

This is a translation of a document originally issued in the Polish language. It should be used for information purposes only. In case of a discrepancy or translation errors, the Polish original shall prevail.

Capital Group
IPOPEMA Securities S.A.

Interim condensed consolidated financial statements

for the period of 9 months
ended September 30, 2024

Warsaw, November 14, 2024

ipopema



Table of contents

Selected financial data.....	3
Interim condensed consolidated income statement.....	4
Interim condensed consolidated statement of comprehensive income.....	5
Interim condensed consolidated statement of financial position.....	6
Interim condensed consolidated statement of cash flows.....	7
Interim condensed consolidated statement of changes in equity.....	8
Additional explanatory notes.....	9
1. Information about the IPOPEMA Securities S.A. Group.....	9
2. Group composition.....	10
3. Basis for preparation of interim condensed consolidated financial statements.....	11
3.1. Statement of compliance.....	11
3.2. Currency of measurement and currency of financial statements.....	11
3.3. Going concern assumption.....	11
3.4. Comparability of data.....	11
4. Changes in applied accounting principles.....	11
5. Selected accounting principles.....	11
6. Accounting rules introduced in 2024.....	15
7. New standards and interpretations that have been published but have not yet come into effect.....	15
8. Changes in estimates.....	15
9. Conversion of items denominated in foreign currency.....	16
10. Net income per share.....	16
11. Information on business segments.....	16
12. Notes to the interim condensed consolidated statement of financial position - assets.....	19
13. Explanatory information to the interim condensed consolidated statement of financial position - capitals.....	22
14. Explanatory information to the interim condensed statement of financial position - liabilities and accruals.....	22
15. Explanatory information to the interim condensed consolidated statement of comprehensive income.....	24
16. Income tax.....	25
17. Employee benefits.....	26
17.1 Incentive program.....	26
18. Dividends paid and proposed for payment.....	27
19. Issuance, redemption and repayment of debt and equity securities.....	27
20. Exclusions of companies from consolidation.....	27
21. Seasonality of operations.....	28
22. Contingent liabilities and contingent assets.....	28
23. Guarantees.....	28
24. Leasing.....	28
25. Transactions with related parties.....	28
26. Items in the consolidated statement of cash flows.....	29
27. Information on significant proceedings pending before a court or public administration body.....	30
28. Customer financial instruments.....	31
29. Capital requirements.....	31
30. Significant events and factors in the 9 months of 2024.....	32
31. Events occurring after the end of the reporting period.....	32

Selected financial data

Selected financial data	in thousands of PLN		In thousands of euros		in thousands of PLN		In thousands of euros	
	3 months ended September 30				9 months ended September 30			
	2024 r.	2023 r.	2024 r.	2023 r.	2024 r.	2023 r.	2024 r.	2023 r.
Revenue from core business	56 889	76 151	13 277	16 901	188 116	225 260	43 726	49 212
Core business costs	56 631	73 577	13 217	16 329	183 456	215 757	42 642	47 136
Result from core operations	258	2 574	60	571	4 660	9 503	1 083	2 076
Operating profit	1 479	3 110	345	690	8 818	13 006	2 050	2 841
Gross result	1 564	4 139	365	919	10 146	13 572	2 358	2 965
Net income from continuing operations	906	3 173	211	704	7 274	10 265	1 691	2 243
Net result	906	3 173	211	704	7 274	10 265	1 691	2 243
Net profit / loss per ordinary share (weighted average) - in PLN / EUR								
- ordinary	0,03	0,10	0,01	0,02	0,24	0,34	0,06	0,07
- diluted	0,03	0,10	0,01	0,02	0,24	0,34	0,06	0,07
Net cash flow from operating activities	- 26 686	- 570 599	- 6 228	- 126 637	62 620	35 592	14 555	7 776
Total cash flow	- 20 587	- 585 112	- 4 805	- 129 858	25 485	9 766	5 924	2 134

Selected consolidated financial data	in thousands of PLN			In thousands of euros		
	30.09.2024	30.06.2024	31.12.2023	30.09.2024	30.06.2024	31.12.2023
Total assets	458 426	483 350	420 756	107 131	112 068	96 770
Total liabilities	333 681	359 557	293 908	77 979	83 366	67 596
Capitals	124 745	123 793	126 848	29 152	28 702	29 174
Number of shares - in 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)	4,17	4,13	4,24	0,97	0,96	0,97

Individual items of selected financial data were translated into EUR using the following exchange 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 average of the rates in effect on the last day of each month during the period	1-9.2024	1-9.2023
EUR	4,3022	4,5773

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

Rate in effect on	30.09.2024	31.12.2023	30.09.2023
EUR	4,2791	4,3480	4,6356

Interim condensed consolidated income statement

For the nine-month period ended September 30, 2024

	Note	01.01.2024- 30.09.2024	01.07.2024- 30.09.2024	01.01.2023- 30.09.2023	01.07.2023- 30.09.2023
CONTINUING OPERATIONS					
Revenue from core business	15	188 116	56 889	225 260	76 151
Core business costs	15	183 456	56 631	215 757	73 577
Profit (loss) from core operations		4 660	258	9 503	2 574
Result from financial assets at fair value through profit or loss		3 151	1 461	3 234	218
Other operating income	15	3 608	765	5 192	2 772
Other operating expenses	15	2 601	1 005	4 923	2 454
Profit (loss) from operations		8 818	1 479	13 006	3 110
Financial income		4 106	845	3 842	1 565
Financial costs		2 778	760	3 276	536
Gross profit (loss)		10 146	1 564	13 572	4 139
Income tax	16	2 872	658	3 307	966
Net profit (loss) from continuing operations		7 274	906	10 265	3 173
DISCONTINUED OPERATIONS					
		-	-	-	-
Net profit (loss) for the period		7 274	906	10 265	3 173
Assigned to:					
Shareholders of the parent company		7 315	938	10 221	3 093
To non-controlling interests		- 41	- 32	44	80

Earnings per share

	Note	01.01.2024- 30.09.2024	01.07.2024- 30.09.2024	01.01.2023- 30.09.2023	01.07.2023- 30.09.2023
Earnings (loss) per share (in PLN) from continuing operations	10	0,24	0,03	0,34	0,10
Earnings (loss) per share (in PLN) from discontinued operations		-	-	-	-
Earnings (loss) per share (in PLN)		0,24	0,03	0,34	0,10
Diluted earnings (loss) per share (in PLN) from continuing operations		0,24	0,03	0,34	0,10
Diluted earnings (loss) per share (in PLN) from discontinued operations		-	-	-	-
Diluted earnings (loss) per share (in PLN)		0,24	0,03	0,34	0,10

Interim condensed consolidated statement of comprehensive income

For the nine-month period ended September 30, 2024

	Note	01.01.2024- 30.09.2024	01.07.2024- 30.09.2024	01.01.2023- 30.09.2023	01.07.2023- 30.09.2023
Net profit (loss) for the period		7 274	906	10 265	3 173
Other comprehensive income		42	- 11	- 228	- 57
Other comprehensive income that will not be transferred to profit or loss in the future		-156	- 73	- 474	- 96
Gains and losses on revaluation of financial assets at fair value through other comprehensive income		- 193	- 90	- 585	- 119
Income tax related to financial assets measured at fair value through other comprehensive income		37	17	111	23
Other comprehensive income to be transferred to profit or loss in the future		198	62	246	39
Gains and losses on revaluation of financial assets at fair value through other comprehensive income		246	78	303	47
Income tax related to financial assets measured at fair value through other comprehensive income		- 48	- 16	- 57	- 8
Total income for the period		7 316	895	10 037	3 116
Assigned to:					
Shareholders of the parent company		7 357	927	9 993	3 036
To non-controlling interests		- 41	- 32	44	80

Interim condensed consolidated statement of financial position

as of September 30, 2024

ASSETS	Note	30.09.2024	30.06.2024	31.12.2023	30.09.2023
Cash and cash equivalents	12	187 079	207 752	161 672	173 772
Trade and other receivables (including accruals)	12, 14	180 947	189 496	195 927	240 120
Current income tax assets		176	9	42	25
Financial assets at fair value through profit or loss		28 325	23 165	8 780	6 199
Financial assets at fair value through other comprehensive income		38 651	38 435	28 321	28 662
Right-of-use assets		13 828	14 668	16 091	16 485
Property, plant and equipment		1 671	1 816	811	943
Intangible assets		3 609	3 579	3 419	3 417
Deferred income tax assets		4 140	4 430	5 693	2 686
TOTAL ASSETS		458 426	483 350	420 756	472 309
EQUITY AND LIABILITIES	Note	30.09.2024	30.06.2024	31.12.2023	30.09.2023
Trade and other payables	14	304 554	319 660	243 400	324 417
Current income tax liabilities		314	676	3 999	256
Financial liabilities measured at fair value through profit or loss		-	-	-	-
Lease obligations	24	15 976	16 492	17 415	17 608
Deferred income tax liabilities	16	844	853	877	607
Accruals	14	11 993	21 876	28 217	11 493
Total liabilities		333 681	359 557	293 908	354 381
Core capital	13	2 994	2 994	2 994	2 994
Share premium reserve		10 351	10 351	10 351	10 351
Other capitals		3 821	3 775	3 694	3 631
Retained earnings		102 013	101 075	103 679	95 722
Capitals attributable to shareholders of the parent company		119 179	118 195	120 718	112 698
Non-controlling interests		5 566	5 598	6 130	5 230
Total capitals		124 745	123 793	126 848	117 928
TOTAL EQUITY AND LIABILITIES		458 426	483 350	420 756	472 309

