grupa pracuj

Grupa Pracuj S.A.

Interim condensed financial statements
of Grupa Pracuj S.A. for the 6-month period
ended on June 30, 2024

TABLE OF CONTENTS

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME 4

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION 5

CONDENSED INTERIM STATEMENT OF CASH FLOWS 6

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY 7

1. GENERAL INFORMATION 8

1.1 GENERAL INFORMATION ABOUT THE COMPANY 8
1.2 COMPOSITION OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD OF GRUPA PRACUJ S.A.: 8
1.3 BASIS OF ACCOUNTING 9
1.4 SIGNIFICANT JUDGEMENTS AND ASSUMPTIONS 10
1.5 EFFECT OF NEW STANDARDS AND INTERPRETATIONS 10
1.6 FUNCTIONAL CURRENCY AND FOREIGN CURRENCY TRANSACTIONS 11
1.7 CORRECTIONS OF ERRORS AND CHANGES IN ACCOUNTING POLICIES 11

2. NOTES TO THE INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME 12

2.1 REVENUE FROM CONTRACTS WITH CUSTOMERS 12
2.2 EMPLOYEE BENEFITS EXPENSE 13
2.3 OTHER INCOME AND EXPENSES 13
2.4 FINANCE INCOME AND COSTS 13

3. NOTES ON TAXATION 14

3.1 INCOME TAX 14

4 NOTES TO THE INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION 15

4.1 INTANGIBLE ASSETS 15
4.2 PROPERTY, PLANT AND EQUIPMENT 15
4.3 RIGHT-OF-USE ASSETS 16
4.4 INVESTMENTS IN SUBSIDIARIES AND EQUITY-ACCOUNTED INVESTEES 17
4.5 TRADE RECEIVABLES AND OTHER FINANCIAL ASSETS 19
4.6 OTHER NON-FINANCIAL ASSETS 21
4.7 CASH AND CASH EQUIVALENTS 21
4.8 EQUITY 21
4.9 CHANGES IN EQUITY 21
4.10 DIVIDEND PAID 22
4.11 DEBT LIABILITIES 22
4.12 EMPLOYEE BENEFIT OBLIGATIONS 25
4.13 TRADE PAYABLES AND OTHER FINANCIAL LIABILITIES 25
4.14 OTHER NON-FINANCIAL LIABILITIES 25

5 CAPITAL MANAGEMENT POLICY AND NET DEBT 25

6 FINANCIAL INSTRUMENTS AND MANAGEMENT FINANCIAL RISK 27

6.1 FINANCIAL INSTRUMENTS AND FAIR VALUE 27
6.2 FINANCIAL RISK MANAGEMENT 27
6.2.1 Principles of financial risk management 27
6.2.2 Credit risk 28
6.2.3 Liquidity risk 29
6.2.4 Currency risk 30
6.2.5 Interest rate risk 30

7 OTHER NOTES 31

7.1 SHARE-BASED PAYMENTS 31

7.2 EARNINGS PER SHARE 32
7.3 RELATED-PARTY TRANSACTIONS 33
7.4 REMUNERATION AND OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL 33
7.5 CONTINGENT LIABILITIES 33
7.6 IMPACT OF THE ARMED CONFLICT IN UKRAINE ON THE COMPANY'S BUSINESS 33
7.7 EVENTS AFTER THE REPORTING DATE 34

All amounts in PLN thousands, unless otherwise stated

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

CONTINUING OPERATIONS	Note	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	3 months ended 30 June 2024 (unaudited)	3 months ended 30 June 2023 (unaudited)
Revenue from contracts with customers	2.1	**250,606**	**238,828**	**122,823**	**118,078**
Depreciation and amortisation		(7,070)	(5,521)	(3,573)	(2,816)
Employee benefits expense	2.2	(71,024)	(62,565)	(35,180)	(31,036)
Marketing expenses		(23,331)	(17,312)	(7,982)	(5,844)
Software as service		(3,138)	(3,297)	(1,581)	(1,647)
Other services		(14,986)	(10,966)	(8,333)	(5,774)
Other costs		(2,102)	(2,346)	(1,275)	(1,271)
Other income	2.3	418	790	123	284
Other expenses	2.3	(283)	(399)	(205)	(76)
Expected credit losses	6.2	(778)	(123)	(185)	(151)
Operating profit		**128,312**	**137,089**	**64,632**	**69,747**
Finance income	2.4	15,064	2,628	11,586	1,326
Finance costs	2.4	(30,661)	(22,123)	(24,552)	(9,500)
Net finance income / (costs)		**(15,597)**	**(19,495)**	**(12,966)**	**(8,174)**
Share of profit / (loss) of equity-accounted investees	4.4	4,793	2,370	2,395	1,465
Profit before tax		**117,508**	**119,964**	**54,061**	**63,038**
Income tax	3.1	(25,945)	(22,696)	(11,715)	(10,436)
Net profit from continuing operations		**91,563**	**97,268**	**42,346**	**52,602**
Net profit		**91,563**	**97,268**	**42,346**	**52,602**

OTHER COMPREHENSIVE INCOME	Note	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	3 months ended 30 June 2024 (unaudited)	3 months ended 30 June 2023 (unaudited)
Items that may be reclassified to profit or loss		**(1,335)**	**-**	**(1,335)**	**-**
Exchange differences on translation of foreign operations		(1,335)	-	(1,335)	-
Total other comprehensive income		**(1,335)**	**-**	**(1,335)**	**-**
TOTAL COMPREHENSIVE INCOME		**90,228**	**97,268**	**41,011**	**52,602**

	Note	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	3 months ended 30 June 2024 (unaudited)	3 months ended 30 June 2023 (unaudited)
Basic earnings per share (PLN) – continuing operations	7.2	**1.34**	**1.42**	**0.62**	**0.77**
Diluted earnings per share (PLN) – continuing operations	7.2	**1.32**	**1.41**	**0.61**	**0.76**

All amounts in PLN thousands, unless otherwise stated

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

ASSETS	Note	30 June 2024 (unaudited)	31 December 2023
Intangible assets	4.1	21,325	17,636
Property, plant and equipment	4.2	7,786	7,965
Right-of-use assets	4.3	21,642	21,547
Investments in subsidiaries	4.4	581,341	580,698
Equity-accounted investees	4.4	25,776	30,725
Other financial assets	4.5	98,352	102,991
Other non-financial assets	4.6	603	646
Deferred tax assets	3.1	36,672	36,108
Non-current assets		**793,497**	**798,316**
Trade receivables	4.5	38,290	45,261
Other financial assets	4.5	9,873	117
Other non-financial assets	4.6	4,969	5,113
Cash and cash equivalents	4.7	151,767	66,101
Current assets		**204,899**	**116,592**
Total assets		**998,396**	**914,908**

