



CONSOLIDATED QUARTERLY REPORT

MO-BRUK S.A. CAPITAL GROUP

FOR THE THREE QUARTERS OF 2019

Niecew, 24 October 2019

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1. Condensed consolidated financial statements-of Mo BRUK S.A. Capital Group for the three quarters of 2019.

1.1. Selected financial data

Specification	PLN		EUR	
	01.01.2019 - 30.09.2019	01.01.2018- 30.09.2018	01.01.2019 - 30.09.2019	01.01.2018- 30.09.2018
I. Net revenues from the sale of products, goods and materials	87 023 201	61 636 851	20 197 611	14 490 931
II. Profit (loss) from operating activities	29 952 423	14 790 216	6 951 794	3 477 205
III. Gross profit (loss)	29 506 071	13 808 529	6 848 198	3 246 409
IV. Net profit (loss)	23 830 365	11 174 262	5 530 898	2 627 088
V. Net cash flows from operating activities	30 024 626	16 137 340	6 968 552	3 793 917
VI. Net cash flows from investing activities	(807 466)	(769 830)	(187 408)	(180 988)
VII. Net cash flows from financial activities	(24 550 053)	(11 491 324)	(5 697 934)	(2 701 630)
VIII. Net cash flows, total	4 667 107	3 876 186	1 083 210	911 298
IX. Profit (loss) per ordinary share (in PLN / EUR)	6,6	3,1	1,5	0,7
Specification	PLN		EUR	
	30.09.2019	31.12.2018	30.09.2019	31.12.2018
X. Total assets	172 819 693	173 396 487	39 514 289	40 324 764
XI. Commitments and liabilities	56 893 013	64 078 953	13 008 280	14 902 082
XII. Long-term liabilities	38 676 608	45 254 958	8 843 197	10 524 409
<i>including Deferred revenues - subsidy</i>	<i>23 077 758</i>	<i>24 920 934</i>	<i>5 276 605</i>	<i>5 795 566</i>
XIII. Short-term liabilities	18 216 405	18 823 995	4 165 083	4 377 673
<i>including Deferred revenues - subsidy</i>	<i>2 430 619</i>	<i>2 411 800</i>	<i>555 748</i>	<i>560 884</i>
XIV. Equity	115 926 679	109 317 533	26 506 009	25 422 682
XV. Share capital	35 728 850	36 113 850	8 169 208	8 398 570
XVI. Number of shares - average	3 602 782	3 611 385	3 602 782	3 611 385
XVII. Book value per share (in PLN / EUR)	32,2	30,3	7,4	7,0

The above financial data for the 3 quarters of 2019 and 2018 were converted into EUR according to the following rules:

- positions of assets and liabilities- at the average rate determined by the National Bank of Poland as at 30 September 2019 – PLN 4.3736/EUR, as at 31.12.2018 – PLN 4.3000/EUR
- the items of the report on the total income of the year and the cash flow report- at the rate representing the arithmetic average rate of the following at the time specified by the National Bank of Poland at the last day of each month of the reporting period: from 1 January to 30 September 2019 - PLN 4.3086/EUR, from 1 January to 30 September 2018 – PLN 4.2535/EUR

1.2. Consolidated statement of financial position

<i>Consolidated statement of financial position</i>			
Specification	As of 30-09-2019	As of 31-12-2018	As of 30-09-2018
Non-current assets	137 517 565	142 535 169	144 225 293
Property, plant and equipment	134 186 278	138 444 295	140 214 602
Goodwill	832 348	832 348	832 348
Other intangible assets	586 915	609 841	637 844
Long-term receivables	291 607	251 586	273 248
Deferred tax assets	1 620 417	2 397 100	2 267 252
Current assets	35 302 128	30 861 317	23 456 975
Stocks	1 048 052	945 418	1 081 018
Supply and service receivables	12 668 917	12 826 323	13 614 685
Other receivables	910 641	1 137 410	989 610
Cash and cash equivalents	19 471 403	14 804 297	6 559 213
Accruals	279 035	208 027	288 369
Assets classified as intended for sale	924 080	939 843	924 080
Non-current assets held for sale	924 080	939 843	924 080
Total assets :	172 819 693	173 396 487	167 682 268

Consolidated statement of financial position			
Specification	As of 30-09-2019	As of 31-12-2018	As of 30-09-2018
Total Equity	115 926 679	109 317 533	99 972 198
Share capital	35 728 850	36 113 850	36 113 850
Share premium	25 573 479	25 573 479	25 573 479
Retained earnings	17 492 889	14 194 511	14 194 511
Reserves from the redemption of shares	385 000	-	-
Not distributed result from previous years	12 916 096	12 916 096	12 916 096
Net profit (loss) of the financial year	23 830 365	20 519 597	11 174 262
Long-term liabilities	38 676 608	45 254 958	47 779 376
Deferred tax liability	7 777 492	7 293 506	7 077 716
Provision for pensions and the like	130 129	119 847	125 395
Loans	6 430 596	12 896 383	15 051 645
Other financial liabilities	1 237 124	-	-
Other long-term liabilities	23 509	24 289	780
Deferred revenues - grant	23 077 758	24 920 934	25 523 841
Short-term liabilities	18 216 405	18 823 995	19 930 694
Loans	8 621 049	8 606 740	9 077 813
Other financial liabilities	48 678	108 209	157 389
Supply and service obligations	3 466 574	3 467 014	4 446 069
Current income tax liabilities	779 127	416 332	518 021
Provisions for pensions and the like	658 685	677 984	636 908
Other short-term provisions	-	7 000	-
Other liabilities	2 211 674	3 128 916	2 682 636
Deferred revenues - grant	2 430 619	2 411 800	2 411 858
Total equity and liabilities:	172 819 693	173 396 487	167 682 268

1.3. Consolidated statement of the result

Consolidated statement of comprehensive income (comparative variant)				
Specification	01.07.2019- 30.09.2019	01.01.2019- 30.09.2019	01.07.2018- 30.09.2018	01.01.2018- 30.09.2018
Continuing activities				
Sales revenue	32 252 309	87 023 201	24 744 285	61 636 851
Total costs	19 540 368	56 076 082	17 049 971	47 512 185
Change in product status	(14 134)	(25 514)	31 138	83 078
Depreciation	1 490 437	4 541 454	1 463 789	4 403 857
Consumption of raw materials and materials	2 764 688	8 519 535	2 460 827	7 497 067
Foreign services	6 803 860	19 597 541	5 156 463	13 568 125
Cost of employee benefits	4 442 016	12 674 665	3 837 931	11 131 839
Taxes and fees	321 018	1 043 273	631 641	1 928 208
Other costs	235 713	598 242	172 342	647 151
Value of goods and materials sold	3 496 769	9 126 885	3 295 840	8 252 860
Profit (loss) on sales	12 711 941	30 947 119	7 694 313	14 124 665
Other operating income	62 530	274 537	705 971	1 024 943
Other operating costs	41 202	1 269 234	254 118	359 392
Profit (loss) on operating activities	12 733 270	29 952 423	8 146 166	14 790 216
Financial income	109 477	224 888	16 871	75 600
Financial costs	175 160	671 240	367 988	1 057 287
Profit (loss) before tax	12 667 587	29 506 071	7 795 049	13 808 529
Income tax	2 424 639	5 675 706	1 495 917	2 634 267
Net profit (loss) from continuing operations	10 242 948	23 830 365	6 299 132	11 174 262
Net profit (loss)	10 242 948	23 830 365	6 299 132	11 174 262
Total comprehensive income	10 242 948	23 830 365	6 299 132	11 174 262

1.4. Consolidated cash flow statement

Consolidated cash flow report (indirect method)		
Specification	Period: 01.01.2019-30.09.2019	Period: 01.01.2018-30.09.2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Pre-tax profit (loss)	29 506 071	13 808 529
Total adjustments	518 555	2 328 811
Depreciation	4 541 454	4 403 857
Depreciation grant	1 824 357	1 808 894
Interest and profit shares (dividends)	750 913	1 031 186
Profit (loss) on investment activities	25 723	(297 782)
Changes in working capital	(2 208 855)	(4 099 323)
Change in reserves	(16 017)	(124 996)
Inventory change	(102 633)	(201 519)
Change in receivables	344 153	(4 299 723)
Change of status see short-term, with the exception of fin liabilities.	(538 993)	2 274 833
Change in the status of accruals	(1 895 364)	(1 747 918)
Income tax on profit before tax	(4 415 037)	(518 021)
Net cash flows from operating activities	30 024 626	16 137 340
CASH FLOWS FROM INVESTMENT ACTIVITIES		
Proceeds from the sale of intangible assets and property, plant and equipment	137 805	669 237
Expenditure on the acquisition of property, plant and equipment,	(1 531 764)	(1 439 067)
Other adjustments	586 493	-
Net cash flows from investment activities	(807 466)	(769 830)
CASH FLOWS FROM FINANCIAL ACTIVITIES		
Acquisition of own shares	(7 538 700)	(1 991 557)
Repayments of loans	(6 451 478)	(8 308 508)
Repayment of financial lease liabilities	(173 121)	(160 074)
Dividends paid	(9 682 518)	-
Interest paid	(704 236)	(1 031 186)
Net cash flows from financial activities	(24 550 053)	(11 491 324)
Total net cash flows	4 667 107	3 876 186
Pilans change in cash	4 667 107	3 876 186
Cash at the beginning of the period	14 804 297	2 683 026
Cash at the end of the period	19 471 404	6 559 213

