

## **Annual General Meeting of KRUK S.A. on May 9th 2016.**

Piotr Stępnik: My name is Piotr Stępnik, I'm the Chairman of the Supervisory Board. Welcome to the General Meeting of KRUK S.A. I'm pleased to welcome representatives of the Management Board – Mr Piotr Krupa, President of the Management Board, and Mr Michał Zasępa, the CFO. The conduct of this Meeting in accordance with applicable procedures will be overseen by Ms Sylwia Kubicka, a notary public. Our legal advisers are also present. Also, this gentleman here represents Unikomp-WZA, the firm providing technical assistance during today's General Meeting.

Ladies and gentlemen, today's Annual General Meeting was convened by a notice published on April 12th 2016 and so I confirm that the Annual General Meeting of KRUK S.A. has been properly convened and has the capacity to pass valid resolutions.

The first item on the agenda is the appointment of the Chair of the General Meeting. I'd like to take this opportunity to nominate Mr Piotr Krupa, President of the Management Board and a significant shareholder, as a candidate. Does anybody want to propose another candidate? Since there are no other nominations, I'd like to ask Mr Piotr Krupa whether he consents to stand for the election.

Piotr Krupa: I do.

Piotr Stępnik: I see that the notary public has no objections so we can proceed to voting. Votes will be cast by secret ballot using electronic means.

I understand that this will be displayed for everyone to see.

Ladies and gentlemen, the results of the vote to appoint the Chair of the General Meeting are as follows: there were 8,726,797 votes in favour of appointing Mr Piotr Krupa as the Chair, with no votes against or abstaining. Thus, the 8,726,797 shares, representing 49.82% of the share capital, have appointed Mr Piotr Krupa as the Chair of today's General Meeting. Congratulations. The floor is yours.

Piotr Krupa: Thank you for appointing me the Chair. I'm signing the attendance list. The list is available for inspection.

I hereby confirm that the General Meeting has been properly convened in accordance with the provisions of the Commercial Companies Code and the Company's Articles of Association. The notice of the General Meeting was published on the Company's website on April 12th 2016 and has not been removed before the date of the General Meeting. The text of the notice meets the requirements of Art. 402<sup>2</sup> of the Commercial Companies Code. The current report containing the notice was filed by the Company on April 12th 2016. All draft resolutions can

been viewed on the tablets that were distributed to you. Any resolution may be read aloud at your explicit request. The number of shares represented at today's Meeting is 8,726,797.

Let's proceed to item 4 on the agenda, which is the adoption of the agenda. None of the shareholders submitted their request to place other matters on the agenda by the set deadline, that is by April 18th 2016. The text of the resolution is displayed on your tablets. We'll now proceed to the vote. Votes will be cast by open ballot.

The result of the vote is 8,726,797 votes in favour of the resolution. Therefore, the resolution has been passed.

Let's proceed to item 5 on the agenda, which is the presentation by the Management Board of the Company's financial results. I now give the floor to Mr Michał Zasępa, Member of the Management Board and CFO.

Michał Zasępa: Ladies and gentlemen, this presentation covers our performance in 2015 and in the first quarter of 2016, as the quarterly results we also released last evening. Let me sum up the highlights of the two periods.

2015 was a very good year for the Company, with a 35% rise in net profit and PLN 0.5bn worth of investments made in the six markets where we operate. The fourth quarter alone was also very good for the Company, with net profit of PLN 44m, up 70% compared with the fourth quarter of 2014. The Company's strong performance in the period was driven by high cash recoveries, mostly from purchased debt portfolios, which totalled more than PLN 825m.

In 2015, the Company continued its expansion into Western Europe and made its first investments in Germany and Italy. In 2015, we signed a deal, which will be closed this year, to acquire the assets of Presco, one of our major competitors in Poland. The scale of the deal is impressive, as the Company will take over more than 2 million cases with an aggregate nominal value of nearly PLN 3bn.

In 2016, we are on track with our earlier plans. We've indeed seen strong supply of debt portfolios. We're in a comfortable situation of having relatively low debt, and good access to financing in the form of bank facilities and bond issues, successfully carried out in the first quarter. In the area of investor relations, we're happy to see that in 2015 the liquidity of Company shares markedly improved. The Management Board recommended payment of dividends in 2016, which is on the agenda of today's General Meeting.

