



**QUARTERLY CONSOLIDATED REPORT
OF THE Mo-BRUK S.A. CAPITAL GROUP
FOR 3 QUARTERS OF 2020**

Niecew, 19 October 2020

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1. Condensed consolidated financial statements of the Mo-BRUK S.A. Capital Group for 3 quarters of 2020.

1.1. Selected financial data

TITLE	PLN		EUR	
	01/01/2020-30/09/2020	01/01/2019-30/09/2019	01/01/2020-30/09/2020	01/01/2019-30/09/2019
I. Net revenue from sales of products, goods and materials	122,582,559	87,023,201	27,595,978	20,197,611
II. Profit (loss) on operating activities	65,266,137	29,952,423	14,692,815	6,951,794
III. Gross profit (loss)	65,213,186	29,506,071	14,680,894	6,848,198
IV. Net profit (loss)	52,947,682	23,830,365	11,919,665	5,530,898
V. Net cash flows from operating activities	41,543,458	30,024,626	9,352,328	6,968,552
VI. Net cash flows from investing activity	6,198,193	-807,466	1,395,347	-187,408
VII. Net cash flows from financial activities	-55,263,383	-24,550,053	-12,440,979	-5,697,934
VIII. Total net cash flows	-7,521,733	4,667,107	-1,693,304	1,083,210
IX. Weighted average number of shares	3,572,885	3,602,782	3,572,885	3,602,782
X. Profit (loss) per one ordinary share (in PLN/EUR)	14.8	6.6	3.3	1.5
TITLE	PLN		EUR	
	30/09/2020	31/12/2019	31/09/2020	31/12/2019
XI. Total assets	185,191,588	189,791,290	40,910,044	44,567,639
XII. Liabilities and provisions for liabilities	48,396,640	57,606,725	10,691,137	13,527,469
XIII. Long-term liabilities	28,140,233	34,584,421	6,216,363	8,121,268
<i>including Deferred revenues - subsidy</i>	19,659,150	22,470,258	4,342,836	5,276,566
XIV. Short-term liabilities	20,256,407	23,022,304	4,474,774	5,406,200
<i>including Deferred revenues - subsidy</i>	2,321,734	2,430,001	512,886	570,624
XV. Equity	136,794,948	132,184,565	30,218,907	31,040,170
XVI. Share capital	35,728,850	35,728,850	7,892,739	8,390,008
XVII. Number of shares	3,572,885	3,572,885	3,572,885	3,572,885
XVIII. Book value per share (in PLN/EUR)	38.3	37.0	8.5	8.7

The above financial data for the three quarters of 2020 and 2019 was converted into EUR according to the following principles:

- assets and liabilities items - according to the average exchange rate set by the National Bank of Poland as at 30 September 2020 – 4.5268 PLN/EUR, as at 31 December 2019 – 4.2585 PLN/EUR
- items of the comprehensive income statements and the cash flow statements - according to the exchange rate being the arithmetic mean of the average exchange rates determined by the National Bank of Poland as at the last day of each month of the reporting period from 1 January to 30 September 2020 – 4.420 PLN/EUR, from 1 January to 30 September 2019 – 4.3086 PLN/EUR

1.2. Consolidated statements of financial position

Consolidated statements of financial position			
Specification	as at 30-09-2020	as at 31-12-2019	as at 30-09-2019
FIXED ASSETS	121,877,980	134,229,678	135,897,148
Property plant and equipment	117,129,157	132,547,019	134,186,278
Goodwill	832,348	832,348	832,348
Other intangible assets	638,545	583,180	586,915
Long-term receivables	3,277,931	267,131	291,607
CURRENT ASSETS	63,313,608	55,561,612	35,302,128
Inventory	778,624	984,625	1,048,052
Trade receivables	34,214,560	24,738,953	12,668,917
<i>including: receivables under sale of an organised part of the enterprise</i>	12,000,000	-	-
Other receivables	2,071,470	1,264,221	910,641
Other financial assets	4,984,590	-	-
Cash and cash equivalents	19,896,623	27,418,356	19,471,403
Prepayments and accruals	443,661	231,377	279,035
Assets classified as held for sale	924,080	924,080	924,080
Tangible fixed assets held for sale	924,080	924,080	924,080
Total assets:	185,191,588	189,791,290	171,199,276

Consolidated statements of financial position			
Specification	as at 30-09-2020	as at 31-12-2019	as at 30-09-2019
Equity	136,794,948	132,184,565	115,926,679
Initial capital	35,728,850	35,728,850	35,728,850
Share issue supplementary capital	25,573,479	25,573,479	25,573,479
Supplementary capital from retained profit and merger transactions under common control	9,243,841	17,492,891	17,492,889
Reserve capital from share redemption	385,000	385,000	385,000
Retained earnings	12,916,096	12,916,096	12,916,096
Net profit (loss) for the financial year	52,947,682	40,088,249	23,830,365
Long-term liabilities	28,140,233	34,584,421	37,056,191
Provision for deferred income tax	5,997,423	6,266,048	6,157,075
Provision for retirement and similar benefits	180,659	221,114	130,129
Credits and loans	1,018,620	4,275,334	6,430,596
Other financial liabilities	1,260,871	1,328,157	1,237,124
Other long-term liabilities	23,509	23,509	23,509
Deferred revenues – subsidy	19,659,150	22,470,258	23,077,758
Short-term liabilities	20,256,407	23,022,304	18,216,405

Credits and loans	5,531,548	8,621,049	8,621,049
Other financial liabilities	153,101	108,889	48,678
Trade liabilities	4,471,096	5,707,738	3,466,574
Current income tax liabilities	3,692,727	1,926,059	779,127
Provisions for pensions and similar benefits	603,877	629,302	658,685
Other short-term provisions	259,000	39,000	-
Other liabilities	3,223,325	3,560,265	2,211,674
Deferred revenues – subsidy	2,321,734	2,430,001	2,430,619
Total liabilities:	185,191,588	189,791,290	171,199,276

1.3. Consolidated result statements

Consolidated statements of comprehensive income (comparative variant)				
Specification	01/07/2020-30/09/2020	01/01/2020-30/09/2020	01/07/2019-30/09/2019	01/01/2019-30/09/2019
Continuing operations	50,896,845	122,582,559	32,252,309	87,023,201
Income from sales	50,896,845	122,582,559	32,252,309	87,023,201
Total costs	21,497,933	60,506,708	19,540,368	56,076,082
Movement in products	13,675	-22,910	-14,134	-25,514
Depreciation and amortisation	1,500,082	4,496,899	1,490,437	4,541,454
Consumption of raw materials and materials	2,880,793	8,541,601	2,764,688	8,519,535
External services	8,602,866	23,192,665	6,803,860	19,597,541
Costs of employment benefits	4,948,835	15,107,000	4,442,016	12,674,665
Taxes and charges	335,035	1,000,608	321,018	1,043,273
Other costs	176,357	514,941	235,713	598,242
Value of goods and materials sold	3,040,289	7,675,903	3,496,769	9,126,885
Profit (loss) on sales	29,398,912	62,075,851	12,711,941	30,947,119
Other operating revenues	3,276,487	3,415,349	62,530	274,537
Other operating expenses	17,969	225,062	41,202	1,269,234
Profit (loss) on operating activities	32,657,430	65,266,137	12,733,270	29,952,423
Financial income	36,159	295,737	109,477	224,888
Financial costs	98,855	348,689	175,160	671,240
Pre-tax profit (loss)	32,594,734	65,213,186	12,667,587	29,506,071
Income tax	6,104,240	12,265,504	2,424,639	5,675,706
Net profit (loss) on continuing operations	26,490,494	52,947,682	10,242,948	23,830,365
Net profit (loss)	26,490,494	52,947,682	10,242,948	23,830,365
Total comprehensive income	26,490,494	52,947,682	10,242,948	23,830,365

1.4. Consolidated statements of cash flows

Consolidated statements of cash flows (indirect method)		
Specification	For the period: 01/01/2020-30/09/2020	For the period: 01/01/2019-30/09/2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Pre-tax profit (loss)	65,213,186	29,506,071
Total adjustments	-23,669,728	518,555
Depreciation and amortisation	4,496,899	4,541,454
Depreciation and amortisation - subsidy	1,826,344	1,824,357
Interest and profit sharing (dividends)	231,947	750,913
Profit (loss) on investment activities	-2,012,460	25,723
Changes in working capital	-15,678,330	-2,208,855
Change in provisions	154,119	-16,017
Change in inventory	206,001	-102,633
Change in receivables	-13,293,656	344,153
Change in short-term liabilities, excluding financial liabilities	386,867	-538,993
Change in accruals and prepayments	-3,131,660	-1,895,364
Income tax on profit before tax	-12,534,129	-4,415,037
Net cash flows from operating activities	41,543,458	30,024,626
CASH FLOWS FROM INVESTMENT ACTIVITIES		
Inflows from the sale of intangible assets and tangible fixed assets (including the organised part of the enterprise)	12,095,328	137,805
Expenditures for purchase of tangible fixed assets	-912,545	-1,531,764
Purchase of bonds	-4,984,590	-
Other adjustments	-	586,493
Net cash flows from investing activity	6,198,193	-807,466
CASH FLOWS FROM FINANCING ACTIVITIES		
Purchase of own shares	-	-7,538,700
Inflows under taking credits and loans	176,400	-
Repayment of credits and loans	-6,522,615	-6,451,478
Payments of liabilities under financial lease contracts	-347,923	-173,121
Dividends paid	-48,337,298	-9,682,518
Interest paid	-231,947	-704,236
Net cash flows from financial activities	-55,263,383	-24,550,053
Total net cash flows	-7,521,733	4,667,107
Balance sheet change in cash	-7,521,733	4,667,107
Opening balance of cash	27,418,356	14,804,297
Closing balance of cash	19,896,623	19,471,404

1.5. Consolidated statements of changes in equity

Consolidated statements of changes in equity	Initial capital	Capital from sales and issuing of shares over their nominal value	Supplementary capital from retained profit and merger transactions under common control	Undistributed earnings carried forward	Reserve capital from share redemption	Retained earnings	Total equity
Balance as at 01/01/2020	35,728,850	25,573,479	17,492,890	12,916,096	385,000	40,088,249	132,184,565
Balance after changes	35,728,850	25,573,479	17,492,890	12,916,096	385,000	40,088,249	132,184,565
Transfer of financial result to capital	-	-	40,088,249	-	-	-40,088,249	-
Dividend payment	-	-	-48,337,298	-	-	-	-48,337,298
Total transactions with owners	-	-	-8,249,049	-	-	-40,088,249	-48,337,298
Net profit for the period:	-	-	-	-	-	52,947,682	52,947,682
Total comprehensive income	-	-	-	-	-	52,947,682	52,947,682
Balance as at 30/09/2020	35,728,850	25,573,479	9,243,841	12,916,096	385,000	52,947,682	136,794,948

Consolidated statements of changes in equity	Initial capital	Capital from sales and issuing of shares over their nominal value	Supplementary capital from retained profit and merger transactions under common control	Undistributed earnings carried forward	Reserve capital from share redemption	Retained earnings	Total equity
Balance as at 01/01/2019	36,113,850	25,573,479	14,194,511	12,916,096	-	20,519,597	109,317,533
Redemption of shares	-385,000	-	-	-	385,000	-	-
Balance after changes	35,728,850	25,573,479	14,194,511	12,916,096	385,000	20,519,597	109,317,533
Transfer of financial result to capital	-	-	10,837,079	-	-	-10,837,079	-
Buy-back of own shares	-	-	-7,538,700	-	-	-	-7,538,700
Total transactions with owners	-	-	3,298,379	-	-	-20,519,597	-17,221,219
Net profit for the period	-	-	-	-	-	23,830,365	23,830,365
Total comprehensive income	-	-	-	-	-	23,830,365	23,830,365
Balance as at 30/09/2019	35,728,850	25,573,479	17,492,890	12,916,096	385,000	23,830,365	115,926,679

