



grupa pracuj

Europe's leading HR technology platform

Presentation of results for the 1st half of 2023

pracuj.pl

eRecruiter

robot.ua

(softgarden)

Grupa Pracuj today

1st half of 2023 in numbers

Operating and financial results

Summary of accomplishments and prospects

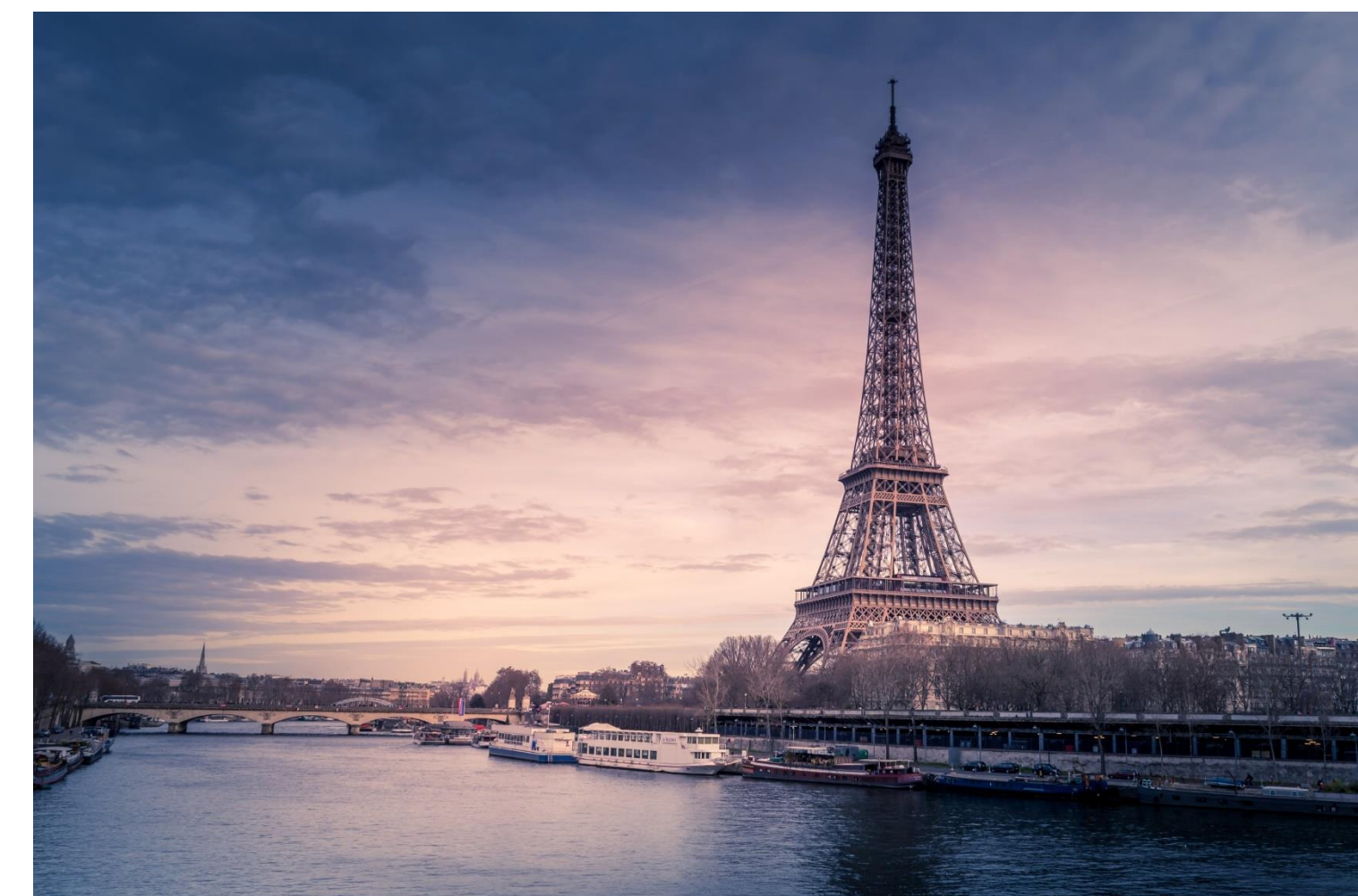
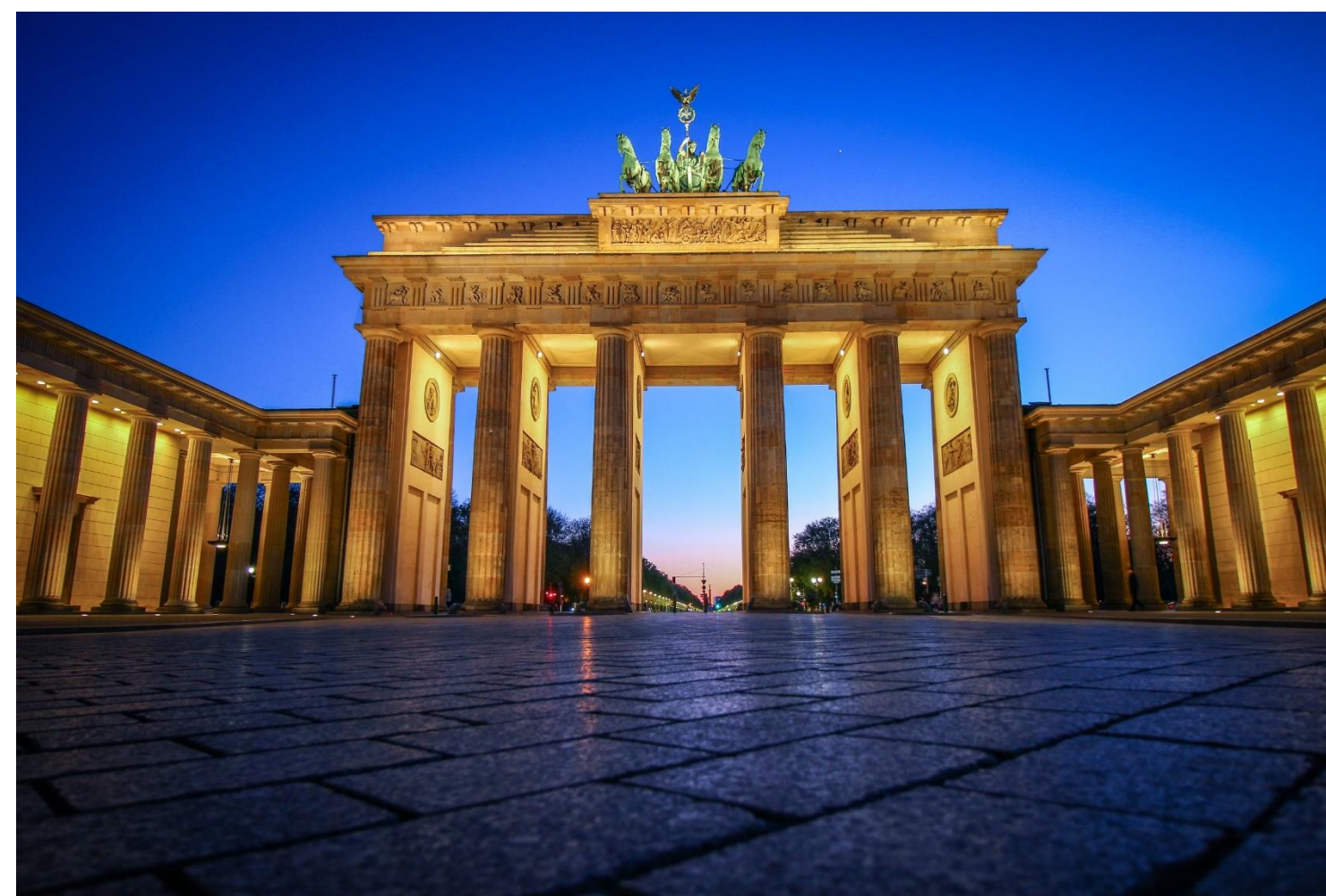
Grupa Pracuj today

International company

1000+ employees

15+ nationalities

European reach



Grupa Pracuj brands

pracuj.pl

Largest online recruitment platform in Poland

robot.ua

Leading online recruitment platform in Ukraine

the:protocol

Recruitment platform dedicated to IT specialists

eRecruiter

Leading Polish recruitment support system, operating in SaaS model

(softgarden)

Leading HR technology player in Germany offering TAS (Talent Acquisition Suite) solutions