In terms of our financial performance in 2015, you can see a sustained and rapid improvement, combined with robust profitability: in 2015, the return on equity reached 26%.

In the first quarter of 2016, which is also being discussed today, we posted a high net profit of PLN 61m, a 20% rise year on year. Compared with the first quarter of 2015, we recorded a

cash EBITDA of over PLN 142m and very strong recoveries from purchased debt portfolios of PLN 217m.

In the first quarter, we invested approximately PLN 64m in new debt portfolios, but, as we have told our investors, we're expecting the largest ever pipeline of new portfolios to be purchased in the next quarters.

The Company continues to keep its debt low, with debt to equity ratio at 0.9x. As at the end of the first quarter, our debt stood at PLN 780m. The portfolio carrying amount as at the end of the quarter was PLN 1.6bn.

Thank you.

Piotr Stępniaak: Let's move on to item 6 on the agenda – the review of the report of the KRUK S.A. Supervisory Board for 2015. The document was adopted by the Supervisory Board's Resolution No. 1/2016 of March 3rd 2016 and published on the website. Does anyone have any questions or would like to take the floor on this item?

Let's proceed to item 7 on the agenda, which is the review of the Directors' Report on the operations of KRUK S.A. in 2015 and a resolution to approve the Directors' Report. Are there any questions? If not, we will now proceed to vote on the resolution. Votes will be cast by open ballot.

Please count the votes. The result of the vote is 8,726,797 votes in favour of the resolution. Therefore, the resolution has been passed.

Let's proceed to item 8 on the agenda: the review of the separate financial statements of KRUK S.A. for the financial year ended December 31st 2015 and a resolution to approve the separate financial statements. Are there any questions? If not, we'll proceed to the vote. Votes will be cast by open ballot.

Please count the votes. The result of the vote is 8,711,110 votes in favour of the resolution. Therefore, the resolution has been passed.

Let's now proceed to item 9 on the agenda, which is the review of the Management Board's recommendation on distribution of KRUK S.A.'s net profit for the financial year 2015 and a relevant resolution. The Company's net profit for 2015 was PLN 35,843,270.18. In its proposal submitted to the Supervisory Board, the Management Board recommended to allocate the net profit to payment of shareholder dividends in the amount of PLN 2 per share, that is up to PLN 35,490,712, and contribute the balance to statutory reserve funds. The Management Board's proposal was approved by the Supervisory Board in Resolution No. 4/2016 of March 3rd 2016. In the draft resolution published by the Company on April 12th 2016, the Management Board proposed to set the dividend record date, on which the list of

shareholders entitled to receive dividends is determined, for July 8th, and the dividend payment date for July 15th 2016. The shareholder Piotr Krupa submitted a draft resolution in which the dividend payment date is set for July 29th 2016. This draft resolution is now put to vote. Votes will be cast by open ballot. We'll now proceed to the vote.

Please count the votes. The result of the vote is 7,349,267 votes in favour of the resolution. Therefore, the resolution has been passed.

Let's move on to item 10 on the agenda: the review of the Directors' Report on the operations of the KRUK Group in 2015 and a resolution to approve the Directors' Report. Are there any questions? No? We will now proceed to the vote. Votes will be cast by open ballot.

The result of the vote is 8,711,110 votes in favour of the resolution. Therefore, the resolution has been passed.

Let's proceed to item 11 on the agenda: the review of the consolidated financial statements of the KRUK Group for the financial year ended December 31st 2015 and a resolution to approve the consolidated financial statements. Are there any questions? I see there are none. We will now proceed to the vote. Votes will be cast by open ballot.

The result of the vote is 8,711,110 votes in favour of the resolution. Therefore, the resolution has been passed.

Let's now proceed to item 12a on the agenda: resolutions on granting discharge to members of the Company's Management Board in respect of their duties in the financial year 2015.

I put to vote the draft resolution to grant discharge to Piotr Krupa, President of the KRUK S.A. Management Board, in respect of his duties in the financial year 2015. As prescribed by Art. 413 of the Commercial Companies Code, the shareholder Piotr Krupa will not participate in the vote. We'll now proceed to the vote. Votes will be cast by secret ballot.

