

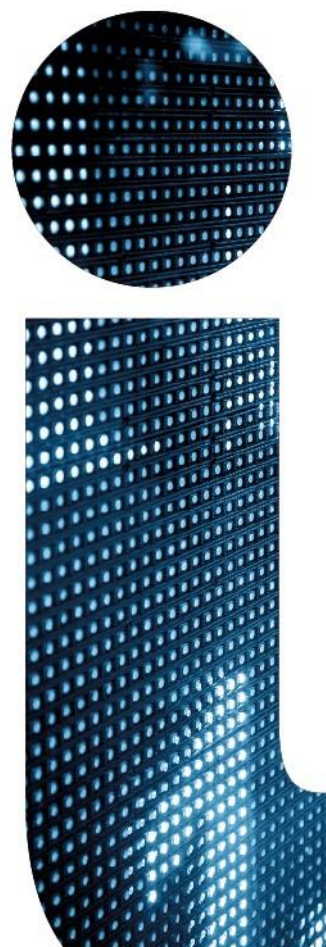
IPOPEMA Securities S.A.

Interim condensed financial statements

for the six months ended
June 30th 2023

Warsaw, September 6th 2023

ipopema



STATEMENT OF COMPLIANCE

The Management Board of IPOPEMA Securities S.A. hereby represents that:

- To the best of our knowledge, the interim condensed financial statements for the six months ended June 30th 2023 and the comparative data have been prepared in compliance with the applicable accounting standards and give a true, fair and clear view of the assets, financial condition and financial performance of IPOPEMA Securities S.A.;
- Grant Thornton Polska Prosta Spółka Akcyjna, with its registered office at ul. Abpa Antoniego Baraniaka 88 E in Poznań, an audit firm eligible for appointment as a statutory auditor of financial statements entered in the list of statutory auditors of financial statements maintained by the Polish Chamber of Statutory Auditors under Reg. No. 4055, which reviewed the half-year condensed financial statements, had been appointed in compliance with the applicable laws; Grant Thornton Polska Prosta Spółka Akcyjna and the Qualified Auditor who reviewed the half-year condensed financial statements of IPOPEMA Securities S.A. as at June 30th 2023 meet the criteria for issuing an unbiased and independent auditor's report on the interim condensed financial statements, in accordance with the applicable laws and professional standards;
- The Directors' Report for the first half of 2023 gives a true picture of the Company's development, achievements and position; it also includes a description of key risks and threats.

Warsaw, September 6th 2023

Management Board of IPOPEMA Securities S.A.:

Jacek Lewandowski
President of the
Management Board

Mariusz Piskorski
Vice President of the
Management Board

Stanisław Waczkowski
Vice President of the
Management Board

Mirosław Borys
Vice President of the
Management Board

Financial highlights

Financial highlights	PLN '000		EUR '000	
	H1 ended		H1 ended	
	Jun 30 2023	Jun 30 2022	Jun 30 2023	Jun 30 2022
Revenue from core activities	33,749	24,251	7,316	5,223
Cost of core activities	30,172	22,914	6,541	4,935
Profit/(loss) on core activities	3,577	1,337	775	288
Operating profit/(loss)	5,886	-1,536	1,276	-331
Profit/(loss) before tax	6,182	-284	1,340	-61
Net profit/(loss)	4,916	-305	1,066	-66
Earnings/(loss) per ordinary share (weighted average) (PLN/ EUR)	0.16	-0.01	0.04	0.00
Net cash from operating activities	608,550	46,951	131,921	10,113
Total cash flows	611,851	29,958	132,636	6,453

Financial highlights	PLN '000			EUR '000		
	Jun 30 2023	Dec 31 2022	Jun 30 2022	Jun 30 2023	Dec 31 2022	Jun 30 2022
Total assets	896,219	275,839	238,598	201,384	58,816	50,976
Current liabilities	827,277	206,449	176,219	185,892	44,020	37,649
Equity	61,931	61,505	56,581	13,916	13,114	12,088
Number of shares	29,937,836	29,937,836	29,937,836	29,937,836	29,937,836	29,937,836
Book value per share (PLN/EUR)	2.07	2.05	1.89	0.46	0.44	0.40

The individual items of the financial highlights were translated into the euro at the following exchange rates:

- For the statement of profit or loss and statement of cash flows items:

Average exchange rate calculated as the arithmetic mean of the exchange rates quoted for the last day of each month in the period	H1 2023	H1 2022
EUR	4.6130	4.6427

- For the balance sheet:

Exchange rate as at	Jun 30 2023	Dec 31 2022
EUR	4.4503	4.6899

Introduction to the interim condensed financial statements

Information about the Company

IPOPEMA Securities S.A. (the “Company”, “IPOPEMA”) was established on March 2nd 2005 (as Dom Maklerski IPOPEMA S.A.) under Notarial Deed – Rep. No. A 2640/2005, including the Company's Articles of Association, drawn up by Janusz Rudnicki, Notary Public in Warsaw, ul. Marszałkowska 55/73, suite 33. According to the Articles of Association, the Company was established for indefinite time.

The Company's registered office is located at ul. Próżna 9, Warsaw, Poland.

Pursuant to a decision issued by the District Court for the Capital City of Warsaw, 19th (currently 12th) Commercial Division of the National Court Register, on March 22nd 2005 the Company was entered into the Business Register of the National Court Register under KRS No. 0000230737.

The Company was assigned Industry Identification Number (REGON) 140086881.

The Company conducts brokerage activities pursuant to a brokerage licence granted by the Polish Securities and Exchange Commission (currently, the Polish Financial Supervision Authority, or the PFSA) on June 30th 2005, and other authorisations which it was required to obtain in connection with subsequent amendments to applicable laws and regulations. Currently, the Company holds licences for a majority of the activities specified in the Act on Trading in Securities as brokerage activities, excluding the activities specified in Art. 69.2.4 and 69.2.8, Art. 69.4.2 and 69.4.8, and Art. 69a.1 of the Act.

The Company's principal business activities comprise brokerage activities and the provision of business and management advisory services.

All Company shares (a total of 29,937,836 shares) outstanding as at the date of issue of these interim condensed financial statements are admitted to trading on the regulated market operated by the Warsaw Stock Exchange and have been introduced to trading on the main market. May 26th 2009 was the first listing date.

Going concern assumption

These interim condensed financial statements were prepared on the assumption that the Company will continue as a going concern for the foreseeable future, that is for the 12 months following the reporting date. As at the date of authorisation of these interim condensed financial statements, no circumstances were identified which would threaten the Company's ability to continue as a going concern, as a result of voluntary or involuntary discontinuation or material limitation of its existing operations, for at least 12 months from the reporting date, that is June 30th 2023.

Composition of the Management Board and the Supervisory Board

As at the date of these interim condensed financial statements, the composition of the Company's Management Board was as follows:

Jacek Lewandowski – CEO and President of the Management Board,
Miroslaw Borys – Vice President of the Management Board,
Mariusz Piskorski – Vice President of the Management Board,
Stanisław Waczkowski – Vice President of the Management Board.