absence.1

SaaS system for administering absences and monitoring working time

1st half of 2023 in numbers



PLN 370m
revenue from customer
contracts
+32% y/y



PLN 173m
adjusted EBITDA
+8% y/y



47%
adjusted EBITDA margin

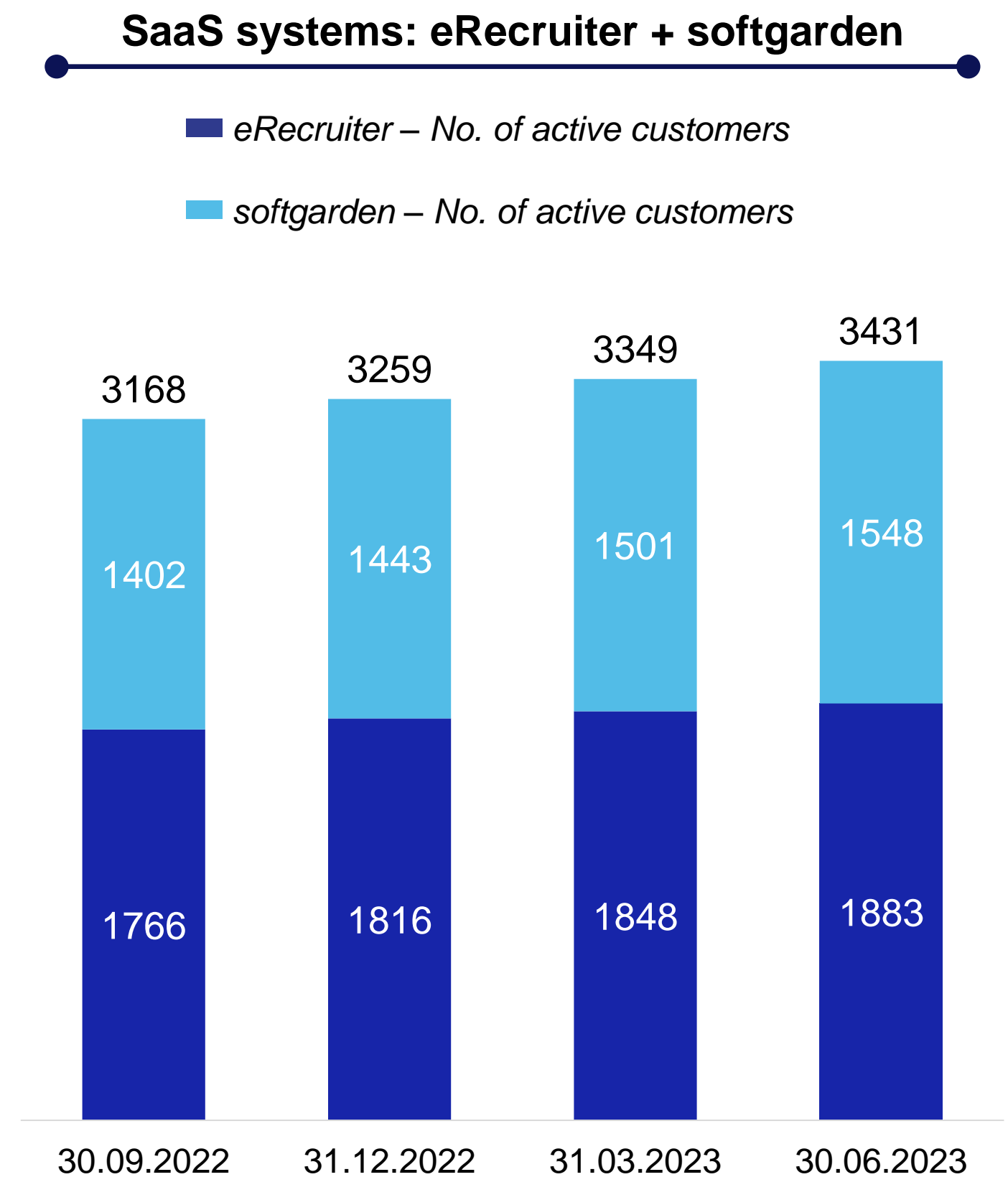
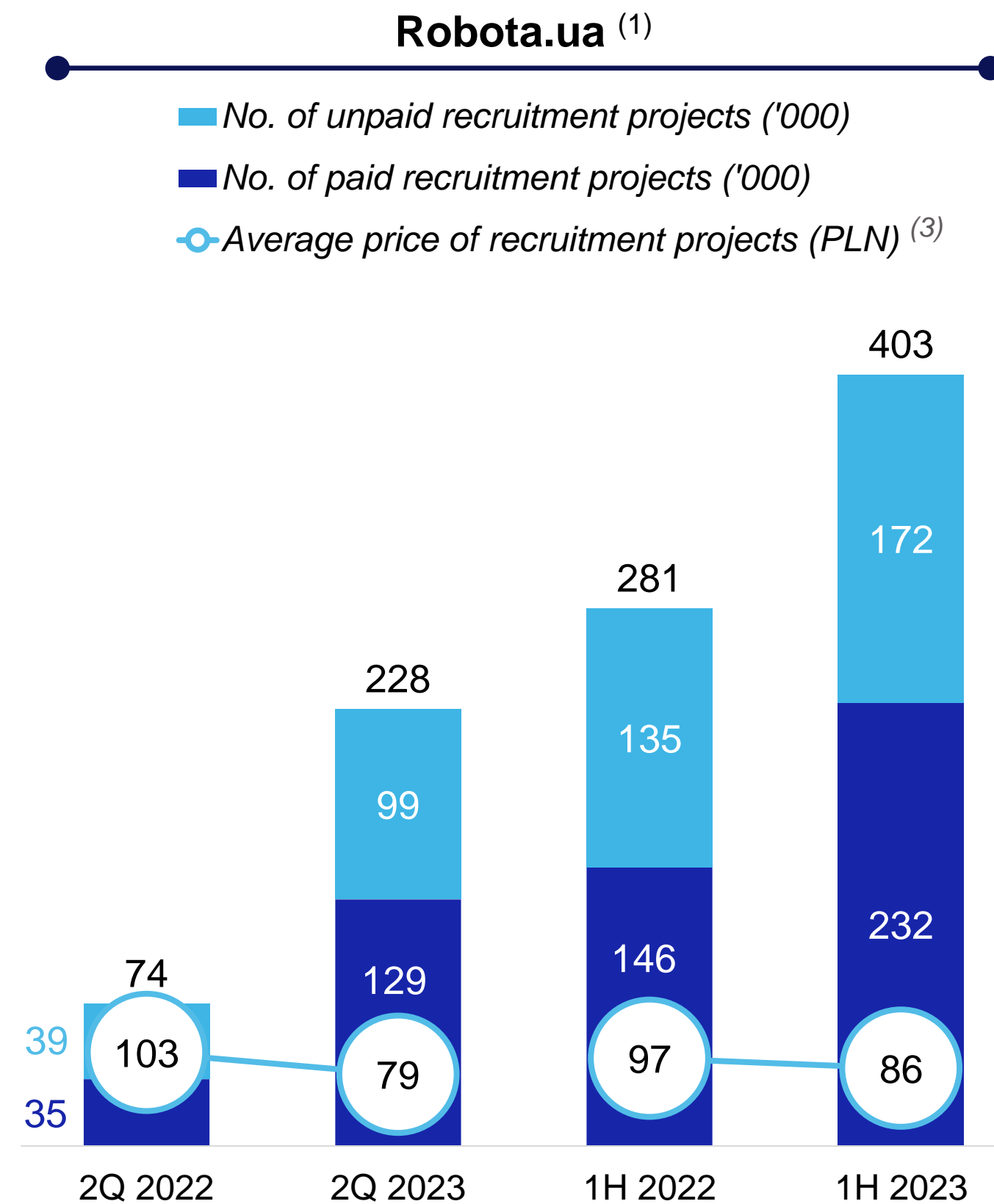
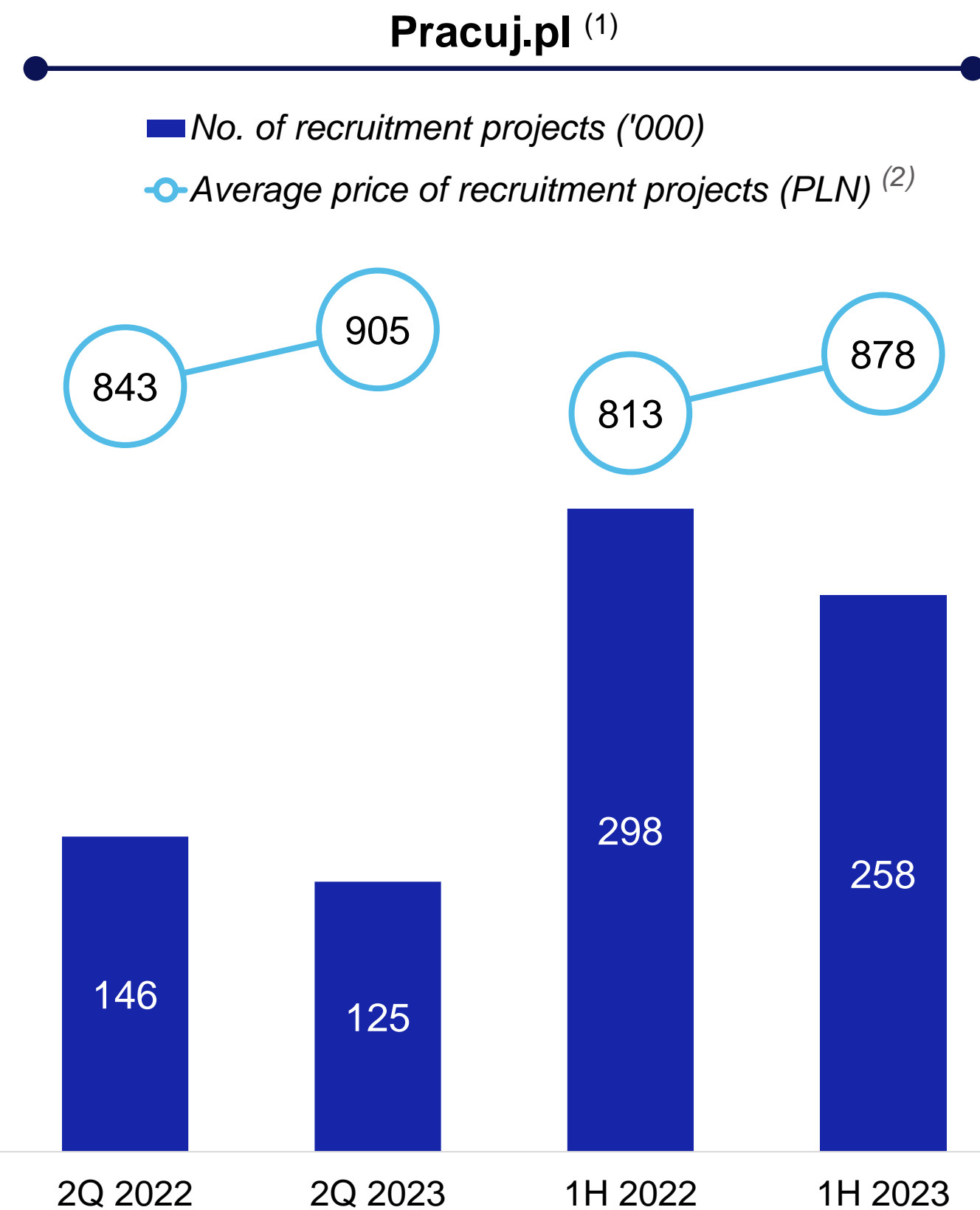


PLN 110m
net profit
+7% y/y

- Strong, double-digit growth in the group's revenues, mainly due to consolidation of softgarden,⁽¹⁾ a leading HR technology player in Germany
- Maintaining EBITDA in Poland at the level from a year before despite a slight decline in revenue
- Growth in revenue and rebuilding operating profitability in Ukraine despite the tough operating conditions due to the ongoing war
- Steady growth in the number of customers using SaaS services in Poland and Germany
- Net profit growth of 7% year-on-year

(1) Grupa Pracuj has consolidated softgarden's results since 3Q 2022.

