

# Leading **HR technology** platform in Europe

Presentation of 2023 results

pracuj.pl

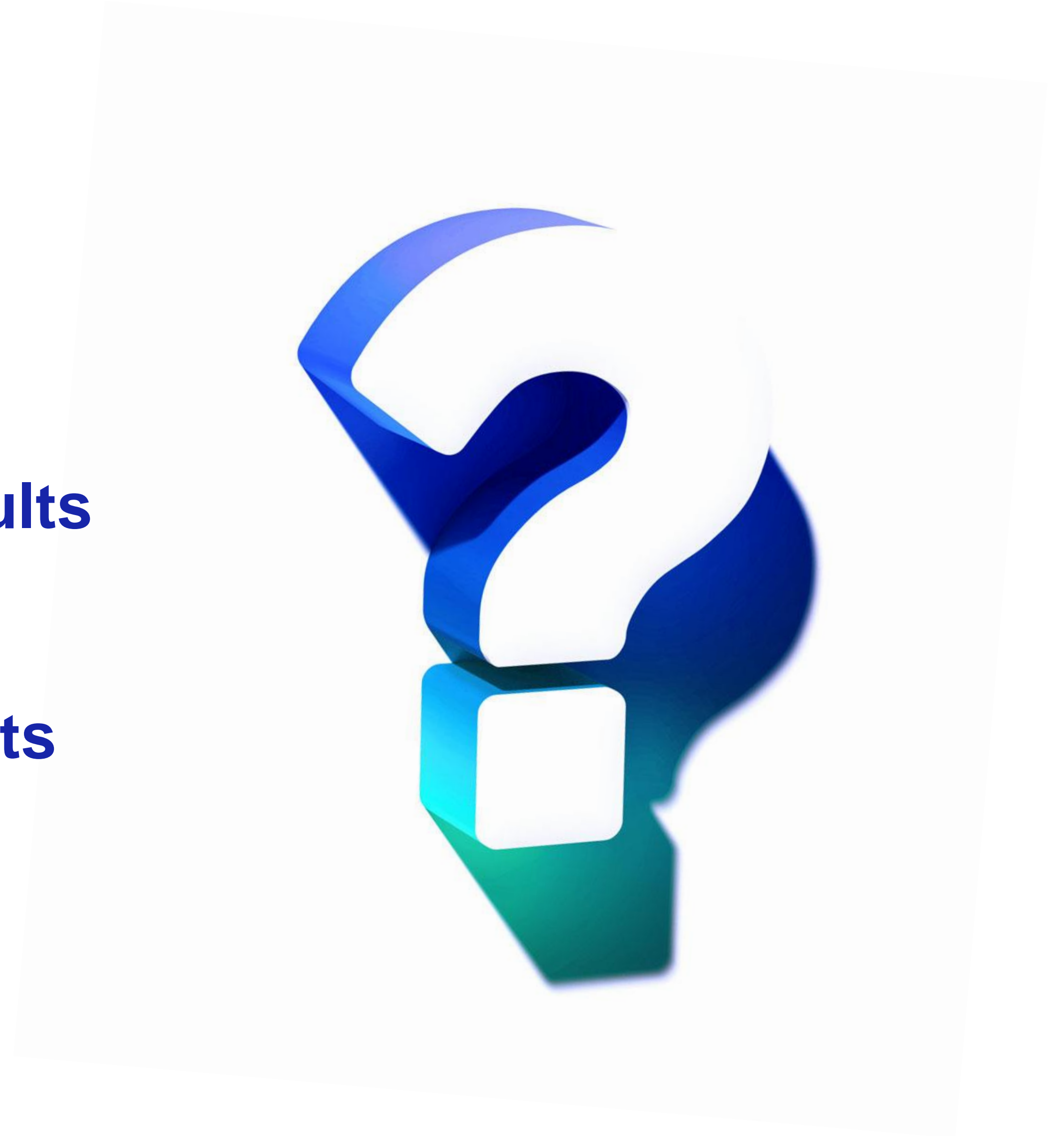
robotia.ua

● ● eRecruiter

 (softgarden)



**About Grupa Pracuj**  
**2023 operating and financial results**  
**2023 business summary**  
**Strategic directions and prospects**



# About Grupa Pracuj

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## Our mission

To support organizations in recruitment, retention and development of their staff

