31.03.2021, amounting to 4.6603 PLN/EUR.

#### **5.5 Currency of the financial statements**

The condensed interim consolidated financial statements for the first quarter of 2021 have been presented in Polish zloty (PLN) and all values, unless indicated otherwise, have been rounded off to the nearest thousand.

### **6. Long-term construction contracts**

Revenue from construction contracts is adjusted by damages and penalties paid, while the cost of construction works is reduced by damages and penalties received.

The cost of construction works also includes the cost of provisions made for expected losses on contracts disclosed in section 10 of these condensed interim consolidated financial statements.

**Revenues from construction contracts in progress**

SPECIFICATION	31.03.2021	31.12.2020	31.03.2020
Cumulative estimated revenue from uncompleted construction contracts	4 141 317	3 980 191	3 904 209
Cumulative invoiced sales on uncompleted construction contracts	4 074 162	3 913 990	3 763 979
Assets and accruals for construction contracts in progress (per balance)	<b>67 155</b>	<b>66 201</b>	<b>140 230</b>
Advances received for construction contracts in progress	-93 741	-111 340	-162 338
<b>Current and non-current assets and liabilities for construction contracts in progress (per balance)</b>	<b>-26 586</b>	<b>-45 139</b>	<b>-22 108</b>
<b>Reconciliation to items from the statement of financial position:</b>			
Assets and accruals for construction contracts in progress (per balance)	67 155	66 201	140 230
Advances received for construction contracts in progress	-93 741	-111 340	-162 338
Assets due to execution of construction contracts on completed contracts	116 799	160 210	161 676
<b>Current and non-current assets and liabilities under construction contracts (per balance)</b>	<b>90 213</b>	<b>115 071</b>	<b>147 131</b>
of which			
Assets resulting from construction contracts	234 707	267 483	334 947
Long-term liabilities due to execution of construction contracts	27 193	30 114	52 798
Short-term liabilities due to execution of construction contracts	117 301	122 298	135 018

During the execution of long-term construction contracts, unforeseen circumstances may arise that cause losses or deterioration of margins, damages, increased unanticipated expenses, etc.

These circumstances include, in particular:

- an increase in the material scope in relation to the design assumptions (tender specifications) provided to the Group by the Ordering Parties,
- an unforeseeable, extraordinary increase in the prices of: construction materials (including fuel, oil and other materials), transport, equipment rental and construction services,
- the need for longer implementation of contracts, and therefore incurring 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 Group's opinion, these circumstances result in changes to contracts with ordering parties (customers) in accordance with contractual provisions and general legal bases, and the rights to which it is entitled as a result of 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 negotiations, the claims are referred to legal proceedings. The claims submitted to the customers represent additional remuneration that may be received in the event of a favourable outcome of the legal proceedings for the Group.

Purchasers may also make claims against the Group, most commonly in the event of delays in contract performance and where defects and faults are identified. Claims against the Group represent the potential amount of reduction in remuneration to be repaid 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 pronounced in a given case. In the statement of financial position, the Group recognises significant asset balances from construction contracts that are subject to legal proceedings.

Amounts recognised as assets/liabilities for construction contracts reflect the estimated value of variable remuneration:

- (a) the change in the transaction price resulting from a 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) a portion 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 recognised cumulative revenue will not be reversed when uncertainty about the contract modification consideration ceases.

The table below shows the nominal value of the variable remuneration to which the Group will be entitled in the event of a favourable outcome of the legal proceedings, the nominal value of the contract performance liabilities that will be returned to the ordering parties in the event of an unfavourable outcome of the legal proceedings pending against the Group, and the value of the assets and liabilities for the performance of construction contracts related to claims recognised in the statement of financial position.

Claims have been grouped according to the following categories:

- Claims subject to legal proceedings:
  - Resulting from closed contracts, which include claims for payment of the remuneration due deducted from the contractual penalties charged by the ordering party and claims for increase in remuneration due to unforeseeable circumstances,
  - Related to contracts that have not been completed - disputes concerning the determination of the amount of remuneration due to the Group for work performed up to the date of withdrawal from the contract,
- Disputes at the pre-litigation negotiation stage.

<b>31 March 2021</b>	Assets/liabilities arising from construction contracts recognised in the statement of financial position	Nominal amount of variable remuneration due to the Group	Nominal value of remuneration to be returned to contracting authorities
<b>Claims subject to legal proceedings:</b>	<b>259 399</b>	<b>981 877</b>	<b>702 071</b>
Contracts completed and accepted by the contracting authority <i>Assets resulting from construction contracts</i>	141 404	825 505	463 160
Contracts terminated before completion of work <i>Assets resulting from construction contracts</i>	117 995	156 372	238 911
<b>Disputes at the pre-litigation stage</b> <i>Assets resulting from construction contracts</i>	<b>7 445</b>	<b>8 600</b>	<b>11 934</b>

<b>31 December 2020</b>	Assets/liabilities arising from construction contracts recognised in the statement of financial position	Nominal amount of variable remuneration due to the Group	Nominal value of remuneration to be returned to contracting authorities
<b>Claims subject to legal proceedings:</b>	<b>302 194</b>	<b>1 053 316</b>	<b>702 071</b>
Contracts completed and accepted by the contracting authority <i>Assets resulting from construction contracts</i>	141 248	825 505	463 160
Contracts terminated before completion of work <i>Assets resulting from construction contracts</i>	160 946	227 811	238 911
<b>Disputes at the pre-litigation stage</b> <i>Assets resulting from construction contracts</i>	<b>7 445</b>	<b>8 600</b>	<b>11 934</b>

Contract assets relate to the Group's rights to remuneration for work performed but not invoiced 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 usually occurs when an invoice is issued to the customer.

Liabilities for construction contracts primarily relate to accruals, i.e. situations in which the invoiced cumulative value of sales and advances received for construction contracts in progress is higher than sales by degree of performance.

Specification	31.03.2021	31.12.2020	31.03.2020
<b>Long-term liabilities due to execution of construction contracts</b>			
Advances on works	27 193	30 114	52 798
<b>Total</b>	<b>27 193</b>	<b>30 114</b>	<b>52 798</b>
<b>Short-term liabilities due to execution of construction contracts</b>			
Accruals for construction contracts	50 753	41 072	25 478
Advances on works	66 548	81 226	109 540
<b>Total</b>	<b>117 301</b>	<b>122 298</b>	<b>135 018</b>

Assets due to the execution of construction contracts as at 31.03.2021 amounted to PLN 234,707 thousand and in comparison with the state at the end of the previous year decreased by PLN 32,776 thousand. Accruals for the execution of construction contracts amounted to PLN 50,753 thousand and increased by PLN 9,681 thousand compared to the balance as at the end of 2020.

## **7. Significant changes in estimates**

The preparation of interim consolidated 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, the results of which provide a basis for professional judgement. In significant issues, the Management Board may rely on opinions of independent experts when making judgements, estimates or assumptions. The estimates and related assumptions are

reviewed on an ongoing basis. Changes in accounting estimates are recognised prospectively from the period in which the estimate is changed.

An important estimate is the recognition of sales on construction contracts. Group companies recognise revenue on construction contracts based on the measurement of expenditure, measured by the share of costs incurred from the date of contract to the date of revenue determination in the total costs of service provision. Total revenue under long-term construction contracts denominated in foreign currencies is determined based on invoicing up to the balance sheet date and the exchange rate prevailing at the balance sheet date. The budgets of individual contracts are subject to a formal process of updating (revision) based on current information at least once every quarter. In case of events occurring between official budget revisions, which significantly affect the contract result, the value of total contract revenues or costs may be updated earlier.

