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WASTE MANAGEMENT
Solidification
Incineration
Alternative fuels
Laboratory services

Mo-BRUK S.A.

SEPARATE FINANCIAL STATEMENTS

IN ACCORDANCE WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

FOR THE PERIOD 01.01.2022 - 31.12.2022

ISO 9001 – 14001 – 17025

Listed on the Warsaw Stock Exchange

Mo-BRUK Spółka Akcyjna, registered in the District Court for Kraków Śródmieście in Kraków, 12th Commercial Division of the National Court Register, under no. KRS 0000357598.

NIP 734-329-42-52
REGON 120652729

Share capital of PLN 35 128 850, fully paid-up

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I. SELECTED FINANCIAL DATA

ITEM	PLN		EUR	
	01.01.2022-31.12.2022	01.01.2021-31.12.2021	01.01.2022-31.12.2022	01.01.2021-31.12.2021
I. Net revenue from sale of products, goods and materials	213 019 187	236 659 013	45 436 339	51 700 494
II. Operating profit (loss)	94 988 331	128 599 763	20 260 720	28 093 886
III. Gross profit (loss)	110 884 168	136 210 477	23 651 253	29 756 521
IV. Net profit (loss)	92 486 760	110 726 554	19 727 142	24 189 307
V. Net cash flows from operating activities	77 764 776	122 377 018	16 586 988	26 734 466
VI. Net cash flows from investing activities	11 385 211	13 699 515	2 428 431	2 992 794
VII. Net cash flows from financial activities	-111 008 882	-75 211 909	-23 677 854	-16 430 783
VIII. Total net cash flows	-21 858 895	60 864 623	-4 662 435	13 296 477
IX. Weighted average number of shares	3 512 885	3 512 885	3 512 885	3 512 885
X. Profit (loss) per ordinary share (in PLN/EUR)	26.33	31.52	5.62	6.89
ITEM	**PLN**		**EUR**	
	31.12.2022	**31.12.2021**	**31.12.2022**	**31.12.2021**
XI. Total assets	250 753 610	238 926 496	53 466 729	51 947 318
XII. Liabilities and provisions for liabilities	80 174 622	50 178 390	17 095 167	10 909 769
XIII. Non-current liabilities	22 308 205	28 172 467	4 756 648	6 125 248
including deferred income - grant	14 687 864	16 928 770	3 131 807	3 680 647
XIV. Current liabilities	57 866 417	22 005 923	12 338 518	4 784 520
including deferred income - grant	2 128 199	2 143 851	453 784	466 115
XV. Equity	170 578 988	188 748 106	36 371 562	41 037 550
XVI. Share capital	35 128 850	35 128 850	7 490 320	7 637 703
XVII. Number of shares	3 512 885	3 512 885	3 512 885	3 512 885
XVIII. Book value per share (in PLN/EUR)	48.56	53.73	10.35	11.68

The above financial data for 2022 and 2021 were translated into EUR in accordance with the following rules:

- asset and equity and liability items for:

2022 - using the average exchange rate published on 31 December 2022 - EURPLN 4.6899,

2021 - using the average exchange rate published on 31 December 2021 - EURPLN 4.5994,

- data on comprehensive income and data from the statement of cash flows - according to an exchange rate being an arithmetic mean of the average exchange rates published by the National Bank of Poland for the last day of each month in the financial year (from 1 January 2022 to 31 December 2022) - EURPLN 4.6883, and for 2021 (from 1 January 2021 to 31 December 2021) - EURPLN 4.5775.

II. INTRODUCTION TO THE SEPARATE FINANCIAL STATEMENTS

1. General information

1.1. Name and registered office of entity preparing the separate financial statements:

Mo-BRUK Spółka Akcyjna
short name: Mo-BRUK S.A.
based in Niecew 68
33-322 Korzenna

hereinafter the Company.

1.2. Register Court, register number:

In the period from 1 January 2010 to 31 May 2010, the Company operated as Spółka Komandytowa "Mo-BRUK" J. Mokrzycki, based in Korzenna, 33-322 Korzenna.
On 30 April 2010, the partners in this limited partnership adopted a resolution to change the company's legal form to a joint stock company. The change of legal form was registered by on 1 June 2010 by the District Court for Kraków-Śródmieście in Kraków, 12th Commercial Division of the National Court Register, under KRS number 0000357598. The Company holds statistical number REGON 120652729 and tax identification number NIP 7343294252.

1.3. Duration of the Company:

The Company's duration is indefinite.

1.4. Place of business:

The Company operates in Poland, both in its registered office and in branches:

- 33-322 Korzenna, Niecew 68,
- 58-303 Wałbrzych, ul. Górnicza 1,
- 58-303 Wałbrzych, ul. Górnicza 4,
- 27-530 Ożarów, Karsy 78,
- 33-322 Korzenna, Łęka 115,
- 58-300 Wałbrzych, ul. Moniuszki 99,
- 48-318 Skarbimierz – Osiedle, ul. Smaków 21.

1.5. Company's main economic activity:

The Company's business currently focuses on the following areas:

- management of waste, where the Company conducts the following activities:
  - production of alternative fuels;
  - incineration of waste;
  - disposal of waste;
  - stabilisation and solidification (cementation) of inorganic waste and production of cement granulate;
- retail sale of liquid fuels at its own filling stations;
- other activity, where the Company conducts the following activities:
  - rental activities;
  - car wash services;
  - car diagnostics services at its own vehicle inspection station;
  - laboratory services.

The Company business encompasses the processing of industrial waste, hazardous waste and certain fractions of municipal waste. The Company uses waste to produce alternative fuels, which are a valuable raw material for energy, and manufactures - using its own patented technology - artificial aggregate, which is used in road-building and as material for land rehabilitation. The company also has an incineration plant where, among other things, hazardous waste is treated.

1.6. Presented reporting periods:

These separate financial statements have been prepared for the period from 1 January 2022 to 31 December 2022 and contain comparative financial data for the period from 1 January 2021 to 31 December 2021.

1.7. Rounding in the separate financial statements

The Company rounds the figures in its separate financial statements to full Polish zlotys (PLN).

2. Composition of Company's management board, supervisory board and audit committee

2.1. Management Board

The Company's Management Board was composed as follows on the date on which these financial statements were prepared:

- Henryk Siodmok President of the Management Board
- Elżbieta Mokrzycka Vice-President of the Management Board
- Wiktor Mokrzycki Vice-President of the Management Board
- Tobiasz Mokrzycki Vice-President of the Management Board

The following changes in the composition of the Issuer's Management Board took place in the reporting period:

- On 2 June 2022, Mr. **Józef Mokrzycki resigned from the position of President of the Management Board of Mo-BRUK S.A.** with effect from 9 July 2022. In a letter submitted to the Chairperson of the Supervisory Board, Mr. Józef Mokrzycki stated that after 37 years of managing the company, he considers it to be fully prepared to function as an entity managed by professional managers. The resignation was justified by further professional plans involving other projects. Józef Mokrzycki stated that he will not seek a Supervisory Board membership. He underlined that he is ready to support the Management Board of Mo-BRUK S.A. in further strategic and operational activities.
- At a meeting on 9 June 2022, the Company's Supervisory Board **appointed Dr. Henryk Siodmok as President of the Management Board of Mo-BRUK S.A.**, effective from 10 July 2022. The Management Board's joint term ends on 30 April 2025. Henryk Siodmok previously served as Advisor and Managing Director at the Company. He has extensive managerial experience and the right credentials to lead the Company with ambitions to continue organic growth, planning M&A transactions and operating in the growing industrial waste management market.
- On 8 March 2023, **Elżbieta Mokrzycka resigned as Vice-President of the Management Board of Mo-BRUK S.A.** with effect from 31 March 2023. In a letter sent to the Chairperson of the Supervisory Board, Elżbieta Mokrzycka said that after years of working for the Company and having reached retirement age a few years ago, she wanted to devote herself to pursuing private goals. At the same time, Elżbieta Mokrzycka declared her readiness to help and support the Company's Management Board and its employees.
- The Supervisory Board of the Company at its meeting on 23 March 2023 **appointed Rafał Michalczuk as Vice-President of the Management Board of Mo-BRUK S.A. as of 1 April 2023.** The joint term of office of the Management Board ends on 30 April 2025. Rafał Michalczuk serves as the Company's CFO. He has been professionally involved with Mo-BRUK S.A. since November 2022. Rafał Michalczuk graduated from the Poznań University of Economics with a master's degree in International Economic and Political Relations, specialising in international trade. He has held membership status in ACCA since 2002. He has over 15 years of professional experience in the following areas: audit of IFRS financial statements of both companies and groups, day-to-day

management of the financial area of companies and groups, implementation of budgeting, reporting and controlling systems, implementation of profitability improvement programs for products/business segments, participation in numerous successful M&As.

- The Supervisory Board of the Company at its meeting on 23 March 2023 **appointed Andrzej Rytka as Vice-President of the Management Board of Mo-BRUK S.A.** The joint term of office of the Management Board ends on 30 April 2025. Andrzej Rytka has been professionally involved with Mo-BRUK S.A. since 2014 as Director of the Alternative Fuels Production Facility in Karsy, and has held the position of Director of Operations since November 2022. Andrzej Rytka graduated from the Faculty of Electrical Engineering at the Warsaw University of Technology with a degree in Industrial Energy Engineering. He also completed an Executive MBA at the Leon Koźmiński School of Management and Administration. Andrzej Rytka has held senior managerial positions in international waste companies, where he was responsible for performance, planning and budgeting, personnel management and maintaining business relationships with partners.

2.2. Supervisory Board

At the date on which these separate financial statements were prepared, the Supervisory Board was composed as follows:

- Kazimierz Janik — Chairperson of the Supervisory Board
- Arkadiusz Semczak — 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

The following changes in the composition of the Issuer's Supervisory Board took place in the reporting period:

- On 5 January 2022, Mr. Jan Basta tendered his resignation as member of the Supervisory Board of Mo-BRUK S.A. effective from 5 January 2022, citing important personal considerations.
- Mr. Arkadiusz Semczak was added to the Supervisory Board, replacing Mr. Jan Basta, who had resigned. On 5 December 2022, Arkadiusz Semczak was elected to the Company's Supervisory Board by Resolution No. 5/2022 of the Extraordinary General Meeting.

2.3. Audit Committee

At the date on which the financial statements were prepared, the Audit Committee was composed as follows:

- Piotr Skrzyński — Chairperson of the Audit Committee
- Piotr Pietrzak — Member of the Audit Committee

- Kazimierz Janik Member of the Audit Committee

The following changes in the composition of the Issuer's Audit Committee took place in the reporting period:

- On 1 June 2022, the Issuer's Supervisory Board adopted a resolution to appoint Mr. Piotr Skrzyński as Chairperson of the Audit Committee. Mr. Piotr Skrzyński fulfils the condition of independence required to act as Chairperson of the Audit Committee.
- On 31 May 2022, the Company received a statement from Mr. Piotr Pietrzak resigning as Chairperson of the Audit Committee. The reason given for the resignation is that as of 1 June 2022 Mr. Piotr Pietrzak has been a member of the Issuer's Supervisory Board for more than 12 years and therefore will not meet the independence condition required to hold the position of Chairperson of the Audit Committee pursuant to art. 129 sec. 3 point 9 of the act of 11 May 2017 on statutory auditors, audit firms and public oversight. Mr. Piotr Pietrzak remains a member of the Audit Committee,
- Due to the resignation from the Supervisory Board submitted on 5 January 2022 by Supervisory Board Member Mr. Jan Basta and the consequent termination of his mandate in the Audit Committee, the Supervisory Board, acting on the basis of an authorisation resulting from the Company's Articles of Association, appointed Mr. Piotr Skrzyński to the Audit Committee.

3. Related parties

The Company is the parent company for Mo-BRUK Group (highest-level entity).
The duration of the Parent and consolidated Group companies is indefinite.
The following table contains a detailed list of related parties.

LIST OF ENTITIES IN WHICH THE COMPANY HOLDS AT LEAST 20%				
OF SHARES OR VOTES AT THE GENERAL MEETING AT THE BALANCE SHEET DATE				
No.	**Entity name and registered office**	**% stake in capital**	**% stake in general meeting**	**Type of link and method of consolidation**
1.	"RAF-EKOLOGIA" Spółka z o.o. 38-460 Jedlicze ul. Trzecieskiego 14	100	100	Fully consolidated

4. Legal basis for preparing these separate financial statements - Statement of compliance

These separate financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and related interpretations adopted by the European Union, as published and in force as at 31 December 2022, and in accordance with the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information disclosed by issuers of securities and the conditions for information to be considered equivalent to information required by the laws of a non-member state (Polish

Journal of Laws 2018, item 757). IFRS comprises standards and interpretations endorsed by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC).

5. Date on which the separate financial statements were approved for publication

These separate financial statements were approved for publication by the Management Board of Mo-BRUK S.A. on 29 March 2023.

6. Functional currency and reporting currency

The data presented in the separate financial statements is presented in Polish zloty (PLN). The Polish zloty is the Company's functional currency and reporting currency.

7. Going concern

The Company's separate financial statements for 2022 have been prepared on the assumption that the Company would continue as a going concern in the foreseeable future.
The Management Board of Mo-BRUK S.A. does not as at the date of signing the financial statements identify any circumstances indicating a threat to the Company's going concern.

8. Material events in the reporting period

War in Ukraine

A war on Ukrainian territory triggered by Russian aggression began on 24 February 2022. This has led to chaos in global markets. This situation has had and continues to have an impact on the national and global economy. It is currently difficult to estimate what impact the war in Ukraine will have on prices and economic growth and the behaviour of domestic and foreign financial markets in the longer term. This impact will depend on how long the war lasts, what the political solution to the conflict will be, what additional sanctions will be imposed on Russia and what Russia's response to them will be. The war in Ukraine can nevertheless be expected to lower the pace of economic growth and increase inflation relative to scenarios assumed before the outbreak of the war. It should also be assumed that state expenditure on defence and humanitarian aid to refugees from Ukraine will increase, and consequently so will the deficit of the public finance sector.
In connection with the political and economic situation in Ukraine, the Management Board of Mo-BRUK S.A. is monitoring the impact of this conflict on the Company's business and its financial results on an on-going basis. As the Company does not operate in Russia or Ukraine, this event did not have a material impact on Mo-BRUK S.A.'s 2022 financial statements. The risk of the conflict escalating further and the potential introduction of more economic sanctions is being analysed. At the date on which these financial statements were published, the scale of the impact of the events in Ukraine on the global and Polish

economies is difficult to predict and the potential impact on the Company's operations and results in future periods cannot therefore be assessed.

Mo-BRUK S.A.'s entry into Warsaw Stock Exchange's mWIG40 index

Mo-BRUK entered the mWIG40 index as a result of an annual review of index portfolios after the trading session on 18 March 2022. This means that Mo-BRUK is part of an elite group of index constituents listed on the Warsaw Stock Exchange. This is the result of a considerable growth in the Company's operational scale in recent years, manifested in a major increase in revenue and profitability, which have strengthened our position on the capital market.

Dividend payment for 2021 from related party Raf Ekologia Sp. z o.o.

On 11 April 2022, the Ordinary General Meeting of subsidiary Raf-Ekologia Sp. z o.o. adopted a resolution to allocate the entire profit for the financial year from 1 January 2021 to 31 December 2021, amounting to PLN 14 027 460.42, as a dividend to its sole shareholder and parent company Mo-BRUK S.A.

The dividend payment was made on 19 April 2022.

Selection of statutory auditor to audit financial statements for 2022-2024

On 22 April 2022, the Issuer's Supervisory Board adopted a resolution on the appointment of an auditor to audit the Company's separate financial statements for the financial years 2022-2024 and to audit the consolidated financial statements of the Issuer's Group for 2022-2024, as well as to review the semi-annual financial statements for 2022-2024 of the Company and the subsidiary Raf-Ekologia Sp. z o.o. for the corresponding periods.
Pursuant to the adopted resolution, the Company's Supervisory Board decided to appoint Mazars Audyt Sp. z o.o., having its registered office in Warsaw, to audit the separate and consolidated financial statements of the Issuer and its subsidiary to the extent described above.
Mazars Audyt Sp. z o.o. is entered onto the list of entities authorised to audit financial statements maintained by the Polish Chamber of Statutory Auditors under no. 186.
The statutory auditor was selected by the Company's Supervisory Board in accordance with the applicable laws and professional standards based on par. 23 sec. 2 point i) of the Company's Articles of Association.

