



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

for the period 01.01.2020 - 31.03.2020

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the period of 3 months from 01.01.2020 to 31.03.2020**

L.P.	FOLLOW-ON	2020 period from 01.01.2020 to 31.03.2020	2019 period from 01.01.2019 to 31.03.2019
I	Revenue from sales	313,027	271,383
	Revenues from construction contracts	310,778	269,382
	Revenue from the sale of services	1,400	1,770
	Revenue from sales of goods and materials	849	231
II	Cost of sales	285,953	250,082
III	Gross profit / (loss) on sales	27,074	21,301
IV	General administration costs	17,042	15,171
V	Other operating income	3,413	579
VI	Other operating costs	572	367
VII	Profit / (loss) on operating activities	12,873	6,342
VIII	Financial income	1,012	201
IX	Financial costs	16,328	3,535
X	Gross profit / (loss)	-2,443	3,008
XI	Income tax	993	1,416
	(a) the current part	886	29
	(b) the deferred part	107	1,387
XII	Net profit / (loss) on continued operations	-3,436	1,592
XIII	Net profit / (loss) for the period from discontinued operations	0	0
XIV	Net profit / (loss) for the period	-3,436	1,592
XV	Net profit / (loss) attributable to shareholders of the Parent Company	-3,917	825
XVI	Net profit / (loss) attributable to non-controlling shareholders	481	767
	Net profit / (loss) on continued operations	-3,436	1,592
	Weighted average number of ordinary shares	20,000,000	20,000,000
	Net profit (loss) per ordinary share (in PLN)	-0.17	0.08
	Diluted net profit (loss) per ordinary share (in PLN)	-0.17	0.08
	Net profit / (loss) for the period	-3,436	1,592
	Weighted average number of ordinary shares	20,000,000	20,000,000
	Net profit (loss) per ordinary share attributable to shareholders of the Parent Company (in PLN)	-0.17	0.08
	Diluted net profit (loss) per ordinary share attributable to shareholders of the Parent Company (in PLN)	-0.17	0.08
	Net profit / (loss) attributable to shareholders of the Parent Company	-3,917	825
	Weighted average number of ordinary shares	20,000,000	20,000,000
	Net profit (loss) per ordinary share attributable to shareholders of the Parent Company (in PLN)	-0.20	0.04
	Diluted net profit (loss) per ordinary share attributable to shareholders of the Parent Company (in PLN)	-0.20	0.04

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the period of 3 months from 01.01.2020 to 31.03.2020

	SPECIFICATION	2020 period from 01.01.2020 to 31.03.2020	2019 period from 01.01.2019 to 31.03.2019
	Net profit / (loss) on continued operations	-3,436	1,592
	Net profit / (loss) for the period from discontinued operations	0	0
	Net profit / (loss) for the period	-3,436	1,592
	Foreign exchange differences from the translation of a foreign unit	-416	21
	Changes from revaluation of fixed assets	0	0
	Effective portion of profits and losses related to cash flow hedges	0	0
	Income tax on components of other comprehensive income	0	0
	Other comprehensive income	0	286
	Total other comprehensive income after tax	-416	307
	including items that may be reclassified to profit or loss at a later date	-416	307
	Total comprehensive income from continuing operations	-3,852	1,899
	Total comprehensive income from discontinued operations	0	0
	Total comprehensive income	-3,852	1,899
	attributable to the Shareholders of the Parent Company	-4,333	987
	attributed to the non-controlling shareholders	481	912

CONSOLIDATED STATEMENT OF FINANCIAL SITUATION as at 31.03.2020

L.P.	ASSETS	31.03.2020	31.12.2019	31.03.2019 (restated)
I.	Non-current assets (long-term)	117,418	112,421	113,006
I.1	Intangible assets	2,000	2,269	2,867
I.2	Tangible fixed assets	70,295	67,805	60,705
I.3	Long-term deposits from construction contracts due from customers	11,058	8,454	10,765
I.4	Investment real estate	5,073	5,073	4,927
I.5	Long-term financial assets	12	12	12
I.6	Deferred tax assets	27,205	27,325	33,114
I.7	Long-term prepayments	1,775	1,483	616
II.	Current assets (short-term)	906,876	923,463	867,157
II.1	Stocks	21,202	15,728	20,787
II.2	Trade receivables	369,308	338,884	309,992
II.3	Other receivables	839	1,833	4,408
II.4	Advances on construction work	5,670	7,376	10,475
II.5	Cash and cash equivalents	169,365	273,683	81,026
II.6	Short-term financial assets	291	0	73
II.7	Assets under construction contracts	334,947	281,404	400,092
II.8	Other prepayments and accruals	5,254	4,555	6,212
II.9	Assets held for sale	0	0	34,092
	TOTAL ASSETS	1,024,294	1,035,884	980,163
L.P.	Liabilities	31.03.2020	31.12.2019	31.03.2019 (restated)
I	Equity capital (attributed to shareholders of the Parent Company)	32,834	40,140	41,803
I.1	Core capital	44,801	44,801	44,801
I.2	Reserve capital / reserve capital	138,515	138,497	139,707
I.3	Reserve capital from loan reclassification	201,815	201,815	201,815
I.4	Foreign exchange differences from conversion of foreign entities	-1,274	-858	-811
I.5	Profits retained / (Uncovered losses)	-351,023	-344,115	-343,709
	undistributed profit / (uncovered loss)	-347,106	-343,321	-344,534
	profit / (loss) for the period	-3,917	-794	825
II.	Non-controlling shareholders' capital	11,397	9,768	9,741
III.	Total equity	44,231	49,908	51,544
IV.	Long-term liabilities	256,464	103,567	274,026
IV.1	Interest-bearing bank loans and borrowings	133,483	0	207,211
IV.2	Long-term leasing liabilities	22,644	21,420	16,799
IV.3	Long-term deposits from construction contracts due to suppliers	37,305	35,692	31,459
IV.4	Long-term liabilities on account of advances	52,798	35,416	8,202
IV.5	Provision for deferred income tax	0	16	266
IV.6	Long-term provisions	10,234	11,023	10,089
V.	Current liabilities	723,599	882,409	654,593
V.1	Current portion of interest-bearing bank loans and borrowings	104,905	253,314	64,915
V.2	Short-term leasing liabilities	8,904	8,561	6,907
V.3	Trade payables	252,199	265,342	261,931
V.4	Income tax	56	0	34
V.5	Other liabilities	33,392	38,272	44,958
V.6	Advances on construction work	109,540	97,529	47,260
V.7	Short-term provisions	12,305	15,461	20,683
V.8	Liabilities under construction contracts	33,041	39,068	17,067
V.9	Other prepayments and accruals	169,257	164,862	178,307
V.10	Liabilities related to assets for sale	0	0	12,531
VI.	Total liabilities	980,063	985,976	928,619
	Equity and liabilities	1,024,294	1,035,884	980,163

CONSOLIDATED CASH FLOW STATEMENT
for the period of 3 months from 01.01.2020 to 31.03.2020

L.P.	SPECIFICATION	2020 period from 01.01.2020 to 31.03.2020	2019 period from 01.01.2019 to 31.03.2019
I	Cash flows from operating activities		
	Gross profit (loss) on continued operations	-2,443	3,008
I.1	Gross profit / (loss) (attributable to the shareholders of the Parent Company and non-controlling shareholders)	-2,443	3,008
I.2	Adjustments for items:	-67,339	-77,155
I.2.1	Depreciation	3,899	3,810
I.2.2	Exchange rate differences	15,213,	105
I.2.3	Interest and shares in profits	2,022	2,659
I.2.4	Profit/loss on investment activity	-542	-294
I.2.5	Increase/decrease in receivables	-30,328	2,984
I.2.6	Increase / decrease in stocks	-5,474	6,024
I.2.7	Increase/decrease in liabilities except credits and loans	12,983	-18,126
I.2.8	Change in assets and liabilities due to execution of construction contracts and prepayments and accruals	-56,154	-66,633
I.2.9	Change in reserves	-3,962	-7,587
I.2.10	Income tax (paid / received)	-1,031	-130
I.2.11	Other	-3,965	33
I	Net cash flows from operating activities	-69,782	-74,147
II	Cash flows from investing activities		
II.1	Sales of property, plant and equipment and intangible assets	685	22
II.2	Acquisition of tangible and intangible assets	-703	-418
II	Net cash flows from investing activities	-18	-396
III	Cash flows from financial activities		
III.1	Proceeds from the issue of shares	0	0
III.2	Payment of lease liabilities	-1,929	-1,044
III.3	Proceeds from borrowings	9,852	15,820
III.4	Repayment of loans / credits	-40,322	-13,476
III.5	Dividends paid to shareholders of the parent company	0	0
III.6	Dividends paid to non-controlling shareholders	0	0
III.7	Interest paid	-2,092	-228
III.8	Other	-27	-16
III	Net cash flows from financing activities	-34,518	1,056
IV	Net change in cash and cash equivalents	-104,318	-73,487
V	Cash and cash equivalents at the beginning of the period	273,683	154,513
VI	Cash and cash equivalents at the end of the period	169,365	81,026
	Restricted cash	12,932	758

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

2020 period from 01.01.2020 to 31.03.2020	Capital attributable to shareholders of the Parent Company						Capital attributed to non-controlling shareholders	Total equity
	Core capital	Reserve capital / reserve capital	Reserve capital from loan reclassification	Foreign exchange differences on translation of foreign branches	Profits retained / uncovered losses	Equity (attributed to shareholders of the Parent Company)		
As of 1 January 2020	44,801	138,497	201,815	-858	-344,115	40,140	9,768	49,908
Profit (loss) for the period	0	0	0	0	-3,917	-3,917	481	-3,436
Other comprehensive income	0	0	0	-416	0	-416	0	-416
Total comprehensive income	0	0	0	-416	3,917	-4,333	481	3,852
Distribution of previous years' results	0	18	0	0	-2,991	-2,973	1,148	-1,825
Dividends paid	0	0	0	0	0	0	0	0
As of 31 March 2020	0	138,515	201,815	1,274	-351,023	32,834	11,397	44,231

