

MOBRUK

Mo-BRUK GROUP
CONSOLIDATED QUARTERLY REPORT
FOR Q1-Q3 2024

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1. Mo-BRUK Group's condensed consolidated financial statements for the three quarters of 2024

1.1. Selected consolidated financial data

ITEM	PLN		EUR	
	01.01.2024-30.09.2024	01.01.2023-30.09.2023	01.01.2024-30.09.2024	01.01.2023-30.09.2023
I. Net revenue from sale of products, goods and materials	200 173 885	169 567 739	46 528 261	37 045 363
II. Operating profit (loss)	72 207 606	73 891 062	16 783 879	16 142 936
III. Gross profit (loss)	68 827 046	76 226 134	15 998 105	16 653 078
IV. Net profit (loss)	55 033 117	61 543 292	12 791 855	13 445 326
V. Net cash flows from operating activities	59 053 970	63 818 749	13 726 459	13 942 444
VI. Net cash flows from investing activities	-52 731 381	-41 471 764	-12 256 841	-9 060 311
VII. Net cash flows from financial activities	30 383 598	-47 900 312	7 062 339	-10 464 753
VIII. Total net cash flows	36 706 187	-25 553 327	8 531 957	-5 582 620
IX. Weighted average number of shares	3 512 885	3 512 885	3 512 885	3 512 885
X. Profit (loss) per ordinary share (in PLN/EUR)	15.67	17.52	3.64	3.83
ITEM	PLN		EUR	
	30.09.2024	31.12.2023	30.09.2024	31.12.2023
XI. Total assets	471 534 219	338 437 822	110 194 718	77 837 586
XII. Liabilities and provisions for liabilities	240 960 120	116 648 001	56 310 935	26 827 967
XIII. Non-current liabilities	135 613 836	60 738 241	31 692 140	13 969 237
<i>including deferred income - grant</i>	5 799 347	6 852 160	1 355 273	1 575 934
XIV. Current liabilities	105 346 285	55 909 760	24 618 795	12 858 730
<i>including deferred income - grant</i>	1 290 279	2 592 696	301 530	596 296
XV. Equity	230 574 098	221 789 821	53 883 784	51 009 618
XVI. Share capital	35 128 850	35 128 850	8 209 402	8 079 312
XVII. Number of shares	3 512 885	3 512 885	3 512 885	3 512 885
XVIII. Book value per share (in PLN/EUR)	65.64	63.14	15.34	14.52

The above data for the first three quarters of 2024 and 2023 was converted into EUR in accordance with the following rules:

- items of assets and equity and liabilities - at the average exchange rate published by the National Bank of Poland as at 30 September 2024 - EURPLN 4.2791, as at 31 December 2023 - EURPLN 4.3480
- items in the statement of comprehensive income and 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 reporting period: from 1 January to 30 September 2024 - EURPLN 4.3022, and from 1 January to 30 September 2023 - EURPLN 4.5773

1.2. Consolidated statement of financial position

Consolidated statement of financial position			
Item	as at 30-09-2024	as at 31-12-2023	as at 30-09-2023
NON-CURRENT ASSETS	347 631 999	258 371 591	159 639 342
Property, plant and equipment	304 325 996	215 799 559	157 393 774
Goodwill	40 036 955	40 036 955	832 348
Other intangible assets	2 857 830	1 911 639	507 804
Non-current receivables	411 218	623 438	905 416
CURRENT ASSETS	123 902 220	80 066 231	92 757 936
Inventory	2 762 821	2 001 358	1 072 577
Trade receivables	35 854 545	29 633 635	22 927 305
Other receivables	28 638 458	28 219 813	6 070 036
Cash and equivalents	54 867 431	18 161 244	61 233 757
Prepayments	1 778 965	1 201 631	1 454 261
Non-current held for sale	-	848 550	-
Total assets:	471 534 219	338 437 822	252 397 278

Consolidated statement of financial position			
Item	as at 30-09-2024	as at 31-12-2023	as at 30-09-2023
Equity	230 574 098	221 789 821	203 547 966
Share capital	35 128 850	35 128 850	35 128 850
Share premium	25 573 479	25 573 479	25 573 479
Retained earnings	100 016 570	67 401 249	67 401 249
Share redemption	985 000	985 000	985 000
Reserve capital - restatement of assets	12 916 096	12 916 096	12 916 096
Retained earnings (uncovered losses)	55 128 072	78 864 161	61 543 292
Equity attributable to shareholders of the parent	229 748 067	220 868 835	203 547 966
Equity attributable to non-controlling interests	826 031	920 986	-
Non-current liabilities	135 613 836	60 738 241	19 164 107

Deferred income tax provision	6 875 594	5 578 500	6 511 364
Provision for pension benefits and similar	288 305	304 813	181 096
Credit and loans	37 987 089	4 213 909	-
Other financial liabilities	84 620 901	43 788 859	5 143 111
Other non-current liabilities	42 600	-	-
Deferred income - grant	5 799 347	6 852 160	7 328 536
Current liabilities	105 346 285	55 909 760	29 685 205
Credit and loans	14 110 643	3 514 455	-
Other financial liabilities	6 603 212	2 761 539	833 998
Trade liabilities	17 546 494	15 874 745	7 406 542
Current income tax liabilities	2 210 444	1 268 941	1 554 610
Provision for pension benefits and similar	1 211 716	1 150 076	1 007 861
Other current provisions	3 549 401	6 960 439	3 549 401
Other liabilities	58 824 096	20 786 869	10 748 183
Deferred income - grant	1 290 279	2 592 696	4 584 610
Liabilities directly related to non-current assets classified as held for sale	-	1 000 000	-
Total equity and liabilities:	471 534 219	338 437 822	252 397 278

1.3. Consolidated statement of profit and loss and other comprehensive income

<i>Consolidated statement of profit and loss</i>				
Item	For the period: 01.07.2024- 30.09.2024	For the period: 01.01.2024- 30.09.2024	For the period: 01.07.2023- 30.09.2023	For the period: 01.01.2023- 30.09.2023
Continuing operations				
Revenue from sales	80 006 036	200 173 885	57 457 431	169 567 739
Cost of sales	43 091 502	114 026 044	31 027 634	89 896 419
GROSS PROFIT (LOSS) ON SALES	36 914 534	86 147 841	26 429 797	79 671 320
Selling costs	1 141 538	3 777 294	980 667	2 545 586
General administrative expenses	4 085 920	12 617 520	2 515 070	9 630 516
Other operating revenue	844 640	3 865 500	2 520 588	7 821 937
Other operating costs	229 766	1 410 921	320 494	1 426 093
OPERATING PROFIT (LOSS)	32 301 950	72 207 606	25 134 154	73 891 062

Finance income	343 689	453 675	763 073	2 619 507
Finance costs	1 817 408	3 834 235	103 182	284 435
PROFIT (LOSS) BEFORE TAX	30 828 231	68 827 046	25 794 045	76 226 134
Income tax	6 155 888	13 793 929	4 900 416	14 682 842
NET PROFIT (LOSS) ON CONTINUING OPERATIONS	24 672 343	55 033 117	20 893 629	61 543 292
Net profit (loss) on discontinued operations	-	-	-	-
NET PROFIT (LOSS)	24 672 343	55 033 117	20 893 629	61 543 292
Net profit attributable to:				
Shareholders of the parent	24 704 814	55 128 072	20 893 629	61 543 292
Non-controlling interests	-32 471	-94 955	-	-

Consolidated statement of profit and loss and other comprehensive income				
Item	For the period: 01.07.2024- 30.09.2024	For the period: 01.01.2024- 30.09.2024	For the period: 01.07.2023- 30.09.2023	For the period: 01.01.2023- 30.09.2023
NET PROFIT (LOSS)	24 672 343	55 033 117	20 893 629	61 543 292
Other comprehensive income	-	-	-	-
Total comprehensive income	24 672 343	55 033 117	20 893 629	61 543 292
Total comprehensive income attributable to:				
Shareholders of the parent	24 704 814	55 128 072	20 893 629	61 543 292
Non-controlling interests	-32 471	-94 955	-	-

1.4. Consolidated statement of cash flows

Consolidated statement of cash flows (indirect approach)		
Item	For the period: 01.01.2024-30.09.2024	For the period: 01.01.2023-30.09.2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit (loss) before tax	68 827 046	76 226 134
Total adjustments	1 782 256	1 871 100
Depreciation / amortisation	12 475 190	13 547 424
Interest income	-500 650	-2 635 368
Interest cost	2 498 356	193 400
Gain (loss) on sale of non-current assets	116 676	174 604
Changes in working capital	-12 810 583	-9 408 960
Changes in provisions	-3 365 283	-2 364 871
Changes in inventories	-752 814	19 276
Changes in receivables	-7 202 655	8 018 536
Changes in current liabilities, except for financial liabilities	594 184	-9 645 776
Change in prepayments and accruals	244 623	-533 207
Changes in deferred revenue - subsidy	-2 328 638	-4 902 918
Other adjustments	3 267	-
Cash generated from operating activities	70 609 302	78 097 234
Income tax on profit before tax	-11 555 332	-14 278 485
Net cash flows from operating activities	59 053 970	63 818 749
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenses on the acquisition of property, plant and equipment	-105 394 612	-46 568 264
Proceeds from sale of property, plant and equipment	52 162 581	2 461 133
Interest received	500 650	2 635 367
Net cash flows from investing activities	-52 731 381	-41 471 764
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from credit and loans received	50 269 269	-
Repayment of credit and loans	-5 951 851	-15 730
Repayment of lease liabilities	-11 435 464	-1 426 487
Dividends paid out	-	-46 264 695

Interest paid	-2 498 356	-193 400
Net cash flows from financing activities	30 383 598	-47 900 312
Increase / decrease in cash and equivalents before effects of changes in exchange rates	36 706 187	-25 553 327
Change in cash due to exchange differences	-	-
Balance sheet change in cash and equivalents	36 706 187	-25 553 327
Cash and equivalents at the beginning of period	18 161 244	86 787 084
Cash and equivalents at the end of period	54 867 431	61 233 757
- including restricted cash	14 017 346	3 814 224

1.5. Consolidated statement of changes in equity

Consolidated statement of changes in equity for the period: 01.01.2024-30.09.2024	Share capital	Supplementary capital - share premium	Retained earnings	Share redemption	Reserve capital - re-statement of assets	Retained earnings	Total equity attributable to shareholders of the parent	Equity attributable to non-controlling interests	Total equity
Balance as at 01.01.2024	35 128 850	25 573 479	67 401 249	985 000	12 916 096	78 864 161	220 868 835	920 986	221 789 821
Transfer of financial result to capital	-	-	32 615 321	-	-	-32 615 321	-	-	-
Dividends paid out	-	-	-	-	-	-46 264 696	-46 264 696	-	-46 264 696
Other adjustments	-	-	-	-	-	15 856	15 856	-	15 856
Total transactions with the owners	-	-	32 615 321	-	-	-78 864 161	-46 248 840	-	-46 248 840
Net profit (loss) in the period:	-	-	-	-	-	55 128 072	55 128 072	-94 955	55 033 117
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	55 128 072	55 128 072	-94 955	55 033 117
Increase (decrease) in equity	-	-	32 615 321	-	-	-23 736 089	8 879 232	-94 955	8 784 277
Balance as at 30.09.2024	35 128 850	25 573 479	100 016 570	985 000	12 916 096	55 128 072	229 748 067	826 031	230 574 098

Consolidated statement of changes in equity for the period: 01.01.2023-30.09.2023	Share capital	Supplementary capital - share premium	Retained earnings	Share redemption	Reserve capital - re-statement 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:	-	-	-	-	-	61 543 292	61 543 292	-	61 543 292
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	61 543 292	61 543 292	-	61 543 292
Increase (decrease) in equity	-	-	45 889 778	-	-	-30 611 181	15 278 597	-	15 278 597
Balance as at 30.09.2023	35 128 850	25 573 479	67 401 249	985 000	12 916 096	61 543 292	203 547 966	-	203 547 966

2. Mo-BRUK S.A.'s condensed separate financial statements for three quarters of 2024

2.1. Selected separate financial data

ITEM	PLN		EUR	
	01.01.2024- 30.09.2024	01.01.2023- 30.09.2023	01.01.2024- 30.09.2024	01.01.2023- 30.09.2023
I. Net revenue from sale of products, goods and materials	153 859 782	143 680 920	35 763 047	31 389 885
II. Operating profit (loss)	55 561 228	57 360 282	12 914 608	12 531 467
III. Gross profit (loss)	68 293 456	73 237 325	15 874 077	16 000 115
IV. Net profit (loss)	57 815 194	61 735 663	13 438 518	13 487 354
V. Net cash flows from operating activities	43 422 804	51 474 001	10 093 162	11 245 494
VI. Net cash flows from investing activities	-47 026 996	-35 001 714	-10 930 918	-7 646 803
VII. Net cash flows from financial activities	35 978 328	-47 680 114	8 362 774	-10 416 646
VIII. Total net cash flows	32 374 135	-31 207 826	7 525 019	-6 817 955
IX. Weighted average number of shares	3 512 885	3 512 885	3 512 885	3 512 885
X. Profit (loss) per ordinary share (in PLN/EUR)	16.46	17.57	3.83	3.84
ITEM	PLN		EUR	
	30.09.2024	31.12.2023	30.09.2024	31.12.2023
XI. Total assets	422 996 791	289 032 356	98 851 812	66 474 783
XII. Liabilities and provisions for liabilities	212 748 681	90 334 745	49 718 091	20 776 160
XIII. Non-current liabilities	123 517 103	47 423 796	28 865 206	10 907 037
<i>including deferred income - grant</i>	5 799 347	6 852 160	1 355 273	1 575 934
XIV. Current liabilities	89 231 579	42 910 950	20 852 885	9 869 124
<i>including deferred income - grant</i>	1 285 579	2 561 403	300 432	589 099
XV. Equity	210 248 109	198 697 611	49 133 722	45 698 623
XVI. Share capital	35 128 850	35 128 850	8 209 402	8 079 312
XVII. Number of shares	3 512 885	3 512 885	3 512 885	3 512 885
XVIII. Book value per share (in PLN/EUR)	59.85	56.56	13.99	13.01

The above data for the first three quarters of 2024 and 2023 was converted into EUR in accordance with the following rules:

- items of assets and equity and liabilities - at the average exchange rate published by the National Bank of Poland as at 30 September 2024 - EURPLN 4.2791, as at 31 December 2023 - EURPLN 4.3480
- items in the statement of comprehensive income and 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 reporting period: from 1 January to 30 September 2024 - EURPLN 4.3022, and from 1 January to 30 September 2023 - EURPLN 4.5773

2.2. Separate statement of financial position

Separate statement of financial position			
Item	as at 30-09-2024	as at 31-12-2023	as at 30-09-2023
Non-current assets	314 948 262	230 462 892	150 532 980
Property, plant and equipment	251 274 980	166 970 001	147 491 161
Other intangible assets	1 879 967	1 471 501	507 804
Shares	58 382 096	58 382 096	1 628 599
Non-current receivables	411 218	623 438	905 416
Other non-current financial assets	3 000 001	3 015 856	-
Current assets	108 048 529	58 569 464	81 023 207
Inventory	1 445 309	786 974	946 491
Trade receivables	27 950 090	21 404 560	17 052 025
Other receivables	33 774 836	28 812 663	13 503 627
Other financial assets	4 240 000	-	-
Cash and equivalents	39 009 935	6 635 799	48 113 429
Prepayments	1 628 359	929 468	1 407 635
Total assets:	422 996 791	289 032 356	231 556 187

Separate statement of financial position			
Item	as at 30-09-2024	as at 31-12-2023	as at 30-09-2023
Equity	210 248 109	198 697 611	186 049 955
Share capital	35 128 850	35 128 850	35 128 850
Share premium	25 573 479	25 573 479	25 573 479
Retained earnings	77 829 490	49 710 867	49 710 867
Share redemption	985 000	985 000	985 000
Reserve capital - restatement of assets	12 916 096	12 916 096	12 916 096
Retained earnings (uncovered losses)	57 815 194	74 383 319	61 735 663
Non-current liabilities	123 517 103	47 423 796	17 913 898
Deferred income tax provision	6 652 862	5 395 232	6 342 875
Provision for pension benefits and similar	230 406	254 867	110 436

