

POLISH FINANCIAL SUPERVISION AUTHORITY

Consolidated quarterly report QSr I / 2021

(prepared in accordance with §60 section 2 and §62 section 1 of the Minister of Finance Regulation of 29 March 2018 - Dz.U.2018.757*)

(for issuers of securities whose business activity embraces manufacture, construction, trade and services)

for the I quarter of 2021 covering the period from 1 January 2021 to 31 March 2021, comprising condensed consolidated interim financial statements drawn in accordance with International Financial Reporting Standards with amounts quoted in PLN and condensed interim separate financial statements of the parent entity drawn in accordance with International Financial Reporting Standards with amounts quoted in PLN.

submission date: 10 May 2021

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(issuer's abbr. name)

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Explanation

This document constitutes a translation of the consolidated quarterly report, which was originally issued and submitted in Polish. The document comprises the English translation of terminology used in the Polish original. In case of ambiguities in interpretation of terminology, the original Polish terminology should be treated as binding.

* The Official Journal of law 2018.757;

**Financial data concerning the condensed consolidated interim financial statements
for the three-month period ended 31 March 2021**

	in TPLN		in TEUR	
	I quarter 2021	I quarter 2020	I quarter 2021	I quarter 2020
Revenue	73 083	73 210	15 985	16 653
Operating profit	37 393	40 650	8 179	9 246
Profit before income tax	37 129	40 505	8 121	9 213
Profit for the period	29 916	31 990	6 543	7 277
Profit for the period attributable to owners of the Parent Entity	28 943	30 367	6 330	6 907
Weighted average number of ordinary shares at the end of the period (in thousands of shares)	247 262	247 262	247 262	247 262
Earnings attrib. to owners of the Parent Entity per 1 ordinary share (in PLN/ EUR)	0.12	0.12	0.03	0.03
Diluted earnings attrib. to owners of the Parent Entity per 1 ordinary share (in PLN/ EUR)	0.12	0.12	0.03	0.03
Net cash from operating activities	47 388	14 041	10 365	3 194
Net cash used in investing activities	(5 502)	(82 210)	(1 203)	(18 700)
Net cash used in financing activities	(126)	(125)	(28)	(28)
Total net cash flows	41 760	(68 294)	9 134	(15 534)
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
Total assets	1 455 738	1 432 221	312 370	310 354
Total non-current assets	979 306	1 003 802	210 138	217 518
Total current assets	476 432	428 419	102 232	92 836
Total liabilities	722 372	566 342	155 005	122 723
Total non-current liabilities	402 210	405 373	86 306	87 842
Total current liabilities	320 162	160 969	68 700	34 881
Total equity	733 366	865 879	157 365	187 631
Total equity attributable to owners of the Parent Entity	731 692	861 026	157 005	186 579
Non-controlling interest	1 674	4 853	359	1 052
Share capital	185 447	185 447	39 793	40 185

**Financial data concerning the condensed separate interim financial statements of the Parent Entity
for the three-month period ended 31 March 2021**

	in TPLN		in TEUR	
	I quarter 2021	I quarter 2020	I quarter 2021	I quarter 2020
Revenue	898	911	196	207
Operating loss	(1 788)	(1 580)	(391)	(359)
Profit before income tax	3 356	140 954	734	32 062
Profit for the period	3 451	140 811	755	32 029
Weighted average number of ordinary shares at the end of the period (in thousands of shares)	247 262	247 262	247 262	247 262
Basic earnings per share (in PLN/ EUR)	0.01	0.57	0.00	0.13
Diluted earnings per share (in PLN/ EUR)	0.01	0.57	0.00	0.13
Net cash used in operating activities	(2 395)	(780)	(524)	(177)
Net cash from investing activities	22 409	884	4 901	201
Net cash used in financing activities	(126)	(125)	(28)	(28)
Total net cash flows	19 888	(21)	4 350	(5)
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
Total assets	426 116	422 355	91 435	91 522
Non-current assets	77 421	76 870	16 613	16 657
Current assets	348 695	345 485	74 822	74 865
Total liabilities	166 107	7 519	35 643	1 629
Non-current liabilities	5 713	5 520	1 226	1 196
Current liabilities	160 394	1 999	34 417	433
Total equity	260 009	414 836	55 792	89 893
Share capital	185 447	185 447	39 793	40 185

Selected financial data has been translated to Euro according to following rules:

- items of the statement of comprehensive income and the statement of cash flows for the 3 months ended 31 March 2021 and 31 March 2020 according to exchange rate, calculated as an average of average NBP exchange rates at the last day of every month comprising the accounting period, i.e. 4.5721 PLN/EUR and 4.3963 PLN/EUR respectively;
- items of the statement of financial position according to average NBP exchange rate at the reporting date, i.e. 4.6603 PLN/EUR at 31 March 2021 and 4.6148 PLN/EUR at 31 December 2020.



STALEXPORT
Autostrady

**CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS
OF THE CAPITAL GROUP**

for the three-month period ended
31 March 2021

STALEXPORT AUTOSTRADY S.A. CAPITAL GROUP
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2021

These condensed consolidated interim financial statements are unaudited

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STALEXPORT AUTOSTRADY S.A. CAPITAL GROUP
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2021

These condensed consolidated interim financial statements are unaudited

Condensed consolidated interim statement of comprehensive income
for the three-month period ended

<i>In thousands of PLN, unless stated otherwise</i>	<i>Note</i>	31 March 2021 <i>(unaudited)</i>	31 March 2020 <i>(unaudited)</i>
Revenue	6, 8	73 083	73 210
Cost of sales	6, 9	(26 992)	(24 038)
Gross profit		46 091	49 172
Other income	10	1 379	4 441
Administrative expenses	6, 9	(9 984)	(12 883)
Other expenses	11	(99)	(81)
Reversal of impairments losses on trade and other receivables	17	6	1
Operating profit		37 393	40 650
Finance income		389	2 426
Finance expenses		(658)	(2 571)
Net finance expense	12	(269)	(145)
Share of profit of equity accounted investees (net of income tax)		5	-
Profit before income tax		37 129	40 505
Income tax expense		(7 213)	(8 515)
Profit for the period		29 916	31 990
Other comprehensive income			
<i>Items that will never be reclassified to profit or loss for the period</i>			
Change in fair value of equity instruments	18	(37)	-
Income tax on other comprehensive income		7	-
		(30)	-
<i>Items that are or may be reclassified subsequently to profit or loss for the period</i>			
Foreign currency translation differences for foreign operations		-	27
		-	27
Other comprehensive income for the period, net of income tax		(30)	27
Total comprehensive income for the period		29 886	32 017
Profit attributable to:			
owners of the Company		28 943	30 367
non-controlling interest		973	1 623
Profit for the period		29 916	31 990
Total comprehensive income attributable to:			
owners of the Company		28 913	30 394
non-controlling interest		973	1 623
Total comprehensive income for the period		29 886	32 017
Earnings per share			
Basic earnings per share (PLN)		0.12	0.12
Diluted earnings per share (PLN)		0.12	0.12

The condensed consolidated interim statement of comprehensive income should be analyzed together with notes, which constitute integral part of the condensed consolidated interim financial statements

STALEXPORT AUTOSTRADY S.A. CAPITAL GROUP
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2021

These condensed consolidated interim financial statements are unaudited

Condensed consolidated interim statement of financial position
as at

<i>In thousands of PLN</i>	<i>Note</i>	31 March 2021 <i>(unaudited)</i>	31 December 2020	31 March 2020 <i>(unaudited)</i>
ASSETS				
Non-current assets				
Property, plant and equipment	13	30 918	31 126	31 513
Intangible assets	14	465 542	483 081	441 725
Investment property	15	5 759	5 898	6 316
Investments in associates		705	700	973
Other non-current investments		448 266	457 068	483 944
Deferred tax assets	16	28 116	25 929	25 076
Total non-current assets		979 306	1 003 802	989 547
Current assets				
Inventories		2 599	3 209	3 038
Current investments		181 019	181 065	1 146
Income tax receivables		511	350	-
Trade and other receivables		20 680	13 932	16 748
Cash and cash equivalents		271 623	229 863	304 574
Total current assets		476 432	428 419	325 506
Total assets		1 455 738	1 432 221	1 315 053
EQUITY AND LIABILITIES				
Equity				
Share capital	19.1	185 447	185 447	185 447
Share premium reserve		7 431	7 431	7 431
Fair value reserve		(234)	(204)	(67)
Other reserve capitals and supplementary capital		505 940	509 752	511 718
Retained earnings and uncovered losses		33 108	158 600	112 200
Total equity attributable to owners of the Company		731 692	861 026	816 729
Non-controlling interest		1 674	4 853	2 325
Total equity		733 366	865 879	819 054
Liabilities				
Non-current liabilities				
Lease liabilities		3 008	3 102	3 019
Employee benefits		6 774	6 445	4 727
Deferred income		4 151	4 359	4 983
Other non-current liabilities		20 383	20 164	18 356
Non-current provisions	20	367 894	371 303	321 772
Total non-current liabilities		402 210	405 373	352 857
Current liabilities				
Lease liabilities		121	125	121
Income tax liabilities		26 827	21 619	28 267
Trade and other payables		223 303	67 045	35 429
Employee benefits		611	640	553
Deferred income		2 030	832	2 006
Contract liabilities		7 756	7 978	7 515
Current provisions	20	59 514	62 730	69 251
Total current liabilities		320 162	160 969	143 142
Total liabilities		722 372	566 342	495 999
Total equity and liabilities		1 455 738	1 432 221	1 315 053

The condensed consolidated interim statement of financial position should be analyzed together with notes, which constitute integral part of the condensed consolidated interim financial statements

STALEXPORT AUTOSTRADY S.A. CAPITAL GROUP
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2021

These condensed consolidated interim financial statements are unaudited

Condensed consolidated interim statement of cash flows
for the three-month period ended

