GPW

Interim Report of the Giełda Papierów Wartościowych w Warszawie S.A. Group

for the three-month period ended 31 March 2023

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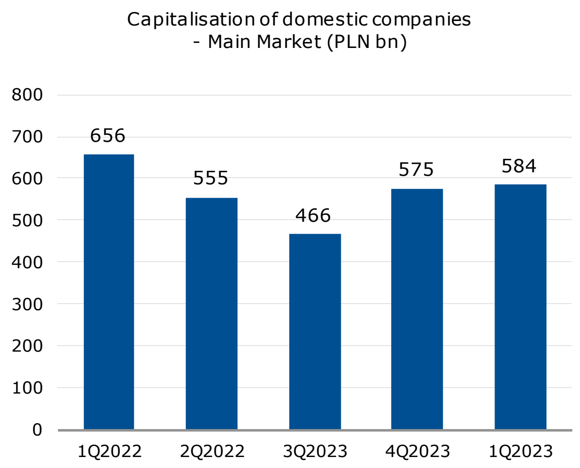
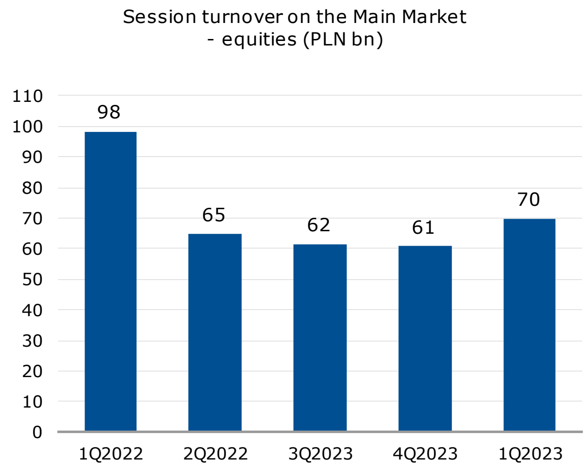
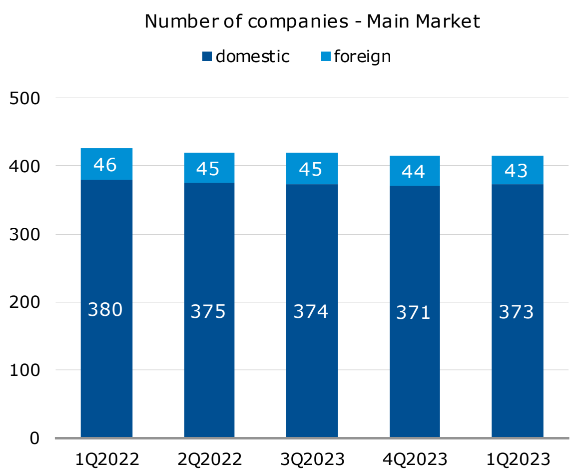
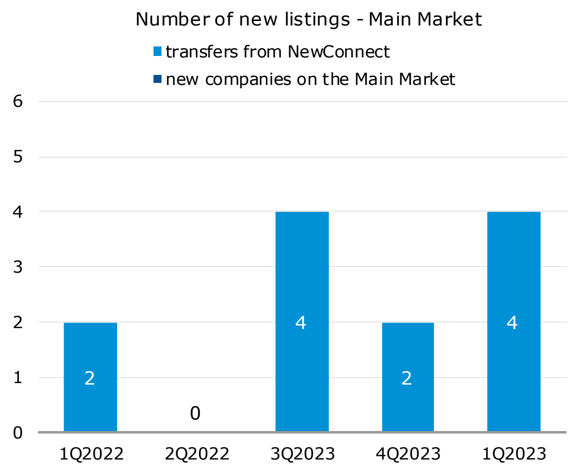
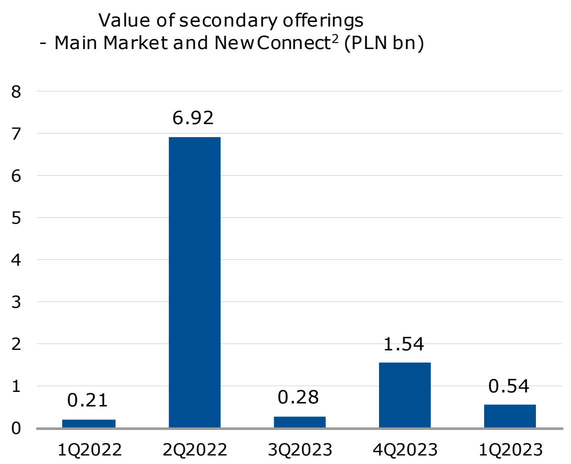
1. Selected market data[1]

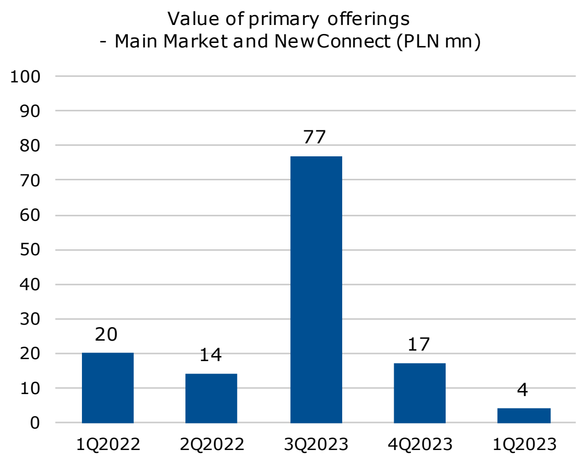




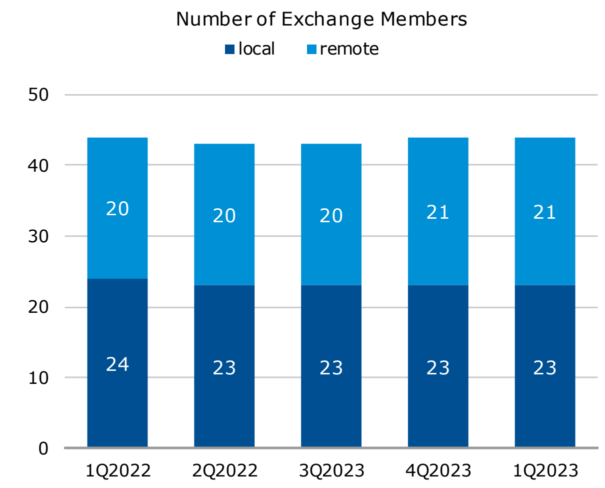


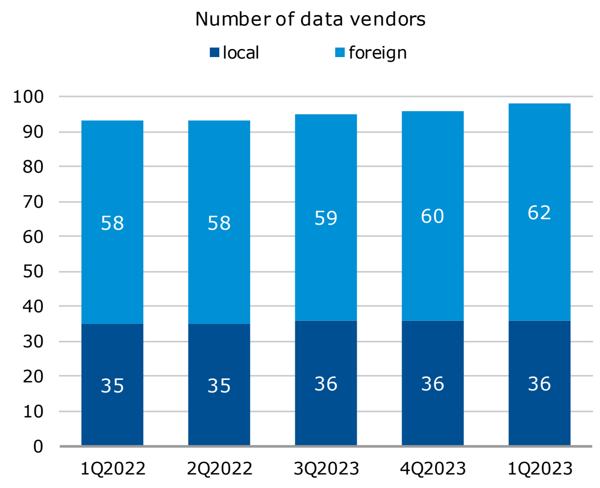


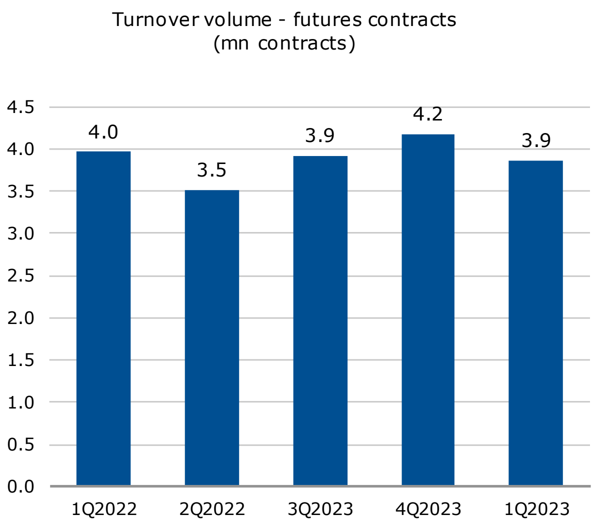


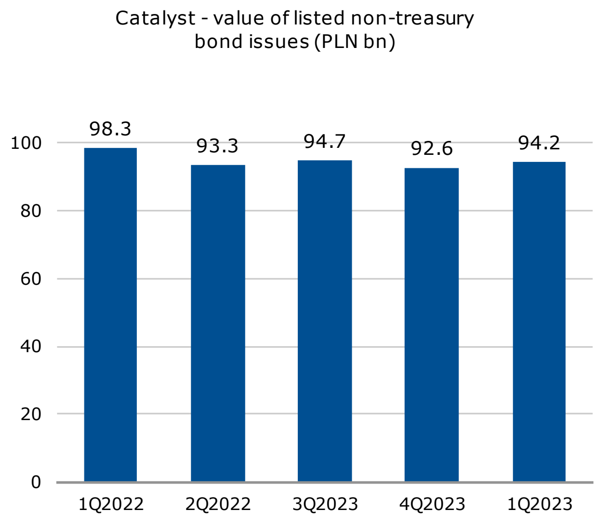


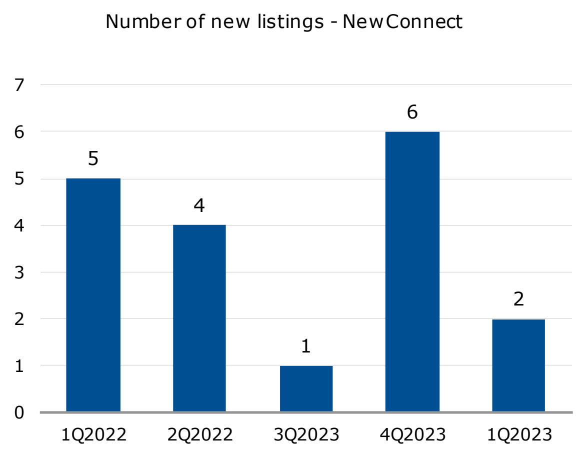
[1] All value and volume statistics in this Report are single-counted, unless indicated otherwise.
[2] Taking into account the offers of companies in "dual listing".

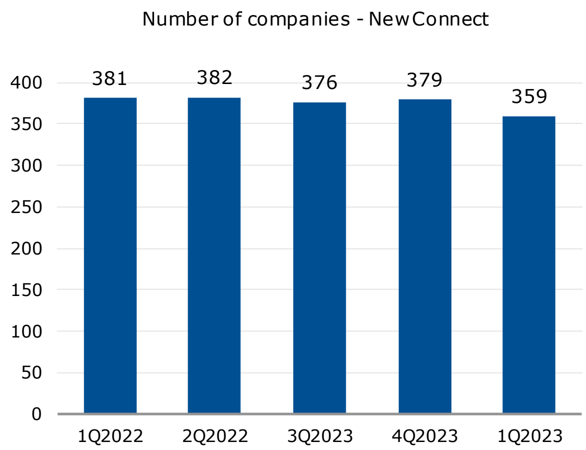

Number of Exchange Members
local
remote
50
40
30
20
10
0
20
20
20
21
21
24
23
23
23
23
1Q2022
2Q2022
3Q2023
4Q2023
1Q2023

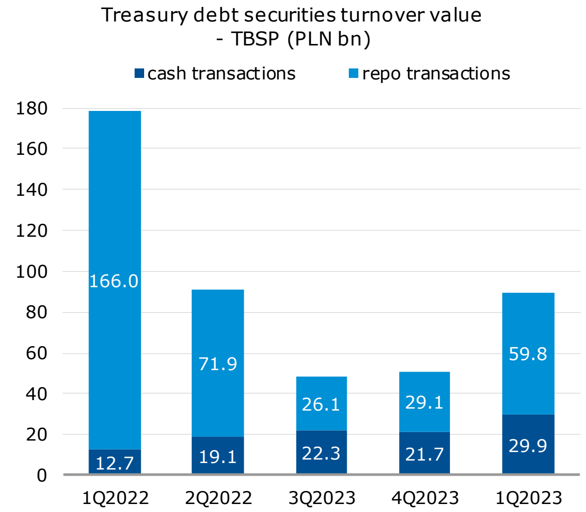

Number of data vendors
local
foreign
100
90
80
70
60
50
40
30
20
10
0
58
58
59
60
62
35
35
36
36
36
1Q2022
2Q2022
3Q2023
4Q2023
1Q2023