Interim condensed consolidated statement of cash flows

For the nine-month period ended September 30, 2024

CASH FLOW	Note	01.01.2024- 30.09.2024	01.07.2024- 30.09.2024	01.01.2023- 30.09.2023	01.07.2023- 30.09.2023
Cash flow from operating activities					
Net profit		7 274	906	10 265	3 173
Total revisions:	26	60 573	- 26 763	28 710	- 571 790
Adjustments due to income tax expense		2 872	658	3 307	966
Depreciation		3 301	1 109	4 050	1 298
Foreign exchange gains (losses)		78	86	- 465	- 18 194
Interest and dividends		2 188	623	2 730	871
Change in financial assets at fair value through profit or loss		- 12 289	- 5 753	- 4 662	- 1 131
Change in receivables (excluding loans)		16 585	9 632	- 68 689	- 44 314
Change in trade and other payables (excluding loans and credits)		66 242	- 22 010	94 323	- 510 960
Change in provisions and allowances for receivables (excluding loans)		- 1 961	- 1 427	566	- 82
Change in accruals		- 16 667	- 9 750	- 2 307	- 209
Other adjustments		224	69	- 143	- 35
Cash flow from operations (used in operations)		67 847	- 25 857	38 975	- 568 617
Income tax paid		- 5 227	- 829	- 3 383	- 1 982
Net cash flow from operating activities		62 620	- 26 686	35 592	- 570 599
Cash flow from investing activities					
Repayment of granted loans		259	19	130	43
Sale of property, plant and equipment and intangible assets		103	-	31	-
Provision of loans		- 82	-57	- 310	- 290
Acquisition of property, plant and equipment and intangible assets		- 1 812	-155	- 1 104	- 367
Acquisition of financial assets measured by other comprehensive income		- 61 322	- 21 788	- 236 644	- 94 882
Proceeds from sale of financial assets at fair value through other comprehensive income		41 633	21 697	223 434	94 366
Interest received		2 062	454	568	190
Net cash flow from investing activities		- 19 159	170	- 13 895	- 940
Cash flow from financing activities					
Redemption of debt securities		- 1	-	- 1	-
Interest paid		- 1 133	- 279	- 1 382	- 393
Repayment of lease liabilities		- 2 914	- 877	- 3 439	- 1 024
Repayment of loans and credits		- 4 424	7 085	- 2 563	- 12 101
Dividends paid to shareholders of the parent company		- 8 981	-	- 4 491	-
Dividends paid to non-controlling interests		- 523	-	- 55	- 55
Net cash from financing activities		- 17 976	5 929	- 11 931	- 13 573
Total cash flow		25 485	- 20 587	9 766	- 585 112
Change in cash and cash equivalents		25 407	- 20 673	10 231	- 566 918
Change in cash due to exchange rate differences on foreign currencies		- 78	- 86	465	18 194
Cash at the beginning of the period		161 672	207 752	163 541	740 690
Cash at the end of the period, including		187 079	187 079	173 772	173 772
- restricted*		163 440	163 440	138 378	138 378

* Restricted cash mainly includes customer funds at the disposal of the Company and funds in a restricted account.

Interim condensed consolidated statement of changes in equity m

For the nine-month period ended September 30, 2024

	Core capital	Share premium reserve	Other capitals	Retained earnings	Capital attributable to shareholders of the Company	Non-controlling interests	Total equity
As of 1.01.2024.	2 994	10 351	3 694	103 679	120 718	6 130	126 848
Net result for the period	-	-	-	7 315	7 315	- 41	7 274
Other comprehensive income	-	-	42	-	42	-	42
Total comprehensive income	-	-	42	7 315	7 357	- 41	7 316
Incentive program costs	-	-	85	-	85	-	85
Dividend payment	-	-	-	- 8 981	- 8 981	- 523	- 9 504
Change in equity during the period	-	-	127	- 1 666	- 1 539	- 564	- 2 103
As of 30.09.2024.	2 994	10 351	3 821	102 013	119 179	5 566	124 745
As of 1.01.2023.	2 994	10 351	3 859	89 992	107 196	5 490	112 686
Net result for the year	-	-	-	18 178	18 178	1 082	19 260
Other comprehensive income	-	-	- 165	-	- 165	-	- 165
Total comprehensive income	-	-	- 165	18 178	18 013	1 082	19 095
Dividend payment	-	-	-	- 4 491	- 4 491	- 442	- 4 933
Change in equity in the year	-	-	- 165	13 687	13 522	640	14 162
As of 31/12/2023.	2 994	10 351	3 694	103 679	120 718	6 130	126 848
As of 1.01.2023.	2 994	10 351	3 859	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
Change in equity during the period	-	-	- 228	5 730	5 502	- 260	5 242
As of 30.09.2023.	2 994	10 351	3 631	95 722	112 698	5 230	117 928

Additional notes

1. Information about IPOPEMA Group Securities S.A.

The Capital Group of IPOPEMA Securities S.A. ("Group", "IPOPEMA Group", "Capital Group") consists of entities over which IPOPEMA Securities S.A. ("Parent", "Company") exercise control.

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

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

As of September 30, 2024, the IPOPEMA Group consists of IPOPEMA Securities S.A. and the subsidiaries presented in point. 2 below.

The core business of the IPOPEMA Group is:

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. IT management and consulting activities,
6. consulting activities on financial restructuring and obtaining financing for infrastructure projects.

IPOPEMA Securities S.A. - parent company

The parent company was incorporated on March 2, 2005 (then under the name Dom Maklerski IPOPEMA S.A., changed to IPOPEMA Securities S.A. on the basis of Resolution No. 5 of the Extraordinary General Meeting of Shareholders of August 10, 2006) for an indefinite period.

The parent company is registered in the Register of Entrepreneurs of the National Court Register kept by the District Court, XII Economic Department of the National Court Register, under the KRS number 0000230737.

The parent company was assigned the REGON statistical number 140086881.

IPOPEMA Securities S.A. conducts brokerage activities on the basis of relevant permits of the Financial Supervision Commission (d. Securities and Exchange Commission).

As part of its brokerage business, the Company provides comprehensive securities brokerage services in the secondary market, and also conducts over-the-counter (OTC) debt instrument brokerage. The Company's partners and clients include both recognized financial institutions with an international reach, as well as most of the country's major institutional investors, including open pension funds, mutual fund companies, asset management companies and insurance companies, as well as individual clients. IPOPEMA Securities S.A.'s brokerage activities are supported by a team of analysts who prepare analytical reports, recommendations and commentaries on dozens of companies listed on the WSE and foreign exchanges.

As part of investment banking, the Company offers its clients comprehensive services in the preparation and execution of capital market transactions, both with equity (shares), debt (corporate bonds) and hybrid (convertible bonds) instruments. In particular, the Company focuses on handling public issues of securities (especially shares) - for which it acts as coordinator, offeror and financial advisor - as well as in handling M&A and management buyout transactions and advising on raising private market financing (including from *private equity* funds and in pre-IPO transactions). IPOPEMA Securities S.A. also specializes in organizing buyback transactions for shares listed on the WSE - both through public tender offers and 'buy-back' programs implemented for issuers. It also provides advisory services to companies in financial restructuring projects.

In addition to the aforementioned areas, the Company is also active in offering brokerage services and investment products - including an active investment advisory service - addressing a wider range of individual clients. This activity is carried out both directly and through entities external to IPOPEMA Securities acting as agents of the investment company.

2. Group composition

The parent of the IPOPEMA Group is IPOPEMA Securities S.A. The duration of the parent and Group entities is indefinite.

As of September 30, 2024, the Group consisted of IPOPEMA Securities S.A. and the following companies:

1) consolidated subsidiaries over which the Company has control:

Unit name	Scope of activity	Consolidation method	Shareholding	Participation in voting rights
IPOPEMA Towarzystwo Funduszy Inwestycyjnych S.A. ("IPOPEMA TFI")	<ul style="list-style-type: none"> - Running an investment fund company and creating and managing investment funds, - Managing someone else's securities holdings on a commission basis, - Securities trading consulting, - Intermediation in the sale and repurchase of investment fund units, - Acting as a representative of foreign funds. 	full	100%	100%
IPOPEMA Business Consulting Ltd. ("IBC")	<ul style="list-style-type: none"> - other business and management consulting, - IT management activities, - IT consulting activities, - software activities, - wholesale of computers, peripherals and software 	full	50,02%	50,02%
IPOPEMA Financial Advisory Sp. z o.o. limited partnership ("IFA SK")	<ul style="list-style-type: none"> - consulting activities on financial restructuring and obtaining financing for infrastructure projects 	full	n/a	

2) unconsolidated subsidiaries over which the Company has control:

Unit name	Scope of activity	Consolidation method	Shareholding	Participation in voting rights
IPOPEMA Financial Advisory Sp. z o.o. ("IFA")	<ul style="list-style-type: none"> - Supporting the activities of IPOPEMA Financial Advisory Sp. z o.o. limited partnership 	No consolidation (immateriality of financial data)	100%	100%
MUSCARI Capital Sp. z o.o. ("MUSCARI")	<ul style="list-style-type: none"> - Intermediation in offering brokerage services of the Company as an Agent of the investment company 	No consolidation (immateriality of financial data)	100%	100%
IPOPEMA Fund Services Sp. z o.o. ("IFS")	<ul style="list-style-type: none"> - Provision of services related to the maintenance of the register of participants of investment funds 	No consolidation (immateriality of financial data)	100% of shares held by IPOPEMA TFI	

IFA, MUSCARI and IFS were excluded from consolidation due to immateriality of data

In addition, IPOPEMA Securities holds 50% of shares and rights in Investment Funds Depositary Services S.A., ("IFDS") i.e. a company established together with ProService Finteco sp. z o.o., based in Warsaw, in March 2022. The core business of IFDS is to provide depositary services for closed-end investment funds (in September 2023, the company obtained the relevant authorization from the Polish Financial Supervision Authority). Given that, in principle, the distribution of powers and votes is equal among the aforementioned shareholders, according to the accordance with applicable regulations, none of them has the status of a parent company. Consequently, IFDS also formally does not constitute a subsidiary of IPOPEMA Securities and is not subject to consolidation.