EQUITY AND LIABILITIES	Note	30 June 2024 (unaudited)	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	77,235	71,341
Other reserves	4.9	(1,145)	190
Merger reserve		(585,375)	(585,375)
Retained earnings		198,410	279,716
Total equity		**368,485**	**408,894**
Bank borrowings	4.11	207,554	239,295
Lease liabilities	4.11	15,737	15,978
Employee benefit obligations	4.12	1,662	1,662
Deferred tax liabilities	3.1	2,782	4,034
Non-current liabilities		**227,735**	**260,969**
Bank borrowings	4.11	55,561	23,543
Lease liabilities	4.11	6,975	6,635
Employee benefit obligations	4.12	14,403	13,735
Trade payables	4.13	12,117	12,715
Other financial liabilities	4.13	3,989	8,076
Other non-financial liabilities	4.14	10,938	11,382
Dividend liabilities	4.10	136,530	-
Current tax liabilities	3.1	1,284	11,030
Contract liabilities	2.1	160,379	157,929
Current liabilities		**402,176**	**245,045**
Total liabilities		**629,911**	**506,014**
Total equity and liabilities		**998,396**	**914,908**

All amounts in PLN thousands, unless otherwise stated

CONDENSED INTERIM STATEMENT OF CASH FLOWS

	Note	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)
Cash flows from operating activities			
Profit before tax		**117,508**	**119,964**
Adjustments for:			
Share of (profit) / loss of equity-accounted investees	4.4	(4,793)	(2,370)
Depreciation and amortisation		7,070	5,521
Foreign exchange gains/(losses)		118	248
(Gains)/losses on interest		10,116	14,971
(Gain) / loss on investing activities	2.4	(9,622)	(302)
Impairment loss on dividends receivable	2.4	1,784	1,001
Impairment losses on investments measured at fair value through profit or loss	2.4	18,141	1,138
Measurement of equity-settled share-based payment arrangement	7.1	5,252	3,258
Settlement and measurement of financial instruments	4.11	(2,672)	4,423
Income tax paid	3.1	(37,100)	(24,634)
Changes in working capital:			
Employee benefit obligations	4.12	668	211
Trade receivables	4.5	6,971	9,165
Other non-financial assets	4.6	186	(1,078)
Trade payables	4.13	(598)	(4,684)
Other non-financial liabilities	4.14	(830)	650
Contract liabilities	2.1	2,450	19,317
Other adjustments		-	4
Net cash flows from operating activities		**114,649**	**146,803**
Cash flows from investing activities			
Purchase of financial assets	4.5	(7,849)	(161)
Proceeds from sale of financial assets	4.5	124	-
Proceeds from sale of property, plant and equipment and intangible assets		164	324
Purchase of property, plant and equipment and intangible assets		(7,050)	(6,558)
Net cash flows from investing activities		**(14,611)**	**(6,395)**
Cash flows from financing activities			
Repayment of bank borrowings	4.11	-	(32,000)
Payment of lease liabilities	4.11	(3,129)	(3,606)
Interest paid	4.11	(9,824)	(15,078)
Settlement of derivative financial instruments		(1,415)	47
Net cash flows from financing activities		**(14,368)**	**(50,637)**
Total net cash flows		**85,670**	**89,771**
Cash and cash equivalents at beginning of period		**66,101**	**59,266**
Exchange differences on cash and cash equivalents		(4)	(50)
Cash and cash equivalents at end of period		**151,767**	**148,987**
Cash and cash equivalents in the statement of financial position		**151,767**	**148,987**

All amounts in PLN thousands, unless otherwise stated

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

	Share capital	Reserve capital	Share repurchase reserve	Share-based payment arrangements	Other reserves	Merger reserve	Retained earnings / (losses) carried forward	**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**	**408,893**
Net profit for period	-	-	-	-	-	-	91,563	91,563
Other comprehensive income for period	-	-	-	-	(1,335)	-	-	(1,335)
Total comprehensive income for period	**-**	**-**	**-**	**-**	**(1,335)**	**-**	**91,563**	**90,228**
Share-based payments	-	-	-	5,895	-	-	-	5,895
Allocation of profit/(loss)	-	36,339	-	-	-	-	(36,339)	-
Dividends	-	-	-	-	-	-	(136,530)	(136,530)
Release of special-purpose reserve	-	1,080	(1,080)	-	-	-	-	-
Transactions with owners	**-**	**37,419**	**(1,080)**	**5,895**	**-**	**-**	**(172,869)**	**(130,635)**
30 June 2024 (unaudited)	**341,325**	**338,035**	**-**	**77,235**	**(1,145)**	**(585,375)**	**198,410**	**368,485**

.	Share capital	Reserve capital	Share repurchase reserve	Share-based payment arrangements	Other reserves	Merger reserve	Retained earnings / (losses) carried forward	**Total equity**
1 January 2023	**341,325**	**238,248**	**1,080**	**57,416**	**(102)**	**(585,375)**	**271,613**	**324,205**
Net profit for period	-	-	-	-	-	-	97,269	97,269
Total comprehensive income for period	**-**	**-**	**-**	**-**	**-**	**-**	**97,269**	**97,269**
Share-based payments	-	-	-	4,075	-	-	-	4,075
Allocation of profit/(loss)	-	62,369	-	-	-	-	(62,369)	-
Dividends	-	-	-	-	-	-	(102,398)	(102,398)
Transactions with owners	**-**	**62,369**	**-**	**4,075**	**-**	**-**	**(164,766)**	**(98,323)**
30 June 2023 (unaudited)	**341,325**	**300,617**	**1,080**	**61,490**	**(102)**	**(585,375)**	**204,116**	**323,151**

All amounts in PLN thousands, unless otherwise stated

1. GENERAL INFORMATION

1.1 General information about the 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.' or the 'Company') is the parent of the Grupa Pracuj S.A. Group (the 'Group').

On 2 August 2021, the Company 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 HR technology platform in Europe that operates online job posting sites and offers various services to assist 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.:

In the six months ended 30 June 2024 and as at that date, the composition of the 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.

Until the date of authorisation of these condensed separate interim financial statements for issue, there were no changes in the composition of the Company's Management Board.

In the six months ended 30 June 2024 and as at that date, the composition of the Supervisory Board of the Company 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.

Until the date of authorisation of these condensed separate interim financial statements for issue, there were no changes in the composition of the Company's Supervisory Board.

1.3 Basis of accounting

These interim condensed separate financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting, as endorsed by the European Union (‘IAS 34’). These interim condensed separate financial statements do not include all the information and disclosures required to be included in full-year financial statements and should be read in conjunction with the Company’s separate financial statements for the year ended 31 December 2023, which were authorised for issue on 3 April 2024.

The accounting policies applied to prepare these interim condensed separate financial statements are consistent with those applied in the preparation of the Company’s full-year separate financial statements for the year ended 31 December 2023.

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

The Management Board of Grupa Pracuj S.A. declares that, to the best of its judgement, these condensed separate interim financial statements have been prepared in accordance with the applicable accounting principles and reflect in a true, fair and clear manner the Company's assets and financial position.

These interim condensed separate financial statements have been prepared on the assumption that the Company will continue as a going concern in unchanged form and scope for the foreseeable future. As at the date of authorisation of these interim condensed separate financial statements for issue, the Management Board of Grupa Pracuj S.A. did not identify any events or conditions that could cast significant doubt on the Company’s ability to continue as a going concern for the foreseeable future. An analysis of the Company’s working capital as at 30 June 2024 is presented in Note 6.2.3. The impact of the armed conflict in Ukraine on the Company's business is analysed and described in detail in Note 7.6.

