grupa pracuj

Grupa Pracuj S.A. Group

Financial statements
for the year ended 31 December 2024

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All amounts in PLN thousands, unless otherwise stated

STATEMENT OF COMPREHENSIVE INCOME

CONTINUING OPERATIONS	Note	2024	2023
Revenue from contracts with customers	2.1	**490,390**	**469,706**
Amortisation and depreciation		(14,284)	(11,116)
Employee benefits expense	2.2	(143,649)	(128,565)
Marketing expenses		(42,130)	(40,359)
Software-as-a-Service expenses		(6,347)	(6,617)
Other services		(29,868)	(23,180)
Other costs		(6,009)	(5,397)
Other income	2.3	1,736	1,435
Other expenses	2.3	(1,146)	(477)
Expected credit losses	6.2	(940)	(252)
Operating profit		**247,753**	**255,178**
Finance income	2.4	37,796	11,350
Finance costs	2.4	(66,247)	(64,771)
Net finance income / (costs)		**(28,451)**	**(53,421)**
Share of profit of investees accounted for using the equity method	4.4	14,617	8,003
Profit before tax		**233,919**	**209,760**
Income tax	3.1	(45,874)	(36,890)
Net profit from continuing operations		**188,045**	**172,870**
Net profit		**188,045**	**172,870**

OTHER COMPREHENSIVE INCOME	Note	2024	2023
Items that will not be reclassified to profit or loss		**177**	**292**
Gains/(losses) from remeasurement of provisions for employee		218	360
Income tax on other comprehensive income		(41)	(68)
Items that may be reclassified to profit or loss		**(1,598)**	**-**
Exchange differences on translation of investees accounted for using the equity method		(1 598)	-
Total other comprehensive income		**(1,421)**	**292**
TOTAL COMPREHENSIVE INCOME		**186,624**	**173,162**

	Note	2024	2023
Basic earnings per share (PLN) – continuing operations	7.2	**2.75**	**2.53**
Diluted earnings per share (PLN) – continuing operations	7.2	**2.72**	**2.50**

All amounts in PLN thousands, unless otherwise stated

STATEMENT OF FINANCIAL POSITION

ASSETS	Note	31 December 2024	31 December 2023
Intangible assets	4.1	25,585	17,636
Property, plant and equipment	4.2	9,939	7,965
Right-of-use assets	4.3	21,215	21,547
Investments in subsidiaries	4.4	582,402	580,698
Investees accounted for using the equity method	4.4	43,730	30,725
Other financial assets	4.5	58,898	102,991
Other non-financial assets	4.6	560	646
Deferred tax assets	3.1	38,022	36,108
Non-current assets		**780,351**	**798,316**
Trade receivables	4.5	50,726	45,261
Income tax receivables	3.1	5,043	-
Other financial assets	4.5	26,134	117
Other non-financial assets	4.6	4,748	5,113
Cash and cash equivalents	4.7	45,864	66,101
Current assets		**132,515**	**116,592**
Total assets		**912,866**	**914,908**

EQUITY AND LIABILITIES	Note	31 December 2024	31 December 2023
Share capital	4.8	341,325	341,325
Reserve capital	4.9	338,035	300,617
Share repurchase reserve		-	1,080
Share-based payment arrangements	7.1	84,832	71,341
Other reserves	4.8	(1,231)	190
Merger reserve		(585,375)	(585,375)
Retained earnings		294,891	279,716
Total equity		**472,477**	**408,894**
Bank borrowings	4.11	175,784	239,295
Lease liabilities	4.11	15,064	15,978
Employee benefit obligations	4.12	1,743	1,662
Deferred tax liabilities	3.1	-	4,034
Non-current liabilities		**192,591**	**260,969**
Bank borrowings	4.11	39,534	23,543
Lease liabilities	4.11	7,509	6,635
Employee benefit obligations	4.12	15,531	13,735
Trade payables	4.13	10,726	12,715
Other financial liabilities	4.13	1,981	8,076
Other non-financial liabilities	4.14	13,403	11,382
Current tax liabilities	3.1	-	11,030
Contract liabilities	2.1	159,114	157,929
Current liabilities		**247,798**	**245,045**
Total liabilities		**440,389**	**506,014**
Total equity and liabilities		**912,866**	**914,908**

All amounts in PLN thousands, unless otherwise stated

STATEMENT OF CASH FLOWS

	Note	2024	2023
Cash flows from operating activities			
Profit before tax		233,919	209,760
Adjustments for:			
Share of profit of investees accounted for using the equity method	4.4	(14,617)	(8,003)
Amortisation and depreciation		14,284	11,116
Foreign exchange losses		201	153
Interest expense	2.4	19,562	27,422
Profit from investing activities	2.4	(17,671)	(7,612)
Reversal of discount previously applied to dividend receivable	2.4	(5,408)	984
Remeasurement of investees accounted for using the equity method		(8,393)	-
Impairment losses on investees measured at fair value through profit or loss	2.4	45,698	29,494
Expense recognised from equity-settled share-based payment arrangements	7.1	11,787	11,553
Settlement and fair value measurement of financial instruments	4.11	(3,095)	5,702
Income tax paid	3.1	(67,607)	(49,912)
Changes in working capital:			
Employee benefit obligations	4.12	2,095	1,066
Trade receivables	4.5	(5,465)	3,463
Other non-financial assets	4.6	451	(784)
Trade payables	4.13	(1,989)	(678)
Other non-financial liabilities	4.14	1,188	1,112
Contract liabilities	2.1	1,185	20,552
Other adjustments		-	1
Net cash flows from operating activities		**206,125**	**255,389**
Cash flows from investing activities			
Purchase of financial assets	4.5	(7,894)	(196)
Proceeds from disposal of financial assets	4.5	276	80
Dividends received	2.4	9,805	7,193
Proceeds from disposal of property, plant and equipment and intangible assets		449	412
Acquisition of property, plant and equipment and intangible assets		(16,366)	(13,971)
Net cash flows from investing activities		**(13,730)**	**(6,482)**
Cash flows from financing activities			
Dividends paid	4.9	(136,530)	(102,398)
Repayment of bank borrowings	4.11	(48,000)	(104,000)
Payment of lease liabilities	4.11	(6,062)	(7,139)
Interest payments	4.11	(19,026)	(27,246)
Settlement of derivative financial instruments used in hedging activities	4.11	(3,001)	(1,256)
Net cash flows from financing activities		**(212,619)**	**(242,039)**
Total net cash flows		**(20,224)**	**6,868**
Cash and cash equivalents at beginning of period		**66,101**	**59,266**
Exchange differences on cash and cash equivalents		(13)	(32)
Cash and cash equivalents at end of period		**45,864**	**66,101**
Cash and cash equivalents in the statement of financial position		**45,864**	**66,101**

All amounts in PLN thousands, unless otherwise stated

STATEMENT OF CHANGES IN EQUITY

	Share capital	Reserve capital	Share repurchase reserve	Share-based payment arrangements	Other reserves	Merger reserve	Retained earnings/(accumulated losses)	**Total equity**
Notes	4.8	4.9	4.8	7.1	4.8	4.8	4.9	
1 January 2024	**341,325**	**300,617**	**1,080**	**71,341**	**190**	**(585,375)**	**279,716**	**408,894**
Net profit for the period	-	-	-	-	-	-	188,045	188,045
Other comprehensive income for the period	-	-	-	-	(1,421)	-	-	(1,421)
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**(1,421)**	**-**	**188,045**	**186,624**
Share-based payments	-	-	-	13,492	-	-	-	13,492
Allocation of profit/(loss)	-	36,339	-	-	-	-	(36,339)	-
Dividends	-	-	-	-	-	-	(136,530)	(136,530)
Release from special-purpose reserve	-	1,080	(1,080)	-	-	-	-	-
Total changes in equity	-	**37,419**	**(1,080)**	**13,492**	**-**	**-**	**(172,869)**	**(123,038)**
31 December 2024	**341,325**	**338,035**	**-**	**84,832**	**(1,231)**	**(585,375)**	**294,891**	**472,477**

.	Share capital	Reserve capital	Share repurchase reserve	Share-based payment arrangements	Other reserves	Merger reserve	Retained earnings/(accumulated losses)	**Total equity**
1 January 2023	**341,325**	**238,248**	**1,080**	**57,416**	**(102)**	**(585,375)**	**271,613**	**324,205**
Net profit for the period	-	-	-	-	-	-	172,870	172,870
Other comprehensive income for the period	-	-	-	-	292	-	-	292
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**292**	**-**	**172,870**	**173,162**
Share-based payments	-	-	-	13,925	-	-	-	13,925
Allocation of profit/(loss)	-	62,369	-	-	-	-	(62,369)	-
Dividends	-	-	-	-	-	-	(102,398)	(102,398)
Total changes in equity	**-**	**62,369**	**-**	**13,925**	**-**	**-**	**(164,767)**	**(88,473)**
31 December 2023	**341,325**	**300,617**	**1,080**	**71,341**	**190**	**(585,375)**	**279,716**	**408,894**

All amounts in PLN thousands, unless otherwise stated

1. GENERAL INFORMATION

1.1 General information about the Company

Company name:	Grupa Pracuj spółka akcyjna
Registered office:	ul. Prosta 68, 00-838 Warsaw
Registry court:	District Court for the Capital City of Warsaw, 13th Commercial Division of the National Court Register (KRS)
KRS number:	0000913770
Tax identification number (NIP):	527-27-49-631

Grupa Pracuj spółka akcyjna ('Grupa Pracuj S.A.', the 'Company') is the parent of the Grupa Pracuj S.A. Group (the 'Group').

On 2 August 2021, the Parent was transformed from a limited liability company (spółka z ograniczoną odpowiedzialnością) into a joint-stock company (spółka akcyjna).

The Company commenced operations on 6 November 2015. In 2016, the Company – at the time trading as Grupa Pracuj Holding sp. z o.o. – merged with the then Grupa Pracuj S.A., which had been providing online recruitment services in Poland since 2000. Since 2007 the Group, through its subsidiaries, has also operated in Ukraine, and in Germany since 2022.

Grupa Pracuj S.A. is a leading European HR technology platform operating online job posting sites and providing diverse services that support organisations in employee recruitment, retention, and development. The platform helps its users to find the right employment that enables them to use their full potential, and develops world-class technologies that shape the future of the HR market.

1.2 Composition of the Management Board and Supervisory Board of Grupa Pracuj S.A

Throughout 2024, and as of 31 December 2024, the composition of the Company's Management Board was as follows:

- Przemysław Gacek, President of the Management Board,
- Gracjan Fiedorowicz, Member of the Management Board,
- Rafał Nachyna, Member of the Management Board.

There have been no changes in the composition of the Company's Management Board as at the date of authorisation of these financial statements.

Throughout 2024 and as of 31 December 2024, the composition of the Company's Supervisory Board was as follows:

- Maciej Noga, Chairman of the Supervisory Board,
- Wojciech Stankiewicz, Member of the Supervisory Board,
- John Doran, Member of the Supervisory Board,
- Przemysław Budkowski, Member of the Supervisory Board,
- Agnieszka Słomka-Gołębiowska, Member of the Supervisory Board,
- Mirosław Stachowicz, Member of the Supervisory Board,
- Martina van Hettinga, Member of the Supervisory Board.

There have been no changes in the composition of the Company's Supervisory Board as at the date of authorisation of these financial statements.

1.3 Information about the Group

The Group consists of the Parent, i.e., Grupa Pracuj S.A. and its subsidiaries.

The Group also holds shares in associates, which are measured using the equity method.

The Company has prepared consolidated financial statements for the year ended 31 December 2024, accessible at https://grupapracuj.pl/dla-inwestorow/raporty-okresowe.

As at 31 December 2024 and 31 December 2023, the Company's share in total voting rights in the subsidiaries and associates was the same as the Company's respective ownership interests in those entities.

The Company held equity interests in the following subsidiaries and associates as at 31 December 2024 and 31 December 2023:

All amounts in PLN thousands, unless otherwise stated

Company	Registered office	Principal business	Ownership interest 31 December 2024	Ownership interest 31 December 2023
Direct and indirect subsidiaries				
eRecruitment Solutions sp. z o.o.	Poland	IT services	100%	100%
HRlink sp. z o.o.	Poland	IT services	100%	-
BinarJobs sp. z o.o. w likwidacji [1)]	Poland	web portals	100%	100%
Spoonbill Holding GmbH	Germany	activities of holding companies (excluding financial holdings)	100%	100%
Spoonbill GmbH	Germany	activities of holding companies (excluding financial holdings)	100%	100%
softgarden e-recruiting GmbH	Germany	IT services	100%	100%
absence.io GmbH	Germany	IT services	100%	100%
Robota International TOV	Ukraine	web portals	67%	67%
Snowless Global Ltd	Cyprus	licensing activities	67%	67%
eRecruitment Solutions Ukraine TOV	Ukraine	activities related to databases	- [2)]	100%
Associates				
Fitqbe sp. z o.o.	Poland	IT services	34%	34%
Work Ukraine TOV	Ukraine	web portals	33%	33%
WorkIP Ltd	Cyprus	licensing activities	33%	33%
Coders Lab sp. z o.o.	Poland	training services	22%	22%
Epicode sp. z o.o.	Poland	IT services	- [3)]	35%

[1)] On 10 June 2024, BinarJobs sp. z o.o. formally entered liquidation, as recorded in the National Court Register, and accordingly changed its name to BinarJobs sp. z o.o. w likwidacji.
[2)] On 16 September 2024, eRecruitment Solutions sp. z o.o. completed the disposal of its entire shareholding in eRecruitment Solutions Ukraine TOV.
[3)] On 29 February 2024, Grupa Pracuj S.A. completed the disposal of its entire 35% interest in Epicode sp. z o.o.

1.4 Basis of preparation of the financial statements

These separate financial statements, comprising the separate statement of financial position as at 31 December 2024 with comparative figures as at 31 December 2023, separate statements of comprehensive income, changes in equity, cash flows for the years then ended, and the accompanying notes, have been prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union, and IFRS Interpretations Committee ('IFRIC') interpretations endorsed by the European Commission. IFRSs comprise accounting standards and interpretations issued by the International Accounting Standards Board ('IASB').

These separate financial statements have been prepared on a historical cost basis, except for investments in equity instruments measured at fair value through profit or loss, derivative instruments, and the put option liability.

The Management Board of Grupa Pracuj S.A. represents that, to the best of its knowledge, these financial statements have been prepared in compliance with the relevant accounting standards and accurately represent the Group's assets, liabilities, and financial position in a true, fair, and clear manner.

For a detailed description of the accounting policies applied in the preparation of these separate financial statements, please refer to the Notes section. These accounting policies have been consistently applied across all periods presented.

These separate financial statements have been prepared on a going concern basis, assuming that the Company will continue its operations without significant change in scope or scale for the foreseeable future. As at the date these separate financial statements were authorised for issue, the Management Board has identified no circumstances indicating a threat to the Company's ability to continue as a going concern. The impact of the armed conflict in Ukraine on the Company's operations is analysed in detail in Note 7.8.

Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp.k. of Warsaw, entered in the register of audit firms maintained by the Polish Agency for Audit Oversight under entry no. 130, was appointed to audit these separate financial statements in accordance with applicable legal requirements. The audit firm and the auditors responsible for the engagement meet the independence and objectivity requirements set out in the applicable national legislation.

1.5 Significant judgements and assumptions

The preparation of financial statements in accordance with IFRS requires the reporting entity to make significant accounting judgements and assumptions. Such judgements and assumptions are reviewed continuously, taking into account historical experience and other relevant factors, including reasonable expectations of future events. The Company makes forward-looking judgements and assumptions. The uncertainty surrounding assumptions and estimates could lead to adjustments in the carrying amounts of assets and liabilities in subsequent periods.

