

# Q4 2024 Results Presentation

## KRUK Group

27 February 2025  
(unaudited data)

- **Summary**
- **KRUK Group's results**
- **Geographical and operating segments**
- **Financials**
- **KRUK Group's strategy**
- **Additional information**

2024 net profit at PLN 1.1 billion



**PLN 2.8 billion** (-5% y/y)

Investments in debt portfolio purchases securing KRUK's market-leading position in Poland, Romania, Italy and Spain

**PLN 3.5 billion** (+15% y/y)

Recoveries from purchased portfolios

**PLN 2.4 billion** (+13% y/y)

Cash EBITDA

**PLN 1.1 billion** (+9% y/y)

Net profit

**PLN 55.54** (+9% y/y)

EPS

**24%**

Rolling ROE (LTM)\*

**PLN 11 billion** (+21% y/y)

Portfolio carrying amount

**2.7x** (2023: 2.4x)

Net debt/cash EBITDA

**1.4x** (2023: 1.4x)

Net debt/equity

## PLN 18 dividend per share for 2023

paid in May 2024

## PLN 8.1 billion

KRUK ranking as the world's largest debt collection company in terms of market capitalisation\*

## International expansion

62% of investments and 59% of recoveries in markets outside Poland

## Technological advances

Set out on digital transformation journey

## Record-breaking performance in Italy

PLN 262 million EBITDA (+46% y/y)

## Record-breaking performance by Wonga

PLN 93 million EBITDA (+22% y/y)

## Employee turnover at 12%

One of the lowest turnover rates in the financial sector

## 58% of senior managerial positions

at the KRUK Group held by women

## Stock market awards in 2024:

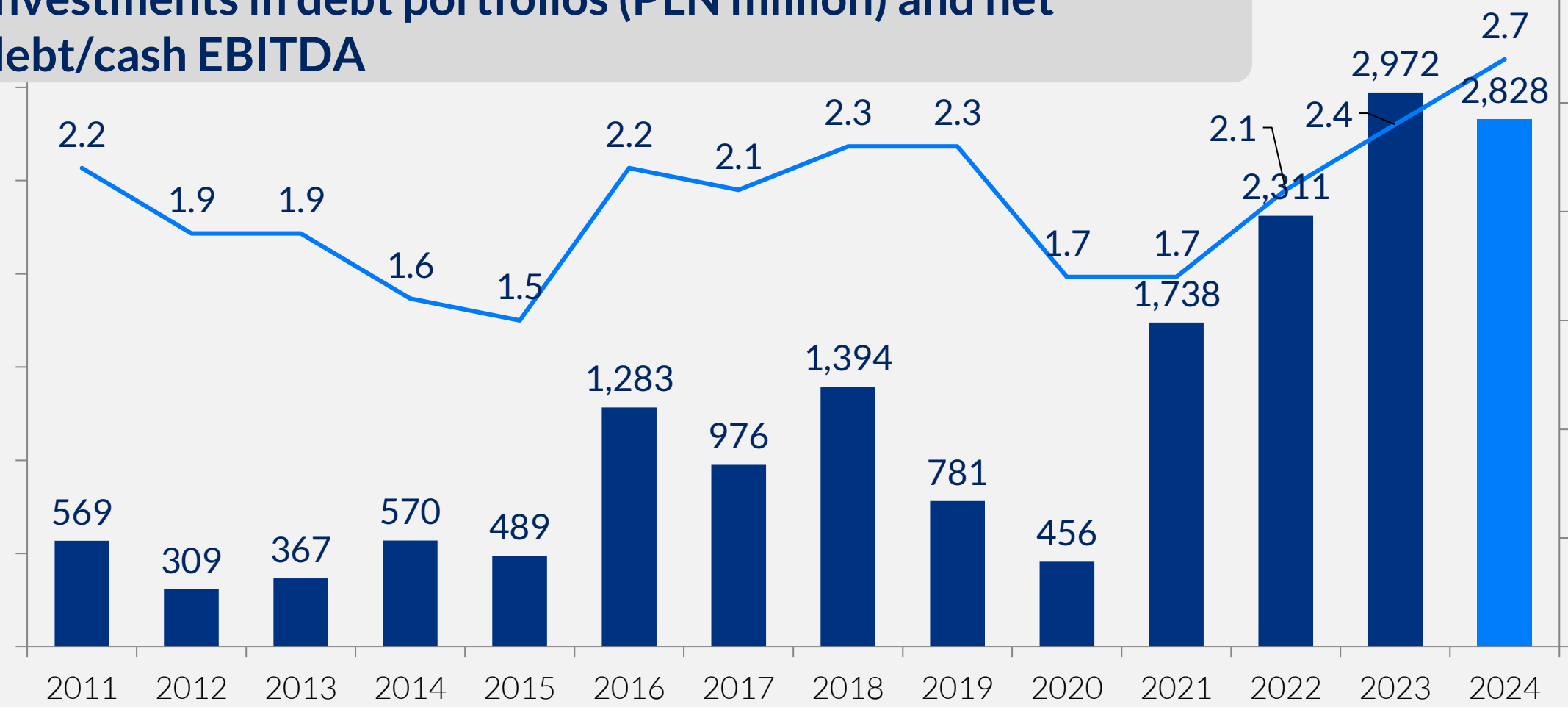
- ✓ Voted Investor Relations Leader by fund managers and analysts (*Parkiet* magazine)
- ✓ Named Capital Market Hero by the Association of Retail Investors
- ✓ The Best Annual Report, second main award

# KRUK Group's results

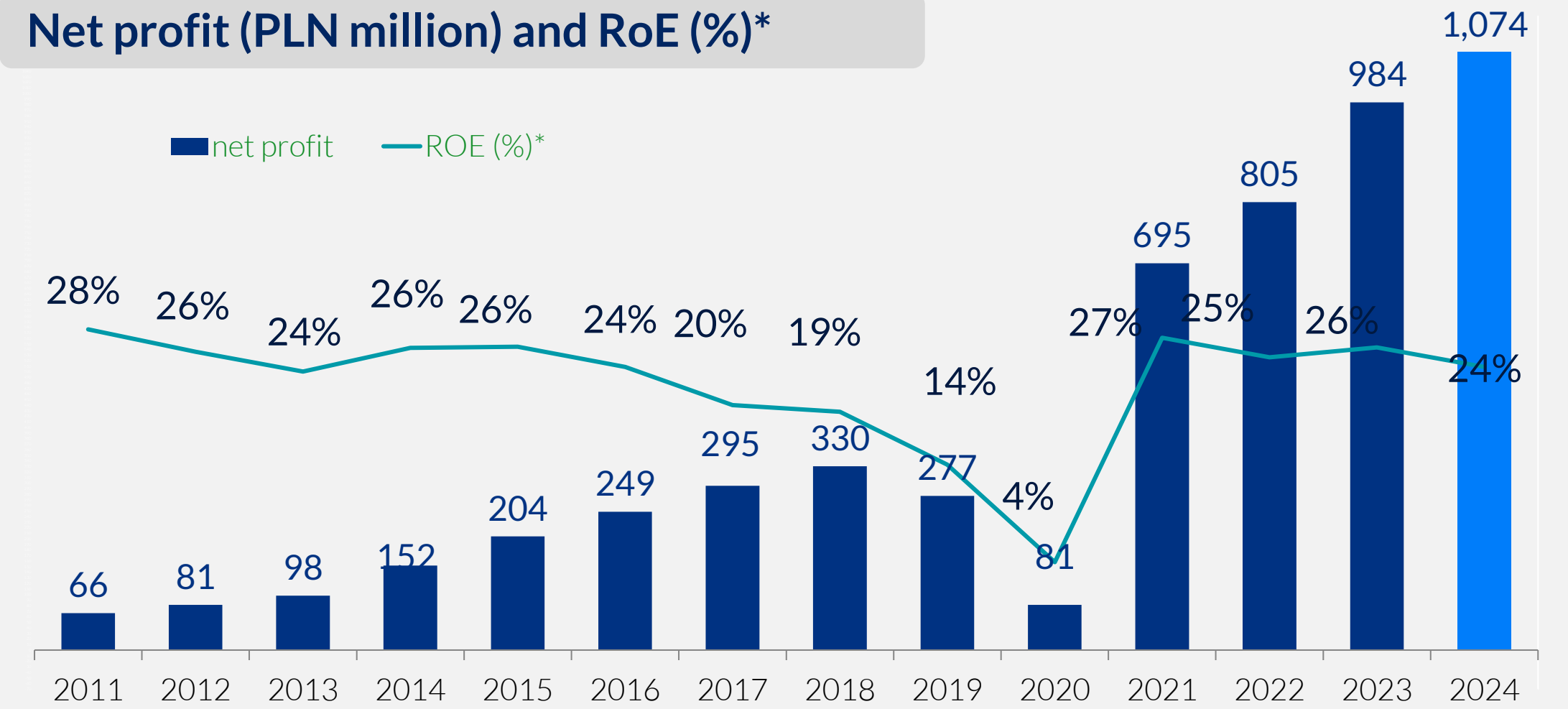
# KRUK has been creating long-term value for years



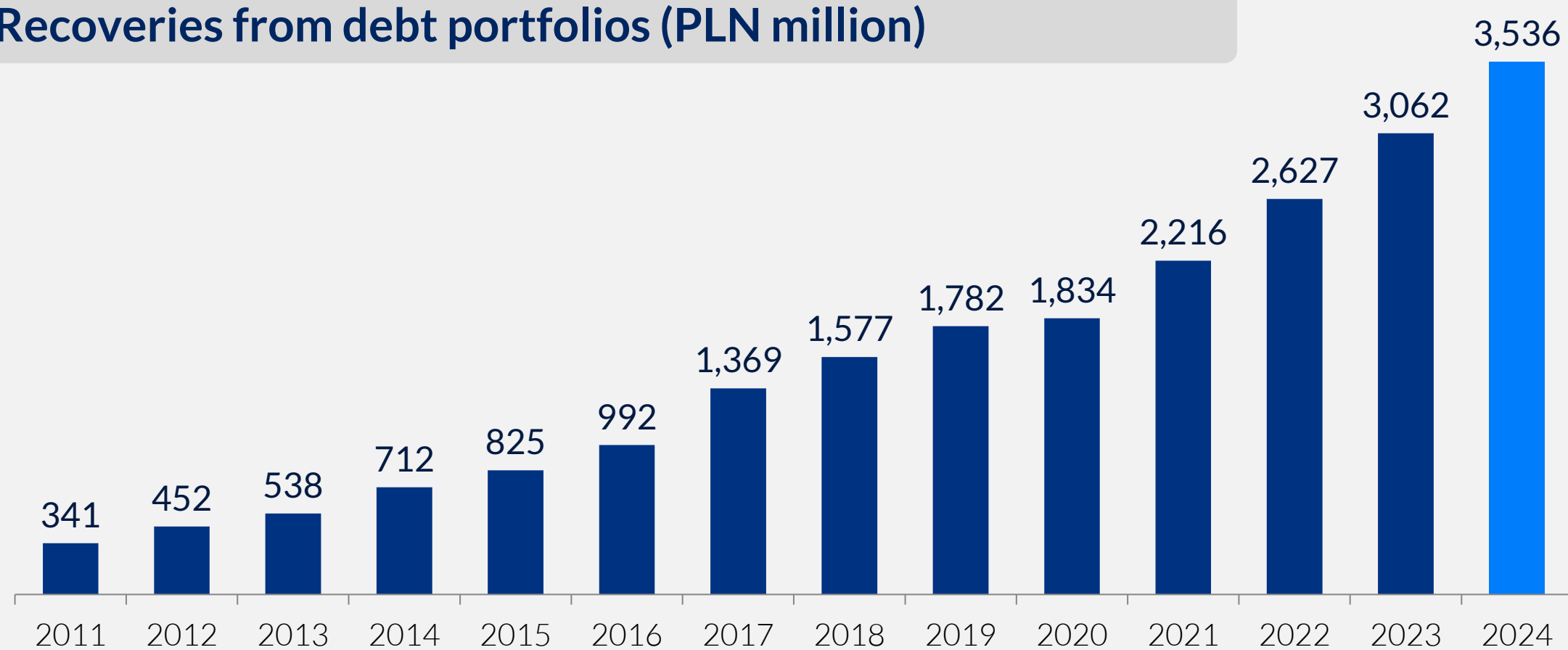
### Investments in debt portfolios (PLN million) and net debt/cash EBITDA



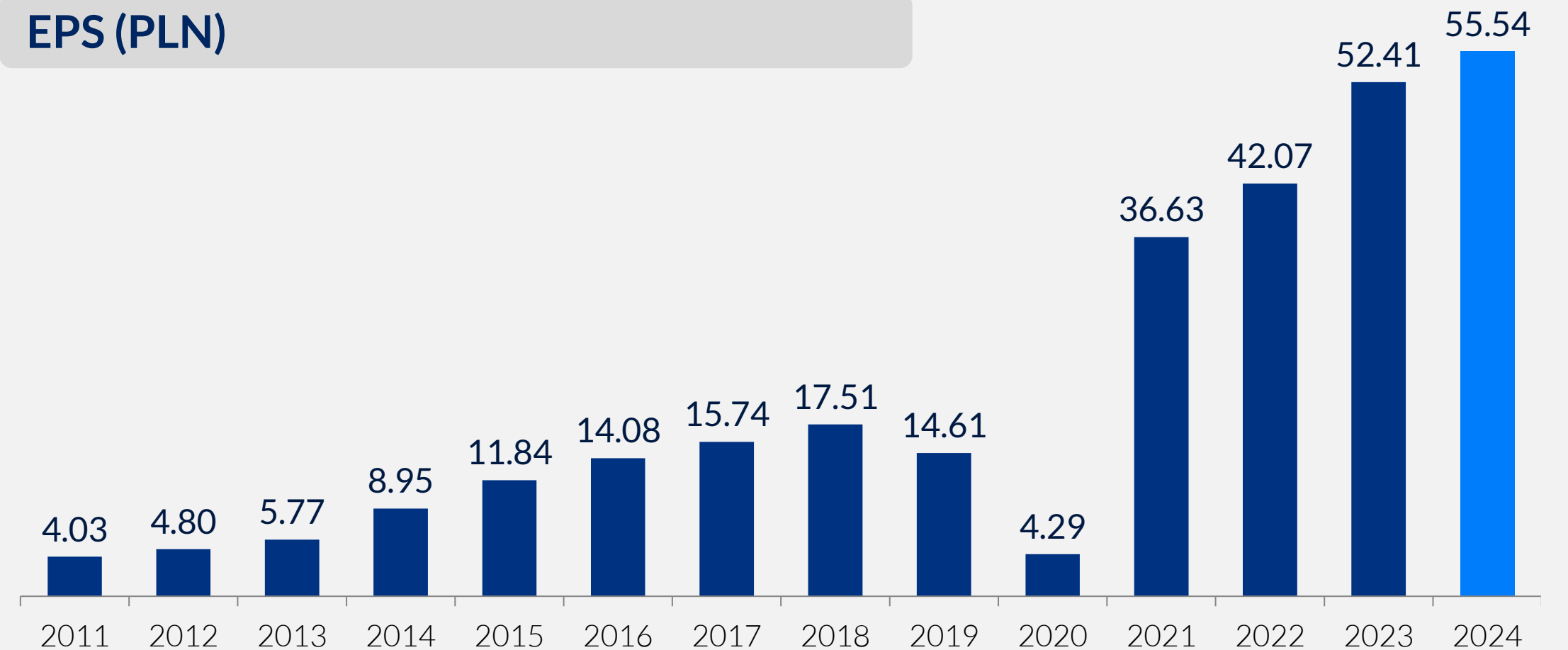
### Net profit (PLN million) and RoE (%)\*



### Recoveries from debt portfolios (PLN million)



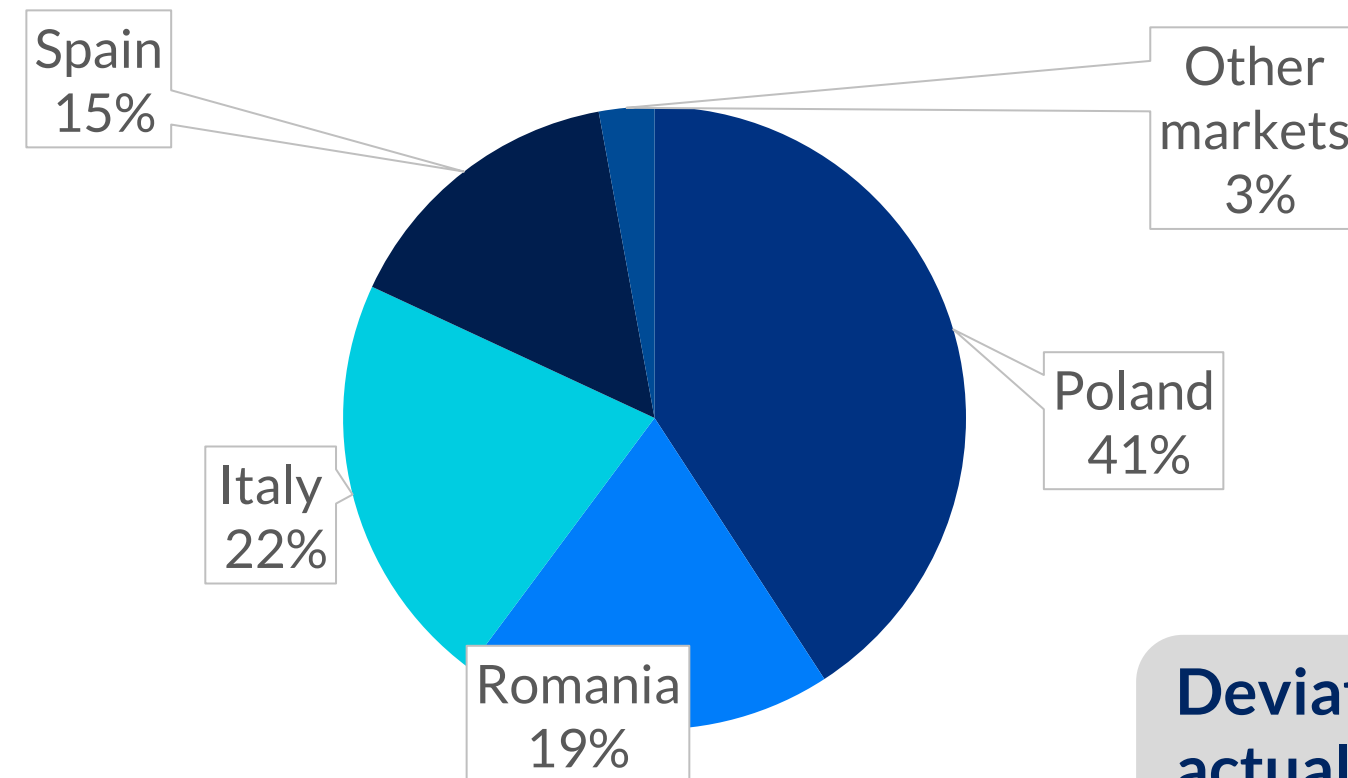
### EPS (PLN)



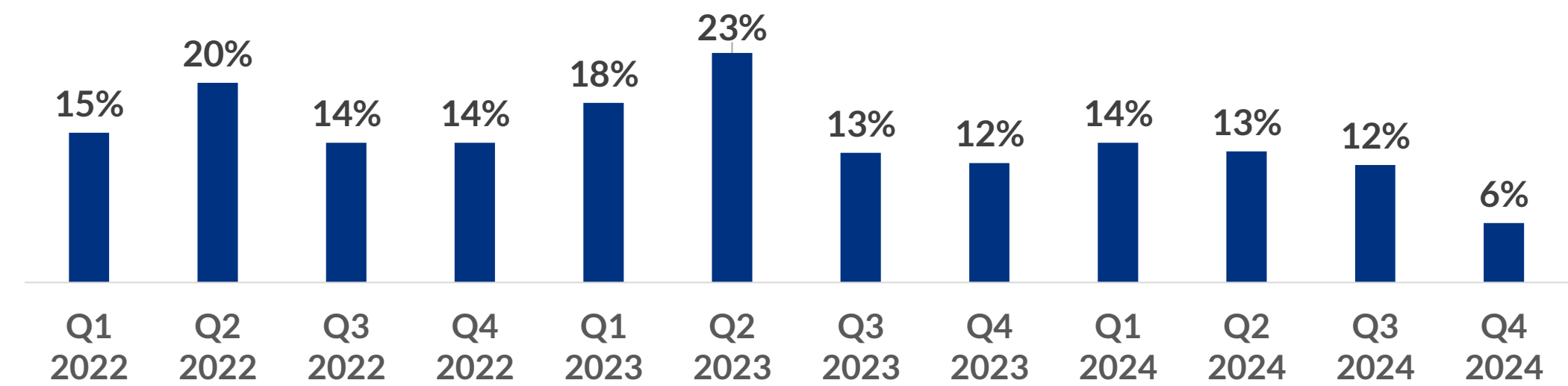
\* LTM return on equity. \*\* Workforce (FTEs) – the number reflected in the cost of salaries and wages, calculated based on full-time job equivalents rather than the actual number of employees.