2019 YEAR period from 01.01.2019 to 31.12.2019	Capital attributable to shareholders of the Parent Company						Capital attributed to non-controlling shareholders	Total equity
	Core capital	Reserve capital / reserve capital	Reserve capital from loan reclassification	Foreign exchange differences on translation of foreign branches	Profits retained / uncovered losses	Equity (attributed to shareholders of the Parent Company)		
As of 1 January 2019	44,801	139,707	201,815	-832	-344,675	40,816	8,829	49,645
Profit (loss) for the period	0	0	0	0	-794	-794	791	-3
Other comprehensive income	0	0	0	-26	144	118	148	266
Total comprehensive income	0	0	0	-26	-650	-676	939	263
Distribution of previous years' results	0	-1,210	0	0	1,210	0	0	0
Dividends paid	0	0	0	0	0	0	0	0
As at 31 December 2019	44,801	138,497	201,815	-858	-344,115	40,140	9,768	49,908

Mostostal Warszawa Capital Group
Condensed interim consolidated financial statements for the period 01.01.2020 - 31.03.2020

2019 YEAR period from 01.01.2019 to 31.03.2019	Capital attributable to shareholders of the Parent Company						Capital attributed to non-controlling shareholders	Total equity
	Core capital	Reserve capital / reserve capital	Reserve capital from loan reclassification	Foreign exchange differences on translation of foreign branches	Profits retained / uncovered losses	Equity (attributed to shareholders of the Parent Company)		
As of 1 January 2019	44,801	139,707	201,815	-832	-344,675	40,816	8,829	49,645
Profit (loss) for the period	0	0	0	0	825	825	767	1,592
Other comprehensive income	0	0	0	21	141	162	145	307
Total comprehensive income	0	0	0	21	966	987	912	1,899
Distribution of previous years' results	0	0	0	0	0	0	0	0
Dividends paid	0	0	0	0	0	0	0	0
As at 31 March 2019	44,801	139,707	201,815	-811	-343,709	41,803	9,741	51,544

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 Mostostal Warszawa Capital Group for the consolidated profit and loss account cover the period of 3 months of 2020 and contain comparable data for the period of 3 months of 2019, for the consolidated cash flow statement the period of 3 months of 2020 and contain comparable data for the period of 3 months of 2019, and in case of the consolidated statement of financial position prepared as of 31 March 2020, contain comparable data as of 31 December 2019 and 31 March 2019.

Mostostal Warszawa, i.e. the Parent Company is a joint stock company with legal personality under Polish law, registered in the District Court for the Capital City of Warsaw in Warsaw, 13th Commercial Division of the National Court Register under KRS number: 0000008820. The registered office of Mostostal Warszawa S.A. is located in Warsaw, at 12a Konstruktorska Street. The core business is specialized construction works included in the PKD in section 4120Z. The shares of Mostostal Warszawa S.A. are listed on the Warsaw Stock Exchange, industry: construction.

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

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

The ultimate parent company is Acciona S.A.

2. Group composition

In the first quarter of 2020 the consolidated Mostostal Warszawa Capital Group is composed of the following members:

N.	Name Companies	Headquarters	Subject of activities	Competent court	Participation M. Warsaw S.A. in votes at the General Meeting of the Company (31.03.2020)	Participation M. Warsaw S.A. in the share capital of the company (31.03.2020)
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 X Economic Department of the National Court Register under number 0000037333	100.00%	100.00%
3	AMK Kraków S.A.	Krakow	engineering services, design, construction project management, turnkey construction	District Court for Kraków Śródmieście XI Economic Department of the National Court Register under number 0000053358	100.00%	100.00%
4	Mielec Construction Company S.A. in liquidation	Mielec	Construction and general construction services	District Court in Rzeszów, XII Commercial Department of the National Court Register under number 0000052878	97.14%	97.14%
5	Mostostal Plock 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%

Subsidiaries are all economic entities over which the Capital Group exercises control. The Capital Group controls a company when it is exposed to, or has the right to variable returns on its involvement in that company and has the ability to influence those returns by exercising power over that company. Subsidiaries are fully consolidated from the date of transfer of control to the Group. Consolidation shall be discontinued from the date on which control is transferred to the Group.

As at 31.03.2020 Mostostal Warszawa S.A. was the holder of 907,095 ordinary bearer shares and 66,057 registered preference shares (1 share = 5 votes), ensuring a total of 48.69% share in the capital and 53.10% of the total number of votes of Mostostal Płock S.A. Pursuant to Art. 4 of the Public Offering Act, the majority of votes in the Supervisory Board of Mostostal Płock S.A., which is entitled to appoint and dismiss members of the managing body, as well as the fact of exerting influence on the activity of this company, determines the relationship of dominance of Mostostal Warszawa S.A. towards Mostostal Płock S.A., resulting in full consolidation.

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

The aim of the Management Board of Mostostal Warszawa S.A. is to maintain a strong position among the largest construction companies in the country. Its achievement will be the result of actions taken by the Capital Group:

- to base its operations on an effective organisational structure which guarantees the stabilisation of financial results and an increase in margins to enable further development,
- implement investments with the highest quality, take care of work safety on construction sites and support initiatives related to this,
- strengthening the role of Mostostal Warszawa S.A. as the central management centre of the capital group and strengthening cooperation within the Group in the development of regional centres,
- maintaining a network of representative offices covering the whole Poland, which will be able to provide services in all segments of the construction industry as a general contractor,
- development of new technologies within the Research and Development Department that improve implementation processes and are important for the development and improvement of engineering thought, and
- nurturing the achievements 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 their activity.

Composition of the Management Board and Supervisory Board of the Parent Company:

As at 31.03.2020 the Management Board of Mostostal Warszawa S.A. was composed of the following members

Miguel Angel Heras Llorent - President of the Management Board

Jorge Calabuig Ferre - Vice-President of the Management Board

Alvaro Javier de Rojas Rodriguez - Member of the Management Board

Jacek Szymanek - Member of the Management Board

As at 31.03.2020 the Supervisory Board of Mostostal Warszawa S.A. was composed of the following persons:

Antonio Muñoz Garrido - Member of the Supervisory Board

José David Márquez Arcos - Member of the Supervisory Board

Javier Lapastora Turpín - Supervisory Board Member

Neil Roxburgh Balfour - Supervisory Board Member

Ernest Podgórski - Member of the Supervisory Board

Javier Serrada Ouiza - Member of the Supervisory Board.

3. Approval of the accounts

The condensed interim consolidated financial statements for Q1 2020 were approved for publication by the Management Board of the Parent Company on 18 May 2020.

4. Basis for drawing up the condensed interim consolidated financial statements for Q1 2020 and accounting principles

4.1 Basis for preparation of the report

The condensed interim consolidated financial statements have been prepared on the assumption that the companies of the Capital Group will continue their business activities in the foreseeable future.

The condensed interim consolidated financial statements were prepared in accordance with the historical cost principle.

In the first quarter of 2020, the Capital Group generated gross profit on sales of PLN 27,074 thousand and incurred a net loss of PLN 3,436 thousand. Total equity of the Capital Group as at 31.03.2020 was positive and amounted to PLN 44,231 thousand. The Capital Group recorded negative cash flows from operating activities in the amount of PLN 69,782 thousand.

In the separate statement of financial position, the Parent Company discloses overdue trade receivables in the amount of PLN 149,174 thousand for which it did not create a revaluation write-down, and assets on account of performance of construction contracts on completed contracts in the amount of PLN 161,676 thousand which are the subject of court cases. The Management Board assumes that in the period of 12 months from the date of preparation of the statements some of these cases, due to their advancement, may be resolved.

In the first quarter of 2020, the Capital Group financed itself mainly with its own funds and loans granted by its related entity - Acciona Construcción S.A. The loans are due for repayment in the years 2020 - 2021. In the first quarter of 2020, the Parent Company repaid the loan together with interest of PLN 30,348 thousand. In 2020 The Parent Company signed annexes to two loan agreements with a total amount of PLN 124,868 thousand, which postpone the date of their repayment to 2021.

The Management Board of Mostostal Warszawa S.A. assesses that the Parent Company and the Capital Group will have sufficient cash to finance its operating activities at least 12 months after the balance sheet date. The value of Mostostal Warszawa S.A.'s order portfolio amounts to PLN 2,016,902 thousand (without the suspended contract for the construction of the Power Plant in Ostrołęka) and the Capital Group amounted to PLN 2,239,803 thousand. At the same time, the

companies of the Capital Group participate in a number of tender procedures, which will translate into winning new orders in the near future.

The Management Board of the Parent Company does not expect the COVID-19 epidemic to have a direct, in the medium and long term, materially negative impact on the operations, financial position and operating results of both the Parent Company and the Capital Group. The Management Board of Mostostal Warszawa S.A. monitors the situation on an ongoing basis and will react accordingly to mitigate the impact of these events, if they occur.

The Management Board of the Parent Company believes that the liquidity and business continuity risks are adequately managed and, as a consequence, there is no significant risk of intentional or forced abandonment or significant limitation of the current operations by the Parent Company and the Capital Group in the period of at least 12 months after the balance sheet date. Therefore, in the opinion of the Management Board, it is reasonable to assume continuation of the Parent Company's and Mostostal Warszawa Capital Group's operations.

4.2 Statement of conformity

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard (IAS) No. 34 "Interim Financial Reporting" approved by the European Union.

The condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements of the Capital Group for the year ended 31 December 2019 and the notes thereto.

Mostostal Warszawa S.A. prepares its individual financial statements in accordance with the International Financial Reporting Standards approved by the European Union (IFRS), and the other companies of the Capital Group keep their accounting books in accordance with the accounting policy (principles) set forth in the Accounting Act of 29 September 1994 ("Act") and the regulations issued on its basis (jointly: "Polish Accounting Standards"). The consolidated financial statements include adjustments not included in the accounting books of the Group companies, which were made in order to bring the financial statements of these companies to compliance with IFRS.