Allocation of Mo-BRUK S.A.'s profit for 2021 and dividend payment

On 25 April 2021, the Ordinary General Meeting of Mo-BRUK S.A. adopted resolution no. 6/2022 on the allocation of Mo-BRUK S.A.'s profit for the period from 1 January 2021 to 31 December 2021, amounting to PLN PLN 110 726 554.01. The profit was allocated as follows:

1. PLN 70 676.51 was allocated to increase the Company's supplementary capital,
2. PLN 110 655 877.50 was allocated to a dividend for the Company's shareholders.

Mo-BRUK S.A.'s Ordinary General Meeting set the record date as 4 May 2022 and the payment date on 6 May 2022.

The dividend per share amounted to PLN 31.50.

The dividend payment was made on 5 May 2022.

Annex to material agreement with the City of Gorlice

On 3 June 2022, Mo-BRUK S.A. signed an annex to an agreement with the City of Gorlice for the performance of a service consisting of the removal of all hazardous waste illegally stored in 2016-2017 on a property at ul. Wyszyńskiego 2 in Gorlice, as communicated by the Issuer in current report 41/2020 of 27 October 2020. Pursuant to the annex, the contractor's total remuneration was increased to PLN 75 183 700.00 gross and the deadline for waste removal was extended to 15 November 2022 and the deadline for waste treatment to 30 June 2023.
The subject of the annex is the removal and processing of approx. 2700 tonnes of waste located at the former Glimar refinery in Gorlice.

Material agreement with Wodociągi Miasta Krakowa S.A.

On 30 August 2022, the Issuer signed, on behalf of a consortium: Mo-BRUK S.A. and Usługi Transportowe "REGAL" Alicja Reguła, an agreement with Wodociągi Miasta Krakowa S.A., based in Kraków, the subject of which is the successive collection (take away and management) of waste left over after the thermal disposal of wastewater sludge from the Thermal Waste Disposal Station operated by Wodociągi Miasta Krakowa S.A. for a total amount of PLN 20 384 400.00 net.
The amount of remuneration due to the Issuer may change in the event of a change in the prices of materials or costs affecting the performance of the Agreement, based on the average annual consumer price increase index announced by the President of the Central Statistical Office.
The Agreement was executed following a tender conducted pursuant to the Act of 11 September 2019 - the Public Procurement Law, and was signed for the period from 11 September 2022 to 10 September 2025.

Environmental decision secured for expansion of facility in the city of Niecew

On 20 October 2022, the Mayor of the Municipality of Korzenna confirmed the validity of the decision of 20 September 2022 issued by the authority to Mo-BRUK granting it an environmental permit for the expansion of its facility in the City of Niecew.
The planned project will consist of the expansion and redevelopment of hazardous and non-hazardous waste treatment and storage areas at the existing facility at the Niecew Waste Recovery Facility. The installation is used to produce synthetic aggregate - a construction product. The expansion and redevelopment include the construction of new facilities and essential infrastructure, adaptation and modernisation of existing facilities or equipment. The plant's processing capacity will also change, from 100 000 tonnes to 140 000 tonnes per year.
According to the Management Board, the decision obtained is important for the implementation of tasks resulting from the Company's long-term development strategy and its aim of strengthening its market

position.

Material agreement with AB Industry S.A.

On 20 December 2022, following a procedure for a request for quotation made public on the Issuer's website, Mo-BRUK S.A. signed a material agreement with a company operating under the name of AB Industry Spółka Akcyjna with its registered office in Macierzysz, pursuant to which Mo-BRUK S.A. commissioned AB Industry S.A. to design and execute, in the system of general contracting, a project consisting in the adaptation of an installation to the conditions allowing for the fulfilment of the best available techniques (BAT) with the full use of the limit for thermal processing of waste in its integrated permit, i.e. 25 000 Mg/year. Thus far, the installation was capable to safely process approx. 15 000 Mg/year.
Under this agreement, AB Industry S.A., in the formula design and build as a general contractor, will implement an investment consisting in the modernisation of the thermal waste conversion installation at Mo-BRUK S.A.'s facility in Karsy. The modernisation will also include the creation of an energy production module (ORC with a minimum output of 1 200 kW). The term of the agreement was set at 31 July 2024.
The agreement is considered material by the Management Board of Mo-BRUK S.A. due to its value amounting to PLN 134 million net.
The terms of the agreement, in the Issuer's opinion, do not differ from those commonly used for this type of agreement.
The conclusion of the agreement is a step in the implementation of an investment program that aims to increase the Group's current production capacity by 70% over the next 24 months.
Mo-BRUK S.A. has applied for support for this investment from the National Fund for Environmental Protection and Water Management with a grant of PLN 30.2 million and a preferential loan of PLN 32.7 million.

9. Events after the reporting period

Changes in Management Board composition

Events took place after the balance sheet date that will result in changes to the composition of the Management Board as of 1 April 2023. A detailed description is available in point 2 of these financial statements, i.e.: *"Composition of Company's management board, supervisory board and audit committee."*

Receipt of the decision of the Local Board of Appeals

- On 16 January 2023, the Company received a decision of the Local Board of Appeals in Wrocław dated 22 December 2022 on revoking the appealed decision of the Marshal of the Lower Silesian Voivodship of 2 November 2021 in its entirety and referring the case for reconsideration to the body of first instance. In the repealed decision of the Marshal of the Lower Silesian Voivodship, an increased fee was imposed on the Company for the storage of waste in 2016 at a landfill site for waste other than hazardous and inert waste, with a separate section for the storage of hazardous waste containing asbestos at ul. Górnicza 1 in Wałbrzych,

- On 21 February 2023, the Company received a decision from the Marshal of the Lower Silesian Voivodship in Wrocław dated 03 February 2023 on imposing an increased fee on the Company for the storage of waste in 2016 at the landfill site for waste other than hazardous and inert waste, with a separate section for the storage of hazardous waste containing asbestos at ul. Górnicza 1 in Wałbrzych.

A detailed description of the above-mentioned administrative matters can be found in the Management report on Mo-BRUK S.A.'s activities in 2022, in point 12 "*Material proceedings before a court, arbitration authority or public administration authority, concerning liabilities or debts of the issuer or its subsidiary*"

Aside from the above, in the period after the balance sheet date, there were no events that could materially affect Mo-BRUK S.A.'s financial results in the future.

10. Rules for measurement of assets and equity and liabilities and measurement of financial results applied in preparing the separate financial statements

These separate financial statements were prepared on a historic cost basis and on an accrual basis. In preparing these separate financial statements, the Company applied a materiality threshold of 1% of the balance sheet total.

10.1. Intangible assets

Intangible assets include trademarks, patents and licenses, computer software, the cost of development works and other intangible assets that meet the recognition criteria listed in IAS 38. This item also includes intangible assets that have not yet been put into services (intangible assets in progress).

At the balance sheet date, intangible assets are recognised at the acquisition price or manufacture cost, less amortisation and impairment. Intangible assets with a definite useful life are amortised on a straight line basis throughout their economic life. The useful life of intangible assets is annually verified and, if needed, adjusted from the moment the estimate changes.

The expected useful life for various intangible asset groups is as follows:

- patents and licenses - to 25 years
- computer licenses and software - to 10 years
- other intangible assets - to 10 years

Intangible assets with an indefinite useful life are not amortised but instead are annually tested for impairment. At the date of these financial statements, the Company did not have intangible assets with an indefinite useful life.
Costs related to the maintenance of software, incurred in subsequent periods, are recognised as cost in the period when they are incurred.

The costs of research work are recognised when they are incurred.

Gains or losses on the sale of intangible assets are calculated as the difference between net proceeds from the sale and the balance sheet value of the intangible asset sold. These gains and losses are recognised in profit or loss in other comprehensive income or in operating costs when the buyer obtains control over the intangible asset being sold in accordance with IFRS 15 (see sub-point "Revenue" in this section of of additional information to the separate financial statements). The amount of consideration in a transaction to sell an intangible asset is determined in accordance with IFRS 15 requirements concerning determination of the transaction price.

10.2. Property, plant and equipment

Rules for the measurement of property, plant and equipment are mainly specified in IAS 16 Property, Plant and Equipment.

Property, plant and equipment and tangible assets are initially recognised at the acquisition price or cost to manufacture, except for assets acquired as a result of a business combination or received as an in-kind contribution, which are measured at fair value.

The cost of a tangible asset or tangible asset under construction comprises the total costs incurred by the entity during the period of construction, assembly, adaptation and modernisation up to the date such asset is taken into use (or up to the reporting date if the asset has not yet been taken into use), including non-deductible VAT and excise duty. The cost of construction also includes, where required, the costs of dismantling and removing the item of property, plant and equipment and restoring the site on which the item is located to its original condition.

The purchase price or cost to manufacture is not subject to adjustment for exchange differences concerning liabilities that finance the acquisition of the asset, calculated from the date on which the asset is put into use, unless they concern an adjustment of interest or result from the existing hedge accounting policy.

The purchase price or cost to manufacture is increased by the cost of interest on liabilities that finance the acquisition of the asset, calculated from the date on which the asset is put into use (using an effective interest rate).

Subsequent to initial recognition, property, plant and equipment, with the exception of land and the separate group of property, plant and equipment "Research and development process equipment," are carried at cost less accumulated depreciation and impairment losses. Property, plant and equipment in progress is not depreciated until construction and assembly are completed and the tangible asset is put into use.

Tangible assets are divided into components being items of significant value, for which a separate useful life can be assigned. The costs of general inspections as well as significant spare parts and equipment are also a component, provided that they will be used for a period exceeding one year. On-going maintenance costs incurred from the moment the tangible asset is put into use, such as maintenance and repair costs, are recognised when they are incurred.

A separate class of property, plant and equipment - "Machines and equipment for technological processes in R&D" - which are similar in type and application, constitutes a separate group subject to revaluation. This group is related to research and development activity, and the property, plant and equipment in this

group features different parameters, while their functionality and intended use are strictly related to a new separate activity.

In reference to each item of property, plant and equipment, the Company determines its period of economic life. If justified, different periods of economic life and depreciation rates/methods may be applied to significant components of a tangible asset. The Company applies different depreciation rates/methods for each significant component.

Property, plant and equipment is subject to systematic depreciation throughout the economic life from the date on which the item is ready for use to the date on which it is derecognised or classified as held for sale. Own land is not subject to depreciation due to its indefinite useful life.

The entity applies straight line depreciation for property, plant and equipment, unless other methods (degressive, based on production units) better reflect the consumption of economic benefits resulting from the given item.

The Company applies the following depreciation periods:

- buildings and structures - up to 40 years
- technical equipment and machinery - up to 25 years
- means of transport - up to 20 years
- other tangible assets - up to 20 years

Depreciation period, depreciation method and residual value (if available) are subject to periodic verification, at least at the end of each financial year. If a significant change is identified in comparison with previous estimates, the entity changes the depreciation rates and/or methods, starting from the first day of the reporting period.

Tangible assets with an initial value of up to PLN 3 500.00 are recognised as costs in the month they are put into use.

The costs of on-going repairs and inspections of property, plant and equipment are recognised as a cost in the period in which they are incurred, unless they lead to an extension of the economic life.

10.3. Leases

Company as lessee

For each contract, the Company decides whether it is, or contains, a lease. A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. Three key aspects are analysed for this purpose:

- whether the contract concerns an identified asset that is either explicitly identified in the contract or is implicitly specified by being identified at the time that the asset is made available for use by the Company,
- whether the Company has the right to obtain substantially all of the economic benefits from the use of the identified asset throughout the period of use, as specified in the contract,

- whether the Company has the right to direct the use of the identified asset throughout the period of use.

At inception, the Company recognises a right-of-use asset and a lease liability. The right-of-use asset is initially measured at the purchase price, consisting of the initial value of the lease liability, initial direct costs, an estimate of the expected costs of disassembly of the underlying asset and lease fees paid on or before the inception date, less lease incentives.

The Company amortises the right-of-use asset on a straight line basis from the inception date to the end of the useful life of the right-of-use asset or to the end of the lease term, depending on which of these dates is earlier. If indications are identified, the right-of-use asset is tested for impairment in accordance with IAS 36.

At the inception, the Company measures the lease liability at the present value of outstanding lease payments, using the lease's interest rate, if it can be determined. Otherwise, the lessee's residual interest rate is applied.

Lease fees that are taken into account in the lease liability consist of fixed lease fees, variable lease fees that depend on an index or rate, amounts expected to be paid as guaranteed residual value and payments under buy options, if their exercise is rationally certain.

In subsequent periods, the lease liability is decreased by the payments made and increased by interest accrued. Measurement of the lease liability is updated in order to reflect contractual changes or the remeasurement of the lease term, exercise of purchase options, guaranteed residual value or lease payments that depend on an index or rate. As a rule, the update of the liability is recognised as adjustment of the right-of-use-asset.

The Company applies the practical expedients specified in the standard and concerning current leases and leases where the underlying asset is of a low value. In reference to such contracts, instead of recognising a right-of-use asset and a lease liability, lease payments are recognised on a straight line basis throughout the lease term.

The Company presents the right-of-use in the same items of the statement of financial position as the underlying assets, hence in property, plant and equipment.

The right to perpetual usufruct of land is considered by the Company as a lease in accordance with IFRS 16 and is treated as such. The lease term for such rights is assessed in accordance with general rules, while a potential plan to sell a perpetual usufruct right is not treated as the end of a lease.

Company as lessor

As lessor, the Company classifies leases as either operating leases or financial leases. A lease is recognised as a financial lease if essentially all of the risk and benefits from owning the underlying asset are transferred. Otherwise, the lease is treated as an operating lease.

For a sub-lease, assessment is performed in the context of the right-of-use asset rather than the underlying asset.

10.4. Impairment of non-financial non-current assets

The following assets are subject to annual impairment tests:

- goodwill, with the first impairment test being performed at the end of the reporting period in which the business combination took place,
- intangible assets with an indefinite useful life, and
- intangible assets that are not yet in use.

As regards other intangible assets and property, plant and equipment, interests in related parties and right-of-use assets, an assessment is made of whether there are any indications of impairment. If events or circumstances are identified that can indicate difficulty in recovering the balance sheet value of an asset, an impairment test is performed.

For the purpose of the impairment test, assets are grouped at the lowest level at which they generate cash flows independently of other assets or asset groups (cash generating units). Assets that independently generate cash flows are tested individually.

Goodwill is allocated to those cash generating units that are expected to yield synergy benefits resulting from a business combination, with these cash generating units being at least operating segments.

If the balance sheet value exceeds the estimated recoverable value of assets or the cash generating units where these assets belong, then the balance sheet value is reduced to the recoverable value. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. In determining value in use, estimated future cash flows are discounted to present value using a discount rate that reflects the current market assessments of the time value of money and risk associated with the asset.

The impairment of a cash generating unit is assigned to its goodwill. The remaining amount of impairment proportionally reduces the balance sheet value of the assets being part of the cash generating unit.

Impairment losses are recognised in profit or loss in the item 'other operating costs.'

Impairment of goodwill is irreversible in subsequent periods. For other assets, premises for the reversal of an impairment loss are evaluated at each subsequent balance sheet date. The reversal of impairment is recognised in profit or loss in the item 'other operating revenue.'

10.5. Financial instruments

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

The financial asset or financial liability is recognised in the statement of financial position when the Company becomes a contractual party for the instrument. Standardised transactions to buy and sell financial assets and liabilities are recognised on the transaction date.
A financial asset is removed from the statement of financial position when the contractual rights to cash flows from that asset expire or when the financial asset and substantially all risk and reward from that asset are transferred to another entity.
The Company excludes a financial liability from the statement of financial position when the liability ceases to exist, meaning that the contractual obligation has been fulfilled, cancelled or expired.
Financial assets and liabilities are measured in accordance with the following rules:

Financial assets at amortised cost

Financial assets at amortised cost include trade receivables (receivables concerning supplies and services), loans granted, other receivables and cash and equivalents. These items are measured on the balance sheet date at amortised cost using an effective interest rate. Financial assets at amortised cost are measured taking into account expected credit losses.