To help people find the best job for them and maximize their full potential

Using the most efficient and modern technologies

## Our vision

To become Europe's leading HR technology platform

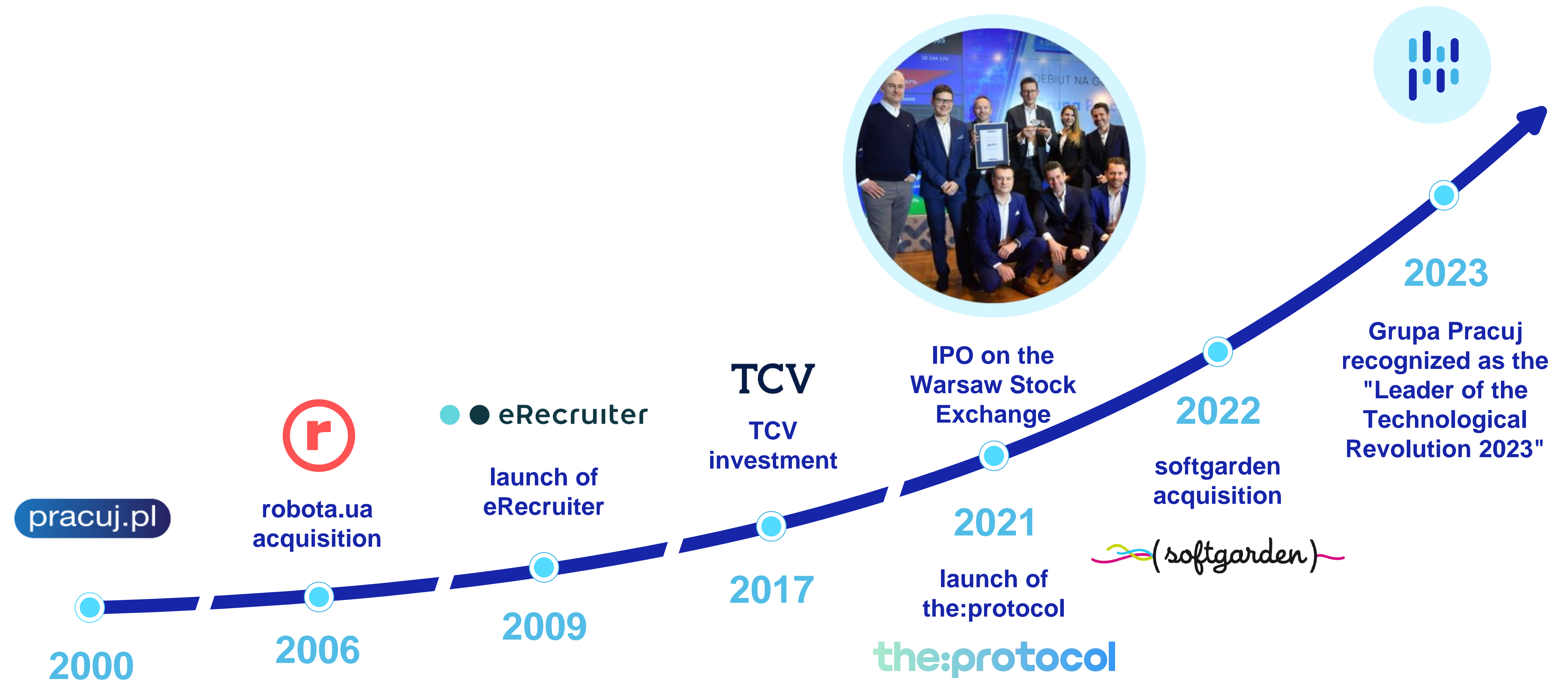




# Our values

-  **CUSTOMER** FOCUS
-  **COURAGE** TO ACT AND LEARN FROM MISTAKES
-  **RESPONSIBILITY** FOR COMMITMENTS, ACTIONS AND RESULTS
-  **AGILITY** TO LEARN AND ACT IN A FAST-CHANGING ENVIRONMENT
-  **RESPECT** FOR DIVERSITY
-  **POSITIVE VIBE** AT WORK
-  **POSITIVE VIBE** AT WORK
-  **POSITIVE VIBE** AT WORK