3. Basis for preparation of interim condensed consolidated financial statements

3.1. Statement of compliance

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 existing standards and interpretations of the International Financial Reporting Standards Interpretation Committee recently adopted or pending adoption are not relevant to the Group's operations or their impact would not be material.

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

The Group's interim condensed consolidated financial statements cover the nine-month period ended September 30, 2024 and include comparative data for the nine-month period ended September 30, 2023 and as of June 30, 2024 and December 31, 2023 (for the interim condensed consolidated statements of financial position and changes in capital).

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 2023 consolidated financial statements of the IPOPEMA Securities Group.

3.2nd 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 in thousands of PLN.

3.3. Going concern assumption

These interim condensed consolidated financial statements have been prepared on the assumption that the Group companies will continue as a going concern in the foreseeable future. As of the date of approval of these financial statements, there are no circumstances indicating a threat to the going concern of the Group companies included in the consolidation process.

3.4. Comparability of data

There were no significant changes in presentation during the nine months ended September 30, 2024

4. Changes in applied accounting principles

The accounting policies (policies) used in the preparation of these interim condensed consolidated financial statements are consistent with those used in the preparation of the Group's consolidated financial statements for the year ended December 31, 2023 published on March 28, 2024. The consolidated financial statements for 2023 have been prepared in accordance with IFRS as adopted by the International Accounting Standards Board and interpretations issued by the International Financial Reporting Interpretations Committee.

5. Selected accounting principles

Categories of financial assets ych

The Group classifies financial assets into the following categories:

- Financial assets measured at amortized cost,
- Financial assets measured at fair value through profit or loss,
- Financial assets at fair value through other comprehensive income, including (i) investments in equity instruments at fair value through other comprehensive income, and (ii) financial assets at fair value through other comprehensive income.

The above classification is prepared at the time of initial recognition and depends on the Group's so-called business model adopted for the management of financial assets and the characteristics of the 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 when they are initially recognized.

Financial assets and financial liabilities at fair value through or loss

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

Financial assets acquired as a result of traded transactions are recognized on the date of the transaction at the purchase price, that is, at the fair value of the instrument, while financial liabilities are entered into the books on the date of the contract at the fair value of the instrument.

Financial assets at fair value through profit or loss are measured at each reporting date, and any gain or loss is recognized in income or expense from financial instruments at fair value through profit or loss.

Financial assets at fair value through profit or loss held by Group companies include shares listed on stock exchanges, investment certificates, bonds and a *forward* currency derivative. For valuation purposes, the Group takes into account the stock exchange closing prices of each instrument as announced by stock exchanges on the last business day of the reporting period.

The Group does not apply hedge accounting.

Financial assets at fair value through other comprehensive income

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

- it is maintained in accordance with a business model that aims to both receive contractual cash flows and sell financial assets,
- the terms of the contract relating to it generate cash flows on certain dates, which are only the repayment of principal and interest on the outstanding principal.

"Financial assets 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 impairment losses and foreign exchange gains or losses) are recognized in in other comprehensive income and presented in equity as revaluation reserves. At the date of derecognition of investments, the cumulative amount of gains or losses recognized in revaluation reserve is reclassified to retained earnings as a reclassification adjustment.

The fair value of equity instruments listed in an active market is derived from their current purchase price. If the market for a financial asset and unlisted securities is not active, the Group determines fair value using valuation techniques. These include the use of recent normal market transactions, reference to other instruments that are essentially identical, discounted cash flow analysis, using market information as much as possible, while, in certain cases, the purchase price may be its best estimate.

Investments in equity instruments at fair value through other comprehensive income

"Investments in equity instruments at fair value through other comprehensive income" include in particular, investment fund units and investment certificates acquired for the purpose of investing financial surpluses. They are included in non-current assets unless the Group intends to dispose of them within 12 months of the balance sheet date.

Investment certificates and units of investment funds are recognized at fair value, determined on the basis of the net asset value per certificate/unit announced by the investment fund in agreement with the depositary. The effects of the valuation are charged to '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 lease liabilities, are initially measured at fair value less transaction costs. They are then measured at amortized cost (interest expense is recognized using the effective interest rate method). The effective interest rate method is used to calculate the amortized cost of the liability and to allocate interest expense over the relevant period. The effective interest rate is the rate by 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 Group's relevant liabilities are discharged, cancelled or when they expire.

Receivables

Short-term receivables

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

Receivables are initially recognized in accordance with IFRS 15 and valued at amortized cost at the end of the reporting period. The value of receivables is updated based on the "expected loss concept." As of January 1, 2018, allowances for expected credit losses are recognized already at the time of recognition of receivables. In accordance with the standard, the Group's statements use a simplified approach for trade receivables, which do not contain a significant financing component, and lease receivables, so an allowance for expected credit losses is measured over the life of the receivables.

The Group has adopted a portfolio approach to write-offs, write-off ratios range from 0.02% for non-past due receivables to 73.1% for receivables over 1 year past due. If there are indications of credit loss recognition, the Group may apply individual write-offs. Changes in the level of the allowance for expected credit losses are recognized in the result.

With regard to deposits with banks, receivables from exchange transactions, deposits held with clearing houses and receivables from public and legal settlements, the credit risk associated with these items is assessed as low, and consequently the impact of the allowance for expected credit loss on the consolidated financial statements has been waived.

A significant item among the Group's short-term receivables are receivables arising from transactions carried out for clients in the stock 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 of purchase and sale of securities, settlement of which in clearing houses has not yet occurred due to the applicable mode of settlement of transactions (T+2). In the case of purchase transactions concluded on securities exchanges, executed on behalf of customers whose accounts are maintained by depository 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 for whom purchase transactions were executed are shown. In the case of sales transactions concluded on stock exchanges, executed on behalf of customers whose accounts are held 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 for whom sales transactions were executed are reported.

** In accordance with Article 45h of the amended Law on Trading in Financial Instruments, with respect to transactions concluded on the WSE, the NDS CCP (transaction clearing entity) has assumed the rights and obligations of the parties to market transactions.*

Long-term receivables

Non-current receivables are receivables that are due more than 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 performs the test annually, whether or not there are indications of impairment. 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 an 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,
- significant and adverse changes of a technological, market, economic or legal nature in the environment in which the Group operates, or in the markets to which the asset is dedicated, have occurred or will occur in the near future during the period,
- there has been an increase in market interest rates or other market rates of return during the period on investments and it is probable that the increase will affect the discount rate used to calculate the asset's value in use and materially reduce the asset's recoverable amount,
- The carrying value of the Group's net assets is higher than their market capitalization,
- evidence is available that the asset is impaired or physically damaged,

- during the period there have been, or are likely to be in the near future, significant and adverse changes to the Group regarding the extent or manner in which the asset is currently used or, as expected, will be used,
- evidence is available from internal reporting indicating that the economic performance of the asset is, or will be in the future, worse than expected.

Commitments

Current liabilities

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

Current liabilities include all amounts due to customers, amounts due to related parties other than those included in the consolidation, amounts due to brokerage banks, other brokerage houses and commodity brokerage houses for transactions, amounts due to the National Depository and stock exchange clearing houses, amounts due to entities operating 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 item. "Financial liabilities measured at amortized cost" above.

Recognition of short-term liabilities from stock transactions is presented in Section. "Short-term receivables from customers, short-term receivables from banks engaged in brokerage activities, other brokerage houses and commodity brokerage houses, short-term liabilities to customers and short-term liabilities to banks engaged in brokerage activities, other brokerage houses and commodity brokerage houses" above.

Long-term liabilities

Non-current liabilities are liabilities that are due more than 12 months from the end of the reporting period.

Leasing

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

- Whether the agreement relates to an identified asset that is either explicitly specified in the contract or implied when the asset is made available to the Group,
- whether the Group has the right to receive substantially all of the economic benefits of the asset over its 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 useful life.

At the lease inception date, the Group recognizes a right-of-use asset and a liability on account of the lease. The right-of-use asset is initially measured at cost, consisting of the initial value of the lease liability, initial direct costs, an estimate of the costs expected to be incurred in dismantling the underlying asset and lease payments made on or before the commencement date, less lease incentives.

The Group amortizes rights of use on a straight-line basis from the earlier of the commencement date to the end of the right of use or the end of the lease term. If there are indications to do so, the rights of use are tested for impairment in accordance with IAS 36.

At the commencement date, the Group measures the lease liability at the present value of the lease payments outstanding using the lease interest rate if it can be readily determined. Otherwise, the lessee's marginal interest 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 guaranteed residual value, and call option payments if their exercise is reasonably certain.

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

The Group applies the practical expedients permitted by the standard to 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 \$5,000). For such leases, instead of recognizing right-of-use assets and lease liabilities, lease payments are recognized in earnings on a straight-line basis over the lease term.

