



Årsregnskap for regnskapsåret 2020

Organisasjonsnr: 994 859 242
Navn/foretaksnavn: UNIHOUSE ODDZIAL UNIBEP W
BIELSKU-PODLASKIM
Forretningsadresse: ul. 3 maja 19
17-100 Bielsk -Podlaski

Brønnøysundregistrene
13.09.2022

Brønnøysundregistrene

Postadresse: 8910 Brønnøysund

Telefoner: Opplysningstelefonen 75 00 75 00 Telefaks 75 00 75 05

E-post: firmapost@brreg.no Internett: www.brreg.no

Organisasjonsnummer: 974 760 673



2021 100433



Brønnøysundregistrene - Regnskapsregisteret

+

VEDLEGG TIL ÅRSREGNSKAP 2020

+

UNIHOUSE ODDZIAL UNIBEP W BIELSKU-PODLASKIM c/o Polish Connection Hovfaret 8 0275 OSLO	Organisasjonsnr. 994 859 242	NUF
--	-------------------------------------	-----



Registrerte opplysninger per 14.12.2021		Eventuelle endringer dette regnskapsåret	
Startdato 01.01.2020	Avslutningsdato 31.12.2020	Startdato	Avslutningsdato
Konsernforhold Foreninger som følger regler for frivillig virksomhet, kan ikke være morselskap	Morselskap NEI	Endret konsernforhold <input type="checkbox"/> Morselskap <input type="checkbox"/> Ikke morselskap	

Kun for aksjeselskap som har meldt fravalg av revisjon

Selskapet har besluttet at årsregnskapet ikke skal revideres Ja

Årsregnskapet er utarbeidet av ekstern autorisert regnskapsfører Ja

Ekstern autorisert regnskapsfører har i løpet av regnskapsåret bistått ved den løpende regnskapsføringen eller utført andre tjenester for selskapet enn å utarbeide årsregnskapet Ja

Årsregnskapet er satt opp etter reglene for frivillig virksomhet Avkrysning er kun aktuelt for foreninger (FLI) som er registrert i Frivillighetsregisteret

Hvis enheten ikke følger norsk regnskapslov eller frivillighetsregisterloven, kryss av IFRS selskap IFRS konsern

Hvis enheten velger å avvike fra regnskapsloven § 6-1, kryss av Funksjon selskap Funksjon konsern

Følges regnskapsreglene for små foretak? Ja Nei

Jeg bekrefter at vedlagte årsregnskap er fastsatt av kompetent organ den _____ Dato

Sted/dato, Underskrift av representant for enheten

*du
Emot*

Bare til bruk for Regnskapsregisteret

af/shen

Ut/1a

G NYVE Admr Kregn Ja Nei Aktiv. regn

M Rets Ant.s **208**

ov.b årsb res bal e.bal gj.bal rev i-rev k-res k-bal k-n k-rev i-k-rev n

k-regn kto d.k ik-fv konsf ifrs fr-rev funk u.off brev

BR-1001-11

+

+



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Journalnummer: 2021 902181

Enheten
Organisasjonsnummer: 994 859 242
Organisasjonsform: Norskreg. utenlandsk foretak
Foretaksnavn: UNIHOUSE ODDZIAL UNIBEP W
BIELSKU-PODLASKIM
Forretningsadresse: ul. 3 maja 19
17-100 Bielsk -Podlaski

Regnskapsår
Årsregnskapets periode: 01.01.2020 - 31.12.2020

Konsern
Morselskap i konsern: Nei

Regnskapsregler
Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av
årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ
Bekreftet av representant for selskapet: LESZEK MAREK GOLABIECKI
Dato for fastsettelse av årsregnskapet: 02.12.2021

Grunnlag for avgivelse

År 2020: Årsregnskap er elektronisk innlevert.
År 2019: Tall er hentet fra elektronisk innlevert årsregnskap fra 2020.

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 14.12.2021

Brønnøysundregistrene
Postadresse: Postboks 900, 8910 Brønnøysund
Telefon: 75 00 75 00
E-post: firmapost@brreg.no Internett: www.brreg.no
Organisasjonsnummer: 974 760 673



Organisasjonsnr: 994 859 242
UNIHOUSE ODDZIAL UNIBEP W
BIELSKU-PODLASKIM

RESULTATREGNSKAP

Beløp i: NOK	Note	2020	2019
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		2 912 335 145	3 202 613 766
Sum inntekter		2 912 335 145	3 202 613 766
Kostnader			
Varekostnad		659 017 950	807 793 732
Lønnskostnad		235 106 115	227 929 301
Avskrivning på varige driftsmidler og immaterielle eiendeler		27 573 858	21 968 397
Annen driftskostnad	1	906 725 323	2 057 627 770
Sum kostnader	2	828 423 246	3 115 319 200
Driftsresultat		83 911 899	87 294 566
Finansinntekter og finanskostnader			
Annen renteinntekt		11 339 014	9 306 040
Annen finansinntekt	1	16 298 988	1 675 937
Sum finansinntekter		27 638 002	10 981 977
Annen rentekostnad		23 275 508	20 752 952
Annen finanskostnad		34 787 684	3 502 985
Sum finanskostnader		58 063 192	24 255 937
Netto finans		-30 425 190	-13 273 960
Ordinært resultat før skattekostnad			
Skattekostnad på ordinært resultat		14 996 202	14 160 183
Ordinært resultat etter skattekostnad		38 490 507	59 860 423
Ekstraordinære poster			
Årsresultat		38 490 507	-21 420 356
Årsresultat etter minoritetsinteresser		38 490 507	38 440 067
Overføringer og disponeringer			
Overføringer annen egenkapital		38 490 507	38 440 067
Sum overføringer og disponeringer		38 490 507	38 440 067



Organisasjonsnr: 994 859 242
UNIHOUSE ODDZIAL UNIBEP W
BIELSKU-PODLASKIM

BALANSE

Beløp i: NOK Note 2020 2019

BALANSE - EIENDELER

Anleggsmidler

Immaterielle eiendeler

Konsesjoner, patenter, lisenser, varemerker o.l.	7 099 020	7 427 764
Goodwill	12 925 835	13 043 481
Sum immaterielle eiendeler	20 024 855	20 471 245

Varige driftsmidler

Tomter, bygninger og annen fast eiendom	70 823 662	23 940 390
Maskiner og anlegg	21 774 441	17 205 076
Driftsløsøre, inventar, verktøy, kontormaskiner o. l.	13 440 566	5 859 502
Sum varige driftsmidler	106 038 669	47 004 968

Finansielle anleggsmidler

Investeringer i aksjer og andeler	366 675 030	361 393 396
Andre langsiktige fordringer	214 726 667	351 103 060
Sum finansielle anleggsmidler	581 401 697	712 496 456
Sum anleggsmidler	707 465 221	779 972 669

Omløpsmidler

Varer		
Varer	33 535 500	43 295 384
Sum varer	33 535 500	43 295 384

Fordringer

Kundefordringer	441 007 248	451 158 995
Andre kortsiktige fordringer	266 052 182	271 282 851
Sum fordringer	707 059 430	722 441 846

Investeringer

Andre finansielle instrumenter		1 455 742
Sum investeringer		1 455 742

Bankinnskudd, kontanter og lignende

Bankinnskudd, kontanter o. l.	419 739 431	330 252 627
Sum bankinnskudd, kontanter og lignende	419 739 431	330 252 627



Sum omløpsmidler	1 160 334 361	1 097 445 599
SUM EIENDELER	1 867 799 582	1 877 418 268
BALANSE - EGENKAPITAL OG GJELD		
Egenkapital		
Innskutt egenkapital		
Selskapskapital	8 053 270	8 126 567
Overkurs	203 527 774	217 903 307
Sum innskutt egenkapital	211 581 044	226 029 874
Opptjent egenkapital		
Annen egenkapital	239 786 704	245 576 090
Sum opptjent egenkapital	239 786 704	245 576 090
Sum egenkapital	451 367 748	471 605 964
Gjeld		
Langsiktig gjeld		
Utsatt skatt		42 975
Sum avsetninger for forpliktelser		42 975
Annen langsiktig gjeld		
Gjeld til kredittinstitusjoner	75 884 977	187 053 770
Øvrig langsiktig gjeld	243 812 473	182 761 596
Sum annen langsiktig gjeld	319 697 450	369 815 366
Sum langsiktig gjeld	319 697 450	369 858 341
Kortsiktig gjeld		
Leverandørgjeld	409 423 783	445 899 446
Betalbar skatt	23 188 058	3 086 687
Annen kortsiktig gjeld	664 122 543	586 967 830
Sum kortsiktig gjeld	1 096 734 384	1 035 953 963
Sum gjeld	1 416 431 834	1 405 812 304
SUM EGENKAPITAL OG GJELD	1 867 799 582	1 877 418 268



**CONSOLIDATED
FINANCIAL
STATEMENTS FOR THE
YEAR ENDED ON 31
DECEMBER 2020**

Prepared in accordance with the International
Financial Reporting Standards

www.unibep.pl



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial
Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Bleisk Podlaski, 19 April 2021
page 2



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	as of 31.12.2020	as of 31.12.2019 restated*	as of 01.01.2019 restated*
ASSETS				
LONG-TERM FIXED ASSETS				
Total tangible fixed assets	6.1	128,406,693.56	117,655,186.83	93,915,469.42
Intangible assets	6.2	24,566,086.15	25,154,700.57	27,093,793.66
Investment property	6.3	3,903,062.25	-	-
Trade and other long-term receivables	6.8	4,713,073.61	3,084,957.76	2,767,825.04
Investments in entities measured using the equity method	6.30	11,221,015.49	24,627,212.38	3,991,406.13
Deposits on contracts with clients	6.18	25,776,324.20	34,094,667.36	46,764,782.59
Loans granted	6.9	52,608,562.76	46,089,973.96	31,840,908.17
Derivative financial instrument assets		-	31,677.61	1,687,696.44
Deferred income tax assets	6.16	43,209,104.00	38,015,967.00	37,604,627.00
Total (long-term) fixed assets		294,403,922.02	288,754,343.47	245,666,508.45
ASSETS SHORT-TERM CURRENT				
Inventory	6.6	306,576,324.19	333,383,452.02	277,453,137.32
Trade and other short-term receivables	6.4, 6.8	251,455,623.11	217,508,670.92	255,217,592.63
Deposits on contracts with clients	6.18	17,955,748.02	23,062,098.81	42,120,139.91
Contractual assets	6.17	90,947,732.76	124,445,233.95	104,817,928.21
Current income tax receivables		887,677.41	2,507,262.12	16,005,469.79
Derivative financial instrument assets		-	628,233.31	2,088,793.69
Loans granted	6.9	1,031,127.40	502,007.98	2,115,242.98
Cash and cash equivalents	6.7	264,064,942.76	178,478,167.48	56,222,886.06
Current assets other than those held for sale or distribution to owners		932,919,175.45	880,515,126.59	756,041,190.59
Non-current assets or disposal groups classified as held for sale or distribution to owners		-	-	-
Total (short-term) current assets		932,919,175.45	880,515,126.59	756,041,190.59
TOTAL ASSETS		1,227,323,097.47	1,169,269,470.06	1,001,707,699.04

*Note No. 1.5 and 6.31



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	as of 31.12.2020	as of 31.12.2019 restated*	as of 01.01.2019 restated*
LIABILITIES				
Equity				
Share capital	6.10	3,507,063.40	3,507,063.40	3,507,063.40
Capital on sales of shares at a premium		62,153,761.02	62,153,761.02	60,905,278.22
Other reserve capitals	6.10	-10,119,154.10	490,728.54	146,173,560.19
Retained profit (loss)	6.10	220,200,701.00	203,910,905.39	47,551,759.84
Equity attributable to shareholders of the parent company		275,742,371.32	270,042,458.35	258,137,641.65
Equity attributable to non-controlling interests		54,993,510.55	55,067,736.03	54,989,518.85
Total equity		330,735,881.87	325,130,194.38	313,127,160.50
Long-term liabilities				
Trade and other long-term liabilities	6.19	814,835.80	897,309.84	608,721.46
Credits, loans and other financial liabilities – long-term	6.12	69,812,678.12	77,363,633.33	60,383,815.16
Long-term lease liabilities	6.12	25,681,799.54	25,619,779.07	7,568,258.97
Long-term derivative financial instrument liabilities	6.12	3,063,900.31	-	-
Long-term provisions	6.14	40,351,181.21	32,853,231.66	30,891,161.21
Deposits on contracts with clients	6.18	54,230,216.60	50,229,933.78	48,744,915.67
Deferred tax liability	6.16	10,033,634.00	5,070,980.00	1,795,620.00
Total long-term liabilities		203,988,245.58	192,034,867.68	149,992,492.47
Short-term liabilities				
Trade and other short-term liabilities	6.15, 6.19	261,272,980.21	250,997,987.51	231,189,846.27
Contractual liabilities	6.17	152,490,593.73	168,451,363.36	90,388,906.89
Deposits on contracts with clients	6.18	49,462,462.15	47,478,892.87	46,953,614.22
Credits, loans and other short-term financial liabilities	6.12	36,269,553.16	18,186,534.46	47,384,158.69
Short-term lease liabilities	6.12	27,783,931.69	27,323,786.71	4,039,995.11
Derivative financial instrument liabilities	6.12	9,948,708.90	-	45,962.27
Current income tax liabilities		5,879,462.53	4,854,104.81	826,681.12
Short-term provisions	6.14	149,491,277.85	134,811,738.28	117,758,861.50
Short-term liabilities other than those related to assets held for sale		692,598,970.22	652,104,408.00	538,588,026.07
Total short-term liabilities		692,598,970.22	652,104,408.00	538,588,026.07
Total liabilities		896,587,215.80	844,139,275.68	688,580,518.54
TOTAL LIABILITIES		1,227,323,097.67	1,169,269,470.06	1,001,707,699.04

*Note No. 1.5 and 6.31



UNIBEP GROUP

Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



CONSOLIDATED PROFIT AND LOSS ACCOUNT

	Note	01.01-31.12.2020	01.01-31.12.2019 restated*
Operating activities			
Revenues from contracts with clients	6.21	1,482,336,959.67	1,661,974,207.17
Costs of products, goods and materials sold		1,543,609,517.21	1,533,792,991.86
Gross profit (loss) on sales		138,727,442.46	128,181,215.31
Selling costs	6.20	14,530,000.75	8,473,235.00
General and administrative costs	6.20	56,453,705.70	54,130,848.12
Other operating revenues	6.23	7,267,205.86	7,149,056.66
Other operating expenses	6.23	14,918,599.75	21,831,879.91
Profit (loss) on operating activities		59,792,342.12	50,894,308.94
Financial revenues	6.24	6,817,041.49	4,532,438.67
Financial costs	6.24	14,493,699.90	12,478,449.53
Expected credit losses	6.24	13,053,573.78	12,314,785.61
Share in net profits (losses) of subsidiaries measured using the equity method	6.30	15,541,687.72	7,138,007.81
Pre-tax profit (loss)		54,403,797.65	37,771,520.28
Income tax	6.16	17,451,165.57	8,787,951.70
Net profit (loss) on continued operations		37,152,632.08	28,983,568.58
Net profit (loss) on discontinued operations		-	-
of which attributable to:			
shareholders of the parent company		37,226,857.56	28,920,801.47
non-controlling interests		-74,225.48	62,767.11

Profit (loss) per one ordinary share:

Basic profit (basic loss) per share on continued operations	1.17	0.86
Basic profit (basic loss) per share on discontinued operations	-	-
Profit (loss) per ordinary share	1.17	0.86
Diluted profit (loss) per ordinary share:		
Diluted profit (diluted loss) per share on continued operations	1.17	0.86
Diluted profit (diluted loss) per share on discontinued operations	-	-
Diluted profit (loss) per ordinary share	1.17	0.86

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	01.01-31.12.2020	01.01-31.12.2019 restated*
Net profit (loss) on continued operations	37,152,632.08	28,983,568.58
Other comprehensive income to be reclassified to profit or loss under specified conditions:	-12,986,757.64	-3,121,292.29
Exchange differences on translation of foreign operations	-	3,936.57
Effective portion of changes in fair value of cash flows hedges	-12,986,757.64	-3,125,228.86
	-111,863.00	-439,463.00
Other comprehensive income not to be reclassified to profit or loss:		
Actuarial gains (losses) on defined benefit plans	-111,863.00	-439,463.00
Other pre-tax comprehensive income	-13,098,620.64	-3,560,755.29
Income tax related to items that may be reclassified in later periods	-2,467,484.00	-593,793.00
Income tax related to items not to be reclassified in later periods	-21,254.00	-83,497.00
Total other post-tax comprehensive income	-10,409,882.64	-2,883,465.29
Total comprehensive income	26,542,749.44	26,100,103.29
of which attributable to:		
shareholders of the parent company	26,616,974.92	26,037,336.18
non-controlling interests	-74,225.48	62,767.11

*Notes 1.5 and 6.31



UNIBEP GROUP
 Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the period 01.01.2020-31.12.2020

	Share capital	Other reserve capitals	Capital on sales of shares at premium	Retained earnings	Equity attributable to the owners of the parent company	Equity of non-controlling shareholders	Total equity
As of 31 DECEMBER 2019	3,507,063.40	490,728.54	62,153,761.02	204,683,979.87	270,838,150.83	5,890,204.14	276,728,354.97
Adjustment of an error	-	-	-	-775,692.48	-775,692.48	49,177,529.89	48,401,837.41
As of 1 JANUARY 2020	3,507,063.40	490,728.54	62,153,761.02	203,910,905.39	270,062,458.35	55,067,734.03	325,130,194.38
Increase (decrease) due to appropriation of retained earnings	-	-	-	-7,087,561.95	-7,087,561.95	-	-7,087,561.95
Dividend recognised as payments to owners	-	-	-	-13,849,500.00	-13,849,500.00	-	-13,849,500.00
Purchase of own shares/stocks	-	-	-	37,226,857.56	37,226,857.56	-	37,226,857.56
Profit (loss)	-	-	-	-	-10,609,882.64	-	-10,609,882.64
Other combined comprehensive income	-	-10,609,882.64	-	37,226,857.56	26,616,974.92	-74,225.48	26,542,749.44
Comprehensive income	-	-10,609,882.64	-	37,226,857.56	26,616,974.92	-74,225.48	26,542,749.44
Changes in equity	-	-10,609,882.64	-	16,289,795.61	5,679,912.97	-74,225.48	5,605,687.49
As of 31 DECEMBER 2020	3,507,063.40	-10,119,154.10	62,153,761.02	220,200,701.00	275,742,371.32	54,993,510.55	330,735,881.87

For the period 01.01.2019-31.12.2019 – restated*

	Share capital	Other reserve capitals	Capital on sales of shares at premium	Retained earnings	Equity attributable to the owners of the parent company	Equity of non-controlling shareholders	Total equity
As of 31 DECEMBER 2018	3,507,063.40	3,374,193.83	62,153,761.02	189,471,444.34	258,506,442.41	5,149,261.58	263,655,704.19
Adjustment of an error	-	-	-	-368,800.96	-368,800.96	49,840,257.27	49,471,456.31
As of 1 JANUARY 2019	3,507,063.40	3,374,193.83	62,153,761.02	189,102,643.40	258,137,641.45	54,989,518.85	313,127,160.50
Increase (decrease) due to appropriation of retained earnings	-	-	-	-	-	15,450.07	15,450.07
Dividend recognised as payments to owners	-	-	-	-7,275,539.48	-7,275,539.48	-	-7,275,539.48
Purchase of own shares/stocks	-	-	-	-6,837,000.00	-6,837,000.00	-	-6,837,000.00
Profit (loss)	-	-	-	28,920,801.47	28,920,801.47	62,767.11	28,983,568.58
Other combined comprehensive income	-	-2,883,465.29	-	-	-2,883,465.29	-	-2,883,465.29
Comprehensive income	-	-2,883,465.29	-	28,920,801.47	26,037,336.18	62,767.11	26,100,103.29
Changes in equity	-	-2,883,465.29	-	14,808,261.99	11,924,796.70	78,217.18	12,003,013.88
As of 31 DECEMBER 2019	3,507,063.40	490,728.54	62,153,761.02	203,910,905.39	270,062,458.35	55,067,734.03	325,130,194.38

**Notes 1.5 and 6.31



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



CONSOLIDATED CASH FLOW STATEMENT

	01.01-31.12.2020	01.01-31.12.2019 restated*
Cash flows from operating activities		
I. Gross profit (loss)	54,603,797.65	37,771,520.28
II. Total adjustments:	78,563,370.46	127,356,117.86
1. Amortisation and depreciation:	18,492,354.81	15,887,770.63
2. Exchange profits (losses)	-312,856.47	-255,437.29
3. Interest and profit sharing (dividend)	3,396,255.11	3,879,661.54
4. Profit (loss) on investment activities	-14,758,028.68	298,625.88
5. Change in provisions	22,088,853.12	18,677,265.23
6. Change in inventory	22,167,402.91	-33,562,760.03
7. Change in receivables	11,229,407.00	-8,731,478.61
8. Change in short-term liabilities, excluding financial liabilities	16,312,398.94	73,920,037.92
9. Other adjustments	-52,416.28	-220,524.63
Cash from operating activities	133,167,148.11	165,127,638.14
10. Income tax paid/refunded	-11,840,659.10	12,292,415.56
Net cash from operating activities	121,306,509.01	177,420,053.70
Net cash flows from investment activities		
Purchase of tangible fixed assets in use and intangible assets	-18,680,495.41	-4,950,085.09
Proceeds from sales of tangible fixed assets in use and intangible assets	1,465,627.37	913,292.65
Proceeds from sales of investments accounted for using the equity method	7,199,000.00	2,056,350.00
Purchase of shares in investments accounted for using the equity method	-6,650,000.00	-3,500,000.00
Interest received	2,728,825.55	3,148,421.31
Dividend received	14,566,553.31	11,202,201.58
Loans repaid by third parties	20,918.95	1,134,062.81
Loans granted to third parties	-7,885,845.67	-21,635,175.89
Loans granted to related entities	-210,600.00	-
Other (including execution of derivative instruments)	104,639.50	586,670.08
Net cash from investment activities	-7,341,376.40	-11,044,242.55
Cash flows from financial activities		
Proceeds from loans, credits, bonds and bills of exchange	68,408,324.76	139,976,325.89
Repayment of loans, credits, bonds and bills of exchange	-57,307,195.97	-152,285,760.85
Purchase of own stocks (shares)	-13,849,500.00	-7,190,000.00
Payment of lease liabilities	-10,839,088.20	-7,730,046.33
Interest paid	-7,600,153.91	-9,421,324.32
Dividend paid	-7,241,754.95	-7,515,539.48
Net cash from financial activities	-28,429,368.27	-44,166,345.09
Net change in cash, excluding exchange differences	85,535,764.34	122,209,466.06
Exchange differences	51,010.94	45,815.36
Net change in cash	85,586,775.28	122,255,281.42
Cash opening balance	178,478,167.48	54,222,886.06
Cash closing balance	264,064,942.76	178,478,167.48
- including: of limited disposability	81,522,426.80	23,280,006.30

Explanations to the cash flow statement are included in Note 6.28. *Notes 1.5 and 6.31



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



1. General Information

1.1. Information on the Group and its activities

The UNIBEP capital group was established in 2004 as a result of the establishment of the limited liability company UNIHOUSE, in which 100% of the capital was acquired by UNIBUD BEP Sp. z o.o. (currently UNIBEP SA).

As of 31.12.2020, the UNIBEP Group included the following entities: Unidevelopment S.A., Budrex Sp. z o.o., UNEX Costruction Sp. z o.o., Unibep PPP Sp. z o.o., Unihouse S.A., Sejedalen AS, Lovsetvegen 4 AS, MP Sp. z o.o., Idea Sp. z o.o., Idea Sp. z o.o. Sp.k., Unigo Sp. z o.o., UNIDE FIZ (Fundusz Inwestycyjny Zamknięty), Lykke UDM Sp. z o.o. S.K.A., Hevelio UDM Sp. z o.o. S.K.A., Szcześliwica Sp. z o.o., Smart City Sp. z o.o. Sp.k., Monday Development Sp. z o.o., Sokratesa Sp. z o.o., Osiedle Idea Sp. z o.o., Osiedle Marywińska Sp. z o.o., Bukowska 18 MP Sp. z o.o. Sp.k., Zielony Szałacz Tarasy MP Sp. z o.o. Sp.k., Monday Kosmonautów MP Sp. z o.o. Sp.k., URSa PARK Smart City Sp. z o.o. Sp.k., URSa Skay Smart City Sp. z o.o. Fama Development Sp. z o.o., Fama Development Sp. z o.o. Sp.k., Coopera IDEA Sp. z o.o. Sp.k., Mickiewicza Idea Sp. z o.o. Sp.k., Asset Idea Sp. z o.o. Sp.k., UN11 Idea Sp. z o.o. Sp.k., MD Inwestycje Monday Male Garbary Sp.k., 1 Fama Development Sp. z o.o. Sp.K.

A diagram of the UNIBEP Group is presented in Section 2.1.

Changes in the UNIBEP Group composition as compared to the information presented in previous reports are discussed in Sections 2.1., 6.30. and 6.31.

The parent company UNIBEP Spółka Akcyjna is registered in the District Court in Białystok, 12th Commercial Department of the National Court Register in the Register of Entrepreneurs under the number 0000231271.

The Company is registered under the Tax Identification Number (NIP) 543-02-00-365 and the Business Registry Number (REGON) 000058100.

The registered office of UNIBEP SA is located in Bielsk Podlaski at ul. 3 Maja 19, Poland.

The address of the registered office of the entity is ul. 3 Maja 19, Bielsk Podlaski, Poland.

There was no change in the name of the Company in the reporting period.

State of registration: Poland.

Main place of conducting business activity: Poland.

Unibep SA is not a subsidiary of any other entity which would hold a total or partial interest therein.

There is no entity controlling Unibep SA, therefore Unibep SA is the ultimate parent entity of the Group.

According to the Polish Classification of Activities, the core business of the parent company is the performance of general construction work related to the erection of buildings in Poland and abroad. The activity of the Group includes a wide range of construction and assembly services, road construction, development, manufacturing and other activities.

1.2. Basis for preparation of the financial statements

These consolidated financial statements were prepared in accordance with the International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board approved by the European Union under the Regulation on IFRS (European Commission 1606/2002), hereinafter referred to as "EU IFRS". EU IFRS include standards and interpretations accepted by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC), approved for use in the EU.

During preparation of the financial statements for 2020, the Group applied the same accounting principles as in preparation of the annual financial statements for 2019 except for changes to the standards as well as new standards and interpretations approved by the European Union, binding for the reporting periods which begin on or after 1 January 2020. In 2020, the Group adopted all new and approved standards and interpretations issued by the International Accounting Standards Board and the International Financial Reporting Interpretations Board, approved for use in the EU, applying to the activity of the Group and binding for the reporting periods from 1 January 2020.

The financial statements were prepared using the historical cost principle, except for derivatives measured at fair value and assets measured at fair value through other comprehensive income, in accordance with the Accounting Principles presented below. These consolidated financial statements, except for the consolidated cash flow statement, were prepared on an accrual basis.

The financial statements present financial data for the period from 1 January 2020 to 31 December 2020 and



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



comparable financial data for the period from 1 January 2019 to 31 December 2019. These consolidated financial statements have been prepared on the basis of the assumption that the Group will continue its business activity in the foreseeable future. As of the signing of these financial statements, the Management Board of parent company is not aware of any facts or circumstances which would imply a threat to the Company continuing as a going concern for a period of at least 12 months of the balance sheet date due to an intended or forced discontinuance or material limitation of its activity.

1.3. Functional currency and presentation currency of the financial statements

The functional currency of the parent company and the presentation currency of these separate financial statements is Polish zloty (PLN). All amounts in these consolidated financial statements are presented in Polish zlotys, unless indicated otherwise.

1.4. Changes to IFRS

Changes to the existing standards applied for the first time in the financial statements of the Group for 2020.

The following changes to existing standards issued by the International Accounting Standards Board (IASB) enter into force for the first time in the financial statements of the Group for 2020:

- **Changes to IAS 1 "Presentation of Financial Statements" and IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"** – Definition of materiality (effective for annual periods beginning on or after 1 January 2020);
- **Changes to IFRS 3 "Business Combinations"** – definition of a business (applicable to mergers where the acquisition date falls at the beginning of the first annual period beginning on or after 1 January 2020 and to the acquisition of assets which took place on or after the date of the beginning of the aforementioned annual period);
- **Changes to IFRS 9 "Financial Instruments", IAS 39 "Financial Instruments: Recognition and Measurement" and IFRS 7 "Financial Instruments: Disclosures"** – Reform of the Reference Interest Rate (effective for annual periods beginning on or after 1 January 2020);
- **Changes to IFRS 16 "Leases"** – relief from Covid-19-related rental payments (approved in the EU on 9 October 2020 and effective no later than 1 June 2020 for financial years beginning on or after 1 January 2020);
- **Changes to references to the conceptual framework in IFRS** – effective for the annual periods beginning on or after 1 January 2020.

The above-mentioned changes to the existing standards had no significant impact on the financial statements of the Group for 2020.

New standards and changes to existing standards issued by the IASB and approved by the EU but are not yet in force.

By approving these financial statements, the following new standards were issued by the IASB and approved for application in the EU, but have not yet come into force:

- **Changes to IFRS 4 "Insurance Contracts"** – "Extension of the Temporary Exemption from Applying IFRS 9 (the expiration date of the temporary exemption from IFRS 9 was extended for annual periods beginning on or after 1 January 2023)";
- **Changes to IFRS 9 "Financial Instruments", IAS 39 "Financial Instruments: Recognition and Measurement", IFRS 7 "Financial Instruments: Disclosures", IFRS 4 "Insurance Contracts" and IFRS 16 "Leases"** – Reform of the Reference Interest Rate – Phase 2 approved in the EU on 13 January 2021 (effective for annual periods beginning on or after 1 January 2021).

New standards and changes to the existing standards issued by the IASB but not yet approved for application in the EU.

As of the date of these financial statements, the following new standards and changes to the existing standards have been issued by the IASB but are not yet in force:

- **IFRS 14 "Regulatory Deferral Accounts"** (effective for annual periods beginning on or after 1 January 2016) – the European Commission decided not to commence the process of approving this temporary standard for application in the EU until the final version of IFRS 14 is issued;



ESEF GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



- IFRS 17 "Insurance Contracts" as amended by IFRS 17 [effective for annual periods beginning on or after 1 January 2023];
- Changes to IAS 1 "Presentation of Financial Statements" – Classification of liabilities as short-term or long-term [effective for annual periods beginning on or after 1 January 2023];
- Changes to IAS 1 "Presentation of Financial Statements" – disclosures on accounting policies applied [effective for annual periods beginning on or after 1 January 2023];
- Changes to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" – disclosures on accounting policies applied [effective for annual periods beginning on or after 1 January 2023];
- Changes to IAS 16 "Tangible Fixed Assets" – revenues generated before the tangible fixed asset is brought into use [effective for annual periods beginning on or after 1 January 2022];
- Changes to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" – onerous contracts – cost of performing the contract [effective for annual periods beginning on or after 1 January 2022];
- Changes to IFRS 3 "Business Combinations" – changes in references to conceptual assumptions with changes to IFRS 3 [effective for annual periods beginning on or after 1 January 2022];
- Changes to IFRS 10 "Consolidated financial statements" and IAS 28 "Investments in affiliates and joint ventures" – sale or contribution of assets between an investor and its affiliate or joint venture and subsequent changes [the effective date was deferred until the completion of research on the equity method];
- Changes to different standards "Improvements to IFRS (2018-2020 cycle)" – changes made as part of the procedure of making annual improvements to IFRS (IFRS 1, IFRS 9, IFRS 16 and IAS 41) aimed mainly at resolving inconsistencies and clarifying terminology (changes to IFRS 1, IFRS 9 and IAS 41 effective for annual periods beginning on or after 1 January 2022). Changes to IFRS 16 are for illustrative purposes only and therefore no effective date is provided).

According to the estimates of the companies of the Group, the above-mentioned new standards and changes to the existing standards would have had no material effect on the financial statements had they been applied by the Group as of the balance sheet date.

The hedge accounting for the portfolio of financial assets and liabilities whose principles have not been approved for application in the EU is still outside the scope of regulations approved by the EU.

According to the estimates of the Group, the application of hedge accounting for a portfolio of financial assets or liabilities in accordance with IAS 39 "Financial Instruments: Recognition and Measurement" would not have had a material effect on the financial statements had they been adopted for application as of the balance sheet date.

1.5. Changes to the presentation of financial statements

In connection with the introduction of the European Single Electronic Format (ESEF), the Group has made a presentational reclassification of data in the consolidated financial statements. The list of items that have changed is presented below.

Changes to the statement of financial position

1. The item "Trade and other long-term receivables" has been added, which may include receivables and prepayments and accruals above 12 months. Prepayments and accruals are presented in Note 6.8
2. The item "Long-term prepayments and accruals" has been removed from the balance sheet.
3. The existing item "Trade and other short-term receivables" includes, in addition to its previous scope, prepayments and accruals up to 12 months.
4. The item "Short-term prepayments and accruals" has been removed from the balance sheet.
5. The items "Long-term and short-term financial assets measured at fair value through WF/CD" have been removed from the balance sheet.
6. The long-term and short-term "Derivative financial instrument assets" line have been added.
7. The "Trade and other long-term liabilities" item has been added, which may include trade and other liabilities, maturing above 12 months and deferred revenues above 12 months. The deferred revenues are presented in Note 6.19.
8. The "Long-term deferred revenues" item has been removed from the balance sheet.
9. The "Trade and other liabilities" item includes short-term deferred revenues, in addition to the existing scope.
10. The "Short-term deferred revenues" item has been removed from the balance sheet.
11. The "Loans, credits and other financial liabilities" item, both long-term and short-term, has been disaggregated into:
 - Loans, credits and other financial liabilities
 - Lease liabilities



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



- Derivative financial instrument liabilities

Changes to the profit and loss account and to comprehensive income

1. The "Expected credit losses" item is presented below the "Financial expenses" item, and not, as before, below the "Other operating expenses" item.

Changes to the statement of changes in equity

1. "Capital on sales of shares at premium" has been separated from "Other capitals".
2. The "Other capitals" item has been replaced by "Other reserve capitals", which includes all capitals excluding the "Capital on sales of shares at premium, at the value excluding distributions from/to retained earnings".
3. The "Retained profits/losses" item includes profit/loss for the current year, previous years' non-distributed profits/losses and amounts from other capitals arising from profit distribution.

Changes to the cash flow statement

1. The "Changes in prepayments and accruals" line has been removed and these changes have been included in the change in receivables and change in liabilities, respectively.
 2. The "Proceeds from sales of shares" item has been disaggregated into:
 - Proceeds from sales of shares
 - Proceeds from sales of shares in investments accounted for using the equity method
 3. The "Purchase of shares, stocks and other capital assets (including capital contributions)" item has been disaggregated into:
 - Purchase of shares and other capital assets (including capital contributions)
 - Purchase of shares in investments measured using the equity method
 4. The "Loans repaid" item has been disaggregated into:
 - Loans repaid by related parties
 - Loans repaid by third parties
 5. The "Loans granted" item has been disaggregated into:
 - Loans granted to related parties
 - Loans granted to third parties
 6. The summing up at the level of "Net change in cash, excluding exchange differences" has been added.
 7. The "Exchange differences" line has been added.
- The changes made are shown in the tables below:



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	as of 31.12.2019 upon adjustment of an error	change in presentation	as of 31.12.2019 restated	as of 01.01.2019 upon adjustment of an error	change in presentation	as of 01.01.2019 restated
ASSETS						
LONG-TERM FIXED ASSETS						
Total tangible fixed assets	117,655,186.83	-	117,655,186.83	93,915,469.42	-	93,915,469.42
Intangible assets	25,154,700.57	-	25,154,700.57	27,093,793.66	-	27,093,793.66
Financial assets available for sale	100.00	-100.00	-	258,150.00	-258,150.00	-
Investment property	-	-	-	-	-	-
Trade and other long-term receivables	-3,084,957.76	-	3,084,957.76	-	-2,767,825.04	2,767,825.04
Investments in entities measured using the equity method	24,627,212.38	-	24,627,212.38	3,991,406.13	-	3,991,406.13
Deposits on contracts with clients	34,094,667.36	-	34,094,667.36	46,764,782.59	-	46,764,782.59
Loans granted	46,089,973.96	-	46,089,973.96	31,840,908.17	-	31,840,908.17
Derivative financial instrument assets/Financial assets measured at fair value through WF/ICD*	31,677.61	-	31,677.61	1,687,696.44	-	1,687,696.44
Long-term prepayments and accruals	3,084,857.76	-3,084,857.76	-	2,509,675.04	-2,509,675.04	-
Deferred income tax assets	38,015,967.00	-	38,015,967.00	37,604,627.00	-	37,604,627.00
Total (long-term) fixed assets	288,754,343.47	-	288,754,343.47	245,666,508.45	-	245,666,508.45
SHORT-TERM CURRENT ASSETS						
Inventory	333,383,452.02	-	333,383,452.02	277,453,137.32	-	277,453,137.32
Trade and other short-term receivables	213,971,792.23	3,536,878.69	217,508,670.92	252,628,439.29	2,589,153.34	255,217,592.63
Deposits on contracts with clients	23,062,098.81	-	23,062,098.81	42,120,139.91	-	42,120,139.91
Contractual assets	124,445,233.95	-	124,445,233.95	104,817,928.21	-	104,817,928.21
Current income tax receivables	2,507,262.12	-	2,507,262.12	16,005,469.79	-	16,005,469.79
Derivative financial instrument assets/Financial assets measured at fair value through WF/ICD*	628,233.31	-	628,233.31	2,088,793.69	-	2,088,793.69
Loans granted	502,007.98	-	502,007.98	2,115,242.98	-	2,115,242.98
Short-term prepayments and accruals	3,536,878.69	-3,536,878.69	-	2,589,153.34	-2,589,153.34	-
Cash and cash equivalents	178,478,167.48	-	178,478,167.48	56,222,886.06	-	56,222,886.06
Current assets other than those held for sale or distribution to owners	880,515,126.59	-	880,515,126.59	756,041,190.59	-	756,041,190.59
Non-current assets or disposal groups classified as held for sale or distribution to owners	-	-	-	-	-	-
Total (short-term) current assets	880,515,126.59	-	880,515,126.59	756,041,190.59	-	756,041,190.59
TOTAL ASSETS	1,169,269,470.06	-	1,169,269,470.06	1,001,707,699.04	-	1,001,707,699.04

* name of item before the change of presentation



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	as of 31.12.2019 upon adjustment of an error	change in presentation	as of 31.12.2019 restated	as of 01.01.2019 upon adjustment of an error	change in presentation	as of 01.01.2019 restated
LIABILITIES						
Equity	3.507.063,40	-	3.507.063,40	3.507.063,40	-	3.507.063,40
Share capital	-	-	-	-	-	-
Exchange differences on translation of foreign operations	-	-	-	-	-	-
Other capitals, including:	215.438.494,87	-215.438.494,87	-	207.078.838,41	-207.078.838,41	-
Supplementary capital on sales of shares at premium	60.905.278,22	-60.905.278,22	-	60.905.278,22	-60.905.278,22	-
Capital on sales of shares at premium	-	62.153.761,02	62.153.761,02	-	62.153.761,02	62.153.761,02
Other reserve capitals	-	490.728,54	490.728,54	-	3.374.193,83	3.374.193,83
Retained earnings (loss)	51.116.900,08	152.794.005,31	203.910.905,39	47.551.759,84	141.550.883,56	189.102.643,40
Equity attributable to shareholders of the parent company	270.062.458,35	-	270.062.458,35	258.137.661,65	-	258.137.661,65
Equity attributable to non-controlling interests	55.067.736,03	-	55.067.736,03	54.989.518,85	-	54.989.518,85
Total equity	325.130.194,38	-	325.130.194,38	313.127.180,50	-	313.127.180,50
Long-term liabilities						
Trade and other long-term liabilities	-	897.309,84	897.309,84	-	608.721,46	608.721,46
Credits, loans and other financial liabilities – long-term	102.983.412,40	-25.619.779,07	77.363.633,33	67.952.074,13	-7.568.258,97	40.383.815,16
Long-term lease liabilities	-	25.619.779,07	25.619.779,07	-	7.568.258,97	7.568.258,97
Derivative financial instrument liabilities	-	-	-	-	-	-
long-term	-	-	-	-	-	-
Long-term provisions	32.853.231,66	-	32.853.231,66	30.891.161,21	-	30.891.161,21
Deposits on contracts with clients	50.229.933,78	-	50.229.933,78	48.744.915,67	-	48.744.915,67
Deferred revenues – long-term	897.309,84	-897.309,84	-	608.721,46	-608.721,46	-
Deferred tax liability	5.070.980,00	-	5.070.980,00	1.795.620,00	-	1.795.620,00
Total long-term liabilities	192.034.867,68	-	192.034.867,68	149.992.492,47	-	149.992.492,47
Short-term liabilities						
Trade and other short-term liabilities	250.910.088,82	87.898,69	250.997.987,51	231.142.221,57	47.624,70	231.189.846,27
Contractual liabilities	168.451.363,36	-	168.451.363,36	90.388.906,89	-	90.388.906,89
Deposits on contracts with clients	47.478.892,87	-	47.478.892,87	46.953.614,22	-	46.953.614,22
Credits, loans and other short-term financial liabilities	45.510.321,17	-27.323.786,71	18.186.534,46	43.390.125,85	3.994.032,84	47.384.158,69
Short-term lease liabilities	-	27.323.786,71	27.323.786,71	8.079.990,22	-4.039.995,11	4.039.995,11
Derivative financial instrument liabilities	-	-	-	-	45.962,27	45.962,27
Current income tax liabilities	4.854.104,81	-	4.854.104,81	826.681,12	-	826.681,12
Short-term provisions	134.811.738,28	-	134.811.738,28	117.758.861,50	-	117.758.861,50
Deferred revenues – long-term	87.898,69	-87.898,69	-	47.624,70	-47.624,70	-
Short-term liabilities other than those related to assets held for sale	652.104.408,00	-	652.104.408,00	538.588.026,07	-	538.588.026,07
Total short-term liabilities	652.104.408,00	-	652.104.408,00	538.588.026,07	-	538.588.026,07
Total liabilities	844.139.275,68	-	844.139.275,68	688.580.518,54	-	688.580.518,54
TOTAL LIABILITIES	1.169.269.470,06	-	1.169.269.470,06	1.001.707.699,04	-	1.001.707.699,04



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



CONSOLIDATED PROFIT AND LOSS ACCOUNT


	01.01-31.12.2019 upon adjustment of an error	change in presentation	01.01-31.12.2019 restated
Operating activities			
Revenues from contracts with clients	1,661,974,207.17	-	1,661,974,207.17
- from sales transactions for which the value of revenues was not finally determined as of the end of the reporting period (IFRS 15)	4,644,004.92	-4,644,004.92	-
Costs of products, goods and materials sold	1,533,792,991.86		1,533,792,991.86
Gross profit (loss) on sales	128,181,215.31	-	128,181,215.31
Selling costs	8,473,235.00	-	8,473,235.00
General and administrative costs	54,130,848.12	-	54,130,848.12
Other operating revenues	7,149,056.66	-	7,149,056.66
Other operating expenses	21,831,879.91	-	21,831,879.91
Expected credit losses	12,314,785.61	-12,314,785.61	-
Profit (loss) on operating activities	38,579,523.33	12,314,785.61	50,894,308.94
Financial revenues	4,532,438.67	-	4,532,438.67
- Including: interest calculated using the effective interest rate			
Financial expenses	12,478,449.53	-	12,478,449.53
Expected credit losses	-	12,314,785.61	12,314,785.61
Share in net profits (losses) of subsidiaries measured using the equity method	7,138,007.81	-	7,138,007.81
Pre-tax profit (loss)	37,771,520.28		37,771,520.28
Income tax	8,787,951.70	-	8,787,951.70
Net profit (loss) on continued operations	28,983,568.58		28,983,568.58
Net profit (loss) on discontinued operations			
Net profit (loss)	28,983,568.58		28,983,568.58
of which attributable to:			
shareholders of the parent company	28,920,801.47	-	28,920,801.47
non-controlling interests	62,767.11	-	62,767.11

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	01.01-31.12.2019 upon adjustment of an error	change in presentation	01.01-31.12.2019 restated
Net profit (loss) on continued operations	28,983,568.58		28,983,568.58
Other comprehensive income to be reclassified to profit or loss under specified conditions:			
Exchange differences on translation of foreign operations	3,936.57	-	3,936.57
Effective portion of changes in fair value of cash flows hedges	-3,125,228.86	-	-3,125,228.86
Income tax relating to items that may be reclassified in later periods*	593,793.00	-593,793.00	-
Other comprehensive income not to be reclassified to profit or loss:			
Actuarial gains (losses) on defined benefit plans	-439,463.00	-	-439,463.00
Income tax related to items not to be reclassified in later periods*	83,497.00	-83,497.00	-
Other pre-tax comprehensive income			-3,560,755.29
Income tax related to items that may be reclassified in later periods*	-	-593,793.00	-593,793.00
Income tax related to items not to be reclassified in later periods*	-	-83,497.00	-83,497.00
Total other post-tax comprehensive income	-2,887,401.86		-2,883,465.29
Total comprehensive income	26,096,166.72		26,100,103.29
of which attributable to:			
shareholders of the parent company	26,037,336.18	-	26,037,336.18



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



non-controlling interests	62,767.11	62,767.11
*change of sign rule		

Bielski Podlaski, 19 April 2021
page 15



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	as of 31.12.2019 upon adjustment of an error	change in presentation	as of 31.12.2019 restated
Share capital	3,507,063.40	-	3,507,063.40
Exchange differences on translation of foreign operations	-	-	-
Revaluation reserve	-601,629.86	601,629.86	-
Reserve capital	28,776,714.68	-28,776,714.68	-
Other reserve capitals	-	490,728.54	490,728.54
Supplementary capital	126,358,131.83	-126,358,131.83	-
Supplementary capital on sales of shares at premium	60,905,278.22	1,248,482.80	62,153,761.02
Retained earnings	-	203,910,905.39	203,910,905.39
Profit (loss) from previous years	22,196,098.61	-22,196,098.61	-
Current net profit (loss)	28,920,801.47	-28,920,801.47	-
Total	270,062,458.35	-270,062,458.35	-
Equity attributable to owners of the parent company	-	270,062,458.35	270,062,458.35
Equity of non-controlling shareholders	55,067,736.03	-	55,067,736.03
Total equity	325,130,194.38	-	325,130,194.38



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)




CONSOLIDATED CASH FLOW STATEMENT

	01.01.-31.12.2019 upon adjustment of an error	change in presentation	01.01.-31.12.2019 restated
Cash flows from operating activities			
I. Gross profit (loss)	37,771,520.28	-	37,771,520.28
II. Total adjustments:	139,448,533.42	-	127,356,117.84
1. Amortisation and depreciation:	15,887,770.63	-	15,887,770.63
2. Exchange profits (losses)	-255,437.29	-	-255,437.29
3. Interest and profit sharing (dividend)	3,879,461.54	-	3,879,461.54
4. Profit (loss) on investment activities	298,625.88	-	298,625.88
5. Change in provisions	18,677,265.23	-	18,677,265.23
6. Change in inventory	-33,562,760.03	-	-33,562,760.03
7. Change in receivables	49,977,358.96	-1,245,880.35	48,731,478.61
8. Change in short-term liabilities excluding financial liabilities	73,591,175.55	328,862.37	73,920,037.92
9. Change in prepayments and accruals	-917,017.98	917,017.98	-
10. Other adjustments	-220,524.63	-	-220,524.63
Cash from operating activities	-	-	165,127,638.14
10. Income tax paid/refunded	12,292,415.56	-	12,292,415.56
Net cash from operating activities	177,420,053.70	-	177,420,053.70
Cash flows from investment activities			
Purchase of tangible fixed assets in use and intangible assets	-4,950,085.09	-	-4,950,085.09
Proceeds from sales of tangible fixed assets in use and intangible assets	913,292.65	-	913,292.65
Proceeds from sales of shares	2,056,350.00	-2,056,350.00	-
Purchase of shares, stocks and other capital assets (including capital contributions)	-3,500,000.00	3,500,000.00	-
Proceeds from sales of investments accounted for using the equity method	-	2,056,350.00	2,056,350.00
Purchase of shares, stocks and other capital assets (including capital contributions)	-	-	-
Purchase of shares in investments accounted for using the equity method	-	-3,500,000.00	-3,500,000.00
Interest received	3,148,421.31	-	3,148,421.31
Dividend received	11,202,201.58	-	11,202,201.58
Loans repaid	-21,635,175.89	21,635,175.89	-
Loans granted	1,134,062.81	-1,134,062.81	-
Loans repaid by third parties	-	1,134,062.81	1,134,062.81
Loans repaid by related parties	-	-	-
Loans granted to third parties	-	-21,635,175.89	-21,635,175.89
Loans granted to related parties	-	-	-
Other (including execution of derivative instruments)	586,690.08	-	586,690.08
Net cash from investment activities	-11,044,242.55	-	-11,044,242.55
Cash flows from financial activities			
Proceeds from loans, credits, bonds and bills of exchange	139,976,325.89	-	139,976,325.89
Repayment of loans, credits, bonds and bills of exchange	-152,285,760.85	-	-152,285,760.85
Purchase of own stocks (shares)	-7,190,000.00	-	-7,190,000.00
Payment of lease liabilities	-7,730,046.33	-	-7,730,046.33
Interest paid	-9,421,324.32	-	-9,421,324.32
Dividend paid	-7,515,539.48	-	-7,515,539.48
Net cash from financial activities	-44,166,345.09	-	-44,166,345.09
Net change in cash due to exchange differences	-	-	122,209,466.06
Exchange differences	-	45,815.36	45,815.36
Net change in cash of which: exchange differences	122,209,466.06	45,815.36	122,255,281.42
186,469.92	186,469.92	-	
Cash opening balance	56,082,231.50	140,654.56	56,222,886.06
Cash closing balance	178,291,697.56	-	178,478,167.48



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



- including: of limited disposability	23,280,006.30	23,280,006.30
---------------------------------------	---------------	---------------

Białok Podlaski, 19 April 2021
page 18



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



2. Information about the Capital Group

2.1. Companies included in the consolidated financial statements

The UNIBEP Group, apart from the parent company UNIBEP SA, comprises:

1. **Unidevelopment SA** with its registered office in Warsaw established on 09.04.2008 – notarial repertory deed no. 2235/2008 and registered on 29.04.2008 in the Register of Entrepreneurs under the number 0000304859, Business Registry Number (REGON) 141412526, Tax Identification Number (NIP) 5213483781. On 30.04.2013, the change of the legal form of the Company from a limited liability company to a joint-stock company – KRS0000454437. The parent company UNIBEP SA holds 97.63% of the Company shares. The parent company is consolidated using the full method.
2. **UNEX Construction Sp. z o.o.** with its registered office in Warsaw (formerly VIZELA Investments Sp. z o.o.). On 04.07.2011, UNIBEP SA took up 100% of shares in this Company. The Company was registered in the National Court Register under the number 0000381511, Business Registry Number (REGON) 142872709, Tax Identification Number (NIP) 5272651352. The Company is consolidated using the full method.
3. **BUDREX Sp. z o.o.** with its registered office in Białystok, registered in the National Court Register under the number 0000073755, Business Registry Number (REGON) 051980964, Tax Identification Number (NIP) 9661544351. On 01.07.2015, UNIBEP SA acquired 100% of shares of this Company. On 20.12.2017, the share capital was increased to PLN 430,000. The Company implements bridge projects. The Company is consolidated using the full method.
4. **UNIBEP PPP Sp. z o.o.** with its registered office in Bielsk Podlaski. On 12.12.2017, UNIBEP SA took up 100% of shares in this Company. The Company was registered in the National Court Register under the number 0000708771, Business Registry Number (REGON) 368966772, Tax Identification Number (NIP) 5432185055. The Company is consolidated using the full method.
5. **Unihouse SA** with its registered office in Bielsk Podlaski. On 01.04.2019, Unihouse SA was established in an organisation with its registered office in Bielsk Podlaski. The equity of the Company amounted to PLN 100,000.00. On 01.07.2019, the Company was registered in the National Court Register under the name of Unihouse SA under the number 0000793054, Tax Identification Number (NIP) 5432187657, Business Registry Number (REGON) 383776590. On 01.11.2019, Unibep SA in exchange for the contribution in kind of the organised part of the enterprise took up 21,500,000 new issue shares with the total nominal value of PLN 2,150,000.00. The capital increase was registered on 31.12.2019. The share capital on that day was PLN 2,250,000.00. Unibep SA is the sole owner of Unihouse SA. The Company is consolidated using the full method.
6. **Idea Sp. z o.o.** with its registered office in Warsaw. The date of acquisition of control by Unidevelopment SA is 18.12.2015. Unidevelopment SA holds 100% of shares. The Company is consolidated using the full method. The Company is registered in the National Court Register under the number 0000226688, Business Registry Number (NIP) 5213418163, Tax Identification Number (REGON) 140696042. The Company is consolidated using the full method.
7. **Idea Sp. z o.o. Sp.k.** with its registered office in Warsaw. The purchase of shares of the Company by UNIDEVELOPMENT Sp. z o.o. took place on 09.09.2011. In 2012, Unidevelopment Sp. z o.o. increased its share in profits to 48.99% on the basis of the amendment of the articles of association. On 18.12.2015, Unidevelopment SA increased its share in profit/loss to 98%. Idea Sp. z o.o. holds 2% of shares. The Company is registered in the National Court Register under the number 0000362446, Business Registry Number (NIP) 5213578406, Tax Identification Number (REGON) 142567076. The Company is consolidated using the full method.
8. **MP Sp. z o.o.** with its registered office in Poznań. Unidevelopment SA is the owner of 100% of shares of the Company. The Company is registered in the National Court Register under the number 0000394406, Business Registry Number (NIP) 9721235146, Tax Identification Number (REGON) 301902422. The Company is consolidated using the full method.
9. **Unigo Sp. z o.o.** with its registered office in Warsaw. Unidevelopment SA took up 100% of shares in the newly established Company. The Company was registered in the National Court Register on 30.10.2012 under the number 0000436818, Tax Identification Number (NIP) 5213639562, Business Registry Number (REGON) 146366618. The Company is consolidated using the full method.
10. **Hevella UDM Sp. z o.o. S.K.A.** with its registered office in Warsaw. Unidevelopment SA holds 100% of shares. The Company was registered in the National Court Register on 03.10.2013 under the number 0000479378, Business Registry Number (REGON) 146903861, Tax Identification Number (NIP) 5213656425. The Company is consolidated using the full method.
11. **Lykke UDM Sp. z o.o. S.K.A.** with its registered office in Warsaw. The Company was registered in the National



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



- Court Register on 03.10.2013 under the number 0000479375, Business Registry Number (REGON) 144903855, Tax Identification Number (NIP) 5213656454. On 23.03.2015, the Extraordinary Meeting of Shareholders decided to increase the share capital from 50,000 PLN to 711,081 PLN. The share capital increase was registered in the National Court Register on 13.04.2015. The Company is consolidated using the full method.
12. **Szczepińska Sp. z o.o.** with its registered office in Warsaw. On 03.03.2014, the Company was registered in the National Court Register under the number 0000500220, Business Registry Number (REGON) 147129636, Tax Registration Number (NIP) 5213667529. Currently, shares in the Company are held by: Unidevelopment SA – 92.93%, Hevelia UDM sp. z o.o. sp. K – 3.31%, Lykke UDM sp. z o.o. sp. K – 2.82%, Monday Development sp. z o.o. – 0.86%, MP Sp. z o.o. – 0.08%. The Company is consolidated using the full method.
13. **Monday Development Sp. z o.o.** with its registered office in Poznań. The Company is registered under the National Court Register (KRS) number 0000848409, Business Registry Number (REGON) 301054767, Tax Identification Number (NIP) 7811832838. On 05.01.2016, UNIDEVELOPMENT SA acquired ordinary new issue shares in Monday Development SA with its registered office in Poznań. As a result of this merger, UNIDEVELOPMENT SA holds 10,000,000 shares with a value of PLN 1,400,000.00, which constitutes 92.69% of the equity of the acquired company Monday Development SA. As a result of sales of 350,000 shares on 10.03.2017, Unidevelopment SA held 9,650,000 shares of the Company, constituting 89.45% of the share capital. After the next transaction, on 24.03.2017, Unidevelopment SA held 9,650,000 shares of the Company, constituting 89.54% of the share capital. On 25.04.2017, Unidevelopment SA purchased another 1,078,815 shares. As of 31.12.2017, after these transactions, Unidevelopment SA holds 10,738,815 shares of the Company, constituting 99.54% of the share capital. The shares were acquired in cash. In 2018, own shares with a nominal value of 7 thousand PLN were redeemed. At the end of 2018, Unidevelopment SA held 100% of the share capital. On 16.12.2019, the District Court in Poznań registered the merger of Monday Development SA with UDM2 Sp. z o.o. pursuant to Art. 492 § 1 Item 1 read with Art. 492 § 1 Item i of the Commercial Companies Code. In connection with the merger, 535,833 new series D shares were issued, which were released to the owner of the Acquired Company in accordance with the Merger Plan. The sole owner of UDM 2 Sp. z o.o. was Unidevelopment. On 01.07.2020, registered in the National Court Register by a change of legal form of the company into Sp. z o.o. The core field of activity of Monday Development Sp. z o.o. is development activity. The Company is consolidated using the full method.
14. **Sokratessa Sp. z o.o.** (formerly: Kosmonautów Sp. z o.o.) with its registered office in Warsaw. Unidevelopment SA holds 100% of shares. The Company was registered in the National Court Register on 07.09.2016 under the number 0000635566, Business Registry Number (REGON) 365338348, Tax Identification Number (NIP) 9721266394. The Company is consolidated using the full method.
15. **Osiędzie Idea Sp. z o.o.** with its registered office in Warsaw. Unidevelopment SA holds 100% of shares. The Company was registered in the National Court Register on 07.11.2016 under the number 0000645217, Business Registry Number (REGON) 365800901, Tax Identification Number (NIP) 5213754381. The Company is consolidated using the full method.
16. **Osiędzie Marywińska Sp. z o.o.** with its registered office in Warsaw. Unidevelopment SA holds 100% of shares. The Company was registered in the National Court Register on 20.01.2009 under the number 0000321850, Business Registry Number (REGON) 141720541, Tax Identification Number (NIP) 5213518261. The Company is consolidated using the full method.
17. **Smart City Sp. z o.o. Sp.k.** with its registered office in Warsaw. The Company is registered in the National Court Register on 27.10.2014 under the number 0000352079, Business Registry Number (REGON) 142349744, Tax Identification Number (NIP) 5252476532. On 09.06.2015, the District Court for the Capital City of Warsaw registered Unidevelopment SA as a Limited Partner in this Company. The agreed contribution of Unidevelopment SA to "Smart City Sp. z o.o." Sp. k. is 14,500,000 PLN. As of 31.12.2016, the contribution made by Unidevelopment SA to "Smart City Sp. z o.o." Sp.k. amounts to 11,030,000.00 PLN. The agreed contribution of the second Limited Partner, i.e. Challenge Eighteen Sp. z o.o. is 46,091,000 PLN. This contribution was made in full: 1,000 PLN as a cash contribution and 46,090,000 PLN as a non-cash contribution. On 23.02.2017, contributions for Unidevelopment SA were reimbursed by Smart City Sp. z o.o. Sp.k. in the amount of 5,660,000.00 PLN, on 24.07.2017, reimbursement of contributions in the amount of 2,870,000.00 PLN and on 06.10.2017 – 2,499,000.00 PLN. As of 31.12.2017, the contribution made was 1,000.00 PLN. The share of Unidevelopment SA in the profits/losses of the Company is 50%. The Company is measured using the equity method.
18. **Bukowska 18 MP Sp. z o.o. Sp.k.** with its registered office in Poznań. The owner of 99% of the contribution is Monday Development sp. z o.o. and 1% by MP Sp. z o.o. The shareholder share in the Company's profits/losses is as follows: 99% of the contribution is made by Monday Development sp. z o.o. and 1% by MP Sp. z o.o. The Company is registered under the number 0000689209, Tax Identification Number (NIP) 9721277340, Business



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Registry Number (REGON) 367998178. The Company is consolidated using the full method.

19. **Zielony Solacz Tarasy MP Sp. z o.o. Sp.k.** with its registered office in Poznań. The owner of 99% of the contribution is Monday Development sp. z o.o. and 1% by MP Sp. z o.o. The shareholder share in the Company's profits/losses is as follows: 99% of the contribution is made by Monday Development sp. z o.o. and 1% by MP Sp. z o.o. The Company is registered under the number 0000689262, Tax Identification Number (NIP) 9721277334, Business Registry Number (REGON) 367998066. The Company is consolidated using the full method.
20. **Monday Kosmonautów MP Sp. z o.o. Sp.k.** (formerly: Monday Malta Monday Palacza Sp. z o.o. Sp.k.) with its registered office in Poznań. The owner of 99% of the contribution is Monday Development sp. z o.o. and 1% by MP Sp. z o.o. The shareholder share in the Company's profits/losses is as follows: 99% of the contribution is made by Monday Development sp. z o.o. and 1% by MP Sp. z o.o. The Company is registered under the number 0000689250, Tax Identification Number (NIP) 9721277328, Business Registry Number (REGON) 367991928. On 06.02.201, a resolution was adopted to change the name of the company to Monday Kosmonautów MP Sp. z o.o. Sp.k. The Company is consolidated using the full method.
21. **URSA PARK Smart City Sp. z o.o. Sp.k.** with its registered office in Warsaw. On 03.08.2017, Unidevelopment SA joined URSA PARK Smart City Sp. z o.o. Sp.k. The Company was registered in the National Court Register on 31.03.2010, Business Registry Number (REGON) 142370014, Tax Identification Number (NIP) 5252476443. The agreed contribution of Unidevelopment SA to URSA PARK Smart City Sp. z o.o. Sp.k. is PLN 14,500,000.00, the contribution made by Unidevelopment SA to URSA PARK Smart City Sp. z o.o. Sp.k. as of 31.12.2017 is 8,750,000.00 PLN. In August 2018, the contributions of 6,950,000.00 PLN were reimbursed, and in November the contribution of 1,500,000.00 PLN was made and in December the contribution of 1,000,000.00 was made PLN. In the period from 01.01.2019 to 31.12.2019, Unidevelopment SA made contributions to URSA PARK Smart City Sp. z o.o. Sp.k. in the amount of 3,500,000.00 PLN and received reimbursement of contributions in the amount of 1,800,000.00 PLN.
In the period from 01.01.2020 to 31.12.2020, Unidevelopment SA made contributions to URSA PARK Smart City Sp. z o.o. Sp.k. in the amount of 1,200,000.00 PLN and received reimbursement of contributions in the amount of 7,199,000.00 PLN. As of 31.12.2020, the contribution made by Unidevelopment SA to URSA PARK Smart City Sp. z o.o. Sp.k. amounts to 1,000.00 PLN. The share of Unidevelopment SA in the profits/losses of the Company is 50%. The Company is measured using the equity method.
22. **Fama Development Sp. z o.o.** with its registered office in Poznań. On 22.02.2018, Unidevelopment SA purchased 50 shares with a nominal value of 2,500 PLN. Unidevelopment SA holds 50% of shares. The Company is registered under the National Court Register (KRS) number 0000699449, Business Registry Number (REGON) 368514780, Tax Identification Number (NIP) 6692540559. On 20 November 2019, the name of the Company was changed from Wiepofama Development sp. z o.o. to Fama Development sp. z o.o. by the notarial deed 13620/2019. On 28.01.2020, the change was registered in the National Court Register. The Company is consolidated using the full method.
23. **Fama Development Sp. z o.o. Sp.k.** with its registered office in Poznań. On 22.02.2018, Unidevelopment SA joined the Company. The amount of the agreed contribution amounts to 5,001,000.00 PLN. The Company is registered under the National Court Register (KRS) number 0000700179, Business Registry Number (REGON) 368545131, Tax Identification Number (NIP) 6692540677. On 5 February 2020, the General Meeting of Shareholders, in connection with the change of the name of the company, which is an unlimited partner, adopted a resolution on changing the name of the company from Wiepofama Development sp. z o.o. sp. K. to Fama Development sp. z o.o. sp. K. The Company is consolidated using the full method.
24. **Coopera IDEA Sp. z o.o. Sp.k.** with its registered office in Warsaw. The value of shares is 10,000.00 PLN. Unidevelopment SA owns 98% of the contribution and Idea Sp. z o.o. owns 2% of the contribution. The shareholder share in the Company's profits/losses is as follows: Unidevelopment SA owns 98% and Idea Sp. z o.o. owns 2%. On 03.07.2018, the Company was registered under the National Court Register number 0000738151, Business Registry Number (REGON) 380657725, Tax Identification Number (NIP) 5213832767. The Company is consolidated using the full method.
25. **Mickiewiczza IDEA Sp. z o.o. Sp.k.** with its registered office in Warsaw. The value of shares is 10,000.00 PLN. Unidevelopment SA owns 98% of the contribution and Idea Sp. z o.o. owns 2% of the contribution. The shareholder share in the Company's profits/losses is as follows: Unidevelopment SA owns 98% and Idea Sp. z o.o. owns 2%. On 11.07.2018, the Company was registered under the National Court Register number 0000740041, Business Registry Number (REGON) 380731829, Tax Identification Number (NIP) 5213833821. The Company is consolidated using the full method.
26. **Aszet IDEA Sp. z o.o. Sp.k.** with its registered office in Warsaw. The value of shares is 10,000.00 PLN. Unidevelopment SA owns 98% of the contribution and Idea Sp. z o.o. owns 2% of the contribution. The

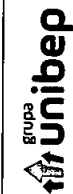


UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



- shareholder share in the Company's profits/losses is as follows: Unidevelopment SA owns 98% and Idea Sp. z o.o. owns 2%. On 10.07.2018, the Company was registered under the National Court Register number 0000739776, Business Registry Number (REGON) 380725639, Tax Identification Number (NIP) 5213833666. The Company is consolidated using the full method.
27. **UNII IDEA Sp. z o.o. Sp.k.** with its registered office in Warsaw. The value of shares is 10,000.00 PLN. Unidevelopment SA owns 98% of the contribution and Idea Sp. z o.o. owns 2% of the contribution. The shareholder share in the Company's profits/losses is as follows: Unidevelopment SA owns 98% and Idea Sp. z o.o. owns 2%. On 29.11.2018, the Company was registered under the National Court Register number 0000759909, Business Registry Number (REGON) 381908750, Tax Identification Number (NIP) 5213846047. The Company is consolidated using the full method.
28. **MD INWESTYCJE Sp. z o.o. Monday Mate Garbary Sp.k.** with its registered office in Poznań is registered under the National Court Register (KRS) number: 0000445096, Tax Identification Number (NIP) 2090002698, Business Registry Number (REGON): 302317298. The Company is consolidated using the full method.
29. The UNIBEP Group structure includes a closed-end investment fund of non-public assets – **UNIDE Fundusz Inwestycyjny Zamknięty**. The fund was registered on 09.08.2012 in the Regional Court in Warsaw under the number RFI 781. The fund is managed by SATURN Fund FFI SA with its registered office in Warsaw. The fund was established for an indefinite period of time. The investment objective of the fund is to increase the value of its assets as a result of the increase in the value of deposits. Investors in the fund include: Monday Development Sp. z o.o. On 20.08.2019, the Polish Financial Supervision Authority issued a decision on withdrawal of the business licence by SATURN FFI SA, so far the managing authority of UNIDE RZ AN fund, for which BNP Paribas Bank Polska SA is the depository. From the date of the decision, the investment fund was represented by the depository. On 18 November 2019, the by-laws of the Fund were changed. Under this change, the management of UNIDE FIZ AN was entrusted to Towarzystwo Funduszy Inwestycyjnych BDM SA in Bielsko Biala.
30. **FAMA DEVELOPMENT Sp. z o.o. Sp.k.** with its registered office in Poznań registered on 21.09.2020 in the National Court Register. Tax Identification Number (NIP): 7812012988, National Court Register number (KRS): 0000840960, Business Registry Number (REGON): 387069658. Shares in the company are held by: Fama Development sp. z o.o. sp. k. (limited partner) 99% and Fama Development sp. z o.o. (unlimited partner) 1%. The Company is consolidated using the full method.
31. **Ursa SKY Smart City Sp. z o.o. Sp.k.** with its registered office in Warsaw. On 22.09.2020, Unidevelopment SA became a partner (limited partner) in URSA SKY Smart City sp. z o.o. sp.k. The Company is consolidated using the equity method. The agreed contribution amounts to 14,500,000.00 PLN. Contributions made as of 31.12.2020 amounted to 5,450,000.00 PLN.
32. **Seljedalen AS** org. no. 912 118 169 with its registered office in Trondheim, Norway, was acquired on 10.09.2013. UNIBEP SA holds 50% of shares. The Company was established to carry out developer activities on the Norwegian market. The Company is measured using the equity method.
33. **Lovsetvegen 4 AS** org. no. 912 575 543 with its registered office in Melhus. The Company was established in 19.09.2013. 100% of shares were acquired on 23.09.2015 by Seljedalen AS. The Company conducts development and property rental activities. The Company is measured using the equity method.

DIAGRAM OF THE UNIBEP CAPITAL GROUP (AS OF 31.12.2020)



UNIBEP GROUP
 Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)

Name of the entity and legal form	Registered office	Objective of the enterprise	Nature of the relationship	Consolidation method applied	Date of obtaining control/shares	Balance sheet value of shares	Percent of the share capital held	Share in total number of votes of the general meeting
Unidevelopment SA	Warsaw	property development activity	subsidiary	full method	09.04.2008	89,346,310.26	97.63%	97.63%
UNIBEP Construction Sp. z o.o.	Warsaw	implementation of construction projects	subsidiary	full method	04.07.2011	16,739.80	100%	100%
Budex Sp. z o.o.	Białystok	works related to construction of bridges and tunnels	subsidiary	full method	01.07.2015	18,000,150.00	100%	100%
UNIBEP PPP Sp. z o.o.	Bielik Podlaski	implementation of construction projects	subsidiary	full method	04.11.2017	5,000.00	100%	100%
Unihouse SA	Bielik Podlaski	implementation of construction projects	subsidiary	full method	01.04.2019	48,392,824.63	100%	100%
Sjeljedalen AS	Trondheim, Norway	property development activity	jointly controlled entity	equity method	10.09.2013	7,984.00	50%	50%
Lovveiregnet 4 AS	Melhus, Norway	property development activity	indirectly jointly controlled entity	equity method	23.09.2015	6,493,179.84	50%	50%
MP Sp. z o.o.	Poznań	property development activity	indirect subsidiary	full method	10.08.2011	10,000.00	97.63%	97.63%
DEA Sp. z o.o.	Warsaw	property development activity	indirect subsidiary	full method	09.09.2011	50,000.00	97.63%	97.63%
DEA Sp. z o.o. Sp. L.	Warsaw	property development activity	indirect subsidiary	full method	09.09.2011	2,340,000.00	97.63% (*)	97.63% (*)
Unigo Sp. z o.o.	Warsaw	property development activity	indirect subsidiary	full method	26.10.2012	5,000.00	97.63%	97.63%
UNIDE HIL AN (Closed-End Private Assets Investment Fund)	Białystok	activity of funds	indirect subsidiary	full method	11.09.2012	100,896.00	97.63%	97.63%
Lytka UDW Sp. z o.o. S.K.A.	Warsaw	property development activity	indirect subsidiary	full method	03.10.2013	6,649,810.00	97.63%	97.63%
Howella UDW Sp. z o.o. S.K.A.	Warsaw	property development activity	indirect subsidiary	full method	03.10.2013	4,484,000.00	97.63%	97.63%
Szczęśliwka Sp. z o.o.	Warsaw	property development activity	indirect subsidiary	full method	04.02.2014	34,303,121.90	97.63%	97.63%
Smart City Sp. z o.o. Sp. k.	Warsaw	property development activity	indirect affiliate	equity method	09.04.2015	1,000.00	48.82% (*)	0% (*)
Monday Development Sp. z o.o.	Poznań	property development activity	indirect subsidiary	full method	05.01.2016	55,834,646.13	97.63%	97.63%
Sakratas Sp. z o.o.	Warsaw	property development activity	indirect subsidiary	full method	14.07.2016	5,000.00	97.63%	97.63%
Osiwiec Kien Sp. z o.o.	Warsaw	property development activity	indirect subsidiary	full method	14.07.2016	5,000.00	97.63%	97.63%
Osiedle Marywka Sp. z o.o.	Warsaw	property development activity	indirect subsidiary	full method	08.12.2016	13,500,000.00	97.63%	97.63%
Subawata 18 MP Sp. z o.o. Sp. k.	Poznań	property development activity	indirect subsidiary	full method	11.06.2017	10,000.00	97.63% (*)	97.63%
Zielony Solec Terezy MP Sp. z o.o. Sp. k.	Poznań	property development activity	indirect subsidiary	full method	11.06.2017	10,000.00	97.63% (*)	97.63%
Monday Cosmonautów MP Sp. z o.o. Sp. k.	Poznań	property development activity	indirect subsidiary	full method	11.06.2017	10,000.00	97.63% (*)	97.63%
URSA PARK Smart City Sp. z o.o. Sp. k.	Warsaw	property development activity	indirect affiliate	equity method	03.08.2017	1,000.00	48.82% (*)	0% (*)
URSA SKY Smart City Sp. z o.o. Sp. k.	Warsaw	property development activity	indirect affiliate	equity method	22.09.2020	14,500,000.00	48.82% (*)	0% (*)
Farma Development Sp. z o.o.	Poznań	property development activity	indirect subsidiary	full method	22.02.2018	2,500.00	48.82% (*)	48.82% (*)
Farma Development Sp. z o.o. Sp. k.	Poznań	property development activity	indirect subsidiary	full method	22.02.2018	5,001,000.00	48.82% (*)	48.82% (*)
Farma Development Sp. z o.o. Sp. k.	Poznań	property development activity	indirect subsidiary	full method	21.09.2020	1,000.00	48.82% (*)	48.82% (*)
Coopera IDEA Sp. z o.o. Sp. L.	Warsaw	property development activity	indirect subsidiary	full method	03.07.2018	10,000.00	97.63% (*)	97.63% (*)
Aspeli IDEA Sp. z o.o. Sp. L.	Warsaw	property development activity	indirect subsidiary	full method	11.07.2018	10,000.00	97.63% (*)	97.63% (*)
UNI Idea Sp. z o.o. Sp. k.	Warsaw	property development activity	indirect subsidiary	full method	10.07.2018	10,000.00	97.63% (*)	97.63% (*)
UNI INVESTICE Sp. z o.o. Sp. k.	Warsaw	property development activity	indirect subsidiary	full method	29.11.2018	10,000.00	97.63% (*)	97.63% (*)
Galbany Sp. L.	Poznań	property development activity	indirect subsidiary	full method	17.04.2019	100.00	56.59% (*)	56.59% (*)

* total share including participation in the unlimited partner company

** share in profits/losses of the Company

*** share of votes in the unlimited partner company

**** share in profits/losses of the Company if distributed in two stages. In the first stage the shareholders' contributions are returned. In the second stage the remaining profit is distributed among the shareholders, with the Unibep Group receiving 48.82%.



3. Accounting and consolidation principles adopted

3.1. Accounting policy

These financial statements were prepared in accordance with the principles described below, taking into account the applicable changes to the International Financial Reporting Standards ("IFRS").

TANGIBLE FIXED ASSETS

Tangible fixed assets include own items: *Tangible fixed assets*, *Tangible fixed assets under construction* and *Right-of-use assets*

Tangible fixed assets are assets maintained by the Group in order to use them in the production process or in the supply of goods and services or for administrative purposes with an expected economic useful life of over one year. Tangible fixed assets include in particular the following groups:

- land (including land intended for surface mining, e.g. gravel mine);
- buildings, premises, civil and water engineering structures;
- technical equipment and machines;
- vehicles;
- other tangible fixed assets;
- expenditure in third party tangible fixed assets;

Tangible fixed assets are recognised in the accounting records if and only if the following two criteria are met simultaneously:

- there is a probability that the Group will obtain future economic benefits related to a given asset;
- the purchase price or manufacturing cost of an asset by the Group can be determined in a reliable manner.

At the time of initial recognition, an item of tangible fixed assets that qualifies for recognition as an asset is measured at purchase price or manufacturing cost.

Commenced investments related to tangible fixed assets under construction are measured at the amount of total costs directly related to their purchase or manufacture, including the financial expenses, less the impairment write-offs.