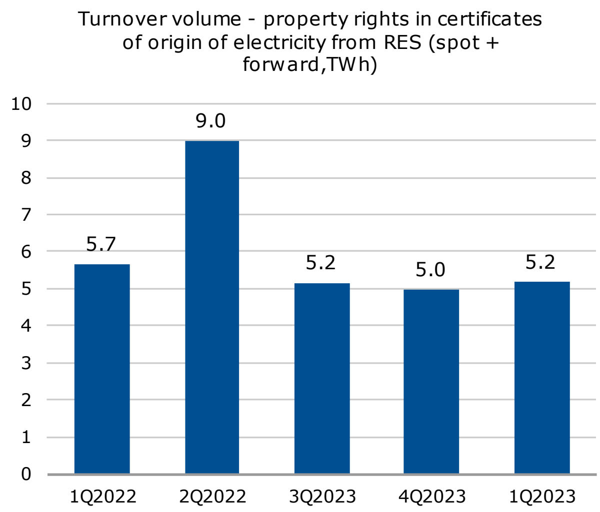

Turnover volume - futures contracts
(mn contracts)
4.5
4.0
3.5
3.0
2.5
2.0
1.5
1.0
0.5
0.0
4.0
3.5
3.9
4.2
3.9
1Q2022
2Q2022
3Q2023
4Q2023
1Q2023

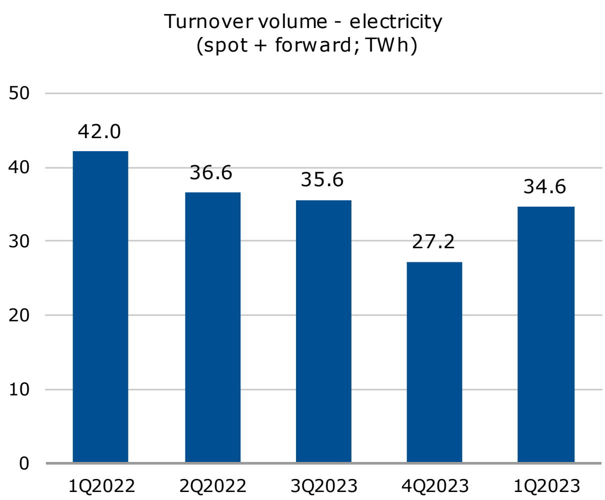

Catalyst - value of listed non-treasury
bond issues (PLN bn)
100
80
60
40
20
0
98.3
93.3
94.7
92.6
94.2
1Q2022
2Q2022
3Q2023
4Q2023
1Q2023

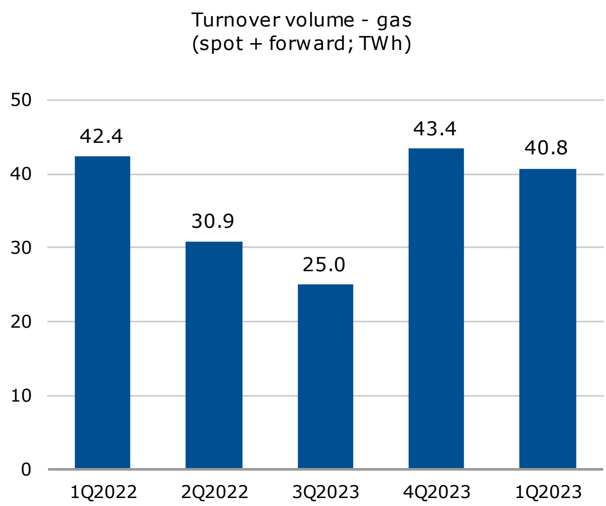

Number of new listings - NewConnect
7
6
5
4
3
2
1
0
5
4
1
6
2
1Q2022
2Q2022
3Q2023
4Q2023
1Q2023

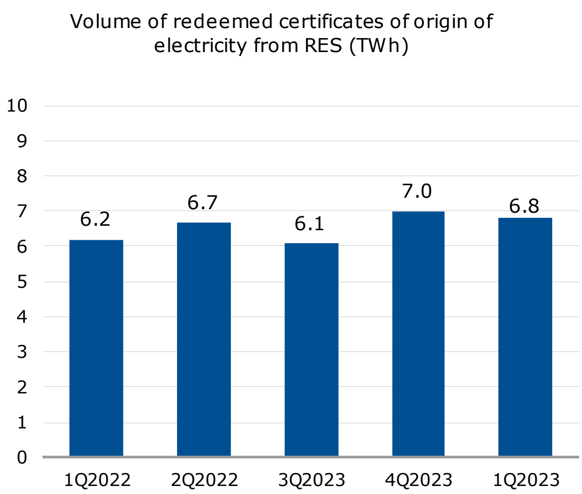

Number of companies - NewConnect
400
350
300
250
200
150
100
50
0
381
382
376
379
359
1Q2022
2Q2022
3Q2023
4Q2023
1Q2023

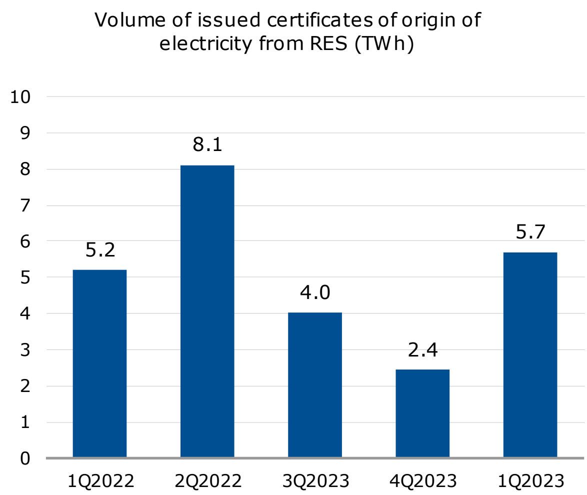

Treasury debt securities turnover value
- TBSP (PLN bn)
cash transactions
repo transactions
180
160
140
120
100
80
60
40
20
0
166.0
12.7
71.9
19.1
26.1
22.3
29.1
21.7
59.8
29.9
1Q2022
2Q2022
3Q2023
4Q2023
1Q2023


Turnover volume - property rights in certificates
of origin of electricity from RES (spot +
forward,TWh)
10
9
8
7
6
5
4
3
2
1
0
5.7
9.0
5.2
5.0
5.2
1Q2022
2Q2022
3Q2023
4Q2023
1Q2023


Turnover volume - electricity
(spot + forward; TWh)
50
40
30
20
10
0
42.0
36.6
35.6
27.2
34.6
1Q2022
2Q2022
3Q2023
4Q2023
1Q2023


Turnover volume - gas
(spot + forward; TWh)
50
40
30
20
10
0
42.4
30.9
25.0
43.4
40.8
1Q2022
2Q2022
3Q2023
4Q2023
1Q2023


Volume of redeemed certificates of origin of
electricity from RES (TWh)
10
9
8
7
6
5
4
3
2
1
0
6.2
6.7
6.1
7.0
6.8
1Q2022
2Q2022
3Q2023
4Q2023
1Q2023


Volume of issued certificates of origin of
electricity from RES (TWh)
10
9
8
7
6
5
4
3
2
1
0
5.2
8.1
4.0
2.4
5.7
1Q2022
2Q2022
3Q2023
4Q2023
1Q2023

2. Selected consolidated financial data

Table 1: Consolidated statement of comprehensive income, earnings per share, EBITDA

	Three months period ended 31 March (unaudited)			
	2023	2022	2023	2022
	PLN'000		*EUR'000[1]*	
Sales revenue	112,275	110,242	23,840	23,835
Operating expenses	(86,179)	(68,831)	(18,299)	(14,881)
Gains on reversed impairment of receivables/(Losses) on impairment of receivables	(228)	(534)	(48)	(115)
Other revenue	987	497	210	107
Other expenses	(307)	(426)	(65)	(92)
Operating profit	**26,548**	**40,948**	**5,637**	**8,853**
Financial income	8,147	2,605	1,730	563
Financial expenses	(5,461)	(1,515)	(1,160)	(328)
Share of profit/(loss) of entities measured by the equity method	4,331	4,553	920	984
Profit before tax	**33,565**	**46,591**	**7,127**	**10,073**
Income tax expense	(6,529)	(8,532)	(1,386)	(1,845)
Net profit for the period	**27,036**	**38,059**	**5,741**	**8,228**
Basic/Diluted earnings per share[2] (PLN, EUR)	0.63	0.91	0.13	0.20
EBITDA[3]	**34,898**	**50,745**	**7,410**	**10,971**

[1] At the incremental average exchange rate EUR/PLN for 3 months published by the National Bank of Poland (1 EUR = 4,7096 PLN in 2023 and 1 EUR = 4,6253 PLN in 2022).
[2] Based on net profit.
[3] EBITDA = operating profit + depreciation/amortisation.

Note: For some items, the sum of the amounts in the columns or lines of the tables presented in this Report may not be exactly equal to the sum presented for such columns or lines due to rounding off. Some percentages presented in the tables in this Report have also been rounded off and the sums in such tables may not be exactly equal to 100%. Percentage changes between comparable periods were calculated on the basis of the original amounts (not rounded off).

Table 2: Consolidated statement of financial position

	As at			
	31 March 2023 (unaudited)	31 December 2022	31 March 2023 (unaudited)	31 December 2022
	PLN'000		*EUR'000[1]*	
Non-current assets:	**672,861**	**651,608**	**143,912**	**138,939**
Property, plant and equipment	106,158	107,605	22,705	22,944
Right-to-use assets	3,929	4,685	840	999
Intangible assets	287,900	282,892	61,576	60,319
Investment in entities measured by the equity method	248,601	241,313	53,171	51,454
Other non-current assets	26,273	15,113	5,619	3,222
Current assets:	**669,026**	**530,648**	**143,092**	**113,147**
Trade receivables and other receivables	92,298	79,348	19,741	16,919
Financial assets measured at amortised cost	208,246	63,964	44,540	13,639
Cash and cash equivalents	365,554	378,641	78,185	80,735
Other current assets	2,928	8,695	626	1,854
TOTAL ASSETS	**1,341,887**	**1,182,256**	**287,004**	**252,086**
Equity	**1,030,976**	**1,000,827**	**220,506**	**213,400**
Non-current liabilities:	**53,166**	**53,814**	**11,371**	**11,474**
Lease liabilities	696	495	149	106
Other liabilities	52,470	53,319	11,222	11,369
Current liabilities:	**257,745**	**127,615**	**55,127**	**27,211**
Lease liabilities	3,731	4,852	798	1,035
Other liabilities	254,014	122,763	54,329	26,176
TOTAL EQUITY AND LIABILITIES	**1,341,887**	**1,182,256**	**287,004**	**252,086**

[1] At the average exchange rate EUR/PLN of the National Bank of Poland as at 31.03.2023 r. (1 EUR = 4,6755 PLN) and as at 31.12.2021 (1 EUR = 4,6899 PLN).

Table 3: Selected financial indicators

	As at/Three months period ended 31 March (unaudited)	
	2023	2022
EBITDA margin (EBITDA/Sales revenue)	31.1%	46.0%
Operating profit margin (Operating profit/Sales revenue)	23.6%	37.1%
Return on equity (ROE) (Net profit for last 12 months/Average equity at the beginning and at the end of the 12-month period)	13.2%	16.4%
Debt to equity (Lease liabilities and liabilities under bond issue/Equity)	0.4%	13.6%
Cost / income (GPW Group operating expenses / GPW Group sales revenue (for a 12-month period))	76.8%	62.4%

3. Information about the GPW Group
3.1. Information about the Group

3.1.1. Background information about the Group

The parent entity of the Giełda Papierów Wartościowych w Warszawie S.A. Group ("the Group", "the GPW Group") is Giełda Papierów Wartościowych w Warszawie Spółka Akcyjna ("the Warsaw Stock Exchange", "the Exchange", "GPW", "the Company" or "the parent entity") with its registered office in Warsaw, ul. Książęca 4.

