



**Report on representation expenses,  
expenses for legal services, marketing  
services, public relations and social  
communication services, and management  
advisory services in 2020**

According to Article 18(2)(1) 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, below is the **report on representation expenses, expenses for legal services, marketing services, public relations and social communication services, and management advisory services** in 2020.

## 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 9.0 million in 2020 (-29.2% i.e. -PLN 3.7 million YoY). The sharp decrease of expenses was due to the SARS-CoV-2 pandemic which imposed restrictions on promotional events, on-site training, conferences, use of catering services, and promotion and sponsorship expenses.

Table 1 Consolidated promotion and advisory expenses in 2018-2020

in PLN'000	Year ended 31 December			Change (2020 vs 2019)	Growth rate (%) (2020 vs 2019)
	2020	2019	2018		
Promotion, education, market development	4,364	5,372	5,547	(1,008)	-18.8%
Advisory (including audit, legal, business consulting)	4,673	7,394	6,697	(2,721)	-36.8%
<b>Total</b>	<b>9,037</b>	<b>12,766</b>	<b>12,244</b>	<b>(3,729)</b>	<b>-29.2%</b>

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 4.4 million in 2019 (-18.8% i.e. -PLN 1.0 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 2018 – 2010

in PLN'000	Year ended 31 December			Change (2020 vs 2019)	Growth rate (%) (2020 vs 2019)
	2020	2019	2018		
Financial and material sponsorship	387	514	933	(127)	-24.7%
Promotion and business development	1,953	2,423	2,632	(470)	-19.4%
Catering services	237	608	464	(371)	-61.1%
Media monitoring	77	81	86	(3)	-3.9%
Public relations services	335	182	246	152	83.6%
Advertisement	1,004	733	400	271	37.0%
Organization of conferences and training courses	371	831	788	(460)	-55.4%
<b>Total</b>	<b>4,364</b>	<b>5,372</b>	<b>5,547</b>	<b>(1,008)</b>	<b>-18.8%</b>

Source: Company

The Group's representation expenses include mainly the cost of promotion and business development which stood at PLN 2.0 million in 2020 (-19.4% i.e. -PLN 0.5 million YoY) and advertising costs which stood at PLN 1.0 million (-37.0% i.e. -PLN 0.3 million YoY). The Group's representation expenses also include the cost of advertising merchandise (presented in other operating expenses) at PLN 416 thousand in 2020 (-15.4% i.e. -PLN 76.0 thousand YoY).

**ADVISORY COST**

Advisory cost stood at PLN 4.7 million in 2020 (-36.8% i.e. -PLN 2.7 million YoY). The advisory cost included the costs presented in the table below.

Table 3 Consolidated advisory cost in 2018-2020

in PLN'000	Year ended 31 December			Change (2020 vs 2019)	Growth rate (%) (2020 vs 2019)
	2020	2019	2018		
Legal advisory	668	1,819	1,660	(1,151)	-63.3%
Tax advisory	1,047	686	558	361	52.6%
Other advisory, including business and management consulting	2,056	4,135	3,835	(2,079)	-50.3%
Tax and accounting audits	741	754	643	(13)	-1.7%
<b>Total</b>	<b>4,673</b>	<b>7,394</b>	<b>6,697</b>	<b>(2,721)</b>	<b>-36.8%</b>

Source: Company

Other advisory at PLN 2.1 million in 2020 included mainly business and management advisory including:

- special audit mandated by the Exchange Supervisory Board (GPW),
- advisory to the Private Market project (GPW),
- advisory in the feasibility study of an analytical platform (GPW),
- representative office in London (GPW),
- feasibility study of a project implementing a financial market in electricity and gas (TGE),
- analysis of the IT ecosystem (TGE),
- advisory services of the Energy Market Agency (TGE),
- advisory in clearing of the Forward Commodity Instruments Market (IRGiT),
- advisory in staff recruitment (GPW Group),
- additional cost of tax advisory due among others to mitigation of the risk of VAT moments (IRGiT).

## 2. SEPARATE REPRESENTATION EXPENSES OF THE WARSAW STOCK EXCHANGE

GPW's representation expenses, expenses for legal services, marketing services, public relations and social communication services, and advisory services, including management advisory services in GPW, stood at PLN 5.9 million in 2020 (-30.1% i.e. -PLN 2.6 million YoY).

Table 4 Separate promotion and advisory expenses in 2018-2020

in PLN'000	Year ended 31 December			Change (2020 vs 2019)	Growth rate (%) (2020 vs 2019)
	2020	2019	2018		
Promotion, education, market development	3,302	3,884	3,990	(582)	-15.0%
Advisory (including audit, legal, business consulting)	2,633	4,601	4,806	(1,968)	-42.8%
<b>Total</b>	<b>5,935</b>	<b>8,485</b>	<b>8,796</b>	<b>(2,550)</b>	<b>-30.0%</b>

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 3.3 million in 2020 (-15.0% i.e. -PLN 0.6 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 2018 – 2020

in PLN'000	Year ended 31 December			Change (2020 vs 2019)	Growth rate (%) (2020 vs 2019)
	2020	2019	2018		
Financial and material sponsorship	374	489	885	(114)	-23.4%
Promotion and business development	1,475	1,859	2,044	(384)	-20.7%
Catering services	155	422	289	(267)	-63.3%
Media monitoring	62	65	70	(4)	-5.9%
Public relations services	335	182	245	152	83.6%
Advertisement	624	538	302	86	16.1%
Organization of conferences and training courses	278	330	154	(52)	-15.6%
<b>Total</b>	<b>3,302</b>	<b>3,884</b>	<b>3,990</b>	<b>(582)</b>	<b>-15.0%</b>

Source: Company

The Company's representation expenses include mainly the cost of promotion and business development, which stood at PLN 1.5 million in 2020 (-20.7% i.e. -PLN 0.4 million YoY), as well as the cost of advertising merchandise (presented in other operating expenses) at PLN 75.8 thousand in 2020 (-64.7% i.e. -PLN 138.7 thousand YoY).

Advisory cost stood at PLN 2.6 million in 2020 (-42.8% i.e. -PLN 2.0 million YoY). The advisory cost included the costs presented in the table below.

**Table 6** Separate advisory cost in 2018 – 2020

in PLN'000	Year ended 31 December			Change (2020 vs 2019)	Growth rate (%) (2020 vs 2019)
	2020	2019	2018		
Legal advisory	227	492	1,036	(265)	-53.9%
Tax advisory	412	370	374	42	11.4%
Other advisory, including business and management consulting	1,467	3,137	2,921	(1,670)	-53.2%
Tax and accounting audits	527	602	475	(75)	-12.5%
<b>Total</b>	<b>2,633</b>	<b>4,601</b>	<b>4,806</b>	<b>(1,968)</b>	<b>-42.8%</b>

Source: Company

Other advisory at PLN 1.5 million included mainly business and management advisory including:

- special audit mandated by the Exchange Supervisory Board,
- advisory to the Private Market project,
- advisory in the feasibility study of an analytical platform,
- representative office in London,
- advisory in staff recruitment.

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