

**INTERIM CONSOLIDATED  
FINANCIAL STATEMENT of**

**OF THE CAPITAL GROUP OF  
ULMA Construcción Polska S.A. CAPITAL  
GROUP**

**FOR THE 6 MONTH PERIOD ENDING ON 30 June 2020**

(along with the audit report of the chartered accountant )



**From the beginning** of your projects



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# ULMA Construcción Polska S.A. Capital Group



## GENERAL INFORMATION

### I The subject of operations

The subject of operations of the ULMA Construcción Polska SA Capital Group. (hereinafter referred to as the Group) are:

- renting and sale of scaffolding and construction formwork,
- custom-made projects for application of formwork and scaffolding,
- export of construction services provided by Group companies,
- sale of building materials and raw materials as well as concrete accessories,
- transport, equipment and repair activities, including the sale and rent of construction equipment.

The parent company ULMA Construcción Polska S.A. is a joint-stock company (Company). The company commenced operations on February 14, 1989 under the name Bauma Sp. z o.o., as a limited liability company (z o.o.) and was registered under the rep number of A.II – 2791. On September 15, 1995, it was transformed into a joint-stock company established by means of a notary deed before a notary public Robert Dorem at the Notary's Office in Warsaw and registered in Rep. No. A 5500/95. On October 29, 2001, the District Court in Warsaw, XIV Commercial Division of the National Court Register, entered the Company in the Register of Entrepreneurs under the number KRS 0000055818. On November 6, 2006, the Extraordinary General Meeting of Shareholders, in Resolution No. 1, resolved to change the name of the Company from the previous name BAUMA S.A. to ULMA Construcción Polska S.A. The relevant entry in the National Court Register was made on November 14, 2006.

### I Registered Seat

ULMA Construcción Polska S.A. CAPITAL GROUP  
Koszajec 50  
05-840 Brwinów

### I The parent entity and Group composition

The control over the ULMA Construcción Polska S.A. Group is exercised by ULMA C y E, S. Coop. with its registered office in Spain, which owns 75.49% of the Company's shares. The remaining 24.51% of shares are held by many shareholders.

The ULMA Construcción Polska S.A. Group the following companies are included:

- ULMA Construcción Polska S.A. CAPITAL GROUP - **the parent company** of the Capital Group performing the management and administrative role for the entire Group and responsible for commercial activities with respect to products and services offered by the Capital Group on the domestic market and on selected foreign markets,
- ULMA Opałubka Ukraina sp. z o.o. - a **subsidiary company** responsible for commercial activities with regard to products and services offered by the Capital Group on the Ukrainian market,
- ULMA Opałubka Kazachstan sp. z o.o. - a **subsidiary responsible** for commercial activities in the field of products and services offered by the Capital Group on the Kazakh market.



- ULMA Construcción BALTIC sp. z o.o. - a **subsidiary** responsible for commercial activities with respect to products and services offered by the Capital Group in the Baltic States (Lithuania, Latvia and Estonia).

In addition, the Group holds shares in the associated entity ULMA Cofraje S.R.L. - an **affiliated company** responsible for commercial activities with respect to products and services offered by the Capital Group on the Romanian market.

In the period of 6 months ending on 30 June 2020, there were no changes in the Capital Group structure.

## **Composition of supervisory and management bodies as at 30/06/2020 and as at the date of approval of the report for publication**

### **Supervisory Board**

Aitor Ayastuy Ayastuy President of the Supervisory Board  
Iñaki Irizar Moyua Vice-President of the Supervisory Board  
Rafael Anduaga Lazcanoiturburu Member of the Supervisory Board  
Michał Markowski Member of the Supervisory Board  
José Joaquín Ugarte Azpiri Member of the Supervisory Board

### **Audit Committee**

Michał Markowski Chairman of the Committee  
Aitor Ayastuy Ayastuy Member of the Committee  
Rafael Anduaga Lazcanoiturburu Member of the Committee

### **Management Board**

Rodolfo Carlos Muñiz Urdampilleta President of the Board  
Giordano Marcel Weschenfelder Member of the Board  
Krzysztof Orzełowski Member of the Management Board  
Ander Ollo Odriozola Member of the Board  
Andrzej Sterczyński Member of the Management Board

### **The auditor**

Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp. k.  
Rondo ONZ 1  
00-124 Warszawa

The company is entered in the list of entities authorized to audit financial statements under item 130.



## **| Banks**

mBank S.A.,  
PEKAO S.A.,  
PKO Bank Polski S.A.  
Banko de Sabadell (Hiszpania)  
Santander Bank Polska S.A.

## **| Stock exchange listing**

The parent company is listed on the Warsaw Stock Exchange ("WSE").  
GPW Symbol: ULM.

## **| Turnover period**

- 6 months of 2020 - the 6-month period ending on 30 June 2020.
- 6 months of 2019 - the 6-month period ending on 30 June 2019.



**Construccion Polska S.A.**  
**ULMA Construccion Polska S.A. CAPITAL GROUP**

**INTERIM ABBRIDGED CONSOLIDATED FINANCIAL  
STATEMENT**

**FOR THE 6 MONTH PERIOD ENDING ON**

**30 June 2020**



## Abbridged consolidated profit and loss account and other comprehensive income

	Note	Period 6 months ending on 30 June 2020 (data not audited)	Period 6 months ending on 30 June 2019 (data not audited)
Sales revenues	20	93,822	107,933
Costs of products, goods and materials sold	21	(71,994)	(70,456)
<b>I. Gross profit on sales</b>		<b>21,828</b>	<b>37,477</b>
Selling and marketing costs	21	(701)	(1,356)
General management costs	21	(9,107)	(9,492)
Other operating income	22	819	696
Other operating costs	22	(2,506)	(2,316)
<i>Including: impairment losses on receivables</i>		<i>(1,961)</i>	<i>(2,312)</i>
<b>II. Profit (Loss) at the operational level</b>		<b>10,333</b>	<b>25,009</b>
Financial income	23	684	537
Financial costs	23	(767)	(558)
<i>Net financial income (costs)</i>		<i>(83)</i>	<i>(21)</i>
Share in profits (losses) in associated companies		64	339
<b>III. Profit (Loss) before tax</b>		<b>10,314</b>	<b>25,327</b>
Income tax	24	(1,611)	(5,703)
<b>IV. Net profit (loss) for the financial period</b>		<b>8,703</b>	<b>19,624</b>
<b>Other comprehensive net income to be reclassified to profit / (loss) in subsequent reporting periods</b>			
Exchange differences on the translation of financial statements of foreign subsidiaries		(1,729)	781
Exchange differences regarding net investments in a subsidiary		397	45
<b>V. Total income for the financial period</b>		<b>7,371</b>	<b>20,450</b>
Net profit attributable to equity holders of the parent	32	8,703	19,624
Net profit attributable to non-controlling interests			
The total income of the financial period attributable to the shareholders of the parent company		7,371	20,450
The total income of the financial period attributable to non-controlling interests			-
Weighted average number of ordinary shares		5,255 632	5,255 632
Basic and diluted profit (loss) per share in the financial period (in PLN per share)		1.66	3.73

All amounts expressed in thousands of PLN, unless indicated otherwise



## Interim abridged consolidated financial situation report

	Note	Status per day		
		30 June 2020 (data not audited)	31 December 2019	30 June 2019 (data not audited)
<b>ASSETS</b>				
I. Fixed assets				
1 Property, plant and equipment	5	263,639	255,864	237,529
2 Intangible assets	6	376	229	178
3 Shares in affiliates	8	2,325	2,261	2,125
4 Other fixed assets - right of use of the fixed assets	9	12,702	12,615	13,989
5 Long-term receivables	10	-	-	-
6 Assents due to deferred income tax	18	4,505	4,395	3,504
<b>Fixed assets in total</b>		<b>283,547</b>	<b>275,364</b>	<b>257,325</b>
II. Current assets				
1 Inventory	11	8,951	7,387	5,797
2 Trade receivables and other receivables	10	48,202	60,687	63,846
3 Current income tax receivables		762	696	571
4 Derivatives	7	-	68	
5 Cash and cash equivalents	12	48,387	48,970	34,275
<b>Current assets in total</b>		<b>106,302</b>	<b>117,808</b>	<b>104,489</b>
<b>Total assets</b>		<b>389,849</b>	<b>393,172</b>	<b>361,814</b>



	Note	Status per day		
		30 June 2020 (data not audited)	31 December 2019	30 June 2019 (data not audited)
<b>EQUITY CAPITAL AND LIABILITIES</b>				
I. Equity				
1 Basic capital	13	10,511	10,511	10,511
2 Supplementary capital - surplus from the sale of shares above par value	13	114,990	114,990	114,990
3 Exchange differences from consolidation		(11,430)	(10,098)	(14,363)
4 Retained earnings, including:		223,767	228,729	202,152
<i>a. Net profit (loss) for the financial period</i>		8,703	46,201	19,624
<b>Total equity</b>		<b>337,838</b>	<b>344,132</b>	<b>313,290</b>
II. Liabilities				
1 Long-term liabilities				
a. Deferred income tax liabilities	18	7,078	6,444	5,150
b. Long-term liabilities due to retirement benefits	19	246	246	185
c. Long-term liabilities due to the right of use	17	5,177	5,471	6,482
<b>Long-term liabilities in total</b>		<b>12,501</b>	<b>12,161</b>	<b>11,817</b>
2 Short-term liabilities				
a. Credits and loans	14	-	-	-
b. Short-term liabilities due to retirement benefits	19	54	54	61
c. Liabilities due to factoring of trade liabilities	16	28	704	903
d. Current income tax liabilities		535	2,042	1,596
e. Short-term liabilities due to the right of use	17	3,822	3,504	3,582
f. Trade payables and other liabilities	15	35,071	30,575	30,565
<b>Short-term liabilities in total</b>		<b>39,510</b>	<b>36,879</b>	<b>36,707</b>
<b>Total liabilities</b>		<b>52,011</b>	<b>49,040</b>	<b>48,524</b>
<b>Total equity and liabilities</b>		<b>389,849</b>	<b>393,172</b>	<b>361,814</b>



## Interim abridged report on consolidated share capital

Detailed list	Share capital at par value	Surplus from the sale of shares above par value	Exchange differences on translating foreign entities	Retained profits	In total Equity
<b>As at 1st January 2019</b>	<b>10,511</b>	<b>114,990</b>	<b>(15,189)</b>	<b>212,538</b>	<b>322,850</b>
Net profit in 2019	-	-	-	46,201	46,201
Total income in 2019	-	-	5,091	-	5,091
Payment of the dividend	-	-	-	(30,010)	(30,010)
<b>As at 31st December 2019</b>	<b>10,511</b>	<b>114,990</b>	<b>(10,098)</b>	<b>228,729</b>	<b>344,132</b>
Total net profit in I half of 2020	-	-	-	8,703	8,703
Total income in I half of 2020	-	-	(1,332)	-	(1,332)
Payment of the dividend	-	-	-	(13,665)	(13,665)
<b>As at 30 June 2020 (reported data)</b>	<b>10,511</b>	<b>114,990</b>	<b>(11,430)</b>	<b>223,767</b>	<b>337,838</b>

Detailed list	Share capital at par value	Surplus from the sale of shares above par value	Exchange differences on translating foreign entities	Retained profits	In total Equity
<b>As at 1st January 2019</b>	<b>10,511</b>	<b>114,990</b>	<b>(15,189)</b>	<b>212,538</b>	<b>322,850</b>
Total net profit in I half of 2019	-	-	-	19,624	19,624
Total income in I half of 2019	-	-	826	-	826
Payment of the dividend	-	-	-	(30,010)	(30,010)
<b>As at 30 June 2019 (data not audited)</b>	<b>10,511</b>	<b>114,990</b>	<b>(14,363)</b>	<b>202,152</b>	<b>313,290</b>



## Interim abridged consolidated cash flow report

	Note	Period 6 months ending on 30 June 2020	Period 6 months ending on 30 June 2019
		<b>Data not audited</b>	
<b>Net cash flow from operating activities</b>			
<b>Net profit for the financial period</b>		<b>8,703</b>	<b>19,624</b>
Adjustments::			
- Income tax	24	1,611	5,703
- Depreciation and impairment of fixed assets	5	20,461	18,887
- Depreciation of intangible assets	6	72	107
- Depreciation of the right of use	9	1,996	2,049
Net value of sold and liquidated fixed assets		4,728	3,559
Interest income		(401)	(537)
- Interest costs		268	447
- Change in the value of shares in the associated entities		(64)	(339)
- (Profits) / losses due to changes in the fair value of financial instruments		68	-
- (Profits) / Losses due to foreign exchange losses		283	370
- Acquisition of formworks -fixed assets		(32,834)	(28,452)
Changes in working capital:			
- Inventory		(1,564)	535
- Trade receivables and other receivables		12,485	(2,192)
- Trade payables and other liabilities		3,820	(6,069)
		<b>19,632</b>	<b>13,692</b>
Income tax paid		(2,736)	(5,597)
<b>Net cash flow from operating activities</b>		<b>16,896</b>	<b>8,095</b>
<b>Net cash flow from investing activities</b>			
Purchase of property, plant and equipment		(1,272)	(1,103)
Proceeds from the sale of property, plant and equipment		66	8
- Depreciation of intangible assets		(226)	(57)
Repayment of loans granted		-	11,000
Interest received		401	537
<b>Net cash used in investing activities</b>		<b>(1,031)</b>	<b>10,385</b>
<b>Net cash flow from financial activities</b>			
Repayment of credits and loans		-	(1,693)
Dividends paid		(13,665)	(30,010)
Payments related to leasing		(2,058)	(2,071)
Interest paid		(268)	(447)
<b>Net cash used in financial activities</b>		<b>(15,991)</b>	<b>(34,221)</b>
<b>Net increase or decrease in cash</b>		<b>(126)</b>	<b>(15,741)</b>
Cash at the beginning of the period		48,970	50,387
Exchange rate losses/profits on valuation of cash		(457)	(371)
<b>Cash and overdraft in the current account at the end of the period</b>	12	<b>48,387</b>	<b>34,275</b>



## **ADDITIONAL INFORMATION TO THE INTERIM ABRIDGED CONSOLIDATED FINANCIAL STATEMENT**

### Notes to the interim abridged consolidated financial statement

#### **1 Declaration of conformity and general principles of document preparation**

Interim condensed consolidated financial statements of the ULMA Construcción Polska S.A. Capital Group, for which the parent entity is ULMA Construcción Polska S.A., cover the period of 6 months ended on 30 June 2020 and includes comparative data for the nine months ended on 30 June 2019 and as at 31 December 2019.

Duration of the Parent Entity and entities included in the ULMA Construcción Polska S.A. Capital Group. it is unlimited.

These interim condensed consolidated financial statements for the 6-month period ended on 30 June 2020 have been prepared in accordance with the requirements of IAS 34 "Interim financial reporting" approved by the EU ("IAS 34") and present the financial position of the ULMA Construcción Polska S.A. as at 30 September, 2018, its results and cash flows for the nine months ended 30 June 2020.

The interim financial statements as at 30 June 2020 do not include all information and disclosures required in the annual financial statements and should be read together with the audited consolidated financial statements as at 31 December 2019, published on 24 March 2020.

These interim condensed consolidated financial statement are presented in Polish zloty ("PLN"), and all values, unless indicated otherwise, are given in thousands of PLN.

These interim condensed consolidated financial statements have been prepared on the assumption that the Group will continue as a going concern in the foreseeable future.

With reference to the outbreak of the Covid-19 epidemic, the Management Board prepared and analysed the Group's and Company's projected cash flows and concluded that there is no material uncertainty with respect to the assumption that ULMA Construcción Polska S.A. Capital Group will continue to operate in the foreseeable future, i.e. for at least the next 12 months by the end of the reporting period.

The interim financial result may not fully reflect the achievable financial result for the financial year.

These interim condensed consolidated financial statements have been prepared on the historical cost basis, with the exception of financial assets and liabilities (derivative financial instruments) measured at fair value through profit or loss account.

These interim consolidated financial statements of the ULMA Construcción Polska SA Capital Group for the 6-month period ended on 30 June 2020, were approved for publication by the Management Board of the parent company on 16 September 2020.

#### **Changes in applied accounting principles**

When preparing the interim condensed consolidated financial statements, the Group applied the same accounting principles, as described in the audited consolidated financial statements as at 31 December 2019.



