Interim Report of the

Giełda Papierów Wartościowych w Warszawie S.A. Group

for 9M 2022

GPW 30 lat

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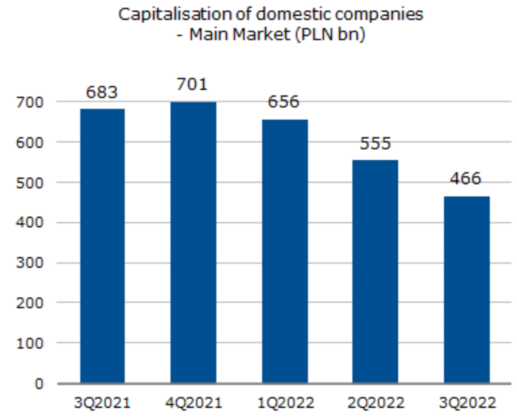
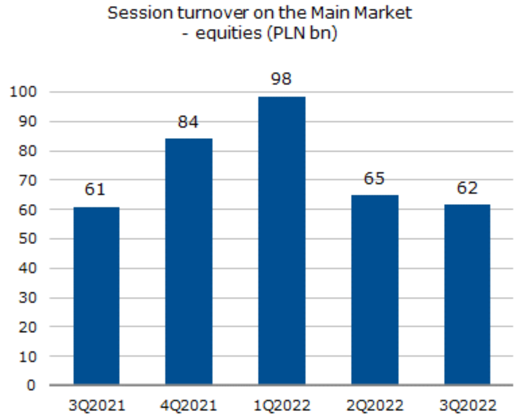
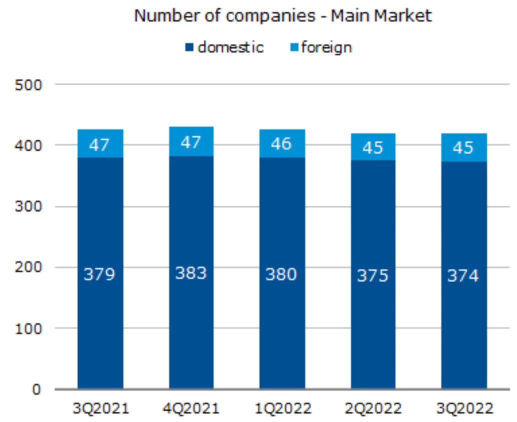
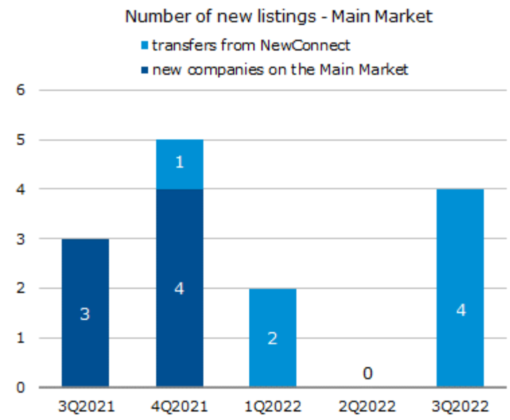
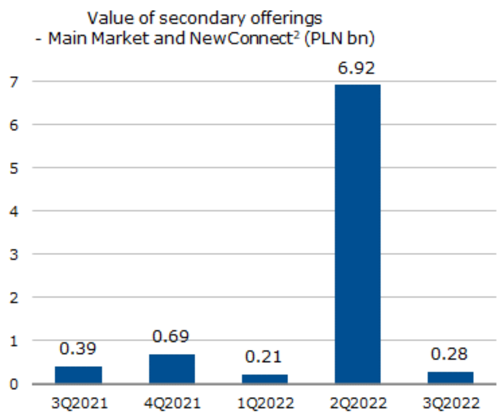
1. Selected market data[1]

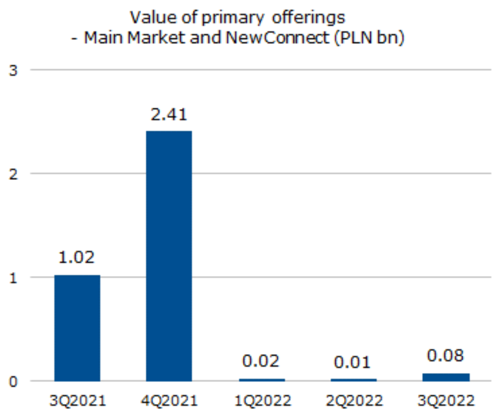




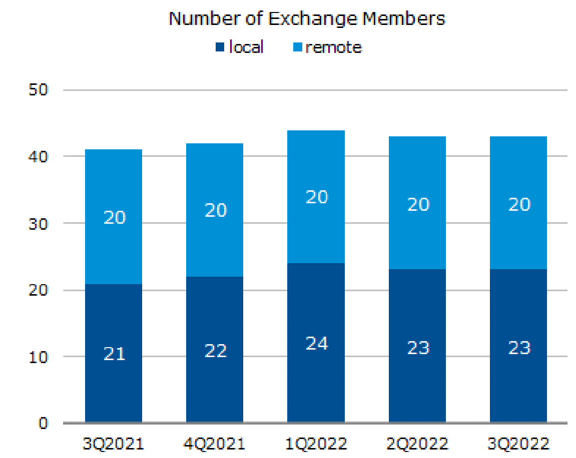


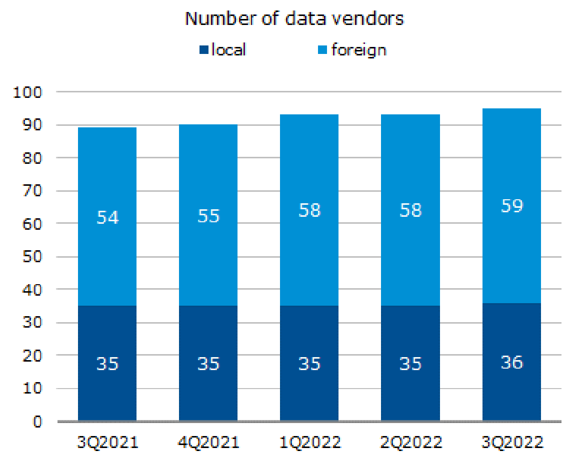


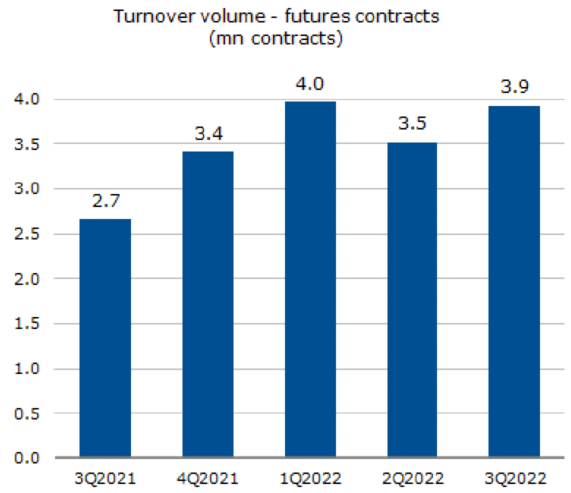


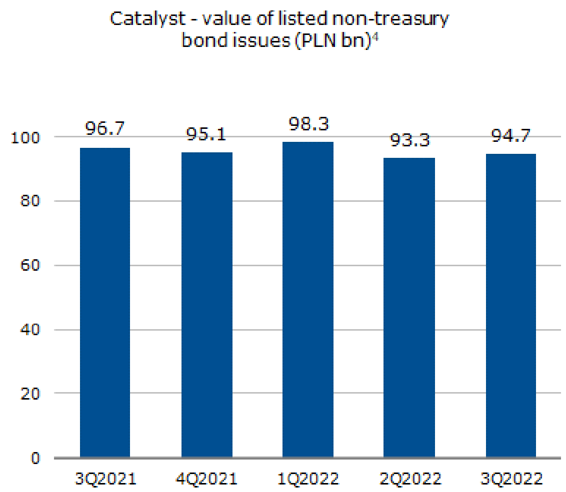


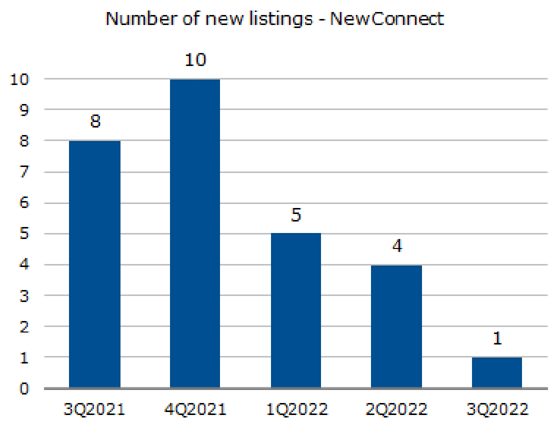
[1] All value and volume statistics in this Report are single-counted, unless indicated otherwise.
[2] Including SPOs of dual-listed companies.

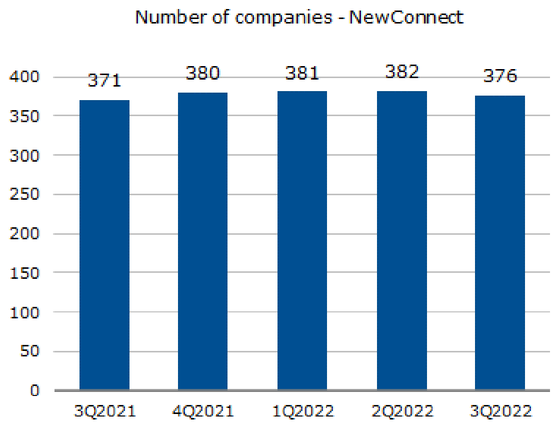

Number of Exchange Members
local
remote
50
40
30
20
10
0
20
20
20
20
20
21
22
24
23
23
3Q2021
4Q2021
1Q2022
2Q2022
3Q2022

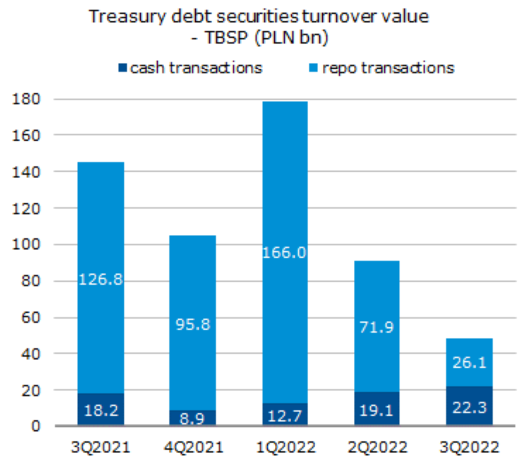

Number of data vendors
local
foreign
100
90
80
70
60
50
40
30
20
10
0
54
55
58
58
59
35
35
35
35
36
3Q2021
4Q2021
1Q2022
2Q2022
3Q2022