<i>In thousands of PLN</i>	31 March 2021 <i>(unaudited)</i>	31 March 2020 <i>(unaudited)</i>
Cash flows from operating activities		
Profit before income tax	37 129	40 505
Adjustments for		
Depreciation and amortisation	20 355	15 817
Foreign currency translation differences for foreign operations	-	27
(Gain)/Loss on disposal of intangible assets and property, plant and equipment	(5)	18
Interest and dividends	(319)	(2 542)
Share of profit of equity accounted investees	(5)	-
Change in receivables	(6 732)	9 553
Change in inventories	610	26
Change in trade and other payables	34	(52 546)
Change in provisions	(101)	4 118
Change in deferred income	990	966
Change in contract liabilities	(222)	945
Cash generated from operating activities	51 734	16 887
Income tax paid	(4 346)	(2 846)
Net cash from operating activities	47 388	14 041
Cash flows from investing activities		
Investment proceeds	530 156	2 818
Sale of intangible assets and property, plant and equipment	5	8
Interest received	151	2 810
Sale of financial assets (corporate bonds)	530 000	-
Investment expenditures	(535 658)	(85 028)
Acquisition of intangible assets and property, plant and equipment	(14 665)	(18 639)
Non-current deposits held for investment expenditures	(341 068)	(66 389)
Acquisition of financial assets (corporate bonds)	(179 925)	-
Net cash used in investing activities	(5 502)	(82 210)
Cash flows from financing activities		
Financial expenditures	(126)	(125)
Payment of lease liabilities	(126)	(125)
Net cash used in financing activities	(126)	(125)
Total net cash flows	41 760	(68 294)
Change in cash and cash equivalents	41 760	(68 294)
Cash and cash equivalents at the beginning of the period	229 863	372 868
Cash and cash equivalents at the end of the period	271 623	304 574

The condensed consolidated interim statement of cash flows should be analyzed together with notes, which constitute integral part of the condensed consolidated interim financial statements

STALEXPORT AUTOSTRADY S.A. CAPITAL GROUP
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2021

These condensed consolidated interim financial statements are unaudited

Condensed consolidated interim statement of changes in equity

In thousands of PLN

<i>(unaudited)</i>	<i>Note</i>	Share capital	Share premium reserve	Fair value reserve	Other reserve capitals and supplementary capital	Foreign currency translation reserve	Retained earnings and uncovered losses	Total equity attributable to owners of the Company	Non-controlling interest	Total equity
As at 1 January 2021		185 447	7 431	(204)	509 752	-	158 600	861 026	4 853	865 879
Profit for the period		-	-	-	-	-	28 943	28 943	973	29 916
Other comprehensive income:		-	-	(30)	-	-	-	(30)	-	(30)
Change in fair value of equity instruments		-	-	(37)	-	-	-	(37)	-	(37)
Income tax on other comprehensive income		-	-	7	-	-	-	7	-	7
Total comprehensive income for the period		-	-	(30)	-	-	28 943	28 913	973	29 886
Coverage of previous years' losses*		-	-	-	(70 606)	-	70 606	-	-	-
Dividends paid	19.3	-	-	-	-	-	(158 247)	(158 247)	(4 152)	(162 399)
Allocation of profit to other reserve capitals and supplementary capital		-	-	-	66 794	-	(66 794)	-	-	-
As at 31 March 2021		185 447	7 431	(234)	505 940	-	33 108	731 692	1 674	733 366

*Item adjusted by dividends paid in previous years directly from the supplementary and reserve capitals of the subsidiaries.

The condensed consolidated interim statement of changes in equity should be analyzed together with notes, which constitute integral part of the condensed consolidated interim financial statements

STALEXPORT AUTOSTRADY S.A. CAPITAL GROUP
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2021

These condensed consolidated interim financial statements are unaudited

Condensed consolidated interim statement of changes in equity (continued)

In thousands of PLN

	Note	Share capital	Share premium reserve	Fair value reserve	Other reserve capitals and supplementary capital	Foreign currency translation reserve	Retained earnings and uncovered losses	Total equity attributable to owners of the Company	Non-controlling interest	Total equity
As at 1 January 2020		185 447	7 430	291	511 248	143	81 776	786 335	9 429	795 764
Profit for the period		-	-	-	-	-	87 261	87 261	4 195	91 456
Other comprehensive income:		-	-	(137)	15	(19)	(66)	(207)	(43)	(250)
Remeasurement of employee benefits		-	-	-	-	-	(121)	(121)	(53)	(174)
Change in fair value of equity instruments		-	-	(168)	-	-	-	(168)	-	(168)
Foreign currency translation differences for foreign operations		-	-	-	15	(19)	31	27	-	27
Income tax on other comprehensive income		-	-	31	-	-	24	55	10	65
Total comprehensive income for the period		-	-	(137)	15	(19)	87 195	87 054	4 152	91 206
Liquidation/Redemption of equity instruments measured at fair value through other comprehensive income		-	-	(358)	-	-	358	-	-	-
Dividends paid	19.3	-	-	-	(1 966)	-	(10 397)	(12 363)	(8 728)	(21 091)
Allocation of profit to other reserve capitals and supplementary capital		-	-	-	455	-	(455)	-	-	-
Changes in Capital Group's structure		-	-	-	-	(124)	124	-	-	-
Other		-	1	-	-	-	(1)	-	-	-
As at 31 December 2020		185 447	7 431	(204)	509 752	-	158 600	861 026	4 853	865 879

The condensed consolidated interim statement of changes in equity should be analyzed together with notes, which constitute integral part of the condensed consolidated interim financial statements

STALEXPORT AUTOSTRADY S.A. CAPITAL GROUP
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2021

These condensed consolidated interim financial statements are unaudited

Condensed consolidated interim statement of changes in equity (continued)

In thousands of PLN

<i>(unaudited)</i>	<i>Note</i>	Share capital	Share premium reserve	Fair value reserve	Other reserve capitals and supplementary capital	Foreign currency translation reserve	Retained earnings and uncovered losses	Total equity attributable to owners of the Company	Non-controlling interest	Total equity
As at 1 January 2020		185 447	7 430	291	511 248	143	81 776	786 335	9 429	795 764
Profit for the period		-	-	-	-	-	30 367	30 367	1 623	31 990
Other comprehensive income:		-	-	-	15	(19)	31	27	-	27
Foreign currency translation differences for foreign operations		-	-	-	15	(19)	31	27	-	27
Total comprehensive income for the period		-	-	-	15	(19)	30 398	30 394	1 623	32 017
Liquidation/Redemption of equity instruments measured at fair value through other comprehensive income		-	-	(358)	-	-	358	-	-	-
Dividends paid	19.3	-	-	-	-	-	-	-	(8 727)	(8 727)
Allocation of profit to other reserve capitals and supplementary capital		-	-	-	455	-	(455)	-	-	-
Changes in Capital Group's structure		-	-	-	-	(124)	124	-	-	-
Other		-	1	-	-	-	(1)	-	-	-
As at 31 March 2020		185 447	7 431	(67)	511 718	-	112 200	816 729	2 325	819 054

The condensed consolidated interim statement of changes in equity should be analyzed together with notes, which constitute integral part of the condensed consolidated interim financial statements

STALEXPORT AUTOSTRADY S.A. CAPITAL GROUP
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2021

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Notes to the condensed consolidated interim financial statements

(all amounts in PLN thousand (TPLN), unless stated otherwise)

1. Group overview

Stalexport Autostrady S.A. ("the Company", "the Parent Entity") with its seat in Poland, Mysłowice, Piaskowa 20 Street, is a public listed company registered in the National Court Register under registration number KRS 16854.

The Company together with its subsidiaries constitutes Stalexport Autostrady S.A. Capital Group ("Group", "Capital Group").

The business activities of the Group include the following:

- construction of roads and railroads, in particular services related to managing, construction by adapting to the requirements of toll motorway and exploitation of the section of A-4 motorway Katowice-Kraków,
- management and business advisory,
- rental services.

As at 31 March 2021, beside the Company, the Group comprised of the following entities:

Name of the entity	Seat of the entity	Main activities	Status	Ownership interest and voting rights	Date of obtaining control/Date of acquisition	Consolidation method
Stalexport Autostrada Małopolska S.A.	Mysłowice	Construction and operation of motorway	Subsidiary	100%	1998	Full consolidation
VIA4 S.A.*	Mysłowice	Motorway operation	Subsidiary	55%	1998	Full consolidation
Biuro Centrum Sp. z o.o.	Katowice	Real estate administration	Associate	40.63%	1994	Equity method
Petrostal S.A. w likwidacji**	Warszawa	Non-operational	Subsidiary	100%	2005	-

* Assessment of control included the fact, that Company had and still has (currently through subsidiary Stalexport Autostrada Małopolska S.A.) a decisive influence on the definition of the objective and operating model of VIA4 (operator on the section Katowice – Kraków of A-4 motorway subject to the concession – see note 4), including significant operational and financial activities. Furthermore, as the result of the ownership interest held, the decisions regarding VIA4 policy on dividends are at Company's sole discretion.

** This entity is not subject to consolidation due to existing limitations regarding control exercise.

Neither the composition nor the structure of the Group were subject to any changes in I quarter 2021.

The condensed consolidated interim financial statements as at the day and for the three-month period ended 31 March 2021 comprise financial statements of the Company and its subsidiaries and also Group's share in net assets of associates.

The Capital Group is also included within the consolidated financial statements of the higher-level parent entity Atlantia S.p.A. (Italy).

STALEXPORT AUTOSTRADY S.A. CAPITAL GROUP
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2021

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Notes to the condensed consolidated interim financial statements

(all amounts in PLN thousand (TPLN), unless stated otherwise)

2. Basis for preparation of condensed consolidated interim financial statements

2.1. Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with the International Accounting Standard 34 *Interim Financial Reporting* as adopted by the European Union and other regulations in force.

Condensed consolidated interim financial statements do not include all the information required for yearly financial statements and therefore should be analysed together with the Group's consolidated financial statements as at the day and for the year ended 31 December 2020.

The condensed consolidated interim financial statements were approved by the Management Board of the Company on 10 May 2021.

2.2. Functional and presentation currency

The condensed consolidated interim financial statements are presented in Polish zloty, being the functional currency and presentation currency of the Group, rounded to full thousands.