2. Condensed individual financial statements of Mo-BRUK S.A. for 3 quarters of 2020.

2.1. Selected financial data

TITLE	PLN		EUR	
	01/01/2020-30/09/2020	01/01/2019-30/09/2019	01/01/2020-30/09/2020	01/01/2019-30/09/2019
I. Net revenue from sales of products, goods and materials	107,377,184	77,784,005	24,172,920	18,053,244
II. Profit (loss) on operating activities	57,263,476	28,333,520	12,891,243	6,576,056
III. Gross profit (loss)	59,046,933	29,037,701	13,292,738	6,739,492
IV. Net profit (loss)	48,327,793	23,688,090	10,879,628	5,497,877
V. Net cash flows from operating activities	37,306,203	28,379,182	8,398,431	6,586,653
VI. Net cash flows from investing activity	6,209,977	-669,891	1,398,000	-155,478
VII. Net cash flows from financial activities	-53,386,473	-23,395,006	-12,018,446	-5,429,853
VIII. Total net cash flows	-9,870,292	4,314,285	-2,222,016	1,001,322
IX. Weighted average number of shares	3,572,885	3,602,782	3,572,885	3,602,782
X. Profit (loss) per one ordinary share (in PLN/EUR)	13.5	6.6	3.0	1.5
TITLE	PLN		EUR	
	30/09/2020	31/12/2019	30/09/2020	31/12/2019
XI. Total assets	172,924,453	182,599,495	38,200,153	42,878,829
XII. Liabilities and provisions for liabilities	46,582,156	56,247,693	10,290,306	13,208,335
XIII. Long-term liabilities	27,849,019	34,274,719	6,152,032	8,048,543
<i>including Deferred revenues - subsidy</i>	19,659,150	22,470,258	4,342,836	5,276,566
XIV. Short-term liabilities	18,733,137	21,972,974	4,138,274	5,159,792
<i>including Deferred revenues - subsidy</i>	2,321,734	2,430,001	512,886	570,624
XV. Equity	126,342,296	126,351,802	27,909,847	29,670,495
XVI. Share capital	35,728,850	35,728,850	7,892,739	8,390,008
XVII. Number of shares	3,572,885	3,572,885	3,572,885	3,572,885
XVIII. Book value per share (in PLN/EUR)	35.4	35.4	7.8	8.3

The above financial data for the three quarters of 2020 and 2019 was converted into EUR according to the following principles:

- assets and liabilities items - according to the average exchange rate set by the National Bank of Poland as at 30 September 2020 – 4.5268 PLN/EUR, as at 31 December 2019 – 4.2585 PLN/EUR
- items of the comprehensive income statements and the cash flow statements - according to the exchange rate being the arithmetic mean of the average exchange rates determined by the National Bank of Poland as at the last day of each month of the reporting period from 1 January to 30 September 2020 – 4.420 PLN/EUR, from 1 January to 30 September 2019 – 4.3086 PLN/EUR

2.2. Separate statements of financial position

Separate statements of financial position			
Specification	as at 30-09-2020	as at 31-12-2019	as at 30-09-2019
Fixed assets	120,102,330	132,160,182	134,073,201
Property plant and equipment	114,560,104	129,692,666	131,580,321
Other intangible assets	635,696	571,786	572,674
Shares and stocks	1,628,599	1,628,599	1,628,599
Long-term receivables	3,277,931	267,131	291,607
Current assets	52,822,123	50,439,313	30,690,053
Inventory	774,305	974,700	987,231
Trade receivables	28,981,635	22,520,089	10,929,104
<i>including: receivables under sale of an organised part of the enterprise</i>	<i>12,000,000</i>	<i>-</i>	<i>-</i>
Other receivables	1,967,498	1,142,839	686,660
Other financial assets	4,984,590	-	-
Cash and cash equivalents	14,812,004	24,682,296	16,941,859
Prepayments and accruals	378,012	195,309	221,119
Assets classified as held for sale	924,080	924,080	924,080
Tangible fixed assets held for sale	924,080	924,080	924,080
Total assets:	172,924,453	182,599,495	164,763,254

Separate statements of financial position			
Specification	as at 30-09-2020	as at 31-12-2019	as at 30-09-2019
Equity	126,342,296	126,351,802	110,635,532
Initial capital	35,728,850	35,728,850	35,728,850
Share issue supplementary capital	25,573,479	25,573,479	25,573,479
Supplementary capital from retained profit and merger transactions under common control	3,411,078	12,344,017	12,344,017
Reserve capital from share redemption	385,000	385,000	385,000
Retained earnings	12,916,096	12,916,096	12,916,096
Net profit (loss) for the financial year	48,327,793	39,404,360	23,688,090
Long-term liabilities	27,849,019	34,274,719	36,911,178
Provision for deferred income tax	5,904,778	6,185,264	6,092,420
Provision for retirement and similar benefits	96,958	107,064	73,280
Credits and loans	1,018,620	4,275,334	6,430,596
Other financial liabilities	1,169,514	1,236,799	1,237,124
Other long-term liabilities	-	-	-
Deferred revenues – subsidy	19,659,150	22,470,258	23,077,758
Short-term liabilities	18,733,137	21,972,974	17,216,544

Credits and loans	5,531,548	8,621,049	8,621,049
Other financial liabilities	144,969	64,912	48,678
Trade liabilities	4,035,412	5,402,898	3,049,069
Current income tax liabilities	3,298,109	1,847,622	704,309
Provisions for pensions and similar benefits	403,506	428,931	484,740
Other short-term provisions	259,000	32,000	-
Other liabilities	2,738,859	3,145,561	1,878,081
Deferred revenues – subsidy	2,321,734	2,430,001	2,430,619
Total liabilities:	172,924,453	182,599,495	164,763,254

2.3. Separate result statements

Separate statements of comprehensive income (comparative variant)				
Specification	01/07/2020-30/09/2020	01/01/2020-30/09/2020	01/07/2019-30/09/2019	01/01/2019-30/09/2019
Continuing operations	43,558,331	107,377,184	29,082,827	77,784,005
Income from sales	43,558,331	107,377,184	29,082,827	77,784,005
Total costs	19,047,416	53,290,002	16,943,682	48,457,913
Movement in products	13,675	-22,910	-14,133	-25,514
Depreciation and amortisation	1,409,260	4,223,123	1,409,517	4,291,658
Consumption of raw materials and materials	2,477,562	7,512,558	2,491,477	7,735,207
External services	7,620,764	20,295,650	5,402,341	15,526,719
Costs of employment benefits	4,037,047	12,251,754	3,667,852	10,358,226
Taxes and charges	319,729	952,153	306,180	996,883
Other costs	129,091	401,772	183,678	447,847
Value of goods and materials sold	3,040,289	7,675,903	3,496,769	9,126,885
Profit (loss) on sales	24,510,915	54,087,183	12,139,145	29,326,092
Other operating revenues	3,240,008	3,333,389	61,566	247,572
Other operating expenses	9,546	157,095	33,403	1,240,144
Profit (loss) on operating activities	27,741,378	57,263,476	12,167,308	28,333,520
Financial income	36,159	2,128,634	105,476	1,374,039
Financial costs	97,997	345,177	185,902	669,858
Pre-tax profit (loss)	27,679,540	59,046,933	12,086,881	29,037,701
Income tax	5,166,432	10,719,140	2,311,322	5,349,611
Net profit (loss) on continuing operations	22,513,108	48,327,793	9,775,559	23,688,090
Net profit (loss)	22,513,108	48,327,793	9,775,559	23,688,090
Total comprehensive income	22,513,108	48,327,793	9,775,559	23,688,090

2.4. Separate statements of cash flows

Separate statements of cash flows (indirect method)		
Specification	For the period: 01/01/2020-30/09/2020	For the period: 01/01/2019-30/09/2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Pre-tax profit (loss)	59,046,933	29,037,701
Total adjustments	-21,740,729	-658,519
Depreciation and amortisation	4,223,123	4,291,658
Depreciation and amortisation - subsidy	1,826,344	1,824,357
Interest and profit sharing (dividends)	228,436	749,531
Profit (loss) on investment activities	-2,044,313	25,723
Received dividend	-1,837,555	-1,153,665
Changes in working capital	-13,137,138	-2,308,186
Change in provisions	191,468	6,324
Change in inventory	200,396	-50,513
Change in receivables	-10,297,004	33,265
Change in short-term liabilities, excluding financial liabilities	-129,919	-429,871
Change in accruals and prepayments	-3,102,079	-1,867,391
Income tax on profit before tax	-10,999,626	-4,087,938
Net cash flows from operating activities	37,306,203	28,379,182
CASH FLOWS FROM INVESTMENT ACTIVITIES		
Inflows from the sale of tangible fixed assets (including the organised part of the enterprise)	12,095,328	137,805
Expenditures for purchase of tangible fixed assets	-900,761	-1,394,189
Purchase of bonds	-4,984,590	-
Other adjustments	-	586,493
Net cash flows from investing activity	6,209,977	-669,891
CASH FLOWS FROM FINANCING ACTIVITIES		
Other financial inflows - dividend	1,837,555	1,153,665
Purchase of own shares	-	-7,538,700
Inflows under taking credits and loans	176,400	-
Repayment of credits and loans	-6,522,614	-6,451,478
Payments of liabilities under financial lease contracts	-312,079	-173,121
Dividends paid	-48,337,298	-9,682,518
Interest paid	-228,436	-702,853
Net cash flows from financial activities	-53,386,473	-23,395,006
Total net cash flows	-9,870,292	4,314,285
Balance sheet change in cash	-9,870,292	4,314,285
Opening balance of cash	24,682,296	12,627,574
Closing balance of cash	14,812,004	16,941,859

2.5. Separate statements of changes in equity

Separate statements of changes in equity	Initial capital	Capital from sales of shares above their nominal value	Supplementary capital from retained profit and merger transactions under common control	Undistributed earnings carried forward	Reserve capital from share redemption	Retained earnings	Total equity
Balance as at 01/01/2020	35,728,850	25,573,479	12,344,017	12,916,096	385,000	39,404,360	126,351,802
Balance after changes	35,728,850	25,573,479	12,344,017	12,916,096	385,000	39,404,360	126,351,802
Transfer of financial result to capital	-	-	39,404,360	-	-	-39,404,360	-
Dividend payment	-	-	-48,337,298	-	-	-	-48,337,298
Total transactions with owners	-	-	-8,932,938	-	-	-39,404,360	-48,337,298
Net profit for the period:	-	-	-	-	-	48,327,793	48,327,793
Total comprehensive income	-	-	-	-	-	48,327,793	48,327,793
Balance as at 30/09/2020	35,728,850	25,573,479	3,411,079	12,916,096	385,000	48,327,793	126,342,297

Separate statements of changes in equity	Initial capital	Capital from sales of shares above their nominal value	Supplementary capital from retained profit and merger transactions under common control	Undistributed earnings carried forward	Reserve capital from share redemption	Retained earnings	Total equity
Balance as at 01/01/2019	36,113,850	25,573,479	10,199,303	12,916,096	-	19,365,932	104,168,660
Redemption of shares	-385,000	-	-	-	385,000	-	-
Balance after changes	35,728,850	25,573,479	10,199,303	12,916,096	385,000	19,365,932	104,168,660
Transfer of financial result to capital	-	-	9,683,414	-	-	-9,683,414	-
Buy-back of own shares	-	-	-7,538,700	-	-	-	-7,538,700
Dividend payment	-	-	-	-	-	-9,682,518	-9,682,518
Total transactions with owners	-	-	2,144,714	-	-	-19,365,932	-17,221,218
Net profit for the period	-	-	-	-	-	23,688,090	23,688,090
Total comprehensive income	-	-	-	-	-	23,688,090	23,688,090
Balance as at 30/09/2019	35,728,850	25,573,479	12,344,017	12,916,096	385,000	23,688,090	110,635,532

3. Notes to the interim condensed report for 3 quarters of 2020.

3.1. Description of Mo-BRUK S.A. Capital Group

Mo-BRUK S.A. forms a capital group composed of Mo-BRUK S.A. – the parent undertaking in the capital group, and Raf-Ekologia sp. z o.o. – a wholly-owned subsidiary of Mo-BRUK S.A.

LIST OF COMPANIES IN WHICH THE GROUP HAS AT LEAST 20% OF SHARES IN THE EQUITY OR THE TOTAL NUMBER OF VOTES IN THE DECISION-MAKING BODY OF THE COMPANY AS AT THE BALANCE SHEET DATE				
Item	Name and registered office of company	% of shares held in the capital	% of votes in the company's decision-making body	Type of relationship and consolidation method
1.	"RAF-EKOLOGIA" Spółka z o.o.	100	100	Full consolidation
	38-460 Jedlicze ul. Trzecieckiego 14			

In the period from 01 January 2020 to 30 September 2020, there were no changes in the organisation of the Capital Group.