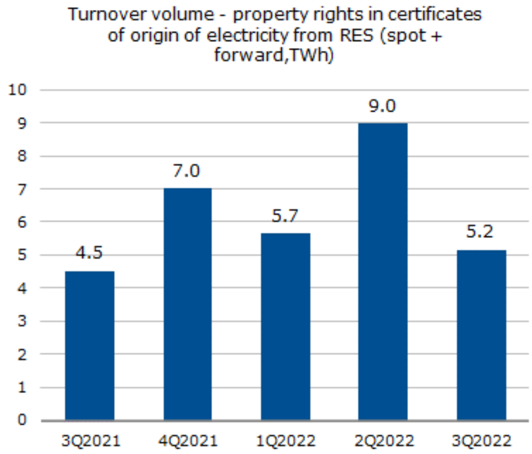

Turnover volume - futures contracts
(mn contracts)
4.0
3.5
3.0
2.5
2.0
1.5
1.0
0.5
0.0
2.7
3.4
4.0
3.5
3.9
3Q2021
4Q2021
1Q2022
2Q2022
3Q2022

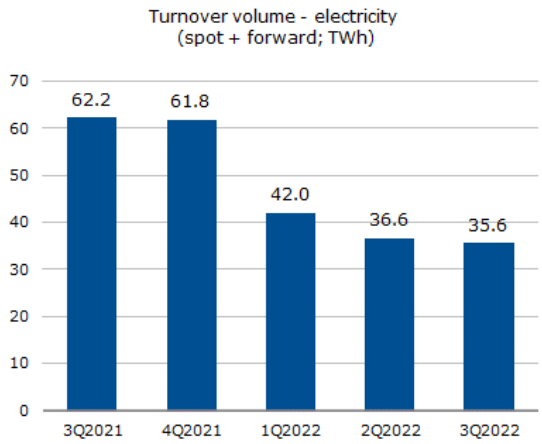

Catalyst - value of listed non-treasury
bond issues (PLN bn)4
100
80
60
40
20
0
96.7
95.1
98.3
93.3
94.7
3Q2021
4Q2021
1Q2022
2Q2022
3Q2022

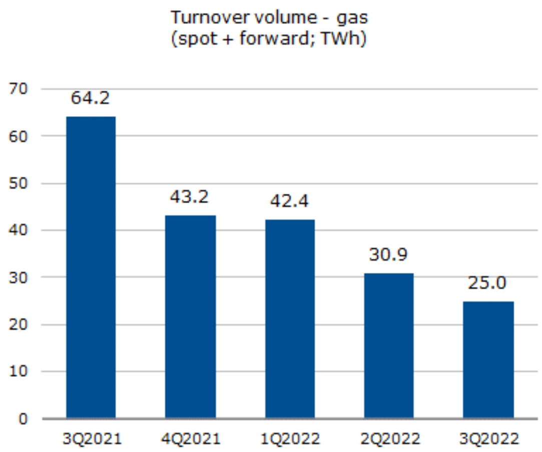

Number of new listings - NewConnect
10
9
8
7
6
5
4
3
2
1
0
8
10
5
4
1
3Q2021
4Q2021
1Q2022
2Q2022
3Q2022

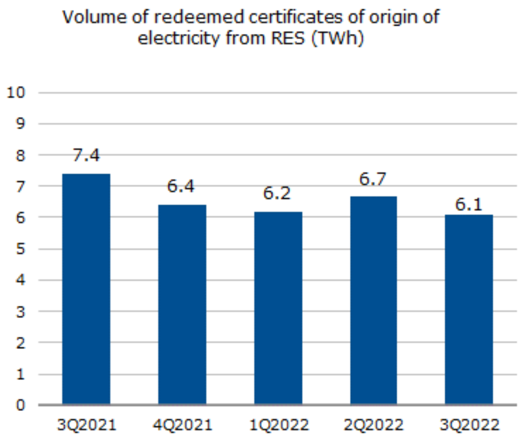

Number of companies - NewConnect
400
350
300
250
200
150
100
50
0
371
380
381
382
376
3Q2021
4Q2021
1Q2022
2Q2022
3Q2022

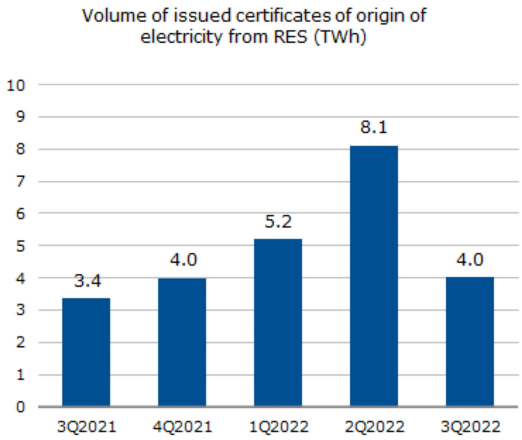

Treasury debt securities turnover value - TBSP (PLN bn)
cash transactions
repo transactions
3Q2021: 18.2; 126.8
4Q2021: 8.9; 95.8
1Q2022: 12.7; 166.0
2Q2022: 19.1; 71.9
3Q2022: 22.3; 26.1


Turnover volume - property rights in certificates of origin of electricity from RES (spot + forward,TWh)
3Q2021: 4.5
4Q2021: 7.0
1Q2022: 5.7
2Q2022: 9.0
3Q2022: 5.2


Turnover volume - electricity (spot + forward; TWh)
3Q2021: 62.2
4Q2021: 61.8
1Q2022: 42.0
2Q2022: 36.6
3Q2022: 35.6


Turnover volume - gas (spot + forward; TWh)
3Q2021: 64.2
4Q2021: 43.2
1Q2022: 42.4
2Q2022: 30.9
3Q2022: 25.0


Volume of redeemed certificates of origin of electricity from RES (TWh)
3Q2021: 7.4
4Q2021: 6.4
1Q2022: 6.2
2Q2022: 6.7
3Q2022: 6.1


Volume of issued certificates of origin of electricity from RES (TWh)
3Q2021: 3.4
4Q2021: 4.0
1Q2022: 5.2
2Q2022: 8.1
3Q2022: 4.0

2. Selected consolidated financial data

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

	Nine-month period ended 30 September (unaudited)			
	2022	2021	2022	2021
	PLN'000		*EUR'000[1]*	
Sales revenue	297,757	300,060	63,723	65,955
Operating expenses	(190,684)	(166,203)	(40,808)	(36,532)
Gains on reversed impairment of receivables/(Losses) on impairment of receivables	354	549	76	121
Other revenue	1,351	1,226	289	269
Other expenses	(10,044)	(1,670)	(2,150)	(367)
Operating profit	**98,734**	**133,962**	**21,130**	**29,445**
Financial income	17,928	381	3,837	84
Financial expenses	(6,328)	(9,046)	(1,354)	(1,988)
Share of profit/(loss) of entities measured by the equity method	20,702	19,154	4,430	4,210
Profit before tax	**131,036**	**144,451**	**28,043**	**31,751**
Income tax expense	(23,774)	(24,529)	(5,088)	(5,392)
Net profit for the period	**107,262**	**119,922**	**22,955**	**26,359**
Basic/Diluted earnings per share[2] (PLN, EUR)	2.56	2.86	0.55	0.63
EBITDA[3]	**126,629**	**160,031**	**27,100**	**35,176**

[1] At the incremental average exchange rate EUR/PLN for nine months published by the National Bank of Poland (1 EUR = 4.6727 PLN in 2022 and 1 EUR = 4.5495 PLN in 2021).
[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			
	30 September 2022 (unaudited)	31 December 2021	30 September 2022 (unaudited)	31 December 2021
	PLN'000		*EUR'000[1]*	
Non-current assets:	**614,584**	**603,573**	**126,203**	**131,229**
Property, plant and equipment	96,532	91,887	19,823	19,978
Right-to-use assets	5,754	9,084	1,182	1,975
Intangible assets	262,798	264,022	53,965	57,404
Investment in entities measured by the equity method	233,249	230,825	47,897	50,186
Other non-current assets	16,251	7,755	3,337	1,686
Current assets:	**663,432**	**807,115**	**136,234**	**175,483**
Trade receivables and other receivables	92,903	177,077	19,077	38,500
Financial assets measured at amortised cost	138,464	277,322	28,433	60,295
Cash and cash equivalents	426,871	349,324	87,657	75,950
Other current assets	5,194	3,392	1,067	737
TOTAL ASSETS	**1,278,016**	**1,410,688**	**262,437**	**306,711**
Equity	**953,033**	**967,857**	**195,703**	**210,431**
Non-current liabilities:	**47,477**	**44,206**	**9,749**	**9,611**
Lease liabilities	1,409	4,170	289	907
Other liabilities	46,068	40,036	9,460	8,705
Current liabilities:	**277,506**	**398,625**	**56,985**	**86,669**
Liabilities on bond issue	126,933	246,278	26,065	53,546
Lease liabilities	5,275	5,393	1,083	1,173
Other liabilities	145,298	146,954	29,837	31,951
TOTAL EQUITY AND LIABILITIES	**1,278,016**	**1,410,688**	**262,437**	**306,711**

[1] At the average exchange rate EUR/PLN of the National Bank of Poland as at 30.09.2022 r. (1 EUR = 4,8698 PLN) and as at 31.12.2021 (1 EUR = 4.5994 PLN).

Table 3: Selected financial indicators

	As at/ nine-month period ended 30 September (unaudited)	
	2022	**2021**
EBITDA margin (EBITDA/Sales revenue)	42.5%	53.3%
Operating profit margin (Operating profit/Sales revenue)	33.2%	44.6%
Return on equity (ROE) (Net profit for last 12 months/Average equity at the beginning and at the end of the 12-month period)	15.8%	18.5%
Debt to equity (Lease liabilities and liabilities under bond issue/Equity)	14.3%	27.6%
Cost / income (GPW Group operating expenses / GPW Group sales revenue (for a 9-month period))	64.0%	55.4%

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.

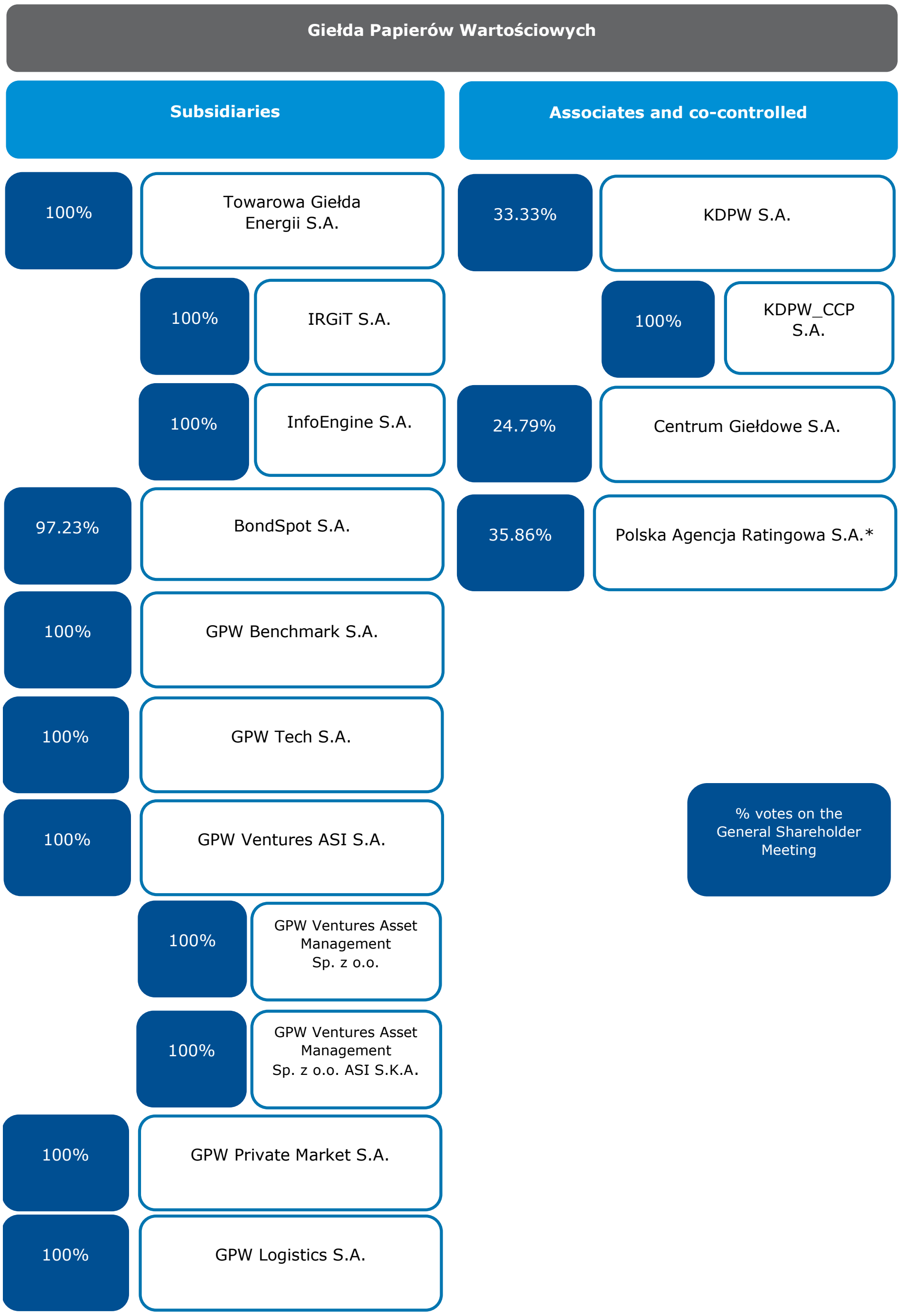
Basic information about the parent entity:

