

GPW Group's Record-high Revenue in Q1 2024

The Warsaw Stock Exchange Group generated record-high sales revenue of PLN 118.2 million in Q1 2024, an increase of 5.3% year on year. Net profit¹ increased by 2.1% year on year to PLN 27.2 million, despite an 8.8% drop in EBITDA to PLN 31.8 million. The Warsaw Stock Exchange has retained its strong position in Europe, ranking among the biggest markets by growth in EOB equity turnover value and the third by velocity, according to FESE Q1 2024 data. GPW's indices have delivered significant year-to-date growth and are reaching historic highs.

- **PLN 118.2 million – record-high quarterly sales revenue of the GPW Group (+5.3% YoY)**
- **PLN 31.8 million EBITDA in Q1 2024 (-8.8% YoY)**
- **PLN 27.2 million net profit¹ in Q1 2024 (+2.1% YoY)**
- **30% WIG index growth since mid-October 2023**

Cash market records

A rally on the Polish capital market continued in Q1 2024. Index gains were accompanied by significant increase in turnover volumes. According to data from the Federation of European Securities Exchanges (FESE), EOB Main Market turnover reached PLN 82.7 billion in Q1 2024 and its year-on-year increase of 18.4% was among the highest in Europe. The Warsaw Stock Exchange ranked third in Europe by velocity at 39%. Investor activity remained strong in April. Main Market equity turnover reached PLN 31.1 billion, an increase of 78.5% year on year.

"These past seven months have been a very good time for the Warsaw Stock Exchange. High market turnover was coupled with historic index gains. The broad market index WIG and the large-cap index WIG20 gained more than 30% since mid-October 2023, ranking among the best performers globally," said Tomasz Bardziłowski, President of the GPW Management Board.

Revenue of the Warsaw Stock Exchange Group (GPW Group) stood at PLN 118.2 million in Q1 2024, an increase of 5.3% year on year. Revenue from the financial market increased by 11.6% year on year to PLN 74.2 million while revenue from the commodity market decreased by 4.2% year on year to PLN 39.6 million. Revenue from information services on the financial and commodity markets was the highest in the Group's history at PLN 15.8 million.

Despite the increase in revenue to a record level, the GPW Group's EBITDA after the first three months of 2024 amounted to PLN 31.8 million, down 8.8% year on year. Net profit attributable to owners of the parent entity amounted to PLN 27.2 million in Q1 2024 and was 2.1% higher than a year ago. Operating expenses increased by 9.5% year on year to PLN 94.4 million. As in previous years, the Group set up provisions for the annual capital market supervision fee in Q1 2024, amounting to PLN 15.65 million, PLN 0.2 million more than a year earlier.

The cash market saw another quarter of expansion in ETF offerings, reflecting growing investor interest in these products. ETF turnover on GPW reached a record high of PLN 370 million, increasing by 21.4% year on year. Turnover volume of the most popular derivative instrument on GPW, the WIG20 futures, increased by 1.7% year on year to 2.32 million contracts despite a much lower volatility of the underlying index.

¹ Net profit attributable to owners of the parent entity



The Warsaw Stock Exchange is consistently expanding the range of financial instruments for investors. New futures on the shares of four companies were added to the derivatives offer in Q1 2024: AmRest, PKP Cargo, Asbis, and Auto Partner. A new type of structured instrument, option warrants, were introduced to trading at the end of March 2024. These are warrants on the shares of nine Polish companies listed on GPW and on three indices: WIG20, mWIG40, and DAX.

The GPW Group has for several weeks been conducting an intensive review of its ongoing strategic initiatives to understand their economic potential and, above all, their financial and operational risks. Cost optimisation initiatives are also being analysed as part of this process.

WATS – GPW’s key project

In April 2024, the GPW Supervisory Board appointed Sławomir Panasiuk as Vice-President for IT and Technology. Under his leadership, the Exchange plans not only to effectively implement the new trading system but also to improve cyber-security and adapt to new technological trends, which is essential to ensure the safety and efficiency of capital market operations. Sławomir Panasiuk will take up his position after receiving approval from the Polish Financial Supervision Authority (KNF).

"We are delighted with the outcome of the competition for the position of Management Board Member for IT. We are proud that we have established the GPW WATS Implementation Committee with the participation of industry representatives, which has developed a new implementation schedule. Despite significant delays, it is our top priority to ensure the safety of trading and to thoroughly test the new system," said Tomasz Bardziłowski.

TGE’s new Management Board

In May 2024, TGE’s Extraordinary General Meeting appointed Piotr Listwoń, former Vice-President for Operations, as President of the Management Board for the next term. TGE’s Supervisory Board decided that Jarosław Ziębiec would remain on the Management Board as Vice-President for Business Development in the new term. Mariusz Buraczyński was appointed Vice-President for Operations, and he will take up the position subject to approval by the Polish Financial Supervision Authority. The appointment of the President and Members of the TGE Management Board was preceded by a competition procedure.

From January to March 2024, the Towarowa Giełda Energii Group (TGE Group) recorded a decline in electricity turnover by 7.4% to 32.1 TWh and in natural gas turnover by 16.5% to 34.0 TWh. The volume of property rights for electricity generated from renewable energy sources decreased by 21.5% year on year to 4.1 TWh.

EU regulatory changes

As a key capital market institution in Poland, the Warsaw Stock Exchange is closely following the upcoming regulatory changes at the European Union level. In April 2024, the European Parliament adopted a draft regulation which introduces important changes to the regulations designed to prevent capital market abuse and to the rules governing the issuance of shares in public offerings. The Listing Act aims to make public capital markets more attractive to companies and to facilitate access to capital for small and medium-sized enterprises. The key changes raise the threshold for exemption from the requirement to prepare a prospectus for the listing of securities from the current 20% to 30% within 12 months and exempt issuers whose shares of the same type have been listed on a regulated market for at least 18 months.

"We welcome the key changes introduced by the Listing Act, most importantly the expansion of the prospectus exemption for issues. We hope that the liberalisation of prospectus requirements will



significantly bolster the scale of capital raised by companies listed on GPW,” said Tomasz Bardziłowski, President of the GPW Management Board.

GPW plans to actively participate in consultations on the concept of the Capital Markets Union. Although the idea enjoys growing interest among EU decision-makers and has been acknowledged for its importance in mobilising Europeans’ savings, including for the purpose of energy transition, the process has been facing many challenges for years. With its significantly lower capitalisation of listed companies compared to larger markets, Poland copes with additional difficulties in the context of the single capital market. Further discussions on the shape of the Capital Markets Union require participants to strike a balance between pan-European integration and preserving the capacity of local exchanges to raise capital efficiently, especially for smaller and medium-sized companies.

The Warsaw Stock Exchange Group (GPW Group) operates trading platforms for shares, Treasury and corporate bonds, derivatives, electricity and gas, and provides indices and benchmarks including WIBOR and WIBID. The index agent FTSE Russell classifies the Polish capital market as a Developed Market since 2018. The markets operated by the GPW Group are the biggest in Central and Eastern Europe. For more information, visit www.gpw.pl

Media contact:

Sara Wilczęga
GPW Communication & Marketing
mob. + 48 691 211 920
press@gpw.pl

Robert Stankiewicz
Director, GPW Communication & Marketing
mob. +48 885 770 976
robert.stankiewicz@gpw.pl