2.3. Use of estimates and judgments

The preparation of condensed interim financial statements requires that the Management Board makes judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, equity and liabilities, income and expenses with respect to the Group. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances and the results of which form a basis for professional judgment on carrying values of assets and liabilities that are not readily apparent from other sources. The actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions of accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period or in the period of the revision and future periods, if the revision affects both current and future periods.

Judgments and estimates made by the Management Board, which have significant impact on condensed consolidated interim financial statements, have been disclosed in notes 14, 15, 16, 17, 18 and 20.

2.4. New standards and interpretations not applied in these condensed consolidated interim financial statements

New standards, amendments to standards and interpretations, which are effective for annual periods beginning after 1 January 2021, have not been applied in preparation of these condensed consolidated interim financial statements. Neither of the new standards nor amendments to the already existing standards, are expected to have a significant impact on the consolidated financial statements of the Group for the period for which they will become effective.

STALEXPORT AUTOSTRADY S.A. CAPITAL GROUP
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2021

These condensed consolidated interim financial statements are unaudited

Notes to the condensed consolidated interim financial statements

(all amounts in PLN thousand (TPLN), unless stated otherwise)

3. Going concern

Group continuously monitors the impact of the COVID-19 epidemic on its operations, including its future financial situation and results.

The financial results of the Group's motorway operations are directly dependent on the level of traffic on the section of the A4 Katowice-Krakow motorway subject to the concession. The significant decrease in traffic observed in the period of 3 months 2021 was mainly caused by the economic and social effect of the COVID-19 epidemic, of which the Group provides updates through its published current reports, which present the dynamics of traffic in 2021 on a weekly basis compared to the same periods of 2020. Note 8 presents a comparison of traffic for the respective monthly periods of 2021 and 2020.

Taking into account the overall economic and legal situation of the Group, including expectations regarding traffic level within the 12-month period from the end of current reporting period and in subsequent years, as at the date of approval of these condensed consolidated interim financial statements, no circumstances have been identified that would indicate a material deterioration of the Group's financial position, including as a result of the aforementioned impact of the COVID-19 epidemic on the Group's operations, and therefore the condensed consolidated interim financial statements have been prepared under the assumption that the Group will continue to operate as a going concern for the foreseeable future.

The above-mentioned predictions of traffic were determined based on the changes in traffic observed in the current period, with the assumption of the expected economic growth and the gradual reduction of the impact of the COVID-19 epidemic on traffic. The fulfilment of such predictions involves various types of assumptions and risks of their fulfilment, among which the risks related to the impact of the COVID-19 epidemic on the Group's operations, including on its revenues, have a special role.

4. Information concerning the Concession Agreement

The activities of the Group include primarily business related to the management, construction by transformation to toll motorway and operation of the section Katowice – Kraków of A-4 motorway, performed mainly by the Company's subsidiary Stalexport Autostrada Małopolska S.A. ("Concession Holder", "SAM S.A."). These activities are regulated by the concession agreement ("Concession Agreement").

The subject of the Concession Agreement is completion of construction of the A-4 motorway (by transformation to the toll motorway) on the section from Katowice (junction Murckowska, km 340.2) to Krakow (junction Balice I, km 401.1) and its subsequent operation as well as conducting and completion of the remaining construction works as specified in the Concession Agreement ("Venture").

The Concession Agreement has been concluded for a time equal to the term of the concession i.e. 30 years ending in March 2027.

As specified in the Concession Agreement, toll revenues constitute the principal source of income from the execution of the venture.

Throughout the term of the Concession Agreement, the Concession Holder shall have the right to use and receive profits from the road strip of the motorway. The right includes among other things the right to demolish and remove the existing buildings, facilities, equipment, trees and plants, subject to any relevant legal provisions. In return the Concession Holder is responsible for the operation and maintenance of the toll motorway until the termination or expiry of the Concession Agreement, which determines detailed range of the Concession Holder's obligations, and is obliged to perform precisely specified construction works.

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Furthermore, as determined by the Concession Agreement, after fulfilment of conditions therein defined, the Concession Holder:

- (i) made concession payments to the National Road Fund ("Concession Payments"), constituting so-called subordinate debt (obligation due to loan drawn by State Treasury from the European Bank for Reconstruction and Development for the purpose of financing the construction of A-4 Toll Motorway Katowice-Kraków taken over by the Concession Holder);
- (ii) is obliged to make payments to the National Road Fund constituting State Treasury's share in profits of the Venture ("Payments to the State Treasury").

So far completed Phase I included the construction of toll collection system, setting up of the maintenance centre in Brzeczkwice and construction of the communication and motorway traffic management system, including the emergency communication system. Further investment phases (Phase II) in progress or to be carried out include, among others, renovations of bridges, development of junctions, construction of rest areas and works related to environmental protection measures (constructions of noise screens, motorway drainage system, passes for animals).

At the conclusion of the Concession Agreement the right to use and receive profits from all buildings and structures constructed by the Concession Holder will be transferred to the State Treasury.

According to provisions of the Concession Agreement between SAM S.A. and the Minister of Infrastructure Payments to the State Treasury, as well as dividend payments to the shareholder(s) of SAM S.A., are dependent, among others, on completion of specified construction phases, achieving minimum level of debt service ratios and assuring the sufficient coverage of reserve accounts.

The Group recognises the liabilities due to Payments to the State Treasury only after all the underlying conditions for the obligation to make payments, as foreseen in the Concession Agreement, are met. So-called calculation date is considered to be the moment when the aforementioned criteria triggering the payment obligation are met, i.e. the date as of which the assessment of meeting of the criteria, as well as the determination of the amount available for distribution in the period prior to next calculation date, are performed.

In previous years the Group, in accordance with the provisions of Project Loan Agreement in force until its repayment date, i.e. 30 September 2019, considered 31 March and 30 September as calculation dates. Starting from 2020, in the absence of an explicit regulation of this issue in the Concession Agreement, the Group considers 30 June and 31 December as the calculation dates, therefore the Group did not recognize the liability due to Payments to the State Treasury neither as at 31 March 2021 nor at 31 March 2020. As at the 30 June 2020 the Group recognized the liability of TPLN 14,880 net and as at 31 December 2020 of TPLN 29,730 net.

5. Description of significant accounting principles

Changes resulting from the introduction of amendments to existing standards and interpretations, effective for reporting periods beginning on 1 January 2021 or later, had no significant impact on Group's accounting policies, and as the result, on these condensed consolidated interim financial statements.

With the exception of changes described above, the accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those described in the consolidated financial statements as at and for the year ended 31 December 2020.

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6. Segment reporting

The Group presents its activity in business segments, which are based on the Group's management and internal reporting structure.

The Group operates in one geographical segment – entire revenue is earned in Poland, where all Group's non-current assets are located (excluding financial instruments).

Business segments

Business segments include:

- management, advisory and rental services,
- management and operation of motorways.

Business segments results

For the three-month period ended 31 March 2021

	Management, advisory and rental services	Management and operation of motorways	Total
Operating revenues			
Revenue from external customers	847	72 236	73 083
Total revenue	847	72 236	73 083
Operating expenses			
Cost of sales to external customers	(1 128)	(25 864)	(26 992)
Total cost of sales	(1 128)	(25 864)	(26 992)
Other income	9	1 370	1 379
Other expenses	-	(99)	(99)
Reversal of impairments losses on trade and other receivables	5	1	6
Administrative expenses*	(1 564)	(8 420)	(9 984)
Operating profit/(loss)	(1 831)	39 224	37 393
Net finance income/(expense)	49	(318)	(269)
Share of profit of equity accounted investees (net of income tax)	5	-	5
Income tax expense	146	(7 359)	(7 213)
Profit/(Loss) for the period	(1 631)	31 547	29 916
Other comprehensive income, net of income tax			(30)
Total comprehensive income for the period			29 886
Major non-cash items			
Depreciation and amortisation	(164)	(20 191)	(20 355)
Reversal of impairments losses on trade and other receivables	5	1	6
Unwinding of discount (including lease interest expense)	-	(540)	(540)

* Expenses related to "Management, advisory and rental services" comprise all administrative expenses of the Company.

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For the three-month period ended 31 March 2020

	Management, advisory and rental services	Management and operation of motorways	Total
Operating revenues			
Revenue from external customers	860	72 350	73 210
Total revenue	860	72 350	73 210
Operating expenses			
Cost of sales to external customers	(1 056)	(22 982)	(24 038)
Total cost of sales	(1 056)	(22 982)	(24 038)
Other income	55	4 386	4 441
Other expenses	(2)	(79)	(81)
Reversal of impairments losses on trade and other receivables	1	-	1
Administrative expenses*	(1 482)	(11 401)	(12 883)
Operating profit/(loss)	(1 624)	42 274	40 650
Koszty i przychody nieprzypisane			
Net finance income/(expense)	645	(790)	(145)
Income tax expense	(152)	(8 363)	(8 515)
Profit/(Loss) for the period	(1 131)	33 121	31 990
Other comprehensive income, net of income tax			27
Total comprehensive income for the period			32 017
Major non-cash items			
Depreciation and amortisation	(163)	(15 654)	(15 817)
Reversal of impairments losses on trade and other receivables	1	-	1
Unwinding of discount (including lease interest expense)	-	(2 270)	(2 270)
Time-barred liabilities written off	18	-	18

* Expenses related to "Management, advisory and rental services" comprise all administrative expenses of the Company.

Financial position according to business segments as at

	31 March 2021	31 December 2020	31 March 2020
Management, advisory and rental services			
Assets of the segment	350 191	329 868	205 766
Liabilities of the segment	166 104	7 521	6 350
Management and operation of motorways			
Assets of the segment	1 105 547	1 102 353	1 109 287
Liabilities of the segment	556 268	558 821	489 649
Total assets	1 455 738	1 432 221	1 315 053
Total liabilities	722 372	566 342	495 999

7. Periodicity and seasonality of the business

Activity of the "Management and operation of motorways" business segment is influenced by seasonality, due to fluctuations of traffic levels on the A4 motorway section subject to concession between the individual quarterly periods. The highest level of traffic is recorded in third quarter and the lowest in first quarter of each calendar year. Fluctuations of traffic levels in years 2020-2021 may deviate from trends observed in previous years due to the economic and social effect of COVID-19.