New or amended standards and interpretations that apply for the first time in 2020 have no material impact on the interim condensed consolidated financial statements of the Group.

The Group has not decided to apply earlier any standard, interpretation or change that has been published but has not yet entered into force in the light of European Union regulations.

## Significant estimates

## Currency exchange rates and inflation

	Average zloty exchange rates published by the National Bank of Poland				Change in the price index of consumer goods and services published by the Central Statistical Office
	UAH (Hryvnia - Ukraine)	RON (Leu - Romania)	KZT (Tenge - Kazakhstan)	EUR (Euro)	
30 June 2020	0.1493	0.9220	0.009812	4.4660	3,9%
31 December 2019	0.1602	0.8901	0.009916	4.2585	2,3%
30 June 2019	0.1427	0.8976	0.009900	4.2520	1,8%

## 2 Financial risk management

The Group's operations are exposed to various types of financial risk: currency risk, cash flow and fair value risk as a result of interest rate changes, credit risk and liquidity risk.

Through the risk management program, the Group tries to minimize the effects of financial risk having a negative impact on the Group's financial results. The Group uses futures contracts in order to protect itself against certain threats.

### Currency exchange risk

The Group conducts international operations and is exposed to the risk of changes in exchange rates of various currencies, especially the Euro. The risk of changes in exchange rates concerns future commercial transactions (sale of products and goods and purchase of goods and services) and recognised assets and liabilities. The risk of currency exchange rate changes occurs when future trade transactions, included assets and liabilities are expressed in a different currency than the functional currency of companies being part of the Group.

The conducted analyses do not indicate that the Group is significantly exposed to the risk of changes in exchange rates in relation to financial instruments. This is mainly due to the fact that the Group's currency exposure in this respect is highly balanced.

Moreover, within the Capital Group, the parent company granted long-term loans to its subsidiaries, the total value of which as at the balance sheet date was 2,100 thousand Euros and 290 thousand USD. These loans form part of the parent's net investment in the foreign operation and are expressed in currencies other than the functional currency of the parent (which is the Polish zloty) or the foreign subsidiary (which



is the Ukrainian hryvnia). In accordance with IAS 21, foreign exchange differences arising on the translation of these loans arising in the parent's separate financial statements (from the translation of the loan from EUR and USD to Polish zloty), as well as foreign exchange differences arising on the translation of these loans arising in the separate financial statements of the foreign subsidiary (from the translation of the loan from USD to Ukrainian hryvnias) in the Group's consolidated financial statements are reclassified to a separate equity item and recognised in other comprehensive income.

Despite the high degree of effectiveness of the exchange rate risk hedging measures that can be achieved, the net result of these transactions is affected by exchange rate volatility. This applies in particular to foreign exchange risk hedging transactions resulting from the balance of internal loans granted by ULMA Construccjon Polska S.A. to its subsidiaries.

As a result, the volatility of the EUR and USD exchange rates against PLN, UAH (Hryvnia in Ukraine) and KZT (Tenge in Kazakhstan) continues to affect the Total Revenue obtained by the Capital Group.

### Risk of changes in cash flows and fair value due to changes in interest rates

In connection with the total repayment of bank loans by the Parent in H1 2015, currently the Group's revenue and cash flows from financing activities are not materially exposed to the risk of interest rate changes.

The Group meets its trade payables in a timely manner and due to this fact, the Group's revenue and cash flows from its operating activities are not materially exposed to the risk of interest rate changes.

### Credit risk

Trade receivables are the most exposed item to credit risk (Note 10).

The Group is not exposed to a significant concentration of risk due to credit sales. A relatively large number of recipients of the Group's services and goods makes it impossible to concentrate credit sales. In addition, the Group applies a policy that significantly limits the sale of services and goods to customers with an inadequate history of liability repayment. Introduced internal control procedures consisting, among other things, in setting credit limits for individual customers depending on the assessment of their financial condition and acceptance procedures for new customers allow the Group to significantly reduce the credit risk level.

Trade receivables in respect of which no impairment has been found as at 30 June 2020 constitute 47.9% of the gross value of this group of financial assets, of which 64.3% of t//he group's value are trade receivables that are not overdue (as at 31 December 2019, these figures were 56.1% and 65.0%, and as at 30 June 2019, 58.1% and 59.9% respectively).

There are no financial assets for which repayment terms have been renegotiated and which would be impaired if not renegotiated.

The aging analysis of trade receivables is as follows: (In thousands PLN)

30 June 2020	Due amount <0	Due amount up to 30 days	Due amount from 31 to 90 days	Due amount from 91 to 180 days	Due amount from 181 to 360 days	Due amount from 360 days up	In total
Gross trade receivables	24,980	2,805	2,886	5,267	4,224	35,767	<b>75,929</b>



Write-offs for expected credit losses	(1,564)	(134)	(330)	(1,949)	(3,582)	(31,971)	<b>(39,530)</b>
<b>Net trade receivables</b>	<b>23,416</b>	<b>2,671</b>	<b>2,556</b>	<b>3,318</b>	<b>642</b>	<b>3,796</b>	<b>36,399</b>

<b>31 December 2019</b>	Due amount <0	Due amount up to 30 days	Due amount from 31 to 90 days	Due amount from 91 to 180 days	Due amount from 181 to 360 days	Due amount from 360 days up	In total
Gross trade receivables	34,092	7,357	4,721	3,995	2,254	36,027	<b>88,446</b>
Write-offs for expected credit losses	(1,442)	(90)	(955)	(2,467)	(1,650)	(32,250)	<b>(38,854)</b>
<b>Net trade receivables</b>	<b>32,650</b>	<b>7,267</b>	<b>3,766</b>	<b>1,528</b>	<b>604</b>	<b>3,777</b>	<b>49,592</b>

<b>30 June 2019</b>	Due amount <0	Due amount up to 30 days	Due amount from 31 to 90 days	Due amount from 91 to 180 days	Due amount from 181 to 360 days	Due amount from 360 days up	In total
Gross trade receivables	33,263	4,521	6,695	5,116	3,436	37,787	<b>90,818</b>
Write-offs for expected credit losses	(1,665)	(40)	(156)	(116)	(2,131)	(33,959)	<b>(38,067)</b>
<b>Net trade receivables</b>	<b>31,598</b>	<b>4,481</b>	<b>6,539</b>	<b>5,000</b>	<b>1,305</b>	<b>3,828</b>	<b>52,751</b>

With regard to financial assets presented in the table above, which are over 90 days overdue, the Capital Group recovered as at the balance sheet date PLN 2 936 thousand of VAT using the so-called VAT relief for bad debts, which is presented in trade liabilities and other liabilities.

Value loss was found in the case of financial assets in the group of trade receivables and other receivables with the value of PLN 39,530 thousand, covering them with a write-off on expected credit losses. When determining the impairment of particular financial assets, the Group is guided by the individual assessment of each customer, including mainly the assessment of their financial standing and the collateral held. The Group uses mainly blank promissory notes and insurance of foreign receivables relating to the eastern markets as the basic means of securing the recovery of receivables.

In addition to individual provisions for expected credit losses, the Group creates a general risk reserve with respect to NORMA customers. The basic assumptions for calculation of the provision are presented in the table below.

Description of the item	30 June 2020	31 December 2019	
0 days	3,7%	3,7%	3,7%
1-30 days	6,6%	6,6%	6,6%
31 - 60 days	30,1%	30,1%	30,1%
61 - 90 days	56,4%	56,4%	56,4%
> 90 days	100%	100%	100%
<b>Loss Given Default (LGD)</b>	<b>50%</b>	<b>50%</b>	<b>62,3%</b>
<b>Provision for expected credit losses</b>	<b>1,308</b>	<b>1,411</b>	<b>1,344</b>



## Liquidity risk

Liquidity risk management assumes maintaining an adequate level of cash, availability of funding through sufficient credit facilities and the ability to close market positions. The Group maintains sufficient cash resources to meet its maturing liabilities and ensures the possibility of financing through the credit lines granted.

Over 90% of the Group's trade liabilities are due and payable within 2 months of the balance sheet date.

The table below shows the Group's financial liabilities as at 30 June 2020 and as at 31 December 2019 by maturity date based on contractual undiscounted payments.

30 June 2020	Interest-bearing credits and loans	Lease liabilities	Factoring related liabilities	Liabilities due to deliveries and services and other liabilities	In total
Up to 3 months	-	1,060	28	29,657	30,745
From 3 up to 12 months	-	3,307	-	-	3,307
From more than a year up to 5 years	-	5,300	-	-	5,300
More than 5 years	-	1,100	-	-	1,100
<b>In total</b>	-	<b>10,767</b>	<b>28</b>	<b>29,657</b>	<b>40,452</b>

31 December 2019	Interest-bearing credits and loans	Lease liabilities	Factoring related liabilities	Liabilities due to deliveries and services and other liabilities	In total
Up to 3 months	-	1,246	704	24,687	26,637
From 3 up to 12 months	-	2,705	-	-	2,705
From more than a year up to 5 years	-	5,442	-	-	5,442
More than 5 years	-	1,541	-	-	1,541
<b>In total</b>	-	<b>10,934</b>	<b>704</b>	<b>24,687</b>	<b>36,325</b>

## Working capital management

The working capital of individual companies of ULMA Construcción Polska S.A. Capital Group is managed at the Capital Group level. The main objectives of capital management are to ensure an appropriate level of operating liquidity and the ability to implement the investment plans of individual Group companies in accordance with approved budgets.

## Dividend policy

The Group adopted dividend policy is also subordinated to the above mentioned objectives. Decisions to pay out dividends are each time preceded by an analysis of the current and development needs of each company and the Capital Group as a whole.



### **3 New accounting standards and interpretations by the International Financial Reporting Interpretations Committee (IFRIC)**

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

<b>Norma</b>	<b>Date of entry into force</b>
IFRS 14 Regulatory prepayments and accruals	As of the date of approval of this report, not approved by the EU - 1 January 2016
Amendments to IFRS 10 and IAS 28	The date of entry into force has been postponed for an indefinite period by the IASB
IFRS 17 Insurance Contracts	By the date of approval of this report, not approved by the EU - 01 January 2023
Amendments to IAS 1 Presentation of Financial Statements - Breakdown of liabilities into current and non-current	By the date of approval of this report, not approved by the EU - 01 January 2023
Amendments to IFRS 3 Business Combinations - Amendments to References to Conceptual Assumptions	By the date of approval of this report, not approved by the EU - 01 January 2022
Amendment to IAS 16 Property, Plant and Equipment - Revenue before commissioning.	By the date of approval of this report, not approved by the EU - 01 January 2022
Amendments to IAS 37 Burdensome contracts - costs of fulfilling contractual obligations	By the date of approval of this report, not approved by the EU - 01 January 2022
Amendment to IFRS 16 Leases - rent concessions related to Covid-19	By the date of approval of this report, not approved by the EU - 01 June 2020
Amendments to IFRS 4 Insurance Contracts - Deferral of IFRS 9	By the date of approval of this report, not approved by the EU - 01 January 2021
Amendments resulting from the review of IFRS 2018-2020 (as published on 14 May 2020)	By the date of approval of this report, not approved by the EU - 01 January 2022

The Group intends to adopt the above-mentioned new standards and amendments to IFRS standards and interpretations published by the International Accounting Standards Board but not in force as at the reporting date in accordance with their effective date.

### **4 Information on business activity segments**

Capital Group ULMA Construcción Polska S.A. distinguishes two basic segments in its business operations:

- construction site service - a segment that includes the rental of formwork and scaffolding systems along with broadly understood logistics service and construction settlement at the end of the contract,
- sales of building materials - a segment that includes the sale of formwork systems that are components of fixed assets (fixed assets) and turnover (goods and materials) of the Group and other building materials.

The accounting principles applied in the operating segments are consistent with the Group's accounting policy outlined in note 1 Organization and management of the ULMA Group is divided into segments taking

All amounts expressed in thousands of PLN, unless indicated otherwise



into account the type of products and services offered. As a rule, ULMA Group settles transactions between segments as if they concerned unrelated entities - on market terms. When analysing the results of individual business segments, the management of the ULMA Group pays particular attention to EBITDA (net profit at the operating level plus depreciation and amortisation, which is not a measure defined by IFRS).

In the construction industry, to which the Capital Group's activity is related, there is seasonality. We can observe a decrease in the activity of construction companies in the winter months and an intensification of activity in the summer and autumn. Weather conditions also play an important role in a specific year.

There are no cases of customer concentration in the Group.

The segment results are as follows:

### 6 month period ended on 30 June 2020

Description of the item	Construction site services	Sales of building materials	Capital Group
Sales revenue in total	75,681	27,032	102,713
Internal sale	(728)	(8,163)	(8,891)
<b>Sales revenues</b>	<b>74,953</b>	<b>18,869</b>	<b>93,822</b>
Operating costs without depreciation	(49,788)	(20,748)	(70,536)
Internal turnover costs	92	9,196	9,288
<b>Consolidated operating costs without depreciation</b>	<b>(49,696)</b>	<b>(11,552)</b>	<b>(61,248)</b>
<b>EBITDA</b>	<b>25,257</b>	<b>7,317</b>	<b>32,574</b>

### 6 month period ended on 30 June 2019

Description of the item	Construction site services	Sales of building materials	Capital Group
Sales revenue in total	86,957	27,986	114,943
Internal sale	(557)	(6,453)	(7,010)
<b>Sales revenues</b>	<b>86,400</b>	<b>21,533</b>	<b>107,933</b>
Operating costs without depreciation	(50,534)	(16,405)	(66,939)
Internal turnover costs	210	4,848	5,058
<b>Consolidated operating costs without depreciation</b>	<b>(50,324)</b>	<b>(11,557)</b>	<b>(61,881)</b>
<b>EBITDA</b>	<b>36,076</b>	<b>9,976</b>	<b>46,052</b>

The reconciliation of profit (loss) at the operating level to the Group's net financial result is presented below.



	6 months of 2020	6 months of 2019
<b>Profit (loss) at the EBITDA level</b>	<b>32,574</b>	<b>46,052</b>
Depreciation	(22,241)	(21,043)
Interest income	401	537
Other financial income	283	355
Interest related costs	(268)	(447)
Other financial costs	(499)	(466)
Participation in the results of affiliates	64	339
Profit (loss) before tax	10,314	25,327
Income tax	(1,611)	(5,703)
<b>Net profit (loss)</b>	<b>8,703</b>	<b>19,624</b>

Assets allocated to individual segments are presented in the table below.

Description of the item	Construction site services	Sales of building materials	Items not assigned	Capital Group
As at 30 June 2020	212,906	12,607	164,336	389,849
As at 31st December 2019	213,739	14,031	165,402	393,172
As at 30 June 2019	197,344	13,150	151,320	361,814

Reconciliation of segment assets to the Group's total assets is presented below.

The Group does not allocate liabilities to individual segments. Fixed assets not allocated to the segments include other non-current assets other than shuttering boards in the amount of PLN 83,477 thousand.

Other receivables not allocated to segments include mainly receivables due to loans granted to related parties in the amount of PLN 10 000 thousand.

Description of the item	30 June 2020	31 December 2019	30 June 2019
Segment assets	225,513	227,770	210,494
Unallocated tangible fixed assets in total	83,477	85,072	85,583
Unallocated Intangible assets in total	376	229	178
Investments in the affiliate	2,325	2,261	2,125
Assets due to deferred tax	4,505	4,395	3,504
Other fixed assets	12,702	12,615	13,989
Tax and other receivables	12,564	11,792	11,666
Derivative financial instruments	-	68	-
Cash and cash equivalents	48,387	48,970	34,275
<b>Total Assets</b>	<b>389,849</b>	<b>393,172</b>	<b>361,814</b>

The Group's income and fixed assets (excluding long-term receivables and shares in associates and deferred tax assets) are as follows in geographical terms:



Description of the item	30 June 2020	31 December 2019	30 June 2019
Domestic sales revenues	68,034	147,209	77,310
Foreign sales revenues	25,788	82,157	30,623
<b>Sales revenue in total</b>	<b>93,822</b>	<b>229,366</b>	<b>107,933</b>
Fixed assets - domestic	261,267	251,232	236,965
Fixed assets - foreign	15,450	17,476	14,731
<b>Fixed assets in total</b>	<b>276,717</b>	<b>268,708</b>	<b>251,696</b>



## 5 Property, plant and equipment

Tangible fixed assets movement table for the period from 1 January 2020 to 30 June 2020.

