



# **FINANCIAL HIGHLIGHTS**

## **of the interim condensed separate financial statements**

for the period 1 January 2025–  
31 March 2025

## Financial highlights

Financial highlights	PLN '000		EUR '000	
	1 Jan–31 Mar 2025 unaudited	1 Jan–31 Mar 2024 unaudited	1 Jan–31 Mar 2025 unaudited	1 Jan–31 Mar 2024 unaudited
<b>For the period</b>				
Revenue	86,711	64,771	20,720	14,989
Profit/(loss) before tax	278,059	320,364	66,445	74,139
Net profit/(loss)	254,467	338,334	60,807	78,298
Net cash from operating activities	56,435	2,122	13,486	491
Cash recoveries	7,096	7,439	1,696	1,722
Net cash from investing activities	(19,876)	(186,910)	(4,750)	(43,255)
Net cash from financing activities	(26,082)	73,330	(6,233)	16,970
Net change in cash	10,477	(111,458)	2,504	(25,794)
Diluted earnings per share (PLN/EUR)	12.49	16.55	2.98	3.83
Average number of shares ('000)	19,386	19,319	19,386	19,319
Earnings per share (PLN/EUR)	13.13	17.51	3.14	4.05
<b>As at</b>				
	<b>31 Mar 2025 unaudited</b>	<b>31 Dec 2024 unaudited</b>	<b>31 Mar 2025 unaudited</b>	<b>31 Dec 2024 unaudited</b>
Total assets	8,727,858	8,422,746	2,086,058	1,971,155
Non-current liabilities	3,761,021	3,609,449	898,927	844,711
Current liabilities	215,897	314,971	51,602	73,712
Equity	4,750,940	4,498,326	1,135,529	1,052,732
Share capital	19,396	19,382	4,636	4,536
Book value per ordinary share (PLN/EUR)	244.94	232.09	58.54	54.31

### The financial highlights have been translated into the euro as follows:

items of or related to the statement of profit or loss and the statement of cash flows have been translated using the arithmetic mean of mid rates quoted by the National Bank of Poland for the last day of each month in the period; the exchange rates thus calculated are:

**for the reporting period** **4.1848**  
**for the comparative period** **4.3211**

items of or related to the statement of financial position have been translated using the mid rate quoted by the National Bank of Poland for the end of the reporting period; the exchange rates thus calculated are:

**at the end of the reporting period** **4.1839**  
**at the end of the comparative period** **4.2730**



# Interim condensed separate financial statements

for the period 1 January 2025–  
31 March 2025

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## I. Separate statement of financial position

PLN '000	Note	31 Mar 2025 unaudited	31 Dec 2024	31 Mar 2024 unaudited
<b>Assets</b>				
Cash and cash equivalents	8.12.	19,587	9,110	116,185
Hedging instruments	8.9.	152,252	114,326	116,141
Trade receivables from related entities	8.11.	42,995	98,666	24,571
Trade receivables from other entities	8.11.	3,180	2,991	2,063
Other receivables	8.11.	6,239	7,687	10,698
Income tax receivables		7,122	2,716	6,785
Inventories	7.	8,801	9,979	14,041
Investments	7.	1,586,629	1,617,901	1,516,367
Equity-accounted investments in subsidiaries	8.10.	6,810,258	6,496,565	5,978,652
Property, plant and equipment		64,877	31,049	31,863
Intangible assets		15,534	22,639	27,509
Other assets		10,384	9,117	10,016
<b>Total assets</b>		<b>8,727,858</b>	<b>8,422,746</b>	<b>7,854,891</b>
<b>Equity and liabilities</b>				
<b>Liabilities</b>				
Trade and other payables	8.13.	37,498	36,477	35,633
Derivatives		-	105	-
Hedging instruments	8.9.	16,872	21,352	12,048
Employee benefit liabilities	8.14.	44,850	42,746	35,132
Borrowings, other debt securities and leases	8.8.	3,726,546	3,706,354	3,384,361
Provisions	8.15.	1,915	3,522	40,573
Deferred tax liabilities	8.7.	149,237	113,864	190,298
<b>Total liabilities</b>		<b>3,976,918</b>	<b>3,924,420</b>	<b>3,698,045</b>
<b>Equity</b>				
Share capital		19,396	19,382	19,319
Share premium		377,705	374,097	358,506
Hedge reserve	8.9.	126,856	80,170	88,189
Translation reserve		(188,563)	(130,734)	(111,986)
Share of other comprehensive income of subsidiaries accounted for using the equity method		(10,429)	(12,103)	5,007
Other reserves		192,648	188,654	176,259
Retained earnings		4,233,327	3,978,860	3,621,552
<b>Total equity</b>		<b>4,750,940</b>	<b>4,498,326</b>	<b>4,156,846</b>
<b>Total equity and liabilities</b>		<b>8,727,858</b>	<b>8,422,746</b>	<b>7,854,891</b>

The separate statement of financial position should be read in conjunction with the notes to the separate financial statements, which form their integral part.

## II. Separate statement of profit or loss

<i>PLN '000</i>	<b>Note</b>	<b>1 Jan–31 Mar 2025 unaudited</b>	<b>1 Jan–31 Mar 2024 unaudited</b>
Revenue from services	8.1.	78,836	56,914
Gain/(loss) on expected credit losses	8.1.	3,580	3,101
Interest income on debt portfolios measured at amortised cost	8.1.	4,387	4,312
Other operating income	8.1.	443	698
Other income/(expenses) from purchased debt portfolios	8.1.	(535)	(254)
<b>Income including gain/(loss) on expected credit losses and other income/(expenses) from purchased debt portfolios</b>		<b>86,711</b>	<b>64,771</b>
<b>Share of profit/(loss) of subsidiaries accounted for using the equity method</b>	8.10.	<b>326,095</b>	<b>368,830</b>
Employee benefits expense	8.2.	(63,434)	(56,735)
Depreciation and amortisation		(7,180)	(7,062)
Services expense	8.3.	(23,978)	(20,275)
Other expenses	8.4.	(9,598)	(7,639)
		<b>(104,190)</b>	<b>(91,711)</b>
Finance income	8.5.	36,940	40,967
<i>including interest income on loans measured at amortised cost</i>		<i>36,930</i>	<i>36,001</i>
Finance costs	8.6.	(67,497)	(62,493)
<i>including interest expense relating to lease liabilities</i>		<i>(173)</i>	<i>(353)</i>
<b>Net finance costs</b>		<b>(30,557)</b>	<b>(21,526)</b>
<b>Profit/(loss) before tax</b>		<b>278,059</b>	<b>320,364</b>
Income tax	8.7.	(23,592)	17,970
<b>Net profit/(loss) for period</b>		<b>254,467</b>	<b>338,334</b>
<b>Earnings/(loss) per share</b>			
Basic (PLN)	8.16.	13.13	17.51
Diluted (PLN)	8.16.	12.49	16.55

The separate statement of profit or loss should be read in conjunction with the notes to these separate financial statements, which form their integral part.

### III. Separate statement of comprehensive income

PLN '000	Note	1 Jan–31 Mar 2025 unaudited	1 Jan–31 Mar 2024 unaudited
<b>Net profit/(loss) for period</b>		254,467	338,334
<b>Other comprehensive income, gross</b>			
<b>Items that may be reclassified subsequently to profit or loss</b>			
Instruments hedging cash flows and net investment in a foreign subsidiary	8.9.	57,637	31,377
Exchange differences on translating of foreign operations	8.10.	(57,829)	(16,115)
Share of other comprehensive income of subsidiaries accounted for using the equity method	8.10.	1,549	13,407
		1,357	28,669
<b>Items that will not be reclassified to profit or loss</b>			
Share of other comprehensive income of subsidiaries accounted for using the equity method	8.10	125	-
		125	-
<b>Other comprehensive income for period, gross</b>		1,482	28,669
Income tax on instruments hedging cash flows and net investment in a foreign subsidiary	8.7.	(10,951)	(5,962)
<b>Other comprehensive income for period, net</b>		(9,469)	22,707
<b>Total comprehensive income for period</b>		244,998	361,041

The separate statement of comprehensive income should be read in conjunction with the notes to these separate financial statements, which form their integral part.

#### IV. Separate statement of changes in equity

PLN '000	Note	Share capital	Share premium	Hedge reserve	Translation reserve	Share of other comprehensive income of subsidiaries accounted for using the equity method	Other reserves	retained earnings	Total equity
<b>Equity as at 1 Jan 2024</b>		19,319	358,506	62,774	(95,871)	(8,400)	171,847	3,283,218	3,791,393
<b>Comprehensive income for period</b>									
Net profit/(loss) for period		-	-	-	-	-	-	338,334	338,334
<b>Other comprehensive income</b>									
- Exchange differences on translating of foreign operations	8.10.	-	-	-	(16,115)	-	-	-	(16,115)
- Share of other comprehensive income of subsidiaries accounted for using the equity method	8.10.	-	-	-	-	13,407	-	-	13,407
- Measurement of hedging instruments		-	-	25,415	-	-	-	-	25,415
<b>Total other comprehensive income</b>		-	-	25,415	(16,115)	13,407	-	-	22,707
<b>Total comprehensive income for period</b>		-	-	25,415	(16,115)	13,407	-	338,334	361,041
<b>Contributions from and distributions to owners</b>									
- Share-based payments	8.2.	-	-	-	-	-	4,412	-	4,412
<b>Total contributions from and distributions to owners</b>		-	-	-	-	-	4,412	-	4,412
<b>Total equity as at 31 Mar 2024 unaudited</b>		19,319	358,506	88,189	(111,986)	5,007	176,259	3,621,552	4,156,846

The separate statement of changes in equity should be read in conjunction with the notes to these separate financial statements, which form their integral part.

PLN '000	Note	Share capital	Share premium	Hedge reserve	Translation reserve	Share of other comprehensive income of subsidiaries accounted for using the equity method	Other reserves	retained earnings	<b>Total equity</b>
<b>Equity as at 1 Jan 2024</b>		19,319	358,506	62,774	(95,871)	(8,400)	171,847	3,283,218	3,791,393
<b>Comprehensive income for period</b>									
Net profit/(loss) for period		-	-	-	-	-	-	1,043,380	1,043,380
<b>Other comprehensive income</b>									
- Exchange differences on translating of foreign operations	8.10.	-	-	-	(34,863)	-	-	-	(34,863)
- Share of other comprehensive income of subsidiaries accounted for using the equity method	8.10.	-	-	-	-	(3,703)	-	-	(3,703)
- Measurement of hedging instruments	8.9.	-	-	17,396	-	-	-	-	17,396
<b>Total other comprehensive income</b>		-	-	17,396	(34,863)	(3,703)	-	-	(21,170)
<b>Total comprehensive income for period</b>		-	-	17,396	(34,863)	(3,703)	-	1,043,380	1,022,210
<b>Contributions from and distributions to owners</b>									
- Payment of dividends		-	-	-	-	-	-	(347,738)	(347,738)
- Share-based payments		-	-	-	-	-	16,807	-	16,807
- Issue of shares		63	15,591	-	-	-	-	-	15,654
<b>Total contributions from and distributions to owners</b>		63	15,591	-	-	-	16,807	(347,738)	(315,277)
<b>Total equity as at 31 Dec 2024</b>		19,382	374,097	80,170	(130,734)	(12,103)	188,654	3,978,860	4,498,326

The separate statement of changes in equity should be read in conjunction with the notes to these separate financial statements, which form their integral part.

<i>PLN '000</i>	<i>Note</i>	Share capital	Share premium	Hedge reserve	Translation reserve	Share of other comprehensive income of subsidiaries accounted for using the equity method	Other reserves	retained earnings	<b>Total equity</b>
<b>Equity as at 1 Jan 2025</b>		19,382	374,097	80,170	(130,734)	(12,103)	188,654	3,978,860	4,498,326
<b>Comprehensive income for period</b>									
Net profit/(loss) for period		-	-	-	-	-	-	254,467	254,467
<b>Other comprehensive income</b>									
- Exchange differences on translating of foreign operations	8.10.	-	-	-	(57,829)	-	-	-	(57,829)
-Share of other comprehensive income of subsidiaries accounted for using the equity method	8.10.	-	-	-	-	1,674	-	-	1,674
- Measurement of hedging instruments	8.9.	-	-	46,686	-	-	-	-	46,686
<b>Total other comprehensive income</b>		-	-	46,686	(57,829)	1,674	-	-	(9,469)
<b>Total comprehensive income for period</b>		-	-	46,686	(57,829)	1,674	-	254,467	244,998
<b>Contributions from and distributions to owners</b>									
- Share-based payments	8.2.	-	-	-	-	-	3,994	-	3,994
- Issue of shares		14	3,608	-	-	-	-	-	3,622
<b>Total contributions from and distributions to owners</b>		14	3,608	-	-	-	3,994	-	7,616
<b>Total equity as at 31 Mar 2025 unaudited</b>		19,396	377,705	126,856	(188,563)	(10,429)	192,648	4,233,327	4,750,940

The separate statement of changes in equity should be read in conjunction with the notes to these separate financial statements, which form their integral part.

