

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD OF 9 MONTHS ENDED ON 30 SEPTEMBER 2019

PREPARED IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS



ZĄBKI, 14 NOVEMBER 2019



1. General information
2. Adopted principles (Policy) of accounting
- B. CONSOLIDATED FINANCIAL STATEMENTS
 1. consolidated statement of financial position
 2. Consolidated Statement of comprehensive income
 3. Consolidated Statements of changes in equity
 4. Consolidated statement of cash flows
- C. EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 1. Fixed assets
 2. Current assets
 3. Liabilities
 4. Operating income and expenses
- D. ADDITIONAL INFORMATION
 1. Description of significant achievements or failures of the Issuer in the period covered by the report, together with a list of the most important events
 2. Description of factors and events, in particular of unusual nature, having a significant impact on the financial results
 3. Explanations regarding the seasonality and cyclical nature of the Issuer's activity in the presented period
 4. Information on the issue, purchase and redemption of debt and equity securities
 5. Information on the paid (or declared) dividend in total and per share, broken down into ordinary and preference shares
 6. Events that occurred after the day of preparation of this quarterly financial report, not included in the report and which could significantly affect the future financial results of the Issuer
 7. Information on changes in contingent liabilities or assets that have occurred since the end of the last financial year
 8. Selected financial data containing basic items of the condensed financial statements (also in EUR)
 9. Indicating the effects of changes in the structure of business entity, including mergers, takeovers and sales of entities in the Issuer's capital group, long term investments, division, restructuring and discontinuation of activity
 10. The Management Board's position regarding the possibility of realisation of previously published result forecasts for a given year in the light of the results presented in the quarterly report
 11. Indicating shareholders holding directly or indirectly through subsidiaries at least 5% of the total number of votes at the Issuer's General Meeting as at the day of publication of the quarterly report together with the number of shares held, their percentage share in the share capital, the number of votes arising therefrom and their percentage share in the total number of votes at the general meeting and an indication of changes in the ownership structure of significant shares of the Issuer in the period from the submission of the previous quarterly report
 12. Summary of the Issuer's shares or rights (options) held by persons managing and supervising the Issuer as at the day of publication of the quarterly report, along with an indication of changes in the possession status in the period from the submission of the previous quarterly report, separately for each person
 13. Lawsuits
 14. Information on the conclusion by the Issuer or its subsidiary of one or more transactions with related entities, if individually or jointly they are significant and have been concluded on other terms than market terms and conditions
 15. Information on granting by the Issuer or a subsidiary credit or loan guarantees to one entity or a subsidiary of that entity, if the total value of existing sureties or guarantees is the equivalent of at least 10% of the Issuer's equity
 16. Other information that is material, in the Issuer's opinion, to the assessment of its personnel, property, financial situation, financial result and their changes, as well as information that is significant for the assessment of the Issuer's ability to meet its obligations
 17. Indication of factors which, in the Issuer's opinion, will affect the results achieved in the perspective of at least the next quarter
 18. Information on revenues and results for individual industry or geographic segments, depending on which division is the basic division



E. ISSUER'S FINANCIAL STATEMENTS

1. Statement on the financial situation
2. Statement on the comprehensive income
3. Statement on changes in equity
4. Statement on cash flow

F. NOTES TO THE ISSUER'S FINANCIAL STATEMENTS

1. Fixed assets
2. Current assets
3. Liabilities
4. Operating income and expenses



A. INTRODUCTION TO CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION ABOUT THE DOMINANT ENTITY

J.W. Construction Holding S.A. ("JWCH") with its registered office in Ząbki at 326 Radzymińska St., REGON no. 010621332, was initially registered as Towarzystwo Budowlano-Mieszkaniowe Batory Sp. z o.o. on 7 March 1994 under RHB 39782. On 15 January 2001 transformed into a joint-stock company and registered with the District Court for Warsaw under number RHB 63464. On 16 July, 2001, the Company changed its name to the current J.W. J.W. Construction Holding S.A. and was entered into the National Court Register under number KRS 0000028142.

In accordance with the Polish Classification of Activities (Poland Klasyfikacja Działalności) the core business of the Company is development and sale of own properties for the Company's own account. The subject of the Company's activity is also the implementation of the construction, designing and supportive production, as well as trade in real estate, and hotel services.

As at September 30, 2019, the lifetime of the Dominant Entity is unlimited. The financial year for the company is a calendar year, i.e. period between January 1 and December 31.

2. ADOPTED PRINCIPLES (POLICY) OF ACCOUNTING

Basic information about the Group consisting of the parent and the subsidiaries of the parent company included in the consolidated financial statements

The structure of the Group and the participation of the dominant entity in the share capital of the entities being part of the Group and being subject to consolidation as at 30 September 2019 is presented in the table below:

Company	Country of registration	Parent company's share in share capital	Parent company's share in voting rights	Consolidation method
Subsidiaries				
Towarzystwo Budownictwa Społecznego „Marki” Sp. z o.o.	Poland	100,00%	100,00%	full consolidation
J.W. Construction Sp. z o.o.	Poland	100,00%	100,00%	full consolidation
Yakor House Sp. z o.o.	Russia	70,00%	70,00%	full consolidation
Dana Invest Sp. z o.o.	Poland	100,00%	100,00%	full consolidation
Varsovia Apartamenty Sp. z o.o. (Bałtycka Invest Sp. z o.o.)	Poland	100,00%	100,00%	full consolidation
Berensona Invest Sp. z o.o.	Poland	100,00%	100,00%	full consolidation
Bliska Wola 4 Sp z o.o. 1SK	Poland	99,00%	99,00%	full consolidation
Bliska Wola 4 Sp z o.o. 2SK	Poland	48,00%	48,00%	full consolidation
Wola Invest Sp. z o.o. (formerly Bliska Wola 3 Sp z o.o.)	Poland	100,00%	100,00%	full consolidation
Bliska Wola 4 Sp z o.o.	Poland	100,00%	100,00%	full consolidation
Hanza Invest S.A.	Poland	100,00%	100,00%	full consolidation

The core business of the Group's companies is:

- Towarzystwo Budownictwa Społecznego „Marki” Sp. z o.o. – sale and administration of social housing estates,
- J.W. Construction Sp. z o.o. – construction activity, prefabricated units production for the building industry,
- Yakor House Sp. z o.o. - development and sale of own properties on its own account,
- Dana Invest Sp. z o.o. – development and sale of own properties on its own account,
- Varsovia Apartamenty Sp. z o.o. – hotels and accommodations,
- Berensona Invest Sp. z o.o. - development and sale of own properties on its own account,
- Bliska Wola 4 Sp. z o.o. 1SK – development and sale of own properties on its own account ,
- Bliska Wola 4 Sp. z o.o. 2SK – development and sale of own properties on its own account,
- Wola Invest Sp. z o.o. - development and sale of own properties on its own account,
- Bliska Wola 4 Sp. z o.o. - management of limited partnerships,
- Hanza Invest S.A. – development and sale of properties on its own account.

All Group companies operate in Poland, except for the subsidiary Yakor House Sp. z o.o., which focuses its construction and development activities in Russia. The duration of the Group companies is unlimited.

Preparation of the consolidated financial statement

The consolidated financial statements for the years 2018-2019 were prepared based on separate financial statements of the companies of the Capital Group of J.W. Construction Holding S.A. and compiled

in such a way that the Group constitutes a single entity. The consolidated financial statements include the financial statements of the dominant entity J.W. Construction Holding S.A. and the financial statements of the subsidiaries controlled by the parent company.

The dominant entity, in the years 2018-2018, excluded from an obligation to consolidate the following subsidiaries

In 2019:

- J.W. Construction Bulgaria Sp. z o.o.-100%
- Wielopole 19/21 Sp. z o.o. – 100%

In 2018

- J.W. Construction Bulgaria Sp. z o.o.-100%
- Wielopole 19/21 Sp. z o.o. – 100%

The legal basis for the exclusion of companies from the consolidated financial statements was the conceptual assumptions of the International Financial Reporting Standards with respect to limitations of usefulness and reliability of information. According to these assumptions, the benefits gained from the information obtained should exceed the costs of providing it. It was found that the cost of obtaining information on non-consolidated subsidiaries and the cost of including them in the consolidation exceeds the benefits derived therefrom. Furthermore, when making the exclusion of subordinated companies from consolidation, the driven fact was that they were not essential for a true and fair presentation of the financial position and results of the Capital Group.

1.5 Going concern basis and comparability of financial statement

J.W. Construction Holding S.A. Capital Group assumes continuation of business activity and comparability of financial statements. As at the balance sheet date, J.W. Construction Holding S.A. Capital Group did not identify any circumstances indicating a threat to the continued activity. Consolidated financial reporting is prepared in accordance with the historical cost principle. Consolidated financial information was not valued using any other method, which ensures comparability of financial data included in the presented consolidated financial statements.

Significant estimations and assumptions

Estimates and assessments are reviewed periodically by the Group companies. While making estimates, J.W. Construction Holding S.A. makes the following assumptions concerning the future:

- Estimation of impairment allowance regarding receivables. Impairment allowance is established taking account of expected risk connected with receivables and created collateral having impact on effective debt collection. Although the assumptions are made using the best knowledge, real results may be different than expected.
- Estimations connected with establishing deferred tax assets in accordance with IAS 12. Due to the highly volatile economy it may happen that real earnings and tax income are different than planned.
- Estimation of potential costs of fiscal and court proceedings pending against the Dominant Entity. When preparing the financial statements, the opportunities and risks connected with pending proceedings are reviewed on a case by case basis, and provisions for potential losses are created accordingly. However, it is also possible that a court or a fiscal authority provides a verdict or issues a decision other than expected by the company and the created provisions may prove insufficient.
- The Entity receives revenue from the services performed by the Issuer based on the task contracts for a fixed period of time. The services performed by the Issuer are long-term services. The period of their performance exceeds 6 months.

The results of applying new standards of accounting and changes to accounting policy

The accounting principles (policy) applied to prepare these financial statements for the third quarter of 2019 are consistent with those applied to prepare the annual financial statements for 2018, except for the changes described below.

The same principles were applied for the current and comparable period. A detailed description of the accounting principles adopted by J.W. Construction Holding Capital Group was presented in the annual consolidated financial statements for 2018, published on 21 March 2019.

- **New standards, interpretations and amendments to published standards, which were approved and published by the European Union and came into force in 2019**

IFRS 16 „Leasing”

Amendments to IFRS 9 "Financial Instruments" - "Early repayments with negative compensation"

Amendments to various standards " Amendments to IFRSs (2015-2017)

Amendments to IAS 19 "Employee Benefits" - Plan Change, Limitation or Settlement

Amendments to IAS 28 "Investments in Associates and Joint Ventures" - Long-term interests in associates and joint ventures

Interpretation of IFRIC 23 "Uncertainty regarding the recognition of income tax"

All the above mentioned changes have been analyzed by the Management Board of the Company. Apart from introducing changes resulting from the application of IFRS 16 Leases, which was implemented by the Company as of 1 January 2019 (as described in this note), the Management Board of the Company believes that the other aforementioned changes do not have a material impact on the financial position, results of the Company's operations or the scope of information presented in these interim condensed financial statements.

The Group has implemented IFRS Leasing since 1 January 2019. The Group applied the standard retrospectively with the total effect of the first application recognised on the date of first application. Therefore, the Group did not convert the comparative data. As a result of the Management Board's analysis, as at the date of first-time adoption of IFRS 16, new significant assets meeting the criteria of the new standard were recognised in the Group's balance sheet. Based on the general definition of leasing, the Group companies identified that the perpetual usufruct of land in accordance with IFRS 16 meets the definition of leasing and should be recognized in the consolidated statement of financial position as an asset due to the right to use. The right of perpetual usufruct of land concerns land used by the Group companies for current operations as well as land purchased for development projects.

The Group decided to use the exemption included in paragraph 5 of IFRS 16 concerning short-term lease agreements and low-value lease agreements.

With regard to agreements identified as leasing before the date of first application of IFRS 16, i.e. in accordance with IAS 17, the Group used the solution provided for in IFRS 16 and did not reassess whether the agreement is a lease. Therefore, IFRS 16 was not applied to agreements that had not been identified as agreements containing leases before the date of first application.

The table below presents the impact of first-time adoption of IFRS 16 as at 1 January 2019:

Assets	01-01-2019	adjustments due to the application of IFRS 16	31-12-2018
Fixed assets			
Right to use an asset	8 431 131,84	8 431 131,84	0,00
Current assets			
Right to use an asset	2 449 424,08	2 449 424,08	0,00
Liabilities			
Future long-term discounted lease payments	9 345 499,14	9 345 499,14	0,00
Future short-term discounted lease payments	1 535 056,78	1 535 056,78	0,00

The main difference between the impact of the first application of IFRS 16 as at 1 January 2019 presented in the above note and the note presented in the consolidated financial statements for 2018 results from the period for which future lease payments were discounted. In the note above, future lease payments were discounted to the time of execution of development projects. In the note presented in the consolidated statement for 2018, future lease payments were discounted to the period for which this right is granted for individual properties.

As at 1 January 2019, as a lessee, the Group recognised future lease payments measured at the present value of other lease payments, discounted at the Group's marginal interest rates, and recognised assets under the right of use at an amount equal to the lease payment.

On 20 July 2018 the Act on transformation of the right of perpetual usufruct of land developed for housing purposes into the ownership right to such land entered into force. In relation to land on which residential buildings were already constructed as at January 1, for which a permit to use the land was issued before that date, the perpetual usufruct right to land is transformed into the ownership right to such land. With respect to land developed with multi-family residential buildings, which were not put into use before 1 January 2019, the moment of transformation will be the date when the decision authorising the use of the building becomes legally binding.

The Group considers the land subject to the above described transformation in the same way as the land in relation to which it was a perpetual usufructuary, treating the transformation fees in the same way as the fees for perpetual usufruct.

- **New standards, interpretations and amendments to published standards, which have been issued by the International Accounting Standards Board (IASB), have been approved by the European Union, but have not yet come into force**

The following standards, interpretations and amendments have been issued by the International Accounting Standards Board or the International Financial Reporting Interpretations Committee and have not yet entered into force

Amendments to IAS 19 Employee Benefits - not approved by the EU until the date of approval of these financial statements - applicable to annual periods beginning on 1 January 2019 or after that date. As at the date of preparation of these financial statements, these changes have not yet been approved by the European Union,

Amendments to IFRS 10 and IAS 28 Transactions of sale or contribution of assets between the investor and its associate or joint venture (published on 11 September 2014) - The effective date of the amended regulations was not determined by the International Accounting Standards Board. As at the date of preparation of these financial statements, approval of the amended regulations is postponed by the European Union,

Annual Changes resulting from the review of IFRS 2015 - 2017 (published in December 2017) - effective for annual periods beginning on or after 1 January 2019. As at the date of preparation of these financial statements, these changes have not yet been approved by the European Union,

IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors . The Council published a new definition of 'materiality'. The amendment is mandatory for annual periods beginning on 1 January 2020 or after. As at the date of preparation of these financial statements, these changes have not yet been approved by the European Union,

The Group is in the process of verifying the impact of the above standards on the financial situation, results of the Group's operations and the scope of information presented in the consolidated financial statements and does not expect any significant changes.