	Land, buildings, structures	Devices, machines and means of transport	Formwork systems	Other fixed assets	Fixed assets in construction	Tangible fixed assets in total
<b>GROSS VALUE</b>						
<b>As at 01 January 2020</b>	<b>106,965</b>	<b>13,282</b>	<b>541,743</b>	<b>3,824</b>	<b>641</b>	<b>666,455</b>
Increases due to purchase	51	632	28,197	54	535	29,469
Increases - inventory surpluses, retraining	-	-	4,637	-	(635)	4,002
Decreases - sales	-	-	(11,451)	(40)	-	(11,491)
Decreases - liquidations, inventory shortages, requalification	179	(225)	(7,220)	(204)	-	(7,470)
Exchange rate differences	(12)	(61)	(1,253)	5	-	(1,321)
<b>As at 30 June 2020</b>	<b>107,183</b>	<b>13,628</b>	<b>554,653</b>	<b>3,639</b>	<b>541</b>	<b>679,644</b>
<b>CONSOLIDATED DEPRECIATION</b>						
<b>As at 01 January 2020</b>	<b>27,391</b>	<b>9,165</b>	<b>370,815</b>	<b>3,084</b>	-	<b>410,455</b>
Depreciation for the period	1,452	600	17,979	142	-	20,173
Decreases - sales	-	-	(8,272)	-	-	(8,272)
Decreases - liquidations, requalification	27	(218)	(6,247)	(92)	-	(6,530)
Exchange rate differences	(4)	(32)	(208)	(1)	-	(245)
<b>As at 30 June 2020</b>	<b>28,866</b>	<b>9,515</b>	<b>374,067</b>	<b>3,133</b>	-	<b>415,581</b>
<b>AN UP-DATE WRITE-OFF</b>						
As at 01 January 2020	-	-	136	-	-	136
Increases	-	-	288	-	-	288
Decreases	-	-	-	-	-	-
As at 30 June 2020	-	-	424	-	-	424
<b>NET VALUE</b>						
<b>As at 01 January 2020</b>	<b>79,574</b>	<b>4,117</b>	<b>170,792</b>	<b>740</b>	<b>641</b>	<b>255,864</b>
<b>As at 30 June 2020</b>	<b>78,317</b>	<b>4,113</b>	<b>180,162</b>	<b>506</b>	<b>541</b>	<b>263,639</b>



**Tangible fixed assets movement table for the period from 01 January 2019 to 31 December 2019.**

	Land, buildings, structures	Devices, machines and means of transport	Formwork systems	Other fixed assets	Fixed assets in construction	Tangible fixed assets in total
<b>GROSS VALUE</b>						
As at 1 January 2019	<b>106,625</b>	<b>12,191</b>	<b>545,093</b>	<b>3,212</b>	<b>193</b>	<b>667,314</b>
Increases due to purchase	335	1,206	54,648	620	637	57,446
Increases - inventory surpluses, retraining	-	-	18,429	-	(189)	18,240
Decreases - sales	-	(22)	(55,337)	-	-	(55,359)
Decreases - liquidations, inventory shortages, requalification	(8)	(209)	(25,752)	(48)	-	(26,017)
Exchange rate differences	13	116	4,662	40	-	4,831
<b>As at 30th December 2019</b>	<b>106,965</b>	<b>13,282</b>	<b>541,743</b>	<b>3,824</b>	<b>641</b>	<b>666,455</b>
<b>CONSOLIDATED DEPRECIATION</b>						
<b>As at 31th December 2019</b>	<b>24,505</b>	<b>8,157</b>	<b>402,045</b>	<b>2,848</b>	-	<b>437,555</b>
Depreciation for the period	2,884	1,159	34,526	262	-	38,831
Decreases - sales	-	(12)	(46,831)	(12)	-	(46,855)
Decreases - liquidations, requalification	(3)	(194)	(20,538)	(41)	-	(20,776)
Exchange rate differences	5	55	1,613	27	-	1,700
<b>As at 30th December 2019</b>	<b>27,391</b>	<b>9,165</b>	<b>370,815</b>	<b>3,084</b>	-	<b>410,455</b>
<b>AN UP-DATE WRITE-OFF</b>						
As at 31th December 2019	-	-	<b>136</b>	-	-	<b>136</b>
Increases	-	-	-	-	-	-
Decreases	-	-	-	-	-	-
As at 30th December 2019	-	-	<b>136</b>	-	-	<b>136</b>
<b>NET VALUE</b>						
As at 01 January 2019	<b>82,120</b>	<b>4,034</b>	<b>142,912</b>	<b>364</b>	<b>193</b>	<b>229,623</b>
As at 31 December 2019	<b>79,574</b>	<b>4,117</b>	<b>170,792</b>	<b>740</b>	<b>641</b>	<b>255,864</b>



### Table of movements of tangible fixed assets in the period from 1 January to 30 June 2019.

	Land, buildings, structures	Devices, machines and means of transport	Formwork systems	Other fixed assets	Fixed assets in construction	Tangible fixed assets in total
<b>GROSS VALUE</b>						
<b>As at 31th December 2019</b>	<b>106,625</b>	<b>12,191</b>	<b>545,093</b>	<b>3,212</b>	<b>193</b>	<b>667,314</b>
Increases due to purchase	100	340	20,711	357	306	21,814
Increases - inventory surpluses, retraining	-	-	7,741	-	(49)	7,692
Decreases - sales	-	(22)	(23,293)	-	-	(23,315)
Decreases - liquidations, inventory shortages, requalification	(7)	(120)	(11,920)	(34)	-	(12,081)
Exchange rate differences	4	28	1,190	3	2	1,227
<b>As at 30 June 2019</b>	<b>106,722</b>	<b>12,417</b>	<b>539,522</b>	<b>3,538</b>	<b>452</b>	<b>662,651</b>
<b>CONSOLIDATED DEPRECIATION</b>						
<b>As at 31th December 2019</b>	<b>24,505</b>	<b>8,157</b>	<b>402,045</b>	<b>2,848</b>	-	<b>437,555</b>
Depreciation for the period	1,441	593	16,735	118	-	18,887
Decreases - sales	-	(9)	(21,099)	-	-	(21,108)
Decreases - liquidations, requalification	(3)	(109)	(10,646)	(13)	-	(10,771)
Exchange rate differences	1	12	406	4	-	423
<b>As at 30 June 2019</b>	<b>25,944</b>	<b>8,644</b>	<b>387,441</b>	<b>2,957</b>	-	<b>424,986</b>
<b>AN UP-DATE WRITE-OFF</b>						
<b>As at 31th December 2019</b>	-	-	<b>136</b>	-	-	<b>136</b>
Increases	-	-	-	-	-	-
Decreases	-	-	-	-	-	-
<b>As at 30 June 2019</b>	-	-	<b>136</b>	-	-	<b>136</b>
<b>NET VALUE</b>						
<b>As at 01 January 2019</b>	<b>82,120</b>	<b>4,034</b>	<b>142,912</b>	<b>364</b>	<b>193</b>	<b>229,623</b>
<b>As at 30 June 2019</b>	<b>80,778</b>	<b>3,773</b>	<b>151,945</b>	<b>581</b>	<b>452</b>	<b>237,529</b>

The depreciation write-off for tangible fixed assets has increased:

Detailed list	6 months of 2020	12 months of 2019	6 months of 2019
Costs of products, goods and materials sold	19,799	38,224	17,169
Selling and marketing costs	2	5	2
General management costs	372	602	1,716
<b>In total</b>	<b>20,173</b>	<b>38,831</b>	<b>18,887</b>



## 6 Intangible assets

Table of movements of intangible assets between 1 January 2020 and 30 June 2020.

	Licenses and software	Other	Intangible assets in total
<b>GROSS VALUE</b>			
As at 01 January 2020	5,150	37	5,187
Increases	226	-	226
Exchange rate differences	(7)	-	(7)
As at 30 June 2020	5,369	37	5,406
<b>CONSOLIDATED DEPRECIATION</b>			
As at 01 January 2020	4,921	37	4,958
Depreciation for the period	72	-	72
Exchange rate differences	-	-	-
As at 30 June 2020	4,993	37	5,030
<b>NET VALUE</b>			
As at 01 January 2020	229	0	229
As at 30 June 2020	376	0	376

Table of movements of intangible assets between 01 January 2019 and 31 December 2019.

	Licenses and software	Other	Intangible assets in total
<b>GROSS VALUE</b>			
As at 31st December 2019	4,955	37	4,992
Increases	178	-	178
Decreases - sales	-	-	-
Exchange rate differences	17	-	17
As at 30th December 2019	5,150	37	5,187
<b>CONSOLIDATED DEPRECIATION</b>			
As at 31st December 2019	4,729	37	4,766
Depreciation for the period	191	-	191
Decreases - sales	-	-	-
Exchange rate differences	1	-	1
As at 30th December 2019	4,921	37	4,958
<b>NET VALUE</b>			
As at 01 January 2019	226	0	226
As at 31 December 2019	229	0	229



**Table of movements of value of intangible assets in the period between 1 January to 30 June 2019.**

	Licenses and software	Other	Intangible assets in total
<b>GROSS VALUE</b>			
<b>As at 31st December 2019</b>	<b>4,955</b>	<b>37</b>	<b>4,992</b>
Increases	57	-	57
Exchange rate differences	1	-	1
<b>As at 30 June 2019</b>	<b>5,013</b>	<b>37</b>	<b>5,050</b>
<b>CONSOLIDATED DEPRECIATION</b>			
<b>As at 31st December 2019</b>	<b>4,729</b>	<b>37</b>	<b>4,766</b>
Depreciation for the period	107	-	107
Exchange rate differences	(1)	-	(1)
<b>As at 30 June 2019</b>	<b>4,835</b>	<b>37</b>	<b>4,872</b>
<b>NET VALUE</b>			
<b>As at 01 January 2019</b>	<b>226</b>	<b>0</b>	<b>226</b>
<b>As at 30 June 2019</b>	<b>178</b>	<b>-</b>	<b>178</b>

Depreciation write-off for intangible assets has increased:

Detailed list	6 months of 2020	12 months of 2019	6 months of 2019
Costs of products, goods and materials sold	7	7	3
Selling and marketing costs	-	-	-
General management costs	65	184	104
<b>In total</b>	<b>72</b>	<b>191</b>	<b>107</b>



## 7 Financial instruments.

The table below presents a comparison of carrying amounts and fair values of all the Group's financial instruments, broken down by individual classes and categories of assets and liabilities.

	Balance sheet value			Fair value			Fair value hierarchy
	30 June 2020	31 December 2019	30 June 2019	30 June 2020	31 December 2019	30 June 2019	
<b>Debt instruments valued at amortised cost,</b>							
Cash	48,387	48,970	34,275	48,387	48,970	34,275	Item. 1
Trade receivables and other receivables	38,202	50,687	53,846	38,202	50,687	53,846	Item. 3
Loans granted	10,000	10,000	10,000	10,000	10,000	10,000	Item. 3
<b>Derivatives</b>							
Financial instruments valued at fair value through trough financial results.	-	68	-	-	68	-	Item. 3
<b>Financial liabilities valued at amortised cost,</b>							
Loans with variable interest rate	-	-	-	-	-	-	Item. 2
Liabilities due to factoring of trade	28	704	903	28	704	903	Item. 3
Trade payables and other liabilities	29,657	24,687	24,165	29,657	24,687	24,165	Item. 3

In the Group's opinion, the fair value of financial instruments does not differ materially from their carrying amounts mainly due to their short maturity.

In the period ended 30 June 2020, nor in the period ended 30 June 2019 and 21 December 2019, there were no shifts between level 1 and level 2 of the fair value hierarchy, nor were any of the instruments moved from/to level 3 of the fair value hierarchy.

## 8 Shares in affiliates

Name (business name) of the entity, indicating the legal form	Registered Seat	Business Object	Balance sheet value of shares	percentage of the owned share capital
ULMA Cofraje S.R.L.	Bucharest Romania	sale and lease of formwork, sale of building materials	2,325	30.00

The share of ULMA Construcción Polska S.A. in the financial result of the associated company for 2020 was PLN 64 thousand.



#### Basic data on the affiliate entity

	30 June 2020	31 December 2019	30 June 2019
Fixed assets	11,923	12,967	13,342
Current assets	8,799	8,827	8,555
Equity	8,388	7,890	7,510
Long-term liabilities	1,987	1,855	3,645
Short-term liabilities	10,347	12,049	10,743
Sales revenues	7,840	14,946	7,461
Net financial result	213	1,583	1,132

### 9 Assets due to right of use

The item includes the carrying amount of the right to use, which the Group has accepted as a result of implementing IFRS 16 Leases as of January 1st 2019.

#### Table of changes in the value of the right to use fixed assets in the period from 1 January to 30 June 2020.

	Real estate	Means of transport	Forklifts	In total
<b>GROSS VALUE</b>				
As at 01 January 2020	12,009	2,470	1,662	16,141
Change of the fee	44	(1)	-	43
Increases - new leasing objects	-	432	1,642	2,074
Decreases - ending a leasing contract	-	(169)	-	(169)
As at 30 June 2020	12,053	2,732	3,304	18,089
<b>CONSOLIDATED DEPRECIATION</b>				
As at 01 January 2020	2,108	702	716	3,526
Depreciation for the period	1,066	433	497	1,996
Decreases - ending a leasing contract	-	(135)	-	(135)
As at 30 June 2020	3,174	1,000	1,213	5,387
<b>NET VALUE</b>				
As at 01 January 2020	9,901	1,768	946	12,615
As at 30 June 2020	8,879	1,732	2,091	12,702

#### Table of changes in the value of other fixed assets and assets under the right of use for the period from 1 January to 31 December 2019.



	Real estate	Means of transport	Forklifts	In total
<b>GROSS VALUE</b>				
As at 31st December 2018 (reported data)	3,902	-	-	3,902
Impact of IFRS application 16	7,812	1,318	2,091	11,221
As at 31th December 2019	11,714	1,318	2,091	15,123
Increases - change of payment	295	-	-	295
Increases - new leasing objects	-	1,317	-	1,317
Decreases - ending a leasing contract	-	(165)	(429)	(594)
As at 30th December 2019	12,009	2,470	1,662	16,141
<b>CONSOLIDATED DEPRECIATION</b>				
As at 31th December 2019	-	-	-	-
Depreciation for the period	2,108	841	1,144	4,093
Decreases - ending a leasing contract	-	(139)	(428)	(567)
As at 30th December 2019	2,108	702	716	3,526
<b>NET VALUE</b>				
As at 01 January 2019	11,714	1,318	2,091	15,123
As at 31 December 2019	9,901	1,768	946	12,615

Other fixed assets as at 31 December 2018 included the carrying amount of the right of perpetual usufruct of land in the amount of 3,902 thousand PLN. The right of perpetual usufruct of land was acquired by the Group in 2007 and expires on 5 December 2089.

**Table of changes in the value of other fixed assets and assets under the right of use for the period from 1 January to 30 June 2019.**

	Real estate	Means of transport	Forklifts	In total
<b>GROSS VALUE</b>				
As at 31st December 2018 (reported data)	3,902	-	-	3,902
Impact of IFRS application 16	7,812	1,318	2,091	11,221
As at 31th December 2019	11,714	1,318	2,091	15,123
Increases - change of payment	295	-	-	295
Increases - new leasing objects	-	646	-	646
Decreases - ending a leasing contract	-	(56)	-	(56)
As at 30 June 2019	12,009	1,908	2,091	16,008
<b>CONSOLIDATED DEPRECIATION</b>				
As at 31th December 2019	-	-	-	-
Depreciation for the period	1,049	404	596	2,049
Decreases - ending a leasing contract	-	(30)	-	(30)
As at 30 June 2019	1,049	374	596	2,019
<b>NET VALUE</b>				
As at 01 January 2019	11,714	1,318	2,091	15,123
As at 30 June 2019	10,960	1,534	1,495	13,989



## 10 Trade receivables and other receivables

	30 June 2020	31 December 2019	30 June 2019
Trade receivables from unrelated parties	74,152	72,264	83,708
Write-offs for expected credit losses	(39,530)	(38,854)	(38,067)
<i>Net trade receivables</i>	<i>34,622</i>	<i>33,410</i>	<i>45,641</i>
Other receivables	1,247	622	515
Write-offs for expected credit losses	(75)		
<i>Other net receivables</i>	<i>1,172</i>		
Prepayments and accruals - active	631	473	580
Trade receivables from related parties	1,777	16,182	7,110
Receivables due to loan	10,000	10,000	10,000
<b>Total trade receivables and other receivables</b>	<b>48,202</b>	<b>60,687</b>	<b>63,846</b>
including:			
<b>Long-term</b>	-	-	-
<b>Short-term</b>	<b>48,202</b>	<b>60,687</b>	<b>63,846</b>

Based on the analyses carried out, the Group assessed that the carrying amount of individual receivables presented in this interim abridged consolidated financial statement is similar to their fair values.