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8. Revenue

	I quarter 2021			I quarter 2020		
	Management, advisory and rental services	Management and operation of motorways	Total	Management, advisory and rental services	Management and operation of motorways	Total
Revenue from contracts with customers						
Toll revenue, including:	-	72 058	72 058	-	72 146	72 146
Manual toll collection (cash, bank cards)	-	35 158	35 158	-	39 816	39 816
Fleet cards	-	15 111	15 111	-	15 984	15 984
Electronic toll collection	-	21 446	21 446	-	15 671	15 671
KartA4	-	343	343	-	675	675
Revenue due to other services rendered	-	2	2	-	2	2
	-	72 060	72 060	-	72 148	72 148
Other revenue						
Revenue from rental of investment property	847	-	847	860	-	860
Other revenue	-	176	176	-	202	202
	847	176	1 023	860	202	1 062
Total	847	72 236	73 083	860	72 350	73 210

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease.

Revenue from motorway operation (toll revenue) is recognised when the customer passes through toll collection plaza as the result of:

- customer paying the motorway toll in cash or by means of bank cards directly at the toll collection plaza; or
- positive identification at the toll collection plaza of customer's right to pass through the motorway (kartA4, electronic toll collection, fleet cards).

The average daily traffic (ADT) on the section of the A4 Katowice-Krakow motorway subject to the concession for each month of 2021 and 2020 has been presented below.

ADT	January			February			March		
	2021	2020	change	2021	2020	change	2021	2020	change
Light vehicles	24 687	35 682	-30,8%	28 793	36 167	-20,4%	27 348	21 417	27,7%
Heavy vehicles	6 254	6 495	-3,7%	7 344	7 092	3,5%	7 891	6 657	18,5%
Total	30 941	42 177	-26,6%	36 137	43 260	-16,5%	35 239	28 074	25,5%

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9. Expenses by nature

	I quarter 2021	I quarter 2020
Depreciation and amortisation	(20 355)	(15 817)
Energy and materials consumption	(2 267)	(1 317)
Accrual of provision for motorway resurfacing disclosed within cost of sales (external services)*	(151)	(2 685)
Other external services	(3 964)	(4 368)
Taxes and charges	(728)	(3 660)
Employee benefit expenses	(9 099)	(8 463)
Other costs	(412)	(606)
Cost of goods and materials sold	-	(5)
Total expenses by nature	(36 976)	(36 921)
Cost of sales and administrative expenses	(36 976)	(36 921)

* Including change of estimates related to provisions - see note 20.

9.1. Employee benefit expenses

	I quarter 2021	I quarter 2020
Wages and salaries	(7 085)	(6 582)
Social security contributions and other benefits	(1 685)	(1 606)
Movement in employee benefits liabilities included in profit and loss:	(329)	(275)
Other employee benefits	(329)	(275)
Total	(9 099)	(8 463)

10. Other income

	I quarter 2021	I quarter 2020
Rental income from passenger service areas	1 043	4 311
Compensations, contractual penalties and costs of court proceedings received	266	67
Interest from receivables	2	2
Time-barred liabilities written off	-	18
Net gain on disposal of property, plant and equipment and intangible assets	5	-
Other	63	43
Total	1 379	4 441

11. Other expenses

	I quarter 2021	I quarter 2020
Donations granted	(23)	(36)
Repair of damages	(69)	-
Penalties, compensations, fees	(1)	(21)
Net loss on disposal of property, plant and equipment and intangible assets	-	(18)
Unrecoverable input VAT	(1)	(3)
Other	(5)	(3)
Total	(99)	(81)

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12. Net finance expense

	I quarter 2021	I quarter 2020
Recognised in profit or loss for the period		
Interest income under the effective interest method on:	214	2 396
- cash and cash equivalents	16	1 495
- non-current deposits	16	901
- debt instruments (corporate bonds)	182	-
Discount of provisions	118	-
Net foreign exchange gain	57	30
Finance income	389	2 426
Interest expense on liabilities measured at amortised cost, including:	(658)	(683)
- discount of Concession fees	(629)	(654)
- lease interest expense	(29)	(29)
Discount of provisions	-	(1 587)
Other finance expenses	-	(301)
Finance expenses	(658)	(2 571)
Net finance expense recognised in profit or loss for the period	(269)	(145)
Recognised in other comprehensive income		
Foreign currency translation differences for foreign operations	-	27
Change in fair value of equity instruments	(37)	-
Finance income/(expenses) recognised in other comprehensive income	(37)	27

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13. Property, plant and equipment

	Buildings and constructions	Plant and equipment	Vehicles	Other	Under construction	Total
Cost as at 1 January 2020	21 167	26 691	18 787	8 506	1 060	76 211
Acquisitions	-	89	-	1	1 427	1 517
Transfer from property, plant and equipment under construction	-	1 196	-	-	(1 196)	-
Disposals	-	(8)	(256)	-	-	(264)
Cost as at 31 March 2020	21 167	27 968	18 531	8 507	1 291	77 464
Cost as at 1 January 2021	22 036	30 228	19 002	8 579	1 347	81 192
Acquisitions	-	59	1 157	1	515	1 732
Transfer from property, plant and equipment under construction	-	17	-	-	(17)	-
Disposals	-	(92)	-	(3)	-	(95)
Cost as at 31 March 2021	22 036	30 212	20 159	8 577	1 845	82 829
Depreciation and impairment losses as at 1 January 2020	(15 297)	(13 621)	(10 562)	(4 918)	-	(44 398)
Depreciation for the period	(239)	(863)	(481)	(208)	-	(1 791)
Disposals	-	6	232	-	-	238
Depreciation and impairment losses as at 31 March 2020	(15 536)	(14 478)	(10 811)	(5 126)	-	(45 951)
Depreciation and impairment losses as at 1 January 2021	(16 204)	(17 264)	(10 866)	(5 732)	-	(50 066)
Depreciation for the period	(235)	(1 020)	(474)	(211)	-	(1 940)
Disposals	-	92	-	3	-	95
Depreciation and impairment losses as at 31 March 2021	(16 439)	(18 192)	(11 340)	(5 940)	-	(51 911)
Carrying amounts						
As at 1 January 2020	5 870	13 070	8 225	3 588	1 060	31 813
As at 31 March 2020	5 631	13 490	7 720	3 381	1 291	31 513
As at 1 January 2021	5 832	12 964	8 136	2 847	1 347	31 126
As at 31 March 2021	5 597	12 020	8 819	2 637	1 845	30 918

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Impairment losses

As at 31 March 2021, 31 December 2020 and 31 March 2020 there were no indicators, which would require the Group to test property, plant and equipment for impairment.

14. Intangible assets

	Concession intangible assets	Other concessions, licences, software and other	Other intangible assets	Intangible assets not ready for use	Total
Cost as at 1 January 2020	969 262	12 647	2 798	5 201	989 908
Acquisitions	-	2	-	1 021	1 023
Transfer from intangible assets not ready for use	-	971	-	(971)	-
Revaluation of concession intangible assets	16 412	-	-	-	16 412
Cost as at 31 March 2020	985 674	13 620	2 798	5 251	1 007 343
Cost as at 1 January 2021	1 061 380	18 301	970	4 880	1 085 531
Acquisitions	-	-	-	187	187
Transfer from intangible assets not ready for use	-	3 276	-	(3 276)	-
Revaluation of concession intangible assets	550	-	-	-	550
Cost as at 31 March 2021	1 061 930	21 577	970	1 791	1 086 268
Amortisation and impairment losses as at 1 January 2020	(545 051)	(5 710)	(970)	-	(551 731)
Amortisation for the period	(13 424)	(463)	-	-	(13 887)
Amortisation and impairment losses as at 31 March 2020	(558 475)	(6 173)	(970)	-	(565 618)
Amortisation and impairment losses as at 1 January 2021	(593 696)	(7 784)	(970)	-	(602 450)
Amortisation for the period	(17 531)	(745)	-	-	(18 276)
Amortisation and impairment losses as at 31 March 2021	(611 227)	(8 529)	(970)	-	(620 726)
Carrying amounts					
As at 1 January 2020	424 211	6 937	1 828	5 201	438 177
As at 31 March 2020	427 199	7 447	1 828	5 251	441 725
As at 1 January 2021	467 684	10 517	-	4 880	483 081
As at 31 March 2021	450 703	13 048	-	1 791	465 542

During the current period the Group revalued concession intangible assets recognized in relation to estimated costs of Phase II:

- (i) due to changes of discount rates used for valuation of provision for capital expenditures (see note 20), which resulted in their decrease by TPLN 982 (I quarter 2020: increase of TPLN 6,453); and
- (ii) due to changes of estimates regarding construction works schedule and capital expenditures, which according to the Concession Agreement are to be executed by the Group before the end of the concession period (see note 20), resulting in the increase of concession intangible assets by TPLN 1,532 (I quarter 2020: increase of TPLN 9,959).

The amortization charge on concession intangible assets is recognized in cost of sales. The amortization charge on other intangible assets is recognized in administrative expenses.

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The annual amortization rate calculated based on estimated traffic increase during the concession period in relation to present net value of intangible asset at the beginning of the quarterly period equalled 14.99% in I quarter 2021 (I quarter 2020: 12.66%). According to the amortisation schedule drawn up as at 31 March 2021, based on updated estimates of traffic increase, the ratio of annual amortisation costs to the carrying net value of intangible asset will range from 15.02% to 17.47% during the remaining concession period.

As at 31 March 2021, 31 December 2020 and 31 March 2020 there were no indicators, which would require the Group to test concession and other intangible assets for impairment.