## V. Separate statement of cash flows

<i>PLN '000</i>	<i>Note</i>	<b>1 Jan–31 Mar 2025 unaudited</b>	<b>1 Jan–31 Mar 2024 unaudited</b>
<b>Cash flows from operating activities</b>			
<b>Net profit/(loss) for period</b>		254,467	338,334
<i>Adjustments</i>			
Depreciation of property, plant and equipment		4,292	4,317
Amortisation of intangible assets		2,888	2,745
Net finance costs		30,335	21,116
Share of (profit)/loss of subsidiaries accounted for using the equity method	8.10.	(326,095)	(368,830)
(Gain)/loss on retirement/sale of property, plant and equipment	8.1.	(86)	1
Write-off of development work	8.4.	-	899
Equity-settled share-based payments	8.2.	3,994	4,412
Interest income	8.1.	(4,387)	(4,312)
Income tax	8.7.	23,592	(17,970)
Change in debt portfolios purchased	7.	(336)	280
Change in inventories	7.	1,178	521
Change in trade and other receivables	8.11.	64,653	11,235
Change in other assets		(1,267)	(1,229)
Change in trade and other payables, excluding financial liabilities	8.13.	1,020	145
Change in employee benefit liabilities	8.14.	2,104	(3,064)
Change in provisions	8.15.	-	(237)
Interest received	8.1.	4,387	4,312
Tax paid/refunded		(4,304)	9,447
<b>Net cash from (used in) operating activities</b>		56,435	2,122
<b>Cash flows from investing activities</b>			
Interest received		25,808	28,942
Loans granted	7.	(1,600)	(136,078)
Proceeds from disposal of intangible assets and property, plant and equipment		293	313
Dividends received	8.10.	12,008	-
Proceeds from investments in subsidiaries	8.10.	-	1,479
Purchase of intangible assets and property, plant and equipment		(20,214)	(2,878)
Acquisition of shares in subsidiaries	8.10.	(59,028)	(130,066)
Repayments of loans granted	7.	22,857	51,378
<b>Net cash from (used in) investing activities</b>		(19,876)	(186,910)
<b>Cash flows from financing activities</b>			
Proceeds from issue of debt securities	8.8.	100,000	173,724
Proceeds from issue of shares		3,622	-
Increase in borrowings	8.8.	344,853	233,551
Repayment of borrowings	8.8.	(252,157)	(195,318)
Payments under finance lease contracts (principal)	8.8.	(4,364)	(4,822)
Redemption of debt securities	8.8.	(167,500)	(77,500)
Interest paid and received on hedging instruments		31,080	23,616
Interest paid		(81,616)	(79,921)
<b>Net cash from (used in) financing activities</b>		(26,082)	73,330
<b>Total net cash flows</b>		10,477	(111,458)
Cash and cash equivalents at beginning of period		9,110	227,643
Cash and cash equivalents at end of period		19,587	116,185
- effect of exchange rate fluctuations on cash held		(222)	(410)

The separate statement of cash flows should be read in conjunction with the notes to these separate financial statements, which form their integral part.

## VI. Notes to the interim condensed separate financial statements

### 1. Company details

*Name*

KRUK Spółka Akcyjna (“KRUK S.A.” or the “Company”)

*Registered office*

ul. Bolkowska 3  
53-612 Wrocław, Poland

The registered address of the Company has changed from ul. Wołowska 8, 51-116 Wrocław, Poland to ul. Bolkowska 3, 53-612 Wrocław, Poland, with effect from March 31st 2025.

*Registration in the National Court Register:*

District Court for Wrocław-Fabryczna in Wrocław, 6th Commercial Division of the National Court Register, ul. Poznańska 16-17, 53-230 Wrocław, Poland

Date of registration: 7 September 2005

Registration number: KRS No. 0000240829

*Principal business activity*

The Company’s principal business consists in debt collection, including collection of receivables from purchased debt portfolios, fee-based credit management services, and investing in subsidiaries.

The Company is the parent of the KRUK Group (the “Group”) and in addition to these separate financial statements it prepares consolidated financial statements containing the data of the Company and its subsidiaries. The consolidated financial statements were approved on the same day as these separate financial statements.

As at 31 March 2025, the composition of KRUK S.A.’s Management Board was as follows:

<b>Piotr Krupa</b>	President of the Management Board
<b>Piotr Kowalewski</b>	Member of the Management Board
<b>Adam Łodygowski</b>	Member of the Management Board
<b>Urszula Okarma</b>	Member of the Management Board
<b>Michał Zasepa</b>	Member of the Management Board

In the three months ended 31 March 2025 and until the date of issue of this interim report, the composition of the Management Board of KRUK S.A. did not change.

On 27 March 2025 the Company’s Supervisory Board passed resolutions, effective from 27 March 2025, reappointing the Company’s Management Board for a new joint three-year term.

As at 31 March 2025, the composition of the KRUK S.A. Supervisory Board was as follows:

<b>Ewa Radkowska-Świętoń</b>	Chair of the Supervisory Board
<b>Krzysztof Kawalec</b>	Deputy Chair of the Supervisory Board
<b>Dominika Bettman</b>	Member of the Supervisory Board
<b>Katarzyna Beuch</b>	Member of the Supervisory Board
<b>Izabela Felczak-Poturnicka</b>	Member of the Supervisory Board
<b>Piotr Stępiak</b>	Member of the Supervisory Board
<b>Piotr Szczepiórkowski</b>	Member of the Supervisory Board

In the three months to 31 March 2025, there were changes in the composition of the KRUK S.A. Supervisory Board:

- On 22 January 2025, Beata Stelmach resigned as a member of the Supervisory Board effective 29 January 2025;
- On 30 January 2025, the Extraordinary General Meeting of KRUK S.A. appointed Dominika Bettman as a member of the KRUK S.A. Supervisory Board, effective from the same date.

Following the end of the reporting period and until the date of issue of this interim report, there were no further changes on the Supervisory Board.

## 2. Reporting period

The reporting period is the period from 1 January to 31 March 2025 and the comparative period is the period from 1 January to 31 March 2024. The separate statement of financial position has been prepared as at 31 March 2025 and the comparative data is presented as at 31 December 2024 and 31 March 2024. The separate statement of changes in equity was prepared for the period from 1 January 2025 to 31 March 2025 and the comparative periods are from 1 January 2024 to 31 December 2024 and from 1 January 2024 to 31 March 2024.

The presented data has not been audited.

## 3. Statement of compliance

These interim condensed separate financial statements of the Company have been prepared in a condensed form in accordance with IAS 34 applicable to interim financial statements, as endorsed by the European Union, and should be read in conjunction with the consolidated financial statements of the Group as at 31 March 2025 and for the period from 1 January 2025 to 31 March 2025.

These financial statements do not contain all the information required to be included when preparing full-year financial statements and should therefore be read in conjunction with the separate financial statements of KRUK S.A. and the consolidated financial statements of the Group prepared in accordance with International Financial Reporting Standards as at and for the year ended 31 December 2024. The separate and consolidated financial statements are available at: [Interim reports / KRUK S.A.](#)

In the opinion of the Management Board, there are no facts or circumstances which could pose a significant threat to the Company continuing as a going concern. Therefore, these interim condensed financial statements have been prepared under the assumption that the Company will continue as a going concern for the foreseeable future.

These interim condensed financial statements were authorised for issue by the Company's Management Board (the "Management Board") on 25 April 2025.

All amounts in these interim condensed separate financial statements are presented in the Polish złoty, rounded to the nearest thousand. Therefore, mathematical inconsistencies may occur in summations or between notes.

The Polish złoty is the functional currency of the Company.

#### 4. Significant accounting policies

These interim condensed separate financial statements have been prepared based on the following valuation concepts:

- measurement with the equity method – for investments in subsidiaries;
- measurement at amortised cost calculated using the effective interest rate method:
  - including allowance for expected credit losses – for credit-impaired assets (investments in debt portfolios);
  - for financial assets held as part of the business model whose objective is to hold financial assets in order to collect contractual cash flows (loans advanced); and
  - for other financial liabilities;
- measurement at fair value – for derivatives;
- measurement at historical cost for other non-financial assets and liabilities.

#### Changes in accounting policies

The accounting policies applied to prepare these interim condensed separate financial statements are consistent with those applied in the most recent full-year separate financial statements as at and for the year ended 31 December 2024.

The Company also applied the following amendments to standards and interpretations approved for use in the European Union as of 1 January 2025:

- Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rate – Lack of Exchangeability*.

The amendments had no significant effect on the interim condensed separate financial statements.

These financial statements comply with the requirements of International Accounting Standards, International Financial Reporting Standards and related interpretations endorsed by the European Union, which have been issued and are effective for annual periods beginning on or after 1 January 2025.

### Standards and interpretations issued but not yet adopted by the European Union

Standards and interpretations not yet endorsed by the EU	Type of expected change in accounting policies	Possible effect on the financial statements	Effective for periods beginning on or after
IFRS 19 Subsidiaries without Public Accountability: Disclosures	The new standard specifies reduced disclosure requirements that an eligible entity may apply instead of the disclosure requirements in other IFRSs.	The Company does not expect the amendments to have any significant effect on its separate financial statements.	1 January 2027
IFRS 18 Presentation and Disclosure in Financial Statements	The standard is to replace IAS 1 Presentation of Financial Statements.	The Company is analysing the impact of the standard on the presentation of its financial statements.	1 January 2027
Annual Improvements to IFRS Accounting Standards—Volume 11	These annual improvements introduce minor amendments to IFRS 1 First-time Adoption of IFRSs, IFRS 7 Financial Instruments – Disclosures, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements, IAS 41 Agriculture, and IAS 7 Statement of Cash Flows.	The Company is assessing the potential impact of the amendments on its separate financial statements.	1 January 2026
Amendments to the classification and measurement of financial instruments (amendments to IFRS 9 and IFRS 7)	The amendments will address diversity in accounting practice by making the requirements more understandable and consistent.	The Company is assessing the potential impact of the amendments on its separate financial statements.	1 January 2026
Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)	The objective of the Amendments is to better reflect the effects of physical and virtual nature-dependent electricity contracts in financial statements.	The Company does not expect the amendments to have any significant effect on its separate financial statements.	1 January 2026

## 5. Accounting estimates and judgements

In order to prepare interim separate financial statements, the Management Board is required to make judgements, estimates and assumptions which affect the application of adopted accounting policies and the reported amounts of assets, liabilities, revenue and expenses, whose actual values may differ from estimates.

The estimates and assumptions are reviewed by the Company on an ongoing basis, based on past experience and other factors, including expectations as to future events, which seem justified in given circumstances. Any changes in accounting estimates are introduced prospectively, starting from the reporting period in which the estimate is revised.

Information on estimates and judgements concerning the application of accounting policies which most significantly affect the amounts presented in the financial statements:

Item	Amount estimated		Note	Assumptions and estimate calculation
	31 Mar 2025 (PLN '000)	31 Dec 2024 (PLN '000)		
Equity-accounted investments in subsidiaries	6,810,258	6,496,565	8.10.	Equity-accounted investments in subsidiaries are subject to impairment testing. Investments in subsidiaries for which impairment indications were identified are tested for impairment at least annually. As part of the tests, the Company estimates the recoverable amount of the investments based on the value in use of the respective cash-generating units, using the discounted cash flow method. The valuation of investments in subsidiaries is based on a number of assumptions and estimates, in particular with respect to the amount of future cash flows and the adopted discount rate. The projected cash flows of subsidiaries investing in debt portfolios or debt-related assets depend primarily on the assumed expenditure on new portfolios and amount of recoveries. The correctness of the underlying assumptions involves a considerable risk given the significant uncertainty as to the effectiveness of debt collection activities in the future. The discount rate used to test investments in subsidiaries for impairment reflects the current market assessment of the asset risk for the debt collection industry.

Investments in debt portfolios	32,830	32,494	7.	<p>The value of purchased debt portfolios as at the valuation date is determined using an estimation model relying on expected discounted cash flows. The expected cash flows were estimated with the use of analytical methods (portfolio analysis) or based on a legal and economic analysis of individual claims or indebted persons (case-by-case analysis). The method of estimating cash flows from a debt portfolio is selected based on the available data on the portfolio, debt profiles as well as historical data collected in the course of managing the portfolio. KRUK S.A. prepares projections of recoveries from debt portfolios separately for individual markets. The projections account for historical performance of the process of debt portfolio recovery, legal regulations currently in force and planned, type and nature of debt and security, current collection strategy and macroeconomic considerations, among other factors. Initial projections of expected cash flows that take into account the initial value (purchase price) are the basis for calculating the effective interest rate, equal to the internal rate of return including an element that reflects credit risk, which is used for discounting estimated cash flows, and which, as a rule, remains unchanged throughout the life of a portfolio.</p>
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Item	Amount subject to judgement		Note	Assumptions and estimate calculation
	31 Mar 2025 (PLN '000)	31 Dec 2024 (PLN '000)		
Deferred tax liability	149,237	113,864	8.7.	<p>The Company exercises control over the timing of temporary differences regarding subsidiaries, and thus recognises deferred tax liabilities. These liabilities are based on estimates of future income tax payments, which are derived from three-year plans. The Company assesses the recoverability of the deferred tax asset based on its approved projection of profits for the following years.</p> <p>The amount of deferred tax liabilities is affected by changes in expected future cash flows from investment companies to KRUK S.A. in the foreseeable future. The level of the cash flows depends on such factors as:</p> <ul style="list-style-type: none"> <li>• KRUK S.A.'s liquidity needs and the amount of raised and projected new debt financing available to KRUK S.A.,</li> <li>• raised and projected new debt financing available to the investment companies,</li> <li>• the planned expenditure on debt portfolios – its amount determines the projected liquidity position of the investment companies,</li> <li>• planned recoveries from purchased debt portfolios at the investment companies.</li> </ul> <p>Therefore, the amount of deferred tax liability for expected future cash flows from subsidiaries may be subject to material changes in individual reporting periods.</p>

## 6. Financial risk management

The principles of financial risk management are presented in the most recent separate full-year financial statements prepared as at and for the financial year ended 31 December 2024. In the period from 1 January to 31 March 2025, there were no significant changes in the approach to financial risk management.

## 7. Type and amounts of changes in estimates adopted in previous financial years with a material effect on the reporting period

### Investments measured at amortised cost

<i>PLN '000</i>	<b>31 Mar 2025 unaudited</b>	<b>31 Dec 2024</b>	<b>31 Mar 2024 unaudited</b>
<b>Investments measured at amortised cost</b>			
Loans to related parties	1,553,799	1,585,407	1,484,900
Investments in debt portfolios	32,830	32,494	31,467
	<u>1,586,629</u>	<u>1,617,901</u>	<u>1,516,367</u>

### Investments in debt portfolios

As part of its investments in debt portfolios, the Company holds unsecured portfolios. For information on the assumptions made in the valuation of debt portfolios and the adopted schedule of collections (undiscounted value), see Note 8.1.

### Changes in carrying amounts of investments in debt portfolios

In the reporting period, the Company did not invest in debt portfolios, while recoveries from indebted persons were PLN 7,096 thousand (same period of the year before: PLN 7,439 thousand; 31 December 2024: PLN 28,987 thousand). Below are presented changes in the net carrying amount of investments in debt portfolios:

<i>PLN '000</i>	<b>31 Mar 2025 unaudited</b>	<b>31 Dec 2024</b>	<b>31 Mar 2024 unaudited</b>
<b>Carrying amount of investments in debt portfolios at beginning of period</b>	32,494	31,747	31,747
Cash recoveries	(7,096)	(28,987)	(7,439)
Revenue from purchased debt portfolios	7,432	29,734	7,159
<b>Carrying amount of investments in debt portfolios at end of period</b>	<u>32,830</u>	<u>32,494</u>	<u>31,467</u>

For a description of revenue from purchased debt portfolios, including interest income and allowance for expected credit losses, see Note 8.1.