There is no concentration of credit risk on trade receivables as there is a large number of customers.

The net value of impairment losses on expected credit losses increased by the amounts of written off receivables in the total amount of PLN 1,961 thousand (PLN 4,963 thousand in 2019, PLN 2,312 thousand in the six months of 2019) was recognised in other operating expenses in the consolidated income statement.

The change in the write-offs for expected credit losses is as follows:

	6 months of 2020	12 months of 2019	6 months of 2019
<b>Opening balance</b>	<b>38,854</b>	<b>38,599</b>	<b>38,599</b>
Increases– Write-offs for expected credit losses	3,712	6,640	3,146
Implementation	(473)	(5,336)	(2,874)
Correction of the previous write-off	(1,713)	(1,751)	(885)
Exchange rate differences	(850)	702	81
<b>Closing balance</b>	<b>39,530</b>	<b>38,854</b>	<b>38,067</b>

All write-offs on expected credit losses apply to short-term receivables.

## 11 Inventory



	30 June 2020	31 December 2019	30 June 2019
Materials	3,453	3,075	2,925
Goods	5,856	4,652	3,212
<b>Net inventory value</b>	<b>9,309</b>	<b>7,727</b>	<b>6,137</b>
Updating write-off of inventory value	(358)	(340)	(340)
<b>Net inventory value</b>	<b>8,951</b>	<b>7,387</b>	<b>5,797</b>

## 12 Cash and cash equivalents

	30 June 2020	31 December 2019	30 June 2019
Cash on hand and in bank	48,387	48,970	34,275
<b>Total cash including:</b>	<b>48,387</b>	<b>48,970</b>	<b>34,275</b>
Restricted cash, including:	1,014	875	297
- ZFŚS cash	205	205	201
- Cash on VAT accounts	809	670	96

For the purposes of the cash flow statement, cash and overdraft facilities include:

	30 June 2020	31 December 2019	30 June 2019
Cash and cash equivalents	48,387	48,970	34,275
	-	-	-
<b>Cash and cash equivalents shown in the cash flow statement</b>	<b>48,387</b>	<b>48,970</b>	<b>34,275</b>



### 13 Share Capital and supplementary capital

In the period of 6 months ended 30 June 2020, there were no changes in the number of shares and the value of share capital and supplementary capital raised from the share premium.

All shares are ordinary bearer shares with a nominal value of PLN 2.00. All shares are paid for.

As at 30 June 2020, the Company's shareholder structure is as follows:

	Basic capital		Votes at GSM	
	Number of shares	%	Number of votes	%
ULMA CyE, S. Coop.	3,967 290	75.49	3,967 290	75.49
TFI Quercus S.A.	323,726	6.16	323,726	6.16
Dispersed shareholders	964,616	18.35	964,616	18.35

### 14 Loan commitments

As at June 30th 2020, the Group has no loan commitments.

### 15 Trade payables and other liabilities

	30 June 2020	31 December 2019	30 June 2019
Trade liabilities to unrelated parties	21,874	17,382	16,381
Trade liabilities to related parties	1,248	1,267	3,490
Tax and other liabilities	5,414	5,888	6,400
Accruals of (passive costs)	5,223	3,636	3,199
Accruals of (passive income)	34	1,660	74
Other liabilities	1,278	742	1,021
<b>Total Trade liabilities and other liabilities</b>	<b>35,071</b>	<b>30,575</b>	<b>30,565</b>
Including			
<b>Long-term</b>	-	-	-
<b>Short-term</b>	35,071	30,575	30,565

### 16 Liabilities due to factoring of trade liabilities

In 2015. The Group entered into a factoring agreement with mBank, under which the Group's trade liabilities towards selected suppliers are paid by the bank within 14 days of the date of the invoice issued by the supplier. The deadline for payment of the Group to the bank is 75 days from the date of payment by the bank of liabilities to the supplier. As at 30 June 2020, the Group's liabilities to the bank on this account constituted PLN 28 thousand. This amount was disclosed in the interim abridged consolidated statement of financial position under liabilities due to factoring of trade liabilities.



## 17 Leasing

Lease agreements in accordance with IFRS 16 include lease of a fleet of passenger cars and forklift trucks, lease of the Logistics Centre in Gdańsk and the square in Warsaw at Klasyków Street, perpetual usufruct of land in Jaworzno

Lease liabilities as at 30 June 2020

Liabilities due within the period:	Real estate leasing	Passenger car leasing	Forklift truck leasing	Total lease liabilities
Up to 3 months	453	203	277	933
From 3 up to 12 months	1,697	489	703	2,889
From more than a year up to 5 years	2,509	1,064	1,144	4,717
More than 5 years	460	-	-	460
<b>In total</b>	<b>5,119</b>	<b>1,756</b>	<b>2,124</b>	<b>8,999</b>

Lease liabilities as at 31 December 2019

Liabilities due within the period:	Real estate leasing	Passenger car leasing	Forklift truck leasing	Total lease liabilities
Up to 3 months	736	186	180	1,102
From 3 up to 12 months	1,331	520	551	2,402
From more than a year up to 5 years	3,410	1,089	228	4,727
More than 5 years	744	-	-	744
<b>In total</b>	<b>6,221</b>	<b>1,795</b>	<b>959</b>	<b>8,975</b>

Lease liabilities as at 30 June 2019

Liabilities due within the period:	Real estate leasing	Passenger car leasing	Forklift truck leasing	Total lease liabilities
Up to 3 months	396	192	297	885
From 3 up to 12 months	1,602	467	603	2,672
From more than a year up to 5 years	4,290	890	597	5,777
More than 5 years	730	-	-	730
<b>In total</b>	<b>7,018</b>	<b>1,549</b>	<b>1,497</b>	<b>10,064</b>



## 18 Deferred income tax

	30 June 2020	31 December 2019	30 June 2019
Assents due to deferred income tax	7,054	6,411	5,893
Provision for deferred income tax:	(9,627)	(8,460)	(7,539)
Compensation	2,549	2,016	2,389
<b>Balance sheet value of an asset due to deferred income tax</b>	<b>4,505</b>	<b>4,395</b>	<b>3,504</b>
<b>Balance sheet provision due to deferred income tax</b>	<b>(7,078)</b>	<b>(6,444)</b>	<b>(5,150)</b>

Deferred tax assets and liabilities in the consolidated statement of financial position were shown in amounts resulting from the offsetting of assets and liabilities at the level of each company in the Group.

Changes in deferred tax assets and liabilities during the year (before offsetting within one legal jurisdiction) are as follows:

	Statement of financial position		Profit and loss account and other comprehensive income
	30 June 2020	31 December 2019	6 months of 2020
<b>Provision due to deferred tax</b>			
Tax depreciation	9,439	8,248	(1,191)
Unrealised foreign exchange differences	17	7	(10)
Other	171	205	34
<b>In total</b>	<b>9,627</b>	<b>8,460</b>	<b>(1,167)</b>
<b>Assets due to deferred tax</b>			
Valuation of the tangible fixed assets	2,427	2,700	(273)
Write-offs for expected credit losses	3,341	2,683	658
Provisions for costs	1,286	1,007	269
Unrealised foreign exchange differences	-	21	(21)
Exchange rate differences from the translation of			86
<b>In total</b>	<b>7,054</b>	<b>6,411</b>	<b>719</b>
<b>(Charge)/recognition due to deferred income tax</b>			<b>(448)</b>

In the Group's opinion, deferred tax assets are fully realizable.

## 19 Liabilities due to retirement benefits



	30 June 2020	31 December 2019	30 June 2019
Liabilities recognised in the statement of financial position due to:			
Pension benefits	300	300	246
<b>In total</b>	<b>300</b>	<b>300</b>	<b>246</b>
Including			
<b>Long term</b>	<b>246</b>	<b>246</b>	<b>185</b>
<b>Short term</b>	<b>54</b>	<b>54</b>	<b>61</b>

The Group makes an actuarial valuation of the provision for retirement benefits at the end of each financial year.

## 20 Sales revenues

	6 months 2020	6 months 2019
Sales revenue from construction site support services	74,953	86,400
Revenues from sales of goods and construction materials	18,869	21,533
<b>Sales revenue in total</b>	<b>93,822</b>	<b>107,933</b>

- construction site service - a segment that includes the rental of formwork and scaffolding systems along with broadly understood logistics service and construction settlement at the end of the contract,
- sales of building materials - a segment that includes the sale of formwork systems that are components of fixed assets (fixed assets) and turnover (products and goods) of the Group and other building materials.

Revenues from sales in geographical terms are as follows:

Description of the item	6 months 2020	6 months 2019
Domestic sales revenues	68,034	77,310
Foreign sales revenues	25,788	30,623
<b>Sales revenue in total</b>	<b>93,822</b>	<b>107,933</b>

## 21 Costs by type

	6 months 2020	6 months 2019



Depreciation of tangible and intangible assets	20,245	18,994
- Depreciation of the right of use of the assets	1,996	2,049
Employee benefits cost (note 21 a)	21,348	22,257
Use-up of resources, auxiliary materials and energy	6,258	6,771
Transport services	7,335	6,237
Rental and lease services	2,700	3,048
Renovation and maintenance works	3,356	3,420
Assembly and installation services	202	553
Other services	7,126	6,797
Other costs	2,724	3,317
Value of products and materials sold	8,560	7,917
<b>Costs by type In total</b>	<b>81,850</b>	<b>81,360</b>
Including		
Costs of benefits for own use	48	56
Costs of products, goods and materials sold	71,994	70,456
Selling and marketing costs	701	1,356
Management costs	9,107	9,492

<b>21 a) Employee benefits costs</b>		
Salary costs and costs of termination benefits	17,298	18,317
Costs of social insurance and benefits for employees	4,050	3,940
<b>Total employee benefits costs</b>	<b>21,348</b>	<b>22,257</b>

## 22 Other income and operational costs

<b>22 a) Other operational income</b>	6 months 2020	6 months 2019
Inventory	31	89
Gains on change in fair value of futures contracts	-	-
Reimbursed process costs	2	-
Indemnities received	3	8
Sale and recovery of tangible fixed assets	-	-
Recovered items of the fixed assets	358	-
Re-invoicing	149	169
Liabilities written off	-	405
Other income	276	25
<b>Other operational income in total</b>	<b>819</b>	<b>696</b>

The other revenue for the period of 6 months of 2020 included the amount of PLN 249 thousand from the benefit received for the protection of workplaces from the funds of FGŚP to subsidise the remuneration of employees with reduced working hours as a result of COVID-19.



<b>22 b) Other operational costs</b>	<b>6 months 2020</b>	<b>6 months 2019</b>
Liquidation of fixed assets items	-	(4)
Losses on change in fair value of futures contracts	(168)	-
Write-off updating the value of tangible assets (fixed assets and stock)	(306)	-
impairment losses on receivables	(1,961)	(2,312)
Other costs	(71)	-
<b>Other operational income in total</b>	<b>(2,506)</b>	<b>(2,316)</b>

## 23 Financial income and costs

<b>23 a) Financial income</b>	<b>6 months 2020</b>	<b>6 months 2019</b>
Interest on cash in bank account	222	200
Interest due to loan granted	179	337
Exchange rate differences	283	-
<b>Total financial income</b>	<b>684</b>	<b>537</b>

<b>23 b) Financial costs</b>		
Interest costs		
- on bank loans	-	(58)
- on leasing	(260)	(367)
- on others	(8)	(22)
	<b>(268)</b>	<b>(447)</b>
Exchange rate differences	(499)	(111)
Costs of obtaining a loan, bank guarantee	-	-
<b>Total financial costs</b>	<b>(767)</b>	<b>(558)</b>

## 23 (c) Exchange rate gains/losses

The impact of exchange rate differences on the financial result of ULMA Construcción Polska S.A. Group is presented below:

	<b>6 months 2020</b>	<b>6 months 2019</b>
Sales revenues	285	(95)
Costs of products, goods and materials sold	342	111
Financial income	283	-
Financial costs	(499)	(111)
<b>Total foreign exchange gains (losses)</b>	<b>411</b>	<b>(95)</b>

The value of exchange rate differences relating to net investments in subsidiaries recognised directly in equity amounted in H1 2020. PLN 397 thousand in the first half of 2019. PLN 45 thousand.



## 24. Income tax

	6 months 2020	6 months 2019
Current tax	(1,163)	(4,870)
Deferred tax (note 18)	(448)	(833)
<b>Total income tax</b>	<b>(1,611)</b>	<b>(5,703)</b>

The income tax on the Group's profit before tax differs as follows from the theoretical amount that would be obtained by applying the weighted average tax rate applicable to the profits of consolidated companies:

	6 months 2020	6 months 2019
<b>Profit (loss) before tax</b>	<b>10,314</b>	<b>25,327</b>
Tax revenue recognised in previous periods	-	519
Exchange rate differences on loans	(489)	164
Other	(38)	-
Deduction of tax losses from previous periods	(373)	-
<b>Permanently non-deductible costs, including</b>	<b>(495)</b>	<b>2,399</b>
Representation costs	517	926
Previous years' costs		538
PFRON fees	166	126
25% of passenger car operating costs	259	261
Other	563	548
Recognition of write-offs for expected credit losses from previous years as temporary non-deductible costs	(2,002)	-
<b>Non-tax profits in a subsidiary</b>	<b>-</b>	<b>(8)</b>
<b>Tax losses in subsidiaries</b>	<b>-</b>	<b>378</b>
<b>Tax base</b>	<b>8,919</b>	<b>28,779</b>
<b>Charging the financial result on account of income tax</b>	<b>1,611</b>	<b>5,703</b>

The tax authorities may inspect the accounting books and tax settlements within 5 years from the end of the year in which the tax returns were filed (in Ukraine within 3 years) and charge the Group's Companies with additional tax plus penalty interest. In the opinion of the Management Board, there are no circumstances indicating that significant liabilities may arise on this account.

## 25 Dividend per share



Pursuant to Resolution No. 7 of the General Meeting of Shareholders of ULMA Construcción Polska S.A. of 06 May 2020, a portion of the net profit for the financial year 2019 in the amount of 13,664,643.20 was allocated for payment to shareholders in the form of a dividend of PLN 2.60 gross per share.

The determination of the dividend rights took place on 18 May 2020 and the payment of the dividend took place on 25 May 2020.

## **26 Contingent items**

At the request of ULMA Construcción Polska S.A. mBANK granted one of the Company's clients a bank guarantee of performance of the lease agreement. The validity of this bank guarantee expires on 30.09.2022. The guarantee is related to the construction of the Logistics Centre in Gdańsk. The investment was commissioned in the first quarter of 2015. The Group uses the Logistics Centre in Gdańsk under a long-term lease agreement.

As at the balance sheet date, the amount of the bank guarantee granted is PLN 3,594 thousand.

## **27 Investment liabilities (off-balance sheet)**

The ULMA Construcción Polska S.A. Group has no future investment liabilities incurred as at the balance sheet date, but not yet included in the interim condensed consolidated statement of financial position.

## **28 Fair value measurement of financial instruments**

Based on the analyses carried out, the Group assessed that the carrying amount of individual financial instruments presented in these interim condensed consolidated financial statements is similar to their fair values.

## **29 Material events and events after the balance sheet date**

- On 30 July 2020, ULMA Construcción Polska S.A. and ULMA C y E, S. Coop. concluded a loan agreement for PLN 20,000 thousand, as announced in current report no. 17 / 2020. In the loan agreement, the Parties agreed on the market terms and conditions of interest and collateral and set a deadline for its repayment by 31 July 2022. Given that the balance of the previous loan as at the date of conclusion of this agreement amounted to PLN 10,000 thousand, as part of the commencement of the new loan agreement ULMA Construcción Polska S.A. transferred to ULMA C y E, S. Coop the amount of another PLN 10,000 thousand.
- On 7 July 2020, ULMA Construcción Polska S.A. was (defendant), sued by Nextbud sp. z o.o. sp.k. (plaintiff) for depriving the enforceability of the enforcement title, i.e. the order for payment of 30 April 2018, obliging Nextbud sp. z o.o. sp.k. (debtor of ULMA Construcción Polska S.A.) to pay the amount of PLN 235,769.07 together with calculated interest and reimbursement of the costs of the court proceedings. ULMA Construcción Polska S.A. submitted a response to the statement of claim within the deadline set by the court. If the claim is upheld, ULMA Construcción Polska S.A. will not be able to continue the enforcement on the basis of the above-mentioned enforcement title. In the opinion of the Management Board the claim is devoid of grounds, and the claim itself is burdened with many formal errors. Therefore, at this stage there are no plans to create accounting reserves for a possible loss.