Credit and loans	34 572 035	-	-
Other financial liabilities	76 262 453	34 921 537	4 132 051
Deferred income - grant	5 799 347	6 852 160	7 328 536
Current liabilities	89 231 579	42 910 949	27 592 334
Credit and loans	9 219 212	-	-
Other financial liabilities	3 228 440	851 190	607 070
Trade liabilities	11 422 484	11 193 801	6 797 594
Current income tax liabilities	1 812 915	935 779	1 157 081
Provision for pension benefits and similar	804 032	809 832	721 429
Other current provisions	3 549 401	6 934 439	3 549 401
Other liabilities	57 909 516	19 624 505	10 175 149
Deferred income - grant	1 285 579	2 561 403	4 584 610
Total equity and liabilities:	422 996 791	289 032 356	231 556 187

2.3. Separate statement of profit and loss and other comprehensive income

Separate statement of profit and loss				
Item	For the period: 01.07.2024- 30.09.2024	For the period: 01.01.2024- 30.09.2024	For the period: 01.07.2023- 30.09.2023	For the period: 01.01.2023- 30.09.2023
Continuing operations				
Revenue from sales	65 434 354	153 859 782	48 411 271	143 680 920
Cost of sales	33 757 030	91 193 693	28 142 408	81 713 121
GROSS PROFIT (LOSS) ON SALES	31 677 324	62 666 089	20 268 863	61 967 799
Selling costs	819 039	2 755 356	980 667	2 545 586
General administrative expenses	2 083 638	6 622 131	2 175 820	8 544 386
Other operating revenue	548 686	3 223 283	2 520 585	7 795 713
Other operating costs	124 396	950 657	309 992	1 313 258
OPERATING PROFIT (LOSS)	29 198 937	55 561 228	19 322 969	57 360 282
Finance income	293 123	15 390 859	760 300	16 126 049
Finance costs	1 445 985	2 658 631	102 820	249 006
PROFIT (LOSS) BEFORE TAX	28 046 075	68 293 456	19 980 449	73 237 325
Income tax	5 532 421	10 478 262	3 814 769	11 501 662

NET PROFIT (LOSS) ON CONTINUING OPERATIONS	22 513 654	57 815 194	16 165 680	61 735 663
Net profit (loss) on discontinued operations	-	-	-	-
NET PROFIT (LOSS)	22 513 654	57 815 194	16 165 680	61 735 663

Separate statement of profit and loss and other comprehensive income				
Item	For the period: 01.07.2024- 30.09.2024	For the period: 01.01.2024- 30.09.2024	For the period: 01.07.2023- 30.09.2023	For the period: 01.01.2023- 30.09.2023
NET PROFIT (LOSS)	22 513 654	57 815 194	16 165 680	61 735 663
Other comprehensive income	-	-	-	-
Total comprehensive income	22 513 654	57 815 194	16 165 680	61 735 663

2.4. Separate statement of cash flows

Separate statement of cash flows (indirect approach)		
Item	For the period: 01.01.2024-30.09.2024	For the period: 01.01.2023-30.09.2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit (loss) before tax	68 293 456	73 237 325
Total adjustments	-16 527 155	-10 547 016
Depreciation / amortisation	9 281 705	13 109 550
Interest income	-336 761	-2 446 735
Interest cost	1 281 151	157 971
Share of profit (dividends)	-8 000 000	-6 000 000
Gain (loss) on sale of non-current assets	116 676	174 605
Changes in working capital	-18 869 926	-15 542 407
Changes in provisions	-3 415 299	-2 379 773
Changes in inventories	-658 334	127 301
Changes in receivables	-11 295 483	1 302 422
Changes in current liabilities, except for financial liabilities	-473 281	-9 164 299
Change in prepayments and accruals	-698 891	-525 140
Changes in deferred revenue - subsidy	-2 328 638	-4 902 918

Other adjustments	-	-
Cash generated from operating activities	51 766 301	62 690 309
Income tax paid	-8 343 497	-11 216 308
Net cash flows from operating activities	43 422 804	51 474 001
CASH FLOWS FROM INVESTING ACTIVITIES		
Financial inflows - dividend	8 000 000	6 000 000
Expenses on the acquisition of property, plant and equipment	-101 680 233	-45 909 582
Proceeds from sale of property, plant and equipment	50 540 621	2 461 133
Loans granted	-4 540 000	-
Loan repayments received	300 000	-
Interest received	352 616	2 446 735
Net cash flows from investing activities	-47 026 996	-35 001 714
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from credit and loans received	46 096 050	-
Repayment of credit and loans	-2 304 803	-15 730
Repayment of lease liabilities	-6 531 768	-1 241 718
Dividends paid out	-	-46 264 695
Interest paid	-1 281 151	-157 971
Net cash flows from financing activities	35 978 328	-47 680 114
Increase / decrease in cash and equivalents before effects of changes in exchange rates	32 374 136	-31 207 827
Change in cash due to exchange differences	-	-
BALANCE SHEET CHANGE IN CASH AND EQUIVALENTS	32 374 136	-31 207 827
CASH AND EQUIVALENTS AT THE BEGINNING OF PERIOD	6 635 799	79 321 256
CASH AND EQUIVALENTS AT THE END OF PERIOD	39 009 935	48 113 429
- including restricted cash	13 967 388	3 763 082

2.5. Separate statement of changes in equity

Separate statement of changes in equity for the period: 01.01.2024-30.09.2024	Share capital	Supplementary capital - share premium	Retained earnings	Share redemption	Reserve capital - restatement of assets	Retained earnings	Total equity
Balance as at 01.01.2024	35 128 850	25 573 479	49 710 867	985 000	12 916 096	74 383 319	198 697 611
Transfer of financial result to capital	-	-	28 118 623	-	-	-28 118 623	-
Dividends paid out	-	-	-	-	-	-46 264 696	-46 264 696
Total transactions with the owners	-	-	28 118 623	-	-	-74 383 319	-46 264 696
Net profit (loss) in the period:	-	-	-	-	-	57 815 194	57 815 194
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	57 815 194	57 815 194
Increase (decrease) in equity	-	-	28 118 623	-	-	-16 568 125	11 550 498
Balance as at 30.09.2024	35 128 850	25 573 479	77 829 490	985 000	12 916 096	57 815 194	210 248 109

Separate statement of changes in equity for the period: 01.01.2023-30.09.2023	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:	-	-	-	-	-	61 735 663	61 735 663
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	61 735 663	61 735 663
Increase (decrease) in equity	-	-	46 222 064	-	-	-30 751 097	15 470 967
Balance as at 30.09.2023	35 128 850	25 573 479	49 710 867	985 000	12 916 096	61 735 663	186 049 955

3. Additional information to the condensed interim report for Q1-Q3 2024

3.1. Basic information about Mo-BRUK Group

At 30 September 2024, Mo-BRUK Group ("Group") consists of the parent company, Mo-BRUK S.A., and subsidiaries:

- Raf-Ekologia Sp. z o.o., based in Jedlicze,
- EL-KAJO Sp. z o.o., based in Bydgoszcz,
- Polskie Materiały Drogowe Sp. z o.o., based in Bydgoszcz.

LIST OF COMPANIES IN WHICH THE GROUP HOLDS AT LEAST 20% OF SHARES OR VOTES AT THE GENERAL MEETING 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. ul. Trzecieckiego 14 38-460 Jedlicze	100	100	Fully consolidated
2.	EL-KAJO Spółka z o.o. ul. Jana Karola Chodkiewicza 61 85-667 Bydgoszcz	95	95	Fully consolidated
3.	Polskie Materiały Drogowe Sp. z o.o. ul. Jana Karola Chodkiewicza 61 85-667 Bydgoszcz	100	100	Fully consolidated

The Group's structure did not change in the period from 1 January 2024 to 30 September 2024.

Basic information on parent Mo-BRUK S.A.

Name: Mo-BRUK Spółka Akcyjna
 Issuer's registered office: Niecew
 Issuer's legal form: joint stock company
 Legislation: Polish and EU
 Country of Issuer's registered office: Poland
 Issuer's address: Niecew 68, 33-322 Korzenna
 Telephone number: +48 18 441 70 48
 Fax number: +48 18 441 70 99
 Email: mobruk@mobruk.pl
 Website: www.mobruk.pl
 KRS number: 0000357598

NIP number: 734-32-94-252
REGON number: 120652729
PKD of key activity 38.22.Z treatment and disposal of hazardous waste

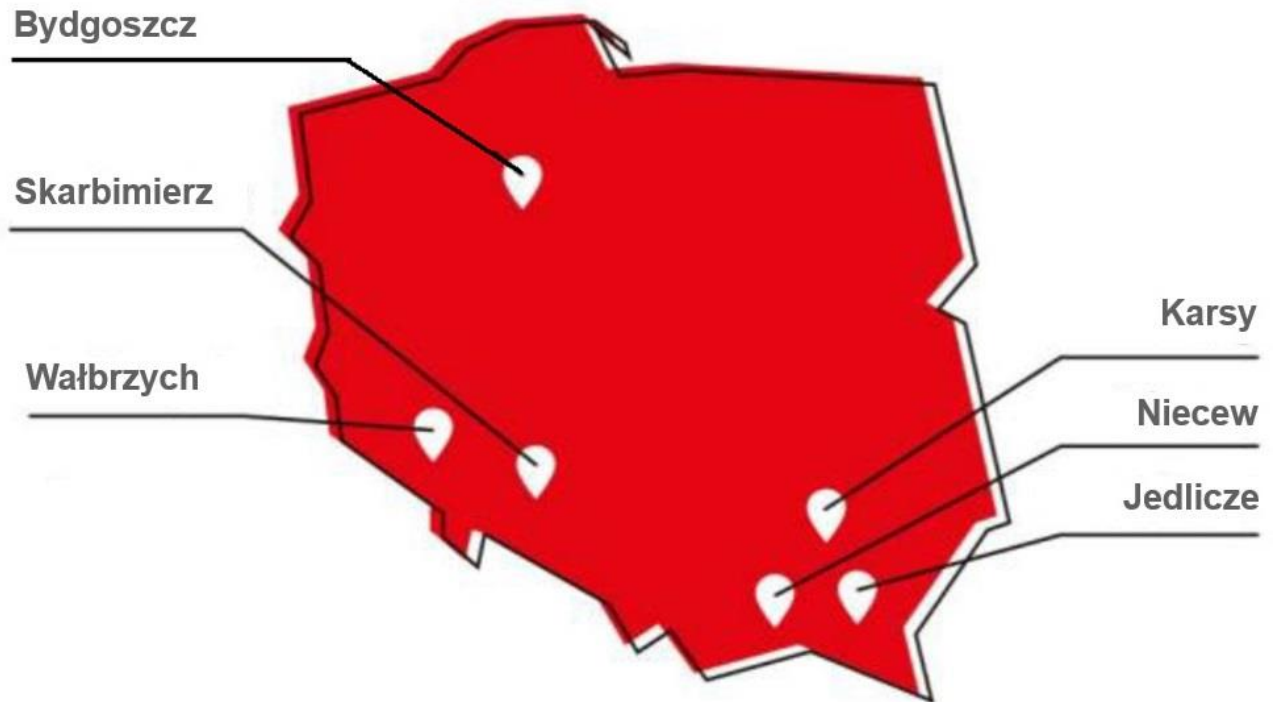
Mo-BRUK Spółka Akcyjna, based in Niecew (Niecew 68, 33-322 Korzenna), (Parent, Issuer, Company) is a capital company with legal personality registered at the District Court in Kraków, 12th Commercial Division, entered in the National Court Register under KRS number 0000357598.

The firm had been operating since 1985 as a sole proprietorship under the name "Mo-BRUK" Józef Mokrzycki. Until 1996, it manufactured products from terrazzo (tiles, window sills, stairs) and catered predominately to retail customers. From 1996, the firm has been in the widely-defined waste management business, encompassing: disposal and recycling. Due to the progressive development of the company, on 1 April 2008 the legal form of the company was transformed from Mo-BRUK Józef Mokrzycki, a sole proprietorship, into a limited partnership on 1 June 2010. Mo-BRUK S.A. has facilities in Niecew, Karsy, Skarbimierz and Wałbrzych as well as subsidiaries in Jedlicze and Bydgoszcz. A Waste Recovery Facility is located at the Company's headquarters in Niecew in the Małopolskie Voivodeship, where inorganic waste is solidified and stabilised, along with a filling station. Located in Wałbrzych is a waste recycling facility, where alternative fuels are produced, industrial waste landfill, along with a coal slug recovery facility.

An alternative fuels production facility has been operating in Karsy (municipality of Ożarów, Świętokrzyskie Voivodeship) since 2008, with an industrial waste incineration unit launched in 2014. In the town of Skarbimierz in the Opolskie Voivodeship, an Inorganic Waste Recovery Facility has been in operation since 2014, using waste solidification and stabilisation technology for waste processing, similar to the facility located in Niecew. Mo-BRUK S.A. also has a filling station and a diagnostic station in Łęka in the Małopolskie Voivodeship.

Mo-BRUK also has subsidiaries:

- Raf-Ekologia Sp. z o. o., located in Jedlicze, Podkarpackie Voivodship, in which it holds 100% of shares. The subsidiary's principal business is the thermal treatment of industrial and medical waste.
- EL-KAJO Sp. z o.o., located in Bydgoszcz, Kujawsko-Pomorskie Voivodship, in which it holds 95% of shares. The company's core business is the treatment of hazardous and non-hazardous waste and the production of building materials
- Polskie Materiały Drogowe Sp. z o.o., located in Bydgoszcz in the Kujawsko-Pomorskie Voivodship, in which it holds 100% of shares. The company's core business is the distribution of building materials produced by EL-KAJO.



Basic information on subsidiary Raf-Ekologia Sp. z o.o.

Name:	Raf-Ekologia Spółka z ograniczoną odpowiedzialnością
Registered office:	Jedlicze
Legal form:	limited liability company
Legislation:	Polish and EU
Country of incorporation:	Poland
Address:	ul. Trzecieckiego 14, 38-460 Jedlicze
Telephone number:	+48 13 306 14 04, 13 306 14 05
Fax number:	+48 13 306 14 06
Email:	rafekologia@rafekologia.pl
Website:	www.rafekologia.pl
KRS number:	0000069313
NIP number:	6842198750
REGON number:	370484149

Raf-Ekologia Sp. z o.o. was founded on 1 December 1999 in Krosno (notary's deed of 1 December 1999, notary's register A no. 9397/99). Its share capital amounts to PLN 686 000.00 and is divided into 6860 shares with a nominal value of PLN 100.00 each. The Company is engaged in the thermal treatment of hazardous and non-hazardous waste, including medical and veterinary, of a wide variety, pursuant to integrated permit no. ŚR.IV-6618-23/1/06 issued by the

Podkarpacie Voivode, amended through integrated permit OS-I.7222.9.10.2019.RD of 7 February 2020 issued by Podkarpackie Voivodeship Marshal, as amended.

Basic information on subsidiary EL-KAJO Sp. z o.o.

Name:	EL-KAJO Spółka z ograniczoną odpowiedzialnością
Registered office:	Bydgoszcz
Legal form:	limited liability company
Legislation:	Polish and EU
Country of incorporation:	Poland
Address:	ul. J. K. Chodkiewicza 61, 85-667 Bydgoszcz
Telephone number:	+48 52 321 12 02, 601 827 718
Email:	biuro@elkajo.pl
Website:	www.elkajo.pl
KRS number:	0000194950
NIP number:	5540309867
REGON number:	090502444

EL-KAJO Sp. z o.o., based in Bydgoszcz, ul. J.K. Chodkiewicza 61, was founded in 1991, registered in the District Court in Bydgoszcz, entered in the National Court Register under no. 0000194950. It specialises in the treatment of hazardous and non-hazardous waste and also in the production of innovative construction materials, such as road aggregates and prefabricated components, which have a wide range of applications in the construction industry.

The company is engaged in activities related to waste management in the broad sense of the term, including the disposal and recycling of hazardous and non-hazardous waste on the basis of integrated permit no. ŚG-IV.7222.1.17.2023 of 08.09.2023. The company has obtained all the necessary permits and successfully completed the investment process, while becoming one of the largest players in the waste treatment sector in terms of production capacity, technological processes and the waste treatment permit obtained. The waste processing and precast concrete plant where the company conducts its operations is located in Bydgoszcz's Bydgoszcz Industrial and Technological Park at ul. Hutnicza. EL-KAJO carries out its activities taking into account the principles of sustainability and in accordance with environmental protection requirements. The company has its own research and development centre. Through its research, it has the opportunity to develop the most effective and efficient methods of managing industrial by-products.

Basic information on subsidiary Polskie Materiały Drogowe Sp. z o.o.

