IPOPEMA Securities S.A.

Interim condensed consolidated financial statements

for a period of 9 months ended September 30, 2023

Warsaw, November 16, 2023

ipopema

Contents

Selected financial data

Selected financial data	in thousands zloty		in thousands EUR		in thousands zloty		in thousands EUR	
	3 months ended September 30				9 months ended September 30			
	2023	2022	2023	2022	2023	2022	2023	2022
Revenues from core activities	76,151	64,951	16,901	13,592	225 260	185,574	49,212	39,585
Core business costs	73,577	63,887	16,329	13,369	215 757	181 179	47,136	38,647
Result from core activities	2,574	1,064	571	223	9,503	4,395	2,076	938
Operating result	3 110	1,479	690	309	13,006	769	2,841	164
Gross result	4,139	2,451	919	513	13,572	3,219	2,965	687
Net result from continuing operations	3,173	1,913	704	400	10,265	2,028	2,243	433
Netto result	3,173	1,913	704	400	10,265	2,028	2,243	433
Net profit/loss per ordinary share (weighted average) – in PLN / EUR								
- ordinary	0.10	0.06	0.02	0.01	0.34	0.06	0.07	0.01
- diluted	0.10	0.06	0.02	0.01	0.34	0.06	0.07	0.01
Net cash flow from operating activities	- 570 599	- 32,904	- 126,637	- 6,886	35,592	6,536	7,776	1,394
Total cash flow	- 585 112	- 46,299	- 129,858	- 9,689	9,766	- 27,606	2,134	- 5,889

Selected consolidated financial data	in thousands zloty			in thousands EUR		
	30/09/2023	30/06/2023	December 31, 2022	30/09/2023	30/06/2023	December 31, 2022
Total assets	472 309	993 945	379,699	101,887	223 343	80,961
Commitments together	354 381	879 080	267 013	76,448	197 533	56,934
Capitals	117,928	114,865	112,686	25,440	25,811	24,027
Number of shares – pcs.	29,937,836	29,937,836	29,937,836	29,937,836	29,937,836	29,937,836
Book value per share (in PLN / EUR)	3.94	3.84	3.76	0.85	0.86	0.80

Individual items of selected financial data were converted into EUR using the following rates:

- For the items of the interim condensed consolidated statement of comprehensive income and the interim condensed consolidated statement of cash flows:

Average rate, calculated as the arithmetic mean of the rates applicable on the last day of each month in a given period	1-9/2023	1-9/2022
EUR	4.5773	4.6880

- For the items of the interim condensed consolidated statement of financial position:

Rate valid as of today	30/09/2023	December 31, 2022	30/09/2022
EUR	4.6356	4.6899	4.8698

Interim condensed consolidated statement of comprehensive income

for the period of 9 months ended September 30, 2023

	Note	01/01/2023-30/09/2023	01/07/2023-30/09/2023	01/01/2022-30/09/2022	01/07/2022-30/09/2022
OPERATIONS CONTINUED					
Revenues from core activities	15	**225 260**	**76,151**	**185,574**	**64,951**
Core business costs	15	**215 757**	**73,577**	**181 179**	**63,887**
Profit (loss) from core activities		**9,503**	**2,574**	**4,395**	**1,064**
Result from financial assets measured at fair value through profit or loss		3,234	218	- 2,479	409
Other operating income	15	5,192	2,772	2,842	735
Other operating cost	15	4,923	2,454	3,989	729
Profit (loss) from operations		**13,006**	**3 110**	**769**	**1,479**
Financial revenues		3,842	1,565	4,302	1,794
Financial costs		3,276	536	1,852	822
profit (loss) Gross		**13,572**	**4,139**	**3,219**	**2,451**
Income tax	16	3,307	966	1 191	538
Net profit (loss) from continuing operations		**10,265**	**3,173**	**2,028**	**1,913**
DISCONTINUED OPERATIONS		-	-	-	-
Net profit (loss) for the period		**10,265**	**3,173**	**2,028**	**1,913**
Assigned:					
Shareholders of the parent company		10,221	3,093	1,830	1,886
To non-controlling interests		44	80	198	27
Net profit (loss) for the period		**10,265**	**3,173**	**2,028**	**1,913**
Other comprehensive income		**- 228**	**- 57**	**- 285**	**- 25**
Other comprehensive income before taxes		**- 282**	**- 71**	**- 353**	**- 32**
Other comprehensive income that will not be transferred to profit or loss in the future		**- 282**	**- 71**	**- 353**	**- 32**
Gains and losses from revaluation of equity instruments		- 282	- 71	- 353	- 32
Income tax relating to components of other comprehensive income		**54**	**14**	**68**	**7**
Income tax related to components of other comprehensive income that will not be transferred to profit or loss		54	14	68	7
Total income for the period		**10,037**	**3 116**	**1,743**	**1,888**
Assigned:					
Shareholders of the parent company		9,993	3,036	1,545	1,861
To non-controlling interests		44	80	198	27

Earnings per share

	Note	01/01/2023-30/09/2023	01/07/2023-30/09/2023	01/01/2022-30/09/2022	01/07/2022-30/09/2022
Profit (loss) per share (in PLN) from continuing operations	10	0.34	0.10	0.06	0.06
Profit (loss) per share (in PLN) from discontinued operations		-	-	-	-
Profit (loss) per share (in PLN)		0.34	0.10	0.06	0.06
Diluted profit (loss) per share (in PLN) from continuing operations		0.34	0.10	0.06	0.06
Diluted profit (loss) per share (in PLN) from discontinued operations		-	-	-	-
Diluted profit (loss) per share (in PLN)		0.34	0.10	0.06	0.06

Interim condensed consolidated statement of financial position

as of September 30, 2023

ASSETS	Note	30/09/2023	30/06/2023	December 31, 2022	30/09/2022
Cash and other monetary assets	12	173,772	740 690	163 541	119,057
Trade receivables and other receivables (including accruals)	12, 14	240 120	195,430	171 340	164,904
Current income tax assets		25	46	95	136
Financial assets measured at fair value through profit or loss		6,199	16,658	3,196	1,770
Equity instruments valued through other comprehensive income		28,662	16,812	14,670	14,607
Right-of-use assets		16,485	17,498	20,022	2 128
Property, plant and equipment		943	1,087	1,391	1,541
Intangible assets		3,417	3,191	2,786	2 511
Deferred tax assets		2,686	2,533	2,658	2,781
TOTAL ASSETS		**472 309**	**993 945**	**379,699**	**309 435**

LIABILITIES	Note	30/09/2023	30/06/2023	December 31, 2022	30/09/2022
Trade and other liabilities	14	324 417	847 383	231,798	185 517
Current income tax liabilities		256	1 162	473	-
Financial liabilities measured at fair value through profit or loss		-	-	-	369
Lease liabilities	23	17,608	18,284	20,404	2,910
Deferred tax liabilities	16	607	578	541	854
Accruals	14	11,493	11,673	13,797	11,283
Total liabilities		**354 381**	**879 080**	**267 013**	**200 933**
Core capital	13	2,994	2,994	2,994	2,994
Supplementary capital from the sale of shares above the nominal value		10,351	10,351	10,351	10,351
Other capitals		3,631	3,687	3,859	3,680
Retained earnings		95,722	92,629	89,992	86,276
Capital allocated to shareholders of the parent company		**112 698**	**109,661**	**107 196**	**103 301**
Non-controlling interests		**5,230**	**5 204**	**5,490**	**5 201**
Total capital		**117,928**	**114,865**	**112,686**	**108 502**
TOTAL LIABILITIES		**472 309**	**993 945**	**379,699**	**309 435**

Interim condensed consolidated statement of cash flows

for the period of 9 months ended September 30, 2023

CASH FLOW	Note	01/01/2023-30/09/2023	01/07/2023-30/09/2023	01/01/2022-30/09/2022	01/07/2022-30/09/2022
Cash flow from operating activities					
Net profit		**10,265**	**3,173**	**2,028**	**1,913**
Total adjustments:	25	**28,710**	**- 571 790**	**4,437**	**- 34,816**
Adjustments resulting from income tax charges		3,307	966	1 191	538
Depreciation		4,050	1,298	4,660	1,629
Gains (losses) from exchange rate differences		- 465	- 18,194	- 13	938
Interest and dividends		2,730	871	980	411
Change in the balance of financial assets measured at fair value through profit or loss		- 4,662	- 1,131	- 430	-1,386
Change in receivables (except loans)		- 68,689	- 44,314	91,626	- 33,901
Change in trade and other liabilities (except loans and credits)		94,323	- 510 960	- 90,800	- 4,382
Change in provisions and write-offs for receivables (excluding loans)		566	- 82	1,557	168
Change in the status of accruals		- 2,307	- 209	- 5,115	967
Other corrections		- 143	- 35	781	202
Cash flow from operations (used in operations)		**38,975**	**- 568 617**	**6,465**	**- 32,903**
Income tax paid		- 3,383	- 1,982	71	- 1
Net cash flow from operating activities		**35,592**	**- 570 599**	**6,536**	**- 32,904**
Cash flows from investing activities					
Repayment of loans granted		130	43	133	38
Sale of property, plant and equipment and intangible assets		31	-	1	-
Granting loans		- 310	- 290	- 127	- 96
Acquisition of property, plant and equipment and intangible assets		- 1,104	- 367	- 1,597	- 63
Acquisition of equity instruments measured through other comprehensive income		- 236,644	- 94,882	- 11,571	- 11,571
Proceeds from the sale of equity instruments measured through other comprehensive income		223 434	94,366	206	-
Interest received		568	190	-	-
Net cash flow from investing activities		**- 13,895**	**- 940**	**- 12,955**	**- 11,692**
Cash flow from financing activities					
Proceeds from the issuance of debt securities		-	-	2	-
Redemption of debt securities		- 1	-	- 1	-
Interest paid		- 1,382	- 393	- 1,043	- 394
Repayment of leasing liabilities		- 3,439	- 1,024	- 5,409	- 1,644
Repayment of loans and credits		- 2,563	- 12,101	- 5,343	381
Dividends paid to shareholders of the parent company		- 4,491	-	- 9,281	-
Dividends paid to non-controlling interests		- 55	- 55	- 112	- 46
Net cash from financing activities		**- 11,931**	**- 13,573**	**- 21,187**	**- 1,703**
Total cash flow		**9,766**	**- 585 112**	**- 27,606**	**- 46,299**
Changes in cash and cash equivalents		10,231	- 566 918	- 27,593	- 47,237
Change in cash due to exchange rate differences on foreign currencies		465	18,194	13	- 938
Cash at the beginning of the period		163 541	740 690	146,650	166 294
Cash at the end of the period, incl		**173,772**	**173,772**	**119,057**	**119,057**
*- limited use**		*138,378*	*138,378*	*79,547*	*79,547*

