WARSAW STOCK EXCHANGE

Q1 2026 EARNINGS CALL TRANSCRIPT

26 May 2026

Łukasz Kucharski, Head of IR Warsaw Stock Exchange:

Hi, good afternoon, good morning everyone. Welcome to Warsaw Stock Exchange Q1 2026 results call. Thank you for joining us today. Let me introduce our today's speakers. We have with us the CEO of Warsaw Stock Exchange, Mr. Tomasz Bardziłowski, the CFO Mr. Marcin Rulnicki, and the CEO of Polish Power Exchange. Mr. Piotr Listwoń. We have planned a 30 minute presentation for you, followed by a Q&A session. Well, now, without further ado, let me pass the floor to Tomasz.

Tomasz Bardzilowski, CEO of Warsaw Stock Exchange:

[slide 2]

Thank you, Lukasz. Welcome, everybody, to our first quarter earnings call. The first quarter was a record quarter for the exchange. We recorded record-high revenues of 169 million, which is up 27.5% year on year, on the back of very strong turnover growth. Turnover in cash equities rose by 42% year on year in the first quarter, and this drove our revenues from financial markets, which grew 34% on a year-on-year basis. However, we also noted and recorded very strong revenue growth in the commodity segment, up 17% year on year to over 50 million in revenues. In terms of operating costs, these rose by almost 12% year on year. However, our cost/income ratio fell to its lowest level in four years — below 58% — which is over 800 basis points lower than a year ago. As a result of operating leverage, our earnings increased significantly: EBITDA was up 42%, and net profit rose by 38% year on year to almost 70 million. In April, as a board, we recommended to our shareholders a record-high dividend of 3.4 per share, which represents almost 8% growth compared to the previously paid dividend.

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Key developments in the first quarter: first of all, we are very happy to see an active market in terms of transactions, even despite high volatility. We had six debuts on the Main Market, and the total value of primary and follow-on deals year to date was over 4 billion zlotys. We also had four new listings on the NewConnect market, with a total deal value of 130 million zlotys. We saw a quite active bond market as well. The number of new listings on the Catalyst market was 126 non-treasury bonds, with a total value of new listings of almost 12 billion zlotys. Also, we had 13 new ETFs year to date, and ETF turnover increased significantly, rising by almost 200%. In terms of strategic initiatives, we focused on activities aimed at attracting both new issuers, such as the GPW IPO Academy, and investors. There was still a strong focus on the NewConnect market — we held the NC Focus Day conference, but we also expelled 20 companies from our SME market for not being compliant with our reporting obligations. In terms of regulatory work, in cooperation with seven other CEE exchanges, we presented a joint position paper on the EU Savings and Investment Union. Last but not least, one of the biggest events so far this year was our 35th anniversary.

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We had an event on the 16th of April this year, and the main statement was "From transformation to innovation. Thirty-five years ago, the stock exchange was a symbol in Poland of the transition from a communist to a free market economy. Now, we want the Warsaw Stock Exchange to be a symbol of an innovative economy and of financing innovative companies. We also pointed out that the last three years have been one of the best periods in the history of the exchange. During this period, the market capitalization of domestic companies doubled to 1.2 trillion zlotys, and the average daily turnover increased by more than two times to 2.6 billion zlotys.

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Going back to the statistics of the past quarter, as I said, the very impressive revenue growth came on the back of record-high turnover, which grew by 42%. In terms of turnover growth, we have been one of the most active exchanges in Europe. In terms of turnover velocity, we are still among the top exchanges in Europe, just after Deutsche Börse and the Athens Stock Exchange.

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Very active period in terms of ECM transactions — six new companies on the Main Market, including the IPO of Rex Concepts. It's a restaurant company which raised almost 500 million zlotys on the exchange as new capital. Also, two other companies that made their IPO debut in the first quarter have already conducted and successfully executed follow-on offerings. Here, I'm referring to Niewiadów, a defence company, and Creotech Quantum, which is the first company from the quantum computing sector listed on a European exchange. We also saw a quite strong SPO and ABB market. In total, transaction values exceeded 4 billion zlotys. We hope to see this level of activity continue or even strengthen in the coming quarters, once market volatility slightly declines.