All amounts in PLN thousands, unless otherwise stated

Line items in the separate financial statements to which significant estimates and judgments pertain	Note
Revenue from contracts with customers	2.1
Deferred tax assets	3.1
Taxes payable/receivable	3.1
Intangible assets	4.1
Property, plant and equipment	4.2
Right-of-use assets	4.3
Investees accounted for using the equity method	4.4
Unlisted shares	4.4
Trade receivables	4.5
Financial assets measured at amortised cost	4.5
Lease liabilities	4.11
Employee benefit obligations	4.12
Share-based payments	7.1

1.6 Effect of new standards and interpretations

The following table summarises new standards, amendments to standards, and interpretations adopted by the European Union effective for annual periods beginning after 1 January 2024:

Standard	Description of amendments	Effective date
IFRS 16 *Leases*	Amendments to IFRS 16 concerning lease liabilities in sale and leaseback transactions	1 January 2024
IAS 1 *Presentation of Financial Statements*	Amendments to IAS 1 concerning the classification of liabilities as current or non-current and non-current liabilities with covenants	1 January 2024
Amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures*	Amendments clarifying disclosure requirements for supplier finance arrangements	1 January 2024
IAS 21 *The Effects of Changes in Foreign Exchange Rates*	Lack of exchangeability – reflects the exchange rate at which an orderly transaction would take place between market participants at the measurement date under current market conditions.	1 January 2025

The Company has elected to apply these new standards and amendments from their respective mandatory effective dates, without early adoption. The standards and interpretations applied for the first time in 2024 did not have a material impact on the Company's separate financial statements.

Standards, amendments, and interpretations pending approval by the European Union are as follows:

Standard	Description of amendments	Effective date
IFRS 18 *Presentation and Disclosure in Financial Statements*	New categories and subtotals in the statement of profit and loss. Disclosures of performance indicators defined by management.	1 January 2027
IFRS 19 *Subsidiaries without Public Accountability: Disclosures*	The standard permits eligible entities to apply reduced disclosure requirements while continuing to apply the recognition, measurement and presentation requirements set out in other IFRS Accounting Standards.	1 January 2027
Amendments to IFRS 9 and IFRS 7 *Amendments to the Classification and Measurement of Financial Instruments*	The amendments clarify, among other things, that a financial liability is derecognised on the settlement date, and introduce an accounting policy choice allowing financial liabilities settled via an electronic payment system to be derecognised before the settlement date.	1 January 2026
Amendments to IFRS 9 and IFRS 7 Contracts Referencing Nature-Dependent Electricity	The amendments include: ▪ clarification of the application of the ‘own-use’ requirements; ▪ the ability to apply hedge accounting when such contracts are used as hedging instruments; ▪ the introduction of new disclosure requirements to help investors understand the impact of these contracts on the entity’s financial performance and cash flows.	1 January 2026
Annual Improvements to IFRS Accounting Standards—Volume 11	This Annual Improvements cycle is limited to amendments intended to clarify wording in the IFRS Accounting Standards or to correct relatively minor unintended consequences, oversights, or conflicts between the requirements of the standards.	1 January 2026

The standards and amendments to standards specified above, pending endorsement by the European Union, are not expected to have a material impact on the Company's separate financial statements.

All amounts in PLN thousands, unless otherwise stated

1.7 Functional currency and foreign currency transactions

Accounting policies

Functional currency and presentation currency

The Company's financial statements are prepared in the currency of the primary economic environment in which the Company operates, i.e., in its functional currency.

The functional currency of the Company and the currency of these financial statements is the Polish złoty (PLN). All amounts in these separate financial statements have been rounded to the nearest thousand PLN, unless otherwise indicated.

Transactions and balances

Foreign currency transactions are initially translated into the functional currency at the mid exchange rate published by the National Bank of Poland (NBP) on the day preceding the transaction date.

At the reporting date, monetary items denominated in foreign currencies are translated at the mid exchange rate for the relevant currency published by the NBP.

Non-monetary items denominated in foreign currencies and measured at historical cost are translated using the exchange rate prevailing at the transaction date.

Non-monetary items denominated in foreign currencies measured at fair value are translated using the mid exchange rate published by the NBP on the date when the fair value was determined.

Foreign exchange gains or losses arising from the settlement of foreign currency transactions or from revaluation of monetary items denominated in foreign currencies are recognised in profit or loss in the reporting period.

Other reserves

To account for foreign entities (whose functional currency differs from PLN) in its separate financial statements using the equity method, the Company applies the principles outlined in paragraph 44 of IAS 21 The Effects of Changes in Foreign Exchange Rates. Exchange differences arising on translation are recognised in the Company's equity under 'Other reserves'.

For the translation of transactions and balances denominated in foreign currencies, the following exchange rates were applied:

	Exchange rate at the reporting date	
	31 December 2024	**31 December 2023**
EUR	4.2730	4.3480
USD	4.1012	3.9350
UAH	0.0976	0.1037

	Average rate in the period	
	2024	**2023**
EUR	4.3065	4.5284
USD	3.9799	4.1823
UAH	0.0992	0.1153

1.8 Corrections of errors and changes in accounting policies

The Company did not make any correction of errors or changes in accounting policies.

2. NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

2.1 Revenue from contracts with customers

Accounting policies

Revenue from contracts with customers is recognised at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services.

The main sources of the Company's revenue are:

- *sale of recruitment projects, comprising job advertisements published on the Pracuj.pl website and supporting products designed to enhance advertisement visibility and increase the number of views and applications,*
- *employer branding products, including employer profiles on the Pracuj.pl platform and the Digital+ offering.*

Transaction price

When determining the transaction price, the Company considers both the contractual terms and its customary business practices. The transaction price represents the consideration amount the Company expects to receive in exchange for transferring promised goods or services to the customer, excluding amounts collected on behalf of third parties (such as specific sales taxes). In determining the transaction price, the Company assesses potential variable consideration (such as discounts, bonuses and penalties). However, generally, these components do not occur in the Company's contracts.

Transfer of control over time

For certain products and services, the Company transfers control of the good or service progressively over time, thereby satisfying a performance obligation and recognising revenue over that period.

Revenue is recognised over time in particular with respect to:

- *job advertisements published on the Pracuj.pl website,*
- *publication of the employer profiles on the Pracuj.pl website.*

Revenue from job advertisements and employer profiles is recognised over the period of their publication based on contracts with customers which are concluded, as a rule, for a period of about 1 year or less.

Transfer of control at a point in time

If a performance obligation is not satisfied progressively over time, it is satisfied at a specific point in time, at which moment the revenue from contracts with customers is recognised. In order to determine the moment of satisfaction of the performance obligation and revenue recognition, the requirements regarding transferring control over the promised assets to the customer are considered. The control is transferred to a customer, if:

- *the entity has a present right to payment for the asset,*
- *the customer has legal title to the asset,*
- *the entity has transferred physical possession of the asset,*
- *the customer has the significant risks and rewards of ownership of the asset,*
- *the customer has accepted the asset.*

Revenue from contracts with customers for additional products supporting the sale of job advertisements and branding products is recognised at a point in time by the Company, except for revenue from the publication of employer profiles, which is recognised over the period of publication.

Methods for measuring progress towards complete satisfaction of a performance obligation

Methods for measuring progress include output methods. Output methods recognise revenue based on direct measurements of the value of goods or services transferred to the customer relative to the remaining goods or services promised under the contract.

In practice, the Company measures progress towards complete satisfaction of a performance obligation using a time-elapsed basis.

Contract assets

Contract assets are recognised when the Company has satisfied a performance obligation to a customer by delivering goods or services, but payment has not yet been received and no invoice has been issued. When the right to receive payment becomes unconditional (i.e., the Company has satisfied the performance obligation and invoiced the customer), the related amount is recognised as a trade receivable.

Contract liabilities

In the statement of financial position, the Company recognises a contract liability representing the obligation to transfer goods or services to a customer for which consideration has been received or is due from the customer.

If a customer has paid or is obligated to pay the Company prior to the transfer of goods or services, the Company recognises the payment as a contract liability until the related goods or services have been delivered. This applies when the customer has paid, or the Company has an unconditional right to receive payment (i.e., a receivable), before delivering the goods or services.

The Company applies the practical expedient permitted by IFRS 15 Revenue from Contracts with Customers, whereby it does not disclose the transaction price allocated to unsatisfied performance obligations if the related contracts have an original expected duration of one year or less.

Contract costs

The Company takes advantage of the practical exemption available in IFRS to recognise contract costs, i.e., incremental costs of obtaining a contract.

In practice, the Company recognises incremental costs of obtaining a contract as an expense when they are incurred only if the amortisation period of the related asset is one year or less. This is because contracts with customers are typically concluded for a maximum period of one year, and it is a direct consequence of their nature.

Costs of obtaining contracts that the Company incurs include, in particular, sales commissions and bonuses.

The Company does not identify costs of fulfilling contracts, i.e., costs that meet the following criteria:

- *they directly relate to the contract or anticipated contract that the entity can clearly identify;*
- *they result in generation or enhancement of the Company s resources that will be used to satisfy (or continue to satisfy) performance obligations in the future.*

Significant judgements and assumptions

The Company uses estimates (subjective judgements) in determining the timing of satisfaction of performance obligations and therefore the proper recognition of revenue, i.e., at a point in time or over time.

The Company applies output methods for performance obligations satisfied progressively over time, such as the publication of job advertisements.

All amounts in PLN thousands, unless otherwise stated

Key types of products and services

The following list presents the key types of services offered by the Company :

- Recruitment projects – primarily job advertisements published on the Pracuj.pl website, as well as supporting products aimed at increasing the number of page views and job applications.

  Supporting products include, in particular, advertisement optimisation tools, advertisement refreshing, logo highlighting, Zasięg+, and Pracuj Booster.

  Revenue from the sale of job advertisements and products permanently linked to these advertisements (including logo highlighting, Zasięg+, and Pracuj Booster) is recognised over the period of their publication.

  Revenue from the sale of other products is recognised when the service is delivered, for example, at the moment a job advertisement is refreshed on the platform.

- Employer branding products comprise, among others, employer profiles hosted on the Pracuj.pl website and the Digital+ offering (revenue recognised over time), as well as participation in Jobicon in-person career fairs (revenue recognised at the point when the related performance obligation is satisfied).

Revenue from contracts with customers by the timing of satisfaction of performance obligations

Revenue from contracts with customers by the timing of revenue recognition	2024	2023
Over time	331,238	301,149
At a point in time	159,152	168,557
Total	**490,390**	**469,706**

Revenue from contracts with customers by region

Revenue from contracts with customers by country	2024	2023
Poland	479,650	457,192
Ukraine	30	333
DACH region	8,356	8,452
Other countries	2,354	3,729
Total	**490,390**	**469,706**

Contract liabilities

Contract liabilities represent the amount of transaction price attributable to an unsatisfied performance obligation at the reporting date, the most significant item being the sale of recruitment projects.

Contract liabilities	31 December 2024	31 December 2023
Current	159,114	157,929
Total	**159,114**	**157,929**

The Company anticipates that the amounts reported as contract liabilities will be recognised as revenue within 12 months of payment, as the contracts with customers are typically signed for a maximum of one year.

All amounts in PLN thousands, unless otherwise stated

2.2 Employee benefits expense

	2024	2023
Salaries and wages	97,541	87,566
Bonuses	13,359	10,971
Share-based payments	11,787	11,553
Social security contributions	15,937	14,048
Other employee benefits	5,025	4,427
Total	**143,649**	**128,565**

2.3 Other income and expenses

Accounting policies

Other income and expenses comprise income and expenses from activities that are not part of the Company's principal business, including gains or losses on disposal of property, plant and equipment, donations made, and impairment losses recognised in respect of non-financial assets.

Other income

	2024	2023
Gain on disposal of non-current non-financial assets	150	112
Income from lease modifications	-	1
Income from sublease of office space	1,027	441
Other income	559	881
Total	**1,736**	**1,435**

Other expenses

	2024	2023
Donations	335	219
Other expenses	811	258
Total	**1,146**	**477**

2.4 Finance income and finance costs

Accounting policies

Finance income and finance costs include, in particular, interest, remeasurement of investments, including remeasurement of shares and loans, exchange differences and dividends. Interest income and expense are recognised as and when they accrue, using the effective interest rate method, in relation to the net carrying amount of the financial asset. Dividends are recognised when the shareholders' right to receive the payment is established. If there are indications of impairment of an investment, the Company tests the investment for impairment. Impairment allowances are recognised if a test indicates that the recoverable amount of an asset is lower than its carrying amount. Foreign exchange gains and losses are presented at net amounts.

All amounts in PLN thousands, unless otherwise stated

Finance income

	2024	2023
Interest income	3,108	3,850
Dividends from subsidiaries	17,582	7,193
Gain on disposal of investments	75	80
Reversal of impairment losses on investees accounted for using the equity method	8,393	-
Remeasurement of financial instruments to fair value	-	227
Settlement and measurement of derivative financial instruments	3,095	-
Reversal of discount previously applied to dividend receivable	5,408	-
Other	135	-
Total	**37,796**	**11,350**

Dividends from subsidiaries

In the year ended 31 December 2024, dividends from subsidiaries comprised dividends from eRecruitment Solutions sp. z o.o. of PLN 9,805 thousand and dividends from Robota International TOV of PLN 7,777 thousand.

Reversal of impairment losses on investees accounted for using the equity method

In the year ended 31 December 2024, given the strong financial performance of entities operating in Ukraine, the Company's Management Board reversed previously recognised impairment losses on investees accounted for using the equity method. The total reversal amounted to PLN 8,393 thousand.

Reversal of discount previously applied to dividend receivable

In the year ended 31 December 2024, based on the strong financial performance of the subsidiary, the Management Board decided to reverse the impairment loss previously recognised on the dividend receivable from Robota International TOV in the amount of PLN 4,424 thousand. The Management Board expects the dividend to be received by 30 June 2025 (Note 7.8).

In both 2024 and 2023, the shareholders of Work Ukraine TOV approved resolutions to distribute profits from prior years. The declared dividends reduced the carrying amount of investees accounted for using the equity method for the years ended 31 December 2024 and 31 December 2023. On 20 March 2025, Grupa Pracuj S.A. received a dividend payment of UAH 110,491 thousand into its bank account held with JSC 'KredoBank' in Ukraine, a subsidiary of PKO Bank Polski. As a result, the Management Board reversed a previously recognised discount on the dividend receivable in the amount of PLN 984 thousand in the year ended 31 December 2024 (see Note 7.8).

Further details regarding changes in the carrying amount of investees are presented in Note 4.4.

All amounts in PLN thousands, unless otherwise stated

Finance costs

	2024	2023
Interest expense	18,480	27,436
Interest expense on lease contracts	1,043	283
Remeasurement of investments measured at fair value through profit or loss	45,698	29,494
Reversal of discount previously applied to dividend receivable	-	984
Settlement and measurement of derivative financial instruments	-	5,702
Exchange differences	288	374
Other	738	498
Total	**66,247**	**64,771**

In the year ended 31 December 2024, the Company measured its investment in Pracuj Ventures spółka z ograniczoną odpowiedzialnością ASI sp.k. ('Pracuj Ventures') and its investment in Beamery Inc. at fair value, recognising finance income of PLN 2,854 thousand and finance costs of PLN 48,552 thousand, respectively. These amounts are presented on a net basis within finance costs (see Note 4.5).

Finance income and costs associated with the measurement of derivative financial instruments (instruments not designated for hedge accounting) pertained to hedging the variable interest rate on a credit facility (see Note 4.11).

3. NOTES ON TAXATION

3.1 Income tax

Accounting policies

Income tax presented in the statement of comprehensive income comprises current tax and deferred tax.

Current income tax

Current and prior period tax assets and liabilities are recognised at the amount expected to be paid to or recovered from tax authorities, based on tax rates and fiscal regulations legally or substantively enacted at the reporting date.