15. Investment property

	Right-of-use assets	Other investment property	Total
Cost as at 1 January 2020	3 247	30 879	34 126
Cost as at 31 March 2020	3 247	30 879	34 126
Cost as at 1 January 2021	3 247	30 879	34 126
Cost as at 31 March 2021	3 247	30 879	34 126
Depreciation and impairment losses as at 1 January 2020	(46)	(27 625)	(27 671)
Depreciation for the period	(11)	(128)	(139)
Depreciation and impairment losses as at 31 March 2020	(57)	(27 753)	(27 810)
Depreciation and impairment losses as at 1 January 2021	(92)	(28 136)	(28 228)
Depreciation for the period	(11)	(128)	(139)
Depreciation and impairment losses as at 31 March 2021	(103)	(28 264)	(28 367)
Carrying amounts			
As at 1 January 2020	3 201	3 254	6 455
As at 31 March 2020	3 190	3 126	6 316
As at 1 January 2021	3 155	2 743	5 898
As at 31 March 2021	3 144	2 615	5 759

Investment property comprises the Group-owned part of the building property at Mickiewicza St. in Katowice including the land (subject to perpetual usufruct) on which the office building and the adjacent parking lot are situated, as well as the parking lot property at Sokolska St. in Katowice, consisting of land (subject to perpetual usufruct) on which parking lot and garages are situated.

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16. Deferred tax

Deferred tax assets have not been recognised in full amount of excess of negative temporary differences and tax losses over positive temporary differences, due to uncertainty of some temporary differences utilization (particularly in respect of property, plant and equipment, as well as provisions for capital expenditures) and estimates regarding tax losses carried forward utilization.

Changes of deferred tax assets / liabilities for three-month periods ended 31 March 2021 and 31 March 2020

	1 January 2021	Change of deferred tax on temporary differences recognised in		31 March 2021
		profit or loss for the period	other comprehensive income	
Concession intangible assets	(87 376)	3 168	-	(84 208)
Property, plant and equipment and other intangible assets	32 136	(101)	-	32 035
Investment property	(489)	3	-	(486)
Other non-current investments	(7)	(3)	-	(10)
Trade and other receivables	205	3	-	208
Inventories	7	-	-	7
Current investments	283	4	7	294
Cash and cash equivalents	(4)	4	-	-
Lease liabilities	613	(18)	-	595
Other non-current liabilities	2 708	105	-	2 813
Deferred income	986	188	-	1 174
Contract liabilities	1 516	(42)	-	1 474
Employee benefits	1 650	110	-	1 760
Provisions	82 466	(1 258)	-	81 208
Trade and other payables	6 030	33	-	6 063
Tax loss carry-forwards	2 135	204	-	2 339
Valuation adjustment	(16 930)	(220)	-	(17 150)
Total	25 929	2 180	7	28 116

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	1 January 2020	Change of deferred tax on temporary differences recognised in		31 March 2020
		profit or loss for the period	other comprehensive income	
Concession intangible assets	(78 879)	(626)	-	(79 505)
Property, plant and equipment and other intangible assets	32 924	(507)	-	32 417
Investment property	(503)	4	-	(499)
Other non-current investments	(72)	45	-	(27)
Trade and other receivables	209	-	-	209
Inventories	7	-	-	7
Current investments	284	-	-	284
Cash and cash equivalents	(81)	35	-	(46)
Lease liabilities	615	(18)	-	597
Other non-current liabilities	2 159	765	-	2 924
Deferred income	1 144	184	-	1 328
Contract liabilities	1 248	180	-	1 428
Employee benefits	1 355	44	-	1 399
Provisions	71 578	2 716	-	74 294
Trade and other payables	861	(566)	-	295
Tax loss carry-forwards	1 782	31	-	1 813
Valuation adjustment	(11 598)	(244)	-	(11 842)
Total	23 033	2 043	-	25 076

17. Allowances for expected credit losses

The movement in loss allowances in respect of trade and other receivables and other was as follows:

	I quarter 2021	I quarter 2020
Balance as at 1 January	(91 557)	(91 558)
Net remeasurement of loss allowance	6	1
Reclassifications	-	(1)
Balance as at 31 March	(91 551)	(91 558)

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18. Financial instruments

Classification and fair value of financial instruments

The following table shows the carrying amounts and fair values of financial assets and liabilities, including their levels on the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 March 2021

	Carrying amount			Fair value			
	Financial instruments measured at fair value through other comprehensive income	Financial instruments measured at amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value							
Equity instruments*	1 115	-	1 115	-	-	1 115	1 115
	1 115	-	1 115				
Financial assets not measured at fair value							
Debt instruments (corporate bonds)	-	179 969	179 969				
Trade and other receivables**	-	20 069	20 069				
Bank deposits (non-current investments)	-	448 201	448 201				
Cash and cash equivalents	-	271 623	271 623				
	-	919 862	919 862				
Financial liabilities not measured at fair value							
Lease liabilities	-	(3 129)	(3 129)				
Liabilities due to Concession fees	-	(14 632)	(14 632)				
Payments to the State Treasury	-	(29 730)	(29 730)				
Trade and other payables**	-	(186 705)	(186 705)				
	-	(234 196)	(234 196)				

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31 December 2020

	Carrying amount			Fair value			
	Financial instruments measured at fair value through other comprehensive income	Financial instruments measured at amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value							
Equity instruments*	1 152	-	1 152	-	-	1 152	1 152
	1 152	-	1 152				
Financial assets not measured at fair value							
Debt instruments (corporate bonds)	-	529 863	529 863				
Trade and other receivables**	-	13 439	13 439				
Bank deposits (non-current investments)	-	107 118	107 118				
Cash and cash equivalents	-	229 863	229 863				
	-	880 283	880 283				
Financial liabilities not measured at fair value							
Lease liabilities	-	(3 227)	(3 227)				
Liabilities due to Concession fees	-	(14 003)	(14 003)				
Payments to the State Treasury	-	(29 730)	(29 730)				
Trade and other payables**	-	(36 943)	(36 943)				
	-	(83 903)	(83 903)				

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(all amounts in PLN thousand (TPLN), unless stated otherwise)

31 March 2020

	Carrying amount			Fair value			
	Financial instruments measured at fair value through other comprehensive income	Financial instruments measured at amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value							
Equity instruments*	1 319	-	1 319	-	-	1 319	1 319
	1 319	-	1 319				
Financial assets not measured at fair value							
Trade and other receivables**	-	16 599	16 599				
Bank deposits (non-current investments)	-	483 771	483 771				
Cash and cash equivalents	-	304 574	304 574				
	-	804 944	804 944				
Financial liabilities not measured at fair value							
Lease liabilities	-	(3 140)	(3 140)				
Liabilities due to Concession fees	-	(15 225)	(15 225)				
Trade and other payables**	-	(27 594)	(27 594)				
	-	(45 959)	(45 959)				

* Equity instruments belonging to the Group are not listed on financial markets, the Group has also no information on recent observable arm's length transactions in these instruments. Considering the above, the fair value of the equity instruments determined based on the Group's share in nett assets of their issuers as at the end of the last reporting period for which the Group has adequate financial data. In I quarter 2021 the Group recorded losses due to valuation of aforementioned equity instruments amounting TPLN 37 (I quarter 2020: the valuation of aforementioned equity instruments remained unchanged).

** Without consideration of receivables due to VAT/payables due to taxes, duties, social and health insurance and other benefits, payroll liabilities, liabilities due to Concession fees and Payments to the State Treasury.

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Hierarchy of financial instruments carried at fair value

Financial instruments carried at fair value can be classified according to the following valuation methods:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities,
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly,
- Level 3: inputs that are not based on observable market data (unobservable inputs).

19. Equity

19.1. Share capital

	31 March 2021	31 December 2020	31 March 2020
Number of shares at the beginning of the period	247 262 023	247 262 023	247 262 023
Number of shares at the end of the period (fully paid)	247 262 023	247 262 023	247 262 023
Nominal value of 1 share (PLN)	0.75	0.75	0.75
Nominal value of A-series issue	6 256	6 256	6 256
Nominal value of B-series issue	370	370	370
Nominal value of D-series issue	3 000	3 000	3 000
Nominal value of E-series issue	71 196	71 196	71 196
Nominal value of F-series issue	37 500	37 500	37 500
Nominal value of G-series issue	67 125	67 125	67 125
Total	185 447	185 447	185 447

19.2. Fair value reserve

All gains and losses from valuation of investments in equity instruments measured at fair value through other comprehensive income are attributed to this equity item.

19.3. Dividends

1 quarter 2021

On 25 March 2021 the Ordinary General Meeting of VIA4 S.A. decided to pay out dividend amounting to TPLN 9,226, out of which TPLN 4,152 was attributed to non-controlling interest.

On 31 March 2021 the Ordinary General Meeting of the Company decided to pay out the dividend in amount of TPLN 158,247, i.e. PLN 0.64 per share. The dividend date was set for 9 April 2021 and the dividend payment date for 20 April 2021.

1 quarter 2020

On 24 March 2020 the Ordinary General Meeting of VIA4 S.A. decided to pay out dividend amounting to TPLN 19,395, out of which TPLN 8,727 was attributed to non-controlling interest.

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20. Provisions

For three-month periods ended 31 March 2021 and 31 March 2020

	Provisions for motorway resurfacing	Provisions for capital expenditures (Phase II)	Total
Non-current provisions			
Balance at 1 January 2020	-	314 374	314 374
Additions, including:	-	1 324	1 324
- due to discounting	-	1 324	1 324
Change of estimates	-	18 179	18 179
Reclassifications	-	(12 105)	(12 105)
Balance at 31 March 2020	-	321 772	321 772
Balance at 1 January 2021	-	371 303	371 303
Decreases, including:	-	(101)	(101)
- due to discounting	-	(101)	(101)
Change of estimates	-	3 192	3 192
Reclassifications	-	(6 500)	(6 500)
Balance at 31 March 2021	-	367 894	367 894
Current provisions			
Balance at 1 January 2020	14 001	48 345	62 346
Additions, including:	2 687	204	2 891
- due to discounting	59	204	263
Change of estimates	57	(1 767)	(1 710)
Utilisation	(154)	(6 227)	(6 381)
Reclassifications	-	12 105	12 105
Balance at 31 March 2020	16 591	52 660	69 251
Balance at 1 January 2021	8 390	54 340	62 730
Additions/(Decreases), including:	432	(14)	418
- due to discounting	(3)	(14)	(17)
Change of estimates	(284)	(2 642)	(2 926)
Utilisation	(134)	(7 074)	(7 208)
Reclassifications	-	6 500	6 500
Balance at 31 March 2021	8 404	51 110	59 514

Provision for capital expenditures constitutes the present value of future construction costs to be incurred in relation to section Katowice-Kraków of A4 motorway (Phase II), due to obligations undertaken by Concession Holder under the Concession Agreement (see note 4).