CONSOLIDATED FINANCIAL STATEMENTS

1. consolidated statement of financial position

ASSETS	Note	30-09-2019	31-12-2018
FIXED ASSETS		807 122 533,67	753 510 269,74
Intangible assets	1	13 148 583,71	12 910 444,99
Tangible assets	2	446 891 892,81	422 763 726,72
Investment real estate	3	283 977 328,05	259 161 999,55
Other financial assets	4	12 871 227,61	13 123 092,26
Deferred income tax assets		40 741 384,71	42 711 740,57
Trade and other receivables	5	2 845 845,36	2 839 265,65
Right to use an asset		6 646 271,42	0,00
CURRENT ASSETS		1 005 880 050,55	1 042 071 883,40
Inventories	6	28 035 593,50	29 120 485,20
Construction contracts	7	725 856 576,77	774 677 251,30
Trade and other receivables	8	32 627 530,03	39 469 536,79
Other financial assets	9	63 741 362,11	59 271 955,41
Cash and cash equivalents	10	141 115 287,83	122 484 500,34
Accruals	11	11 015 271,75	17 048 154,36
Right to use an asset		3 488 428,57	0,00
Total assets		1 813 002 584,22	1 795 582 153,14
LIABILITIES			
EQUITY		728 146 615,73	693 704 048,98
Primary capital		17 771 888,60	17 771 888,60
Revaluation reserve		7 493 208,19	7 493 208,19
Own shares (stocks)		-4 068 524,70	0,00
Other capitals	13	717 398 333,74	696 326 656,22
Retained earnings		-48 074 336,97	-44 420 280,93
Net profit / loss		37 626 046,87	16 532 576,90
LIABILITIES		1 075 024 990,85	1 101 878 104,14
Non-current liabilities		404 260 918,97	367 487 780,62
Borrowings	12	153 372 219,01	101 430 756,35
Deferred income tax liabilities		45 596 963,70	40 032 145,88
Retirement benefits liabilities		241 204,48	241 204,48
Provisions for other liabilities	15	55 642 371,37	55 126 188,44
Other liabilities	14	149 408 160,40	170 657 485,47
Current liabilities		670 764 071,88	734 390 323,52
Trade and other payables	15	59 301 747,67	62 909 836,74
Construction contracts	7	448 803 816,32	513 534 527,58
Borrowings	12	44 978 857,72	40 974 620,09
Provisions for other liabilities and other charges	15	30 937 398,71	39 504 479,20
Other liabilities	16	86 742 251,47	77 466 859,91
FUTURE LONG-TERM DISCOUNTED LEASE PAYMENTS		8 623 289,99	0,00
FUTURE SHORT-TERM DISCOUNTED LEASE PAYMENTS		1 207 687,63	0,00
Total liabilities and equity		1 813 002 584,20	1 795 582 153,13

2. Consolidated Statement of comprehensive income

	Note	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
Net revenues from sales of products, goods and materials, including:	17	406 317 782,21	325 418 148,07	234 239 423,07	235 667 780,84
Net revenues from sales of products		398 604 171,92	323 235 175,65	228 637 901,35	235 693 003,16
Net revenues from sales of goods and materials		7 713 610,29	2 182 972,42	5 601 521,72	-25 222,32
Costs of products, goods and materials sold, including:	18	303 978 760,81	266 495 298,45	167 726 003,69	181 151 041,96
Cost of products sold		296 322 499,45	264 319 149,47	162 131 838,86	181 180 705,44
Value of goods and materials sold		7 656 261,36	2 176 148,98	5 594 164,83	-29 663,48
Gross profit (loss) from sales		102 339 021,40	58 922 849,62	66 513 419,38	54 516 738,88
Costs of sales		23 091 350,71	16 944 366,13	11 787 911,71	6 616 361,54
Overheads		25 449 597,86	18 294 478,07	9 413 131,45	6 562 877,89
Revaluation of investment property		-728 687,42	-4 795 776,22	95 313,52	-743 573,34
Profit (loss) from sales		53 069 385,42	18 888 229,20	45 407 689,74	40 593 926,11
Other operating income	19	2 411 742,62	1 888 074,08	1 533 033,23	969 929,12
Other operating expenses	20	4 639 784,52	5 973 805,03	1 544 873,93	2 094 214,94
Profit (loss) on operations		50 841 343,51	14 802 498,25	45 395 849,04	39 469 640,29
Financial revenues	21	3 401 812,47	11 037 244,99	593 026,89	-50 130,42
Financial costs	22	9 074 288,44	19 108 264,38	2 304 479,74	5 118 708,04
Profit (loss) on business activity		45 168 867,54	6 731 478,86	43 684 396,19	34 300 801,83
Gross profit (loss)		45 168 867,54	6 731 478,86	43 684 396,19	34 300 801,83
Income tax		7 542 820,67	-8 467 114,70	7 460 146,48	-2 332 821,01
Net profit (loss)		37 626 046,87	15 198 593,56	36 224 249,71	36 633 622,84

Other comprehensive income:		-3 183 480,13	-811 239,42	306 001,38	-715 067,59
Foreign exchange rate operation differences		885 044,57	-519 555,86	306 001,38	-423 384,03
Profit/loss from acquisitions		0,00	0,00	0,00	0,00
Profit from revaluation of tangible fixed assets		0,00	0,00	0,00	0,00
Other comprehensive income		-4 068 524,70	-291 683,56	0,00	-291 683,56
Total revenue		34 442 566,74	14 387 354,14	36 530 251,09	35 918 555,25



Condensed consolidated financial statements
for the period of 9 months ended on 30 September 2019

CALCULATION OF BASIC AND DILUTED EARNINGS PER SHARE		from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
Profits					
(A) Profit resulting from the financial statements		37 626 046,87	15 198 593,56	36 224 249,71	36 633 622,84
Number of shares					
(B) Number of ordinary shares and preferred shares (as to the right to vote in the General Meeting of the Company) for the purpose of calculating earnings per share*		88 013 637	88 859 443	88 013 637	88 859 443
(C) Number of ordinary shares and preferred shares (as to the right to vote in the General Meeting of the Company) for the purpose of calculating diluted earnings per share		88 013 637	88 859 443	88 013 637	88 859 443
Basic earnings per share = (A)/(B)		0,43	0,17	0,41	0,41
Diluted earnings per share = (A)/(B)		0,43	0,17	0,41	0,41

*In accordance with IAS 33 "Earnings Per Share" the number of shares assumed for calculation of basic earnings per share was the weighted average number of shares during a given period. The said number was established as the number of shares as at the beginning of the given period adjusted by the number of shares bought back or issued during such period, weighted with an index reflecting the period of such number of shares (number of days of existence of shares to total number of days in a given period - from the day of share capital increase registration). In the analyzed period there were no factors that would influence the dilution of the number of shares.



Condensed consolidated financial statements
for the period of 9 months ended on 30 September 2019

3. Consolidated Statements of changes in equity

	Share capital	Own shares (negative value)	Revaluation reserve	Reserve capital	Other capitals	Capital from valuation of hedging transactions and foreign exchange differences from consolidation	Retained earnings	Net result	Equity
As at 31 December 2018	17 771 888,60	0,00	7 493 208,19	692 071 910,38	7 947 307,60	-3 692 561,76	-44 420 280,93	16 532 576,90	693 704 048,98
Basic error corrections	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Adjustments due to change of presentation	0,00	0,00			0,00	0,00			
As at 1 January 2019	17 771 888,60	0,00	7 493 208,19	692 071 910,38	7 947 307,60	-3 692 561,76	-44 420 280,93	16 532 576,90	693 704 048,98
Share issuance	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Purchase of own shares	0,00	-4 068 524,70	0,00	-50 000 000,00	50 000 000,00	0,00	0,00	0,00	-4 068 524,70
Own shares redemption	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Foreign exchange rate differences due to the calculation of financial statements of foreign subsidiaries	0,00	0,00	0,00	0,00	0,00	885 044,57	0,00	0,00	885 044,57
Profit/loss from acquisitions	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Changes in accounting policies/presentation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Consolidation adjustments	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Consolidating company	0,00	0,00	0,00	0,00	0,00	0,00		0,00	0,00
Total profit / loss recognized directly in equity	17 771 888,60	-4 068 524,70	7 493 208,19	642 071 910,38	57 947 307,60	-2 807 517,19	-44 420 280,93	16 532 576,90	690 520 568,85
Net profit (loss) for the accounting year	0,00	0,00	0,00	0,00	0,00	0,00	0,00	37 626 046,87	37 626 046,87
Total profit / (loss) recognized in equity and the net result	17 771 888,60	-4 068 524,70	7 493 208,19	642 071 910,38	57 947 307,60	-2 807 517,19	-44 420 280,93	54 158 623,77	728 146 615,72
Increase / decrease from profit distribution	0,00	0,00	0,00	20 186 632,95	0,00	0,00	-3 654 056,04	-16 532 576,90	0,00
As at 30 September 2019	17 771 888,60	-4 068 524,70	7 493 208,19	662 258 543,32	57 947 307,60	-2 807 517,19	-48 074 336,97	37 626 046,87	728 146 615,72

*The amount of PLN 50 million constitutes a fund for the purchase of own shares, which will be implemented pursuant to the resolution of the Extraordinary General Meeting of 15 March 2019, not longer than until 14 March 2024. As at 30 September 2019, shares of PLN 4,068,524.70 were purchased.



Condensed consolidated financial statements
for the period of 9 months ended on 30 September 2019

	Share capital	Own shares (negative value)	Revaluation reserve	Reserve capital	Other capitals	Capital from valuation of hedging transactions and foreign exchange differences from consolidation	Retained earnings	Net result	Equity
As at 31 December 2017	17 771 888,60	0,00	7 490 208,19	638 322 939,75	7 947 307,60	-2 922 760,52	-16 318 050,13	25 936 092,09	678 227 625,57
Basic error corrections	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Adjustments due to change of presentation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
As at 1 January 2018	17 771 888,60	0,00	7 490 208,19	638 322 939,75	7 947 307,60	-2 922 760,52	-16 318 050,13	25 936 092,09	678 227 625,57
Share issuance	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Purchase of own shares	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Own shares redemption	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Foreign exchange rate differences due to the calculation of financial statements of foreign subsidiaries	0,00	0,00	0,00	0,00	0,00	-769 801,24	0,00	0,00	-769 801,24
Profit/loss from acquisitions	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Changes in accounting policies/presentation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Consolidation adjustments	0,00	0,00	3 000,00	0,00	0,00	0,00	-289 352,26	0,00	-286 352,26
Consolidating company	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total profit / loss recognized directly in equity	17 771 888,60	0,00	7 493 208,19	638 322 939,75	7 947 307,60	-3 692 561,76	-16 607 402,39	25 936 092,09	677 171 472,07
Net profit (loss) for the accounting year	0,00	0,00	0,00	0,00	0,00	0,00	0,00	16 532 576,90	16 532 576,90
Total profit / (loss) recognized in equity and the net result	17 771 888,60	0,00	7 493 208,19	638 322 939,75	7 947 307,60	-3 692 561,76	-16 607 402,39	42 468 668,99	693 704 048,98
Increase / decrease from profit distribution	0,00	0,00	0,00	53 748 970,63	0,00	0,00	-27 812 878,54	-25 936 092,09	0,00
As at 31 December 2018	17 771 888,60	0,00	7 493 208,19	692 071 910,38	7 947 307,60	-3 692 561,76	-44 420 280,93	16 532 576,90	693 704 048,98



Condensed consolidated financial statements
for the period of 9 months ended on 30 September 2019

	Share capital	Own shares (negative value)	Revaluation reserve	Reserve capital	Other capitals	Capital from valuation of hedging transactions and foreign exchange differences from consolidation	Retained earnings	Net result	Equity
As at 31 December 2017	17 771 888,60	0,00	7 490 208,19	638 322 939,75	7 947 307,60	-2 922 760,52	-16 318 050,13	25 936 092,09	678 227 625,57
Basic error corrections	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Adjustments due to change of presentation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
As at 1 January 2018	17 771 888,60	0,00	7 490 208,19	638 322 939,75	7 947 307,60	-2 922 760,52	-16 318 050,13	25 936 092,09	678 227 625,57
Share issuance	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Purchase of own shares	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Own shares redemption	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Foreign exchange rate differences due to the calculation of financial statements of foreign subsidiaries	0,00	0,00	0,00	0,00	0,00	-519 555,86	0,00	0,00	-519 555,86
Profit/loss from acquisitions	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Changes in accounting policies/presentation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Consolidation adjustments	0,00	0,00	3 000,00	0,00	0,00	0,00	-294 683,56	0,00	-291 683,56
Consolidating company	0,00	0,00	0,00		0,00	0,00		0,00	0,00
Total profit / loss recognized directly in equity	17 771 888,60	0,00	7 493 208,19	638 322 939,75	7 947 307,60	-3 442 316,38	-16 612 733,69	25 936 092,09	677 416 386,15
Net profit (loss) for the accounting year	0,00	0,00	0,00	0,00	0,00	0,00	0,00	15 198 593,56	15 198 593,56
Total profit / (loss) recognized in equity and the net result	17 771 888,60	0,00	7 493 208,19	638 322 939,75	7 947 307,60	-3 442 316,38	-16 612 733,69	41 134 685,64	692 614 979,71
Increase / decrease from profit distribution	0,00	0,00	0,00	53 748 970,63	0,00	0,00	-27 812 878,54	-25 936 092,09	0,00
As at 30 September 2018	17 771 888,60	0,00	7 493 208,19	692 071 910,38	7 947 307,60	-3 442 316,38	-44 425 612,23	15 198 593,56	692 614 979,71

4. Consolidated statement of cash flows

	01-01-2019 to 30-09-2019	01-01-2018 to 30-09-2018
Cash flows from operating activities - indirect method		
Net profit (loss)	37 626 046,87	15 198 593,56
Item adjustment	18 457 856,51	8 142 615,29
Depreciation and amortization	9 077 362,09	8 457 801,56
(Profit) loss on foreign exchange differences concerning financial and business activity	-695 279,60	-933 093,62
Profit (loss) on investment activities	-1 833 901,45	0,00
Interest and dividends	5 134 134,39	5 422 786,46
Changes in provisions and accruals	5 496 338,73	-8 890 492,06
Other adjustments	1 279 202,35	4 085 612,95
- investment property write-off	728 687,42	4 795 776,22
- other adjustments	550 514,93	-710 163,27
Changes in working capital	-1 592 746,86	161 453 703,75
Changes in inventories	1 084 891,70	1 712 319,82
Changes in construction contracts	-5 972 639,81	136 709 898,15
Changes in receivables	6 647 515,09	3 006 574,80
Changes in current liabilities, except for borrowings	-3 352 513,85	20 024 910,98
Net cash flows from operating activities	54 491 156,52	184 794 912,60
Investment activity cash flows		
Disposal of tangible and intangible assets and other noncurrent assets	11 006 231,67	0,00
Acquisition of tangible and intangible assets and other noncurrent assets	-54 972 373,63	-100 062 729,32
Acquisition of equity and debt instruments	-1 043 000,00	-1 560 000,00
Disposal of equity and debt instruments		0,00
Loans granted	-1 389 804,41	-6 643 805,03
Loans paid	138 888,85	0,00
Other financial assets acquisition	0,00	0,00
Other disposals of financial assets	0,00	0,00
Dividends received	0,00	0,00
Interest received	149 600,00	0,00
Disposal of subsidiaries	0,00	0,00
Acquisition of subsidiaries	0,00	-203 312,00
Net investment activity cash flow	-46 110 457,52	-108 469 846,35
Cash flows from financing activities		
Acquisition of own shares or repayment of shares	-4 068 524,70	0,00
Loans and borrowings granted	106 477 636,98	18 595 162,88
Loans and borrowing paid	-50 531 936,69	-61 826 317,07
Issuance of security papers	0,00	0,00
Redemption of debt securities	-28 000 000,00	-7 000 000,00
Payments under financial lease agreements	-1 920 026,70	-973 383,14
Dividends and other shares in profits	0,00	0,00
Interest paid	-11 707 060,42	-12 356 025,45
Other financial proceeds (including promissory notes)	0,00	114 415,51
Other financial expenses (including promissory notes)	0,00	0,00
Net financing cash flow	10 250 088,47	-63 446 147,27
NET DECREASE / (INCREASE) IN CASH	18 630 787,47	12 878 918,98
Opening balance of cash and cash equivalents	122 484 500,34	174 271 089,37
- change in cash due to exchange rate differences	0,00	0,00
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	141 115 287,83	187 150 008,34

C. EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. FIXED ASSETS

Note 1. Intangible assets

INTANGIBLE ASSETS	30-09-2019	31-12-2018
a) research and development expenses	0,00	0,00
b) goodwill on consolidation	12 389 648,22	12 389 648,22
c) other intangible assets	758 935,49	520 796,77
d) advances on intangible assets	0,00	0,00
Total intangible assets	13 148 583,71	12 910 444,99