The scope of these interim condensed separate financial statements is compliant with the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state (consolidated text: Dz.U. of 2023, item 120), covering the reporting period of six months from 1 January to 30 June 2024 and the comparative period from 1 January to 30 June 2023 for, respectively, the interim condensed statement of comprehensive income, the interim condensed statement of cash flows and the interim condensed statement of changes in equity, as well as the interim condensed statement of financial position as at 30 June 2024 and 31 December 2023.

The data presented on a YTD basis for the six months ended 30 June 2024 and data for the comparative period ended 30 June 2023 have been reviewed by an independent auditor. The data for the three months ended 30 June 2024 was calculated as the difference between the YTD data for the period of six months ended 30 June 2024 and the data presented in the quarterly financial information of Grupa Pracuj S.A. for the three months ended 31 March 2024, published on 23 May 2024. The data for the three months ended 31 March 2024 have not been reviewed or audited.

All amounts in PLN thousands, unless otherwise stated

1.4 Significant judgements and assumptions

The preparation of financial statements in accordance with International Financial Reporting Standards (‘IFRS’) requires the reporting entity to make significant accounting judgements and assumptions. Such judgements and assumptions are reviewed on an ongoing basis taking into account past experience and other factors, including predictions about future events that seem reasonable in a given situation. The Company makes judgements and assumptions relating to the future. The uncertainty surrounding these assumptions and estimates could lead to adjustments in the carrying amounts of assets and liabilities in subsequent periods.

In the six months ended 30 June 2024, there were no material changes in the method in which accounting estimates are made.

Judgements and assumptions that entail a significant risk of a material adjustment to the reported carrying amounts of assets and liabilities within the next financial period are described in relevant notes to the Company’s separate financial statements for the year ended 31 December 2023, authorised for issue on 3 April 2024.

Line items in the financial statements to which significant estimates and judgments pertain	Note
Revenue from contracts with customers	2.1
Deferred tax assets	3.1
Taxes payables/receivables	3.1
Intangible assets	4.1
Property, plant and equipment	4.2
Right-of-use assets	4.3
Equity-accounted investees	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

1.5 Effect of new standards and interpretations

New standards, amendments to standards and interpretations that have been endorsed by the European Union and are effective for annual periods beginning on 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	1 January 2024
Amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures*	Amendments to IAS 7 and IFRS 7 concerning the disclosure requirements for supplier finance arrangements	1 January 2024

The Company decided to apply the new standards and amendments to the existing standards as of their respective effective dates, i.e., it did not elect to early apply the amendments. However, the amendments do not have a material effect on the interim condensed separate financial statements.

All amounts in PLN thousands, unless otherwise stated

1.6 Functional currency and foreign currency transactions

The following exchange rates were applied to translate foreign operations into PLN and to translate transactions and balances denominated in foreign currencies:

	Exchange rate at the reporting date		
	30 June 2024	31 December 2023	30 June 2023
EUR	4.3130	4.3480	4.4503
USD	4.0320	3.9350	4.1066
UAH	0.0996	0.1037	0.1117

	Average rate in the period	
	6 months ended 30 June 2024	6 months ended 30 June 2023
EUR	4.3178	4.6130
USD	3.9936	4.2711
UAH	0.1024	0.1197

1.7 Corrections of errors and changes in accounting policies

The Company did not make any correction of errors or changes in accounting policies during the reporting period.

All amounts in PLN thousands, unless otherwise stated

2. NOTES TO THE INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME

2.1 Revenue from contracts with customers

Key types of products and services

The table below shows revenue from contracts with customers, broken down according to the timing of satisfaction of performance obligations and by country.

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

Revenue from contracts with customers by the timing of revenue recognition	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	3 months ended 30 June 2024 (unaudited)	3 months ended 30 June 2023 (unaudited)
Over time	166,471	150,802	83,027	76,925
At a point in time	84,135	88,026	39,796	41,153
Total	**250,606**	**238,828**	**122,823**	**118,078**

Revenue from contracts with customers by region

Revenue from contracts with customers segmented by country	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	3 months ended 30 June 2024 (unaudited)	3 months ended 30 June 2023 (unaudited)
Poland	244,795	231,929	119,922	115,439
Ukraine	30	26	18	15
DACH region	4,282	4,800	1,756	1,668
Other countries	1,499	2,073	1,127	956
Total	**250,606**	**238,828**	**122,823**	**118,078**

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	30 June 2024 (unaudited)	31 December 2023
Current	160,379	157,929
Total	**160,379**	**157,929**

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

The Company uses the practical expedient permitted by IFRS 15 Revenue from Contracts with Customers, whereby the Company need not disclose the transaction price allocated to the unsatisfied performance obligations if the performance obligation is part of a contract that has an original expected duration of one year or less.

All amounts in PLN thousands, unless otherwise stated

2.2 Employee benefits expense

	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	3 months ended 30 June 2024 (unaudited)	3 months ended 30 June 2023 (unaudited)
Salaries and wages	49,035	44,256	25,156	22,265
Bonuses	5,539	5,050	1,871	2,133
Share-based payments	5,252	3,258	2,337	1,638
Social security contributions	9,140	8,105	4,464	3,922
Other employee benefits	2,058	1,896	1,352	1,078
Total	**71,024**	**62,565**	**35,180**	**31,036**

2.3 Other income and expenses

Other income

	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	3 months ended 30 June 2024 (unaudited)	3 months ended 30 June 2023 (unaudited)
Gain/(loss) on disposal of non-current non-financial assets	13	75	(13)	26
Income from sublease of office space	186	259	93	88
Other income	219	456	43	170
Total	**418**	**790**	**123**	**284**

Other expenses

	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	3 months ended 30 June 2024 (unaudited)	3 months ended 30 June 2023 (unaudited)
Donations	180	55	180	55
Other expenses	103	344	25	21
Total	**283**	**399**	**205**	**76**

2.4 Finance income and costs

Finance income

	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	3 months ended 30 June 2024 (unaudited)	3 months ended 30 June 2023 (unaudited)
Interest income	2,376	2,401	1,432	1,326
Dividends from subsidiaries	9,805	-	9,805	-
Gain on disposal of investments	75	-	-	-
Remeasurement of financial instruments to fair value	-	227	-	-
Settlement and measurement of derivative financial instruments	2,672	-	349	-
Other	136	-	-	-
Total	**15,064**	**2,628**	**11,586**	**1,326**

For details of changes arising from remeasurement of investments see Note 4.4.

All amounts in PLN thousands, unless otherwise stated

Finance costs

	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	3 months ended 30 June 2024 (unaudited)	3 months ended 30 June 2023 (unaudited)
Interest expense	9,582	14,826	4,779	7,102
Interest expense on lease contracts	539	148	266	73
Revaluation of investments measured at fair value through profit or loss	18,141	1,138	17,265	(43)
Remeasurement of dividends receivable	1,784	1,001	1,840	105
Settlement and measurement of derivative financial instruments	-	4,423	-	1,797
Exchange differences	162	356	312	353
Other	453	231	90	111
Total	**30,661**	**22,123**	**24,552**	**9,500**

As at 30 June 2024, the Company measured at fair value the investment in Pracuj Ventures spółka z ograniczoną odpowiedzialnością ASI sp.k. ('Pracuj Ventures') and Beamer Inc., recognising PLN 1,430 thousand and PLN 16,711 thousand under finance costs (note 4.5).