6. Accounting rules introduced in 2024

Published Standards and Interpretations that have been issued and are effective for annual periods beginning January 1, 2024:

- Amendments to IAS 1 Classification of liabilities into current and non-current - was published on January 23, 2020 and is effective for annual periods beginning on or after January 1, 2024. The amendments to IAS 1 affect the requirements for the presentation of liabilities in the financial statements. Classification of financial liabilities as non-current will be subject to the existence of rights to roll over the liability for a period of more than 12 months and the fulfillment of the conditions for such roll-over at the balance sheet date;
- Amendment to IAS 1 Presentation of Financial Statements - the amendment clarifies that, as of the balance sheet date, an entity does not consider covenants that will have to be met in the future when considering the classification of liabilities as long-term or short-term. Instead, the entity should disclose information about these covenants in the notes to the financial statements. The amendment is effective for annual periods beginning on or after January 1, 2024;
- Amendments to IFRS 16 Leases - lease obligations in sale and leaseback transactions. The amendment is intended to prevent inaccurate recognition of the result on a transaction in the portion relating to the retained right of use when lease payments are variable and do not depend on an index or rate. Effective for annual periods beginning on or after January 1, 2024;
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments Disclosures - Vendor Financing Arrangements - the amendments introduce additional disclosure requirements to enhance the transparency of vendor financing arrangements and their impact on the company's liabilities, cash flows and exposure to liquidity risk. The amendments are effective for annual periods beginning on or after January 1, 2024.

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 only resulted in changes in the accounting principles applied or possibly in an expansion of the scope of necessary disclosures

7. New standards and interpretations that have been published but have not yet come into effect

The following standards and interpretations have been issued by the International Accounting Standards Board or the International Financial Reporting Interpretations Committee and are not yet in effect:

- Amendments to IAS 21 Change in Foreign Exchange Rates, amendments specify when a currency is convertible into another currency and when it is not, specify how an entity determines the exchange rate applicable when a currency is not convertible, require additional disclosures when a currency is not convertible. Effective for annual periods beginning on or after January 1, 2025;
- IFRS 18 Principles of Presentation and Disclosure in Financial Statements - IFRS 18 aims to improve financial reporting by requiring additional defined subtotals in the income statement, requiring disclosure of management-defined performance measures, and adding new rules for grouping (aggregation and disaggregation) of information. IFRS 18 replaces IAS 1 Presentation of Financial Statements. The unchanged requirements of IAS 1 have been transferred to IFRS 18 and other standards. The standard will be effective for annual periods beginning on or after January 1, 2027;
- Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments - Disclosures - changes in classification and measurement of financial instruments. The standard will be effective for annual periods beginning on or after January 1, 2026;
- New standard IFRS 19 Subsidiaries without public accountability: disclosures. The standard will be effective for annual periods beginning on or after January 1, 2027;
- Amendments to various standards resulting from the annual review of International Financial Reporting Standards (*Annual Improvements Volume 11*).

The Group decided not to use the option of early application of the above standards, amendments to standards and interpretations. The application of the amended standards will not have a material impact on the Group's consolidated financial statements in the period of their initial application.

8. Changes in estimates

There were no changes in estimates during the nine months of 2024 except for accruals, depreciation and amortization and allowance for accounts receivable, as discussed in Note 14.

9. Conversion of items denominated in foreign currency

Transactions expressed in currencies other than the Polish zloty are recognized in the books as of the date of their execution - at the exchange rate, respectively:

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

At the end of the reporting period, monetary assets and liabilities denominated in currencies other than the Polish zloty are translated into Polish zlotys using the average exchange rate for a given currency set by the National Bank of Poland, respectively, prevailing at the end of the reporting period. The resulting from the translation are recognized respectively under financial income (expenses).

The following exchange rates were adopted for balance sheet valuation purposes:

Currency	September 30, 2024	December 31, 2023	September 30, 2023
USD	3,8193	3,9350	4,3697
EUR	4,2791	4,3480	4,6356
HUF 100	1,0764	1,1359	1,1850
RON	0,8600	0,8742	0,9320
GBP	5,1241	4,9997	5,3464
CZK	0,1700	0,1759	0,1901
CHF	4,5279	4,6828	4,8030
TRY	0,1117	0,1337	0,1593
NOK	0,3637	0,3867	0,4117
CAD	2,8252	2,9698	3,2487
SEC	0,3789	0,3919	0,4033
DKK	0,5739	0,5833	0,6217
AUD	2,6449	2,6778	2,8322

Source: NBP

10. Net income per share

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

In calculating diluted earnings, the weighted average number of shares during the period is adjusted for all potentially dilutive ordinary shares. In the case of the Company, these are D shares, which may be issued within the framework of conditional capital in connection with the Company's incentive program, to the extent that it has been implemented. To date, 798,342 shares have been earmarked for subscription to eligible persons - upon meeting certain criteria - and have not been considered dilutive. Due to the absence of dilutive shares, basic profit and diluted profit were at the same level in the periods covered by these consolidated financial statements.

	01.01-30.09.2024	01.01-30.09.2023
Number of shares - in pcs	29 937 836	29 937 836
Weighted average number of shares - in pcs.	29 937 836	29 937 836
Net profit/loss from continuing operations for the period per share	0,24	0,34

11. Information on business segments

For management purposes, the Group has been segmented 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 aimed at a wide range of individual investors, and (ii) IFA SK, i.e., advisory services for financial restructuring of companies and obtaining financing for infrastructure projects.
2. The "Management of investment funds and management of portfolios of brokerage financial instruments" segment includes the activities of IPOPEMA TFI, i.e. the creation and management of investment funds and management of portfolios of brokerage financial instruments.

3. The "Consulting Services" segment includes the activities of IPOPEMA Business Consulting, i.e. mainly consulting business and management, management of information technology facilities, information technology consulting, and software-related activities.

Period of 9 months ended September 30, 2024	Continuing operations				Discontinued operations	Total activities
	Brokerage and related services	Management of investment funds and management of portfolios of brokerage financial instruments	Consulting services	Total		
Revenue						
Total segment revenues, including:	52 302	117 298	23 883	193 483	-	193 483
- for customers with whom the value of transactions during the period exceeds 10% or more of revenues, including:	-	55 642	-	55 642	-	55 642
Customer 1	-	39 191	-	39 191	-	39 191
Customer 2	-	16 451	-	16 451	-	16 451
Inter-segment sales	- 5 104	-	-	- 5 104	-	- 5 104
Consolidation exclusions	- 263	-	-	- 263	-	- 263
Sales to external customers	46 935	117 298	23 883	188 116	-	188 116
Segment costs						
Segment costs - purchase from external suppliers	- 45 446	- 119 676	- 23 701	- 188 823	-	- 188 823
Segment costs - inter-segment purchases	-	5 104	-	5 104	-	5 104
Consolidation exclusions	263	-	-	263	-	263
Total segment costs, including:	- 45 183	- 114 572	- 23 701	- 183 456	-	- 183 456
Depreciation	- 1 528	- 1 473	- 300	- 3 301	-	- 3 301
Segment profit (loss) from primary operations	1 752	2 726	182	4 660	-	4 660
Unallocated costs	-	-	-	-	-	-
Profit (loss) from continuing operations before taxes and finance costs	1 752	2 726	182	4 660	-	4 660
Interest income	2 577	107	64	2 748	-	2 748
Interest expense	- 1 618	- 490	- 121	- 2 229	-	- 2 229
Other financial income/expenses, net	2 154	2 420	- 37	4 537	-	4 537
Other operating income/expenses	5	1 352	- 350	1 007	-	1 007
Consolidation exclusions	- 577	-	-	- 577	-	- 577
Profit (loss) before taxes and non-controlling interests	4 293	6 115	- 262	10 146	-	10 146
Income tax	1 468	1 294	110	2 872	-	2 872
Net profit (loss) for the period	2 825	4 821	- 372	7 274	-	7 274
Assets and liabilities as of 30.09.2024						
Segment assets	355 805	85 430	17 191	458 426	-	458 426
Other assets not allocated to segments	-	-	-	-	-	-
Total assets	355 805	85 430	17 191	458 426	-	458 426
Segment liabilities	297 199	18 427	6 062	321 688	-	321 688
Accrued expenses	5 380	6 613	-	11 993	-	11 993
Segment result	2 825	4 821	- 372	7 274	-	7 274
Shareholders' equity (excluding profit from current operations)	33 062	71 156	7 646	111 864	-	111 864
Non-controlling interests	127	-	5 480	5 607	-	5 607

Total equity and liabilities	338 593	101 017	18 816	458 426	-	458 426
Other segment information						
Capital expenditures, including:						
property, plant and equipment	678	1 133	-	1 811	-	1 811
intangibles	568	807	-	1 375	-	1 375
	110	326	-	436	-	436
Depreciation of property, plant and equipment	314	349	29	692	-	692
Amortization of intangible assets	188	58	-	246	-	246
Amortization of right-of-use asset	1 027	1 066	270	2 363	-	2 363
Impairment losses	-	-	-	-	-	-
Other	-	-	-	-	-	-

Period of 9 months ended September 30, 2023	Continuing operations				Discontinued operations	Total activities
	Brokerage and related services	Management of investment funds and management of portfolios of brokerage financial instruments	Consulting services	Total		
Revenue						
Total segment revenues, including:	51 287	158 316	20 185	229 788	-	229 788
- for customers with whom the value of transactions during the period exceeds 10% or more of revenues, including:						
Customer 1	-	59 715	-	59 715	-	59 715
Customer 2	-	37 055	-	37 055	-	37 055
Inter-segment sales	- 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 - inter-segment purchases	-	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 primary operations	3 446	5 537	520	9 503	-	9 503
Unallocated costs	-	-	-	-	-	-
Profit (loss) from continuing operations before taxes and finance costs	3 446	5 537	520	9 503	-	9 503
Interest income	1 637	152	69	1 858	-	1 858
Interest expense	- 1 837	- 547	- 133	- 2 517	-	- 2 517
Other financial income/expenses, net	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 taxes and non-controlling interests	6 154	7 066	352	13 572	-	13 572
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 31.12.2023