After the initial recognition, tangible fixed assets are disclosed at purchase price or manufacturing cost ("cost") less total amortisation charges and total impairment losses.

Tangible fixed assets, including land intended for surface operations, are depreciated on a straight-line basis in order to distribute their initial value, less their residual value and accumulated amortisation and impairment losses, over the period corresponding to their estimated useful life.

Depreciation is based on the cost of the asset less its residual value.

The amount of depreciation rates is determined on the basis of the expected useful life, which is subject to annual verification by companies of the Group. Useful lives of particular groups of tangible fixed assets are presented below:

- land intended for surface mining – 10 years;
- buildings, premises, civil and water engineering structures – between 5 to 40 years;
- technical equipment and machines – between 2 to 15 years;
- vehicles – between 3 to 8 years;
- other tangible fixed assets – between 2 to 10 years.

In justified, individual cases the above-mentioned periods may be extended.

The above-mentioned useful lives and the residual value of individual tangible fixed assets are reviewed at least at the end of each financial year and if expectations differ from previous estimates, changes are recognised prospectively as changes in accounting estimates.

Low value tangible fixed assets with a value not exceeding 3,500 PLN, except for power tools, may be depreciated once, in the month in which they were purchased, if the simplification adopted in this way does not significantly distort financial results and assets. A one-off purchase of a larger number of low value tangible fixed assets may be recognised and depreciated as one collective asset. As regard to items classified as equipment, due to their low value, the Group applies a simplified approach consisting in a one-off recognition of the asset value in the cost of



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial
Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



material consumption at the time of putting the assets into use. Off-balance sheet equipment records are kept in subsequent periods.

Depreciation of tangible fixed assets begins when they are available for use, which means bringing the asset to the location and conditions necessary for it to be used as intended by management. In practice, the Group adopts a simplification and depreciation starts at the beginning of the month following the month in which the tangible fixed asset became available for use.

If there are indications of possible impairment loss of tangible fixed assets, these assets are reviewed for possible impairment loss.

The amount of impairment losses is determined as the excess of the carrying amount of these items over their recoverable amount.

Impairment losses are recognised in the income statement under "Other operating expenses".

An assessment shall be made at each reporting date to determine whether there is any objective evidence that the loss write-off may be reversed. A possible reversal of a previously recognised revaluation write-off is recognised in the income statement under "Other operating revenues", respectively.

Subsequent expenditures are recognised in the carrying amount of a given tangible fixed asset only when it is possible that this item will bring economic benefits to the Group, and the cost of the given item can be reliably measured.

The costs of current maintenance of tangible fixed assets and their maintenance affect the profit or loss of the period in which they were incurred.

INTANGIBLE ASSETS

Intangible assets are recognised if it is probable that they will generate economic benefits in the future. The initial recognition of intangible assets is made according to their purchase prices or manufacturing cost. In the subsequent period of use, the measurement is made at the purchase price or manufacturing cost less depreciation and impairment losses.

Intangible assets held by the Group, except for intangible assets with indefinite useful lives, are amortised on a straight-line basis over the period corresponding to their estimated useful lives, i.e. in principle 2-10 years. This period may be extended in justified cases.

Goodwill arising from taking control of a subsidiary is not amortised and is subject to an annual impairment test. In order to test for possible impairment, goodwill acquired as a result of the merger is allocated to cash generating units. Allocations are made to those cash generating units or groups of cash generating units which are expected to benefit from the synergy of merger which created this goodwill. Each unit or group of units to which the goodwill is allocated represents the lowest level in the entity at which the goodwill is monitored for internal management purposes. Nevertheless, a single cash generating unit cannot be larger than an operating segment established in accordance with the principles described in the Segment Reporting section. The annual impairment test of a cash generating unit to which goodwill has been allocated is carried out at the end of the financial year. The impairment test consists of a comparison of the carrying amount of the cash generating unit with its recoverable value, i.e. the higher of two amounts: fair value less selling costs and value in use.

Impairment losses are recognised in the income statement under "Other operating expenses".

Research work includes innovative and planned search for solutions undertaken with the aim of acquiring and assimilating new scientific and technical knowledge. At the stage of research work, the Group is not yet able to prove the existence of such intangible assets which will generate economic benefits in the future.

Development work is the practical application of research findings or other knowledge in planning or designing the production of new or substantially improved materials, devices, products, processes, systems or services prior to serial production or use. At the development stage, the Group is able to identify such an intangible asset which will generate economic benefits in the future.

In the case of difficulties in separating research and development work in the implemented project, the Group treats the entire work as research work.

Research work does not lead to the creation of an asset, therefore the costs of such work are recognised in the costs of the period when they are incurred, similar to the costs of development works that do not meet the criteria for capitalisation.

Development work costs are capitalised as intangible assets that are technically possible, used to complete an intangible asset so that it can be used or sold.

LEASE

The contract includes a lease if all of the following conditions are met:



UNIBEP GROUP

Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



- the asset is identified (note: an asset is not identified if the supplier has a significant right to replace the asset),
 - the client is entitled to virtually all economic benefits,
 - the client determines how and for what purposes the asset is used or it is determined by a higher level of authority,
- but the client operates the asset or has designed it.

Lease with a lessee

If the contract meets the definition of a lease, then, at the beginning of the lease, the lessee recognises a right-of-use asset and a lease liability in its statements of financial position.

The right-of-use asset is initially recognised at the value of the lease liability, and then increased by:

- any lease payments made on or before the commencement date less any lease incentives received,
- the initial direct costs of the lessee related to the contract,
- estimate of costs to be borne by the lessee at the end of the contract.

After the commencement date, the right-of-use asset is measured using the cost model.

In order to apply the cost model, the right-of-use asset is measured at the cost:

- less total depreciation (amortisation) and total impairment losses,
- adjusted for any revaluation of the lease liability.

The lease liability is initially measured at the current value of future lease payments over the lease term, discounted at the rate specified in the lease contract. Otherwise, if this rate cannot be determined, the incremental borrowing rate of the lessee should be used.

Lease payments to be recognised in the measurement of the lease liability at the initial recognition date shall include:

- fixed lease payments minus any applicable lease incentives – fixed lease payments include, in principle, fixed lease payments, which may contain elements of volatility as such, but are generally unavoidable,
- variable fees depending only on the index or rate,
- amounts paid by the lessee in respect of the guaranteed residual value,
- call option exercise price,
- penalties for lease termination – are recognised only if it has been assumed in determining the lease term that there is reasonable certainty that the lessee will exercise the termination option.

After initial recognition, the lease liability is measured through:

- an increase in the carrying amount to reflect interest on the lease liability,
- a decrease in the carrying amount to reflect the lease payments made,
- revaluing the carrying amount to reflect any reassessment or change in the lease or to reflect revalued, substantially fixed lease payments.

The revaluation amount of the lease liability is regarded as an adjustment to the right-of-use asset. However, if the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the remaining amount of the revaluation is recognised in profit or loss.

If a contract meets the definition of a lease but the payments are variable (not index or rate dependent but, for example, turnover), the cost of such contracts is not included in the measurement of the lease liability but is recognised directly in profit or loss.

The Group identified the following types of significant lease contracts:

- right of perpetual usufruct of land,
- office lease contract,
- machines and equipment lease contracts,
- vehicle lease contracts.

The Group allows for taking advantage of simplifications concerning all short-term leases (shorter than 12 months) and leases with respect to which the underlying asset has a low value (below 20,000 PLN). No financial liabilities and related right-of-use assets are recognised for these contracts. Lease payments in such a situation are recognised as expenses on a straight-line basis over the lease term.

When identifying lease contracts, the Group makes estimates and applies judgements that have a significant effect on the value of lease liabilities and right-of-use assets. This mainly concerns the discount rate adopted for the valuation of liabilities and the duration of the leases (including the possibility of prolonging or early termination of the lease contract). Estimates that affect subsequent reporting periods also include the depreciation rate and residual values adopted for individual assets.



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



The lease term is the non-cancellable lease term, which covers the aggregate of:

- possible renewal periods of the lease contract if the lessee has reasonable assurance that it will exercise this option; and
- possible lease contract notice periods if the lessee has reasonable assurance that it will not exercise this option.

The exercise of the option to extend/terminate the lease by companies of the Group should take into account all relevant facts and circumstances known and controlled by the Group.

INVENTORY

The inventory includes assets that meet the following criteria:

- held for sale in the ordinary course of the Group business;
- in the course of production held for sale, or
- in the form of materials or raw materials used in the production process or in the provision of services.

Property is also classified as inventory as a result of a change in the classification of investment property, which occurs when land acquired by the Group no longer meets the criteria of an investment property.

Inventory items stored at construction sites for construction-specific purposes or processed on their own or by a subcontractor and in regards to which it is certain they can be easily used for other contracts or sold are not considered as inventory items. Such items are charged directly to contract costs and are thus included in the measurement of the contract according to the progress.

Inventory is measured at the lower of these two values: purchase price or manufacturing cost and selling price. Net selling price is the selling price which can be obtained as of the balance sheet date, excluding value added tax and excise tax, less rebates, discounts and similar price adjustments, as well as costs related to adopting the item to be sold and making this sale.

Expenditure of inventory, except for land and inventory acquired for development activity, is determined using the first-in, first-out (FIFO) method. The distribution of land and inventory related to development activity, such as apartments, premises, etc., is determined using the detailed identification method.

The Group recognises revaluation write-offs on inventory based on the current sales or use plans. Net recoverable amount is the estimated net selling price as defined above ("Post-initial recognition measurement" section).

Revaluation write-offs on inventory are recognised in the profit or loss for the given period, under the "Other operating expenses" item.

BORROWING COSTS

Borrowing costs directly attributable to qualifying assets are capitalised as a part of the purchase price or manufacturing cost of these items.

The capitalisation of borrowing costs allocated to assets begins when:

- expenditures for the asset are being incurred;
- borrowing costs are incurred; and
- activities that are necessary to prepare the asset for its intended use or sale are in progress.

In the case of development activity, in the opinion of the Group, the above conditions are jointly met at the time of commencement of work on the land designated for development (including commencement of necessary technical and administrative work prior to commencing physical construction, such as obtaining permits) and obtaining financing.

Capitalisation of borrowing costs is discontinued when substantially all activities necessary to prepare the qualifying asset for its intended use or sale have been completed, which in the opinion of the Group takes place when the use permit is obtained.

The items of qualifying assets of UNIBEP Group may include, e.g. inventory relating to development activity, tangible fixed assets, intangible assets.

CASH AND CASH EQUIVALENTS

Cash includes cash in hand and cash at bank accounts. Cash equivalents, on the other hand, include short-term highly liquid investments that are readily convertible to specific amounts of cash that are subject to an insignificant risk of changes in value, e.g.:

- cheques and bills of exchange payable within less than 3 months;
- cash in transit (as of the balance sheet date), between different bank accounts of entities, including cash withdrawn from the bank account of an entity, using an ATM, based on a credit card;



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



- term deposits with a bank with maturity of less than 3 months;
- treasury bonds, maturing within up to 3 months.

At the time of initial recognition, cash is recognised at its nominal value, and after the initial recognition as of the balance sheet date, cash is recognised at its nominal value, including any impairment losses. In the case of cash equivalents, the nominal value of bank term deposits is the value of funds at the disposal of the Group, which also includes interest accrued by the bank on deposits until the balance sheet date.

SHORT-TERM AND LONG-TERM TRADE RECEIVABLES

Among items of trade and other receivables, mainly trade receivables, receivables from tax, subsidy, customs, social security, advances granted for deliveries of tangible fixed assets as well as goods, materials and services and other receivables not classified to other asset lines are distinguished.

Trade receivables are the amounts due from clients for goods sold or services provided in the ordinary course of the business of the Group.

Trade and other receivables constituting financial assets are classified as "measured at amortised cost".

Trade and other financial receivables are measured in accordance with the rules presented for this category in the "Financial Instruments" section.

At the time of initial recognition, trade and other receivables constituting financial assets are recognised at fair value. For short-term receivables, the fair value is equal to the nominal amount.

Receivables that do not constitute financial assets are disclosed in the amount due.

After initial recognition, trade and other receivables constituting financial assets are disclosed at the amortised cost (corresponding to the amount payable in the case of short-term receivables) less created revaluation write-offs.

At the end of each reporting period, the Group measures the expected credit losses in accordance with the methodology described in "Financial Instruments". Write-offs for expected credit losses are recognised as a deduction from the carrying amount of receivables and, on the other side, as an expense in the profit or loss, under a separate "Expected credit losses" item.

CONTRACTUAL ASSETS AND LIABILITIES

Contractual assets and liabilities arise from the application of IFRS 15 "Revenues from contracts with clients".

The Group transfers control over a good or service over time and thus fulfils the obligation to provide the service and recognises revenues over time, if one of the following conditions is met:

- the client simultaneously receives and benefits from the service as it is provided,
- as a result of provision, an asset is created or improved and control over that asset is exercised by the client as it is created or improved,
- as a result of the provision of the service, there is no item with an alternative use for the Group and the Group has an enforceable right to pay for the provision of service to date.

Generally, the Group recognises the transfer of control over time in the case of construction contracts, including construction of facilities from modules and panels manufactured by the Group, property construction contracts and contracts for the execution of a development project commissioned by an investor, provided that the item related to land sales is not included in revenues and expenses related to the performance of the contract (the sales of land are shown as "Revenues from sales of goods and materials").

In the case of transfer of control by the Group over time, revenues are determined using the percentage of completion method. The Group determines the progress of performance of the contract by determining the share of costs incurred from the date of conclusion of the contract until the date of revenue recognition in the estimated total costs of the contract. In cases justified by the nature of the contract, the Group may determine the percentage of completion of the contract using other methods.

The "Contractual liabilities" item also includes advances received from clients for the performance of the contract, including advances received within the framework of the development activity and initial fees paid by tenants during construction of investment properties.

Development advances and initial fees paid by lessees during the construction period of development properties are initially recognised at the nominal value of cash received. Development advances are an element of the selling price and will affect the profit or loss when the revenue on sales is recognised.

TRADE AND OTHER LIABILITIES

Trade liabilities are obligations payable for goods or services which have been delivered or provided and have been invoiced or otherwise formally confirmed with the supplier. Reverse factoring liabilities (reverse factoring, confirming-supply financing, etc.) are treated as trade liabilities.



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Other liabilities comprise tax, customs and social security liabilities, payroll liabilities, advances received for deliveries, other liabilities of similar nature and deferred revenues.

Trade and other liabilities are classified as "financial liabilities" and measured in accordance with the policy presented in the "Financial Instruments" section.

CONTINGENT LIABILITIES AND RECEIVABLES

A contingent liability is an obligation to provide services that are contingent on the occurrence of specified events. Contingent liabilities are not shown in the balance sheet, but are disclosed in the notes.

Contingent receivables are not disclosed in the balance sheet, however they are disclosed in the additional information if the effect of measures embodying economic benefits is probable.

TRANSACTIONS AND BALANCES IN FOREIGN CURRENCY

Transactions denominated in foreign currencies are recorded in the functional currency using the average exchange rate announced by the Central Bank on the day preceding the date of transactions/operations. Monetary items of assets and liabilities expressed in a foreign currency are converted as of the balance sheet date according to the rate effective on this day. Exchange differences resulting from the settlement of transactions in foreign currencies and the balance sheet valuation of monetary assets and liabilities expressed in foreign currencies are recognised under financial revenues or expenses, except where they represent an adjustment of borrowing costs (further policy of the "Borrowing costs" section).

Realised exchange differences relating to receivables, liabilities from operating activities of the Group and foreign exchange are recognised in operating revenues or expenses. Unrealised exchange differences related to operating activities and other realised and unrealised exchange differences are recognised under financial revenues or expenses and presented per balance under the "Financial revenues" or "Financial expenses" item, respectively.

Non-monetary assets and liabilities measured at historical cost in a foreign currency are converted at the rate preceding the date of the transaction/operation (especially for entities using PLN as their functional currency, the conversion is made at the average exchange rate of the National Bank of Poland applicable on the day preceding the transaction). Non-monetary foreign currency balance sheet items measured at fair value are converted at the exchange rate effective on the date when the fair value was estimated (in particular for entities with PLN as their functional currency, the conversion is made on the basis of the average rate of exchange published by the NBP on the date when the fair value was estimated).

EQUITY

The equity shown in the consolidated statements of financial position consists mainly of share capital, exchange differences from conversion of foreign entities, other capitals: supplementary capital, including share premium, revaluation reserve, reserve capitals and retained profits. Classification into the appropriate group in the statements of financial position is made taking into account dedicated resolutions and internal regulations of the Group.

The share capital of the Group corresponds to the value of issued and registered ordinary and preference shares of the Parent Company recognised at their nominal value in accordance with the Commercial Companies Code (CCC) and the Parent Company Articles of Association.

The capital created in accordance with the CCC requirements is not subject to distribution, but may be used to cover losses of the entity.

Exchange differences from the conversion of foreign entities are recognised as a separate component of the equity of the Group in accordance with the accounting principles described in the "General information" section.

Other capitals include in particular:

- revaluation reserve;
- reserve capital;
- supplementary capital not created from retained earnings.

Supplementary capital from sales of shares at premium is also created.

Retained earnings (losses) include retained earnings (losses) from previous years and the current year net profit (loss), as well as reserve capital and other reserve capitals created from retained earnings.

Non-controlling interests are the capital established in accordance with the rules presented in the "Consolidation rules" section.

The share capital as of the initial recognition is presented at nominal value.

Declared, but unpaid capital contributions are recognised as outstanding capital contributions and shown as a receivable if the Group has an unconditional claim against a shareholder to make payments.



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



If the Parent Company acquires its own capital instruments, these instruments (acquired own shares) are included in a separate line of own capital with a negative sign, except for creation of a reserve (special purpose) capital for the buy-back of own shares. In such a case, the buy-back of own shares is presented as a decrease in this reserve capital. Purchase, sale, issue or cancellation of own equity instruments of the Group does not result in recognition of any profits or losses in the consolidated financial result. Consideration paid or received shall be recognised directly in equity. Own shares may be acquired and retained by the parent company or another entity that is a member of the Group. The redemption of own shares is accounted for as share premium in correspondence with other lines of capital, e.g.: share capital, share redemption capital in accordance with shareholder/partner resolutions on redemption of own equity instruments. From the point of view of the separate financial statements of a subsidiary acquiring shares of the parent company, the shares acquired are financial assets recognised in accordance with the accounting policy presented under "Financial assets".

The liability on the adopted dividend is recognised at the time of establishing the shareholder right to receive the dividend, as a reduction of equity.

As for the recipient of the dividend, revenue and receivable are recognised when the shareholder right to receive the dividend is established.

Advance dividends are recognised in accordance with the principles set out above.

LOANS, BANK CREDITS, BONDS, LEASES, DERIVATIVE LIABILITIES AND OTHER FINANCIAL LIABILITIES

The "Other financial liabilities" item includes:

- bill of exchange liabilities,
- financial liabilities measured at fair value through profit or loss,
- derivatives used in hedge accounting,
- liabilities on the purchase of shares and stocks,
- liabilities on the settlements with shareholders,
- other financial liabilities.

Financial liabilities are recognised in accordance with the principles described in the "Financial instruments" section.

PROVISIONS

Provisions are an obligation to make payments of a reliably determined value, resulting from past events, that will result in the use of existing or future assets of the entity, the amount or payment term of which is uncertain.

Provisions are created in an amount corresponding to the estimated expenditure necessary to meet the current obligation as of the balance sheet date. The most reasonable estimate of the expenditure required to settle the present obligation is the amount that the Group would reasonably expect to pay in performing the obligation as of the balance sheet date or for which it would transfer the obligation to a third party.

Where the expected effect of the change in time value of money is material, the amount of the provision is determined by discounting the forecast future cash flows to current value using an interest rate which reflects the current market assessment of the value of money over time and the risk factors, if any, associated with this type of liability. A subsequent increase in the provision due to the passage of time, reflecting the reversal of the discounting made, is recognised in financial expenses. The amount of the created provision also includes future events which may affect the amount necessary for the Group to fulfil its obligation, if there is sufficient and objective evidence that such events will occur.

Provisions for warranty repairs

The provision is created in connection with the warranty obligations of companies of the Group, resulting from the construction services provided. The amount of the provision is determined on the basis of the experience of the Group with the number of warranty repairs performed. As a rule, a provision is created in the amount of 0.5% of net income resulting from individual construction contracts. The exception is modular construction and construction, where a provision is created up to 2% of net income, as well as residential construction – a provision amounting to 1% of net income. In justified cases, a provision is created in an individually determined amount on the basis of a decision of the Management Board, which may deviate from the above-mentioned framework.

Provision for repairs under the developer warranty granted

In case of execution of development projects, the Group is obliged to provide a warranty for defects in the finished products sold. Therefore, provisions are created for estimated costs of performing the obligation within the scope of warranty. The value of the provision is calculated according to the following formula:

$$R = \sum P_i * W_i$$

where:



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



R – means the value of the provision in PLN

Pi – is the estimated number of units (in pcs.) after expiry of the guarantee and/or warranty granted by the general contractor

Wi – is the estimated value of warranty repair (in PLN) under both the warranty and the product.

The value of the W indicator is estimated by the Execution Department and approved by the Unit Manager.

The provision in question is created as of the date of obtaining a use permit and recognised on the other side in the selling costs.

Provision for losses on construction contracts

If it is probable that total costs related to the performance of the contract will exceed total revenues, the expected loss (surplus of total estimated costs over total estimated revenues) is charged to the expense in the period and is shown in the manufacturing costs of products and services sold.

Provision for estimated costs of completion of a development project

As of the date of obtaining the use permit for the investment, the Group estimates the value of costs which have to be incurred before the completion of the development project. The above applies in particular to the costs of subcontractor services which have not been provided as of the date of obtaining the use permit.

Provision for disputes

In the case of legal proceedings against the Group, the legal department and external law firms providing services to the Group in consultation with the Management Board make a detailed analysis of potential risks associated with the proceedings and on this basis a decision is made on the necessity to recognise a provision for disputes.

The estimates and related assumptions are based on historical experience or opinions of independent experts, and other factors which are considered rational in given circumstances, and their results provide grounds for the judgement of the carrying amount, which does not directly result from other sources.

Other provisions

The Group companies may also create provisions for the audit of financial statements and other expenses, as decided by the Management Board.

In principle, provisions on the other side are included in the current period expenses. The provision for the estimated costs of development project completion is an exception.

The provision for the estimated costs of development project completion is recognised on the other side, as an inventory item. At the time of sales of the relevant finished goods, the sale is transferred (together with the cost of the finished product sold) to the manufacturing cost of products and services sold. The write-off is established proportionally to the share of finished products sold in the total investment cost.

The accounting records of other provisions charged to expenses consist of:

- an increase in the manufacturing costs of products and services sold – in the case of a provision for costs of subcontractors, warranty repairs, construction and provision for disputes concerning contracts currently executed;
- an increase in selling costs – in the case of a provision for repairs covered by the developer warranty;
- an increase in other operating expenses – if they are related indirectly to operating and financial activities of the Group or if they are related to random events and provisions for disputes concerning the contracts submitted to the service.

Analogously, the amount of provisions is increased if the risk of obligation performance has increased.

The provision is used in connection with creation of a liability for which it was created. The provision may be used only for the purpose for which it was originally established.

If the obligation performance becomes certain, the exchange of the provision for a liability results in a decrease in the provision and an increase in liabilities.

The reversal of part or all of the unused provision in the event of a reduction or cessation of the risk justifying its creation, as of the date on which it proved to be unnecessary, involves a decrease of the provision and:

- a decrease in manufacturing costs of products and services sold – in the case of a provision for warranty repairs, construction provision and provision for disputes concerning contracts currently executed; • a decrease in selling costs – in the case of a provision for repairs under the developer warranty;
- a decrease in other operating expenses – if the provision concerns indirectly operating activities, financial activities or random events, as well as a provision for disputes concerning contracts submitted to the service.

EMPLOYEE BENEFITS



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



The Group is obliged by the applicable legal provisions to collect and pay contributions towards employee pension benefits. In accordance with the IAS 19 "Employee Benefits", these benefits constitute a national program in the form of specific contributions program. The obligation to contribute to the pension plan is recognised as an employee benefit expense charged to the profit or loss for the period in which the employees render their services. The above costs are recognised by type as social security and other benefits, except for benefits which have been capitalised in tangible fixed assets or in the inventory.

The employees of companies of the Group are entitled to receive retirement severance pay of a certain amount upon retirement. This benefit is classified as a post-employment plan of specific benefits. The provision on this account is estimated by the actuary using the forecast unit benefit method. Actuarial gains/losses are recognised in other comprehensive income. Other changes in the provision are recognised in the profit or loss or capitalised in inventory if the changes concern production employees.

The Group recognises provisions in the amount of anticipated payments to employees for short-term cash bonuses if the Group has a legal or customary obligation to make such payments based on the services provided by employees in the past and the obligation can be reliably estimated.

In particular, the Group creates the following provisions for short-term employee benefits:

- 1) provision for the performance of material tasks;
- 2) provision for facility-based bonuses;
- 3) provision for monthly bonuses;
- 4) provision for annual awards;
- 5) provision for annual managerial bonuses;
- 6) provision for bonus for the Management Board;
- 7) provision for unused holiday leaves.

The basis for calculating the provision for unused holidays is a summary of the number of days of leave unused by employees, as of the balance sheet date. The amount of the provision per employee is determined on the basis of the product of the number of unused days of leave of the given employee and his/her gross daily remuneration increased by social security contributions of the employer.

Provisions for employee bonuses are recognised when:

- the entity has a present legal or customary obligation to make such payments as a result of meeting certain criteria, and
- a reliable estimate of such a provision is possible. For example, a provision for facility-based bonuses is recognised when it becomes probable that the contract will be successfully completed and the facility-based bonuses will be due to employees. The valuation of the provision takes into account the fact that some employees may leave without obtaining the right to receive payments.

In principle, the above provisions are created as part of the costs of the period. An exception is made for provisions related to production employees, which are capitalised as inventory manufacturing cost.

DEFERRED INCOME TAX

For financial reporting purposes, deferred tax is calculated in relation to temporary differences between the tax value of assets and liabilities and their carrying amount disclosed in the financial statements, as of the reporting date. The provision for deferred tax is recognised in relation to all positive temporary differences:

- except where the provision for deferred tax arises from the initial recognition of goodwill or the initial recognition of an asset or a liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the gross profit or loss nor the taxable profit or tax loss, and
- except when the timing of the reversal of temporary differences is controlled by the investor control and it is probable that the temporary differences will not reverse in the foreseeable future in the case of taxable temporary differences associated with investments in subsidiaries or affiliates and interests in joint ventures.

Deferred tax assets are recognised for all negative temporary differences, as well as unused tax credits and unused tax losses carried forward to subsequent years, to the extent that it is probable that taxable income will be available, against which the above-mentioned differences, assets and losses can be utilised:

- except where the deferred tax assets related to negative temporary differences arise from the initial recognition of an asset or a liability in a transaction which is not a business combination and, at the time of the transaction, affects neither the gross profit or loss nor the taxable profit or tax loss, and
- in the case of deductible temporary differences arising from investments in subsidiaries or affiliates and interests in joint ventures, a deferred tax asset is recognised in the statements of financial position only to the extent that it is probable that the aforementioned temporary differences will be reversed in the foreseeable future and that taxable profit will be available against which the negative temporary differences can be offset.



Unibep Group
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available, against which the asset can be realised.

Deferred income tax assets and provisions are measured at the tax rates expected to apply in the period when the asset is realised or the provision is released, based on tax rates (and tax laws) effective on the reporting date or which are certainly going to be effective as of the reporting date. In the case of taxable foreign operations conducted within one entity, e.g.: a foreign branch, a representative office, a simplified tax rate appropriate for the tax residence of the entity is applied for the purpose of calculating deferred tax.

Income tax is recognised in the income statement, except when income tax is related to items recognised in other comprehensive income – it is then recognised in other comprehensive income and items recognised in equity – it is recognised directly in equity.

The Group compensates with itself deferred income tax assets with provisions for deferred income tax if and only if it has an enforceable legal title to carry out the compensation of receivables with current tax and the deferred income tax concerns the same taxpayer and is imposed by the same tax authority.

CURRENT INCOME TAX

Current tax liabilities and receivables for the current and previous periods are measured at the amounts expected to be paid to the tax authorities (to be reimbursed from the tax authorities) using tax rates and tax regulations legally or actually in force as of the reporting date.

PREPAYMENTS AND ACCRUALS

Active prepayments and accruals are expenses incurred as of the balance sheet date and constitute deferred expenses. Recognition is made if the incurred costs are related to multiple reporting periods. Insurance, guarantees, structure-settled VAT, as well as other costs meeting the above definition, among others, constitute items of prepayments and accruals.

Prepayments and accruals are initially recognised at the amount paid. Prepayments and accruals are written off on the time basis or on the basis of the amount of benefits or services provided. The time and the method of settlement should depend on the nature of settled costs.

In order to settle the costs in time, the requirement to include them in the assets of the Group should be met, and therefore it must be certain that a given asset will bring economic benefits in the future.

Prepayments and accruals are presented in "Trade and other long-term or short-term receivables".

Passive prepayments and accruals are liabilities due for goods or services which have been received/performed but not invoiced or formally agreed with the supplier. In particular, passive prepayments and accruals include costs of subcontractors not invoiced as of the balance sheet date. These settlements in the statements of financial position are shown as liabilities under "Long-term and short-term provisions".

DEFERRED REVENUES

Deferred revenues constitute received funds in respect of payments to be made in subsequent reporting periods, which will give rise to a title to recognise the relevant revenues. Their settlement in time is aimed at maintaining the principle of matching revenues and expenses.

The Group classifies the following items as deferred revenues:

- subsidies;
- interest on bills of exchange settled in time;
- settlement of the right of perpetual usufruct of land received free of charge.

Development advances and initial fees paid by lessees during the construction period of development properties are initially recognised at the nominal value of cash received. Development advances are an element of the selling price and will affect the profit or loss when the revenue on sales is recognised. Subsidies received in cash are recognised at nominal value and non-monetary subsidies are recognised at fair value. Subsidies are recognised if reasonable certainty exists that the subsidy will be received and the entity will comply with the criteria for receiving the subsidy. Subsidies to tangible fixed assets and development work included in deferred revenues are recognised gradually in the financial result, by way of equal write-offs over the estimated useful life of the asset. Subsidies to costs are recognised as revenue in the period, in which the entity recognises the cost to be offset by the subsidy.

Deferred revenues are presented in long-term or short-term trade and other liabilities.

SEGMENT REPORTING

The operating segments of the Group constitute a part of business activities of the Group, in connection with which the Group may earn revenues and incur expenses, and its results are subject to regular review by the main decision-



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



making body, while the results of the review are used to make decisions on the allocation of resources to individual segments. Operating segments identified on the basis of internal reports are subject to periodic reviews by the chief operating decision maker – the management board of the parent company.

Operating segments that show similarities in their long-term profits or losses and economic characteristics may be aggregated into reporting segments if qualitative criteria and quantitative thresholds are met. Within the qualitative criteria, the operating segments must be similar in each of the following aspects:

- the type of products and services offered;
- the type of production process;
- the type or group of clients who purchase the goods or services offered;
- methods used to distribute products or provide services;
- the type of regulatory environment (if applicable).

Operating segments are recognised separately if any of the quantitative thresholds listed below is met:

- listed segment revenues (both those generated from sales to external clients and from exchanges between segments) constitute 10 percent or more of total external and internal revenues of all operating segments;
- the profit or loss of the segment listed as absolute value constitutes 10 percent or more of the greater of the following absolute values: the combined profit of all operating segments that did not list a loss; and the combined loss of all operating segments that listed a loss;
- assets assigned to a segment constitute 10 percent or more of total assets.

If the total external revenues that can be allocated to operating segments constitute less than 75 percent of consolidated revenues of the Group, additional segments covered by the reporting obligation are identified, even if they do not reach the 10 percent thresholds specified above. The above approach is applied until revenues from the segments covered by the reporting obligation reach at least 75 percent of consolidated revenues of the Group.

Data on segment revenues, expenses, assets and liabilities are presented in accordance with the information regularly presented to the key operating decision-maker.

The segment result is determined at the level of gross profit on sales.

REVENUES FROM SALES

Revenues are received gross economic benefits in a given period, generated as a result of the ordinary activity of the Group, resulting in the increase of equity, other than an increase of capital resulting from payments of the shareholders. Revenues include only received or due proceeds of economic benefits, therefore amounts collected on behalf of third parties (e.g. value added tax) do not constitute revenues of the Group. In addition, revenues are listed less of any returns, rebates and discounts.

The Group recognises revenues taking into account the 5-step model described below. This model may be applied to individual contracts or to a portfolio of contracts (or obligations to provide services) with similar characteristics if an entity reasonably expects that the effect of applying the principles listed below on its financial statements will not differ materially from applying the principles listed below to individual contracts (or obligations to provide services).

Identification of a contract with a client

A contract with a client meets its definition when all the following criteria are met:

- the parties to the contract have approved it and are obliged to fulfil the obligations arising therefrom;
- the entities are able to identify the rights of each party concerning the goods or services to be transferred;
- the entities are able to identify the terms of payment for the goods or services to be transferred;
- the contract has economic substance, i.e. the risk, time of performance or amount of future cash flows is expected to change as a result of the contract;
- It is probable that the entity will receive the remuneration it will be entitled to in exchange for goods or services that will be provided to the client.

Identification of obligations to provide service

For a portfolio of contracts with similar characteristics, companies of the Group assess the goods or services promised in the contract with the client and identify each promise to deliver to the client separately identifiable goods or services (or a package of goods or services) or groups of separate goods or services which are substantially the same and where the delivery to the client is of the same nature as an obligation to provide service.

Transaction price determination

In order to determine the transaction price, the Group takes into account the terms of the contract and its usual



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



commercial practices. The transaction price is the amount of remuneration which the Group expects to receive in exchange for the delivery of promised goods or services to the client, excluding amounts collected on behalf of third parties (for example, certain sales taxes, fuel surcharge, excise tax).

The Group takes into account all the following factors when determining the transaction price:

- variable remuneration;
- conditions limiting the recognition of variable elements of remuneration;
- the existence of a significant element of financing;
- non-cash remuneration;
- remuneration paid to the buyer.

Allocation of the transaction price to individual obligations to provide service

The Group assigns a transaction price to each obligation to provide service (or to separate goods or services) in an amount reflecting the amount of remuneration which the Group expects to receive in return for the delivery of the promised goods or services to the client.

Recognition of revenues at the time of (or in the course of) meeting the obligations to provide service

Obligations to provide service may be fulfilled over time or at a certain time. The Group recognises revenues when the obligation to provide service is met by transferring significant risks to the client, as a result of which the client obtains control over this asset. In the case of development activities, the activity is considered to be performed upon signing the acceptance protocol and receiving keys to the apartment. Revenues are recognised as amounts equal to the transaction price allocated to a given obligation to provide service.

The Group transfers control over a good or service over time and thus fulfils the obligation to provide the service and recognises revenues over time if one of the following conditions is met:

- the client simultaneously receives and benefits from the service as it is performed,
- as a result of performance, an asset is created or improved and control over that asset is exercised by the client as it created or improved,
- as a result of service provision, there is no item with an alternative use for the Group and the Group has an enforceable right to pay for the provision of service to date.

In general, the Group recognises the transfer of control over time. In the case of construction contracts, including construction of facilities from modules and panels manufactured by the Group, property construction contracts and contracts for the execution of a development project commissioned by an investor, provided that the item related to the sales of land is not included in revenues and expenses related to the performance of the contract (the sales of land is shown as "Revenues from sales of goods and materials").

In the case of transfer of control by the Group over time, revenues are determined using the percentage of completion method. The Group determines the progress of performance of the contract by determining the share of costs incurred from the date of contract conclusion until the date of revenue recognition in the estimated total costs of the contract. In cases justified by the nature of the contract, the Group may determine the percentage of completion of the contract according to other methods.

If the outcome of the contract cannot be estimated reliably, revenue is recognised to the extent that it is probable that the revenue will be recovered, and contract costs are recognised as expenses in the period in which they are incurred.

If it is probable that total costs related to the performance of the contract will exceed total revenues, the expected loss (surplus of total estimated expenses over the total estimated revenues) is charged to the expense in the period and is listed in the manufacturing costs of products and services sold.

If the value of estimated revenues using the percentage of completion method exceeds the invoiced revenues, the resulting difference is recognised under "Net revenues from sales of products and services" and recognised assets under "Contractual assets". On the other hand, if the value of estimated revenues using the percentage of completion method is lower than the invoiced revenues, the resulting difference is recognised under "Net revenues from sales of products and services" and the liability is recognised under "Contractual liabilities".

The following items of revenues from operating activities are disclosed in the financial statements of the Group:

- 1) Net revenues from sales of products and services,
- 2) Net revenues from sales of goods and materials,
- 3) Other operating revenues,

wherein other operating revenues do not constitute revenues from the main operating activity.

The products and services sold by the Group include, in particular: sales of construction services, developer sales including investor replacement and commercialisation services, sales related to modular construction, sales of other



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



services and sales of products. At the same time, penalties and compensation calculated by the recipients of services to the Group in the course of the project are recognised as a decrease in net revenues from sales of products and services.

The realised exchange differences related to transactions with clients and the result of the realisation of derivative financial instruments are also recognised in the revenues from sales if the hedged item had an effect on the revenues from sales, together with the discount on deposit receivables.

Revenues from sales of goods and materials include, in particular, sales of land where the Group does not execute development projects, sales of apartments purchased for further resale, sales of design documentation purchased for further resale and sales of other assets classified as materials.

OTHER OPERATING REVENUES AND EXPENSES

Other operating revenues and expenses include expenses and revenues indirectly related to the operating activities of the entity, in particular revenues and expenses related to:

- creation and reversal of revaluation write-offs related to the value of tangible fixed assets, intangible assets, receivables, loans, equity instruments, cash and inventory;
- sales of tangible fixed assets, tangible fixed assets under construction and intangible assets;
- creation and reversal of provisions, except for provisions recognised in manufacturing costs, selling costs or general and administrative costs;
- received or accrued penalties and fines, compensation for contracts transferred to the service and court fees incurred and received;
- on account of charged penalties and fines: compensation for contracts transferred to the service;
- revenues from warranty deposits;
- revenues from operating leases and the result on the sales of tangible fixed assets subject to leaseback of operating lease nature;
- profits or losses arising from reclassification of investment properties from/to inventory;
- received subsidies to revenues and expenses;
- costs of membership fees;
- profits from bargain purchases;
- result on sales of subsidiaries;
- taking over projects;
- revaluation of financial assets;
- and other revenues and expenses not directly related to the core operating activities of the Group.

FINANCIAL REVENUES AND EXPENSES AND EXPECTED CREDIT LOSSES

Financial revenues and expenses include mainly items of revenues and expenses related to financing of operations of the Group.

The financial revenues related to financing operations of the Group include, in particular:

- net exchange rate profits arising from liabilities related to financing activities (loans, credits, bonds, lease, etc.);
- net foreign exchange profits on loans granted in foreign currencies;
- interest on receivables, loans granted and funds accumulated in the form of bank deposits;
- profits on unrealised exchange differences on settlements;
- revenues from unwinding and changes in the estimation of the refund period for the discounted receivables;
- revenues from fair value measurement of derivative instruments, to which no hedge accounting was applied;
- profits from realisation of derivative instruments, to which cash flow hedge accounting is applied, if the hedged item affects financial results;
- the ineffective part of profits related to hedging instruments.

The financial expenses associated with financing operations of the Group include, in particular:

- interest on a bank overdraft in a current account;
- interest on short-term and long-term loans, credits, debt financial instruments and other sources of financing;
- unwinding and changing the estimation of the discount return period on long-term liabilities;
- net exchange rate losses arising from liabilities which are the source of financing for operations of the Group;
- net exchange rate losses on loans granted in foreign currencies;
- losses on realisation and fair value measurement of derivative instruments, to which no hedge accounting was applied;
- losses on realisation of derivative instruments, to which cash flow hedge accounting is applied, if the hedged item affects financial expenses;
- the ineffective part of losses related to hedging instruments;
- costs of issuing bonds financing operations of the Group (these costs constitute an element of interest cost)



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



calculated using the effective interest rate).
Expected credit losses include:

- revenues and expenses related to the establishment and reversal of revaluation write-offs and expected credit losses on receivables, deposits, contractual assets and loans.

CASH FLOW STATEMENT

The cash flow statement is prepared using the indirect method, according to which the gross result is adjusted by the effects of non-monetary transactions, by prepayments and accruals of past or future cash inflows or payments related to operating activities and by items of revenues and expenses related to cash flows from investment or financing activities.

The Group classifies interests received as investment activities, as they result mainly from investments undertaken by the Group. On the other hand, interest paid is shown in financial activities, as it constitutes, in particular, an element of the financing cost.

The cash flow statement shows the balance of cash and cash equivalents without taking into account the effects of periodical valuation of cash and cash equivalents denominated in foreign currencies, less liabilities on bank overdrafts. At the same time, the cash flow statement, discloses the value of cash and cash equivalents in a separate item, in relation to which the Group has limited rights of disposal.

FINANCIAL INSTRUMENTS

Financial assets

The Group has, in particular, such financial assets as:

- investments in other entities;
- investment certificates;
- bonds;
- derivative instruments;
- trade receivables;
- loans granted;
- deposits under construction contracts (i.e. deposits retained by recipients of construction services);
- cash and cash equivalents;
- other financial receivables.

The Group recognises a financial asset or a financial liability in the statements of financial position if and only if it becomes bound by the contractual provisions of the instrument.

Upon initial recognition, all financial instruments are measured at fair value. In the case of financial assets which are not measured at fair value through profit or loss after the initial recognition date, the initial fair value is adjusted by transaction costs directly attributable to the acquisition.

Financial assets that are debt instruments are classified as measured at initial recognition at amortised cost or at fair value on the basis of:

- the business model of the entity for financial asset management, and
- characteristics of contractual cash flows for a financial asset.

Debt instruments are measured at initial recognition at their amortised cost if both conditions are met, i.e.:

- the financial asset is held in accordance with a business model which aims to maintain financial assets for the purpose of obtaining contractual cash flows, and
- the terms of the agreement relating to the financial asset give rise to cash flows on specified dates, which are merely the repayment of principal amount and interest on the outstanding principal amount.

A debt instrument is measured at fair value through other comprehensive income if both conditions are met, i.e.:

- the financial asset is held according to a business model which aims both to receive contractual cash flows and to sell the financial assets; and
- the terms of the agreement relating to the financial asset give rise to cash flows on specified dates which are merely the repayment of principal amount and interest on the outstanding principal amount.

All other debt instruments are measured at fair value through profit or loss after initial recognition.

Notwithstanding the above, at the time of initial recognition, the Management Board may classify a financial asset as measured at fair value through profit or loss, if such classification reduces or eliminates an inconsistency in measurement or recognition.

Derivative instruments not covered by hedge accounting are measured at fair value through profit or loss.

Equity (share) instruments



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Financial assets constituting investments in equity instruments which are not held for trading are measured at fair value:

- through other comprehensive income,
- or
- through profit or loss.

The choice is made for each instrument separately.

Equity instruments that are not held for trading may be measured at fair value through other comprehensive income, however, such classification may not be changed.

Dividends received from these investments are recognised in profit or loss, unless they represent recovery of a part of the initial cost of this investment. Changes in fair value are recognised in other comprehensive income, without the possibility of reclassification of previous profits and losses between the profit and loss account and other comprehensive income.

Equity instruments held for trading are measured at fair value through profit or loss.

Unlisted equity instruments are measured at fair value, even if their fair value cannot be reliably determined.

Debt Instruments

IFRS 9 distinguishes three categories of debt instruments: those measured at amortised cost, at fair value through other comprehensive income and at fair value through profit or loss.

The classification depends on the business model of financial asset management and whether contractual cash flows are purely principal and interest payments, i.e. the so-called SPPI test.

The SPPI test is considered to be passed when only equity and interest constitute cash flows. Under the basic terms of a loan contract, they may include the time value of money, credit risk, liquidity risk, administrative costs, profit margin. Inversely, a test is considered unsuccessful when the exposure is not exposed to risks and volatilities unrelated to the key terms of the loan contract, e.g. exposure to volatility of equity or commodity prices, interest-bearing assets expressed as a multiplier of the basic interest rate, bonds convertible into shares.

Financial assets that do not pass the cash flow test are recognised at fair value through profit or loss.

The business model of the entity defines how an entity manages its financial assets in order to generate cash flows and create value for the Company. The business model of the entity determines whether the cash flows will come from collection of contractual cash flows, sales of financial assets or both.

If a financial instrument is held for the purpose of collecting cash flows, it may be classified as measured at amortised cost only if it additionally meets the requirement for principal and interest payments only. Debt instruments may be classified as at fair value through other comprehensive income if they meet the principal and interest payment only requirement (SPPI) and are held in a portfolio in which the Group holds both assets to collect cash flows and sells the assets. Financial assets that do not contain cash flows which come exclusively from principal and interest payments (SPPI) must be measured at fair value through profit or loss.

The recognition of a financial asset is discontinued only if:

- a) the contractual rights to cash flows from the financial asset have expired, or
- b) the financial asset has been transferred and this transfer qualifies for derecognition (by transferring substantially all risks and benefits of ownership).

When a financial asset is derecognised in its entirety, the difference between the carrying amount calculated at the date of derecognition and the payment received (including any newly acquired assets after deducting any newly incurred liabilities) is recognised in the income statement.

As of the balance sheet date, in order to estimate expected credit losses in relation to trade receivables and loans granted, the Group applies the simplified method using the provision ratio, which takes into account historical data. Other methods of estimating expected credit losses may also be used.

Impairment

The application of IFRS 9 fundamentally changes the approach to the impairment of financial assets by moving from the concept of a loss under IAS 39 to an expected loss, regardless of whether there is an indication of impairment or not.

As of the balance sheet date, the Group applied a simplified model acceptable under IFRS 9, based on a group analysis of a homogeneous portfolio of receivables in order to estimate the expected credit losses in relation to trade receivables and warranty deposits. The model uses data about invoices issued within 2-5 years before the analysis date in order to create a write-off matrix that sets default rates for specific payment delays, i.e. overdue periods.



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Default factors are then used to calculate the expected credit losses for the entire homogeneous portfolio of receivables.

Taking into account the above methodology of calculation of expected credit losses, the value of receivables may also be updated on an individual basis, in particular with regard to:

- receivables from partners put in liquidation or bankruptcy,
- receivables disputed by debtors and payment of which is overdue, and according to the assessment of the property and financial situation of the debtor, repayment of the contractual receivables is subject to a significant risk.

As a result of individual analysis, if despite significant overdue period of the receivables the Group has a credible declaration of the partner payment, the creation of the write-off may be withheld.

In regards to loans, long-term receivables and other similar items, expected credit losses are calculated on the basis of internal assessment (determined by the module) or external ratings, if available. The module estimates the probability of default as of the initial recognition date and as of the balance sheet date. This is based on a comparison of financial data of the borrower as of the date of the loan and as of the balance sheet date and takes into account the additional information resulting from the answers to the supplementary questions that are part of the model. The module proposes the classification of exposures into one of three grades (1-3) of the expected credit loss model. In the case of classification into Grade 1 or Grade 2, the module calculates the amount of the impairment loss based on: (1) the individually assigned rating (determined on the basis of the financial data provided) and market default profiles for that rating; (2) the repayment schedule of the loan or long-term receivable; and (3) expected recoveries from collateral and other credit risk mitigating instruments.

The Group also estimates the expected credit losses related to the contractual assets, using the default factor calculated for receivables from the first overdue range.

Financial liabilities

Upon initial recognition, financial liabilities are recognised at cost, which is the fair value of remuneration received for them. Transaction costs are recognised in the initial recognition of financial liabilities. This does not apply to financial liabilities measured at fair value through profit or loss.

After initial recognition, all financial liabilities are measured at their amortised cost using the effective interest rate method, with the exception of the following:

- financial liabilities measured at fair value through profit or loss. Such a liability, including derivatives being liabilities, is measured at fair value.
- financial liabilities arising when a transfer of a financial asset does not qualify for derecognition or is accounted for using the continued engagement approach.

The measurement of financial liabilities relating to a hedging instrument is subject to hedge accounting requirements.

A financial liability is no longer recognised if and only if the liability has expired, that is when the obligation specified in the contract has been fulfilled, discontinued or the deadline for its recovery has expired.

HEDGE ACCOUNTING

Companies of the Group use derivative instruments in order to hedge against the risk of exchange rate volatility related to transactions settled in foreign currencies.

Derivative instruments, mainly options or forward contracts, are intended to hedge future cash flows.

Criteria for applying hedge accounting

For these derivative instruments, the hedge accounting rules can be applied only if all conditions for the application of hedge accounting are met, i.e.:

- at the time of establishing the hedge, formalised documentation of the hedging relationship has been prepared, defining the adopted risk management objective and the hedging strategy. The documentation designates the hedging instrument that hedges a given item or transaction and specifies the type of risk it hedges against. The companies of the Group determine the manner in which the effectiveness of the hedging instrument in compensating for changes in cash flows from the hedged transaction will be assessed in terms of mitigating the risk against which the company of the Group is hedged;
- the hedge is expected to be highly effective in offsetting changes in cash flows, in accordance with a documented risk management strategy for that particular hedging relationship;
- for cash flow hedge accounting, a cash flow hedge is related to a forecast transaction that is highly probable and subject to the risk of changes in cash flows that could affect profit or loss;



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



- the effectiveness of the hedge can be reliably assessed, i.e. the fair value of the hedged item or its cash flows and the fair value of the hedging instrument can be reliably measured;
- the hedge is verified on an ongoing basis and its high effectiveness is established in all reporting periods for which the hedge was established.

If the above conditions are not met, the derivative instrument is subject to the valuation rules applicable to financial assets measured through profit or loss.

Cash flow hedges

This is a hedge of the risk of fluctuations in cash flows that (i) is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction and (ii) may affect profit or loss. Cash flow hedges are recognised as follows:

- the part of profits or losses related to the hedging instrument that constitute an effective hedge is recognised in other comprehensive income and shown in the revaluation reserve, while the ineffective part of profits or losses related to the hedging instrument is recognised in the financial result under "Financial revenues" or "Financial expenses", respectively;
- if the hedged planned transaction results in recognition of a financial asset or a financial liability, the associated gains or losses recognised in other comprehensive income (effective hedge) are transferred to profit or loss in the same period or periods in which the hedged cash flows affect profit or loss and are presented in the same item as the hedged item;
- if the hedged planned transaction results in recognition of a non-financial asset or non-financial liability, the amounts recognised directly in other comprehensive income (effective hedge) are recognised in the profit or loss in the same period or periods in which the acquired assets or acquired liabilities affect the profit or loss of the period and are presented in the same item in which the effect of the hedged item is presented.

SHARES IN SUBSIDIARIES

Shares in subsidiaries in the consolidated financial statements are initially recognised at their cost. After initial recognition, investments are measured at cost, taking into account any impairment losses. The initial cost includes: fair value of the payment and transaction costs.

An investment in a subsidiary and an affiliate is tested for impairment when indications of impairment exist. If there are any such indications exist, the recoverable amount of this investment is determined, i.e. the higher of the two amounts: fair value less selling costs and value in use. Impairment loss is established in the amount of the surplus of the carrying amount over the recoverable amount and is recognised in the profit or loss under "Other operating expenses".

EQUITY METHOD

In accordance with this method, the value is recognised at cost, including transaction costs, as of the date of acquisition of shares in a jointly controlled entity or affiliate, and in subsequent periods after the acquisition, it is adjusted for changes in the net assets of the entity on which the Group has significant influence, in accordance with its share in that entity. This means that profit or loss attributable to the Group is included in the profit or loss of the Group and other comprehensive income attributable to the Group is included in its other comprehensive income. In other words, the Group presents its share in the profit or loss of the affiliate or joint venture as a part of its result in "Share in net profits (losses) of entities measured using the equity method" line and separately presents the share of the Group as a part of other comprehensive income of the affiliate or joint venture. Any distribution of results of an entity transferred to the Group (e.g. an affiliate or joint venture paying a dividend to the Group) reduces the value of the investment in the affiliate, and/or joint venture when the dividend is approved (the right of the Group to receive the dividend arises).

Investments in entities measured using the equity method are tested for impairment if objective evidence of impairment exists.

The amount of the impairment loss on investments in entities measured using the equity method is determined in accordance with the requirements of IAS 36 Impairment, i.e. it corresponds to the difference between the carrying amount of the financial asset and its recoverable amount (the higher of its value in use and fair value less costs to sell the asset). The revaluation write-off is not allocated to individual assets comprising the accounting value of investments in entities measured using the equity method. The amount of the impairment loss is recognised in the impairment of investments in entities measured using the equity method.

If the objective evidence of impairment of the investment ceases to exist, the impairment test shall be repeated and, if necessary, the write-off shall be reversed to an amount no higher than the carrying amount of the investment that would have been determined had no impairment loss write-off been made at all.



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



GOODWILL

Goodwill arising on an acquisition results from the occurrence, as of the the acquisition date, of an excess of the cost of acquisition of the entity over the share of the Company in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary.

For the purpose of impairment testing, goodwill is allocated to individual units of the Company generating cash flows that should benefit from the synergies resulting from the merger. Entities generating cash flows to which goodwill is allocated are tested for impairment once a year or more frequently, if it can be credibly assumed that impairment has occurred. If the recoverable value of the entity generating cash flows is smaller than its carrying amount, the impairment loss is allocated first in order to decrease the carrying amount of goodwill allocated to this entity, and then to other assets of this entity, proportionally to the carrying amount of individual assets of this entity. An impairment loss recognised for goodwill is not reversed in the following period.

FIXED ASSETS (DISPOSAL GROUP) HELD FOR SALE AND DISCONTINUED OPERATIONS

Fixed assets (disposal group) are classified as held for sale if their carrying amount will be recovered mainly through a sale transaction and the sale is considered highly probable. Fixed assets or a disposal group are measured at the lower of the following two amounts: their carrying amount and fair value less selling costs. Fixed assets held for sale or assets of the disposal group held for sale are listed in a separate item under current assets. Liabilities of the disposal group intended for sale are listed in a separate item under current liabilities.

Discontinued operations are an element of an entity that has been disposed of or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations;
- is part of a single coordinated disposal plan for a separate, important field of activity or geographical area of operations; or
- is a subsidiary acquired exclusively with an intention to resale.

If operations are classified as discontinued operations, the presentation of data in the statement of comprehensive income and the cash flow statement for the financial year is amended in accordance with the detailed guidelines of IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations, respectively, and data for the comparative period is restated to reflect operations that have been discontinued as of the balance sheet date.

3.2. Consolidation principles

Consolidated financial statements include financial statements of the parent company and statements of entities controlled by the parent company (subsidiaries), jointly controlled entities and affiliates prepared as of the balance sheet date or other reporting date.

In order to determine whether the Group exercises control over the entity, a detailed analysis of facts and circumstances indicating the existence of control is performed. In particular, the following elements shall be considered:

- exercising power over an entity – where power is understood as the possession of currently existing and significant rights by the Group, enabling it to manage the relevant activities of the entity on an ongoing basis, i.e. those that have significant impact on the returns generated by the entity, e.g. sales and purchases of goods and services, management of financial assets, acquisition or disposal of assets, and financing activities;
- exposure to, or right to, variable returns on investments – variable returns are returns that are not fixed and can change as a result of the actions of the unit invested in, for example, dividends, interest, service charges, changes in the fair value of the investment, tax benefits.

Transactions in exchange of shares between entities under common control, in the absence of specific regulations in IAS/IFRS, are recognised in the separate financial statements of the parent company without results, and the possible profit from the valuation of the exchanged shares is recognised in the reserve capital from exchange of shares.

The financial results of entities acquired or sold during the year are included in the consolidated financial statements from/until their acquisition or disposal, respectively.

Consolidation of subsidiaries using the full method is carried out in accordance with the following principles:

- all relevant assets and liabilities of subsidiaries and the parent are aggregated in full, regardless of the proportion of ownership of the subsidiary by the parent;
- after aggregation, consolidation adjustments and exclusions are made;
- all relevant revenues and liabilities of subsidiaries and the parent are aggregated in full, regardless of the proportion of ownership of the subsidiary by the Parent Company;



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



- after aggregation, consolidation adjustments and exclusions are made.

Jointly controlled entities and affiliates are consolidated using the equity method.

Non-controlling interest is the capital of subsidiaries that is not attributable, directly or indirectly, to the parent company.

These shares are presented in the consolidated statements of financial position of the Group within the equity (separately from the equity of the owners of the parent company) in the "Non-controlling interests" item.

Transactions with non-controlling shareholders that do not result in a loss of control are reported as equity transactions. The difference between the fair value of the consideration transferred and the share acquired in the carrying amount of net assets of the subsidiary is recognised in equity under the "Retained earnings" item. Gains or losses on the disposal of non-controlling interests are determined similarly. These gains or losses are also disclosed in equity under the "Retained earnings" item.

The consolidated net result is attributed to the shareholders of the parent company and non-controlling interests.

3.3. Rules adopted for conversion of financial data

The financial statements of foreign entities are converted for consolidation purposes into the Polish currency in the following manner:

- particular items of assets and liabilities of the balance sheet, except for equity, are converted according to the average exchange rate announced for the given currency by the National Bank of Poland as of the balance sheet date;
- relevant items of the profit and loss account are translated at the exchange rate being the arithmetic mean of average exchange rates as of the last day of each month of the reporting period, announced for the given currency by the National Bank of Poland;
- the equity of the entity is converted according to the average exchange rate as of the day of taking control, announced for the given currency by the National Bank of Poland.
- exchange gains and losses arising as a result of such conversion are recognised in the consolidated balance sheet directly in equity, as a separate item.

The financial data in EUR have been converted according to the following rules:

- particular assets and liabilities items of the balance sheet, except for equity – according to the average exchange rate of the National Bank of Poland as of 31 December 2020 – PLN/EUR 4,6148, 31 December 2019 – PLN/EUR 4,2585
- relevant items of the profit and loss account – at the average exchange rate in the period from 1 January 2020 to 31 December 2020 – PLN/EUR 4,4742 and in the period from 1 January 2019 to 31 December 2019 – PLN/EUR 4,3018
- equity of the entity – according to the average exchange rate of the National Bank of Poland as of the date of taking control over the entity.

The financial data in NOK have been converted according to the following rules:

- individual assets and liabilities items of the balance sheet, except for equity – according to the average exchange rate of the National Bank of Poland as of 31 December 2020 – PLN/NOK 0,44, 31 December 2019 – PLN/NOK 0,4320
- relevant items of the profit and loss account – at the average exchange rate in the period from 1 January 2020 to 31 December 2020 – PLN/NOK 0,4147 and in the period from 1 January 2019 to 31 December 2019 – PLN/NOK 0,4367
- equity of the entity – according to the average exchange rate of the National Bank of Poland as of the date of taking control over the entity.



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



3.4. Selected financial data converted into EUR

3.4.1. Basic items of the statement of financial position converted into EUR

	as of 31.12.2020		as of 31.12.2019 restated		as of 01.01.2019 restated	
	PLN	EUR	PLN	EUR	PLN	EUR
Fixed assets	294,403,922.02	63,795,597.21	288,754,343.47	67,806,585.30	245,666,508.45	57,131,746.15
Current assets	932,919,175.65	202,158,094.75	880,515,126.59	206,766,496.79	756,041,190.59	175,823,532.70
Total assets	1,227,323,097.67	245,953,691.96	1,169,269,470.06	274,573,082.09	1,001,707,699.04	232,955,278.85
Equity	330,735,681.87	71,668,519.08	325,130,194.38	76,348,525.16	313,127,180.50	72,820,274.54
Liabilities and provisions for liabilities	896,587,215.80	194,285,172.88	844,139,275.68	198,224,556.93	688,580,518.54	160,135,004.31
Total liabilities	1,227,323,097.67	245,953,691.96	1,169,269,470.06	274,573,082.09	1,001,707,699.04	232,955,278.85

For conversion of the data from the statements of financial position as of 31 December 2020, the EUR exchange rate set by the NBP as of that date, i.e. the rate of PLN/EUR 4.6148, was adopted.

For conversion of the data from the statements of financial position as of 31 December 2019, the EUR exchange rate set by the NBP as of that date, i.e. the rate of PLN/EUR 4.2585, was adopted.

For conversion of the data from the statements of financial position as of 1 January 2019, the EUR exchange rate set by the NBP as of that date, i.e. the rate of PLN/EUR 4.3000, was adopted.

3.4.2. Basic items of the statements of comprehensive income converted into EUR

	01.01-31.12.2020		01.01-31.12.2019 restated	
	PLN	EUR	PLN	EUR
Revenues from contracts with clients	1,682,336,959.67	376,008,439.42	1,661,974,207.17	386,343,904.22
Costs of products, goods and materials sold	1,543,609,517.21	345,002,350.63	1,533,792,991.86	356,546,792.47
Gross profit (loss) on sales	138,727,442.46	31,006,088.79	128,181,215.31	29,797,111.75
Profit (loss) on operating activities	59,792,342.12	13,363,806.29	50,894,308.94	11,830,933.32
Gross profit (loss)	54,603,797.65	12,204,147.70	37,771,520.28	8,780,398.97
Net profit (loss)	37,152,632.08	8,303,748.62	28,983,568.58	6,737,544.42
Total comprehensive income	26,542,749.44	5,932,401.20	26,100,103.29	6,067,251.68

To convert the data of the statement of comprehensive income for the period from 01.01.2020 to 31.12.2020, the average EUR exchange rate was adopted, calculated as the arithmetic mean of the rates in force on the last day of each month in the given period, determined by the NBP on that day, i.e. the rate of PLN/EUR 4.4742. To convert the data of the statement of comprehensive income for the period from 01.01.2019 to 31.12.2019, the average EUR exchange rate was adopted, calculated as the arithmetic mean of the rates in force on the last day of each month in the given period, determined by the NBP on that day, i.e. the rate of PLN/EUR 4.3018.



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



3.4.3. Basic items of the cash flow statement converted into EUR

	01.01.-31.12.2020		01.01.-31.12.2019 restated	
	PLN	EUR	PLN	EUR
A. Cash flows from operating activities	121,306,509.01	27,112,446.70	177,420,053.70	41,243,213.00
B. Cash flows from investment activities	-7,341,376.40	-1,640,824.37	-11,044,242.55	-2,567,353.79
C. Cash flows from financial activities	-28,429,368.27	-6,354,067.38	-44,166,345.09	-10,266,945.25
D. Total net cash flows (A +/- B +/- C)	85,535,764.34	19,117,554.95	122,209,463.06	28,409,913.96
E. Exchange rate differences	51,010.94	11,401.13	45,815.36	10,650.28
F. Cash opening balance	178,478,167.48	41,911,040.85	56,222,886.06	13,075,089.78
G. Cash closing balance	264,064,942.76	57,221,318.97	178,478,167.48	41,911,040.85

To convert the data of cash flow statement for the period - 01.01.2020 - 31.12.2020, the following EUR rates were adopted:

- to calculate data from items A, B, C, D, E - average exchange rate calculated as an arithmetic mean of the exchange rates in force on the last day of each month in the given period, established by the NBP for that day, i.e. PLN/EUR 4.4742,
- to calculate data from the F item - the exchange rate established by the NBP as of 31 December 2019, i.e. PLN/EUR 4.2585,
- to calculate data from the G item - the exchange rate established by the NBP as of 31 December 2020, i.e. PLN/EUR 4.6148.

To convert the data of cash flow statement for the period - 01.01.2019 - 31.12.2019, the following EUR rates were adopted:

- to calculate data from items A, B, C, D, E - average exchange rate calculated as an arithmetic mean of the exchange rates in force on the last day of each month in the given period, established by the NBP for that day, i.e. PLN/EUR 4.3018,
- to calculate data from the F item - the exchange rate established by the NBP as of 31 December 2018, i.e. PLN/EUR 4.30,
- to calculate data from the G item - the exchange rate established by the NBP as of 31 December 2019, i.e. PLN/EUR 4.2585.



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



4. Financial risk management

In conducting its operations, the Group is exposed to various types of financial risk: currency risk, interest rate risk, credit risk and liquidity risk. The Management Board verifies and determines the principles of management of each of the above risks.

Currency risk

As a part of its operating activities, the Group enters into contracts which are (or may be) denominated or expressed in foreign currencies. In terms of export earnings, hedging against currency risk is primarily effected through a natural hedging mechanism, which consists of signing agreements with subcontractors in the currency of the agreement, thus transferring the risk to them. Therefore, the foreign currency risk of the Group in the case of export contracts is limited to an amount similar to the executed margin – this relates to contracts executed in Belarus and Ukraine. In the case of contracts executed in Norway and Sweden, the natural hedging mechanism is estimated at approx. 20%. Natural hedging for contracts performed in Poland and expressed in EUR does not exceed 10%.

It is the intention of the Group to close the foreign currency position by balancing foreign currency transactions related to revenues and expenses. The Group has signed contracts with banks, concerning foreign currency transactions, which offer the possibility of using hedging instruments, provided that closing a natural position in the given period is not possible.

The strategy of the Group related to financial instruments hedging the foreign exchange risk is based on the procedure of foreign exchange risk management adopted by the Management Board, which assumes:

- 1) hedging amounts not greater than the planned net foreign exchange flows,
- 2) using simple and predictable tools, e.g. Forward options, sale of put option.

By analysing the planned foreign currency transactions that may occur in 2021, based on the current order portfolio, the Group estimates the maximum total foreign exchange risk exposure to be approx. 19 M EUR, approx. 440 M NOK and 136 M SEK (a year ago it was 8 M EUR and approx. 400 M NOK).

The table below shows the estimated sensitivity of the net income to EUR, NOK and SEK exchange rate fluctuations (assuming no hedging through financial instruments):

	CURRENCY EXCHANGE RATE INCREASE/DECREASE	THE INFLUENCE ON NET PROFIT OR LOSS 2021	THE INFLUENCE ON NET PROFIT OR LOSS 2020
RATE INCREASE	+ 0.20 PLN/EUR	+ 3,078,000 PLN	+ 1,296,000 PLN
	+ 0.05 PLN/SEK	+ 5,508,000 PLN	-
	+ 0.05 PLN/NOK	+ 17,820,000 PLN	+ 16,200,000 PLN
RATE DECREASE	- 0.20 PLN/EUR	- 3,078,000 PLN	- 1,296,000 PLN
	+ 0.05 PLN/SEK	- 5,508,000 PLN	-
	+ 0.05 PLN/NOK	- 17,820,000 PLN	- 16,200,000 PLN

Some of the assets and liabilities of the Group are denominated in foreign currencies and then converted into Polish zloty on the basis of the average rate of exchange published by the National Bank of Poland on the valuation date. The carrying value of assets and liabilities of the Group with significant value determined in foreign currencies as of the balance sheet date is as follows:

	Assets	31.12.2020	31.12.2019
EUR		6,218,227.65	16,579,593.34
- inventory		73,472.49	73,472.49
- receivables		5,962,776.03	7,953,151.56
- cash		174,949.93	8,552,969.29
- other		7,029.20	-
NOK		98,007,272.38	48,305,288.20
- fixed assets		15,000.00	15,000.00
- inventory		101,068.52	101,068.52
- receivables (including loans granted)		86,039,492.67	23,484,014.03
- cash		8,401,291.78	24,530,705.65
- other		3,250,419.41	174,500.00
SEK		6,490,021.84	2,398,958.8
- inventory		859,986.93	859,986.93
- receivables		5,328,261.41	470,894.27
- cash		209,850.18	1,054,077.66
- other		91,923.34	14,000.00
	Liabilities	31.12.2020	31.12.2019



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



EUR	5,887,318.19	9,753,945.42
- liabilities	2,993,201.59	4,285,356.26
- provisions for liabilities and accruals	2,894,116.60	5,468,589.36
NOK	52,282,627.63	23,313,682.59
- liabilities	52,282,627.63	19,360,228.66
- provisions for liabilities and accruals	-	3,953,453.93
SEK	2,528,626.64	394,151.86
- liabilities	2,528,626.64	394,151.86

Taking into account the above-mentioned values of assets and liabilities of the Group expressed in foreign currencies, the sensitivity of the net income to changes in exchange rates is as follows:

	CURRENCY EXCHANGE RATE INCREASE/DECREASE	THE INFLUENCE ON NET PROFIT OR LOSS 2021	THE INFLUENCE ON NET PROFIT OR LOSS 2020
RATE INCREASE	+ 0.20 PLN/EUR	+ 53,607 PLN	+ 1,105,755 PLN
	+ 0.05 PLN/SEK	+ 160,437 PLN	+ 81,114 PLN
	+ 0.05 PLN/NOK	+ 1,851,848 PLN	+ 1,011,553 PLN
RATE DECREASE	- 0.20 PLN/EUR	- 53,607 PLN	- 1,105,755 PLN
	- 0.05 PLN/SEK	- 160,437 PLN	- 81,114 PLN
	- 0.05 PLN/NOK	- 1,851,848 PLN	- 1,011,176 PLN

In order to hedge against the foreign exchange risk, the Group enters into derivative transactions. The rules governing the use of derivative instruments are included in the foreign exchange risk management procedure mentioned above.

Derivative instruments are measured as of the balance sheet date, at reliably determined fair value. The fair value of derivative instruments is estimated using a model based on, among others, the value of foreign exchange rates (average NBP rates) as of the balance sheet date and interest rate differences between the quoted and base currencies. The periodical valuation of financial instruments is partly recognised in equity (intrinsic value of derivatives) and partly in financial revenues or expenses of the reporting period (time value of derivatives). Profits and losses determined as of the settlement date are disclosed in the result account.

The total nominal value of FX-Forward-type exchange forward contracts as of 31 December 2020 was 32.8 M EUR, 101 M SEK and 485 M NOK (100 M NOK and 1.8 M EUR as of 31 December 2019). Taking into account the above-mentioned values of forward contracts, the sensitivity of the net income to FX rate changes (which translate into changes in the value of forward contracts) is as follows:

	CURRENCY EXCHANGE RATE INCREASE/DECREASE	THE INFLUENCE ON NET PROFIT OR LOSS 2021	THE INFLUENCE ON NET PROFIT OR LOSS 2020
RATE INCREASE	+ 0.20 PLN/EUR	- 5,316,354 PLN	- 291,600 PLN
	+ 0.05 PLN/SEK	- 4,090,500 PLN	-
	+ 0.05 PLN/NOK	- 19,642,500 PLN	- 4,050,000 PLN
RATE DECREASE	- 0.20 PLN/EUR	+ 5,316,354 PLN	+ 291,600 PLN
	- 0.05 PLN/SEK	+ 4,090,500 PLN	-
	- 0.05 PLN/NOK	+ 19,642,500 PLN	+ 4,050,000 PLN

Summarising the changes in future revenues, changes in assets and liabilities and changes in the value of hedging instruments due to changes in foreign exchange rates, the total sensitivity of net income to changes in foreign exchange rates is presented in the table below:

	CURRENCY EXCHANGE RATE INCREASE/DECREASE	THE INFLUENCE ON NET PROFIT OR LOSS 2021	THE INFLUENCE ON NET PROFIT OR LOSS 2020
RATE INCREASE	+ 0.20 PLN/EUR	- 2,184,747 PLN	+ 2,110,155 PLN
	+ 0.05 PLN/SEK	+ 1,577,937 PLN	+ 81,114 PLN
	+ 0.05 PLN/NOK	+ 29,348 PLN	+ 13,161,176 PLN
RATE DECREASE	- 0.20 PLN/EUR	+ 2,184,747 PLN	- 2,110,155 PLN
	- 0.05 PLN/SEK	- 1,577,937 PLN	- 81,114 PLN
	- 0.05 PLN/NOK	- 29,348 PLN	- 13,161,176 PLN

Interest rate risk

Interest rate risk is mainly related to the use of bank loans, lease and bank deposits by the Group. These transactions are based mainly on a variable interest rate, which exposes the Group to the risk of changes in its profit or loss and cash flows.

Lease is not decisive in the financing of companies of the Group (it concerns mainly purchases of vehicle fleet and specialist road machines).



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020, prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



The Group invests its financial surpluses in the form of short-term deposits. The deposits are based on fixed interest rates and are usually concluded for a period of 3-7 days. The amount of interest obtained depends, inter alia, on the interest rates.

In order to hedge itself against the risk of interest rate changes, the parent company of the Group concluded two IRS-type transactions hedging the payment of interest on issued three-year own bonds maturing in June 2021 and February 2022. As a result, the bonds issued do not generate any interest rate risk.

The mentioned instruments are valued as of the balance sheet date and at a reliably determined fair value. The effects of periodical valuation of derivative instruments are recognised either as financial revenues or expenses for the reporting period, respectively.

Given the current level of credit financing, it is assumed that the effects of interest rate changes will not have a significant impact on the profit or loss for 2020. All interest-bearing liabilities in the Group amount to 14.1% of the balance sheet total and no significant changes are expected by the end of 2021.

At the same time, companies of the Group grant loans whose interest rate is variable and based on WIBOR 6M plus an appropriate margin (in the case of loans in Poland). These loans are also exposed to interest rate changes. In the case of loans granted in Norway, the interest rate is fixed (depending on NIBOR on the date of signing the loan) and therefore the loans are not exposed to the risk of interest rate changes.

The amounts of interest-bearing liabilities and assets exposed to the risk of interest rate changes are presented in the table below:

Items	31.12.2020	31.12.2019
	PLN	PLN
Loans granted	53,218,970	38,298,715
Bank loans, bonds, lease	108,435,255	66,928,021
Cash	264,064,943	178,374,337
TOTAL	425,719,168	285,401,073

The above-mentioned data concerning bank loans, bonds and financial lease exposed to the risk of interest rate changes do not include series E and F bonds issued by UNIBEP SA, the interest on which was secured by the aforementioned IRS-type transactions. Therefore, there is no risk of interest rate change for this part of liabilities.

In order to carry out the interest rate sensitivity analysis, changes in interest rates which are "reasonably possible" were estimated on the basis of historical changes in value and on the basis of the knowledge and experience of the Group in the financial markets as of 31.12.2020 at -1 / +1 percentage point for the Polish zloty in the case of bank credits, bonds and lease liabilities, and -0.5 / +0.5 percentage point for other areas.

The table below presents the sensitivity of the net financial result to interest rate changes.

Items	Changes to interest rates	The influence on net profit or loss for 2021	The influence on net profit or loss for 2020
Loans granted	+/- 100 pb	+/- 431,074 PLN	+/- 310,220 PLN
Bank loans, bonds, lease	+/- 100 pb	+/- 878,326 PLN	+/- 558,317 PLN
Cash	+/- 50 pb	+/- 1,069,463 PLN	+/- 722,416 PLN

Credit risk

The financial assets of the Group exposed to credit risk are primarily cash held in bank accounts or deposits, loans granted to external entities, and trade receivables.

In order to minimise the risk related to the loss of funds held in bank accounts or deposits, the Company cooperates in this respect only with institutions of stable and reliable financial standing. At the same time, companies of the Group take steps to disperse the cash in such a way that no significant amount of it is deposited with just one financial institution. Cash is sent to bank accounts maintained outside Poland only in amounts required to secure the nearest payments, which are made from such accounts.

When granting loans to external entities, the Group follows the general rule that they may be granted only in connection with projects implemented by the Group. If loans were granted to unrelated entities, this was done only in connection with the implemented projects, when the projects had secured financing and when the loans were covered by at least 100% of the established securities.



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Before signing a contract, each counterparty is evaluated in terms of their ability to meet financial obligations. Most of the current contracts are performed for proven and reliable partners (subsequent contracts). In the event of doubt as to the ability of the partner to pay, contract signing is subject to the provision of appropriate security (financial or on property). In addition, contracts signed with investors include clauses providing for the right to suspend the performance of works, if there is a delay in the payment of amounts due for the provided services. However, one cannot exclude the possibility of a downturn in the property market, which will affect the payment capacity of investors, thus increasing credit risk for the Company.

