



**CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS
MOSTOSTAL WARSZAWA CAPITAL GROUP
FOR THE PERIOD 01.01.2022 – 31.03.2022**

BUDUJEMY PRZYSZŁOŚĆ.

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CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the 3-month period from 01.01.2022 to 31.03.2022

CONTINUING OPERATIONS		First quarter 2022 period from 01.01.2022 to 31.03.2022	First quarter 2021 period from 01.01.2021 to 31.03.2021
I	Sales revenues	300 935	210 241
	Revenues from construction contracts	299 752	208 288
	Revenue from sale of services	129	478
	Revenue from sale of goods and materials	1 054	1 475
II	Cost of sales	279 316	190 634
III	Gross profit on sales	21 619	19 607
IV	General administrative expenses	15 979	16 568
V	Other operating income	3 598	1 165
VI	Other operating expenses	1 461	603
VII	Operating profit	7 777	3 601
VIII	Financial income	1 250	1 921
IX	Financial costs	4 409	2 400
X	Gross profit	4 618	3 122
XI	Income tax	3 036	1 102
XII	Net profit from continuing operations	1 582	2 020
XIII	Net profit for the period from discontinued operations	0	0
XIV	Net profit for the period	1 582	2 020
XV	Net profit attributable to shareholders of the Parent Company	676	1 408
XVI	Net profit attributable to non-controlling shareholders	906	612

Earnings per share

SPECIFICATION	First quarter 2022 period from 01.01.2022 to 31.03.2022	First quarter 2021 period from 01.01.2021 to 31.03.2021
Weighted average number of ordinary shares	20 000 000	20 000 000
Net profit per ordinary share (in PLN)	1 582	2 020
Basic earnings per share from continuing operations	0,08	0,10
Diluted net profit per ordinary share (in PLN)	0,08	0,10
Diluted earnings per share from continuing operations	0,08	0,10

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the 3-month period from 01.01.2022 to 31.03.2022

SPECIFICATION	First quarter 2022 period from 01.01.2022 to 31.03.2022	First quarter 2021 period from 01.01.2021 to 31.03.2021
Net profit for the period	1 582	2 020
Other comprehensive income that will subsequently be reclassified to profit or loss when certain conditions are met:	28	100
Foreign exchange differences on translation of foreign operations	28	100
Other comprehensive income before tax	28	100
Income tax relating to components of other comprehensive income	0	0
Other net comprehensive income	28	100
Total income	1 610	2 120
attributed to:		
Shareholders of the Parent Company	704	1 508
To non-controlling shareholders	906	612

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

LP	ASSETS	stan na 31.03.2022	stan na 31.12.2021	stan na 31.03.2021
I	Fixed assets (long-term)	135 882	130 571	130 353
I.1	Intangible assets	1 107	1 059	1 408
I.2	Rights of use	38 337	43 438	44 777
I.3	Tangible fixed assets	52 388	43 748	34 478
I.4	Long-term deposits under construction contracts due from customers	8 816	8 389	14 271
I.5	Long-term financial assets	0	7	12
I.6	Deferred tax assets	30 694	30 293	30 052
I.7	Long-term accruals and deferred income	4 540	3 637	5 355
II.	Current assets (short-term)	786 458	791 580	703 032
II.1	Stocks	48 792	51 427	32 212
II.2	Trade receivables	305 856	264 264	314 238
II.3	Other receivables	6 444	6 751	701
II.4	Income tax receivables	1 523	1 400	1 368
II.5	Advances on works	14 039	12 476	6 111
II.6	Cash and cash equivalents	155 515	240 761	106 830
II.7	Short-term financial assets	0	0	129
II.8	Assets resulting from construction contracts	244 464	206 720	234 707
II.9	Other accruals and deferred income	9 825	7 781	6 736
	TOTAL ASSETS	922 340	922 151	833 385

LP	LIABILITIES	31.03.2022	31.12.2021	31.03.2021
I	Equity (attributable to shareholders of the Parent Company)	59 036	58 340	44 826
I.1	Share capital	44 801	44 801	44 801
I.2	Share premium	108 406	108 406	108 406
I.3	Other reserves	33 056	33 056	22 742
I.4	Reserve capital from reclassification of loans	201 815	201 815	201 815
I.5	Exchange differences on translation of foreign subsidiaries/branches	-573	-601	-552
I.6	Retained earnings / (Uncovered losses)	-328 469	-329 137	-332 386
II	Non-controlling shareholders' equity	23 277	22 371	13 784
III	Total equity	82 313	80 711	58 610
IV	Long-term liabilities	154 717	100 406	237 487
IV.1	Interest-bearing bank loans and borrowings	68 459	0	132 315
IV.2	Long-term lease liabilities	26 374	27 994	24 868
IV.3	Long-term deposits under construction contracts due to suppliers	36 817	39 575	42 668
IV.4	Long-term liabilities due to execution of construction contracts	8 241	18 471	27 193
IV.5	Long-term provisions	14 826	14 366	10 443
V	Current liabilities	685 310	741 034	537 288
V.1	Current portion of interest-bearing bank loans and borrowings	70 855	132 150	2 722
V.2	Short-term leasing liabilities	10 666	10 570	10 323
V.3	Trade payables	215 867	190 897	175 043
V.4	Income tax	0	0	1 612
V.5	Other liabilities	35 489	45 247	27 796
V.6	Short-term liabilities due to execution of construction contracts	132 540	149 110	117 301
V.7	Short-term provisions	10 681	16 043	15 774
V.8	Employee benefit obligations	6 682	4 065	6 544
V.9	Other accruals and deferred income	202 530	192 952	180 173
VI	Total liabilities	840 027	841 440	774 775
Total equity and liabilities		922 340	922 151	833 385

CONSOLIDATED CASH FLOW STATEMENT
for the 3-month period from 01.01.2022 to 31.03.2022

LP	SPECIFICATION	First quarter 2022 period from 01.01.2022 to 31.03.2022	First quarter 2021 period from 01.01.2021 to 31.03.2021
I	Cash flows from operating activities		
I.1	Gross profit	4 618	3 122
I.2	Adjustments for items:	-81 586	3 497
I.2.1	Depreciation	4 467	4 287
I.2.2	Exchange rate differences	1 500	-1 099
I.2.3	Interest	1 736	2 709
I.2.4	Profit/loss on investing activities	-188	-134
I.2.5	Change in receivables	-43 400	34 510
I.2.6	Change in inventories	2 636	-11 558
I.2.7	Change in liabilities excluding loans and borrowings	12 454	-40 128
I.2.8	Change in assets and liabilities arising from construction contracts and accruals	-55 216	16 723
I.2.9	Change in provisions	-4 902	-2 703
I.2.10	Other	-673	890
I.3	Cash from operating activities	-76 968	6 619
	Income tax (paid / received)	-3 321	-6 771
I	Net cash from operating activities	-80 289	-152
II	Cash flows from investing activities		
II.1	Sales of property, plant and equipment and intangible assets	297	346
II.2	Acquisition of tangible and intangible fixed assets	-6 246	-2 573
II.3	Acquisition of financial assets	0	0
II.4	Interest received	0	0
II.5	Other	0	0
II	Net cash from investing activities	-5 949	-2 227
III	Cash flows from financing activities		
III.1	Repayment of lease liabilities	-2 937	-1 722
III.2	Proceeds from loans/credits	4 322	29
III.3	Repayment of loans / credits	0	-66 700
III.4	Dividends paid to non-controlling shareholders	0	0
III.5	Interest paid	-391	-5 662
III.6	Other	-2	-25
III	Net cash from financing activities	992	-74 080
IV	Change in cash and cash equivalents before exchange differences	-85 246	-76 459
	Change in cash and cash equivalents due to exchange differences	0	0
V	Change in cash and cash equivalents net of exchange differences	-85 246	-76 459
VI	Cash and cash equivalents at beginning of period	240 761	183 289
VII	Cash and cash equivalents at the end of the period	155 515	106 830

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

First quarter 2022 period from 01.01.2022 to 31.03.2022	Share capital	Share premium	Other reserves	Reserve capital from reclassificatio n of loans	Exchange differences on translation of foreign branches	Retained earnings / uncovered losses	Equity (attributable to shareholders of the Parent Company)	Attributable capital to non-controlling shareholders	Equity total
As at 1 January 2022	44 801	108 406	33 056	201 815	-601	-329 137	58 340	22 371	80 711
Profit (loss) for the period	0	0	0	0	0	676	676	906	1 582
Other comprehensive income	0	0	0	0	28	0	28	0	28
Total comprehensive income	0	0	0	0	28	676	704	906	1 610
Distribution of retained earnings	0	0	0	0	0	-8	-8	0	-8
Change in capital in the period	0	0	0	0	28	668	696	906	1 602
As at 31 March 2022	44 801	108 406	33 056	201 815	-573	-328 469	59 036	23 277	82 313

2021 period from 01.01.2021 to 31.12.2021	Share capital	Share premium	Other reserves	Reserve capital from reclassificatio n of loans	Exchange differences on translation of foreign branches	Retained earnings / uncovered losses	Equity (attributable to shareholders of the Parent Company)	Attributable capital to non-controlling shareholders	Equity total
As at 1 January 2021	44 801	108 406	22 742	201 815	-652	-334 021	43 091	13 172	56 263
Profit (loss) for the period	0	0	0	0	0	14 996	14 996	9 712	24 708
Other comprehensive income	0	0	0	0	51	0	51	0	51
Total comprehensive income	0	0	0	0	51	14 996	15 047	9 712	24 759
Distribution of retained earnings	0	0	10 314	0	0	-10 112	202	-513	-311
Change in capital in the period	0	0	10 314	0	51	4 884	15 249	9 199	24 448
As at 31 December 2021	44 801	108 406	33 056	201 815	-601	-329 137	58 340	22 371	80 711

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

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 consolidated interim financial statement of Mostostal Warszawa Capital Group for the consolidated profit and loss account covers the period of 3 months of 2022 and includes comparative data for the period of 3 months of 2021, for the consolidated cash flow statement the period of 3 months of 2022 and includes comparative data for the period of 3 months of 2021 and in case of the consolidated statement of financial position prepared as at 31 March 2022, it includes comparative data as at 31 December 2021 and 31 March 2021.