Segment assets	283 628	116 111	21 017	420 756	-	420 756
Other assets not allocated to segments	-	-	-	-	-	-
Total assets	283 628	116 111	21 017	420 756	-	420 756
Segment liabilities	219 312	37 730	8 649	265 691	-	265 691
Accrued expenses	7 610	20 605	2	28 217	-	28 217
Segment result	6 390	10 832	2 038	19 260	-	19 260
Shareholders' equity (excluding profit from current operations)	35 759	60 196	6 585	102 540	-	102 540
Non-controlling interests	45	-	5 003	5 048	-	5 048
Total equity and liabilities	269 116	129 363	22 277	420 756	-	420 756
Other segment information						
Capital expenditures, including: property, plant and equipment	760	598	15	1 373	-	1 373
Intangibles	296	67	15	378	-	378
	464	531	-	995	-	995
Depreciation of property, plant and equipment	468	517	56	1 041	-	1 041
Amortization of intangible assets	278	81	3	362	-	362
Amortization of right-of-use asset	1 772	1 732	368	3 872	-	3 872
Impairment losses	-	-	-	-	-	-
Other	-	-	-	-	-	-

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

Cash and cash equivalents

Cash and other assets	30.09.2024	31.12.2023
Cash and other assets in the Group		
(a) in bank accounts and cash in hand	24 149	32 903
(b) other cash	162 930	128 769
Total	187 079	161 672
Cash and other assets:		
(a) cash and other Group's own assets	23 639	45 549
(b) cash and other customer assets deposited in cash accounts at the brokerage and paid for the acquisition of securities in the initial public offering or primary trading,	163 440	108 823
(c) cash in a restricted account	-	7 300
(d) cash and other assets transferred from the settlement fund	-	-
Total	187 079	161 672

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

Customer cash deposited in the parent company's bank account amounted to PLN 163,440 thousand as of September 30, 2024 (PLN 108,823 thousand as of December 31, 2023).

Receivables

Trade and other receivables	30.09.2024	31.12.2023
Short-term receivables	170 196	185 409
Long-term receivables	8 412	8 515
Long-term loans granted	29	136
Accruals:	2 310	1 867
short-term	2 307	1 862

long-term	3	5
Trade and other receivables	180 947	195 927

Short-term receivables	30.09.2024	31.12.2023
From customers / on account of deliveries and services	37 990	52 878
- on account of deferred payment	-	-
- from overdue receivables and disputed claims not covered by allowances for receivables	-	-
- on account of transactions concluded on the Warsaw Stock Exchange	16 084	17 944
- on account of transactions concluded on the Budapest Stock Exchange	2 098	2 567
- on account of transactions concluded on the London Stock Exchange	41	-
- from transactions concluded on the Australian Stock Exchange	178	-
- from transactions concluded on the Toronto Stock Exchange	654	-
- on account of transactions concluded on the Prague Stock Exchange	2 317	-
- others	16 618	32 367
From related parties	12	14
From banks conducting brokerage activities, other brokerage houses and commodity brokerage houses *	73 601	36 394
- from transactions concluded on the Warsaw Stock Exchange*	63 276	30 867
- on account of transactions concluded on the Budapest Stock Exchange	4 582	-
- from transactions concluded on the Australian Stock Exchange	-	70
- from transactions concluded on the New York Stock Exchange	454	194
- from transactions concluded on the Toronto Stock Exchange	-	22
- on account of transactions concluded on the London Stock Exchange	429	849
- on account of transactions concluded on the Amsterdam Stock Exchange	-	89
- on account of transactions concluded on the Frankfurt Stock Exchange	82	-
- others	4 778	4 303
From operators of regulated markets and commodity exchanges	-	-
From the National Securities Depository, CCPs and exchange clearing houses	32 701	50 886
- from the settlement fund	32 701	50 886
From mutual and pension fund companies and investment funds and pension funds	18 986	39 515
From taxes, subsidies and social security	265	382
Court recoveries not covered by allowances for receivables	-	-
Resulting from master loan and short sale agreements on borrowed securities	219	1 858
Other	6 422	3 482
- loans granted	995	1 052
- others	5 427	2 430
Total short-term receivables	170 196	185 409

* Pursuant to Article 45h of the amended Law on Trading in Financial Instruments, short-term receivables from brokerage banks, other brokerage houses and commodity brokerage houses in respect of transactions concluded on the WSE include receivables from the NDS CCP (a transaction clearing entity that has assumed the rights and obligations of the parties to the transaction).

Short-term receivables and payables for the most part arise in connection with concluded transactions of purchase and sale of securities, settlement of which in clearing houses has not yet taken place.

In the case of purchase transactions concluded on securities exchanges, executed on behalf of customers whose accounts are maintained by depository banks, liabilities to 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 from customers for whom purchase transactions were executed are shown. In the case of sales transactions concluded on stock exchanges, executed on behalf of customers whose accounts are maintained by depository banks, receivables from parties to market transactions and liabilities to customers for whom sales transactions were executed are reported.

Information on financial assets and liabilities

There were no changes in the method of determining the fair value of financial instruments or changes in the classification of financial assets during the 9 months of 2024 and the comparative period.

As of September 30, 2024 and December 31, 2023, the carrying value of financial assets and financial liabilities generally approximates fair value.

Financial instruments and position in the consolidated statement of financial position	30.09.2024		31.12.2023	
	carrying amount	fair value	carrying amount	fair value
Financial assets measured at amortized cost	365 716	365 716	355 732	355 732
- cash and cash equivalents	187 079	187 079	161 672	161 672
- loans	1 024	1 024	1 188	1 188
- short-term and long-term receivables	177 613	177 613	192 872	192 872
Financial assets at fair value through profit or loss	28 325	28 325	8 780	8 780
- shares of listed companies	11 184	11 184	1 439	1 439
- bonds	16 258	16 258	6 626	6 626
- derivative financial instruments	883	883	715	715
Financial assets at fair value through other comprehensive income	27 480	27 480	21 975	21 975
	27 480	27 480	21 975	21 975
Equity instruments designated on initial recognition to be measured at fair value through other comprehensive income	11 171	11 171	6 346	6 346
- Shares of companies (unlisted)	10 342	10 342	5 543	5 543
- mutual fund units / investment certificates	829	829	803	803
Financial liabilities measured at amortized cost	304 554	304 554	243 400	243 400
- overdraft	20 920	20 920	25 344	25 344
- liabilities (other than credit)	283 634	283 634	218 056	218 056

The Group uses derivatives to minimize the risk of changes in exchange rates in which some of the sales and purchases of securities are carried out. Derivatives held by the Group, although they economically hedge the Group against currency risk, do not formally constitute a hedge under IFRS 9, and are therefore treated as financial assets measured at fair value through profit or loss. All derivatives are measured at fair value, determined on the basis of market data.

Shares in unconsolidated subsidiaries and jointly-controlled entities (unlisted companies), bonds and units and investment certificates were designated as measured at fair value through other comprehensive income, as the purpose is to obtain the flows arising from the component of these financial assets or the flows from their sale. Profit related to this category of financial assets in 9 months 2024 amounted to PLN 52 thousand (loss of PLN 281 thousand in 9 months 2023).

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

As of 30.09.2024

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Derivatives	-	883	-	883
Shares	11 184	-	-	11 184
Bonds	16 258	-	-	16 258
Total financial assets at fair value through profit or loss	27 442	883	-	28 325
Financial assets measured by other comprehensive income				
Investment certificates and units of investment funds	-	829	-	829
Bonds	-	-	27 480	27 480

Total financial assets measured by other comprehensive income *	-	829	27 480	28 309
Financial liabilities measured at fair value through profit or loss	-	-	-	-

* Amount does not include assets measured at cost.

There were no significant transfers between Level 1 and Level 2 fair value of instruments during the reporting period.

As of 31.12.2023

	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Derivatives	-	715	-	715
Shares	1 439	-	-	1 439
Bonds	6 626	-	-	6 626
Total financial assets at fair value through profit or loss	8 065	715	-	8 780
Financial assets measured by other comprehensive income				
Investment certificates and units of investment funds	-	803	-	803
Bonds	-	-	21 975	21 975
Total financial assets measured by other comprehensive income	-	803	21 975	22 778
Financial liabilities measured at fair value through profit or loss	-	-	-	-

* Amount does not include assets measured at cost.

Transfers between Level 1 and Level 2 did not occur in the current period.

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

During the 9 months of 2024 as well as in 2023, Group companies did not write down or reverse previously established impairment losses on financial assets, property, plant and equipment, intangible assets or other assets with the exception of the change in allowances for accounts receivable (Note 14).

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

In the 9-month period of 2024, the Group acquired fixed assets and intangible assets worth PLN 1,812 thousand, compared to PLN 1,104 thousand in the 9-month period of the previous year.

Significant acquisitions and sales of property, plant and equipment

The Group did not make any significant acquisitions or sales of property, plant and equipment during the 9 months of 2024 or 2023.

Material liability for the purchase of property, plant and equipment

The Group has no material commitments to make purchases of property, plant and equipment.