Name: Polskie Materiały Drogowe Sp. z o.o
Registered office: Bydgoszcz
Legal form: limited liability company
Legislation: Polish and EU
Country of incorporation: Poland
Address: ul. J. K. Chodkiewicza 61, 85-667 Bydgoszcz
Telephone number: +48 782 347 567
Email: biuro@materiały-drogowe.pl
Website: www.materiały-drogowe.pl
KRS number: 0000845716
NIP number: 9671436781
REGON number: 386278176

Polskie Materiały Drogowe spółka z ograniczoną odpowiedzialnością, based in Bydgoszcz, ul. J.K. Chodkiewicza 61, was founded in 2020, registered in the District Court in Bydgoszcz, entered in the National Court Register under no. 0000845716.

The company deals with the sale and distribution of the highest quality precast concrete elements and road aggregates produced by EL-KAJO Sp. z o.o. The company offers products such as concrete blocks in various sizes or concrete road barriers.

3.2. Composition of the parent's governing bodies

Issuer's Management Board

Composition of the Parent's Management Board at the date on which this report was prepared:

- Henryk Siodmok 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 21 June 2024, Wiktor Mokrzycki and Tobiasz Mokrzycki resigned from their positions as Vice-Presidents of the Management Board of Mo-BRUK S.A. with effect from 23 June 2024. In letters submitted to the Company, Wiktor Mokrzycki and Tobiasz Mokrzycki announced

that the resignations from their positions were motivated by the decisions they had made to apply for appointment as members of the Supervisory Board of Mo-BRUK S.A.

Issuer's Supervisory Board

At the date on which this report was prepared, the Supervisory Board was composed as follows:

- Wiktor Mokrzycki Chairperson of the Supervisory Board,
- Konrad Turzański Member 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
- Tobiasz Mokrzycki Member of the Supervisory Board,

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

- On 14 May 2024, Kazimierz Janik resigned from his position as Chairperson of the Supervisory Board of Mo-BRUK S.A. and from his membership in the Supervisory Board of Mo-BRUK S.A. as of 14 June 2024. No reason was provided for the resignation.
- On 24 June 2024, the Ordinary General Meeting of Shareholders adopted Resolution 20/2024 on changes to the composition of the Supervisory Board, electing Tobias Mokrzycki to the Company's Supervisory Board.
- On 24 June 2024, the Ordinary General Meeting of Shareholders adopted Resolution No. 21/2024 on changes to the composition of the Supervisory Board, electing Wiktor Mokrzycki to the Company's Supervisory Board.
- On 26 August 2024, the Issuer's Supervisory Board adopted a resolution to appoint Wiktor Mokrzycki as Chairperson of the Supervisory Board.
- On 18 October 2024, Marcin Szymański resigned from the Supervisory Board of Mo-BRUK S.A. with effect from 18 October 2024. No reason was provided for the resignation.

Audit Committee

At the date on which this report was prepared, the Audit Committee was composed as follows:

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

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

- Due to the resignation from the Supervisory Board by the Chairperson of the Supervisory Board, Kazimierz Janik, on 14 May 2024, and the consequent expiry of his mandate on the Audit Committee, the Supervisory Board, acting pursuant to its authority under the Company's Articles of Association, appointed Marcin Szymański to the Audit Committee on 26 August 2024.
- On 18 October 2024, Marcin Szymański resigned from the Supervisory Board of Mo-BRUK S.A. and consequently from the Audit Committee with effect from 18 October 2024.

3.3. Significant accounting principles

3.3.1. Basis for preparing the financial statements

The presented condensed consolidated financial statements were prepared for the period from 1 January 2024 to 30 September 2024. The comparative data covers the period from 1 January 2023 to 30 September 2023 as regards the statement of profit and loss and statement of cash flows, and for carrying amounts as at 31 December 2023.

The Group's financial year is the calendar year.

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

The condensed consolidated financial statements have been prepared on the assumption that the Group's companies would continue as a going concern in the foreseeable future. At the date on which these consolidated financial statements were prepared, no circumstances are identified that would indicate a threat to the Group's going concern.

3.3.2. Statement on compliance

The Company prepares financial statements in accordance with its accounting principles (policy) resulting from International Accounting Standards, International Financial Reporting Standards and associated interpretations, published in the form of European Commission regulations, and if not addressed in these Standards - appropriately to the requirements of the Accounting Act of 29 September 1994 and the secondary legislation issued on its basis. The same accounting principles (policy) and calculation methods were applied in these financial statements as in the

previous financial statements. The Management Board of Mo-BRUK S.A., based in Niecew, declares that the financial results were drawn up by the Chief Accountant of Mo-BRUK S.A. Further, the Management Board declares that the Management Board report on Mo-BRUK S.A.'s activities contains a true depiction of the Group's development, achievements and a fair and clear view of its asset and financial situation.

3.3.3. Measurement currency and currency of the financial statements

The Group's measurement currency and reporting currency for these condensed financial statements in the Polish zloty.

3.3.4. Rules applied in preparing the report, in particular information on changes in applied accounting principles (policy)

These condensed consolidated financial statements for the first three quarters of 2024 and comparative data for the first three quarters of 2023 are prepared in accordance with IFRS.

3.3.5. Presentation changes

In these condensed financial statements for the period from 1 January to 30 September 2024, the presentation of selected financial data has been changed. The change relates to the presentation of the subsidy financing an asset, which the Issuer used to recognise in the result as an offset (reduction) of operating expenses over the periods, in proportion to the depreciation and amortisation charges made on the asset. Starting from the current reporting period, the subsidy financing the asset is gradually recognised in the result as other operating income in a manner commensurate with the costs that the subsidy is intended to offset. In order to ensure comparability of financial data in the reporting period, the figures for the period from 1 January to 30 September 2023. The presentation changes applied have no impact on the balance sheet total, result or cash position.

Consolidated figures are presented after the following adjustments:

Adjustments in the consolidated statement of profit or loss

Item	For the period: 01.07.2023- 30.09.2023 be- fore change	presenta- tion change	For the period: 01.07.2023- 30.09.2023 after change	For the pe- riod: 01.01.2023- 30.09.2023 before change	presentation change	For the pe- riod: 01.01.2023- 30.09.2023 af- ter change

Continuing operations						
Revenue from sales	57 457 431	-	57 457 431	169 567 739	-	169 567 739
Cost of sales	28 754 555	2 273 079	31 027 634	85 222 134	4 674 284	89 896 418
GROSS PROFIT (LOSS) ON SALES	28 702 876	-2 273 079	26 429 797	84 345 604	-4 674 284	79 671 320
Selling costs	980 667	-	980 667	2 545 586	-	2 545 586
General administrative expenses	2 515 070	-	2 515 070	9 630 516	-	9 630 516
Other operating revenue	247 509	2 273 079	2 520 588	3 147 652	4 674 284	7 821 937
Other operating costs	320 494	-	320 494	1 426 093	-	1 426 093
OPERATING PROFIT (LOSS)	25 134 154	-	25 134 154	73 891 062	-	73 891 062

Adjustments in the consolidated statement of cash flows (indirect method)

Item	for the period: 01.01.2023- 30.09.2023 before change	presenta- tion change	Item	for the period: 01.01.2023- 30.09.2023 after change
CASH FLOWS FROM OPERATING AC- TIVITIES			CASH FLOWS FROM OPERATING AC- TIVITIES	
Profit (loss) before tax	76 226 134	-	Profit (loss) before tax	76 226 134
Total adjustments	1 871 100	-	Total adjustments	1 871 100
Depreciation / amortisation	8 873 140	4 674 284	Depreciation / amortisation	13 547 424
Interest income	-2 635 367	-	Interest income	-2 635 367
Interest cost	193 400	-	Interest cost	193 400
Gain (loss) on sale of non-current assets	174 605	-	Gain (loss) on sale of non-current assets	174 605
Changes in working capital	-9 408 961	-	Changes in working capital	-9 408 961
Changes in provisions	-2 364 871	-	Changes in provisions	-2 364 871
Changes in inventories	19 276	-	Changes in inventories	19 276
Changes in receivables	8 018 536	-	Changes in receivables	8 018 536
Changes in current liabilities, except for financial liabilities	-9 645 776	-	Changes in current liabilities, except for financial liabilities	-9 645 776
Change in prepayments and accruals	-533 207	-	Change in prepayments and accruals	-533 207
Changes in deferred revenue - subsidy	-4 902 918	-	Changes in deferred revenue - subsidy	-4 902 918
Other adjustments	4 674 284	-4 674 284	Other adjustments	-
Cash generated from operating activi- ties	78 097 234	-	Cash generated from operating activi- ties	78 097 234
Income tax on profit before tax	-14 278 485	-	Income tax on profit before tax	-14 278 485
Net cash flows from operating activi- ties	63 818 749	-	Net cash flows from operating activi- ties	63 818 749

Separate figures are presented after the following adjustments:

Adjustments in the separate statement of profit or loss

Item	For the period: 01.07.2023- 30.09.2023 be- fore change	presenta- tion change	For the period: 01.07.2023- 30.09.2023 after change	For the pe- riod: 01.01.2023- 30.09.2023 before change	presentation change	For the pe- riod: 01.01.2023- 30.09.2023 after change
Continuing operations						
Revenue from sales	48 411 271	-	48 411 271	143 680 920	-	143 680 920
Cost of sales	25 869 329	2 273 079	28 142 408	77 038 837	4 674 284	81 713 121
GROSS PROFIT (LOSS) ON SALES	22 541 942	-2 273 079	20 268 863	66 642 083	-4 674 284	61 967 799
Selling costs	980 667	-	980 667	2 545 586	-	2 545 586
General administrative expenses	2 175 820	-	2 175 820	8 544 386	-	8 544 386
Other operating revenue	247 507	2 273 079	2 520 585	3 121 429	4 674 284	7 795 713
Other operating costs	309 992	-	309 992	1 313 258	-	1 313 258
OPERATING PROFIT (LOSS)	19 322 969	-	19 322 969	57 360 282	-	57 360 282

Adjustments in the separate statement of cash flows (indirect method)

Item	for the period: 01.01.2023- 30.09.2023 before change	presenta- tion change	Item	for the period: 01.01.2023- 30.09.2023 after change
CASH FLOWS FROM OPERATING AC- TIVITIES			CASH FLOWS FROM OPERATING AC- TIVITIES	
Profit (loss) before tax	73 237 325	-	Profit (loss) before tax	73 237 325

Total adjustments	-10 547 016	-	Total adjustments	-10 547 016
Depreciation / amortisation	8 435 266	4 674 284	Depreciation / amortisation	13 109 550
Interest income	-2 446 735	-	Interest income	-2 446 735
Interest cost	157 971	-	Interest cost	157 971
Share of profit (dividends)	-6 000 000	-	Share of profit (dividends)	-6 000 000
Gain (loss) on sale of non-current assets	174 605	-	Gain (loss) on sale of non-current assets	174 605
Changes in working capital	-15 542 406	-	Changes in working capital	-15 542 406
Changes in provisions	-2 379 773	-	Changes in provisions	-2 379 773
Changes in inventories	127 301	-	Changes in inventories	127 301
Changes in receivables	1 302 422	-	Changes in receivables	1 302 422
Changes in current liabilities, except for financial liabilities	-9 164 299	-	Changes in current liabilities, except for financial liabilities	-9 164 299
Change in prepayments and accruals	-525 140	-	Change in prepayments and accruals	-525 140
Changes in deferred revenue - subsidy	-4 902 918	-	Changes in deferred revenue - subsidy	-4 902 918
Other adjustments	4 674 284	-4 674 284	Other adjustments	-
Cash generated from operating activities	62 690 309	-	Cash generated from operating activities	62 690 309
Income tax on profit before tax	-11 216 308	-	Income tax on profit before tax	-11 216 308
Net cash flows from operating activities	51 474 001	-	Net cash flows from operating activities	51 474 001

3.3.6. Correction of errors

The condensed consolidated financial statements for Q1-Q3 2024, including comparative data, do not contain differences.

No errors concerning previous periods were identified.

3.3.7. Consolidation rules

Mo-BRUK Group comprises the parent, Mo-BRUK S.A., and the following subsidiaries: Raf-Ekologia Sp. z o.o., based in Jedlicze, EL-KAJO Sp. z o.o., based in Bydgoszcz, and Polskie Materiały Drogowe Sp. z o.o., based in Bydgoszcz.

The subsidiaries' financial statements have the same reporting period as the parent's financial statements, consistent accounting rules, based on consistent accounting principles applied to similar economic transactions and events.

The parent fully consolidates the entities over which it has control.

3.3.8. Conversion of financial statements of subsidiaries in foreign currencies

Mo-BRUK Group does not include subsidiaries whose financial statements are in foreign currencies.

3.4. Amount and type of items having impact on assets, liabilities, equity, net result or cash flows that are atypical due to their type, value or frequency

In both the separate and consolidated statements of financial position, the item 'Other receivables' includes the value of funds transferred to the account of the bailiff, i.e. the Tax Office in Nowy Sącz, in the amount of 24.6 million. The transferred funds were covered by an enforcement order dated 28 December 2023 issued by the Marshal of the Lower Silesian Voivodship concerning the increased waste storage fee for 2017.

The Issuer decided to include, in the Statement of Financial Position, the funds transferred to the account of the Tax Office as "Other receivables" due to the recent judgment of the Voivodship Administrative Court in Wrocław of 4 April 2024 overturning the decision of the Local Appeals Board in Wrocław of 7 November 2023 and the high probability of the statute of limitations for the increased fee for 2017 and the return of the funds to the Company by the Tax Office. A detailed description of the litigation is presented in this report in point 3.22. *"Material proceedings before a court, arbitration authority or public administration authority, concerning liabilities or debts of the issuer or its subsidiary"*

3.5. Information on recognition, increase or release of provisions

Changes in deferred income tax provisions are disclosed in point 3.6.

Consolidated data

Provisions	At 01.01.2024	Changes in provisions	At 30.09.2024
Provision for pension benefits and similar	1 454 889	45 132	1 500 021
Other provisions	6 960 439	-3 411 038	3 549 401

Total provisions	8 415 328	-3 365 906	5 049 422
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Separate data

Provisions	At 01.01.2024	Changes in provisions	At 30.09.2024
Provision for pension benefits and similar	1 064 699	-30 261	1 034 438
Other provisions	6 934 439	-3 385 038	3 549 401
Total provisions	7 999 138	-3 415 299	4 583 839

In the reporting period, the Issuer used a provision of PLN 2.7 million set up in previous periods for liabilities resulting from an out-of-court settlement concluded between the Issuer and the entity that was the main contractor for the 2011 agreement for comprehensive performance of the investment task entitled Construction of a post-flotation waste coal recovery plant in Walbrzych. A provision of PLN 0.6 million was also used for a bonus for members of the Management Board and a provision for a balance sheet audit of PLN 0.1 million.

The balance of other provisions as at 30 September 2024 is a provision for the accrual of an increased environmental charge including interest of PLN 3.5 million, which was created in 2021. Detailed information on the on-going proceeding is presented in point 3.22. of this report "*Material proceedings before a court, arbitration authority or public administration authority, concerning the liabilities or debts of the Issuer or its subsidiary.*"

3.6. Information on deferred income tax provisions and assets

Consolidated data

Deferred income tax - reporting period	Balance as at 31-12-2023	Recognised in result 01.01.2024-30.09.2024	Balance as at 30-09-2024
Deferred income tax assets			
Employee benefits	489 914	-145 240	344 674
Provision for receivables	214 733	-65 726	149 007
Leases	1 579 713	8 306 452	9 886 165
Grant	691 467	-240 211	451 256

Penalties and compensation	337 767	-337 767	-
Interest	175 234	-175 234	-
Exchange differences	2 839	6 557	9 396
Balance sheet audit, other	13 992	-13 992	-
TOTAL DEFERRED INCOME TAX ASSETS:	3 505 660	7 334 839	10 840 498
Deferred income tax provision			
Interest	3 013	3 013	-
Exchange differences	5 784	-3 211	8 995
Difference between carrying amount and tax value of property, plant and equipment and intangible assets	9 075 363	-8 631 734	17 707 097
Deferred income tax provision, total:	9 084 160	-8 631 932	17 716 092

Separate data

Deferred income tax - reporting period	Balance as at 31-12-2023	Recognised in result 01.01.2024- 30.09.2024	Balance as at 30-09-2024
Deferred income tax assets			
Employee benefits	388 780	-156 515	232 265
Provision for receivables	199 575	-55 385	144 190
Leases	1 579 713	8 306 452	9 886 165
Grant	691 467	-240 211	451 256
Penalties and compensation	337 767	-337 767	-
Interest	175 234	-175 234	-
Exchange differences	2 839	6 557	9 396
Balance sheet audit, other	13 992	-13 992	-
TOTAL DEFERRED INCOME TAX ASSETS:	3 389 367	7 333 905	10 723 272
Deferred income tax provision			
Interest	3 013	3 013	-
Exchange differences	5 784	-3 211	8 996
Difference between carrying amount and tax value of property, plant and equipment and intangible assets	8 775 802	-8 591 335	17 367 137
Deferred income tax provision, total:	8 784 599	-8 591 534	17 376 133

3.7. Information on material transactions to purchase and sell property, plant and equipment

There was a significant increase in the value of property, plant and equipment in the current period at the Group. The increase in the value of non-current assets was mainly due to the expenditures incurred by Mo-BRUK, which has been implementing a project to modernise the thermal waste conversion plant at Karsy since December 2022. During the first three quarters of 2024, capital expenditure on this account amounted to almost PLN 106 million. This investment was completed in the third quarter of 2024, when the Company accepted machinery and equipment from groups 3-6 with a total initial value of PLN 131.2 million from tangible assets under construction and increased the value of buildings and structures from groups 1-2 by PLN 8.3 million.