As at the date of these interim condensed financial statements, the composition of the Company's Supervisory Board was as follows:

Jacek Jonak – Chairman of the Supervisory Board,
Janusz Diemko – Secretary of the Supervisory Board,
Bogdan Kryca – Member of the Supervisory Board,
Ewa Radkowska-Świętoń – Member of the Supervisory Board,
Andrzej Knigawka – Member of the Supervisory Board.

Basis of accounting used in preparing the interim condensed financial statements

These interim condensed financial statements ("condensed financial statements", "financial statements") cover the period from January 1st to June 30th 2023 and include comparative data for the period from January 1st to June 30th 2022 (for the statement of profit or loss, the statement of cash flows, and the statement of changes in equity) and, additionally, data as at December 31st 2022 (for the balance sheet and the statement of changes in equity).

As at the date of these condensed financial statements, the Company was the parent of a group comprising the following companies:

- IPOPEMA Towarzystwo Funduszy Inwestycyjnych S.A. ("IPOPEMA TFI") of Warsaw – 100% equity interest;
- IPOPEMA Business Consulting Sp. z o.o. ("IBC") of Warsaw – 50.02% equity interest; the remaining IBC shares are held by Eliza Łoś-Strychowska and Tomasz Rowecki (members of the IBC Management Board);
- IPOPEMA Financial Advisory Sp. z o.o. ("IFA") of Warsaw – 100% equity interest;
- IPOPEMA Financial Advisory Sp. z o.o. spółka komandytowa ("IFA SK") of Warsaw, with the Company and Jarosław Błaszczak as its limited partners and IFA as its general partner. The Company's maximum liability for IFA SK's liabilities towards creditors is PLN 7,750, while its share in IFA SK's revenue is 77% (a 1% share in IFA SK's revenue is held by IFA);
- MUSCARI Capital Sp. z o.o. ("MUSCARI") of Warsaw – the Company holds 100% equity interest in MUSCARI (previous name: Grupa Finanset Sp. z o.o.);
- INVESTMENT FUNDS DEPOSITARY SERVICES S.A. ("IFDS") – the joint stock company was incorporated on March 23rd 2022 and entered in the National Court Register on July 12th 2022. The Company holds 50% of its share capital. The remaining shares in IFDS are held by ProService Finteco sp. z o.o.
- IPOPEMA Fund Services Sp. z o.o. ("IFS") – on September 1st 2022, IPOPEMA TFI acquired 100% of the shares in the limited liability company.

The parent and its subsidiaries make up the IPOPEMA Securities Group (the "IPOPEMA Securities Group", the "IPOPEMA Group", the "Group"). IFA, MUSCARI, IFDS and IFS were not consolidated due to the immateriality of their financial data (in accordance with Art. 58.1 of the Polish Accounting Act).

Identification of the interim condensed financial statements

All financial data contained in these interim condensed financial statements is presented in PLN thousand.

These interim condensed financial statements were prepared in accordance with the historical cost convention, save for financial instruments held for trading and some financial instruments available for sale, which are measured at fair value.

Selected accounting policies

Receivables

Short-term receivables

Short-term receivables include all receivables from clients, related entities, banks conducting brokerage activities, other brokerage houses and commodity brokerage houses under executed transactions, as well as all or part of receivables related to other items, which are not classified as financial assets, in each case maturing within 12 months after the reporting date.

Receivables are measured at amortised cost, subject to the prudent valuation principle. The amount of receivables is subsequently reduced by impairment losses, if any, which are recognised based on the analysis of collectability of receivables from individual debtors.

Impairment losses on receivables are estimated in the event of an increase in the risk that it will not be possible to collect the full amount receivable. Taking into consideration the nature of its business, the Company has adopted the following rules for estimating impairment losses on past due receivables:

- for receivables past due by up to 6 months – no impairment loss is recognised,
- for receivables past due by 6 months to 1 year – impairment loss of 50% of the receivables amount is recognised,

- for receivables past due by more than 1 year – impairment loss of 100% of the receivables amount is recognised.

The Company may also recognise impairment losses based on an individual assessment of a receivable.

Impairment losses on receivables are recognised under other expenses. The cost connected with recognition of impairment losses at the time of confirming that particular receivables are uncollectible is a tax-deductible expense; otherwise, such cost is not tax-deductible.

Short-term receivables from clients, short-term receivables from banks conducting brokerage activities, other brokerage houses and commodity brokerage houses, current liabilities to clients and current liabilities to banks conducting brokerage activities, other brokerage houses and commodity brokerage houses

Short-term receivables from clients, short-term receivables from banks conducting brokerage activities, other brokerage houses and commodity brokerage houses, current liabilities to clients and current liabilities to banks conducting brokerage activities, other brokerage houses and commodity brokerage houses arise in connection with securities purchases and sales which have not yet been settled at the clearing houses due to the transaction clearing procedure (T+2). In the case of buy transactions executed on stock exchanges on behalf of clients whose accounts are maintained by custodian banks, the Company recognises current liabilities towards banks conducting brokerage activities, other brokerage houses and commodity brokerage houses (market counterparties)* and short-term receivables from the clients for whom such buy transactions have been executed. In the case of sale transactions executed on stock exchanges to execute orders placed by clients whose accounts are kept by custodian banks, the Group discloses short-term receivables from banks conducting brokerage activities, other brokerage houses and commodity brokerage houses (parties to the market transactions)* and current liabilities towards the clients for whom the sale transactions were executed.

** Pursuant to Art. 45h of the amended Act on Trading in Financial Instruments, in the case of transactions executed on the WSE, KDPW CCP (the clearing agent) assumed the rights and obligations of the parties to the market transactions.*

Long-term receivables

Long-term receivables are receivables whose terms to maturity are longer than 12 months from the reporting date.

Financial instruments

Financial instruments are classified into the following categories:

- a) Financial assets
 - financial assets held for trading,
 - loans and receivables,
 - financial assets held to maturity,
 - financial assets available for sale.
- b) Financial liabilities
 - financial liabilities held for trading,
 - other financial liabilities.

Acquisition and sale of financial instruments are recognised as at the transaction date. On initial recognition, they are measured at cost (fair value) of expensed/received cash, including the transaction costs.

Financial assets are derecognised when the Company loses control over the contractual rights constituting the given financial instrument, which usually happens when an instrument is sold or when all the cash flows attributable to an instrument are transferred to an independent third party.

Financial assets and liabilities held for trading

Financial assets and liabilities held for trading are financial instruments acquired for the Company's own account in connection with executed transactions, and are measured at fair value, determined by reference to their market value as at the reporting date.

Financial assets held for trading include shares in companies listed on the Warsaw Stock Exchanges (the "WSE") and a currency forward.

Financial assets are recognised as at the contract date at cost, i.e., at the fair value of expenses incurred or other assets transferred in return, whereas financial liabilities are first recognised in the accounting records at the contract date at the fair value of the amount or other assets received.