Mostostal Warszawa S.A., i.e. the Parent Company, is a joint stock company incorporated under the laws of Poland, registered in Poland with the District Court for the Capital City of Warsaw in Warsaw, XIII Commercial Division of the National Court Register under No. KRS: 0000008820. The registered office of Mostostal Warszawa S.A. is in Warsaw (02-673), 12a Konstruktorska Street, Poland. The main scope of activity is specialist construction work included in the PKD division 4120Z. Mostostal Warszawa Group operates in Poland and in the European market. The shares of Mostostal Warszawa S.A. are listed on the Warsaw Stock Exchange, sector: construction.

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

There were no changes in the identity of the reporting entity during the reporting period.

The office of Mostostal Warszawa S.A. is registered at Warsaw (02-673), 12a Konstruktorska Street.

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

The ultimate parent company is Acciona S.A.

2. Composition of the Capital Group

Lp.	Company name	Headquarters	Subject of activity	Competent court	Share of Mostostal Warszawa S.A. in votes at the company's General Meeting (31.03.2022)	Mostostal Warszawa S.A. share in the company's share capital (31.03.2022)
1	Mostostal Warszawa S.A.- Spółka Dominująca	Warszawa	Construction	District Court for the Capital City of Warsaw, XIII Commercial Division of the National Court Register under number 0000008820	-	-
2	Mostostal Kielce S.A.	Kielce	Construction	District Court in Kielce, 10th Commercial Division of the National Court Register under number 0000037333	100,00%	100,00%
3	AMK Kraków S.A.	Kraków	engineering services, design, construction project management, execution of buildings "turnkey"	District Court for Kraków Śródmieście XI Economic Division of the National Court Register under number 0000053358	100,00%	100,00%
4	Mostostal Płock S.A.	Płock	Construction	District Court for the Capital City of Warsaw, XIV Commercial Division of the National Court Register under number 0000053336	53,10%	48,69%
5	Mostostal Power Development Sp. z o.o.	Warszawa	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 business entities over which the Group exercises control. The Group exercises control over a company when it is exposed to, or entitled to variable financial results from its involvement with that company and has the ability to

influence the amount of its results by exercising its authority over that company. Subsidiaries are fully consolidated from the date on which control is obtained by the Group. Consolidation shall cease from the date on which control ceases.

As of 31.03.2022 Mostostal Warszawa S.A. held 907,095 ordinary bearer shares and 66,057 registered shares preferred as to voting rights (1 share = 5 votes), accounting for 48.69% of share capital and 53.10% of the total number of votes of Mostostal Płock S.A. The fact that Mostostal Warszawa S.A. holds the majority of votes in the Supervisory Board of Mostostal Płock S.A., which is authorised to appoint and dismiss members of the management body, as well as the fact of exercising influence on the operations of this company, makes it possible to control Mostostal Warszawa S.A. in relation to Mostostal Płock S.A., which results in consolidation using the full method.

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

The Management Board of Mostostal Warszawa S.A. as at 31.03.2022 consisted of:

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

The following persons were members of the Supervisory Board of Mostostal Warszawa S.A. as at 31.03.2022:

Antonio Muñoz Garrido - Member of the Supervisory Board
Javier Lapuente Sastre - Member of the Supervisory Board
Javier Lapastora Turpín - Member of the Supervisory Board
Neil Roxburgh Balfour - Member of the Supervisory Board
Ernest Podgórski - Member of the Supervisory Board
Javier Serrada Quiza - Member of the Supervisory Board

4. Approval of the accounts

These condensed interim consolidated financial statements for Q1 2022 were approved for publication by the Parent's Board of Directors on 23 May 2022.

5. Significant accounting policies

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

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

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

In Q1 2022, the Capital Group generated a gross profit on sales of PLN 21,619 thousand and achieved a net profit of PLN 1,582 thousand. The total equity of the Capital Group as at 31.03.2022 amounted to PLN 82,313 thousand.

An important element of financing Mostostal Warszawa S.A.'s operations are loans granted by its senior parent, Acciona Construcción SA. On 12 April 2022, the Parent Company signed annexes to two loan agreements with this entity for the

total amount of PLN 127,350 thousand, which postpone their repayment date to October 2022 and July 2023.

Based on the analysis of projected cash flows, the Management Board of the Parent Company estimates that the Capital Group will have sufficient cash to finance its operating activities for at least 12 months after the balance sheet date. The value of Mostostal Warszawa Capital Group's order portfolio as at 31.03.2022 amounted to PLN 3,366,718 thousand. At the same time, Group Companies are participating in a number of tender proceedings which may translate into winning new orders in the near future.

The Management Board of Mostostal Warszawa S.A. states that, as at the date of approval of these condensed interim consolidated financial statements, there are no circumstances indicating a threat to the continued operation of the Parent Company and the Mostostal Warszawa Group.

5.2 Statement of compliance

These condensed interim consolidated financial statements for the 3-month period ended 31 March 2022 have been prepared in accordance with IAS 34 "Interim Financial Reporting" as approved by the European Union. The condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements of Mostostal Warszawa Capital Group for the year ended 31 December 2021 and the related notes.

Mostostal Warszawa S.A. and AMK Kraków S.A. prepare their individual financial statements in accordance with International Financial Reporting Standards approved by the European Union, while other companies of the Capital Group apply accounting policies (principles) in accordance with the Accounting Act of 29 September 1994 ("the Act") and regulations issued on its basis (collectively: "Polish Accounting Standards").

The consolidated financial statements include adjustments not included in the books of account of Group companies made to bring the financial statements of those companies into conformity with IFRS.

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

5.3 Accounting principles

Detailed accounting policies adopted by Mostostal Warszawa Group are described in the consolidated financial statements for the year ended 31 December 2021.

The accounting policies applied in the preparation of these condensed interim consolidated financial statements are consistent with those applied in the preparation of the annual consolidated financial statements of Mostostal Warszawa Capital Group for the year ended 31 December 2021.

Amendments to standards applied for the first time in 2022

The Group has applied the following amendments to standards for the first time:

- Amendments to IFRS 3 "Business Combinations", IAS 16 "Property, Plant and Equipment" and IAS 37 "Provisions, Contingent Liabilities and Contingent Assets"; Annual Improvements 2018-2020.

The above amendments to the standards did not have a material impact on the Group's accounting policies to date

Standards and amendments to standards that have already been published but are not yet effective

In approving these financial statements, the Group has not applied the following standards and amendments to other standards which have been published and approved for use in the EU but which are not yet effective:

- Amendments to IAS 1 Presentation of Financial Statements and Practice Statement 2: Disclosure of Accounting Policies (effective for annual periods beginning on or after 1 January 2023),
- Amendments to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" (effective for annual periods beginning on or after 1 January 2023),
- IFRS 17 "Insurance Contracts" and amendments to IFRS 17 (effective for annual periods beginning on or after 1 January 2023).

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

IFRSs as endorsed by the EU do not currently differ significantly from the regulations adopted by the International Accounting Standards Board (IASB), with the exception of the following standards and amendments to standards which, as at the date of this report, have not yet been adopted for use:

- IFRS 14 "Regulatory accruals" - in accordance with the European Commission's decision, the approval process for the preliminary version of the standard will not be initiated before the final version is issued (effective for annual periods beginning on or after 1 January 2016),
- Amendments to IFRS 10 'Consolidated financial statements' and IAS 28 'Investments in associates and joint ventures' - Transactions for the sale or contribution of assets between an investor and its associate or joint venture - the work leading to the approval of these amendments has been postponed indefinitely by the EU - the effective date has been deferred indefinitely by the IASB,
- Amendments to IAS 1 "Presentation of financial statements" - Classification of liabilities as current or non-current and Classification of liabilities as current or non-current - Deferral of the effective date (effective for annual periods beginning on or after 1 January 2023),
- Amendments to IAS 12 Income Taxes: Deferred tax on assets and liabilities arising from a single transaction (effective for annual periods beginning on or after 1 January 2023),
- Amendments to IFRS 17 "Insurance Contracts": First-time Adoption of IFRS 17 and IFRS 9 - Comparative Information (effective for annual periods beginning on or after 1 January 2023).

The aforementioned standards and amendments to standards would not have had a material impact on the consolidated financial statements if they had been applied by the Group at the balance sheet date.

5.4 Currency of the financial statements

The condensed interim consolidated financial statements for the first quarter of 2022 have been presented in Polish zloty (PLN) and all values, unless otherwise indicated, have been rounded off to the nearest thousand.