As at 31 March 2021 the Group changed estimates regarding discount rates used for calculation of the present value of provisions for resurfacing and provision for capital expenditures of Phase II (in both cases as at 31 December 2020 the rates ranged from -0.11% to 1.81%, currently from 0.01% to 2.06%). As result of those changes the provision for resurfacing decreased by TPLN 6 (I quarter 2020: increase of TPLN 118), which in line with IAS 37 was recognized as decrease of operating expenses for the period. At the same time the provision for capital expenditures (Phase II) decreased by TPLN 982 (I quarter 2020: increase of TPLN 6,453), which was recognized as a decrease of concession intangible assets.

As at 31 March 2021 the Group made also a revaluation of provision for resurfacing and provision for capital expenditures of Phase II following the change of estimates regarding expected expenditures and future construction works schedule. As result of those changes the provision for resurfacing decreased by TPLN 278

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(I quarter 2020: decrease of TPLN 61), which in line with IAS 37 was recognised as a decrease of operating expenses for the period. At the same time the provision for capital expenditures (Phase II) increased by TPLN 1,532 (I quarter 2020: increase of TPLN 9,959), which was recognized as an increase of concession intangible assets.

21. Trade and other payables

	31 March 2021	31 December 2020	31 March 2020
Non-current			
Liabilities due to Concession fees	11 168	10 688	11 873
Other payables to related parties	8 509	8 789	6 005
Other payables to other parties	706	687	478
Total	20 383	20 164	18 356
Current			
Trade payables to related parties	5 475	11 593	1 878
Trade payables to other parties	2 391	8 901	3 011
Amounts due to taxes, duties, social and health insurance and other benefits	7 992	2 400	6 686
Payroll liabilities	2 943	2 691	3 099
Dividends payable	162 399	-	8 728
Liabilities due to Concession fees	3 464	3 315	3 352
Payments to the State Treasury	29 730	29 730	-
Other payables and accruals to related parties	4 264	4 081	4 656
Other payables and accruals to other parties	4 645	4 334	4 019
Total	223 303	67 045	35 429

The changes in the balance of the liabilities due to Payments to the State Treasury recorded in I quarter 2021 and I quarter 2020 are shown below.

	I quarter 2021	I quarter 2020
Payments to the State Treasury at the beginning of the reporting period	29 730	54 667
<i>including VAT</i>	-	10 223
Recognition of net liability as at calculation date	-	-
Recognition of VAT	-	-
Payment of the liability	-	54 667
Payments to the State Treasury at the end of the reporting period	29 730	-
<i>including VAT</i>	-	-

22. Contingent liabilities

As at 31 March 2021, 31 December 2020 and 31 March 2020 the Group had no contingent liabilities.

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23. Related party transactions

23.1. Intragroup receivables and liabilities

31 March 2021

Biuro Centrum Sp. z o.o.

Associates

Pavimental S.p.A. S.A. Oddział w Polsce

Pavimental Polska Sp. z o.o.

Telepass S.p.A.

Autostrade Tech S.p.A.

Other related entities

Total

	Trade and other receivables	Trade and other payables	Guarantees and suspended amounts
	1	33	-
	1	33	-
	-	336	3 113
	12	4 853	9 659
	3 236	-	-
	5	254	-
	3 253	5 443	12 772
	3 254	5 476	12 772

31 December 2020

Biuro Centrum Sp. z o.o.

Associates

Pavimental S.p.A. S.A. Oddział w Polsce

Pavimental Polska Sp. z o.o.

Telepass S.p.A.

Autostrade Tech S.p.A.

Other related entities

Total

	Trade and other receivables	Trade and other payables	Guarantees and suspended amounts
	1	340	-
	1	340	-
	-	-	3 386
	6	10 677	9 484
	2 035	-	-
	-	576	-
	2 041	11 253	12 870
	2 042	11 593	12 870

31 March 2020

Biuro Centrum Sp. z o.o.

Associates

Pavimental S.p.A. S.A. Oddział w Polsce

Pavimental Polska Sp. z o.o.

Telepass S.p.A.

Autostrade Tech S.p.A.

Other related entities

Total

	Trade and other receivables	Trade and other payables	Guarantees and suspended amounts
	260	220	-
	260	220	-
	-	-	3 225
	6	-	7 437
	1 267	-	-
	-	1 659	-
	1 273	1 659	10 662
	1 533	1 879	10 662

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23.2. Related party transactions amounts

I quarter 2021

Biuro Centrum Sp. z o.o.

Associates

Pavimental S.p.A. S.A. Oddział w Polsce

Pavimental Polska Sp. z o.o.

Telepass S.p.A.

Autostrade Tech S.p.A.

Other related entities

Total

Revenue	Other income	Cost of acquired goods and services	Capital expenditures and resurfacing works
53	-	(921)	-
53	-	(921)	-
-	-	-	-
25	6	-	(6 434)
3 765	-	-	-
-	5	(567)	(447)
3 790	11	(567)	(6 881)
3 843	11	(1 488)	(6 881)

I quarter 2020

Atlantia S.p.A.

Parent entities

Biuro Centrum Sp. z o.o.

Associates

Pavimental S.p.A. S.A. Oddział w Polsce

Pavimental Polska Sp. z o.o.

Telepass S.p.A.

Autostrade Tech S.p.A.

Other related entities

Total

Revenue	Other income	Cost of acquired goods and services	Capital expenditures and resurfacing works
-	18	-	-
-	18	-	-
53	-	(853)	-
53	-	(853)	-
-	-	(227)	-
34	6	(45)	(5 627)
2 885	-	-	-
-	3	(573)	(1 806)
2 919	9	(845)	(7 433)
2 972	27	(1 698)	(7 433)

23.3. Information on transactions concluded by the Parent Entity or its subsidiaries with related entities under terms different than arm's length

All transactions concluded by the Parent Entity or its subsidiaries with related entities were concluded at arm's length.

23.4. Transactions with key personnel

The remuneration cost of the managing and supervising personnel of the Group was as follows:

	I quarter 2021	I quarter 2020
the Company		
Management Board	602	471
Salaries	317	225
Movement in employee benefits liabilities	285	246
Supervisory Board	46	17
Salaries	46	17
Subsidiaries		
Management Boards	518	582
Salaries	497	554
Movement in employee benefits liabilities	21	28
Supervisory Boards	1	1
Salaries	1	1
Total	1 167	1 071

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24. Financial results of the Capital Group and its Parent Entity for the I quarter 2021

24.1. Financial results of Stalexport Autostrady S.A.

In I quarter 2021 the Company generated revenue on sales amounting to TPLN 898, i.e. 1,4% lower than in comparable quarterly period of 2020 (TPLN 911). The decrease of revenue in comparison to I quarter 2020 resulted mainly from lower revenue due to rental of office space.

The Company suffered a loss from operating activities for I quarter 2021 of TPLN 1,788 – loss for comparable period of 2020 amounted to TPLN 1,580. The above resulted mainly from higher staff costs (increase of TPLN 198, i.e. 23%).

The financial activity of Stalexport Autostrady S.A. generated a profit of TPLN 5,144 for I quarter 2021 – I quarter 2020 brought a profit of TPLN 142,534. Dividends amounting to TPLN 5,074 (I quarter 2020: 141,828) and interest income amounting to TPLN 100 (I quarter 2020: TPLN 741) constituted the main items of financial income in I quarter 2021.

As the consequence of all the above Stalexport Autostrady S.A. generated a net profit for I quarter 2021 amounting to TPLN 3,451, comparing to TPLN 140,811 net loss for I quarter 2020.

24.2. Financial results of motorway business

The motorway activity, consisting mainly of exploitation, toll collecting and execution of motorway investments on section Katowice – Kraków of A4 motorway, has the biggest impact on Group's financial results. The activity is performed mainly by two related entities: Stalexport Autostrada Małopolska S.A. and VIA4 S.A. SAM S.A. organizes and supervises motorway investments and has the right to receive profits from the motorway, while VIA4 S.A. is responsible for motorway operation and on behalf of SAM S.A. collects tolls for vehicle passage.

Financial results of Group's motorway business in I quarter 2021 were significantly impacted by the change in traffic levels due to social and economic effect of COVID-19.

Consolidated revenue on sales generated by motorway activity for I quarter 2021 amounted to TPLN 72,236 decreasing only by 0.2% in relation to revenue for I quarter 2020 (TPLN 72,350).

The aforementioned variation was mainly the consequence of:

- (i) 9.8% decrease of traffic level in relation to I quarter 2020, resulting from 13.2% decrease of traffic level for light vehicles (dominantly due to restrictions related to COVID-19 introduced in Poland in March 2020) and 6.2% increase of traffic level for heavy vehicles,
- (ii) increase of toll rates for category 1 vehicles from PLN 10 to PLN 12 since 1 October 2020 (preferential toll rate for this category increased from PLN 7 to PLN 8).

Other operating income decreased by TPLN 3,016 (69%) compared to I quarter 2020, mainly as a result of TPLN 3,268 lower revenue from rental of passenger service areas, primarily due to settlement of property tax with the lessee of the above-mentioned properties (so-called additional rent).

Cost of sales and administrative expenses incurred in relation to motorway activity amounted to TPLN 34,284, decreasing by 0.3% in relation to I quarter 2020 (TPLN 34,383). The above resulted mainly from the increase of depreciation/amortisation costs by TPLN 4,537 (out of which TPLN 4,107 was attributed to concession intangible assets), with the simultaneous decrease of taxes and charges by TPLN 2,932 (out of which TPLN 2,967 concerned real estate tax) and lower costs of accrual of provision for motorway resurfacing (decrease of TPLN 2,534).

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The financial activity of motorway segment for I quarter 2021 resulted in a loss amounting to TPLN 318, comparing to a loss of TPLN 790 for I quarter 2020. This positive variation was mainly the consequence of lower expenses due to unwinding of discount in relation do provisions, which was accompanied by diminishing interest income on cash and non-current deposits.

As the consequence of all the above, the Group's motorway activity generated a net profit of TPLN 31,547 for I quarter 2021, comparing to net profit of TPLN 33,121 for I quarter 2020.