3. NOTES ON TAXATION

3.1 Income tax

Income tax

	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	3 months ended 30 June 2024 (unaudited)	3 months ended 30 June 2023 (unaudited)
Current tax	27,760	31,250	11,998	13,474
Reduction of income tax for 2022	-	(1,507)	-	(1,507)
Deferred tax	191	(6,831)	2,997	(1,539)
Net deferred tax liability related to investments measured at fair value	(2,006)	(216)	(3,280)	8
Total tax expense in the statement of comprehensive income	**25,945**	**22,696**	**11,715**	**10,436**

The effective tax rate for the period ended 30 June 2024 was 22.08%, compared with 18.92% in the comparative period.

Deferred income tax

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

	30 June 2024 (unaudited)	31 December 2023
Deferred tax assets arising from other sources		
Contract liabilities	30,472	30,007
Right-of-use assets and lease liabilities (IFRS 16)	169	203
Remeasurement of derivatives	758	1,534
Trade receivables	392	301
Trade payables	1,302	468
Employee benefit obligations	2,724	2,597
Other non-financial assets	1,095	1,169
Difference between carrying amount and tax base of liabilities arising from bank borrowings	212	159
Other deductible temporary differences	544	494
Total deferred tax assets arising from other sources	**37,668**	**36,932**

All amounts in PLN thousands, unless otherwise stated

	30 June 2024 (unaudited)	31 December 2023
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	987	812
Other deductible temporary differences	9	12
Total deferred tax liabilities arising from other sources	**996**	**824**
Total net deferred tax assets related to capital gains		
Tax loss on capital gains	11,613	9,860
Total net deferred tax assets related to capital gains	**11,613**	**9,860**
Deferred tax liabilities from capital gains		
Remeasurement of investments measured at fair value through profit or loss	11,964	13,894
Remeasurement of equity-accounted investees	2,431	-
Deferred tax liabilities from capital gains	**14,395**	**13,894**
Total net deferred tax liabilities arising from capital gains	**2,782**	**4,034**
Net deferred tax assets arising from other sources	**36,672**	**36,108**
Net deferred tax liabilities arising from capital gains	**2,782**	**4,034**

4 NOTES TO THE INTERIM CONDENSED SEPARATE STATEMENT OF FINANCIAL POSITION

4.1 Intangible assets

The Company distinguishes the following categories of intangible assets: acquired property rights, other intangible assets, and internally produced software. The categories mostly relate to software used in the Company's core operations. Expenditures incurred for internally produced software represent the costs of development incurred before the software is used. Upon completion of development work, the Company begins amortising internally produced software.

In the reporting period, the Company did not conclude any individually significant transactions involving acquisition or sale of intangible assets. As at 30 June 2024, expenditures on intangible assets stood at PLN 5,940 thousand, of which PLN 5,705 thousand was spent on internally developed software.

Based on the assessments performed, the Company did not identify any objective indications of impairment of intangible assets as at the end of the reporting periods presented in these interim condensed separate financial statements.

4.2 Property, plant and equipment

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 1,496 thousand.

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

Based on the assessments performed, the Company did not identify any objective indications of impairment of non-current assets as at the end of the reporting periods presented in these interim condensed separate financial statements.

4.3 Right-of-use assets

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 indications of impairment of right-of-use assets as at the end of the reporting periods presented in these interim condensed separate financial statements.

In the reporting period, the Company recorded additions to its right-of-use assets, which included PLN 796 thousand attributable to new contracts and PLN 2,594 thousand attributable to modifications and adjustments of existing ones.

All amounts in PLN thousands, unless otherwise stated

4.4 Investments in subsidiaries and equity-accounted investees

A summary of subsidiaries and associates, together with the Company's interest in the share capital of these entities, during the periods covered by these condensed separate interim financial statements, is presented in the table below.

Company	Registered office	Principal business	Ownership interest 30 June 2024 (unaudited)	Ownership interest 31 December 2023
Direct and indirect subsidiaries				
eRecruitment Solutions sp. z o.o.	Poland	IT services	100%	100%
eRecruitment Solutions Ukraine TOV	Ukraine	activities related to databases	100%	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%
HRlink sp. z o.o. [2)]	Poland	IT services	100%	-
Robota International TOV	Ukraine	web portals	67%	67%
Snowless Global Ltd	Cyprus	licensing activities	67%	67%
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. was officially placed into liquidation, as recorded in the National Court Register. Consequently, the company’s name was changed to BinarJobs sp. z o.o. w likwidacji (in liquidation).
[2)] On 4 January 2024, eRecruitment Solutions sp. z o.o. concluded an agreement to purchase the entire shareholding in HRlink sp. z o.o. of Szczecin held by Agora S.A. of Warsaw and some private individuals. In the transaction, 100% of shares in HRlink sp. z o.o. were acquired for PLN 7,737 thousand.
[3)] On 29 February 2024, Grupa Pracuj S.A. sold its entire shareholding in Epicode sp. z o.o., representing 35% of the company’s share capital.

This document is a translation from the original Polish version. In case of any discrepancies between the Polish and the English versions, the Polish version shall prevail.

All amounts in PLN thousands, unless otherwise stated

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

	30 June 2024 (unaudited)	31 December 2023
Gross shares in subsidiaries	**583,701**	**583,058**
Foreign companies	567,885	567,942
Polish companies	15,816	15,116
Impairment loss on shares in subsidiaries	**2,360**	**2,360**
Polish companies	2,360	2,360
Total	**581,341**	**580,698**

	30 June 2024 (unaudited)	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 equity-accounted investments in associates:

	30 June 2024 (unaudited)	31 December 2023
Carrying amount of equity-accounted investments in associates		
WorkIP Ltd and Work Ukraine TOV	13,749	18,565
Fitqbe sp. z o.o.	12,027	12,023
Other associates	-	137
Total	**25,776**	**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.

Changes in the carrying amount of equity-accounted investees

	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)
Equity-accounted investees at beginning of period	**30,725**	**27,407**
Dividends	(8,270)	(4,371)
Share of profit of equity-accounted investees	4,793	2,370
Sale of associate	(137)	-
Exchange differences on translation of share of profit of equity-accounted investees	(1,335)	-
Waiver of the right to shares	-	(314)
Equity-accounted investees at end of period	**25,776**	**25,092**

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

All amounts in PLN thousands, unless otherwise stated

In 2024 and 2023, the shareholders of Work Ukraine TOV passed resolutions on the allocation of profits earned in previous years. Dividends reduced the amount of equity-accounted investees in the period ended 30 June 2024 and in the year ended 31 December 2023.

No reversals of impairment losses were recorded on equity-accounted investees during the periods covered by these interim condensed separate financial statements.