Basic data of parent undertaking

(Business) name: Mo-BRUK Spółka Akcyjna
 Issuer's registered office: Niecew
 Issuer's legal form: joint-stock company
 Governing law: the law of Poland and the law of the European Union
 Country of Issuer's registered office: the Republic of Poland
 Issuer's address: Niecew 68, 33-322 Korzenna
 Telephone number: +48 (18) 441 70 48
 Fax number: +48 (18) 441 70 99
 E-mail: mobruk@mobruk.pl
 Website: www.mobruk.pl
 Number of entry into the National Court Register (KRS): 0000357598
 NIP (Tax Identification Number): 7343294252
 REGON (Company Number): 120652729

Basic data of subsidiary

(Business) name: Raf-Ekologia Spółka z ograniczoną odpowiedzialnością
 Registered office: Jedlicze

Legal form: limited liability company
Governing law: the law of Poland and the law of the European Union
Country of registered office: the Republic of Poland
Address: ul. Trzecieckiego 14, 38-460 Jedlicze
Telephone number: +48 13 43 84 362
Fax number: +48 13 43 84 166
E-mail: rafekologia@rafekologia.pl
Website: www.rafekologia.pl
Number of entry into the National Court Register (KRS): 0000069313
NIP (Tax Identification Number): 6842198750
REGON (Company Number): 370484149

The Issuer's Management Board is composed of:

Józef Mokrzycki	President of the Management Board
Elżbieta Mokrzycka	Deputy President of the Management Board
Anna Mokrzycka-Nowak	Deputy President of the Management Board
Wiktor Mokrzycki	Deputy President of the Management Board
Tobiasz Mokrzycki	Deputy President of the Management Board

On 25 February 2020, the Supervisory Board adopted a resolution on the appointment of the President and Deputy Presidents of the Management Board of the Company in an unchanged composition for a new joint term of office starting on 1 May 2020 and lasting 5 years.

The Issuer's Supervisory Board is composed of:

An Extraordinary General Meeting of Shareholders of Mo-BRUK S.A. was held on 3 March 2020. At the meeting, pursuant to §19 of the Articles of Association, Resolution No. 4/2020 was adopted on the appointment of Mr. Piotr Skrzyński as a member of the Supervisory Board.

As of the moment of appointing Mr. Piotr Skrzyński to the Supervisory Board, Mr. Norbert Nowak, previously co-opted Member of the Supervisory Board, ceased to perform his duties.

As of the date of this Report, the Supervisory Board performs its functions in the following composition:

Kazimierz Janik	Chairperson of the Supervisory Board
Jan Basta	Member of the Supervisory Board
Piotr Pietrzak	Member of the Supervisory Board
Piotr Skrzyński	Member of the Supervisory Board
Konrad Turzański	Member of the Supervisory Board

On 15 June 2020, the Ordinary General Meeting, pursuant to § 19 of the Articles of Association, appointed Members of the Supervisory Board for another term of office.

The Audit Committee is composed of:

Piotr Pietrzak	Chairperson of the Audit Committee;
Jan Basta	Member of the Audit Committee;
Kazimierz Janik	Member of the Audit Committee.

Mo-BRUK Spółka Akcyjna, a joint-stock company with its registered office in Niecew (Niecew 68, 33-322 Korzenna), is a company with legal personality, registered in the District Court in Kraków, 12th Commercial Division, entered into the National Court Register under number 0000357598.

The duration of the Company is unlimited and it operates pursuant to the law of Poland and the law of the European Union.

From 1985, the Company operated as a sole proprietorship under the name “Mo-BRUK” Józef Mokrzycki. Up to 1996, the core business was the production of terrazzo goods (tiles, window sills, stairs) and the main customers for the products were individual customers. In 1996, the Company expanded its business activity with broadly interpreted waste management including storage, treatment and recycling. Given the progressing development of the Company, its legal form was transformed on 1 April 2008 from sole proprietorship trading as Mo-BRUK Józef Mokrzycki into a limited partnership. On 1 June 2010, the Company was transformed into a joint-stock company.

Mo-BRUK S.A. has seven branches and one subsidiary. Next to the headquarters of the Company in Niecew, there is its Waste Recovery Plant and Concrete Pavement Construction Plant.

Three branches of the Company are located in Wałbrzych: Waste Recycling Plant that produces alternative fuels, Industrial Waste Landfill (waste is no longer stored as of 20 March 2019), and Coal Mud Recovery Plant.

The Alternative Fuel Production Plant started its operation in 2008 in Karsy (gmina of Ożarów) with industrial waste incineration plant commissioned in 2014.

In 2014, the Non-Organic Waste Recovery Plant in Skarbimierz was launched.

Mo-BRUK SA also has its branch in Łęka (fuel station and diagnostic station).

Mo-BRUK holds 100% of shares in Raf-Ekologia Sp. z o. o.

The core business of the subsidiary is thermal neutralisation of industrial and medical waste.

Raf-Ekologia Sp. z o.o. was formed on 1 December 1999 in Krosno (Notarial Deed dated 1 December 1999, Register A No. 9397/99). The initial capital is equal to PLN 686,000.00 (six hundred and eighty-six thousand) and is divided into 6860 shares of nominal value equal to PLN 100.00 each. The Company carries out thermal neutralisation of hazardous and non-hazardous waste, including medical and veterinary waste, with the extended list of types of waste, pursuant to the integrated permit No. ŚR.IV-6618-23/1/06 issued by the Voivode of Podkarpackie Voivodeship.

3.2. Significant accounting principles

- 1.
- 2.
- 3.

- 3.1.

- 3.2.

- 3.2.1. Basis for preparation of financial statements**

The present condensed consolidated financial statements have been prepared for the period from 1 January 2020 to 30 September 2020. The comparable data cover the period from 1 January 2019 to 30 September 2019 with respect to the profit and loss account and the cash flow statements, and for balance sheet values as at 31 December 2019.

The Group's financial year is a calendar year.

The data in the condensed interim consolidated financial statements is presented in Polish zloty ("PLN"), rounded to full amounts in zloty.

The condensed consolidated financial statements were drawn up on the assumption of the companies belonging to the Group being a going concern in the foreseeable future. As at the date of drawing up these consolidated financial statements, there are no known circumstances indicating any threat to the continuation of the operations by the Group.

- 3.2.2. Statement of compliance**

The Company draws up the financial statements in compliance with the adopted accounting principles (policy) arising from the International Accounting Standards, International Financial Reporting Standards and their related interpretations published as the implementing regulations of the European Commission, and in the scope which is not regulated by those Standards – according to the requirements of the Accounting Act dated 29 September 1994 and the executive acts issued on the basis thereof. These financial statements follow the same accounting principles (policy) and calculation methods as the previous financial statements. The Management Board of Mo-BRUK S.A. with its registered office in Niecew hereby represents that the financial results were prepared by the Chief Accountant of Mo-BRUK S.A. Furthermore, the Management Board states that the report on the activities of Mo-BRUK S.A. gives the true description of the development and achievements as well as fairly and clearly presents the material and financial situation of the Company.

- 3.2.3. Currency of measurements and of financial statements.**

The measurement currency of the Group and the reporting currency of these condensed financial statements is the Polish zloty.

- 3.2.4. The principles adopted in the preparation of the report, in particular information on changes in the applied accounting principles (policy).**

These condensed consolidated financial statements for 3 quarters of 2020 and the comparable financial data for 3 quarters of 2019 were drawn up in compliance with the IFRS.

3.2.5. Amendments to presentation.

The Group changed its approach to the presentation of assets and provisions for deferred income tax in the financial statements. In the consolidated statements of financial activity, the deferred income tax is shown in liabilities, at the value constituting the surplus of the reserve over the asset for the deferred income tax according to IAS 12. The data for the comparative period were also corrected accordingly.

3.2.6. Error adjustment.

The condensed consolidated financial statements, drawn up for 3 quarters of 2020 and including comparable data, do not contain any differences. No correction of errors was made for previous periods.

3.2.7. Consolidation principles

The Mo-BRUK S.A. Capital Group is composed of the parent undertaking being Mo-BRUK S.A. and its subsidiary, that is Raf-Ekologia Sp. z o.o. with its registered office in Jedlicze.

The financial statements of the subsidiary are drawn up for the same reporting period that the financial statements of the parent undertaking, with the use of the consistent accounting principles, based on uniform accounting principles applied for transactions and business events of similar character.

The Company performs full consolidation of the undertaking controlled by it.

3.2.8. Conversion of financial statements of subsidiaries presented in foreign currencies.

Within the Mo-BRUK S.A. Capital Group, there are no subsidiaries with their financial statements presented in foreign currencies.

3.3. The amount and type of items affecting assets, liabilities, equity, net result or cash flows which are unusual in terms of their type, value or frequency.

Dividend payment.

On 19 March 2020, pursuant to Resolution No. 6/2020 of the Extraordinary General Meeting of Shareholders of Mo-BRUK S.A., a dividend of PLN 12,330,226.65 was paid to shareholders. The dividend was paid from the supplementary capital which, in turn, caused its reduction.

On 29 June 2020, pursuant to Resolution No. 7/2020 of the Extraordinary General Meeting of Shareholders of Mo-BRUK S.A., a dividend of PLN 36,007,071.25 from the net profit achieved in 2019 was paid to shareholders.

3.4. Information on creation, increase and dissolution of provisions

Changes concerning provisions for deferred income tax are disclosed in section 3.5.

Consolidated data

Change in provisions	Period from 01/01/2020 to 31/03/2020
Opening balance	889,416
increases	220,000
<i>provisions for employee benefits</i>	220,000
decreases	-65,880
<i>other provisions</i>	-65,880
Closing balance	1,043,536

Individual data

Change in provisions	Period from 01/01/2020 to 30/09/2020
Opening balance	567,995
increases	227,000
<i>other provisions</i>	227,000
decreases	-35,531
<i>provisions for employee benefits</i>	-35,531
Closing balance	759,464

3.5. Information on deferred income tax provisions and assets

Consolidated data

Deferred income tax - reporting period	As at 31-12-2019	Included in the result 01/01/2020-30/09/2020	As at 30-09-2020
Deferred income tax assets			

ZUS (Social Security) contributions	80,506	7,107	87,613
Employee benefits	200,385	-10,545	189,840
Provisions for receivables	25,720	-5,767	19,953
Lease	247,325	2,427	249,752
Subsidies	1,374,617	109,422	1,484,039
Interest	-	47,917	47,917
Audit of the balance sheet, other	14,959	41,800	56,759
Total deferred income tax assets:	1,943,512	192,362	2,135,874
Provision for deferred income tax assets			
Tangible assets measurement	8,103,549	-63,008	8,040,541
Accrued interest	8,009	-8,009	-
Tangible assets in leasing	98,002	-5,246	92,756
Total deferred income tax provision:	8,209,560	-76,263	8,133,297

Individual data

Deferred income tax - reporting period	As at 31-12-2019	Included in the result 01/01/2020-30/09/2020	As at 30-09-2020
Deferred income tax assets			
ZUS (Social Security) contributions	61,614	6,924	68,538
Employee benefits	140,644	-4,779	135,865
Provisions for receivables	5,141	-	5,141
Lease	247,325	2,427	249,752
Subsidies	1,374,617	109,422	1,484,039
Interest	-	47,917	47,917
Audit of the balance sheet, other	13,629	43,130	56,759
Total deferred income tax assets:	1,842,971	205,041	2,048,012
Provision for deferred income tax assets			
Tangible assets measurement	8,020,224	-67,434	7,952,790
Accrued interest	8,009	-8,009	-
Total deferred income tax provision:	8,028,233	-75,443	7,952,790

3.6. Information on significant transactions involving the acquisition and sale of tangible fixed assets

On 30 September 2020, the Management Board of Mo-BRUK S.A. signed a contract for the sale of an organised part of the enterprise, Iron and Colour Metals Recycling Plant in Zabrze. The Iron and Colour Metals Recycling Plant in Zabrze is an organisationally and functionally separate unit, being an organised part of the enterprise, capable of conducting business activity in an independent manner.