# Robust level of recoveries and investments in 2024

## Share of each market in total recoveries



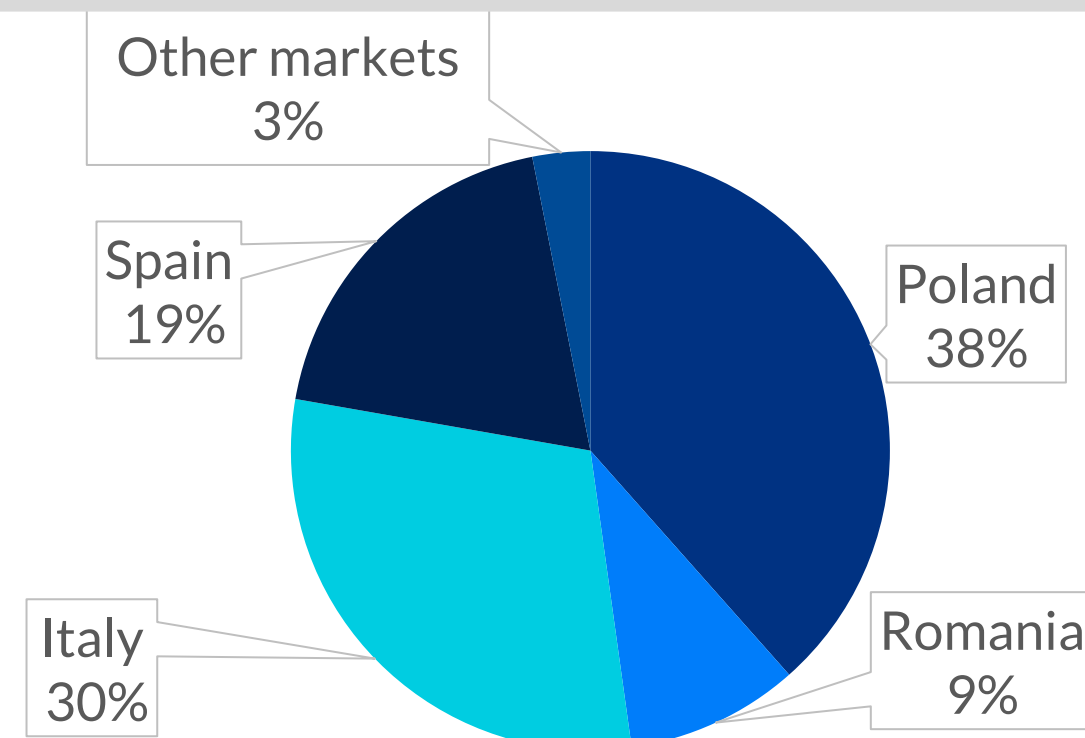
## Deviation between actual and projected recoveries [%]\*



- Recoveries from the KRUK Group's purchased portfolios grew by PLN 474 million y/y (up +15%), mainly on improved recoveries reported in Italy (up PLN +200 million y/y), Spain (up PLN +147 million y/y), and Poland (up PLN +92 million y/y).
- Foreign markets accounted for 59% of the Group's total recoveries.
- Of the total recoveries, PLN 3.2 billion (91%) came from unsecured debt portfolios, primarily from the consumer sector.
- Recoveries in Q4 2024 exceeded budgeted figures, with a positive deviation\* of PLN 53 million, or 6%.
- Cash recoveries in Poland, Romania and Italy were strong, but on the Spanish market they were below operational and accounting projections due to prolonged litigation times.

Recoveries from purchased portfolios PLN 3.5 billion (+15% y/y)

## Share of each market in total expenditure



- Expenditure on portfolio purchases in 2024 amounted to PLN 2,828 million (down PLN -144 million, or -5% y/y).
- The largest investments were made in Poland (PLN 1,087 million) and Italy (PLN 847 million).
- Of the total expenditure, PLN 2,719 million (96%) was allocated to unsecured debt, mainly in the retail segment.
- In nominal terms, purchased debt totalled PLN 14.6 billion.

Investments in new portfolios PLN 2.8 billion (-5% y/y)

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

# Cash EBITDA up by 13%, with 9% y/y increase in net profit

**Net profit**  
**PLN 1,074 million**  
**(+9% y/y)**

**Revenue**  
**PLN 2,908 million**  
**(+12% y/y)**

**Operating and administrative expenses**  
**PLN 1,433 million**  
**(+19% y/y)**

**Finance costs**  
**PLN 402 million**  
**(+39% y/y)**

- ✓ 2024 net profit reached PLN 1,074 million (up +9% y/y), largely driven by PLN 315 million rise in revenue (up +12% y/y). In Q4 2024, net profit was PLN 115 million.
- ✓ Cash EBITDA for the period came in at PLN 2,374 million (up PLN +269 million, or +13% y/y), with the rise attributable primarily to PLN +474 million (15%) y/y increase in recoveries. In Q4 2024, cash EBITDA reached PLN 604 million.
- ✓ Return on equity (ROE) stood at 24%.
- ✓ Revenue from purchased debt portfolios amounted to PLN 2,638 million, up by 13% (PLN +293 million) y/y.
- ✓ Revaluation of projected recoveries booked by the Group in the reporting period totalled PLN 390 million, compared with PLN 439 million in the previous year. The deviation between actual and projected recoveries\* was PLN 351 million, compared with PLN 427 million the year before. Interest income on debt portfolios rose y/y, from PLN 1,490 million to PLN 1,884 million. In Q4 2024, revaluation of recovery projections was PLN -64 million, due to an impairment loss on Spanish portfolios, and the deviation between actual and projected recoveries reached PLN 53 million.
- ✓ 81% of the total revaluation of projected recoveries from unsecured retail portfolios in Q4 2024 was attributable to revaluation of projected recoveries until December 2029 (over the next 60 months).
- ✓ In 2024, operating expenses excluding depreciation and amortisation (direct and indirect costs, administrative expenses and other expenses) rose by PLN 226 million (+19%) y/y.
- ✓ The increase was driven mainly by a rise in court fees (up PLN +98 million, or +28% y/y) and higher employee expenses and salaries (up PLN +51 million, or +10% y/y).
- ✓ Higher court fees led to an increase in the ratio of operating expenses to recoveries\*\*\* to 30%, from 29% in the previous year.
- ✓ The increase in net finance costs in 2024 (up PLN +112 million y/y) was driven mainly by a higher debt amount (up PLN + 1,107 million), as well as elevated 1M/3M EURIBOR rates (with the average of quotations for the last day of each month in 2024 at, respectively, 3.53%/3.52% compared with 3.32%/3.49% in 2023), partly offset by lower 1M/3M WIBOR rates (with the average of quotations for the last day of each month in 2024 at, respectively, 5.84%/5.86% relative to 6.52%/6.50% in 2023).
- ✓ The effect of interest rate increases on the Group's finance costs was partly offset by a positive effect of interest rate hedges, which amounted to PLN +88 million in 2024.

\* The line item 'Deviation between actual and projected recoveries, decreases on early collections in collateralised cases, payments from original creditor' in the financial statements.

\*\* Debt reported at nominal value.

\*\*\* The ratio of operating expenses to recoveries is calculated by dividing direct and indirect costs related to purchased debt portfolios by recoveries.



# Robust balance sheet and broad access to financing sources



**Equity**  
**PLN 4.5 billion**  
**(+19% y/y)**

- ✓ Equity represents 39% of the KRUK Group's financing sources. The ratio of net interest-bearing debt to equity was 1.4x (maximum value: 3.0x) and the ratio of net interest-bearing debt to cash EBITDA was 2.7x (maximum value: 4.0x).
- ✓ The ratio of cash EBITDA to interest on debt was 5.9x (minimum value: 4.0x).
- ✓ As at the end of 2024, the available lines of credit totalled PLN 4.0 billion, including undrawn facilities of PLN 0.5 billion as at 31 December 2024.
- ✓ In 2024, KRUK S.A. issued EUR-denominated bonds with a total nominal value of EUR 24 million and PLN-denominated bonds with a total nominal value of PLN 270 million.
- ✓ In February 2025, KRUK S.A. issued bonds with a total nominal value of PLN 100 million.
- ✓ IRS and CIRS contracts used for hedging purposes and fixed-rate bonds (a total of PLN 3,986 million) represented 61% of the Group's total debt as at 31 December 2024. WIBOR-sensitive debt accounted for 15% (PLN 997 million) and EURIBOR-sensitive debt – for 24% (PLN 1,604 million) of the Group's total debt as at 31 December 2024.

**Group's assets**  
**PLN 11.6 billion**  
**(+17% y/y)**

- ✓ The carrying amount of investments in debt portfolios reached PLN 10.5 billion, accounting for 90% of the Group's assets. Unsecured debt represented 92% of the carrying amount of KRUK's debt holdings.
- ✓ The carrying amount of loans granted by Wonga and Novum was PLN 503 million, representing 4% of the Group's assets.
- ✓ As at 31 December 2024, cash and cash equivalents amounted to PLN 215 million.

# Geographical and operating segments

# KRUK Group in 2024: segment overview

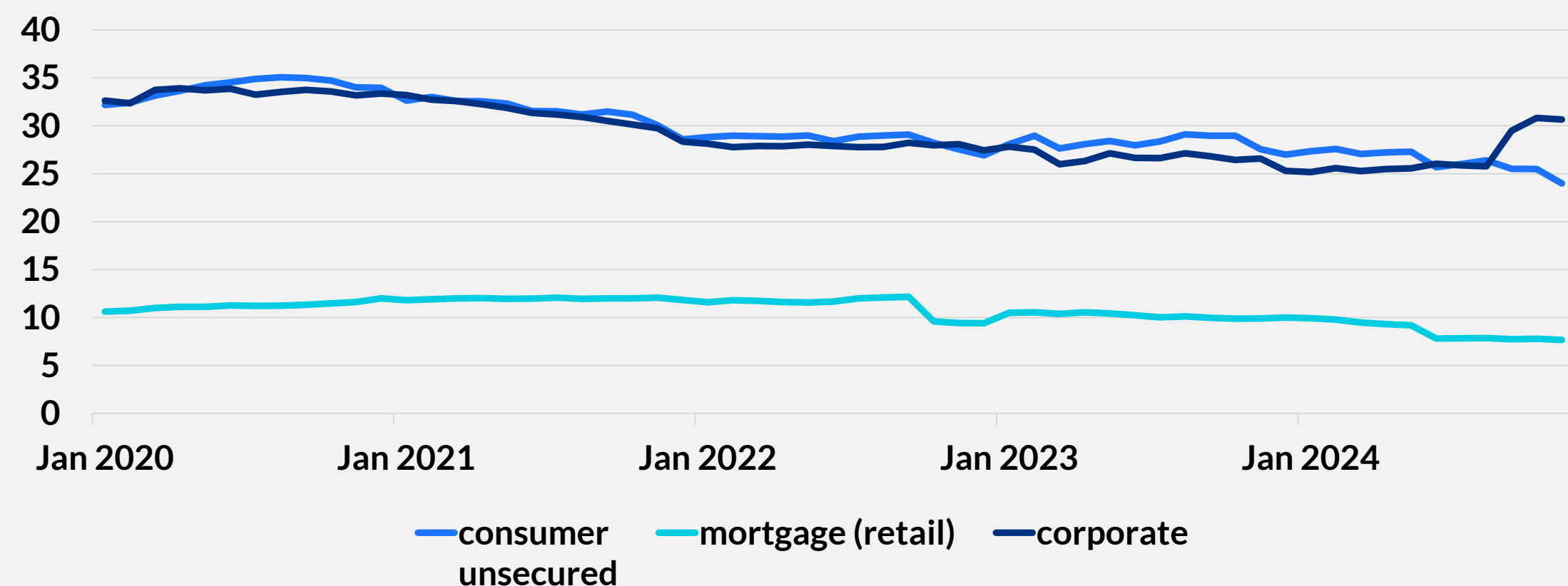


(PLN million)	Poland		Romania		Italy		Spain		Other markets		Unallocated		Head Office		KRUK Group	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Expenditure on debt portfolios</b>	1,087	776	264	336	847	977	541	812	88	70	N/A		N/A		2,828	2,972
<b>Recoveries</b>	1,444	1,351	684	635	769	569	538	390	102	117	N/A		N/A		3,536	3,062
<b>Carrying amount of purchased debt portfolios (PLN billion)</b>	4.1	3.2	1.6	1.4	2.7	2.1	1.9	1.7	0.2	0.2	N/A		N/A		10.5	8.7
<b>Percentage of total portfolio carrying amount</b>	39%	37%	15%	17%	26%	25%	18%	20%	2%	2%	N/A		N/A		100%	100%
<b>Revenue</b>	1,409	1,215	628	587	562	413	240	306	59	51	10	22	N/A		2,908	2,593
<b>Purchased debt portfolios</b>	1,189	1,021	620	581	549	401	222	290	59	51	N/A		N/A		2,638	2,344
<b>Credit management services</b>	25	30	1	0	13	11	18	16			N/A		N/A		58	58
<b>Wonga</b>	169	139									N/A		N/A		169	139
<b>Other activities</b>	26	24	7	6							N/A		N/A		33	30
<b>Gross profit</b>	1,011	868	504	462	309	215	-5	132	35	24	2	11	N/A		1,856	1,712
<b>EBITDA</b>	904	778	470	430	262	179	-33		20	10	2	11	-151	-129	1,475	1,385
<b>Cash EBITDA</b>	1,159	1,108	535	484	482	346	284	207	63	76	2	11	-151	-129	2,374	2,104