### **30 Transactions with associated entities**

The control over the Group is exercised by ULMA C y E, S. Coop. with its registered office in Spain, which owns 75.49% of the Company's shares. The remaining 24.51% of shares are held by many shareholders.

The ULMA Construcción Polska SA Capital Group. the following companies are included:

#### **The parent entity:**

ULMA Construcción Polska S.A. based in Koszajec (gm. Brwinów)

#### **Subsidiaries:**

- ULMA Opałubka Ukraina with its registered office in Kiev at ul. Gnata Juri 9, established on 18 July 2001. It was registered in the Swiatoszynski Department of State Administration for the city of Kiev under number 5878/01 and received the identification code 31563803. The company's business is the sale and lease of formwork, sales of building materials. The share of the issuer in the capital and in the total number of votes is 100%.
- ULMA Opałubka Kazachstan sp.o.o. with its registered office in Astana at ul. Taszenowa 25. Its strategic goal is to develop the core business of the Capital Group, i.e. renting formwork and scaffolding systems, and the education of how to use of formwork technology in the construction process in Kazakhstan. The share of the issuer in the capital and in the total number of votes is 100%.
- ULMA Construcción BALTIC sp. z.o.o with its registered office in Vilnius, ul. Pylimo 41-12. The company's business is the rental of scaffolding and formwork, wholesale and retail sale of scaffolding and formwork, sale and lease of other construction equipment and other commercial activities. The share of the issuer in the capital and in the total number of votes is 100%.

#### **The Group also holds shares in an associate:**

ULMA Cofraje SRL with its registered office in Bragadir at ul. Soseaua de Centura No. 2-8 Corp C20 (Romania), established on 9 October 2007. Registered at the National Commercial Register Office in Bucharest under the number of J23/289/30.01.2013 . The object of the Company's activity is the rental and sale of scaffolding and construction formwork. The share of the issuer in the capital and in the total number of votes is 30%. The remaining 70% of shares in the Company's capital belong to the entity controlling the Group - ULMA C y E, S. Coop. with its seat in Spain.

Subsidiaries are subject to consolidation by the full method, the associated entity is consolidated by means of the equity method.

Transactions concluded by Companies of THE CAPITAL GROUP OF ULMA Construcción Polska S.A. with related entities were of typical and routine nature, were concluded on market terms, and their nature and terms resulted from conducting current operations.

Figures concerning transactions of ULMA Construcción Polska S.A. Group companies with related parties:

Settlement balances at the balance sheet date	Status per day	
	30 June 2020	30 June 2019
Receivables from associated companies	1,777	7,110



Including		
- from the parent unit	277	1,359
- from the affiliate	50	214
- from other affiliates	1,450	5,537
<b>Liabilities to affiliates</b>	<b>1,248</b>	<b>3,490</b>
Including		
- to the parent unit	939	3,409
- to the affiliate	28	4
- to other affiliates	281	77
<b>Receivables due to loan</b>	<b>10,000</b>	<b>10,000</b>
Loan receivables - ULMA CyE S. Coop. (In thousands of PLN)	10,000	10,000
Interest receivable on loan (thousands off PLN)	-	-

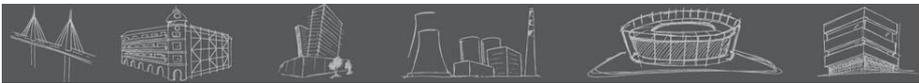
	6 months 2020	6 months 2019
<b>Sales and purchases from Group's units</b>		
<b>ULMA sales to the affiliates</b>	<b>2,070</b>	<b>8,716</b>
Including		
- to the parent unit	733	2,504
- to the affiliate	14	43
- to other affiliates	1,323	6,169
<b>Purchases from ES Group units</b>	<b>23,245</b>	<b>14,870</b>
Including		
- from the parent unit	22,824	14,851
- from the affiliate	28	4
- from other affiliates	393	15
<b>Income from loan interest</b>	<b>179</b>	<b>337</b>
Including		
- from the parent unit	179	337

The sale and purchase transactions with the Group's companies mainly concern the sale of shuttering systems and shuttering rental services.

ULMA Construcción Polska S.A. granted the parent company ULMA CyE, S. Coop a short-term loan of PLN 32,000 thousand in total. The loan for the parent company was granted on market terms - the interest rate on the loan depended on WIBOR 3M. The repayment date for the tranche of PLN 11,000 thousand is 29 June 2018. (repaid tranche), the tranche of PLN 11,000 thousand on 30 April 2019. (repaid tranche) and the tranche of PLN 10,000 thousand (pursuant to Annex 6 of 22 June 2020) on 31 July 2020. The loan receivable as at 30 June 2020 is PLN 10,000 thousand.

**Transactions with members of the Management Board and Supervisory Board of the parent company, their spouses, siblings, ascendants, descendants or other persons close to them and key management personnel of the parent company and ULMA Group companies with related parties.**

The members of the Management Board and Supervisory Board of the parent company and members of the Management Board and Supervisory Board of the subsidiaries and affiliates. In a period 6 months of 2020 and the similar period of 2019 neither the Group nor the companies of the Group granted any advances, loans, credits, guarantees and sureties to the managing and supervising personnel and their relatives, and no



other agreements were concluded with them which would oblige them to provide services to the Company and its related entities.

As at 30 June 2020, 31 December 2019 and 30 June 2019, there were no loans granted by the companies of the Group to members of the management and supervisory bodies and their relatives.

### **31 Remuneration of the key management personell**

In a period 6 months of 2020, members of the Management Board and the Supervisory Board received remuneration including bonuses:

	6 months 2020	6 months 2019
<b>Management Board of ULMA Construcción Polska S.A.</b>		
Rodolfo Carlos Muñiz Urdampilleta	606	797
Andrzej Sterczyński	199	347
Krzysztof Orzełowski	174	305
Giordano Marcel Weschenfelder (from 30 May 2019)	312	47
<b>ULMA Opałubka Ukraine</b>		
Dmitriv Lyakhovetskiy	174	212
<b>ULMA Opałubka Kazakhstan</b>		
Eugeniusz Czuczalów	54	91
<b>ULMA Construcción BALTIC</b>		
Vykintas Kuzmickas	145	200
<b>Supervisory Board of ULMA Construcción Polska S.A.</b>		
Michał Markowski	18	18
Andrzej Kozłowski	-	25

Other Members of the Management Board and Members of the Supervisory Board do not receive remuneration.

### **32 Profit per share**

The basic profit per share is calculated by dividing the profit attributable to the Company's shareholders by the weighted average number of ordinary shares during the year.



	6 months 2020	6 months 2019
Net profit attributable to equity holders of the parent	8,703	19,624
Number of ordinary shares as at the balance sheet date	5,255 632	5,255 632
Weighted average number of ordinary shares	5,255 632	5,255 632
Basic earnings per share (in PLN per share)	1.66	3.73
Diluted earnings per share (in PLN per share)	1.66	3.73

### 33 Information on average employment

	6 months of 2020	2019	6 months of 2019
<b>ULMA Construcción Polska S.A. CAPITAL GROUP</b>	<b>371</b>	<b>364</b>	<b>362</b>
ULMA Construcción Polska S.A. Capital Group	449	434	429



### 34 Conversion of selected financial data into the Euro

The conversion of selected financial data into Euro is presented in the table below:

DETAILED LIST	In thousands PLN		In thousands EUR	
	6 months of 2020	6 months of 2019	6 months of 2020	6 months of 2019
Net revenues from sales of products, goods and materials	93,822	107,933	21,125	25,171
Profit (loss) from the operating activities	10,333	25,009	2,327	5,832
Gross profit (loss)	10,314	25,327	2,322	5,907
Net profit (loss)	8,703	19,624	1,960	4,576
Net cash flow from operating activities	16,896	8,095	3,804	1,888
Net cash flow from investment activities	(1,031)	10,385	(232)	2,422
Net cash flow from financial activities	(15,991)	(34,221)	(3,600)	(7,981)
Net cash flow	(126)	(15,741)	(28)	(3,671)
Diluted profit per one share	1.66	3.73	0.37	0.87
Profit per ordinary share (in PLN / EUR)	1.66	3.73	0.37	0.87
	In thousands PLN		In thousands EUR	
	30 June 2020	31 December 2019	30 June 2020	31 December 2019
Total assets	389,849	393,172	87,293	92,327
Liabilities	52,011	49,040	11,646	11,516
Long-term liabilities	12,501	12,161	2,799	2,856
Short-term liabilities	39,510	36,879	8,847	8,660
Equity	337,838	344,132	75,647	80,811
Basic capital	10,511	10,511	2,354	2,468
Weighted average number of shares	5,255 632	5,255 632	5,255 632	5,255 632
Number of shares as at the balance sheet date	5,255 632	5,255 632	5,255 632	5,255 632
Book value per ordinary share (in PLN / EUR)	64.28	65.49	14.39	15.38

Individual items of assets and equity and liabilities have been converted into EUR using average exchange rates published by the President of the National Bank of Poland, effective as at the balance sheet date. The average EUR exchange rate as at 30 June 2020 amounted to 4.4660 PLN/ EUR, and as at 31 December 2019 to 4.2585 PLN/EUR

When converting the items of the statement of comprehensive income and cash flow statement items, a rate being the arithmetic mean of the exchange rates in force on the last day of the month of a the given period was applied, i.e. data for the period 1.01. 30/06/2020 were converted according to the exchange rate = 4.4413 PLN / EUR, data for the analogous period of 2019 were converted according to the exchange rate = 4.2880 PLN / EUR.

Koszajec, date 16 September 2020



## ULMA CONSTRUCCION POLSKA S.A.



**From the beginning** of your projects



**ULMA Construcción Polska S.A. CAPITAL GROUP**

**INTERIM ABBRIDGED SEPARATE FINANCIAL  
STATEMENT**

**FOR THE 6 MONTH PERIOD ENDING ON**

**30 June 2020**

**(along with the audit report of the chartered accountant )**



## Interim abridged separate profit and loss account and other comprehensive income

	Note	For the 6 months period ending on 30 June 2020 (data not audited)	For 6 months period ending on 30 June 2019 (data not audited)
Sales revenues	16	77,056	93,774
Costs of products, goods and materials sold	17	(64,971)	(63,776)
<b>I. Gross profit on sales</b>		<b>12,085</b>	<b>29,998</b>
Selling and marketing costs	17	(664)	(1,272)
General management and administration costs	17	(7,584)	(7,882)
Other operating income	18	1,389	610
<i>Including: reversal of impairment losses on receivables</i>		593	-
Other operating costs	18	(526)	(610)
<i>Including: impairment losses on receivables</i>		-	(600)
<b>II. Profit (Loss) at the operational level</b>		<b>4,700</b>	<b>20,844</b>
Financial income	19	1,024	2,773
Financial costs	19	(268)	(587)
<i>Net financial income (costs)</i>		756	2,186
<b>III. Profit (Loss) before tax</b>		<b>5,456</b>	<b>23,030</b>
Income tax	20	(832)	(4,885)
<b>IV. Net profit (loss) for the financial period</b>		<b>4,624</b>	<b>18,145</b>
Other comprehensive income:		-	-
<b>V. Total income for the financial period</b>		<b>4,624</b>	<b>18,145</b>
Weighted average number of ordinary shares		5,255 632	5,255 632
Basic and diluted profit per share in the financial period (in PLN per share)	22	0.88	3.45



## Interim abridged separate financial situation report

	Note	Status per day		
		30 June 2020 (data not audited)	31 December 2019	30 June 2019 (data not audited)
<b>ASSETS</b>				
I. Fixed assets				
1 Property, plant and equipment	2	248,232	238,445	222,846
2 Intangible assets	3	333	172	131
3 Investments in subsidiaries and affiliates	5	7,458	7,458	7,458
4 Assets due to right of use	6	12,702	12,615	13,989
5 Long-term receivables	7	10,623	10,063	13,880
<b>Fixed assets in total</b>		<b>279,348</b>	<b>268,753</b>	<b>258,304</b>
II. Current assets				
1 Inventory	8	6,604	5,185	4,554
2 Trade receivables and other receivables	7	41,897	54,686	53,532
3 Current income tax receivables		27	-	-
4. Derivatives	4	-	68	-
5 Cash and cash equivalents	9	41,529	45,997	31,420
<b>Current assets in total</b>		<b>90,057</b>	<b>105,936</b>	<b>89,506</b>
<b>Total assets</b>		<b>369,405</b>	<b>374,689</b>	<b>347,810</b>



	Note	Status per day		
		30 June 2020 (data not audited)	31 December 2019	30 June 2019 (data not audited)
<b>EQUITY CAPITAL AND LIABILITIES</b>				
I. Equity				
1 Basic capital	10	10,511	10,511	10,511
2 Supplementary capital - surplus from the sale of shares above par value	10	114,990	114,990	114,990
3 Retained earnings, including:		196,958	205,999	180,644
<i>a. Net profit (loss) for the financial period</i>		4,624	43,499	18,145
<b>Total equity</b>		<b>322,459</b>	<b>331,500</b>	<b>306,145</b>
II. Liabilities				
1 Long-term liabilities				
a. Deferred income tax liabilities	14	7,078	6,444	5,150
b. Long-term liabilities due to retirement benefits	15	246	246	185
c. Long-term liabilities due to the right of use	13	5,177	5,471	6,482
<b>Long-term liabilities in total</b>		<b>12,501</b>	<b>12,161</b>	<b>11,817</b>
2 Short-term liabilities				
a. b. Short-term liabilities due to retirement benefits	15	54	54	61
b. Liabilities due to factoring of trade liabilities	12	28	704	903
c. Current income tax liabilities		-	1,307	687
d. Short-term liabilities due to the right of use	13	3,822	3,504	3,582
e. Trade payables and other liabilities	11	30,541	25,459	24,615
<b>Short-term liabilities in total</b>		<b>34,445</b>	<b>31,028</b>	<b>29,848</b>
<b>Total liabilities</b>		<b>46,946</b>	<b>43,189</b>	<b>41,665</b>
<b>Total equity and liabilities</b>		<b>369,405</b>	<b>374,689</b>	<b>347,810</b>



## Interim abridged separate report on consolidated share capital

Detailed list	Share capital at par value	Surplus from the sale of shares above par value	Retained profits	In total Equity
<b>As at 01 January 2019</b>	<b>10,511</b>	<b>114,990</b>	<b>192,509</b>	<b>318,010</b>
Total net profit in 2019	-	-	43,499	<b>43,499</b>
Total income in 2019			-	-
Payment of the dividend	-	-	(30,009)	<b>(30,009)</b>
<b>As at 31st December 2019</b>	<b>10,511</b>	<b>114,990</b>	<b>205,999</b>	<b>331,500</b>
Total net profit in I half of 2020	-	-	4,624	<b>4,624</b>
Other total net income in I half of 2020	-	-	-	-
Payment of the dividend	-	-	(13,665)	<b>(13,665)</b>
<b>As at 30 June 2020 (reported data)</b>	<b>10,511</b>	<b>114,990</b>	<b>196,958</b>	<b>322,459</b>

Detailed list	Share capital at par value	Surplus from the sale of shares above par value	Retained profits	In total Equity
<b>As at 1st January 2019</b>	<b>10,511</b>	<b>114,990</b>	<b>192,509</b>	<b>318,010</b>
Total net profit in I half of 2019	-	-	18,145	<b>18,145</b>
Other total net income in I half of 2019	-	-	-	-
Payment of the dividend	-	-	(30,010)	<b>(30,010)</b>
<b>As at 30 June 2019 (reported data)</b>	<b>10,511</b>	<b>114,990</b>	<b>180,644</b>	<b>306,145</b>