For the purpose of the measurement, the Company takes into account the closing prices quoted by the WSE on the last business day of the reporting period. Changes in the value of financial instruments held for trading are recognised under income from or cost related to financial instruments held for trading, as appropriate.

The Company does not apply hedge accounting.

Loans and receivables

Loans and receivables include financial assets arising when the Company delivers cash directly to the counterparty, irrespective of the maturity date of such assets. Loans and receivables are measured at amortised cost, which is estimated using the effective interest rate method. Non-interest bearing short-term receivables are measured at amounts receivable, subject to the prudent valuation principle. Short-term receivables include mainly bank deposits, cash and loans advanced. Loans include loans advanced to IPOPEMA employees and independent contractors, and possibly to other entities.

Financial assets available for sale

All other financial instruments are classified as financial assets available for sale. Financial assets available for sale are carried at fair value (without deducting the transaction costs), determined by reference to their market value as at the reporting date. Under financial assets available for sale the Company recognises investment fund units and bonds, as well as, pursuant to the regulation on special accounting policies for brokerage houses, shares in subordinated entities.

Shares in subsidiaries are measured at cost less impairment.

Other financial liabilities

In this category, the Company classifies mainly bank borrowings, including overdrafts. Other financial liabilities are measured at amortised cost.

Impairment of financial instruments

As at each reporting date, the Company assesses whether there are objective indications of impairment of a financial instrument or a group of financial instruments.

Liabilities

Current liabilities

Current liabilities are liabilities which are payable within 12 months from the end of the reporting period. Current liabilities include all liabilities to clients, liabilities to related entities, liabilities to banks conducting brokerage activities, other brokerage houses and commodity brokerage houses under executed transactions, liabilities to the Central Securities Depository of Poland and exchange clearing houses and liabilities to entities operating regulated securities markets, as well as all other liabilities not classified as non-current liabilities, accrued expenses and deferred income or provisions for liabilities.

Liabilities are measured at amortised cost. Recognition of current liabilities under executed transactions is discussed above, in the description of short-term receivables.

Non-current liabilities

Non-current liabilities are liabilities which are payable within more than 12 months from the reporting date.

Translation of foreign-currency items

Transactions in currencies other than the Polish zloty are accounted for as at the transaction date, using the following exchange rates:

- 1) the exchange rate actually applied on the transaction date, resulting from the nature of the transaction – in the case of sale or purchase of foreign currencies and payment of receivables or liabilities,
- 2) the mid-rate quoted for a given currency by the National Bank of Poland (the "NBP") on the day preceding the transaction date – in the case of payment of receivables or liabilities, if the application of the exchange rate specified in item 1 is not justified, and in the case of other transactions.

As at the reporting date, monetary assets and liabilities denominated in currencies other than the Polish zloty are translated into the zloty at the mid-rate quoted by the NBP for a given currency, in effect at the end of the reporting period. Currency translation differences are disclosed as finance income or costs, as appropriate.

The following exchange rates were used to determine the carrying amounts:

Currency	Jun 30 2023	Dec 31 2022
USD	4.1066	4.4018
EUR	4.4503	4.6899
HUF 100	1.1990	1.1718

GBP	5.1796	5.2957
CZK	0.1875	0.1942
CHF	4.5562	4.7679
TRY	0.1575	0.2349
NOK	0.3810	0.4461
CAD	3.0973	3.2486
SEK	0.3768	0.4213
DKK	0.5976	0.6307
AUD	2.7174	2.9890
RON	0.8967	0.9475

Source: National Bank of Poland.

Changes in estimates

In the period covered by these interim condensed financial statements, there were no changes in estimates other than changes in depreciation and amortisation, provisions, and impairment losses on receivables, as discussed in Note 7.

Changes in applied accounting policies

There were no changes in the accounting policies during the period covered by these interim condensed financial statements.

Comparability of the reported data

These interim condensed financial statements were presented in a manner ensuring data comparability by applying uniform accounting policies in all the presented periods, consistent with the accounting policies applied by the Company.

Seasonality of operations

The Company's operations are not subject to seasonality and the presented results do not show any seasonal fluctuations during the year.

Correction of prior period errors

In these interim condensed financial statements, the Company did not correct any errors.

ASSETS		Note	Jun 30 2023	Dec 31 2022	Jun 30 2022
I.	Cash and cash equivalents	1	726,544	132,254	134,047
1.	In hand		1	1	1
2.	At banks		12,453	12,876	81,824
3.	Other cash		714,090	119,377	52,222
4.	Cash equivalents		-	-	-
II.	Short-term receivables	2, 7	139,510	115,749	79,852
1.	From clients		48,843	44,127	23,525
2.	From related entities	18	1,053	1,039	1,028
3.	From banks conducting brokerage activities, other brokerage houses and commodity brokerage houses		48,009	36,175	19,503
a)	under executed transactions		43,707	31,873	15,201
b)	other		4,302	4,302	4,302
4.	From entities operating regulated markets and commodity		28	12	501
5.	From the Central Securities Depository of Poland and exchange		49	52	50
5.a	From CCP		38,346	32,563	31,254
6.	From investment and pension fund companies and from investment and pension funds		1,034	666	584
7.	Taxes, subsidies and social security receivable		38	37	39
8.	Under framework securities lending and short sale agreements		931	-	632
9.	Other		1,179	1,078	2,736
III.	Financial instruments held for trading	3, 4	5,526	3,196	490
1.	Shares		5,037	3,189	488
2.	Investment certificates		-	-	-
3.	Other securities		489	7	2
IV.	Short-term prepayments and accrued income		1,078	975	923
IV.a.	Short-term loans		869	917	907
1.	To subordinated entities		738	730	722
2.	Other		131	187	185
V.	Financial instruments held to maturity		-	-	-
VI.	Financial instruments available for sale	3, 4	9,571	9,220	8,704
1.	Shares		9,571	9,220	8,704
	- shares in subordinated entities		9,571	9,220	8,704
2.	Debt securities		-	-	-
VII.	Long-term receivables		8,669	8,826	8,812
VIII.	Long-term loans		70	94	55
1.	Other		70	94	55
IX.	Intangible assets	4	2,497	2,453	2,303
1.	Acquired permits, patents, licences and similar assets, including:		2,497	2,453	2,303
	- software		2,497	2,453	2,303
X.	Property, plant and equipment	4, 5	473	615	751
1.	Tangible assets, including:		430	615	751
a)	buildings and premises		31	64	98
b)	computer assemblies		333	390	388
c)	other tangible assets		66	161	265
2.	Tangible assets under construction		43	-	-
XI.	Long-term prepayments and accrued income		1,412	1,540	1,754
1.	Deferred tax assets	13	1,398	1,521	1,734
2.	Other long-term prepayments and accrued income		14	19	20
XII.	Called-up share capital not paid		-	-	-
XIII	Treasury shares		-	-	-
Total assets			896,219	275,839	238,598

