



HALF-YEAR REPORT

part III

KRUK S.A. DIRECTORS' REPORT ON THE OPERATIONS OF THE KRUK GROUP









in the six months ended 30 June 2025

audited data
for the period from 1 January 2025 to 30 June 2025

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KEY ACHIEVEMENTS IN THE SIX MONTHS TO 30 JUNE 2025

 <p>Investments in debt portfolios</p> <p>PLN 805 million</p> <p>-10%</p>	 <p>Recoveries</p> <p>PLN 1,910 million</p> <p>+10%</p>	 <p>Cash EBITDA</p> <p>PLN 1,300 million</p> <p>+9%</p>	 <p>Net profit</p> <p>PLN 584 million</p> <p>-3%</p>
 <p>ROE</p> <p>22%</p> <p>(26%)</p>	 <p>Net profit margin</p> <p>37%</p> <p>(41%)</p>	 <p>Net debt/ Cash EBITDA</p> <p>2.5</p> <p>(2.4)</p>	 <p>Net debt/ Equity</p> <p>1.3</p> <p>(1.3)</p>

	30 Jun 2025 (PLN million)	30 Jun 2024 (PLN million)	change	30 Jun 2025 (EUR million)	30 Jun 2024 (EUR million)
Expenditure on debt portfolios	805	900	-10%	-191	209
Gross recoveries	1,910	1,738	10%	453	403
Carrying amount of purchased portfolios	10,797	9,143	18%	2,545	2,120
Estimated remaining collections (ERC)	23,893	19,832	20%	5,633	4,598
Total revenue ¹	1,600	1,481	8%	379	343
Revenue from purchased portfolios	1,446	1,349	7%	343	313
EBIT	804	771	4%	190	179
EBITDA ²	835	802	4%	198	186
Cash EBITDA ³	1,300	1,191	9%	308	276
Net profit	584	603	-3%	138	140
Basic EPS (PLN EUR)	30.12	31.20	-3%	7.14	7.24
Diluted EPS (PLN EUR)	28.71	29.46	-3%	6.80	6.83
ROE ⁴	22%	26%	-	-	-
Net profit margin ⁵	37%	41%	-	-	-
Interest-bearing net debt to equity ratio	1.3	1.3	-	-	-
Interest-bearing net debt to cash EBITDA ratio	2.5	2.4	-	-	-
Cash EBITDA to interest on debt ratio	5.7	6.2	-	-	-

¹ Operating income including gain or loss on expected credit losses, fair value measurement, and other income/expenses from purchased debt portfolios including other income.

² EBITDA = EBIT + depreciation and amortisation.

³ Cash EBITDA = EBITDA - revenue from purchased portfolios + purchased portfolio collections.

⁴ ROE = (net profit)/(equity) for the last twelve months.

⁵ Net profit margin = (net profit)/(total revenue). Source: Company



PLN 10.8 billion
(+18% y/y)

carrying amount
of the debt portfolio



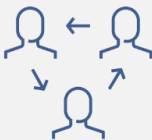
**International
expansion**

54% of investments and 59% of
recoveries in markets outside Po-
land



PLN 1,300 million
(+9% y/y)

Cash EBITDA



**Investor Relations
Leader**

according to *Parkiet* daily



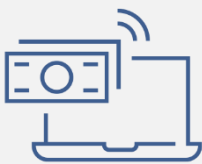
PLN 7.8 billion

KRUK ranks as the world's
largest debt collection
company in terms of market
capitalisation⁶



**Listed Company
of the Year**

KRUK S.A. Management Board
topped the *Puls Biznesu* daily's
ranking of listed companies
in the Management Expertise
category



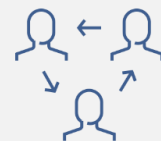
Technological advances

we have set out on a digital trans-
formation journey



Ethical Audit Certificate

awarded by the Association
of Financial Companies
in Poland



Women hold 59%

of senior managerial positions

⁶* Source: stooq.pl as at 30 June 2025

1. THE GROUP'S MATERIAL ACHIEVEMENTS OR FAILURES IN THE REPORTING PERIOD, ALONG WITH THE MOST SIGNIFICANT EVENTS RELATED TO THOSE ACHIEVEMENTS OR FAILURES

1.1. RESULTS FOR THE SIX MONTHS TO 30 JUNE 2025

Net profit and return on equity (ROE)

Net profit earned in the six months ended 30 June 2025 was PLN 584 million, down by PLN 19 million (or -3%) year on year. The year-on-year increase in revenue was 8%, i.e. PLN +119 million. At the same time, costs of operations (excluding depreciation and amortisation) recorded by KRUK rose by PLN 86 million (+13%), its finance costs went up by PLN 34 million (+18%), and income tax expense increased by PLN 18 million relative to the first half of 2024.

Cash EBITDA as at 30 June 2025 came in at PLN 1,300 million, up by PLN 109 million (or +9%) year on year.

As at 30 June 2025, return on equity for the twelve months ended on that date was 22%, compared with 26% the year before.

Revenue

In the six months to 30 June 2025, the Group's total revenue reached PLN 1,600 million, having increased by PLN 119 million, or 8%, on the same period of 2024. Revenue from purchased debt portfolios in the six months ended 30 June 2025 amounted to PLN 1,446 million, up by 7% (PLN +97 million) year on year. The largest increases in revenue from purchased debt portfolios were recorded in Italy (up by PLN 64 million, or +24%) and on the Spanish market (up by PLN 22 million, or +14%).

In the six months ended 30 June 2025, the Group booked a PLN 271 million revaluation of projected recoveries, up by PLN 13 million on the same period the year before. The deviation between actual and projected recoveries was PLN 127 million, relative to PLN 207 million in the comparative period of the previous year⁷. In the three months ended 30 June 2025, the Group booked a PLN 139 million revaluation of projected recoveries, up by PLN 25 million on the same period the year before. 70% of the total revaluation of projected recoveries from unsecured retail portfolios in the three months ended 30 June 2025 was attributable to a revision of projected recoveries for the next 66 months.

Costs of operations

Costs of operations incurred in the six months to 30 June 2025 (excluding depreciation and amortisation) amounted to PLN 764 million, having increased by PLN 86 million (+13%) year on year, largely due to a rise in salaries, wages and employee benefits expense (up by PLN 33 million, or +12%), higher costs of services (up by PLN 23 million, or +15%), and an increase in court fees (up by PLN 16 million, or +7%). In the three months to 30 June 2025, court costs decreased by PLN 38 million (-28%), mainly as a result of an expected lower number of referrals for judicial collection in the second quarter of 2025 relative to the first quarter.

Finance costs

In the six months to 30 June 2025, net finance costs amounted to PLN 219 million, up by PLN 34 million year on year. The increase was driven by a higher debt amount (up by PLN 1,002 million), partly offset by a decrease in the 1M/3M EURIBOR rates (the average of quotations for the last day of each month in the period from January to June 2025 was 2.26%/2.25%, compared with 3.80%/3.84% for the same period in 2024).

⁷The line item 'Deviation between actual and projected recoveries, decreases on early collections in collateralised cases, payments from original creditor' in the financial statements. The percentage deviation between actual and projected recoveries is determined as the ratio of 'deviation between actual and projected recoveries'* to the difference between 'actual recoveries' and 'deviation between actual and projected recoveries'.

The effect of interest rate increases on the Group's finance costs was partly offset by a positive effect of interest rate hedges. The KRUK Group entered into interest rate hedging transactions with a total notional amount as at 30 June 2025 of PLN 4,165 million. The effect of the hedges on the Group's results for the six months ended 30 June 2025 amounted to PLN +32 million. IRS and CIRS contracts used for hedging purposes and fixed-rate bonds (a total of PLN 4,345 million) represented 67% of the Group's total debt under bank borrowings and bonds as at 30 June 2025. WIBOR-sensitive debt accounted for 11% (PLN 722 million) and EURIBOR-sensitive debt – for 22% (PLN 1,420 million) of the Group's total debt as at 30 June 2025.

Purchased debt portfolios

Recoveries from purchased portfolios

Amounts recovered in the six months to 30 June 2025 from portfolios purchased by the KRUK Group reached PLN 1,910 million, marking an 10% increase year on year. Of the total recoveries, PLN 1,778 million (93%) came from unsecured debt portfolios, primarily from the consumer sector. 59% of that amount was collected in foreign markets. The year-on-year increase of PLN 173 million in the six months to 30 June 2025 was attributable mainly to PLN 72 million growth in recoveries on the Italian market (up by 19% year on year), PLN 42 million growth in recoveries on the Polish market (up by 6% year on year), and PLN 28 million growth in recoveries on the Spanish market (up by 11% year on year).

Table 1. Recoveries from purchased portfolios in H1 2025, by market

	Recoveries in H1 2025 PLN million	Share of total recoveries	Recoveries in H1 2024 PLN million	Share of total recoveries	Change y/y
Poland	776	41%	734	42%	6%
Romania	345	18%	338	19%	2%
Italy	445	23%	373	21%	19%
Spain	273	14%	245	14%	11%
Other markets	71	4%	48	3%	49%
KRUK Group	1,910	100%	1,738	100%	10%

Similar to previous quarters, recoveries in the three months to 30 June 2025 exceeded budgeted figures, with a positive deviation⁷ between actual and projected recoveries of PLN 76 million, or 8%.

Table 2. Actual vs projected recoveries from purchased debt portfolios

PLN million	Q1 2024	Q2 2024	Q3 2024	Q4 2024*	Q1 2025	Q2 2025
Actual recoveries	854	883	864	935	923	987
B. Deviation between actual and projected recoveries and other items⁷	105	103	91	53	51	76
C. Percentage deviation (B/(A-B))⁷	14%	13%	12%	6%	6%	8%

*Given the steadily recurring historical pattern of two-digit percentage deviation of actual recoveries from those budgeted, since the end of the third quarter of 2024 the Company has become less conservative in projecting recoveries for the next six months. The result is a decrease in the percentage deviation between actual and projected recoveries.

Investments in new portfolios

In the six months ended 30 June 2025, the KRUK Group invested PLN 805 million in debt portfolios with a nominal value of PLN 3.7 billion, compared with PLN 900 million of investments in debt with a nominal value of PLN 5.8 billion made in the six months to 30 June 2024. These investments were almost exclusively allocated to unsecured retail debt portfolios. Poland and Italy accounted for the largest shares of total purchases made in the first half of 2025, representing 46% and 24% respectively.

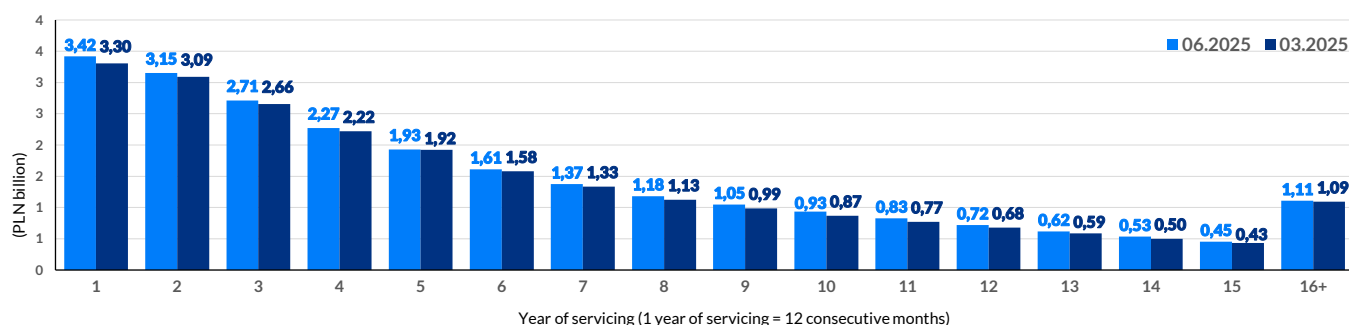
Table 3. Expenditure on debt portfolios in H1 2025, by market

	Expenditure in H1 2025 PLN million	Share of total expenditure	Expenditure in H1 2024 PLN million	Share of total expenditure	Change y/y
Poland	368	46%	354	39%	4%
Romania	132	16%	93	10%	42%
Italy	194	24%	245	27%	-20%
Spain	47	6%	169	19%	-72%
Other markets	64	8%	39	4%	65%
KRUK Group	805	100%	900	100%	-10%

Estimated remaining collections (ERC)

Estimated remaining collections (ERC) as at 30 June 2025 were PLN 23,893 million, up by PLN 1,133 million, or +5%, on 31 March 2025. The movement primarily reflects investment activity: in the three months to 30 June 2025, the KRUK Group invested a total of PLN 577 million in debt portfolios with a nominal value of PLN 2.6 billion, while in the three months to 31 March 2025, the Group's investments totalled PLN 229 million, for which it purchased portfolios with a nominal value of PLN 1.1 billion. 70% of the total revaluation of projected recoveries from unsecured retail portfolios in the three months to 30 June 2025 was attributable to revaluation of projected recoveries until December 2030 (over the next 66 months). The breakdown of ERC according to the collection period is presented in the charts below.