4.5 Trade receivables and other financial assets

Trade receivables

	30 June 2024 (unaudited)	31 December 2023
Trade receivables		
- from related entities	516	750
- from other entities	37,774	44,511
Total	**38,290**	**45,261**

Other financial assets

	30 June 2024 (unaudited)	31 December 2023
Non-current	**98,352**	**102,991**
Unlisted shares	86,455	97,013
Cash security deposits	3,667	3,539
Dividends receivable	8,230	2,439
Current	**9,873**	**117**
Cash security deposits	68	117
Dividends receivable	9,805	-
Total	**108,225**	**103,108**

Changes in the carrying amount of unlisted shares in each of the reporting periods presented in these condensed separate interim financial statements

	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)
Unlisted shares measured at fair value through profit and loss at beginning of period	**97,013**	**126,507**
Purchase of unlisted shares measured at fair value	7,583	-
Changes in fair value recognised in net finance income / (costs)	(18,141)	(1,138)
Unlisted shares measured at fair value through profit and loss at end of period	**86,455**	**125,369**
including shares in:		
Beamery Inc.	61,564	107,730
Pracuj Ventures	24,891	17,639

Valuation of shares not listed on active markets

The Company measures its interests in entities not listed on active markets based on level 3 of the fair value hierarchy. The Company uses its own estimates for this valuation, based on the assumption that there is a lack of reasonably available information indicating that market participants would make different assumptions in their valuations.

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. provided 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.

Beamery Inc. ('Beamery')

As at 31 December 2023, the fair value of shares in Beamery was remeasured using the 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 shares in Beamery was reduced by PLN 29.5 million. As at 30 June 2024, the fair value of the shares decreased by PLN 16,711 thousand compared with the amount disclosed in the separate financial statements for the year ended 31 December 2023. This decrease was due to a reduction in the multipliers used in the valuation, bringing the fair value to PLN 61,564 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 Group's Management Board, as at 30 June 2024 the fair value of unlisted shares was lower by PLN 18,141 thousand compared with the fair value as at 31 December 2023 (note 2.4).

Assessment of the Group's interest in Pracuj Ventures

As at 30 June 2024, the Company continued to classify its 71.96% interest in Pracuj Ventures as an investment despite its majority interest in the entity (as at 31 December 2023, the Company also held a 71.96% interest). The Company determined that its interest in Pracuj Ventures is subject to the variable financial performance of the entity, but the Company's Management Board does not have the ability to influence the direction and decision-making of the entity's investment activities. As a result, the Management Board has no control over Pracuj Ventures, and therefore, it does not have any influence over the investment returns achieved by Pracuj Ventures.

The key factor, based on the analysis conducted, that influenced the Company's judgement regarding the absence of significant influence over Pracuj Ventures is the decision-making process and the 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 that concern matters beyond ordinary management, including key operational activities, Pracuj Ventures' Articles of Association dictate that unanimity is necessary among Przemysław Gacek, Maciej Noga, Ataraxy Ventures Man sp. z o.o., and Paweł Leks. This implies that the significant control over the investment activities, which includes the major operational activities of Pracuj Ventures, resides with Przemysław Gacek in his capacity as an individual investor, rather than in his role as the President of the Management Board of Grupa Pracuj S.A. Furthermore, the ongoing oversight of Pracuj Ventures' activities is exercised by the management board of its general partner, Pracuj Ventures sp. z o.o., with which the Company has no capital ties.

All amounts in PLN thousands, unless otherwise stated

4.6 Other non-financial assets

	30 June 2024 (unaudited)	31 December 2023
Non-current	**603**	**646**
Other	603	646
Current	**4,969**	**5,113**
Prepaid services		
Prepaid marketing expenses	631	1,345
Prepaid hardware and software maintenance services	2,487	2,638
Prepaid other services	721	516
Other	535	98
Other assets		
Prepayments for intangible assets and property, plant and equipment	508	484
Other	87	32
Total	**5,572**	**5,760**

4.7 Cash and cash equivalents

	30 June 2024 (unaudited)	31 December 2023
Cash		
- at banks	151,767	66,101
Total	**151,767**	**66,101**

	30 June 2024 (unaudited)	31 December 2023
Cash in current accounts	60,289	8,226
Bank deposits	91,112	57,607
Cash in transit (transfers between accounts)	366	268
Total	**151,767**	**66,101**
including restricted cash	*87*	*260*

4.8 Equity

Share capital

As at 30 June 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 30 June 2024 had a total par value of PLN 341,325,130 and were fully paid for.

Capital reserve

As at 30 June 2024, capital reserve includes actuarial gains and losses and exchange differences on translation of foreign operations.

4.9 Changes in equity

Changes in equity in the six months ended 30 June 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 statutory reserve funds, and

All amounts in PLN thousands, unless otherwise stated

- PLN 136,530,052.00 was allocated for dividend distribution.

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

Changes in equity in 2023

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

- PLN 62,368,578.07 was allocated to the Company's statutory reserve funds, and
- PLN 102,397,539.00 was allocated for dividend distribution.

On 14 July 2023, the dividend of PLN 102,397,539.00 was paid.

4.10 Dividend paid

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 in 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 30 June 2024, there were no other restrictions on dividend payments.

4.11 Debt liabilities

Debt liabilities

	30 June 2024 (unaudited)	31 December 2023
Bank borrowings	**263,115**	**262,838**
- long-term	207,554	239,295
- short-term	55,561	23,543
Lease liabilities	**22,712**	**22,613**
- long-term	15,737	15,978
- short-term	6,975	6,635
Total	**285,827**	**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 June 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.

All amounts in PLN thousands, unless otherwise stated

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. Some of the key covenants in the Credit Facility Agreement include the following financial ratios: Debt Coverage Ratio (equal to or greater than 1.20), Interest Coverage Ratio (equal to or greater than 2.0), Leverage Ratio (less than 3.50). The ratios are calculated based on consolidated data.

As at 30 June 2024 and 31 December 2023, the Group was in compliance with all the covenants.

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. These agreements aim to mitigate the risk of negative impact of variable interest rates on finance costs related to debt. Under the agreements, the Company hedged the variable interest rate on the 3M WIBOR credit facility with an interest rate swap (IRS) that guarantees a fixed interest rate of 6.94% for a period of three years, i.e. until 30 September 2025. The carrying amount of the liability under derivative financial instruments used to hedge the interest rate risk and not covered by hedge accounting was PLN 3,989 thousand as at 30 June 2024, and as at 31 December 2023 it was PLN 8,076 thousand.

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

	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)
Measurement of derivative financial instruments		
IRS – Interest Rate Swap	4,087	(4,470)
Settlement of derivative financial instruments		
IRS – Interest Rate Swap	(1,415)	47
Total	**2,672**	**(4,423)**

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 30 June 2024, the following assets were pledged as collateral:

- 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 of 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 period ended 30 June 2024 and until the issue date of these interim condensed 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.