# We are consistently building a European HR technology platform





Job  
classifieds

**pracuj.pl**

Largest online recruitment platform in Poland

**robota.ua**

Leading online recruitment platform in Ukraine

**the:protocol**

Leading recruitment platform dedicated to IT specialists

HR technology  
SaaS

**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

We effectively bring job candidates and employers together



**Trusted brands**

**The right matching**

**Continuous engagement**



**Employers**



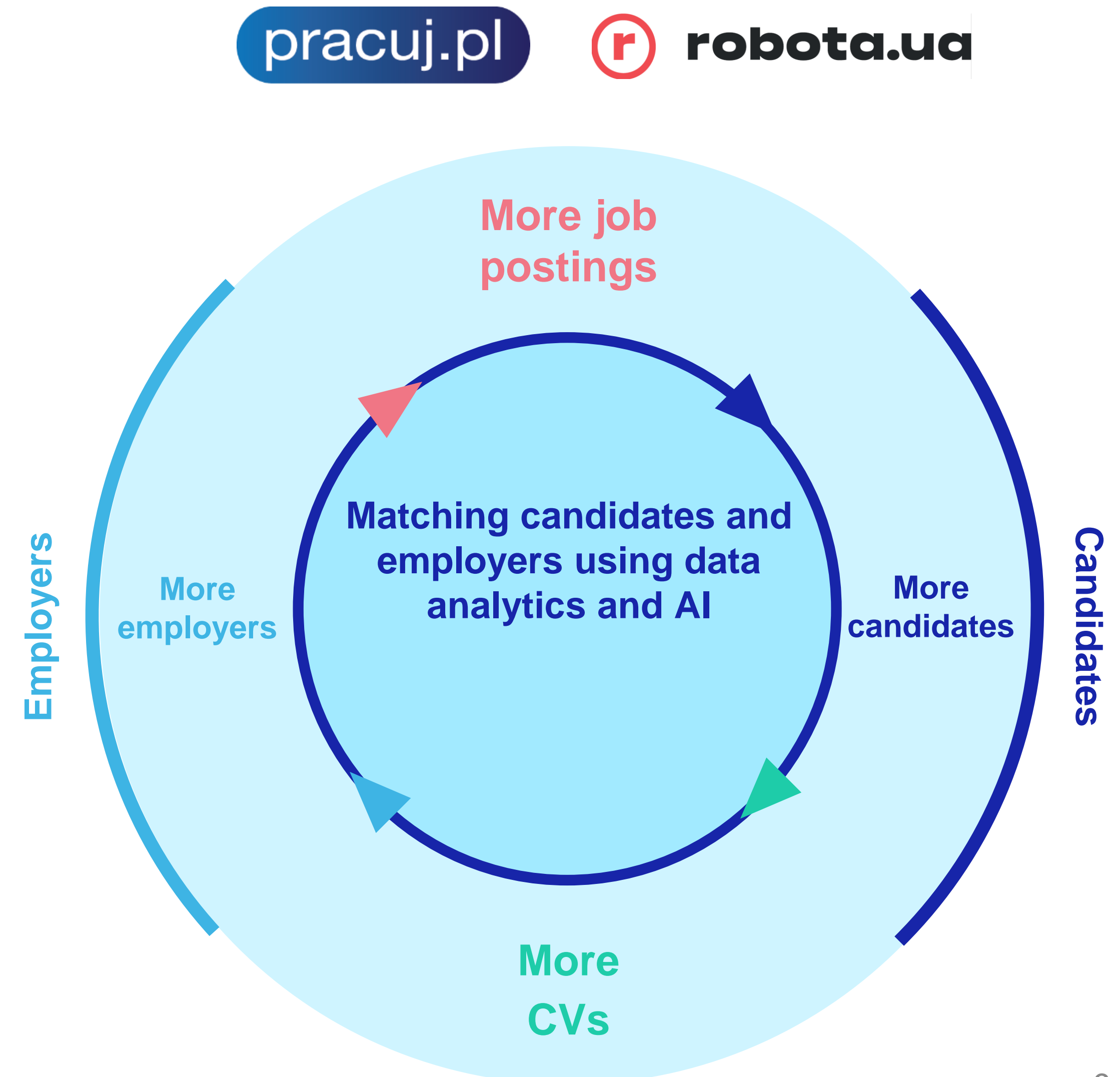
**Candidates**





## Leading position enables exploitation of effects of scale

- First-choice platforms for users
- Maximizing value for the client, tailored to various client segments
- Advanced tech solutions
- Highest-quality service
- Operating efficiency





## Comprehensive product line and support throughout the hiring process

- First-choice platforms for clients
- Close integration with key recruitment platforms
- Advanced tech solutions
- Effective process of winning and retaining clients
- Competitive product line
- Operating efficiency



# 2023 operating and financial results

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**PLN 724m**

revenue from customer contracts  
**+19% y/y**



**PLN 330m**

adjusted EBITDA  
**+8% y/y**



**46%**

adjusted EBITDA margin



**PLN 188m**

net profit  
**+14% y/y**

## Grupa Pracuj on the growth path

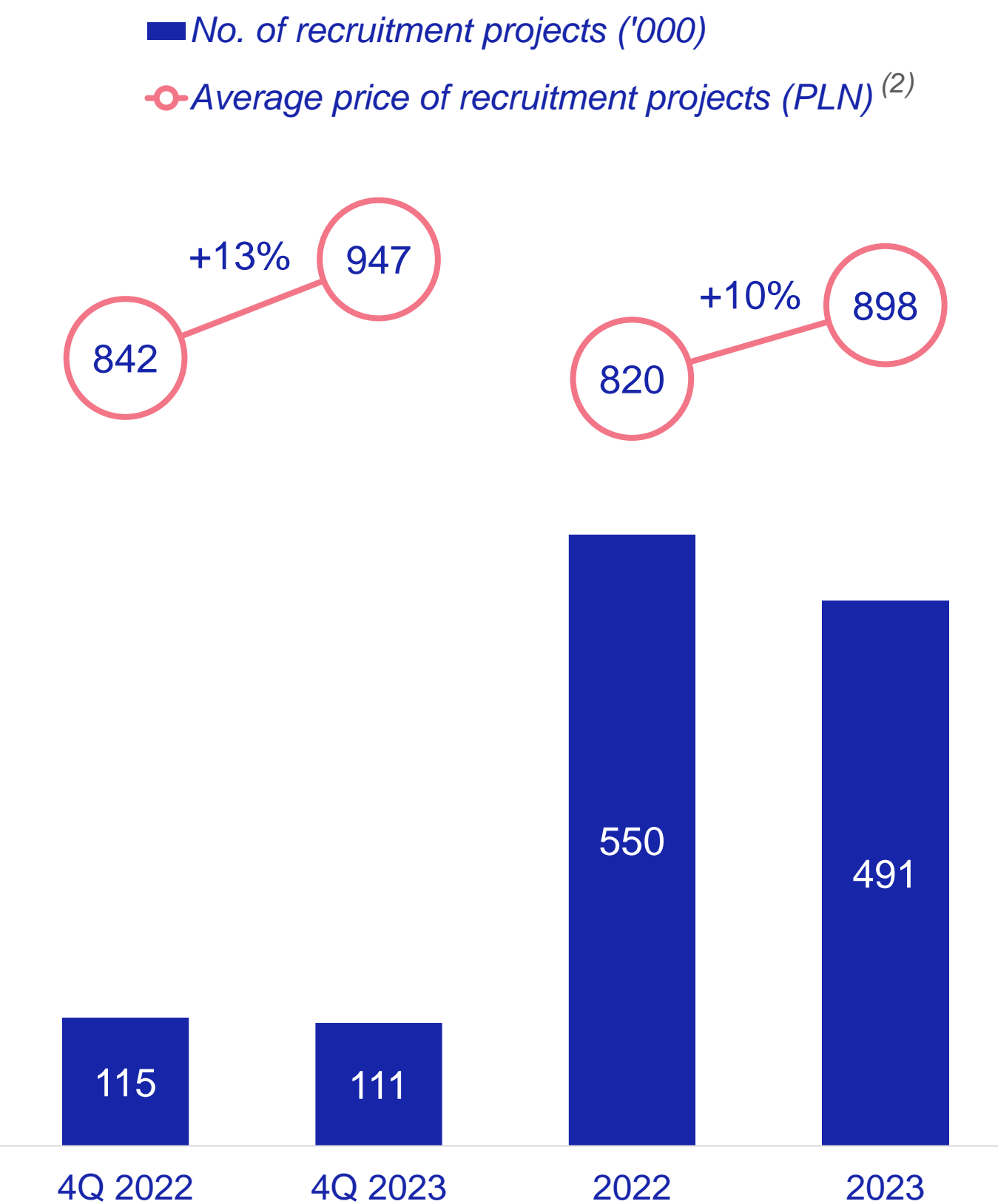
- Revenue in Poland maintained at a similar level to the year before, mainly due to higher prices of recruitment projects
- Dynamic growth in revenue in Ukraine
- Significant growth in revenue on the German market<sup>(1)</sup>
- Growth in results at the adjusted EBITDA level by 8%
- Net profit up 14% despite negative impact of markdown to fair value of shares in Beamery Inc.

