



**Report on representation expenses,
expenses for legal services, marketing
services, public relations and social
communication services, and management
advisory services in 2023**

According to Article 18(2)(1a) and Article 20a(1) of the GPW Articles of Association and Article 17(6) of the Act of 16 December 2016 on the Terms of Management of Public Assets, the Management Board of the Warsaw Stock Exchange presents the **report on representation expenses, expenses for legal services, marketing services, public relations and social communication services, and management advisory services** in 2023.

1. CONSOLIDATED REPRESENTATION EXPENSES OF THE WARSAW STOCK EXCHANGE GROUP

Representation expenses, expenses for legal services, marketing services, public relations and social communication services, and advisory services, including management advisory services in the GPW Group, stood at PLN 30.3 million in 2023 (+39.3% i.e. +PLN 8.6 million YoY). Promotion costs remained stable year on year while the increase in advisory costs was due to an increase in the cost of legal and audit advisory and the recognition of costs of the AMX Group in 2023.

Table 1 Consolidated promotion and advisory expenses in 2021-2023

PLN'000	Year ended 31 December			Change (2023 vs 2022)	Change (%) (2023 vs 2022)
	2023	2022	2021		
Promotion, education, market development	8 389	8 294	6 862	95	1.1%
Advisory (including: audit services, legal services, business advisory)	21 887	13 438	7 787	8 449	62.9%
Total	30 276	21 732	14 649	8 544	39.3%

Source: Company

PROMOTION, EDUCATION, AND MARKET DEVELOPMENT COSTS

The costs of promotion, education, and market development, including the cost of marketing services, public relations and social communication services, stood at PLN 8.4 million in 2023 (+1.1% i.e. +PLN 0.1 million YoY). The costs of promotion, education, and market development included the costs presented in the table below.

Table 2 Consolidated costs of promotion, education, and market development in 2021 – 2023

PLN'000	Year ended 31 December			Change (2023 vs 2022)	Change (%) (2023 vs 2022)
	2023	2022	2021		
Sponsoring in cash and in kind	1 323	313	480	1 010	322.7%
Promotion and business development*	2 015	2 899	2 012	(884)	(30.5%)
Partnership in conferences**	1 376	104	-	1 272	1 223.1%
Catering services	832	1 091	331	(259)	(23.7%)
Media monitoring	117	147	111	(30)	(20.4%)
Public relations services	351	740	1 029	(389)	(52.6%)
Radio, TV and press advertising	1 020	1 389	1 833	(369)	(26.6%)
Hosting conferences and trainings	1 356	1 611	1 066	(255)	(15.8%)
Total	8 390	8 294	6 862	96	1.2%

* Marketing services shown at PLN 64 thousand in the 2022 report are included under promotion and business development.

** Partnership in conferences shown at PLN 1,295 thousand in the 2022 report are included under promotion and business development.

Source: Company

The Group's representation expenses include mainly the cost of promotion and business development, advertising, and public relations services which stood at PLN 4.7 million in 2023 (vs PLN 5.0 million in 2022), the costs of hosting conferences and

training which stood at PLN 1.4 million (-15.8% i.e. -PLN 0.3 million YoY) and the costs of sponsorship at PLN 1.4 million (+322.6% i.e. +PLN 1.0 million YoY). The Group's representation expenses also include the cost of advertising merchandise (presented in other operating expenses) at PLN 565.1 thousand in 2023 (+41.7% i.e. +PLN 166.3 thousand YoY).

ADVISORY COST

Advisory cost stood at PLN 21.9 million in 2023 (+62.9% i.e. +PLN 8.5 million YoY). The advisory cost included the costs presented in the table below.

Table 3 Consolidated advisory cost in 2021-2023

PLN'000	Year ended 31 December			Change (2023 vs 2022)	Change (%) (2023 vs 2022)
	2023	2022	2021		
Legal advisory	4 471	2 077	1 546	2 235	107.6%
Tax advisory	1 280	1 249	802	27	2.2%
Other advisory, including business and management advisory	14 106	9 160	4 592	5 044	55.1%
Tax and accounting audits	2 030	952	847	1 143	120.1%
Total	21 887	13 438	7 787	8 449	62.9%

Source: Company

The increase in advisory costs was mainly due to an increase in legal advisory costs related to M&A projects of PLN 1.7 million, an increase in financial audit costs due to inflation and additional auditor services (+PLN 1.1 million compared to 2022) and an increase in other advisory costs as described below.