Information on impairment losses recognised and reversed can be found in notes 9 and 10 of this consolidated report.

Information on provisions reversed and created during the reporting period can be found in note 11 of this report.

Deferred tax assets increased in the reporting period by PLN 2,747 thousand and as at 31.03.2021 amounted to PLN 30,052 thousand. The Group recognises a deferred tax asset based on the assumption that a tax profit will be achieved in the future, allowing for its utilisation. Deterioration of the achieved tax results in the future could cause that all or part of the deferred tax asset would not be realised.

## **8. Seasonal or cyclical nature of the business**

Mostostal Warszawa Capital Group's operations are dependent on weather conditions and in winter periods may be less active than at other times of the year. In Q1 2021, adverse weather conditions affected the Group's operations, which translated into a lower value of sales revenue compared to the same period last year.

## **9. 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 Q1 2021, the Parent repaid the loan with interest in the total amount of PLN 71,014 thousand, which reduced the assets and liabilities of the Group.

## **10. Information on write-downs of inventories to net realisable value and reversals of write-downs**

In Q1 2021, no inventory write-downs were created, a write-down of PLN 7 thousand was used.

## **11. Information about impairment losses on financial assets, property, plant and equipment, intangible assets or other assets and reversals of such losses**

In Q1 2021, allowances for receivables of PLN 68 thousand were created and allowances of PLN 24 thousand were used.

## 12. Information on creation, increase, use and reversal of provisions

Specification	Provisions for awards jubilee and retirement bonuses	Reserve for foreseen losses on contracts	Reserve for repairs warranty	Reserve for matters judicial	Other reserves	Total
As of 01.01.2021	6 850	3 792	12 179	4 748	1 350	28 919
Created during the period	0	0	0	0	0	0
Used	-738	-815	-1 066	-41	-42	-2 702
Solution	0	0	0	0	0	0
<b>As of 31.03.2021</b>	<b>6 112</b>	<b>2 977</b>	<b>11 113</b>	<b>4 707</b>	<b>1 308</b>	<b>26 217</b>
Long-term as at 31.03.2021	2 784	2 961	4 698	0	0	10 443
Short-term as at 31.03.2021	3 328	16	6 415	4 707	1 308	15 774

## 13. Information on material transactions of purchase and sale of tangible fixed assets

Group companies did not enter into any material transactions related to property, plant and equipment in Q1 2021

## 14. Information on significant commitments for the purchase of property, plant and equipment

As there were no material purchases of property, plant and equipment in Q1 2021, no material liabilities arose in respect thereof.

## 15. Information on significant litigation settlements

On 21.01.2021 the Municipality of Wrocław paid Mostostal Warszawa S.A. the amount of PLN 43,501 thousand on the basis of the Arbitration Court's judgment of 23.12.2020. Due to the recognition of the asset on this account in previous years, the implementation of the judgment did not affect the result of the Capital Group in Q1 2021.

## 16. Corrections of prior period errors

There were no corrections of prior period errors in the reporting period.

## 17. Issuance, redemption and repayment of debt and equity securities

In Q1 2021, Mostostal Warszawa S.A. and Group Companies did not issue shares. There were no repayments of debt and equity securities.

## 18. Dividends paid (declared) by the Issuer

In Q1 2021, Mostostal Warszawa S.A. did not pay dividends.

## 19. Changes in the basic management principles in the Parent Company and in the consolidated Group companies

There were no significant changes in the management principles of the Parent Company and the Group during the reporting period.

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

On May 5, 2021 Mostostal Warszawa S.A. signed a contract with Vantage Development for the construction of a multi-family residential building with services and underground garage at 64 Tuwima Street in Łódź. The net value of the contract will amount to PLN 48,341 thousand. The completion date for the investment is 77 weeks.

## 21. Contingent liabilities

Specification	31.03.2021	31.12.2020
Biomatec Sp. z o.o. - claim for remuneration	22 876	22 876
Cestar A.Cebula J.Starski sj claim for remuneration	12 689	12 689
3. other	21 714	23 155
<b>Total</b>	<b>57 279</b>	<b>58 720</b>

The nominal value (corresponding to the value of the object of litigation in court proceedings) of contingent liabilities arising from court cases brought against the Group as at 31.03.2021 amounted to PLN 57,279 thousand and decreased by PLN 1,441 thousand compared to the end of last year.

## 22. Information on credits and loans contracted and terminated

### BANK LOANS AND BORROWINGS APPRECIATED AS AT 31.03.2021

Name of unit, indicating legal form	Headquarters	Amount of credit/loan according to agreement		Amount of loan/borrowing left for repayment		Repayment period
		thousand PLN	currency	thousand PLN	currency	
Acciona Construcción S.A.	Madrid	15 147	EURO	132 315	PLN	01.05.2022
Acciona Construcción S.A.	Madrid	14 175	EURO		PLN	01.05.2022
			<b>Total</b>	<b>132 315</b>		

The loans received from Acciona Construcción S.A. are not secured.

The decrease in the balance of loans compared to the end of 2020 is due to the partial repayment of loans.

### SHORT-TERM BANK LOANS AND CREDITS at 31.03.2021

Name of unit, indicating legal form	Headquarters	Amount of credit/loan according to agreement		Amount of loan/borrowing left for repayment		Repayment period
		thousand PLN	currency	thousand PLN	currency	
Societe Generale S.A. Branch in Poland	Warsaw	10 000	PLN	0	PLN	29.06.2021
Bank PeKaO S.A.	Kielce	10 000	PLN	2 722	PLN	30.06.2021
Credit Agricole	Krakow	5 000	PLN	0	PLN	16.01.2021
Bank PeKaO S.A.	Warsaw	3 000	PLN	0	PLN	31.07.2021
Bank PeKaO S.A.	Warsaw	2 000	PLN	0	PLN	29.10.2021
			<b>Total</b>	<b>2 722</b>		

No loan agreement was terminated in Q1 2021.

### 23. Information about related parties

Summary of consolidated total sales revenues and intra-Group turnover for Q1 2021.

Group companies	Total net sales revenues	Intra-group sales	Consolidated net sales revenues
Parent Company	148 786	346	148 440
Other Companies	63 892	2 091	61 801
<b>TOTAL</b>	<b>212 678</b>	<b>2 437</b>	<b>210 241</b>

The total net sales revenue of the companies consolidated by the full method amounted to PLN 212,678 thousand for the first quarter of 2021. Turnover within the Capital Group amounted to PLN 2,437 thousand, i.e. 1% of total net sales revenue without consolidation exclusions.

All transactions entered into with related parties in Q1 2021 were typical and routine transactions and were entered into on an arm's length basis.