Financial assets at fair value through profit or loss

This group includes financial assets held for trading, investments in equity instruments quoted on an active market and financial assets that were not classified as financial assets at amortised cost or at fair value through other comprehensive income. Changes in the fair value of financial assets (which are classified in this category) are recognised in profit or loss in the period in which they arise. Interest income and dividend income from equity instruments quoted on an active market are also recognised in profit or loss.

Financial assets at fair value through other comprehensive income

This group includes investments in equity instruments that are measured at fair value (other than those relating to investments in subsidiaries and associates), which are designated as equity instruments at fair value through other comprehensive income, that meet the criteria of a basic loan agreement received in accordance with the business model for the realisation of cash flows or sales. Gains on the measurement of investments in equity instruments or debt instruments classified in this category are recognised in other comprehensive income. Interest income from investments in debt instruments is recognised in profit or loss. Dividends from equity instruments measured at fair value through comprehensive income are recognised in profit or loss as revenue. When an equity instrument measured at fair value through other comprehensive income is sold, the revaluation recognised in equity is settled within equity (do not affect the period's financial result). When a debt financial asset measured at fair value through other comprehensive income is sold, the accumulated gains or losses in equity are recognised (reclassified into) profit or loss.

Financial liabilities at amortised cost

The Company classifies loans received, credit facilities received, debt liabilities, trade and other liabilities subject to IFRS 9 as measured at amortised cost. Interest cost is recognised by the Company in profit or loss, except for situations where this cost qualifies for recognition in the initial value of assets.
Financial liabilities at amortised cost using effective interest rate

Impairment of financial assets

The entity determines impairment losses in accordance with the expected credit losses model for its subject to IFRS 9.
The expected losses model applies to financial assets at amortised cost and debt financial assets at fair value through other comprehensive income as well as to financial guarantees and commitments to issue loans (except for those measured at fair value).
For trade receivables (receivables concerning supplies and services), the Company applies a simplified approach to determine a loss allowance for expected credit losses - specifying this in an amount equal to lifetime expected credit losses in accordance with the solutions presented in point 10.6.
In the case of other financial assets, the Company measures a loss allowance for expected credit losses in an amount equal to the 12-month expected credit losses, unless credit risk deteriorated significantly or a liability was not performed. If credit risk associated with a financial instrument increased substantially from initial recognition, the Company measures a loss allowance for expected credit losses in an amount equal to lifetime expected credit losses. At each reporting date, the Company analyses whether there are indications of a substantial increase in credit risk with regard to its financial assets.

10.6. Receivables

Trade receivables (receivables concerning goods and services) are initially recognised at the transaction price specified in the contract and subsequently are measured at amortised cost using the effective interest rate approach, less loss allowances for expected credit losses (including impairment). Impairment losses on trade receivables are determined on the basis of expected loss calculations.
The Company calculates expected credit losses for trade receivables on the basis of historic data concerning the repayment of receivables by counterparties, adjusted in appropriate cases by information about the future and macroeconomic expectations. For trade receivables, the Company applies the simplified model, allowing it to calculate a loss allowances for lifetime expected credit losses. Estimates of these losses are prepared collectively, and receivables are grouped by period of delinquency. These estimates are primarily based on past payment delays and the link between delays and actual repayment rates from the past three years, taking account of the available information about the future.
Serious financial problems of the debtor, the probability that the debtor will declare bankruptcy or file for composition proceedings along with significant delays in repayment are indications that the trade receivables are impaired. The amount of impairment is recognised in profit or loss for the current period, in other operating costs. If a trade receivable is irrecoverable, an impairment loss is recognised in other operating costs in the statement of profit and loss.

10.7. Inventory

Rules for the recognition and measurement of inventory are specified in IAS 2 Inventory. At initial recognition, inventories are recognised at the purchase price or cost to manufacture.
At the balance sheet date, inventories are measured at the purchase price or cost to manufacture, however not higher than the net realisable value:

- materials - at the purchase price, not higher than the net realisable value.
- commercial goods - at the purchase price, not higher than the net realisable value,
- finished goods - at the direct cost of materials and labour and the mark-up of indirect costs, or at record prices not higher than their selling prices at the balance sheet date.

Outgoing inventories are measured using the weighted average approach.
The Company's principal economic activity is waste management. The inventory of waste is measured at zero. In connection with this, these inventories are not subject to impairment. Furthermore, according to the Company's Management Board, the cost of a potential provision for processing/disposal is negligible due to the quantity of waste collected.

10.8. Cash and statement of cash flows

The Company classifies the following as cash and equivalents: cash on hand and deposits payable on demand, with an initial maturity of up to three months.

In the case of deposits where payment depends on compliance with specific criteria they are recognised as restricted cash.
The Company classifies bank deposits, treasury bills and commercial bills with high credit quality, the maturity of which does not exceed three months from recognition of the financial instrument (also applies to bank deposits) as cash equivalents.
Cash and equivalents are recognised in the statement of financial position at amortised cost, which does not differ from their fair value.
Overdraft facilities are presented in the statement of financial position as items of current credit, loans and debt securities under current liabilities.
The Company prepares the statement of cash flows using the indirect approach. The following types of cash flows are reported:

- from operating activities;
- from investing activities;
- from financing activities.

Cash flows from income tax are disclosed separately and are classified as cash flows from operating activities.

10.9. Other assets

The Company settles over time the costs incurred that concern future reporting periods. In particular, the following items that meet the definition of assets are settled proportionally over time:

- cost of insurance policies;
- cost of subscriptions;
- cost of utilities and other services paid up-front,

The cost of securing an investment loan adjust the value of the loan and is subject to gradual settlement into finance costs in connection with the measurement of liabilities at amortised cost.
The cost of securing a loan prior to its origination is recognised as asset and adjusts the value of the loan when it is originated.

10.10. Equity

The Company classifies the following as equity:

- the equivalent of issued equity instruments (shares),
- share premium,
- retained earnings - depending on the shareholders' decision, they are presented as supplementary capital or reserve capital.
- reserve capitals formed in connection with the recognition of other comprehensive income,
- unallocated result from prior years.

The capitals are measured at nominal value.

10.11. Provisions for liabilities

The Company recognises provisions for liabilities in accordance with IAS 19 Employee Benefits as regards provisions for employee benefits and IAS 37 Provisions, Contingent Liabilities and Contingent Assets as regards other provisions.

Employee benefits

The employee benefit liabilities and provisions recognised in the statement of financial position include the following titles:

- current employee benefits - remuneration (together with bonuses) and social insurance contributions,
- provision for unused holidays, and
- other non-current employee benefits, to which the Company includes retirement allowances.

Current employee benefits

The value of liabilities concerning current employee benefits is determined without discount and recognised in the statement of financial position in the amount payable.

Provision for unused holidays

The Company creates a provision for the cost of accumulated paid absences, which it will have to incur as a result of in the form of unused leaves that have accrued as at the balance sheet date. The provision for unused holidays constitutes a current provision and is not discounted.

Retirement allowances

In accordance with the Company's remuneration systems, employees are entitled to retirement allowances. A retirement allowance is a one-off payment upon retirement. The amount of a retirement allowance depends on the employee's seniority and average remuneration. These allowances constitute other non-current employee benefits.

The Company creates a provision for future liabilities related to retirement allowances in order to assign costs to the employees' rights' vesting periods.

The present value of provisions is estimated using actuarial methods at each balance sheet date. The provisions are equal to the discounted payments that will have to be made in the future and concern the period until the balance sheet date. Demographic information and information on employee turnover are based on historic data.

Results of the measurement of the provision for liabilities related to retirement allowances are recognised in profit or loss.

Other provisions, contingent liabilities and assets

Provisions are created when there is a present contractual, legal or constructive obligation arising as a result of a past event, when payment is probable and the amount can be estimated reliably, although the amount or maturity of this liability are not certain.
Provisions are recognised at the value of estimated outflows need to perform the present obligation based on the most credible evidence available at the date of the financial statements, including evidence pertaining to risk and the degree of uncertainty. If the impact of the time value of money is material, the amount of the provision is determined by discounting forecast future cash flows to present value, using a discount rate that reflects the current market assessments of the time value of money and any risk associated with the liability. If the discounting method is applied, an increase in the provision over time is recognised as a finance cost.

If the Company expects the costs covered by the provision to be recovered, for example via an insurance policy, then this return is recognised as a separate asset but only whether there is sufficient certainty that the return will actually take place. However, the value of this asset may not exceed the amount of the provision.

When it is unlikely that funds will be spent to meet a present obligation, the amounts of a contingent liability are not recognised in the statement of financial position, except for contingent liabilities identified in a business combination in accordance with IFRS 3.

Information on contingent liabilities is disclosed in note 26.

10.12. Liabilities

The Company measures financial liabilities using the rules specified in IFRS 9 Financial Instruments. The Company measures financial liabilities using the amortised cost method:

- liabilities related to credit facilities, bonds, loans and financial leases are measured at amortised cost.
- liabilities related to goods and services are measured at amortised cost, but discounting does not apply to liabilities that are less than 180 days overdue.

10.13. Grants and state aid

The Group receives grants for the purpose of creating or acquiring specific tangible assets (grants for assets), which are recognised in the statement of financial position in the item deferred income and are systematically recognised in profit and loss throughout the economic life of these assets. The item 'accrued expenses' in equity and liabilities includes deferred revenue, including cash received to finance tangible assets that are settled in accordance with IAS 20 Accounting for Government Grants and Disclosure of Government Assistance. Accrued expenses are recognised under Trade and other liabilities.
Grants are recognised only when there is sufficient certainty that the Company will meet the conditions related to the grant and that the grant will actually be received.
A grant concerning a cost item is recognised as a reduction in costs commensurate with the costs that the grant is intended to offset.
A grant that finances an asset is progressively recognised in the result as an offset to costs over the periods in proportion to the depreciation charge made on the asset. For the purpose of presentation in the consolidated statement of financial position, the Company does not subtract grants from the balance sheet value of assets, rather recognises grants as deferred income in the item 'Accruals.'

10.14. Revenue

Recognition of revenue by the Company reflects the transfer of goods or services to a counterparty in an amount that reflects the consideration that the entity expects to receive in exchange for the goods or services. To apply the key principle for revenue recognition under IFRS 15, the Company recognises revenue in a five-step model:

1) Identify the contract(s) with a customer

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

a) the parties to the contract have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations;

b) the Company can identify each party's rights regarding the goods or services to be transferred;

c) the Company can identify the payment terms for the goods or services to be transferred;

d) the contract has commercial substance (ie the risk, timing or amount of the entity's future cash flows is expected to change as a result of the contract); and

e) it is probable that the Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

2) Identify the performance obligations in the contract

At contract inception, the Company assesses the goods or services promised in a contract with a customer and identifies as a performance obligation each promise to transfer to the customer either: a good or service (or a bundle of goods or services) that is distinct; or a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer. If these goods or services are separate, they constitute separate performance obligations and are accounted for separately.

3) Determining the transaction price

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer. The transaction price may be a fixed amount but include variable amounts, or payment other than cash. If the consideration is variable, the Company estimates the amount of the consideration that it expects to receive in exchange for the promised goods or services. An estimated amount of variable consideration is recognised in the transaction price only up to an amount where it is highly likely probable that a significant adjustment of revenue will not occur once uncertainty ends.

4) Allocating the transaction price to performance obligations

The Company allocates the transaction price to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which the entity expects to be entitled in exchange for transferring the promised goods or services to the customer.

5) Recognition of revenue when performance obligation is satisfied

The Company recognises revenue when (or as) it satisfies a performance obligation by transferring a promised good or service (ie an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

Revenue from contracts with customers is analysed on the basis of the categories corresponding to the separate reporting segments, i.e. waste management, petrol stations, other, and the geographical areas

from which the waste streams treated at the Company's facilities originate. Information on reporting segments that the management use in making operational decisions are recognised at the level of Mo-BRUK S.A. in the separate financial statements. Detailed information on the Company's revenue is presented in notes from 17.1 to 17.7.

Revenue from waste management services

The main source of the Company's revenue is revenue from collecting waste for processing and disposal. The Company has the technology, permits and experience to dispose of nearly all types of waste defined in the waste catalogue (Regulation of the Minister of the Environment of 20 January 2020 regarding waste catalogues). In connection with this, the Issuer's customers are companies that have waste, including manufacturing companies that generate industrial waste in the course of their operations, local government units required to clean up waste within their land, municipal waste sorting facilities, companies collecting small quantities of waste, intermediaries in waste trade.
The Company transfers control over its services when it accepts waste, fulfilling its performance obligation. The Company has the right to a consideration from the customer in an amount that directly corresponds to the amounts specified in the contract or order from the customer. Material contracts for waste processing are typically preceded by a tender procedure. The Company recognises revenue in an amount that it has the right to invoice for.

Revenue from retail sale of liquid fuels and LPG

The Company owns two refuelling stations where it sells fuels and liquefied petroleum gas (LPG).
The Company recognises revenue when the goods are transferred to the customer and the transaction is recorded.

Revenue from construction services

There was no revenue from construction services in the current reporting period. Construction services did not account for a material share of the Company's total revenue in the comparative period.
In most cases, the Company recognises revenue when the service is performed and confirmed by a signed work handover protocol. If there are outstanding contracts for construction services, the Company measures these as at the balance sheet date as consideration at a point in time.

Other revenue, including rentals, equipment, marketing and diagnostics services

The Company transfers control over these services at a point in time when the service is provided, thus performing the obligation, and recognises revenue in the month in which service is rendered.

In all cases, the amount of consideration is typically reflected with an amount received or due to be received, less expected discounts, customer returns and similar deductions, including tax on goods and services and other taxes related to sales, except for excise duty.

Revenue from the sale of goods and products in the above categories are recognised when the customer takes control over the asset being delivered. The Company does not provide services the revenue from which would be recognised over time.
All contracts have fixed prices. Revenue from sale is recognised based on a transaction price that takes into account bonuses that are due (or expected). The Company does not have contracts settled based on time spent and expenses.

Payment deadlines applied by the Company reflect the standard payment deadlines in the industry and do not exceed 120 days. In connection with this, the Company does not recognise the effect of time value of money (discount) in the measurement of the consideration.

Other revenue

Other revenue includes: compensation and donations, gain on sale of property, plant and equipment, reversal of impairment losses on receivables or investments, services reinvoiced to employees.

Finance income

Finance income includes interest on cash invested by the Company, dividends, gains on sale of financial instruments held for trading, gains on changes in fair value of financial instruments through profit or loss, gains on exchange differences and gains on hedging instruments that are recognised in profit or loss. Interest income is recognised in profit or loss on an accrual basis, using the effective interest rate method. Dividend income is recognised in profit or loss when the Company obtains the right to receive the dividend.

10.15. Costs

Costs are recognised in profit or loss on the date they are incurred, i.e. on the date the corresponding assets are excluded or liabilities are recognised.
Employee benefit costs are recognised in the period in which the employees provided work that the benefits concern.
Borrowing costs are recognised as costs in the period in which they are incurred, except for costs that can be directly attributed to the acquisition, construction or manufacture of an asset that is being adapted. Then, borrowing costs are capitalised as part of the acquisition price or cost to manufacture this asset in accordance with IAS 23 Borrowing Costs.

10.16. Income tax

The Company's taxable income (tax loss) constitutes income (loss) for the period, calculated in accordance with rules set by Polish tax authorities, which are the basis for the payment (refund) of income tax.
Liabilities and receivables concerning current income tax for the current period and previous periods are measured at the amounts of expected payment to tax authorities (subject to refund from tax authorities),

with the application of tax rates and tax laws that were legally or factually in force on the balance sheet date.