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Strong activity also in the non-treasury bond market catalyst with the 126 new listings and the total value of listings on the capital market went up by almost 20% year on year to over 160 billion zlotys.

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Broadening the ETF offering remains one of our key priorities for this year. ETF assets listed on the exchange increased by 30% in the first quarter to 2.8 billion zlotys. We now have 13 ETFs, and we hope to reach around 50 ETFs by the end of this year. And let me now pass to Martin to guide you through our financials.

Marcin Rulnicki, CFO of Warsaw Stock Exchange:

[slide 10]

Thank you, Tomasz. Hello, everyone. In the next few slides, I'll try to explain the details of our financial performance in Q1 2026, starting with a summary of our P&L. As Tomasz already mentioned, we recorded record-high revenue, with 169 million zlotys in sales in the first quarter. This was driven by both the financial market and the commodity market. In the financial market, it was obviously due to high revenues in cash equities, but also a very good quarter for the Armenian Stock Exchange, as well as strong sales of market data. We made significant progress year on year. In the commodity market, we also had a very solid quarter, with revenues up by more than 17% year on year. This growth was visible across all business lines, including trading on energy and gas, as well as clearing and settlement — all these activities increased compared to the first quarter of 2025. In terms of operating costs, we saw an increase of almost 12%. This will be explained in more detail in the following slides, so let me not go into specifics here. However, our cost/income ratio was below 58%, reaching a very low level — the lowest in the past four years. Overall, it was a very strong operating performance: operating profit exceeded 70 million, EBITDA was almost 78 million zlotys, and net profit reached nearly 70 million zlotys.

So it was a very, very good quarter for the Warsaw Stock Exchange Group.

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In the structure of our revenue, we saw a small increase in financial market-related revenues — they went up to almost 68% of the group's overall revenues, mainly thanks to very strong turnover in cash equities and related revenues. The commodity market accounted for 30% in the first quarter, so slightly down compared to Q4 2025. Looking at this slide, we usually also comment on revenue not related to trading. In Q1 2026, the share of this revenue was slightly lower than in the previous quarter — it went down to 31.8%. This was obviously not due to a decline in revenues, but rather because trading-related revenues were growing faster. Trading-related revenues increased by almost 29% year on year, whereas non-trading revenues increased by almost 25%. So I would say slower, but certainly not slow.

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Looking at trading-related revenue by asset class, we can see that cash equities still dominate, representing around 63 million out of a total of 76 million in trading-related revenues, following growth of 40%. This is obviously driven by the record-high turnover in cash equities on the Warsaw Stock Exchange, which reached almost 158 billion zlotys in Q1. However, in other asset classes, we also see increases. We are seeing higher revenues from derivatives, as well as from debt instruments — both the TBSP and Catalyst markets recorded significantly higher revenues than in the previous year.

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Looking at other business lines within the financial market segment, we see very solid, very good growth in information services, particularly in selling data — more than 15% up year on year, reaching over 18 million zlotys in revenues in Q1 alone. This is very fundamental growth, driven by new clients for both real-time and processed data. We have seen this trend for several quarters now. We also recorded stable revenues from listings, but very strong growth in the Armenian Stock Exchange. As you can see, this comes from both deposit-related activities — the dark blue part of the bar — as well as exchange activities. In deposit-related activities, the growth is mainly due to the revision of fees for services that took place in July last year. So Q1 and Q2 will still benefit from a lower base. In exchange activities, the growth is driven by high market activity, mainly related to new issues of corporate bonds — we had around 30 of them during Q1. One more point to mention regarding depository activity in Armenia: in Q1, particularly in January and February, we had a number of quite significant non-recurring transactions, which elevated this revenue to 11.3 million. I would say that the recurring revenue from the Armenian depository, following the revision of rates, should be in the range of 9 to 9.5 million per quarter. So Q1 is, I would say, above this recurring revenue level that we should expect in the coming quarters.

Piotr, if you could comment on commodity market revenue, please.