The sales price of the organised part of the enterprise was set at PLN 12,000,000 net.

The sale of the Plant in Zabrze will have no significant impact on the future revenues and financial results of the Capital Group. In 2019, the Iron and Colour Metals Recycling Plant in Zabrze generated PLN 1.5 million in revenues from sales of goods and services, achieving PLN -0.3 million EBITDA. The payment for the sale transaction will be made in instalments until 31 December 2021 and has been secured with a mortgage on real estate, transfer of ownership of the property and a surety.

The sale transaction of the Iron and Colour Metals Recycling Plant in Zabrze is aimed at arranging individual business lines operating within the Mo-BRUK S.A. Capital Group. Bearing in mind that metal recycling is not the main element of the Issuer's activity, the Management Board decided to sell the Plant in question.

The table below presents the impact of the sale of the Zabrze Plant on the operating result:

Net sales value [PLN thousand]	12,000
Book value of sold fixed assets [PLN thousand]	9,885
Value of inventories included in the organised part of the enterprise [PLN thousand]	34
Other operating revenue – unsettled part of subsidies [PLN thousand]	1,093
Gross result [PLN thousand]	3,174

3.7. Information on non-repayment of a credit or loan or violation of material provisions of a credit or loan agreement.

As at 30 September 2020, the Group was not in arrears with repayments of credits and loans and did not violate any material provisions of credit or loan agreements.

3.8. Description of basic economic and financial values shown in the condensed consolidated financial statements, in particular the description of factors and events, including those of extraordinary nature having a significant impact on the issuer's operations and profits gained or losses incurred in the accounting year and also the overview of prospects of the issuer's development at least in the coming accounting year.

The increase in the revenues from sales of the Capital Group by 40.9% in the three quarters of 2020 with lower dynamics of growth of operating costs equal to 7.9% in comparison with the

analogous period in 2019 was translated into the achievement of the profit on sales equal to PLN 62.1 million which is twice the profit on sales in the analogous period in 2019 which was equal to PLN 30.9 million. The Issuer's Capital Group successively strives to increase the generated revenues from the sales of products and services which is most influenced by the most dynamically developing segment of waste management which was the source of more than 90% of the Issuer's consolidated revenues for the three quarters of 2020. The improvement of the situation of the Issuer's Capital Group in the field of revenues from sales was influenced by acquiring new contractors on the waste management market, who provided new streams of waste delivered to systems at the Issuer's Group's plants, as well as by the increase of prices and fees for waste processing resulting from, i.a., changes of regulations in the field of waste management which led to the reduction of the grey market.

CONSOLIDATED PROFIT AND LOSS REPORT (comparative variant)

Specification	For the period: 01/01/2020-30/09/2020	For the period: 01/01/2019-30/09/2019	Change
Income from sales	122,582,559	87,023,201	40.9%
Total costs:	60,506,708	56,076,082	7.9%
Movement in products	-22,910	-25,514	10.2%
Depreciation and amortisation	4,496,899	4,541,454	-1.0%
Consumption of raw materials and materials	8,541,601	8,519,535	0.3%
External services	23,192,665	19,597,541	18.3%
Costs of employment benefits	15,107,000	12,674,665	19.2%
Taxes and charges	1,000,608	1,043,273	-4.1%
Other costs	514,941	598,242	-13.9%
Value of goods and materials sold	7,675,903	9,126,885	-15.9%
PROFIT (LOSS) ON SALES	62,075,851	30,947,119	100.6%
Other operating revenues	3,415,349	274,537	1144.0%
Other operating expenses	225,062	1,269,234	-82.3%
EBITDA (operating profit + depreciation and amortisation)*	69,763,037	34,493,876	102.2%
EBIT (profit on operating activities)**	65,266,137	29,952,423	117.9%
Financial income	295,737	224,888	31.5%
Financial costs	348,689	671,240	-48.1%
PRE-TAX PROFIT (LOSS)	65,213,186	29,506,071	121.0%
Income tax	12,265,504	5,675,706	116.1%
NET PROFIT (LOSS)	52,947,682	23,830,365	122.2%

*/ EBITDA is an accounting measure that is not reflected in the effective IAS/IFRS and is not applied within the financial reporting. Therefore, in the Issuer's opinion, it is the so-called Alternative Performance Measure (APM). The presented and calculated EBITDA is the total of the result (profit/loss) on operating activities and depreciation and amortisation. The APM refers to the reporting period specified in the heading of the table.

**/ EBIT is an accounting measure that is not reflected in the effective IAS/IFRS and is not applied within the financial reporting. Therefore, in the Issuer's opinion, it is the so-called Alternative Performance Measure (APM). The presented and calculated EBIT is identical to the profit/loss on operating activities. The APM refers to the reporting period specified in the heading of the table.

In the three quarters of 2020, the Mo-BRUK S.A. Capital Group recognised the growth in comparison with the analogous period in 2019 in the scope of the profit on operating activities, the EBITDA, the pre-tax profit, and the net profit of PLN 52.9 million which was twice as high as the result of the Group in Q1 2019.

Profit of the Mo-BRUK S.A. Capital Group

Data specification in PLN	3 quarters of 2020	3 quarters of 2019	Change
Profit (loss) on sales	62,075,851	30,947,119	100.6%
EBITDA (operating profit + depreciation and amortisation)	69,763,037	34,493,876	102.2%
EBIT (profit on operating activities)	65,266,137	29,952,423	117.9%
Gross profit (loss)	65,213,186	29,506,071	121.0%
Net profit (loss)	52,947,682	23,830,365	122.2%

The increase in the revenues from sales with the reduction of incurred costs of basic operating activities was reflected in the significant improvement of other indicators/ratios, including EBITDA. In three quarters of 2020, the Mo-BRUK S.A. Group achieved 102.2% higher EBITDA, which amounted to PLN 69.8 million compared to PLN 34.5 million in three quarters of 2019.

Profitability analysis of the Issuer's Capital Group

Specification	3 quarters of 2020	3 quarters of 2019
Return on sales	50.6%	35.6%
EBITDA margin	56.9%	39.6%
Operating profit margin (EBIT)	53.2%	34.4%
Net margin	43.2%	27.4%

Ratio calculation algorithms:

Sales profit margin = result from sales / net revenues from sales

EBITDA margin = result on operating activities + depreciation and amortisation / revenues from sales

Operating profit margin = result on operating activities / net revenues from sales

Net margin = net financial result / net revenues from sales

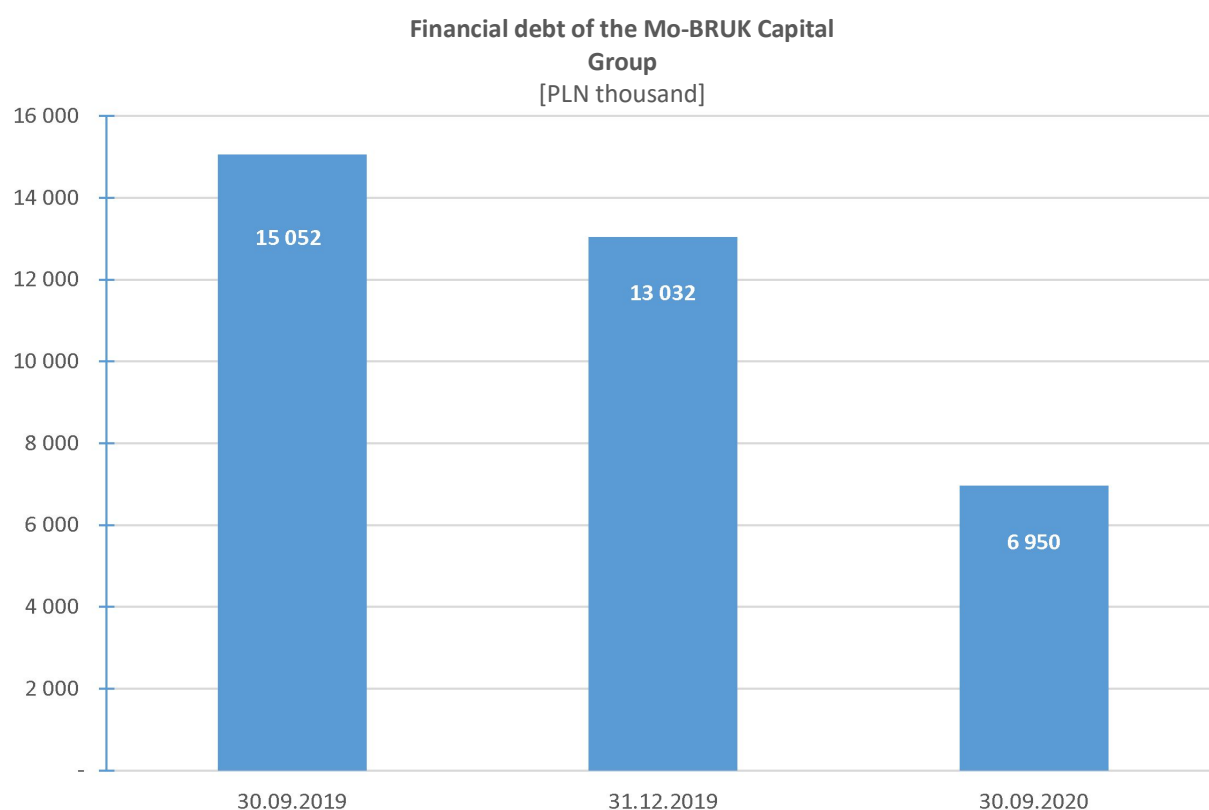
The Issuer's Capital Group also recorded the improvement in margin ratios for three quarters of 2020 in comparison with the same period in 2019. The sales profit margin increased from 35.6% to 50.6%, and the operating profit margin increased from 34.4% to 53.2%. In comparable periods, a significant increase was also recorded for the net margin which increased from 27.4% to 43.2%, while the EBITDA margin increased to 56.9% from 39.6%.

The Mo-BRUK S.A. Capital Group repays the instalments of the financial debt in accordance with the schedule and therefore it significantly reduced its liabilities arising from financial agreements. Within twelve months before the date of presentation of the financial data of this statements, that is in the period from 01 October 2019 to 30 September 2020, the financial debt of the Group dropped by 56%.

Financial debt and cash of the Mo-BRUK Capital Group [PLN thousand]			
	30/09/2019	31/12/2019	30/09/2020
Financial debt¹⁾	15,051.6	13,031.7	6,949.8
<i>including:</i>			
<i>debt under credits</i>	<i>15,051.6</i>	<i>12,896.4</i>	<i>6,550.2</i>
<i>debt under lease</i>	<i>0.0</i>	<i>135.3</i>	<i>399.6</i>
Cash and other financial assets	19,471.4	27,418.4	24,881.2²⁾

¹⁾ financial debt in the above table does not include liabilities under the right of perpetual usufruct of land

²⁾ the amount includes cash and short-term bank bonds



Thanks to systematic repayment of financial liabilities, the Capital Group is improving its debt ratios, among others, the net financial debt to EBITDA ratio is at a very favourable level. In the presented periods, the Group achieved a higher level of cash than financial debt, therefore the value of the following ratios was presented with a negative symbol.

Net financial debt to EBITDA ratio of the Mo-BRUK S.A. Capital Group		
30/09/2019¹⁾	31/12/2019	30/09/2020²⁾
-0.09	-0.26	-0.20

Ratio calculation algorithm:

financial debt³⁾ - cash and other financial assets / profit from operating activities for the last 12 months + amortisation and depreciation for the last 12 months

¹⁾ for the ratio as at 30/09/2019, the EBITDA is calculated for the period from 01/10/2018 to 30/09/2019

²⁾ for the ratio as at 30/09/2020, the EBITDA is calculated for the period from 01/10/2019 to 30/09/2020

³⁾ financial debt taken into account when calculation the ratio does not include liabilities under the right of perpetual usufruct of land

In the period of the three quarters of 2020, the Issuer continued the activities related to ensuring the relevant volume of supplies of waste to systems located at the Group's plants. In that period, each plant of the Capital Group recorded better sales results in comparison with the results achieved in the preceding periods. The increase in the involvement in the sector of non-organic waste management has contributed to the significant increase in the profitability

of the Issuer's business activity. Given the fact that the waste management market in Poland is in the phase of intensive development and is very prospective, the Management Board of Mo-BRUK S.A. assumes significant growths in revenues in the next periods.