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 30 September 2022, the parent entity and 11 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.

Chart 1: GPW Group, associates and joint ventures as at 30 September 2022



**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 30 September 2022.

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 that the Company's majority shareholder may take steps which are not in the interest or go against the interest of the Company or its other shareholders;
  - Risk of diminished benefits of the Company's investment in KDPW;
  - Risk of variable 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 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 termination of the agreement under which TBSP has been appointed the reference market;
  - Risk of provision of the WIBID and WIBOR Reference Rates;
  - Risk of provision of the WIRON index'
  - Risk of outsourcing of certain calculation services;
  - 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 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 litigation concerning 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, guidelines on climate issues and the fight against climate change, and PFSA recommendations applicable to the activity of the Group;
- Risk of potential violation of competition regulations by the Group;
- Risk of the Benchmark Administrator;
- Risk of non-alignment or delayed alignment with sustainable investing requirements.

› Reputation risk:

- Risk to the Group’s reputation and clients’ confidence in its ability to process exchange transactions.

Detailed information on the risks listed is provided in the GPW Group’s Annual Report for 2021, Note 2.8. 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. Since 2020, GPW Benchmark has been developing alternative interest-rate benchmarks (WIRD, WIRF and WRR).

The key risks to a benchmark administrator include falling turnover, which could undermine representativeness required under the BMR; the risk is continuously monitored.

According to BMR, an entity which uses a benchmark should have a plan in place in case the benchmarks used are no longer provided. The best action plan is to have an alternative benchmark. This is related to the second risk of the administrator, i.e., the ability of GPW Benchmark S.A. to expand the offer of interest-rate benchmarks which are attractive for supervised entities under scenarios of cessation of the provision of existing benchmarks (i.e., an alternative benchmark). Additional risks include: a decrease in the number of data contributors, the emergence of competition in the provision of interest-rate benchmarks (alternative benchmarks from another source), operational risk, including the management of external services.

GPW Benchmark had no plans to cease the provision of the WIBOR index unless there were grounds to do so, taking into account the provisions of Articles 21 and 23 of the Regulation. However, given the global trend of shifting from IBOR-type indices to RFR indices (risk-free-rate, in the sense of purely transactions-based O/N indices), GPW Benchmark took into account such a possibility in the company’s strategy, which was expected to happen not earlier than in 2025.

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 Parliament passed the Act of 7 July 2022 on Crowdfunding of Business Projects and Borrower Assistance.

The Act on Crowdfunding of Business Projects and Borrower Assistance, which came into force on 29 July 2022, among others provides for the 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: 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 name of WIRD was changed to WIRON to better reflect its characteristics (reliance on data representing overnight transactions). The calculation method of the WIRON index is the same as the WIRD index.

- Risk of provision of the WIRON index

The risks identified by the Administrator related to the development of the WIRON index in accordance with the Roadmap[3] schedule include the risk of closing the adaptation process on time, i.e., the publication of the relevant documentation and the fulfilment of all formal requirements necessary for the WIRON index to be used in the financial market.

The second risk identified by the Administrator is the risk of incorrect calculation of the WIRON index due to technological disruption.

- Risk associated with the outsourcing of certain calculation services by the Administrator

The Administrator (GPW Benchmark) identifies operational risks arising from the calculation of certain forward and fixed basis indices by the Calculation Agent under outsourcing within the meaning of Article 10 of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.

- Risk associated with the acquisition of the Armenia Securities Exchange by GPW

GPW has signed a share purchase agreement with the Central Bank of Armenia (CBoA) to buy the Bank's stake in the Armenia Securities Exchange (AMX).

As a result of the transaction, GPW will become the majority shareholder of AMX holding 967 shares, representing a 65.03% stake in the company's total share capital. CBoA will hold 372 shares representing a 25.02% stake in the company's share capital. The remaining 9.95% or 148 shares are AMX's own shares. In addition, GPW will indirectly take control of the Central Depository of Armenia (CDA), in which AMX currently holds a 100% stake.

Given the tension on the border between Armenia and Azerbaijan and the geographical distance between the companies' headquarters, the integration of AMX into GPW may generate potential risks for the GPW Group.

- Risk of concentration of turnover in the contingent transactions segment of the TBSP market

Due to the specific nature of the activity of repo market participants, there is a risk of concentration of turnover in the conditional transactions segment of the TBSP market (MMF), where exposure to one of the participants amounting up to half of the turnover may consequently generate business risks in this segment.

[3] Roadmap for the replacement of the WIBOR and WIBID benchmarks by the WIRON index

4. Financial position and assets

4.1. Summary of the GPW Group's results

The **GPW Group** generated a consolidated net profit of PLN 107.3 million in 9M 2022 (-PLN 12.7 million i.e. -10.6% year on year), driven by an increase of operating expenses to PLN 190.7 million (+PLN 24.5 million i.e. +14.7 combined with stable sales revenue at PLN 297.8 million in 9M 2022 compared to PLN 300.1 million in 9M 2021 (-PLN 2.3 million i.e. -0.8%). The operating profit stood at PLN 98.7 million (-PLN 35.2 million i.e. -26.3% year on year). EBITDA stood at PLN 126.6 million (-PLN 33.4 million i.e. -20.9% year on year). The SARS-CoV-2 pandemic was a key factor driving the in revenue in 2021: on the one hand, it caused uncertainty and high volatility on the markets; on the other hand, macroeconomic conditions boosted investor interest in the capital markets and turnover volumes. In Q3 2022, the impact of the pandemic on the Group's results was no longer as strong as before; however, the outbreak of the armed conflict in Ukraine in late February contributed to an increase in turnover in the Group's markets in Q1 2022 and boosted investor uncertainty in the later months of 2022.

One-off (and cyclical) events impacting the GPW Group's results in 9M 2022 included:

- an increase in interest on bank deposits and financial instruments (corporate bonds, bank deposits) to PLN 16.8 million as a result of the NBP's decision to increase market interest rates;
- the cost of the capital market supervision fee at PLN 14.8 million.

Table 4: Consolidated statement of comprehensive income

PLN'000, %	Nine-month period 30 September (unaudited)		Change (2022vs 2021)	Growth rate (%) (2022 vs 2021)
	2022	2021		
Sales revenue	297,757	300,060	(2,303)	(0.8%)
Operating expenses	(190,684)	(166,203)	(24,481)	14.7%
Other revenue, other (expenses), gains on reversal of impairment of receivables/(losses) on impairment of receivables	(8,339)	105	(8,444)	(8,041.9%)
Operating profit	**98,734**	**133,962**	**(35,228)**	**(26.3%)**
Financial income	17,928	381	17,547	4,605.5%
Financial expenses	(6,328)	(9,046)	2,718	(30.0%)
Share of profit of entities measured by the equity method	20,702	19,154	1,548	8.1%
Profit before tax	**131,036**	**144,451**	**(13,415)**	**(9.3%)**
Income tax expense	(23,774)	(24,529)	755	(3.1%)
Net profit for the period	**107,262**	**119,922**	**(12,660)**	**(10.6%)**

The separate net profit of **GPW** in 9M 2022 stood at PLN 91.1 million (-PLN 67.6 million i.e. -42.6% year on year). The company's sales revenue increased (+PLN 2.8 million i.e. +1.5%) while its financial income decreased (-PLN 54.0 million i.e. -52.8%) combined with an increase of operating expenses (+PLN 17.6 million i.e. +15.9%) and a decrease of financial expenses (-PLN 1.8 million i.e. -32.7%). The decrease in financial income was mainly due to a lower dividend paid by subsidiaries, which was not offset by higher income on investments following interest rate hikes in Poland. EBITDA stood at PLN 79.2 million (-PLN 13.2 million i.e. -14.3% year on year).

The net profit of **TGE** in 9M 2022 decreased year on year and stood at PLN 49.7 million (-PLN 35.6 million i.e. -41.7% year on year). EBITDA stood at PLN 33.5 million (-PLN 6.9 million i.e. -17.0% year on year).

The net profit of **IRGiT** in 9M 2022 was PLN 14.7 million (-PLN 2.0 million i.e. -11.8% year on year). EBITDA stood at PLN 20.8 million (-PLN 4.3 million i.e. -17.0% year on year).

Table 5: Selected consolidated financial indicators

	As at/Nine-month period ended 30 September (unaudited)	
	2022	2021
Debt and financing ratios of the Group		
Net debt / EBITDA for 12 months	(2.4)	(1.4)
Debt to equity	14.3%	27.6%
Liquidity ratios		
Current liquidity	2.4	3.2
Coverage ratio of interest rate on bond issue	37.6	36.7
Profitability ratios		
EBITDA margin	42.5%	53.3%
Operating profit margin	33.2%	44.6%
Net profit margin	36.0%	40.0%
Cost / income	64.0%	55.4%
ROE	15.8%	18.5%
ROA	11.4%	12.7%

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 9 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 9-month period)

EBITDA margin = EBITDA / GPW Group sales revenue (for a 9-month period)

Operating profit margin = operating profit / GPW Group sales revenue (for a 9-month period)

Net profit margin = net profit / GPW Group sales revenue (for a 9-month period)

Cost / income = GPW Group operating expenses / GPW Group sales revenue (for a 9-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 30 September 2022 as liquid assets significantly exceeded interest-bearing liabilities. The debt to equity ratio decreased due to a decrease of interest-bearing liabilities.

Current liquidity decreased year on year due to a modest decrease of current liabilities combined with a sharp decrease in current assets. The coverage ratio of interest costs under the bond issue suggests that EBITDA was several times higher than interest costs on bonds as at 30 September 2022, similar to previous periods.