Piotr Listwoń, CEO of Polish Power Exchange (WSE subsidiary):

[slide 14]

Sure. Let me present the revenues from the commodity markets. We had a very good first quarter, in which revenues from trading on the commodity markets amounted to over 28 million zlotys, representing an increase of more than 19% year on year. The gas market continued its strong performance in the first quarter, extending its positive trend from 2025. Total turnover increased by almost 55% year on year, and revenues grew by almost 58%. It is worth mentioning that January and February were the months with the highest turnover on the spot gas market in the history of the Polish Power Exchange. We also achieved good revenues in the electricity market, which grew by almost 28% year on year, mainly due to the forward market, where volumes increased by over 59%. Higher contracting on the forward market can be linked to lower prices of emission allowances during this period. The third-largest contribution came from fees from market participants, which increased by over 22% year on year to around 9 million zlotys, mainly driven by clearing house fees for the management of collateral contributed to the settlement guarantee system. The property rights market performed below our expectations, with a 25% decrease in revenue year on year. On the one hand, this may be related to a lower number of certificates issued and imported into our registry, as well as changes in the strategy of entities obliged to purchase and redeem certificates, following the level of the redemption obligation that has been in place for three years now. On the other hand, some of the unrealised turnover may still materialise later this year, which we hope for.

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Similarly to trading, the clearing and settlement segment in the first quarter recorded strong growth, mainly due to increased volumes on the natural gas market, with revenues rising by 27% to reach 16.7 million zlotys. In registers, we recorded an increase in revenues from guarantees of origin services by 12% year on year. However, similarly to trading in property rights, revenues in registers fell by more than 23% year on year.

Marcin Rulnicki, CFO of Warsaw Stock Exchange:

[slide 16]

Okay, thank you very much, Piotr. And now, coming back to the consolidated numbers, let's have a look at the operating expenses. In Q1 2026, we had around 97 million zlotys of OPEX, which grew by almost 12% compared to the previous year. The drivers were mainly the same as in previous quarters. The largest component of our operating expenses is personnel costs, which increased by 14.2%. This is due to reasons we have already explained in previous conferences — we have a higher number of full-time employees, mainly at the Warsaw Stock Exchange and in IT teams, which we had to strengthen over the past year. Additionally, at the Armenian Stock Exchange, and particularly at the Armenian Depository, we have hired a number of new employees. This is related to new services and new fees approved by the Central Bank of Armenia, under the condition that the company invests part of the additional revenues into strengthening the team and IT infrastructure. This has, of course, translated into higher costs. Another component of personnel costs that contributed to this increase was provisions for variable remuneration. Due to the record-high results in Q1, we have booked higher provisions for variable remuneration across all companies within the Warsaw Stock Exchange Group, which further contributed to higher personnel expenses. Another significant component of our costs is external services, where we also see strong growth, mainly related to IT. This is a combination of two types of costs. One group includes costs related to our major ongoing projects, where certain expenses cannot be capitalised and therefore are included in OPEX. This applies to projects such as WATS, the new accounting system, the new billing system, and a number of other IT initiatives. The second group includes costs related to new licences and elements of our IT infrastructure, which are increasingly delivered under a software-as-a-service model. As you know, this model is gradually replacing the traditional CapEx and amortisation model, and many providers now offer services in this way. What is also worth noting is the lower depreciation and amortisation costs, which decreased by more than 13%, or around 1.1 million zlotys. This is due to write-offs we recorded in non-core companies at the end of last year — we wrote off intangible assets in those companies, and they are no longer amortised. Additionally, our UTP licence was fully amortised in Q4 last year, so this cost has also disappeared.

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In this slide, we are trying to analyse the underlying increase in operating expenses. I'm not trying to make the point that the costs we are excluding from the analysis are non-recurring or unusual. Rather, I'm saying that they are related to the very dynamic growth of the business, which was not included in our original plans. As you know, in our strategic KPIs we assumed revenue growth of between 6% and 8% annually, with operating expenses growing at a level of 4% to 6%. So, yes, we are currently above that 4% to 6% range, but this is also linked to the very dynamic growth of the business. We have identified two main components related to this growth. One is variable compensation, as I mentioned earlier. We have record-high results across the entire group, and therefore our provisions for variable remuneration are relatively higher. In addition, in the Armenian Stock Exchange we had over 130% growth in revenues, and there are additional operating expenses associated with this extra revenue, which exceeds our long-term expectations. On the other hand, we are generating savings in non-core companies — their operating expenses declined by around 800,000 zlotys year on year in Q1. So, excluding these three elements, the increase in operating expenses is less than 5 million zlotys, which represents approximately 5.7%, bringing us much closer to our long-term target.