Deferred income tax assets constitute amounts that are expected to be deducted from income tax in future periods due to:

- negative temporary differences,
- transfer of unsettled tax losses to the next period, and
- transfer of unsettled tax losses to the next period, and

Tax burden (tax income) consists of current tax burden (current tax income) and deferred tax burden (deferred tax income).
The Company creates a provision for deferred income tax (recognised a deferred income tax asset) in all cases where the performance or settlement of the carrying amount of the asset or equity and liability causes an increase (decrease) in the amount of future tax payments in comparison to an amount that would be correct if this performance or settlement would not give rise to tax effects.
The present measurement of tax receivables and liabilities takes account of payable amounts using rates that are legally or factually in force on the balance sheet date.
Based on financial results forecasts, in subsequent years the entity assesses whether there are premises (planned taxable income) to recognise a deferred income tax asset or adjust its value.
The Company does not discount deferred tax assets and provisions.
Income tax concerning items recognised in other comprehensive income or directly in equity is recognised in other comprehensive income or directly in equity rather than in the statement of profit and loss. In accordance with IAS 12, the Company offsets current income tax liabilities and receivables and deferred income tax provisions and assets.

This offset is permitted only when the Company:

- has an enforceable legal title to offset the recognised amounts,
- intends to pay tax in the net amount or at the same time perform the receivable and settle the liability.
- assets and provisions concern income tax imposed on a single taxpayer or many taxpayers under different terms.

Current income tax receivables and liabilities are disclosed separately in the financial statements.

10.17. Management of financial risk

The following types of risk are material to Mo-BRUK S.A.'s activities:

- interest rate risk

The Company understands interest rate risk to mean the probability that a change in interest rates will have an adverse effect on earnings. The Company's exposure to interest rate changes mainly relates to cash and cash equivalents (risk of lower interest income), as well as bank loans and borrowings and other liabilities based on variable interest rates (risk of increased debt service costs).

As at the date of preparation of the financial statements, the Issuer had no liabilities for bank credit, while other financial liabilities, excluding liabilities for the right to perpetual usufruct of land, based on a variable interest rate result mainly from leases, valued at PLN 435.3 thousand, and loans, valued at PLN 15.7 thousand. According to the Management Board, the low value of financial liabilities based on variable interest rates, as well as their nature, have the effect of significantly reducing interest rate risk.
In the years ended 31 December 2022 and 31 December 2021, the Company did not hedge against interest rate risk.
Due to the planned capital expenditure and the Company's planned growth through potential acquisitions and organic growth, the Company plans to take out new bank loans in the future to finance the mentioned investments.
Quantitative data on risk exposure is available in note 23.

- currency risk

According to the Management Board, the Company's core business generates negligible currency risk. Trade with foreign counterparties constitutes a marginal portion of the Company's revenue, therefore even a major weakening of currency will not have an impact on the Company's results. Currency risk may increase in future periods due to on-going talks with foreign counterparties. In the years ended 31 December 2022 and 31 December 2021, the Company did not hedge against currency risk.

- credit risk

Credit risk is understood as the risk of suffering losses as a result of a counterparty failing to satisfy its liabilities toward the Company or the risk of a decline in the economic value of debt as a result of a deterioration in a counterparty's ability to satisfy its liabilities.
With on-going monitoring of receivables, the Company's exposure to the risk of bad debts is negligible. As regards waste management, the risk of bad debts is minimal because the occurrence of any overdue payments causes the lack of confirmation of the notification of waste deliveries and thus suspension of the collection of waste from the customer. Waste collection is resumed when the overdue receivables are settled. Credit risk related to receivables concerning services is further minimised by the Company's Management Board by assessing the present credibility of counterparties. According to the Management Board, the Company does not feature a significant concentration of credit risk related to receivables concerning services. The Company offers deferred payment deadlines that depend on the nature of the contracts signed with customers. Payment deadlines for services performed on the basis of a contract are 30 days for most customers, while for services performed on the basis of an order they are most often 14 days. 21-day payment deadlines are the least frequent. If a counterparty experiences problems with liquidity, is it possible to breach the contractual deadline, which gives rise to overdue receivables that are subject to impairment in accordance with the accounting policy. The Company assumes that non-performance of a liability takes place when the receivable is overdue for 180 days or there are other circumstances indicating this, such as the debtor's bankruptcy or the initiation of liquidation proceedings. Items for which non-performance by the debtor is identified, understood as above, are treated by the Company as financial assets impaired due to credit risk.

Counterparty credibility is verified in accordance with the rules in place at the Company. Because the Company's core business focuses on the waste management market, counterparties are verified in the Product, Packaging and Waste Management Database. As part of this verification, the Company also uses paid economic information databases and publicly accessible registers of economic activities such as list of entities registered as VAT payers, Central Register and Information on Economic Activity (CEIDG). Application documents, including financial statements and excerpts from the National Court Register, are also analysed.

The Company's balance sheet shows other current receivables of PLN 4 680.6 thousand and other non-current receivables of PLN 1 191.4 thousand. Their balance consists primarily of receivables from tender guarantees and contract security for waste management contracts.

Values and deadlines for the return of deposits and guarantees owed to the Company are set out in the contracts concluded prior to the tenders issued by the public entities. Accordingly, the Company does not recognise credit risk.

In the case of banks and financial institutions (in particular deposits and accounts), only entities with a high rating and a stable market situation are accepted. The Company manages credit risk related to cash by diversifying the banks where it allocates its cash surpluses.
The Company's maximum credit risk exposure is reflected in the carrying amount of trade and other receivables and cash and cash equivalents (including bank deposits held).
Quantitative data on risk exposure is available in note 23.

- liquidity risk

The Company's Management Board notes that liquidity risk could materialise if the Company's sales efforts would not achieve the expected results. In the event of a negative scenario of the events referred to in the preceding sentence, it is possible that the payment of the Company's obligations may be withheld from time to time. In the Management Board's opinion, the concluded contracts with customers that will be executed in the coming years, the favourable profitability ratios, as well as the level of cash and cash equivalents held (the most liquid financial assets) have the effect of significantly reducing the liquidity risk. In addition, the macroeconomic, social and legal factors in the country observed in recent years and projected for the years to come are influencing an increase in expenditure in the waste treatment industry in which the Company operates, which, in the Management Board's opinion, will have a positive impact on reducing liquidity risk in the years to come.

As at the balance sheet date, the Company's financial liabilities fell within the following maturity ranges:

At 31.12.2022	Current			Non-current	Total flows before discounting
	up to 1 month	1-3 months	3 months - 1 year	over 1 year	
Credit and loans	3 857	11 571	-	-	15 429
Lease liabilities	27 954	114 046	121 275	3 753 718	4 016 993

Trade and other liabilities	45 865 133	-	-	-	45 865 133
Total exposure to liquidity risk	**45 896 945**	**125 617**	**121 275**	**3 753 718**	**49 897 554**

At 31.12.2021	Current			Non-current	Total flows before discounting
	up to 1 month	1-3 months	3 months - 1 year	over 1 year	
Credit and loans	3 857	11 571	30 857	15 429	61 714
Lease liabilities	20 303	92 099	186 643	3 618 984	3 918 030
Trade and other liabilities	10 766 637	-	-	-	10 766 637
Total exposure to liquidity risk	**10 790 798**	**103 671**	**217 500**	**3 634 412**	**14 746 381**

The Company strives to minimise the impact of these risks by applying its internal risk management policy. This entails the monitoring of potential threats and developing remedial plans.
The Management Board verifies compliance with exposure rules and limits on an on-going basis.

The level of the Company's exposure to the various types of risk is presented in the following explanatory notes: 23.2, 23.3

10.18. Capital management

The Company's main capital management policy is to maintain a strong capital base that will underpin confidence from investors, lenders and the market and that will ensure the future growth of the business. Capital management aims to maintain the ability to continue as a going concern, taking into account planned investments, and to provide shareholders with a return on their invested capital.
The Company has no external capital requirements. Nevertheless, the Dividend Policy adopted by the Management Board conditions the distribution of profit taking into account the investment plans, financial situation, liquidity of the Company, existing and future liabilities and determines the ratio of the Company's net debt to EBITDA at the end of the financial year to which the distribution will apply. This ratio may not exceed 2.5.
There were no changes to the Company capital management policy during the financial year.

The components of managed capital at 31 December 2022 compared to the previous period are as follows:

Elements of capital	2022	2021
Total liabilities	80 174 622	50 178 390
Total liabilities less deferred income - grant	63 358 559	31 105 768
Equity	170 578 988	188 748 106

The Company monitors its equity using the following ratios:

- capital structure,
- debt ratio
- capital gearing,
- equity to assets ratio.

Capital management ratios	2022	2021
Capital structure ratio	4.5%	6.0%
Debt ratio	32.0%	21.0%
Capital gearing ratio	37.1%	16.5%
Equity to assets ratio	68.0%	79.0%

Algorithm for calculating the ratios:

- *capital structure ratio - long-term debt (non-current liabilities less deferred income to equity,*
- *debt ratio - the ratio of total debt (liabilities and provisions for liabilities including accruals) to total equity and liabilities/assets.*
- *capital gearing ratio - total debt less deferred income to equity,*
- *equity to assets ratio - equity to assets/equity and liabilities.*

10.19. Important estimates and judgements

The preparation of financial statements in accordance with IFRS requires judgements, estimates and assumptions by the Management Board that affect the policies adopted and the values of assets, liabilities, income and expenses presented. The estimates and related assumptions are based on historical experience and other factors that are considered reasonable in the circumstances, and the results provide a basis for judgements as to the book value of assets and liabilities that are not directly derived from other sources. The actual value may differ from the estimated value.

Estimates and associated assumptions are subject to on-going review. A change in accounting estimate is recognised in the period in which the estimate is changed, or in the current and future periods if the change in estimate affects both the current and future periods.

Estimates made by Mo-BRUK S.A.'s Management Board that have an impact on the values presented in the separate financial statements concern the following:

Employee benefits

Provisions for employee benefits were determined using actuarial methods. Changes in assumptions in the next financial year will affect the amount of provisions made - presentation in note 11.1.

Useful life of property, plant and equipment

Depreciation rates may change if the expected useful life changes,

and therefore the net book value of property, plant and equipment may also change. The Company reviews the expected economic useful lives of the components of its property, plant and equipment items at the

end of each annual reporting period. Details of the economic useful lives are included in point 10.2 and details of intangible assets are included in point 10.1.
In December 2022, the Company reviewed the economic life of tangible assets based on a special analysis by a committee appointed for this purpose. Based on a review of the useful lives of tangible assets, the Company revised the useful lives of selected property, plant and equipment.

Impairment of receivables
Changed conditions regarding the possibility of repayment of overdue receivables, as well as the settlement of court cases and new bankruptcy proceedings, necessitate a change in the value of impairment losses recognised on receivables. Details of impairment losses on receivables can be found in note 7.2.

Deferred income tax
The recognised income tax assets and provisions may change, e.g. due to a change in the tax rate. The Company recognises deferred tax assets on the assumption that there will be a future taxable profit to utilise them. Details of deferred taxes are presented in notes 5.1, 5.2, 5.3.

Other provisions
The Company recognises other provisions based on an estimate that corresponds to the likely expenditure the Company will incur to settle a future liability. Details of other provisions are presented in note 11.1.

The methodology for determining estimated values is applied consistently to the last reporting period and has not been changed in the current reporting period.

11. Changes in accounting policy and identified errors concerning prior years and their impact on financial results and equity

The Company did not change its accounting policy during the period covered by the separate financial statements. No errors were identified that would require to be corrected.

11.1. Earlier application of IAS standards and interpretations

The Company decided not to apply early any other standard, interpretation or amendment that were published but not yet entered into force.

11.2. New standards, interpretations and amendments to published standards that were endorsed and published by the European Union and went into effect on or after 1 January 2022

New or amended standards and interpretations issued by the IASB or IFRIC are in effect from 1 January 2022:

Amendments to IFRS 3 Business Combinations
Amendments to the Reference to the Conceptual Framework, as amended, to IFRS 3, endorsed by the EU on 28 June 2021 - applicable to annual periods beginning on or after 1 January 2022,

Amendments to IFRS 16: Property, plant and equipment

Proceeds before Intended Use, approved by the EU on 2 July 2021 - applicable to annual periods beginning on or after 1 January 2022,

Amendments to IAS 37: Provisions, Contingent Liabilities and Contingent Assets

Onerous Contracts - Cost of Fulfilling a Contract, approved by the EU on 2 July 2021 - applicable to annual periods beginning on or after 1 January 2022,

Annual Improvements to IFRSs 2018-2020 Cycle

Annual Improvements to IFRSs, including IFRS 1, IFRS 9, IFRS 16 and IAS 41, mainly focusing on resolving inconsistencies and clarifying wording - approved by the EU on 2 July 2021. Amendments to IFRS 1, IFRS 9 and IAS 41 are applicable to annual periods beginning on or after 1 January 2022. Amendments to IFRS 16 concern an illustrative example only therefore no effective date was given.

The amendments to the above standards did not have a material impact on the Company's financial position or results of operations in the period of their initial application.

11.3. New standards, interpretations and amendments to published standards that have been issued by the International Accounting Standards Board (IASB) and have been endorsed by the European Union but are not yet effective

The following standards and interpretations were issued by the IASB or IFRIC but are not yet in effect:

Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The standard was published on 7 May 2021 and approved by the EU on 12 August 2022 - it is applicable to annual periods beginning on or after 1 January 2023.

The amendments aim to clarify how companies should account for deferred tax on leases and extinguished liabilities.

Amendments to IAS 8: Definition of Accounting Estimates

The standard was published on 12 February 2021 and approved by the EU on 2 March 2022 - it is applicable to annual periods beginning on or after 1 January 2023.

In the amendment to IAS 8 Definition of Accounting Estimates, the definition of change in accounting estimates was replaced by the definition of accounting estimates. Under the new definition, accounting estimates are monetary amounts in the financial statements that are subject to measurement uncertainty. The IASB also clarified the new definition through additional guidance and examples of how accounting policies and accounting estimates are related and how a change in measurement technique constitutes a change in accounting estimates. The introduction of the definition of accounting estimates and other amendments to IAS 8 was intended to help entities distinguish between changes in accounting policies and changes in accounting estimates.

Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies

The standard was published on 12 February 2021 and approved by the EU on 2 March 2022 - it is applicable to annual periods beginning on or after 1 January 2023.

The amendments to IAS 1 and IFRS 2 Practice Guidance are intended to help preparers decide which accounting policies to disclose in their financial statements. The amendments require disclosure of material information on the accounting policy instead of significant accounting principles. Explanations and examples have been added on how an entity can identify relevant information on accounting policies. The amendments clarify that accounting policy information may be material by its nature, even if the amounts are immaterial and if users of the financial statements would need it to understand other relevant information in the financial statements.

IFRS 17 Insurance Contracts - first-time adoption of IFRS 17 and IFRS 9 - comparative information

The standard was published on 9 December 2021 and endorsed by the EU on 9 September 2022 - effective for annual periods beginning on or after 1 January 2023.

IFRS 17 Insurance Contracts - amendments to IFRS 17

The standard was issued on 18 May 2017, amended on 25 June 2020, published on 23 November 2021 and endorsed by the EU on 19 November 2021 - effective for annual periods beginning on or after 1 January 2023.

The amendments to the above standards should not have a material impact on the Company's financial position or results of operations.

11.4. New standards, interpretations and amendments to published standards that have been published by the International Accounting Standards Board (IASB) and are pending endorsement by the European Union

The following standards and interpretations were issued by the IASB or IFRIC but are pending endorsement by the EU.

Amendment to IAS 1: Presentation of Financial Statements

The standard was issued on 23 January 2020 and published on 15 July 2020 - applicable for annual periods beginning on or after 1 January 2023.

The changes relate to the presentation of liabilities in the statement of financial position. Especially, they clarify that the classification of liabilities as current or non-current should be based on the rights existing at the end of the reporting period. A prospective approach will apply until these changes.

Amendment to IAS 1: Presentation of Financial Statements - non-current liabilities with covenants

The standard was published on 31 October 2022 - applicable for annual periods beginning on or after 1 January 2024.

The changes aim to improve the information provided by companies on long-term debt with covenants.

Amendments to IFRS 16: Leases - Lease Liability in a Sale and Leaseback

The standard was published on 22 September 2022 - applicable for annual periods beginning on or after 1 January 2024.

The changes aim to improve the information provided by companies on long-term debt with covenants.

The amendments clarify how a seller-lessee measures sale and leaseback transactions that meet the requirements of IFRS 15 to be accounted for as sales.