The EBITDA margin decreased year on year due to an increase in costs by 14.7% combined with stable sales revenue (-0.8% 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).

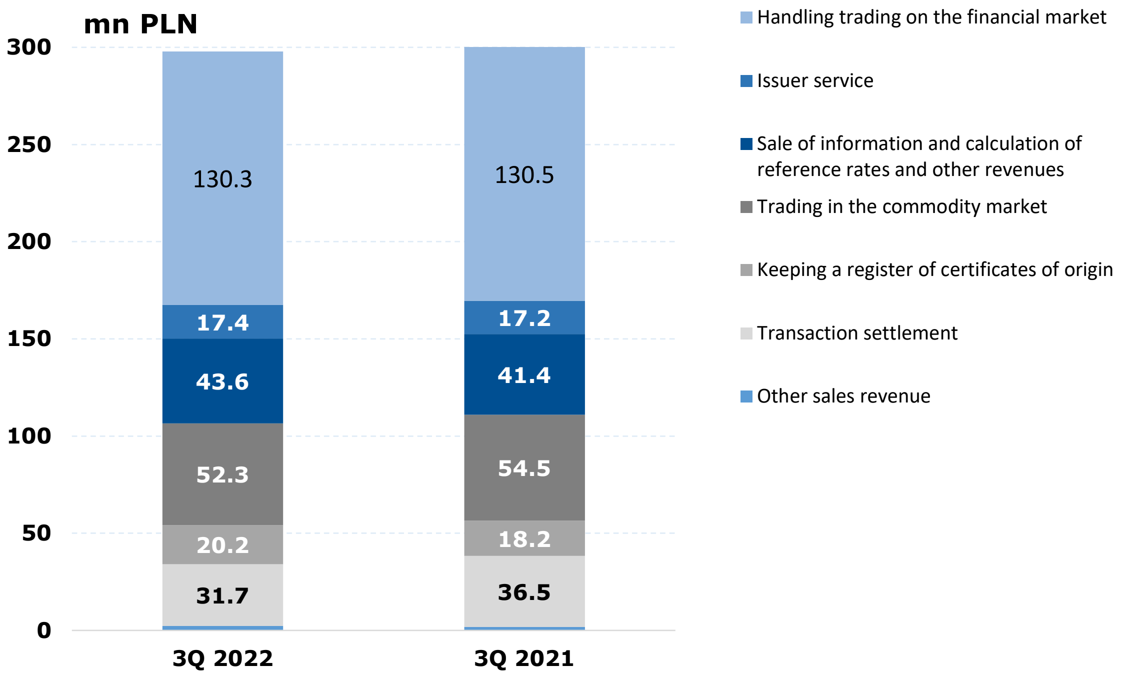
ROE decreased year on year whole ROA remained stable year on year in 9M 2022.

4.2. Consolidated statement of comprehensive income

4.2.1. Sales revenue – summary

The GPW Group's sales revenue in 9M 2022 was stable year on year and stood at PLN 297.8 million (-PLN 2.3 million i.e. -0.8% year on year). As of the end of Q1 2022, the revenue was influenced by increased investor activity on the capital market caused by the outbreak of the armed conflict in Ukraine. Among the business lines, a significant increase in 9M 2022 was recorded in revenue from derivatives trading, which amounted to PLN 15.8 million (+PLN 5.7 million i.e. +57.0%), revenue from other fees paid by market participants, which amounted to PLN 7.4 million (+PLN 2.8 million i.e. +60.4%), as well as revenue from information services and revenue from the calculation of reference rates, which amounted to PLN 42.6 million (+PLN 2.0 million i.e. +4.9% year on year). The commodity market segment generated slightly lower revenues in 9M 2022 than in 9M 2021 (PLN -4.8 million i.e. -4.4%).

Figure 1: Structure and value of consolidated sales revenue in 9M 2022



The main revenue streams included trading on the financial market (43.8%), trading on the commodity market (17.6%), as well as information services and revenue from the calculation of reference rates on the financial market (14.3%). The share of those revenue streams in 9M 2021 was 43.5%, 18.2%, and 13.5%, respectively.

The share of sales revenue from foreign clients in total sales revenue in 9M 2022 increased to 55.9% of total sales. The share of remote Exchange Members in turnover on the cash and derivatives markets has been rising for several years, resulting in their bigger share in the GPW Group's total revenue.

The Group's sales revenue shows no concentration: the share of single clients in total sales revenue did not exceed 10% in 9M 2022.

4.2.2. Sales revenue – financial market

The Group's sales revenue on the financial market in 9M 2022 stood at PLN 190.3 million (+PLN 2.0 million i.e. +1.1% year on year), representing 63.9% of total sales revenue. The biggest stream of sales revenue on the financial market was trading revenue (68.5%), in particular trading in shares and equity-related instruments (50.8%). The second biggest stream of consolidated sales revenue on the financial market were information services and revenue from the calculation of reference rates (22.4% of total revenue on the financial market).

Table 6:

PLN'000, %	Nine-month period ended 30 September (unaudited)				Change (2022 vs 2021)	Growth rate (%) (2022 vs 2021)
	2022	%	2021	%		
Financial market	**190,335**	**100.0%**	**188,339**	**100.0%**	**1,996**	**1.1%**
Trading revenue	**130,297**	**68.5%**	**130,487**	**69.3%**	**(190)**	**(0.1%)**
Equities and equity-related instruments	96,740	50.8%	106,558	56.6%	(9,818)	(9.2%)
Derivatives	15,812	8.3%	10,071	5.3%	5,741	57.0%
Other fees paid by market participants	7,365	3.9%	4,592	2.4%	2,773	60.4%
Debt instruments	8,476	4.5%	8,326	4.4%	150	1.8%
Other cash instruments	1,904	1.0%	940	0.5%	964	102.6%
Listing revenue	**17,412**	**9.1%**	**17,218**	**9.1%**	**194**	**1.1%**
Listing fees	14,583	7.7%	12,939	6.9%	1,644	12.7%
Fees for introduction and other fees	2,829	1.5%	4,279	2.3%	(1,450)	(33.9%)
Information services and revenue from the calculation of reference rates	**42,626**	**22.4%**	**40,634**	**21.6%**	**1,992**	**4.9%**
Real-time data and revenue from the calculation of reference rates	40,121	21.1%	38,071	20.2%	2,050	5.4%
Historical and statistical data and indices	2,505	1.3%	2,563	1.4%	(58)	(2.3%)

The Group's revenue from **trading in equities and equity-related instruments** stood at PLN 96.7 million in 9M 2022 (-PLN 9.8 million i.e. -9.2% 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 229.2 billion (-PLN 15.0 billion i.e. -6.2% year on year) while turnover on NewConnect decreased to PLN 2.1 billion (-PLN 3.0 billion i.e. -58.9%). The turnover value on the electronic order book on the Main Market decreased by -2.0% year on year to PLN 224.9 billion and the value of block trades decreased by 70.6% year on year to PLN 4.3 billion in 9M 2022. The average daily EOB turnover value on the Main Market was PLN 948.0 million in Q3 2022 compared to PLN 921.7 million in Q3 2021.

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

	Nine-month period ended 30 September (unaudited)		Change (2022 vs 2021)	Growth rate (%) (2022 vs 2021)
	2022	2021		
Financial market, trading revenue: equities and equity-related instruments (PLN mn)	**96.7**	**106.6**	**(9.8)**	**(9.2%)**
Main Market:				
Turnover value - total (PLN bn)	**229.2**	**244.2**	**(15.0)**	**(6.2%)**
Value of trading - Electronic Order Book (PLN bn)	224.9	229.5	(4.7)	(2.0%)
Value of trading - block trades (PLN bn)	4.3	14.7	(10.4)	(70.6%)

	Nine-month period ended 30 September (unaudited)		Change (2022 vs 2021)	Growth rate (%) (2022 vs 2021)
	2022	2021		
Turnover volume (bn shares)	9.8	11.6	(1.8)	(15.6%)
NewConnect:				
Turnover value - total (PLN bn)	**2.1**	**5.1**	**(3.0)**	**(58.9%)**
Value of trading - Electronic Order Book (PLN bn)	2.0	5.0	(3.0)	(59.3%)
Value of trading - block trades (PLN bn)	0.1	3.5	(3.5)	(98.2%)
Turnover volume (bn shares)	1.9	3.9	(2.0)	(52.0%)

Revenue of the Group from **trading in derivatives on the financial market** (futures and options) stood at PLN 15.8 million in 9M 2022 (+PLN 5.7 million i.e. +57.0% year on year). The increase in revenue was mainly driven by increased volumes due to high volatility of the WIG20 and mWIG40 indices caused by the armed conflict in Ukraine. The total volume of turnover in derivatives was 11.4 million contracts, representing an increase year on year (+2.8 million contracts i.e. +33.2%). The volume of turnover in WIG20 futures increased by 73.1% to 6.9 million contracts compared to 4.0 million contracts in 9M 2021 while the volume of turnover in mWIG40 futures remained stable. The volume of turnover in currency futures increased to 2.8 million contracts in 9M 2022 vs. 2.7 million contracts in 9M 2021.

Table 8: Data for the derivatives market

	Nine-month period ended 30 September (unaudited)		Change (2022 vs 2021)	Growth rate (%) (2022 vs 2021)
	2022	2021		
Financial market, trading revenue: derivatives (PLN mn)	**15.8**	**10.1**	**5.7**	**57.0%**
Derivatives turnover volume (mn instruments), incl.:	11.4	8.6	2.8	33.2%
- WIG20 futures turnover volume (mn futures)	6.9	4.0	2.9	73.1%

Revenue of the Group from **other fees paid by market participants** stood at PLN 7.4 million (+PLN 2.8 million i.e. +60.4% 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 8.5 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 7.5 million (-PLN 0.5 million i.e. -5.9%). The value of turnover in Polish Treasury securities on TBSP was PLN 318.2 billion (-PLN 51.4 million i.e. -13.9% year on year). The decrease of the value of transactions was reported mainly in the conditional transaction segment. The value of conditional transactions stood at PLN 264.1 billion (-PLN 50.4 billion i.e. -16.0% year on year) and the value of cash transactions stood at PLN 54.1 billion (-PLN 1.0 billion i.e. -1.9% year on year).

The value of turnover on Catalyst stood at PLN 6.7 billion (+PLN 4.5 billion i.e. +197.2% year on year), including turnover in non-Treasury instruments at PLN 1.9 billion compared to PLN 1.3 billion in 9M 2021.

Table 9: Data for the debt instruments market

	Nine-month period ended 30 September (unaudited) 2022	2021	Change (2022 vs 2021)	Growth rate (%) (2022 vs 2021)
Financial market, trading revenue: debt instruments (PLN mn)	**8.5**	**8.3**	**0.2**	**1.8%**
Catalyst, turnover value, incl.:	6.7	2.3	4.5	197.2%
Non-Treasury instruments (PLN bn)	1.9	1.3	0.7	50.6%
Treasury BondSpot Poland, turnover value:				
Conditional transactions (PLN bn)	264.1	314.4	(50.4)	(16.0%)
Cash transactions (PLN bn)	54.1	55.2	(1.0)	(1.9%)

The Group's revenue from trading in **other cash market instruments** stood at PLN 1.9 million, representing an increase of +PLN 1.0 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 stood at PLN 17.4 million (+PLN 0.2 million i.e. +1.1% year on year) and included:

- revenue from listing fees, which stood at PLN 14.6 million (+PLN 1.6 million i.e. +12.7%). 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 2.8 million (-PLN 1.5 million i.e. -33.9% year on year). The decrease was driven mainly by a smaller number of IPOs (6 IPOs with a capitalisation of PLN 1.1 billion on the Main Market in 9M 2022 vs. 11 IPOs with a capitalisation of PLN 36.7 billion in 9M 2021).