When determining the risk of impairment of receivables from partners (trade receivables increased and deposits retained by investors), the Group performs both individual assessment of receivables and uses a model to estimate the expected credit losses (receivables not covered by individual assessment). The model uses historical data on the relation of receivables between individual overdue baskets. On this basis, the probability of non-payment is determined for each basket. The product of the probability thus calculated and the volume of receivables from the given basket determines the expected credit loss for each basket. Data on expected credit losses as of 31.12.2020 are presented in the table below:

Items/days of delay	0	up to 90	91-180	181-360	361-720	Over 720	Total
Receivables from partners	165,504,023	41,269,929	1,373,441	6,221,754	11,452,758	37,915,377	263,737,282
Expected loss rate	2.99%	1.23%	10.30%	15.90%	45.18%	92.81%	17.80%
Expected loss	4,945,298	507,034	141,532	989,539	5,174,507	35,190,703	46,948,603
Deposits withheld by partners	41,576,585	1,845,146	-	1,744	3,078	1,591,740	45,020,293
Expected loss rate	0.05%	0.01%	-	3.44%	32.15%	79.49%	2.86%
Expected loss	21,681	186	-	60	990	1,265,304	1,288,221
Contractual assets	90,983,551	-	-	-	-	-	90,983,551
Expected loss rate	0.04%	-	-	-	-	-	0.04%
Expected loss	35,819	-	-	-	-	-	35,819
Total expected loss	5,002,798	507,220	141,532	989,589	5,175,497	36,454,007	48,272,643

The comparative data for 2019 are presented in the summary below:

Item/days of delay	0	up to 90	91-180	181-360	361-720	Over 720	Total
Receivables from partners	172,524,570	15,703,106	9,510,121	11,215,052	25,867,965	15,317,012	250,137,826
Expected loss rate	0.24%	8.28%	12.81%	22.52%	61.93%	100.00%	14.71%
Expected loss	416,123	1,299,770	1,217,992	2,525,785	16,019,603	15,317,012	36,796,285
Deposits withheld by partners	63,444,323	2,420,729	4,936	1,576	1,514,889	901,372	68,287,825
Expected loss rate	2.56%	10.70%	77.61%	85.32%	100.00%	100.00%	6.30%
Expected loss	1,627,021	259,130	3,831	1,345	1,514,889	901,372	4,302,588
Contractual assets	130,994,529	-	-	-	-	-	130,994,529
Expected loss rate	0.21%	-	-	-	-	-	0.21%
Expected loss	269,640	-	-	-	-	-	269,640
Total expected loss	2,307,784	1,558,900	1,221,823	2,527,130	17,534,492	16,218,384	41,348,512

In 2020, the Group wrote off receivables with a total value of 2,527,752.63 PLN. In 2019, the amount was 334,739.81 PLN.

The exposure of the Group to the maximum credit risk is presented in the table below:

Item	31.12.2020		31.12.2019	
	PLN		PLN	
Cash			264,064,943	178,374,337
Receivables from partners			240,520,750	233,420,098
Loans granted			53,683,023	38,517,975
TOTAL			578,268,716	450,312,410



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Liquidity risk

In order to minimise the liquidity risk, the Group tries to maintain an adequate amount of cash (as of 31 December 2020, bank accounts of the Group had 264 M PLN in cash) and concludes credit facility contracts, which serve as additional security of liquidity. In addition, it forecasts and monitors cash flows on an ongoing basis. These activities are supported by systemic solutions for determining expected revenues and measuring actual expenditures, broken down by individual business lines of the Group. The relevant departments in the Group forecast cash flows over the next 12 months and analyse a very detailed statements of income and expenses over the next 30 days. If necessary, an increase in the available credit limits is negotiated in advance.

As of 31 December 2020, the Group had the following credit limits in current accounts with the following banks:

- PKO BP SA in the amount of 15 M PLN, valid until November 2021,
- BNP Paribas Bank Polska SA in the amount of 20 M PLN, valid until June 2021,
- Santander Bank Polska SA in the amount of 10 M PLN, valid until September 2021,
- mBank SA in the amount of 10 M PLN, valid until February 2021,
- BGK in the amount of 30 M PLN, valid until February 2022,
- ING Bank Śląski SA in the amount of 5 M PLN, valid until June 2021,
- ING Bank Śląski SA in the amount of 5 M PLN, valid until February 2021,
- Santander Bank Polska SA in the amount of 8 M PLN, valid until September 2021,
- mBank SA in the amount of 3 M PLN, valid until June 2021,
- Santander Bank Polska SA in the amount of 7 M PLN, valid until June 2021.

Additionally, the Group had a working capital facility of 21.8 M PLN, valid until 2 September 2022.

The Group is not afraid of losing the availability of financing despite the fact that financial institutions analyse the financial results of the company on an ongoing (quarterly) basis. The credit contracts contain provisions on maintaining minimum financial ratios, such as solvency, interest cover, capitalisation and EBITDA, which are reviewed and analysed. The Group monitors the aforementioned provisions on an ongoing basis and in good time, in order to renegotiate said limitations, in the event of an emerging possibility of "coming closer" to the required thresholds.

This provides the Group with financial security, should it experience the risks related to, among others, deterioration of the market situation, limitation of the credit activity of banks, and also makes it possible to take advantage of market opportunities (e.g. acquisitions).

The Group tries to sign contracts only with reliable, financially sound partners who have access to bank financing. Moreover, in contracts for specific construction or road works, the Company always tries to establish performance bonds and to remove defects in the form of bank or insurance guarantees, and not in the form of its own cash retained by investors. This is possible thanks to the wide access of the Group to guarantee limits both in banks and insurance companies. As of 31 December 2020, the Group had such limits in the total amount of 826.2 M PLN. Their use amounted to 60%, i.e. 494 M. At the same time, in contracts with subcontractors, if possible, contractual provisions are created which make the payments to subcontractors conditional upon receipt of funds from the investor.

In order to finance investment purchases, the Group uses its own funds and long-term bank credits, ensuring appropriate durability of the financing structure for this type of assets. Large residential and commercial projects are and will be implemented in the form of special purpose companies. New projects will be financed from own funds of the Group and from bank loans. In addition, the parent company of the Group issued own bonds with a nominal value of PLN 64 M. PLN 30 M is assigned to series E with the redemption date specified for June 2021. The remaining 34 M PLN is related to series F with the redemption date in February 2022.

Taking into account the actions taken and described above, the financial standing of the Group and hedging with credit lines, the liquidity risk should be considered as negligible.

The maturity structure of liabilities of the Group as of 31 December 2020 is presented in the table below (data in PLN):

Item	up to 1 month	from 2 to 3 months	from 4 to 12 months	over 1 year	TOTAL
- liabilities under Trade and other liabilities	183,278,164	76,574,923	1,301,849	38,400	261,193,336
- deposits under construction contracts	26,600,206	7,105,938	15,756,319	54,230,217	103,692,679
- lease liabilities	1,045,978	1,706,439	26,982,539	43,886,201	73,621,157
- liabilities on account of credits and loans (except for current account credits)	462,152	921,244	23,940,484	66,679,773	92,003,654
- bond liabilities		642,700	31,206,700	34,642,700	66,492,100

Bieski Podlaski, 19 April 2021
page 50



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



- off-balance sheet liabilities (guarantees, sureties, etc.)	439,012	16,492,067	103,567,413	373,812,134	494,310,626
TOTAL	211,825,513	103,443,310	202,755,305	573,289,424	1,091,313,552

Capital management

The main objective of capital management of the Group is to maintain a good credit rating and safe capital ratios which would support the operating activities of companies of the Group and increase the value for their shareholders.

The Group manages its capital structure and makes changes to it as a result of economic conditions. In order to maintain or adjust the capital structure, companies of the Group may buy back their own shares, return capital to shareholders, issue new shares and pay dividends. In 2020, no changes were made to the objectives and process rules in this area.

The Group monitors its capital using the leverage ratio calculated as the ratio of net debt to the total capital increased by net debt. The net debt of the Group includes interest-bearing credits and loans and other external sources of financing, trade and other liabilities, deposits under construction contracts, amounts due to clients under construction contracts, advances received and current income tax liabilities less cash and cash equivalents.

CAPITAL MANAGEMENT (PLN)

	31.12.2020		31.12.2019	
	Group	Unit	Group	Unit
Interest-bearing credits, loans and bonds	172,540,572	93,903,807.20	148,493,734	93,633,208.91
Trade and other liabilities	523,448,945	364,280,999.46	521,924,384	362,200,422.59
Cash and cash equivalents	<u>264,064,943</u>	<u>182,789,457.26</u>	<u>178,478,167</u>	<u>142,522,279.80</u>
Net debt	431,944,574	275,395,349.40	491,939,950	313,311,351.70
Equity	<u>330,371,080</u>	<u>196,563,056.97</u>	<u>325,130,194</u>	<u>203,524,065.25</u>
Net capital and debt:	<u>762,315,654</u>	<u>471,958,406.37</u>	<u>817,070,144</u>	<u>516,835,416.95</u>
	56.66%	58.35%	60.21%	60.62%



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



5. Financial instruments

CARRYING AMOUNT

The tables below present carrying amounts of all financial instruments of the Group, broken down by classes and categories of assets and liabilities:
As of 31.12.2020

Classes of financial instruments	Financial assets carried at amortised cost	Financial assets measured at fair value through profit or loss	Financial liabilities measured at fair value through profit or loss	Financial liabilities measured at amortised cost	Hedging instruments in cash flow hedge accounting	Total
Deposits on construction contracts	43,732,072.22	-	-	-103,692,678.75	-	-59,960,606.53
Trade and other receivables *	238,819,511.00	-	-	-	-	238,819,511.00
Loans granted	53,639,690.16	-	-	-	-	53,639,690.16
Derivative financial instruments measured through WF	-	-	-929,081.19	-	-	-929,081.19
Derivative financial instruments in cash flow hedge accounting	-	322,993.38	-38,534.90	-	-12,367,986.50	-12,083,528.02
Cash and cash equivalents	264,064,942.76	-	-	-159,547,962.51	-	264,064,942.76
Credits, loans and other external sources of financing	-	-	-	-261,193,336.38	-	-261,193,336.38
Trade and other liabilities	600,256,216.14	322,993.38	-9,677,616.09	-524,433,977.64	-12,367,986.50	62,809,629.29
* excluding receivables from advances						

As of 31.12.2019 – restated

Classes of financial instruments	Financial assets carried at amortised cost	Financial assets measured at fair value through profit or loss	Financial liabilities measured at amortised cost	Financial liabilities measured at fair value through profit or loss	Hedging instruments in cash flow hedge accounting	Total
Deposits on construction contracts	57,156,766.17	-	-97,708,826.65	-	-	-40,552,060.48
Trade and other receivables *	193,882,380.28	-	-	-	-	193,882,380.28
Loans granted	46,591,981.94	-	-	-	-	46,591,981.94
Derivative financial instruments measured through WF	-	31,677.61	-	-	-	31,677.61
Derivative financial instruments in cash flow hedge accounting	-	9,462.17	-	-	618,771.14	628,233.31
Cash and cash equivalents	178,478,167.48	-	-	-	-	178,478,167.48
Credits, loans and other external sources of financing	-	-	-148,493,733.57	-	-	-148,493,733.57
Trade and other liabilities	476,109,295.87	-	-250,910,088.82	-	-	-250,910,088.82
* excluding receivables from advances						
		41,139.78	-497,112,649.04	-	618,771.14	-20,343,442.25

Derivative instruments are measured as of the balance sheet date at reliably determined fair value. The fair value of derivative instruments is estimated using a model based on, inter alia, the value of foreign exchange rates (average NBP rates) as of the balance sheet date and interest rate differences between the quoted and base currencies.



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)

Items of revenues, expenses, profits and losses recognised in the statement of comprehensive income by category of financial instruments

For the period from 01.01.2020 to 31.12.2020

	Financial assets carried at amortised cost	Financial liabilities measured at fair value through profit or loss	Financial liabilities measured at amortised cost	Total
Interest revenues/expenses	4,316,044.24	-	-11,037,706.01	-6,721,661.77
Profits/losses on exchange rate differences	3,930,215.74	-	-2,762,252.09	1,167,963.65
Expected credit losses (creation/release) *	-13,219,258.80	-	-	-13,219,258.80
Profits/losses on disposal/execution of financial instruments	-	-186,740.27	-	-186,740.27
Total	-4,952,998.82	-186,740.27	-13,799,958.10	-18,939,697.19

* - trade and other receivables -15,719,520.27
- deposits on construction contracts 3,014,366.65
- loans -314,103.16

For the period 01.01.2019-31.12.2019 – restated

	Financial assets carried at amortised cost	Financial liabilities measured at fair value through profit or loss	Financial liabilities measured at amortised cost	Total
Interest revenues/expenses	3,840,189.74	-	-6,138,797.98	-2,298,608.24
Profits/losses on exchange rate differences	860,854.73	-	160,232.79	1,021,087.52
Expected credit losses (creation/release) *	-12,166,955.35	-	-	-12,166,955.35
Profits/losses on disposal/execution of financial instruments	-	-18,328.78	-	-18,328.78
Total	-7,465,910.88	-18,328.78	-5,978,565.19	-13,462,804.85

* - trade and other receivables -11,908,889.18
- deposits on construction contracts -2,911,811.54
- loans 2,653,745.37

Financial assets and liabilities measured at fair value

Financial assets measured at fair value

For the period from 01.01.2020 to 31.12.2020

There were no financial assets measured at fair value.

For the period from 01.01.2019 to 31.12.2019 – restated

	Level 1	Level 2	Level 3	Total
Financial instruments measured at fair value through profit or loss	-	31,677.61	-	31,677.61
Derivatives in cash flow hedge accounting	-	628,233.31	-	628,233.31
Total	-	659,910.92	-	659,910.92

Financial liabilities measured at fair value

For the period from 01.01.2020 to 31.12.2020

	Level 1	Level 2	Level 3	Total
Financial instruments measured at fair value through profit or loss	-	929,081.19	-	929,081.19
Derivative financial instruments in cash flow hedge accounting	-	12,083,528.02	-	12,083,528.02
Total	-	13,012,609.21	-	13,012,609.21

For the period from 01.01.2019 to 31.12.2019 – restated

There were no financial liabilities measured at fair value.

Biełk Podlaski, 19 April 2021
page 53



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Derivative financial instruments

Financial assets under measurement of derivative instruments

	as of 31.12.2020	as of 31.12.2019 restated
- measured through the IRS profit or loss	-	31,677.61
TOTAL:	-	31,677.61
- measured in Forward hedge accounting	-	628,233.31
TOTAL:	-	628,233.31

Financial liabilities under measurement of derivative instruments

	as of 31.12.2020	as of 31.12.2019 restated
- measured through the IRS profit or loss	929,081.19	-
TOTAL:	929,081.19	-
- measured in Forward hedge accounting	12,083,528.02	-
TOTAL:	12,083,528.02	-

The total nominal value of FX-Forward-type exchange forward contracts as of 31 December 2020 was 101 M SEK, 32.8 M EUR and 485 M NOK (100 M NOK and 1.8 M EUR as of 31 December 2019). The periods of expected settlements related to the hedges held are presented in the table below:

Hedged currency/deadline	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	TOTAL
SEK	12,000,000.00	27,000,000.00	-	12,000,000.00	15,000,000.00	35,000,000.00	-	101,000,000.00
EUR	5,817,000.00	5,000,000.00	-	7,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	32,817,000.00
NOK	-	25,000,000.00	105,000,000.00	355,000,000.00	-	-	-	485,000,000.00

Forward SEK (average) rate 0.4211

Forward EUR (average) rate 4.5984

Forward NOK (average) rate 0.4238

Financial assets under Forwards and IRS transactions measured at fair value

	as of 31.12.2020	as of 31.12.2019 restated
a) less than 1 year	-	628,233.31
b) from 1 to 3 years	-	31,677.61
TOTAL:	-	659,910.92

Financial liabilities under Forwards and IRS transactions measured at fair value

	as of 31.12.2020	as of 31.12.2019 restated
a) less than 1 year	9,948,738.90	-
b) from 1 to 3 years	3,063,900.31	-
TOTAL:	13,012,639.21	-

The impact of derivative instruments and hedging transactions on the items of the profit and loss account and on the statement of comprehensive income is presented below:

	01.01-31.12.2020	01.01-31.12.2019 restated
Revenues from sales	4,904,447.00	3,780,640.00
Financial revenues and expenses:	-872,502.76	36,283.14
Under execution of derivative instruments	-186,740.27	-18,328.78
Under measurement of derivative instruments	-685,762.49	54,611.92
The impact of derivative instruments on the profit or loss for the period	4,031,944.24	3,816,923.14
Statement on comprehensive income in the part concerning other comprehensive income		
Impact of hedging transactions:	-12,986,757.64	-3,125,228.86
Impact of measurement of hedging transactions (effective part)	-8,101,261.84	284,671.14
Reclassification to revenues from sales in connection with the execution of a hedged item	-4,885,495.80	-3,409,900.00
TOTAL COMPREHENSIVE INCOME	-8,954,813.40	691,694.28



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



6. Notes to the consolidated financial statements

6.1. Tangible fixed assets

	as of 31.12.2020	as of 31.12.2019 restated
Own tangible fixed assets	90,058,336.34	80,471,037.99
Right-of-use assets	38,348,357.22	37,184,148.84
Total tangible fixed assets	128,406,693.56	117,655,186.83

Own tangible fixed assets

	as of 31.12.2020	as of 31.12.2019 restated
Land	7,288,543.86	7,309,053.31
Buildings, premises, civil and water engineering structures	60,749,618.99	55,427,704.35
Technical equipment and machines	17,861,812.36	12,608,969.72
Vehicles	615,727.64	726,853.49
Other tangible fixed assets	3,135,436.55	2,320,192.66
Tangible fixed assets under construction	407,196.94	2,078,264.46
Own tangible fixed assets	90,058,336.34	80,471,037.99

Right-of-use assets

	as of 31.12.2020	as of 31.12.2019 restated
Land	5,579,680.60	5,403,575.24
Buildings, premises, civil and water engineering structures	11,062,776.00	12,320,530.01
Technical equipment and machines	7,658,467.49	5,163,955.65
Vehicles	10,475,533.77	10,639,260.37
Other right-of-use assets	3,571,899.36	3,656,827.57
Right-of-use assets	38,348,357.22	37,184,148.84



UNIBEP GROUP

Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Change in own tangible fixed assets

For the period from 01.01.2020 to 31.12.2020

	Land	Buildings, premises, civil and water engineering structures	Technical equipment and machines	Vehicles	Other tangible fixed assets	Tangible fixed assets under construction	Total tangible fixed assets
Gross opening balance	7,436,842.90	70,933,936.88	37,379,608.09	5,517,778.06	7,222,361.97	2,078,244.46	130,598,790.36
Increases	6,111,642.42	12,057,185.45	3,536,279.65	1,695,623.28	12,453,268.15	37,853,998.95	
Purchase	-	404,078.29	1,810,200.12	226,732.24	887,530.74	12,453,268.15	15,780,809.58
Acceptance from the investment	-	7,707,564.13	6,740,901.66	18,234.96	377,492.52	-	14,884,393.27
Acceptance from lease	-	-	-	-	105,400.00	-	6,883,776.10
Other	-	-	3,486,043.67	3,292,312.43	325,000.00	-	325,000.00
Decreases	-	654,297.71	4,056,734.07	2,649,017.47	619,387.63	14,124,335.67	22,003,772.35
Sales	-	222,068.20	2,122,171.11	2,436,362.85	159,139.00	-	4,939,741.16
Liquidation and other	-	340,839.56	1,934,562.96	112,654.62	460,248.43	-	2,868,305.57
Transfer from the investment	-	-	-	-	-	-	-
Other	-	71,389.95	-	-	-	14,124,335.67	14,124,335.67
Gross closing balance	7,436,842.90	78,421,281.59	45,380,057.47	6,505,040.24	8,298,597.82	407,194.94	146,449,016.94
Increases	127,789.59	15,536,232.53	24,770,436.37	4,790,924.57	4,902,169.31	-	50,127,752.37
Current amortisation	20,509.45	2,700,399.21	6,399,495.06	2,781,155.28	762,389.77	-	12,663,948.77
Redemption of accepted from lease	-	3,124,288.69	677,514.07	735,606.54	-	-	7,258,317.96
Decreases	-	584,949.14	3,451,886.32	1,482,787.25	501,397.81	6,401,020.52	6,401,020.52
Redemption of tangible fixed assets sold and liquidated	-	564,949.14	3,451,886.32	1,482,787.25	501,397.81	-	6,401,020.52
Redemption closing balance	148,297.04	17,871,662.40	27,818,245.11	5,889,312.40	5,163,161.27	-	56,390,680.42
Net opening balance	7,309,053.31	55,427,704.35	12,608,949.72	726,653.49	2,320,192.66	2,078,244.46	80,471,037.99
Net closing balance	7,286,548.86	60,747,618.99	17,861,812.36	615,727.64	3,135,434.55	407,194.94	90,058,336.34

For the period from 01.01.2019 to 31.12.2019 – restated

	Land	Buildings, premises, civil and water engineering structures	Technical equipment and machines	Vehicles	Other tangible fixed assets	Own tangible fixed assets under construction	Total own tangible fixed assets
Gross opening balance	7,436,842.90	48,346,305.85	44,815,125.28	19,421,950.30	10,171,183.18	874,657.54	153,084,045.05
Application of IFRS 16	-	-	-	-	-11,891,089.83	-	-24,405,240.86
Increases	-	2,618,410.63	2,157,717.43	83,554.69	347,253.78	4,696,330.17	9,923,266.90
Purchase	-	10,070.54	1,280,313.69	75,319.33	367,733.78	-	6,409,287.51
Acceptance from tangible fixed assets under construction	-	1,932,600.96	884,383.16	-	-	-	2,816,984.12
Acceptance from lease	-	-	13,020.78	8,235.36	-	-	21,256.14
Other	-	655,729.13	-	-	-	-	655,729.13
Decreases	-	20,772.60	1,804,820.39	2,096,437.10	590,340.39	3,492,723.25	8,005,300.73
Liquidation and other	-	-	310,302.01	117,898.08	-	-	430,573.87
Transfer to tangible fixed assets	-	20,772.60	1,494,318.38	1,978,939.02	588,166.61	-	4,082,003.61
Transfer to tangible fixed assets	-	-	-	-	-	3,492,723.25	3,492,723.25
Gross closing balance	7,436,842.90	70,933,936.88	37,379,608.09	5,517,778.06	7,222,361.97	2,078,244.46	130,598,790.36
Redemption opening balance	108,857.79	13,353,492.19	28,558,106.76	12,147,399.74	5,002,739.15	-	57,170,575.63
Application of IFRS 16	-	-	-	-	-347,484.52	-	-6,835,970.61
Increases	18,931.80	2,198,073.96	3,047,633.15	922,345.99	853,488.75	-	6,894,673.65
Amortisation of items accepted from lease	-	-	428,511.67	261,159.28	-	-	689,670.95
Current amortisation	18,931.80	2,198,073.96	2,613,321.48	1,721,186.71	853,488.75	-	5,600,002.70
Decreases	-	15,333.62	1,619,142.43	2,480,496.18	588,574.07	-	4,701,546.30
Redemption of tangible fixed assets sold and liquidated	-	15,333.62	1,619,142.43	2,480,496.18	588,574.07	-	4,701,546.30
Redemption closing balance	127,789.59	15,536,232.53	24,770,436.37	4,790,924.57	4,902,169.31	-	50,127,752.37
Net opening balance	7,327,965.11	55,012,813.66	13,678,743.20	4,417,985.71	2,810,193.95	874,657.54	80,346,199.17
Net closing balance	7,309,053.31	55,427,704.35	12,408,949.72	726,653.49	2,320,192.66	2,078,244.46	80,471,037.99



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)

Change in right-of-use assets

For the period from 01.01.2020 to 31.12.2020

	Land	Buildings, premises, civil and water engineering structures	Technical equipment and machines	Vehicles	Other right-of-use assets	Total
Gross opening balance	7,340,433.68	13,149,036.62	12,825,030.66	19,757,735.80	4,833,234.60	57,905,471.36
Increases	605,343.87	127,922.71	6,245,108.93	4,551,983.43	977,719.98	12,528,098.92
Contract conclusion and change	605,343.87	127,922.71	6,245,108.93	4,551,983.43	977,719.98	12,528,098.92
Decreases	194,293.67	266,462.77	3,486,063.67	3,835,349.65	105,400.00	7,889,569.76
Contract expiry and change	194,293.67	266,462.77	3,486,063.67	3,835,349.65	105,400.00	7,889,569.76
Other	194,293.67	204,152.06	-	519,523.51	105,400.00	1,025,369.24
Gross closing balance	7,741,503.88	13,010,496.56	15,404,075.92	20,478,369.58	5,705,554.58	62,544,000.52
Redemption opening balance	1,936,858.44	828,506.61	7,661,075.01	9,118,475.43	1,176,407.03	20,721,322.52
Increases	287,800.82	1,119,213.95	3,587,205.27	4,144,031.43	984,031.42	10,122,282.89
Current amortisation	287,800.82	1,119,213.95	3,587,205.27	4,144,031.43	984,031.42	10,122,282.89
Decreases	54,835.98	-	3,302,671.85	3,263,671.05	26,783.23	6,647,962.11
Redemption on contract expiry	54,835.98	-	3,302,671.85	3,263,671.05	26,783.23	6,647,962.11
Redemption closing balance	2,169,823.28	1,947,720.56	7,945,608.43	9,998,835.81	2,133,655.22	24,195,643.30
Net opening balance	5,403,575.24	12,320,530.01	5,163,955.65	10,637,260.37	3,656,827.57	37,194,148.84
Net closing balance	5,579,680.60	11,042,776.00	7,458,467.49	10,475,533.77	3,571,899.36	38,348,357.22

For the period from 01.01.2019 to 31.12.2019 – restated

	Land	Buildings and premises	Technical equipment and machines	Vehicles	Other right-of-use assets	Total
Gross opening balance	7,340,433.68	-	9,788,416.43	11,891,089.83	2,725,734.60	31,745,674.54
Increases	-	13,149,036.62	3,251,457.23	9,403,784.18	2,107,500.00	27,911,778.03
Conclusion of new leases	-	13,149,036.62	3,251,457.23	9,403,784.18	2,107,500.00	27,911,778.03
Decreases	202,857.86	-	214,843.00	1,537,138.21	-	1,751,981.21
Expiry of contracts and lease assignment	202,857.86	-	214,843.00	1,537,138.21	-	1,751,981.21
Gross closing balance	7,340,433.68	13,149,036.62	12,825,030.66	19,757,735.80	4,833,234.60	57,905,471.36
Redemption opening balance	1,734,000.98	-	5,210,161.11	5,258,324.98	367,484.52	12,569,971.19
Increases	202,857.86	828,506.61	2,509,507.41	4,375,524.63	808,922.51	8,725,319.02
Current amortisation	202,857.86	828,506.61	2,509,507.41	4,375,524.63	808,922.51	8,725,319.02
Redemption of expiry of contracts and lease assignments	202,857.86	828,506.61	2,509,507.41	4,375,524.63	808,922.51	8,725,319.02
Redemption closing balance	1,936,858.44	828,506.61	7,661,075.01	9,118,475.43	1,176,407.03	20,721,322.52
Net opening balance	5,606,433.10	-	4,578,255.32	6,432,764.85	2,358,250.08	19,175,703.35
Net closing balance	5,403,575.24	12,320,530.01	5,163,955.65	10,637,260.37	3,156,827.57	37,194,148.84



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Amortisation of tangible fixed assets was recognised in the following items of the profit and loss account:

	01.01-31.12.2020	01.01-31.12.2019 restated
Manufacturing costs of products and services sold	13,427,482.84	14,905,761.00
residential, office and industrial construction	1,241,708.09	3,839,410.92
infrastructure	8,219,846.15	7,247,944.75
property development activities	276,244.18	257,725.17
modular construction	3,689,684.42	3,560,680.16
Selling costs	226,972.16	20,094.36
General and administrative costs	3,732,365.19	961,915.27
TOTAL	17,384,820.19	15,887,770.63

Lease – supplementary data

	01.01-31.12.2020	01.01-31.12.2019 restated
Depreciation and amortisation	10,476,315.76	8,723,555.37
Depreciation capitalised in inventory	272,764.00	64,331.00
Interest expenses	1,794,200.49	1,552,297.58
Interest capitalised in inventory	1,356,526.00	319,970.00
Total expenditures on lease contracts	11,748,256.89	9,389,385.33
Short-term lease expenses	359,717.28	487,267.14
Low value lease expenses below PLN 20 thousand	280,097.33	234,859.47

As of 31.12.2020, security was established on tangible fixed assets for a total value of 115,138,578.00 PLN in the form of registered pledges and mortgages for the purpose of credits, loans and contract performance bonds.

As of 31.12.2020, the use of credit and loans amounted to 11,665,167.32 PLN. Net value of tangible fixed assets constituting the security – 52,411,169.22 PLN.

As of 31.12.2019, security was established on tangible fixed assets for a total value of 56,211,578.00 PLN in the form of registered pledges and mortgages for the purpose of credits, loans and contract performance bonds.

As of 31.12.2019, the use of credit and loans amounted to 17,012,043.20 PLN. Net value of tangible fixed assets constituting the security – 46,050,019.38 PLN.

As of 31.12.2020, liabilities for the purchase of tangible fixed assets and intangible assets amounted to 300,431,50 PLN.

The total value of received or due indemnities in relation to fixed assets which were impaired or lost in the individual reporting periods amounts to:

- for the year ended 31.12.2016 – 24,328.07 PLN
- for the year ended 31.12.2019 – 54,549.80 PLN

6.2. Intangible assets

	as of 31.12.2020	as of 31.12.2019 restated
Costs of completed development works	4,489,908.13	4,729,307.74
Goodwill	15,390,373.20	15,747,474.94
Acquired concessions, patents, licences and similar assets,		
including:	3,477,928.52	3,109,870.50
computer software	2,299,995.07	2,641,125.97
other intangible assets, including licences	1,177,933.45	468,744.53
Intangible assets under construction	1,207,876.30	1,568,047.39
Intangible assets	24,566,086.15	25,154,700.57



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)

Change in intangible assets

For the period 01.01.2020-31.12.2020

	Costs of completed development works	Goodwill	Computer software	Acquired concessions, licences, patents	Intangible assets under construction	Total
Gross opening balance	5,053,387.26	15,747,474.94	5,677,015.87	1,107,356.66	1,568,047.39	29,153,282.12
Increases	-	-	349,983.88	946,474.50	572,763.89	1,869,222.27
Purchase	-	-	283,563.88	70,382.00	572,963.89	906,909.77
Acceptance from the investment	-	-	86,400.00	876,112.50	-	962,512.50
Decreases	-	357,101.74	82,395.58	-	933,134.98	1,372,632.30
Liquidation	-	-	82,395.58	-	-	82,395.58
Transfer from the investment	-	-	-	-	933,134.98	933,134.98
Other adjustments	-	357,101.74	-	-	-	357,101.74
Gross closing balance	5,053,387.26	15,390,373.20	5,944,604.17	2,053,831.16	1,207,876.30	29,650,072.09
Redemption opening balance	324,079.52	-	3,035,889.90	638,612.13	-	3,998,581.55
Increases	239,397.61	-	691,114.78	237,285.58	-	1,167,799.97
Current amortisation	239,397.61	-	691,114.78	237,285.58	-	1,167,799.97
Decreases	-	-	82,395.58	-	-	82,395.58
Depreciation of liquidated items	-	-	82,395.58	-	-	82,395.58
Redemption closing balance	563,479.13	-	3,644,607.10	875,897.71	-	5,083,983.94
Net opening balance	4,729,307.74	15,747,474.94	2,641,125.97	468,744.53	1,568,047.39	25,154,700.57
Net closing balance	4,489,908.13	15,390,373.20	2,299,995.07	1,177,933.45	1,207,876.30	24,566,086.15

For the period 01.01.2019-31.12.2019 – restated

	Costs of completed development works	Goodwill	Computer software	Acquired concessions, licences, patents	Perpetual usufruct	Intangible assets under construction	Total
Gross opening balance	435,615.23	15,747,474.94	5,245,035.18	939,371.92	4,475,543.09	5,558,800.53	32,402,040.89
Application of IFRS 16 for the first time	-	-	-	-	-4,475,543.09	-	-4,475,543.09
Increases	4,726,218.97	-	501,578.15	335,305.00	-	1,149,503.62	6,712,605.74
Purchase	-	-	134,044.43	335,305.00	-	1,149,503.62	1,618,853.05
Acceptance from intangible assets under construction	4,726,218.97	-	367,533.72	-	-	0.00	5,093,752.69
Decreases	108,446.94	-	69,897.46	167,520.26	-	5,140,256.76	5,485,821.42
Liquidation	108,446.94	-	69,897.46	167,520.26	-	46,504.07	392,068.73
Transfer from intangible assets under construction	-	-	-	-	-	5,093,752.69	5,093,752.69
Gross closing balance	5,053,387.26	15,747,474.94	5,677,015.87	1,107,356.66	-	1,568,047.39	29,153,282.12
Redemption opening balance	383,640.97	-	2,508,288.97	682,316.71	1,734,000.58	-	5,308,247.23
Application of IFRS 16	-	-	-	-	-1,734,000.58	-	-1,734,000.58
Increases	48,885.49	-	593,344.12	127,669.95	-	-	769,899.56
Current amortisation	48,885.49	-	593,344.12	127,669.95	-	-	769,899.56
Decreases	108,446.94	-	65,743.19	171,374.53	-	-	345,564.66
Liquidation	108,446.94	-	65,743.19	171,374.53	-	-	345,564.66
Redemption closing balance	324,079.52	-	3,035,889.90	638,612.13	-	-	3,998,581.55
Net opening balance	51,974.26	15,747,474.94	2,736,746.21	257,255.21	2,741,542.51	5,558,800.53	27,093,793.66
Net closing balance	4,729,307.74	15,390,373.20	2,641,125.97	468,744.53	-	1,568,047.39	25,154,700.57



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Companies of the Group created development works for new products on their own.

Amortisation of intangible assets was recognised in the following items of the profit and loss account:

	01.01-31.12.2020	01.01-31.12.2019 restated
Manufacturing costs of products and services sold	439,158.14	131,586.72
General and administrative costs	728,641.83	627,654.68
Total amortisation of intangible assets	1,167,799.97	759,241.40

Ownership structure of intangible assets:

	as of 31.12.2020	as of 31.12.2019 restated
Own	24,566,086.15	25,154,700.57
Total ownership structure of intangible assets	24,566,086.15	25,154,700.57

As of 31 December 2020 and 31 December 2019, entities comprising the Group did not have any encumbrances on intangible assets of a legal or bond nature.

In 2020, the main component of intangible assets was goodwill arising from the acquisition of:

- companies currently referred to as Oddział Infrastruktury UNIBEP SA in the amounts of, respectively: 1,954,050.88 PLN and 3,674,932.90 PLN;
- road and bridge construction company Budrex Sp. z o.o.
- Monday Development SA and several other development companies on the Poznań market;
- a trademark recognised as a result of obtaining control of Monday Development SA.

Moreover, in 2019, a the completed research and development project entitled: "Zero Energy Building" was a significant component of intangible assets.

Oddział Infrastruktury UNIBEP SA – the goodwill as of 31.12.2020 amounts to 5,628,983.78 PLN.

In order to determine the value in use of the acquired goodwill, a discounted cash flow (DCF) analysis was carried out for the cash generating unit to which the goodwill was allocated, using a weighted average cost of capital (WACC) of 8.64%. These analyses were based on forecasts of future cash flows and planned cash income and expenditures. The residual value for discounted cash flows was calculated on the basis of the perpetuity formula with a 1% increase.

The forecasts approved by the management of the company cover the period of 2021-2025. They take into account the planned financial results in the period, as well as assumptions concerning capital expenditures and the current situation of the company, the order portfolio held, current production capacities and human resources. In addition, they take into account the current and projected market situation, capabilities of companies and opportunities related to acquiring new contracts for implementation. The Company analysed potential orders offered by the infrastructure investment market.

The value in use was determined as a part of tests of the Company for impairment of goodwill as of 31 December 2020 and amounted to 89,910 thousand PLN.

Budrex Sp. z o.o. – the goodwill as of 31.12.2020 amounts to 1,056,851.38 PLN.

In order to determine the value in use of the acquired goodwill, a discounted cash flow (DCF) analysis was carried out for the cash generating unit to which the goodwill was allocated, using a weighted average cost of capital (WACC) of 7.03%. These analyses were based on forecasts of future cash flows and planned cash income and expenditures. The residual value for discounted cash flows was calculated on the basis of the perpetuity formula with a 1% increase.

The forecasts approved by the management of the company cover the period of 2021-2025. They take into account the planned financial results in the period, as well as assumptions concerning capital expenditures and the current situation of the companies, the order portfolio held, current production capacities and human resources. In addition, they take into account the current and projected market situation, capabilities of companies and opportunities related to acquiring new contracts for implementation. The Company analysed potential orders offered by the infrastructure investment market.

The value in use was determined as a part of tests of the Company for impairment of goodwill as of 31 December 2020 and amounted to 38,550 thousand PLN.

Development companies on the Poznań market – as of 31.12.2020, the goodwill – 4,193,539.11 PLN and a trademark in the amount of 4,372,372.00 PLN.



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



In accordance with IAS 36, the Group tested the goodwill of Monday Development SA, Monday Polaczo sp. z o.o. for impairment. When testing for impairment, a cash generating unit (CGU Poznań) was identified. The measurement of CGU Poznań was carried out on the basis of cash flows generated by development projects planned to be implemented on the Poznań market by such entities as: Monday Development SA, Bukowska 18 MP sp. z o.o. SK, Monday Kosmonautów MP sp. z o.o. sp. k., Fama Development sp. z o.o. SK. Monday Development Sp. z o.o. intends to carry out new development projects in the form of special purpose entities. CGU Poznań is a group of assets belonging to Unidevelopment Group, including also Non-Material Assets, which are responsible for activities carried out in Poznań. The valuation of CGU Poznań was carried out using the income method of discounted cash flows based on financial projections for the years 2021-2026. On the basis of the obtained data, the carrying amount was compared with the recoverable value of the cash generating unit. There were no indications to make revaluation write-offs on impairment losses.

Total goodwill subject to impairment test	4,193,539.11
Trademark assigned to a cash generating unit	4,372,372.00
Residual value	41,804,000.00
Market value of own capitals	126,639,000.00

Items	P 2021	P 2022	P 2023	P 2024	P 2025	P 2026
Discount rate during the period (WACC)	7.06%	7.06%	7.06%	7.06%	7.06%	7.06%
Discount factor	0.93	0.87	0.82	0.76	0.71	0.66

6.3. Investment property

	as of 31.12.2020	as of 31.12.2019 restated
Opening balance of gross carrying amount	-	-
a) increases	3,903,062.25	-
Reclassification of investment property Revaluation to fair value	3,885,058.50	-
	18,003.75	-
b) decreases	-	-
Closing balance	3,903,062.25	-

The investment property consists of a building located in Poznań, with a rented area of 922.50 m2. The property leases commercial premises to other businesses for business purposes. The investment property is measured at fair value and its value as of the balance sheet date is presented in the table below.

6.4. Trade and other receivables

	as of 31.12.2020	as of 31.12.2019 restated
Trade receivables	216,788,677.89	175,822,640.37
Receivables on taxes, subsidies, customs duties, social and health insurance, and other benefits	18,004,311.56	13,865,740.47
Other non-financial receivables	3,973,196.16	4,046,357.14
Other financial receivables	53,325.39	655,025.87
Advances granted for deliveries:	7,511,834.24	19,582,028.38
for the purchase of goods, materials and services	7,511,834.24	19,582,028.38
Trade and other receivables	246,331,345.24	213,971,792.23
Expected credit losses on receivables	46,948,603.68	36,804,315.95
TOTAL GROSS SHORT-TERM RECEIVABLES	299,382,741.56	250,776,108.18

Trade receivables – with remaining maturity from the balance sheet date:



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



	as of 31.12.2020	as of 31.12.2019 restated
a) up to 1 month	80,706,929.53	107,416,804.15
b) between 1 and 3 months	74,485,452.96	31,910,805.68
c) between 3 and 6 months	5,339,086.31	6,439.70
d) over 6 months and up to 1 year	27,255.49	-
f) overdue receivables	56,229,953.60	36,488,590.84
NET TRADE RECEIVABLES	216,788,677.89	175,822,640.37

Trade receivables do not bear interest and usually have a payment period of 30-60 days.

As of 31 December 2020, the estimated expected credit losses amounted to 46,948,603.68 PLN. Changes in the expected credit losses are presented in Note 6.5. Expected credit losses have been created to the best of knowledge and experience of Group members, through a detailed analysis of the receivables repayment risk. Expenses and revenues related to expected credit losses are presented in the profit and loss account under "Expected credit losses".

Overdue trade receivables – with breakdown into overdue receivables in the period of:

	as of 31.12.2020	as of 31.12.2019 restated
a) up to 1 month	29,668,348.41	11,955,590.43
b) between 1 and 3 months	11,094,546.53	1,925,118.18
c) between 3 and 6 months	1,231,908.48	4,802,436.94
d) over 6 months and up to 1 year	5,232,724.75	4,664,422.86
e) over 1 year	9,002,925.43	14,140,822.43
OVERDUE NET TRADE RECEIVABLES	56,229,953.60	36,488,590.84

	as of 31.12.2020	as of 31.12.2019 restated
Short-term receivables	246,331,345.24	213,971,792.23
receivables from related entities not subject to consolidation		
exclusions	24,126,256.49	7,840,770.82
from other entities	222,205,088.75	206,131,021.41
Expected credit losses on receivables (positive value)	46,948,603.68	36,804,315.95
Gross short-term receivables	293,279,948.92	250,776,108.18

The trade and other receivables currency structure is as follows:

	as of 31.12.2020	as of 31.12.2019 restated
Receivables in PLN	191,133,883.00	175,506,502.45
Receivables in USD	322,553.59	616.00
Receivables in USD after conversion into PLN	1,275,799.52	2,336.55
Receivables in EUR	4,996,198.44	7,017,932.40
Receivables in EUR after conversion into PLN	23,034,716.43	28,252,763.83
Receivables in RUB	51,551.00	52,201.00
Receivables in RUB after conversion into PLN	3,952.57	4,062.36
Receivables in NOK	67,213,290.79	22,386,264.35
Receivables in NOK after conversion into PLN	29,298,655.02	9,686,378.79
Receivables in BYN	529,454.72	11,415.09
Receivables in BYN after conversion into PLN	756,702.22	20,497.16
Receivables in SEK	1,555,698.41	470,894.27
Receivables in SEK after conversion into PLN	693,162.39	192,693.41
Receivables in UAH	748,965.50	1,907,436.45
Receivables in UAH after conversion into PLN	133,938.04	306,035.87
Receivables in GBP	104.40	104.40
Receivables in GBP after conversion into PLN	535.85	521.70
TOTAL	246,331,345.24	213,971,792.23

Advances are presented according to the historical rate.

The credit risk of the Group is primarily assigned to trade receivables. The amounts presented in the balance sheet are net amounts, including the expected credit losses. As of the balance sheet date of 31.12.2020 and as of 31.12.2019, there were no receivables from a single external partner exceeding 10% of total receivables.



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



The risk related to this financial asset is described in Section 4 of these financial statements – "Financial risk management", subsection "Credit risk".

6.5. Revaluation write-offs and expected credit losses

EXPECTED CREDIT LOSSES

	01.01-31.12.2020	01.01-31.12.2019 restated
Opening balance	46,135,124.23	33,823,161.09
Trade and other receivables	36,804,315.95	24,764,626.65
Deposits on construction contracts	4,302,586.96	1,390,775.42
Contractual assets	269,640.08	208,063.41
Loans granted	4,758,581.24	7,459,695.61
a) increases	21,623,513.72	27,786,556.24
Trade and other receivables	19,771,881.38	16,638,890.09
Deposits on construction contracts	1,226,914.47	2,953,889.22
Contractual assets	110,612.69	266,511.92
Loans granted	514,105.18	7,927,265.03
b) decreases	14,213,171.86	15,474,593.12
Trade and other receivables	9,627,593.65	4,599,200.79
Deposits on construction contracts	4,241,281.12	42,077.68
Contractual assets	344,297.09	204,935.25
Loans granted	-	10,628,379.40
TOTAL EXPECTED CREDIT LOSSES	53,545,466.09	46,135,124.23
Trade and other receivables	46,948,603.68	36,804,315.95
Deposits on construction contracts	1,288,220.31	4,302,586.96
Contractual assets	35,955.68	269,640.08
Loans granted	5,272,686.42	4,758,581.24

REVALUATION WRITE-OFFS

	01.01-31.12.2020	01.01-31.12.2019 restated
Opening balance	10,668,076.33	15,123,041.80
Inventory	9,771,914.27	14,131,141.80
Cash	896,162.06	991,900.00
a) increases	2,342,841.77	-
Inventory	2,342,841.77	-
b) decreases	492,180.57	4,454,965.47
Inventory	492,180.57	4,359,227.53
Cash	-	95,737.94
TOTAL REVALUATION WRITE-OFFS	12,518,737.53	10,668,076.33
Inventory	11,622,575.47	9,771,914.27
Cash	896,162.06	896,162.06

6.6. Inventory

	as of 31.12.2020	as of 31.12.2019 restated
Materials	24,769,215.51	26,061,165.87
Semi-finished products and work in progress	172,695,827.76	236,345,486.08
Finished products	21,782,461.12	27,770,360.48
Goods	81,002,648.87	48,321,132.75
Right-of-use assets	17,948,746.60	4,657,221.11
GROSS INVENTORY	318,198,899.66	343,155,366.29
Inventory revaluation write-offs	11,622,575.47	9,771,914.27
Inventory	306,576,324.19	333,383,452.02



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Information on inventory revaluation write-offs is presented in Note 6.5.

As of 31.12.2020, the value of inventory on which the security in the form of mortgages was established amounted to 96,446,396.35 PLN. In accordance with the credit contracts, between 130% and 160% of the credit amount was secured. As of 31.12.2020, liabilities related to these credits amounted to 8,585,654.19 PLN.

As of 31.12.2019, the value of inventory on which the security in the form of mortgages was established amounted to 71,386,549.34 PLN. In accordance with the credit contracts, between 130% and 150% of the credit amount was secured. As of 31.12.2019, liabilities related to these credits amounted to 7,897,382.42 PLN.

In 2020, borrowing costs in the amount of 11,197,062.56 PLN were capitalised in the inventory. The capitalisation rate was 3%.

In 2019, borrowing costs in the amount of 11,484,248.16 PLN were capitalised in the inventory. The capitalisation rate was 4.40%.

The value of inventory, which is expected to be used/sold in the period exceeding 12 months from 31.12.2020, is 179,563 M PLN.

In the period 01.01.2020-31.12.2020, the manufacturing costs of products and services sold and the costs of goods and materials sold included 208,220.6 PLN thousand under the sale of inventory.

As of 31.12.2020

	Residential, office and industrial construction	Infrastructure	Property development activities	Modular constructions	Total
Gross inventory	6,013,760.07	12,108,064.69	293,211,308.65	6,865,766.25	318,198,899.66
Inventory revaluation write-offs			11,504,025.47	118,550.00	11,622,575.47
Net inventory	6,013,760.07	12,108,064.69	281,707,283.18	6,747,216.25	306,576,324.19

As of 31.12.2019 – restated

	Residential, office and industrial construction	Infrastructure	Property development activities	Modular constructions	Total
Gross inventory	3,324,894.75	15,778,736.15	311,197,411.94	12,854,323.45	343,155,366.29
Inventory revaluation write-offs			9,653,364.27	118,550.00	9,771,914.27
Net inventory	3,324,894.75	15,778,736.15	301,544,047.67	12,735,773.45	333,383,452.02

6.7. Cash and cash equivalents

	as of 31.12.2020	as of 31.12.2019 restated
Cash in PLN	258,493,403.39	130,632,914.27
Cash in EUR	351,438.75	8,552,969.29
Cash in EUR after conversion into PLN	1,621,819.56	36,422,819.72
Cash in USD	2,842.57	82,793.36
Cash in USD after conversion into PLN	10,683.52	314,424.35
Cash in RUB	15,087,428.68	14,669,883.63
Cash in RUB after conversion into PLN	896,162.06	896,329.89
Cash in NOK	8,601,291.78	24,530,705.65
Cash in NOK after conversion into PLN	3,784,568.39	10,597,264.84
Cash in BYN	40,138.73	36,973.92
Cash in BYN after conversion into PLN	57,378.31	66,571.54
Cash in UAH	4,528.51	91,617.29
Cash in UAH after conversion into PLN	600.48	14,477.09
Cash in SEK	209,850.18	1,054,077.66
Cash in SEK after conversion into PLN	96,489.11	429,325.84
TOTAL	264,961,104.82	179,374,329.54
Cash revaluation write-off	896,162.06	896,162.06
Cash and cash equivalents	264,064,942.76	178,478,167.48

Cash at bank bears interest at variable rates. Short-term deposits are made for various periods, depending on the current demand of the Group for cash and are



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



subject to interest rates set for them. As of the balance sheet date of 31.12.2020, the fair value of cash and cash equivalents amounted to 264,064,942.76 PLN. The disclosed cash revaluation write-off resulted from the parent company estimates of the possibility of payment of funds accumulated on accounts in OAO AKB "Prabiznesbank" – in bankruptcy. UNIBEP SA reported its claims and they were accepted and confirmed by the receiver. By 31.12.2020, the receiver paid 207,849.60 PLN, whereas in 2020 there were no payments. The risk related to this asset is described in Section 4 of the Financial Risk Management report.

6.8. Prepayments and accruals

Active Long-term prepayments and accruals

	as of 31.12.2020	as of 31.12.2019 restated
Insurance	4,271,991.68	2,722,953.30
Other	441,082.03	342,004.46
Long-term prepayments and accruals	4,713,073.61	3,064,957.76

Active short-term prepayments and accruals

	as of 31.12.2020	as of 31.12.2019 restated
Insurance	2,854,166.05	1,889,561.32
Other	2,270,111.82	1,647,317.37
Short-term prepayments and accruals	5,124,277.87	3,536,878.69

6.9. Loans granted

As of 31.12.2020

Name of the borrower	Contract date	Amount granted	Repayment date	Closing balance
Lavshveggen 4 AS	01.09.2020	NOK 500,000.00 / PLN 220,000.00	01.09.2021	PLN 221,610.57
Wiepafama SA	22.02.2018	PLN 52,672,678.76	31.12.2022	PLN 52,143,802.40
Wiepafama SA	02.04.2018	PLN 815,748.65	31.12.2021	PLN 809,516.92
Wiepafama SA	09.10.2020	PLN 499,380.00	31.12.2023	PLN 464,760.37
TOTAL				PLN 53,439,690.16

As of 31.12.2019 – restated

Name of the borrower	Contract date	Amount granted	Repayment date	Closing balance
Kimar Plus Sp. z o.o.	11.06.2018	PLN 961,822.70	15.12.2018	PLN 22,330.47
Gemich AS	17.09.2015	NOK 5,000,000.00 / PLN 2,160,000.00	30.06.2020	PLN 474,227.86
Internal Financa Sp. z o.o. S.K.A.	30.09.2015	PLN 4,089,385.92	31.12.2019	PLN 1,413.65
MD Investycje Sp. z o.o.	13.03.2015	PLN 30,000.00	31.12.2017	PLN 4,036.00
Wiepafama SA	14.12.2017	PLN 45,394,673.74	31.12.2022	PLN 45,388,076.98
Wiepafama SA	22.02.2018	PLN 702,015.95	31.12.2021	PLN 701,896.98
TOTAL				PLN 46,591,981.94

As of 31.12.2020, the expected credit losses on loans granted amount to 5,272,686.42 PLN.

The risk management of this asset is described in Section 4 of these financial statements.

6.10. Capitals

The ownership structure of share capital as of the individual balance sheet dates presented in the financial



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



statements is presented in the tables below.

All shares of the Group are dematerialised and traded on the regulated market of the Warsaw Stock Exchange.

The share capital of the Parent Company is divided into 35,070,634 (in words: thirty-five million, seventy thousand, six hundred and thirty-four) shares with a nominal value of 0.10 PLN per share.

As of 31.12.2020

SHAREHOLDER	Number of shares held as of the balance sheet date	Share nominal value	Share in the capital as of the balance sheet date (%)
Zofia Mikoluszcza	8,800,000	880,000.00	25.09
Beata Maria Skowrońska	5,500,000	550,000.00	15.68
Wojciech Stajkowski	2,500,000	250,000.00	7.13
Bożenna Lachocka	2,500,000	250,000.00	7.13
AVIVA OFE AVIVA BZ WBK	3,418,920	341,892.00	9.75
PKO BP Bankowy OFE	2,098,756	209,875.60	5.98
Free float	6,752,958	675,295.80	19.26
Own shares (1)(2)(3)	3,500,000	350,000.00	9.98
TOTAL	35,070,634		100.00

(1) 1,000,000 own shares were purchased on 7 February 2017, of which the Company informed in current report no. 10/2017.

(2) 1,000,000 own shares were purchased on 29 May 2019, of which the Company informed in current report no. 28/2019.

(3) 1,500,000 own shares purchased on 27 February 2020 on the basis of the Resolution of the Management Board of the Company of 4 February 2020 on the buy-back of own shares, Resolution No. 32 of the Ordinary General Meeting of Shareholders of the Company of 13 June 2017 on authorising the Management Board of the Company to purchase own shares and adopting the UNIBEP SA own share buy-back programme, amended by Resolution No. 4 of the Extraordinary General Meeting of Shareholders of the Company of 28 February 2019 and Resolution No. 33 of the Ordinary General Meeting of Shareholders of the Company of 13 June 2017 on increasing the amount of the reserve capital from the funds coming from the reserve capital for the buy-back of own shares, amended by Resolution No. 5 of the Extraordinary General Meeting of Shareholders of the Company of 28 February 2019.

As of 31.12.2019

SHAREHOLDER	Number of shares held as of the balance sheet date	Share nominal value	Share in the capital as of the balance sheet date (%)
Zofia Mikoluszcza	8,800,000	880,000.00	25.09
Beata Maria Skowrońska	5,650,000	565,000.00	16.11
Wojciech Stajkowski	2,500,000	250,000.00	7.13
Bożenna Lachocka	2,500,000	250,000.00	7.13
AVIVA OFE AVIVA BZ WBK	3,418,920	341,892.00	9.75
NN OFE SA	2,142,359	214,235.90	6.11
PKO BP Bankowy OFE	2,098,756	209,875.60	5.98
Free float	5,960,599	596,059.90	17.00
Own shares (1)(2)	2,000,000	200,000.00	5.70
TOTAL	35,070,634		100.00

(1) Own shares were acquired on the basis of Resolution No. 1 of the Management Board of the Company of 20 January 2017 on the purchase of own shares for the purpose of redemption, by the Company, and Resolution No. 20 of the Ordinary General Meeting of Shareholders of Unibep SA of 18 May 2016 on the creation and use of reserve capital.

The shareholding composition as of the publication date of this report is presented in the table below: *

SHAREHOLDER	Number of shares held	Percentage of the share capital (%)	Number of votes	Percentage of the total number of votes (%)
Zofia Mikoluszcza	8,800,000	25.09	8,800,000	25.09
Beata Maria Skowrońska	5,500,000	15.68	5,500,000	15.68
Wojciech Stajkowski	2,500,000	7.13	2,500,000	7.13
Bożenna Lachocka	2,500,000	7.13	2,500,000	7.13
AVIVA OFE AVIVA BZ WBK	3,418,920	9.75	3,418,920	9.75
PKO BP Bankowy OFE	2,098,756	5.98	2,098,756	5.98
Free float	6,752,958	19.26	6,752,958	19.26
Own shares (1), (2), (3)	3,500,000	9.98	3,500,000	9.98
TOTAL	35,070,634	100.00	35,070,634	100.00

* based on information provided to the issuer pursuant to Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, the "MAR Regulation" and the Act on Public Offering and Conditions Governing the Introduction of Financial Instruments to Organised Trading of 29 July 2005, as amended.

(1) 1,000,000 own shares were purchased on 7 February 2017, of which the Company informed in current report no. 10/2017.

(2) 1,000,000 own shares were purchased on 29 May 2019, of which the Company informed in current report no. 28/2019.

(3) 1,500,000 own shares purchased on 27 February 2020 on the basis of the Resolution of the Management Board of the Company of 4 February 2020 on the buy-back of own shares, Resolution No. 32 of the Ordinary General Meeting of Shareholders of the Company of 13 June 2017 on authorising the Management Board of the Company to purchase own shares and adopting the UNIBEP SA own share buy-back programme, amended by Resolution No. 4 of the Extraordinary General Meeting of Shareholders of the Company of 28 February 2019 and Resolution No. 33 of the Ordinary General Meeting of Shareholders of the Company of 13 June 2017 on increasing the amount of the reserve capital from the funds coming from the reserve capital for the buy-back of own shares, amended by Resolution No. 5 of the Extraordinary General Meeting of Shareholders of the Company of 28 February 2019.



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



No non-cash contributions were made to the share capital of the Parent Company.
As of 31.12.2020 and 31.12.2019, subsidiaries did not hold any shares of the parent company.

The supplementary capital from the sales of shares above their nominal value, presented in the statements of financial position and in the statement of changes in equity, was created as a result of:

- issue of shares of the Company on the Warsaw Stock Exchange – 57,113,921.99 PLN

- sales of own shares – 2,312,569.03 PLN
- acquisition of shares under the Incentive Scheme – 2,727,270 PLN
- coverage of loss in a subsidiary – (-) 1,759,894.03

On the basis of Resolution No. 19 of the Ordinary General Meeting of Shareholders of 15 June 2020, the net profit for 2019 in the amount of 16,589,015.50 PLN was divided as follows:

1. The amount of 6,945,539.48 PLN was allocated to dividend for shareholders.
2. The amount of 9,643,476.02 PLN was allocated to reserve capital.

Own shares held by the Company were excluded from the dividend payment.

In 2020, the reserve capital allocated for the buy-back of own shares was reduced by 13,849,500.00 PLN in connection with the buy-back of 1,500,000 shares.

The specification of other equity items is presented in the tables below.

Other reserve capitals

	as of 31.12.2020	as of 31.12.2019 restated
Other reserve capitals, including:	-10,119,154.10	490,728.54
Reserve capital		
Supplementary capital		
Revaluation reserve, including:	-10,119,154.10	490,728.54

Retained earnings

	as of 31.12.2020	as of 31.12.2019 restated
Supplementary capital created from retained earnings	142,617,623.32	126,871,846.51
Reserve capital for the buy-back of own shares created from retained earnings	14,413,500.00	28,263,000.00
Capital on sale of shares at a premium to cover losses	-1,759,894.03	-1,248,482.80
Revaluation reserve intended to cover losses	-1,092,358.40	-1,092,358.40
Net profit (loss) from previous years	8,794,972.55	22,196,098.61
Current net profit (loss)	37,226,857.56	28,920,801.47
Retained earnings (loss)	220,200,701.00	203,910,905.39

Accounting value	275,742,371.32	270,042,458.35
Number of shares	31,570,634	33,070,634
Accounting value per share	8.73	8.17

INCENTIVE SCHEME

On 15 June 2020, the Ordinary General Meeting of Shareholders of UNIBEP SA adopted assumptions of the Incentive Scheme for the members of the Management Board and key managers. Under the Programme, the Company will be able to sell its own shares to such persons. The General Meeting of Shareholders earmarked all own shares of the Company, i.e. 3,500,000 shares, for the implementation of the Incentive Scheme. The General Meeting of Shareholders authorised the Supervisory Board to establish the Rules of the Incentive Scheme specifying detailed principles for implementation of this Scheme, including the rules for conclusion of the Scheme Participation Agreements. The purchase price of the Shares under the Incentive Scheme shall not be less than 1 PLN per share. The General Meeting of Shareholders of UNIBEP SA authorised the Supervisory Board to establish the purchase price of shares for each of the participants of the Incentive Scheme. This price may vary between transactions, under which the shares are purchased.

On 4 November 2020, the Supervisory Board of UNIBEP SA adopted the Rules of the Incentive Scheme of UNIBEP SA (hereinafter referred to as the "Scheme").



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial
Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Scheme Participants:

Scheme Participants are members of the Management Board of the Company and managers of the Company and of Unibep Group member companies, with whom the Supervisory Board of the Company will conclude agreements on participation in the Scheme. Participation Agreements will be entered into annually and will be related to the opportunity to purchase shares in the Scheme for that assessment year.

By 31 January of the relevant assessment year, a list of participants for the relevant assessment year will be prepared, which will include the minimum number of shares that may be offered to individual persons with whom the Company will enter into agreements of participation in the Scheme for the relevant assessment year.

Pool of shares:

The Company has allocated 3,500,000 of own shares of the Company to the Scheme, pursuant to a resolution of the General Meeting of Shareholders of 15 June 2020. The pool of shares will be reduced by the number of all shares sold to the Scheme participants for each year of allocation. In the event that the total number of shares disposed of into the Scheme during the Scheme period is smaller than the pool of shares, shareholders may decide to allocate the remaining shares at the Annual General Meeting of Shareholders of the Company approving financial statements of the Company for the last year of allocation during the Scheme period.

Selling price:

The own shares of the Company will be offered for purchase to participants in the Scheme at a price corresponding to the selling price set by the Supervisory Board for the given assessment year in each case, in the agreement on participation in the Scheme. This price may vary between transactions, under which the Shares are purchased by the Scheme participants. The selling price will be determined according to the requirements concerning transactions with related entities and will not be lower than 1 PLN.

Scheme Participation Agreements:

Within 14 days from the date on which the Supervisory Board of the company adopts a resolution defining the allocation criteria for the given year of assessment, the Company shall make an offer to each person indicated in the list of participants to enter into the Scheme participation agreement concerning the shares allocated for the given assessment year. The offer made to a person will be made for shares in the minimum quantity set for that person by the Supervisory Board in the list of participants for the relevant assessment year.

The Supervisory Board of the Company may, at its own discretion in a given assessment year, make additional offers to enter into the Scheme participation agreement both to persons indicated in the list of participants for the given assessment year and to other persons who are members of the Management Board of the Company or the key management of the Company or Unibep Group member companies.

Allocation criteria:

The right to purchase shares by Scheme participants granted for the given assessment year arises under the condition that allocation criteria for that assessment year are met. The allocation criteria will be determined by a resolution of the Supervisory Board of the Company by 31 January of each assessment year. Additional (i.e. not listed in the resolution of the Supervisory Board) criteria of allocation concerning the given Scheme participant for the given assessment year may be set in the Scheme participation agreements concluded with individual Scheme participants.

The Supervisory Board may, at its discretion, decide to offer all or some of the shares designated as to be allocated to the Scheme participant in the Scheme Participation Agreement to all or some of the Scheme participants despite the failure to meet the allocation criteria. In particular, such a decision may be made in the event of exceptional circumstances affecting the ability of the Scheme participant to meet the allocation criteria which the Scheme participant had no influence on or the influence was insignificant.

Persons who meet the allocation criteria:

The list of persons meeting the allocation criteria will be drawn up by the Supervisory Board for each assessment year on the basis of the list of participants, within 60 days from the approval of financial statements of the Company comprising the basis for the assessment by the General Meeting of Shareholders. The list shall include the Scheme participants in relation to whom the allocation criteria for a given assessment year have been met, as specified in the Scheme Participation Agreement concluded between the Company and each of the Scheme participants. The list of persons meeting the allocation criteria will include the final number of shares to be offered to such persons.

Acquisition of shares by persons meeting the allocation criteria:

Settlement of the Scheme for the given assessment year will be made by the Company offering shares to Scheme participants who have been included in the list of persons meeting the criteria according to the terms set out in the Rules.



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



The Company will immediately, but not later than within 14 days after the list of persons meeting the criteria for a given assessment year is compiled, submit an offer specifying the number of shares consistent with the number specified in the list of persons meeting the criteria and the procedure and conditions for the acquisition of shares to each person meeting the criteria. If, as a result of an offer being made on the date set out above, the term of the right to make a declaration to accept the offer referred to below granted to a person meeting the criteria would, in any part, fall within the closed period referred to in Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Market Abuse Regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, the Company will be entitled to make an offer within 7 days of the end of the closed period.

The shares will be purchased on the basis of declarations of offer acceptance submitted by persons meeting the criteria. The declaration should be submitted to the Company within 30 days from the date of the offer to purchase the shares made by the Company. A declaration made after the expiry of the above period shall be ineffective.

The declaration may relate to all or some of the shares allocated to be acquired by the person meeting the criteria in accordance with the list of persons meeting the criteria. If a person meeting the criteria submits the declaration referred to in the previous sentence concerning only some of the shares allocated to him/her for purchase, the remaining shares will remain in the pool of shares and may be distributed in accordance with the Rules.

The Supervisory Board shall determine, the procedure and time limits for payment for shares by persons meeting the criteria, as well as the types of security referred to below in the form of a resolution adopted at a meeting at which it passes a resolution to draw up a list of persons meeting the criteria. A resolution of the Supervisory Board concerning the mode and dates of payment may in particular provide that payment for the acquired shares shall be made in instalments, in accordance with the principles established by the Supervisory Board.

If the shares acquired pursuant to the offer are paid for in instalments, the shares may be subscribed for to secure the obligation to pay the price indicated in the declaration on acceptance of the offer, with the following instruments: (i) a registered pledge, as referred to in the Act on the Registered Pledge and the Register of Pledges of 6 December 1996, combined with the establishment of a blockade of the shares acquired pursuant to the Share Offering; or (ii) an indefinite blockade, as referred to in the Regulation of the Minister of Finances of 30 May 2018 on the procedure and conditions for the conduct of investment firms, banks referred to in Article 70(2) of the Act on Trading in Financial Instruments and custodian banks or regulations that replace this regulation; or (iii) another type of security. The provided security will include an obligation not to sell the received shares until the total purchase price for shares offered to the person meeting the share criteria has been paid.

On 14 January, the Supervisory Board of the Company adopted the List of Incentive Scheme Participants of UNIBEP SA for 2021. A minimum number of shares which may be offered for purchase by the Incentive Scheme Participants has been established. Moreover, the Supervisory Board adopted resolutions on the determination of allocation criteria, share selling price and approval of the content of agreements on participation in the Incentive Scheme of UNIBEP SA.

The eligible participants of the Incentive Scheme for the assessment year 2021 are the members of Management Board of the Company. Provided that the allocation criteria are met, at least 600,000 shares will be offered to them for the assessment year 2021, including at least 220,000 shares to Mr Leszek Marek Gotąblecki, at least 190,000 shares to Mr Sławomir Kiszycki, at least 140,000 shares to Mr Krzysztof Mikatajczyk and at least 50,000 shares to Mr Adam Polński.

The criteria for allocation of shares of the Company for the assessment year 2021 include, in particular, remaining a member of the Management Board of the Company as well as meeting the set financial targets of the Company and the Unibep Capital Group.

The selling price of shares which may be directed for purchase by an eligible participant of the Incentive Scheme for the assessment year 2021 is 3 PLN per share.

On 28 January 2021, agreements were concluded with participants of the Incentive Scheme implemented by UNIBEP SA.


6.11. Limitations to transferring the title to securities

At present, there are no limitations known regarding the execution of voting rights by the owners of a specific part or number of shares, as well as of limitations regarding the transfer of ownership rights to securities of the Company.

6.12. Credits, loans and other financial liabilities



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



	as of 31.12.2020	as of 31.12.2019 restated
Credits, loans and other financial liabilities – long-term	98,556,377.97	102,983,412.40
Credit liabilities	33,182,475.39	10,326,006.88
Loan liabilities	3,583,572.64	5,434,030.47
Lease liabilities	25,681,799.54	25,619,779.07
Bond liabilities	33,046,630.09	61,603,595.98
Derivative financial instrument liabilities	3,063,900.31	-
Credits, loans and other financial liabilities – short-term	74,002,193.75	45,510,321.17
Liabilities for bank account overdrafts	-	1,879,887.78
Credit liabilities	3,406,311.39	7,329,169.10
Loan liabilities	1,784,555.19	5,807,289.12
Lease liabilities	27,783,931.69	27,323,786.71
Bond liabilities	31,078,684.58	3,170,188.46
Derivative financial instrument liabilities	9,948,708.90	-
TOTAL	172,540,571.72	148,493,733.57



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



LONG-TERM CREDIT LIABILITIES 31.12.2020

Bank name	Credit amount	Value as of the balance sheet date	Interest rate conditions	Repayment date	Security	Credit type
ING Bank Śląski SA	PLN 15,000,000.00	PLN 2,754,190.77	WBOR 1M + margin	22.10.2022	Total secured mortgage up to the amount of 723,227,000.00 PLN on land property situated in Białki Podlaskie, owned by the client, together with the land and mortgage register No. 811/P/001/023/20/1 kept by the District Court in Białki Podlaskie, land and mortgage register No. 811/P/001/023/20/1 kept by the District Court in Białki Podlaskie, land and mortgage register No. 811/P/001/023/20/1 kept by the District Court in Białki Podlaskie, assignment of rights from the insurance policy for the security subject described above, bank promissory note for all risks of construction of the security subject described above, bank promissory note	investment credit
Bank Millennium SA	PLN 21,800,000.00	PLN 21,842,500.43	WBOR 1M + margin	02.09.2022	Notarial deed containing a statement of the Borrower on submitting to execution in favour of the Bank directly under the deed, pursuant to Art. 777 § 1, Item 5 of the Code of Civil Procedure, from the obligation to pay to the bank all sums of money under the obligations arising from the agreement concluded on the date 02.09.2020, in the amount of 21,800,000.00 PLN, of a description of the debt, of a description of the event in which the performance of the obligation in respect of which the amount of 21,800,000.00 PLN is due, of a description of the manner of providing the allocated asset; on the date 02.09.2020, by which the bank may request that the asset be sold, deposited, or a description of security for the repayment of the credit is a guarantee (also referred to as the "security guarantee") in the amount of 17,460,000.00 PLN with a validity term of 3 months longer than the financing term, i.e. until 02.12.2022, granted by Bank Coposantwo Krowczyce under the PIG-EGP mortgage guarantee line agreement (the guarantee secures 80% of the credit amount); assignment of receivables under loan agreement no. 02-2015/27.04.2019 (Principal only) granted by the Borrower to Monday Development Sp. z o.o. for the amount of 9,900,000.00 PLN with the repayment date of 31.12.2022 pursuant to the agreement for the assignment of receivables under the loan agreement and any subsequent amendments thereto;	operating credit
Getin Noble Bank SA	PLN 70,000,000.00	PLN 8,585,654.19	WBOR 3M + margin	20.09.2022	total contractual mortgage up to the amount of 105,000,000.00 PLN with the highest priority established in favour of the Bank on the promissory note right to the property located in Poznań, at ul. Dobrowolnego, formed as a result of geodetic integrations and divisions of plots covered by deeds nos. 28/2, 34, 39, 40, 46, 49, 18/2, 21/2, 20/2, 31, 27/5, 30/5, 30/5, pre-act 0021, for which the District Court Poznań - Starsi Mazia in Poznań, 5th Land and Mortgage Register Department keeps the land and mortgage register No. P01P/001/2022/8, plots nos. 35, 29/2, 36, 33, 42, 37, 34/3, 32/5, 43/2, 33/7, pre-act 0021, for which the District Court Poznań - Starsi Mazia in Poznań, 5th Land and Mortgage Register Department keeps the land and mortgage register No. P01P/001/2022/8, plots nos. 41/2, 50/2, 51/2, pre-act 0021, for which the District Court Poznań - Starsi Mazia in Poznań, 5th Land and Mortgage Register Department keeps the land and mortgage register No. P01P/001/337/6/7, however it is allowed to make geodetic integrations and divisions only in the area covered by individual books referred to above; bank promissory note issued by the Borrower with a promissory note declaration; power of attorney to all accounts of the Borrower open with the Bank;	non-revolving construction credit
mBank SA	PLN 53,746,000.00	PLN 0.00	WBOR 1M + margin	31.10.2024	transfer of receivables from contracts concluded by the Borrower with purchasers of apartments and parking spaces, constructed within the investment project in favour of the Bank; transfer of receivables from the investment construction insurance contract signed by the Borrower and assembly lists in favour of the Bank, for the amount not lower than the contract with the CC, with an insurance company accepted by the Bank, whereas the construction is considered fulfilled after the submission of a statement to the Bank, of the insurer confirming the assignment in favour of the Bank, transfer of receivables from the insurance contract against fire and other fortuitous events for the building to the Bank, which will be built as part of the investment, for the amount not lower than the amount of current debt under the loan; transfer of receivables from the contract with the General Contractor of the investment; financial pledge on accounts held for the Borrower with the bank; registered pledge on the accounts held for the Borrower with the bank; registered pledge with the highest priority on the share (all rights and obligations) of the unlimited partner of the Borrower in the company of the Borrower; declaration of the Borrower on submission to enforcement in favour of the Bank pursuant to Art. 777 § 1, Item 5 of the Code of Civil Procedure;	construction credit
mBank SA	PLN 2,500,000.00	PLN 0.00	WBOR 1M + margin	31.10.2023	mortgage established, in the first place, in favour of the Bank (up to 150% of the Credit amount); Subordination Agreement subordinating all claims of the shareholders and other lenders to the claims under the Credit Agreement; registered and financial pledge on all shares in the share capital of the unlimited partner of the Borrower (plus submission to enforcement from each shareholder of the unlimited partner); registered and financial pledge + power of attorney to all of the accounts of the Borrower (including a blocking instruction for the savings and deposit account) transfer of rights under insurance policies (including all construction risks policy); transfer of rights under the Agreement with the General Contractor and other construction contract; bank guarantees related to the construction of the project; submission of the Borrower to enforcement; Support Agreement with the project sponsor containing a commitment to cover construction budget overruns up to an amount representing 5% of the construction budget (less land costs and budget reserves) plus a submission to enforcement pursuant to § 777 of the Code of Civil Procedure or a bank guarantee for the coverage of construction budget overruns; Open Housing Trust Account	VAI credit
TOTAL		PLN 33,182,472.39				



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)

LONG-TERM LOAN LIABILITIES 31.12.2020

Lender name	Loan amount	Value as of the balance sheet date	Interest rate conditions	Repayment date	Security	Loan type
ING Bank Śląski SA	PLN 10,000,000.00	PLN 3,583,572.44	WIBOR 1M + margin	29.12.2023	Total contractual mortgage up to the amount of 15,000,000.00 PLN on land property situated in Blekit Podlaski, Al. Płodzikęga, owned by the client, entered in the land and mortgage register KW no. B1P/000102032/0 kept by the District Court in Blekit Podlaski and property located in Blekit Podlaski, ul. Rejonowa, owned by the client, covered by the land and mortgage registers KW no. B1P/00093484/6, KW no. B1P/00092594/3, KW no. B1P/00041684/9, kept by the District Court in Blekit Podlaski, property located in Blekit Podlaski, being in perpetual usufruct by the Client, covered by the land and mortgage registers KW no. B1P/00043080/9, KW no. B1P/00055499/6, KW no. B1P/000101524/9, KW no. B1P/000120391/1, KW no. B1P/00078166/0, KW no. B1P/0007567/8 kept by the District Court in Blekit Podlaski; assignment of rights under the insurance policy for all risks of construction of the security subject described above; blank promissory note	corporate loan
TOTAL:		PLN 3,583,572.44				

LONG-TERM LOAN LIABILITIES 31.12.2019 – restated

Lender name	Loan amount	Value as of the balance sheet date	Interest rate conditions	Repayment date	Security	Loan type
ING Bank Śląski SA	PLN 10,000,000.00	PLN 5,544,000.47	WIBOR 1M + margin	29.12.2023	Total contractual mortgage up to the amount of 15,000,000.00 PLN on land property situated in Blekit Podlaski, Al. Płodzikęga, owned by the client, entered in the land and mortgage register KW no. B1P/000102032/0 kept by the District Court in Blekit Podlaski and property located in Blekit Podlaski, ul. Rejonowa, owned by the client, covered by the land and mortgage registers KW no. B1P/00093484/6, KW no. B1P/00092594/3, KW no. B1P/00041684/9, kept by the District Court in Blekit Podlaski, property located in Blekit Podlaski, being in perpetual usufruct by the Client, covered by the land and mortgage registers KW no. B1P/00043080/9, KW no. B1P/00055499/6, KW no. B1P/000101524/9, KW no. B1P/000120391/1, KW no. B1P/00078166/0, KW no. B1P/0007567/8 kept by the District Court in Blekit Podlaski; assignment of rights under the insurance policy for the security subject described above; assignment of rights under the insurance policy for all risks of construction of the security subject described above; blank promissory note	corporate loan
TOTAL:		PLN 5,544,000.47				

SHORT-TERM LOAN LIABILITIES 31.12.2020

Lender name	Loan amount	Value as of the balance sheet date	Interest rate conditions	Repayment date	Security	Loan type
ING Bank Śląski SA	PLN 10,000,000.00	PLN 1,784,555.19	WIBOR 1M + margin	29.12.2023	Total contractual mortgage up to the amount of 15,000,000.00 PLN on land property situated in Blekit Podlaski, Al. Płodzikęga, owned by the client, entered in the land and mortgage register KW no. B1P/000102032/0 kept by the District Court in Blekit Podlaski and property located in Blekit Podlaski, ul. Rejonowa, owned by the client, covered by the land and mortgage registers KW no. B1P/00093484/6, KW no. B1P/00092594/3, KW no. B1P/00041684/9, kept by the District Court in Blekit Podlaski, property located in Blekit Podlaski, being in perpetual usufruct by the Client, covered by the land and mortgage registers KW no. B1P/00043080/9, KW no. B1P/00055499/6, KW no. B1P/000101524/9, KW no. B1P/000120391/1, KW no. B1P/00078166/0, KW no. B1P/0007567/8 kept by the District Court in Blekit Podlaski; assignment of rights under the insurance policy for all risks of construction of the security subject described above; blank promissory note	corporate loan
TOTAL:		PLN 1,784,555.19				

SHORT-TERM LOAN LIABILITIES 31.12.2019 – restated

Lender name	Loan amount	Value as of the balance sheet date	Interest rate conditions	Repayment date	Security	Loan type
Number Holdings Limited	EUR 3,000,000.00 / PLN 12,775,500.00	EUR 936,434.11 / PLN 3,787,804.65	2.5 %	30.06.2020	no information about security in the Contract	loan
ING Bank Śląski SA	PLN 10,000,000.00	PLN 1,819,484.48	WIBOR 1M + margin	29.12.2023	Total contractual mortgage up to the amount of 15,000,000.00 PLN on land property situated in Blekit Podlaski, Al. Płodzikęga, owned by the client, entered in the land and mortgage register KW no. B1P/000102032/0 kept by the District Court in Blekit Podlaski and property located in Blekit Podlaski, ul. Rejonowa, owned by the client, covered by the land and mortgage registers KW no. B1P/00093484/6, KW no. B1P/00092594/3, KW no. B1P/00041684/9, kept by the District Court in Blekit Podlaski, property located in Blekit Podlaski, being in perpetual usufruct by the Client, covered by the land and mortgage registers KW no. B1P/00043080/9, KW no. B1P/00055499/6, KW no. B1P/000101524/9, KW no. B1P/000120391/1, KW no. B1P/00078166/0, KW no. B1P/0007567/8 kept by the District Court in Blekit Podlaski; assignment of rights under the insurance policy for the security subject described above; assignment of rights under the insurance policy for all risks of construction of the security subject described above; blank promissory note	corporate loan
TOTAL:		PLN 6,807,289.13				



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



ISSUED BONDS AS OF 31.12.2020

Name of the liability	Issue amount PLN	Value as of the balance sheet date PLN	Interest rate conditions	Issue date	Redemption date
Series E bonds, 3-year, unsecured, interest bonds	PLN 30.000.000,00 / 300.000 pieces, PLN 100,00 each	29.936.391,06	WIBOR 6M + margin	06.06.2018	06.06.2021
Series F bonds, 3-year, unsecured, interest bonds	PLN 34.000.000,00 / 340.000 pieces, PLN 100,00 each	34.188.925,61	WIBOR 6M + margin	15.02.2019	15.02.2022
		64.125.316,67			

ISSUED BONDS AS OF 31.12.2019 – after adjustment

Name of the liability	Issue amount PLN	Value as of the balance sheet date PLN	Interest rate conditions	Issue date	Redemption date
Series E bonds, 3-year, unsecured, interest bonds	PLN 30.000.000,00 / 300.000 pieces, PLN 100,00 each	30.106.578,07	WIBOR 6M + margin	06.06.2018	06.06.2021
Series F bonds, 3-year, unsecured, interest bonds	PLN 34.000.000,00 / 340.000 pieces, PLN 100,00 each	34.667.208,37	WIBOR 6M + margin	15.02.2019	15.02.2022
		64.773.786,44			

Series E bonds and series F bonds are listed on the Catalyst market operated by the Warsaw Stock Exchange as part of the alternative trading system.