All amounts in PLN thousands, unless otherwise stated

Lease expenses recognised in the reporting period

	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	3 months ended 30 June 2024 (unaudited)	3 months ended 30 June 2023 (unaudited)
Depreciation of right-of-use assets	3,295	2,707	1,679	1,324
Interest expense on lease contracts	539	148	266	75

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

Reconciliation of movements in debt liabilities to cash flows arising from financing activities in the interim condensed 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 interest on bank borrowings	(9,300)	-	(9,300)
Payment of lease liabilities	-	(3,129)	(3,129)
Payment of lease interest	-	(523)	(523)
Net cash flows from financing activities	**(9,300)**	**(3,652)**	**(12,952)**
Other changes			
New lease contracts	-	796	796
Lease modification/indexation	-	2,594	2,594
Accrued interest	9,577	539	10,116
Effect of changes in foreign exchange rates	-	(179)	(179)
Total other changes	**9,577**	**3,750**	**13,327**
30 June 2024 (unaudited)	**263,115**	**22,712**	**285,827**

	Borrowings	Lease liabilities	Total
1 January 2023	**366,660**	**13,470**	**380,130**
Changes in cash flows from financing activities			
Payment of bank borrowings	(32,000)	-	(32,000)
Payment of interest on bank borrowings	(14,929)	-	(14,929)
Payment of lease liabilities	-	(3,606)	(3,606)
Payment of lease interest	-	(148)	(148)
Net cash flows from financing activities	**(46,929)**	**(3,754)**	**(50,682)**
Other changes			
New lease contracts	-	277	277
Lease modification/indexation	-	978	978
Accrued interest	14,824	148	14,972
Effect of changes in foreign exchange rates	-	(508)	(508)
Total other changes	**14,824**	**895**	**15,718**
30 June 2023 (unaudited)	**334,555**	**10,611**	**345,166**

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.

All amounts in PLN thousands, unless otherwise stated

Employee benefit obligations

Employee benefit obligations

	30 June 2024 (unaudited)	31 December 2023
Non-current	**1,662**	**1,662**
Provisions	**1,662**	**1,662**
Death gratuities	875	875
Retirement benefits	682	682
Disability benefits	105	105
Current	**14,403**	**13,735**
Provisions	**67**	**67**
Death gratuities	35	35
Retirement benefits	17	17
Disability benefits	15	15
Other obligations to employees	**14,336**	**13,668**
Accrued holiday entitlements	4,682	3,722
Sales-related bonuses and commission fees payable to employees	9,654	9,946
Total	**16,065**	**15,397**

4.12 Trade payables and other financial liabilities

Trade payables

	30 June 2024 (unaudited)	31 December 2023
Trade payables		
- to related entities	71	469
- to other entities	12,046	12,246
Total	**12,117**	**12,715**

Other financial liabilities

	30 June 2024 (unaudited)	31 December 2023
Derivatives recognised in financial liabilities	3,989	8,076
Total	**3,989**	**8,076**

The carrying amount of the liability under derivative financial instruments used to hedge the interest rate risk and not covered by hedge accounting was PLN 3,989 thousand as at 30 June 2024, compared with PLN 8,076 thousand as at 31 December 2023 (note 4.13).

Information on derivative instruments is presented in Note 6.2.5.

4.13 Other non-financial liabilities

	30 June 2024 (unaudited)	31 December 2023
Tax liabilities (other than CIT) and social security liabilities	10,116	10,682
Other non-financial liabilities	822	700
Total	**10,938**	**11,382**

5 Capital management policy and net debt

The Company's capital management policy aims to support the continuous operations of the Company and increase value for shareholders and other stakeholders. It also seeks to maintain an optimal capital structure that balances the cost of capital with appropriate levels of credit ratings. The Company may modify the level of dividends paid to shareholders, conduct share buybacks, issue new shares, or sell assets as appropriate to maintain or adjust the capital structure and reduce the level of net debt.

All amounts in PLN thousands, unless otherwise stated

The Group's capital management policy considers various factors, including:

- the Group's performance in relation to investment and development plans;
- the repayment schedule for financial debt;
- credit rating and capital ratios;
- and value creation for shareholders.

As at 30 June 2024 and 31 December 2023, the Company had financial liabilities arising from the Credit Facility Agreement and lease contracts (Note 4.11).

The Company uses the debt ratio as a metric to monitor its capital position, which is computed by dividing net debt by total equity. Net debt is determined by subtracting cash and cash equivalents from interest-bearing loans, option liabilities, derivative liabilities, and lease liabilities. Equity comprises equity attributable to owners of the Company.

The following table presents the development of the net debt to equity ratio at the end of each reporting period covered by these condensed separate interim financial statements.

	Note	30 June 2024 (unaudited)	31 December 2023
Bank borrowings	4.11	263,115	262,838
Lease liabilities	4.11	22,712	22,613
Other financial liabilities	4.13	3,989	8,076
Dividend liabilities	4.10	136,530	-
Less: cash and cash equivalents	4.7	(151,767)	(66,101)
Net debt		**274,579**	**227,426**
Equity		368,485	408,894
Leverage (net debt to equity)		**0.75**	**0.56**

All amounts in PLN thousands, unless otherwise stated

6 Financial instruments and management financial risk

6.1 Financial instruments and fair value

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

	Note	30 June 2024 (unaudited)	31 December 2023	Fair value hierarchy
Financial assets measured at fair value through profit or loss				
Unlisted shares	4.5	86,455	97,013	Level 3
Total		**86,455**	**97,013**	
Financial assets measured at amortised cost				
Trade receivables	4.5	38,290	45,261	
Cash and cash equivalents	4.7	151,767	66,101	
Cash security deposits	4.5	3,735	3,656	
Dividends receivable	4.5	18,035	2,439	
Total		**211,827**	**117,457**	
Other financial liabilities				
Bank borrowings	4.11	263,115	262,838	
Lease liabilities	4.11	22,712	22,613	
Derivatives recognised in financial liabilities	4.13	3,989	8,076	Level 3
Trade payables	4.13	12,117	12,715	
Dividend liabilities	4.10	136,530	-	
Total		**438,463**	**306,242**	

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

The Company assessed that, due to the variable interest rates, the fair value of the interest-bearing credit facilities not measured at fair value approximates their carrying amount.

In the years ended 30 June 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 various financial instrument risks, including:

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

This note provides information about the Company's exposure to each of the risks identified above and describes the Company's financial risk management objectives and policies. The overall objective of the financial risk management policy is to minimise the negative impact of the identified financial risks on the Company's financial results.

All amounts in PLN thousands, unless otherwise stated

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, under which the Company recognises, in particular, cash security deposits.

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

	30 June 2024 (unaudited)	31 December 2023
Trade receivables	38,290	45,261
Other financial assets	3,735	3,656
Dividends receivable	18,035	2,439
Cash and cash equivalents	151,767	66,101
Total	**211,828**	**117,457**

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 bank and bank deposits is considered to be low since the Company conducts transactions with banks that have high ratings and a stable market position. The Company has estimated that the expected credit loss is minimal, and therefore it has not recognised any allowance for such loss.

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 information on the gross carrying amount and allowance for expected credit losses for trade receivables measured at amortised cost.

	Weighted-average loss rate	Gross carrying amount	Allowance for expected credit loss	Net carrying amount
30 June 2024 (unaudited)	6.22%	40,829	2,539	38,290
31 December 2023	3.92%	47,109	1,848	45,261

The following table shows the classification of gross trade receivables by length of time-past-due period.

