



WASTE MANAGEMENT

solidification
incineration
alternative fuels
laboratory services

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**MO-BRUK GROUP CONDENSED CONSOLIDATED INTERIM FINANCIAL
STATEMENTS IN ACCORDANCE WITH INTERNATIONAL FINANCIAL
REPORTING STANDARDS**

Mo-BRUK GROUP

FOR THE PERIOD FROM 1 JANUARY 2023 TO 30 JUNE 2023

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
35 PLN 128 850, fully paid-up.

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I. SELECTED CONSOLIDATED FINANCIAL DATA

ITEM	PLN		EUR	
	01.01.2023- 30.06.2023	01.01.2022- 30.06.2022	01.01.2023- 30.06.2023	01.01.2022- 30.06.2022
I. Net revenue from sale of products, goods and materials	112 110 307	111 612 403	24 303 123	24 040 408
II. Operating profit (loss)	48 756 909	55 996 419	10 569 458	12 061 175
III. Gross profit (loss)	50 432 089	56 369 804	10 932 601	12 141 599
IV. Net profit (loss)	40 649 663	45 601 395	8 811 980	9 822 171
V. Net cash flows from operating activities	41 990 564	40 858 973	9 102 659	8 800 692
VI. Net cash flows from investing activities	-28 214 985	-2 377 436	-6 116 407	-512 080
VII. Net cash flows from financial activities	-1 198 882	-110 874 950	-259 892	-23 881 567
VIII. Total net cash flows	12 576 698	-72 393 414	2 726 360	-15 592 955
IX. Number of shares	3 512 885	3 512 885	3 512 885	3 512 885
X. Profit (loss) per ordinary share (in PLN/EUR)	11.57	12.98	2.51	2.80
ITEM	PLN		EUR	
	At 30.06.2023	At 31.12.2022	At 30.06.2023	At 31.12.2022
XI. Total assets	287 028 573	271 394 503	64 496 455	57 867 866
XII. Liabilities and provisions for liabilities	104 374 236	83 125 133	23 453 303	17 724 287
XIII. Non-current liabilities	21 890 349	22 892 779	4 918 848	4 881 294
<i>including deferred income - grant</i>	10 395 377	14 687 864	2 335 882	3 131 807
XIV. Current liabilities	82 483 887	60 232 355	18 534 455	12 842 993
<i>including deferred income - grant</i>	3 998 758	2 128 199	898 537	453 784
XV. Equity	182 654 337	188 269 369	41 043 151	40 143 579
XVI. Share capital	35 128 850	35 128 850	7 893 591	7 490 320
XVII. Number of shares	3 512 885	3 512 885	3 512 885	3 512 885
XVIII. Book value per share (in PLN/EUR)	52.00	53.59	11.68	11.43

The above data for the first half of 2023 and 2022 was converted into EUR in accordance with the following rules:

- asset and equity and liability items for:

H1 2023 - using the average exchange rate published on 30 June 2023 - EURPLN 4.4503,

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

- data on comprehensive income and data from the statement of cash flows - according to an exchange rate being the 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 2023 to 30 June 2023) - EURPLN 4.6130, and for 2022 (from 1 January 2022 to 31 December 2022) - EURPLN 4.6427.

*Mo-BRUK Group condensed consolidated interim financial statements
for the period 01.01.2023 – 30.06.2023*

The Group's condensed consolidated interim financial statements cover the period from 1 January 2023 to 30 June 2023 and are prepared in accordance with IAS 34 Interim Financial Reporting.

Certain information and disclosures, which in accordance with International Financial Reporting Standards ("IFRS") endorsed by the European Union ("EU") are usually presented together with the annual consolidated financial statements, are either condensed or omitted in these financial statements in accordance with IAS 34 Interim Financial Reporting ("IAS 34").

These financial statements were reviewed by a statutory auditor.

The fair values of assets and equity and liabilities do not differ from their carrying amounts.

These financial statements were prepared in a way that ensures their comparability with the financial data published for 2022 by applying consistent accounting rules (policy) in alignment with the form that had been used in the published financial statements, taking into account accounting standards and principles and legal regulations applicable to such annual financial statements (for 2022).

II. INTRODUCTION TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. General information

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

The entity preparing these consolidated financial statements is Mo-BRUK S.A. - hereinafter the Parent.

The Parent's registered office is at: 33-322 Korzenna Niecew 68, country: Poland.

The reporting entity's name or any other identification data did not change after the end of the reporting period.

In the period from 1 April 2008 to 31 May 2010, the Parent 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. Mo-BRUK Spółka Akcyjna holds statistical number REGON 120652729 and tax identification number NIP 7343294252.

1.2. Duration of the Company

The Group's duration is indefinite.

1.3. Place of business

The Group conducts economic activities throughout Poland, in the following towns: Niecew, Wałbrzych, Karsy, Łęka, Skarbimierz, Jedlicze.

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

- 33-322 Korzenna, Niecew 68,
- 58-303 Wałbrzych, ul. Górnicza 1,
- 58-3-3 Wałbrzych, ul. Górnicza 4,
- 27-530 Ożarów, Karsy 78,
- 33-322 Korzenna, Łęka 115,
- 58-300 Wałbrzych, ul. Moniuszki 99,
- 49-318 Skarbimierz, ul. Smaków 21.

Subsidiary Raf-Ekologia Sp. z o.o. operates at the following address: 38-460 Jedlicze, ul. Trzecieskiego 14.

1.4. The Group's main economic activity:

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

- management of waste, where the Issuer conducts the following activities:

- production of alternative fuels;
- incineration of waste, production and sale of technological steam;
- 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 Issuer conducts the following activities:
 - rental activities,
 - car diagnostics services at its own vehicle inspection station;
 - laboratory services.

The Group's business encompasses the processing of industrial waste, hazardous waste and certain fractions of municipal waste. The Issuer 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 Group owns two incinerators, where medical and hazardous waste is treated.

1.5. Presented reporting periods

These condensed consolidated interim financial statements are prepared for the period from 1 January 2023 to 30 June 2023 and contain comparative balance sheet data as at 31 December 2022 and comparative financial data regarding results and other comprehensive income for the period from 1 January 2022 to 30 June 2022.

1.6. Rounding in the consolidated financial statements

The Group rounds the figures in the condensed consolidated interim financial statements to full Polish zlotys (PLN).

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

2.1. Management Board

Composition of the Parent's Management Board at the date on which these condensed consolidated interim financial statements were prepared:

- | | |
|---------------------|--|
| • Henryk Siodmok | President of the Management Board |
| • Wiktor Mokrzycki | Vice-President of the Management Board |
| • Tobiasz Mokrzycki | Vice-President of the Management Board |
| • Rafał Michalczuk | Vice-President of the Management Board |
| • Andrzej Rytka | 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 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 the consolidated 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 |

- Marcin Szymański Member of the Supervisory Board

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

- On 26 June 2023, Mo-BRUK S.A.'s Ordinary General Meeting, acting pursuant to art. 385 § 1 of the Polish Commercial Companies Code and § 19 of the Company's Articles of Association, adopted resolution no. 19/2023 regarding changes to the composition of the Supervisory Board, appointing Mr. Marcin Szymański to the Company's Supervisory Board.

2.3. Audit Committee

At the date on which the consolidated 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 composition of the Issuer's Audit Committee did not change in the reporting period.

3. Related parties

Mo-BRUK Spółka Akcyjna 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 companies in which at least 20% of share capital or general meeting votes is held by the Company as at the balance sheet date

Item	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. Trzecieckiego 14	100	100	Fully consolidated

4. Legal basis for preparing the financial statements

These condensed consolidated interim financial statements for the period from 1 January 2023 to 30 June 2023 have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 23") 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).

These condensed consolidated interim financial statements do not contain all of the information that is disclosed in the IFRS-compliant annual consolidated financial statements. These condensed consolidated interim financial statements should be read together with the Group's consolidated financial statements for 2022.

5. Date on which the condensed consolidated interim financial statements were approved for publication

These financial statements were approved on the date on which the condensed consolidated financial statements were signed by the Management Board of Mo-BRUK S.A.

6. Functional currency and reporting currency

The data presented in the condensed consolidated interim financial statements is presented in Polish zloty (PLN). The Polish zloty is the Group's functional currency and reporting currency.

7. Seasonality

The Group's business is not characterised by significant seasonality or cyclicity that could materially impact the periodic results of the Issuer or its subsidiary.

8. Going concern

The Group's condensed consolidated interim financial statements for the period from 1 January 2023 to 30 June 2023 were prepared on the assumption that the Group will 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 Group's going concern.

9. Other material events at the Group in the reporting period

Receipt of the decision of the Local Board of Appeals

- On 16 January 2023, the Issuer 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 Issuer's 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 Issuer received a decision from the Marshal of the Lower Silesian Voivodship in Wrocław dated 03 February 2023 on imposing an increased fee on the Issuer's 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 Group's activities for the period from 1 January 2023 to 30 June 2023, in point 11 "*Material proceedings before a court, arbitration authority or public administration authority, concerning liabilities or debts of the issuer or its subsidiary*"

Changes in the composition of the Issuer's Management Board and Supervisory Board

There were changes in the composition of the Issuer's Management Board and Supervisory Board during the reporting period. A detailed description of these changes is presented in point 2.1. "*Management Board*" and 2.2. "*Supervisory Board*" of these financial statements.

Dividend payment for 2022 from related party Raf Ekologia Sp. z o.o.