# Debt purchase market in Poland in 2024

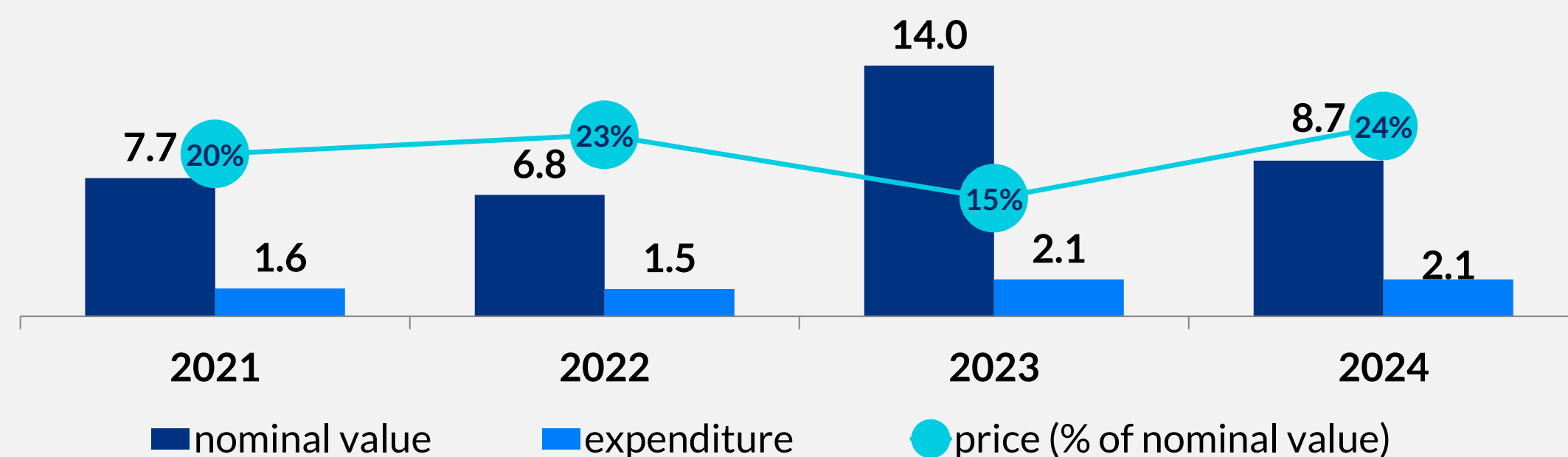


## Poland Non-performing bank loans (PLN billion)

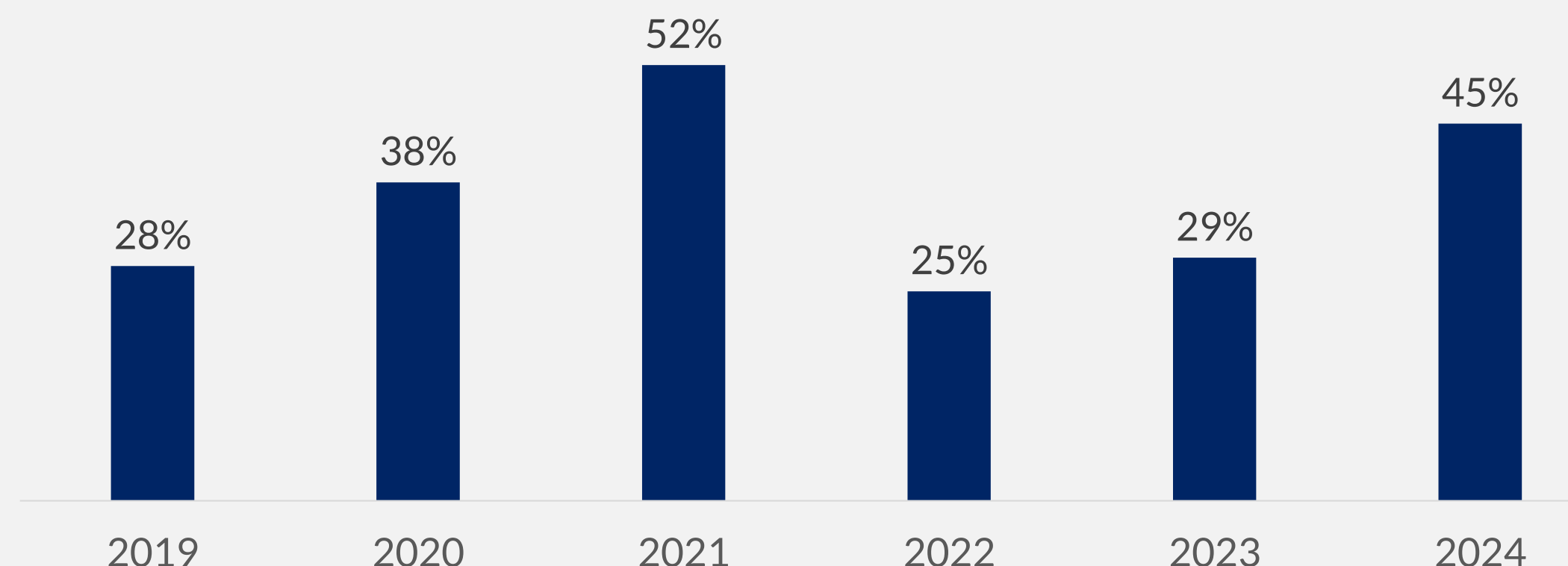


- As at the end of 2024, non-performing debt assets held by Polish banks amounted to PLN 62 billion, a level broadly unchanged from December 2023. Non-performing unsecured consumer debt decreased from PLN 27 billion to PLN 24 billion.
- The estimated total debt supply in nominal terms was PLN 14.2 billion, of which unsecured retail debt accounted for PLN 8.7 billion, corporate and SME debt portfolios – for PLN 4.7 billion, and mortgage debt portfolios – for PLN 0.9 billion. The price increase of up to 24% was caused by a smaller number of transactions on the secondary market compared to the previous year.
- KRUK’s expenditure on debt cases in Poland amounted to PLN 2.8 billion, of which 75% related to unsecured retail debt, and the remaining 25% – to corporate, SME and mortgage debt portfolios.
- KRUK’s share in total debt purchases on the Polish market is estimated at 40%, while its share in expenditure on unsecured retail debt – at 45%.

## Poland Unsecured retail debt supply (PLN billion)



## Poland KRUK’s share in unsecured retail debt portfolios on the primary market



# KRUK Group's operations in Poland



(PLN million)	2024	2023	y/y	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
<b>Expenditure on debt portfolios</b>	1,087	776	40%	86	197	74	419	132	222	181	552
<b>Recoveries</b>	1,444	1,351	7%	322	345	365	319	348	385	349	361
<b>Portfolio carrying amount</b>	4,059	3,228	26%	2,754	2,895	2,858	3,228	3,316	3,445	3,601	4,059
<b>Revenue</b>	1,409	1,215	16%	268	338	291	318	337	365	386	321
<b>Purchased debt portfolios</b>	1,189	1,021	16%	217	286	251	266	284	310	329	267
<b>Revaluation of projected recoveries</b>	302	212	42%	31	64	50	67	72	80	102	47
<b>Credit management services</b>	25	30	-16%	9	8	7	7	7	6	6	6
<b>Wonga</b>	169	139	21%	36	38	26	39	39	42	45	43
<b>Other activities</b>	26	24	7%	6	6	6	6	6	7	6	6
<b>Gross profit</b>	1,011	868	16%	187	259	208	214	249	271	287	203
<b>EBITDA</b>	904	778	16%	167	238	185	189	224	245	262	174
Including Wonga	93	76	22%	21	23	11	22	20	22	30	20
<b>Cash EBITDA</b>	1,159	1,108	5%	272	296	299	241	288	320	282	268
<b>Portfolio profitability (LTM)*</b>	32%	34%	-5%	32%	32%	34%	34%	34%	35%	37%	32%

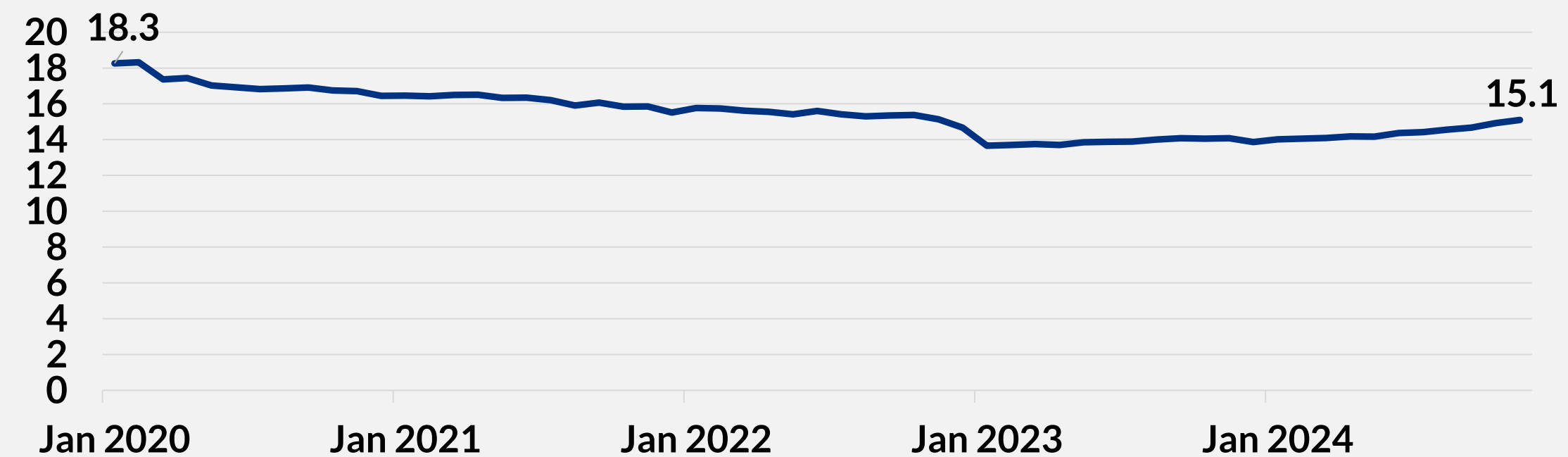
- In 2024, KRUK's investments in Poland amounted to PLN 1,087 million, representing 38% of the Group's total expenditure in the period. The nominal value of purchased portfolios was PLN 5.6 billion.
- Amounts recovered in Poland reached PLN 1,444 million (up +7% y/y), accounting for 41% of the Group's total recoveries.
- The carrying amount of purchased debt portfolios as at the end of 2024 was PLN 4.1 billion. The Polish portfolios accounted for 39% of the carrying amount of all debt portfolios held by the KRUK Group.
- The PLN 194 million y/y growth in revenue was led mainly by an increase in revenue from purchased portfolios (up PLN +168 million y/y), reflecting higher revaluation of projected recoveries (up PLN +90 million y/y) and higher interest income. In Poland, KRUK recorded an excess of actual cash recovered over projected recoveries. In Q4 2024, total revenue was PLN 321 million, with revaluation of projected recoveries at PLN 47 million.
- The increase in gross profit (up +16% y/y) and EBITDA (up +16% y/y) was mainly driven by revenue growth. In Q4 2024, gross profit and EBITDA were PLN 203 million and PLN 174 million, respectively.

\* LTM portfolio profitability calculated as the sum of revenue from purchased portfolios for the last 12 months divided by the arithmetic mean of the portfolio value at the beginning and at the end of the last 12 months.

# Debt purchase market in Romania in 2024

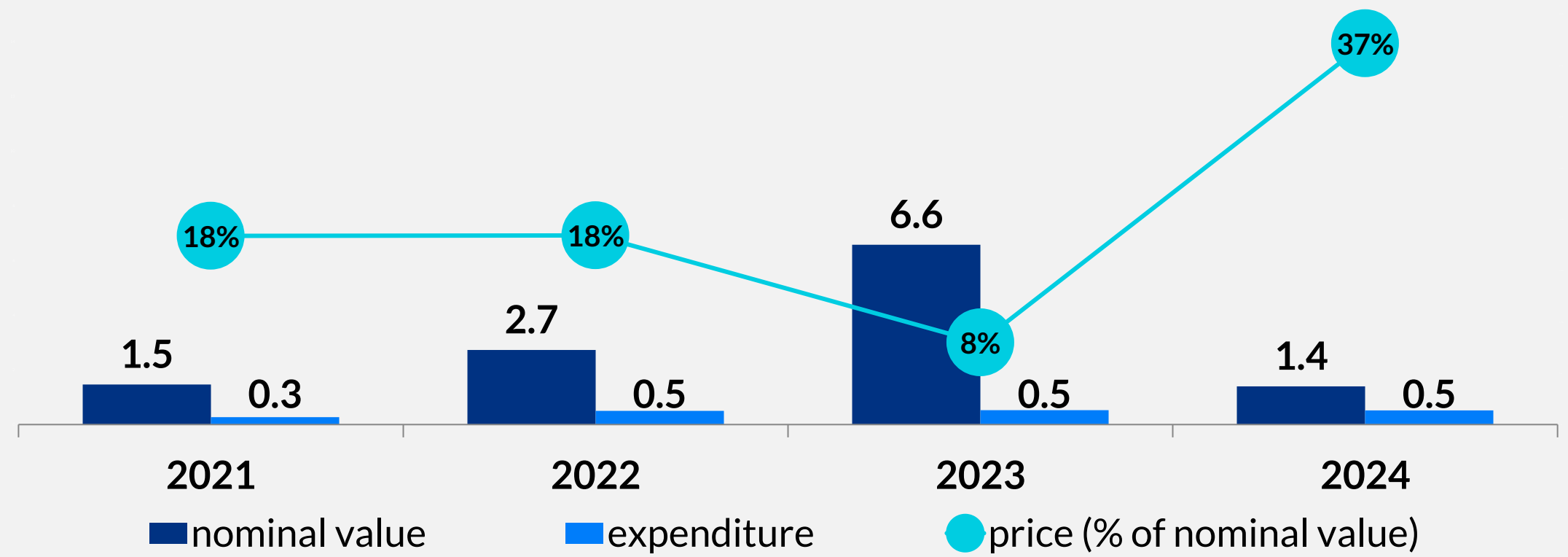


**Romania** Impaired bank loans (PLN billion)

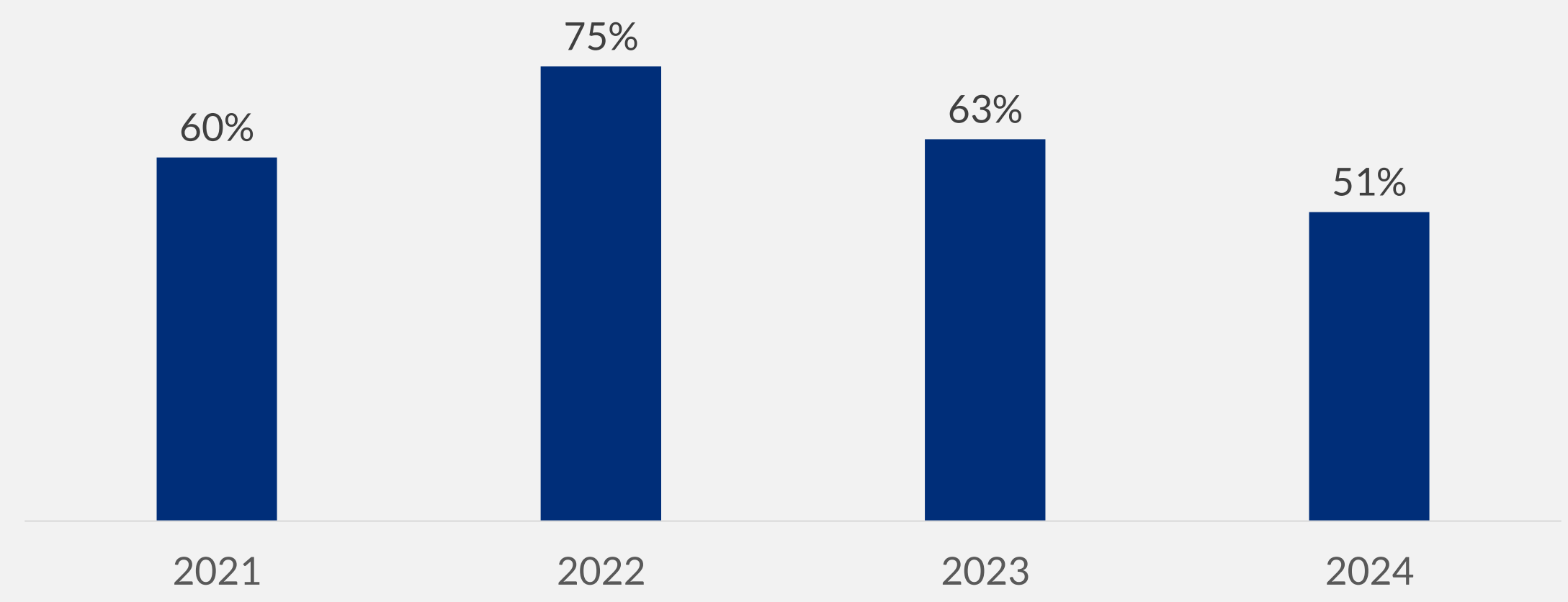


- Non-performing debt assets held by Romanian banks amounted to PLN 15.1 billion (up +9% y/y).
- In 2024, unsecured retail debt portfolios with a nominal value of PLN 1.4 billion were sold in the Romanian market.
- The average price of debt was strongly affected by the fact that these sales were exclusively primary-market transactions, in contrast to previous years, when transactions were also executed in the secondary market, characterised by high nominal values at relatively low prices. In 2024, debt supply was comprised of higher quality assets.
- According to KRUK's estimates, total expenditure on retail debt portfolios in Romania was PLN 518 million, with KRUK's share at 51%.

**Romania** Unsecured retail debt supply (PLN billion)



**Romania** KRUK's share in unsecured retail debt portfolios on the primary market



# KRUK Group's operations in Romania

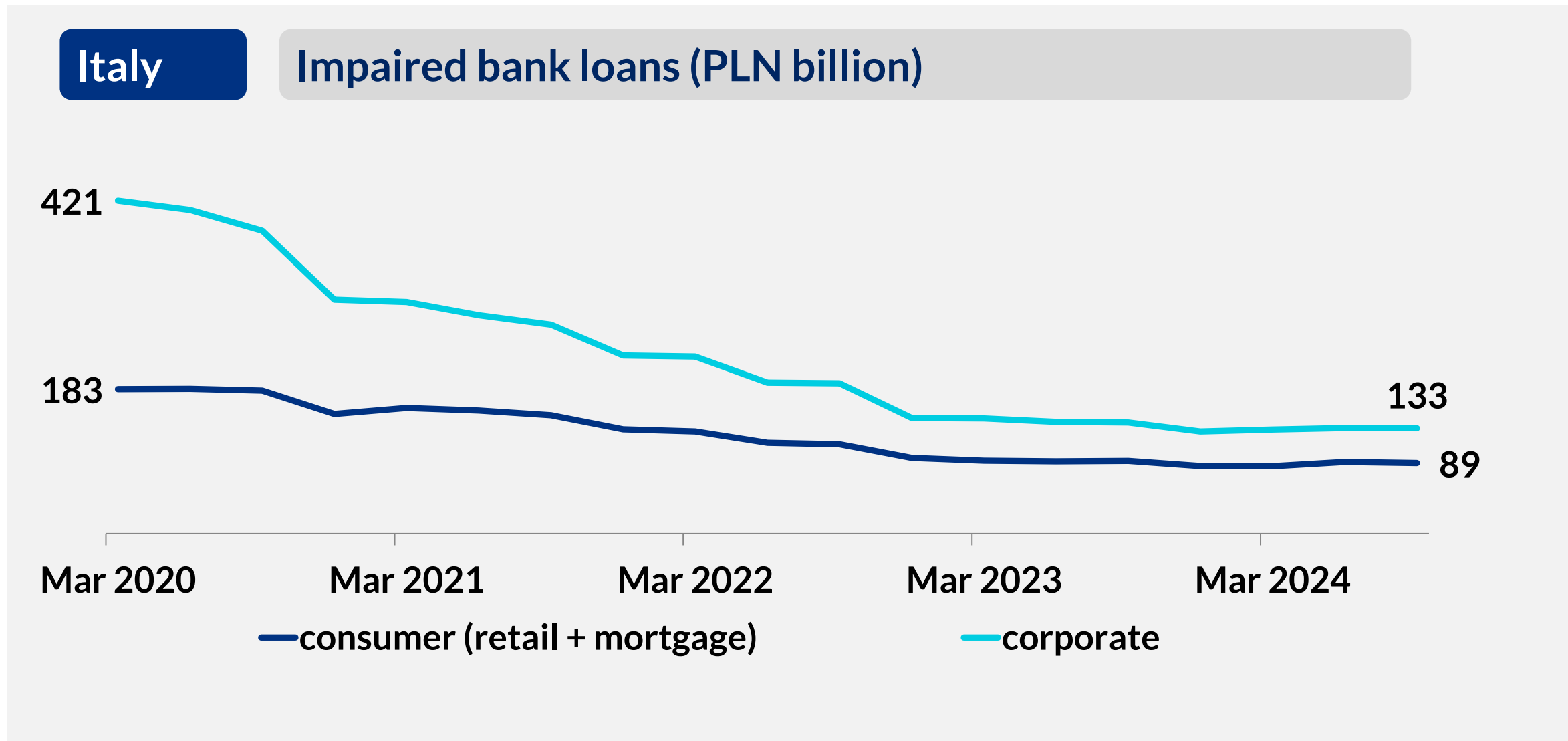


(PLN million)	2024	2023	y/y	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
<b>Expenditure on debt portfolios</b>	264	336	-21%	18	100	75	143	23	69	77	95
<b>Recoveries</b>	684	635	8%	167	155	155	158	160	178	168	179
<b>Portfolio carrying amount</b>	1,620	1,443	12%	1,244	1,275	1,390	1,443	1,438	1,486	1,570	1,620
<b>Revenue</b>	628	587	7%	141	149	141	155	148	153	187	140
<b>Purchased debt portfolios</b>	620	581	7%	140	148	140	153	146	152	186	136
<b>Revaluation of projected recoveries</b>	202	197	2%	39	58	48	52	48	45	75	35
<b>Credit management services</b>	1	0	40%	0	0	0	0	0	0	0	0
<b>Other activities</b>	7	6	27%	1	2	1	2	1	1	1	4
<b>Gross profit</b>	504	462	9%	112	119	110	121	117	119	158	110
<b>EBITDA</b>	470	430	9%	105	111	103	111	109	111	150	100
<b>Cash EBITDA</b>	535	484	10%	132	119	118	116	123	137	132	142
<b>Portfolio profitability (LTM)*</b>	41%	43%	-5%	45%	44%	44%	43%	44%	43%	43%	41%