The GPW Group comprises the most important capital and commodity market institutions in Poland and it is the biggest stock exchange in the region of Central and Eastern Europe. The main entity of the group is the Warsaw Stock Exchange, which organises trading in financial instruments and promotes economic knowledge among the general public through numerous educational initiatives. GPW is the most important source of capital for companies and local governments in the region and contributes to the dynamic development of the Polish economy, new jobs, the international competitiveness of Polish companies and, as a result, an increase in the wealth of Polish society. Presence on the capital market also brings other benefits to Polish entrepreneurs, such as increased recognition, credibility, efficiency and transparency of management. The Warsaw Stock Exchange has the highest capitalisation of any stock exchange in Central and Eastern Europe. It is also one of Europe's largest markets. Towarowa Giełda Energii S.A. operates markets whose participants include the largest companies in the energy sector in Poland. The product offer on TGE is similar to the most developed commodity exchanges in the markets of the European Union countries. The volume of electricity and gas trading positions the Polish exchange not only as the largest in the region but also as a major player on a European scale.

The GPW Group conducts activity in the following segments:

- organising trade in financial instruments and conducting activities related to such trade, organising an alternative trading system;
- operating the wholesale Treasury bond market Treasury Bondspot Poland;
- operating a commodity exchange, including trade in electricity, gas, property rights in certificates of origin of electricity from renewable energy sources and energy efficiency, CO2 emission allowances, food and agricultural products, operating a register of certificates of origin, providing the services of trade operator and entity responsible for balancing;
- operating a clearing house and settlement institution which performs the functions of an exchange clearing house for transactions in exchange commodities;
- administering regulated data benchmarks (Exchange Indices, WIG, CEEplus) and non-interest-rate benchmarks (TBSP.Index), as well as interest rate benchmarks including the WIBID and WIBOR Reference Rates,
- design, development and commercialisation of IT solutions dedicated to the widely understood financial market,
- conducting activities in capital market education, promotion and information.

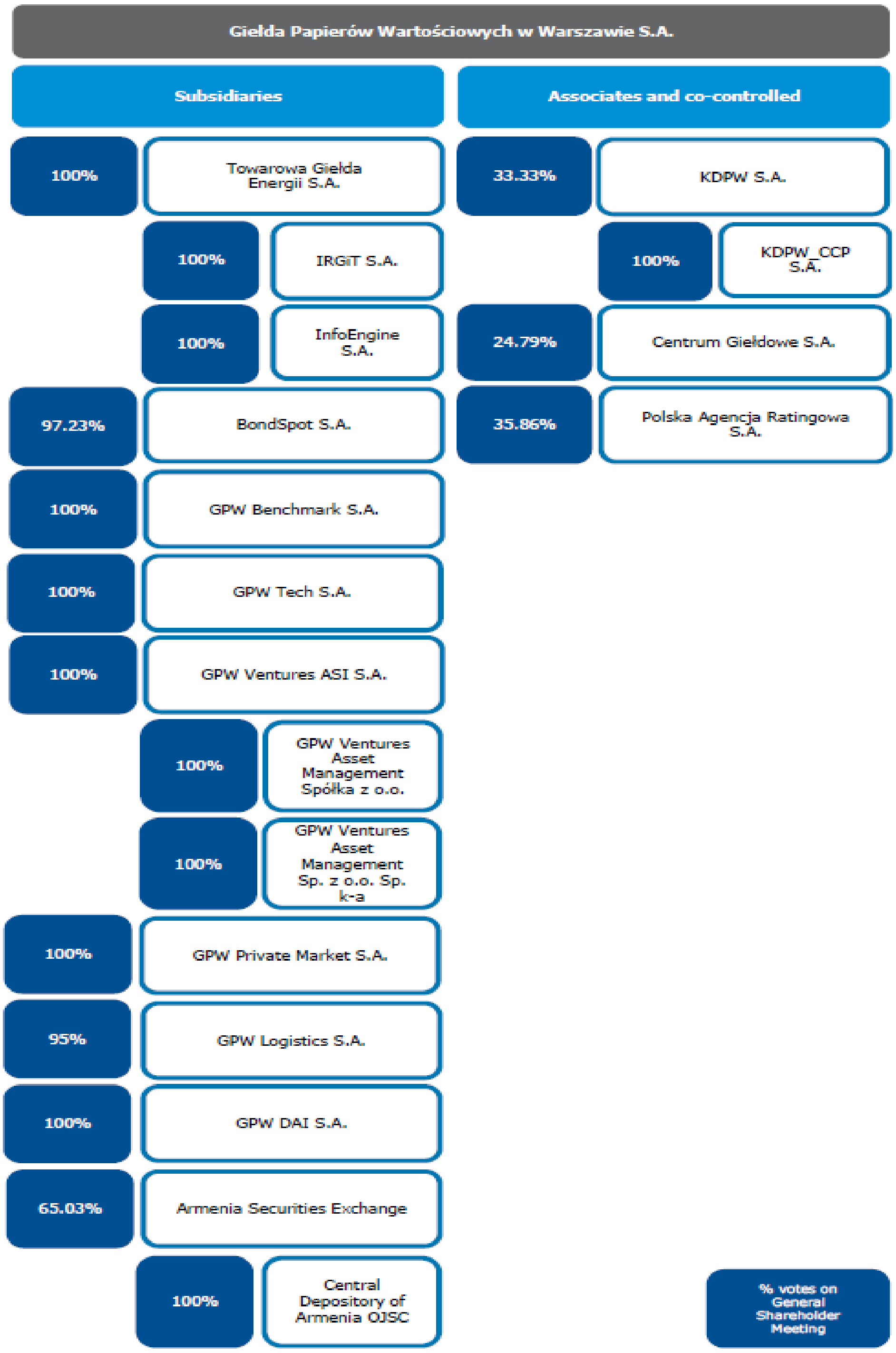
Basic information about the parent entity:

Name and legal status:	Giełda Papierów Wartościowych w Warszawie Spółka Akcyjna
Abbreviated name:	Giełda Papierów Wartościowych w Warszawie S.A.
Registered office and address:	ul. Książęca 4, 00-498 Warszawa, Poland
Telephone number:	+48 (22) 628 32 32
Telefax number:	+48 (22) 628 17 54, +48 (22) 537 77 90
Website:	www.gpw.pl
E-mail:	gpw@gpw.pl
KRS (registry number):	0000082312
REGON (statistical number):	012021984

3.1.2. Organisation of the Group

As at 31 March 2023, the parent entity and 14 direct and indirect subsidiaries comprised the Giełda Papierów Wartościowych w Warszawie S.A. Group. GPW held shares in companies measured by the equity method: two associates (one of which has a subsidiary) and one joint venture.

Figure 1: GPW Group, associates and joint ventures as at 31 March 2023



** Polska Agencja Ratingowa S.A. is a joint venture*

Source: Company

Details of interest in other entities are presented below in section 8.

The Group does not hold any branches or establishments.

3.1.3. Ownership

As at the date of publication of this Report, the share capital of the Warsaw Stock Exchange was divided into 41,972,000 shares including 14,772,470 Series A preferred registered shares (one share gives two votes) and 27,199,530 Series B ordinary bearer shares.

As at the date of publication of this Report, according to the Company's best knowledge, the State Treasury holds 14,695,470 Series A preferred registered shares, which represent 35.01% of total shares and give 29,390,940 votes, which represents 51.80% of the total vote. The total number of votes from Series A and B shares is 56,744,470.

According to the Company's best knowledge, as at the date of publication of this Report, no shareholders other than the State Treasury held directly or indirectly at least 5% of the total vote in the parent entity. The ownership structure of material blocks of shares (i.e., more than 5%) did not change since the publication of the previous periodic report.

The Group's managing and supervising persons held no shares in the Company as at 31 March 2023.

3.2. Main risks and threats

The operation of the GPW Group is exposed to external risks related to the market, legal, and regulatory environment, as well as internal risks related to operating activities. With a view to its strategic objectives, the GPW Group actively manages its business risks in order to mitigate or eliminate their potential adverse impact on the Group's results.

The Group considers the following risks in each category to be objectively the most material; however, the order in which they are presented does not reflect the materiality or scale of their impact on the activity of the Group. Additional risks, which are currently not identified or are considered to be immaterial, may in the future have an adverse impact on the activity of the Group, its financial standing and business results.

› Business risk:
  - Risk related to geopolitics and the global economic conditions;
  - Risk of the economic situation in Poland;
  - Risk of diminished benefits of the Company's investment in KDPW;
  - Risk of the amount of regulatory fees;
  - Risk of concentration of turnover and dependence of a large part of sales revenue of the Group on turnover in shares by a limited number of issuers and in futures by a limited number of Exchange Members;
  - Risk of concentration of turnover due to dependence of a large part of revenue of the Group from derivatives on turnover in WIG20 futures;
  - Risk of concentration of turnover in the contingent transactions segment of the TBSP market;
  - Risk of termination of the agreement under which TBSP has been appointed the reference market;
  - Risk of non-implementation of the strategy by the Group;
  - Risk of operating in the exchange and MTF sector;
  - Risk of price competition;
  - Risk of technological changes;
  - Risk of provision of the WIBID and WIBOR Reference Rates;
  - Risk of provision of the WIRON index;
  - Risk of provision of capital market indices and benchmarks.

› Operational risk:
  - Risk of being capable of attracting and retaining qualified employees of the Group;
  - Risk of industrial dispute;
  - Risk of failure of the Group's trading systems;
  - Risk of dependence of the Group's business on third parties;
  - Risk of outsourcing of certain services;
  - Risk of insufficient insurance cover;
  - Climate risk related to the impact of extreme weather events;
  - Risk of the acquisition of the Armenia Securities Exchange by GPW.

- Legal risk:
  - Risk of amendments to national laws;
  - Regulatory risk related to European Union law;
  - Risk of ineffective protection of intellectual property;
  - Risk of potential infringements of intellectual property rights of third parties by the Group;
  - Risk of regulations governing open-ended pension funds in Poland;
  - Risk of amendments and interpretations of tax regulations.

- Compliance risk:
  - Risk of failure to meet regulatory requirements and PFSA recommendations applicable to the activity of the Group;
  - Risks related to the requirements of financial and market institutions for climate and environmental protection and non-financial disclosures;
  - Risk of potential violation of competition regulations by the Group;
  - Risk of the Benchmark Administrator;

- Reputation risk:
  - Risk to the Group's reputation and clients' confidence in its ability to process exchange transactions;
  - Reputation risk relating to GPW Benchmark.

- ESG risk;
- AML/CFT risk;
- Financial risk:
  - Credit risk;
  - Liquidity risk;
  - Market risk.

Detailed information on the risks listed is provided in the GPW Group's Annual Report for 2022, Note 2.7. Supplementary information is presented below.

- **Risk of provision of the WIBID and WIBOR Reference Rates**

The Polish Financial Supervision Authority unanimously authorised GPW Benchmark S.A. on 16 December 2020 as an administrator of interest-rate benchmarks including critical benchmarks.

The benchmarks provided by GPW Benchmark S.A. include the Warsaw Interbank Offered Rate (WIBOR), entered into the critical benchmark register referred to in Article 20(1) of Regulation (EU) 2021/1011 of the European Parliament and of the Council of 10 February 2021 (BMR). The authorisation allows GPW Benchmark S.A. to provide other interest-rate benchmarks in accordance with the BMR requirements.

The key risks to a benchmark administrator include loss of representativeness required under the BMR, i.e., the ability of the benchmarks to represent accurately and reliably the market or economic reality that the benchmark is intended to measure.

On 25 April 2022, the Prime Minister announced the government's plans to support borrowers, including replacing the WIBOR index with another index. Consequently, the Act on Crowdfunding of Business Projects and Borrower Assistance, which came into force on 29 July 2022, among others provides for the procedure of introduction of a replacement for the WIBOR index enabling the application of Article 23c of the BMR. On 18 May 2022, GPW Benchmark started publishing three test indices: WIRON (previous name: WIRD), WIRF, WRR. On 27 September 2022, the Steering Committee of the National Working Group on Reference Index Reform approved the Roadmap for the replacement of the WIBOR and WIBID benchmarks with WIRON, which is an index provided by GPW Benchmark. The calculation method of the WIRON index is the same as the WIRD index.

In 2022, GPW Benchmark developed and implemented interest rate benchmarks (WIRON, WIRON compound rates for 1M, 3M and 6M maturities, WIRON Single Base Index). The provision of the WRR index as an interest rate index capable of acting as an alternative benchmark to WIRON, based on O/N repo and buy-sell-back transactions, as well as the WRR Compound Rate and WRR Single Base Indices is planned to start by the end of 2023.