24.3. Information on construction contracts involving Stalexport Autostrada Małopolska S.A.

The most significant contracts of the motorway business that generate capital expenditure, which have been carried out in I quarter 2021, are set out below.

On 4 February 2019 SAM S.A. and Pavimental Polska Sp. z o.o. signed the contract HM-4-2019 „Resurfacing 2019-2020” for the resurfacing of motorway sections with a total length of 42.4 km, resurfacing of bridges and the partial reconstruction of linear drainage within the motorway median. The current value of the contract amounts to TPLN 61,506 (including change orders). As at 31 March 2021 the financial progress of the project (value of works recorded) amounted to TPLN 56,606 (92% of the contract value), out of which TPLN 1,679 was recorded in 2021.

On 9 July 2019 SAM S.A. and Pavimental Polska Sp. z o.o. signed the contract F2b-10-2018 “Reconstruction of A-4 motorway drainage – part III” including reconstruction of drainage for one catchment in Małopolskie voivodeship. The value of the contract amounts to TPLN 15,820 (including change orders). As at 31 March 2021 the financial progress of the project (value of works recorded) amounted to TPLN 13,065 (83% of the contract value), out of which TPLN 1,252 was recorded in 2021.

On 29 January 2020 SAM S.A. and Pavimental Polska Sp. z o.o. signed a contract MPA12-2019 “Modernisation of 12 culverts located in section of the A4 motorway Katowice – Kraków subject to the concession” amounting to TPLN 7,305. As at 31 March 2021 the financial progress of the project (value of works recorded) amounted to TPLN 3,608 (49% of the contract value), out of which TPLN 425 was recorded in 2021.

On 25 June 2020 SAM S.A. and Pavimental Polska Sp. z o.o. signed the contract F2b-12-2020 “Reconstruction of A-4 motorway drainage – part IV” including reconstruction of drainage for 13 catchments in Małopolskie voivodeship. The value of the contract amounts to TPLN 64,730. As at 31 March 2021 the financial progress of the project (value of works recorded) amounted to TPLN 6,028 (9% of the contract value), out of which TPLN 3,079 was recorded in 2021.

On 9 March 2021 SAM S.A. and WOMAR signed a contract for the renovation of noise screen 28 (II stage) located on the section of the A4 Katowice - Kraków motorway subject to the concession amounting to TPLN 629. As at 31 March 2021 no capital expenditures had yet been incurred in relation to the contract.

On 10 March 2021 SAM S.A. and Zakład Handlowo-Usługowy BIESZCZADY signed a contract for renovation of noise screens no. 5, 7a, and 9 located on the section of the A4 Katowice - Kraków motorway subject to the concession amounting to TPLN 1,339. As at 31 March 2021 no capital expenditures had yet been incurred in relation to the contract.

On 30 November 2018 SAM S.A., VIA4 S.A. and Autostrade Tech S.p.A signed a Software Service Agreement pursuant to which SAM S.A. is entitled to commission investment projects related to the development of the toll collection system. During I quarter 2021, under the said agreement, works were carried out, among others, on the implementation of variable message signs. The value of capital expenditures for projects commissioned under the Software Maintenance Agreement amounted to TPLN 500 in I quarter 2021.

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On 14 August 2019 SAM S.A. and Future Processing Sp. z o.o. signed a software support and development agreement under which a new e-commerce system was implemented to replace the existing Internet Customer Service. In I quarter 2021 the works had been finalised with the capital expenditures of TPLN 30 incurred during that period.

25. Other important events within the Stalexport Autostrady S.A. Capital Group during the period from 1 January to 31 March 2021.

On 25 March 2021 the Ordinary General Meeting of VIA4 S.A. adopted a resolution in accordance with which the net profit for 2020 in amount of TPLN 9,322 was assigned to cover previous years' losses in amount of TPLN 96 and to pay dividends in amount TPLN 9,226.

On 9 March 2021 the Ordinary General Meeting of SAM S.A. decided to distribute the net profit for 2020 in amount of TPLN 89,152, with the amount of TPLN 39 assigned to cover previous years' losses, the amount of TPLN 66,794 transferred to the reserve capital for future payments to shareholders and the amount of TPLN 22 319 allocated to dividend payment (the amount equal to the interim dividend paid out in February 2021).

26. Shareholders holding directly or indirectly via their subsidiaries at least 5% of total number of votes at the Annual General Meeting of the Parent Entity at quarterly report's date

List of Shareholders holding more than 5% of total number of votes eligible for Annual General Meeting of Stalexport Autostrady S.A.:

Shareholder	Number of ordinary shares held*	Share in share capital (%)	Number of votes at AGM	Share in total number of votes at AGM (%)
Atlantia S.p.A.	151,323,463	61.20%	151,323,463	61.20%
TFI PZU S.A.	12,406,475	5.02%	12,406,475	5.02%

*Based on notifications received by the Company according to article 69 and 69a in connection with article 87 of the Act on Public Offering and conditions of introducing the financial instruments to public trading and on public companies.

27. Parent Entity's shares held by managing and supervising personnel at quarterly report's date

The President of the Management Board of the Parent Entity Mr Emil Wąsacz held 59,000 shares at report's issue date. There were no changes in the number of Parent Entity's shares held by managing and supervising personnel since the previous report's issue date.

28. Subsequent events

There were no significant subsequent events, which should be disclosed in the condensed consolidated interim financial statements for the 3-month period ended 31 March 2021.

Explanation

This document constitutes a translation of the condensed consolidated interim financial statements of Stalexport Autostrady S.A. Capital Group, which were originally issued in Polish. In case of ambiguities in interpretation of terminology, the original Polish terminology should be treated as binding.



STALEXPORT
Autostrady

**CONDENSED SEPARATE
INTERIM FINANCIAL STATEMENTS**

for the three-month period ended
31 March 2021

STALEXPORT AUTOSTRADY S.A.
CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2021

These condensed separate interim financial statements are unaudited

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Condensed separate interim statement of comprehensive income
for the three-month period ended

In thousands of PLN, unless stated otherwise

	31 March 2021 <i>(unaudited)</i>	31 March 2020 <i>(unaudited)</i>
Revenue	898	911
Cost of sales	(1 128)	(1 056)
Gross loss	(230)	(145)
Other income	9	55
Administrative expenses	(1 572)	(1 490)
Other expenses	-	(1)
Reversal of impairments losses on trade and other receivables	5	1
Operating loss	(1 788)	(1 580)
Finance income	5 174	142 569
Finance expenses	(30)	(35)
Net finance income	5 144	142 534
Profit before income tax	3 356	140 954
Income tax expense	95	(143)
Profit for the period	3 451	140 811
Other comprehensive income		
<i>Items that will never be reclassified to profit or loss for the period</i>		
Change in fair value of equity instruments	(37)	-
Income tax on other comprehensive income	7	-
Other comprehensive income for the period, net of income tax	(30)	-
Total comprehensive income for the period	3 421	140 811
Earnings per share		
Basic earnings per share (PLN)	0.01	0.57
Diluted earnings per share (PLN)	0.01	0.57

The condensed separate interim statement of comprehensive income should be analyzed together with notes, which constitute integral part of the condensed separate interim financial statements

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Condensed separate interim statement of financial position
as at

In thousands of PLN

	31 March 2021 <i>(unaudited)</i>	31 December 2020	31 March 2020 <i>(unaudited)</i>
ASSETS			
Non-current assets			
Property, plant and equipment	174	199	248
Intangible assets	1	1	1
Investment property	5 759	5 898	6 316
Investments in subsidiaries and associates	67 060	67 060	67 060
Other non-current investments	65	65	173
Finance lease receivables	3 298	2 685	2 002
Deferred tax assets	1 064	962	2 056
Total non-current assets	77 421	76 870	77 856
Current assets			
Current investments	181 019	181 064	1 147
Income tax receivables	58	58	-
Finance lease receivables	1 218	1 086	1 207
Trade and other receivables	11 006	27 771	147 539
Cash and cash equivalents	155 394	135 506	189 179
Total current assets	348 695	345 485	339 072
Total assets	426 116	422 355	416 928
EQUITY AND LIABILITIES			
Equity			
Share capital	185 447	185 447	185 447
Share premium reserve	7 431	7 431	7 431
Fair value reserve	(234)	(204)	(67)
Other reserve and supplementary capitals	62 695	62 695	64 661
Retained earnings	4 670	159 467	153 104
Total equity	260 009	414 836	410 576
Liabilities			
Non-current liabilities			
Lease liabilities	3 009	3 102	3 019
Employee benefits	2 704	2 418	1 367
Total non-current liabilities	5 713	5 520	4 386
Current liabilities			
Lease liabilities	121	125	121
Income tax liabilities	-	-	9
Trade and other payables	160 144	1 745	1 734
Employee benefits	129	129	102
Total current liabilities	160 394	1 999	1 966
Total liabilities	166 107	7 519	6 352
Total equity and liabilities	426 116	422 355	416 928

The condensed separate interim statement of financial position should be analyzed together with notes, which constitute integral part of the condensed separate interim financial statements

STALEXPORT AUTOSTRADY S.A.
CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2021

These condensed separate interim financial statements are unaudited

Condensed separate interim statement of cash flows
for the three-month period ended

In thousands of PLN

	31 March 2021 <i>(unaudited)</i>	31 March 2020 <i>(unaudited)</i>
Cash flows from operating activities		
Profit before income tax	3 356	140 954
Adjustments for		
Depreciation and amortisation	164	163
Interest and dividends	(5 143)	(142 683)
Change in receivables	(1 209)	147
Change in trade and other payables	437	683
Cash generated used in operating activities	(2 395)	(736)
Income tax paid	-	(44)
Net cash used in operating activities	(2 395)	(780)
Cash flows from investing activities		
Investment proceeds	202 350	884
Dividends received	22 319	-
Interest received	31	884
Sale of financial assets (corporate bonds)	180 000	-
Investment expenditures	(179 941)	-
Acquisition of intangible assets and property, plant and equipment	(16)	-
Acquisition of financial assets (corporate bonds)	(179 925)	-
Net cash from investing activities	22 409	884
Cash flows from financing activities		
Financial expenditures	(126)	(125)
Payment of lease liabilities	(126)	(125)
Net cash used in financing activities	(126)	(125)
Total net cash flows	19 888	(21)
Change in cash and cash equivalents	19 888	(21)
Cash and cash equivalents at the beginning of the period	135 506	189 200
Cash and cash equivalents at the end of the period	155 394	189 179