EQUITY AND LIABILITIES		Note	Jun 30 2023	Dec 31 2022	Jun 30 2022
I. Current liabilities		6	827,277	206,449	176,219
1. To clients			754,801	131,372	134,808
2. To related entities		18	425	390	208
3. To banks conducting brokerage activities, other brokerage houses and commodity brokerage houses			37,398	50,763	26,869
a) under executed transactions			37,397	50,747	26,862
b) other			1	16	7
4. To entities operating regulated markets and commodity exchanges			348	256	191
5. To the Central Securities Depository of Poland and to settlement and clearing houses			242	215	229
5.a. To CCP			170	304	132
6. To trade organisation			-	-	1
7. Borrowings			28,779	19,419	10,840
a) other			28,779	19,419	10,840
8. Debt securities		11	1	2	2
8.a. Negative fair value of financial instruments held for trading			-	-	202
9. Taxes, customs duties and social security payable			2,312	1,579	1,632
10. To investment and pension fund companies and to investment and pension funds			-	9	-
11. Other			2,801	2,140	1,105
II. Non-current liabilities			44	51	59
1. Debt securities		11	-	-	1
2. Finance lease liabilities		10	44	51	58
- from other entities			44	51	58
III. Accrued expenses and deferred income			-	-	-
IV. Provisions for liabilities		7	6,967	7,834	5,739
1. Deferred tax liabilities		13	486	710	225
2. Provision for retirement and similar benefits			1,076	1,081	1,042
3. Other			5,405	6,043	4,472
a) long-term			29	157	206
b) short-term			5,376	5,886	4,266
V. Subordinated liabilities			-	-	-
VI. Equity			61,931	61,505	56,581
1. Share capital		8	2,994	2,994	2,994
2. Reserve funds			54,021	53,892	53,892
a) share premium			10,351	10,351	10,351
b) statutory reserve funds			998	998	998
c) reserve funds created pursuant to the Articles of Association			42,672	42,543	42,543
3. Revaluation capital reserve			-	-	-
4. Net profit/(loss)		14	4,916	4,619	-305
Total equity and liabilities			896,219	275,839	238,598
Book value (PLN '000)			61,931	61,505	56,581
Number of shares as at end of period			29,937,836	29,937,836	29,937,836
Book value per share (PLN)			2.07	2.05	1.89
Diluted number of shares			29,937,836	29,937,836	29,937,836
Diluted book value per share (PLN)			2.07	2.05	1.89

OFF-BALANCE SHEET ITEMS		Note	Jun 30 2023	Dec 31 2022	Jun 30 2022
I.	Contingent liabilities	9	1,372	1,446	1,378
II.	Third-party assets used		-	-	-
III.	Forwards purchased or issued in the name and for the account of the brokerage house*		7,181*	7,052*	6,857*
IV.	Other off-balance sheet items		-	-	-

* Notional amounts of purchased forward contracts.

Statement of profit or loss	Note	H1 2023	H1 2022
I. Revenue from core activities, including:		33,749	24,251
- from related entities	18	2,889	2,010
1. Revenue from brokerage activities, including:		33,553	24,055
a) receipt and transfer of orders to buy and sell financial instruments		22	72
b) execution of orders to buy and sell financial instruments for client account		18,821	15,037
c) investment advisory services		100	81
d) offering of financial instruments		8,603	4,827
e) keeping of cash accounts, safekeeping or registration of financial instruments, including the keeping of accounts referred to in Art. 69.4.1 of the Act on Trading in Financial Instruments		1,032	823
f) other		4,975	3,215
2. Revenue from other core activities		196	196
II. Cost of core activities		30,172	22,914
- from related entities	18	1,842	1,472
1. Fees payable to regulated markets, commodity exchanges, the Central Securities Depository of Poland and exchange clearing houses		2,112	2,363
2. Payments to CCP		170	171
3. Trade organisation membership fees		60	46
4. Salaries and wages		13,871	9,994
5. Social security and other benefits		1,580	1,385
6. Employee benefits		205	146
7. Raw material and consumables used		101	82
8. Services		9,585	6,662
9. Costs of maintenance and lease of buildings		1,402	1,198
10. Depreciation and amortisation		398	430
11. Taxes and other public charges		260	193
12. Other		428	244
III. Profit/(loss) on core activities		3,577	1,337
IV. Income from financial instruments held for trading		2,454	479
1. Revaluation adjustments		522	300
2. Gain on sale/redemption		1,932	179
V. Cost related to financial instruments held for trading		607	3,367
1. Revaluation adjustments		254	302
2. Loss on sale/redemption		353	3,065
VI. Gain/(loss) on transactions in financial instruments held for trading		1,847	-2,888
VII. Income from financial instruments available for sale		250	449
1. Dividends and other profit distributions		250	449
- from related entities		250	449
2. Gain on sale/redemption		-	-
VIII. Cost related to financial instruments available for sale		-	-
IX. Gain/(loss) on transactions in financial instruments available for sale		250	449
X. Other income		1,180	1,004
1. Gain on sale of property, plant and equipment, and intangible assets		199	-
2. Reversed provisions		34	-
3. Decrease in impairment losses on receivables		-	22
4. Other		947	982
XI. Other expenses		968	1,438

1.	Increase in impairment losses on receivables	6	28
2.	Reversed provisions	4	-
3.	Other	958	1,410
XII.	Operating profit/(loss)	5,886	-1,536
XIII.	Finance income	2,069	2,178
1.	Interest on loans, including:	15	29
	- from related entities	8	8
2.	Interest on deposits	1,090	1,242
3.	Other interest	-	-
4.	Foreign exchange gains	-	450
	a) realised	-	284
	b) unrealised	-	166
5.	Other	964	457
XIV.	Finance charge	1,773	926
1.	Interest on borrowings, including:	812	665
	- to related entities	-	-
2.	Other interest	18	9
3.	Foreign exchange losses	474	-
	a) realised	185	-
	b) unrealised	289	-
4.	Other	469	252
XV.	Profit/(loss) before tax	6,182	-284
XVI.	Income tax	13	1,266
XVII.	Net profit/(loss)	4,916	-305
	Weighted average number of ordinary shares	29,937,836	29,937,836
	Earnings/(loss) per ordinary share (PLN)	0.16	-0.01
	Weighted average diluted number of ordinary shares	29,937,836	29,937,836
	Diluted earnings/(loss) per ordinary share (PLN)	0.16	-0.01