4. Financial position and assets
4.1. Summary of the GPW Group's results

The **GPW Group** generated a consolidated net profit of PLN 27.0 million in 3M 2023 (-PLN 11.0 million i.e. -29.0% year on year), driven by an increase of operating expenses to PLN 86.2 million (+PLN 17.3 million i.e. +25.2%) combined with stable sales revenue at PLN 112.3 million in 3M 2023 (PLN 110.2 million in 3M 2022 i.e. +PLN 2.0 million i.e. +1.8%). The operating profit stood at PLN 26.5 million (-PLN 14.4 million i.e. -35.2% year on year). EBITDA stood at PLN 34.9 million (-PLN 15.8 million i.e. -31.2% year on year).

One-off (and cyclical) events and events caused by change of trends, impacting the GPW Group's results in 3M 2023, included:

- an increase in interest on bank deposits and financial instruments (corporate bonds, bank deposits) to PLN 8.0 million driven by higher market interest rate (+PLN 6.0 million year on year);
- change of the provision relating to VAT in IRGiT (+PLN 3.5 million year on year);
- the cost of the capital market supervision fee at PLN 15.5 million.

Table 4: Consolidated statement of comprehensive income

PLN'000, %	Three months period ended 31 March (unaudited)		Change (2023 vs 2022)	Growth rate (%) (2023 vs 2022)
	2023	2022		
Sales revenue	112,275	110,242	2,033	1.8%
Operating expenses	(86,179)	(68,831)	(17,348)	25.2%
Other revenue, other (expenses), gains on reversal of impairment of receivables/(losses) on impairment of receivables	452	(463)	915	(197.6%)
Operating profit	**26,548**	**40,948**	**(14,400)**	**(35.2%)**
Financial income	8,147	2,605	5,542	212.7%
Financial expenses	(5,461)	(1,515)	(3,946)	260.5%
Share of profit of entities measured by the equity method	4,331	4,553	(222)	(4.9%)
Profit before tax	**33,565**	**46,591**	**(13,026)**	**(28.0%)**
Income tax expense	(6,529)	(8,532)	2,003	(23.5%)
Net profit for the period	**27,036**	**38,059**	**(11,023)**	**(29.0%)**

The separate net profit of **GPW** in 3M 2023 stood at PLN 11.7 million (-PLN 10.4 million i.e. -46.9% year on year). The company's sales revenue decreased (-PLN 12.3 million i.e. -16.6%), mainly revenue from trading in equities and equity-related instruments, as a result of high turnover related to the escalation of the war in Ukraine in February 2022. Operating expenses increased (+PLN 5.7 million i.e. +12.4%). As a result, EBIDTA amounted to PLN 16.9 million (-PLN 17.1 million i.e. -50.3% year on year). Financial income, which mainly includes interest on bank deposits and corporate bonds, increased due to higher interest rates (+PLN 1.0 million i.e. +54.4%), while financial expenses decreased (-PLN 1.3 million i.e. -91.8%), as they still included bond interest payments in Q1 2022.

The net profit of **TGE** in 3M 2023 increased year on year and stood at PLN 8.0 million (+PLN 2.1 million i.e. +35.1% year on year). EBITDA stood at PLN 9.8 million (-PLN 0.1 million i.e. -1.2% year on year).

The net profit of **IRGiT** in 3M 2023 was PLN 2.9 million (-PLN 0.8 million i.e. -21.9% year on year). EBITDA stood at PLN 7.6 million (+PLN 1.3 million i.e. +19.9% year on year).

Table 5: Selected consolidated financial indicators

	As at/Three months period ended 31 March (unaudited)	
	2023	2022
Debt and financing ratios of the Group		
Net debt / EBITDA for 12 months	(3.8)	(0.9)
Debt to equity	0.4%	13.6%
Liquidity ratios		
Current liquidity	2.6	2.4
Coverage ratio of interest rate on bond issue	-	40.9
Profitability ratios		
EBITDA margin	31.1%	46.0%
Operating profit margin	23.6%	37.1%
Net profit margin	24.1%	34.5%
Cost / income	76.8%	62.4%
ROE	13.2%	16.4%
ROA	9.9%	11.3%

Net debt = interest-bearing liabilities less liquid assets (as at the balance-sheet date)
Liquid assets = financial assets measured at amortised cost and other financial assets + cash and cash equivalents

EBITDA = GPW Group operating profit plus depreciation/amortisation (for 3 months, net of the share of profit/loss of associates)

Debt to equity ratio = interest-bearing liabilities / equity (as at the balance-sheet date)

Current liquidity = current assets / current liabilities (as at the balance-sheet date)

Coverage ratio of interest costs on the bond issue = EBITDA / interest cost on bonds (interest paid and accrued for a 3-month period)

EBITDA margin = EBITDA / GPW Group sales revenue (for a 3-month period)

Operating profit margin = operating profit / GPW Group sales revenue (for a 3-month period)

Net profit margin = net profit / GPW Group sales revenue (for a 3-month period)

Cost / income = GPW Group operating expenses / GPW Group sales revenue (for a 3-month period)

ROE = GPW Group net profit (for a 12-month period) / average equity at the beginning and at the end of the 12-month period

ROA = GPW Group net profit (for a 12-month period) / average total assets at the beginning and at the end of the 12-month period

Net debt to EBITDA was negative as at 31 March 2023 as liquid assets significantly exceeded interest-bearing liabilities. The debt to equity ratio decreased significantly year on year due to a decrease of interest-bearing liabilities following the redemption of the bonds, as described in Note 2.6. of the condensed interim consolidated financial statements for the three-month period ended 31 March 2023.

Current liquidity increased modestly year on year: a modest decrease of current liabilities was combined with a slightly bigger decrease in current assets.

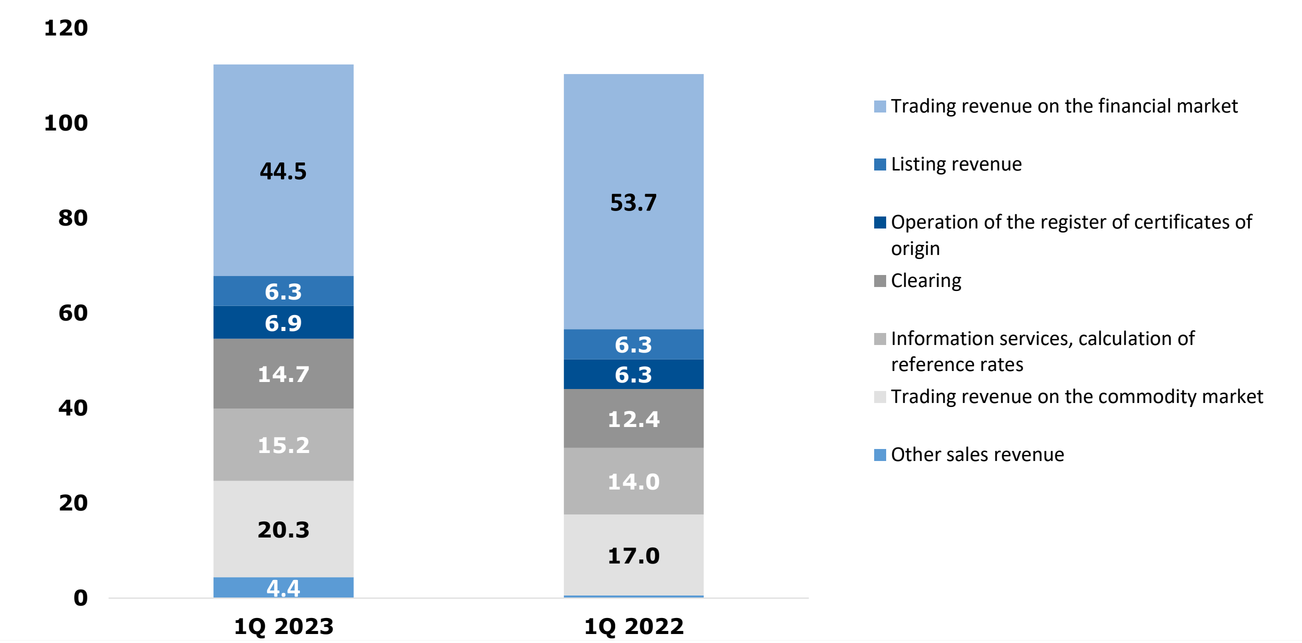
The EBITDA margin decreased year on year due to an increase in costs by 25.2% combined with stable sales revenue (+1.8% year on year). The operating profit margin and the net profit margin decreased as the Group's operating profit fell year on year. The cost/income increased year on year as a result of rising expenses (mainly external service charges and employee costs). ROE and ROA decreased year on year.

4.2. Consolidated statement of comprehensive income

4.2.1. Sales revenue – summary

The GPW Group's sales revenue in 3M 2023 was stable year on year and stood at PLN 112.3 million (+PLN 2.0 million i.e. +1.8% year on year). Trading revenue on the financial market, which stood at PLN 44.4 million, was the business line which recorded a significant drop in 3M 2023 (-PLN 9.3 million i.e. -17.3%). Revenue in the commodity segment increased and stood at PLN 41.4 million in 3M 2023 (+PLN 5.5 million i.e. +15.3%).

Chart 1: Structure and value of consolidated sales revenue in 3M 2023



The main revenue streams included trading on the financial market (39.5%), trading on the commodity market (18.1%), as well as information services and revenue from the calculation of reference rates on the financial market (13.2%). The share of those revenue streams in 3M 2022 was 48.7%, 15.3%, and 12.4%, respectively.

The share of sales revenue from foreign clients in total sales revenue in 3M 2023 increased to 33.5% of total sales. The Group's sales revenue shows no concentration: the share of single clients in total sales revenue did not exceed 10% in 3M 2023.

4.2.2. Sales revenue – financial market

The Group's sales revenue on the financial market in 3M 2023 stood at PLN 66.5 million (-PLN 7.3 million i.e. -9.8% year on year), representing 59.2% of total sales revenue. The biggest stream of sales revenue on the financial market was trading revenue (66.8%), in particular trading in shares and equity-related instruments (45.4%). The second biggest stream of consolidated sales revenue on the financial market were information services and revenue from the calculation of reference rates (22.3% of total revenue on the financial market).

Table 6: Revenue on the financial market

PLN'000, %	Three months period ended 31 March (unaudited)				Change (2023 vs 2022)	Growth rate (%) (2023 vs 2022)
	2023	%	2022	%		
Financial market	**66,484**	**100.0%**	**73,741**	**100%**	**(7,257)**	**(9.8%)**
Trading revenue	**44,400**	**66.8%**	**53,691**	**72.8%**	**(9,291)**	**(17.3%)**
Equities and equity-related instruments	30,208	45.4%	42,293	57.4%	(12,085)	(28.6%)
Derivatives	5,218	7.8%	5,342	7.2%	(124)	(2.3%)
Other fees paid by market participants	5,816	8.7%	2,342	3.2%	3,474	148.3%
Debt instruments	2,934	4.4%	2,909	3.9%	25	0.9%
Other cash instruments	224	0.3%	805	1.1%	(581)	(72.2%)

PLN'000, %	Three months period ended 31 March (unaudited) 2023	%	2022	%	Change (2023 vs 2022)	Growth rate (%) (2023 vs 2022)
Listing revenue	**6,330**	**9.5%**	**6,344**	**8.6%**	**(14)**	**(0.2%)**
Listing fees	5,390	8.1%	5,257	7.1%	133	2.5%
Fees for introduction and other fees	940	1.4%	1,087	1.5%	(147)	(13.5%)
Information services and revenue from the calculation of reference rates	**14,818**	**22.3%**	**13,706**	**18.6%**	**1,112**	**8.1%**
Real-time data and revenue from the calculation of reference rates	13,993	21.0%	12,858	17.4%	1,135	8.8%
Historical and statistical data and indices	789	1.2%	848	1.1%	(59)	(7.0%)
Other	36	0.1%	-	0.0%	36	-
Clearing	**936**	**1.4%**	**-**	**0.0%**	**936**	**-**

The Group's revenue from **trading in equities and equity-related instruments** stood at PLN 30.2 million in 3M 2023 (-PLN 12.1 million i.e. -28.6% year on year). The revenue decreased both on the Main Market and on NewConnect. The value of turnover on the Main Market decreased year on year to PLN 71.6 billion (-PLN 28.8 billion i.e. -28.6% year on year) while turnover on NewConnect decreased to PLN 0.7 billion (-PLN 0.4 billion i.e. -35.6%). The turnover value on the electronic order book on the Main Market decreased by -29.1% year on year to PLN 69.8 billion and the value of block trades decreased by 6.6% year on year to PLN 1.8 billion in 3M 2023. The average daily EOB turnover value on the Main Market was PLN 1,088.7 million in Q1 2023 compared to PLN 1,593.7 million in Q1 2022. This was the result of high turnover due to the escalation of the war in Ukraine in February 2022, an increase in uncertainty, and asset movements in investors' portfolios.