1.5. Consolidated statement of changes in equity

Consolidated statement of changes in equity	Share capital	Share premium	Retained earnings	Other reserves	Reservs from the redemption of shares	Not distributed	Total equity
Balance as of 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 the financial result to capital	-	-	10 837 079	-	-	(10 837 079)	-
Buy back own shares	-	-	(7 538 700)	-	-	-	(7 538 700)
Dividend payment	-	-	-	-	-	(9 682 518)	(9 682 518)
Total transactions with owners	-	-	3 298 379	-	-	(20 519 597)	(17 221 219)
Net profit over the period:	-	-	-	-	-	23 830 365	23 830 365
Total total income	-	-	-	-	-	23 830 365	23 830 365
Balance as at 30.09.2019	35 728 850	25 573 479	17 492 889	12 916 096	385 000	23 830 365	115 926 679

Consolidated statement of changes in equity	Share capital	Share premium	Retained earnings	Other reserves	Reservs from the redemption of shares	Not distributed	Total equity
Balance as of 01.01.2018	36 113 850	25 573 479	9 295 706	12 916 096	-	6 890 362	90 789 493
Balance after changes	36 113 850	25 573 479	9 295 706	12 916 096	-	6 890 362	90 789 493
Transfer of the financial result to capital	-	-	6 890 362	-	-	(6 890 362)	-
Buy back own shares	-	-	(1 991 557)	-	-	-	(1 991 557)
Total transactions with owners	-	-	4 898 805	-	-	(6 890 362)	(1 991 557)
Net profit over the period	-	-	-	-	-	11 174 262	11 174 262
Total total income	-	-	-	-	-	11 174 262	11 174 262
Balance as of 30.09.2018	36 113 850	25 573 479	14 194 511	12 916 096	-	11 174 262	99 972 198

2. Condensed separate financial statements of Mo-BRUK S.A. for the three quarter of 2019.

2.1. Selected financial data

Specification	PLN		EUR	
	01.01.2019 - 30.09.2019	01.01.2018- 30.09.2018	01.01.2019 - 30.09.2019	01.01.2018- 30.09.2018
I. Net revenues from the sale of products, goods and materials	77 784 005	53 808 401	18 053 244	12 650 448
II. Profit (loss) from operating activities	28 333 520	13 657 168	6 576 056	3 210 824
III. Gross profit (loss)	29 037 701	12 628 786	6 739 492	2 969 049
IV. Net profit (loss)	23 688 090	10 224 544	5 497 877	2 403 808
V. Net cash flows from operating activities	28 379 182	14 491 203	6 586 653	3 406 907
VI. Net cash flows from investment activities	(669 891)	(65 553)	(155 478)	(15 412)
VII. Net cash flows from financial activities	(23 395 006)	(11 307 501)	(5 429 853)	(2 658 413)
VIII. Net cash flows, total	4 314 285	3 118 149	1 001 322	733 082
IX. Profit (loss) per ordinary share (in PLN / EUR)	6,6	2,8	1,5	0,7
Specification	Pln		Eur	
	30.09.2019	31.12.2018	30.09.2019	31.12.2018
X. Total assets	166 303 107	166 887 608	38 024 307	38 811 072
XI. Commitments and liabilities	55 667 575	62 718 948	12 728 090	14 585 802
XII. Long-term liabilities	38 451 031	45 028 865	8 791 620	10 471 829
<i>including Deferred revenues - subsidy</i>	<i>23 077 758</i>	<i>24 920 934</i>	<i>5 276 605</i>	<i>5 795 566</i>
XIII. Short-term liabilities	17 216 544	17 690 083	3 936 470	4 113 973
<i>including Deferred revenues - subsidy</i>	<i>2 430 619</i>	<i>2 411 800</i>	<i>555 748</i>	<i>560 884</i>
XIV. Equity	110 635 532	104 168 660	25 296 216	24 225 270
XV. Share capital	35 728 850	36 113 850	8 169 208	8 398 570
XVI. Number of shares weighted	3 602 782	3 611 385	3 602 782	3 611 385
XVII. Book value per share (in PLN / EUR)	30,7	28,8	7,0	6,7

The above financial data for the 3 quarters of 2019 and 2018 were converted into EUR according to the following rules:

- positions of assets and liabilities- at the average rate determined by the National Bank of Poland as at 30 September 2019 – PLN 4.3736/EUR, as at 31.12.2018 – PLN 4.3000/EUR
- the items of the report on the total income of the year and the cash flow report- at the rate representing the arithmetic average rate of the following at the time specified by the National Bank of Poland at the last day of each month of the reporting period: from 1 January to 30 September 2019 - PLN 4.3086/EUR, from 1 January to 30 September 2018 – PLN 4.2535/EUR

2.2. Separate statement of financial position

Separate statement of financial position			
Specification	As of 30-09-2019	As of 31-12-2018	As of 30-09-2018
Non-current assets	135 613 054	140 516 338	142 359 224
Property, plant and equipment	131 580 321	135 734 663	137 651 419
Other intangible assets	572 674	587 054	612 208
Shares and shares	1 628 599	1 628 599	1 628 599
Long-term receivables	291 607	251 586	273 248
Deferred tax assets	1 539 853	2 314 436	2 193 750
Current assets	30 690 053	26 371 270	18 931 958
Stocks	987 231	936 719	1 080 181
Supply and service receivables	10 929 104	10 899 594	11 632 767
Other receivables	686 660	789 456	739 187
Cash and cash equivalents	16 941 859	12 627 574	4 305 618
Accruals	221 119	178 084	250 125
Non-current assets held for sale	924 080	939 843	924 080
Total assets :	166 303 107	166 887 608	161 291 183

Separate statement of financial position			
Specification	As of 30-09-2019	As of 31-12-2018	As of 30-09-2018
Total Equity	110 635 532	104 168 660	95 027 272
Share capital	35 728 850	36 113 850	36 113 850
Share premium	25 573 479	25 573 479	25 573 479
Retained earnings	12 344 017	10 199 303	10 199 303
Reserves from the redemption of shares	385 000	-	-
Not distributed result from previous years	12 916 096	12 916 096	12 916 096
Net profit (loss) of the financial year	23 688 090	19 365 932	10 224 544
Long-term liabilities	38 451 031	45 028 865	47 561 329
Deferred tax liability	7 632 273	7 145 183	6 926 241
Provision for pensions and the like	73 280	65 585	58 823
Loans	6 430 596	12 896 383	15 051 645
Other financial liabilities	1 237 124	-	-
Other long-term liabilities	-	780	780
Deferred revenues - grant	23 077 758	24 920 934	25 523 841
Short-term liabilities	17 216 544	17 690 083	18 702 581

Loans	8 621 049	8 606 740	9 058 555
Other financial liabilities	48 678	108 209	157 389
Supply and service obligations	3 049 069	2 944 419	3 746 466
Current income tax liabilities	704 309	386 673	284 208
Provisions for pensions and the like	484 740	486 111	477 421
Other liabilities	1 878 081	2 746 131	2 566 684
Deferred revenues - grant	2 430 619	2 411 800	2 411 858
Total equity and liabilities:	166 303 107	166 887 608	161 291 183