Please count the votes. The result of the vote is 6,741,683 votes in favour of the resolution. The resolution has been passed, thank you.

I put to vote the draft resolution to grant discharge to Ms Agnieszka Kulon, the Management Board Member for Credit Management, in respect of her duties in 2015. We'll now proceed to the vote. Votes will be cast by secret ballot.

The result of the vote is 8,711,110 votes in favour of the resolution. Therefore, the resolution has been passed.

I now put to vote the draft resolution to grant discharge to Ms Urszula Okarma, the Management Board Member for Strategic Transactions and Customer Relations, in respect of

her duties in 2015. The shareholder Urszula Okarma will not participate in the vote. We'll now proceed to the vote. Votes will be cast by secret ballot.

Please count the votes. The result of the vote is 8,620,760 votes in favour of the resolution. Therefore, the resolution has been passed.

I put to vote the draft resolution to grant discharge to Ms Iwona Słomska, the Management Board Member for Marketing, Public Relations and Human Resources, in respect of her duties in 2015. The shareholder Iwona Słomska will not participate in the vote. We'll now proceed to the vote. Votes will be cast by secret ballot.

The result of the vote is 8,678,990 votes in favour of the resolution. Therefore, the resolution has been passed.

I put to vote the draft resolution to grant discharge to Mr Michał Zasępa, the Management Board Member for Finance, in respect of his duties in 2015. We'll now proceed to the vote. Votes will be cast by secret ballot.

The result of the vote is 8,711,110 votes in favour of the resolution. Therefore, the resolution has been passed.

Let's now proceed to item 12b on the agenda: resolutions on granting discharge to members of the Company's Supervisory Board in respect of their duties in the financial year 2015.

I put to vote the resolution to grant discharge to Mr Piotr Stępnik, Chairman of the Supervisory Board, in respect of his duties in 2015. We'll now proceed to the vote. Votes will be cast by secret ballot.

The result of the vote is 8,711,110 votes in favour of the resolution. Therefore, the resolution has been passed.

I put to vote the resolution to grant discharge to Ms Katarzyna Beuch, member of the Supervisory Board, in respect of her duties in 2015. We'll now proceed to the vote. Votes will be cast by secret ballot.

Please count the votes. The result of the vote is 8,711,110 votes in favour of the resolution. Therefore, the resolution has been passed.

I put to vote the resolution to grant discharge to Mr Tomasz Bieske, member of the Supervisory Board, in respect of his duties in 2015. We'll now proceed to the vote. Votes will be cast by secret ballot.

The result of the vote is 8,711,110 votes in favour of the resolution. Therefore, the resolution has been passed.

I put to vote the resolution to grant discharge to Mr Arkadiusz Jastrzębski, member of the Supervisory Board, in respect of his duties in 2015. We'll now proceed to the vote. Votes will be cast by secret ballot.

The result of the vote is 8,711,110 votes in favour of the resolution. Therefore, the resolution has been passed.

I put to vote the resolution to grant discharge to Mr Krzysztof Kawalec, member of the Supervisory Board, in respect of his duties in 2015. We'll now proceed to the vote. Votes will be cast by secret ballot.

The result of the vote is 8,711,110 votes in favour of the resolution. Therefore, the resolution has been passed.

I put to vote the resolution to grant discharge to Mr Robert Koński, member of the Supervisory Board, in respect of his duties in 2015. We'll now proceed to the vote. Votes will be cast by secret ballot.

The result of the vote is 8,711,110 votes in favour of the resolution. Therefore, the resolution has been passed.

Let's proceed to item 13 on the agenda: resolutions on the appointment of Supervisory Board members of the new term and setting the remuneration for serving as a Supervisory Board member. In accordance with Art. 11 of the Company's Articles of Association, the Supervisory Board is appointed by the General Meeting, with the proviso that if Piotr Krupa holds shares in the Company representing 8% or more of total voting rights at its General Meeting, he has the right to appoint and remove two out of seven Supervisory Board members. As at the date of convening this General Meeting, Piotr Krupa held shares conferring 11.24% of total voting rights at the Company's General Meeting.