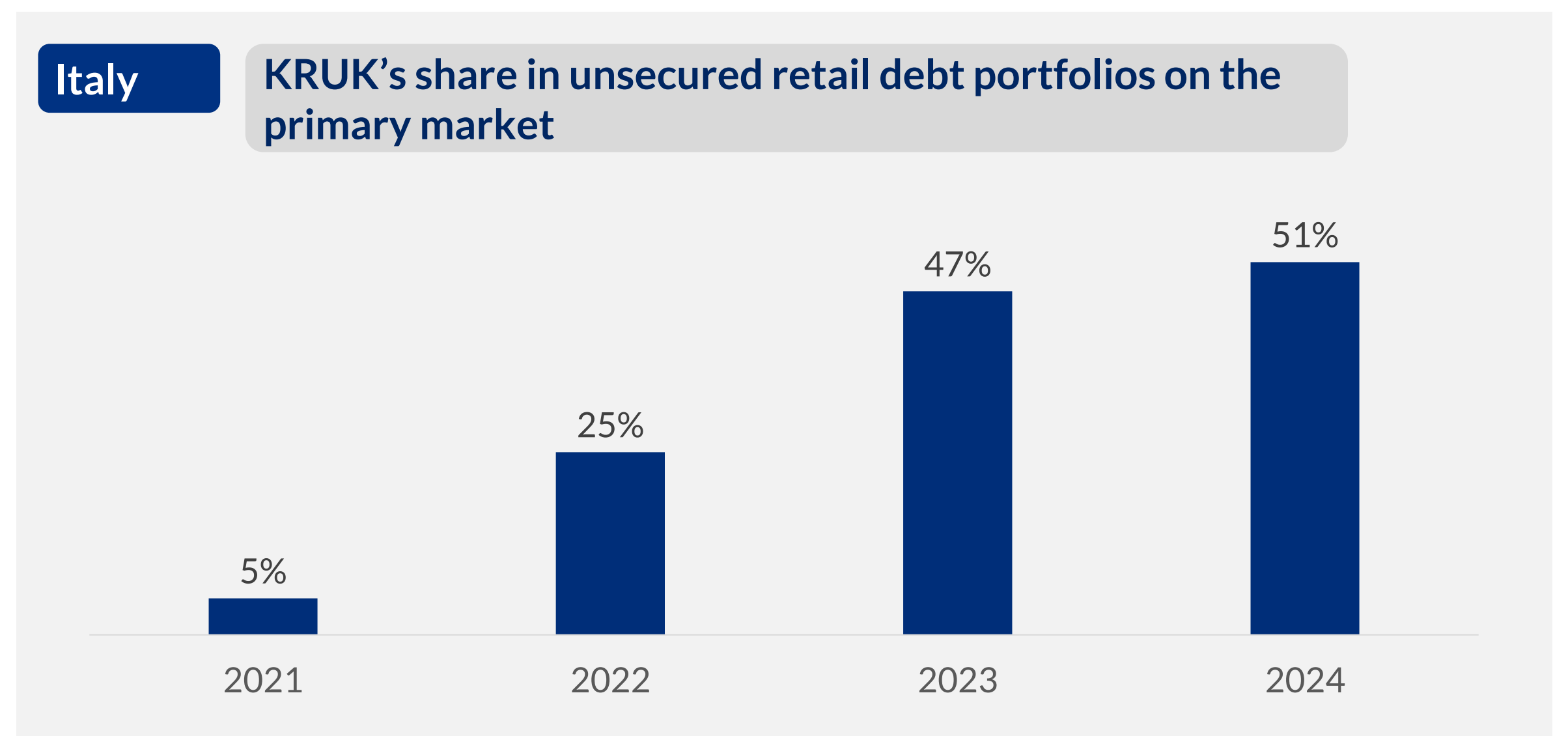
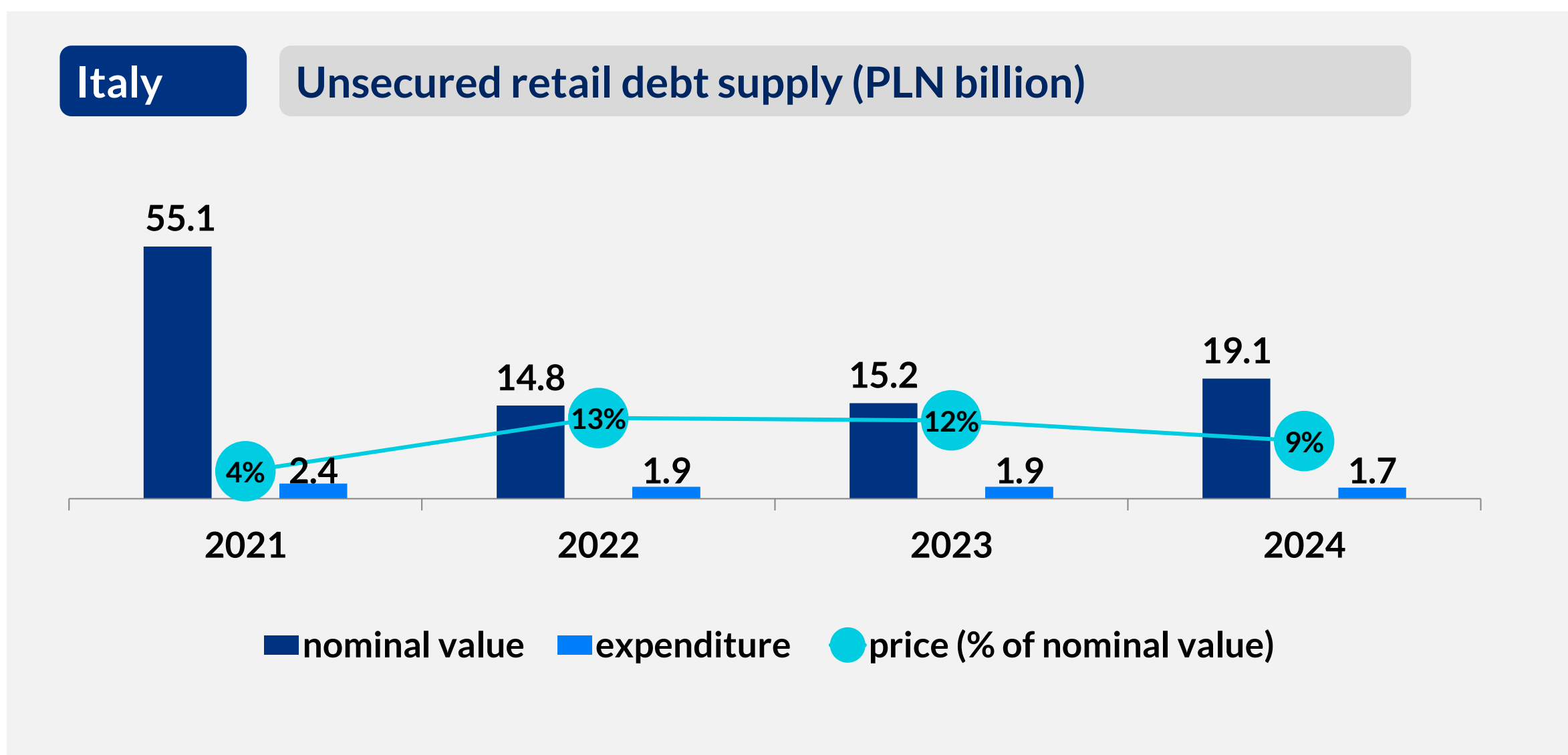
- In 2024, expenditure on portfolio purchases in Romania reached PLN 264 million (down -21% y/y). The nominal value of the debt purchased in the period was PLN 702 million. Investments in debt portfolios made in Romania accounted for 9% of the Group's total investments in the reporting period.
- Recoveries from Romanian debt portfolios amounted to PLN 684 million (up +8% y/y) and represented 19% of the Group's total recoveries.
- At the end of the reporting period, the carrying amount of purchased debt portfolios was PLN 1.6 billion (up +12% y/y). The Romanian portfolios accounted for 15% of the carrying amount of all debt portfolios held by the KRUK Group.
- Revenue increased by +7% y/y to PLN 628 million, mainly on higher interest income and higher revaluation of projected recoveries. The deviation between actual and projected recoveries in Romania was positive. In Q4 2024, total revenue was PLN 140 million, with revaluation of projected recoveries at PLN 35 million.
- The increase in gross profit (up +9% y/y) and EBITDA (up +9% y/y) was mainly driven by revenue growth. In Q4 2024, gross profit and EBITDA were PLN 110 million and PLN 100 million, respectively.

\* LTM portfolio profitability calculated as the sum of revenue from purchased portfolios for the last 12 months divided by the arithmetic mean of the portfolio value at the beginning and at the end of the last 12 months.

# Debt purchase market in Italy in 2024



- Non-performing debt assets held by Italian banks decreased significantly in 2020–2024, but still remain at a high level.
- According to the KRUK Group’s estimates, in 2024 the aggregate supply of unsecured retail debt, SME and corporate debt portfolios was in excess of PLN 34 billion, of which unsecured retail debt portfolios amounted to PLN 19.1 billion (nominal amounts).
- PLN 10.1 billion of unsecured retail debt was sold on the secondary market.
- KRUK’s share in the Italian market overall is estimated at 21%.
- Its share in expenditure on unsecured retail debt on both the primary and secondary markets is estimated at 46%.





# KRUK Group's operations in Italy

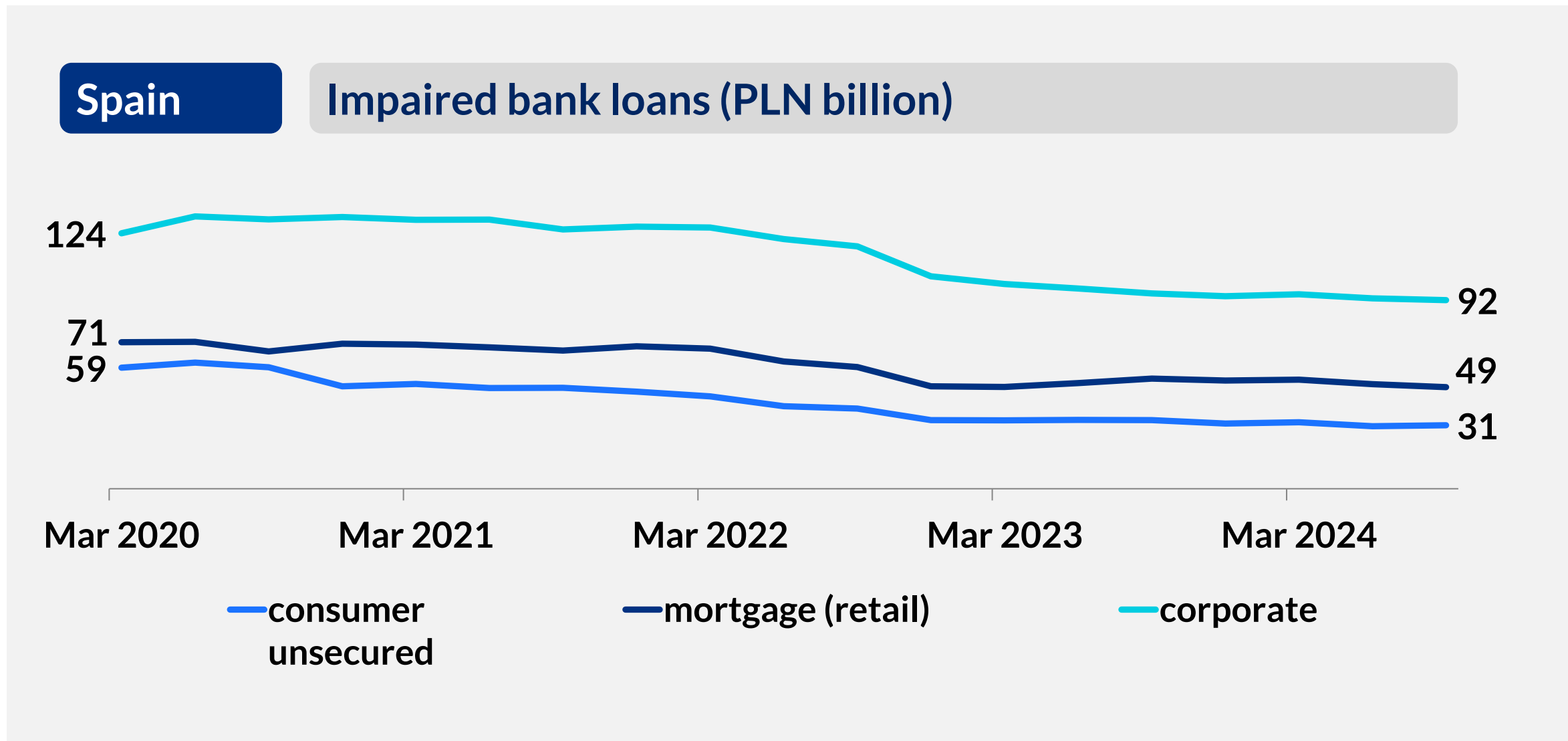


(PLN million)	2024	2023	y/y	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
<b>Expenditure on debt portfolios</b>	847	977	-13%	341	183	137	317	134	111	136	467
<b>Recoveries</b>	769	569	35%	142	147	135	145	196	177	177	218
<b>Portfolio carrying amount</b>	2,729	2,144	27%	1,774	1,826	1,998	2,144	2,193	2,272	2,354	2,729
<b>Revenue</b>	562	413	36%	111	104	96	101	137	143	144	138
<b>Purchased debt portfolios</b>	549	401	37%	108	102	94	98	134	139	141	135
<b>Revaluation of projected recoveries</b>	60	25	139%	16	7	1	2	17	24	18	0
<b>Credit management services</b>	13	11	19%	3	3	3	3	3	3	3	4
<b>Gross profit</b>	309	215	43%	65	52	49	49	78	82	81	68
<b>EBITDA</b>	262	179	46%	57	42	40	40	68	71	68	55
<b>Cash EBITDA</b>	482	346	39%	90	87	82	87	130	109	105	138
<b>Portfolio profitability (LTM)*</b>	21%	22%	-5%	26%	26%	23%	22%	22%	23%	24%	21%

