

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD OF 9 MONTHS

ENDED ON 30 SEPTEMBER 2020
PREPARED IN ACCORDANCE WITH IFRS



Ząbki, 19 November 2020

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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 Radzyńska St., REGON no. 010621332, was initially registered as Towarzystwo Budowlano-Mieszkaniowe Batory on March 7, 1994 under the number RHB 39782. On 15 January 2001 it was 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, 2020, the lifetime of the Dominant Entity is unlimited. The financial year for the company is a calendar year, i.e. the 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 2020

Company	Country of registration	Parent company's share in share capital	Parent company's share in voting rights	Consolidation method
Subsidiaries				
TBS 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.	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	99,00%	99,00%	full consolidation
Wola Invest 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
J.W. Construction Bulgaria Sp. z o.o.	Bulgaria	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 building 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 own properties on its own account.
- J.W. Construction Bulgaria Sp. z o.o. - development and sale of own properties on its own account,

All Group companies operate in Poland, except for the subsidiary Yakor House Sp. z o.o. and J.W. Construction Bulgaria, which focus their construction and development activities in Russia and Bulgaria. The duration of the Group companies is unlimited.

Preparation of the consolidated financial statement

The consolidated financial statements for the years 2019-2020 were prepared based on separate financial statements of the companies of the Capital Group of J.W. Construction Holding S.A. in such a way that the Group constitutes a single entity. The consolidated financial statements cover the financial statements of the parent company -J.W. Construction Holding S.A. and financial statements controlled by the dominant entity of the subsidiaries.

The dominant entity, in the years 2019-2020, excluded from an obligation to consolidate the following subsidiaries

In 2019:

- J.W. Construction Bulgaria Sp. z o.o.-100% (the company was consolidated in the annual report for 2019)
- 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. When making estimations J.W. Construction Holding S.A. makes the following assumptions referring to 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 2020 are consistent with those applied to prepare the annual financial statements for 2019, 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 2019, published on 16 March 2020.

New standards, interpretations and amendments to published standards, which were approved and published by the European Union and came into force on or after 1 January 2020

- Amendments to IFRS 3 Business Combinations - the amendment clarifies the definition of a business and aims to make it easier to distinguish acquisitions of businesses from groups of assets for the purpose of settling mergers.
- Amendments to IAS 1 "Presentation of financial statements" and IAS 8 "Accounting policies, changes in accounting estimates and errors" - clarify the definition of materiality and increase consistency between standards.
- Changes in the scope of references to the Conceptual Assumptions in IFRS.
- Amendments to IFRS 9 and IAS39 and IFRS 7 - reform of the IBOR interest rate reference index.

In the Group's opinion, the above-mentioned standards, interpretations and amendments to standards did not have a significant impact on the financial statements in the period of their first application.

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

When approving this condensed consolidated interim financial statement, the Group did not apply the following standards, amendments to standards and interpretations, which were published by the IASB but have not yet been approved for use in the EU. The Group intends to apply them for the periods for which they are effective for the first time:

- IFRS 14 Regulatory Accruals and Deferred Taxes, effective for annual periods beginning on or after 1 January 2016 (the European Commission has decided not to start the process of approving this temporary standard for use within the EU until the final version of IFRS 14 Regulatory Accruals and Deferred Taxes is issued).
- Amendments to IFRS 16 Leases effective for annual periods beginning on or after 1 June 2020
- Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or contribution of assets between an investor and its associate or joint venture and subsequent amendments - the effective date of the amendments has been deferred
- IFRS 17 "Insurance Contracts" - effective for annual periods beginning on or after 1 January 2021 (6 May 2020). The IASB has published an Exposure Draft on deferring implementation of the amendments to IAS 1 to 1 January 2023).
- Amendments to IFRS 3 Business Combinations (effective for annual periods beginning on 1 January 2021) and IAS 16 Property, Plant and Equipment, IAS 37 Provisions, Contingent Liabilities and Contingent Assets (effective for annual periods beginning on 1 January 2022)
- Amendments to various standards Amendments to IFRSs (cycle 2018-2020) - for annual periods beginning on or after 1 January 2022
- Amendments to IAS 1 Presentation of Financial Statements: Classification of financial liabilities as short- or long-term - for annual periods beginning on or after 1 January 2023

The Group is in the process of analyzing the impact of the above-mentioned standards, interpretations and amendments to the standards. According to the Group's current estimates, they will not have a material impact on the financial statements in the period of their first application.

CONSOLIDATED FINANCIAL STATEMENTS

1. consolidated statement of financial position

ASSETS	Note	30-09-2020	31-12-2019
FIXED ASSETS		779 150 129,20	817 302 742,39
Intangible assets	1	6 865 157,32	7 109 446,85
Tangible assets	2	447 044 861,93	447 464 133,67
Investment real estate	3	279 439 437,59	319 408 609,49
Other financial assets	4	36 366 246,35	33 843 467,85
Deferred income tax assets		0,00	0,00
Trade and other receivables	5	2 857 332,45	2 828 104,82
Right to use an asset		6 577 093,56	6 648 979,71
CURRENT ASSETS		1 038 935 630,54	851 506 349,19
Inventories	6	26 413 860,81	30 357 562,09
Construction contracts	7	863 537 467,10	665 940 029,15
Trade and other receivables	8	23 986 152,07	23 661 326,55
Other financial assets	9	6 188 124,09	8 187 700,76
Cash and cash equivalents	10	102 636 275,53	108 468 058,98
Accruals	11	12 888 607,93	10 635 608,89
Right to use an asset		3 285 143,01	4 256 062,77
Total assets		1 818 085 759,75	1 668 809 091,58
LIABILITIES			
EQUITY		703 837 425,84	727 912 851,70
Primary capital		17 771 888,60	17 771 888,60
Revaluation reserve		7 493 208,19	7 493 208,19
Own shares (stocks)		-17 492 694,76	-17 410 415,37
Other capitals	13	764 575 546,57	716 049 067,69
Retained earnings		-43 552 410,79	-59 388 211,68
Net profit / loss		-24 958 111,96	63 397 314,27
LIABILITIES		1 104 799 063,49	929 991 097,48
Non-current liabilities		382 520 232,55	354 771 218,45
Borrowings	12	176 828 735,03	159 416 478,47
Deferred income tax liabilities		4 642 688,35	13 732 924,37
Retirement benefits liabilities		241 204,48	241 204,48
Provisions for other liabilities	15	54 347 224,17	54 362 613,85
Other liabilities	14	146 460 380,52	127 017 997,27
Current liabilities		722 278 830,94	575 219 879,03
Trade and other payables	15	56 953 774,57	66 969 666,41
Construction contracts	7	525 486 496,34	348 226 651,27
Borrowings	12	59 033 568,48	39 922 578,92
Provisions for other liabilities and other charges	15	33 734 942,27	32 484 937,03
Other liabilities	16	47 070 049,28	87 616 045,40
FUTURE LONG-TERM DISCOUNTED LEASE PAYMENTS		7 950 812,10	9 346 603,50
FUTURE SHORT-TERM DISCOUNTED LEASE PAYMENTS		1 498 458,32	1 558 538,89
Total liabilities and equity		1 818 085 759,75	1 668 809 091,58

2. Consolidated Statement of comprehensive income

	Note	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
Net revenues from sales of products, goods and materials, including:	17	123 444 401,73	406 317 782,21	55 025 247,46	234 239 423,07
Net revenues from sales of products		121 502 869,51	398 604 171,92	54 713 050,52	228 637 901,35
Net revenues from sales of goods and materials		1 941 532,22	7 713 610,29	312 196,94	5 601 521,72
Costs of products, goods and materials sold, including:	18	104 051 559,93	303 978 760,81	47 006 973,14	167 726 003,69
Cost of products sold		102 008 522,49	296 322 499,45	46 477 610,92	162 131 838,86
Value of goods and materials sold		2 043 037,44	7 656 261,36	529 362,22	5 594 164,83
Gross profit (loss) from sales		19 392 841,80	102 339 021,40	8 018 274,32	66 513 419,38
Costs of sales		14 001 095,47	23 091 350,71	4 816 855,48	11 787 911,71
Overheads		18 217 326,81	25 449 597,86	6 285 725,75	9 413 131,45
Revaluation of investment property		-5 877 417,97	-728 687,42	-2 578 592,46	95 313,52
Profit (loss) from sales		-18 702 998,46	53 069 385,42	-5 662 899,38	45 407 689,74
Other operating income	19	3 028 170,00	2 411 742,62	913 887,40	1 533 033,23
Other operating expenses	20	10 019 836,29	4 639 784,52	2 923 601,77	1 544 873,93
Profit (loss) on operations		-25 694 664,75	50 841 343,51	-7 672 613,75	45 395 849,04
Financial revenues	21	1 390 919,76	3 401 812,47	373 245,52	593 026,89
Financial costs	22	9 744 603,00	9 074 288,44	3 023 181,10	2 304 479,74
Profit (loss) on business activity		-34 048 347,99	45 168 867,54	-10 322 549,33	43 684 396,19
Gross profit (loss)		-34 048 347,99	45 168 867,54	-10 322 549,33	43 684 396,19
Income tax		-9 090 236,02	7 542 820,67	-793 627,52	7 460 146,48
Net profit (loss)		-24 958 111,96	37 626 046,87	-9 528 921,81	36 224 249,71
Other comprehensive income:		882 686,10	-3 183 480,13	-437 246,46	306 001,38
Foreign exchange rate operation differences		964 965,49	885 044,57	-437 246,46	306 001,38
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		-82 279,39	-4 068 524,70	0,00	0,00
Total revenue		-24 075 425,86	34 442 566,74	-9 966 168,27	36 530 251,09

The lower net result in the third quarter of 2020 compared to the third quarter of the previous year and to 2019 stems from the economic downturn caused by the COVID-19 pandemic, which was reflected in a small number of transfers of premises due to cyclical of development projects and temporary suspension of hotel operations.

CALCULATION OF BASIC AND DILUTED EARNINGS PER SHARE		from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
Profits					
(A) Profit resulting from the financial statements		-24 958 111,96	37 626 046,87	-9 528 921,81	36 224 249,71
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*		82 873 083	88 013 637	82 873 083	88 013 637
(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		82 873 083	88 013 637	82 873 083	88 013 637
Basic earnings per share = (A)/(B)		-0,30	0,43	-0,11	0,41
Diluted earnings per share = (A)/(B)		-0,30	0,43	-0,11	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 2020

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 2019	17 771 888,60	-17 410 415,37	7 493 208,19	662 258 543,33	57 947 307,60	-4 156 783,24	-59 388 211,68	63 397 314,27	727 912 851,70
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 2020	17 771 888,60	-17 410 415,37	7 493 208,19	662 258 543,33	57 947 307,60	-4 156 783,24	-59 388 211,68	63 397 314,27	727 912 851,70
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	-82 279,39	0,00	0,00	0,00	0,00	0,00	0,00	-82 279,39
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	964 965,49	0,00	0,00	964 965,49
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	0,00
Total profit / loss recognized directly in equity	17 771 888,60	-17 492 694,76	7 493 208,19	662 258 543,33	57 947 307,60	-3 191 817,75	-59 388 211,68	63 397 314,27	728 795 537,80
Net profit (loss) for the accounting year	0,00	0,00	0,00	0,00	0,00	0,00	0,00	-24 958 111,96	-24 958 111,96
Total profit / (loss) recognized in equity and the net result	17 771 888,60	-17 492 694,76	7 493 208,19	662 258 543,33	57 947 307,60	-3 191 817,75	-59 388 211,68	38 439 202,30	703 837 425,83
Increase / decrease from profit distribution	0,00	0,00	0,00	47 561 513,39	0,00	0,00	15 835 800,88	-63 397 314,27	0,00
As at 30 September 2020	17 771 888,60	-17 492 694,76	7 493 208,19	709 820 056,72	57 947 307,60	-3 191 817,75	-43 552 410,80	-24 958 111,96	703 837 425,83

*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 2020, shares for PLN 17,492,694.76 were purchased.



Condensed consolidated financial statements
for the period of 9 months ended on 30 September 2020

	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	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	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	-17 410 415,37	0,00	-50 000 000,00	50 000 000,00	0,00	0,00	0,00	-17 410 415,37
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	-464 221,48	0,00	0,00	-464 221,48
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	-11 313 874,71	0,00	-11 313 874,71
Total profit / loss recognized directly in equity	17 771 888,60	-17 410 415,37	7 493 208,19	642 071 910,38	57 947 307,60	-4 156 783,24	-55 734 155,63	16 532 576,90	664 515 537,43
Net profit (loss) for the accounting year	0,00	0,00	0,00	0,00	0,00	0,00	0,00	63 397 314,27	63 397 314,27
Total profit / (loss) recognized in equity and the net result	17 771 888,60	-17 410 415,37	7 493 208,19	642 071 910,38	57 947 307,60	-4 156 783,24	-55 734 155,63	79 929 891,17	727 912 851,69
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 31 December 2019	17 771 888,60	-17 410 415,37	7 493 208,19	662 258 543,32	57 947 307,60	-4 156 783,24	-59 388 211,68	63 397 314,27	727 912 851,69



Condensed consolidated financial statements
for the period of 9 months ended on 30 September 2020

	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	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	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

4. Consolidated statement of cash flows

	01-01-2020 to 30-09-2020	01-01-2019 to 30-09-2019
Cash flows from operating activities - indirect method		
Net profit (loss)	-24 958 111,96	37 626 046,87
Item adjustment	14 356 358,40	18 457 856,51
Depreciation and amortization	10 890 051,35	9 077 362,09
(Profit) loss on foreign exchange differences concerning financial and business activity	-1 785 137,97	-695 279,60
Profit (loss) on investment activities	-1 825 582,76	-1 833 901,45
Interest and dividends	7 520 017,23	5 134 134,39
Changes in provisions and accruals	-7 127 734,13	5 496 338,73
Other adjustments	6 684 744,67	1 279 202,35
- investment property write-off	5 877 418,02	728 687,42
- other adjustments	807 326,65	550 514,93
Changes in working capital	5 685 622,22	-1 592 746,86
Changes in inventories	3 943 701,28	1 084 891,70
Changes in construction contracts	23 072 046,52	-5 972 639,81
Changes in receivables	-354 053,15	6 647 515,09
Changes in current liabilities, except for borrowings	-20 976 072,42	-3 352 513,85
Net cash flows from operating activities	-4 916 131,34	54 491 156,52
Investment activity cash flows		
Disposal of tangible and intangible assets and other noncurrent assets	2 097 464,76	11 006 231,67
Acquisition of tangible and intangible assets and other noncurrent assets	-12 520 894,27	-54 972 373,63
Acquisition of equity and debt instruments	-8 050 000,00	-1 043 000,00
Disposal of equity and debt instruments	0,00	0,00
Loans granted	0,00	-1 389 804,41
Loans paid	4 888 888,79	138 888,85
Other financial assets acquisition	0,00	0,00
Other disposals of financial assets	2 300 000,00	0,00
Dividends received	0,00	0,00
Interest received	765 779,40	149 600,00
Disposal of subsidiaries	0,00	0,00
Acquisition of subsidiaries	0,00	0,00
Net investment activity cash flow	-10 518 761,32	-46 110 457,52
Cash flows from financing activities		
Acquisition of own shares or repayment of shares	-82 279,39	-4 068 524,70
Loans and borrowings granted	101 866 442,59	106 477 636,98
Loans and borrowing paid	-65 343 196,47	-50 531 936,69
Issuance of security papers	0,00	0,00
Redemption of debt securities	-11 900 000,00	-28 000 000,00
Payments under financial lease agreements	-3 393 207,49	-1 920 026,70
Dividends and other shares in profits	0,00	0,00
Interest paid	-11 544 650,02	-11 707 060,42
Other financial proceeds (including promissory notes)	0,00	0,00
Other financial expenses (including promissory notes)	0,00	0,00
Net financing cash flow	9 603 109,22	10 250 088,47
NET DECREASE / (INCREASE) IN CASH	-5 831 783,44	18 630 787,47
Opening balance of cash and cash equivalents	108 468 058,98	122 484 500,34
- change in cash due to exchange rate differences	0,00	0,00
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	102 636 275,53	141 115 287,83

C. EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. FIXED ASSETS

Note 1. Intangible assets

INTANGIBLE ASSETS	30-09-2020	31-12-2019
a) research and development expenses	0,00	0,00
b) goodwill on consolidation	5 996 590,90	5 996 590,90
c) other intangible assets	868 566,42	1 112 855,95
d) advances on intangible assets	0,00	0,00
Total intangible assets	6 865 157,32	7 109 446,85

Note 2. Tangible assets

TANGIBLE ASSETS	30-09-2020	31-12-2019
a) fixed assets, including:	435 380 275,31	438 576 003,92
- land (including perpetual usufruct)	41 484 707,91	41 475 107,91
- buildings, premises and civil engineering structures	345 227 206,22	345 748 690,96
- technical equipment and machinery	36 625 764,30	37 639 440,02
- motor vehicles	4 785 275,38	4 680 574,87
- other fixed assets	7 257 321,50	9 032 190,16
b) fixed assets under construction	11 467 622,34	8 673 103,07
c) advances on fixed assets under construction	196 964,28	215 026,68
Total tangible assets	447 044 861,93	447 464 133,67

Note 3. Investment real estate

Other long-term investments	30-09-2020	31-12-2019
a) investment real estate	279 439 437,59	319 408 609,49
b) other	0,00	0,00
Value of other long-term investments	279 439 437,59	319 408 609,49

CHANGES IN INVESTMENT REAL ESTATE	According to fair value	According to historical cost	Total value of investment real estate
a) opening balance	193 465 000,00	125 943 609,49	319 408 609,49
expenditure incurred	167 837 894,90	121 273 455,40	289 111 350,30
financial expenses	9 486 298,88	4 670 154,09	14 156 452,97
revaluation value	16 140 806,22	0,00	16 140 806,22
b) increase (due to)	5 983 706,74	4 120 568,72	10 104 275,46
expenditure incurred	4 110 483,48	1 227 768,81	5 338 252,29
financial expenses	1 873 223,26	1 107 661,94	2 980 885,20
revaluation value	0,00	0,00	0,00
reclassification from construction contracts	0,00	0,00	0,00
valuation - exchange rate differences	0,00	1 785 137,97	1 785 137,97
c) decrease (due to)	50 073 447,35	0,00	50 073 447,35
incurred expenses - sale, corrections	35 805 429,07	0,00	35 805 429,07
financial expenses	1 542 518,32	0,00	1 542 518,32
revaluation value	5 877 417,95	0,00	5 877 417,95
reclassification to construction contracts	6 848 082,01	0,00	6 848 082,01
d) closing balance	149 375 259,39	130 064 178,21	279 439 437,60
expenditures	136 142 949,31	122 501 224,21	258 644 173,52
financial expenses	9 817 003,82	5 777 816,03	15 594 819,85
revaluation value	3 415 306,26	0,00	3 415 306,26
valuation - exchange rate differences	0,00	1 785 137,97	1 785 137,97

The presentation of data at the beginning of the period was changed in relation to the state at the end of the period presented in the report for 2019.

Note 4. Other financial assets

LONG-TERM FINANCIAL ASSETS	30-09-2020	31-12-2019
a) shares	208 550,00	411 862,00
b) loans granted	6 292 495,57	13 500 613,62
c) other long-term investments	29 865 200,78	19 930 992,23
Total long-term financial assets	36 366 246,35	33 843 467,85

LONG-TERM FINANCIAL ASSETS	30-09-2020	31-12-2019
a) in subsidiaries	0,00	203 312,00
- shares	0,00	203 312,00
- debt securities	0,00	0,00
- other security papers	0,00	0,00
- loans granted	0,00	0,00
- other long-term financial assets	0,00	0,00
b) in other units	36 366 246,35	33 640 155,85
- shares	208 550,00	208 550,00
- debt securities	0,00	0,00
- other security papers	29 865 200,78	19 930 992,23
- loans granted	6 292 495,57	13 500 613,62
- other long-term financial assets	0,00	0,00
c) other long-term investments	0,00	0,00
Total long-term financial assets	36 366 246,35	33 843 467,85



Condensed consolidated financial statements
for the period of 9 months ended on 30 September 2020

	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	Write-downs (total)	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	full consolidation	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	9 810 000,00	0,00	0,00	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	3 581 853,23	16 264 650,00	24 953 796,77	99,00%
9	Bliska Wola 4 Sp z o.o. 2 SK	Ząbki	real estate development	subsidiary	full consolidation	29.01.2014	19 642 505,00	9 861 156,15	0,00	9 781 348,85	99,00%
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%

Partial affiliation:

1	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%
2	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%
3	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%
4	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	30-09-2020	31-12-2019
a) deposit receivables	2 857 332,45	2 828 104,82
b) deposit receivables (leasing)	0,00	0,00
b) other receivables	0,00	0,00
Total receivables	2 857 332,45	2 828 104,82

2. CURRENT ASSETS

Note 6. Inventories

INVENTORIES	30-09-2020	31-12-2019
a) materials	3 593 840,26	3 269 455,02
b) semi-finished products and work in progress	750 727,42	163 585,66
c) finished products	106 177,18	1 516 296,85
d) goods	25 252 737,46	25 295 102,08
e) trade advances	287 740,89	430 134,35
Total gross inventories	29 991 223,21	30 674 573,96
WRITE-OFFS		
As at the beginning of period	317 011,87	317 011,87
d) goods	317 011,87	317 011,87
Increase in the write-off	3 260 350,53	0,00
d) goods	3 260 350,53	0,00
Total wright-offs	3 577 362,40	317 011,87
INVENTORIES		
a) materials	3 593 840,26	3 269 455,02
b) semi-finished products and work in progress	750 727,42	163 585,66
c) finished products	106 177,18	1 516 296,85
d) goods	21 675 375,06	24 978 090,21
e) trade advances	287 740,89	430 134,35
Total net inventories	26 413 860,81	30 357 562,09

A write-off for the value of the network was made in the amount of PLN 3 260 350.53. The Company received payments for the transfer of the network to the water and sewage companies as part of the return of part of the expenses incurred for their construction. The written off expenses were incurred for the elements which the water and sewage companies are not interested in taking over as of today.

Note 7. Construction contracts

CONSTRUCTION CONTRACTS	30-09-2020	31-12-2019
CONSTRUCTION CONTRACTS (current assets)		
a) semi-finished products and work in progress	797 661 269,31	620 914 597,04
b) finished products	55 359 087,67	31 539 886,57
c) advances for supplies	10 486 057,59	13 433 469,97
d) short-term prepayments and accruals	31 052,53	52 075,56
Total construction contracts	863 537 467,10	665 940 029,15
CONSTRUCTION CONTRACTS (current liabilities)		
a) accruals	525 486 496,34	348 226 651,27
Total construction contracts	525 486 496,34	348 226 651,27

Accruals	30-09-2020	31-12-2019
- advances on premises	523 105 690,61	346 262 227,06
- provision for works	2 380 805,73	1 937 224,21
- other	0,00	27 199,99
Total accruals	525 486 496,34	348 226 651,26

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 2020, 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 619.2 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, 2020, liabilities due to disbursed credits amount to PLN 235.5 million (excluding credits of TBS Marki Sp. z o.o. which amount to PLN 155.5 million).

Note 8. Current receivables

CURRENT RECEIVABLES	30-09-2020	31-12-2019
a) trade receivables - related parties	0,00	6 229,95
b) trade receivables - other parties	11 856 785,94	13 086 129,76
c) taxes, subsidies, customs duties, social and health insurance and other payments	9 322 799,59	8 282 522,12
d) other	2 806 566,54	2 286 444,72
Total receivables	23 986 152,07	23 661 326,55

Note 9. Other financial assets

SHORT-TERM INVESTMENTS	30-09-2020	31-12-2019
a) shares	0,00	0,00
b) loans granted	4 715 712,40	2 587 371,13
c) other investments	1 472 411,69	5 600 329,63
Total short-term investments	6 188 124,09	8 187 700,76

SHORT-TERM INVESTMENTS	30-09-2020	31-12-2019
a) in subsidiaries	0,00	0,00
- shares	0,00	0,00
- debt securities	0,00	0,00
- other security papers	0,00	0,00
- loans granted	0,00	0,00
- other current financial assets	0,00	0,00
b) in other units	6 188 124,09	8 187 700,76
- shares	0,00	0,00
- debt securities	0,00	0,00
- other security papers	1 472 411,69	5 600 329,63
- loans granted	4 715 712,40	2 587 371,13
- other current financial assets	0,00	0,00
c) other short-term investments	0,00	0,00
Total short-term investments	6 188 124,09	8 187 700,76

Note 10. Cash and cash equivalents

CASH AND CASH EQUIVALENTS	30-09-2020	31-12-2019
a) cash on hand and with bank	100 173 573,70	99 342 801,66
b) other cash	2 409 547,41	9 024 854,13
c) other cash assets	53 154,42	100 403,20
Total cash	102 636 275,53	108 468 058,98

	30-09-2020	31-12-2019
cash in escrow accounts	33 728 200,46	46 999 878,62
JW. Construction Holding SA	16 438 920,41	19 862 177,25
Hanza Invest SA	17 289 280,05	27 137 701,37

The use of funds from trust accounts is regulated by the Development Act. The funds are available at the Company's request upon fulfilment of certain conditions.

Note 11. Accruals

ACCRUALS	30-09-2020	31-12-2019
a) short-term accruals	12 888 607,93	10 635 608,89
Total accruals	12 888 607,93	10 635 608,89

Accruals	30-09-2020	31-12-2019
- property insurance	422 526,72	575 195,65
- interest	670 622,21	1 493 059,27
- commission expenses	8 171 176,91	6 984 645,23
- property tax, perpetual usufruct, road tax	1 112 293,20	4 048,30
- other	2 511 988,89	1 578 660,44
Total accruals	12 888 607,93	10 635 608,89

In the "other prepaid expenses" item, the Group recognizes, e.g. costs incurred in connection with deferred income. The main item are expenses incurred on commissions received by salesmen for sale of apartments. These commissions are assigned to specific units/locations sold by the Group and are activated until the investment is completed.

3. LIABILITIES

Note 12. Borrowings

BORROWINGS	30-09-2020	31-12-2019
a) credits	235 486 437,65	198 963 191,53
<i>of which: long-term</i>	<i>176 828 735,03</i>	<i>159 416 478,47</i>
<i>short-term</i>	<i>58 657 702,62</i>	<i>39 546 713,06</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	235 862 303,51	199 339 057,39
Borrowings - long-term	176 828 735,03	159 416 478,47
Borrowings - short-term	59 033 568,48	39 922 578,92

CREDITS PER MATURITY	30-09-2020	31-12-2019
Up to 1 year	58 657 702,62	39 546 713,06
Between 1 and 2 years	87 047 903,20	58 417 455,37
Between 2 and 5 years	24 465 677,90	31 760 648,73
Over 5 years	65 315 153,94	69 238 374,37
Total credits, including	235 486 437,65	198 963 191,53
- long-term	176 828 735,03	159 416 478,47
- short-term	58 657 702,62	39 546 713,06

LOANS PER MATURITY	30-09-2020	31-12-2019
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	30-09-2020	31-12-2019
a) credits	80 029 356,74	83 619 012,27
<i>of which: long-term</i>	<i>76 026 143,69</i>	<i>79 615 799,22</i>
<i>short-term</i>	<i>4 003 213,05</i>	<i>4 003 213,05</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	80 029 356,74	83 619 012,27
Borrowings - long-term	76 026 143,69	79 615 799,22
Borrowings - short-term	4 003 213,05	4 003 213,05

CREDITS PER MATURITY	30-09-2020	31-12-2019
Up to 1 year	4 003 213,05	4 003 213,05
Between 1 and 2 years	4 217 438,14	4 217 438,14
Between 2 and 5 years	14 056 226,62	14 056 226,62
Over 5 years	57 752 478,94	61 342 134,47
Total credits, including	80 029 356,74	83 619 012,27
- long-term	76 026 143,69	79 615 799,22
- short-term	4 003 213,05	4 003 213,05

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 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	30-09-2020	31-12-2019
a) reserve capital	709 820 056,72	662 258 543,33
b) other reserve capitals	57 947 307,60	57 947 307,60
- including reserve capital for the purchase of own shares	50 000 000,00	50 000 000,00
c) conversion differences	-3 191 817,75	-4 156 783,24
Total other capitals	764 575 546,57	716 049 067,69

*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 2020, shares for PLN 17,492,694.76 were purchased.

Note 14. Other long-term liabilities

OTHER LONG-TERM LIABILITIES	30-09-2020	31-12-2019
a) lease obligations	41 366 788,12	42 346 162,07
b) deposit liabilities	16 570 094,62	27 025 415,52
c) other long-term liabilities	5 623 497,77	6 146 419,68
d) promissory notes liabilities	0,00	0,00
e) bonds	82 900 000,00	51 500 000,00
Total other liabilities	146 460 380,52	127 017 997,27

All lease liabilities are denominated in PLN. The fair value of lease liabilities corresponds to its book value and as at 30 September 2020 amounts to PLN 51 178 210.13, of which PLN 41 366 788.12 is a non-current liability.

Note 15. Trade and other payables

TRADE AND OTHER PAYABLES	30-09-2020	31-12-2019
a) trade payables - other parties	32 254 339,53	44 422 945,51
b) trade payables - affiliated parties	0,00	0,00
c) axes, customs duties, insurance and other payments	11 206 226,70	7 162 828,16
d) salaries	2 576 238,07	3 657 863,34
e) trade advances received	0,00	0,00
f) other	10 916 970,28	11 726 029,39
Total trade and other payables	56 953 774,57	66 969 666,41

PROVISIONS FOR OTHER LIABILITIES AND CHARGES	30-09-2020	31-12-2019
a) short-term, of which:	33 734 942,27	32 484 937,03
- accrued expenses, including:	11 466 972,89	12 946 419,95
- <i>interest charged</i>	1 235 253,59	1 269 566,63
- <i>rent deposits</i>	480 433,64	480 433,64
- <i>hotel down payments</i>	1 910 130,41	4 001 580,98
- <i>other</i>	7 841 155,25	7 194 838,70
- other provisions, including:	22 267 969,38	19 538 517,08
- <i>provision for future liabilities</i>	934 340,31	259 021,95
- <i>provisions for guaranteed repairs</i>	607 474,22	607 474,22
- <i>other provisions</i>	20 726 154,85	18 672 020,91

a) long-term, of which:	54 347 224,17	54 362 613,85
- accrued expenses, including:	54 347 224,17	54 362 613,85
- <i>participation in construction costs - TBS Marki</i>	48 340 417,28	48 360 916,07
- <i>deferred income - redemption of loans-TBS Marki</i>	6 006 806,89	6 001 697,78
Total provisions for other liabilities and charges	88 082 166,44	86 847 550,88

Note 16. Other liabilities

OTHER LIABILITIES	30-09-2020	31-12-2019
a) debt securities issue liabilities	37 258 627,27	81 313 702,24
b) promissory notes liabilities	0,00	0,00
c) leasing liabilities	9 811 422,01	6 302 343,17
d) other financial liabilities	0,00	0,00
Total other liabilities	47 070 049,28	87 616 045,41

All lease liabilities are denominated in PLN. The fair value of lease liabilities corresponds to its book value and as at 30 September 2020 amounts to PLN 51 178 210.13, of which PLN 9 811 422.01 is a current liability.