STATEMENT OF CASH FLOWS		Note	H1 2023	H1 2022
A.	NET CASH FROM OPERATING ACTIVITIES			
I.	Net profit/(loss)		4,916	-305
II.	Total adjustments		603,634	47,256
1.	Depreciation and amortisation		398	430
2.	Foreign exchange gains/(losses)		17,561	-700
3.	Interest and profit distributions (dividends)		806	642
4.	Gain/(loss) on investing activities		-	-
5.	Increase/(decrease) in provisions and impairment losses on receivables		-861	-2,790
6.	Increase/(decrease) in financial instruments held for trading		-2,331	957
7.	Increase/(decrease) in receivables		-23,610	130,011
8.	Increase/(decrease) in current liabilities (net of borrowings), including special accounts		611,644	-80,995
9.	Increase/(decrease) in accruals and deferrals		27	-265
10.	Other		-	-34
III.	Net cash from operating activities (I + II)		608,550	46,951
B.				
I.	Cash provided by investing activities		87	100
1.	Decrease in loans		87	94
2.	Disposal of financial instruments available for sale		-	6
II.	Cash used in investing activities		651	1,416
1.	Acquisition of property, plant and equipment		104	102
2.	Acquisition of intangible assets		196	1,283
3.	Acquisition of financial instruments available for sale (subordinates)		351	-
4.	Increase in loans		-	31
III.	Net cash from investing activities (I - II)		-564	-1,316
C.	NET CASH FROM FINANCING ACTIVITIES			
I.	Cash provided by financing activities		9,538	3
1.	Increase in short-term borrowings		9,538	-
2.	Proceeds from issue of debt securities		-	3
II.	Cash used in financing activities		5,673	15,680
1.	Decrease in short-term borrowings		-	5,724
2.	Redemption of short-term debt securities		1	1
3.	Dividends and other payments to owners		4,490	9,281
4.	Payment of finance lease liabilities		192	24
4.	Interest paid		990	650
III.	Net cash from financing activities (I - II)		3,865	-15,677
D.	TOTAL NET CASH FLOWS (A.III +/- B.III +/- C.III)		611,851	29,958
E.	NET CHANGE IN CASH, including:		594,290	30,658
	- effect of exchange rate fluctuations on cash held		-17,561	700
F.	CASH AT BEGINNING OF PERIOD		132,218	103,387
G.	CASH AT END OF PERIOD (F +/- D), including:	19	744,069	133,345
	- restricted cash*	1	703,383	119,870

* Restricted cash includes primarily clients' funds held by the Company.

STATEMENT OF CHANGES IN EQUITY	H1 2023	2022	H1 2022
I. EQUITY AT BEGINNING OF PERIOD	61,505	66,166	66,166
- changes in adopted accounting policies	-	-	-
- correction of errors	-	-	-
I.a. EQUITY AT BEGINNING OF PERIOD AFTER ADJUSTMENTS	61,505	66,166	66,166
1. Share capital at beginning of period	2,994	2,994	2,994
1.1. Changes in share capital	-	-	-
1.2. Share capital at end of period	2,994	2,994	2,994
2. Reserve funds at beginning of period	53,892	53,718	53,718
2.1. Changes in reserve funds	129	174	174
a) increase	129	174	174
- distribution of profit (above statutory minimum)	129	174	174
b) decrease	-	-	-
2.2. Reserve funds at end of period	54,021	53,892	53,892
3. Revaluation capital reserve at beginning of period	-	-	-
3.1. Changes in revaluation capital reserve	-	-	-
a) increase	-	-	-
- remeasurement of financial instruments	-	-	-
b) decrease	-	-	-
- remeasurement of financial instruments	-	-	-
3.2. Revaluation capital reserve at end of the period	-	-	-
4. Retained earnings/(accumulated deficit) at beginning of period	4,619	9,454	9,454
4.1. Retained earnings at beginning of period	4,619	9,454	9,454
a) increase	-	-	-
b) decrease	4,619	9,454	9,454
- distribution of retained earnings (dividend)	4,490	9,280	9,280
- distribution of retained earnings (increase in reserve funds)	129	174	174
4.2. Accumulated deficit at beginning of period	-	-	-
4.3. Retained earnings/(accumulated deficit) at end of period	-	-	-305
5. Net profit/(loss)	4,916	4,619	-
a) net profit	4,916	4,619	-
b) net loss	-	-	305
II. EQUITY AT END OF PERIOD	61,931	61,505	56,581
III. EQUITY AFTER PROPOSED DISTRIBUTION OF PROFIT	61,931	61,505	56,581

Notes to the interim financial statements

Note 1

Cash and other assets	Jun 30 2023	Dec 31 2022	Jun 30 2022
Cash and other assets of clients			
a) at banks and in hand	703,383	100,891	119,870
Total cash and other assets of clients	703,383	100,891	119,870
Cash and other assets			
a) cash and other assets of the brokerage house, including:	23,161	31,363	14,177
- in hand	1	1	1
- at banks, including	12,453	12,876	11,898
in VAT account	6	-	40
- other cash*	10,707	18,486	2,278
- cash equivalents	-	-	-
b) cash and other assets of clients deposited in cash accounts	703,383	100,891	119,870
- at the brokerage house and paid towards acquisition of securities	703,383	100,891	119,870
- in an IPO or on the primary market	-	-	-
c) cash and other assets transferred from the settlement guarantee fund	-	-	-
Total cash and other assets	726,544	132,254	134,047

* 'Other cash' includes cash in bank deposits, interest accrued on those deposits, and cash in transit

Note 2

Selected short-term receivables	Jun 30 2023	Dec 31 2022	Jun 30 2022
Selected short-term receivables	136,300	113,956	75,360
a) from clients, including:	48,843	44,127	23,525
- under transactions executed on the Warsaw Stock Exchange	39,196	32,328	19,816
- under transactions executed on the London Stock Exchange	-	-	459
- under transactions executed on the Frankfurt Stock Exchange	-	1,842	572
- under transactions executed on the New York Stock Exchange	-	5,998	-
- under transactions executed on the Toronto Stock Exchange	5,878	-	-
- under transactions executed on the Australian Stock Exchange	-	-	1,480
- other	3,769	3,959	1,198
b) from related entities, including:	1,053	1,039	1,028
- from subsidiaries	1,053	1,039	1,028
c) from banks conducting brokerage activities, other brokerage houses and commodity brokerage houses	48,009	36,175	19,503
- under transactions executed on the Warsaw Stock Exchange*	33,719	26,763	10,071
- under transactions executed on the New York Stock Exchange	1,333	-	2,520
- under transactions executed on the Frankfurt Stock Exchange	575	-	-
- under transactions executed on the Madrid Stock Exchange	7,006	-	-
- under transactions executed on the Australian Stock Exchange	-	1,827	2,294
- under transactions executed on the Budapest Stock Exchange	-	3,283	-
- under transactions executed on the London Stock Exchange	-	-	316
- under transactions executed on the Stockholm Stock Exchange	620	-	-
- under transactions executed on the Zurich Stock Exchange	267	-	-
- under transactions executed on the Oslo Stock Exchange	187	-	-
- other	4,302	4,302	4,302
e) from the Central Securities Depository of Poland and exchange clearing houses, including:	49	52	50

- from the settlement guarantee fund and deposits	49	52	50
e) receivables from CCP	38,346	32,563	31,254
- from the settlement guarantee fund	38,346	32,563	31,254
Net short-term receivables	139,510	115,749	79,852
- impairment losses on short-term receivables (positive value)	30	24	48
Gross short-term receivables	139,540	115,773	79,900

* In accordance with 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 under executed transactions, where such transactions are executed on the WSE, include receivables from KDPW CCP (the clearing agent, which has assumed the rights and obligations of the parties to the transactions).