Key operating results

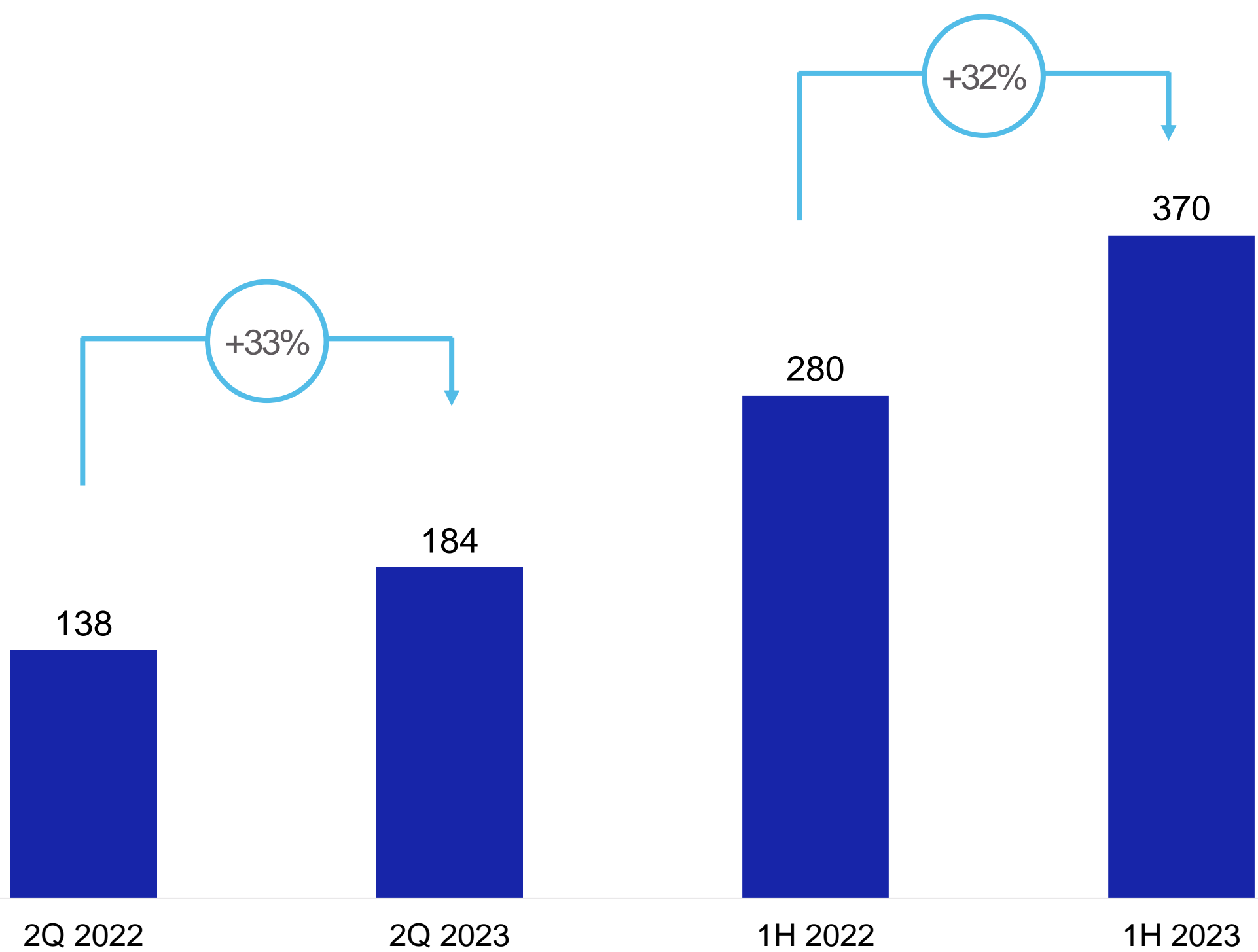


(1) The number of recruitment projects is equal to the number of credits used for placement of job offers on Pracuj.pl or Robota.ua. In the case of Pracuj.pl, one credit may be exchanged for multiple job offers (with the same title but different locations), while in the case of Robota.ua one credit can be exchanged for only one job offer for a period of one month. (2) For Pracuj.pl defined as revenue from recruitment projects divided by the number of recruitment projects. (3) For Robota.ua defined as revenue from contracts with customers in the Ukraine segment divided by the number of paid recruitment projects.

Consistent growth and diversification of revenues

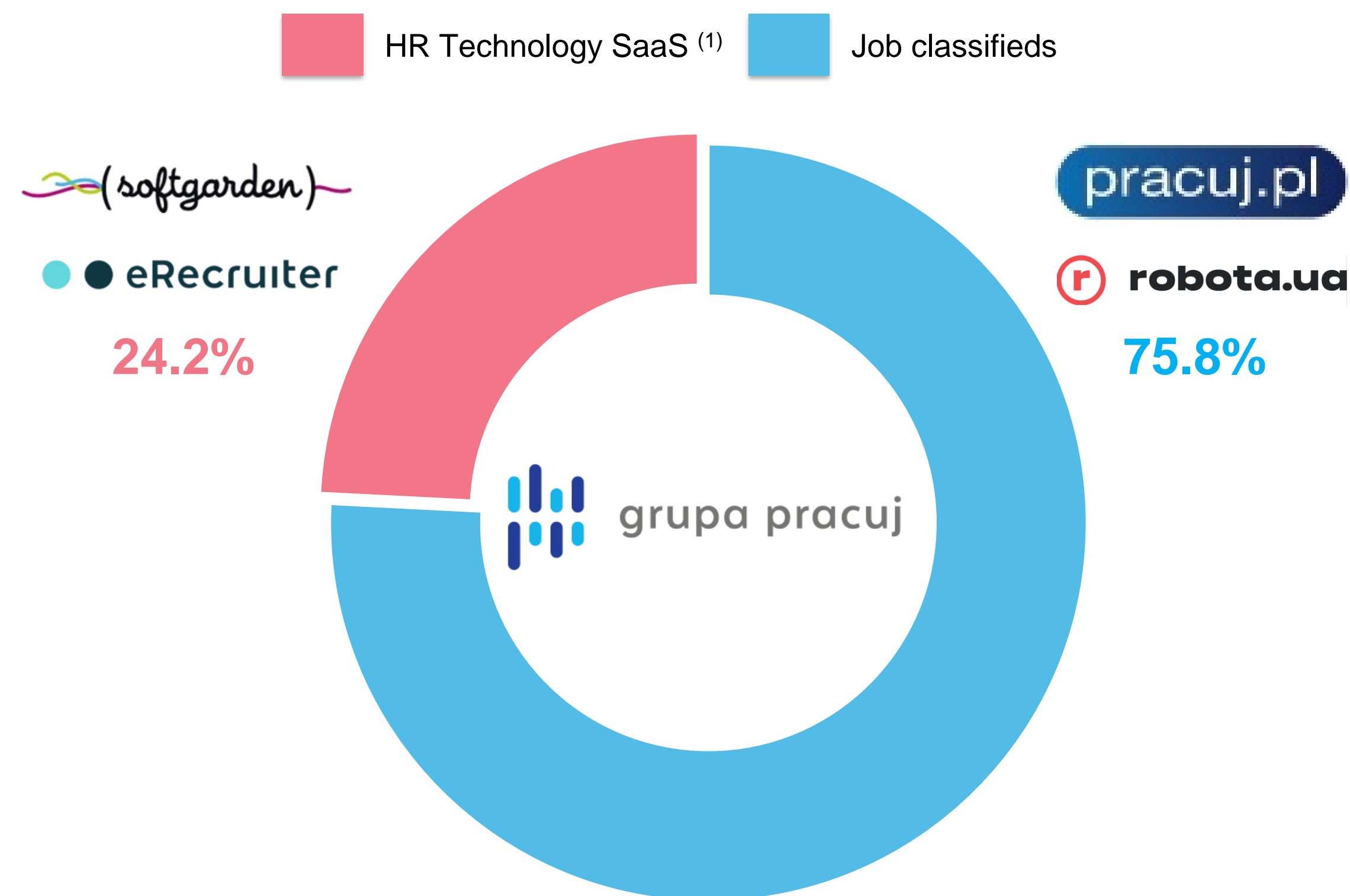
Grupa Pracuj

Revenue (PLN million)