ESTIMATED REMAINING COLLECTIONS BY YEARS OF SERVICING AS AT THE END OF PERIOD



Credit management services

In the six months ended 30 June 2025, revenue from fee-based credit management services was PLN 29 million, up by 1% year on year. Banks remained the Group's main business partners in the credit management segment. Gross profit amounted to PLN 9.2 million, up from PLN 7.9 million in the first half of 2024.

Consumer loans (Novum and Wonga)

In the six months ended 30 June 2025, the KRUK Group companies advanced 153 thousand cash loans, compared with 114 thousand the year before. The principal amount of the loans advanced in the period was PLN 465 million (January–June 2024: PLN 313 million). The number of Novum cash loans advanced in Poland and Romania was 12.2 thousand, and their principal amount was PLN 80.6 million. Wonga.pl disbursed 141 thousand cash loans in Poland, with a net amount of PLN 384 million.

In the six months ended 30 June 2025, Wonga's revenue amounted to PLN 98 million (up by 21% year on year), while Novum operations in Poland and Romania generated a combined revenue of PLN 22 million (up by 38% year on year). Novum's total revenue in Poland reached PLN 16 million (up by 17% year on year). Wonga's net revenue includes a non-recurring effect of an improvement in the expected recovery rate on outsourced collections, recognised as a change in the allowance for expected credit losses. This effect amounted to PLN 21 million.

Wonga's EBITDA for the six months ended 30 June 2025 was PLN 54 million (up by 28% year on year). In the same period, Novum operations in Poland and Romania delivered EBITDA of PLN 10 million (up by 50% year on year), of which Novum Poland accounted for PLN 7 million (up by 8% year on year).

Wonga's revenue and EBITDA for the three months ended 30 June 2025 declined by 35% and 51%, respectively, quarter on quarter, due mainly to the high base effect of the first quarter, attributable to an upward revision of repayment projections.

1.2. KRUK GROUP'S PERFORMANCE BY GEOGRAPHICAL SEGMENT

(PLN million)	Poland		Romania		Italy		Spain		Other markets		Unallocated		Head Office		KRUK Group	
	H1 2025	H1 2024	H1 2025	H1 2024	H1 2025	H1 2024	H1 2025	H1 2024	H1 2025	H1 2024	H1 2025	H1 2024	H1 2025	H1 2024	H1 2025	H1 2024
Expenditure on debt portfolios	368	354	132	93	194	245	47	169	64	39	N/A		N/A		805	900
Recoveries	776	734	345	338	445	373	273	245	71	48	N/A		N/A		1,915	1,738
Carrying amount of purchased debt portfolios (PLN billion)	4.2	3.4	1.7	1.5	2.8	2.3	1.8	1.8	0.2	0.2	N/A		N/A		10.8	9.1
Percentage of total portfolio carrying amount	39%	38%	16%	16%	26%	25%	17%	19%	2%	2%	N/A		N/A		100%	100%
Revenue	732	701	295	301	345	280	188	166	36	27	2	2	N/A		1,600	1,481
Purchased debt portfolios	606	593	288	298	338	273	180	158	34	27	N/A		N/A		1,446	1,349
Credit management services	12	13			7	6	9	9	2		N/A		N/A		29	29
Wonga	98	81									N/A		N/A		98	81
Other activities	16	14	6	3							N/A		N/A		22	16
Gross profit	525	520	242	236	182	160	17	50	24	15	0	-1	N/A		1,036	980
EBITDA	470	468	226	220	160	139	48	37	18	9	0	-1	-87	-71	835	802
Cash EBITDA	641	609	282	260	268	239	141	125	55	30	0	-1	-87	-71	1,300	1,191

Discussed below are the Group's results by geography (presentation).

Poland

According to KRUK's estimates, total debt supply on the Polish market in the first half of 2025 was PLN 4.6 billion in nominal terms, of which unsecured retail debt accounted for PLN 3.7 billion, corporate and SME debt portfolios – for PLN 0.6 billion, and mortgage debt portfolios – for PLN 0.2 billion. The pricing of debt portfolios rose year on year, reflecting mainly a continued improvement in asset quality and increased market competition. KRUK's expenditure on debt cases in Poland amounted to PLN 1.3 billion, of which 82% related to unsecured retail debt, and the remaining 18% – to corporate, SME and mortgage debt portfolios. KRUK's share in total debt purchases on the Polish market is estimated at 28%, while its share in expenditure on unsecured retail debt – at 34%.

In the six months to 30 June 2025, KRUK's investments in Poland amounted to PLN 368 million, representing 46% of the Group's total expenditure in the period. The nominal value of the purchased portfolios was PLN 1,361 million. In Poland, KRUK invested primarily in unsecured retail debt.

Amounts collected in Poland represented 41% of the Group's total recoveries, amounting to PLN 776 million, up by 6% year on year.

In the six months ended 30 June 2025, total revenue generated by the Group on the Polish market went up by 4% year on year, to PLN 732 million, on the back of a PLN 13 million improvement in revenue from the core business line of purchased debt portfolios and a PLN 18 million increase in revenue posted by Wonga. The majority of that total revenue (83%) was derived from the core business line of purchased portfolios. Revaluation of projected recoveries in the six months to 30 June 2025 totalled PLN 131 million, relative to PLN 153 million the year before. Higher interest income drove the Group's revenue from purchased debt portfolios up by 2% year on year. In Poland, KRUK also recorded an excess of actual cash recovered over projected recoveries.

Gross profit on the Polish market for the six months to 30 June 2025 came in at PLN 525 million, relative to PLN 520 million in the comparative period, up by 1% year on year.

EBITDA recorded on the Polish market was PLN 470 million, having increased from PLN 468 million a year earlier.

Cash EBITDA stood at PLN 641 million, up by 5% on the same period the year before, mainly on higher year-on-year recoveries.

The carrying amount of purchased debt portfolios as at 30 June 2025 was PLN 4 billion, up by 24% year on year. Polish portfolios accounted in total for 38% of the carrying amount of all debt portfolios held by the KRUK Group.

Romania

Based on KRUK's estimates, the nominal value of unsecured retail debt portfolios sold on the Romanian market in the six months to 30 June 2025 was PLN 0.4 billion. The average price paid for debt portfolios in the first half of 2025 rose slightly relative to 2024, mainly as a result of a continuing improvement in asset quality. According to KRUK's estimates, total expenditure on retail debt portfolios in Romania was PLN 174 million, with KRUK's share at 76%.

Purchases made in Romania accounted for 16% of the Group's total investments in the period, as it spent PLN 132 million on debt with a nominal value of PLN 305 million. KRUK invested primarily in unsecured retail debt portfolios.

For the six months to 30 June 2025, recoveries in Romania amounted to PLN 345 million, up by 2% year on year, representing 18% of total recoveries in the period.

Total revenue generated on the Romanian market in the period reached PLN 295 million, down by 2% year on year, due mainly to foreign exchange differences. The positive revaluation of projected recoveries totalled PLN 106 million, up from PLN 92 million in the previous year. In Romania, KRUK also recorded an excess of actual recoveries over estimated amounts.

Gross profit came in at PLN 242 million, having increased from PLN 236 million a year earlier (up by 3% year on year).

EBITDA in Romania totalled PLN 226 million, up by 2% year on year,

with cash EBITDA at PLN 282 million, up by 8% year on year, supported largely by higher recoveries.

As at 30 June 2025, the carrying amount of purchased debt portfolios was PLN 1.7 billion, up by 13% year on year. The Romanian portfolios accounted in total for 16% of the carrying amount of all debt portfolios held by the KRUK Group.

Italy

According to KRUK's estimates, the supply of unsecured retail debt, SME and corporate debt portfolios in Italy was in excess of PLN 12.8 billion, of which PLN 7.1 billion was attributable to unsecured retail debt (nominal amounts). The average price of debt portfolios went up due primarily to a lower volume of secondary market transactions coupled with better quality portfolios put out for sale in the secondary market. KRUK's share in the Italian market overall is estimated at 9%, while its share in expenditure on unsecured retail debt on both the primary and secondary markets – at 15%.

The amount invested by KRUK on the Italian market in the six months to 30 June 2025 was PLN 194 million, accounting for 24% of the Group's total investments. The Group invested in unsecured retail debt portfolios worth nominally PLN 1,160 million.

Recoveries in Italy represented 23% of the Group's total recoveries in the six months ended 30 June 2025, amounting to PLN 445 million, up by 19% year on year.

The amount posted in revenue from the Italian market was PLN 345 million (up by 23% year on year). Revenue from the purchased debt portfolio business contributed 98% of total revenue, having risen to PLN 338 million, from PLN 273 million the year before. One of the drivers of this growth was a year-on-year increase in interest income. In the six months to 30 June 2025, the Group recognised a PLN 48 million revaluation of projected recoveries from the Italian portfolios, up by PLN 18% year on year. It also recorded an excess of actual cash recovered over projected recoveries.

Revenue from the credit management business was PLN 7 million, relative to PLN 6 million in the same period of 2024.

The year-on-year revenue growth led to a gross profit of PLN 182 million, up by 14% from PLN 160 million recorded a year earlier.

On the Italian market, EBITDA for the six months ended 30 June 2025 came in at PLN 160 million, up from PLN 139 million the year before, which represents a 15% increase.

Higher recoveries also bolstered cash EBITDA, which amounted to PLN 268 million, reflecting a 12% increase year on year.

As at 30 June 2025, the carrying amount of purchased debt portfolios was PLN 2.8 billion, up by 23% year on year. The Italian portfolios accounted for 26% of the total carrying amount of all debt portfolios held by the KRUK Group.

Spain

Based on KRUK's estimates, the nominal value of debt portfolios sold in Spain reached approximately PLN 10.6 billion (excluding mortgage debt). The amount invested by all debt purchasers (excluding the mortgage debt market) was PLN 0.8 billion, with KRUK's share at 6%. KRUK's share in expenditure on unsecured retail debt on both the primary and secondary markets is estimated at 8%.

The first half of 2025 saw the KRUK Group invest PLN 47 million in Spain, primarily in unsecured retail debt, which represented 6% of the Group's total expenditure on portfolio purchases in the period. The nominal value of the purchased portfolios was PLN 379 million.

In the six months to 30 June 2025, recoveries in Spain amounted to PLN 273 million, up by 11% year on year, representing 14% of total recoveries in the period.

Revenue generated on the Spanish market over the first six months of 2025 reached PLN 188 million, up by 13% year on year, mainly as a result of a lower negative revaluation of recovery projections. The deviation between actual and projected recoveries was close to nil. 95% of revenue on the Spanish market was derived from the purchased portfolio business: PLN 180 million, compared with PLN 158 million a year earlier.

Revenue from the credit management business in Spain amounted to PLN 9 million, up by 1% year on year.

Gross profit came in at PLN 64 million, up by 28% year on year, driven largely by the year-on-year revenue growth.

In Spain, EBITDA was posted at PLN 48 million, compared with PLN 37 million in the previous year, representing a 29% increase.

Cash EBITDA stood at PLN 142 million, having risen by 13% year on year.

As at 30 June 2025, the carrying amount of debt portfolios in Spain was PLN 1.8 billion (up by 4% year on year), representing 17% of the total carrying amount of the Group's debt portfolios.

Other markets (France, the Czech Republic, Slovakia, Germany)

Investments in the segment amounted to PLN 64 million, representing 8% of the Group's total portfolio purchases. All of this expenditure was incurred on debt portfolios in France. The nominal value of the purchased receivables was PLN 466 million, represented fully by unsecured retail debt.

As part of the review of strategic options for the Czech and Slovak markets, in early 2024 KRUK decided to suspend further investments in debt portfolios in those markets due to their relative small scale within the Group's operations. However, operations in those markets are continued, allowing for potential collaboration with local business partners and selective asset sales. In the first half of 2025, KRUK closed a transaction to sell a part of its Czech portfolios.

The Group is likewise assessing strategic options for exiting the German market, where it holds a relatively small pool of portfolios acquired between 2015 and 2018 and conducts no direct operational activity.

Recoveries in the segment totalled PLN 71 million, up by 49% year on year, representing 4% of total recoveries posted for the period. The increase in recoveries was partly attributable to the sale of some of the Group's assets in the Czech Republic.

Revenue in the segment totalled PLN 36 million in the six months to 30 June 2025, marking a 35% year-on-year increase, due largely to a rise in interest income and the partial sale of the Czech assets.

The KRUK Group booked a PLN 4 million negative revaluation of projected recoveries from the 'Other markets' segment, compared with a PLN 2 million negative revaluation a year earlier.

Gross profit came in at PLN 24 million, up by 56% year on year, driven largely by the revenue growth.

The revenue growth was also the main factor behind a 102% year-on-year rise in EBITDA, to PLN 18 million. Cash EBITDA rose in the period to PLN 55 million, up by 83% year on year.

As at 30 June 2025, the carrying amount of debt portfolios in the 'Other markets' segment was PLN 0.2 billion, up by 31% year on year, representing 2% of the total carrying amount of the Group's debt portfolios.