On 26 April 2023, 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 2022 to 31 December 2022, amounting to PLN 13 695 173.58, as a dividend to its sole shareholder and parent company Mo-BRUK S.A.

The dividend payment was split in two parts:

- PLN 6 000 000.00, the dividend payment was made on 27 June 2023,
- PLN 7 695 173.58 will be paid out by the end of 2023.

Material agreement signed with ORLEN Eko Sp. z o.o.

On 25 May 2023, the Issuer, acting as part of a consortium with "KLIMAPOL" Sp. z o.o. with its registered office in the town of Dąbrowica, signed an agreement with ORLEN Eko Spółka z o.o. with its registered office at ul. Chemików 7 in Płock, the subject of which is the performance of a service consisting in the excavation, dewatering, collection, transport from the landfill and management of waste code 19 01 06* - sludges and other hydrated waste from the treatment of waste gases, from ORLEN Eko Sp. z o.o.'s hazardous waste landfill in an estimated quantity of approx. 2 600 Mg/year in the periods October-December 2023 and October-December 2024.

The wastes constituting the subject of the agreement will be managed at the Issuer's Inorganic Waste Recovery Facility in Skarbimierz.

The agreement is for a fixed period of time, valid from the date of its conclusion until 31 December 2024, with the service of excavation, dewatering and transport of waste to be performed in the months of October, November and December each year. The total value of the agreements is estimated at PLN 13.83 million net.

Allocation of Mo-BRUK S.A.'s profit for 2022 and dividend payment

On 26 June 2023, the Ordinary General Meeting of Mo-BRUK S.A. adopted resolution no. 6/2023 on the allocation of Mo-BRUK S.A.'s profit for the period from 1 January 2022 to 31 December 2022, amounting to PLN 92 486 759.61. The profit was allocated as follows:

1. PLN 46 222 064.16 was allocated to increase the Company's supplementary capital,
2. PLN 46 264 695.45 was allocated to a dividend for the Company's shareholders.

Mo-BRUK S.A.'s Ordinary General Meeting set the record date as 3 July 2023 and the payment date of 10 July 2023.

The dividend per share amounts to PLN 13.17.

The dividend payment was made on 10 July 2023.

10. Events after the reporting period

In accordance with IAS 10, events after the reporting period include all events occurring between the end of the reporting period and the date that the condensed consolidated interim financial statements are authorised for issue.

In the period after the balance sheet date, the Group did not record any events that could materially affect Mo-BRUK Group's financial results in the future.

11. 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 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 10.1.

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 least at the end of each annual reporting period.

The Group reviewed the economic life of tangible assets based on a special analysis by a committee appointed for this purpose. Based on this review of the useful lives of tangible assets, the Company shortened the useful lives of certain tangible assets involved in the project "Modernisation and expansion of the thermal waste conversion line in Karsy." Changes to depreciation rates were introduced from 1 January 2023, this resulted in an increase in depreciation costs in 2023.

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 6.2.

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 4.1, 4.2, 4.3.

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 10.1.

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

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

In the period covered by these condensed consolidated interim financial statements, the Group did not change its accounting policy in a way that would have a material impact on its financial results and equity. No errors were identified that would require to be corrected.

The accounting rules applied in preparing these condensed consolidated interim financial statements are consistent with those applied in preparing Mo-BRUK Group's consolidated financial statements for 2022. Additional information and explanations to the condensed consolidated interim financial statements for the period from 1 January 2023 to 30 June 2023 are prepared in a continuous manner.

13. 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 2023

New or amended standards and interpretations issued by the IASB or IFRIC are in effect from 1 January 2023:

IFRS 17 Insurance Contracts with subsequent amendments to IFRS 17 published by the IASB on 25 June 2020 - endorsed in the EU on 19 November 2021 (applicable to annual periods beginning on or after 1 January 2023),

Amendments to IFRS 17 Insurance Contracts - first-time adoption of IFRS 17 and IFRS 9 - comparative figures, endorsed in the EU on 8 September 2022 (applicable to annual periods beginning on or after 1 January 2023),

Amendments to IAS 1 Presentation of Financial Statements - Disclosures on significant accounting policies. Endorsed in the EU on 2 March 2022 (applicable to annual periods beginning on or after 1 January 2023). The amendments to IAS 1 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.

Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - definition of estimates, endorsed in the EU on 2 March 2022 (applicable to annual periods beginning on or after 1 January 2023). In the amendment to IAS 8, 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 12 Income Taxes - Deferred tax on assets and liabilities from a single transaction, endorsed in the EU on 11 August 2022 (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.

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

14. 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

There were no new standards, interpretations or amendments to published standards that have been issued by the IASB and endorsed by the European Union, but are not yet effective.

15. 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

Amendments to IAS 1 Presentation of Financial Statements - applicable to annual periods beginning on or after 1 January 2024. The amendments affect the requirements in IAS 1 for the presentation of liabilities.

Particularly, they explain that the classification of liabilities as current or non-current is only affected by contractual clauses that the entity is required to comply with at or before the balance sheet date. Moreover, the entity must disclose information in the financial statements that enables users of the financial statements to understand the risk that long-term liabilities with contractual clauses will become due within twelve months.

Amendments to IFRS 16 Leases - standard published on 22 September 2022, applicable to annual periods beginning on or after 1 January 2024. The amendments to IFRS 16 clarify the requirements that a seller-lessee uses to measure the lease liability arising from sale and leaseback transactions, so that the seller-lessee does not recognise any amount of gain or loss that relates to a right-of-use that it retains. A sale and leaseback transaction involves the transfer of an asset by an entity (the seller-lessee) to another entity (the buyer-lessor) and a leaseback of the same asset by the seller-lessee.

Amendments to IAS 12 Income Taxes - applicable to annual periods beginning on or after 1 January 2023. The amendments give companies a temporary exemption from accounting for deferred tax arising from the Organisation for Economic Co-operation and Development's ("OECD") international tax reform. In December 2021, the OECD published model Pillar 2 rules to ensure that large multinationals are subject to a minimum tax rate of 15%.

Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments - applicable to annual periods beginning on or after 1 January 2024.

- They do not define supplier financing arrangements. Instead, the amendments describe the features of the contract for which the entity is required to provide information,
- entities will need to disclose information in the notes to enable users of the financial statements to assess how supplier financing arrangements affect the entity's liabilities and cash flows, and to understand the impact of supplier financing arrangements on the entity's exposure to liquidity risk and how the entity would suffer if the arrangements were no longer available to it,
- adding additional disclosure requirements to IAS 7,
- adding supplier financing arrangements as an example under the liquidity risk disclosure requirements in IFRS 7.

According to the Group, the amendments to the above standards will not have a significant impact on the Group's financial position or results of operations in the period of initial application.

16. Earlier application of IAS standards and interpretations

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

Statement on compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards, International Financial Reporting Standards and associated interpretations, as published in the form of EC Regulations.

III. CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

Consolidated statement of financial position			
Item	Note	As at 30.06.2023	As at 31.12.2022
NON-CURRENT ASSETS		155 216 624	145 979 590
Property, plant and equipment	<u>1.</u>	152 890 565	143 348 619
Goodwill	<u>2.</u>	832 348	832 348
Other intangible assets	<u>2.</u>	562 012	607 253
Non-current receivables	<u>3.</u>	931 699	1 191 370
CURRENT ASSETS		131 811 949	125 414 913
Inventory	<u>5.</u>	1 397 501	1 091 853
Trade receivables	<u>6.</u>	20 554 696	23 404 759
Other receivables	<u>6.</u>	8 631 428	13 210 164
Cash and equivalents	<u>7.</u>	99 363 781	86 787 084
Prepayments	<u>8.</u>	1 864 543	921 053
Total assets:		287 028 573	271 394 503

Consolidated statement of financial position			
Item	Note	As at 30.06.2023	As at 31.12.2022
EQUITY		182 654 337	188 269 369
Share capital	<u>9.</u>	35 128 850	35 128 850
Share premium	<u>9.</u>	25 573 479	25 573 479
Retained earnings	<u>9.</u>	67 401 249	21 511 471
Share redemption	<u>9.</u>	985 000	985 000
Reserve capital - restatement of assets	<u>9.</u>	12 916 096	12 916 096
Retained earnings	-	40 649 663	92 154 473

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Equity attributable to shareholders of the parent	-	182 654 337	188 269 369
Equity attributable to non-controlling interests	-	-	-
NON-CURRENT LIABILITIES		21 890 349	22 892 779
Deferred income tax provision	<u>4.</u>	6 752 406	6 396 652
Provision for pension benefits and similar	<u>10.</u>	176 905	171 604
Other financial liabilities	<u>12.</u>	4 565 661	1 636 659
Deferred income - grant	<u>14.</u>	10 395 377	14 687 864
CURRENT LIABILITIES		82 483 887	60 232 355
Credit and loans	<u>11.</u>	-	15 730
Other financial liabilities	<u>12.</u>	819 961	319 258
Trade liabilities	<u>13.</u>	7 903 707	12 686 847
Current income tax liabilities	-	1 735 582	1 264 965
Provision for pension benefits and similar	<u>10.</u>	973 496	771 224
Other current provisions	<u>10.</u>	3 549 401	6 160 401
Other liabilities	<u>13.</u>	63 502 982	36 885 731
Deferred income - grant	<u>14.</u>	3 998 758	2 128 199
Total equity and liabilities:		287 028 573	271 394 503