## Interim abridged separate cash flow report

	Note	For the 6 months period ending on 30 June 2020	For 6 months period ending on 30 June 2019
		(data not audited)	
<b>Net cash flow from operating activities</b>			
<b>Net profit for the financial period</b>		<b>4,624</b>	<b>18,145</b>
Adjustments::			
- Income tax	20	832	4,885
- Depreciation and impairment of fixed assets	2	18,357	16,864
- Depreciation of intangible assets	3	65	103
- Depreciation of the right of use of the assets	6	1,996	2,049
Net value of sold and liquidated fixed assets		3,162	3,037
- (Profits) / losses due to changes in the fair value of financial instruments		68	-
Interest, dividend income		(535)	(2,773)
- Interest costs		268	389
- (Profits) / Losses due to foreign exchange losses		(489)	135
- Acquisition of formworks -fixed assets		(30,151)	(25,002)
Changes in working capital:			
- Inventory		(1,418)	579
- Trade receivables and other receivables		12,789	(1,099)
- Trade payables and other liabilities		4,405	(8,633)
		<b>13,973</b>	<b>8,679</b>
Income tax paid		(1,532)	(3,986)
<b>Net cash flow from operating activities</b>		<b>12,441</b>	<b>4,693</b>
<b>Net cash flow from investing activities</b>			
Purchase of property, plant and equipment		(1,221)	(683)
Proceeds from the sale of property, plant and equipment		66	8
- Depreciation of intangible assets		(226)	(57)
Repayment of loans granted		-	11,615
Interest received		464	843
Dividends received		-	1,930
<b>Net cash used in investing activities</b>		<b>(917)</b>	<b>13,656</b>
<b>Net cash flow from financial activities</b>			
Interest paid		(268)	(389)
Payments related to leasing		(2,058)	(2,072)
Dividends paid		(13,665)	(30,010)
<b>Net cash used in financial activities</b>		<b>(15,991)</b>	<b>(32,471)</b>
<b>Increase / (decrease) in net cash and overdraft in the current account</b>		<b>(4,467)</b>	<b>(14,122)</b>
Cash and overdraft in the current account at the beginning of the period		<b>45,997</b>	<b>45,611</b>
Foreign exchange loss/gains on the valuation of cash and overdraft in the current account		(1)	(69)
<b>Cash and overdraft in the current account at the end of the period</b>	<b>9</b>	<b>41,529</b>	<b>31,420</b>

## ADDITIONAL INFORMATION TO THE INTERIM ABRIDGED SEPARATE FINANCIAL STATEMENT

### Notes to the interim abridged separate financial statement

#### 1. Declaration of conformity and general principles of document preparation

The interim abridged separate financial statements of ULMA Construcción Polska S.A. cover the six-month period ended June 30th 2020 and contain comparative data for the six-month period ended June 30th 2019 and as at December 31st 2019.

The duration of ULMA Construcción Polska S.A. is indefinite.

These interim condensed separate financial statements for the 6-month period ended on 30 June 2020 have been prepared in accordance with the requirements of IAS 34 "Interim financial reporting" approved by the EU ("IAS 34") and present the financial position of the ULMA Construcción Polska S.A. as at 30 September, 2018, its results and cash flows for the nine months ended 30 June 2020.

The interim financial statements as at 30 June 2020 do not include all information and disclosures required in the annual financial statements and should be read together with the audited separate financial statements as at 31 December 2019, published on 24 March 2020.

These interim abridged separate financial statement are presented in Polish zloty ("PLN"), and all values, unless indicated otherwise, are given in thousands of PLN.

These interim abridged separate financial statements have been prepared on the assumption that the Company will continue as a going concern in the foreseeable future.

With reference to the outbreak of the Covid-19 epidemic, the Management Board prepared and analysed Company's projected cash flows and concluded that there is no material uncertainty with respect to the assumption that ULMA Construcción Polska S.A. will continue to operate in the foreseeable future, i.e. for at least the next 12 months by the end of the reporting period.

The interim financial result may not fully reflect the achievable financial result for the financial year.

These interim abridged separate financial statements have been prepared on the historical cost basis, with the exception of financial assets and liabilities (derivative financial instruments) measured at fair value through profit or loss account.



These interim separate financial statements of the ULMA Construcción Polska SA Capital Group for the 6-month period ended on 30 June 2020, were approved for publication by the Management Board of the parent company on 16 September 2020.

## Changes in applied accounting principles

When preparing the interim abridged separate financial statements, the Group applied the same accounting principles, as described in the audited separate financial statements as at 31 December 2019.

New or amended standards and interpretations that apply for the first time in 2020 have no material impact on the interim abridged separate financial statements of the UIMA Construcción Polska S.A.

The Company has not decided to apply earlier any standard, interpretation or change that has been published but has not yet entered into force in the light of European Union regulations.

## Significant estimates

There were no significant changes of estimates in the I half of 2020

## Risk management

### Credit risk

Trade receivables are the most exposed item to credit risk (Note 7).

The Company is not exposed to a significant concentration of risk due to credit sales. A relatively large number of recipients of the Company's services and goods makes it impossible to concentrate credit sales. In addition, the Company applies a policy that significantly limits the sale of services and goods to customers with an inadequate history of liability repayment. Introduced internal control procedures consisting, among other things, in setting credit limits for individual customers depending on the assessment of their financial condition and acceptance procedures for new customers allow the Company to significantly reduce the credit risk level.

Trade receivables in respect of which no impairment has been found as at 30 June 2020 constitute 53.1% of the gross value of this group of financial assets, of which 71.0% of t//he group's value are trade receivables that are not overdue (as at 31 December 2019, these figures were 60.9% and 69.3%, and as at 30 June 2019, 58.4% and 72.8% respectively).

There are no financial assets for which repayment terms have been renegotiated and which would be impaired if not renegotiated.

The aging analysis of trade receivables is as follows: (In thousands PLN)



<b>30 June 2020</b>	Due amount <0	Due amount up to 30 days	Due amount from 31 to 90 days	Due amount from 91 to 180 days	Due amount from 181 to 360 days	Due amount from 360 days up	In total
Gross trade receivables	23,592	2,058	1,933	1,624	478	29,160	<b>58,845</b>
Write-offs for expected credit losses	(1,408)	(1)	(99)	(112)	(180)	(25,803)	<b>(27,603)</b>
<b>Net trade receivables</b>	<b>22,184</b>	<b>2,057</b>	<b>1,834</b>	<b>1,512</b>	<b>298</b>	<b>3,357</b>	<b>31,242</b>

<b>31 December 2019</b>	Due amount <0	Due amount up to 30 days	Due amount from 31 to 90 days	Due amount from 91 to 180 days	Due amount from 181 to 360 days	Due amount from 360 days up	In total
Gross trade receivables	32,104	7,404	1,864	1,301	518	29,487	<b>72,678</b>
Write-offs for expected credit losses	(1,423)	(90)	(210)	(271)	(264)	(26,175)	<b>(28,433)</b>
<b>Net trade receivables</b>	<b>30,681</b>	<b>7,314</b>	<b>1,654</b>	<b>1,030</b>	<b>254</b>	<b>3,312</b>	<b>44,245</b>

<b>30 June 2019</b>	Due amount <0	Due amount up to 30 days	Due amount from 31 to 90 days	Due amount from 91 to 180 days	Due amount from 181 to 360 days	Due amount from 360 days up	In total
Gross trade receivables	32,736	2,425	3,877	1,643	607	32,310	<b>73,598</b>
Write-offs for expected credit losses	(1,465)	(40)	(156)	(116)	(357)	(28,482)	<b>(30,616)</b>
<b>Net trade receivables</b>	<b>31,271</b>	<b>2,385</b>	<b>3,721</b>	<b>1,527</b>	<b>250</b>	<b>3,828</b>	<b>42,982</b>

With regard to financial assets presented in the table above, which are over 90 days overdue, the Capital Group recovered as at the balance sheet date PLN 2 936 thousand of VAT using the so-called VAT relief for bad debts, which is presented in trade liabilities and other liabilities.

Value loss was found in the case of financial assets in the group of trade receivables and other receivables with the value of PLN 27,603 thousand, covering them with a write-off on expected credit losses. When determining the impairment of particular financial assets, the Group is guided by the individual assessment of each customer, including mainly the assessment of their financial standing and the collateral held. The Group uses mainly blank promissory notes and insurance of foreign receivables relating to the eastern markets as the basic means of securing the recovery of receivables.

In addition to individual provisions for expected credit losses, the Group creates a general risk reserve with respect to NORMA customers. The basic assumptions for calculation of the provision are presented in the table below.



Description of the item	30 June 2020	31 December 2019	30 June 2019
<b>Prawdopodobieństwo nie wywiązania się z zapłaty (PD)</b>			
0 days	3,7%	3,7%	3,7%
1-30 days	6,6%	6,6%	6,6%
31 - 60 days	30,1%	30,1%	30,1%
61 - 90 days	56,4%	56,4%	56,4%
> 90 days	100%	100%	100%
<b>Loss Given Default (LGD)</b>	<b>50%</b>	<b>50%</b>	<b>62,3%</b>
<b>Provision for expected credit losses</b>	<b>1,308</b>	<b>1,411</b>	<b>1,344</b>

## Liquidity risk

Liquidity risk management assumes maintaining an adequate level of cash, availability of funding through sufficient credit facilities and the ability to close market positions. The Group maintains sufficient cash resources to meet its maturing liabilities and ensures the possibility of financing through the credit lines granted.

Over 90% of the Group's trade liabilities are due and payable within 2 months of the balance sheet date.

The table below shows the Group's financial liabilities as at 30 June 2020 and as at 31 December 2019 by maturity date based on contractual undiscounted payments.

30 June 2020	Interest-bearing credits and loans	Lease liabilities	Factoring related liabilities	Liabilities due to deliveries and services and other liabilities	In total
Up to 3 months	-	1,060	28	25,961	27,049
From 3 up to 12 months	-	3,307	-	-	3,307
From more than a year up to 5 years	-	5,300	-	-	5,300
More than 5 years	-	1,100	-	-	1,100
<b>In total</b>	<b>-</b>	<b>10,767</b>	<b>28</b>	<b>25,961</b>	<b>36,756</b>

31 December 2019	Interest-bearing credits and loans	Lease liabilities	Factoring related liabilities	Liabilities due to deliveries and services and other liabilities	In total
Up to 3 months	-	1,246	704	19,981	21,931
From 3 up to 12 months	-	2,705	-	-	2,705
From more than a year up to 5 years	-	5,442	-	-	5,442
More than 5 years	-	1,541	-	-	1,541
<b>In total</b>	<b>-</b>	<b>10,934</b>	<b>704</b>	<b>19,981</b>	<b>31,619</b>



## 2 Property, plant and equipment

Tangible fixed assets movement table for the period from 1 January 2020 to 30 June 2020.

	Land, buildings, structures	Technical devices, machines and means of transport	Formwork systems	Other fixed assets	Fixed assets in construction	Tangible fixed assets in total
<b>GROSS VALUE</b>						
As at 01 January 2020	106,880	12,236	467,092	2,690	637	589,535
Increases due to purchase	46	624	27,289	16	535	28,510
Increases - inventory surpluses, retraining	-	-	2,861	-	(637)	2,224
Decreases - sales	-	-	(10,482)	-	-	(10,482)
Decreases - liquidations, inventory shortages	-	(225)	(7,161)	(25)	-	(7,411)
As at 30 June 2020	106,926	12,635	479,599	2,681	535	602,376
<b>CONSOLIDATED DEPRECIATION</b>						
As at 01 January 2020	27,352	8,620	312,492	2,490	-	350,954
Depreciation for the period	1,443	533	16,048	45	-	18,069
Decreases - sales	-	-	(8,840)	-	-	(8,840)
Decreases - liquidations, inventory shortages	-	(218)	(6,220)	(25)	-	(6,463)
As at 30 June 2020	28,795	8,935	313,480	2,510	-	353,720
<b>AN UP-DATE WRITE-OFF</b>						
As at 1 January 2020	-	-	136	-	-	136
Increases	-	-	288	-	-	288
Decreases	-	-	-	-	-	-
As at 30 June 2020	-	-	424	-	-	424
<b>NET VALUE</b>						
As at 01 January 2020	79,528	3,616	154,464	200	637	238,445
As at 30 June 2020	78,131	3,700	165,695	171	535	248,232



**Tangible fixed assets movement table for the period from 01 January 2019 to 31 December 2019.**

	Land, buildings, structures	Technical devices, machines and means of transport	Formwork systems	Other fixed assets	Fixed assets in construction	Tangible fixed assets in total
<b>GROSS VALUE</b>						
As at 31th December 2019	106,549	11,365	490,897	2,609	191	611,611
Increases due to purchase	335	1,054	48,858	140	637	51,024
Increases - inventory surpluses, retraining	-	-	21,585	-	(191)	21,394
Decreases - sales	-	-	(63,018)	-	-	(63,018)
	(4)	(183)	(31,230)	(59)	-	(31,476)
As at 30th December 2019	106,880	12,236	467,092	2,690	637	589,535
<b>CONSOLIDATED DEPRECIATION</b>						
As at 31th December 2019	24,475	7,747	359,730	2,455	-	394,407
Depreciation for the period	2,878	1,051	30,754	94	-	34,777
Decreases - sales	-	-	(57,621)	-	-	(57,621)
Decreases - liquidations, inventory shortages	(1)	(178)	(20,371)	(59)	-	(20,609)
As at 30th December 2019	27,352	8,620	312,492	2,490	-	350,954
<b>AN UP-DATE WRITE-OFF</b>						
As at 31th December 2019	-	-	136	-	-	136
Increases	-	-	-	-	-	-
Decreases	-	-	-	-	-	-
As at 30th December 2019	-	-	136	-	-	136
<b>NET VALUE</b>						
As at 01 January 2019	82,074	3,618	131,031	154	191	217,068
As at 31 December 2019	79,528	3,616	154,464	200	637	238,445



**Table of movements of tangible fixed assets in the period from 1 January to 30 June 2019.**

	Land, buildings, structures	Technical devices, machines and means of transport	Formwork systems	Other fixed assets	Fixed assets in construction	Tangible fixed assets in total
<b>GROSS VALUE</b>						
As at 31th December 2019	106,549	11,365	490,897	2,609	191	611,611
Increases due to purchase	100	204	19,955	73	306	20,638
Increases - inventory surpluses, retraining	-	-	5,047	-	(191)	4,856
Decreases - sales	-	-	(25,679)	-	-	(25,679)
Decreases - liquidations, inventory shortages	(4)	(98)	(11,887)	(19)	-	(12,008)
<b>As at 30 June 2019</b>	<b>106,645</b>	<b>11,471</b>	<b>478,333</b>	<b>2,663</b>	<b>306</b>	<b>599,418</b>
<b>CONSOLIDATED DEPRECIATION</b>						
As at 31th December 2019	24,475	7,747	359,730	2,455	-	394,407
Depreciation for the period	1,439	552	14,832	41	-	16,864
Decreases - sales	-	-	(24,132)	-	-	(24,132)
Decreases - liquidations, inventory shortages	(1)	(95)	(10,588)	(19)	-	(10,703)
<b>As at 30 June 2019</b>	<b>25,913</b>	<b>8,204</b>	<b>339,842</b>	<b>2,477</b>	<b>-</b>	<b>376,436</b>
<b>AN UP-DATE WRITE-OFF</b>						
As at 31th December 2019	-	-	136	-	-	136
Increases	-	-	-	-	-	-
Decreases	-	-	-	-	-	-
<b>As at 30 June 2019</b>	<b>-</b>	<b>-</b>	<b>136</b>	<b>-</b>	<b>-</b>	<b>136</b>
<b>NET VALUE</b>						
As at 01 January 2019	82,074	3,618	131,031	154	191	217,068
<b>As at 30 June 2019</b>	<b>80,732</b>	<b>3,267</b>	<b>138,355</b>	<b>186</b>	<b>306</b>	<b>222,846</b>

The depreciation write-off for tangible fixed assets has increased:

Detailed list	6 months 2020	12 months of 2019	6 months 2019
Costs of products, goods and materials sold	17,732	34,202	16,576
Selling and marketing costs	2	5	2
General management costs	335	570	286
<b>In total</b>	<b>18,069</b>	<b>34,777</b>	<b>16,864</b>



### 3 Intangible assets

Table of movements of value of intangible assets in the period between 1 January to 30 June 2020.