Note 2. Tangible assets

TANGIBLE ASSETS	30-09-2019	31-12-2018
a) fixed assets, including:	413 384 802,31	406 934 705,99
- land (including perpetual usufruct)	41 475 107,91	41 475 107,91
- buildings, premises and civil engineering structures	333 053 517,54	334 645 190,87
- technical equipment and machinery	24 379 259,83	17 493 872,36
- motor vehicles	4 988 883,20	2 486 922,93
- other fixed assets	9 488 033,83	10 833 611,92
b) fixed assets under construction	33 270 755,54	15 780 597,73
c) advances on fixed assets under construction	236 334,96	48 423,00
Total tangible assets	446 891 892,81	422 763 726,72

Note 3. Investment real estate

Other long-term investments	30-09-2019	31-12-2018
a) investment real estate	283 977 328,05	259 161 999,55
b) other	0,00	0,00
Value of other long-term investments	283 977 328,05	259 161 999,55

CHANGES IN INVESTMENT REAL ESTATE	According to fair value	According to historical cost	Total value of investment real estate
a) opening balance	85 146 062,90	174 015 936,65	259 161 999,55
expenditure incurred	69 149 257,69	165 303 780,38	234 453 038,07
financial expenses	4 671 710,71	8 712 156,27	13 383 866,98
revaluation value	11 325 094,50	0,00	11 325 094,50
b) increase (due to)	13 338 015,89	39 015 641,07	52 353 656,96
expenditure incurred	7 296 253,86	34 577 856,86	41 874 110,72
financial expenses	513 462,49	4 437 784,21	4 951 246,70
revaluation value	5 528 299,54	0,00	5 528 299,54
reclassification from construction contracts	0,00	0,00	0,00
c) decrease (due to)	21 421 007,53	6 117 320,93	27 538 328,46
incurred expenses - sale, corrections	13 245 129,55	5 771 905,57	19 017 035,12
financial expenses	1 321 702,72	345 415,36	1 667 118,08
revaluation value	728 687,42	0,00	728 687,42
reclassification to construction contracts	6 125 487,84	0,00	6 125 487,84
d) closing balance	77 063 071,26	206 914 256,79	283 977 328,05
expenditures	62 450 492,07	194 109 731,67	256 560 223,74
financial expenses	3 863 470,48	12 804 525,12	16 667 995,60
revaluation value	10 749 108,71	0,00	10 749 108,71

Note 4. Other financial assets

LONG-TERM FINANCIAL ASSETS	30-09-2019	31-12-2018
a) shares	421 716,98	421 716,98
b) loans granted	10 252 151,61	8 855 175,04
c) other long-term investments	2 197 359,02	3 846 200,24
Total long-term financial assets	12 871 227,61	13 123 092,26

LONG-TERM FINANCIAL ASSETS	30-09-2019	31-12-2018
a) in subsidiaries	4 604 207,44	1 367 808,42
- shares	213 166,98	213 166,98
- debt securities	0,00	206 885,86
- other security papers	0,00	0,00
- loans granted	4 391 040,46	947 755,58
- other long-term financial assets	0,00	0,00
b) in other units	8 267 020,17	11 755 283,84
- shares	208 550,00	208 550,00
- debt securities	0,00	0,00
- other security papers	2 197 359,02	3 639 314,38
- loans granted	5 861 111,15	7 907 419,46
- other long-term financial assets	0,00	0,00
c) other long-term investments	0,00	0,00
Total long-term financial assets	12 871 227,61	13 123 092,26



Condensed consolidated financial statements
for the period of 9 months ended on 30 September 2019

	Name of a unit (and its legal form)	Registered office	Company business	Affiliation type	Consolidation method	Date of assuming control	Value of shares/interest at acquisition price	Revaluation on adjustment	Write-offs up to book value of in-kind contribution	Carrying value of shares	% of total number of votes in the General Meeting
1	TBS Marki Sp.z o.o.	Warsaw	social building	subsidiary	full consolidation	14.11.2003	13 360 000,00	0,00	0,00	13 360 000,00	100,00%
2	J.W. Construction Bulgaria Sp. z o.o.	Warna (Bulgaria)	real estate development	subsidiary	not consolidated	08.10.2007	9 854,98	0,00	0,00	9 854,98	100,00%
3	Yakor House Sp. z o.o.	Sochi (Russia)	real estate development	subsidiary	full consolidation	07.12.2007	9 810 000,00	0,00	0,00	9 810 000,00	70,00%
4	J.W. Construction Sp. z o.o.	Ząbki	production of prefabricated goods for construction	subsidiary	full consolidation	19.02.2008	70 197 456,00	0,00	36 125 456,00	34 072 000,00	100,00%
5	Dana Invest Sp z o.o.	Ząbki	real estate development	subsidiary	full consolidation	22.11.2013	14 308 350,00	0,00	0,00	14 308 350,00	99,99%
6	Varsovia Apartamenty Sp. z o.o.	Ząbki	real estate development	subsidiary	full consolidation	23.01.2014	305 000,00	0,00	0,00	305 000,00	100,00%
7	Berensona Invest Sp. z o.o.	Ząbki	real estate development	subsidiary	full consolidation	28.01.2014	5 000,00	0,00	0,00	5 000,00	100,00%
8	Bliska Wola 4 Sp z o.o. 1 SK	Ząbki	real estate development	subsidiary	full consolidation	22.01.2014	44 800 300,00	0,00	16 264 650,00	28 535 650,00	99,00%
9	Bliska Wola 4 Sp z o.o. 2 SK	Ząbki	real estate development	subsidiary	full consolidation	29.01.2014	6 769 550,00	0,00	0,00	6 769 550,00	48,00%
10	Wola Invest Sp z o.o.	Ząbki	real estate development	subsidiary	full consolidation	23.01.2014	50 000,00	0,00	0,00	50 000,00	100,00%
11	Bliska Wola 4 Sp z o.o.	Ząbki	real estate development	subsidiary	full consolidation	24.01.2014	5 000,00	0,00	0,00	5 000,00	100,00%
12	Hanza Invest S.A.	Ząbki	real estate development	subsidiary	full consolidation	26.10.2016	75 117 223,20	0,00	0,00	75 117 223,20	100,00%
13	WIELOPOLE 19/21 SP.Z O.O.	Cracow	real estate development	subsidiary	not consolidated	29.03.2018	203 312,00	0,00	0,00	203 312,00	100,00%

Partial affiliation											
1	Bliska Wola 4 Sp z o.o.2SK	Ząbki	real estate development	subsidiary	full consolidation	26.02.2016	12 745 500,00	0,00	0,00	12 745 500,00	51,00%
2	Bliska Wola 4 Sp z o.o.1SK	Ząbki	real estate development	subsidiary	full consolidation	26.02.2016	211,74	0,00	0,00	211,74	1,00%
3	Bliska Wola 4 Sp z o.o.2SK	Ząbki	real estate development	subsidiary	full consolidation	26.02.2016	178,00	0,00	0,00	178,00	1,00%
4	Dana Invest Sp. z o.o.	Ząbki	real estate development	subsidiary	full consolidation	27.11.2014	50,00	0,00	0,00	50,00	0,01%
5	Karczma Regionalna Sp.z o.o.	Krynica Górská	hotel services	subsidiary	not consolidated	16.12.2004	208 550,00	0,00	0,00	208 550,00	8,06%

Note 5. Non-current receivables

NON-CURRENT RECEIVABLES	30-09-2019	31-12-2018
a) deposit receivables	2 845 845,36	2 839 265,65
b) deposit receivables (leasing)	0,00	0,00
b) other receivables	0,00	0,00
Total receivables	2 845 845,36	2 839 265,65

2. CURRENT ASSETS

Note 6. Inventories

INVENTORIES	30-09-2019	31-12-2018
a) materials	2 654 778,83	2 365 934,74
b) semi-finished products and work in progress	0,00	0,00
c) finished products	48 501,10	249 627,77
d) goods	24 968 433,83	25 536 435,63
e) trade advances	363 879,74	968 487,06
Total inventories	28 035 593,50	29 120 485,20

Note 7. Construction contracts

CONSTRUCTION CONTRACTS	30-09-2019	31-12-2018
CONSTRUCTION CONTRACTS (current assets)		
a) semi-finished products and work in progress	561 498 090,49	678 033 346,34
b) finished products	146 622 134,13	78 852 384,31
c) advances for supplies	15 944 646,26	15 912 905,18
d) short-term prepayments and accruals	1 791 705,89	1 878 615,47
Total construction contracts	725 856 576,77	774 677 251,30
CONSTRUCTION CONTRACTS (current liabilities)		
a) accruals	448 803 816,32	513 534 527,58
Total construction contracts	448 803 816,32	513 534 527,58

Accruals	30.09.2019	31.12.2018
- advances on premises	443 519 286,66	506 559 769,46
- provision for works	4 877 150,66	6 028 390,59
- other	407 378,99	946 367,53
Total accruals	448 803 816,31	513 534 527,58

In connection with their operations, the companies of the Capital Group take out loans, which are secured with, among other things, mortgages on real estate. As at 30 September 2019, the Group companies established collateral in the form of mortgages on real estate presented in inventories and construction contracts, as well as fixed assets with a total value of PLN 618.1 million. The value of the mortgage is established for the amount of the granted loan (or higher), therefore it significantly exceeds the value of real estates disclosed in the assets of the Group Companies. As at September 30, 2019, liabilities due to disbursed credits amount to PLN 198.0 million (excluding credits of TBS Marki Sp. z o.o., liabilities amount to PLN 113.4 million).

Note 8. Current receivables

CURRENT RECEIVABLES	30-09-2019	31-12-2018
a) trade receivables - related parties	2 908,95	2 908,95
b) trade receivables - other parties	19 894 641,75	22 730 040,86
c) taxes, subsidies, customs duties, social and health insurance and other payments	9 327 545,41	13 179 928,92
d) other	3 402 433,92	3 556 658,06
Total receivables	32 627 530,03	39 469 536,79

Note 9. Other financial assets

SHORT-TERM INVESTMENTS	30-09-2019	31-12-2018
a) shares	0,00	0,00
b) loans granted	40 640 592,19	39 624 826,38
c) other investments	23 100 769,92	19 647 129,03
Total short-term investments	63 741 362,11	59 271 955,41

SHORT-TERM INVESTMENTS	30-09-2019	31-12-2018
a) in subsidiaries	40 592 689,55	39 569 341,84
- shares	0,00	0,00
- debt securities	0,00	0,00
- other security papers	0,00	0,00
- loans granted	40 592 689,55	39 569 341,84
- other current financial assets	0,00	0,00
b) in other units	23 148 672,56	19 702 613,57
- shares	0,00	0,00
- debt securities	0,00	0,00
- other security papers	23 100 769,92	19 647 129,03
- loans granted	47 902,64	55 484,54
- other current financial assets	0,00	0,00
c) other short-term investments	0,00	0,00
Total short-term investments	63 741 362,11	59 271 955,41

Note 10. Cash and cash equivalents

CASH AND CASH EQUIVALENTS	30-09-2019	31-12-2018
a) cash on hand and with bank	140 001 950,57	121 743 649,44
b) other cash	1 029 307,89	730 716,45
c) other cash assets	84 029,37	10 134,45
Total cash	141 115 287,83	122 484 500,34

	30-09-2019	31-12-2018
cash in escrow accounts	66 131 330,83	85 368 886,42
JW. Construction Holding SA	45 215 751,23	61 483 631,37
Hanza Invest SA	20 915 579,60	23 885 255,05

Note 11. Accruals

ACCRUALS	30-09-2019	31-12-2018
a) short-term accruals	11 015 271,75	17 048 154,36
Total accruals	11 015 271,75	17 048 154,36

Accruals	30-09-2019	31-12-2018
- property insurance	656 135,77	408 693,48
- interest	831 699,27	2 784 239,27
- commission expenses	5 433 223,67	12 186 778,37
- property tax, perpetual usufruct, road tax	1 581 329,15	0,00
- other	2 512 883,89	1 668 443,24
Total accruals	11 015 271,75	17 048 154,36

3. LIABILITIES

Note 12. Borrowings

BORROWINGS	30-09-2019	31-12-2018
a) credits	197 975 210,87	142 029 510,58
<i>of which: long-term</i>	<i>153 372 219,01</i>	<i>101 430 756,35</i>
<i>short-term</i>	<i>44 602 991,86</i>	<i>40 598 754,23</i>
b) loans	375 865,86	375 865,86
<i>of which: long-term</i>	<i>0,00</i>	<i>0,00</i>
<i>short-term</i>	<i>375 865,86</i>	<i>375 865,86</i>
Total borrowings	198 351 076,73	142 405 376,44
Borrowings - long-term	153 372 219,01	101 430 756,35
Borrowings - short-term	44 978 857,72	40 974 620,09

CREDITS PER MATURITY	30-09-2019	31-12-2018
Up to 1 year	44 602 991,86	40 598 754,23
Between 1 and 2 years	50 915 252,90	7 973 337,40
Between 2 and 5 years	33 788 127,34	21 712 552,51
Over 5 years	68 668 838,77	71 744 866,44
Total credits, including	197 975 210,87	142 029 510,58
- long-term	153 372 219,01	101 430 756,35
- short-term	44 602 991,86	40 598 754,23

LOANS PER MATURITY	30-09-2019	31-12-2018
Up to 1 year	375 865,86	375 865,86
Between 1 and 2 years	0,00	0,00
Between 2 and 5 years	0,00	0,00
Over 5 years	0,00	0,00
Total loans	375 865,86	375 865,86
- long-term	0,00	0,00
- short-term	375 865,86	375 865,86

Including credits of TBS Marki Sp. z o.o.

BORROWINGS	30-09-2019	31-12-2018
a) credits	84 582 692,52	90 903 238,42
<i>of which: long-term</i>	<i>79 775 435,19</i>	<i>85 736 830,84</i>
<i>short-term</i>	<i>4 807 257,33</i>	<i>5 166 407,58</i>
b) loans	0,00	0,00
<i>of which: long-term</i>	<i>0,00</i>	<i>0,00</i>
<i>short-term</i>	<i>0,00</i>	<i>0,00</i>
Total borrowings	84 582 692,52	90 903 238,42
Borrowings - long-term	79 775 435,19	85 736 830,84
Borrowings - short-term	4 807 257,33	5 166 407,58

CREDITS PER MATURITY	30-09-2019	31-12-2018
Up to 1 year	4 807 257,33	5 166 407,58
Between 1 and 2 years	4 807 257,33	5 166 407,58
Between 2 and 5 years	14 421 771,99	15 085 505,94
Over 5 years	60 546 405,87	65 484 917,32
Total credits, including	84 582 692,52	90 903 238,42
- long-term	79 775 435,19	85 736 830,84
- short-term	4 807 257,33	5 166 407,58

Spółka TBS Marki Sp. z o.o. has taken out loans from the National Housing Fund on separate, in relation to standard commercial loans, rules regulated by the Act of 26 October 1995 on certain forms of supporting housing construction Journal of Laws. U.00.98.1070. j.t. These are long-term loans with repayment dates in the years 2033-2044. The loans are repaid from rents from lessees of TBS flats.

Note 13. Other capitals

OTHER CAPITALS	30-09-2019	31-12-2018
a) reserve capital	662 258 543,33	692 071 910,38
b) other reserve capitals	57 947 307,60	7 947 307,60
- including reserve capital for the purchase of own shares	50 000 000,00	0,00
c) conversion differences	-2 807 517,19	-3 692 561,76
Total other capitals	717 398 333,74	696 326 656,22

The amount of 50 million is a fund for the purchase of own shares, which will be implemented in accordance with the resolution of the Extraordinary General Meeting of 15 March 2019 not later than 14 March 2024.

Note 14. Other long-term liabilities

OTHER LONG-TERM LIABILITIES	30-09-2019	31-12-2018
a) lease obligations	16 593 398,76	3 098 299,05
b) deposit liabilities	37 345 977,70	33 287 067,29
c) other long-term liabilities	1 668 783,94	5 472 119,13
d) promissory notes liabilities	0,00	0,00
e) bonds	93 800 000,00	128 800 000,00
Total other liabilities	149 408 160,40	170 657 485,47

All lease liabilities are denominated in PLN. The fair value of lease liabilities corresponds to their book value and as at 30 September 2019 it amounted to PLN 21,779,354.31, of which PLN 16,593,398.76 represented a non-current liability.