*Changes in expected credit losses*

Below are presented changes in expected credit losses on purchased debt portfolios:

<i>PLN '000</i>	<b>31 Mar 2025 unaudited</b>	<b>31 Dec 2024</b>	<b>31 Mar 2024 unaudited</b>
<b>Cumulative expected credit losses on purchased debt portfolios at beginning of period</b>	302,352	289,597	289,597
Revaluation of projected recoveries	2,315	9,089	2,111
Deviations from actual recoveries, decreases on early collections in collateralised cases	1,265	3,666	990
<b>Cumulative expected credit losses on purchased debt portfolios at end of period</b>	<b>305,932</b>	<b>302,352</b>	<b>292,698</b>

Changes in expected credit losses are reflected in the value of the debt portfolio.

*Loans to related parties*

As at 31 March 2025, the gross carrying amount of loans advanced to related parties was PLN 1,570,626 thousand, and the loss allowance was PLN 16,827 thousand (31 December 2024: PLN 1,604,727 thousand and PLN 19,320 thousand, respectively).

Loans to related parties are provided on the following terms:

- 3M WIBOR + margin of 2.09–6.4pp,
- 3M EURIBOR + margin of 2.09–2.95pp,
- 3M PRIBOR + margin of 2–2.09pp,
- 3M ROBOR + margin of 2.09–3pp,
- fixed interest rate – 6.56–9.76pp.

For information on the balance of loans to related parties, see Note 12. For information on the Company's exposure to credit, currency and interest rate risks associated with its investments, see Note 10.

**Inventories (including property foreclosed as part of investments in debt portfolios)**

<i>PLN '000</i>	<b>31 Mar 2025 unaudited</b>	<b>31 Dec 2024</b>	<b>31 Mar 2024 unaudited</b>
Property	8,588	9,779	13,850
Other inventories	213	200	191
	<b>8,801</b>	<b>9,979</b>	<b>14,041</b>

The Company forecloses property securing acquired debt. A portion of the recoveries derives from the sale of such property on the open market.

<i>PLN '000</i>	<b>31 Mar 2025 unaudited</b>	<b>31 Dec 2024</b>	<b>31 Mar 2024 unaudited</b>
<b>Carrying amount of property held at beginning of period</b>	9,779	14,418	14,418
Carrying amount of property foreclosed	84	2,651	930
Carrying amount of property sold	(1,246)	(5,708)	(1,101)
Impairment loss on property	(29)	(1,582)	(397)
<b>Carrying amount of property held at end of period</b>	<b>8,588</b>	<b>9,779</b>	<b>13,850</b>

As at 31 March 2025, the inventory write-down was PLN 29 thousand (same period of the previous year: PLN 397 thousand; 31 December 2024: PLN 1,582 thousand).

**8. Type and amounts of items affecting the assets, liabilities, capital, net profit/loss or cash flows, which are material due to their type, size or effect****8.1. Income including gain/(loss) on expected credit losses and other income/(expenses) from purchased debt portfolios****Revenue from services**

<i>PLN '000</i>	<b>1 Jan–31 Mar 2025 unaudited</b>	<b>1 Jan–31 Mar 2024 unaudited</b>
Revenue from debt collection and credit management services	56,767	36,027
Revenue from other services	22,024	20,858
Revenue from sale of merchandise and materials	45	29
	<b>78,836</b>	<b>56,914</b>

*Revenue from other services*

<i>PLN '000</i>	<b>1 Jan–31 Mar 2025 unaudited</b>	<b>1 Jan–31 Mar 2024 unaudited</b>
Guarantee fees	9,537	8,713
Administrative support services	4,947	2,308
IT services	4,524	6,694
Rental services	1,915	1,659
Valuation services	1,100	1,483
Other services	1	1
	<b>22,024</b>	<b>20,858</b>

*Revenue from purchased debt portfolios*

<i>PLN '000</i>	<b>1 Jan–31 Mar 2025 unaudited</b>	<b>1 Jan–31 Mar 2024 unaudited</b>
Interest income on debt portfolios measured at amortised cost	4,387	4,312
Gain/(loss) on expected credit losses	3,580	3,101
Other income/(expenses) from purchased debt portfolios	(535)	(254)
	<b>7,432</b>	<b>7,159</b>

*Gain/(loss) on expected credit losses from purchased debt portfolios*

<i>PLN '000</i>	<b>1 Jan–31 Mar 2025 unaudited</b>	<b>1 Jan–31 Mar 2024 unaudited</b>
Revaluation of projected recoveries	2,315	2,111
Deviations from actual recoveries, decreases on early collections in collateralised cases	1,265	990
	<b>3,580</b>	<b>3,101</b>

If necessary, as at the end of each quarter the Company updates the following parameters which are used to estimate future cash flows from debt portfolios measured at amortised cost:

- discount rate in case of change in the amount of the purchased debt portfolio;
- cash flows estimation period;
- expected future cash flows estimated using the current data and debt collection processes.

The Company analyses the impact of macroeconomic factors on projected recoveries; historically, no correlation between recoveries from purchased debt portfolios and the macroeconomic situation has been found.

*Assumptions adopted in the valuation of debt portfolios*

	<b>31 Mar 2025 unaudited</b>	<b>31 Dec 2024</b>	<b>31 Mar 2024 unaudited</b>
Discount rate*	28.11%–170.19%	28.11%–170.19%	28.11%–170.19%
Cash flows estimation period	Apr 2025–Dec 2039	Jan 2025–Dec 2039	Apr 2024–Dec 2038
Undiscounted value of future recoveries <i>PLN '000</i>	122,571	122,129	114,626

\* Interest rate range applicable to 99% of debt portfolios.

<i>PLN '000</i>	<b>31 Mar 2025 unaudited</b>	<b>31 Dec 2024</b>	<b>31 Mar 2024 unaudited</b>
discount rate:			
< 25%	45	19	34
25% - 50%	15,179	16,793	13,135
> 50%	107,347	105,317	101,457
	<b>122,571</b>	<b>122,129</b>	<b>114,626</b>

*Projected estimated schedule of recoveries from debt portfolios (undiscounted value)*

<i>PLN '000</i>	<b>31 Mar 2025 unaudited</b>	<b>31 Dec 2024</b>	<b>31 Mar 2024 unaudited</b>
<b>Time horizon</b>			
Up to 12 months	22,734	22,349	22,053
From 1 to 2 years	18,845	18,223	17,510
From 2 to 3 years	15,028	15,194	14,502
From 3 to 4 years	12,582	12,744	12,065
From 4 to 5 years	10,274	10,478	9,962
From 5 to 6 years	8,412	8,425	8,093
From 6 to 7 years	6,866	6,921	6,408
From 7 to 8 years	5,731	5,852	5,297
From 8 to 9 years	5,074	4,971	4,446
From 9 to 10 years	4,479	4,242	3,758
From 10 to 11 years	3,891	3,616	3,183
From 11 to 12 years	3,265	3,182	2,732
From 12 to 13 years	2,483	2,630	2,269
From 13 to 14 years	1,842	1,838	1,721
From 14 to 15 years	1,065	1,464	627
Over 15 years	-	-	-
	<b>122,571</b>	<b>122,129</b>	<b>114,626</b>

The amounts of estimated remaining collections on debt portfolios as presented above for different discount rate ranges is subject to change for the comparative periods as a result of:

- acquisition of new debt portfolios,
- actual collections on existing debt portfolios,
- revaluation of estimated remaining collections.

### Other income/(expenses) from purchased debt portfolios

PLN '000	1 Jan–31 Mar 2025 unaudited	1 Jan–31 Mar 2024 unaudited
Foreign exchange gains/(losses)	(535)	(254)
	<u>(535)</u>	<u>(254)</u>

### Other operating income

PLN '000	1 Jan–31 Mar 2025 unaudited	1 Jan–31 Mar 2024 unaudited
Gain/(loss) on sale of property	620	407
Gain/(loss) on retirement/sale of property, plant and equipment	86	(1)
Compensation for motor damage	39	-
Other	11	45
Re-billing income/(expense)	(313)	247
	<u>443</u>	<u>698</u>

## 8.2. Employee benefits expense

PLN '000	1 Jan–31 Mar 2025 unaudited	1 Jan–31 Mar 2024 unaudited
Salaries and wages	(46,152)	(41,718)
Pension and disability insurance contributions (defined contribution plans)	(8,657)	(6,590)
Equity-settled cost of stock option plan	(3,994)	(4,412)
Other employee expenses	(2,397)	(2,169)
Other social security contributions	(1,859)	(1,512)
Contribution to the State Fund for the Disabled	(375)	(334)
	<u>(63,434)</u>	<u>(56,735)</u>

### 8.3. Services expense

<i>PLN '000</i>	<b>1 Jan–31 Mar 2025 unaudited</b>	<b>1 Jan–31 Mar 2024 unaudited</b>
IT services	(13,368)	(10,264)
Credit management services	(3,381)	(3,445)
Postal and courier services	(1,616)	(1,669)
Administrative and accounting support services	(1,458)	(1,356)
Space rental and service charges	(1,055)	(745)
Communications services	(891)	(905)
Legal assistance services	(656)	(572)
Repair and maintenance services	(294)	(87)
Banking services	(249)	(218)
Security	(211)	(194)
Other auxiliary services	(192)	(237)
Repair of vehicles	(163)	(121)
Other rental	(143)	(89)
Recruitment services	(122)	(207)
Printing services	(97)	(92)
Transport services	(42)	(33)
Packing services	(28)	(29)
Marketing and management services	(12)	(12)
	<u>(23,978)</u>	<u>(20,275)</u>

The increase in the cost of IT, administrative and accounting support services relative to the three months ended 31 March 2024 was mainly driven by the procurement of services related to the development of KRUK S.A.'s digital transformation strategy.

### 8.4. Other expenses

<i>PLN '000</i>	<b>1 Jan–31 Mar 2025 unaudited</b>	<b>1 Jan–31 Mar 2024 unaudited</b>
Raw materials and consumables used	(4,908)	(1,401)
Staff training	(1,009)	(957)
Advertising	(690)	(728)
Representation expenses	(510)	(732)
Business travel	(382)	(506)
Losses due to traffic damage	(352)	(36)
Refund of litigation costs	(343)	(337)
Donations	(250)	(66)
VAT on rental payments (leases and rents)	(245)	(652)
Court fees	(213)	(234)
Taxes and charges	(210)	(624)
Motor insurance	(182)	(178)
Property insurance	(157)	(114)
Non-competition	(111)	(64)
Membership fees	(31)	-
Other	(5)	(111)
Write-off of development work	-	(899)
	<u>(9,598)</u>	<u>(7,639)</u>

The increase in raw materials and consumables used compared with the three months to 31 March 2024 was attributable to the expenses on office equipment incurred because of the relocation of the Company's registered office.

## 8.5. Finance income

<i>PLN '000</i>	<b>1 Jan–31 Mar 2025 unaudited</b>	<b>1 Jan–31 Mar 2024 unaudited</b>
Interest income on loans advanced	36,930	36,001
Interest income on bank deposits	10	4,966
	<u>36,940</u>	<u>40,967</u>

## 8.6. Finance costs

<i>PLN '000</i>	<b>1 Jan–31 Mar 2025 unaudited</b>	<b>1 Jan–31 Mar 2024 unaudited</b>
Interest and commission expense on financial liabilities measured at amortised cost	(82,686)	(79,458)
<i>including interest</i>	<i>(79,388)</i>	<i>(76,461)</i>
Expense/income from settlement of derivatives – FORWARD	(1,515)	-
Net exchange rate differences	(765)	(1,822)
Interest income/expense on hedging instruments – CIRS	115	(78)
Interest income/expense on hedging instruments – IRS	337	3,721
Hedging income/expense	17,017	15,144
	<u>(67,497)</u>	<u>(62,493)</u>

## Effect of exchange rate movements on statement of profit or loss

<i>PLN '000</i>	<i>Note</i>	<b>1 Jan–31 Mar 2025 unaudited</b>	<b>1 Jan–31 Mar 2024 unaudited</b>
Realised exchange gains/(losses)		(1,700)	(1,674)
Expense/income from settlement of derivatives – FORWARD		(1,515)	-
Remeasurement of debt portfolios due to exchange rate movements	8.1.	(535)	(254)
Unrealised exchange gains/(losses)		935	(148)
		<u>(2,815)</u>	<u>(2,076)</u>

## 8.7. Income tax

PLN '000	1 Jan–31 Mar 2025 unaudited	1 Jan–31 Mar 2024 unaudited
<b>Current income tax recognised in profit or loss</b>		
Current income tax payable*	829	-
<b>Deferred income tax recognised in profit or loss</b>		
Related to temporary differences and their reversal **	(24,421)	17,970
<b>Income tax recognised in profit or loss</b>	<u>(23,592)</u>	<u>17,970</u>
<b>Deferred income tax recognised in other comprehensive income</b>		
Related to temporary differences and their reversal	(10,951)	(5,962)
<b>Income tax recognised in other comprehensive income</b>	<u>(10,951)</u>	<u>(5,962)</u>
<b>Income tax recognised in comprehensive income</b>	<u>(34,543)</u>	<u>12,008</u>

\* The amount of income tax disclosed in these financial statements includes reversal of provision for tax audit result.

\*\*The increase in deferred tax liabilities in the reporting period was attributable to an increase in expected cash inflows from subsidiaries and lower cost of revenue related to forecast proceeds from investments in subsidiaries.

## Reconciliation of effective income tax rate

PLN '000	1 Jan–31 Mar 2025 unaudited	1 Jan–31 Mar 2024 unaudited
Profit/(loss) before tax	278,059	320,364
Income tax recognised in profit or loss	(23,592)	17,970
Tax calculated at the tax rate applicable in Poland (19%)	(52,831)	(60,869)
Differences resulting from ability to control the timing of reversal of temporary differences in the valuation of net assets of subsidiaries and the probability of their realization in the foreseeable future, and other non-deductible expenses/non-taxable income	29,239	78,839
	<u>(23,592)</u>	<u>17,970</u>
Effective tax rate	8.48%	(5.61%)

The Company does not recognise CIT based on an estimated average annual effective rate as this would not eliminate tax fluctuations over a financial year.