Budowa zbiorników PERN w Nowej Wsi Wielkiej

6. Long-term construction contracts

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

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

SPECIFICATION	31.03.2022	31.12.2021	31.03.2021
Cumulative estimated revenue from uncompleted construction contracts	1 739 294	1 678 820	4 141 317
Cumulative invoiced sales on uncompleted construction contracts	1 657 327	1 641 152	4 074 162
Assets and accruals for construction contracts in progress (per balance)	81 967	37 668	67 155
Advances received for construction contracts in progress	96 560	-123 295	-93 741
Current and non-current assets and liabilities for construction contracts in progress (per balance)	-14 593	-85 627	-26 586
Reconciliation to consolidated from the statement of financial position:			
Assets and accruals for construction contracts in progress (per balance)	88 629	50 820	67 155
Advances received for uncompleted construction contracts	111 614	111 614	-93 741
Assets due to execution of construction contracts on completed contracts	96 560	-123 295	116 799
Current and non-current assets and liabilities under construction contracts (per balance)	103 683	39 139	90 213

of which			
Assets resulting from construction contracts	244 464	206 720	234 707
Long-term liabilities due to execution of construction contracts	8 241	18 471	27 193
Short-term liabilities due to execution of construction contracts	132 540	149 110	117 301

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

These circumstances include, in particular:

- an increase in the material scope in relation to the project assumptions (tender specifications) provided to the Group by the contracting authorities,
- an unforeseeable, extraordinary increase in the prices of: construction materials (including fuel, oil and other materials), transport, equipment rental and construction services,
- the need for longer implementation of contracts, and therefore incurring higher costs, due to, among other things: the Company's inaccessibility to the construction site as a result of adverse weather conditions, defects in the design documentation provided by the ordering party.

In the Group's opinion, these circumstances result in changes to the contracts with the ordering parties (customers) in accordance with the contractual provisions and general legal bases, and its rights as a result of the contract changes exist and are enforceable (claims made to customers).

Claims are initially subject to negotiation with the contracting authority. If the parties fail to reach an agreement during negotiations, the claims are referred to legal proceedings. The claims submitted to the customers represent additional remuneration that may be received in the event of a favourable outcome of the legal proceedings for the Group.

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

Due to the high degree of complexity of construction contracts and the fact that court proceedings are multi-instance, it may take many years before a final judgment is pronounced in a given case. In the statement of financial position, the Group recognises significant asset balances from construction contracts that are subject to legal proceedings.

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

(a) the change in the transaction price resulting from a contract amendment is estimated taking into account all information (historical, current, forecasts and legal opinions and expert reports) that was reasonably available to it at the time the financial statements were prepared,

(b) a portion of the contract modification consideration is included in the transaction price to the extent that it is highly probable that a significant portion of the amount of previously recognised cumulative revenue will not be reversed when uncertainty about the contract modification consideration ceases.

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



Urząd Marszałkowski w Szczecinie

Claims have been grouped according to the following categories:

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

31 marca 2022	Assets arising from construction contracts recognised in the statement of financial position	Nominal amount of variable remuneration due to the Company	Nominal value of remuneration to be returned to contracting authorities
Claims subject to legal proceedings:	237 594	812 404	377 260
Contracts completed and accepted by the contracting authority Assets resulting from construction contracts	119 134	656 032	135 208
Contracts terminated before completion of work Assets resulting from construction contracts	118 460	156 372	242 052
Disputes at the pre-litigation stage	8 623	8 600	12 391
Assets resulting from construction contracts			

31 grudnia 2021	Assets arising from construction contracts recognised in the statement of financial position	Nominal amount of variable remuneration due to the Company	Nominal value of remuneration to be returned to contracting authorities
Claims subject to legal proceedings:	236 757	812 404	377 260
Contracts completed and accepted by the contracting authority Assets resulting from construction contracts	118 297	656 032	135 208
Contracts terminated before completion of work Assets resulting from construction contracts	118 460	156 372	242 052
Disputes at the pre-litigation stage	9 057	8 600	12 391
Assets resulting from construction contracts			

Contract assets relate to the Group's rights to remuneration for work performed but not invoiced at the reporting date in connection with construction contracts. Contract assets have not been impaired. Contract assets are transferred to receivables when the rights become unconditional. This usually occurs when an invoice is issued to the customer.

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

Specification	31.03.2022	31.12.2021	31.03.2021
Long-term liabilities due to execution of construction contracts			
Advances on works	8 241	18 471	27 193
Total	8 241	18 471	27 193
Short-term liabilities due to execution of construction contracts			
Accruals for construction contracts	44 221	44 286	50 753
Advances on works	88 319	104 824	66 548
Total	132 540	149 110	117 301

Assets due to the execution of construction contracts as at 31.03.2022 amounted to PLN 244,464 thousand and in comparison with the state at the end of the previous year increased by PLN 37,744 thousand. Accruals due to the execution of construction contracts amounted to PLN 44,221 thousand and in comparison to the state at the end of 2021 decreased by PLN 65 thousand.

7. Significant changes in estimates

The preparation of interim consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, the actual amounts of which may differ from estimates. The estimates and related assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which provide a basis for professional judgement. In significant issues, the Management Board may rely on opinions of independent experts when making judgements, estimates or assumptions. The estimates and related assumptions are reviewed on an ongoing basis. Changes in accounting estimates are recognised prospectively from the period in which the estimate is changed.

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

Information on impairment losses recognised and reversed can be found in notes 10 and 11 of this consolidated report.

Information on provisions reversed and created during the reporting period can be found in note 12 of this report.

The Parent Company's Management Board carried out an analysis of the possibility of realising deferred tax assets as at the balance sheet date on the basis of financial projections for subsequent years. This analysis indicates the realisation of a deferred tax asset in the amount of PLN 30,694 thousand (as at 31.12.2021, the income tax asset amounted to PLN 30,293 thousand).

8. Seasonal or cyclical nature of the business

Mostostal Warszawa Capital Group's operations are dependent on weather conditions and in winter periods may be less active than in other seasons. In Q1 2022, weather conditions had no impact on the Group's operations.

9. Information on write-downs of inventories to net realisable value and reversals of write-downs

In Q1 2022, the Group's financial result was significantly affected by the weakening of the Polish currency against the euro compared to 31.12.2021, which resulted in the Parent Company recognising foreign exchange losses on the balance sheet valuation of loans in the amount of PLN 1,500 thousand.

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

In Q1 2022, no inventory write-downs were created, the inventory write-down was reversed in the amount of PLN 11 thousand.

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

In Q1 2022, no allowances for impairment of receivables were created, and allowances on this account in the amount of PLN 1,121 thousand were released.



S19 Nisko Południe-Podgórze

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

Specification	Provisions for jubilee bonuses, retirement benefits	Provision for anticipated losses	Provisions for court cases	Provisions for warranty repairs	Other reserves	Total
As of 01.01.2022	8 130	3 198	3 005	15 345	731	30 409
Created during the period	0	0	0	1 515	65	1 580
Used	-1 710	-126	0	-816	-27	-2 679
Solution	-1 157	0	0	-2 646	0	-3 803
As of 31.03.2022	5 263	3 072	3 005	13 398	769	25 507
Long-term as at 31.03.2022	2 744	2 960	0	9 122	0	14 826
Short-term as at 31.03.2022	2 519	112	3 005	4 276	769	10 681

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

Q1 2022, the Group did not enter into any significant transactions related to property, plant and equipment.

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

As there were no material purchases of property, plant and equipment in Q1 2022, no material liabilities arose in this respect.

15. Information on significant litigation settlements

There were no significant litigation settlements in the reporting period.

16. Corrections of prior period errors

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

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

There were no share issues in Q1 2022. There were no repayments of debt and equity securities.

18. Dividends paid (declared) by the Issuer

Mostostal Warszawa S.A. did not pay dividends in Q1 2022.

19. Changes to the basic management principles

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

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

On 12 April 2022, Mostostal Warszawa S.A. received a set of relevant documents for the Loan Agreements with Acciona Construcción S.A:

- Annex XVIII to the loan agreement of 27 May 2013 with Acciona Construcción S.A. Under the Annex, the repayment date of the loan in the amount of EUR 13.49 million plus interest has been extended to 1 October 2022. The loan may also be repaid in a shorter period.
- Annex IX to the loan agreement of 5 December 2012 with Acciona Construcción S.A. Under the Annex, the repayment date of the loan in the amount of EUR 14.71 million plus interest has been extended to 15 July 2023. The loan may also be repaid in a shorter period.

In the judgement of 12 April 2022, the Court of Appeal amended the judgement of 9.09.2019 allowing Mostostal Warszawa S.A. claim for an increase in remuneration due to an extraordinary change in relations during the performance of the contract concerning the works performed by the plaintiffs as part of the implementation of the investment entitled: Extension

of the national road No. 8 to the parameters of an expressway on the section of the border of the Mazowieckie/Łódzkie Voivodeship - Radziejowice and upheld only the amount of PLN 72 thousand due to an increase in excise duty and fuel surcharge.

On 9 May 2022 the Regional Court in Gdańsk, IX Economic Department, announced a judgement awarding Mostostal Warszawa S.A. the amount of PLN 26,274 thousand for payment for construction works performed as part of the investment: 20 MWe Power Block in Elbląg with statutory interest from the date of filing the lawsuit to the date of payment, together with costs. The principal receivable results from invoices that were reduced by deductions due to, in Mostostal Warszawa S.A.'s opinion, groundless contractual penalties. The defendant had no right to charge contractual penalties, as the delay occurred due to circumstances for which Mostostal Warszawa S.A. was not responsible.

On 11 May 2022 the Court of Second Instance amended the judgment in the case brought by Mostostal Warszawa S.A. and Unitek Ltd against the North Atlantic Treaty Organisation Investment Facility. A total amount of PLN 1,450 thousand was awarded for the plaintiffs together with statutory interest from 16.02.2013 to 31.12.2015 and statutory interest for delay from 01.01.2016 to the date of payment.

21. Contingent liabilities

Specification		31.03.2022	31.12.2021
1.	Biomatec Sp. z o.o. - claim for remuneration	22 876	22 876
2.	Cestar A.Cebula J.Starski sj - wage claim	12 689	12 689
3.	Other	26 429	24 790
Total		61 994	60 355

The nominal value (corresponding to the value of the object of litigation in court proceedings) of contingent liabilities arising from court cases brought against the Group as at 31.03.2022 amounted to PLN 61,994 thousand and increased by PLN 1,639 thousand compared to the end of last year.