Note 15. Trade and other payables

TRADE AND OTHER PAYABLES	30-09-2019	31-12-2018
a) trade payables - other parties	38 820 997,75	40 155 753,35
b) trade payables - affiliated parties	1 848,44	0,00
c) axes, customs duties, insurance and other payments	4 132 980,74	3 212 617,37
d) salaries	2 830 599,88	2 617 865,08
e) trade advances received	0,00	0,00
f) other	13 515 320,86	16 923 600,93
Total trade and other payables	59 301 747,66	62 909 836,73

PROVISIONS FOR OTHER LIABILITIES AND CHARGES	30-09-2019	31-12-2018
a) short-term, of which:	30 937 398,71	39 504 479,20
- accrued expenses, including:	12 126 210,74	23 053 900,23
- <i>interest charged</i>	1 251 605,21	1 110 399,96
- <i>rent deposits</i>	480 433,64	480 433,64
- <i>hotel down payments</i>	3 081 022,94	3 333 310,50
- <i>other</i>	7 313 148,95	18 129 756,13
- other provisions, including:	18 811 187,97	16 450 578,97
- <i>provision for future liabilities</i>	321 621,10	126 789,78
- <i>provisions for guaranteed repairs</i>	560 124,45	560 124,45
- <i>other provisions</i>	17 929 442,42	15 763 664,74
a) long-term, of which:	55 642 371,37	55 126 188,44
- accrued expenses, including:	55 642 371,37	55 126 188,44
- <i>participation in construction costs - TBS Marki</i>	48 413 653,09	48 493 144,01
- <i>deferred income - redemption of loans-TBS Marki</i>	7 228 718,28	6 633 044,43
Total provisions for other liabilities and charges	86 579 770,08	94 630 667,64

Note 16. Other liabilities

OTHER LIABILITIES	30-09-2019	31-12-2018
a) debt securities issue liabilities	81 556 295,92	75 941 216,10
b) promissory notes liabilities	0,00	0,00
c) leasing liabilities	5 185 955,55	1 525 643,82
d) other financial liabilities	0,00	0,00
Total other liabilities	86 742 251,47	77 466 859,92

All lease liabilities are denominated in PLN. The fair value of lease liabilities corresponds to their book value and as at 30 September 2019 it amounted to PLN 21,779,354.31, of which PLN 5,185,955.55 represented current liability.

4. OPERATING INCOME AND EXPENSES

Note 17. Operating income

OPERATING INCOME	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
Revenues from sales of products	307 779 246,63	251 798 975,55	198 431 039,76	212 345 381,87
Revenues from sales of services	90 824 925,29	71 436 200,10	30 206 861,59	23 347 621,29
Revenues from sales of goods	7 713 610,29	2 182 972,42	5 601 521,72	-25 222,32
Total income	406 317 782,21	325 418 148,07	234 239 423,07	235 667 780,84

	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
Proceeds from sales, including:	406 317 782,21	325 418 148,07	234 239 423,07	235 667 780,84
-sales of products – properties, plots, buildings	317 441 063,63	257 178 950,45	198 427 839,76	212 499 853,41
- sales of products - other	6 300,00	0,00	3 300,00	0,00
-from sales of services	81 156 808,29	66 056 225,20	30 206 761,59	23 193 149,75
-from sales of goods	7 713 610,29	2 182 972,42	5 601 521,72	-25 222,32

	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
Revenues from sales of products and services by segment	398 604 171,92	323 235 175,65	228 637 901,35	235 693 003,16
-real estate development	328 853 041,31	266 977 448,95	203 497 025,87	215 659 574,32
-hotel, restaurant and catering activities	58 991 294,21	46 324 347,89	21 503 591,23	17 243 586,00
- social building	10 487 447,40	9 933 378,81	3 367 895,25	2 989 447,84
-construction	272 389,00	0,00	269 389,00	-199 605,00

	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
Revenues from sales of products – premises, plots, buildings by geographical segment	317 441 063,63	257 178 950,45	198 427 839,76	212 499 853,41
-Warsaw and the surrounding area	282 325 225,20	163 308 691,73	197 287 152,87	127 594 214,67
-Gdynia	24 845 242,74	88 032 615,04	1 068 511,46	84 742 915,17
- Łódź	12 292,44	6 768,30	1 425,00	0,00
- Katowice	584 495,19	450 900,48	64 959,37	8 252,03
- Poznań	5 691,06	0,00	5 691,06	0,00
- parcels and networks	9 668 117,00	5 379 974,90	100,00	154 471,54

	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
Revenues from sales of hotel and catering services, apart-hotels per geographic segments	58 991 294,21	46 324 347,89	21 503 591,23	17 243 586,00
-Warsaw and the surrounding area	7 272 621,84	4 689 413,10	2 641 297,92	1 912 692,10
- Tarnowo	3 240 900,86	4 826 613,74	913 753,49	1 409 884,09
- Stryków	5 034 655,53	3 077 621,46	1 560 453,30	1 082 744,23
- Szczecin	5 687 477,58	4 908 426,15	2 329 284,01	1 721 791,53
- Krynica Górská	26 607 516,26	25 509 255,57	9 862 605,21	9 127 567,72
- Varsovia Apartamenty	11 148 122,14	3 313 017,87	4 196 197,30	1 988 906,33

Note 18. Operating expenses

OPERATING EXPENSES	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
Costs of sales of products	234 496 808,31	215 711 485,67	141 218 397,63	162 698 045,82
Costs of sales of services	61 825 691,14	48 607 663,80	20 913 441,23	18 482 659,62
Costs of sales of goods	7 656 261,36	2 176 148,98	5 594 164,83	-29 663,48
Total costs of products, services and goods sold	303 978 760,81	266 495 298,45	167 726 003,69	181 151 041,96

Sales and overhead expenses	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
Costs of sales	23 091 350,71	16 944 366,13	11 787 911,71	6 616 361,54
Overheads	25 449 597,86	18 294 478,07	9 413 131,45	6 562 877,89
Total sales and overheads expenses	48 540 948,57	35 238 844,20	21 201 043,16	13 179 239,43

Expenses per type	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
Depreciation and amortization	9 277 026,14	8 665 213,70	3 025 087,86	4 692 600,96
Depreciation of the right to use the asset	70 899,11	0,00	27 386,76	0,00
Materials and energy cost, land purchase	62 921 327,54	97 811 041,28	14 117 125,03	32 488 366,98
Third party services	175 662 937,84	220 654 501,16	65 905 511,52	100 421 574,96
Taxes and charges	8 355 223,86	9 301 259,23	2 843 763,18	4 936 539,64
Remunerations	32 945 560,53	29 135 754,43	11 499 888,93	14 827 339,83
Social security and other payments	6 050 449,00	5 271 038,27	2 008 121,98	2 586 423,28
Other expenses per type	12 692 380,12	8 058 895,95	4 176 509,46	3 720 341,59
Total expenses per type	307 975 804,14	378 897 704,02	103 603 394,72	163 673 187,24

Note 19. Other operating income

OPERATING INCOME	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
a) profit on sale of non-financial fixed assets	1 386 434,18	39 456,66	1 289 709,04	6 793,06
b) other operating income	1 025 308,44	1 848 617,42	243 324,19	963 136,06
Total operating income	2 411 742,62	1 888 074,08	1 533 033,23	969 929,12

OPERATING INCOME	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
a) profit on sale of non-financial fixed assets	1 386 434,18	39 456,66	1 289 709,04	6 793,06
b) handling fees	300 352,55	0,00	129 576,15	-132 548,86
c) reserves	24 914,26	0,00	0,00	0,00
e) other (including damages), contractual penalties	700 041,53	1 848 617,42	113 748,04	1 095 684,92
Total operating income	2 411 742,52	1 888 074,08	1 533 033,23	969 929,12

Note 20. Other operating expenses

OPERATING EXPENSES	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
a) loss on sale of non-financial fixed assets	0,00	0,00	0,00	0,00
b) revaluation of non-financial assets	44 165,11	0,00	33 342,58	-60 673,07
c) other operating expenses	4 595 619,41	5 973 805,03	1 511 531,35	2 154 888,01
Total operating income	4 639 784,52	5 973 805,03	1 544 873,93	2 094 214,94

OPERATING EXPENSES	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
a) loss on sale of non-financial fixed assets	0,00	0,00	0,00	0,00
b) revaluation of non-financial assets	44 165,11	0,00	33 342,58	-60 673,07
c) reserves	2 385 085,89	1 366 964,62	1 018 121,27	-47 000,00
d) compensations, penalties, damages	586 793,48	3 277 765,36	90 480,02	1 429 145,02
e) compensations for breach of contracts	0,00	0,00	0,00	0,00
f) costs of court proceedings	259 527,40	0,00	14 659,30	0,00
g) other	1 364 212,64	1 329 075,05	388 270,76	772 742,99
Total operating income	4 639 784,52	5 973 805,03	1 544 873,93	2 094 214,94

Note 21. Financial revenues

FINANCIAL REVENUES	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
a) dividends	0,00	0,00	0,00	0,00
b) interest	2 286 981,90	10 009 360,41	806 198,31	776 593,10
c) profit on disposal of investment	0,00	0,00	0,00	0,00
d) other	1 114 830,57	1 027 884,58	-213 171,42	-826 723,52
Total financial revenues	3 401 812,47	11 037 244,99	593 026,89	-50 130,42

Financial revenues	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
a) dividends	0,00	0,00	0,00	0,00
b) interest from customers	259 977,19	188 745,14	145 116,64	126 753,01
c) loan interest	466 547,22	387 357,11	152 653,67	154 871,92
d) deposit interest	667 087,18	784 142,40	207 643,53	250 429,10
e) promissory notes interest	734 379,68	675 583,41	259 062,34	242 600,48
f) other interest	158 990,64	7 973 532,25	41 722,14	1 938,49
g) profit on disposal of investment	0,00	0,00	0,00	0,00
h) foreign exchange rate differences	660 577,14	0,00	660 577,14	0,00
i) other	454 253,43	1 027 884,58	-873 748,56	-826 723,52
Total	3 401 812,48	11 037 244,89	593 026,90	-50 130,52

The decrease in interest remaining in relation to the comparable period results from one-off event in 2018, i.e. the return of interest in the amount of PLN 7,965,869.00 by the Capital City of Warsaw in connection with a dispute concerning the perpetual usufruct fee for a plot of land at Górczewska Street in Warsaw.

Note 22. Financial costs

FINANCIAL EXPENSES	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
a) interest	8 984 692,84	19 034 417,81	2 752 661,92	5 100 378,22
b) loss on disposal of investment	0,00	30 384,75	0,00	0,00
c) other	89 595,60	43 461,82	-448 182,18	18 329,82
Total financial expenses	9 074 288,44	19 108 264,38	2 304 479,74	5 118 708,04

FINANCIAL EXPENSES	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
a) interest, commissions, loans	3 729 770,77	3 085 758,28	1 283 674,38	1 013 565,49
b) interest-leases	192 529,56	46 386,18	101 700,82	12 524,21
c) interest - loans	0,00	-8 193,89	0,00	0,00
d) interest - promissory notes	0,00	33,33	0,00	0,00
e) interest - bond issuance	2 590 259,87	4 002 825,14	878 811,32	1 350 049,02
f) other interest	2 472 191,81	11 907 608,77	488 534,57	2 724 239,50
g) loss on disposal of investment	0,00	30 384,75	0,00	0,00
h) other	89 536,43	43 461,82	-448 241,35	18 329,82
Total financial expenses	9 074 288,44	19 108 264,38	2 304 479,74	5 118 708,04

The decrease in interest on the issue of bonds in relation to the comparable period results from activating interest on projects purchased with funds from the issue.

The decrease in the value of interest remaining in relation to the comparable period results from the individual event in 2018, i.e. the payment of interest in the amount of PLN 7,965,869.00 to the Capital City of Warsaw in connection with a disputed case concerning the fee for perpetual usufruct of a plot of land at Górczewska Street in Warsaw.

Note 23. Income tax

INCOME TAX	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
a) current income tax	7 647,00	32 281,00	7 647,00	13 599,00
b) deferred income tax	7 535 173,67	-8 499 395,70	7 452 499,48	-2 346 420,01
Total income tax	7 542 820,67	-8 467 114,70	7 460 146,48	-2 332 821,01

D. ADDITIONAL INFORMATION

1. Description of significant achievements or failures of the Issuer in the period covered by the report, together with a list of the most important events.

In the period covered by the report, the following significant events occurred:

Corporate Affairs:

Resignation from the Supervisory Board

On 19 July 2019, the Company received a statement from Mr. Jacek Radziwiński, a member of the Supervisory Board, on his resignation, as of 22 July 2019 from the position on the Supervisory Board, the reasons for his resignation were not given.

Share buy-back programme

On 26 July 2019 The Management Board of the Company adopted a resolution on the commencement of the programme of buy-back of own shares through the programme of buy-back of shares and stabilisation in accordance with Article 5 of the MAR Regulation. The Programme will be executed in the period from 29 July 2019 to 31 July 2020. Under the programme, the Company intends to purchase up to 1,000,000 shares, at a price of PLN 2.18 per share up to PLN 3.40 per share, in order to implement the programme, an applied agreement was signed with Dom Maklerski Banku Ochrony Środowiska S.A. in Warsaw.

Real estate

Preliminary sale agreement

On 16 July 2019 The Company concluded a preliminary contract of sale of the right of perpetual usufruct of developed land plots located in Szczecin at Drucki-Lubeckiego Street with the total area of 6.4545 ha for the total net price of PLN 9,256,300 plus VAT at the applicable rate. It is a part of the area owned by the Company in this region not intended for the construction of warehouses. The deadline for concluding the final agreement was set by the parties by 31 December 2019.

Purchase

On 28 August 2019, in performance of the conditional agreement, the Company acquired the ownership right to the undeveloped plots of land with a total area of 1,2208 ha located in Chorzów, between Krakowska and Tadeusz Kościuszki Streets, for the net amount of PLN 3,950,000 plus VAT at the applicable rate. The Company intends to build approx. 12,000 m² of usable area of flats on the plots.

Preliminary purchase agreements

On 19 August 2019 the Company concluded a preliminary agreement for the purchase of an undeveloped plot of land located in Małopole, with an area of 2.71 ha. The final agreement is to be concluded after the adoption of the local development plan, but not later than by 31 December 2020. The price was agreed between the parties for the amount of PLN 2,140,900. The Company intends to realize warehouse projects on the purchased property.

On 4 September 2019 The Company concluded a conditional contract of purchase of: ownership right to developed land plots with a total area of 8.2798 ha, ownership right to undeveloped land plot with an area of 0.0797 ha and the right of perpetual usufruct of a developed land plot with an area of 4.0355 ha, located in the municipality of Serock in Jachranka, for the total net price of PLN 12,500,000 plus VAT at the applicable rate. The condition for the acquisition was that the State Forests did not exercise the pre-emption right to a part of the real estate. The Company intends to develop a multifamily residential complex with sports and hotel facilities on the property.

Construction permit

On 22 August 2019 The Company received the final decision confirming the decision of 18 April 2017 on the building permit for a complex of multi-family buildings constituting a part of the Lewandów III (Wrzosowa Aleja) housing estate in Warsaw, covering 5 multi-family buildings together with land development.

Occupancy permit

Within the complex of terraced houses - "Alicja Stage D" located in Kręczki Kaputy, Ożarów Mazowiecki, the Company was granted occupancy permits for 16 single-family terraced houses. The permits are final.

On 27 August 2019 The Company was granted the occupancy permit for a multi-family residential building marked with the symbol "Em" from the residential and service complex Stage E in the area of the investment Bliska Wola in Warsaw in the area of Kasprzaka Street and Prymasa Tysiąclecia Avenue. The permit is final.

On 6 September 2019 The Company was granted the occupancy permit for a multi-family residential building marked with the symbol "Em" from the residential and service complex Stage Ek in the area of the investment Bliska Wola in Warsaw in the area of Kasprzaka Street and Prymasa Tysiąclecia Avenue. The permit is final.

Sales

The number of development contracts, preliminary sales contracts (i.e. concerning completed investments, contracts with entities other than individual customers and service premises) and paid bookings was 737, concluded by all companies from the Capital Group of the Issuer from 1 January to 30 September 2019.