Interest payment date of series E bonds: 06.06.2021.

Interest payment date of series F bonds: 15.02.2021, 15.08.2021, 15.02.2022.

The maturity structure of credits, loans and long-term bonds is as follows:

	as of 31.12.2020	as of 31.12.2019 restated
a) over 1 year to 3 years	69.812.678,12	75.572.328,88
b) over 3 to 5 years	-	1.791.304,45
TOTAL	69.812.678,12	77.363.633,33

Credits/loans taken out in foreign currency were converted at the balance sheet valuation rate, i.e. 31.12.2020.

Credits/loans and long-term bonds were measured with the use of the adjusted purchase price method.

The contractual maturity structure of undiscounted cash flows under credits, loans and bonds is as follows:

As of 31.12.2020

	Carrying amount	Undiscounted contractual cash flows
a) up to 1 year	34.269.553,16	38.084.671,33
b) over 1 year to 3 years	69.812.678,12	71.999.817,46
TOTAL	106.082.231,28	110.084.488,79

As of 31.12.2019 – restated

	Carrying amount	Undiscounted contractual cash flows
a) up to 1 year	18.186.534,46	19.124.597,25
b) over 1 year to 3 years	75.572.328,88	82.210.207,40
c) over 3 to 5 years	1.791.304,45	1.819.970,76
TOTAL	95.550.167,79	103.154.775,41

During the reporting period, none of the credit/loan contracts were terminated and there was no demand for early redemption of bonds.



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



6.13. Lease

Entities of the Group have concluded lease contracts concerning the use of land, commercial premises, vehicles and machines.

	as of 31.12.2020	as of 31.12.2019 restated
a) less than 1 year	27,783,931.69	27,323,786.71
b) from 1 year to 5 years	16,537,569.82	17,707,691.65
c) over 5 years	9,144,229.72	7,912,087.42
TOTAL	53,465,731.23	52,943,565.78

6.14. Provisions

Employee benefit liabilities recognised in the statements of financial position:

	as of 31.12.2020	as of 31.12.2019 restated
Retirement severance pay	3,948,479.06	3,391,426.67
current value of the liability as of the balance sheet date	3,948,479.06	3,391,426.67
Disability severance pay	505,715.04	416,473.01
current value of the liability as of the balance sheet date	505,715.04	416,473.01
Liabilities for retirement and disability benefits, including:		
- long-term part	4,133,694.08	3,560,726.66
- short-term part	320,500.02	247,173.02

Changes in the liabilities for retirement and disability benefits are presented in the table below:

	as of 31.12.2020	as of 31.12.2019 restated
Current liability opening balance	3,807,899.68	2,933,282.00
interest costs	77,341.77	75,981.27
current employment costs	680,253.12	499,172.67
benefits paid	-223,785.47	-183,126.26
actuarial gains/losses, including those arising from:	112,485.00	482,590.00
- adjustments of actuarial assumptions ex post	-97,419.00	377,146.00
- changes in demographic assumptions	-193,658.00	-91,837.00
- changes in financial assumptions	403,562.00	197,281.00
Current liability closing balance	4,454,194.10	3,807,899.68

Charges to the account under retirement and disability benefits are as follows:

	as of 31.12.2020	as of 31.12.2019 restated
employment value	680,253.12	478,922.67
interest costs	77,341.77	75,981.00
other adjustments	-	43,127.00
Costs recognised in the profit and loss account	757,594.89	598,030.67
actuarial gains/losses recognised in the period	112,485.00	439,463.00
Costs recognised in other comprehensive income	112,485.00	439,463.00
including costs of employee benefits recognised in the profit and loss account under:		
- manufacturing costs	574,538.77	448,874.96
- general and administrative costs	183,056.12	149,155.71

The actuarial assumptions are based on the following parameters for the years 2019-2020:

- discount rate in 2020 1.57%
- discount rate in 2019 1.99%
- the planned long-term increase in the salary base in the Group in 2021 and subsequent years is 3.0%



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



As of 31.12.2021, the actuarial projection of the current values of the future liabilities of the Group towards its employees is as follows:

ITEM/BENEFIT	Retirement		Disability severance	TOTAL
	severance pay	pay		
current value of the liability as of 31.12.2019	4,150,485.00		303,709.00	4,454,194.00
current value of the liability as of 31.12.2020	4,586,137.00		336,347.00	4,922,484.00
including:				
short-term part	203,167.00		41,840.00	245,007.00
long-term part	4,382,970.00		294,507.00	4,677,477.00

As of 31.12.2021, the projection of the amount of provisions for employee benefits presented above is only indicative. The amount of liabilities as of the above date, in accordance with IAS 19, may differ significantly from the above forecast, in particular due to the failure to take into account actuarial gains and losses, which will be known only at the date of provision creation.

According to IAS 19, the amount of the provision for the above date should take into account any significant changes in assumptions that occur in the meantime, in particular significant changes in the structure, current workforce, engagement of new employees, actual rather than projected salary increases, turnover levels, discounts, etc.

In estimating the forecast, it was assumed that, at the time the forecast is expected to be made, employees of the Entity will be neither have reached retirement age by that time nor have already received their retirement or disability severance pay. If these assumptions are not fully met, a deviation from the above forecast from the actual amount of future provisions should also be expected.

Provision sensitivity analysis

The discount rate, the salary increase rate and the rotation rate are key actuarial assumptions that affect the provisions for employee benefits. The choice of the discount rate is related to the current situation on the treasury bond market, while the choice of the planned remuneration increases reflects the strategy of the Company in terms of shaping the remuneration policy in the future. In addition, the provisions for employee benefits are affected by the employee turnover rate depending on the historical turnover of the Company employees.

In accordance with IAS 19, the Company discloses a sensitivity analysis for each significant actuarial assumption at the end of the reporting period, showing the effect changes in the relevant actuarial assumptions would have on the liability.

The results of the calculations are as follows as of 31.12.2020:

PARAMETER/BENEFIT	Retirement		Disability	Unused holiday leaves	TOTAL
	severance pay	severance pay			
Initial amounts of provisions	4,150,485.00	303,709.00		6,448,179.00	10,902,373.00
Turnover coefficient -1.0%	4,423,851.00	321,744.00		6,448,179.00	11,193,774.00
Turnover coefficient +1.0%	3,911,611.00	287,456.00		6,448,179.00	10,646,646.00
Technical discount rate -1.0%	4,467,250.00	316,637.00		6,448,179.00	11,232,066.00
Technical discount rate +1.0%	3,866,602.00	291,610.00		6,448,179.00	10,606,391.00
base increases					
Salary in the Company -1.0%	4,120,280.00	302,020.00		6,448,179.00	10,871,179.00
Salary in the Company +1.0%	4,194,885.00	335,854.00		6,448,179.00	10,948,918.00
Minimum salary -1.0%	3,665,873.00	283,109.00		6,448,179.00	10,397,161.00
Minimum salary +1.0%	4,748,749.00	327,382.00		6,448,179.00	11,574,310.00

The results of the calculations are as follows as of 31.12.2019:

PARAMETER/BENEFIT	Retirement		Disability	Unused holiday leaves	TOTAL
	severance pay	severance pay			
Initial amounts of provisions	3,536,943.00	270,956.00		5,397,824.00	9,205,723.00
Turnover coefficient -1.0%	3,761,597.00	286,687.00		5,397,824.00	9,446,063.00
Turnover coefficient +1.0%	3,339,814.00	256,801.00		5,397,824.00	8,994,399.00
Technical discount rate -1.0%	4,098,434.00	294,635.00		5,397,824.00	9,790,893.00
Technical discount rate +1.0%	3,084,817.00	230,620.00		5,397,824.00	8,733,261.00
base increases					
Salary in the Company -1.0%	3,508,498.00	269,130.00		5,397,824.00	9,175,412.00
Salary in the Company +1.0%	3,574,723.00	273,229.00		5,397,824.00	9,247,736.00
Minimum salary -1.0%	3,120,282.00	252,386.00		5,397,824.00	8,770,454.00
Minimum salary +1.0%	4,049,584.00	292,483.00		5,397,824.00	9,739,851.00



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



The last valuation of an independent actuary was performed as of 31 December 2020.

	01.01-31.12.2020	01.01-31.12.2019 restated
OPENING BALANCE OF OTHER LONG-TERM PROVISIONS	29,292,505.00	28,209,955.22
Warranty repairs	29,292,505.00	27,667,455.22
Disputes	-	542,500.00
a) Increases	13,030,000.02	9,351,597.81
Warranty repairs	13,030,000.02	9,351,597.81
b) Use	-	542,500.00
Disputes	-	542,500.00
c) Release	6,105,017.89	7,726,548.03
Warranty repairs – transfer to short-term	6,105,017.89	7,726,548.03
CLOSING BALANCE OF OTHER LONG-TERM PROVISIONS	36,217,487.13	29,292,505.00
Warranty repairs	36,217,487.13	29,292,505.00

	01.01-31.12.2020	01.01-31.12.2019 restated
OPENING BALANCE OF OTHER SHORT-TERM PROVISIONS	134,564,565.26	117,506,785.49
Employee benefits	18,729,996.74	16,965,953.94
Warranty repairs	5,841,045.14	5,434,517.26
Planned losses in long-term contracts	85,597.47	1,024,740.23
Costs of subcontractors	105,520,177.93	89,617,420.37
Disputes	1,747,701.00	2,696,138.23
Other costs	2,640,046.98	967,805.46
a) Increases	890,742,451.48	844,379,484.68
Employee benefits	28,747,944.09	21,840,047.59
Warranty repairs	7,239,426.15	8,006,548.03
Planned losses in long-term contracts	957,744.92	-
Costs of subcontractors	848,598,772.94	792,337,993.29
Disputes	2,419,334.13	716,448.54
Other costs	2,999,409.45	41,478,629.23
b) Use	876,353,732.28	847,321,906.91
Employee benefits	21,598,051.13	20,076,024.79
Warranty repairs	6,812,690.22	7,600,020.15
Planned losses in long-term contracts	117,714.37	1,739,142.76
Costs of subcontractors	841,017,932.24	776,435,445.73
Disputes	3,248,993.13	1,664,885.77
Other costs	3,558,351.19	39,806,387.71
c) Other decreases	2,706.83	-
Other costs	2,706.83	-
CLOSING BALANCE OF OTHER SHORT-TERM PROVISIONS	149,170,777.83	134,564,565.26
Employee benefits	25,879,909.70	18,729,996.74
Warranty repairs	6,267,781.07	5,841,045.14
Planned losses in long-term contracts	925,628.02	85,597.47
Costs of subcontractors	113,101,018.63	105,520,177.93
Disputes	918,042.00	1,747,701.00
Other costs	2,078,398.41	2,640,046.98

6.15. Trade and other liabilities

Short-term trade and other liabilities:

	as of 31.12.2020	as of 31.12.2019 restated
Trade liabilities	220,336,170.45	198,911,650.16
Payroll liabilities	3,254,661.48	2,686,071.19
Accruals	4,109,297.32	5,492,384.08
Special funds	15,450.16	13,474.42
Tax, customs, insurance liabilities	23,317,579.37	18,967,674.50
Other liabilities	10,160,177.60	24,838,834.47
Trade and other liabilities	261,193,336.38	250,910,088.82



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Trade liabilities – maturing from the balance sheet date:

	as of 31.12.2020	as of 31.12.2019 restated
a) up to 1 month	120,250,618.48	117,463,646.54
b) between 1 and 3 months	35,717,756.89	46,105,580.30
c) between 3 and 6 months	1,058,279.72	510,404.14
d) over 6 months and up to 1 year	243,569.55	4,762.36
e) over 1 year	38,399.90	48,166.35
f) overdue liabilities	62,997,545.71	34,779,090.47
TRADE LIABILITIES	220,336,170.45	198,911,650.16

Overdue trade liabilities:

	as of 31.12.2020	as of 31.12.2019 restated
a) up to 1 month	54,534,108.14	29,577,774.24
b) between 1 and 3 months	7,145,127.02	3,904,659.32
c) between 3 and 6 months	190,203.62	462,342.31
d) over 6 months and up to 1 year	79,142.33	426,990.11
e) over 1 year	1,048,964.60	407,324.49
OVERDUE TRADE LIABILITIES	62,997,545.71	34,779,090.47

Short-term liabilities – by currency:

	as of 31.12.2020	as of 31.12.2019 restated
Liabilities in PLN	233,879,581.61	230,674,814.51
Liabilities in RUB	307.60	307.60
Liabilities in RUB after conversion into PLN	15.41	18.79
Liabilities in EUR	2,326,463.66	2,533,605.04
Liabilities in EUR after conversion into PLN	10,736,164.49	10,789,357.09
Liabilities in UAH	13,277,418.75	9,804,778.72
Liabilities in UAH after conversion into PLN	1,760,585.72	1,570,725.26
Liabilities in NOK	32,130,263.31	17,430,060.51
Liabilities in NOK after conversion into PLN	14,137,315.89	7,531,633.73
Liabilities in SEK	1,428,799.25	396,151.86
Liabilities in SEK after conversion into PLN	656,961.89	161,352.66
Liabilities in BYN	15,887.63	101,186.77
Liabilities in BYN after conversion into PLN	22,711.37	182,186.78
TOTAL	261,193,336.38	250,910,088.82

Advances are presented according to the historical rate.



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



6.16. Current and deferred income tax

Deferred income tax assets and provisions are created based on the rate of 19% due to the assumed possibility of settling a significant part of assets and provisions in the Polish CIT tax, also with respect to foreign markets for taxable and deductible temporary differences concerning assets and liabilities.

Changes in deferred income tax assets and liabilities by title are as follows:

For the period from 01.01.2020-31.12.2020

	Opening balance of assets	Creation/ (use) of an asset through the profit and loss account	Creation/ (use) of an asset through other comprehensive income	Closing balance of assets
Provision for warranty repairs	6,801,943.00	1,270,259.00	-	8,072,202.00
Provision for employee benefits	4,324,990.00	1,205,138.00	-	5,530,128.00
Provision for costs of subcontractors	20,874,178.00	1,110,925.00	-	21,985,103.00
Provision for liabilities	254,272.00	-212,117.00	-	42,155.00
Contracts (decrease in revenues "-")	4,929,020.00	-1,216,991.00	-	3,712,029.00
Contracts - provision for losses	15,998.00	159,872.00	-	175,870.00
Production not completed for tax purposes	12,421,125.00	-3,378,858.00	-	9,042,267.00
Unrealised foreign exchange rate differences	554,270.00	173,703.00	-	727,973.00
Unpaid interest	21,765.00	-9,023.00	-	12,742.00
Receivables discounting	392,502.00	-385,792.00	-	6,710.00
Difference between tax value and carrying amount of inventory	2,933,508.00	1,427,853.00	-	4,361,361.00
Write-off of other assets	7,232,925.00	1,392,855.00	-	8,625,780.00
Valuation of derivative instruments	51,992.00	285,504.00	-	337,496.00
Costs of acquisition of shares	172,884.00	1,960.00	-	188,844.00
Valuation of credits, loans, bonds, promissory notes	145,877.00	-116,766.00	-	29,111.00
Other titles	571,981.00	-15,628.00	-	556,353.00
Tax loss	11,439,114.00	-8,449,372.00	-	2,989,742.00
Actuarial gains and losses accounted for in the revaluation capital	255,134.00	-	23,692.00	278,826.00
Revaluation capital - valuation of derivative instruments	-	-	2,349,917.00	2,349,917.00
Total	73,593,478.00	-6,742,474.00	2,373,609.00	69,224,611.00

For the period 01.01.2019-31.12.2019 - restated

	Opening balance of assets	Creation/ (use) of an asset through the profit and loss account	Creation/ (use) of an asset through other comprehensive income	Closing balance of assets
Provision for warranty repairs	6,194,375.00	607,568.00	-	6,801,943.00
Provision for employee benefits	4,029,497.00	295,493.00	-	4,324,990.00
Provision for costs of subcontractors	18,852,205.00	2,021,973.00	-	20,874,178.00
Provision for liabilities	106,285.00	145,987.00	-	254,272.00
Contracts (decrease in revenues "-")	3,881,371.00	1,047,449.00	-	4,929,020.00
Contracts - provision for losses	346,701.00	-330,703.00	-	15,998.00
Production not completed for tax purposes	10,917,802.00	1,703,323.00	-	12,621,125.00
Unrealised foreign exchange rate differences	499,382.00	54,888.00	-	554,270.00
Unpaid interest	35,589.00	-13,824.00	-	21,765.00
Receivables discounting	406,404.00	-13,904.00	-	392,502.00
Difference between tax value and carrying amount of inventory	3,787,493.00	854,185.00	-	4,641,678.00
Write-off of other assets	3,626,850.00	3,606,075.00	-	7,232,925.00
Valuation of derivative instruments	20,804.00	31,188.00	-	51,992.00
Costs of acquisition of shares	172,884.00	0.00	-	172,884.00
Valuation of credits, loans, bonds, promissory notes	138,319.00	7,558.00	-	145,877.00
Other titles	746,369.00	325,612.00	-	1,071,981.00
Tax loss	16,074,810.00	-4,635,696.00	-	11,439,114.00
Actuarial gains and losses accounted for in the revaluation capital	172,140.00	-	82,994.00	255,134.00
Total	49,811,482.00	3,999,002.00	82,994.00	54,893,478.00



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



For the period from 01.01.2020-31.12.2020

	Opening balance of provisions	Creation/ (use) of a provision through the profit and loss account	Creation/ (use) of a provision through other comprehensive income	Closing balance of provisions
Contracts (increase in revenues "**")	23,694,351.00	-6,407,968.00	-	17,286,383.00
Lease (net value of fixed assets - lease liability)	326,472.00	-275,053.00	-	51,419.00
Liabilities discounting	2,358,922.00	-618,203.00	-	1,740,719.00
Penalties accrued, but not received	2,538,167.00	-85,421.00	-	2,452,746.00
Interest not received	151,552.00	21,387.00	-	172,939.00
Unrealised foreign exchange gains	333,968.00	339,274.00	-	673,242.00
Difference between tax value and carrying amount of inventory	7,832,295.00	2,365,213.00	-	10,197,508.00
Valuation of bonds, credits, loans, promissory notes	2,404.00	57,739.00	-	60,143.00
Valuation of derivative instruments	59,808.00	155,212.00	-	215,020.00
Difference between tax and balance sheet value of tangible fixed assets	3,232,985.00	-36,401.00	-	3,196,584.00
Revaluation capital - valuation of derivative instruments	117,567.00	-	-117,567.00	-
Actuarial gains and losses accounted for in the revaluation capital	-	-	2,438.00	2,438.00
Total	40,448,491.00	-4,484,221.00	-115,129.00	34,049,141.00

For the period 01.01.2019-31.12.2019 - restated

	Opening balance of provisions	Creation/ (use) of a provision through the profit and loss account	Creation/ (use) of a provision through other comprehensive income	Closing balance of provisions
Contracts (increase in revenues "**")	19,954,887.00	3,739,464.00	-	23,694,351.00
Lease (net value of fixed assets - lease liability)	606,323.00	-279,851.00	-	326,472.00
Liabilities discounting	2,199,211.00	159,711.00	-	2,358,922.00
Penalties accrued, but not received	1,951,909.00	586,758.00	-	2,538,167.00
Interest not received	117,031.00	34,521.00	-	151,552.00
Unrealised foreign exchange gains	298,898.00	35,070.00	-	333,968.00
Difference between tax value and carrying amount of inventory	4,032,717.00	3,799,578.00	-	7,832,295.00
Valuation of bonds, credits, loans, promissory notes	196,569.00	-194,165.00	-	2,404.00
Valuation of derivative instruments	23,171.00	36,637.00	-	59,808.00
Compensation accrued, but not received	101,861.00	-101,861.00	-	-
Difference between tax value and balance sheet value of tangible fixed assets	3,797,413.00	-564,428.00	-	3,232,985.00
Revaluation capital - valuation of derivative instruments	711,360.00	-	-593,793.00	117,567.00
Actuarial gains and losses accounted for in the revaluation capital	503.00	-	-503.00	-
Total	33,991,863.00	7,250,134.00	-594,296.00	40,448,491.00

INCOME TAX RECOGNISED IN THE PROFIT AND LOSS ACCOUNT

	01.01-31.12.2020	01.01-31.12.2019 restated
Current Income tax	15,192,910.57	5,536,019.70
Related to the financial year	15,192,910.57	5,536,019.70
Deferred Income tax	2,258,255.00	3,251,932.00
Related to the creation and reversal of temporary differences	2,258,255.00	3,251,932.00
Tax burden presented in the profit and loss account	17,451,165.57	8,787,951.70
Effective tax rate	31.95%	23.27%

INCOME TAX RECOGNISED IN EQUITY

	01.01-31.12.2020	01.01-31.12.2019 restated
Current Income tax	-	-
Deferred Income tax	-2,467,484.00	-677,290.00
Tax on net profit/loss on revaluation of cash flow hedges	-2,467,484.00	-593,793.00
Actuarial gains and losses under the defined benefit plan recognised in accordance with paragraph 128 of IAS 19 Employee benefits	-21,254.00	-83,497.00
(Tax advantage)/tax burden recognised in other comprehensive income	-2,488,738.00	-677,290.00



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Tax rates on the markets where the Group operates are as follows:

Republic of Belarus – 18%
Ukraine – 18%
Kingdom of Norway – 22%
Kingdom of Sweden – 22%

As of 31.12.2020, the Parent Company does not recognise an asset for tax losses.

Since 1 April 2019, the Parent Company has been in the process of tax inspection in Germany for the years 2014-2016 in the area of corporate tax, tax on goods and services and tax on industrial and commercial activities. On 11.08.2020, the Parent Company received the inspection protocol. The auditor determined therein the tax income calculated by the cost method, in the total amount of 206,237 EUR, and on 03.09.2020, the Company was provided with a decision determining the amount of the tax liability. The decision essentially fails to articulate the reason for adopting the cost method of accounting for income taxes and rejecting the method used by the Company. The decision of the tax authority also resulted in decisions of local authorities regarding taxes and fees paid to those authorities. Total tax liabilities resulting from all the decisions, together with due interest, amounted to approx. 90 thousand EUR. The Parent Company appealed against the decision, as its standpoint regarding the correctness of the applied income calculation method, supported by the opinion of German advisors, did not change. In accordance with procedures effective on the German market, UNIBEP SA paid liabilities resulting from the received decisions. On 19.01.2021, the Parent Company received information from the Tax Office that the documentation submitted for the appeal against the decision will be subjected to analysis. At this stage, the Parent Company, perceives this as a positive effect of the filed objection and additional explanations and source materials.

As of the date of publication of these financial statements, the Parent Company has not received any information as to the standpoint of the appeal authority.

Regardless of the above, in the opinion of the Company, even in the case of adoption of the auditor standpoint indicated above on application of the cost-based method, due to the method of avoidance of double taxation provided for in the agreement between the Republic of Poland and the Federal Republic of Germany for the avoidance of double taxation with regard to taxes on income and on property of 14 May 2003, UNIBEP SA should be entitled to correct its corporate income tax return submitted in Poland accordingly, taking into account the surplus of costs incurred over income generated from operations on the German market.

Generally, the Group recognises that tax settlements and other settlements (i.e. under employment, customs, transactions with foreign entities) are and may in the future be subject to inspection by Polish and foreign tax authorities, as well as by other central and local offices and institutions, which are entitled to impose significant penalties. The arrears revealed as a result of the inspection are encumbered with interest. Tax and other settlements mentioned above may be subject to inspection at any time within 5 years from the end of the financial year to which they relate, and on foreign markets – up to 10 years.

Tax risk, both in Poland and on foreign markets, occurs and we treat it as typical in our business activity. The Group reduces the tax risk abroad by using services of specialised tax and accounting offices accredited in the given country, as well as audit firms and law firms.

6.17. Contractual assets and liabilities

For the period from 01.01.2020-31.12.2020

	Change in the Opening balance valuation of long-term contracts	Revenues recognised in the current period included in the liabilities unconditional right to for the previous year	Reduction as a result of acquiring on the liabilities unconditional right to payment	Advances received for executed contracts	Closing balance
Valuation of long-term contracts	124,445,233.95	177,835,367.70	-	-211,332,868.89	90,947,732.76
Contractual assets	124,445,233.95	177,835,367.70	-	-211,332,868.89	90,947,732.76
Advances received from contracts with clients	142,508,154.82	-	-84,183,631.77	-	132,514,296.39
Valuation of long-term contracts	25,943,208.54	17,075,107.84	-23,042,119.04	-	19,976,197.34
Contractual liabilities	148,481,343.34	17,075,107.84	-107,225,750.81	-	74,189,873.34

Bieszk Podciski, 19 April 2021
page 83



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



For the period 01.01.2019-31.12.2019 – restated

	Opening balance	Change in the valuation of long-term contracts	Revenues recognised in the current period included in the liabilities for the previous year	Reduction as a result of acquiring an unconditional right to payment	Advances received for executed contracts	Closing balance
Valuation of long-term contracts	104,817,928.21	77,437,551.55	-	-58,010,245.81	-	124,445,233.95
Contractual assets	104,817,928.21	77,437,551.55	-	-58,010,245.81	-	124,445,233.95
Advances received from contracts with clients	69,940,635.94	-	-44,089,643.57	-	116,637,162.45	142,508,154.82
Valuation of long-term contracts	20,428,270.95	28,547,919.85	-23,032,982.29	-	-	25,943,208.54
Contractual liabilities	40,288,904.89	28,547,919.88	-47,122,435.86	-	116,637,162.45	148,451,243.36

The Group recognises revenues from construction contracts in accordance with the percentage of completion method, measured by the share of costs incurred from the date of contract conclusion to the date of revenue determination in the total costs of service provision. If it is probable that the total contract costs will exceed the total revenues, the expected loss is charged to operating expenses.

	as of 31.12.2020	as of 31.12.2019 restated
The total amount of the transaction price attributed to the provision of service which remained unfulfilled at the end of the reporting period, to be provided during the period:	1,432,244,523.25	1,539,793,921.80
up to 1 year	1,055,917,684.68	1,144,152,178.36
over 1 year	376,346,838.57	395,641,743.44
Total	1,432,244,523.25	1,539,793,921.80

6.18. Deposits on contracts with clients

	as of 31.12.2020	as of 31.12.2019 restated
Retained by recipients – to be returned after 12 months	25,776,324.20	34,094,667.36
Retained by recipients – to be returned within 12 months	17,955,748.02	23,062,098.81
Total net deposits on contracts with clients retained by recipients	43,732,072.22	57,156,766.17
Revaluation write-off on receivables from deposits	1,288,220.31	4,302,586.96
Total deposits on contracts with clients retained by recipients after gross revaluation write-off	45,020,292.53	61,459,353.13
Retained from suppliers – to be returned after 12 months	54,230,216.60	50,229,933.78
Retained from suppliers – to be returned within 12 months	49,462,462.15	47,478,892.87
Total deposits on contracts with clients retained from suppliers	103,692,678.75	97,708,826.65

DISCOUNT RATE

	as of 31.12.2020	as of 31.12.2019 restated
Discount of deposits on contracts with clients retained by recipients	35,309.78	2,065,798.26
Discount of deposits on contracts with clients retained from suppliers	9,459,798.28	12,421,921.71

Information on expected credit losses on the deposit is presented in Note 6.5.

As of 31 December 2020, the largest deposits retained by one recipient amounted to 46.80% (7.80% for one project) of all the receivables from deposits. As of 31 December 2019, the largest deposits retained by one recipient amounted to 38.90% (8.13% for one project) of all the receivables from deposits.

The table below presents the age analysis of deposits on construction contracts at nominal value after discount which are overdue as of the reporting date but for which no impairment losses have been incurred:

Deposits due on construction contracts, overdue, unpaid in the period:



BNBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



	as of 31.12.2020	as of 31.12.2019 restated
a) up to 1 month	1,623,099.40	1,654,537.50
b) between 1 and 3 months	888,617.22	2,430,936.44
c) between 3 and 6 months	259,463.71	144,196.00
d) over 6 months and up to 1 year	158,380.47	546,395.96
e) over 1 year	1,776,336.03	1,907,359.59
Total past due deposits on contracts with clients	4,705,896.83	6,683,425.49

6.19. Deferred revenues

	as of 31.12.2020	as of 31.12.2019 restated
Received subsidies	758,555.38	800,697.33
Right of perpetual usufruct	56,280.42	96,612.51
Deferred revenues – long-term	814,835.80	897,309.84
Received subsidies	42,141.96	42,141.97
Right of perpetual usufruct	21,786.00	45,756.72
Other	15,715.87	
Deferred revenues – short-term	79,643.83	87,898.69



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)

6.20. Information on operating segments

SEGMENT REPORTING AS OF 31.12.2020

	Residential, office and Industrial construction	Infrastructure	Property development activities	Modular constructions	Sales adjustments for other segments	Total amount regarding the entire Group
Revenues from contracts with clients	943,109,405.73	378,956,206.86	242,933,907.99	211,328,046.00	-93,574,806.91	1,682,336,959.67
external sales	880,719,422.32	378,600,484.54	241,320,843.96	211,293,408.85	-	1,682,336,959.67
Share in net profits/(losses) of subsidiaries measured using the equity method	62,389,983.41	148,722.32	1,003,264.03	34,637.15	-93,574,806.91	-
Costs of products, goods and materials sold	872,462,138.38	340,729,011.83	185,325,283.40	217,728,546.05	-79,655,467.43	1,543,609,517.21
Gross profit on sales	83,627,487.37	36,227,195.03	57,198,624.59	-6,400,500.05	-13,919,344.48	138,727,442.46
% gross profit on sales	6.23%	10.09%	23.58%	-3.03%	14.88%	6.23%
Selling costs						14,800,000.75
General and administrative costs						56,453,705.70
Result on other operating activities						-7,851,393.89
Profit on operating activities						59,772,342.12
Financial revenues						6,817,041.49
including: interest revenues						2,839,647.02
Financial costs						893,030.28
including: interest costs						5,965,359.19
Expected credit losses						548,891.80
Share in net profits/(losses) of subsidiaries measured using the equity method						13,053,573.78
Pre-tax profit	61,794.74	255,238.43	2,400,329.31	122,084.54	-	15,541,687.72
Income tax	1,341,729.85			-792,838.05		54,803,787.65
Net profit	1,75,624.97	255,238.43	2,400,329.31	122,084.54	-	17,451,165.57
	3,649,037.39	686,448.94	872,890.96	756,981.90	-	37,152,432.08
	1,341,729.85			-792,838.05		14,493,699.90
						5,965,359.19
						548,891.80
						13,053,573.78
						15,541,687.72
						54,803,787.65
						17,451,165.57
						37,152,432.08

SEGMENT REPORTING AS OF 31.12.2019 – restated

	Residential, office and Industrial construction	Infrastructure	Property development activities	Modular constructions	Sales adjustments for other segments	Total amount regarding the entire Group
Revenues from contracts with clients	1,094,547,493.00	338,956,780.41	168,236,644.94	183,435,758.40	-123,202,469.64	1,661,974,207.17
external sales	976,240,308.66	338,897,140.17	168,236,644.94	178,400,113.40	-	1,661,974,207.17
Share in net profits/(losses) of subsidiaries measured using the equity method	118,307,184.40	59,640.24		4,835,645.00	-123,202,469.64	-
Costs of products, goods and materials sold	1,036,267,395.5	302,656,076.60	131,867,649.92	182,079,212.45	-119,077,842.62	1,533,792,991.86
Gross profit on sales	58,280,097.55	36,300,703.81	36,368,995.02	-1,356,046.95	-4,124,627.02	128,181,215.31
% gross profit on sales	5.32%	10.71%	21.62%	0.74%	3.35%	7.71%
Selling costs						8,473,235.00
General and administrative costs						54,130,648.12
Result on other operating activities						-14,682,823.25
Profit on operating activities						4,532,438.67
Financial revenues						2,930,305.18
including: interest revenues						222,498.63
Financial costs						12,478,449.53
including: interest costs						7,156,998.09
Expected credit losses						186,215.49
Share in net profits/(losses) of subsidiaries measured using the equity method						12,314,785.61
Pre-tax profit	46,849.86	33,264.59	2,670,606.09	179,564.64	-	7,138,007.81
Income tax	81,379.60			141,119.03	-	37,271,570.28
Net profit	4,704,432.3	895,890.52	632,668.53	924,316.70	-	8,782,951.70
	22,068.50			164,146.99	-	28,785,585.96
						7,156,998.09
						186,215.49
						12,314,785.61
						7,138,007.81
						37,271,570.28
						8,782,951.70
						28,785,585.96



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)

As of 31.12.2020

	Residential, office and industrial construction	Infrastructure	Property development activities	Modular constructions	Amounts not allocated to segments	Total
Assets	224,162,028.90	151,913,770.59	376,224,439.47	153,280,775.83	321,742,082.88	1,227,323,097.67
Total assets	224,162,028.90	151,913,770.59	376,224,439.47	153,280,775.83	321,742,082.88	1,227,323,097.67
Equity					330,735,881.87	330,735,881.87
Liabilities	374,483,255.10	162,053,323.41	150,718,995.10	131,083,009.61	78,248,632.58	896,587,215.80
Total liabilities	374,483,255.10	162,053,323.41	150,718,995.10	131,083,009.61	408,984,514.45	1,227,323,097.67
Depreciation and amortisation	3,886,789.03	8,453,707.22	2,000,185.84	4,151,672.72		18,492,354.81

As of 31.12.2019 – restated

	Residential, office and industrial construction	Infrastructure	Property development activities	Modular constructions	Amounts not allocated to segments	Total
Assets	282,520,411.98	112,964,405.48	378,491,636.11	148,814,572.97	246,478,443.52	1,169,269,470.06
Total assets	282,520,411.98	112,964,405.48	378,491,636.11	148,814,572.97	246,478,443.52	1,169,269,470.06
Equity					325,130,194.38	325,130,194.38
Liabilities	385,663,612.57	111,854,484.91	146,855,095.61	126,431,590.72	73,334,491.87	844,139,275.68
Total liabilities	385,663,612.57	111,854,484.91	146,855,095.61	126,431,590.72	398,444,686.25	1,169,269,470.06
Depreciation and amortisation	3,839,410.92	7,427,609.99	1,060,069.56	3,560,680.16		15,887,770.63



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



The cost of obtaining information on revenues from external clients for particular products and services included in the segments is associated with excessive cost of obtaining such revenues.

INFORMATION ON GEOGRAPHICAL AREAS

Period ended on 31.12.2020

	Revenues from external clients	Fixed assets*
Country	1,238,720,536.11	86,623,737.18
Export, including:	443,616,423.56	66,349,042.53
Scandinavia, including:	252,355,338.64	65,675,703.54
Norway	236,508,861.70	61,809,587.18
Eastern market (Belarus, Ukraine)	190,674,187.64	499,710.88
Germany	586,897.28	173,428.11
Total	1,682,336,959.67	152,972,779.71

Period ended on 31.12.2019 – restated

	Revenues from external clients	Fixed assets*
Country	1,288,050,388.24	90,640,503.22
Export, including:	373,923,818.93	52,169,384.18
Scandinavia, including:	158,407,107.49	51,768,052.15
Norway	124,755,370.67	51,621,262.60
Eastern market (Belarus, Ukraine)	215,516,711.24	401,332.03
Total	1,661,974,207.17	142,809,887.40

* fixed assets, i.e. tangible fixed assets, intangible assets

The geographical distribution of revenues from sales corresponds to the location of clients and is consistent with the internal organisational structure of the Group.

The distribution of the total amount of fixed assets and investment expenditures corresponds to their use in the activities of each of the territorial segments.

In 2020 and 2019, the Group did not obtain revenues from individual external clients exceeding 10% of total revenues.

6.21 Revenues from contracts with clients

NET REVENUES FROM SALES OF PRODUCTS AND SERVICES (MATERIAL STRUCTURE – TYPES OF ACTIVITIES)

	01.01-31.12.2020	01.01-31.12.2019 restated
Total revenues from sales of products – country	1,278,101,042.98	1,284,585,198.13
Sales of construction services	1,034,996,327.82	1,113,377,894.57
Sales of development property	239,947,157.49	165,486,325.31
Sales of other services	3,157,577.67	3,613,478.25
Sales of products	-	2,107,500.00
Total revenues from sales of products – export	401,417,780.70	373,923,818.93
Sales of construction services	401,264,397.68	255,577,732.20
Sales of other services	153,383.02	196,420.10
Sales of products	-	118,149,666.63
Net revenues from sales of products and services	1,679,518,843.68	1,658,509,017.06

NET REVENUES FROM SALES OF PRODUCTS AND MATERIALS (MATERIAL STRUCTURE – TYPES OF ACTIVITIES)

	01.01-31.12.2020	01.01-31.12.2019 restated
Sales of materials – country	2,818,115.99	3,465,190.11
Construction activities	2,818,115.99	3,465,190.11
Net revenues from sales of goods and materials	2,818,115.99	3,465,190.11

Breakdown of revenues by client category

	01.01-31.12.2020	01.01-31.12.2019 restated
Public client	433,018,063.32	404,953,397.33
Private client	1,249,318,896.35	1,257,020,809.84
Revenues from contracts with clients	1,682,336,959.67	1,661,974,207.17



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Breakdown of revenues by price category

	01.01-31.12.2020	01.01-31.12.2019 restated
Flat rate	1,558,771,967.86	1,571,508,994.05
Cost estimation	123,564,991.81	90,465,213.12
Revenues from contracts with clients	1,682,336,959.67	1,661,974,207.17

6.22 Costs by type

	01.01-31.12.2020	01.01-31.12.2019 restated
Depreciation and amortisation	18,492,354.81	15,887,770.43
Consumption of materials and energy	425,384,809.47	517,518,519.38
External services	997,436,951.72	1,022,050,622.43
Taxes and charges	6,825,154.44	4,838,208.13
Payroll	148,318,223.63	138,133,466.46
Social security and other benefits	32,667,532.38	30,351,950.17
Other costs by type	44,477,033.74	27,907,750.58
Total costs by type	1,473,602,060.19	1,756,688,287.78
Change in inventory, products and prepayments/accruals	17,711,318.08	-33,458,891.64
Manufacturing cost of products for internal purposes	-79,761,876.25	-130,149,029.62
General and administrative costs	-56,453,705.70	-54,130,848.12
Selling costs	-14,830,000.75	-8,473,235.00
Manufacturing costs of products and services sold	1,540,267,795.57	1,530,476,283.40

6.23 Other operating revenues and expenses

OTHER OPERATING REVENUES

	01.01-31.12.2020	01.01-31.12.2019 restated
Profit on disposal of non-financial fixed assets	1,202,217.01	773,323.85
Released provisions and revaluation write-offs	1,770,490.50	1,354,031.99
Written-off liabilities	1,765,141.60	1,966,807.77
Penalties and compensations	723,581.79	944,036.30
Other	1,805,774.96	2,110,858.75
Other operating revenues	7,267,205.86	7,149,058.66

OTHER OPERATING EXPENSES

	01.01-31.12.2020	01.01-31.12.2019 restated
Provisions for liabilities	49,200.00	894,132.00
Revaluation write-offs	2,042,841.77	-
Costs of disputable issues	1,064,019.15	3,739,593.41
Damage to property and compensations	3,799,289.60	3,458,167.23
Loss on disposal of non-financial assets	-	55,656.43
Loss on disposal of financial fixed assets	-	10,410,460.40
Other	7,963,249.23	3,273,870.44
Other operating expenses	14,918,599.75	21,831,879.91



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



6.24 Other financial revenues and expenses, expected credit losses

FINANCIAL REVENUES

	01.01-31.12.2020	01.01-31.12.2019 restated
Interest:	4,362,827.64	3,301,281.22
Including interest calculated using the effective interest rate	4,359,027.75	3,300,019.42
Interest on loans granted	2,376,300.17	2,649,999.52
Interest on receivables	416,563.45	234,735.39
valuation of credits, loans and bonds	-524,385.89	-186,467.47
bank interest	42,983.51	93,149.85
Interest revenues from deposits	2,047,566.51	508,602.33
other interest	3,799.89	1,261.80
Total other financial revenues	2,454,213.85	1,231,157.45
Financial revenues	6,817,041.49	4,532,438.67

Other financial revenues

	01.01-31.12.2020	01.01-31.12.2019 restated
Foreign exchange gains	1,187,963.65	475,308.79
Other, including:	1,266,250.20	755,848.66
valuation of derivative instruments	862,866.44	172,794.44
reversal of valuation of derivative instruments	-	45,962.27
execution of derivative instruments	30,143.84	3,739.72
commissions on financial operations	247,863.08	454,493.67
dividend	125,357.47	-
other	-0.63	78,856.36
Total other financial revenues	2,454,213.85	1,231,157.45

FINANCIAL EXPENSES

	01.01-31.12.2020	01.01-31.12.2019 restated
Interest, including:	11,246,333.54	10,799,141.16
Interest on credits, loans and bonds	3,757,210.50	5,308,082.08
Interest on lease	1,794,310.51	1,335,477.70
valuation of credits, loans and bonds	-716,528.95	14,084.66
Interest expenses on deposits	5,997,503.30	3,621,859.20
Interest on liabilities	205,110.65	248,276.36
other	208,627.53	281,361.16
Total other financial expenses	3,247,366.36	1,679,308.37
Financial expenses	14,493,699.90	12,478,449.53

Other financial expenses

	01.01-31.12.2020	01.01-31.12.2019 restated
Foreign exchange losses	-	18.06
Other, including:	3,247,366.36	1,479,290.31
commissions	1,261,403.45	750,879.23
valuation of derivative instruments	1,548,628.93	164,146.99
execution of derivative instruments	216,904.11	22,068.50
other	220,429.87	742,195.59
Total other financial expenses	3,247,366.36	1,679,308.37

EXPECTED CREDIT LOSSES



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



	01.01-31.12.2020	01.01-31.12.2019 restated
Trade receivables	15,719,520.27	12,050,266.90
Deposits on contracts with clients	-3,014,366.65	2,911,811.54
Contractual assets	-165,685.02	53,821.54
Loans granted	514,105.18	-2,701,114.37
Expected credit losses	13,053,573.78	12,314,785.61

6.25 Profit (loss) per share

Calculation of the weighted average number of ordinary shares and the number of diluting shares

	as of 31.12.2020	as of 31.12.2019 restated
Number of ordinary shares	31,570,634.00	33,070,634.00
Weighted average number of ordinary shares in the period	31,808,338.92	33,478,853.18
Number of ordinary diluted shares	31,570,634.00	33,070,634.00
Net profit (loss)	37,152,632.08	28,983,568.58
of which attributable to:		
shareholders of the parent company	37,226,857.56	28,920,801.47
Profit (loss) per share	1.17	0.87

6.26 Incurred capital expenditures

CAPITAL EXPENDITURES

	as of 31.12.2020	as of 31.12.2019 restated
Tangible fixed assets:	16,157,488.22	5,645,595.17
buildings, premises, civil and water engineering structures	6,339,208.34	1,182,872.06
technical equipment and machines	6,345,373.87	1,244,008.26
vehicles	225,732.26	82,934.34
other tangible fixed assets	598,949.88	367,253.78
other investment properties	290,130.88	.
tangible fixed assets under construction	2,358,092.99	2,768,524.73
Intangible assets	906,909.77	1,578,153.05
TOTAL	17,064,397.99	7,223,748.22

6.27 Discontinued operations

In 2020 and 2019, discontinued operations did not occur.



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



6.28 Explanations to the cash flow statement

	01.01-31.12.2020	01.01-31.12.2019
		restated
Amortisation and depreciation:	18,492,354.81	15,887,770.63
amortisation of fixed tangible assets and intangible assets	18,492,354.81	15,887,770.63
Profit (loss) on exchange rate differences	-312,856.47	-255,437.29
exchange rate differences on cash, credits, loans, leases, income tax	-312,856.47	-255,437.29
Interest and shares in profits (dividend) include:	3,396,255.11	3,879,641.54
Interest received from promissory notes, granted loans, bonds – total	-2,371,619.00	-2,642,594.47
Interest paid on credits, loans, bonds and factoring – total	3,758,398.54	5,216,097.19
commissions on credits, bonds, guarantees, factoring – paid	1,194,322.67	717,592.54
commissions received	-44,853.47	-386,493.67
accrued commissions	-203,009.61	-68,000.00
accrued commissions – costs of bond issue	215,166.72	214,972.28
total other interest received	-312,782.99	-89,110.27
other unreceived accrued interest	-105,730.47	-683,518.92
valuation of credits, bonds, loans received	-716,528.95	-34,579.38
valuation of own bonds	-	47,632.60
Interest calculated on loans granted	-8,249.51	-7,405.05
interest accrued on credits, loans, bonds	-	93,306.48
remaining interest to be paid	61,139.88	-61,983.25
other interest paid – total	212,126.72	236,267.76
Interest paid on lease	1,843,232.05	1,325,477.70
dividends received	-125,357.47	-
Profit (loss) on investment activities results from:	-14,758,028.48	298,625.88
revenues from disposal of tangible fixed assets and intangible assets	-1,465,987.37	-961,749.99
net value of disposed tangible fixed assets and intangible assets	275,278.05	492,217.89
revaluation of fixed assets	-18,003.75	-
revenues from disposal of financial assets	-	-306,955.00
costs of disposal of financial assets	84,000.00	10,722,342.24
revaluation of financial assets and liabilities	\$11,482.83	-2,481,790.37
valuation of loans granted, bills of exchange, external bonds and investment certificates	574,386.52	185,443.62
profit/loss on the valuation of investments in entities measured using the equity method	-	-7,200,719.82
derivative instruments	872,502.76	18,378.78
other adjustments/results of entities measured using the equity method	-15,541,667.72	-168,491.47
Change in provisions results from the following items:	22,088,853.12	18,877,245.23
balance sheet change in provisions for liabilities	22,177,489.12	19,014,947.23
change in provisions not affecting the current profit or loss	-88,636.00	-415,677.00
other adjustments	-	77,995.00
Change in inventory results from the following items:	22,167,402.91	-33,562,760.03
balance sheet change in inventory	26,807,127.83	-55,930,314.70
Interest capitalised in inventory	1,260,695.74	1,742,355.12
adjustment of inventory concerning retained earnings IFRS 15	-	19,342,919.58
value of inventory acquired as a result of obtaining control (inventory of a subsidiary as of the date of obtaining control with a "+" sign)	-	1,282,279.97
other adjustments / adjustment of the right of perpetual usufruct	-5,900,420.66	-
Change in receivables results from the following items:	11,229,407.00	48,731,478.61
balance sheet change in short-term receivables	6,244,298.97	38,087,382.42
balance sheet change in long-term receivables	8,318,343.16	12,670,115.23
change in financial and investment receivables	78,046.62	-33,616.82
receivables taken over as a result of obtaining control (receivables of the subsidiary as of the date of obtaining control with a "+" sign)	-	299,277.50
change in receivables resulting from investment activities	-	-727,465.58
balance sheet change in prepayments and accruals – assets	-3,215,615.03	-1,522,908.07
change in prepayments and accruals of inter-periodic financial expenses	-195,666.72	277,027.72
other adjustments	-	-318,333.79
Change in short-term liabilities, excluding financial liabilities, results from the following items:	16,312,398.94	73,920,037.92
balance sheet change in short-term liabilities	-3,693,952.79	98,355,602.37
balance sheet change in long-term liabilities	4,000,282.82	1,485,018.11
operational liabilities taken over as a result of obtaining control (liabilities of the subsidiary as of the date of obtaining control with the "-" sign)	-	-640,696.39
change in investment liabilities	16,096,797.81	-25,608,748.54
balance sheet change in prepayments and accruals – liabilities	-90,728.90	328,862.37
The value of "other adjustments" item consists of:	-52,416.28	-220,524.63
other adjustments	-52,416.28	-220,524.63
Income tax paid/refunded	-11,860,659.10	12,292,415.54

Biesk Podlaski, 19 April 2021
page 92



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



The balance of cash and cash equivalents shown in the consolidated cash flow statement consists of the following items:

	as of 31.12.2020	as of 31.12.2019 restated
Cash at bank and in hand	264,064,942.76	178,478,167.48
Including:		
exchange rate differences on balance sheet valuation	-237,480.86	-186,469.92
TOTAL	263,827,461.90	178,291,697.56

The restricted cash flow statement shows that funds with limited disposability are related to the funds accumulated in trust accounts in development activities and in VAT accounts kept in connection with the split payment mechanism.

There were no investment or financial transactions which did not require the use of cash or cash equivalents.

6.29 Mergers of business entities, loss of control

In 2020, there was no loss of control over any of the Group companies.

On 01.07.2020, the merger of Szczęśliwicka Sp. z o.o. with the companies: Unibalaton UDM Sp. z o.o. S.K.A., Kondratowicza UDM Sp. z o.o. S.K.A., UDM Sp. z o.o., Lykke Sp. z o.o., GN INVEST UDM Sp. z o.o. S.K.A., G81 UDM Sp. z o.o. S.K.A., Unibalaton Sp. z o.o., Bukowska Sp. z o.o., Monday Solacz Sp. z o.o., Czarnieckiego MP Sp. z o.o. Sp.k., MP Sp. z o.o. Sp.k. was registered in the National Court Register.

On 01.07.2020, the merger of Idea Sp. z o.o. with MD Inwestycje Sp. z o.o. was registered in the National Court Register.

The companies merged pursuant to Art. 492 paragraph 1 item 1 of the Code of Commercial Companies by transferring all the assets of the acquired companies to the acquiring companies. The merger did not result in a loss of control.

Fama Development Sp. z o.o. and Fama Development Sp. z o.o. Sp. K. are treated as subsidiaries. For information, see Note 6.31.

6.30 Investments in entities measured using the equity method

Investments in entities measured using the equity method are presented in the table below:

	01.01-31.12.2020	01.01-31.12.2019 restated
Opening balance	24,627,212.38	3,991,406.13
a) Increases	30,041,687.72	31,838,007.81
Share in profits	15,541,687.72	7,138,007.81
Contributions made	14,500,000.00	24,700,000.00
b) Decreases	43,447,884.61	11,202,201.56
Dividend payment	14,448,884.61	11,202,201.56
Refunded contributions	28,999,000.00	-
Investments in entities measured using the equity method	11,221,015.49	24,627,212.38

List of jointly controlled entities and affiliates as of 31 December 2020:

Name of the entity	Nature of the relationship	Registered office	Share in the share capital and in the number of votes (%)	
			31.12.2020	31.12.2019
Sejedalen AS	Jointly controlled entity	Ronheim / Norway	50%	50%
Lovselvvegen 4 AS	Indirectly jointly controlled entity	Melhus/Norway	50%	50%
Smart City Sp. z o.o. Sp.k.	Indirect affiliate	Warsaw/Poland	48.82% ^{*)}	48.82% ^{*)}
URSA PARK Smart City Sp. z o.o. Sp.k.	Indirect affiliate	Warsaw/Poland	48.82% ^{*)}	48.82% ^{*)}
URSA SKY Smart City Sp. z o.o. Sp.k.	Indirect affiliate	Warsaw/Poland	48.82% ^{*)}	-

^{*)} the share in total number of votes at the general meeting of Shareholders 0



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Selected financial data of entities measured using the equity method:

Selected financial data of the jointly controlled entity Sejedalen AS are as follows:

Sejedalen AS	as of 31.12.2020	as of 31.12.2019 restated
Fixed assets	36,740.00	6,803,234.50
Current assets	1,455.53	4,800,354.05
Long-term liabilities	-	-
Short-term liabilities	1,435,859.27	5,934,904.12
Revenues from sales	-	-
Profit (loss) on continued operations	-47,082.09	163,915.96
Post-tax profit (loss) on discontinued operations	-	-
Other comprehensive income	-	-
Comprehensive income for the period	-47,082.09	163,915.96
Dividends received from an affiliate / jointly controlled entity	-	-

Sejedalen AS	as of 31.12.2020	as of 31.12.2019 restated
Net assets	-1,434,403.74	-1,134,550.07
Group share in a jointly controlled entity	50%	50%
Other adjustments	-8,901,933.61	-7,283,237.23
Carrying amount of the Group shares in the affiliate	-9,619,135.48	-7,850,512.26

Selected financial data of the jointly controlled entity Lovsetvegen 4 AS are as follows:

Lovsetvegen 4 AS	as of 31.12.2020	as of 31.12.2019 restated
Fixed assets	11,220.00	-
Current assets	2,367,103.71	5,762,650.07
Long-term liabilities	16.61	16.30
Short-term liabilities	4,608,475.95	7,490,319.47
Revenues from sales	2,553.55	338,195.04
Profit (loss) on continued operations	-741,226.06	-2,923,488.32
Post-tax profit (loss) on discontinued operations	-	-
Other comprehensive income	-	-
Comprehensive income for the period	-741,226.06	-2,923,488.32
Dividends received from an affiliate / jointly controlled entity	-	-

Lovsetvegen 4 AS	as of 31.12.2020	as of 31.12.2019 restated
Net assets	-2,239,372.24	-1,727,669.40
Group share in a jointly controlled entity	50%	50%
Other adjustments	-	-
Carrying amount of the Group shares in the affiliate	-1,119,686.12	-863,834.70

Selected financial data of the indirect affiliate Smart City Sp z o.o. Sp.k. are as follows:

Smart City Sp. z o.o. Sp.k.	as of 31.12.2020	as of 31.12.2019 restated
Fixed assets	75,671.98	79,524.70
Current assets	233,299.25	668,916.08
Long-term liabilities	-	-
Short-term liabilities	71,015.08	776,686.50
Revenues from sales	731,726.00	4,383,101.76
Profit (loss) on continued operations	266,203.87	982,786.29
Post-tax profit (loss) on discontinued operations	-	-
Other comprehensive income	-	-
Comprehensive income for the period	266,203.87	982,786.29
Dividends received from an affiliate / jointly controlled entity	-	-

Smart City Sp. z o.o. Sp.k.	as of 31.12.2020	as of 31.12.2019 restated
Net assets	142,284.17	-107,772.42
Group share in a jointly controlled entity	48.82%	48.82%
Other adjustments	-14,123.86	13,789.12
Carrying amount of the Group shares in the affiliate	65,095.16	-38,819.99

Selected financial data of the indirect affiliate URSA PARK Smart City Sp. z o.o. Sp.k. are as follows:

URSA PARK Smart City Sp. z o.o. Sp.k.	as of 31.12.2020	as of 31.12.2019 restated
Fixed assets	26,560.30	116,671.48
Current assets	56,663,306.73	97,932,331.71
Long-term liabilities	4,073,519.93	-
Short-term liabilities	69,535,749.65	38,018,849.35
Revenues from sales	131,608,920.58	74,774,076.45
Profit (loss) on continued operations	37,956,757.82	18,099,870.79
Post-tax profit (loss) on discontinued operations	-	-
Other comprehensive income	-	-
Comprehensive income for the period	37,956,757.82	18,099,870.79
Dividends received from an affiliate / jointly controlled entity	-	-

URSA PARK Smart City Sp. z o.o. Sp.k.	as of 31.12.2020	as of 31.12.2019 restated
Net assets	-12,872,442.92	59,913,482.36
Group share in a jointly controlled entity	48.82%	48.82%
Other adjustments	-14,448,884.61	751,812.11
Carrying amount of the Group shares in the affiliate	-20,733,211.24	30,001,574.20

Selected financial data of the indirect affiliate URSA SKY Smart City Sp. z o.o. Sp. K. are as follows:



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)

UNISA SKY Smart City Sp. z o.o. Sp.k.	as of 31.12.2020	as of 31.12.2019 restated
Fixed assets	140,784.38	-
Current assets	53,564,612.46	-
Long-term liabilities	53,161.73	-
Short-term liabilities	18,400,748.60	-
Revenues from sales	10,000.00	-
Profit (loss) on continued operations	-408,008.24	-
Post-tax profit (loss) on discontinued operations	-	-
Other comprehensive income	-	-
Comprehensive income for the period	-408,008.24	-
Dividends received from an affiliate / jointly controlled entity	-	-

UNISA SKY Smart City Sp. z o.o. Sp.k.	as of 31.12.2020	as of 31.12.2019 restated
Net assets	34,963,843.86	-
Group share in a jointly controlled entity	48.82%	-
Other adjustments	7,754,737.38	-
Carrying amount of the Group shares in the affiliate	24,824,085.95	-

As of 31.12.2020, contingent liabilities related to jointly controlled companies and affiliates amounted to 10,560,000.00 PLN, and as of 31.12.2019 amounted to 10,368,000.00 PLN.
Contingent liabilities were related to loan guarantees and corporate guarantees issued.

Share in profits / (losses) of entities measured using the equity method:

	01.01-31.12.2020	01.01-31.12.2019 restated
Share in profits	18,658,552.06	9,315,248.20
Share in losses	3,116,864.34	2,177,240.39
Total	15,541,687.72	7,138,007.81

6.31 . Adjustment of an error

In 2020, the Group recognised an error that was related to prior years and resulted from an incorrectly adopted consolidation method. In 2018, in assessing the concluded contracts of Fama Development sp. z o.o. (formerly Wiepofama Development sp. z o.o.) and Fama Development sp. z o.o. sp. K (formerly Wiepofama Development sp. z o.o. sp. K), the entity considered that they are jointly controlled entities and should be accounted for using the equity method. On the other hand, in 2020 a re-analysis was carried out taking into account contracts of both companies and the concluded investment contract between the parties. The entity concluded that the key issue in assessing control was, in the event of an impasse, the granting of a power of attorney by Wiepofama SA (formerly Wiepofama SA in liquidation) to Unidevelopment SA to amend the articles of association of the unlimited partner and allow it to complete the project on its own. Profits and losses from the project continued to be accounted for in accordance with the limited partnership agreement. The entity believes that the above-mentioned entities should be accounted for using the full method.

As of the merger date, i.e. 22.02.2018, taking control over an entity constituting a set of assets which is not a business (taking control over a company which owns only a single asset, e.g. land, has no employees and does not conduct business) was settled, at the same time, allocating the portion of capital attributable to non-controlling interests.

Bieszk Podlaski, 19 April 2021
page 95



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



The following tables show the effects of the change in the consolidation method.


	as of 31.12.2019, approved	adjustment	as of 31.12.2019 after adjustment
ASSETS			
LONG-TERM FIXED ASSETS			
Tangible fixed assets	117,455,186.83	-	117,455,186.83
Intangible assets	25,130,950.54	23,750.03	25,154,700.57
Financial assets available for sale	100.00	-	100.00
Investments in entities measured using the equity method	28,842,984.87	-4,215,774.49	24,627,210.38
Deposits on contracts with clients	34,094,667.36	-	34,094,667.36
Loans granted	-	-46,089,973.94	-46,089,973.94
Financial assets measured at fair value through WF/ICD	31,677.61	-	31,677.61
Long-term prepayments	3,084,857.76	-	3,084,857.76
Deferred income tax assets	37,727,998.00	287,919.20	38,015,917.20
Total (long-term) fixed assets	246,548,424.97	42,185,918.50	288,734,343.47
SHORT-TERM CURRENT ASSETS			
Inventory	261,263,592.37	72,119,859.65	333,383,452.02
Trade and other receivables	213,341,540.43	630,251.80	213,971,792.23
Deposits on contracts with clients	23,042,098.81	-	23,042,098.81
Contractual assets	124,445,233.95	-	124,445,233.95
Current income tax receivables	2,507,162.12	-	2,507,162.12
Financial assets measured at fair value through WF/ICD	428,233.31	-	428,233.31
Loans granted	51,708,970.65	-51,204,962.67	502,007.98
Short-term prepayments	3,536,878.69	-	3,536,878.69
Cash and cash equivalents	178,374,337.04	103,830.44	178,478,167.48
Total (short-term) current assets	858,849,147.37	21,444,279.22	880,293,426.59
TOTAL ASSETS	1,105,436,572.34	43,832,897.72	1,149,269,470.06

	as of 31.12.2019, approved	adjustment	as of 31.12.2019 after adjustment
LIABILITIES			
Equity			
Share capital	3,507,063.40	-	3,507,063.40
Other capitals, including:	215,438,494.87	-	215,438,494.87
Supplementary capital on sales of shares at premium	60,903,278.22	-	60,903,278.22
Retained earnings (loss)	51,892,399.56	-775,692.48	51,116,707.08
Equity attributable to shareholders of the parent company	270,838,150.83	-775,692.48	270,062,458.35
Equity attributable to non-controlling interests	5,890,206.14	49,177,529.89	55,067,736.03
Total equity	276,728,356.97	48,401,837.41	325,130,194.38
Long-term liabilities			
Credits, loans and other financial liabilities - long-term	102,983,412.40	-	102,983,412.40
Long-term provisions	32,853,231.66	-	32,853,231.66
Deposits on contracts with clients	50,185,312.33	44,671.45	50,229,983.78
Deferred revenues - long-term	897,309.84	-	897,309.84
Deferred tax provisions	5,070,980.00	-	5,070,980.00
Total long-term liabilities	191,990,246.23	44,621.45	192,034,867.68
Short-term liabilities			
Trade and other liabilities	250,340,577.94	569,510.86	250,910,088.80
Deposits on contracts with clients	47,478,892.87	-	47,478,892.87
Contractual liabilities	168,426,363.36	25,000.00	168,451,363.36
Credits, loans and other financial liabilities - short-term	30,718,293.17	14,791,928.00	45,510,221.17
Current income tax liabilities	4,854,104.81	-	4,854,104.81
Short-term provisions	134,811,738.28	-	134,811,738.28
Deferred revenues - short-term	87,898.69	-	87,898.69
Total short-term liabilities	434,717,748.14	15,384,438.86	450,102,187.00
TOTAL LIABILITIES	1,105,436,572.34	43,832,897.72	1,149,269,470.06

	as of 01.01.2019, approved	adjustment	as of 01.01.2019 after adjustment
ASSETS			
LONG-TERM FIXED ASSETS			
Tangible fixed assets	93,915,469.42	-	93,915,469.42
Intangible assets	27,093,793.66	-	27,093,793.66
Financial assets available for sale	258,150.00	-	258,150.00
Investments in entities measured using the equity method	8,839,221.97	-4,847,815.84	3,991,406.13
Deposits on contracts with clients	46,744,782.59	-	46,744,782.59
Loans granted	6,457,970.23	25,282,937.94	31,840,908.17
Financial assets measured at fair value through WF/ICD	1,687,696.44	-	1,687,696.44
Long-term prepayments and accruals	2,509,475.04	-	2,509,475.04
Deferred income tax assets	37,346,193.00	258,432.00	37,604,625.00
Total (long-term) fixed assets	224,872,754.35	20,793,554.10	245,666,308.45
SHORT-TERM CURRENT ASSETS			
Inventory	225,182,504.84	52,270,432.44	277,452,937.28
Trade and other receivables	252,492,929.63	135,509.64	252,628,439.27
Deposits on contracts with clients	42,120,139.91	-	42,120,139.91
Contractual assets	104,817,928.21	-	104,817,928.21
Current income tax receivables	16,035,469.79	-	16,035,469.79
Financial assets measured at fair value through WF/ICD	2,068,793.69	-	2,068,793.69
Loans granted	29,878,330.88	-27,743,087.90	2,135,242.98
Short-term prepayments and accruals	2,589,153.34	-	2,589,153.34
Cash and cash equivalents	56,182,433.01	40,433.05	56,222,866.06
Total (short-term) current assets	731,357,703.32	24,443,487.22	755,801,190.54
TOTAL ASSETS	956,230,457.67	45,477,041.32	1,001,707,491.04



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



	as of 31.12.2019, approved	adjustment	as of 01.01.2019 after adjustment
LIABILITIES			
Equity			
Share capital	3,507,043.40	-	3,507,043.40
Exchange differences on translation of foreign operations	-3,936.57	-	-3,936.57
Other capitals, including:	207,082,774.98	-	207,082,774.98
Supplementary capital on sales of shares of premium	40,905,278.22	-	40,905,278.22
Retained earnings (loss)	47,920,560.80	-368,800.94	47,551,759.84
Equity attributable to shareholders of the parent company	258,504,442.41	-368,800.94	258,135,641.45
Equity attributable to non-controlling interests	5,149,261.59	49,840,257.26	54,989,518.85
Total equity	263,653,704.00	49,471,456.30	313,125,160.50
Long-term liabilities			
Credits, loans and other financial liabilities – long-term	67,952,074.13	-	67,952,074.13
Long-term provisions	30,891,161.21	-	30,891,161.21
Deposits on contracts with clients	48,744,915.67	-	48,744,915.67
Deferred tax provisions	605,721.46	-	605,721.46
Deferred tax provisions	1,825,564.00	-30,944.00	1,794,620.00
Total long-term liabilities	150,023,438.47	-30,944.00	149,992,492.47
Short-term liabilities			
Trade and other liabilities	235,105,690.50	-3,963,468.93	231,142,221.57
Deposits on contracts with clients	46,953,614.22	-	46,953,614.22
Contractual liabilities	90,388,936.89	-	90,388,936.89
Credits, loans and other financial liabilities – short-term	51,470,116.07	-	51,470,116.07
Current income tax liabilities	826,681.12	-	826,681.12
Short-term provisions	117,758,861.50	-	117,758,861.50
Deferred revenues – short-term	47,624.70	-	47,624.70
Total short-term liabilities	542,551,495.00	-3,963,468.93	538,588,026.07
TOTAL LIABILITIES	806,205,133.47	-4,004,412.93	802,200,713.54

6.32. Transactions with related entities

As of 31.12.2020

	Trade and other receivables	Trade and other liabilities	Contractual assets	Contractual liabilities	Loans granted
Jointly controlled, indirectly jointly controlled entities	1,458,609.77	32,785.80	-	-	221,610.57
Indirect affiliates	72,669,646.72	9,108,056.36	17,736.40	1,531,842.72	-
Total transactions with related entities	24,128,256.49	9,140,842.16	17,736.40	1,531,842.72	221,610.57

As of 31.12.2019 – restated

	Trade and other receivables	Trade and other liabilities	Contractual liabilities
Jointly controlled, indirectly jointly controlled entities	1,430,125.96	31,020.44	-
Indirect affiliates	6,410,644.86	13,047.03	1,225,226.87
Total transactions with related entities	7,840,770.82	44,067.47	1,225,226.87

For the period 01.01.2020-31.12.2020

	Revenues from contracts with clients	Purchase of products, goods and materials	Financial revenues
Jointly controlled, indirectly jointly controlled entities	-	-	1,610.57
Indirect affiliates	74,262,325.55	48,674.17	14,448,884.61
Total transactions with related entities	74,262,325.55	48,674.17	14,450,495.18

For the period 01.01.2019-31.12.2019 – restated

	Revenues from contracts with clients	Purchase of products, goods and materials	Financial revenues	Financial expenses
Jointly controlled, indirectly jointly controlled entities	257,283.20	-	90,332.52	73,043.58
Indirect affiliates	35,567,271.94	226,776.73	11,270,201.58	-
Total transactions with related entities	35,824,555.14	226,776.73	11,360,534.10	73,043.58

6.33. Management Board and Supervisory Board

The Management Board and Supervisory Board of UNIBEP GROUP is represented by the Management Board and



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



the Supervisory Board of the UNIBEP SA Parent Company.

MANAGEMENT BOARD

The Management Board of UNIBEP SA acts on the basis of the provisions of the Commercial Companies Code, the Articles of Association of the Company, and the By-Laws of the Management Board. The Management Board of the Company consists of one or more members. Members of the Management Board, including the President of the Management Board, are appointed and dismissed by the Supervisory Board for a joint three-year term of office. The number of members of the Management Board shall be determined by the Supervisory Board.

As of the day of drawing up these financial statements, the Management Board of UNIBEP SA includes the following persons:

- Leszek Marek Gołębiewski – President of the Management Board
- Sławomir Kiszycycki – Vice-President of the Management Board
- Krzysztof Mikołajczyk – Vice-President of the Management Board
- Adam Poliński – Member of the Management Board

On 4 November 2020, the Supervisory Board of Unibep SA adopted a resolution on appointing Mr Adam Poliński as a member of the Management Board of the Company effective from 1 January 2021.

SUPERVISORY BOARD

The Supervisory Board of UNIBEP SA acts on the basis of the provisions of the Commercial Companies Code, the Articles of Association of the Company, and the By-Laws of the Supervisory Board. The Supervisory Board includes 5 to 7 members, appointed and dismissed by the General Meeting of Shareholders for a joint three-year term of office.

As of the day of drawing up these financial statements, the Supervisory Board of UNIBEP SA includes the following persons:

- Jan Mikołuszka – Chairman of the Supervisory Board
- Beata Maria Skowrańska – Deputy Chairman of the Supervisory Board
- Wojciech Jacek Stajkowski – Member of the Supervisory Board
- Jarosław Mariusz Beldowski – Member of the Supervisory Board (independent)
- Michał Kołosowski – Member of the Supervisory Board (independent)
- Paweł Markowski – Member of the Supervisory Board (independent)
- Dariusz Marian Kacprzyk – Member of the Supervisory Board (independent)

6.34. Shares held by or rights to shares of the members of the management and supervisory bodies

Shares held by the Management Board

No.	Name and surname (company)	Position	Number of shares held	Number of votes	Share in the total number of votes (over 5%)
1	Leszek Marek Gołębiewski	President of the Management Board	690,000	690,000	—
2	Sławomir Kiszycycki	Vice-President of the Management Board	-	-	—
3	Krzysztof Mikołajczyk	Vice-President of the Management Board	-	-	—
4	Adam Poliński	Member of the Management Board	-	-	—
5	Zbigniew Gościcki	President of the Management Board of a subsidiary Unidevelopment SA	217	217	—

Number of shares held by the Supervisory Board

No.	Name and surname (company)	Position	Number of shares held	Number of votes	Share in the total number of votes (over 5%)
1	Jan Mikołuszka	Chairman of the Supervisory Board	21,620	21,620	—
2	Beata Maria Skowrańska	Deputy Chairman of the Supervisory Board	5,500,000	5,500,000	16.11%
3	Wojciech Jacek Stajkowski	Member of the Supervisory Board	2,500,000	2,500,000	7.13%

Biełk Podlaski, 19 April 2021
page 98



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial
Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



4	Jarostaw Mariusz Beldowski	Member of the Supervisory Board	-	-	-
5	Michal Kotosowski	Member of the Supervisory Board	-	-	-
6	Pawel Markowski	Member of the Supervisory Board	-	-	-
7	Dariusz Marian Kaprzyk	Member of the Supervisory Board	-	-	-

Balance according to the knowledge of UNIBEP SA as of 31.12.2020



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Bożenna Lachacka, member of the Supervisory Board of Unidevelopment SA is the holder of 2,500,000 shares of Unibep SA, the number of votes is 2,500,000, which gives 7.13% of the total number of votes.

The Company did not issue any securities, which give special control rights.

There is no employee stock ownership plan implemented at the Company. The Incentive Scheme is described in Section 6.10.

6.35. Information on personal, factual and organisational relations between members of the Management Board and Supervisory Board and certain shareholders with at least 5% of votes at the General Meeting of Shareholders of Unibep SA

MANAGEMENT BOARD OF THE PARENT COMPANY

- Leszek Marek Gołąbicki – is not related to any shareholder holding at least 5% of votes at the General Meeting of Shareholders of UNIBEP SA.
- Sławomir Kiszycki – is not related to any shareholder holding at least 5% of votes at the General Meeting of Shareholders of UNIBEP SA.
- Krzysztof Mikołajczyk – is not related to any shareholder holding at least 5% of votes at the General Meeting of Shareholders of UNIBEP SA.
- Adam Polński – is not related to any shareholder holding at least 5% of votes at the General Meeting of Shareholders of UNIBEP SA.

SUPERVISORY BOARD OF THE PARENT COMPANY

- Jan Mikoluszek is the husband of a shareholder (Mrs Zofia Mikoluszek) holding at least 5% of votes at the General Meeting of Shareholders of UNIBEP SA.
- Beata Maria Skowrońska – shareholder holding at least 5% of votes at the General Meeting of Shareholders of UNIBEP SA.
- Wojciech Jacek Stajkowski – shareholder holding at least 5% of votes at the General Meeting of Shareholders of UNIBEP SA.
- Jarosław Marłusz Beldowski – is not related to any shareholder holding at least 5% of votes at the General Meeting of Shareholders of UNIBEP SA.
- Michał Kolasowski – is not related to any shareholder holding at least 5% of votes at the General Meeting of Shareholders of UNIBEP SA.
- Paweł Markowski – is not related to any shareholder holding at least 5% of votes at the General Meeting of Shareholders of UNIBEP SA.
- Dariusz Marjan Kacprzyk – is not related to any shareholder holding at least 5% of votes at the General Meeting of Shareholders of UNIBEP SA.

