



**Report on representation expenses,
expenses for legal services, marketing
services, public relations and social
communication services, and management
advisory services in 2022**

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 2022.

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 21.7 million in 2022 (+48.4% i.e. PLN 7.1 million YoY). The increase in promotion costs was due to the organisation of many promotional actions and activities, as well as conferences and training sessions. The cost of advisory was mainly driven by the cost of advisory services in connection with strategic and development projects carried out.

Table 1 Consolidated promotion and advisory expenses in 2020-2022

PLN'000	Year ended 31 December			Change (2022 vs 2021)	Change (%) (2022 vs 2021)
	2022	2021	2020		
Promotion, education, market development	8 294	6 862	4 364	1 432	20,9%
Advisory (including: audit services, legal services, business advisory)	13 438	7 787	4 673	5 651	72,6%
Total	21 732	14 649	9 037	7 083	48,4%

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 8.3 million in 2022 (+20.9% i.e. +PLN 1.4 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 2020 – 2022

PLN'000	Year ended 31 December			Change (2022 vs 2021)	Change (%) (2022 vs 2021)
	2022	2021	2020		
Sponsoring in cash and in kind	313	480	387	(167)	(34,8%)
Promotion and business development	2 835	2 012	1 953	823	40,9%
Partnership in conferences	104	-	-	104	n/d
Catering services	1 091	331	237	760	229,6%
Media monitoring	147	111	77	36	32,4%
Public relations services	740	1 029	335	(289)	(28,1%)
Radio, TV and press advertising	1 389	1 833	1 004	(444)	(24,2%)
Hosting conferences and trainings	1 611	1 066	371	545	51,1%
Marketing services	64	-	-	64	n/d
Total	8 294	6 862	4 364	1 432	20,9%

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 5.0 million in 2022 (vs PLN 4.9 million in 2021) as well as the costs of hosting conferences and training which stood at PLN 1.6 million (+51.1% i.e. +PLN 0.5 million YoY). The Group's representation expenses also include the cost of advertising merchandise (presented in other operating expenses) at PLN 398.8 thousand in 2022 (-39.7% i.e. -PLN 263.0 thousand YoY).

ADVISORY COST

Advisory cost stood at PLN 13.4 million in 2022 (+72.6% i.e. +PLN 5.7 million YoY). The advisory cost included the costs presented in the table below.

Table 3 Consolidated advisory cost in 2020-2022

PLN'000	Year ended 31 December			Change (2022 vs 2021)	Change (%) (2022 vs 2021)
	2022	2021	2020		
Legal advisory	2 077	1 546	668	531	34,3%
Tax advisory	1 249	802	1 047	447	55,7%
Other advisory, including business and management advisory	9 160	4 592	2 217	4 568	99,5%
Tax and accounting audits	952	847	741	105	12,4%
Total	13 438	7 787	4 673	5 651	72,6%

Source: Company

Other advisory at PLN 9.2 million in 2022 included mainly business and management advisory including:

- advisory in strategic and development projects (GPW: PLN 3.5 million),
- advisory in the acquisition of the Armenia Securities Exchange (GPW: PLN 0.2 million),
- advisory in the development of the GPW strategy for 2023-2027 (GPW: PLN 1.0 million),
- advisory in financial and accounting processes (GPW: PLN 1.6 million),
- maintenance of the representative office in London (GPW: PLN 0.6 million),
- advisory in the GET Baltic gas market development (TGE: PLN 0.5 million),
- advisory in staff recruitment (GPW Group: PLN 0.4 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 17.2 million in 2022 (+51.9% i.e. +PLN 5.9 million YoY).

Table 4 Separate promotion and advisory expenses in 2020-2022

PLN'000	Year ended 31 December			Change (2022 vs 2021)	Change (%) (2022 vs 2021)
	2022	2021	2020		
Promotion, education, market development	6 347	5 408	3 302	939	17,4%
Advisory (including: audit services, legal services, business advisory)	10 881	5 935	2 633	4 946	83,3%
Total	17 228	11 343	5 935	5 885	51,9%

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 6.3 million in 2022 (+17.4% i.e. +PLN 0.9 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 2020 – 2022

PLN'000	Year ended 31 December			Change (2022 vs 2021)	Change (%) (2022 vs 2021)
	2022	2021	2020		
Sponsoring in cash and in kind	303	462	374	(159)	(34,4%)
Promotion and business development	2 291	1 428	1 475	864	60,5%
Catering services	599	228	155	371	162,5%
Media monitoring	126	111	62	14	13,0%
Public relations services	740	1 018	335	(278)	(27,3%)
Radio, TV and press advertising	1 115	1 521	624	(406)	(26,7%)
Hosting conferences and trainings	1 173	639	278	534	83,5%
Total	6 347	5 408	3 302	939	17,4%

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 4.6 million in 2022 (+27.6% i.e. PLN 0.9 million YoY), as well as the cost of advertising merchandise (presented in other operating expenses) at PLN 188.0 thousand in 2022 (-PLN 306.2 thousand YoY).

Advisory cost stood at PLN 10.9 million in 2022 (+83.3% i.e. +PLN 4.9 million YoY). The advisory cost included the costs presented in the table below.

Table 6 Separate advisory cost in 2020 – 2022

PLN'000	Year ended 31 December			Change (2022 vs 2021)	Change (%) (2022 vs 2021)
	2022	2021	2020		
Legal advisory	1 157	928	227	229	24,7%
Tax advisory	1 107	680	412	427	62,8%
Other advisory, including business and management advisory	8 020	3 780	1 467	4 240	112,2%
Tax and accounting audits	597	546	527	51	9,3%
Total	10 881	5 935	2 633	4 946	83,3%

Source: Company

Other advisory at PLN 8.0 million included mainly business and management advisory including:

- advisory in the Private Market project (PLN 2.4 million),
- advisory in the TeO project (PLN 0.6 million),
- advisory in the PCOL project (PLN 0.1 million),
- advisory in the WATS project (PLN 0.4 million),
- advisory in the acquisition of the Armenia Securities Exchange (PLN 0.2 million),
- advisory in the development of the GPW strategy for 2023-2027 (PLN 1.0 million),
- maintenance of the representative office in London (PLN 0.6 million),
- advisory in financial and accounting systems (PLN 1.6 million),
- advisory in staff recruitment (PLN 0.4 million).