Current tax expense represents the amount of income tax payable on taxable profit for the reporting period. Taxable profit (loss) is the profit (loss) calculated for tax purposes and differs from accounting profit (loss) before tax, as it excludes specific items of income or expense. Specifically, taxable profit (loss) excludes income or expense items that are taxable or deductible in future periods, as well as items never subject to taxation or deduction.

Deferred tax

The Company recognises deferred tax liabilities and assets for all temporary differences between the carrying amounts of assets and liabilities and their tax bases.

Deferred tax liabilities are the amounts of income tax payable in future periods in respect of taxable temporary differences. Deferred tax assets are amounts expected to be deducted from income tax in future periods due to deductible temporary differences or carry forward of unused tax losses and unused tax credits.

Deferred tax assets are recognised only to the extent that it is probable sufficient taxable profits will be available in the future against which deductible temporary differences or tax losses can be utilised.

Income tax related to items recognised in other comprehensive income or directly in equity is also recognised accordingly in other comprehensive income or equity.

Deferred tax assets and liabilities are measured at tax rates expected to apply when the asset is realised or the liability settled, based on rates and laws enacted or substantively enacted at the reporting date.

The Company offsets deferred tax assets and deferred tax liabilities only if there is a legally enforceable right to set off current tax assets against current tax liabilities and if the deferred income tax is related to income taxes imposed by the same taxation authority on the same taxable entity.

All amounts in PLN thousands, unless otherwise stated

Significant estimates and judgements

Recognition of deferred tax assets

The Company recognises deferred tax assets to the extent it expects future taxable profits to be available against which these assets can be utilised. The Management Board relies on forecasts, budgets, and strategies for the operations of the Company in making the assumption to recognise a deferred tax asset.

The Company reviews the carrying amount of deferred tax assets at each reporting date, reducing it when it is no longer probable that sufficient taxable profits will be available in the future to realise all or part of the asset. At each reporting date, the Company reassesses any previously unrecognised deferred tax assets, recognising them to the extent that future taxable profits are likely to be available to utilise the assets.

Judgements related to recognised tax settlement amounts

The Company recognises amounts related to tax settlements based on currently applicable tax laws and interpretations. Given these tax risks, the amounts disclosed in the financial statements are subject to uncertainty and may be revised following final decisions by tax inspection authorities. The estimation uncertainty pertains to the tax impact of a particular economic event and is attributed to various factors, including:

- *inherent complexity of tax laws and regulations,*
- *varying practices adopted by tax authorities,*
- *tack of uniformity in administrative court rulings.*

Income tax

	2024	2023
Current tax	51,864	55,442
Deferred tax	1,252	(12,948)
Net deferred tax liability related to investments measured at fair value	(7,242)	(5,604)
Total tax expense in the statement of comprehensive income	**45,874**	**36,890**

The effective tax rate for the year ended 31 December 2024 was 19.61%, compared with 17.59% in 2023.

Reconciliation of effective tax rate

	2024	2023
Profit before tax from continuing operations	233,919	209,760
Income tax at 19%	**44,444**	**39,854**
Permanently non-taxable income	(255)	(57)
Reversal of impairment losses on interests in investees accounted for using the equity method	(1,595)	
Effect of recognising taxable income from dividends received by the Company from subsidiaries	(1,863)	(1,367)
Permanently non-deductible expenses	1,332	718
Permanently non-deductible expenses for share-based payment arrangement	2,240	2,195
Remeasurement of financial instrument	-	(43)
Recognition of deferred tax liability on dividend receivable from an investee accounted for using the equity method	1,571	(317)
Share of profit of investees accounted for using the equity method	-	(1,521)
Adjustment to current income tax for prior years	-	1,555
Prior period tax losses for which no deferred tax asset has been recognised in current year	-	(4,127)
Total tax expense in the statement of comprehensive income	**45,874**	**36,890**

All amounts in PLN thousands, unless otherwise stated

Deferred income tax

The table below presents deferred tax assets and liabilities recognised for temporary differences arising from individual items of assets and liabilities.

	31 December 2024	31 December 2023
Deferred tax assets arising from other sources		
Contract liabilities	30,232	30,007
Lease liabilities	4,176	4,296
Remeasurement of derivatives	376	1,534
Trade receivables	382	301
Trade payables	344	468
Employee benefit obligations	2,937	2,597
Other non-financial assets	1,021	1,169
Difference between carrying amount and tax base of liabilities arising from bank borrowings	250	159
Other deductible temporary differences	967	494
Total deferred tax assets arising from other sources	**40,685**	**41,026**
Deferred tax liabilities arising from other sources		
Taxable temporary differences between the carrying amounts of property, plant, and equipment and intangible assets disclosed in the accounting books and their tax bases	1,299	812
Right-of-use assets	4,031	4,094
Other taxable temporary differences	2	12
Total deferred tax liabilities arising from other sources	**5,332**	**4,918**

	31 December 2024	31 December 2023
Total net deferred tax assets from capital gain sources		
Tax loss on capital gains	13,843	9,860
Total net deferred tax assets from capital gain sources	**13,843**	**9,860**
Deferred tax liabilities from capital gain sources		
Remeasurement of investments measured at fair value through profit or loss	4,527	13,209
Fair value remeasurement of investees accounted for using the equity method	2,744	-
Dividends receivable from subsidiaries and associates	3,903	685
Deferred tax liabilities from capital gain sources	**11,174**	**13,894**
Total net deferred tax (assets)/liabilities from capital gain sources	**(2,669)**	**4,034**
Net deferred tax assets arising from other sources	**35,353**	**36,108**
Total net deferred tax assets from capital gain sources	**2,669**	**-**
Net deferred tax liabilities from capital gain sources	**-**	**4,034**

Unused tax losses for which deferred tax assets have been recognised, by expiration date

	31 December 2024		31 December 2023	
	Gross amount	Year of expiry	Gross amount	Year of expiry
Tax losses from capital gain sources	24,925 26,968 20,966	2028 2029 2030	24,925 26,968 -	2028 2029 -
Recognised deferred tax asset	**13,843**		**9,860**	

The Company has assessed the recoverability of the deferred tax asset arising from capital losses and intends to realise it against gains from the sale of equity interests.

4. NOTES TO THE STATEMENT OF FINANCIAL POSITION

4.1 Intangible assets

Accounting policies

Recognition and measurement

Intangible assets are recognised when it is probable that future economic benefits associated with the asset will flow to the Company and the cost of the asset can be reliably determined at which the intangible asset is initially recognised.

An intangible asset arising from development activities or a phase of such activities is recognised when all IAS 38 criteria are met: the Company demonstrates technical feasibility and intention to complete the asset, intention and ability to use or sell it, generation of probable future economic benefits, availability of adequate financial resources to complete the development, and the capability to reliably measure expenditure. The Company includes internally developed software in this category.

After initial recognition, intangible assets (including internally developed software) are measured at cost less accumulated amortisation and impairment losses.

Amortisation

The Company's intangible assets have finite useful lives and are amortised, except for internally developed software still under development. Amortisation commences when the intangible asset is ready for use, meaning it is available for use as intended by the Management Board.

The Company does not amortise intangible assets that are not in use, such as incurred expenditures for internally developed software that is not yet completed. However, it tests these assets for impairment at the end of each reporting period.

Intangible assets are amortised using the straight-line method over their estimated useful lives. The applied amortisation periods for intangible assets are:

- *property rights* — *2 - 5 years,*
- *other intangible assets* — *2 - 12 years,*
- *internally developed software* — *3 - 5 years.*

An intangible asset is derecognised from the statement of financial position upon disposal or when no future economic benefits are expected from its continued use or disposal.

Significant estimates and judgements

Useful lives of intangible assets

The useful lives of intangible assets are reviewed annually at each reporting date. Estimating the useful life of intangible assets involves a degree of uncertainty as it depends on various factors such as changes in market conditions, technological advancements, and competition. Such changes may require the reassessment of the period of economic benefit of an intangible asset.

Impairment of intangible assets

At each reporting date, the Company assesses whether there is any indication of impairment of intangible assets. If such indications exist, the asset's recoverable amount is estimated.

Irrespective of impairment indicators, the Company performs impairment testing for internally developed software still under development and not yet in use at each reporting date.

All amounts in PLN thousands, unless otherwise stated

Recoverable amount is the higher of fair value less the cost of bringing the asset to market or value in use. A recoverable amount is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss, equal to the amount by which the asset's carrying amount exceeds its recoverable amount, is recognised in the statement of comprehensive income under other operating expenses.

At the end of each financial year, intangible assets that have been impaired in the past are evaluated for any indications that the impairment loss previously recognised may need to be reversed.

Expenditures on internally developed software represent development costs incurred before the software generates revenue. Upon completion of development work, the Company begins amortising internally developed software.

In the reporting period, the Company did not conclude any individually significant transactions involving acquisition or sale of intangible assets. As at 31 December 2024, expenditure incurred on intangible assets amounted to PLN 12,425 thousand, including expenditure on internally developed software of PLN 11,987 thousand, As at 31 December 2024, there was no expenditure incurred on development projects in progress, whereas as at 31 December 2023 such expenditure amounted to PLN 2,614 thousand.

Based on the assessments performed, the Company did not identify any objective evidence of impairment of intangible assets as at the reporting dates presented.

	Property rights	Internally developed software	Other intangible assets	Total
Gross carrying amount as at 1 January 2023	**1,707**	**8,708**	**7,687**	**18,102**
Increase	36	7,170	2,771	9,977
Other changes	-	1,887	(1,798)	89
Gross carrying amount as at 31 December 2023	**1,743**	**17,765**	**8,660**	**28,168**
Gross carrying amount as at 1 January 2024	**1,743**	**17,765**	**8,660**	**28,168**
Increase	203	11,987	235	12,425
Liquidation	(256)	-	(74)	(330)
Other changes	-	2,614	(2,614)	-
Gross carrying amount as at 31 December 2024	**1,690**	**32,366**	**6,207**	**40,263**

	Property rights	Internally developed software	Other intangible assets	Total
Accumulated amortisation and impairment losses as at 1 January 2023	**(1,594)**	**(1,264)**	**(5,146)**	**(8,004)**
Amortisation	(59)	(2,054)	(415)	(2,528)
Accumulated amortisation and impairment losses as at 31 December 2023	**(1,653)**	**(3,318)**	**(5,561)**	**(10,532)**
Accumulated amortisation and impairment losses as at 1 January 2024	**(1,653)**	**(3,318)**	**(5,561)**	**(10,532)**
Amortisation	(64)	(4,154)	(257)	(4,475)
Liquidation	256	-	74	329
Accumulated amortisation and impairment losses as at 31 December 2024	**(1,462)**	**(7,472)**	**(5,744)**	**(14,678)**

All amounts in PLN thousands, unless otherwise stated

	Property rights	Internally developed software	Other intangible assets	Total
Net carrying amount as at 31 December 2023	90	14,447	3,099	17,636
Net carrying amount as at 31 December 2024	228	24,894	463	25,585

4.2 Property, plant and equipment

Accounting policies

Recognition and measurement

Property, plant and equipment are measured at cost less accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or are recognised as a separate asset, as appropriate, only where it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Any other expenses incurred on repairs and maintenance are expensed to profit or loss for the reporting period in which they were incurred.

Depreciation

Depreciation is calculated on a straight-line basis over the useful life of items of the property, plant and equipment and recognised in profit or loss for the current period. Depreciation begins when the item of asset is available for use, i.e., it is in the location and condition necessary to be capable of operating as intended by the Management Board.

The depreciable amount of an asset is determined as its initial cost less the residual value, provided the residual value is material. The Company believes that cars hold significant residual value and has accordingly assigned a residual value to this category of property, plant, and equipment. The residual value is calculated as the estimated amount the Company expects to recover from the sale of the asset at the end of its useful life, less the expected costs to sell.

The adopted depreciation periods for property, plant and equipment are:

- *buildings and premises (leasehold improvements)* — *2 - 6 years*
- *technical equipment and machinery* — *2 - 5 years*
- *vehicles* — *2 - 5 years*
- *other property, plant and equipment* — *2 - 8 years*

Depreciation periods for property, plant and equipment recognised in respect of leasehold improvements are aligned with the depreciation periods of the corresponding right-of-use assets and are depreciated over the shorter of the lease term or the estimated useful life of the right-of-use asset.

Property, plant and equipment under construction are not depreciated until their construction is completed, i.e., when they are available for use. They are then transferred to the appropriate class of property, plant and equipment and depreciation commences.

Gain or loss on disposal of property, plant and equipment is recognised in other expenses or other income for the reporting period.

Significant estimates and judgements

Depreciation

The Company reviews the residual value, estimated useful lives of property, plant, and equipment, and depreciation methods annually at the end of the reporting period. Any resulting changes are accounted for as a change in an *estimate. Such estimates are subject to uncertainty due to future business conditions, technological changes, and market competition, which may impact the assessment of the useful life of the property, plant, and equipment.*

All amounts in PLN thousands, unless otherwise stated

Impairment

The policies and assumptions applied in impairment testing of property, plant and equipment are consistent with those applied in impairment testing of intangible assets (for intangible assets with finite useful lives) and are described in Note 4.1.

The most significant item of the Company's property, plant and equipment is hardware infrastructure (computers, servers, telephones) reported under ‘Technical equipment and machinery’ and expenditure on improvements in leased office space reported under ‘Buildings and premises’. Under ‘Vehicles', the Company reports its own fleet of vehicles used for business purposes.

During the reporting period, the Company acquired property, plant and equipment for PLN 5,443 thousand.

In the current reporting period the Company did not conclude any individually significant transactions involving acquisition or sale of property, plant and equipment.

The carrying amount of property, plant and equipment under construction was PLN 595 thousand as at 31 December 2024, while no property, plant and equipment under construction was recognised as at 31 December 2023.

Based on the assessments performed, the Company did not identify any objective evidence of impairment of non-current assets as at the reporting dates presented.

The gross carrying amount of fully depreciated property, plant and equipment as at 31 December 2024 was PLN 5,023 thousand.

Reconciliation of the carrying amount of property, plant and equipment

	Buildings and premises	Plant and equipment	Vehicles	Other	Total
Gross carrying amount as at 1 January 2023	**4,153**	**10,308**	**2,124**	**1,649**	**18,234**
Increase	-	3,342	299	12	3,653
Other changes	-	148	-	(148)	-
Sale / liquidation	-	(440)	(657)	-	(1,098)
Gross carrying amount as at 31 December 2023	**4,153**	**13,358**	**1,765**	**1,513**	**20,789**
Gross carrying amount as at 1 January 2024	**4,153**	**13,358**	**1,765**	**1,513**	**20,789**
Increase	608	3,514	631	690	5,443
Other changes	-	-	-	-	-
Sale / liquidation	-	(1,994)	(727)	-	(2,722)
Gross carrying amount as at 31 December 2024	**4,761**	**14,878**	**1,669**	**2,204**	**23,510**

All amounts in PLN thousands, unless otherwise stated

	Buildings and premises	Plant and equipment	Vehicles	Other	Total
Accumulated depreciation as at 1 January 2023	**(3,100)**	**(5,431)**	**(818)**	**(1,151)**	**(10,500)**
Depreciation	(542)	(2,208)	(203)	(169)	(3,122)
Sale / liquidation	-	440	359	-	799
Accumulated depreciation as at 31 December 2023	**(3,641)**	**(7,200)**	**(663)**	**(1,320)**	**(12,824)**
Accumulated depreciation as at 1 January 2024	**(3,641)**	**(7,200)**	**(663)**	**(1,320)**	**(12,824)**
Depreciation	(165)	(2,662)	(189)	(155)	(3,171)
Sale / liquidation	-	1,966	455	2	2,424
Accumulated depreciation as at 31 December 2024	**(3,806)**	**(7,896)**	**(397)**	**(1,473)**	**(13,571)**

	Buildings and premises	Plant and equipment	Vehicles	Other	Total
Net carrying amount as at 31 December 2023	**512**	**6,158**	**1,102**	**193**	**7,965**
Net carrying amount as at 31 December 2024	**955**	**6,982**	**1,272**	**730**	**9,939**

4.3 Right-of-use assets

Accounting policies

Recognition and measurement

Right-of-use assets are recognised at cost at the inception of the lease, i.e., the date on which the asset is made available for use by the lessee. The cost of the right-of-use asset comprises:

- *the amount of the initial measurement of the lease liability;*
- *any lease payments made at or before the commencement date, less any lease incentives received (e.g., initial payments under car lease agreements);*
- *any initial direct costs incurred by the lessee.*

Following initial recognition, the Company measures right-of-use assets using the cost model, i.e., at cost less total depreciation and impairment losses and adjustment for any revaluation of the lease liability (due to a reassessment or modification of the lease or revaluation of in-substance fixed payments).