Transferred units

Between 1 January 2019 and 30 September 2019 the Company transferred and recognized 973 units in its revenues. The total potential of units to be recognized in the result in subsequent quarters is 3,569 units. Including 2,077 units sold, also under reservation agreements, but not yet transferred to customers, and 1,492 units in the offer for sale.

Ongoing investments

In the third quarter of 2019, the Group carried out 8 housing and commercial investments for a total of 2,602 units (including: aparthotels and terraced houses) with an area of approx. 127,000 m². The front of the works carried out included investments throughout the country: the Bliska Wola housing estate in the area of Kasprzaka Street and Prymasa Tysiąclecia Stage D (residential and aparthotel stages), Osiedle Wrzosowa Aleja i Willa Wiślana in Warsaw, Osiedle Nowe Tysiąclecie stage III in Katowice, Hanza Tower project in Szczecin and 2 of terraced houses – Villa Campina near Ożarów Mazowiecki.

In the third quarter of 2019 the following investments were being carried out:

Investment	Number of units	useable area	Commercial area	% of units sold as as at 30.09.2019	% advancement of construction works as at 30.09.2019.
Bliska Wola - stage D (residential-commericla), Warsaw - J.W. Construction Holding S.A.	1 059	25 417	17 078	35%	19%
Bliska Wola - stage D (residential), Warsaw - J.W. Construction Holding S.A.	418	19 178		97%	6%
Hanza Tower, Szczecin - Hanza Invest S.A.	509	21 950	11 034	70%*	65%
Nowe Tysiąclecie - stage III, Katowice - J.W. Construction Holding S.A.	345	18 261		62%	58%
Willa Wiślana, Warsaw - J.W. Construction Holding S.A.	140	5 847		34%	34%
Wrzosowa Aleja, Warsaw - J.W. Construction Holding S.A.	81	2 958		100%	80%
Villa Campina Houses - Alicja (rank F), Ożarów - J.W. Construction Holding S.A.	30	2 857		50%	40%
Villa Campina Houses - Alicja (rank E), Ożarów - J.W. Construction Holding S.A.	20	2 003		90%	85%
Total	2 602	98 471	28 112		

*residential units

Construction sites with occupancy permit in Q3 2019

In the first quarter of 2019, occupancy permits were obtained for a total of 1,120 units:

Investment	Number of units	useable area	Commercial area
Bliska Wola - stage E (residential), Warsaw - J.W. Construction Holding S.A.*	671	30 453	
Bliska Wola - stage E (residential-commercial), Warsaw - J.W. Construction Holding S.A.*	433	4 548	10 089
Villa Campina Houses - Alicja (rank D), Ożarów - J.W. Construction Holding S.A.**	16	1 550	
Total	1 120	36 551	10 089

* Construction completed in the first half of 2019, occupancy permit obtained in the third quarter of this year.

** Construction completed in the first half of 2019, 20 terraced houses were granted occupancy permit (4 houses in H1, 16 houses in Q3 of this year.)

Investments to be launched

In the upcoming years, the Group is preparing 20 new residential and commercial developments based on its land bank, for a total of 5,392 premises with a total area of 426,500 m².

In the case of all planned development and warehouse projects, the Capital Group is the owner or perpetual usufructuary of the land or has signed preliminary purchase agreements. In a significant part of the planned projects, the Capital Group has also carried out design and preparation works. The implementation of the investment will be financed from own funds, proceeds from customers in the case of an open trust account and from a bank loan.

The planned projects to be implemented in the upcoming years are presented in the table below.

List of planned development investments - as at 31.09.2019:

Investment	Number of units	useable area	Commercial area
Zawada near Cracow	1 223	63 120	
Celna St., Szczecin	810	34 000	14 796
Starowiejska St., Gdańsk- Letnica	638	32 302	556
Waryńskiego St., Pruszków*	446	19 709	1 929
Modlińska St., Warsaw	298	10 200	
Radosława St., Nowogard	275	14 710	
Krakowska St. / Kościuszki St., Chorzów	265	12 000	
Berensona St., Warsaw	264	11 855	
Poznańska St., Skórzewo near Poznan**	258	14 516	
Kilińskiego St., Łódź	245	10 300	100
Antoniewska St., Warsaw	221	13 763	
Houses stage VI and further, Ożarów Mazowiecki	150	15 675	
Wrzosowa Aleja III stage II, Warsaw	146	4 709	
Aluzyjna St., stage II, Warsaw	68	3 670	
Wrzosowa Aleja III, stage I, Warsaw	40	1 631	
Aluzyjna St., stage I, Warsaw	32	1 850	
Nowodworska St., Warsaw	13	1 180	
Port (warehouses), Szczecin			53 000
Wielopole/Dietla St., Cracow			10 899
Małopole (warehouses), near Warsaw			80 000
Total	5 392	265 190	161 280

*partially launched for sale in the third quarter. of this year, reservation sale

** launched for sale in the third quarter of this year, reservation sale

2. Description of factors and events, in particular of unusual nature, having a significant impact on the financial results

In the third quarter of 2019 no atypical events, other than those described in this report, occurred that would affect the results achieved.

3. Explanations regarding the seasonality and cyclical nature of the Issuer's activity in the presented period.

N/A.

4. Information on the issue, purchase and redemption of debt and equity securities

N/A.

5. Information on the paid (or declared) dividend in total and per share, broken down into ordinary and preference shares.

N/A.

6. Events that occurred after the day of preparation of this quarterly financial report, not included in the report and which could significantly affect the future financial results of the Issuer

Construction permit

On 4 October 2019 The Company has obtained a building permit for a complex of 10 multi-family residential buildings with underground garage halls in Skórzewo near Poznań. The permit is final.

On 11 October 2019 Company has obtained a building permit for a complex of 13 single-family terraced houses located in Kręczki Kaputy, Ożarów Mazowiecki commune. The permit is final.

On 6 November 2019 the Company has obtained permits for the construction of a complex of 11 single-family terraced houses located in Kręczki Kaputy, commune of. Ożarów Mazowiecki. The permits are final.

Sale of real estate

On 30 November 2019 the Company concluded, in performance of the preliminary contract, a contract of sale of the right of perpetual usufruct of developed land plots located in Szczecin, Druckiego-Lubeckiego Street, with a total area of 6.4545 ha, for a total net price of PLN 9,256,300 plus VAT at the applicable rate. It is a part of the area owned by the Company in this region not intended for the construction of warehouses.

Purchase of real estate

On 18 October 2019, in the performance of the conditional contract in connection with the non-exercise of the pre-emptive right by the State Forest Enterprise, the Company concluded a contract of purchase of: the ownership right to the developed land plots with a total area of 8.2798 ha, the ownership right to the undeveloped land plot with a total area of 0.0797 ha and the right of perpetual usufruct of the developed land plot with a total area of 4.0355 ha, located in the municipality of Serock, in Jachranka, for the total net price of PLN 12,500,000 plus VAT at the applicable rate. The Company intends to develop a multifamily residential complex with sports and hotel facilities on the property.

7. Contingent liabilities

In business practice, contingent transaction hedge instruments are used. In particular, under the applicable credit agreements, banks providing financing may pursue claims based on the established collaterals in the event of the Group's failure to perform its obligations under the agreements. Collaterals are established up to the amount of the loan granted multiplied by a specific ratio. Depending on the type of loan agreement, type of collateral, financing bank and other criteria, the ratio varies from 100% to 200%. Regardless of the number and amount of securities established, the bank may pursue claims up to the amount of the actual debt together with the interest due. As at 30 September 2019 the value of debt on account of loans amounted to PLN 198.0 million (including the debt of TBS Marki Sp. z o.o. – PLN 84,6 million) and there were no premises to suggest that any of the loans might not be repaid on time.

In the case of Issuer's loans, the standard securities used by banks include, among others, mortgages on real estate.

The value of mortgages secured on real estate is presented below:

OFF-BALANCE SECURITIES	30-09-2019
Amount of security on own real estate*	618 138 518

*including collaterals on real estate of TBS Marki Sp. z o.o. – PLN 164,7 million

Several types of collateral are usually used for one credit agreement, with a total value in excess of the loan amount. However, the amounts of collateral cannot be added together as the value of a possible claim would be closely linked to the amount of the obligation and the eligible entity would have the right to choose the type of collateral.



Apart from mortgage, there are also other forms of security, such as: writs of enforcement, promissory notes, powers of attorney to accounts or pledges on accounts. In addition, in the case of investment loans, cessions from contracts related to specific constructions (e.g. general contracting agreements, insurance contracts, performance bonds) are a hedging instrument. Moreover, if the borrower is a subsidiary of the Issuer, banks usually require an additional guarantee from the Issuer, and in some cases a pledge on the shares of the subsidiary.

The value of sureties and guarantees granted is presented below:

OFF-BALANCE SECURITIES - other	30-09-2019
Surety of J.W. Construction Holding S.A. for Hanza Invest SA for an investment loan from Bank Ochrony Środowiska S.A.	72 000 000
Surety of J.W. Construction Holding S.A. for Dana Invest Sp. z o.o. for credit incurred at BZ WBK SA.	29 694 876
Surety for J.W. Construction Sp. z o.o. for credit and lease in PKO BP	17 361 955
Sureties for TBS "Marki" Sp. z o.o.	22 400 000

As at 30 September 2019 insurance and bank guarantees were also granted to remove defects and faults, granted by banks and insurance institutions, whose beneficiaries were the Capital Group Companies. Moreover, blank promissory notes were issued for the companies of the Capital Group as a security for their rights resulting from guarantees granted by contractors, which the Companies have the right to fill in at any time for the amount corresponding to the costs of removal of defects and faults. Total value of guarantees issued as at 30 September 2019 amounted to PLN 36,34 million and PLN 1,74 million Euro (Issuer), PLN 6,16 million and 520,72 thousand Euro (JW. Construction sp. z o.o.).

8. Selected financial data containing basic items of the condensed financial statements (also in EUR)

To convert the balance sheet data as at the last day of the period from 1 January to 30 September 2019, the EUR exchange rate set by the National Bank of Poland as at that day, i.e. 4,3736 PLN/EUR.

To convert the balance sheet data as at the last day of the period from 1 January to 31 December 2018, the EUR exchange rate set by the National Bank of Poland as at that day, i.e. 4,3000 PLN/EUR.

For the conversion of the profit and loss account data for the period from 1 January 2019 to 30 September 2019, the average EUR rate was adopted, calculated as the arithmetic mean of the rates in force on the last day of each month in a given period, determined by the National Bank of Poland on that day, i.e. 4.3086 PLN/EURO.

For the conversion of the profit and loss account data for the period from 1 January 2018 to 30 September 2018, the average EUR rate was adopted, calculated as the arithmetic mean of the rates in force on the last day of each month in a given period, determined by the National Bank of Poland on that day, i.e. 4,2535 PLN/EUR.

Consolidated balance sheet item	30-09-2019		31-12-2018	
	PLN	EUR	PLN	EUR
Total assets	1 813 003	414 533	1 795 582	417 577
Fixed assets	807 123	184 544	753 510	175 235
Current assets	1 005 880	229 989	1 042 072	242 342
Total liabilities and equity	1 813 003	414 533	1 795 582	417 577
Equity	728 147	166 487	693 704	161 327
Non-current liabilities	404 261	92 432	367 488	85 462
Current liabilities	670 764	153 367	734 390	170 788
Future long-term discounted lease payments	8 623	1 972	0,00	0,00
Future short-term discounted lease payments	1 208	276	0,00	0,00

Consolidated profit and loss account item	01-01-2019 to 30-09-2019		01-01-2018 to 30-09-2018	
	PLN	EUR	PLN	EUR
Net revenues from sales of products, goods and materials	406 318	94 304	325 418	76 506
Costs of products, goods and materials sold	303 979	70 552	266 495	62 654
Gross profit (loss) from sales	102 339	23 752	58 923	13 853
Costs of sales	23 091	5 359	16 944	3 984
Overheads	25 450	5 907	18 294	4 301
Profit (loss) from sales	53 069	12 317	18 888	4 441
Profit (loss) on operations	50 841	11 800	14 802	3 480
Gross profit (loss)	45 169	10 483	6 731	1 583
Income tax	7 543	1 751	-8 467	-1 991
Net profit (loss)	37 626	8 733	15 199	3 573

Issuer's balance sheet item	30-09-2019		31-12-2018	
	PLN	EUR	PLN	EUR
Total assets	1 616 153	369 525	1 668 191	387 951
Fixed assets	834 544	190 814	799 851	186 012
Current assets	781 609	178 711	868 340	201 940
Total liabilities and equity	1 616 153	369 525	1 668 191	387 951
Equity	775 198	177 245	753 958	175 339
Non-current liabilities	271 077	61 980	253 330	58 914
Current liabilities	560 930	128 254	660 903	153 698
Future long-term discounted lease payments	7 753	1 773	0,00	0,00
Future short-term discounted lease payments	1 195	273	0,00	0,00

Profit and loss account item	01-01-2019 to 30-09-2019		01-01-2018 to 30-09-2018	
	PLN	EUR	PLN	EUR
Net revenues from sales of products, goods and materials	382 201	88 707	311 818	73 309
Costs of products, goods and materials sold	283 361	65 767	253 646	59 633
Gross profit (loss) from sales	98 840	22 940	58 172	13 676
Costs of sales	21 955	5 096	15 968	3 754
Overheads	20 556	4 771	15 354	3 610
Profit (loss) from sales	55 600	12 905	22 053	5 185
Profit (loss) on operations	52 891	12 276	18 217	4 283
Gross profit (loss)	50 186	11 648	12 260	2 882
Income tax	8 612	1 999	-8 583	-2 018
Net profit (loss)	41 574	9 649	20 843	4 900

9. Indicating the effects of changes in the structure of business entity, including mergers, takeovers and sales of entities in the Issuer's capital group, long term investments, division, restructuring and discontinuation of activity.

No such changes occurred in the reporting period.

10. The Management Board's position regarding the possibility of realisation of previously published result forecasts for a given year in the light of the results presented in the quarterly report.

The Company does not publish financial forecasts for the Company or the Capital Group.

11. Indicating shareholders holding directly or indirectly through subsidiaries at least 5% of the total number of votes at the Issuer's General Meeting as at the day of publication of the quarterly report together with the number of shares held, their percentage share in the share capital, the number of votes arising therefrom and their percentage share in the total number of votes at the general meeting and an indication of changes in the ownership structure of significant shares of the Issuer in the period from the submission of the previous quarterly report

The share capital of the Company amounts to PLN 17,771,888.60 and is divided into 88,859,443 A, B and C series ordinary bearer shares with a nominal value of PLN 0.20 each, each of which entitles to one vote at the General Meeting of the Company.

As at 14.11.2019

Shareholder	Number of shares held	% of capital share	Number of votes	% of total number of votes in the General Meeting
Józef Wojciechowski	32.094.963	36,12 %	32.094.963	36,12 %
EHT S.A.	47.846.225	53,84 %	47.846.225	53,84 %

Mr. Józef Wojciechowski controls the Company EHT SA based in Luxembourg.

In the period from 29 August 2019 (the date of submission of the last periodic report, which was the report for the first half of 2019) until the date of submission of this report, there were no changes in significant blocks of the Issuer's shares.

In addition, the Company is purchasing its own shares for redemption. As of the day of preparing this Report, it is 1,545,781 shares constituting 1.7396 % of the total number of shares in the Company and entitle to 1,545,781 votes constituting 1.7396 % of the total number of votes at the General Meeting of the Company.

In the period described, the Company purchased 38,920 shares constituting 0.0438% of the total number of shares in the Company and entitling to 38,920 votes constituting 0.0438% of the total number of votes at the Company's General Meeting.

12. The Issuer's shares or rights to them (options) held by persons managing and supervising the Issuer as at a specific date, separately for each person.

As at 14.11.2019

Name	Function	Number of shares held
Józef Wojciechowski	Chairman of the Supervisory Board	32.094.963

There have been no changes in the period between the date of publication of the last quarterly report and the present day.

13. Lawsuits

As at 30 September 2019 no proceedings to which the Company or any of its subsidiaries, either as plaintiff or defendant, were material to the Company's business.