The value of short-term receivables from clients under executed transactions and current receivables from banks conducting brokerage activities, other brokerage houses and commodity brokerage houses under executed transactions represents the value of concluded and not cleared (including suspended) purchase and sale transactions in securities.

Note 3

Financial assets

In the first half of 2023 and in the comparative period, the policies for measurement of financial assets at fair value or classification of financial assets did not change.

Note 4

Recognition and reversal of impairment losses on financial assets, property, plant and equipment, intangible assets or other assets.

In the six months ended June 30th 2023 and in 2022, the Company did not recognise any impairment losses on financial assets, property, plant and equipment, intangible assets or other assets, nor did it reverse impairment losses recognised in previous periods, except for changes in impairment losses on receivables (Note 7) and the recognition of an impairment loss on loans of PLN 9 thousand in the six months to June 30th 2022 (no impairment loss recognised in the six months to June 30th 2023).

Note 5

Material transactions to purchase or sell property, plant and equipment

In the six months ended June 30th 2023 and in 2022, the Company did not purchase or sell any material items of property, plant and equipment.

Material liabilities under purchases of property, plant and equipment

The Company has no material liabilities under purchases of property, plant and equipment.

Note 6

Selected current liabilities	Jun 30 2023	Dec 31 2022	Jun 30 2022
Selected current liabilities	43,696	55,647	30,366
1. To related entities	425	390	208
a) to subsidiaries	425	390	208
2. To banks conducting brokerage activities, other brokerage houses and commodity brokerage houses	37,398	50,763	26,869
- to the Warsaw Stock Exchange *	37,397	42,917	25,115
- to the New York Stock Exchange	-	5,990	-
- to the Frankfurt Stock Exchange	-	-	278
- to the Paris Stock Exchange	-	1,840	-
- to the Australian Stock Exchange	-	-	1,469
- other	1	16	7
3. To entities operating regulated markets and commodity exchanges	348	256	191
- to the Warsaw Stock Exchange	348	256	191
4. To the Central Securities Depository of Poland and exchange clearing houses	242	215	229
a) under additional payments to the settlement guarantee fund	-	-	-
b) other	242	215	229
4a. To CCP	170	304	132
a) under additional payments to the settlement guarantee fund	-	158	12
b) other	170	146	120
5. Taxes, customs duties and social security payable	2,312	1,579	1,632
6. Other	2,801	2,140	1,105
a) other liabilities, including:	2,801	2,140	1,105
- lease liabilities	14	189	203
- dividends payable	-	-	-
- other liabilities	2,787	1,951	902

* In accordance with Art. 45h of the amended Act on Trading in Financial Instruments, the following items of the balance sheet: current liabilities to banks conducting brokerage activities, other brokerage houses and commodity brokerage houses under executed transactions, where such transactions are executed on the WSE, include liabilities to KDPW CCP (the clearing agent, which has assumed the rights and obligations of the parties to the transactions).

As at June 30th 2023, the Company's liabilities under bank borrowings related to its brokerage business amounted to PLN 28,779 thousand (December 31st 2022: PLN 19,419 thousand). The liabilities arose under two overdraft facility agreements executed with Alior Bank S.A. on July 22nd 2009. The facilities, renewed each year, are used to finance payments due to the Central Securities Depository of Poland/KDPW CCP (the clearing agent) and related to the brokerage activities. The current facilities expire on December 12th 2023:

- i. Revolving credit facility of up to PLN 8m. The purpose of the facility is to finance payment of the Company's liabilities to the Central Securities Depository of Poland/KDPW CCP in respect of the clearing and settlement of transactions concluded by the Company on the regulated market as part of its brokerage business. The facility is secured by a blank promissory note with a promissory note declaration, a power of attorney over accounts held with the bank, a declaration of voluntary submission to enforcement with respect to cash payments owed to the bank, and a PLN 4.3m security deposit placed in a term deposit account as joint collateral securing also the credit facility specified in item ii.
- ii. Revolving credit facility of up to PLN 25m. The purpose of the facility is to finance the payment of the Company's liabilities resulting from its membership in the Transactions Settlement Guarantee Fund operated by KDPW CCP. The facility is secured by a blank promissory note with a promissory note declaration, a power of attorney over accounts held with the bank, and a declaration of voluntary submission to enforcement with respect to cash payments owed to the bank. As stated in item i above, both credit facilities are also jointly secured by a security deposit of PLN 4.3m.

Defaults under credit facilities or loans or breach of material credit covenants, with respect to which no remedial action was taken by the end of the reporting period

None.

Note 7

Changes in short-term provisions and impairment losses on receivables

Short-term provisions for liabilities	H1 2023	H1 2022
Provisions at beginning of period	5,886	7,133
a) recognised	7,120	3,301
b) used	7,596	6,168
c) reversed	34	-
Provisions at end of period	5,376	4,266

In the six months ended June 30th 2023, impairment losses on receivables increased by PLN 6 thousand compared with December 31st 2022. In the six months ended June 30th 2022, impairment losses on receivables increased by PLN 6 thousand compared with December 31st 2021.

Note 8

Share capital	Jun 30 2023	Dec 31 2022	Jun 30 2022
a) par value per share (PLN)	0.10	0.10	0.10
b) series/issue	A, B, C	A, B, C	A, B, C
c) type of shares	ordinary bearer shares	ordinary bearer shares	ordinary bearer shares
d) preference attached to shares	none	none	none
e) restrictions on rights attached to shares	none	none	none
f) number of shares	29,937,836	29,937,836	29,937,836
g) total par value of series/issue (PLN '000)	2,994	2,994	2,994
h) type of contribution	cash	cash	cash
i) dividend right since:	the shares carry the right to profit distribution for 2023 and 2022	the shares carry the right to profit distribution for 2022 and 2021	the shares carry the right to profit distribution for 2022 and 2021

There were no changes in the Company's share capital in the first half of 2023 or in 2022.

As at June 30th 2023, the share capital amounted to PLN 2,993,783.60 and comprised 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.

Note 9

The Company issued promissory notes as security for a credit facility (see Note 6), and paid a deposit of PLN 1.5m as security for settlement of transactions on foreign stock exchanges.

PKO Bank Polski S.A. (formerly Nordea Bank Polska S.A.) issued a guarantee to the Company, whose current value is EUR 308 thousand. For more information on guarantees, see Note 12.

Note 10

Leases

The Company as a lessee – right to use a building

The Company leases office space under a lease contract. The right to use the building for the term of the contract was classified by the Company as operating lease. The contract was originally executed for a period of five years (starting from 2013) and was subsequently extended under relevant amending annexes, with the most recent annex extending the contract until 2028.