	Licenses and software	Other	Intangible assets in total
<b>GROSS VALUE</b>			
As at 01 January 2020	4,959	37	4,996
Increases	226	-	226
Decreases - sales, liquidation	-	-	-
As at 30 June 2020	5,185	37	5,222
<b>CONSOLIDATED DEPRECIATION</b>			
As at 01 January 2020	4,787	37	4,824
Depreciation for the period	65	-	65
Decreases - sales, liquidation	-	-	-
As at 30 June 2020	4,852	37	4,889
<b>NET VALUE</b>			
As at 01 January 2020	172	-	172
As at 30 June 2020	333	-	333

Table of movements of intangible assets between 01 January 2019 and 31 December 2019.

	Licenses and software	Other	Intangible assets in total
<b>GROSS VALUE</b>			
As at 31st December 2019	4,781	37	4,818
Increases	178	-	178
Decreases - sales	-	-	-
As at 30th December 2019	4,959	37	4,996
<b>CONSOLIDATED DEPRECIATION</b>			
As at 31st December 2019	4,604	37	4,641
Depreciation for the period	183	-	183
Decreases - sales	-	-	-
As at 30th December 2019	4,787	37	4,824
<b>NET VALUE</b>			
As at 01 January 2019	177	-	177
As at 31 December 2019	172	-	172



**Table of movements of intangible assets between 01 January 2019 and 30 June 2019.**

	Licenses and software	Other	Intangible assets in total
<b>GROSS VALUE</b>			
As at 31th December 2019	4,781	37	4,818
Increases	57	-	57
Decreases - sales, liquidation	-	-	-
As at 30 June 2019	4,838	37	4,875
<b>CONSOLIDATED DEPRECIATION</b>			
As at 31th December 2019	4,604	37	4,641
Depreciation for the period	103	-	103
Decreases - sales, liquidation	-	-	-
As at 30 June 2019	4,707	37	4,744
<b>NET VALUE</b>			
As at 01 January 2019	177	-	177
As at 30 June 2019	131	-	131

Depreciation write-off for intangible assets has increased:

Detailed list	6 months 2020	12 months of 2019	6 months 2019
Costs of products, goods and materials sold		-	-
General management costs	65	183	103
<b>In total</b>	<b>65</b>	<b>183</b>	<b>103</b>



## 4 Financial instruments.

The table below presents a comparison of carrying amounts and fair values of all the Group's financial instruments, broken down by individual classes and categories of assets and liabilities

	Balance sheet value			Fair value			Fair value hierarchy
	30 June 2020	31 December 2019	30 June 2019	30 June 2020	31 December 2019	30 June 2019	
<b>Debt instruments valued at amortised cost,</b>							
Cash	41,529	45,997	31,420	41,529	45,997	31,420	Item. 1
Trade receivables and other	31,897	44,686	43,532	31,897	44,686	43,532	Item. 3
Loans granted	20,623	20,063	23,880	20,623	20,063	23,880	Item. 3
<b>Financial instruments valued at fair value through financial results.</b>							
Investments in subsidiaries and affiliates	7,458	7,458	7,458	7,458	7,458	7,458	Item. 2
Derivatives	-	68	-	-	68	-	Item. 3
<b>Financial liabilities valued at amortised cost,</b>							
Liabilities due to factoring of trade liabilities	28	704	903	28	704	903	Item. 3
Trade payables and other liabilities	25,691	19,981	18,605	25,691	19,981	18,605	Item. 3

In the Company's opinion, the fair value of financial instruments does not differ materially from their carrying amounts mainly due to their short maturity.

In the period ended 30 June 2020, nor in the period ended 30 June 2019, there were no shifts between level 1 and level 2 of the fair value hierarchy, nor were any of the instruments moved from/to level 3 of the fair value hierarchy.





## 5 Investments in subsidiaries and affiliates

As at 30 June 2020

No.	Name of the entity	Registered Seat	Business Object	Business character	Date of taking over the control	Value of shares at purchase price	Updating write-offs	Balance sheet value of shares	Percentage of the share capital held	Share in the total number of votes at the General Meeting
1	ULMA Opałubka Ukraine	Ukraine	sale and lease of formwork, sale of building materials	Subsidiary	18.07.2001r.	5,818	-	5,818	100	100
2	ULMA Cofraje	Romania	sale and lease of formwork, sale of building materials	affiliate	02.11.2007r.	3,977	(2,562)	1,415	30	30
3	ULMA Opałubka Kazakhstan	Kazakhstan	sale and lease of formwork, sale of building materials	Subsidiary	27/08/2010	83	-	83	100	100
4	ULMA Construcción BALTIC	Lithuania	sale and lease of formwork, sale of building materials	Subsidiary	27/04/2012	142	-	142	100	100
						<b>10,020</b>	<b>(2,562)</b>	<b>7,458</b>		

## 6 Assets due to right of use

The item includes the carrying amount of the right to use of fixed assets, which the Company has accepted as a result of implementing IFRS 16 Leases as of January 1st 2019.

**Table of changes in the value of assets under the right of use for the period from 1 January to 30 June 2020.**

	Real estate	Means of transport	Forklifts	In total
<b>GROSS VALUE</b>				
<b>As at 01 January 2020</b>	<b>12,009</b>	<b>2,470</b>	<b>1,662</b>	<b>16,141</b>
Increases - change of payment	44	(1)	-	43
Increases - new leasing objects	-	432	1,642	2,074
Decreases - ending a leasing contract	-	(169)	-	(169)
<b>As at 30 June 2020</b>	<b>12,053</b>	<b>2,732</b>	<b>3,304</b>	<b>18,089</b>
<b>CONSOLIDATED DEPRECIATION</b>				
<b>As at 01 January 2020</b>	<b>2,108</b>	<b>702</b>	<b>716</b>	<b>3,526</b>
Depreciation for the period	1,066	433	497	1,996
Decreases - ending a leasing contract	-	(135)	-	(135)
<b>As at 30 June 2020</b>	<b>3,174</b>	<b>1,000</b>	<b>1,213</b>	<b>5,387</b>
<b>NET VALUE</b>				
<b>As at 01 January 2020</b>	<b>9,901</b>	<b>1,768</b>	<b>946</b>	<b>12,615</b>
<b>As at 30 June 2020</b>	<b>8,879</b>	<b>1,732</b>	<b>2,091</b>	<b>12,702</b>

**Table of changes in the value of other fixed assets and assets under the right of use for the period from 1 January to 31 December 2019.**

	Real estate	Means of transport	Forklifts	In total
<b>GROSS VALUE</b>				
<b>As at 31st December 2018 (reported data)</b>	<b>3,902</b>	<b>-</b>	<b>-</b>	<b>3,902</b>
<b>Impact of IFRS application 16</b>	<b>7,812</b>	<b>1,318</b>	<b>2,091</b>	<b>11,221</b>
<b>As at 31th December 2019</b>	<b>11,714</b>	<b>1,318</b>	<b>2,091</b>	<b>15,123</b>
Increases - change of payment	295	-	-	295
Increases - new leasing objects	-	1,317	-	1,317
Decreases - ending a leasing contract	-	(165)	(429)	(594)
<b>As at 30th December 2019</b>	<b>12,009</b>	<b>2,470</b>	<b>1,662</b>	<b>16,141</b>
<b>CONSOLIDATED DEPRECIATION</b>				
<b>As at 31th December 2019</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation for the period	2,108	841	1,144	4,093
Decreases - ending a leasing contract	-	(139)	(428)	(567)
<b>As at 30th December 2019</b>	<b>2,108</b>	<b>702</b>	<b>716</b>	<b>3,526</b>
<b>NET VALUE</b>				
<b>As at 01 January 2019</b>	<b>11,714</b>	<b>1,318</b>	<b>2,091</b>	<b>15,123</b>
<b>As at 31 December 2019</b>	<b>9,901</b>	<b>1,768</b>	<b>946</b>	<b>12,615</b>



Other fixed assets as at 31 December 2018 included the carrying amount of the right of perpetual usufruct of land in the amount of 3,902 thousand PLN. The right of perpetual usufruct of land was acquired by the Company in 2007 and expires on 5 December 2089.

	Real estate	Means of transport	Forklifts	In total
<b>GROSS VALUE</b>				
As at 31st December 2018 (reported data)	3,902	-	-	3,902
Impact of IFRS application 16	7,812	1,318	2,091	11,221
<b>As at 31th December 2019</b>	<b>11,714</b>	<b>1,318</b>	<b>2,091</b>	<b>15,123</b>
Increases - change of payment	295	-	-	295
Increases - new leasing objects	-	646	-	646
Decreases - ending a leasing contract	-	(56)	-	(56)
<b>As at 30 June 2019</b>	<b>12,009</b>	<b>1,908</b>	<b>2,091</b>	<b>16,008</b>
<b>CONSOLIDATED DEPRECIATION</b>				
As at 31th December 2019	-	-	-	
Depreciation for the period	1,049	404	596	2,049
Decreases - ending a leasing contract	-	(30)	-	(30)
<b>As at 30 June 2019</b>	<b>1,049</b>	<b>374</b>	<b>596</b>	<b>2,019</b>
<b>NET VALUE</b>				
As at 01 January 2019	11,714	1,318	2,091	15,123
As at 30 June 2019	10,960	1,534	1,495	13,989

## 7 Trade receivables and other receivables

	30 June 2020	31 December 2019	30 June 2019
Trade receivables from non-related parties	54,871	53,935	63,112
Write-offs for expected credit losses	(27,603)	(28,433)	(30,616)
<i>Net trade receivables</i>	<i>27,268</i>	<i>25,502</i>	<i>32,496</i>
Other receivables	104	19	35
Prepayments and accruals - active	551	422	515
Trade receivables from related parties	3,974	18,743	10,486
Loans granted	20,623	20,063	23,880
<b>Total trade receivables and other receivables</b>	<b>52,520</b>	<b>64,749</b>	<b>67,412</b>
including:			
<b>Long-term</b>	<b>10,623</b>	<b>10,063</b>	<b>13,880</b>
<b>Short-term</b>	<b>41,897</b>	<b>54,686</b>	<b>53,532</b>

Based on the analyses carried out, the Company assessed that the carrying amount of individual receivables presented in this interim abridged separate financial statement is similar to their fair values. There is no concentration of credit risk on trade receivables as the Company has a large number of customers.

The net value of the reversal of allowances for expected credit losses, less the amounts of receivables written off, totalling PLN 593 thousand, was recognised in other operating income.



The net value of write-offs for expected credit losses plus the amounts of receivables written off in six months of 2020 (PLN 600 thousand) and 2019 (PLN 551 thousand) was recognised in other operating expenses.

The change in the write-offs for expected credit losses is as follows:

	30 June 2020	31 December 2019	30 June 2019
<b>Opening balance</b>	<b>28,433</b>	<b>32,853</b>	<b>32,853</b>
Increases– Write-offs for expected credit losses	496	2,178	1,410
Use-up	(275)	(4,896)	(2,784)
Correction of the previous write-off	(1,051)	(1,702)	(863)
<b>Closing balance</b>	<b>27,603</b>	<b>28,433</b>	<b>30,616</b>

All write-offs on expected credit losses apply to short-term receivables.

## 8 Inventory

	30 June 2020	31 December 2019	30 June 2019
Materials	3,081	2,764	2,538
Goods	3,863	2,761	2,356
<b>Net inventory value</b>	<b>6,944</b>	<b>5,525</b>	<b>4,894</b>
Updating write-off of inventory value	(340)	(340)	(340)
<b>Net inventory value</b>	<b>6,604</b>	<b>5,185</b>	<b>4,554</b>

## 9 Cash and cash equivalents

	30 June 2020	31 December 2019	30 June 2019
Cash on hand and in bank	41,529	45,997	31,420
Short-term bank deposits	-	-	-
<b>Total cash including:</b>	<b>41,529</b>	<b>45,997</b>	<b>31,420</b>
Restricted cash, including:	1,014	875	297
- ZFŚS cash	205	205	201
- Cash on VAT accounts	809	670	96

For the purposes of the cash flow statement, cash and overdraft facilities include:



	30 June 2020	31 December 2019	30 June 2019
Cash and cash equivalents	41,529	45,997	31,420
Overdraft	-	-	-
<b>Cash and cash equivalents shown in the cash flow statement</b>	<b>41,529</b>	<b>45,997</b>	<b>31,420</b>



## 10 Share Capital and supplementary capital

In the period of 6 months ended 30 June 2020, there were no changes in the number of shares and the value of share capital and supplementary capital raised from the share premium.

All shares are ordinary bearer shares with a nominal value of PLN 2.00. All shares are paid for.

As at 30 June 2020, the Company's shareholder structure is as follows:

	Basic capital		Votes at GSM	
	Number of shares	%	Number of	%
ULMA CyE, S. Coop	3,967 290	75.49	3,967 290	75.49
TFI Quercus S.A.	323,726	6.16	323,726	6.16
Dispersed shareholders	964,616	18.35	964,616	18.35

## 11 Trade payables and other liabilities

	30 June 2020	31 December 2019	30 June 2019
Trade liabilities to unrelated parties	18,679	13,714	11,997
Liabilities towards the affiliates	1,520	1,249	3,493
Social Insurance and other liabilities	4,849	5,478	6,010
Accruals of (passive costs)	4,757	3,181	2,553
Accruals of (passive income)	34	1,660	74
Other liabilities	702	177	488
<b>Total Trade liabilities and other liabilities</b>	<b>30,541</b>	<b>25,459</b>	<b>24,615</b>
including:			
<b>Long-term</b>	-	-	-
<b>Short-term</b>	30,541	25,459	24,615

## 12 Liabilities due to factoring of trade liabilities

In 2015. The Company entered into a factoring agreement with mBank, under which the Company's trade liabilities towards selected suppliers are paid by the bank within 14 days of the date of the invoice issued by the supplier. The deadline for payment of the Company to the bank is 75 days from the date of payment by the bank of liabilities to the supplier. As at 30 June 2020, the Company's liabilities to the bank on this account constituted PLN 28 thousand. This amount was disclosed in the interim abridged separate statement of financial position under liabilities due to factoring of trade liabilities.



## 13

Lease agreements in accordance with IFRS 16 include lease of a fleet of passenger cars and forklift trucks, lease of the Logistics Centre in Gdańsk and the square in Warsaw at Kłasyków Street, perpetual usufruct of land in Jaworzno

Lease liabilities as at 30 June 2020

Liabilities due within the period:	Real estate leasing	Passenger car leasing	Forklift truck leasing	Total lease liabilities
Up to 3 months	453	203	277	933
From 3 up to 12 months	1,697	489	703	2,889
From more than a year up to 5 years	2,509	1,064	1,144	4,717
More than 5 years	460	-	-	460
<b>In total</b>	<b>5,119</b>	<b>1,756</b>	<b>2,124</b>	<b>8,999</b>

Lease liabilities as at 31 December 2019

Liabilities due within the period:	Real estate leasing	Passenger car leasing	Forklift truck leasing	Total lease liabilities
Up to 3 months	736	186	180	1,102
From 3 up to 12 months	1,331	520	551	2,402
From more than a year up to 5 years	3,410	1,089	228	4,727
More than 5 years	744	-	-	744
<b>In total</b>	<b>6,221</b>	<b>1,795</b>	<b>959</b>	<b>8,975</b>

Lease liabilities as at 30 June 2019

Liabilities due within the period:	Real estate leasing	Passenger car leasing	Forklift truck leasing	Total lease liabilities
Up to 3 months	396	192	297	885
From 3 up to 12 months	1,602	467	603	2,672
From more than a year up to 5 years	4,290	890	597	5,777
More than 5 years	730	-	-	730
<b>In total</b>	<b>7,018</b>	<b>1,549</b>	<b>1,497</b>	<b>10,064</b>

## 14 Deferred tax



	30 June 2020	31 December 2019	30 June 2019
Assets due to deferred income tax:	2,549	2,016	2,389
Provision for deferred income tax:	(9,627)	(8,460)	(7,539)
Compensation	2,549	2,016	2,389
<b>Balance sheet provision due to deferred income tax</b>	<b>(7,078)</b>	<b>(6,444)</b>	<b>(5,150)</b>

Changes in deferred tax assets and liabilities during the year (before offsetting within one legal jurisdiction) are as follows:

	Statement of financial position		Profit and loss account and other comprehensive income
	30 June 2020	01 January 2020	
<b>Provision due to deferred tax</b>			
Tax depreciation	9,439	8,248	(1,191)
Unrealised foreign exchange differences	17	7	(10)
Other	171	205	34
<b>In total</b>	<b>9,627</b>	<b>8,460</b>	<b>(1,167)</b>
<b>Assets due to deferred tax</b>			
Write-offs for expected credit losses	1,326	1,042	284
Provisions for costs	1,223	952	271
Unrealised foreign exchange differences	-	22	(22)
<b>In total</b>	<b>2,549</b>	<b>2,016</b>	<b>533</b>
<b>(Charge)/recognition due to deferred income tax</b>			<b>(634)</b>

## 15 Liabilities due to retirement benefits

	30 June 2020	31 December 2019	30 June 2019
Liabilities recognised in the statement of financial position due to:			
Pension benefits	300	300	246
<b>Total retirement benefits</b>	<b>300</b>	<b>300</b>	<b>246</b>
<b>Including</b>			
<b>Long term</b>	<b>246</b>	<b>246</b>	<b>185</b>
<b>Short term</b>	<b>54</b>	<b>54</b>	<b>61</b>

The Company makes an actuarial valuation of the provision for retirement benefits at the end of each financial year.