IV. CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT AND LOSS AND COMPREHENSIVE INCOME

Consolidated statement of profit and loss and other comprehensive income			
Item	Note	For the period: 01.01.-30.06.2023	For the period: 01.01.-30.06.2022
Continuing operations			
Revenue from sales	<u>16.</u>	112 110 307	111 612 403
Cost of sales	<u>18.</u>	56 467 579	50 496 119
GROSS PROFIT (LOSS) ON SALES		55 642 728	61 116 284
Selling costs	<u>18.</u>	1 564 919	1 169 431
General administrative expenses	<u>18.</u>	7 115 445	3 687 052
Other operating revenue	<u>19.</u>	2 900 144	1 977 198
Other operating costs	<u>20.</u>	1 105 599	2 240 580
OPERATING PROFIT (LOSS)		48 756 909	55 996 419
Finance income	<u>21.</u>	1 856 435	749 715

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Finance costs	<u>22.</u>	181 255	376 330
PROFIT (LOSS) BEFORE TAX		50 432 089	56 369 804
Income tax	<u>4.</u>	9 782 426	10 768 409
NET PROFIT (LOSS) ON CONTINUING OPERATIONS		40 649 663	45 601 395
Net profit (loss) on discontinued operations	-	-	-
NET PROFIT (LOSS)		40 649 663	45 601 395
Net profit attributable to:			
Shareholders of the parent	-	40 649 663	45 601 395
Non-controlling interests	-	-	-

Consolidated statement of profit and loss and other comprehensive income			
Item		For the period: 01.01.2023- 30.06.2023	For the period: 01.01.2022- 30.06.2022
NET PROFIT (LOSS)		40 649 663	45 601 395
Other comprehensive income		-	-
Total comprehensive income		40 649 663	45 601 395
Total comprehensive income attributable to:			
Shareholders of the parent		40 649 663	45 601 395
Non-controlling interests		-	-

Profit per share (in PLN per share)			
From continuing and discontinued operations			
Basic		11.57	12.98
Diluted		11.57	12.98
From continuing operations			
Basic		11.57	12.98
Diluted		11.57	12.98

V. CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

Statement of cash flows (indirect method)			
Item	Note <u>23.</u>	For the period: 01.01.-30.06.2023	For the period: 01.01.-30.06.2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit (loss) before tax		50 432 089	56 369 804
Total adjustments		514 530	-5 830 601
Depreciation / amortisation		4 902 547	2 655 873
Interest income		-1 888 552	-736 347
Interest cost		93 737	18 486
Gain (loss) on sale of non-current assets		4 164	-179 267
Changes in working capital		-4 998 571	-8 661 082
Changes in provisions		-2 403 427	-742 194
Changes in inventories		-305 648	-376 290
Changes in receivables		8 755 625	1 993 574
Changes in current liabilities, except for financial liabilities		-7 679 704	-3 549 729
Change in prepayments and accruals		-943 490	-4 908 835
Changes in deferred revenue - subsidy		-2 421 927	-1 077 608
Other adjustments		2 401 205	1 071 736
Cash generated from operating activities		50 946 619	50 539 203
Income tax on profit before tax		-8 956 055	-9 680 230
Net cash flows from operating activities		41 990 564	40 858 973
CASH FLOWS FROM INVESTING ACTIVITIES			
Expenses on the acquisition of property, plant and equipment		-31 479 376	-3 431 005
Proceeds from sale of property, plant and equipment		1 375 839	317 222
Interest received		1 888 552	736 347
Net cash flows from investing activities		-28 214 985	-2 377 436
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of credit and loans		-15 730	-22 934
Repayment of finance lease liabilities		-1 089 415	-177 654
Dividends paid out		-	-110 655 878
Interest paid		-93 737	-18 484
Net cash flows from financing activities		-1 198 882	-110 874 950
INCREASE / DECREASE IN CASH AND EQUIVALENTS BEFORE EFFECTS OF CHANGES IN EXCHANGE RATES		12 576 697	-72 393 413
Change in cash due to exchange differences		-	-
BALANCE SHEET CHANGE IN CASH AND EQUIVALENTS		12 576 697	-72 393 413
CASH AND EQUIVALENTS AT THE BEGINNING OF PERIOD		86 787 084	114 127 162
CASH AND EQUIVALENTS AT THE END OF PERIOD		99 363 781	41 733 749
- including restricted cash		3 948 398	3 752 633

VI. CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

for the period: 01.01.2023-30.06.2023 Note 9.	Share capital	Supplementa ry capital - share premium	Retained earnings	Share redemption	Reserve capital - restatement of assets	Retained earnings	Total equity attributable to shareholders of the parent	Equity attributable to non- controlling interests	Total equity
Balance as at 01.01.2023	35 128 850	25 573 479	21 511 471	985 000	12 916 096	92 154 473	188 269 369	-	188 269 369
Transfer of financial result to capital	-	-	45 889 778	-	-	-45 889 778	-	-	-
Dividends paid out	-	-	-	-	-	-46 264 695	-46 264 695	-	-46 264 695
Total transactions with the owners	-	-	45 889 778	-	-	-92 154 473	-46 264 695	-	-46 264 695
Net profit (loss) in the period:	-	-	-	-	-	40 649 663	40 649 663	-	40 649 663
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	40 649 663	40 649 663	-	40 649 663
Increase (decrease) in equity	-	-	45 889 778	-	-	-51 504 810	-5 615 032	-	-5 615 032
Balance as at 30.06.2023	35 128 850	25 573 479	67 401 249	985 000	12 916 096	40 649 663	182 654 337	-	182 654 337

for the period: 01.01.2022- 30.06.2022 Note 9.	Share capital	Share premium	Retained earnings	Share redemption	Reserve capital - restatement of assets	Retained earnings	Total equity attributable to shareholders of the parent	Equity attributable to non- controlling interests	Total equity
Balance as at 01.01.2022	35 128 850	25 573 479	17 180 467	985 000	12 916 096	114 986 882	206 770 774	-	206 770 774
Transfer of financial result to capital	-	-	4 331 004	-	-	-4 331 004	-	-	-
Dividends paid out	-	-	-	-	-	-110 655 878	-110 655 878	-	-110 655 878
Total transactions with the owners	-	-	4 331 004	-	-	-114 986 882	-110 655 878	-	-110 655 878
Net profit (loss) in the period:	-	-	-	-	-	45 601 395	45 601 395	-	45 601 395
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	45 601 395	45 601 395	-	45 601 395
Increase (decrease) in equity	-	-	4 331 004	-	-	-69 385 487	-65 054 483	-	-65 054 483
Balance as at 30.06.2022	35 128 850	25 573 479	21 511 471	985 000	12 916 096	45 601 395	141 716 291	-	141 716 291

VII. ADDITIONAL EXPLANATORY NOTES

1. Property, plant and equipment

At the end of the reporting period and the comparative period, the Group 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 5 703 thousand, and PLN 1 563 thousand at 31 December 2022.

The Group reviewed the economic life of tangible assets based on a special analysis by a committee appointed for this purpose. Based on reviews of the economic useful lives of tangible assets, the Group has revised the economic useful lives of selected tangible assets and the resulting depreciation rates. Details are described in point 11 "Important estimates and judgements."

As at both 30 June 2023 and 31 December 2022, no indications of impairment of property, plant and equipment were identified.

Depreciation costs in H1 2023 amounted to PLN 4 903 thousand, of which PLN 127 thousand related to rights to use assets.

1.1. - Property, plant and equipment	Balance as at 30.06.2023	Balance as at 31.12.2022
Land and perpetual usufruct of land	9 431 991	9 439 245
<i>including: right-of-use assets</i>	964 817	972 072
Buildings and structures	31 746 937	32 446 866
Technical equipment and machinery	60 726 312	64 969 341
<i>including: right-of-use assets</i>	3 616 582	923 029
Machinery and equipment for technological processes intended for R&D	1 458 012	1 506 617
Means of transport	4 954 125	3 655 601
<i>including: right-of-use assets</i>	2 086 376	639 915
Other tangible assets	1 732 407	1 723 588
Tangible assets under construction	11 126 622	2 015 118
Advances for tangible assets	31 714 160	27 592 243
Total:	152 890 566	143 348 618

There was a significant increase in expenditures on tangible assets under construction 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. Capital expenditures reached PLN 13.3 million in the first half of 2023.