The above standards and amendments to applicable standards should not have a material impact on the Company's financial position or results of operations.

III. SEPARATE STATEMENT OF FINANCIAL POSITION

Statement of financial position			
Item	**Note**	**As at 31.12.2022**	**As at 31.12.2021**
NON-CURRENT ASSETS		**138 018 948**	**113 596 044**
Property, plant and equipment	1.	134 591 726	108 411 078
Other intangible assets	2	607 253	613 190
Shares	3	1 628 599	1 628 599
Non-current receivables	4	1 191 370	2 943 177
CURRENT ASSETS		**112 734 662**	**125 330 451**
Inventory	6	1 073 791	808 042
Trade receivables	7	19 071 495	19 351 568
Other receivables	7	12 385 625	3 829 278
Cash and equivalents	8	79 321 256	101 180 151
Prepayments	9	882 495	161 412
Total assets:		**250 753 610**	**238 926 496**

Statement of financial position			
Item	**Note**	**As at 31.12.2022**	**As at 31.12.2021**
EQUITY		**170 578 988**	**188 748 106**
Share capital	10.	35 128 850	35 128 850
Share premium	10	25 573 479	25 573 479
Retained earnings	10.	3 488 803	3 418 127
Share redemption	10.	985 000	985 000
Reserve capital - restatement of assets	10.	12 916 096	12 916 096
Retained earnings		92 486 760	110 726 554

NON-CURRENT LIABILITIES		**22 308 205**	**28 172 467**
Deferred income tax provision	5	6 251 498	5 389 081
Provision for pension benefits and similar	11	112 607	63 867
Other provisions	11	-	4 684 000
Credit and loans	12.	-	15 429
Other financial liabilities	13.	1 256 236	1 091 321
Deferred income - grant	15	14 687 864	16 928 770
CURRENT LIABILITIES		**57 866 417**	**22 005 923**
Credit and loans	12.	15 730	46 286
Other financial liabilities	13.	201 835	203 031
Trade liabilities	14.	11 636 224	10 342 249
Current income tax liabilities	14.	963 104	1 277 956
Provision for pension benefits and similar	11.	514 030	482 591
Other current provisions	11.	6 134 401	4 805 927
Other liabilities	14.	36 272 894	2 704 032
Deferred income - grant	15	2 128 199	2 143 851
Total equity and liabilities:		**250 753 610**	**238 926 496**

IV. STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

Statement of profit and loss			
Item	**Note**	**For the period: 01.01.2022-31.12.2022**	**For the period: 01.01.2021-31.12.2021**
Continuing operations			
Revenue from sales	16	213 019 187	236 659 013
Cost of sales	18	107 630 765	89 869 322
GROSS PROFIT (LOSS) ON SALES		**105 388 422**	**146 789 692**
Selling costs	18	2 460 858	2 131 982
General administrative expenses	18	6 348 888	5 486 395
Other operating revenue	19	4 544 552	592 577
Other operating costs	20	6 134 897	11 164 129
OPERATING PROFIT (LOSS)		**94 988 331**	**128 599 763**
Finance income	21.	16 337 304	9 818 845
Finance costs	22.	441 467	2 208 130

PROFIT (LOSS) BEFORE TAX		**110 884 168**	**136 210 477**
Income tax	5	18 397 408	25 483 923
NET PROFIT (LOSS) ON CONTINUING OPERATIONS		**92 486 760**	**110 726 554**
Net profit (loss) on discontinued operations		-	-
NET PROFIT (LOSS)		**92 486 760**	**110 726 554**

Profit per share (in PLN per share)			
From continuing and discontinued operations			
Basic		26.33	31.52
Diluted		26.33	31.52
From continuing operations			
Basic		26.33	31.52
Diluted		26.33	31.52

Statement of profit and loss and other comprehensive income			
Item		**For the period: 01.01.2022-31.12.2022**	**For the period: 01.01.2021-31.12.2021**
NET PROFIT (LOSS)		92 486 760	110 726 554
Other comprehensive income		-	-
Total comprehensive income		**92 486 760**	**110 726 554**

V. SEPARATE STATEMENT OF CASH FLOWS

Statement of cash flows (indirect approach)			
Item	**Note** 24	**For the period: 01.01.2022-31.12.2022**	**For the period: 01.01.2021-31.12.2021**
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit (loss) before tax		**110 884 168**	**136 210 477**
Total adjustments		**-15 269 549**	**12 404 601**
Depreciation / amortisation		5 051 596	4 971 645
Interest income		-2 287 820	-
Interest cost		1 327	7 371
Share of profit - dividend received		-14 027 460	-9 767 132

Gain (loss) on sale of non-current assets		-526 094	-94 428
Changes in working capital		**-5 616 934**	**15 087 489**
Changes in provisions		-3 275 346	9 453 343
Changes in inventories		-265 750	-88 245
Changes in receivables		-6 524 466	4 963 294
Changes in current liabilities, except for financial liabilities		7 426 270	3 066 488
Change in prepayments and accruals		-721 083	12 815
Changes in deferred revenue - subsidy		-2 256 558	-2 320 206
Other adjustments		2 135 836	2 199 656
Cash generated from operating activities		**95 614 619**	**148 615 078**
Income tax on profit before tax		-17 849 843	-26 238 060
Net cash flows from operating activities		**77 764 776**	**122 377 018**
CASH FLOWS FROM INVESTING ACTIVITIES			
Financial inflows - dividend		14 027 460	9 767 132
Proceeds from bond buy-back		-	5 000 000
Expenses on the acquisition of property, plant and equipment		-5 793 096	-1 476 795
Proceeds from sale of property, plant and equipment		863 028	409 178
Interest received		2 287 819	-
Net cash flows from investing activities		**11 385 211**	**13 699 515**
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of credit and loans		-45 984	-4 321 620
Repayment of lease liabilities		-305 693	-93 486
Dividends paid out		-110 655 878	-70 784 633
Interest paid		-1 327	-12 171
Net cash flows from financing activities		**-111 008 882**	**-75 211 909**
INCREASE / DECREASE IN CASH AND EQUIVALENTS BEFORE EFFECTS OF CHANGES IN EXCHANGE RATES		**-21 858 895**	**60 864 623**
Change in cash due to exchange differences		**-**	-
BALANCE SHEET CHANGE IN CASH AND EQUIVALENTS		**-21 858 895**	**60 864 623**
CASH AND EQUIVALENTS AT THE BEGINNING OF PERIOD		101 180 151	40 315 528
CASH AND EQUIVALENTS AT THE END OF PERIOD		**79 321 256**	**101 180 151**
- including restricted cash		4 049 937	5 279 874

VI. SEPARATE STATEMENT OF CHANGES IN EQUITY

for the period: 01.01.2022-31.12.2022 Note 10	Share capital	Supplementary capital - share premium	Retained earnings	Share redemption	Reserve capital - restatement of assets	Retained earnings	Total equity
Balance as at 01.01.2022	**35 128 850**	**25 573 479**	**3 418 127**	**985 000**	**12 916 096**	**110 726 554**	**188 748 106**
Transfer of financial result to capital	-	-	70 676	-	-	-70 676	-
Dividends paid out	-	-	-	-	-	-110 655 878	-110 655 878
Total transactions with the owners	**-**	**-**	**70 676**	**-**	**-**	**-110 726 554**	**-110 655 878**
Net profit (loss) in the period:	-	-	-	-	-	92 486 760	92 486 760
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**92 486 760**	**92 486 760**
Increase (decrease) in equity	**-**	**-**	**70 676**	**-**	**-**	**-18 239 794**	**-18 169 118**
Balance as at 31.12.2022	**35 128 850**	**25 573 479**	**3 488 803**	**985 000**	**12 916 096**	**92 486 760**	**170 578 988**

for the period: 01.01.2021-31.12.2021 Note 10	Share capital	Supplementary capital - share premium	Retained earnings	Share redemption	Reserve capital - restatement of assets	Retained earnings	Total equity
Balance as at 01.01.2021	**35 128 850**	**25 573 479**	**3 407 079**	**985 000**	**12 916 096**	**70 795 680**	**148 806 185**
Transfer of financial result to capital	-	-	11 048	-	-	-11 048	-
Dividends paid out	-	-	-	-	-	-70 784 633	-70 784 633
Total transactions with the owners	**-**	**-**	**11 048**	**-**	**-**	**-70 795 680**	**-70 784 633**
Net profit (loss) in the period:	-	-	-	-	-	110 726 554	110 726 554
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**110 726 554**	**110 726 554**
Increase (decrease) in equity	**-**	**-**	**11 048**	**-**	**-**	**39 930 874**	**39 941 921**
Balance as at 31.12.2021	**35 128 850**	**25 573 479**	**3 418 127**	**985 000**	**12 916 096**	**110 726 554**	**188 748 106**

VII. ADDITIONAL EXPLANATORY NOTES

1. Property, plant and equipment

At the end of the reporting period and the comparative period, the Company had assets free of mortgage collateral and registered pledges.

The net book value of leased cars and devices constituting collateral for lease-related liabilities at the end of the reporting period amounted to PLN 771 thousand, and PLN 350 thousand at 31 December 2021.

As at both 31 December 2022 and 31 December 2021, no indications of impairment of property, plant and equipment were identified.

In December 2022, the Company reviewed the economic life of tangible assets based on a special analysis by a committee appointed for this purpose. Based on a review of the useful lives of tangible assets, the Company revised the useful lives of selected tangible assets. In the comparative period, the review left all economic useful lives of fixed assets unchanged.

Depreciation costs in 2022 amounted to PLN 5 052 thousand, of which PLN 63 thousand related to rights to use assets.

As at both 31 December 2022 and 31 December 2021, there were no short-term leases or contracts in which the underlying asset was of low value (for which lease payments were recognised in profit or loss on a straight-line basis).

1.1. - Property, plant and equipment	Balance as at 31.12.2022	Balance as at 31.12.2021
Land and perpetual usufruct of land	9 439 245	9 007 343
including: right-of-use assets (leases)	*972 072*	*986 580*
Buildings and structures	31 016 321	32 693 268
Technical equipment and machinery	58 444 841	61 236 947
including: right-of-use assets (leases)	*131 516*	*146 723*
Machinery and equipment for technological processes intended for R&D	1 506 617	1 603 827
Means of transport	3 095 173	1 969 291
including: right-of-use assets (leases)	639 915	*203 727*
Other tangible assets	1 635 530	1 555 012
Tangible assets under construction	1 861 756	316 122
Advances for tangible assets	27 592 243	29 268
Total:	**134 591 726**	**108 411 078**

There was a significant increase in advances for tangible assets in the current period. Mo-BRUK has entered into a PLN 134 million net general contract with AB Industry for an investment to modernise the

thermal waste conversion installation at the Karsy plant. As at 31 December 2022, the value of advances paid amounted to PLN 27.6 million.

1.2. - Property, plant and equipment in the reporting period	Land and perpetual usufruct of land	Buildings and structures	Technical equipment and machinery	Machinery and equipment for technological processes intended for R&D	Means of transport	Other tangible assets	Tangible assets under construction, advances
Gross carrying amount at the beginning of period	**9 050 869**	**52 983 430**	**111 848 882**	**2 397 607**	**4 583 990**	**3 806 011**	**345 390**
Transfer from tangible assets under construction	446 411	-	2 500 796	-	988 804	239 730	-4 175 740
Direct acquisition	-	-	-	-	-	-	33 326 765
Reclassifications	-	-	-	-	-	-	-42 416
Increases due to leases	-	-	-	-	469 412	-	-
Decreases due to sale	-	-	-1 686 762	-	-722 354	-29 096	-
Decreases due to liquidation	-	-	-386 345	-	-4 500	-12 990	-
Gross carrying amount at the end of period	**9 497 280**	**52 983 430**	**112 276 571**	**2 397 607**	**5 315 352**	**4 003 655**	**29 453 999**
Value of redemption at the beginning of period	**43 526**	**20 290 162**	**50 611 935**	**793 780**	**2 614 699**	**2 250 999**	**-**
Increase in amortisation/depreciation for the period	14 509	1 676 947	4 997 928	97 210	210 594	141 892	-
Decreases due to sale	-	-	-1 513 431	-	-602 639	-13 044	-
Decreases due to liquidation	-	-	-264 702	-	-2 475	-11 722	-
Value of redemption at the end of period	**58 035**	**21 967 109**	**53 831 730**	**890 990**	**2 220 179**	**2 368 125**	**-**
Net value at the end of period	**9 439 245**	**31 016 321**	**58 444 841**	**1 506 617**	**3 095 173**	**1 635 530**	**29 453 999**

1.3. - Property, plant and equipment in the previous reporting period	Land and perpetual usufruct of land	Buildings and structures	Technical equipment and machinery	Machinery and equipment for technological processes intended for R&D	Means of transport	Other tangible assets	Tangible assets under construction, advances
Gross carrying amount at the beginning of period	**8 126 789**	**67 015 072**	**113 369 864**	**2 399 907**	**4 922 945**	**3 550 353**	**361 992**
Transfer from tangible assets under construction	-	367 655	900 234	-	345 838	264 297	-1 878 024
Direct acquisition	-	-	-	-	-	-	1 861 422
Reclassifications	924 080	-	-	-	-	-	-
Increases due to leases	-	-	-	-	77 551	-	-
Decreases due to sale	-	-	-1 135 205	-	-762 344	-	-
Decreases due to liquidation	-	-14 399 297	-1 286 011	-2 300	-	-8 639	-
Gross carrying amount at the end of period	**9 050 869**	**52 983 430**	**111 848 882**	**2 397 607**	**4 583 990**	**3 806 011**	**345 390**
Value of redemption at the beginning of period	**29 017**	**32 965 513**	**47 759 427**	**698 221**	**3 070 872**	**2 143 752**	**-**

Increase in amortisation/depreciation for the period	14 509	1 711 513	5 025 514	97 259	161 455	115 086	-
Decreases due to sale	-	-	-969 219	-	-617 628	-	-
Decreases due to liquidation	-	-14 386 864	-1 203 787	-1 700	-	-7 839	-
Value of redemption at the end of period	**43 526**	**20 290 162**	**50 611 935**	**793 780**	**2 614 699**	**2 250 999**	**-**
Net value at the end of period	**9 007 343**	**32 693 268**	**61 236 947**	**1 603 827**	**1 969 291**	**1 555 012**	**345 390**

2. Goodwill and other intangible assets

2.1. - Intangible assets	Balance as at 31.12.2022	Balance as at 31.12.2021
patents and licenses- to 25 years	149 284	159 624
Other intangible assets, including intangible assets in progress	457 969	453 566
Total:	**607 253**	**613 190**

2.2. - Intangible assets in the reporting period	patents and licenses- to 25 years	Other intangible assets, including intangible assets in progress
Gross carrying amount at the beginning of period	**214 459**	**1 222 121**
Purchase	-	42 416
Gross carrying amount at the end of period	**214 459**	**1 264 537**
Value of redemption at the beginning of period	54 835	768 555
Increase in amortisation/depreciation for the period	10 340	38 013
Gross carrying amount at the end of period	**65 175**	**806 568**
Net value at the end of period	**149 284**	**457 969**

2.3. - Intangible assets in the previous reporting period	patents and licenses- to 25 years	Other intangible assets
Gross carrying amount at the beginning of period	**214 459**	**1 200 621**
Purchase	-	21 500
Gross carrying amount at the end of period	**214 459**	**1 222 121**
Value of redemption at the beginning of period	44 495	732 930
Increase in amortisation/depreciation for the period	10 340	35 625
Gross carrying amount at the end of period	**54 835**	**768 555**
Net value at the end of period	**159 624**	**453 566**

3. Shares

3.1. - Shares	Registered office:	Value without impairment		% of shares / % of votes	
Name of entity		31.12.2022	31.12.2021	31.12.2022	31.12.2021
Raf-Ekologia Sp. z o.o.	Jedlicze	1 628 599	1 628 599	100%	100%
Total gross value	**-**	**1 628 599**	**1 628 599**	**-**	**-**

Shares in the subsidiary are accounted for using the acquisition approach. Following analysis, the Management Board of Mo-BRUK S.A. found no grounds for recognising impairment on its stake in Raf-Ekologia Sp. z o.o.