Grupa Pracuj

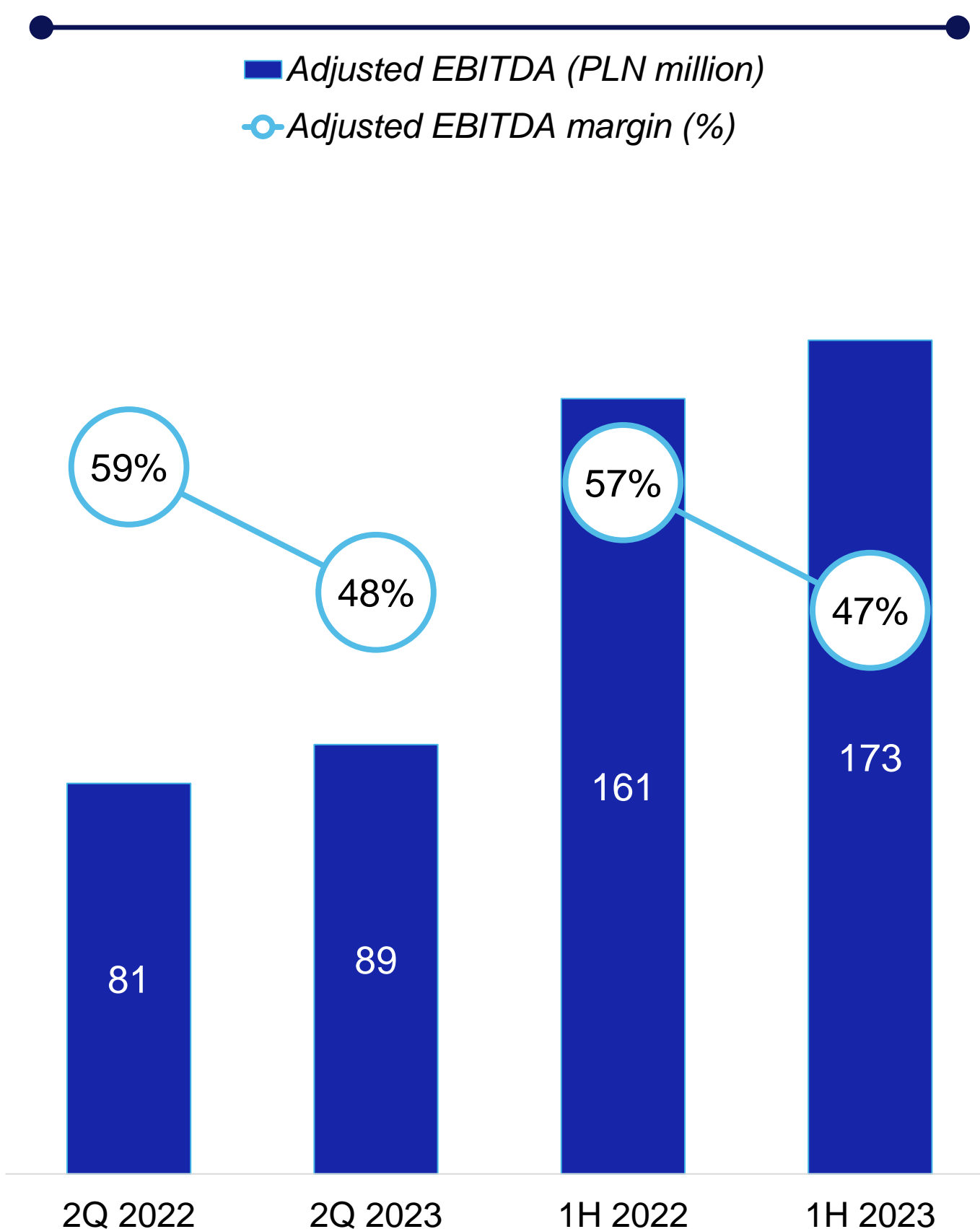
1H 2023 revenue breakdown



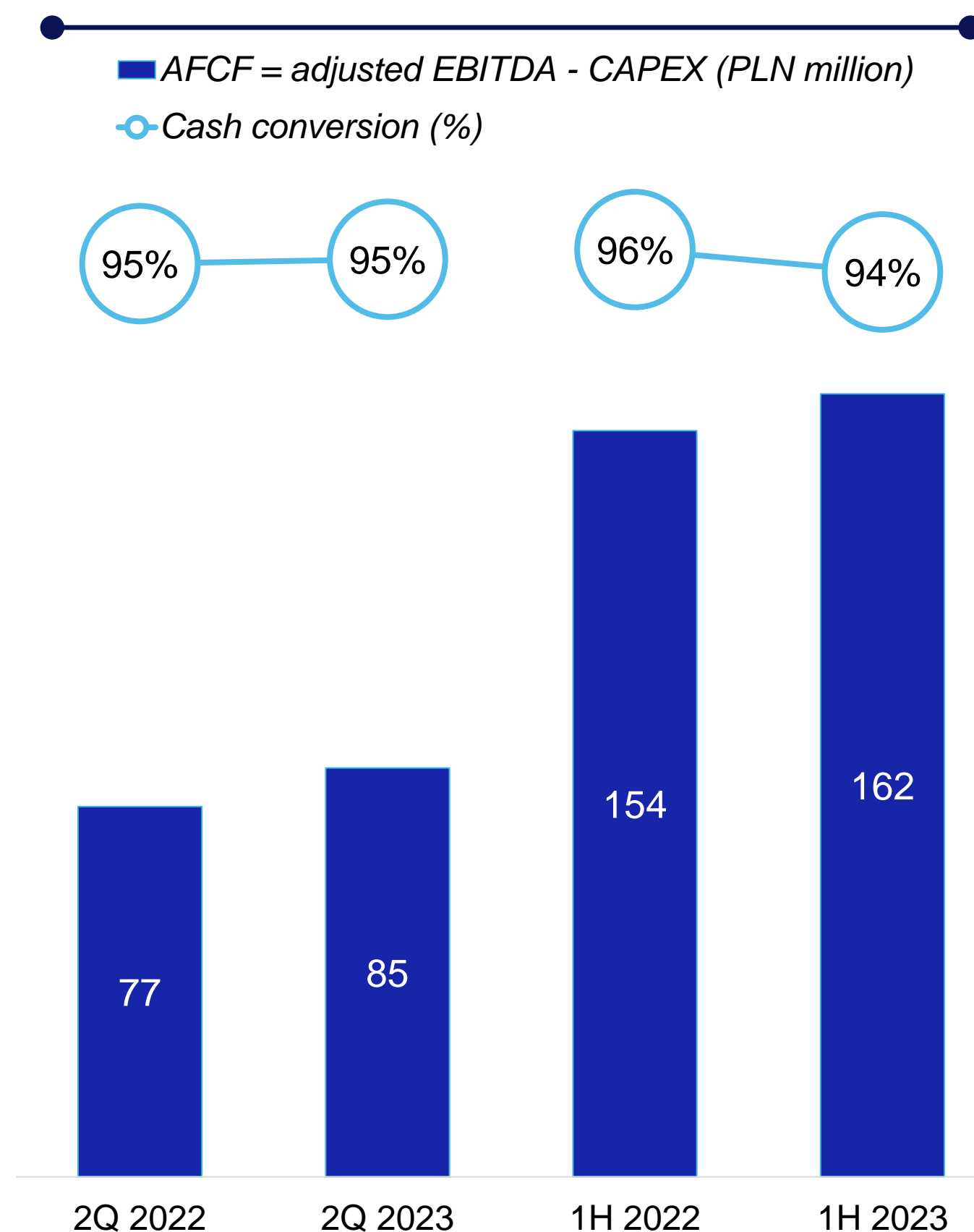
(1) HR Technology SaaS includes eRecruiter and softgarden revenue from subscriptions (SaaS) and softgarden revenue from multiposting, which is recognised in full on a net basis (i.e. less the cost of job offers sold).

Impact of softgarden consolidation on the Group's profitability

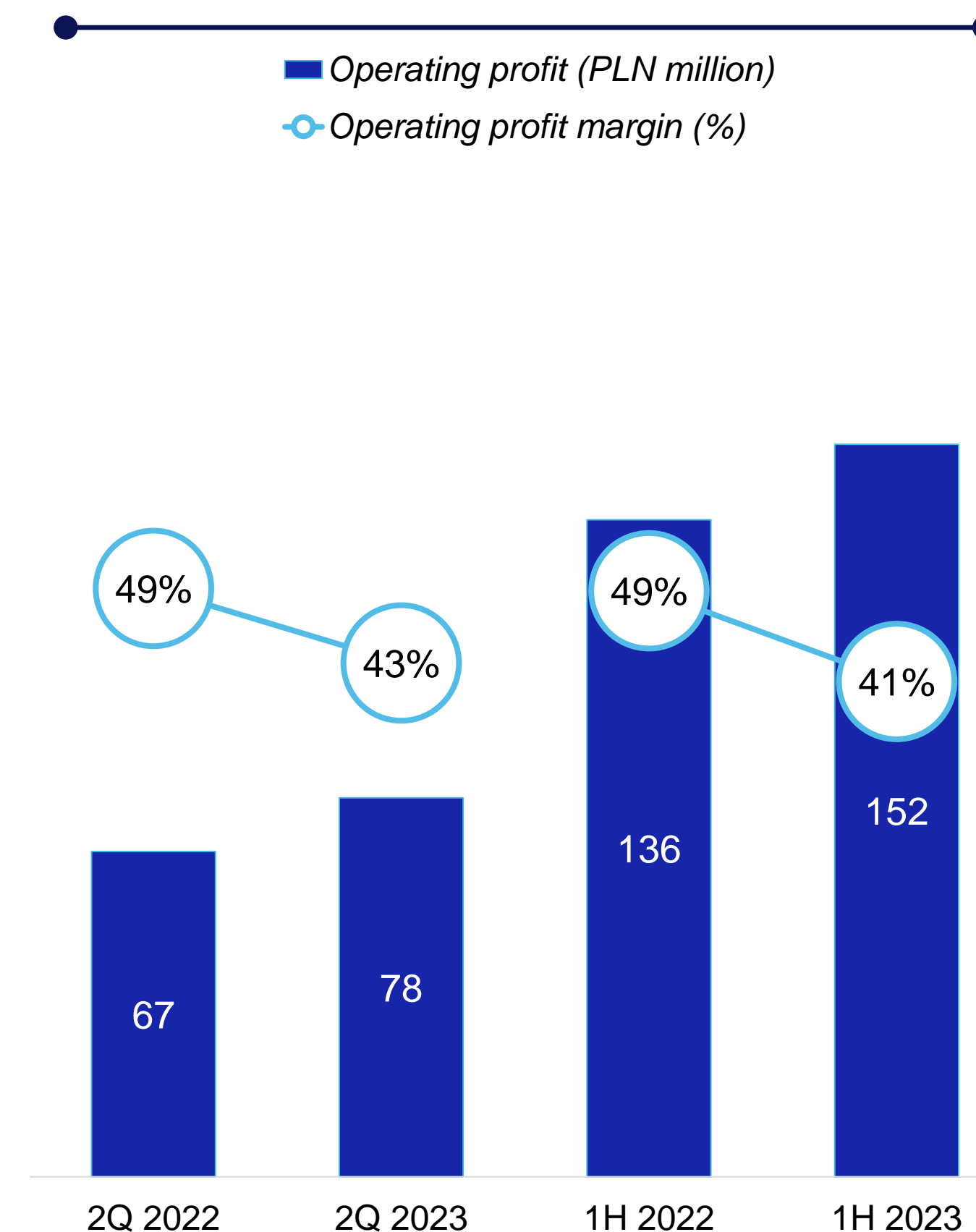
Adjusted EBITDA ⁽¹⁾



Cash conversion ⁽²⁾



Operating profit



(1) Adjusted EBITDA defined as operating profit plus depreciation and amortization, adjusted by recognized, but also previously recognized and reversed impairment losses on assets, as well as costs of share-based payment programmes, costs of the public offering, and costs related to acquisitions, disclosed in the consolidated statement of comprehensive income. (2) Cash conversion for a given period defined as the ratio of the difference between adjusted EBITDA and capex (cash flows from acquisition of tangible fixed assets and acquisition of intangibles) to adjusted EBITDA.