22. Information on credit and loan agreements

LONG-TERM BANK LOANS AND CREDITS at 31.03.2022

Name of unit, indicating legal form	Headquarters	Amount of credit/loan according to agreement		Amount of loan/borrowing left for repayment		Repayment period
		thousand.	currency	thousand PLN	currency	
Acciona Construcción S.A.	Madryt	13 494	EURO	68 459	zł	15.07.2023
TOTAL				68 459		

SHORT-TERM BANK LOANS AND CREDITS at 31.03.2022

Name of unit, indicating legal form	Headquarters	Amount of credit/loan according to agreement		Amount of loan/borrowing left for repayment		Repayment period
		thousand.	currency	thousand PLN	currency	
Acciona Construcción S.A.	Madryt	14 714	EURO	64 517	zł	01.10.2022
Societe Generale S.A. Oddział w Polsce	Warszawa	10 000	zł	0	zł	30.06.2022
Bank PeKaO S.A.	Kielce	10 000	zł	6 338	zł	24.06.2022
Credit Agricole Polska S.A.	Kraków	5 000	zł	0	zł	30.06.2022
Bank PeKaO S.A.	Warszawa	5 000	zł	0	zł	30.06.2022
Bank Milenium S.A.	Warszawa	5 000	zł	0	zł	07.03.2024
TOTAL				70 855		

No loan agreement was terminated in Q1 2022.

23. Information about related parties

Summary of consolidated total sales revenues and intragroup turnover for Q1 2022.

Specification	Total net sales revenues	Intra-group sales	Consolidated net sales revenues
Parent Company	187 933	13	187 920
Other Companies	114 620	1 605	113 015
TOTAL	302 553	1 618	300 935

The total net sales revenue of the companies consolidated using the full method amounted to PLN 302,553 thousand for Q1 2022. Intra-Group turnover amounted to PLN 1,618 thousand, i.e. 0.5% of total net sales revenue without consolidation exclusions.

Transactions entered into with related parties in Q1 2022 were typical and routine transactions and were entered into on an arm's length basis.

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

Related party of the Group	Date	Sales by Group companies to related parties	Purchases made by related parties in Group companies	Receivables from related parties	Amounts owed to related parties excluding loans
Acciona Construcción S.A. Oddział w Polsce	31.03.2022	0	22	0	1 557
	31.12.2021	90	3 503	1	1 575
	31.03.2021	0	0	4	6 139
Acciona Construcción S.A.	31.03.2022	32	0	0	12 119
	31.12.2021	0	11 565	209	15 280
	31.03.2021	9	0	209	24 772
Acciona Nieruchomości Wilanów Sp. z o.o.	31.03.2022	0	16	22	0
	31.12.2021	18 629	542	2 543	8
	31.03.2021	10 439	109	5 674	0
Acciona Facility Services Poland Sp. z o.o.	31.03.2022	32	0	65	0
	31.12.2021	174	0	66	0
	31.03.2021	30	0	39	0

	31.03.2022	64	38	87	13 676
TOTAL	31.12.2021	18 893	15 610	2 819	16 863
	31.03.2021	10 478	109	5 926	30 911

No collateral has been established on liabilities to related parties.

Transactions with related parties in Q1 2022 mainly relate to the execution of long-term contracts.

As of 31.03.2022, Mostostal Warszawa S.A. received bank or insurance guarantees in the total amount of PLN 617,264 thousand from the guarantee limits due to Acciona Construcción S.A. (31.12.2021: PLN 619,436 thousand).

As at 31.03.2022 Mostostal Warszawa S.A. had loan liabilities towards Acciona Construcción S.A. with its registered office in Madrid in the amount of PLN 132,976 thousand (31.12.2021: PLN 130,133 thousand).

At 31.03.2022, interest on loans received from Acciona Construcción S.A. amounted to PLN 1,343 thousand (at 31.03.2021 it amounted to PLN 1,761 thousand).

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



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24. Reporting by market segment

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

The following tables set out for each of the Group's reportable segments the consolidated income statement data for the three months ended 31 March 2022 and 31 March 2021.

Continuing operations include the following segments:

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

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

Consolidated income statement for each reportable segment:

Period of 3 months ended 31 March 2022	Industry and energy	Infrastructure	General construction	Unallocated income and expenses and consolidation adjustments	TOTAL
Sales revenues					
Sales to external customers	136 957	78 249	86 544	-815	300 935
Inter-segment sales	0	0	0	0	0
Total segment revenues	136 957	78 249	86 544	-815	300 935
Result					
Segment profit (loss) (including other operating income and expenses)	11 084	5 406	6 724	542	23 756
Unallocated costs (management costs)	0	0	0	15 979	15 979
Profit (loss) from operating activities	11 084	5 406	6 724	-15 437	7 777
Financial income	24	544	155	527	1 250
Financial costs	280	108	760	3 261	4 409
Gross profit (loss)	10 828	5 842	6 119	-18 171	4 618
Income tax	0	0	0	3 036	3 036
Net profit (loss) from continuing operations	10 828	5 842	6 119	-21 207	1 582
Net profit / (loss) for the period	10 828	5 842	6 119	-21 207	1 582
Net profit (loss) attributable to shareholders of the Parent Company	10 828	5 842	6 119	-22 113	676
Net profit (loss) attributable to non-controlling shareholders				906	906

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

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

In the reporting period, the largest customer for services of the Companies of Mostostal Warszawa Capital Group was the General Directorate for National Roads and Motorways with a 21% share in sales.

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

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

Export revenues for Q1 2022 amounted to PLN 7,184 thousand, representing approximately 2.4% of sales revenues.

25. Participation in joint actions

Financial data of Mostostal Warszawa S.A. as at 31.03.2022 include values attributable to the Parent Company on account of its 50% share in Mostostal Acciona S19 Tunel s.c., which was established to perform the contract "Design and construction of S19 expressway on the section from Rzeszów Południe junction (without junction) to Babica junction (with junction) of approx. 10.3 km". Mostostal Acciona S19 Tunel s.c. is an entity under common control (unanimity of all shareholders is required in matters relating to operations), which is treated as a joint operation under IFRS 11 (the Company's participation in joint contractual arrangements is recognised as a joint operation when the Company has rights to its share of assets and liabilities).

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

26. Impact of the COVID-19 outbreak on the financial results and operations of the Parent Company and the Mostostal Warszawa Group

In the reporting period the Parent Company and the Companies of the Mostostal Warszawa Capital Group did not benefit from assistance under the "Anti-crisis shield" programme announced by the Polish government. Group Companies made sales and their economic activity was continuous. The Management Board of the Parent Company assesses that there was no risk of significant impairment of assets in connection with COVID-19.

27. War in Ukraine

Russia's military attack on Ukraine on 24 February 2022, as well as the sanctions imposed on Russia, are already having a negative impact on the global economy and, consequently, on the economy of Poland. However, it is currently difficult to estimate the scale of the effects of these events and their duration. It is also impossible to accurately predict further developments in the international situation. It can, however, be expected that this conflict will translate above all into a further increase in inflation, a slowing down or suspension of decision-making processes regarding new investments or tender procedures, currency fluctuations, an outflow of workers from the entire eastern market, employed by subcontracting companies, and limited availability and increases in the prices of raw materials such as steel products and fuel.

Due to the impact of this conflict on the political and economic situation in Europe and the world, the Group:

- conducted an analysis of potential risks arising from conflicts that may affect the Company's operations, and
- conducted an analysis of the potential impact of the conflict on the Q1 2022 financial statements in the context of assessing the Company's ability to continue as a going concern.

The Group has no direct exposures to entities operating in Ukraine and Russia. Based on currently available information and conducted analyses, the Group has not identified any material uncertainties related to events or circumstances that might cast significant doubt about its ability to continue as a going concern. The Management Board of the Parent Company follows and monitors the development of the situation related to the armed conflict in Ukraine and analyses the potential negative consequences of the conflict on the Group's operations in order to take the necessary measures to mitigate the potential impact. Given the significant uncertainties arising from the further development of the conflict and the reaction of the international community and their impact on the economy, as at the date of preparation of the consolidated financial statements, the long-term effects of the conflict are impossible to determine

OTHER INFORMATION TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

for the period from 01.01.2022 to 31.03.2022

1. Selected financial data for Q1 2022



Revenue from sales
300 935 tys. zł



Gross profit on sales
21 619 tys. zł



Backlog
3 366 718 tys. zł



Cash and cash equivalents
155 515 tys. zł



Net profit
1 582 tys. zł

SELECTED FINANCIAL DATA

Specification	2022	2021	2022	2021
	period from 01.01.2022 to 31.03.2022	period from 01.01.2021 to 31.03.2021	period from 01.01.2022 to 31.03.2022	period from 01.01.2021 to 31.03.2021
	in thousand PLN	in thousand PLN	in EUR thousand	in EUR thousand
Sales revenues	300 935	210 241	64 756	45 983
Gross profit (loss) from sales	21 619	19 607	4 652	4 288
Profit (loss) from operating activities	7 777	3 601	1 673	788
Gross profit (loss)	4 618	3 122	994	683
Net profit (loss) from continuing operations	1 582	2 020	340	442
Net profit (loss) from discontinued operations	0	0	0	0
Net profit (loss)	1 582	2 020	340	442
attributable to shareholders of the Parent Company	676	1 408	145	308
attributable to non-controlling shareholders	906	612	195	134
Net cash flows from operating activities	-76 968	6 619	-16 562	1 448
Net cash flows from investing activities	-5 949	-2 227	-1 280	-487
Net cash flows from financing activities	992	-74 080	213	-16 203
Cash and cash equivalents at the end of the period	155 515	106 830	33 426	23 227
Net profit (loss)	1 582	2 020	340	442
Weighted average number of ordinary shares	20 000 000	20 000 000	20 000 000	20 000 000
Net profit (loss) per ordinary share in PLN	0,08	0,10	0,08	0,10
Specification	31.03.2022	31.12.2021	31.03.2022	31.12.2021
Total assets	922 340	922 151	198 246	200 494
Long-term liabilities	154 717	100 406	33 255	21 830
Current liabilities	685 310	741 034	147 299	161 115
Total liabilities	840 027	841 440	180 554	182 946
Equity (attributable to shareholders of the Parent Company)	59 036	58 340	12 689	12 684
Total equity	82 313	80 711	17 692	17 548
Share capital	44 801	44 801	9 629	9 741
Number of shares pcs.	20 000 000	20 000 000	20 000 000	20 000 000

For the calculation of the selected financial data for Q1 2022 in EUR, the following rules were adopted:

- items of the consolidated income statement and statement of cash flows for the first quarter of 2022 were converted at the exchange rate of 4.6472 PLN/EUR being the arithmetic mean of the exchange rates published by the National Bank of Poland as of the last days of January, February, March, 2022
- individual items of assets and liabilities of the consolidated statement of financial position were translated at the average NBP rate of 4.6525 PLN/EUR of 31.03.2022.