4. Non-current receivables

4.1. - Non-current receivables	31.12.2022			31.12.2021		
Specification	Value	Impairment	Carrying amount	Value	Impairment	Carrying amount
Receivables due within 2 years from balance sheet date	339 201	-	339 201	2 364 411	-	2 364 411
Receivables due within 2 - 5 years from balance sheet date	299 519	-	299 519	102 766	-	102 766
Receivables due within more than 5 years from balance sheet date	552 650	-	552 650	476 000	-	476 000
Total:	**1 191 370**	**-**	**1 191 370**	**2 943 177**	**-**	**2 943 177**

The table contains data on receivables concerning paid guarantees of proper performance of contracts or paid deposits required when concluding certain contracts, in particular in the area of waste management services. With regard to this category of receivables, the Company's analysis did not reveal any significant risk of credit losses.

5. Deferred and current income tax

5.1. - Income tax recognised in the statement of profit and loss	For the period ended 31.12.2022	For the period ended 31.12.2021
Current income tax	17 534 991	26 238 060
Deferred income tax	862 417	-754 137
TOTAL INCOME TAX	**18 397 408**	**25 483 923**

Poland's laws on corporate income tax, personal income tax, tax on goods and services and social insurance contributions are subject to frequent changes, which results in the lack of solid practices as well as unclear and inconsistent regulations. This situation may give rise to differences in interpretations of tax regulations by state authorities and taxpayers. Tax settlements and other settlements (e.g. customs) may

be the subject of an audit for a period of six years. Relevant audit authorities are authorised to impose significant penalties together with interest. There is a risk that these audit authorities will have a stance that is different from the Company's stance with regard to legal interpretations, which could have a material impact on the amount of public-law liabilities disclosed in the financial statements.

5.2. - Income tax - explanation of differences between tax calculated using current rate and tax reported	**For the period ended 31.12.2022**	**For the period ended 31.12.2021**
PROFIT BEFORE TAX	**110 884 168**	**136 210 477**
Income tax at current rate (19%)	21 067 990	25 879 990
Decrease of income tax - tax deduction	-4 950	-3 116
Income tax concerning prior years disclosed in current reporting period	-	-30 489
Tax on permanent differences between balance sheet profit and tax base (specification)	**-2 599 240**	**-352 680**
Concerning revenue (-)	**-2 724 168**	**-1 877 363**
released provisions	-633	-17 279
grant	-15 677	-22 904
dividend	-2 665 217	-1 855 755
penalties and compensation	-1 558	-
revenue covered by bad debt relief	-38 790	-
positive exchange differences	-2 293	18 575
Concerning costs (+)	**124 928**	**1 524 683**
impairment of receivables	53 986	829 087
donations	6 307	4 338
tax interest	457	371 339
negative exchange differences	285	-368
other costs	45 833	17 080
provision for waste storage fee for 2015	-	303 207
court and enforcement fees	18 060	-
Tax on temporary differences not accounted for in calculating deferred income tax	**-66 392**	**-9 782**
Unrecognised assets	-66 392	-
Provisions not recognised	-	-9 782
Income tax recognised in the financial statements	**18 397 408**	**25 483 923**
Effective tax rate	16.59%	18.71%

5.3. - Deferred income tax - reporting period	Balance as at 31.12.2021	Recognised in result 01.01.2022-31.12.2022	Balance as at 31.12.2022
Deferred income tax assets			
Social security contributions	72 580	8 265	80 845
Employee benefits	1 024 151	-388 396	635 755
Provision for receivables	5 141	213 660	218 801
Contribution to Company Social Benefits Fund not yet made	146	-146	-
Leases	245 927	31 106	277 033
Grant	1 654 668	88 005	1 742 673
Penalties and compensation	-	1 596	1 596
Provision for future transport and other costs	228 480	-228 480	-
Balance sheet audit	10 260	2 090	12 350
TOTAL DEFERRED INCOME TAX ASSETS:	**3 241 353**	**-272 300**	**2 969 053**
Deferred income tax provision			
Interest on deposits	7 690	-44 648	52 338
Difference between carrying among and tax value of property, plant and equipment and intangible assets	8 622 744	-449 662	9 072 406
rmk leasing	-	-95 807	95 807
TOTAL DEFERRED INCOME TAX PROVISION:	**8 630 434**	**-590 117**	**9 220 551**

The increase in deferred income tax provision mainly stems from the difference between the carrying amount and tax amount of tangible assets in connection with the application of different rates for tax and balance sheet depreciation.

5.4. - Deferred income tax - previous reporting period	Balance as at 31.12.2020	Recognised in result 01.01.2021-31.12.2021	Balance as at 31.12.2021
Deferred income tax assets			
Social security contributions	66 536	6 044	72 580
Employee benefits	141 442	882 709	1 024 151
Provision for receivables	5 142	-	5 141
Contribution to Company Social Benefits Fund not yet made	-	146	146
Leases	248 954	-3 028	245 927
Grant	1 516 119	138 548	1 654 668
Provision for future transport and other costs	-	228 480	228 480

Balance sheet audit	17 239	-6 979	10 260
TOTAL DEFERRED INCOME TAX ASSETS:	**1 995 432**	**1 245 920**	**3 241 353**
Deferred income tax provision			
Interest on deposits	-	-7 690	7 690
Interest on bonds	2 016	2 016	-
Difference between carrying among and tax value of property, plant and equipment and intangible assets	8 136 635	-486 109	8 622 744
TOTAL DEFERRED INCOME TAX PROVISION:	**8 138 651**	**-491 783**	**8 630 434**

6. Inventory

The entity's main economic activity is waste management. The inventory of waste is measured at zero. Furthermore, according to the Company's Management Board, the cost of a potential provision for processing/disposal is negligible due to the quantity of waste collected. A major part of these inventories is therefore not subject to the traditional indications of impairment, such as period of arrears or value below realisable selling price.

In the presented period, there was no need to revalue inventories that were recognised as costs.

In the period's costs, inventories are recognised as an element of the cost of goods and services sold.

6.1. - Inventories	**31.12.2022**			**31.12.2021**		
	Value	**Impairment**	**Carrying amount**	**Value**	**Impairment**	**Carrying amount**
Materials	558 187	-	558 187	374 592	-	374 592
Completed products	80 256	-	80 256	72 885	-	72 885
Goods	435 348	-	435 348	360 565	-	360 565
Total:	**1 073 791**	**-**	**1 073 791**	**808 042**	**-**	**808 042**

In the reporting period ended 31 December 2022, inventories worth PLN 28 994 thousand were recognised as costs, while in the comparative period the value of these inventories was PLN 17 018 thousand. The increase in the value of inventories included in costs compared to the comparative period is mainly due to the increase in wholesale prices of fuel sold at the Company's filling stations.

7. Trade and other receivables

Credit risk is described in point 10.17 of these financial statements.

7.1. - Receivables	**31.12.2022**			**31.12.2021**		
	Value	**Impairment**	**Carrying amount**	**Value**	**Impairment**	**Carrying amount**

Trade receivables	20 257 016	1 185 521	19 071 495	20 335 090	983 521	19 351 568
Receivables concerning other taxes, customs duties and social insurance	7 705 048	-	7 705 048	776 183	-	776 183
Other receivables	9 196 873	4 516 296	4 680 577	7 586 477	4 533 381	3 053 095
Total:	**37 158 937**	**5 701 818**	**31 457 120**	**28 697 749**	**5 516 903**	**23 180 846**

7.2. - Impairment of receivables	**Balance as at 31.12.2022**	**Balance as at 31.12.2021**
Impairment at the beginning of period	5 516 903	1 244 230
Recognition	1 079 544	4 366 576
Release due to payment	3 332	93 903
Release	891 298	-
Total:	**5 701 818**	**5 516 903**

7.3. - Receivables at 31.12.2022 (gross) - overdue structure	**Not overdue**	**Up to 1 month**	**1 - 3 months**	**3 - 6 months**	**6 months - 1 year**	**Over 1 year**	**Total**
Trade receivables	16 334 417	2 635 397	2 511	99 169	1 079 544	105 977	20 257 016
Receivables concerning other taxes, customs duties and social insurance	7 705 048	-	-	-	-	-	7 705 048
Other receivables	4 680 577	-	-	-	-	4 516 296	9 196 873
Total:	**28 720 043**	**2 635 397**	**2 511**	**99 169**	**1 079 544**	**4 622 273**	**37 158 937**

7.4. - Receivables at 31.12.2021 (gross) - overdue structure	**Not overdue**	**Up to 1 month**	**1 - 3 months**	**3 - 6 months**	**6 months - 1 year**	**Over 1 year**	**Total**
Trade receivables	17 441 214	1 910 354	-	-	-	983 521	20 335 090
Receivables concerning other taxes, customs duties and social insurance	776 183	-	-	-	-	-	776 183
Other receivables	3 053 095	-	-	4 266 097	-	267 285	7 586 477
Total:	**21 270 492**	**1 910 354**	**-**	**4 266 097**	**-**	**1 250 806**	**28 697 749**

7.5. - Receivables (net) by payment deadline	**31.12.2022**		**31.12.2021**	
	up to 12 months from balance sheet date	**over 12 months from balance sheet date**	**up to 12 months from balance sheet date**	**over 12 months from balance sheet date**
Trade receivables	19 071 495	-	19 351 568	-
Receivables concerning other taxes, customs duties and social insurance	7 705 048	-	776 183	-

Other receivables	4 680 577	-	3 053 095	-
Total:	**31 457 120**	**-**	**23 180 846**	**-**

7.6. Trade and other receivables - currency structure (foreign currency)	31.12.2022		31.12.2021	
	in currency	in PLN after translation	in currency	in PLN after translation
Foreign counterparties (EUR)	69 577	326 311	23 876	109 815
Total:	**69 577**	**326 311**	**23 876**	**109 815**

8. Cash

8.1. - Cash	Balance as at 31.12.2022	Balance as at 31.12.2021
Cash on hand	158 380	122 145
Cash in bank accounts	5 281 682	10 230 651
Cash in VAT accounts	478 715	466 652
Short-term deposits	73 402 479	90 360 703
TOTAL CASH:	**79 321 256**	**101 180 151**
- including restricted cash	4 049 937	5 279 874

The restricted cash shown in the note relates to funds held in VAT accounts and funds subject to administrative enforcement. Following the suspension of enforcement proceedings relating to the increased landfill fee for 2015, cash in the amount of PLN 3.5 million was deposited in a technical bank account.

9. Prepayments

9.1. - Prepayments	Balance as at 31.12.2022	Balance as at 31.12.2021
Insurance policies and guarantees	344 260	122 707
Commenced development works	471 007	-
Other	67 228	38 705
Total:	**882 495**	**161 412**

Mo-BRUK is particularly committed to technological development and increasing its production capacity in the area of solidification and stabilisation, which is why it is carrying out development work on new products,

i.e. aggregates and synthetic binders. Progress in this work is evident in the increase in accruals in the current period.

10. Equity

10.1. - Equity	Number of issued shares as at 31.12.2022	Number of issued shares as at 31.12.2021
series A registered preference shares	702 642	702 642
series B bearer shares	1 227 936	1 227 936
series C bearer shares	1 582 307	1 582 307
Total:	**3 512 885**	**3 512 885**

10.2. - Largest shareholders as at 31.12.2022	Number of shares	Number of votes	Nominal value of shares	Stake in share capital
Ginger Capital sp. z o.o.	1 229 838*	1 932 480	12 298 380	35.01%
PTE Nationale-Nederlanden	258 938**	258 938	2 589 380	7.37%
OFE PZU „Złota Jesień“	223 680**	223 680	2 236 800	6.37%
Other investors	1 800 429	1 800 429	18 004 290	51.25%
Total:	**3 512 885**	**4 215 527**	**35 128 850**	**100%**

* including 702 642 series A shares, with a preference in voting rights, with two votes attached to each share.
** own calculations, based on information known to the Issuer.

10.3. - Share capital	Balance as at 31.12.2022	Balance as at 31.12.2021
Share capital	35 128 850	35 128 850
Share premium	25 573 479	25 573 479
Total:	**60 702 329**	**60 702 329**

10.4. Share capital (structure) at 31.12.2022				
Item	in PLN			
Series / issue	**A**	**B**	**C**	**Total**
Type of share	registered preference	bearer	bearer	-
Type of preference	double the number of votes	-	-	-
Type of restriction of right to shares	-	-	-	-
Number of shares	702 642	1 227 936	1 582 307	3 512 885

Value of series / issue at nominal amount	7 026 420	12 279 360	15 823 070	35 128 850
Capital contribution method	in-kind contribution (contribution of enterprise - limited partnership)	in-kind contribution (contribution of enterprise - limited partnership)	cash payment	-
Registration of amendments to articles of association	13.10.2020	13.10.2020	13.10.2020	-

10.5. - Retained earnings	Balance as at 31.12.2022	Balance as at 31.12.2021
At the beginning of financial year	3 418 127	3 407 079
Increase - Allocation of profit for 2020	-	11 048
Increase - Allocation of profit for 2021	70 677	-
At the end of financial year	**3 488 804**	**3 418 127**

10.6. - Reserve capital - revaluation of assets	Balance as at 31.12.2022	Balance as at 31.12.2021
At the beginning of financial year	12 916 096	12 916 096
At the end of financial year	**12 916 096**	**12 916 096**

10.7. - Proposed allocation of financial result	Value
Net profit at the end of financial year	**92 486 760**
The Company is contemplating a dividend payment of between 50% and 100% of profit.	
Unallocated financial results from prior years at the end of financial year	**12 916 096**

11. Provisions

11.1. - Provisions	Balance as at 31.12.2022	Balance as at 31.12.2021
Non-current		
Provisions for retirement payments and other employee benefits	112 607	63 867
Other provisions	-	4 684 000
TOTAL NON-CURRENT PROVISIONS:	**112 607**	**4 747 867**

Current		
Provisions for retirement payments and other employee benefits	514 030	482 591
Other provisions	6 134 401	4 805 927
Total:	**6 648 431**	**5 288 518**

11.2. - Non-current provisions - changes	Employee benefits	Other
Amount of provision at the beginning of reporting period	**63 866**	**4 684 000**
Recognition	48 741	-
Use	-	-
Release	-	-4 684 000
Amount of provision at the end of reporting period	**112 607**	**-**
Amount of provision at the beginning of previous reporting period	**69 712**	**-**
Recognition	9 782	4 684 000
Use	-15 627	-
Release	-	-
Amount of provision at the end of previous reporting period	**63 866**	**4 684 000**

11.3. - Current provisions - changes	Employee benefits	Court cases	Other
Amount of provision at the beginning of reporting period	**482 591**	**-**	**4 805 927**
Recognition	31 439	931 593	2 585 000
Use	-	-931 593	-
Release	-	-	-1 256 526
Amount of provision at the end of reporting period	**514 030**	**-**	**6 134 401**
Amount of provision at the beginning of previous reporting period	**462 329**	**-**	**51 000**
Recognition	142 303	-	4 805 927
Use	-122 041	-	-51 000
Release	-	-	-
Amount of provision at the end of previous reporting period	**482 591**	**-**	**4 805 927**

In the first half of 2022, the Company recognised a provision of PLN 0.93 million for warranty claims in relation to the pending litigation, the provision was utilised in H2 2022 once the payment to the suing party was realised.

The balance of other provisions at 31 December 2022 includes:

- provision for a higher fee for use of environment, together with interest, amounting to PLN 3.55 million and created in 2021. Detailed information on the proceeding is presented in point 11 of the Management Report,
- provision for bonuses for the Management Board in the amount of PLN 2.5 million, which as at 31 December 2022 was fully classified as current (release of non-current provisions of PLN 4.7 million) and its value was updated on the basis of the Group's financial results for 2022 (creation of a provision of PLN 2.5 million). The bonus is expected to be paid in 2023,
- other provisions amounting to PLN 0.1 million.

In this period, PLN 1.2 million in other provisions were released, relating to the performance of a material agreement for waste management.