1.3. FINANCIAL AND LIQUIDITY POSITION

As at 30 June 2025 and the issue date of this Report, the Group's financial and liquidity position remained stable.

As at the reporting date, the KRUK Group's cash and cash equivalents amounted to PLN 266 million, up by PLN 85 million on 30 June 2024 and 51 million on 31 March 2025.

As at 30 June 2025, credit facilities granted to the KRUK Group totalled PLN 4,284 million, of which PLN 3,101 million had been drawn, leaving PLN 1,183 million available for utilisation (translated from EUR at the mid rate quoted by the National Bank of Poland for 30 June 2025).

As at 30 June 2025, the carrying amount of the Group's investments in debt portfolios accounted for 89% of its assets. The Group's equity accounted for 39% of its financing sources.

The KRUK Group's liquidity risk is managed by pursuing the following objectives:

- protect the KRUK Group against the loss of ability to pay its liabilities,
- secure funds to finance the Group's day-to-day operations and growth,
- effectively manage the available financing sources.

As at 30 June 2025, the financial ratios defined below were as follows:

- 1.3x – Net Debt / Equity Ratio
- 2.5x – Net Debt / Cash EBITDA Ratio
- 5.7x – Cash EBITDA / Interest on Debt Ratio;

where:

Net Debt represents the KRUK Group's Financial Liabilities less the KRUK Group's cash;

Financial Liabilities means total financial liabilities under:

- bonds or other similar debt securities; or
- non-bank borrowings; or
- bank borrowings; or
- finance leases; or
- promissory notes issued by way of security for liabilities of non-KRUK Group entities; or
- guarantees or sureties provided in respect of liabilities of non-KRUK Group entities under bank or non-bank borrowings, finance leases, bonds or other similar debt securities; or
- accession to debt owed by non-KRUK Group entities under bank non-bank borrowings, finance leases, bonds or other similar debt securities; or
- assumption of liabilities of non-KRUK Group entities under bank or non-bank borrowings, finance leases, bonds or other similar debt securities; or
- liabilities arising under derivatives contracts;

Equity means the KRUK Group's equity;

Cash EBITDA represents profit (loss) before tax plus finance costs, amortisation, depreciation and cash recoveries from purchased debt portfolios, less revenue from purchased debt portfolios and revaluation gains on assets other than purchased debt and consumer loans advanced, if their total amount in the last twelve months exceeds PLN 5 million. Cash EBITDA is computed for the KRUK Group for the last twelve months.

In the six months to 30 June 2025, the debt ratios measured for the entire Group, specified in the terms and conditions of bonds issued on the Polish market, were as follows: the net debt to equity ratio stood at 1.3x (the maximum contractual level being 3x in the case of issues for which financial debt limits have been defined), the net debt to cash EBITDA ratio was 2.5x (versus the maximum contractual level of 4.0x) and the cash EBITDA to interest on debt ratio was 5.7x (with the maximum contractual level set at 3.0x).

Following the Group's financial liquidity management strategy, KRUK aims to repay any new debt incurred with its own assets rather than seeking refinancing options. The Group is committed to sustaining a robust capital foundation to support business growth and to maintain the confidence of investors, creditors, bondholders, and other stakeholders. To effectively manage the exposure to financial debt, the Management Board of KRUK S.A. routinely monitors the Group's debt ratios.

The liquidity ratios are determined by the nature of assets related to purchased debt portfolios, which are presented under current assets but are operationally intended for use over periods exceeding 12 months.

1.4. RELATED-PARTY TRANSACTIONS CONCLUDED BY KRUK S.A.

In the period 1 January–30 June 2025, KRUK S.A. executed related-party transactions. For details, see the condensed interim separate financial statements for the period 1 January–30 June 2025, section 12. *Related-party transactions*.

In the six months to 30 June 2025, all intragroup transactions were concluded on an arm's length basis.

1.5. SURETIES FOR REPAYMENT OF LOANS AND GUARANTEES ISSUED BY KRUK S.A. OR ITS SUBSIDIARY

In the reporting period, KRUK S.A. and the Group companies issued sureties for repayment of loans and guarantees. For details, see the condensed interim separate financial statements for the period 1 January–30 June 2025, section 17. *Information on changes in contingent liabilities or contingent assets subsequent to the end of the previous financial year*.

1.6. SIGNIFICANT AGREEMENTS EXECUTED BY COMPANIES OF THE KRUK GROUP

Between the issue date of the previous periodic report, i.e. 28 April 2025, and the issue date of this Report, companies of the KRUK Group were party to one significant agreement:

The Company and its subsidiaries (the Borrowers) entered into an amending annex to a multi-currency revolving credit facility agreement with a syndicate of banks, with DNB Bank ASA of Oslo serving as the facility agent. The annex increased the facility limit to a maximum amount of EUR 740 million. Its execution was announced by the Company in Current Report No. 43/2025 of 25 June 2025.

1.7. KRUK GROUP STRATEGY

1.7.1. STRATEGIC PLAN 2025–2029

On 16 January 2025, the Management Board of KRUK S.A. adopted a new strategy for 2025–2029. Key aspects of the KRUK Group's new strategic plan are outlined below.

Strategic Plan 2025–2029

The key objective over the new strategy period (2025–2029) is to drive continued business growth by upscaling, enhancing process efficiency, and digital transformation.



The KRUK Group is set for a major business expansion, planning to invest as much within the next five years as it has throughout its operating history (approximately PLN 15 billion). With this investment level, KRUK could be handling around 20 million cases by the end of the strategy period. At the same time, KRUK aims to maintain nearly the same workforce size, keeping the number of employees across its existing markets below 4,000. To achieve this, it must further enhance operational efficiency, focusing on: shortening turnaround times, expanding self-service solutions and leveraging behavioural science. To support these goals, KRUK will push forward with its digital transformation, with a strong focus on three areas: data management, technology and data-driven processes, and KRUK's way of working. At the core of this change are engaged, highly skilled employees and a robust risk management framework.

Key elements of the Group's strategy:

- ~PLN 15 billion → new investments in debt portfolios
- Ambition for recoveries from existing debt portfolios at PLN 29 billion over the next 20 years
- Profit growth potential both during the strategy period and over the long term
- ~20% ROE
- PLN 20 billion → doubling of the portfolio carrying amount
- PLN 0.5 billion → investment in digital transformation
- Optimising costs through continuous process improvements, economies of scale, and technological advances
- Maintaining the net debt-to-cash EBITDA ratio below 3.0, allowing for temporary exceedance if necessary

1.7.2. EXECUTION OF THE STRATEGIC PLAN 2025–2029

In the first half of 2025, KRUK began executing its new Strategy spanning the period 2025–2029. To mark its launch, the Management Board of KRUK S.A. held a series of meetings with employees across all markets in January. More than 80% of the total workforce took part, a strong signal of both their interest in the Group's long-term strategic vision and commitment to putting it into practice.

The following section outlines the key actions taken and results achieved so far in each strategic area.

Investment excellence

In the first half of 2025, the KRUK Group invested PLN 805 million, with as much as PLN 577 million deployed in the second quarter of the year. Poland accounted for the largest share of these investments, representing 46% of the total value.

Consistent with the Strategy, the KRUK Group maintained its focus on unsecured retail debt portfolios, which made up more than 98% of all investments during the period.

In line with KRUK's liquidity management policy, under which debt is raised up to a level repayable from the Group's existing assets without the need for refinancing, net debt to cash EBITDA stood at 2.5x as at 30 June 2025, comfortably below the 3.0x cap.

Operational excellence

The Group successfully delivered on the operational objectives defined in its Strategy during the reporting period, achieving lead time acceleration, an increase in self-payers, enhanced automation, and higher recoveries to FTEs.

In parallel with seeking these operational efficiency gains on a day-to-day basis, the Group undertook re-engineering efforts aimed at designing and implementing breakthrough process improvements. In the first quarter, a unified debt collection process was developed for the entire Group, to be launched once the new technology ecosystem is in place. In the second quarter, a series of workshops were held to refine this process for the Polish market, ensuring each stage was designed in detail and aligned with specific local requirements. In addition, a number of quick-win improvements were defined, expected to deliver benefits in the near term. Similar workshops are scheduled for other markets in the coming quarters.

Another important area of focus was the introduction of multiple enhancements to client communications across all channels (e-KRUK, contact centre, letters, e-mails), which has already led to measurable gains in the effectiveness of client interactions.

Transformation

The KRUK Group's strategic transformation programme is built upon three core pillars:

- Analytics & Technology (New Horizon)
- Data Governance
- KRUK's Way of Working.

In the first half of 2025, implementation of the programme progressed as planned.

The key milestones achieved as part of the work to develop a new Analytics & Technology ecosystem for the Group (**New Horizon**) included:

- Establishing the governance framework for the transformation programme, covering the programme structure, decision-making processes, reporting requirements, and risk monitoring;
- Refining the master plan for the Polish market to enable identification of the required resources and interdependencies between teams;
- Confirming the schedule of key milestones for the other markets;
- Defining the scope of the Minimum Viable Product (MVP – the first version of the new system) for the Polish market;
- Defining the target system architecture;
- Selecting the providers of key systems and cloud processing services;
- Carrying out a digital analysis of processes and employee tasks at both the amicable settlement and legal enforcement stages, enabling rapid identification of potential improvements (especially in Italy and Spain);
- Designing the system and process for end-to-end document management;
- Deploying new tools for client advisers (in the contact centre and field teams);
- Selecting the provider and developing specifications for a mobile application;

- Developing initial concepts for enhanced personalisation capabilities and omnichannel communication (integration of communication channels);
- Detailing the implementation of additional data domains into the new core system; Developing the new core system.

As part of the **Data Governance** stream, ongoing efforts included expanding data governance structures across various data domains at all Group entities, clarifying data definitions, defining detailed access and data security rules, setting quality metrics, and developing the conceptual data model for the data warehouse.

With regard to **KRUK's Way of Working**, the initiatives were focused on:

- Establishing interdisciplinary "tribes" (teams) in each market;
- Defining the principles of the new way of working and communicating them across the organisation (including focus on purpose and value delivery, fast execution with consistent quality, continuous improvement, and readiness for change);
- Conducting training in Agile practices, including certified Professional Scrum Product Owner courses for a wide group of employees;
- Coaching and embedding the principles of the new working model within the tribes (e.g. scrum team meeting routines, backlog management);
- Further advancing Lean practices, by developing problem-solving skills and launching a project to optimise processes at the legal enforcement stage on the Spanish market.

People

In the first half of 2025, HR initiatives were primarily focused on supporting the ongoing transformation. This included facilitating structural changes, managing internal recruitment and external talent acquisition, preparing employees for their new roles, developing essential competencies required for subsequent phases of the transformation, and guiding employees through these changes using the ADKAR change management model.

In addition, the Employee Engagement Survey was carried out across the KRUK Group in the second quarter of the year, achieving an impressive participation rate of 94%. The findings confirm a very strong and constructive organisational culture, supportive of both the new business strategy and the ongoing transformation. The Group's overall engagement index remained at a very high level of 90%. The highest satisfaction levels (above 90%) were recorded in the areas of understanding company and team goals, sense of influence, and DEI. Other areas scored above 85%, including perception of senior leadership, managerial support, innovation & technology, communication, and transparency. Importantly, the survey results show that satisfaction with working conditions and workplace culture at KRUK significantly surpasses that found in other financial sector companies and high-performance organisations across all countries surveyed.

Risk Management

In the first half of 2025, efforts were directed at further developing and optimising processes within the Group's risk management framework. The main emphasis was on refining supplier risk management processes in response to regulatory changes and the needs driven by the transformation agenda. Additionally, progress was made on implementing requirements for managing risks associated with artificial intelligence (AI) services, including defining AI-related risks, assigning responsibilities for their management and monitoring, and establishing crucial steps in the AI risk management process.

The implementation of the 2025–2029 Strategy is proceeding according to plan, with the key actions scheduled for the first half of 2025 successfully completed.

1.8. OPERATIONS – MILITARY CONFLICT IN UKRAINE AND IMPOSITION OF TARIFFS BY THE US

The situation in Ukraine has no impact on the Group's operations, its financial statements as at the reporting date or the recognition and measurement of individual items of the statements after the reporting date.

The imposition of tariffs by the United States of America likewise has no direct impact on the Group's operations.

2. ASSESSMENT OF FINANCIAL RESOURCES MANAGEMENT

2.1. FINANCIAL FORECASTS

KRUK S.A. does not issue any performance forecasts.

2.2. ASSESSMENT OF FUTURE FINANCIAL CONDITION

The Group mitigates risks associated with the management of financial resources through a continuous debt portfolio management process, which ensures an uninterrupted inflow of cash. The Group partly relies on external financing, but it monitors and ensures proper performance under its credit facility agreements and fulfilment of its other financial liabilities.

In the opinion of the Management Board, given the Group's current and projected financial position, there are no significant risks related to its management of financial resources. The Company is able to control and service its debt and manages its financial resources in a prudent manner.