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Speaking about non-core projects, we are still in the process of minimizing their negative impact on our results. We are either looking for investors, liquidating these companies, or reducing their operating costs. So, without going into too much detail here, I would like to emphasize that this remains a key priority for us. We hope to see gradual results from our efforts in this area, and I believe that from Q3 this year, it will become more visible in our P&L.

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A few words about capital expenditures. When you look at Q1 2026, we ended up with 14.3 million zlotys in investments. It may look quite low compared to previous quarters, and especially compared to Q1 2025. However, please keep in mind that in 2025, we had a shift of around 10 million zlotys from Q4 to Q1. We placed a number of orders and even received deliveries in Q4 2024, but we paid for these deliveries only in the first three months of 2025. This, let's say, inflated the value of investments, particularly in tangible equipment, in Q1 2025. That is why this data is not fully comparable with what we see for Q1 2026. That said, the current level is also partly the result of postponing or delaying certain planned investments. So overall, I would say that the CapEx plan for 2026 will still be at a relatively high level, comparable to 2025, and we expect to catch up in the coming quarters. Speaking about CapEx, there is one more point worth mentioning. We revised the budget for our WATS system. The original budget, assumed by management in September 2024, was 152.9 million zlotys. Due to the delay of the go-live date and the extended project timeline, we have revised this budget. We now assume that total investments and expenses related to this project at the go-live date — which is the 6th of July — will amount to 164.5 million zlotys in total.

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Regarding liquidity, perhaps one thing to comment on here is that we are accustomed to seeing our operating cash flow to EBITDA ratio at around 90%. For the 12 months ending in March, it's closer to 82%, which seems low—especially considering the growth rate of operating profit. We investigated what happened here, and the explanation is quite straightforward and technical. Due to the change in the accounting system at the Warsaw Stock Exchange and three subsidiaries, we encountered some technical issues with monitoring overdue receivables. We lost some automatic procedures that we had in our previous system for collecting these receivables. As a result, at the end of March, we had an unusually high value of overdue receivables. However, we are catching up and adjusting the system to be more operational. Right now, we are at levels comparable to last year. So, I would say it was temporary and technical, but it translated to slightly weaker cash flow from operating activities than you might expect given the operating profit dynamics. Nevertheless, we are very safe in terms of liquidity. Our net cash at the end of March was 453.5 million zlotys, which gives us a very good starting point for discussing the dividend.

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And let's move to the next slide, where we summarise our proposal for the dividend payment. In April, the management of the Warsaw Stock Exchange recommended the payment of 142.7 million zlotys from the 2025 net profit. This translates to 3.4 zlotys per share, which is 8% higher than last year. The payout ratio is 72% of the consolidated net profit for 2025, and the dividend yield is 4.4%. The management proposed a dividend record date of 23 July and a payment date of 6 August. Of course, this is a proposal — it has been reviewed and approved by the Supervisory Board, but the final decision lies with the General Meeting of Shareholders, which will take place at the end of June.

Tomasz Bardzilowski, CEO of Warsaw Stock Exchange:

[slide 23]

Thank you, Marcin. Let me now share with you our guidance, but before that, a few words about our most strategic project, which is the rollout of the proprietary trading system, WATS. At the end of April, the Board, together with the exchange members, confirmed the new timetable for the rollout of the system, including three dress rehearsals. Subject to the successful completion of these rehearsals, and full readiness of GPW as well as all trading members, we have set the migration date for the 4th–5th of July, with the go-live date scheduled for the 6th of July. We have already conducted the first dress rehearsal, and we are quite satisfied with the results. Almost all brokers took part in the rehearsal, and some of those who did not participate requested additional testing, which is scheduled for the coming week. We tested the system's capacity, as well as the migration to the new system, and overall we are quite satisfied with the results. As I mentioned, there are still a few areas for further improvement, especially in the applications around WATS that need to be fully integrated. We will continue working on these and addressing them before the next dress rehearsal, which will take place on the 6th and 7th of June. Finally, I would like to underline that our key priority is a safe and smooth rollout and migration. If we are not 100% confident that the rollout can be carried out safely, we will reconsider the timetable.