** Restricted cash includes mainly customer funds at the Company's disposal and funds in an escrow account*

Interim condensed consolidated statement of changes in equity, among others

for the period of 9 months ended September 30, 2023

	Core capital	Supplementary capital from the sale of shares above the nominal value	Revaluation reserve	Other capitals	Retained earnings	Capital allocated to the Company's shareholders	Non-controlling interests	Equity capital
As of January 1, 2023.	**2,994**	**10,351**	**645**	**3,214**	**89,992**	**107 196**	**5,490**	**112,686**
Net result for the period	-	-	-	-	10,221	10,221	44	10,265
Other comprehensive income	-	-	- 228	-	-	- 228	-	- 228
Total comprehensive income	**-**	**-**	**- 228**	**-**	**10,221**	**9,993**	**44**	**10,037**
Dividend payment	-	-	-	-	- 4,491	- 4,491	- 304	- 4,795
Other increases (decreases)	-	-	-	-	-	-	-	-
Change in equity during the period	**-**	**-**	**- 228**	**-**	**5,730**	**5,502**	**- 260**	**5,242**
As of September 30, 2023	**2,994**	**10,351**	**417**	**3,214**	**95,722**	**112 698**	**5,230**	**117,928**
As of January 1, 2022.	**2,994**	**10,351**	**757**	**3,214**	**93,727**	**111,043**	**5 115**	**116 158**
Net result for the period	-	-	-	-	5,546	5,546	531	6,077
Other comprehensive income	-	-	- 112	-	-	- 112	-	- 112
Total comprehensive income	**-**	**-**	**- 112**	**-**	**5,546**	**5,434**	**531**	**5,965**
Dividend payment	-	-	-	-	- 9,281	- 9,281	- 156	- 9,437
Other increases (decreases)	-	-	-	-	-	-	-	-
Change in equity during the period	**-**	**-**	**- 112**	**-**	**- 3,735**	**- 3,847**	**375**	**- 3,472**
As of December 31, 2022	**2,994**	**10,351**	**645**	**3,214**	**89,992**	**107 196**	**5,490**	**112,686**
As of January 1, 2022.	**2,994**	**10,351**	**757**	**3,214**	**93,727**	**111,043**	**5 115**	**116 158**
Net result for the period	-	-	-	-	1,830	1,830	198	2,028
Other comprehensive income	-	-	- 291	-	-	- 291	-	- 291
Total comprehensive income	**-**	**-**	**- 291**	**-**	**1,830**	**1,539**	**198**	**1,767**
Dividend payment	-	-	-	-	- 9,281	- 9,281	- 112	- 9,393
Other increases (decreases)	-	-	-	-	-	-	-	-
Change in equity during the period	**-**	**-**	**- 291**	**-**	**- 7,451**	**- 7,742**	**86**	**- 7,656**
As of September 30, 2022.	**2,994**	**10,351**	**466**	**3,214**	**86,276**	**103 301**	**5 201**	**108 502**

Additional explanatory notes

1. Information about the IPOPEMA Securities SA Capital Group

The IPOPEMA Securities SA Capital Group ("Group", "IPOPEMA Group", "Capital Group") consists of entities over which IPOPEMA Securities SA ("parent company", "Company") exercises control.

The headquarters of the parent company is located in Warsaw, at ul. Próżna 9.

The Company's shares are listed on the main market of the Warsaw Stock Exchange.

As at September 30, 2023, the IPOPEMA Group consists of IPOPEMA Securities SA and the subsidiaries presented in point 2 below.

The main activities of the IPOPEMA Group are:

1. brokerage activities,
2. business and management consulting,
3. running an investment fund company and creating and managing investment funds,
4. management of portfolios of brokerage financial instruments,
5. activities related to the management of IT devices,
6. activities related to IT consulting.

IPOPEMA Securities SA – parent entity

The parent company was established on March 2, 2005 (at that time under the name Dom Maklerski IPOPEMA SA, changed to IPOPEMA Securities SA pursuant to Resolution No. 5 of the Extraordinary General Meeting of Shareholders of August 10, 2006) for an indefinite period.

The parent company is entered in the register of entrepreneurs of the National Court Register kept by the District Court, 12th Commercial Division of the National Court Register, under KRS number 0000230737.

The parent company was assigned the statistical number REGON 140086881.

IPOPEMA Securities SA conducts brokerage activities on the basis of appropriate permits from the Polish Financial Supervision Authority (formerly the Securities and Exchange Commission).

As part of its brokerage activities, the Company provides comprehensive securities intermediation services on the secondary market and also conducts intermediation activities in the trading of debt instruments outside the regulated market. The Company's partners and clients include both recognized international financial institutions and most of the most important domestic institutional investors, including open pension funds, investment fund companies, asset management companies and insurance companies, as well as individual clients. The brokerage activities of IPOPEMA Securities SA are supported by a team of analysts who prepare analytical reports, recommendations and comments on several dozen companies listed on the WSE and foreign stock exchanges.

As part of investment banking, the Company offers its clients comprehensive services in the preparation and implementation of transactions on the capital market, both using equity instruments (shares), debt instruments (corporate bonds) and hybrid instruments (convertible bonds). In particular, the Company focuses on public issues of securities (especially shares) - for which it acts as a coordinator, offeror and financial advisor - as well as on handling mergers and acquisitions and management buyouts and advising on obtaining financing on the private market (including *private equity* funds and in pre -IPO transactions). IPOPEMA Securities SA also specializes in organizing purchase transactions of shares listed on the WSE - both through public calls for the sale of shares and 'buy-back' programs implemented for issuers. He also provides advisory services to enterprises in financial restructuring projects.

In addition to the above areas The Company also operates in the field of offering brokerage services and investment products - including active investment advisory services - addressed to a wider group of individual clients. This activity is conducted both directly and through external entities acting as agents of the investment company to IPOPEMA Securities.

2. Group composition

The parent company of the IPOPEMA Group is IPOPEMA Securities SA. The duration of the parent company and the entities comprising the Capital Group is indefinite.

As at September 30, 2023, the Group included IPOPEMA Securities SA and the following companies:

1) consolidated subsidiaries over which the Company exercises control:

unit name	Range of activities	Consolidation method	Share in the share capital	Share of voting rights
IPOPEMA Towarzystwo Funduszy Inwestycyjnych SA ("IPOPEMA TFI")	- running an investment fund company and creating and managing investment funds, - managing someone else's securities portfolio on behalf of others, - consulting in the field of securities trading, - intermediation in the sale and redemption of investment fund participation units, - acting as a representative of foreign funds.	full	100%	100%
IPOPEMA Business Consulting Sp. z o. o. ("IBC")	- other business and management consultancy, - activities related to the management of IT devices, - activities related to IT consulting, - software related activities, - wholesale of computers, peripheral devices and software	full	50.02%	50.02%
IPOPEMA Financial Advisory Sp. z o. o. limited partnership ("IFA SK")	- advisory activities regarding financial restructuring and obtaining financing for infrastructure projects	full	n/a	

2) subsidiaries not included in consolidation over which the Company exercises control:

unit name	Range of activities	Consolidation method	Share in the share capital	Share of voting rights
IPOPEMA Financial Advisory Sp. z o. o. ("IFA")	- support for the activities of IPOPEMA Financial Advisory Sp. z o. o. limited partnership	lack of consolidation (irrelevance of financial data)	100%	100%
MUSCARI Capital Sp. z o. o. ("MUSCARI")	- intermediation in offering the Company's brokerage services as an agent of an investment company	lack of consolidation (irrelevance of financial data)	100%	100%
IPOPEMA Fund Services Sp. z o. o. ("IFS")	- providing services related to maintaining a register of investment fund participants	lack of consolidation (irrelevance of financial data)	100% of shares held by IPOPEMA TFI	

IFA, MUSCARI and IFS were excluded from consolidation due to the insignificance of the data.

Additionally, IPOPEMA Securities holds 50% of the shares and rights in Investment Funds Depositary Services SA, ("IFDS"), i.e. a company established together with ProService Finteco sp. z o. o. with its registered office in Warsaw. Considering that in principle the division of powers and votes is equal between the above-mentioned shareholders, none of them has the status of a parent company. Consequently, IFDS is not a subsidiary of IPOPEMA Securities and is not subject to consolidation.

3. Basis for preparing the interim condensed consolidated financial statements

3.1 Compliance Statement

These interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 and IFRS applicable to interim financial reporting as approved by the European Union. Other standards, amendments to applicable standards and interpretations of the Committee for the Interpretation of International Financial Reporting Standards recently adopted or awaiting adoption are not related to the Group's operations or their impact would not be significant.

IFRS includes standards and interpretations approved by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC").

The interim condensed consolidated financial statements of the Group cover the period of 9 months ended September 30, 2023 and contain comparative data for the period of 9 months ended September 30, 2022 and as of June 30, 2023 and December 31, 2022.

The interim condensed consolidated financial statements do not include all information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the consolidated financial statements of the IPOPEMA Securities SA Group for 2022.

3.2 Currency of measurement and currency of financial statements

The measurement and reporting currency of these interim condensed consolidated financial statements is the Polish zloty ("PLN"), and all values, unless otherwise indicated, are given in PLN thousand.

3.3 Assumption of going concern

These interim condensed consolidated financial statements have been prepared with the assumption that the Group's companies will continue as a going concern in the foreseeable future. As at the date of approval of these financial statements, there are no circumstances indicating a threat to the continuation of the operations of the Group companies covered by the consolidation process .

3.4 Data comparability

In the period of 9 months ended September 30, 2023, there were no significant changes in presentation.

4. Changes in the accounting principles used

The accounting principles (policies) used to prepare these interim condensed consolidated financial statements are consistent with those used to prepare the Company's consolidated financial statements for the year ended December 31, 2022, published on March 30, 2023 . The consolidated financial statements for 2022 were prepared in accordance with IFRS adopted by the International Accounting Standards Board and interpretations issued by the Committee on International Financial Reporting Interpretations.