3. RISK FACTORS AND THEIR MANAGEMENT

The risk management policies followed by the KRUK Group are designed to:

- Identify and analyse the Group's risk exposures;
- Identify appropriate controls, including limits and procedures;
- Enable control and monitoring of risk levels and the progress on implementing the risk management strategy.

The risk management policies in place at the Group are regularly reviewed to ensure that they reflect the market trends and developments at a given time, as well as changes in the Group's legal and regulatory environment. The Management Board is responsible for defining risk management procedures and overseeing their implementation.

Using such tools as training, management standards and procedures, and well-defined internal controls, the Group seeks to build a stimulating and constructive control environment, in which all employees understand their respective roles and responsibilities.

In the period from 1 January to 30 June 2025, there were no material changes to the risk management approach, therefore the Management Board of KRUK S.A. identified the same risks as those specified in the full-year Directors' Report on the operations of KRUK S.A. and the KRUK Group in 2024, in section 7. *Risk factors and their management*. The report is available on the Company's website at: <https://en.kruk.eu/media/article/file/cgkruk2024dro-27-03-2025-v4.pdf>.

4. SHAREHOLDERS

4.1. SHAREHOLDING STRUCTURE (MAJOR HOLDINGS)

Table 4 lists the shareholders holding directly or indirectly major holdings of KRUK S.A. shares as at the issue date of the previous periodic report, i.e. 28 April 2025.

Table 4. Major holdings of KRUK S.A. shares as at the issue date of the previous periodic report

Shareholder	Number of shares/voting rights	Percentage of share capital/total voting rights at GM
NN OFE	2,488,000*	12.84
Allianz OFE	2,033,441**	10.48
Piotr Krupa directly and indirectly through Krupa Fundacja Rodzinna	1,716,965*	8.86
Generali OFE	1,650,065*	8.51
VIENNA OFE	1,044,523*	5.39
PZU OFE	989,865*	5.11

(*) Data based on the list of shareholders eligible to attend the Extraordinary General Meeting on 30 January 2025.

(**) Data based on the Shareholder's Notification (see Current Report No. 22/2025).

Source: Company.

Table 5 presents the shareholders holding directly or indirectly major holdings of KRUK S.A. shares as at reporting date, i.e. 30 June 2025, and the issue date of this Report.

Table 5. Major holdings of KRUK S.A. shares as at the issue date of this Report

Shareholder	Number of shares/voting rights	Percentage of share capital/total voting rights at GM
NN OFE	2,488,000*	12.82
Allianz OFE	2,266,466*	11.68
Piotr Krupa directly and indirectly through Krupa Fundacja Rodzinna	1,716,965*	8.85
Generali OFE	1,650,065*	8.50
VIENNA OFE	1,044,523*	5.38
PZU OFE	989,865*	5.10

(*) Data based on the list of shareholders eligible to attend the Annual General Meeting on 23 June 2025.

* Source: Company.

There were no events or changes in shareholding after the balance sheet date.

4.2. TREASURY SHARES

The Company holds no treasury shares.

4.3. MANAGEMENT OR SUPERVISORY BOARD MEMBERS HOLDING SHARES OR RIGHTS TO SHARES

Table 6 below presents the holdings of Company shares or rights to Company shares by members of KRUK S.A.'s management and supervisory personnel as at the issue date of the previous period report, i.e. 28 April 2025.

Table 6. KRUK S.A. shares held by management and supervisory personnel as at 28 April 2025

Full name	Position	Number of shares held	Total par value (PLN)
Piotr Krupa directly and indirectly through Krupa Fundacja Rodzinna	President of the Management Board	1,716,965	1,716,965
Piotr Kowalewski	Member of the Management Board	22,263	22,263
Adam Łodygowski	Member of the Management Board	-	-
Urszula Okarma	Member of the Management Board	104,718	104,718
Michał Zasępa	Member of the Management Board	49,000	49,000

Source: Company

In the reporting period after the issue date of the previous periodic report, the following transactions were executed leading to changes in the holdings of Company shares by members of the Management Board or Supervisory Board:

Table 7. Piotr Kowalewski

DATE OF NOTIFICATION	DATE OF TRANSACTION	VOLUME	TRANSACTION TYPE	AVERAGE PRICE	PLACE OF TRANSACTION
29 April 2025	29 April 2025	1,000	Sale	PLN 400.00	WSE

Table 8. Michał Zasępa

DATE OF NOTIFICATION	DATE OF TRANSACTION	VOLUME	TRANSACTION TYPE	AVERAGE PRICE	PLACE OF TRANSACTION
5 June 2025	5 June 2025	4,218	Purchase*	PLN 248.96	WSE

* placement of orders to convert subscription warrants into shares under the 2021–2024 Incentive Scheme.

Table 9. KRUK S.A. shares held by management and supervisory personnel as at 30 June 2025 (and the issue date of this Report)

Full name	Position	Number of shares held	Total par value (PLN)
Piotr Krupa directly and indirectly through Krupa Fundacja Rodzinna	President of the Management Board	1,716,965	1,716,965
Piotr Kowalewski	Member of the Management Board	21,263	21,263
Adam Łodygowski	Member of the Management Board	-	-
Urszula Okarma	Member of the Management Board	104,718	104,718
Michał Zasępa	Member of the Management Board	53,218	53,218

Source: Company

After the reporting period, the following transactions were executed leading to changes in the holdings of Company shares by members of the Management Board or Supervisory Board:

Table 10. Piotr Kowalewski

DATE OF NOTIFICATION	DATE OF TRANSACTION	VOLUME	TRANSACTION TYPE	AVERAGE PRICE	PLACE OF TRANSACTION
25 July 2025	24 July 2025	1,263	Sale	409.00 PLN	WSE

Table 11. KRUK S.A. shares held by management and supervisory personnel as at the issue date of this Report

Full name	Position	Number of shares held	Total par value (PLN)
Piotr Krupa directly and indirectly through Krupa Fundacja Rodzinna	President of the Management Board	1,716,965	1,716,965
Piotr Kowalewski	Member of the Management Board	20,000	20,000
Adam Łodygowski	Member of the Management Board	-	-
Urszula Okarma	Member of the Management Board	104,718	104,718
Michał Zasępa	Member of the Management Board	53,218	53,218

Source: Company

As at 26 August 2025, members of the Management Board of the Company held no rights to KRUK S.A. shares other than those under the subscription warrants presented in detail in section 4.4 *Incentive Scheme*.

4.4. INCENTIVE SCHEME

Incentive scheme for 2021–2024

On 16 June 2021, the Annual General Meeting of KRUK S.A. passed a resolution on setting the rules of an incentive scheme for 2021–2024, conditional increase in the Company's share capital and issue of subscription warrants with the Company existing shareholders' pre-emptive rights waived in whole with respect to the shares to be issued as part of the conditional share capital increase and subscription warrants, and amendments to the Articles of Association (Resolution 2021), (the "2021–2024 Incentive Scheme").

For the purposes of the 2021–2024 Incentive Scheme, the General Meeting approved a conditional increase of the Company's share capital by up to PLN 950,550.00, through an issue of up to 950,550 Series H ordinary bearer shares.

In accordance with the terms of the Scheme, the number of warrants to be allotted and offered to members of the Management Board throughout the term of the Scheme represents 40% of all warrants.

Conditions for offering subscription warrants under the 2021–2024 Incentive Scheme, by Tranche	
Target	15.00% or higher average annual increase in EPS in the fiscal year immediately preceding the year in which the warrants are offered.
	EPS growth is calculated according to the following formula:

$$EPS \text{ growth}_{2019+n} = \sqrt[n]{\frac{EPS_{2019+n}}{EPS_{2019}}} - 1 \text{ for } n = 2, 3, 4, 5, 6$$

Table 12. Time horizon for calculating the average annual EPS growth under the 2021–2024 Incentive Scheme

Time horizon for the 2021–2024 Incentive Scheme										
Tranche	Period included in the calculation of the average annual EPS growth in the fiscal year immediately preceding the year in which the warrants are offered									
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Tranche 1 for 2021		x	X							
Tranche 2 for 2022		x	X	x						
Tranche 3 for 2023		x	X	x	X					
Tranche 4 for 2024		x	X	x	X	x				

Reference year
 EPS growth measurement period
 Satisfaction of the grant conditions is assessed, and warranted are allotted
 Lock-up
 Exercise period

Source: Company

For details of the 2021–2024 Incentive Scheme, see the Directors' Reports on the operations of the KRUK Group in 2024.

Table 13. Execution of the 2021–2024 Incentive Scheme as at the issue date of this Report

2021-2024 Incentive Scheme					
Tranche	TARGET: EPS growth	EPS growth rate	Number of warrants awarded to and acquired by members of the Management Board	Number of warrants awarded to and acquired by other eligible persons	Total number of warrants awarded and acquired
1	✓	58.34%	76,044	96,094	172,138
2	✓	42.27%	76,044	109,292	185,336
3	✓	36.64%	76,044	113,765	189,809
4	✓	30.61%	To be offered	To be offered	To be offered

Source: Company

By Resolution No. 32/2025 of 22 July 2025, the Supervisory Board declared that the condition set forth in the 2021–2024 Incentive Scheme for issuing and offering subscription warrants under Tranche 4 for 2024 had been satisfied. As at the issue date of this Report, Tranche 4 subscription warrants were not yet offered to eligible persons.

Given that the increase in absolute return to shareholders (i.e. including dividends paid) calculated in accordance with the 2021–2024 Incentive Scheme was 1.94, the Supervisory Board declared by Resolution No. 32/2025 of 22 July 2025 that the condition for issuing and offering subscription warrants under the Additional Pool had not been satisfied.

The table below shows the number of Tranche 1, 2 and 3 warrants awarded to and acquired by each Management Board member.

Table 14. Number of Tranche 1, 2 and 3 warrants awarded to and acquired by Management Board members under the 2021–2024 Incentive Scheme as at the issue date of this Report

Full name	Number of Tranche 1 warrants awarded and acquired	Number of Tranche 2 warrants awarded and acquired	Number of Tranche 3 warrants awarded and acquired	Number of outstanding Tranche 1, 2 and 3 warrants held
Piotr Krupa	22,812	22,812	22,812	68,436
Piotr Kowalewski	13,308	13,308	13,308	39,924
Adam Łodygowski	13,308	13,308	13,308	39,924
Urszula Okarma	13,308	13,308	13,308	39,924
Michał Zasępa	13,308	13,308	13,308	35,706

Source: Company

In the reporting period and as at the issue date of this Report, members of the Management Board of the Company held no rights to KRUK S.A. shares other than the rights under the subscription warrants issued under the 2021–2024 Incentive Scheme, as shown in Table 11. Members of the Supervisory Board do not hold any subscription warrants issued under the 2021–2024 Incentive Scheme.

As at the issue date of this Report, 84,123 subscription warrants had been converted into Series H shares in the Company, including 4,218 warrants converted by members of the Management Board.

Incentive scheme for 2025–2028

On 30 January 2025, the Extraordinary General Meeting of KRUK S.A. passed a resolution on setting the rules of an incentive scheme for 2025–2028, conditional increase in the Company's share capital and issue of subscription warrants with the Company existing shareholders' pre-emptive rights waived in whole with respect to the shares to be issued as part of the conditional share capital increase and subscription warrants, and amendments to the Articles of Association (Resolution 2025), (the "2025–2028 Incentive Scheme").

For the purposes of the 2025–2028 Incentive Scheme, the General Meeting approved a conditional increase of the Company's share capital by up to PLN 775,264, through an issue of up to 775,264 Series I ordinary bearer shares.

In accordance with the terms of the Incentive Scheme, the number of warrants to be allotted and offered to members of the Management Board throughout the term of the Scheme will represent up to 40% of all warrants.

Conditions for offering subscription warrants under the 2025–2028 Incentive Scheme, by Tranche

Target 12.00% or higher average annual increase in PBTPS in the fiscal year immediately preceding the year in which the warrants are offered.

EPS growth is calculated according to the following formula:

$$PBTPS\ growth_{2024+n} = \sqrt[n]{\frac{PBTPS_{2024+n}}{PBTPS_{2024}}} - 1$$

for n = 1,2,3,4

Table 15. Time horizon for calculating the average annual PBTPS growth under the 2025–2028 Incentive Scheme

Time horizon for the 2025–2028 Incentive Scheme										
Tranche	Period included in the calculation of the average annual PBTPS growth in the fiscal year immediately preceding the year in which the warrants are offered									
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Tranche 1 for 2025		X								
Tranche 2 for 2026		X	x							
Tranche 3 for 2027		X	x	x						
Tranche 4 for 2028		X	x	x	x					

	reference year
x	PBTPS average annual growth period
	lock-up
	possibility of redemption

Source: Company

For details of the 2025–2028 Incentive Scheme, see the Directors' Reports on the operations of the KRUK Group in 2024. As at the date of issue of this Report, no subscription warrants were awarded under the 2025–2028 Incentive Scheme.