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

In the first quarter of 2022, consolidated sales revenue amounted to PLN 300,935 thousand and was 43% higher than in the corresponding period of 2021. Gross profit on sales amounted to PLN 21,619 thousand (in the corresponding period of 2021, gross profit on sales amounted to PLN 19,607 thousand). In the first quarter of 2022, the Capital Group recorded a net profit of PLN 1,582 thousand (in the first quarter of 2021, the net profit was PLN 2,020 thousand).

The value of short-term trade receivables as at 31.03.2022 amounted to PLN 305,856 thousand and increased by PLN 41,592 thousand compared to 31.12.2021.

The value of assets from the execution of construction contracts as at 31.03.2022 amounted to PLN 244,464 thousand and was higher by PLN 37,744 thousand compared to 31.12.2021.

Cash as at 31.03.2022 amounted to PLN 155,515 thousand and decreased by PLN 85,246 thousand compared to 31.12.2021. In the first quarter of 2022, the Group used overdrafts and long-term loans, whose balance as at 31.03.2022 amounted to PLN 139,314 thousand and increased by PLN 7,164 thousand compared to 31.12.2021.

Non-current liabilities in Q1 2022 increased by PLN 54,311 thousand compared to 31.12.2021 mainly due to the transfer of one of the loans from current liabilities in connection with the signed annex extending its repayment date.

The value of short-term trade liabilities as at 31.03.2022 amounted to PLN 215,867 thousand and increased by PLN 24,970 thousand compared to 31.12.2021.

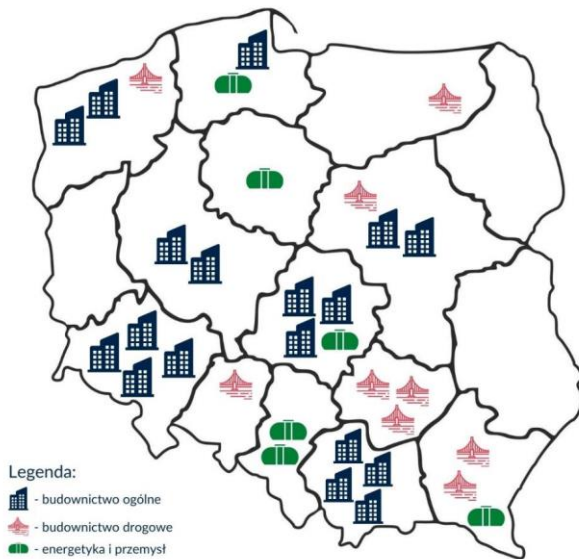


Acciona Wilanów B6

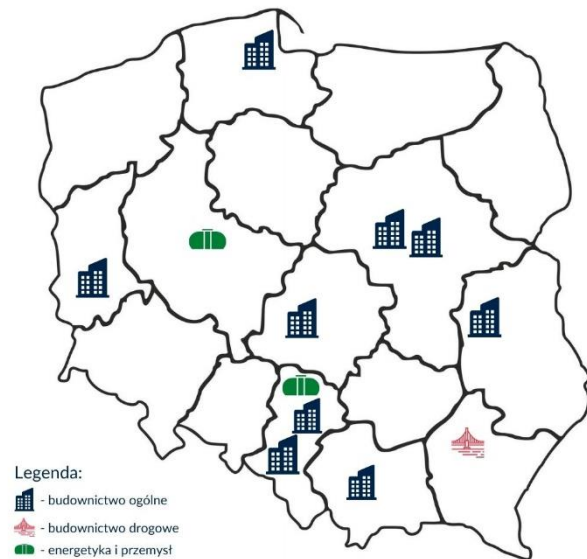
During the reporting period, i.e. from 01.01.2022 to 31.03.2022, the following events significant for Mostostal Warszawa Capital Group took place:

- On February 3, 2022 Mostostal Warszawa S.A. concluded with Spravia Sp. z o.o. ("the Ordering Party") two contracts for realization of stages II and III within the task entitled: "Construction of a complex of multifamily residential buildings with underground garages, internal installations, including sections outside the buildings, internal traffic system, playgrounds, recreation places and elements of small architecture" in Krakow at Myśliwska 55A and 55B Street". The total net value of the contracts is PLN 134.80 million. Completion date: until 31.01.2024.
- On 24 February 2022, there was a military attack by Russia on Ukraine. The sanctions imposed on Russia have a negative impact on the global economy and, consequently, on the economy of Poland. However, it is currently difficult to estimate the scale of the effects of these events and their duration. It is also impossible to accurately predict further developments in the international situation. It can, however, be expected that the conflict will translate primarily into a further increase in inflation, a slowdown or suspension of decision-making processes in respect of new investments or tender procedures, currency fluctuations, an outflow of workers from the entire eastern market, employed by subcontracting companies and the limited availability and increase in prices of raw materials such as steel products and fuel.
The Kapiatal Group has no direct exposures to entities operating in Ukraine and Russia. Based on currently available information and analyses performed, the Parent's management has not identified any material uncertainties related to events or circumstances that could cast significant doubt on its ability to continue as a going concern. Given the significant uncertainties arising from the further development of the conflict and the reaction of the international community and their impact on the economy, as at the date of the financial statements, the long-term effects of the conflict are not determinable.
- On March 18, 2022 the Court of Appeal changed the verdict of the Court of First Instance and dismissed the Parent Company's claim in the suit against the General Directorate for National Roads and Motorways concerning the formation of legal relations by amending the wording of agreement No. 210/RK/110/2009/2010 of 1.09.2010 for execution of works consisting in extension of road S-7 to the parameters of a dual carriageway on the section of Kielce bypass, Kielce (DK 73 Wiśniówka junction) - Chęciny (Chęciny junction) by way of increasing the remuneration by the gross amount of PLN 25,537 thousand due to extraordinary increase in the prices of liquid fuels, asphalts and steel.
- On 21 March 2022, the Parent Company received a payment order in the writ of payment proceeding for the amount of PLN 38 million issued in favour of the State Water Management Company Wody Polskie. The amount of the order results from the issuance of a note on account of contractual penalties related to the performance of the contract by Mostostal Warszawa entitled "Revitalisation of the Elbląg Canal" with a gross value of PLN 61 million, performed in 2013- 2015 and concerns an alleged delay in the removal of defects. Mostostal Warszaw is of the opinion that the reported defect was not a defect in the subject of the contract and the Company was therefore not obliged to repair (revitalize) such defect. On 04.04.2022. Mostostal filed an objection to the payment order in the writ of payment procedure. In the opinion of the Management Board of the Company, the claim is unfounded.

Projekty obecnie realizowane



Projekty zrealizowane w 2021 roku



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

In Q1 2022, the financial result was affected by the weakening of the Polish currency against the euro compared to 31.12.2021, which resulted in the Parent Company recognising negative exchange differences on the balance sheet valuation of loans in the amount of PLN 1,500 thousand.

4. Market position of the Capital Group.

In Q1 2022, the consolidated Mostostal Warszawa Group comprised the following companies:

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

Mostostal Warszawa S.A. is part of the Acciona S.A. capital group with its registered office in Madrid.

Acciona Construcción S.A. owns 62.13% of the shares of Mostostal Warszawa S. A. as of 30.09.2021 .



Siedziba AMK Kraków S.A



Siedziba Mostostal Kielce S.A



Siedziba Mostostal Płock S.A.

5. Performance forecasts.

Mostostal Warszawa Capital Group did not publish financial result forecasts for 2022.

On 29 April 2022, the estimated results for Q1 2022 were reported.

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 at 23.05.2022:

Shareholder	Number of shares	Number of votes	Share in the share capital	Share in the total number of votes at the General Meeting
Acciona Construcción S.A.	12.426.388	12.426.388	62,13%	62,13%
Otwarty Fundusz Emerytalny PZU „Złota Jesień”	3.826.194	3.826.194	19,13%	19,13%

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

In the period from 15.04.2022, i.e. the date of publication of the report for 2021, to 23.05.2022, there were no changes in the ownership of shares of Mostostal Warszawa S.A. by managing and supervising persons.



Hala Lokomotywowni PKP Intercity we Wrocławiu

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

In the reporting period, Group Companies participated in proceedings concerning receivables with a total value of PLN 890,277 thousand and in proceedings concerning liabilities with a total value of PLN 607,836 thousand.

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

1. Centrum Onkologii Ziemi Lubelskiej (Claimant)

Date of filing the claim: 10.09.2015 r.