The condensed interim consolidated financial statements of the Mostostal Warszawa Capital Group were not reviewed and audited by a certified auditor.

4.3 Accounting principles

Detailed accounting principles adopted by the Capital Group are described in the consolidated financial statements of Mostostal Warszawa Capital Group for the year ended 31.12.2019.

The accounting principles applied to prepare these condensed interim consolidated financial statements are consistent with those applied to prepare the annual consolidated financial statements of Mostostal Warszawa Capital Group for the year ended 31.12.2019.

Changes to standards applied for the first time in 2019

For the first time the Capital Group applied the following changes to the standards:

- Amendments to IFRS 9 "Financial Instruments", IAS 39 "Financial Instruments: Recognition and Measurement" and IFRS 7 "Financial Instruments: Disclosures" - Reform of the reference interest rate;
- Amendments to IAS 1 "Presentation of financial statements" and IAS 8 "Accounting policies, changes in accounting estimates and errors" - Definition of materiality;
- Amendments to References to IFRS Conceptual Assumptions.

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

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

IFRS in the form approved by the EU do not currently differ significantly from the regulations adopted by the International Accounting Standards Board (IASB), except for the following standards and amendments to standards, which, as at the date of preparation of the statement, have not yet been adopted for use:

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

The above mentioned standards and amendments to the standards would not have a significant impact on the consolidated financial statements if they were applied by the Capital Group as at the balance sheet date.

4.4 Principles adopted for converting selected financial data into EURO

The following rules have been adopted to calculate selected financial data for the first quarter of 2020 in EUR:

- items of the profit and loss account and cash flow statement for Q1 2020 were translated at the exchange rate of 4.3963 PLN/EUR, which is the arithmetic mean of the exchange rates published by the National Bank of Poland for the last days of January, February and March 2020.
- individual items of assets and liabilities of the statement of financial position were converted at the exchange rate as at 31.03.2020 amounting to 4.5523 PLN/EUR.

4.5 Currency of the financial statements

The condensed interim consolidated financial statements for the first quarter of 2020 are presented in Polish zloty (PLN), and all the figures given have been rounded off to the nearest whole thousand, unless indicated otherwise.

5. Long-term construction contracts

Revenue from sales	313,027	271,383
Revenues from construction contracts	310,778	269,382
Revenue from the sale of services	1,400	1,770
Revenue from sales of goods and materials	849	231

Revenues from the execution of construction contracts are adjusted by paid compensations and penalties, while the cost of production of construction works is reduced by received compensations and penalties.

The cost of production of construction works also includes costs of provisions created for losses on contracts disclosed in point 10 of these condensed interim consolidated financial statements.

Revenues from execution of unfinished construction contracts

SPECIFICATION	31.03.2020	31.12.2019	31.03.2019
Cumulative estimated revenue from construction contracts in progress	3,904,209	3,721,602	3,534,638
Cumulatively invoiced sales on unfinished construction contracts	3,763,979	3,640,942	3,306,256
Assets and liabilities under construction contracts in progress (per balance)	140,230	80,660	228,381
Advances received for unfinished construction contracts	162,338	132,945	48,026
Net balance sheet position for unfinished construction contracts	-22,108	-52,285	180,355
Reconciliation to items in the statement of financial position:			
Assets and liabilities under construction contracts in progress (per balance)	140,230	80,660	228,381
Assets on account of the performance of construction contracts on completed contracts	161,676	161,676	160,811
Assets and liabilities under construction contracts (per balance)	301,906	242,336	389,192

In the course of execution of construction contracts, mainly in the years 2010 - 2012, circumstances occurred for which the Parent Company was not responsible and which caused it to record losses not attributable to it (damages, increased unforeseen expenses, etc.). These circumstances included primarily:

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

In the opinion of the Parent Company, these circumstances resulted in changes to the contracts with the ordering parties (customers) in accordance with the contractual provisions and general legal basis, and the rights to which it is entitled as a result of the change in the contract exist and are enforceable (claims submitted to customers). Consequently, the Company (in accordance with IFRS 15):

- estimated the change in the transaction price resulting from the change in the contract, taking into account all information (historical, current, forecast and legal opinions and expert reports) that was reasonably available to it,
- included in the transaction price a part of the amount of remuneration for the change of contract to the extent that there is a high probability that a significant part of the amount of previously recognized cumulative revenues will not be reversed when the uncertainty about the amount of remuneration for the change of contract ceases.

Therefore, as at 31.03.2020, the Parent Company recognised assets due to the performance of construction contracts on completed contracts resulting from the amendment of contracts with the ordering parties (customers) in the amount of PLN 161,676 thousand.

The above-mentioned circumstances and changes in the agreements with the ordering parties (clients) had no impact on the amount of recognized revenues from execution of construction contracts in Q1 2020.

In the separate statement of financial position, the Parent Company discloses overdue trade receivables in the amount of PLN 149,174 thousand for which it did not create a revaluation write-down, and assets on account of performance of construction contracts on completed contracts in the amount of PLN 161,676 thousand which are mostly the subject of court cases. The value of passive accruals on account of non-invoiced construction works on these contracts amounts to PLN 40,811 thousand. The Management Board of the Parent Company anticipates that in the period of 12 months from the date of preparation of the statements some of these cases, due to their advancement, may be resolved.

Selected data - consolidated statement of financial position:

ACTIVE	31.03.2020	31.12.2019	31.03.2019
Amounts due from customers under construction contracts (long-term contracts)	369,308	338,884	309,992
Long-term deposits from construction contracts due from customers	11,058	8,454	10,765
Advances for construction work (long and short term)	5,670	7,376	10,475
Assets under construction contracts	334,947	281,404	400,092

COMMITMENTS	31.03.2020	31.12.2019	31.03.2019
Amounts due to suppliers under construction contracts (long-term contracts)	252,199	265,342	261,931
Long-term deposits from construction contracts due to suppliers	37,305	35,692	31,459
Advances for construction work (long and short term)	162,338	132,945	55,462
Provisions for anticipated losses	2,048	2,765	9,036
Liabilities under construction contracts	33,041	39,068	17,067

6 Significant changes in estimates

Preparation of the financial statements in accordance with the EU IFRS requires the Management Board to make judgements, estimates and assumptions that affect the application of the adopted accounting principles and the presented values of assets, liabilities, revenues and costs, whose actual values may differ from the estimated value. The estimates and related assumptions are based on historical experience and other factors that are considered reasonable under the circumstances, and their results give rise to professional judgment. The Management Board may rely on the opinions of independent experts in making judgements, estimates or assumptions. Estimates and related assumptions are subject to ongoing verification. Changes in accounting estimates are recognized prospectively from the period in which the estimate was changed.

It is important to recognise sales on construction contracts. The companies of the Capital Group recognize revenues from performed construction contracts based on the measurement of outlays, measured by the share of costs incurred from the day of concluding the contract until the day of determining the revenue in the total costs of service performance. Total revenues from long-term construction contracts denominated in foreign currency are determined on the basis of the invoicing made until the balance sheet date and the exchange rate valid on 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 a quarter. In the event of occurrence of events between official budget revisions, which significantly affect the contract result, the value of total contract revenues or costs may be updated earlier.

Information on created and dissolved revaluation write-offs can be found in notes 9 and 10 of this consolidated report.

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

Deferred tax assets decreased by PLN 120,000 in the reporting period and amounted to PLN 27,205 thousand as at 31.03.2020. The Capital Group recognizes a deferred tax asset based on the assumption that tax profit will be generated in the future allowing for its use. Deterioration of the obtained tax results in the future could result in all or part of the deferred tax asset not being realized.

The Management Board of the Parent Company carried out an analysis of the recoverability of the deferred tax asset as at the balance sheet date based on projections prepared taking into account the planned involvement in the energy and infrastructure sectors. The analysis indicates the realisation of a deferred tax asset in the amount of PLN 27,205 thousand. In the opinion of the Management Board of the Parent Company, realisation of the deferred tax asset from tax losses will be possible in the years 2020 - 2022.

7. Seasonality or cyclicity of the Capital Group's operations in Q1 2020

The activity of Mostostal Warszawa Capital Group depends on weather conditions and may be less active in winter periods than in other seasons of the year. In Q1 2020 the weather conditions did not have a significant impact on the Capital Group's operations and its results.

8. The 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 the first quarter of 2020, the financial result was significantly affected:

- weakening of the Polish currency against the euro as compared to 31.12.2019, which resulted in the recognition by the Parent Company of negative exchange rate differences from the balance sheet valuation of loans in the amount of PLN 15,213 thousand.

9. Information on inventory write-downs to net recoverable value and reversal of such write-downs

In the first quarter of 2020, no inventory revaluation write-offs were created, a write-off in the amount of PLN 27 thousand was used.

10. Information on write-offs for impairment of financial assets, tangible fixed assets, intangible assets or other assets and reversal of such write-offs

In the first quarter of 2020, receivables revaluation write-offs were created in the amount of PLN 144 thousand and write-offs were used in the amount of PLN 33 thousand.

11. Information on the creation, increase, use and release of reserves

Description	Provisions for the prizes jubilee and retirement benefits	Reserve for expected losses on contracts	Reserve for repairs guarantee	Reserve for cases court	Other Reserves	Total
As of 01.01.2020	4,964	2,764	12,425	5,344	987	26,484
Created during the period	0	141	435	0	0	576
Used	-151	-858	-1,675	-1,500	-36	-4,220
Solution	0	0	0	-301	0	-301

As at 31.03.2020	4,813	2,047	11,185	3,543	951	22,539
Long-term as 31.03.2020	2,589	989	6,656	0	0	10,234
Short-term as of 31.03.2020	2,224	1,058	4,529	3,543	951	12,305

12 Information on significant transactions of purchase and sale of tangible fixed assets

In the first quarter of 2020 the Capital Group did not conclude any significant transactions related to property, plant and equipment.

