

Warsaw, 23 November 2023

Grupa Pracuj raises results, significantly improves margins on foreign markets

- In the first nine months of 2023, Grupa Pracuj generated consolidated revenue of PLN 550.9m, 21.5% higher than in the same period of 2022. This increase resulted primarily from consolidation of the German group softgarden (acquired in the middle of last year), a strong revival of the Ukrainian market, and a steadily growing number of customers using services offered in the SaaS model.
- In 3Q 2023 alone, Grupa Pracuj generated revenue of PLN 181.2m (+4.8% y/y), adjusted EBITDA* of PLN 87.6m (+2.7% y/y), and net profit of PLN 50.3m (-0.1% y/y).
- The adjusted EBITDA of Grupa Pracuj in the first three quarters of 2023 was PLN 260.6m, an increase of 5.8% y/y, while consolidated net profit in the period was PLN 160.2m, 5.0% greater than a year before.
- On the Polish market, due to the economic slowdown, the group recorded a decline year-on-year in the number of published recruitment projects on the Pracuj.pl platform. However, this was offset to a large degree by growth in the average prices of recruitment projects.
- The operating profit of the Ukraine segment through the first three quarters of this year was PLN 7.7m, as against a PLN 7.5m operating loss in 1–3Q 2022. This result was higher than the full-year results achieved on the Ukrainian market before the Russian invasion (PLN 4.8m–4.9m operating profit in 2020–2021).

“Grupa Pracuj is consistently improving its financial results despite the challenging market environment,” said **Przemysław Gacek, CEO of Grupa Pracuj**. “Last year’s acquisition of the German group softgarden is having a positive impact on our revenue and provides the potential for further dynamic growth in the HR technology SaaS area, in which eRecruiter, our Polish recruitment support system, is also achieving better results quarter-on-quarter. Both of these brands are currently benefitting from their mutual experiences, achieving product synergies among other advantages, and they are now taking the next step in their development by entering the post-hire area. The results achieved by Grupa Pracuj’s Ukrainian platform Robota.ua are especially encouraging. Despite the difficult operating conditions due to Russia’s armed aggression against Ukraine, Robota.ua reinforced its position as a leading recruitment site in that country, and the number of published job offers is approaching levels observed before the war broke out. This is translating into a strong increase in revenues and improved profitability of the Ukrainian segment, and also allows us to think more boldly about investing in growing the scale of the business in Ukraine.”

The CEO added: “On the Pracuj.pl platform, we are also constantly expanding the portfolio of products offered to employers, including products using advanced data analytics and AI tools to connect them even more effectively with job candidates. Our strategic aim is to gradually strengthen the position of Grupa Pracuj on all of our operating markets. We also have a growing appetite as we consider further potential acquisitions.”

Stabilization of financial results on the Polish market

The total revenue of Grupa Pracuj from the Polish market generated in the first three quarters of 2023 reached PLN 382.7m (-2.6% y/y), and the operating profit of the Poland segment was PLN 212.0m (-1.1% y/y). This slight decrease resulted primarily from reduced recruitment activity of employers due to the observed economic slowdown.

In the first nine months of this year, there were 381,000 recruitment projects published on Pracuj.pl platform, 12.3% less than in the same period of 2022, which was marked by the post-pandemic revival of the recruitment market. The average price of recruitment projects sold from the start of this year through the end of September was over PLN 885, an increase of 7.9% y/y.

* Adjusted EBITDA means operating profit plus amortization, adjusted by recognized, but also reversed but previously recognized, write-downs in permanent value of assets and by the costs of the share-based payment programmes, costs of the public offering, and costs related to acquisitions, indicated in the consolidated report on total income.

The number of active customers using eRecruiter, the recruitment support system offered in an SaaS model, is also growing steadily, reaching 1,927 companies at the end of September 2023, or 9.1% more than one year earlier.

According to **Rafał Nachyna, COO of Grupa Pracuj**, “We are constantly expanding and upgrading our services, both in the area of recruitment platforms and in HR technology offered in a subscription model. In the third quarter we launched the second phase of the Pracuj.pl 3.0 project. It is aimed at further personalization of the site for key user groups—firstly for candidates from the IT sector. We have introduced the Reach+ add-on to the Pracuj.pl site, enabling promotion of job offers published using external tools, including Google platforms.”

eRecruiter and softgarden enter the post-hire field

An important new feature in Grupa Pracuj's HR technology SaaS area is expansion of the Polish eRecruiter system and the German softgarden to include a module for managing the onboarding of new hires at companies. As **Rafał Nachyna** explained, “In the third quarter we conducted the first tests of this solution, preparing for the market launch of this service. eRecruiter also made available to its customers the HR Workflows platform, which enables integration of all HR processes at one place, facilitating the automation of these processes. And at the German company we completed work on the new version of the recruitment support system softgarden 3.0, in the section offered in the SaaS model. The new functionalities should translate into an increase in customer engagement.”