2.3. Separate statement of results

Separate statement of results (comparative option)				
Specification	01.07.2019-30.09.2019	01.01.2019-30.09.2019	01.07.2018-30.09.2018	01.01.2018-30.09.2018
Continuing activities				
Sales revenue	29 082 827	77 784 005	22 059 427	53 808 401
Total costs	16 943 682	48 457 913	14 736 518	40 790 545
Change in product status	(14 133)	(25 514)	31 139	83 078
Depreciation	1 409 517	4 291 658	1 390 884	4 166 604
Consumption of raw materials and materials	2 491 477	7 735 207	2 196 304	6 745 297
Foreign services	5 402 341	15 526 719	3 961 891	10 167 726
Cost of employee benefits	3 667 852	10 358 226	3 122 122	8 983 000
Taxes and fees	306 180	996 883	618 450	1 886 906
Other costs	183 678	447 847	119 887	505 074
Value of goods and materials sold	3 496 769	9 126 885	3 295 840	8 252 860
Profit (loss) on sales	12 139 145	29 326 092	7 322 909	13 017 856
Other operating income	61 566	247 572	704 395	980 989
Other operating costs	33 403	1 240 144	251 525	341 677
Profit (loss) on operating activities	12 167 308	28 333 520	7 775 778	13 657 168
Financial income	105 476	1 374 039	9 486	15 439
Financial costs	185 902	669 858	329 773	1 043 821
Profit (loss) before tax	12 086 881	29 037 701	7 455 491	12 628 786
Income tax	2 311 322	5 349 611	1 418 721	2 404 242
Net profit (loss) from continuing operations	9 775 559	23 688 090	6 036 770	10 224 544
Net profit (loss)	9 775 559	23 688 090	6 036 770	10 224 544
Total comprehensive income	9 775 559	23 688 090	6 036 770	10 224 544

2.4. Separate cash flow statement

Separate cash flow statement (indirect method)		
Specification	Period: 01.01.2019- 30.09.2019	Period: 01.01.2018- 30.09.2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Pre-tax profit (loss)	29 037 701	12 628 786
Total adjustments	(658 519)	1 862 417
Depreciation	4 291 658	4 166 604
Depreciation grant	1 824 357	1 808 894
Interest and profit shares (dividends)	749 531	1 020 820
Profit (loss) on investment activities	25 723	(297 782)
Dividend received	(1 153 665)	-
Changes in working capital	(2 308 186)	(4 551 911)
Change in reserves	6 324	(82 676)
Inventory change	(50 513)	(201 860)
Change in receivables	33 265	(4 715 780)
Change of status see short-term, with the exception of fin liabilities.	(429 871)	2 180 575
Change in the status of accruals	(1 867 391)	(1 732 170)
Income tax on profit before tax	(4 087 938)	(284 208)
Net cash flows from operating activities	28 379 182	14 491 203
CASH FLOWS FROM INVESTMENT ACTIVITIES		
Proceeds from the sale of intangible assets and property, plant and equipment	137 805	669 237
Expenditure on the acquisition of property, plant and equipment,	(1 394 189)	(734 790)
Other adjustments	586 493	-
Net cash flows from investment activities	(669 891)	(65 553)
CASH FLOWS FROM FINANCIAL ACTIVITIES		
Other financial receipts - dividend	1 153 665	-
Acquisition of own shares	(7 538 700)	(1 991 557)
Repayments of loans	(6 451 478)	(8 135 051)
Repayment of financial lease liabilities	(173 121)	(160 074)
Dividends paid	(9 682 518)	-
Interest paid	(702 853)	(1 020 820)
Net cash flows from financial activities	(23 395 006)	(11 307 501)
Net cash flow Total	4 314 285	3 118 149
Cash at the beginning of the period	12 627 574	1 187 469
Cash at the end of the period	16 941 859	4 305 618

2.5. Separate statement of changes in equity

Separate statement of changes in equity	Share capital	Share premium	Retained earnings	Other reserves	Reservs from the redemption of shares	Not distributed	Total equity
Balance as of 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 the financial result to capital	-	-	9 683 414	-	-	(9 683 414)	-
Buy back 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 over the period:	-	-	-	-	-	23 688 090	23 688 090
Total total 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

Separate statement of changes in equity	Share capital	Share premium	Retained earnings	Other reserves	Reservs from the redemption of shares	Not distributed	Total equity
Balance as of 01.01.2018	36 113 850	25 573 479	6 515 747	12 916 096	-	5 675 113	86 794 285
Balance after changes	36 113 850	25 573 479	6 515 747	12 916 096	-	5 675 113	86 794 285
Transfer of the financial result to capital	-	-	5 675 113	-	-	(5 675 113)	-
Buy back own shares	-	-	(1 991 557)	-	-	-	(1 991 557)
Total transactions with owners	-	-	3 683 556	-	-	(5 675 113)	(1 991 557)
Net profit over the period	-	-	-	-	-	10 224 544	10 224 544
Total total income	-	-	-	-	-	10 224 544	10 224 544
Balance as of 30.09.2018	36 113 850	25 573 479	10 199 303	12 916 096	-	10 224 544	95 027 272

3. Notes to the condensed interim report for the three quarters of 2019.

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

Mo-BRUK S.A. forms a capital group, which includes Mo-BRUK S.A. – the parent company in the capital group and Raf-Ekologia sp. z o.o. – a subsidiary 100% from Mo-BRUKS.A.

LIST OF COMPANIES IN WHICH THE GROUP HOLDS AT LEAST 20% OF THE SHARES IN CAPITAL OR GENERAL NUMBER OF VOTES IN THE BODY CONSTITUTING THE COMPANIES AS AT THE BALANCE SHEET DATE				
Lp	Name and registered office of the company	% of the shares in the Capital	% of votes in the authority constituting a company	Type of binding and method Consolidation
1.	"RAF-ECOLOGY" Ltd.	100	100	Full consolidation
	38-460 Jedlicze Ul. Third 14			

Between January 1, 2019 and September 30, 2019, there was no change in the organization of the Capital Group.

Parent company's core data

Name (company): Mo-BRUK Joint Stock Company
 Issuer's Registered Office: Niecew
 Legal form of the Issuer: joint stock company
 Legislation: Polish and European Union law
 Country of registered office of the Issuer: Republic of Poland
 Issuer's address: Niecew 68, 33-322 Spicy
 Phone number: +48 (18) 441 70 48
 Fax number: +48 (18) 441 70 99
 Email: mobruk@mobruk.pl
 Website: www.mobruk.pl
 KRS number: 0000357598
 Tax ID number: 7343294252
 REGON number: 120652729

Subsidiary's core data

Name (company):	Raf-Ecology Limited Liability Company
Registered	office: Jedlicze
Legal form:	limited liability company
Legislation:	Polish and European Union law
Country of	establishment: Republic of Poland
	Address: ul. Third 14, 38-460 Jedlicze
Phone	number: +48 13 43 84 362
Fax number:	+48 13 43 84 166
E-mail:	rafekologia@rafekologia.pl
Website:	www.rafekologia.pl
KRS number:	0000069313
Tax ID	number:6842198750
REGON	number:370484149

The Management Board of the Issuer consists of:

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

The Supervisory Board of the Issuer consists of:

Until May 31, 2019, the Supervisory Board of the Issuer was composed of:

Kazimierz Janik	Chairman of the Supervisory Board
Jan Basta	Member of the Supervisory Board
Adam Buchajski	Member of the Supervisory Board
Piotr Pietrzak	Member of the Supervisory Board
Konrad Turzański	Member of the Supervisory Board

On May 29, 2019, Mr. Adam Buchajski made a declaration of resignation as a Member of the Supervisory Board of Mo-BRUK S.A. with effect at the end of May 31, 2019. The reasons for the resignation have not been given.

On June 24, 2019, the Ordinary General Meeting, in connection with the earlier resignation of Mr. Adam Buchajski from membership of the Supervisory Board of the Company, pursuant to § 33.1 para. 1a point g of the Company's Articles of Association adopted a resolution on the appointment to the supervisory board of Mr. Łukasz Boroń.

In connection with the aforementioned resolution at the date of the Report, the Supervisory Board of the Issuer shall operate in the composition of:

Kazimierz Janik	Chairman of the Supervisory Board,
Jan Basta	Member of the Supervisory Board,
Łukasza Boroń	Member of the Supervisory Board
Piotr Pietrzak	Member of the Supervisory Board,
Konrad Turzański	Member of the Supervisory Board.

Mo-BRUK Spółka Akcyjna with its registered office in Niecwi (Niecew 68, 33-322 Korzenna) is a capital company with legal personality, registered in the District Court in Krakow, Division XII Of Economics and entered in the KRS under the heading 0000357598.

The company was created for an indefinite period, operates under Polish and European Union law.

Since 1985, the company has been active in the form of a one-man business under the company "Mo-BRUK" Józef Mokrzycki. Until 1996, the production of lastriko products (tiles, window sills, stairs) and the main recipients of the products were individual customers. Since 1996, the company has been carrying out activities related to the widely understood waste management, including storage, disposal and recycling. Due to the progressive development of the company on April 1, 2008, the legal form was transformed from the one-man business activity of Mo-BRUK Józef Mokrzycki into a limited partnership. On June 1, 2010, the Company's legal form was transformed into a joint stock company.

Mo-BRUK S.A. has eight branches and one subsidiary. At the headquarters of the Company in m. Niecew is located the Waste Recovery Plant and the Plant for the Construction of Concrete Pavements.