The table shows the total amounts of transactions entered into by Group Companies with related parties:

Related party of the Group	Date	Sales by Group companies to related parties	Purchases made by related parties in Group companies	Receivables from related parties	Amounts owed to related parties excluding loans
Acciona Construccion S.A. Branch in Poland	<b>31.03.2021</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>6 139</b>
	31.12.2020	34	0	4	3 360
	31.03.2020	6	0	0	3 704
Acciona Construcción S.A.	<b>31.03.2021</b>	<b>9</b>	<b>0</b>	<b>209</b>	<b>24 772</b>
	31.12.2020	225	0	489	25 065
	31.03.2020	76	3 773	360	25 065

Acciona Nieruchomości Wilanów Sp. z o.o.	<b>31.03.2021</b>	<b>10 439</b>	<b>109</b>	<b>5 674</b>	<b>0</b>
	31.12.2020	47 326	434	1 611	13
	31.03.2020	13 894	159	6 609	0
Acciona Facility Services Poland Sp. z o.o.	<b>31.03.2021</b>	<b>30</b>	<b>0</b>	<b>39</b>	<b>0</b>
	31.12.2020	187	0	51	0
	31.03.2020	49	0	44	0
<b>TOTAL</b>	<b>31.03.2021</b>	<b>10 478</b>	<b>109</b>	<b>5 926</b>	<b>30 911</b>
	<b>31.12.2020</b>	<b>47 772</b>	<b>434</b>	<b>2 155</b>	<b>28 438</b>
	<b>31.03.2020</b>	<b>14 025</b>	<b>3 932</b>	<b>7 013</b>	<b>28 769</b>

No collateral has been established on liabilities to related parties.

Transactions with related parties in Q1 2021 mainly relate to the execution of long-term contracts.

As of 31.03.2021, Mostostal Warszawa S.A. received from the guarantee limits of Acciona Construcción S.A. bank or insurance guarantees in the total amount of PLN 577,007 thousand. (31.12.2020: PLN 668,609 thousand).

As at 31.03.2021 Mostostal Warszawa S.A. had loan liabilities of Acciona Construcción S.A. with its registered office in Madrid in the amount of PLN 132,315 thousand (31.12.2020: PLN 201,800 thousand).

Interest expense on loans granted by related parties amounted to PLN 1,761 thousand in Q1 2021 (Q1 2020: PLN 2,132 thousand).

23.12.2013 r. 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 terms of repayment of these loans were determined to be such that the loan repayment term was extended indefinitely and Mostostal Warszawa S.A. would decide on their repayment. In accordance with IAS 32 Mostostal Warszawa presented these loans in equity.

## 24. Reporting by market segment

Mostostal Warszawa Capital Group is organised and managed by segments according to the type of products offered. The Capital Group settles transactions between segments as if they related to unrelated entities using current market prices.

The following tables set out for each of the Group's reportable segments the consolidated income statement data for the three months ended 31 March 2021 and 31 March 2020.

Continuing operations include the following segments:

1. Industry and power industry including the activity related to construction of industrial and power buildings (Mostostal Warszawa S.A., Mostostal Kielce S.A., AMK Kraków S.A., Mostostal Płock S.A., Mostostal Power Development Sp. z o.o.).
2. Infrastructure, which includes road and bridge construction activity (Mostostal Warszawa S.A., Mostostal Kielce S.A.).
3. General construction, consisting of activities related to construction of residential and non-residential buildings and public utility facilities (Mostostal Warszawa S.A. ).

Unallocated income and expenses relate to other manufacturing and service activities and management expenses.

**Consolidated income statement for each reportable segment:**

Period of 3 months ended 31 March 2021	Industry and energy	Infrastructure	General construction	Unallocated income and expenses and consolidation adjustments	TOTAL
<b>Sales revenues</b>					
Sales to external customers	52 880	74 348	80 298	2 715	210 241
Inter-segment sales	0	0	0	0	0
<b>Total segment revenues</b>	<b>52 880</b>	<b>74 348</b>	<b>80 298</b>	<b>2 715</b>	<b>210 241</b>
<b>Result</b>					
Segment profit (loss) (including other operating income and expenses)	6 509	4 398	7 137	2 125	20 169
Unallocated costs (management costs)	0	0	0	16 568	16 568
<b>Profit (loss) from operating activities</b>	<b>6 509</b>	<b>4 398</b>	<b>7 137</b>	<b>-14 443</b>	<b>3 601</b>
Financial income	460	1 105	145	211	1 921
Financial costs	514	74	14	1 798	2 400
<b>Gross profit (loss)</b>	<b>6 455</b>	<b>5 429</b>	<b>7 268</b>	<b>-16 030</b>	<b>3 122</b>
Income tax	0	0	0	1 102	1 102
<b>Net profit (loss) from continuing operations</b>	<b>6 455</b>	<b>5 429</b>	<b>7 268</b>	<b>-17 132</b>	<b>2 020</b>
<b>Net profit / (loss) for the period</b>	<b>6 455</b>	<b>5 429</b>	<b>7 268</b>	<b>-17 132</b>	<b>2 020</b>
Net profit (loss) attributable to shareholders of the Parent Company	6 455	5 429	7 268	-17 744	1 408
Net profit (loss) attributable to non-controlling shareholders				612	612

Period of 3 months ended 31 March 2020	Industry and energy	Infrastructure	General construction	Unallocated income and expenses and consolidation adjustments	TOTAL
<b>Sales revenues</b>					
Sales to external customers	99 529	51 308	160 133	2 057	313 027
Inter-segment sales	0	0	0	0	0
<b>Total segment revenues</b>	<b>99 529</b>	<b>51 308</b>	<b>160 133</b>	<b>2 057</b>	<b>313 027</b>
<b>Result</b>					
Segment profit (loss) (including other operating income and expenses)	15 083	4 946	13 112	-3 226	29 915
Unallocated costs (management costs)	0	0	0	17 042	17 042
<b>Profit (loss) from operating activities</b>	<b>15 083</b>	<b>4 946</b>	<b>13 112</b>	<b>-20 268</b>	<b>12 873</b>
Financial income	0	585	0	427	1 012
Financial costs	1 947	17	57	14 307	16 328
<b>Gross profit (loss)</b>	<b>13 136</b>	<b>5 514</b>	<b>13 055</b>	<b>-34 148</b>	<b>-2 443</b>
Income tax	0	0	0	993	993
<b>Net profit (loss) from continuing operations</b>	<b>13 136</b>	<b>5 514</b>	<b>13 055</b>	<b>-35 141</b>	<b>-3 436</b>
<b>Net profit / (loss) for the period</b>	<b>13 136</b>	<b>5 514</b>	<b>13 055</b>	<b>-35 141</b>	<b>-3 436</b>
Net profit (loss) attributable to shareholders of the Parent Company	13 136	5 514	13 055	-35 622	-3 917
Net profit (loss) attributable to non-controlling shareholders				481	481

The Management Board of Mostostal Warszawa S.A., which is responsible for making operational decisions, does not analyse assets and liabilities by segment due to transfers of assets between segments. The allocation of revenues and costs to individual segments is based on the projects performed. Assets are analysed at the level of the entire Group. The main measure of segment performance is gross profit on sales adjusted for other operating income and expenses.

In the reporting period, the largest customers for services of the Companies of Mostostal Warszawa Capital Group were the General Directorate for National Roads and Motorways with a 27% share in sales and PKN ORLEN S.A. with a 10% share in sales.

Other customers did not exceed the ten per cent share threshold in Mostostal Warszawa Group's sales.

Companies of Mostostal Warszawa Capital Group operate in domestic and foreign markets.

Revenues for export in Q1 2021 amounted to 6,267 thousand PLN, which constituted approx. 3% of revenues from sales.

## **25. Impact of the COVID-19 outbreak on the financial results and operations of the Parent Company and the Mostostal Warszawa Group in Q1 2021**

In the reporting period, the Parent Company and Companies of Mostostal Warszawa Capital Group did not benefit from assistance under the "Anti-crisis shield" programme announced by the Polish government.

Up to the date of signing of these consolidated financial statements, the Group of Companies had not recorded any alarming signals related to the continuation of its operations. The Group companies were making sales and their business activities were continuous.