The Management Board makes every effort to ensure a relevant supply of waste for processing in the installations of the Mo-BRUK S.A. Capital Group. Business activities aimed at acquiring new customers are also undertaken continuously which should translate into better financial results of the Issuer's Group.

The Mo-BRUK S.A. Capital Group with its leading segment being the waste management, defines therein three business lines connected with processing and neutralisation of waste:

Inorganic waste solidification and stabilisation

The Issuer holds competence and experience in the scope of neutralising non-organic waste and producing the cement granules from such waste. Mo-BRUK S.A. has been processing a number of waste types since 1996 based on its own unique technology. Hazardous waste which is accepted by the Issuer is subject to cementation process at further stage of its processing. The entities giving their waste for treatment are charged a fee by the Issuer for the waste accepted for cementation. As a result of the reactions occurring during the aforementioned process, hazardous substances present in such waste are neutralised. The final result of the process are cement granules which constitute the substitute of the aggregate that the Issuer sells to final customers. The types of non-organic, hazardous and non-hazardous waste accepted for solidification and stabilisation process include but are not limited to the following: slag and ash from waste incineration plants, sludge from chemical sewage treatment plants, electroplating waste, other waste including heavy metals.

The developed waste cementation technology is the basis for the operation of two Issuer's plants, that are the Waste Processing Plant in Niecew and the Non-Organic Waste Recovery Plant in Skarbimierz.

Production of alternative fuels

Mo-BRUK S.A. acquired the competence in the scope of alternative fuel production as one of the first enterprises in the country. In 2004, the Issuer opened its first alternative fuel production plant in Wałbrzych. In 2008, the Issuer started the second such plant in Karsy near Ozarów (at the Ozarów Cement Plant). As a result of further investments funded with the participation of the means from the European Union, the Alternative Fuel Production Plant in Karsy was expanded with the second production line. This business line also includes the activity consisting in the separation of iron and colour metals which was carried out until the end of the third quarter of 2020 at the Iron and Colour Metals Recovery Plant in Zabrze. As a result of actions aimed at organising the individual business lines operating within the Mo-BRUK Group, the Zabrze Plant was sold as an organised part of the enterprise on 30 September 2020. This business line, according to the Company, also included the storage of non-hazardous industrial waste. On 20 March 2019, waste storage at the Issuer's landfill, where reclamation works currently continue, was completed.

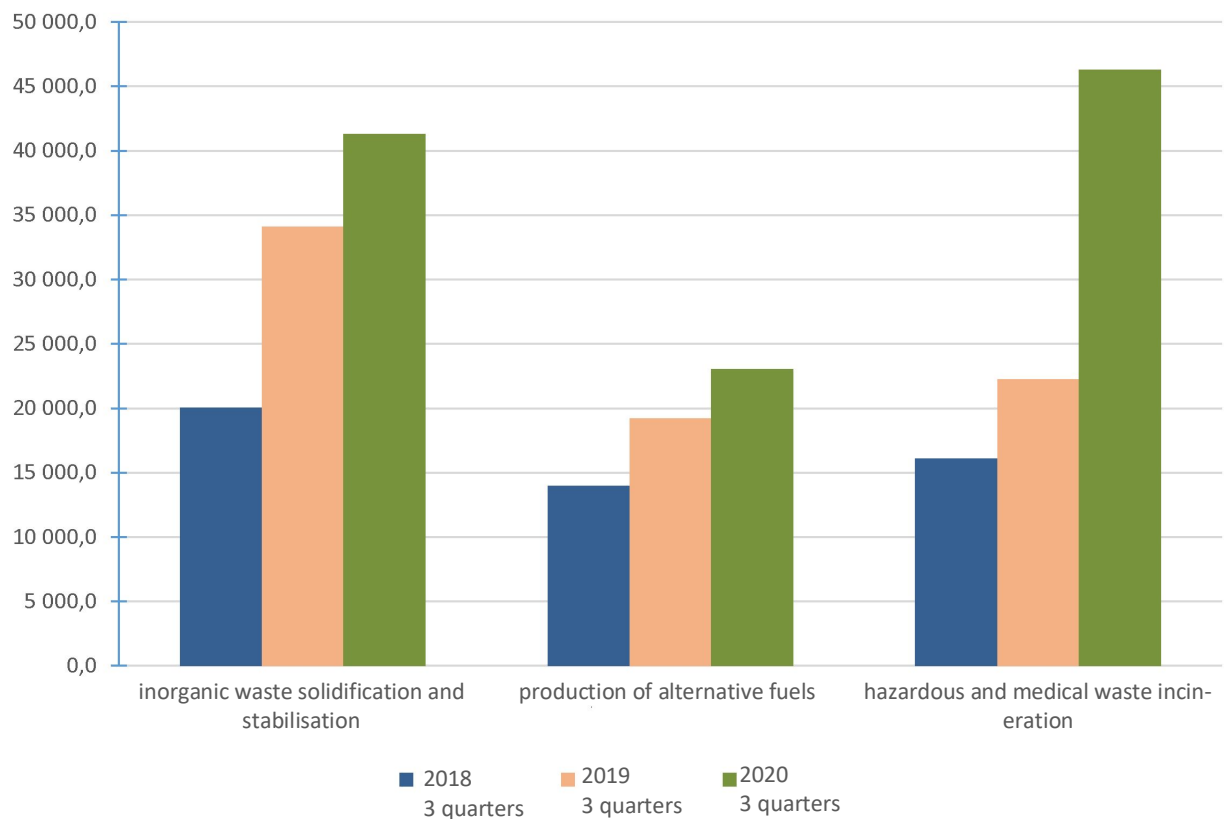
The alternative fuel offered by Mo-BRUK S.A. is produced from the selected combustible municipal waste which is supplied by waste collection enterprises. Furthermore, the production of alternative fuel also uses combustible industrial waste supplied directly by industrial plants and by waste collection companies. The accepted waste is then mechanically processed, which results in the production of alternative fuel.

Hazardous and medical waste incineration

In 2008, Mo-BRUK J. Mokrzycki spółka komandytowa (the legal predecessor of the Issuer) bought the industrial and medical waste incineration plant of Raf-Ekologia Sp. z o.o. The incineration plant of Raf-Ekologia Sp. z o.o. runs business activity in the scope of thermal neutralisation of industrial, medical and veterinary waste in a manner safe to the environment. As a result of incineration of specific groups of waste, Raf-Ekologia Sp. z o.o. produces energy in the form of process steam which is sold to Rafineria Nafty Jedlicze S.A. In 2014, the Issuer started the second industrial waste incineration plant located at the Alternative Fuel Production Plant in Karsy. The investment was completed within the project entitled "Implementation of innovative technology for production of heating blend with high calorific value" that was financed with the means from the European Union obtained by the Issuer. The created incineration plant is a source of warm air used for drying alternative fuel. The types of waste undergoing the processes of disposal or recovery in the incineration plants include but are not limited to the following: paints, glues, solvents, post-refining waste, kerosene and gas exploration waste, medical and veterinary waste, agrochemicals, laboratory and analytical reagents.

Consolidated revenues [PLN thousand]	2018 3 quarters	2019 3 quarters	2020 3 quarters
inorganic waste solidification and stabilisation	20,054.2	34,114.5	41,292.8
production of alternative fuels	13,983.8	19,198.2	23,041.3
hazardous and medical waste incineration	16,095.5	22,250.0	46,270.5
Total:	50,133.5	75,562.7	110,604.6

Consolidated revenues from waste management [PLN thousand]



The Mo-BRUK Capital Group's waste management is the most dynamically developing segment, accounting for 90% of the Issuer's consolidated revenue. In this segment, in the last decade the Issuer has implemented several investment projects which were co-financed from the European Funds.

The main source of the Issuer's income are services connected with collection of waste for its further treatment or other processing. In that scope, the Mo-BRUK S.A. Capital Group has the function of an important link in the waste management chain in Poland as it is an alternative to waste landfills. The companies collecting municipal waste or the holders of waste are interested in the cooperation with the Mo-BRUK Capital Group as it makes it possible for them to limit the storage of waste at waste landfills. On the other hand, the Issuer is interested in collection of waste for its further management and processing as the Issuer has technology and experience in the scope of processing of waste into full-value products (alternative fuel, cement granules, and energy).

The Issuer has the competence and permit for the treatment of almost the whole range of waste listed in the Regulation of the Minister of the Environment dated 9 December 2014 on waste catalogue (Journal of Laws of 2014, item 1923). The regulations prevailing in Poland

provide that the treatment of waste is paid for by its generator and not the “cleaning company” or “treatment company” such as the Issuer. Therefore, Mo-BRUK S.A. is able to collect remuneration for the acceptance of waste at the level similar to or higher than the fees collected by waste landfills. The amount of the remuneration paid to the Issuer depends on the category of waste, its physical and chemical category, location, and finally the negotiated terms and conditions.

3.9. Significant events in the Group in the reporting period.

Conclusion of a significant contract with Miejski Zakład Gospodarki Odpadami Komunalnymi [Municipal Waste Management Plant] Sp. z o.o. with its registered office in Konin

On 2 January 2020, the Issuer signed a contract with Miejskie Zakład Gospodarki Odpadów Komunalnych Sp. z o. o. with its registered office in Konin to provide a service consisting in the collection, transport and final management of post-process waste from the Municipal Waste Thermal Disposal Plant.

The maximum remuneration for the Issuer for the execution of the contract in question may amount to PLN 10,178,000.00 million net. The Issuer’s actual remuneration for the performance of the subject matter of the contract shall be determined as the product of the unit price and the actual amount of collected waste. The estimated amount of waste to be collected during the contract term is 14,000 tonnes.

The contract was concluded as a result of a tender procedure under the Public Procurement Law Act of 29 January 2004 and was signed for the period from 2 January 2020 to 31 December 2021.

Legal changes regarding the held waste management decisions

The operations of the Issuer’s Group are strictly governed by the relevant regulations and require appropriate permits. The operation of individual waste recovery plants and alternative fuel production plants requires permits of the Marshals of individual voivodeships and the Starostes of individual poviats, corresponding to the locations of the Issuer’s Group facilities. The Issuer confirms that with respect to all the Group’s plants it meets the requirements imposed by the Act of 20 July 2018 amending the Waste Act and certain other acts (Journal of Laws of 2018, item 1592) and therefore submitted, within the deadline of 5 March 2020, applications to the competent authorities to change the held in accordance with the requirements of the above mentioned Act, and that none of the proceedings concerning the submitted applications to change the waste management decisions ended with a negative decision by the competent authority conducting the proceedings or remained unconsidered.

Conclusion of a significant contract with Krakowski Holding Komunalny S.A.

On 14 April 2020, the Issuer signed a contract with Krakowski Holding Komunalny S.A. for the performance of a service consisting in successive collection (transport and management) of waste generated in the process of thermal treatment of municipal waste at the Thermal Recycling Facility in Kraków.

The maximum remuneration for the Issuer for the execution of the contract in question may amount to PLN 7,014,000.00 million net. The Issuer's actual remuneration for the performance of the subject matter of the contract shall be determined as the product of the unit price and the actual amount of collected waste.

The contract was concluded as a result of a tender procedure under the Public Procurement Law Act of 29 January 2004 and was signed for the term expiring on 31 December 2020.

Conclusion of a significant contract with Synthos Dwory 7 Sp. z o.o. Spółka Jawna

On 10 June 2020, the Issuer signed an contract with Synthos Dwory 7 spółka z ograniczoną odpowiedzialnością spółka jawna with its registered office in Oświęcim for the provision of services in the scope of collection, transport and management of the waste in the form of debris including mercury with the code 170503*, in the estimated volume of 11,000 tonnes. The total estimate value of the contract is PLN 5,962 million net. According to the provisions of the contract, the Issuer is obliged to manage 100% of the waste being subject of the contract in the process of R5 recovery in the Waste Recovery Plant in Niecew or in the Non-Organic Waste Recovery Plant in Skarbimierz. As remuneration for the service covered by the subject of the contract, Synthos will pay the Issuer an amount constituting the product of the unit price specified in the contract and the actual amount of collected waste. The works are scheduled to commence in September 2020. The contract provides for a 4-month execution period.