Table 10: Listing revenue on the Main Market

	Nine-month period ended 30 September (unaudited) 2022	2021	Change (2022 vs 2021)	Growth rate (%) (2022 vs 2021)
Main Market				
Listing revenue (PLN mn)	**14.0**	**13.2**	**0.8**	**6.1%**
Total capitalisation of listed companies (PLN bn), incl.:	963.3	1,304.0	(340.7)	(26.1%)
- Capitalisation of listed domestic companies	465.7	682.9	(217.2)	(31.8%)
- Capitalisation of listed foreign companies	497.6	621.2	(123.6)	(19.9%)
Total number of listed companies, incl.:	419	426	(7)	(1.6%)
- Number of listed domestic companies	374	379	(5)	(1.3%)
- Number of listed foreign companies	45	47	(2)	(4.3%)
Value of IPOs and SPOs (PLN bn)	7.3	4.0	3.3	81.9%
Number of newly listed companies (in the period)	6	11	(5)	(45.5%)
Capitalisation of newly listed companies (PLN bn)	1.1	36.7	(35.6)	(97.0%)
Number of delisted companies	17	18	(1)	(5.6%)
Capitalisation of delisted companies* (PLN bn)	19.3	56.4	(37.0)	(65.7%)

*capitalisation as at delisting

Listing revenue on the GPW **Main Market** increased to PLN 14.0 million in 9M 2022 (+PLN 0.8 million i.e. +6.1% year on year). The table below presents the key financial and operating figures for the Main Market.

The value of IPOs on the Main Market was PLN 40 million in 9M 2022 vs. PLN 3.0 billion in 9M 2021. The value of SPOs increased from PLN 1.0 billion in 9M 2021 to PLN 7.2 billion in 9M 2022. Six companies were newly listed on the Main Market and 17 companies were delisted. The capitalisation of the companies delisted on the Main Market was PLN 19.3 billion.

Table 11: Listing revenue on NewConnect

	Nine-month period ended 30 September (unaudited)		Change (2022 vs 2021)	Growth rate (%) (2022 vs 2021)
	2022	2021		
NewConnect				
Listing revenue (PLN mn)	**2.0**	**1.5**	**0.4**	**28.5%**
Total capitalisation of listed companies (PLN bn), incl.:	14.7	20.9	(6.1)	(29.4%)
- Capitalisation of listed domestic companies	14.6	20.7	(6.0)	(29.3%)
- Capitalisation of listed foreign companies	0.1	0.2	(0.1)	(39.5%)
Total number of listed companies, incl.:	376	371	5	1.3%
- Number of listed domestic companies	372	367	5	1.4%
- Number of listed foreign companies	4	4	-	-
Value of IPOs and SPOs (PLN bn)	0.3	0.4	(0.1)	(34.3%)
Number of newly listed companies (in the period)	10	22	(12)	(54.5%)
Capitalisation of newly listed companies (PLN bn)	0.3	1.1	(0.8)	(69.8%)
Number of delisted companies*	14	24	(10)	(41.7%)
Capitalisation of delisted companies, (PLN bn) **	1.5	1.7	(0.2)	(11.4%)

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

Listing revenue on **NewConnect** increased modestly to PLN 2.0 million in 9M 2022 (+PLN 0.4 million i.e. +28.5% year on year).

The value of IPOs on NewConnect was PLN 70 million (-PLN 37.0 million year on year) while the value of SPOs decreased from PLN 293 million in 9M 2021 to PLN 193 million in 9M 2022. In 9M 2022, 10 companies were newly listed and 14 companies were delisted. The capitalisation of the companies delisted on NewConnect was PLN 1.5 billion.

Table 12: Listing revenue on Catalyst

	Nine-month period ended 30 September (unaudited)		Change (2022 vs 2021)	Growth rate (%) (2022 vs 2021)
	2022	2021		
Catalyst				
Listing revenue (PLN mn)	**1.4**	**2.5**	**(1.1)**	**(42.5%)**
Number of issuers	133	132	1	0.8%
Number of listed instruments, incl.:	565	547	18	3.3%
- non-Treasury instruments	503	484	19	3.9%
Value of listed instruments (PLN bn), incl.:	1,153.2	1,132.3	20.8	1.8%
- non-Treasury instruments	95.4	96.6	(1.2)	(1.3%)

Listing revenue on **Catalyst** stood at PLN 1.4 million in 9M 2022 (-PLN 1.1 million i.e. -42.5% year on year) while the number of issuers increased modestly year on year and the value of issued instruments increased (+PLN 20.8 billion i.e. +1.8% 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 43.6 million (+PLN 2.2 million i.e. +5.3% year on year).

Table 13: Data for information services

	Nine-month period ended 30 September (unaudited)		Change (2022 vs 2021)	Growth rate (%) (2022 vs 2021)
	2022	2021		
Information services and revenue from the calculation of reference rates* (PLN mn)	**43.6**	**41.4**	**2.2**	**5.3%**
Number of data vendors	95.0	89.0	6.0	6.7%
Number of subscribers (thou.)	530.7	437.4	93.3	21.3%

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 93,300 year on year in 9M 2022).

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 8.0 million in 9M 2022 (+PLN 1.9 million i.e. +30.3% year on year).

4.2.3. Sales revenue – commodity market

Revenue of the Group on the commodity market stood at PLN 105.2 million in 9M 2022 (-PLN 4.8 million i.e. -4.4% year on year) accounting for 35.3% 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

	Nine-month period ended 30 September (unaudited)				Change (2022 vs 2021)	Growth rate (%) (2022 vs 2021)
PLN'000, %	2022	%	2021	%		
Commodity market	**105,157**	**100.0%**	**109,941**	**100.0%**	**(4,784)**	**(4.4%)**
Trading revenue	**52,349**	**49.8%**	**54,488**	**49.6%**	**(2,139)**	**(3.9%)**
Transactions in electricity:	10,611	10.1%	13,711	12.5%	(3,100)	(22.6%)
- Spot	3,607	3.4%	4,090	3.7%	(483)	(11.8%)
- Forward	7,004	6.7%	9,621	8.8%	(2,617)	(27.2%)
Transactions in gas:	7,929	7.5%	11,361	10.3%	(3,432)	(30.2%)
- Spot	1,436	1.4%	2,122	1.9%	(686)	(32.3%)
- Forward	6,493	6.2%	9,239	8.4%	(2,746)	(29.7%)
Transactions in property rights to certificates of origin	19,328	18.4%	18,284	16.6%	1,044	5.7%
Trade in food and agricultural products	6	0.0%	22	0.0%	(16)	(72.7%)
Other fees paid by market participants	14,475	13.8%	11,110	10.1%	3,365	30.3%
Operation of the register of certificates of origin	**20,155**	**19.2%**	**18,203**	**16.6%**	**1,952**	**10.7%**
Clearing	**31,697**	**30.1%**	**36,507**	**33.2%**	**(4,810)**	**(13.2%)**
Information services	**956**	**0.9%**	**743**	**0.7%**	**213**	**28.7%**

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 52.3 million in 9M 2022 (-PLN 2.1 million i.e. -3.9% year on year).

Table 15: Trading revenue on the commodity market

`	Nine-month period ended 30 September (unaudited)		Change (2022 vs 2021)	Growth rate (%) (2022 vs 2021)
	2022	2021		
Commodity market, trading revenue (PLN mn)	**52.3**	**54.5**	**(2.1)**	**(3.9%)**
Electricity turnover volume:				
- Spot transactions (TWh)	24.3	27.7	(3.5)	(12.5%)
- Forward transactions (TWh)	89.9	135.6	(45.7)	(33.7%)
Gas turnover volume:				
- Spot transactions (TWh)	14.3	20.6	(6.3)	(30.6%)
- Forward transactions (TWh)	83.9	117.0	(33.1)	(28.3%)
Turnover volume in property rights (TGE) (TWh)				
- Spot transactions (TWh)	19.8	18.9	0.9	4.8%
- transakcje spot (toe)	72,590.1	81,390.7	(8,800.6)	(10.8%)

The Group's revenue from **trading in electricity** stood at PLN 10.6 million in 9M 2022 (-PLN 3.1 million i.e. -22.6%). The total volume of turnover on the energy market operated by TGE was 114.2 TWh in 9M 2022 (-49.1 TWh i.e. -30.1% year on year). The decrease in electricity trading in January-September 2022 was mainly due to a decrease in spot market trading volumes by 12.5% to 24.3 TWh, as well as a decrease in forward market trading volumes by 33.7% to 83.9 TWh. The main reason for the decrease were lower trading volumes in annual instruments. These were most likely due to new records of long-term electricity prices, including the financial burden of maintaining margins, as well as increased financial risks for trading activity (high price volatility with high uncertainty about next year's commodity prices). In recent weeks, the legislative process concerning the abolition of the obligation to sell electricity on an exchange has additionally driven the decrease.

The Group's revenue from **trading in gas** stood at PLN 7.9 million in 9M 2022 (-PLN 3.4 million i.e. -30.2% year on year). Natural gas trading volumes on TGE in 9M 2022 amounted to 98.2 TWh (-39.4 TWh i.e. -28.6%). The year-on-year decrease in gas trading volumes is a consequence of a 30.6% decrease in spot market turnover, from 20.6 TWh to 14.3 TWh in 9M 2022, due to higher temperatures compared to the same period of 2021, as well as high contracted gas supplies in forward contracts. The forward segment also recorded a decrease of 28.3% year on year. The decline in forward market volumes was due to a decrease in turnover in instruments with a longer delivery period which occurred primarily in the last quarter. The decrease is most likely due to new records in long-term prices of natural gas, as well as the increased likelihood of restrictions in the level of the obligation to sell gas on the exchange.

The Group's revenue from **trading in property rights in certificates of origin** stood at PLN 19.3 million in 9M 2022 (+PLN 1.0 million i.e. +5.7% year on year). The volume of turnover in property rights was 19.8 TWh in 9M 2022 (+0.9. TWh i.e. +4.8% year on year). The volume of turnover in property rights to certificates of origin of electricity stood at 19.8 TWh, up 4.7% year on year. The year-to-date session trading volume decreased by 16.1% year on year but the overall trading volume increased due to the high volume of transactions outside the session (up 15.6%).

The trading volume of energy efficiency rights fell by 10.8% year on year in 9M 2022 to 72,590.1 toe from 81,390.7 toe. The low turnover in these certificates was due to a lower number of certificates of origin issued. 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 14.5 million in 9M 2022 (+PLN 3.4 million i.e. +30.3% year on year). Other fees paid by commodity market participants included fees paid by TGE market participants at PLN 8.2 million, revenue of InfoEngine as a trade operator at PLN 2.0 million, and revenue of IRGiT at PLN 4.3 million in 9M 2022. The 30.3% 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 (selection of higher fixed fees and lower variable fees) and revenue from fees for algorithmic trading (so-called DLOZ), which were introduced from the beginning of 2021.