4. OPERATING INCOME AND EXPENSES

Note 17. Operating income

OPERATING INCOME	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
Revenues from sales of products	62 019 504,19	307 779 246,63	31 652 046,24	198 431 039,76
Revenues from sales of services	59 483 365,32	90 824 925,29	23 061 004,28	30 206 861,59
Revenues from sales of goods	1 941 532,22	7 713 610,29	312 196,94	5 601 521,72
Total income	123 444 401,73	406 317 782,21	55 025 247,46	234 239 423,07

	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
Proceeds from sales, including:	123 444 401,73	406 317 782,21	55 025 247,46	234 239 423,07
-sales of products – properties, plots, buildings	63 133 863,90	317 441 063,63	32 685 105,14	198 427 839,76
- sales of products - other	43 976,20	6 300,00	43 976,20	3 300,00
-from sales of services	58 325 029,41	81 156 808,29	21 983 969,18	30 206 761,59
-from sales of goods	1 941 532,22	7 713 610,29	312 196,94	5 601 521,72

	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
Revenues from sales of products and services by segment	121 502 869,51	398 604 171,92	54 713 050,52	228 637 901,35
-real estate development	75 409 326,44	328 853 041,31	36 193 613,86	203 497 025,87
-hotel, restaurant and catering activities	34 933 350,27	58 991 294,21	14 862 126,02	21 503 591,23
- social building	11 111 329,60	10 487 447,40	3 613 334,44	3 367 895,25
-construction	48 863,20	272 389,00	43 976,20	269 389,00

	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
Revenues from sales of products – premises, plots, buildings by geographical segment	63 133 863,90	317 441 063,63	32 685 105,14	198 427 839,76
-Warsaw and the surrounding area	61 718 939,04	282 325 225,20	31 590 883,04	197 287 152,87
-Gdynia	0,00	24 845 242,74	0,00	1 068 511,46
- Łódź	150 680,02	12 292,44	0,00	1 425,00
- Katowice	103 469,91	584 495,19	17 187,00	64 959,37
- Poznań	2 439,02	5 691,06	0,00	5 691,06
- parcels and networks	1 158 335,91	9 668 117,00	1 077 035,10	100,00

	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
Revenues from sales of hotel and catering services, apart-hotels per geographic segments	34 933 350,27	58 991 294,21	14 862 126,02	22 908 223,90
- Zegrze	3 198 925,58	7 272 621,84	1 617 529,72	4 045 930,59
- Tarnowo	1 852 417,35	3 240 900,86	768 853,17	-233 301,37
- Stryków	1 300 831,19	5 034 655,53	559 492,83	2 707 508,16
- Szczecin	2 444 336,31	5 687 477,58	1 200 975,54	2 329 284,01
- Krynica Górská	20 918 299,51	26 607 516,26	8 889 617,59	9 862 605,21
- Warsaw	5 218 540,33	11 148 122,14	1 825 657,17	4 196 197,30

Note 18. Operating expenses

OPERATING EXPENSES	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
Costs of sales of products	51 541 762,59	234 496 808,31	29 816 680,27	141 218 397,63
Costs of sales of services	50 466 759,90	61 825 691,14	16 660 930,65	20 913 441,23
Costs of sales of goods	2 043 037,44	7 656 261,36	529 362,22	5 594 164,83
Total costs of products, services and goods sold	104 051 559,93	303 978 760,81	47 006 973,14	167 726 003,69

Sales and overhead expenses	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
Costs of sales	14 001 095,47	23 091 350,71	4 816 855,48	11 787 911,71
Overheads	18 217 326,81	25 449 597,86	6 285 725,75	9 413 131,45
Total sales and overheads expenses	32 218 422,28	48 540 948,57	11 102 581,23	21 201 043,16

Expenses per type	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
Depreciation and amortization	10 909 428,14	9 277 026,14	3 670 089,35	3 025 087,86
Depreciation of the right to use the asset	70 899,15	70 899,11	23 632,72	27 386,96
Materials and energy cost, land purchase	19 436 238,14	62 921 327,54	5 766 036,38	14 117 125,03
Third party services	210 696 338,83	175 662 937,84	62 604 998,21	65 905 511,52
Taxes and charges	8 542 398,20	8 355 223,86	2 727 375,66	2 843 763,18
Remunerations	30 406 409,64	32 945 560,53	10 352 286,49	11 499 888,93
Social security and other payments	5 741 774,08	6 050 449,00	1 858 655,38	2 008 121,98
Other expenses per type	8 819 631,82	12 692 380,12	2 673 971,58	4 176 509,46
Total expenses per type	294 623 118,00	307 975 804,14	89 677 045,77	103 603 394,92

Note 19. Other operating income

OPERATING INCOME	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
a) profit on sale of non-financial fixed assets	639 697,88	1 386 434,18	7 618,21	1 289 709,04
b) subsidies	960 901,88	0,00	499 878,75	0,00
b) other operating income	1 427 570,24	1 025 308,44	406 390,44	243 324,19
Total operating income	3 028 170,00	2 411 742,62	913 887,40	1 533 033,23

OPERATING INCOME	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
a) profit on sale of non-financial fixed assets	639 697,88	1 386 434,18	7 618,21	1 289 709,04
b) subsidies	960 901,88	0,00	499 878,75	0,00
c) handling fees	88 623,88	300 352,55	138,21	129 576,15
d) reserves	629 070,77	24 914,26	241 820,31	0,00
e) other	709 875,59	700 041,63	164 431,92	113 748,14
Total operating income	3 028 170,00	2 411 742,62	913 887,40	1 533 033,33

Note 20. Other operating expenses

OPERATING EXPENSES	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
a) loss on sale of non-financial fixed assets	0,00	0,00	0,00	0,00
b) revaluation of non-financial assets	3 264 347,10	44 165,11	3 861,49	33 342,58
c) other operating expenses	6 755 489,19	4 595 619,41	2 919 740,28	1 511 531,35
Total operating income	10 019 836,29	4 639 784,52	2 923 601,77	1 544 873,93

OPERATING EXPENSES	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
a) loss on sale of non-financial fixed assets	0,00	0,00	0,00	0,00
b) revaluation of non-financial assets	3 264 347,10	44 165,11	3 861,49	33 342,58
c) reserves	2 056 057,93	2 385 085,89	683 482,31	1 018 121,27
d) compensations, penalties, damages	607 941,59	586 793,48	99 603,00	90 480,02
e) compensations for breach of contracts	0,00	0,00	0,00	0,00
f) costs of court proceedings	172 284,60	259 527,40	28 404,19	14 659,30
g) other	3 919 205,07	1 364 212,64	2 108 250,78	388 270,76
Total operating income	10 019 836,29	4 639 784,52	2 923 601,77	1 544 873,93

The assets revaluation amount consists of a write-down for goods in the amount of PLN 3 260 350.53.

Note 21. Financial revenues

FINANCIAL REVENUES	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
a) dividends	0,00	0,00	0,00	0,00
b) interest	1 374 588,77	2 286 981,90	370 579,06	806 198,31
c) profit on disposal of investment	0,00	0,00	0,00	0,00
d) other	16 330,99	1 114 830,57	2 666,46	-213 171,42
Total financial revenues	1 390 919,76	3 401 812,47	373 245,52	593 026,89

	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
Financial revenues				
a) dividends	0,00	0,00	0,00	0,00
b) interest from customers	116 739,89	259 977,19	45 378,00	145 116,64
c) loan interest	246 362,06	466 547,22	54 176,39	152 653,67
d) deposit interest	166 855,70	667 087,18	19 791,75	207 643,53
e) promissory notes interest	692 810,56	734 379,68	230 585,17	259 062,34
f) other interest	151 820,56	158 990,64	20 647,75	41 722,14
g) profit on disposal of investment	0,00	0,00	0,00	0,00
h) foreign exchange rate differences	0,00	660 577,14	0,00	660 577,14
i) other	16 330,99	454 253,43	2 666,46	-873 748,56
Total	1 390 919,76	3 401 812,48	373 245,52	593 026,90

Note 22. Financial expenses

	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
FINANCIAL EXPENSES				
a) interest	9 232 272,13	8 984 692,84	2 999 905,83	2 752 661,92
b) loss on disposal of investment	0,00	0,00	0,00	0,00
c) other	512 330,87	89 595,60	23 275,27	-448 182,18
Total financial expenses	9 744 603,00	9 074 288,44	3 023 181,10	2 304 479,74

	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
FINANCIAL EXPENSES				
a) interest, commissions, loans	5 032 582,68	3 729 770,77	1 644 071,87	1 283 674,38
b) interest - leasing	1 428 342,37	192 529,56	572 618,16	101 700,82
c) interest - loans	0,00	0,00	0,00	0,00
d) interest - promissory notes	0,00	0,00	0,00	0,00
e) interest - bond issuance	2 155 890,99	2 590 259,87	643 712,07	878 811,32
f) other interest	615 456,09	2 472 191,81	139 503,73	488 534,57
g) loss on disposal of investment	0,00	0,00	0,00	0,00
h) other	512 330,87	89 536,43	23 275,27	-448 241,35
Total financial expenses	9 744 603,00	9 074 288,44	3 023 181,10	2 304 479,74

Note 23. Income tax

	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
INCOME TAX				
a) current income tax	0,00	7 647,00	0,00	7 647,00
b) deferred income tax	-9 090 236,02	7 535 173,67	-793 627,52	7 452 499,48
Total income tax	-9 090 236,02	7 542 820,67	-793 627,52	7 460 146,48

ADDITIONAL INFORMATION

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

General Meetings

On 21 July 2020 the Ordinary General Meeting of the Company was held, during which resolutions were passed concerning: approval of reports, profit distribution, granting discharge to members of the Company's bodies, appointment of members of the Supervisory Board for the next term (Mr. Marek Maruszyński, Mr. Ryszard Matkowski and Ms.

Małgorzata Szwarz-Sroka), granting additional remuneration to the Supervisory Board member, adopting the rules of remuneration of the Management Board and Supervisory Board members.

Appointment of Members of the Supervisory Board within the scope of personal rights :

On 21 July 2020, the Company received a statement of appointment to the Supervisory Board from an eligible shareholder, based on his personal entitlement: Mr. Józef Wojciechowski as Chairman of the Board and Ms. Barbara Czyż and Ms. Irmína Łopuszyńska as members of the Board.

Appointment of the Management Board

On 21 July 2020 the Supervisory Board appointed Mr. Wojciech Rajchert and Mr. Piotr Suprynowicz for the next term on the Management Board.

On 21 July 2020 the Company received a statement of appointment to the Management Board from an eligible shareholder. Based on the personal right Ms. Małgorzata Ostrowska and Ms. Małgorzata Pisarek were appointed to the Management Board.

Resignation of a member of the Management Board

On 28 September 2020, Ms. Małgorzata Ostrowska resigned from the Management Board.

Loan repayment

On 25 July 2020 the Company repaid in full the overdraft granted by Plus Bank SA to finance its current operations in the amount of PLN 6.000.000.

Credit agreements

On 28 August 2020, the Company concluded a credit agreement with Bank Pekao S.A. with its registered office in Warsaw, on the basis of which the Bank granted the Company a credit in the current account in the amount of PLN 23,800,000, to be used to finance the Company's current operations. The repayment date of the loan was set at 30 July 2022.

Building permit

On 27 July 2020 the company received a building permit for a complex of 3 multi-family residential buildings with underground garages in Zawada, Myślenice municipality near Cracow. The permit is final.

Occupation permit

In the third quarter of the year, the Company received occupancy permits for 20 single family terraced houses within complex of terraced houses - " Alicja Stage E" located in Kręczki Kaputy, Ożarów Mazowiecki commune, the permits are valid.

On 20 August 2020. the Company obtained a certificate for the complex of multi-family residential buildings Lewandów IV - "Wrzosowa Aleja" housing estate at Kartograficzna Street in Warsaw, entitling to use the building.

Annex to the preliminary property sales agreement

On 3 September 2020 the Company concluded an annex to the agreements of 2 June 2020, i.e.: a preliminary sale agreement and a preliminary agreement to the conditional sale agreement for the right of perpetual usufruct of the properties located in Szczecin in the area of Franciszka Ksawery Druckiego- Lubeckiego Street ("Agreement") constituting the plots: marked with numbers: 10/1, 11/1, 12/1 from section 101, no. 10 from section 19, no. 11 from section 326201_1.3019 and no. 9/2 from section 97 ("Real Estate 1") and marked with numbers: 8/5, 8/6 and 8/7 from the rim 3019 ("Real Estate 2"), under which: 8/5, 8/6 and 8/7 from the rim 3019 ("Real Estate 2"):

- 1) The Buyer, as a result of prior examination of the legal and factual status of both Real Estate, resigned from one of the conditions of concluding the final agreements, i.e. the condition of positive result of the aforementioned inspection;
- 2) The parties have changed the dates of conclusion of the sale agreement and the agreement transferring the right of perpetual usufruct in execution of the conditional agreement.

Expiry of the preliminary property sale agreement

On September 1, 2020, the contract concluded on July 30, 2020 concerning the sale by the Company of plot no. 16/1 located in Warsaw at 10 Antoniewska Street was terminated due to the failure to fulfill the contract condition. The buyer failed to make a payment of 10% of the plot sale price. The sale price was set at PLN 17,000,000 and the date of concluding the final agreement was set at 30 November 2020.

Amendment of a material agreement concluded between subsidiaries

On 7 August 2020, an annex to the agreement of 28 February 2017 was concluded between the Company's subsidiaries: Hanza Invest S.A. with its registered office in Ząbki as the Investor ("Investor") and J.W. Construction Spółka z o.o. with its registered office in Ząbki as the General Contractor ("Contractor"). The subject matter of the contract is the construction of a residential and commercial building by the Contractor in Szczecin at Wyzwolenia Street, at Odzieżowa Street - "Hanza Tower", about the conclusion of which the Company informed in current report 9/2017 of 28 February 2017, and about the change in reports 34/2018 of 14 November 2018 and 11/2019 of 12 April 2019. Under the Annex, the following dates have been moved by 4 months: completion of works, which was set for 31 December 2020, and obtaining a valid occupancy permit, which was set for 31 January 2021.

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 500, concluded by all companies from the Capital Group of the Issuer in the period from 1 January 2020 to 30 September 2020.

Transferred units

In the period from 1 January to 30 September 2020 the Company transferred and recognized 154 units in its revenues.

The total number of units on offer to be recognized in the result in subsequent quarters is 2,757 units, including 2,104 units sold but not yet transferred to customers, and 653 units in the offer for sale.

Ongoing investments

In the third quarter of 2020, the Group was developing 7 housing and commercial investments for a total of 2,526 premises, including terraced houses, with an area of over 124,000. The frontline of works carried out included investments all over the country: Bliska Wola Estate in the area of Kasprzaka Street and Prymasa Tysiąclecia Avenue Stage D (residential and commercial stage), Willa Wiślana Estate in Warsaw, Nowe Tysiąclecie Estate stage III in Katowice, Hanza Tower project in Szczecin and 2 stages of terraced houses – Villa Campina near Ożarów Mazowiecki.