### Deferred tax assets and liabilities

Deferred tax assets and liabilities have been recognised in respect of the following items of assets and liabilities:

PLN '000	Assets		Liabilities		Net carrying amount	
	31 Mar 2025 unaudited	31 Dec 2024	31 Mar 2025 unaudited	31 Dec 2024	31 Mar 2025 unaudited	31 Dec 2024
Property, plant and equipment	6,054	2,403	(7,082)	(2,961)	(1,028)	(558)
Intangible assets	-	-	(2,074)	(3,470)	(2,074)	(3,470)
Trade and other receivables	-	-	(2,124)	(180)	(2,124)	(180)
Borrowings and other debt instruments, leases	22,902	21,413	-	-	22,902	21,413
Employee benefit liabilities	3,573	2,686	-	-	3,573	2,686
Provisions and liabilities	9	224	-	-	9	224
Investments in debt portfolios	-	-	(7,786)	(7,682)	(7,786)	(7,682)
Equity-accounted investments in subsidiaries	-	-	(133,910)	(108,449)	(133,910)	(108,449)
Derivative hedging instruments	-	-	(28,799)	(17,848)	(28,799)	(17,848)
<b>Deferred tax assets/liabilities</b>	<b>32,538</b>	<b>26,726</b>	<b>(181,775)</b>	<b>(140,590)</b>	<b>(149,237)</b>	<b>(113,864)</b>
Deferred tax assets offset against liabilities	(32,538)	(26,726)	32,538	26,726	-	-
<b>Deferred tax assets/liabilities in the statement of financial position</b>	<b>-</b>	<b>-</b>	<b>(149,237)</b>	<b>(113,864)</b>	<b>(149,237)</b>	<b>(113,864)</b>

**Change in temporary differences in the period**

PLN '000

	Net amount of deferred tax at 1 Jan 2025	Change in temporary differences recognised in profit or loss for the period	Net amount of deferred tax at 31 Mar 2025 unaudited	Net amount of deferred tax at 1 Jan 2024	Change in temporary differences recognised in profit or loss for the period	Net amount of deferred tax at 31 Dec 2024
Property, plant and equipment	(558)	(470)	(1,028)	988	(1,546)	(558)
Intangible assets	(3,470)	1,396	(2,074)	(5,000)	1,530	(3,470)
Trade and other receivables	(180)	(1,944)	(2,124)	(241)	61	(180)
Borrowings and other debt instruments, leases	21,413	1,489	22,902	21,776	(363)	21,413
Employee benefit liabilities	2,686	887	3,573	4,582	(1,896)	2,686
Provisions and liabilities	224	(215)	9	186	38	224
Investments in debt portfolios	(7,682)	(104)	(7,786)	(7,411)	(271)	(7,682)
Equity-accounted investments in subsidiaries	(108,449)	(25,461)	(133,910)	(203,420)	94,971	(108,449)
	<u>(96,016)</u>	<u>(24,421)</u>	<u>(120,438)</u>	<u>(188,540)</u>	<u>92,522</u>	<u>(96,016)</u>

PLN '000

	Net amount of deferred tax at 1 Jan 2025	Change in temporary differences recognised in other comprehensive income	Net amount of deferred tax at 31 Mar 2025 unaudited	Net amount of deferred tax at 1 Jan 2024	Change in temporary differences recognised in other comprehensive income	Net amount of deferred tax at 31 Dec 2024
Derivative hedging instruments	(17,848)	(10,951)	(28,799)	(13,767)	(4,081)	(17,848)
	<u>(17,848)</u>	<u>(10,951)</u>	<u>(28,799)</u>	<u>(13,767)</u>	<u>(4,081)</u>	<u>(17,848)</u>

The Company assesses the recoverability of the deferred tax asset based on its approved projection of profits for the following years.

The amount of deferred tax liabilities is affected by changes in expected future cash flows from investment companies to KRUK S.A. in the foreseeable future.

The level of the cash flows depends on such factors as:

- KRUK S.A.'s liquidity needs and the amount of raised and projected new debt financing available to KRUK S.A.,
- raised and projected new debt financing available to the investment companies,
- the planned expenditure on debt portfolios – its amount determines the projected liquidity position of the investment companies,
- planned recoveries from purchased debt portfolios at the investment companies.

Therefore, the amount of deferred tax liability for expected future cash flows from subsidiaries may be subject to material changes in individual reporting periods.

The increase in deferred tax liability for the current period is due to:

- increase in expected cash inflows from subsidiaries,
- lower cost of revenue related to forecast proceeds from investments in subsidiaries.

The Company benefits from the exemption provided in IAS 12 and does not recognise a deferred tax liability in respect of retained earnings in its related entities where it is able to control the timing of the reversal of temporary differences in the foreseeable future and it is probable that the temporary differences will not reverse in the next 36 months. The total amount of temporary differences underlying the unrecognised deferred tax liability on retained earnings as at 31 March 2025 was PLN 5,263,420 thousand (as at 31 December 2024: PLN 5,081,798 thousand).

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 is registered, and took effect on 1 January 2025 (the Act on Top-up Tax Levied on Constituent Entities of Multinational and Domestic Groups of 6 November 2024). Since the Pillar Two regulations were not in effect as at the reporting date, the Group has no current tax expense. 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 Company estimates that the KRUK Group's consolidated revenue may reach the EUR 750 million threshold in 2025 and 2026 at the earliest. In this 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 that operate in jurisdictions (Poland, Malta and Luxembourg) for which the estimated weighted average effective tax rate based on accounting profit for the reporting period ended 31 March 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 to those calculated in accordance with IAS 12.

Based on the current assessment, the application of Pillar Two regulations is not expected to increase the Group's effective annual tax rate before 2027.

## 8.8. Borrowings, other debt securities and leases

PLN '000	31 Mar 2025 unaudited	31 Dec 2024	31 Mar 2024 unaudited
<b>Non-current liabilities</b>			
Secured borrowings	663,355	577,239	209,573
Liabilities under debt securities (unsecured)	2,904,260	2,892,970	2,771,388
Lease liabilities	25,537	2,264	6,985
	<u>3,593,152</u>	<u>3,472,473</u>	<u>2,987,946</u>
<b>Current liabilities</b>			
Secured borrowings	4,527	6,763	213,412
Liabilities under debt securities (unsecured)	122,539	216,732	167,484
Lease liabilities	6,328	10,386	15,519
	<u>133,394</u>	<u>233,881</u>	<u>396,415</u>
	<u>3,726,546</u>	<u>3,706,354</u>	<u>3,384,361</u>

### Liabilities repayment schedule

PLN '000	Currency	Nominal interest rate	Maturity periods*	31 Mar 2025 unaudited	31 Dec 2024	31 Mar 2024 unaudited
Borrowings secured over the Company's assets	PLN/EUR	3M WIBOR + margin of 2.0–2.7pp; 1M EURIBOR + margin of 2.3–2.5pp; 3M EURIBOR + margin of 2.0–2.2pp; 3M ROBOR + margin of 2.35pp	2025-2029	667,882	584,002	422,985
Liabilities under debt securities (unsecured)	PLN/EUR	3M WIBOR + margin of 2.8–4.65pp; 4.0% - 4.8%**; 3M EURIBOR + margin of 4.0–6.5pp	2025-2031	3,026,799	3,109,702	2,938,872
Lease liabilities	PLN/EUR	3M WIBOR or 1M EURIBOR + margin of 3.65–4.29pp 4.74%-9,64%	2025-2033	31,865	12,650	22,504
				<u>3,726,546</u>	<u>3,706,354</u>	<u>3,384,361</u>

\* Maturity of the last liability.

\*\* Fixed interest rate.

### Impact of IBOR reform

In June 2024, the National Working Group (NWG) initiated a public consultation regarding the review and evaluation of alternative interest rate benchmarks. The purpose of the consultation was to reassess the National Working Group's September 2022 decision to select WIRON as the optimal replacement for the WIBOR reference rate. The consultation covered the benchmark WIRON, WIRON+, WIRF, WIRF+, and WRR, which participants were invited to evaluate based on criteria such as benchmark quality, characteristics, and their potential for the development of the financial and

banking products markets. The participants also had the opportunity to comment on current market and regulatory environment and related initiatives that could help strengthen the new benchmark, the market it represents, and the instruments based on it. On 9 July 2024, the NWG announced that it had concluded the public consultation process as of 1 July 2024. The results of the consultation will be considered in the decision-making process regarding the selection of an alternative reference rate for WIBOR and the development of an updated Roadmap for the reform of reference rates in Poland, including the necessary steps for further development of the domestic money market.

At its meetings on 21 November 2024 and 6 December 2024, the Steering Committee of the NWG held discussions and decided to adopt the proposed index technically named WIRF– as the ultimate interest rate benchmark to replace the WIBOR benchmark. On 24 January 2025, the Steering Committee of the NWG decided to adopt the target name POLSTR (Polish Short Term Rate) for the proposed index technically named WIRF–.

The Company does not anticipate a material impact from IBOR reform on its financial obligations, but cannot conclusively determine its effect as not all systemic and regulatory solutions have been finalised. The Company takes measures to prepare for a change in the benchmarks underlying concluded financial instruments in the event WIBOR ceases to be published.

The Company continuously monitors regulatory changes in benchmarks, and negotiates amendments to the Master and Credit Agreements governing the hedging instruments and bank loans, to ensure optimal transition to an alternative benchmark when the WIBOR is replaced.

The individual items for which WIBOR is used as the benchmark are presented below:

<i>PLN '000</i>	<b>31 Mar 2025 unaudited</b>	<b>31 Dec 2024</b>	<b>31 Mar 2024 unaudited</b>
<b>Carrying amount of financial liabilities for which WIBOR is used as the benchmark</b>			
Borrowings secured over the Company's assets	329,078	235,913	209,626
Liabilities under debt securities (unsecured)	2,259,771	2,326,523	2,152,099
Lease liabilities	2,362	2,958	6,378
<b>Notional amount of hedging instruments for which WIBOR is used as the benchmark</b>			
CIRS	1,830,000	1,957,500	1,832,500
IRS	-	-	165,000

## 8.9. Hedging instruments

### Interest rate risk hedges

In the three months to 31 March 2025, the Company did not enter into any new currency interest rate swaps (CIRS).

As at 31 March 2025, the Company held the following open outstanding CIRS contracts with a total notional amount of PLN 1,830,000 thousand:

Bank	Type of transaction	Volume	Fixed rate [EUR]	Variable rate [PLN]	Transaction date	Transaction maturity date
ING Bank Śląski S.A.	CCIRS	PLN 330,000,000	2.13%	3M WIBOR	14 Jun 2022	24 May 2027
ING Bank Śląski S.A.	CCIRS	PLN 140,000,000	1.90%	3M WIBOR	23 Jun 2022	24 Mar 2027
Santander Bank Polska S.A.	CCIRS	PLN 50,000,000	1.72%	3M WIBOR	20 Jun 2022	16 Mar 2026
Santander Bank Polska S.A.	CCIRS	PLN 50,000,000	1.56%	3M WIBOR	21 Jun 2022	16 Mar 2026
ING Bank Śląski S.A.	CCIRS	PLN 105,000,000	1.21%	3M WIBOR	15 Jul 2022	23 Jan 2026
ING Bank Śląski S.A.	CCIRS	PLN 50,000,000	1.40%	3M WIBOR	20 Jul 2022	2 Mar 2026
DNB Bank ASA	CCIRS	PLN 60,000,000	1.96%	3M WIBOR	12 Dec 2022	27 Jul 2027
DNB Bank ASA	CCIRS	PLN 25,000,000	2.05%	3M WIBOR	21 Dec 2022	27 Nov 2026
DNB Bank ASA	CCIRS	PLN 120,000,000	2.02%	3M WIBOR	27 Jan 2023	26 Jan 2028
ING Bank Śląski S.A.	CCIRS	PLN 50,000,000	2.475%	3M WIBOR	25 Jul 2023	26 Jan 2028
ING Bank Śląski S.A.	CCIRS	PLN 50,000,000	2.435%	3M WIBOR	25 Jul 2023	7 Jun 2028
DNB Bank ASA	CCIRS	PLN 75,000,000	2.61%	3M WIBOR	22 Sep 2023	29 Mar 2028
ING Bank Śląski S.A.	CCIRS	PLN 85,000,000	2.48%	3M WIBOR	31 Oct 2023	10 Dec 2026
ING Bank Śląski S.A.	CCIRS	PLN 355,000,000	2.34%	3M WIBOR	31 Oct 2023	11 Oct 2029
DNB Bank ASA	CCIRS	PLN 70,000,000	6.046%	3M WIBOR + 4%	21 Mar 2024	16 Feb 2029

ING Bank Śląski S.A.	CCIRS	PLN 90,000,000	6.19%	3M WIBOR + 4%	21 Mar 2024	26 Sep 2028
Alior Bank S.A.	CCIRS	PLN 125,000,000	4.40%	3M WIBOR + 3%	11 Dec 2024	13 Nov 2030

The transactions were designated for hedge accounting.

The purpose of CIRs was to:

- hedge against interest rate risk, understood as volatility of interest expense due to changes in the 3M WIBOR rate – exchange of floating interest rate for a fixed rate;
- hedge against currency risk, understood as volatility of the net value of EUR-denominated assets due to EUR/PLN exchange rate movements – offsetting exchange differences.

To manage interest rate risk, the Company also enters into IRS contracts.

As at 31 March 2025, the Company held open outstanding IRS contracts with a total notional amount of PLN 184,000 thousand.

Bank	Type of transaction	Volume	Fixed rate	Variable rate	Term
DNB Bank ASA	IRS	EUR 150,000,000	2.9640%	3M EURIBOR	10 May 2023 to 10 May 2028
DNB Bank ASA	IRS	EUR 10,000,000	2.255%	3M EURIBOR	21 Dec 2023 to 11 Dec 2028
ING Bank Śląski S.A.	IRS	EUR 24,000,000	2.405%	3M EURIBOR	21 Aug 2024 to 1 Feb 2029

The purpose of the EUR contracts was to provide a hedge against volatility of cash flows generated by liabilities in EUR due to changes in the 1M and 3M EURIBOR rate and to hedge interest payments under a credit facility and EUR-denominated bonds.