In Wałbrzych, three branches are located: the Waste Recycling Plant, where alternative fuels are produced, the Industrial Waste Landfill and the Coal Mule Recovery Plant.

Since 2008, the Department of Alternative Fuels Production has been operating from Karsach (gm. Ożarów), where industrial waste incineration plant was launched in 2014.

In 2014, two more branches were launched: the Department for The Recovery of Inorganic Waste in Skarbimierz and the Department of Recycling of Iron and Color Metals in Zabrze.

Mo-BRUK SA also has a branch in Łęce (gas station and diagnostic station).

Mo-BRUK owns a 100% stake in Raf-Ekologia Sp. z o. o.

Raf-Ekologia Sp. z o.o. was founded on 1 December 1999 in Krasta (Notarial Deed of 01.12.1999, Repertorium A No 9397/99). The share capital is PLN 686,000.00 (six hundred and eighty-six thousand) zlotys and is divided into 6860 shares with a nominal value of PLN 100.00 each. The Company operates thermal disposal of hazardous and non-hazardous waste, including medical and veterinary waste, from a wide list of generics, on the basis of an integrated permit No. SR.IV-6618-23/1/06 issued by the Podkarpackie Voivodeship.

3.2. Significant accounting principles.

3.2.1. Basis for drawing up the financial statements

The presented condensed consolidated financial statements were prepared for the period from 1 January 2019 to 30 September 2019. Comparable data cover the period from 1 January 2018 to 30 September 2018 in terms of profit and loss account and cash flow reports, and for carrying amounts as at December 31, 2018.

The Group's financial year is the calendar year.

The data in the condensed interim consolidated financial statements were presented in Polish zlotys ("PLN") after rounding to full zlotys.

The consolidated financial statements were drawn up on the assumption that the companies forming part of the Group continued their business in the foreseeable future. At the date of this consolidated accounts, there are no circumstances indicating that the Group continues to operate.

3.2.2. Statement of conformity.

The Company shall draw up a report in accordance with the accepted accounting policies arising from the International Standard of Accounting, the International Standard in Financial Reporting and the related interpretations published in the form of Regulations of the European Commission and, to the extent not regulated by those Standards, as required by the the Act of 29 September 1994 on accounting and the provision of implementing provisions issued under it. This financial statements respect the same accounting policies and calculation methods as in the most recent financial statements. The Management Board of Mo-BRUK S.A. with its registered office in Niecwi declares that the financial results were prepared by the Chief Accountant of Mo-BRUK S.A. In addition, - the Management Board of The Management Board of BRUK S.A. contains a true picture of development and the axis of the rotand accurately and clearly presents the financial and financial situation of the Company.

3.2.3. Measurement currency and currency of financial statements.

The currency of measurement of the Group and the reporting currency of this financial statement is Polish zloty.

3.2.4. The rules adopted when drawing up the report, in particular information on changes to the accounting policies applied.

This consolidated financial statements for the third quarter of 2019 and the financial data for the third quarter of 2018 are prepared in accordance with IFRS standards.

3.2.5. Presentation changes.

There were no significant changes in the presentation of financial data in the condensed consolidated financial statements and condensed separate financial statements for the third quarter of 2019.

3.2.6. Error correction.

Condensed consolidated financial statements for the third quarter of 2019 and including comparable data, do not contain differences.

No corrections were made to errors relating to previous periods.

3.2.7. Consolidation rules

The Mo-BRUK S.A. Capital Group consists of the parent company of Mo-BRUK S.A. and a subsidiary of Raf-Ekologia Sp. z o.o. with its registered office in Jedlicz.

The subsidiary's financial statements shall be drawn up for the same reporting period as the parent's report, using the accounting rules, based on uniform accounting rules applied to transactions and economic events of a similar nature.

The Company shall fully consolidate the unit over which it has control.

3.2.8. Conversion of the financial statements of subsidiaries expressed in foreign currencies.

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

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

Recognition of the assets and obligations under the right of perpetual use of land.

Following the application from 1 January 2019, for the first time of the new IFRS 16, the financial situation report of mo-bruk s.a. capital group shows new, significant asset contributions meeting the criteria of the standard, i.e. the standard of the the right to perpetual land use. On day 01.01.2019, the value of property, plant and equipment under the right to perpetual land use, was recognized in the amount of PLN 1,304,036. Short-term land use rights obligations as at 01.01.2019 amounted to PLN 49,306 and the long-term obligation under the right to perpetual land use was PLN 1,254,730.

The issuer did not make the above presentation changes during comparable periods.

Change of the Issuer's core capital.

On July 31, 2019, a change in the basic capital of Mo-BRUK S.A. was registered in the National Court Register by the District Court for Krakow – Downtown, 12th Commercial Division in Krakow. The purchase of own shares of 38,500 units , with a nominal value of PLN 10 each and taken by the Ordinary General Meeting of Shareholders of Resolution No. 18/2019 of the ordinary general meeting of shareholders, was repurchased on 21 September 2018. June 24, 2019 on the redemption of the Company's own shares and resolution No. 19/2019 on the reduction of the company's share capital, the creation of reserve, the change of the designation of the series of shares and the amendment of the Company's articles of association.

The share capital of the Issuer has been reduced from PLN 36,113,850 to PLN 35,728,850, i.e. PLN 35,728,850. by pln 385,000 by redemption of 38,500 of the Company's own shares with a nominal value of PLN 10 each share, representing 0.89% of the total number of votes at the General Meeting of the Company.

3.4. Information on the creation, increase and dissolution of reserves

During the presented period, the reserve for employee benefits in Mo-BRUK S.A. increased by PLN 6,324 while in the Group decreased by PLN 9,017. Changes to deferred tax provisions were disclosed in point 3.5.

3.5. Information on deferred tax reserves and assets

Consolidated data

Deferred income tax - reporting period	As of 31-12-2018	Included as a result of 01.01.2019-30.09.2019	As of 30-09-2019
DIT assets			
ZUS contributions	74 710	8 616	83 326
Employee benefits	173 713	(2 134)	171 579
Provision for receivables	115 049	(89 004)	26 045
Leasing	20 560	(20 560)	-
Grant	1 193 278	138 101	1 331 379
Tax loss	818 460	(818 460)	-
Audit expenses	1 330	(1 330)	-
ZFŚS	-	8 088	8 088
Total deferred tax assets	2 397 100	(776 683)	1 620 417
DIT reserve			
Valuation of fixed assets	7 220 075	490 882	7 710 957
Fixed assets in lease	73 431	(6 896)	66 535
Total deferred tax income	7 293 506	483 986	7 777 492

Separate data

Deferred income tax - reporting period	As of 31-12-2018	Included as a result of 01.01.2019-30.09.2019	As of 30-09-2019
DIT assets			
ZUS contributions	59 118	8 400	67 518
Employee benefits	126 946	781	127 727
Provision for receivables	96 074	(90 933)	5 141
Leasing	20 560	(20 560)	-
Grant	1 193 278	138 101	1 331 379
Tax loss	818 460	(818 460)	-
ZFŚS	-	8 088	8 088
Total deferred tax assets	2 314 436	(774 583)	1 539 853
DIT reserve			
Valuation of fixed assets	7 145 183	487 090	7 632 273
Odpd reserve total:	7 145 183	487 090	7 632 273

3.6. Information about non-payment of a loan or loan or breach of the essential provisions of the loan agreement or loan.

As of September 30, 2019, the Group did not see a backlog of loans and the relevant provisions of loan agreements were not affected.

3.7. Discussion of the basic economic and financial volumes disclosed in the condensed consolidated financial statements, in particular a description of factors and events, including of an unusual nature, having a significant impact on the issuer's activities and the profits or losses incurred in the financial year, as well as an overview of the prospects for the issuer's business development in at least in the following financial year.

The increase in capital group sales revenues by 41% for the three quarters of 2019 with a lower growth in operating costs of 18% compared to the same period in 2018 translated into more than double the higher sales profit of PLN 30.9 million. compared to sales profit in the same period of 2018 of PLN 14.1 million. The Issuer's Capital Group successively strives to increase the revenues achieved from the sale of products and services, which is most affected by the most dynamically developing segment, which is the waste management of which, for the three quarters of 2019, accounts for nearly 90% of the Issuer's consolidated revenues. The improvement of the situation of the Issuer's Capital Group regarding sales revenues was influenced by the acquisition of new contractors in the waste management market, who provided new streams of delivered waste to installations in the facilities of the Issuer's Group, as well as increase in waste treatment charges resulting m.in. from the revision of waste management rules.