3.8. Information on failure to repayment credit or loan or breach of material provisions of credit or loan agreement

In the reporting period ended on 30 September 2024, the Group did not record any delays in the repayment of credit facilities and loans or breaches of material provisions of credit and loan agreements.

3.9. Discussion of key economic and financial figures disclosed in the condensed consolidated financial statements, including in particular description of factors and events, including atypical in nature, having material impact on the issuer's business and profit or losses in the financial year, along with discussion of development perspectives for the issuer's business at least in the next financial year

Mo-BRUK Group generated over PLN 200 million in consolidated revenue from sales in the first three quarters of 2024, including more than PLN 180 million in waste management. In this period, Mo-BRUK Group accepted 238.6 thousand tonnes of waste for processing, compared to 183.6 thousand tonnes a year earlier. The revenue generated represents an 18% increase compared

to the revenue generated in the corresponding period of 2023. Much of the Group's revenue comes from waste management, which accounted for more than 90% of the Group's consolidated sales revenue in the first three quarters of 2024. In this area, the Group distinguishes three segments which, compared to 2023, recorded respectively:

- a 40.27% increase in sales in the alternative fuels production segment, largely due to a higher level of prices for accepted waste compared to the prices obtained in the corresponding period of 2023, and a 5% higher volume of accepted waste for alternative fuel production,
- a 12.7% rise in sales in the solidification and stabilisation of inorganic waste segment, which was vastly affected by the volume of accepted waste caused by the gradual use of the production capacities of the newly-acquired EL-KAJO,
- an 8.7% increase in sales in the medical and hazardous waste incineration segment resulting from higher average prices for waste accepted for thermal conversion and from the performance of a contract for the disposal of an "environmental bomb" located in the Municipality of Częstochowa.

The Group expects major revenue growth in the solidification and inorganic waste stabilisation segment in the coming periods, due to the increasing filling of the production capacity of EL-KAJO, which was acquired in November 2023. The effect of the acquisition of the new company was yet been recorded in 2024 due to the start-up phase of the newly commissioned line for solidification and stabilisation of inorganic waste and the postponement of waste deliveries from the newly built CHP plant and municipal waste incineration plant in Pomerania with which EL-KAJO has a long-term contract for waste management. Another segment where the Group expects significant sales increases in future periods is the medical and hazardous waste incineration segment. In July of this year, the modernisation of the thermal hazardous waste treatment facility in Karsy, which was subsidised by the National Fund for Environmental Protection and Water Management, was completed, increasing its capacity from 15 000 Mg/year to 25 000 Mg/year. The expanded capacity of the waste incineration plant in Karsy should significantly impact the revenue generated from this segment.

Noteworthy is also the good result of sales in the petrol station segment, which amounted to more than PLN 19 million for the third quarter of 2024, in relation to the comparative period, a nearly 33% increase in sales in this segment was recorded. Better sales results at fuel stations were driven by the entry of the Issuer's fuel stations into the Moya fuel station network, among other factors.

Comparing the Group's total operating costs to those incurred in the comparative period, we note an increase of PLN 28.3 million, or 27.8%. The considerable increase in the Group's operating costs is mainly driven by the consolidation of the costs of the two subsidiaries EL-KAJO and PMD, incorporated into the Group at the end of 2023. Excluding the costs of the companies that were

not consolidated in the three quarters of 2023, the total increase in operating costs amounts to PLN 10.7 million, i.e. 10.4% vs. the comparative period.

The increase in operating costs was mainly due to an increase in the cost of third-party services caused by a significant increase in the cost of waste management services at external facilities. In relation to the comparative period, the increase in these costs amounted to PLN 12.6 million, i.e. 118%, and resulted from additional costs of PLN 4.9 million for collection by external entities of alternative fuel produced from hazardous waste, costs of sludge dewatering with a press of PLN 2.6 million, and higher costs of collection of alternative fuel by cement plants by PLN 1.8 million, i.e. 19%. Also contributing to the increase in operating costs was an increase in the cost of goods purchased for filling stations, which was PLN 3.7 million higher compared to the same period in 2023, i.e. by 28.6%.

To maintain the high profitability of its operations, the Group is taking optimisation measures to reduce costs. To reduce the high cost of electricity, which amounted to PLN 3.7 million for the three quarters of this year, the first phase of the 250 kW photovoltaic installation was completed, with a Group-wide target capacity of 0.8 MW. The photovoltaic investment is scheduled for completion by the end of 2025. In addition, two units for the production of electricity from thermal energy derived from waste incineration (ORC turbines) with a total capacity of 2.1 MW are planned at the thermal waste disposal facilities located in Karsy and at Raf-Ekologia. As a result of its own power generation, the Group should significantly reduce its electricity costs.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS (comparative format)

Item	For the period: 01.01.2024-30.09.2024	For the period: 01.01.2023-30.09.2023	Change
Revenue from sales	200 173 885	169 567 739	18.0%
Total costs:	130 420 858	102 072 520	27.8%
Changes in products	-378 267	6 197	-6203.6%
Depreciation / amortisation	12 475 190	13 547 424	-7.9%
Use of raw materials and materials	26 083 929	17 539 414	48.7%
Third-party services	48 676 550	34 915 514	39.4%
Cost of employee benefits	24 288 003	20 755 809	17.0%
Taxes and fees	1 276 986	1 016 586	25.6%
Other costs	1 292 537	1 296 726	-0.3%
Value of goods and materials sold	16 705 930	12 994 851	28.6%
PROFIT (LOSS) ON SALES	69 753 026	67 495 219	3.3%

Other operating revenue	3 865 500	7 821 937	-50.6%
Other operating costs	1 410 921	1 426 093	-1.1%
EBITDA (operating profit + depreciation / amortisation)*	84 682 796	87 438 486	-3.2%
EBIT (operating profit)**	72 207 606	73 891 062	-2.3%
Finance income	453 675	2 619 507	-82.7%
Finance costs	3 834 235	284 435	1248.0%
PROFIT (LOSS) BEFORE TAX	68 827 046	76 226 134	-9.7%
Income tax	13 793 929	14 682 842	-6.1%
NET PROFIT (LOSS)	55 033 117	61 543 292	-10.6%

*/ EBITDA is an economic value that is not reflected in the existing IASs/IFRSs and does not apply to financial reporting. In connection with this, according to the Issuer it constitutes an alternative performance measure (APM). The presented and calculated EBITDA constitutes the sum of operating result (profit / loss) and amortisation / depreciation. APM applies to the reporting periods indicated in the table header.

**/ EBIT is an economic value that is not reflected in the existing IASs/IFRSs and does not apply to financial reporting. In connection with this, according to the Issuer it constitutes an alternative performance measure (APM). The presented and calculated EBIT is identical to operating profit. APM applies to the reporting periods indicated in the table header.

An 18% increase in sales compared to the comparative period, with a 27.8% increase in operating costs, mainly the result of consolidating the costs of the newly acquired companies, resulted in decreases in the Group's financial results relative to the corresponding period in 2023: operating profit, EBITDA, profit before tax and net profit.

Mo-BRUK Group's profit

Item, data in PLN	Q1-Q3 2024	Q1-Q3 2023	Change
Profit (loss) on sales	69 753 026	67 495 219	3.3%
EBITDA (operating profit + depreciation / amortisation)	84 682 796	87 438 486	-3.2%
EBIT (operating profit)	72 207 606	73 891 062	-2.3%
Gross profit (loss)	68 827 046	76 226 134	-9.7%
Net profit (loss)	55 033 117	61 543 292	-10.6%

Despite these declines, the profitability ratios achieved by the Issuer's Group in the reporting period are at very high levels: profit on sales 35%, operating profit 36%, net profitability 28% and EBITDA profitability 42%.

Profitability analysis for Issuer's Group

Item	Q1-Q3 2024	Q1-Q3 2023
Sales margin	34.8%	39.8%
EBITDA margin	42.3%	51.6%
EBIT margin	36.1%	43.6%
Net margin	27.5%	36.3%
Return on assets*	15.3%	33.9%
Return on equity*	31.4%	42.1%

Algorithms for calculating the ratios:

Margin on sales = result on sales / net revenue from sales

EBITDA margin = (operating result + amortisation/depreciation) / revenue from sales

Operating margin = operating result / net revenue from sales

Net margin = net financial result / net revenue from sales

Return on assets = net results for past 12 months / total assets

Return on equity = net result for past 12 months / equity

*for the ratio as of 30.09.2023 net results for past 12 months covers the period from 01.10.2022 to 30.09.2023.

for the ratio as of 30.09.2024 net results for past 12 months covers the period from 01.10.2023 to 30.09.2024.

Core business profitability analysis

Mo-BRUK Group generates above-average results from its core business related to broadly-defined waste management.

After excluding revenues and costs of other activities, i.e.: fuel stations, Coal Sludge Recovery Facility, the profitability ratios are as follows: **EBITDA profitability** 46%, profitability of sales profit 39% and profitability of operating profit 40%.

The above profitability ratios represent mainly the efficiency of the Group's core business of waste management with a minor effect of extraordinary items, i.e. the disposal of environmental bombs.

Mo-BRUK Group's profit adjusted for revenue and costs of other activity

Item data in PLNk	Q1-Q3 2024	Q1-Q3 2023	Change
Profit (loss) on sales	70 315 813	71 231 345	-1.3%
EBITDA (operating profit + depreciation / amortisation)	83 804 914	88 616 090	-5.4%
EBIT (operating profit)	72 770 393	75 799 951	-4.0%

Analysis of Mo-BRUK Group's profitability adjusted for other activity

Item	Q1-Q3 2024	Q1-Q3 2023
Sales margin	38.9%	46.0%
EBITDA margin	46.3%	57.2%
EBIT margin	40.2%	49.0%

Algorithms for calculating the ratios:

Margin on sales = result on sales / net revenue from sales

EBITDA margin = (operating result + amortisation/depreciation) / revenue from sales

Operating margin = operating result / net revenue from sales

Management of financial resources

At the end of the reporting period, Mo-BRUK Group had credit and loan liabilities of PLN 52.1 million. The interest rate on all credits and loans was based on a variable interest rate plus a margin. Other financial liabilities, excluding liabilities on account of the right of perpetual usufruct of land and lease agreements, were based on a floating interest rate, resulting mainly from concluded lease agreements, the value of which amounts to PLN 62.2 million. The remaining financial liabilities in the amount of PLN 27.5 million represent the discounted maximum value of the premium possible for the sellers of EL-KAJO's shares upon the achievement, specified in the contract, of the financial results contained in the earn-out clause.

Because of its investment projects, the Issuer signed agreements with the National Fund for Environmental Protection and Water Management for co-financing the implementation of the project entitled "Modernisation and expansion of the thermal waste conversion line in Karsy," i.e.: co-financing in the form of a grant of up to PLN 37.7 million, co-financing in the form of a preferential loan of up to PLN 25.1 million and co-financing in the form of a market loan of up to PLN 21.0 million. Cash inflows from these loans followed the planned disbursement schedule. As at the publication date of this report, the Issuer's bank account received cash in the full amount of both loans, i.e. PLN 46.1 million. The proceeds from the grant of PLN 37.7 million are expected in the fourth quarter of this year or the first quarter of next year.

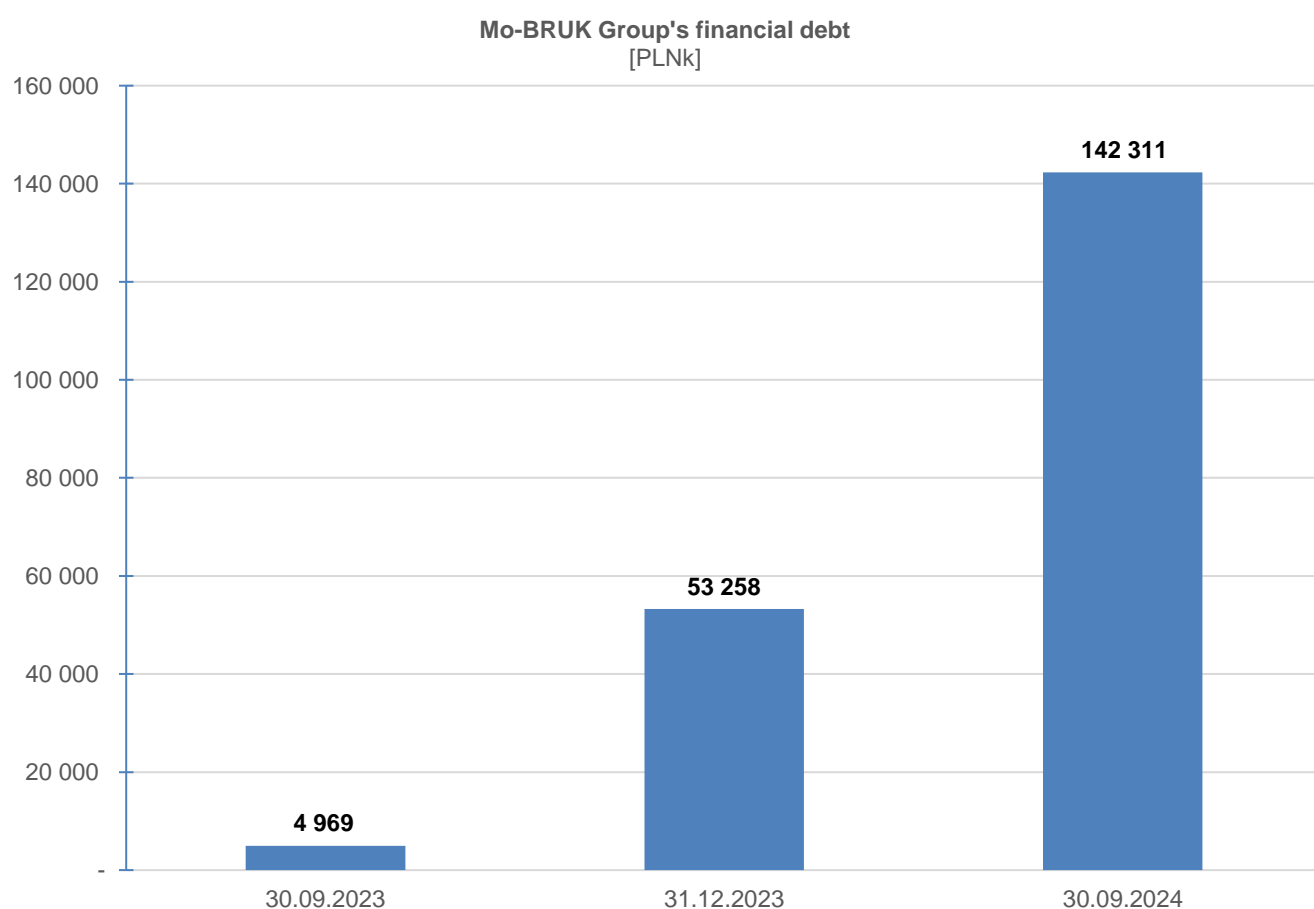
In addition, the Issuer applied to the National Fund for Environmental Protection and Water Management for support for the project "Modernisation and expansion of the waste recovery facility in Niecew" in the form of a market loan of up to PLN 6.1 million and a preferential loan of up to PLN 18.3 million.