4.5. DIVIDENDS PAID (OR DECLARED)

On 15 May 2025, the Management Board passed a resolution on a proposal for the Supervisory Board regarding the allocation of the 2024 net profit and a recommendation for the Annual General Meeting to approve a dividend payment of PLN 18.00 per share. The remaining balance of the Company's net profit for 2024 was recommended to be transferred to statutory reserve funds. The dividend recommendation was consistent with the Dividend Policy adopted by the Management Board on 2 December 2021.

On 20 May 2025, the Supervisory Board passed a resolution to endorse the Management Board's proposal regarding allocation of the Company's net profit for 2024 and recommendation that the Annual General Meeting allocate the Company's net profit for 2024 as described above.

On 23 June 2025, by Resolution No. 6/2025, the General Meeting resolved to allocate the Company's net profit as recommended by the Management Board. In addition, it was decided that the dividend record date for determining the list of shareholders entitled to receive dividend for the financial year ended 31 December 2024 would be 10 July 2025.

The dividend payment date was set for 25 September 2025. The dividend will be paid on 19,402,913 KRUK S.A. shares.

On 16 January 2025, the Management Board passed a resolution to adopt the KRUK S.A. Dividend Policy for the period from the financial year beginning on 1 January 2025 to the financial year ending on 31 December 2029.

According to the Policy, KRUK S.A.'s goal is to ensure sustainable growth and long-term value creation, leading to profitability improvements and regular dividend payouts, while maintaining appropriate liquidity and observing the principles of sustainable development (ESG). The Dividend Policy ("Policy") establishes clear and consistent criteria for the distribution of the Company's earnings. The Management Board expects that it will submit to each Annual General Meeting a recommendation to pay out dividend amounting to 30% or more of the KRUK Group's consolidated net profit for the previous financial year, attributable to owners of the Parent. This is subject to the condition that, after accounting for the proposed dividend payment, the net debt-to-cash EBITDA ratio remains at or below 3.0.

The Dividend Policy is available on the Company's website at: <https://en.kruk.eu/investor-relations/dividend-policy>.

4.6. PERFORMANCE OF COMPANY SHARES ON THE WARSAW STOCK EXCHANGE

4.6.1. Share price

As at 30 June 2025, the KRUK share price on the stock exchange dropped by 3.39%, to PLN 401.70 per share. The share performance lagged behind the WIG and WIG20 indices, which achieved rates of returns of 31.56% and 29.81%, respectively.

On the last trading day in June 2025, the Company's market capitalisation stood at PLN 7.8 billion (compared with PLN 8.9 billion the year before). KRUK ranked 28th in terms of market capitalisation on the WSE.

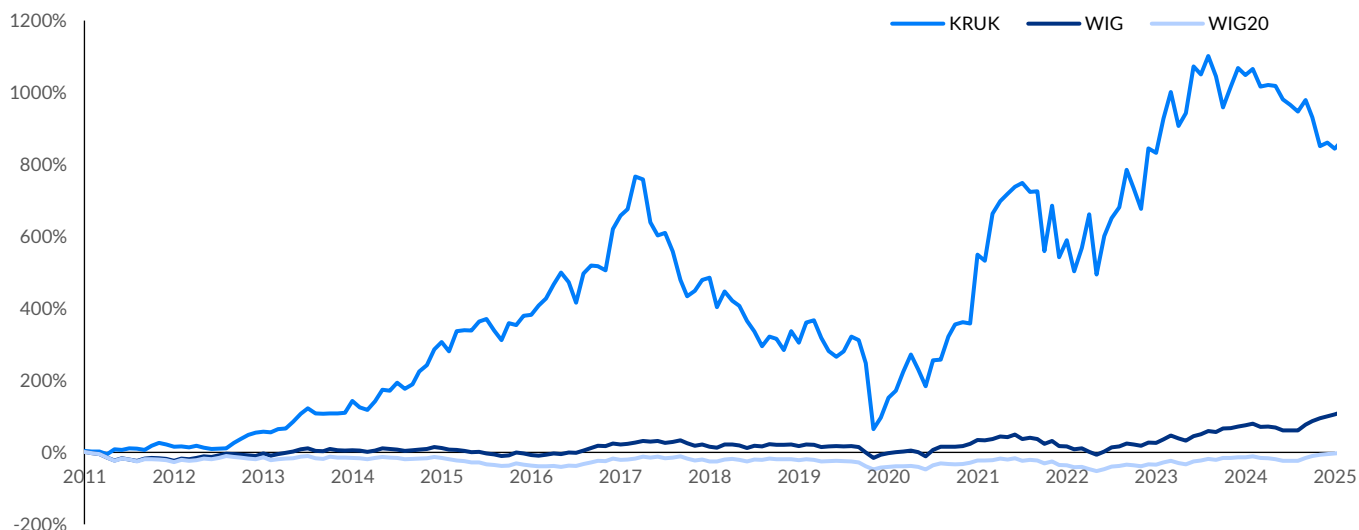
Table 16. Rates of return on KRUK S.A. stock, WIG and WIG20 for H1 2025 – at close

Date	KRUK	WIG	WIG20
Rate of return	-3.39	31.56	29.81

Source: GPW.pl

From the IPO on the Warsaw Stock Exchange in May 2011 to 30 June 2025, the rate of return on KRUK shares reached 867%. Over the same period, the all-cap WIG index gained 112%, while the blue-chip WIG20 index dropped by 1%.

PERFORMANCE OF KRUK STOCK AGAINST WIG AND WIG20 FROM THE COMPANY'S IPO ON THE WSE IN MAY 2011 TO 30 JUNE 2025

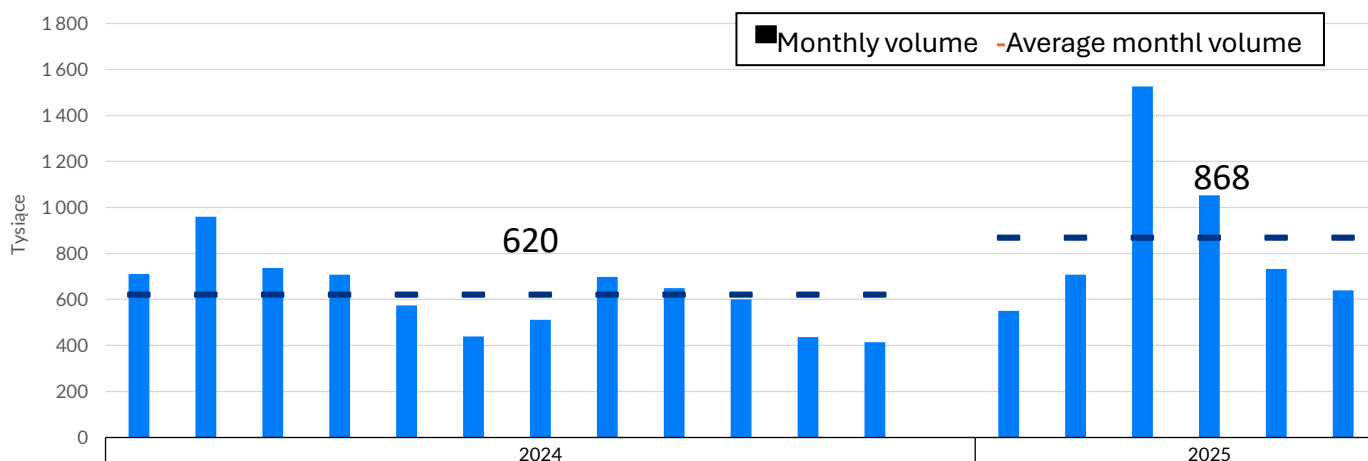


Source: in-house analysis, based on stooq.pl

4.6.2. Stock liquidity

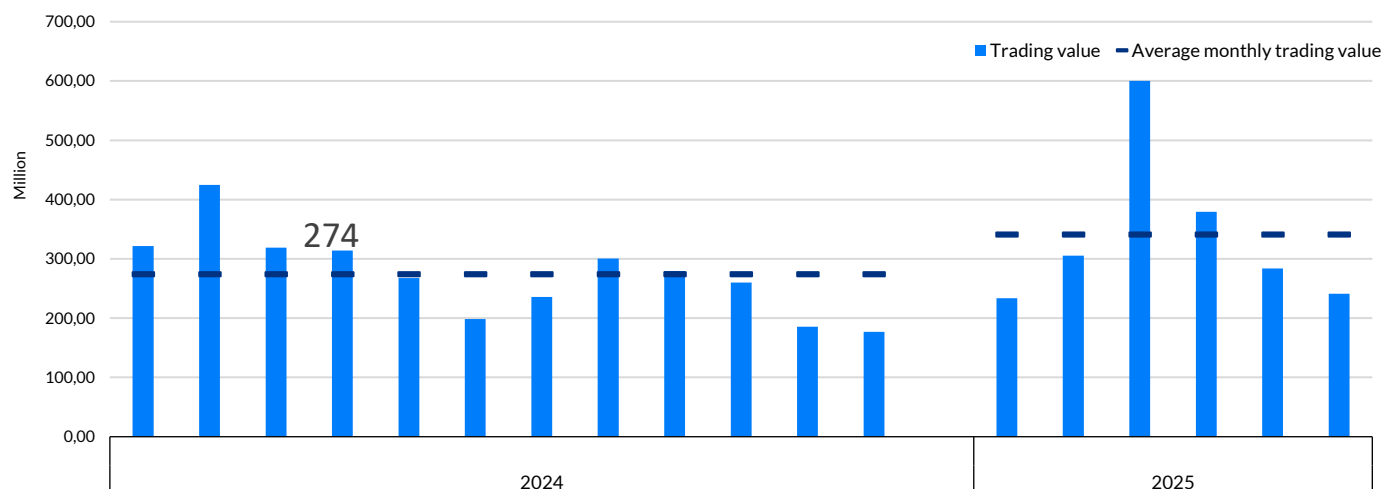
The total volume of KRUK S.A. shares traded in the first half of 2025 was 5.1 million, and the total value of trading reached PLN 2 billion. The total volume of KRUK S.A. shares traded in the same period of the previous year was 4.1 million, and the total trading value was PLN 1.8 billion. The average daily trading volume of the KRUK stock was 41 thousand shares, and the average daily trading value stood at PLN 16.6 million. KRUK was the 23rd most liquid stock on the WSE (in terms of the total annual trading value of trades).

MONTHLY VOLUME IN INDIVIDUAL MONTHS AND THE YEAR'S AVERAGE MONTHLY VOLUME OF TRADE IN KRUK SHARES IN 2024-H1 2025



MONTHLY VALUE IN INDIVIDUAL MONTHS AND THE YEAR'S AVERAGE MONTHLY VALUE OF TRADE IN Kruk SHARES IN 2024–H1 2025

AVERAGE DAILY TRADING VALUE IN 2025: PLN 16.6 MILLION

Source: in-house analysis based on www.gpw.pl

5. COMPANY BONDS

5.1. ISSUE

In the six months to 30 June 2025, the Company issued six-year Series AP3 and Series AP4 bonds with a total nominal value of PLN 200 million and a price per bond equal to its nominal value of PLN 100. The bonds were issued under the prospectus-based Eleventh Bond Issue Programme. The bonds were offered to retail investors. During the period, the Company also issued seven-year Series AL⁵ bonds with a total nominal value of PLN 400 million under the First Prospectus-Exempt Bond Issue Programme.

Table 17. Bond issues in the six months to 30 June 2025

Series	Nominal value	Issued in	Maturing in	Interest rate	Interest payment
AP3	PLN 100 million	February 2025	February 2031	floating 3M WIBOR + margin of 2.80pp	every 3 months
AL ⁵	PLN 400 million	June 2025	June 2032	floating 3M WIBOR + margin of 3.00pp	every 3 months
AP ⁴	PLN 100 million	July 2025	July 2031	floating 3M WIBOR + margin of 2.70pp	every 3 months

5.2. REDEMPTION

In the six months to 30 June 2025, the Company redeemed, in accordance with the relevant terms and conditions, a part of Series AL² bonds through amortisation of their nominal value, which was PLN 150 per bond. In the same period, the Company redeemed at maturity Series AE⁴ bonds with a total nominal value of PLN 115 million and Series AH¹ bonds with a total nominal value of PLN 50 million.

Table 18. Bond amortisation in the six months to 30 June 2025

Series	Redemption date	Amortisation value
AL ²	February 2025	PLN 52.5 million

Table 19. Bond redemption in the six months to 30 June 2025

Series	Redemption date	Number of bonds	Nominal value
AE ⁴	March 2025	115,000	PLN 115 million
AH ¹	June 2025	50,000	PLN 50 million

5.3. LIABILITIES UNDER BONDS

As at 30 June 2025, the nominal value of outstanding bonds issued by the Company was PLN 3,386 million (amounts in EUR translated into PLN at the mid exchange rate quoted by the NBP for 30 June 2025).

Table 20. Bonds to be redeemed by the end of 2025

Series	Redemption date	Number of bonds	Nominal value
AK ¹	September 2025	250,000	PLN 25 million

Financial ratios monitored pursuant to the terms and conditions of the bonds

As at 30 June 2025:

- Debt Ratio stood at 1.3x
- Net Debt to Cash EBITDA ratio was 2.5x

where:

- **Cash EBITDA** is defined in the Glossary of terms;
- **Equity** means the KRUK Group's equity;
- **Debt Ratio** means: Net Debt to Equity;
- **Net Debt** represents the KRUK Group's Financial Liabilities less the KRUK Group's cash;
- **Financial Liabilities** are defined in the Glossary of terms.