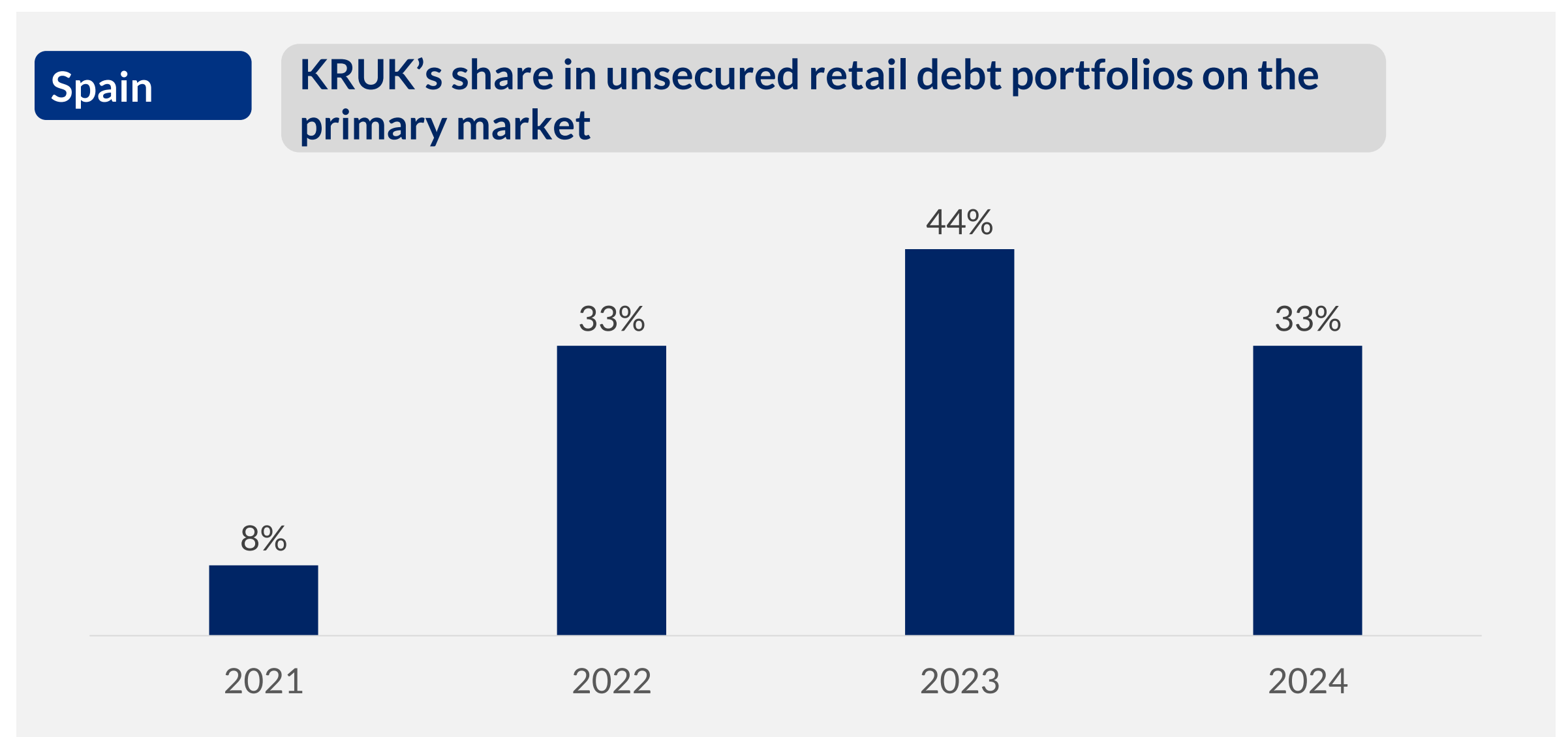
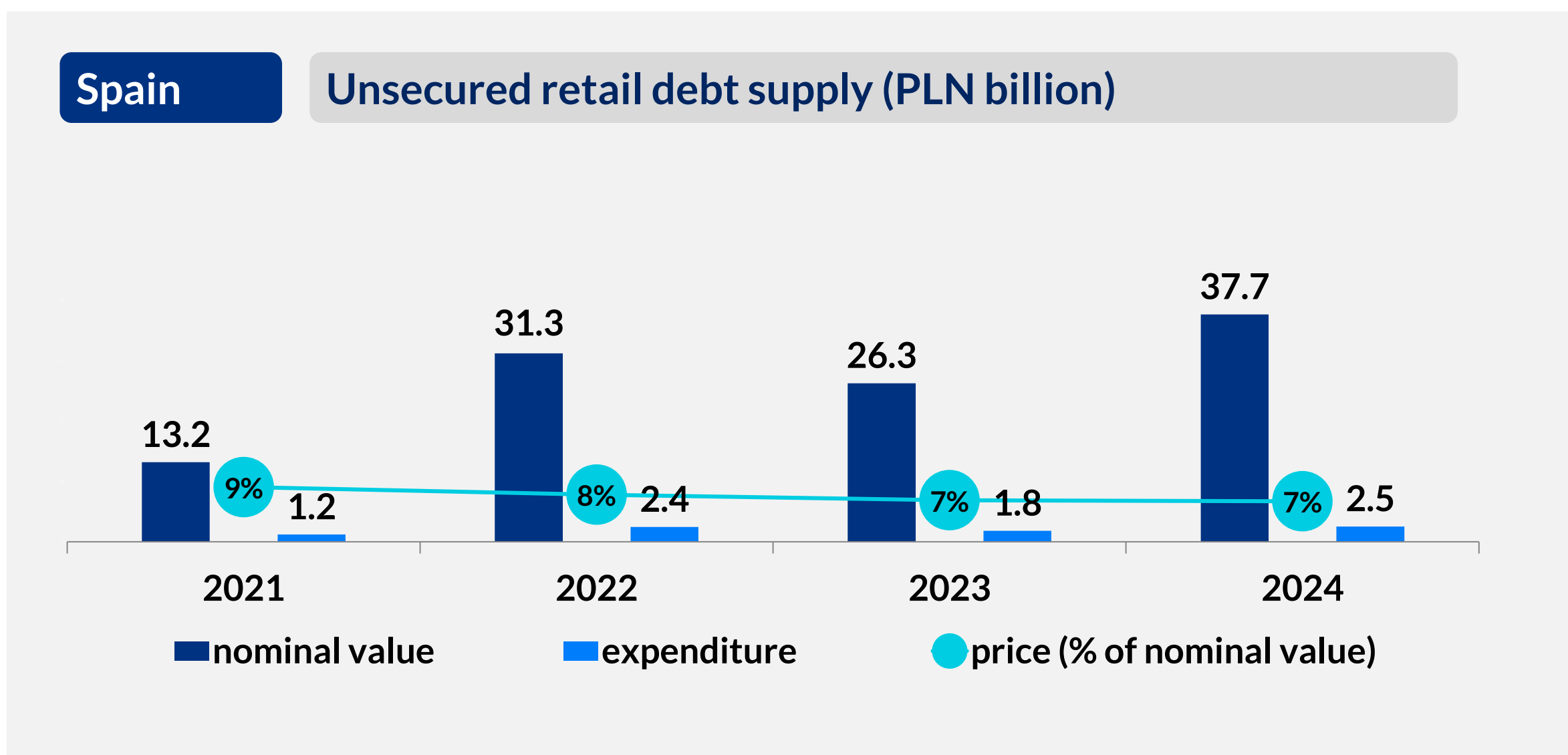
- In Italy, KRUK invested PLN 847 million in 2024 (down -13% y/y, with the figure representing 30% of total expenditure), purchasing debt worth nominally PLN 5 billion.
- Recoveries from Italian portfolios came in at PLN 769 million (up +35% y/y), accounting for 22% of the Group's total.
- At the end of the reporting period, the carrying amount of debt portfolios acquired on that market was PLN 2.7 billion, representing 26% of the total carrying amount of debt portfolios held by the KRUK Group.
- Revenue increased by 36% to PLN 562 million, mainly on higher interest income and higher revaluation of projected recoveries (up PLN +35 million y/y). In Italy, KRUK recorded an excess of actual recoveries over estimates. In Q4 2024, total revenue was PLN 138 million, with revaluation of projected recoveries close to zero.
- The increase in gross profit (up +43%) and EBITDA (up +46%) came mainly as a result of higher revenue. In Q4 2024, gross profit and EBITDA were PLN 68 million and PLN 55 million, respectively.

\* LTM portfolio profitability calculated as the sum of revenue from purchased portfolios for the last 12 months divided by the arithmetic mean of the portfolio value at the beginning and at the end of the last 12 months.

# Debt purchase market in Spain in 2024



- Based on KRUK’s estimates, the nominal value of debt portfolios sold in Spain in 2024 reached approximately PLN 85 billion (excluding mortgage debt).
- The total amount invested on the Spanish market was PLN 2.9 billion (excluding mortgage debt portfolios), with KRUK’s share at 19%.
- KRUK’s share in expenditure on unsecured retail debt on both the primary and secondary markets is estimated at 21%.
- The judicial system in Spain is facing a capacity crunch, which has become particularly apparent after the strike in 2023. The inflow of new court cases went up by 35% in 2023 compared with 2020 (3 million vs 2.2 million in 2020), while the number of pending cases increased by 31% (2.3 million vs 1.7 million in 2020).



# KRUK Group's operations in Spain



(PLN million)	2024	2023	y/y	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
<b>Expenditure on debt portfolios</b>	541	812	-33%	35	161	516	100	27	142	317	54
<b>Recoveries</b>	538	390	38%	69	86	105	130	126	119	146	147
<b>Portfolio carrying amount</b>	1,898	1,705	11%	1,123	1,217	1,766	1,705	1,693	1,771	2,036	1,898
<b>Revenue</b>	240	306	-21%	64	78	81	82	113	53	112	-38
<b>Purchased debt portfolios</b>	222	290	-24%	60	73	78	79	109	49	108	-44
<b>Revaluation of projected recoveries</b>	-173	3	-5,539%	-1	5	0	-1	7	-36	0	-145
<b>Credit management services</b>	18	16	16%	4	5	3	4	4	5	4	6
<b>Gross profit</b>	-5	132	-103%	28	37	41	26	67	-17	45	-99
<b>EBITDA</b>	-33	106	-131%	23	31	35	18	61	-24	38	-108
<b>Cash EBITDA</b>	284	207	37%	32	43	61	70	78	46	76	83
<b>Portfolio profitability (LTM)*</b>	11%	21%	-48%	21%	27%	21%	21%	24%	21%	18%	11%

- In Spain, KRUK invested PLN 541 million in 2024 (19% of total expenditure), acquiring debts with a nominal value of PLN 2.9 billion, of which most was unsecured retail debt.
- Amounts recovered in Spain reached PLN 538 million (up +38% y/y), accounting for 15% of the Group's total recoveries. The recoveries were below expectations.
- At the end of the reporting period, the carrying amount of debt portfolios acquired on that market was PLN 1.9 billion, representing 18% of the total carrying amount of debt portfolios held by the KRUK Group.
- Revenue from the Spanish market fell to PLN 240 million (-21% y/y), due mainly to PLN -173 million negative revaluation of projected recoveries. In Q4 2024, total revenue was PLN -38 million, with revaluation of projected recoveries at PLN -145 million. The negative revaluation in Q4 2024 was mainly attributable to delays in the processing of court cases. Additionally, the reduction in future expected repayments from the acquired portfolios results from a different behavior of bank cases purchased in 2022 and 2023 than the comparative base of cases used in the valuation of the portfolios.
- Year on year, gross margin and EBITDA declined by 103% and 131%, respectively, mainly as a result of the negative revaluation and higher court fees. In Q4 2024, gross profit and EBITDA were PLN -99 million and PLN -108 million, respectively.

\* LTM portfolio profitability calculated as the sum of revenue from purchased portfolios for the last 12 months divided by the arithmetic mean of the portfolio value at the beginning and at the end of the last 12 months.

# KRUK Group's operations in France, the Czech Republic, Slovakia and Germany



(PLN million)	2024	2023	y/y	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
<b>Expenditure on debt portfolios</b>	88	70	26%	45	11	10	3	19	20	32	17
<b>Recoveries</b>	102	117	-14%	24	44	25	24	23	24	24	30
<b>Portfolio carrying amount</b>	194	154	26%	205	177	177	154	139	170	189	194
<b>Revenue</b>	59	51	15%	13	14	13	11	12	15	13	19
<b>Purchased debt portfolios</b>	59	51	14%	13	14	13	11	12	15	13	18
<b>Revaluation of projected recoveries</b>	0	2	-71%	2	0	0	0	0	2	0	-1
<b>Gross profit</b>	35	24	44%	8	4	7	5	6	9	8	12
<b>EBITDA</b>	20	10	100%	5	0	4	2	3	6	5	6
<b>Cash EBITDA</b>	63	76	-17%	16	29	16	15	15	15	16	17
<b>Portfolio profitability (LTM)*</b>	33%	32%	3%	33%	34%	32%	32%	28%	29%	28%	33%

- Total investments in those markets amounted to PLN 88 million (3% of the Group's total expenditure). The majority of the investments were made in the French market.
- Recoveries reached PLN 102 million, accounting for 3% of the Group's total.
- As at the end of the period, the carrying amount of purchased debt portfolios was PLN 194 million, representing 2% of the total carrying amount of debt portfolios held by the KRUK Group.
- Revenue amounted to PLN 59 million, mainly as a result of higher excess of actual cash recovered over projected recoveries. In Q4 2024, total revenue was PLN 19 million, with revaluation of projected recoveries at PLN -1 million.
- Gross profit was PLN 35 million (up +44%) and EBITDA came in at PLN 20 million (up +100%), mainly on higher revenue. In Q4 2024, gross profit and EBITDA were PLN 12 million and PLN 6 million, respectively.

\* LTM portfolio profitability calculated as the sum of revenue from purchased portfolios for the last 12 months divided by the arithmetic mean of the portfolio value at the beginning and at the end of the last 12 months.



(PLN million)	2024	2023	y/y	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Net value of loans	541	460	18%	108	121	116	115	120	126	139	155
Carrying amount of loans	361	326	11%	310	317	318	326	328	362	362	361
Revenue	169	139	21%	36	38	26	39	39	42	45	43
EBITDA	93	76	22%	21	23	11	22	20	22	30	20

- Wonga.pl disbursed 221 thousand cash loans in Poland, with a net amount of PLN 541 million.
- As at the end of 2024, the carrying amount of loans advanced by Wonga was PLN 361 million, up +11% y/y.
- Wonga's revenue came in at PLN 169 million (up +21% y/y), with EBITDA at PLN 93 million (up +22% y/y).



(PLN million)	2024	2023	y/y	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Net value of loans	113	79	43%	14	18	23	24	26	28	29	30
Carrying amount of loans	90	73	24%	55	60	67	73	78	84	87	90
Revenue	25	23	11%	5	6	6	6	6	7	6	6
EBITDA	14	10	40%	2	2	3	3	3	4	2	5

- In Poland, Novum disbursed 18 thousand loans, with a net amount of PLN 113 million.
- As at the end of 2024, the carrying amount of loans advanced by Novum was PLN 90 million, up +24% y/y.
- Novum's revenue in Poland totalled PLN 25 million (up +11% y/y), with EBITDA at PLN 14 million (up +40%).

# Financials

# KRUK Group: P&L by business segment (presentation format)



PLN million	2024	2023	y/y	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
<b>PURCHASED DEBT PORTFOLIOS</b>											
Expenditure on debt portfolios	2,828	2,972	-5%	524	653	812	983	335	565	743	1,185
Recoveries	3,536	3,062	15%	724	776	785	777	854	883	864	935
<b>STATEMENT OF PROFIT OR LOSS</b>											
<b>Operating income</b>	<b>2,908</b>	<b>2,593</b>	<b>12%</b>	<b>615</b>	<b>685</b>	<b>623</b>	<b>670</b>	<b>748</b>	<b>732</b>	<b>844</b>	<b>583</b>
Purchased debt portfolios	2,638	2,344	13%	538	624	576	607	685	664	777	512
Revaluation of projected recoveries	390	439	-11%	87	134	99	120	144	114	196	-64
Income from difference between projected and actual recoveries and other items*	351	427	-18%	111	143	91	83	105	103	91	53
Credit management services	58	58	0%	16	15	13	14	15	14	14	15
Other products and services	212	191	11%	61	46	34	49	49	54	54	55
<b>Costs of operations</b>	<b>1,433</b>	<b>1,207</b>	<b>19%</b>	<b>271</b>	<b>292</b>	<b>288</b>	<b>356</b>	<b>314</b>	<b>364</b>	<b>352</b>	<b>402</b>
Court fees	451	353	28%	79	89	89	96	95	126	113	116
Employee expenses and salaries	581	529	10%	124	127	128	150	133	142	137	169
<b>EBITDA</b>	<b>1,475</b>	<b>1,385</b>	<b>6%</b>	<b>344</b>	<b>393</b>	<b>335</b>	<b>314</b>	<b>434</b>	<b>368</b>	<b>492</b>	<b>181</b>
EBITDA margin	51%	53%		56%	57%	54%	47%	58%	50%	58%	31%
Finance income / costs	-402	-290	-39%	-61	-62	-73	-94	-93	-92	-105	-113
of which: net foreign exchange gains/(losses)	-3	9	-129%	1	4	5	-1	-2	1	0	-1
<b>Profit before tax</b>	<b>1,010</b>	<b>1,037</b>	<b>-3%</b>	<b>269</b>	<b>317</b>	<b>248</b>	<b>205</b>	<b>325</b>	<b>261</b>	<b>371</b>	<b>53</b>
Tax expense	64	-53	220%	-34	-23	-19	22	13	4	-15	62
Tax %	-6%	5%		13%	7%	8%	-25%	-4%	-2%	4%	-118%
<b>Net profit</b>	<b>1,074</b>	<b>984</b>	<b>9%</b>	<b>235</b>	<b>294</b>	<b>229</b>	<b>227</b>	<b>338</b>	<b>265</b>	<b>356</b>	<b>115</b>
Net profit margin	37%	38%		38%	43%	37%	34%	45%	36%	42%	20%
Rolling ROE (LTM)	27%	24%		23%	24%	24%	27%	26%	26%	27%	24%
<b>Cash EBITDA</b>	<b>2,374</b>	<b>2,104</b>	<b>13%</b>	<b>530</b>	<b>545</b>	<b>544</b>	<b>484</b>	<b>604</b>	<b>587</b>	<b>579</b>	<b>604</b>

\* Deviations between actual and projected recoveries, decreases on early collections in collateralised cases, payments from original creditor.

# KRUK Group: P&L by geographical segment (presentation format)



PLN million	2024	2023	y/y	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
<b>Operating income</b>	<b>2,908</b>	<b>2,593</b>	<b>12%</b>	<b>615</b>	<b>685</b>	<b>623</b>	<b>670</b>	<b>748</b>	<b>732</b>	<b>844</b>	<b>583</b>
Poland	1,409	1,215	16%	268	338	291	318	337	365	386	321
Romania	628	587	7%	141	149	141	155	148	153	187	140
Italy	562	413	36%	111	104	96	101	137	143	144	138
Spain	240	306	-21%	64	78	81	82	113	53	112	-38
Other countries	59	51	15%	13	14	13	11	12	15	13	19
<b>EBITDA</b>	<b>1,475</b>	<b>1,385</b>	<b>6%</b>	<b>344</b>	<b>393</b>	<b>335</b>	<b>314</b>	<b>434</b>	<b>368</b>	<b>492</b>	<b>181</b>
EBITDA margin	51%	53%		56%	57%	54%	47%	58%	50%	58%	31%
Finance income/costs	-402	-290	-39%	-61	-62	-73	-94	-93	-92	-105	-113
Income tax	64	-53	220%	-34	-23	-19	22	13	4	-15	62
<b>Net profit</b>	<b>1,074</b>	<b>984</b>	<b>9%</b>	<b>235</b>	<b>294</b>	<b>229</b>	<b>227</b>	<b>338</b>	<b>265</b>	<b>356</b>	<b>115</b>
Net profit margin	37%	38%		38%	43%	37%	38%	45%	36%	42%	20%



# KRUK Group: cash flows (presentation format)



PLN million	2024	2023	y/y	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	2024
<b>Cash flows from operating activities</b>	<b>1,807</b>	<b>1,714</b>	<b>5%</b>	<b>394</b>	<b>502</b>	<b>342</b>	<b>477</b>	<b>478</b>	<b>497</b>	<b>412</b>	<b>419</b>	
Recoveries – purchased debt portfolios	3,536	3,062	15%	724	776	785	777	854	883	864	935	
Operating costs – purchased debt portfolios	-922	-749	-23%	-168	-186	-182	-213	-200	-234	-235	-253	
Operating margin – credit management	15	4	238%	4	4	2	-6	4	4	3	3	
Administrative expenses	-382	-327	-17%	-72	-76	-79	-100	-82	-96	-89	-114	
Other operating cash flow	-441	-276	-60%	-95	-16	-185	19	-99	-60	-131	-152	
<b>Cash flows from investing activities</b>	<b>-2,872</b>	<b>-3,018</b>	<b>5%</b>	<b>-527</b>	<b>-676</b>	<b>-820</b>	<b>-996</b>	<b>-341</b>	<b>-570</b>	<b>-767</b>	<b>-1,194</b>	
Expenditure on debt portfolio purchases	-2,828	-2,972	5%	-524	-653	-812	-983	-335	-565	-743	-1,185	
Other investing cash flow	-44	-46	4%	-2	-23	-8	-13	-6	-6	-24	-9	
<b>Cash flows from financing activities</b>	<b>892</b>	<b>1,497</b>	<b>-40%</b>	<b>167</b>	<b>108</b>	<b>508</b>	<b>714</b>	<b>-240</b>	<b>-31</b>	<b>352</b>	<b>811</b>	
Issue of shares	16	0	-	0	0	0	0	0	0	16	0	
Dividend /share repurchase	-348	-290	-20%	0	0	-290	0	0	-348	0	0	
Increase in borrowings and lease liabilities	4,043	3,839	5%	806	828	1,087	1,118	548	1,049	684	1,762	
Issue of bonds	374	1,564	-76%	175	731	75	583	174	0	0	200	
Decrease in borrowings and lease liabilities	-3,188	-3,715	14%	-849	-1,465	-374	-1,026	-877	-804	-319	-1,188	
Redemption of bonds	-103	-65	-	0	0	0	-65	-78	0	-25	0	
Other financing cash flow	97	163	-40%	35	15	10	104	-8	71	-3	37	
<b>Net cash flows</b>	<b>-174</b>	<b>193</b>	<b>-190%</b>	<b>33</b>	<b>-65</b>	<b>29</b>	<b>195</b>	<b>-104</b>	<b>-104</b>	<b>-3</b>	<b>36</b>	

\* Including proceeds from the issue of Series AN2 bonds deposited in a technical account held with the broker, credited in the Group's bank account after the reporting date, on 10 January 2023.