In order to ensure the continuity of business operations and the liquidity of the Parent Company and the Mostostal Warszawa Capital Group, the Management Board of the Parent Company implemented measures which include in particular:

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

The Board of Directors of the Parent Company assesses that there was no risk of significant impairment of assets in relation to COVID-19.

Based on publicly available information, taking into account the key indicators characterising the Group's current financial position and the actions initiated by management, we do not anticipate any immediate materially adverse impact of the COVID-19 pandemic on our business, financial condition and results of operations in the medium to long term operations of the Parent Company and the Group. Management of the Companies is monitoring the situation on an ongoing basis and will respond accordingly to mitigate the impact of these events, if they occur.

## **26. Participation in joint actions**

Financial data of Mostostal Warszawa S.A. as at 31.03.2021 include values attributable to the Parent Company on account of its 50% share in Mostostal Acciona S19 Tunel s.c., which was established 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 approx. 10.3 km". Mostostal Acciona S19 Tunel s.c. is an entity under common control (unanimity of all shareholders is required in matters relating to operations), which is treated as a joint operation under IFRS 11 (the Company's participation in joint contractual arrangements is recognised as a joint operation when the Company has rights to its share of assets and liabilities).

There are no future investment liabilities relating 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) length of approx. 10.3 km".

## OTHER INFORMATION

to the condensed interim consolidated financial statements  
for the period 01.01.2021 - 31.03.2021

### 1. Selected financial data

SELECTED FINANCIAL DATA	in thousand PLN		in thousand EUR	
	2021 period from 01.01.2021 to 31.03.2021	2020 period from 01.01.2020 to 31.03.2020	2021 period from 01.01.2021 to 31.03.2021	2020 period from 01.01.2020 to 31.03.2020
Sales revenues	210 241	313 027	45 883	71 202
Gross profit (loss) from sales	19 607	27 074	4 288	6 158
Profit (loss) from operating activities	3 601	12 873	788	2 928
Gross profit (loss)	3 122	-2 443	683	-556
Net profit (loss) from continuing operations	2 020	-3 436	442	-782
Net profit (loss) from discontinued operations	0	0	0	0
Net profit (loss)	2 020	-3 436	442	-1 563
attributable to shareholders of the Parent Company	1 408	-3 917	308	-891
attributable to non-controlling shareholders	612	481	134	109
Net cash from operating activities	-152	-69 782	-33	-15 873
Net cash from investing activities	-2 227	-18	-487	-4
Net cash from financing activities	-74 080	-34 518	-16 203	-7 852
Cash and cash equivalents at the end of the period	106 830	169 365	22 923	37 204
Net profit (loss) attributable to shareholders of the Parent Company	1 408	-3 917	308	-891
Weighted average number of ordinary shares	20 000 000	20 000 000	20 000 000	20 000 000
Net profit (loss) per ordinary share attributable to shareholders of the Parent Company (in PLN / EUR)	0,07	-0,20	0,02	-0,04
	<b>31.03.2021</b>	<b>31.12.2020</b>	<b>31.03.2021</b>	<b>31.12.2020</b>
Total assets	833 385	963 164	178 826	208 712
Long-term liabilities	237 487	112 268	50 960	24 328
Current liabilities	537 288	794 633	115 290	172 192
Total liabilities	774 775	906 901	166 250	196 520
Equity (attributable to shareholders of the Parent Company)	44 826	43 091	9 619	9 338
Total equity	58 610	56 263	12 576	12 192
Stated capital	44 801	44 801	9 613	9 708
Number of shares pcs.	20 000 000	20 000 000	20 000 000	20 000 000

## **2. Description of significant achievements or failures and key events and assessment of financial resources management**

In Q1 2021, consolidated sales revenue amounted to PLN 210,241 thousand and was 33% lower than in the corresponding period of 2020 as a result of difficult weather conditions in Q1 2021. Gross profit on sales amounted to PLN 19,607 thousand (in the corresponding period of 2020 gross profit on sales amounted to PLN 27,074 thousand). In Q1 2021, the Group recorded a net profit of PLN 2,020 thousand (in Q1 2020, the net loss was PLN 3,436 thousand).

The value of short-term trade receivables as at 31.03.2021 amounted to PLN 314,238 thousand and decreased by PLN 23,053 thousand compared to 31.12.2020.

The value of assets from the execution of construction contracts as at 31.03.2021 amounted to PLN 234,707 thousand and was lower by PLN 32,776 thousand compared to 31.12.2020.

The value of cash as at 31.03.2021 amounted to PLN 106,830 thousand and decreased by PLN 76,459 thousand compared to 31.12.2020. In the first quarter of 2021, the Group used overdrafts and long-term loans, whose balance as at 31.03.2021 amounted to PLN 135,037 thousand and decreased by PLN 71,443 thousand compared to 31.12.2020. The decrease in cash and loan balances was mainly related to the repayment of a loan in the amount of PLN 71,014 thousand.

Long-term liabilities in Q1 2021 increased by PLN 125,219 thousand compared to 31.12.2020 mainly as a result of the Parent signing annexes to two loan agreements as a result of which their repayment date was extended to 1 May 2022.

The value of short-term trade liabilities as at 31.03.2021 amounted to PLN 175,043 thousand and compared to 31.12.2020 was lower by PLN 26,678 thousand.

During the reporting period, i.e. from 01.01.2021 to 31.03.2021, the following events significant for Mostostal Warszawa Capital Group took place:

On 21.01.2021 the Municipality of Wrocław paid the amount of PLN 43,501 thousand to Mostostal Warszawa S.A. on the basis of the Arbitration Court's judgment of 23.12.2020.

On 25 February 2021. Mostostal Warszawa S.A. received a set of relevant documents for the Loan Agreements with Acciona Construcción S.A:

- Annex XVII to the Loan Agreement of 27 May 2013 with Acciona Construcción S.A. Pursuant to the Annex, the repayment date of the loan in the amount of EUR 13.49 million (comprising principal and capitalised interest, equivalent to PLN 60.92 million at the average NBP exchange rate of EUR 1 = PLN 4.5143 on 25 February 2021) plus interest has been extended to 1 May 2022. The loan may also be repaid in a shorter period.

- Annex VIII to the loan agreement of 5 December 2012 with Acciona Construcción S.A. Under the Annex, the repayment date of the loan in the amount of EUR 14.71 million (comprising principal and capitalised interest, equivalent to PLN 66.43 million) plus interest has been extended to 1 May 2022. The loan may also be repaid in a shorter period.

On 25.02.2021. Mostostal Warszawa S.A. repaid to Acciona Construcción S.A. a loan plus interest in the total amount of PLN 71,014 thousand (EUR 15,720 thousand).

### **3. Description of factors and events, in particular of an untypical nature, affecting the financial results achieved.**

In Q1 2021, the financial result and the value of sales were affected by difficult weather conditions, which resulted in a reduction in the scope of work performed on infrastructure contracts.

### **4. Market position of the Capital Group.**

In Q1 2021, the consolidated Mostostal Warszawa Capital Group comprised the following companies:

- Parent Company: Mostostal Warszawa S.A.

- Subsidiaries: Mostostal Kielce S.A., AMK Kraków S.A., Mostostal Płock S.A., MPB Mielec S.A. in liquidation, Mostostal Power Development Sp. z o.o.

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 the shares of Mostostal Warszawa S.A. as at 31.03.2021.

### **5. Performance forecasts.**

Mostostal Warszawa Capital Group has not published forecasts for 2021.