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In terms of guidance for the coming months and quarters, in cash equity trading, we have seen somewhat lower volume growth in April and May compared to the first quarter, but still at solid double-digit levels — 15% in April and 17% in May. This is mainly due to the high base effect, rather than any decline in current volumes. As for the commodity market, let me perhaps ask Piotr to provide an update on the trends, especially given that we are seeing some declines in turnover in both gas and electricity.

Piotr Listwoń, CEO of Polish Power Exchange (WSE subsidiary):

Yeah, sure. Let me briefly explain the reasons for the somewhat lower volumes, which we had expected to be higher. Currently, volumes on the gas and electricity markets are lower than those recorded last year. As I mentioned before, we had record-high volumes in April and May last year, especially on the gas market. In gas, we are dealing with significant fluctuations in prices across European gas hubs, including Poland, driven by the situation in the Middle East and the blockade of the Strait of Hormuz. In recent weeks, we have observed an upward trend in gas indices, which has translated into lower activity on the demand side. Market participants are less willing to pay higher prices for gas, which is mainly used for electricity production and industrial processes. On the electricity market, we have also observed a decrease in trading volumes year on year, mainly due to rising CO_2 emission allowance prices, which have a direct impact on contracting activity on the forward market. However, we expect volumes to recover in both markets in the near future. The first signs of recovery can already be seen in the most recent trading sessions on the gas market. So we expect that, going forward, volumes should gradually return to the exchange.

Tomasz Bardzilowski, CEO of Warsaw Stock Exchange:

Thank you, Piotr.

On operating costs, in the coming quarters, we continue to anticipate a higher OPEX level, mainly due to the expected sharp increase in depreciation following the launch of WATS and the recognition of previously capitalised costs in the P&L. Also, following the sharp increase in revenues at AMX, we expect a further increase in operating costs in our Armenian subsidiary going forward. On the other hand, we hope that some of these increases will be offset by further cost reductions at the level of non-core subsidiaries. In terms of CapEx, we expect to see higher spending in the coming quarters, especially in the second quarter, mainly due to the intensification of work on the implementation and rollout of WATS, as well as further investments in cybersecurity and the development of digital tools. It is also worth mentioning that there are several significant initiatives in Poland related to capital market development. One that we are particularly looking forward to is the introduction of special investment accounts, OKI, which are tax-efficient and exempt from capital gains tax. The draft law on OKI was adopted by the government on the 5th of May, and the launch is planned for the 1st of January next year. We continue to believe that this new investment account, which will enable retail investors to invest up to 100,000 zlotys free of capital gains tax in shares and other capital market instruments, could be a real game changer in terms of retail flows on the exchange. There is also the new bill on the ETF issuance regime. The draft law was approved on the 20th of April, and we believe that it will come into force by the end of this year. This will enable local Polish ETF providers to issue and list ETFs under a simplified regime, including in Poland, facilitating easier distribution, especially through banking networks. Overall, what we want to emphasise — and this is something we repeat on many occasions — is that we continue to see significant long-term upside in the development of the Polish capital market. The size of the market relative to the economy, at around 27% in terms of domestic market capitalisation to GDP, remains significantly lower than in other European markets and below the needs of the Polish economy. Therefore, we believe that the market will continue to grow, and we expect to remain a key beneficiary of this growth going forward.

Thank you.

Q&A session:

Łukasz Kucharski, Head of IR Warsaw Stock Exchange:

Okay, thank you. Thank you very much for the presentation, and let us now move to the Q&A session. If you would like to ask a question, please raise your hand. We would also kindly ask you to introduce yourself before asking your question. I see a raised hand from Miguel Diaz from Wood and Company. Miguel, I am unmuting you now.