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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	9 497 280	55 768 192	120 266 442	2 397 607	7 286 214	4 141 067	29 607 360
Transfer from tangible assets under construction	-	192 788	1 213 028	-	-	78 482	-1 417 228
Direct acquisition	-	-	-	-	-	-	14 693 470
Reclassifications	-	-	-	-	-	-	-42 820
Increases due to leases	-	-	2 872 829	-	1 649 940	-	-
Decreases due to sale	-	-	-2 680 133	-	-711 046	-	-
Gross carrying amount at the end of period	9 497 280	55 960 980	121 672 166	2 397 607	8 225 108	4 219 549	42 840 782
Value of redemption at the beginning of period	58 035	23 321 326	55 297 101	890 990	3 630 613	2 417 479	-
Increase in amortisation/depreciation for the period	7 254	892 717	6 004 348	48 605	233 175	69 663	-
Decreases due to sale	-	-	-355 595	-	-592 805	-	-
Value of redemption at the end of period	65 289	24 214 043	60 945 854	939 595	3 270 983	2 487 142	-
Net value at the end of period	9 431 991	31 746 937	60 726 312	1 458 012	4 954 125	1 732 407	42 840 782

1.3. - Property, plant and equipment in the previous reporting period at 31.12.2022	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	55 768 192	114 471 134	2 397 607	6 554 852	3 943 423	460 964
Transfer from tangible assets under construction	446 411	-	7 783 058	-	988 804	239 730	-4 180 740
Direct acquisition	-	-	88 327	-	-	-	33 369 553
Reclassifications	-	-	-	-	-	-	-42 416
Increases due to leases	-	-	-	-	469 412	-	-
Decreases due to sale	-	-	-1 689 732	-	-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	55 768 192	120 266 442	2 397 607	7 286 214	4 141 067	29 607 360
Value of redemption at the beginning of period	43 526	21 538 450	51 986 466	793 780	3 912 673	2 294 030	-
Increase in amortisation/depreciation for the period	14 509	1 782 876	5 091 737	97 210	323 054	148 214	-
Decreases due to sale	-	-	-1 513 431	-	-602 639	-13 044	-
Decreases due to liquidation	-	-	-267 672	-	-2 475	-11 722	-
Value of redemption at the end of period	58 035	23 321 326	55 297 101	890 990	3 630 613	2 417 479	-
Net value at the end of period	9 439 245	32 446 866	64 969 341	1 506 617	3 655 601	1 723 588	29 607 360

2. Intangible assets

2.1. - Intangible assets	Balance as at 30.06.2023	Balance as at 31.12.2022
Goodwill	832 348	832 348
patents and licenses- to 25 years	144 115	149 284
Other intangible assets, including intangible assets in progress	417 897	457 969
Total:	1 394 360	1 439 601

2.2. - Intangible assets in the reporting period	Goodwill	patents and licenses- to 25 years	Other intangible assets, including intangible assets in progress
Gross carrying amount at the beginning of period	832 348	214 459	1 264 537
Purchase	-	-	2 749
Gross carrying amount at the end of period	832 348	214 459	1 267 286
Value of redemption at the beginning of period		65 175	806 568
Increase in amortisation/depreciation for the period	-	5 170	42 820
Gross carrying amount at the end of period	-	70 345	849 388
Net value at the end of period	832 348	144 114	417 898

2.3. - Intangible assets in the previous reporting period	Goodwill	patents and licenses- to 25 years	Other intangible assets, including intangible assets in progress
Gross carrying amount at the beginning of period	832 348	214 459	1 222 121
Purchase	-	-	42 416
Gross carrying amount at the end of period	832 348	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	832 348	149 284	457 969

3. Non-current receivables

3.1. - Non-current receivables	30.06.2023			31.12.2022		
Specification	Value	Impairment	Carrying amount	Value	Impairment	Carrying amount
Receivables due within 2 years from balance sheet date	79 529	-	79 529	339 201	-	339 201
Receivables due within 2 - 5 years from balance sheet date	299 519	-	299 519	299 519	-	299 519
Receivables due within more than 5 years from balance sheet date	552 650	-	552 650	552 650	-	552 650
Total:	931 699	-	931 699	1 191 370	-	1 191 370

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 Group's analysis did not reveal any significant risk of credit losses.

4. Deferred and current income tax

4.1. Income tax	For the period ended 30.06.2023	For the period ended 30.06.2022
Current income tax	9 426 672	9 680 230
Deferred income tax	355 754	1 088 179
TOTAL INCOME TAX	9 782 426	10 768 409

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.

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4.2. - Income tax - explanation of differences between tax calculated using current rate and tax reported	For the period ended 30.06.2023	For the period ended 30.06.2022
PROFIT BEFORE TAX	50 432 089	56 369 804
Income tax at current rate (19%)	9 582 099	10 710 261
Tax on permanent differences between balance sheet profit and tax base	50 810	50 668
Tax on income representing a permanent difference	-7 923	-7 115
Tax on costs representing a permanent difference	58 734	57 783
Tax on temporary differences not accounted for in calculating deferred income tax	149 517	7 479
Deferred income tax assets not recognised	149 517	7 479
Income tax recognised in the financial statements	9 782 426	10 768 408
Effective tax rate	19.40%	19.10%

4.3 - Deferred income tax - reporting period	At 31.12.2022	Recognised in result 01.01.2023- 30.06.2023	At 30.06.2023
Deferred income tax assets			
Social security contributions	108 210	-85 545	22 665
Employee benefits	695 831	-411 144	284 687
Provision for receivables	234 704	-2 129	232 575
Outstanding contribution to company social benefits fund	-	16 725	16 725
Leases	277 033	662 558	939 591
Grant	1 742 673	-352 137	1 390 536
Penalties and compensation	1 596	-1 596	-
Provision for future transport and other costs	-	143 902	143 902
Balance sheet audit, other	15 200	-15 200	-
TOTAL DEFERRED INCOME TAX ASSETS:	3 075 247	-44 566	3 030 681
Deferred income tax provision			
Interest	52 338	6 852	45 486
Difference between carrying amount and tax value of property, plant and equipment and intangible assets	9 198 448	-414 006	9 612 454
Leases	221 114	95 966	125 148
TOTAL DEFERRED INCOME TAX PROVISION:	9 471 900	-311 188	9 783 087

4.4 - Deferred income tax - previous reporting period	At 31.12.2021	Recognised in result 01.01.2022-30.06.2022	At 30.06.2022
Deferred income tax assets			
Social security contributions	97 279	3 898	101 177
Employee benefits	1 082 826	-73 649	1 009 177
Provision for receivables	20 362	-1 369	18 993
Outstanding contribution to company social benefits fund	146	-146	-
Leases	245 927	-18 295	227 632
Grant	1 654 668	45 093	1 699 761
Interest on other liabilities	-	50 412	50 412
Penalties and compensation	-	111 707	111 707
Provision for future transport and other costs	228 480	-228 480	-
Balance sheet audit, other	12 350	-12 350	-
TOTAL DEFERRED INCOME TAX ASSETS:	3 342 039	-123 179	3 218 859
Deferred income tax provision			
Interest	7 690	7 690	-
Leased tangible assets	119 945	-3 871	123 816
Next-period revenue	-	-782 928	782 928
Difference between carrying amount and tax value of property, plant and equipment and intangible assets	8 727 727	-185 891	8 913 618
TOTAL DEFERRED INCOME TAX PROVISION:	8 855 362	-965 000	9 820 361

5. Inventory

The entity's main economic activity is waste management. The waste inventories are measured at zero, however 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.

5.1. - Inventories	30.06.2023			31.12.2022		
	Value	Impairment	Carrying amount	Value	Impairment	Carrying amount
Materials	804 119	-	804 119	576 249	-	576 249
Completed products	55 507	-	55 507	80 256	-	80 256
Goods	537 874	-	537 874	435 348	-	435 348
Total:	1 397 501	-	1 397 501	1 091 853	-	1 091 853

6. Trade and other receivables

6.1. - Receivables	30.06.2023			31.12.2022		
	Value	Impairment	Carrying amount	Value	Impairment	Carrying amount
Trade receivables	21 819 484	1 264 788	20 554 696	24 669 767	1 265 007	23 404 759
Receivables concerning other taxes, customs duties and social insurance	3 967 748	-	3 967 748	8 307 045	-	8 307 045
Other receivables	9 179 977	4 516 296	4 663 680	9 419 416	4 516 296	4 903 119
Total	34 967 209	5 781 085	29 186 124	42 396 227	5 781 304	36 614 924

6.2. - Impairment of receivables	Balance as at 30.06.2023	Balance as at 31.12.2022
Impairment at the beginning of period	5 781 304	5 596 828
Recognition	-	1 079 544
Release	-	3 332
Use	219	891 736
IMPAIRMENT AT THE END OF PERIOD:	5 781 085	5 781 304

6.3. - Receivables at 30.06.2023 (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	17 936 007	1 949 153	570 366	-	99 169	1 264 788	21 819 484
Receivables concerning other taxes, customs duties and social insurance	3 967 748	-	-	-	-	-	3 967 748
Other receivables	4 663 681	-	-	-	-	4 516 296	9 179 977
Total:	26 567 436	1 949 153	570 366	-	99 169	5 781 085	34 967 209

6.4. - 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	19 667 662	3 477 070	160 858	99 169	1 079 544	185 463	24 669 767
Receivables concerning other taxes, customs duties and social insurance	8 307 045	-	-	-	-	-	8 307 045
Other receivables	4 903 120	-	-	-	-	4 516 296	9 419 416
Total:	32 877 827	3 477 070	160 858	99 169	1 079 544	4 701 760	42 396 227

7. Cash

7.1. - Cash	Balance as at 30.06.2023	Balance as at 31.12.2022
Cash on hand	118 501	164 402
Cash in bank accounts	9 225 891	8 741 488
Cash VAT	377 175	478 715
Short-term deposits	89 642 215	77 402 479
Total:	99 363 781	86 787 084
- including restricted cash	3 948 398	4 150 426

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

8. Prepayments

8.1. - Prepayments	Balance as at 30.06.2023	Balance as at 31.12.2022
Commenced development works	609 657	471 007
Property tax	524 027	-
Insurance policies and guarantees	484 429	371 517
Company social benefits fund	88 025	-
Other	158 405	78 530
Total:	1 864 543	921 054

The Issuer 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.