### Currency risk hedges

In 2019–2024, the Company took steps to hedge currency risk arising from cash flows from foreign subsidiaries by entering into hedging transactions. The Company's objective is to mitigate the effect of exchange differences on cash flows from subsidiaries. The transactions were entered into by KRUK S.A. and settled on a net basis, with no physical delivery. For details of the executed and settled transactions, see the most recent separate full-year financial statements as at and for the financial year ended 31 December 2024. Currency risk is also hedged with the use of currency interest rate swaps (CIRS), described in the section *Interest rate risk hedges*.

### Amounts related to items designated as hedging instruments

PLN '000

	31 Mar 2025 unaudited				31 Dec 2024				Item in the statement of financial position	Hedge type		
	Assets	Liabilities	Notional amount	Change in fair value used to determine ineffectiveness	Assets	Liabilities	Notional amount	Change in fair value used to determine ineffectiveness				
<b>Instrument type:</b>												
<b>IRS</b>	-	-	-	-	-	-	-	(4,954)	Hedging instruments	Hedge of future cash flows		
<b>IRS</b>	-	16,720	184,000	(EUR)	2,387	-	19,107	184,000	(EUR)	(2,442)	Hedging instruments	Hedge of future cash flows
<b>CIRS</b>	152,252	152	1,830,000	(PLN)	40,019	114,326	2,245	1,957,500	(PLN)	22,825	Hedging instruments	Hedge of future cash flows/Hedge of net investment in a foreign operation
	<b>152,252</b>	<b>16,872</b>			<b>42,406</b>	<b>114,326</b>	<b>21,352</b>			<b>15,429</b>		

**Disclosure of the hedged item as at 31 Mar 2025**  
unaudited

PLN '000

	Notional amount of the hedged item	Change in fair value of hedged item used to determine ineffectiveness	Reserve on measurement of continuing hedges	Reserve (unreleased) on measurement of discontinued hedges
Hedge of future cash flows (interest rate risk)	184,000 (EUR)	2,387	(13,543)	-
Hedge of net investment in a foreign operation (currency risk)	-	-	-	4,082
Hedge of future cash flows/Hedge of investment in a subsidiary (currency risk/interest rate risk)	1,830,000 (PLN)	40,019	136,317	-

**Disclosure of the hedged item as at 31 Dec 2024**

PLN '000

	Notional amount of the hedged item	Change in fair value of hedged item used to determine ineffectiveness	Reserve on measurement of continuing hedges	Reserve (unreleased) on measurement of discontinued hedges
Hedge of future cash flows (interest rate risk)	-	(4,954)	-	-
Hedge of future cash flows (interest rate risk)	184,000 (EUR)	(2,442)	(15,476)	-
Hedge of net investment in a foreign operation (currency risk)	-	-	-	4,082
Hedge of future cash flows/Hedge of investment in a subsidiary (currency risk/interest rate risk)	1,957,500 (PLN)	22,825	91,564	-

PLN '000	1 Jan–31 Mar 2025			Total hedge reserve
	unaudited			
Hedge reserve	Hedge of future cash flows (interest rate risk)	Hedge of future cash flows (currency risk)	Hedge of future cash flows/Hedge of investment in a subsidiary (currency risk/interest rate risk)	
Hedge reserve as at 1 Jan 2025	(15,476)	4,082	91,564	80,170
Measurement of instruments charged to capital reserves	2,724	-	25,921	28,645
Cost of hedging	-	-	46,461	46,461
Temporary differences/reversal of temporary differences	(454)	-	(10,497)	(10,951)
Amount reclassified to profit or loss during the period	(337)	-	(17,132)	(17,469)
- Interest expense/income	(337)	-	(115)	(452)
- Cost of hedging	-	-	(17,017)	(17,017)
<b>Hedge reserve as at 31 Mar 2025, unaudited</b>	<b>(13,543)</b>	<b>4,082</b>	<b>136,317</b>	<b>126,856</b>

PLN '000	1 Jan–31 Dec 2024			Total hedge reserve
	unaudited			
Hedge reserve	Hedge of future cash flows (interest rate risk)	Hedge of future cash flows (currency risk)	Hedge of future cash flows/Hedge of investment in a subsidiary (currency risk/interest rate risk)	
Hedge reserve as at 1 Jan 2024	(9,485)	4,082	68,177	62,774
Measurement of instruments charged to capital reserves	4,295	-	81,895	86,190
Cost of hedging	-	-	12,802	12,802
Temporary differences/reversal of temporary differences	1,405	-	(5,486)	(4,081)
Amount reclassified to profit or loss during the period	(11,691)	-	(65,824)	(77,515)
- Interest expense/income	(11,691)	-	(1,546)	(13,237)
- Cost of hedging	-	-	(64,278)	(64,278)
<b>Hedge reserve as at 31 Dec 2024</b>	<b>(15,476)</b>	<b>4,082</b>	<b>91,564</b>	<b>80,170</b>

## 8.10. Equity-accounted investments in subsidiaries

PLN '000	Country	Carrying amount		
		31 Mar 2025 unaudited	31 Dec 2024	31 Mar 2024 unaudited
InvestCapital Ltd <sup>1</sup>	Malta	3,879,423	3,776,476	3,412,466
Prokura NFW FIZ <sup>1</sup>	Poland	1,694,016	1,607,864	1,595,572
SeCapital S.a.r.l. <sup>1</sup>	Luxembourg	786,390	744,849	619,696
KRUK Towarzystwo Funduszy Inwestycyjnych S.A.	Poland	83,634	40,481	37,768
Presco Investments S.a.r.l. <sup>2</sup>	Luxembourg	73,478	70,653	76,364
Wonga.pl Sp. z o.o.	Poland	65,211	33,860	13,775
KRUK España S.L.U.	Spain	61,893	58,009	54,446
KRUK Romania S.r.l.	Romania	61,424	67,446	51,654
KRUK Česká a Slovenská republika s.r.o.	Czech Republic	57,733	48,034	62,352
KRUK Italia S.r.l.	Italy	29,310	25,424	29,805
Kancelaria Prawna RAVEN P.Krupa Sp. k.	Poland	10,299	8,074	4,428
AgeCredit S.r.l.	Italy	3,848	4,069	4,611
Kruk Deutschland GmbH	Germany	2,526	3,226	4,299
KRUK TECH s.r.l. <sup>1</sup>	Romania	1,073	1,030	440
RoCapital IFN S.A. <sup>1,4</sup>	Romania	-	7,070	5,983
Bison NFW FIZ (closed-end investment fund) <sup>3</sup>	Poland	-	-	4,993
Kruk Immobiliare S.r.l.	Italy	-	-	-
ItaCapital S.r.l.	Italy	-	-	-
Novum Finance Sp. z o.o. <sup>1</sup>	Poland	-	-	-
Kruk Investimenti s.r.l.	Italy	-	-	-
Zielony Areał Sp. z o.o.	Poland	-	-	-
		6,810,258	6,496,565	5,978,652

<sup>1</sup>Subsidiaries in which the Company indirectly holds 100% of the share capital.

<sup>2</sup>The equity of Presco NFW FIZ consolidated within Presco Investments S.a.r.l.

<sup>3</sup>In the third quarter of 2024, the funds Prokura NFW FIZ and Bison NFW FIZ were merged. As of 30 July 2024, Bison was removed from the Register of Investment Funds.

<sup>4</sup>On 31 March 2025, shares in RoCapital INF S.A. previously held by KRUK S.A. were transferred as an in-kind contribution to Wonga.pl Sp. z o.o.

PLN '000	31 Mar 2025 unaudited	31 Dec 2024	31 Mar 2024 unaudited
<b>Carrying amount of investments in subsidiaries at beginning of period</b>	6,496,565	5,483,390	5,483,390
Share of profit/(loss) of subsidiaries accounted for using the equity method	326,095	1,011,127	368,830
Exchange differences on translation of foreign operations	(57,829)	(34,863)	(16,115)
Share of other comprehensive income of subsidiaries accounted for using the equity method	1,674	(3,703)	13,407
Increase/(decrease) (dividends, in-kind contributions, redemptions, impairment losses, sale)	43,753	40,614	129,140
<b>Carrying amount of investments in subsidiaries at end of period</b>	6,810,258	6,496,565	5,978,652

The share of profit/(loss) of subsidiaries accounted for using the equity method for the period from 1 January to 31 March 2025 was PLN 326,095 thousand, reflecting mainly revenue from recoveries and revaluation of recovery projections for debt portfolios owned by the subsidiaries, net of costs (same period of the previous year: PLN 368,830 thousand; from 1 January to 31 December 2024: PLN 1,011,127 thousand).

PLN '000	Country	Ownership interest and share in total voting rights (%)		
		31 Mar 2025 unaudited	31 Dec 2024	31 Mar 2024 unaudited
AgeCredit S.r.l.	Italy	100%	100%	100%
Bison NFW FIZ (closed-end investment fund) <sup>3</sup>	Poland	-	-	100%
Corbul S.r.l. <sup>2</sup>	Romania	n/a	N/A	n/a
Gantoi, Furculita Si Asociatii S.p.a.r.l. <sup>2</sup>	Romania	n/a	N/A	n/a
InvestCapital Ltd <sup>1</sup>	Malta	100%	100%	100%
ItaCapital S.r.l.	Italy	100%	100%	100%
Kancelaria Prawna RAVEN P.Krupa Sp. k.	Poland	98%	98%	98%
KRUK Česká a Slovenská republika s.r.o.	Czech Republic	100%	100%	100%
Kruk Deutschland GmbH	Germany	100%	100%	100%
KRUK España S.L.U.	Spain	100%	100%	100%
Kruk Immobiliare S.r.l.	Italy	100%	100%	100%
Kruk Investimenti s.r.l.	Italy	100%	100%	100%
KRUK Italia S.r.l.	Italy	100%	100%	100%
KRUK Romania S.r.l.	Romania	100%	100%	100%
KRUK TECH s.r.l. <sup>1</sup>	Romania	100%	100%	100%
KRUK Towarzystwo Funduszy Inwestycyjnych S.A.	Poland	100%	100%	100%
Novum Finance Sp. z o.o. <sup>1</sup>	Poland	100%	100%	100%
Presco Investments S.a.r.l.	Luxembourg	100%	100%	100%
Presco NFW FIZ <sup>1</sup>	Poland	100%	100%	100%
Prokura NFW FIZ <sup>1</sup>	Poland	100%	100%	100%
RoCapital IFN S.A. <sup>1,4</sup>	Romania	100%	100%	100%
SeCapital S.a.r.l. <sup>1</sup>	Luxembourg	100%	100%	100%
Wonga.pl Sp. z o.o.	Poland	100%	100%	100%
Zielony Areał Sp. z o.o.	Poland	100%	100%	100%

<sup>1</sup>Subsidiaries in which the Company indirectly holds 100% of the share capital.

<sup>2</sup>KRUK S.A. controls the company through a personal link.

<sup>3</sup>In the third quarter of 2024, the funds Prokura NFW FIZ and Bison NFW FIZ merged. As of 30 July 2024, Bison was removed from the Register of Investment Funds.

<sup>4</sup>On 31 March 2025, shares in RoCapital INF S.A. previously held by KRUK S.A. were transferred as an in-kind contribution to Wonga.pl Sp. z o.o.

### 8.11. Trade and other receivables

PLN '000	31 Mar 2025 unaudited	31 Dec 2024
Trade receivables from related entities	42,995	98,666
Trade receivables from other entities	3,180	2,991
	<u>46,175</u>	<u>101,657</u>

In view of the tax audit results, in 2024 KRUK adjusted its settlements with related parties regarding debt collection and credit management services provided in 2018-2023. It resulted in an increase in trade receivables from related entities in 2024.

The amount of outstanding receivables from the mentioned adjustment (PLN 61,747 thousand) was settled as of 19 February 2025.

<i>PLN '000</i>	<b>31 Mar 2025 unaudited</b>	<b>31 Dec 2024</b>
Other receivables from related entities	600	2,761
Other receivables from other entities	5,639	4,926
	<u>6,239</u>	<u>7,687</u>

### 8.12. Cash and cash equivalents

<i>PLN '000</i>	<b>31 Mar 2025 unaudited</b>	<b>31 Dec 2024</b>
Cash in hand	3	-
Cash in current accounts	19,584	9,110
	<u>19,587</u>	<u>9,110</u>

### 8.13. Trade and other payables

<i>PLN '000</i>	<b>31 Mar 2025 unaudited</b>	<b>31 Dec 2024</b>
Trade and other payables to related entities	15,233	11,926
Trade payables to other entities	11,248	15,626
Deferred income	5,295	5,296
Accrued expenses	3,457	2,178
Other liabilities	2,136	1,332
Taxes, customs duties, insurance and other benefits payable	129	119
	<u>37,498</u>	<u>36,477</u>

### 8.14. Employee benefit liabilities

<i>PLN '000</i>	<b>31 Mar 2025 unaudited</b>	<b>31 Dec 2024</b>
Social benefit obligations	14,447	10,753
Salaries and wages payable	15,293	18,835
Provision for accrued holiday entitlements	10,283	8,123
Personal income tax	3,369	3,726
Special accounts	664	662
Liabilities under employee savings plans	794	647
	<u>44,850</u>	<u>42,746</u>

**Change in provision for accrued holiday entitlements**

<i>PLN '000</i>	<b>1 Jan–31 Mar 2025 unaudited</b>	<b>1 Jan–31 Dec 2024</b>
At beginning of period	8,123	7,982
Increase	5,127	8,838
Use	(2,967)	(8,697)
At end of period	<u>10,283</u>	<u>8,123</u>

**8.15. Provisions**

<i>PLN '000</i>	<b>31 Mar 2025 unaudited</b>	<b>31 Dec 2024</b>
Provision for tax audit result	-	1,607
Provision for the loyalty scheme	-	-
Provision for retirement gratuities	1,915	1,915
	<u>1,915</u>	<u>3,522</u>

**Changes in provisions**

<i>PLN '000</i>	<b>Provision for retirement gratuities</b>	<b>Provision for the loyalty scheme</b>	<b>Provision for tax audit result</b>
Carrying amount as at 1 Jan 2024	1,385	10,871	28,554
Increase	530	329	-
Use	-	(2,248)	(26,947)
Reversed	-	(8,952)	-
Carrying amount as at 31 Dec 2024	<u>1,915</u>	<u>-</u>	<u>1,607</u>
Carrying amount as at 1 Jan 2025	1,915	-	1,607
Increase	-	-	-
Use	-	-	-
Reversed	-	-	(1,607)
Carrying amount as at 31 Mar 2025, unaudited	<u>1,915</u>	<u>-</u>	<u>-</u>

The Customs and Revenue Office of Kraków conducted an audit of Kruk S.A.'s corporate income tax settlements for 2018–2023. As at the date of issue of this report, the audits for 2018-2023 had been completed. KRUK S.A. established a provision in 2023 totalling PLN 28,554 thousand, covering the tax arrears along with interest for the audited years.