Conclusion of a significant contract with PKP Polskie Linie Kolejowe S.A.

On 16 July 2020, the Issuer signed a framework contract with PKP Polskie Linie Kolejowe S.A. with its registered office in Warsaw for the provision of services consisting in the management of hazardous wooden waste (railway sleepers) in the estimated amount of 16,475 tonnes. The total amount of remuneration for the execution of the framework contract may not exceed PLN 18,122,500.00 net. The framework contract shall enter into force on the date of signature and shall remain in force until 21 December 2022 or until the amount allocated for its execution has been exhausted. In accordance with the provisions of the framework contract, PKP PLK will award partial orders to the Issuer as required. As remuneration for the service covered by the subject of the contract, PKP PLK will pay the Issuer an amount constituting the product of the unit price and the actual amount of collected waste.

Information about the application to the Office of the Polish Financial Supervision Authority for approval of the prospectus

On 1 August 2020, the Issuer submitted an application to the Office of the Polish Financial Supervision Authority for approval of the prospectus which, according to the Resolution of the General Meeting No. 22/2020 of 15 June 2020, was drawn up in connection with the Issuer's application for admission and introduction to trading on the regulated market (basic market) operated by the Warsaw Stock Exchange of 1,249,092 series B shares with a nominal value of PLN 10.00 each and in connection with the public sale of up to 1,756,442 ordinary series B and C bearer shares with a nominal value of PLN 10.00 each.

Sale of an organised part of the enterprise, Iron and Colour Metals Recycling Plant in Zabrze, by Mo-BRUK S.A.

The sale of the organised part of the enterprise has been presented in section 3.6 of this report.

3.10. Events after the balance sheet date.

Conclusion of a significant contract with the Zgierz Poviát Administration.

On October 2, 2020, the Issuer signed a contract with the Zgierz Poviát Administration based in Zgierz for the provision of a service consisting in the performance of comprehensive activities, i.e. loading (packing), transport and processing of waste collected in Brużyczka Mała (Brużyczka Mała 49, 95-070 Aleksandrów Łódzki) in the estimated quantity of 2013 Mg. The total amount of remuneration (maximum amount) for the execution of the contract may not exceed PLN 15,701,400.00 net. The final remuneration will be the product of the gross unit price for the removal of 1Mg of waste in the amount of PLN 8,424 and the actual scope of work performed by the Contractor.

Change in the Issuer's initial capital.

On 13 October 2020, a change in Mo-BRUK S.A.'s share capital was registered in the National Court Register by the District Court for Kraków-Śródmieście, 12th Commercial Division in Kraków. The change was made as a result of the purchase of 60,000 own shares with a nominal value of PLN 10 each, carried out on 19 September 2019 and adopted by the Ordinary General Meeting of Shareholders by way of Resolution No. 3/2020 of 4 September 2020 on the redemption of the Company's own shares and Resolution No. 4/2020 on reduction of the Company's share capital.

The Issuer's share capital was reduced from PLN 35,728,850 to PLN 35,128,850, i.e. by PLN 600,000 through redemption of 60,000 of the Company's own shares with a nominal value of PLN 10 each.

Apart from the above, no events occurred in the Group which could significantly affect the future financial results of the Issuer.

3.11. Description of factors and events, especially of extraordinary nature, having significant effect on the achieved financial results.

In the reporting period ended 30 September 2020, there were no events of extraordinary nature which could significantly influence the achieved financial results.

3.12. Information on seasonal or cyclical changes in activities of the issuer in the presented period.

The activity of the Group does not show any significant seasonality or cyclicity, which could significantly influence the periodic results of the Issuer and the subsidiary.

3.13. Information on issue, buy out and repayment of debt and capital securities.

In the reporting period ended 30 September 2020, there were no transactions of issue or buy-out of debt or capital securities by the Issuer or the subsidiary.

3.14. Information on paid-out (or declared) dividend, aggregate and per one share, separately for ordinary and preference shares.

Dividend Policy

On 15 April 2019, pursuant to §14 section 1 of the Articles of Association, the Company's Management Board adopted Resolution No. 67/2019 on the adoption of the Dividend Policy.

On 22 September 2020, the Company's Management Board adopted Resolution No. 79/2020 on amending the Dividend Policy adopted on 15 April 2019 by Resolution No. 67/2019.

The dividend policy assumes that the Management Board recommends that the General Meeting of Shareholders allocates between 50% and 100% of Mo-BRUK S.A.'s net profit to dividend provided that the assumed level of net debt to EBITDA is maintained at the end of the financial year to which the profit distribution will relate.

When recommending the distribution of profit generated by Mo-BRUK S.A., the Company's Management Board will take into account investment plans, including acquisition plans, the Group's financial and liquidity position, existing and future liabilities (including potential restrictions related to credit agreements and the issue of debt instruments) and the assessment of the Mo-BRUK S.A. Capital Group's prospects in certain market and macroeconomic conditions.

The ratio of the Company's net debt to EBITDA at the end of the financial year to which the profit distribution will relate may not exceed 2.5.

The Dividend Policy has been established for an indefinite period and will be subject to periodic review.

Adoption of a resolution on dividend payment

On 3 March 2020, by way of Resolution No. 6/2020, the Extraordinary General Meeting of Mo-BRUK S.A. resolved to allocate PLN 12,330,226.65 from the supplementary capital for dividend payment.

The Extraordinary General Meeting of Shareholders of Mo-BRUK S.A. determined the dividend date (D date) to be 12 March 2020 and the dividend payment date (P date) to be 19 March 2020.

The own shares acquired by the Company for redemption in the number of 60,000 were not subject to the payment of dividend.

Dividend for 1 share was PLN 3.51.

Payment of dividend for 2019 from a related entity.

On 31 March 2020, the Ordinary General Meeting of Shareholders of the subsidiary Raf-Ekologia Sp. z o.o. adopted a resolution to allocate the entire profit for the financial year from 1 January 2019 to 31 December 2019 of PLN 1,837,554.56 to the sole shareholder, the parent company, Mo-BRUK S.A. The dividend paid for the financial year from 1 January 2018 to 31 December 2018 was PLN 1,153,664.96.

The dividend was paid on 16 April 2020.

The Issuer's payment of dividend for 2019.

By way of a resolution of 15 June 2020, the Ordinary General Meeting of Mo-BRUK S.A. allocated PLN 36,007,071.25 as dividend for the shareholders, which constitutes PLN 10.25 per share.

The Ordinary General Meeting determined:

1. the dividend date (D date), i.e. the day of acquiring the right to dividend, to be 22 June 2020;
2. the dividend payment date (P date) to be 29 June 2020.

The own shares acquired by the Company for redemption in the number of 60,000 were not subject to the payment of dividend.

3.15. Information on events subsequent to the date of the condensed quarterly financial statements which have not been accounted for in these statements but may have a significant effect on the Issuer's future financial results.

Pursuant to the Management Board, there were no events subsequent to the date of the condensed quarterly financial statement which may have a significant effect on the Issuer's future financial results.

3.16. Information on consequences of changes to the structure of the business undertaking, including as a result of business combination, acquisition or sale of undertakings within the capital group, long-term investments, split, restructuring and discontinuing of the activities.

In the reporting period ended 30 September 2020, there were no changes to the structure of the capital group or business undertaking.

3.17. Position of the Management Board with respect to the possibility of delivery of forecast results published earlier for a given year, in the light of the results presented in these quarterly financial statements in relation to the forecast results.

The Management Board did not publish forecasts for 2020.

3.18. Information on shareholders holding at least 5% of the total number of votes at the Issuer's general meeting of shareholders, directly or indirectly through subsidiaries, as at the date of submitting the quarterly report, with the specification of the number of shares held by those undertakings, their percentage share in the initial capital, number of votes arising therefrom and their percentage share in the total number of votes at the general meeting, and the specification of changes to the ownership structure of significant blocks of shares of the Issuer in the period from submitting the preceding quarterly report.

On 13 October 2020, a change in Mo-BRUK S.A.'s share capital was registered in the National Court Register by the District Court for Kraków-Śródmieście, 12th Commercial Division in Kraków. The change was made as a result of the purchase of 60,000 own shares with a nominal value of PLN 10 each, carried out on 19 September 2019 and adopted by the Ordinary General Meeting of Shareholders by way of Resolution No. 30/2020 of 4 September 2020 on the redemption of the Company's own shares.

As at the Report day, the registered initial capital of Mo-BRUK S.A. is PLN 35,128,850.00 (thirty six million one hundred thirteen thousand eight hundred and fifty zloty 00/100) and is divided into 3,512,885 (say: three million six hundred eleven thousand three hundred and eighty five) shares with a nominal value of PLN 10.00 each. The shares of the Company are as follows:

- 702,642 registered series A shares (1,405,284 votes) – series A shares are preferred to voting right – 1 series A share carries 2 votes;
- 1,227,936 series B bearer shares (1,227,936 votes) – series B shares are not preferred shares;
- 1,582,307 series C bearer shares (1,582,307 votes) – series C shares are not preferred shares.

The Management Board of Mo-BRUK S.A., acting pursuant to §8(1) of the Articles of Association in connection with Article 334(2) of the Polish Commercial Companies Code, adopted a resolution on 6 October 2020 on the conversion of the shareholder's of the Company, Ginger Capital Sp. z o. o., 1,227,936 ordinary series B registered shares with a nominal value of PLN 10.00 each to 1,227,936 ordinary series B bearer shares with a nominal value of PLN 10.00 each.

All shares in the initial capital were fully paid -up. Since 2010, the Company's shares have been listed in the alternative trading system, NewConnect, and since 25 April 2012 the Issuer's ordinary series C bearer shares have been listed on the parallel market operated by the Warsaw Stock Exchange on the basis of Resolutions No. 369/2012, 370/2012, 371/2012 of 12 April 2012 of the Management Board of the Warsaw Stock Exchange. On 30 March 2017, shares of the next issue were introduced to trading on the parallel market on the basis of the Resolution No. 301/2017 of 27 March 2017 of the Management Board of the Warsaw Stock Exchange no: . Other registered series A shares and series B bearer shares in the total amount of 1,930,578 are not dematerialised.

The table below presents the shareholding structure as at the date of publication of the quarterly report for the period of 9 months ended 30 September 2020, based on the knowledge of the Issuer.

Shareholder	Number of shares	Share in capital	Number of votes at the GMS	Share in voting at the GMS	Share in the total number of votes
Ginger Capital Sp. z o.o. ²⁾	1,932,415	55.01%	2,635,057	62.51%	62.51%
Value FIZ	1,519,483 ¹⁾	43.25%	1,519,483	36.04%	36.04%
Other	60,987 ¹⁾	1.74%	60,987	1.45%	1.45%
TOTAL:	3,512,885	100.00%	4,215,527	100.00%	100.00%

Source: Issuer

¹⁾ own calculations, on the basis of information possessed by the Issuer.

²⁾ on 2 July 2020 Lamosville Investments Sp. z o.o. changed its name to Ginger Capital Sp. z o.o.

On 22 June 2020, the Issuer was notified by Józef Mokrzycki, Elżbieta Mokrzycka, Anna Mokrzycka - Nowak, Wiktor Mokrzycki and Tobiasz Mokrzycki (the "Mokrzycki Family") of the in-kind contribution of 1,932,415 shares in Mo-BRUK S.A.'s share capital, i.e. (a) 702,642 registered series A shares, preferred to voting rights (2 votes per share), (b) 1,227,936

registered series B shares, and (c) 1,837 ordinary series C bearer shares, in total representing 54.09% of the share capital and 2,635,057 votes at the Company's General Meetings, or 61.46% of the total number of votes, to its subsidiary, Lamosville Investments sp. z o.o, entered in the Register of Entrepreneurs of the National Court Register under KRS number 829794 in connection with the contribution to cover the newly created shares in the share capital of Lamosville (pursuant to the resolution of the Extraordinary General Meeting of Shareholders of Lamosville of 16 June 2020), which resulted in the direct participation of the Mokrzycki Family in the total number of votes in the Company dropping below the 5% threshold.