6.36. Salaries of members of the Management and Supervisory Boards of the Parent Company

SALARIES OF THE MANAGEMENT BOARD:

For the period 01.01.2020-31.12.2020

Name and surname	Salary	Bonus for profit for 2019 paid in 2020	Total
Leszek Marek Gołąbicki	744,000.00	450,797.81	1,194,797.81
Sławomir Kiszycki	672,000.00	450,797.81	1,122,797.81
Krzysztof Mikołajczyk	612,000.00	450,797.81	1,062,797.81
Total:	2,028,000.00	1,352,393.43	3,380,393.43



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



For the period 01.01.2019-31.12.2019 – restated

Name and surname	Salary	Sickness benefit	Bonus for profit for 2018 paid in 2019	Total
Leszek Marek Gołębicki	744,000.00		551,288.51	1,295,288.51
Stawomir Kiszycki	664,079.15		551,288.51	1,215,367.66
Jan Piotrowski		5,576.34	413,466.38	419,042.72
Krzysztof Mikołajczyk	612,000.00		277,532.23	889,532.23
Total:	2,020,079.15	5,576.34	1,793,575.63	3,819,231.12

SALARIES OF THE SUPERVISORY BOARD:

For the period 01.01.2020-31.12.2020

Name and surname	Income	Income of a member of the Supervisory Board under an employment contract with UNIBEP SA	Total
Jan Mikołuszko	456,000.00		456,000.00
Beata Skowańska	144,000.00		144,000.00
Wojciech Stokowski	60,000.00	60,000.00	120,000.00
Jarostaw Beldowski	60,000.00		60,000.00
Michał Kolasowski	85,576.40		85,576.40
Paweł Markowski	60,000.00		60,000.00
Dariusz Kacprzyk	61,689.00		61,689.00
Total:	927,265.40	60,000.00	987,265.40

For the period 01.01.2019-31.12.2019 – restated

Name and surname	Income	Income of a member of the Supervisory Board under an employment contract with UNIBEP SA	Total
Jan Mikołuszko	456,000.00		456,000.00
Beata Skowańska	145,439.87		145,439.87
Wojciech Stokowski	60,000.00	60,000.00	120,000.00
Jarostaw Beldowski	62,059.23		62,059.23
Michał Kolasowski	85,314.52		85,314.52
Paweł Markowski	60,000.00		60,000.00
Dariusz Kacprzyk	60,783.27		60,783.27
Total:	929,594.89	60,000.00	989,594.89

In addition, in 2020, no purchases were made from persons closely related to the Management Board and Supervisory Board, the employment salaries were paid to persons related to members of the Management Board and Supervisory Board in the amount of 883.7 thousand PLN, and in the comparable period: purchases – 38.8 thousand PLN, salaries – 913.6 thousand PLN.

6.37. Transactions with related entities carried out through managerial staff of the Company and the Capital Group companies

In 2020, there were no transactions other than those based on market conditions, the one-off or total value of which would exceed the equivalent of 500 thousand EUR converted into PLN.

6.38. Contracts concluded between UNIBEP SA Parent Company and managerial staff

The President of the Management Board, the Vice-President of the Management Board and the Member of the Management Board of UNIBEP SA, are employed by UNIBEP SA, on the basis of managerial contracts concluded for the duration of the term of office of the Management Board (fixed-term employment contract) in connection with their work and function on the Management Board.

At present, Leszek Marek Gołębicki, President of the Management Board and Company Director, Stawomir Kiszycki, Vice-President of the Management Board and Financial Director, and Krzysztof Mikołajczyk, Vice-President



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



of the Management Board and Construction Director, are bound by employment contracts concluded on 16 June 2020 for a definite period of time – until the expiry of the Management Board member mandate following the end of the sixth three-year term of office of the Management Board.

Adam Poliński, Member of the Management Board and Director of the Infrastructure Branch, is bound by an employment contract concluded on 30 December 2020 for a definite period – until the expiry of the Management Board member mandate following the end of the sixth three-year term of office of the Management Board. Mr Adam Poliński was appointed member of the Management Board of the Company for the sixth term of office as of 01.01.2021.

Pursuant to the provisions of the aforementioned contracts, the President of the Management Board of UNIBEP SA Leszek Marek Gołębicki and Vice-Presidents of the Management Board of UNIBEP SA Sławomir Kiszycki and Krzysztof Mikołajczyk are entitled to an annual bonus for 2020 and for subsequent years, calculated on the basis of the consolidated net profit of the UNIBEP Capital Group, subject to the fulfilment of additional conditions, for each financial year, in the amount of 1.5%.

Pursuant to the provisions of the contract, the President of the Management Board and Director of Infrastructure Department of UNIBEP SA Adam Poliński is entitled to an annual bonus for 2021 and for subsequent years, calculated on the basis of the consolidated net profit of the UNIBEP Capital Group, subject to the fulfilment of additional conditions, for each financial year, in the amount of 1%.

In addition to their salaries, the President, Vice-Presidents, and Member of the Management Board, the employer guarantees a payment of compensation in the amount of 3 times the average monthly salary of the employee, in the event of termination of their employment contract by notice of the employer for reasons not attributable to the President, Vice-President, or Member of the Management Board. The President, Vice-Presidents, and Member of the Management Board shall not be entitled to other remuneration components specified in the Corporate Collective Labour Agreement.

In addition, the President of the Management Board, the Vice-Presidents of the Management Board, and the Member of the Management Board of UNIBEP SA also signed non-competition agreements with the Company for the duration of their employment (the prohibition of competition applies for the entire duration of the employment) and non-competition agreements applicable after termination of employment (the prohibition of competition applies for 6 months after termination of their employment). For the duration of the non-competition clause (for a period of 6 months), the President of the Management Board, Vice-Presidents of the Management Board, and the Member of the Management Board shall be entitled to compensation amounting to 25% of the remuneration received by such persons before termination of their employment, which shall be paid in six equal instalments.

6.39. Assets and contingent liabilities, guarantees

6.39.1. Assets and contingent liabilities

Contingent liabilities on guarantees and sureties granted to other entities are mainly guarantees issued by banks and insurance companies to the benefit of the partners of Companies of the UNIBEP Group to secure their claims under construction contracts. In the case of using the guarantees issued for their benefit, banks and insurance companies are entitled to the right of recourse against the Companies.

Guarantees provided to the clients are an alternative way of securing the retained guarantee deposits.

	as of 31.12.2020	as of 31.12.2019 restated
CONTINGENT ASSETS	3,955,739.54	832,601.00
From other entities	3,955,739.54	832,601.00
Bills of exchange received as security	100,000.00	
Sureties received	3,855,739.54	832,601.00
CONTINGENT LIABILITIES	147,571,461.98	42,719,663.63
To related entities	17,033,748.41	22,777,193.12
Sureties granted	17,033,748.41	22,777,193.12
To other entities	130,537,713.57	19,942,470.51
Disputes	128,537,713.57	17,842,470.51
Bills of exchange issued as security		100,000.00
Sureties granted	2,000,000.00	2,000,000.00

Biełk Podlaski, 19 April 2021
page 102



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Disputes

The following changes have taken place in comparison to the information on disputes, included in the consolidated financial statements of the UNIBEP Group for 2019 and Q3 2020:

Claims against Unibep SA

EG BYGG OSLO AS (current name Eiendomsgruppen Oslo AS). On 5 April 2017, the Court received a lawsuit from the investor, filed against Kwartal 1 for payment of 4,000 thousand NOK for defects of wooden gangways on walkways and balconies. Unibep filed a statement of defence, claiming, among others, that the walkways had been made correctly, and that the claim had been filed too late after the defect was discovered, and that the claim was also expired. The claim of the investor was finally increased to the amount of 6,511 thousand NOK. The parties reached a settlement under which Unihouse will perform repair works and the investor will pay 1,900 thousand NOK for the work. The settlement document was signed by the parties. Repairs are underway and will be completed by summer 2021.

"Kontrast" Krzysztof Koc. In February 2020, the Court received a lawsuit from the investor for a payment of 461 thousand PLN. The claim is related to the payment of a contractual penalty for a delay in investment execution. There was an exchange of court correspondence between the parties to the dispute. Hearings were held on 29.04.2020 and 14.07.2020. The court admitted evidence from an expert opinion on construction, which was drawn up (favourable for UNIBEP SA). During the hearing on 30 December 2020, an expert provided a testimony, and then the parties declared their readiness to conclude a settlement consisting in payment of the amount of 5 thousand PLN by UNIBEP SA to K. Koc - a waiver of further claims against UNIBEP SA raised in the statement of claim by K. Koc. A settlement has been reached, and we are currently awaiting the settlement to become final.

Deven sp. z o.o. Sp.k. On 20 January 2020, a payment order was issued, charging Unibep SA and Klimar Plus Sp. z o.o. jointly with the amount of 554 thousand PLN. The plaintiff demands a remuneration payment. The first hearing was held on 1 December 2020, and some of the witnesses were heard. Other witnesses will be heard in writing. The court committed the parties to attempt a settlement. The parties agreed to a meeting. The next hearing is scheduled for July 2021.

Claim lawsuits for 498 thousand PLN (for the construction of Żoliborz Artystyczny) and 661 thousand PLN (for the construction of Rondo Wiatraczna) brought by **Rafbud Konstrukcje Sp. z o.o. Sp.k. and Rafbud Konstrukcje Sp. z o.o.** concern the amounts deducted from contractual penalties imposed for delays in contract performance. Unibep SA filed objections in all the cases and is waiting for the next hearing dates to be set.

A claim for 955 thousand PLN for compensation, damages, reimbursement of medical expenses, care, fixed annuity, interest related to an accident on 16 November 2017 at a construction site in Heimdal, Norway of a **Unihouse SA employee** who was crushed by a module during the assembly of modules. The employee suffered serious life-threatening injuries. On 29 July 2020, the lawsuit claim of the injured party was served against AXA Ubezpieczenia TUUR SA, Unibep SA and Unihouse SA. All three entities were sued in solidum.

Until the date of publication of these financial statements, three hearings were held at which witnesses were heard. The District Court ordered all defendants jointly and severally to pay the plaintiff a monthly sum of 2,700 PLN. The date of the next hearing has not been set yet. We are currently waiting for court-appointed medical experts to provide their opinion.

Demand of the LC Corp investor. On 22 October 2015, a lawsuit claim for a payment of 1,249 thousand PLN was filed by **LC Corp Invest XV Sp. z o.o. PROJEKT 6 Spółka Komandytowa** due to defects present at the facility constructed by Unibep SA at ul. Powstańców 33 in Żąbki. Unibep SA does not accept the claim. The Court is in the process of hearing the witnesses of both parties, and experts will be appointed subsequently. The hearing originally scheduled for 2 July 2019 was first postponed until March 2020, after which it was postponed without a deadline.

The lawsuit claim of **Paweł Kardas** against Unibep SA for the amount of 70 thousand EUR was brought to the Court on 18 December 2019. The Company was sued on account of claims resulting from the final invoice for the execution of finishing works on the Bad Oeynhausen contract. Unibep SA is of the opinion that the works were not performed according to the technology and are faulty. In addition, contractual penalties for the delayed work were withheld, which in turn made it impossible to release the building for use on time. The plaintiff questions the legitimacy of the deductions and demands the full amount plus interest. The case is at the stage of written preparatory proceedings.

Compensation cases concerning fatal accidents at the **Plaza** construction site in Suwałki (the construction was carried out by the consortium of UNIBEP SA -51% and Mostostal Białystok -49%). The case is at the stage of supplementary expert opinions on occupational health and safety. The date of the next hearing has not been set yet. Due to the insurance held by the Company and the consortium member, the case should not encumber the costs of Unibep SA.

Cases filed by Unibep SA

On 12 October 2018, the **Consortium of UNIBEP SA and Most sp. z o.o.** filed a lawsuit claim with the Regional Court in Białystok, 1st Civil Department, against the **Regional Roads Authority in Podlasie** for a payment PLN 8,286 PLN in



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



contractual penalties, in connection with withdrawing from the contract, and 23,243 PLN in auxiliary claims on the Sokółka – Dąbrowa Białosłocka investment. The case has been referred to the Economic Department. Witnesses were heard during the first two hearings held on 24-25 June 2019 and 25-27 September 2019. On 6 November 2019, the lawsuit claim was increased by 4,807 thousand PLN for claims arising from the final settlement of the contract. The defendant filed a response to the increase of the lawsuit claim, the Court gave the plaintiff time until 29 May 2020 to file a response to the response of the defendant. An answer was filed. Further witnesses will be heard and requests for evidence on the acceptance of expert opinions will be examined in the course of the legal proceedings. On 31 December 2020, UNIBEP SA filed an extension of the lawsuit claim by the amount of 8,286,426.00 PLN paid under a PZU guarantee. The court obliged the Regional Roads Authority in Podlasie to submit an answer to the extension of the lawsuit claim within 3 months from the delivery date of this letter. The Regional Roads Authority in Podlasie filed its response to the extension of the lawsuit claim on 9 April 2021.

In mid-November 2018, the Company was served with a lawsuit claim filed by the Regional Roads Authority in Podlasie against the Consortium on 1 October 2018 with the District Court in Białystok for a payment of a contractual penalty in the amount of approx. 8,286 thousand PLN on account of withdrawal from the contract. On 14 August 2020, the Regional Roads Authority in Podlasie filed a court correspondence to the competent court (delivered to the attorney of the consortium on 26 November 2020), which constituted an extension of the above lawsuit claim by a demand to award the Ordering Party additional compensation exceeding, according to the Ordering Party, the value of the aforementioned contractual penalty, i.e. the amount of approx. 104 M PLN. Therefore, the total value of the above-mentioned claims of the Ordering Party is currently approx. 112.3 M PLN. As indicated in the above-mentioned correspondence, the additional compensation was calculated by the Ordering Party as the difference between the amount of gross remuneration for the Consortium under the Contract and the amount of gross remuneration under the contract concluded by the Ordering Party with the contractor continuing the investment project, less the amount of contractual penalty for withdrawal from the Contract. The demand for payment of additional compensation is a continuation of the Ordering Party claims against the Consortium resulting from the withdrawal from the Contract by the Ordering Party.

On 1 March 2021, we filed our response to the extension of the lawsuit claim by Regional Roads Authority in Podlasie. The Court shall decide whether the withdrawal from the Contract by the Ordering Party is legitimate and what claims arise therefrom. However, the Consortium is of the opinion that it has effectively withdrawn from the Contract, thus all claims raised by the Ordering Party have no legal basis. The Consortium maintains its position that, similarly to the claim of the Ordering Party for payment of contractual penalty for withdrawal from the Contract, also the claim of the Ordering Party for additional compensation is entirely unfounded.

To sum up, a court dispute is currently underway between the parties, in which cases for payment have been joined for joint consideration, involving claims by the Consortium, for a total amount of approx. 44.6 M PLN, with the lawsuit claim by the Ordering Party for payment of contractual penalty for withdrawal from the contract in the amount of approx. 8.3 M PLN, and additional compensation in the amount of approx. 104 M PLN, i.e. for a total amount of approx. 112.3 M PLN plus interest.

The Company fully disputes the damage allegedly suffered by the Ordering Party, both as a rule and as to the amount. The Issuer still believes that it has effectively withdrawn from the Contract, thus all claims raised by the Ordering Party have no legal basis. The Company maintains that the circumstances described above allow this dispute to be still considered as neutral for the current results of the Unibep Group. At the same time, the Issuer stipulates that this aspect will be subjected to thorough analysis, in particular in relation to financial audit activities performed for the purposes of preparing financial statements.

On 29 March 2019, the Consortium of UNIBEP SA and PORR SA filed a lawsuit claim against the General Directorate for National Roads and Motorways for a payment of 16,926 thousand PLN in total (including 5,078 thousand PLN by Unibep SA) due to additional works on the Reconstruction of the S8 national road investment. On 26 April 2019, an order for payment of 146 thousand PLN was issued in the course of the writ-of-payment proceedings against which the defendant has filed an objection. After an exchange of court correspondence, the first hearing was set for 9 April 2021. During the hearing before the District Court in Warsaw, the Court heard some of the witnesses. The court accepted our evidence motion and obliged the Directorate General for National Roads and Motorways to submit the relevant documents (internal letters from the Engineer concerning the demolition of the pavement, which the contractor did not have). The court set another hearing for 16 July 2021, during which the remaining witnesses will be heard.

The lawsuit claim against the Municipality of Łapy. On 12.07.2018, UNIBEP SA filed a lawsuit claim with the District Court in Białystok, 7th Commercial Department, for a payment of the amount of 2,134 thousand PLN (including 957 thousand PLN due to contractual penalties in connection with withdrawal from the contract and 1,177 thousand PLN due to additional claims on the investment project). The defendant filed an answer to the lawsuit claim, which was served on 08.08.2018. The case was referred to mediation (with no settlement as a result). On 10.04.2019, a hearing was held, during which the Municipality of Łapy informed that it had filed a counterclaim the day before (contractual penalty for withdrawal of 957 thousand PLN, contractual penalty for untimely payments to subcontractors of 957 thousand PLN and claim for damages of 1,454 thousand PLN). The counterclaim was served



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



On 28.08.2019 – a response to the lawsuit claim has been filed. The court again referred the case to mediation – the parties again engaged in settlement discussions without success. Three hearings were held. An order was made for expert evidence to be admitted. We are awaiting a decision of the court on the selection of an expert to provide an opinion.

A lawsuit claim was filed against **Atelier Żoliborz Sp. z o.o.** for a payment of 2,174 thousand PLN. The debt includes a claim for the return of a guarantee deposit retained for good performance of the contract during the guarantee period. On 03.08.2020, a preparatory hearing was held, during which the course of the hearing evidence was established. During a hearing held on 7 December 2020, the court set a deadline for **Atelier Żoliborz sp. z o.o.** to submit evidence on the merits of the dispute, failing which the court would issue a judgement during a closed session. On 20.01.2021, the court sent the above-mentioned summons. We are awaiting the ruling in the case.

On 16 June 2020, Unibep SA filed a lawsuit claim against **Sjusjøen Prima Utvikling AS** for a payment of the total amount of 8,599 thousand NOK plus interest for additional works performed and charges for operating costs at the Sjusjøen the View investment project. We are waiting for the hearing date to be set.

The investor, **Aureus Residenzbau GmbH**, retained a part of the remuneration paid to Unibep SA for the execution of the Krefeld contract. On 27 August 2020, another hearing was held. The court awarded Unibep SA the sum of 218 thousand EUR plus interest. The investor lodged an appeal. Unibep has joined this appeal.

On 27 April 2020, Unibep SA and **Przedsiębiorstwo Budownictwa Komunikacyjnego Sp. z o.o.** filed a joint lawsuit claim against the **Regional Roads Authority in Podlasie** for a payment of the total amount of 4,453 thousand PLN, of which the demand of Unibep SA amounts to 1,391 thousand PLN, as payment for additional works under the contract regarding the construction and extension of the provincial road no. 645 along the Nowogród-Tomża section, including a bypass around Stare Kupiski. On 14 July 2020, the Consortium received a copy of the response to the lawsuit claim together with the request of the court to comment on the possible mediation in the case. A mediator was appointed. The first mediation meeting was held, during which the parties agreed that the defendant would once again carefully and thoroughly review all of the claims and demands of the plaintiff by the end of April 2021.

The investor **Strandkanten Pluss II KS** suspended payment of the last invoice issued under the Strandkanten construction project in Tromsø. The investor does not question the amount of the invoice. The amount is withheld as security for claims related to defects reported by the community of residents. Under the agreement concluded with the investor, Unibep SA has been removing the reported defects since May 2019, and the completion of the works is planned for spring 2021. The parties extended the deadline to pursue claims until 1 June 2021. In the first days of December 2020, the case was referred to a law firm in order to attempt to close the dispute amicably.

"MS-BUD" Maciej Senktas. Unibep SA is claiming a payment of 281 thousand PLN as a contractual penalty in connection with failure to remove reported defects within the prescribed time limit within the quality warranty period. A hearing was held on 05.10.2020 and a witness called by the plaintiff was heard. Due to the failure of the defendant to appear and answer court correspondence, the court entered a default judgement on 19 October 2020 awarding the amount claimed. On 2 December 2020, the verdict was granted with an enforcement clause. A motion for the initiation of the enforcement was filed. The bailiff has taken steps to enforce the claim.

A case brought by Unibep SA against **Witraz Sp. z o.o.** for the payment of 408 thousand PLN, heard by the District Court in Białystok. The subject matter of the case is a claim for damages for defects in window joinery under the **Kjeller Gard** contract. Witraz motioned to dismiss the lawsuit claim. The claim was directed to Witraz as a recourse claim, after the investor on the **Kjeller Gard** project made a similar claim against Unihouse SA. Eventually, in the course of a Norwegian court case, a settlement was concluded with the investor and the community, on the basis of which Unihouse undertook to replace the window joinery in apartments indicated by Norwegian experts after an inspection. In the course of a court proceeding before the Polish court, the lack of documentation confirming the parameters of the supplied joinery proved to be problematic. Witraz has never provided such documentation. As a result, it was not possible to find an expert who could undertake to prepare an opinion on the causes of the defects in the window joinery. The hearing of 24 September 2020 was adjourned to attempt settlement. At a meeting of the parties, it was agreed that the parties will cooperate in the supply of woodwork, for which Unihouse SA will receive a discount to compensate for the costs incurred by the Company. A draft settlement and a cooperation contract are being prepared.

Cases filed by Unibep SA and Budrex Sp. z o.o.

On 20.08.2019, a lawsuit claim was filed with the District Court in Białystok for a payment of 4,744 thousand PLN for additional costs on the **Łapy Markowszczyzna** investment project, including: to **Budrex sp. z o.o.** – 1,086 thousand PLN and to Unibep – 3,658 thousand PLN. The aforementioned amounts concern unforeseen costs, i.e.: caused by additional works related, among others, to the change of the technology of the works – 1,051,000 PLN incurred by **Budrex sp. z o.o.**; for increased costs of aggregate transport in the investment area caused by a detour – 3,658,000 PLN incurred by Unibep and 36,000 PLN incurred by **Budrex sp. z o.o.** By the order of 6 March 2020, evidence from an opinion of an institute was admitted. The Institute presented an opinion in the case, in which it recognised the



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



costs incurred by Budrex sp. z o.o. in the amount of 207 thousand PLN, and in the case of Unibep SA – in the amount of 1,995 PLN as justified. Despite stating that the claims were justified, the Institute pointed out that in its opinion the amount of the costs incurred had not been proven in the case. Because the opinion is highly ambiguous and does not prejudice the legitimacy or otherwise of the claims, objections to the opinion were prepared. On 29 September 2020, a supplemental opinion was served over objections filed by the defendant. Objections to the opinion and a complaint about the costs awarded to the Institute for its preparation were raised (the complaint was not accepted by the court). We are currently awaiting information that the opinion has been received by the court.

Cases filed by Budrex Sp. z o.o.

A case between Budrex Sp. z o.o. against Polaqua Sp. z o.o. for a payment of the amount of 2,590 thousand PLN plus interest on the account of construction of bridges as a part of reconstruction of the S8 national road. In March 2019, Polaqua Sp. z o.o. charged Budrex Sp. z o.o. with a contractual penalty for untimely performance of the contract in the amount of 6,077,000 PLN. In April 2019, Polaqua Sp. z o.o. applied to the guarantor (InterRisk) for a payment of the amount of 2,197 thousand PLN from the performance bond. Despite the measures taken to stop the payment, no settlement could be reached. In addition, on 15 July 2019, Polaqua Sp. z o.o. set off the amount of 463 thousand PLN due to Budrex Sp. z o.o. against the contractual penalty. On 6 November 2019, a lawsuit claim for payment was filed in the above-mentioned case. On 25.02.2020, the defendant filed a reply to the lawsuit claim. On 03.11.2020, POLAQUA filed another process correspondence, while witnesses submitted written testimonies. We are waiting for the hearing date to be set.

On 4 March 2019, Budrex sp. z o.o. filed a lawsuit claim against the investor PINGGAO Group Co Ltd. Branch in Poland for a payment of 768 thousand PLN plus interest due. On 14 February 2020, the defendant filed a response to the lawsuit claim. On 3 March 2020, the court referred the case to mediation by the Mediation Centre of the Court of Arbitration of the Polish Chamber of Commerce in Warsaw. Mediation talks were held in July and an agreement was reached, whereby PINGGAO Co. Ltd undertook to pay the principal of 398 thousand PLN and 12 thousand PLN as interest. The settlement was signed and subsequently approved by the court on 12 November 2020. The investor paid the amount due on 9 December 2020.

In the scope of other disputable issues, court cases or explanatory activities, as well as activities of public and administrative authorities (including those on foreign markets) there were no significant changes and on the basis of the information available, they do not directly result in the possibility of cases being referred to a court. The risk estimates of the Group concerning disputes and relevant write-offs and provisions have been included in the accounting books.

Cases filed by Unihouse SA

The investor Eco City Sopot sp. z o.o. did not settle a part of the construction project. The claim is not disputed in principle. The investor claims that Unihouse has not completed this part of the contract. Unihouse, on the other hand, said that the investor had made too many deviations from the original concept and demanded payment before making any further amendments. Before the case was referred to a court, the investor repeatedly asserted that it would pay the invoice. The lawsuit claim was filed in early June 2020. The order is not final, and an objection was received on 24 July 2020, Unihouse did not agree to mediation. A court correspondence responding to the objection is being prepared. The court decided to hear the witnesses by correspondence, and it sent questions to the witnesses. We are waiting for the hearing date to be set.

6.39. 2. Guarantees

	as of 31.12.2020	as of 31.12.2019 restated
GUARANTEES RECEIVED	52,526,641.58	91,650,039.19
From other entities	52,526,641.58	91,650,039.19
GUARANTEES GRANTED	441,317,882.93	385,884,309.32
To related parties	10,560,000.00	22,411,764.21
To other entities	430,757,882.93	363,472,545.11

In 2020, a guarantee for the amount of 205,602,804.97 PLN was granted and guarantees were received in the amount of 41,593,808.32 PLN.

6.40. Effect of the COVID-19 coronavirus epidemic on the operations of the UNIBEP GROUP

Introduction of the state of epidemics on the territory of the Republic of Poland. Information on the possible effect of



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



The COVID-19 coronavirus epidemic on Unibep and the activities of the Capital Group

In connection with the emergence of coronavirus in the world and in the area of activity of Unibep and the Capital Group, the Management Board of Unibep SA once again analysed the current its own situation and that of its environment, as well as its possible impact on the prospects of the Group. It assessed the opportunities and risks associated with the business, the feasibility of achieving business objectives and the potential effect of the coronavirus epidemic on tangible and intangible resources, the development of business contacts, sales opportunities and activity on the markets of interest to the Group, the effects of administrative decisions and decisions of ordering parties. Credit risk and liquidity have been assessed. The situation was analysed in both short- and long-term. In the opinion of the Management Board, there are no significant circumstances limiting the possibility of realisation of business and investment plans by the Parent Company or Unibep Group companies.

The situation on the market of supplies of basic components necessary for construction works is extremely volatile and dynamic. There are periods when supplies of materials are not delivered on time, but thanks to the timely reaction of the Group to market volatility, this does not translate into postponing the dates of contracts being performed. However, future negative financial impacts caused by the COVID-19 pandemic cannot be ruled out. Border closures may limit imports from other European countries and the world. Consequently, this may limit the ability of the Unibep Group to perform its contractual obligations, particularly outside Poland.

The introduction of restrictions on the movement of persons by Norway has had an impact on the costs of maintaining employees in this country, higher than in previous periods. However, they do not have a material impact on the current activities of the Issuer. It cannot be excluded that the situation may cause further restrictions in the future periods, which could result in lower levels of human resources available both to the Group and to its subcontractors employing workers from abroad.

The analysis of the possessed assets indicates that there are no material premises for impairment of fixed and current assets and as of today, their adjustment is not necessary. It was found that assets will be used for the current and future portfolio of contracts.

Development plans within the Company take into account the current market situation. The analysis performed to date allows us to conclude that the Management Board does not see any risk of threat to the continuation of operations in all areas of the Group, in line with current expectations. Depending on the development of the epidemiological situation, it cannot be ruled out that revenues will be reduced compared to those expected in certain business areas. We see some sensitivity among investors regarding further developments, but this is less profound than at the start of the pandemic. We take into account behaviour leading to postponing investment decisions until the pandemic is contained. We do not rule out that the situation caused by the next wave of the pandemic may limit the investment spending of the ordering parties, but we are counting on the fact that, similarly to 2020, the tendency to invest will return to the levels similar to those before the pandemic in a few months.

The above situation encourages sales staff to intensify their preparation and identification of client needs. Activities related to activation in new market and product areas are being developed. Diversification of operations may reduce any future negative economic impact associated with the state of pandemic.

At present, the sales markets on which the company and the Group operate have not been closed completely. Restrictions on transport and movement are a part of a continuous analysis and have not been a significant restriction so far. This situation may change, depending on administrative decisions of the authorities. Alternative scenarios for meeting our commitments are being considered. Belarus comprises uncertainty on foreign markets, which results from the political and social situation there. Potential risks are also related to the Norwegian market due to its location outside the Eurozone.

The slowdown in the work of governmental and self-government administration bodies and supervision on the part of the ordering parties related to remote work comprised a constraint on the operation of our businesses during the period covered by these financial statements.

We see additional limitations in the organisational efficiency of the back office within the Group. The pandemic situation also resulted in new channels of communication and the development of electronic systems. The implementation of remote and rotational work for some staff in order to counter the spread of the coronavirus has caused organisational difficulties within the annual report preparation process. However, remote work did not significantly affect the achievement of the business objectives of the Group within individual business segments.

We assess the current liquidity situation as good. We do not expect significant potential payment turbulence on ongoing contracts and its impact on our liquidity. Each contract currently implemented in residential, modular and infrastructural construction is financed. Our development group operates in a special purpose company model, which means that, as a rule, it ensures its financing for each new project before it is launched. Our credit situation is in order.

Recently, the Management Board of UNIBEP SA adopted a resolution on closing the existing bond issue programme and establishing a new bond issue program. The high levels of cash will meet the needs in the near future. If



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



necessary, the potential deterioration of financial liquidity as a result of payment bottlenecks is to be counterbalanced by the even more rigorous debt monitoring rules applied by the Unibep Group than before. In addition, as of the end of the year, we as a Group had overdraft facilities available in the amount of 108 M PLN.

Unibep Group and its subsidiaries will continue to monitor the potential impact of the coronavirus outbreak and, depending on how the situation develops, will take appropriate steps to mitigate its negative impact. At the same time, in the face of current variables, it sees no risk of continued operations.

In response to the crisis, and the so far unusual situation, a crisis team chaired by the President of the Management Board was established in the first half of 2020. The team monitors the risks that may affect operations of the Company and of the Group operations, timely completion of contracts and cost increase. At the same time, Unibep Group implements all decisions and recommendations of the authorities and monitors the situation on an ongoing basis, and is guided by concern for the health of its employees and the long-term value of the Unibep Group in making its decisions.

The above assessment has been made to the best knowledge of the Management Board of Unibep SA. The actual scale of the future effect of the COVID-19 pandemic and its impact on the operations of Unibep Group is currently unknown and cannot be estimated and depends on factors that are beyond the control of Unibep Group and subject to dynamic change. As a result, it is currently impossible to clearly determine the impact of the COVID-19 pandemic on operations, performance, forecasts and the financial position of Unibep Group.

6.41. Events after the balance sheet date

Closure of the existing Bond Issue Programme and establishment of a new Bond Issue Programme

On 3 March 2021, the Management Board of UNIBEP SA adopted a resolution on: i) closing the existing Bond Issue Programme (adopted under the resolution of the Management Board of the Company of 17 January 2019 on establishing the Bond Issue Programme and the resolution of the Supervisory Board of the Company of the same day on giving consent to implementation of the Bond Issue Programme), under which, in accordance with the content of current report no. 11/2019, a total of 340,000 series F bonds were issued of the face value of 100 PLN each and the total face value of the issue amounting to 34 M PLN, the buyout of which will take place on 15 February 2022, and ii) establishment of a new Bond Issue Programme. (RB 13/2021)

On 29 March 2021, having carried out a reduction, the Management Board of the Company adopted a resolution concerning the conditional allocation of 500,000 series G bonds to investors at an issue price equal to their nominal value of 100 PLN, on condition that the bonds are paid up by the investors no later than on 31 March 2021.

On 29 March 2021, the Issuer purchased 28,877 series E ordinary bearer bonds with the total nominal value of 2,887,700.00 M PLN in order to redeem them. (RB 19/2021)

On 31 March 2021, the Management Board of Unibep SA has announced the payment of 500,000 bonds, and thus the issue of series G bonds as of 31 March 2021. (RB 20/2021)

Information and other significant events after the balance sheet date are included in the Report of the Management Board on Activities of the UNIBEP Group for 2020 – Section 6.5.

6.42. Employment structure

AVERAGE EMPLOYMENT

	as of 31.12.2020	as of 31.12.2019 restated
White-collar workers	857	890
Blue-collar workers	569	633
TOTAL	1,426	1,523

6.43. Information on contracts with entities authorised to audit financial statements

The Parent Company and the following subsidiaries: Unidevelopment SA, Osiedle Marywilska Sp. z o.o., Szczęśliwicka Sp. z o.o., Idea Sp. z o.o., Budrex Sp. z o.o., Unihouse SA concluded with Deloitte Audit Spółka z ograniczoną odpowiedzialnością Spółka komandytowa, with its registered office in Warsaw at ul. Al. Jana Pawła II 22 entered into contracts for audits and reviews of financial statements. The total annual remuneration for 2020 is 54,700.00 PLN plus additional costs.

On 21.01.2019, the Parent Company concluded a contract for auditing the financial statements of UNIBEP SA on the Norwegian market in accordance with Norwegian standards with Deloitte AS Dronning Eufemias gate 14, NO-



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



0103 Oslo for a value of 370,000 NOK plus additional costs.



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial
Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



7. Approval of the financial statements

The Group prepared the financial statements for 2019 in accordance with the International Accounting Standards. On 15 June 2020, these financial statements were approved by the Ordinary General Meeting of Shareholders of UNIBEP SA.

These financial statements were authorised by the Management Board of UNIBEP SA.

The publication date of these financial statements is 19.04.2021.



UNIBEP GROUP
Consolidated financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)

grupa unibep

SIGNATURES OF ALL MEMBERS OF THE MANAGEMENT BOARD OF THE PARENT COMPANY

President of the Management Board

Leszek Marek Gołąblecki

Vice-President of the Management Board

Sławomir Kłazycki

Vice-President of the Management Board

Krzysztof Mikołajczyk

Member of the Management Board

Adam Polłowski

SIGNATURE OF THE PERSON ENTRUSTED WITH BOOKKEEPING

Chief Accountant

Krystyna Kobylińska

Bielsk Podlaski, 19 April 2021
page 111





**SEPARATE
FINANCIAL
STATEMENTS
FOR THE YEAR ENDED
31 December 2020**

Prepared in accordance with the International
Financial Reporting Standards

www.unibep.pl



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Bielsk Podlaski, 19 April 2021
page 2



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



SEPARATE STATEMENTS OF FINANCIAL POSITION

	Note	as of 31.12.2020	as of 31.12.2019 restated*	as of 01.01.2019 restated*
ASSETS				
LONG-TERM FIXED ASSETS				
Total tangible fixed assets	6.1	46,178,055.62	45,531,438.17	78,305,322.00
Intangible assets	6.2	8,720,487.62	8,834,474.92	16,042,267.31
Investments in other entities	6.32	159,672,817.69	155,961,244.69	107,370,144.26
Investments in jointly controlled entities	6.31	7,986.00	7,986.00	7,986.00
Deposits on contracts with clients	6.18	29,200,658.98	35,861,119.55	47,488,708.94
Loans granted	6.9	29,777,140.00	57,554,161.45	19,999,166.09
Derivative financial instrument assets			31,677.61	1,687,696.44
Trade and other long-term receivables	6.8	3,778,897.98	2,608,746.41	2,233,944.08
Deferred income tax assets	6.16	30,753,152.00	30,210,510.00	29,577,057.00
Total (long-term) fixed assets		308,089,195.72	334,601,358.80	302,712,292.12
SHORT-TERM CURRENT ASSETS				
Inventory	6.6	14,604,145.93	18,684,353.52	32,810,539.34
Trade and other short-term receivables	6.4, 6.8	206,816,564.24	197,052,972.31	234,668,905.90
Deposits on contracts with clients	6.18	20,331,212.54	25,257,328.64	42,312,485.10
Contractual assets	6.17	47,217,389.27	86,549,862.91	103,689,002.08
Current income tax receivables		138,443.41	2,416,904.12	15,916,289.97
Derivative financial instrument assets			628,233.31	2,088,793.69
Loans granted	6.9	33,408,871.76	496,558.33	31,459,022.99
Cash and cash equivalents	6.7	182,789,457.26	142,522,279.80	43,571,289.15
Current assets other than those held for sale or distribution to owners		505,306,084.41	473,608,492.94	506,516,328.22
Non-current assets or disposal groups classified as held for sale or distribution to owners				
Total (short-term) current assets		505,306,084.41	473,608,492.94	506,516,328.22
TOTAL ASSETS		813,395,280.33	810,209,851.74	809,228,620.34

*Note 1.5



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



SEPARATE STATEMENTS OF FINANCIAL POSITION

	Note	as of 31.12.2020	as of 31.12.2019 restated*	as of 01.01.2019 restated*
LIABILITIES				
Equity				
Share capital	6.10	3,507,063.40	3,507,063.40	3,507,063.40
Capital from sales of shares at premium		62,153,761.02	62,153,761.02	62,153,761.02
Other reserve capitals	6.10	26,479,158.90	29,407,095.54	32,275,230.40
Retained earnings (loss)	6.10	104,423,073.65	108,456,145.29	105,979,689.27
Equity attributable to shareholders of the parent company		196,563,056.97	203,524,065.25	203,915,724.09
Total equity		196,563,056.97	203,524,065.25	203,915,724.09
Long-term liabilities				
Trade and other long-term liabilities	6.19	-	18,546.09	608,721.46
Credits, loans and other financial liabilities - long-term	6.12	33,046,630.09	61,603,595.98	45,252,256.53
Long-term lease liabilities	6.12	18,652,183.41	19,120,454.75	6,393,804.00
Long-term derivative financial instrument liabilities	6.12	2,321,180.38	-	-
Long-term provisions	6.14	33,031,947.30	30,193,730.13	29,633,532.92
Deposits on contracts with clients	6.18	52,170,917.27	48,678,009.94	48,254,099.08
Total long-term liabilities		139,222,858.45	159,614,336.89	130,142,493.99
Short-term liabilities				
Trade and other short-term liabilities	6.15, 6.19	191,315,057.45	192,454,251.34	216,827,389.24
Contractual liabilities	6.17	71,699,218.11	73,323,517.52	66,614,835.18
Deposits on contracts with clients	6.18	45,727,968.41	46,436,538.46	45,916,031.06
Credits, loans and other financial liabilities - short-term	6.12	31,078,686.58	7,157,993.10	37,298,375.40
Short-term lease liabilities	6.12	7,264,194.53	5,751,165.08	3,460,383.70
Short-term derivative financial instrument liabilities	6.12	1,540,932.21	-	45,962.27
Current income tax liabilities		3,383,554.09	1,332,076.05	383,205.12
Short-term provisions	6.14	125,599,753.53	120,615,908.05	104,624,220.29
Short-term liabilities other than those related to assets held for sale		477,609,364.91	447,071,449.40	475,170,402.26
Total short-term liabilities		477,609,364.91	447,071,449.40	475,170,402.26
Total liabilities		616,832,223.36	606,685,784.49	605,312,896.25
TOTAL LIABILITIES		813,395,280.33	810,209,851.74	809,228,620.34

*Note 1.5



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



SEPARATE PROFIT AND LOSS ACCOUNT

	Note	01.01-31.12.2020	01.01-31.12.2019 restated*
Operating activities			
Revenues from contracts with clients	6.21	1,268,272,936.72	1,362,105,025.88
Costs of products, goods and materials sold		1,188,037,813.06	1,293,705,230.13
Gross profit (loss) on sales		80,235,123.66	88,399,795.75
General and administrative costs	6.20	42,206,593.44	39,751,789.22
Other operating revenues	6.23	5,902,791.59	4,702,904.69
Other operating expenses	6.23	7,389,102.06	2,591,729.84
Profit (loss) on operating activities		36,542,219.75	50,759,181.38
Financial revenues	6.24	12,035,884.75	4,739,330.66
Financial expenses	6.24	12,293,573.87	10,467,778.94
Expected credit losses	6.24	12,991,969.02	13,086,745.58
Pre-tax profit (loss)		23,292,561.61	31,943,986.52
Income tax	6.16	6,530,593.77	6,110,902.06
Net profit (loss) on continued operations		16,761,967.84	25,833,084.46
Net profit (loss) on discontinued operations		-	-9,244,068.96
Net profit (loss)		16,761,967.84	16,589,015.50

*Note 1.5

Net profit/loss on continued operations	16,761,967.84	25,833,084.46
Net profit/loss on continued operations attributable to shareholders of the entity, per share	0.53	0.77
Diluted net profit/loss on continued operations attributable to shareholders of the entity, per share	0.53	0.77
Net profit/loss on discontinued operations	-	-9,244,068.96
Net profit/loss on discontinued operations attributable to shareholders of the entity, per share	-	-0.28
Diluted net profit/loss on discontinued operations attributable to shareholders of the entity, per share	-	-0.28



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



SEPARATE STATEMENTS OF COMPREHENSIVE INCOME

	01.01-31.12.2020	01.01-31.12.2019 restated*
Net profit (loss) on continued operations	16,761,967.84	25,833,084.46
Other comprehensive income related to continued operations to be reclassified to profit or loss under specified conditions:		
Effective portion of changes in fair value of cash flows hedges	- 3,513,267.64	-
Other comprehensive income not to be reclassified to profit or loss:		
Actuarial gains (losses) on defined benefit plans	- 101,469.00	- 415,677.00
Other pre-tax comprehensive income	- 3,614,736.64	- 415,677.00
Income tax related to items that may be reclassified in later periods	- 667,521.00	-
Income tax related to items not to be reclassified in later periods	- 19,279.00	- 78,978.00
Total other post-tax comprehensive income	- 2,927,936.64	- 336,699.00
Total comprehensive income from continued operations	13,834,031.20	25,496,385.46
of which attributable to:		
shareholders of the parent company	13,834,031.20	25,496,385.46

	01.01-31.12.2020	01.01-31.12.2019 restated*
Net profit (loss) on discontinued operations		- 9,244,068.96
Other comprehensive income on discontinued operations to be reclassified to profit or loss upon fulfillment of specified conditions:		
Effective portion of changes in fair value of cash flows hedges	-	- 3,125,228.86
Other comprehensive income not to be reclassified to profit or loss:		
Actuarial gains (losses) on defined benefit plans	-	-
Other pre-tax comprehensive income		- 3,125,228.86
Income tax related to items that may be reclassified in later periods	-	- 593,793.00
Income tax related to items not to be reclassified in later periods	-	-
Total other post-tax comprehensive income		- 2,531,435.86
Total comprehensive income from discontinued operations		- 11,775,504.82
of which attributable to:		
shareholders of the parent company	-	- 11,775,504.82

	01.01-31.12.2020	01.01-31.12.2019 restated*
Total other post-tax comprehensive income	- 2,927,936.64	- 2,848,134.86
Total comprehensive income	13,834,031.20	13,720,880.64
of which attributable to:		
shareholders of the parent company	13,834,031.20	13,720,880.64

*Note 1.5



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN units as otherwise stated)



SEPARATE STATEMENTS OF CHANGES IN EQUITY For the period
01.01.2020-31.12.2020

	Share capital	Other reserve capitals	Capital on sales of shares of premium	Retained earnings	Total equity
As of 31 DECEMBER 2019	3,507,063.40	29,407,095.54	62,153,761.02	108,456,145.29	203,524,065.25
Adjustment of data for previous years	-	-	-	-	-
As of 1 JANUARY 2020	3,507,063.40	29,407,095.54	62,153,761.02	108,456,145.29	203,524,065.25
Dividend recognised as payments to owners	-	-	-	-6,945,539.48	-6,945,539.48
Purchase of own shares/stocks	-	-	-	-13,849,500.00	-13,849,500.00
Profit (loss)	-	-	-	16,761,967.84	16,761,967.84
Other combined comprehensive income	-	-2,927,936.64	-	-	-2,927,936.64
Comprehensive Income	-	-2,927,936.64	-	16,761,967.84	13,834,031.20
Changes in equity	-	-2,927,936.64	-	-4,033,071.64	-4,941,008.28
As of 31 DECEMBER 2020	3,507,063.40	24,479,158.90	62,153,761.02	104,423,073.65	194,563,056.97

For the period 01.01.2019-31.12.2019 – restated*

	Share capital	Other reserve capitals	Capital from sales of shares of premium	Retained earnings	Total equity
As of 31 DECEMBER 2018	3,507,063.40	32,275,230.40	62,153,761.02	105,979,669.27	203,915,724.09
Adjustment of data for previous years	-	-	-	-	-
As of 1 JANUARY 2019	3,507,063.40	32,275,230.40	62,153,761.02	105,979,669.27	203,915,724.09
Dividend recognised as payments to owners	-	-	-	-7,275,539.48	-7,275,539.48
Purchase of own shares/stocks	-	-	-	-6,837,000.00	-6,837,000.00
Profit (loss)	-	-	-	16,589,015.50	16,589,015.50
Other combined comprehensive income	-	-2,868,134.86	-	-	-2,868,134.86
Comprehensive Income	-	-2,868,134.86	-	16,589,015.50	13,720,880.64
Changes in equity	-	-2,868,134.86	-	2,474,476.02	-391,658.84
As of 31 DECEMBER 2019	3,507,063.40	29,407,095.54	62,153,761.02	108,456,145.29	203,524,065.25

*Note 1.5



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



SEPARATE CASH FLOW STATEMENT

	01.01.-31.12.2020	01.01.-31.12.2019 restated*
Cash flows from operating activities		
I. Gross profit (loss)	23,292,561.61	21,756,005.44
I. a Gross profit (loss) on continued operations	23,292,561.61	31,943,986.52
I. b Gross profit (loss) on discontinued operations	-	-10,187,981.08
II. Total adjustments:	62,660,642.27	123,378,201.19
1. Amortisation and depreciation:	12,007,951.06	12,429,464.35
2. Exchange rate gains (losses)	79,194.40	-3,213.12
3. Interest and profit sharing (dividend)	-4,622,312.78	3,180,642.81
4. Profit (loss) on investment activities	1,449,735.95	-1,002,283.17
5. Change in provisions	8,132,593.65	19,432,280.18
6. Change in inventory	4,080,207.59	8,605,284.93
7. Change in receivables	39,909,997.94	54,896,417.30
8. Change in short-term liabilities excluding financial liabilities	1,507,556.20	25,787,532.81
9. Other adjustments	115,718.26	52,075.10
Cash from operating activities	85,953,203.88	145,134,206.43
10. Income tax paid/refunded	-5,712,013.09	12,542,649.56
Net cash from operating activities	80,241,190.79	157,676,856.19
Cash flows from investment activities		
Purchase of tangible fixed assets and intangible assets	-5,566,784.26	-2,678,474.25
Proceeds from sales of tangible fixed assets and intangible assets	1,180,963.63	844,021.91
Purchase of shares, stocks and other capital assets (including capital contributions)	-	-30,155,667.07
Interest received	3,687,950.10	3,618,261.70
Dividend received	5,857,977.53	-
Loans repaid by third parties	-	961,821.70
Loans repaid by related parties	21,000,000.00	10,000,000.00
Loans granted to third parties	-	-
Loans granted to related parties	-27,384,177.51	-17,000,000.00
Other (including execution of derivatives)	-186,740.27	-18,328.78
Net cash from investment activities	-1,410,810.78	-34,428,364.79
Cash flows from financial activities		
Inflows from loans, credits, bonds and bills of exchange	2,624,635.00	40,075,116.56
Repayment of loans, credits, bonds and bills of exchange	-6,739,752.02	-36,448,600.00
Purchase of own stocks (shares)	-13,849,500.00	-6,837,000.00
Payment of lease liabilities	-8,084,440.23	-6,402,354.67
Interest paid	-5,631,201.42	-7,223,536.18
Dividend paid	-6,945,539.48	-7,275,539.48
Net cash from financial activities	-38,625,798.15	-24,111,913.77
Net change in cash due to exchange rate differences	40,204,581.84	99,134,577.63
Exchange rate differences	62,595.60	-185,586.98
Net change in cash	40,267,177.44	98,950,990.65
Cash opening balance	142,522,279.80	43,571,289.15
Cash closing balance	182,789,457.24	142,522,279.80
-Including: of limited disposability	19,810,184.69	15,180,588.35

*Note 1.5

Explanations to the cash flow statement included in Note 6.28.



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



1. General information

1.1. Information about the Company and its activities

UNIBEP SA was established as a result of a number of transformations that took place in the years 1950-2005. Until 25 September 1998, the entity functioned first as a state enterprise and then as a municipal enterprise under the name of Bielsko Podlaskie Przedsiębiorstwo Budowlane in Bielsk Podlaski, which was transformed into a sole ownership limited liability company of the Municipality of Bielsk Podlaski under the name of Przedsiębiorstwo Budowlane BEP – notarial deed, repertory no. 4073/98. Since 30 November 1999, the company's name was changed to UNIBUD BEP Sp. z o.o., as a result of a decision of the General Meeting of Shareholders. On 26 November 2004, a resolution was passed to transform UNIBUD BEP Sp. z o.o. into a joint stock company. UNIBUD BEP Spółka Akcyjna was established on 9 February 2005 – notarial deed, repertory no. 492/2005. The date of registration in the National Court Register 29 March 2005. Since 8 December 2006, the Company has been operating under the new name of UNIBEP SA.

UNIBEP SA is registered in the District Court in Białystok, 12th Commercial Department of the National Court Register, in the Register of Entrepreneurs under the number 0000231271. The Company holds the Tax Identification Number (NIP) 543-02-00-365 and the Business Registry Number (REGON) 000058100. The registered office of the Company is in Bielsk Podlaski at ul. 3 Maja 19.

According to the Polish Classification of Activities, the core business of UNIBEP SA is the performance of general construction work related to the erection of buildings in Poland and abroad.

1.2. Basis for preparation of financial statements

These separate financial statements were prepared in accordance with the International Financial Reporting Standards and Interpretations issued by the International Accounting Standards Board approved by the European Union under the Regulation on IFRS (European Commission 1606/2002), hereinafter referred to as "EU IFRS". EU IFRS include standards and interpretations accepted by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC), approved for use in the EU.

During preparation of the financial statements for 2019, the entity applied the same accounting principles as in preparation of the annual financial statements for 2019 except for changes to the standards, as well as new standards and interpretations approved by the European Union as binding for the reporting periods starting on or after 1 January 2020. In 2020, the Company adopted all new and approved standards and interpretations issued by the International Accounting Standards Board and the International Financial Reporting Interpretations Board, approved for use in the EU, applying to its activity and binding for the reporting periods from 1 January 2020.

The financial statements were prepared using the historical cost principle, except for derivative financial instruments measured at fair value and assets measured at fair value through other comprehensive income. In accordance with the Accounting Principles presented below. These separate financial statements, except for the separate cash flow statement, were prepared on an accrual basis.

The financial statements present financial data for the period from 1 January 2020 to 31 December 2020 and comparable financial data for the period from 1 January 2019 to 31 December 2019.

The separate financial statements were prepared with the assumption that UNIBEP SA will continue its business operations in the foreseeable future. As of the signing of these financial statements, the Management Board of UNIBEP SA is not aware of any facts or circumstances which would imply a threat to the Company continuing as a going concern for a period of at least 12 months of the balance sheet date due to an intended or forced discontinuance or material limitation of its activity.



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



1.3. Functional currency and presentation currency of the financial statements

The functional currency of the Company and the presentation currency of these separate financial statements is Polish zloty. All amounts in these financial statements are presented in Polish zlotys, unless indicated otherwise.

1.4. Changes to IFRS

Changes to the existing standards applied for the first time in the financial statements of the company for 2020

The following changes to existing standards issued by the International Accounting Standards Board (IASB) enter into force for the first time in the financial statements of the Company for 2020:

- **Changes to IAS 1 "Presentation of Financial Statements" and IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"** – Definition of materiality (effective for annual periods beginning on or after 1 January 2020);
- **Changes to IFRS 3 "Business Combinations"** – definition of a business (applicable to mergers where the acquisition date falls at the beginning of the first annual period beginning on or after 1 January 2020 and to the acquisition of assets which took place on or after the date of the beginning of the aforementioned annual period);
- **Changes to IFRS 9 "Financial Instruments", IAS 39 "Financial Instruments: Recognition and Measurement" and IFRS 7 "Financial Instruments: Disclosures"** – Reform of the Reference Interest Rate (effective for annual periods beginning on or after 1 January 2020);
- **Changes to IFRS 16 "Leases"** – relief from Covid-19-related rental concessions (approved in the EU on 9 October 2020 and effective no later than 1 June 2020 for financial years beginning on or after 1 January 2020);
- **Changes to references to the conceptual framework in IFRS** – effective for the annual periods beginning on or after 1 January 2020.

The above-mentioned changes to the existing standards had no significant impact on the financial statements of the Company for 2020.

New standards and changes to existing standards issued by the IASB and approved by the EU but are not yet in force.

By approving these financial statements, the following new standards were issued by the IASB and approved for application in the EU, but have not yet come into force:

- **Changes to IFRS 4 "Insurance Contracts"** – "Extension of the Temporary Exemption from Applying IFRS 9 (the expiration date of the temporary exemption from IFRS 9 was extended for annual periods beginning on or after 1 January 2023)";
- **Changes to IFRS 9 "Financial Instruments", IAS 39 "Financial Instruments: Recognition and Measurement", IFRS 7 "Financial Instruments: Disclosures", IFRS 4 "Insurance Contracts" and IFRS 16 "Leases"** – Reform of the Reference Interest Rate – Phase 2 approved in the EU on 13 January 2021 (effective for annual periods beginning on or after 1 January 2021).

New standards and changes to the existing standards issued by the IASB but not yet approved for application in the EU.

As of the date of these financial statements, the following new standards and changes to existing standards have been issued by the IASB but are not yet in force:

- **IFRS 14 "Regulatory Deferral Accounts"** (effective for annual periods beginning on or after 1 January 2016) – the European Commission decided not to commence the process of approving this temporary standard for application in the EU until the final version of IFRS 14 is issued;
- **IFRS 17 "Insurance Contracts"** as amended by IFRS 17 (effective for annual periods beginning on or after 1 January 2023);
- **Changes to IAS 1 "Presentation of Financial Statements"** – classification of liabilities as short-term or long-term (effective for annual periods beginning on or after 1 January 2023);
- **Changes to IAS 1 "Presentation of Financial Statements"** – disclosures on accounting policies applied (effective for annual periods beginning on or after 1 January 2023);
- **Changes to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"** – disclosures on accounting policies applied (effective for annual periods beginning on or after 1 January 2023);
- **Changes to IAS 16 "Tangible Fixed Assets"** – revenues generated before the tangible fixed asset is brought into use (effective for annual periods beginning on or after 1 January 2022);
- **Changes to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets"** – onerous contracts – cost of performing the contract (effective for annual periods beginning on or after 1 January 2022);
- **Changes to IFRS 3 "Business Combinations"** – changes in references to conceptual assumptions with changes to IFRS 3 (effective for annual periods beginning on or after 1 January 2022);
- **Changes to IFRS 10 "Consolidated financial statements" and IAS 28 "Investments in affiliates and joint ventures"** – Sale or contribution of assets between an investor and its affiliate or joint venture and subsequent



UNIFEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



- changes (the effective date was deferred until the completion of research on the equity method);
- **Changes to different standards "Improvements to IFRS (2018-2020 cycle)"** - changes made as part of the procedure of making annual improvements to IFRS (IFRS 1, IFRS 9, IFRS 16 and IAS 41) aimed mainly at resolving inconsistencies and clarifying terminology (changes to IFRS 1, IFRS 9 and IAS 41 effective for annual periods beginning on or after 1 January 2022). Changes to IFRS 16 are for illustrative purposes only and therefore no effective date is provided).

According to the estimates of the Company, the above-mentioned new standards and changes to the existing standards would have had no material effect on the financial statements had they been applied by the Company as of the balance sheet date.

The hedge accounting for the portfolio of financial assets and liabilities whose principles have not been approved for application in the EU is still outside the scope of regulations approved by the EU.

According to the estimates of the Company, the application of hedge accounting to a portfolio of financial assets or liabilities in accordance with IAS 39 "Financial Instruments: Recognition and Measurement" would not have a material effect on the financial statements had they been adopted for application as of the balance sheet date.

1.5. Changes to the presentation of financial statements

In connection with the introduction of the European Single Electronic Format (ESEF), the Company has made a presentational reclassification of data in the consolidated financial statements. The list of items that have changed is presented below.

Changes to the statement of financial position

1. The "Trade and other long-term receivables" item has been added, which may include receivables and prepayments and accruals above 12 months. Prepayments and accruals are presented in Note 6.8.
2. The "Long-term prepayments" item has been removed from the balance sheet.
3. The existing item "Trade and other short-term receivables" includes, in addition to its previous scope, prepayments and accruals up to 12 months.
4. The "Short-term prepayments" item has been removed from the balance sheet.
5. The "Long-term and short-term financial assets measured at fair value through WF/CD" item has been removed from the balance sheet.
6. The long-term and short-term "Derivative assets" lines have been added.
7. The "Trade and other long-term liabilities" item has been added, which may include trade and other liabilities, maturing above 12 months and deferred revenues above 12 months. The deferred revenues are presented in Note 6.19.
8. The "Long-term deferred revenues" item has been removed from the balance sheet.
9. The "Trade and other liabilities" item includes short-term deferred revenues, in addition to the existing scope.
10. The "Short-term deferred revenues" item has been removed from the balance sheet.
11. The "Loans, credits and other financial liabilities" item, both long-term and short-term, has been disaggregated into:
 - Credits, loans and other financial liabilities;
 - Lease liabilities;
 - Derivative financial instrument liabilities.

Changes to the profit and loss account and to comprehensive income

1. The "Expected credit losses" item is presented below the "Financial expenses" item, and not, as before, below the "Other operating expenses" item.

Changes to the statement of changes in equity

1. "Capital from sales of shares at premium" has been separated from "Other capitals".
2. The "Other capitals" item has been replaced by "Other reserve capitals", which includes all capitals excluding the "Capital from sales of shares at premium, at the value excluding distributions from/to retained earnings".
3. The "Retained earnings/losses" item includes profit/loss for the current year, non-distributed profits/losses from previous years and amounts from other capitals arising from profit distribution.

Changes to the cash flow statement

1. The "Changes in prepayments and accruals" line has been deleted and these changes have been included in the change in receivables and change in liabilities, respectively.
2. The "Proceeds from sales of shares" item has been disaggregated into:
 - Proceeds from sales of shares;
 - Proceeds from sales of shares in investments accounted for using the equity method.
3. The "Purchase of shares, stocks and other capital assets (including capital contributions)" item has been disaggregated into:



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



- Purchase of shares, stocks and other capital assets (including capital contributions);
- Purchase of shares in investments measured using the equity method.
- 4. The "Loans repaid" item has been disaggregated into:
 - Loans repaid by related parties;
 - Loans repaid by third parties.
- 5. The "Loans granted" item has been disaggregated into:
 - Loans granted to related parties;
 - Loans granted to third parties.
- 6. The summing up of the level of "Net change in cash, excluding exchange differences" has been added.
- 7. The "Exchange rate differences" line has been added.

The changes made are shown in the tables below:



UNIBEP SA
Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)

SEPARATE STATEMENTS OF FINANCIAL POSITION

	as of 31.12.2019 approved	change in presentation	as of 31.12.2019 restated	as of 01.01.2019 approved	change in presentation	as of 01.01.2019 restated
ASSETS						
LONG-TERM FIXED ASSETS						
Total tangible fixed assets	45,531,438.17	-	45,531,438.17	78,305,322.00	-	78,305,322.00
Intangible assets	8,834,474.92	-	8,834,474.92	16,042,267.31	-	16,042,267.31
Investments in other entities	155,961,244.69	-	155,961,244.69	107,370,144.26	-	107,370,144.26
Investments in jointly controlled entities	7,986.00	-	7,986.00	7,986.00	-	7,986.00
Deposits on contracts with clients	35,861,119.55	-	35,861,119.55	47,488,708.94	-	47,488,708.94
Loans granted	57,554,161.45	-	57,554,161.45	19,999,166.09	-	19,999,166.09
Derivative assets/Financial assets measured at fair value through WF/ICD*	31,677.61	-	31,677.61	1,687,696.44	-	1,687,696.44
Trade and other long-term receivables	-	2,608,746.41	2,608,746.41	-	2,233,944.08	2,233,944.08
Long-term prepayments and accruals	2,608,746.41	-2,608,746.41	-	2,233,944.08	-2,233,944.08	-
Deferred income tax assets	30,210,510.00	-	30,210,510.00	29,577,057.00	-	29,577,057.00
Total (long-term) fixed assets	336,601,358.80	-	336,601,358.80	302,712,292.12	-	302,712,292.12
SHORT-TERM CURRENT ASSETS						
Inventory	18,684,353.52	-	18,684,353.52	32,810,539.34	-	32,810,539.34
Trade and other short-term receivables	194,700,067.09	2,352,905.22	197,052,972.31	232,815,455.94	1,853,449.96	234,668,905.90
Deposits on contracts with clients	25,257,328.64	-	25,257,328.64	42,312,485.10	-	42,312,485.10
Contractual assets	86,549,862.91	-	86,549,862.91	103,689,002.08	-	103,689,002.08
Current income tax receivables	2,416,904.12	-	2,416,904.12	15,916,289.97	-	15,916,289.97
Derivative financial instrument assets/Financial assets measured at fair value through WF/ICD*	628,233.31	-	628,233.31	2,088,793.69	-	2,088,793.69
Loans granted	496,558.33	-	496,558.33	31,459,022.99	-	31,459,022.99
Short-term prepayments and accruals	2,352,905.22	-2,352,905.22	-	1,853,449.96	-1,853,449.96	-
Cash and cash equivalents	142,522,279.80	-	142,522,279.80	43,571,289.15	-	43,571,289.15
Current assets other than those held for sale or distribution to owners	473,608,492.94	-	473,608,492.94	506,516,328.22	-	506,516,328.22
Non-current assets or disposal groups classified as held for sale or distribution to owners	-	-	-	-	-	-
Total (short-term) current assets	473,608,492.94	-	473,608,492.94	506,516,328.22	-	506,516,328.22
TOTAL ASSETS	810,209,851.74	-	810,209,851.74	809,228,620.34	-	809,228,620.34

* name of item before change of presentation



UNIBEP SA
Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)

SEPARATE STATEMENTS OF FINANCIAL POSITION

	as of 31.12.2019 approved	change in presentation	as of 31.12.2019 restated	as of 01.01.2019 approved	change in presentation	as of 01.01.2019 restated
LIABILITIES						
Equity						
Share capital	3.507.063,40	-	3.507.063,40	3.507.063,40	-	3.507.063,40
Other capitals, including:	183.427.986,35	-183.427.986,35	-	203.345.543,31	-203.345.543,31	-
Supplementary capital from sales of shares at premium	62.153.761,02	-62.153.761,02	-	62.153.761,02	-62.153.761,02	-
Capital from sales of shares at premium	-	62.153.761,02	62.153.761,02	-	62.153.761,02	62.153.761,02
Other reserve capitals	-	29.407.095,54	29.407.095,54	-	32.275.230,40	32.275.230,40
Retained earnings (loss)	16.589.015,50	91.867.129,79	108.456.145,29	-2.936.882,62	108.916.551,89	105.979.669,27
Equity attributable to shareholders of the parent company	203.524.065,25	-	203.524.065,25	203.915.724,09	-	203.915.724,09
Total equity	203.524.065,25	-	203.524.065,25	203.915.724,09	-	203.915.724,09
Long-term liabilities						
Trade and other long-term liabilities	-	18.546,09	18.546,09	-	608.721,46	608.721,46
Credits, loans and other financial liabilities – long-term	80.724.050,73	-19.120.454,75	61.603.595,98	51.646.140,53	-6.393.884,00	45.252.256,53
Long-term lease liabilities	-	19.120.454,75	19.120.454,75	-	6.393.884,00	6.393.884,00
Long-term provisions	30.193.730,13	-	30.193.730,13	29.633.532,92	-	29.633.532,92
Deposits on contracts with clients	48.678.009,94	-	48.678.009,94	48.254.099,08	-	48.254.099,08
Deferred revenues – long-term	18.546,09	-18.546,09	-	608.721,46	-608.721,46	-
Total long-term liabilities	159.614.336,89	-	159.614.336,89	130.142.493,99	-	130.142.493,99
Short-term liabilities						
Trade and other short-term liabilities	192.430.280,62	23.970,72	192.454.251,34	216.779.764,54	47.624,70	216.827.389,24
Contractual liabilities	73.323.517,52	-	73.323.517,52	66.614.835,18	-	66.614.835,18
Deposits on contracts with clients	46.436.538,46	-	46.436.538,46	45.916.031,06	-	45.916.031,06
Credits, loans and other short-term financial liabilities	12.909.158,18	-5.751.165,08	7.157.993,10	40.804.721,37	-3.506.345,97	37.298.375,40
Short-term lease liabilities	-	5.751.165,08	5.751.165,08	-	3.460.383,70	3.460.383,70
Derivative financial instrument liabilities	-	-	-	-	45.962,27	45.962,27
Current income tax liabilities	1.332.076,05	-	1.332.076,05	383.205,12	-	383.205,12
Short-term provisions	120.615.908,05	-	120.615.908,05	104.624.220,29	-	104.624.220,29
Deferred revenues – short-term	23.970,72	-23.970,72	-	47.624,70	-47.624,70	-
Short-term liabilities other than those related to assets held for sale	447.071.449,60	-	447.071.449,60	475.170.402,26	-	475.170.402,26
Total short-term liabilities	447.071.449,60	-	447.071.449,60	475.170.402,26	-	475.170.402,26
Total liabilities	606.685.786,49	-	606.685.786,49	605.312.896,25	-	605.312.896,25
TOTAL LIABILITIES	810.209.851,74	-	810.209.851,74	809.228.620,34	-	809.228.620,34



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



SEPARATE PROFIT AND LOSS ACCOUNT

	01.01-31.12.2019 approved	change in presentation	01.01-31.12.2019 restated
Operating activities			
Revenues from contracts with clients	1,382,105,025.88	-	1,382,105,025.88
- from sales transactions for which the value of revenues was not finally determined as of the end of the reporting period (FRS 15)	-12,019,080.89	12,019,080.89	-
Costs of products, goods and materials sold	1,293,705,230.13	-	1,293,705,230.13
Gross profit (loss) on sales	88,399,795.75	-	88,399,795.75
General and administrative costs	39,751,789.22	-	39,751,789.22
Other operating revenues	4,702,904.69	-	4,702,904.69
Other operating expenses	2,591,729.84	-	2,591,729.84
Expected credit losses	13,086,746.58	-13,086,746.58	-
Profit (loss) on operating activities	37,672,434.80	13,086,746.58	50,759,181.38
Financial revenues	4,739,330.66	-	4,739,330.66
- including: interest calculated using the effective interest rate	4,016,070.97	-4,016,070.97	-
Financial expenses	10,467,778.94	-	10,467,778.94
Expected credit losses		13,086,746.58	13,086,746.58
Pre-tax profit (loss)	31,943,986.52	-	31,943,986.52
Income tax	6,110,902.06	-	6,110,902.06
Net profit (loss) on continued operations	25,833,084.46	-	25,833,084.46
Net profit (loss) on discontinued operations	-9,244,068.96	-	-9,244,068.96
Net profit (loss)	16,589,015.50	-	16,589,015.50



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



SEPARATE STATEMENTS OF COMPREHENSIVE INCOME

	01.01-31.12.2019 approved	change in presentation	01.01-31.12.2019 restated
Net profit (loss) on continued operations	25,833,084.46	-	25,833,084.46
<i>Other comprehensive income to be reclassified to profit or loss under specified conditions:</i>	-	-	-
Effective portion of changes in fair value of cash flows hedges	-	-	-
Income tax related to items that may be reclassified in later periods	-	-	-
Other comprehensive income not to be reclassified to profit or loss:	-	-	-415,677.00
Actuarial gains (losses) on defined benefit plans	-415,677.00	-	-415,677.00
Income tax related to items not to be reclassified in later periods*	78,978.00	-78,978.00	-
Other pre-tax comprehensive income	-	-	-415,677.00
Income tax related to items that may be reclassified in later periods*	-	-	-
Income tax related to items not to be reclassified in later periods*	-	-78,978.00	-78,978.00
Total other post-tax comprehensive income	-336,699.00	-	-336,699.00
Total comprehensive income	25,496,385.46	-	25,496,385.46
*change of sign rule			

	01.01-31.12.2019 approved	change in presentation	01.01-31.12.2019 restated
Net profit (loss) on discontinued operations	-9,244,068.96	-	-9,244,068.96
<i>Other comprehensive income to be reclassified to profit or loss under specified conditions:</i>	-	-	-3,125,228.86
Effective portion of changes in fair value of cash flows hedges	-3,125,228.86	-	-3,125,228.86
Income tax related to items that may be reclassified in later periods*	593,793.00	-593,793.00	-
Other comprehensive income not to be reclassified to profit or loss:	-	-	-
Actuarial gains (losses) on defined benefit plans	-	-	-
Income tax related to items not to be reclassified in later periods	-	-	-
Other pre-tax comprehensive income	-	-	-3,125,228.86
Income tax related to items that may be reclassified in later periods*	-	-593,793.00	-593,793.00
Income tax related to items not to be reclassified in later periods*	-	-	-
Total other post-tax comprehensive income	-2,531,435.86	-	-2,531,435.86
Total comprehensive income	-11,775,504.82	-	-11,775,504.82
*change of sign rule			



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



SEPARATE STATEMENTS OF CHANGES IN EQUITY

	as of 31.12.2019 approved	change in presentation	as of 31.12.2019 restated
Share capital	3,507,063.40	-	3,507,063.40
Revaluation reserve	28,314,737.14	-28,314,737.14	-
Reserve capital	28,263,000.00	-28,263,000.00	-
Other reserve capitals	-	29,407,095.54	29,407,095.54
Supplementary capital	64,696,488.19	-64,696,488.19	-
Supplementary capital from sales of shares at premium	62,153,761.02	-	62,153,761.02
Retained earnings	-	108,456,145.29	108,456,145.29
Profit (loss) from previous years	-	-	-
Current net profit (loss)	16,589,015.50	-16,589,015.50	-
Total equity	203,524,065.25	-	203,524,065.25



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



SEPARATE CASH FLOW STATEMENT

	01.01.-31.12.2019 approved	change in presentation	01.01.-31.12.2019 restated
Cash flows from operating activities			
I. Gross profit (loss)	21,756,005.44	-	21,756,005.44
I. a. Gross profit (loss) on continued operations	31,943,986.52	-	31,943,986.52
I. b. Gross profit (loss) on discontinued operations	-10,187,981.08	-	-10,187,981.08
II. Total adjustments:	135,920,850.75	-	123,378,201.19
1. Amortisation and depreciation:	12,429,464.35	-	12,429,464.35
2. Exchange gains (losses)	-3,213.12	-	-3,213.12
3. Interest and profit sharing (dividend)	3,180,642.81	-	3,180,642.81
4. Profit (loss) on investment activities	-1,002,283.17	-	-1,002,283.17
5. Change in provisions	19,432,280.18	-	19,432,280.18
6. Change in inventory	8,405,284.93	-	8,405,284.93
7. Change in receivables	56,201,380.96	-1,304,963.66	54,896,417.30
8. Change in short-term liabilities excluding financial liabilities	25,455,039.44	332,493.37	25,787,532.81
9. Change in prepayments and accruals	-972,470.29	972,470.29	-
10. Other adjustments	52,075.10	-	52,075.10
Cash from operating activities	157,476,854.19	-	145,134,204.63
11. Income tax paid/refunded	12,542,649.56	-	12,542,649.56
Net cash from operating activities	157,476,854.19	-	157,476,854.19
Cash flows from investment activities			
Purchase of tangible fixed assets and intangible assets	-2,678,474.25	-	-2,678,474.25
Proceeds from sales of tangible fixed assets in use and intangible assets	844,021.91	-	844,021.91
Purchase of shares, stocks and other capital assets (including capital contributions)	-100,000.00	100,000.00	-
Transfer of funds under contribution in kind of an organised part of an enterprise	-30,055,667.07	30,055,667.07	-
Purchase of shares, stocks and other capital assets (including capital contributions)	-	-30,155,667.07	-30,155,667.07
Interest received	3,618,261.70	-	3,618,261.70
Loans repaid	-17,000,000.00	17,000,000.00	-
Loans granted	10,961,821.70	-10,961,821.70	-
Loans repaid by third parties	-	961,821.70	961,821.70
Loans repaid by related parties	-	10,000,000.00	10,000,000.00
Loans granted to related parties	-	-17,000,000.00	-17,000,000.00
Other (including execution of derivative instruments)	-18,328.78	-	-18,328.78
Net cash from investment activities	-34,428,364.79	-	-34,428,364.79
Cash flows from financial activities			
Inflows from long-term and short-term loans, credits, bonds and bills of exchange	40,075,116.56	-	40,075,116.56
Repayment of loans, credits, bonds and bills of exchange	-36,448,600.00	-	-36,448,600.00
Purchase of own stocks (shares)	-6,837,000.00	-	-6,837,000.00
Payment of lease liabilities	-6,402,354.67	-	-6,402,354.67
Interest paid	-7,223,536.18	-	-7,223,536.18
Dividend paid	-7,275,539.48	-	-7,275,539.48
Net cash from financial activities	-24,111,913.77	-	-24,111,913.77
Net change in cash due to exchange differences	-	-	99,136,577.63
Exchange differences	-	-185,586.98	-185,586.98
Net change in cash	99,136,577.63	-185,586.98	98,950,990.65
of which: exchange differences	-39,497.92	39,497.92	-
Cash opening balance	43,425,200.09	146,089.06	43,571,289.15
Cash closing balance	142,561,777.72	-	142,522,279.60
-including: of limited disposability	15,180,588.35	-	15,180,588.35



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



2. Accounting principles adopted

These financial statements were prepared in accordance with the principles described below, taking into account the applicable changes to the International Financial Reporting Standards ("IFRS").

TANGIBLE FIXED ASSETS

Tangible fixed assets include own items: *Tangible fixed assets*, *Tangible fixed assets under construction* and *Right-of-use assets*

Tangible fixed assets are assets maintained by the Company in order to use them in the production process or in the supply of goods and services or for administrative purposes with an expected economic life of over one year. Tangible fixed assets include, in particular, the following groups:

- land (including land intended for surface mining, e.g. gravel mine);
- buildings, premises, civil and water engineering structures;
- technical equipment and machines;
- vehicles;
- expenditure in third party tangible fixed assets;
- other tangible fixed assets.

Tangible fixed assets are recognised in the accounting records if and only if the following two criteria are met simultaneously:

- there is a probability that the Company will obtain future economic benefits related to a given asset;
- purchase price or manufacturing cost of an asset by the Company can be determined in a reliable manner.

At the time of initial recognition, an item of tangible fixed assets that qualifies for recognition as an asset is measured at purchase price or manufacturing cost.

Commenced investments related to tangible fixed assets under construction are measured at the amount of total costs directly related to their purchase or manufacture, including the financial expenses, less the impairment write-offs.

After the initial recognition, tangible fixed assets are disclosed at purchase price or manufacturing cost ("cost") less total amortisation charges and total impairment losses.

Tangible fixed assets, including land intended for surface operations, are depreciated on a straight-line basis in order to distribute their initial value, less their residual value and accumulated amortisation and impairment losses, over the period corresponding to their estimated useful life.

Depreciation is based on the cost of the asset less its residual value.

The amount of depreciation rates is determined on the basis of the expected useful life, which is subject to annual verification by the Company. Useful lives of particular groups of tangible fixed assets are presented below:

- land intended for surface mining – 10 years;
- buildings, premises, civil and water engineering structures – between 5 to 40 years;
- technical equipment and machines – between 2 to 15 years;
- vehicles – between 3 to 8 years;
- other tangible fixed assets – between 2 to 10 years.

In justified, individual cases the above-mentioned periods may be extended.

The above-mentioned useful lives and the residual value of individual tangible fixed assets are reviewed at least at the end of each financial year and if expectations differ from previous estimates, changes are recognised prospectively as changes in accounting estimates.

Low value tangible fixed assets with a value not exceeding PLN 3,500, except for power tools, may be depreciated once, in the month in which they were purchased, if the simplification adopted in this way does not significantly distort financial results and assets. A one-off purchase of a larger number of low value tangible fixed assets may be recognised and depreciated as one collective asset. As regard to items classified as equipment, due to their low value, the Company applies a simplified approach consisting in a one-off recognition of the asset value in the cost of material consumption at the moment of putting the assets into use. In subsequent periods, off-balance sheet equipment records are kept.