Minimum lease payments are presented in the table below.

Lease liabilities	Jun 30 2023	Dec 31 2022	Jun 30 2022
	Present value of minimum lease payments		
Within 1 year	1,631*	1,435*	704*
In 1 to 5 years	6,331*	6,668*	-
Over 5 years	-	-	-
Total lease liabilities	7,962	8,103	704

* Value calculated by recognising the cost on a straight-line basis over the lease term.

The Company as a lessee – finance leases

The Company is party to vehicle lease contracts. The financing party has the right to recalculate its fee in the event of changes in the 1M EURIBOR/WIBOR interest rate or regulatory changes (notably tax regime changes). The agreements provide for a mileage limit, which will be accounted for in respect of the entire lease term. If the mileage limit agreed by the parties is exceeded, the lessee has to pay an additional excess mileage charge.

The lease contracts were classified as finance leases. Minimum lease payments are presented in the table below.

Finance lease liabilities	Jun 30 2023	Dec 31 2022	Jun 30 2022
Net carrying amount	35	99	172
Present value of minimum lease payments	58	240	261
Within 1 year *	14	189	203
Within 1 to 5 years *	44	51	58
Over 5 years *	-	-	-
Contingent lease payments recognised as expense in the period	192	56	24

Note 11

Bonds

In 2023 until the issue date of these financial statements, the Company did not issue any bonds, whereas in the comparative period (the six months ended June 30th 2022), the Company issued 12 bonds with a total nominal value of PLN 2.4 thousand, due in 2022–2024. The total amount of liabilities payable by the Company on redemption of the bonds will not exceed the bonds' nominal value and is not significant to the Company. The bonds were issued in connection with the variable remuneration components policy, implemented by the Company as part of its risk management system, in compliance with the then applicable regulations.

Until the date of issue of these financial statements, the Company redeemed PLN 0.8 thousand worth of bonds (all of them redeemed in the six months ended June 30th 2023), compared with PLN 1.6 thousand worth of bonds redeemed in the six months ended June 30th 2022.

Note 12

Guarantees received and security for guarantees

In January 2012, the Company received from PKO Bank Polski S.A. (formerly Nordea Bank Polska S.A.) a guarantee of up to EUR 268 thousand, secured by a security deposit with a current amount of PLN 1,993 thousand. Under an amendment of 2023, the guarantee amount was increased to EUR 308 thousand. The guarantee, provided until April 16th 2028, secures liabilities related to the lease of office space.

Both in the six months ended June 30th 2023 and the six months ended June 30th 2022, the Company's assets were used as security for working capital overdraft facilities (see Note 6). The facilities are secured with a PLN 4.3m security deposit in a bank account, blank promissory notes with promissory note declarations and powers of attorney over bank accounts.

In 2018, the Company paid a security deposit of EUR 1.5m to a bank acting as the clearing bank in relation to transactions executed on foreign stock exchanges.

Note 13

Deferred tax

Deferred tax liabilities decreased by PLN 224 thousand in the six months ended June 30th 2023 and increased by PLN 71 thousand in the six months ended June 30th 2022.

Deferred tax assets went down by PLN 123 thousand in the six months ended June 30th 2023 and increased by PLN 49 thousand in the six months ended June 30th 2022.

Note 14

Profit allocation

On May 24th 2023, the Annual General Meeting resolved to pay dividend from the 2022 profit of PLN 4,619 thousand. The dividend per share was PLN 0.15. The difference between the amount of dividend paid and the PLN 4,619 thousand declared in a resolution of the General Meeting that arose due to the rounding of dividend per share was PLN 129 thousand. It was transferred to the Company's statutory reserve funds as per the resolution of the General Meeting mentioned above. On May 25th 2022, the Annual General Meeting resolved to pay dividend from the 2021 profit of PLN 9,454 thousand. The dividend per share was PLN 0.31. The difference between the amount of dividend paid and the PLN 9,454 thousand declared in a resolution of the General Meeting that arose due to the rounding of dividend per share was PLN 174 thousand. It was transferred to the Company's statutory reserve funds as per the resolution of the General Meeting mentioned above.

Note 15

Issue, redemption and repayment of equity and non-equity securities

The Company did not issue any equity or non-equity securities in the six months ended June 30th 2023 or in 2022. For information on bond issues and redemptions, see Note 11.

Note 16

Dividends paid and proposed

On May 24th 2023, the Annual General Meeting resolved to pay dividend from the 2022 profit of PLN 4,619 thousand. The dividend per share was PLN 0.15. The dividend record date was set for June 2nd 2023, and the dividend payment date – for June 9th 2023. A total of PLN 4,490 thousand was paid out to the shareholders on the dividend payment date. The difference between the amount of dividend paid and the PLN 4,619 thousand declared in a resolution of the General Meeting that arose due to the rounding of dividend per share was PLN 129 thousand. It was transferred to the Company's statutory reserve funds as per the resolution of the General Meeting mentioned above.

On May 25th 2022, the Annual General Meeting resolved to pay dividend from the 2021 profit of PLN 9,454 thousand. The dividend per share was PLN 0.31. The dividend record date was set for June 3rd 2022, and the dividend payment date – for June 10th 2022. A total of PLN 9,280 thousand was paid out to the shareholders on the dividend payment date.

Note 17

Material related-party transactions (including their amounts) other than arm's length transactions

In the reporting period, the Company did not enter into any material related-party transactions otherwise than on an arm's-length basis.

Note 18

Related-party transactions – income and expenses

Related party	Revenue from core activities	Other operating and finance income	Purchases – core activities	Other purchases	Revenue from core activities	Other income	Purchases – core activities	Other purchases
	Jan 1–Jun 30 2023				Jan 1–Jun 30 2022			
IBC	-	258	-	-	-	4	-	-
IPOPEMA TFI	2,714	115	-	-	1,835	84	-	-
IFA	-	-	-	-	-	-	-	-
IFA SK	175	8	-	-	175	9	-	-
MUSCARI	-	8	1,842	-	-	8	1,472	-
Total	2,889	389	1,842	-	2,010	105	1,472	-

Related-party transactions – receivables and liabilities

Related party	Receivables and loans			Liabilities		
	Jun 30 2023	Dec 31 2022	Jun 30 2022	Jun 30 2023	Dec 31 2022	Jun 30 2022
IBC	250	-	400	-	-	-
IPOPEMA TFI	581	681	252	-	-	-
IFA SK	216	340	375	-	-	-
MUSCARI	738	742	722	425	390	208
Total	1,785	1,763	1,749	425	390	208

IPOPEMA Securities provides brokerage services to funds managed by IPOPEMA TFI S.A., but the related transaction costs are incurred directly by the funds.

Note 19

Items of the statement of cash flows

Operating activities – provision of brokerage and advisory services, acquisition and disposal of securities.

Investing activities – purchase and sale of intangible assets, property, plant and equipment and long-term securities.