9. Equity

9.1 Equity	Number of issued shares as at 30.06.2023	Number of issued shares as at 31.12.2022
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

9.2 Share capital	At 30.06.2023	At 31.12.2022
Share capital	35 128 850	35 128 850
Share premium	25 573 479	25 573 479
Total	60 702 329	60 702 329

9.3. Share capital (structure) at 30.06.2023				
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	-

9.4. - Retained earnings	Balance as at 30.06.2023	Balance as at 31.12.2022
At the beginning of financial year	21 511 471	17 180 466
Increases		
Allocation of profit for 2022	45 889 777	-
Allocation of profit for 2021	-	4 331 005
Decreases		
	67 401 249	21 511 471

9.5. - Reserve capital - revaluation of assets	Balance as at 30.06.2023	Balance as at 31.12.2022
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. Provisions

10.1. - Provisions	Balance as at 30.06.2023	Balance as at 31.12.2022
Non-current		
Provisions for retirement payments and other employee benefits	176 905	171 604
TOTAL NON-CURRENT PROVISIONS:	176 905	171 604
Current		
Provisions for retirement payments and other employee benefits	973 496	771 224
Other provisions	3 549 401	6 160 401
TOTAL CURRENT PROVISIONS:	4 522 897	6 931 625

10.2. - Non-current provisions - changes	Employee benefits	Other
Amount of provision at the beginning of reporting period	171 603	-
Recognition	11 664	-
Use	-	-
Release	-6 363	-
Amount of provision at the end of reporting period	176 904	-
Amount of provision at the beginning of previous reporting period	117 524	4 684 000
Recognition	48 741	-
Use	-	-
Release	-5 339	-4 684 000
Amount of provision at the end of previous reporting period	171 603	-

10.3. - Current provisions - changes	Employee benefits	Court cases	Other
Amount of provision at the beginning of reporting period	771 224	-	6 160 401
Recognition	202 272	-	-
Use	-	-	-2 611 000
Release	-	-	-
Amount of provision at the end of reporting period	973 497	-	3 549 401
Amount of provision at the beginning of previous reporting period	737 754	-	4 823 927
Recognition	31 439	931 593	2 611 000
Use	-	-931 593	-
Release	-2 031	-	-1 274 526
Amount of provision at the end of previous reporting period	771 224	-	6 160 401

In the first half of 2023, the Company used a provision set up in previous periods for the bonus for the members of the Management Board in the amount of PLN 2.52 million.

The balance of other provisions as at 30 June 2023 is a provision for the accrual of an increased environmental charge including interest of PLN 3.55 million, which was created in 2021. Detailed information on the on-going proceeding is presented in point 11 of the Management Board Report on Mo-BRUK Group's Operations.

11. Credit and loans received

At the end of the current reporting period, there were no liabilities for credit facilities and loans at Mo-BRUK Group.

11.1. - Credit facilities and loans at the end of the previous reporting period (31 December 2022)	Value of credit facilities	Balance	Currency	Interest rate	Repayment date
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	-	-	

12. Other financial liabilities

12.1. - Other financial liabilities	Balance as at 30.06.2023	Balance as at 31.12.2022
Non-current	4 565 661	1 636 658
Liabilities related to right-of-use assets	4 565 661	1 636 658
Current	819 961	319 258
Liabilities related to right-of-use assets	819 961	319 258
Total:	5 385 622	1 955 916

12.2. List of leases at 30.06.2023	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	237 520
Perpetual usufruct of land	Starostwo Opatów	36 414	PLN	05.12.2089	35 206
Perpetual usufruct of land	Starostwo Wałbrzych	696 679	PLN	05.12.2089	673 580
Perpetual usufruct of land	Starostwo Krosno	51 348	PLN	05.12.2089	49 646
Lease contract 1/02/DŚ/2021	LEMARPOL Sp. z o.o.	48 600	PLN	01.04.2025	37 471
Lease RU/61435/24032021	ARVAL SERVICE LEASE Polska Sp. z o.o.	28 950	PLN	01.06.2025	22 382
Lease 2/10/DŚ/2016	LEMARPOL Sp. z o.o.	136 241	PLN	31.10.2027	121 310
Lease 6207352022/KR/618482	mLeasing Sp. z o.o.	166 585	PLN	16.12.2025	78 513
Lease 6207352022/KR/618483	mLeasing Sp. z o.o.	166 585	PLN	16.12.2025	78 425
Lease 6270162022/KR/622617	mLeasing Sp. z o.o.	87 236	PLN	31.01.2026	42 212
Lease 6282102022/KR/622505	mLeasing Sp. z o.o.	516 659*	EUR	20.01.2026	246 520*
Lease 6282102022/KR/622504	mLeasing Sp. z o.o.	516 659*	EUR	20.01.2026	246 520*
Lease 6304652023/KR/625208	mLeasing Sp. z o.o.	138 800	PLN	31.01.2027	113 954
Lease 6450022023/KR/632231	mLeasing Sp. z o.o.	146 000	PLN	29.02.2028	123 928
Lease 6371122023/KR/635728	mLeasing Sp. z o.o.	1 128 675	PLN	15.03.2028	975 778
Lease 6614772023/KR/641621	mLeasing Sp. z o.o.	166 585	PLN	15.04.2028	147 549
Lease 6568552023/KR/640771	mLeasing Sp. z o.o.	78 000	PLN	31.05.2026	41 996
Lease PKO_23/014097	PKO Leasing S.A.	677 000	PLN	01.04.2028	605 550
Lease PKO_23/012802	PKO Leasing S.A.	1 067 154	PLN	01.05.2028	1 067 154
Lease PKO_21/020179	PKO Leasing S.A.	855 690	PLN	01.04.2025	440 406
Total:		6 955 527			5 385 622

*value of liability expressed in PLN, measured using the exchange rate on the balance sheet date

12.3 - 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
5	Jedlicze ul. Trzecieskiego	10	0,7373
6	Góraždze	1	3,0488

13. Current trade and other liabilities

13.1. - Current trade and other liabilities	Balance as at 30.06.2023	Balance as at 31.12.2022
Trade liabilities	7 903 707	12 686 847
Current income tax liabilities	1 735 582	1 264 965
Liabilities concerning wages	1 273 634	1 152 837
Liabilities concerning other taxes, customs duties and social insurance	2 083 731	1 498 638
Investment liabilities	13 529 480	34 133 344
Dividend liabilities	46 264 695	-
Accrued expenses and other liabilities	351 441	100 912
Total:	73 142 271	50 837 543

13.2 - Liabilities at 30.06.2023 - age structure	Not overdue	Up to 1 month	1 - 3 months	3 months - 1 year	1 year - 5 years	Total
Trade liabilities	7 192 778	285 896	558	424 476	-	7 903 707
Current income tax liabilities	1 735 582	-	-	-	-	1 735 582
Liabilities concerning wages	1 273 634	-	-	-	-	1 273 634
Liabilities concerning other taxes, customs duties and social insurance	2 083 731	-	-	-	-	2 083 731
Investment liabilities	13 529 480	-	-	-	-	13 529 480
Dividend liabilities	46 264 695	-	-	-	-	46 264 695
Other liabilities	351 441	-	-	-	-	351 441
Total:	72 431 341	285 896	558	424 476	-	73 142 271

*Mo-BRUK Group condensed consolidated interim financial statements
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On 26 June 2023, the Ordinary General Meeting of Mo-BRUK S.A. adopted a resolution on the allocation of Mo-BRUK S.A.'s profit for 2022. Due to the fact that the dividend payment date was set as 10 July 2023, as of the balance sheet date, i.e. 30 June 2023, the Issuer recognised dividend liabilities amounting to PLN 46.3 million on the balance sheet.

13.3 - 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	11 971 513	714 284	80	970	-	12 686 847
Current income tax liabilities	1 264 965	-	-	-	-	1 264 965
Liabilities concerning wages	1 152 837	-	-	-	-	1 152 837
Liabilities concerning other taxes, customs duties and social insurance	1 498 638	-	-	-	-	1 498 638
Investment liabilities	34 133 344	-	-	-	-	34 133 344
Accrued expenses and other liabilities	100 912	-	-	-	-	-100 912
Total:	50 122 208	714 284	80	970	-	50 837 543

13.4. Liabilities by payment deadline	30.06.2023		31.12.2022	
	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	7 903 707	-	12 686 847	-
Current income tax liabilities	1 735 582	-	1 264 965	-
Liabilities concerning wages	1 273 634	-	1 152 837	-
Liabilities concerning other taxes, customs duties and social insurance	2 083 731	-	1 498 638	-
Investment liabilities	13 529 480	-	34 133 344	-
Dividend liabilities	46 264 695	-	-	-
Accrued expenses and other liabilities	351 441	-	100 912	-
Total:	73 142 271	-	50 837 543	-

13.5. Liabilities - currency structure	30.06.2023		31.12.2022	
	in currency	in PLN after translation	in currency	in PLN after translation
EUR	-	-	121 965	572 002
Total:	-	-	-	572 002

14. Deferred revenue

14.1. - Deferred revenue	Balance as at 30.06.2023	Balance as at 31.12.2022
Grants - non-current part	10 395 377	14 687 864
Grants - current part	3 998 758	2 128 199
Total:	14 394 136	16 816 063

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.

**Date of settlement of the grant for tangible assets involved in the project "Modernisation and expansion of the thermal waste conversion line in Karsy" will be in June 2024.