Table 7: Data for the markets in equities and equity-related instruments

	Three months period ended 31 March (unaudited) 2023	2022	Change (2023 vs 2022)	Growth rate (%) (2023 vs 2022)
Financial market, trading revenue: equities and equity-related instruments (PLN mn)	**30.2**	**42.3**	**(12.1)**	**(28.6%)**
Main Market:				
Turnover value - total (PLN bn)	**71.6**	**100.4**	**(28.8)**	**(28.6%)**
Value of trading - Electronic Order Book (PLN bn)	69.8	98.4	(28.6)	(29.1%)
Value of trading - block trades (PLN bn)	1.8	2.0	(0.1)	(6.6%)
Turnover volume (bn shares)	2.7	4.2	(1.5)	(35.1%)
NewConnect:				
Turnover value - total (PLN bn)	**0.7**	**1.0**	**(0.4)**	**(35.6%)**
Value of trading - Electronic Order Book (PLN bn)	0.6	1.0	(0.4)	(38.4%)
Value of trading - block trades (PLN bn)	0.0	0.0	0.0	93.7%
Turnover volume (bn shares)	0.9	0.9	(0.0)	(0.9%)

Revenue of the Group from **trading in derivatives on the financial market** (futures and options) was stable year on year at PLN 5.2 million in 3M 2023 (-PLN 0.1 million i.e. -2.3% year on year). The total volume of turnover in derivatives was 3.9 million contracts, representing a modest decrease year on year (-0.1 million contracts i.e. -2.6%). The volume of turnover in currency futures increased to 1.1 million contracts in 3M 2023 vs. 0.9 million contracts in 3M 2022.

Table 8: Data for the derivatives market

	Three months period ended 31 March (unaudited)		Change (2023 vs 2022)	Growth rate (%) (2023 vs 2022)
	2023	2022		
Financial market, trading revenue: derivatives (PLN mn)	**5.2**	**5.3**	**(0.1)**	**(2.3%)**
Derivatives turnover volume (mn instruments), incl.:	3.9	4.0	(0.1)	(2.6%)
- WIG20 futures turnover volume (mn futures)	2.3	2.3	(0.0)	(0.9%)

Revenue of the Group from **other fees paid by market participants** stood at PLN 5.8 million (+PLN 3.5 million i.e. +148.3% year on year). The fees mainly included fees for access to and use of the trading system (among others, licence fees, connection fees, and maintenance fees).

Revenue of the Group from **trading in debt instruments** stood at PLN 2.9 million and remained stable year on year. The majority of the Group's revenue from debt instruments was generated by Treasury BondSpot Poland ("TBSP"). The revenue on TBSP amounted to PLN 2.7 million (-PLN 0.1 million i.e. -4.2%). The value of turnover in Polish Treasury securities on TBSP was PLN 89.7 billion (-PLN 89.0 billion i.e. -49.8% year on year). The decrease of the value of transactions was reported in the conditional transaction segment. The value of conditional transactions stood at PLN 59.8 billion (-PLN 106.2 billion i.e. -64.0% year on year) and the value of cash transactions stood at PLN 29.9 billion (+PLN 17.2 billion i.e. +135.4% year on year).

The value of turnover on Catalyst stood at PLN 1.4 billion (-PLN 0.7 billion i.e. -34.6% year on year), including turnover in non-Treasury instruments at PLN 0.6 billion compared to PLN 0.5 billion in 3M 2022.

Table 9: Data for the debt instruments market

	Three months period ended 31 March (unaudited)		Change (2023 vs 2022)	Growth rate (%) (2023 vs 2022)
	2023	2022		
Financial market, trading revenue: debt instruments (PLN mn)	**2.9**	**2.9**	**0.0**	**0.9%**
Catalyst, turnover value, incl.:	1.4	2.1	(0.7)	(34.6%)
Non-Treasury instruments (PLN bn)	0.6	0.5	0.1	11.1%
Treasury BondSpot Poland, turnover value:				
Conditional transactions (PLN bn)	59.8	166.0	(106.2)	(64.0%)
Cash transactions (PLN bn)	29.9	12.7	17.2	135.4%

The Group's revenue from trading in **other cash market instruments** stood at PLN 0.2 million, representing a decrease of -PLN 0.6 million year on year. The revenue includes fees for trading in structured products, investment certificates, ETF units, and warrants.

The Group's **listing revenue** on the financial market was stable year on year at PLN 6.3 million and included:

- revenue from listing fees, which stood at PLN 5.4 million (+PLN 0.1 million i.e. +2.5%). The main driver of revenue from listing fees is the number of issuers listed on the GPW markets and their capitalisation at previous year's end;
- revenues from fees for introduction and other fees, which decreased to PLN 0.9 million (-PLN 0.1 million i.e. -13.5% year on year). There were 4 IPOs with a capitalisation of PLN 0.9 billion on the Main Market in 3M 2023 vs. 3 IPOs with a capitalisation of PLN 0.4 billion in 3M 2022.

Table 10: Listing revenue on the Main Market

	Three months period ended 31 March (unaudited)		Change (2023 vs 2022)	Growth rate (%) (2023 vs 2022)
	2023	2022		
Main Market				
Listing revenue (PLN mn)	**5.3**	**5.2**	**0.1**	**1.9%**
Total capitalisation of listed companies (PLN bn), incl.:	1,244.5	1,249.6	(5.2)	(0.4%)
- Capitalisation of listed domestic companies	583.9	656.3	(72.4)	(11.0%)
- Capitalisation of listed foreign companies	660.5	593.3	67.2	11.3%
Total number of listed companies, incl.:	416	426	(10)	(2.3%)
- Number of listed domestic companies	373	380	(7)	(1.8%)
- Number of listed foreign companies	43	46	(3)	(6.5%)
Value of IPOs and SPOs (PLN bn)	0.5	0.1	0.4	390.9%
Number of newly listed companies (in the period)	4	2	2	100.0%
Capitalisation of newly listed companies (PLN bn)	0.9	0.4	0.5	118.2%
Number of delisted companies	3	5	(2)	(40.0%)
Capitalisation of delisted companies* (PLN bn)	0.6	2.2	(1.6)	(73.1%)

*capitalisation as at delisting

Listing revenue on the GPW **Main Market** increased to PLN 5.3 million in 9M 2022 (+PLN 0.1 million i.e. +1.9% year on year). The table below presents the key financial and operating figures for the Main Market.

The value of SPOs increased from PLN 0.1 billion in 3M 2022 to PLN 0.5 billion in 3M 2023. Three companies were delisted on the Main Market. The capitalisation of the companies delisted on the Main Market was PLN 0.6 billion.

Table 11: Listing revenue on NewConnect

	Three months period ended 31 March (unaudited)		Change (2023 vs 2022)	Growth rate (%) (2023 vs 2022)
	2023	2022		
NewConnect				
Listing revenue (PLN mn)	**0.6**	**0.7**	**(0.1)**	**(8.4%)**
Total capitalisation of listed companies (PLN bn), incl.:	14.2	17.7	(3.5)	(19.8%)
- Capitalisation of listed domestic companies	14.1	17.5	(3.5)	(19.7%)
- Capitalisation of listed foreign companies	0.1	0.2	(0.0)	(26.4%)
Total number of listed companies, incl.:	359	381	(22)	(5.8%)
- Number of listed domestic companies	355	377	(22)	(5.8%)
- Number of listed foreign companies	4	4	-	-
Value of IPOs and SPOs (PLN bn)	0.0	0.1	(0.1)	(86.9%)
Number of newly listed companies (in the period)	2	5	(3)	(60.0%)
Capitalisation of newly listed companies (PLN bn)	0.1	0.1	(0.0)	(34.6%)
Number of delisted companies*	22	4	18	450.0%
Capitalisation of delisted companies, (PLN bn) **	1.1	0.4	0.7	157.3%

* including transfers to the Main Market
** capitalisation as at delisting

Listing revenue on **NewConnect** stood at PLN 0.6 million (-PLN 0.1 million i.e. -8.4% year on year).

The value of IPOs on NewConnect was PLN 4 million (-PLN 16.0 million year on year) while the value of SPOs decreased from PLN 103 million in 3M 2022 to PLN 12 million in 3M 2023. Two companies were newly listed and 22 companies were delisted in 3M 2023. The capitalisation of the companies delisted on NewConnect was PLN 1.1 billion.

Table 12: Listing revenue on Catalyst

	Three months period ended 31 March (unaudited)		Change (2023 vs 2022)	Growth rate (%) (2023 vs 2022)
	2023	2022		
Catalyst				
Listing revenue (PLN mn)	**0.4**	**0.5**	**(0.1)**	**(18.2%)**
Number of issuers	129	133	(4)	(3.0%)
Number of listed instruments, incl.:	584	590	(6)	(1.0%)
- non-Treasury instruments	519	527	(8)	(1.5%)
Value of listed instruments (PLN bn), incl.:	1,182.4	1,152.6	29.8	2.6%
- non-Treasury instruments	94.2	98.3	(4.0)	(4.1%)

Listing revenue on **Catalyst** stood at PLN 0.4 million in 3M 2023 (-PLN 0.1 million i.e. -18.2% year on year) while the number of issuers decreased modestly year on year and the value of issued instruments increased (+PLN 29.8 billion i.e. +2.6% year on year).

Revenue from **information services and calculation of reference rates** on the financial market and the commodity market in aggregate stood at PLN 15.2 million (+PLN 1.2 million i.e. +8.3% year on year).

Table 13: Data for information services

	Three months period ended 31 March (unaudited)		Change (2023 vs 2022)	Growth rate (%) (2023 vs 2022)
	2023	2022		
Information services and revenue from the calculation of reference rates* (PLN mn)	**15.2**	**14.0**	**1.2**	**8.3%**
Number of data vendors	98.0	93.0	5.0	5.4%
Number of subscribers (thou.)	575.6	485.7	90.0	18.5%

**Revenue from information services includes the financial market and the commodity market.*

The year-on-year increase of revenue was driven by the following factors:

- acquisition of new clients of GPW Group data (mainly non-display users and data vendors);
- strong increase in the number of subscribers (up by 90,000 year on year in 3M 2023).

GPWB made a contribution to the increase of the revenue from information services and calculation of reference rates. GPWB generated revenue from the calculation of reference rates at PLN 3.1 million in 3M 2023 (+PLN 0.7 million i.e. +29.8% year on year).

A new item, **Clearing**, shows the revenue relating to the operation of the settlement system, earned by the Armenia Securities Exchange (the revenue of the Armenia Securities Exchange from trading is included in the existing items).

4.2.3. Sales revenue – commodity market

Revenue of the Group on the commodity market stood at PLN 41.4 million in 3M 2023 (+PLN 5.5 million i.e. +15.3% year on year) accounting for 36.8% of the Group's total sales revenue. It included trading revenue (electricity, gas, property rights in certificates of origin, food and agricultural products, other fees paid by market participants), revenue from the operation of the Register of Certificates of Origin, revenue from clearing, and revenue from information services.

Table 14: Value and structure of revenue on the commodity market

PLN'000, %	Three months period ended 31 March (unaudited)				Change (2023 vs 2022)	Growth rate (%) (2023 vs 2022)
	2023	%	2022	%		
Commodity market	**41,367**	**100.0%**	**35,871**	**100.0%**	**5,496**	**15.3%**
Trading revenue	**20,344**	**49.2%**	**16,872**	**47.0%**	**3,472**	**20.6%**
Transactions in electricity:	5,719	13.8%	3,812	10.6%	1,907	50.0%
- Spot	3,241	7.8%	1,284	3.6%	1,957	152.4%
- Forward	2,478	6.0%	2,528	7.0%	(50)	(2.0%)
Transactions in gas:	4,167	10.1%	3,398	9.5%	769	22.6%
- Spot	572	1.4%	670	1.9%	(98)	(14.6%)
- Forward	3,595	8.7%	2,728	7.6%	867	31.8%
Transactions in property rights to certificates of origin	5,176	12.5%	5,343	14.9%	(167)	(3.1%)
Trade in food and agricultural products	-	-	1	0.0%	(1)	(100.0%)
Other fees paid by market participants	5,282	12.8%	4,318	12.0%	964	22.3%
Operation of the register of certificates of origin	**6,926**	**16.7%**	**6,263**	**17.5%**	**663**	**10.6%**
Clearing	**13,741**	**33.2%**	**12,434**	**34.7%**	**1,307**	**10.5%**
Information services	**356**	**0.9%**	**302**	**0.8%**	**54**	**17.9%**

Revenue on the commodity market includes the revenue of the TGE Group which includes TGE, Izba Rozliczeniowa Giełd Towarowych S.A. ("IRGiT"), and InfoEngine S.A. ("InfoEngine").