CONSOLIDATED PROFIT AND LOSS STATEMENT (benchmark)

Specification	For the period: 01.01.2019-30.09.2019	For the period: 01.01.2018-30.09.2018
Sales revenue	87 023 201	61 636 851
Total costs:	56 076 082	47 512 185
Change in product status	-25 514	83 078
Depreciation	4 541 454	4 403 857
Consumption of raw materials and materials	8 519 535	7 497 067
Foreign services	19 597 541	13 568 125
Cost of employee benefits	12 674 665	11 131 839
Taxes and fees	1 043 273	1 928 208
Other costs	598 242	647 151
Value of goods and materials sold	9 126 885	8 252 860
PROFIT (LOSS) ON SALES	30 947 119	14 124 665

Other operating income	274 537	1 024 943
Other operating costs	1 269 234	359 392
EBITDA (operating profit + depreciation)*	34 493 876	19 194 073
EBIT (operating profit)**	29 952 423	14 790 216
Financial income	224 888	75 600
Financial costs	671 240	1 057 287
PROFIT (LOSS) BEFORE TAX	29 506 071	13 808 529
Income tax	5 675 706	2 634 267
NET PROFIT (LOSS)	23 830 365	11 174 262

*/EBITDA is an economic size that is not reflected in the applicable IAS/IFRS accounting standards and does not apply to financial reporting. Therefore, in the Opinion of the Issuer, it constitutes a so-called alternative measurement of results (APM). The presented and calculated EBITDA is the sum of the operating and amortization earnings (profit/loss) result. APM refers to the reporting periods specified in the table header.

**/EBIT is an economic size that is not reflected in the applicable IAS/IFRS accounting standards and does not apply to financial reporting. Therefore, in the Opinion of the Issuer, it constitutes a so-called alternative measurement of results (APM). The eBIT presented and calculated is the same as the profit/loss from operating activities. APM refers to the reporting periods specified in the table header.

For the three quarters of 2019, Mo-BRUK S.A. Capital Group reported an increase, compared to the same period of 2018, operating profit, EBITDA profit, pre-tax profit and net profit, which was earned at PLN 23.8 million pln 11.2 million for the three quarters of 2018.

Profit of Mo-BRUK S.A. Capital Group

Specification in PLN	2019 3 quarters	2018 3 quarters	Change
Profit (loss) on sales	30 947 119	14 124 665	119,1%
EBITDA (operating profit + depreciation)	34 493 876	19 194 073	79,7%
EBIT (operating profit)	29 952 423	14 790 216	102,5%
Gross profit (loss)	29 506 071	13 808 529	113,7%
Net profit (loss)	23 830 365	11 174 262	113,3%

The increase in sales revenues while reducing the underlying operating costs was reflected in the improvement of other indicators, including EBITDA. For the three quarters of 2019, Mo-BRUK S.A. Group achieved EBITDA of PLN 34.5 million compared to PLN 19.2 million for the three quarters of 2018, an increase of 79.7%.

Analysis of the profitability of the Issuer's Capital Group

Specification	2019 3 quarters	2018 3 quarters
Profitability of profit on sales	35,6%	22,9%
EBITDA profitability	39,6%	31,1%
Operating profit profit profit (EBIT) profit ability	34,4%	24,0%
Net profitability	27,4%	18,1%

Algorithms for calculating indicators:

Profit ability of sales profit = sales result / net sales income

EBITDA profitability = operating income + depreciation / sales revenue

Return on operating profit = result on operating activities / net sales revenues

Net profitability = net profit / net income from sales

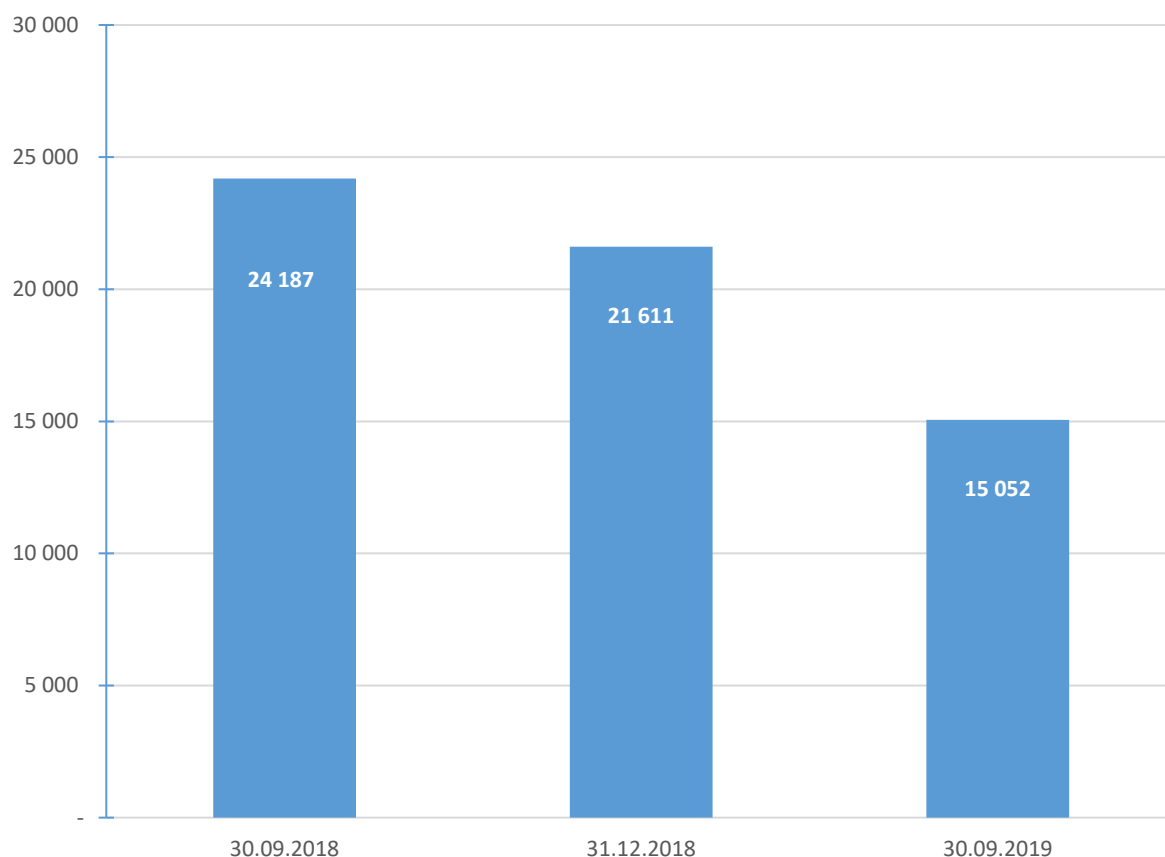
The Issuer's Capital Group also reported an improvement in profitability rates for the three quarters of 2019 compared to the same period of 2018. The profitability ratio of profit on sales rose from 22.9% to 35.6% and the profit ability index rose from 24.0% to 34.4%. Over the periods compared, net profitability rose from 18.1% to 27.4% compared, while ebitda profitability rose to 39.6% from 31.1%.

Mo-BRUK S.A. Capital Group implements the repayment of financial debt instalments on schedule, thereby significantly reducing its obligations under financial contracts. Within twelve months to the date of presentation of the financial data of this report, i.e. the date of presentation of the financial data of this report, the commission shall, in the first between 1 October 2018 and 30 September 2019, the Group's financial debt decreased by 37%.

Financial debt and cash of GK Mo-BRUK S.A. [thousand PLN]			
	30.09.2018	31.12.2018	30.09.2019
Financial debt⁽¹⁾	24 186,8	21 611,3	15 051,6
<i>of which:</i>			
<i>loan debt</i>	24 029,4	21 503,1	15 051,6
<i>lease debt</i>	157,4	108,2	0,0
Cash	6 559,2	14 804,3	19 471,4

⁽¹⁾ the financial debt in the above table does not include the obligation under the perpetual use rights of land

Financial debt of GK Mo-BRUK
[in k PLN]



Thanks to the systematic repayment of financial liabilities, the Capital Group improves its debt ratios, among other things, the net debt-to-EBITDA ratio has improved significantly. At the end of Q3 2019, the Group achieved a higher cash rate than financial debt, so the value of the following indicator was presented with a negative sign.

Net financial debt ratio to EBITDA GK Mo-BRUK S.A.		
30.09.2018¹⁾	31.12.2018	30.09.2019²⁾
0,7	0,2	-0,1

Indicator calculation algorithm:

financial debt³⁾ - cash / operating profit for the last 12 mth + depreciation for the last 12 m-cy

¹⁾for the indicator on 30.09.2018 EBITDA is calculated for the period from 01.10.2017 to 30.09.2018

²⁾ for the indicator on 30.09.2019 EBITDA is calculated for the period from 01.10.2018 to 30.09.2019

³⁾ the financial debt included in the calculation of the benchmark does not include the obligation under the perpetual use rights of land

During the three quarters of 2019, the Issuer continued its activities related to ensuring an adequate volume of waste deliveries to its installations. During this period, the various capital group plants recorded better sales performance compared to the results achieved in previous

periods. Increasing engagement in the inorganic waste management sector (processed in Skarbimierz and Niecwi) contributes to a significant increase in the profitability of the Issuer's activities. Bearing in mind that the waste management market in Poland is in intensive development and is very forward-looking management of Mo-BRUK S.A. assumes significant revenue increases in subsequent periods.