Depreciation of tangible fixed assets begins when they are available for use, which means bringing the asset to the location and conditions necessary for it to be used as intended by management. In practice, the Company adopts a simplification and depreciation starts at the beginning of the month following the month in which the tangible fixed asset became available for use.

If there are indications of possible impairment loss of tangible fixed assets, these assets are reviewed for possible



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Impairment loss.

The amount of impairment losses is determined as the excess of the carrying amount of these items over their recoverable amount.

Impairment losses are recognised in the income statement under "Other operating expenses".

An assessment shall be made at each reporting date to determine whether there is any objective evidence that the loss write-off may be reversed. A possible reversal of a previously recognised revaluation write-off is recognised in the income statement under "Other operating revenues" respectively.

Subsequent expenditures are recognised in the carrying amount of a given tangible fixed asset only when it is possible that this item will bring economic benefits to the Company, and the cost of the given item can be reliably measured.

The costs of current maintenance of tangible fixed assets and their maintenance affect the profit or loss of the period in which they were incurred.

INTANGIBLE ASSETS

Intangible assets are recognised if it is probable that they will generate economic benefits in the future. The initial recognition of intangible assets is made according to their purchase prices or manufacturing cost. In the subsequent period of use, the measurement is made at the purchase price or manufacturing cost less depreciation and impairment losses.

Intangible assets held by the Company, except for intangible assets with indefinite useful lives, are amortised on a straight-line basis over the period corresponding to their estimated useful lives, i.e. in principle 2-10 years. This period may be extended in justified cases.

Goodwill arising from taking control of a subsidiary is not amortised and is subject to an annual impairment test. In order to test for possible impairment, goodwill acquired as a result of the merger is allocated to cash generating units. Allocations are made to those cash generating units or groups of cash generating units which are expected to benefit from the synergy of merger which created this goodwill. Each unit or group of units to which the goodwill is allocated represents the lowest level in the entity at which the goodwill is monitored for internal management purposes. Nevertheless, a single cash generating unit cannot be larger than an operating segment established in accordance with the principles described in the Segment Reporting section. The annual impairment test of a cash generating unit to which goodwill has been allocated is carried out at the end of the financial year. The impairment test consists of comparing the carrying amount of the cash generating unit with its recoverable value, i.e. the higher of two amounts: fair value less selling costs and value in use.

Impairment losses are recognised in the income statement under "Other operating expenses".

Research work includes innovative and planned search for solutions undertaken with the aim of acquiring and assimilating new scientific and technical knowledge. At the stage of research work, the Company is not yet able to prove the existence of such intangible assets which will generate economic benefits in the future.

Development work is the practical application of research findings or other knowledge in planning or designing the production of new or substantially improved materials, devices, products, processes, systems or services prior to serial production or use. At the development stage, the Company is able to identify such an intangible asset which will generate economic benefits in the future.

In the case of difficulties in separating research and development work in the implemented project, the Company treats the entire work as research work.

Research work does not lead to creation of an asset, therefore the costs of such work are recognised in the costs of the period when they are incurred, as well as the costs of development works that do not meet the criteria for capitalisation.

Development work costs are capitalised as intangible assets that are technically possible, used to complete an intangible asset so that it can be used or sold.

LEASE

The contract includes a lease if all of the following conditions are met:

- the asset is identified (note: an asset is not identified if the supplier has a significant right to replace the asset),
- the client is entitled to virtually all economic benefits,
- the client determines how and for what purposes the asset is used or it is determined by a higher level of authority, but the client operates the asset or has designed it.

Lease with a lessee

If the contract meets the definition of a lease, then, at the beginning of the lease, the lessee recognises a right-of-use asset and a lease liability in its statements of financial position.

The right-of-use asset is initially recognised in the value of the lease liability, and then increased by:

- any lease payments made on or before the commencement date less any lease incentives received,
- the initial direct costs of the lessee relating to the contract,
- estimate of costs to be borne by the lessee at the end of the contract.



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



After the commencement date, the right-of-use asset is measured using the cost model. In order to apply the cost model, the right-of-use asset is measured at the cost:

- less total depreciation (amortisation) and total impairment losses,
- adjusted for any revaluation of the lease liability.

The lease liability is initially measured at the current value of future lease payments over the lease term, discounted at the rate specified in the lease contract. Otherwise, if this rate cannot be determined, the incremental borrowing rate of the lessee should be used.

Lease payments to be recognised in the measurement of the lease liability at the initial recognition date shall include:

- fixed lease payments minus any applicable lease incentives – fixed lease payments include, in principle, fixed lease payments, which may, in their form, contain elements of volatility but are generally unavoidable,
- variable fees depending only on the index or rate,
- amounts paid by the lessee in respect of the guaranteed residual value,
- call option exercise price,
- penalties for lease termination – are recognised only if it has been assumed in determining the lease term that there is reasonable assurance that the lessee will exercise the termination option.

After initial recognition, the lease liability is measured through:

- an increase in the carrying amount to reflect interest on the lease liability,
- a decrease in the carrying amount to reflect the lease payments made,
- revaluing the carrying amount to reflect any reassessment or change in the lease or to reflect revalued substantially fixed lease payments.

The revaluation amount of the lease liability is regarded as an adjustment to the right-of-use asset. However, if the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the remaining amount of the revaluation is recognised in profit or loss.

If a contract meets the definition of a lease but the payments are variable (not index or rate dependent but, for example, turnover), the cost of such contracts is not included in the measurement of the lease liability but is recognised directly in profit or loss.

The Company identified the following types of significant lease contracts:

- right of perpetual usufruct of land,
- office lease contract,
- machines and equipment lease contracts,
- vehicle lease contracts.

The Company allows for taking advantage of simplifications concerning all short-term leases (shorter than 12 months) and leases with respect to which the underlying asset has a low value (below PLN 20,000). No financial liabilities and related right-of-use assets are recognised for these contracts. Lease payments in such a situation are recognised as expenses on a straight-line basis over the lease term.

When identifying lease contracts, the Company makes estimates and applies judgements that have a significant effect on the value of lease liabilities and right-of-use assets. This mainly concerns the discount rate adopted for the valuation of liabilities and the duration of the leases (including the possibility of prolonging or early termination of the lease contract). Estimates affecting subsequent reporting periods also include the depreciation rate adopted for individual assets.

The lease term is the non-cancellable lease term, which covers the aggregate of:

- possible renewal periods of the lease contract if the lessee has reasonable assurance that it will exercise this option; and
- possible lease contract notice periods if the lessee has reasonable assurance that it will not exercise this option.

The exercise of the option to extend/terminate the lease by the Company should take into account all relevant facts and circumstances known and controlled by the Company.

INVENTORY

The inventory includes assets that meet the following criteria:

- held for sale in the ordinary course of the Company business;
- in the course of production held for sale, or
- in the form of materials or raw materials used in the production process or in the provision of services.

Property is also classified as inventory as a result of a change in the classification of investment properties, which occurs when land acquired by the Company no longer meets the criteria of an investment property.



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Inventory items stored at construction sites for construction specific purposes or that are processed on their own or by a subcontractor and in regards to which it is certain they can be easily used for other contracts or sold are not considered as inventory items. Such items are charged directly to contract costs and are thus included in the measurement of the contract according to the progress.

Inventory is measured at the lower of these two values: purchase price or manufacturing cost and selling price. Net selling price is the selling price which can be obtained as of the balance sheet date, excluding value added tax and excise tax, less rebates, discounts and similar price adjustments, as well as costs related to adapting the item to be sold and making this sale.

Expenditure of inventory, except for land and inventory acquired for development activity, is determined using the first-in, first-out (FIFO) method. The distribution of land and inventory related to development activity, such as apartments, premises, etc., is determined using the detailed identification method.

The Company recognises revaluation write-offs on inventory based on current sales or use plans. Net recoverable amount is the estimated net selling price as defined above ("Post-initial recognition measurement" section). Revaluation write-offs on inventory are recognised in the profit or loss for the given period, under the "Other operating expenses" item.

BORROWING COSTS

Borrowing costs that are directly attributable to qualifying assets are capitalised as part of the purchase price or manufacturing cost of these items.

Capitalisation of borrowing costs allocated to assets begins when:

- expenditures for the asset are being incurred;
- borrowing costs are incurred; and
- activities that are necessary to prepare the asset for its intended use or sale are in progress take place.

In the case of development activities, in the opinion of the Company, the above conditions are jointly met at the time of commencement of work on the land designated for development (including commencement of necessary technical and administrative work prior to commencing physical construction, such as obtaining permits) and obtaining financing.

Capitalisation of borrowing costs is discontinued when substantially all activities necessary to prepare the qualifying asset for its intended use or sale have been completed, which in the opinion of the Company takes place when the use permit is obtained.

The items of qualifying assets of the Company may include, e.g. inventory relating to development activities, tangible fixed assets in use, intangible assets.

CASH AND CASH EQUIVALENTS

Cash includes cash in hand and cash at bank accounts. Cash equivalents, on the other hand, include short-term highly liquid investments that are readily convertible to specific amounts of cash that are subject to an insignificant risk of changes in value, e.g.:

- cheques and bills of exchange payable within less than 3 months;
- cash in transit (as of the balance sheet date), between different bank accounts of the entities, including cash withdrawn from the bank account of an entity, using an ATM, based on a credit card;
- term deposits with a bank with a maturity shorter than 3 months;
- treasury bonds, maturing up to 3 months.

At the time of initial recognition, cash is recognised at its nominal value, and after the initial recognition as of the balance sheet date, cash is recognised at its nominal value, including any impairment losses. In the case of cash equivalents, the nominal value of bank term deposits is the value of funds at the disposal of the Company, which also includes interest accrued by the bank on deposits until the balance sheet date.

SHORT-TERM AND LONG-TERM TRADE RECEIVABLES

Among items of trade and other receivables, mainly trade receivables, receivables from tax, subsidy, customs, social security, advances granted for deliveries of tangible fixed assets in use as well as goods, materials and services and other receivables not classified to other asset lines are distinguished.

Trade receivables are the amounts due from clients for goods sold or services provided in the ordinary course of the business of the Company.

Trade and other receivables constituting financial assets are classified as "measured at amortised cost".

Trade and other financial receivables are measured in accordance with the rules presented for this category in the "Financial Instruments" section.

At the time of initial recognition, trade and other receivables constituting financial assets are recognised at fair value. For short-term receivables, the fair value is equal to the nominal amount. Receivables that do not constitute financial assets are disclosed in the amount due.

After initial recognition, trade receivables and other receivables constituting financial assets are disclosed at amortised cost (corresponding to the amount payable in the case of short-term receivables) less created revaluation write-offs.



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



At the end of each reporting period, the Company measures the expected credit losses in accordance with the methodology described in "Financial instruments". Write-offs for expected credit losses are recognised as a deduction from the carrying amount of receivables and, on the other side, as an expense in the profit or loss, under a separate "Expected credit losses" item.

CONTRACTUAL ASSETS AND LIABILITIES

Contractual assets and liabilities arise from the application of IFRS 15 "Revenues from contracts with clients".

The Company transfers control over a good or service over time and thus fulfils the obligation to provide the service and recognises revenues over time if one of the following conditions is met:

- the client simultaneously receives and benefits from the service as it is performed,
- as a result of performance, an asset is created or improved and control over that asset is exercised by the client as it is created or improved,
- as a result of service provision, there is no item with an alternative use for the Company and the Company has an enforceable right to pay for the provision of service to date.

Generally, the Company recognises the transfer of control over time in the case of construction contracts, including the construction of facilities from modules and panels manufactured by the Company, property construction contracts and contracts for the execution of a development project commissioned by an investor, provided that the item related to the sales of land is not included in revenues and expenses related to the performance of the contract (the sales of land is shown as "Revenues from sales of goods and materials").

In the case of transfer of control by the Company over time, revenues are determined using the percentage of completion method. The Company determines the progress of performance of the contract by determining the share of costs incurred from the date of conclusion of the contract until the date of revenue recognition in the estimated total costs of the contract. In cases justified by the nature of the contract, the Company may determine the percentage of completion of the contract according to other methods.

The "Contractual liabilities" item also includes advances received from clients for the performance of the contract, including advances received within the framework of the development activity and initial fees paid by tenants during construction of investment properties.

Development advances and initial fees paid by lessees during the construction period of development properties are initially recognised at the nominal value of cash received. Development advances are an element of the selling price and will affect the profit or loss when the revenue on sales is recognised.

TRADE AND OTHER LIABILITIES

Trade liabilities are obligations payable for goods or services which have been delivered or provided and have been invoiced or otherwise formally confirmed with the supplier. Reverse factoring liabilities (reverse factoring, confirming-supply financing, etc.) are treated as trade liabilities.

Other liabilities comprise tax, customs and social security liabilities, payroll liabilities, advances received for deliveries, other liabilities of similar nature and deferred revenues.

Trade and other liabilities are classified as "financial liabilities" and measured in accordance with the policy presented in the "financial instruments" section.

CONTINGENT LIABILITIES AND RECEIVABLES

A contingent liability is an obligation to provide services that are contingent on the occurrence of specified events. Contingent liabilities are not shown in the balance sheet, but are disclosed in the notes.

Contingent receivables are not disclosed in the balance sheet, however, they are disclosed in the additional information if the effect of measures embodying economic benefits is probable.

TRANSACTIONS AND BALANCES IN FOREIGN CURRENCY

Transactions denominated in foreign currencies are recorded in the functional currency using the average exchange rate announced by the Central Bank on the day preceding the date of transactions/operations. Monetary items of assets and liabilities expressed in a foreign currency are converted as of the balance sheet date according to the rate effective on this day. Exchange differences resulting from the settlement of transactions in foreign currencies and the balance sheet valuation of monetary assets and liabilities expressed in foreign currencies are recognised under financial revenues or expenses, except where they represent an adjustment of borrowing costs (further policy of the "Borrowing costs" section).

Realised exchange rate differences relating to receivables, liabilities from the operating activities of the Company and foreign exchange are recognised in operating revenues or expenses. Unrealised exchange differences relating to operating activities and other realised and unrealised exchange differences are recognised under financial revenues or expenses and presented per balance under the "Financial revenues" or "Financial expenses" item, respectively.

Non-monetary assets and liabilities measured at historical cost in a foreign currency are converted at the rate preceding the date of the transaction/operation (especially for entities using PLN as their functional currency, the conversion is made at the average exchange rate of the National Bank of Poland applicable on the day



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



preceding the transaction). Non-monetary foreign currency balance sheet items measured at fair value are converted at the exchange rate on the date when the fair value was estimated (in particular for entities with PLN as their functional currency, the conversion is made on the basis of the average rate of exchange published by the NBP at the date when the fair value was estimated).

EQUITY

The equity shown in the statements of financial position consists mainly of share capital, other capitals: supplementary capital, including capital from sales of shares at a premium, revaluation reserve, reserve capitals and retained earnings. Classification into the appropriate group in the statements of financial position is made taking into account dedicated resolutions and internal regulations of the Company.

The share capital corresponds to the value of issued and registered ordinary and preference shares recognised at their nominal value in accordance with the Commercial Companies Code (CCC) and the Articles of Association of the Company.

The capital created in accordance with the CCC requirements is not subject to distribution, but may be used to cover the losses of the entity.

Other reserve capitals include in particular:

- revaluation reserve;
- reserve capital;
- supplementary capital not created from retained earnings.

Supplementary capital from sales of shares at premium is also created.

Retained earnings (losses) include retained earnings (losses) from previous years and the current year net profit (loss), as well as reserve capital and other reserve capitals created from retained earnings.

The share capital as of the initial recognition is presented at nominal value.

Declared, but unpaid capital contributions are recognised as outstanding capital contributions and shown as a receivable if the Company has an unconditional claim against a shareholder to make payments.

If the Company acquires its own capital instruments, these instruments (acquired own shares) are included in a separate line of own capital with a negative sign, except for the situation of creating a reserve (special purpose) capital for the buy-back of own shares. In such a case, the buy-back of own shares is presented as a decrease in this reserve capital.

The liability on the adopted dividend is recognised at the time of establishing the shareholder right to receive the dividend, as a reduction of equity.

As for the recipient of the dividend, the revenue and receivable are recognised when the shareholder right to receive the dividend is established.

Advance dividends are recognised in accordance with the principles set out above.

LOANS, BANK CREDITS, BONDS, LEASES, DERIVATIVE LIABILITIES AND OTHER FINANCIAL LIABILITIES

The "Other financial liabilities" item includes:

- bill of exchange liabilities,
- financial liabilities measured at fair value through profit or loss,
- derivative financial instruments used in hedge accounting,
- liabilities on the purchase of shares and stocks,
- liabilities on the settlements with shareholders,
- other financial liabilities.

Financial liabilities are recognised in accordance with the principles described in the "Financial Instruments" section.

PROVISIONS

Provisions are an obligation to make payments of a reliably determined value, resulting from past events, that will result in the use of the entity's existing or future assets, the amount or payment term of which is uncertain.

Provisions are created in an amount corresponding to the estimated expenditure necessary to meet the current obligation as of the balance sheet date. The most reasonable estimate of the expenditure required to settle the present obligation is the amount that the Company would reasonably expect to pay in performing the obligation as of the balance sheet date or for which it would transfer the obligation to a third party.

Where the expected effect of the change in time value of money is material, the amount of the provision is determined by discounting the forecast future cash flows to current value using an interest rate which reflects the current market assessment of the time value of money and the risk factors, if any, associated with this type of liability. A subsequent increase in the provision due to the passage of time, reflecting the reversal of the discounting made, is recognised in financial expenses. The amount of the created provision also includes future events which may affect the amount necessary for the Company to fulfil its obligation, if there is sufficient and objective evidence that such events will occur.

PROVISION FOR WARRANTY REPAIRS



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



The provision is created in connection with the warranty obligations of the Company resulting from the construction services provided. The amount of the provision is determined on the basis of the experience of the company with the number of warranty repairs performed. As a rule, a provision is created in the amount of 0.5% of net income resulting from individual construction contracts. The exception is the modular construction, where a provision is created up to 2% of net income, as well as residential construction – a provision amounting to 1% of net income. In justified cases, a provision is created in an individually determined amount on the basis of a decision of the Management Board, which may deviate from the above-mentioned framework.

PROVISION FOR LOSSES ON CONSTRUCTION CONTRACTS

If it is probable that total costs related to the performance of the contract will exceed total revenues, the expected loss (surplus of total estimated expenses over the total estimated revenues) is charged to the expense in the period and is shown in the manufacturing costs of products and services sold.

PROVISION FOR DISPUTES

In the case of legal proceedings against the Company, the legal department and external law firms providing services to the Company in consultation with the Management Board make a detailed analysis of potential risks associated with the proceedings, and on this basis a decision is made on the necessity to recognise a provision for disputable issues.

The estimates and related assumptions are based on historical experience or opinions of independent experts, and other factors which are considered rational in the given circumstances, and their results provide grounds for the judgement of the carrying amount, which does not directly result from other sources.

OTHER PROVISIONS

The Company may also create provisions for the audit of financial statements and other expenses, as decided by the Management Board.

In principle, provisions on the other side are included in the current period expenses. The provision for the estimated costs of development project completion is an exception.

The provision for the estimated costs of development project completion is recognised on the other side, as an inventory item. At the time of sales of the relevant finished goods, the sale is transferred (together with the cost of the finished product sold) to the manufacturing cost of products and services sold. The write-off is established proportionally to the share of finished products sold in the total investment cost.

The accounting records of other provisions charged to expenses consist of:

- an increase in the manufacturing costs of products and services sold – in the case of provision for costs of subcontractors, warranty repairs, construction and provision for disputes concerning contracts currently executed;
- an increase in selling costs – in the case of a provision for repairs covered by the developer warranty;
- an increase in other operating expenses – if they are related indirectly to operating and financial activities of the Company or if they are related to random events and provisions for disputable issues concerning the contracts submitted to the service.

Analogously, the amount of provisions is increased if the risk of obligation performance has increased.

The provision is used in connection with creation of a liability for which it was created. The provision may be used only for the purpose for which it was originally established.

If the obligation performance becomes certain, the exchange of the provision for a liability results in a decrease in the provision and an increase in liabilities.

The reversal of part or all of the unused provision in the event of a reduction or cessation of the risk justifying its creation, as of the date on which it proved to be unnecessary, involves a decrease of the provision and:

- a decrease in the manufacturing costs of products and services sold – in the case of provision for warranty repairs, construction provision and provision for disputes concerning contracts currently executed;
- a decrease in selling costs – in the case of a provision for repairs covered by the developer warranty;
- a decrease in other operating expenses – if the provision concerns indirectly operating activities, financial activities or random events, as well as a provision for disputes concerning contracts submitted to the service.

EMPLOYEE BENEFITS

The Company is obliged by the applicable legal provisions to collect and pay contributions towards employee pension benefits. In accordance with the IAS 19 "Employee Benefits", these benefits constitute a national program in the form of a specific contributions program. The obligation to contribute to the pension plan is recognised as an employee benefit expense charged to profit or loss for the period in which the employees render their services. The above costs are recognised by type as social security and other benefits, except for benefits which have been capitalised in tangible fixed assets or in the inventory.

The employees of the Company are entitled to receive retirement severance pay of a certain amount at retirement. This benefit is classified as a post-employment plan of specific benefits. The provision on this account is estimated by an actuary using the forecast unit benefit method. Actuarial gains/losses are recognised in other comprehensive income. Other changes in the provision are recognised in the profit or loss or capitalised in inventory if the changes concern production employees.



UNIBEP 1A

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



The Company recognises provisions in the amount of anticipated payments to employees for short-term cash bonuses if the Company has a legal or customary obligation to make such payments based on the services provided by employees in the past and the obligation can be reliably estimated.

In particular, the Company creates the following provisions for short-term employee benefits:

- 1) provision for the performance of material tasks;
- 2) provision for facility-based bonuses;
- 3) provision for monthly bonuses;
- 4) provision for annual awards;
- 5) provision for annual managerial bonuses;
- 6) provision for bonus for the Management Board;
- 7) provision for unused holiday leaves.

The basis for calculating the provision for unused holidays is a summary of the number days of leave unused by employees, as of the balance sheet date. The amount of the provision per employee is determined on the basis of the product of the number of unused days of leave of the given employee and his/her gross daily remuneration increased by social security contributions of the employer.

Provisions for employee bonuses are recognised when:

- the entity has a present legal or customary obligation to make such payments as a result of meeting certain criteria, and
- a reliable estimate of such a provision is possible. For example, a provision for facility-based bonuses is recognised when it becomes probable that the contract will be successfully completed and the facility-based bonuses will be due to employees. The valuation of the provision takes into account the fact that some employees may leave without obtaining the right to receive payments.

In principle, the above provisions are created as part of the costs of the period. An exception is made for provisions related to production employees, which are capitalised as inventory manufacturing cost.

DEFERRED INCOME TAX

For financial reporting purposes, deferred tax is calculated in relation to temporary differences between the tax value of assets and liabilities and their carrying amount disclosed in the financial statements, as of the reporting date. The provision for deferred tax is recognised in relation to all positive temporary differences:

- except where the provision for deferred tax arises from the initial recognition of goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the gross profit or loss nor taxable profit or tax loss, and
- except when the timing of the reversal of temporary differences is controlled by the investor and it is probable that temporary differences will not reverse in the foreseeable future in the case of taxable temporary differences associated with investments in subsidiaries or affiliates and interests in joint ventures.

Deferred tax assets are recognised for all negative temporary differences, as well as unused tax credits and unused tax losses carried forward to subsequent years, to the extent that it is probable that taxable income will be available, against which the above-mentioned differences, assets and losses can be utilised:

- except where the deferred tax assets related to negative temporary differences arise from the initial recognition of an asset or liability in a transaction which is not a business combination and, at the time of the transaction, affects neither the accounting profit nor the taxable profit or tax loss, and
- in the case of deductible temporary differences arising from investments in subsidiaries or affiliates and interests in joint ventures, a deferred tax asset is recognised in the statements of financial position only to the extent that it is probable that the aforementioned temporary differences will be reversed in the foreseeable future and that taxable profit will be available, against which the negative temporary differences can be offset.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available, against which the asset can be realised.

Deferred income tax assets and provisions are measured at the tax rates that are expected to apply in the period when the asset is realised or the provision is released, based on tax rates (and tax laws) effective on the reporting date or which are certainly going to be effective as of the reporting date. In the case of taxable foreign operations conducted within one entity, e.g.: foreign branch, a representative office, a simplified tax rate appropriate for the tax residence of the entity is applied for the purpose of calculating deferred tax.

Income tax is recognised in the income statement except when income tax is related to items recognised in other comprehensive income – it is then recognised in other comprehensive income and items recognised in equity – it is recognised directly in equity.

The Company compensates with itself deferred income tax assets with provisions for deferred income tax if and only if it has an enforceable legal title to carry out the compensation of receivables with current tax and the deferred income tax concerns the same taxpayer and is imposed by the same tax authority.

CURRENT INCOME TAX

Current tax liabilities and receivables for the current and previous periods are measured at the amounts expected to be paid to the tax authorities (to be reimbursed from the tax authorities) using tax rates and tax regulations



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



legally or actually in force as of the reporting date.

PREPAYMENTS AND ACCRUALS

Active prepayments and accruals are expenses incurred as of the balance sheet date and constitute deferred expenses. Recognition is made if the costs incurred are related to multiple reporting periods. Insurance, guarantees, structure-settled VAT, as well as other costs meeting the above definition, among others, constitute items of prepayments and accruals.

Prepayments and accruals are initially recognised at the amount paid. Prepayments and accruals are written off on the time basis or on the basis of the amount of service. The time and the method of settlement should depend on the nature of settled costs.

In order to settle the costs in time, the requirement to include them in the assets of the Company should be met, and therefore it must be certain that the given asset will bring economic benefits to the Company in the future.

Prepayments and accruals are presented in "Trade and other long-term or short-term receivables".

Passive prepayments and accruals are liabilities due for goods or services which have been received/performed but not invoiced or formally agreed with the supplier. In particular, passive prepayments and accruals include costs of subcontractors not invoiced at the balance sheet date. These settlements in the statements of financial position are shown as liabilities under "Long-term and short-term provisions".

DEFERRED REVENUES

Deferred revenues constitute received funds in respect of payments to be made in subsequent reporting periods, which will give rise to a title to recognise the relevant revenues. Their settlement in time is aimed at maintaining the principle of matching revenues and expenses. The Company classifies the following items as deferred revenues:

- subsidies;
- interest on bills of exchange settled in time;
- settlement of the right of perpetual usufruct of land received free of charge.

Subsidies received in cash are recognised at nominal value and non-monetary subsidies are recognised at fair value. Subsidies are recognised if reasonable certainty exists that the subsidy will be received and the entity will comply with the criteria for receiving the subsidy. Subsidies to tangible fixed assets and development work included in deferred revenues are recognised gradually in the financial result, by way of equal write-offs over the estimated useful life of the asset. Subsidies to costs are recognised as revenue in the period, in which the entity recognises the cost to be offset by the subsidy.

Deferred revenues are presented in long-term or short-term trade and other liabilities.

SEGMENT REPORTING

The operating segments of the Company constitute a part of business activities of the Company, in connection with which the Company may earn revenues and incur expenses, and its results are subject to regular review by the main decision-making body, while the results of the review are used to make decisions on the allocation of resources to individual segments.

Operating segments that show similarities in their long-term profits or losses and economic characteristics may be aggregated into reporting segments if qualitative criteria and quantitative thresholds are met. Within the qualitative criteria, the operating segments must be similar in each of the following aspects:

- the type of products and services offered;
- the type of production process;
- the type or group of clients who purchase the goods or services offered;
- methods used to distribute products or provide services;
- the type of regulatory environment (if applicable).

Operating segments are recognised separately if any of the quantitative thresholds listed below is met:

- listed segment revenues (both those generated from sales to external clients and from exchanges between segments) constitute 10 percent or more of total external and internal revenues of all operating segments;
- the profit or loss of the segment listed as absolute value constitutes 10 percent or more of the greater of the following absolute values: the combined profit of all operating segments that did not list a loss; and the combined loss of all operating segments that listed a loss;
- assets assigned to a segment constitute 10 percent or more of total assets.

Data on segment revenues, expenses, assets and liabilities are presented in accordance with the information regularly presented to the key operating decision-maker.

The segment result is determined at the level of gross profit on sales.

REVENUES FROM SALES

Revenues are received gross economic benefits in a given period, generated as a result of the ordinary activity of the Company, resulting in the increase of equity, other than an increase of capital resulting from the payments of



UNBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



the shareholders. Revenues include only received or due proceeds of economic benefits, therefore amounts collected on behalf of third parties (e.g. value added tax) do not constitute the revenues of the Company. In addition, revenues are listed less of any returns, rebates and discounts.

The Company recognises revenues taking into account the 5-step model described below. This model may be applied to individual contracts or to a portfolio of contracts (or obligations to provide services) with similar characteristics if an entity reasonably expects that the effect of applying the principles listed below on its financial statements will not differ materially from applying the principles listed below to individual contracts (or obligations to provide services).

Identification of a contract with a client

A contract with a client meets its definition when all the following criteria are met:

- the parties to the contract have approved it and are obliged to fulfil the obligations arising therefrom;
- the entities are able to identify the rights of each party concerning the goods or services to be transferred;
- the entities are able to identify the terms of payment for the goods or services to be transferred;
- the contract has economic substance, i.e. the risk, time of performance or amount of future cash flows is expected to change as a result of the contract;
- it is probable that the entity will receive the remuneration it will be entitled to in exchange for goods or services that will be provided to the client.

Identification of obligations to provide service

For a portfolio of contracts with similar characteristics, the Company assesses the goods or services promised in the contract with the client and identifies each promise to deliver to the client separately identifiable goods or services (or a package of goods or services) or groups of separate goods or services which are substantially the same and where the delivery to the client is of the same nature as an obligation to provide service.

Transaction price determination

In order to determine the transaction price, the Company takes into account the terms of the contract and its usual commercial practices. The transaction price is the amount of remuneration which the Company expects to receive in exchange for the delivery of promised goods or services to the client, excluding amounts collected on behalf of third parties (for example, certain sales taxes, fuel surcharge, excise tax).

The Company takes into account all the following factors when determining the transaction price:

- variable remuneration,
- conditions limiting the recognition of variable elements of remuneration,
- the existence of a significant element of financing,
- non-cash remuneration,
- remuneration paid to the buyer.

Allocation of the transaction price to individual obligations to provide service

The Company assigns a transaction price to each obligation to provide service (or to a separate good or service) in an amount that reflects the amount of remuneration that the Company expects to receive in exchange for the delivery of the promised goods or services to the client.

Recognition of revenues at the time of (or in the course of) meeting the obligations to provide service

Obligations to provide service may be fulfilled over time or at a certain time. The Company recognises revenues when the obligation to provide service is met by transferring significant risks to the client, as a result of which the customer obtains control over this asset. In the case of development activities, the activity is considered to be performed upon signing the acceptance protocol and receiving keys to the apartment. Revenues are recognised as amounts equal to the transaction price allocated to a given obligation to provide service.

The Company transfers control over a good or service over time and thus fulfils the obligation to provide the service and recognises revenues over time if one of the following conditions is met:

- the client simultaneously receives and benefits from the service as it is performed,
- as a result of performance, an asset is created or improved and control over that asset is exercised by the client as it is created or improved,
- as a result of service provision, there is no item with an alternative use for the Company and the Company has an enforceable right to pay for the provision of service to date.

Generally, the Company recognises the transfer of control over time in the case of construction contracts, including the construction of facilities from modules and panels manufactured by the Company, property construction contracts and contracts for the execution of a development project commissioned by an investor, provided that the item related to the sales of land is not included in revenues and expenses related to the performance of the contract (the sales of land are shown as "Revenues from sales of goods and materials"). In the case of transfer of control by the Company over time, revenues are determined using the percentage of completion method. The Company determines the progress of performance of the contract by determining the share of costs incurred from the date of conclusion of the contract until the date of revenue recognition in the



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



estimated total costs of the contract. In cases justified by the nature of the contract, the Company may determine the percentage of completion of the contract according to other methods.

If the outcome of the contract cannot be estimated reliably, revenue is recognised to the extent that it is probable that the revenue will be recovered, and contract costs are recognised as expenses in the period in which they are incurred.

If it is probable that total costs related to the performance of the contract will exceed total revenues, the expected loss (surplus of total estimated expenses over total estimated revenues) is charged to the expense in the period and is shown in the manufacturing costs of products and services sold.

If the value of estimated revenues using the percentage of completion method exceeds the invoiced revenues, the resulting difference is recognised under "Net revenues from sales of products and services" and recognised assets under "Contractual assets". On the other hand, if the value of estimated revenues using the percentage of completion method is lower than the invoiced revenues, the resulting difference is recognised under "Net revenues from sales of products and services" and the liability is recognised under "Contractual liabilities".

The following items of revenues from operating activities are disclosed in the financial statements of the Company:

- 1) Net revenues from sales of products and services,
- 2) Net revenues from sales of goods and materials,
- 3) Other operating revenues.

wherein other operating revenues do not constitute revenues from the main operating activity. The products and services sold by the Company include in particular: sales of construction services, developer sales including investor replacement and commercialisation services, sales related to modular construction, sales of other services and sales of products. At the same time, penalties and compensation calculated by the recipients of services to the Company in the course of the project are recognised as a decrease in net revenues from sales of products and services.

The realised exchange rate differences related to transactions with clients and the result of the realisation of derivative financial instruments are also recognised in the revenues from sales if the hedged item had an effect on the revenues of sales, together with the discount on deposit receivables.

Revenues from sales of goods and materials include, in particular, sales of land where the Company does not execute development projects, sales of apartments purchased for further resale, sales of design documentation purchased for further resale, and sales of other assets classified as materials.

OTHER OPERATING REVENUES AND EXPENSES

Other operating revenues and expenses include expense and revenues indirectly related to the operating activities of the entity, in particular expenses and revenues related to:

- creation and reversal of revaluation write-offs related to the value tangible fixed assets, intangible assets, receivables, loans, equity instruments, cash and inventory;
- sales of tangible fixed assets, tangible fixed assets under construction and intangible assets;
- creation and reversal of provisions, except for provisions recognised in manufacturing costs, selling costs or general and administrative costs;
- received or accrued penalties and fines, compensation for contracts transferred to the service and court fees incurred and received;
- on account of charges with penalties and fines, compensation for contracts transferred to the service;
- revenues from warranty deposits;
- profits or losses arising from reclassification of investment properties from/to inventory;
- received subsidies to revenues and expenses;
- costs of membership fees;
- profits from bargain purchases;
- result on sales of subsidiaries;
- taking over projects;
- revaluation of financial assets;
- and other revenues and expenses not directly related to the core operating activities of the Company.

FINANCIAL REVENUES AND EXPENSES AND EXPECTED CREDIT LOSSES

Financial revenues and expenses include mainly items of revenues and expenses related to the financing of operations of the Company.

The financial revenues related to financing operations of the Company include, in particular:

- net exchange rate profits arising from liabilities related to financing activities (loans, credits, bonds, lease, etc.);
- net foreign exchange profits on loans granted in foreign currencies;
- interest on receivables, loans granted and funds accumulated in the form of bank deposits;
- profits on unrealised exchange rate differences on settlements;
- revenues from unwinding and changes in the estimation of the refund period for the discounted receivables;
- revenues from fair value measurement of derivative instruments, for which no hedge accounting was applied;
- profits from realisation of derivative instruments, to which cash flow hedge accounting is applied, if the hedged item affects financial results;



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



- the ineffective part of profits related to hedging instruments.

The financial expenses associated with financing operations of the Company include, in particular:

- interest on a bank overdraft in a current account;
- interest on short-term and long-term loans, credits, debt financial instruments and other sources of financing;
- unwinding and changing the estimation of the discount return period on long-term liabilities;
- net exchange rate losses arising from liabilities which are the source of financing for operations of the Company;
- net exchange rate losses on loans granted in foreign currencies;
- losses on realisation and fair value measurement of derivative instruments, to which no hedge accounting was applied;
- losses on realisation of derivative instruments, to which cash flow hedge accounting is applied, if the hedged item affects financial expenses;
- the ineffective part of losses related to hedging instruments;
- costs of issuing bonds financing operations of the Company (these costs constitute an element of interest cost calculated using the effective interest rate).

Expected credit losses include:

- revenues and expenses related to the establishment and reversal of revaluation write-offs and expected credit losses on receivables, deposits, contractual assets and loans.

CASH FLOW STATEMENT

The cash flow statement is prepared using the indirect method, according to which the gross result is adjusted by the effects of non-monetary transactions, by prepayments and accruals of past or future cash inflows or payments related to operating activities and by items of revenues and expenses related to cash flows from investment or financing activities.

The Company classifies the interest received as investment activities, as it results mainly from the investments undertaken by the Company. On the other hand, interest paid is shown in financial activities, as it constitutes, in particular, an element of the financing cost.

The cash flow statement shows the balance of cash and cash equivalents without taking into account the effects of periodical valuation of cash and cash equivalents denominated in foreign currencies, less liabilities on bank overdrafts. At the same time, the cash flow statement discloses the value of cash and cash equivalents in a separate item, in relation to which the Company has limited rights of disposal.

FINANCIAL INSTRUMENTS

Financial assets

The Company has, in particular, such financial assets as:

- investments in other entities;
- investment certificates;
- bonds;
- derivative instruments;
- trade receivables;
- loans granted;
- deposits under construction contracts (i.e. deposits retained by recipients of construction services);
- cash and cash equivalents;
- other financial receivables.

The Company recognises a financial asset or a financial liability in the statements of financial position if and only if it becomes bound by the contractual provisions of the instrument.

Upon initial recognition, all financial instruments are measured at fair value. In the case of financial assets which are not measured at fair value through profit or loss after the initial recognition date, the initial fair value is adjusted by transaction costs directly attributable to the acquisition.

Financial assets that are debt instruments are classified as measured at initial recognition at amortised cost or at fair value on the basis of:

- the business model of the entity for financial asset management, and
- characteristics of contractual cash flows for a financial asset.

Debt instruments are measured at initial recognition at their amortised cost if both conditions are met, i.e.:

- the financial asset is held in accordance with a business model which aims to maintain financial assets for the purpose of obtaining contractual cash flows, and
- the terms of the agreement related to the financial asset give rise to cash flows on specified dates which are merely the repayment of principal amount and interest on the outstanding principal amount.

A debt instrument is measured at fair value through other comprehensive income if both conditions are met, i.e.:

- the financial asset is held according to a business model which aims both to receive contractual cash



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



- flows and to sell the financial asset; and
- the terms of the agreement related to the financial asset give rise to cash flows on specified dates which are merely the repayment of principal amount and interest on the outstanding principal amount.

All other debt instruments are measured at fair value through profit or loss after initial recognition.

Notwithstanding the above, at the time of initial recognition, the Management Board may classify a financial asset as measured at fair value through profit or loss, if such classification reduces or eliminates an inconsistency in measurement or recognition.

Derivative instruments not covered by hedge accounting are measured at fair value through profit or loss.

Equity (share) instruments

Financial assets constituting investments in equity instruments which are not held for trading are measured at fair value:

- through other comprehensive income, or
- through profit or loss.

The choice is made for each instrument separately.

Equity instruments that are not held for trading may be measured at fair value through other comprehensive income, however, such classification may not be changed.

Dividends received from these investments are recognised in profit or loss, unless they represent recovery of part of the initial cost of this investment. Changes in fair value are recognised in other comprehensive income, without the possibility of reclassification of previous profits and losses between the profit and loss account and other comprehensive income.

Equity instruments held for trading are measured at fair value through profit or loss.

Unlisted equity instruments are measured at fair value, even if their fair value cannot be reliably determined.

Debt Instruments

IFRS 9 distinguishes three categories of debt instruments: those measured at amortised cost, at fair value through other comprehensive income and at fair value through profit or loss.

The classification depends on the business model of financial asset management and whether contractual cash flows are purely principal and interest payments, i.e. the so-called SPPI test.

The SPPI test is considered to be passed when only equity and interest constitute cash flows. Under the basic terms of a loan contract, they may include the time value of money, credit risk, liquidity risk, administrative costs, profit margin. Inversely, a test shall be considered unsuccessful when the exposure is not exposed to risks and volatilities unrelated to the key terms of the loan contract, e.g. exposure to volatility of equity or commodity prices, interest-bearing assets expressed as a multiplier of the basic interest rate, bonds convertible into shares.

Financial assets that do not pass the cash flow test are recognised at fair value through profit or loss.

The business model of the entity defines how an entity manages its financial assets in order to generate cash flows and create value for the Company. The business model of the entity determines whether the cash flows will come from the collection of contractual cash flows, the sales of financial assets or both.

If a financial instrument is held for the purpose of collecting cash flows, it may be classified as measured at amortised cost only if it additionally meets the requirement for principal and interest payments only. Debt instruments may be classified as at fair value through other comprehensive income if they meet the principal and interest payment only requirement (SPPI) and are held in a portfolio in which the Company holds both assets to collect cash flows and sells the assets. Financial assets that do not contain cash flows which come exclusively from principal and interest payments (SPPI) must be measured at fair value through profit or loss.

The recognition of a financial asset is discontinued only if:

- the contractual rights to cash flows from the financial asset have expired, or
- the financial asset has been transferred and this transfer qualifies for derecognition (by transferring substantially all risks and rewards of ownership).

When a financial asset is derecognised in its entirety, the difference between the carrying amount calculated at the date of derecognition and the consideration received (including any newly acquired assets after deducting any newly incurred liabilities) is recognised in the profit and loss account.

As of the balance sheet date, to estimate expected credit losses in relation to trade receivables and loans granted, the Company applies the simplified method using the provision ratio, which takes into account historical data. Other methods of estimating expected credit losses may also be used.

Impairment

The application of IFRS 9 fundamentally changes the approach to the impairment of financial assets by moving from the concept of a loss under IAS 39 to an expected loss, regardless of whether there is an indication of impairment or not.



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



As of the balance sheet date, the Company applied a simplified model acceptable under IFRS 9, based on a group analysis of a homogeneous portfolio of receivables in order to estimate expected credit losses in relation to trade receivables and warranty deposits. The model uses data about invoices issued within 2-5 years before the analysis date in order to create a write-off matrix that sets default rates for specific payment delays, i.e. overdue periods. Default factors are then used to calculate the expected credit losses for the entire homogeneous portfolio of receivables.

Taking into account the above methodology of calculation of expected credit losses, the value of receivables may also be updated on an individual basis, in particular with regard to:

- receivables from partners put in liquidation or bankruptcy,
- receivables disputed by debtors and payment of which is overdue, and according to the assessment of the property and financial situation of the debtor, repayment of the contractual receivables is subject to significant risk.

As a result of individual analysis, if despite significant overdue period of the receivables, the Company has a credible declaration of the partner payment, the creation of the write-off may be withheld.

In regards to loans, long-term receivables and other similar items, expected credit losses are calculated on the basis of internal assessment (determined by the module) or external ratings, if available. The module estimates the probability of default as of the initial recognition date and as of the balance sheet date. This is based on a comparison of the financial data of the borrower as of the date of the loan and as of the balance sheet date and takes into account the additional information resulting from the answers to the supplementary questions that are a part of the model. The module proposes the classification of exposures into one of three grades (1-3) of the expected credit loss model. In the case of classification into Grade 1 or Grade 2, the module calculates the amount of the impairment loss based on: (1) the individually assigned rating (determined on the basis of the financial data provided) and market default profiles for that rating; (2) the repayment schedule of the loan or long-term receivable; and (3) expected recoveries from collateral and other credit risk mitigating instruments.

The Company also estimates the expected credit losses related to the contractual assets, using the default rate calculated for receivables from the first overdue range.

Financial liabilities

Upon initial recognition, financial liabilities are recognised at cost, which is the fair value of remuneration received for them. Transaction costs are included in the initial recognition of financial liabilities. This does not apply to financial liabilities measured at fair value through profit or loss.

After initial recognition, all financial liabilities are measured at their amortised cost using the effective interest rate method, with the exception of the following:

- financial liabilities measured at fair value through profit or loss. Such a liability, including derivatives being liabilities, is measured at fair value.
- financial liabilities arising when a transfer of a financial asset does not qualify for derecognition or is accounted for using the continued engagement approach.

The measurement of financial liabilities relating to a hedging instrument is subject to hedge accounting requirements.

A financial liability is no longer recognised if and only if the liability has expired, that is when the obligation specified in the contract has been fulfilled, discontinued or the deadline for its recovery has expired.

HEDGE ACCOUNTING

The Company uses derivative instruments in order to hedge against the risk of exchange rate volatility related to transactions settled in foreign currencies. Derivative instruments, mainly options or forward contracts, are intended to hedge future cash flows.

Criteria for applying hedge accounting

For these derivative instruments, the hedge accounting rules can be applied only if all conditions for the application of hedge accounting are met, i.e.:

- at the time of establishing the hedge, formalised documentation of the hedging relationship has been prepared, defining the adopted risk management objective and the hedging strategy. The documentation designates the hedging instrument that hedges a given item or transaction and specifies the type of risk it hedges against. The Company determines the manner in which the effectiveness of the hedging instrument in compensating for changes in cash flows from the hedged transaction will be assessed in terms of mitigating the risk against which the Company is hedged;
- the hedge is expected to be highly effective in offsetting changes in cash flows, in accordance with a documented risk management strategy for that particular hedging relationship;
- for cash flow hedge accounting, a cash flow hedge is related to a forecast transaction that is highly probable and subject to the risk of changes in cash flows that could affect profit or loss;
- the effectiveness of the hedge can be reliably assessed, i.e. the fair value of the hedged item or its cash flows and the fair value of the hedging instrument can be reliably measured;



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



- the hedge is verified on an ongoing basis and its high effectiveness is established in all reporting periods for which the hedge was established.

If the above conditions are not met, the derivative instrument is subject to the valuation rules applicable to financial assets measured through profit or loss.

Cash flow hedges

This is a hedge of the risk of fluctuations in cash flows that (i) is attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction and (ii) may affect profit or loss. Cash flow hedges are recognised as follows:

- the part of profits or losses related to the hedging instrument that constitute an effective hedge is recognised in other comprehensive income and shown in the revaluation reserve, while the ineffective part of profits or losses related to the hedging instrument is recognised in the financial result under Financial revenues or Financial expenses, respectively;
- if the hedged planned transaction results in recognition of a financial asset or a financial liability, the associated gains or losses recognised in other comprehensive income (effective hedge) are transferred to profit or loss in the same period or periods in which the hedged cash flows affect profit or loss and are presented in the same item as the hedged item;
- if the hedged planned transaction results in recognition of a non-financial asset or a non-financial liability, the amounts recognised directly in other comprehensive income (effective hedge) are recognised in the profit or loss in the same period or periods in which the acquired assets or acquired liabilities affect the profit or loss of the period and are presented in the same item in which the effect of the hedged item is presented.

SHARES IN SUBSIDIARIES AND AFFILIATES

Shares in subsidiaries and affiliates in the separate financial statements are initially recognised at cost. After initial recognition, investments are measured at cost, taking into account any impairment losses. The initial cost includes: fair value of the payment and transaction costs.

An investment in a subsidiary and an affiliate is tested for impairment when indications of impairment exist. If any such indications exist, the recoverable amount of this investment is determined, i.e. the higher of two amounts: fair value less selling costs and value in use. Impairment loss is established in the amount of the surplus of the carrying amount over the recoverable amount and is recognised in the profit or loss under "Other operating expenses".

GOODWILL

Goodwill arising on acquisition results from the occurrence, as of the acquisition date, of an excess of the cost of acquisition of the entity over the share of the Company in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary.

For the purpose of impairment testing, goodwill is allocated to individual segments generating cash flows that should benefit from the synergies resulting from the merger. Entities generating cash flows to which goodwill is allocated are tested for impairment once a year or more frequently, if it can be credibly assumed that impairment has occurred. If the recoverable value of the entity generating cash flows is smaller than its carrying amount, the impairment loss is allocated first in order to decrease the carrying amount of goodwill allocated to this entity, and then to other assets of this entity, proportionally to the carrying amount of individual assets of this entity. An impairment loss recognised for goodwill is not reversed in the following period.

FIXED ASSETS (DISPOSAL GROUP) HELD FOR SALE AND DISCONTINUED OPERATIONS

Fixed assets (disposal group) are classified as held for sale if their carrying amount will be recovered mainly through a sale transaction and the sale is considered highly probable. Fixed assets or a disposal group are measured at the lower of the following two amounts: their carrying amount and fair value less selling costs. Fixed assets held for sale or assets of the disposal group held for sale are listed in a separate item under current assets. Liabilities of the disposal group intended for sale are listed in a separate item under current liabilities.

Discontinued operations are an element of an entity that has been disposed of or is classified as held for sale, and:

- represents a separate major line of business or geographical area of operations;
- is part of a single coordinated disposal plan for a separate, important field of activity or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

If operations are classified as discontinued operations, the presentation of data in the statement of comprehensive income and the cash flow statement for the financial year is amended in accordance with the detailed guidelines of IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations, respectively, and data for the comparative period is restated to reflect operations that have been discontinued as of the balance sheet date.



UNBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



3. Selected financial data converted into EUR

3.1. Basic items of the statement of financial position converted into EUR

	as of 31.12.2020		as of 31.12.2019 restated		as of 01.01.2019 restated	
	PLN	EUR	PLN	EUR	PLN	EUR
Fixed assets	308,087,195.92	66,761,115.52	336,601,358.80	79,042,233.25	302,712,292.12	70,398,207.47
Current assets	505,306,084.41	109,496,854.56	473,608,492.94	111,214,862.73	506,516,328.22	117,794,494.93
Total assets	813,393,280.33	176,257,970.08	810,209,851.74	190,257,097.98	809,228,620.34	188,192,702.40
Equity	196,563,056.97	42,594,057.59	203,524,065.25	47,792,430.49	203,915,724.09	47,422,261.42
Liabilities and provisions for liabilities	616,832,223.36	133,663,912.49	606,685,786.49	142,464,667.49	605,312,896.25	140,770,440.98
Total liabilities	616,832,223.36	133,663,912.49	606,685,786.49	142,464,667.49	605,312,896.25	140,770,440.98

For conversion of the data from the statements of financial position as of 31 December 2020, the EUR exchange rate set by the NBP as of that date, i.e. the rate of PLN/EUR 4.6148, was adopted.

For conversion of the data from the statements of financial position as of 31 December 2019, the EUR exchange rate set by the National Bank of Poland as of that date, i.e. the rate of PLN/EUR 4.2585, was adopted.

For conversion of the data from the statements of financial position as of 1 January 2019, the EUR exchange rate set by the NBP as of that date, i.e. the rate of PLN/EUR 4.3000, was adopted.

3.2. Basic items of the statements of comprehensive income converted into EUR

	01.01.-31.12.2020		01.01.-31.12.2019 restated	
	PLN	EUR	PLN	EUR
Revenues from contracts with clients	1,268,272,936.72	283,463,621.81	1,382,105,025.88	321,285,281.95
Costs of products, goods and materials sold	1,188,037,813.06	265,530,779.37	1,293,705,230.13	300,735,792.02
Gross profit (loss) on sales	80,235,123.66	17,932,842.44	88,399,795.75	20,549,489.92
Profit (loss) on operating activities	36,542,219.75	8,167,319.24	50,759,181.38	11,799,521.45
Gross profit (loss)	23,292,561.61	5,205,972.38	31,943,986.52	7,425,725.63
Net profit (loss) on continued operations	16,761,967.84	3,746,360.88	25,833,084.46	6,005,180.26
Net profit (loss) on discontinued operations	-	-	-9,244,068.96	-2,148,883.95
Total net profit (loss)	16,761,967.84	3,746,360.88	16,589,015.50	3,856,296.32
Comprehensive income on continued operations	13,834,031.20	3,091,956.37	25,496,385.46	5,926,910.93
Total income on discontinued operations	-	-	-11,775,504.82	-2,737,343.63
Total comprehensive income	13,834,031.20	3,091,956.37	13,720,880.64	3,189,567.31

To convert the data of the statement of comprehensive income for the period from 01.01.2020 to 31.12.2020, the average EUR exchange rate was adopted, calculated as the arithmetic mean of the rates in force on the last day of each month in the given period, determined by the NBP on that day, i.e. the rate of PLN/EUR 4.4742.

To convert the data of the statement of comprehensive income for the period from 01/01/2019 to 31/12/2019, the average EUR exchange rate was adopted, calculated as the arithmetic mean of the rates in force on the last day of each month in the given period, determined by the NBP on that day, i.e. the rate of 4.3018 PLN/EUR.



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



3.3. Basic Items of the cash flow statement converted into EUR

	01.01.-31.12.2020		01.01.-31.12.2019 restated	
	PLN	EUR	PLN	EUR
A. Cash flows from operating activities	80 241 190.79	17 934 198.47	157 676 856.19	36 653 892.92
B. Cash flows from investment activities	-1 410 810.78	-315 321.35	-34 428 364.79	-8 003 246.27
C. Cash flows from financial activities	-38 425 798.15	-8 433 004.60	-24 111 913.77	-5 605 075.50
D. Total net cash flows [A +/- B +/- C]	40 204 581.86	8 985 870.52	99 136 577.63	23 045 571.15
E. Exchange rate differences	62 595.60	13 990.34	-185 586.98	-43 141.70
F. Cash opening balance	142 522 279.80	33 467 718.63	43 571 289.15	10 132 857.94
G. Cash closing balance	182 789 457.26	39 609 399.60	142 522 279.80	33 467 718.63

To convert the data of cash flow statement for the period 01.01.2020-31.12.2020, the following EUR rates were adopted:

- to calculate data from items A, B, C, D, E – average exchange rate calculated as an arithmetic mean of the exchange rates in force on the last day of each month in the given period, established by the NBP for that day, i.e. PLN/EUR 4.4742,
- to calculate data from the F item – the exchange rate established by the National Bank of Poland as of 31 December 2019, i.e. PLN/EUR 4.2585,
- to calculate data from the G item – the exchange rate established by the National Bank of Poland as of 31 December 2020, i.e. PLN/EUR 4.6148.

To convert the data of cash flow statement for the period 01.01.2019-31.12.2019, the following EUR rates were adopted:

- to calculate data from items A, B, C, D, E – average exchange rate calculated as an arithmetic mean of the exchange rates in force on the last day of each month in the given period, established by the NBP for that day, i.e. PLN/EUR 4.3018,
- to calculate data from the F item – the exchange rate established by the National Bank of Poland as of 31 December 2018, i.e. PLN/EUR 4.30,
- to calculate data from the G item – the exchange rate established by the National Bank of Poland as of 31 December 2019, i.e. PLN/EUR 4.2585.



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



4. Financial risk management

In conducting its operations, the Company is exposed to various types of financial risk: currency risk, interest rate risk, credit risk and liquidity risk. The Management Board verifies and determines the principles of management of each of the above risks.

Currency risk

As a part of its operating activities, the Company enters into contracts which are (or may be) denominated or expressed in foreign currencies. In terms of export earnings, hedging against currency risk is primarily effected through a natural hedging mechanism, which consists of signing agreements with subcontractors in the currency of the agreement, thus transferring the risk to them. Therefore, the foreign currency risk of the Company in the case of export contracts is limited to an amount similar to the executed margin – this is related to contracts executed in Belarus and Ukraine.

It is the intention of the Company to close the foreign currency position by balancing foreign currency transactions related to revenues and costs. The Company has signed agreements with banks, concerning foreign currency transactions, which offers the possibility of using hedging instruments, provided that closing a natural position in a given period is not possible.

The strategy of the Company related to financial instruments hedging the foreign exchange risk is based on the procedure of foreign exchange risk management adopted by the Management Board, which assumes:

- 1) hedging amounts not greater than the planned net foreign exchange flows,
- 2) using simple and predictable tools, e.g. Forward options, sale of put option.

By analysing the planned foreign currency transactions that may occur in 2021, based on the current order portfolio, the Company estimates the maximum total foreign exchange risk exposure to be approx. 11 M EUR (in 2020 – 8 M EUR).

The table below shows the estimated sensitivity of the net income to EUR exchange rate fluctuations (assuming no hedging through financial instruments):

	CURRENCY EXCHANGE RATE INCREASE/DECREASE	THE INFLUENCE ON NET PROFIT OR LOSS	
		2021	2020
RATE INCREASE	+ 0.20 PLN/EUR	+ 1,782,000 PLN	+ 1,296,000 PLN
RATE DECREASE	- 0.20 PLN/EUR	- 1,782,000 PLN	- 1,296,000 PLN

Some of the assets and liabilities of the Company are denominated in foreign currencies and then converted into Polish zloty on the basis of the average rate of exchange published by the NBP on the valuation date. The carrying value of assets and liabilities of the Company with significant value determined in foreign currencies as of the balance sheet date is as follows:

	31.12.2020	31.12.2019
Assets		
EUR	5,874,450.84	15,154,585.34
- inventory	73,472.49	73,472.49
- receivables	5,737,570.57	6,902,113.72
- cash	63,407.78	8,180,999.15
NOK	24,743,469.44	23,917,690.79
- fixed assets	15,000.00	15,000.00
- inventory	101,048.52	101,048.52
- receivables (including loans granted)	23,845,331.34	18,891,499.48
- cash	802,069.58	4,910,122.79
SEK	4,822,346.44	1,735,287.52
- inventory	859,986.93	859,986.93
- receivables	3,952,835.85	464,294.16
- cash	9,523.86	411,006.43
Liabilities		
EUR	5,810,111.21	7,649,034.74
- liabilities	2,915,994.61	4,198,112.38
- provisions for liabilities and accruals	2,894,116.60	5,450,922.36
NOK	20,711,900.19	18,986,042.77
- liabilities	20,711,900.19	15,121,358.84
- provisions for liabilities and accruals		3,864,703.93
SEK	1,142,984.60	317,366.97
- liabilities	1,142,984.60	317,366.97

Taking into account the above-mentioned values of assets and liabilities of the Company expressed in foreign currencies, the sensitivity of the net income to changes in exchange rates is as follows:

	CURRENCY EXCHANGE RATE	THE INFLUENCE ON NET PROFIT OR LOSS	THE INFLUENCE ON NET PROFIT OR LOSS
--	------------------------	-------------------------------------	-------------------------------------



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



	INCREASE/DECREASE	2021	2020
RATE INCREASE	+ 0.20 PLN/EUR	+ 10,423 PLN	+ 892,223 PLN
	+ 0.05 PLN/SEK	+ 149,014 PLN	+ 57,426 PLN
	+ 0.05 PLN/NOK	+ 164,089 PLN	+ 199,123 PLN
RATE DECREASE	- 0.20 PLN/EUR	- 10,423 PLN	- 892,223 PLN
	- 0.05 PLN/SEK	- 149,014 PLN	- 57,426 PLN
	- 0.05 PLN/NOK	- 164,089 PLN	- 199,123 PLN

In order to hedge against foreign exchange risk, the Company enters into derivative transactions. The rules governing the use of derivative instruments are included in the foreign exchange risk management procedure mentioned above.

Derivative instruments are measured as of the balance sheet date at reliably determined fair value. The fair value of derivative instruments is estimated using a model based on, inter alia, the value of foreign exchange rates (average NBP rates) as of the balance sheet date and interest rate differences between the quoted and base currencies. The periodical valuation of financial instruments is partly recognised in equity (internal value of derivatives) and partly in financial revenues or expenses of the reporting period (time value of derivatives). Profits and losses determined as of the settlement date are disclosed in the result account.

The total nominal value of FX-Forward-type currency exchange forward contracts as of 31 December 2020 was 101 M SEK and 485 M EUR (100 M NOK and 1.8 M EUR as of 31 December 2019).

Taking into account the above-mentioned values of forward contracts, the sensitivity of the net income to FX rate changes (which translate into changes in the value of forward contracts) is as follows:

	CURRENCY EXCHANGE RATE INCREASE/DECREASE	THE INFLUENCE ON NET PROFIT OR LOSS 2021	THE INFLUENCE ON NET PROFIT OR LOSS 2020
RATE INCREASE	+ 0.20 PLN/EUR	- 3,234,654 PLN	- 291,600 PLN
	+ 0.05 PLN/NOK	-	- 4,050,000 PLN
	+ 0.02 PLN/SEK	- 1,053,000 PLN	-
RATE DECREASE	- 0.20 PLN/EUR	+ 3,234,654 PLN	+ 291,600 PLN
	- 0.05 PLN/NOK	-	+ 4,050,000 PLN
	- 0.02 PLN/SEK	+ 1,053,000 PLN	-

Summarising the changes in future revenues, changes in assets and liabilities and changes in the value of hedging instruments due to changes in foreign exchange rates, the total sensitivity of net income to changes in foreign exchange rates is presented in the table below:

	CURRENCY EXCHANGE RATE INCREASE/DECREASE	THE INFLUENCE ON NET PROFIT OR LOSS 2021	THE INFLUENCE ON NET PROFIT OR LOSS 2020
RATE INCREASE	+ 0.20 PLN/EUR	- 1,442,231 PLN	+ 1,896,623 PLN
	+ 0.05 PLN/SEK	- 903,986 PLN	+ 57,426 PLN
	+ 0.05 PLN/NOK	+ 164,089 PLN	- 3,850,269 PLN
RATE DECREASE	- 0.20 PLN/EUR	+ 1,442,231 PLN	- 1,896,623 PLN
	- 0.05 PLN/SEK	+ 903,986 PLN	- 57,426 PLN
	- 0.05 PLN/NOK	- 164,089 PLN	+ 3,850,269 PLN

Interest rate risk

Interest rate risk is mainly related to the use of bank loans, lease and bank deposits by the Company. These transactions are based mainly on variable interest rates, which expose the Company to the risk of changes in its profit or loss and cash flows. Lease is not decisive in the financing of the Company (it concerns mainly purchases of vehicle fleet and specialist road machines).

The Company invests its financial surpluses in the form of short-term deposits. The deposits are based on fixed interest rates and are usually concluded for a period of 3-7 days. The amount of interest obtained depends, inter alia, on the interest rates.

In order to hedge itself against the risk of interest rate changes, the Company concluded two IRS-type transactions hedging the payment of interest on issued three-year own bonds maturing in June 2021 and February 2022. As a result, the bonds issued do not generate any interest rate risk.

The mentioned instruments are valued as of the balance sheet date and at a reliably determined fair value. The effects of periodical valuation of derivative instruments are recognized either as financial revenues or expenses for the reporting period, respectively.

Given the current level of credit financing, it is assumed that the effects of interest rate changes will not have a decisive impact on the 2021 profit or loss. All interest-bearing liabilities in the Company amount to 11.5% of the balance sheet total (as was the case last year) and no significant changes are expected by the end of 2021.

At the same time, the entity grants loans, the interest rate of which is variable and based on WIBOR 1M plus an appropriate margin (in the case of loans in Poland). These loans are also exposed to interest rate changes. In the case of loans granted in Norway to affiliates, the interest rate is fixed (depending on NIBOR on the date of signing the loan) and therefore the loans are not exposed to the risk of interest rate changes.



UNBEP 3A

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



The amounts of interest-bearing liabilities and assets exposed to the risk of interest rate changes are presented in the table below:

	31.12.2020	31.12.2019
	PLN	PLN
Loans granted	63,173,578	57,000,000
Bank loans, bonds, lease	25,916,378	32,029,613
Cash	182,789,457	142,522,280
TOTAL	271,879,413	231,551,893

The above-mentioned data concerning bank loans, bonds and financial lease exposed to the risk of interest rate changes do not include series E and F bonds, the interest on which was secured by the aforementioned IRS-type transactions. Therefore, there is no risk of interest rate change for this part of liabilities.

In order to carry out the interest rate sensitivity analysis, changes in interest rates which are reasonably possible were estimated on the basis of historical changes in value and on the basis of knowledge and experience of the Company in the financial markets, as of 31.12.2020 at -1 / +1 percentage point for the Polish zloty in the case of bank loans, bonds and lease liabilities, and -0.5 / +0.5 percentage point for other areas.

Specification	Changes to interest rates	The influence on net profit or loss for 2021	The influence on net profit or loss for 2020
Loans granted	+/- 100 pb	+/- 511,706	+/- 461,700
Bank loans, bonds, financial lease	+/- 100 pb	+/- 209,923	+/- 259,440
Cash	+/- 50 pb	+/- 740,297	+/- 577,215

Credit risk

The financial assets of the Company exposed to credit risk are primarily cash held in bank accounts or deposits, loans granted to external entities, and trade receivables.

In order to minimise the risk related to the loss of funds held in bank accounts or deposits, the Company cooperates in this respect only with institutions of stable and reliable financial standing. At the same time, the Financial Department of the Company takes steps to disperse the cash in such a way that a significant amount of it is deposited in just one financial institution. Cash is sent to bank accounts maintained outside Poland only in amounts required to secure the nearest payments, which are made from such accounts.

As of 31 December 2020, over 99% of all loans were granted to subsidiaries or affiliates. The remaining, very small part is a loan granted to a regular partner of the Company. When granting loans to external entities, the Company follows the general rule that such loans may be granted only in connection with projects implemented by the Company, if such projects have secured financing and if the loans were at least 100% covered by the established securities.

Before signing a contract, each counterparty is evaluated in terms of their ability to meet financial obligations. Most of the current contracts are performed for proven and reliable partners (subsequent contracts). In the event of doubt as to the partner ability to pay, contract signing is subject to the provision of appropriate security (financial or on property). In addition, contracts signed with investors include clauses providing for the right to suspend the performance of works, if there is a delay in the payment of amounts due for the provided services. However, one cannot exclude the possibility of a downturn in the property market, which will affect the payment capacity of investors, thus increasing credit risk for the Company.

In determining the risk of impairment of receivables from partners (trade receivables increased and deposits retained by investors), the Company uses a model to estimate expected credit losses. The model uses historical data on the rotation of receivables between individual overdue baskets. On this basis, the probability of non-payment is determined for each basket. The product of the probability thus calculated and the volume of receivables from the given basket determines the expected credit loss for each basket. Data on expected credit losses as of 31.12.2020 are presented in the table below:

Item/days of delay	0	up to 90	91-180	181-360	361-720	Over 720	Total
Receivables from partners	151,778,303	31,531,891	2,006,400	4,079,230	8,946,346	37,915,377	236,277,546
Expected loss rate	3.14%	1.31%	2.65%	10.46%	76.81%	83.55%	18.72%
Expected loss	4,768,018	412,508	53,143	426,672	6,887,408	31,678,544	44,226,312
Deposits withheld by partners	47,359,718	1,844,914	-	1,484	-	1,581,688	50,788,004
Expected loss rate	0.00%	0.01%	-	3.57%	-	79.36%	2.47%
Expected loss	648	172	-	60	-	1,255,251	1,256,131
Contractual assets	47,237,195	-	-	-	-	-	47,237,195
Expected loss rate	3.14%	-	-	-	-	-	0.04%
Expected loss	19,805	-	-	-	-	-	19,805
Total expected loss	4,788,471	412,680	53,143	426,732	6,887,408	32,933,815	45,502,249

The comparative data for 2019 are presented in the summary below:

Item/days of delay	0	up to 90	91-180	181-360	361-720	Over 720	Total
Receivables from partners	148,512,584	9,743,384	9,421,981	15,989,879	30,239,797	14,984,945	228,892,591
Expected loss rate	0.25%	7.65%	9.60%	15.45%	49.98%	97.33%	14.94%
Expected loss	372,149	744,890	904,439	2,471,194	15,115,208	14,584,644	34,192,524
Deposits withheld by partners	63,077,683	2,420,729	4,936	478	1,514,889	884,832	67,903,545
Expected loss rate	2.53%	10.70%	77.61%	93.65%	100.00%	100.00%	6.27%
Expected loss	1,597,611	259,130	3,831	447	1,514,889	884,832	4,260,740

Bielsk Podlaski, 19 April 2021

page 38



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Contractual assets	86,549,863	-	-	-	-	-	86,549,863
Expected loss rate	0.21%	-	-	-	-	-	0.21%
Expected loss	182,137	-	-	-	-	-	182,137
Total expected loss	2,151,897	1,004,020	908,270	2,471,441	16,630,096	15,469,476	38,635,400

In 2020, the Company wrote off receivables with a total value of PLN 2,494,552.02. In 2019, the amount was PLN 227,782.92.

The exposure of the Company to the maximum credit risk is presented in the table below:

Item	31.12.2020		31.12.2019	
	PLN		PLN	
Cash		182,789,457		142,572,280
Receivables from partners		241,583,105		240,501,118
Loans granted		63,186,012		57,239,616
TOTAL		487,558,574		440,243,013

Liquidity risk

In order to minimise the liquidity risk, the Company tries to maintain an adequate amount of cash (as of 31 December 2020, bank accounts of the company had 182.8 M PLN in cash) and concludes credit facility contracts, which serve as additional security of liquidity. In addition, it forecasts and monitors cash flows on an ongoing basis. These activities are supported by systemic solutions for determining expected revenues and measuring actual expenditures, broken down by individual business lines of the Company. The relevant services in the Company forecast cash flows over the next 12 months and analyse a very detailed statements of income and expenses over the next 30 days. If necessary, an increase in the available credit limits is negotiated in advance.

As of 31 December 2020, the Company had available (entirely unused) credit limits in current accounts in the banks listed below:

- PKO BP SA in the amount of 5 M PLN, valid until November 2021.
- BNP Paribas Bank Polska SA in the amount of 20 M PLN, valid until June 2021.
- Santander Bank Polska SA in the amount of 10 M PLN, valid until September 2021.
- mBank SA in the amount of 10 M PLN, valid until February 2021.
- BGK in the amount of 25 M PLN, valid until February 2022.

The Company is not afraid of losing the availability of financing despite the fact that financial institutions analyse the financial results of the Company on an ongoing (quarterly) basis. The credit contracts contain provisions on maintaining minimum financial ratios, such as solvency, interest cover, capitalisation and EBITDA, which are reviewed and analysed. The Company monitors the aforementioned provisions on an ongoing basis and in good time, in order to renegotiate said limitations, in the event of an emerging possibility of "coming closer" to the required thresholds.

This provides the Company with financial security, should it experience the risks related to, among others, deterioration of the market situation, limitation of the credit activity of banks, and also makes it possible to take advantage of market opportunities (e.g. acquisitions).

The Company tries to sign contracts only with reliable, financially sound partners who have access to bank financing. Moreover, in contracts for specific construction or road works, the Company always tries to establish performance bonds and to remove defects in the form of bank or insurance guarantees, and not in the form of its own cash retained by investors. This is possible thanks to the wide access of the Company to guarantee limits both in banks and insurance companies. As of 31 December 2020, the Company had such limits in the total amount of 811.2 M PLN, of which 55.6%, i.e. 451.4 M PLN was unused. At the same time, in contracts with subcontractors, if possible, contractual provisions are created which make the payments to subcontractors conditional upon receipt of funds from the investor.

In order to finance investment purchases, the Company uses its own funds and long-term bank credits, ensuring appropriate durability of the financing structure for this type of assets. In view of the fact that the investment programme is also implemented through subsidiaries of Unibep SA (the majority of shares in the companies belong to Unibep SA or a daughter company, i.e. Unidevelopment SA), the Company grants loans for its implementation. Large residential and commercial projects are and will be implemented in the form of special purpose companies (from 2015, also on the Norwegian market). New projects will be financed from own funds of the Company and from bank loans. In addition, the Company issued own bonds with a nominal value of 64 M PLN, 30 M PLN is assigned to series E with the redemption date specified for June 2021. The remaining 34 M PLN is related to series F with the redemption date in February 2022.

Taking into account the actions taken and described above, the financial standing of the Company and hedging with credit lines, the liquidity risk should be considered as negligible.

The maturity structure of liabilities of the Company as of 31 December 2020 is presented in the table below (data in PLN):

Item	up to 1 month	from 2 to 3 months	from 4 to 12 months	Over 1 year	TOTAL
- liabilities Trade and other liabilities	147,079,610	43,120,259	1,099,473		191,299,342
- deposits on construction contracts	20,353,870	5,437,301	12,056,376	61,849,159	99,696,705
- lease liabilities	879,934	1,395,733	6,265,967	27,323,675	35,865,308
- bond liabilities		642,700	31,206,700	34,642,700	66,492,100

Bielsk Podlaski, 19 April 2021
page 39



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



- off-balance sheet liabilities (guarantees, sureties, etc.)	300,000	9,095,000	14,308,315	336,162,517	359,865,832
TOTAL	168,413,414	59,687,993	64,936,830	459,978,052	753,214,288

Capital management

The main objective of capital management of the Company is to maintain a good credit rating and safe capital ratios which would support the operating activities of the Company and increase the value for its shareholders.

The Company manages its capital structure and makes changes to it as a result of economic conditions. In order to maintain or adjust the capital structure, the Company may buy back its own shares, return capital to shareholders, issue new shares and pay dividend. In 2020, no changes were made to the objectives and process rules in this area.

The Company monitors its capital using the leverage ratio calculated as the ratio of net debt to total capital increased by net debt. The net debt of the Company includes interest-bearing credits and loans and other external sources of financing, trade and other liabilities, deposits on construction contracts, amounts due to clients under construction contracts, advances received and current income tax liabilities less cash and cash equivalents.

CAPITAL MANAGEMENT (PLN)		31.12.2020	31.12.2019
Interest-bearing credits, loans and bonds		93,903,807.20	93,633,708.91
Trade and other liabilities		364,280,999.46	367,200,422.59
Cash and cash equivalents		182,789,457.26	142,522,279.80
Net debt		275,395,349.40	313,311,351.70
Equity		196,563,056.97	203,524,065.25
Net capital and debt		471,958,406.37	516,835,416.95
		58.35%	60.62%



UNIBEP SA
Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)

5. Financial instruments

CARRYING AMOUNT

The tables below present the carrying amounts of financial instruments of the company, broken down by classes and categories of assets and liabilities.

As of 31.12.2020

Classes of financial instruments	Financial assets carried at amortised cost	Financial liabilities measured at fair value through profit or loss	Financial liabilities measured at amortised cost	Hedging instruments in cash flow hedge accounting	Total
Deposits on construction contracts	49,531,871.52	-	-97,898,885.68	-	-48,367,014.16
Trade and other receivables *	198,250,400.91	-	-	-	198,250,400.91
Loans granted	63,186,011.79	-	-	-	63,186,011.79
Derivative financial instruments measured through WF	-	-929,081.19	-	-	-929,081.19
Derivative financial instruments in cash flow hedge accounting	-	-38,554.90	-	-2,894,496.50	-2,933,031.40
Cash and cash equivalents	182,789,457.26	-	-	-	182,789,457.26
Credits, loans and other external sources of financing	-	-	-90,041,694.61	-	-90,041,694.61
Trade and other liabilities	-	-	-191,299,341.58	-	-191,299,341.58
* excluding receivables from advances	493,757,741.48	-967,616.09	-379,239,921.87	-2,894,496.50	110,655,707.02

As of 31.12.2019 - restated

Classes of financial instruments	Financial assets carried at amortised cost	Financial assets measured at fair value through profit or loss	Financial liabilities measured at amortised cost	Hedging instruments in cash flow hedge accounting	Total
Deposits on construction contracts	61,118,448.19	-	-95,114,548.40	-	-33,996,100.21
Trade and other receivables *	187,038,797.89	-	-	-	187,038,797.89
Loans granted	58,050,719.78	-	-	-	58,050,719.78
Derivative financial instruments measured through WF	-	31,677.61	-	-	31,677.61
Derivative financial instruments in cash flow hedge accounting	-	9,462.17	-	618,771.14	628,233.31
Cash and cash equivalents	142,522,279.80	-	-	-	142,522,279.80
Credits, loans and other external sources of financing	-	-	-93,633,208.91	-	-93,633,208.91
Trade and other liabilities	-	-	-192,430,280.62	-	-192,430,280.62
* excluding receivables from advances	448,730,245.66	41,139.78	-381,178,037.93	618,771.14	68,212,118.65

Derivative instruments are measured as of the balance sheet date at reliably determined fair value. The fair value of derivative instruments is estimated using a model based on, inter alia, the value of foreign exchange rates (average NBP rates) as of the balance sheet date and interest rate differences between the quoted and base currencies.



UNBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Items of revenues, expenses, profits and losses recognised in the statement of comprehensive income by category of financial instruments

For the period 01.01.2020-31.12.2020

	Financial assets carried at amortised cost	Financial liabilities measured at fair value through profit or loss	Financial liabilities measured at amortised cost	Total
Interest revenues/expenses	4,891,625.70	-	-7,407,467.69	-2,515,841.99
Profits/losses on exchange rate differences	3,077,945.41	-	-2,143,310.04	934,635.37
Expected credit losses (creation/release) *	-13,154,300.92	-	-	-13,154,300.92
Profits/losses on disposal/execution of financial instruments	-	-186,740.27	-	-186,740.27
Total	-5,184,729.81	-186,740.27	-9,550,777.73	-14,922,247.81
* - trade and other receivables		-15,649,643.83		
- deposits on construction contracts		3,004,608.09		
- loans granted		-509,245.18		

For the period 01.01.2019-31.12.2019 - restated

	Financial assets carried at amortised cost	Financial liabilities measured at fair value through profit or loss	Financial liabilities measured at amortised cost	Total
Interest revenues/expenses	3,353,066.94	268,152.21	-1,130,486.84	2,490,732.31
Profits/losses on exchange differences	640,947.37	-	1,342,365.43	2,003,312.80
Expected credit losses (creation/release) *	-9,415,150.51	-	-	-9,415,150.51
Profits/losses on disposal/execution of financial instruments	-	-193,609.06	-	-193,609.06
Total	-5,421,136.20	74,543.15	231,878.59	-5,114,714.46
* - trade and other receivables		-8,974,816.15		
- deposits on construction contracts		-438,334.26		

Financial assets and liabilities measured at fair value

Financial assets measured at fair value

For the period from 01.01.2020 to 31.12.2020

There were no financial assets measured at fair value.

For the period from 01.01.2019 to 31.12.2019 - restated

	Level 1	Level 2	Level 3	Total
Financial instruments measured at fair value through profit or loss	-	31,477.61	-	31,477.61
Derivative financial instruments in cash flow hedge accounting	-	628,233.31	-	628,233.31
Total	-	659,710.92	-	659,710.92

Financial liabilities measured at fair value

For the period from 01.01.2020 to 31.12.2020

	Level 1	Level 2	Level 3	Total
Financial instruments measured at fair value through profit or loss	-	929,081.19	-	929,081.19
Derivative financial instruments in cash flow hedge accounting	-	2,933,031.40	-	2,933,031.40
Total	-	3,862,112.59	-	3,862,112.59

For the period from 01.01.2019 to 31.12.2019 - restated

There were no financial liabilities measured at fair value.

Derivative financial instruments

Financial assets under measurement of derivative instruments

Exchange forward contracts

	as of 31.12.2020	as of 31.12.2019 restated
- measured through the IRS profit or loss	-	31,477.61
TOTAL	-	31,477.61



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



- measured in Forward hedge accounting		628,233.31
TOTAL:		628,233.31

Financial liabilities under measurement of derivative instruments

Exchange forward contracts

	as of 31.12.2020	as of 31.12.2019 restated
- measured through the IRS profit or loss	929,081.19	-
TOTAL:	929,081.19	-
- measured in Forward hedge accounting	2,933,031.40	-
TOTAL:	2,933,031.40	-

The total nominal value of FX-Forward-type exchange forward contracts as of 31 December 2020 was 65 M SEK and 19.97 M SEK (100 M NOK and 1.8 M EUR as of 31 December 2019). The periods of expected settlements related to the hedges held are presented in the table below:

Hedged currency/deadline	Q1 2021	Q2 2021	Q4 2021	Q1 2022	Q2 2022	TOTAL
SEK	-	15,000,000.00	-	15,000,000.00	35,000,000.00	65,000,000.00
EUR	2,967,000.00	-	7,000,000.00	5,000,000.00	5,000,000.00	19,967,000.00

Forward SEK (average) rate 0.4185

Forward EUR (average) rate 4.6020

Financial assets under Forwards and IRS transactions measured at fair value

Maturity structure

	as of 31.12.2020	as of 31.12.2019 restated
a) less than 1 year	-	628,233.31
b) from 1 to 3 years	-	31,677.61
TOTAL:	-	659,910.92

Financial liabilities under Forwards and IRS transactions measured at fair value

Maturity structure

	as of 31.12.2020	as of 31.12.2019 restated
a) less than 1 year	1,540,932.21	-
b) from 1 to 3 years	2,321,180.38	-
TOTAL:	3,862,112.59	-

The Impact of derivatives and hedging transactions on the items of the result statement and on the statement of total income is presented below:

Result statement

	01.01-31.12.2020	01.01-31.12.2019 restated
Revenues from sales	3,461,502.00	-
Financial revenues and expenses:	-1,195,496.14	59,311.10
Under execution of derivative instruments	-186,740.27	-18,328.76
Under measurement of derivative instruments	-1,008,755.87	77,639.88
The impact of derivative instruments on the profit or loss for the period	2,266,005.86	59,311.10
Statement on comprehensive income in the part concerning other comprehensive income		
Impact of hedging transactions:	-3,513,267.64	-
Impact of measurement of hedging transactions (effective part)	213,468.16	-
Reclassification to revenues from sales in connection with the execution of a hedged item	-3,726,735.80	-
OTHER COMPREHENSIVE INCOME	-1,247,261.78	59,311.10



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



6. Notes to the financial statements

6.1. Fixed assets

	as of 31.12.2020	as of 31.12.2019 restated
Own tangible fixed assets	19,889,861.58	20,285,244.11
Right-of-use assets	26,288,194.04	25,246,194.06
Total tangible fixed assets	46,178,055.62	45,531,438.17

Own tangible fixed assets

	as of 31.12.2020	as of 31.12.2019 restated
Land	1,487,203.98	1,507,713.43
Buildings, premises, civil and water engineering structures	9,036,147.97	8,823,889.33
Technical equipment and machines	8,061,441.47	7,424,942.04
Vehicles	198,718.45	562,171.92
Other tangible fixed assets	970,617.21	552,935.59
Tangible fixed assets under construction	135,732.50	1,413,591.80
Own tangible fixed assets	19,889,861.58	20,285,244.11

Right-of-use assets

	as of 31.12.2020	as of 31.12.2019 restated
Land	2,222,454.10	2,370,075.48
Buildings, premises, civil and water engineering structures	8,730,196.90	9,371,237.21
Technical equipment and machines	7,022,272.00	4,268,838.96
Vehicles	5,853,140.42	5,890,098.16
Other right-of-use assets	2,460,130.62	3,345,944.25
Right-of-use assets	26,288,194.04	25,246,194.06



UNIBEP SA
Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)

Change in own tangible fixed assets For the period from 01.01.2020 to 31.12.2020

	Land	Buildings, premises, civil and water engineering structures	Technical equipment and machines	Vehicles	Other tangible fixed assets	Tangible fixed assets under construction	Total tangible fixed assets
Gross opening balance	1,435,503.02	14,720,913.94	23,440,270.23	4,267,778.67	2,144,061.04	1,413,591.80	47,642,118.70
Increases	5,953,841.97	1,794,566.22	789,984.30	157,584.73	312,269.19	1,786,538.09	11,909,841.34
Purchase	-	1,717,800.00	3,486,063.67	1,636,981.49	105,400.00	-	3,044,371.31
Acceptance from lease	-	1,012,819.87	-	-	-	-	3,035,018.87
Acceptance from lease	-	582,207.76	2,335,721.48	1,497,900.73	229,489.78	3,084,397.39	7,710,377.11
Decreases	-	222,066.20	2,122,171.11	1,403,481.07	115,400.00	-	3,863,120.38
Sales	-	360,839.56	213,350.37	94,419.66	-	-	782,859.34
Liquidation and other transfer from the investment	-	-	-	-	-	3,064,397.39	3,064,397.39
Gross closing balance	1,435,503.02	15,150,824.05	27,118,396.72	4,564,444.16	2,636,680.48	135,732.50	51,241,582.93
Redemption opening balance	127,789.59	5,877,024.61	16,035,328.19	3,705,606.75	1,591,125.45	-	27,356,874.59
Increases	20,509.45	762,622.61	2,011,429.13	1,636,981.49	26,783.23	-	5,511,537.63
Current amortisation	-	-	-	-	-	-	-
Redemption from lease	-	-	-	-	-	-	-
Decreases	-	564,767.14	2,255,008.44	1,474,851.40	150,832.98	-	4,475,661.96
Redemption of tangible fixed assets sold and liquidated	-	-	-	-	-	-	-
Redemption closing balance	148,299.04	6,114,678.08	19,056,955.25	4,365,725.71	1,666,063.27	-	31,351,721.35
Net opening balance	1,507,713.43	8,823,895.33	7,424,942.04	562,171.92	552,935.59	1,413,591.80	20,285,244.11
Net closing balance	1,487,203.98	9,036,147.97	8,061,441.47	198,718.45	970,617.21	135,732.50	19,889,861.58

For the period from 01.01.2019 to 31.12.2019 – restated

	Land	Buildings, premises, civil and water engineering structures	Technical equipment and machines	Vehicles	Other tangible fixed assets	Tangible fixed assets under construction	Total tangible fixed assets
Gross opening balance	2,901,522.02	61,164,767.88	42,953,924.79	14,344,387.57	8,245,413.66	816,009.44	130,476,225.36
Application of IFRS 16 for the first time	-	-	-7,093,599.12	-7,055,893.43	-2,492,761.46	-	-16,642,254.01
Increases	781,721.66	1,468,168.90	997,775.97	83,554.97	325,688.70	2,568,481.11	5,227,835.06
Purchase	-	8,566.47	75,319.33	75,319.33	325,688.70	2,568,481.11	3,976,031.56
Acceptance from tangible fixed assets under construction	-	773,155.19	457,392.15	-	-	-	1,230,547.34
Acceptance from lease	-	-	13,020.78	8,235.36	-	-	21,256.14
Decreases	1,266,019.00	47,245,775.60	13,878,244.34	3,124,270.16	3,934,279.84	1,971,098.75	71,419,687.21
Sales	-	1,576.00	301,205.00	117,898.08	-	-	419,103.08
Liquidation and other	-	47,244,199.80	1,383,723.22	2,143,713.90	571,135.81	-	4,100,148.93
Transfer to tangible fixed assets	-	-	12,193,316.12	682,686.18	3,363,144.05	-	65,669,888.36
Contribution in kind of organised part of an enterprise	-	-	-	-	-	1,230,547.34	1,230,547.34
Gross closing balance	1,635,503.02	14,720,913.94	23,440,270.23	4,267,778.67	2,144,061.04	1,413,591.80	47,642,118.70
Application of IFRS 16	108,857.79	11,882,201.99	26,251,793.41	9,954,578.64	3,973,471.53	-	52,170,903.36
Increases	18,931.80	1,720,142.54	2,727,746.65	335,920.66	631,193.20	-	5,433,934.85
Amortisation of accepted from lease	-	-	-	-	-	-	-
Current amortisation	18,931.80	1,720,142.54	2,299,234.98	74,761.38	631,193.20	-	4,744,263.90
Decreases:	7,703,743.92	9,262,935.81	3,408,354.82	3,408,354.82	2,654,105.58	-	23,230,716.13
Contribution in kind of organised part of an enterprise	-	-	-	-	-	-	-
Redemption of tangible fixed assets sold and liquidated	-	-	-	-	-	-	-
Redemption closing balance	127,789.59	5,877,024.61	16,035,328.19	3,705,606.75	1,591,125.45	-	27,356,874.59
Net opening balance	2,792,654.23	47,302,765.89	13,297,806.32	530,453.23	1,738,614.37	816,009.44	68,580,315.46
Net closing balance	1,507,713.43	8,823,895.33	7,424,942.04	562,171.92	552,935.59	1,413,591.80	20,285,244.11



UNIBEP SA
Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)

Change in right-of-use assets

For the period from 01.01.2020 to 31.12.2020

	Land	Buildings, premises, civil and water engineering structures	Technical equipment and machines	Vehicles	Other right-of-use assets	Total
Gross opening balance	3,743,818.93	9,680,595.77	10,130,213.35	11,329,558.96	4,145,034.24	39,049,221.25
Increases	207,509.92	193,608.92	6,245,108.93	2,424,827.08	-	9,291,054.85
Contract conclusion and change	207,509.92	193,608.92	6,245,108.93	2,424,827.08	-	9,291,054.85
Decreases	184,293.67	-	3,481,043.67	2,154,505.00	105,400.00	5,944,242.34
Contract expiry and change	184,293.67	-	3,481,043.67	2,154,505.00	105,400.00	5,944,242.34
Other	-	-	-	1,636,981.49	-	1,636,981.49
Gross closing balance	3,775,035.18	9,874,204.69	12,909,256.61	11,797,881.04	4,039,634.24	42,396,013.76
Redemption opening balance	1,393,743.45	309,358.56	5,861,374.39	5,439,460.80	799,089.99	13,803,027.19
Increases	213,673.61	834,649.23	3,328,284.07	2,534,738.76	807,194.86	7,718,542.53
Current amortisation	213,673.61	834,649.23	3,328,284.07	2,534,738.76	807,194.86	7,718,542.53
Decreases	54,835.98	-	3,302,671.85	2,079,458.94	26,783.23	5,413,750.00
Redemption on contract expiry	54,835.98	-	3,302,671.85	2,079,458.94	26,783.23	5,413,750.00
Redemption closing balance	1,652,581.08	1,144,007.79	5,866,986.61	5,944,740.62	1,579,503.62	16,107,819.72
Net opening balance	2,370,075.46	9,371,237.21	4,268,838.96	5,970,098.16	3,345,944.25	25,246,194.06
Net closing balance	2,222,454.10	8,730,196.90	7,022,272.00	5,853,130.42	2,460,130.62	26,288,194.04

For the period from 01.01.2019 to 31.12.2019 – restated

	Land	Buildings, premises, civil and water engineering structures	Technical equipment and machines	Vehicles	Other right-of-use assets	Total
Gross opening balance	7,340,433.48	-	7,093,599.12	7,055,893.43	2,492,741.46	23,982,667.49
Increases	-	9,680,595.77	3,251,457.23	7,452,283.22	2,107,500.00	22,491,836.22
Conclusion of new leases	-	9,680,595.77	3,251,457.23	7,452,283.22	2,107,500.00	22,491,836.22
Contribution in kind of organised part of an enterprise	-	-	-	-	-	-
Decreases	3,576,614.75	-	214,843.00	3,178,617.69	455,227.22	7,425,302.66
Expiration of contracts and lease assignment	3,576,614.75	-	214,843.00	742,002.97	-	556,845.97
Contribution in kind of organised part of an enterprise	-	-	-	2,436,614.72	455,227.22	6,468,456.69
Gross closing balance	3,763,818.93	9,680,595.77	10,130,213.35	11,329,558.96	4,145,034.24	39,049,221.25
Redemption opening balance	1,734,000.58	3,681,271.06	3,176,537.73	3,176,537.73	159,433.70	8,751,248.07
Increases	190,822.14	309,358.56	2,288,691.84	2,836,646.49	788,538.83	6,364,057.86
Current amortisation	190,822.14	309,358.56	2,288,691.84	2,836,646.49	788,538.83	6,364,057.86
Decreases	531,079.27	-	58,593.51	573,723.42	148,882.54	1,312,278.74
Contribution in kind of organised part of an enterprise	-	-	-	573,723.42	148,882.54	1,253,685.23
Redemption of expiry of contracts and lease assignments	-	-	58,593.51	-	-	58,593.51
Redemption closing balance	1,393,743.45	3,09,358.56	5,861,374.39	5,439,460.80	799,089.99	13,803,027.19
Net opening balance	5,606,433.10	3,412,323.04	3,679,355.70	3,679,355.70	2,333,327.76	15,231,439.62
Net closing balance	2,270,075.48	9,371,237.21	4,268,838.96	5,890,098.16	3,345,944.25	25,246,194.06



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Amortisation of tangible fixed assets was recognised in the following items of the profit and loss account:

	01.01-31.12.2020	01.01-31.12.2019 restated
Manufacturing costs of products and services sold	9,251,217.98	10,271,978.08
Residential, office and industrial construction	2,074,357.32	1,994,497.77
Infrastructure*	7,046,147.19	5,556,639.94
Modular constructions	128,713.47	2,718,840.35
General and administrative costs	1,998,862.18	1,437,302.24
TOTAL	11,250,080.14	11,709,280.32

Lease – supplementary data

	01.01-31.12.2020	01.01-31.12.2019 restated
Depreciation and amortisation	8,043,453.92	6,364,057.86
Interest†	1,332,198.25	1,069,832.31
Total expenditures on lease contracts	9,436,638.48	7,472,184.98
Short-term lease expenses	155,902.69	350,531.84
Low value lease expenses below 20 thousand PLN		182,898.98

As of 31.12.2020, a total contractual mortgage of up to 4,911,578.00 PLN was established on tangible fixed assets and fixed assets of land in connection with securing potential claims of PZU SA against UNIBEP SA, arising from a good performance bond issued by PZU and removal of defects and faults on the Dąbrowa Białostocka – Sokółka road contract. Net value of tangible fixed assets constituting the security – 3,821,269.54 PLN.

As of 31.12.2019, a total contractual mortgage of up to 4,911,578.00 PLN was established on fixed assets of land in connection with securing potential claims of PZU SA against UNIBEP SA, arising from a good performance bond issued by PZU and removal of defects and faults on the Dąbrowa Białostocka – Sokółka road contract. Net value of tangible fixed assets constituting the security – 3,991,177.90 PLN.

In 2020, there was no compensation received or due in respect of those tangible fixed assets that lost their value or were lost, while in the comparative period the total value amounted to 47,345.73 PLN.

As of 31.12.2020, the value of liabilities related to purchases of tangible fixed assets amounted to 109 thousand PLN.

6.2. Intangible assets

	as of 31.12.2020	as of 31.12.2019 restated
Goodwill	5,628,983.78	5,628,983.78
Acquired concessions, patents, licences and similar assets, including:	2,366,405.30	2,659,244.49
computer software	1,841,565.16	2,231,561.27
other intangible assets, including licences	524,840.14	427,683.22
Intangible assets under construction	725,098.54	546,246.65
Intangible assets	8,720,487.42	8,834,474.92



UNIBEP SA
Separate financial statements for the year ended 31 December 2020, prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN, unless otherwise stated)

Change in intangible assets

For the period 01.01.2020-31.12.2020

	Goodwill	Computer software	Acquired concessions, licences, patents	Intangible assets under construction	Total
Gross opening balance	5,628,983.78	4,487,777.71	958,461.66	546,246.65	11,621,469.80
Increases	-	211,042.19	253,789.52	419,501.89	884,533.60
Purchase	-	124,642.19	70,362.00	419,501.89	614,506.08
Acceptance from the investment	-	86,400.00	183,627.52	-	270,027.52
Decreases	-	-	-	240,650.00	240,650.00
Transfer from the investment	-	-	-	240,650.00	240,650.00
Gross closing balance	5,628,983.78	4,698,819.90	1,212,451.18	725,098.54	12,245,353.40
Redemption opening balance	-	2,256,216.44	530,778.44	-	2,786,994.88
Increases	-	601,038.30	156,832.60	-	757,870.90
Current amortisation	-	601,038.30	156,832.60	-	757,870.90
Redemption closing balance	-	2,857,254.74	687,611.04	-	3,544,865.78
Net opening balance	5,628,983.78	2,231,561.27	427,683.22	546,246.65	8,834,474.92
Net closing balance	5,628,983.78	1,841,565.16	524,840.14	725,098.54	8,720,487.62

For the period 01.01.2019-31.12.2019 – restated

	Costs of completed development works	Goodwill	Computer software	Acquired concessions, licences, patents	Perpetual usufruct	Intangible assets under construction	Total
Gross opening balance	435,615.23	5,628,983.78	5,188,933.78	881,971.92	4,475,543.09	4,631,027.72	21,242,065.52
Increases	-	-	498,878.15	277,805.00	-	997,963.20	1,774,646.35
Purchase	-	-	131,344.43	277,805.00	-	997,963.20	1,407,112.63
Acceptance from intangible assets under construction	-	-	367,533.72	-	-	-	367,533.72
Decreases	435,615.23	-	1,200,024.22	201,315.26	4,475,543.09	5,082,744.27	11,395,242.07
Liquidation	108,446.94	-	61,504.46	180,535.26	-	-	350,486.66
Transfer from intangible assets under construction	-	-	-	-	-	367,533.72	367,533.72
Reclassification in accordance with IFRS 16	-	-	-	-	-	-	-
Contribution in kind of organised part of an enterprise	327,168.29	-	1,138,519.76	20,780.00	4,475,543.09	-	6,201,678.60
Gross closing balance	-	5,628,983.78	4,487,777.71	958,461.66	-	546,246.65	11,621,469.80
Redemption opening balance	383,640.97	-	2,458,951.52	623,205.14	1,734,000.58	-	5,199,798.21
Increases	42,707.95	-	579,245.68	108,888.56	-	-	730,842.19
Current amortisation	42,707.95	-	579,245.68	108,888.56	-	-	730,842.19
Decreases	426,348.92	-	781,980.76	201,315.26	1,734,000.58	-	3,143,645.52
Depreciation of liquidated items	108,446.94	-	63,963.21	180,535.26	-	-	352,945.41
Reclassification in accordance with IFRS 16	-	-	-	-	1,734,000.58	-	1,734,000.58
Contribution in kind of organised part of an enterprise	317,901.98	-	718,017.55	20,780.00	-	-	1,056,699.53



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)

Redemption closing balance	-	2,256,216.44	530,778.44	-	2,786,994.88
Net opening balance	51,974.26	5,628,983.78	2,729,972.26	2,741,542.51	16,042,267.31
Net closing balance	-	5,628,983.78	2,231,561.27	427,483.22	8,834,474.92



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



The Company created research and development works related to new products on its own.

Amortisation of intangible assets was recognised in the following items of the profit and loss account:

	01.01-31.12.2020	01.01-31.12.2019 restated
Manufacturing costs of products and services sold	47,715.72	104,401.69
General and administrative costs	710,155.18	615,782.34
Total amortisation of intangible assets	757,870.90	720,184.03

Ownership structure of intangible assets:

	as of 31.12.2020	as of 31.12.2019 restated
Own	8,720,487.62	8,834,474.92
Total ownership structure of intangible assets	8,720,487.62	8,834,474.92

As of 31 December 2020 and 31 December 2019, the Company did not have any encumbrances of a legal or bond nature on intangible assets.

The main item of intangible assets in 2020 and 2019 was goodwill arising from the acquisition of companies currently called Oddział Infrastruktury UNIBEP SA in the amounts, respectively: 1,954,050.88 PLN and 3,674,932.90 PLN.

Oddział Infrastruktury UNIBEP SA – the goodwill as of 31.12.2020 amounts to 5,628,983.78 PLN.

In order to determine the value in use of the acquired goodwill, a discounted cash flow (DCF) analysis was carried out for the cash generating unit to which the goodwill was allocated, using a weighted average cost of capital (WACC) of 8.64%. These analyses were based on forecasts of future cash flows and planned cash income and expenditures. The residual value for discounted cash flows was calculated on the basis of the perpetuity formula with a 1% increase.

The forecasts approved by the management of the company cover the period of 2021-2025. They take into account the planned financial results in the period, as well as assumptions concerning capital expenditures and the current situation of the company, the order portfolio held, current production capacities and human resources. In addition, they take into account the current and projected market situation, capabilities of companies and opportunities related to acquiring new contracts for implementation. The Company analysed potential orders offered by the infrastructure investment market.

The value in use was determined as a part of tests of the Company for impairment of goodwill as of 31 December 2020 and amounted to 89,910 thousand PLN.

6.3. Investment property

As of 31.12.2020 and 31.12.2019, the Company did not hold any investment property.

6.4. Trade and other receivables

	as of 31.12.2020	as of 31.12.2019 restated
Trade receivables	192,051,233.88	179,382,669.45
Receivables on taxes, subsidies, customs duties, social and health insurance, and other benefits	2,993,656.84	4,871,429.67
Other non-financial receivables	3,085,152.34	2,784,698.77
Other financial receivables	120,357.85	-
Advances granted for deliveries:	5,933,605.97	7,661,269.20
for the purchase of goods, materials and services	5,933,605.97	7,661,269.20
Trade and other receivables	204,184,006.88	194,700,667.09
Expected credit losses on receivables	44,226,312.38	34,192,523.56
TOTAL GROSS SHORT-TERM RECEIVABLES	248,410,319.26	228,892,590.65

Trade receivables – with remaining maturity from the balance sheet date:

	as of 31.12.2020	as of 31.12.2019 restated
a) up to 1 month	81,596,903.44	115,315,794.45
b) between 1 and 3 months	60,047,714.76	31,742,845.13
c) between 3 and 6 months	5,338,411.31	3,018.34
d) over 6 months and up to 1 year	27,255.49	-
e) over 1 year	-	-
f) overdue receivables	45,040,948.88	32,321,011.53
NET TRADE RECEIVABLES	192,051,233.88	179,382,669.45

Bielsk Podlaski, 19 April 2021
page 50



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



As of 31 December 2020, the expected credit losses on trade receivables and other receivables calculated in accordance with IFRS 9 amounted to 44,226,312.38 PLN. Expenses and revenues related to creation and release of the expected credit losses are recognised from 2018 in the profit and loss account under the "Expected credit losses" item. The change in the balance of expected credit losses is presented in Note 6.5.

Overdue trade receivables – with breakdown by overdue receivables in the period of:

	as of 31.12.2020	as of 31.12.2019 restated
a) up to 1 month	20,789,734.57	8,093,659.73
b) between 1 and 3 months	10,329,648.29	1,395,860.88
c) between 3 and 6 months	1,953,257.32	4,251,726.19
d) over 6 months and up to 1 year	3,652,558.21	4,656,747.36
e) over 1 year	8,315,750.49	13,923,017.37
OVERDUE NET TRADE RECEIVABLES	45,040,948.88	32,321,011.53

	as of 31.12.2020	as of 31.12.2019 restated
Short-term receivables	204,184,006.88	194,700,067.09
from related parties	49,104,513.63	23,447,153.69
from other entities	155,079,493.25	171,252,913.40
Expected credit losses on receivables (positive value)	44,226,312.38	34,192,523.56
Gross short-term receivables	248,410,319.24	228,892,590.65

Trade and other receivables by currency are as follows:

	as of 31.12.2020	as of 31.12.2019 restated
Receivables in PLN	168,024,221.11	162,898,575.48
Receivables in USD	372,553.59	614.00
Receivables in USD after conversion into PLN	1,275,799.52	2,334.55
Receivables in EUR	4,770,592.98	5,966,894.56
Receivables in EUR after conversion into PLN	21,995,400.17	23,775,292.73
Receivables in RUB	51,551.00	51,551.00
Receivables in RUB after conversion into PLN	3,952.57	4,023.03
Receivables in NOK	23,845,331.54	17,793,749.80
Receivables in NOK after conversion into PLN	10,218,491.21	7,702,702.14
Receivables in BYN	529,454.72	11,415.09
Receivables in BYN after conversion into PLN	754,702.22	20,497.14
Receivables in SEK	3,952,835.85	464,294.16
Receivables in SEK after conversion into PLN	1,774,746.19	190,082.41
Receivables in UAH	748,965.50	1,907,636.45
Receivables in UAH after conversion into PLN	133,938.04	306,035.87
Receivables in GSP	104.40	104.40
Receivables in GSP after conversion into PLN	535.85	521.70
TOTAL	204,184,006.88	194,700,067.09

Advances have been valued according to the historical rate.

The credit risk of the Company is primarily assigned to trade receivables. The amounts presented in the balance sheet are net amounts, including the estimated expected credit risk.

As of the balance sheet date of 31.12.2020, the receivable from a single external partner exceeded 10% of total receivables.

As of the balance sheet date of 31.12.2019, there were no receivables from a single external partner exceeding 10% of total receivables.

The risk related to this financial asset is described in Section 4 of these financial statements – "Financial risk management", subsection "Credit risk".

6.5. Revaluation write-offs and expected credit losses

EXPECTED CREDIT LOSSES

	01.01-31.12.2020	01.01-31.12.2019 restated
Opening balance	39,041,046.12	25,817,266.12
Trade and other receivables	34,192,523.56	23,857,233.91
Deposits on construction contracts	4,260,739.54	1,346,592.80
Contractual assets	182,137.20	207,793.59
Loans granted	405,645.82	405,645.82
a) Increases	20,925,042.09	17,578,178.54
Trade and other receivables	19,164,305.74	14,508,253.92
Deposits on construction contracts	1,224,615.95	2,914,146.74

Bielsk Podlaski, 19 April 2021

page 51



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Contractual assets	26,875.22	95,777.88
Loans granted	509,245.18	-
b) decreases	13,548,948.08	4,294,398.54
Trade and other receivables	9,130,516.92	4,050,195.03
Contribution in kind of organised part of an enterprise – trade and other receivables	-	122,769.24
Deposits on construction contracts	4,229,224.04	-
Contractual assets	189,207.12	63,777.66
Contribution in kind of organised part of an enterprise – contractual assets	-	57,656.61
TOTAL EXPECTED CREDIT LOSSES	46,417,140.13	39,041,046.12
Trade and other receivables	44,224,312.38	34,192,523.56
Deposits on construction contracts	1,256,131.45	4,260,739.54
Contractual assets	19,805.30	182,137.20
Loans granted	914,891.00	405,645.82

REVALUATION WRITE-OFFS

	01.01-31.12.2020	01.01-31.12.2019 restated
Opening balance	1,026,162.06	1,240,450.00
Inventory	130,000.00	248,550.00
Cash	896,162.06	991,900.00
a) increases	-	-
b) decreases	-	214,287.94
Contribution in kind of organised part of an enterprise – inventory	-	118,550.00
Cash	-	55,737.94
TOTAL REVALUATION WRITE-OFFS	1,026,162.06	1,026,162.06
Inventory	130,000.00	130,000.00
Cash	896,162.06	896,162.06

6.6. Inventory

	as of 31.12.2020	as of 31.12.2019 restated
Materials	14,587,420.48	13,693,439.21
Semi-finished products and work in progress	1,574.40	1,768,272.90
Finished products	145,151.05	3,314,342.63
Goods	-	38,298.78
GROSS INVENTORY	14,734,145.93	18,814,353.52
Inventory revaluation write-offs	130,000.00	130,000.00
NET INVENTORY	14,604,145.93	18,684,353.52

Information on inventory revaluation write-offs is presented in Note 6.5.

As of 31.12.2020 and 31.12.2019, there was no security provided on the inventory.

In 2020 and 2019, borrowing costs were not capitalised in the inventory.

No sales/use of inventory not covered by the write-off is expected in the period longer than by 31.12.2021.

In the period from 01.01.2020 to 31.12.2020, the amount of 2,983 thousand PLN related to materials was recognised in the costs of own sales. The amount of 4,097 thousand PLN from sales of products and services was recognised in the manufacturing costs of products and services sold.

As of 31.12.2020

	Residential, office and industrial construction	Infrastructure	Property development activities	Modular constructions	Total
Gross Inventory	6,013,760.07	8,573,660.41	145,151.05	1,574.40	14,734,145.93
Inventory revaluation write-offs	-	-	130,000.00	-	130,000.00
Net Inventory	6,013,760.07	8,573,660.41	15,151.05	1,574.40	14,604,145.93

As of 31.12.2019 – restated

	Residential, office and industrial construction	Infrastructure	Property development activities	Modular constructions	Total
Gross Inventory	3,324,894.79	10,368,544.46	145,151.05	4,975,763.26	18,814,353.52
Inventory revaluation write-offs	-	-	130,000.00	-	130,000.00
Net Inventory	3,324,894.79	10,368,544.46	15,151.05	4,975,763.26	18,684,353.52

Bielsk Podlaski, 19 April 2021
page 52



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



6.7. Cash and cash equivalents

	as of 31.12.2020	as of 31.12.2019 restated
Cash in PLN	182,070,891.03	104,999,078.14
Cash in EUR	63,407.78	8,180,999.15
Cash in EUR after conversion into PLN	292,614.23	34,838,784.88
Cash in USD	2,842.57	82,793.36
Cash in USD after conversion into PLN	10,485.82	314,424.35
Cash in RUB	15,087,428.48	14,669,803.63
Cash in RUB after conversion into PLN	894,142.04	896,329.89
Cash in NOK	802,049.58	4,910,122.79
Cash in NOK after conversion into PLN	352,910.62	2,121,173.05
Cash in BYN	40,138.73	36,973.92
Cash in BYN after conversion into PLN	57,378.31	66,571.54
Cash in UAH	4,528.51	91,617.29
Cash in UAH after conversion into PLN	600.48	14,677.09
Cash in SEK	9,533.86	411,006.43
Cash in SEK after conversion into PLN	4,379.07	167,402.92
TOTAL	183,685,619.32	143,418,441.86
Cash revaluation write-off	896,162.06	896,162.06
Cash and cash equivalents	182,789,457.26	142,522,279.80

Cash at bank bears interest at variable rates. Short-term deposits are made for various periods, depending on the current demand of the Company for cash and are subject to interest rates set for them. As of the balance sheet date of 31.12.2020, the fair value of cash and cash equivalents amounted to 182,789,457.26 PLN. The disclosed revaluation write-off on cash resulted from the Company estimates of the possibility of payment of funds accumulated on accounts in DAO AKB "Probizniesbank" - in bankruptcy. UNIBEP SA reported its claims and they were accepted and confirmed by the receiver. By 31.12.2020, the receiver paid 207,849.60 PLN, whereas in 2020 there were no payments. The risk related to this asset is described in Section 4 of the Financial Risk Management report.

6.8. Prepayments and accruals

Active long-term prepayments and accruals

	as of 31.12.2020	as of 31.12.2019 restated
Insurance	3,751,453.46	2,401,135.45
Other	27,444.52	207,610.96
long-term prepayments and accruals	3,778,897.98	2,608,746.41

Active short-term prepayments and accruals

	as of 31.12.2020	as of 31.12.2019 restated
Insurance	2,039,298.97	1,499,207.22
Other	593,258.39	853,698.00
Short-term prepayments and accruals	2,632,557.36	2,352,905.22

6.9. Loans granted

As of 31.12.2020

Name of the borrower	Contract date	Amount granted	Repayment date	Closing balance
Undevelopment SA	21.07.2016	PLN 30,000,000.00	30.06.2022	29,777,140.03
Undevelopment SA	17.09.2018	PLN 20,000,000.00	31.05.2021	PLN 19,922,885.98
Lavsetvegen 4 AS	01.09.2020	NOK 500,000.00 / PLN 220,000.00	01.09.2021	PLN 221,610.57
Budrex Sp. z o.o.	23.09.2020	PLN 3,173,577.51	30.12.2021	PLN 3,173,577.51
Unihouse SA	02.10.2020	PLN 10,000,000.00	31.12.2021	PLN 10,090,797.70
TOTAL				PLN 63,186,011.79

As of 31.12.2019 - restated

Name of the borrower	Contract date	Amount granted	Repayment date	Closing balance
Kilmar Plus Sp. z o.o.	11.06.2018	PLN 961,822.70	15.12.2018	PLN 22,330.47
Undevelopment SA	21.07.2016	PLN 30,000,000.00	30.06.2022	PLN 30,554,976.26
Undevelopment SA	17.09.2018	PLN 20,000,000.00	31.05.2021	PLN 19,999,633.87
Undevelopment SA	23.04.2019	PLN 12,000,000.00	15.02.2022	PLN 6,999,551.32
Gemich AS	17.09.2015	NOK 5,000,000.00 / PLN 2,160,000.00	30.06.2020	PLN 474,237.86
TOTAL				PLN 58,050,719.78

Biełk Podlaski, 19 April 2021
page 53



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



As of 31.12.2020, granted loans amounted to: short-term 33,408,871.76 PLN, long-term 29,777,140.03 PLN.

The expected credit losses on loans granted amount to 914,891.00 PLN.
The risk management of this asset is described in Section 4 of these financial statements.

6.10. Capitals

As of 31.12.2020, the share capital amounts to 3,507,063.40 PLN.

The share capital of the Company is divided into 35,070,634 (in words: thirty-five million, seventy thousand, six hundred and thirty-four) shares with a nominal value of 0.10 PLN per share.

All shares of the Company are book-entry and traded on the regulated market of the Warsaw Stock Exchange.

The ownership structure of share capital as of the individual balance sheet dates presented in the financial statements is presented in the tables below.

As of 31.12.2020

SHAREHOLDER	Number of shares held as of the balance sheet date	Share nominal value	Share in the capital as of the balance sheet date (%)
Zofia Mikoluska	8,800,000	880,000.00	25.09
Beata Maria Skowrońska	5,500,000	550,000.00	15.68
Wojciech Stajkowski	2,500,000	250,000.00	7.13
Batenna Lachocka	2,500,000	250,000.00	7.13
AVIVA OFE AVIVA BZ WBK	3,418,920	341,892.00	9.75
PKO BP Bankowy OFE	2,098,756	209,875.60	5.98
Free float	6,752,958	675,295.80	19.26
Own shares (1) (2) (3)	3,500,000	350,000.00	9.98
TOTAL	35,070,634		100.00

(1) 1,000,000 own shares were purchased on 07 February 2017, of which the Company informed in current report no. 10/2017.

(2) 1,000,000 own shares were purchased on 29 May 2019, of which the Company informed in current report no. 28/2019.

(3) 1,500,000 own shares purchased on 27 February 2020 on the basis of the Resolution of the Management Board of the Company of 4 February 2020 on the buy-back of own shares, Resolution No. 37 of the Ordinary General Meeting of Shareholders of the Company of 13 June 2017 on authorising the Management Board of the Company to purchase own shares and adopting the UNIBEP SA own share buy-back programme, amended by Resolution No. 4 of the Extraordinary General Meeting of Shareholders of the Company of 28 February 2019 and Resolution No. 33 of the Ordinary General Meeting of Shareholders of the Company of 13 June 2017 on increasing the amount of the reserve capital from the funds coming from the reserve capital for the buy-back of own shares, amended by Resolution No. 3 of the Extraordinary General Meeting of Shareholders of the Company of 28 February 2019.

As of 31.12.2019

SHAREHOLDER	Number of shares held as of the balance sheet date	Share nominal value	Share in the capital at the balance sheet date (%)
Zofia Mikoluska	8,800,000	880,000.00	25.09
Beata Maria Skowrońska	5,550,000	555,000.00	16.11
Wojciech Stajkowski	2,500,000	250,000.00	7.13
Batenna Lachocka	2,500,000	250,000.00	7.13
AVIVA OFE AVIVA BZ WBK	3,418,920	341,892.00	9.75
NN OFE SA	2,142,359	214,235.90	6.11
PKO BP Bankowy OFE	2,098,756	209,875.60	5.98
Free float	5,940,579	594,057.90	17.00
Own shares (1) (2)	2,000,000	200,000.00	5.70
TOTAL	35,070,634		100.00

(1) Own shares were acquired on the basis of Resolution No. 1 of the Management Board of the Company of 20 January 2017 on the purchase of own shares for the purpose of redemption, by the Company, and Resolution No. 20 of the Ordinary General Meeting of Shareholders of Unibep SA of 18 May 2016 on the creation and use of reserve capital.

(2) 1,000,000 own shares were purchased on 29 May 2019, of which the Company informed in current report no. 28/2019.

The shareholding composition as of the publication date of this report is presented in the table below: *

SHAREHOLDER	Number of shares held	Percentage of the share capital (%)	Number of votes	Percentage of the total number of votes (%)
Zofia Mikoluska	8,800,000	25.09	8,800,000	25.09
Beata Maria Skowrońska	5,500,000	15.68	5,500,000	15.68
Wojciech Stajkowski	2,500,000	7.13	2,500,000	7.13
Batenna Lachocka	2,500,000	7.13	2,500,000	7.13
AVIVA OFE AVIVA BZ WBK	3,418,920	9.75	3,418,920	9.75
PKO BP Bankowy OFE	2,098,756	5.98	2,098,756	5.98
Free float	6,752,958	19.26	6,752,958	19.26
Own shares (1), (2), (3)	3,500,000	9.98	3,500,000	9.98
TOTAL	35,070,634	100.00	35,070,634	100.00

* Based on information provided to the issuer pursuant to Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, the "MAR Regulation" and the Act on Public Offering and Conditions Governing the introduction of Financial Instruments to Organised Trading of 29 July 2005, as amended.

(1) 1,000,000 own shares were purchased on 07 February 2017, of which the Company informed in current report no. 10/2017.



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



(2) 1,000,000 own shares were purchased on 29 May 2019, of which the Company informed in current report no. 28/2019.
 (3) 1,500,000 own shares purchased on 27 February 2020 on the basis of the Resolution of the Management Board of the Company of 4 February 2020 on the buy-back of own shares, Resolution No. 30 of the Ordinary General Meeting of Shareholders of the Company of 13 June 2017 on authorising the Management Board of the Company to purchase own shares and adopting the UNIBEP SA own share buy-back programme, amended by Resolution No. 4 of the Extraordinary General Meeting of Shareholders of the Company of 28 February 2019 and Resolution No. 33 of the Ordinary General Meeting of Shareholders of the Company of 13 June 2017 on increasing the amount of the reserve capital from the funds coming from the reserve capital for the buy-back of own shares, amended by Resolution No. 5 of the Extraordinary General Meeting of Shareholders of the Company of 28 February 2019.

The supplementary capital from the sales of shares above their nominal value, presented in the statements of financial position and in the statement of changes in equity, was created as a result of:

- issue of shares of the Company on the Warsaw Stock Exchange – 57,113,921.99 PLN,
- sales of own shares – 2,312,569.03 PLN,
- acquisition of shares under the Incentive Scheme – 2,727,270 PLN.

On the basis of Resolution No. 19 of the Ordinary General Meeting of Shareholders of 15 June 2020, net profit for 2019 in the amount of 16,589,015.50 PLN was divided as follows:

1. The amount of 6,945,539.48 PLN was allocated to dividend for shareholders.
2. The amount of 9,643,476.02 PLN was allocated to reserve capital.

Own shares held by the Company were excluded from the dividend payment.

In 2020, the reserve capital allocated for the buy-back of own shares was reduced by 13,849,500.00 PLN in connection with the buy-back of 1,500,000 shares.

The specification of other equity items is presented in the tables below:

Other reserve capitals

	as of 31.12.2020	as of 31.12.2019 restated
Other capitals, including:	26,479,158.90	29,407,095.54
Revaluation reserve	26,479,158.90	29,407,095.54
capital from exchange of shares in subsidiaries	28,884,090.00	28,884,090.00
actuarial gains (losses) on defined benefit plans	-1,152,747.00	-1,070,557.00
effective part of changes in fair value of cash flows hedges in hedge accounting	-2,344,542.50	501,204.14
measurement of tangible fixed assets	1,092,358.40	1,092,358.40

Retained earnings

	as of 31.12.2020	as of 31.12.2019 restated
Supplementary capital created from retained earnings	74,339,964.21	64,696,488.19
Reserve capital for the buy-back of own shares created from retained earnings	14,413,500.00	28,263,000.00
Net profit (loss) from previous years	-	-
Current net profit (loss)	16,761,967.84	16,589,015.50
Retained earnings (loss)	105,515,432.05	109,548,503.69
Accounting value	196,563,056.97	203,524,065.25
Number of ordinary shares	31,570,634.00	33,070,634.00
Accounting value per share	6.23	6.15

INCENTIVE SCHEME

On 15 June 2020, the Ordinary General Meeting of Shareholders of UNIBEP SA adopted assumptions of the Incentive Scheme for the members of the Management Board and key managers. Under the Scheme, the Company will be able to sell its own shares to such persons. The General Meeting of Shareholders earmarked all own shares of the Company, i.e. 3,500,000 shares, for the implementation of the Incentive Scheme. The General Meeting of Shareholders authorised the Supervisory Board to establish the Rules of the Incentive Scheme specifying detailed principles for implementation of this Scheme, including the rules for conclusion of the Scheme Participation Agreements. The purchase price of the Shares under the Incentive Scheme shall not be less than 1 PLN per share. The General Meeting of Shareholders of UNIBEP SA authorised the Supervisory Board to establish the purchase price of shares for each of the participants of the Incentive Scheme. This price may vary between transactions, under which the shares are purchased.

On 4 November 2020, the Supervisory Board of UNIBEP SA adopted the Rules of the Incentive Scheme of UNIBEP SA (hereinafter referred to as the "Scheme").

Scheme Participants:

Scheme Participants are members of the Management Board of the Company and management of the Company and of Unibep Group companies, with whom the Supervisory Board of the Company will conclude agreements on participation in the Scheme. Participation Agreements will be entered into annually and will be related to the opportunity to purchase shares in the Scheme for that assessment year.

By 31 January of the relevant assessment year, a list of participants for the relevant assessment year will be



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



prepared, which will include the minimum number of shares that may be offered to individual persons with whom the Company will enter into agreements of participation in the Scheme for the relevant assessment year.

Pool of shares:

The Company has allocated 3,500,000 of the own shares to the Scheme pursuant to a resolution of the General Meeting of Shareholders of 15 June 2020. The pool of shares will be reduced by the number of all shares sold to the Scheme participants for each year of allocation. In the event that the total number of shares disposed of into the Scheme during the Scheme period is less than the pool of shares, shareholders may decide to allocate the remaining shares at the Annual General Meeting of Shareholders of the Company approving the financial statements of the Company for the last year of allocation during the Scheme period.

Selling price:

The own shares of the Company will be offered for purchase to participants in the Scheme at a price corresponding to the selling price set by the Supervisory Board for the given assessment year in each case, in the agreement on participation in the Scheme. This price may vary between transactions, under which the Shares are purchased by the Scheme participants. The selling price will be determined according to the requirements concerning transactions with related entities and will not be lower than 1 PLN.

Scheme Participation Agreements:

Within 14 days from the date of adoption by the of a resolution defining the allocation criteria for a given year of assessment by the Supervisory Board of the Company, the Company shall address an offer to each person indicated in the list of participants to conclude the Scheme participation agreement concerning the shares allocated for a given assessment year. The offer made to a person will be for shares in the minimum quantity set for that person by the Supervisory Board in the list of participants for the relevant assessment year.

The Supervisory Board of the Company may, at its own discretion in a given assessment year, make additional offers to enter into the Scheme participation agreement both to persons indicated in the list of participants for the given assessment year and to other persons who are members of the Management Board of the Company or the key management of the Company or Unibep Group companies.

Allocation criteria:

The right to purchase shares by Scheme participants granted for the given assessment year arises under the condition that allocation criteria for that assessment year are met. The allocation criteria will be determined by a resolution of the Supervisory Board of the Company by 31 January of each assessment year. Additional (i.e. not listed in the resolution of the Supervisory Board) criteria of allocation concerning the given Scheme participant for the given assessment year may be set in the Scheme participation agreements concluded with individual Scheme participants.

The Supervisory Board may, at its discretion, decide to offer all or some of the shares designated as to be allocated to the Scheme participant in the Scheme Participation Agreement to all or some of the Scheme participants despite the failure to meet the allocation criteria. In particular, such a decision may be made in the event of exceptional circumstances affecting the ability of the Scheme participant to meet the allocation criteria which the Scheme participant had no influence on or the influence was insignificant.

Persons who meet the allocation criteria:

The list of persons meeting the allocation criteria will be drawn up by the Supervisory Board for each assessment year on the basis of the list of participants, within 60 days from the approval of financial statements of the Company comprising the basis for the assessment by the General Meeting of Shareholders. The list shall include the Scheme participants in relation to whom the allocation criteria for a given assessment year have been met, as specified in the Scheme Participation Agreement concluded between the Company and each of the Scheme participants. The list of persons meeting the allocation criteria will include the final number of shares to be offered to such persons.

Acquisition of shares by persons meeting the allocation criteria:

Settlement of the Scheme for the given assessment year will be made by the Company offering shares to Scheme participants who have been included in the list of persons meeting the criteria according to the terms set out in the Rules.

The Company will immediately, but not later than within 14 days after the list of persons meeting the criteria for the given assessment year is compiled, submit an offer specifying the number of shares consistent with the number specified in the list of persons meeting the criteria and the procedure and conditions for the acquisition of shares to each person meeting the criteria. If, as a result of an offer being made on the date set out above, the term of the right to make a declaration to accept the offer referred to below granted to a person meeting the criteria would, in any part, fall within the closed period referred to in Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Market Abuse Regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, the Company will be entitled to make an offer within 7 days of the end of the closed period.

The shares will be purchased on the basis of declarations of offer acceptance submitted by persons meeting the criteria. The declaration should be submitted to the Company within 30 days from the date of the offer to



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



purchase the shares made by the Company. A declaration made after the expiry of the above period shall be ineffective.

The declaration may relate to all or some of the shares allocated to be acquired by the person meeting the criteria in accordance with the list of persons meeting the criteria. If a person meeting the criteria submits the declaration referred to in the previous sentence concerning only some of the shares allocated to him/her for purchase, the remaining shares will remain in the pool of shares and may be distributed in accordance with the Rules.

The Supervisory Board shall determine the procedure and time limits for payment for shares by persons meeting the criteria, as well as the types of security referred to below in the form of a resolution adopted at a meeting at which it passes a resolution to draw up a list of persons meeting the criteria. A resolution of the Supervisory Board concerning the mode and dates of payment may in particular provide that payment for the acquired shares be made in instalments, in accordance with the principles established by the Supervisory Board.

If the shares acquired pursuant to the offer are paid for in instalments, the shares may be subscribed for to secure the obligation to pay the price indicated in the declaration on acceptance of the offer, with the following instruments: (i) a registered pledge, as referred to in the Act on the Registered Pledge and the Register of Pledges of 6 December 1996, combined with the establishment of a blockade of the shares acquired pursuant to the Share Offering; or (ii) an indefinite blockade, as referred to in the Regulation of the Minister of Finances of 30 May 2018 on the procedure and conditions for the conduct of investment firms, banks referred to in Article 70(2) of the Act on Trading in Financial Instruments and custodian banks or regulations that replace this regulation; or (iii) another type of security. The provided security will include an obligation not to sell the received shares until the total purchase price for shares offered to the person meeting the share criteria has been paid.

On 14 January, the Supervisory Board of the Company adopted the list of Incentive Scheme Participants of UNIBEP SA for 2021. A minimum number of shares which may be offered for purchase by the Incentive Scheme Participants has been established. Moreover, the Supervisory Board adopted resolutions on the determination of allocation criteria, share selling price and approval of the content of agreements on participation in the Incentive Scheme of UNIBEP SA.

The eligible participants of the Incentive Scheme for the assessment year 2021 are the members of the Management Board of the Company. Provided that the allocation criteria are met, at least 600,000 shares will be offered to them for the assessment year 2021, including at least 220,000 shares to Mr Leszek Marek Gotqbiecki, at least 190,000 shares to Mr Sławomir Kiszycki, at least 140,000 shares to Mr Krzysztof Mikotajczyk and at least 50,000 shares to Mr Adam Polński.

The criteria for allocation of shares of the Company for the assessment year 2021 include, in particular, remaining a member of the Management Board of the Company as well as meeting the set financial targets of the Company and the Unibep Capital Group.

The selling price of shares which may be directed for purchase by an eligible participant of the Incentive Scheme for the assessment year 2021 is 3 PLN per share.

On 28 January 2021, agreements were concluded with participants of the Incentive Scheme implemented by UNIBEP SA.

6.11. Limitations to transferring the title to securities

At present, there are no limitations known regarding the execution of voting rights by the owners of a specific part or number of shares, as well as of limitations regarding the transfer of ownership rights to securities of the Company.

6.12. Credits, loans and other financial liabilities

	as of 31.12.2020	as of 31.12.2019 restated
Credits, loans and other financial liabilities – long-term	54,019,993.88	80,724,050.73
Bond liabilities	33,046,630.09	61,603,595.98
Lease liabilities	18,652,183.41	19,120,454.75
Derivative financial instrument liabilities	2,321,180.38	-
Credits, loans and other financial liabilities – short-term	39,883,813.32	12,909,158.18
Loan liabilities	-	3,987,804.44
Bond liabilities	31,078,686.58	3,170,188.46
Lease liabilities	7,264,194.53	5,751,165.08
Derivative financial instrument liabilities	1,540,932.21	-
TOTAL	93,903,807.20	93,633,208.91

LONG-TERM CREDIT LIABILITIES 31.12.2020

Bielsk Podlaski, 19 April 2021
page 57



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the Tables are expressed in PLN unless otherwise stated)



As of 31.12.2020, the Company did not have any long-term loan liabilities.

LONG-TERM CREDIT LIABILITIES 31.12.2019 – restated

As of 31.12.2019, the Company did not have any long-term liabilities on loans.

SHORT-TERM CREDIT LIABILITIES 31.12.2020

Bank name	Amount of credit	Value as of	Interest rate conditions	Repayment date	Security	Type of credit
PKO BP SA*	PLN 5,000,000.00	PLN 0.00	WIBOR 1M + margin	30.11.2021	assignment of receivables from contracts	revolving bank overdraft
Sanlander Bank Polska SA**	PLN 10,000,000.00	PLN 0.00	WIBOR 1M + margin	30.09.2021	assignment of receivables from contracts	revolving bank overdraft
BNP Paribas Bank Polska SA	PLN 20,000,000.00	PLN 0.00	WIBOR 1M + margin	30.06.2021	assignment of receivables from contracts	revolving bank overdraft
mBank SA	PLN 10,000,000.00	PLN 0.00	WIBOR O/N + margin	25.02.2021	assignment of receivables from contracts	revolving bank overdraft
Bank Gospodarstwa Krajowego	PLN 25,000,000.00	PLN 0.00	WIBOR 1M + margin	28.02.2022	assignment of receivables from contracts	revolving bank overdraft

*Under the bilateral contract: UNIBEP SA, UNIHOUSE SA, PKO BP SA

**Bank overdraft drawn on Sanlander Bank Polska SA for the amount of 10,000,000.00 to be repaid on 30.09.2021 intended to be used jointly by UNIBEP SA and UNIHOUSE SA

SHORT-TERM CREDIT LIABILITIES 31.12.2019 – restated

Bank name	Amount of credit	Value as of	Interest rate conditions	Repayment date	Security	Type of credit
PKO BP SA	PLN 15,000,000.00	PLN 0.00	WIBOR 1M + margin	30.11.2020	assignment of receivables from contracts	revolving bank overdraft
Sanlander Bank Polska SA	PLN 10,000,000.00	PLN 0.00	WIBOR O/N + margin	21.09.2020	assignment of receivables from contracts	revolving bank overdraft
BNP Paribas Bank Polska SA	PLN 15,000,000.00	PLN 0.00	WIBOR 1M + margin	30.06.2020	assignment of receivables from contracts	revolving bank overdraft
mBANK SA	PLN 10,000,000.00	PLN 0.00	WIBOR 1M + margin	25.02.2020	assignment of receivables from contracts	revolving bank overdraft
Bank Gospodarstwa Krajowego	PLN 30,000,000.00	PLN 0.00	WIBOR 1M + margin	17.11.2020	assignment of receivables from contracts	revolving bank overdraft

Credits granted, but not used as of 31.12.2020 amounted to 70,000,000.00 PLN.

Credits granted, but not used as of 31.12.2019 amounted to 80,000,000.00 PLN.

LONG-TERM LOAN LIABILITIES 31.12.2020

As of 31.12.2020, the Company did not have any long-term loan liabilities.

LONG-TERM LOAN LIABILITIES 31.12.2019 – restated

As of 31.12.2019, the Company did not have any long-term loan liabilities.

SHORT-TERM LOAN LIABILITIES 31.12.2020

As of 31.12.2020, the Company did not have any short-term loan liabilities.

SHORT-TERM LOAN LIABILITIES 31.12.2019 – restated

Lender name	Loan amount	Value as of the balance sheet date	Interest rate conditions	Repayment date	Security	Loan type
Numbel Holdings Limited	EUR 3,000,000.00 / PLN 12,775,500.00	EUR 936,434.11 / PLN 3,987,804.64	2.5 %	30.06.2020	no information about security in the Contract	loan
TOTAL		PLN 3,987,804.64				

On 01.11.2019, the credit in ING Bank Śląski SA for the amount of 9,996,000.00 PLN and the loan in ING Bank Śląski SA for the amount of 7,568,000.00 PLN were transferred to the subsidiary Unihouse SA as a contribution in



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Kind of an organised part of an enterprise.

ISSUED BONDS AS OF 31.12.2020

Name of the liability	Issue amount PLN	Value as of the balance sheet date PLN	Interest rate conditions	Issue date	Redemption date
Series E bonds, 3-year, unsecured, interest bonds	PLN 30,000,000.00 / 300,000 pieces, PLN 100.00 each	29,936,391.06	WIBOR 6M + margin	06.06.2018	06.06.2021
Series F bonds, 3-year, unsecured, interest bonds	PLN 34,000,000.00 / 340,000 pieces, PLN 100.00 each	34,188,925.61	WIBOR 6M + margin	15.02.2019	15.02.2022
		64,125,316.67			

ISSUED BONDS AS OF 31.12.2019 – restated

Name of the liability	Issue amount PLN	Value as of the balance sheet date PLN	Interest rate conditions	Issue date	Redemption date
Series E bonds, 3-year, unsecured, interest bonds	PLN 30,000,000.00 / 300,000 pieces, PLN 100.00 each	30,106,576.07	WIBOR 6M + margin	06.06.2018	06.06.2021
Series F bonds, 3-year, unsecured, interest bonds	PLN 34,000,000.00 / 340,000 pieces, PLN 100.00 each	34,667,208.37	WIBOR 6M + margin	15.02.2019	15.02.2022
		64,773,784.44			

Series E bonds and series F bonds are listed on the Catalyst market operated by the Warsaw Stock Exchange as part of the alternative trading system.

Interest payment date of series E bonds: 06.06.2021.

Interest payment date of series F bonds: 15.02.2021, 15.08.2021, 15.02.2022.

The maturity structure of credits, loans and long-term bonds is as follows:

	as of 31.12.2020	as of 31.12.2019 restated
a) over 1 year to 3 years	33,046,630.09	61,603,595.98
TOTAL	33,046,630.09	61,603,595.98

Credits/loans and long-term bonds were measured with the use of the adjusted purchase price method. The contractual maturity structure of undiscounted cash flows under credits, loans and bonds is as follows:

As of 31.12.2020

	Carrying amount	Undiscounted contractual cash flows
a) up to 1 year	31,078,686.58	31,849,400.00
b) over 1 year to 3 years	33,046,630.09	34,642,700.00
TOTAL	64,125,316.67	66,492,100.00

As of 31.12.2019 – restated

	Carrying amount	Undiscounted contractual cash flows
a) up to 1 year	7,157,993.10	7,424,952.54
b) over 1 year to 3 years	61,603,595.98	67,492,900.00
TOTAL	68,761,589.08	74,917,852.54

During the reporting period, none of the credit/loan contracts were terminated and there was no demand for early redemption of bonds.

6.13. Lease

The Company has concluded lease contracts concerning the use of land, commercial premises, vehicles and machines.

Lease liabilities

	as of 31.12.2020	as of 31.12.2019 restated
a) less than 1 year	7,264,194.53	5,751,165.08
b) from 1 year to 5 years	11,412,151.71	12,596,808.06



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



c) over 5 years	7,240,031.70	6,573,646.69
TOTAL	25,918,377.94	24,871,619.83

6.14. Provisions

Employee benefit liabilities recognised in the statements of financial position:

	as of 31.12.2020	as of 31.12.2019 restated
Retirement severance pay	2,253,850.06	1,979,219.41
current liability as of the balance sheet date	2,253,850.06	1,979,219.41
Disability severance pay	159,342.00	140,671.00
current liability as of the balance sheet date	159,342.00	140,671.00
Liabilities for retirement and disability benefits, including:	2,413,192.06	2,119,890.41
- long-term part	2,140,953.06	1,919,453.40
- short-term part	272,239.00	200,437.01

Changes in the liabilities for retirement and disability benefits are presented in the table below:

	as of 31.12.2020	as of 31.12.2019 restated
Current liability opening balance	2,119,890.41	2,733,687.00
interest expenses	40,002.00	70,797.00
current employment costs	334,016.12	455,439.67
benefits paid	-182,185.47	-162,874.26
contribution in kind of organised part of an enterprise	-	-1,392,834.00
actuarial gains/losses, including those arising from:	101,469.00	415,677.00
- adjustments of actuarial assumptions ex post	-41,254.00	336,828.00
- changes in demographic assumptions	-73,199.00	-94,863.00
- changes in financial assumptions	215,922.00	173,712.00
Current liability closing balance	2,413,192.06	2,119,890.41

Charges to the account under retirement and disability benefits are as follows:

	as of 31.12.2020	as of 31.12.2019 restated
employment value	334,016.12	455,439.67
interest expenses	40,002.00	70,797.00
Costs recognised in the profit and loss account	374,018.12	526,236.67
actuarial gains/losses recognised in the period	101,469.00	415,677.00
Costs recognised in other comprehensive income	101,469.00	415,677.00
including costs of employee benefits recognised in the profit and loss account under:		
- manufacturing costs	286,741.50	422,895.96
- general and administrative costs	87,276.62	103,340.71

The actuarial assumptions are based on the following parameters for the years 2019-2020:

- discount rate in 2020 1.57%
- discount rate in 2019 1.99%
- the planned long-term increase in the salary base in the Company in 2021 and subsequent years is 3.0%

As of 31.12.2021, the actuarial projection of the current values of the future liabilities of the Company towards its employees is as follows:

ITEM/BENEFIT	Retirement severance pay	Disability severance pay	Total
current liability as of 31.12.2020	2,253,850	159,342	2,413,192
current liability as of 31.12.2021	2,323,246	172,462	2,495,708
including:			
short-term part	127,561	21,807	149,368
long-term part	2,195,685	150,655	2,346,340

As of 31.12.2021, the projection of the amount of provisions for employee benefits presented above is only indicative. The amount of liabilities as of the above date, in accordance with IAS 19, may differ significantly from the above forecast, in particular due to the failure to take into account actuarial gains and losses, which will be known only at the date of provision creation.

According to IAS 19, the amount of the provision for the above date should take into account any significant change in assumptions that occurs in the meantime, in particular significant changes in the structure, current workforce, engagement of new employees, actual rather than projected salary increases, turnover levels, discounts, etc.

In estimating the forecast, it was assumed that, at the time the forecast is expected to be made, employees of the Entity will neither have reached retirement age by that time nor have already received their retirement or disability severance pay. If these assumptions are not fully met, a deviation of the above forecast from the actual amount of future provisions should also be expected.



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Provision sensitivity analysis

The discount rate, the salary increase rate and the rotation rate are key actuarial assumptions that affect the provisions for employee benefits. The choice of the discount rate is related to the current situation on the treasury bond market, while the choice of the planned remuneration increases reflects the strategy of the Company in terms of shaping the remuneration policy in the future. In addition, the provisions for employee benefits are affected by the employee turnover rate depending on the historical turnover of the Company employees.

In accordance with IAS 19, the Company discloses a sensitivity analysis for each significant actuarial assumption at the end of the reporting period, showing the effect changes in the relevant actuarial assumptions would have on the liability.

The results of the calculations are as follows as of 31.12.2020:

PARAMETER/BENEFIT	Retirement severance pay	Disability severance pay	Unused holiday leaves	TOTAL
Initial amounts of provisions	2,253,850.00	159,347.00	3,896,452.00	6,309,644.00
Turnover coefficient -1.0%	2,398,584.00	168,917.00	3,896,452.00	6,463,953.00
Turnover coefficient +1.0%	2,127,106.00	150,684.00	3,896,452.00	6,174,244.00
Technical discount rate -1.0%	2,417,784.00	166,134.00	3,896,452.00	6,480,372.00
Technical discount rate +1.0%	2,107,065.00	152,976.00	3,896,452.00	6,156,493.00
base increases				
Salary in the Company -1.0%	2,238,697.00	158,364.00	3,896,452.00	6,293,513.00
Salary in the Company +1.0%	2,277,570.00	160,616.00	3,896,452.00	6,334,638.00
Minimum salary -1.0%	2,004,023.00	148,649.00	3,896,452.00	6,049,124.00
Minimum salary +1.0%	2,563,779.00	171,700.00	3,896,452.00	6,631,931.00

The results of the calculations are as follows as of 31.12.2019:

PARAMETER/BENEFIT	Retirement severance pay	Disability severance pay	Unused holiday leaves	Total
Initial amounts of provisions	1,979,219.00	140,671.00	3,480,850.00	5,600,740.00
Turnover coefficient -1.0%	2,093,756.00	148,767.00	3,480,850.00	5,723,373.00
Turnover coefficient +1.0%	1,878,713.00	133,395.00	3,480,850.00	5,492,958.00
Technical discount rate -1.00%	2,264,049.00	152,725.00	3,480,850.00	5,897,624.00
Technical discount rate +1.00%	1,749,250.00	130,287.00	3,480,850.00	5,360,387.00
base increases				
Salary in the Company -1.0%	1,564,942.00	139,691.00	3,480,850.00	5,585,483.00
Salary in the Company +1.0%	1,999,730.00	141,924.00	3,480,850.00	5,622,504.00
Minimum salary -1.0%	1,772,351.00	131,669.00	3,480,850.00	5,384,870.00
Minimum salary +1.0%	2,233,379.00	151,115.00	3,480,850.00	5,865,344.00

The last valuation of an independent actuary was performed as of 31 December 2020.

	01.01-31.12.2020	01.01-31.12.2019 restated
OPENING BALANCE OF OTHER LONG-TERM PROVISIONS	28,274,274.73	27,136,772.83
Warranty repairs	28,274,274.73	26,593,272.93
Disputes	-	542,500.00
a) Increases	8,373,320.24	8,933,315.83
Warranty repairs	8,373,320.24	8,933,315.83
b) Use	-	542,500.00
Disputes	-	542,500.00
c) Release	5,756,602.73	7,252,312.03
Warranty repairs - transfer to short-term	5,756,602.73	7,252,312.03
CLOSING BALANCE OF OTHER LONG-TERM PROVISIONS	30,890,994.24	28,274,274.73
Warranty repairs	30,890,994.24	28,274,274.73
	01.01-31.12.2020	01.01-31.12.2019 restated
OPENING BALANCE OF OTHER SHORT-TERM PROVISIONS	120,416,471.04	104,388,293.25
Employee benefits	13,950,655.01	12,317,435.62
Warranty repairs	4,082,067.22	3,951,130.76
Planned losses in long-term contracts	83,597.47	1,824,740.23
Costs of subcontractors	99,814,761.34	84,886,753.21
Disputes	1,568,200.00	898,342.46
Other costs	914,220.00	509,891.00
a) Increases	746,471,901.74	783,830,437.13
Employee benefits	18,574,788.14	19,167,527.46
Warranty repairs	5,756,602.73	7,252,312.03
Planned losses in long-term contracts	795,552.78	-
Costs of subcontractors	718,234,194.11	755,677,519.90
Disputes	2,177,134.13	669,857.54
Other costs	931,629.85	1,063,220.00
b) Use	741,659,858.25	765,900,021.43
Employee benefits	15,363,230.30	15,773,228.80
Warranty repairs	5,658,601.70	7,121,375.57
Planned losses in long-term contracts	-	1,711,334.29
Costs of subcontractors	716,252,342.27	740,635,191.77
Disputes	3,225,334.13	-
Other costs	1,060,349.85	658,891.00
c) Other decreases	-	1,603,237.94
Contribution in kind of organised part of an enterprise - employee benefits	-	1,741,049.47

Bielsk Podlaski, 19 April 2021
page 61



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Contribution in kind of organised part of an enterprise – planned losses in long-term contracts	-	27,808.47
Contribution in kind of organised part of an enterprise – costs of subcontractors	-	114,280.00
CLOSING BALANCE OF OTHER SHORT-TERM PROVISIONS	125,327,514.53	120,415,471.04
Employee benefits	17,164,242.55	13,950,665.01
Warranty repairs	4,180,068.25	4,082,067.22
Planned losses in long-term contracts	881,150.25	85,597.47
Costs of subcontractors	101,795,553.18	99,814,701.34
Deputies	520,000.00	1,568,200.00
Other costs	785,500.00	914,220.00



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



6.15. Trade and other liabilities

Short-term Trade and other liabilities:

	as of 31.12.2020	as of 31.12.2019 restated
Trade liabilities	178,297,146.51	174,789,841.82
Tax, customs, insurance liabilities	8,627,114.41	9,332,340.73
Payroll liabilities	992,655.41	991,399.65
Accruals	2,999,489.62	4,953,799.43
Special funds	15,450.16	13,474.42
Other liabilities	367,465.47	2,349,424.58
Trade and other liabilities	191,299,341.58	192,430,280.62

Trade liabilities – maturing from the balance sheet date:

	as of 31.12.2020	as of 31.12.2019 restated
a) up to 1 month	109,857,722.88	103,667,468.42
b) between 1 and 3 months	30,118,083.90	43,810,902.49
c) between 3 and 6 months	859,474.61	1,364,723.09
d) over 6 months and up to 1 year	239,998.00	3,533.50
f) overdue liabilities	44,221,887.12	25,943,214.12
TRADE LIABILITIES	178,297,146.51	174,789,841.82

Overdue trade liabilities:

	as of 31.12.2020	as of 31.12.2019 restated
a) up to 1 month	37,311,548.44	21,152,875.02
b) between 1 and 3 months	5,891,052.28	3,534,026.76
c) between 3 and 6 months	191,627.41	691,248.57
d) over 6 months and up to 1 year	61,360.13	436,952.46
e) over 1 year	766,298.86	128,111.31
OVERDUE TRADE LIABILITIES	44,221,887.12	25,943,214.12

Short-term liabilities – by currency:

	as of 31.12.2020	as of 31.12.2019 restated
Liabilities in PLN	170,080,890.42	174,377,246.69
Liabilities in RUB	307.60	307.60
Liabilities in RUB after conversion into PLN	15.41	18.79
Liabilities in EUR	2,249,256.68	2,446,361.16
Liabilities in EUR after conversion into PLN	10,379,869.72	10,417,829.02
Liabilities in UAH	13,277,418.75	9,804,778.72
Liabilities in UAH after conversion into PLN	1,760,585.72	1,570,725.24
Liabilities in NOK	19,385,737.75	13,312,678.49
Liabilities in NOK after conversion into PLN	8,529,724.62	5,753,011.11
Liabilities in SEK	1,142,584.60	317,366.97
Liabilities in SEK after conversion into PLN	525,544.32	129,263.57
Liabilities in BYN	15,887.63	101,186.77
Liabilities in BYN after conversion into PLN	22,711.37	182,186.78
TOTAL	191,299,341.58	192,430,280.62



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



6.16. Current income tax

Deferred income tax assets and provisions are created based on the rate of 19% due to the assumed possibility of settling a significant part of assets and provisions in the Polish CIT tax, also with respect to foreign markets for taxable and deductible temporary differences concerning assets and liabilities.

Changes in deferred income tax assets and liabilities by title are as follows:

For the period 01.01.2020-31.12.2020

	Opening balance of assets	Creation/ (use) of an asset through the profit and loss account	Creation/ (use) of an asset through other comprehensive income	Closing balance of assets
Provision for warranty repairs	6,147,705.00	515,797.00	-	6,663,502.00
Provision for employee benefits	2,903,404.00	643,009.00	-	3,546,413.00
Provision for costs of subcontractors	19,906,015.00	5,233.00	-	19,911,248.00
Provision for liabilities	165,528.00	-165,528.00	-	-
Contracts (decrease in revenues "-")	4,576,182.00	-1,731,526.00	-	2,844,656.00
Contracts - provision for losses	16,264.00	151,156.00	-	167,419.00
Production not completed for tax purposes	5,089,814.00	-2,762,266.00	-	2,327,548.00
Unrealised foreign exchange rate losses	537,690.00	79,545.00	-	617,235.00
Unpaid interest	21,750.00	-15,471.00	-	6,279.00
Receivables discounting	429,755.00	-421,619.00	-	8,136.00
Write-off of other assets	6,845,244.00	1,418,368.00	-	8,263,612.00
Difference between tax value and carrying amount of inventory	24,700.00	-	-	24,700.00
Valuation of derivative instruments	51,992.00	169,925.00	-	221,917.00
Valuation of credits, loans, bonds, promissory notes	147,019.00	-83,772.00	-	63,247.00
Tax loss	6,487,603.00	-6,487,603.00	-	-
Actual gains and losses accounted for in the revaluation capital	251,118.00	-	19,279.00	270,397.00
Revaluation capital - valuation of derivative instruments	-	-	549,954.00	549,954.00
Other titles	101,123.00	48,122.00	-	149,245.00
Total	53,702,905.00	-8,636,430.00	549,233.00	45,635,508.00

For the period 01.01.2019-31.12.2019 - restated

	Opening balance of assets	Creation/ (use) of an asset through the profit and loss account	Creation/ (use) of an asset through other comprehensive income	Other changes	Closing balance of assets
Provision for warranty repairs	5,803,437.00	344,248.00	-	-	6,147,705.00
Provision for employee benefits	2,898,766.00	403,876.00	-	-	3,502,642.00
Provision for costs of subcontractors	18,102,214.00	1,826,103.00	-	-	19,928,317.00
Provision for liabilities	13,285.00	152,243.00	-	-	165,528.00
Contracts (decrease in revenues "-")	4,218,879.00	787,543.00	-	-	5,006,422.00
Contracts - provision for losses	175,372.00	-325,154.00	-	171,329.00	21,547.00
Production not completed for tax purposes	8,811,847.00	-4,979,681.00	-	1,257,648.00	5,089,814.00
Unrealised foreign exchange rate losses	498,349.00	39,341.00	-	-	537,690.00
Unpaid interest	35,589.00	-13,839.00	-	-	21,750.00
Receivables discounting	418,049.00	11,706.00	-	-	429,755.00
Write-off of other assets	2,228,850.00	4,054,712.00	-	-595,963.00	6,879,525.00
Difference between tax value and carrying amount of inventory	47,225.00	-	-	-	47,225.00
Valuation of derivative instruments	20,804.00	31,188.00	-	-	51,992.00
Valuation of credits, loans, bonds, promissory notes	137,969.00	9,050.00	-	-	147,019.00
Tax loss	11,242,147.00	-4,754,544.00	-	-	6,487,603.00
Actual gains and losses accounted for in the revaluation capital	172,140.00	-	78,978.00	-	251,118.00
Asset - contribution in kind of organised part of an enterprise	0.00	-	-	-1,113,870.00	-1,113,870.00
Effect of applying IFRS 9 for the first time	595,963.00	-	-	-595,963.00	-
Effect of applying IFRS 15 for the first time	1,428,977.00	-	-	-1,428,977.00	-
Other titles	108,055.00	-6,932.00	-	-	101,123.00



118827 SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Total	54,957,917.00	-2,220,120.00	78,978.00	-1,113,870.00	53,702,905.00
--------------	----------------------	----------------------	------------------	----------------------	----------------------

For the period 01.01.2020-31.12.2020

	Opening balance of provisions	Creation/ (use) of a provision through the profit and loss account	Creation/ (use) of a provision through other comprehensive income	Closing balance of provisions
Contracts (increase in revenues "**")	16,479,080.00	-7,504,013.00	-	8,975,067.00
Lease (net value of tangible fixed assets - lease liability)	85,480.00	-166,617.00	-	-80,137.00
Liabilities discounting	2,313,813.00	-625,340.00	-	1,688,473.00
Penalties accrued, but not received	2,538,167.00	-86,090.00	-	2,452,077.00
Interest not received	151,283.00	13,776.00	-	165,059.00
Unrealised foreign exchange gains	269,170.00	186,374.00	-	455,544.00
Valuation of bonds, credits, loans, promissory notes	105,291.00	-105,291.00	-	-
Valuation of derivative instruments	59,808.00	-21,738.00	-	38,070.00
Difference between tax value and balance sheet value of tangible fixed assets	1,371,736.00	-183,533.00	-	1,188,203.00
Revaluation capital - valuation of derivative instruments	117,567.00	-	-117,567.00	-
Total	23,492,395.00	-8,492,472.00	-117,567.00	14,882,356.00

For the period 01.01.2019-31.12.2019 - restated

	Opening balance of provisions	Creation/ (use) of a provision through the profit and loss account	Creation/ (use) of a provision through other comprehensive income	Other changes	Closing balance of provisions
Contracts (increase in revenues "**")	20,525,425.00	778,330.00	-	-785,034.00	20,518,721.00
Lease (net value of tangible fixed assets - lease liability)	193,929.00	-98,876.00	-	-	95,053.00
Liabilities discounting	2,148,109.00	145,704.00	-	-	2,313,813.00
Penalties accrued, but not received	1,951,909.00	586,258.00	-	-	2,538,167.00
Interest not received	116,762.00	34,521.00	-	-	151,283.00
Unrealised foreign exchange gains	298,898.00	-29,728.00	-	-	269,170.00
Valuation of bonds, credits, loans, promissory notes	7,573.00	102,797.00	-	-	110,370.00
Valuation of derivative instruments	23,171.00	36,637.00	-	-	59,808.00
Difference between tax value and balance sheet value of tangible fixed assets	2,168,758.00	-543,672.00	-	-	1,625,086.00
Provision - contribution in kind of organised part of an enterprise	-	-	-	-4,306,643.00	-4,306,643.00
Effect of applying IFRS 15 for the first time	-785,034.00	-	-	785,034.00	-
Revaluation capital - valuation of derivative instruments	711,360.00	-	-593,793.00	-	117,567.00
Total	27,380,860.00	1,011,971.00	-593,793.00	-4,306,643.00	23,492,395.00

INCOME TAX RECOGNISED IN THE PROFIT AND LOSS ACCOUNT

	01.01-31.12.2020	01.01-31.12.2019 restated
Current income tax	10,098,008.77	1,162,460.04
Related to the financial year	10,098,008.77	1,162,460.04
Deferred income tax	-3,567,415.00	4,948,442.00
Related to the creation and reversal of temporary differences	-3,567,415.00	4,948,442.00
Tax burden presented in the profit and loss account	6,530,593.77	6,110,902.04
Effective tax rate	28.04%	19.13%

INCOME TAX RECOGNISED IN EQUITY

	01.01-31.12.2020	01.01-31.12.2019 restated
Deferred income tax	-486,800.00	-472,771.00
Net profit/loss tax on revaluation of cash flow hedges	-667,521.00	-593,793.00
Actuarial gains and losses under the defined benefit plan recognised in accordance with paragraph 128 of IAS 19 Employee benefits	-19,279.00	-78,978.00
(Tax advantage)/tax burden recognised in other comprehensive income	-486,800.00	-472,771.00



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Tax rates on the markets where the Company operates are as follows:

Republic of Belarus – 18%
Ukraine – 18%
Kingdom of Norway – 22%
Kingdom of Sweden – 22%

As of 31.12.2020, the Company does not recognise an asset for tax losses.