Revenue from the operation of the **Register of Certificates of Origin** stood at PLN 20.2 million in 9M 2022 (+PLN 2.0 million i.e. +10.7% year on year). The 10.7% increase of the revenue from the operation of the Register in 9M 2022 was driven by an increase of revenue from the Register of RES Certificates of Origin (by PLN 1.2 million) due to redemptions in January, April, June and July 2022. The redemption period for 2021 certificates of origin ended on 30 June. In addition, the number of issued certificates of origin increased.

Table 16: Data for the Register of Certificates of Origin

	Nine-month period ended 30 September (unaudited)		Change (2022 vs 2021)	Growth rate (%) (2022 vs 2021)
	2022	2021		
Commodity market, revenue from the operation of the Register of Certificates of Origin in electricity (PLN mn)	**20.2**	**18.2**	**2.0**	**10.7%**
Issued property rights (TWh)	17.4	15.7	1.7	11.2%
Cancelled property rights (TWh)	19.1	19.1	(0.0)	(0.2%)

The Group earns revenue from **clearing** operated by IRGiT. The revenue was PLN 31.7 million in 9M 2022 (-PLN 4.8 million i.e. -13.2% year on year). The revenue from clearing of transactions in electricity stood at PLN 8.7 million, the revenue from clearing of transactions in gas stood at PLN 15.2 million and the revenue from clearing of transactions in property rights stood at PLN 7.7 million.

4.2.4. Other sales revenue

The Group's other revenue stood at PLN 2.3 million in 9M 2022, which represented a modest year-on-year increase (+PLN 0.5 million i.e. +27.4% year on year). The Group's other revenue includes revenue from educational and PR activities, space lease, and sponsorship.

4.2.5. Operating expenses

Operating expenses stood at PLN 190.7 million in 9M 2022 (+PLN 24.5 million i.e. +14.7% year on year). Depreciation and amortisation charges, salaries and other employee costs, and external service charges increased substantially.

Figure 2: Structure and value of consolidated operating expenses

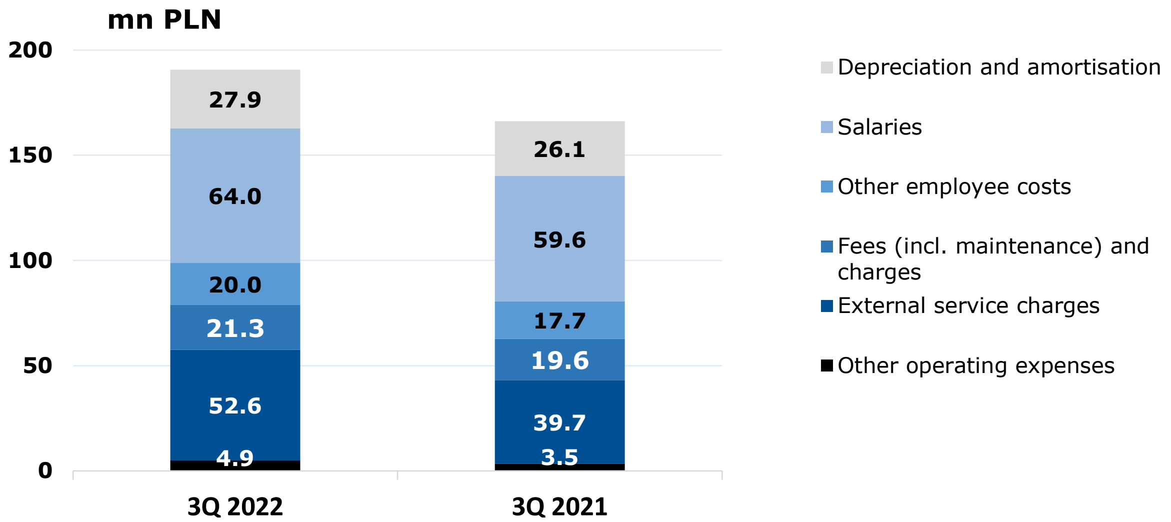


Table 17: Operating expenses

PLN'000, %	Nine-month period ended 30 September (unaudited)				Change (2022 vs 2021)	Growth rate (%) (2022 vs 2021)
	2022	%	2021	%		
Depreciation and amortisation	27,895	14.6%	26,069	15.7%	1,826	7.0%
Salaries	63,985	33.6%	59,622	35.9%	4,363	7.3%
Other employee costs	19,963	10.5%	17,749	10.7%	2,214	12.5%
Maintenance fees	3,859	2.0%	3,542	2.1%	317	8.9%
Fees and charges, incl.	17,469	9.2%	16,048	9.7%	1,421	8.9%
PFSA fee	14,765	7.7%	14,489	8.7%	*276*	1.9%
External service charges	52,623	27.6%	39,711	23.9%	12,912	32.5%
Other operating expenses	4,890	2.6%	3,462	2.1%	1,428	41.2%
Total	**190,684**	**100.00%**	**166,203**	**100.00%**	**24,481**	**14.7%**

The capital market supervision fee due to the Polish Financial Supervision Authority in the amount of PLN 14.8 million was the only expense line relating to a single vendor and represented 7.7% of the Group's operating expenses in 9M 2022.

Depreciation and amortisation charges increased year on year in 9M 2022 and stood at PLN 27.9 million (+PLN 1.8 million i.e. +7.0% year on year), including depreciation charges for property, plant and equipment at PLN 8.6 million, amortisation charges for intangible assets at PLN 15.2 million, and depreciation charges related to leases at PLN 4.1 million. The increase in depreciation and amortisation charges was due to a reduction in the monthly depreciation instalments for the X-Stream and Sapri systems as a result of their extended useful lives.

Salaries and other employee costs of the Group stood at PLN 83.9 million in 9M 2022, representing an increase of +PLN 6.6 million i.e. +8.5% 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 (two new projects were launched at the end of 2021: PCOL and Telemetry) 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 30 September (unaudited)	
	2022	**2021**
GPW	273	259
Subsidiaries	184	182
Total	**458**	**441**

Maintenance fees stood at PLN 3.9 million, representing a modest increase year on year (+PLN 0.3 million i.e. +8.9% year on year). Maintenance fees included mainly maintenance fees at the Centrum Giełdowe building.

Fees and charges stood at PLN 17.5 million (+PLN 1.4 million i.e. +8.9% year on year), including PFSA capital market supervision fees for 2022 at PLN 14.8 million (+PLN 0.3 million i.e. +1.9% year on year). The PFSA fees increased the most for GPW (+PLN 0.3 million i.e. +4.0% 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 52.6 million (+PLN 12.9 million i.e. +32.5% year on year).

Table 19: External service charges

	Nine-month period ended 30 September (unaudited)				Change (2022 vs 2021)	Growth rate (%) (2022 vs 2021)
PLN'000, %	**2022**	**%**	**2021**	**%**		
IT costs:	26,753	50.8%	22,257	56.0%	4,496	20.2%
IT infrastructure maintenance	22,217	42.2%	17,243	43.4%	4,974	28.8%
TBSP market maintenance services	1,215	2.3%	1,177	3.0%	38	3.2%
Data transmission lines	2,748	5.2%	2,981	7.5%	(233)	(7.8%)
Software modification	573	1.1%	856	2.2%	(283)	(33.1%)
Building and office equipment maintenance:	3,032	5.8%	2,890	7.3%	142	4.9%
Repair, maintenance, service	627	1.2%	526	1.3%	101	19.2%
Security	1,541	2.9%	1,533	3.9%	8	0.5%
Cleaning	613	1.2%	598	1.5%	15	2.5%
Phone and mobile phone services	251	0.5%	233	0.6%	18	7.7%
International (energy) market services	1,359	2.6%	-	-	1,359	100.0%
Car leases and maintenance	286	0.5%	285	0.7%	1	0.4%
Transport services	105	0.2%	162	0.4%	(57)	(35.2%)
Promotion, education, market development	5,174	9.8%	3,411	8.6%	1,763	51.7%
Market liquidity support	674	1.3%	693	1.7%	(19)	(2.7%)
Advisory (including audit, legal, business consulting)	8,606	16.4%	5,740	14.5%	2,866	49.9%
Information services	2,768	5.3%	2,639	6.6%	129	4.9%
Training	485	0.9%	385	1.0%	100	26.0%
Mail fees	53	0.1%	73	0.2%	(20)	(27.4%)
Bank fees	83	0.2%	108	0.3%	(25)	(23.1%)
Translation	289	0.5%	355	0.9%	(66)	(18.6%)
Other	2,956	5.6%	712	1.8%	2,244	315.2%
Total	**52,623**	**100.0%**	**39,711**	**100.0%**	**12,912**	**32.5%**

The year-on-year increase of external service charges in 9M 2022 was due to the following cost categories:

- IT infrastructure maintenance services – an increase of PLN +5.0 million (i.e. +28.8%) due to an increase in licence and maintenance fees,
- advisory – an increase of +PLN 2.9 million (+49.9%) due to a higher cost of GPW's advisory services in connection with ongoing projects, tax and process management advisory in the commodity companies segment;
- promotion, education, market development – an increase of +PLN 1.8 million (i.e. +51.7%) driven among others by an expansion of promotional events which had been limited in 2021 due to the pandemic.

Other operating expenses stood at PLN 4.9 million (+PLN 1.4 million i.e. +41.2% year on year). They included mainly the cost of electricity and heat, membership fees, insurance, and business travel which had been limited in 2021 due to the pandemic.

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

Other income of the Group stood at PLN 1.4 million (+PLN 0.1 million i.e. +10.2% year on year) and included mainly grants received, which are distributed over time, at PLN 0.7 million (see the Consolidated Financial Statements, Note 2.8.).

Other expenses stood at PLN 10.0 million (+PLN 8.4 million i.e. +501.4% year on year). The increase in costs is due to the recognition of an impairment loss on the goodwill arising from the acquisition of BondSpot and donations made in the first 9 months of 2022.

As at the balance-sheet date, the Group's **gains on reversal of impairment of receivables** stood at PLN 0.4 million, compared to gains of PLN 0.5 million in 9M 2021.

4.2.7. Financial income and expenses

Financial income of the Group stood at PLN 17.9 million (+PLN 17.5 million year on year) and included mainly interest on bank deposits and financial instruments (corporate bonds, bank deposits). Interest income increased following the National Bank of Poland's decision to hike the market interest rates.

Financial expenses of the Group stood at PLN 6.3 million (-PLN 2.7 million i.e. -30.0% year on year). A key line of financial expenses is interest cost of bonds issued by GPW (series C, D and E). The decrease of financial expenses in 9M 2022 year on year was driven by the redemption of series D and E bonds in January 2022.

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 20.7 million in 9M 2022 (+PLN 1.5 million i.e. +8.1% year on year). The higher share of profit of entities measured by equity method in 2022 was mainly driven by higher profits of the KDPW Group year on year.

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

PLN'000	Nine-month period ended 30 September (unaudited) 2022	2021	Change (2022 vs 2021)	Growth rate (%) (2022 vs 2021)
KDPW S.A. Group	19,980	18,926	1,054	5.6%
Centrum Giełdowe S.A.	722	228	494	217.0%
Total	**20,702**	**19,154**	**1,548**	**8.1%**

4.2.9. Income tax

Income tax of the Group was PLN 23.8 million (-PLN 0.8 million i.e. -3.1% year on year). The effective income tax rate was 18.1% in 9M 2022 (17.0% in 9M 2021), 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 35.3 million in 9M 2022 (-PLN 6.3 million i.e. +21.9% 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 and current assets had a predominant share in total assets as at 30 September 2022 and as at 30 September 2021. 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 385.9 million as at 30 September 2022 (-PLN 22.6 million i.e. -5.5% year to date and -PLN 117.4 million i.e. -23.3% year on year), which reflects the Group's safe capital position.