Miguel Dias, WOOD&Company:

I guess you've introduced me already, but my name is Miguel and I'm with Wood & Co, financial analyst. So I have a couple of questions for you. First of all, congratulations for, again, a strong set of results. Impressive. In terms of the quarter, like for information services came in higher than I was expecting. Like, is this broadly the new run rate for the rest of the year, would you say? And, and, and also what drove the the the increase?

Marcin Rulnicki, CFO of Warsaw Stock Exchange:

Yeah, hi, Miguel. I think that in this business, growth essentially comes from acquiring new customers for data services, so it is quite organic in nature. We do not see many cases of customers resigning from the service, so I would say that the level we have reached is relatively sustainable. Of course, we cannot guarantee that the growth rate will remain the same, but we have observed solid growth for many quarters now. We also do not typically see declines in data-related revenues. So I would say that maintaining the current level and adding modest growth on top of it is a fairly safe assumption. As for Q1 2026, I am not aware of any one-off factors — not to my knowledge.

Miguel Dias, WOOD&Company:

Okay, so if I understood correctly, we could expect a small quarter on quarter increase moving forward.

Marcin Rulnicki, CFO of Warsaw Stock Exchange:

This is what we have observed for quite a long time now, and I hope we can maintain it. But of course, the rate of this growth is hard to predict.

Miguel Dias, WOOD&Company:

Sure, sure, and maybe if you could just give some color on the new customers, like who is buying the data or who is interested in the data, if you could disclose.

Marcin Rulnicki, CFO of Warsaw Stock Exchange:

I don't have these details off the top of my head. OK, so so I let me check if we can if we can disclose anything specific here and then we can get back to you later if this is not a problem.

Miguel Dias, WOOD&Company:

All right, thanks. Appreciate it. On the other fees paid by market participants in commodities, this is also particularly strong. So if you could please provide more color on these, like what drove the good print, and also If we can view these this level as the new run rate for 2026.

Piotr Listwoń, CEO of Polish Power Exchange (WSE subsidiary):

eah, sure. There are two main drivers. Of course, there are also other fees, such as annual fees from customers — when we onboard new clients, they pay these fees, typically in the first quarter. Additionally, as I mentioned, we implemented changes in our commodity clearing house fee structure last year. We modified the way we collect collateral from our clients and market participants. Initially, we expected that this change might lead to some withdrawals of collateral, as it was designed to make the process more efficient for clients. However, this did not happen. On the contrary, clients have actually posted even more collateral than we had anticipated, including from the spot market. As a result, we generated additional fees related to the management of the collateral within the settlement guarantee system. The third driver is our subsidiary, InfoEngine, which continues to acquire new clients and generate higher volumes related to operations between traders and physical delivery handled by the TSO — the Transmission System Operator. As a result, we are seeing increasing revenues from this area as well.

Miguel Dias, WOOD&Company:

Okay, got it. And you would consider these levels to be sustainable moving forward? Can I extrapolate these as a run rate for the rest of the year.

Piotr Listwoń, CEO of Polish Power Exchange (WSE subsidiary):

Of course, it depends. Collateral levels are driven by activity in both the spot and forward markets, so depending on differences in settlement prices, it is difficult to predict these numbers precisely. Given the high volatility in the gas market that I mentioned earlier, this also makes forecasting more challenging. However, when it comes to InfoEngine customers, our projections are more stable — we expect the numberg to remain broadly at a similar level.

Miguel Dias, WOOD&Company:

Now, on costs, I think a bit more detail would be helpful here. Could you please provide a quarterly cost breakdown for the rest of 2026, specifically quantifying WATS-related depreciation and amortisation, as well as WATS-related OPEX and the Armenian Exchange costs? Also, how much of these expected cost increases can be offset by efficiency gains or cost savings in the non-core parts of the business?