5. Selected accounting principles

Categories of financial assets

The Group classifies financial assets into the following categories:

- financial assets valued at amortized cost,
- financial assets measured at fair value through profit or loss,
- financial assets measured at fair value through other comprehensive income,
- investments in equity instruments measured at fair value through other comprehensive income.

The above classification is prepared at the moment of initial recognition and depends on the adopted so-called the Group's business model in the management of financial assets and the characteristics of contractual cash flows from these instruments.

The Group classifies financial liabilities into the following categories:

- financial liabilities measured at fair value through profit or loss (including: financial instruments),
- financial liabilities measured at amortized cost.

The Group decides on the classification of financial instruments at the time of their initial recognition.

Financial assets and financial liabilities measured at fair value through profit or loss

A financial asset is classified as measured at fair value through profit or loss if it is not measured at amortized cost or at fair value through other comprehensive income.

Financial assets acquired as a result of transactions concluded in regulated trading are recognized on the date of conclusion of the transaction at the purchase price, i.e. at the fair value of the instrument, while financial liabilities are entered into the books on the date of conclusion of the contract at the fair value of the instrument.

Financial assets measured at fair value through profit or loss are valued as at each reporting date, and any profits or losses are recognized in income or costs related to financial instruments measured at fair value through profit or loss.

Financial assets measured at fair value through profit or loss held by the Group include shares listed on the Warsaw Stock Exchange ("WSE"), investment certificates, bonds and a forward currency *derivative* . For valuation purposes, the Group takes into account the closing prices of individual instruments announced by the WSE on the last business day of the reporting period.

The Group does not apply hedge accounting.

Financial assets measured at fair value through other comprehensive income

A financial asset is classified as "Financial assets measured at fair value through other comprehensive income" if both of the following conditions are met:

- it is held in accordance with a business model whose purpose is both to receive contractual cash flows and to sell financial assets,
- the terms of the contract relating to it give rise, on specified dates, to cash flows that are merely repayments of the principal amount and interest on the principal amount outstanding.

"Financial assets measured at fair value through other comprehensive income" are recognized on the transaction date at fair value plus directly attributable transaction costs. After initial recognition, they are also measured at fair value, and the effects of changes in fair value (other than write-offs from due to impairment and gains or losses due to exchange rate differences) are recognized in other comprehensive income and presented in equity as revaluation reserves. On the date of exclusion of the investment from the accounting books, the accumulated value of profits or losses recognized in the revaluation reserve is reclassified to retained earnings as a reclassification adjustment.

The fair value of equity instruments quoted on an active market results from their current purchase price. If the market for a given financial asset or unlisted securities is not active, the Group determines fair value using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially identical, discounted cash flow analysis, making the greatest possible use of market information and, in certain cases, the purchase price may be the best estimate .

Investments in equity instruments measured at fair value through other comprehensive income

“Investments in equity instruments measured at fair value "other comprehensive income" includes in particular participation units in investment funds and investment certificates acquired for the purpose of investing financial surpluses. They are classified as non-current assets unless the Group intends to sell them within 12 months from the balance sheet date.

Investment certificates and investment fund participation units are recognized at fair value, determined on the basis of the net asset value per certificate/participation unit announced by the investment fund in consultation with the depositary. The effects of valuation are recognized in 'other comprehensive income'. After initial recognition, they are measured at fair value, and the effects of changes in fair value are recognized in other comprehensive income and presented in equity as revaluation reserves.

Financial liabilities measured at amortized cost

Other financial liabilities, including bank loans and leasing liabilities, are initially measured at fair value less transaction costs. They are then valued at amortized cost (interest costs are recognized using the effective interest rate method). The effective interest method is used to calculate the amortized cost of a liability and to allocate interest expense over the appropriate period. The effective interest rate is the rate at which estimated future payments or receipts over the expected life of a financial asset or financial liability are discounted exactly to the gross carrying amount of the financial asset or to the amortized cost of the financial liability.

The Group removes financial liabilities only when the relevant liabilities of the Group are fulfilled, canceled or expire.

Receivables

Short-term receivables

Short-term receivables are financial assets measured at amortized cost. This class of assets includes receivables from customers, receivables from related entities other than those included in consolidation, receivables from banks conducting brokerage activities, other brokerage houses and commodity brokerage houses due to concluded transactions and all or part of receivables from other titles not classified as financial assets, which become due within 12 months from the end of the reporting period.

Receivables are initially recognized in accordance with IFRS 15 and valued at the end of the reporting period at amortized cost. The value of receivables is updated based on the "expected loss concept". From January 1, 2018, write-offs for expected credit losses are created at the moment of receivable recognition. In accordance with the standard, the Group's reports use a simplified approach for trade receivables that do not contain a significant financing element and lease receivables, therefore an allowance for expected credit losses over the entire life of the receivable is measured.

The Group used a portfolio approach to create write-offs, write-off ratios range from 0.02% for receivables not past due to 73.1% for receivables past due for more than 1 year. If there are grounds for recognizing a credit loss, the Group may apply individual write-offs. Changes in the level of allowance for expected credit losses are recognized in profit or loss.

With respect to deposits in banks, receivables from stock exchange transactions, deposits held in clearing houses and receivables from public law settlements, the credit risk associated with these items is assessed as low, and as a result, the impact of the allowance for expected credit losses on consolidated financial statements.

An important item among the Group's short-term receivables are receivables arising in connection with transactions carried out for clients on the stock exchange market. These are short-term receivables from customers, short-term receivables from banks conducting brokerage activities, other brokerage houses and commodity brokerage houses, short-term liabilities to customers and short-term liabilities to banks conducting brokerage activities, other brokerage houses and commodity brokerage houses and arise in connection with concluded transactions . purchase and sale of securities that have not yet been settled in clearing houses due to the applicable transaction settlement procedure (T+2). In the case of purchase transactions concluded on stock exchanges, executed at the request of customers whose accounts are maintained by depositary banks, short-term liabilities to banks conducting brokerage activities, other brokerage houses and commodity brokerage houses (parties to market transactions)* and short-term receivables from customers are recognized, for which purchase transactions were completed. In the case of sales transactions concluded on stock exchanges, executed at the request of customers whose accounts are maintained by depository banks, short-term receivables from banks conducting brokerage activities, other brokerage houses and commodity brokerage houses (parties to market transactions)* and short-term liabilities to customers are recognized, for which sales transactions were completed .

** Pursuant to art. 45h of the amended Act on Trading in Financial Instruments, in relation to transactions concluded on the WSE, KDPW CCP (the transaction clearing entity) assumed the rights and obligations of the parties to market transactions.*

Long-term receivables

Long-term receivables are receivables whose maturity date is longer than 12 months, counting from the end of the reporting period .

Impairment of assets

At the end of each reporting period, the Group assesses whether there are any indications that any of the assets (other than financial assets) may have been impaired. For intangible assets that are not yet available for use, the Group conducts a test annually, regardless of whether there are indications of impairment or not. The Group may perform an impairment test for these assets at any time during the year.

The Group identifies the following indications that an asset may be impaired:

- the loss of market value of a given asset recorded during the period is significantly greater than the loss that could be expected as a result of the passage of time and normal use,
- during the period, there have been or will occur in the near future significant and unfavorable changes for the Group of a technological, market, economic or legal nature in the environment in which the Group operates or in the markets for which a given asset is intended,
- there was an increase in market interest rates or other market rates of return on investments during the period
  and it is probable that this increase will affect the discount rate used to calculate the value in use of a given asset and will significantly reduce the recoverable amount of the asset,
- the carrying value of the Group's net assets is higher than the value of their market capitalization,
- there is evidence that the asset has lost its usefulness or has been physically damaged,

- during the period, there have been, or it is probable that there will be in the near future, significant and unfavorable changes for the Group in the scope or manner in which a given asset is currently used or, as expected, will be used,
- there is evidence from internal reporting that the economic performance of a given asset is, or will be in the future, worse than expected.

Commitments

Current liabilities

Short-term liabilities are liabilities that mature in less than 12 months from the end of the reporting period. Liabilities are valued at amortized cost.

Short-term liabilities include all liabilities to customers, liabilities to related entities other than those included in the consolidation, liabilities to banks conducting brokerage activities, other brokerage houses and commodity brokerage houses in respect of concluded transactions, liabilities to the National Depository and stock exchange clearing houses, liabilities to entities conducting regulated securities markets and other liabilities not classified as lease liabilities, long-term liabilities, accruals or provisions for liabilities.

Short-term liabilities also include overdrafts, the valuation of which is described in point "Financial liabilities measured at amortized cost" above .

The recognition of short-term liabilities arising from concluded stock exchange transactions is presented in point "Short-term receivables from customers, short-term receivables from banks conducting brokerage activities, other brokerage houses and commodity brokerage houses, short-term liabilities to customers and short-term liabilities to banks conducting brokerage activities, other brokerage houses and commodity brokerage houses" above.

Long-term liabilities

Long-term liabilities are liabilities whose repayment date is longer than 12 months from the end of the reporting period.

Leasing

For each contract concluded on or after January 1, 2020, the Group decides whether the contract is a lease or contains a lease. Leasing has been defined as a contract or part of a contract that conveys the right to control the use of an identified asset (underlying asset) for a given period in exchange for consideration. For this purpose, three basic aspects are analyzed:

- whether the contract relates to an identified asset that is either expressly identified in the contract or implicitly identified at the time the asset is made available to the Group,
- whether the Group has the right to obtain substantially all economic benefits from the use of the asset throughout its entire useful life to the extent specified in the contract,
- whether the Group has the right to direct the use of the identified asset throughout its entire useful life.

On the leasing commencement date, the Group recognizes a right-of-use asset and a leasing liability. The right of use is initially measured at cost consisting of the initial value of the lease obligation, initial direct costs, an estimate of costs expected to dismantle the underlying asset and lease payments paid on or before the commencement date, less lease incentives.

The Group depreciates the right of use using the straight-line method from the commencement date until the end of the useful life of the right of use or until the end of the leasing period, depending on which date is earlier. If there are indications, the rights of use are tested for impairment in accordance with IAS 36.

At the commencement date, the Group measures the leasing liability at the present value of the leasing fees remaining to be paid using the leasing interest rate, if it can be easily determined. Otherwise, the lessee's incremental borrowing rate is used.

Lease payments included in the value of the lease liability consist of fixed lease payments, variable lease payments dependent on an index or rate, amounts expected to be paid as a guaranteed residual value, and payments for call exercise options if exercise is reasonably certain.