6. CREDIT RATING

6.1. CORPORATE RATING

On 13 March 2023, the KRUK Group was assigned a corporate rating of Ba1, outlook stable, by Moody's Investors (Moody's). On 12 December 2024, the KRUK Group's corporate rating of Ba1, outlook stable, was reaffirmed by Moody's Investors Service.

Standard & Poor's (S&P) assigned it a rating of BB-, outlook stable. On 26 April 2024 and then on 5 March 2025, Standard & Poor's (S&P) reaffirmed the KRUK Group's rating of BB-, outlook stable. KRUK decided to end its collaboration with S&P Global, with the rating of 5 March 2025 being the final one issued by the agency.

6.2. BOND RATING

On 17 April 2023, the planned issue of the Company's EUR-denominated bonds in 2023 (ISIN code: NO0012903444) was assigned ratings of Ba2 and BB-, respectively, by Moody's and S&P.

7. GOVERNING BODIES

7.1. THE MANAGEMENT BOARD – MEMBERS, CHANGES IN COMPOSITION AND RULES OF APPOINTMENT

The Management Board is the Company's management body. Rules governing appointment and removal of members of the Management Board and their powers are set forth in the Company's Articles of Association. Pursuant to Article 8(1) and 8(2), the Management Board is composed of three to eight members, and the number of members is defined each time by the Supervisory Board upon request by the President of the Management Board. The President of the Management Board is appointed and removed by the Supervisory Board. The other members of the Management Board are also appointed and removed by the Supervisory Board, with appointments made upon request by the President of the Management Board. Members of the Management Board are appointed for a joint three-year term of office. The mandate of a Management Board member expires on the date of the General Meeting receiving the financial statements for the last full financial year in which the member holds the office.

On 27 March 2025, the Supervisory Board of KRUK S.A. passed Resolutions No. 18-22/2025 to reappoint the existing members of the Management Board for another term of office.

Accordingly, in the reporting period and as at the issue date of this Report, the composition of the Management Board of KRUK S.A. did not change and was as presented in the table below.

Table 21. Roles and remits of members of the Management Board of KRUK S.A.

Roles and remits of members of the Management Board of KRUK S.A.	
Piotr Krupa President of the Management Board, Chief Executive Officer	Strategy & Transformation, Internal Audit, Corporate Governance, Chief Executive Officer
Adam Łodygowski Member of the Management Board, Chief Data & Technology Officer	IT, Debt Portfolio Valuation, Statistical Methods Development, Cybersecurity and IT International Procurement, Core System, Digital Tools
Piotr Kowalewski Member of the Management Board, Chief Operating Officer	Analytical Strategy, Customer Service, Insights and Behavioural Strategy, Digital Transformation, Data & Workflow, Legal & Automation Tools.
Urszula Okarma Member of the Management Board, Chief Investment Officer	NPL Investment Strategy, Legal, Data Protection, Operational Risk and ESG, Compliance, Human Resources, Brand Marketing & Communications
Michał Zasępa Member of the Management Board, Chief Financial Officer	Controlling and Liquidity Management, Investor Relations and Development, Group Accounting and Taxation
Gender representation on the governing body: 20% women and 80% men	

7.2. SUPERVISORY BOARD – MEMBERS, CHANGES IN COMPOSITION AND RULES OF APPOINTMENT

The Supervisory Board consists of five or seven members. The number of Supervisory Board members is each time determined by the General Meeting. Members of the Supervisory Board are appointed for a joint term of office of three years. As at the date of authorisation of this report, the Company's Supervisory Board is composed of seven members. The Supervisory Board is appointed and removed by the General Meeting, with the proviso that if Piotr Krupa holds shares in the Company representing 8% or more of the total vote at its General Meeting, he has the right to appoint and remove: one member of a five-member Supervisory Board, including the Deputy Chair of the Supervisory Board; two members of a seven-member Supervisory Board, including the Deputy Chair of the Supervisory Board. Piotr Krupa's rights to appoint and remove members of the Supervisory Board are exercised by delivery to the Company of a written statement on the appointment or removal of a Supervisory Board member.

As at 1 January 2025, the composition of the Supervisory Board of KRUK S.A. was as presented in the table below.

Table 22. Composition of the Supervisory Board, satisfaction of the independence criteria by the Supervisory Board members, and their experience, expertise, and diversity as at 1 January 2025

COMPOSITION OF THE SUPERVISORY BOARD, SATISFACTION OF THE INDEPENDENCE CRITERIA BY THE SUPERVISORY BOARD MEMBERS, AND THEIR EXPERIENCE, EXPERTISE, AND DIVERSITY					
FULL NAME	POSITION ON THE SUPERVISORY BOARD	INDEPENDENT*	FINANCE/ ACCOUNT-ING**	ACCOUNTING/ FINAN-CIAL REPORTING***	INDUSTRY EXPER-TISE****
Ewa Radkowska-Świętoń	Chair	✓	✓	✓	✓
Krzysztof Kawalec	Deputy Chair	x	✓	✓	✓
Katarzyna Beuch	Member	✓	✓	✓	✓
Izabela Felczak-Poturnicka	Member	✓	✓	✓	✓
Beata Stelmach	Member	✓	✓	✓	✓
Piotr Stępiak	Member	x	✓	✓	✓
Piotr Szczepiórkowski	Member	✓	✓	✓	✓

Gender representation on the governing body: 57% women and 43% men

Satisfaction of independence criteria: satisfied by 71% of the members, not satisfied by the remaining 29%

* Satisfaction of independence criterion under the Statutory Auditors Act

** Experience in finance and accounting of listed companies

*** Knowledge and skills in financial accounting or auditing

**** Expertise specific to the industry

On 22 January 2025, the Company received a letter of resignation from Beata Stelmach, whereby she resigned from her position of Member of the Supervisory Board effective 29 January 2025. The Extraordinary General Meeting of KRUK S.A. held on 30 January 2025 passed Resolution No. 12/2025 to appoint Dominika Bettman as Member of the Supervisory Board.

During the reporting period, there were changes in the independence status of Supervisory Board members. As of 1 April 2025, Katarzyna Beuch lost her status as an independent member of the Supervisory Board having served on the Supervisory Board for more than 12 years.

Taking these changes into account, the composition of the Supervisory Board as at the reporting date and the date of this Report is presented in the table below.

Table 23. Composition of the Supervisory Board, satisfaction of the independence criteria by the Supervisory Board members, and their experience, expertise, and diversity as at the reporting date

COMPOSITION OF THE SUPERVISORY BOARD, SATISFACTION OF THE INDEPENDENCE CRITERIA BY THE SUPERVISORY BOARD MEMBERS, AND THEIR EXPERIENCE, EXPERTISE, AND DIVERSITY					
FULL NAME	POSITION ON THE SUPERVISORY BOARD	INDEPENDENT*	FINANCE/ ACCOUNT-ING**	ACCOUNTING/ FINAN-CIAL REPORTING***	INDUSTRY EXPER-TISE****
Ewa Radkowska-Świętoń	Chair	✓	✓	✓	✓
Krzysztof Kawalec	Deputy Chair	x	✓	✓	✓
Dominika Bettman	Member	✓	✓	✓	✓
Katarzyna Beuch	Member	x	✓	✓	✓
Izabela Felczak-Poturnicka	Member	✓	✓	✓	✓
Piotr Stępiak	Member	x	✓	✓	✓
Piotr Szczepiórkowski	Member	✓	✓	✓	✓

Gender representation on the governing body: 57% women and 43% men

Satisfaction of independence criteria: satisfied by 57% of the members, not satisfied by the remaining 43%

* Satisfaction of independence criterion under the Statutory Auditors Act

** Experience in finance and accounting of listed companies

*** Knowledge and skills in financial accounting or auditing

**** Expertise specific to the industry

7.3. GENERAL MEETING

The General Meeting is the highest governing body of the Company. Rules governing the convening and operation of the General Meeting as well as its powers are set out in the Commercial Companies Code and in the Company's Articles of Association.

The Company's Articles of Association are available under 'Corporate documents' in the 'About the Company' section of KRUK S.A.'s website at <https://en.kruk.eu/investor-relations/kruk-group#corporate-documents>.

No Rules of Procedure for the General Meeting are in place at the Company.

On 30 January 2025, the Extraordinary General Meeting of KRUK S.A. was held at its registered office, with the agenda including: amendments to the Company's Articles of Association, an amendment to the Rules of Procedure for the Supervisory Board, an amendment to the resolution of the Annual General Meeting of KRUK S.A. of Wrocław, dated 16 June 2021, on defining the rules of an incentive scheme for 2021–2024, defining the rules of a new incentive scheme for 2025–2028, conditional increase of the Company's share capital and issue of subscription warrants with the Company existing shareholders' pre-emptive rights waived in whole with respect to shares to be issued as part of the conditional share capital increase and subscription warrants, an amendment to the Remuneration Policy for Members of the Management Board and Supervisory Board, and changes in the composition of the Supervisory Board.

The Company offered its shareholders the option to attend the General Meeting using electronic means of communication, enabling real-time two-way communication, exercise of voting rights at the General Meeting by a Shareholder or the Shareholder's Proxy, and real-time transmission of the General Meeting.

The resolutions passed by the Extraordinary General Meeting were published in Current Report No. 13/2025.

On 23 June 2025, the Annual General Meeting of KRUK S.A. was held at its registered office, with the agenda including matters provided for in Article 395 of the Commercial Companies Code. In addition, the agenda included: voting on a resolution to give an opinion on the Report on Remuneration of Members of the Management Board and Supervisory Board of KRUK S.A. of Wrocław for 2024, in accordance with Article 90g(6) of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies of 29 July 2005 (Dz.U. of 2022, item 2554, as amended).

The Company offered its shareholders the option to attend the General Meeting using electronic means of communication, enabling real-time two-way communication, exercise of voting rights at the General Meeting by a Shareholder or the Shareholder's Proxy, and real-time transmission of the General Meeting.

The resolutions passed by the Annual General Meeting were published in Current Report No. 40/2025.

All the documents are available in the Investor Relations/Current Reports section of the Company's website at <https://en.kruk.eu/investor-relations/reports/current-reports>.

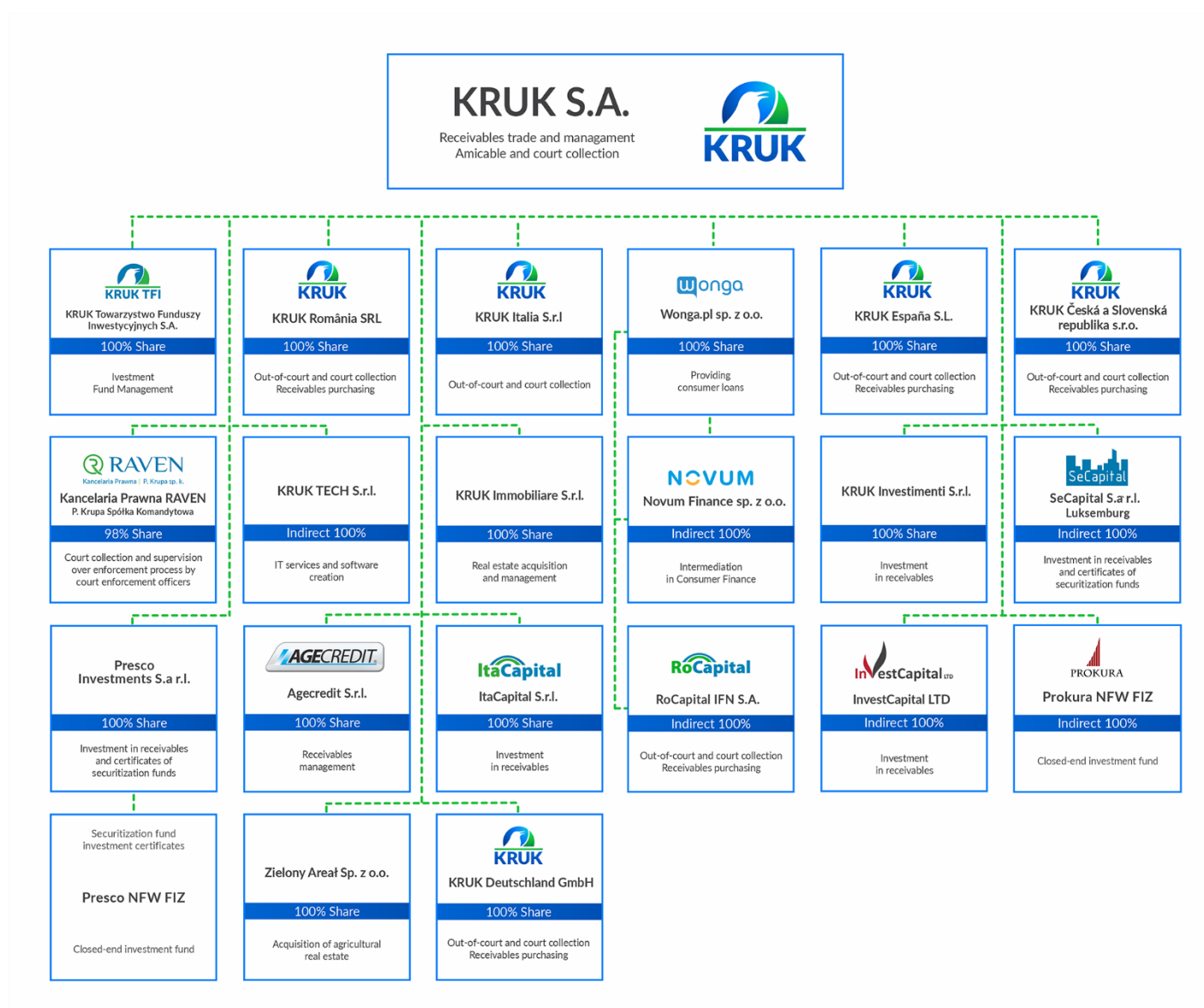
7.4. CHANGES IN THE KRUK GROUP'S STRUCTURE

During the reporting period, there was one change in the KRUK Group's structure.