Marcin Rulnicki, CFO of Warsaw Stock Exchange:

et's start with the amortisation and depreciation of WATS. I would say that the accumulated investments — in other words, the value of the asset at go-live — should be around 140 to 145 million. This is because, out of the total 165 million budget, part relates to operating expenses; I think roughly around 20 million, based on a simple calculation. As for the amortisation period, I would expect it to be between 10 and 15 years. We are still analysing what the expected useful life should be, but we have many examples showing that a period exceeding 10 years for a core stock exchange system is nothing unusual. Our experience with UTP also confirms this approach. So I would say: 140 to 145 million of accumulated investment, amortised over perhaps 10 to 15 years, maybe somewhere in between. In terms of operating expenses once we go live, we prefer not to give specific guidance here. But, broadly speaking, our quarterly investments are currently around 9 million zlotys, so roughly 3 million per month. I would say this will split into three parts. One part will remain in CapEx and will reflect the team's work on developing new versions of WATS and expanding the system to other markets and other companies within the group. Another part will move into OPEX and will relate to maintaining the system, fixing bugs, and covering the general maintenance needs of an already operational system — meaning costs that can no longer be capitalised. And then the final part is something we will probably be able to eliminate. Here I mean a number of contracts with subcontractors and companies supporting us in this project. I believe that at least some of these arrangements will be able to come to an end. In terms of Armenia and the cost base there, I think they will still require some additional investment in the team and IT infrastructure. However, I would say that achieving the 65% cost/income ratio on the new services introduced from July last year should not be a problem for them. So I hope this gives you a better sense of the profitability level of these additional services. And last but not least, you asked about the offset from non-core companies. The quarterly costs of DAI and two smaller companies are around 1 million zlotys, and I believe we can reduce this basically to zero from Q3. As for the logistics company, its costs are significantly higher, but we are currently in the process of looking for an investor. So it is difficult to say whether we will find one and how long it may take. But here, the potential upside is clearly bigger, although timing remains uncertain.

Miguel Dias, WOOD&Company:

So, based on the Q1 2026 OPEX run rate and the expected step-up in WATS-related costs, it seems somewhat challenging to remain within the previously guided 4–6% OPEX growth range that you outlined during the strategic update, correct? So, my question is: is this still a realistic range for 2026, or should we assume a higher full-year OPEX growth rate for 2026? And if so, to what extent could we expect that step-up?

Marcin Rulnicki, CFO of Warsaw Stock Exchange:

Yeah, I think 2026 will be a challenging year in terms of operating expenses. But, as you know, the 4–6% range is something we aim to achieve in the long run, together with the assumed 6–8% revenue growth. So I would say that, yes, in 2026 it will be difficult to stay within this range, considering all the factors you mentioned. However, I believe that in the longer term it remains achievable. At the same time, we are actively looking for ways to offset the cost increases coming from WATS. That said, 2026 will also be challenging for one additional reason — we still need to maintain the infrastructure to run two systems in parallel. These costs will remain at least until the end of 2026, and possibly slightly longer. Looking ahead, once we fully transition to a single system and phase out one set of infrastructure and data centres, we expect to see some cost savings. However, these benefits will likely materialise no earlier than 2027.

Tomasz Bardzilowski, CEO of Warsaw Stock Exchange:

Let me perhaps add here that, obviously, there will be some cost capitalisation. On the other hand, we will try to offset this with reductions in other areas. However, what is most important for us is that WATS will enable us to attract new clients and new members, to develop new products, and to increase our revenue base. As we have mentioned on many occasions, with the current system we are operating at full capacity. We are not really able to attract new clients or implement new products at scale. So this represents a significant additional opportunity for us in terms of organic revenue growth, which I believe — and I am convinced — will, in the longer term, offset the higher costs that we will see in the P&L following the launch of the system.

Miguel Dias, WOOD&Company:

Sure. We appreciate it, but I mean, costs are the one thing that you can control, right? But okay, just finally on 2027, is this range 4 to 6% still in play or you're also seeing maybe a possibility to overshoot this range.

Tomasz Bardzilowski, CEO of Warsaw Stock Exchange:

We don't really comment right now on the level of 2027 costs, apart from what we have in our strategy published in 2024. As Marcin said, we are clearly able to and will be seeking to offset and compensate for any related cost increase with savings in other areas, including non-core, and also, as also we said, right now we are double paying for for various costs related to IT i.a. two data centers, and there's a number of such costs that we may eliminate going forward.