In the three months to 31 March 2025 the Company reversed the unused provision for tax audit result (PLN 1,607 thousand).

At the end of August 2024, the Company concluded its Dreams Come True (Marzenia do spełnienia) loyalty scheme, resulting in the reversal of a PLN 8,952 thousand provision for points.

## 8.16. Earnings per share

### Separate net profit attributable to owners of the Company

<i>PLN '000</i>	<b>1 Jan–31 Mar 2025 unaudited</b>	<b>1 Jan–31 Dec 2024</b>	<b>1 Jan–31 Mar 2024 unaudited</b>
Net profit for period	254,467	1,043,380	338,334
Net profit attributable to owners of the Company	254,467	1,043,380	338,334

### Basic earnings per share

<i>thousands of shares</i>	<b>1 Jan–31 Mar 2025 unaudited</b>	<b>1 Jan–31 Dec 2024</b>	<b>1 Jan–31 Mar 2024 unaudited</b>
Number of ordinary shares as at 1 Jan	19,382	19,319	19,319
Effect of cancellation and issue	4	19	-
Weighted average number of ordinary shares at end of reporting period	19,386	19,338	19,319
<i>PLN</i>			
Earnings per share	13.13	53.95	17.51

### Diluted separate earnings per share

<i>thousands of shares</i>	<b>1 Jan–31 Mar 2025 unaudited</b>	<b>1 Jan–31 Dec 2024</b>	<b>1 Jan–31 Mar 2024 unaudited</b>
Weighted average number of ordinary shares at end of reporting period	19,386	19,338	19,319
Effect of issue of unregistered shares not subscribed for	995	1,146	1,121
Weighted average number of ordinary shares at end of reporting period (diluted)	20,381	20,484	20,440
<i>PLN</i>			
Earnings per share (diluted)	12.49	50.94	16.55

On 5 March 2025, the Company's share capital was increased by PLN 14,550, to PLN 19,396,218, through the issue of Series H shares.

The share capital was increased as part of a conditional share capital increase under Resolution No. 22/2021 of the Annual General Meeting of 16 June 2021 through the issue of 14,550 Series H shares of the Company, with a par value of PLN 1.00 per share. The issue of Series H shares was related to

the exercise by eligible participants of their rights attached to subscription warrants issued as part of an incentive scheme for key management personnel of KRUK S.A. and the Group companies.

**Dividend per share paid**

<i>PLN '000</i>	<b>1 Jan–31 Mar 2025 unaudited</b>	<b>1 Jan–31 Dec 2024</b>	<b>1 Jan–31 Mar 2024 unaudited</b>
Dividend paid from profit and retained earnings	-	347,738	-
<i>PLN</i>			
Dividend per share	-	18.00	-

## 9. Current and non-current items of the statement of financial position

PLN '000

	Note	31 Mar 2025 unaudited	31 Dec 2024	31 Mar 2024 unaudited
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment		64,877	31,049	31,863
Intangible assets		15,534	22,639	27,509
Hedging instruments	8.9.	119,718	101,285	93,747
Equity-accounted investments in subsidiaries	8.10.	6,810,258	6,496,565	5,978,652
Investments	7.	1,226,769	1,279,315	1,250,125
<b>Total non-current assets</b>		<b>8,237,156</b>	<b>7,930,853</b>	<b>7,381,896</b>
<b>Current assets</b>				
Inventories	7.	8,801	9,979	14,041
Investments	7.	359,860	338,586	266,242
Trade receivables from related entities	8.11.	42,995	98,666	24,571
Trade receivables from other entities	8.11.	3,180	2,991	2,063
Other receivables	8.11.	6,239	7,687	10,698
Income tax receivables		7,122	2,716	6,785
Hedging instruments	8.9.	32,534	13,041	22,394
Cash and cash equivalents	8.12.	19,587	9,110	116,185
Other assets		10,384	9,117	10,016
<b>Total current assets</b>		<b>490,702</b>	<b>491,893</b>	<b>472,995</b>
<b>Total assets</b>		<b>8,727,858</b>	<b>8,422,746</b>	<b>7,854,891</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Share capital		19,396	19,382	19,319
Share premium		377,705	374,097	358,506
Hedge reserve	8.9.	126,856	80,170	88,189
Translation reserve		(188,563)	(130,734)	(111,986)
Share of other comprehensive income of subsidiaries accounted for using the equity method		(10,429)	(12,103)	5,007
Other reserves		192,648	188,654	176,259
Retained earnings		4,233,327	3,978,860	3,621,552
<b>Total equity</b>		<b>4,750,940</b>	<b>4,498,326</b>	<b>4,156,846</b>
<b>Non-current liabilities</b>				
Deferred tax liabilities	8.7.	149,237	113,864	190,298
Provisions	8.15.	1,760	1,760	11,868
Borrowings, other debt securities and leases	8.8.	3,593,152	3,472,473	2,987,946
Hedging instruments	8.9.	16,872	21,352	12,048
<b>Total non-current liabilities</b>		<b>3,761,021</b>	<b>3,609,449</b>	<b>3,202,160</b>
<b>Current liabilities</b>				
Provisions	8.15.	155	1,762	28,705
Borrowings, other debt securities and leases	8.8.	133,394	233,881	396,415
Derivatives		-	105	-
Trade and other payables	8.13.	37,498	36,477	35,633
Employee benefit liabilities	8.14.	44,850	42,746	35,132
<b>Total current liabilities</b>		<b>215,897</b>	<b>314,971</b>	<b>495,885</b>
<b>Total liabilities</b>		<b>3,976,918</b>	<b>3,924,420</b>	<b>3,698,045</b>
<b>Total equity and liabilities</b>		<b>8,727,858</b>	<b>8,422,746</b>	<b>7,854,891</b>

Current and non-current items of the statement of financial position are presented based on cash flows expected as at the reporting date.

## 10. Management of risk arising from financial instruments

The Company is exposed to the following risks related to the use of financial instruments:

- credit risk,
- liquidity risk,
- market risk.

This note presents condensed information on the Company's exposure to each type of the above risks, the Company's objectives, policies and procedures for measuring and managing the risks. For a full description of the risk management, see the Company's most recent full-year separate financial statements.

### Key risk management policies

The Management Board is responsible for establishing risk management procedures and for overseeing their application.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to the limits. The risk management policies and systems are reviewed on a regular basis, to reflect changes in market conditions and the Company's activities. Using such tools as training, management standards and procedures, the Company seeks to build a stimulating and constructive control environment, in which all employees understand their respective roles and responsibilities.

#### 10.1. Credit risk

Credit risk is the risk of financial loss to the Company if a business partner or a counterparty to a financial instrument fails to meet its contractual obligations. Credit risk is chiefly associated with loans advanced by the Company, receivables for the services provided by the Company and purchased debt portfolios.

#### Credit risk exposure

Carrying amounts of financial assets reflect the maximum exposure to credit risk. Maximum exposure to credit risk as at the end of the reporting periods:

<i>PLN '000</i>	<b>31 Mar 2025</b>	<b>31 Dec 2024</b>
	<b>unaudited</b>	
Loans to related parties	1,553,799	1,585,407
Cash and cash equivalents	19,587	9,110
Hedging instruments	152,252	114,326
Trade and other receivables, net of tax receivable	50,271	107,630
Investments in debt portfolios	32,830	32,494
	<b>1,808,739</b>	<b>1,848,967</b>

Maximum exposure to credit risk by geographical segment as at the end of the reporting periods:

<i>PLN '000</i>	<b>31 Mar 2025</b> <b>unaudited</b>	<b>31 Dec 2024</b>
Malta	1,048,743	1,070,709
Poland	681,517	681,710
Romania	48,615	56,733
Czech Republic and Slovakia	29,864	39,806
Italy	-	9
	<b>1,808,739</b>	<b>1,848,967</b>

### **Credit risk exposure – Investments in debt portfolios**

<i>PLN '000</i>	<b>31 Mar 2025</b> <b>unaudited</b>	<b>31 Dec 2024</b>
<b>Portfolio type</b>		
Unsecured retail portfolios	32,344	32,041
Unsecured corporate portfolios	486	453
	<b>32,830</b>	<b>32,494</b>

## **10.2. Liquidity risk**

Liquidity risk is the risk of the Company's failure to pay its liabilities when due.

Liquidity risk management aims to ensure that the Company has sufficient liquidity to pay its liabilities as they fall due, without exposing the Company to a risk of loss or impairment of its reputation. The main objective of liquidity management is to protect the Company against the loss of ability to pay its liabilities.

The Company has a liquidity management policy in place, which includes rules for contracting debt finance, preparing analyses and projections of the Company's liquidity, and monitoring the performance of obligations under credit facility agreements.

The Company's liquidity position is monitored on a regular basis by analysing sensitivity to changes in the projected level of recoveries from debt portfolios.

In accordance with the liquidity management policy effective as at the date of issue of these financial statements, the following conditions must be met by the Company before new debt can be incurred:

- the debt can be repaid from the Company's own assets;
- incurring the debt will not result in exceeding the financial covenants stipulated in facility agreements and terms and conditions of bonds.

**Exposure to liquidity risk**

As at 31 Mar 2025,  
unaudited  
PLN '000

	Present value	Undiscounted contractual/estimated cash flows	Less than 6 months	6–12 months	1–2 years	2–5 years	Over 5 years
<b>Non-derivative financial assets and liabilities</b>							
Cash and cash equivalents	19,587	19,587	19,587	-	-	-	-
Trade and other receivables, net of tax receivables	50,271	50,271	50,271	-	-	-	-
Investments in debt portfolios*	32,830	122,571	11,868	10,866	18,845	37,884	43,108
Loans to related parties	1,553,799	1,820,372	55,465	359,826	408,457	974,834	21,790
Secured borrowings	(667,882)	(789,271)	(33,465)	(44,150)	(136,776)	(574,880)	-
Liabilities under debt securities (unsecured)	(3,026,799)	(3,962,181)	(209,754)	(206,252)	(543,174)	(2,761,076)	(241,925)
Lease liabilities	(31,865)	(40,116)	(3,894)	(3,329)	(4,141)	(14,800)	(13,952)
Trade and other payables	(28,617)	(28,617)	(28,617)	-	-	-	-
	(2,098,676)	(2,807,384)	(138,539)	116,961	(256,789)	(2,338,038)	(190,979)
<b>Off-balance-sheet contingent liabilities</b>							
Off-balance-sheet contingent liabilities under sureties/guarantees provided to subsidiaries**	(5,009,697)	(5,009,697)	(4,814,697)	-	-	(195,000)	-
	(7,108,373)	(7,817,081)	(4,953,236)	116,961	(256,789)	(2,533,038)	(190,979)

As at 31 Dec 2024

PLN '000

	Present value	Undiscounted contractual/estimated cash flows	Less than 6 months	6–12 months	1–2 years	2–5 years	Over 5 years
<b>Non-derivative financial assets and liabilities</b>							
Cash and cash equivalents	9,110	9,110	9,110	-	-	-	-
Trade and other receivables, net of tax receivables	107,630	107,630	107,630	-	-	-	-
Investments in debt portfolios*	32,494	122,129	11,769	10,580	18,223	38,416	43,141
Loans to related parties	1,585,407	1,883,498	45,922	354,322	442,761	1,018,703	21,790
Secured borrowings	(584,002)	(696,532)	(37,094)	(30,149)	(121,521)	(507,768)	-
Liabilities under debt securities (unsecured)	(3,109,702)	(4,079,737)	(355,339)	(156,497)	(513,148)	(2,918,690)	(136,063)
Lease liabilities	(12,650)	(13,315)	(5,486)	(5,428)	(1,409)	(992)	-
Trade and other payables	(28,884)	(28,884)	(28,884)	-	-	-	-
	(2,000,597)	(2,696,101)	(252,372)	172,828	(175,094)	(2 370 331)	(71,132)
<b>Off-balance-sheet contingent liabilities</b>							
Off-balance-sheet contingent liabilities under sureties/guarantees provided to subsidiaries**	(5,028,001)	(5,028,001)	(4,833,001)	-	-	(195,000)	-
	(7,028,598)	(7,724,102)	(5,085,373)	172,828	(175,094)	(2,565,331)	(71,132)

\* Estimated cash flows.

\*\* Off-balance-sheet contingent liabilities under sureties/guarantees provided to subsidiaries have been disclosed in nominal amounts. The surety amounts are equal to 150% of the respective debt amounts. The contingent liabilities will become actual liabilities at the time of failure to meet the respective covenants, default in payment of the debt. As at 31 March 2025 and 31 December 2024, KRUK S.A. found no indications suggesting that its contingent liabilities under guarantees/sureties could become actual liabilities.

The above amounts do not include expenditure on and recoveries from future purchased debt portfolios and future operating expenses which will be necessary to obtain proceeds from financial assets.

The liquidity concentration risk is defined by the Company as the risk arising from cash flows under individual financial instruments.

Contractual/estimated cash flows were determined based on interest rates effective as at 31 March 2025 and 31 December 2024, respectively.

The Company does not expect the projected cash flows discussed in the maturity analysis to occur significantly earlier than assumed or in amounts materially different from those presented.

As at 31 March 2025, the undrawn revolving credit facility limit available to the Company was PLN 190,481 thousand (31 December 2024: PLN 269,682 thousand). The limit is available until 31 December 2029.