Revenue of the TGE Group is driven mainly by the volume of turnover in electricity, natural gas, and property rights; the volume of certificates of origin issued and cancelled by members of the Register of Certificates of Origin; and revenue from clearing and settlement of transactions in exchange-traded commodities in clearing operated by IRGiT.

The Group's **trading revenue on the commodity market** stood at PLN 20.3 million in 3M 2023 (+PLN 3.5 million i.e. +20.6% year on year).

Table 15: Trading revenue on the commodity market

`	Three months period ended 31 March (unaudited)		Change (2023 vs 2022)	Growth rate (%) (2023 vs 2022)
	2023	2022		
Commodity market, trading revenue (PLN mn)	**20.3**	**16.9**	**3.5**	**20.6%**
Electricity turnover volume:				
- Spot transactions (TWh)	15.4	8.7	6.7	76.3%
- Forward transactions (TWh)	19.2	33.3	(14.1)	(42.3%)
Gas turnover volume:				
- Spot transactions (TWh)	5.6	6.7	(1.1)	(16.0%)
- Forward transactions (TWh)	35.2	35.7	(0.5)	(1.5%)
Turnover volume in property rights (TGE) (TWh)				
- Spot transactions (TWh)	5.2	5.7	(0.5)	(8.8%)
- Spot transactions (toe)	28,414.5	17,303.5	11,111.0	64.2%

The Group's revenue from **trading in electricity** stood at PLN 5.7 million in 3M 2023 (+PLN 1.9 million i.e. +50.0%). The total volume of turnover on the energy market operated by TGE was 34.6 TWh in 3M 2023 (-7.4 TWh i.e. -17.7% year on year). The decrease in electricity trading in January-March 2023 was mainly due to a decrease in forward market trading volumes by 42.3% to 19.2 TWh. The main reason for the decrease were lower trading volumes in annual instruments following the lifting of the obligation to sell electricity on the exchange as well as uncertainty around market conditions. Spot market trading increased significantly mainly as a result of the popularity of Day-Ahead Market block contracts. Despite the decline in trading volumes, particularly in the forward market, revenues in the energy market increased by 50%, mainly driven by changes to the fee schedules of both the Organised Trading Facility (OTF), effective from 1 January 2023, and the Commodity Market (RTG), effective from 16 February 2023.

The Group's revenue from **trading in gas** stood at PLN 4.2 million in 3M 2023 (+PLN 0.8 million i.e. +22.6% year on year). Natural gas trading volumes on TGE in 3M 2023 amounted to 40.8 TWh (-1.6 TWh i.e. -3.8%). The year-on-year decrease in gas trading volumes is a consequence of a 16.0% decrease in spot market turnover, from 6.7 TWh to 5.6 TWh in 3M 2023, due to higher temperatures compared to the same period of 2022, as well as relatively (in relation to lower consumption) high contracting of gas supplies in forward contracts. Forward market volumes decreased by 1.5% year on year to 35.2 TWh as a result of a high base (Q1 2022 saw the highest-ever Q1 turnover on the market) and most likely also due to the completion in December 2022 of the legislative process concerning restrictions on the level of obligation to sell gas on the exchange. Despite the decrease in volumes, revenue from the gas market increased overall by 22.6% due to changes to the Organised Trading Platform fee schedule effective from 1 January 2023.

The Group's revenue from **trading in property rights in certificates of origin** stood at PLN 5.2 million in 3M 2023 (-PLN 0.2 million i.e. -3.1% year on year). The volume of turnover in property rights was 5.2 TWh in 3M 2023 (-0.5 TWh i.e. -8.8% year on year). The trading volume at sessions decreased by 23% year on year while the trading volume off sessions decreased by 1%. As a result, the overall trading volume in property rights decreased by only 3.1%.

The trading volume of energy efficiency rights increased by 64.2% year on year in 3M 2023 to 28,414.5 toe from 17,303.5 toe. The low turnover in these certificates was due to a lower number of certificates of origin issued. This is a relatively (relative to the previous two years) high level of turnover, driven by the higher volumes of certificates issued between December 2022 and February 2023. However, the volumes are still many times lower than those recorded prior to 2020. Trading in certificates issued by the Energy Regulatory Office in auctions (PMEF, which was the most liquid instrument for energy efficiency certificates of origin) was legally terminated on 30 June 2021. The property rights under the other two instruments (PMEF_F, PMEF-2022) are issued by the Energy Regulatory Office at a much lower volume (as efficiency measures are ending, and with some delay).

Revenue of the Group from **other fees paid by commodity market participants** stood at PLN 5.3 million in 3M 2023 (+PLN 1.0 million i.e. +22.3% year on year). Other fees paid by commodity market participants included fees paid by TGE market participants at PLN 2.9 million, revenue of InfoEngine as a trade operator at PLN 1.0 million, and revenue of IRGiT at PLN 1.4 million in 3M 2023. The year-on-year increase in other fees paid by market participants was due to changes in the number of Members and their activity in the various markets. The increase in other fees was also due to a change in the structure of fees for access to IT systems as well as the expiry of the temporary reductions in such fees applicable in the previous year.

Revenue from the operation of the **Register of Certificates of Origin** stood at PLN 6.9 million in 3M 2023 (+PLN 0.7 million i.e. +10.6% year on year). The increase of the revenue from the operation of the register was driven by a higher level of RES cancellations and a higher level of cancelled energy efficiency certificates. In addition, the number of issued certificates of origin increased.

Table 16: Data for the Register of Certificates of Origin

	Three months period ended 31 March (unaudited)		Change (2023 vs 2022)	Growth rate (%) (2023 vs 2022)
	2023	2022		
Commodity market, revenue from the operation of the Register of Certificates of Origin in electricity (PLN mn)	**6.9**	**6.3**	**0.7**	**10.6%**
Issued property rights (TWh)	5.8	5.2	0.5	10.3%
Cancelled property rights (TWh)	6.8	6.2	0.6	9.6%

The Group earns revenue from **clearing** operated by IRGiT. The revenue was PLN 13.7 million in 3M 2023 (+PLN 1.3 million i.e. +10.5% year on year). The revenue from clearing of transactions in electricity stood at PLN 4.8 million, the revenue from clearing of transactions in gas stood at PLN 6.9 million and the revenue from clearing of transactions in property rights stood at PLN 2.1 million.

4.2.4. Other sales revenue

The Group's other revenue stood at PLN 4.4 million in 3M 2023, which represented a modest year-on-year increase (+PLN 3.8 million i.e. +602.2% year on year). The Group's other revenue includes revenue from educational and PR activities, space lease, and sponsorship. In addition, the revenue generated by GPW Logistics in its core business at PLN 4.1 million is shown in this line in Q1 2023.

4.2.5. Operating expenses

Operating expenses stood at PLN 86.2 million in 3M 2023 (+PLN 17.3 million i.e. +25.2% year on year). Salaries and other employee costs and external service charges increased substantially.

Chart 2: Structure and value of consolidated operating expenses

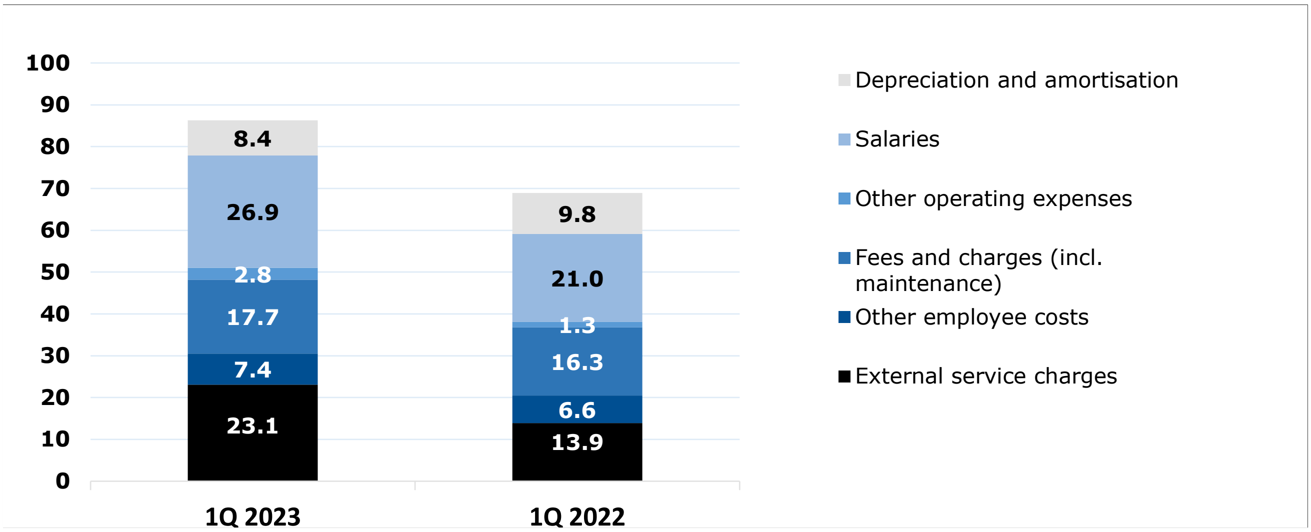


Table 17: Operating expenses

PLN'000, %	Three months period ended 31 March (unaudited)				Change (2023 vs 2022)	Growth rate (%) (2023 vs 2022)
	2023	%	2022	%		
Depreciation and amortisation	8,350	9.7%	9,797	14.2%	(1,447)	(14.8%)
Salaries	26,853	31.2%	21,020	30.5%	5,833	27.7%
Other employee costs	7,411	8.6%	6,596	9.6%	815	12.4%
Maintenance fees	1,704	2.0%	1,202	1.7%	502	41.8%
Fees and charges, incl.	16,016	18.6%	15,056	21.9%	960	6.4%
PFSA fee	15,472	18.0%	*14,637*	*21.3%*	*835*	5.7%
External service charges	23,093	26.8%	13,883	20.2%	9,210	66.3%
Other operating expenses	2,752	3.2%	1,277	1.9%	1,475	115.5%
Total	**86,179**	**100.00%**	**68,831**	**100.00%**	**17,348**	**25.2%**

The capital market supervision fee due to the Polish Financial Supervision Authority in the amount of PLN 15.5 million was the only expense line relating to a single vendor and represented 18.0% of the Group's operating expenses in 3M 2023.

Depreciation and amortisation charges decreased year on year in 3M 2023 and stood at PLN 8.4 million (-PLN 1.4 million i.e. -14.8% year on year), including depreciation charges for property, plant and equipment at PLN 3.0 million, amortisation charges for intangible assets at PLN 3.9 million, and depreciation charges related to leases at PLN 1.5 million.

Salaries and other employee costs of the Group stood at PLN 34.3 million in 3M 2023, representing an increase of +PLN 6.6 million i.e. +24.1% year on year. The increase of the Group's salaries and other employee costs was driven by a gradual increase in headcount required by higher workloads and an increase in the number of FTEs related to the implementation of strategic projects and development projects, as well as a higher nominal pay to existing employees. Salaries and other employee costs were also driven by the costs incurred for project work carried out under civil law contracts.

Table 18: GPW Group headcount

	As at 31 March (unaudited)	
	2023	2022
GPW	284	270
Subsidiaries	252	184
Total	**536**	**454**

Maintenance fees stood at PLN 1.7 million, representing a modest increase year on year (+PLN 0.5 million i.e. +41.8% year on year). Maintenance fees included mainly maintenance fees at the Centrum Giełdowe building.

Fees and charges stood at PLN 16.0 million (+PLN 1.0 million i.e. +6.4% year on year), including PFSA capital market supervision fees for 2023 at PLN 15.5 million (+PLN 0.8 million i.e. +5.7% year on year). The PFSA fees increased the most for GPW (+PLN 0.9 million i.e. +11.4% year on year) and remained stable year on year for the other companies of the Group. The amount recognised in each financial year represents the annual fee, which is not evenly distributed in time. The Group cannot control the amount of PFSA fees.