Mo-BRUK Group's financial debt and cash [PLNk]			
	30.09.2024	31.12.2023	30.09.2023

Financial debt¹⁾	142 311	53 258	4 969
<i>including:</i>			
<i>credit and loan debt</i>	<i>52 098</i>	<i>7 728</i>	<i>-</i>
<i>leases</i>	<i>62 754</i>	<i>18 071</i>	<i>4 969</i>
<i>Other financial liabilities - Earn-out</i>	<i>27 458</i>	<i>27 458</i>	<i>-</i>
Net financial debt¹⁾	87 443	35 097	-56 265
Cash and other financial assets	54 867	18 161	61 234

¹⁾ the financial debt in this table does not include a liability related to the perpetual usufruct of land

net financial debt = financial debt - cash and equivalents



In 2024, Mo-BRUK Group demonstrated full capacity to meet its obligations. The Group's cash holdings and the external financing it has obtained ensure that liquidity is maintained and that investment intentions can be implemented. In 2024, the Group continued its efforts to maintain long-term financial stability and optimise short-term funding sources.

Thanks to the optimal management of financial resources, the Group records good debt ratios, including the net financial debt to EBITDA ratio, which is at a favourable level.

In previous periods, the Group achieved a higher cash balance than financial debt, which is why the value of the ratios is presented with a negative sign.

Mo-BRUK Group's net financial debt to EBITDA ratio		
30.09.2024¹⁾	31.12.2023	30.09.2023²⁾
0.8	0.3	-0.5

Algorithms for calculating the ratio:

financial debt³⁾ - cash and other financial assets / (12-month operating profit + 12-month depreciation amortisation)

¹⁾for the ratio at 30.09.2024 EBITDA is calculated for the period from 01.10.2023 to 30.09.2024

²⁾for the ratio at 30.09.2023 EBITDA is calculated for the period from 01.10.2022 to 30.09.2023

³⁾ the financial debt taken into account in calculating this ratio does not include a liability related to the perpetual usufruct of land.

As at 30 September 2024, the Group held PLN 54.9 million of cash (including PLN 14.0 million of restricted cash).

Restricted cash refers to funds held in VAT accounts, cash in a term deposit on which a financial lien has been placed 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. A detailed description of the administrative proceedings and resulting enforcement is presented in point 3.22. of this report.

Due to on-going investments and future development plans as well as favourable interest rate conditions, financial surpluses were placed on short-term bank deposits during the reporting period.

Group strategy and development prospects

In defining the Group's development strategy, the Management Board is guided by the mission and vision of Mo-BRUK Group, as well as the main objectives set by the shareholders. The Group's mission is to provide all interested customers with a waste disposal service of any type with a guarantee of further processing in accordance with environmental requirements. An important part of the Group's mission is to conduct its operations with respect for the environment and to support the development of circular economy. Conducting business in a sustainable manner is a key element for the development of both the Group and the entire economy. For this reason, the Group aims to increase capacity utilisation, implement state-of-the-art global and in-house waste treatment technologies and promote environmentally friendly waste management in the broadest sense. The Group's Management Board aims to realise Mo-BRUK Group's vision of being seen as a leader in the treatment of industrial waste on a European scale.

The most important objective of Mo-BRUK's Management Board is to maximise the long-term shareholder value of the Group.

In 2024, Mo-BRUK Group continued its efforts to secure an appropriate volume of waste supply to the installations located in the Group's facilities. During this period, the Group's various facilities maintained good sales performance and high profitability. As a result of the acquisition, the Issuer's processing capacity, taking into account environmental permits for the treatment of hazardous waste, in the solidification and stabilisation segment increased from the current 100 thousand tonnes to 240 thousand tonnes per year. The Group's overall capacity in this segment for all waste, i.e. hazardous and other, will increase from the current 170 000 tonnes to 390 000 tonnes per year. Moreover, following the completion of the investment at the Issuer's plant in Niecew and the amendment of the environmental permit for the plant in Skarbimierz, Mo-BRUK S.A. Group's total capacity for processing inorganic waste will increase to 500 000 tonnes per year from the current 170 000 tonnes. Increased involvement in the non-organic waste management sector contributes to maintaining the high profitability of Mo-BRUK Group's operations. Given the fact that the waste management market in Poland is in the phase of intensive development and is very prospective, the Management Board of Mo-BRUK S.A. assumes that revenues will be maintained at high levels in subsequent periods. The Management Board is committed to ensuring that there is an adequate waste stream for processing at the Group's facilities. Commercial activities are being undertaken on an on-going basis with the aim of acquiring new customers, which should translate into better financial results for the Issuer's Group.

Thanks to its efficient business model, Mo-BRUK Group remains the industry leader in the processing of industrial waste in Poland. With investments in waste disposal lines, the Group is able to dispose of the vast majority of the types of waste generated in Poland.

The industry in which the Issuer's Group operates features exceptionally dynamic growth. This mainly results from changes in environmental legislation and waste regulations (both in Polish and European legislation), which enforce the disposal of harmful waste, materials and substances in a certain way. A further growth aspect is the growing ecological awareness of the society, which results in higher demand for waste disposal services. This creates an opportunity for businesses such as Mo-BRUK for dynamic growth.

The Group's asset investments are geared towards growth, taking into account environmental measures and the modernisation and replacement of fixed assets. The Group's development plans include an increase in capacity through organic growth and acquisitions.

The Group is carrying out the following investment projects:

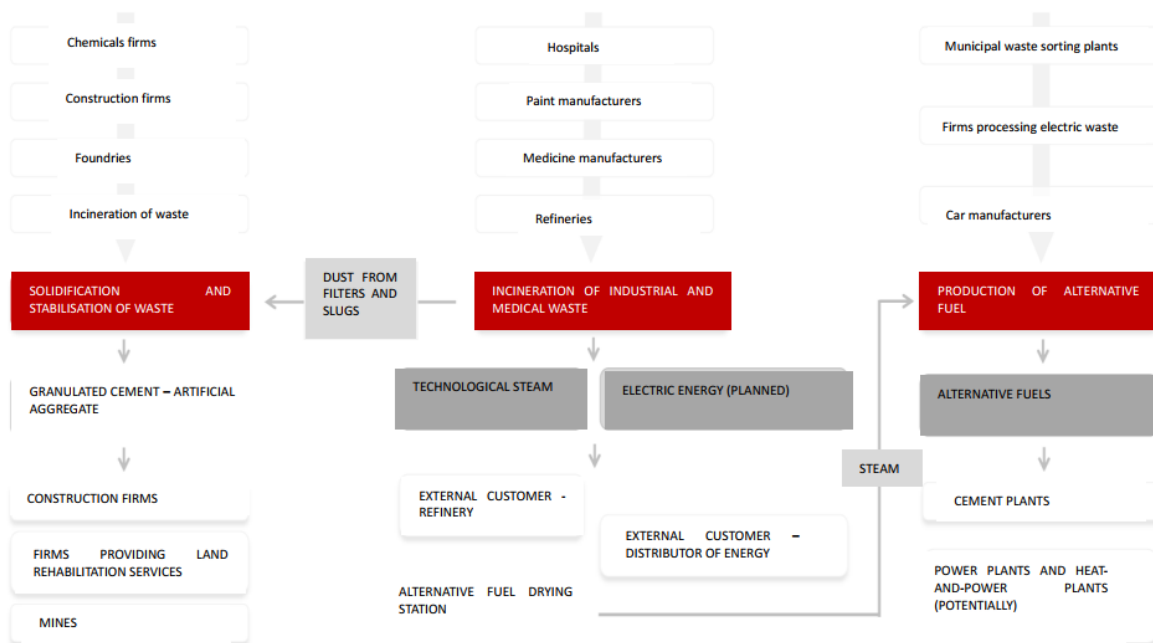
- **Modernisation and expansion of the waste recovery facility at Niecew** - increasing waste treatment capacity from the current 100 000 Mg/year to 140 000 Mg/year through the construction of a second waste treatment line and the adaptation of the facility to Best Available Techniques (BAT) requirements.
- **Modernisation and expansion of the thermal waste conversion line in Karsy** - As a result of the investment, the plant in Karsy will be able to process approx. 10 000 tonnes of waste more Mg/year of waste than the current volume of waste subject to, reaching 25 000 Mg/year. The capacity planned to be achieved is in accordance with the provisions of the integrated permit held.
- **Modernisation and expansion of the waste recovery facility at Skarbimierz** - increasing waste treatment capacity from the current 70 000 Mg/year to 140 000 Mg/year by modernising the existing production lines for waste processing to increase the warehouse space (if needed).
- **Modernisation and expansion of the thermal waste processing plant in Jedlicze** - as a result of the investment, the incineration facility in Jedlicze will be able to process approx. twice the amount of waste currently being processed, reaching a capacity of 16 000 Mg/year. The company is in the process of obtaining the relevant administrative permits.
- **Completion and start-up of a waste recovery facility in Bydgoszcz** - The result of the investment is one of the most modern waste processing facilities in Poland, in the Group's newly acquired subsidiary EL-KAJO allowing processing of more than 220 000 tonnes of

waste per year. The investment also aims to implement an innovative technology for the processing of waste, which after neutralisation will provide the raw material used in the production of prefabricated elements and aggregates and mixtures. As a result of this project, the new EL-KAJO plant will be at the forefront of the waste treatment sector both in terms of production capacity and the waste volumes processed permit.

- **Electricity generation facilities** - in order to reduce the high cost of electricity at the thermal waste disposal installations located at the Karsy Alternative Fuels Production Facility and at Raf-Ekologia, it is planned to commission two units for the production of electricity from waste incineration thermal energy (ORC turbines) with a total capacity of 2.1 MW. As a result of this investment, the Group plans to eventually align with circular economy.
- **Modernisation of the production hall with extension of the waste warehouse and replacement of the RDF line at Karsy** - the investment implemented consists of the replacement of an out-of-service alternative fuel production line and a major modernisation of the production hall located at the Alternative Fuels Production Facility in Karsy. The effect of this project will be the replacement of the existing line with a more modern one with a waste processing capacity of 140 000 Mg/year and increasing the capacity of the Alternative Fuels Facility in Karsy to 200 000 Mg/year.

3.10. Information on key products and services

In its flagship segment, which is waste management, Mo-BRUK Group reports three business lines related to the processing and treatment of waste:



Solidification and stabilisation of inorganic waste

The Issuer possesses competences and experience in the treatment of inorganic waste and producing granulated cement from this waste. Mo-BRUK S.A. has been processing a variety of waste since 1996, using its own unique technology. The hazardous waste that the Issuer receives are subject to cementation at a further treatment stage. The issuer collects a fee for waste received for cementation from entities providing waste for disposal. As a result of reactions taking place during this process, the hazardous substances contained in this waste are neutralised. The end result of the process is granulated cement, which is a substitute for aggregate and is sold to end customers. The following types of hazardous and non-hazardous inorganic wastes are accepted for the solidification and stabilisation process: slags and ashes from waste incineration plants, sludges from chemical wastewater treatment plants, post-galvanic waste, other waste containing heavy metals.

Based on the developed waste cementation technology, two of the Issuer's plants operate: the Waste Processing Facility in Niecew and the Inorganic Waste Recovery Facility in Skarbimierz, as well as EL-KAJO in Bydgoszcz, a company newly admitted to the Group.

Production of alternative fuels

Mo-BRUK S.A. was one of the first companies in the country to gain competence in the manufacture of alternative fuels. In 2004, the Issuer launched its first alternative fuel production

facility in Wałbrzych. In 2008, the Issuer launched a second site in Karsy near Ożarów (next to the Ożarów cement plant). As a result of further investments with the use of EU funding, a second production line was built at the alternative fuels production facility in Karsy.

The alternative fuel produced at Mo-BRUK S.A.'s sites is made of combustible municipal waste provided by waste collection companies. Combustible industrial waste supplied directly by industrial plants and waste collection companies is also used in the manufacture of alternative fuels. Waste received is then subjected to mechanical processing, as a result of which alternative fuel is created.

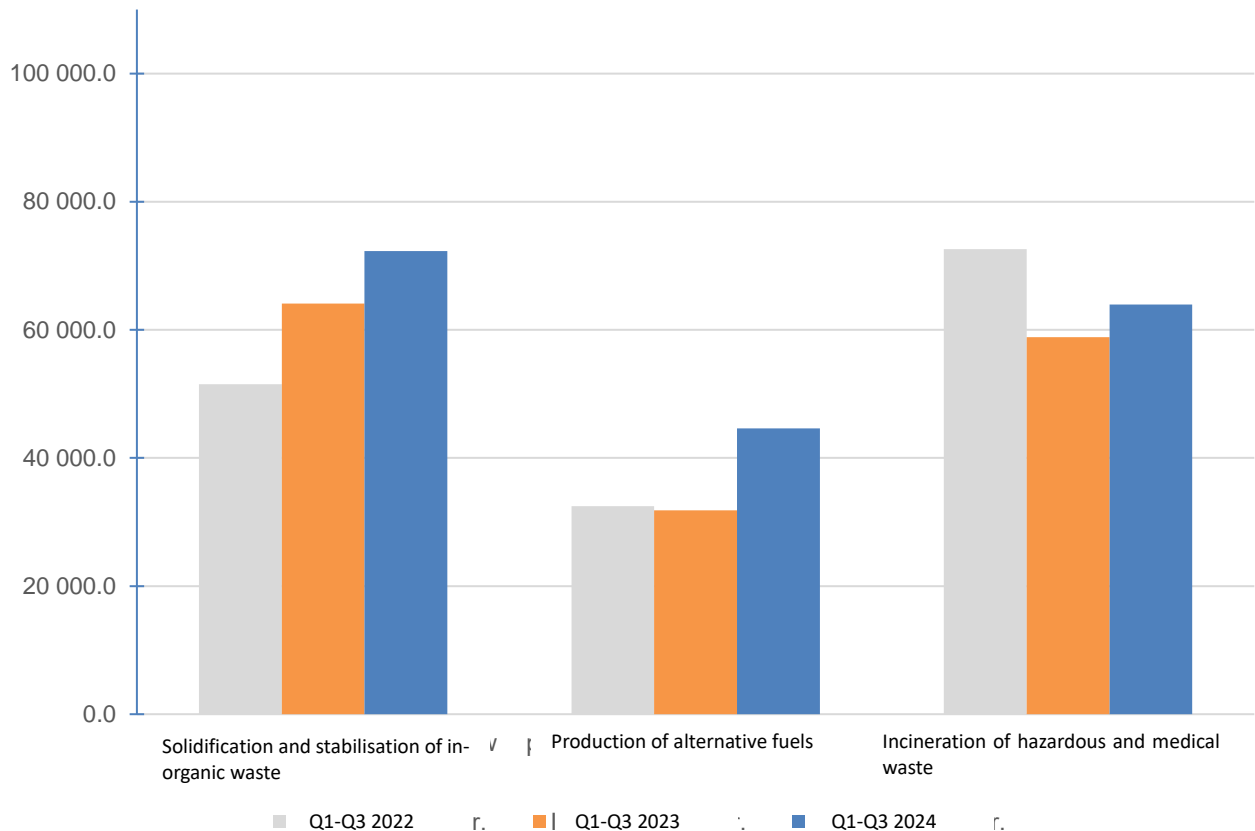
Incineration of hazardous and medical waste

In 2008, Mo-BRUK J. Mokrzycki spółka komandytowa (the Issuer's legal predecessor) purchased the industrial and medical waste incineration plant Raf-Ekologia Sp. z o.o. Raf-Ekologia Sp. z o.o.'s waste incineration plant conducts thermal treatment of industrial and medical / veterinary waste in an environmentally safe manner. Through the incineration of certain groups of waste, Raf-Ekologia Sp. z o.o. produces energy in the form of technological steam, which it sells to Rafineria Jedlicze. In 2014, the Issuer launched an industrial waste incineration plan at the alternative fuel production facility in Karsy. The investment was delivered as part of the project "Implementation of innovative technology for production of high-calorie fuel mixture" for which the Issuer secured EU funding. The incineration plant is a source of warm air used to dry alternative fuel. In the incineration plants, the following types of waste, among others, are subjected to neutralisation or recovery processes: paints, adhesives solvents, post-refinery waste, waste from oil and gas exploration, medical and veterinary waste, out-of-date agrochemicals, laboratory and analytical reagents.