# KRUK Group: selected items of the statement of financial position (presentation format)



PLN million	31 Dec 2024	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023	31 Dec 2022	30 Sep 2022
<b>ASSETS</b>										
Cash and cash equivalents	215	178	181	285	388	194	164	229	202	197
Investments in debt portfolios and loans	11,003	10,222	9,612	9,205	9,092	8,594	7,792	7,482	7,138	6,518
Other assets	431	414	429	454	448	408	449	350	341	327
<b>Total assets</b>	<b>11,649</b>	<b>10,814</b>	<b>10,222</b>	<b>9,943</b>	<b>9,929</b>	<b>9,196</b>	<b>8,405</b>	<b>8,061</b>	<b>7,681</b>	<b>7,043</b>
<b>EQUITY AND LIABILITIES</b>										
<b>Equity</b>	<b>4,529</b>	<b>4,408</b>	<b>4,107</b>	<b>4,156</b>	<b>3,791</b>	<b>3,725</b>	<b>3,449</b>	<b>3,505</b>	<b>3,253</b>	<b>3,132</b>
of which: Retained earnings	4,009	3,894	3,538	3,622	3,283	3,056	2,827	2,823	2,589	2,461
<b>Liabilities</b>	<b>7,120</b>	<b>6,406</b>	<b>6,115</b>	<b>5,787</b>	<b>6,138</b>	<b>5,471</b>	<b>4,957</b>	<b>4,556</b>	<b>4,428</b>	<b>3,911</b>
of which: bank borrowings and leases	3,517	2,954	2,581	2,342	2,680	2,600	1,879	2,521	2,564	2,015
Bonds	3,110	2,914	2,943	2,939	2,851	2,371	2,267	1,556	1,382	1,423
<b>Total equity and liabilities</b>	<b>11,649</b>	<b>10,814</b>	<b>10,222</b>	<b>9,943</b>	<b>9,929</b>	<b>9,196</b>	<b>8,405</b>	<b>8,061</b>	<b>7,681</b>	<b>7,043</b>
<b>METRICS</b>										
<b>Interest-bearing debt</b>	<b>6,627</b>	<b>5,868</b>	<b>5,524</b>	<b>5,281</b>	<b>5,531</b>	<b>4,971</b>	<b>4,146</b>	<b>4,077</b>	<b>3,946</b>	<b>3,438</b>
<b>Net interest-bearing debt</b>	<b>6,412</b>	<b>5,690</b>	<b>5,343</b>	<b>4,996</b>	<b>5,143</b>	<b>4,777</b>	<b>3,982</b>	<b>3,848</b>	<b>3,744</b>	<b>3,241</b>
Net interest-bearing debt to equity	1.4	1.3	1.3	1.2	1.4	1.3	1.2	1.1	1.2	1.0
Net debt/cash EBITDA	2.7	2.5	2.4	2.3	2.4	2.3	2.0	2.0	2.1	1.8

The Group follows a strategy of repaying debt using existing assets, without the need for debt rollover.

Bank loans drawn

% 1M/3M WIBOR + 2.0–2.95pp  
1M EURIBOR + 2.2–2.85pp

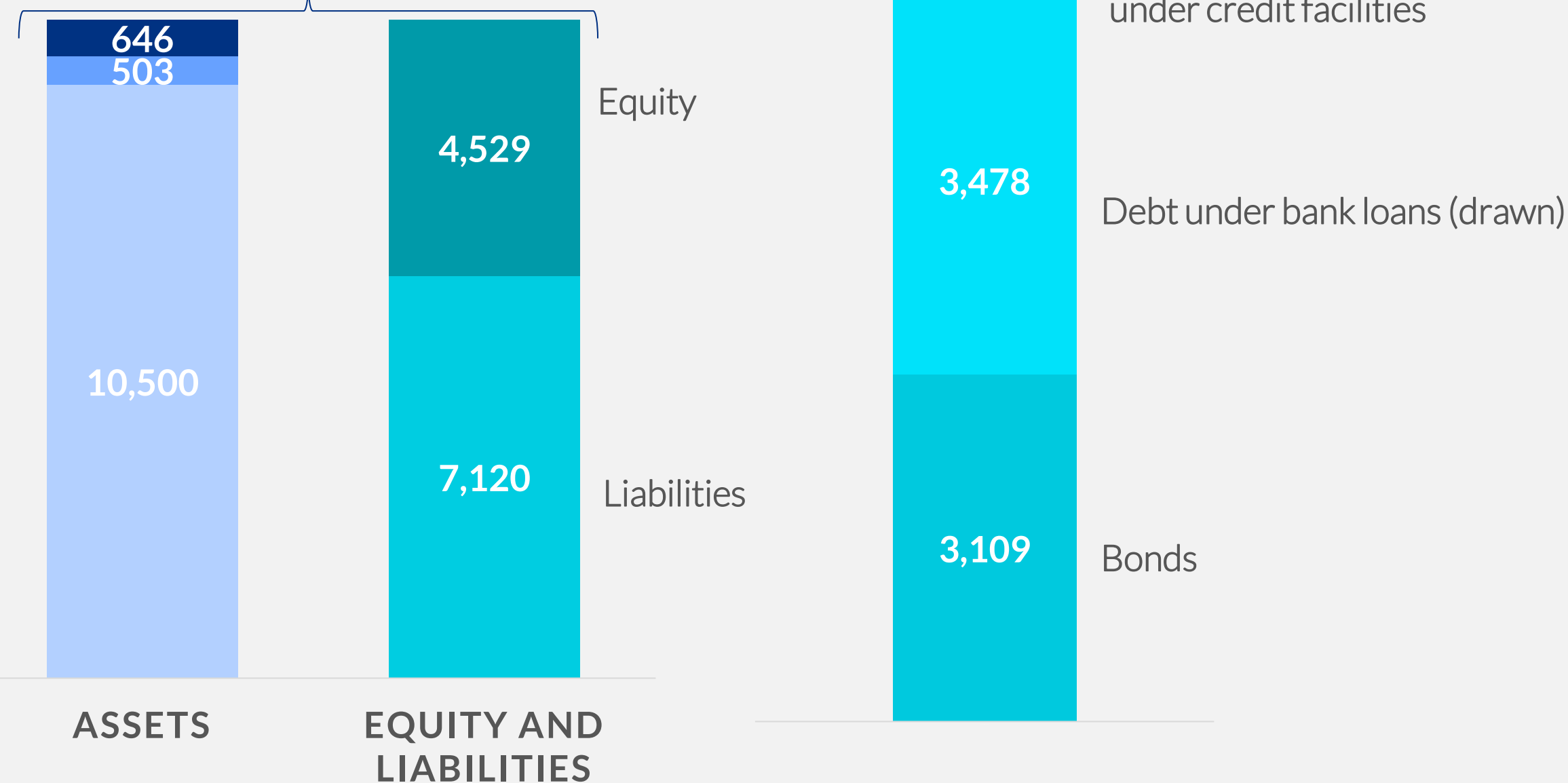
PLN 812 million\* based on WIBOR  
PLN 2,666 million\* based on EURIBOR

Bonds

% 3M WIBOR + 3.0–4.65pp  
fixed for PLN: 4.0–4.8pp  
3M EURIBOR + 4.0–6.5pp

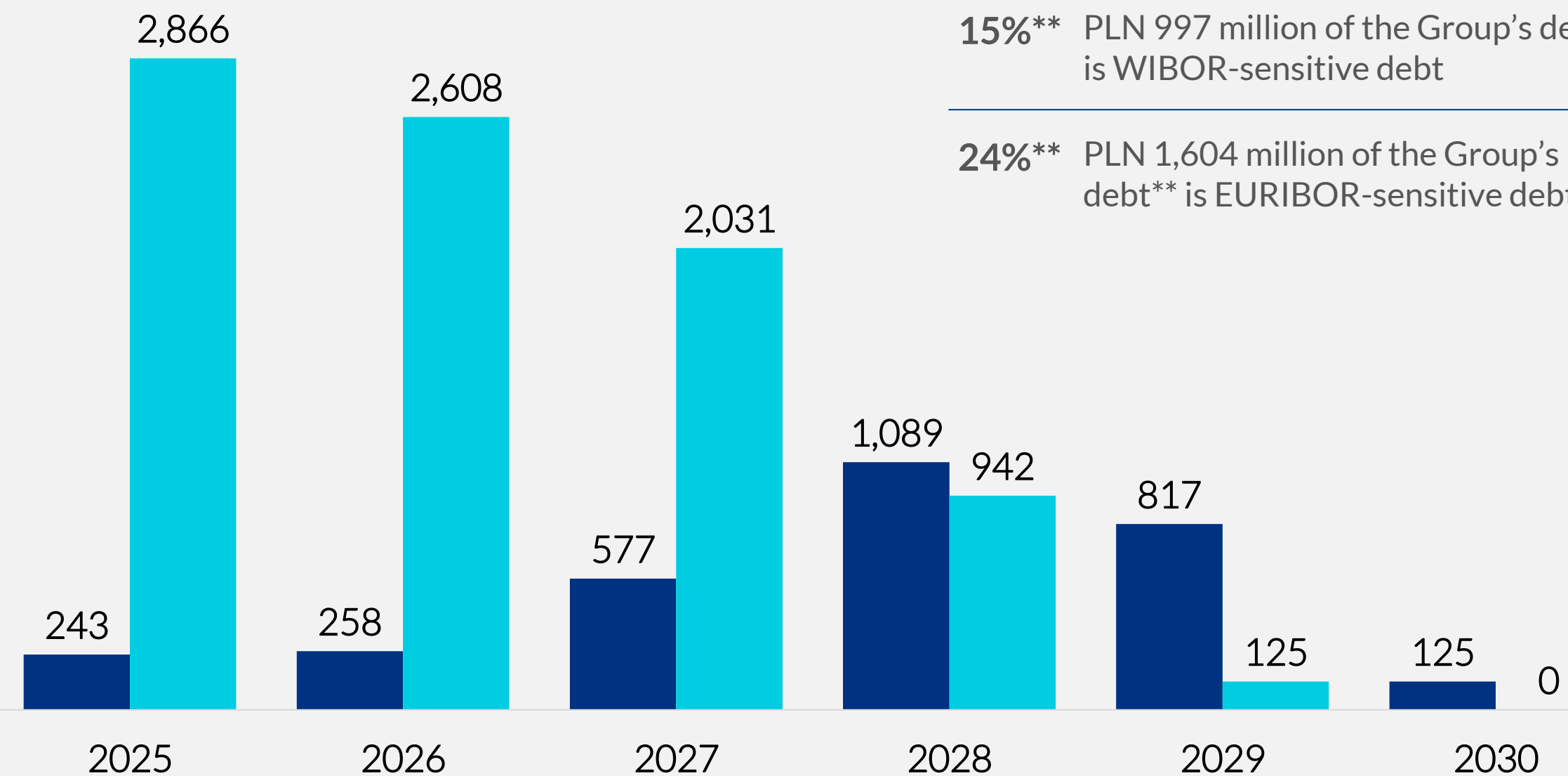
in PLN, with variable rate: PLN 2,143 million\*\*  
in PLN, with fixed rate: PLN 180 million\*\*  
in EUR, with variable rate: PLN 786 million\*\*

Total outstanding balance:  
PLN 11,649 million



- Net debt/equity: 1.4x (maximum level: 3.0x)
- Net debt/cash EBITDA: 2.7x (maximum level: 4.0x)
- Cash EBITDA/interest on debt: 5.9x (minimum level: 4.0x)

■ Planned for redemption in the year\*  
■ Projected balance at year end\*



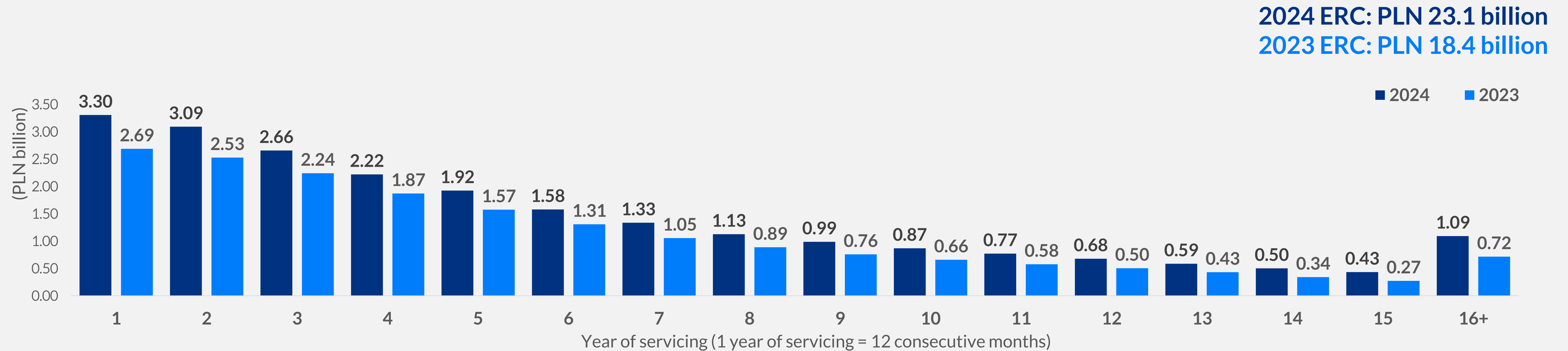
61%\*\* PLN 3,986 million of the Group's debt\*\* is represented by IRS/CIRS contracts and fixed-rate bonds

15%\*\* PLN 997 million of the Group's debt\*\* is WIBOR-sensitive debt

24%\*\* PLN 1,604 million of the Group's debt\*\* is EURIBOR-sensitive debt

\* Nominal value as at 31 December 2024. In February 2025, KRUK S.A. issued PLN 100 million worth of 6-year AP3 bonds, which are not included in the chart above.  
\*\* Debt presented at nominal amounts.

## Estimated remaining collections by years of servicing as at the end of period

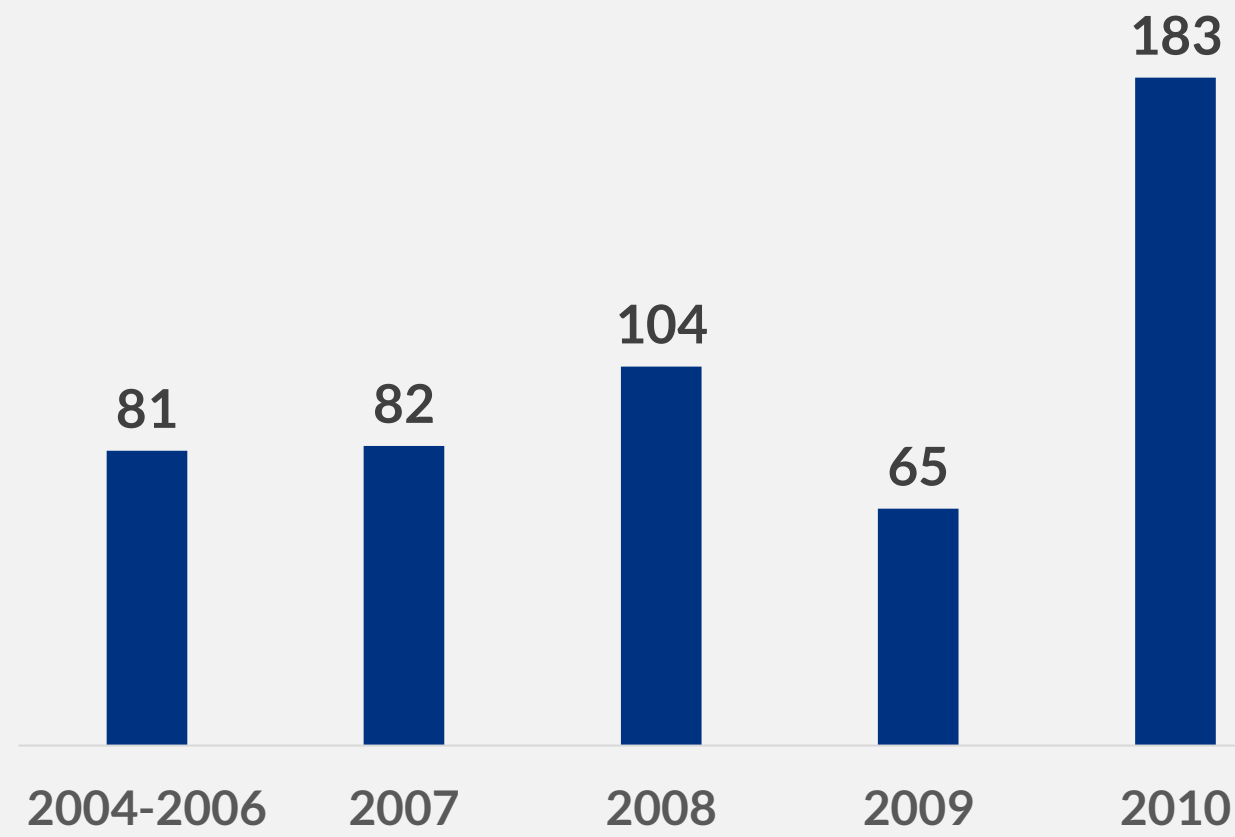


- Estimated remaining collections (ERC) as at the last day of 2024 were PLN 23.1 billion, up by PLN 2.7 billion on 2023. The increase was driven primarily by investments of PLN 2.8 billion made in 2024 in debt portfolios with a nominal value of PLN 14.6 billion.
- 81% of the total revaluation of projected recoveries from unsecured retail portfolios in Q4 2024 was attributable to revaluation of projected recoveries until December 2029 (over the next 60 months).
- Gross return rates on investments made in 2024 were estimated as at the time of the investments at 22.0%, compared with 21.2% in the full year 2023 (gross IRR calculated as the internal rate of return on projected recoveries and the current portfolio carrying amount for all portfolios).
- As at 31 December 2024, the recovery amount for portfolios acquired in the full year 2024 relative to expenditure incurred to acquire the portfolios was 2.5x.