External service charges stood at PLN 23.1 million (+PLN 9.2 million i.e. +66.3% year on year).

Table 19: External service charges

PLN'000, %	Three months period ended 31 March (unaudited)				Change (2023 vs 2022)	Growth rate (%) (2023 vs 2022)
	2023	%	2022	%		
IT costs:	10,465	45.3%	6,839	49.3%	3,626	53.0%
IT infrastructure maintenance	8,519	36.9%	5,344	38.5%	3,175	59.4%
TBSP market maintenance services	432	1.9%	401	2.9%	31	7.7%
Data transmission lines	969	4.2%	819	5.9%	150	18.3%
Software modification	545	2.4%	275	2.0%	270	98.2%
Building and office equipment maintenance:	934	4.0%	907	6.5%	27	3.0%
Repair, maintenance, service	129	0.6%	108	0.8%	21	19.4%
Security	492	2.1%	509	3.7%	(17)	(3.3%)
Cleaning	241	1.0%	200	1.4%	41	20.5%
Phone and mobile phone services	72	0.3%	90	0.6%	(18)	(20.0%)
International (energy) market services	387	1.7%	211	1.5%	176	83.4%
Car leases and maintenance	117	0.5%	85	0.6%	32	37.6%
Promotion, education, market development	1,232	5.3%	1,581	11.4%	(349)	(22.1%)
Market liquidity support	156	0.7%	306	2.2%	(150)	(49.0%)
Advisory (including audit, legal, business consulting)	3,942	17.1%	1,974	14.2%	1,968	99.7%
Information services	979	4.2%	915	6.6%	64	7.0%
Training	215	0.9%	201	1.4%	14	7.0%
Office services	425	1.8%	-	0.0%	425	-
Fees related to the calculation of indices	235	1.0%	-	0.0%	235	-
Other	4,006	17.3%	864	6.2%	3,142	363.7%
Total	**23,093**	**117.3%**	**13,883**	**106.2%**	**9,210**	**66.3%**

The year-on-year increase of external service charges in 3M 2023 was due to the following cost categories:

- IT infrastructure maintenance services – an increase of PLN +3.2 million (i.e. +59.4%) due to an increase in licence and maintenance fees;
- advisory – an increase of +PLN 2.0 million (+99.7%) due to a higher cost of GPW's advisory services in connection with ongoing projects, tax and strategic management advisory;
- other external services – an increase of PLN 3.1 million, mainly due to transport costs resulting from the larger scale of GPW Logistics' operations.

Other operating expenses stood at PLN 2.8 million (+PLN 1.5 million i.e. +115.5% year on year). They included mainly the cost of electricity and heat, membership fees, insurance, and business travel.

4.2.6. Other income, other expenses, loss on impairment of receivables

Other income of the Group stood at PLN 1.0 million (+PLN 0.5 million i.e. +98.6% year on year) and included mainly grants received, which are distributed over time, at PLN 0.3 million (see the Consolidated Financial Statements, Note 2.8.).

Other expenses were stable at PLN 0.3 million (-PLN 0.1 million i.e. -27.9% year on year).

As at the balance-sheet date, the Group's **loss on impairment of receivables** stood at PLN 0.2 million, compared to a loss of PLN 0.5 million in 3M 2022.

4.2.7. Financial income and expenses

Financial income of the Group stood at PLN 8.1 million (+PLN 5.5 million year on year) and included mainly interest on bank deposits and financial instruments (corporate bonds, bank deposits). The main driver of the increase in financial income on interest were higher interest rates available on the financial market.

Financial expenses of the Group stood at PLN 5.5 million (+PLN 3.9 million i.e. +260.5% year on year). The increase in expenses was due to the recognition of provisions against interest on potential tax liabilities relating to VAT adjustments in IRGiT.

4.2.8. Share of profit of entities measured by the equity method

The Group's **share of profit of entities measured by the equity method** stood at PLN 4.3 million in 3M 2023 (-PLN 0.2 million i.e. -4.9% year on year). The lower share of profit of entities measured by equity method in 2023 was mainly driven by a loss generated by Centrum Giełdowe S.A.

Table 20: GPW's share of profit of entities measured by the equity method

	Three months period ended 31 March (unaudited)		Change (2023 vs 2022)	Growth rate (%) (2023 vs 2022)
PLN'000, %	**2023**	**2022**		
KDPW S.A. Group	4,478	4,252	226	5.3%
Centrum Giełdowe S.A.	(147)	302	(449)	(148.7%)
Total	**4,331**	**4,554**	**(223)**	**(4.9%)**

4.2.9. Income tax

Income tax of the Group was PLN 6.5 million (-PLN 2.0 million i.e. -23.5% year on year). The effective income tax rate was 18.1% in 3M 2023 (17.0% in 3M 2022), as compared to the standard Polish corporate income tax rate of 19%. The difference was chiefly due to the exclusion of the share of profit of entities measured by the equity method from taxable income. Income tax paid by the Group was PLN 9.8 million in 3M 2023 (+PLN 0.1 million i.e. +0.8% year on year).

4.3. Consolidated statement of financial position

The structure of the Group's statement of financial position is very stable: equity had a predominant share in the Group's sources of financing as at 31 March 2023 and as at 31 March 2022. The company's net working capital, equal to the surplus of current assets over current liabilities or the surplus of non-current capital over non-current assets, was positive at PLN 411.3 million as at 31 March 2023 (-PLN 17.1 million i.e. -4.2% year to date and -PLN 16.8 million i.e. -3.9% year on year), which reflects the Group's safe capital position.

The balance-sheet total of the Group was PLN 1,341.9 million as at 31 March 2023, representing an increase of PLN 159.6 million i.e. +13.5% year to date and a modest decrease of -PLN 13.8 million i.e. -1.0% year on year. The year-to-date increase was driven mainly by an increase of current assets (+PLN 138.4 million i.e. +26.1%).

Non-current assets stood at PLN 672.9 million as at 31 March 2023 (+PLN 21.3 million i.e. +3.3% year to date and +PLN 54.6 million i.e. +8.8% year on year) representing 50.1% of total assets as at 31 March 2023 compared to 55.1% as at 31 December 2022 and 45.6% as at 31 March 2022.

Current assets stood at PLN 669.0 million as at 31 March 2023 (+PLN 138.4 million i.e. +26.1% year to date and -PLN 68.4 million i.e. -9.3% year on year) representing 49.9% of total assets as at 31 March 2023 compared to 44.9% as at 31 December 2022 and 54.4% as at 31 March 2022. The year-to-date increase in current assets was mainly driven by an increase in assets measured at amortised cost by PLN 144.3 million.

Equity stood at PLN 1,031.0 million as at 31 March 2023 (+PLN 30.1 million i.e. +3.0% year to date and +PLN 29.2 million i.e. +2.9% year on year) representing 76.8% of the Group's total equity and liabilities as at 31 March 2023 compared to 84.6% as at 31 December 2022 and 73.9% as at 31 March 2022. Non-controlling interests increased to PLN 10.5 million as a result of the acquisition of a controlling stake in the Armenia Securities Exchange (65% of the share capital).

Non-current liabilities stood at PLN 53.2 million as at 31 March 2023 (-PLN 0.6 million i.e. -1.2% year to date and +PLN 8.6 million i.e. +19.3% year on year) representing 4.0% of total equity and liabilities as at 31 March 2023 compared to 4.6% as at 31 December 2022 and 3.3% as at 31 March 2022.

The biggest lines of non-current liabilities include deferred income. Non-current deferred income included grants received at PLN 34.5 million (+PLN 3.6 million i.e. +11.8% year to date). For details of grants, see the Consolidated Financial Statements, Notes 2.8. and 5.4.

Current liabilities stood at PLN 257.7 million as at 31 March 2023 (+PLN 130.1 million i.e. +102.0% year to date and -PLN 51.6 million i.e. -16.7% year on year) representing 19.2% of total equity and liabilities as at 31 March 2023 compared to 10.8% as at 31 December 2022 and 22.8% as at 31 March 2022. The increase of current liabilities year to date was due to the recognition of contract liabilities to prorate annual fees invoiced by the Group in the first days of the financial year. In addition, current VAT liabilities also increased.

4.4. Consolidated statement of cash flows

Table 21: Consolidated statement of cash flows

	Three months period ended 31 March (unaudited)	
PLN'000	2023	2022
Cash flows from operating activities	138,577	150,663
Cash flows from investing activities	(149,941)	(43,574)
Cash flows from financing activities	(1,652)	(121,405)
Increase (decrease) of net cash	**(13,016)**	**(14,316)**
Impact of FX changes on balance of FX cash	(71)	(17)
Cash and cash equivalents - opening balance	**378,641**	**349,324**
Cash and cash equivalents - closing balance	**365,554**	**334,991**

The Group generated positive cash flows from **operating activities** at PLN 138.6 million in 3M 2023 vs. PLN 150.7 million in 3M 2022.

Cash flows from **investing activities** were negative at PLN 149.9 million vs. negative cash flows at PLN 43.6 million in 3M 2022. The change in the cash flows was mainly due to higher cash flows relating to cash investments in assets measured at amortised cost (PLN 116.1 million i.e. 416% year on year).

Cash flows from **financing activities** were negative at PLN 1.7 million vs. negative cash flows at PLN 121.4 million in 3M 2022, and included mainly lease fees. The higher cash flows in 3M 2022 were due to the redemption of bonds.

The Group's capital expenditure stood at PLN 9.3 million in 3M 2023, including expenditure for property, plant and equipment at PLN 4.0 million (PLN 4.1 million in 3M 2022) and expenditure for intangible assets at PLN 5.4 million (PLN 7.4 million in 3M 2022).

Capital expenditure for property, plant and equipment and intangible assets in 3M 2023 and in 3M 2022 was related to the implementation of strategic projects.

5. Seasonality and cyclicity of operations

5.1. Trading on the financial market

Share prices and turnover value are significantly influenced by local, regional, and global trends impacting the capital markets, which determines the number and size of new issues of financial instruments and the activity of investors on GPW. As a result, the revenue of the Group is cyclical.

5.2. Trading on the commodity market

Trading in certificates of origin on TGE is subject to seasonality. The volume of turnover on the property rights market operated by TGE and the activity of participants of the Register of Certificates of Origin are largely determined by the obligation imposed on energy companies which sell electricity to final consumers and have to cancel a certain quantity of certificates of origin in relation to the volume of electricity sold in the preceding year. The percentage of certificates of origin which must be cancelled is fixed for every year in laws and regulations of the Minister of Climate.

According to the Energy Law, the obligation has to be performed until 30 June (of each year in relation of electricity sold in the preceding year). As a result, turnover in the first half of the year is relatively higher than in the second half of the year.

Trade in electricity on the Commodity Forward Instruments Market operated by TGE is not spread equally throughout the year. It is seasonal in that it depends on hedging strategies of large market players and it is typically lower in H1. However, seasonality may be distorted because the strategies of market players also depend on the financial standing of companies, regulatory changes, and current energy and gas prices.

6. Atypical factors and events impacting the GPW Group's results in Q1 2023

Atypical factors and events impacting the GPW Group's results in 3M 2023 included:

- implementation of projects with grants from NCBiR (see Note 5.4. to the Consolidated Financial Statements),
- revaluation of provisions concerning VAT in IRGiT (see Note 5.9. to the Consolidated Financial Statements).

7. Atypical factors and events impacting the results at least in the next quarter

7.1. External factors

Impact of the armed conflict in Ukraine on the GPW Group's business

The GPW Group took into account the recommendations of the Polish Financial Supervision Authority of 25 February 2022 addressed to issuers in connection with the political and economic situation in Ukraine and the introduction of the CRP alert level in Poland by the Prime Minister. Due to the ongoing war in Ukraine, the GPW Group identifies the following risks to its operations:

- Risk of withdrawal of funds by investors;
- Risks associated with an above-average load on the trading system;
- Risk of money laundering or terrorist financing;
- Risk of breach of sanctions lists;
- Risk of cyber attack;
- Risk of bankruptcy or deterioration of transparency of companies participating in the WIG-Ukraine index;
- Risk of loss of representativeness of indices that include Ukrainian companies;
- Risk of obstruction of gas supplies to Poland;
- Risk of decline in natural gas consumption in Poland;
- Risk of decline in electricity turnover on TGE due to legislative amendments;
- Risks relating to the activity of participants in Treasury bond trading and the structure of such trading.