Below are presented investments carried out by the Group in the third quarter of 2020

No.	Investment	Number of units	useable area	Commercial area	% of units sold as at 30.09.2020	% advancement of construction works as at 30.09.2020
1	Bliska Wola - stage D (residential-commercial), Warsaw - J.W. Construction Holding S.A.	1 059	25 417	17 078	64%	44%
2	Bliska Wola - stage D (residential), Warsaw - J.W. Construction Holding S.A.	418	19 178		99%	42%
3	Hanza Tower, Szczecin - Hanza Invest S.A.	509	21 950	11 034	87% *	94%
4	Nowe Tysiąclecie - stage III, Katowice - J.W. Construction Holding S.A.	345	18 261		90%	99%
5	Willa Wiślana, Warsaw - J.W. Construction Holding S.A.	141	5 872		91%	93%
6	Villa Campina Houses - Alicja (rank F), Ożarów - J.W. Construction Holding S.A.	30	2 857		100%	86%
7	Villa Campina Houses - Alicja (rank G), Ożarów - J.W. Construction Holding S.A.	24	2 605		25%	87%
Total		2 526	96 140	28 112		

*residential units

Construction sites with occupancy permit in Q3 2020

In the third quarter of 2020, occupancy permits were obtained for a total of 101 units:

Investment	Number of units	useable area
Wrzosowa Aleja, Warsaw - J.W. Construction Holding S.A.	81	2 958
Villa Campina Houses - Alicja (rank E), Ożarów – J.W. Construction Holding S.A.	20	2 003
Total	101	4 961

Investments to be launched

In the upcoming years, the Group is preparing 18 new residential and commercial developments based on its land bank, for a total of 5,264 premises with a total area of 359,500 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 work. 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 30.09.2020:

Investment	Number of units	useable area	Commercial space
Starowiejska St., Gdańsk- Letnica	636	32 335	607
Waryńskiego St., Pruszków *	462	17 802	1 591
Celna St., Szczecin	810	34 000	14 796
Modlińska St., Warsaw	228	10 032	
Kilińskiego St., Łódź	216	9 909	552
Zawada near Cracow	1 170	57 206	
Pileckiego St., Warsaw	239		8 148
Poznańska St., Skórzewo near Poznania	258	14 619	
Kościuszki St., Chorzów	256	11 990	
Radosława St., Nowogard	275	13 961	
Berensona St., Warsaw	264	11 855	
Aluzyjna St., Warsaw	100	5 520	
Wrzosowa Aleja III, stage I, Warsaw	40	1 631	
Wrzosowa Aleja III stage II, Warsaw	146	4 709	
Nowodworska St., Warsaw	13	1 180	
Ożarów Mazowiecki Houses	151	16 180	
Małopole (warehouses), near Warsaw **			80 000
Wielopole/Dietla St., Cracow			10 899
TOTAL	5 264	242 929	116 592

*partially launched for sale, reservation sale

*** preliminary property purchase agreement concluded

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

In the third quarter of 2020, 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

Changes to Supervisory Board

On 3 November 2020, an Extraordinary General Meeting was held, which adopted resolutions on:

- dismissal of Mr. Marek Maruszyński from the Supervisory Board as of 3 November 2020
- appointment of Mr. Kazimierz Krupa to the Supervisory Board as of 3 November 2020.

On 5 November 2020, the Supervisory Board appointed Mr. Kazimierz Krupa to the Audit Committee in place of Mr. Marek Maruszyński.

Annex to the credit agreement

On 23 October 2020, J.W. Construction Spółka z o.o., a subsidiary of the Issuer, concluded an annex to the overdraft agreement, granted by PKO BP S.A., in the amount of 7,000,000 PLN. Under the annex, the date of use and repayment of the loan have been postponed. The new loan repayment date was set at 24 October 2022.

On 23 October 2020, the Company concluded an annex with Bank PKO BP S.A., based in Warsaw, to the overdraft agreement in the amount of PLN 15,000,000. The introduced changes: the agreement was covered by a multi-purpose limit, the amount of credit was increased by PLN 10,100,000, the term of the Agreement was extended to 24 months. The credit limit was granted until 24 October 2022.

On 9 November 2020, Hanza Invest S.A., the Issuer's subsidiary, concluded an annex to the investment credit agreement for co-financing the Hanza Tower investment in Szczecin. Under the annex, the term of use and repayment of the loan was postponed by 3 months. The new loan repayment date was set at 30 June 2021.

Bond redemption

On 16 November 2019, the Company partially redeemed, in accordance with the terms of the bond issue, 15% of the original nominal value of series JWC10522 bonds, coded ISIN PLJWC0000126, issued pursuant to the Resolution of the Management Board of the Company of 2 November 2017 with the maturity date of 16 May 2022, in the total number of 94,000, in the initial nominal value of PLN 1,000 each bond and in the total issue value of PLN 94,000,000. After the redemption, the value of each bond is equal to PLN 300 and the total value of the outstanding Bonds is PLN 28,200,000.

Interest paid

On 16 November 2020, the Company paid interest on bonds marked with the PLJWC0000126 code.

Entry of mortgages constituting collateral for bonds - Bonds with ISIN code PLJWC0000118 and Bonds with ISIN code PLJWC0000126

On 2 November 2020, a total contractual mortgage of PLN 34,650,000.00 and a total contractual mortgage of PLN 63,450,000.00 was entered in the land and mortgage registers of the properties constituting the object of the security. The above-mentioned mortgages encumber the following properties belonging to the Company:

- 1) Independent premises in a building located in Cracow at 19, 21 Dietla Street, 86, 88, 90 Wielopole Street, for which the listed Land and Mortgage Register are maintained:

KR1P/00568567/6, KR1P/00568568/3, KR1P/00568569/0, KR1P/00568570/0, KR1P/00568571/7, KR1P/00568581/0, KR1P/00568582/7, KR1P/00568583/4, KR1P/00568584/1, KR1P/00568585/8, KR1P/00568586/5, KR1P/00568587/2, KR1P/00568588/9, KR1P/00568589/6, KR1P/00568590/6, KR1P/00568591/3, KR1P/00568592/0, KR1P/00568593/7, KR1P/00568594/4, KR1P/00568595/1, KR1P/00568596/8, KR1P/00568597/5, KR1P/00574796/5, KR1P/00574797/2, KR1P/00574798/9, KR1P/00574799/6, KR1P/00574800/7, KR1P/00574803/8, KR1P/00574805/2, KR1P/00574807/6, KR1P/00574808/3, KR1P/00574809/0, KR1P/00574810/0,

- 2) Undeveloped property located in Warsaw at 59 Pileckiego Street, for which the land and mortgage register WA2M/00110066/5 is maintained,
- 3) Undeveloped property located in Warsaw at Lewandów Street for which the Land and Mortgage Register WA3M/00506268/1 is maintained.

Building permit

On 2 October 2020, the company received a building permit for a complex of multi-family residential buildings with underground garages - Stage I, for a total of 110 units at Kościuszki Street in Chorzów. The permit is final.

Annex to the preliminary property sales agreement and conditional sale agreement

On 30 October 2020, the Company concluded annexes to the agreements of 2 June 2020, i.e.: a preliminary sale agreement and a preliminary agreement to the conditional sale agreement for the right of perpetual usufruct of the properties located in Szczecin in the area of Franciszka Ksawery Druckiego- Lubeckiego Street ("Agreement") constituting the plots: marked with numbers: 10/1, 11/1, 12/1 from section 101, no. 10 from section 19, no. 11 from section 326201_1.3019 and no. 9/2 from section 97 ("Real Estate 1") and marked with numbers: 8/5, 8/6 and 8/7 from the rim 3019 ("Real Estate 2"), under which: 8/5, 8/6 and 8/7 from the rim 3019 ("Real Estate 2"):

- 1) The Parties have changed the total sale price of the perpetual usufruct right to the Real Estate from PLN 27,839,490.00 net to PLN 28,339,490.00 net;
- 2) The Parties have introduced the Buyer's obligation to pay to an advance payment to the Seller in the amount of PLN 5,667,898.00 gross on the day of concluding the conditional sale agreement;
- 3) The date of conclusion of the sale agreement and the agreement transferring the right of perpetual usufruct in the execution of the conditional agreement was set for a day not later than 15 December 2020.

On 30 October 2020, a conditional contract of sale of Real Estate 1 was concluded. The Buyer paid PLN 5,667,898 gross to the Company as an advance payment.

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 2020, the value of debt on account of loans was equal to PLN 235.5 million (including the debt of TBS Marki Sp. z o.o. - PLN 80.0 million) and there were no indications 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	30-09-2020
Amount of security on own real estate*	619 231 769

*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 the mortgage, there are also other forms of collateral, e.g. enforcement titles, guarantees from Bank Gospodarstwa Krajowego under the PLG FGP portfolio guarantee line secured with a promissory note, 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	30-09-2020
Guarantee of J.W. Construction Holding S.A. to the benefit of Hanza Invest SA for an investment loan incurred at Bank Ochrony Środowiska S.A.	72 000 000
Guarantee of J.W. Construction Holding S.A. to the benefit of Dana Invest Sp. z o.o. for an investment loan incurred at BZ WBK SA.	29 694 876
Guarantees to the benefit of J.W. Construction Sp. z o.o. for loans, guarantees in PKO BP and leases	26 658 575
Sureties to the benefit of TBS "Marki" Sp z o.o.	22 400 000

In the period from 01 January 2020 to 30 September 2020, the Company's bank loans in the total amount of PLN 123.53 million were secured by guarantees granted by Bank Gospodarstwa Krajowego under the PLG FGP portfolio guarantee line in the total amount of PLN 92.82 million, which were secured by the Company by promissory notes issued to Bank Gospodarstwa Krajowego.

As at 30 September 2020, insurance and bank guarantees for removal of defects and faults were also granted by banks and insurance institutions, the beneficiaries of which were the Companies of the Capital Group. 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. The total value of the guarantee as at 30 September 2020 amounted to PLN 45.81 million and EUR 1.74 million (Issuer), PLN 5.09 million and EUR 236.45 thousand (JW. Construction sp. z o.o.).

Moreover, the bonds issued by the Company, marked with ISIN codes PLJWC0000118 and PLJWC0000126 are currently secured with joint mortgages, bills of exchange and enforcement rigors under art. 777 of the code of civil procedure.

On account of bonds marked with ISIN code PLJWC0000118 the total mortgage up to the amount of PLN 34.65 million, the rigor of enforcement under Article 777 of the Code of Civil Procedure up to the amount of PLN 34.65 million and blank promissory notes that can be filled in up to the amount of PLN 34.65.

On account of bonds marked with ISIN code PLJWC0000126 the total mortgage up to the amount of PLN 63.45 million, the rigor of enforcement under Article 777 of the Code of Civil Procedure up to the amount of PLN 63.45 million and blank promissory notes that can be filled in up to the amount of PLN 63.45 million.

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 2020, the EUR exchange rate set by the National Bank of Poland as at that day, i.e. 4.5268 PLN/EUR, was adopted

To convert the balance sheet data as at the last day of the period from 1 January to 31 December 2019, the EUR exchange rate set by the National Bank of Poland as at that day, i.e. 4.2585 PLN/EUR, was adopted

For the conversion of the profit and loss account data for the period from 1 January 2020 to 30 September 2020, 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. 4.4420 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/EUR

Consolidated balance sheet item	30-09-2020		31-12-2019	
	PLN	EUR	PLN	EUR
Total assets	1 818 086	401 627	1 668 809	391 877
Fixed assets	779 150	172 119	817 303	191 923
Current assets	1 038 936	229 508	851 506	199 955
Total liabilities and equity	1 818 086	401 627	1 668 809	391 877
Equity	703 837	155 482	727 913	170 932
Non-current liabilities	382 520	84 501	354 771	83 309
Current liabilities	722 279	159 556	575 220	135 076
Future long-term discounted lease payments	7 951	1 756	9 347	2 195
Future short-term discounted lease payments	1 498	331	1 559	366

Consolidated profit and loss account item	01-01-2020 to 30-09-2020		01-01-2019 to 30-09-2019	
	PLN	EUR	PLN	EUR
Net revenues from sales of products, goods and materials	123 444	27 790	406 318	94 304
Costs of products, goods and materials sold	104 052	23 424	303 979	70 552
Gross profit (loss) from sales	19 393	4 366	102 339	23 752
Costs of sales	14 001	3 152	23 091	5 359
Overheads	18 217	4 101	25 450	5 907
Profit (loss) from sales	-18 703	-4 210	53 069	12 317
Profit (loss) on operations	-25 695	-5 784	50 841	11 800
Gross profit (loss)	-34 048	-7 665	45 169	10 483
Income tax	-9 090	-2 046	7 543	1 751
Net profit (loss)	-24 958	-5 619	37 626	8 733

Issuer's balance sheet item	30-09-2020		31-12-2019 (after adjustment)	
	PLN	EUR	PLN	EUR
Total assets	1 541 522	340 532	1 437 921	337 659
Fixed assets	759 671	167 816	826 991	194 198
Current assets	781 851	172 716	610 930	143 461
Total liabilities and equity	1 541 522	340 532	1 437 921	337 659
Equity	743 680	164 284	763 024	179 177
Non-current liabilities	244 467	54 004	195 696	45 954
Current liabilities	544 820	120 354	469 205	110 181
Future long-term discounted lease payments	7 068	1 561	8 450	1 984
Future short-term discounted lease payments	1 486	328	1 546	363

Profit and loss account item	01-01-2020 to 30-09-2020		01-01-2019 to 30-09-2019	
	PLN	EUR	PLN	EUR
Net revenues from sales of products, goods and materials	106 590	23 996	382 201	88 707
Costs of products, goods and materials sold	86 648	19 506	283 361	65 767
Gross profit (loss) from sales	19 942	4 489	98 840	22 940
Costs of sales	12 909	2 906	21 955	5 096
Overheads	15 971	3 595	20 556	4 771
Profit (loss) from sales	-14 815	-3 335	55 600	12 905
Profit (loss) on operations	-25 815	-5 812	52 891	12 276
Gross profit (loss)	-28 638	-6 447	50 186	11 648
Income tax	-9 376	-2 111	8 612	1 999
Net profit (loss)	-19 262	-4 336	41 574	9 649

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 19.11.2020

Shareholder	Number of shares held	% of capital share	Number of votes	% of total number of votes in the General Meeting
Józef Wojciechowski	28.594.963	32,18 %	28.594.963	32,18 %
EHT S.A.	47.846.225	53,84 %	47.846.225	53,84 %
Company – shares for redemption	5.996.429	6,75 %	5.996.429	6,75 %

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

Moreover, Mr. Józef Wojciechowski controls Wielopole 19/21 Spółka z o.o. with its registered office in Ząbki, which holds 1,037,000 shares constituting approximately 1.17 % of the Company's share capital, which entitle to 1,037,000 votes at the General Meeting of Shareholders, which constitutes a 1.17 % share in the total number of votes at the General Meeting.

On 11 September 2020, Wielopole 19/21 Spółka z o.o. with its registered office in Ząbki acquired 360,000 shares of the Company constituting approx. 0.41 % of the share capital and entitling to 360,000 votes at the General Meeting of Shareholders, which constitutes approx. 0.41 % of the total number of votes at the 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 19.11.2020

Name	Function	Number of shares held
Józef Wojciechowski	Chairman of the Supervisory Board	28.594.963

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

13. Lawsuits.

As at 30 September 2020, no proceedings to which the Company or any of its subsidiaries, either as plaintiff or defendant, were material to the Company's business.

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

The Company has concluded and intends to continue to conclude transactions with affiliates as defined in IAS 24 Related Party Disclosures (IAS 24) (Annex to Commission Regulation (EC) No 1126/2008 of 3 November 2008 adopting certain international accounting standards in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council as amended by Commission Regulation (EC) No 1274/2008 of 17 December 2008 amending Regulation (EC) No 1126/2008 adopting certain international accounting standards in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council as regards IAS 1).

In the Issuer's opinion, the conditions under which transactions with related parties are concluded do not differ from market conditions.

Entities related to the Issuer as at 30 September 2020, with whom the Issuer entered into transactions in the reporting period, are listed below:

- The main shareholders of the company, i.e.: EHT S.A. and Mr. Józef Wojciechowski (personal relationship) and entities related to those entities;
- subsidiaries belonging to the J.W. Construction Holding Capital Group, i.e.:
 - J.W. Construction sp. z o.o.
 - TBS Marki sp. z o.o.
 - Dana Invest sp. z o.o.
 - Varsovia Apartamenty sp. z o.o.
 - Hanza Invest S.A.
 - Bliska Wola 4 sp. z o.o. 1 sk
 - Bliska Wola 4 sp. z o.o. 2 sk
 - Bliska Wola 4 sp. z o.o.
 - Yakor House sp. z o.o.
 - J.W. Construction Bułgaria Sp. z o.o.
 - Wola Invest sp. z o.o.
 - Berensona Invest sp. z o.o.
 - J.W. Tennis Support Foundation – Fundacja Wspierania Tenisa i Rozwoju i Aktywności Fizycznej
- Transactions with Members of the Management Board or Supervisory Board

Transactions with affiliates of the Group

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.

In addition, the Company entered into agreements with companies whose governing bodies members of the Company's Supervisory Board are or were a part of.

TRANSACTIONS ON ACCOUNT OF DELIVERIES AND SERVICES, DEPOSITS, ADVANCE PAYMENTS FOR DELIVERIES

The value of receivables and liabilities as well as sales and purchase transactions with related companies concluded in the normal course of business are presented below. The value of transactions between the Issuer and its subsidiaries in the reporting period and the balance of settlements as at 30 June 2020 were also presented.