At the same time, the Mokrzycki Family informed that on 17 and 18 June 2020, as a result of the In-kind Contribution, they indirectly acquired, through their subsidiary Lamosville, 1,932,415 shares in the Company, i.e. 702,642 registered series A shares preferred to voting rights (2 votes per share), 1,227,936 registered series B shares and 1,837 ordinary series C bearer shares, constituting in total 54.09% of the share capital and representing in total 2,635,057 votes at the Company's General Meetings, which constitutes 61.46% of the total number of votes.

Before the In-kind Contribution, the Mokrzycki Family held 702,642 registered series A shares, preferred to voting rights (2 votes per share), constituting 19.67% of the share capital and representing 1,405,284 votes at the General Meetings, constituting 32.87% of the total number of votes, 1,227,936 registered series B shares constituting 34.37% of the share capital and representing 1,227,936 votes at the General Meetings, constituting 28.72% of the total number of votes and 1,837 ordinary series C bearer shares constituting 0.05% of the share capital and representing 1,837 votes at the General Meetings, constituting 0.04% of the total number of votes, i.e. a total of 1,932,415 shares in the Company, constituting 54.09% of the share capital and representing a total of 2,635,057 votes at the General Meetings of the Company, constituting a total of 61.46% of the total number of votes.

After the In-kind Contribution, the Mokrzycki Family does not hold any shares of the Company directly, but holds indirectly:

a) through Mo-BRUK (which holds own shares): 12,090 registered series A shares of the Company, preferred to voting rights (2 votes per share), constituting 0.34% of the share capital and representing in total 24,180 votes at the Company's General Meetings which constitutes 0.57% of the total number of votes, 21,156 registered series B shares, constituting 0.59% of the share capital and representing 21,156 votes which constitutes 0.49% of the total number of votes, and 26,754 dematerialised series C shares, constituting 0.75% of the share capital and representing 26,754 votes, constituting 0.63% of the total number of votes, in total 60,000 shares constituting 1.68% of the share capital and representing 72,090 votes representing 1.68% of the total number of votes, and

b) through Ginger Capital (2 July 2020 Lamosville Investments Sp. z o.o. changed its name to Ginger Capital Sp. z o.o.): 1,932,415 shares, i.e. 702,642 registered series A shares, preferred to voting rights (2 votes per share), constituting 19.67% of the share capital and

representing 1,405,284 votes at the General Meetings, constituting 32.87% of the total number of votes, 1,227,936 registered series B shares constituting 34.37% of the share capital and representing 1,227,936 votes at the General Meetings, constituting 28.72% of the total number of votes and 1,837 ordinary series C bearer shares constituting 0.05% of the share capital and representing 1,837 votes at the General Meetings, constituting 0.04% of the total number of votes, i.e. a total of 1,932,415 shares in the Company, constituting 54.09% of the share capital and representing a total of 2,635,057 votes at the General Meetings of the Company, constituting a total of 61.46% of the total number of votes.

On 22 June 2020, the Issuer was notified by Lamosville Investments sp. z o.o., entered in the Register of Entrepreneurs of the National Court Register under KRS number 829794 (the "Company") that on 17 and 18 June 2020, the Company acquired 1,932,415 shares in Mo-BRUK S.A.'s share capital in the form of non-cash contributions made by its parent companies, i.e. 702,642 registered series A shares, preferred to voting rights (2 votes per share), 1,227,936 registered series B shares and 1,837 ordinary series C bearer shares, in total representing 54.09% of the Company's share capital and 2,635,057 votes at the General Meeting of the Company, which constitutes 61.46% of the total number of votes.

Before the In-kind Contribution, Lamosville Investments did not hold any shares in the share capital of Mo-BRUK S.A.

Following the In-kind contribution, the Company holds directly 1,932,415 of Mo-BRUK shares, i.e. 702,642 registered series A shares, preferred to voting rights (2 votes per share), constituting 19.67% of the share capital and representing 1,405,284 votes at the Mo-BRUK General Meetings, constituting 32.87% of the total number of votes, 1,227,936 registered series B shares constituting 34.37% of the share capital and representing 1,227,936 votes at the General Meetings of the Company, constituting 28.72% of the total number of votes and 1,837 ordinary series C bearer shares constituting 0.05% of the share capital and representing 1,837 votes at the General Meetings of the Company, constituting 0.04% of the total number of votes, i.e. a total of 1,932,415 shares of Mo-BRUK, constituting 54.09% of the share capital and representing a total of 2,635,057 votes at the Mo-BRUK General Meetings, constituting a total of 61.46% of the total number of votes.

In addition, through Mo-BRUK, its subsidiary, the Company holds 12,090 registered series A shares of Mo-BRUK, preferred to voting rights (2 votes per share), constituting 0.34% of the share capital and representing in total 24,180 votes at the Mo-BRUK General Meetings which constitutes 0.57% of the total number of votes, 21,156 registered series B shares, constituting 0.59% of the share capital and representing 21,156 votes which constitutes 0.49% of the total number of votes, and 26,754 dematerialised series C shares, constituting 0.75% of the share capital and representing 26,754 votes, constituting 0.63% of the total number of votes, in total 60,000 shares constituting 1.68% of the share capital and representing 72,090 votes representing 1.68% of the total number of votes.

The table below presents the shareholding structure as at 30/09/2020, based on the knowledge of the Issuer.

Shareholder	Number of shares	Share in capital	Number of votes at the GMS	Share in voting at the GMS	Share in the total number of votes
Ginger Capital Sp. z o.o. ³⁾	1,932,415	54.09%	2,635,057	62.51%	61.46%
Value FIZ	1,519,483 ¹⁾	42.53%	1,519,483	36.04%	35.44%
Other	60,987 ¹⁾	1.71%	60,987	1.45%	1.42%
Mo-BRUK S.A.	60,000 ²⁾	1.68%	0	0.00%	1.68%
TOTAL:	3,572,885	100.00%	4,215,527	100.00%	100.00%

Source: Issuer

¹⁾ own calculations, on the basis of information possessed by the Issuer.

²⁾ non-voting shares acquired by the Issuer as part of the purchase of own shares

³⁾ on 2 July 2020 Lamosville Investments Sp. z o.o. changed its name to Ginger Capital Sp. z o.o.

3.19. Statement on the volume of the Issuer's shares held by persons managing and supervising the Issuer as at the day of submitting the quarterly report, together with an indication of changes in the volume of held shares, according to the information available to the Issuer, in the period since the submission of the previous periodic report.

As of the date of publication of this quarterly report, the Issuer's managers and supervisors do not hold any shares in the Issuer, and in the period since the publication of the previous periodic report, i.e. the condensed financial statements for the first half of 2020, there have been no changes in the ownership of shares by obliged persons.

In June 2020, **Józef Mokrzycki, President of the Management Board**, informed that as a result of the In-kind Contribution, he contributed to Lamosville Investments sp. z o.o., 704,479 shares in the Company, i.e. 702,642 registered series A shares preferred to voting rights (2 votes per share) and 1,837 ordinary series C bearer shares, constituting 19.72% of the share capital and representing in total 1,407,121 votes at the Company's General Meetings, which constitutes 32.91% of the total number of votes. At the same time, the Józef Mokrzycki informed that as a result of the In-kind Contribution, he indirectly acquired, through his subsidiary Lamosville, 1,932,415 shares in the Company, i.e. 702,642 registered series A shares preferred to voting rights (2 votes per share), 1,227,936 registered series B shares and 1,837 ordinary series C bearer shares, constituting 54.09% of the share capital and representing in total 2,635,057 votes at the Company's General Meetings, which constitutes 61.46% of the total number of votes.

After the In-kind Contribution, Józef Mokrzycki does not hold any shares of the Company directly, but holds indirectly:

a) through Mo-BRUK (which holds own shares): 12,090 registered series A shares of the Company, preferred to voting rights (2 votes per share), constituting 0.34% of the share capital and representing in total 24,180 votes at the Company's General Meetings which constitutes 0.57% of the total number of votes, 21,156 registered series B shares, constituting 0.59% of

the share capital and representing 21,156 votes which constitutes 0.49% of the total number of votes, and 26,754 dematerialised series C shares, constituting 0.75% of the share capital and representing 26,754 votes, constituting 0.63% of the total number of votes, in total 60,000 shares constituting 1.68% of the share capital and representing 72,090 votes representing 1.68% of the total number of votes, and

b) through Ginger Capital (2 July 2020 Lamosville Investments Sp. z o.o. changed its name to Ginger Capital Sp. z o.o.): 1,932,415 shares, i.e. 702,642 registered series A shares, preferred to voting rights (2 votes per share), constituting 19.67% of the share capital and representing 1,405,284 votes at the General Meetings of the Company, constituting 32.87% of the total number of votes, 1,227,936 registered series B shares constituting 34.37% of the share capital and representing 1,227,936 votes at the General Meetings, constituting 28.72% of the total number of votes and 1,837 ordinary series C bearer shares constituting 0.05% of the share capital and representing 1,837 votes at the General Meetings, constituting 0.04% of the total number of votes, i.e. a total of 1,932,415 shares in the Company, constituting 54.09% of the share capital and representing a total of 2,635,057 votes at the General Meetings of the Company, constituting a total of 61.46% of the total number of votes.

In June 2020, **Elżbieta Mokrzycka, Deputy President of the Management Board**, informed that as a result of the In-kind Contribution, she contributed to her subsidiary, Lamosville Investments sp. z o.o., 370,833 registered constituting 10.38% of the Company's share capital and entitling to 370.833 votes at the Company's General Meetings, constituting 8.67% of the total votes. At the same time, Elżbieta Mokrzycka informed that as a result of the In-kind Contribution, she indirectly acquired, through her subsidiary Lamosville, 1,932,415 shares in the Company, i.e. 702,642 registered series A shares preferred to voting rights (2 votes per share), 1,227,936 registered series B shares and 1,837 ordinary series C bearer shares, constituting 54.09% of the share capital and representing in total 2,635,057 votes at the Company's General Meetings, which constitutes 61.46% of the total number of votes.

After the In-kind Contribution, Elżbieta Mokrzycka does not hold any shares of the Company directly, but holds indirectly:

a) through Mo-BRUK (which holds own shares): 12,090 registered series A shares of the Company, preferred to voting rights (2 votes per share), constituting 0.34% of the share capital and representing in total 24,180 votes at the Company's General Meetings which constitutes 0.57% of the total number of votes, 21,156 registered series B shares, constituting 0.59% of the share capital and representing 21,156 votes which constitutes 0.49% of the total number of votes, and 26,754 dematerialised series C shares, constituting 0.75% of the share capital and representing 26,754 votes, constituting 0.63% of the total number of votes, in total 60,000 shares constituting 1.68% of the share capital and representing 72,090 votes representing 1.68% of the total number of votes, and

b) Ginger Capital (2 July 2020 Lamosville Investments Sp. z o.o. changed its name to Ginger Capital Sp. z o.o.): 1,932,415 shares, i.e. 702,642 registered series A shares, preferred to voting rights (2 votes per share), constituting 19.67% of the share capital and representing 1,405,284 votes at the General Meetings of the Company, constituting 32.87% of the total

number of votes, 1,227,936 registered series B shares constituting 34.37% of the share capital and representing 1,227,936 votes at the General Meetings, constituting 28.72% of the total number of votes and 1,837 ordinary series C bearer shares constituting 0.05% of the share capital and representing 1,837 votes at the General Meetings, constituting 0.04% of the total number of votes, i.e. a total of 1,932,415 shares in the Company, constituting 54.09% of the share capital and representing a total of 2,635,057 votes at the General Meetings of the Company, constituting a total of 61.46% of the total number of votes.

In June 2020, **Anna Mokrzycka-Nowak, Deputy President of the Management Board**, informed that as a result of the In-kind Contribution, she contributed to her subsidiary, Lamosville Investments sp. z o.o., 285,701 registered B series shares of the Company constituting 8.00% of the capital and entitling to 285,701 votes at the Company's General Meetings, constituting 6.68% of the total votes. At the same time, Anna Mokrzycka – Nowak informed that as a result of the In-kind Contribution, she indirectly acquired, through her subsidiary Lamosville, 1,932,415 shares in the Company, i.e. 702,642 registered series A shares preferred to voting rights (2 votes per share), 1,227,936 registered series B shares and 1,837 ordinary series C bearer shares, constituting 54.09% of the share capital and representing in total 2,635,057 votes at the Company's General Meetings, which constitutes 61.46% of the total number of votes.