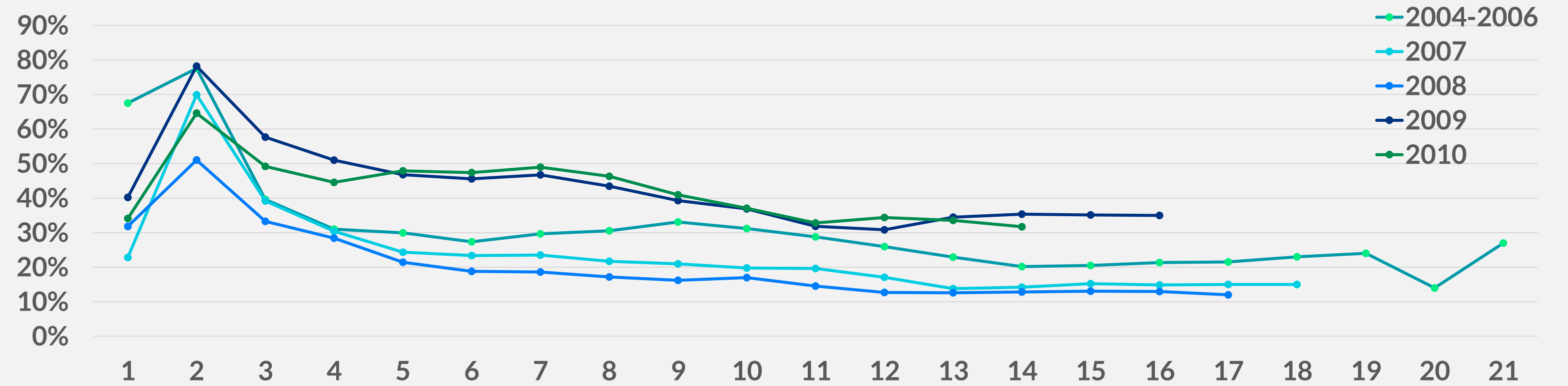
# KRUK Group: historical recoveries until year-end 2024



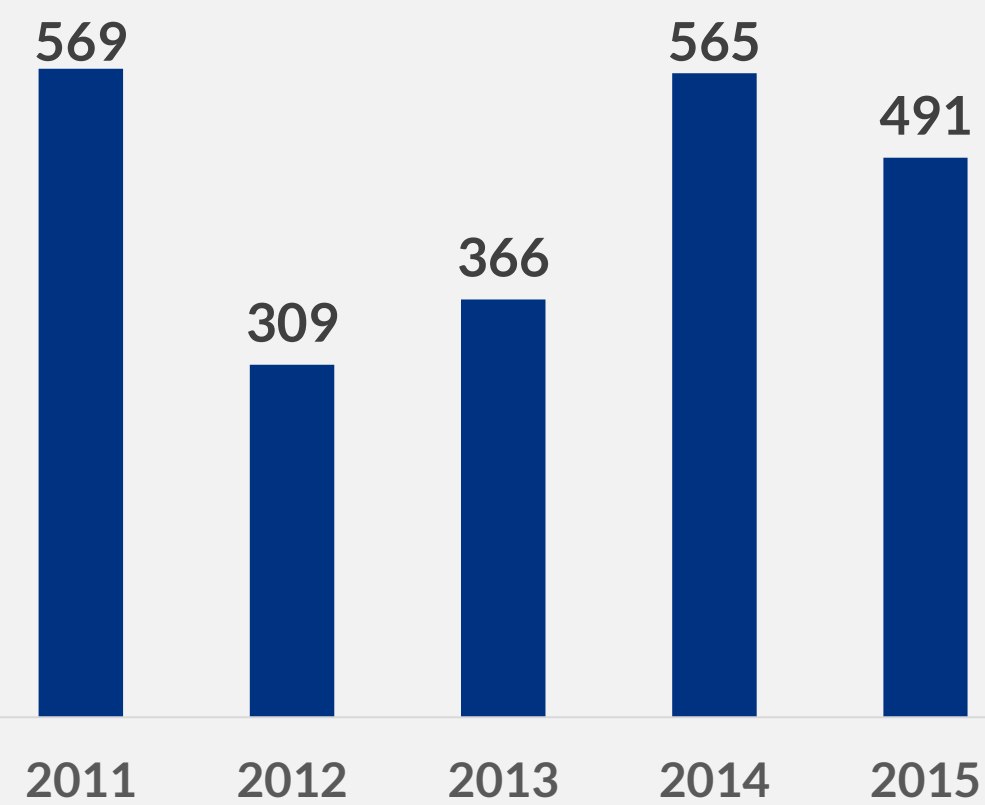
2004–2010 expenditure (PLN million)



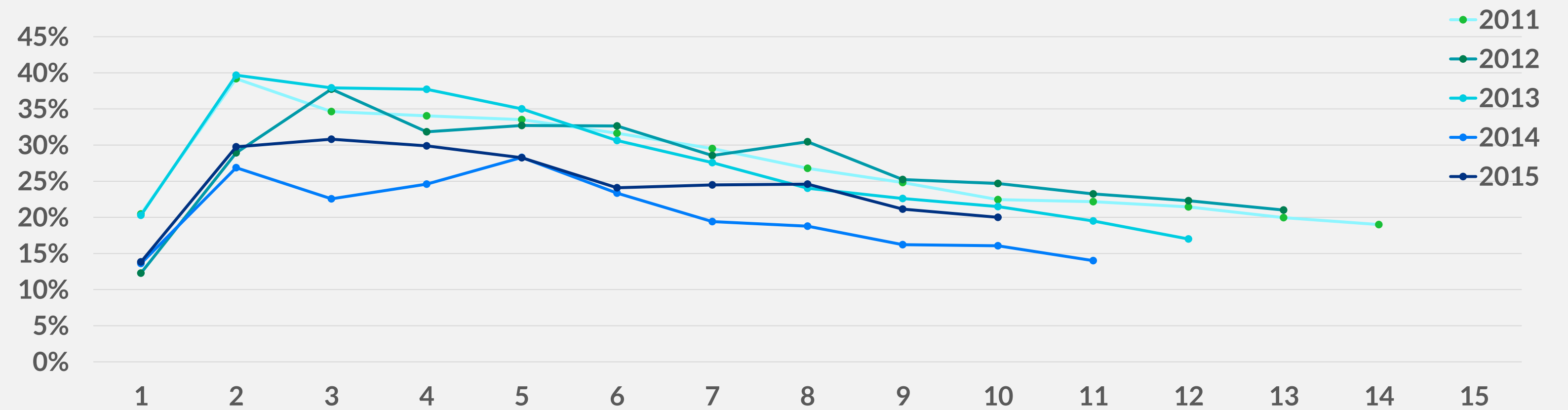
Recoveries in the successive years of servicing to expenditure in 2004–2010



2011–2015 expenditure (PLN million)



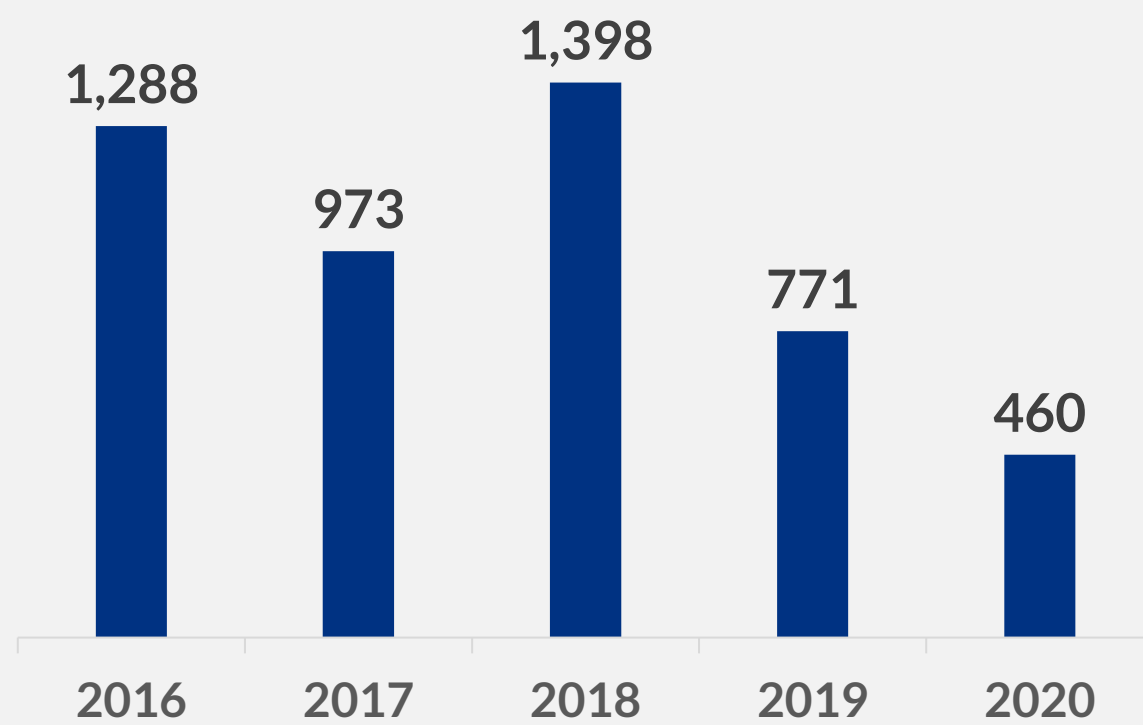
Recoveries in the successive years of servicing to expenditure in 2011–2015



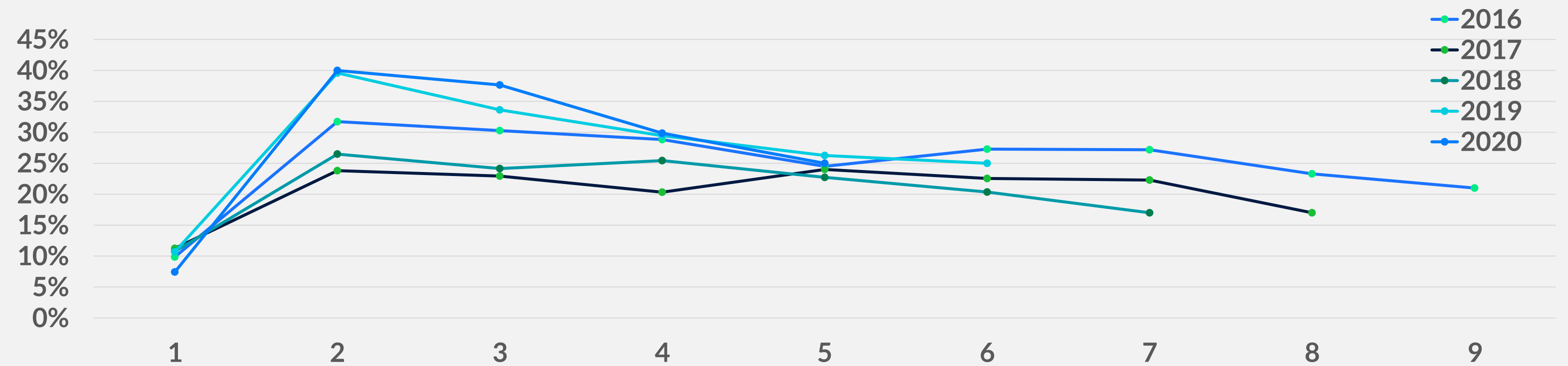
# KRUK Group: historical recoveries until year-end 2024



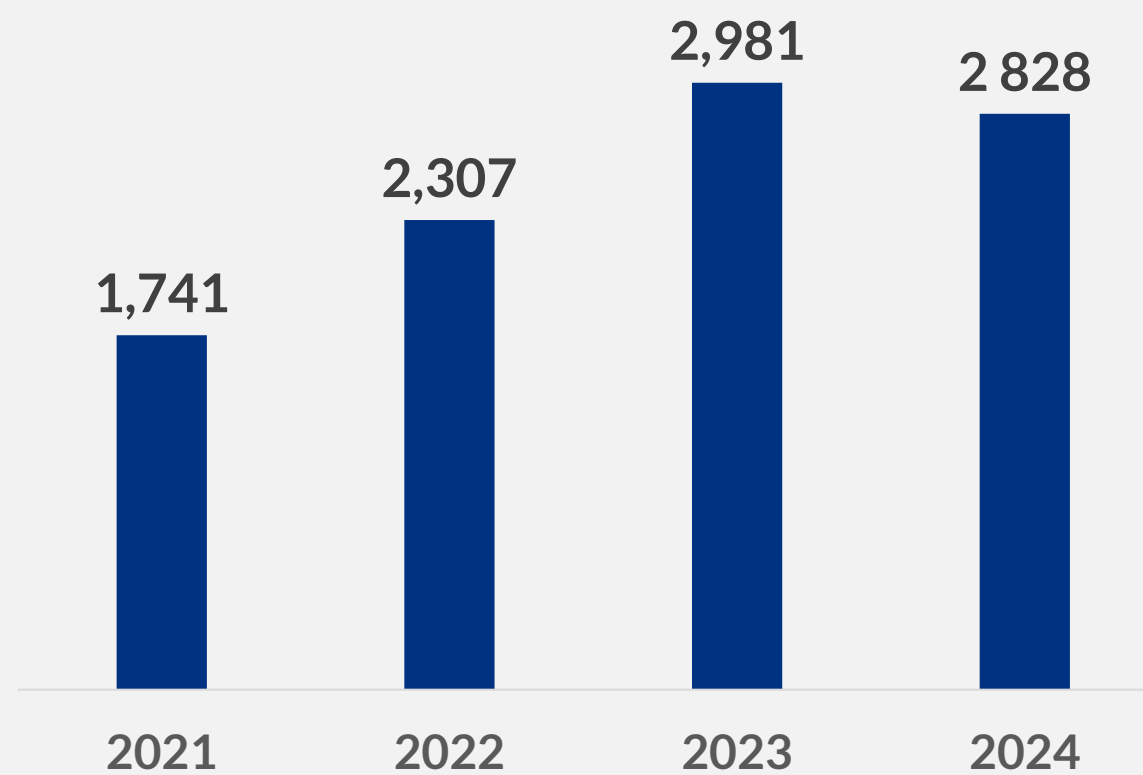
2016–2020 expenditure (PLN million)



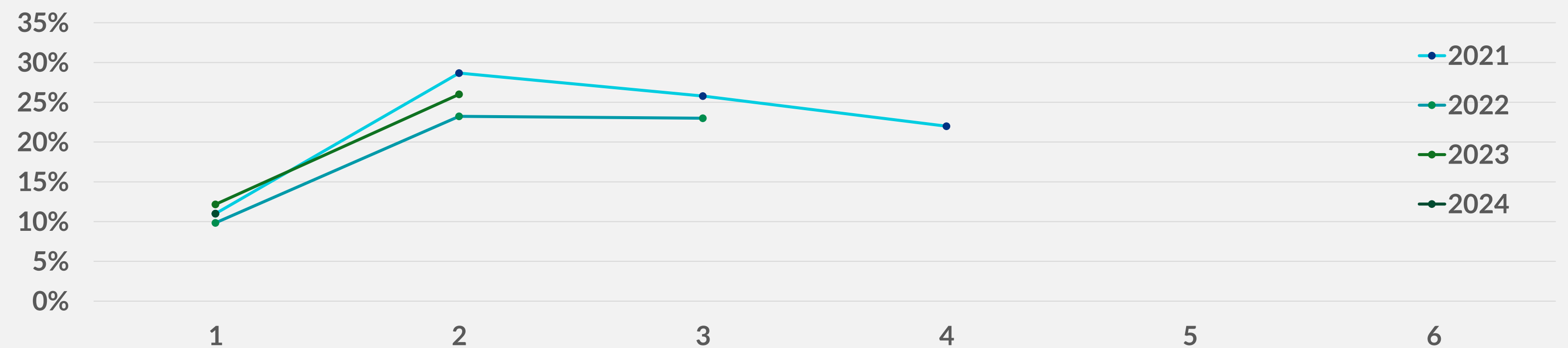
Recoveries in the successive years of servicing to expenditure in 2016–2020



2021–2024 expenditure (PLN million)



Recoveries in the successive years of servicing to expenditure in 2021–2024



The servicing period in the first year from the purchase may be shorter than 12 months. As at 31 December 2023.

## Historical recoveries for 2004–2024 portfolios

Portfolio acquisition date	Period																					TOTAL
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	
<b>2004-2006*</b>	68%	78%	40%	31%	30%	27%	30%	31%	33%	31%	29%	26%	23%	20%	20%	21%	22%	23%	24%	14%	27%	<b>646%</b>
<b>2007</b>	23%	70%	39%	30%	24%	23%	24%	22%	21%	20%	20%	17%	14%	14%	15%	15%	15%	15%				<b>421%</b>
<b>2008</b>	32%	51%	33%	28%	21%	19%	19%	17%	16%	17%	15%	13%	13%	13%	13%	13%	12%					<b>345%</b>
<b>2009</b>	40%	78%	58%	51%	47%	46%	47%	43%	39%	37%	32%	31%	34%	35%	35%	35%						<b>688%</b>
<b>2010</b>	34%	65%	49%	45%	48%	47%	49%	46%	41%	37%	33%	34%	34%	32%	29%							<b>622%</b>
<b>2011</b>	20%	39%	35%	34%	34%	32%	30%	27%	25%	22%	22%	21%	20%	19%								<b>380%</b>
<b>2012</b>	12%	29%	38%	32%	33%	33%	29%	30%	25%	25%	23%	22%	21%									<b>351%</b>
<b>2013</b>	20%	40%	38%	38%	35%	31%	28%	24%	23%	21%	20%	17%										<b>334%</b>
<b>2014</b>	14%	27%	23%	25%	28%	23%	19%	19%	16%	16%	14%											<b>224%</b>
<b>2015</b>	14%	30%	31%	30%	28%	24%	24%	25%	21%	20%												<b>247%</b>
<b>2016</b>	10%	32%	30%	29%	24%	27%	27%	23%	21%													<b>224%</b>
<b>2017</b>	11%	24%	23%	20%	24%	23%	22%	17%														<b>165%</b>
<b>2018</b>	11%	26%	24%	25%	23%	20%	17%															<b>147%</b>
<b>2019</b>	11%	40%	34%	29%	26%	25%																<b>165%</b>
<b>2020</b>	7%	40%	38%	30%	25%																	<b>140%</b>
<b>2021</b>	11%	29%	26%	22%																		<b>88%</b>
<b>2022</b>	10%	23%	23%																			<b>56%</b>
<b>2023</b>	12%	26%																				<b>38%</b>
<b>2024</b>	11%																					<b>11%</b>

The relation of historical recoveries in successive calendar years to expenditure on portfolios purchased in 2004-2024 may differ from year to year depending on a range of factors, including:

- debt management process carried out by the KRUK Group
- type and nature of debt portfolios purchased in a given year
- shares of various geographies in total debt portfolio acquisitions in a given year
- external environment, including legal and business environments.

\* The servicing period in the first year from the purchase may be shorter than twelve months. As at 31 December 2023.