12. Credit and loans received

12.1. - Credit and loans at the end of reporting period 31.12.2022	Value of credit facilities	Balance	Currency	Interest rate	Repayment date
Non-current					
BNP Paribas - loan agreement	-	-	-	-	-
BNP Paribas - loan agreement	-	-	-	-	-
Total non-current credit and loans					
Current					
BNP Paribas - loan agreement	88 200	7 865	PLN	WIBOR 3M	13.03.2023
BNP Paribas - loan agreement	88 200	7 865	PLN	WIBOR 3M	13.03.2023
Total current credit and loans		**15 730**			

Liabilities related to loan agreements were are being repaid in a timely manner.

12.2. - Credit and loans at the end of reporting period 31.12.2021	Value of credit facilities	Balance	Currency	Interest rate	Repayment date
Non-current					
BNP Paribas - loan agreement	88 200	7 714	PLN	WIBOR 3M	13.03.2023
BNP Paribas - loan agreement	88 200	7 714	PLN	WIBOR 3M	13.03.2023
Total non-current credit and loans		**15 429**			

Current					
BNP Paribas - loan agreement	88 200	23 143	PLN	WIBOR 3M	13.03.2023
BNP Paribas - loan agreement	88 200	23 143	PLN	WIBOR 3M	13.03.2023
Total current credit and loans		**46 286**			

12.3. - Contractual maturities for credit facilities and loans at 31.12.2022	Up to 1 month	1 - 3 months	3 months - 1 year	1 year - 5 years	Total
BNP Paribas - loan agreement	1 929	5 786	-	-	7 714
BNP Paribas - loan agreement	1 929	5 786	-	-	7 714
Total	**3 857**	**11 571**	**-**	**-**	**15 429**

12.4. - Contractual maturities for credit facilities and loans at 31.12.2021	Up to 1 month	1 - 3 months	3 months - 1 year	1 year - 5 years	Total
BNP Paribas - loan agreement	1 929	5 786	15 429	7 714	30 857
BNP Paribas - loan agreement	1 929	5 786	15 429	7 714	30 857
Total	**3 857**	**11 571**	**30 857**	**15 429**	**61 714**

This note presents the maturity of principal, without interest due to variable interest rate

13. Other financial liabilities

13.1. - Other financial liabilities	Balance as at 31.12.2022	Balance as at 31.12.2021
Non-current	**1 256 236**	**1 091 321**
Liabilities related to right-of-use assets	1 256 236	1 091 321
Current	**201 835**	**203 031**
Liabilities related to right-of-use assets	201 835	203 031
Total	**1 458 071**	**1 294 352**

13.2. - Contractual maturities for financial liabilities at 31.12.2022	Up to 1 month	1 - 3 months	3 months - 1 year	1 year - 5 years	Over 5 years	Total
Liabilities related to right-of-use assets	23 146	102 504	72 319	493 676	766 425	1 458 071
Total	**23 146**	**102 504**	**72 319**	**493 676**	**766 425**	**1 458 071**

13.3. - Contractual maturities for financial liabilities at 31.12.2021	Up to 1 month	1 - 3 months	3 months - 1 year	1 year - 5 years	Over 5 years	Total
Liabilities related to right-of-use assets	9 979	72 421	118 535	325 034	768 383	1 294 352
Total	**9 979**	**72 421**	**118 535**	**325 034**	**768 383**	**1 294 352**

13.4. **List of leases at** 30.12.2022	Financing party	Beginning value	Currency	Contract end date	Amount of liability at balance sheet date
Perpetual usufruct of land	Starostwo Krapkowice	245 665	PLN	05.12.2089	243 925
Perpetual usufruct of land	Starostwo Opatów	36 414	PLN	05.12.2089	36 156
Perpetual usufruct of land	Starostwo Wałbrzych	696 679	PLN	05.12.2089	691 743
Perpetual usufruct of land	Starostwo Krosno	51 348	PLN	05.12.2089	50 984
Lease contract 20/014212	PKO Leasing S.A.	152 783	PLN	31.03.2023	18 109
Lease contract 27552/Lu/20	EFL S.A.	172 068	PLN	24.04.2023	34 730
Lease contract 1/02/DŚ/2021	LEMARPOL Sp. z o.o.	48 600	PLN	01.04.2025	41 755
Lease RU/61435/24032021	ARVAL SERVICE LEASE POLSKA Sp	28 950	PLN	01.06.2025	24 836
Lease 2/10/DŚ/2016	LEMARPOL Sp. z o.o.	136 241	PLN	31.10.2027	132 589
Lease 6207352022/KR/618482	mLeasing Sp. z o.o.	166 585	PLN	16.12.2025	91 622
Lease 6207352022/KR/618483	mLeasing Sp. z o.o.	166 585	PLN	16.12.2025	91 622
Total:		**1 901 919**	**-**	-	**1 458 071**

- Parcels with right to perpetual usufruct of land			
Item	**Location**	**Number of parcels**	**Area [ha]**
1	Wałbrzych ul. Górnicza	4	8,7871
2	Wałbrzych ul. Karkonoska	3	6,9769
3	Wałbrzych ul. Moniuszki	2	31,8138
4	Ożarów Karsy 78	1	1,1400

6	Jedlicze ul. Trzecieskiego	10	0,7373
7	Górażdże	1	3,0488

14. Current trade and other liabilities

14.1. - Current trade and other liabilities	Balance as at 31.12.2022	Balance as at 31.12.2021
Trade liabilities	11 636 224	10 342 249
Current income tax liabilities	963 104	1 277 956
Liabilities concerning wages	918 456	846 933
Liabilities concerning other taxes, customs duties and social insurance	1 125 529	1 432 711
Investment liabilities	34 133 344	314 117
Other liabilities	95 566	110 271
Total:	**48 872 223**	**14 324 237**

14.2. - Liabilities at 31.12.2022 - age structure	Not overdue	Up to 1 month	1 - 3 months	3 months - 1 year	1 year - 5 years	Total
Trade liabilities	10 920 890	714 284	80	970	-	11 636 224
Current income tax liabilities	963 104	-	-	-	-	963 104
Liabilities concerning wages	918 456	-	-	-	-	918 456
Liabilities concerning other taxes, customs duties and social insurance	1 125 529	-	-	-	-	1 125 529
Investment liabilities	34 133 344	-	-	-	-	34 133 344
Other liabilities	95 566	-	-	-	-	95 566
Total:	**48 156 888**	**714 284**	**80**	**970**	**-**	**48 872 223**

There was a significant increase in investment liabilities in the current reporting period. Mo-BRUK entered into a PLN 134 million net general contract with AB Industry for an investment to modernise the thermal waste conversion installation at the Karsy plant. This liability amounts to PLN 33.9 million as of 31 December 2022.

14.3. - Liabilities at 31.12.2021 - age structure	Not overdue	Up to 1 month	1 - 3 months	3 months - 1 year	1 year - 5 years	Total
Trade liabilities	10 172 875	143 340	5 172	20 862	-	10 342 249
Current income tax liabilities	1 277 956	-	-	-	-	1 277 956

Liabilities concerning wages	846 933	-	-	-	-	846 933
Liabilities concerning other taxes, customs duties and social insurance	1 432 711	-	-	-	-	1 432 711
Investment liabilities	-	314 117	-	-	-	314 117
Other liabilities	110 271	-	-	-	-	110 271
Total:	**13 840 746**	**457 457**	**5 172**	**20 862**	**-**	**14 324 237**

14.4. Liabilities by payment deadline	**31.12.2022**		**31.12.2021**	
	up to 12 months from balance sheet date	**over 12 months from balance sheet date**	**up to 12 months from balance sheet date**	**over 12 months from balance sheet date**
Trade liabilities	11 636 224	-	10 342 249	-
Current income tax liabilities	963 104	-	1 277 956	-
Liabilities concerning wages	918 456	-	846 933	-
Liabilities concerning other taxes, customs duties and social insurance	1 125 529	-	1 432 711	-
Investment liabilities	34 133 344	-	314 117	-
Other liabilities	95 566	-	110 271	-
Total:	**48 872 223**	**-**	**14 324 237**	**-**

14.5. Liabilities - currency structure	**31.12.2022**		**31.12.2021**	
	in currency	**in PLN after translation**	**in currency**	**in PLN after translation**
EUR	121 965	572 002	10 192	46 878
Total:	**-**	**572 002**	**-**	**46 878**

15. Deferred revenue

15.1. - Deferred revenue	**Balance as at 31.12.2022**	**Balance as at 31.12.2021**
Grants - non-current part	14 687 864	16 928 770
Grants - current part	2 128 199	2 143 851
Total:	**16 816 063**	**19 072 621**

The following table presents additional information regarding grant contracts.

Item	Project title	Location	Contract no.	Grant settlement deadline
1	Formation of R&D centre for eco-friendly waste processing technologies	Niecew	POIG.04.05.02-00-006/10	January 2046
2	Implementation of innovative technology for producing high-calorie fuel mixture	Karsy	POIG.04.04.00-26-003/09	December 2030
3	Innovative method for producing hydraulic proppant	Skarbimierz	POIG.04.04.00-24-008/08	January 2039
4	Purchase of innovative advisory services by Mo-BRUK	Niecew	POIG.03.03.02-00-074/09	December 2024
5	Innovative and safe ecological methods for disposal of dusts, slags and ashes from municipal waste incineration plant and other thermal processes	Niecew	GEKON1/05/213240/35/2015	March 2037

The deadline for settling the grant may change if the economic life of the tangible assets partly financed with the grant change.

16. Revenue from sales

16.1. - Revenue from sales (continuing operations)	For the period ended 31.12.2022	For the period ended 31.12.2021
Revenue from sale of products	1 528 130	1 095 308
Revenue from sale of services	189 644 485	220 991 262
Revenue from sale of materials	-	68
Revenue from sale of goods	21 846 572	14 572 375
Total:	**213 019 187**	**236 659 013**

The Company generated PLN 213 million in revenue in 2022. The level of revenue achieved is satisfactory despite a 10% decrease compared to the sales revenue achieved in the comparative period, i.e. for 2021. The decrease in revenue is mainly related to the decline in the implementation of ecological bomb disposal projects. In the comparative period, the Company generated revenues of PLN 29 million higher on this account, mainly due to the implementation of projects to eliminate "ecological bombs" in the Zgierz District and the City of Gorlice.
The Group's operations did not exhibit seasonality in the presented period.

17. Operating segments

For management purposes, the Company reports operating segments in accordance with IAS 8 Operating Segments, based on the criterion of distinct products and services from which the economic segment generates revenue. The identified segments are as follows: waste management segment (recovery, treatment and disposal of hazardous and non-hazardous waste) and petrol station segment (including diagnostic services). The financial performance of operating segments is assessed and resource allocation

decisions are mainly made on the basis of EBITDA. EBITDA is one measure of business performance that is not defined in IFRS. Mo-BRUK S.A. defines EBITDA as net profit/(loss) for the reporting period before the impact of income tax, financing activities and depreciation/amortisation costs.

The "Other" category mainly comprises rental income and income from the provision of marketing services to the subsidiary Raf-Ekologia Sp. z o.o. To reflect the operating segments identified based on internal reports on those elements of the Company's business that are reviewed by those who manage and evaluate its financial performance, the note presenting operating segment data (compared to the 2021 financial statements) has been rearranged. The construction services segment has been moved to the "Other" category due to the absence of this type of revenue in 2022 (comparative figures have been restated accordingly).

The Company does not present total assets and liabilities for the operating segments, as these values are not regularly presented to the chief operating decision-maker.
For the years ending 31 December 2022 and 31 December 2021, the changes in the impairment of trade receivables presented in note 7.2 relate to the Waste Management segment.

17.1. Operating segments - 01.01.2022-31.12.2022	**Segments**			**Total**
	Waste management	**Petrol stations**	**Other**	
Financial results by operating segment 01.01.2022-31.12.2022				
Revenue from sales	187 068 190	22 243 768	3 707 230	213 019 187
Operating costs	92 527 263	21 329 608	2 583 640	116 440 511
Gross result on sales	**94 540 927**	**914 160**	**1 123 590**	**96 578 676**
Other operating revenue	3 855 460	10 428	678 664	4 544 552
Other operating costs	5 157 075	63 120	914 702	6 134 897
Operating profit/loss	**93 239 312**	**861 467**	**887 553**	**94 988 331**
Finance income				16 337 304
Finance costs				441 468
Profit before tax				**110 884 168**
Income tax				18 397 408
Net profit				**92 486 760**
Depreciation / amortisation	**4 007 178**	**82 024**	**962 394**	**5 051 596**
EBITDA	**97 246 490**	**943 491**	**1 849 947**	**100 039 928**

17.2. Operating segments - 01.01.2021-31.12.2021	**Segments**			**Total**
	Waste management	**Petrol stations**	**Other**	

Financial results by operating segment 01.01.2021-31.12.2021				
Revenue from sales	214 189 767	14 950 290	7 518 956	236 659 013
Operating costs	78 448 935	14 166 032	4 872 731	97 487 698
Gross result on sales	**135 740 831**	**784 258**	**2 646 226**	139 171 315
Other operating revenue	478 655	4 179	109 743	592 577
Other operating costs	10 757 241	31 401	375 487	11 164 129
Operating profit/loss	**125 462 245**	**757 035**	**2 380 482**	128 599 763
Finance income				9 818 845
Finance costs				2 208 130
Profit before tax				136 210 477
Income tax				25 483 923
Net profit				110 726 554
Depreciation / amortisation	**3 856 266**	**83 969**	**1 031 410**	4 971 645
EBITDA	**129 318 511**	**841 004**	**3 411 892**	**133 571 407**

17.3. Net revenue from sale of products and services	**For the period ended 31.12.2022**	**For the period ended 31.12.2021**
Solidification and stabilisation of waste	79 474 962	73 360 099
Production of alternative fuels	46 529 765	52 778 940
Incineration of waste	61 063 463	88 050 727
Retail sale of fuel and other goods	22 243 768	14 950 290
Construction services	-	4 039 443
Rental activities	3 420 000	3 420 000
Other	287 230	59 513
Total:	**213 019 187**	**236 659 013**

Information on revenue by geographic area in the period 01.01.2022-31.12.2022		
17.4. Item	**Revenue**	**Non-current assets**
POLAND	211 376 498	138 018 948
DENMARK	623 387	-
ITALY	617 224	-
LITHUANIA	235 823	-

GERMANY	166 256	-
Total	**213 019 187**	**138 018 948**

Information on revenue by geographic area in the period 01.01.2021-31.12.2021		
17.5. Item	**Revenue**	**Non-current assets**
POLAND	235 151 517	113 596 044
DENMARK	265 874	-
ITALY	687 707	-
LITHUANIA	161 110	-
SLOVENIA	373 331	-
GERMANY	18 514	-
ROMANIA	960	-
Total	**236 659 013**	**113 596 044**

Information on key customers in the period 01.01.2022-31.12.2022			
17.6. No.	**Operating segment**	**Revenue**	**% of total revenue**
Counterparty no. 1	Waste management	21 499 361	9%
Counterparty no. 2	Waste management	15 308 884	6%
Counterparty no. 3	Waste management	10 287 818	4%
Counterparty no. 4	Waste management	9 457 433	4%
Counterparty no. 5	Waste management	8 125 282	3%
Total:		**64 678 777**	

Information on key customers in the period 01.01.2021-31.12.2021			
17.7. No.	**Operating segment**	**Revenue**	**% of total revenue**
Counterparty no. 1	Waste management	42 833 288	18%
Counterparty no. 2	Waste management	16 583 217	7%
Counterparty no. 3	Waste management	16 271 132	7%
Counterparty no. 4	Waste management	10 727 509	5%
Counterparty no. 5	Waste management	9 501 309	4%
Total:		**95 916 456**	

The Company is successively growing its revenue from the sale of product and services, with the largest impact coming from the most dynamically developing segment, i.e. waste management, which accounts for nearly 90% of the Issuer's revenue.