13. Information on significant liability for the purchase of tangible fixed assets

Due to the lack of significant purchases of property, plant and equipment in the first quarter of 2020, no significant liabilities arose on this account.

14. Information on significant settlements of court cases

In the first quarter of 2020, there were no significant settlements due to court cases.

15. Corrections of prior period errors

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

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

In the first quarter of 2020 Mostostal Warszawa S.A. and companies of the Capital Group did not issue shares. No repayment of debt and equity securities occurred.

17. dividends paid (declared) by the Issuer

In Q1 2020 Mostostal Warszawa S.A. did not pay any dividends.

18. Changes in the basic principles of management in the Parent Company and in the consolidated Group companies

During the period reported there were no significant changes in the principles of management of the Parent Company and the Group.

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

On 6 April 2020 Mostostal Warszawa S.A. concluded with Acciona Construcción S.A. annexes to loan agreements: Annex VII concluded with effect from 31 March 2020 to the Loan Agreement of 5 December 2012. Under the Agreement, Acciona grants the Parent Company a loan in the principal amount of EUR 13.5 million (which is equivalent to PLN 61.3 million at the average NBP exchange rate of 31 March 2020 of EUR 1 = PLN 4.5523) plus interest.

Annex IX concluded on 31 March 2020 to the Loan Agreement of 24 November 2011. Under the Agreement, Acciona grants the Parent Company a loan in the principal amount of EUR 14.4 million (which is equivalent to PLN 65.6 million at the average NBP exchange rate of 31 March 2020 of EUR 1 = PLN 4.5523) plus interest.

On the basis of these Annexes, the loans will be reimbursed by 1 April 2021. The loans may also be repaid within a shorter period.

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

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

20. Changes in granted/received collateral for trade agreements and liabilities that have occurred since the end of the last financial year

20.1 Contingent liabilities

Description	31.03.2020	31.12.2019
1. Centre of Oncology of the Lublin Region - a claim for a penalty for withdrawal from the agreement on reduction of remuneration, additional and security works (description in note 21.1(1))	27,072	27,072
2. Gamma Inwestycje Sp. z o.o. - claim for a penalty related to the construction of the "Zielona Italia" housing estate (description in note 21.1(2))	15,784	15,784
3. Energa Kogeneracja S.A. - construction of the power unit in Elbląg - claim for reduction of remuneration and contractual penalty for failure to comply with the parameters (description in Note 21.1 (3))	114,386	114,386
4. University of Białystok - Construction of the Institute of Biology and the Faculty of Mathematics and Computer Science together with the University Computation Centre - claim for a contractual penalty (description in note 21.1(4))	66,718	66,718
5. City Development Agency S.A.(Agencja Rozwoju Miasta S.A.) - Construction of the Sports and Entertainment Hall Czyżyny in Kraków - claim for contractual penalty (description in note 21.1(5))	20,822	20,822
6. Biomatec Sp. z o.o. - claim for remuneration (description in note 21.1(6))	22,876	22,876
7. Cestar A. Onions J. Starski sj a claim for remuneration (description in note 20.1(7))	12,689	12,689
8 University of Białystok - claim for liquidated damages (description in note 21.1 (10))	204,967	204,967
9 Waste Disposal Plant in Szczecin (Zakład Unieszkodliwiania Odpadów) - counterclaim (description in note 21.1(11))	211,839	211,839
10. other	21,933	22,221
Total	719,086	719,374

The value of contingent liabilities as of 31.03.2020 amounted to PLN 719,086 thousand and decreased by PLN 288 thousand compared to the end of the previous year.

20.2 Collaterals of trade agreements

Granted	31.03.2020	31.12.2019
Bills of exchange issued to secure commercial agreements	77 284	85 263
Guarantees for securing commercial contracts	863 564	702 741
Mortgages	46 100	46 100
Other guarantees	45 385	45 385
Total securities granted	1 032 333	879 489

Collaterals for trade agreements granted as at 31.03.2020 amounted to PLN 1,032,333 thousand, which means an increase of PLN 152,844 thousand in relation to the end of the previous year.

Received	31.03.2020	31.12.2019
Guarantees received	95 484	97 045
Bills of exchange received	761	1 177
Total securities received	96 245	98 222

As at 31.03.2020, the collaterals received to secure trade agreements amounted to PLN 96,245 thousand, which means a decrease by PLN 1,977 thousand compared to the end of the previous year.

Commercial contract collaterals for bill of exchange payment surety, bank guarantees, issued bills of exchange, guarantees for securing commercial contracts and others are related to long-term construction contracts. Granted and received collaterals also apply to contracts executed in consortiums.

The Capital Group has no liabilities related to the necessity to purchase fixed assets.

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

In the reporting period, the companies of the Capital Group participated in proceedings concerning receivables, the total value of which amounted to PLN 1,132,025 thousand and in proceedings concerning liabilities, the total value of which amounted to PLN 847,720 thousand.

21.1 Proceedings with the highest value of a dispute (Capital Group companies, as a defendant)

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

The date of filing the lawsuit: 10.09.2015 r.

The value of the dispute: 27,072 thousand PLN

The Plaintiff is seeking payment of a contractual penalty for the Plaintiff's withdrawal from the contract, claims for a reduction of remuneration, claims for additional and security works performed by the investor. In the opinion of Mostostal Warszawa S.A., the calculated contractual penalties are unjustified, the Company also disputes the remaining claims in full. On 11 September 2012, the Company received a Statement of the St. John of Dukla Oncology Centre of Lublin Region on withdrawal from the contract for the design and execution of construction works for the extension and modernization of the Lublin Region Oncology Centre ("Contract") and a call for payment of a contractual penalty. The said Agreement was concluded on January 3, 2011 between (Centre of Oncology of the Lublin Region) Centrum Onkologii Ziemi Lubelskiej ("the Principal") and a consortium composed of the following members: Mostostal Warszawa S.A. - Leader, Acciona Construcción S.A. - Partner, Richter Med. Sp. z o.o. - Partner ("Contractor"). As the reasons for

termination of the Agreement, the Contracting Authority stated failure to perform works in accordance with the material and financial schedule and terms of the Agreement resulting in delays in execution of the Agreement and making it unlikely that the Contractor will be able to complete the subject of the Agreement within the agreed deadline. At the same time, the Company brought a counterclaim and claims against the Ordering Party in the amount of PLN 32,461 thousand concerning remuneration for additional works performed and return of unduly calculated and deducted contractual penalties. An expert opinion was drawn up in the case.

2) Gamma Inwestycje S.A. (plaintiff)

The date of filing the lawsuit: 29.03.2013 r.

The value of the dispute: 15,784 thousand PLN

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

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

The date of filing the lawsuit: 24.07.2017 r.

The value of the dispute: 114,386 thousand PLN

The plaintiff is pursuing monetary claims against the Company in connection with the construction of Biomass Unit BB20 in Elbląg. The Plaintiff's claims are based on the claims that the BB20 biomass unit in Elbląg, constructed by Mostostal Warszawa S.A. and commissioned in July 2014, has defects, does not achieve guaranteed parameters and needs to be modernized. The amount of the claim covers three groups of claims, i.e: (1) contractual penalties in the amount of PLN 15,170 thousand being a part of the total amount of contractual penalties, of which PLN 7,378 thousand was paid to the Plaintiff under a bank guarantee and the remaining part is claimed in these proceedings, (2) demand for reduction of the contractual price in the amount of PLN 90,286 thousand and (3) capitalized interest in the amount of PLN 959 thousand. After the analysis of the statement of claim the Company is of the opinion that both Energa's claim for contractual penalties due to failure to achieve the guaranteed technical parameters of the Block and the claim for reduction of the contractual remuneration is unfounded. In particular, the Company indicates that in its opinion, the Claimant exploited the Block inconsistently with the terms of the Contract and the operation/maintenance instructions, i.e. burned fuel with parameters inconsistent with the provisions of the Contract, and did not carry out the so-called measurements of guaranteed parameters in accordance with the provisions of the Contract. Mostostal Warszawa S.A. disputes these claims in their entirety and considers them unfounded. The response to the statement of claim together with the counterclaim in the amount of PLN 7,378 thousand was submitted by Mostostal Warszawa S.A. on 15.12.2017.

4) University of Bialystok (plaintiff)

The date of filing the lawsuit: 03.02.2015 r.

The value of the dispute: 66,718 thousand PLN

The subject matter of the claim is the Plaintiff's claim for payment of contractual penalties under various titles in connection with the performance of the agreement of 25.01.2011 concerning "Construction of the Institute of Biology and the Faculty of Mathematics and Informatics with the University Computation Centre" and the agreement of 25.01.2011 concerning "Construction of the Faculty of Physics and the Institute of Chemistry" implemented under the Operational Programme Infrastructure and Environment. Mostostal Warszawa S.A. disputes these claims in their entirety and considers them unfounded. In the court proceedings Mostostal Warszawa S.A. shows a number of obstacles which objectively had a significant impact on the execution of construction works, including the execution date, justifying the lack of grounds for calculating contractual penalties. Mostostal Warszawa S.A. brought a counterclaim against the Plaintiff for the amount of PLN 83,435 thousand on account of overdue remuneration with interest, indirect costs resulting from the extension of the term of performance of contracts and other additional works. The proceedings were covered by conciliatory talks. At the unanimous request of the parties, the proceedings were suspended on 24.04.2019. In connection with the failure to conclude a settlement within the framework of the conducted talks, the proceedings were undertaken by the Court decision of 10.10.2019.