The Management Board shall make every effort to ensure an adequate waste stream for processing in the installations of the Mo-BRUK S.A. Capital Group. should translate into better financial results of the Issuer Group.

Mo-BRUK S.A. Capital Group whose leading segment is waste management within this segment distinguishes three business lines related to the processing and disposal of waste:

Solidification and stabilisation of non-organic waste

The issuer has the competence and experience of the disposal of inorganic waste and the generation of cement granules from this waste. Mo-BRUK S.A. has been processing a number of types of waste since 1996 based on its own unique technology. Hazardous waste, which is accepted by the Issuer, is subjected to a further processing of the cementation process. For accepted cementation waste, the Issuer charges a fee from the suppliers of waste for disposal. As a result of the reactions taking place during the above process, the hazardous substances contained in these wastes are neutralized. The end result of the process is cement granules, which are a substitute for aggregate, which the Issuer sells to the final recipients. The following types of hazardous and non-hazardous inorganic waste are included in the solidisation and stabilisation process: slags and ash from waste incineration plants, sludge from chemical waste water treatment plants, post-galvanic waste, other waste containing heavy metals.

On the basis of the developed waste cementation technology, two works are operated by the Issuer's Waste Treatment Plant in Niecwi and the Department for Waste Recovery in Skarbimierz.

Production of alternative fuels

Mo-BRUK S.A. has acquired competence in the production of alternative fuels as one of the first companies in the country. In 2004, the Issuer launched its first alternative fuel production plant in Wałbrzych. In 2008, however, he founded the second such plant in Karsy near Ożarów (at the Ożarów Cement plant). As a result of further investments with the participation of funds from the European Union, the Department for the Production of Alternative Fuels in Karsy was expanded with a second production line. This business line also includes the activities of the separation of iron and colour metals and the storage of non-hazardous industrial waste.

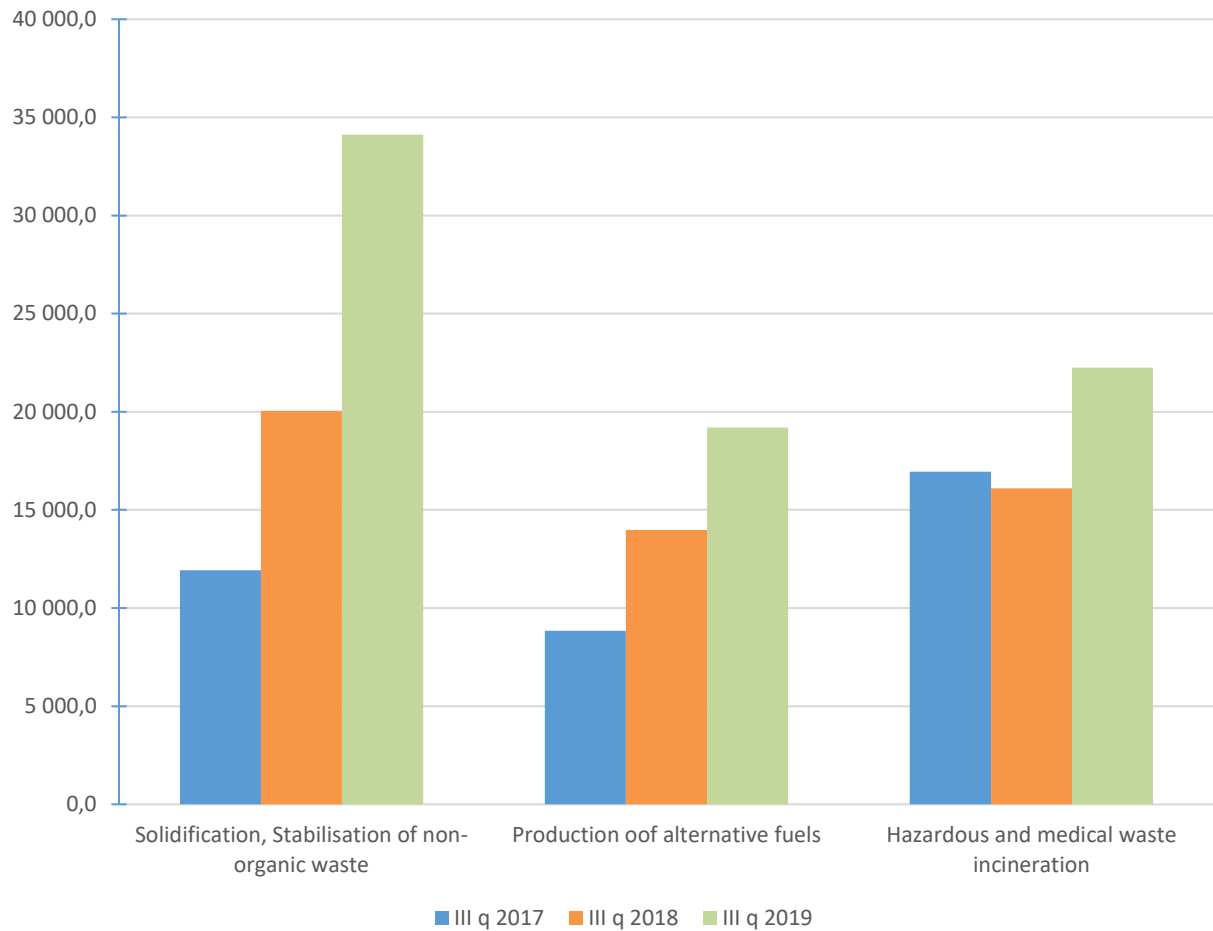
Alternative fuel offered by Mo-BRUK S.A. is produced from segregated combustible municipal waste, which is supplied by waste collection companies. In addition, combustible industrial waste supplied directly by industrial plants, e.g. by industrial plants, is used for the production of alternative fuels. automotive or furniture companies, as well as waste collection companies. The waste adopted is then subjected to mechanical treatment, resulting in alternative fuel.

Incineration of hazardous and medical waste

In 2008, Mo-BRUK J. Mokrzycki limited partnership (the issuer's legal predecessor) bought an incinerator of industrial and medical waste Raf-Ekologia Sp. z o.o. Waste incineration plant Raf-Ekologia Sp. z o.o. in an environmentally safe way conducts thermal disposal of industrial and medical and veterinary waste. As a result of the incineration of certain waste groups Raf-Ekologia Sp. z o.o. produces energy in the form of a technological steam, which it sells to the Refinery Jedlicze S.A. The Issuer in 2014 launched a second industrial waste incinerator located at the Department of Alternative Fuels Production in Karsach. The investment was carried out as part of the project "Implementation of innovative technology for the production of high-calorie calorific fuel mixture" for which the Issuer has raised funds from the European Union. The resulting incinerator is a source of warm air used to dry alternative fuel. Incineration plants, disposal or recovery processes are subjected, inter alia, to the following types of waste: paints, solvent adhesives, poaching waste, waste from kerosene and gas exploration, medical and veterinary waste, overdue agrochemicals, laboratory and analytical reagents.

Consolidated revenue [thousand PLN]	2017 3 quarters	2018 3 quarters	2019 3 quarters
solidation and stabilisation of non-organic waste	11 932,4	20 054,2	34 114,5
production of alternative fuels	8 849,7	13 983,8	19 198,2
incineration of hazardous and medical waste	16 954,1	16 095,5	22 250,0
Time:	37 736,2	50 133,5	75 562,7

Consolidated revenues from waste management [in k PLN]



Waste management in the Mo-BRUK Capital Group is the most dynamically developing segment, from which almost 90% of the Issuer's consolidated revenues come from, in which in recent years the Issuer has completed several investment projects that were funded by European funds.