18. Operating costs

18.1. - Costs by nature	For the period ended 31.12.2022	For the period ended 31.12.2021
Depreciation / amortisation	5 051 596	4 971 645
Use of materials and energy	15 294 167	13 293 025
Third-party services	56 722 956	48 179 151
Taxes and fees	1 288 317	1 281 229
Remuneration	13 952 879	13 373 588
Employee benefits	3 076 512	2 887 230
Other costs by nature	1 118 050	579 052
Value of goods and materials sold	19 925 405	12 918 750
TOTAL COSTS BY NATURE	**116 429 881**	**97 483 669**
Adjustments:		
Changes in products	10 630	4 029
Selling costs	-2 460 858	-2 131 982
General administrative expenses	-6 348 888	-5 486 395
TOTAL OPERATING COSTS	**107 630 765**	**89 869 322**

18.2. - Cost of sales	For the period ended 31.12.2022	For the period ended 31.12.2021
Cost to produce products and services sold	87 705 360	76 950 572
Value of goods sold	19 925 405	12 918 750
TOTAL OPERATING COSTS	**107 630 765**	**89 869 322**

19. Other operating revenue

19.1. - Other operating revenue	For the period ended 31.12.2022	For the period ended 31.12.2021
Gain on sale of non-financial non-current assets	526 094	94 428
Proceeds from liquidation of tangible and intangible assets	40 536	-

Subsidy settlement	120 722	120 549
Release of provisions	3 720 031	279 608
Penalties and compensation received	12 199	31 892
Refund of court, enforcement and other fees	2 071	15 942
Inventory surpluses	2 110	-
Other	120 788	50 158
Total:	**4 544 552**	**592 577**

The considerable increase in other operating income in 2022 was due to the updating of a provision for bonuses for members of the Management Board and the release of a provision for the costs of the waste management contract.

20. Other operating costs

20.1. - Other operating costs	For the period ended 31.12.2022	For the period ended 31.12.2021
Recognition of provisions	1 643 879	6 446 177
Recognition of impairment, including:	1 063 211	4 363 614
Trade receivables	*1 063 211*	*4 363 614*
Liquidation and scrapping costs	123 977	96 057
Inventory shortages	47 378	30 961
Donations made	119 934	22 833
Cost of random events	1 348 339	-
Court and enforcement fees	225 708	166 845
Cost of reclamation	956 872	-
Penalties and compensation	588 582	-
Other	17 016	37 643
Total:	**6 134 897**	**11 164 129**

21. Finance income

21.1. - Finance income	For the period ended 31.12.2022	For the period ended 31.12.2021
Bank interest	2 287 820	42 313
Interest from counterparties	4 210	3 427
Excess of positive exchange differences over negative exchange differences	17 815	-

Other	-	5 973
Dividend received	14 027 460	9 767 132
Total:	**16 337 304**	**9 818 845**

The significant increase in finance income was mainly driven by bank interest on invested surpluses, which were made with banks on significantly more favourable terms compared to 2021. The increase in interest rates offered by banks was forced by macroeconomic factors. In addition, subsidiary Raf-Ekologia Sp. z o.o. achieved a significantly higher net profit for 2021, resulting in higher dividend income.

22. Finance costs

28.1. - Finance costs	For the period ended 31.12.2022	For the period ended 31.12.2021
Interest on credit facilities	1 327	7 371
Excess of negative exchange differences over positive exchange differences	-	29 880
Lease interest, concerning right-of-use assets	171 954	200 691
Tax interest	2 407	1 954 414
Interest on other liabilities	265 781	-
Other	-	15 773
Total:	**441 468**	**2 208 130**

23. Financial instruments

The value of financial assets and financial liabilities presented in the statement of financial position refers to the following categories of financial instruments in IFRS 9:

- financial assets at amortised cost,
- financial assets at fair value through profit or loss - designated as such at initial recognition or subsequently,
- financial liabilities at amortised cost,

23.1. - Financial instruments by category	Category in accordance with IFRS 9	At 31.12.2022		At 31.12.2021	
		Book value	Fair value	Book value	Fair value
Financial assets		**104 264 697**	**104 264 697**	**126 527 991**	**126 527 991**
Trade and other receivables (except for public-legal receivables)	Assets at amortised cost	24 943 442	24 943 442	25 347 840	25 347 840

Cash	Assets at amortised cost	79 321 256	79 321 256	101 180 151	101 180 151
Financial liabilities		**45 880 863**	**45 880 863**	**10 828 352**	**10 828 352**
Credit and loan liabilities (except for lease liabilities)	Liabilities at amortised cost	15 730	15 730	61 714	61 714
Trade and other liabilities (except for public-law liabilities)	Liabilities at amortised cost	45 865 133	45 865 133	10 766 637	10 766 637

According to an assessment by the Company, the fair value of cash, short-term deposits, trade receivables, other financial assets, trade liabilities and other liabilities does not diverge from their carrying amounts, mainly due to their short maturities.

23.2. - Financial instruments - interest rate risk	**31.12.2022**		**31.12.2021**	
Specification	**Maturing in under 1 year**	**Maturing in 1 year - 5 years**	**Maturing in under 1 year**	**Maturing in 1 year - 5 years**
Fixed interest (weighted average)	**7.02%**	**0.00%**	**0.00%**	**0.00%**
Credit and loans taken out	15 730	-	46 286	15 429

23.3. - Financial instruments - credit risk	**31.12.2022**			**31.12.2021**		
Credit risk exposures per one counterparty that constitute more than:	**exposures <3% of balance**	**3%< exposures <20% of balance**	**exposures >20% of balance**	**exposures <3% of balance**	**3%< exposures <20% of balance**	**exposures >20% of balance**
Own receivables	6 324 919	12 746 576	-	7 545 639	11 805 929	-

The Company does not feature a significant concentration of credit risk related to receivables concerning services, as confirmed by an analysis of receivables balances in terms of their share in the total value of trade receivables. The largest item of receivables from customers in 2022 constitutes a receivable from a customer whose share in total receivables from customers is 9.5%. This receivable results from an agreement with a counterparty with which the company has been working with for years.

23.4. - Profit and revenue concerning financial instruments	**For the period ended 31.12.2022**	**For the period ended 31.12.2021**
Total interest income	2 292 029	45 740

23.5. - Losses and costs concerning financial instruments	**For the period ended 31.12.2022**	**For the period ended 31.12.2021**
Total interest cost	173 281	208 063

24. Explanation of inconsistencies between balance sheet changes and values presented in the statement of cash flows

24.1. - Explanation of inconsistencies between balance sheet changes and values presented in the statement of cash flows	For the period ended 31.12.2022	For the period ended 31.12.2021
Balance sheet change in provisions	-2 412 929	8 699 206
Changes in deferred income tax provisions	*862 417*	*-754 137*
Changes in provisions in statement of cash flows	-3 275 346	9 453 343
Balance sheet change in inventories	-265 749	-88 245
Change in inventories in statement of cash flows	-265 749	-88 245
Balance sheet change in receivables	-6 524 466	4 963 294
Change in receivables in statement of cash flows	-6 524 466	4 963 294
Balance sheet change in current liabilities, except for financial liabilities	34 547 986	3 380 605
Change in investment liabilities	*27 436 569*	*314 117*
Changes in CIT liabilities	*-314 852*	-
Balance sheet change in current liabilities, except for financial liabilities, in statement of cash flows	7 426 270	3 066 488
Balance sheet change in prepayments and accrued expenses	-721 083	12 815
Change in prepayments and accruals in statement of cash flows	-721 083	12 815
Balance sheet change in deferred revenue	- 2 256 558	- 2 320 206
Changes in deferred revenue in statement of cash flows	-2 256 558	- 2 320 206

25. Related-party transactions and remuneration for Company key personnel

The following notes contain total amounts for transactions executed with related parties in 2022 and 2021, along with the amount of outstanding balances of receivables and liabilities as of 31 December 2022 and 31 December 2021.

Related-party transactions took place on terms equivalent to those that apply to transactions concluded on an arm's length basis.

25.1. - Related-party transactions and balances for the financial year	Consolidated	Unconsolidated
	Subsidiaries	Personally related entities
Net sales (without tax on goods and services)	4 991 495	-

Net purchases (without tax on goods and services)	16 493	-
Current receivables	550 431	-
Dividend received	14 027 460	-

In 2022, the Issuer executed the following transactions with capital-related parties:

- lease of property pursuant to lease agreement no. 44/Rek/2004 of 31 May 2004; pursuant to annex no. 25 of 28 December 2015,
- waste management services pursuant to an agreement executed on 25 May 2019 and amended through annex no. 1 of 10 July 2020,
- marketing services pursuant to an agreement on commercial and marketing services of 2 January 2014; in accordance with annex no. 4 of 29 March 2016,
- sub-lease and use of infrastructure pursuant to an agreement of 2 January 2014;
- dividend payment by subsidiary Raf-Ekologia Sp. z o.o. - on 11 April 2022, the Ordinary General Meeting of subsidiary Raf-Ekologia Sp. z o.o. adopted a resolution to allocate the entire profit for the financial year from 1 January 2021 to 31 December 2021, amounting to PLN 14 027 460.42, for the sole shareholder - the payment was made on 19 April 2022.

25.2. - Related-party transactions and balances in 2021	**Consolidated**	**Unconsolidated**
	Subsidiaries	**Personally related entities**
Net sales (without tax on goods and services)	4 806 870	-
Net purchases (without tax on goods and services)	18 407	-
Current receivables	472 011	-
Dividend received	9 767 132	-
Salary under employment contract	-	13 204

In 2021, the Issuer executed the following transactions with capital-related parties:

- lease of property pursuant to lease agreement no. 44/Rek/2004 of 31 May 2004; pursuant to annex no. 25 of 28 December 2015,
- waste management services pursuant to an agreement executed on 25 May 2019 and amended through annex no. 1 of 10 July 2020,
- marketing services pursuant to an agreement on commercial and marketing services of 2 January 2014; in accordance with annex no. 4 of 29 March 2016,
- sub-lease and use of infrastructure pursuant to an agreement of 2 January 2014;
- dividend payment by subsidiary Raf-Ekologia Sp. z o.o. - on 1 April 2021, the Ordinary General Meeting of subsidiary Raf-Ekologia Sp. z o.o. adopted a resolution to allocate the entire profit for

the financial year from 1 January 2020 to 31 December 2020, amounting to PLN 9 767 132.09, for the sole shareholder - the payment was made on 16 April 2021.

25.3. - Remuneration of Company key personnel, without Supervisory Board, received from the Company	31.12.2022			31.12.2021		
	Base salary	Bonuses	Other	Base salary	Bonuses	Other
Management Board members (last names)						
Siodmok Henryk	387 116	-	2 484	-	-	-
Mokrzycki Józef	347 226	-	20 437	662 400	-	42 108
Mokrzycka Elżbieta	420 000	-	2 420	420 000	-	5 220
Mokrzycka-Nowak Anna	-	-	-	192 500	-	6 053
Mokrzycki Wiktor	420 000	-	15 262	420 000	-	14 871
Mokrzycki Tobiasz	420 000	-	12 218	420 000	-	12 693

25.4. - Remuneration of Supervisory Board members received at the Company	For the year ended 31.12.2022	For the year ended 31.12.2021
Supervisory Board members (last names)		
Janik Kazimierz	18 000	18 000
Basta Jan	225	16 200
Pietrzak Piotr	16 950	18 000
Turzański Konrad	14 400	14 400
Skrzyński Piotr	16 695	14 400
Semczak Arkadiusz	9 960	-

26. Contingent liabilities and assets

26.1. - Guarantees and sureties	As at 31.12.2022	As at 31.12.2021
From related parties	**-**	**-**
From other entities	**19 853 062**	**9 329 866**
Collateral for proper performance of contracts	19 853 062	9 329 866
Total:	**19 853 062**	**9 329 866**

26.2. - Contingent liabilities concerning guarantees - detailed specification	Guarantee / surety from	Title	Currency	As at 31.12.2022
PZU S.A.	31.12.2020	guarantee of proper contract performance for Beneficiary	PLN	45 848
PKO BP S.A.	27.01.2021	payment guarantee for notification for transboundary movements of wastes	PLN	476 000
Bank Millennium S.A.	27.01.2021	payment guarantee for notification for transboundary movements of wastes	PLN	836 664
Bank Millennium S.A.	05.11.2021	payment guarantee for notification for transboundary movements of wastes	PLN	4 379 180
BNP Paribas S.A.	16.03.2022	security guarantee for claims in connection with waste treatment and collection activities	PLN	4 966 500
BNP Paribas S.A.	21.04.2022	payment guarantee for notification for transboundary movements of wastes	PLN	1 067 790
BNP Paribas S.A.	16.05.2022	payment guarantee for notification for transboundary movements of wastes	PLN	386 500
KUKE	13.10.2022	security guarantee for claims in connection with waste treatment and collection activities	PLN	4 350 000
KUKE	14.11.2022	payment guarantee for notification for transboundary movements of wastes	PLN	3 344 580
Total:	-	-	-	**19 853 062**

26.3. - Contingent liabilities concerning guarantees - detailed specification	Guarantee / surety from	Title	Currency	As at 31.12.2021
PKO BP S.A.	27.01.2021	payment guarantee for notification for transboundary movements of wastes	PLN	476 000
PZU S.A.	30.01.2020	guarantee of proper contract performance for Beneficiary	PLN	70 859
PZU S.A.	30.01.2020	guarantee of proper contract performance for Beneficiary	PLN	60 745
PZU S.A.	01.06.2020	guarantee of proper contract performance for Beneficiary	PLN	158 760
PZU S.A.	08.06.2020	guarantee of proper contract performance for Beneficiary	PLN	239 760
PZU S.A.	31.12.2020	guarantee of proper contract performance for Beneficiary	PLN	45 848
Bank Millennium S.A.	01.12.2020	payment guarantee for notification for transboundary movements of wastes	PLN	3 062 050
Bank Millennium S.A.	27.01.2021	payment guarantee for notification for transboundary movements of wastes	PLN	836 664
Bank Millennium S.A.	05.11.2021	payment guarantee for notification for transboundary movements of wastes	PLN	4 379 180
Total:	-	-	-	**9 329 866**

27. Profit per share

Basic profit per share is calculated using a formula where net profit attributable to the parent's shareholders is divided by the weighted average number of shares in the given period.

No diluting factors were recorded in the reporting period and comparative period,

as a result of which basic profit per share and diluted profit per share are the same. Presented below is data regarding profit and the number of shares used to calculate profit per share.

27.1. Basic profit per share	For the period ended 31.12.2022	For the period ended 31.12.2021
Profit for the financial year attributable to shareholders of the parent	92 486 760	110 726 554
Profit per share (in PLN per share)	26.33	31.52
Profit used to calculate basic profit per share, total	**92 486 760**	**110 726 554**
Profit used to calculate basic profit per share from continuing operations	**92 486 760**	**110 726 554**

27.2. Diluted profit per share	For the period ended 31.12.2022	For the period ended 31.12.2021
Profit for the financial year attributable to shareholders of the parent	92 486 760	110 726 554
Profit per share (in PLN per share)	26.33	31.52
Profit recognised for the purpose of calculating diluted profit per share	**92 486 760**	**110 726 554**

The weighted average number of shares used to calculate diluted profit per share is reconciled to the average used to calculate the normal ratio as follows:		
Weighted average number of ordinary shares used to calculate basic profit per share	3 512 885	3 512 885
Weighted average number of ordinary shares (for the purpose of calculating diluted profit per share)	**3 512 885**	**3 512 885**

28. Dividends paid

28.1. Dividends paid	2022	2021
Dividends paid in PLN/share	31.50	20.15

29. Data on the Company's employment

29.1 - Average headcount in full-time positions	For the year ended 31.12.2022	For the year ended 31.12.2021
Blue-collar workers	127	129
White-collar workers	49	52
Total average headcount	**176**	**181**

30. Fees to entity authorised to audit financial statements

30.1 - Fees to entities authorised to audit financial statements	For the year ended 31.12.2022	For the year ended 31.12.2021
For review and audit of separate financial statements	60 000	53 000
For other services - assurance service	5 000	-
Total remuneration	**65 000**	**53 000**

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

Signatures of Management Board Members

29 March 2023	**Henryk Siodmok**	
Date	*President of the Management Board*	
29 March 2023	**Elżbieta Mokrzycka**	
Date	*Vice-President of the Management Board*	
29 March 2023	**Wiktor Mokrzycki**	
Date	*Vice-President of the Management Board*	
29 March 2023	**Tobiasz Mokrzycki**	
Date	*Vice-President of the Management Board*	

Signature of person in charge of book-keeping

29 March 2023	**Jarosław Martiszek**	
Date	*Chief Accountant*	