After the In-kind Contribution, Anna Mokrzycka - Nowak does not hold any shares of the Company directly, but holds indirectly:

a) through Mo-BRUK (which holds own shares): 12,090 registered series A shares of the Company, preferred to voting rights (2 votes per share), constituting 0.34% of the share capital and representing in total 24,180 votes at the Company's General Meetings which constitutes 0.57% of the total number of votes, 21,156 registered series B shares, constituting 0.59% of the share capital and representing 21,156 votes which constitutes 0.49% of the total number of votes, and 26,754 dematerialised series C shares, constituting 0.75% of the share capital and representing 26,754 votes, constituting 0.63% of the total number of votes, in total 60,000 shares constituting 1.68% of the share capital and representing 72,090 votes representing 1.68% of the total number of votes, and

b) Ginger Capital (2 July 2020 Lamosville Investments Sp. z o.o. changed its name to Ginger Capital Sp. z o.o.): 1,932,415 shares, i.e. 702,642 registered series A shares, preferred to voting rights (2 votes per share), constituting 19.67% of the share capital and representing 1,405,284 votes at the General Meetings, constituting 32.87% of the total number of votes, 1,227,936 registered series B shares constituting 34.37% of the share capital and representing 1,227,936 votes at the General Meetings, constituting 28.72% of the total number of votes and 1,837 ordinary series C bearer shares constituting 0.05% of the share capital and representing 1,837 votes at the General Meetings, constituting 0.04% of the total number of votes, i.e. a total of 1,932,415 shares in the Company, constituting 54.09% of the share capital and representing a total of 2,635,057 votes at the General Meetings of the Company, constituting a total of 61.46% of the total number of votes.

In June 2020, **Wiktor Mokrzycki, Deputy President of the Management Board**, informed that as a result of the In-kind Contribution, he contributed to his subsidiary, Lamosville Investments sp. z o.o., 285,701 registered B series shares of the Company constituting 8.00% of the capital and entitling to 285,701 votes at the Company's General Meetings, constituting 6.68% of the total votes.

At the same time, Wiktor Mokrzycki informed that as a result of the In-kind Contribution, he indirectly acquired, through his subsidiary Lamosville, 1,932,415 shares in the Company, i.e. 702,642 registered series A shares preferred to voting rights (2 votes per share), 1,227,936 registered series B shares and 1,837 ordinary series C bearer shares, constituting 54.09% of the share capital and representing in total 2,635,057 votes at the Company's General Meetings, which constitutes 61.46% of the total number of votes.

After the In-kind Contribution, Wiktor Mokrzycki does not hold any shares of the Company directly, but holds indirectly:

a) through Mo-BRUK (which holds own shares): 12,090 registered series A shares of the Company, preferred to voting rights (2 votes per share), constituting 0.34% of the share capital and representing in total 24,180 votes at the Company's General Meetings which constitutes 0.57% of the total number of votes, 21,156 registered series B shares, constituting 0.59% of the share capital and representing 21,156 votes which constitutes 0.49% of the total number of votes, and 26,754 dematerialised series C shares, constituting 0.75% of the share capital and representing 26,754 votes, constituting 0.63% of the total number of votes, in total 60,000 shares constituting 1.68% of the share capital and representing 72,090 votes representing 1.68% of the total number of votes, and

b) Ginger Capital (2 July 2020 Lamosville Investments Sp. z o.o. changed its name to Ginger Capital Sp. z o.o.): 1,932,415 shares, i.e. 702,642 registered series A shares, preferred to voting rights (2 votes per share), constituting 19.67% of the share capital and representing 1,405,284 votes at the General Meetings, constituting 32.87% of the total number of votes, 1,227,936 registered series B shares constituting 34.37% of the share capital and representing 1,227,936 votes at the General Meetings, constituting 28.72% of the total number of votes and 1,837 ordinary series C bearer shares constituting 0.05% of the share capital and representing 1,837 votes at the General Meetings, constituting 0.04% of the total number of votes, i.e. a total of 1,932,415 shares in the Company, constituting 54.09% of the share capital and representing a total of 2,635,057 votes at the General Meetings of the Company, constituting a total of 61.46% of the total number of votes.

In June 2020, **Tobiasz Mokrzycki, Deputy President of the Management Board**, informed that as a result of the In-kind Contribution, he contributed to his subsidiary, Lamosville Investments sp. z o.o., 285,701 registered B series shares of the Company constituting 8.00% of the capital and entitling to 285,701 votes at the Company's General Meetings, constituting 6.68% of the total votes. At the same time, Tobiasz Mokrzycki informed that as a result of the In-kind Contribution, he indirectly acquired, through his subsidiary Lamosville, 1,932,415 shares in the Company, i.e. 702,642 registered series A shares preferred to voting rights (2 votes per share), 1,227,936 registered series B shares and 1,837 ordinary series C bearer

shares, constituting 54.09% of the share capital and representing in total 2,635,057 votes at the Company's General Meetings, which constitutes 61.46% of the total number of votes.

After the In-kind Contribution, Tobiasz Mokrzycki does not hold any shares of the Company directly, but holds indirectly:

a) through Mo-BRUK (which holds own shares): 12,090 registered series A shares of the Company, preferred to voting rights (2 votes per share), constituting 0.34% of the share capital and representing in total 24,180 votes at the Company's General Meetings which constitutes 0.57% of the total number of votes, 21,156 registered series B shares, constituting 0.59% of the share capital and representing 21,156 votes which constitutes 0.49% of the total number of votes, and 26,754 dematerialised series C shares, constituting 0.75% of the share capital and representing 26,754 votes, constituting 0.63% of the total number of votes, in total 60,000 shares constituting 1.68% of the share capital and representing 72,090 votes representing 1.68% of the total number of votes, and

b) Ginger Capital (2 July 2020 Lamosville Investments Sp. z o.o. changed its name to Ginger Capital Sp. z o.o.): 1,932,415 shares, i.e. 702,642 registered series A shares, preferred to voting rights (2 votes per share), constituting 19.67% of the share capital and representing 1,405,284 votes at the General Meetings, constituting 32.87% of the total number of votes, 1,227,936 registered series B shares constituting 34.37% of the share capital and representing 1,227,936 votes at the General Meetings, constituting 28.72% of the total number of votes and 1,837 ordinary series C bearer shares constituting 0.05% of the share capital and representing 1,837 votes at the General Meetings, constituting 0.04% of the total number of votes, i.e. a total of 1,932,415 shares in the Company, constituting 54.09% of the share capital and representing a total of 2,635,057 votes at the General Meetings of the Company, constituting a total of 61.46% of the total number of votes.

3.20. Information about pending significant proceedings before courts, arbitration bodies or public administration bodies with regard to liabilities or receivables of the Issuer or the Issuer's subsidiary.

The Marshal of the Lower Silesian Voivodeship informed the Issuer, by notification of 2 December 2019, of the commencement of the proceedings to determine the charge in the amount of the difference between the charge due and the charge resulting from the list for landfill in 2015 on the landfill site for non-hazardous and inert waste with separate section for landfill of hazardous waste containing asbestos at ul. Górnicza 1 in Wałbrzych (ref. No.: DOW-S-I.7253.105.2019.AH). In the case, the Law Firm prepared a stance which was independently submitted by the Company, in response to which the Marshal of the Lower Silesian Voivodeship took a stance in the letter of 31 December 2019 along with setting new deadlines for the Company to submit the documents indicated in the aforementioned letter. The Law Firm, in a letter dated 26 June 2020, asked the Marshal to extend the deadline for taking up the stance until 10 July 2020. On 29 June 2020, the Marshal of the Lower Silesian Voivodeship issued a decision (ref. No.: DOW-S-I.7253.105.2019.AH) as regards the imposition of increased charge of PLN 17,642,176.00. The above-mentioned decision was appealed against

on 16 July 2020, and the irregularities specified in the appeal indicate a high probability of revoking the decision of the Marshal of the Lower Silesian Voivodeship in the second instance. The validity of such an assumption results from the fact that the contested decision will be verified in detail, as it already took place in 2017, when the Marshal of the Lower Silesian Voivodeship charged a fee of over PLN 6,084,016.00 for 2013, while the Self-government Appeal Court in Wrocław, as a result of examining the appeal of the law firm, changed the fee to PLN 807.00. The case is pending before the Self-government Appeal Court in Wrocław, which decision, depending on the ruling, may be appealed against in administrative court.

3.21. Information on related-party transaction(s) concluded by the issuer or its subsidiary which is (jointly are) material and was (were) concluded pursuant to non-arm's length conditions.

In the reporting period ended 30 September 2020, Mo-BRUK S.A. and its subsidiaries did not conclude any significant transactions pursuant to non-arm's length conditions.

3.22. Information on the issuer or its subsidiary granting a surety for credits or loans, or granting a guarantee - in total to one undertaking or the subsidiary of the said undertaking if total value of the existing sureties or guarantees is significant.

In the reporting period ended 30 September 2020, Mo-BRUK S.A. or its subsidiaries did not grant any sureties for credits and loans or did not grant any guarantees the total value of which is significant.

3.23. Other information, important in the Issuer's opinion for the evaluation of its personnel, property and financial condition, financial result and changes therein, as well as information important for evaluation of the Issuer's capacity for performing the obligations.

As at the date of publication of this interim report, no material events occurred in the Mo-BRUK S.A. Capital Group which could have a material impact on the assessment of the Issuer's situation regarding human resources, assets, finances, or performance of its obligations.

3.24. Information on factors that - in the opinion of the Issuer - would impact its results in the perspective of at least next quarter.

When analysing the factors which will have the impact on the Issuer's results in the perspective of at least next quarter, it is necessary to draw attention to the following of them:

external factors:

- threat of the effects of the COVID-19 coronavirus;

So far, the Group has not recorded any negative impact on the sales or supply chain of the entity, however, future effects cannot be predicted.

The Issuer is conducting educational activities among the crew, customers and suppliers in order to reduce the risk of spread of COVID-19 infections. The Management Board continuously monitors the situation at the company's customers and is ready to react to possible threats on an ongoing basis.

The Management Board recognises the potential risks associated with the possible introduction of quarantine at individual sites of the Group or at significant suppliers. Introducing such a quarantine could potentially disrupt the deliveries of waste to the Group's branches and consequently have a negative impact on the achieved financial results.

In a way, the Mo-BRUK Capital Group benefits from the current state of epidemic. This is due to, i.a., medical waste generated in connection with the pandemic, which the Group manages on an ongoing basis in the "Industrial and medical waste incineration" segment.

- situation on the waste management market;
- economic situation in the country;
- situation in financial markets;
- legal regulations related to the activity of the Issuer, in particular:
 - regulations of the Minister of Environment concerning waste management;
 - Waste Act and other acts in the field of environmental protection and waste management.

In the above change of legal regulations, the Issuer sees an opportunity to reduce the activity of the grey market which, taking advantage of loopholes in the regulations, illegally disposes of waste, accumulating huge profits. The above legal changes should in the future positively influence the Issuer's financial results by eliminating unfair competition and thus stabilising prices on the waste market.

internal factors:

- possibility of increasing waste treatment fees;
- acquisition of new customers for the services offered thus far by the Issuer.

These interim condensed consolidated financial statements were approved for publication by the Management Board of Mo-BRUK S.A.

Józef Mokrzycki – President of the Management Board

Elżbieta Mokrzycka – Deputy Administration President of the Management Board

Anna Mokrzycka - Nowak – Deputy Research and Development President of the Management Board

Wiktor Mokrzycki – Deputy Trade President of the Management Board

Tobiasz Mokrzycki – Deputy Construction President of the Management Board

Person responsible for preparing the consolidated financial statements:

Jarosław Martiszek - acting Chief Accountant

Mo-BRUK S.A.
Nieców 68, 33-322 Korzenna
Phone: +48 18 441 70 48
Telefax: +48 18 441 70 99
mobruk@mobruk.pl
www.mobruk.pl

The Company was registered by the District Court for Kraków - Śródmieście, 12th Commercial Division of the National Court Register under KRS number: 0000357598.
The Company's share capital is PLN 35,128,850.00 and has been paid in full.