Other advisory at PLN 14.2 million in 2023 included mainly business and management advisory including:

- advisory in strategic and development projects (GPW: PLN 2.2 million),
- advisory in the development of the GPW strategy (GPW: PLN 2.5 million),
- maintenance of the representative office in London (GPW: PLN 0.7 million),
- advisory regarding the operation of AMX (PLN 4.6 million).

2. SEPARATE REPRESENTATION EXPENSES OF THE WARSAW STOCK EXCHANGE

Representation expenses, expenses for legal services, marketing services, public relations and social communication services, and advisory services, including management advisory services, paid by the Warsaw Stock Exchange stood at PLN 20.5 million in 2023 (+19.2% i.e. +PLN 3.3 million YoY).

Table 4 Separate promotion and advisory expenses in 2021-2023

PLN'000	Year ended 31 December			Change (2023 vs 2022)	Change (%) (2023 vs 2022)
	2023	2022	2021		
Promotion, education, market development	6 567	6 347	5 408	220	3.5%
Advisory (including: audit services, legal services, business advisory)	13 967	10 881	5 935	3 086	28.4%
Total	20 534	17 228	11 343	3 306	19.2%

Source: Company

The costs of promotion, education, and market development, including the cost of marketing services, public relations and social communication services, stood at PLN 6.6 million in 2023 (+3.5% i.e. +PLN 0.2 million YoY). The costs of promotion, education, and market development included the costs presented in the table below.

Table 5 Separate costs of promotion, education, and market development in 2021 – 2023

PLN'000	Year ended 31 December			Change (2023 vs 2022)	Change (%) (2023 vs 2022)
	2023	2022	2021		
Sponsoring in cash and in kind	1 309	303	462	1 006	332.1%
Promotion and business development	2 747	2 291	1 428	456	19.9%
Catering services	580	599	228	(19)	(3.2%)
Media monitoring	117	126	111	(9)	(6.8%)
Public relations services	348	740	1 018	(392)	(52.9%)
Radio, TV and press advertising	711	1 115	1 521	(404)	(36.3%)
Hosting conferences and trainings	755	1 173	639	(418)	(35.6%)
Total	6 567	6 347	5 408	220	3.5%

Source: Company

The Company's representation expenses include mainly the cost of promotion and business development, hosting conferences and training, and advertising which stood at PLN 4.2 million in 2023 (-8.0% i.e. -PLN 0.4 million YoY), as well as the cost of advertising merchandise (presented in other operating expenses) at PLN 320.2 thousand in 2023 (+PLN 132.2 thousand YoY).

Advisory cost stood at PLN 14.0 million in 2023 (+28.4% i.e. +PLN 3.1 million YoY). The advisory cost mix is presented in the table below.

Table 6 Separate advisory cost in 2021 – 2023

PLN'000	Year ended 31 December			Change (2023 vs 2022)	Change (%) (2023 vs 2022)
	2023	2022	2021		
Legal advisory	3 149	1 157	928	1 992	172.1%
Tax advisory	1 129	1 107	680	22	2.0%
Other advisory, including business and management advisory	8 477	8 020	3 780	457	5.7%
Tax and accounting audits	1 211	597	546	615	103.0%
Total	13 967	10 881	5 935	3 085	28.4%

Source: Company

The increase in advisory costs was mainly due to an increase in legal advisory costs related to M&A projects of PLN 1.7 million and an increase in financial audit costs due to inflation and additional auditor services (+PLN 0.6 million compared to 2022).

Other advisory at PLN 8.5 million included mainly business and management advisory including:

- advisory in the development of the GPW strategy (PLN 2.5 million),
- advisory in the Private Market project (PLN 1.2 million),
- advisory in the TeO project (PLN 0.7 million),
- maintenance of the representative office in London (PLN 0.7 million),
- advisory in staff recruitment (PLN 0.3 million).