Since 1 April 2019, the Company has been in the process of tax inspection in Germany for the years 2014-2016 in the area of corporate tax, tax on goods and services and tax on industrial and commercial activities. On 11.08.2020, the Company received the inspection protocol. The auditor determined therein the tax income calculated by the cost method, in the total amount of 206,237 EUR, and on 03.09.2020, the Company was provided with a decision determining the amount of the tax liability. The decision essentially fails to articulate the reason for adopting the cost method of accounting for income taxes and rejecting the method used by the Company. The decision of the tax authority also resulted in decisions of local authorities regarding taxes and fees paid to those authorities. Total tax liabilities resulting from all the decisions, together with due interest, amounted to approx. 90 thousand EUR. The Company appealed against the decision, as its standpoint regarding the correctness of the applied income calculation method, supported by the opinion of German advisors, did not change. In accordance with procedures effective on the German market, UNIBEP SA paid liabilities resulting from received decisions. On 19.01.2021, the Company received information from the Tax Office that the documentation submitted for the appeal against the decision will be subjected to analysis. At this stage, the Company perceives this as a positive effect of the filed objection and additional explanations and source materials.

As of the date of publication of these financial statements, the Company has not received any information as to the standpoint of the appeal authority.

Regardless of the above, in the opinion of the Company, even in the case of adoption of the auditor standpoint indicated above on application of the cost-based method, due to the method of avoidance of double taxation provided for in the agreement between the Republic of Poland and the Federal Republic of Germany for the avoidance of double taxation with regard to taxes on income and on property of 14 May 2003, UNIBEP SA should be entitled to correct its corporate income tax return submitted in Poland accordingly, taking into account the surplus of costs incurred over income generated from operations on the German market.

Generally, the Company recognises that tax settlements and other settlements (i.e. under employment, customs, transactions with foreign entities) are and may in the future be subject to inspection by Polish and foreign tax authorities as well as by other central and local offices and institutions, which are entitled to impose significant penalties. The arrears revealed as a result of the inspection are encumbered with interest. Tax and other settlements mentioned above may be subject to inspection at any time within 5 years from the end of the financial year to which they relate, and on foreign markets – up to 10 years.

Tax risk, both in Poland and on foreign markets, occurs and we treat it as typical in our business activity. The Company reduces the tax risk abroad by using services of specialised tax and accounting offices accredited in the given country, as well as audit firms and law firms.

6.17. Contractual assets and liabilities

For the period 01.01.2020-31.12.2020

	Opening balance	Change in the valuation of long-term contracts	Revenues recognised in the current period included in the liabilities for the previous year	Reduction as a result of acquiring an unconditional right to payment	Advances received for executed contracts	Closing balance
Valuation of long-term contracts	86,549,862.91	38,792,819.96	-	-78,125,293.60	-	47,217,389.27
Contractual assets	86,549,862.91	38,792,819.96		-78,125,293.60		47,217,389.27
Advances received from contracts with clients	49,738,351.97	-	-47,211,667.22	-	54,700,658.06	56,727,342.81
Valuation of long-term contracts	24,065,165.55	12,930,435.53	-22,043,925.78	-	-	14,971,875.30
Contractual liabilities	73,323,517.52	12,930,435.53	-69,255,593.00		-54,700,658.06	71,699,218.11

For the period 01.01.2019-31.12.2019 – restated

	Opening balance	Change in the valuation of long-term contracts	Revenues recognised in the current period included in the liabilities for the previous year	Change in the period during which entitlement to remuneration becomes unconditional	Advances received for executed contracts	Closing balance
--	-----------------	--	---	---	--	-----------------

Bielsk Podlaski, 19 April 2021
page 66



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Valuation of long-term contracts	103,689,002.08	34,796,660.12	-	-51,935,799.29	-	86,549,862.91
Contractual assets	103,689,002.08	34,796,660.12	-	-51,935,799.29	-	86,549,862.91
Advances received from contracts with clients	44,410,206.31	-	-44,089,643.57	-	48,917,789.23	49,238,351.67
Valuation of long-term contracts	22,204,628.87	22,887,041.80	-21,006,505.12	-	-	24,085,165.55
Contractual liabilities	46,614,835.18	25,887,041.80	-45,096,148.69	-	48,917,789.23	73,823,517.52

The Company recognises revenues from construction contracts in accordance with the percentage of completion method, measured by the share of costs incurred from the date of contract conclusion to the date of revenue determination in the total costs of service provision. If it is probable that the total contract costs will exceed the total revenues, the expected loss is charged to operating expenses.

	as of 31.12.2020	as of 31.12.2019 restated
The total amount of the transaction price attributed to the provision of service which remained unfulfilled at the end of the reporting period, to be provided during the period:	1,149,439,239.04	1,290,503,000.73
a) up to 1 year	868,408,906.34	993,355,710.36
b) above 1 year	281,030,332.70	297,147,290.37
Total	1,149,439,239.04	1,290,503,000.73

6.18. Deposits on contracts with clients

	as of 31.12.2020	as of 31.12.2019 restated
Retained by recipients – to be returned after 12 months	29,200,458.98	35,861,119.55
Retained by recipients – to be returned within 12 months	20,331,212.54	25,257,328.64
Total net deposits on contracts with clients retained by recipients	49,531,671.52	61,118,448.19
Revaluation write-off on receivables from deposits	1,256,131.45	4,260,739.54
Total deposits on contracts with clients retained by recipients after gross revaluation write-off	50,788,002.97	65,379,187.73
Retained from suppliers – to be returned after 12 months	52,170,917.27	48,678,009.94
Retained from suppliers – to be returned within 12 months	45,727,968.41	46,436,538.46
Total deposits on contracts with clients retained from suppliers	97,898,885.68	95,114,548.40

DISCOUNT

	as of 31.12.2020	as of 31.12.2019 restated
Discount of deposits on contracts with clients retained by recipients	42,813.91	2,261,969.03
Discount of deposits on contracts with clients retained from suppliers	8,886,699.43	12,177,762.40

The expected credit losses on deposits as of 31.12.2020 amount to 1,256,131.45 PLN. Information on expected credit losses on the deposit is presented in Note 6.5.

Deposits on construction contracts are subject to discounting (receivables 0.04%, liabilities in PLN 3.75% and in currency 1.86%) and are disclosed in the balance sheet at amortised cost. The tables show the effects of discounting recognised in the balance sheet and the profit and loss account of the Company for individual periods. The discount amounts given decrease the nominal value of receivables from and liabilities on deposits, respectively. In addition, deferred tax is recognised in the balance sheet of the amounts given, calculated at the applicable tax rate and on the effect of the change in the discount value in the profit and loss account.

As of 31 December 2020, the largest deposits retained by one recipient amounted to 41.30% (9.10% for one project) of all the receivables from deposits. As of 31 December 2019, the largest deposits retained by one recipient amounted to 36.38% (7.60% for one project) of all the receivables from deposits.

The table below presents the ageing analysis of overdue deposits, but not impaired, at their nominal value after discounting.

Deposits due from contracts with clients, overdue, unpaid in the period:

	as of 31.12.2020	as of 31.12.2019 restated
a) up to 1 month	1,191,279.61	671,121.84
b) between 1 and 3 months	799,241.27	2,425,664.50
c) over 6 months and up to 1 year	1,423.45	-
e) over 1 year	1,738,248.34	1,816,384.22
Total overdue deposits on contracts with clients	3,730,392.67	4,913,170.56



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



6.19. Deferred revenues

	as of 31.12.2020	as of 31.12.2019 restated
Right of perpetual usufruct	-	18,546.09
Deferred revenues – long-term	-	18,546.09
Right of perpetual usufruct	-	23,970.72
Other	15,715.87	-
Deferred revenues – short-term	15,715.87	23,970.72



UNIBEP SA
Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)

6.20. Information on operating segments

SEGMENT REPORTING AS OF 31.12.2020

	Residential, office and industrial construction	Infrastructure	Property development activities	Other modular activities	Total
Revenues from contracts with clients external sales	943,141,225.73	291,780,968.01	-	33,350,742.98	1,268,272,936.72
Costs of products, goods and materials sold	879,482,138.36	260,250,894.21	4,168.42	48,300,612.07	1,188,037,813.06
Gross profit on sales	63,659,087.37	31,530,073.80	-4,168.42	-14,949,869.09	80,235,123.66
% gross profit on sales	6.75	10.81	-	-44.83	6.33
General and administrative costs		X			42,206,593.44
Results on other operating activities		X			-1,486,310.47
Profit on operating activities		X			36,542,219.75
Financial revenue, including: interest revenues	3,155,556.41	234,056.79	-	65,947.45	3,455,560.65
Financial instruments derivative instruments	175,624.97	-	-	-213,908.69	-38,283.72
Financial expenses, including: interest expenses	4,235,997.43	491,059.59	4,975.12	129,131.55	4,861,163.69
derivative instruments	1,341,729.85	-	-	-184,517.43	1,157,212.42
Expected credit losses		X			12,991,969.02
Pre-tax profit		X			23,292,561.61
Income tax		X			6,530,593.77
Net profit		X			16,761,967.84

SEGMENT REPORTING AS OF 31.12.2019 – restated

	Residential, office and industrial construction	Infrastructure	Property development activities	Total
Revenues from contracts with clients external sales	1,094,576,947.06	287,528,078.82	-	1,382,105,025.88
Costs of products, goods and materials sold	1,094,576,947.06	287,528,078.82	-	1,382,105,025.88
Gross profit on sales	1,036,267,385.51	257,434,585.41	3,259.21	1,293,705,230.13
% gross profit on sales	58,309,561.55	30,093,493.41	-3,259.21	88,399,795.75
General and administrative costs	5.33	10.47	0.00	6.40
Results on other operating activities		X		39,751,789.22
Profit on operating activities		X		50,759,181.38
Interest revenues	2,900,375.42	33,198.44	-	2,933,573.86
Financial instruments derivative instruments	81,379.60	-	-	81,379.60
Financial expenses, including: interest expenses	4,931,252.22	546,721.58	5,074.98	10,467,778.94
derivative instruments	22,068.50	-	-	5,483,048.78
Expected credit losses				22,068.50
Pre-tax profit		X		13,086,746.58
Income tax		X		31,943,986.52
Net profit (loss) on continued operations		X		6,110,902.06
Net profit (loss) on discontinued operations		X		25,833,064.46
Net profit (loss)		X		-9,244,068.96
		X		16,589,015.50

Bielik Podlaski, 19 April 2021
page 69



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



As of 31.12.2020

	Residential, office and industrial construction	Infrastructure	Property development activities	Other modular activities	Amounts not allocated to segments	Total
Assets	315,532,486.44	110,409,499.78	110,671.41	10,872,189.12	376,470,433.58	813,395,280.33
Total assets	315,532,486.44	110,409,499.78	110,671.41	10,872,189.12	376,470,433.58	813,395,280.33
Equity	394,485,567.34	130,352,595.98	69,739.81	23,709,321.65	196,563,054.97	614,832,223.36
Liabilities	394,485,567.34	130,352,595.98	69,739.81	23,709,321.65	244,778,055.55	813,395,280.33
Total liabilities	394,485,567.34	130,352,595.98	69,739.81	23,709,321.65	244,778,055.55	813,395,280.33
Depreciation and amortisation	4,721,438.26	7,157,799.33	-	128,713.47	-	12,007,951.06

As of 31.12.2019 -- restated

	Residential, office and industrial construction	Infrastructure	Property development activities	Modular constructions	Amounts not allocated to segments	Total
Assets	373,120,890.19	82,456,705.09	117,339.76	20,487,577.16	334,027,339.54	810,209,851.74
Total assets	373,120,890.19	82,456,705.09	117,339.76	20,487,577.16	334,027,339.54	810,209,851.74
Equity	404,241,225.92	91,477,458.09	75,101.00	42,628,489.61	203,524,065.25	611,876,259.87
Liabilities	404,241,225.92	91,477,458.09	75,101.00	42,628,489.61	244,778,055.55	810,209,851.74
Total liabilities	404,241,225.92	91,477,458.09	75,101.00	42,628,489.61	244,778,055.55	810,209,851.74
Depreciation and amortisation	3,839,410.92	5,641,167.94	-	-	-	9,480,578.86

In 2020 and 2019, the Company did not obtain revenues from individual external clients exceeding 10% of total revenues.

The cost of obtaining information on revenues from external clients for particular products and services included in the segments is associated with excessive cost of obtaining such revenues.

Information on geographical areas

Period ended on 31.12.2020

	Revenues from external clients	Fixed assets*
Country	1,044,458,318.30	54,375,793.94
Export, including:	223,614,618.42	522,749.30
Scandinavia, including:	32,940,430.78	23,038.42
Norway	30,355,977.58	23,038.42
Eastern market (Belarus, Ukraine)	190,674,187.64	499,710.88
Total	1,268,272,934.72	54,898,543.24

Period ended on 31.12.2019 -- restated

	Revenues from external clients	Fixed assets*
Country	1,166,588,314.64	53,735,254.26
Export, including:	215,516,711.24	630,654.83
Scandinavia, including:	-	229,324.80
Norway	-	229,324.80
Eastern market (Belarus, Ukraine)	215,516,711.24	401,332.03
Total	1,382,105,025.88	54,365,913.09

*Fixed assets, i.e. tangible fixed assets, intangible assets

The geographical distribution of revenues from sales corresponds to the location of clients and is consistent with the internal organisational structure of the Company.

The distribution of the total amount of fixed assets and investment expenditures corresponds to their use in the activities of each of the territorial segments.



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



6.21. Revenues from contracts with clients

NET REVENUES FROM SALES OF PRODUCTS AND SERVICES (MATERIAL STRUCTURE – TYPES OF ACTIVITIES)

	01.01-31.12.2020	01.01-31.12.2019 restated
Total revenues from sales of products – country	1,038,741,811.80	1,145,392,582.27
Sales of construction services	1,035,386,776.52	1,162,112,144.76
Sales of other services	3,375,035.28	1,280,437.51
Total revenues from sales of products – export	226,518,213.00	215,516,718.33
Sales of construction services	226,364,829.98	215,516,718.33
Sales of other services	153,383.02	0.00
Net revenues from sales of products and services	1,265,260,024.80	1,378,909,300.60

NET REVENUES FROM SALES OF PRODUCTS AND MATERIALS (MATERIAL STRUCTURE – TYPES OF ACTIVITIES)

	01.01-31.12.2020	01.01-31.12.2019 restated
Sales of materials – country	2,992,911.92	3,195,725.28
Construction activities	2,992,911.92	3,195,725.28
Net revenues from sales of goods and materials	2,992,911.92	3,195,725.28

Breakdown of revenues by client category

	01.01-31.12.2020	01.01-31.12.2019 restated
Public client	381,633,610.11	374,856,210.84
Private client	886,639,326.61	1,007,248,815.04
Revenues from contracts with clients	1,268,272,936.72	1,382,105,025.88

Breakdown of revenues by price category

	01.01-31.12.2020	01.01-31.12.2019 restated
Flat rate	1,167,737,135.74	1,325,783,729.57
Cost estimation	100,535,800.98	56,321,296.31
Revenues from contracts with clients	1,268,272,936.72	1,382,105,025.88

6.22. Costs by type

	01.01-31.12.2020	01.01-31.12.2019 restated
Depreciation and amortisation	12,007,951.06	9,480,578.86
Consumption of materials and energy	286,991,224.89	348,607,686.86
Outsourced services	885,623,680.42	917,879,355.93
Taxes and charges	1,744,982.65	2,026,418.72
Payroll	83,947,437.38	80,396,533.06
Social security and other benefits	18,437,318.52	17,967,570.42
Other costs by type	8,213,429.93	8,378,829.67
Total costs by type	1,296,966,024.85	1,384,736,973.52
Change in inventory, products and prepayments/accruals	10,014,227.82	14,505,119.99
Manufacturing cost of products for internal purposes	-79,718,716.15	-68,851,806.44
General and administrative costs	-42,206,593.44	-39,751,789.22
Manufacturing costs of products and services sold	1,185,054,993.08	1,290,438,497.85

6.23. Other operating revenues and expenses

OTHER OPERATING REVENUES

	01.01-31.12.2020	01.01-31.12.2019 restated
Profit on disposal of non-financial fixed assets	1,029,916.13	745,345.92
Released provisions and revaluation write-offs	1,393,985.07	193,195.50
Written-off liabilities	1,716,768.53	1,792,440.89
Penalties and compensations	495,708.31	773,232.55
Other	1,266,413.55	1,198,689.83
Other operating revenues	5,902,791.59	4,702,904.69

OTHER OPERATING EXPENSES

	01.01-31.12.2020	01.01-31.12.2019 restated
Costs of disputable issues	1,018,597.36	1,275,184.96
Damage to property and compensations	3,460,582.50	1,190,272.60

Bielsk Podlaski, 19 April 2021
page 71



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Other	2,909,922.20	136,272.28
Other operating expenses	7,389,102.04	2,591,729.84

6.24. Financial revenues and expenses, expected credit losses

FINANCIAL REVENUES

	01.01-31.12.2020	01.01-31.12.2019 restated
Interest:	4,937,949.76	4,016,070.97
Including Interest calculated using the effective interest rate	4,936,597.27	4,016,070.97
Interest on loans granted	3,135,983.45	2,860,910.61
Interest on receivables	298,314.30	44,355.11
valuation of credits, loans and bonds	-761,727.17	553,824.43
Interest revenues from deposits	2,244,114.28	538,672.68
bank interest	19,910.41	28,308.14
Other interest	1,352.49	-
Total other financial revenues	7,097,934.99	723,259.69
Financial revenues	12,035,884.75	4,739,330.66

Other financial revenues

	01.01-31.12.2020	01.01-31.12.2019 restated
Foreign exchange gains	851,640.11	-
Other, including:	6,246,294.88	723,259.69
execution of derivative instruments	30,163.84	3,739.72
valuation of derivative instruments	-68,442.56	31,477.61
commissions on financial operations	426,601.07	641,586.09
dividend	5,857,977.53	-
Other	-	294.00
reversal of valuation of derivative instruments	-	45,962.27
Total other financial revenues	7,097,934.99	723,259.69

FINANCIAL EXPENSES

	01.01-31.12.2020	01.01-31.12.2019 restated
Interest, including:	10,136,092.19	8,956,047.09
interest on credits, loans and bonds	3,271,924.14	4,276,762.83
interest on lease	1,333,468.09	944,178.63
valuation of credits, loans and bonds	-648,467.77	52,559.84
interest on liabilities	140,550.10	38,492.10
Other	115,221.36	223,615.72
Interest expenses on deposits	5,923,376.27	3,420,438.47
Total other financial expenses	2,157,481.68	1,511,731.85
Financial expenses	12,293,573.87	10,467,778.94

Other financial expenses

	01.01-31.12.2020	01.01-31.12.2019 restated
Foreign exchange losses	-	712,983.19
Other, including:	2,157,481.68	798,748.66
commissions	785,102.54	559,707.88
execution of derivative instruments	216,904.11	72,068.50
valuation of derivative instruments	940,308.31	-
Other	215,166.72	216,972.28
Total other financial expenses	2,157,481.68	1,511,731.85

EXPECTED CREDIT LOSSES

	01.01-31.12.2020	01.01-31.12.2019 restated
Trade receivables	15,649,663.83	10,198,256.23
Deposits on contracts with clients	-3,004,608.09	2,914,146.74
Contractual assets	-162,331.90	-25,656.39
Loans granted	509,245.18	-
Expected credit losses	12,991,969.02	13,086,746.58



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



6.25. Profit (loss) per share

	as of 31.12.2020	as of 31.12.2019 restated
Number of ordinary shares as of	31,570,634.00	33,070,634.00
Weighted average number of shares in the period	31,808,338.92	33,478,853.18
Number of diluting ordinary shares	-	-
Total number of shares	31,570,634.00	33,070,634.00
Net profit (loss) on continued operations	16,761,967.84	25,833,084.46
Net profit per share on continued operations	0.53	0.78
Net profit (loss) on discontinued operations	-	-9,244,068.96
Net profit per share on discontinued operations	-	-0.28

6.26. Incurred capital expenditures

CAPITAL EXPENDITURES

	as of 31.12.2020	as of 31.12.2019 restated
Tangible fixed assets:	3,046,376.31	3,976,031.58
buildings, premises, civil and water engineering structures	-	8,566.17
technical equipment and machines	789,984.30	997,776.27
vehicles	157,384.73	75,319.33
other tangible fixed assets	312,269.19	325,688.70
tangible fixed assets under construction	1,786,538.09	2,568,481.11
Intangible assets	614,506.08	1,407,112.63
TOTAL	3,440,882.39	5,383,144.21

6.27. Discontinued operations

In 2020, discontinued operations did not occur.

On 01.11.2019, UNIBEP SA made a contribution in kind of organised part of an enterprise to its subsidiary UNIHOUSE SA in exchange for taking up new issue shares. The organised part of an enterprise was related to Unihouse Oddział UNIBEP SA.

The value of assets and liabilities transferred in the form of an in-kind contribution is presented in the table below.

	as of 01.11.2019
ASSETS OF AN ORGANISED PART OF AN ENTERPRISE	
LONG-TERM FIXED ASSETS	
Fixed assets	52,201,896.98
Intangible assets	5,142,320.32
Long-term prepayments and accruals	118,693.88
Total (long-term) fixed assets	57,463,111.18
SHORT-TERM CURRENT ASSETS	
Inventory	5,520,900.89
Trade and other receivables	5,721,199.56
Contractual assets	21,203,610.95
Short-term prepayments and accruals	589,039.91
Cash and cash equivalents	30,055,667.07
Total (short-term) current assets	63,090,418.38
TOTAL ASSETS	120,553,529.56

	as of 01.11.2019
LIABILITIES OF AN ORGANISED PART OF AN ENTERPRISE	
Total equity	-
Long-term liabilities	
Credits, loans and other financial liabilities – long-term	14,748,231.12
Long-term provisions	1,350,093.00
Deposits on contracts with clients	27,753.01
Deferred revenues – long-term	924,536.72
Deferred tax provisions	3,192,773.00
Total long-term liabilities	20,243,384.85
Short-term liabilities	
Trade and other liabilities	4,799,828.92
Deposits on contracts with clients	34,636.91
Contractual liabilities	39,266,208.30
Credits, loans and other financial liabilities – short-term	5,748,678.74



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Short-term provisions	1,945,979.21
Deferred revenues – short-term	21,784.00
Total short-term liabilities	51,817,318.08
TOTAL LIABILITIES	72,040,704.93

PROFIT AND LOSS ACCOUNT - DISCONTINUED OPERATIONS

	01.01-31.12.2020	01.01-31.12.2019
Operating activities		
Revenues from contracts with clients, including: from sales transactions for which the value of revenues was not finally determined as of the end of the reporting period (IFRS 15)	-	154,659,743.87
Costs of products, goods and materials sold	-	11,970,593.90
Gross profit (loss) on sales	-	154,538,548.24
Selling costs	-	121,195.41
General and administrative costs	-	5,005,808.66
Other operating revenues	-	650,616.33
Other operating expenses	-	5,081,689.96
Expected credit losses	-	328,036.87
Profit (loss) on operating activities	-	-9,443,723.55
Financial revenues, including:	-	320,836.75
Interest income calculated using the effective interest rate method	-	178,455.92
Financial expenses	-	865,094.28
Pre-tax profit (loss)	-	-10,187,981.08
Income tax	-	-943,912.12
Profit (loss) on discontinued operation	-	-9,244,068.74
	01.01-31.12.2020	01.01-31.12.2019
Net profit (loss) on discontinued operations	-	-9,244,068.74
Other comprehensive income on discontinued operations to be reclassified to profit or loss upon fulfilment of specified conditions:	-	-
Effective portion of changes in fair value of cash flows hedges	-	-3,125,228.86
Deferred tax related to items of other comprehensive income	-	593,793.00
Other comprehensive income not to be reclassified to profit or loss:	-	-
Actuarial gains (losses) on defined benefit plans	-	-
Deferred tax related to items of other comprehensive income	-	-
Other total post-tax income	-	-2,531,435.84
Total comprehensive income from discontinued operations	-	-11,775,504.82
of which attributable to:	-	-
shareholders of the parent company	-	-11,775,504.82

FLOWS FROM DISCONTINUED OPERATIONS

	01.01-31.12.2020	01.01-31.12.2019
Operating activities	-	2,445,739.00
Investment activities	-	-485,118.00
Financial activities	-	-337,466.00
Total	-	1,623,175.00

UNIBEP SA has temporarily left some of the projects in the final phase of implementation and previously implemented projects, for which the warranty and guarantee period has not expired. In the period from 1 January 2020 to 31 December 2020, the "other modular activities" segment generated revenues from contracts with clients in the amount of 33,350,700 PLN, incurred costs of products, goods and materials sold of 48,300,600 PLN and incurred a loss of 14,949,900 PLN. In the period from 1 November 2019 to 31 December 2019, the "modular activities" segment generated revenues from contracts with clients in the amount of 6,576,000 PLN, incurred costs of products, goods and materials sold of 6,547,000 PLN and incurred a net loss of 1,536,000 PLN and a comprehensive income of 852,000 PLN.



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



6.28. Explanations to the cash flow statement

	01.01-31.12.2020	01.01-31.12.2019 restated
Amortisation and depreciation:	12,007,951.06	12,429,444.35
amortisation of tangible fixed assets and intangible assets	12,007,951.06	12,429,444.35
Exchange rate gains (losses)	79,194.40	-3,213.12
exchange rate differences on cash, credits, loans, leases, income tax	79,194.40	-3,213.12
Interest and profit sharing (dividend)	-4,622,312.78	3,180,442.81
Interest received from promissory notes, granted loans, bonds – total	-3,127,733.94	-2,853,505.56
Interest paid on credits, loans, bonds and factoring – total	3,271,924.14	4,656,223.00
commissions on credits, bonds, guarantees, factoring – paid	785,102.54	587,815.08
commissions received	-223,591.46	-365,680.59
accrued commissions	-203,009.61	-275,905.50
accrued commissions – costs of issue of bonds	215,166.72	216,972.28
total other interest received	-253,972.94	-76,673.63
other unreceived accrued interest	-64,251.77	-174,284.35
valuation of credits, bonds, loans received	-448,467.77	60,422.90
Interest calculated on loans granted	-8,249.51	-7,405.05
remaining interest to be paid	27,119.48	15,933.01
other interest paid – total	113,430.62	223,592.45
interest paid on lease	1,352,198.25	1,069,832.31
dividends received	-5,857,977.53	-
Interest accrued on credits, loans, bonds	-	93,304.48
Profit (loss) on investment activities	1,449,735.95	-1,002,283.17
revenue from disposal of tangible fixed assets	-1,180,963.63	-844,021.91
net value of disposed-of tangible fixed assets	164,231.09	371,907.55
revenues from disposal of financial assets	-	-605.00
costs of disposal of financial assets	-	5,931.84
revaluation of financial assets and liabilities	509,245.18	-
valuation of loans granted, bills of exchange, external bonds and investment certificates	761,727.17	-553,824.43
derivative instruments	1,195,496.14	18,328.78
Change in provisions	8,132,593.45	19,432,280.18
balance sheet change in provisions for liabilities	8,234,062.65	16,551,884.97
value of provisions included/excluded as a result of a contribution in kind of organised part of an enterprise	-	3,296,072.21
change in provisions not affecting the current profit or loss	-101,469.00	-415,677.00
Change in inventory	4,080,207.59	8,485,284.93
balance sheet change in inventory	4,080,207.59	14,126,185.82
value of inventory included/excluded as a result of contribution in kind of organised part of an enterprise	-	-5,520,900.89
Change in receivables	39,909,997.94	54,896,417.30
- change in short-term receivables resulting from the balance sheet	34,774,649.95	72,309,684.48
- change in long-term receivables resulting from the balance sheet	6,660,460.57	11,627,589.39
change in receivables resulting from investment activities	-	-727,465.58
receivables included/excluded as a result of a contribution in kind of organised part of an enterprise	-	-26,924,810.51
change in financial receivables	120,357.85	-83,616.82
change in prepayments and accruals resulting from the balance sheet – assets	-1,449,803.71	-874,257.59
change in prepayments and accruals – financial expenses	-195,666.72	277,027.72
prepayments and accruals acquired/disposed of as a result of a contribution in kind of organised part of an enterprise – assets	-	-707,733.79
Change in short-term liabilities excluding financial liabilities	1,807,556.20	25,787,532.81
change in short-term receivables resulting from the balance sheet	-3,875,808.50	-17,120,294.18
change in long-term receivables resulting from the balance sheet	3,492,907.33	423,910.86
change in liabilities related to investment activities	1,917,258.31	-1,977,204.38
operating liabilities included/excluded as a result of a contribution in kind of organised part of an enterprise	-	44,128,627.14
change in prepayments and accruals resulting from the balance sheet – liabilities	-26,800.94	-613,829.35
prepayments and accruals acquired/disposed of as a result of a contribution in kind of organised part of an enterprise – liabilities	-	946,322.72
Other adjustments	115,718.26	52,075.10
Other adjustments	115,718.26	52,075.10
Income tax paid/refunded	-5,712,013.09	12,542,449.56



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Cash and cash equivalents disclosed in the cash flow statement consist of the following items as of 31 December 2020:

	as of 31.12.2020	as of 31.12.2019 restated
Cash at bank and in hand	182,789,457.26	142,522,279.80
Including:		
exchange rate differences on balance sheet valuation	-23,097.68	39,497.92
TOTAL	182,766,359.58	142,561,777.72

Restricted disposability cash shown in the cash flow statement is related to funds in VAT accounts to split payment. In 2020 and 2019, there were no investment or financial transactions which did not require the use of cash or cash equivalents.

6.29. Mergers of business entities, loss of control

In 2020 and 2019, UNIBEP SA did not merge with any other economic entity and did not lose control.

6.30. Description of corrections of previous period errors

No material changes have been made to the previously presented information in these financial statements. There has been a presentational reclassification of data resulting from the introduction of the European Single Electronic Format (ESEF). The changes are presented in Note 1.5.

6.31. Investments in jointly controlled entities

	as of 31.12.2020	as of 31.12.2019 restated
Opening balance	7,986.00	7,986.00
Increases	-	-
Decreases	-	-
Investments in jointly controlled entities	7,986.00	7,986.00
- shares in Sejedalen AS	7,986.00	7,986.00



UNIBEP SA
Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)

6.32. Investments in other entities

Related companies

Name of the entity and legal form	Registered office	Objective of the enterprise	Nature of the relationship	Date of obtaining control/shares	Carrying amount of shares	Percent of the share capital held	Share in total number of votes at the general meeting
Undevelopment S.A.	Warsaw	property development activity	subsidiary	09.04.2008	89,346,310.26 ****	97.63%	97.63%
UNEX Construction Sp. z o.o.	Warsaw	performance of construction projects	subsidiary	04.07.2011	16,959.80	100%	100%
Budrex Sp. z o.o.	Białystok	works related to construction of bridges and tunnels	subsidiary	01.07.2015	18,000,150.00	100%	100%
UNIBEP PPP Sp. z o.o.	Bielik Podlaski	performance of construction projects	subsidiary	06.11.2017	5,000.00	100%	100%
Unihouse S.A.	Bielik Podlaski	performance of construction projects	subsidiary	01.04.2019	52,304,397.63	100%	100%
Seifeidsten AS	Tromsøim, Norway	property development activity	jointly controlled entity	10.09.2013	7,986.00	50%	50%
Lovselvegen 4 AS	Melhus, Norway	property development activity	indirectly jointly controlled entity	23.09.2015	N/A	50%	50%
MP Sp. z o.o.	Poznań	property development activity	indirect subsidiary	10.08.2011	N/A	97.63%	97.63%
IDEA Sp. z o.o.	Warsaw	property development activity	indirect subsidiary	09.09.2011	N/A	97.63%	97.63%
IDEA Sp. z o.o. Sp. k.	Warsaw	property development activity	indirect subsidiary	09.09.2011	N/A	97.63% **	97.63% ***
Unigo Sp. z o.o.	Warsaw	property development activity	indirect subsidiary	26.10.2012	N/A	97.63%	97.63%
UNIDE UNIDE FIT (Closed-up Investment Fund)	Warsaw	activity of the funds	indirect subsidiary	11.09.2012	N/A	97.63%	97.63%
Lykte UDM Sp. z o.o. S.K.A.	Warsaw	property development activity	indirect subsidiary	03.10.2013	N/A	97.63%	97.63%
Hevelia UDM Sp. z o.o. S.K.A.	Warsaw	property development activity	indirect subsidiary	03.10.2013	N/A	97.63%	97.63%
Szczelwicka Sp. z o.o.	Warsaw	property development activity	indirect subsidiary	04.02.2014	N/A	97.63%	97.63%
Smart City Sp. z o.o. Sp.k.	Warsaw	property development activity	indirect affiliate	09.06.2015	N/A	48.82% **	0% ***
Manday Development Sp. z o.o.	Poznań	property development activity	indirect subsidiary	05.01.2016	N/A	97.63%	97.63%
Sokratesa Sp. z o.o.	Warsaw	property development activity	indirect subsidiary	14.07.2016	N/A	97.63%	97.63%
Osielce Marwicka Sp. z o.o.	Warsaw	property development activity	indirect subsidiary	08.12.2016	N/A	97.63%	97.63%
Bukowka 18 MP Sp. z o.o. Sp.k.	Poznań	property development activity	indirect subsidiary	11.08.2017	N/A	97.63% **	97.63%
Zielony Solecz Tarasy MP Sp. z o.o. Sp.k.	Poznań	property development activity	indirect subsidiary	11.08.2017	N/A	97.63% **	97.63%
Manday Kosmonautów MP Sp. z o.o. Sp.k.	Poznań	property development activity	indirect subsidiary	11.08.2017	N/A	97.63% **	97.63%
URSA PARK Smart City Sp. z o.o. Sp.k.	Warsaw	property development activity	indirect subsidiary	03.08.2017	N/A	48.82% **	0% ***
URSA SKY Smart City Sp. z o.o. Sp.k.	Warsaw	property development activity	indirect affiliate	22.09.2020	N/A	48.82% **	0% ***
Fama Development Sp. z o.o.	Poznań	property development activity	indirect subsidiary	22.02.2018	N/A	48.82% **	48.82% ***
J Fama Development Sp. z o.o. Sp.k.	Poznań	property development activity	indirect subsidiary	21.09.2020	N/A	48.82% ***	48.82% ***
Coopera IDEA Sp. z o.o. Sp.k.	Warsaw	property development activity	indirect subsidiary	03.07.2018	N/A	97.63% **	97.63% ***
Mickiewicz IDEA Sp. z o.o. Sp. k.	Warsaw	property development activity	indirect subsidiary	11.07.2018	N/A	97.63% **	97.63% ***
Asset IDEA Sp. z o.o. Sp. k.	Warsaw	property development activity	indirect subsidiary	10.07.2018	N/A	97.63% **	97.63% ***
UNI Idea Sp. z o.o. Sp. k.	Warsaw	property development activity	indirect subsidiary	29.11.2018	N/A	97.63% **	97.63% ***
MD INVESTYCJE Sp. z o.o. Manday Marie Gaudyzy Sp.k.	Poznań	property development activity	indirect subsidiary	17.04.2019	N/A	58.58% **	96.65% ***
					157,680,803.69		

** Total share including participation in the unlimited partner company

*** In all limited shares of the company

**** The share in profits/losses of the Company is distributed in two stages, in the first stage the shareholder contributors are returned, in the second stage the remaining profit is distributed among the shareholders, with the Unibep Group receiving 48.82%

***** The amount takes into account the equity and other



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Long-term

	as of 31.12.2020	as of 31.12.2019 restated
Opening balance:	155,961,244.69	107,370,144.26
- shares of UNIDEVELOPMENT SA	60,555,486.00	60,555,486.00
- other - UNIDEVELOPMENT SA	28,790,824.26	28,790,824.26
- shares of BUDREX SP. Z O.O.	18,000,150.00	18,000,150.00
- shares of OOO STROJIMP	-	1,724.20
- shares of UNEX CONSTRUCTION Sp. Z O.O.	16,959.80	16,959.80
- shares of UNIBEP PPP SP. Z O.O.	5,000.00	5,000.00
- shares of UNHOUSE SA	48,592,824.63	-
Increases:	3,711,573.00	48,592,824.63
- contribution in kind of UNHOUSE SA	3,711,573.00	48,592,824.63
Decreases:	-	1,724.20
- sales of shares of STROJIMP	-	1,724.20
Closing balance:	159,672,817.69	155,961,244.69
- shares of UNIDEVELOPMENT SA	60,555,486.00	60,555,486.00
- other - UNIDEVELOPMENT SA	28,790,824.26	28,790,824.26
- shares of BUDREX SP. Z O.O.	18,000,150.00	18,000,150.00
- shares of UNEX CONSTRUCTION Sp. Z O.O.	16,959.80	16,959.80
- shares of UNIBEP PPP SP. Z O.O.	5,000.00	5,000.00
- shares of UNHOUSE SA	52,304,397.63	48,592,824.63

Investments in other entities as of 31.12.2020

No.	Company name	Value of shares acc. to acquisition price	Adjustments of revaluation write-offs	Carrying amount of shares	Percentage of shares held	Percentage of votes held	Consolidation method
1	Undevelopment SA	60,555,486.00	-	60,555,486.00	97.63%	97.63%	full
2	Unhouse SA	52,304,397.63	-	52,304,397.63	100%	100%	full
3	Unex Construction Sp. z o.o.	16,959.80	-	16,959.80	100%	100%	full
4	Budrex Sp. z o.o.	18,000,150.00	-	18,000,150.00	100%	100%	full
5	Unibep PPP Sp. z o.o.	5,000.00	-	5,000.00	100%	100%	full

The amount does not take into account equity and other payments

No.	Equity	Share capital	Other capitals	Net profit/loss	Value of assets	Fixed assets	Current assets	Value of liabilities	Value of revenues from sales
1	179,259,174.87	6,675,000.00	140,989,638.11	31,594,534.74	297,753,204.63	247,598,905.18	35,154,299.65	118,494,079.94	45,047,998.02
2	45,063,129.54	2,250,000.00	42,694,144.63	118,984.91	174,758,664.23	77,193,477.10	102,565,187.13	129,695,534.69	225,714,717.53
3	833,874.59	5,000.00	818,195.68	10,678.91	844,567.13	-	844,567.13	-	10,742.54
4	17,027,637.58	430,000.00	13,701,035.32	3,030,241.89	61,293,213.38	15,549,063.19	45,744,150.19	44,265,575.82	101,332,789.88
5	42,454.27	5,000.00	-	-24,302.52	4,310.42	-	4,310.42	-	44,744.69

Investments in other entities as of 31.12.2019 - restated

No.	Company name	Value of shares acc. to acquisition price	Adjustments of revaluation write-offs	Carrying amount of shares	Percentage of shares held	Percentage of votes held	Consolidation method
1	Undevelopment SA	60,555,486.00	-	60,555,486.00	97.63%	97.63%	full
2	Unhouse SA	48,592,824.63	-	48,592,824.63	100%	100%	full
3	Unex Construction Sp. z o.o.	16,959.80	-	16,959.80	100%	100%	full
4	Budrex Sp. z o.o.	18,000,150.00	-	18,000,150.00	100%	100%	full
5	Unibep PPP Sp. z o.o.	5,000.00	-	5,000.00	100%	100%	full

No.	Equity	Share capital	Other capitals	Net profit/loss	Value of assets	Fixed assets	Current assets	Value of liabilities	Value of revenues from sales
1	153,464,638.11	6,675,000.00	120,075,879.74	76,913,758.33	273,224,801.20	183,510,027.14	89,714,774.04	119,540,143.09	24,300,745.04
2	48,592,824.63	2,250,000.00	46,342,824.63	302,879.00	154,227,381.99	67,590,074.42	86,637,307.57	105,531,478.34	30,378,849.94
3	833,195.68	5,000.00	907,293.80	-89,098.12	824,343.29	2,297.00	822,046.29	-	1,147.61
4	14,016,209.67	430,000.00	13,125,974.19	593,875.13	39,821,950.44	15,441,698.22	24,180,252.22	25,805,740.77	69,317,943.62
5	-18,151.78	5,000.00	-	-20,670.60	4,598.42	-	4,598.42	-	22,750.17



UNIBEP SA
Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards. (Amounts in the tables are expressed in PLN unless otherwise stated)

6.33. Transactions with related entities

As of 31.12.2020

	Trade and other receivables	Trade and other liabilities	Deposits on contracts with clients - receivables	Deposits on contracts with clients - liabilities	Contractual assets	Contractual liabilities	Loans granted	Credits, loans and other financial liabilities	Tangible fixed assets
Subsidiaries, indirect subsidiaries	26,843,383.54	9,708,470.51	6,212,857.86	3,034.67	2,893,053.59	2,295,233.58	62,964,401.22	9,219,777.73	8,730,196.90
Jointly controlled, indirectly jointly controlled entities	1,456,609.77	31,594.90	-	-	-	-	221,610.57	-	-
Indirect affiliates	20,804,520.32	38,056.36	-	17,236.40	1,531,842.72	-	-	-	-
Total transactions with related entities	49,104,513.63	9,798,121.77	6,212,857.86	3,034.67	2,910,789.99	3,827,076.30	63,186,011.79	9,219,777.73	8,730,196.90

As of 31.12.2019 – restated

	Trade and other receivables	Trade and other liabilities	Deposits on contracts with clients - receivables	Deposits on contracts with clients - liabilities	Contractual assets	Contractual liabilities	Loans granted	Credits, loans and other financial liabilities	Tangible fixed assets
Subsidiaries, indirect subsidiaries	16,238,732.04	14,377,455.99	4,295,903.31	2,720.69	6,340,045.98	2,113,546.16	57,554,161.45	9,506,128.69	9,411,538.68
Jointly controlled, indirectly jointly controlled entities	1,430,125.96	31,020.44	-	-	-	-	-	-	-
Indirect affiliates	5,778,295.69	13,047.03	-	-	1,225,226.87	-	-	-	-
Total transactions with related entities	23,447,153.69	14,421,523.46	4,295,903.31	2,720.69	6,340,045.98	3,338,773.03	57,554,161.45	9,506,128.69	9,411,538.68

For the period 01.01.2020-31.12.2020

	Revenues from contracts with clients	Purchase of products, goods and materials	Financial revenues	Financial expenses	Other operating revenues	Other operating expenses
Subsidiaries, indirect subsidiaries	107,764,860.08	50,245,052.85	8,426,457.29	586,646.00	2,890.50	3,724.83
Jointly controlled, indirectly jointly controlled entities	72,572,609.40	48,674.17	1,610.57	-	-	-
Indirect affiliates	180,342,468.48	50,293,727.02	8,628,037.86	586,646.00	2,890.50	3,724.83
Total transactions with related entities	360,680,937.96	100,587,454.04	17,066,105.72	1,173,332.00	5,781.00	7,449.66

For the period 01.01.2019-31.12.2019 – restated

	Revenues from contracts with clients	Purchase of products, goods and materials	Financial revenues	Financial expenses	Other operating revenues	Other operating expenses
Subsidiaries, indirect subsidiaries	119,688,248.31	23,333,412.51	3,711,038.93	489,041.87	21,738.16	21,738.16
Jointly controlled, indirectly jointly controlled entities	257,283.20	-	90,332.52	73,043.58	-	-
Indirect affiliates	34,069,891.79	226,776.73	-	-	-	-
Total transactions with related entities	154,015,423.30	23,560,189.24	3,801,371.45	562,085.45	21,738.16	21,738.16



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



6.34. Management Board and Supervisory Board

MANAGEMENT BOARD

The Management Board of UNIBEP SA acts on the basis of the provisions of the Commercial Companies Code, the Articles of Association of the Company, and the By-Laws of the Management Board. The Management Board of the Company consists of one or more members. Members of the Management Board, including the President of the Management Board, are appointed and dismissed by the Supervisory Board for a joint three-year term of office. The number of members of the Management Board shall be determined by the Supervisory Board.

As of the day of drawing up these financial statements, the Management Board of UNIBEP SA includes the following persons:

- Leszek Marek Gołabiecki – President of the Management Board
- Sławomir Kiszycki – Vice-President of the Management Board
- Krzysztof Mikołajczyk – Vice-President of the Management Board
- Adam Polišński – Member of the Management Board

On 4 November 2020, the Supervisory Board of Unibep SA adopted a resolution on appointing Mr Adam Polišński as a member of the Management Board of the Company effective from 1 January 2021.

SUPERVISORY BOARD

The Supervisory Board of UNIBEP SA acts on the basis of the provisions of the Commercial Companies Code, the Articles of Association of the Company, and the By-Laws of the Supervisory Board. The Supervisory Board includes 5 to 7 members, appointed and dismissed by the General Meeting of Shareholders for a joint three-year term of office.

As of the day of drawing up these financial statements, the Supervisory Board of UNIBEP SA includes the following persons:

- Jan Mikołuszko – Chairman of the Supervisory Board
- Beata Maria Skowrońska – Deputy Chairman of the Supervisory Board
- Wojciech Jacek Stajkowski – Member of the Supervisory Board
- Jarosław Mariusz Beldowski – Member of the Supervisory Board (independent)
- Michał Kołowski – Member of the Supervisory Board (independent)
- Paweł Markowski – Member of the Supervisory Board (independent)
- Dariusz Marian Kacprzyk – Member of the Supervisory Board (independent)

6.35. Shares held by or rights to shares of the members of the management and supervisory bodies

Management Board

No.	Name and surname (Company)	Position	Number of shares held	Number of votes	Share in the total number of votes (over 5%)
1	Leszek Marek Gołabiecki	President of the Management Board	690,000	690,000	—
2	Sławomir Kiszycki	Vice-President of the Management Board	-	-	—
3	Krzysztof Mikołajczyk	Vice-President of the Management Board	-	-	—
4	Adam Polišński	Member of the Management Board	-	-	—

Supervisory Board

No.	Name and surname (Company)	Position	Number of shares held	Number of votes	Share in the total number of votes (over 5%)
1	Jan Mikołuszko	Chairman of the Supervisory Board	21,620	21,620	—
2	Beata Maria Skowrońska	Deputy Chairman of the Supervisory Board	5,500,000	5,500,000	15.68%
3	Wojciech Jacek Stajkowski	Member of the Management Board	2,500,000	2,500,000	7.13%
4	Jarosław Mariusz Beldowski	Member of the Management Board	-	-	—
5	Michał Kołowski	Member of the Management Board	-	-	—
6	Paweł Markowski	Member of the Management Board	-	-	—
7	Dariusz Marian Kacprzyk	Member of the Management Board	-	-	—

Balance according to the knowledge of UNIBEP SA as of 31.12.2020

Białk Podlaski, 19 April 2021
page 80



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Bożenna Lachocka, member of the Supervisory Board of Unidevelopment SA is the holder of 2,500,000 shares of Unibep SA, the number of votes is 2,500,000, which gives 7.13% of the total number of votes.

The Company did not issue any securities, which give special control rights.

There is no employee stock ownership plan implemented at the Company. The Incentive Scheme is described in Section 6.10.



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



6.36. Information on personal, factual and organisational relations between members of the Management Board and Supervisory Board and certain shareholders with at least 5% of votes at the General Meeting of Shareholders of UNIBEP SA.

MANAGEMENT BOARD

- Leszek Marek Gołabiecki – is not related to any shareholder holding at least 5% of votes at the General Meeting of Shareholders of UNIBEP SA.
- Sławomir Kiszyci – is not related to any shareholder holding at least 5% of votes at the General Meeting of Shareholders of UNIBEP SA.
- Krzysztof Mikołajczyk – is not related to any shareholder holding at least 5% of votes at the General Meeting of Shareholders of UNIBEP SA.
- Adam Polniński – is not related to any shareholder holding at least 5% of votes at the General Meeting of Shareholders of UNIBEP SA.

SUPERVISORY BOARD

- Jan Mikołuszko is the husband of a shareholder (Mrs Zofia Mikołuszko) holding at least 5% of votes at the General Meeting of Shareholders of UNIBEP SA.
- Beata Maria Skowrońska – shareholder holding at least 5% of votes at the General Meeting of Shareholders of UNIBEP SA.
- Wojciech Jacek Stajkowski – shareholder holding at least 5% of votes at the General Meeting of Shareholders of UNIBEP SA.
- Jarosław Marcin Beldowski – is not related to any shareholder holding at least 5% of votes at the General Meeting of Shareholders of UNIBEP SA.
- Michał Kolasowski – is not related to any shareholder holding at least 5% of votes at the General Meeting of Shareholders of UNIBEP SA.
- Paweł Markowski – is not related to any shareholder holding at least 5% of votes at the General Meeting of Shareholders of UNIBEP SA.
- Dariusz Marjan Kacprzyk – is not related to any shareholder holding at least 5% of votes at the General Meeting of Shareholders of UNIBEP SA.

6.37. Salaries of members of the Management and Supervisory Boards

SALARIES OF THE MANAGEMENT BOARD:

For the period 01.01.2020-31.12.2020

Name and surname	Salary	Bonus for profit for 2019 paid in 2020	Total
Leszek Marek Gołabiecki	744,000.00	450,797.81	1,194,797.81
Sławomir Kiszyci	672,000.00	450,797.81	1,122,797.81
Krzysztof Mikołajczyk	612,000.00	450,797.81	1,062,797.81
Total:	2,028,000.00	1,352,393.43	3,380,393.43

For the period 01.01.2019-31.12.2019 – restated

Name and surname	Salary	Sickness benefit	Bonus for profit for 2018 paid in 2019	Total
Leszek Marek Gołabiecki	744,000.00	-	551,288.51	1,295,288.51
Sławomir Kiszyci	664,079.13	-	551,288.51	1,215,367.64
Jan Piotrowski	-	5,576.34	413,466.38	419,042.72
Krzysztof Mikołajczyk	612,000.00	-	277,532.23	889,532.23
Total:	2,020,079.13	5,576.34	1,793,575.63	3,819,231.12

SALARIES OF THE SUPERVISORY BOARD:

For the period 01.01.2020-31.12.2020

Name and surname	Revenue	Income of a member of the Supervisory Board under an employment contract with UNIBEP SA	Total
Jan Mikołuszko	456,000.00	-	456,000.00



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Beata Skowrońska	144,000.00		144,000.00
Wojciech Słajkowski	60,000.00	60,000.00	120,000.00
Jarosław Bełdowski	60,000.00		60,000.00
Michał Kotasowski	85,576.40		85,576.40
Paweł Markowski	60,000.00		60,000.00
Dariusz Kacprzyk	61,689.00		61,689.00
Totalt	927,265.40	60,000.00	987,265.40

For the period 01.01.2019-31.12.2019 – restated

Name and surname	Revenue	Income of a member of the Supervisory Board under an employment contract with UNIBEP SA	Total
Jan Mikolajczko	456,000.00		456,000.00
Beata Skowrońska	145,439.87		145,439.87
Wojciech Słajkowski	60,000.00	60,000.00	120,000.00
Jarosław Bełdowski	62,059.23		62,059.23
Michał Kotasowski	85,314.58		85,314.58
Paweł Markowski	60,000.00		60,000.00
Dariusz Kacprzyk	60,783.27		60,783.27
Totalt	929,596.87	60,000.00	989,596.87

In addition, in 2020, no purchases were made from persons closely related to the Management Board and Supervisory Board, the employment salaries were paid to persons related to members of the Management Board and Supervisory Board in the amount of 883.7 thousand PLN, and in the comparable period: purchases – 38.8 thousand PLN, salaries – 913.6 thousand PLN.

6.38. Transactions with related entities through members of the supervisory body of the Company

In 2020, there were no transactions other than those based on market conditions, the one-off or total value of which would exceed the equivalent of 500 thousand EUR converted into PLN.

6.39. Contracts concluded between UNIBEP SA and members of the management bodies

The President of the Management Board, the Vice-President of the Management Board and the Member of the Management Board of UNIBEP SA are employed by UNIBEP SA on the basis of managerial contracts concluded for the duration of the term of office of the Management Board (fixed-term employment contract) in connection with their work and function on the Management Board.

At present, Leszek Marek Gotąbiewski, President of the Management Board and Company Director, Sławomir Kiszycycki, Vice-President of the Management Board and Financial Director, and Krzysztof Mikołajczyk, Vice-President of the Management Board and Construction Director, are bound by employment contracts concluded on 16 June 2020 for a definite period of time – until the expiry of the Management Board member mandate following the end of the sixth three-year term of office of the Management Board.

Adam Polński, Member of the Management Board and Director of the Infrastructure Branch, is bound by an employment contract concluded on 30 December 2020 for a definite period – until the expiry of the Management Board member mandate following the end of the sixth three-year term of office of the Management Board. Mr Adam Polński was appointed member of the Management Board of the Company for the sixth term of office as of 01.01.2021.

Pursuant to the provisions of the aforementioned contracts, the President of the Management Board of UNIBEP SA Leszek Marek Gotąbiewski and Vice-Presidents of the Management Board of UNIBEP SA Sławomir Kiszycycki and Krzysztof Mikołajczyk are entitled to an annual bonus for 2020 and for subsequent years, calculated on the basis of consolidated net profit of the UNIBEP Capital Group, subject to the fulfilment of additional conditions, for each financial year, in the amount of 1.5%.

Pursuant to the provisions of the aforementioned contracts, the President of the Management Board and Director of Infrastructure Department of UNIBEP SA Adam Polński is entitled to an annual bonus for 2021 and for subsequent years, calculated on the basis of the consolidated net profit of the UNIBEP Capital Group, subject to the fulfilment of additional conditions, for each financial year, in the amount of 1%.

In addition to their salaries, the President, Vice-Presidents, and Member of the Management Board, the employer guarantees a payment of compensation in the amount of 3 times the average monthly salary of the employee, in the event of termination of their employment contract by notice of the employer for reasons not attributable to the President, Vice-President, or Member of the Management Board. The President, Vice-Presidents, and Member



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



of the Management Board shall not be entitled to other remuneration components specified in the Corporate Collective Labour Agreement.

In addition, the President of the Management Board, Vice-Presidents of the Management Board, and the Member of the Management Board of UNIBEP SA also signed non-competition agreements with the Company for the duration of their employment (the prohibition of competition applies for the entire duration of the employment) and non-competition agreements applicable after termination of employment (the prohibition of competition applies for 6 months after termination of their employment). For the duration of the non-competition clause (for a period of 6 months), the President of the Management Board, Vice-Presidents of the Management Board, and the Member of the Management Board shall be entitled to compensation amounting to 25% of the salary received by such persons before termination of their employment relationship, which shall be paid in six equal instalments.

6.40. Assets and contingent liabilities, guarantees

6.40.1. Assets and contingent liabilities

Contingent liabilities on guarantees and sureties granted to other entities are mainly guarantees issued by banks and insurance companies to the benefit of the partners of UNIBEP SA to secure their claims under construction contracts. In the case of using the guarantees issued for their benefit, banks and insurance companies are entitled to the right of recourse against the Company. Guarantees provided to the clients of UNIBEP SA are an alternative way of securing the retained guarantee deposits.

	as of 31.12.2020	as of 31.12.2019 restated
CONTINGENT ASSETS		
From other entities	100,000.00	832,601.00
Bills of exchange received as security	100,000.00	832,601.00
CONTINGENT LIABILITIES		
To related parties	143,592,582.98	44,803,751.61
Sureties granted	15,117,836.39	26,861,281.10
To other entities	128,474,746.59	17,942,470.51
Disputes	128,474,746.59	17,842,470.51
Bills of exchange issued as security	-	100,000.00

DISPUTES

The following changes have taken place in comparison to the information on disputes, included in the separate financial statements of UNIBEP SA for 2019 and Q3 2020:

Claims against Unibep SA

EG BYGG OSLO AS (current name Eiendomsgruppen Oslo AS). On 5 April 2017, the Court received a lawsuit from the investor, filed against Kwartal 1 for payment of 4,000 thousand NOK for defects of wooden gangways on walkways and balconies. Unibep filed a statement of defence, claiming, among others, that the gangways had been made correctly, and that the claim had been filed too late since the defect was discovered, and that, in addition, the claim was time-barred. The claim of the Investor was finally increased to the amount of 6,511 thousand NOK. The parties reached a settlement under which Unihouse will perform repair works and the Investor will pay 1,900 thousand NOK for the work. The settlement document was signed by the parties. Repairs are underway and will be completed by summer 2021.

"Kontrast" Krzysztof Koc. In February 2020, the Court received a lawsuit claim from the investor for payment of 461 thousand PLN. The claim relates to the payment of a contractual penalty for a delay in investment execution. There was an exchange of court correspondence between the parties to the dispute. Hearings were held on 29.06.2020 and 14.07.2020. The court admitted evidence from an expert opinion on construction, which was drawn up (favourable for UNIBEP SA). During the hearing on 30 December 2020, an expert provided a testimony, and then the parties declared their readiness to conclude a settlement consisting in payment of the amount of 5 thousand PLN by UNIBEP SA to K. Koc and a waiver of further claims against UNIBEP raised in the lawsuit claim by K. Koc. A settlement has been reached, and we are currently awaiting the settlement to become final.

Deven sp. z o.o. Sp.k. On 20 January 2020, a payment order was issued, charging Unibep SA and Klimar Plus Sp. z o.o. jointly and severally with the amount of 554 thousand PLN. The plaintiff demands a remuneration payment. The first hearing was held on 1 December 2020, and some of the witnesses were heard. Other witnesses will be heard in writing. The court committed the parties to attempt a settlement. The parties agreed to a meeting. The next hearing is scheduled for July 2021.

Claim lawsuits for 498 thousand PLN (for the construction of Żoliborz Artystyczny) and 661 thousand PLN (for the construction of Rondo Wiatraczna) brought by Rafbud Konstrukcje Sp. z o.o. Sp.k. and Rafbud Konstrukcje Sp. z o.o. concern the amounts deducted from contractual penalties imposed for delays in contract performance. Unibep SA filed objections in all the cases and is waiting for the next hearing dates to be set.



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



A claim for 955 thousand PLN for compensation, damages, reimbursement of medical expenses, care, fixed annuity, interest related to an accident on 16 November 2017 at a construction site in Heimdal, Norway of a Unihouse SA employee who was crushed by a module during the assembly of modules. The employee suffered serious life-threatening injuries. On 29 July 2020, the lawsuit claim of the injured party was served against AXA Ubezpieczenia TUR SA, Unibep SA, and Unihouse SA. All three entities were sued in solidum.

Until the date of publication of these financial statements, three hearings were held at which witnesses were heard. The District Court ordered all defendants jointly and severally to pay the plaintiff a monthly sum of 2,700 PLN. The date of the next hearing has not been set yet. We are currently waiting for court-appointed medical experts to provide their opinion.

Demand of the LC Corp investor. On 22 October 2015, a lawsuit claim for a payment of 1,249 thousand PLN was filed by LC Corp Invest XV Sp. z o.o. PROJEKT 6 Spółka Komandytowa due to defects present at the facility constructed by Unibep SA at ul. Powstańców 33 in Zabki. Unibep SA does not accept the claim. The Court is in the process of hearing the witnesses of both parties, and experts will be appointed subsequently. The hearing originally scheduled for 2 July 2019 was first postponed until March 2020, after which it was postponed without a deadline.

The lawsuit claim of Pawel Kardas against Unibep SA for the amount of 70 thousand EUR was brought to the Court on 18 December 2019. The Company was sued on account of claims resulting from the final invoice for the execution of finishing works on the Bad Oeynhausen contract. Unibep SA is of the opinion that the works were not performed according to the technology and are faulty. In addition, contractual penalties for the delayed work were withheld, which in turn made it impossible to release the building for use on time. The plaintiff questions the legitimacy of the deductions and demands the full amount plus interest. The case is at the stage of written preparatory proceedings.

Compensation cases concerning fatal accidents on the Plaza construction site in Suwalki (the construction was carried out by the consortium of UNIBEP SA -51% and Mostostal Białystok -49%). The case is at the stage of supplementary expert opinions on occupational health and safety. The date of the next hearing has not been set yet. Due to the insurance held by the Company and the consortium member, the case should not encumber the costs of Unibep SA.

Cases filed by Unibep SA

On 12 October 2018, the Consortium of UNIBEP SA and Most sp. z o.o. filed a lawsuit claim with the Regional Court in Białystok, 1st Civil Department, against the Regional Roads Authority in Podlasie for a payment of 8,286 PLN in contractual penalties, in connection with withdrawing from the contract, and 23,243 PLN in auxiliary claims on the Sakółka-Dąbrowa Białostocka investment. The case has been referred to the Economic Department. Witnesses were heard during the first two hearings held on 24-25 June 2019 and 25-27 September 2019. On 6 November 2019, the lawsuit claim was increased by 4,807 PLN thousand for claims arising from the final settlement of the contract. The defendant filed a response to the increase of the lawsuit claim, the Court gave the plaintiff time until 29 May 2020 to file a response to the response of the defendant. An answer was filed. Further witnesses will be heard and requests for evidence on the acceptance of expert opinions will be examined in the course of the legal proceedings. On 31 December 2020, UNIBEP SA filed an increase of the lawsuit claim by the amount of 8,286,426.00 PLN paid under a PZU guarantee. The court obliged the Regional Roads Authority in Podlasie to submit an answer to the extension of the lawsuit claim within 3 months from the delivery date of this letter. The Regional Roads Authority in Podlasie filed its response to the extension of the lawsuit claim on 9 April 2021.

In mid-November 2018, the Company was served with a lawsuit claim filed by the Regional Roads Authority in Podlasie against the Consortium on 1 October 2018 with the District Court in Białystok for a payment of a contractual penalty in the amount of approx. 8,286 thousand PLN on account of withdrawal from the contract. On 14 August 2020, the Regional Roads Authority in Podlasie filed a court correspondence to the competent court (delivered to the attorney of the consortium on 26 November 2020), which constituted an extension of the above lawsuit claim by a demand to award the Ordering Party additional compensation exceeding, according to the Ordering Party, the value of the aforementioned contractual penalty, i.e. the amount of approx. 104 M PLN. Therefore, the total value of the above-mentioned claims of the Ordering Party is currently approx. 112.3 M PLN. As indicated in the above-mentioned correspondence, the additional compensation was calculated by the Ordering Party as the difference between the amount of gross remuneration for the Consortium under the Contract and the amount of gross remuneration under the contract concluded by the Ordering Party with the contractor continuing the investment project, less the amount of contractual penalty for withdrawal from the Contract. The demand for payment of additional compensation is a continuation of the Ordering Party claims against the Consortium resulting from the withdrawal from the Contract by the Ordering Party.

On 1 March 2021, we filed our response to the extension of the lawsuit claim by Regional Roads Authority in Podlasie.

The Court shall decide whether the withdrawal from the Contract by the Ordering Party is legitimate and what claims arise therefrom. However, the Consortium is of the opinion that it has effectively withdrawn from the Contract, thus all claims raised by the Ordering Party have no legal basis. The Consortium maintains its position that, similarly to the claim of the Ordering Party for payment of contractual penalty for withdrawal from the Contract, also the claim of the Ordering Party for additional damages is entirely unfounded.

To sum up, a court dispute is currently underway between the parties, in which cases for payment have been joined for joint consideration, involving claims by the Consortium, for a total amount of approx. 44.6 M PLN, with the lawsuit claim by the Ordering Party for payment of contractual penalty for withdrawal from the contract in the amount of approx. 8.3 M PLN, and additional compensation in the amount of approx. 104 M PLN, i.e. for a

Białystok, 19 April 2021
page 85



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



total amount of approx. 112.3 M PLN plus interest.

The Company fully disputes the damage allegedly suffered by the Ordering Party, both as a rule and as to the amount. The Issuer still believes that it has effectively withdrawn from the Contract, thus all claims raised by the Ordering Party have no legal basis. The Company maintains that the circumstances described above allow this dispute to be still considered as neutral for the current results of the Unibep Group. At the same time, the Issuer stipulates that this aspect will be subjected to thorough analysis, in particular in relation to financial audit activities performed for the purposes of preparing financial statements.

On 29 March 2019, The Consortium of UNIBEP SA and PORR SA filed a lawsuit claim against the General Directorate for National Roads and Motorways for a payment of 16,926 thousand PLN in total (including 5,078 thousand PLN by Unibep SA) due to additional works on the Reconstruction of the S8 national road investment. On 26 April 2019, an order for payment of 146 thousand PLN was issued in the course of the writ-of-payment proceedings against which the defendant has filed an objection. After an exchange of court correspondence, the first hearing was set for 9 April 2021. During the hearing before the District Court in Warsaw, the Court heard some of the witnesses. The court accepted our evidence motion and obliged the Directorate General for National Roads and Motorways to submit the relevant documents (internal letters from the Engineer concerning the demolition of the pavement, which the contractor did not have). The court set another hearing for 16 July 2021 at which the remaining witnesses will be heard.

The lawsuit claim against the Municipality of Łapy. On 12.07.2018, UNIBEP SA filed a lawsuit claim with the District Court in Białystok, 7th Commercial Department, for a payment of the amount of 2,134 thousand PLN (including 957 thousand PLN due to contractual penalties in connection with withdrawal from the contract and 1,177 thousand PLN due to additional claims on the investment project). The defendant filed an answer to the lawsuit claim, which was served on 08.08.2018. The case was referred to mediation (with no settlement as a result). On 10.04.2019, a hearing was held, during which the Municipality of Łapy informed that it had filed a counterclaim the day before (contractual penalty for withdrawal of 957 thousand PLN, contractual penalty for untimely payments to subcontractors 957 thousand PLN and a claim for damages of 1,454 thousand PLN). The counterclaim was served on 28.08.2019 – a response to the lawsuit claim has been filed. The court again referred the case to mediation – the parties again engaged in settlement discussions without success. Three hearings were held. An order was made for expert evidence to be admitted. We are awaiting a decision of the court on the selection of an expert to provide an opinion.

A lawsuit claim was filed against Atelier Żoliborz Sp. z o.o. for payment of 2,174 thousand PLN. The debt includes a claim for the return of a guarantee deposit retained for good performance of the contract during the guarantee period. On 03.08.2020, a preparatory hearing was held, during which the course of the hearing evidence was established. During a hearing held on 7 December 2020, the court set a deadline for Atelier Żoliborz sp. z o.o. to submit evidence on the merits of the dispute, failing which the court would issue a judgement during closed session. On 20.01.2021, the court sent the above-mentioned summons. We are awaiting the ruling in the case.

On 16 June 2020, Unibep SA filed a lawsuit claim against Sjusjøen Prima Utvikling AS for a payment of the total amount of 8,599 thousand NOK plus interest for additional works performed and charges for operating costs of the Sjusjøen View investment project. We are waiting for the hearing date to be set.

The investor, Aureus Residenzbau GmbH, retained a part of the remuneration paid to Unibep SA for the execution of the Krefeld contract. On 27 August 2020, another hearing was held. The court awarded Unibep SA the sum of 218 thousand EUR plus interest. The investor lodged an appeal. Unibep has joined this appeal.

On 27 April 2020, Unibep SA and Przedsiębiorstwo Budownictwa Komunikacyjnego Sp. z o.o. filed a joint lawsuit claim against the Regional Roads Authority in Podlasie for a payment of the total amount of 4,453 thousand PLN, of which the demand of Unibep SA amounts to 1,391 thousand PLN, as payment for additional works under the contract regarding the construction and extension of the provincial road no. 645 along the Nowogród-Kamża section, including a bypass around Stare Kupiski. On 14 July 2020, the Consortium received a copy of the response to the lawsuit claim together with the request of the court to comment on the possible mediation in the case. A mediator was appointed. The first mediation meeting was held, during which the parties agreed that the defendant would once again carefully and thoroughly review all of the claims and demands of the plaintiff by the end of April 2021.

The investor Strandkanten Fluss II KS suspended payment of the last invoice issued under the Strandkanten construction project in Tronso. The investor does not question the amount of the invoice. The amount is withheld as security for claims related to defects reported by the community of residents. Under the agreement concluded with the investor, Unibep SA has been removing the reported defects since May 2019, and the completion of the works is planned for spring 2021. The parties extended the deadline to pursue claims until 1 June 2021. In the first days of December 2020, the case was referred to a law firm in order to attempt to close the dispute amicably.

"MS-BUD" Maciej Senktaś. Unibep SA is claiming payment of 281 thousand PLN as a contractual penalty in connection with failure to remove reported defects within the prescribed time limit within the quality warranty period. A hearing was held on 05.10.2020 and a witness called by the plaintiff was heard. Due to the failure of the defendant to appear and answer court correspondence, the court entered a default judgement on 19 October 2020 awarding the amount claimed. On 2 December 2020, the verdict was granted with an enforcement clause. A motion for the initiation of the enforcement was filed. The bailiff has taken steps to enforce the claim.

The case brought by Unibep SA against Wilrat Sp. z o.o. for the payment of 408 thousand PLN, heard by the District



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



Court in Białystok. The subject matter of the case is a claim for damages for defects in window joinery under the Kjeller Gard contract. Witraz motioned to dismiss the lawsuit claim. The claim was directed to Witraz as a recourse claim, after the investor on the Kjeller Gard project made a similar claim against Unihouse SA. Eventually, in the course of a Norwegian court case, a settlement was concluded with the investor and the community, on the basis of which Unihouse undertook to replace the window joinery in apartments indicated by Norwegian experts after an inspection. In the course of a court proceeding before the Polish court, the lack of documentation confirming the parameters of the supplied joinery proved to be problematic. Witraz has never provided such documentation. As a result, it was not possible to find an expert who could undertake to prepare an opinion on the causes of the defects in the window joinery. The hearing of 24 September 2020 was adjourned to attempt settlement. At a meeting of the parties, it was agreed that the parties will cooperate in the supply of woodwork, for which Unihouse SA will receive a discount to compensate for the costs incurred by the Company. A draft settlement and a cooperation contract are being prepared.

Cases filed by Unibep SA and Budrex Sp. z o.o.

On 20.08.2019, a lawsuit claim was filed with the District Court in Białystok for payment of 4,744 thousand PLN for additional costs on the Łapy Markowszczyzna investment project, including: to Budrex sp. z o.o. – 1,086 thousand PLN and to Unibep – 3,658 thousand PLN. The aforementioned amounts concern unforeseen costs, i.e.: caused by additional works related, among others, to the change of the technology of the works – 1,051,000 PLN incurred by Budrex sp. z o.o.; for increased costs of aggregate transport in the investment area caused by a detour – 3,658,000 PLN incurred by Unibep and 36,000 PLN incurred by Budrex sp. z o.o. By the order of 6 March 2020, evidence from an opinion of an institute was admitted. The Institute presented an opinion in the case, in which it recognised the costs incurred by Budrex sp. z o.o. in the amount of 207 thousand PLN, and in the case of Unibep SA – in the amount of 1,995 PLN as justified. Despite stating that the claims were justified, the Institute pointed out that in its opinion the amount of the costs incurred had not been proven in the case. Because the opinion is highly ambiguous and does not prejudice the legitimacy or otherwise of the claims, objections to the opinion were prepared. On 29 September 2020, a supplemental opinion was served over objections filed by the defendant. Objections to the opinion and a complaint about the costs awarded to the Institute for its preparation were raised (the objection was not accepted by the court). We are currently awaiting information that the opinion has been received by the court.

6.40.2. Guarantees

	as of 31.12.2020	as of 31.12.2019 restated
GUARANTEES RECEIVED	15,887,529.85	91,845,301.24
From related entities	-	274,009.21
From other entities	15,887,529.85	91,571,292.03
GUARANTEES GRANTED	390,728,165.89	351,704,939.23
To related entities	10,540,000.00	10,368,000.00
To other entities	380,188,165.89	341,336,939.23

In 2020, a guarantee for the amount of 165,156,931.52 PLN was granted and guarantees were received in the amount of 5,001,346.39 PLN.



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



6.41. Effect of the COVID-19 coronavirus epidemic on the operations of Unibep SA

Information on the possible effect of the COVID-19 coronavirus epidemic on the operations of Unibep SA was included in the consolidated financial statements of the UNIBEP Group for 2020 – paragraph 6.40.

6.42. Events after the balance sheet date

Closing of the existing Bond Issue Programme and establishment of a new Bond Issue Programme

On 3 March 2021, the Management Board of UNIBEP SA adopted a resolution on: i) closing the existing Bond Issue Programme (adopted under the resolution of the Management Board of the Company of 17 January 2019 on establishing the Bond Issue Programme and the resolution of the Supervisory Board of the Company of the same day on giving consent to implementation of the Bond Issue Programme), under which, in accordance with the content of current report no. 11/2019, a total of 340,000 series F bonds were issued at the face value of 100 PLN each and the total face value of the issue amounting to 34 M PLN, the buyout of which will take place on 15 February 2022, and ii) establishment of a new Bond Issue Programme. (RB 13/2021)

On 29 March 2021, having carried out a reduction, the Management Board of the Company adopted a resolution concerning the conditional allocation of 500,000 series G bonds to investors at the issue price equal to their nominal value of 100 PLN, on condition that the bonds are paid up by the investors no later than on 31 March 2021.

On 29 March 2021, the Issuer purchased 28,877 series E ordinary bearer bonds with the total nominal value of 2,887,700.00 M PLN in order to redeem them. (RB 19/2021)

On 31 March 2021, the Management Board of Unibep SA has announced the payment of 500,000 bonds, and thus the issue of series G bonds as of 31 March 2021 (RB 20/2021).

Information and other significant events after the balance sheet date are included in the Report of the Management Board on Activities of the UNIBEP Group for 2020 – Section 6.5.

6.43. Employment structure

AVERAGE EMPLOYMENT

	as of 31.12.2020	as of 31.12.2019 restated
White-collar workers	583	584
Blue-collar workers	227	238
TOTAL	810	822

6.44. Information on contracts with entities authorised to audit financial statements

On 04.07.2019, the Supervisory Board of UNIBEP SA selected Deloitte Audyt Spółka z ograniczoną odpowiedzialnością Spółka komandytowa, with its registered office in Warsaw at Al. Jana Pawła II 22 to review and audit the financial statements for 2019-2021.

The contract concluded on 26.07.2019 for the review and audit of the separate and consolidated reports defines the annual remuneration of 292,000 PLN per year plus additional costs.

On 21.01.2019, a contract was concluded for the audit of the financial statements of the operations of UNIBEP SA on the Norwegian market according to Norwegian standards with Deloitte AS Dranning Eufemias gate 14, NO-0103 Oslo, for the amount of 90,000 NOK plus additional costs.

The above-mentioned amounts are net amounts.



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



7. Approval of the financial statements

The Company prepared the financial statements for 2019 in accordance with the International Accounting Standards. On 15 June 2020, these financial statements were approved by the Ordinary General Meeting of Shareholders of UNIBEP SA.

These financial statements were authorised by the Management Board of Unibep SA.
The publication date of these financial statements is 19.04.2021.



UNIBEP SA

Separate financial statements for the year ended 31 December 2020 prepared in accordance with International Financial Reporting Standards (amounts in the tables are expressed in PLN unless otherwise stated)



SIGNATURES OF ALL MEMBERS OF THE MANAGEMENT BOARD OF UNIBEP SA

President of the Management Board

Leszek Marek Gotqblecki

Vice-President of the Management Board

Stawomir Kiszyci

Vice-President of the Management Board

Krzysztof Mikolajczyk

Member of the Management Board

Adam Polinski

SIGNATURE OF THE PERSON ENTRUSTED WITH BOOKKEEPING

Chief Accountant

Krzyszyna Kobylińska