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

The date of filing the lawsuit: 22.07.2016 r.,

The value of the dispute: 20,822 thousand PLN

The plaintiff demands from the Company to pay contractual penalties for delays in the performance of construction works of the Sports and Entertainment Arena Czyżyny in Kraków - currently TAURON Arena Kraków. After the analysis of the statement of claim, the Company disputes in its entirety, both in principle and in amount, the claims made by the Plaintiff and is of the opinion that there were no grounds for calculating the contractual penalties. As of 14.04.2014 The Contractor in 99% performed the subject of the agreement and the Investor could start the collection. Due to defects in the design documentation, for which the Investor was responsible, the deadline for completion of the acceptance activities went beyond the contractual deadline but not because of the Contractor. In the period of the alleged delay, the Investor could fully use the object, the object already on 12.05.2014 had a permit for final use and on 30.05.2014 the first commercial event took place, so at the time when the Investor was calculating the Contractor's contractual penalties. The Company also filed a counterclaim against the Plaintiff for claims for additional works and remaining remuneration to be paid related to the construction of the Performance and Sports Hall of Czyżyna in Kraków in the amount of 16,439 thousand PLN. The case is at the stage of mediation proceedings, within the framework of which a private and supplementary opinion was drawn up.

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

The date of filing the lawsuit: 26.05.2014 r.

The value of the dispute: 22,876 thousand PLN

The claimant is claiming from Mostostal Warszawa S.A. for payment of remuneration for subcontracting works performed within the framework of the investment project Construction of 20 MWe Biomass Fired Power Unit in Energa Kogeneracja Sp. z o.o. The basis for the demand for payment is the claim that Mostostal withdrew from the agreement with the Plaintiff in a situation where the Plaintiff was ready to perform it, i.e. there were obstacles in the performance of the aforementioned agreement, but on the part of Mostostal). The Company fully disputes the validity of the Plaintiff's

claims. In response to the statement of claim Mostostal Warszawa S.A. claimed that the withdrawal from the agreement was caused by the Plaintiff's fault, while the provisions of the agreement between the parties in the event of the situation eliminate the payment of the entire claim to the Plaintiff, except for the costs incurred by the Plaintiff until the date of withdrawal. In addition, Mostostal Warszawa S.A. in accordance with the agreement concluded, among others, with the Plaintiff, paid all costs incurred by the Plaintiff until the date of withdrawal. An expert's opinion and a supplementary expert's opinion has been prepared in the case. The conclusions of both opinions are unfavorable for the Respondent, therefore Mostostal Warszawa S.A. raised extensive objections to them.

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

The date of filing the lawsuit: 16.11.2016 and 20.03.2017,

Total value of disputes: 14,667 thousand PLN

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

8) Rafako S.A. (plaintiff)

The date of filing the lawsuit: 31.03.2017 r.,

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

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

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

The date of filing the lawsuit: 09.10.2014 r.,

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

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

10) University of Bialystok (plaintiff)

The date of filing the lawsuit: 05.02.2018 r.

The value of the dispute: 204,967 thousand PLN

On 16 January 2018, the University of Białystok filed a lawsuit against Mostostal Warszawa S.A. for the payment of PLN 204,967,000 together with statutory interest for delay from 12 January 2018 to the date of payment, as contractual penalties for delay in removal by Mostostal Warszawa S.A. 449 defects resulting from the performance of contracts concerning the construction of the Institute of Biology, Faculty of Mathematics and Informatics, University Computation Centre, as well as Faculty of Physics and Institute of Chemistry within the University of Białystok Campus. Mostostal Warszawa S.A., after analysing the content of the claim, questions the validity of the claims made by the Plaintiff. The response to the statement of claim was submitted by the Company on 26 May 2018. Due to the fact that the proceedings were covered by negotiation talks, the parties requested suspension of the proceedings, which took place on 14 November 2018. In connection with the failure to conclude a settlement within the framework of the conducted talks, the proceedings were undertaken by the Court decision of 11.09.2019.

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

The date of filing the lawsuit: 24.01.2019 r.

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

Within the framework of the proceedings on the claim of MW, the defendant filed a counterclaim for the amount of PLN 211 839 thousand. The suit was delivered to MW on 24 January 2019. The counterclaim is currently under analysis. We have questioned the ZUOO's claim in its entirety, as it is based on the erroneous assumption that it was the ZUO and not Mostostal that effectively withdrew from the contract. The statement of claim was filed on 25.02.2019. The case is undergoing evidence proceedings.

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

The date of filing the lawsuit: 28.12.2018 r.

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

On 28 December 2019 Gamma Inwestycje filed a lawsuit against MW for payment of approximately PLN 40.5 million, consisting of: a) approximately PLN 9.1 million for the costs incurred by Gamma Inwestycje for the removal of defects and faults in buildings C and D constructed by MW, b) approximately PLN 8 million for the additional encumbrance of the bank guarantee of payment granted by MW, c) approximately PLN 8 million for the additional encumbrance of the bank guarantee of payment granted by MW. PLN 12.8 million for the return of salaries paid by Gamma Inwestycje to MW's subcontractors, and d) ca. PLN 10.5 million for compensation for the damage that Gamma Inwestycje suffered as it had to withdraw from the agreement with MW and entrust the unrealized works to another entity, i.e. Eiffage Budownictwo Mitex S.A, at a price 10.5 million PLN higher than MW's remuneration. MW submitted a response to the claim on 11.12.2019. Currently, the case has been referred to mediation.

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

Date of the claim: 31/08/2017

Value in dispute: PLN 23,625 thousand

Sarens Polska Sp. z o.o. (Claimant) brought a lawsuit against Mostostal Power Development Sp. z o.o. (Defendant) for payment of remuneration for the works performed and for reimbursement of the amount paid out under the performance bond provided by the Claimant. The Defendant considers the claim to be unfounded, since the remuneration claimed has been partially offset with a contractual penalty due to the Defendant. The amount paid out under the performance bond provided by the Claimant has been credited against the contractual penalty due to the Defendant.

21.2 Proceedings with the highest value of a dispute (Capital Group companies as the claimant)

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

Date of bringing the action 03.06.2012

The value of the dispute: 36,961 thousand PLN

Proceedings brought by Mostostal Warszawa S.A. and other members of the consortium against the Defendant for shaping the contract "Design and construction of the Stryków-Konotopa A-2 motorway at the section from km 394 + 500 to km 411 + 465.8". The Plaintiffs demand that the remuneration due under the agreement be increased by PLN 36,961 thousand, including PLN 18,850 thousand for Mostostal Warszawa S.A., in connection with an extraordinary increase in the prices of liquid fuels and asphalt, and that the aforementioned amount be paid. The proceedings were originally conducted before the District Court in Warsaw, which dismissed the claim in its entirety. As a result of the plaintiffs' appeal, in the judgement of 16.03.2017 The Court of Appeal in Warsaw overturned the judgement of the Regional Court and referred the case back to it for reconsideration. The proceedings are pending again before the court of first instance. Part of the amount claimed by the court is presented in the assets due to execution of construction contracts. An opinion of a court expert has been prepared in the case.

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

Date of bringing the action 09.09.2013

The value of the dispute: 61,857 thousand PLN

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

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

Date of bringing the action 29.03.2013

The value of the dispute: 15,785 thousand PLN

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

4) State Treasury Ministry of National Defence (Defendant)

Date of bringing the action 23.06.2010

The value of the dispute: 19,093 thousand PLN

Claims of the Mostostal Warszawa S.A. consortium - Unitek Ltd for additional remuneration and reimbursement of costs incurred in connection with the performance of the contract for the implementation of the Investment Package CP 2A0022

projects, under which the consortium acted as a substitute investor. During the performance of the contract, for reasons independent of the reasons, changes in the scope and shape of the investment took place, which resulted in additional costs, the reimbursement of which is claimed by the claimants. On 10.10.2016 The court awarded the claimants the amount of 7,142 thousand PLN with interest from 3.08.2010. The claim was dismissed to the remaining extent. The claimants appealed against the above judgment. On 8 November 2018. The Court of Appeal in Warsaw amended the judgment of the Court of First Instance so that it dismissed the claim for the amount of PLN 6,085,000. As a consequence of the judgment, the judgment of the Court of First Instance became final as regards the amount of PLN 1,057 thousand plus accrued interest. On 15 February 2019. Mostostal Warszawa S.A. filed a cassation appeal against the judgment of the Court of Appeal. On 8.11.2019. The SN accepted the complaint for examination. We are waiting for the cassation hearing to be appointed before the Supreme Court.

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

Date of bringing the action 30.05.2012

The value of the dispute: 212,105 thousand PLN

Together with the consortium member, the Company filed a lawsuit with the Regional Court of Warsaw against the Defendant to shape the legal relationship by amending agreement No. 2811/3/2010 of February 26th 2010 for performance of works involving construction of the A-4 motorway Tarnów-Rzeszów, in the section from the Rzeszów Centralny junction to the Rzeszów Wschód km. junction, approx. 574+300 to approx. 581+250 by increasing the gross remuneration by PLN 77,345 thousand. On 23.08.2012. The Company extended the claim in such a way that in addition to the existing request for shaping the agreement, it applied for (i) determination pursuant to Article 189 of the Civil Code, that the defendant is not entitled to demand from the Company a contractual penalty for exceeding the Time for Completion of works in connection with the execution of the section of the A4 motorway covered by the Agreement and (2) for an award from the General Directorate for National Roads and Motorways (GDDKiA) in favour of the Company, the amount of 11,368 thousand PLN with statutory interest on account of unjustified deduction of the contractual penalty for exceeding the Time for Completion with remuneration due for the execution of construction works. On 15.04.2013, a second extension of the claim was submitted, in which the value was updated: (i) the amount by which the claimants apply for the Court to increase the remuneration - to 195.723 thousand PLN gross, and (ii) the claimed payment of the due remuneration deducted as a contractual penalty - to 13.243 thousand PLN. The value of the subject matter of the dispute is currently 207,530 thousand PLN. By judgment of 4.08.2016. The Regional Court in Warsaw awarded the amount of PLN 11,298 thousand together with statutory interest for delay to the Company and Accion, and dismissed the remainder of the claim. On 20 December 2016, the claimants filed an appeal in which the said judgment was appealed against in the part dismissing the claim and ordering the claimants to pay the costs of the proceedings. The Defendant also appealed against the said judgment by challenging it in the part upholding the claim and ordering the respondent to pay the costs of the proceedings. At present, the appeal proceedings are pending, under which an expert was appointed in respect of MW's claim for payment of the remuneration due, deducted as a contractual penalty for the Defendant. Some of the amounts claimed in court are presented by the Company in the position of trade receivables and other receivables in the group of overdue receivables for which no revaluation write-offs have been created and in assets by virtue of execution of construction contracts. An expert opinion has been prepared in the case in the range of reasons of exceeding the time for completion.