	30 June 2024 (unaudited)	31 December 2023
Not past due	33,496	38,348
Past due up to one year	6,002	7,452
Past due over one year	1,331	1,309
Total	**40,829**	**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 the Company’s established 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. In assessing the credit risk of its customer base, the Company's Management Board takes into account not only the individual characteristics of each customer but also the potential effects of industry and country-specific factors. This includes considering the default risk pertinent to the sectors and countries in which its customers operate. A simplified approach has been adopted to determine expected credit losses for trade receivables, which involves estimating lifetime expected losses (lifetime ECL).

All amounts in PLN thousands, unless otherwise stated

In monitoring customer credit risk, the Company identifies homogeneous portfolios, consisting of exposures with similar credit risk profiles. These portfolios were created based on segmentation of the receivables by their size and the number of days past due. The division of trade receivables into portfolios is periodically reviewed for homogeneity.

The Company considers the risk of concentration of trade receivables to be low, given the dispersion of its customer base and the diverse industries in which they operate.

The rate of expected credit loss is calculated for each business based on their outstanding arrears and actual credit losses. Customers are segmented according to their credit risk profiles, taking into account factors such as number of employees and credit history.

Additional allowances for specific counterparties may be established on a case-by-case basis by the Company if there is a justifiable reason.

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 monitors and manages its liquidity risk by regularly assessing payment dates and cash requirement for both short-term obligations and long-term cash needs. The Company compares its cash requirement with the available sources of funds and assesses its free funds to manage liquidity risk. In addition, the Company has a policy of diversifying its funding sources.

In managing liquidity risk, the Company's approach is to ensure financing needed to meet its obligations, prioritising the most advantageous financing options available. The following measures are applied to reduce liquidity risk:

- ongoing monitoring of the liquidity position,
- monitoring and optimising the level of working capital,
- ongoing monitoring of the Group’s compliance with the terms of credit facility agreements and timely payment of principal and interest.

The following tables present the maturity of financial liabilities. The table below presents the maturity profile of the Group's financial liabilities, including undiscounted cash flows with interest based on contractual terms.

30 June 2024 (unaudited)	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	263,115	-	12,793	60,658	229,654	-	-	303,105
Lease liabilities	22,712	615	1,229	5,214	16,746	737	52	24,593
Trade payables	12,117	11,799	7	311	-	-	-	12,117
Dividends payable	136,530	136,530	-	-	-	-	-	136,530
Derivatives recognised in financial liabilities	3,989	-	-	3,989	-	-	-	3,989
Total		**148,944**	**14,029**	**70,172**	**246,400**	**737**	**52**	**480,334**

All amounts in PLN thousands, unless otherwise stated

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 working capital, which is the difference between current assets and current liabilities, at the end of the reporting periods covered in these interim condensed separate financial statements. The working capital reduction in the six months ended 30 June 2024 was mainly attributable to an increase in dividends payable and contract liabilities. Contract liabilities are a significant component of current liabilities, representing the Company's obligation to provide services to customers in exchange for which the Company has already received consideration (or the consideration is due) from the customer.

	30 June 2024 (unaudited)	31 December 2023
Current assets	204,899	116,592
Current liabilities	(402,176)	(245,045)
Working capital	**(197,277)**	**(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.

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 and leases, resulting in changes in interest income and expenses. The Group aims to minimise the impact of interest rate fluctuations on items that bear variable-rate interest through its interest rate risk management strategy.

An increase in interest rates may lead to higher costs of financing, resulting in a decrease in the financial result and potentially reducing the financial effectiveness of investments made by the Company. The Company does not apply hedge accounting.

In the periods covered by these interim condensed separate financial statements, 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 period ended 30 June 2024, the hedging transactions covered debt valued at PLN 263 million (compared to PLN 335 million in the same period of 2023), amortised in accordance with the IRS transaction schedule (Note 4.11).

The Company aims to negotiate the terms of hedging derivative instruments in a manner that aligns with the terms of the items being hedged, ensuring optimal hedge effectiveness.

The profile of the Company's exposure to interest rate risk is provided in the table below, which breaks down interest-bearing financial assets and liabilities according to whether they have fixed or variable interest rates.

All amounts in PLN thousands, unless otherwise stated

	30 June 2024 (unaudited)	31 December 2023
Interest-bearing financial instruments		
- fixed-rate instruments	**(26,700)**	**(30,689)**
Lease liabilities	(22,711)	(22,613)
Derivatives recognised in financial liabilities	(3,989)	(8,076)
- variable-rate instruments	**(107,612)**	**(193,081)**
Bank borrowings	(263,114)	(262,838)
Cash security deposits	3,735	3,656
Cash and cash equivalents	151,767	66,101
Net exposure to interest rate risk (in relation to variable-rate instruments)	**(107,612)**	**(193,081)**

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
30 June 2024 (unaudited)	(107,612)	(872)	872
31 December 2023	(193,081)	(1,564)	1,564

7 OTHER NOTES

7.1 Share-based payments

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. The Incentive Scheme 1 will be 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 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 (proportion 20%).

Each participant will pay the issue price per Bonus Share 1 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 recorded in the Company's employee benefits expense was PLN 11,553 thousand in 2023, while PLN 5,895 thousand was recorded in the six months ended 30 June 2024.

The scheme has an estimated maximum total cost of PLN 33,489 thousand, which may be recognised in the Company's equity during the scheme's term.

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 2 under Incentive Scheme 1, i.e. 10 July 2023	
Fair value of a single option at the grant date (PLN)	32.48 (tranche 1) 32.89 (tranches 2 and 3)
Number of priced options	1,021,563
Total fair value of the scheme (PLN thousand)	33,498
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	2.03%
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. The authorisation will expire three years after the registration of the relevant amendment to the Company's Articles of Association by the competent registry court, i.e. the amendment made in accordance with Resolution No. 5/2021 of the General Meeting held on 22 October 2021. As the allotment of Bonus Shares 1 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 Shares 1 in 2025.

7.2 Earnings per share

The calculation of basic earnings per share for the periods covered by these interim condensed separate financial statements took into account the dilution caused by equity instruments. These instruments resulted from the acquisition of rights under the share-based payment arrangement described in Note 7.1.

	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	3 months ended 30 June 2024 (unaudited)	3 months ended 30 June 2023 (unaudited)
Net profit	**91,563**	**97,268**	**42,346**	**52,602**
CONTINUING OPERATIONS	91,563	97,268	**42,346**	52,602
Net profit adjusted for dilution effect	**91,563**	**97,268**	**42,346**	**52,602**
Number of ordinary shares – for the purpose of calculation of basic earnings per share	68,265,026	68,265,026	68,265,026	68,265,026
Effect of dilution (share-based payment arrangement)	939,576	930,677	939,576	930,677
Weighted average number of ordinary shares – for the purpose of calculation of diluted earnings per share	69,204,602	69,195,703	69,204,602	69,195,703
Basic earnings per share (PLN) – continuing operations	***1.34***	***1.42***	***0.62***	***0.77***
Diluted earnings per share (PLN) – continuing operations	***1.32***	***1.41***	***0.61***	***0.76***

All amounts in PLN thousands, unless otherwise stated

7.3 Related-party transactions

During the periods covered by these interim condensed separate financial statements, there were no transactions between the Company and its related parties on other than arm's length terms.