The following statements present only companies that have a balance as at a given day or with which transactions in a given period exceeded PLN 100 thousand. Zero balances are not presented.

Receivables on account of supplies and services, deposits, advance payments for supplies from related parties

The balances of the following receivables were not covered by write-downs.

COMPANY NAME	Receivables on account of supplies and services, deposit, advances on deliveries from related parties	
	30-09-2020	31-12-2019
TBS Marki Sp. z o.o.	29 699,02	25 142,55
J.W. Construction Sp. z o.o.	472 785,00	2 595 456,62
Dana Invest Sp. z o.o.	6 279,15	113 744,64
Varsovia Apartamenty Sp. z o.o.	1 825 940,12	1 277 196,79
Berensona Invest Sp. z o.o.	9 522,66	41 859,36
Bliska Wola 4 Sp. z o.o. 1 SK	304,33	318 554,21
Bliska Wola 4 Sp. z o.o. 2 SK	49 074,87	398 650,41
Wola Invest Sp. z o.o.	6 199,20	6 199,20
Bliska Wola 4 Sp. z o.o.	389,74	27 034,00
Hanza Invest S.A.	2 691 245,64	4 225 040,08
J.W. Tennis Support Foundation	5 166,00	14 898,99

Payables on account of supplies and services, deposits, advance payments for supplies to related parties

COMPANY NAME	Payables on account of supplies and services, deposit, advances on deliveries to related parties	
	30-09-2020	31-12-2019
J.W. Construction Sp. z o.o.	19 615 106,81	20 838 742,33
Dana Invest Sp. Z o.o.	77,97	4 684,49
Bliska Wola 4 Sp. z o.o. 1 SK	5 196,00	5 196,00
Varsovia Apartamenty Sp. z o.o.	36 035,55	0,00
J.W. Tennis Support Foundation	0,00	11 310,00

J.W. Construction Holding S.A. as an entity rendering or services (seller)

TRANSACTION/AGREEMENT SUBJECT		01-01-2020 to 30-09-2020	01-01-2019 to 31-12-2019
Affiliated units subject to consolidation			
TBS Marki Sp. z o.o.	real estate management	163 691,37	159 144,36
TBS Marki Sp. z o.o.	loan surety	588 000,00	784 000,00
J.W. Construction Sp. z o.o.	reinvoices - construction in Katowice	357 296,54	0,00
J.W. Construction Sp. z o.o.	sale of goods, materials	0,00	359 056,28
J.W. Construction Sp. z o.o.	administrative services	0,00	580 000,00
J.W. Construction Sp. z o.o.	lease of real estate (office building)	109 521,00	146 028,00
J.W. Construction Sp. z o.o.	re invoicing -energy	149 938,49	184 232,33
J.W. Construction Sp. z o.o.	guaranteed repairs services	569 527,07	1 319 079,19
J.W. Construction Sp. z o.o.	land lease	52 843,13	148 659,43
Varsovia Apartamenty Sp. z o.o.	administrative services	485 992,00	315 528,00
Varsovia Apartamenty Sp. z o.o.	restaurant lease	130 000,00	0,00
Varsovia Apartamenty Sp. z o.o.	lease of real estate Jerozolimskie Av.	55 033,27	593 476,67
Varsovia Apartamenty Sp. z o.o.	catering	87 609,86	1 473 527,38
Varsovia Apartamenty Sp. z o.o.	reinvoices-including utilities	60 181,26	219 028,37
Hanza Invest S.A.	administrative services	0,00	1 497 398,00
Hanza Invest S.A.	sales service	113 563,74	1 237 132,61

J.W. Construction Holding S.A. as an entity buying products or services

COMPANY NAME	TRANSACTION/AGREEMENT SUBJECT	01-01-2020 to 30-09-2020	01-01-2019 to 31-12-2019
Affiliated units subject to consolidation			
J.W. Construction Sp. z o.o.	construction works Ożarów Houses	141 600,00	1 514 413,16
J.W. Construction Sp. z o.o.	materials - Ożarów houses	3 929 957,91	640 601,82
J.W. Construction Sp. z o.o.	construction works Katowice	25 082 461,02	38 463 070,00
J.W. Construction Sp. z o.o.	assembly of houses - Ożarów	567 686,64	0,00
J.W. Construction Sp. z o.o.	construction works Kasprzaka	813 566,00	1 291 085,00

FINANCING TRANSACTIONS

The table below presents the value of receivables and liabilities and interest with related companies concluded under the financing granted and received, mainly in the form of bills of exchange, loans and guarantees. The value of transactions between the Issuer and its subsidiaries in the reporting period and the balance of settlements as at 30 September 2020 were also presented.

The following lists present only companies that have a balance as at a given date or with which transactions occurred in a given period. Zero balances have not been presented.

Receivables on account of the financing granted

COMPANY NAME	Receivables on account of the financing granted	
	30-09-2020	31-12-2019
Affiliated units subject to consolidation		
Yakor House Sp. z o.o.	21 352 897,76	21 769 000,00
J.W. Construction Bułgaria EOOD	37 129 145,04	40 730 226,10
J.W. Construction Sp. z o.o.	5 934 587,77	10 254 500,00
Dana Invest Sp. z o.o.	565 121,80	550 621,79
Hanza Invest Sp. z o.o.	24 698 080,18	23 895 185,88
Bliska Wola 4 Sp. z o.o. 2SK	0,00	5 636,94
Bliska Wola 4 Sp. z o.o. 1SK	2 841 623,13	0,00
Varsovia Apartamenty Sp. z o.o.	2 738 065,02	1 655 985,80

Sureties granted (principal and accrued interest)

In the reporting period the Issuer did not grant any sureties.

Financial revenue (interest) from granted financing

COMPANY NAME	TRANSACTION/AGREEMENT SUBJECT	01-01-2020 to 30-09-2020	01-01-2019 to 31-12-2019
Yakor House Sp. z o.o.	loan granted	458 240,32	769 047,79
J.W. Construction Bułgaria EOOD	loan granted	361 404,95	464 464,88
J.W. Construction Sp. z o.o.	loan granted	180 087,77	694 683,35
Dana Invest Sp. z o.o.	loan granted	8 745,00	14 155,00
Dana Invest Sp. z o.o.	promissory note issued	5 755,01	9 336,64
Hanza Invest S. A.	loan granted	652 894,30	1 048 774,33
Bliska Wola 4 Sp. z o.o. 1SK	promissory note issued	41 623,13	0,00
Varsovia Apartamenty Sp. z o.o.	loan granted	52 079,22	55 278,02

Launches on account of financing granted

COMPANY NAME	TRANSACTION/AGREEMENT SUBJECT	01-01-2020 to 30-09-2020	01-01-2019 to 31-12-2019
Yakor House Sp. z o.o.	loan granted	207 875,55	356 407,98
J.W. Construction Bułgaria EOOD	loan granted	205 457,20	142 224,07
J.W. Construction Sp. z o.o.	loan granted	0,00	16 000 000,00
Hanza Invest S. A.	loan granted	150 000,00	500 000,00
Bliska Wola 4 Sp. z o.o. 1SK	promissory note issued	4 800 000,00	0,00
Varsovia Apartamenty Sp. z o.o.	loan granted	1 030 000,00	1 100 000,00

Payables on account of financing received

COMPANY NAME	Payables on account of financing received	
	30-09-2020	31-12-2019
Affiliated units subject to consolidation		
TBS Marki Sp. z o.o.	30 359 263,86	29 862 475,04
Bliska Wola 4 Sp. z o.o. 1 Sp. K.	0,00	1 018 628,73
Bliska Wola 4 Sp. z o.o. 2 Sp. K.	0,00	966 039,85

Financial costs of the financing received

COMPANY NAME	TRANSACTION/AGREEMENT SUBJECT	01-01-2020 to 30-09-2020	01-01-2019 to 31-12-2019
TBS Marki Sp. z o.o.	loan received	367 760,38	666 311,92
TBS Marki Sp. z o.o.	promissory note received	129 028,44	218 391,58
Bliska Wola 4 Sp. z o.o. 1 Sp. K.	promissory note received	6 357,72	15 811,62
Bliska Wola 4 Sp. z o.o. 1 Sp. K.	loan received	9 043,15	0,00
Bliska Wola 4 Sp. z o.o. 2 Sp. K.	promissory note received	2 188,00	175 876,54
Bliska Wola 4 Sp. z o.o. 2 Sp. K.	loan received	5 294,25	0,00

Launches on account of financing received

COMPANY NAME	TRANSACTION/ SUBJECT/ AGREEMENT/SUBJECT	01-01-2020 to 30-09-2020	01-01-2019 to 31-12-2019
Bliska Wola 4 Sp. z o.o. 1 Sp. K.	loan received	3 200 000,00	0,00
Bliska Wola 4 Sp. z o.o. 2 Sp. K.	loan received	1 000 000,00	0,00

OTHER TRANSACTIONS

Below is presented the value of other transactions concluded by the Issuer with related companies, mainly related to dividends granted, license fees, capital contributions, share purchases and sales of real estate. The value of transactions between the Issuer and these companies in the reporting period and the balance of settlements as at 30 September 2020 were also presented.

The following lists present only companies that have a balance as at a given date or with which transactions occurred in a given period. Zero balances have not been presented.

Dividends

No dividends were paid in the reporting period.

Transactions related to the purchase of shares and stocks and the increase in capital

Below are presented capital transactions related to the acquisition of shares and stocks by the Issuer, capital increases and the creation of new companies.

OTHER PARTY TO TRANSACTION	TRANSACTION/AGREEMENT SUBJECT	01-01-2020 to 30-09-2020	01-01-2019 to 31-12-2019
J.W. Construction Sp. z o.o.	Shares in BW4 sp. z o.o. 2SK	0,00	12 745 500,00
Wola Invest Sp. z o.o.	Capital injection - agreement	0,00	45 000,00
Berensona Invest Sp. z o.o.	Capital injection	60 000,00	45 000,00

Transactions related to the sale of shares and stocks and liquidation of companies

The following are capital transactions related to the Issuer's sale of shares and stocks and the liquidation or merger of companies.

OTHER PARTY TO TRANSACTION	TRANSACTION/AGREEMENT SUBJECT	01-01-2020 to 30-09-2020	01-01-2019 to 31-12-2019
Załubice Development Sp. z o.o.	Sales of shares in Wielopole 19/21 sp. z o.o.	10 000,00	0,00

Sales of real estate

In the reporting period, the Issuer did not make any purchases or sales of real estate through related parties.

The balances of receivables and liabilities arising from the above transactions are presented below:

As at 30 September 2020, the Issuer did not have any receivables or liabilities on this account.

Transactions with major shareholders and related companies of major shareholders

This section presents transactions with companies belonging to the Issuer's main shareholders, i.e. companies directly and indirectly related to Mr. Józef Wojciechowski and companies directly and indirectly related to EHT S.A.

Companies and persons indirectly related to the Issuer:

- Józef Wojciechowski
- EHT S.A.
- WJ Invest Sp. z o.o.
- JW. Wings LTD
- J.W. Energy S.A.
- Załubice Development Sp. z o.o.
- Zabaleta Holding SA
- Zabaleta sp. z o.o.
- Zakład Energetyczny Użyteczności Publicznej SA
- Construction Unlimited sp. z o.o.
- Osada Wiśłana sp. z o.o.
- ZPS JW. System Sp. z o.o. in liquidation
- ZPM Metalcon Sp. z o.o. in liquidation
- Polonia SSA
- Deweloper sp. z o.o.
- Wielopole sp. z o.o.

TRANSACTIONS ON ACCOUNT OF DELIVERIES AND SERVICES, DEPOSITS, ADVANCE PAYMENTS FOR DELIVERIES

Transactions with major shareholders and related companies of major shareholders are presented below. The value of transactions between the Issuer and these companies in the reporting period and the balance of settlements as at 30 September 2020 were also presented.

The following statements present only companies that have a balance as at a given day or with which transactions in a given period exceeded PLN 100 thousand. Zero balances are not presented.

Receivables on account of supplies and services, deposits, advance payments for supplies from indirectly related parties

Unless stated otherwise, the balances of the following receivables were not covered by write-downs.

COMPANY NAME	Receivables on account of supplies and services, deposit, advances on deliveries from indirectly related parties	
	30-09-2020	31-12-2019
Józef Wojciechowski	1 296,76	1 895,94
Załubice Development Sp. z o.o.	2 553 509,81	3 009 662,34
J.W. Energy S.A.	136 714,50	1 292 320,66
ZPM Metalcon Sp. z o.o.	575 199,61	575 199,61
Deweloper Sp. z o.o.	8 033,13	8 033,13
Osada Wiśłana Sp. z o.o.	14 760,00	37 650,30
W.J. Invest Sp. z o.o.	59 554,81	374 685,56
Wielopole 19/21 sp. z o.o.	2 908,95	6 229,95
Zabaleta Sp. z o.o.	32 511,42	58 876,47
Zakład Energetyczny Użyteczności Publicznej S.A.	1 774 147,88	545 309,20

Payables on account of supplies and services, deposits, advance payments for supplies to indirectly related parties

COMPANY NAME	Payables on account of supplies and services, deposit, advances on deliveries to indirectly related parties	
	30-09-2020	31-12-2019
Deweloper Sp. z o.o.	7 674,00	7 674,00
W.J. Invest Sp. z o.o.	5 671 915,46	5 671 915,46
Zabaleta Sp. z o.o.	100 000,00	100 000,00
Zakład Energetyczny Użyteczności Publicznej S.A.	640 097,18	754 894,46

J.W. Construction Holding S.A. as an entity rendering or services (seller)

COMPANY NAME	TRANSACTION/ SUBJECT/ AGREEMENT/SUBJECT	01-01-2020 to 30-09-2020	01-01-2019 to 31-12-2019
Companies indirectly related to the dominant entity			
J.W. Energy S.A.	land lease	103 950,00	126 000,00
W.J. Invest Sp. z o.o.	sales service	49 540,00	197 700,00
Zakład Energetyczny Użyteczności Publicznej S.A.	Energy infrastructure Ek	442 621,61	0,00
Zakład Energetyczny Użyteczności Publicznej S.A.	Energy infrastructure Em	634 413,49	0,00

J.W. Construction Holding S.A. as an entity buying products or services

COMPANY NAME	TRANSACTION/ SUBJECT/ AGREEMENT/SUBJECT	01-01-2020 to 30-09-2020	01-01-2019 to 31-12-2019
indirectly related entities			
Józef Wojciechowski Advisory	advisory service	0,00	4 000 000,00
Zakład Energetyczny Użyteczności Publicznej S.A.	electricity - Czarny Potok	391 165,48	630 693,17
Zakład Energetyczny Użyteczności Publicznej S.A.	electricity - Zegrze	46 632,43	119 360,40
Zakład Energetyczny Użyteczności Publicznej S.A.	electricity - BW CK	7 421,80	396 989,08
Zakład Energetyczny Użyteczności Publicznej S.A.	electricity - BW EM	73 249,30	116 859,11
Zakład Energetyczny Użyteczności Publicznej S.A.	electricity - BW EK	162 706,06	138 728,99
Zakład Energetyczny Użyteczności Publicznej S.A.	electricity - office building	74 777,18	112 001,83
Zakład Energetyczny Użyteczności Publicznej S.A.	electricity - other Kasprzaka	11 924,85	278 086,10
Zakład Energetyczny Użyteczności Publicznej S.A.	electricity - Porta	202 705,01	0,00
Zakład Energetyczny Użyteczności Publicznej S.A.	electricity - other	50 582,74	602 038,80
Zakład Energetyczny Użyteczności Publicznej S.A.	connection to the power grid - Kasprzaka	158 171,81	805 836,08

FINANCING TRANSACTIONS

The table below presents the value of receivables and liabilities and interest on transactions with major shareholders and related companies of major shareholders as part of financing granted and received, mainly in the form of promissory notes, loans and bonds. The value of transactions between the Issuer and these entities in the reporting period and the balance of settlements as at 30 September 2020 were also presented.