The main source of the Issuer's revenues are services related to the acceptance of waste for further disposal or other management. In this regard, GK Mo-BRUK S.A. acts as an important link in the waste management chain in Poland, as it is an alternative to landfills. Companies collecting municipal waste or waste holders are interested in working with Mo-BRUK S.A. Capital Group, as this allows them to reduce landfill spoofing. On the other hand, the Issuer is interested in receiving waste for further management, because it has technology and experience in the treatment of waste into full-fledged products (alternative fuel, cement granules and energy). The Issuer has the competence and authorisation to dispose of almost a whole range of waste listed by the Regulation of the Minister of the Environment of 9 December 2014 on the catalogue of waste (OPs 2014 item 1923). Polish conditions stipulate that the disposal of waste is paid by the manufacturer, not by a "cleaning company" or a "disposer" such as the Issuer. Therefore, Mo-BRUK S.A. is able to collect remuneration for the acceptance of waste at a level similar to or

higher to the fees charged by landfills. The amount of remuneration collected by the Issuer depends on the category of waste, its physical-chemical category, location and ultimately on negotiated conditions.

3.8. Important events in the Group during the reporting period.

Conclusion of a significant agreement with the Municipal Purification Company in m. st. Warsaw sp. z o.o.

On January 3, 2019, the Issuer signed four agreements with the Municipal Purification Company in m. st. Warsaw sp. z o.o. with its registered office at ul. Camp 43 on "Collection, including transport and management of waste resulting from the treatment of bulky waste" in an estimated total of 15 000 tonnes.

The issuer's maximum remuneration for the performance of the contracts in question may amount to PLN 6,107,400.00 gross. The actual remuneration for the performance of the subject-matter of the contracts shall be determined as the product of the unit price and the actual quantity of waste collected.

The contracts were concluded as a result of a tender procedure under the Act of 29 January 2004 public procurement law and were signed for a limited period until 31 December 2019.

Conclusion of a significant agreement with Synthos Dwory 7 limited liability company public company with its registered office in Oświęcim

On 13.02.2019 The Issuer has signed Annex 1 to the agreement with Synthos Dwory 7 a public company with its registered office in Oświęcim extending the subject matter of the contract for the reception, transport and management of waste debris containing mercury from the demolition of the site of the former electrolysis D-2028 code 170106* in an estimated amount of 20 thousand. Tonnes.

The total estimated remuneration of the Issuer for the service covered by the annex to the contract is PLN 9,600,000 net. The actual remuneration for the implementation of the subject matter of the annex will be the product of the unit price specified in the annex and the quantity of waste actually received.

According to the annex, the contract was extended until December 31, 2019.

Completion of landfilling at the Industrial Waste Landfill in Wałbrzych

Due to the complete filling of the last headquarters of the Industrial Waste Landfill located in Wałbrzych at ul. 1, on March 20, 2019, the Management Board of Mo-BRUK S.A. informed that the landfilling of the waste in the landfill in question had been completed. Emitent therefore sent on 20 March 2019. request for permission to close the last landfill.

The share of the site's activities in the results of the Capital Group has been negligible in recent times. Given that the reclamation of the landfill will be carried out using inert waste, its costs the

Management Board considers it insignificant for the results of future periods. The closure of waste storage activities is the implementation of the Group's strategy of developing key waste management activities such as waste treatment in stabilisation processes, waste incineration and the production of alternative fuels.

After the performance of the obligations resulting from the decision to close the landfill, the Issuer will remove from the National Court Register of the Industrial Waste Landfill operating as a separate branch. Continue at ul. The Waste Recycling Plant producing alternative fuels will be operating in Wałbrzych.

Conclusion of a significant agreement with Krakow Municipal Holding S.A.

On April 11, 2019, the Issuer received a mutually signed agreement with Kraków Municipal Holding S.A. to provide a service consisting in the successive reception (transport and management) of waste generated by the thermal disposal process municipal waste at the Thermal Waste Conversion Plant in Krakow.

The issuer's maximum remuneration for the performance of the contract in question may amount to PLN 4,269,580.00 net. The issuer's actual remuneration for the performance of the subject matter of the contract will be determined as the product of the unit price and the amount of waste actually received.

The contract was concluded as a result of a tender procedure under the Act of 29 January 2004 public procurement law and was signed for a limited period of 12 months.

Conclusion of a significant agreement with the Municipality of Kielce.

On July 15, 2019, the Issuer signed an agreement with the Municipality of Kielce to provide a service consisting in the removal, transport and management of hazardous and non-hazardous waste collected at ul. Krakowska 293 in Kielce in the amount of 1000 tons. The waste covered by this agreement comes from the storage of illegally collected waste of so-called waste. "ecological bomb".

The Issuer's remuneration for the performance of the contract in question will amount to approximately PLN 4,600,000.00 net. The issuer's actual remuneration for the performance of the subject matter of the contract will be determined as the product of the unit price and the amount of waste actually received.

The contract was concluded as a result of a tender procedure under the Act of 29 January 2004 Public Procurement Law and was signed for a limited period of 30 weeks from the transfer of the site of the work. The contract is carried out in the framework of the replacement performance, carried out under the provisions of the Law on enforcement proceedings in the administration (i.e. OZ of 2018, item. 1314 as amended).

3.9. Events following the balance sheet date.**Conclusion of a significant agreement with ORLEN Eko Sp. z o.o.**

On October 14, 2019, the Issuer signed an agreement with ORLEN Eko Sp. z o.o. for the provision of a service consisting in the collection, transport, and disposal of waste showing hazardous properties, stored in Siemianowice Śląsky at ul. Liberation 2.

The issuer's maximum remuneration for the performance of the contract in question will be approximately PLN 9 200,000.00 net. The issuer's actual remuneration for the performance of the subject matter of the contract will be determined as the product of the unit price and the quantity of waste actually disposed of. In the event that the quantity of waste exceeds the quantity specified in the Agreement, the Purchaser provides for the signing of an addendum increasing the scope of the Agreement.

The agreement was signed for a limited period from the date of conclusion of this Agreement, i.e. 14 October 2019 to 25 May 2020.

In addition to the above, there were no events in the Group that could significantly affect the issuer's future financial results.

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

There were no incidents of an unusual nature during the reporting period ending 30 September 2019.

3.11. Explanations of the seasonality or cyclicity of the issuer's activities during the period presented.

The Group's activities do not show significant seasonality or cyclicity which could significantly affect the periodic performance of the Issuer and its subsidiary.

3.12. Information on the issue, redemption and repayment of debt and equity securities.**Purchase of own shares**

On July 19, 2019, ownership was transferred and the purchase of own shares was transferred as part of the "Invitations to tender for the sale of shares of Mo-BRUK S.A." announced on July 5, 2019. on the basis of Resolution No. 20/2019 of the Ordinary Meeting of Shareholders of Mo-

BRUK S.A. The transfer of ownership of shares between the Shareholders and the Issuer was made outside the regulated market through the Brokerage House boś S.A. The transfer of shares to the bearer to the Issuer was settled under the deposit system of the National Depository of Securities in Artiquity S.A., and the ownership of the named shares on the Issuer was settled by The Brokerage House BOŚ S.A.

On July 19, 2019, through boś s.a., the Issuer acquired 60,000 own shares with a nominal value of PLN 10 each, pln 125 per share. The shares that have been acquired represent 1.66% of the Issuer's capital and entitle to 72,090 votes at the Issuer's general meeting. The issuer shall not be entitled to exercise the voting rights of these shares.

In addition to the above, during the reporting period ending September 30, 2019, there were no transactions in the issue or redemption of debt or equity securities, by the Issuer and a subsidiary.

3.13. Information on dividends paid (or declared, combined and per share, broken down by ordinary and preferred shares).

Dividend policy

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

The dividend policy assumes that the Board recommends that the General Meeting of Shareholders allocate no less than 33% of Mo-BRUK S.A.'s net profit to the dividend, provided that the assumed net debt-to-EBITDA level is maintained at the end of the financial year, which will be affected by the distribution of profits.

In the recommendation of the distribution of profit earned in Mo-BRUK S.A., the Management Board of the Company will take into account the investment plans, including acquisition, financial and liquidity situation of the Group, existing and future liabilities (including potential restrictions related to credit agreements and issuance of debt instruments) and evaluation of the prospects of the Mo-BRUK S.A. Capital Group in certain market and macroeconomic conditions.

The Company's net debt-to-EBITDA ratio at the end of the financial year, which will be affected by the distribution of profit, may not exceed 3.0.

The Dividend District has been established indefinitely and will be subject to periodic verification.

Profit allocation for the financial year 2018 – dividend payment

By Resolution No. 7/2019 of the Ordinary General Meeting of Shareholders of 24 June 2019, the net profit of Mo-BRUK S.A. for the financial year 2018 of PLN 19 365 132.11 was earmarked as follows:

1. PLN 9 683 413.76 for the Company's reserves,
2. PLN 9 682 518.35 for the payment of dividends to the Company's shareholders.

Ordinary General Meeting of Shareholders of Mo-BRUK S.A. set a dividend date (Day D) as of July 3, 2019 and the deadline for payment of the dividend (Day W) as at July 10, 2019.