Under an agreement of 31 March 2025, KRUK S.A. transferred to Wonga.pl sp. z o.o. of Warsaw its holding of 8,910 shares in RoCapital IFN S.A. of Bucharest (Romania) with a total par value of RON 8,910,000.

Following the transaction, the Company holds indirectly (through Wonga.pl sp. z o.o. – 8,910 shares, representing 99% of the share capital, and through Kruk Romania SRL – 90 shares, representing 1% of the share capital) 100% of the shares in RoCapital IFN S.A.

As at 30 June 2025 and the issue date of this Report, the structure of the KRUK Group was as follows:



8. MATERIAL COURT, ARBITRATION OR ADMINISTRATIVE PROCEEDINGS

No material court, arbitration or administrative proceedings are pending against the Company or its subsidiaries in relation to their liabilities or claims.

9. CHANGES IN THE EXTERNAL ENVIRONMENT – CHANGES IN LAW

The KRUK Group constantly monitors changes in its external environment, including legislative and regulatory changes. Section 5.3 of the Directors' Report on the KRUK Group's operations in 2024 outlines significant changes in the laws applicable to the Group companies, both those already in effect and those proposed to be enacted.

In the reporting period, no material changes occurred in the legal or regulatory environment applicable to the KRUK Group companies. One of the most crucial recent legislative changes remains the implementation of the NPL Directive (Directive of the European Parliament and of the Council (UE) 2021/2167 of 24 November 2021 on credit servicers and credit purchasers and amending Directives 2008/48/EC and 2014/17/EU) in the EU Member States where the Group operates. The directive has already been implemented in Poland, Romania, Germany, the Czech Republic, Slovakia, France, Malta, and Italy, with its impact assessed as neutral. Legislative processes are ongoing in other markets, and the draft implementing acts are undergoing numerous modifications. In Spain, a bill to implement the directive is still undergoing consultation. The Group has assessed the existing bill and determined its potential impact on KRUK to be neutral.

The Group is subject to OECD's Pillar Two Model Rules. The Pillar Two regulations have been enacted in Poland, the jurisdiction in which Kruk S.A. is registered, and took effect on 1 January 2025 by virtue of the Act on Top-up Tax Levied on Constituent Entities of Multinational and Domestic Groups of 6 November 2024. The Group takes advantage of the IAS 12 exception regarding the recognition and disclosure of information about deferred tax assets and liabilities related to the Pillar Two income taxes.

In accordance with the regulations, the Group will be required to pay a top-up tax representing the difference between the effective tax rate calculated for a given jurisdiction and the minimum rate of 15% after meeting the revenue condition set out therein, i.e. after its consolidated revenue in any two of the four consecutive fiscal years immediately preceding the tested fiscal year reaches EUR 750 million or more. The Group estimates that the KRUK Group's consolidated revenue may reach the EUR 750 million threshold in 2025 and 2026 at the earliest. In such case, the KRUK Group may be required to pay the top-up tax for the first time for 2027.

If other statutory conditions are met, the KRUK Group may benefit from the 'safe harbour' rules provided for in the Act, which would mean exemption from the obligation to compute and pay top-up tax in the Polish jurisdiction for up to five years (starting from the first year for which the revenue condition was met, i.e. not earlier than from 2027).

The Group is in the process of assessing its exposure to the Pillar Two legislation for when it comes into effect. This assessment indicates that the KRUK Group has subsidiaries operating in jurisdictions (Poland, Malta and Luxembourg) for which the estimated weighted average effective tax rate based on accounting profit for the reporting period ended 30 June 2025 is less than 15%. However, although the average effective tax rate is below 15%, the Group's exposure to paying Pillar Two income taxes may not take into account the full difference in tax rates for the aforementioned jurisdictions. This is due to the ability to apply the safe harbours provided for by the law, as well as the impact of the specific adjustments envisaged in the Pillar Two legislation which give rise to different effective tax rates compared with those calculated in accordance with IAS 12.

As currently assessed, it is expected that the application of the Pillar Two provisions will increase the Group's effective annual tax rate no earlier than in 2027. In Poland, the UC82 draft legislation – an amendment to the Consumer Credit Act implementing CCD II – is undergoing public consultation. With respect to banking sector cases, similar provisions relating to restructuring proposals have already been in place in Poland for some time. The Group is currently analysing the draft provisions, but to date has not identified any material changes in respect of restructuring or impact on its operations.

10. REPRESENTATIONS BY THE MANAGEMENT BOARD

This Report on the operations of the KRUK Group and KRUK S.A. in the six months ended 30 June 2025 presents a true and fair view of the development, achievements and condition of the KRUK Group, including a description of principal threats and risks.

11. NON-FINANCIAL STATEMENT

Throughout the first half of 2025, the KRUK Group continued to pursue its ESG Strategy objectives for sustainable development, focusing on four key areas: workforce, society, the environment, and corporate governance.

Specific targets and actions taken to achieve them in the six months to 30 June 2025:

WORKFORCE



Target	Actions taken in the six months to 30 June 2025
Gender equality: At least 50% women in all positions, including managerial roles	As at 30 June 2025, 65% of the KRUK Group's workforce were female, with the representation of women in director positions at 58%. The percentage of women at top management level was 59%.
Employee turnover: Annual turnover not exceeding 16%.	The annual turnover of employees (1 July 2024–30 June 2025) was 10.6%
Employment of persons with disabilities At least 4% of employees with disabilities by 2025.	As at 30 June 2025, employees with disabilities accounted for 2.4% of the Group's total workforce.
Proportion of women on corporate boards: At least 40% women.	As at 30 June 2025, women held 42% of positions on the Management Board and Supervisory Board of KRUK S.A.
DEI programme: By the end of 2025, 100% of managers will have been trained on diversity and inclusion.	As at 30 June 2025, 90% of employees assigned to the diversity and inclusion training completed the course.

SOCIETY



Target	Actions taken in the six months to 30 June 2025
Enhance financial and digital inclusion by: 1) supporting the development of financial and digital competencies, 2) encouraging behavioural change.	Support for financial education initiatives targeting affected communities – workshops for young adults transitioning to independent living after leaving foster care institutions, beneficiaries of the Fundacja Dobrych Inicjatyw foundation. Support to help organise holiday camps for children under the care of community centres, incorporating elements of financial education.

ENVIRONMENT



Target	Actions taken in the six months to 30 June 2025
Decarbonise the business within Scopes 1 and 2 – 70% reduction by 2040 Manage and reduce Scope 3 emissions	Greenhouse gas emissions within Scopes 1, 2 and 3 were disclosed in the Directors' Report on the operations of the KRUK Group and KRUK S.A. in 2024, in section 10 <i>Consolidated sustainability statement of the KRUK Group</i> . The next disclosure relating to GHG emissions is scheduled for the end of 2025.

Target	Actions taken in the six months to 30 June 2025
Train at least 90% of employees in compliance by 2026 and maintain an employee engagement level of at least 70% within the existing compliance education programme.	By 30 June 2025, 96% of employees of KRUK S.A. completed training on the Conflict of Interest Management Policy, 96% of employees completed training on anti-corruption and gifts policies, 94% of employees completed training on the Everyday Compliance Programme, and 95% of employees completed training on the Code of Ethics.
Supporting sustainable development in personal data protection, with a particular focus on client data, through the implementation of the GDPR Strategy.	In the six months ended 30 June 2025, the KRUK Group implemented the Privacy By Design (PbD) Policy, aimed at establishing consistent principles, processes and practices to ensure that privacy requirements are embedded across all aspects of operations and fully integrated into business processes, systems, technologies and practices.
Train at least 90% of employees (new hires) in cybersecurity by 2025 and maintain an employee engagement level of at least 80% within the existing cybersecurity education programme.	Within the existing training programme, participation in the six months to 30 June 2025 reached 89.9%. A new annual cybersecurity training programme is being developed for the entire organisation. At the Polish companies, where it has already been implemented, 90.4% of employees have completed the course.

Climate change (E1)

In the six months ended 30 June 2025, the KRUK Group continued its climate-focused initiatives aimed at reducing negative environmental impact and improving the energy efficiency of the buildings it occupies.

In Poland, KRUK S.A., Kancelaria Prawna RAVEN, KRK TFI and Novum relocated their headquarters to a newly certified building located in the central part of Wrocław, well connected within the metropolitan area. This enables employees to conveniently use public transport – both for daily and occasional commutes – helping to reduce reliance on private cars. The new headquarters was designed with sustainability and energy efficiency in mind, incorporating modern technologies such as energy management systems, energy-efficient LED lighting, as well as advanced ventilation and air-conditioning systems. The building holds a LEED v4 Platinum certification.

In addition, Green Energy Certificates were purchased for the other KRUK S.A. locations in Poland, confirming that all electricity supplied to the Group's offices is generated from renewable sources. KRUK S.A. receives monthly environmental certificates for its offices.

The Group's offices in Romania continue to receive environmental certification. At KRUK Italia, hybrid vehicles made up 81% of the company car fleet as at 30 June 2025.

Own workforce (S1)

In the six months to 30 June 2025, the KRUK Group focused on further integrating employee-oriented processes and reinforcing its organisational culture.

As part of the Group-wide Leadership Program training initiative, webinars were held for managers on topics such as self-care, developmental feedback (supporting a sense of fulfilment), and collaboration (strengthening relationships).

To mark the International Day of Families in May, KRUK employees were invited to benefit from the *Two Hours for the Family* initiative, which promoted the importance of nurturing personal relationships. The initiative allowed employees to finish work two hours earlier on a chosen day, in support of wellbeing and work-life balance.

In March 2025, a Group-wide webinar was organised to celebrate the Employee Appreciation Day, during which HR directors from various countries highlighted the importance of organisational values and mutual recognition. Group companies also carried out activities to promote positive role models for both women and men during the Gender Equality Month, including voting polls, motivational meetings, local events, and communication campaigns. In parallel, strategic workshops were held with representatives of subsidiaries and the HR team, resulting in a jointly developed approach to employee well-being; 10 employees completed certification as Chief Wellbeing Officers;

Between 20 May and 5 June, the Employee Engagement Survey was conducted in Poland, Romania, Italy, Spain and Malta. Participation reached 94%, an increase of 2pp compared with the previous year. The Group's overall engagement index remained at a very high level of 90%, reflecting positive employee experiences across various aspects of work.

During the six months to 30 June 2025, the KRUK Group implemented numerous initiatives promoting diversity, inclusion and psychological security. Activities to celebrate the European Diversity Month included: in Poland, a webinar attended by more than 400 people and local DEI initiatives such as the *Understanding DEI* workshop series; in Romania, the *Living Library* initiative, where managers and the HR team engaged in dialogue with people from diverse backgrounds and minority groups, alongside the *Complementary Perspectives* educational campaign launched at Wonga to raise awareness and understanding of different forms of diversity. During the Pride Month of June, a Rainbow Roundtable discussion was held along with local initiatives supporting the LGBTQ+ community.

KRUK S.A. was recognised in the Diversity IN Check ranking among the Polish companies most advanced in diversity management and was also listed by Cashless.pl as an institution supporting the LGBTQ+ community. In addition, KRUK Italia became a signatory of the Italian Diversity Charter.

Affected communities (S3)

The KRUK Group's activities affect social groups that are at high risk of falling into debt and having their rights as indebted persons violated. These groups require additional support and financial education due to various forms of exclusion, discrimination, or difficulties arising from limited access to information or a low level of financial literacy. Such support enables them to manage their finances more effectively, protect them from unethical debt collection practices by their current or future creditors, and develop a better understanding of the role played by professional debt collection companies in the economy.