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

Core capital

As of September 30, 2024, the Group's registered share capital amounted to PLN 2,993,783.60 and remained unchanged compared to December 31, 2023. It was divided into 29,937,836 shares: (i) 7,000,000 Series A ordinary bearer shares, (ii) 21,571,410 Series B ordinary bearer shares, and (iii) 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 accrued expenses

	01.01.- 30.09.2024	01.01.- 30.09.2023	2023
Balance at the beginning of the reporting period	28 217	13 797	13 797
Created during the period	30 363	28 602	55 721
Used	46 504	30 872	41 263
Resolved	83	34	38
Status at the end of the reporting period	11 993	11 493	28 217

Allowances for receivables

During the 9 months of 2024, the balance of allowances for accounts receivable decreased by PLN 1,961 thousand, primarily as a result of the use of allowances (an increase of PLN 566 thousand over the 9 months of the previous year).

Commitments

	30.09.2024	31.12.2023
Current liabilities (excluding leases)	304 554	243 400
Non-current liabilities (excluding leases)	-	-
Trade and other payables	304 554	243 400

Current liabilities (excluding leases)	30.09.2024	31.12.2023
Towards customers	239 573	184 347
Towards related parties	332	439
Towards banks conducting brokerage activities, other brokerage houses and commodity brokerage houses *	31 657	20 932
- towards the Warsaw Stock Exchange *	22 763	18 365
- towards the Budapest Stock Exchange	2 097	2 567
- towards the Frankfurt Stock Exchange	4 236	-
- towards the Prague Stock Exchange	2 315	-
- towards the London Stock Exchange	41	-
- towards the Australian Stock Exchange	170	-
- others	35	-
Towards entities operating regulated securities markets and commodity exchanges	251	261
- liabilities to the Warsaw Stock Exchange	249	257
- others	2	4
Towards the National Depository, CCP and exchange clearing houses	402	566
Credits and loans	20 920	25 344
- from related parties	-	-
- others	20 920	25 344
Debt securities	-	1
On account of taxes, customs duties, social security	3 958	4 466
On account of salaries	1	-
Towards investment and pension fund companies and investment and pension funds	1 696	2 692
Other	5 764	4 352
a) from the payment of dividends	180	50
b) other liabilities	5 584	4 302
Total current liabilities	304 554	243 400

* According to Article 45h of the amended Law on Trading in Financial Instruments, the balance sheet items: short-term liabilities from brokerage banks, other brokerage houses and commodity brokerage houses for transactions concluded on the WSE include, respectively, receivables and liabilities to the NDS CCP (a transaction clearing entity that has assumed the rights and obligations of the parties to the transaction).

Liabilities except for loans and lease obligations are interest-free.

Interest-bearing bank loans and advances

Current liabilities from loans and borrowings	30.09.2024	31.12.2023
Bank loan	20 920	25 344
- loan amount outstanding	20 920	25 344
Current liabilities on account of loans	20 920	25 344

As of September 30, 2024, the Group had liabilities of PLN 20,920 thousand for loans related to its brokerage business (compared to PLN 25,344 thousand as of December 31, 2023) arising primarily from two overdraft agreements (lines of credit) concluded with Alior Bank S.A. on July 22, 2009. These loans are used to settle obligations to the National Securities Depository / NDS CCP in connection with brokerage activities and are renewed annually - the current term expires on December 10, 2024:

- i. Revolving credit 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 obligations to the National Securities Depository / NDS CCP related to the clearing and settlement of transactions concluded on the regulated market in the course of its brokerage activities. The loan is secured by a *blank* promissory note with a promissory note declaration, a power of attorney to dispose of bank accounts, a statement of on voluntary submission to execution for monetary benefits in favor of the bank, and a security deposit (in the form of a term deposit) in the amount of PLN 4 million - these are common collaterals with the loan described in item ii.
- ii. Revolving credit agreement (credit line) in the maximum amount of PLN 25 million, the purpose of which is to finance the Company's obligations arising from membership in the Transaction Settlement Guarantee Fund operated by the NDS CCP. The loan is secured by a *blank* promissory note together with a promissory note declaration, a power of attorney to dispose of bank accounts at the bank a statement of voluntary submission to execution for monetary benefits in favor of the bank. According as stated in item i above, the common collateral for both loans is also a deposit in the amount of PLN 4 million.

Subsidies received

On June 3, 2020, IBC received a subsidy in the amount of PLN 1,751 thousand from the government program on 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 (the "Program"). The Program stipulated that up to 75% of the financing could be forgiven, provided that strict conditions were met. These conditions were met and, pursuant to a PFR decision dated July 1, 2021. IBC was released from the obligation to repay 75% of the value of the subsidy, i.e. the amount of PLN 1,313 thousand. The remaining amount of the financial subsidy that was subject to repayment (PLN 437.7 thousand) did not bear interest and was repaid in 2023 - repayments were made in 24 equal monthly installments (PLN 18.2 thousand) starting from August 25, 2021.

Bonds

No bonds were issued by Group companies in 2024 through the date of this report or in the comparative period.

Up to the date of publication of this report, bonds for a total of PLN 0.8 thousand have been redeemed (all of them in the first half of 2024) versus PLN 0.8 thousand in the nine months of 2023.

Information on non-payment of a loan or loan or violation of material provisions of a loan or loan agreement for which no corrective action had been taken by the end of the reporting period

They did not occur.

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

Revenue from core business

Revenue from core business	01.01.2024- 30.09.2024	01.07.2024- 30.09.2024	01.01.2023- 30.09.2023	01.07.2023- 30.09.2023
Revenue from brokerage activities, including:	46 935	14 042	46 759	14 505
- Income from securities trading	24 242	7 219	27 474	7 401
- Revenue from investment banking services	17 966	5 498	15 631	5 802
- other income from core operations	4 727	1 325	3 654	1 302
Revenue from management of investment funds and portfolios of brokerage financial instruments	117 298	35 157	158 316	54 723
Revenue from consulting services	23 883	7 690	20 185	6 923
Total revenue from core business	188 116	56 889	225 260	76 151

Operating costs

Core business costs	01.01.2024- 30.09.2024	01.07.2024- 30.09.2024	01.01.2023- 30.09.2023	01.07.2023- 30.09.2023
Fees to regulated markets, commodity exchanges and to the National Depository and exchange clearing houses	3 283	1 034	3 178	1 029
CCP fees	248	75	237	67
Fees to the chamber of commerce	90	30	90	30
Salaries	56 168	17 885	53 696	17 422
Social Security	4 873	1 381	4 587	1 182
Employee benefits	1 186	404	947	330
Consumption of materials and energy	632	166	547	187
Depreciation	3 301	1 109	4 050	1 298
Taxes and other fees of public law nature	5 174	4 769	5 638	5 207
Other, including:	108 501	29 778	142 787	46 825
- costs associated with the management and distribution of funds	77 991	19 508	116 957	37 829
- Transaction costs other than the costs of settling transactions by clearing houses and stock exchanges	12 251	4 451	9 939	3 238
- information services and ICT services	6 435	2 283	5 719	1 918
- marketing, representation and advertising	1 202	238	824	323
- purchase of software (for re-invoicing)	1 321	448	866	666
- other third-party services	9 301	2 850	8 482	2 851
Total costs of core operations	183 456	56 631	215 757	73 577

Other operating income

Other operating income	01.01.2024- 30.09.2024	01.07.2024- 30.09.2024	01.01.2023- 30.09.2023	01.07.2023- 30.09.2023
Re-invoicing revenue	2 191	698	3 514	1 969
Release of allowance for receivables	673	10	717	633
Release of reserves	84	- 67	34	-
Profit from sale of property, plant and equipment	140	37	246	1
Other operating income	520	87	682	169
Total other operating income	3 608	765	5 192	2 772

Other operating expenses

Other operating expenses	01.01.2024- 30.09.2024	01.07.2024- 30.09.2024	01.01.2023- 30.09.2023	01.07.2023- 30.09.2023
Costs from re-invoicing	1 583	495	2 864	1 735
Creation of an allowance for receivables	751	579	1 283	550
Other operating expenses	267	- 69	776	169
Total other operating expenses	2 601	1 005	4 923	2 454

16. Income tax

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

	01.01.2024- 30.09.2024	01.07.2024- 30.09.2024	01.01.2023- 30.09.2023	01.07.2023- 30.09.2023
Gross profit before tax	10 146	1 564	13 572	4 139
Tax calculated at the rate of 19%	1 928	297	2 579	787
Non-balance sheet tax income/expenses for which no deferred tax asset was recognized - sum of consolidation adjustments	791	662	841	118

Tax losses for which no deferred tax asset was recognized - other	269	269	-	-
Tax losses carried forward for which no deferred tax asset was recognized	-	-	-	-
Use of previously unsettled tax losses	-	-	-	-
Permanently non-deductible costs	3 551	1 181	4 384	3 059
Negative/positive temporary differences on which no deferred tax asset/reserve was recognized	-	-	-	-
Non-taxable income	361	- 252	- 1 141	- 2 221
Basis of calculation of current and deferred income tax	15 118	3 424	17 656	5 095
- including an income tax assessment base of 9%	-	- 70	474	21
Reductions, exemptions	-	-	-	-
Charges to the financial result due to income tax	2 872	658	3 307	966

Tax settlements

Tax settlements and other regulated areas of activity may be subject to scrutiny by administrative authorities, which are authorized to impose high penalties and sanctions. The lack of reference to established legal regulations in Poland results in ambiguities and inconsistencies in the current legislation and inconsistencies. Frequent differences of opinion as to the legal interpretation of tax regulations both within state bodies and between state bodies and businesses create areas of uncertainty and conflict. These phenomena result in tax risks in Poland being significantly higher than those that usually exist in countries with a more established and stable tax system.