However, with regard to the previously provided information concerning proceedings brought by the Capital City of Warsaw against the Company, for payment of annual fees (2009-2013) for perpetual usufruct of real estate designated in the local zoning plan for a public road, of which the Company informed in its reports for earlier periods. On 22 December 2018 cassation appeal was filed with the Supreme Court against the verdict of the Court of Appeals in Warsaw of 4 June 2018 issued as a result of re-examination of the case as a result of the above mentioned verdict of the Supreme Court of 9 March 2018, under which the Company's appeal against the verdict of the Court of First Instance was again dismissed. On 25 September 2019 the Company became aware of the refusal to accept the cassation complaint for consideration by the Supreme Court, about which the Company informed in the current report 35/2019 of 25 September 2019.

14. Information on conclusion by the Issuer or its subsidiary of one or more transactions with its affiliates.

As part of its operations, the Company enters into transactions with affiliated companies, in particular in the scope of sales services, administrative services, property rental, performance of works, granting guarantees, financing. Transactions with companies subject to consolidation, whose value in 2019 was significant from the point of view of the presented data, are presented below. The materiality threshold was adopted for commercial transactions above PLN 100 thousand and for the remaining 10% of equity. All transactions entered into in 2019 by the Company or its subsidiary with related parties on terms other than market terms and conditions

COMPANY NAME	Receivables from affiliated parties subject to consolidation	
	30-09-2019	31-12-2018
TBS Marki Sp. z o.o.	29 471,97	24 663,88
J.W. Construction Sp. z o.o.	1 176 683,40	2 438 841,36
Dana Invest Sp. z o.o.	319 640,82	323 666,21
Varsovia Apartamenty Sp. z o.o.	1 453 676,24	1 651 383,26
Berenzona Invest Sp. z o.o.	35 660,16	35 660,16
Bliska Wola 4 Sp. z o.o.1 SK	18 597,26	34 196,00
Bliska Wola 4 Sp. z o.o. 2 SK	399 225,79	407 211,29
Wola Invest Sp. z o.o.	0,00	32 708,16
Bliska Wola 4 Sp. z o.o.	30 330,40	30 330,40
Hanza Invest S.A.	2 961 299,67	1 600 333,23

COMPANY NAME	Payables to affiliated parties subject to consolidation	
	30-09-2019	31-12-2018
TBS Marki Sp. z o.o.	30 603 762,46	29 910 789,10
J.W. Construction Sp. z o.o.	3 872 901,15	3 621 730,40
Dana Invest Sp. z o.o.	1 631,52	0,00
Bliska Wola 4 Sp. z o.o.1 SK	5 196,00	5 196,00

J.W. Construction Holding S.A. as an entity buying products or services (transactions for more than PLN 100 thousand)

OTHER PARTY TO TRANSACTION	TRANSACTION/AGREEMENT SUBJECT	01-01-2019 to 30-09-2019
Affiliated units subject to consolidation		
J.W.Construction Sp. z o.o.	construction works-VILLA CAMPINA	1 324 902,00
J.W.Construction Sp. z o.o.	construction works Katowice	28 714 483,00
J.W.Construction Sp. z o.o.	construction works Kasprzaka	1 007 716,00

J.W. Construction Holding S.A. as an entity rendering services (seller) (transactions for more than PLN 100 thousand),

OTHER PARTY TO TRANSACTION	TRANSACTION/AGREEMENT SUBJECT	01-01-2019 to 30-09-2019
Affiliated units subject to consolidation		
TBS Marki Sp. z o.o.	real estate management	119 358,27
J.W.Construction Sp. z o.o.	re invoicing - energy	130 663,65
J.W.Construction Sp. z o.o.	lease	129 079,26
J.W.Construction Sp. z o.o.	sale of goods, materials	359 056,28
J.W.Construction Sp. z o.o.	guaranteed repairs services	952 504,57
J.W.Construction Sp. z o.o.	office building rental	109 521,00
Varsovia Apartamenty Sp. z o.o.	other sales	383 074,35
Varsovia Apartamenty Sp. z o.o.	catering services	1 128 191,63
Varsovia Apartamenty Sp. z o.o.	administrative services	143 514,00
Varsovia Apartamenty Sp. z o.o.	re invoicing (other)	283 119,88
Hanza Invest SA	administrative services	1 027 398,00
Hanza Invest SA	sales service	688 513,61

All transactions concluded by the Issuer or its subsidiaries are concluded on market terms.

15. Information on granting credit or loan sureties or guarantees by the Issuer or its subsidiary - jointly to one entity or its subsidiary, if the total value of the existing sureties or guarantees is significant.

In the reporting period described above, the Company did not grant any sureties or guarantees whose value would constitute an equivalent of 10% of its equity.

16. Other information that is material, in the Issuer's opinion, to the assessment of its personnel, property, financial situation, financial result and their changes, as well as information that is significant for the assessment of the Issuer's ability to meet its obligations.

N/A.

17. Indication of factors which, in the Issuer's opinion, will affect the results achieved in the perspective of at least the next quarter.

The most important factors that may affect the Company's results:

- Successive transfer of premises on completed and sold investments, in particular: Bliska Wola, EK and EM stages (residential and aparthotel parts) in Warsaw.
- Maintaining the pace of sales, despite the difficult market due to problems related to the acquisition of subcontractors, along with the expansion of the offer, conditional, among others, on:
 - Commencing new investments,
 - Availability of mortgage loans on the real estate market - according to NBP, in the third quarter of 2019, banks recorded an increase in demand for housing loans.
 - Low interest rates - reduced cost of credit service for the Company and the buyers of apartments, which may have a positive impact on the pace of sales. According to the President of the National Bank of Poland, low interest rates are to be maintained, and even there is room for their reduction.
 - Expanding the offer with the sale of aparthotel units and warehouse space
 - Commencement of the investment according to the schedule.
- The economic situation in the economy, and in particular the situation on the real estate market - good economic situation in Poland: high economic growth, low unemployment rate, growing average wages and high tendency to consumption and investments.
- Shrinking employees' resources in construction and difficulties in acquiring contractors for construction works may lead to deadlines in commencing and completing investments.
- In the longer perspective, maintaining the assumed margins will depend on the elasticity of demand for housing price increases related to higher costs of work and land purchase.
- Maintaining the growth in demand for hotel and aparthotel services.

Forecasts of the Company's core business development for the following years assume the occurrence of the aforementioned factors in the future. Threats to the Company's sales market are seen primarily in the difficult and long-term process of obtaining the necessary administrative decisions for current and planned projects and the Development Act, which still hinders the rapid procedure for obtaining financing and forces an increase in financial costs. The Company's activity may also be affected by legal changes concerning conducting business activity, in particular on the real estate market.

18. Information on revenues and results for individual industry or geographic segments, depending on which division is the basic division

Business segments

It has been assumed that the basic division into business segments is the division by business segments. The Group operates mainly in the following three segments:

- real estate development
- social building
- hotel services.

In accordance with IAS 14 "Segment Reporting" when preparing financial data for individual operating segments, the principle is maintained that revenues and expenses as well as segment assets and liabilities are determined before the balancing and balancing transactions between the Group's companies are eliminated as part of the consolidation process, except where such types of balances and transactions between the Group's business units have been made within one segment. Internal transactions within the segment have been eliminated.

Financial data concerning particular segments of activity include separate financial statements of the Group's companies without exclusions of settlement balances and transactions, with the exclusions of revenues, costs and mutual settlements being presented in the column "Eliminations". The only exception is the developer activity within which the separate financial statements of companies conducting this type of activity were consolidated.

Basic type of services within each industry segment:

- real estate development activity - design, construction and sale of real estate
- social building - sale and administration of social estates,
- other construction— rental, other services,
- hotel activity, aparthotels - catering and hotel services related to the organisation of tourist and leisure services, rental of aparthotels.



Condensed consolidated financial statements
for the period of 9 months ended on 30 September 2019

01-01-2019 to 30-09-2019	Real estate development	Hotels, aparthotels and restaurants	Social building	Other operations	Total
Net revenues from sales of products, goods and materials, including:	324 601 233,66	58 995 604,46	10 512 965,00	12 207 979,09	406 317 782,21
Net revenues from sales of products	316 917 451,22	58 991 294,21	10 487 447,40	12 207 979,09	398 604 171,92
Net revenues from sales of goods and materials	7 683 782,44	4 310,25	25 517,60	0,00	7 713 610,29
Costs of products, goods and materials sold, including:	239 741 642,09	46 786 908,15	6 087 232,13	11 362 978,44	303 978 760,81
Cost of products sold	232 115 208,58	46 782 597,90	6 061 714,53	11 362 978,44	296 322 499,45
Value of goods and materials sold	7 626 433,51	4 310,25	25 517,60	0,00	7 656 261,36
Gross profit (loss) from sales	84 859 591,57	12 208 696,31	4 425 732,87	845 000,65	102 339 021,40
Costs of sales	18 202 586,95	4 888 763,76	0,00	0,00	23 091 350,71
Overheads	20 530 478,39	3 891 967,79	1 027 151,68	0,00	25 449 597,86
Revaluation of investment property	-728 687,42	0,00	0,00	0,00	-728 687,42
Profit (loss) from sales	45 397 838,82	3 427 964,76	3 398 581,19	845 000,65	53 069 385,42
Other operating income	2 037 967,42	159 878,56	63 521,05	150 375,59	2 411 742,62
Other operating expenses	4 298 314,71	267 806,65	73 662,14	1,02	4 639 784,52
Profit (loss) on operations	43 137 491,53	3 320 036,67	3 388 440,10	995 375,22	50 841 343,51
Financial revenues	2 648 620,49	8 684,98	744 507,00	0,00	3 401 812,47
Financial costs	6 628 685,23	597 441,31	1 711 845,75	136 316,15	9 074 288,44
Profit / loss from inclusion/exclusion to/from consolidation					0,00
Profit (loss) on business activity	39 157 426,79	2 731 280,34	2 421 101,35	859 059,07	45 168 867,54
Gross profit (loss)	39 157 426,79	2 731 280,34	2 421 101,35	859 059,07	45 168 867,54
Income tax	7 647,00	0,00	0,00	0,00	7 647,00
Deferred tax	7 234 077,91	301 095,76	0,00	0,00	7 535 173,67
Net profit (loss)	31 915 701,87	2 430 184,58	2 421 101,35	859 059,07	37 626 046,87



Condensed consolidated financial statements
for the period of 9 months ended on 30 September 2019

01-01-2018 to 30-09-2018	Real estate development	Hotels, aparthotels	Social building	Other operations	Total
Net revenues from sales of products, goods and materials, including:	261 612 642,15	46 333 653,48	9 942 027,10	7 529 825,34	325 418 148,07
Net revenues from sales of products	259 447 623,61	46 324 347,89	9 933 378,81	7 529 825,34	323 235 175,65
Net revenues from sales of goods and materials	2 165 018,54	9 305,59	8 648,29	0,00	2 182 972,42
Costs of products, goods and materials sold, including:	204 672 431,26	33 088 255,25	5 997 152,45	22 737 459,49	266 495 298,45
Cost of products sold	202 514 236,15	33 078 949,67	5 988 504,16	22 737 459,49	264 319 149,47
Value of goods and materials sold	2 158 195,11	9 305,58	8 648,29	0,00	2 176 148,98
Gross profit (loss) from sales	56 940 210,89	13 245 398,23	3 944 874,65	-15 207 634,15	58 922 849,62
Costs of sales	12 045 120,83	4 899 245,30	0,00	0,00	16 944 366,13
Overheads	14 140 094,99	3 124 472,94	1 029 910,14	0,00	18 294 478,07
Revaluation of investment property	-4 795 776,22	0,00	0,00	0,00	-4 795 776,22
Profit (loss) from sales	25 959 218,85	5 221 679,99	2 914 964,51	-15 207 634,15	18 888 229,20
Other operating income	1 852 971,96	27 595,15	1 487,95	6 019,02	1 888 074,08
Other operating expenses	5 834 816,72	31 648,00	107 333,71	6,60	5 973 805,03
Profit (loss) on operations	21 977 374,09	5 217 627,14	2 809 118,75	-15 201 621,73	14 802 498,25
Financial revenues	10 268 970,45	18 356,48	740 752,17	9 165,89	11 050 933,47
Financial costs	16 570 587,12	781 345,92	1 756 294,87	36,47	19 108 264,38
Profit (loss) on business activity	15 675 757,42	4 454 637,70	1 793 576,05	-15 192 492,31	6 731 478,86
Gross profit (loss)	15 675 757,42	4 454 637,70	1 793 576,05	-15 192 492,31	6 731 478,86
Income tax	0,00	0,00	0,00	32 281,00	32 281,00
Deferred tax	-8 336 414,38	628 676,68	0,00	-791 658,00	-8 499 395,70
Net profit (loss)	24 012 171,80	3 825 961,02	1 793 576,05	-14 433 115,31	15 198 593,56

E. ISSUER'S FINANCIAL STATEMENTS

1. Statement on the financial situation

ASSETS	Note	30-09-2019	31-12-2018
FIXED ASSETS		834 544 137,60	799 850 652,05
Intangible assets	1	13 126 894,42	12 872 925,97
Tangible assets	2	258 863 552,84	249 153 252,48
Investment real estate	3	285 472 328,05	260 656 999,55
Other financial assets	4	243 115 652,14	246 210 819,04
Deferred income tax assets		27 839 838,97	30 591 500,25
Trade and other receivables	5	365 154,76	365 154,76
Right to use an asset		5 760 716,42	0,00
CURRENT ASSETS		781 609 314,08	868 340 134,41
Inventories	6	26 666 995,04	28 148 284,47
Construction contracts	7	537 601 268,56	641 749 934,49
Trade and other receivables	8	31 908 024,02	33 121 916,28
Other financial assets	9	68 751 207,16	66 165 899,43
Cash and cash equivalents	10	104 620 329,20	84 207 681,80
Accruals	11	8 573 061,53	14 946 417,94
Right to use an asset		3 488 428,57	0,00
Total assets		1 616 153 451,68	1 668 190 786,46
LIABILITIES			
EQUITY		775 198 252,46	753 957 755,11
Primary capital		17 771 888,60	17 771 888,60
Revaluation reserve		7 493 208,19	7 493 208,19
Own shares (stocks)		-4 068 524,70	0,00
Other capitals	13	718 683 433,05	712 418 618,30
Retained earnings		-6 255 424,73	-6 255 424,73
Net profit / loss		41 573 672,05	22 529 464,75
LIABILITIES		832 006 676,47	914 233 031,36
Non-current liabilities		271 076 671,31	253 329 640,01
Borrowings	12	47 556 362,60	6 727 681,01
Deferred income tax liabilities		44 379 831,30	38 519 206,16
Retirement benefits liabilities		200 416,45	200 416,45
Provisions for other liabilities	15	0,00	0,00
Other liabilities	14	178 940 060,96	207 882 336,39
Current liabilities		560 930 005,16	660 903 391,35
Trade and other payables	15	48 415 981,48	53 994 773,25
Construction contracts	7	361 233 951,01	469 066 664,54
Borrowings	12	39 318 781,39	35 163 229,69
Provisions for other liabilities and other charges	15	27 647 778,08	25 709 542,56
Other liabilities	16	84 313 513,20	76 969 181,31
FUTURE LONG-TERM DISCOUNTED LEASE PAYMENTS		7 753 264,06	0,00
FUTURE SHORT-TERM DISCOUNTED LEASE PAYMENTS		1 195 258,69	0,00
Total liabilities and equity		1 616 153 451,68	1 668 190 786,46