On May 4th 2016, the Company received Piotr Krupa's statement on appointment of two members of the Supervisory Board of the new term, effective May 9th 2016, namely Mr Krzysztof Kawalec and Mr Piotr Stępniaak. This was announced by the Company in a current report. Biographical notes of the appointed members have been published on the Company's website.

We will now appoint five remaining members of the Company's Supervisory Board from among the candidates nominated by shareholders. Generali Powszechne Towarzystwo Emerytalne Spółka Akcyjna nominated Mr Arkadiusz Orlin Jastrzębski, AVIVA Powszechne Towarzystwo Emerytalne nominated Ms Katarzyna Beuch, Nationale Nederlanden Powszechne Towarzystwo Emerytalne nominated Mr Tomasz Bieske, and Piotr Krupa nominated Mr Józef Wancer and Mr Robert Koński. All candidates have consented to stand

for the election. Biographical notes of the candidates have been published on the Company's website.

We will now proceed to vote on the appointment of members of the KRUK S.A. Supervisory Board. We will vote in the order in which the candidates were nominated.

I put to vote the appointment of Mr Arkadiusz Orlin Jastrzębski. Votes will be cast by secret ballot. We'll now proceed to the vote. The result of the vote is 7,817,724 votes in favour of the resolution. Therefore, the resolution has been passed.

I put to vote the appointment of Ms Katarzyna Beuch. Votes will be cast by secret ballot. We'll now proceed to the vote. The result of the vote is 7,560,100 votes in favour of the resolution. Therefore, the resolution has been passed.

I put to vote the appointment of Mr Tomasz Bieske. Votes will be cast by secret ballot. We'll now proceed to the vote. The result of the vote is 7,560,100 votes in favour of the resolution. Therefore, the resolution has been passed.

I put to vote the appointment of Mr Józef Wancer. Votes will be cast by secret ballot. We'll now proceed to the vote. The result of the vote is 7,560,100 votes in favour of the resolution. Therefore, the resolution has been passed.

I put to vote the appointment of Mr Robert Koński. Votes will be cast by secret ballot. We'll now proceed to the vote. The result of the vote is 6,112,100 votes in favour of the resolution. Therefore, the resolution has been passed.

Let's proceed to determine the remuneration of Supervisory Board members. In the letter concerning the appointment of two Supervisory Board members, Mr Krzysztof Kawalec and Mr Piotr Stępnia, the shareholder Piotr Krupa recommended that their gross remuneration be equivalent to double the average monthly salary in the corporate sector in 2015, as per the announcement of the Polish Central Statistics Office of January 20th 2016. As specified in the announcement, the average monthly salary in the corporate sector in 2015 was PLN 4,121.41. Therefore, the recommended gross monthly remuneration of the Supervisory Board members is PLN 8,242.82.

I put to vote the draft resolution to grant to Mr Krzysztof Kawalec remuneration in the amount specified in the shareholder's proposal. Votes will be cast by secret ballot. We'll now proceed to the vote. The result of the vote is 7,560,100 votes in favour of the resolution. Therefore, the resolution has been passed.

I now put to vote the draft resolution to grant to Mr Piotr Stępnia remuneration in the amount specified in the shareholder's proposal. Votes will be cast by secret ballot. We'll now

proceed to the vote. The result of the vote is 7,560,100 votes in favour of the resolution. Therefore, the resolution has been passed.

I put to vote the draft resolution to grant to Mr Robert Koński, a Supervisory Board member, remuneration in the amount of PLN 8,242.82, as specified in Piotr Krupa's proposal. The recommended amount is the equivalent of double the average monthly salary in the corporate sector in 2015. Votes will be cast by secret ballot. We'll now proceed to the vote. The result of the vote is 7,560,100 votes in favour of the resolution. Therefore, the resolution has been passed.

I put to vote the draft resolution to grant remuneration to Ms Katarzyna Beuch, a Supervisory Board member. I recommend that her remuneration be PLN 8,242.82, as specified in Piotr Krupa's proposal. Votes will be cast by secret ballot. We'll now proceed to the vote. The result of the vote is 7,560,100 votes in favour of the resolution. Therefore, the resolution has been passed.