Miguel Dias, WOOD&Company:

So, the last question would be: you are clearly beating the guidance on top line and you are also missing on OPEX. Why don't you update the guidance? Because I would say that relying on the guidance at this point is, it's a rather poor way of forecasting the business, right? So what is keeping you from from updating the guidance?

Tomasz Bardzilowski, CEO of Warsaw Stock Exchange:

What you refer to are our long-term strategy aspirations that we have presented in our strategy update 2025-2027. Next year, we'll work on the new strategy and we will announce that towards the end of the next year. Right now what we see is the signs of tailwind from high revenues. We will continue to compare ourselves versus the strategic KPIs, especially related to costs, for this three-year strategy period and for the new strategy, we'll work on that next year.

Miguel Dias, WOOD&Company:

All right, understood. Appreciate the answers, and thanks again for the opportunity.

Łukasz Kucharski, Head of IR Warsaw Stock Exchange:

Thank you, Miguel. We have another hand raised, this time from Ron Alcon. It's great to have you with us. I'm unmuting you now — we can hear you.

Ron Alkon, Plutus Capital:

Thank you very much. My name is Ron. I work for a private hedge fund. First of all, congratulations on a spectacular quarter. Starting with that, how do you explain such a sharp increase in equity trading? Does it come from institutional investors?

Tomasz Bardzilowski, CEO of Warsaw Stock Exchange:

First of all, part of it is basically a higher level of indices. Year to date, we are up 17%. Last year, the market was up 40%. So when you take the last 12 months, probably will end in the, I think, high 30s. And we see some more activity in terms of some foreign investors, also in terms of retail investors. So there's a bit more activity there. We also were able to gain one algo client in the first quarter. which added a bit of probably around 2 percentage points to the overall growth.

Ron Alkon, Plutus Capital:

Great. There's no conference call without a question about AI. You mentioned the increase in expenses, but many companies are talking about how AI will help reduce their costs in the coming years. Do you also see this as something viable for you?

Tomasz Bardzilowski, CEO of Warsaw Stock Exchange:

We see two main areas here. First, improving efficiency — we are already starting projects aimed at increasing efficiency across the organisation. Second, we are essentially a data factory. We generate proprietary data, including prices, market data, and all information related to the exchange. Currently, we are working on transforming this data into formats that can be used externally and are AI-ready. This is a major project, involving many people. So these are the two main directions: improving efficiency, and being able to better monetise the data that we produce.

Ron Alkon, Plutus Capital:

But to be more precise, do you see any current goals in order to save money with AI or it's something you're still looking at and you do not have specific goals?

Tomasz Bardzilowski, CEO of Warsaw Stock Exchange:

No, for the time being, we don't have any cost reduction goals related to AI.

Ron Alkon, Plutus Capital:

Okay and last question, if I may, regarding increasing the dividend after such a high profits and the fact that you have a high cash positition, do you consider increasing the dividend?

Tomasz Bardzilowski, CEO of Warsaw Stock Exchange:

Our dividend policy is to pay-out between 60 to 80% of consolidated net profit. And what's important for us is the ambition to grow dividend year by year. In a period when the earnings growth will be a bit less spectacular than last year, we may pay a dividend at the top end of this range, maybe even higher than the range as we did in 2025, but the overall principle is that a dividend should gradually increase. Yes, we have a high liquidity position on our balance sheet. It's over 450 million zlotys, and there's even a bit more in the receivables. But we want to be also ready with any new investment opportunities. So until those investment opportunities are not materialized, we most likely will continue to have some cash on our balance sheet.

Ron Alkon, Plutus Capital:

Okay, thank you very much.

Łukasz Kucharski, Head of IR Warsaw Stock Exchange:

Thank you, Ron. Are there any further questions? I don’t see any additional questions. So, thank you once again for joining us, and we hope to see you all at our Q2 results conference in September.

Just to mention, if you would like to contact us, please reach out to the IR team. We will be in London in mid-June, so please let us know if you would like to meet if you are London-based.

And with that, we conclude today’s call. Goodbye.