The condensed separate interim statement of cash flows should be analyzed together with notes, which constitute integral part of the condensed separate interim financial statements

STALEXPORT AUTOSTRADY S.A.
CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2021

These condensed separate interim financial statements are unaudited

Condensed separate interim statement of changes in equity

In thousands of PLN

<i>(unaudited)</i>	Share capital	Share premium reserve	Fair value reserve	Other reserve and supplementary capitals	Retained earnings	Total equity
As at 1 January 2021	185 447	7 431	(204)	62 695	159 467	414 836
Profit for the period	-	-	-	-	3 451	3 451
Other comprehensive income	-	-	(30)	-	-	(30)
Change in fair value of equity instruments	-	-	(37)	-	-	(37)
Income tax on other comprehensive income	-	-	7	-	-	7
Total comprehensive income for the period	-	-	(30)	-	3 451	3 421
Dividends paid	-	-	-	-	(158 248)	(158 248)
As at 31 March 2021	185 447	7 431	(234)	62 695	4 670	260 009

In thousands of PLN

	Share capital	Share premium reserve	Fair value reserve	Other reserve and supplementary capitals	Retained earnings	Total equity
As at 1 January 2020	185 447	7 430	291	64 662	11 935	269 765
Profit for the period	-	-	-	-	157 577	157 577
Other comprehensive income	-	-	(137)	-	(6)	(143)
Change in fair value of equity instruments	-	-	(168)	-	-	(168)
Remeasurement of employee benefits	-	-	-	-	(8)	(8)
Income tax on other comprehensive income	-	-	31	-	2	33
Total comprehensive income for the period	-	-	(137)	-	157 571	157 434
Liquidation/Redemption of equity instruments measured at fair value through other comprehensive income	-	-	(358)	-	358	-
Dividends paid	-	-	-	(1 966)	(10 397)	(12 363)
Other	-	1	-	(1)	-	-
As at 31 December 2020	185 447	7 431	(204)	62 695	159 467	414 836

In thousands of PLN

<i>(unaudited)</i>	Share capital	Share premium reserve	Fair value reserve	Other reserve and supplementary capitals	Retained earnings	Total equity
As at 1 January 2020	185 447	7 430	291	64 662	11 935	269 765
Profit for the period	-	-	-	-	140 811	140 811
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	140 811	140 811
Liquidation/Redemption of equity instruments measured at fair value through other comprehensive income	-	-	(358)	-	358	-
Other	-	1	-	(1)	-	-
As at 31 March 2020	185 447	7 431	(67)	64 661	153 104	410 576

The condensed separate interim statement of changes in equity should be analyzed together with notes, which constitute integral part of the condensed separate interim financial statements

STALEXPORT AUTOSTRADY S.A.
CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2021

These condensed separate interim financial statements are unaudited

Notes to the condensed separate interim financial statements

(all amounts in PLN thousand (TPLN), unless stated otherwise)

1. Company overview

Stalexport Autostrady S.A. ("the Company") with its seat in Mysłowice, Piaskowa 20 Street, is a public listed company registered in Poland in the National Court Register under registration number KRS 16854.

As at 31 March 2021 the Company's business activity includes management and business advisory (holding activity), rental of investment properties and also finance lease services.

2. Basis for preparation of condensed separate interim financial statements

2.1. Statement of compliance

These condensed separate interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the European Union and other regulations in force.

These condensed separate interim financial statements should be analysed together with the separate financial statements prepared as at the day and for the year ended 31 December 2020 and the condensed consolidated interim financial statements prepared as at the day and for the three-month period ended 31 March 2021.

The condensed separate interim financial statements were approved by the Management Board of the Company on 10 May 2021.

2.2. Functional and presentation currency

The condensed separate interim financial statements are presented in Polish zloty, being the functional currency and presentation currency of the Company, rounded to full thousands.

2.3. New standards and interpretations not applied in these condensed separate interim financial statements

New standards, amendments to standards and interpretations, which are effective for annual periods beginning after 1 January 2021, have not been applied in preparation of these condensed separate interim financial statements. Neither of the new standards nor amendments to the already existing standards, are expected to have a significant impact on the separate financial statements of the Company for the period for which they will become effective.

3. Going concern

The condensed separate interim financial statements have been prepared under the assumption that the Company will continue to operate as a going concern for the foreseeable future. Taking into account the overall economic and legal situation of the Company, including the known negative economic and social impact of the COVID-19 epidemic, as at the date of approval of these condensed separate interim financial statements, there is no evidence indicating that the Company will not be able to operate as a going concern.

STALEXPORT AUTOSTRADY S.A.
CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2021

These condensed separate interim financial statements are unaudited

Notes to the condensed separate interim financial statements

(all amounts in PLN thousand (TPLN), unless stated otherwise)

4. Description of significant accounting principles

Changes resulting from the introduction of amendments to existing standards and interpretations, effective for reporting periods beginning on 1 January 2021 or later, had no significant impact on Company's accounting policies, and as the result, on these condensed separate interim financial statements.

With the exception of changes described above, the accounting policies applied by the Company in these condensed separate interim financial statements are the same as those described in the separate financial statements as at and for the year ended 31 December 2020.

5. Segment reporting

The Company's business activity includes management and business advisory and also rental of office space and its revenue is earned exclusively in Poland.

6. Investments in subsidiaries and associates

Investments in subsidiaries and associates relate to the following companies:

	Cost	Impairment loss	Carrying amount	Ownership
31 March 2021				
Petrostal S.A. w likwidacji	1 727	(1 727)	-	100.00%
Stalexport Autostrada Małopolska S.A.	66 753	-	66 753	100.00%
VIA4 S.A.	275	-	275	55.00%
Biuro Centrum Sp. z o.o.	32	-	32	40.63%
Total	68 787	(1 727)	67 060	
	Cost	Impairment loss	Carrying amount	Ownership
31 December 2020				
Petrostal S.A. w likwidacji	1 727	(1 727)	-	100.00%
Stalexport Autostrada Małopolska S.A.	66 753	-	66 753	100.00%
VIA4 S.A.	275	-	275	55.00%
Biuro Centrum Sp. z o.o.	32	-	32	40.63%
Total	68 787	(1 727)	67 060	
	Cost	Impairment loss	Carrying amount	Ownership
31 March 2020				
Petrostal S.A. w likwidacji	1 727	(1 727)	-	100.00%
Stalexport Autostrada Małopolska S.A.	66 753	-	66 753	100.00%
VIA4 S.A.	275	-	275	55.00%
Biuro Centrum Sp. z o.o.	32	-	32	40.63%
Total	68 787	(1 727)	67 060	

7. Contingent liabilities

As at 31 March 2021, 31 December 2020 and 31 March 2020 the Company had no contingent liabilities.

STALEXPORT AUTOSTRADY S.A.
CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2021

These condensed separate interim financial statements are unaudited

Notes to the condensed separate interim financial statements

(all amounts in PLN thousand (TPLN), unless stated otherwise)

8. Related party transactions

8.1. Intragroup receivables and liabilities

31 March 2021

Stalexport Autostrada Małopolska S.A.

VIA4 S.A.

Subsidiaries

Biuro Centrum Sp. z o.o.

Associates

Total

Trade and other receivables	Finance lease receivables	Dividend receivables	Trade and other payables
-	-	-	3
21	4 516	5 074	-
21	4 516	5 074	3
1	-	-	33
1	-	-	33
22	4 516	5 074	36

31 December 2020

Stalexport Autostrada Małopolska S.A.

VIA4 S.A.

Subsidiaries

Biuro Centrum Sp. z o.o.

Associates

Total

Trade and other receivables	Finance lease receivables	Dividend receivables	Trade and other payables
-	-	22 319	3
21	3 771	-	-
21	3 771	22 319	3
1	-	-	340
1	-	-	340
22	3 771	22 319	343

31 March 2020

Stalexport Autostrada Małopolska S.A.

VIA4 S.A.

Subsidiaries

Biuro Centrum Sp. z o.o.

Associates

Total

Trade and other receivables	Finance lease receivables	Dividend receivables	Trade and other payables
-	-	131 161	3
21	3 209	10 667	-
21	3 209	141 828	3
260	-	-	220
260	-	-	220
281	3 209	141 828	223

8.2. Related party transactions amounts

I quarter 2021

Stalexport Autostrada Małopolska S.A.

VIA4 S.A.

Subsidiaries

Biuro Centrum Sp. z o.o.

Associates

Total

Revenue	Other income	Finance income (dividends)	Finance income (other)	Cost of sales
-	-	-	-	(8)
51	-	5 074	20	-
51	-	5 074	20	(8)
53	-	-	-	(921)
53	-	-	-	(921)
104	-	5 074	20	(929)

I quarter 2020

Atlantia SpA

Parent entities

Stalexport Autostrada Małopolska S.A.

VIA4 S.A.

Subsidiaries

Biuro Centrum Sp. z o.o.

Associates

Total

Revenue	Other income	Finance income (dividends)	Finance income (other)	Cost of sales
-	18	-	-	-
-	18	-	-	-
-	-	131 161	-	(7)
51	-	10 667	33	-
51	-	141 828	33	(7)
53	-	-	-	(853)
53	-	-	-	(853)
104	18	141 828	33	(860)

STALEXPORT AUTOSTRADY S.A.
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FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2021

These condensed separate interim financial statements are unaudited

Notes to the condensed separate interim financial statements
(all amounts in PLN thousand (TPLN), unless stated otherwise)

9. Subsequent events

There were no significant subsequent events, which should be disclosed in the condensed separate interim financial statements for the 3-month period ended 31 March 2021.

Explanation

This document constitutes a translation of the condensed separate interim financial statements of Stalexport Autostrady S.A., which were originally issued in Polish. In case of ambiguities in interpretation of terminology, the original Polish terminology should be treated as binding.