Depreciation

The depreciation methods for right-of-use assets are consistent with the depreciation methods used by the Company with respect to its own assets.

If the Company obtains ownership of the asset at the end of the lease term, or if the cost of the right-of-use asset reflects the exercise of a purchase option by the Company, the right-of-use asset is depreciated from the lease commencement date to the end of the underlying asset's useful life. Otherwise, if there is no reasonable certainty that the Company will obtain ownership title at the end of the lease term, the right-of-use asset is depreciated from the lease commencement date until the earlier of the end of its useful life or the end of the lease term.

Significant estimates and judgements

Useful life

At each reporting date, the Company reassesses whether the estimated useful lives adopted at lease inception for right-of-use assets remain reasonable, taking into account the Company's intentions regarding continued use in its operations. For all lease contracts open as of 31 December 2024 and as of 31 December 2023, the Company assumed that the depreciation period of right-of-use assets is equal to the lease term.

All amounts in PLN thousands, unless otherwise stated

Impairment of right-of-use assets

Similarly to property, plant and equipment and intangible assets with finite useful lives, the Company assesses right-of-use assets for impairment whenever indicators of potential impairment exist. The relevant accounting policies for the recognition of impairment losses are described in Note 4.1.

Lease term, discount rate and assessment of exercise of purchase option

The significant estimates and judgments made in connection with the recognition and valuation of right-of-use assets and relating to the lease term, discount rate, and evaluation of the exercise of the purchase option are described in Note 4.11.

The Company acts as a lessee in contracts involving the use of office space leased for business purposes and in long-term car lease contracts.
Based on the assessments performed, the Company did not identify any objective evidence of impairment of right-of-use assets as at the reporting dates presented.

Reconciliation of the carrying amount of right-of-use assets

	Buildings and premises	Vehicles	Total
Carrying amount at 1 January 2023	**9,091**	**962**	**10,053**
Increases – new contracts	-	526	526
Increases – lease modifications	16,409	26	16,435
Depreciation for the period	(4,931)	(535)	(5,466)
Carrying amount as at 31 December 2023	**20,569**	**978**	**21,547**
Carrying amount as at 1 January 2024	**20,569**	**978**	**21,547**
Increases – new contracts	3,266	416	3,682
Increases – lease modifications	2,533	91	2,624
Depreciation for the period	(6,012)	(626)	(6,638)
Carrying amount as at 31 December 2024	**20,356**	**859**	**21,215**

4.4 Investments in subsidiaries and investees accounted for using the equity method

Accounting policies

The Company holds shares in domestic and foreign subsidiaries. The Company accounts for interests in associates, i.e., entities over which the Company exercises significant influence, as investees accounted for using the equity method.

Subsidiaries

A subsidiary is an entity that is controlled by another entity. The Company controls an investee if it:

- *exercises power over the investee, and*
- *is exposed, or has rights, to variable returns from its involvement with the investee, and*
- *has the ability to use its power over the investee to affect the amount of its financial results.*

The Company verifies its control of other entities if there is an indication of change in one or more of the above conditions for exercising control.

If the Company holds less than a majority of voting rights in an investee, but the voting rights held are sufficient to direct the relevant activities of the investee unilaterally, this means that the Company has control of the investee. When assessing whether the Company's voting rights at an investee are sufficient to give the control, the Company considers all relevant circumstances, including:

- *the size of its holding of voting rights relative to the size and dispersion of other voting rights holdings;*
- *the potential voting rights held by the Company, other shareholders or other parties,*

- *rights resulting from other contractual agreements,*
- *any additional facts and circumstances that indicate the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made.*

Interests in subsidiaries are measured at cost less accumulated impairment losses. The Company considers its capital contributions in subsidiaries as part of its investment, as it assumes that such contributions cannot be returned.

In case of impairment, the impairment loss is charged to finance costs. If the reason for the impairment loss on an investment no longer exists, the Company will reverse the loss by transferring the amount of the reversal to the finance income account, which will restore the investment's original value. The reversal can be full or partial.

Associates

Associates are entities in which the Company holds significant influence but not control or common control. This usually involves holding 20% to 50% of the total voting rights in the governing bodies of these entities, regardless of the share of the entity's share capital.

Significant influence is the ability to participate in the financial and operational policy decisions of a business. However, it does not mean exercising control or joint control over that policy.

Interests in associates are accounted for using the equity method and are initially recognised at cost.

Goodwill arising on the acquisition of an associate is recognised as the excess of the consideration transferred over the fair value of the associate's identifiable net assets at the acquisition date. Goodwill is included in the carrying amount of the investment, and impairment testing is conducted on the total carrying amount of the investment. Any excess of the Company's share of the fair value of the identifiable net assets acquired over the consideration transferred is recognised immediately as income in profit or loss in the period of acquisition.

The Company's share in the financial result of associates from the date of acquisition is recognised in profit or loss for the current period, and its share in other comprehensive income generated from the date of acquisition – in other comprehensive income. The carrying amount of the investment is adjusted by the Company's share in the total change in the associate's equity from the date of acquisition. If the Company's share in losses of an associate equals or exceeds its interest in the associate, including any long-term receivables constituting part of the Company's net investment in this entity, the Company ceases to recognise further losses.

Significant estimates and judgements

Existence of significant influence and control

The Company assesses the status of its investments in other entities to determine their accounting treatment in the consolidated financial statements. In making this assessment, it applies IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures, classifying the investments into the following categories accordingly:

- *investments in subsidiaries, where the Company exercises control;*
- *investments in associates, where the Company exercises significant influence;*
- *investments classified as financial instruments, measured in accordance with IFRS 9 (see Note 9), which represent insignificant shareholdings where the Company does not exercise control or significant influence.*

Impairment on investments

The Company tests investees for impairment if there is any indication that they may be impaired. In addition, the Company also tests investments for which goodwill was recognised at initial recognition.

The recoverable amount of an investment is determined at its value in use and is calculated using the discounted cash flow method.

If the carrying amount of the shares measured using the equity method exceeds the recoverable amount resulting from the impairment test, the Company recognises an impairment loss in the amount of the excess of the previous carrying amount of the investment over its recoverable amount and presents it in finance costs.

All amounts in PLN thousands, unless otherwise stated

The outcome of impairment tests depends on assumptions regarding future cash flows, the discount rate applied to detailed forecast periods (the weighted average cost of capital), and the discount rate used for the residual value. Changes in the assumptions may affect the carrying amounts of the shares in the future.

The table below presents the carrying amounts of investments in subsidiaries measured at historical cost:

	31 December 2024	31 December 2023
Gross carrying amount of shares in subsidiaries	**584,762**	**583,058**
Foreign companies	568,267	567,942
Polish companies	16,495	15,116
Impairment loss on shares in subsidiaries	**2,360**	**2,360**
Polish companies	2,360	2,360
Total	**582,402**	**580,698**

	31 December 2024	31 December 2023
Impairment loss on shares in subsidiaries		
At beginning of period	2,360	2,360
At end of period	**2,360**	**2,360**

The investment agreement for Robota International TOV and Work Ukraine TOV includes written and vested put and call options on shares in both entities, which become exercisable upon the occurrence of events specified in the agreement. The options are derivative financial instruments and are recognised as financial assets or liabilities with measurement changes recognised in the statement of comprehensive income. As per the investment agreement and the Management Board's assessment of the entities' value, the estimated share purchase price is not significantly different from the fair value of the shares in these entities at the exercise of each option. Therefore, the Company valued these instruments at a fair value of zero as at each reporting date.

The table below presents the carrying amount of investments in associates accounted for using the equity method:

	31 December 2024	31 December 2023
Carrying amount of investments in associates accounted for using the equity method		
WorkIP Ltd and Work Ukraine TOV	31,184	18,565
Fitqbe sp. z o.o.	12,546	12,023
Other associates	-	137
Total	**43,730**	**30,725**

WorkIP Ltd and Work Ukraine TOV are assessed jointly for the presence of impairment indicators due to the significant operational relationships between the two companies. The Company believes that it cannot consider the cash flows generated by these companies as largely independent of each other. WorkIP Ltd owns trademarks and domain names, and its main revenue source is license fees paid by Work Ukraine TOV for the use of these rights. In contrast, Work Ukraine TOV generates operating revenue by using licenses from WorkIP Ltd.

All amounts in PLN thousands, unless otherwise stated

Changes in the carrying amount of investees accounted for using the equity method

	2024	2023
Investees accounted for using the equity method at beginning of period	**30,725**	**27,407**
Dividends	(8,270)	(4,371)
Share of profit of investees accounted for using the equity method	14,617	8,003
Disposal of shares	(137)	-
Waiver of the right to shares	-	(314)
Reversal of impairment loss on investments	8,393	-
Exchange differences on translation of investees accounted for using the equity method	(1,598)	-
Investees accounted for using the equity method at end of period	**43,730**	**30,725**

In 2024, the Company sold its entire 35% shareholding in Epicode sp. z o.o.

In both 2024 and 2023, the shareholders of Work Ukraine TOV approved resolutions to distribute profits from prior years. The dividends declared reduced the carrying amount of investments accounted for using the equity method for the years ended 31 December 2024 and 31 December 2023.

Following a review of business prospects for companies within Segment Ukraine, the Management Board of the Company concluded it was appropriate to reverse a previously recognised impairment loss of PLN 8,393 thousand relating to investees accounted for using the equity method. These Ukrainian companies recorded significant revenue growth in recent years, confirming improved market positioning and operational efficiency. A sustained upward trend in financial performance, including enhanced profitability and stronger cash flow generation, indicates continued growth potential for these investments (see Note 4.5).

4.5 Trade receivables and other financial assets

Accounting policies

Trade receivables

The Company's trade receivables do not contain a significant financing component and are initially recognised at the transaction price, in accordance with IFRS 15, i.e., the amount to which the Company expects to be entitled in exchange for the transfer of goods or services to the customer.

After initial recognition, trade receivables are measured at amortised cost using the effective interest rate method, adjusted for any impairment losses and expected credit loss allowances, in line with the policies outlined in Note 6.1.

Other financial assets

Other financial assets include shares in companies that are not listed on active markets, cash deposits paid as security for bank guarantees, dividends receivable and share purchase options.

Other financial assets are recognised and measured in accordance with the accounting policies for financial instruments described in Note 6.1.

Significant estimates and judgements

Expected credit losses

For details of the significant estimates applied in measuring expected credit loss allowances for financial assets, see Note 6.1.

All amounts in PLN thousands, unless otherwise stated

Valuation of shares not listed on active markets

The Company measures unlisted shares at fair value, classifying them within Level 3 of the fair value hierarchy. The Company relies on its own valuation estimates, assuming no reasonably available information indicates that market participants would apply materially different assumptions (see Note 6.1).

Trade receivables

	31 December 2024	31 December 2023
Trade receivables		
- from related entities	436	750
- from other entities	50,290	44,511
Total	**50,726**	**45,261**

Other financial assets

	31 December 2024	31 December 2023
Non-current	**58,898**	**102,991**
Unlisted shares	58,898	97,013
Cash security deposits	-	3,539
Dividends receivable	-	2,439
Current	**26,134**	**117**
Cash security deposits	3,759	117
Dividends receivable	22,375	-
Total	**85,032**	**103,108**

As at 31 December 2023, the line item Dividends receivable included a receivable from Work Ukraine TOV for a dividend recognised at PLN 3,423 thousand net of withholding tax and adjusted for a discount of PLN 984 thousand.

As at 31 December 2024, current dividends receivable included a dividend declared on 26 April 2024 by Work Ukraine TOV from profits for 2021 and 2023, totalling UAH 81,559 thousand (net carrying amount as at 31 December 2024: PLN 7,573 thousand), and a dividend relating to the 2021 profit amounting to PLN 3,211 thousand, including PLN 984 thousand resulting from reversal of the discount. The discount on the dividend receivable from Work Ukraine TOV related to the 2021 profit was reversed following the payment of the dividends on 20 March 2025.

As at 31 December 2024, the discount previously recognised on the dividend receivable from Robota International TOV relating to dividends for the years 2019–2020, amounting to UAH 45,328 thousand (PLN 4,424 thousand net as at 31 December 2024), was also reversed. On 20 December 2024, the Annual General Meeting of Robota International TOV adopted a resolution to distribute dividends from profits earned by the company in the years 2020–2023. On this basis, Grupa Pracuj S.A. will receive a dividend of UAH 79,683 thousand (PLN 7,167 thousand net as at 31 December 2024). The Management Board expects the dividends to be received by 30 June 2025.

All amounts in PLN thousands, unless otherwise stated

Changes in the carrying amount of unlisted shares in each of the reporting periods presented

	2024	2023
Unlisted shares measured at fair value through profit and loss at beginning of period	**97,013**	**126,507**
Acquisition of unlisted shares measured at fair value	7,583	-
Changes in fair value recognised in net finance income/(costs)	(45,698)	(29,494)
Unlisted shares measured at fair value through profit and loss at end of period	**58,898**	**97,013**
including shares in:		
Beamery Inc.	29,723	78,275
Pracuj Ventures	29,175	18,738

Pracuj Ventures spółka z ograniczoną odpowiedzialnością ASI sp. k. ('Pracuj Ventures')

Pursuant to Resolution No. 2 passed by the General Meeting of Pracuj Ventures on 12 January 2024, Grupa Pracuj S.A. made an additional cash contribution of PLN 7,583 thousand to Pracuj Ventures as part of a capital increase. The payment was made on 17 January 2024. As at 31 December 2024, the fair value of shares in Pracuj Ventures increased by PLN 2,854 thousand, to PLN 29,175 thousand.

Beamery Inc.

As at 31 December 2024, the fair value of shares in Beamery Inc. was remeasured applying the market multiplier method. The valuation was prepared by an independent advisor and required the management to adopt certain assumptions regarding the data used in the valuation. Following the remeasurement, the fair value of the Beamery Inc. shares decreased by PLN 48,552 thousand, reaching PLN 29,723 thousand. As of 31 December 2023, the fair value of shares in Beamery Inc. amounted to PLN 78,275 thousand.

The Management Board continuously analyses factors that may affect the fair value of shares in entities not listed on active markets. In the opinion of the Company's Management Board, as at 31 December 2024, the fair value of unlisted shares decreased by PLN 45,698 thousand compared with their value as at 31 December 2023 (see Note 2.4).

Assessment of the Group's interest in Pracuj Ventures

As of 31 December 2024, the Company continued to classify its 71.96% interest in Pracuj Ventures as an investment. This is consistent with the classification as of 31 December 2023, when the Company held a 71.96% interest. The Company has determined that its interest in Pracuj Ventures is linked to the entity's variable financial returns. However, the Management Board does not have the ability to direct or significantly influence the entity's investment activities or decision-making. Consequently, the Management Board does not have control over Pracuj Ventures and, therefore, has no influence on the investment returns generated by the entity.