Financing activities – acquisition or loss of sources of financing (changes in the amount of and relation between equity and external capital at the entity) and any related monetary costs and benefits.

Structure of cash

	Presentation in the balance sheet		Presentation in the statement of cash flows	
	Jun 30 2023	Jun 30 2022	Jun 30 2023	Jun 30 2022
Cash and cash equivalents	726,544	134,047	744,069	133,345
1. In hand	1	1	1	1
2. At banks	12,453	81,824	12,453	81,824
3. Other cash	714,090	52,222	714,090	52,222
4. Cash equivalents	-	-	-	-
Accrued foreign exchange differences			17,525	-702

The difference between the presentation of cash in the balance sheet and the statement of cash flows as at June 30th 2023 and June 30th 2022 follows from presentation of cash net of the effect of foreign exchange differences.

Differences between changes in balance sheet items

	Presentation in the balance sheet		Change as disclosed in the balance sheet	Presentation in the statement of cash flows – change
	Jun 30 2023	Dec 31 2022	H1 2023	H1 2023
Gross short- and long-term receivables	148,209	124,599	-23,610	-23,610
Net receivables	148,179	124,575		
Impairment losses on receivables	30	24	6	6
Provisions (net of deferred tax related to equity and provision for unpaid interest)	6,967	7,834	-867	-867
Total change in impairment losses and provisions				-861

Note 20

Clients' financial instruments	Jun 30 2023	Dec 31 2022
Securities admitted to official listing		
- quantity	335,722	322,978
- amount	2,620,590	2,241,067
Securities not admitted to official listing		
- quantity	4,919	4,498
- amount	130,156	125,635
Designated sponsor		
(i) shares		
- quantity	812	812
- amount	14,638	11,951
(ii) bonds		
- quantity	65	83
- amount	30,717	40,897
(iii) investment certificates		
- quantity	150,901	150,813
- amount	35,791,627	35,735,009

Note 21

Operating segments

The Company does not distinguish separate operating segments within its structure and forms a single segment. IPOPEMA Securities S.A.'s segment comprises brokerage activities, as well as business and management advisory services. Information disclosed in these financial statements comprises information regarding that operating segment.

Note 22

Litigation and administrative proceedings

In the six months ended June 30th 2023 and as at the date of issue of these interim condensed financial statements, the Company was not party to any material court or administrative proceedings.

Note 23

Material events and factors in the first half of 2023

Equity market and investment banking

In the six months to June 30th 2023, investor activity on the equity market of the WSE was significantly lower than the year before – the total trading volume from January to June fell 17.7% on the first half of 2022. IPOPEMA Securities recorded a slightly lower share in the total market trading volumes (2.00% vs 2.14%). However, given the growth in revenue from bond brokerage and transactions executed jointly with the investment banking segment, the overall revenue from securities trading for January to June 2023 (PLN 20,073 thousand) was 33.2% higher than in the previous year (PLN 15,068 thousand).

Despite the still elevated inflation and interest rates, the capital transaction market saw a slight recovery in the second quarter of 2023. As a result, the Company was able to generate PLN 9,829 thousand in revenue from investment banking services, up by 33.7% year on year (from PLN 7,354 thousand).

These factors led to a net profit of PLN 3,299 thousand posted by the brokerage services segment for January to June 2023, compared with a net loss of PLN 1,513 thousand reported the year before. On a separate basis (net of intersegment revenue and other consolidation eliminations), in the six months ended June 30th 2023 IPOPEMA Securities reported a net profit of PLN 4,916 thousand (vs a net loss of PLN 305 thousand the year before).

IPOPEMA TFI

In the six months ended June 30th 2023, IPOPEMA TFI's revenue went up 27.0% year on year, mainly on the back of higher revenue from management of securitisation funds. Even with higher operating expenses, the fund management segment recorded a marked improvement in net profit (to PLN 3,621 thousand, from PLN 1,555 thousand a year earlier). Assets in actively managed funds as at June 30th 2023 amounted to PLN 1.1bn (compared with PLN 1.2bn the year before). Taking into account the assets held in dedicated funds, IPOPEMA TFI remains Poland's largest fund management company – as at the end of June 2023, total assets under its management amounted to PLN 55.7bn (compared with PLN 60.6bn at the end of June 2022).

IPOPEMA Business Consulting

With relative challenges persisting in the advisory services market, IPOPEMA Business Consulting saw a slight drop in revenue (to PLN 12,819 thousand vs PLN 13,489 thousand in the first half of 2022). However, thanks to lower operating expenses (down 5.0%), the segment of advisory services reported a slight improvement in net profit for the six months ended June 30th 2023 (to PLN 172 thousand vs PLN 71 thousand the year before).

Note 24

Items affecting assets, liabilities, equity, net profit or cash flows that are non-typical due to their nature, value or frequency.

None.

Note 25

Capital adequacy requirements

The Company is an investment firm required to calculate its own funds and prudential requirements under Regulation (EU) No. 2019/2033 of the European Parliament and of the Council of November 27th 2019 on the prudential requirements of investment firms and amending Regulations (EU) No. 1093/2010, (EU) No. 575/2013, (EU) No. 600/2014 and (EU) No. 806/2014 ("IFR").

Data as at June 30th 2023 regarding own funds, own funds requirements and capital ratios provided in the IFR Regulation are presented below. The capital requirement calculated in accordance with the IFR is the highest of:

- fixed overheads requirement,
- permanent minimum initial capital requirement,
- K-factor capital requirement.

As at June 30th 2023, the Company's K-factor capital requirement was the highest of these amounts.

Item (PLN '000)	Jun 30 2023	Jun 30 2022
Own funds	47,104	48,799
Own funds requirements	19,052	19,074
- permanent minimum capital requirement	3,517	3,450
- fixed overheads requirement	8,477	8,124
- K-factor requirement	19,052	19,074
Tier 1 common equity ratio	247.25%	255.84%
Surplus(+)/deficit(-) of common equity Tier 1 capital	36,436	38,118
Tier 1 capital ratio	247.25%	255.84%
Surplus(+)/deficit(-) of Tier 1 capital	32,816	34,494
Total capital adequacy ratio	247.25%	255.84%
Surplus(+)/deficit (-) of total capital	28,053	29,725

Information on breach of capital adequacy ratios and limits on large exposures

In the reporting period, the Company did not identify any non-compliance with capital adequacy ratios on a separate or consolidated basis.

Note 26

Events subsequent to the reporting date

All events relating to the reporting period were disclosed in the accounting records and financial statements for the period January 1st–June 30th 2023. No material events occurred after the reporting date which should have been but were not disclosed in the accounting records for the reporting period.

These financial statements contain 25 (twenty-five) consecutively numbered pages.

Warsaw, September 6th 2023

Jacek Lewandowski
President of the
Management Board

Mariusz Piskorski
Vice President of the
Management Board

Stanisław Waczkowski
Vice President of the
Management Board

Mirosław Borys
Vice President of the
Management Board

Danuta Ciosek
Chief Accountant