Tax settlements may be audited for a period of five years, starting from the end of the year in which the tax was paid. As a result of audits, existing tax settlements of Group companies may be increased by additional tax liabilities.

Information on deferred tax

Deferred income tax liabilities by PLN 33 thousand in 9 months 2024 (in Q3 2024 they decreased by PLN 9 thousand), and in the comparative period, i.e. in 9 months 2023, they increased by PLN 66 thousand (in Q3 2023 by PLN 29 thousand).

Deferred income tax assets decreased by PLN 1,553 thousand in the 9 months of 2024 (including a decrease of PLN 290 thousand in Q3 2024), and increased by PLN 28 thousand in the comparative period, i.e. in 9 months 2023 (including a decrease of PLN 153 thousand in Q3 2023)

17. Employee benefits

17.1 Program incentive

In the second quarter of this year. The Company's Supervisory Board, acting pursuant to the authorization granted to it by the Annual General Meeting ("AGM") of IPOPEMA Securities S.A. dated May 23, 2023, approved the implementation of an incentive program (the "Incentive Program") by the Management Board. Pursuant to the resolutions of the AGM, in particular Resolution No. 18 on conditional capital and Resolution No. 19 on the Incentive Program in the IPOPEMA Group, the Company is authorized, subject to certain requirements, to issue for the purposes of implementing the Incentive Program a maximum of 2,993,783 subscription warrants, each of which confers the right to subscribe for one Series D ordinary registered share (10% of the share capital). The rights under the warrants may not be exercised later than December 31, 2029. The warrants from which the right to subscribe for Series D Shares is not exercised by the aforementioned date shall expire.

On May 15, 2024, two individuals from IPOPEMA TFI, including its CEO, were granted the right to acquire 798,342 options convertible into shares of the parent company (i.e. 2.67% of the company's current share capital) under the "Option Plan 1" incentive program. The exercise price of the options is PLN 1.50. If the options are not taken up, their validity will expire in 2027 and 2028, respectively. The condition for taking up the D Shares will be the fulfillment of (i) the criterion specified in § 11 section 3 of Resolution 19 of the AGM and (ii) the specified financial parameters in 2024 and 2025 by IPOPEMA TFI, as well as (iii) payment in full of the total issue price of the subscribed D Shares.

The fair value of options under Option Plan 1 granted during the 9 months of 2024 was estimated on the date of their grant, using the following assumptions for the Black-Scholes model:

	Tranche 1	Tranche 2
Fair value of 1 option valued at date of grant	2,53	2,67
Number of options per share	399 171	399 171
Assumptions used in the fair value model:		
Expected stock volatility (%)	47,50	53,11
Risk-free interest rate (%)	5,36	5,41
Projected duration (life) of options (in years)	3	4

During the first nine months of this year, no stock options granted were redeemed, exercised or expired.

In total, at the consolidated level, the costs of the aforementioned incentive program increased salary costs during the first 9 months of 2024 by the amount of PLN 85 thousand (including PLN 57 thousand related to the third quarter of this year) charged to the result of the "Management of investment funds and management of brokerage financial instruments" segment.

18. Dividends paid and proposed for payment

On May 16, 2024, the Ordinary General Meeting of Shareholders resolved to pay a dividend from the profit for 2023, which amounted to PLN 9,022 thousand. The amount of dividend per share was PLN 0.30. The dividend record date was May 23, 2024 (dividend day), and the dividend payment date was May 29, 2024. On this date, the dividend was paid in the total amount of PLN 8,981 thousand. The difference between the value of the paid dividend and the amount of PLN 9,022 thousand adopted by the General Meeting (amounting to PLN 40 thousand and being the result of rounding off the dividend amount per share) in accordance with the aforementioned resolution of the General Meeting credited the Company's reserve capital.

In the comparative period, on May 24, 2023, the Ordinary General Meeting resolved to pay a dividend from the profit for 2022, which amounted to PLN 4,619 thousand. The amount of dividend per share was PLN 0.15. The dividend record date was June 2, 2023 (dividend day), and the dividend payment date was June 9, 2023. On this date, the dividend was paid in the total amount of PLN 4,490 thousand. Likewise, the difference between the value of the dividend paid and the amount of PLN 4,619 thousand adopted by the General Meeting, which amounted to PLN 129 thousand, resulting from rounding, was credited to the Company's reserve capital, in accordance with the aforementioned resolution of the General Meeting.

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

In 2024 until the date of publication of these interim condensed consolidated financial statements as well as in the nine months of 2023, Group companies did not issue equity securities.

Information on the issuance and redemption of debt securities is included in Note 14.

20. Exclusions of companies from consolidation

In the interim condensed consolidated financial statements, based on IAS 8 point 8, which allows to deviate from the principles of IFRS when the effect of the deviation is not material, IFA, IFS and MUSCARI have not been consolidated.

data in thousand PLN	IFA	IFS	IFDS	MUSCARI
Balance sheet total as of 30.09.2024	128	5 601	5 822	700
Percentage share of the parent company's total assets (%)	-	1,55	1,62	0,20
Revenue for the period 1.01. - 30.09.2024	11	637	202	3 442
Percentage share of the parent company's revenue (in %)	-	1,25	0,40	6,79
Net assets as of 30.09.2024	- 39	5 545	4 806	- 268
Financial result for the period 1.01. - 30.09.2024	- 29	8	- 2 721	257

data in thousand PLN	IFA	IFS	MUSCARI
Balance sheet total as of 31.12.2023	138	1 388	579
Percentage share of the parent company's total assets (%)	-	0,04	0,02
Revenue for the period 1.01. - 30.09.2023	11	1 007	2 963
Percentage share of the parent company's revenue (in %)	-	2,05	6,05
Net assets as of 31.12.2023	- 10	1 237	- 525
Financial result for the period 1.01. - 30.09.2023	- 100	- 6	121

21. Seasonality of operations

The operations of Group companies are not seasonal.

22. Contingent liabilities and contingent assets

The Company issued promissory notes as collateral for the loan (see Note 14 for details) and paid: (i) a deposit of EUR 1.5 million as collateral for the settlement of transactions on foreign exchanges; (ii) a deposit as collateral for the guarantee described in Note 23; (iii) a deposit of PLN 4.0 million resulting from the from overdraft agreements with Alior Bank; and (iv) a security deposit of PLN 0.2 million arising from the framework agreement for treasury transactions.

23. Guarantees

In January 2012. The Company was granted a guarantee by PKO Bank Polski S.A. (formerly Nordea Bank Polska S.A.) a guarantee up to a total of EUR 268 thousand, secured by a deposit in the current amount of PLN 1,993 thousand. Under the 2023 annex, the amount of the guarantee was increased to €323 thousand. The guarantee was issued for the period until April 16, 2028 and relates to obligations related to the lease of office space.

24. Leasing

Group as lessee

Among the most significant leases is the lease of office space. The right to use the building for the duration of the contract is classified as a lease. The lease agreement for the right to use the building was originally concluded for a period of 5 years (starting in 2013), with the period extended by virtue of the annexes concluded - currently until 2028.

In December 2020, selected Group companies, including IPOPEMA Securities, signed an agreement under which an IT equipment lease is identified. The agreement was concluded for an indefinite period.

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

The value of the minimum lease payments is shown in the table below.

Lease obligations	30.09.2024		31.12.2023	
Net carrying amount	15 976		17 415	
Present value of minimum lease payments	Lease payments	Financial costs	Lease payments	Financial costs
Over a period of 1 year	5 042	1 193	3 734	1 366
Over a period of 1 to 5 years	10 934	1 222	13 681	2 089
Over 5 years	-	-	-	-
Cost of depreciation of leased assets recognized in 9 months (2024 / 2023).	2 363		2 956	

Group as lessor

As of September 30, 2024 as well as December 31, 2023, the Group was not a lessor.

25. Transactions with related parties

IPOPEMA Securities is the parent company - the Group's composition and equity interests are presented in in Note 2.

The Group did not enter into any material transactions with related parties on non-arm's length terms during the 9 months of 2024 or 2023.

Transactions with related parties - income and expenses (in thousands)

Related entities	Revenue		Shopping	
	01.01. - 30.09.2024 r.		01.01. - 30.09.2023 r.	
IFA	-	-	-	-
MUSCARI	13	3 029	-	2 609
IFS	4	-	3	-
Other related parties	6	-	6	-
Total	23	3 029	9	2 609

Transactions with related parties - receivables and payables

Related entities	Receivables		Commitments	
	30.09.2024 r.	31.12.2023 r.	30.09.2024 r.	31.12.2023 r.
IF	1	132	-	-
MUSCARI	762	746	332	439
IFS	1	-	-	-
Other related parties	6	14	-	-
Total	770	892	332	439

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

IPOPEMA Securities provides brokerage services to funds managed by IPOPEMA TFI S.A., but transaction costs are borne directly by the funds. Members of the management and board of directors used fund management services. In the 9-month period of 2024, TFI generated revenues of PLN 12 thousand (PLN 26 thousand in the 9-month period of 2023).

26. Items in the consolidated statement of cash flows

Operations - provision of brokerage and advisory services, management of client funds and assets, and purchase and sale of securities in the course of brokerage activities.

Investment activities - acquisition and sale of intangible assets, property, plant and equipment and long-term securities.

Financial activities - the acquisition or loss of sources of financing (changes in the size and relationship of equity and debt capital in the entity) and all related monetary costs and benefits.