The following lists present only companies that have a balance as at a given date or with which transactions occurred in a given period. Zero balances have not been presented.

Receivables on account of the financing granted

Unless stated otherwise, the balances of the following receivables were not covered by write-downs.

COMPANY NAME	Receivables on account of the financing granted	
	30-09-2020	31-12-2019
indirectly related entities		
Wojciechowski Józef	13 606,70	13 606,70
J.W. Energy S.A.	2 857 814,10	2 795 286,66
Zakład Energetyczny Użyteczności Publicznej S.A.	422 001,69	411 067,70
Deweloper sp. z o.o.	7 581,90	7 581,90
Wielopole 19/21 Sp. z o.o.	221 569,22	215 960,89

Financial revenue from granted financing

COMPANY NAME	TRANSACTION/AGREEMENT SUBJECT	01-01-2020 to 30-09-2020	01-01-2019 to 31-12-2019
J.W. Energy S.A.	promissory note issued	69 157,99	102 161,04
Zakład Energetyczny Użyteczności Publicznej S.A.	promissory note issued	10 933,99	17 780,59
Wielopole 19/21 Sp. z o.o.	promissory note issued	5 608,33	9 075,03

Launches on account of financing granted

COMPANY NAME	TRANSACTION/ SUBJECT/ AGREEMENT/SUBJECT	01-01-2020 to 30-09-2020	01-01-2019 to 31-12-2019
J.W. Energy S.A.	promissory note issued	0,00	1 043 000,00
Wojciechowski Józef	loan granted	0,00	4 000 000,00

Payables on account of financing received

COMPANY NAME	Payables on account of financing received	
	30-09-2020	31-12-2019
indirectly related entities		
Wojciechowski Józef	373 649,26	373 649,26

Launches on account of financing received

There were no in the reporting period

Bonds (principal and accrued interest)

The value of outstanding principal and accrued interest as at 30 September 2020 and as at 31 December 2019 is shown in the table below:

Company	date	principal value of the contract
W.J. Invest sp. z o.o.	24.04.2013	34 940 000,00
W.J. Invest sp. z o.o.	24.04.2013	10 650 000,00
W.J. Invest sp. z o.o.	24.04.2013	5 910 000,00

COMPANY NAME	Payables on account of bonds		interest for three quarters of 2020	interest for 2019
	30-09-2020	31-12-2019		
W.J. Invest Sp. z o.o.	35 686 079,09	36 410 466,67	999 303,15	2 138 339,51
- principal	34 940 000,00	34 940 000,00		
- interest	746 079,09	1 470 466,67		
W.J. Invest Sp. z o.o.	10 877 411,07	11 098 210,37	304 595,85	655 616,94
- principal	10 650 000,00	10 650 000,00		
- interest	227 411,07	448 210,37		
W.J. Invest Sp. z o.o.	6 036 197,11	6 158 725,20	193 506,37	360 701,08
- principal	5 910 000,00	5 910 000,00		
- interest	126 197,11	248 725,20		

OTHER TRANSACTIONS

The value of other transactions with significant shareholders and related companies of significant shareholders, mainly concerning dividends granted, license fees, capital contributions, share purchases and sales of real estate, is presented below. The value of transactions between the Issuer and these companies in the reporting period and the balance of settlements as at 30 September 2020 were also presented.

The following lists present only companies that have a balance as at a given date or with which transactions occurred in a given period. Zero balances have not been presented.

Transactions related to purchase/sale of shares and stock and capital increase

In the reporting period there were no capital transactions related to the purchase/sale of shares and stocks by the Issuer, capital increases or the creation of new companies.

Sales of real estate

In the reporting period, the Issuer did not make any transactions of purchase or sale of real estate with affiliates of significant shareholders or with affiliates of significant shareholders.

Transactions with Management Board and Supervisory Board members

Transactions made between the Issuer and the Members of the Board and the Supervisory Board. All transactions described in this section were concluded in the ordinary course of business and on market terms.

Payables on account of supplies and services, deposits, advances for supplies to persons related to the dominant entity

COMPANY NAME	Payables on account of supplies and services, deposits, advance payments for supplies to persons related to the Issuer and its subsidiaries	
	30-09-2020	31-12-2019
personal affiliations (Management Board Members, Supervisory Board Members)		
MS Consulting Małgorzata Szwarc-Sroka	39 913,00	40 713,00
IJ Konsulting Irmína Łopuszyńska	38 406,75	38 406,75

The Issuer and its subsidiaries as buyers of services or products

	TRANSACTION/ SUBJECT/ AGREEMENT/SUBJECT	01-01-2020 to 30-09-2020	01-01-2019 to 31-12-2019
transactions with Members of the Management Board or Supervisory Board			
MS Consulting Małgorzata Szwarc-Sroka	consultancy and advisory services	336 300,00	402 360,00
IJ Konsulting Irmína Łopuszyńska	consultancy and advisory services	327 125,00	379 860,00

Receivables on account of supplies and services, deposits, advances for supplies from persons related to the dominant entity

COMPANY NAME	Receivables on account of supplies and services, deposits, advance payments for supplies from persons related to the Issuer and its subsidiaries	
	30-09-2020	31-12-2019
personal affiliations (Management Board Members, Supervisory Board Members)		
MS Consulting Małgorzata Szwarc-Sroka	0,00	500,00

The Issuer and its subsidiaries as a service provider (seller)

	TRANSACTION/ SUBJECT/ AGREEMENT/SUBJECT	01-01-2020 to 30-09-2020	01-01-2019 to 31-12-2019
transactions with Members of the Management Board or Supervisory Board			
MS Consulting Małgorzata Szwarc-Sroka	office rental	3 870,00	3 440,00
MS Consulting Małgorzata Szwarc-Sroka	re invoicing	243,90	0,00
MS Consulting Małgorzata Szwarc-Sroka	telephone sales	0,00	406,50
IJ Konsulting Irmína Łopuszyńska	office rental	3 870,00	5 160,00
IJ Konsulting Irmína Łopuszyńska	re invoicing	372,90	82,75
IJ Konsulting Irmína Łopuszyńska	telephone sales	0,00	406,50

In the reporting period there were no transactions of sale of residential units to Members of the Issuer's Management Board, Supervisory Board or to its subsidiaries.

Apart from the remuneration and the above sales transactions, in the reporting period the Issuer did not enter into any transactions with members of the Management Board or Supervisory Board.

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:

- Negative impact of COVID-19 on the Company's operations, primarily current sales and limiting the offer by delaying new investments.
- The return to the sales rate from before COVID-19, together with the expansion of the offer is conditioned, among others, on the following factors:
 - Commencing new investments,
 - Availability of mortgage loans on the real estate market,
 - Risks: tightening of mortgage lending conditions
 - 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,
- Adherence to construction completion schedules in the upcoming quarters, in particular: Bliska Wola stage DK and DM (residential and commercial part) in Warsaw, Nowe Tysiąclecie III in Katowice, Hanza Tower in Szczecin (Hanza Invest - subsidiary).
- Good economic situation and in particular the situation in the real estate market.
- The supply of workers in the construction industry and the possibility of obtaining contractors for construction works, which will be reflected in the start and finish dates of the investment.
- In the long term, maintaining the assumed margins will depend on the flexibility of demand for increases in housing prices, linked to the development of both construction and land purchase costs.
- Legislative restrictions, as well as changes in customer behavior in the event of a Covid-19 threat that will affect the financial results of hotels and aparthotels.

Forecasts of the Company's core business development for the following years assume the occurrence of the aforementioned factors in the future. 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

According to IFRS8 "Operating Segments", an operating segment is a component of an enterprise:

- a) which engages in business activities in connection with which it may obtain revenues and incur costs (including revenues and costs related to transactions with other components of the same entity,
- b) whose operating results are regularly reviewed by the entity's chief operating decision maker to decide on the resources to be allocated to the segment and to evaluate its performance; and
- c) for which separate financial information is available.

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 activities

The Company shows separately information on the operating segment which meets any of the following thresholds:

- a) reported segment revenues, including both sales to external customers and sales and transfers made with other segments, constitute 10 percent or more of the total external and internal revenues of all operating segments,
- b) the segment result reported in absolute value is 10 percent or more of the greater of the following absolute values:
 - the combined profit of all operating segments that did not show a loss, and
 - the combined loss of all operating segments that showed a loss,
- c) segment assets constitute 10 percent or more of the total assets of all operating segments.

Operating segments that do not meet any of the quantitative thresholds may be considered reportable and disclosed separately if management believes that information on those segments would be useful to users of financial statements.

As part of the development activity, the individual statements of companies conducting this type of activity were consolidated. Basic type of commodities and services within each industry segment:

- property development activity - execution of construction, design and auxiliary production and sale of real estate,
- social housing - sale and administration of social housing estates,
- other construction - execution of construction and assembly production,
- hotel activities - catering and hotel services related to the organization of tourist and leisure services



Condensed consolidated financial statements
for the period of 9 months ended on 30 September 2020

01-01-2020 to 30-09-2020	Real estate development	Hotels, aparthotels and restaurants	Social building	Other operations	Total
Net revenues from sales of products, goods and materials, including:	75 340 871,11	34 958 359,19	11 121 663,64	2 023 507,79	123 444 401,73
Net revenues from sales of products	73 434 681,85	34 933 350,27	11 111 329,60	2 023 507,79	121 502 869,51
Net revenues from sales of goods and materials	1 906 189,26	25 008,92	10 334,04	0,00	1 941 532,22
Costs of products, goods and materials sold, including:	61 044 985,29	34 280 569,16	7 154 516,00	1 571 489,48	104 051 559,93
Cost of products sold	59 037 290,81	34 255 560,24	7 144 181,96	1 571 489,48	102 008 522,49
Value of goods and materials sold	2 007 694,48	25 008,92	10 334,04	0,00	2 043 037,44
Gross profit (loss) from sales	14 295 885,82	677 790,03	3 967 147,64	452 018,31	19 392 841,80
Costs of sales	10 129 583,17	3 871 512,30	0,00	0,00	14 001 095,47
Overheads	14 590 991,33	2 529 849,36	1 096 486,12	0,00	18 217 326,81
Revaluation of investment property	-5 468 463,50	0,00	0,00	-408 954,47	-5 877 417,97
Profit (loss) from sales	-15 893 152,19	-5 723 571,63	2 870 661,52	43 063,84	-18 702 998,46
Other operating income	2 072 108,87	935 326,90	19 733,28	1 000,95	3 028 170,00
Other operating expenses	8 241 484,99	647 707,29	27 629,55	1 103 014,46	10 019 836,29
Profit (loss) on operations	-22 062 528,31	-5 435 952,02	2 862 765,25	-1 058 949,67	-25 694 664,75
Financial revenues	810 302,64	26 832,92	552 897,99	886,21	1 390 919,76
Financial costs	8 156 105,41	405 656,65	1 046 558,73	136 282,21	9 744 603,00
Profit / loss from inclusion/exclusion to/from consolidation					0,00
Profit (loss) on business activity	-29 408 331,08	-5 814 775,75	2 369 104,51	-1 194 345,67	-34 048 347,99
Gross profit (loss)	-29 408 331,08	-5 814 775,75	2 369 104,51	-1 194 345,67	-34 048 347,99
Income tax	0,00	0,00	0,00	0,00	0,00
Deferred tax	-9 484 947,66	394 711,64	0,00	0,00	-9 090 236,02
Net profit (loss)	-19 923 383,42	-6 209 487,39	2 369 104,51	-1 194 345,67	-24 958 111,96
Segment assets	1 365 115 019,50	258 240 981,86	178 652 960,14	16 076 798,24	1 818 085 759,75
Segment liabilities	916 037 860,53	42 105 507,69	141 657 816,54	4 997 878,73	1 104 799 063,49



Condensed consolidated financial statements
for the period of 9 months ended on 30 September 2020

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
Segment assets	1 300 002 046,97	263 816 808,99	180 058 746,60	28 383 596,94	1 772 261 199,50
Segment liabilities	841 077 602,60	41 635 156,06	146 407 803,35	5 163 044,13	1 034 283 606,14

E. ISSUER'S FINANCIAL STATEMENTS

1. Statement on the financial situation

ASSETS	Note	30-09-2020	31-12-2019 (data adjusted after error correction)	31-12-2019 (approved data)
FIXED ASSETS		759 671 214,27	826 991 439,97	837 542 837,54
Intangible assets	1	6 619 946,02	6 737 228,87	6 737 228,87
Tangible assets	2	259 107 088,81	257 509 729,94	257 509 729,94
Investment real estate	3	249 324 992,69	292 574 302,57	292 574 302,57
Other financial assets	4	238 939 956,83	264 129 378,52	274 680 776,09
Deferred income tax assets		0,00	0,00	0,00
Trade and other receivables	5	607,36	300 607,36	300 607,36
Right to use an asset		5 678 622,56	5 740 192,71	5 740 192,71
CURRENT ASSETS		781 850 667,91	610 930 036,47	610 930 036,47
Inventories	6	22 856 052,05	26 635 959,73	26 635 959,73
Construction contracts	7	608 366 991,71	459 897 828,92	459 897 828,92
Trade and other receivables	8	25 110 474,66	26 609 583,91	26 609 583,91
Other financial assets	9	38 151 546,31	14 311 551,75	14 311 551,75
Cash and cash equivalents	10	73 572 645,61	70 895 880,84	70 895 880,84
Accruals	11	10 507 814,56	8 323 168,55	8 323 168,55
Right to use an asset		3 285 143,01	4 256 062,77	4 256 062,77
Total assets		1 541 521 882,18	1 437 921 476,44	1 448 472 874,01
LIABILITIES				
EQUITY		743 680 328,61	763 024 213,14	771 570 845,17
Primary capital		17 771 888,60	17 771 888,60	17 771 888,60
Revaluation reserve		7 493 208,19	7 493 208,19	7 493 208,19
Own shares (stocks)		-17 492 694,76	-17 410 415,37	-17 410 415,37
Other capitals	13	769 971 588,48	718 683 433,05	718 683 433,05
Retained earnings		-14 802 056,76	-6 255 424,73	-6 255 424,73
Net profit / loss		-19 261 605,14	42 741 523,40	51 288 155,43
LIABILITIES		789 287 335,04	664 900 917,78	666 905 683,32
Non-current liabilities		244 467 358,34	195 695 939,08	197 700 704,62
Borrowings	12	89 634 610,94	50 368 184,35	50 368 184,35
Deferred income tax liabilities		9 566 892,52	18 943 047,25	20 947 812,79
Retirement benefits liabilities		200 416,45	200 416,45	200 416,45
Provisions for other liabilities	15	0,00	0,00	0,00
Other liabilities	14	145 065 438,43	126 184 291,03	126 184 291,03
Current liabilities		544 819 976,70	469 204 978,70	469 204 978,70
Trade and other payables	15	70 662 756,81	77 653 973,13	77 653 973,13
Construction contracts	7	364 348 597,83	243 827 716,70	243 827 716,70
Borrowings	12	36 281 742,62	33 265 382,79	33 265 382,79
Provisions for other liabilities and other charges	15	29 160 357,63	29 393 343,35	29 393 343,35
Other liabilities	16	44 366 521,81	85 064 562,73	85 064 562,73
FUTURE LONG-TERM DISCOUNTED LEASE PAYMENTS		7 068 189,14	8 450 235,57	8 450 235,57
FUTURE SHORT-TERM DISCOUNTED LEASE PAYMENTS		1 486 029,38	1 546 109,95	1 546 109,95
Total liabilities and equity		1 541 521 882,18	1 437 921 476,44	1 448 472 874,01