### **6. Main shareholders of the Parent Company Mostostal Warszawa S.A.**

List of shareholders holding at least 5% of votes at the General Meeting of Shareholders of Mostostal Warszawa S.A., as of 21.05.2021:

Entity	Number of Shares	Number of votes	% Capital	% of votes
Acciona Construcción SA	12 426 388	12 426 388	62,13%	62,13%
PZU "Złota Jesień" Open Pension Fund	3 826 194	3 826 194	19,13%	19,13%

### **7. Ownership of shares of Mostostal Warszawa S.A. by managing and supervising persons and changes in this ownership.**

In the period from 20.04.2021, i.e. the date of publication of the report for 2020, to 21.05.2021, there were no changes in the ownership of shares of Mostostal Warszawa S.A. by managing and supervising persons.

### **8. Information on significant proceedings pending before a court, competent authority for arbitration proceedings or a public administration body**

In the reporting period, Group companies participated in proceedings concerning receivables with a total value of PLN 1,121,141 thousand and in proceedings concerning liabilities with a total value of PLN 881,851 thousand.

## **Proceedings with the highest value of litigation (Group companies as defendants)**

1. Lublin Oncology Centre (Plaintiff)

Date of filing the claim: 10.09.2015

Value of the dispute: PLN 27,072 thousand

The Plaintiff is suing for payment of contractual penalties due to the Plaintiff's withdrawal from the agreement, a claim for reduction of remuneration, a claim for additional and security work performed by the investor. In the opinion of Mostostal Warszawa S.A., the contractual penalties charged are unjustified, the Company also disputes the remaining claims in their entirety. On September 11, 2012 the Company received a statement from Centrum Onkologii Ziemi Lubelskiej im. Św. Jana z Dukla on withdrawal from the agreement for the execution of a task for the design and execution of construction works for the extension and modernisation of Centrum Onkologii Ziemi Lubelskiej ("the Agreement") and a request to pay the contractual penalty. The Agreement in question was concluded on 3 January 2011 between Centrum Onkologii Ziemi Lubelskiej ("the Ordering Party") and the Consortium composed of: 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 Ordering Party cited non-performance of the works in accordance with the material and financial schedule and conditions of the Agreement resulting in delays in implementation of the Agreement and making it unlikely that the Contractor will be able to complete the subject of the Agreement by the agreed deadline. At the same time, the Company instituted a counterclaim and is pursuing claims from the Ordering Party in the amount of PLN 32,461 thousand concerning remuneration for additional works performed and reimbursement of improperly calculated and deducted contractual penalties. An expert opinion was prepared in the case. A supplementary opinion is currently being drafted. Until then, the hearing was adjourned without a date.

2. Gamma Inwestycje S.A. (Plaintiff)

Date of filing the claim: 29.03.2013

Value of the dispute: PLN 15,784 thousand

The claimant, which is the legal successor of Zielona Italia Sp. z o.o. ("the Ordering Party") is claiming a contractual penalty from Mostostal Warszawa S.A. for withdrawing from the agreement. The Company disputes the legitimacy of the penalty in its entirety because it was the first to withdraw from the Agreement, which involved the construction of a complex of multi-family residential buildings with services and underground garages called "Zielona Italia". ("Agreement"). The basis for the Company's withdrawal from the Agreement was the Purchaser's failure to accept the completed works, despite repeated notifications thereof by Mostostal Warszawa S.A. For withdrawal from the Contract due to the fault of the Ordering Party, Mostostal Warszawa S.A. charged a contractual penalty of PLN 15,784 thousand (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 groundless, this amount was not included in the contract valuation. The dispute concerning the lack of grounds for charging the Company with the contractual penalty is at the stage of being resolved by the Court. Currently, the case has been referred to mediation and the parties are negotiating the terms of settlement.

3. Energa Kogeneracja Sp. z o.o. (Claimant)

Date of filing the claim: 24.07.2017

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. The amount of the lawsuit includes three groups of claims, viz: (1) contractual penalties in the amount of PLN 15,170 thousand representing a part of the total amount of contractual penalties, of which PLN 7,378 thousand was paid to the Plaintiff from the bank guarantee and the remaining part is claimed in the present proceedings, (2) the demand for reduction of the contract price in the amount of PLN 90,286 thousand and (3) capitalised interest in the amount of PLN 959 thousand. Having analysed the lawsuit, 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 the claim for reduction of the contractual price are unfounded. In particular the Company indicates that in its opinion the Plaintiff operated the Unit contrary to the terms of the Contract and the operating/operation manuals, i.e. it burned fuel with parameters contrary to the provisions of the Contract and also failed to carry out the so-called guaranteed parameters measurements in a manner compliant with the provisions of the Contract. Mostostal Warszawa S.A. disputes these claims in their entirety and considers them 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.

4. University of Białystok (Plaintiff)

Date of filing the claim: 03.02.2015

Value of the dispute: PLN 66,718 thousand

The subject matter of the statement of claim is the Claimant's claim for payment of contractual penalties for various reasons in connection with the performance of the agreement of 25 January 2011 regarding "Construction of the Institute of Biology and the Faculty of Mathematics and Computer Science together with the University Computing Centre" and the agreement of 25 January 2011 regarding "Construction of the Faculty of Physics and the Institute of Chemistry", performed within the Infrastructure and Environment Operational Programme. Mostostal Warszawa S.A. disputes these claims in their entirety and considers them unfounded. In the court proceedings Mostostal Warszawa S.A. demonstrates a number of obstacles which objectively had a significant influence on the realisation of construction works, including the completion date, justifying the lack of grounds for charging contractual penalties. Mostostal Warszawa S.A. brought a counterclaim against the Claimant for the amount of PLN 83,435 thousand on account of outstanding remuneration with interest, indirect costs resulting from the extension of the deadline for completing the contracts and other additional works. The proceedings were covered by settlement talks. At the concerted request of the parties, the proceedings were suspended on 24.04.2019. As no settlement was reached in the settlement talks, the proceedings were taken up by order of the Court dated 10.10.2019. An expert opinion was commissioned in the case. Due to the conclusion of a mediation agreement by the Parties, the proceedings were again suspended at the concerted request of the Parties. The Parties are participating in the mediation.

5. City Development Agency S.A. (Plaintiff)

Date of filing the claim: 22.07.2016

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. As of 14.04.2014. The Contractor had completed the Subject of the Agreement in 99% and the Investor could start the

acceptance. Due to defects in the project documentation, for which the Investor was responsible, the deadline for completion of acceptance activities went beyond the contractual deadline, but not through the fault of the Contractor. During the period of the alleged delay, the Investor could fully use the facility, the facility already had the final occupancy permit on 12.05.2014, and on 30.05.2014 the first commercial event was already held, so still at the time when the Investor was charging contractual penalties to the Contractor. The Company has also filed a counterclaim against the Claimant for claims for additional works and the remaining payable remuneration related to the construction of the Entertainment and Sports Hall Czyżyny in Kraków in the amount of PLN 16,439 thousand.

6. Biomatec Sp. z o.o. (Claimant)

Date of filing the claim: 26.05.2014

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 allegations in their entirety. In its reply to the statement of claim Mostostal Warszawa S.A. argued that the withdrawal from the agreement was due to the fault of the Complainant, whereas the provisions of the contract binding the parties in the event of this situation eliminate the payment of the entire claim to the Complainant, except for the costs incurred by the Complainant up to the date of withdrawal. Moreover, Mostostal Warszawa S.A., pursuant to an agreement concluded, among others, with the Plaintiff, paid all costs incurred by the Plaintiff up to the date of withdrawal. An expert opinion and two supplementary expert opinions were drawn up in the case. The conclusions of all three opinions are unfavourable to the Respondent, and therefore Mostostal Warszawa S.A. has raised extensive objections to them. On 02.07.2020. Court dismissed Mostostal Warszawa S.A.'s motion to appoint a new expert and closed the hearing. In a judgment dated 31.07.2020, the court dismissed the claim in its entirety. Biomatec filed an appeal, but it has not yet been delivered to the attorney of Mostostal Warszawa S.A.