Mo-BRUK Group's waste management-segment revenue

Consolidated revenue from waste management [PLNk]	2024. Q1-Q3	2023 Q1-Q3	2022 Q1-Q3
solidification and stabilisation of inorganic waste	72 284,1	64 120,6	51 528,6
production of alternative fuels	44 626,6	31 815,8	32 486,1
incineration of hazardous and medical waste	63 945,7	58 854,5	72 618,4
Total:	180 856,4	154 790,9	156 633,1

Consolidated revenue from waste management [PLNk]



Waste management is Mo-BRUK Group's most dynamically developing segment, accounting for more than 90% of the Issuer's consolidated revenue. In this segment over the last decade the Issuer completed several investment projects co-funded by the EU.

The principal source of the Group's revenue are fees for the receipt of waste for management, mainly at the Group's installations. Mo-BRUK Group serves as an important link in the waste management chain in Poland as it is an alternative to landfills. Companies collecting municipal waste or holders of waste are interested in working with Mo-BRUK Group because they can reduce waste storage at landfills. On the other hand, the Issuer's Group is interested in receiving waste for further management because it possesses the relevant technology and experience in waste processing to produce: alternative fuels, granulated cement and energy.

The Issuer's Group is competent and authorised for the disposal of nearly all of the types of waste listed in the Regulation of the Minister of the Environment dated 2 January 2020) on the waste catalogue (Polish Journal of Laws of 2020 item 10). According to Polish law, waste disposal is paid for by the entity generating the waste rather than a "cleaning firm" or "disposal firm" such as

the Issuer. This is why Mo-BRUK Group is able to collect fees for accepting waste at a level similar to or higher than the fees collected by landfill sites. The amount of fees collected by the Issuer's Group depends on the waste category, physical and chemical category, location and, lastly, the negotiated terms.

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

Material agreement signed with the Municipality of Częstochowa

On 3 January 2024, the Issuer signed an agreement, acting in consortium with its subsidiary Raf-Ekologia Sp. z o.o., with the Municipality of Częstochowa to perform a service consisting in the removal and management of hazardous waste stored in Częstochowa at ul. Filomatów 28. The order will be fulfilled by 15 January 2026.

The waste that is the subject of the contract will be managed in the Issuer's thermal waste treatment facilities or in a recovery process.

The total value of the agreement is estimated at PLN 33 million net. The final value of the agreement depends on the quantity of waste actually transferred and managed.

Receipt of the decision of the Local Board of Appeals

On 16 January 2024, following a positive review of the Company's application, the Issuer received a decision from the Local Appeals Board in Wrocław to suspend the execution of the final decision of the Local Appeals Board in Wrocław of 7 November 2023 (SKO 4135/5/22) upholding the decision of the Marshal of the Lower Silesian Voivodship of 2 November 2021 (DOW-S-I.7253.50.2021.AH) imposing an increased fee on the Company for the storage of waste in 2017 at a landfill at ul. Górnicza 1 in Wałbrzych.

An application to suspend the enforceability of the decision was submitted by the Issuer, together with a complaint against the decision in question, to the Provincial Administrative Court through the Local Appeals Board on 2 January 2024.

Material agreement signed with eRSbet Sp. z o.o.

On 6 March 2024, the Issuer signed a material agreement with eRSbet Sp. z o.o. with its registered office in Nowy Sącz, based on which Mo-BRUK S.A. commissioned eRSbet Sp. z o.o. to carry out, in the general contracting system, an investment task entitled "Expansion and

redevelopment of waste processing and storage areas in the functioning installation for processing hazardous and non-hazardous waste on plots no: 6/1, 6/2, 6/3, 7/1, 7/2, 7/3, 7/4, 7/5, 7/6 located within Niecew, municipality of Korzenna."

According to the agreement, eRSbet Sp. z o.o. will perform the construction works and obtain, on behalf of the Issuer, a decision on the permission to use the facilities built at the Mo-BRUK S.A. plant in Niecew. The term of the agreement was set at 305 calendar days from the handover of the construction site.

The agreement is considered material by the Management Board of Mo-BRUK S.A. due to its value amounting to PLN 24.53 million net.

The conclusion of the agreement is a step in the implementation of the investment program presented, which aims to increase the Group's current production capacity for solidification and stabilisation and the production of synthetic aggregates.

Mo-BRUK S.A. has applied for support for the indicated investment from the National Fund for Environmental Protection and Water Management with a loan at market conditions in the amount of approx. PLN 6.1 million and a preferential loan of approx. PLN 18.3 million.

Conclusion of an overdraft agreement with mBank S.A.

On 11 March 2024, the Company signed an overdraft agreement with mBank S.A., based in Warsaw. The loan was granted in the amount of:

- PLN 25 million until 28 May 2024,
- PLN 15 million from 29 May 2024 to 10 March 2025.

The credit facility was granted primarily to pay the enforced debt to the enforcement authority, i.e. the Tax Office in Nowy Sącz, and to finance current operations.

The interest rate on the loan was based on WIBOR ON plus the Bank's margin.

Judgment of the Voivodship Administrative Court in Wrocław

The Voivodship Administrative Court in Wrocław, in a judgement of 4 April 2024, overturned the decision of the Local Appeals Board in Wrocław of 7 November 2023 upholding the decision of the Marshal of the Lower Silesian Voivodship of 2 November 2021 on the determination of the increased fee for 2017 for the storage of waste at the landfill site in Wałbrzych without approved instructions for the operation of the landfill site, in the amount of PLN 19.0 million. In its oral justification, the Voivodship Administrative Court in Wrocław drew attention to formal errors, evidentiary errors and contradictions inherent in the decision of the Local Appeals Board in Wrocław, which do not allow it to be accepted. It thus shared the Company's allegations against the decision of the Local Appeals Board in Wrocław. The judgment will be subject to an ex officio

written justification and may be appealed in cassation to the Supreme Administrative Court in Warsaw.

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 3.2. *"Composition of the parent's governing bodies."*

Dividend payment for 2023 from related party Raf Ekologia Sp. z o.o.

A detailed description is presented in point 3.16 of this report: *"Information on paid or declared dividend"*.

Service of a copy of the cassation appeal on the 2017 increased fee

On 14 June 2024, the Issuer received a copy of the cassation complaint of the Local Appeals Board in Wrocław dated 4 June 2024 against the judgement of the Provincial Administrative Court in Wrocław dated 4 April 2024, by virtue of which the decision of the Local Appeals Board dated 7 November 2023 upholding the decision of the Marshal of the Lower Silesian Voivodship dated 2 November 2021 was revoked. By the decision of the Marshal of the Lower Silesian Voivodship, an increased fee was imposed on the Company for the storage of waste in 2017 at the landfill site for non-hazardous waste in Wałbrzych, in the amount of PLN 19.0 million.

The content of the Local Appeals Board's cassation complaint does not affect the position of the Company's Management Board as regards the correctness of the decision of the Voivodship Administrative Court in Wrocław, in which the Voivodship Administrative Court revoked the decision of the Local Appeals Board in its entirety and referred the case for re-examination. In the opinion of the Management Board, the position of the Local Appeals Board expressed in the cassation complaint, which boils down to questioning the obligations of proving the factual grounds for the Company's liability by administrative bodies administering this liability (calculating the increased fee), finds no legal basis and as such is unacceptable.

2023 dividend payment to Mo-BRUK S.A. shareholders

A detailed description is presented in point 3.16 of this report: *"Information on paid or declared dividend"*.

Conclusion of a debt limit agreement with Alior Bank S.A.

On 8 July 2024, the Issuer signed a debt limit agreement with Alior Bank S.A., based in Warsaw, in the amount of PLN 20 million, with a final repayment date of 7 July 2029.

As part of the Limit, the Bank has made the following products available:

- an overdraft facility of PLN 20 million until 7 July 2025,
- credit mobilised to cover a claim under the guarantee in the amount of PLN 10 million until 7 June 2029,
- guarantees provided under the sub-limit for guarantees in the sub-limit amount of PLN 10 million until 7 July 2025.

The total amount of liabilities to the Bank resulting from the use of products under the Limit may not exceed the amount of the sub-limit under which the products are granted and the amount of the limit granted.

The interest rate on the loan was based on WIBOR ON plus the Bank's margin.

Funds from loans granted by the National Fund for Environmental Protection and Water Management

On 12 July 2024, the Issuer received from the National Fund for Environmental Protection and Water Management the last tranche of cash from loans granted on preferential and market conditions. The loans were granted as part of the co-financing of the project "Modernisation and expansion of the thermal waste conversion line in Karsy". Cash inflows from these loans followed the planned disbursement schedule. As at the publication date of this report, the Issuer's bank account received cash in the full amount of both loans, i.e. PLN 46.1 million.

Material agreement with the Silesian Voivodeship

On 18 July 2024, the Issuer acting as Leader within a consortium of companies: Nycz Intertrade Sp. z o.o., Raf-Ekologia Sp. z o.o., STENA Recycling Sp. z o.o. and Zakład Utylizacji Odpadów Sp. z o.o., concluded an agreement with the Silesian Voivodeship with its registered office in Katowice for the performance of a service consisting in the removal and management of solid and liquid waste abandoned on the property at ul. Woźniaka 52 in Katowice-Szopienice. The estimated amount of waste is approx. 1870 Mg. The contract will be completed by 30 September 2025.

The waste which is the subject of the contract will ultimately be managed through disposal or recovery processes at facilities belonging to the Issuer or consortium members. Most of the waste constituting the subject of the agreement will be managed at the incineration facility in Karsy. The value of the agreement is PLN 9.07 million net.

Material agreement signed with Millennium Leasing Sp. z o.o.

On 23 July 2024, the Operating Lease Agreement (by way of leaseback) between Millennium Leasing Sp. z o.o., based in Warsaw, and Mo-BRUK S.A., based in Niecew, entered into force.

The subject of the lease is the ORC Turbine Module with the Power Generation and Heat Dissipation Node and the Water (Recovery) Boiler, the net purchase price of the subject of the lease is PLN 50.05 million.

The initial fee payable by the lessee is PLN 5.01 million net. The number of monthly lease instalments is 72. The amount of lease instalments was calculated on the basis of the WIBOR 1M rate of 5.85%, referred to as the base rate plus a fixed margin, and their value will be subject to change in accordance with the provisions of the Lease Agreement. The residual value amounts to PLN 12.21 million net. The lease agreement is secured by a blank promissory note together with a promissory note declaration.

Conclusion of a material agreement with the Municipality of Prażmów

On 26 September 2024, Mo-BRUK S.A., acting as the leader within a consortium with Raf-Ekologia Sp. z o.o., signed a contract with the Municipality of Prażmów, the subject of which is the performance of a service consisting in the removal of all hazardous waste illegally accumulated and stored on the property at ul. Akacjowa 18 in the town of Nowy Prażmów, municipality Prażmów, with quantity estimated at approx. 2 000 Mg. The contract will be completed by 31 December 2024.

The waste which is the subject of the contract will ultimately be managed through disposal or recovery processes at facilities belonging to the Issuer or consortium member. Most of the waste that is the subject of the contract will be managed at the hazardous waste incinerator in Karsy.

The value of the agreement is PLN 12.2 million net.

3.12. Events after the reporting period***Establishment of a registered pledge.***

The District Court for Kraków Śródmieście in Kraków, 7th Commercial Division - Pledge Register, by decision of 14 October 2024, established a registered pledge in the amount of PLN 104.8

million - defined as the highest amount of security, in favour of the National Fund for Environmental Protection and Water Management in Warsaw ("NFOŚiGW").

The establishment of the registered pledge constitutes security for all receivables of NFOŚiGW under the agreements concluded with the Issuer, and constitutes the fulfilment of the obligations under these agreements.

The registered pledge was established on a thermal waste conversion line ("Subject of Pledge") at the Issuer's Alternative Fuels Production Facility in Karsy.

The book value of the subject of the pledge as at 31 July 2024 was PLN 80.1 million.

The assets on which this registered pledge was established were considered to be significant due to the fact that they constitute an essential part of the production means of the Thermal Waste Conversion Facility in Karsy.

3.13. Description of factors and events, especially atypical ones, having material impact on financial results

In the reporting period ended on 30 September 2024, no atypical events took place that could have a material impact on financial results.

3.14. Explanations regarding seasonality or cyclicity of the Issuer's business in the reporting period

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

3.15. Information on issue, buy-back and repayment of debt and equity securities

In the reporting period ended on 30 September 2024, the Issuer and subsidiaries did not record debt or equity issue or redemption transactions.

3.16. Information on paid (or declared) dividend, in aggregate and per share, by ordinary and preference shares

Dividend policy

On 22 September 2020, pursuant to §37 point d of the Company's Articles of Association, the Management Board of Mo-BRUK S.A. adopted resolution 79/2020 regarding amendment of the dividend policy introduced through Management Board resolution no. 67/2019 of 15 April 2019.

In line with the dividend policy, the Management Board is expected to recommend to the General Meeting that between 50% and 100% of Mo-BRUK S.A.'s net profit be allocated to a dividend on the condition that the net debt to EBITDA ratio is maintained at an expected level at the end of the financial year that the profit allocation concerns.

In its recommendation on the allocation of Mo-BRUK S.A.'s profit, the Company's Management Board will take into account investment plans, including acquisitions, the Company's financial and liquidity situation, existing and future liabilities (including potential restrictions related to credit agreements and the issue of debt instruments) and assessment of Mo-BRUK S.A.'s perspective under specific market and macroeconomic conditions.

The net debt to EBITDA ratio at the end of the financial year that the profit allocation concerns may not exceed 2.5.

The dividend policy is set for an indefinite time and will be subject to periodic reviews.

Dividend for 2023 from related party Raf Ekologia Sp. z o.o.

On 30 April 2024, the Ordinary General Meeting of subsidiary Raf-Ekologia Sp. z o.o. adopted a resolution to allocate profit for the financial year 2023. As a result of the allocation, part of the profit of PLN 15 million was allocated to the payment of dividends to the sole shareholder, i.e. the parent company Mo-BRUK S.A.

The dividend payment was split in the following parts:

- PLN 8 million - payment in May 2024,
- PLN 7 million - payment in October 2024.

Allocation of Mo-BRUK S.A.'s profit for 2023 and dividend payment

On 24 June 2024, the Ordinary General Meeting of Mo-BRUK S.A. adopted Resolution 6/2024 on the appropriation of the net profit of Mo-BRUK S.A. for the period from 1 January 2024 to 31 December 2024 in the amount of PLN 74 383 319.03. The profit was allocated as follows:

1. PLN 28 118 623.58 was used to increase the Company's supplementary capital,
2. PLN 46 264 695.45 was allocated to a dividend for the Company's shareholders.

The Ordinary General Meeting of Mo-BRUK S.A. set the dividend date (D-day) as 30 July 2024 and the dividend payment date (W-day) as 30 October 2024.

The dividend per share amounted to PLN 13.17.

3.17. Events taking place after date of the condensed quarterly financial statements that are not included in the financial statements but could have material impact on the Issuer's future financial results

According to the Management Board, no events took place after date of the condensed quarterly financial statements that could have material impact on the Issuer's future financial results.

3.18. Effects of changes in the economic entity's structure, including as a result of business combinations, acquisition or disposal of Group entities, long-term investments, division, restructuring and discontinued operations

No changes in the structure of the Group or economic entity took place in the reporting period ended on 30 September 2024.

3.19. Management Board position on probability of achieving previously published forecasts for the year in light of results presented in quarterly report vs. forecast results

The Management Board did not publish results forecasts for 2024.