2. Statement on the comprehensive income

	Note	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
Net revenues from sales of products, goods and materials, including:	17	106 590 120,75	382 201 032,59	48 895 202,75	223 576 146,51
Net revenues from sales of products		104 143 355,33	373 946 606,09	48 473 340,73	217 675 653,26
Net revenues from sales of goods and materials		2 446 765,42	8 254 426,50	421 862,02	5 900 493,25
Costs of products, goods and materials sold, including:	18	86 647 621,06	283 361 042,10	41 679 109,99	160 464 991,26
Cost of products sold		84 202 855,32	275 117 392,18	41 259 367,65	154 564 498,01
Value of goods and materials sold		2 444 765,74	8 243 649,92	419 742,34	5 900 493,25
Gross profit (loss) from sales		19 942 499,69	98 839 990,49	7 216 092,76	63 111 155,25
Costs of sales		12 909 495,02	21 954 793,47	4 427 902,18	11 462 677,21
Overheads		15 970 873,39	20 556 144,40	5 487 155,99	6 411 228,79
Revaluation of investment property		-5 877 417,97	-728 687,42	-2 578 592,46	95 313,52
Profit (loss) from sales		-14 815 286,69	55 600 365,20	-5 277 557,87	45 332 562,77
Other operating income	19	1 837 682,35	2 278 408,06	413 203,73	1 479 077,19
Other operating expenses	20	12 837 483,57	4 987 760,34	3 024 317,07	2 388 916,62
Profit (loss) on operations		-25 815 087,91	52 891 012,92	-7 888 671,21	44 422 723,34
Financial revenues	21	6 156 809,24	5 597 741,94	787 629,70	3 184 882,01
Financial costs	22	8 979 481,19	8 302 796,39	2 911 853,43	1 881 442,64
Profit (loss) on business activity		-28 637 759,86	50 185 958,47	-10 012 894,94	45 726 162,71
Gross profit (loss)		-28 637 759,86	50 185 958,47	-10 012 894,94	45 726 162,71
Income tax		-9 376 154,72	8 612 286,42	-472 510,06	7 959 461,08
Net profit (loss)		-19 261 605,14	41 573 672,05	-9 540 384,88	37 766 701,63

Other comprehensive income:		0,00	0,00	0,00	0,00
Foreign exchange rate operation differences		0,00	0,00	0	0
Profit/loss from acquisitions		0,00	0	0	0
Profit from revaluation of tangible fixed assets		0,00	0	0	0
Other comprehensive income		0,00	0	0	0
Total revenue		-19 261 605,14	41 573 672,05	-9 540 384,88	37 766 701,63

The lower net result in the third quarter of 2020 compared to the third quarter of the previous year and to 2019 stems from the economic downturn caused by the COVID-19 pandemic, which was reflected in a small number of transfers of premises due to cyclicity of development projects and temporary suspension of hotel operations as well as creating revaluation write-offs for financial assets and inventories, as described in detail in the notes to the interim condensed unconsolidated financial statements.

CALCULATION OF BASIC AND DILUTED EARNINGS PER SHARE		from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
Profits					
(A) Profit resulting from the financial statements		-19 261 605,14	41 573 672,05	-9 540 384,88	37 766 701,63
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*		82 873 083	88 859 443	82 873 083	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		82 873 083	88 859 443	82 873 083	88 859 443
Basic earnings per share = (A)/(B)		-0,23	0,47	-0,12	0,43
Diluted earnings per share = (A)/(B)		-0,23	0,47	-0,12	0,43



Condensed consolidated financial statements
for the period of 9 months ended on 30 September 2020

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 2019	17 771 888,60	-17 410 415,37	7 493 208,19	662 951 845,86	55 731 587,19	-6 255 424,73	51 288 155,43	771 570 845,17
Basic error corrections	0,00	0,00	0,00	0,00	0,00	0,00	-8 546 632,03	-8 546 632,03
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 2020	17 771 888,60	-17 410 415,37	7 493 208,19	662 951 845,86	55 731 587,19	-6 255 424,73	42 741 523,40	763 024 213,14
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	0,00
Purchase of own shares	0,00	-82 279,39	0,00	0,00	0,00	0,00	0,00	-82 279,39
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
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	-82 279,39	0,00	0,00	0,00	0,00	0,00	-82 279,39
Net profit (loss) for the accounting year	0,00	0,00	0,00		0,00		-19 261 605,14	-19 261 605,14
Total profit / (loss) recognized in equity and the net result	0,00	-82 279,39	0,00	0,00	0,00	0,00	-19 261 605,14	-19 343 884,53
Increase / decrease from profit distribution	0,00	0,00	0,00	51 288 155,43	0,00	-8 546 632,03	-42 741 523,40	0,00
As at 30 September 2020	17 771 888,60	-17 492 694,76	7 493 208,19	714 240 001,29	55 731 587,19	-14 802 056,76	-19 261 605,14	743 680 328,61



Condensed consolidated financial statements
for the period of 9 months ended on 30 September 2020

	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	0,00	0,00	0,00
Purchase of own shares	0,00	-17 410 415,37	0,00	-50 000 000,00	50 000 000,00	0,00	0,00	-17 410 415,37
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
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	-17 410 415,37	0,00	-66 264 650,00	50 000 000,00	0,00	0,00	-33 675 065,37
Net profit (loss) for the accounting year	0,00	0,00	0,00	0,00	0,00	0,00	51 288 155,43	51 288 155,43
Total profit / (loss) recognized in equity and the net result	0,00	-17 410 415,37	0,00	-66 264 650,00	50 000 000,00	0,00	51 288 155,43	17 613 090,06
Increase / decrease from profit distribution	0,00	0,00	0,00	22 529 464,75	0,00	0,00	-22 529 464,75	0,00
As at 31 December 2019	17 771 888,60	-17 410 415,37	7 493 208,19	662 951 845,86	55 731 587,19	-6 255 424,73	51 288 155,43	771 570 845,17



Condensed consolidated financial statements
for the period of 9 months ended on 30 September 2020

	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

4. Statement on cash flow

	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019
Cash flows from operating activities - indirect method		
Net profit (loss)	-19 261 605,14	41 573 672,05
Item adjustment	11 962 864,53	24 324 130,19
Depreciation and amortization	7 721 678,27	6 971 050,02
(Profit) loss on foreign exchange differences concerning financial and business activity	-2 905 778,43	-1 957 099,83
Profit (loss) on investment activities	114 688,12	-1 798 970,20
Interest and dividends	6 273 531,33	3 756 996,45
Changes in provisions and accruals	-4 251 412,04	16 923 878,35
Other item adjustments:	5 010 157,28	428 275,40
- investment property write-off	5 877 417,95	728 687,42
- other adjustments	-867 260,67	-300 412,02
Changes in working capital	6 061 402,35	735 882,59
Changes in inventories	3 779 907,68	1 462 319,56
Changes in construction contracts	17 965 385,68	4 938 531,58
Changes in receivables	2 236 359,23	1 213 892,26
Changes in current liabilities, except for borrowings	-17 920 250,24	-6 878 860,81
Operating cash flows	-1 237 338,25	66 633 684,84
Investment activity cash flows		
Disposal of tangible and intangible assets and other noncurrent assets	88 623,88	10 971 300,76
Acquisition of tangible and intangible assets and other noncurrent assets	-11 647 979,40	-47 373 183,22
Disposal of equity and debt instruments	2 000 000,00	0,00
Loans granted	-1 593 332,75	-19 171 749,79
Loans paid	4 888 888,78	8 738 888,85
Other financial assets acquisition	-4 800 000,00	-1 043 000,00
Other disposals of financial assets	1 000 000,00	0,00
Interest received	125 096,94	239 191,67
Acquisition of subsidiaries	-127 455,00	-45 000,00
Net investment activity cash flow	-10 066 157,55	-47 683 551,73
Cash flows from financing activities		
Loans and borrowings granted	76 113 944,86	76 584 436,66
Loans and borrowing paid	-33 831 158,44	-31 600 203,37
Issuance of security papers	0,00	0,00
Redemption of debt securities	-11 900 000,00	-28 000 000,00
Payments under financial lease agreements	-2 617 817,25	-1 173 641,01
Dividends and other shares in profits	0,00	0,00
Interest paid	-13 233 180,21	-10 279 553,30
Purchase of own shares	-82 279,39	-4 068 524,70
Other financial expenses (including promissory notes)	-469 249,00	0,00
Net financing cash flow	13 980 260,57	1 462 514,28
NET DECREASE / (INCREASE) IN CASH	2 676 764,77	20 412 647,39
Opening balance of cash and cash equivalents	70 895 880,84	84 207 681,80
- change in cash due to exchange rate differences		
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	73 572 645,61	104 620 329,20

F. NOTES TO THE ISSUER'S FINANCIAL STATEMENTS

1. REVISION OF PREVIOUSLY PUBLISHED STATEMENTS

The Company corrected an error in the report published on 27 August 2020. The correction of the error concerns an additional impairment charge for shares in subsidiaries in the amount of PLN 6,950,316.49 and an allowance for loans granted to subsidiaries in the amount of PLN 3,601,081.08. These write-offs were included in the financial statements as at 30 June 2020 and should be included in the statements as at 31 December 2019.

Corrections affecting the result due to the above-mentioned error were included and presented in the revised interim financial statements as at 30 June 2020.

The table below presents the impact of the adjustments on the unconsolidated financial statements as at 31.12.2019.

Item from the statement of financial position/total income	31.12.2019 (comparative data after error correction)	Amount of the adjustment	31.12.2019 (published and approved data)
Other financial assets, including:	278 440 930,27	-10 551 397,57	288 992 327,84
- shares in subsidiaries	171 585 807,20	-6 950 316,49	178 536 123,69
- loans granted to subsidiaries	95 034 319,14	-3 601 081,08	98 635 400,22
Provision for deferred tax	18 943 047,25	-2 004 765,54	20 947 812,79
Net result	42 741 523,40	-8 546 632,03	51 288 155,43

2. FIXED ASSETS

Note 1. Intangible assets

INTANGIBLE ASSETS	30-09-2020	31-12-2019 (approved data)
a) research and development expenses	0,00	0,00
b) goodwill	5 996 590,90	5 996 590,90
c) other intangible assets	623 355,12	740 637,97
d) advances on intangible assets	0,00	0,00
Total intangible assets	6 619 946,02	6 737 228,87

Note 2. Tangible assets

TANGIBLE ASSETS	30-09-2020	31-12-2019 (approved data)
a) fixed assets, including:	249 480 428,30	250 179 096,24
- land (including perpetual usufruct)	16 010 558,39	16 000 958,39
- buildings, premises and civil engineering structures	204 473 577,57	206 877 862,93
- technical equipment and machinery	20 750 829,26	17 817 883,05
- motor vehicles	4 162 198,38	4 079 169,53
- other fixed assets	4 083 264,70	5 403 222,34
b) fixed assets under construction	9 626 660,51	7 330 633,70
c) advances on fixed assets under construction	0,00	0,00
Total tangible assets	259 107 088,81	257 509 729,94

Note 3. Investment real estate

Other long-term investments	30-09-2020	31-12-2019 (approved data)
a) investment real estate	249 324 992,69	292 574 302,57
b) other	0,00	0,00
Value of other long-term investments	249 324 992,69	292 574 302,57

Note 4. Other financial assets

LONG-TERM FINANCIAL ASSETS	30-09-2020	31-12-2019 (data adjusted after error correction)	31-12-2019 (approved data)
a) shares	195 429 133,18	195 504 990,18	195 504 990,18
b) loans granted	73 043 709,29	96 982 183,37	96 982 183,37
c) other long-term investments	6 152 517,75	3 230 373,29	3 230 373,29
Gross value of non-current financial assets	274 625 360,22	295 717 546,84	295 717 546,84
WRITE-OFFS			
As at the beginning of period	31 588 168,32	0,00	0,00
a) shares	23 710 632,98	0,00	0,00
b) loans granted	7 877 535,34	0,00	0,00
c) other long-term investments	0,00	0,00	0,00
Increase/decrease in the write-off:	4 097 235,07	31 588 168,32	21 036 770,75
a) shares	- 457 623,60	23 710 632,98	16 760 316,49
b) loans granted	4 554 858,67	7 877 535,34	4 276 454,26
c) other long-term investments	0,00	0,00	0,00
Total write-offs	35 685 403,39	31 588 168,32	21 036 770,75
LONG-TERM FINANCIAL ASSETS			
a) shares	172 176 123,80	171 794 357,20	178 744 673,69
b) loans granted	60 611 315,28	89 104 648,03	92 705 729,11
c) other long-term investments	6 152 517,75	3 230 373,29	3 230 373,29
Net value of non-current financial assets	238 939 956,83	264 129 378,52	274 680 776,09

LONG-TERM FINANCIAL ASSETS	30-09-2020	31-12-2019 (data adjusted after error correction)	31-12-2019 (approved data)
a) in subsidiaries	235 179 801,14	255 271 061,26	265 822 458,83
- shares	171 967 573,80	171 585 807,20	178 536 123,69
- other security papers	3 073 134,43	441 717,18	441 717,18
- loans granted	60 139 092,91	83 243 536,88	86 844 617,96
- other long-term financial assets	0,00	0,00	0,00
b) in other units	3 760 155,69	8 858 317,26	8 858 317,26
- shares	208 550,00	208 550,00	208 550,00
- other security papers	3 079 383,32	2 788 656,11	2 788 656,11
- loans granted	472 222,37	5 861 111,15	5 861 111,15
- other long-term financial assets	0,00	0,00	0,00
Total long-term financial assets	238 939 956,83	264 129 378,52	274 680 776,09

Note 5. Non-current receivables

NON-CURRENT RECEIVABLES	30-09-2020	31-12-2019 (approved data)
a) deposit receivables	0,00	0,00
b) deposit receivables (leasing)	0,00	0,00
b) other receivables	607,36	300 607,36
Total receivables	607,36	300 607,36

3. CURRENT ASSETS

Note 6. Inventories

INVENTORIES	30-09-2020	31-12-2019 (approved data)
a) materials	953 126,59	1 243 545,17
b) semi-finished products and work in progress	0,00	0,00
c) finished products	0,00	0,00
d) goods	25 252 737,46	25 295 102,08
e) trade advances	227 550,40	414 324,35
Total gross inventories	26 433 414,45	26 952 971,60
WRITE-OFFS		
As at the beginning of period	317 011,87	317 011,87
d) goods	317 011,87	317 011,87
Increase in the write-off	3 260 350,53	0,00
d) goods	3 260 350,53	0,00
Total wright-offs	3 577 362,40	317 011,87
INVENTORIES		
a) materials	953 126,59	1 243 545,17
b) semi-finished products and work in progress	0,00	0,00
c) finished products	0,00	0,00
d) goods	21 675 375,06	24 978 090,21
e) trade advances	227 550,40	414 324,35
Total net inventories	22 856 052,05	26 635 959,73

A write-off for the value of the network was made in the amount of PLN 3 260 350.53. The Company received payments for the transfer of the network to the water and sewage companies as part of the return of part of the expenses incurred for their construction. The written off expenses were incurred for the elements which the water and sewage companies are not interested in taking over as of today.