Value of the dispute: PLN 27,072 thousand

The Claimant is suing for payment of contractual penalty for withdrawal from the agreement by the Plaintiff, claim for reduction of remuneration, claim for additional and security works performed by the investor. Simultaneously, Mostostal Warszawa S.A. instituted a counterclaim and is pursuing claims from the ordering party in the amount of PLN 32,461,000 relating to remuneration for additional works performed and reimbursement of improperly calculated and deducted contractual penalties. A court expert opinion was drawn up in the case, according to which the Plaintiff had no grounds to withdraw from the contract, and thus charge Mostostal Warszawa with the contractual penalty. The opinion also confirmed the legitimacy of Mostostal Warszawa's claims in the amount of PLN 26,200 thousand. The Company also disputes the remaining claims in their entirety. The parties were provided with a supplementary opinion confirming Mostostal Warszawa's position. The hearing was adjourned until the opinion is accepted.

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

Date of filing the claim: 24.07.2017 r.

Value of the dispute: PLN 114,386 thousand.

The Claimant is pursuing monetary claims against Mostostal Warszawa S.A. in connection with the construction of the BB20 biomass unit in Elbląg. The Claimant's demands are based on claims that the biomass unit built by Mostostal Warszawa S.A. and commissioned in July 2014 has defects, does not achieve the guaranteed parameters and requires modernisation. Having analysed the claim, the Company concludes that both Energa's claims for contractual penalties related to the failure to achieve the guaranteed parameters of the Unit and the claims for reduction of the contractual remuneration are unfounded. In view of the above, MW filed a counterclaim on 20.01.2018 for the amount of PLN 26,274 thousand due to the Client's deduction of the unpaid remuneration. We are awaiting the selection of an expert witness, and in the meantime the parties are attempting to negotiate a settlement.

3. Agencja Rozwoju Miasta S.A. (Claimant)

Date of filing the claim: 22.07.2016 r.,

Value of the dispute: PLN 20,822 thousand

The Claimant demands that Mostostal Warszawa S.A. pay contractual penalties for delays in the performance of construction work on the Czyżyny Sports and Entertainment Arena in Krakow - currently TAURON Arena Krakow. Having analysed the statement of claim, the Company disputes in its entirety, both as to the principle and as to the amount, the claims raised by the Plaintiff, and takes the position that there were no grounds for calculating the contractual penalties. The Company also filed a counterclaim against the Claimant for claims for additional works and the remuneration remaining to be paid in relation to the construction of the Entertainment and Sports Hall Czyżyny in Kraków in the amount of PLN 16,439,000, confirmed in the expert opinion prepared by WACETOB for the purposes of mediation. Mediation was unsuccessful and the case will continue in civil proceedings.

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

Date of filing the claim: 26.05.2014 r.,

Value of the dispute: PLN 22,876 thousand

The Claimant is seeking from Mostostal Warszawa S.A. payment of remuneration for subcontractor works performed as part of the investment project Construction of a 20 MWe Biomass-fired Power Unit at Energa Kogeneracja Sp. z o.o. The Company disputes the validity of the Claimant's claims in their entirety. An expert opinion and two supplementary expert opinions were prepared in the case. In the verdict of 31.07.2020, the court dismissed the claim in its entirety. Biomatec filed an appeal. In a judgment dated 21.10.2021. Court of Appeal overturned the judgment and sent the case back for reconsideration. We filed new evidence and a position paper in the case.

5. CESTAR Andrzej Cebula i Jerzy Starski Spółka jawna w restrukturyzacji (Claimant)

Date of filing: 16.11.2016 and 20.03.2017,

Total value of disputes: PLN 14,667 thousand

The Claimant is claiming remuneration from Mostostal Warszawa S.A. for works within the investment project "Canalisation of the area of the Zielonka Forest Landscape Park and surroundings" Contract IX - Wastewater treatment plant basin in Szlachcina - Task 6 - Murowana Goślina Municipality, issued in connection with Task Note No. 23 and Task Note No. 24. Mostostal Warszawa S.A. filed for dismissal of the claim. On 06.09.2019 the Court issued an order to take evidence from an opinion of a research institute. SIDiR (Society of Engineers and Experts) presented its opinion on 17.08.2020. The Opinion is unfavourable for Mostostal Warszawa, but on 8.02.2021 the court granted MW's request to supplement the Opinion, taking into account the objections raised by MW. We are awaiting the date of the hearing.

6. Rafako S.A. (Claimant)

Date of filing the claim: 31.03.2017 r.,

Value of the dispute: PLN 16,157 thousand.

Rafako S.A. is claiming payment from Mostostal Warszawa S.A. for the construction work performed by the Claimant pursuant to a subcontractor agreement within the scope of the Construction of a Waste Thermal Treatment Facility for the Szczecin Metropolitan Area project in Szczecin. The Company disputes the amount of the claim, pointing out that the Plaintiff failed to present any evidence to prove the amount of the claim.

An expert opinion was prepared in the case, confirming the validity of Rafako's claims. Mostostal has raised objections to the opinion. We are awaiting a supplementary opinion. In previous years Mostostal Warszawa S.A. created a provision for this claim in the amount of PLN 15,249 thousand.

7. Wagner Biro Austria Stage Systems GmbH (Claimant)

Date of filing the claim: 09.10.2014 r.,

Value of the dispute: PLN 10,810 thousand.

The Claimant is claiming from Mostostal Warszawa S.A. payment for deliveries and works carried out by the Plaintiff within the framework of an investment consisting in construction of the National Forum of Music in Wrocław, as well as payment of a contractual penalty and reimbursement of storage costs. The Company disputes the validity of the claim. An expert opinion was prepared, acknowledging the legitimacy of the claim in the amount of PLN 4.4 million. Mostostal disputes the opinion in this respect and has requested a supplementary opinion to be drawn up. In previous years Mostostal Warszawa S.A. created a provision for this claim in the amount of PLN 4,554 thousand.

8. Zakład Unieszkodliwiania Odpadów Sp. z o.o. z siedzibą w Szczecinie ("ZUO") (counterclaim)

Date of filing the claim: 24.01.2019 r.

Value of the dispute: PLN 211,839 thousand

As part of the proceedings at the suit of Mostostal Warszawa S.A., the Respondent filed a counterclaim for the amount of PLN 211,839 thousand. The statement of claim was delivered to Mostostal Warszawa on 24 January 2019. The counterclaim is currently under review. We have challenged the ZUO's claim in its entirety, as it is based on the erroneous assumption that it was the ZUO and not Mostostal Warszawa that effectively withdrew from the contract. A response to the claim was filed on 25.02.2019. Evidentiary proceedings are ongoing in the case and an expert has been appointed. The expert prepared an opinion to which MW S.A. raised objections. The court admitted a supplementary opinion.

9. Gmina Wrocław (Applicant)

Date of action: 05.03.2021

Value of the complaint: PLN 15,941 thousand

In its judgment of 23.12.2020, the arbitration court awarded the amount of PLN 29,036 thousand from the Municipality of Wrocław to Mostostal Warszawa S.A. with interest from 20.01.2013. On 21.01.2021. On 21.01.2021 the Municipality of Wrocław paid the amount of PLN 43,501 thousand to the Company. On 5.03.2021. The Municipality of Wrocław filed a complaint for revoking the arbitration court's verdict in the amount of PLN 15,941 thousand. The Court recognised the complaint in part and repealed the judgement with regard to the amount of PLN 3,141,000. The parties filed cassation appeals against the Court's judgment.

10. Państwowe Gospodarstwo Wodne Wody Polskie (Claimant)

Date of filing: 21.03.2022 r.

Value of the dispute: PLN 38 280 thousand

On 21 March 2022 Mostostal Warszawa S.A. received a payment order in the writ of payment proceedings for the amount of PLN 38,000 thousand issued in favour of the State Water Management Company Wody Polskie. The amount of the order results from the issuance of a note for contractual penalties related to the performance of the contract by Mostostal Warszawa entitled "Revitalisation of the Elbląg Canal" with a gross value of PLN 61,000 thousand, performed in 2013 - 2015 and concerns an alleged delay in the removal of defects. Mostostal Warszawa S.A. is of the opinion that the reported defect was not a defect in the subject of the contract and the Company was therefore not obliged to repair (revitalise) such defect. On 04.04.2022 The Company filed an objection to the payment order in the writ of payment procedure. In the opinion of the Management Board of the Company, the claim is unfounded.

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

Date of filing the claim: 31.08.2017 r.,

Value of the dispute: PLN 23,625 thousand.

Sarens Polska Sp. z o.o. (Claimant) sued Mostostal Power Development Sp. z o.o. (Respondent) for payment of remuneration for the performed works and for payment of the equivalent of the amount collected from the Complainant's performance bond. The Respondent considers the Claimant's claim to be unfounded because the claimed remuneration in part was deducted from the contractual penalty due to the Respondent, the remaining part of that remuneration is undue, and the amount collected by the Respondent from the Claimant's performance bond was credited towards the contractual penalty due to the Respondent. At the end of 2021, the court issued a decision on securing the Claimant's claims up to the amount of PLN 11,660,000. Mostostal Power Development Sp. z o.o. provided cash as security. In previous years, the Respondent created a provision for these claims in the amount of PLN 11,403 thousand.

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

1. Skarb Państwa Generalny Dyrektor Dróg Krajowych i Autostrad (Respondent)

Date of action 3.06.2012

Value of the dispute: PLN 36,961 thousand

Proceedings brought by Mostostal Warszawa S.A. and other consortium members against the Respondent for shaping the contract "Design and construction of the A-2 Stryków-Konotopa motorway, section from km 394 + 500 to km 411 + 465.8". The plaintiffs are demanding an increase in the remuneration payable under the agreement by PLN 36,961 thousand, including PLN 18,850 thousand in favour of Mostostal Warszawa S.A., in connection with an extraordinary increase in the prices of liquid fuels and asphalts, and payment of the aforementioned amount. The proceedings were originally conducted before the Regional Court in Warsaw, which dismissed the claim in its entirety. As a result of the claimants' appeal, in the judgment of 16.03.2017 the Court of Appeal in Warsaw repealed the judgment of the Regional Court and referred the case back to it for re-examination. In the case, an expert opinion was drawn up and then a new opinion of an institute was prepared to determine the fuel intensity of the works.