In subsequent periods, the leasing liability is reduced by the repayments made and increased by the accrued interest. The measurement of the lease liability is updated to reflect contract changes and reassessments of the lease term, exercise of call options, guaranteed residual value or index or rate-based lease payments. As a rule, the revaluation of the liability is recognized as an adjustment to the right-of-use asset.

The Group uses practical solutions permitted by the standard regarding short-term leases and leases in which the underlying asset is of low value (i.e. the initial value of the leased asset does not exceed USD 5,000). With respect to such agreements, instead of recognizing right-of-use assets and lease liabilities, leasing fees are recognized in profit or loss on a straight-line basis over the leasing period.

6. Accounting rules introduced in 2023

Published Standards and Interpretations that have been issued and are effective for annual periods beginning on January 1, 2023:

- IFRS 17 Insurance Contracts - was published on May 18, 2017 and is effective for annual periods starting on January 1, 2023 or after that date. The main goal of IFRS 17 is to ensure transparency and comparability of insurers' financial statements. For this purpose, the entity will disclose a range of quantitative and qualitative information enabling users of financial statements to assess the impact of insurance contracts on the entity's financial position, financial results and cash flows. IFRS 17 introduces a number of significant changes in relation to the existing requirements of IFRS 4;
- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Correction of Errors - Definition of Accounting Estimates. An amendment clarifying the definition of estimated values, i.e.: monetary amounts included in the financial statements that are subject to measurement uncertainty. The changes apply to annual periods beginning on or after January 1, 2023;
- Amendments to IAS 12 Income Tax - the obligation to recognize deferred tax on transactions, i.e. leasing - applies to annual periods beginning on January 1, 2023 or later;
- Amendments to IFRS 17 Insurance Contracts: First application of IFRS 17 and IFRS 9 Comparative information - it was published on December 9, 2021 and is effective for annual periods starting on January 1, 2023 or later;
- Amendments to IAS 1 Presentation of Financial Statements and the International Financial Reporting Standards Board Guidelines on disclosures regarding accounting policies in practice - the issue of materiality in relation to accounting policies. They were published on February 12, 2021 and are valid for annual periods beginning on January 1, 2023 or later.

The Group believes that the application of the above-mentioned standards and amendments to standards did not have a significant impact on the interim condensed consolidated financial statements in the period of their initial application, and resulted only in changes to the applied accounting principles or possibly an extension of the scope of necessary disclosures.

7. New standards and interpretations that have been published but have not yet entered into force

The following standards and interpretations have been issued by the International Accounting Standards Board or the International Financial Reporting Interpretations Committee and have not yet entered into force:

- Amendments to IAS 1 Classification of liabilities as short-term and long-term - was published on January 23, 2020 and is effective for annual periods starting on January 1, 2023 or after that date. Amendments to IAS 1 affect the requirements for the presentation of liabilities in the financial statements. The classification of financial liabilities as long-term will depend on the existence of rights to extend the liability for a period longer than 12 months and on the fulfillment of the conditions for implementing such an extension as at the balance sheet date ;
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments Disclosures - Supplier Financing Arrangements - the amendments introduce additional disclosure requirements to increase the transparency of supplier financing arrangements and their impact on the company's liabilities, cash flows and exposure to liquidity risk. The changes are effective for annual periods beginning on January 1, 2024;
- Amendments to IAS 21 The Effects of Changes in Foreign Currency Exchange Rates - Lack of Convertibility - the amendments introduce a requirement to disclose information enabling users of financial statements to understand the effects of lack of currency convertibility and explain how to assess the convertibility of currencies. The changes are effective for annual periods beginning on January 1, 2025;
- Amendments to IFRS 16 Leases - leasing liabilities in sale and leaseback transactions. Published on September 22, 2022, effective for annual periods beginning on January 1, 2024.

The Group decided not to take advantage of the possibility of early application of the above standards, amendments to standards and interpretations. The Group will apply the amended standards to the extent of the changes made from January 1, 2023, unless a different period of entry into force is provided for. The application of the amended standards will not have a significant impact on the Group's consolidated financial statements in the period of their initial application.

8. Changes in estimates

In the period of 9 months of 2023, there were no changes in estimates, except for accrued expenses, depreciation and write-offs for receivables referred to in note 14.

9. Converting items expressed in foreign currencies

Transactions expressed in currencies other than the Polish zloty are recognized in the accounting books as at the date of their execution - at the following exchange rates:

1) actually used on that day, resulting from the nature of the operation - in the case of sale or purchase of currencies and payment of receivables or liabilities,
2) the average announced for a given currency by the National Bank of Poland on the day preceding that day - in the case of payment of receivables or liabilities, if the use of the exchange rate referred to in point 1 is not justified, as well as in the case of other operations.

At the end of the reporting period, monetary assets and liabilities expressed in currencies other than Polish zloty are converted into Polish zloty using the average exchange rate applicable at the end of the reporting period, established for a given currency by the National Bank of Poland. The exchange rate differences resulting from the conversion are recognized as financial revenues (costs) accordingly.

The following rates were adopted for the purposes of balance sheet valuation:

Currency	September 30, 2023	December 31, 2022	September 30, 2022
USD	4.3697	4.4018	4.9533
EUR	4.6356	4.6899	4.8698
100 HUF	1.1850	1.1718	1.1556
RON	0.9320	0.9475	0.9838
GBP	5.3464	5.2957	5.5560
CZK	0.1901	0.1942	0.1980
CHF	4.8030	4.7679	5.0714
TRY	0.1593	0.2349	0.2671
NOK	0.4117	0.4461	0.4640
CAD	3.2487	3.2486	3.6224
KNOT	0.4033	0.4213	0.4465
DKK	0.6217	0.6307	0.6549
AUD	2.8322	2.9890	3.2245

Source: NBP

10. Net earnings per share

Net profit per share for each period is calculated by dividing the net profit attributable to the parent company for a given period by the weighted average number of shares in a given reporting period.

When calculating diluted earnings, the weighted average number of shares in the period is adjusted for all potentially dilutive ordinary shares. Due to the lack of dilutive shares, basic profit and diluted profit were at the same level in the periods covered by these consolidated financial statements .

	01/01-30/09/2023	01/01-30/09/2022
Number of shares – pcs.	29,937,836	29,937,836
Weighted average number of shares – pcs.	29,937,836	29,937,836
Net profit/loss from continuing operations for the period per share	0.34	0.06

11. And information regarding business segments

For management purposes, the Group was divided into parts based on the services provided. There are therefore the following reportable operating segments:

1. The "Brokerage and related services" segment includes the activities of: (i) IPOPEMA Securities, i.e. brokerage services, investment banking services, as well as the distribution of investment products and investment advisory services addressed to a wide range of individual investors, and (ii) IFA SK , i.e. services advisory services in the field of financial restructuring of enterprises and obtaining financing for infrastructure projects .
2. The "Management of investment funds and management of portfolios of brokerage financial instruments" segment covers the activities of IPOPEMA TFI , i.e. creation and management of investment funds and management of portfolios of brokerage financial instruments.
3. The "Consulting Services" segment covers the activities of IPOPEMA Business Consulting , i.e. mainly business and management consulting, management of IT devices, IT consulting, and software-related activities .

9-month period ended September 30, 2023	Operations continued				Discontinued operations	Total activity
	Brokerage and related services	Investment fund management and portfolio management of brokerage financial instruments	Consulting services	Together		
Revenue						
Total segment revenues, including:	51,287	158 316	20,185	229,788	-	229,788
- for customers with whom the value of transactions in the period exceeds 10% or more of revenues, including:	-	96,770	-	96,770	-	96,770
Customer 1	-	59,715	-	59,715	-	59,715
Customer 2	-	37,055	-	37,055	-	37,055
Sales between segments	- 4,265	-	-	- 4,265	-	- 4,265
Consolidation exclusions	- 263	-	-	- 263	-	- 263
Sales to external customers	**46,759**	**158 316**	**20,185**	**225 260**	**-**	**225 260**
Segment costs						
Segment costs – purchase from external suppliers	- 43,576	- 157,044	- 19,665	- 220,285	-	- 220,285
Segment costs – purchase between segments	-	4,265	-	4,265	-	4,265
Consolidation exclusions	263	-	-	263	-	263
Total segment costs, including:	**- 43,313**	**- 152,779**	**- 19,665**	**- 215 757**	**-**	**- 215 757**
Depreciation	- 1,930	- 1,794	- 326	- 4,050	-	- 4,050
Segment profit (loss) from the core business	**3,446**	**5,537**	**520**	**9,503**	**-**	**9,503**
Unassigned costs	-	-	-	-	**-**	-
Profit (loss) from continuing operations before tax and finance costs	3,446	5,537	520	9,503	-	9,503
Interest income	1,637	152	69	1,858	-	1,858
Interest costs	- 1,837	- 547	- 133	- 2,517	-	- 2,517
Other net financial income/expenses	3,173	1,762	- 42	4,893	-	4,893
Other operating income/expenses	168	162	- 62	268	-	268
Consolidation exclusions	- 433	-	-	- 433		**- 433**
Profit (loss) before tax and non-controlling interests	**6,154**	**7,066**	**352**	**13,572**	**-**	**13,572**
Income tax	1,714	1,528	65	3,307	-	3,307
Total income tax	1,714	1,528	65	3,307	-	3,307
Net profit (loss) for the period	**4,440**	**5,538**	**287**	**10,265**	**-**	**10,265**
Assets and liabilities as of September 30, 2023						
Segment assets	373,962	81,327	17,020	472 309	-	472 309
Other assets not allocated to segments	-	-	-	-	-	-
Total assets	**373,962**	**81,327**	**17,020**	**472 309**	**-**	**472 309**
Segment liabilities	312 586	24,093	6,209	342 888	-	342 888
Accruals and accruals	6,588	4,905	-	11,493	-	11,493
Segment result	4,440	5,538	287	10,265	-	10,265
Equity (excluding results from current operations)	35,759	60,133	6,585	102,477	-	102,477
Non-controlling interests	184	-	5,002	5,186	-	5,186
Total equity and liabilities	**359 557**	**94,669**	**18,083**	**472 309**	**-**	**472 309**

Other information about the segment						
Capital expenditure, including:	593	507	5	1 105	-	1 105
property, plant and equipment	153	39	5	197	-	197
intangible assets	440	468	-	908	-	908
Depreciation of property, plant and equipment	360	412	45	817	-	817
Amortization of intangible assets	213	62	2	277	-	277
Depreciation of assets due to rights of use	1,359	1,319	278	2,956	-	2,956
Impairment losses	-	-	-	-	-	-
The remaining	-	-	-	-	-	-