### 10.3. Market risk

Market risk is the risk of impact of changes in market prices, such as foreign exchange rates and interest rates on the Company's results or on the value of financial instruments held and investments made by the Company. The objective behind market risk management is to maintain and control the Company's exposure to currency and interest rate risks within assumed limits so as to:

- maintain a stable financial position in the long-term;
- mitigate the liquidity risk;
- reduce the impacts of market risk on profit or loss;
- mitigate the risk of non-compliance with financial covenants under credit agreements and bond issue prospectuses.

#### Exposure to currency risk

The Company's currency risk exposure, determined as the net carrying amount of the financial instruments denominated in foreign currencies based on the exchange rates effective at the end of the reporting period, is presented below:

PLN '000	Exposure to currency risk					
	31 Mar 2025 unaudited			31 Dec 2024		
	EUR	RON	CZK	EUR	RON	CZK
Cash	155	6,089	86	2,848	639	101
Investments in debt portfolios	73	25,313	590	87	25,236	676
Loans to related parties	1,072,065	23,341	5,881	1,099,212	31,536	10,548
Borrowings, other debt securities and leases	(1,120,530)	-	-	(1,136,176)	-	-
Exposure to currency risk	(48,237)	54,743	6,557	(34,029)	57,411	11,325

**Analysis of sensitivity of currency risk exposure to +10% increase in exchange rates**

PLN '000	31 Mar 2025 unaudited			31 Dec 2024		
	EUR	RON	CZK	EUR	RON	CZK
Cash	16	609	9	285	64	10
Investments in debt portfolios	7	2,531	59	9	2,524	68
Loans to related parties	107,207	2,334	588	109,921	3,154	1,055
Borrowings, other debt securities and leases	(112,053)	-	-	(113,618)	-	-
Exposure to currency risk	(4,823)	5,474	656	(3,403)	5,742	1,133

**Analysis of sensitivity of currency risk exposure to 10% decrease in exchange rates**

PLN '000	31 Mar 2025 unaudited			31 Dec 2024		
	EUR	RON	CZK	EUR	RON	CZK
Cash	(16)	(609)	(9)	(285)	(64)	(10)
Investments in debt portfolios	(7)	(2,531)	(59)	(9)	(2,524)	(68)
Loans to related parties	(107,207)	(2,334)	(588)	(109,921)	(3,154)	(1,055)
Borrowings, other debt securities and leases	112,053	-	-	113,618	-	-
Exposure to currency risk	4,823	(5,474)	(656)	3,403	(5,742)	(1,133)

Currency concentration risk is defined by the Company as the risk arising from significant exposure to individual financial instruments denominated in RON, CZK, and EUR.

As at 31 March 2025, financial assets denominated in foreign currencies accounted for 13.0% of total assets, while liabilities denominated in foreign currencies represented 12.8% of total equity and liabilities (31 December 2024: 13.9% and 13.5%, respectively).

The following exchange rates of the key foreign currencies were adopted during the preparation of these financial statements:

PLN	Average exchange rates*		End of period (spot rates)	
	1 Jan–31 Mar 2025 unaudited	1 Jan–31 Mar 2024 unaudited	31 Mar 2025 unaudited	31 Dec 2024
EUR 1	4.2069	4.3278	4.1839	4.2730
USD 1	4.0056	3.9794	3.8643	4.1012
RON 1	0.8454	0.8704	0.8405	0.8589
CZK 1	0.1678	0.1729	0.1677	0.1699

\*Average exchange rates were calculated as the arithmetic mean of mid rates quoted by the National Bank of Poland for the last day of each month in the period. The calculation also includes the mid rate quoted for the last day of the previous financial year.

**Exposure to interest rate risk**

Structure of interest-bearing financial instruments as at the reporting date:

PLN '000	Carrying amount	
	31 Mar 2025 unaudited	31 Dec 2024
<b>Fixed-rate financial instruments*</b>		
Financial assets	861,702	923,976
Financial liabilities	(208,695)	(208,915)
Fixed-rate financial instruments before hedging	653,007	715,061
Hedge effect (notional amount)	(2,599,838)	(2,743,732)
Fixed-rate financial instruments after hedging	(1,946,831)	(2,028,671)
<b>Variable-rate financial instruments**</b>		
Financial assets	947,037	924,991
Financial liabilities	(3,563,340)	(3,547,780)
Variable-rate financial instruments before hedging	(2,616,303)	(2,622,789)
Hedge effect (notional amount)	2,599,838	2,743,732
Variable-rate financial instruments after hedging	(16,465)	120,943

\* Fixed-rate financial assets comprise investments in debt portfolios, trade and other receivables less tax receivables, cash and cash equivalents as well as fixed-rate loans advanced to a related entity. Fixed-rate financial liabilities comprise trade and other payables, as well as liabilities under fixed-rate debt securities.

\*\* Variable-rate financial assets comprise variable-rate loans advanced to related parties. Variable-rate financial liabilities comprise secured borrowings, liabilities under variable-rate debt securities and lease liabilities.

Hedging instruments are presented as variable interest rate financial instruments.

Derivatives instruments are presented as fixed interest rate financial instruments.

## 11. Fair values

### Comparison of fair values and carrying amounts

The table below presents a comparison between fair values of financial assets and liabilities and values presented in the statement of financial position.

PLN '000	31 Mar 2025 unaudited		31 Dec 2024	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets and liabilities measured at fair value</b>				
Hedging instruments (IRS)	(16,720)	(16,720)	(19,107)	(19,107)
Hedging instruments (CIRS)	152,100	152,100	112,081	112,081
Derivatives (FORWARD)	-	-	(105)	(105)
	135,380	135,380	92,869	92,869
<b>Financial assets and liabilities other than measured at fair value</b>				
Investments in debt portfolios	32,830	32,386	32,494	32,084
Loans to related parties	1,553,799	1,553,799	1,585,407	1,585,407
Trade and other receivables, net of tax receivable	50,271	50,271	107,630	107,630
Trade and other payables	(28,617)	(28,617)	(28,884)	(28,884)
Secured borrowings	(667,882)	(667,882)	(584,002)	(584,002)
Liabilities under debt securities (unsecured)	(3,026,799)	(3,332,282)	(3,109,702)	(3,289,856)
	(2,086,398)	(2,392,325)	(1,997,057)	(2,177,621)

### Interest rates used for fair value estimation

	31 Mar 2025 unaudited	31 Dec 2024
Investments in debt portfolios*	4.63%-156.03%	8.75%-139.33%
Secured borrowings	4.34%-8.54%	4.71%-8.54%
Loans to related parties	4.83%-12.26%	5.34%-12.25%

\* Applicable to 99.6% of debt portfolios.

### Hierarchy of financial instruments at fair value

The table below presents the fair value of financial instruments recognised in the statement of financial position at fair value and at amortised cost. Depending on the level of valuation, the following inputs were used in the valuation models.

- Level 1: quoted prices (unadjusted) on active markets for identical assets or liabilities;
- Level 2: inputs for given assets and liabilities, other than quoted prices from Level 1, observable directly or indirectly;
- Level 3: inputs that are not based on observable market prices (unobservable inputs).

In 2024–2025, no transfers were made between the levels.

<i>PLN '000</i>	<b>Level 1</b>	
	<b>Carrying amount</b>	<b>Fair value</b>
<b>As at 31 March 2025, unaudited</b>		
Liabilities under debt securities (unsecured)	(3,026,799)	(3,332,282)
<b>As at 31 December 2024</b>		
Liabilities under debt securities (unsecured)	(3,109,702)	(3,289,856)

The fair value of financial liabilities under debt securities is determined based on their prices on the Catalyst market as at the last day of the reporting period.

<i>PLN '000</i>	<b>Level 2</b>	
	<b>Carrying amount</b>	<b>Fair value</b>
<b>As at 31 March 2025, unaudited</b>		
Hedging instruments (IRS)	(16,720)	(16,720)
Hedging instruments (CIRS)	152,100	152,100
<b>As at 31 December 2024</b>		
Hedging instruments (IRS)	(19,107)	(19,107)
Hedging instruments (CIRS)	112,081	112,081
Derivatives (FORWARD)	(105)	(105)

The fair value of derivative and hedging instruments is determined on the basis of future cash flows from the executed transactions, calculated on the basis of the difference between the forecast 3M WIBOR and 3M WIBOR as at the transaction date. To determine the fair value, the Company uses a 3M WIBOR forecast provided by an external company.

<i>PLN '000</i>	<b>Level 3</b>	
	<b>Carrying amount</b>	<b>Fair value</b>
<b>As at 31 March 2025, unaudited</b>		
Investments in debt portfolios	32,830	32,386
Loans to related parties	1,553,799	1,553,799
Trade and other receivables, net of tax receivable	50,271	50,271
Trade and other payables	(28,617)	(28,617)
Secured borrowings	(667,882)	(667,882)
<b>As at 31 December 2024</b>		
Investments in debt portfolios	32,494	32,084
Loans to related parties	1,585,407	1,585,407
Trade and other receivables, net of tax receivable	107,630	107,630
Trade and other payables	(28,884)	(28,884)
Secured borrowings	(584,002)	(584,002)

The fair value of investments in debt portfolios is calculated based on the expected future cash flows related to the debt portfolios, discounted with a rate reflecting the credit risk associated with each

portfolio. The rate used for discounting is calculated as an internal rate of return on an investment as at the date of acquisition of a portfolio and is verified so that it includes the current risk free rate and the current risk premium associated with the credit risk for each portfolio.

The difference between the fair value and the carrying amount calculated using the amortised cost method results from a different methodology for calculating both these amounts. The carrying amount is affected by estimated remaining collections on debt portfolios and the exchange rate as at the reporting date, while the fair value is additionally affected by projected costs of debt collection and the risk-free rate.

The fair value of loans advanced to related parties is determined as the present value of future cash flows, with account taken of changes in market and credit risk factors throughout the life of a loan.

The Company uses Level 3 inputs to determine the fair value of trade and other receivables, excluding receivables on account of taxes as well as trade and other payables. Due to their short-term nature, their carrying amount is deemed to be equal to their fair value.

The fair value of financial liabilities under borrowings is determined on the basis of future cash flows from the executed transactions.

## 12. Related-party transactions

### Remuneration of the Management – Management Board

Remuneration of members of the Company's key management personnel:

<i>PLN '000</i>	<b>1 Jan–31 Mar 2025 unaudited</b>	<b>1 Jan–31 Mar 2024 unaudited</b>
Base pay/managerial contract (gross)	2,139	1,750
Additional benefits (incl. social security contributions)	40	39
Share-based payments	3,994	4,412
	<u>6,173</u>	<u>6,201</u>

### Remuneration of the Management – Supervisory Board

Remuneration of members of the Supervisory Board was as follows:

<i>PLN '000</i>	<b>1 Jan–31 Mar 2025 unaudited</b>	<b>1 Jan–31 Mar 2024 unaudited</b>
Base pay/managerial contract (gross)	380	300
Additional benefits	9	10
	<u>389</u>	<u>310</u>

### ***Other transactions with the Management***

As at 31 March 2025, members of the Management Board and persons closely related to them jointly held 9.8% of total voting rights in the Company (31 December 2024: 9.8%).

## Other related-party transactions

### Transactions with subsidiaries as at 31 March 2025 and 31 December 2024, and for the periods ended 31 March 2025 and 31 March 2024

#### Balance of receivables, liabilities and loans from and to subsidiaries as at 31 March 2025 and 31 December 2024

PLN '000	31 Mar 2025 unaudited						31 Dec 2024							
	Liabilities	Receivables	Loans	Interest accrued on loans advanced	Allowance for expected credit losses	Loans received	Interest accrued on loans received	Liabilities	Receivables	Loans	Interest accrued on loans advanced	Allowance for expected credit losses	Loans received	Interest accrued on loans received
AgeCredit S.r.l.	-	9	-	-	-	-	-	-	38	-	-	-	-	-
Corbul Capital S.r.l.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GANTOI, FURCULITA SI ASOCIATII-S.P.A.R.L.	2	-	-	-	-	-	-	2	-	-	-	-	-	-
InvestCapital Ltd.	-	835	1,050,272	9,561	(11,090)	-	-	-	641	1,071,909	10,150	(11,350)	-	-
ItaCapital S.r.l.	-	10	-	-	-	-	-	-	9	-	-	-	-	-
Kancelaria Prawna RAVEN P.Krupa Sp. k.	442	11,830	6,700	-	(70)	-	-	1,405	3,109	7,200	-	(76)	-	-
KRUK Česká a Slovenská republika s.r.o.	35	322	29,082	424	(305)	-	-	41	278	38,941	593	(491)	-	-
Kruk Deutschland GmbH	-	1	-	-	-	-	-	-	18	-	-	-	-	-
KRUK España S.L.U.	46	642	-	-	-	24,685	267	-	1,680	-	-	-	22,220	283
Kruk Immobiliare S.r.l.	-	8	-	-	-	-	-	-	8	-	-	-	-	-
Kruk Investimenti s.r.l.	-	-	-	-	-	-	-	-	8	-	-	-	-	-
KRUK Italia S.r.l.	223	766	-	-	-	4,184	-	143	2,111	-	9	-	-	12
KRUK Romania S.r.l.	62	974	-	-	-	5,884	-	-	2,356	-	-	-	-	-
KRUK TECH s.r.l.	25	-	-	-	-	-	-	-	-	-	-	-	-	-
KRUK Towarzystwo Funduszy Inwestycyjnych S.A.	-	18,104	-	-	-	-	-	1	74,373	-	-	-	-	-
Novum Finance Sp. z o.o.	46	282	88,342	-	(924)	-	-	24	1,401	86,742	-	(2,337)	-	-
Presco Investments S.a.r.l.	3,485	-	-	-	-	-	-	368	1,049	-	-	-	-	-
Presco NFW FIZ (closed-end investment fund)	3	183	-	-	-	-	-	4	347	-	-	-	-	-
Prokura NFW FIZ (closed-end investment fund)	5,915	9,573	-	-	-	-	-	5,415	13,933	-	-	-	-	-
Rocapital IFN S.A.	-	-	23,030	558	(247)	-	-	-	7	31,693	177	(334)	-	-
SeCapital S.à.r.l	4,853	-	-	-	-	-	-	4,455	-	-	-	-	-	-
Wonga.pl Sp. z o.o.	96	52	351,343	10,604	(3,787)	-	-	68	52	356,343	-	(3,738)	-	-
Zielony Areał Sp. z o.o.	-	4	710	-	(404)	-	-	-	9	970	-	(994)	-	-
	15,233	43,595	1,549,479	21,147	(16,827)	34,753	267	11,926	101,427	1,593,798	10,929	(19,320)	22,220	295