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

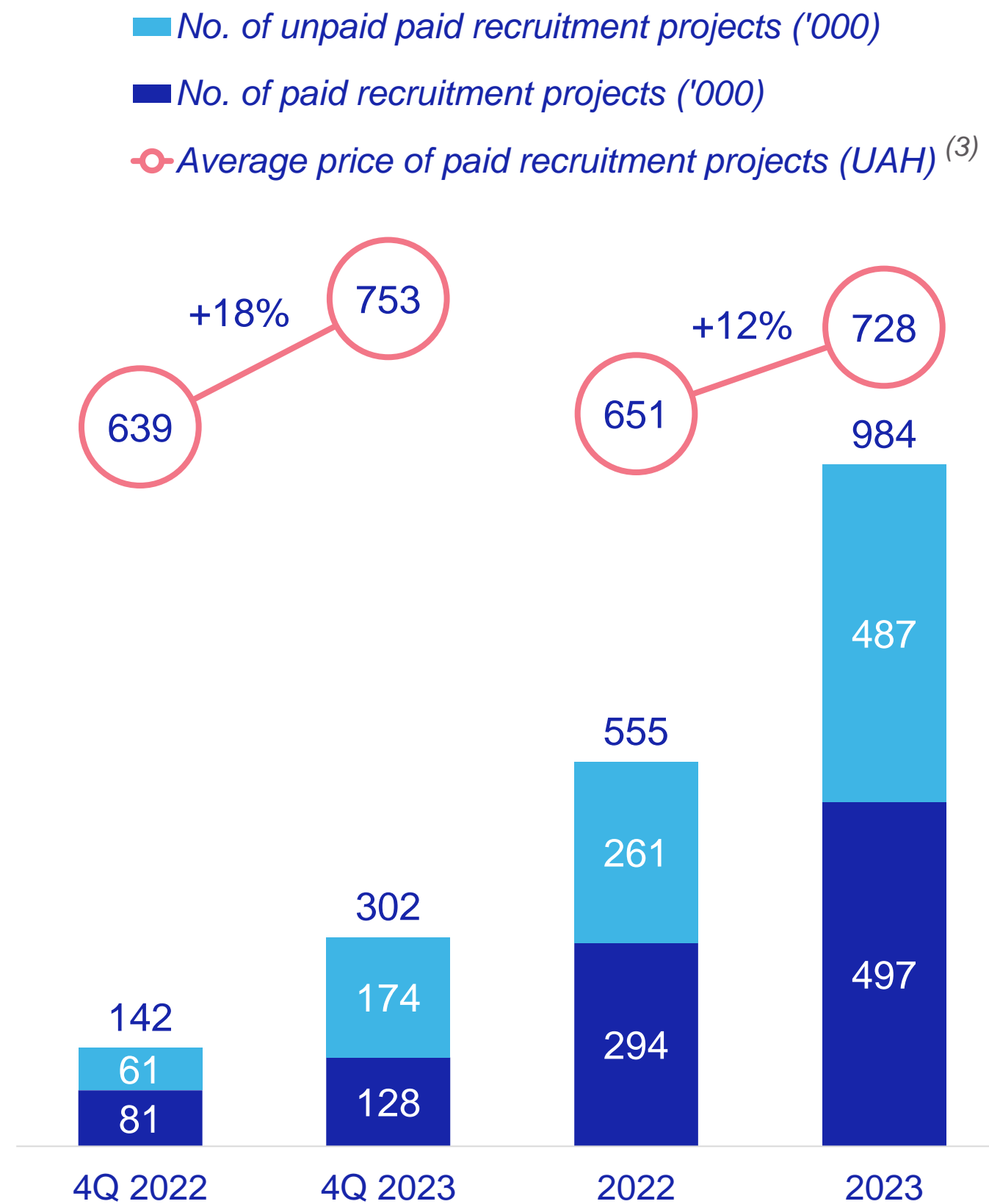
# Key operating results



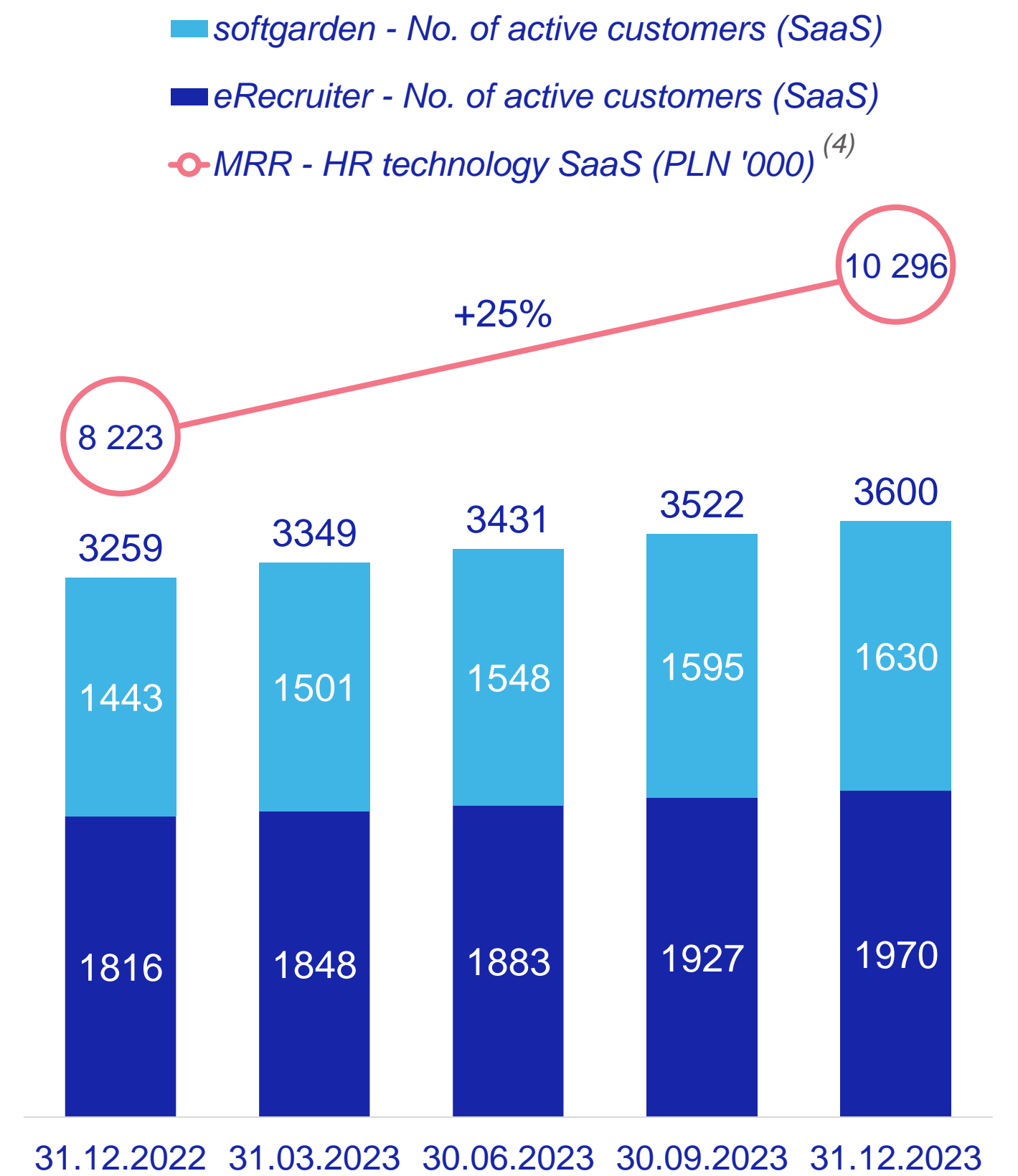
## Pracuj.pl <sup>(1)</sup>



## Robota.ua <sup>(1)</sup>



## HR technology SaaS: eRecruiter + softgarden



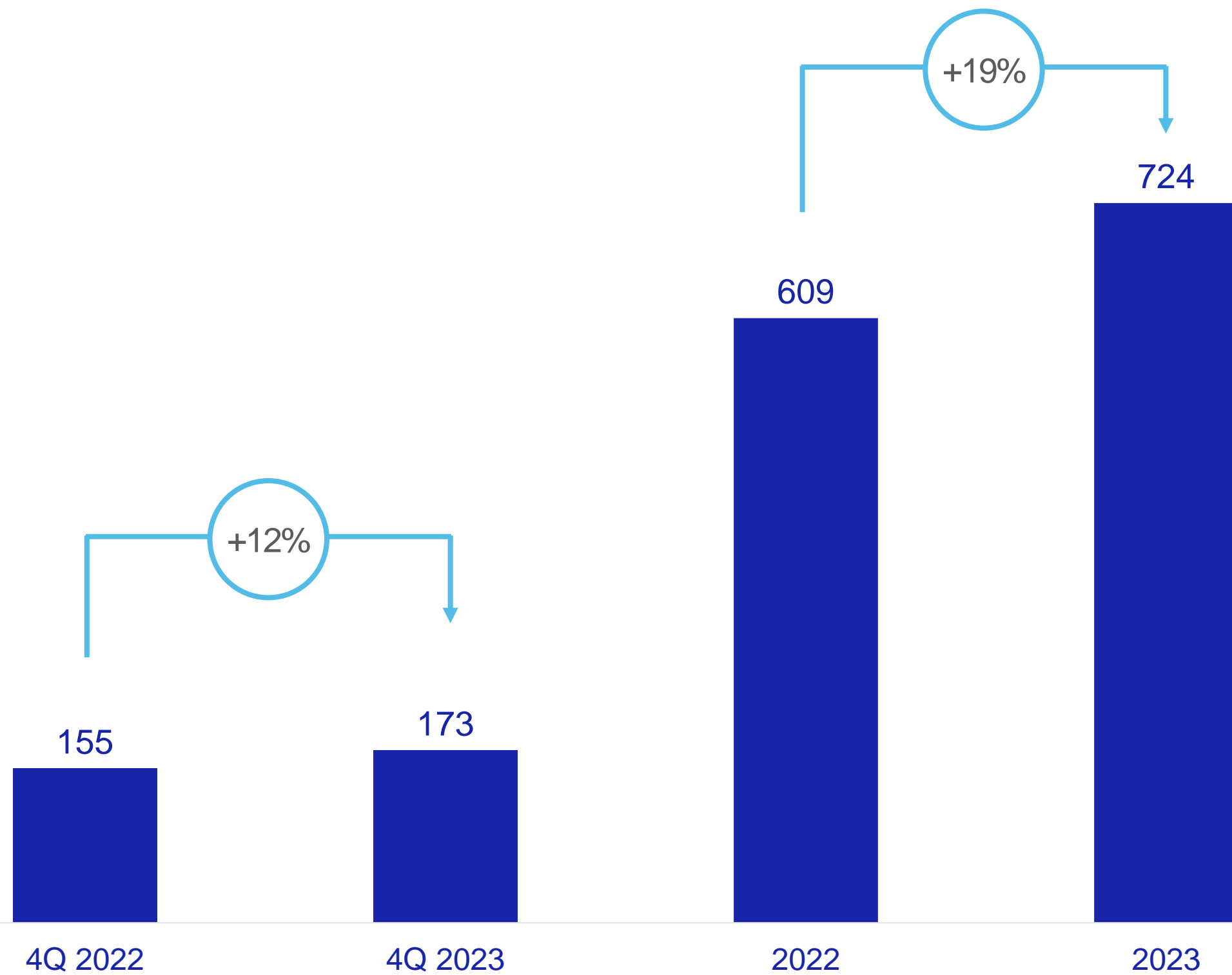
(1) The number of recruitment projects is equal to the number of credits used for placement of job offers on Pracuj.pl or Robota.ua. In the case of Pracuj.pl, one credit may be exchanged for multiple job offers (with the same title but different locations), while in the case of Robota.ua one credit can be exchanged for only one job offer for a period of one month. (2) For Pracuj.pl defined as revenue from recruitment projects (excluding promotional starter packs) 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. (4) MRR – monthly recurring revenue in the last month of the reporting period for eRecruiter and softgarden, in PLN at the exchange rate at the end of the reporting period.