7. CESTAR Andrzej Cebula and Jerzy Starski Spółka jawna w restrukturyzacji (Claimant)

Date of filing the lawsuit: 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 works within the framework of the investment project "Canalisation of the area of the Landscape Park Puszcza Zielonka 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 claim be dismissed on the grounds that the claims asserted by the Claimant were entirely set off against receivables of Mostostal Warszawa S.A. from the Claimant in respect of invoices issued for substitute works performed and contractual penalties imposed. Evidence proceedings are being conducted in both cases. On 6.09.2019. The Court issued an order 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 31.10.2020. The Company filed objections to the opinion. The next hearing in the case was set for 2.07.2021.

8. Rafako S.A. (Claimant)

Date of filing the claim: 31.03.2017

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 investment project entitled 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 did not present any evidence to prove the amount of the claim, in particular in the form of a joint inventory (no mutually signed protocol confirming the completion of works), or the quality of the completed works. An expert opinion was drawn up in the case, confirming the legitimacy of Rafako's claims. Mostostal has raised objections to the opinion. We are awaiting a supplementary opinion.

9. Waagner - Biro Austria Stage Systems GmbH (Plaintiff)

Date of filing the claim: 09.10.2014 r

Value of the dispute: PLN 10,810 thousand

The Complainant is claiming payment from the Company for deliveries and works performed by the Complainant as part of the investment consisting in 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, since the Claimant, to the best of the Company's knowledge, sold a significant part of the deliveries and works for which it claims payment to a new contractor of the National Forum of Music. An expert opinion has been prepared, acknowledging the legitimacy of the claim in the amount of PLN 4.4 million. Mostostal is contesting the opinion in this respect and has requested a supplementary opinion. The proceedings have been suspended until the common court considers a possible appeal to set aside the arbitration award.

10. University of Białystok (Plaintiff)

Date of filing the lawsuit: 05.02.2018

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 with statutory interest for delay from 12 January 2018 to the date of payment, on account of contractual penalties for the delay in removing by Mostostal Warszawa S.A. 449 defects resulting from the performance of contracts concerning the construction of the Institute of Biology, the Faculty of Mathematics and Informatics, the University Computing Centre, as well as the Faculty of Physics and the Institute of Chemistry within the Campus of the University of Białystok. Having analysed the contents of the statement of claim, Mostostal Warszawa S.A. contests in its entirety the legitimacy of the claims raised by the Plaintiff. A response to the statement of claim was filed by the Company on 26 May 2018. As the proceedings were covered by negotiation talks, the parties requested a suspension of the proceedings, which was granted on 14.11.2018. Due to the failure to reach a settlement as part of the ongoing talks, the proceedings were taken up by order of the Court dated 11.09.2019. Evidentiary proceedings are being conducted in the case. Due to the conclusion of a mediation agreement by the Parties, the proceedings were again suspended at the concerted request of the Parties. The Parties are participating in the mediation.

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

Date of filing the claim: 24.01.2019

Value of the subject matter of the dispute: PLN 211,839 thousand

As part of the MW action, the Respondent filed a counterclaim for 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. The claim of the AET has been contested by us in its entirety, as it is based on the erroneous assumption that it was the AET 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 has been selected.

12. Gamma Inwestycje S.A. (legal successor of Zielona Italia Sp. z o.o.) (Claimant)

Date of filing the claim: 28.12.2018

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

On 28 December 2019. Gamma Inwestycje filed a lawsuit against MW for the payment of approximately PLN 40.5 million, which consists of: a) approximately PLN 9.1 million for the costs incurred by Gamma Inwestycje for the removal of defects and faults of buildings C and D performed by MW, b) approximately PLN 8 million for the additional charge of the bank guarantee of payment provided by MW, c) approx. PLN 12.8 million as reimbursement of wages paid by Gamma Inwestycje to MW's subcontractors, and d) approximately PLN 10.5 million as compensation for the damage Gamma Inwestycje suffered by having to withdraw from the agreement with MW and entrust the uncompleted work to another entity, i.e. Eiffage Budownictwo Mitex S.A, at a price by PLN 10.5 million higher than MW's remuneration. MW filed a response to the lawsuit on 11.12.2019. The case has now been referred to mediation and the parties are negotiating the terms of the settlement.

13. Sarens Polska Sp. z o.o. (Plaintiff)

Date of filing the claim: 31.08.2017 r.,

Value of the dispute: PLN 23,625 thousand.

Sarens Polska Sp. z o.o. (Plaintiff) sued Mostostal Power Development Sp. z o.o. (the Respondent) for payment of remuneration for the performed works and for payment of the equivalent of the amount collected from the Complainant's performance bond. The Respondent considers the Claimant's claim unfounded because part of the remuneration claimed was deducted from the contractual penalty due to the Respondent, the remaining part of that remuneration is undue, and the amount collected by the Respondent from the Claimant's performance bond was credited towards the contractual penalty due to the Respondent.

### **Proceedings with the highest value of litigation (Group companies as plaintiff)**

1. the State Treasury, General Director for National Roads and Motorways (the Respondent)

Date of action 03.06.2012

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 remuneration payable under the agreement by PLN 36,961 thousand, including PLN 18,850 thousand in favour of Mostostal Warszawa S.A., due to an extraordinary increase in the prices of liquid fuels and asphalts, and payment of the aforementioned 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 the judgment of 16.03.2017. The Court of Appeal in Warsaw repealed the judgment of the Regional Court and referred the case back to it for re-examination. The proceedings are pending again before the court of first instance. An expert opinion has been 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. A new opinion of an institute was admitted in the case to determine the fuel intensity of the works.

2. State Treasury - General Director for National Roads and Motorways (the Respondent)

Date of action 09.09.2013

Value of the dispute PLN 61,857 thousand

Proceedings brought by Mostostal Warszawa S.A. and Acciona against the Respondent for compensation for damage sustained, reimbursement of improperly calculated contractual penalties and payment of outstanding remuneration by the Respondent in connection with the performance of the Contract for the Construction of a Bridge Over the Oder River with Access Viaducts 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 was prepared in the case. Part of the amount claimed in court is presented in assets resulting from the performance of construction contracts.

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

Date of action 29.03.2013

Value of the dispute PLN 15,785 thousand

The Company's proceedings to establish the non-existence of the Respondent's right to demand payment under a bank performance bond for the construction of the "Zielona Italia" residential estate in Warsaw transformed into a case for payment - return of the equivalent of the amount paid by the bank under the bank guarantee as undue payment. The Company withdrew from the agreement for reasons attributable to the Respondent, so there were no prerequisites for the Ordering Party to satisfy its claims under the performance bond. The proceedings in the case were validly discontinued by the Court. The Company created a revaluation write-down for this receivable.

4. State Treasury Ministry of National Defence (Respondent)

Date of action 23.06.2010

Value of litigation PLN 19,093 thousand

Claims of consortium Mostostal Warszawa S.A. - Unitek Ltd for additional remuneration and reimbursement of costs incurred in connection with the performance of an agreement concerning the execution of the projects 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, which resulted in additional costs, the reimbursement of which is claimed by the claimants. 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. 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. SN revoked the judgment of the Court of Appeal in its entirety and remitted the case to the Court of Appeal for examination.