Structure of cash

Cash and cash equivalents at the end of the period include cash and cash equivalents of own and customers - a breakdown is presented in Note 12.

Differences in changes in balances of balance sheet items

	Presentation in condensed consolidated statement of financial position 30.09.2024	Presentation in condensed consolidated statement of financial position 31.12.2023	Presentation in the condensed consolidated statement of cash flows - change of 30.09.2024
Gross receivables	182 266	199 543	16 585
Net receivables	178 608	193 924	
Allowances for receivables	3 658	5 619	- 1 961
Prepaid expenses	2 310	1 867	
Accrued expenses (excluding deferred taxes on equity and provision for unpaid interest)	11 993	28 217	- 16 667
Total change in write-offs and accruals			- 18 628

The difference between the gross balance sheet change in accounts receivable and the amount shown in the cash flow statement is due to the separation from this item as of September 30, 2024 of receivables from loans granted and interest on deposit paid, which were presented under investing activities

	Presentation in condensed consolidated statement of financial position 30.09.2023	Presentation in condensed consolidated statement of financial position 31.12.2022	Presentation in the condensed consolidated statement of cash flows - change on 30.09.2023
Gross receivables	243 012	173 749	- 68 689
Net receivables	237 312	168 615	
Allowances for receivables (excluding allowances for loans)	5 700	5 134	566
Prepaid expenses	2 634	2 631	
Accrued expenses (excluding deferred taxes on equity and provision for unpaid interest)	11 493	13 797	- 2 307
Total change in write-offs and accruals			- 1 741

The difference between the gross balance sheet change in accounts receivable and the amount shown in the cash flow statement is due to the separation from this item as of September 30, 2023 of receivables from loans granted and interest on deposit paid, which were presented under investing activities

27. Information on significant proceedings pending before a court or public administration body

In 2016, IPOPEMA TFI received a copy of a lawsuit filed by Górnośląskie Przedsiębiorstwo Wodociągów S.A., headquartered in Katowice ("GPW"), seeking 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 so-called dedicated funds managed by the Society (closed-end investment fund of non-public assets). The Society considers the WSE's claim to be unfounded and has taken legal steps to dismiss it by filing a response to the lawsuit with the court and participating in further litigation. As of the date of this report, some of the scheduled hearings have been held in the case, during which some of the procedural activities were carried out. Further procedural activities are scheduled to be carried out at a later stage of the court proceedings. In view of this, and in view of the complicated factual and legal situation and the specifics of the Polish judicial system, at this stage it is not possible to authoritatively determine the outcome of the ongoing proceedings.

Four lawsuits were also filed against IPOPEMA TFI concerning funds that were previously managed by Saturn TFI and Lartiq TFI, the management of which was taken over by IPOPEMA TFI as a result of the Financial Supervision Commission's decision to revoke permits for the above investment fund companies to carry out their activities. Three of the claims, with a total claim value of approximately PLN 2.6 million, were filed in December 2022 and January 2023, while the last one was filed in October 2023. This is a class action lawsuit against IPOPEMA TFI and the bank acting as depositary for the fund to which the 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's examination of the admissibility of the class action. IPOPEMA TFI strongly disputes the claims in question in their entirety as completely unfounded and groundless. This is because the allegations raised in them relate to circumstances that are a consequence of the management of the funds in question and their situation prior to the period when IPOPEMA TFI took over their management. In connection with the above, the Management Board of IPOPEMA TFI is taking legal steps to dismiss the lawsuits, as well as to protect the good name of IPOPEMA TFI.

In addition, in the first half of 2022, a lawsuit was filed against IPOPEMA Business Consulting by one of its clients regarding an implementation agreement between the parties executed in the normal course of IPOPEMA Business Consulting's business. The amount of the claim indicated by the plaintiff was PLN 14.5 million, but given the facts, supported by legal analyses, the Management Board of IPOPEMA Business Consulting did not recognize the above-mentioned claim treating it as completely unfounded and devoid of any factual and legal basis. IPOPEMA Business Consulting also filed a lawsuit against this client for a total amount of PLN 12.6 million to enforce its remuneration for completed and delivered work, contractual penalties and damages. In May 2024, a settlement was reached in front of a mediator, according to which the parties retained the contractual benefits fulfilled to date, while waiving all further claims related to the contract and the implementation of the entire project. The parties were served with a court order approving the settlement and discontinuing both proceedings, which definitively ended both lawsuits

Other than the above, the IPOPEMA Group was not a party to any significant legal or administrative proceedings.

28. Customer financial instruments

Customer financial instruments	30.09.2024	31.12.2023
Securities admitted to public trading		
- amount	461 514	322 508
- value	5 129 943	2 372 287
Securities not admitted to public trading		
- amount	69 512	4 956
- value	231 676	278 425
Issue sponsor		
(i) shares		
- amount	520	812
- value	9 440	15 048
(ii) bonds		
- amount	33	46
- value	16 032	21 920
(iii) investment certificates		
- amount	21 763	233 324
- value	35 741 360	35 984 420

29. Capital requirements

IPOPEMA Securities S.A., as an investment company, is required to calculate its 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 firms and amending Regulations: (EU) No. 1093/2010, (EU) No. 575/2013, (EU) No. 600/2014 and (EU) No. 806/2014 ("IFR")

The Group's prudential consolidation includes the Company and IPOPEMA TFI.

Information on own funds, own funds capital requirements and capital ratios as specified in the IFR Regulation is provided in the table below. The capital requirement calculated in accordance with the IFR Regulation is the highest amount of the following:

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

The highest of these values is the Group's K-factor capital requirement.

Item - in thousands of zlotys	30.09.2024	30.06.2024	31.12.2023	30.09.2023
Own funds	93 985	94 173	85 041	88 201
Own funds requirements	23 625	21 852	19 921	20 868
- fixed minimum capital requirement	3 261	3 261	3 261	3 517
- requirement for fixed indirect costs	20 272	20 272	19 143	19 138
- K-factor requirement	23 625	21 852	19 921	20 868
Common equity tier 1 capital ratio	397,82%	430,96%	426,88%	422,65%
Surplus(+)/surplus(-) of Common Equity Tier 1 capital	80 755	81 935	73 885	76 515
Tier 1 capital ratio	397,82%	430,96%	426,88%	422,65%
Surplus(+)/surplus(-) of Tier 1 capital	76 267	77 784	70 099	72 550
Total capital ratio	397,82%	430,96%	426,88%	422,65%
Surplus(+)/surplus(-) of total capital	70 360	72 321	65 119	67 332

Information on violation of capital adequacy ratios and large exposure limit

During the period covered by this report, the Group recorded no violations of capital adequacy ratios on a consolidated basis.

30. Significant events and factors in the 9 months of 2024

Situation on the stock trading market and in the area of investment banking

The stock trading market on the WSE in the first three quarters of this year saw significantly higher investor activity than a year earlier - total turnover in the period was 27.8% higher than in the same period of 2023. At the same time, IPOPEMA Securities recorded a lower market share in trading on the WSE (1.72% vs. 2.09%). Revenue from bond trading was also slightly lower than a year earlier. These factors, among others, translated into a lower total level of revenue from securities trading in January-September 2024 (PLN 24,242 thousand vs. PLN 27,474 thousand a year ago).

The situation was better in the market for equity transactions - a slightly higher activity of companies and investors was observed since the beginning of the year. As a result, revenues from investment banking services in January-September 2024 amounted to PLN 17,966 thousand, 14.9% higher than in the same period of 2023 (PLN 15,631 thousand).

The above factors caused the brokerage services segment to record lower profits in Q1-Q3 2024 than a year earlier (PLN 1,752 thousand vs. PLN 3,446 thousand profit on operations and PLN 2,825 thousand vs. PLN 4,440 thousand net profit).

Activities of IPOPEMA TFI

The termination of the management of several debt funds in Q1 2024 translated into lower levels of IPOPEMA TFI's revenues and expenses - revenues for the entire Q1-Q3 2024 period were lower by 25.9% (PLN 117,298 thousand vs. PLN 158,316 thousand), and expenses by 25.0% (PLN 114,572 thousand vs. PLN 152,779 thousand). At the same time, the total value of assets in IPOPEMA TFI's actively managed funds at the end of September 2024 amounted to PLN 1.1 billion (i.e., the same as a year earlier). Nevertheless, taking into account the assets accumulated also in dedicated funds, IPOPEMA TFI invariably remains the largest Polish mutual fund company - total assets under management at the end of September 2024 amounted to PLN 53.6 billion (versus PLN 57.9 billion a year earlier).

Activities of IPOPEMA Business Consulting

Despite the still difficult market situation, consistent execution of projects from the order book allowed IPOPEMA Business Consulting to increase revenues by 18.3% compared to Q1-Q3 2023 (PLN 23,883 thousand vs. PLN 20,185 thousand). However, as a result of a higher level of costs (by 20.5%), the segment recorded worse profitability - profit from core operations amounted to PLN 182 thousand (vs. PLN 520 thousand a year earlier), and net loss amounted to PLN 372 thousand (against net profit of PLN 286 thousand in Q1-Q3 2023).

31. Events after end of reporting period

All events relating to the reporting period have been recognized in the books and in the condensed consolidated financial statements for the period from January 1 to September 30, 2024. No material events occurred after the balance sheet date that were not, but should have been, recognized in the books of the reporting period.

Warsaw, November 14, 2024

Jacek Lewandowski
CEO

Mariusz Piskorski
Vice President

Stanislaw Waczkowski
Vice President

Miroslaw Borys
Vice President

Danuta Ciosek
Chief Accountant