# Consistent growth and diversification of revenue



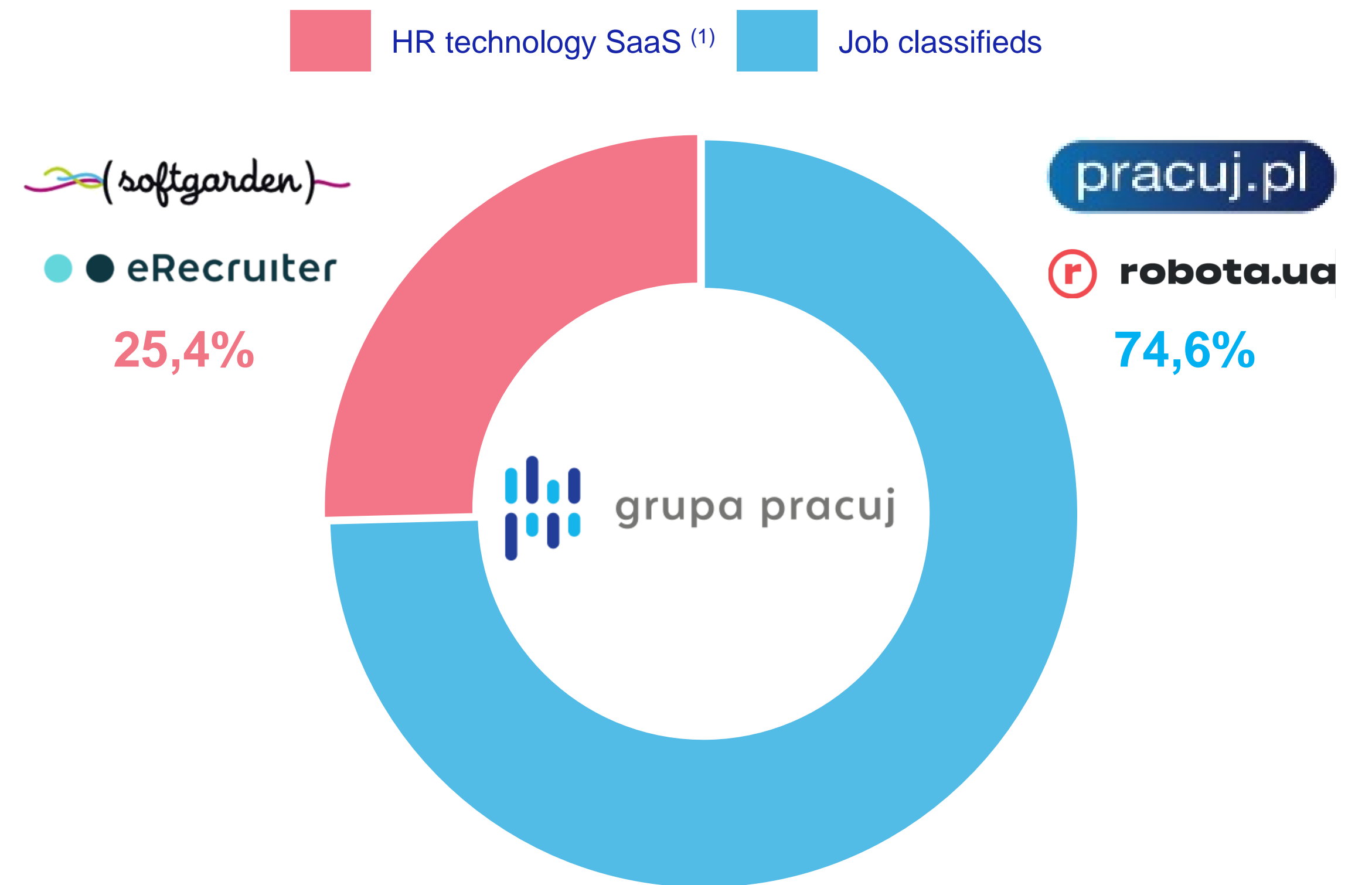
## Grupa Pracuj

Revenue (PLN million)



## Grupa Pracuj

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).