5. the State Treasury, General Director for National Roads and Motorways (Respondent)

Date of action 30.05.2012

Value of litigation PLN 212,105 thousand

Together with the consortium member, the Company filed a statement of claim with the District Court in Warsaw against the Respondent for modification of the legal relationship by amending the content of agreement no. 2811/3/2010 of 26 February 2010 on the performance of works consisting in the construction of the A-4 Tarnów-Rzeszów motorway along the section from the Rzeszów Central interchange to the Rzeszów Wschód interchange, km approx. 574+300 to approx. 581+250, by increasing the remuneration by the gross amount of PLN 77,345 thousand. On 23 August 2012. On 23 August 2012, the Company extended its claim by requesting that, in addition to the previous demand for shaping the agreement, it should (i) establish, pursuant to Art. 189 of the Code of Civil Procedure, that the Respondent is not entitled to the right of payment for the construction of the first railway line in Rzeszów, (i) establish, pursuant to art. 189 of Kodeks Postępowania Cywilnego (the Code of Civil Procedure), that the Respondent is not entitled to claim from the Company a contractual penalty for exceeding the Completion Time of the works in relation to the performance of the A4 motorway section covered by the Agreement, and (2) order GDDKiA to pay to the Company, in favour of the Company, the amount of PLN 11,368 thousand with statutory interest for unjustified deduction of the contractual penalty for exceeding the Completion Time of the works from the remuneration due for the performance of the construction works. On 15.04.2013, a repeated extension of the claim was filed, in which the value of: (i) the amount by which the claimants request the Court to increase the remuneration - to PLN 195,723 thousand gross, and (ii) the claimed payment of the due remuneration deducted as contractual penalty - to PLN 13,243 thousand. The value of the object of dispute currently amounts to PLN 207,530,000. By judgment of 4.08.2016. The Regional Court in Warsaw awarded from the Respondent jointly in favour of the Company and Acciona the amount of PLN 11,298 thousand with statutory interest for delay, and dismissed the remainder of the claim. On 20.12.2016, the Claimants filed an appeal in which the aforementioned judgment was challenged in the part dismissing the claim and charging the Claimants with the costs of the proceedings. The defendant also filed an appeal against the aforementioned judgment, challenging it in the part allowing the claim and charging the defendant with the costs of proceedings. Currently an appeal proceeding is pending, in the course of which an expert was appointed with regard to MW's claim for payment of due remuneration deducted as contractual penalty by the Respondent. Part of the amounts claimed in court is presented by the Company in the item of trade and other receivables in the group of overdue receivables for which revaluation allowances were not created and in assets due to the performance of construction contracts. An expert opinion was prepared in the case regarding the reasons for exceeding the time for completion. As a result of the partial verdict of the Court of Appeal of 30.04.2021, the amount of PLN 13,243 thousand together with interest in the amount of PLN 9,802 thousand was awarded to the Company. The judgement is legally binding.

6. State Treasury, General Director for National Roads and Motorways (Respondent)

Date of action 02.07.2013

Value of the dispute 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 due to the performance of 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.

7. the State Treasury, General Director for National Roads and Motorways (Respondent)

Date of action 23.05.2014

Value of the dispute PLN 103,644 thousand

Proceedings brought by the Company and other consortium members against the Respondent are 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 perform under the agreement "Design and construction of the A-2 motorway Stryków-Konotopa, 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. A part of the amount claimed in court is presented in assets due to execution of construction contracts. An expert opinion was prepared in the case.

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

Date of action 09.05.2013

Value of the dispute: PLN 52,344 thousand

The company is seeking payment of amounts resulting from the settlement of the investment and for additional works performed. Of key importance for the case is the examination of the declaration on withdrawal from the agreement by Zielona Italia sp. z o.o. (on 6 March 2013). If the Court accepts the statement on withdrawal from the contract by Mostostal Warszawa S.A. due to the fault of Zielona Italia sp. z o.o., the legitimacy of the Company's claims will be ensured. The case is currently pending before the Regional Court in Warsaw. The Company has made an impairment write-down on the assets related to this case. Currently, the case has been referred to mediation. By decision of July 8, 2020. The Court discontinued the proceedings. As a result of an appeal against the said decision, the Court, by its decision of 18.09.2020, revoked its earlier decision to discontinue the proceedings. In connection with the mediation, the parties are currently negotiating the terms of the settlement.

9. Municipality of Wrocław (Respondent)

Date of action 13.11.2012

Value of the dispute: PLN 71,439 thousand

Action brought by the consortium of Mostostal Warszawa S.A., ACCIONA CONSTRUCCIÓN S.A., WPBP No. 2 "Wrobis" S.A., Marek Izmańłowicz PH-U IWA (Plaintiff) for the payment of PLN 71,439 thousand (after alteration). Originally, the claim concerned the establishment of non-existence of the Wrocław Municipality's right to demand payment from the bank guarantee - investment performance bond. The demand for payment 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 22 December 2009 for the construction of the National Forum of Music in Wrocław ("Contract"). . In its preliminary award, the Court of Arbitration determined that the Executing Consortium (Mostostal Warszawa S.A. - Leader, Acciona Construcción S.A., Marek Izmańłowicz - IWA, WPBP Wrobis S.A.) effectively withdrew from the Contract on 5 October 2012. However, the case is still being considered by the same Arbitration Court in accordance with Mostostal's position. Part of the amount claimed in court is presented in assets due to execution of construction contracts.

An expert opinion and a supplementary opinion were drawn up in the case. In its judgment 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. On 21.01.2021 the Municipality of Wrocław paid the amount of PLN 43,501 thousand to the Company. On 5.03.2021. Municipality of Wrocław filed a complaint for revoking the arbitration court's verdict with regard to the amount of PLN 15,941 thousand.

10. Lublin Oncology Centre (Defendant)

Date of action 03.10.2014

Value of the dispute: PLN 32,461 thousand

In a case brought against the Respondent, Mostostal Warszawa S.A., together with consortium members, is pursuing claims for payment in connection with 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 undisputedly performed works, (ii) interest for delays in payments during contract performance, (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 present lawsuit, the Respondent filed a counterclaim in which it demands that the Claimant pay a total of PLN 27,072 thousand on account of: (i) contractual penalty for withdrawal from the agreement, (ii) reimbursement of costs and (iii) payments to subcontractors. At present, the case is at the evidentiary stage. Part of the amount claimed in court is presented by the Company in the item of trade and other receivables in the group of overdue receivables for which no revaluation allowances were created and in assets due to the performance of construction contracts. An expert opinion has been prepared in this case. A supplementary opinion is currently being prepared.

11. University of Białystok (Defendant)

Date of action 29.04.2015

Dispute value: PLN 83,435 thousand

Mostostal Warszawa S.A., as a counterclaimant, is claiming payment for basic, additional and replacement works, payment of outstanding remuneration with interest, indirect costs resulting from extending the work schedule and other additional works in connection with the agreement of 25.01.2011 regarding "Construction of the Institute of Biology and the Faculty of Mathematics and Computer Science together with the University Computing Centre" and the agreement of 25.01.2011 regarding "Construction of the Faculty of Physics and the Institute of Chemistry", executed within the Infrastructure and Environment Operational Programme. Part of the amount claimed in court is presented by the Company in the item of trade and other receivables in the group of overdue receivables, for which no revaluation write-downs were created. The proceedings were covered by settlement talks. At the concerted request of the parties, the proceedings were suspended on 24.04.2019. Due to the failure to conclude a settlement as part of the ongoing talks, the proceedings were taken up by an order of the Court dated 10.10.2019. Evidence proceedings are being conducted in the case. An expert opinion has been commissioned. Due to the conclusion of a mediation agreement by the Parties, the proceedings were again suspended at the concerted request of the Parties. The parties are participating in the mediation.