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

Date of bringing the action 02.07.2013

The value of the dispute: 25,537 thousand PLN

The Company and its consortium member filed a lawsuit against the Defendant with the Regional Court in Warsaw to shape the legal relationship by amending the content of agreement no. 210/RK/110/2009/2010 of 1.09.2010. to perform works consisting in the extension of the S-7 road to the parameters of a two-lane road on the section of the ring road between Kielce, Kielce (DK 73 Wiśniówka junction) - Chęciny (Chęciny junction) by increasing the remuneration by the amount of PLN 25,537 thousand gross in connection with an extraordinary increase in the prices of liquid fuels, asphalt and steel. Part of the amount claimed in court is presented in the assets for the execution of construction contracts.

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

Date of bringing the action 23.05.2014

The value of the dispute: 103,644 thousand PLN

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

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

Date of bringing the action 09.05.2013

The value of the dispute: 52,344 thousand PLN

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

9) Municipality of Wrocław (Defendant)

Date of bringing the action 13.11.2012

The value of the dispute: 71,439 thousand PLN

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

5 October 2012. The case is still being examined by the same Court of Arbitration in accordance with the position of Mostostal. Part of the amount claimed by the court is presented in assets due to execution of construction contracts. An expert opinion was drawn up in the case together with a supplementary opinion.

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

Date of bringing the action 03.10.2014

The value of the dispute: 32,461 thousand PLN

In the proceedings brought against the defendant, Mostostal Warszawa S.A., together with its consortium members, claims for payment in connection with the construction of the Lublin Region Oncology Centre. The case is pending before the Regional Court in Lublin. The above mentioned amount of the lawsuit consists of the claims of the claimant: (i) payment for work undisputedly performed, (ii) interest for late payment in the course of contract execution, (iii) reimbursement of improperly calculated and deducted contractual penalties, (iv) other claims in which the claimants demand payment for materials purchased and left for incorporation, guarantee maintenance costs and lost profits. In the case in question, the Defendant filed a counterclaim, under which it demands that the Plaintiff pay the total amount of PLN 27,072 thousand for the claimant: (i) contractual penalty for withdrawal from the contract, (ii) reimbursement of costs and (iii) payments to subcontractors. The case is currently at the stage of evidence proceedings. A part of the amount claimed in court is presented by the Partnership as trade charges and other charges in the group of overdue charges, for which no updating write-downs have been created and in assets by virtue of construction contracts implementation. An expert opinion was prepared in the matter.

11) University of Białystok (Defendant)

Date of bringing the action 29.04.2015

Value of dispute: 83,435 thousand PLN

Mostostal Warszawa S.A., as a mutual reason, claims payment for basic and additional and replacement works, payment of overdue remuneration with interest, indirect costs resulting from the extension of the work schedule and other additional works in connection with the performance of the agreement of 25.01.2011 concerning "Construction of the Institute of Biology and the Faculty of Mathematics and Computer Science with the University Calculation Centre" and the agreement of 25.01.2011 concerning "Construction of the Faculty of Physics and the Institute of Chemistry" implemented under the Operational Programme Infrastructure and Environment. Part of the amount claimed in court is presented by the Company under trade receivables and other receivables in the group of overdue receivables, for which no revaluation write-offs were created. The proceedings were covered by conciliatory talks. At the unanimous request of the parties, the proceedings were suspended on 24.04.2019. In connection with the lack of settlement within the framework of the conducted talks, the proceedings were undertaken by the Court decision of 10.10.2019.

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

Date of bringing the action 28.04.2017

The value of the dispute: 23,017 thousand PLN

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

updating write-offs were created and in assets by virtue of execution of construction contracts. The case is in the phase of mediation proceedings, within the framework of which a private opinion and a supplementary opinion was prepared.

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

Date of bringing the action 07.06.2013

The value of the dispute: 9,963 thousand PLN

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

14) Zakład Unieszkodliwiania Odpadów Sp. z o.o. (Waste Desposal Plant in Szczecin) (Defendant)

Date of bringing the action 10.02.2017

The value of the dispute: 33,770 thousand PLN

Dispute over payment for unjustified enrichment in connection with the defendant's performance of the bank guarantee for proper performance of the contract, granted to the defendant on behalf of Mostostal Warszawa S.A. within the framework of the investment project entitled Construction of Waste Disposal Facility for the Szczecin Metropolitan Area in Szczecin. On 29 March 2018. the District Court in Szczecin awarded Mostostal Warszawa S.A. the amount of 33,770 thousand PLN with interest. On 30 May 2018. The Defendant appealed against the judgment. The Court of Appeal dismissed the Defendant's appeal in its ruling of 4 December 2018 in its entirety. MW initiated enforcement proceedings against the Defendant. 5.02.2019 r. The Defendant filed a cassation appeal together with a motion to suspend execution of judgments. The Court of Appeal granted the defendant's motion to suspend execution of judgments until the Supreme Court decides the cassation complaint. In connection with the decision of the Court of Appeal, the enforcement proceedings against the Defendant were suspended. On 25 October 2019. On 25 October 2019, the Supreme Court admitted the cassation appeal for consideration. We are currently awaiting the appointment of the cassation hearing before the Supreme Court. The amount collected in court is presented by the Company in the position of trade receivables and other receivables in the group of overdue receivables, for which no revaluation write-offs were created.

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

Date of bringing the action 17.05.2017

The value of the dispute: 29,063 thousand PLN

Mostostal Warszawa S. A. together with the consortium member demand payment for additional costs arising from the execution of contract no. 122/2010 of 31.08.2010 concluded with the Defendant for the execution of works consisting in "Extension of national road no. 8 to the parameters of the expressway on the section of the border of Mazowieckie/łódzkie Voivodeship - Radziejowice". The proceedings are conducted before the District Court in Warsaw. Part of the amount claimed in court is presented in the assets due to execution of construction contracts.

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

Date of bringing the action 03.07.2017

The value of the dispute: 20,614 thousand PLN

The Company and the consortium member filed a lawsuit against the Defendant with the Regional Court in Warsaw to award jointly and severally the amount of PLN 20,614 thousand plus statutory interest for delay from the date of filing

the lawsuit to the date of payment. The subject matter of the dispute is reimbursement by the Defendant to the Plaintiff of the costs of carrying out works on the extension of the S-7 road on a section of the ring road of Kielce, agreement no. 210/RK/110/2009/2010 of 01.09.2010 on the performance of works consisting in the extension of the S-7 road to the parameters of a dual carriageway road on a section of the ring road of Kielce, Kielce (DK 73 junction Wiśniówka) - Chęciny (Chęciny junction) in an extended time for completion. Part of the amount claimed in court is presented in the assets due to the execution of construction contracts.

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

The date of filing the lawsuit: 20.01.2018 r.

The value of the dispute: 26,274 thousand PLN

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

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

Date of bringing the action 15.01.2018

The value of the dispute: 90,141 thousand PLN

Mostostal Warszawa S.A. applied for payment of PLN 90,141,000 together with statutory interest for the delay from 28 November 2016 to the payment date. With the said statement of claim Mostostal Warszawa S.A. claims that the Defendant shall pay the remuneration for works, deliveries, designs and other services provided to the Defendant until the date of withdrawal by Mostostal Warszawa S.A. from the contract for the construction of Waste Treatment Plant in Szczecin, i.e. until 14 June 2016, for which Mostostal Warszawa S.A. did not receive remuneration under the interim payment certificates issued every month. The response to the Defendant's statement of claim was received by the Company on 24 May 2018. On 24.01.2019. MW received a counterclaim for the amount of PLN 211,839 thousand in the Company's opinion unfounded. The settlement of the case will be subject to the assessment of a court expert. Evidence is pending in the case. A part of the amount claimed in court is presented by the Company under trade receivables and other receivables in the group of overdue receivables, for which no revaluation write-offs were created.

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

The date of filing the lawsuit: 24.01.2018 r.

The value of the dispute: 98.585 thousand PLN

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

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

The date of filing the lawsuit: 15.12.2017

The value of the dispute: 7,753 thousand PLN

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

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

The date of filing the lawsuit: 4.03.2019 r.

Value of dispute: 9,438 thousand PLN

Action for payment of the amount paid by MPWiK - without any factual or legal basis - from the guarantee of proper performance of the contract. On 12.03.2019. The Court issued an order for payment to Mostostal in the proceedings by writ of payment. The Defendant objected to the order for payment. He indicated in it that he fulfilled the contract performance bond due to corrosion of technological pipelines. The causes of the corrosion were to be, on the one hand, the use of the wrong type of steel and, on the other hand, manufacturing errors in the welding process. On 09.08.2019. Mostostal submitted a reply to the objection, in which it indicated that on the day of the bank's request for payment the amount of the entitlement guarantee the defendant was not entitled to a specific, inter alia, as regards the amount, due claim that is part of improper performance or non-performance of the contract. The amount collected in court is presented by the Company in the position of trade receivables and other receivables in the group of overdue receivables, for which no revaluation write-offs were created.

The Parent Company recognized some of the claims resulting from the above-mentioned court cases in the budgets of contracts and recognized them in retained earnings. Details are described in Note 5 to the Additional information and notes to the condensed interim consolidated financial statements for the period 01.01.2020 - 31.03.2020.

22. Information on credits and loans taken and terminated in the first quarter of 2020

In the reporting period the companies of the Mostostal Warszawa Capital Group used credits and loans, the total value of which as of 31.03.2020 amounted to PLN 238,388 thousand.