15. Fair value of financial instruments

The fair value of financial instruments, which are understood to include receivables, cash and liabilities, including credit liabilities, does not materially differ from the values show in the statement of financial position. No major transfers of instruments between the fair value hierarchy levels were recorded in the reporting period.

16. Revenue from sales

16.1. - Revenue from sales (continuing operations)	For the period ended 30.06.2023	For the period ended 30.06.2022
Revenue from sale of products	1 080 372	816 070
Revenue from sale of services	101 811 584	100 888 938
Revenue from sale of materials	161	7 820
Revenue from sale of goods	9 218 190	9 899 576
Total:	112 110 307	111 612 403

Mo-BRUK Group generated over PLN 112 million in consolidated revenue from sales in the first half of 2023. The revenue figure is satisfactory and implies maintenance of the level of sales revenue generated in the corresponding period of 2022. The good sales result was mainly driven by an increase in sales in the solidification and stabilisation of inorganic waste segment, which amounted to almost 25%. The other segments included in waste management saw declines in revenue, i.e. the alternative fuel production segment down 15% and the hazardous and medical waste incineration segment down 12%, compared to the revenue generated in the first half of 2022. In the filling station segment, the Group recorded a 7% decline in sales versus the comparative period.

17. Operating segments

For management purposes, the Group 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 Group 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 the Company's coal silt mining activities and revenue from laboratory services.

The Group does not present total assets and liabilities for the operating segments, as these values are not regularly presented to the chief operating decision-maker.

*Mo-BRUK Group condensed consolidated interim financial statements
for the period 01.01.2023 – 30.06.2023*

17.1. Operating segments – 01.01.2023-30.06.2023	Segments		Other	Total
	Waste management	Petrol stations		
Financial results by operating segment 01.01.2023-30.06.2023				
Revenue from sales	102 494 483	9 395 339	220 485	112 110 307
Operating costs	54 110 158	9 233 342	1 804 444	65 147 943
Gross result on sales	48 384 326	161 997	-1 583 959	46 962 364
Other operating revenue	2 716 749	38 927	144 467	2 900 144
Other operating costs	1 073 861	2 495	29 243	1 105 599
Operating profit/loss	50 027 214	198 429	-1 468 734	48 756 909
Finance income				1 856 435
Finance costs				181 254
Profit before tax				50 432 089
Income tax				9 782 426
Net profit				40 649 663
Depreciation / amortisation	4 409 062	43 178	450 308	4 902 547
EBITDA	54 436 276	241 607	-1 018 426	53 659 456

17.2. Operating segments – 01.01.2022-30.06.2022	Segments		Other	Total
	Waste management	Petrol stations		
Financial results by operating segment 01.01.2022-30.06.2022				
Revenue from sales	101 494 618	10 098 275	19 510	111 612 403
Operating costs	44 656 690	9 802 947	892 967	55 352 603
Gross result on sales	56 837 928	295 329	-873 457	56 259 800
Other operating revenue	1 660 574	51 688	264 937	1 977 198
Other operating costs	1 972 781	48 018	219 781	2 240 580
Operating profit/loss	56 525 721	298 998	-828 301	55 996 418
Finance income				749 715
Finance costs				376 330
Profit before tax				56 369 804
Income tax				10 768 409
Net profit				45 601 395
Depreciation / amortisation	2 179 338	43 109	433 426	2 655 873
EBITDA	58 705 059	342 107	-394 875	58 652 291

17.3. Information on revenue from products and services	For the period ended 30.06.2023	For the period ended 30.06.2022
Solidification and stabilisation of waste	46 246 544	37 096 776
Production of alternative fuels	17 469 493	20 539 462
Incineration of waste	38 778 447	43 858 379
Retail sale of fuel and other goods	9 395 339	10 098 275
Other	220 485	19 510
Total revenue:	112 110 307	111 612 403

17.4. Information on revenue from counterparties by geographic region in the period 01.01.-30.06.2023		
Item	Revenue	Non-current assets
POLAND	109 518 615	155 216 624
DENMARK	1 214 258	-
ITALY	172 707	-
SLOVENIA	214 981	-
GERMANY	989 747	-
Total:	112 110 307	155 216 624

17.5. Information on revenue from counterparties by geographic region in the period 01.01.-30.06.2022		
Item	Revenue	Non-current assets
POLAND	110 887 143	115 347 726
DENMARK	163 309	-
ITALY	464 866	-
LITHUANIA	12 673	-
GERMANY	84 413	-
Total:	111 612 403	115 347 726

17.6. Information on key customers in the period 01.01.2023-30.06.2023			
Item	Operating segment	Revenue	% of the Group's total revenue from sales
Customer no. 1	Waste management	7 183 899	6%
Customer no. 2	Waste management	4 816 513	4%
Customer no. 3	Waste management	4 530 063	4%
Customer no. 4	Waste management	4 076 395	4%
Customer no. 5	Waste management	3 473 214	3%
Total:	-	24 080 084	-

The Group is consistently 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 more than 91% of the Group's revenue.

17.7. Information on key customers in the period 01.01.2022-30.06.2022			
Item	Operating segment	Revenue	% of the Group's total revenue from sales
Customer no. 1	Waste management	7 595 925	7%
Customer no. 2	Waste management	5 252 146	5%
Customer no. 3	Waste management	4 317 932	4%
Customer no. 4	Waste management	3 764 295	3%
Customer no. 5	Waste management	3 728 916	3%
Total:	-	24 659 214	-

18. Operating costs

18.1. - Costs by nature	For the period ended 30.06.2023	For the period ended 30.06.2022
Depreciation / amortisation	4 902 547	2 655 873
Use of materials and energy	11 545 040	8 007 448
Third-party services	24 247 087	23 859 108
Taxes and fees	687 588	679 719
Remuneration	12 262 834	8 577 550
Employee benefits	2 198 526	1 920 025
Other costs by nature	891 937	604 389
Value of goods and materials sold	8 387 635	9 042 284

TOTAL COSTS BY NATURE	65 123 195	55 346 396
Adjustments:		
Changes in products	24 748	6 207
Selling costs	-1 564 919	-1 169 431
General administrative expenses	-7 115 445	-3 687 052
TOTAL OPERATING COSTS	56 467 579	50 496 119

18.2. - Cost of sales	For the period ended 30.06.2023	For the period ended 30.06.2022
Cost to produce products and services sold	48 079 944	41 453 835
Value of goods sold	8 387 635	9 042 284
TOTAL OPERATING COSTS	56 467 579	50 496 119

19. Other operating revenue

19.1. - Other operating revenue	For the period ended 30.06.2023	For the period ended 30.06.2022
Gain on sale of non-financial non-current assets	-	179 267
Proceeds from liquidation of tangible and intangible assets	-	5 720
Subsidy settlement	20 722	5 872
Release of provisions	2 620 960	1 730 382
Reversal of impairment, including:	219	219
- trade receivables	219	219
Penalties and compensation received	18 143	11 150
Refund of court, enforcement and other fees	79 430	2 071
Inventory surpluses	1 577	1 552
Other	159 092	40 966
Total:	2 900 144	1 977 198

The significant increase in other operating revenue in H1 2023 was due to the release of a provision made for bonuses for members of the Management Board, amounting to PLN 2.52 million.

20. Other operating costs

20.1. - Other operating costs	For the period ended 30.06.2023	For the period ended 30.06.2022
Loss on sale of non-financial non-current assets	4 164	-
Recognition of provisions	217 533	1 255 739
Recognition of impairment, including:	-	15 397
Trade receivables	-	15 397
Liquidation and scrapping costs	-	121 682
Donations made	80 286	162 732
Cost of random events	34 747	-
Court and enforcement fees	29 943	94 530
Cost of reclamation	688 262	-
Penalties and compensation	12 133	588 382
Other	38 530	2 117
Total:	1 105 599	2 240 580

21. Finance income

21.1. - Finance income	For the period ended 30.06.2023	For the period ended 30.06.2022
Bank interest	1 852 489	743 457
Interest from counterparties	3 945	2 011
Excess of positive exchange differences over negative exchange differences	-	4 248
Total:	1 856 435	749 715

The significant increase in finance income was mainly driven by bank interest on invested excess funds on significantly more favourable terms compared to the first half of 2022. The increase in interest rates offered by banks was forced by macroeconomic factors.

22. Finance costs

22.1. - Finance costs	For the period ended 30.06.2023	For the period ended 30.06.2022
Interest on credit facilities and loans	195	521
Excess of negative exchange differences over positive exchange differences	39 537	-
Lease interest	132 749	107 992
Tax interest	4 913	2 407
Interest on other liabilities	650	265 410
Other	3 211	-
Total:	181 254	376 330

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

23.1. - Explanation of inconsistencies between balance sheet changes and values presented in the statement of cash flows	For the period ended 30.06.2023	For the period ended 30.06.2022
Balance sheet change in provisions	-2 047 673	345 984
<i>Deferred tax provision</i>	355 754	1 088 179
Changes in provisions in statement of cash flows	-2 403 427	-742 194
balance sheet change in inventories	-305 648	-376 290
Change in inventories in statement of cash flows	-305 648	-376 290
Balance sheet change in receivables	7 688 471	1 993 574
<i>Change in receivables concerning the sale of non-financial assets</i>	1 067 154	-
Change in receivables in statement of cash flows	8 755 625	1 993 574
Balance sheet change in current liabilities, except for financial liabilities	22 304 728	-3 863 847
<i>Change in investment liabilities</i>	-16 750 881	-314 117
<i>Change in CIT liabilities</i>	470 617	-
<i>Change in dividend liabilities</i>	46 264 695	-
Balance sheet change in current liabilities, except for financial liabilities, in statement of cash flows	-7 679 704	-3 549 729
Balance sheet change in prepayments and accrued expenses	-943 490	-4 908 835
Change in prepayments and accruals in statement of cash flows	-943 490	-4 908 835
Balance sheet change in deferred revenue	-2 421 927	-1 077 608
Changes in deferred revenue in statement of cash flows	-2 421 927	-1 077 608

The difference between the balance sheet change in current liabilities, excluding financial liabilities, and the change in these liabilities in the statement of cash flows is mainly due to the occurrence of a dividend payable to shareholders and the change in investment liabilities.