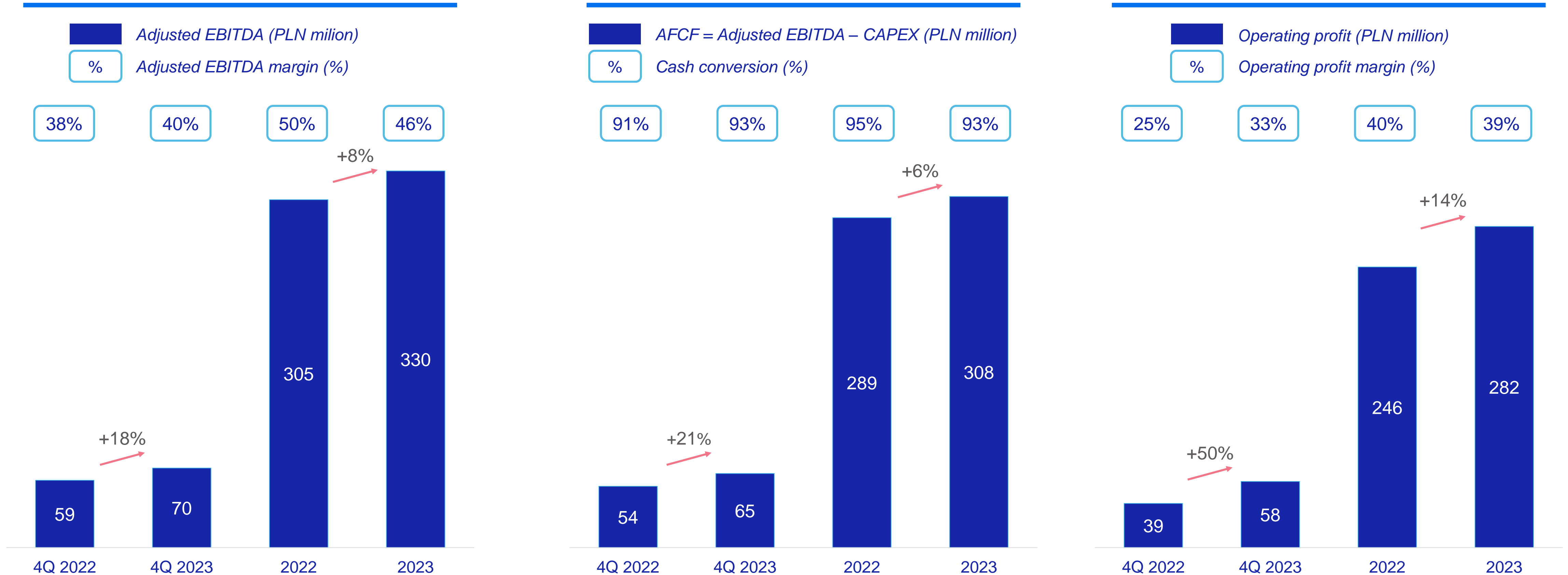
# Focusing on maintaining high margins



## Adjusted EBITDA <sup>(1)</sup>

## Cash conversion <sup>(2)</sup>

## Operating profit



(1) Adjusted EBITDA defined as 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 programmes for payment in the form of shares, costs of the public offering, and costs related to acquisitions, indicated in the consolidated report on total income. (2) Cash conversion ratio for the given period defined as the ratio of the difference between adjusted EBITDA and capex (cash outflows for acquisition of tangible non-current assets and acquisition of intangible assets), to adjusted EBITDA.

# Consolidated financial results



Selected financial results (PLN '000)	4Q 2023	Adjusted 4Q 2022	Change y/y	FY 2023	FY 2022	Change y/y
<b>Revenue from contracts with customers</b>	<b>173,525</b>	<b>155,331</b>	<b>11.7%</b>	<b>724,398</b>	<b>608,549</b>	<b>19.0%</b>
<i>Cost of job offers sold <sup>(1)</sup></i>	<i>(3,614)</i>	<i>(503)</i>	<i>618.5%</i>	<i>(40,667)</i>	<i>(10,830)</i>	<i>275.5%</i>
<b>Revenue from contracts with customers (net)</b>	<b>169,911</b>	<b>154,828</b>	<b>9.7%</b>	<b>683,731</b>	<b>597,719</b>	<b>14.4%</b>
Poland	125,418	115,928	8.2%	508,090	508,633	(0.1%)
Ukraine	10,436	6,503	60.5%	41,689	25,919	60.8%
Germany (net)	34,057	32,398	5.1%	133,952	63,167	112.1%
<b>Operating expenses (excl. cost of job offers sold):</b>	<b>(111,832)</b>	<b>(116,025)</b>	<b>(3.6%)</b>	<b>(401,938)</b>	<b>(351,553)</b>	<b>14.3%</b>
<i>Depreciation and amortization</i>	<i>(8,491)</i>	<i>(7,621)</i>	<i>11.4%</i>	<i>(34,437)</i>	<i>(22,200)</i>	<i>55.1%</i>
<i>Employee benefits</i>	<i>(63,173)</i>	<i>(71,332)</i>	<i>(11.4%)</i>	<i>(252,050)</i>	<i>(212,077)</i>	<i>18.8%</i>
<i>Marketing expenses</i>	<i>(20,609)</i>	<i>(21,027)</i>	<i>(2.0%)</i>	<i>(54,087)</i>	<i>(59,449)</i>	<i>(9.0%)</i>
<i>Software as services</i>	<i>(3,604)</i>	<i>(2,895)</i>	<i>24.5%</i>	<i>(13,326)</i>	<i>(8,890)</i>	<i>49.9%</i>
<i>Other external services</i>	<i>(10,765)</i>	<i>(10,805)</i>	<i>(0.4%)</i>	<i>(35,505)</i>	<i>(39,171)</i>	<i>(9.4%)</i>
<i>Other operating income / (costs)</i>	<i>(5,190)</i>	<i>(2,345)</i>	<i>121.3%</i>	<i>(12,533)</i>	<i>(9,766)</i>	<i>28.3%</i>
<b>Operating profit</b>	<b>58,079</b>	<b>38,803</b>	<b>49.7%</b>	<b>281,793</b>	<b>246,166</b>	<b>14.5%</b>
<i>Adjustments <sup>(2)</sup></i>	<i>3,241</i>	<i>15,646</i>	<i>(79.3%)</i>	<i>14,211</i>	<i>36,916</i>	<i>(61.5%)</i>
<b>Adjusted operating profit</b>	<b>61,320</b>	<b>54,449</b>	<b>12.6%</b>	<b>296,004</b>	<b>283,083</b>	<b>4.6%</b>
Poland	59,792	52,014	15.0%	282,726	287,585	(1.7%)
Ukraine	(522)	533	-	7,187	(7,009)	-
Germany	2,050	1,901	7.8%	6,092	2,506	143.1%
<b>Net finance income / (costs)</b>	<b>(29,227)</b>	<b>(15,097)</b>	<b>93.6%</b>	<b>(58,076)</b>	<b>(24,461)</b>	<b>137.4%</b>
Share of profit of equity-accounted investees	3,713	(302)	-	8,003	(848)	-
<b>Profit before tax</b>	<b>32,565</b>	<b>23,404</b>	<b>39.1%</b>	<b>231,720</b>	<b>220,857</b>	<b>4.9%</b>
Income tax	(5,010)	(11,423)	(56.1%)	(43,995)	(56,305)	(21.9%)
<b>Net profit</b>	<b>27,555</b>	<b>11,981</b>	<b>130.0%</b>	<b>187,725</b>	<b>164,553</b>	<b>14.1%</b>
Adjusted net profit <sup>(3)</sup>	54,590	27,562	98.1%	225,739	199,805	13.0%