The balance of liabilities under loans as at 31.03.2020 was PLN 228,524 thousand (the balance of liabilities under loans as at 31.12.2019 was PLN 243,341 thousand). The decrease in the balance of loans results from their partial repayment.

Interest-bearing bank loans and long-term loans as at 31.03.2020:

Name Bank/Lender	Amount of credit/loan granted	Amount used in thousand PLN	Terms and conditions interest rates	Deadline repayments
Acciona Construcción S.A.	EUR 14 997 thousand	133,483	WIBOR 1R + margin	01.04.2021
Acciona Construcción S.A.	EUR 14 035 thousand		WIBOR 1R + margin	01.04.2021
	TOTAL	133,483		

Current portion of interest-bearing bank credits and loans as at 31.03.2020:

Name Bank/Lender	Amount of credit/loan granted	Amount used in thousand PLN	Terms and conditions interest rates	Deadline repayments
Acciona Construcción S.A.	EUR 12,875 thousand	95,042	WIBOR 1R + margin	30.04.2020
Acciona Construcción S.A.	EUR 7,723 thousand		WIBOR 1R + margin	30.04.2020
Societe General S.A. Branch in Poland	PLN 10,000 thousand	0	WIBOR 1m + bank margin	30.06.2020
Bank PeKaO S.A.	PLN 6,000 thousand	5,910	WIBOR 1m + bank margin	30.06.2020
Bank PeKaO S.A.	PLN 6,800 thousand	3,941	WIBOR 1m + bank margin	30.11.2020
Credit Agricole	PLN 5,000 thousand	12	WIBOR 1m + bank margin	30.06.2020
	TOTAL	104,905		

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

23. Information on transactions with related parties

Statement of consolidated revenue on total sales and turnover within the Capital Group for Q1 2020.

Group companies	Total net revenues from sales	Sales made within the Group	Consolidated net revenue from sales
Parent Company	248,859	192	248,667
Other Companies	66,255	1,895	64,360
TOTAL	315,114	2,087	313,027

The total net revenues from the sale of companies consolidated under the full method amounted to PLN 315,114 thousand for the first quarter of 2020. The turnover within the Capital Group amounted to PLN 2,087 thousand , i.e. 1 % of total net revenues from sales without consolidation exclusions.

All transactions concluded with related entities in the first quarter of 2020 were typical and routine transactions and were concluded on market terms.

Total amounts of transactions concluded by the Group companies with related parties:

Other related parties Capital Groups		Sales made by the Group's entities to related parties	Purchases made by related parties in Group companies	Receivables from related parties	Liabilities to related parties, excluding loans
Acciona Construcción S.A. Branch in Poland	31.03.2020	6	0	0	3,704
	31.12.2019	176	0	0	3,891
	31.03.2019	8	0	7	4,320
Acciona Construcción S.A.	31.03.2020	76	3,773	360	25,065
	31.12.2019	34	8,523	365	21,654
	31.03.2019	0	7,613	184	30,217
Acciona Nieruchomości Wilanów Sp. z o.o.	31.03.2020	13,894	159	6,609	0
	31.12.2019	34,337	95	1,761	40
	31.03.2019	4,748	18	303	60
Acciona Facility Services Poland Sp. z o.o.	31.03.2020	49	0	44	0
	31.12.2019	160	0	31	0
	31.03.2019	31	0	247	0
TOTAL	31.03.2020	14,025	3,932	7,013	28,769
	31.12.2019	34,707	8,618	2,157	25,585
	31.03.2019	4,787	7,631	741	34,594

As of 30.09.2019 Mostostal Warszawa had liabilities under loans to Acciona Construcción S.A. with its registered office in Madrid in the amount of PLN 228,524 thousand (as of 31.12.2019 the value of loans was PLN 243,341 thousand).

As of 31.03.2020 Mostostal Warszawa received bank or insurance guarantees from the guarantee limits of Acciona Construcción S.A. in the total amount of PLN 414,081 thousand (as of 31.12.2019: PLN 326,752 thousand).

As at 31.03.2020, interest on loans received from Acciona Construcción S.A. amounted to PLN 2,132 thousand (as at 31.03.2019 it was PLN 2,442 thousand).

For companies: Acciony Construcción S.A. Branch in Poland, Acciona Construcción S.A., Acciona Nieruchomości Wilanów Sp. z o.o. and Acciona Facility Services Poland Sp. z o.o. The party to the agreements and mutual settlements (included in the table above) is Mostostal Warszawa S.A.

24. Reporting by market segment

The organisation and management of the Mostostal Warszawa Capital Group is divided into segments according to the type of products offered. The Capital Group settles transactions between segments as if they concerned non-related entities using current market prices.

The tables below present data from the consolidated profit and loss account for the period of 3 months ended 31.03.2020 for particular reporting segments of the Capital Group.

The following segments are included in the continuing operations:

1. Industrial and power engineering segment, which includes activities related to the construction of industrial and power facilities (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 segment, which includes activities related to the construction of roads and bridges (Mostostal Warszawa S.A., Mostostal Kielce S.A.)
3. General construction segment including construction of residential and non-residential buildings and public facilities (Mostostal Warszawa S.A., MPB Mielec S.A.).

Unallocated revenues and costs concern other production and service activities and management costs.

Consolidated profit and loss account for individual reportable segments:

3 month period ended 31 March 2020	Industry and energy	Infrastructure	General construction	Unallocated revenues and expenses and consolidation adjustments	TOTAL
Revenue from sales					
Sales to external customers	99,529	51,308	160,133	2,057	313,027
Sales between segments	0	0	0	0	0
Total segment revenues	99,529	51,308	160,133	2,057	313,027
Segment profit (loss) (including other operating revenues and costs)	15,083	4,946	13,112	-3,226	29,915
Unallocated costs (management costs)	0	0	0	17,042	17,042
Profit (loss) on operating activities	15,083	4,946	13,112	-20,268	12,873
Financial income	0	585	0	427	1,012
Financial costs	1,947	17	57	14,307	16,328
Gross profit (loss)	13,136	5,514	13,055	-34,148	-2,443
Income tax	0	0	0	993	993
Net profit (loss) on continued operations	13,136	5,514	13,055	-35,141	-3,436
Net profit / (loss) for the period	13,136	5,514	13,055	-35,141	-3,436
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

3 month period ended 31 March 2019	Industry and energy	Infrastructure	General construction	Unallocated revenues and expenses and consolidation adjustments	TOTAL
Revenue from sales					
Sales to external customers	90,292	41,249	137,563	2,279	271,383
Sales between segments	0	0	0	0	0
Total segment revenues	90,292	41,249	137,563	2,279	271,383
Segment profit (loss) (including other operating revenues and costs)	12,081	3,511	7,145	-1,224	21,513
Unallocated costs (management costs)	0	0	0	15,171	15,171
Profit (loss) on operating activities	12,081	3,511	7,145	-16,395	6,342

Financial income	0	4	0	197	201
Financial costs	69	35	62	3,369	3,535
Gross profit (loss)	12,012	3,480	7,083	-19,567	3,008
Income tax	0	0	0	1,416	1,416
Net profit (loss) on continued operations	12,012	3,480	7,083	-20,983	1,592
Net profit / (loss) for the period	12,012	3,480	7,083	-20,983	1,592
Net profit (loss) attributable to shareholders of the Parent Company	12,012	3,480	7,083	-21,750	825
Net profit (loss) attributable to non-controlling shareholders				767	767

The Management Board of Mostostal Warszawa S.A. responsible for making operational decisions does not analyse assets and liabilities by segments due to transfers of assets between segments. Allocation of revenues and costs to particular segments takes place on the basis of implemented projects. Assets are analyzed at the level of the entire Capital Group. The main measure of segment result is the gross result on sales adjusted for other operating revenues and costs.

In the reporting period, no customer exceeded the 10% share threshold in the sales of Mostostal Warszawa Capital Group.

Mostostal Warszawa Capital Group companies operate on the domestic and foreign markets. Revenues for export amounted to PLN 1,251 thousand, which constituted approx. 0.4% of revenues from sales.

25. Financial instruments - Fair values

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

As at 31.03.2020 Mostostal Warszawa Capital Group did not have any financial instruments in hedge accounting.

Other information

to the condensed interim consolidated financial statements
for the period 01.01.2020 - 31.03.2020

1. Selected financial data

SELECTED FINANCIAL DATA	in thousand PLN		in thousand EUR	
	2020 period from 01.01.2019 to 31.03.2020	2019 period from 01.01.2019 to 31.03.2019	2020 period from 01.01.2019 to 31.03.2020	2019 period from 01.01.2019 to 31.03.2019
Revenue from sales	313,027	271,383	71,202	63,145
Gross profit (loss) on sales	27,074	21,301	6,158	4,956
Profit (loss) on operating activities	12,873	6,342	2,928	1,476
Gross profit (loss)	-2,443	3,008	-556	700
Net profit (loss) on continued operations	-3,436	1,592	-782	370
Net profit (loss) on discontinued operations	-3,436	1,592	-782	370
Net profit (loss)	-3,436	1,592	-1,563	741
attributed to shareholders of the Parent Company	-3,917	825	-891	192
attributed to non-controlling shareholders	481	767	109	178
Net cash flows from operating activities	-69,782	-74,147	-15,873	-17,252
Net cash flows from investing activities	-18	-396	-4	-92
Net cash flows from financing activities	-34,518	1,056	-7,852	246
Cash at end of period	169,365	81,026	37,204	18,838
Net profit (loss) attributable to shareholders of the Parent Company	-3,917	825	-891	192
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)	-0.20	0.04	-0.04	0.01
	31.03.2020	31.12.2019	31.03.2020	31.12.2019
Total assets	1,024,294	1,035,884	225,006	243,251
Long-term liabilities	256,464	103,567	56,337	24,320
Current liabilities	723,599	882,409	158,952	207,211
Total liabilities	980,063	985,976	215,290	231,531
Equity (attributed to shareholders of the Parent Company)	32,834	40,140	7,213	9,426
Total equity	44,231	49,908	9,716	11,720
Core capital	44,801	44,801	9,841	10,520
Number of shares in units	20,000,000	20,000,000	20,000,000	20,000,000

2. Description of significant achievements or failures and key events in the first quarter of 2020 and evaluation of financial resources management

In the first quarter of 2020, consolidated sales revenues amounted to PLN 313,027 thousand and increased by PLN 41,644 thousand compared to the first quarter of 2019. Gross profit on sales amounted to PLN 27,074 thousand (in the analogous period of 2019, gross profit on sales amounted to PLN 21,301 thousand). In Q1 2020, the Capital Group recorded a net

loss of PLN 3,436 thousand (in Q1 2019, net profit amounted to PLN 1,592 thousand). The Company's results were significantly influenced by the weakening of the PLN currency in relation to the EUR, which resulted in the Capital Group's recognition in Q1 2020 of an excess of negative exchange rate differences over positive ones in the total amount of PLN 13,447 thousand.