## 16 Sales revenues

	6 months of 2020	6 months of 2019
	62,660	73,032
Revenues from sales of goods and construction materials	14,396	20,742
<b>Sales revenue in total</b>	<b>77,056</b>	<b>93,774</b>

- construction site service - a segment that includes the rental of formwork and scaffolding systems along with broadly understood logistics service and construction settlement at the end of the contract,
- sales of building materials - a segment that includes the sale of formwork systems that are components of fixed assets (fixed assets) and turnover (products and goods) of the Group and other building materials.

Revenues from sales in geographical terms are as follows:

Description of the item	6 months of 2020	6 months of 2019
Domestic sales revenues	67,796	77,260
Foreign sales revenues	9,260	16,514
<b>Sales revenue in total</b>	<b>77,056</b>	<b>93,774</b>



## 17 Costs by type

	6 months of 2020	6 months of 2019
Depreciation of tangible and intangible assets	18,134	16,967
- Depreciation of the right of use of the assets	1,996	2,049
Employee benefits cost (note 17 a)	18,245	19,025
Use-up of resources, materials and energy	5,731	6,235
Transport services	6,835	5,775
Rental and lease services	1,644	2,163
Renovation services	2,778	3,118
Assembly and installation services	203	553
Other services	5,874	5,958
Other costs	2,634	3,234
Value of goods, materials and formwork sold (fixed assets)	9,193	7,908
<b>Costs by type In total</b>	<b>73,267</b>	<b>72,985</b>
Including		
Costs of benefits for own use	48	55
Costs of products, goods and materials sold	64,971	63,776
Selling and marketing costs	664	1,272
General management costs	7,584	7,882
<b>17 a) Employee benefits costs</b>		
Salary costs and costs of termination benefits	14,552	15,393
Costs of social insurance and benefits for employees	3,693	3,632
	<b>18,245</b>	<b>19,025</b>



## 18 Other income and operational costs

18 a) Other operational income	6 months of 2020	6 months of 2019
	-	-
Gains on change in fair value of futures contracts	-	-
	3	8
	-	-
	358	-
Re-invoicing	149	170
Liabilities written off	-	405
	593	-
Other income	286	27
<b>Other operational income in total</b>	<b>1,389</b>	<b>610</b>

18 b) Other operational costs	6 months of 2020	6 months of 2019
	(168)	-
	-	(10)
	-	(600)
	(288)	-
Other costs	(70)	-
<b>Other operational income in total</b>	<b>(526)</b>	<b>(610)</b>



## 19 Financial income and costs

<b>19 a) Financial income</b>	<b>6 months of 2020</b>	<b>6 months of 2019</b>
Interest income		
- loans granted	360	657
	175	186
	-	1,930
Exchange rate differences	489	-
<b>Total financial income</b>	<b>1,024</b>	<b>2,773</b>

<b>19 b) Financial costs</b>	<b>6 months of 2020</b>	<b>6 months of 2019</b>
Interest costs		
- bank loans	-	-
	(259)	(367)
- due to delay in payment of liabilities	(9)	(22)
	<b>(268)</b>	<b>(389)</b>
Exchange rate differences		(198)
<b>Total financial costs</b>	<b>(268)</b>	<b>(587)</b>



## 20 Income tax

	6 months of 2020	6 months of 2019
Current tax	(198)	(3,500)
Deferred tax (note 14)	(634)	(1,385)
<b>Total income tax</b>	<b>(832)</b>	<b>(4,885)</b>

The income tax on the Company's pre-tax profit differs as follows from the theoretical amount that would be obtained by applying the applicable tax rate to pre-tax profit:

	6 months of 2020	6 months of 2019
<b>Profit (loss) before tax</b>	<b>5,456</b>	<b>23,030</b>
	526	683
	488	164
	-	514
- other	38	5
<b>Permanently non-deductible costs, including</b>	<b>(553)</b>	<b>2,000</b>
Representation costs	566	912
Previous years' costs		538
PFRON fees	166	126
25% of passenger car operating costs	259	261
Other	458	163
	(2,002)	-
<b>Tax base</b>	<b>4,377</b>	<b>25,713</b>
<b>Charging the financial result on account of income tax</b>	<b>832</b>	<b>4,885</b>

The tax authorities may inspect the accounting books and tax settlements within 5 years from the end of the year in which the tax returns were filed and charge the Company with additional tax plus penalty interest. In the opinion of the Management Board, there are no circumstances indicating that significant liabilities may arise on this account.

## 21 Fair value measurement of financial instruments

Based on the analyses carried out, the company assessed that the carrying amount of individual financial instruments presented in these interim abridged separate financial statements is similar to their fair values.

## 22 Profit per share



The basic profit per share is calculated by dividing the profit attributable to the Company's shareholders by the weighted average number of ordinary shares during the year.

	6 months of 2020	6 months of 2019
Net profit attributable to equity holders of the parent	4,624	18,145
Number of ordinary shares as at the balance sheet date	5,255 632	5,255 632
Weighted average number of ordinary shares	5,255 632	5,255 632
Basic earnings (loss) per share (in PLN per share)	0.88	3.45
Diluted earnings (loss) per share (in PLN per share)	0.88	3.45

## 23 Contingent items

At the request of ULMA Construcción Polska S.A. mBANK granted one of the Company's clients a bank guarantee of performance of the lease agreement. The validity of this bank guarantee expires on 30.09.2022. The guarantee is related to the construction of the Logistics Centre in Gdańsk. The investment was commissioned in the first quarter of 2015. The Group uses the Logistics Centre in Gdańsk under a long-term lease agreement.

As at the balance sheet date, the amount of the bank guarantee granted is PLN 3,594 thousand.

## 24 Material events and events after the balance sheet date

- On 30 July 2020, ULMA Construcción Polska S.A. and ULMA C y E, S. Coop. concluded a loan agreement for PLN 20,000 thousand, as announced in current report no. 17 / 2020. In the loan agreement, the Parties agreed on the market terms and conditions of interest and collateral and set a deadline for its repayment by 31 July 2022. Given that the balance of the previous loan as at the date of conclusion of this agreement amounted to PLN 10,000 thousand, as part of the commencement of the new loan agreement ULMA Construcción Polska S.A. transferred to ULMA C y E, S. Coop the amount of another PLN 10,000 thousand.
- On 7 July 2020, ULMA Construcción Polska S.A. was (defendant), sued by Nextbud sp. z o.o. sp.k. (plaintiff) for depriving the enforceability of the enforcement title, i.e. the order for payment of 30 April 2018, obliging Nextbud sp. z o.o. sp.k. (debtor of ULMA Construcción Polska S.A.) to pay the amount of PLN 235,769.07 together with calculated interest and reimbursement of the costs of the court proceedings. ULMA Construcción Polska S.A. submitted a response to the statement of claim within the deadline set by the court. If the claim is upheld, ULMA Construcción Polska S.A. will not be able to continue the enforcement on the basis of the above-mentioned enforcement title. In the opinion of the Management Board the claim is devoid of grounds, and the claim itself is burdened with many formal errors. Therefore, at this stage there are no plans to create accounting reserves for a possible loss.

## 25 Transactions with associated entities

The control over the Group is exercised by ULMA C y E, S. Coop. with its registered office in Spain, which owns 75.49% of the Company's shares. The remaining 24.51% of shares are held by many shareholders.

The ULMA Construcción Polska SA Capital Group. the following companies are included:



## The parent entity:

- ULMA Construcción Polska S.A. based in Koszajec (gm. Brwinów)

## Subsidiaries:

- ULMA Opałubka Ukraina with its registered office in Kiev at ul. Gnata Juri 9, established on 18 July 2001. It was registered in the Swiatoszynski Department of State Administration for the city of Kiev under number 5878/01 and received the identification code 31563803. The company's business is the sale and lease of formwork, sales of building materials. The share of the issuer in the capital and in the total number of votes is 100%.
- ULMA Opałubka Kazachstan sp.o.o. with its registered office in Astana at ul. Its strategic goal is to develop the core business of the Capital Group, i.e. renting formwork and scaffolding systems, and the education of how to use of formwork technology in the construction process in Kazakhstan. The share of the issuer in the capital and in the total number of votes is 100%.
- ULMA Construcción BALTIC sp. z.o.o with its registered office in Vilnius, ul. Pylimo 41-12. The company's business is the rental of scaffolding and formwork, wholesale and retail sale of scaffolding and formwork, sale and lease of other construction equipment and other commercial activities. The share of the issuer in the capital and in the total number of votes is 100%.

The Group also holds shares in an associate:

- ULMA Cofraje SRL with its registered office in Bragadir at ul. Soseaua de Centura No. 2-8 Corp C20 (Romania), established on 9 October 2007. Registered at the National Commercial Register Office in Bucharest under the number of 22679140. The object of the Company's activity is the rental and sale of scaffolding and construction formwork. The share of the issuer in the capital and in the total number of votes is 30%. The remaining 70% of shares in the Company's capital belong to the entity controlling the Group - ULMA C y E, S. Coop. with its seat in Spain.

Transactions concluded by ULMA Construcción Polska S.A. with related entities were of typical and routine nature, were concluded on market terms, and their nature and terms resulted from conducting current operations.

Figures concerning transactions of ULMA Construcción Polska S.A. with affiliates

Settlement balances at the balance sheet date	30 June 2020	30 June 2019
<b>Trade receivables</b>	<b>3,974</b>	<b>10,486</b>
Including		
- from the parent unit	277	1,359
- from subsidiaries	2,197	3,376
- from the affiliate	50	214
- from other affiliates	1,450	5,537
<b>Trade Liabilities</b>	<b>1,520</b>	<b>3,493</b>
Including		
- to the parent unit	910	3,409
- to subsidiaries	300	3
- to the affiliate	29	4
- to other affiliates	281	77

Sales and purchases from Group's units	6 months of	6 months of
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	2020	2019
<b>Sales</b>	<b>8,810</b>	<b>15,781</b>
Including		
- to the parent unit	733	2,504
- to subsidiaries	6,740	7,065
- to the affiliate	14	43
- to other affiliates	1,323	6,169
<b>Purchases</b>	<b>25,170</b>	<b>14,878</b>
Including		
- from the parent unit	22,824	14,851
- from subsidiaries	1,925	8
- from the affiliate	28	4
- from other affiliates	393	15

The sale and purchase transactions with the Group's companies mainly concern the sale of shuttering systems and shuttering rental services.

<b>Loans, interest, dividends</b>	<b>6 months of 2020</b>	<b>6 months of 2019</b>
	-	150
	-	11,000
<b>Income from loan interest in thousands of</b>	<b>360</b>	<b>657</b>
Including		
- from the parent unit	179	337
- from subsidiaries	181	320
- from the affiliate		-

ULMA Construcción Polska S.A. granted an investment loan of USD 1,500 thousand to its subsidiary ULMA Opaľubka Ukraina sp. z o.o. at a fixed market rate until 8 January 2021. The loan receivable as at June 30, 2020 is USD 290 thousand. The Management Board's intention is to extend the repayment date of the loan.

ULMA Construcción Polska S.A. granted a long-term loan of EUR 2,500 thousand to its subsidiary ULMA Construcción Baltic. The loan was granted on market terms until 3 January 2023. (Annex of 12 September 2019). As at 30 June 2020, the receivable under the loan was EUR 2,100 thousand.

ULMA Construcción Polska S.A. granted the parent company ULMA CyE, S. Coop a short-term loan of PLN 32,000 thousand in total. The loan for the parent company was granted on market terms - the interest rate on the loan depended on WIBOR 3M. The repayment date for the tranche of PLN 11,000 thousand is 29 June 2018. (repaid tranche), the tranche of PLN 11,000 thousand on 30 April 2019. (repaid tranche) and the tranche of PLN 10,000 thousand (pursuant to Annex 6 of 22 June 2020) on 31 July 2020. The loan receivable as at 30 June 2020 is PLN 10,000 thousand.

**Transactions with members of the Management Board and Supervisory Board of the Company, their spouses, siblings, ascendants, descendants or other persons close to them and key management personnel of the Company .**



The members of the Company's Management Board and Supervisory Board are considered to be the key management personnel of the Company. In a period 6 months of 2020 and the similar period of 2019 the Company did not grant any advances, loans, credits, guarantees and sureties to the managing and supervising personnel and their relatives, and no other agreements were concluded with them which would oblige them to provide services to the Company and its affiliates.

As at 30 June 2020, 31 December 2019 and 30 June 2019, there were no loans granted by the Company to members of the management and supervisory bodies and their relatives.

## 26 Conversion of selected financial data into the Euro

The conversion of selected financial data into Euro is presented in the table below:

DETAILED LIST	In thousands PLN		In thousands EUR	
	6 months of 2020	6 months of 2019	6 months of 2020	6 months of 2019
Net revenues from sales of products, goods and materials	77,056	93,774	17,350	21,869
Profit from operating activities	4,700	20,844	1,058	4,861
Gross profit (loss)	5,456	23,030	1,228	5,371
Net profit (loss)	4,624	18,145	1,041	4,231
Net cash flow from operating activities	12,441	4,693	2,801	1,094
Net cash flow from investment activities	(917)	13,656	(206)	3,185
Net cash flow from financial activities	(15,991)	(32,471)	(3,601)	(7,572)
Net cash flow	(4,467)	(14,122)	(1,006)	(3,293)
Diluted earnings per ordinary share (in PLN / EUR)	0.88	3.45	0.20	0.81
Basic earnings per ordinary share (in PLN / EUR)	0.88	3.45	0.20	0.81
	30 June 2020	31 December 2019		31 December 2019
Total assets	369,405	374,689	82,715	87,986
Liabilities	46,946	43,189	10,512	10,142
Long-term liabilities	12,501	12,161	2,799	2,856
Short-term liabilities	34,445	31,028	7,713	7,286
Equity	322,459	331,500	72,203	77,844
Basic capital	10,511	10,511	2,354	2,468
Weighted average number of shares	5,255 632	5,255 632	5,255 632	5,255 632
Number of shares as at the balance sheet date	5,255 632	5,255 632	5,255 632	5,255 632
Book value per ordinary share (in PLN / EUR)	61.35	63.08	13.74	14.81

Individual items of assets and equity and liabilities have been converted into EUR using average exchange rates published by the President of the National Bank of Poland, effective as at the balance sheet date. The average EUR exchange rate as at 30 June 2020 amounted to 4.4660 PLN/ EUR, and as at 31 December 2019 to 4.2585 PLN/EUR

When converting the items of the statement of comprehensive income and cash flow statement items, a rate being the arithmetic mean of the exchange rates in force on the last day of the month of a the given



period was applied, i.e. data for the period 1.01. 30/06/2020 were converted according to the exchange rate = 4.4413 PLN / EUR, data for the analogous period of 2019 were converted according to the exchange rate = 4.2880 PLN / EUR.

<b>Name and Surname:</b>	<b>Position</b>	<b>Signature</b>
Rodolfo Carlos Muñiz Urdampilleta	President of the Board	
Giordano Marcel Weschenfelder	Member of the Board	
Andrzej Sterczyński	Member of the Board	
Krzysztof Orzełowski	Member of the Board	
Ander Ollo Odriozola	Member of the Board	

### Signature of the person entrusted with bookkeeping

<b>Name and Surname:</b>	<b>Position</b>	<b>Signature</b>
Henryka Padzik	Chief Accountant	

Koszajec, date 16 September 2020