The key factor influencing the Company's conclusion that it lacks significant influence over Pracuj Ventures, based on the analysis performed, is the decision-making process and composition of Pracuj Ventures' key management personnel. The Company does not have a representative on the key management personnel of Pracuj Ventures, nor does it have any influence on its composition. Investment decisions are made by an investment committee, consisting of a number of shareholders identified in the Pracuj Ventures Articles of Association. The investment committee does not include Grupa Pracuj S.A. Ownership rights, i.e., voting rights arising from shares held, are not taken into account in the decision-making processes. For resolutions on matters beyond ordinary management, including key operational decisions, Pracuj Ventures' Articles of Association require unanimous agreement among Przemysław Gacek, Maciej Noga, Ataraxy Ventures Man sp. z o.o., and Paweł Leks. This means that Przemysław Gacek's authority over Pracuj Ventures stems from his position as a private investor and not from his corporate role within Grupa Pracuj S.A. As such, his influence over Pracuj Ventures is personal and independent of the Management Board's authority or decisions within the Group. Furthermore, ongoing oversight of Pracuj Ventures' activities is exercised by the management board of its general partner, Pracuj Ventures sp. z o.o., with which Grupa Pracuj S.A. has no capital links.

All amounts in PLN thousands, unless otherwise stated

4.6 Other non-financial assets

Accounting policies

Within other non-financial assets, the Company reports accrued expenses and other non-financial assets, in particular, paid advances for property, plant and equipment and intangible assets, receivables from public and legal settlements (other than corporate income tax) and assets of the Company's Social Benefits Fund.

Accrued expenses are recognised as assets provided the following conditions are met:

- *costs arise from past events and they do not constitute capital expenditures,*
- *their amount can be reliably estimated,*
- *they relate to future reporting periods and it is probable that the future economic benefits associated with the expenses will flow to the Company.*

Other non-financial assets are initially recognised at nominal value and subsequently measured at amounts due at the reporting date, except for prepayments for property, plant and equipment and intangible assets, which remain measured at nominal amounts paid.

The assets and liabilities of the Company Social Benefit Fund are netted off in the statement of financial position. Any remaining balance after netting is presented either as other non-financial assets or other non-financial liabilities in the statement of financial position.

	31 December 2024	31 December 2023
Non-current	**560**	**646**
Other	560	646
Current	**4,748**	**5,113**
Prepaid services		
Prepaid marketing expenses	638	1,345
Prepaid hardware and software maintenance services	2,823	2,638
Prepaid other services	681	516
Other	86	98
Other assets		
Prepayments for intangible assets and property, plant and equipment	504	484
Other	16	32
Total	**5,308**	**5,760**

4.7 Cash and cash equivalents

Accounting policies

Cash and cash equivalents

Cash and cash equivalents presented in the statement of financial position include cash held in bank accounts and bank deposits that have a maturity date of up to three months.

Cash held in bank accounts and short-term bank deposits with original maturities of three months or less are measured at nominal value as at the reporting date. The nominal value is adjusted for interest accrued to the end of the reporting period and for any expected credit loss allowance.

The balance of cash and cash equivalents presented in the statement of cash flow consists of the cash and cash equivalents specified below.

All amounts in PLN thousands, unless otherwise stated

	31 December 2024	31 December 2023
Cash		
- at banks	45,864	66,101
Total	**45,864**	**66,101**

	31 December 2024	31 December 2023
Cash in current accounts	5,919	8,226
Bank deposits	39,814	57,607
Cash in transit (transfers between accounts)	131	268
Total	**45,864**	**66,101**
including restricted cash	*332*	*260*

4.8 Equity

Accounting policies

Share capital

Share capital is recognised at the par value of the issued shares, pursuant to the Articles of Association of the Company and the relevant entry in the National Court Register.

Reserve capital

The Company's reserve capital comprises the share premium arising from the issuance of shares by the Parent for the merger in 2016, involving Grupa Pracuj S.A. as the acquiring entity (previously Grupa Pracuj Holding sp. z o.o.) and the target entity then known as Grupa Pracuj S.A. Reserve capital also includes accumulated profits from previous years allocated to reserves rather than distributed as dividends.

Share-based payment arrangements

Equity-settled share-based payment arrangements are recognised in the Company's equity.

Note 7.1 provides details of the equity-settled share-based payment arrangements of the Parent.

Other reserves

Other reserves arise mainly from the distribution of retained earnings, if so resolved by the General Meeting. Other reserves also include actuarial gains and losses on remeasurement of employee benefit obligations.

Translation reserve comprises also foreign exchange differences from the translation of financial statements of foreign operations whose functional currencies are other than the Polish zloty.

Merger reserve

Merger reserve reflects effects of accounting for the 2016 business combination at carrying amounts.

Retained earnings/(losses)

Retained earnings/(losses) comprise the net profit/(loss) for the current year and accumulated profits and losses from previous years that have neither been distributed as dividends nor transferred to reserve capital, other reserves, or other components of equity. Retained earnings/(losses) carried forward also include corrections of prior-period errors identified in the current year and impacts of any accounting policy changes adopted in the current year.

Share capital

As of 31 December 2024, the share capital consisted of 68,265,026 shares with a par value of PLN 5.00 per share. All shares outstanding as at 31 December 2024 have a par value of PLN 341,325,130 and have been fully paid for.

All amounts in PLN thousands, unless otherwise stated

As at 31 December 2024 and 31 December 2023, the Company's shareholder structure was as follows:

	31 December 2024		
Shareholder	**Number of shares held**	**Par value of shares (PLN)**	**Ownership interest %**
Przemysław Gacek*	35,857,913	179,289,565	52.53
Fundacja Rodzinna MANageWell**	5,755,449	28,777,245	8.43
TCV Luxco Perogie S.à r.l.	4,638,861	23,194,305	6.80
Other members of the Management Board	1,002,898	5,014,490	1.47
Others	21,009,905	105,049,525	30.78
Total	**68,265,026**	**341,325,130**	**100.00**

	31 December 2023		
Shareholder	**Number of shares held**	**Par value of shares (PLN)**	**Ownership interest %**
Przemysław Gacek*	35,857,913	179,289,565	52.53
Fundacja Rodzinna MANageWell**	5,755,449	28,777,245	8.43
TCV Luxco Perogie S.à r.l.	4,638,861	23,194,305	6.80
Other members of the Management Board	1,013,550	5,067,750	1.48
Others	20,999,253	104,996,265	30.76
Total	**68,265,026**	**341,325,130**	**100.00**

** Directly and indirectly through Frascati Investments sp. z o.o., controlled by Przemyslaw Gacek, and considering the shares held by individuals presumed to be party to an agreement referred to in Art. 87(1)(5) of the Act on Public Offering and Conditions Governing the Introduction of Financial Instruments to Organised Trading and Public Companies.*

*** Controlled by Maciej Noga.*

4.9 Changes in equity

Changes in equity in 2024

On 18 June 2024, the Annual General Meeting resolved to allocate the net profit of PLN 172,869,056.02 earned by the Company in the financial year ended 31 December 2023, as follows:

- PLN 36,339,004.02 was allocated to the Company's reserve capital;
- PLN 136,530,052.00 was allocated to dividend.

The dividend of PLN 136,530,052.00 was paid out on 5 July 2024. The dividend per share was PLN 2.00.

Changes in equity in 2023

On 15 June 2023, the Annual General Meeting resolved on the following allocation of the net profit of PLN 164,766,117.07 earned by the Company in the financial year ended 31 December 2022:

- PLN 62,368,578.07 was allocated to the Company's reserve capital;
- PLN 102,397,539.00 was allocated to dividend.

The dividend of PLN 102,397,539.00 was paid out on 14 July 2023. The dividend per share was PLN 1.50.

4.10 Dividend paid

Accounting policies

Under the Polish Commercial Companies Code, the Company is required to create statutory reserve funds to cover losses. At least 8% of profit for the year disclosed in the Company's separate financial statements is to be transferred to the reserve funds until its amount reaches at least one-third of the share capital of the Company. The use of reserve funds and other reserves is at the discretion of the General Meeting. Nevertheless, a portion of the reserve fund equivalent to one-third of the share capital is solely reserved to cover losses stated in the financial statements and cannot be disbursed for other purposes.

Dividends are recognised when the shareholder's right to receive payment is established.

The dividend for the year ended 31 December 2023 was PLN 136,530,052.00 (see Note 4.9). The dividend of PLN 136,530,052.00 was paid out on 5 July 2024. The dividend per share was PLN 2.00.

In accordance with the Commercial Companies Code, the reserve fund equivalent to 1/3 of the share capital may not be distributed to shareholders. As at 31 December 2024 there were no restrictions on dividend payments.

4.11 Debt liabilities

Accounting policies

Bank borrowings

At the time of initial recognition, bank borrowings are recognised at cost, which corresponds to the fair value of the cash received, less transaction costs directly related to obtaining the financing.

Subsequently, bank borrowings are measured at amortised cost using the effective interest method. When determining the amortised cost of bank borrowings, the costs directly attributable to obtaining the financing, as well as any discounts or premiums obtained on the settlement of the liability, are taken into account.

Lease liabilities

Recognition and measurement

At the commencement date of the lease, the Company, as lessee, measures the lease liability at the present value of future lease payments, which include:

- *fixed lease payments (including essentially fixed lease payments) less any financial incentives due;*
- *variable lease payments dependent on an index or a rate, initially valued using that index or that rate according to their value at the commencement date;*
- *amounts expected to be paid by the Company under the guaranteed residual value;*
- *the exercise price of a purchase option if the Company is reasonably certain to exercise that option;*
- *lease termination fees if the lessee is entitled to exercise the option to terminate the lease and it is highly probable that the option will be exercised.*

The present value of future lease payments is calculated using the interest rate implicit in the lease, if it can be readily determined. Otherwise, the Company uses its incremental borrowing rate relevant for the given lease agreement. For all lease contracts recognised in the periods presented, the Company has applied its incremental borrowing rate.

At the end of each reporting period, the Company measures its lease liability by:

- *increasing the carrying amount to reflect the accrued interest on the lease liability determined using the effective interest method;*

- *reducing the carrying amount to reflect the lease payments made; and*
- *remeasuring the carrying amount to reflect any lease reassessment or modification.*

Reassessment of the lease liability

The carrying amount of the lease liability may be revised if there are changes in the lease term or in the assessment of an option to purchase the underlying asset (using a revised discount rate), or if there are changes in the value of lease payments due to events other than interest rate changes, such as rent indexation (using the existing discount rate). When the carrying amount of the lease liability is revised, a corresponding adjustment is made to the carrying amount of the related right-of-use asset.

Applied exemptions

The Company applies exemptions and does not apply the requirements of IFRS 16 to measure the lease liability and right-of-use asset for the following contracts:

- *short-term leases, i.e., leases for which the contract term does not exceed 12 months and which do not include a purchase option;*
- *leases in which the underlying asset is of low value. The Company considers assets as low-value assets when their value is not more than PLN 20,000 (the value of new assets).*

Accounting policies and disclosures for right-of-use assets are presented in Note 4.3.

Significant estimates and judgements

Lease term

The measurement of right-of-use assets and lease liabilities involves the use of estimates and judgments, particularly in determining the lease term for contracts with indefinite or definite terms that include options to renew on existing terms. The Company considers all relevant factors and circumstances that create an economic incentive to exercise the option to extend the lease or not to exercise the option to terminate the lease when determining the lease term. The periods that may result from such options are included in the lease term only if it is reasonably certain that the Company will exercise the renewal option or will not exercise the termination option. A reassessment of the lease term is performed only if there are significant events that are within the Company's control and that affect the previous assessment of the lease term (such as significant changes in business decisions).

Underlying asset	*Lease term*
Premises	*1–7 years*
Vehicles	*2–5 years*

Assessment of an option to purchase the underlying asset

At the lease commencement date of the car leases, the Company assesses whether it is reasonably certain to exercise the purchase option relating the underlying asset. To determine the likelihood of exercising the purchase option, the Company considers the terms and conditions associated with the exercise of such an option, including the offered rate by the lessor compared to current market rates, as well as the significance of the underlying assets to the Company's operations. For car leases that were in effect at 31 December 2024, the Company assessed that there was insufficient certainty regarding the exercise of the purchase option, and thus the exercise price of the purchase option was not included in the measurement of the lease liability.

Discount rate

The Company applies the incremental borrowing rate as it does not have information regarding the interest rate implicit in the lease. The incremental borrowing rate represents the rate at which the lessee would borrow funds, on a collateralised basis, in a similar economic environment to obtain financing to purchase an asset of similar value as the right-of-use asset, for a similar lease term, and with similar terms and conditions. The Company applies the incremental borrowing rate to measure all its leases, computed based on the risk-free rate (government bond rates are considered to best reflect the characteristics of the lease payments in a given contract, taking into account the currency and maturity of the bonds) plus a margin that reflects the risk of the Company.

All amounts in PLN thousands, unless otherwise stated

The following table presents the ranges of discount rates used to measure lease liabilities based on the currency of lease payments:

Payment currency	*Discount rate*
PLN	*2.12%-7.9%*
EUR	*1.95%-4.95%*

Identification of non-leasing components

In its office leases, the Company has identified non-lease components associated with the provision of services, such as service charges and charges for the use of common areas. The Company has elected not to separate the charges for the use of common areas from the lease payments, whereas charges for the service components are accounted for separately from the lease components. In car leases, non-lease components, such as service charges, are not included in the measurement of the lease liability.

Debt liabilities

	31 December 2024	31 December 2023
Bank borrowings	**215,318**	**262,838**
- long-term	175,784	239,295
- short-term	39,534	23,543
Lease liabilities	**22,573**	**22,613**
- long-term	15,064	15,978
- short-term	7,509	6,635
Total	**237,891**	**285,451**

Bank borrowings – terms, payment schedules

Facility	Currency	Nominal value	Credit limit	Interest rate	Maturity
Term credit facility from BNP Paribas Bank Polska S.A., Santander Bank Polska S.A. and Powszechna Kasa Oszczędności Bank Polski S.A.	PLN	399,999,999	400,000,000	3M WIBOR + margin 1.2-1.9%; for periods shorter than 3M the linear interpolation rate	14 Jun 2027

On 14 June 2022, the Company entered, as the borrower, into a credit facility agreement with BNP Paribas Bank Polska S.A., Santander Bank Polska S.A. and Powszechna Kasa Oszczędności Bank Polski S.A. (the ‘Banks’) as the lenders (the ‘Credit Facility Agreement’). Under the Credit Facility Agreement, the Banks provided the Company with a term loan of up to PLN 400,000,000.00 to finance general corporate purposes, including planned future investments and further development of the Company. The facility repayment date is 14 June 2027. The facility bears interest at a variable rate plus the Banks' margin.

Debt covenants

The Credit Facility Agreement entered into with the Banks imposed standard legal and financial obligations (covenants) on the Company, as is typical in transactions of this kind. Key financial covenants under the Credit Facility Agreement include a Debt Coverage Ratio of at least 1.20, an Interest Coverage Ratio of at least 2.0, and a Leverage Ratio not exceeding 3.50. The ratios are calculated based on consolidated data.

As at 31 December 2024 and 31 December 2023, none of the financial covenants was breach.

Execution of interest rate risk hedging transactions

The Company entered into framework agreements with banks on 11 July 2022 to govern the execution and settlement of forward financial transactions, as provided for in Art. 85.2 of the Bankruptcy Law.

All amounts in PLN thousands, unless otherwise stated

These agreements aim to mitigate the risk of negative impact of variable interest rates on finance costs related to debt. Pursuant to the agreements, the Company hedged the variable interest rate on the 3M WIBOR credit facility by entering into an interest rate swap (IRS), which secures a fixed interest rate of 6.94% over a period of three years, that is, until 30 September 2025. The carrying amount of liabilities arising from derivative financial instruments designated as interest rate hedges was PLN 1,981 thousand as at 31 December 2024 and PLN 8,076 thousand as at 31 December 2023.