Consolidated financial results

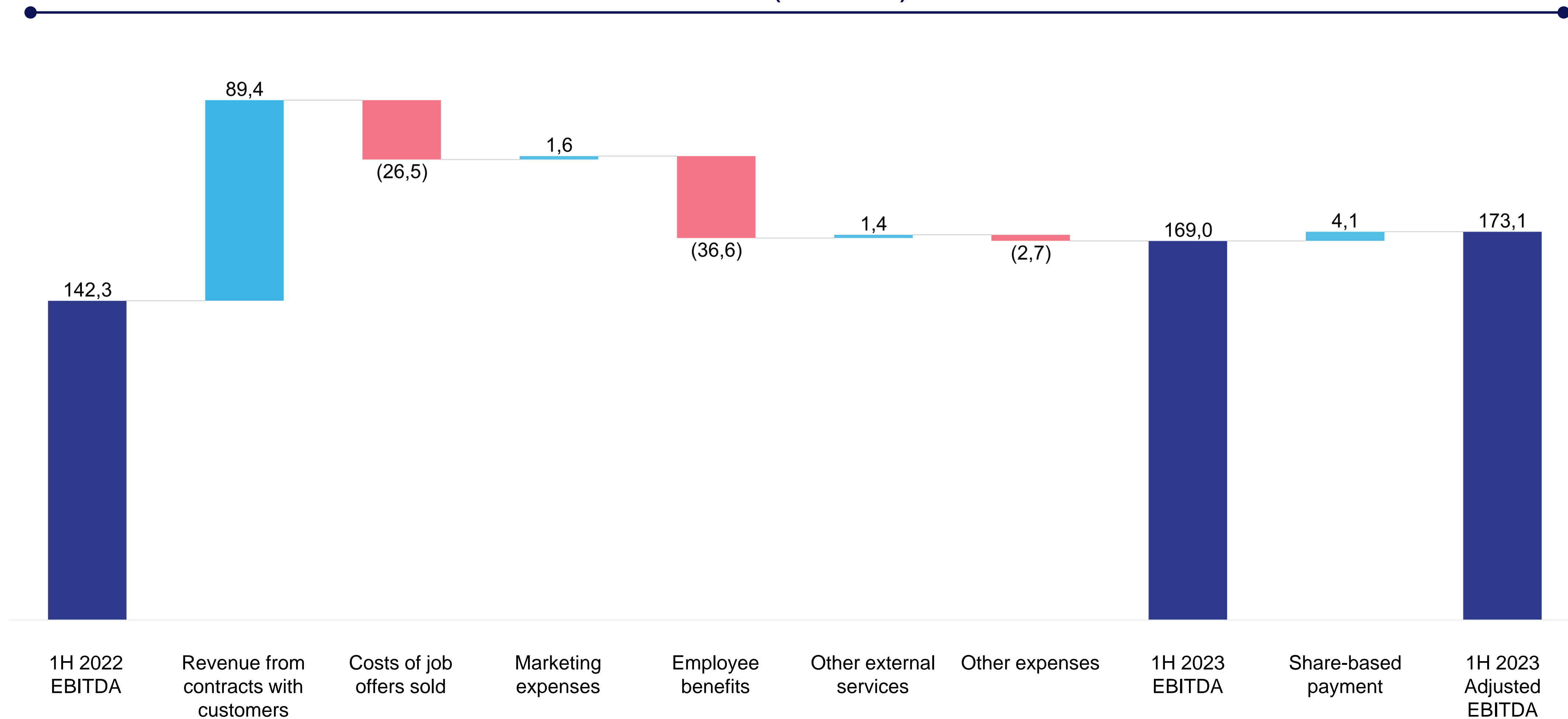
Selected financial results (PLN '000)	2Q 2023	2Q 2022	Change y/y	1H 2023	1H 2022	Change y/y	FY 2022
Revenue from contracts with customers	184,348	138,195	33.4%	369,718	280,291	31.9%	608,549
Poland	127,607	134,597	(5.2%)	257,183	266,160	(3.4%)	508,633
Ukraine	10,222	3,598	184.1%	19,899	14,131	40.8%	25,919
Germany	46,519	-	-	92,636	-	-	73,997
Operating expenses, incl.:	(105,870)	(70,839)	49.5%	(218,021)	(144,229)	51.2%	(355,995)
<i>Depreciation and amortization</i>	(8,567)	(3,143)	172.6%	(17,258)	(6,232)	176.9%	(15,812)
<i>Cost of job offers sold ⁽¹⁾</i>	(12,756)	-	-	(26,502)	-	-	(10,830)
<i>Marketing expenses</i>	(8,145)	(9,262)	(12.1%)	(22,351)	(23,942)	(6.6%)	(59,449)
<i>Software as services</i>	(3,405)	(2,337)	45.7%	(6,511)	(3,797)	71.5%	(8,890)
<i>Other external services</i>	(9,191)	(13,366)	(31.2%)	(17,189)	(18,631)	(7.7%)	(39,171)
<i>Employee benefits</i>	(60,705)	(40,754)	49.0%	(123,471)	(86,912)	42.1%	(212,077)
Operating profit	78,478	67,356	16.5%	151,697	136,062	11.5%	252,554
Poland	73,294	73,500	(0.3%)	143,914	142,835	0.8%	250,652
Ukraine	3,094	(6,144)	-	5,405	(6,773)	-	(6,992)
Germany	2,090	-	-	2,378	-	-	8,894
Finance income	1,572	1,812	(13.2%)	4,019	3,117	28.9%	6,407
Finance costs	(9,626)	(5,537)	73.8%	(22,347)	(6,259)	257.0%	(30,868)
Net finance income / (costs)	(8,054)	(3,725)	116.2%	(18,328)	(3,142)	483.3%	(24,461)
Share of profit of equity-accounted investees	1,464	(1,275)	-	2,370	(141)	-	(848)
Profit before tax	71,888	62,356	15.3%	135,739	132,779	2.2%	227,245
Income tax	(12,577)	(15,180)	(17.1%)	(25,910)	(30,568)	(15.2%)	(58,232)
Net profit	59,311	47,176	21.4%	109,829	102,211	7.5%	169,013

- Strong growth in group revenues, mainly due to consolidation (since 3Q 2022) of softgarden, offering services in the SaaS model and *multiposting* services
- Growth in revenue and rebuilding operating profitability of the Ukraine segment despite tough business conditions
- New costs category - costs of acquisition of job offers by softgarden for resale in *multiposting* service
- Increase in costs of employee benefits mainly due to softgarden consolidation
- Growth in financial costs due to servicing of credit

(1) Costs of acquisition of job postings by softgarden with the aim of reselling them via multiposting service

Consolidated EBITDA

EBITDA (PLN million)



Maximizing interactions on platforms with personalization and AI mechanisms

Pracuj.pl



58,000

increase in the number of active customers



3.3m

candidate applications per month



50%

of candidate applications thanks to AI mechanisms

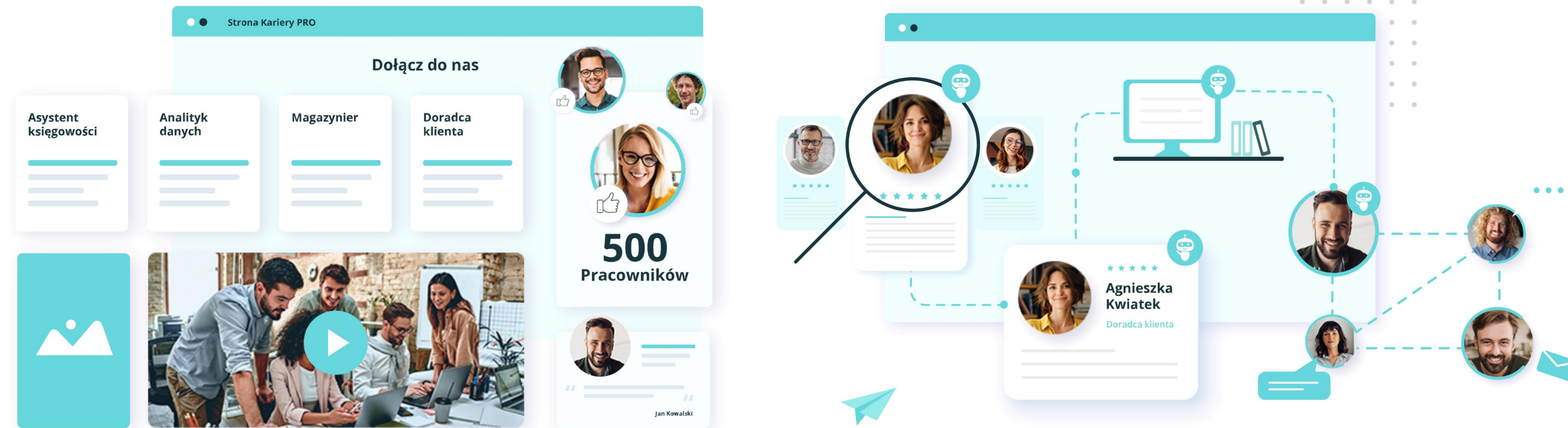


70% of offers

on Pracuj.pl allows the users to apply via the 'Easy Apply'

- Pracuj 3.0: new version of Pracuj.pl platform – nearly 2.5m more candidate applications than in 1H 2022
- Over 50% of applications for offers on Pracuj.pl are filed thanks to the artificial-intelligence-based system of recommendations Pracuj AI
- AI helps employers create the contents of recruitment postings – the tool based on ChatGPT generates job requirements and a description of the position, which the customer can then tailor to their own needs
- “Elastic Pricing” in eCommerce: a dedicated price based on the level of the position and the location – growing presence in the micro and small-business segment (over 60% of customers publish job offers through eCommerce)

1st half of 2023 in HR Technology SaaS



- Introduction into the eRecruiter offer of PRO Career Page Creator, previously offered by softgarden. It allows customers to create professional and fully personalized career pages – a new channel for reaching candidates
- eRecruiter customers can now use the available package of tools that streamline their recruitment processes and integrate all available HR systems, saving time and resources in a company ⁽¹⁾
- softgarden 3.0 – completion of development on the new version of the SaaS system

(1) <https://hrmarketplace.erecruiter.pl> and <https://erecruiter.pl/blog/hr-workflows-jak-automatyzacje-odmieniaja-codzienna-prace-w-dziale-hr/>