Members of the Company's Management Board, Supervisory Board and close members of their families, or other related parties, did not engage in transactions with the Company that had a significant impact on profit for the reporting period or the Company's financial position.

7.4 Remuneration and other transactions with key management personnel

Remuneration of key management personnel

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

	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	3 months ended 30 June 2024 (unaudited)	3 months ended 30 June 2023 (unaudited)
Short-term employee benefits	1,693	1,594	842	808
Share-based payments	952	634	476	319
Total	**2,645**	**2,228**	**1,318**	**1,127**

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 not significant.

7.5 Contingent liabilities

Guarantee provider	Currency	30 June 2024 (unaudited)	31 December 2023
PKO BP S.A.	EUR	589	551
	PLN	43	-
Total	**EUR**	**589**	**551**
	PLN	**43**	**-**

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.

7.6 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. The Company did not generate significant revenue from contracts with customers in Ukraine, Russia, and Belarus; however, it holds shares in entities operating in Ukraine (‘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 Ukrainian Companies have been destroyed, and there are currently no restrictions on access to these assets, including those available through banking systems. However, due to regulatory restrictions, Ukrainian Companies are unable to make dividend payments 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 licence agreements is either low or non-existent. These domains are registered by entities domiciled in Cyprus in which the Company holds shares.

All amounts in PLN thousands, unless otherwise stated

Despite the strong financial performance of the Ukrainian Companies, the Company's Management Board decided not to reverse prior years' impairment losses on assets as at 30 June 2024.

In 2024 and 2023, the shareholders of Work Ukraine TOV passed resolutions on the allocation of profits earned in previous years. Dividends reduced the amount of equity-accounted investees in the period ended 30 June 2024 and in the year ended 31 December 2023. The Management Board expects to receive the dividends from Work Ukraine TOV by 31 December 2025. Consequently, the Management Board resolved to discount the dividends receivable for the period ended 30 June 2024, and the year ended 31 December 2023 (note 4.5).

The Management Board of the Company continually monitors the military and economic situation in Ukraine and analyses its impact on the operations of Ukrainian Companies and the Group. Despite the challenging and unstable background, the financial results delivered by the Ukrainian Companies in the six months ended 30 June 2024 were positive.

The assets of the Company at risk of impairment related to its operations in Ukraine as at 30 June 2024 and 31 December 2023 are as follows:

	30 June 2024 (unaudited)	31 December 2023
Investments in subsidiaries	15,394	15,451
Equity-accounted investees	13,749	18,565
Total	**29,143**	**34,016**

The Management Board of the Company would like to emphasise that the effects of the ongoing armed conflict in Ukraine and its potential impact on the financial performance of the Ukrainian subsidiaries in future periods remain uncertain. Consequently, the Management Board is closely monitoring developments and potential indicators that could signify the loss of ability of the Ukrainian subsidiaries to continue as going concerns, and will take appropriate actions as necessary.

7.7 Events after the reporting date

Payment of dividend

A dividend of PLN 136,530,052.00 was paid on 5 July 2024.

Authorisation of the interim condensed separate financial statements for the six months ended 30 June 2024

These interim condensed separate financial statements for the six months ended 30 June 2024 were authorised for issue by the Management Board of the Company on 27 August 2024.

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Przemysław Gacek

President of the Management Board

…………………………………………

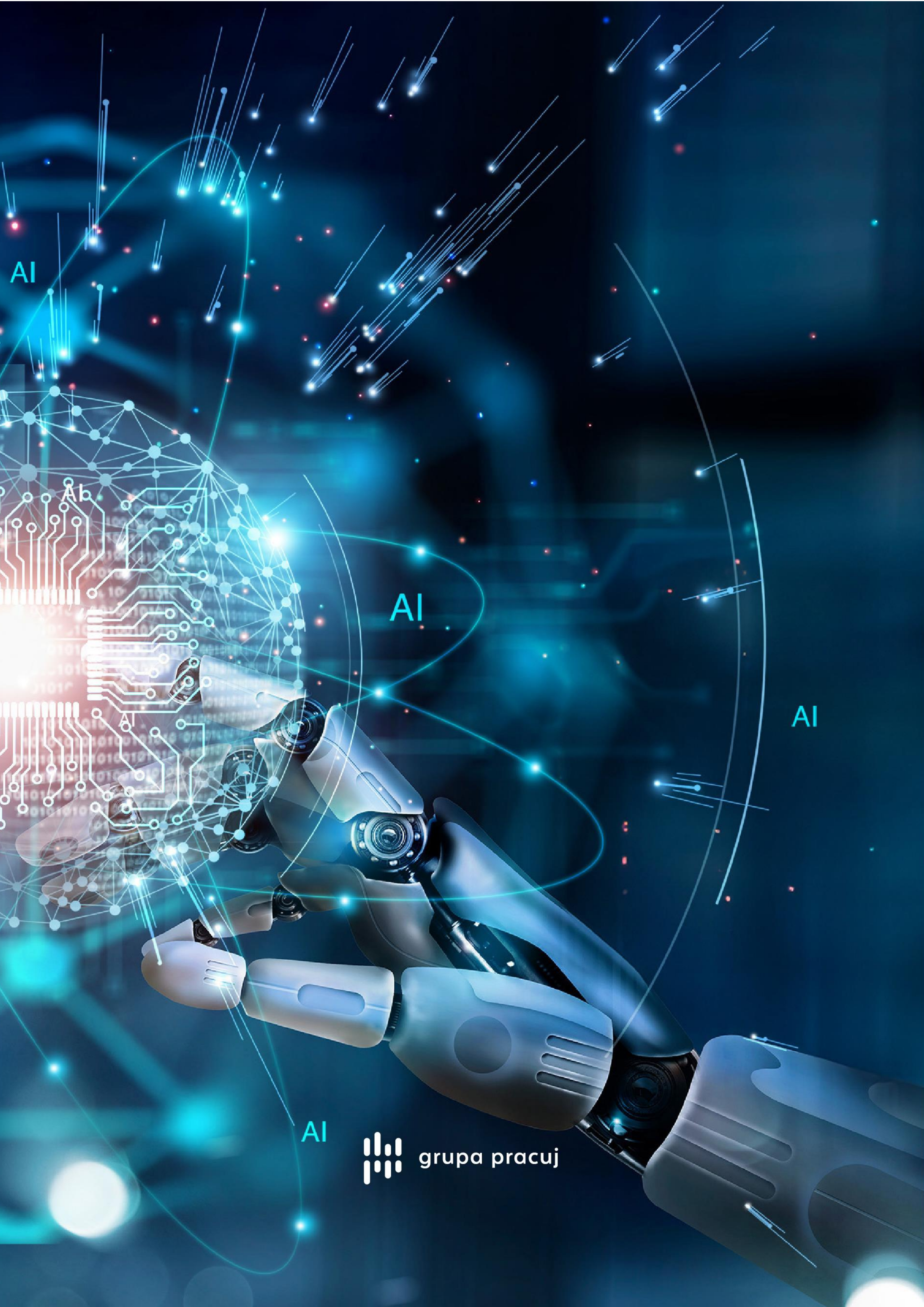
Gracjan Fiedorowicz

Member of the Management Board

…………………………………………

Rafał Nachyna

Member of the Management Board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