The value of short-term trade receivables as of 31.03.2020 was PLN 369,308 thousand and increased by PLN 30,424 thousand compared to 31.12.2019.

The value of assets due to the performance of construction contracts as of 31.03.2020 amounted to PLN 334,947 thousand and was higher by PLN 53,543 thousand compared to 31.12.2019.

The value of cash as of 31.03.2020 was PLN 169,365 thousand and decreased by PLN 104,318 thousand compared to 31.12.2019. In the first quarter of 2020, the Capital Group used overdrafts and short-term and long-term loans, whose balance as at 31.03.2020 amounted to PLN 238,388,000 and decreased by PLN 14,926 thousand when compared to 31.12.2019.

Long-term liabilities in the first quarter of 2020 increased by PLN 152,897 thousand compared to 31 December 2019 mainly as a result of signing by the Parent Company annexes to two loan agreements with effect from 31 March 2020, as a result of which their repayment date was extended to 1 April 2021. (as described in note 19 of Additional information and notes to the condensed interim consolidated financial statements for the period from 01.01.2020 to 31.03.2020).

The value of short-term trade liabilities as of 31.03.2020 amounted to PLN 252,199 thousand and was lower by PLN 13,143 thousand compared to 31.12.2019.

In the reporting period, i.e. from 01.01.2020 to 31.03.2020, the following events significant for the Mostostal Warszawa Capital Group took place:

On 7 February 2020 Mostostal Warszawa S.A. concluded a contract with the General Directorate for Roads and Motorways, Szczecin Branch ("GDDKIA") for the execution of the task entitled: "Design and construction of the road S11 Koszalin - Szczecinek section w. Koszalin Zachód (without a junction) - w. Bobolice. Section 2. Zegrze Pomorskie junction (without junction) - Koszalin Południe junction (with junction)". The gross value of the contract is PLN 478,300 thousand. Completion date: 36 months; winter periods (i.e. from December 15 to March 15) are not included in the time of works execution.

On February 11th, 2020 Mostostal Warszawa S.A. concluded an agreement with the Municipality of Krakow in Krakow ("Employer") on realization of the task called "Cluster of Social and Economic Innovation Zabłocie 20.22. Reconstruction with a change in the use of existing post-industrial facilities in Krakow at Zabłocie 20-22 Street". The gross value of the contract is 39.200 thousand PLN. Completion date: July 30, 2021.

On 17 February 2020 Mostostal Warszawa S.A. informed about receiving from GE Power Sp. z o.o. ("GE Power") information about the suspension of works on the execution of a subcontracting task entitled: "Execution of construction works for the Ostrołęka C Power Plant with a capacity of about 1000 MW - Package V30, V02, V20, V32 and V33". The Company was asked to present the status of the advancement of the works carried out so far and the related costs, as well as information on what works should be completed for technical/technological reasons, including their costs.

On 19 February 2020 Mostostal Warszawa S.A. concluded agreements with two existing shareholders of its subsidiary AMK Kraków S.A., as a result of which it acquired 200,000 shares of AMK Kraków S.A. for the total amount of PLN 1,300 thousand. The nominal value of one share of AMK Kraków is PLN 1.

Before the transaction Mostostal Warszawa S.A. held 300,000 shares in AMK Kraków S.A., which represented 60.00% of its share capital and entitled to 60.00% of votes at the General Meeting of AMK Kraków S.A. As a result of the transaction Mostostal Warszawa SA holds 500,000 shares in AMK Kraków SA, which accounts for 100.00% of its share capital and entitles to 100.00% of votes at the General Meeting of AMK Kraków SA.

On 20 February 2020 Mostostal Warszawa S.A. concluded with ST Katowice Krasieńskiego Sp. z o. o. ("Principal") with its registered office in Warsaw, an agreement for the execution of the task entitled: "Construction of BASECAMP KATOWICE - Collective residential building - student house with accompanying functions and public utility services, including sports, trade, catering with internal installations, adjacent land development, including road and pedestrian communication system with a fire road and parking spaces at ul. Zygmunta Krasieńskiego 29, in the district of Bogucice - Zawodzie, in Katowice on ew. roads 92/6, 92/8 and 92/10, registered area: 246901_1.0002, Dz. Bogucice-Zawodzie, single registration: 246901_1 Katowice". The gross value of the contract is 110,900 thousand PLN. Completion date: 18 months and 27 days.

On 10 March 2020, Mostostal Warszawa S.A. concluded with Credit Agricole Bank Polska Annex 13 ("Annex") to the Guarantee Facility Agreement of 14 December 2015. ("Agreement").

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

- The value of the maximum available line was increased to PLN 66,500 thousand, which includes PLN 6,500 thousand for guarantees issued for the liabilities of AMK Kraków SA - subsidiary of Mostostal Warszawa (100% of the share capital).
- The period of availability of bank guarantees is valid until 30 June 2020,
- additional security for the guarantee line has been established in the form of a registered pledge on the Company's account kept by Credit Agricole Bank Polska.

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

The wider economic impact of these events includes in particular:

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

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

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

In order to ensure continuity of business activity and liquidity of the Parent Company and the Capital Group, the management started to implement activities which include in particular:

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

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

On 31 March 2020 Mostostal Warszawa S.A. was notified by the General Directorate for Roads and Motorways Branch in Warsaw (GDDKIA) about the selection of the most advantageous offer of Mostostal Warszawa S.A. in the proceedings entitled: "Design and construction of the S7 expressway on the section Płońsk-Czosnów, Section II from the "Załużski" interchange (with node) to Modlin node (without a knot)" Contract value: 635,060 thousand PLN gross. The decision on the selection of the most advantageous offer may be appealed against, which may be lodged within 10 days from the day on which the circumstances constituting the basis for its lodging were known or could be known.

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

In the first quarter of 2020, the financial result was affected by:

- weakening of the Polish currency against the EURO as compared to 31.12.2019, which resulted in the booking by the Parent Company of negative exchange rate differences from the balance sheet valuation of loans from Acciona Construcción S.A. in the amount of PLN 15,213 thousand.

4. Market position of the Capital Group.

In Q1 2020 the consolidated Mostostal Warszawa Capital Group consisted of 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 based in Madrid.

Acciona Construcción S.A. is the owner of 62.13% of Mostostal Warszawa S.A. shares as of 31.03.2020.

5. Performance forecasts.

Mostostal Warszawa Capital Group did not publish forecasts for 2020.

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 18 May 2020:

Subject	Number of shares	Number of votes	% Capital	% of Votes
Acciona Construcción SA	12,426,388	12,426,388	62.13%	62.13%
Open Pension Fund PZU "Golden Autumn"	3,826,194	3,826,194	19.13%	19.13%

7. The shareholding of Mostostal Warszawa S.A. by managing and supervising persons and changes in that holding.

In the period from 21.04.2020, i.e. the date of publication of the report for 2019 to 15.05.2020, there were no changes in the ownership of Mostostal Warszawa S.A. shares by managing and supervising persons.

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

In the reporting period, the companies of the Capital Group participated in proceedings concerning receivables, the total value of which amounted to PLN 1,132,025 thousand and in proceedings concerning liabilities, the total value of which amounted to PLN 847,720 thousand.

Information on significant proceedings has been presented in Note 21 to the condensed interim consolidated financial statements for the period 01.01.2020 - 31.03.2020.

9. Information on transactions with related parties

Statement of consolidated revenue on total sales and turnover within the Capital Group in the first quarter of 2020.

Group companies	Total net revenues from sales	Sales made within the Group	Consolidated net revenue from sales
Parent Company	248,859	192	248,667
Other Companies	66,255	1,895	64,360
TOTAL	315,114	2,087	313,027

The total net revenues from the sale of companies consolidated under the full method amounted to PLN 315,114 thousand for the first quarter of 2020. The turnover within the Capital Group amounted to PLN 2,087 thousand , i.e. 1 % of total net revenues from sales without consolidation exclusions.

All transactions concluded with related entities in the first quarter of 2020 were typical and routine transactions and were concluded on market terms.

Information on transactions with related entities was presented in note 23 Additional information and explanations to the condensed interim consolidated financial statements for the period 01.01.2020 - 31.03.2020.

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

During the reporting period, the Capital Group companies did not grant any sureties for loans and borrowings or guarantees to one entity of significant value.

11. Other information relevant to the assessment of the situation of the Capital Group

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 than that listed in the notes to the condensed consolidated financial statements for the period 01.01.2020 - 31.03.2020 and other points to other information to the condensed consolidated financial statements for the period 01.01.2020 - 31.03.2020.

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

Factors that may affect the Capital Group's results in the next quarter are the following:

- risk of changes in prices of building materials and subcontractors' services,
- the foreign exchange risk that affects the valuation of loan liabilities,
- high competition on the construction and assembly services market,
- slowing down investment processes,
- Coronavirus pandemic and the related announcement of an epidemiological emergency in the Republic of Poland.

Warsaw, 18.05.2020

First and last name	Position	Signatures
Alvaro Javier de Rojas Rodriguez	Member of the Management Board	
Jarosław Reszka	Proxy	