2. Skarb Państwa - Generalny Dyrektor Dróg Krajowych i Autostrad (Pozwany)

Date of action 09.09.2013.

Value of the dispute PLN 61,857 thousand

Proceedings brought by Mostostal Warszawa S.A. and Acciona against the Respondent for compensation for damage sustained, reimbursement of improperly calculated contractual penalties and payment of outstanding remuneration by the Respondent in connection with the performance of the Contract for the Construction of a Bridge Over the Oder River with Access Viaducts along the section from km 18+174 to 19+960 within the Wrocław A8 Motorway Bypass. The proceedings are conducted before the District Court in Warsaw. An expert opinion (Poznan University of Technology) has been drawn up in the case, which is favourable for Mostostal. Part of the amount claimed in court is presented by the Capital Group in assets due to realization of construction contracts.

3. Skarb Państwa Ministerstwo Obrony Narodowej (Pozwany)

Date of action 23.06.2010

Value of litigation 19,093 thousand PLN

Claims of consortium Mostostal Warszawa S.A. - Unitek Ltd for additional remuneration and reimbursement of costs incurred in relation to the performance of an agreement concerning the execution of the projects of Investment Package CP 2A0022, under which the consortium acted as a substitute investor. During the execution of the contract, for reasons beyond the control of the claimants, there were changes in the scope and shape of the investment, which resulted in additional costs. On 10.10.2016 the Court awarded the plaintiffs the amount of PLN 7,142 thousand with interest from 3.08.2010. It dismissed the claim in the remaining scope. The plaintiffs appealed against the above judgment.

On 8 November 2018. Court of Appeal in Warsaw amended the judgment of the Court of First Instance in such a way that it dismissed the claim as regards the amount of PLN 6,085 thousand. As a consequence of the judgment, the judgment of the Court of First Instance became final as regards the amount of PLN 1,057 thousand together with due interest. On 15.02.2019 Mostostal Warszawa S.A. filed a cassation appeal against the judgment of the Court of Appeal. On 8.11.2019. Supreme Court accepted the complaint for examination. In a judgment dated 30.03.2021. SN revoked the judgment of the Court of Appeal in its entirety and remitted the case to the Court of Appeal for examination. Part of the amounts claimed in court is presented by the Group in assets due to the execution of construction contracts.

4. Skarb Państwa Generalny Dyrektor Dróg Krajowych i Autostrad (Pozwany)

Date of action 30.05.2012

Value of litigation 194.196 thousand PLN

Mostostal Warszawa S.A. together with the consortium member filed a statement of claim with the Regional Court in Warsaw against the Respondent for the amendment of the agreement no. 2811/3/2010 of 26.02.2010 regarding performance of works on construction of the A-4 Tarnów-Rzeszów motorway along the section from the Rzeszów Central interchange to the Rzeszów Wschód interchange, km. 574+300 to approx. 581+250, by increasing the fee to PLN 194,196 thousand gross (after a few updates), and (ii) the claimed payment of the due remuneration deducted as contractual penalty - to PLN 13,244 thousand. As a result of a partial verdict of the Court of Appeal of 30.04.2021, the amount of PLN 13,244 thousand was awarded to the Company, together with interest in the amount of PLN 9,822 thousand. The judgment is final and has been paid by the Respondent. With regard to the remaining amount (i.e. PLN 194,196,000), proceedings in the second instance are pending. Part of the amounts claimed in court is presented by the Capital Group in assets due to the performance of construction contracts.

5. Skarb Państwa Generalny Dyrektor Dróg Krajowych i Autostrad (Pozwany)

Date of action 02.07.2013

Value of the dispute PLN 25,537 thousand

Mostostal Warszawa S.A. and its consortium members filed a lawsuit with the Regional Court in Warsaw against the Defendant for modification of the legal relationship by amending Contract No. 210/RK/110/2009/2010 of 1.09.2010 for execution of works consisting in extension of road S-7 to the parameters of a dual carriageway within the section of Kielce bypass, Kielce (DK 73 Wiśniówka junction) - Chęciny (Chęciny junction) by way of increasing the remuneration by the gross amount of PLN 25,537 thousand due to extraordinary increase in the prices of liquid fuels, asphalts and steel. A court expert opinion was prepared in the case. The Regional Court, in its verdict of 22.12.2020, increased the remuneration of Mostostal Warszawa and Acciona by PLN 13,580 thousand. The Company filed an appeal on 18.03.2021. The claim was dismissed in full by the Court of Appeal on 18.03.2022.

6. Skarb Państwa Generalny Dyrektor Dróg Krajowych i Autostrad (Pozwany)

Date of action 23.05.2014 .

Value of the dispute PLN 103,644 thousand

The action brought by Mostostal Warszawa S.A. and the other consortium members against the Respondent is pending before the Regional Court in Warsaw. The case concerns making good the damage suffered by the plaintiffs as a result of the improper description of the Ordering Party's Requirements regarding ten Engineering Objects and the Bridge over the River Rawka, which the contractor was obliged to carry out under the agreement "Design and Construction of the A-2 Stryków-Konotopa Motorway along the section from km 394 + 500 to km 411 + 465.8". The Plaintiffs requested that the amount of PLN 103,644 thousand be awarded against the defendant in favour of the plaintiffs, of which the Parent Company is entitled to PLN 81,824 thousand. An expert opinion was prepared in the case. The Court ordered a supplementary opinion.

7. Centrum Onkologii Ziemi Lubelskiej (Pozwany)

Date of action 03.10.2014.

Value of the dispute: PLN 32,461 thousand

In a case brought against the Respondent, Mostostal Warszawa S.A., together with consortium members, is pursuing claims for payment in connection with the construction of the Lublin Oncology Centre. The case is pending before the Regional Court in Lublin. The aforementioned lawsuit amount consists of claims for: (i) payment for undisputedly performed works, (ii) interest for delays in payments during contract performance, (iii) reimbursement of improperly calculated and

deducted contractual penalties, (iv) other claims in which the plaintiffs seek payment for materials purchased and left for incorporation, costs of maintaining warranties and lost profits. In the proceedings in question, the Respondent filed a counterclaim in which it requests the Claimant to pay the total amount of PLN 27,072 thousand. Part of the amount claimed in court is presented by the Capital Group in the item of trade and other receivables in the group of overdue receivables for which no revaluation allowances have been created and in assets due to the performance of construction contracts. On 17.02.2020 an expert opinion was prepared (WACETOB), according to which the Ordering Party had no grounds for terminating the contract and at the same time confirmed the amount of Mostostal's claims in the amount of PLN 26,200 thousand. A supplementary opinion is currently being prepared. The parties received the supplementary opinion and commented on it in writing.

8. Agencja Rozwoju Miasta S.A. (Pozwany)

Date of action 28.04.2017.

Value of the dispute PLN 23,017 thousand

Mostostal Warszawa S.A. filed a counterclaim against the Defendant for payment of the amount due for additional works connected with the construction of the "Czyżyny" Sports and Entertainment Arena in Kraków. Based on expert opinions, part of the amount claimed in court is presented by the Capital Group in the item of trade receivables and other receivables in the group of overdue receivables for which no revaluation write-offs were created and in assets resulting from the performance of construction contracts. Due to the failure to reach an agreement in mediation, the case is continued in court.

9. Zakład Unieszkodliwiania Odpadów Sp. z o.o. (Pozwany)

Date of action 10.02.2017.

Value of litigation 33,770 thousand PLN

A dispute for payment by way of unjust enrichment in connection with the performance by the Respondent of a bank performance bond granted to the Respondent at the request of Mostostal Warszawa S.A. as part of an investment project entitled Construction of a Thermal Waste Neutralisation Facility for the Szczecin Metropolitan Area in Szczecin. On 29 March 2018 the Regional Court in Szczecin awarded Mostostal Warszawa S.A. the amount of PLN 33,770 thousand with interest. On 30 May 2018. The Respondent filed an appeal against the judgment. The Court of Appeal in its judgment of 4.12.2018 dismissed the Respondent's appeal in its entirety. Mostostal Warszawa initiated enforcement proceedings against the Respondent. 5.02.2019 r. The Respondent filed a cassation appeal together with a request to suspend the execution of the judgments. The Court of Appeal granted the Respondent's request to suspend the execution of the judgments until the cassation appeal was resolved by the Supreme Court. In connection with the Court of Appeal's decision, enforcement proceedings against the Respondent were suspended. The amount claimed in court is presented by the Capital Group in the item of trade and other receivables in the group of overdue receivables, for which no revaluation allowances have been created. On 29.06.2021, the Supreme Court reversed the judgment of the Court of Appeal and remitted the case for reconsideration. We are waiting for the date of the appeal hearing to be set.

10. Skarb Państwa - Generalny Dyrektor Dróg Krajowych i Autostrad (Pozwany)

Date of action 17.05.2017.

Value of the dispute PLN 29,063 thousand

Mostostal Warszawa S.A. and its consortium are demanding payment for additional costs arising from the performance of Contract No. 122/2010 of 31.08.2010 concluded with the Respondent for the execution of works consisting in "Extension of National Road No. 8 to the parameters of an expressway within the section from the border of the Mazowieckie/Łódzkie Voivodeship to Radziejowice". The proceedings are pending before the Regional Court in Warsaw. At present, the expert is being selected. Part of the amount claimed in court is presented by the Capital Group in assets resulting from

construction contracts.