3.20. Information on the parent's shares, indication of shareholders holding directly or indirectly significant blocks of shares and indication of changes in the ownership structure of significant blocks of the issuer's shares in the period since the previous quarterly report

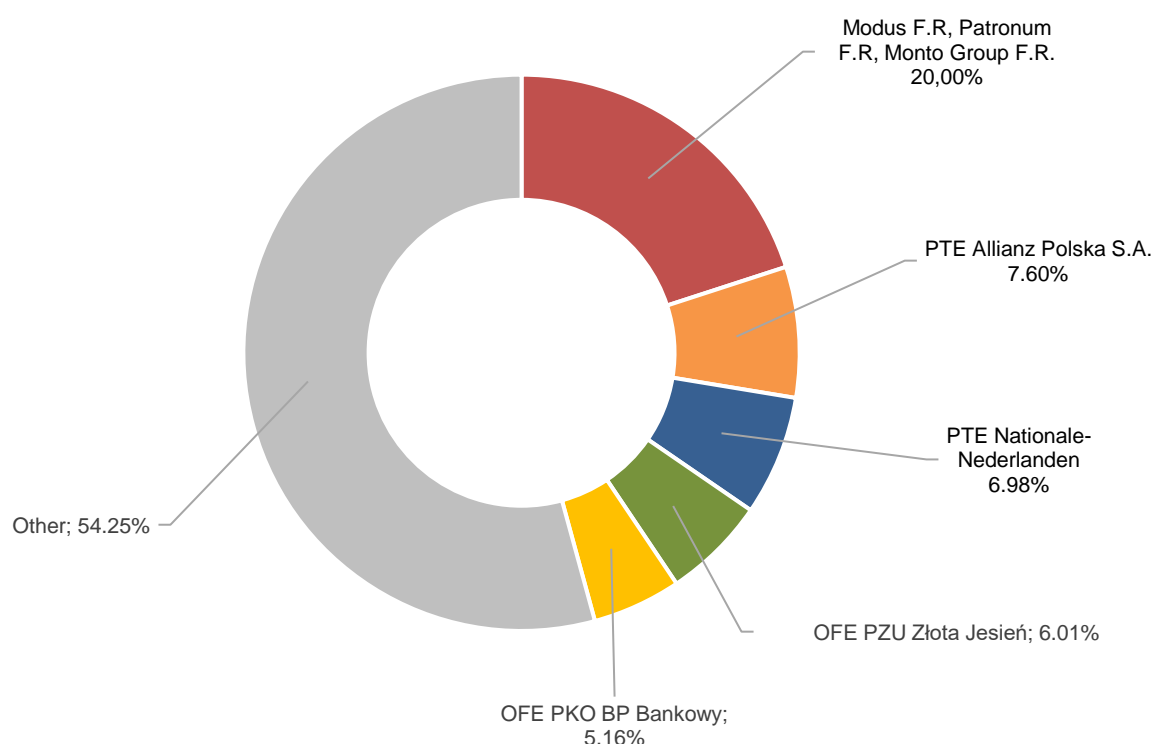
At the date of this report, Mo-BRUK S.A.'s registered share capital amounted to PLN 35 128 850.00 and was divided into 3 512 885 shares with a nominal value of PLN 10.00 each. The Company's shares are as follows:

- 702 642 registered shares series A (1 405 284 votes) - series A shares are preference shares in terms of votes - one series A share entitles to two votes,
- 1 227 936 bearer shares series B (1 227 936 votes) - series B shares are not preference shares,

- 1 582 307 bearer shares series B (1 582 307 votes) - series C shares are not preference shares.

All of the shares have been fully paid up. Since 2010, the Company's shares have been listed in the alternative trading system NewConnect, and from 25 April 2012 the Issuer's series C ordinary bearer shares were introduced to a parallel market operated by the Warsaw Stock Exchange based on decisions no. 369/2012, 370/2012, 371/2012 of the Board of the Warsaw Stock Exchange. On 30 March 2017, shares from a further issue were introduced to trade on the parallel market pursuant to resolution no. 301/2017 of the Board of the Warsaw Stock Exchange dated 27 March 2017. On 23 November 2020, series B shares were introduced to trading on the WSE's parallel market pursuant to resolution no. 896/2020 of the Board of the Warsaw Stock Exchange.

The shareholding structure at the date on which this report was published was as follows:



Shareholder	Number of shares	Share of capital	Number of general meeting votes	Share of general meeting votes	Share in total number of votes
Modus F.R., Patronum F.R., Monto Group F.R.	702 642	20.00%	1 405 284	33.34%	33.34%

PTE Allianz Polska S.A.	266 905	7.60%	266 905	6.33%	6.33%
PTE Nationale-Nederlanden	245 229	6.98%	245 229	5.82%	5.82%
OFE PZU Złota Jesień	211 289	6.01%	211 289	5.01%	5.01%
OFE PKO BP Bankowy	181 109	5.16%	181 109	4.30%	4.30%
Other	1 905 711	54.25%	1 905 711	45.21%	45.21%
TOTAL:	3 512 885	100.00%	4 215 527	100.00%	100.00%

Source: Issuer (own calculations, based on information known to the Issuer).

3.21. Issuer's shares held by management and supervisory personnel at the quarterly report publication date, along with changes in shareholdings according to information known to the Issuer since the publication of the previous periodic report

At the date on which this report was published, members of the Issuer's management board and supervisory board held no shares of the Issuers, and the shareholdings of obligated persons did not change in the period since the publication of the previous periodic report.

As at the date of publication of the Financial Statements, Member of the Supervisory Board Tobiasz Mokrzycki holds indirectly, through Patronum Fundacja Rodzinna with its registered office in Librantowa, of which he is the founder and President of the Management Board, 234 214 series A preferred shares in the Company (2 votes per 1 series A share), representing in total approx. 6.66% of the Company's share capital and entitling to 468 428 votes at the Company's General Meeting, representing approx. 11.1% of the total number of votes at the Company's General Meeting.

As at the date of publication of the Financial Statements, Supervisory Board Member Wiktor Mokrzycki holds indirectly, through Monto Group Family Foundation with its registered office in Korzenna, of which he is the founder and President of the Management Board, 234 214 series A preference shares in the Company (2 votes per 1 series A share), representing in total approx. 6.66% of the Company's share capital and entitling to 468 428 votes at the Company's General Meeting, representing approx. 11.1% of the total number of votes at the Company's General Meeting.

3.22. Material proceedings before a court, arbitration authority or public administration authority, concerning the liabilities or debts of the Issuer or its subsidiary**I.**

In a notice dated 2 December 2019, the Marshal of the Dolnośląskie Voivodeship informed the Issuer about the initiation of a procedure on the assessment of a fee in an amount constituting the difference between the fee due and the fee resulting from the list for waste storage in 2015 at a landfill for non-hazardous and inert waste with a separate facility for the storage of hazardous waste containing asbestos at ul. Górnicza 1 in Wałbrzych (file no.: DOW-S-I.7253.105.2019.AH). In this case, the law firm representing the Issuer drafted a response, which was then filed by the Company, in response to which the Marshal of the Dolnośląskie Voivodeship sent a letter dated 31 December 2019 and indicated new deadlines for the provision by the Company of the documents referred to in the aforementioned notice. In a letter dated 26 June 2020, the law firm asked the Marshal to push back the deadline for a response to 10 July 2020. On 29 June 2020, the Marshal of the Dolnośląskie Voivodeship issued a decision (file no. DOW-S-I.7253.105.2019.AH) on an increased fee, amounting to PLN 17 642 176.00. An appeal was lodged against this decision on 16 July 2020. The Local Appeals Board in Wrocław, through a decision of 13 October 2020 (file no. SKO-4133/27/20) repealed that decision and referred the case for re-examination by the first-instance organ. Through a decision of 15 January 2021 (ref. DOW-S-I.7253.105.2019.AH) Following an appeal of this decision by the Company, the Local Appeals Board in Wrocław, through a decision of 26 May 2021 (ref. SKO 4133/12/21), revoked a part of the contested decision and ruled as to the merits of the case, re-wording the revoked part of the decision as follows: "in the amount of PLN 5 821 806.00." This means that the Local Appeals Board in Wrocław reduced the amount of the increased fee imposed on the Company. On 22 July 2021, a complaint was lodged against the decision made by the Local Appeals Board, containing a range of arguments as to a lack of grounds for imposing an increased fee and procedural errors - which also may lead to the Board's decision being revoked and the decision by the Marshal of the Dolnośląskie Voivodeship being revoked. In particular, it should be pointed out the flaws in the conduct of the proceedings, consisting of selective conduct of evidentiary proceedings (including omitting the Company's position), which led to the incorrect imposition of the increased fee. The Voivodeship Administrative Court in Wrocław (ref. II SA/Wr 390/21) dismissed the Company's complaint in a judgement of 26 April 2022. A cassation appeal was filed on 5 July 2022. On 29 September 2022, the Company presented its position on the complaint attaching legal opinions by, among others, professor Marek Górski, indicating that it is not possible to impose sanctions on the Company in a situation where decisions authorising the closure of individual quarters have been issued.

In a letter dated 24 November 2022, the Company submitted an order of the Lower Silesian Marshal to suspend the proceedings on the deferral of increased fees for 2015-2020. Through a letter of 20 January 2023 Ombudsman for Small and Medium Enterprises gave notice of his intervention at the same time as submitting his position in the case, requesting that the contested decision be set aside and that the case be referred back to him.

In a letter of 25 July 2023, the Company presented its position in the present case, enclosing with the letter the decision of the Local Appeals Board in Wrocław of 22 December 2022, mark SKO 4135/6/22, which confirms the Company's argumentation presented in the cassation appeal.

The case is pending before the Supreme Administrative Court in Warsaw, case file III OSK 2216/22, a hearing is set for 10 December 2024.

At the date of this report and due to the improper handling of the proceeding by the Marshal of the Dolnośląskie Voivodeship and the Local Appeals Board in Wrocław - it is not possible to acknowledge with complete certainty that the decision to impose a higher fee on the Company is correct.

II.

On 8 February 2021, the Company received from the Marshal of the Dolnośląskie Voivodeship notification dated 3 February 2021 on the initiation of a procedure on the assessment of a fee in an amount constituting the difference between the fee due and the fee resulting from the list for waste storage in 2016 at a landfill for non-hazardous and inert waste with a separate facility for the storage of hazardous waste containing asbestos at ul. Górnicza 1 in Wałbrzych (file no.: DOW-S-I.7253.67.2020.AH). Through a decision of 18 May 2021, (ref.: DOW-S-I.7253.67.2020.AH) the Marshal of the Dolnośląskie Voivodeship imposed on the Company a fee in an amount constituting the difference between the fee due and the fee resulting from the list for waste storage in 2016 at a landfill for non-hazardous and inert waste with a separate facility for the storage of hazardous waste containing asbestos at ul. Górnicza 1 in Wałbrzych, in the amount of PLN 61 230 674.00. The law firm representing the Issuer appealed this decision on 1 June 2021. The appeal not only included substantive arguments (i.e. concerning the lack of justification for the higher fee) but also pointed out procedural errors - which also can lead to the decision by the Marshal of the Dolnośląskie Voivodeship being repealed. In particular, flaws in the conduct of the proceedings, consisting of selective conduct of evidentiary proceedings (including omitting the Company's position), which led to the incorrect imposition of the increased fee, should be pointed out. On 13 August 2021 the Company's attorney received a decision from the Local Appeals Board in Wrocław dated 6 July 2021 (ref.: SKO 4135/1/21) revoking the contested decision and referring the case for re-examination by the first-instance organ. Through a decision of 2 November 2021 (ref. DOW-S-I.7253.67.2020.AH), the Marshal of the Dolnośląskie Voivodeship

ruled to impose an increased fee of PLN 17 484 597.00 on the Company. Due to the Marshal's infringement of the provisions of procedure and substantive law, the Company filed an appeal against the aforementioned decision. The Local Appeals Board in Wrocław, having considered the case, issued a decision of 22 December 2022 in which it revoked the appealed decision in its entirety and referred the case for reconsideration. The Local Appeals Board in Wrocław fully acknowledged the opinions of the authorities regarding the final moment for calculating the fees, and furthermore pointed out the deficiencies in the Marshal's findings regarding the manner of use of the stored waste, i.e. whether it was, for example, used for reclamation in connection with the decisions issued for the closure of the quarters, in which case the premise for calculating the increased fee is dropped. By decision of 3 February 2023, the Marshal of the Lower Silesian Voivodship imposed a fee of PLN 17 484 587.00 on the Company. On 4 March 2023, the Company filed an appeal against the above decision requesting that it be discontinued on the grounds that the claim was time-barred. The Company is currently awaiting a decision from the Local Appeals Board in Wrocław, where the appeal authority is highly likely to accept the Company's arguments and discontinue the proceedings.

III.

On 23 June 2021, the Company received from the Marshal of the Dolnośląskie Voivodeship notification dated 17 June 2021 on the initiation of a procedure on the assessment of a fee in an amount constituting the difference between the fee due and the fee resulting from the list for waste storage in 2017 at a landfill for non-hazardous and inert waste with a separate facility for the storage of hazardous waste containing asbestos at ul. Górnicza 1 in Wałbrzych (file no.: DOW-S-I.7253.50.2021.AH). Through letters of 24 June 2021 and 7 July 2021, in exercising the summons, the Company provided a register of waste documents for 2017 to the Marshal of the Dolnośląskie Voivodeship. In a decision of 2 November 2021, the Marshal of the Dolnośląskie Voivodeship ruled to impose an increased fee of PLN 19 044 933.00 on the Company. Due to the Marshal's breach of the provisions of procedure and substantive law, the Company filed an appeal against the aforementioned decision. This case is pending before the Local Appeals Court in Wrocław.

In a decision dated 7 November 2023, file no. SKO 4135/5/21/23, the Local Appeals Board in Wrocław upheld the decision of the Marshal of the Lower Silesian Voivodship of 2 November 2021. The Local Appeals Board in Wrocław fully acknowledged the opinions of the authorities regarding the final moment for calculating the fees, however it ignored its own earlier guideline from the case concerning the increased fee for 2016 and concerning the Marshal's failure to determine the manner of use of the stored waste, i.e. whether it was e.g. used for reclamation in connection with the decisions issued for the closure of quarters, because in such a case the

premise for calculating the increased fee is dropped. On 2 January 2024, a complaint was filed with the Voivodeship Administrative Court in Wrocław with a request to suspend enforceability, in which a number of faults were raised, including, above all, the inconsistency of the decision in question with the decision of the Local Appeals Board in Wrocław concerning the increased fee for 2016, where it was indicated that it was necessary to verify the decision to close the plots against the manner in which the waste was used at the time of closing the individual plots. Through a decision of 9 January 2024, the Local Appeals Board in Wrocław suspended the decision's enforceability. In a judgment of 4 April 2024, ref. no. II SA/Wr 108/24, the Voivodeship Administrative Court in Wrocław repealed the decision of the Local Appeals Board in Wrocław of 7 November 2023. The Local Appeals Board in Wrocław has appealed the ruling to the Supreme Administrative Court, with a hearing date before the Supreme Administrative Court set for 10 December 2024. In its cassation appeal, the Local Appeals Board first of all pointed out that it was not possible to determine the manner of use of the waste, in connection with the decisions to close the quarters, and what the Voivodeship Administrative Court in Wrocław had indicated as essential to determine in order to calculate the amount of the increased fee. The court therefore endorsed its own guideline of the Local Appeals Board in Wrocław expressed at the increased fee for 2016, which the Local Appeals Board in Wrocław did not follow at the increased fee for 2017. In its response to the cassation appeal, the law firm cited contradictions in the Local Appeals Board's assessments pointing to the correctness of the Voivodeship Administrative Court's ruling. If the Supreme Administrative Court does not share the arguments of the Local Appeals Board raised in the cassation complaint - which is highly likely - the case will return to the Local Appeals Board for reconsideration, where the Local Appeals Board will be obliged to implement the guideline of the Voivodeship Administrative Court in Wrocław as regards the determination of the manner and quantity of stored waste in the context of the decision to close the quarters. In such a situation, the Local Appeals Board will have a 4-day deadline to issue a decision, due to the statute of limitations, and therefore there is a high probability that the increased fee for 2017 will be time-barred.

IV.

On 20 August 2021 the Company received from the Marshal of the Dolnośląskie Voivodeship notification dated 16 August 2021 on the initiation of a procedure on the assessment of a fee in an amount constituting the difference between the fee due and the fee resulting from the list for waste storage in 2018 at a landfill for non-hazardous and inert waste with a separate facility for the storage of hazardous waste containing asbestos at ul. Górnicza 1 in Wałbrzych (file no.: DOW-S-I.7253.68.2021.AH). Through a letter of 15 September 2021, in exercising the summons, the Issuer provided a register of waste documents for 2018 to the Marshal of the Dolnośląskie

Voivodeship. In a decision of 2 November 2021, the Marshal of the Dolnośląskie Voivodeship ruled to impose an increased fee of PLN 39 716 198.00 on the Company. Due to the Marshal's breach of the provisions of procedure and substantive law, the Company filed an appeal against the aforementioned decision. This case is pending before the Local Appeals Court in Wrocław. As at the date of preparation of this report and in view of the faulty manner in which the Marshal of the Lower Silesian Voivodship proceeded - it cannot be assumed with certainty that the decision to impose an increased fee on the Company is correct (i.e. the Local Appeals Board in Wrocław may share the view that the decision is faulty). Depending on the ruling that will be issued by the Local Appeals Board in Wrocław, the ruling may be appealed in a court and administrative procedure (i.e. it will be possible to lodge an appeal with the Voivodship Administrative Court in Wrocław, and if this court rules unfavourable, then the Company will be allowed to lodge a cassation appeal with the Supreme Administrative Court in Warsaw).