The payment of dividends were not covered by own shares acquired by the Company for redemption in the amount of 38,500 units.

Dywidenda per share was PLN 2.71.

Payment of dividends for 2018 from a related entity.

On 9 May 2019, the Ordinary General Meeting of Shareholders of the subsidiary Raf-Ekologia Sp. z o.o. adopted a resolution to allocate in full profit for the financial year from 1 January 2018 to 31 December 2018, amounting to PLN 1 153 664.96 for the benefit of the sole accomplice, the dominant company Mo-BRUK S.A.

The dividend was paid on May 31, 2019.

The payment of the dividend has a benefit on the Issuer's separate result, but does not affect the consolidated result.

3.14. An indication of events occurring after the date on which the condensed quarterly financial statements were drawn up, not included in this report, and which could significantly affect the Issuer's future financial results.

According to the Management Board, after the date on which the quarterly financial statements were drawn up, there was no event likely to significantly affect the Issuer's future financial results.

3.15. Indication of the effects of changes in the structure of an enterprise, including the combination of business units, acquisition seizing or sale of group units, long-term investments, division, restructuring and discontinuation of activities .

There were no changes in the structure of the group or business unit during the reporting period ending 30 September 2019.

3.16. The board's position on the possibility of implementing previously published performance forecasts for a given year, in the light of the results presented in the quarterly report in relation to the forecast results.

The Board did not publish forecasts for the 2019 result.

3.17. Identification of shareholders having, directly or indirectly, at least 5 % of the total number of votes at the issuer's general meeting at the date of transmission of the quarterly report, together with an indication of the number of votes held by them share operators, their percentage share capital, the number of votes resulting from them and their percentage share of the total number of votes at the general meeting and an indication of changes in the ownership structure of the issuer's qualifying holdings in the period after the transmission of the previous quarterly report.

As of the day of the Report on theregistered share capital of Mo-BRUK S.A. is PLN 35 728 850.00 and is divided into 3,572,885 shares with a nominal value of PLN 10.00 each. The Company's shares are:

- 714,732 Series A named shares (1,429,464 votes) - Series A shares are privileged on voting rights
– 2 votes per Series A shares,
- 1,249,092 series B named shares (1,249,092 votes) – Series B shares are not favoured,
- 1,609,061 Series C bearer shares (1,609,061 votes) – C series shares are not privileged.

On 31 July 2019, in the National Court Register, was registered to change the designation of all existing shares of Mo-BRUK S.A. to bearer Series C and D, recorded by the National Depository of Securities ValuechS.A. under the code: PLMOBRK00013, as shares of series C. Changes were made on the basis of the ordinary general meeting of shareholders resolution No. 19/2019 of 24. June 2019 in on the reduction of the company's share capital, the creation of reserve, the change in the designation of the series of shares and the amendment of the Company's Articles of Association.

All shares in share capital have been fully paid for. Since 2010, the Company's shares have been traded on the Alternative Trading Venue of NewConnect and from April 25, 2012 356,018 of ordinary bearer shares of the Issuer's C series, On the basis of resolutions of the Management Board of the Warsaw Stock Exchange No. 369/2012, 370/2012, 371/2012 of 12 April 2012, it was placed on a parallel market run by the Warsaw Stock Exchange. On March 30, 2017, 1,270,000 sharesand subsequent issuances were placed on the parallel market on the basis of the Resolution of the Board of Directors of the Warsaw Stock Exchange No: 301/2017 of 27 March 2017. The remaining series A and Series B registered shares of 1,963,824 with a nominal value shall be indematerialised.

At the date of publication of this Report, the shareholding structure shall be as follows:

Shareholder	Number of shares	Type of action	Share of capital	Number of votes at the AGM	Participation in votes at the AGM
Value FIZ	1,515,409 ¹⁾	ordinary C shares	42.41%	1.515.409	35.95%
Józef Mokrzycki	702,642 ²⁾	registered A shares	19.72%	1.407.121	33,38%
	1.837	ordinary C shares			
Elżbieta Mokrzycka	370.833	registered B shares	10.38%	370.833	8,80%
Anna Mokrzycka-Nowak	285.701	registered B shares	8.00%	285.701	6,78%
Wiktor Mokrzycki	285.701	registered B shares	8.00%	285.701	6,78%
Tobiasz Mokrzycki	285.701	registered B shares	8.00%	285.701	6,78%
Other	65.061	ordinary C shares	1.82%	65.061	1.54%
Mo-BRUK S.A.	60,000 ³⁾	registered A,B shares and ordinary C shares	1,68%	0	0,00%
Time:	3.572.885	-	100,00%	4.215.527	100,00%

Source: Issuer

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

²⁾ series A shares are privileged on voting rights, for 1 share are 2 votes.

³⁾ shares without voting rights acquired by the Issuer as part of the purchase of own shares

3.18. Statement of ownership of the issuer's shares by the issuer's managing and supervising persons at the date of transmission of the quarterly report, together with an indication of changes in the holding state, in accordance with the information held by the issuer, within the period of transmission of the previous interim report.

The table below shows the holding of shares of mo-bruk s.a. Capital Group by managers, in accordance with the issuer's knowledge based on the information provided by obliged persons.

Shareholder	Function in the Issuer's organs	Number of shares held at the date of publication report for the first half of the year 2019	Number of shares as of September 30, 2019	Status change possession during the period of	Number of shares held at the date of publication report for the second quarters 2019
Józef Mokrzycki	President of the Management Board	704 479	704 479	unchanged	704 479
Elżbieta Mokrzycka	Vice-President of the Management Board	370 833	370 833	unchanged	370 833
Anna Mokrzycka-Nowak	Vice-President of the Management Board	285 701	285 701	unchanged	285 701
Wiktor Mokrzycki	Vice-President of the Management Board	285 701	285 701	unchanged	285 701
Tobiasz Mokrzycki	Vice-President of the Management Board	285 701	285 701	unchanged	285 701

3.19. Indication of relevant proceedings pending before a court, the competent authority for arbitration proceedings or a public administration concerning the obligations and claims of the issuer or its subsidiary.

In the case of the Issuer and its subsidiary, there are no relevant proceedings before the court, the competent authority for arbitration proceedings or a public administration.

3.20. Information on the conclusion by the issuer or subsidiary of one or more related parties, if individually or collectively, they are relevant and concluded under conditions other than market conditions.

In the reporting period ending September 30, 2019, Mo-BRUK S.A. and its subsidiaries did not enter into significant transactions under conditions other than market conditions.

3.21. Information on the granting by the issuer or subsidiary of the loan guarantee or the granting of a guarantee by the issuer or subsidiary, collectively to one entity or subsidiary of that entity, if the total value of the existing guarantees is significant.

In the reporting period ending September 30, 2019, Mo-BRUK S.A. or its subsidiaries did not make loans or guarantees that the total value is significant.

3.22. Other information that the Issuer believes is relevant for the assessment of its staffing, financial, financial result and changes, and information that is relevant to the issuer's performance of its obligations.

At the date of publication of this interim report in GK Mo-BRUK S.A. there were no significant events that could materially affect the assessment of the staffing, property, financial situation and the performance of its obligations by the Issuer.

3.23. An indication of the factors that the Issuer believes will affect its performance in at least the next quarter.

When analysing the factors that will affect the Issuer's performance in at least the next quarter, attention should be paid to the following:

external factors:

- the situation on the waste management market,
- economic situation of the country
- financial market situation
- regulations related to the Issuer's activities, in particular:

- regulation of the Minister of the Environment on video surveillance of waste storage sites,
- amendment to the Waste Act and other environmental and waste management laws.

In the above change in legal regulations, the Issuer sees an opportunity to limit the activities of the gray area, which, taking advantage of loopholes in the regulations, illegally disposes of waste, accumulating powerful profits. These legal changes should positively affect the Issuer's financial performance in the future by eliminating unfair competition and thus by stabilising prices on the waste market.

internal factors:

- the possibility of increasing waste treatment charges,
- acquisition of further recipients in the services offered so far by the Issuer.

This year's condensed consolidated financial statements have been approved for publication by the Management Board of Mo-BRUK S.A.

Józef Mokrzycki – President of the Management Board

Elżbieta Mokrzycka – Vice-President of the Management Board for Administration

Anna Mokrzycka - Nowak - Vice-President of the Management Board for Research and Development

Viktor Mokrzycki – Vice-President of the Management Board for Commercial

Tobiasz Mokrzycki – Vice-President of the Management Board for Construction

Person responsible for drawing up the consolidated financial statements

Ewa Kłusek – Chief Accountant

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The company was registered by the District Court for Krakow Śródmieście, XII Commercial Division of the National Court Register under the number KRS: 0000357598.

The share capital of the company is PLN 35,728,850.00 and is paid in full.