In the "Other adjustments" line of the statement of cash flows, the Group presents the depreciation of grant-financed tangible assets.

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

The following notes contain total amounts for transactions executed with related parties other than subsidiaries, completed in the 6-month period ended 30 June 2023 and the 6-month period ended 30 June 2022. Transactions with the consolidated subsidiary are excluded from the consolidated financial statements. Related-party transactions took place on terms equivalent to those that apply to transactions concluded on an arm's length basis.

24.1. Remuneration of Company key personnel, without Supervisory Board, received from the Company	for the period 01.01-30.06.2023			for the period 01.01-30.06.2022		
	Base salary	Bonuses	Other	Base salary	Bonuses	Other
Management Board members (last names)						
Siodmok Henryk	406 800	65 832	2 610	-	-	-
Mokrzycki Józef	-	-	-	331 200	-	20 427
Mokrzycka Elżbieta	105 000	840 000*	70	210 000	-	2 210
Mokrzycki Wiktor	210 000	840 000*	8 609	210 000	-	7 301
Mokrzycki Tobiasz	210 000	840 000*	5 777	210 000	-	6 347
Rytka Andrzej	105 000	-	1 305	-	-	-
Michalczuk Rafał	105 000	-	1 600	-	-	-

*bonus paid for 2020 - 2022

Management Board member Rafał Michalczuk received remuneration of PLN 84 600 net from Mo-BRUK in H1 2023, in addition to the remuneration received on the basis of his appointment pursuant to an economic advisory services contract.

24.2. Remuneration of Supervisory Board members received at the Company	for the period 01.01-30.06.2023	for the period 01.01-30.06.2022
Supervisory Board members (last names)		
Janik Kazimierz	18 000	9 000
Basta Jan	-	225
Pietrzak Piotr	16 423	8 850
Turzański Konrad	14 400	7 200
Skrzyński Piotr	18 000	7 695
Semczak Arkadiusz	14 400	2 760
Szymański Marcin	400	-

25. Contingent liabilities and assets, charges on Company property

25.1 - Guarantees and sureties	As at 30.06.2023	As at 31.12.2022
From related parties	-	-
From other entities	23 653 891	22 512 117
Collateral for proper performance of contracts	11 678 336	10 536 562
Security guarantee for claims in connection with waste treatment and collection activities	11 975 555	11 975 555
Total:	23 653 891	22 512 117

25.2. - Contingent liabilities concerning guarantees - detailed specification	Guarantee / surety from	Title	Currency	As at 30.06.2023
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.	05.11.2021	payment guarantee for notification for transboundary movements of wastes	PLN	4 379 180
mBank S.A.	16.03.2023	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
KUKE	01.04.2023	payment guarantee for notification for transboundary movements of wastes	PLN	554 700
mBank S.A.	27.03.2023	guarantee of proper contract performance for Beneficiary	PLN	200 000
mBank S.A.	27.03.2023	guarantee of proper contract performance for Beneficiary	PLN	400 000
mBank S.A.	20.06.2023	guarantee of proper contract performance for Beneficiary	PLN	103 421
mBank S.A.	27.06.2023	guarantee of proper contract performance for Beneficiary	PLN	720 317
Bank Millennium S.A.	01.08.2022	security guarantee for claims in connection with waste treatment and collection activities	PLN	2 548 805
Bank Millennium S.A.	01.09.2022	security guarantee for claims in connection with waste treatment and collection activities	PLN	110 250
Total:				23 653 891

25.3. - 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
Bank Millennium S.A.	01.08.2022	security guarantee for claims in connection with waste treatment and collection activities	PLN	2 548 805
Bank Millennium S.A.	01.09.2022	security guarantee for claims in connection with waste treatment and collection activities	PLN	110 250
Total:				22 512 117

26. 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.

26.1. Basic profit per share	For the period ended 30.06.2023	For the period ended 30.06.2022
Profit for the financial year attributable to shareholders of the parent	40 649 663	45 601 395
Profit per share (in PLN per share)	11.57	12.98
Profit used to calculate basic profit per share, total	40 649 663	45 601 395
Profit used to calculate basic profit per share from continuing operations	40 649 663	45 601 395

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26.2. Diluted profit per share	For the period ended 30.06.2023	For the period ended 30.06.2022
Profit for the financial year attributable to shareholders of the parent	40 649 663	45 601 395
Profit per share (in PLN per share)	11.57	12.98
Profit recognised for the purpose of calculating diluted profit per share	40 649 663	45 601 395

<i>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:</i>		
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

CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS

General information

General information on MO-BRUK S.A., basis for preparing the condensed separate interim financial statements, the Company's going concern and applied accounting policies is presented in the introduction to the condensed consolidated interim financial statements, and these are also applicable to the condensed separate interim financial statements.

VIII. SELECTED SEPARATE FINANCIAL DATA

ITEM	PLN		EUR	
	01.01.2023- 30.06.2023	01.01.2022- 30.06.2022	01.01.2023- 30.06.2023	01.01.2022- 30.06.2022
I. Net revenue from sale of products, goods and materials	95 269 649	95 899 209	20 652 428	20 655 913
II. Operating profit (loss)	38 037 313	46 727 824	8 245 678	10 064 795
III. Gross profit (loss)	53 256 876	61 139 526	11 544 955	13 168 959
IV. Net profit (loss)	45 569 983	52 157 629	9 878 600	11 234 331
V. Net cash flows from operating activities	33 572 979	33 464 104	7 277 906	7 207 897
VI. Net cash flows from investing activities	-22 258 681	12 955 340	-4 825 207	2 790 475
VII. Net cash flows from financial activities	-1 120 376	-110 775 620	-242 874	-23 860 172
VIII. Total net cash flows	10 193 922	-64 356 176	2 209 825	-13 861 799
IX. Number of shares	3 512 885	3 512 885	3 512 885	3 512 885
X. Profit (loss) per ordinary share (in PLN/EUR)	12.97	14.85	2.81	3.20
ITEM	PLN		EUR	
	At 30.06.2023	At 31.12.2022	At 30.06.2023	At 31.12.2022
XI. Total assets	271 466 009	250 753 610	60 999 485	53 466 729
XII. Liabilities and provisions for liabilities	101 581 734	80 174 622	22 825 817	17 095 167
XIII. Non-current liabilities	21 334 685	22 308 205	4 793 988	4 756 648
<i>including deferred income - grant</i>	10 395 377	14 687 864	2 335 882	3 131 807
XIV. Current liabilities	80 247 049	57 866 417	18 031 829	12 338 518
<i>including deferred income - grant</i>	3 998 758	2 128 199	898 537	453 784
XV. Equity	169 884 275	170 578 988	38 173 668	36 371 562
XVI. Share capital	35 128 850	35 128 850	7 893 591	7 490 320
XVII. Number of shares	3 512 885	3 512 885	3 512 885	3 512 885
XVIII. Book value per share (in PLN/EUR)	48.36	48.56	10.87	10.35

The above data for the first half of 2023 and 2022 was converted into EUR in accordance with the following rules:

- asset and equity and liability items for:

H1 2023 - using the average exchange rate published on 30 June 2023 - EURPLN 4.4503,

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

- data on comprehensive income and data from the statement of cash flows - according to an exchange rate being the 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 2023 to 30 June 2023) - EURPLN 4.6130, and for 2022 (from 1 January 2022 to 31 December 2022) - EURPLN 4.6427.