Settlement and net fair value measurement of derivative financial instruments related to credit exposures

	2024	2023
Measurement of derivative financial instruments		
IRS – Interest Rate Swap	6,096	(4,446)
Settlement of derivative financial instruments		
IRS – Interest Rate Swap	(3,001)	(1,256)
Total	**3,095**	**(5,702)**

Collateral for repayment of the credit facility

In order to provide additional security for the repayment of the Company's liabilities under the Credit Facility Agreement of 14 June 2022, on the same day the Company entered into agreements with the Banks for the establishment of registered pledges on trademarks and an Internet domain name, as well as an agreement for the establishment of registered pledges and financial pledges on Grupa Pracuj S.A.'s bank accounts.

As at the reporting date of 31 December 2024, the Company had established the following security interests over its assets:

- registered pledge on a set of Grupa Pracuj S.A.’s assets up to PLN 852,450 thousand,
- registered pledge on the word and graphic trademark ‘pracuj.pl’ up to PLN 852,450 thousand,
- registered pledge on the word trademark mark ‘pracuj.pl’ up to PLN 852,450 thousand,
- registered pledge on the Internet domain name ‘pracuj.pl’ up to PLN 852,450 thousand,
- registered pledges and financial pledges on bank accounts up to PLN 852,450 thousand each,
- the Company's statement of voluntary submission to enforcement pursuant to Art. 777 of the Code of Civil Procedure.

In the year ended 31 December 2024 and until the issue date of these separate financial statements and in the year ended 31 December 2023, there were no events of default in repayment of principal or interest or any other breaches of the terms of the credit facility agreements.

Lease expenses recognised in the reporting period

	2024	2023
Depreciation of right-of-use assets	6,638	5,466
Interest expense on lease contracts	1,043	283

The following table shows the reconciliation of debt liabilities to cash flows from financing activities, including total cash outflows from leases.

All amounts in PLN thousands, unless otherwise stated

Reconciliation of movements in debt liabilities with cash flows from financing activities in the statement of cash flows

	Borrowings	Lease liabilities	Total
1 January 2024	**262,838**	**22,613**	**285,451**
Changes in cash flows from financing activities			
Payment of bank borrowings	(48,000)	-	(48,000)
Payment of interest on bank borrowings	(18,040)	-	(18,040)
Payment of lease liabilities	-	(6,062)	(6,062)
Payment of lease interest	-	(985)	(985)
Net cash flows from financing activities	**(66,040)**	**(7,047)**	**(73,087)**
Other changes			
New lease contracts	-	3,682	3,682
Lease modification/indexation	-	2,623	2,623
Accrued interest	18,520	1,043	19,563
Effect of changes in foreign exchange rates	-	(341)	(341)
Total other changes	**18,520**	**7,007**	**25,527**
31 December 2024	**215,318**	**22,573**	**237,891**

	Borrowings	Lease liabilities	Total
1 January 2023	**366,660**	**13,470**	**380,130**
Changes in cash flows from financing activities			
Payment of bank borrowings	(104,000)	-	(104,000)
Payment of interest on bank borrowings	(26,961)	-	(26,961)
Payment of lease liabilities	-	(7,139)	(7,139)
Payment of lease interest	-	(283)	(283)
Net cash flows from financing activities	**(130,961)**	**(7,422)**	**(138,383)**
Other changes			
New lease contracts	-	526	526
Lease modification/indexation	-	16,435	16,435
Accrued interest	27,139	283	27,422
Effect of changes in foreign exchange rates	-	(679)	(679)
Total other changes	**27,139**	**16,565**	**43,704**
31 December 2023	**262,838**	**22,613**	**285,451**

For information on the Company's exposure to interest rate risk, currency risk, and liquidity risk see Note 6.2. For information on fair value see Note 6.1.

4.12 Employee benefit obligations

Accounting policies

Employee benefit obligations include provisions for employee benefits and other obligations to employees.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) resulting from past events, it is probable that settlement of this obligation will result in an outflow of economic benefits, and the amount of the liability can be reliably estimated.

The Company recognises provisions for employee benefits, such as:

- *retirement and disability benefits,*
- *death gratuities,*

All amounts in PLN thousands, unless otherwise stated

Provisions for retirement and disability pensions, and death gratuities

Provisions for retirement and disability pensions are recognised based on the estimated future cash flows payable to employees upon reaching retirement age. The amount of the provision is determined based on various factors, including length of service, average gross salary rates, employee turnover rates, and other demographic data.

Provisions for retirement, pensions and death gratuities are estimated by an independent actuary using the projected unit credit method. Actuarial gains and losses on defined post-employment benefit obligations are recognised in other comprehensive income in the period in which they arise and subsequently accumulated within 'Other reserves'.

Gains and losses related to other employee benefits paid during the period of employment are recognised as employee benefits expense in the statement of comprehensive income in the period they occur.

Other obligations to employees

Other obligations to employees are recognised initially at nominal value and are measured at the end of the reporting period at amounts due. The Company's other obligations to employees primarily include accrued holiday entitlements and liabilities for sales-related bonuses and commissions.

Significant estimates and judgements

The Company applies judgements and estimates in determining provisions for employee benefits. The key assumptions used in estimating these provisions are the discount rate and projected wage growth. These assumptions are determined by an actuary based on the Company's historical data and market information.

The Company also assesses the probability of potential obligations arising. When the assessment indicates that an obligation is probable, but the timing or amount is uncertain, the Company recognises a provision. When an obligation is possible but not probable, a contingent liability is disclosed (see Note 7.7).

Employee benefit obligations

	31 December 2024	31 December 2023
Non-current	**1,743**	**1,662**
Provisions	**1,743**	**1,662**
Death gratuities	847	875
Retirement benefits	776	682
Disability benefits	120	105
Current	**15,531**	**13,735**
Provisions	**75**	**67**
Death gratuities	35	35
Retirement benefits	21	17
Disability benefits	19	15
Other obligations to employees	**15,456**	**13,668**
Accrued holiday entitlements	3,746	3,722
Sales-related bonuses and commission fees payable to employees	11,710	9,946
Total	**17,274**	**15,397**

All amounts in PLN thousands, unless otherwise stated

	Death gratuities	Retirement benefits	Disability benefits	Total provisions
1 January 2023	**894**	**737**	**118**	**1,749**
Recognised	15	-	2	17
Reversed	-	(37)	-	(37)
31 December 2023	**909**	**700**	**120**	**1,729**
Non-current	*875*	*682*	*105*	*1,662*
Current	*35*	*17*	*15*	*67*
1 January 2024	**909**	**700**	**120**	**1,729**
Recognised	-	97	17	114
Reversed	(27)	-	-	(27)
31 December 2024	**882**	**797**	**137**	**1,818**
Non-current	*847*	*776*	*120*	*1,743*
Current	*35*	*21*	*19*	*75*

Actuarial assumptions used in calculating the provision for post-employment benefits (death, retirement and disability benefits)

	31 December 2024	31 December 2023
Discount rate	Discount rate curve published by EIOPA	Discount rate curve published by EIOPA
Wage growth rate		
- in the next 1-3 years	5.5%	6.2%
- in the next 4-10 years	3.5%	3.5%
- after further 10 years	3.5%	3.5%

Based on the information provided by the actuary, the Company estimates that adopting a discount rate higher by 1pp would decrease the provision amount by PLN 235 thousand, whereas adopting a discount rate 1pp lower would increase the provisions by approximately PLN 285 thousand.

4.13 Trade payables and other financial liabilities

Accounting policies

Trade payables and other financial liabilities

The Company classifies trade liabilities and other financial liabilities, except derivative instruments, as financial instruments measured at amortised cost, and the recognition and measurement principles for this category are described in Note 6.1.

Trade payables

	31 December 2024	31 December 2023
Trade payables		
- to related entities	315	469
- to other entities	10,411	12,246
Total	**10,726**	**12,715**

Other financial liabilities

	31 December 2024	31 December 2023
Derivatives recognised in financial liabilities	1,981	8,076
Total	**1,981**	**8,076**

All amounts in PLN thousands, unless otherwise stated

As at 31 December 2024, the fair value of derivative financial instruments used as interest rate hedges, though not designated for hedge accounting, was PLN 1,981 thousand (31 December 2023: PLN 8,076 thousand) (see Note 4.11).

Information on derivative instruments is presented in Note 6.2.5.

4.14 Other non-financial liabilities

Accounting policies

Other non-financial liabilities are initially recognised at nominal value and subsequently measured at amounts due at the reporting date.

The Company's other non-financial liabilities include, in particular, tax liabilities (mainly VAT) (other than corporate income tax ('CIT')) and social security liabilities.

	31 December 2024	31 December 2023
Tax liabilities (other than CIT) and social security liabilities	10,819	10,682
Other non-financial liabilities	2,584	700
Total	**13,403**	**11,382**

5. CAPITAL MANAGEMENT POLICY AND NET DEBT

The Company's capital management policy aims to support its continued operations while maximising value for shareholders and other stakeholders. The policy also seeks to maintain an optimal capital structure that appropriately balances the cost of capital with maintaining adequate credit ratings. The Company may adjust dividend payments, execute share buybacks, issue new shares, or sell assets to maintain or modify its capital structure and manage net debt.

The Company's capital management policy considers factors including:

- the Company's performance in relation to investment and development plans;
- financial debt repayment schedules;
- credit ratings and capital ratios;
- increasing shareholder value.

As at 31 December 2024 and 31 December 2023, the Company had financial liabilities resulting from its credit facility agreement and lease contracts (see Note 4.11).

The Company monitors its capital position using the debt-to-equity ratio, calculated as net debt divided by total equity. Net debt comprises interest-bearing borrowings, option liabilities, derivative liabilities, and lease liabilities, less cash and cash equivalents. Equity comprises equity attributable to owners of the Company.

All amounts in PLN thousands, unless otherwise stated

The following table presents the development of the net debt to equity ratio at the end of each reporting period presented.

	Note	31 December 2024	31 December 2023
Bank borrowings	4.11	215,318	262,838
Lease liabilities	4.11	22,573	22,613
Other financial liabilities	4.13	1,981	8,076
Less: cash and cash equivalents	4.7	(45,864)	(66,101)
Net debt		**194,008**	**227,426**
Equity		472,477	408,894
Leverage (net debt to equity)		**0.41**	**0.56**

6. FINANCIAL INSTRUMENTS AND MANAGEMENT OF FINANCIAL RISK

6.1 Financial instruments and fair value

Accounting policies

Initial recognition

The Company recognises financial assets or financial liabilities in the statement of financial position when it becomes party to the contractual provisions of the instruments.

Financial instruments are initially recognised at fair value, adjusted for directly attributable transaction costs. However, trade receivables due within 12 months of initial recognition (without significant financing components) are recognised at their transaction price.

Classification and measurement after initial recognition

Financial instruments are initially classified by the Company into three categories: financial assets measured at amortised cost, financial assets measured at fair value through profit and loss, and other financial liabilities.

- *Financial assets measured at amortised cost*

  The classification of financial assets depends on the Company's business model for managing those assets and their contractual cash flow characteristics. Financial assets measured at amortised cost include those not designated at initial recognition as measured at fair value through profit or loss and that meet both of the following conditions:

  - *the asset is held within a business model whose objective is solely to collect contractual cash flows;*
  - *the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (they meet the so-called SPPI test).*

  The Company assesses the business model and contractual cash flow characteristics ('SPPI test') of all material financial assets at initial recognition, and subsequently whenever relevant circumstances change.

  Based on the results of the business model and SPPI tests, the Company has determined that trade receivables, cash security deposits, bonds, dividends receivable, and cash and cash equivalents are financial assets measured at amortised cost.

  Financial assets are reclassified to another measurement category solely when the business model for managing them changes. In such a situation, the assets affected by the change in the business model are reclassified.

  At each reporting date, the Company measures financial assets at amortised cost using the effective interest rate method, adjusted for expected credit losses through impairment allowances.

- *Financial assets measured at fair value through profit or loss*

Financial assets not measured at amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss.

This category includes unlisted equity investments that are not subsidiaries nor associates of the Company.

- *Other financial liabilities*

  Other financial liabilities, except for derivative instruments, are classified as financial instruments initially recognised at amortised cost using the effective interest rate method. Measurement changes are recognised in profit or loss in the current period. These liabilities comprise financial instruments not classified at fair value through profit or loss—namely, liabilities not held for trading nor meeting the definition of financial guarantee contracts.

  The derivative instruments used by the Company to manage interest rate risk principally include interest rate swaps. Derivative financial instruments of this type are measured at fair value through profit or loss. Derivatives are recognised as assets if their value is positive and as liabilities if their value is negative.

  Gains and losses arising from changes in the fair value of derivative instruments that have not been designated for hedge accounting are recognised directly in net profit or loss for the reporting period.

  Financial liabilities – including bank borrowings, trade payables, and other liabilities – are classified as financial liabilities measured at amortised cost.

  Financial liabilities are not reclassified after initial recognition.

Derecognition

The Company derecognises a financial asset from the statement of financial position when the contractual rights to the cash flows from the financial asset expired or the Company transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred.

The Company derecognises a financial liability (or a part of a financial liability) when the obligation specified in the contract is discharged or cancelled or expired.

Fair value

The Company classifies its financial assets and liabilities into the fair value hierarchy, determined based on valuation inputs. The three levels of the fair value hierarchy are:

- *Level 1 – fair value is based on quoted prices (unadjusted) in active markets for identical assets or liabilities;*
- *Level 2 – fair value is determined based on observable market inputs other than quoted prices in active markets. These inputs may include direct market quotes for similar instruments or the use of models based on actual market transactions;*
- *Level 3 – fair value is based on unobservable inputs that are supported by little or no market activity.*

Hedge accounting of financial instruments

The Company does not apply hedge accounting.

All amounts in PLN thousands, unless otherwise stated

Impairment of trade receivables and other financial assets

At each reporting date, the Company recognises an expected credit loss allowance on financial assets measured at amortised cost. Changes in expected credit loss allowances during the period are recognised in the statement of comprehensive income under the line item 'Expected credit losses' in operating activities.

Expected credit losses are credit losses weighted by the probability of default. Measuring the allowance requires significant judgements and estimates from the Company.

The Company is exposed to credit risk and currency risk arising from financial assets. The management of these risks is described in Note 6.2.

Significant estimates and judgements

Expected credit loss allowance

Estimating expected credit losses requires the Company to make assumptions and judgements, in particular regarding the determination of weighted-average loss rates applied to specific ageing brackets of receivables.

The Company applies the simplified approach to estimating expected credit losses on trade receivables, recognising lifetime expected credit losses from initial recognition without assessing changes in credit risk. To estimate expected credit losses on trade receivables, the Company employs a provision matrix based on historical repayment information across various past due intervals, segmented into customer groups with distinct credit profiles. This matrix is used to establish repayment rates, which serve as the basis for determining the provision for individual aging brackets of receivables. The Company has concluded that there are no significant factors expected to materially affect historical loss rates in future periods. Consequently, historical loss rates have not been adjusted for forward-looking information in estimating expected credit losses on trade receivables. The matrix is updated at least at the end of each reporting period. In assessing credit risk exposure for receivables, the Company considers insurance coverage where applicable, along with various settlement methods, including prepayments and offsetting arrangements.

An individual risk assessment, resulting in the recognition of an allowance equal to the full carrying amount, is performed for trade receivables past due by more than one year, receivables from counterparties in liquidation, and disputed receivables.

For other financial assets, the Company assesses at each reporting date whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk is identified, the Company estimates expected credit losses for the remaining life of the financial instrument. Otherwise, the Company estimates the allowance at the amount of 12-month expected credit losses.