In the six months ended 30 June 2025, KRUK continued its cooperation with the Fundacja Dobrych Inicjatyw foundation, supporting financial education for young people from foster care institutions. The Group also made a donation to the PO-CIECHA Foundation, which funded summer camps for 60 of its beneficiaries – children at risk of social exclusion attending community centres.

Additionally, in the six months ended 30 June 2025, Group companies – including KRUK Romania and KRUK España – delivered a wide range of financial education initiatives, including quizzes, podcasts, campaigns, lessons and training sessions for students, teachers and clients, as well as support for cultural events and initiatives promoting diversity and responsible financial behaviour.

Consumers and end-users (S4)

In the six months to 30 June 2025, the KRUK Group conducted phishing tests across the organisation to identify security gaps and raise employee awareness. Cybersecurity training was continued, and new authentication technologies were put in place to enhance secure access to resources. A Landing Zone was also launched for the Group's key cloud provider, strengthening infrastructure control and enabling scalable operations.

In the area of personal data protection, the implementation of the Privacy by Design (PbD) Policy was successfully completed at most Group companies. A consistent PbD assessment process was developed and dedicated training delivered. The KRUK Group actively participated in industry initiatives and regulatory dialogue in Poland, Spain, Romania and Italy. In each country, educational and informational activities were carried out to reinforce the culture of privacy protection.

Business conduct (G1)

In the six months ended 30 June 2025, the KRUK Group continued to strengthen its ethical and compliance culture, including through communications and the roll-out of new training concerned with whistleblowing and compliance across several Group companies.

In June, a new training module – *Whistleblowing: A Practical Guide* – was launched at KRUK S.A., with 73% of the assigned employees completing it by the end of the month. At KRUK Romania, the policies on whistleblowing, prevention of harassment and workplace bullying were updated, and a new reporting channel was introduced.

Additional sponsorship activities, awards and recognitions:

During the six months to 30 June 2025, the Group took active part in key industry and business events, supporting cross-sector dialogue, business ethics, and efforts to improve the regulatory environment.

As part of its thought leadership and visibility engagement, the Company acted as a partner of the Legal Regulations Congress and the Lending Sector Congress organised by the Association of Financial Companies in Poland, and as a sponsor of the European Economic Congress and Impact 2025.

The Company also joined organisations lending their support to champion the *Deregulation* project, aimed at simplifying economic legislation in Poland.

In the area of social engagement, KRUK supported initiatives promoting equality and mental wellbeing, including financial support for *Equal Place* run by the Equality Culture Association in Wrocław, partnership in the *Carnival of Kindness in the Light of the 1920s* charity event in aid of the Bloompro Foundation, and sponsorship of the 32nd *Polityka Passport Awards* in the Visual Arts category.

KRUK Romania was the main sponsor of the *#LovetoLearn* festival promoting financial education among families.

KRUK España supported the 21st edition of the *Ellas Crean Festival* and the *CinePOLSKA* event, promoting culture and women's creativity in cooperation with the Polish Cultural Institute in Madrid, and also sponsored the 11th National Congress of Judicial Debt Collection, reinforcing the Group's position as a leader in responsible receivables management.

Following successful completion of the ethical audit survey verification process, the ZPF Ethics Committee awarded KRUK S.A. another certificate confirming that the Group's business practices align with the ZPF Principles of Good Practice. The certificate is valid until 31 March 2026.

The *Puls Biznesu* daily together with PwC once again recognised KRUK S.A. as a Super Ethical Company in the Ethical Company competition, highlighting its commitment to conducting business in line with the highest standards of ethics and transparency.

In the 17th edition of the *Forbes Diamonds* ranking, KRUK S.A. and KRUK TFI S.A. were named among the fastest-growing companies in Poland, distinguished not only for dynamic growth but also for effective management and innovative business practices.

KRUK also topped the Management Expertise category of the Listed Company of the Year 2024 ranking and was again included on the *Forbes Diamonds 2025* list as one of the most dynamically growing companies in Poland. The Company was also named among the 50 best employers in Poland by the *WPROST* weekly.

KRUK S.A. was further recognised as a Leader in Investor Relations by fund managers and analysts, and ranked 2nd in the retail investor poll, in the annual corporate communication survey conducted by *Parkiet*.

In the field of innovation and communications, the RPA in Contact Center project won in the Best Supporting Technology category of the Polish Contact Center Awards 2025, while the *My Way Out of Debt* campaign secured 3rd place in the semKRK Awards 2025.

KRUK was again highlighted by *WPROST* on its list of the 50 best employers in Poland, notably for its efforts in promoting diversity, an inclusive culture and equal opportunities for employees.

The *Smart Credit* programme of KRUK Romania received the Junior Achievement Romania Award for investment in education, while KRUK España was named Multinational of the Year – Leader in Financial Services and Solutions by the *La Razón* daily for its contribution to the development of the financial services sector in Spain.

Piotr Krupa, President of the Management Board of KRUK, was awarded the *Silver Ace of Bankier* by the editorial board of *Bankier.pl*, a distinction presented to individuals recognised by the judging panel as the most influential figures on the Polish financial market in 2024, with a significant contribution to its development.

Julia Krupa-Ignaczak, Group Head of Legal, Data Protection, Operational Risk and ESG, was appointed to the General Council of the Lewiatan Confederation of private employers. Only eight companies affiliated with the Confederation have direct representation on the General Council.

Additional sponsorship activities

In addition to the Bloompro Foundation Charity Ball, in the first quarter of 2025 KRUK S.A. sponsored the *Polityka Passport Awards*, the Radio Zet Andrzej Woyciechowski Award in the Online Author category (reflecting the growing role of web journalists in shaping civic attitudes and upholding the core values of a democratic society), as well as the *O!śnienia Gala* – an event celebrating the most important achievements in Polish culture.

KRUK España, together with the Polish Cultural Institute in Madrid, sponsored the Ellas Crean Festival, which showcases and celebrates women’s creativity and talent in the arts, and also supported the CinePOLSKA Film Festival in Madrid, likewise part of the Institute’s cultural agenda.

12. GLOSSARY OF TERMS

Agecredit	Agecredit S.r.l. of Cesena
Auditor	PricewaterhouseCoopers Polska sp. z o.o. Audyt sp.k. of Warsaw
CAGR	Compound Annual Growth Rate
Catalyst	Bond market operated by the Warsaw Stock Exchange
Corbul, Corbul S.r.l.	Biroul de Detectivi Particulari Corbul S.r.l. of Bucharest
Corporate Sustainability Reporting Directive, CSRD Directive	Directive (EU) 2022/2464 of the European Parliament and of the Council as regards corporate sustainability reporting
CZK	Czech koruna
EBIT	Operating profit
EBITDA	Operating profit before depreciation and amortisation

Cash EBITDA	Profit (/loss) before tax plus finance costs, amortisation, depreciation and cash recoveries from purchased debt portfolios, less revenue from purchased debt portfolios and revaluation gains on assets other than purchased debt and consumer loans advanced, if their total amount in the last 12 months exceeds PLN 5 million; Cash EBITDA is computed for the KRUK Group for the last twelve months
EPS	Earnings per share
ESRS	European Sustainability Reporting Standards, developed by EFRAG (European Financial Reporting Advisory Group). Applicable to entities subject to the CSRD Directive
EUR	Euro
FMCG	Fast Moving Consumer Goods
GHG Protocol	Greenhouse Gas Protocol – carbon footprint calculation standard including requirements and guidelines for estimating Scopes 1, 2 and 3 GHG emissions
WSE	Warsaw Stock Exchange (Giełda Papierów Wartościowych w Warszawie S.A.)
The Group, the KRUK Group	The Company as the Parent along with its subsidiaries and Non-Standardised Securitisation Closed-End Investment Funds
InvestCapital	InvestCapital Ltd. of San Gwann
ItaCapital	ItaCapital S.r.l of Milan, Italy
CSDP	Central Securities Depository of Poland (Krajowy Depozyt Papierów Wartościowych S.A. of Warsaw)
PFSA	Polish Financial Supervision Authority (Komisja Nadzoru Finansowego)
KRS	Polish National Court Register (Krajowy Rejestr Sądowy)
KRUK, Company	KRUK S.A. of Wrocław
KRUK Česká a Slovenská Republika s.r.o	KRUK Česká a Slovenská Republika s.r.o. of Hradec Kralove
KRUK España	KRUK España S.L. of Madrid
KRUK Italia	KRUK Italia S.r.l of Milan
KRUK Romania	KRUK Romania s.r.l of Bucharest
KRUK TECH	KRUK TECH s.r.l of Bucharest
KRUK TFI	KRUK Towarzystwo Funduszy Inwestycyjnych S.A. of Wrocław
IAS	International Accounting Standards as endorsed by the European Union

IFRS	International Financial Reporting Standards as endorsed by the European Union, including International Accounting Standards, International Financial Reporting Standards and related Interpretations endorsed by the European Union
Nasdaq Stockholm	Stockholmsbörsen; Securities trading market in Stockholm
NBP	National Bank of Poland
Non-Standardised Debt Closed-End Investment Funds	Prokura NFW FIZ, Presco NFW FIZ and Bison NFW FIZ
Novum	NOVUM FINANCE sp. z o.o. of Wrocław
Deviation between actual and projected recoveries	The figure includes the deviation between actual and projected recoveries, decreases on early collections in collateralised cases, and payments from the original creditor. The percentage deviation is determined as the ratio of 'deviation between actual and projected recoveries' to the difference between 'actual recoveries' and 'deviation between actual and projected recoveries'
Statement	Consolidated sustainability statement of the KRUK Group
GDP	Gross Domestic Product
PLN	Polish złoty
Paris Agreement	The agreement concluded at the 21st UN Climate Change Conference in 2015
UOKiK President	President of the Office of Competition and Consumer Protection (Urząd Ochrony Konkurencji i Konsumentów)
2021-2024 Incentive Scheme	An incentive scheme for 2021–2024 implemented by the Company for the Management Board Members, selected employees of the Company and selected members of the management boards and employees of the subsidiaries, under which up to 950,550 registered subscription warrants will be issued, conferring the right to subscribe for a total of 950,550 ordinary bearer shares issued as part of a conditional share capital increase
2025–2028 Incentive Scheme	An incentive scheme for 2025–2028 implemented by the Company for the Management Board members, selected employees of the Company and selected members of the management boards and employees of the subsidiaries, comprising the issue of up to 775,264 registered subscription warrants conferring the right to subscribe for a total of 775,264 ordinary bearer shares issued as part of a conditional share capital increase
Prokura NFW FIZ	Prokura Non-Standardised Debt Closed-End Investment Fund

Total revenue	Operating income including gain or loss on expected credit losses, fair value measurement, and other income/expenses from purchased debt portfolios including other income
Supervisory Board	Supervisory Board of the Company
Kancelaria Prawna RAVEN	Kancelaria Prawna RAVEN P. Krupa sp. k. of Wrocław
RoCapital	RoCapital IFN S.A. of Bucharest
GDPR	Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation)
ROE	Return on equity, computed as the ratio of consolidated net profit to equity as at the end of period
RON	Romanian leu
Regulation on current and periodic information	Polish Minister of Finance's Regulation of 29 March 2018 on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state (Dz.U. of 2018, item 757, as amended)
SeCapital Luksemburg	SeCapital S.à.r.l. (Luxembourg)
Consolidated financial statements	The Group's consolidated financial statements for the reporting period ended 30 June 2025, prepared in accordance with the IFRS
Company, KRUK	KRUK S.A. of Wrocław
Subsidiaries	The Company's subsidiaries, as defined in the Polish Accounting Act, and Kancelaria Prawna RAVEN P. Krupa Spółka komandytowa
Articles of Association	Articles of Association of the Company
EU Taxonomy, Taxonomy	Regulation (EU) 2020/852 of the European Parliament and of the Council
UOKiK	Polish Office of Competition and Consumer Protection (Urząd Ochrony Konkurencji i Konsumentów)
USD	US dollar
Bonds Act	Polish Act on Bonds of 15 January 2015 (Dz.U. of 2022, item 2244)
General Meeting	General Meeting of the Company
Wonga	Wonga.pl Sp. z o.o. of Warsaw
Management Board	Management Board of KRUK S.A.

Financial Liabilities

Total financial liabilities under:

- bonds or other similar debt securities; or
- non-bank borrowings; or
- bank borrowings; or
- finance leases; or
- promissory notes issued by way of security for liabilities of non-KRUK Group entities; or
- guarantees or sureties provided in respect of liabilities of non-KRUK Group entities under bank or non-bank borrowings, finance leases, bonds or other similar debt securities; or
- accession to debt owed by non-KRUK Group entities under bank or non-bank borrowings, finance leases, bonds or other similar debt securities; or
- assumption of liabilities of non-KRUK Group entities under bank or non-bank borrowings, finance leases, bonds or other similar debt securities; or
- liabilities arising under derivatives contracts;

ZPF

Association of Financial Companies in Poland of Gdańsk

Piotr Krupa
President of the
Management Board

Michał Zasępa
Member of the
Management Board

Urszula Okarma
Member of the
Management Board

Piotr Kowalewski
Member of the
Management Board

Adam Łodygowski
Member of the
Management Board