# KRUK Group: recoveries from portfolios acquired in the stated periods as a share of total recoveries



## Recoveries from portfolios acquired in the stated periods as a share of total recoveries

		Acquisition period									
PLN million	2004-2010	2011-2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2023 recoveries	125	448	300	217	285	202	137	449	536	363	n/a
2024 recoveries	120	409	272	170	237	196	116	383	539	773	323

		Acquisition period									
	2004-2010	2011-2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2023 recoveries	4%	15%	10%	7%	9%	7%	4%	15%	17%	12%	n/a
2024 recoveries	3%	12%	8%	5%	7%	6%	3%	11%	15%	22%	9%



# KRUK Group: actual vs projected recoveries and revaluation of projected recoveries



## Deviation between actual and projected recoveries and related items \*

PLN million	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
<b>A. Recoveries</b>	623	657	648	700	724	776	785	777	854	883	864	935
<b>B. Deviation between actual and projected recoveries and related items*</b>	79	109	82	84	111	143	91	83	105	103	91	53
<b>C. Percentage deviation* (B / (A-B))</b>	15%	20%	14%	14%	18%	23%	13%	12%	14%	13%	12%	6%

## Deviation between actual and projected recoveries and related items \*

PLN million	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
<b>A. Revaluation of projected recoveries</b>	135	109	61	79	87	134	99	120	144	114	196	-64
<b>B. Portfolio carrying amount</b>	5,265	5,630	6,158	6,768	7,100	7,390	8,190	8,674	8,778	9,143	9,749	10,500
<b>C. Revaluation relative to carrying amount [%] (A/B)</b>	2.6%	1.9%	1.0%	1.2%	1.2%	1.8%	1.2%	1.4%	1.6%	1.2%	2.0%	-0.6%

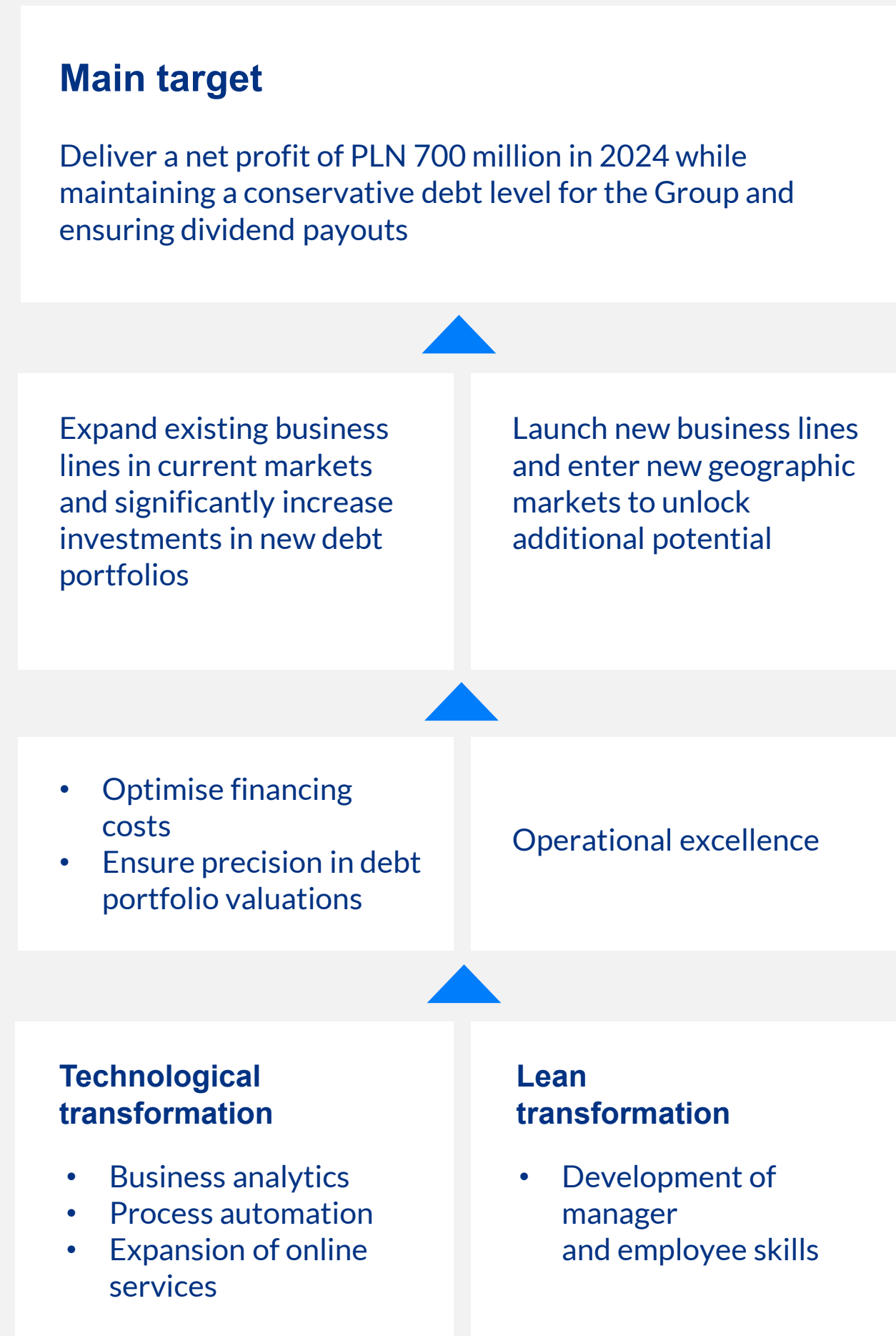
- In recent quarters, KRUK has delivered from 106% to 123% of projected recoveries\*.
- KRUK has consistently maintained a positive deviation between actual and projected recoveries\*, achieving an average excess of PLN 94 million since 2022\*.
- In Q4 2024, KRUK booked a PLN -64 million negative revaluation of recovery projections, mainly as a combined effect of positive revaluations in Poland (PLN +47 million) and Romania (PLN +35 million), with a negative revaluation in Spain (PLN -145 million).
- The downward revision on the Spanish market in Q4 2024 resulted chiefly from delays in the processing of court cases.

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

# KRUK Group's strategy

Target: PLN 700 million net profit by 2024, as per the strategy announced in December 2018\*

**PLN 700 million**  
in 2024 – doubling of net profit within 6 years



The target was delivered much faster.

**PLN 695 million**  
Net profit in 2021

**PLN 805 million**  
Net profit in 2022

**PLN 1,074 million**  
Net profit in 2024

\* Directors' Report on the operations of the KRUK Group in 2018; the 2019–2024 strategy was updated over the course of its implementation.

## Base strategy scenario

✓ ~PLN 15 billion → new investments in debt portfolios

✓ ~20% ROE

✓ PLN 20 billion → doubling of the portfolio carrying amount

✓ PLN 0.5 billion → investment in digital transformation

- ✓ We anticipate a market opportunity to invest approximately PLN 15 billion in debt portfolios over the next 5 years across our existing markets, including France. Actual expenditure on portfolio purchases will depend on market competition, as well as the Group's financial leverage and our operational efficiency.
- ✓ Over the course of the strategy, we plan to establish pathways to achieve a realistic target for recoveries from our existing debt portfolios, at PLN 29 billion over the next 20 years.
- ✓ Expected recoveries from existing portfolios, combined with market opportunities for new investments, will position us for profit growth both during the strategy period and over the long term. We expect the benefits of our planned digital transformation to materialise fully after 2029.
- ✓ We expect ROE to approach 20% during the strategy period. However, should the KRUK Group become subject to the GloBE tax, ROE may fall below this level.
- ✓ Our ambition is to double the portfolio carrying amount, from PLN 10 billion as at 30 September 2024 to PLN 20 billion by the end of 2029.
- ✓ Our preliminary plan includes an investment of PLN 500 million in digital transformation over 5 years, targeting a minimum 20% IRR, with the break-even point expected after the strategy period (post-2029).
- ✓ We aim to maintain the net debt-to-cash EBITDA ratio below 3.0, allowing for a temporary exceedance if necessary.
- ✓ By the end of the strategy period, we plan to keep employment below 4,000 FTEs, despite nearly doubling investments and a projected 50% increase in the number of cases.
- ✓ We will focus on reducing costs through continuous process improvements, economies of scale, and technological advances. This approach will result in lowering the ratio of operating costs of purchased portfolios to recoveries during the strategy period.

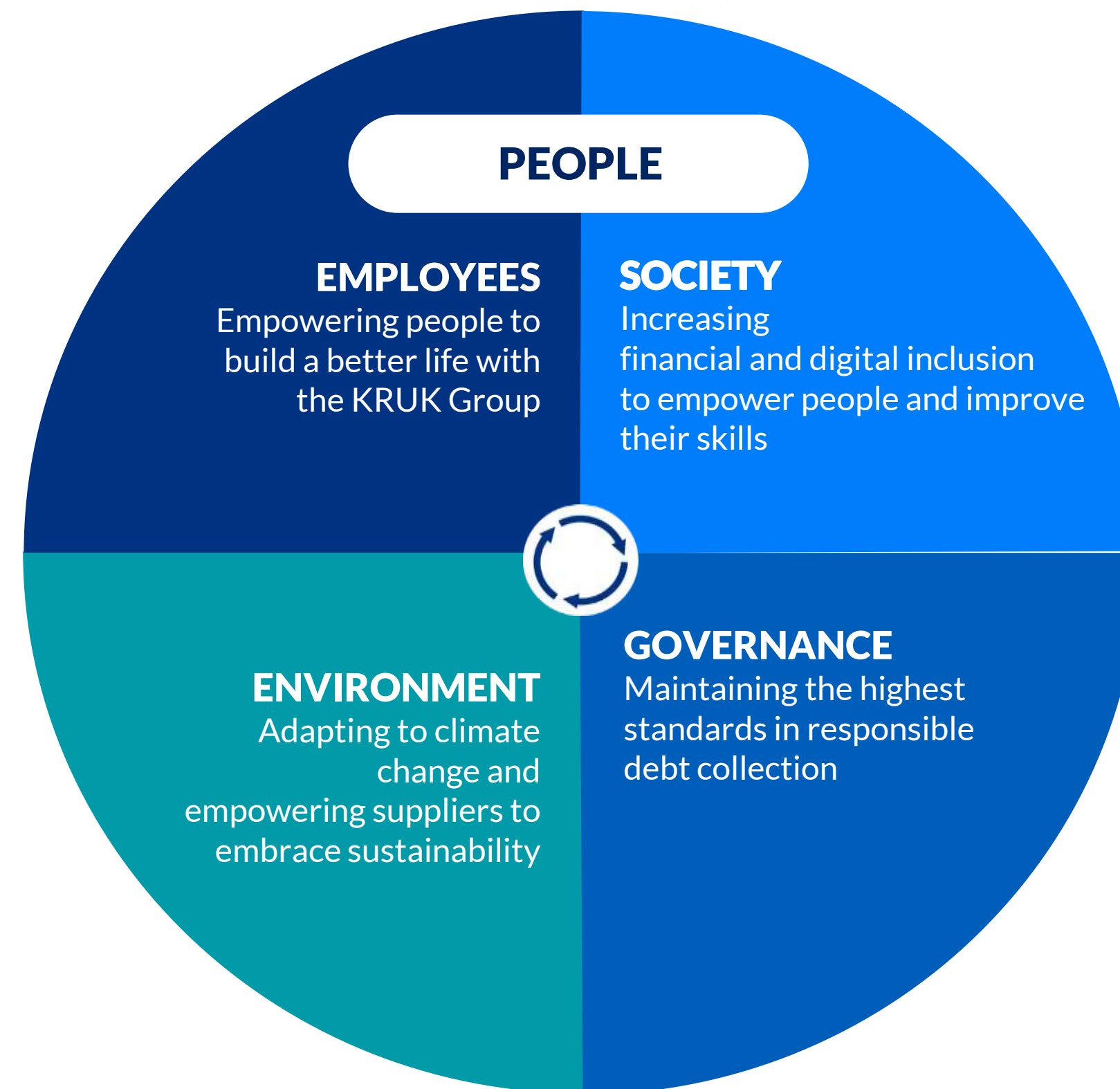
# Additional information

## KRUK Group's strategic commitments towards UN Sustainable Development Goals

### EMPLOYEES



- **Maintaining gender equality** 63% proportion of women in the total workforce, with 58% of them in top managerial positions (target: at least 50%)
- **Employee turnover** 12% annually (target: no more than 16% annually)
- **Employees with disabilities** 2.2% employees with disabilities (target: 4% by 2025)
- **Share of women on corporate boards** 42% proportion of women on the Supervisory and Management Boards (target: at least 40%)



### SOCIETY



- Supporting public benefit organisations focused on human rights protection, environmental preservation, anti-discrimination efforts, women's rights advocacy, education to foster civil society, and respect for human rights, including the Nationwide Education Operator Foundation, Campus Poland Foundation, BloomPro Foundation, Arterytorium Foundation and the H2H Summit
- In response to floods that hit Poland in September 2024, KRUK S.A. contributed to relief efforts by donating a total of PLN 100 thousand to assist those affected
- Engaging with the New Community Foundation to help organise the Polish 'Women and Men' Dialogue, promoting cross-gender cooperation and mutual understanding in professional, financial and other spheres.

### GOVERNANCE



- Undertaking a significant revision of the procedure for managing data processor relationships, standardising the process across the KRUK Group
- Implementing a new risk assessment tool for evaluating potential violations of data subjects' rights and freedoms
- 98% of the Group's employees have received cybersecurity training, meaning that the 80% target engagement under the existing education programme was exceeded.
- Adopting the Mediation Policy in Romania and implementing the Whistleblowing and Mediation Policies in Malta
- Expanding compliance training at KRUK S.A.

## Recently received awards and distinctions:

- The title of Capital Market Hero in the category of 'Publicly Listed Company with the Best Investor Relations for Retail Investors' awarded to KRUK in 2024 by the Polish Association of Retail Investors,
- KRUK voted the Investor Relations Leader by fund managers and analysts in the annual corporate communications survey conducted by the *Parkiet* magazine,
- In the 2023 Best Annual Report competition, organised in 2024 by the Institute of Accounting and Taxes, KRUK received second place in the 'Banks and Financial Institutions' category and earned a special distinction for the most significant progress in the corporate governance statement category within the same group.
- KRUK named Super Ethical Company in a competition held by the Puls Biznesu daily
- Polish Contact Center Award in the Best Supporting Technology category for the Emilia bot
- 2024 Service Quality Star, based on customer service and satisfaction surveys
- ESG – Company of the Year 2024 title in the debt collection category – KRUK was recognised for its commitment to gender equality in terms of access to promotions and equal pay, its efforts to deepen financial and digital inclusion, as well as its ongoing work to build dialogue with local communities and support financial and digital education for customers and individuals facing financial hardship.



## Selected IR events planned for 2025

Date	Event
10 January	Arctic's Nordic Debt Collection Seminar 2025, online
16 January	Announcement of the 2025-2029 strategy
27 February	Issue of the Q4 2024 report
18-19 March	PKO BP Securities CEE Capital Markets Conference 2025, London
31 March	BM Pekao 4th Financial Conference 2025, Warsaw
3-4 April	WOOD's EME Conference, New York
28 April	Issue of the Q1 2025 report
23 May	mBank+GPW Polski Rynek Kapitałowy, Warsaw
27 May	ERSTE the Finest CEElection Equity Conference 2025, Warsaw

## Equity analyst recommendations

Date	Author	Recommendation	Price target
December 2024	DM Trigon	Buy	PLN 575.00
December 2024	DM mBanku	Buy	PLN 570.83
July 2024	DM PKO BP	Hold	PLN 510.00

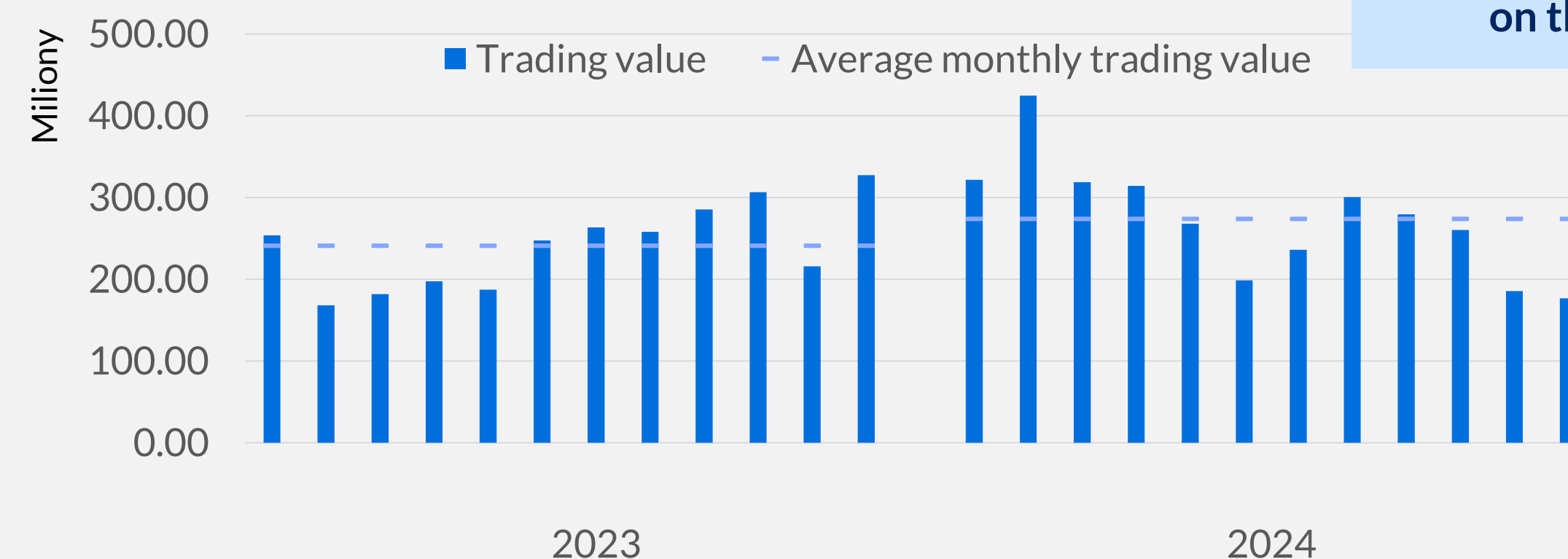
## Research coverage

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DM mBank	Michał Konarski	michal.konarski@mdm.pl
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DM Pekao	Michał Fidelus	michal.fidelus@pekao.com.pl
DM Trigon	Grzegorz Kujawski	grzegorz.kujawski@trigon.pl
Wood & Co.	Marta Jeżewska-Wasilewska	marta.jezewska-wasilewska@wood.com

## Shareholders with ownership interests above 3%\*\*

Shareholder	Ownership interest
OFE NN	12.84%
OFE Allianz Polska	9.97%
Piotr Krupa	8.92%
OFE Generali	8.51%
OFE Vienna	5.39%
OFE PZU Złota Jesień	5.11%
TFI Allianz Polska SA	4.33%
OFE UNIQA	3.56%
Norges Bank (Government of Norway)	3.55%

## Average daily trading value in 2024: PLN 13.2 million



**KRUK**  
as the 22nd  
most liquid stock  
on the WSE



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