I put to vote the draft resolution to grant to Mr Arkadiusz Jastrzębski, a Supervisory Board member, remuneration in the same amount as in the previous vote, that is PLN 8,242.82, as specified in Piotr Krupa's proposal. Votes will be cast by secret ballot. We'll now proceed to the vote. The result of the vote is 7,560,100 votes in favour of the resolution. Therefore, the resolution has been passed.

I put to vote the draft resolution to grant to Mr Tomasz Bieske, a Supervisory Board member, remuneration in the same amount as in the previous vote, that is PLN 8,242.82, as specified in Piotr Krupa's proposal. Votes will be cast by secret ballot. We'll now proceed to the vote. The result of the vote is 7,560,100 votes in favour of the resolution. Therefore, the resolution has been passed.

I put to vote the draft resolution to grant to Mr Józef Wancer, a Supervisory Board member, remuneration in the gross amount of PLN 15,000, as specified in Piotr Krupa's proposal. Votes will be cast by secret ballot. We'll now proceed to the vote. The result of the vote is 2,968,100 votes in favour of the resolution. Therefore, the resolution has not been passed. I propose to grant to Mr Józef Wancer, a Supervisory Board member, remuneration in the same amount as granted to other Supervisory Board members, that is PLN 8,242.82. I put this proposal to vote. Votes will be cast by secret ballot. We'll now proceed to the vote. The result of the vote is 7,437,630 votes in favour of the resolution. Therefore, the resolution has been passed.

Let's proceed to item 14 on the agenda: a resolution on granting an allowance in addition to the remuneration of a Supervisory Board member for serving as Chairperson of the Supervisory Board, in the amount of PLN 8,242.18. We'll now proceed to the vote. Votes will be cast by open ballot. The result of the vote is 4,416,100 votes in favour of the resolution. Therefore, the resolution has been passed.



Let's proceed to item 15 on the agenda: a resolution authorising the Management Board to buy back the Company's own shares. On April 12th, the Company published a relevant draft resolution. On May 4th 2016, the entitled shareholder and President of the Management Board Piotr Krupa, addressing the expectations voiced by other shareholders, submitted a second draft of the resolution. The second draft was published in a current report on May 4th 2016 and on the Company's website. I now put to vote the draft resolution published by the Company on May 4th. Votes will be cast by open ballot. We'll now proceed to the vote. The result of the vote is 6,211,476 votes in favour of the resolution. Therefore, the resolution has been passed.

Let's move on to item 16 on the agenda: a resolution on allocation of funds for the financing of share buyback. We will now proceed to vote on the resolution. Votes will be cast by open ballot. The result of the vote is 6,695,301 votes in favour of the resolution. Therefore, the resolution has been passed.

Let's proceed to item 17 on the agenda: a resolution on amending Art. 8, Art. 14 and Art. 18 of the Articles of Association of KRUK S.A. We will now proceed to vote on the resolution. Votes will be cast by open ballot. Adoption of the resolution requires a qualified majority of three-quarters of votes. We'll now proceed to the vote. The result of the vote is 7,968,538 votes, or 91.31%, in favour of the resolution. Therefore, the resolution has been passed.

Let's proceed to item 18 on the agenda, that is the approval of the consolidated text of the Company's Articles of Association. We'll now proceed to the vote. Votes will be cast by open ballot. The result of the vote is 7,968,538 votes in favour of the resolution. Therefore, the resolution has been passed.

Let's proceed to item 19 on the agenda: a resolution on amending the Rules of Procedure of the Supervisory Board of KRUK S.A. and drafting the consolidated text of the Rules of Procedure. The amendments result from the amendments to the Company's Articles of Association approved just now and the need to adjust the Rules to the amended wording of the Articles of Association. We'll now proceed to the vote. Votes will be cast by open ballot. The result of the vote is 7,968,538 votes in favour of the resolution. Therefore, the resolution has been passed.

The vote on the resolution to amend the Rules of Procedure of the Supervisory Board was the last item on the agenda of this General Meeting of KRUK S.A. I hereby declare that all the agenda items have been addressed and I close the Meeting. Thank you all for attendance and cooperation.