Grupa Pracuj acquired the talent acquisition suite provider softgarden in mid-2022 and has consolidated the results of the German company since the third quarter of last year. In the first nine months of this year, the company generated revenue from the German market of PLN 136.9m and an operating profit exceeding PLN 4m. Germany is now the second-largest operating market of Grupa Pracuj in terms of sales.

At the end of September 2023, 1,595 companies were active users of softgarden services offered in the SaaS model, an increase of 13.8% y/y.

Strong bounce-back in Ukraine

Grupa Pracuj generated revenue from the Ukrainian market in the first three quarters of this year of PLN 31.3m, 61.0% greater than in the same period of 2022. The Ukraine segment earned an operating profit of PLN 7.7m (as compared to an operating loss of PLN 7.5m a year before). The total number of recruitment projects on the Ukrainian platform Robota.ua during the period was 682,000 (+65.0% y/y), of which nearly 367,000 were paid recruitment projects (+72.9% y/y).

Rafał Nachyna commented: “In September, the Robota.ua team held the HR Camp conference for the first time since the start of the war, in Lviv. Over the last few years it has become one of the biggest events of this type for persons involved in the labour market in Ukraine. This year's edition attracted a record number of participants, including some of Ukraine's largest employers. The event was devoted among other topics to the needs of the labour market operating under wartime and crisis conditions. The double-digit increases observed over the last few quarters in the number of job offers published on the Robota.ua platform demonstrate a steady rebuilding of the recruitment market in Ukraine following 2022, which was an incredibly difficult year for everyone.”

Adjusted EBITDA margin of 47%, net profit up 5%

Grupa Pracuj achieved an adjusted EBITDA through the first three quarters of 2023 of PLN 260.6m, an increase of 5.8% y/y. The adjusted EBITDA margin was thus 47.3%, as compared to 50.2% for FY 2022. The softgarden consolidation is reducing the adjusted EBITDA margin of the group in the short and medium term, resulting primarily from the current stage of development of the German company, focussed on acquiring new customers and sales growth.

In the first nine months of this year, Grupa Pracuj earned a consolidated net profit of PLN 160.2m, which is 5.0% more than in the same period of 2022.

Selected consolidated financial results of Grupa Pracuj

(PLN million)	3Q 2023	3Q 2022	Change y/y	1-3Q 2023	1-3Q 2022	Change y/y
Revenue from customer contracts	181.2	172.9	+4.8%	550.9	453.2	+21.5%
Adjusted EBITDA	87.6	85.3	+2.7%	260.6	246.2	+5.8%
Adjusted EBITDA margin	48.4%	49.3%	-0.9 pp	47.3%	54.3%	-7.0 pp
Net profit	50.3	50.4	-0.1%	160.2	152.6	+5.0%

Grupa Pracuj is a leading HR technology platform in Europe. It supports enterprises in employee recruitment, retention and development, helps users of its platforms find the right job enabling them to make full use of their potential, and creates world-class technologies shaping the future of the HR market.

The group's brands make up an advanced digital ecosystem for the HR industry. The key brands include Pracuj.pl, the largest Polish online recruitment service; Robota.ua, a leading online recruitment service on the Ukrainian market; eRecruiter, the leading Polish recruitment support system, offered in a SaaS model; and softgarden, a leader of the talent acquisition suites market in Germany, also with a presence on other European markets.

Grupa Pracuj has operated for over 20 years in Poland, over 15 years in Ukraine, and since 2022 also in Germany. The group has a total of about 1,100 employees. The company has been listed on the Warsaw Stock Exchange since December 2021.

Contact

Grupa Pracuj

Anna Goreń, PR & CSR Specialist

E: anna.goren@pracuj.pl | M: +48 573 787 217

Monika Banasiak, IR Manager

E: monika.banasiak@pracuj.pl | M: +48 668 378 793

NBS Communications

Maciej Szczepaniak | M: +48 514 985 845

Krzysztof Woch | M: +48 516 173 691

E: grupapracuj@nbs.com.pl