IX. CONDENSED SEPARATE INTERIM STATEMENT OF FINANCIAL POSITION

Statement of financial position			
Item	Note	As at 30.06.2023	As at 31.12.2022
NON-CURRENT ASSETS		147 418 280	138 018 948
Property, plant and equipment	<u>1.</u>	144 295 970	134 591 726
Other intangible assets	-	562 012	607 253
Shares	-	1 628 599	1 628 599
Non-current receivables	-	931 699	1 191 370
CURRENT ASSETS		124 047 729	112 734 662
Inventory	-	1 262 174	1 073 791
Trade receivables	-	15 433 705	19 071 495
Other receivables	-	16 023 890	12 385 625
Cash and equivalents	-	89 515 178	79 321 256
Prepayments	-	1 812 782	882 495
Total assets:		271 466 009	250 753 610

Statement of financial position			
Item	Note	As at 30.06.2023	As at 31.12.2022
EQUITY		169 884 275	170 578 988
Share capital	-	35 128 850	35 128 850
Share premium	-	25 573 479	25 573 479
Retained earnings	-	49 710 867	3 488 803
Share redemption	-	985 000	985 000
Reserve capital - restatement of assets	-	12 916 096	12 916 096
Retained earnings	-	45 569 983	92 486 760
NON-CURRENT LIABILITIES	-	21 334 685	22 308 205
Deferred income tax provision	-	6 585 009	6 251 498
Provision for pension benefits and similar	-	106 244	112 607
Other financial liabilities	-	4 248 054	1 256 236
Deferred income - grant	-	10 395 378	14 687 864
CURRENT LIABILITIES		80 247 049	57 866 417
Credit and loans	-	-	15 730

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Other financial liabilities	-	697 161	201 835
Trade liabilities	-	7 014 252	11 636 224
Current income tax liabilities	-	1 344 336	963 104
Provision for pension benefits and similar	-	687 064	514 030
Other current provisions	-	3 549 401	6 134 401
Other liabilities	-	62 956 076	36 272 894
Deferred income - grant	-	3 998 759	2 128 199
Total equity and liabilities:		271 466 009	250 753 610

X. CONDENSED SEPARATE INTERIM STATEMENT OF PROFIT AND LOSS AND COMPREHENSIVE INCOME

<i>Statement of profit and loss and comprehensive income</i>			
Item	Note	For the period: 01.01.-30.06.2023	For the period: 01.01.-30.06.2022
Continuing operations			
Revenue from sales	-	95 269 649	95 899 209
Cost of sales	-	51 169 508	44 784 814
GROSS PROFIT (LOSS) ON SALES		44 100 141	51 114 395
Selling costs	-	1 564 919	1 169 431
General administrative expenses	-	6 368 566	3 021 654
Other operating revenue	-	2 873 923	1 958 977
Other operating costs	-	1 003 266	2 154 463
OPERATING PROFIT (LOSS)		38 037 313	46 727 824
Finance income	-	15 379 752	14 770 067
Finance costs	-	160 189	358 365
PROFIT (LOSS) BEFORE TAX		53 256 876	61 139 526
Income tax	-	7 686 893	8 981 897
NET PROFIT (LOSS) ON CONTINUING OPERATIONS		45 569 983	52 157 629
Net profit (loss) on discontinued operations	-	-	-
NET PROFIT (LOSS)		45 569 983	52 157 629

Statement of profit and loss and other comprehensive income			
Item		For the period: 01.01.2023- 30.06.2023	For the period: 01.01.2022- 30.06.2022
NET PROFIT (LOSS)		45 569 983	52 157 629
Other comprehensive income		-	-
Total comprehensive income		45 569 983	52 157 629

Profit per share (in PLN per share)			
From continuing and discontinued operations			
Basic		12.97	14.85
Diluted		12.97	14.85
From continuing operations			
Basic		12.97	14.85
Diluted		12.97	14.85

XI. CONDENSED SEPARATE INTERIM STATEMENT OF CASH FLOWS

Statement of cash flows (indirect method)			
Item		for the period: 01.01.2023- 30.06.2023	for the period: 01.01.2022- 30.06.2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit (loss) before tax		53 256 876	61 139 526
Total adjustments		-12 711 747	-19 765 789
Depreciation / amortisation		4 612 090	2 496 316
Interest income		-1 716 695	-736 347
Interest cost		72 670	521
Share of profit - dividend received		-6 000 000	-14 027 460
Gain (loss) on sale of non-current assets		4 164	-179 267
Changes in working capital		-12 085 181	-8 391 288
Changes in provisions		-2 418 329	-749 762
Changes in inventories		-188 383	-356 615
Changes in receivables		1 326 350	1 951 476
Changes in current liabilities, except for financial liabilities		-7 452 605	-3 258 719

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Change in prepayments and accruals		-930 287	-4 900 060
Changes in deferred revenue - subsidy		-2 421 927	-1 077 608
Other adjustments		2 401 205	1 071 736
Cash generated from operating activities		40 545 129	41 373 737
Income tax on profit before tax		-6 972 150	-7 909 633
Net cash flows from operating activities		33 572 979	33 464 104
CASH FLOWS FROM INVESTING ACTIVITIES			
Financial inflows - dividend		6 000 000	14 027 460
Expenses on the acquisition of property, plant and equipment		-31 351 216	-2 125 689
Proceeds from sale of property, plant and equipment		1 375 839	317 222
Interest received		1 716 696	736 347
Net cash flows from investing activities		-22 258 681	12 955 340
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of credit and loans		-15 730	-22 934
Repayment of lease liabilities		-1 031 975	-96 288
Dividends paid out		-	-110 655 878
Interest paid		-72 671	-520
Net cash flows from financing activities		-1 120 376	-110 775 620
INCREASE / DECREASE IN CASH AND EQUIVALENTS BEFORE EFFECTS OF CHANGES IN EXCHANGE RATES		10 193 922	-64 356 176
Change in cash due to exchange differences		-	-
BALANCE SHEET CHANGE IN CASH AND EQUIVALENTS		10 193 922	-64 356 176
CASH AND EQUIVALENTS AT THE BEGINNING OF PERIOD		79 321 256	101 180 151
CASH AND EQUIVALENTS AT THE END OF PERIOD		89 515 178	36 823 975
- including restricted cash		3 842 302	3 682 346

XII. CONDENSED SEPARATE INTERIM STATEMENT OF EQUITY

for the period: 01.01.2023-30.06.2023	Share capital	Supplementary capital - share premium	Retained earnings	Share redemption	Reserve capital - restatement of assets	Retained earnings	Total equity
Balance as at 01.01.2023	35 128 850	25 573 479	3 488 803	985 000	12 916 096	92 486 760	170 578 988
Transfer of financial result to capital	-	-	46 222 064	-	-	-46 222 064	-
Dividends paid out	-	-	-	-	-	-46 264 696	-46 264 696
Total transactions with the owners	-	-	46 222 064	-	-	-92 486 760	-46 264 696
Net profit (loss) in the period:	-	-	-	-	-	45 569 983	45 569 983
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	45 569 983	45 569 983
Increase (decrease) in equity	-	-	46 222 064	-	-	-46 916 777	-694 713
Balance as at 30.06.2023	35 128 850	25 573 479	49 710 867	985 000	12 916 096	45 569 983	169 884 275

for the period: 01.01.2022-30.06.2022	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:	-	-	-	-	-	52 157 629	52 157 629
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	52 157 629	52 157 629
Increase (decrease) in equity	-	-	70 676	-	-	-58 568 925	-58 498 249
Balance as at 30.06.2022	35 128 850	25 573 479	3 488 803	985 000	12 916 096	52 157 629	130 249 857

XIII. ADDITIONAL EXPLANATORY NOTES

1. Property, plant and equipment

1.1. - Property, plant and equipment	Balance as at 30.06.2023	Balance as at 31.12.2022
Land and perpetual usufruct of land	9 431 991	9 439 245
<i>including: right-of-use assets</i>	964 817	972 072
Buildings and structures	30 369 357	31 016 321
Technical equipment and machinery	54 381 122	58 444 841
<i>including: right-of-use assets</i>	2 850 027	131 516
Machinery and equipment for technological processes intended for R&D	1 458 012	1 506 617
Means of transport	4 448 719	3 095 173
<i>including: right-of-use assets</i>	2 086 376	639 915
Other tangible assets	1 647 510	1 635 530
Tangible assets under construction	10 845 099	1 861 756
Advances for tangible assets	31 714 160	27 592 243
Total:	144 295 970	134 591 726

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	9 497 280	52 983 430	112 276 571	2 397 607	5 315 352	4 003 655	29 453 999
Transfer from tangible assets under construction	-	192 789	1 213 027	-	-	78 482	-1 417 228
Direct acquisition	-	-	-	-	-	-	14 565 308
Reclassifications	-	-	-	-	-	-	-42 820
Increases due to leases	-	-	2 872 829	-	1 649 940	-	-
Decreases due to sale	-	-	-2 680 132	-	-711 046	-	-
Gross carrying amount at the end of period	9 497 280	53 176 219	113 682 295	2 397 607	6 254 246	4 082 137	42 559 259
Value of redemption at the beginning of period	58 035	21 967 109	53 831 730	890 990	2 220 179	2 368 125	-
Increase in amortisation/depreciation for the period	7 254	839 753	5 825 038	48 605	178 153	66 502	-
Decreases due to sale	-	-	-355 595	-	-592 805	-	-
Value of redemption at the end of period	65 289	22 806 861	59 301 173	939 595	1 805 527	2 434 627	-
Net value at the end of period	9 431 991	30 369 358	54 381 122	1 458 012	4 448 719	1 647 510	42 559 259

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1.3. - Property, plant and equipment in the previous reporting period	Land and perpetual usufruct of land	Buildings and structures	Technical equipment and machinery	Machines 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

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

Signatures of Management Board Members

<u>16 August 2023</u> <i>Date</i>	<u>Henryk Siodmok</u> <i>President of the Management Board</i>	
<u>16 August 2023</u> <i>Date</i>	<u>Wiktor Mokrzycki</u> <i>Vice-President of the Management Board</i>	
<u>16 August 2023</u> <i>Date</i>	<u>Tobiasz Mokrzycki</u> <i>Vice-President of the Management Board</i>	
<u>16 August 2023</u> <i>Date</i>	<u>Rafał Michalczuk</u> <i>Vice-President of the Management Board</i>	
<u>16 August 2023</u> <i>Date</i>	<u>Andrzej Rytka</u> <i>Vice-President of the Management Board</i>	

Signature of person in charge of book-keeping

<u>16 August 2023</u> <i>Date</i>	<u>Jarosław Martiszek</u> <i>Chief Accountant</i>	
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