The balance-sheet total of the Group was PLN 1,278.0. million as at 30 September 2022, representing a decrease of PLN 132.7 million i.e. -9.4% year to date and a decrease of -PLN 55.9 million i.e. -4.2% year on year driven mainly by a decrease of current assets (-PLN 143.7 million i.e. -17.8% year to date and -PLN 72.9 million i.e. -9.9% year on year).

Non-current assets stood at PLN 614.6 million as at 30 September 2022 (+PLN 11.0 million i.e. +1.8% year to date and +PLN 17.0 million i.e. +2.8% year on year) representing 48.1% of total assets as at 30 September 2022 compared to 42.8% as at 31 December 2021 and 44.8% as at 30 September 2021.

Current assets stood at PLN 663.4 million as at 30 September 2022 (-PLN 143.7 million i.e. -17.8% year to date and -PLN 72.9 million i.e. -9.9% year on year) representing 51.9% of total assets as at 30 September 2022 compared to 57.2% as at 31 December 2021 and 55.2% as at 30 September 2021. The year-to-date decrease in current assets was mainly driven by a decrease of trade receivables and other receivables (-PLN 84.2 million i.e. -47.5%) due to a decrease of the VAT refund receivable at TGE (-PLN 89.7 million i.e. -92.1%). The VAT refund receivable was caused by a reversal of the direction of trade on the international energy market, where exports were greater than imports.

Equity stood at PLN 953.0 million as at 30 September 2022 (-PLN 14.8 million i.e. -1.5% year to date and +PLN 20.8 million i.e. +2.2% year on year) representing 74.6% of the Group's total equity and liabilities as at 30 September 2022 compared to 68.6% as at 31 December 2021 and 69.9% as at 30 September 2021. Non-controlling interests remained stable at PLN 0.6 million as at 30 September 2022.

Non-current liabilities stood at PLN 47.5 million as at 30 September 2022 (+PLN 3.3 million i.e. +7.4% year to date and -PLN 121.1 million i.e. -71.8% year on year) representing 3.7% of total equity and liabilities as at 30 September 2022 compared to 3.1% as at 31 December 2021 and 12.6% as at 30 September 2021.

The biggest lines of non-current liabilities include deferred income. Non-current deferred income included grants received in the PCR project (PLN 3.6 million), the Agricultural Market project (PLN 0.4 million), the New Trading Platform project (PLN 20.2 million), the GPW Data project (PLN 3.3 million), the Telemetry project (PLN 0.8 million), the PCOL project (PLN 0.7 million) and the Private Market project (PLN 0.6 million). For details of grants, see the Consolidated Financial Statements, Notes 2.8. and 5.4.

Current liabilities stood at PLN 277.5 million as at 30 September 2022 (-PLN 121.1 million i.e. -30.4% year to date and +PLN 44.5 million i.e. +19.1% year on year) representing 21.7% of total equity and liabilities as at 30 September 2022 compared to 28.3% as at 31 December 2021 and 17.5% as at 30 September 2021. The decrease of current liabilities was driven mainly by the redemption of series D and E bonds in January 2022. For more information, see the Consolidated Financial Statements, Note 2.6.

4.4. Consolidated statement of cash flows

Table 21: Consolidated statement of cash flows

	Nine-month period ended 30 September (unaudited)	
PLN'000, %	2022	2021
Cash flows from operating activities	196,012	(6,145)
Cash flows from investing activities	115,489	32,641
Cash flows from financing activities	(234,351)	(111,233)
Increase (decrease) of net cash	**77,150**	**(84,737)**
Impact of FX changes on balance of FX cash	397	(132)
Cash and cash equivalents - opening balance	**349,324**	**411,018**
Cash and cash equivalents - closing balance	**426,871**	**326,149**

The Group generated positive cash flows from **operating activities** at PLN 196.0 million vs. negative cash flows in 9M 2021 (+PLN 202.2 million), driven among others by a decrease of trade receivables and other receivables, an increase of current liabilities and a higher income tax paid.

Cash flows from **investing activities** were positive at PLN 115.5 million vs. cash flows at PLN 32.6 million in 9M 2021. The increase of the cash flows was mainly due to higher cash flows relating to investments in assets measured at amortised cost (PLN 91.5 million i.e. 187% year on year).

Cash flows from **financing activities** were negative at PLN 234.4 million vs. negative cash flows at PLN 111.2 million in 9M 2021, and included mainly the redemption of series D and E bonds.

The Group's capital expenditure stood at PLN 34.3 million in 9M 2022, including expenditure for property, plant and equipment at PLN 12.5 million (PLN 7.3 million in 9M 2021) and expenditure for intangible assets at PLN 21.8 million (PLN 20.7 million in 9M 2021).

Capital expenditure for property, plant and equipment and intangible assets in 9M 2022 included the implementation of key projects: New Trading Platform, GPW Data, GRC System, Telemetry, and purchase of IT hardware.

Capital expenditure for property, plant and equipment in Q3 2021 included investments in Centrum Giełdowe and the purchase of servers. Capital expenditure for intangible assets included investments in the New Trading Platform and GPW Data projects, the GRC System, the new index calculator, and the new billing system.

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 Q3 2022

Atypical factors and events impacting the GPW Group's results in 9M 2022 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),
- share of profit of associates,
- COVID pandemic and outbreak of armed conflict in Ukraine,
- impairment allowance on the goodwill of BondSpot S.A. (see Note 2.2 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 key factor which may affect the GPW Group's activity and results in the coming quarters is the war in Ukraine. 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 2.8.5., and in the Consolidated Financial Statements of the GPW Group for the year ended 31 December 2021, Note 6.12. Additional information is presented below.

- **Risk of disruptions in gas supplies to Poland from the Eastern**

A number of risks relating to the continuity of natural gas supplies to the markets of European Union countries materialised in the period from February to September 2022. During this period, Gazprom of Russia reduced supply or stopped supplying gas to individual European countries. This resulted in a sharp increase of gas prices in short-term and long-term contracts in all gas trading hubs in Europe.

The risk materialised for Poland on 27 April 2022 when Gazprom Export stopped supplies to Poland (and Bulgaria).

At present, gas is no longer being supplied to Poland from Russia and will not be supplied in the future under any contracts with Russia.

The risks for the supply of natural gas to the Polish market from Russia no longer exist due to the termination of imports.

- **from other directions**

The Polish market is diversified in terms of directions and sources of natural gas supply thanks to the infrastructure investment projects currently running and already completed.

The pipeline infrastructure connecting Poland with Slovakia, the Czech Republic and Germany is exposed to the risk of a potential interruption of gas supplies to Poland as a result of political decisions. This is because it transmits gas from Russia supplied through the Brotherhood pipeline system passing through Ukrainian territory and then through Slovakia, the Czech Republic to southern Germany.

- **as a consequence of damage/destruction of critical infrastructure**

Given several incidents of physical damage to critical infrastructure in September-October 2022, the risk of damage to infrastructure facilities ensuring the supply of natural gas to Poland must be considered to have increased. Physical attacks and cyber-attacks on gas infrastructure in Poland cannot be ruled out in the coming weeks and months, which may cause damage to the infrastructure and consequently disrupt gas supplies to the local market.

› **Risks associated with the decline in natural gas consumption in Poland**

The risk of a decline in demand for natural gas in Poland is materialising. A decrease in interest in gas transmission services and a decrease in gas sales is signalled by Gaz System S.A. and the PGNiG Group, respectively, as well as by the Ministry of Climate and Environment.[4] This is triggered by the sharp increase in natural gas prices and the reaction of end users who are reducing demand. It is highly likely that such end-user behaviour could turn into a trend that will persist over a longer period (several months) in 2023. This is also observed in other EU markets.[5] Therefore, there is a serious risk of a decline in trading volumes on the gas markets operated by TGE in the last months of 2022 and in 2023.

› **Risk of suspension or reduction of the obligation to trade gas on the exchange**

The Act of 5 August 2022 amending certain laws to strengthen Poland's gas security in connection with the situation on the gas market entered into force on 1 September 2022. As a result, the regulatory risk materialised as the government (Minister of Climate and Environment) has been empowered to temporarily lift the obligation to trade in natural gas on the exchange (automatically during the state of emergency) or temporarily reduce the obligation to 30%.

A temporary reduction or lifting of the obligation will be linked to the risk of extraordinary events severely disrupting physical access to natural gas and the consequent introduction of a state of emergency.

› **Risk of legislative changes concerning electricity trading, including the abolition of the obligation to trade in electricity on the exchange**

The legislative process on the abolition of the obligation to trade in electricity on the exchange resumed in September 2022. The draft law amending the Energy Law and the Act on Renewable Energy Sources of 26 January 2021 concerning the abolition of the obligation to trade in electricity on the exchange and increasing liability for manipulation was adopted by a circular procedure by the Council of Ministers on 27 September 2022, thus tabling it in the legislative procedure to the Parliament. As of 28 October 2022, the draft is pending in the Senate. Regardless of the final solution as regards the proposed amendments to the draft Act, a decline in electricity trading volumes is expected.

On 20 October 2022, the Sejm passed a law on emergency measures to cap electricity prices and support certain consumers in 2023. The Act provides for a system of energy price freezes for selected categories of consumers. In addition, the Act introduces a mechanism to limit the revenues of energy traders and producers by imposing an obligation to contribute the price difference on the excess revenue to a fund ("fund contribution"). The level and method of calculating fund contributions, as known at this stage, are already affecting the activity of exchange market participants. Participants refrain from

[4] https://www.bankier.pl/wiadomosc/Mozliwosci-dostaw-gazu-od-23-wyniosa-21-mld-m3-zuzycie-spada-Dziadzio-MKiS-8413236.html
[5] https://serwisy.gazetaprawna.pl/energetyka/artykuly/8568263,ceny-gazu-spadek-zuzycia-ue-pie-analiza.html

contracting in the forward market and expect a reduction of their activity in the forward market in 2023. In addition, the fund contributions may have a negative impact on the projected financial revenues of market participants, including potential liquidity problems of market participants. As of 28 October 2022, the draft was tabled to the President for signature.

The regulation is an additional element over and above the draft law abolishing the obligation to trade in electricity on the exchange, which may directly result in a decrease in the revenue of the TGE Group from its electricity market and affect the structure of market participants as a result of the high risk of suspension or closure of traders.

› **Risk of sanction violations**

In connection with the expansion of international sanctions imposed both on natural persons and legal entities, the GPW Group has taken steps under the sanctions to terminate its cooperation with several entities due to a reasonable risk of violation of generally applicable sanction lists, which could result in a threat to the safety of trading.

› **Risks of impact on issuers' activity and financial results**

The increase in market risk accompanying the development of the conflict in Ukraine continues to affect the activity of participants in Treasury bond trading and the structure of the trading. A potential further increase in interest rates driving an increase in bond yields and a decrease in bond prices generates the risk of a decrease in Treasury securities market turnover; however, the scale of the risk will depend primarily on further developments, the time horizon of the conflict, and the combination of negative demand and supply shocks to the economy.

Given the adverse factors in the market environment, amplified by the impact of the conflict in Ukraine, a cautious approach should be taken to the revenue forecasts.