GPW and its subsidiaries are monitoring the situation on an ongoing basis and taking measures to manage business continuity.

The war risks are described extensively in the Management Board Report on the Activity of the Parent Company and the Warsaw Stock Exchange Group, Note 2.7.5., and in the Consolidated Financial Statements of the GPW Group for the year ended 31 December 2022, Note 1.10.

Other factors which may impact the GPW Group's results in the coming quarters

- The PMI industry index, which reflects the level of activity and the degree of optimism in the industry, fell from 48.5 points in February to 48.3 points in March. This is the PMI's first decline since October and the 11^{th} consecutive negative reading. Economic conditions in the Polish manufacturing industry deteriorated in March with a decline in production and new orders. Production declined for the 11^{th} consecutive month, with respondents linking the March decline to weakening demand. The decline in sales and production caused manufacturers to remain cautious in their purchasing and staffing decisions, which resulted in another drop in employment.
- Assets invested in investment funds stood at PLN 277.7 billion as at 31 March 2023 (+PLN 11.4 billion year to date). Positive investment returns combined with capital inflows caused debt fund assets to increase by almost PLN 2 billion (2.3%) month on month in March. The markets favoured equity investments, although not all indices grew at an equal pace. The assets of non-public asset funds increased by a total of over PLN 1 billion (+1%) in March to PLN 99.1 billion.
- Change in assets invested in pension funds to PLN 160.15 billion (as at 31 March 2023), impacting the activity of investors and the performance of the WIG20 index;
- Due to the specificity of the activity of repo market players, there is a risk of concentration of turnover in the conditional transactions segment of the TBSP market (MMF), where the exposure of a single participant up to half of total turnover may generate business risks in the segment;
- The growing net value of assets invested in employee capital plans (PPK), which exceeded PLN 13.94 billion as at 31 March 2023, may have a positive impact on the demand for instruments listed on the GPW markets and further boost the prices of assets listed on GPW;
- Lifting of the obligation to trade in gas on the exchange;
- Rising or persistently high inflation;
- Further interest rate hikes;
- Legislative changes with a direct impact on benchmarks.

7.2. Internal factors

Internal factors and activities which may impact the GPW Group's results in the coming quarters include:

- provisions for potential VAT interest payable in IRGiT (see Note 5.9 to the Consolidated Financial Statements);
- implementation of key initiatives under the GPW strategy 2023-2027.

8. Other information

Contingent liabilities and assets

For details of contingent assets and liabilities, see the Consolidated Financial Statements, Note 5.8.

Pending litigation

According to the Company's best knowledge, there is no litigation pending against the parent entity or other companies of the Group before a court, an arbitration body or a public administration body concerning liabilities or debt with a value of at least 10% of the Group's equity.

Loans and advances

Towarowa Giełda Energii annexed the existing revolving bank credit facility agreement with Deutsche Bank Polska and extended the term of the facility to 5 October 2023. The maximum value of the facility is PLN 40 million.

The Group granted loans to its related party, PAR, in the previous years – see Note 5.1.2 to the Consolidated Financial Statements.

Investment in and relations with other entities

GPW has organisational and equity relations with members of the Group, associates, and joint ventures. For a description of the Group and the associates, see section 3.1. of this Report.

GPW neither invested nor divested in any entities other than its related parties in 3M 2023.

As at 31 March 2023, the GPW Group held interest in the following entities:

- Bucharest Stock Exchange (BVB) – 0.06%,
- INNEX PJSC – 10%,
- TransactionLink Sp. z o.o. – 2.16%,
- IDM – 1.54% (acquired in a debt-to-equity conversion).

The carrying amount of the GPW Group's interest in the Bucharest Stock Exchange stood at PLN 233 thousand, its interest in Innex and IDM stood at nil, and its interest in TransactionLink stood at PLN 1,793 thousand as at 31 March 2023.

In addition to interest in those companies, Group members, associates, and joint ventures, GPW's main local investments as at 31 March 2023included bank deposits and corporate bonds.

For details of transactions of the Group with related parties, see the Consolidated Financial Statements, Note 5.1.

Guarantees and sureties granted

For a description of guarantees received by the Group, see the Consolidated Financial Statements, Note 5.8.1. The Group granted no guarantees or sureties to third parties in 3M 2023.

Related party transactions

The Exchange and the other entities of the GPW Group did not enter into transactions with related parties on terms other than market terms in 3M 2023.

Feasibility of previously published forecasts

The Group did not publish any forecasts of results for the three-month period ended 31 March 2023.

Dividend

For details of the dividend, see the Consolidated Financial Statements, Note 5.3.

Events after the balance-sheet date which could significantly impact the future financial results of the issuer

For a description of events after the balance-sheet date, see the Consolidated Financial Statements, Note 5.11.

9. Quarterly financial information of Giełda Papierów Wartościowych w Warszawie S.A. for 3M 2023

The quarterly financial information of Giełda Papierów Wartościowych w Warszawie S.A. was prepared according to the same accounting principles that were followed in the preparation of the Consolidated Financial Statements for the year ended 31 December 2022.

There were no significant changes of estimates in the three-month period ended 31 March 2021. The Company issued no loan guarantees. The loan granted by the Company to PAR is described in Note 5.1.2 of the Consolidated Financial Statements and the loan granted to TGE is described in section 8 of this Report.

Table 23: Separate statement of comprehensive income (PLN'000)

	Three months period ended 31 March (unaudited)	
	2023	**2022**
Sales revenue	**61,621**	**73,903**
Operating expenses	(51,712)	(45,995)
Gains on reversed impairment of receivables/(Losses) on impairment of receivables	(178)	(528)
Loss on impairment of receivables	1,853	502
Other expenses	(152)	(473)
Operating profit	**11,432**	**27,409**
Financial income	2,929	1,897
Financial costs	(115)	(1,402)
Profit before tax	**14,246**	**27,904**
Income tax	(2,522)	(5,810)
Net profit for the period	**11,724**	**22,094**
Total comprehensive income	**11,949**	**21,878**
Basic/diluted earnings per share (PLN)	**0.28**	**0.53**

Source: Company.

Table 24: Separate statement of financial position (PLN'000)

ASSETS	As at		
	31 March 2023 (unaudited)	31 December 2022	31 March 2022 (unaudited)
Non-current assets	**507,549**	**492,077**	**456,379**
Property, plant and equipment	90,396	91,078	78,780
Right-to-use assets	2,372	2,551	4,635
Intangible assets	92,923	88,167	75,065
Investment property	7,792	7,889	8,179
Investment in associates and joint ventures	11,652	11,652	11,652
Investment in subsidiaries	282,539	278,939	260,751
Sublease receivable	270	305	1,293
Deferred tax asset	14,058	6,029	9,730
Assets measured at fair value through other comprehensive income	5,154	4,888	4,856
Prepayments	393	579	1,438
Current assets	**243,127**	**203,699**	**451,123**
Inventory	-	-	10
CIT payable	103	6,615	-
Trade receivables and other receivables	54,687	37,447	62,559
Sublease receivable	1,329	2,023	2,619
Contract assets	883	543	39
Financial assets measured at amortised cost	125,880	53,698	286,806
Cash and cash equivalents	60,245	100,037	99,090
Non-current assets held for sale	-	3,336	-
TOTAL ASSETS	**750,676**	**695,776**	**907,502**

EQUITY AND LIABILITIES	As at		
	31 March 2023 (unaudited)	31 December 2022	31 March 2022 (unaudited)
Equity	**607,730**	**595,781**	**633,270**
Share capital	63,865	63,865	63,865
Other reserves	12	(213)	(257)
Retained earnings	543,853	532,129	569,662
Non-current liabilities	**45,922**	**46,556**	**38,530**
Liabilities under bond issue	-	-	-
Employee benefits payable	1,240	1,242	1,275
Finance lease liabilities	-	-	-
Lease liabilities	473	424	3,282
Contract liabilities	7,051	6,825	6,726
Accruals and deferred income	30,819	27,046	19,446
Other liabilities	6,339	11,019	7,801
Current liabilities	**97,024**	**53,439**	**235,702**
Liabilities under bond issue	-	-	126,795
Trade payable	13,789	12,512	11,072
Employee benefits payable	20,443	18,994	25,399
Lease liabilities	3,629	4,616	5,526
Corporate income tax payable	-	-	13,812
Contract liabilities	34,150	3,844	34,489
Accruals and deferred income	-	3,127	1,311
Accruals and deferred income	1,454	1,407	-
Other liabilities	23,559	8,939	17,298
TOTAL EQUITY AND LIABILITIES	**750,676**	**695,776**	**907,502**

Source: Company.

Table 25: Separate statement of cash flows (PLN'000)

	Three months period ended 31 March (unaudited)	
	2023	**2022**
Cash flows from operating activities	**40,901**	**49,721**
Cash inflows from operating activities	47,202	57,730
Advances received from related entities under the Tax Group	1,643	-
Income tax (paid)/refunded	(7,944)	(8,009)
Cash flows from investing activities:	**(79,154)**	**1,300**
In:	**173,728**	**212,806**
Sale of financial assets measured at amortised cost	168,602	120,657
Interest on financial assets measured at amortised cost	1,377	457
(Gains) on financial assets measured at amortised cost	1,996	-
Sale of held-for-sale financial assets	991	-
Sublease payments (interest)	33	31
Sublease payments (principal)	729	651
Loan repayment by a related party	-	91,010
Out:	**(252,882)**	**(211,506)**
Purchase of property, plant and equipment and advance payments for property, plant and equipment	(3,826)	(3,862)
Purchase of intangible assets and advance payments for intangible assets	(4,832)	(5,890)
Purchase of financial assets measured at amortised cost	(240,624)	(201,636)
Purchase of interest in subsidiaries	(3,600)	(118)
Cash flows from financing activities:	**(1,511)**	**(121,369)**
In:	**-**	**1,605**
Grants received	-	1,605
Out:	**(1,511)**	**(122,974)**
Interest paid on bonds	-	(721)
Redemption of issued bonds	-	(120,000)
Grants refunded	-	(803)
Lease payments (interest)	(38)	(73)
Lease payments (principal)	(1,473)	(1,377)
Net (decrease)/increase of cash and cash equivalents	**(39,764)**	**(70,348)**
Impact of FX changes on balance of FX cash	(28)	(23)
Cash and cash equivalents - opening balance	**100,037**	**169,461**
Cash and cash equivalents - closing balance	**60,245**	**99,090**

Table 26: Separate statement of changes in equity (PLN'000)

-	Share capital	Other reserves	Retained earnings	Total equity
As at 1 January 2023	**63,865**	**(213)**	**532,129**	**595,781**
Net profit for the three months period ended 31 March 2023	-	-	11,724	**11,724**
Other comprehensive income for three months period ended 31 March 2023	-	225	-	**225**
Total comprehensive income three months period ended 31 March 2023	**-**	**225**	**11,724**	**11,949**
As at 31 March 2023	**63,865**	**12**	**543,853**	**607,730**
As at 1 January 2022	**63,865**	**(41)**	**547,568**	**611,392**
Dividend	-	-	(115,003)	**(115,003)**
Transactions with owners recognised directly in equity	**-**	**-**	**(115,003)**	**(115,003)**
Net profit for the year2022	-	-	99,564	**99,564**
Other comprehensive income	-	(172)	-	**(172)**
Total comprehensive income for 2022	**-**	**(172)**	**99,564**	**99,392**
As at 31 December 2022	**63,865**	**(213)**	**532,129**	**595,781**
As at 1 January 2022	**63,865**	**(41)**	**547,568**	**611,392**
Net profit for the three months period ended 31 March 2022	-	-	22,094	**22,094**
Other comprehensive income	-	(216)	-	**(216)**
Total comprehensive income three months period ended 31 March 2022	**-**	**(216)**	**22,094**	**21,878**
As at 31 March 2022	**63,865**	**(257)**	**569,662**	**633,270**

The Interim Report of the Giełda Papierów Wartościowych w Warszawie S.A. Group for the three-month period ended 31 March 2023 is presented by the GPW Management Board:

Marek Dietl – President of the Management Board ………………………………………

Monika Gorgoń – Member of the Management Board ………………………………………

Adam Młodkowski – Member of the Management Board ………………………………………

Izabela Olszewska – Member of the Management Board ………………………………………

Warsaw, 17-18 May 2023

Appendix:

Condensed Consolidated Interim Financial Statements for the three-month period ended 31 March 2023