Period of 9 months ended September 30, 2022	**Operations continued**				**Discontinued operations**	**Total activity**
	Brokerage and related services	Investment fund management and portfolio management of brokerage financial instruments	Consulting services	**Together**		
Revenue						
Total segment revenues, including:	39,458	126,988	21,782	188 228	-	188 228
- for customers with whom the value of transactions in the period exceeds 10% or more of revenues, including:	-	70,925	-	70,925	-	70,925
Customer 1	-	43,863	-	43,863	-	43,863
Customer 2	-	27,062	-	27,062	-	27,062
Sales between segments	- 2,391	-	-	- 2,391	-	- 2,391
Consolidation exclusions	- 263	-	-	- 263	-	- 263
Sales to external customers	**36,804**	**126,988**	**21,782**	**185,574**	**-**	**185,574**
Segment costs						
Segment costs – purchase from external suppliers	- 35,700	- 127,644	- 20,489	- 183 833	-	- 183 833
Segment costs – purchase between segments	-	2,391	-	2,391	-	2,391
Consolidation exclusions	263	-	-	263	-	263
Total segment costs, including:	**- 35,437**	**- 125,253**	**- 20,489**	**- 181,179**	**-**	**- 181,179**
Depreciation	- 2,229	- 2,053	- 378	- 4,660	-	- 4,660
Segment profit (loss) from the core business	**1,367**	**1,735**	**1,293**	**4,395**	**-**	**4,395**
Unassigned costs	-	-	-	-	**-**	-
Profit (loss) from continuing operations before tax and finance costs	1,367	1,735	1,293	4,395	-	4,395
Interest income	1,504	193	33	1,730	-	1,730
Interest costs	- 1,135	- 66	- 13	- 1,214	-	- 1,214
Other net financial income/expenses	-507	490	76	59	-	59
Other operating income/expenses	- 435	106	- 819	- 1,148	-	1,148
Consolidation exclusions	- 603	-	-	- 603		**- 603**
Profit (loss) before tax and non-controlling interests	**191**	**2,458**	**570**	**3,219**	**-**	**3,219**
Income tax	423	327	441	1 191	-	1 191
Total income tax	423	327	441	1 191	-	1 191
Net profit (loss) for the period	**- 232**	**2,131**	**129**	**2,028**	**-**	**2,028**

Assets and liabilities as of December 31, 2022						
Segment assets	276,585	84,946	18,168	379,699	-	379,699
Other assets not allocated to segments	-	-	-	-	-	-
Total assets	**276,585**	**84,946**	**18,168**	**379,699**	**-**	**379,699**
Segment liabilities	216 245	29,856	7,115	253 216	-	253 216
Accruals and accruals	7 106	6,421	270	13,797	-	13,797
Segment result	3,681	2,173	223	6,077	-	6,077
Equity (excluding results from current operations)	36,830	58,188	6,632	101,650	-	101,650
Non-controlling interests	- 23	-	4,982	4,959	-	4,959
Total equity and liabilities	**263,839**	**96,638**	**19,222**	**379,699**	**-**	**379,699**
Other information about the segment						
Capital expenditure, including:	1,441	86	69	1,596	-	1,596
property, plant and equipment	147	86	64	297	-	297
intangible assets	1,294	-	5	1,299	-	1,299
Depreciation of property, plant and equipment	363	528	62	953	-	953
Amortization of intangible assets	289	110	10	409	-	409
Depreciation of assets due to rights of use	1,577	1,415	307	3,299	-	3,299
Impairment losses	-	-	-	-	-	-
The remaining	-	-	-	-	-	-

12. Explanatory information to the interim condensed consolidated statement of financial position - assets

Cash and other monetary assets

Cash and other assets	30/09/2023	December 31, 2022
Cash and other assets in the Capital Group		
a) in bank accounts and on hand	21,302	27,605
b) other cash	152,470	135,936
Together	**173,772**	**163 541**
Cash and other assets:		
a) cash and other own assets of the Capital Group	35,394	54,151
b) cash and other assets of clients deposited in cash accounts at a brokerage house and paid towards the purchase of securities in an initial public offering or primary trading,	130,678	100,890
c) funds in an escrow account	7,700	8,500
(d) cash and other assets transferred from the settlement fund	-	-
Together	**173,772**	**163 541**

Free cash is accumulated in bank accounts and invested in the form of term and *overnight deposits* . Short-term deposits are concluded for periods ranging from one day to several months, depending on the Group's current cash needs, and bear interest at variable and fixed interest rates, the amount of which depends on the interest rate on one-day bank deposits. Short-term deposits are presented in the item: Other cash. However, deposits over 3 months are presented in the item: Other monetary assets .

The item other cash also includes client funds deposited in the bank account of the parent company in the amount of PLN 130,678 thousand. PLN as at September 30, 2023 and in the amount of PLN 100,890 thousand PLN as at December 31, 2022.

Receivables

Trade and other receivables	30/09/2023	December 31, 2022
short-term receivables	228 365	159,789
Long-term receivables	8,947	8,826
Long-term loans granted	174	94
Accruals:	2,634	2,631
short-term	2,624	2,611
long term	10	20
Trade and other receivables	**240 120**	**171 340**

short-term receivables	30/09/2023	December 31, 2022
From customers / for deliveries and services	98 317	56,674
- from title deferred payment date	-	-
- from title overdue receivables and disputed claims not covered by receivables revaluation write-offs	-	-
- due to transactions concluded on the Warsaw Stock Exchange	71,483	32,328
- due to transactions concluded on the Budapest Stock Exchange	10,474	-
- due to transactions concluded on the London Stock Exchange	470	-
- due to transactions concluded on the Frankfurt Stock Exchange	-	1,842
- due to transactions concluded on the New York Stock Exchange	115	5,998
- the remaining	15,775	16,506
From related parties	13	21
From banks conducting brokerage activities, other brokerage houses and commodity brokerage houses *	70,380	36,175
- for transactions concluded on the Warsaw Stock Exchange*	66,078	26,763
- due to transactions concluded on the Budapest Stock Exchange	-	3,283
- due to transactions concluded on the Warsaw Stock Exchange in Australia	-	1,827
- the remaining	4,302	4,302
From entities operating regulated markets and commodity exchanges	472	11
From the National Depository for Securities and stock exchange clearing houses	26,500	32,615
- from the settlement fund	26,500	32,615
From investment and pension fund companies and investment and pension funds	27,585	30,177
Due to taxes, subsidies and social security	819	216
Collected in court, not covered by write-offs for receivables	-	-
Resulting from concluded framework loan and short sale agreements for borrowed securities	-	-
The remaining	4,279	3,900
- loans granted	1,035	917
- the remaining	3,244	2,983
Total short-term receivables	**228 365**	**159,789**

** Pursuant to art. 45h of the amended Act on Trading in Financial Instruments, short-term receivables from banks conducting brokerage activities, other brokerage houses and commodity brokerage houses in respect of transactions concluded on the WSE, include receivables from KDPW CCP (the entity settling the transactions, which has assumed the rights and obligations parties to the transaction)*

Short-term receivables and liabilities arise for the most part in connection with concluded purchase and sale transactions of securities which have not yet been settled in clearing houses.

In the case of purchase transactions concluded on stock exchanges, executed at the request of customers whose accounts are kept by depository banks, liabilities towards the parties to market transactions (banks conducting brokerage activities, other brokerage houses and commodity brokerage houses - the so-called anonymous party to the transaction) and receivables are disclosed. from customers for whom purchase transactions were completed. In the case of sales transactions concluded on stock exchanges, executed on behalf of customers whose accounts are maintained by depository banks, receivables from the parties to market transactions and liabilities to customers for whom the sales transactions were carried out are disclosed.

Information about financial assets and liabilities

In the period of 9 months of 2023 and in the comparative period, there were no changes in the method of determining the fair value of financial instruments or changes in the classification of financial assets.

As at September 30, 2023 and December 31, 2022, the carrying amount of financial assets and financial liabilities generally approximated fair value.

Financial instruments and position	30/09/2023	December 31, 2022

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in the consolidated statement of financial position	carrying value	value fair	carrying value	value fair
Financial assets measured at amortized cost	**411 258**	**411 258**	**332 250**	**332 250**
- cash and other monetary assets	173,772	173,772	163 541	163 541
- loans	1 209	1 209	1 011	1 011
- short-term and long-term receivables	236 277	236 277	167,698	167,698
Financial assets measured at fair value through profit or loss	**5,936**	**5,936**	**3,189**	**3,189**
- shares of listed companies	5,936	5,936	3,189	3,189
- other securities	-	-	-	-
Equity instruments valued through other comprehensive income	**28,662**	**28,662**	**14,670**	**14,670**
- company shares and bonds	27,871	27,871	11,671	11,671
- investment fund units/investment certificates	791	791	2,999	2,999
Financial liabilities measured at amortized cost	**324 417**	**324 417**	**231,798**	**231,798**
- overdraft	16,779	16,779	19,419	19,419
- subsidy	-	-	127	127
- liabilities (other than loan and subsidy)	307 638	307 638	212 252	212 252

The Group uses derivatives to minimize the risk of changes in currency rates in which part of the sale and purchase of securities is carried out. Derivative instruments held by the Group, although economically securing the Group against currency risk, do not formally constitute hedging within the meaning of IFRS 9, therefore they are treated as financial assets measured at fair value through profit or loss. All derivative instruments are valued at fair value, determined on the basis of market data.

Shares in subsidiaries not included in consolidation (unlisted companies) as well as participation units and investment certificates have been designated as measured at fair value through other comprehensive income because the purpose is to obtain cash flows from these financial assets or cash flows from their sale . Losses relating to this category of financial assets in the period of 9 months of 2023 amounted to PLN 281 thousand. PLN (loss of PLN 353 thousand in the period of 9 months of 2022).

The table below presents an analysis of financial instruments measured at fair value, grouped according to a three-level hierarchy:

- Level 1 - where fair value is based on stock exchange prices (unadjusted) offered for identical assets or liabilities in active markets,
- Level 2 - where fair value is determined on the basis of values observed on the market, but which are not direct market quotations (e.g. they are determined by direct or indirect reference to similar instruments existing on the market),
- Level 3 - where fair value is determined on the basis of various valuation techniques that are not based, however, on any observable market data.