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

- The PMI index, which reflects the level of activity and the degree of optimism in the sector, rose for Polish industry from 40.9 points in August to 43.0 points in September, which represents the fifth consecutive negative value of the index. Over the last ten years, the PMI readings have been the worst ever in the past 4 months, second only to the period at the beginning of the Covid-19 pandemic in Poland. This is driven by unfavourable market conditions linked with uncertainty and budget pressures caused by high inflation. Exports have also weakened, with demand for Polish products falling mainly in Germany. In addition, high energy prices, unfavourable foreign exchange rates and shortages in the supply of raw materials (especially electronics) contribute to the negative sentiment;
- Assets invested in investment funds stood at PLN 258.2 billion as at 30 September 2022 (-PLN 31.4 billion since February as a result of Russia's military aggression against Ukraine, which led to high volatility in the equity and commodity markets, while high inflation and resulting expectations of monetary policy tightening by central banks triggered a massive revaluation in the bond market);
- Change in assets invested in pension funds to PLN 132.53 billion (as at 30 September 2022), affecting 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 8.97 billion as at 30 June 2022, 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;
- Potential lifting of the obligation to trade in electricity and gas on the exchange;
- Rising inflation;
- Further interest rate hikes;

- Legislative changes with a direct impact on benchmarks;
- Another wave of coronavirus infections. The risks linked to the Sars-Cov-2 pandemic are described extensively in the Management Board Report on the Activity of the Parent Company and the Warsaw Stock Exchange Group, Note 2.8.4.

7.2. Internal factors

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

- implementation of the cross-border energy market projects: Single Day Ahead Coupling (SDAC) and Single Intraday Coupling (SIDC) by TGE;
- provisions for potential VAT interest payable in IRGiT (see Note 5.9 to the Consolidated Financial Statements);
- acquisition of shares in the Armenia Securities Exchange (see Note 5.10 to the Consolidated Financial Statements);
- review of strategic initiatives under the Strategy 2022 and commencement of work on defining initiatives for the coming years.

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 9M 2022.

On 19 January 2022, GPW acquired a shelf company Teelgren Investments S.A. for PLN 118 thousand in order to simplify the incorporation and registration process. On 24 June 2022, the company changed its name to GPW Private Market S.A. The company will operate the market in the Private Market project.

On 14 April 2022, GPW acquired a shelf company Molonello Investments S.A. for PLN 115 thousand in order to simplify the incorporation and registration process. The company was acquired to operate as a digital system operator in the Transport-Shipping-Logistics (TSL) industry in the PCOL project.

On 13 October 2022, GPW acquired a shelf company Tanerstille Investments S.A. for PLN 118.5 thousand in order to simplify the incorporation and registration process. The company will be used to operate a multi-modular auction platform designed for the end-to-end handling of media market transactions related to dynamic ad insertion (DAI).

As at 30 September 2022, the GPW Group held interest in the following entities:

- Bucharest Stock Exchange (BVB) – 0.06%,
- INNEX PJSC – 10%;
- Transaction Link 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 166 thousand as at 30 September 2022 (PLN 123 thousand as at 31 December 2021), its interest in Innex and IDM stood at nil, and its interest in TransactionLink stood at PLN 1,804 thousand.

In addition to interest in those companies, Group members, associates, and joint ventures, GPW's main local investments as at 30 September 2022 included 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 9M 2022.

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 9M 2022.

On 8 September 2021, GPW and TGE signed a revolving loan agreement up to PLN 40.0 million to be used to pay TGE's current liabilities arising from transactions in the international energy market. On 3 November 2021, GPW and TGE signed a revolving loan agreement up to PLN 240.0 million to be used to pay TGE's current liabilities arising from transactions in the international energy market. The new agreement replaced the agreement of 8 September 2021. The loan was granted in PLN. The loan has a floating interest rate equal to the reference rate WIBOR O/N plus a margin. The loan was to be repaid on or before 30 June 2022 and was repaid in full in Q1 2022.

On 11 October 2022, GPW entered into an agreement with a related party, Towarowa Giełda Energii, whereby GPW will grant TGE a revolving loan of up to PLN 100 million. The loan will be repaid by 30 September 2023, with an option to extend it for a further period but no longer than 30 September 2024.

Feasibility of previously published forecasts

The Group did not publish any forecasts of results for the nine-month period ended 30 September 2022.

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 9M 2022

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 2021.

There were no significant changes of estimates in the nine-month period ended 30 September 2022. 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)

	Nine-month period ended 30 September (unaudited)		Three-month period ended 30 September (unaudited)	
	2022	**2021**	**2022 r.** *(niebadane)*	**2021 r.** *(niebadane)*
Sales revenue	**190,508**	**187,666**	**57,987**	**54,177**
Operating expenses	(128,591)	(110,949)	(41,934)	(33,484)
Gains on reversed impairment of receivables/(Losses) on impairment of receivables	360	224	30	(751)
Loss on impairment of receivables	1,491	352	466	147
Other expenses	(3,601)	(1,920)	(2,553)	(1,345)
Operating profit	**60,167**	**75,373**	**13,996**	**18,744**
Financial income	48,232	102,214	5,105	156
Financial costs	(3,659)	(5,435)	(901)	(1,367)
Profit before tax	**104,740**	**172,152**	**18,200**	**17,533**
Income tax	(13,605)	(13,434)	(3,039)	(3,375)
Net profit for the period	**91,135**	**158,718**	**15,161**	**14,158**
Total comprehensive income	**90,791**	**158,724**	**15,213**	**14,159**
Basic/diluted earnings per share (PLN)	**2.17**	**3.78**	**0.36**	**0.34**

Source: Company.

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

	As at		
ASSETS	**30 September 2022**	**31 December 2021**	**30 September 2021**
Non-current assets	**466,187**	**442,961**	**437,753**
Property, plant and equipment	83,818	77,709	77,939
Right-to-use assets	3,258	5,040	5,631
Intangible assets	81,026	72,630	66,292
Investment property	7,986	8,277	8,350
Investment in associates and joint ventures	11,652	11,652	11,652
Investment in subsidiaries	266,068	260,633	260,633
Sublease receivable	667	1,803	2,367
Deferred tax asset	6,356	3,199	2,983
Assets measured at fair value through other comprehensive income	4,702	123	122
Prepayments	654	1,895	1,784
Current assets	**348,888**	**509,033**	**498,302**
Inventory	10	8	10
CIT payable	988	-	-
Trade receivables and other receivables	37,795	40,909	33,233
Sublease receivable	2,372	2,347	2,441
Contract assets	1,299	2	2,064
Financial assets measured at amortised cost	116,214	296,306	213,933
Cash and cash equivalents	190,210	169,461	246,621
TOTAL ASSETS	**815,075**	**951,994**	**936,055**

	As at		
EQUITY AND LIABILITIES	**30 September 2022**	**31 December 2021**	**30 September 2021**
Equity	**587,180**	**611,392**	**595,505**
Share capital	63,865	63,865	63,865
Other reserves	(385)	(41)	(221)
Retained earnings	523,700	547,568	531,861
Non-current liabilities	**41,917**	**38,079**	**162,541**
Liabilities under bond issue	-	-	125,000
Employee benefits payable	1,212	1,280	1,387
Lease liabilities	1,382	4,211	5,463
Contract liabilities	5,874	7,003	5,967
Accruals and deferred income	25,600	16,293	15,500
Other liabilities	7,849	9,292	9,224
Current liabilities	**185,978**	**302,523**	**178,009**
Liabilities under bond issue	126,933	246,278	121,816
Trade payable	9,146	7,679	6,220
Employee benefits payable	20,202	21,818	14,675
Lease liabilities	5,150	5,250	5,257
Corporate income tax payable	-	6,167	6,495
Contract liabilities	14,938	4,859	15,383
Accruals and deferred income	422	2,843	383
Provisions for other liabilities and other charges	1,317	-	-
Other liabilities	7,870	7,629	7,780
TOTAL EQUITY AND LIABILITIES	**815,075**	**951,994**	**936,055**

Source: Company.

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

	Nine-month period ended 30 September (unaudited)	
	2022	**2021**
Cash flows from operating activities	**68,755**	**205,710**
Cash inflows from operating activities	91,307	217,085
Advances received from related entities under the Tax Group	7,786	5,243
Income tax (paid)/refunded	(30,338)	(16,618)
Cash flows from investing activities:	**188,199**	**13,267**
In:	**548,490**	**699,426**
Sale of property, plant and equipment and intangible assets	9	-
Dividends received	36,468	-
Sale of financial assets measured at amortised cost	414,958	697,080
Interest on financial assets measured at amortised cost	3,868	313
Sublease payments (interest)	90	133
Sublease payments (principal)	1,887	1,900
Loan repayment by a related party	91,210	-
Out:	**(360,291)**	**(686,159)**
Purchase of property, plant and equipment and advance payments for property, plant and equipment	(11,713)	(6,868)
Purchase of intangible assets and advance payments for intangible assets	(18,784)	(14,140)
Purchase of financial assets measured at amortised cost	(324,359)	(661,103)
Purchase of interest in subsidiaries	(5,435)	(4,048)
Cash flows from financing activities:	**(236,534)**	**(111,104)**
In:	**9,841**	**4,425**
Grants received	9,841	4,425
Out:	**(246,375)**	**(115,529)**
Dividends paid	(115,003)	(105,179)
Interest paid on bonds	(2,708)	(3,452)
Redemption of issued bonds	(120,000)	-
Grants refunded	(4,261)	(2,564)
Lease payments (interest)	(192)	(298)
Lease payments (principal)	(4,211)	(4,036)
Net (decrease)/increase of cash and cash equivalents	**20,420**	**107,873**
Impact of FX changes on balance of FX cash	329	(126)
Cash and cash equivalents - opening balance	**169,461**	**138,873**
Cash and cash equivalents - closing balance	**190,210**	**246,621**

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

-	Share capital	Other reserves	Retained earnings	Total equity
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 nine-month period ended 30 September 2022	**-**	**-**	**91,135**	**91,135**
Other comprehensive income	**-**	**(344)**	**-**	**(344)**
Total comprehensive income for the nine-month period ended 30 September 2022	**-**	**(344)**	**91,135**	**90,791**
As at 30 September 2022 (unaudited)	**63,865**	**(385)**	**523,700**	**587,180**
As at 1 January 2021	**63,865**	**(227)**	**478,073**	**541,711**
Dividend	-	-	(104,930)	**(104,930)**
Transactions with owners recognised directly in equity	**-**	**-**	**(104,930)**	**(104,930)**
Net profit for 2021	-	-	174,425	**174,425**
Other comprehensive income	-	186	-	**186**
Total comprehensive income for 2021	**-**	**186**	**174,425**	**174,611**
As at 31 December 2021 (unaudited)	**63,865**	**(41)**	**547,568**	**611,392**
As at 1 January 2021	**63,865**	**(227)**	**478,073**	**541,711**
Dividend	-	-	(104,930)	**(104,930)**
Transactions with owners recognised directly in equity	**-**	**-**	**(104,930)**	**(104,930)**
Net profit for the nine-month period ended 30 September 2021	-	-	158,718	**158,718**
Other comprehensive income	-	6	-	**6**
Total comprehensive income for the nine-month period ended 30 September 2021	**-**	**6**	**158,718**	**158,724**
As at 30 September 2021 (unaudited)	**63,865**	**(221)**	**531,861**	**595,505**

The Interim Report of the Giełda Papierów Wartościowych w Warszawie S.A. Group for the nine-month period ended 30 September 2022 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, 22 November 2022

Appendix:

Condensed Consolidated Interim Financial Statements for the nine-month period ended 30 September 2022