Grupa Pracuj

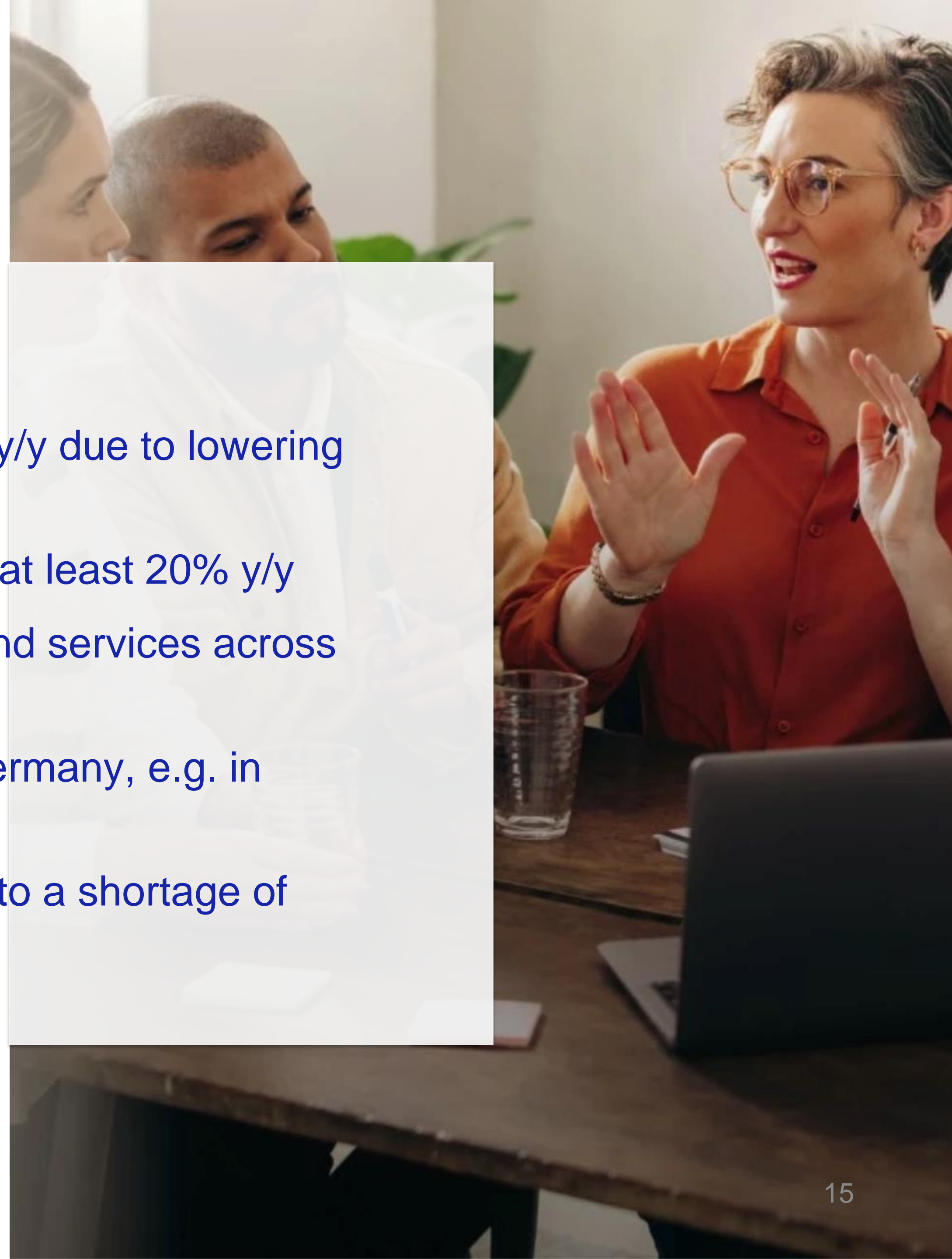
– product plans for the upcoming quarters

- Increasing the role of AI in the functioning of products, including systems of recommendations and instructions for users and growth of the email channel on Pracuj.pl
- New mobile applications on recruitment platforms – 30% of applications are already submitted via the Pracuj.pl mobile app
- Investments in the IT segment in Poland, mainly due to the:protocol
- Pracuj 3.0 phase 2: tailoring the platform to key candidate categories, first implemented for IT
- Onboarding – new SaaS module in Poland and Germany, the first in the post-hire area
- New version of softgarden's platform for managing recruitment processes – adjusting the features to current UX standards

Grupa Pracuj

– prospects for the upcoming quarters

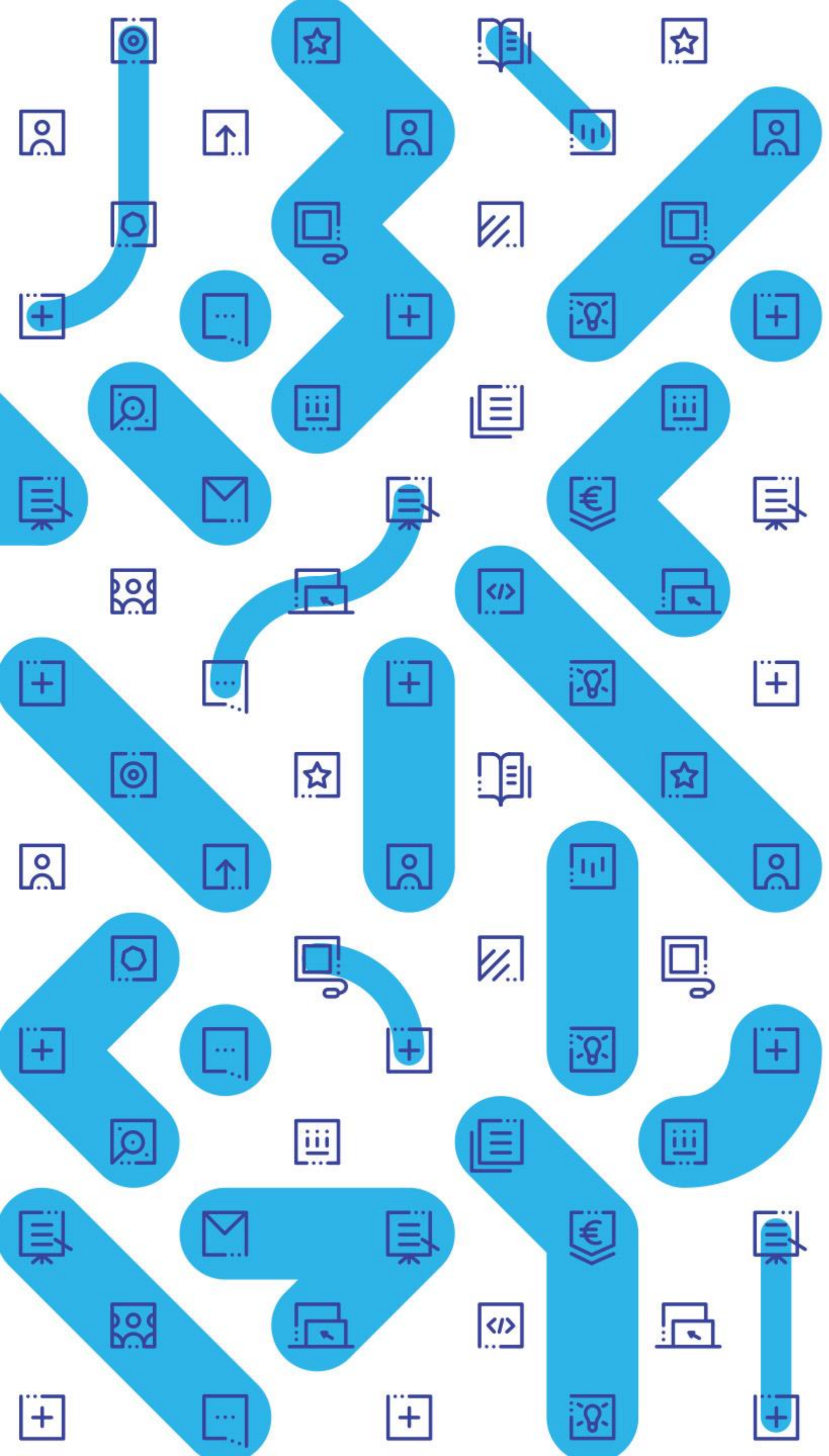
- Anticipated positive dynamics of revenue in Poland in 4Q y/y due to lowering base
- Dynamic revenue growth from SaaS services, at a rate of at least 20% y/y
- Further growth in average prices of recruitment projects and services across the entire group
- Greater focus on acquisition of customers from outside Germany, e.g. in Switzerland and France
- Further improvement of the Ukrainian market, mainly due to a shortage of workers



Thank you!

Q&A

We invite your questions



Appendices

Balance sheet and cashflows

Selected financial data (PLN '000)	30 June 2023	31 December 2022	Change
Total assets	1,116,399	1,018,215	9.6%
Non-current assets, including:	771,823	800,157	(3.5%)
Goodwill	456,624	481,209	(5.1%)
Current assets, including:	344,576	218,058	58.0%
Cash and cash equivalents	219,402	109,538	100.3%
Total equity and liabilities	1,116,399	1,018,215	9.6%
Equity	292,926	310,956	(5.8%)
Non-current liabilities, including:	305,788	341,119	(10.4%)
Bank loans	270,936	303,168	(10.6%)
Current liabilities, including:	517,685	366,140	41.4%
Bank loans	63,619	63,492	0.2%
Lease liabilities	10,807	10,942	(1.2%)
Other financial liabilities	8,100	4,171	94.2%
Employee benefits	26,215	23,618	11.0%
Trade payables	41,411	32,809	26.2%
Other payables	15,785	16,765	(5.8%)
Dividend liabilities	102,398	-	-
Current tax liabilities	12,209	5,923	106.1%
Contract liabilities	237,141	208,420	13.8%
Cash flows (PLN '000)	1H 2023	1H 2022	Change
Net cash flows from operating activities	173,505	145,585	19.2%
Net cash flows from investing activities	(10,730)	(521,416)	(97.9%)
Net cash flows from financing activities	(52,862)	392,692	-
Total net cash flows	109,914	16,861	551.9%

- High capacity to generate cash
- Dividend for 2022 of PLN 1.50 per share (total PLN 102.4m) approved by annual general meeting in June and distributed in July 2023

POLAND

- Decline In GDP by 0.5% y/y in 2Q 2023⁽¹⁾
- Anticipated GDP growth of 0.6% in 2023 and 2.4% in 2024⁽²⁾
- Unemployment rate of 5.0% at the end of July 2023,⁽³⁾ projected unemployment rate of 5.3% for 2023⁽⁴⁾
- Salary growth of 10.4% y/y in July 2023⁽³⁾
- CPI inflation of 10.8% in July 2023,⁽³⁾ projected average annual inflation in 2023 of 11.6–13.3%⁽⁴⁾
- NBP reference rate of 6.75% since September 2022, projected annual average interest rate in 2023 of 6.72%⁽⁴⁾

UKRAINE

- Projected growth of real GDP of 2.9% in 2023,⁽⁵⁾ following decline of 29.1% in 2022⁽⁶⁾
- Consumer inflation rate of 11.3% in July 2023,⁽⁶⁾ projected average annual inflation in 2023 of 14.7%⁽⁵⁾