For financial assets other than trade receivables, expected credit losses are estimated on an individual basis. During the periods presented in these financial statements, the Company did not recognise expected credit losses in respect of financial assets measured at amortised cost other than trade receivables.

The following table presents the carrying amounts of each financial instrument and its allocation to the levels of the fair value hierarchy.

	Note	31 December 2024	31 December 2023	Fair value hierarchy
Financial assets measured at fair value through profit or loss				
Unlisted shares	4.5	58,898	97,013	Level 3
Total		**58,898**	**97,013**	
Financial assets measured at amortised cost				
Trade receivables	4.5	50,726	45,261	
Cash and cash equivalents	4.7	45,864	66,101	
Cash security deposits	4.5	3,759	3,656	
Dividends receivable	4.5	22,375	2,439	
Total		**122,724**	**117,457**	
Other financial liabilities measured at fair value				
Derivatives recognised in financial liabilities	4.13	1,981	8,076	Level 3

All amounts in PLN thousands, unless otherwise stated

Total		**1,981**	**8,076**
Other financial liabilities measured at amortised cost			
Bank borrowings	4.11	215,318	262,838
Lease liabilities	4.11	22,573	22,613
Trade payables	4.13	10,726	12,715
Total		**248,617**	**298,166**

Due to the short-term nature of trade receivables, cash and cash equivalents, cash security deposits, dividends receivable, trade payables, and other financial liabilities, the Company assesses that their carrying amounts at the end of each reporting period covered by these separate financial statements are a reliable approximation of their fair value.

The Company has determined that, due to their variable interest rates, the fair values of interest-bearing credit facilities not measured at fair value closely approximate their carrying amounts.

In the years ended 31 December 2024 and 31 December 2023, there were no transfers between Level 1 and Level 2 of the fair value hierarchy, and no instruments were transferred from or to Level 3 of the fair value hierarchy.

6.2 Financial risk management

6.2.1 Principles of financial risk management

The Company is exposed to the following types of financial instrument risk:

- credit risk,
- liquidity risk,
- currency risk,
- interest rate risk.

This note provides information on the Company's exposure to the above risks and describes its financial risk management objectives and policies. The overarching objective of the Company's financial risk management policy is to minimise the adverse effects of these risks on the Company's financial performance.

6.2.2 Credit risk

Credit risk is the potential risk of a credit event occurring in the future, which can take the form of counterparty insolvency, partial repayment of receivables, significant delays in repayment, unexpected deviations from contractual terms, or the risk of not recovering cash placed with banks. This risk primarily relates to trade receivables, cash and cash equivalents, dividends receivable, and other financial assets, including in particular cash security deposits.

The following table presents the Company's maximum exposure to credit risk:

	31 December 2024	31 December 2023
Trade receivables	50,726	45,261
Other financial assets	3,759	3,656
Dividends receivable	22,375	2,439
Cash and cash equivalents	45,864	66,101
Total	**122,724**	**117,457**

All amounts in PLN thousands, unless otherwise stated

Credit risk related to cash

The Company periodically places free cash in short-term deposits with banks to earn finance income from interest.

The credit risk associated with cash at banks and bank deposits is considered to be low since the Company transacts with banks that have high ratings and a stable market position. The Company has assessed the expected credit loss as immaterial (close to zero) and has therefore not recognised an allowance.

The maximum exposure to this risk is equal to the carrying amount of cash and cash equivalents as presented in the financial statements.

Credit risk related to trade receivables

The table below presents the gross carrying amount and expected credit loss allowance for trade receivables measured at amortised cost.

	Weighted-average loss rate	Gross carrying amount	Expected credit loss allowance	Net carrying amount
31 December 2024	4.64%	53,197	2,471	50,726
31 December 2023	3.92%	47,109	1,848	45,261

The following table presents the classification of gross trade receivables by past-due period.

	31 December 2024	31 December 2023
Not past due	46,479	38,348
Past due up to one year	5,526	7,452
Past due over one year	1,192	1,309
Total	**53,197**	**47,109**

Given the nature of its business, the Company may face credit risk associated with sales made on a deferred payment basis. Customer credit risk is managed by each business unit in accordance with established Company policies, procedures, and controls relating to customer credit risk management. The Company actively monitors outstanding receivables from customers on a regular basis.

The Company's exposure to credit risk is primarily determined by the specific characteristics of each individual customer. However, the Management Board also considers additional factors that may affect the credit risk of the customer base, including industry- and country-specific insolvency risks. The Company applies the simplified approach to estimating expected credit losses for trade receivables, measuring lifetime expected credit losses (lifetime ECL).

For credit risk monitoring purposes, the Company classifies receivables into homogeneous portfolios consisting of exposures with similar credit risk profiles. These portfolios are created by segmenting receivables according to size and days past due. The division of trade receivables into portfolios is periodically reviewed for homogeneity.

The Company assesses the concentration risk related to trade receivables as low due to the broad dispersion of its customer base and the diversity of industries in which customers operate.

Expected credit loss rates are determined for each counterparty group categorised by employment size, based on historical credit loss experience and ageing analysis of receivables. Customers are segmented according to their risk profiles, taking into account factors such as number of employees and credit history.

The Company may also recognise additional allowances for specific counterparties on a case-by-case basis if justified.

All amounts in PLN thousands, unless otherwise stated

6.2.3 Liquidity risk

The Company faces liquidity risk, which refers to its ability to meet its financial obligations in a timely manner. The Company manages liquidity risk by monitoring the maturity profiles of its financial assets and liabilities, maintaining sufficient liquidity to meet short-term obligations, and forecasting its longer-term cash flow requirements. Cash requirements are compared against available funding sources and assessed relative to existing cash resources. In addition, the Company maintains a policy of diversifying its funding sources.

The Company's approach to managing liquidity risk involves securing sufficient financing for its subsidiaries to meet obligations, prioritising the most advantageous funding sources available. The following measures are implemented to mitigate liquidity risk:

- ongoing monitoring of the liquidity position,
- monitoring and optimising the level of working capital,
- ongoing monitoring of compliance with the terms and conditions of credit facility agreements.

The tables below present the maturity profile of the Company's financial liabilities. The maturity profile includes undiscounted contractual cash flows, inclusive of interest.

31 December 2024	Carrying amount	Expected cash flows from financial liabilities						
		up to 1 month	1-3 months	3-12 months	1-3 years	3-5 years	over 5 years	Total
Borrowings	215,318	-	3,755	50,905	190,546	-	-	245,206
Lease liabilities	22,573	623	1,325	5,323	15,164	1,230	334	23,999
Trade payables	10,726	10,473	253	-	-	-	-	10,726
Derivatives recognised in financial liabilities	1,981	-	-	1,981	-	-	-	1,981
Total		**11,096**	**5,333**	**58,209**	**205,710**	**1,230**	**334**	**281,912**

31 December 2023	Carrying amount	Expected cash flows from financial liabilities						
		up to 1 month	1-3 months	3-12 months	1-3 years	3-5 years	over 5 years	Total
Bank borrowings	262,838	-	4,660	38,042	154,033	115,849	-	312,584
Lease liabilities	22,613	595	1,189	5,006	11,639	6,254	74	24,757
Trade payables	12,715	12,318	87	310	-	-	-	12,715
Derivatives recognised in financial liabilities	8,076	-	-	8,076	-	-	-	8,076
Total		**12,913**	**5,936**	**51,434**	**165,671**	**122,103**	**74**	**358,132**

The table below presents the Company's working capital, calculated as the difference between current assets and current liabilities, at each reporting date. The increase in working capital in 2024 was primarily driven by higher dividends receivable and an increase in trade receivables. Contract liabilities are a significant component of current liabilities, representing the Company's obligation to transfer services to customers for which the Company has received consideration or for which an amount of consideration is due.

	31 December 2024	31 December 2023
Current assets	132,515	116,592
Current liabilities	(247,798)	(245,045)
Working capital	**(115,283)**	**(128,453)**

6.2.4 Currency risk

The Company is exposed to the currency risk arising from its transactions. Such risk arises when the Company enters into a sale or purchase transaction or a financing transaction consisting of lease contracts in currencies other than PLN.

The Company periodically reviews its hedging strategy for currency risk. The degree of exposure to foreign currency is assessed by analysing open positions in a particular currency, taking into account historical exchange rate trends over a defined period and the financial market's forecasts for future exchange rate movements.

The following tables present the Company's exposure to currency risk.

	31 December 2024		
amounts in currency (thousands of units)	**EUR**	**USD**	**UAH**
Trade receivables	309	-	-
Cash and cash equivalents	446	52	-
Dividends receivable	-	-	241,318
Lease liabilities	(4,707)	-	-
Trade payables	(281)	(35)	-
Net exposure in currency	**4,233**	**17**	**241,318**
Net exposure converted into PLN	**(18,091)**	**71**	**22,586**

	31 December 2023		
amounts in currency (thousands of units)	**EUR**	**USD**	**UAH**
Trade receivables	241	7	-
Cash and cash equivalents	313	14	-
Dividends receivable	-	-	23,520
Lease liabilities	(4,777)	-	-
Trade payables	(212)	(11)	-
Net exposure in currency	**(4,434)**	**10**	**23,520**
Net exposure converted into PLN	**(19,280)**	**38**	**2,439**

6.2.5 Interest rate risk

The Company faces the risk of cash flow volatility due to fluctuations in interest rates, which can affect assets and liabilities that are subject to variable interest rates, such as credit facilities, resulting in changes in interest income and expenses. The Company's interest rate risk management strategy seeks to minimise the impact of interest rate fluctuations on variable-rate financial instruments.

An increase in interest rates may result in higher financing costs, negatively affecting profitability and potentially diminishing the financial viability of the Company’s investments. The Company does not apply hedge accounting.

In the periods presented, the Company used interest rate swaps (IRS) to hedge against the variable interest rate associated with the term facility acquired in June 2022, thus mitigating the interest rate risk. In the year ended 31 December 2024, hedging transactions covered debt amounting to PLN 215,318 thousand (31 December 2023: PLN 262,838 thousand), amortised in accordance with the IRS transaction schedule (Note 4.11).

The Company seeks to align the terms of hedging derivative instruments with those of the hedged items, to ensure maximum hedge effectiveness.

All amounts in PLN thousands, unless otherwise stated

The table below presents the Company's exposure to interest rate risk, categorising interest-bearing financial assets and liabilities by fixed- or variable-rate instruments.

	31 December 2024	31 December 2023
Interest-bearing financial instruments		
- fixed-rate instruments	**(24,554)**	**(30,689)**
Lease liabilities	(22,573)	(22,613)
Derivatives recognised in financial liabilities	(1,981)	(8,076)
- variable-rate instruments	**(171,745)**	**(201,574)**
Bank borrowings	(215,318)	(262,839)
Cash security deposits	3,759	3,656
Cash and cash equivalents	39,814	57,607
Net exposure to interest rate risk (in relation to variable-rate instruments)	**(171,745)**	**(201,574)**

The table below illustrates how changes in interest rates impact the Company's profit or loss with respect to variable-rate instruments.

	Net exposure to interest rate risk	Effect on net profit or loss	
		1pp increase in interest rate	1pp decrease in interest rate
31 December 2024	(171,745)	(1,391)	1,391
31 December 2023	(201,574)	(1,633)	1,633

7. OTHER NOTES

7.1 Share-based payments

Accounting policies

Share-based payment arrangements

Equity-settled share-based payment arrangements are measured at the fair value of the equity instruments at their grant date, which is the date on which the Company and its employees concluded the share-based payment arrangement, i.e., the date on which both parties accepted the agreed terms and conditions of the arrangement. The expense is recognised as an employee benefit expense, with a corresponding increase in equity (within share-based payment arrangements), and is recognised over the vesting period of the options, being the period during which the employees must remain employed by the Company and during which specified performance targets for the Company and the employees must be met.

The total amount recognised as an expense excludes the effects of any non-market vesting conditions.

Non-market conditions (such as reaching a specified EBITDA level) are incorporated into the assumptions regarding the expected number of shares to vest. There are no market vesting conditions in the scheme and non-market vesting conditions are not recognised in the valuation.

Significant estimates and judgements

Expected lifetime of options

Many holders of stock options opt to exercise them as soon as they are able, due to a range of considerations. Typically, options granted are non-transferable, meaning that the holder cannot liquidate their position in the options other than by exercising them. In addition, in the event of termination of employment, employees may be required to exercise options immediately (if they have previously vested), otherwise the options will be forfeited. Another factor may be risk aversion.

Expected share price volatility

Expected volatility is a measure that represents the degree of expected variation of an asset's price over a specified period. The volatility measure used in option pricing models typically represents the annualised standard deviation *of share returns over a specified period. The rate of return is expressed as an annual interest rate with continuous capitalisation (annual continuous interest rate).*

Factors to consider when estimating expected volatility include:

- *implied volatility from traded options on the entity's shares or other traded instruments that include optional features (such as convertible debt), if available;*
- *the historical volatility of the share price over the most recent period that is generally commensurate with the expected term of the option (taking into account the remaining contractual life of the option and the effects of expected early exercise);*
- *the length of time an entity's shares have been publicly traded; newly listed entities may exhibit high historical volatility compared with similar entities that have been listed for a longer period;*
- *the tendency of volatility to revert to its mean, i.e., its long-term average;*
- *appropriate and regular intervals for price observations.*

Expected dividend yield

The Company pays dividends per share. During the period in which the participants of the scheme do not hold any shares, they will not receive the dividend amount directly or through any other form, as the exercise price or conversion into shares is fixed. Under IFRS 2 Share-based Payment, future dividend payments must be taken into account when estimating the value of such options.

Expected option exercise date

Incentive schemes are a form of option provided by the Company to eligible individuals, designed to provide additional compensation for their services. Therefore, it is generally assumed that these options will be exercised earlier than other types of options.

Expected share price volatility at the valuation date

The Company has been listed on the Warsaw Stock Exchange (the 'WSE') since 9 December 2021, a period of one year and seven months as at the valuation date. Since the options are expected to be exercised on 31 March 2025, this means that, in accordance with IFRS 2.B25(b), historical volatility based on the Company's share prices should be calculated for a period of approximately 0.69 years (251 days). These are fairly comparable periods.

Probability of meeting the condition of achieving a certain level of EBITDA and remaining in the employment relationship

At each reporting date, the Company estimates the number of options that are likely to vest in order to determine the amortisation schedule for the scheme.

The Company applied the Black-Scholes-Merton model to estimate the fair value of the options.

Incentive Scheme 1

On 29 October 2021, the Extraordinary General Meeting of the Company passed a resolution establishing incentive scheme No. 1 ('Incentive Scheme 1') for members of the Management Board, the Supervisory Board and key personnel (persons employed under an employment contract or a mandate contract, regardless of the applicable law governing the contract). Incentive Scheme 1 is founded on shares issued under the authorisation granted to the Management Board to increase the share capital within the limits of the authorised share capital pursuant to Resolution No. 5 of the Extraordinary General Meeting of 22 October 2021 ('Bonus Shares 1'). To implement Incentive Scheme 1, the Management Board is authorised to issue up to 1,021,563 Bonus Shares 1, representing up to 1.5% of the share capital, and to disapply shareholders' pre-emptive rights with respect to the shares, subject to approval from the Supervisory Board. Incentive Scheme 1 aims to align the interests of key employees with the long-term success of the Company and retain talents who play a significant role in shaping and executing the Company's strategy. Incentive Scheme 1 was implemented in 2022-2024. A participant's entitlement to receive Bonus Shares 1 will be conditionally vested at the end of each calendar year during the term of the Incentive Scheme 1 and will be subject to the fulfilment of the following conditions as determined by the Management Board:

- delivery of a specific financial result in a given performance period (proportion 80%),
- delivery of a specific business objective in a given performance period (20%).