As of September 30, 2023

	Level 1	Level 2	Level 3	Together
Financial assets measured at fair value through profit or loss				
Derivatives	-	263	-	263
Financial assets measured at fair value other than derivatives	5,936	-	-	5,936
Total financial assets measured at fair value through profit or loss	**5,936**	**263**	**-**	**6,199**
Equity instruments valued through other comprehensive income				
Investment certificates and investment fund participation units	-	791	-	791
Debt instruments	-	-	22,329	22,329
Total equity instruments measured through other comprehensive income *	**-**	**791**	**22,329**	**23,120**

Financial liabilities measured at fair value through profit or loss				
Derivatives	-	-	-	-
Total financial liabilities measured at fair value through profit or loss	**-**	**-**	**-**	**-**

** The amount does not include assets valued at acquisition cost*

During the reporting period, there were no significant transfers between level 1 and level 2 of the fair value of instruments .

As of December 31, 2022

	Level 1	Level 2	Level 3	Together
Financial assets measured at fair value through profit or loss				
Derivatives	-	7	-	7
Financial assets measured at fair value other than derivatives	3,189	-	-	3,189
Total financial assets measured at fair value through profit or loss	**3,189**	**7**	**-**	**3,196**
Equity instruments valued through other comprehensive income				
Investment certificates and investment fund participation units	-	2,999	-	2,999
Debt instruments	-	-	10,075	10,075
Total equity instruments measured through other comprehensive income *	**-**	**2,999**	**10,075**	**13,074**
Financial liabilities measured at fair value through profit or loss				
Derivatives	-	-	-	-
Total financial liabilities measured at fair value through profit or loss	**-**	**-**	**-**	**-**

** The amount does not include assets valued at acquisition cost*

Impairment losses on financial assets, property, plant and equipment, intangible assets or other assets and the reversal of such write-offs

In the period of 9 months of 2023 and in 2022, the Group companies did not make any write-offs or reverse previously created impairment losses on financial assets, property, plant and equipment, intangible assets or other assets, except for changes in the balance of write-offs for receivables (note 14) and creation of an impairment loss of loans granted in the amount of PLN 14,000. PLN in the period of 9 months of 2022 (no write-off in 2023).

Purchase and sale of property, plant and equipment and intangible assets

During the 9 months of 2023, the Group acquired fixed assets and intangible assets worth PLN 1,104 thousand. PLN compared to PLN 1,597 thousand PLN in the period of 9 months of the previous year.

Material transactions of purchase and sale of property, plant and equipment

In the period of 9 months of 2023 and 2022, the Group did not make any significant purchase or sale transactions of property, plant and equipment.

A significant liability arising from the purchase of property, plant and equipment

The Group does not have any significant liabilities related to the purchase of property, plant and equipment.

13. Explanatory information to the interim condensed consolidated statement of financial position - capital

Share capital

As at September 30, 2023, the Group's share capital amounted to PLN 2,993,783.60 and did not change compared to December 31, 2022.

The share capital is divided into 7,000,000 series A ordinary bearer shares, 21,571,410 series B ordinary bearer shares and 1,366,426 series C ordinary bearer shares .

14. Explanatory information to the interim condensed statement of financial position - liabilities and accrued expenses

Change in the status of accrued expenses

	01/01-30/09/2023	01/01-30/09/2022	2022
As at the beginning of the reporting period	**13,797**	**15,460**	**15,460**
Created during the period	28,602	21,856	33,846
Used	30,872	25,901	34,074
Solved	34	132	1,435
Status at the end of the reporting period	**11,493**	**11,283**	**13,797**

Write-offs for receivables

In the period of 9 months of 2023, the balance of write-offs for receivables increased by PLN 566 thousand. PLN as a result of created write-offs (an increase of PLN 1,570,000 in the period of 9 months of the previous year).

Liabilities

	30/09/2023	December 31, 2022
Short-term liabilities (except leasing)	324 417	231,798
Long-term liabilities (except leasing)	-	-
Trade and other liabilities	**324 417**	**231,798**

Short-term liabilities (except leasing)	30/09/2023	December 31, 2022
Towards customers	200 673	154 318
To related parties	205	406
Towards banks conducting brokerage activities, other brokerage houses and commodity brokerage houses *	97 807	50,763
- towards the Warsaw Stock Exchange *	87 215	42,917
- towards the Budapest Stock Exchange	10,472	-
- towards the New York Stock Exchange	116	5,990
Paris Stock Exchange	-	1,840
- liabilities arising from transactions concluded on the over-the-counter market	4	16
Towards entities operating regulated markets and commodity exchanges	238	256
- liabilities towards the Warsaw Stock Exchange	238	256
Towards the National Depository and stock exchange clearing houses	1,957	519
Credits, loans and subsidies	16,779	19,546
- from related parties	-	-
- the remaining	16,779	19,546
Debt securities	1	1
Due to taxes, customs duties and social security	3,567	2,237
Due to remuneration	-	9
Towards investment and pension fund companies and investment and pension funds	1,582	1,741
The remaining	1,608	2 002
a) due to dividend payment	250	-
b) other	1,358	2 002
- other liabilities	1,358	2 002

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Total short-term liabilities	**324 417**	**231,798**

** Pursuant to art. 45h of the amended Act on Trading in Financial Instruments, balance sheet items: short-term liabilities from banks conducting brokerage activities, other brokerage houses and commodity brokerage houses due to concluded transactions, in relation to transactions concluded on the WSE, include receivables and liabilities to KDPW CCP (the clearing entity) transactions who has assumed the rights and obligations of the parties to the transaction).*

Liabilities, except loans and leasing liabilities, are interest-free.

Interest-bearing bank loans

	30/09/2023	December 31, 2022
Bank credit	16,779	19,419
- loan amount remaining to be repaid	16,779	19,419
Short-term loan liabilities	**16,779**	**19,419**

As at September 30, 2023, the Group had PLN 16,779 thousand. PLN liabilities due to loans related to the brokerage activities (against PLN 19,419 thousand as at December 31, 2022) resulting from two agreements concluded on July 22, 2009 with Alior Bank SA for a working capital loan in the current account (credit lines). These loans are used to settle liabilities towards the National Depository for Securities / KDPW CCP in connection with the brokerage activities and are renewed annually - their current validity period expires December 11, 2023:

i. Revolving loan agreement (credit line) in the maximum amount of PLN 8 million. The purpose of the agreement is to finance the payment of the Company's liabilities towards the National Depository for Securities / KDPW CCP related to the clearing and settlement of transactions concluded on the regulated market as part of its brokerage activities. The loan is secured by a *blank* promissory note with a promissory note declaration, a power of attorney to manage bank accounts, a declaration of voluntary submission to enforcement in the field of monetary payments to the bank and a deposit (in the form of a term deposit) in the amount of PLN 4.3 million - these are security joint with the loan described in point ii.

ii. A revolving credit agreement (credit line) in the maximum amount of PLN 25 million, the purpose of which is to finance the Company's liabilities arising from membership in the Transaction Settlement Guarantee Fund operated by KDPW CCP. The loan is secured by a *blank* promissory note with a promissory note declaration, a power of attorney to manage bank accounts at the bank, and a declaration of voluntary submission to enforcement in the field of monetary payments to the bank. In accordance with the information provided in point and above, the common security for both loans is also a deposit of PLN 4.3 million.

Subsidies received

On June 3, 2020, IBC received a subsidy of PLN 1,751,000. PLN from the government program providing financial support from the Polish Development Fund ("PFR") for micro, small and medium-sized enterprises in connection with combating the effects of the COVID-19 epidemic in Poland ("Program"). The program assumed the possibility of waiving up to 75% of the financing provided that strictly defined conditions were met. These conditions were met and pursuant to the PFR decision of July 1, 2021, IBC was released from the obligation to return 75% of the subsidy value, i.e. PLN 1,313,000. zloty .

The remaining amount of the financial subsidy that was subject to reimbursement (PLN 437.7 thousand) did not bear interest and was fully repaid in 24 equal monthly installments (PLN 18.2 thousand).

Bonds

In 2023, until the date of publication of this report, the Company has not issued any shares. In the comparative period
(i.e. in the period of 9 months of 2022), the Company issued 12 bonds with a total nominal value of PLN 2.4 thousand. PLN with a maturity date falling in 2022-2024. The total value of the Company's liabilities arising from the purchase of the above-mentioned bonds will not exceed their nominal value and is insignificant for the Company. Their issue is related to the implementation of the Company's policy regarding the payment of variable remuneration components as part of the risk management system and in compliance with applicable regulations .

By the date of publication of this report, bonds for a total amount of PLN 0.8 thousand had been redeemed. PLN (all
in the first half of 2023) compared to PLN 1.6 thousand PLN for 9-month periods in 2022.

Information on non-repayment of a credit or loan or violation of material provisions of the credit or loan agreement for which no corrective actions were taken by the end of the reporting period

Did not ocure.