## Income from intra-group transactions in the periods ended 31 March 2025 and 31 March 2024

PLN '000	1 Jan–31 Mar 2025 unaudited			1 Jan–31 Mar 2024 unaudited		
	Revenue from sale of materials and services	Revenue from debt collection and credit management services	Interest	Revenue from sale of materials and services	Revenue from debt collection and credit management services	Interest
AgeCredit S.r.l.	28	-	-	23	-	-
Corbul Capital S.r.l.	-	-	-	-	-	-
InvestCapital Ltd.	9,178	-	22,522	9,370	-	21,866
ItaCapital S.r.l.	1	-	-	1	-	-
GANTOI, FURCULITA SI ASOCIATII-S.P.A.R.L.	-	-	-	-	-	-
Kancelaria Prawna RAVEN P.Krupa Sp. k.	5,494	-	134	5,182	-	44
KRUK Česká a Slovenská republika s.r.o.	203	-	447	391	-	1,114
Kruk Deutschland GmbH	-	-	-	-	-	-
KRUK España S.L.U.	1,661	-	-	1,440	-	-
KRUK Italia S.r.l.	1,378	-	-	1,299	-	68
Kruk Immobiliare S.r.l.	-	-	-	-	-	-
Kruk Investimenti s.r.l.	-	-	-	-	-	-
KRUK TECH s.r.l.	-	-	-	-	-	-
KRUK Towarzystwo Funduszy Inwestycyjnych S.A.	495	53,024	-	82	33,033	-
KRUK Romania S.r.l.	1,140	-	-	1,340	-	595
Novum Finance Sp. z o.o.	327	332	2,650	375	377	1,863
Presco Investments S.a.r.l.	2	248	-	3	162	-
Presco NFW FIZ (closed-end investment fund)	-	-	-	-	-	-
Prokura NFW FIZ (closed-end investment fund)	1,964	-	-	1,161	-	-
Rocapital IFN S.A.	29	-	558	32	-	99
SeCapital S.à.r.l	2	24	-	3	8	-
Wonga.pl Sp. z o.o.	105	55	10,604	91	17	10,317
Zielony Areał Sp. z o.o.	11	-	15	9	-	35
	<b>22,018</b>	<b>53,683</b>	<b>36,930</b>	<b>20,802</b>	<b>33,597</b>	<b>36,001</b>

**Expenses on intra-group transactions in the periods ended 31 March 2025 and 31 March 2024**

PLN '000	1 Jan–31 Mar 2025 unaudited		1 Jan–31 Mar 2024 unaudited	
	Purchase of services	Interest	Purchase of services	Interest
AgeCredit S.r.l.	-	-	-	4
GANTOI, FURCULITA SI ASOCIATII- S.P.A.R.L.	5	-	-	-
Kancelaria Prawna RAVEN P.Krupa Sp. k.	1,184	-	1,504	-
KRUK Česká a Slovenská republika s.r.o.	79	-	59	-
KRUK España S.L.U.	-	267	-	243
KRUK Italia S.r.l.	222	29	121	5
KRUK Romania S.r.l.	893	50	1,178	-
Wonga.pl Sp. z o.o.	-	-	109	-
	<b>2,383</b>	<b>346</b>	<b>2,971</b>	<b>252</b>

### 13. Seasonality or cyclicity of business

The Company's operations are not subject to seasonal or cyclical fluctuations.

### 14. Factors and events, in particular of non-recurring nature, with material bearing on the Company's financial performance

In the three months to 31 March 2025, the Company's interest in subsidiaries generated a profit of PLN 326,095 thousand (In the three months to 31 March 2024: PLN 368,830 thousand).

In the three months to 31 March 2025, recoveries from portfolios purchased by KRUK S.A. were PLN 7,096 thousand, a decrease of 5% year on year and a decrease of 1% quarter on quarter.

As at 31 March 2025, the Company's investments in debt portfolios accounted for 0.4% of its assets. Equity accounted for 54.4% of the Company's financing sources. As at 31 December 2024, the respective percentages were 0.4% and 53.4%.

#### Russia's aggression against Ukraine

Russia's aggression against Ukraine started on 24 February 2022. KRUK S.A. does not possess any assets in Ukraine or Russia, nor does it engage in any business activities in these countries. Therefore, the Company anticipates that any impact of the conflict on its operations will be indirect and minimal.

The situation in Ukraine does not affect the financial statements as at the reporting date or the recognition and measurement of individual items of the statements after the reporting date.

#### Imposition of tariffs by the USA

Imposition of tariffs by the United States does not directly affect the Company's operations.

### 15. Issue, redemption and repayment of non-equity and equity securities

In the period from 1 January to 31 March 2025, the following series of bonds were redeemed in accordance with their respective terms and conditions:

- Series AL2 bonds, with a nominal value of PLN 52,500 thousand, on 2 February 2025 (second tranche);
- Series AE4 bonds, with a nominal value of PLN 115,000 thousand, on 27 March 2025.

From 1 January to 31 March 2025, the Company issued new bonds:

- On 5 February 2025, unsecured Series AP3 bonds with a nominal value of PLN 100,000 thousand were issued. The bonds bear interest at a floating rate based on 3M WIBOR plus a margin of 2.80pp and mature on 5 February 2031.

## 16. Dividends paid (or declared)

Net profit earned by the Company in 2024 will be distributed in accordance with the KRUK S.A. Dividend Policy, adopted by the Management Board on 2 December 2021.

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. aims to ensure the Group's 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 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 Company. 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://pl.KRUK.eu/relacje-inwestorskie/polityka-dywidendowa>

## 17. Information on changes in contingent liabilities or contingent assets subsequent to the end of the previous financial year

Until the date of issue of this report, there were no movements in contingent liabilities or contingent assets, except for the expiry of guarantees on the stated dates.

Securities established over KRUK S.A.'s assets as at 31 March 2025 is presented below:

Type	Beneficiary	Amount	Expiry date	Terms and conditions
<b>Guarantees provided/promissory notes issued</b>				
Surety for PROKURA NFW FIZ's liabilities under the revolving credit facility of 2 July 2015, as amended, between PROKURA NFW FIZ, KRUK S.A. and mBank S.A.	mBank S.A.	PLN 210,000 thousand	No later than 18 December 2032	Prokura NFW FIZ's failure to pay amounts owed to the bank under the revolving credit facility agreement
Blank promissory note	Santander Bank Polska S.A.	PLN 195,000 thousand	Until the derivative transactions are settled and the bank's claims thereunder are satisfied	KRUK S.A.'s failure to repay its liabilities under treasury transactions made on the basis of the master agreement on the procedure for execution and settlement of treasury transactions of 13 June 2013, as amended
Surety for InvestCapital LTD's liabilities under the transactions executed under the master agreement between KRUK S.A., InvestCapital LTD and Santander Bank Polska S.A.	Santander Bank Polska S.A.	up to PLN 195,000 thousand*	No later than 31 July 2027	InvestCapital LTD's failure to repay its liabilities under treasury transactions made on the basis of Amendment 3 of 21 June 2018 to the master agreement on the procedure for execution and settlement of treasury transactions
Surety for liabilities of InvestCapital Ltd, Kruk Romania S. R. L., Kruk Espana S. L. U. and PROKURA NFW FIZ under the revolving multi-currency credit facility agreement of 3 July 2017, as amended, between KRUK S.A., InvestCapital Ltd, Kruk Romania S.R.L., Kruk Espana S.L.U. and PROKURA NFW FIZ (the Borrowers) and DNB Bank ASA, ING Bank Śląski S.A., Santander Bank Polska S.A., PKO BP S.A., PEKAO S.A.,	DNB Bank ASA, ING Bank Śląski S.A., Santander Bank Polska S.A., PKO BP S.A., PEKAO S.A.	EUR 975,000 thousand	Until all obligations under the multi-currency revolving credit facility agreement are satisfied No later than 31 December 2032	Borrower's failure to pay amounts due under the multicurrency revolving credit facility agreement
Surety for PROKURA NS FIZ's liabilities towards PKO BP S.A. under the non-renewable working capital facility agreement of 21 September 2021 between PROKURA NS FIZ, KRUK S.A. and PKO BP S.A.	PKO BP S.A.	PLN 13,392 thousand	No later than 20 September 2029	PROKURA NFW FIZ's failure to pay amounts owed to the bank under the non-renewable working capital facility agreement
Surety for PROKURA NS FIZ's liabilities towards PKO BP S.A. under the non-renewable working capital facility agreement of 14 December 2021 between PROKURA NFW FIZ, KRUK S.A. and PKO BP S.A.	PKO BP S.A.	PLN 30,030 thousand	No later than 13 December 2029	PROKURA NFW FIZ's failure to pay amounts owed to the bank under the non-renewable working capital facility agreement

Surety for PROKURA NFW FIZ's liabilities towards Pekao S.A. under the overdraft facility agreement of 1 February 2022 between PROKURA NFW FIZ, KRUK S.A. and Pekao S.A.	Pekao S.A.	PLN 105,000 thousand	No later than 31 January 2031	Prokura NFW FIZ's failure to pay amounts owed to the bank under the overdraft facility agreement
Surety for PROKURA NFW FIZ's liabilities towards PKO BP S.A. under the non-renewable working capital facility agreement of 22 August 2022 between PROKURA NFW FIZ, KRUK S.A. and PKO BP S.A.	PKO BP S.A.	PLN 39,600 thousand	No later than 21 August 2030	PROKURA NFW FIZ's failure to pay amounts owed to the bank under the non-renewable working capital facility agreement
Surety for InvestCapital Ltd's obligations to BANKINTER S.A. of Madrid, under the direct debit collection management contract between BANKINTER S.A. and InvestCapital Ltd. dated 7 July 2022, as amended on 26 February 2025.	BANKINTER S.A.	EUR 7,000 thousand	Until all obligations under the direct debit collection management contract of 7 July 2022, as amended on 26 February 2025, are satisfied	InvestCapital Ltd's failure to pay amounts due to the Bank under the direct debit collection management contract of 7 July 2022, as amended on 26 February 2025.
Surety for PROKURA NS FIZ's liabilities towards PKO BP S.A. under the non-renewable working capital facility agreement of 8 February 2024 between PROKURA NFW FIZ, KRUK S.A. and PKO BP S.A.	PKO BP S.A.	PLN 49,417 thousand	No later than 7 February 2032	PROKURA NFW FIZ's failure to pay amounts owed to the bank under the non-renewable working capital facility agreement
Surety for PROKURA NS FIZ's liabilities towards PKO BP S.A. under the non-renewable working capital facility agreement of 20 December 2024 between PROKURA NFW FIZ, KRUK S.A. and PKO BP S.A.	PKO BP S.A.	PLN 60,000 thousand	No later than 19 December 2032	PROKURA NFW FIZ's failure to pay amounts owed to the bank under the non-renewable working capital facility agreement

#### Guarantees obtained

Guarantee issued by Santander Bank Polska S.A. for KRUK S.A.'s liabilities under the rental agreement	DEVCO Sp. z o.o.	EUR 341 thousand and PLN 271 thousand	No later than 31 May 2025	KRUK S.A.'s failure to repay its liabilities under the rental agreement secured with the guarantee
Guarantee issued by Santander Bank Polska S.A. for KRUK S.A.'s liabilities under the rental agreement	Vastint Poland Sp. z o.o.	EUR 471 thousand	No later than 6 November 2025	KRUK S.A.'s failure to repay its liabilities and properly perform its obligations under the rental agreement secured with the Guarantee

\* As at 31 March 2025, InvestCapital Ltd had no obligations that would be covered by the surety.

### Granting of credit sureties or guarantees, security pledges

On 20 December 2024, a non-revolving working capital facility agreement was executed between Prokura NFW FIZ, KRUK S.A. and PKO BP S.A. of Warsaw. The facility has a maximum amount of PLN 40,000 thousand and matures on 19 December 2029. In order to secure the repayment of Prokura NFW FIZ's liabilities under the agreement:

- On 8 January 2025, a surety agreement was executed between KRUK S.A. and PKO BP S.A. under which the Company provided a surety for the borrower's liabilities of up to PLN 60,000 thousand;
- On 9 January 2025, an amendment to the agreement creating a financial pledge over a bank account of 5 October 2021 was executed between Prokura NFW FIZ and PKO BP S.A.;
- On 9 January 2025, an amendment to the agreement creating a financial pledge over a bank account of 5 October 2021 was executed between KRUK S.A. and PKO BP S.A.;
- On 9 January 2025, Prokura NFW FIZ and KRUK S.A. submitted notarised consents to enforcement under Art. 777.1.5 of the Code of Civil Procedure for up to PLN 60,000 thousand, which will expire on or before 31 December 2032;
- On 31 January 2025, Prokura NFW FIZ entered into an agreement with PKO BP S.A. to create a registered pledge over a set of rights (debt portfolios owned by Prokura NFW FIZ). The registered pledge was created up to the maximum amount of PLN 60,000 thousand.

As at 31 March 2025, the value of all portfolios pledged in favour of PKO BP S.A. was PLN 251,801 thousand.

On 20 December 2024, a revolving credit facility agreement was executed between KRUK S.A. and Alior Bank S.A. The facility has a maximum amount of PLN 200,000 thousand and matures on 31 December 2029. In order to secure the repayment of KRUK S.A.'s liabilities under the agreement:

- On 15 January 2025, an agreement was executed between KRUK S.A. and Alior Bank S.A. creating a financial and registered pledge over investment certificates. The registered pledge was created up to the maximum amount of PLN 300,000 thousand.

## 18. Events subsequent to the reporting date not disclosed in these financial statements but potentially having material bearing on the Company's future performance

After 31 March 2025, there were no events with potential material bearing on the Company's future performance.

**Piotr Krupa**  
*CEO and President 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*

**Michał Zasepa**  
*Member of the Management Board*

**Sylwia Bomba**

*Person responsible for keeping  
accounting records*

**Hanna Stempień**

*Prepared by*

Wrocław, 25 April 2025