2. Statement on the comprehensive income

	Note	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
Net revenues from sales of products, goods and materials, including:	17	382 201 032,59	311 817 799,07	223 576 146,51	231 496 713,23
Net revenues from sales of products		373 946 606,09	308 916 591,29	217 675 653,26	230 939 179,26
Net revenues from sales of goods and materials		8 254 426,50	2 901 207,78	5 900 493,25	557 533,97
Costs of products, goods and materials sold, including:	18	283 361 042,10	253 646 204,66	160 464 991,26	176 419 891,63
Cost of products sold		275 117 392,18	250 747 107,41	154 564 498,01	175 866 298,81
Value of goods and materials sold		8 243 649,92	2 899 097,25	5 900 493,25	553 592,82
Gross profit (loss) from sales		98 839 990,49	58 171 594,41	63 111 155,25	55 076 821,60
Costs of sales		21 954 793,47	15 968 458,81	11 462 677,21	6 216 756,24
Overheads		20 556 144,40	15 354 493,49	6 411 228,79	5 245 050,78
Revaluation of investment property		-728 687,42	-4 795 776,22	95 313,52	-743 573,34
Profit (loss) from sales		55 600 365,20	22 052 865,89	45 332 562,77	42 871 441,24
Other operating income	19	2 278 408,06	1 621 910,79	1 479 077,19	1 276 702,22
Other operating expenses	20	4 987 760,34	5 458 205,15	2 388 916,62	1 951 997,44
Profit (loss) on operations		52 891 012,92	18 216 571,53	44 422 723,34	42 196 146,02
Financial revenues	21	5 597 741,94	12 514 198,54	3 184 882,01	-192 650,90
Financial costs	22	8 302 796,39	18 470 992,42	1 881 442,64	4 844 519,19
Profit (loss) on business activity		50 185 958,47	12 259 777,65	45 726 162,71	37 158 975,93
Gross profit (loss)		50 185 958,47	12 259 777,65	45 726 162,71	37 158 975,93
Income tax		8 612 286,42	-8 583 038,21	7 959 461,08	-2 798 164,58
Net profit (loss)		41 573 672,05	20 842 815,86	37 766 701,63	39 957 140,51

Other comprehensive income:		-4 068 524,70	-620 042,64	0,00	-620 042,64
Foreign exchange rate operation differences		0,00	0,00	0,00	0,00
Profit/loss from acquisitions		0,00	-620 042,64	0,00	-620 042,64
Profit from revaluation of tangible fixed assets		0,00	0,00	0,00	0,00
Other comprehensive income		-4 068 524,70	0,00	0,00	0,00
Total revenue		37 505 147,35	20 222 773,22	37 766 701,63	39 337 097,87



Condensed consolidated financial statements
for the period of 9 months ended on 30 September 2019

CALCULATION OF BASIC AND DILUTED EARNINGS PER SHARE		from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
Profits					
(A) Profit resulting from the financial statements		41 573 672,05	20 842 815,86	37 766 701,63	39 957 140,51
Number of shares					
(B) Number of ordinary shares and preferred shares (as to the right to vote in the General Meeting of the Company) for the purpose of calculating earnings per share*		88 013 637	88 859 443	88 013 637	88 859 443
(C) Number of ordinary shares and preferred shares (as to the right to vote in the General Meeting of the Company) for the purpose of calculating diluted earnings per share		88 013 637	88 859 443	88 013 637	88 859 443
Basic earnings per share = (A)/(B)		0,47	0,23	0,43	0,45
Diluted earnings per share = (A)/(B)		0,47	0,23	0,43	0,45



Condensed consolidated financial statements
for the period of 9 months ended on 30 September 2019

3. Statement on changes in equity

	Share capital	Own shares (negative value)	Revaluation reserve	Reserve capital	Other capitals	Retained earnings	Net result	Equity
As at 31 December 2018	17 771 888,60	0,00	7 493 208,19	706 687 031,11	5 731 587,19	-6 255 424,73	22 529 464,75	753 957 755,11
Basic error corrections	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Corrections due to consolidation adjustments	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
As at 1 January 2019	17 771 888,60	0,00	7 493 208,19	706 687 031,11	5 731 587,19	-6 255 424,73	22 529 464,75	753 957 755,11
Share issuance	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Own shares redemption	0,00	0,00		0,00	0,00			0,00
Purchase of own shares	0,00	-4 068 524,70	0,00	-50 000 000,00	50 000 000,00	0,00	0,00	-4 068 524,70
Dividends paid	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Profits (losses) from revaluation of fixed assets and investment real estate	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Profits (losses) on revaluation of available-for-sale assets	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Profits (losses) on cash flow hedges	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Foreign exchange rate differences due to the calculation of financial statements of foreign subsidiaries	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Income tax regarding the items transferred directly to equity	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Profit / loss on acquisitions (unconsolidated jwch)	0,00	0,00		0,00	0,00	0,00	0,00	0,00
Profit / loss from inclusion/exclusion to/from consolidation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Changes in accounting policies/presentation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Adjustments	0,00	0,00	0,00	-16 264 650,00	0,00	0,00	0,00	-16 264 650,00
Conversion to IFRS	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total profit / loss recognized directly in equity	0,00	-4 068 524,70	0,00	-66 264 650,00	50 000 000,00	0,00	0,00	-20 333 174,70
Net profit (loss) for the accounting year	0,00	0,00	0,00		0,00		41 573 672,05	41 573 672,05
Total profit / (loss) recognized in equity and the net result	0,00	-4 068 524,70	0,00	-66 264 650,00	50 000 000,00	0,00	41 573 672,05	21 240 497,36
Increase / decrease from profit distribution	0,00	0,00	0,00	22 529 464,75	0,00		-22 529 464,75	0,00
As at 30 September 2019	17 771 888,60	-4 068 524,70	7 493 208,19	662 951 845,86	55 731 587,19	-6 255 424,73	41 573 672,05	775 198 252,46



Condensed consolidated financial statements
for the period of 9 months ended on 30 September 2019

	Share capital	Own shares (negative value)	Revaluation reserve	Reserve capital	Other capitals	Retained earnings	Net result	Equity
As at 31 December 2017 (converted data)	17 771 888,60	0,00	7 493 208,19	676 124 356,46	5 731 587,19	-4 724 163,88	29 031 413,80	731 428 290,36
Basic error corrections	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Corrections due to consolidation adjustments	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
As at 1 January 2018	17 771 888,60	0,00	7 493 208,19	676 124 356,46	5 731 587,19	-4 724 163,88	29 031 413,80	731 428 290,36
Share issuance	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Own shares redemption	0,00	0,00		0,00				0,00
Purchase of own shares	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Dividends paid	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Profits (losses) from revaluation of fixed assets and investment real estate	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Profits (losses) on revaluation of available-for-sale assets	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Profits (losses) on cash flow hedges	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Foreign exchange rate differences due to the calculation of financial statements of foreign subsidiaries	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Income tax regarding the items transferred directly to equity	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Profit / loss on acquisitions (unconsolidated jwch)	0,00	0,00		0,00	0,00	0,00	0,00	0,00
Profit / loss from inclusion/exclusion to/from consolidation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Changes in accounting policies/presentation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Adjustments	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Conversion to IFRS	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total profit / loss recognized directly in equity	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Net profit (loss) for the accounting year	0,00	0,00	0,00	0,00	0,00	0,00	22 529 464,75	22 529 464,75
Total profit / (loss) recognized in equity and the net result	0,00	0,00	0,00	0,00	0,00	0,00	22 529 464,75	22 529 464,75
Increase / decrease from profit distribution	0,00	0,00	0,00	30 562 674,65	0,00	-1 531 260,85	-29 031 413,80	0,00
As at 31 December 2018	17 771 888,60	0,00	7 493 208,19	706 687 031,11	5 731 587,19	-6 255 424,73	22 529 464,75	753 957 755,11



Condensed consolidated financial statements
for the period of 9 months ended on 30 September 2019

	Share capital	Own shares (negative value)	Revaluation reserve	Reserve capital	Other capitals	Retained earnings	Net result	Equity
As at 31 December 2017	17 771 888,60	0,00	7 493 208,19	676 124 356,46	5 731 587,19	-4 724 163,88	29 031 413,80	731 428 290,36
Basic error corrections	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Corrections due to consolidation adjustments	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
As at 1 January 2018	17 771 888,60	0,00	7 493 208,19	676 124 356,46	5 731 587,19	-4 724 163,88	29 031 413,80	731 428 290,36
Share issuance	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Own shares redemption	0,00	0,00		0,00	0,00	0,00	0,00	0,00
Purchase of own shares	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Dividends paid	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Profits (losses) from revaluation of fixed assets and investment real estate	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Profits (losses) on revaluation of available-for-sale assets	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Profits (losses) on cash flow hedges	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Foreign exchange rate differences due to the calculation of financial statements of foreign subsidiaries	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Income tax regarding the items transferred directly to equity	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Profit / loss on acquisitions (unconsolidated jwch)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Profit / loss from inclusion/exclusion to/from consolidation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Adjustments due to merger of companies	0,00	0,00	0,00	0,00	0,00	0,00	-620 042,64	-620 042,64
Adjustments	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Conversion to IFRS	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total profit / loss recognized directly in equity	0,00	0,00	0,00	0,00	0,00	0,00	-620 042,64	-620 042,64
Net profit (loss) for the accounting year	0,00	0,00	0,00	0,00	0,00	0,00	20 842 815,86	20 842 815,86
Total profit / (loss) recognized in equity and the net result	0,00	0,00	0,00	0,00	0,00	0,00	20 222 773,22	20 222 773,22
Increase / decrease from profit distribution	0,00	0,00	0,00	30 562 674,65	0,00	-2 151 303,49	-28 411 371,16	0,00
As at 30 September 2018	17 771 888,60	0,00	7 493 208,19	706 687 031,11	5 731 587,19	-6 875 467,37	20 842 815,86	751 651 063,58

4. Statement on cash flow

	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018
Cash flows from operating activities - indirect method		
Net profit (loss)	41 573 672,05	20 842 815,86
Item adjustment	24 324 130,19	5 435 086,12
Depreciation and amortization	6 971 050,02	6 437 920,98
(Profit) loss on foreign exchange differences concerning financial and business activity	-1 957 099,83	-1 921 912,27
Profit (loss) on investment activities	-1 798 970,20	-5 154,07
Interest and dividends	3 756 996,45	5 195 048,52
Changes in provisions and accruals	16 923 878,35	-8 470 902,22
Other item adjustments:	428 275,40	4 200 085,18
- investment property write-off	728 687,42	4 795 776,22
- other adjustments	-300 412,02	-595 691,04
Changes in working capital	735 882,59	157 414 760,07
Changes in inventories	1 462 319,56	1 795 483,23
Changes in construction contracts	4 938 531,58	135 416 653,42
Changes in receivables	1 213 892,26	6 502 798,31
Changes in current liabilities, except for borrowings	-6 878 860,81	13 699 825,11
Operating cash flows	66 633 684,84	183 692 662,05
Investment activity cash flows		
Disposal of tangible and intangible assets and other noncurrent assets	10 971 300,76	0,00
Acquisition of tangible and intangible assets and other noncurrent assets	-47 373 183,22	-95 538 053,03
Disposal of equity and debt instruments	0,00	69 275,97
Loans granted	-19 171 749,79	-32 111 776,76
Loans paid	8 738 888,85	54 168,03
Other financial assets acquisition	-1 043 000,00	-1 530 000,00
Other disposals of financial assets	0,00	0,00
Interest received	239 191,67	22 413,29
Acquisition of subsidiaries	-45 000,00	-203 312,00
Net investment activity cash flow	-47 683 551,73	-129 237 284,50
Cash flows from financing activities		
Loans and borrowings granted	76 584 436,66	6 726 312,55
Loans and borrowing paid	-31 600 203,37	-46 710 279,26
Issuance of security papers	0,00	0,00
Redemption of debt securities	-28 000 000,00	-7 000 000,00
Payments under financial lease agreements	-1 173 641,01	-973 383,14
Dividends and other shares in profits	0,00	0,00
Interest paid	-10 279 553,30	-11 480 927,60
Purchase of own shares	-4 068 524,70	0,00
Other financial expenses (including promissory notes)	0,00	-5 890 000,00
Net financing cash flow	1 462 514,28	-65 328 277,45
NET DECREASE / (INCREASE) IN CASH	20 412 647,39	-10 872 899,90
Opening balance of cash and cash equivalents	84 207 681,80	157 132 776,26
- change in cash due to exchange rate differences		0,00
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	104 620 329,20	146 259 875,37

F. NOTES TO THE ISSUER'S FINANCIAL STATEMENTS

1. FIXED ASSETS

Note 1. Intangible assets

INTANGIBLE ASSETS	30-09-2019	31-12-2018
a) research and development expenses	0,00	0,00
b) goodwill	12 389 648,22	12 389 648,22
c) other intangible assets	737 246,20	483 277,75
d) advances on intangible assets	0,00	0,00
Total intangible assets	13 126 894,42	12 872 925,97

Note 2. Tangible assets

TANGIBLE ASSETS	30-09-2019	31-12-2018
a) fixed assets, including:	251 616 950,24	244 207 911,79
- land (including perpetual usufruct)	16 000 958,39	16 000 958,39
- buildings, premises and civil engineering structures	207 549 543,97	208 253 643,68
- technical equipment and machinery	17 859 765,15	10 762 807,68
- motor vehicles	4 424 228,20	2 486 922,93
- other fixed assets	5 782 454,53	6 703 579,11
b) fixed assets under construction	7 246 602,60	4 945 340,69
c) advances on fixed assets under construction	0,00	0,00
Total tangible assets	258 863 552,84	249 153 252,48

Note 3. Investment real estate

Other long-term investments	30-09-2019	31-12-2018
a) investment real estate	285 472 328,05	260 656 999,55
b) other	0,00	0,00
Value of other long-term investments	285 472 328,05	260 656 999,55

Note 4. Other financial assets

LONG-TERM FINANCIAL ASSETS	30-09-2019	31-12-2018
a) shares	182 759 490,18	198 979 140,18
b) loans granted	57 935 378,32	46 191 196,99
c) other long-term investments	2 420 783,64	1 040 481,87
Total long-term financial assets	243 115 652,14	246 210 819,04

LONG-TERM FINANCIAL ASSETS	30-09-2019	31-12-2018
a) in subsidiaries	235 062 327,86	240 650 442,13
- shares	182 550 940,18	198 770 590,18
- other security papers	437 120,51	423 305,51
- loans granted	52 074 267,17	41 456 546,44
- other long-term financial assets	0,00	0,00
b) in other units	8 053 324,28	5 560 376,91
- shares	208 550,00	208 550,00
- other security papers	1 983 663,13	617 176,36
- loans granted	5 861 111,15	4 734 650,55
- other long-term financial assets	0,00	0,00
Total long-term financial assets	243 115 652,14	246 210 819,04

Note 5. Non-current receivables

NON-CURRENT RECEIVABLES	30-09-2019	31-12-2018
a) deposit receivables	0,00	0,00
b) deposit receivables (leasing)	0,00	0,00
b) other receivables	365 154,76	365 154,76
Total receivables	365 154,76	365 154,76

2. CURRENT ASSETS

Note 6. Inventories

INVENTORIES	30-09-2019	31-12-2018
a) materials	1 336 795,29	1 643 361,78
b) semi-finished products and work in progress	0,00	0,00
c) finished products	0,00	0,00
d) goods	24 968 433,83	25 536 435,63
e) trade advances	361 765,92	968 487,06
Total inventories	26 666 995,04	28 148 284,47

Note 7. Construction contracts

CONSTRUCTION CONTRACTS	30-09-2019	31-12-2018
a) semi-finished products and work in progress	378 903 830,78	551 030 000,43
b) finished products	145 525 702,32	77 635 561,36
c) advances for supplies	13 171 735,46	13 084 372,65
d) short-term prepayments and accruals	0,00	0,05
Total construction contracts	537 601 268,56	641 749 934,49

CONSTRUCTION CONTRACTS	30-09-2019	31-12-2018
a) accruals	363 322 676,54	469 066 664,54
Total construction contracts	363 322 676,54	469 066 664,54

Accruals	30-09-2019	31-12-2018
- advances on premises	360 137 201,12	462 281 131,35
- provision for works	2 806 096,42	5 885 533,19
- other	379 379,00	900 000,00
Total accruals	363 322 676,54	469 066 664,54

Note 8. Trade and other receivables

CURRENT RECEIVABLES	30-09-2019	31-12-2018
a) trade receivables - related parties	6 427 494,66	6 737 865,73
b) trade receivables - other parties	17 059 211,22	16 772 306,85
c) taxes, subsidies, customs duties, social and health insurance and other payments	6 428 525,61	7 822 905,74
d) other	1 992 792,53	1 788 837,96
Total receivables	31 908 024,02	33 121 916,28