15. Explanatory information to the interim condensed consolidated statement of comprehensive income

Revenues from core activities

Revenues from core activities	01/01/2023-30/09/2023	01/07/2023-30/09/2023	01/01/2022-30/09/2022	01/07/2022-30/09/2022
Revenues from brokerage activities, including:	46,759	14,505	36,804	12,524
- revenues from trading in securities	27,474	7 401	21,718	6,650
- revenues from investment banking services	15,631	5,802	13,099	5,745
- other revenues from core activities	3,654	1 302	1,987	129
Income from the management of investment funds and portfolios of brokerage financial instruments	158 316	54,723	126,988	45,434
Revenue from consulting services	20,185	6,923	21,782	6,993
Total revenues from core activities	**225 260**	**76,151**	**185,574**	**64,951**

Operating costs

Core business costs	01/01/2023-30/09/2023	01/07/2023-30/09/2023	01/01/2022-30/09/2022	01/07/2022-30/09/2022
Fees for regulated markets, commodity exchanges and for the National Depository and exchange clearing houses	3,178	1,029	3,336	935
Fees to CCP	237	67	227	56
Chamber of Commerce fees	90	thirty	68	22
Salaries	53,696	17,422	47,671	16,503
Social security	4,587	1,182	4 311	1 019
Employee benefits	947	330	845	255
Usage of materials and energy	547	187	493	150
Depreciation	4,050	1,298	4,660	1,629
Taxes and other public law fees	5,638	5 207	5,421	5 115
Other, including:	142,787	46,825	114 147	38,203
- costs related to the management and distribution of funds	116,957	37,829	91,524	30,486
- transaction costs other than the costs of settling transactions through clearing houses and stock exchanges	9,939	3,238	6,127	2,281
- information and ICT services	5,719	1,918	5,317	1,817
- marketing, representation and advertising	824	323	1,174	515
- purchase of software (for re-invoicing)	866	666	1,819	802
- other external services	8,482	2,851	8,186	2 302
Total costs of core activities	**215 757**	**73,577**	**181 179**	**63,887**

Other operating income

Other operating income	01/01/2023-30/09/2023	01/07/2023-30/09/2023	01/01/2022-30/09/2022	01/07/2022-30/09/2022
Revenue from re-invoices	3,514	1,969	2 005	703
Resolution of the write-off for receivables	717	633	185	- 45
Release of provisions	34	-	132	-
Profit from the sale of property, plant and equipment	246	1	1	-
Other operating income	682	169	519	77
Total other operating income	**5,192**	**2,772**	**2,842**	**735**

Other operating cost

Other operating cost	01/01/2023-30/09/2023	01/07/2023-30/09/2023	01/01/2022-30/09/2022	01/07/2022-30/09/2022
Costs due to re-invoices	2,864	1,735	1,483	505
Creation of a write-off for receivables	1,283	550	1,770	151
Other operating cost	776	169	736	73
Total other operating costs	**4,923**	**2,454**	**3,989**	**729**

16. Income tax

The main components of the tax expense in the interim condensed consolidated statement of comprehensive income are as follows:

	01/01/2023-30/09/2023	01/07/2023-30/09/2023	01/01/2022-30/09/2022	01/07/2022-30/09/2022
Gross profit before taxes	**13,572**	**4,139**	**3,219**	**2,451**
Tax calculated at the rate of 19%	**2,579**	**787**	**612**	**466**
Off-balance sheet tax revenues/expenses for which no deferred tax asset was recognized - sum of consolidation adjustments	841	118	295	151
Tax losses for which no deferred tax assets were recognized - other	-	-	127	- 101
Tax losses from previous years for which no deferred tax asset was recognized	-	-	-	-
Utilization of previously unused tax losses	-	-	-	-
Costs that are permanently not tax-deductible	4,384	3,059	4,384	2,700
Negative/positive temporary differences for which no deferred tax assets/reserves were recognized	-	-	-	-
Revenues that are not taxable	- 1,141	- 2,221	- 1,758	- 2,370
Basis for calculating current and deferred income tax	**17,656**	**5,095**	**6,267**	**2,831**
- including the basis for calculating income tax in the amount of 9%	474	21	-	-
Reductions, layoffs	-	-	-	-
Charge to the financial result due to income tax	**3,307**	**966**	**1 191**	**538**

Tax settlements

Tax settlements and other areas of activity subject to regulations may be subject to control by administrative authorities, which are authorized to impose high fines and sanctions. The lack of reference to established legal regulations in Poland results in ambiguities and inconsistencies in the applicable regulations. Frequently occurring differences in opinions regarding the legal interpretation of tax regulations both within state authorities and between state authorities and enterprises result in areas of uncertainty and conflicts. These phenomena make the tax risk in Poland significantly higher than that usually existing in countries with a more established and stable tax system .

Tax settlements may be subject to inspection for a period of five years, starting from the end of the year in which the tax was paid. As a result of the inspections carried out, the existing tax settlements of the Group companies may be increased by additional tax liabilities.

Information about deferred tax

Deferred income tax liabilities increased by PLN 66,000. PLN in the period of 9 months of 2023 (in the third quarter of 2023 they increased by PLN 29 thousand), and in the comparative period, i.e. in the period of 9 months of 2022, they decreased by PLN 406 thousand. PLN (in the third quarter of 2022 by PLN 22 thousand).

Deferred tax assets increased by PLN 28,000. PLN in the period of 9 months of 2022 including in the third quarter of 2022 they increased by PLN 153 thousand), and in the comparative period, i.e. in the period of 9 months of 2022 they decreased by 681 (including in the third quarter of 2022 by 518 thousand PLN).

17. Dividends paid and proposed for payment

On May 24, 2023, the Ordinary General Meeting decided to pay a dividend from the profit for 2022, which amounted to PLN 4,619 thousand. zloty. The dividend amount per share was PLN 0.15. The date of establishing the rights to dividend was June 2, 2023 (dividend day), and the date of its payment was June 9, 2023. On this date, the dividend was paid in the total amount of PLN 4,490 thousand. zloty. The difference between the value of the dividend paid and the amount of PLN 4,619 thousand PLN adopted by the General Meeting, which amounted to PLN 129 thousand. PLN is the result of rounding in the amount of dividend per share and in accordance with the above-mentioned by resolution of the General Meeting, it contributed to the Company's supplementary capital.

On June 30, 2023, the Ordinary Meeting of Shareholders of IBC decided to allocate part of the profit for 2022, i.e. PLN 0.5 million, to the payment of dividend, which amounts to PLN 249.85 per share. The dividend will be paid no later than December 31, 2025 .

18. Issuance, redemption and repayment of debt and equity securities

In 2023, until the date of publication of these interim condensed consolidated financial statements, as well as in the period of 9 months of 2022, the Group companies did not issue equity securities.

Information on the issue and redemption of debt securities is included in note 14.

19. Exclusions of companies from consolidation

In the interim condensed consolidated financial statements, based on IAS 8 point 8, which allows for departure from the principles contained in IFRS when the effect of departure from their application is not significant, IFA and MUSCARI were not consolidated .

data in thousands zloty	**IFA**	**IFS**	**MUSCARI**
Balance sheet total as of September 30, 2023	11	1,044	472
Percentage share in the balance sheet total of the parent company (%)	-	0.28	0.13
Revenues for the period January 1. - 30/09/2023	11	1 007	2,963
Percentage share in the parent company's revenues (%)	-	2.05	6.05
Net assets as of September 30, 2023	- 92	990	- 348
Financial result for the period January 1. - 30/09/2023	- 100	- 6	121

data in thousands zloty	**IFA**	**MUSCARI**
Balance sheet total as of December 31, 2022	15	605
Percentage share in the balance sheet total of the parent company (%)	-	0.02
Revenues for the period January 1. - 30/09/2022	11	2 207
Percentage share in the parent company's revenues (%)	-	0.06
Net assets as of December 31, 2022	8	- 469
Financial result for the period January 1. - 30/09/2022	7	- 283

20. Seasonality of activity

The activities of the Group's companies are not seasonal.

21. Contingent liabilities and contingent assets

The Company issued bills of exchange as security for the loan (a detailed description is provided in note 14) and paid:
(i) a deposit of EUR 1.5 million constituting security for the settlement of transactions on foreign stock exchanges;
(ii) a deposit as security for the guarantee described in note 14 .

22. Guarantees

In January 2012, the Company was granted a guarantee by PKO Bank Polski SA (formerly Nordea Bank Polska SA) up to the total amount of PLN 268,000. Euro, secured by a deposit in the current amount of PLN 1,993,000. zloty. Pursuant to the 2023 annex, the guarantee amount was increased to PLN 323,000. Euro. The guarantee was issued for the period until April 16, 2028 and applies to liabilities related to the rental of office space.

23. Leasing

The Group as a lessee

The most important leasing agreements being implemented in 2023 include the lease of office space. The right to use the building for the duration of the contract was classified as leasing. The lease agreement for the right to the building was initially concluded for a period of 5 years (starting from 2013), however, pursuant to the annexes concluded, this period was extended - currently until 2028.

In December 2020, the Group companies signed an agreement under which the leasing of IT equipment is identified. The agreement was concluded for a period of 3 years with the possibility of extension for further periods

The Group companies concluded vehicle leasing agreements. The financing party is entitled to recalculate the remuneration when the WIBOR / EURIBOR 1M interest rate changes and in the event of changes in regulations (including in particular tax regulations). A vehicle mileage limit has been set for vehicles, which will be settled for the entire duration of the contract. If the mileage of the vehicle is higher than the limit agreed by the parties, the Group companies will pay an additional fee for exceeding the vehicle mileage limit.

In 2017, a Group company concluded a lease agreement for ICT equipment for a period of 60 months in order to provide hosting services for the above-mentioned. equipment to your contractor. Pursuant to the above-mentioned agreement, after the end of the leasing period, the company will have the option to extend the leasing or purchase the equipment. Moreover, with the consent of the equipment supplier, the company is entitled to transfer the rights and obligations arising from the contract to a third party, and after 18 months of leasing, it has the option to terminate the leasing contract without the consent of the equipment supplier, provided that the equipment is purchased for a price equal to the sum remaining until the end of the contract. leasing installments. Symmetrical conditions are guaranteed in the hosting agreement concluded with the company's contractor to whom the company provides appropriate services.

The value of minimum leasing fees is presented in the table below.

Lease liabilities	**30/09/2023**		**December 31, 2022**	
Net carrying amount	17,608		20,404	
Present value of minimum lease payments	**Leasing fees**	**Financial costs**	**Leasing fees**	**Financial costs**
Within a period of 1 year	3,678	1,449	4,511	1,563
In the period from 1 to 5 years	13,930	2,752	15,893	3,533
Over 5 years old	-	-	-	-
The cost of depreciation of leased items recognized over a period of 9 months (2023 / 2022)	**2,956**		**3,300**	

The Group as a lessor

As at September 30, 2023 and December 31, 2022, the Group was not a lessor.

24. Transactions with related parties

IPOPEMA Securities is the parent company - the composition of the Group and capital shares are presented in Note 2.

During the period of 9 months of 2023 and 2022, the Group did not enter into any significant transactions with related entities on terms other than market conditions.

Transactions with related entities – revenues and costs (in PLN thousand)

Name of the affiliated company	**Revenue** 01/01. - September 30, 2023	**Shopping** 01/01. - September 30, 2023	**Revenue** 01/01. - September 30, 2022	**Shopping** 01/01. - September 30, 2022
IFA	-	-	-	-
MUSCARI	-	2,609	-	2,038
IPOPEMA Funds Services	3	-	-	-
Members of the Management Board and supervisory bodies	6	-	-	-
Together	**9**	**2,609**	**-**	**2,038**

Transactions with related entities – receivables and liabilities

Name of the affiliated company	**Receivables**		**Commitments**	
	30/09/2023	**December 31,**	**30/09/2023**	**December 31,**

IFA	4	-	-	-
MUSCARI	744	742	205	390
IPOPEMA Funds Services	1	4	-	
Members of the Management Board and	6	2	-	-
Together	**755**	**748**	**205**	**390**

Related entities also include, in accordance with IAS 24, Members of the Management Board and the Supervisory Board,
as well as persons associated with them .

