



**Exchange Supervisory Board's assessment of the motion of the Exchange
Management Board concerning the distribution of the profit for 2021**

May 2022

Assessment of the motion of the Exchange Management Board concerning the distribution of the profit for 2021

This report fulfils the obligations of the Exchange Supervisory Board under Article 382 § 3 of the Commercial Companies Code and § 18 subpara. 2 points 2 and 3 of the Company's Articles of Association. The subject matter of this report is the assessment of the motion of the Exchange Management Board concerning the distribution of the profit for 2021.

On 16 March 2022, following a review of the auditor's report and opinion and the additional report for the Audit Committee, the Exchange Supervisory Board issued a positive assessment of:

- Report of the Management Board on the activity of the Parent Entity and the Warsaw Stock Exchange Group in 2021;
- Separate financial statements of the Warsaw Stock Exchange for the year ended 31 December 2021;
- Consolidated financial statements of the Warsaw Stock Exchange Group for the year ended 31 December 2021;

and concluded that the reports and financial statements were prepared fairly and truly. The Exchange Supervisory Board recommends that the Annual General Meeting should approve the reports and financial statements as consistent with the books and documents and true to fact.

On 19 May 2022, the Exchange Supervisory Board assessed the motion of the Exchange Management Board concerning the distribution of the profit for 2021 and decides to recommend that the General Meeting should approve the motion.

According to the motion of the Exchange Management Board, the Company's profit generated in 2021 at PLN 174,425,646.60 is to be distributed as follows:

- dividend payment PLN 115,003,280.00,
- other reserves PLN 59,422,366.60.

The proposed dividend payment at PLN 115,003,280.00 implies a payment of PLN 2.74 per share. The dividend payout rate will be 71.3% of the consolidated profit (84.0% of the net profit attributable to the shareholders of the parent entity adjusted for the share of profit of associates) and the dividend yield will be 7.50% based on the capitalisation of GPW as at 10 May 2022.

The proposal of the Exchange Management Board and the opinion of the Exchange Supervisory Board are consistent with the dividend policy of GPW, published in GPW's current report no. 4/2019, which provides for the payment of dividend, depending on the profitability and financial capacity of GPW, above 60% of the consolidated net profit of the GPW Group of the financial year attributable to the shareholders of GPW adjusted for the share of profit of associates.

According to the dividend policy of GPW, it is the intention of the Exchange Management Board to recommend that the General Meeting should increase the dividend from the profits of 2020-2022 by at least PLN 0.1 per share each year (starting with the payment of PLN 2.5 dividend per share from the profit of 2020). This implies a payment of at least PLN 2.6 per share from the profit of 2021.

Due to very good results of the GPW Group in 2021, the end of the horizon of the #GPW2022 Strategy, and partial financing of ongoing strategic projects with external funds (NCBiR), the recommendation of the GPW Management Board and the opinion of the GPW Supervisory Board are consistent: to pay an additional PLN 0.14 per share from 2021 profit, i.e., a total dividend of PLN 2.74 per share.

In issuing a positive opinion on the proposal of the Management Board concerning the proposed dividend amount, the Exchange Supervisory Board has taken into consideration among others the following material factors indicated by the Management Board:

- financial results reported by the GPW Group in 2021;
- guidelines for companies with a stake held by the State Treasury preparing financial statements for 2021, adopted by the Chancellery of the Prime Minister in September 2021;
- consistently high return ratios: ROE (17.1%) and ROA (11.6%) in 2021, consistently high current liquidity (2.0 in 2021), high and growing financial resources, and no risk to the payment of debt (negative net debt);
- investment needs derived from the implementation of the GPW Group's strategy #2022;
- the dividend yield and the payout ratios used by comparable companies;
- liquidity needs of the GPW Group depending on actual and expected market and regulatory conditions, current operating expenses and debt service, and optimisation of the structure of financing of the GPW Group.

Dominik Kaczmarek

Chairman of the Exchange Supervisory Board