V.

On 20 December 2021, the Company received from the Marshal of the Dolnośląskie Voivodeship notification dated 13 December 2021 on the initiation of a procedure on the assessment of a fee in an amount constituting the difference between the fee due and the fee resulting from the list for waste storage in 2019 at a landfill for non-hazardous and inert waste with a separate facility for the storage of hazardous waste containing asbestos at ul. Górnicza 1 in Wałbrzych (file no.: DOW-S-I.7253.69.2021.AH). Through letters of 31 December 2021 and 26 January 2022, the Company indicated a lack of grounds for imposing the higher fee on the Company. Through a decision of 16 March 2022 (ref.: DOW-S-I.7253.69.2021.AH) the Marshal of the Dolnośląskie Voivodeship imposed on the Company a higher fee for storing waste in 2019 without a decision approving the landfill manual for waste other than hazardous waste and inert waste with a separate facility for the storage of hazardous waste containing asbestos at ul. Górnicza 1 in Wałbrzych, in the amount of PLN 69 377 154.00. The decision was appealed on 6 April 2022. This case is pending before the Local Appeals Court in Wrocław. As at the date of preparation of this report and in view of the faulty manner in which the Marshal of the Lower Silesian Voivodship proceeded - it cannot be assumed with certainty that the decision to impose an increased fee on the Company is correct (i.e. the Local Appeals Board in Wrocław may share the view that the decision is faulty). Depending on the ruling that will be issued by the Local Appeals Board in Wrocław, the ruling may be appealed in a court and administrative procedure (i.e. it will be possible to lodge an appeal with the Voivodship Administrative Court in Wrocław, and if this court rules unfavourable, then the Company will be allowed to lodge a cassation appeal with the Supreme Administrative Court in Warsaw).

VI.

On 20 December 2021, the Company received from the Marshal of the Dolnośląskie Voivodeship notification dated 13 December 2021 on the initiation of a procedure on the assessment of a fee in an amount constituting the difference between the fee due and the fee resulting from the list for waste storage in 2020 at a landfill for non-hazardous and inert waste with a separate facility for the storage of hazardous waste containing asbestos at ul. Górnicza 1 in Wałbrzych (file no.: DOW-S-I.7253.95.2021.AH). Through letters of 31 December 2021 and 26 January 2022, the Company indicated a lack of grounds for imposing the higher fee on the Company. Through a decision of 16 March 2022 (ref.: DOW-S-I.7253.95.2021.AH) the Marshal of the Dolnośląskie Voivodeship imposed on the Company a higher fee for storing waste in 2020 without a decision approving the landfill manual for waste other than hazardous waste and inert waste with a separate facility for the storage of hazardous waste containing asbestos at ul. Górnicza 1 in Wałbrzych, in the amount of PLN 104 699 553.00. The decision was appealed on 6 April 2022. This case is pending before the Local Appeals Court in Wrocław. As at the date of preparation of this report and in view of the faulty manner in which the Marshal of the Lower Silesian Voivodeship proceeded - it cannot be assumed with certainty that the decision to impose an increased fee on the Company is correct (i.e. the Local Appeals Board in Wrocław may share the view that the decision is faulty). Depending on the ruling that will be issued by the Local Appeals Board in Wrocław, the ruling may be appealed in a court and administrative procedure (i.e. it will be possible to lodge an appeal with the Voivodeship Administrative Court in Wrocław, and if this court rules unfavourable, then the Company will be allowed to lodge a cassation appeal with the Supreme Administrative Court in Warsaw).

It should also be noted that a case similar to the above (in points I to VI) already took place. Through a decision of 15 July 2016 (ref. DOW-S-I.7253.11.2015.PŁ.NK), the Marshal of the Dolnośląskie Voivodeship imposed on the Company a fee of PLN 6 084 016.00 for 2013. After the Company lodged an appeal, which indicated (as will be the case in the current matter) a number of violations of the law, the Local Appeals Board in Wrocław, in its decision dated 8 September 2016, repealed the appealed decision in its entirety and referred the case for re-examination by the Marshal of the Dolnośląskie Voivodeship. Through a decision of 30 November 2016 (ref. DOW-S-I.7253.11.2015.NK), the Marshal of the Dolnośląskie Voivodeship once again imposed on the Company a higher fee, however as a result of another appeal (i.e. against a decision dated 30 November 2016), the Local Appeals Court in Wrocław, through a decision of

28 March 2017, repealed the above decision issued by the Marshal of the Dolnośląskie Voivodeship and changed the fee to PLN 807.00 (final and binding decision).

It should be noted that the cases described in points I - VI are precedent-setting, particularly in light of the fact that it was the many years of passivity on the part of the Marshal of the Dolnośląskie Voivodeship and his acceptance of the operation of the Waste Landfill in question in Wałbrzych that led to a situation in which the above-mentioned sanctions were imposed on the Company almost simultaneously. The above circumstance therefore means that these cases must also be viewed through the prism of abuse of administrative authority. Irregularities in the functioning of administrative bodies (abuse of the law) have been repeatedly considered by the Supreme Administrative Court in Warsaw, among which one can point to the Resolution no. 7 of the Judges of the Supreme Administrative Court of 24 May 2021 (ref. I FPS 1/21), in which it was stated that "Assuming in such exemplarily described factual situations that by the mere issuance of a decision to initiate proceedings for a fiscal offence or fiscal misdemeanour (in the presence of the other prerequisites listed above) the effect provided for in art. 70 § 6 point 1 in connection with art. 70c of the Tax Ordinance took place, would constitute an abuse of this institution, which would be detrimental to the principle of trust in state authorities, as well as the principle of the rule of law, resulting from art. 2 and art. 7 of the Constitution (cf. B. Brzeziński, "On the phenomenon of abuse of tax law by the tax administration," Tax Law Quarterly 2014. No. 1 pages 9-16). (...) If, in the jurisprudential practice of the tax authorities, there is a disturbing tendency to instrumentally apply regulations, contrary to the purpose for which they were introduced by the legislator, nullifying at the same time their essence, anchored in the principles of law stemming from the Constitution, then it is necessary to correct the hitherto view of the manner of controlling this phenomenon and to opt for that line of jurisprudence in which constitutional values are implemented to a greater extent."

The judgment of the Voivodship Administrative Court in Wrocław confirms the correctness of the position of the Local Appeals Board in Wrocław (as well as the legal opinions) and is also relevant for the proceedings on the increased fee for 2018 - 2020. First and foremost, the judgment of the Voivodship Administrative Court and the decision of the Local Appeals Board confirmed that the decisions to close the quarters confirm the fact that the landfill of waste has been terminated and thus that no further charges can be levied. In the cases in question, opinions were obtained from authorities in the field of environmental protection, confirming the correctness of the assumptions of the Local Board of Appeals in Wrocław as to the final moment of calculating the fees. The company has closure decisions where the final date for waste disposal has been set at 19 March 2019. In addition, the decisions issued cure the irregularity of the Company's failure to have a

landfill operation manual. Further, the Local Board of Appeals in Wrocław pointed to still other circumstances to be established:

1. how the landfilled waste was managed, because if it was used for reclamation of the landfill site within the framework of the decisions on the closure of the plots, the prerequisite for charging an increased fee has not been met,
2. explanation of the inaction of the Marshal of the Lower Silesian Voivodship who, having knowledge of the operation of the landfill site without instructions, did not act ex officio to close the site and therefore did not exercise his statutory prerogatives,
3. verification of the link how the inaction of the Marshal of the Lower Silesian Voivodship in accepting the operation of the landfill site without instructions and then issuing a decision to close individual sections, despite the lack of instructions - translates into proceedings on increased fees (i.e. clarification of the issue of the Marshal's liability). Two more circumstances are of no small importance in the cases: the statute of limitations and the remedial action taken by the Company in the form of a project application submitted by the Company to level the reason for the levy - i.e. the final closure of the landfill in accordance with the Marshal's decisions from 2012 to 2019. (as for section I - Marshal's decision No. 3/2012 dated 16 March 2012 as amended, giving consent to close section I, the completion date was set as 30 June 2023; as for section II - Marshal's decision No. 102 dated 15 May 2017 as amended, giving consent to close section II, the completion date for reclamation was set as 31 December 2023; as for section III - Marshal's decision No. 125/2019 dated 23 July 2019 (as amended, consenting to the closure of section III, the deadline for the completion of reclamation was set at 31 December 2022; as for section IV, Marshal's Decision No. 96 of 20 January 2017 consenting to the closure of section IV, the deadline for the completion of reclamation was set at 31 December 2022).

With regard to the proceedings described in point I, the Issuer recognised in the books in 2021 the effects of the decision issued by the Local Appeals Board in Wrocław on 26 May 2021 imposing on the Company an increased fee in the amount of PLN 5.82 million plus interest in the amount of PLN 1.95 million - a total of PLN 7.77 million. With regard to the amount of PLN 4.27 million, which was subject to an enforcement order in 2021 and is shown under Other receivables, a full impairment loss was created. With regard to the remaining value of the increased fee of PLN 3.55 million, a provision (Other current provisions) was made in 2021.

In December 2023, the Issuer received an enforcement title issued by the Head of the Tax Office in Nowy Sącz as the administrative enforcement authority. The enforcement order covered the increased landfill fee imposed on the Issuer in 2017, plus interest. On 28 December 2023, funds accumulated in the Issuer's bank accounts amounting to PLN 2.5 million were blocked. In order

to quickly unblock the Company's bank accounts (pending the resolution of a complaint filed with the Voivodship Administrative Court regarding the Local Appeals Board decision to impose an increased fee for 2017), an overdraft agreement was signed with mBank S.A. in March 2024. The credit facility was granted primarily to pay the enforced debt to the enforcement authority, i.e. the Tax Office in Nowy Sącz. The enforcement title was finally satisfied on 13 March 2024, after payment to the Tax Office of the entire amount enforced, i.e. PLN 24.6 million.

The Issuer decided to recognise in the Statement of Financial Position, the funds transferred to the account of the Tax Office as "Other receivables", due to the existing high probability of the statute of limitations on the increased fee for 2017 and the consequent need for the Tax Office to return the funds to the Company. This was dictated by the favourable judgment of the Voivodship Administrative Court of 4 April 2024 as well as numerous contradictions that the Company cited in its response to the cassation appeal of the Local Appeals Board in Wrocław to the Supreme Administrative Court. In view of the above, in the opinion of the Management Board there are high chances that the arguments raised by the Local Appeals Board in the cassation complaint will not be shared and the case will be returned for reconsideration, where the Local Appeals Board will be obliged to implement the directive of the Voivodship Administrative Court in Wrocław concerning the determination of the manner and quantity of waste stored in the context of the decision to close the quarters. In such a situation, the Local Appeals Board will have a 4-day deadline to issue a decision, due to the statute of limitations, and therefore there is a high probability that the increased fee for 2017 will be time-barred and the funds seized by the Tax Office will be returned to the Company.

In the opinion of the Company's Management Board, the decision of the Local Appeals Board in Wrocław of 22 December 2022 concerning the increased fee for 2016 and the judgment of the Voivodship Administrative Court in Wrocław of 4 April 2024 concerning the increased fee for 2017 will in all probability affect the content of subsequent decisions concerning the increased fees for 2018 - 2020.

The Local Appeals Board and the Voivodship Administrative Court shared the Company's arguments to a significant extent from the Company's perspective, which promises a positive outcome for the Company in this case, in particular:

- it was indicated (twice in the decision of the Local Appeals Board and in the judgment of the Voivodship Administrative Court) definitively the date of 19 March 2019 as the date from which the possibility of charging increased fees ceases, due to the fact that this is the moment of formal closure of the landfill site sanctioned by the decision of the Marshal of the Lower Silesian Voivodeship;

- it was shown (in the judgment of the Voivodship Administrative Court) that there were gross errors in the way the fees were calculated for individual years resulting in a material overstatement;
- moreover, in the Management Board's view and taking into account the legal opinions it has, there is a high probability of discontinuance of the proceedings relating to the increased fees for the period 2016-2017 due to the statute of limitations.

In light of the above, with regard to the pending proceedings, i.e. those described in points II to VI, in the Management Board's opinion, as at the date of preparation of these financial statements, it is not possible to reliably estimate the amount of the increased fees, due to the disputed methodology for calculating these fees in the Marshal's original decisions and the lack of reissued decisions taking into account the comments raised by the Voivodship Administrative Court in recent case law. As a result, the issues related to increased fees were treated as a contingent liability in accordance with IAS37.

3.23. Information on one or more transactions executed by the issuer or its subsidiary with related parties, if individually or in the aggregate they are material and were executed on terms other than market terms

In the reporting period ended on 30 September 2024, Mo-BRUK S.A. and subsidiaries did not execute any material transactions on conditions other than market conditions.

3.24. Information on credit or loan sureties or guarantees issued by the Issuer or its subsidiary - in aggregate to one entity or a subsidiary of that entity, if the total value of the existing sureties or guarantees is material

- On 11 March 2024, subsidiary Raf-Ekologia provided a surety for the repayment of an overdraft facility granted to the Issuer by mBank S.A. The surety was granted for PLN 30 million. By annex of 30 August 2024, the amount of the surety was changed to PLN 18 million.
- On 26 January 2024, the Issuer granted a promissory note surety to its subsidiary EL-Kajo Sp. z o.o. in connection with a leasing agreement with PEKAO LEASING Sp. z o.o. The surety was granted for PLN 3.1 million.

- On 16 July 2024, the Issuer granted a promissory note surety to its subsidiary EL-Kajo Sp. z o.o. in connection with a leasing agreement with BOŚ Leasing Sp. z o.o. The surety was granted for PLN 0.7 million.

In the reporting period ended 30 September 2024, Mo-BRUK S.A. or its subsidiaries did not guarantee any credit or loans or provide any guarantees to external parties.

3.25. Other information that are material, according to the Issuer, for assessing its personnel, asset and financial situation, financial results and changes thereto, along with information that are material to assessing the Issuer's capacity to fulfil liabilities

At the date on which this periodic report was published, Mo-BRUK Group did not record any material events that could have a material impact on assessing the Issuer's personnel, asset and financial situation and its capacity for fulfilling liabilities.

3.26. Factors that, according to the Issuer, will have an impact on its results over at least the next quarter

The following items should be taken into account in analysing the factors that will have an impact on the Issuer's results over at least the next quarter:

- situation on the waste management market,
In the Issuer's opinion, the current and planned to be implemented legal regulations in Poland, which impose an obligation on local governments to reduce municipal waste landfill, mean that there should be a significant increase in demand for the recycling services of Group Mo-BRUK in the next few years. The Issuer views the changes taking place in the municipal waste market positively and sees them as an opportunity to strengthen its market position,
- shortage of capacity in hazardous waste incineration plants, concentration of ongoing investments in Poland on municipal waste,
- expected increase in demand for hazardous waste incineration due to increasing funding for the disposal of "environmental bombs"
- an increase in the supply of hazardous waste from thermal waste treatment due to the start-up

of new waste incineration plants in Poland,

- the expected increase in demand for alternative fuels from the district heating industry,
- economic situation in the country,
- legal regulations related to the Issuer's business, in particular:
 - regulation of the Minister of the Environment on waste management,
 - Act on waste and other acts on environmental protection and waste management.

The above changes in legal regulations are seen by the Issuer as an opportunity to limit the shadow economy, which by using legal loopholes is disposing of waste illegally and generating huge profit by doing so. These legal changes should in the future have a positive impact on the Issuer's financial results by eliminating unfair competition and thus stabilising the prices on the waste market.

- possibility of higher fees for waste processing,
- winning tender contracts for "environmental bomb" decommissioning

The Issuer sees great potential for growth in the area of decommissioning so-called "environmental bombs, i.e. non-recycled waste, often containing harmful chemical compounds, most often without an owner. They are managed on the basis of tenders issued by local authorities and financed, for example, with funds from the National Fund for Environmental Protection and Water Management. The value of a single contract for the management of a so-called 'environmental bomb' depends on the amount of waste collected and ranges from a few to several million zlotys.

- acquiring new customers by the Issuer.
- the protracted war beyond Poland's eastern border,

It can be assumed that the changes in the economic situation brought about by the on-going war in Ukraine will have an indirect impact on the Group's operations in the future due to global changes in the economic situation, which will translate into the costs of the services performed.

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

Henryk Siodmok

President of the Management Board

Rafał Michalczuk

Vice-President of the Management Board

Andrzej Rytka

Vice-President of the Management Board

Signature of person in charge of book-keeping

Jarosław Martiszek

Chief Accountant