GERMANY

- Decline in GDP of 0.6% y/y in 2Q 2023⁽⁷⁾
- Projected decline in GDP of 0.4% in 2023 and 1.5% in 2024⁽⁸⁾
- Consumer inflation of 6.4% y/y in June 2023,⁽⁷⁾ projected average annual inflation in 2023 of 5.8%⁽⁸⁾
- Unemployment in June 2023 of 3.0%,⁽⁷⁾ projected unemployment rate for 2023 of 3.2%⁽⁹⁾

(1) Statistics Poland, flash estimate of GDP, August 2023

(2) National Bank of Poland inflation forecast, July 2023

(3) Statistics Poland, August 2023

(4) National Bank of Poland Macroeconomic Survey, June 2023

(5) National Bank of Ukraine, July 2023

(6) State Statistics Service of Ukraine, August 2023

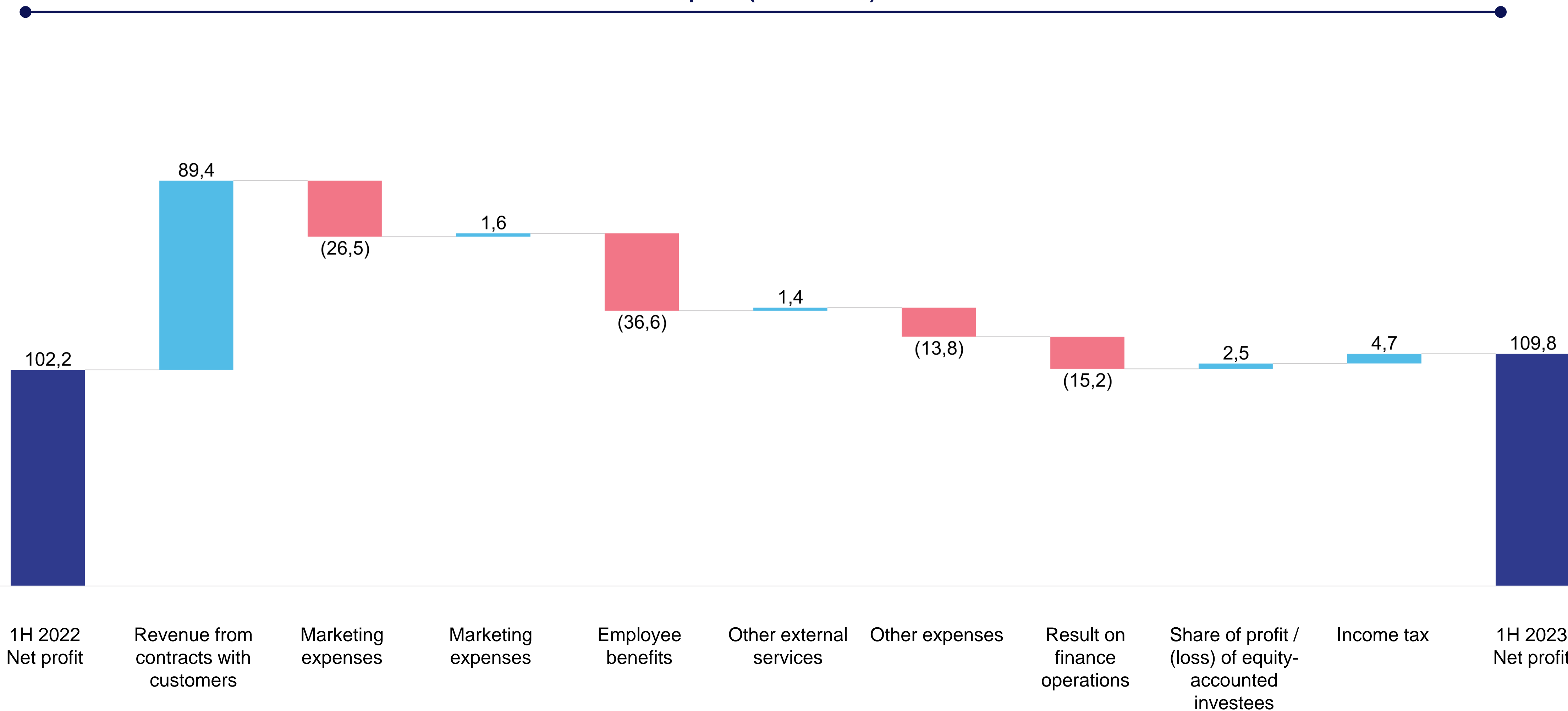
(7) German Federal Statistical Office (Destatis), August 2023

(8) Ifo Institute, June 2023

(9) European Commission forecast, May 2023

Consolidated net profit

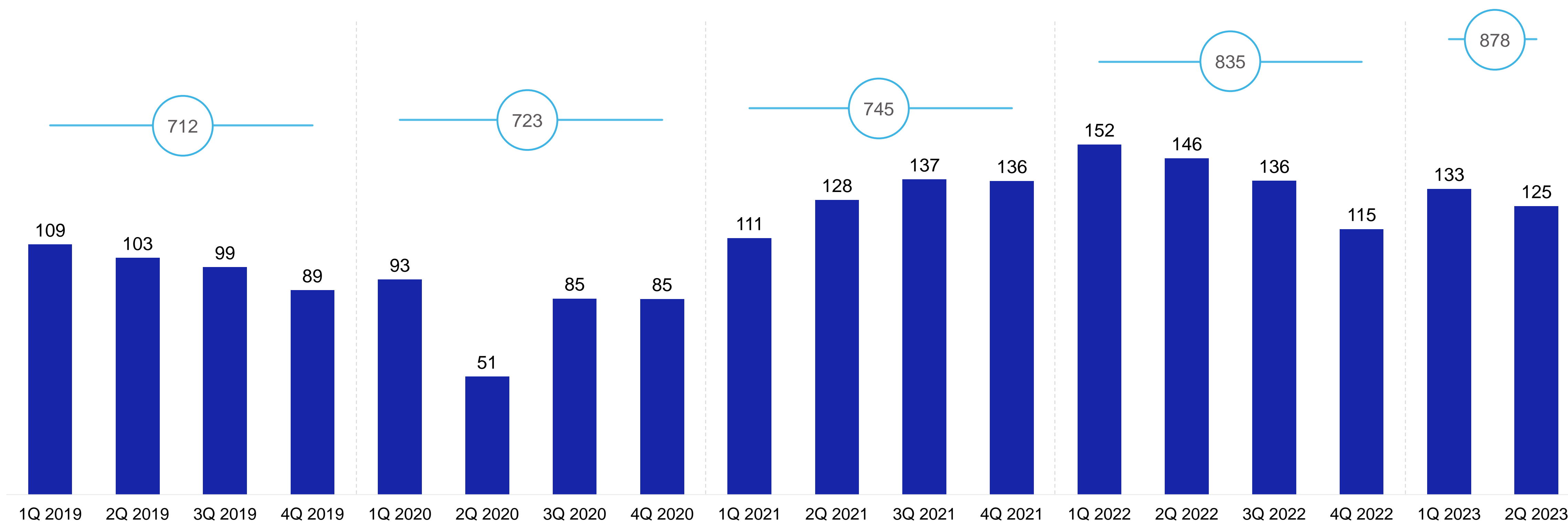
Net profit (PLN million)



Increase in average price of recruitment projects on Pracuj.pl

Pracuj.pl

■ No. of recruitment projects (1) - quarterly data ('000) — Average price of recruitment projects - annual data (PLN)



(1) The number of recruitment projects is equal to the number of credits used for placement of job offers on Pracuj.pl. One credit may be exchanged for multiple job offers (with the same title but different locations).

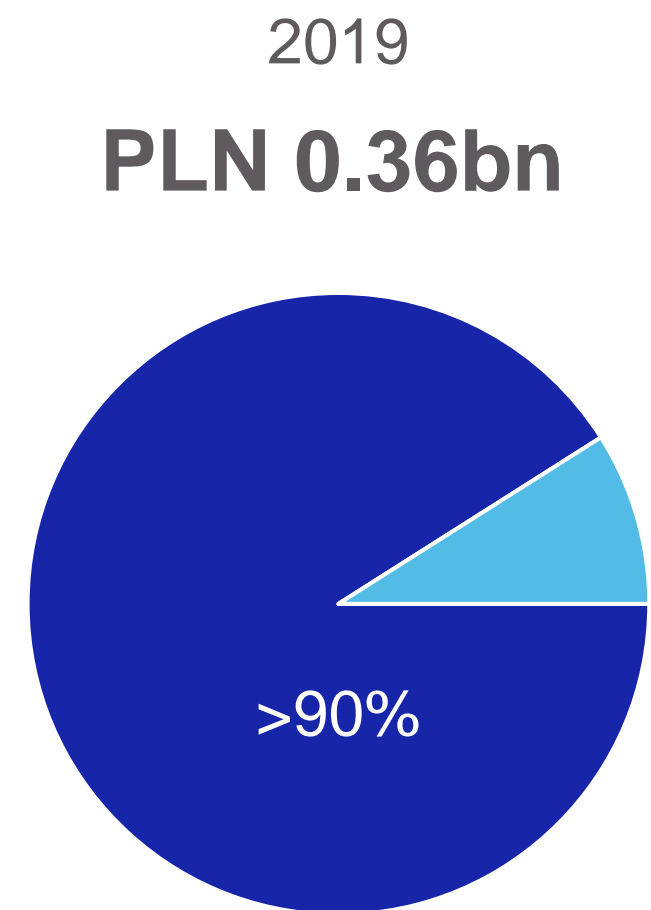
Strategic goal: market leader with PLN 1bn revenues