12. 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 due for additional works connected with the construction of the "Czyżyny" Sports and Entertainment Arena in Cracow. 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-downs were created and in assets resulting from the performance of construction contracts. As no agreement was reached in mediation, the case will continue before the court.

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

Date of action 07.06.2013

Value of litigation 9,963 thousand PLN

Mostostal Warszawa S.A. demanded that it cease infringing the copyrights to the detailed design of the "Zielona Italia" multi-section housing estate and that the defendant be ordered to pay the plaintiff an amount representing three times the market value of the detailed design. The proceedings in the case were discontinued by the Court. Mostostal appealed against the decision to discontinue the proceedings, and by order of 19.03.2021. Court of Appeal revoked the decision of the District Court to discontinue the proceedings. In connection with the ongoing mediation, the parties are negotiating the terms of the settlement.

14. 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. The Court of Appeal in its judgment of 4.12.2018 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 request to stay the execution of the judgments. The Court of Appeal granted the Respondent's request 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. On 25.10.2019. The Supreme Court allowed the cassation appeal to be heard. We are currently awaiting the appointment of a cassation hearing before the SN. The amount claimed in court is presented by the Company under trade and other receivables in the group of overdue receivables for which no allowances have been made.

15. 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 the 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.

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

Date of action 03.07.2017

Value of the dispute PLN 20,614 thousand

The Company and the consortium member filed a claim 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 claim 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 the S-7 road to the section of the Kielce bypass, contract no. 210/RK/110/2009/2010 of 01.09.2010 for the performance of works consisting in the extension of the S-7 road to the parameters of a dual carriageway road on the section of the Kielce bypass, Kielce (DK 73 Wiśniówka junction) - Chęciny (Chęciny junction) in the extended time for 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.

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

Date of filing the claim: 20.01.2018 r

Value of the dispute: PLN 26,274 thousand

Mostostal Warszawa S.A. filed a claim for payment of PLN 26,274 thousand with statutory interest from the date of filing the claim to the date of payment, together with costs. Mostostal Warszawa S.A. is claiming payment for construction works performed as part of the investment: 20 MWe Power Block in Elbląg. The value of the object of dispute covers the principal amount of PLN 19,948,000 and capitalized interest as of the day preceding the statement of claim - PLN 6,326,000. The Respondent paid the Claimant only a part of the amount due on account of the performed works. The main receivables result from invoices that were reduced by deductions due to, according to Mostostal Warszawa S.A., unjustified contractual penalties. The Respondent had no right to charge contractual penalties, as 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. Mostostal Warszawa S.A. also applied for a payment order in the writ of payment procedure. On 2 February 2018. The Regional Court in Gdańsk, 9th Commercial Department issued a payment order in the writ of payment procedure. On 23 February 2018. The Respondent filed an objection to the order for payment. On 10 April 2018. Mostostal Warszawa S.A. filed 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.

18. 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 a claim for 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 response 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 the court expert. Evidentiary proceedings are ongoing in the case and an expert has been

selected. Part of the amount claimed in court is presented by the Company in the item trade and other receivables in the group of overdue receivables for which no revaluation allowances have been created.

19. State Treasury, General Director for National Roads and Motorways (Respondent)

Date of filing the claim: 24.01.2018

Value of litigation PLN 98,585 thousand

Mostostal Warszawa S.A. filed a lawsuit with the Consortium to 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 in assets from the execution of construction contracts. On 28.05.2020. The Court hearing the case decided to dismiss the Respondent's motion to dismiss the claim. The Respondent appealed against the said decision. Evidence proceedings are pending.

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

Date of filing the lawsuit: 15.12.2017

Value of the dispute 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 (return) 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 as a result of which the unit does not reach guaranteed parameters, and Energa was entitled to contractual penalties for this. According to Mostostal, the reason for the malfunction of the Unit and the failure to achieve the guaranteed parameters is mainly due to 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 in the item of trade and other receivables in the group of overdue receivables for which no revaluation write-downs have been created.

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

Date of filing the lawsuit: 4.03.2019 r.

Dispute value: PLN 9,438 thousand

Lawsuit for payment for the amount paid by MPWiK - without factual and legal basis - from the contract performance guarantee. On 12.03.2019. The Court issued a payment order in the writ of payment procedure in favour of Mostostal. The respondent filed an objection to the payment order. In it, he indicated that he had executed a performance bond in connection with corrosion of technological pipelines. The causes of the corrosion were said to be, 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 amount of the guarantee, the respondent was not entitled to a specific, e.g. as to the amount, due claim that was part of improper performance or non-performance of the contract. Evidentiary proceedings are in progress. The amount claimed in court

is presented by the Company in the item of trade and other receivables in the group of overdue receivables for which no revaluation write-downs have been created.

## 22. PERN S.A. (Respondent)

On 31.03.2021 the Consortium of the 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 probability of the Court of Arbitration being favourable to the Claimant is assessed as high.

Part of the claims from the above-mentioned court cases was recognised by the Group in contract budgets and included in revenues of previous years. Details are described in Note 6 of the Additional information and explanations to the condensed interim consolidated financial statements for the period 01.01.2021 - 31.03.2021.

## 9. Information on transactions with related parties

Summary of consolidated total sales revenues and intragroup turnover in Q1 2021.

Group companies	Total net sales revenues	Intra-group sales	Consolidated net sales revenues
Parent Company	148 786	346	148 440
Other Companies	63 892	2 091	61 801
TOTAL	212 678	2 437	210 241

The total net sales revenue of the companies consolidated by the full method amounted to PLN 212,678 thousand for the first quarter of 2021. Intra-Group turnover amounted to PLN 2,437 thousand, i.e. 1% of total net sales revenue without consolidation exclusions.

All transactions entered into with related parties in Q1 2021 were typical and routine transactions and were entered into on an arm's length basis.

Information on transactions with related parties is presented in Note 23 of the Additional information and explanations to the condensed interim consolidated financial statements for the period 01.01.2021 - 31.03.2021.

## 10. Information on credit or loan sureties or guarantees granted.

During the reporting period, the Group Companies did not grant any sureties for loans or borrowings or guarantees to a single entity of significant value.

## 11. Other information important for the assessment of the Capital Group's situation

In the opinion of the Management Board of the Parent Company, there is no other information significant for the assessment of the situation of the Capital Group other than that listed in the notes to the condensed interim consolidated

financial statements for the period 01.01.2021 - 31.03.2021 and in the other points to the other information to the condensed interim consolidated financial statements for the period 01.01.2021 - 31.03.2021.

## **12. Factors that will influence the results to be achieved in at least the next quarter**

Factors that may affect the Group's results in the outlook for the next quarter are:

- the risk of changes in the prices of construction materials and subcontractor services,
- exchange rate risk, which has an impact on the valuation of loan commitments,
- strong competition on the construction and installation services market,
- slowing down investment processes,
- coronavirus pandemic and the related declaration of an epidemiological emergency in the territory of the Republic of Poland.

Warsaw, 21.05.2021

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