IPOPEMA Securities provides brokerage services to funds managed by IPOPEMA TFI SA, however, transaction costs are borne directly by the funds. Both in the period of 9 months of 2023 and in 2022, members of the management board and supervisory board used fund management services, and two of them, the participants of which are some members of the Company's management board or persons associated with them, were exempt from the fee for their administration.

25. Items in the consolidated statement of cash flows

Operating activities - providing brokerage and advisory services, managing clients' funds and assets, and purchasing and selling securities as part of the brokerage activities.

Investment activities - purchase and sale of intangible assets, tangible fixed assets and long-term securities.

Financial activities - obtaining or losing sources of financing (changes in the size and ratio of equity and external capital in the entity) and all related monetary costs and benefits.

Differences in changes in balance sheet items

	Presentation in the condensed consolidated statement of financial position **on September 30, 2023**	Presentation in the condensed consolidated statement of financial position **December 31, 2022**	Presentation in the condensed consolidated statement of cash flows - change as of **September 30, 2023**
Gross receivables	243 012	173,749	- 68,689
Net receivables	237 312	168 615	
Write-offs for receivables	5,700	5 134	566
Active accruals	2,634	2,631	
Accrued expenses (excluding deferred tax on equity and provisions for unpaid interest)	11,493	13,797	- 2 307
Total change in the balance of write-offs and accruals			- 1,741

The difference between the balance sheet change in gross receivables and the amount shown in the cash flow statement results from the separation of receivables from loans granted and interest on the deposit paid from this item as at September 30, 2023, which were presented as part of investment activities.

	Presentation in the condensed consolidated statement of financial position **on September 30, 2022**	Presentation in the condensed consolidated statement of financial position **December 31, 2021**	Presentation in the condensed consolidated statement of cash flows - change as of **September 30, 2022**
Gross receivables	166,756	257 541	91,626
Net receivables	161 711	254,066	
Write-offs for receivables (without loan write-offs)	5,045	3,475	1,557
Active accruals	3,084	2,146	
Accrued expenses (excluding deferred tax on equity and provisions for unpaid interest)	11,283	15,460	- 5,115

The difference between the balance sheet change in gross receivables and the amount shown in the cash flow statement results from the fact that as at September 30, 2022, receivables from loans granted and interest on the deposit paid were separated from this item, which were presented as part of investment activities. However, the difference between the balance sheet change in the balance of write-offs for receivables and the amount shown in the cash flow statement results from the inclusion of part of the loan write-offs in other adjustments from operating activities.

26. Information about important proceedings pending before a court or public administration body

In 2016, IPOPEMA TFI received a copy of a lawsuit filed by Górnośląskie Przedsiębiorstwo Wodociągów SA with its registered office in Katowice ("GPW") for payment of PLN 20.6 million for alleged property damage suffered by GPW in connection with GPW's investment in investment certificates of one of the the so-called dedicated funds managed by the Company (closed-end investment fund for non-public assets). The Company considers the GPW lawsuit to be unfounded and has taken legal steps to dismiss it by submitting a response to the lawsuit and participating in further procedural activities. Until the date of preparation of this report, several hearings were held in the case, during which some witnesses were interviewed. Due to the complex factual and legal situation and the specificity of the Polish judicial system, it is not possible to determine the date of completion of the proceedings in question or its outcome at this stage.

Four lawsuits were also brought against IPOPEMA TFI regarding funds that were previously managed by Saturn TFI and Lartiq TFI, and whose management was taken over by IPOPEMA TFI as a result of the decision of the Polish Financial Supervision Authority to withdraw the business permits of the above-mentioned entities. investment fund companies. Three of them, with a total value of claims of approximately PLN 2.6 million, were received in December 2022 and January 2023, while the last one was received in October 2023. This is a class action against IPOPEMA TFI and the bank acting as the depositary for the fund. , to which this lawsuit relates. The resulting value of the subject matter of the dispute is PLN 25.3 million, and the case is at the stage of the court examining the admissibility of group proceedings. IPOPEMA TFI firmly disputes the claims in question in their entirety as completely unjustified and groundless. The allegations raised therein concern circumstances resulting from the management of the funds in question and their situation before IPOPEMA TFI took over their management. Due to the above, the Management Board of IPOPEMA TFI is taking legal steps to dismiss the lawsuits and protect the good name of IPOPEMA TFI.

Moreover, in the first half of 2022, a lawsuit was filed against IPOPEMA Business Consulting by one of its clients regarding an implementation agreement concluded between the parties and carried out in the normal course of IPOPEMA Business Consulting's activities. The amount of the claim indicated by the plaintiff is PLN 14.5 million, however, taking into account the facts supported by legal analyses, the Management Board of IPOPEMA Business Consulting does not recognize the above-mentioned claim. the claims treating them as completely unfounded and devoid of any factual or legal basis. IPOPEMA Business Consulting also filed a lawsuit against this client for a total amount of PLN 12.6 million to recover remuneration for the work performed and delivered, contractual penalties and compensation. Both cases are currently being conducted as part of separate proceedings, and both parties have submitted applications to combine both cases for joint consideration.

Apart from the above, the IPOPEMA Group was not a party to any significant court or administrative proceedings regarding the liabilities and receivables of the Company or companies from its capital group.

27. Customer financial instruments

Customer financial instruments	**30/09/2023**	**December 31, 2022**
Securities admitted to public trading		
- number	320 947	322 978
- value	1,962,973	2,241,067
Securities not admitted to public trading		
- number	4,924	4,498
- value	129 505	125,635
Broadcast sponsor		
(i) shares		
- number	812	812
- value	14,368	11,951
(ii) bonds		
- number	55	83
- value	27,584	40,897
(iii) investment certificates		
- number	233 241	150 813
- value	35 950 402	35 735 009

ipopema

28. Capital requirements

IPOPEMA Securities SA , as an investment company, is obliged to calculate own funds and prudential requirements in accordance with Regulation (EU) 2019/2033 of the European Parliament and of the Council of 27 November 2019 on prudential requirements for investment companies and amending Regulation (EU) No. 1093 /2010, (EU) No. 575/2013, (EU) No. 600/2014 and (EU) No. 806/2014 ("IFR").

The Group under prudential consolidation includes the Company and IPOPEMA TFI.

Data as of September 30, 2023 regarding information on own funds, capital requirements for own funds and capital ratios specified in the IFR Regulation are presented below. The capital requirement calculated in accordance with the IFR Regulation is the highest of the following values:

- capital requirement for fixed indirect costs,
- permanent minimum requirement of initial capital,
- K-factor capital requirement.

As at September 30, 2023, the highest of these values is the capital requirement for the Company regarding the K coefficient.

Position – in thousands zloty	**30/09/2023**	**30/09/2022**
Own funds	**88 201**	**92,825**
Own funds requirements	**20,868**	**21,495**
- fixed minimum capital requirement	3,517	3,450
- requirement for fixed indirect costs	19,138	17,456
- K factor requirement	20,868	21,495
Tier 1 capital ratio	422.65%	431.85%
Surplus(+)/deficiency(-) of Common Equity Tier 1 capital	76,515	80,788
Tier 1 capital ratio	422.65%	431.85%
Surplus(+)/shortage(-) of Tier 1 capital	72,550	76,704
Total capital ratio	422.65%	431.85%
Surplus(+)/deficiency(-) of total capital	67,332	71,330

Information about the violation of capital adequacy ratios and the large exposure limit

In the period covered by this report, the Group did not record any violations of capital adequacy ratios on a consolidated basis.

29. Significant events and factors in the period of 9 months of 2023

The situation on the share trading market and in the area of investment banking

The share trading market on the WSE in the first 9 months of 2023 saw slightly less investor activity than a year earlier - total turnover in the period January-September this year. were 12.9% lower than in the first three quarters of 2022. At the same time, IPOPEMA Securities basically maintained its market share (2.09% vs. 2.12%). Nevertheless, thanks to higher revenues from bond intermediation and from transactions carried out jointly with the investment banking area, the level of revenues from securities trading in the period Q1-Q3 2023 (PLN 27,474 thousand) was 26.5% higher than a year ago (PLN 21,718 thousand).

Despite the still high inflation and interest rates, the capital transactions market in the second and third quarter of this year. a slight recovery was visible. This allowed the Company to generate revenues from investment banking services of PLN 15,631 thousand in the period January-September 2023. PLN, i.e. 19.3% higher than a year earlier (PLN 13,099 thousand).

The above factors resulted in the brokerage services segment recording PLN 4,440 thousand in the period January-September 2023. PLN net profit (compared to PLN 232 thousand net loss a year earlier).

Activities of IPOPEMA TFI

The higher revenues of IPOPEMA TFI (by 24.7% compared to the first three quarters of 2022) are mainly due to the increase in the level of revenues from managing receivable funds. Despite higher operating costs, the fund management segment recorded a significant improvement in net profit (PLN 5,539 thousand compared to PLN 2,131 thousand a year earlier). The value of assets in actively managed funds at the end of September 2023 amounted to PLN 1.1 billion. Taking into account the assets accumulated in dedicated funds, IPOPEMA TFI remains the largest Polish investment fund company - the total sum of assets under management at the end of September 2023 was PLN 57.9 billion (PLN 63.9 billion a year earlier).

Activities of IPOPEMA Business Consulting

The continuing relatively difficult situation on the consulting services market translated into slightly lower revenues of IPOPEMA Business Consulting (PLN 20,185 thousand compared to PLN 21,782 thousand in Q1-Q3 2022). Nevertheless, thanks to lower operating costs (by 4.0%), the consulting services segment recorded a slight improvement in net profit throughout the period (PLN 286,000 compared to PLN 129,000 a year earlier).

30. Events occurring after the end of the reporting period

All events relating to the reporting period were included in the books and in the condensed consolidated financial statements for the period from January 1 to September 30, 2023.

After the end of the reporting period, no significant events occurred that were not or should have been recognized in the accounting books of the reporting period.

Warsaw, November 16, 2023

Jacek Lewandowski Chairman of the Board	Mariusz Piskorski Vice President	Stanisław Waczkowski Vice President	Mirosław Borys Vice President	Danuta Ciosek Chief accountant