Note 7. Construction contracts

CONSTRUCTION CONTRACTS	30-09-2020	31-12-2019 (approved data)
a) semi-finished products and work in progress	542 504 584,30	417 459 702,46
b) finished products	55 295 051,03	31 072 979,35
c) advances for supplies	10 567 356,38	11 365 147,11
d) short-term prepayments and accruals	0,00	0,00
Total construction contracts	608 366 991,71	459 897 828,92

CONSTRUCTION CONTRACTS	30-09-2020	31-12-2019 (approved data)
a) accruals	364 348 597,83	243 827 716,70
Total construction contracts	364 348 597,83	243 827 716,70

Accruals	30-09-2020	31-12-2019 (approved data)
- advances on premises	361 672 520,84	241 678 688,68
- provision for works	2 244 630,20	1 794 366,81
- other	431 446,79	354 661,21
Total accruals	364 348 597,83	243 827 716,70

Note 8. Trade and other receivables

CURRENT RECEIVABLES	30-09-2020	31-12-2019 (approved data)
a) trade receivables - related parties	5 106 544,66	8 734 500,45
b) trade receivables - other parties	10 349 833,88	11 378 240,47
c) taxes, subsidies, customs duties, social and health insurance and other payments	7 403 963,16	4 354 922,93
d) other	2 250 132,96	2 141 920,06
Total receivables	25 110 474,66	26 609 583,91

Note 9. Other financial assets

SHORT-TERM INVESTMENTS	30-09-2020	31-12-2019 (approved data)
a) shares	0,00	0,00
b) loans granted	36 679 134,62	11 859 873,50
c) other security papers	1 472 411,69	2 451 678,25
d) other short-term investments	0,00	0,00
Total long-term financial assets	38 151 546,31	14 311 551,75

SHORT-TERM INVESTMENTS	30-09-2020	31-12-2019 (approved data)
a) in subsidiaries	32 047 293,36	11 790 782,26
- shares	0,00	0,00
- other security papers	0,00	0,00
- loans granted	32 047 293,36	11 790 782,26
- other current financial assets	0,00	0,00
b) in other units	6 104 252,95	2 520 769,49
- shares	0,00	0,00
- other security papers	1 472 411,69	2 451 678,25
- loans granted	4 631 841,26	69 091,24
- other current financial assets	0,00	0,00
Total short-term investments	38 151 546,31	14 311 551,75

Note 10. Cash and cash equivalents

CASH AND CASH EQUIVALENTS	30-09-2020	31-12-2019 (approved data)
a) cash on hand and with bank	72 464 745,95	63 324 747,87
b) other cash	1 071 262,88	7 549 681,72
c) other cash assets	36 636,78	21 451,25
Total cash	73 572 645,61	70 895 880,84

CASH IN ESCROW ACCOUNTS	30-09-2020	31-12-2019 (approved data)
cash in escrow accounts	16 438 920,41	19 862 177,25
JW. Construction Holding SA	16 438 920,41	19 862 177,25

Note 11. Accruals

ACCRUALS	30-09-2020	31-12-2019 (approved data)
a) short-term accruals	10 507 814,56	8 323 168,55
Total accruals	10 507 814,56	8 323 168,55

Accruals	30-09-2020	31-12-2019 (approved data)
- property insurance	377 596,85	521 932,79
- interest	651 720,01	1 448 520,01
- commission expenses	6 586 337,10	5 520 206,96
- property tax, perpetual usufruct, road tax	1 042 031,74	0,00
- other	1 850 128,86	832 508,79
Total accruals	10 507 814,56	8 323 168,55

4. LIABILITIES

Note 12. Borrowings

BORROWINGS	30-09-2020	31-12-2019 (approved data)
a) credits	125 540 487,70	83 257 701,28
of which: long-term	89 634 610,94	50 368 184,35
short-term	35 905 876,76	32 889 516,93
b) loans	375 865,86	375 865,86
of which: long-term	0,00	0,00
short-term	375 865,86	375 865,86
Total borrowings	125 916 353,56	83 633 567,14
Borrowings - long-term	89 634 610,94	50 368 184,35
Borrowings - short-term	36 281 742,62	33 265 382,79

CREDITS PER MATURITY	30-09-2020	31-12-2019 (approved data)
Up to 1 year	35 905 876,76	32 889 516,93
Between 1 and 2 years	81 921 530,06	35 332 890,23
Between 2 and 5 years	7 713 080,88	15 035 294,12
Over 5 years	0,00	0,00
Total credits, including	125 540 487,70	83 257 701,28
- long-term	89 634 610,94	50 368 184,35
- short-term	35 905 876,76	32 889 516,93

LOANS PER MATURITY	30-09-2020	31-12-2019 (approved data)
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	30-09-2020	31-12-2019 (approved data)
a) reserve capital	714 240 001,29	662 951 845,86
b) other reserve capitals	55 731 587,19	55 731 587,19
- including capital for the purchase of own shares	50 000 000,00	50 000 000,00
Total other capitals	769 971 588,48	718 683 433,05

Note 14. Other long-term liabilities

OTHER LONG-TERM LIABILITIES	30-09-2020	31-12-2019 (approved data)
a) lease obligations	34 254 824,93	34 356 763,85
b) deposit liabilities	27 910 613,50	39 476 612,00
c) liabilities from securities	82 900 000,00	51 500 000,00
d) other long-term liabilities	0,00	0,00
e) promissory notes liabilities- related companies	0,00	850 915,18
f) promissory notes liabilities- unrelated companies	0,00	0,00
g) loans received- affiliates	0,00	0,00
Total other liabilities	145 065 438,43	126 184 291,03

Note 15. Trade and other payables

TRADE AND OTHER PAYABLES	30-09-2020	31-12-2019 (approved data)
a) trade payables - other parties	18 427 766,96	24 090 951,40
b) trade payables - affiliated parties	3 160 500,94	5 389 477,71
c) axes, customs duties, insurance and other payments	9 445 480,45	6 311 823,77
d) salaries	1 953 656,43	2 844 372,77
e) trade advances received	0,00	0,00
f) loans received- affiliates	23 674 658,31	23 306 897,93
g) promissory notes – affiliated parties	6 684 605,55	7 689 330,51
h) other	7 316 088,17	8 021 119,04
Total trade and other payables	70 662 756,81	77 653 973,13

PROVISIONS FOR OTHER LIABILITIES AND CHARGES	30-09-2020	31-12-2019 (approved data)
a) short-term, of which:	29 160 357,63	29 393 343,35
- accrued expenses, including:	8 564 515,93	10 847 948,58
- <i>interest charged</i>	1 235 253,59	1 269 566,63
- <i>rent deposits</i>	480 433,64	480 433,64
- <i>advance payments - hotels</i>	1 910 130,41	3 970 079,84
- <i>other</i>	4 938 698,29	5 127 868,47
- other provisions, including:	20 595 841,70	18 545 394,77
- <i>provision for future liabilities</i>	0,00	0,00
- <i>provisions for guaranteed repairs</i>	0,00	0,00
- <i>other provisions</i>	20 595 841,70	18 545 394,77
a) long-term, of which:	0,00	0,00
- accrued expenses, including:	0,00	0,00
Total provisions for other liabilities and charges	29 160 357,63	29 393 343,35

Note 16. Other liabilities

OTHER LIABILITIES	30-09-2020	31-12-2019 (approved data)
a) debt securities issue liabilities	37 258 627,27	81 313 702,24
b) promissory note liabilities - other	0,00	0,00
c) leasing liabilities	7 107 894,54	3 750 860,49
d) other financial liabilities	0,00	0,00
Total other liabilities	44 366 521,81	85 064 562,73

5. OPERATING INCOME AND EXPENSES

Note 17. Operating income

	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
Revenues from sales of products	62 853 466,99	317 028 307,54	32 685 105,14	198 226 513,50
Revenues from sales of services	41 289 888,34	56 918 298,55	15 788 235,59	19 449 139,76
Revenues from sales of goods	2 446 765,42	8 254 426,50	421 862,02	5 900 493,25
Total income	106 590 120,75	382 201 032,59	48 895 202,75	223 576 146,51

	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
Proceeds from sales, including:	106 590 120,75	382 201 032,59	48 895 202,75	223 576 146,51
-sales of products – properties, plots, buildings	62 853 466,99	317 028 307,54	32 685 105,14	198 226 513,50
-from sales of services	41 289 888,34	56 918 298,55	15 788 235,59	19 449 139,76
-from sales of goods	2 446 765,42	8 254 426,50	421 862,02	5 900 493,25

	01-01-2020 to 30-09-2020	01-01-2019 to 30-09-2019	01-07-2020 to 30-09-2020	01-07-2019 to 30-09-2019
Revenues from sales of products and services by segment	104 143 355,33	373 946 606,09	48 473 340,73	217 675 653,26
-real estate development	71 817 527,14	327 082 865,83	34 978 831,72	201 101 900,05
-hotel, restaurant and catering activities	27 270 473,63	42 155 694,49	11 835 493,31	14 978 109,92
-real estate management	5 055 354,56	4 708 045,77	1 659 015,70	1 595 643,29

	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
Revenues from sales of products – premises, plots, buildings by geographical segment	62 853 466,99	317 028 307,54	32 685 105,14	198 226 513,50
-Warsaw and the surrounding area	61 438 542,13	281 912 469,11	31 590 883,04	197 085 826,61
-Gdynia	0,00	24 845 242,74	0,00	1 068 511,46
- Łódź	150 680,02	12 292,44	0,00	1 425,00
- Katowice	103 469,91	584 495,19	17 187,00	64 959,37
- Poznań	2 439,02	5 691,06	0,00	5 691,06
- parcels and networks	1 158 335,91	9 668 117,00	1 077 035,10	100,00

	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
Revenues from sales of hotel and catering services per geographic segments	27 270 473,63	42 155 694,49	11 835 493,31	14 978 109,92
-Warsaw and the surrounding area	3 198 925,58	7 272 621,84	1 617 529,72	2 641 297,92
- Tarnowo	1 852 417,35	3 240 900,86	768 853,17	-233 301,37
- Stryków	1 300 831,19	5 034 655,53	559 492,83	2 707 508,16
- Krynica Górská	20 918 299,51	26 607 516,26	8 889 617,59	9 862 605,21

Note 18. Operating expenses

OPERATING EXPENSES	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
Costs of sales of products	51 219 894,96	234 243 455,33	29 821 115,89	141 024 520,92
Costs of sales of services	32 982 960,36	40 873 936,85	11 438 251,76	13 539 977,09
Costs of sales of goods	2 444 765,74	8 243 649,92	419 742,34	5 900 493,25
Total costs of products, services and goods sold	86 647 621,06	283 361 042,10	41 679 109,99	160 464 991,26

Sales and overhead expenses	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
Costs of sales	12 909 495,02	21 954 793,47	4 427 902,18	11 462 677,21
Overheads	15 970 873,39	20 556 144,40	5 487 155,99	6 411 228,79
Total sales and overheads expenses	28 880 368,41	42 510 937,87	9 915 058,17	17 873 906,00

Expenses per type	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
Depreciation and amortization	7 721 678,30	6 971 049,68	2 609 529,29	2 199 919,98
Depreciation of the right to use the asset	61 570,15	61 570,30	20 522,72	24 277,96
Materials and energy cost	15 832 463,69	44 889 708,85	4 353 486,39	9 080 156,24
Third party services	155 978 914,61	134 596 694,99	51 104 009,06	50 134 758,46
Taxes and charges	7 453 795,13	6 808 647,68	2 584 161,15	2 307 674,93
Remunerations	22 979 928,91	26 053 073,20	8 161 436,11	8 984 116,99
Social security and other payments	4 385 432,99	4 831 852,00	1 473 023,89	1 589 268,16
Other expenses per type	7 931 267,79	8 116 121,18	2 392 950,63	2 685 759,76
Total expenses per type	222 345 051,57	232 328 717,88	72 699 119,24	77 005 932,48

Note 19. Other operating income

OPERATING INCOME	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
a) profit on sale of non-financial fixed assets	88 623,88	1 351 950,08	138,21	1 289 709,04
b) subsidies	629 070,77	0,00	202 876,54	0,00
b) other operating income	1 119 987,70	926 457,98	210 188,98	189 368,15
Total operating income	1 837 682,35	2 278 408,06	413 203,73	1 479 077,19

OPERATING INCOME	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
a) profit on sale of non-financial fixed assets	88 623,88	1 351 950,08	138,21	1 289 709,04
b) subsidies	629 070,77	0,00	202 876,54	0,00
c) handling fees, penalties	657 184,80	300 352,55	269 934,34	129 576,15
d) reserves, write-offs	0,00	24 914,26	-648,68	0,00
e) asset disclosure	0,00	0,00	0,00	0,00
f) other	462 802,90	601 191,17	-59 096,68	59 792,00
Total operating income	1 837 682,35	2 278 408,06	413 203,73	1 479 077,19

Note 20. Other operating expenses

OPERATING EXPENSES	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
a) loss on sale of non-financial fixed assets	0,00	0,00	0,00	0,00
b) revaluation of non-financial assets	7 815 209,20	0,00	696 925,00	0,00
c) other operating expenses	5 022 274,37	4 987 760,34	2 327 392,07	2 388 916,62
Total operating income	12 837 483,57	4 987 760,34	3 024 317,07	2 388 916,62

OPERATING EXPENSES	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
a) loss on sale of non-financial fixed assets	0,00	0,00	0,00	0,00
b) revaluation of non-financial assets	7 815 209,20	0,00	696 925,00	0,00
c) reserves	2 050 446,93	2 385 085,89	683 482,31	1 018 121,27
d) compensations, penalties, damages	602 941,59	547 433,21	124 540,69	75 099,82
e) compensations for breach of contracts	0,00	0,00	0,00	0,00
f) costs of court proceedings	127 178,78	240 691,40	18 404,19	11 623,30
g) costs of discontinued investments	0,00	0,00	0,00	0,00
h) other	2 241 707,07	1 814 549,84	1 500 964,88	1 284 072,23
Total operating income	12 837 483,57	4 987 760,34	3 024 317,07	2 388 916,62

The amount of revaluation of assets includes a write-down on loans in subsidiaries in the amount of PLN 4 554 858.67 and on goods in the amount of PLN 3 260 350.53.

Note 21. Other operating income

FINANCIAL REVENUES	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
a) dividends	0,00	0,00	0,00	0,00
b) interest	2 180 682,29	3 080 934,51	623 395,67	1 061 392,66
c) investment revaluation	457 623,60	0,00	0,00	0,00
d) loss on disposal of investment	0,00	0,00	0,00	0,00
e) other	3 518 503,35	2 516 807,43	164 234,03	2 123 489,35
Total financial revenues	6 156 809,24	5 597 741,94	787 629,70	3 184 882,01

Financial revenues	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
a) dividends	0,00	0,00	0,00	0,00
b) interest from customers	81 756,31	209 946,20	34 015,65	131 361,71
c) loan interest	1 713 451,56	2 239 096,23	472 133,50	746 081,35
d) deposit interest	100 608,05	373 057,40	19 614,63	94 676,66
e) promissory notes interest	133 078,45	99 905,50	51 030,72	38 677,44
f) other interest	151 787,92	158 929,18	46 601,17	50 595,50
g) foreign exchange rate differences	2 909 633,18	1 922 397,37	-34 320,26	1 922 397,37
h) investment revaluation	457 623,60	0,00	0,00	0,00
i) profit on disposal of investment	0,00	0,00	0,00	0,00
j) other	608 870,17	594 410,06	198 554,29	201 091,98
Total	6 156 809,24	5 597 741,94	787 629,70	3 184 882,01

Not3 22. Other financial costs

FINANCIAL EXPENSES	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
a) interest	8 718 945,29	8 240 249,53	2 892 778,80	2 489 990,20
b) investment revaluation	0,00	0,00	0,00	0,00
c) loss on disposal of investment	0,00	0,00	0,00	0,00
d) other	260 535,90	62 546,86	19 074,63	-608 547,56
Total financial expenses	8 979 481,19	8 302 796,39	2 911 853,43	1 881 442,64

FINANCIAL EXPENSES	from 01-01-2020 to 30-09-2020	from 01-01-2019 to 30-09-2019	from 01-07-2020 to 30-09-2020	from 01-07-2019 to 30-09-2019
a) interest, commissions, loans	4 336 029,40	2 312 192,52	1 547 506,77	829 197,62
b) interest-leases	1 209 064,49	56 965,92	515 052,93	23 695,06
c) interest - loans	382 097,78	521 730,00	95 303,70	173 910,00
d) interest - promissory notes	137 574,16	320 527,08	33 998,85	106 842,36
e) interest - bond issuance	2 155 890,99	2 590 259,87	643 712,07	878 811,32
f) other interest	498 288,47	2 438 574,14	57 204,48	477 533,84
g) foreign exchange rate differences	0,00	0,00	0,00	0,00
h) loss on disposal of investment	0,00	0,00	0,00	0,00
i) other	260 535,90	62 546,86	19 074,63	-608 547,56
Total financial expenses	8 979 481,19	8 302 796,39	2 911 853,43	1 881 442,64

Signature of the person drawing up the Financial Statements

Małgorzata Pisarek Chief Accountant	Signature
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Signatures of Members of the Management Board

Wojciech Rajchert Management Board Member	Signature
Piotr Suprynowicz Management Board Member	Signature
Małgorzata Pisarek Management Board Member	Signature

Ząbki, 19 November 2020