11. Skarb Państwa - Generalny Dyrektor Dróg Krajowych i Autostrad (Pozwany)

Date of action 03.07.2017.

Value of the dispute PLN 20,614 thousand

Mostostal Warszawa S.A. and its consortium filed a lawsuit against the Respondent with the Regional Court in Warsaw, claiming jointly and severally an amount of PLN 20,614 thousand with statutory interest for delay from the day of filing the lawsuit until the day of payment. The object of the dispute is the reimbursement from the Respondent to the Plaintiff of the costs of carrying out works on the extension of the S-7 road to the section of the Kielce bypass, contract no. 210/RK/110/2009/2010 of 01.09.2010 for the performance of works consisting in the extension of the S-7 road to the parameters of a dual carriageway road on the section of the Kielce bypass, Kielce (DK 73 Wiśniówka junction) - Chęciny (Chęciny junction) in the extended time for completion. Part of the amount claimed in court is presented by the Capital Group under assets due to the execution of construction contracts. An expert opinion was commissioned in the case. On 14.05.2021, we received a partially favourable expert opinion.

12. Energa Kogeneracja Sp. z o.o. (Pozwany)

Date of filing: 20.01.2018 r.

Value of the dispute: PLN 26,274 thousand

Mostostal Warszawa S.A. filed a claim for payment of PLN 26,274 thousand with statutory interest from the date of filing the claim to the date of payment, together with costs. Mostostal Warszawa S.A. is claiming payment for construction works performed as part of the investment: 20 MWe Power Block in Elbląg. The Respondent paid the Claimant only part of the amount due for the works performed. The main receivables arise from invoices that have been reduced by deductions due to, according to Mostostal Warszawa S.A., unjustifiably charged contractual penalties. The Respondent had no right to charge contractual penalties, as the delay occurred due to circumstances for which Mostostal Warszawa S.A. was not responsible. The contractual penalty charged by the Respondent is grossly excessive. On 2 February 2018. The Regional Court in Gdańsk, 9th Commercial Department issued a payment order in the writ of payment procedure. On 23 February 2018 the Respondent filed an objection to the order for payment. On 10 April 2018. Mostostal Warszawa S.A. filed a reply to the objection to the order for payment. A court expert has been selected to prepare an opinion in the case. On 05.07.2021 we received a positive opinion from the expert, which confirms that the delay was not caused by the Contractor. On 09.05.2022 the Regional Court in Gdańsk, IX Economic Department, announced a judgement awarding Mostostal Warszawa S.A. the amount of PLN 26,274 thousand for payment for construction works with statutory interest from the date of filing the lawsuit to the date of payment, together with costs.

13. Zakład Unieszkodliwiania Odpadów Sp. z o.o. (Pozwany)

Date of action 15.01.2018.

The value of the dispute is PLN 90,141 thousand.

Mostostal Warszawa S.A. brought a claim for payment of PLN 90,141 thousand with statutory interest for delay from 28 November 2016 to the date of payment. By the said statement of claim Mostostal Warszawa S.A. seeks from the Respondent payment of remuneration for works, deliveries, projects and other services performed for the Respondent until the date of withdrawal by Mostostal Warszawa S.A. from the contract for the construction of the Thermal Waste Neutralisation Plant in Szczecin, i.e. until 14 June 2016, for which Mostostal Warszawa S.A. did not receive remuneration within the interim payment certificates issued every month. The Respondent's response to the statement of claim was received on 24 May 2018. On 24.01.2019 Mostostal Warszawa S.A. received a counterclaim for the amount of PLN 211,839 thousand, in the opinion of the Company, unfounded. The resolution of the case will be subject to the assessment of a court expert. Evidentiary proceedings are pending in the case and an expert witness has been appointed. Part of the

amount claimed in court is presented by the Capital Group in the item of trade and other receivables in the group of overdue receivables for which no revaluation allowances were created. The expert prepared an opinion partially favourable for the Plaintiff. The Court admitted a supplementary opinion.

14. Skarb Państwa Generalny Dyrektor Dróg Krajowych i Autostrad (Pozwany)

Date of filing: 24.01.2018 r.

Value of litigation 98.585 thousand PLN

Mostostal Warszawa S.A. filed a lawsuit with the Consortium to the Regional Court in Warsaw against the Respondent for the payment of PLN 98,585 thousand with statutory interest from 31 December 2014 to 31 December 2015 and with statutory interest for delay from 1 January 2016 to the date of payment. By means of the Statement of Claim, Mostostal Warszawa S.A. is pursuing claims against the Respondent arising in the course of construction in 2010-2012 of the Tarnów-Rzeszów Wschód section of the A-4 motorway resulting from obstacles encountered by the contractor in the course of construction for which the Respondent is responsible (e.g. unpredictable physical conditions), as well as additional costs related to the extension of the contract execution time. Part of the amount claimed in court is presented by the Group in assets due to the execution of construction contracts. On 28.05.2020 the Court hearing the case decided to dismiss the Respondent's motion to dismiss the lawsuit. The Respondent appealed against the said decision. Evidentiary proceedings are in progress.

15. Energa Kogeneracja Sp. z o.o. z siedzibą w Elblągu ("Energa") (Pozwany)

Date of filing: 15.12.2017 r.

Value of the dispute PLN 7,753 thousand

The subject matter of the action brought by Mostostal Warszawa S.A. against Energa Kogeneracja Sp. z o.o. (Energa) is a claim for payment (return) of contractual penalties that were calculated and paid by Energa from a bank guarantee issued in connection with Contract EKO/86/2011 of 25 March 2011 for the construction of a 20 MWe biomass-fired power unit in Elbląg. The Investor (Energa) claims that the contract was performed improperly, there were design and workmanship errors as a result of which the unit does not reach guaranteed parameters, and Energa was entitled to contractual penalties for this. According to Mostostal, the reason for the malfunction of the Unit and the failure to achieve the guaranteed parameters is mainly due to the operation of the Unit with fuel that does not meet the contractual requirements. An expert is being selected in the case. The amount claimed in court is presented by the Group in the item of trade and other receivables in the group of overdue receivables for which no write-downs have been created.

16. Miejskie Przedsiębiorstwo Wodociągów i Kanalizacji m.st. Warszawa S.A. („MPWiK”) (Pozwany)

Date of filing: 4.03.2019 r.

Dispute value: PLN 9,438 thousand

Lawsuit for payment for the amount paid by MPWiK - without factual and legal basis - from the contract performance guarantee. On 12.03.2019 the Court issued a payment order in the writ of payment procedure in favour of Mostostal Warszawa. The respondent filed an objection to the payment order. In it, he indicated that he had executed the performance bond in connection with the corrosion of technological pipelines. On 09.08.2019 Mostostal filed a reply to the objection, in which it indicated that as at the date of the bank's call for payment of the amount of the guarantee, the defendant was not entitled to a specific, e.g. as to the amount, due claim included in the improper performance or non-performance of the contract. Evidentiary proceedings are in progress. The amount claimed in court is presented by the Group in the item of trade and other receivables in the group of overdue receivables for which no revaluation allowances have been created.

17. PERN S.A. (Pozwany)

Date of filing: 31.03.2021 r.

On 31.03.2021 the Consortium of the companies Mostostal Plock S.A. - Consortium Leader (58.3% share in the Consortium) and Mostostal Warszawa S.A. - Consortium Partner (41.7% share in the Consortium) hereinafter referred to as "Plaintiff", filed a statement of claim against PERN S.A. with the Court of Arbitration at the Confederation of Leviathan, in which the Parties seek compensation for payment of unduly set-off contractual penalties in the amount of PLN 3,521,000, compensation for the amount of PLN 1,154,000 for additional works and establishment that PERN S.A. is not entitled to claim payment of contractual penalties by the Claimant in the total amount of PLN 11,934,000. The parties negotiated the terms of the settlement. The assumptions adopted for its conclusion were included in the financial result of the Capital Group for 2021. The settlement was concluded on 20 April 2022.

Part of the claims from the above-mentioned court cases was recognised by the Group in contract budgets and included in revenues of previous years. Details are described in Note 6 of the Additional information and explanations to the condensed interim consolidated financial statements for the period 01.01.2022 - 31.03.2022.

9. Information on transactions with related parties

Summary of consolidated total sales revenues and intragroup turnover for Q1 2022.

Group companies	Total net sales revenues	Intra-group sales	Consolidated net sales revenues
Parent Company	187 933	13	187 920
Other Companies	114 620	1 605	113 015
TOTAL	302 553	1 618	300 935

The total net sales revenue of the companies consolidated using the full method amounted to PLN 302,553 thousand for Q1 2022. Intra-Group turnover amounted to PLN 1,618 thousand, i.e. 0.5% of total net sales revenue without consolidation exclusions.

Transactions entered into with related parties in Q1 2022 were typical and routine transactions and were entered into on an arm's length basis.

Information on transactions with related parties is presented in Note 23 of the "Additional information and explanations to the condensed interim consolidated financial statements for the period 01.01.2022 - 31.03.2022".



Centrum rekreacyjne

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

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

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

In the opinion of the Management Board of the Parent Company, there is no other information significant for the assessment of the situation of the Capital Group other than that listed in the notes to the condensed interim consolidated financial statements for the period 01.01.2022 - 31.03.2022 and other items of "Other information to the condensed interim consolidated financial statements for the period 01.01.2022 - 31.03.2022.



Dom studencki BaseCamp w Katowicach

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

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

- the risk of changes in the prices of construction materials and subcontractor services,
- exchange rate risk, which has an impact on the valuation of loan commitments,
- strong competition on the construction and installation services market,
- protracted procedures for the awarding of public tenders associated with numerous protests by tenderers,
- slowing down investment processes,
- the consequences of the armed conflict caused by Russia on Ukrainian territory.

Warsaw, 23.05.2022

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

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