Revenues of Grupa Pracuj

● JobBoards ● HR technology Saas

XX% Adjusted EBITDA margin

2025 +
PLN 1bn

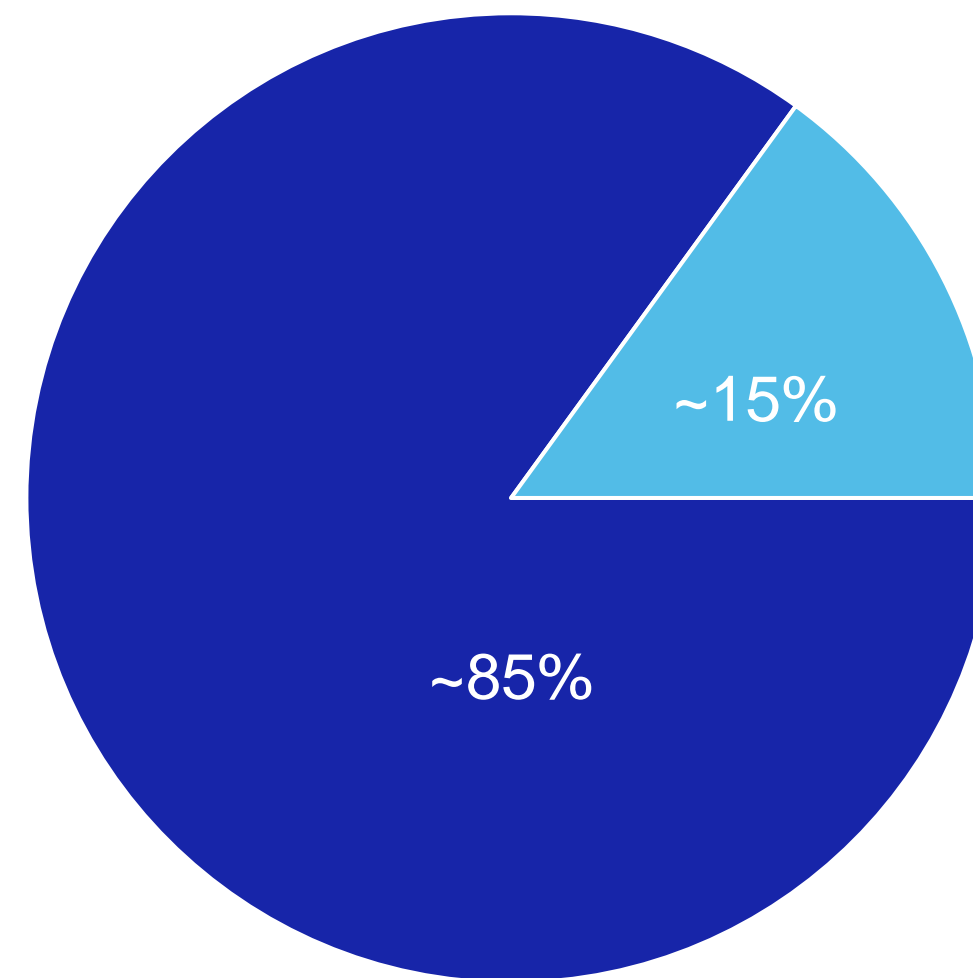


48%

● eRecruiter
● robota.ua
● pracuj.pl

CAGR
> 20%

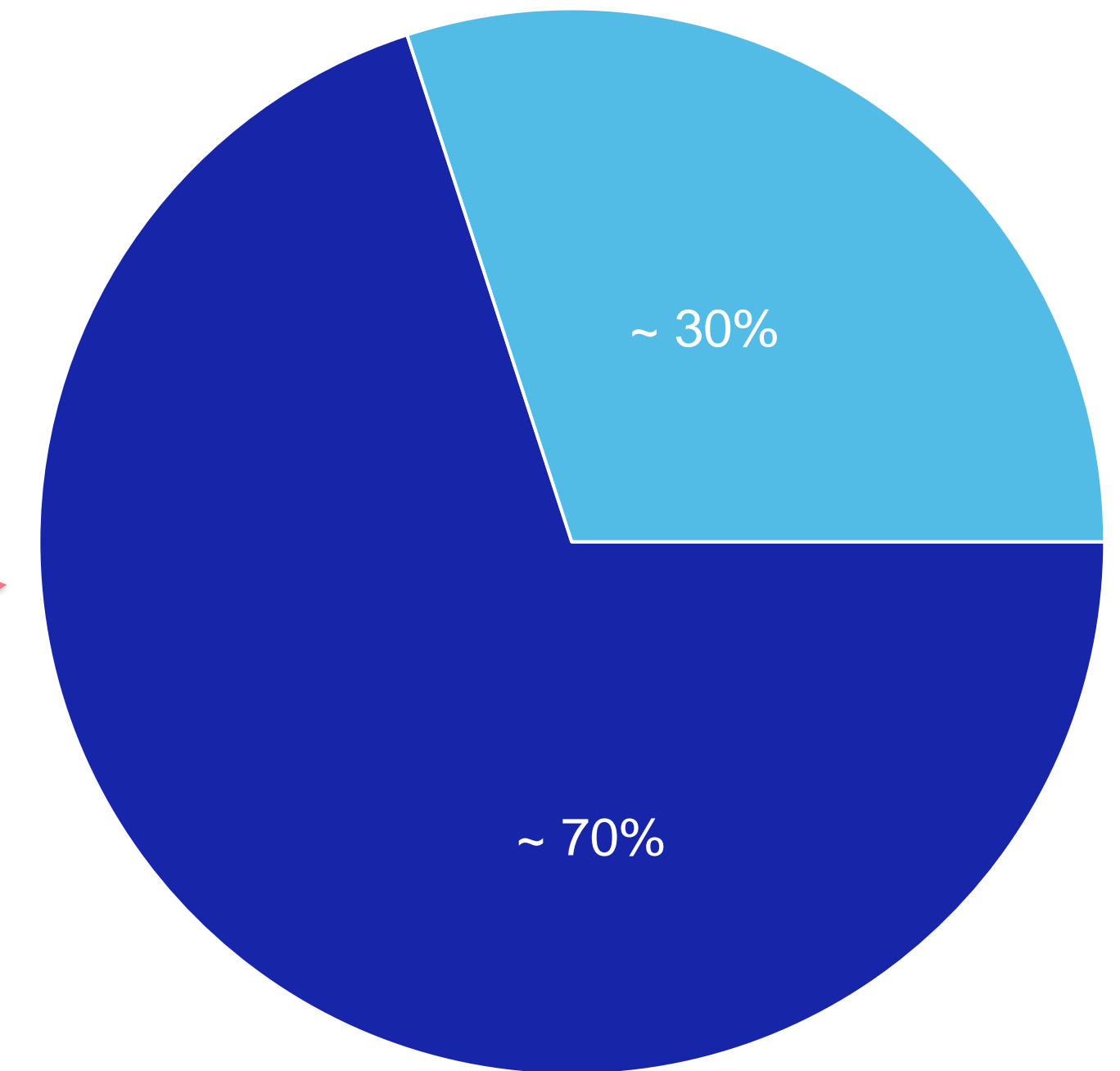
2022
PLN 0.61bn



50%

(softgarden)
● eRecruiter
● robota.ua
● pracuj.pl

CAGR
~18%



> 40%

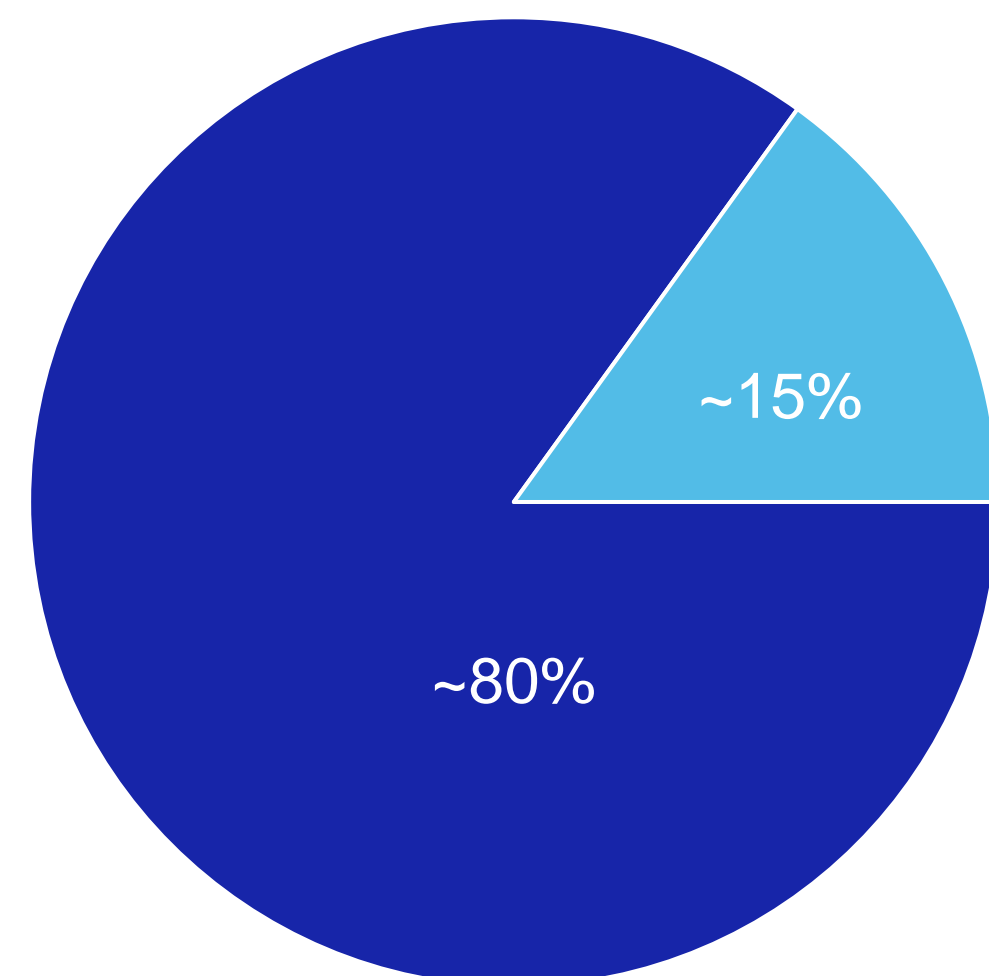
(softgarden)
● eRecruiter
● robota.ua
● pracuj.pl + DACH

How will we do it?

HR technology SaaS (organic growth and selective acquisitions)

2022

PLN 0.61bn



- 25%+ average annual rate of growth of revenue from SaaS
- Growth in average subscription price - projected double-digit rate of growth
- Keeping churn at low, single-digit level
- Increasing value for customer of existing products and offering new products
- Growth in activity on new markets
- Potential acquisitions (mainly DACH)

- Single-digit annual rate of growth in number of published recruitment projects in the longer term (with slight decline expected in 2023)
- Growth in prices of postings in the white-collar segment - tailored to the value delivered to the customer
- Growth in portfolio of data-based products (AI/Big Data)
- Quantitative increase in market share in the blue-collar segment
- Potential for growth in the SME and micro segment

Recruitment platforms (organic growth)

2025 +

PLN 1bn