Each participant will pay the issue price per Bonus Share determined as:

- a PLN-equivalent of 33% of the final price per share in the retail tranche of the initial public offering, rounded down to the nearest grosz (PLN 1/100), or
- the par value per share, that is PLN 5.00.

The vesting period runs from 1 June 2022 to 31 March 2025. The total cost of the scheme recognised within the Company's employee benefits expense amounted to PLN 11,553 thousand in 2023 and PLN 11,787 thousand in the year ended 31 December 2024.

The maximum estimated total cost of the scheme, which may be recognised in the Company's equity over its duration, amounts to PLN 35,504 thousand.

The following table shows the key assumptions used for the scheme valuation and terms of the scheme.

Fair value measurement of the scheme as at the grant date of Tranche 3 under Incentive Scheme 1, i.e., 23 July 2024	
Fair value of a single option at the grant date (PLN)	32.48 (tranche 1) 32.89 (tranche 2) 38.42 (tranche 3)
Number of priced options	1,009,616
Total fair value of the scheme (PLN thousand)	35,504
Key inputs used in the fair value measurement	
Option exercise price (PLN)	24.42 or 5.00
Expected option exercise date	31 March 2025
Expected dividend yield	0.00%
Model used	Black-Scholes-Merton

On 22 October 2021, the Company's Extraordinary General Meeting authorised the Management Board to issue up to 1,191,823 new bearer shares with a par value of PLN 5.00 per share, and a total par value not more than PLN 5,959,115.00. Within the limits of the authorised capital, the Management Board is authorised to increase the Company's share capital once or multiple times, e.g., for the purposes of Incentive Scheme 1, as discussed above. This authorisation expires three years after the registration by the competent registry court of the relevant amendment to the Company's Articles of Association, as set out in Resolution No. 5/2021 of the General Meeting dated 22 October 2021. As the allotment of Bonus 1 Shares is scheduled no earlier than 31 March 2025, the Annual General Meeting passed a resolution to extend the Management Board's authorisation to increase the authorised share capital. The Management Board is also authorised to disapply the pre-emptive rights to shares issued within the authorised capital, either wholly or in part, subject to approval from the Supervisory Board. This extension enables the share capital increase and the issuance of Bonus 1 Shares in 2025.

All amounts in PLN thousands, unless otherwise stated

7.2 Earnings per share

Accounting policies

Basic earnings per share is determined by dividing the net profit for the financial year by the weighted average number of ordinary shares of Grupa Pracuj S.A. outstanding throughout the reporting period.

Diluted earnings per share are calculated by dividing net profit for the period attributable to the owners of the Parent by the weighted average number of ordinary shares outstanding during the period, adjusted for the effects of all dilutive potential ordinary shares.

The calculation of basic earnings per share for the periods presented took into account the dilution caused by equity instruments. These instruments originated from acquiring rights through the share-based payment arrangement described in Note 7.1.

	2024	2023
Net profit	**188,045**	**172,870**
Continuing operations	188,045	172,870
Net profit adjusted for dilution effect	**188,045**	**172,870**
Number of ordinary shares – for the purpose of calculation of basic earnings per share	68,265,026	68,265,026
Effect of dilution (share-based payment arrangement)	921,363	939,179
Weighted average number of ordinary shares – for the purpose of calculation of diluted earnings per share	69,186,389	69,204,205
Basic earnings per share (PLN) – continuing operations	***2.75***	***2.53***
Diluted earnings per share (PLN) – continuing operations	***2.72***	***2.50***

7.3 Related-party transactions

During the periods presented, the Company entered into transactions with related parties. The balances and transaction values are presented in the tables below.

	Receivables		Payables	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Subsidiaries	430	735	19	56
Associates	5	15	296	413
Other related entities[1]	1	1	-	-
Total	**436**	**751**	**315**	**469**

	Revenue from contracts with customers		Other services	
	2024	2023	2024	2023
Subsidiaries	518	1,219	227	204
Associates	25	55	320	1,069
Other related entities[1]	133	68	262	143
Total	**676**	**1,342**	**809**	**1,416**

	Other income	
	2024	2023
Subsidiaries	869	640
Associates	386	466
Other related entities*	6	-
Total	**1,261**	**1,106**

All amounts in PLN thousands, unless otherwise stated

	Finance income	
	2024	2023
Subsidiaries	17,582	7,193
Total	**17,582**	**7,193**

[1] Other related entities also include entities over which a member of the Company's key management personnel or their close family members have significant influence or in which they hold significant voting rights.

During the periods presented, the Company did not engage in any transactions with related entities on terms other than arm's length.

Neither members of the Company's Management Board and Supervisory Board, nor their close family members or other related parties, participated in transactions with the Company that materially impacted the Company's net profit or financial position during the reporting period.

7.4 Remuneration and other transactions with key management personnel

Remuneration of key management personnel

The Company identifies members of the Management Board and the Supervisory Board as its key management personnel.

	2024	2023
Short-term employee benefits	3,347	3,357
Post-employee benefits	59	58
Share-based payments	2,274	2,278
Total	**5,680**	**5,693**

Short-term employee benefits refer to the cost of salaries and bonuses, including additional payroll costs, for members of the Management Board and the Supervisory Board.

Non-monetary benefits received by members of the Company's key management personnel mainly consist of medical care packages, company cars, and company phones for private use. However, the value of these benefits is immaterial.

Payments to key management personnel arising from their shareholdings in the Company

	2024	2023
Cash flows:		
- dividends paid	(85,463)	(64,097)
Total	**(85,463)**	**(64,097)**

7.5 Auditor's fees

	2024	2023
Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp.k.		
Mandatory audit of financial statements	760	698
Sustainability report	195	-
Other services	136	108
Total	**1,091**	**806**

All amounts in PLN thousands, unless otherwise stated

7.6 Employment structure

Information regarding the average number of employees, classified by occupational category and employed under employment contracts, is presented in the table below.

	2024	2023
Management Board	3	3
Management personnel	95	89
Other employees	465	449
Total	**563**	**541**

7.7 Contingent liabilities

Accounting policies

The Company recognises as a contingent liability:

- *a potential obligation resulting from past events, the existence of which will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events that are not entirely within the Company's control;*
- *a present obligation that arises from past events but is not recognised in the statement of financial position because it is not probable that there will be an outflow of resources embodying economic benefits to satisfy the obligation or the amount of the obligation cannot be measured with sufficient reliability.*

Guarantee provider	Currency	31 December 2024	31 December 2023
PKO BP S.A.	EUR	593	551
	PLN	135	-
Santander Bank Polska S.A.	EUR	10	-
	PLN	43	-
Total	**EUR**	**603**	**551**
	PLN	**178**	**-**

The Company recognises bank guarantees issued on behalf of Grupa Pracuj S.A. as contingent liabilities. These guarantees provide security for lease payments under office leases in which the Company is the lessee.

7.8 Impact of the armed conflict in Ukraine on the Company’s business

On 24 February 2022, martial law was declared in Ukraine due to the invasion of Russian troops into Ukraine and the onset of an armed conflict that has created new and unpredictable circumstances for the Ukrainian economy. Although the Company did not generate significant revenue from contracts with customers in Ukraine, Russia, or Belarus, it holds equity interests in entities operating in Ukraine (the ‘Ukrainian Companies’)

The armed conflict in Ukraine could potentially have a long-term adverse impact on the operational and financial performance of entities operating in the region. The most significant risk could stem from the prolonged economic downturn in Ukraine, potentially resulting in continued decline in revenues, challenges in receivables collection at Ukrainian Companies, and the potential loss of value for the Company's assets involved in Ukraine. To date, no assets used to generate cash flows in the Ukrainian Companies have been destroyed, and there are currently no restrictions on access to these assets, including those accessible through the banking system. However, due to regulatory constraints, the Ukrainian Companies are unable to distribute dividends outside of Ukraine. In addition, Ukrainian Companies have sufficient cash resources to continue operations in the coming months. The risk of losing the use of Internet domain names that Ukrainian Companies use for their operations under license agreements is either low or non-existent. These domain names are registered by entities domiciled in Cyprus in which the Company holds shares.

All amounts in PLN thousands, unless otherwise stated

Following a comprehensive review of business prospects for companies within Segment Ukraine, the Management Board of the Company concluded it was appropriate to reverse a previously recognised impairment loss of PLN 8,393 thousand relating to investees accounted for using the equity method, and to reverse a previously recognised discount of PLN 4,424 thousand on the dividend receivable from Robota International TOV for the years 2019–2020. These Ukrainian companies recorded significant revenue growth in recent years, confirming improved market positioning and operational efficiency. A sustained upward trend in financial performance, including improved profitability and stronger cash flow generation, indicates further growth potential for these investments.

In both 2024 and 2023, the shareholders of Work Ukraine TOV approved resolutions to distribute profits from prior years. The declared dividends reduced the carrying amount of investees accounted for using the equity method for the years ended 31 December 2024 and 31 December 2023. On 20 March 2025, Grupa Pracuj S.A. received a dividend payment of UAH 110,491 thousand into its bank account held with JSC 'KredoBank' in Ukraine, a subsidiary of PKO Bank Polski. Consequently, in the year ended 31 December 2024, the Management Board reversed a previously recognised discount of PLN 984 thousand on the dividend receivable(Note 4.5).

On 20 December 2024, the Annual General Meeting of Robota International TOV adopted a resolution to distribute dividends from profits earned by the company in the years 2020–2023. On this basis, Grupa Pracuj S.A. will receive a dividend of UAH 79,683 thousand (PLN 7,167 thousand as at 31 December 2023). The Management Board expects the dividends from Robota International TOV to be received by 30 June 2025.

The Management Board continually monitors the military and economic situation in Ukraine and analyses its impact on the operations of the Ukrainian Companies and the Group. Despite the challenging and volatile environment during the year ended 31 December 2024, the Ukrainian Companies achieved positive financial results.

The assets of the Company at risk of impairment related to its operations in Ukraine as of 31 December 2024 and 31 December 2023, were as follows:

	31 December 2024	31 December 2023
Investments in subsidiaries	15,776	15,451
Investees accounted for using the equity method	31,184	18,565
Dividends receivable	22,375	2,439
Total	**69,335**	**36,455**

The Company's Management Board notes that the consequences of the armed conflict in Ukraine, and therefore its impact on the future financial performance of the Ukrainian Companies, remain difficult to predict. The Management Board continues to monitor indicators of any deterioration in the financial condition of these companies or threats to their ability to continue as a going concern, and will take appropriate action as required.

7.9 Events after the reporting date

Acquisition of Kadromierz sp. z o.o.

On 4 March 2025, Grupa Pracuj S.A. entered into a share purchase agreement under which it acquired a 65.5% interest in Kadromierz sp. z o.o. for PLN 20,238 thousand, thereby obtaining control over the entity. Under a preliminary share purchase agreement, the Company is also committed to acquiring an additional 20% interest by the end of May 2027, following which ownership of these shares will be transferred pursuant to a final share purchase agreement.

The agreement also provides for call and put options over the remaining approximately 15% interest, under which the Company may increase its shareholding in Kadromierz sp. z o.o. to 100% in 2027.

Dividend payment by Work Ukraine TOV

In October 2024, Grupa Pracuj S.A. opened a bank account with a branch of JSC KredoBank in Ukraine, a subsidiary of PKO Bank Polski. On 20 March 2025, dividend payment of UAH 110,491 thousand from Work Ukraine TOV was credited to this bank account. The decision to open the account in Ukraine was necessitated primarily by the moratorium on cross-border foreign currency payments implemented by the National Bank of Ukraine and the inability of banks in Poland, where Grupa Pracuj S.A. maintains accounts, to process transactions denominated in Ukrainian hryvnia (UAH).

Authorisation of the separate financial statements for the year ended 31 December 2024

These separate financial statements for the year ended 31 December 2024 were authorised for issue by the Company's Management Board on 26 March 2025.

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Przemysław Gacek

President of the Management Board

……………………………………………

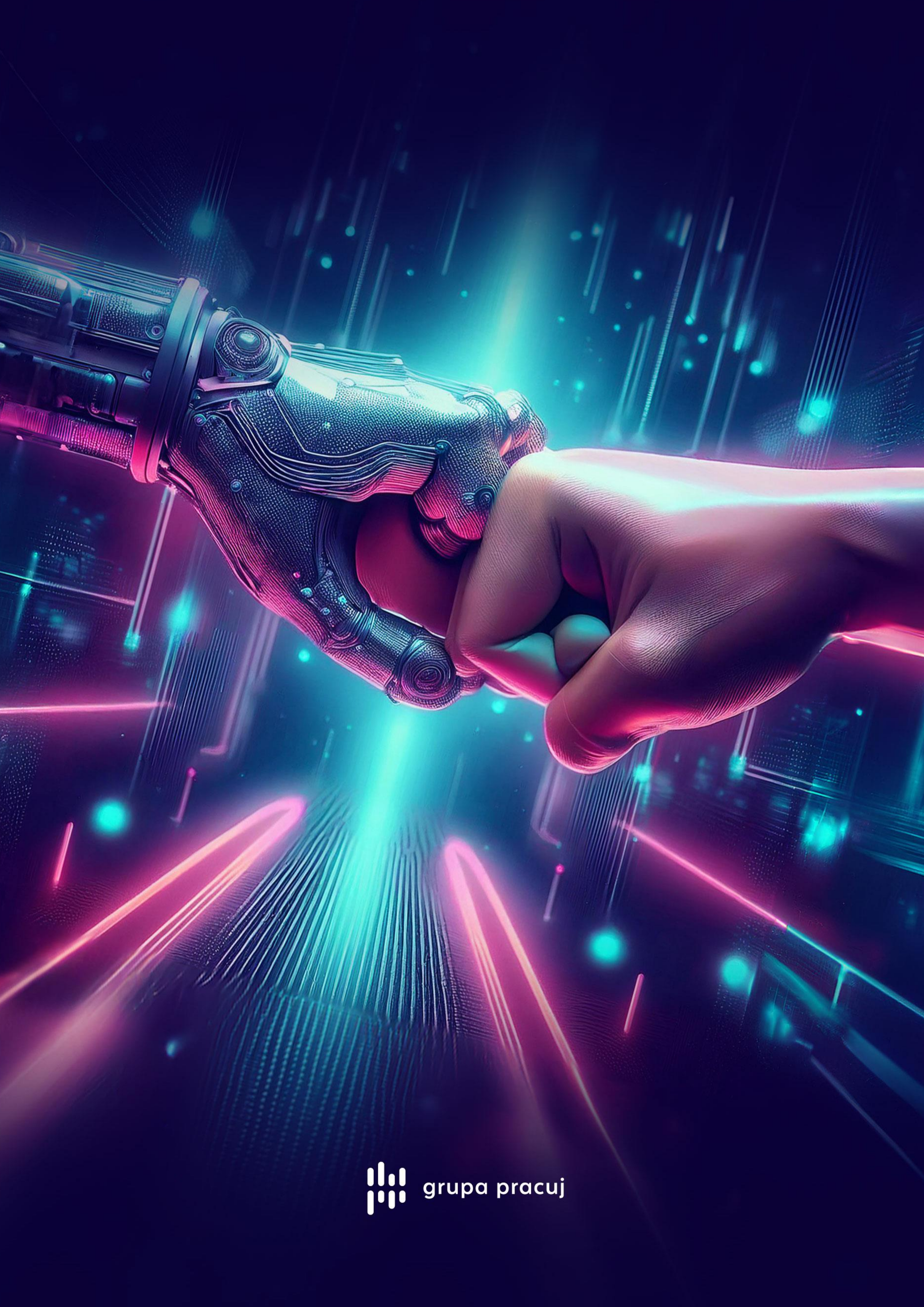
Gracjan Fiedorowicz

Member of the Management Board

……………………………………………

Rafał Nachyna

Member of the Management Board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