Note 9. Other financial assets

SHORT-TERM INVESTMENTS	30-09-2019	31-12-2018
a) shares	0,00	0,00
b) loans granted	65 511 947,05	62 716 663,05
c) other security papers	3 239 260,11	3 449 236,38
d) other short-term investments	0,00	0,00
Total long-term financial assets	68 751 207,16	66 165 899,43

SHORT-TERM INVESTMENTS	30-09-2019	31-12-2018
a) in subsidiaries	65 464 044,41	62 661 178,51
- shares	0,00	0,00
- other security papers	0,00	0,00
- loans granted	65 464 044,41	62 661 178,51
- other current financial assets	0,00	0,00
b) in other units	3 287 162,75	3 504 720,92
- shares	0,00	0,00
- other security papers	3 239 260,11	3 449 236,38
- loans granted	47 902,64	55 484,54
- other current financial assets	0,00	0,00
Total short-term investments	68 751 207,16	66 165 899,43

Note 10. Cash and cash equivalents

CASH AND CASH EQUIVALENTS	30-09-2019	31-12-2018
a) cash on hand and with bank	103 569 691,94	84 196 799,55
b) other cash	1 029 307,89	747,80
c) other cash assets	21 329,37	10 134,45
Total cash	104 620 329,20	84 207 681,80

CASH IN ESCROW ACCOUNTS	30-09-2019	31-12-2018
cash in escrow accounts	45 245 113,76	61 483 631,37
JW. Construction Holding SA	45 245 113,76	61 483 631,37

Note 11. Accruals

ACCRUALS	30-09-2019	31-12-2018
a) short-term accruals	8 573 061,53	14 946 417,94
Total accruals	8 573 061,53	14 946 417,94

Accruals	30-09-2019	31-12-2018
- property insurance	619 947,29	342 641,77
- interest	787 160,01	2 739 700,01
- commission expenses	4 232 758,15	11 146 865,43
- property tax, perpetual usufruct, road tax	1 382 330,65	0,00
- other	1 550 865,43	717 210,73
Total accruals	8 573 061,53	14 946 417,94

3. LIABILITIES

Note 12. Borrowings

BORROWINGS	30-09-2019	31-12-2018
a) credits	86 499 278,13	41 515 044,84
<i>of which: long-term</i>	<i>47 556 362,60</i>	<i>6 727 681,01</i>
<i>short-term</i>	<i>38 942 915,53</i>	<i>34 787 363,83</i>
b) loans	375 865,86	375 865,86
<i>of which: long-term</i>	<i>0,00</i>	<i>0,00</i>
<i>short-term</i>	<i>375 865,86</i>	<i>375 865,86</i>
Total borrowings	86 875 143,99	41 890 910,70
Borrowings - long-term	47 556 362,60	6 727 681,01
Borrowings - short-term	39 318 781,39	35 163 229,69

CREDITS PER MATURITY	30-09-2019	31-12-2018
Up to 1 year	38 942 915,53	34 787 363,83
Between 1 and 2 years	30 850 480,25	2 151 428,00
Between 2 and 5 years	16 705 882,35	4 576 253,01
Over 5 years	0,00	0,00
Total credits, including	86 499 278,13	41 515 044,84
- long-term	47 556 362,60	6 727 681,01
- short-term	38 942 915,53	34 787 363,83

LOANS PER MATURITY	30-09-2019	31-12-2018
Up to 1 year	375 865,86	375 865,86
Between 1 and 2 years	0,00	0,00
Between 2 and 5 years	0,00	0,00
Over 5 years	0,00	0,00
Total loans	375 865,86	375 865,86
- long-term	0,00	0,00
- short-term	375 865,86	375 865,86

Note 13. Other capitals

OTHER CAPITALS	30-09-2019	31-12-2018
a) reserve capital	662 951 845,86	706 687 031,11
b) other reserve capitals	55 731 587,19	5 731 587,19
- including capital for the purchase of own shares	50 000 000,00	0,00
Total other capitals	718 683 433,05	712 418 618,30

Note 14. Other long-term liabilities

OTHER LONG-TERM LIABILITIES	30-09-2019	31-12-2018
a) lease obligations	8 315 904,88	833 587,68
b) deposit liabilities	40 811 882,88	43 714 469,38
c) liabilities from securities	93 800 000,00	128 800 000,00
d) other long-term liabilities	0,00	0,00
e) promissory notes liabilities- related companies	11 916 939,63	10 960 675,76
f) promissory notes liabilities- unrelated companies	0,00	0,00
g) loans received- affiliates	24 095 333,57	23 573 603,57
Total other liabilities	178 940 060,96	207 882 336,39

Note 15. Trade and other payables

TRADE AND OTHER PAYABLES	30-09-2019	31-12-2018
a) trade payables - other parties	25 950 104,12	28 244 378,92
b) trade payables - affiliated parties	3 887 108,67	3 626 926,40
c) axes, customs duties, insurance and other payments	3 215 172,34	2 547 023,23
d) salaries	2 241 523,62	2 118 570,66
e) trade advances received	0,00	0,00
f) loans received- affiliates	0,00	0,00
g) promissory notes – affiliated parties	2 733 753,40	4 336 270,86
h) other	10 388 319,33	13 121 603,18
Total trade and other payables	48 415 981,48	53 994 773,25

PROVISIONS FOR OTHER LIABILITIES AND CHARGES	30-09-2019	31-12-2018
a) short-term, of which:	27 647 778,08	25 709 542,56
- accrued expenses, including:	9 891 492,08	10 003 703,49
- <i>interest charged</i>	1 251 605,21	1 110 399,96
- <i>rent deposits</i>	480 433,64	480 433,64
- <i>advance payments - hotels</i>	3 048 989,28	3 301 197,35
- <i>other</i>	5 110 463,95	5 111 672,54
- other provisions, including:	17 756 286,00	15 705 839,07
- <i>provision for future liabilities</i>	0,00	0,00
- <i>provisions for guaranteed repairs</i>	0,00	0,00
- <i>other provisions</i>	17 756 286,00	15 705 839,07
a) long-term, of which:	0,00	0,00
- accrued expenses, including:	0,00	0,00
Total provisions for other liabilities and charges	27 647 778,08	25 709 542,56

Note 16. Other liabilities

OTHER LIABILITIES	30-09-2019	31-12-2018
a) debt securities issue liabilities	81 556 295,92	75 941 216,10
b) promissory note liabilities - other	0,00	0,00
c) leasing liabilities	2 757 217,28	1 027 965,21
d) other financial liabilities	0,00	0,00
Total other liabilities	84 313 513,20	76 969 181,31

4. OPERATING INCOME AND EXPENSES

Note 17. Operating income

	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
Revenues from sales of products	317 028 307,54	257 160 239,07	198 226 513,50	212 924 766,09
Revenues from sales of services	56 918 298,55	51 756 352,22	19 449 139,76	18 014 413,17
Revenues from sales of goods	8 254 426,50	2 901 207,78	5 900 493,25	557 533,97
Total income	382 201 032,59	311 817 799,07	223 576 146,51	231 496 713,23

	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
Proceeds from sales, including:	382 201 032,59	311 817 799,07	223 576 146,51	231 496 713,23
-sales of products – properties, plots, buildings	317 028 307,54	257 160 239,07	198 226 513,50	212 924 766,09
-from sales of services	56 918 298,55	51 756 352,22	19 449 139,76	18 014 413,17
-from sales of goods	8 254 426,50	2 901 207,78	5 900 493,25	557 533,97

	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
Revenues from sales of products and services by segment	373 946 606,09	308 916 591,29	217 675 653,26	230 939 179,26
-real estate development	327 082 865,83	263 063 487,13	201 101 900,05	212 602 462,76
-hotel, restaurant and catering activities	42 155 694,49	38 102 903,87	14 978 109,92	13 532 888,14
-real estate management	4 708 045,77	7 750 200,29	1 595 643,29	4 803 828,36

	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
Revenues from sales of products – premises, plots, buildings by geographical segment	317 028 307,54	257 160 239,07	198 226 513,50	212 924 766,09
-Warsaw and the surrounding area	281 912 469,11	163 289 980,35	197 085 826,61	127 576 478,90
-Gdynia	24 845 242,74	88 032 615,04	1 068 511,46	84 742 915,17
- Łódź	12 292,44	6 768,30	1 425,00	0,00
- Katowice	584 495,19	450 900,48	584 495,19	450 900,48
- Poznań	5 691,06	0,00	-513 844,76	-5 225 503,36
- parcels and networks	9 668 117,00	5 379 974,90	100,00	5 379 974,90

	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
Revenues from sales of hotel and catering services per geographic segments	42 155 694,49	38 102 903,87	14 978 109,92	13 532 888,14
-Warsaw and the surrounding area	7 272 621,84	4 689 413,10	2 641 297,92	1 912 692,10
- Tarnowo	3 240 900,86	4 826 613,74	913 753,49	1 409 884,09
- Stryków	5 034 655,53	3 077 621,46	1 560 453,30	1 082 744,23
- Krynica Górská	26 607 516,26	25 509 255,57	9 862 605,21	9 127 567,72

Note 18. Operating expenses

OPERATING EXPENSES	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
Costs of sales of products	234 243 455,33	216 371 280,28	141 024 520,92	162 902 125,64
Costs of sales of services	40 873 936,85	34 375 827,13	13 539 977,09	12 964 173,17
Costs of sales of goods	8 243 649,92	2 899 097,25	5 900 493,25	553 592,82
Total costs of products, services and goods sold	283 361 042,10	253 646 204,66	160 464 991,26	176 419 891,63

Sales and overhead expenses	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
Costs of sales	21 954 793,47	15 968 458,81	11 462 677,21	6 216 756,24
Overheads	20 556 144,40	15 354 493,49	6 411 228,79	5 245 050,78
Total sales and overheads expenses	42 510 937,87	31 322 952,30	17 873 906,00	11 461 807,02

Expenses per type	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
Depreciation and amortization	6 971 049,68	6 437 920,98	2 199 919,98	2 465 308,24
Depreciation of the right to use the asset	61 570,30	0,00	24 277,96	0,00
Materials and energy cost	44 889 708,85	91 754 433,54	9 080 156,24	26 428 411,82
Third party services	134 596 694,99	193 095 554,00	50 134 758,46	63 678 105,53
Taxes and charges	6 808 647,68	7 968 896,70	2 307 674,93	3 603 953,97
Remunerations	26 053 073,20	23 615 481,32	8 984 116,99	9 307 066,72
Social security and other payments	4 831 852,00	4 296 174,58	1 589 268,16	1 611 559,59
Other expenses per type	8 116 121,18	6 703 258,14	2 685 759,76	2 364 703,78
Total expenses per type	232 328 717,88	333 871 719,26	77 005 932,48	109 459 109,65

Note 19. Other operating income

OPERATING INCOME	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
a) profit on sale of non-financial fixed assets	1 351 950,08	5 154,07	1 289 709,04	-849,22
b) other operating income	926 457,98	1 616 756,72	189 368,15	1 277 551,44
Total operating income	2 278 408,06	1 621 910,79	1 479 077,19	1 276 702,22

OPERATING INCOME	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
a) profit on sale of non-financial fixed assets	1 351 950,08	5 154,07	1 289 709,04	-849,22
b) handling fees, penalties	300 352,55	135 948,86	129 576,15	135 048,86
c) reserves, write-offs	24 914,26	0,00	0,00	0,00
d) asset disclosure	0,00	0,00	0,00	0,00
e) other (including damages)	601 191,17	1 480 807,86	59 792,00	1 142 502,58
Total operating income	2 278 408,06	1 621 910,79	1 479 077,19	1 276 702,22

Note 20. Other operating expenses

OPERATING EXPENSES	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
a) loss on sale of non-financial fixed assets	0,00	0,00	0,00	0,00
b) revaluation of non-financial assets	0,00	0,00	0,00	0,00
c) other operating expenses	4 987 760,34	5 458 205,15	2 388 916,62	1 951 997,44
Total operating income	4 987 760,34	5 458 205,15	2 388 916,62	1 951 997,44

OPERATING EXPENSES	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
a) loss on sale of non-financial fixed assets	0,00	0,00	0,00	0,00
b) revaluation of non-financial assets	0,00	0,00	0,00	0,00
c) reserves	2 385 085,89	1 366 964,62	1 018 121,27	-47 000,00
d) compensations, penalties, damages	547 433,21	3 272 843,45	75 099,82	1 429 237,49
e) compensations for breach of contracts	0,00	0,00	0,00	0,00
f) costs of court proceedings	240 691,40	98 292,49	11 623,30	19 265,39
g) costs of discontinued investments	0,00	0,00	0,00	0,00
h) other (including donations)	1 814 549,84	720 104,59	1 284 072,23	550 494,56
Total operating income	4 987 760,34	5 458 205,15	2 388 916,62	1 951 997,44

Note 21. Other operating income

FINANCIAL REVENUES	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
a) dividends	0,00	0,00	0,00	0,00
b) interest	3 080 934,51	9 999 222,13	1 061 392,66	805 961,08
c) investment revaluation	0,00	0,00	0,00	0,00
d) loss on disposal of investment	0,00	0,00	0,00	0,00
e) other	2 516 807,43	2 514 976,41	2 123 489,35	-998 611,98
Total financial revenues	5 597 741,94	12 514 198,54	3 184 882,01	-192 650,90

Financial revenues	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
a) dividends	0,00	0,00	0,00	0,00
b) interest from customers	209 946,20	157 355,07	131 361,71	109 082,44
c) loan interest	2 239 096,23	1 116 776,07	746 081,35	449 581,20
d) deposit interest	373 057,40	688 919,01	94 676,66	207 736,62
e) promissory notes interest	99 905,50	62 616,05	38 677,44	31 874,70
f) other interest	158 929,18	7 973 555,93	50 595,50	7 686,12
g) foreign exchange rate differences	1 922 397,37	1 918 430,15	1 922 397,37	1 918 430,15
h) investment revaluation	0,00	0,00	0,00	0,00
i) profit on disposal of investment	0,00	0,00	0,00	0,00
j) other	594 410,06	596 546,26	201 091,98	-2 917 042,13
Total	5 597 741,94	12 514 198,54	3 184 882,01	-192 650,90

Not3 22. Other financial costs

FINANCIAL EXPENSES	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
a) interest	8 240 249,53	18 440 131,66	2 489 990,20	4 844 652,59
b) investment revaluation	0,00	0,00	0,00	0,00
c) loss on disposal of investment	0,00	30 384,75	0,00	0,00
d) other	62 546,86	476,01	-608 547,56	-133,40
Total financial expenses	8 302 796,39	18 470 992,42	1 881 442,64	4 844 519,19



Condensed consolidated financial statements
for the period of 9 months ended on 30 September 2019

FINANCIAL EXPENSES	from 01-01-2019 to 30-09-2019	from 01-01-2018 to 30-09-2018	from 01-07-2019 to 30-09-2019	from 01-07-2018 to 30-09-2018
a) interest, commissions, loans	2 312 192,52	1 434 387,39	829 197,62	261 714,25
b) interest-leases	56 965,92	46 386,18	23 695,06	12 524,21
c) interest - loans	521 730,00	511 821,93	173 910,00	173 130,83
d) interest - promissory notes	320 527,08	429 284,50	106 842,36	106 450,11
e) interest - bond issuance	2 590 259,87	4 002 825,14	878 811,32	1 350 049,02
f) other interest	2 438 574,14	12 015 426,52	477 533,84	2 940 784,17
g) foreign exchange rate differences	0,00	0,00	0,00	0,00
h) loss on disposal of investment	0,00	30 384,75	0,00	0,00
i) other	62 546,86	476,01	-608 547,56	-133,40
Total financial expenses	8 302 796,39	18 470 992,42	1 881 442,64	4 844 519,19



Condensed consolidated financial statements
for the period of 9 months ended on 30 September 2019

Signature of the person drawing up the Financial Statements

Małgorzata Pisarek Chief Accountant	Signature
--	-----------

Signatures of Members of the Management Board

Wojciech Rajchert Management Board Member	Signature
Małgorzata Ostrowska Management Board Member	Signature
Małgorzata Pisarek Management Board Member	Signature

Ząbki, 14 November 2019