- Consistent growth in group revenues, mainly due to consolidation of softgarden (since 3Q 2022), higher prices of recruitment projects on the Pracuj.pl platform and the increasing number of customers using services offered in the SaaS model
- Strong growth in revenue and rebuilding operating profitability of the Ukraine segment, despite the tough business conditions
- Growth in costs of employee benefits in 2023 mainly due to consolidation of softgarden for the full 12 months
- Impact of markdown to fair value of shares in Beamery Inc. (PLN 23.9m)



## 2023 business summary

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Consistent growth in a demanding  
market environment

## Job classifieds – main achievements in 2023



**109,500**  
customers of  
Pracuj.pl and Robota.ua

**pracuj.pl**

**the:protocol**

**r robota.ua**

**84.6m**  
applications submitted  
via Grupa Pracuj platforms

- **Record number of active customers of Pracuj.pl (59,000)** – about 60% use the e-commerce platform
- Record number of applications submitted by candidates via Pracuj.pl
- Effective rollout of **Pricing 3.0**, tailored to different customer segments (increase in average price of recruitment projects of c. 9% y/y)
- New technologies driving further growth – **over 50% of CVs sent thanks to AI recommendations**
- New version of **Pracuj 3.0** based on new UX and product innovations (**70% of offers in the Easy Apply ecosystem**, 2x faster application process, +20% y/y increase in conversions)
- Reinforcing position in the IT segment
- Return to the growth path in Ukraine – Robota.ua achieves the position of market leader in number of job postings in Ukraine

# HR technology SaaS – main achievements in 2023



**341**

net new customers  
of SaaS systems

**25%**

growth of MRR  
from HR Tech SaaS<sup>(1)</sup>

**3,600**

active customers  
+10.5% y/y



- **25% growth in monthly recurring revenue (MRR)** from services offered in the SaaS model, despite the challenging market situation
- **Increase in the subscriber customer base by 341 companies (net)**
- **HR Workflows** – offer from eRecruiter of full automation of links with external HR systems
- Launch of **onboarding** solutions in both systems
- New version of **softgarden 2.0**

(1) MRR – monthly recurring revenue in the last month of the reporting period, jointly for eRecruiter and softgarden, in PLN at the exchange rate at the end of the reporting period

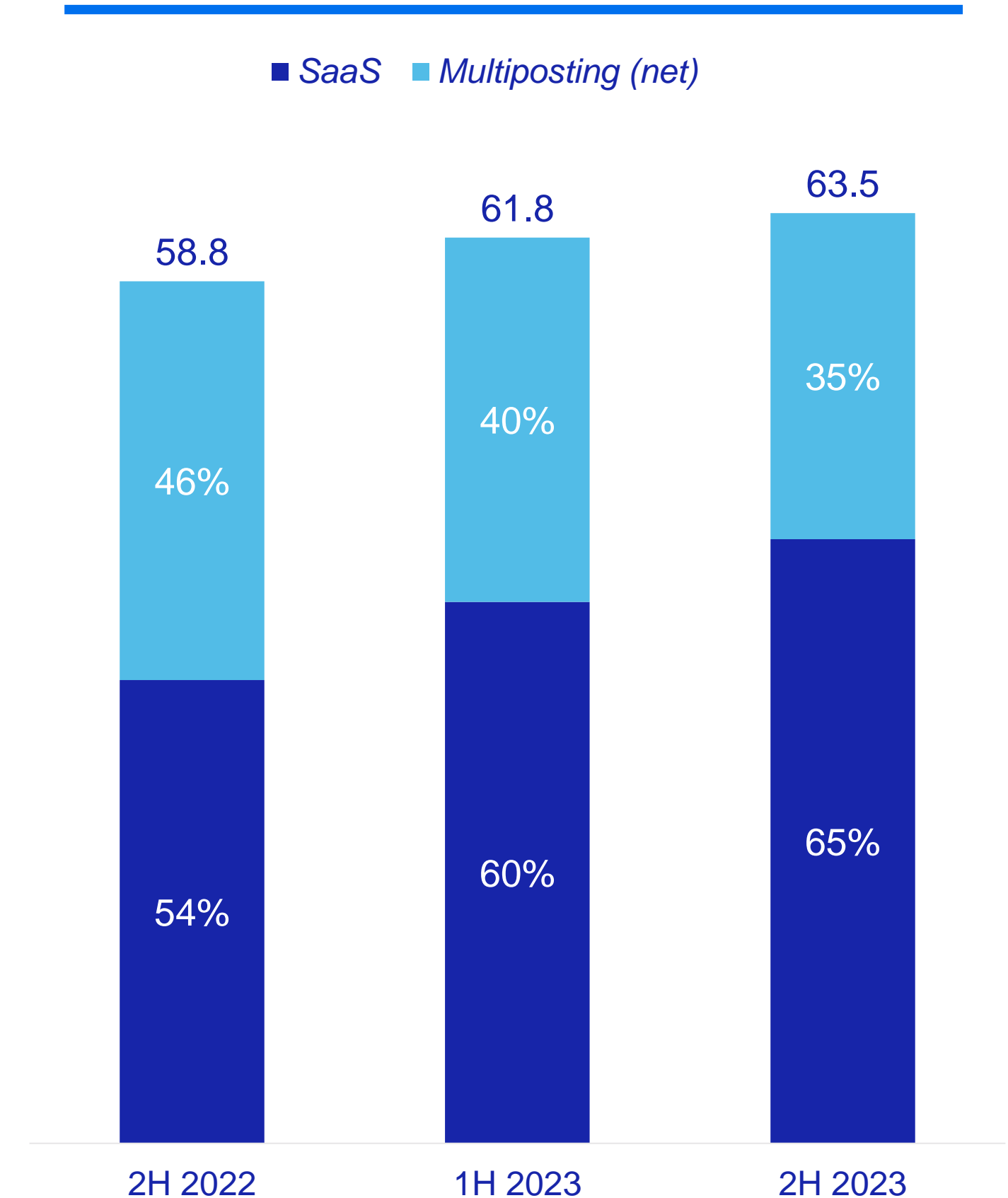
# Successful acquisition of softgarden

– maintaining growth momentum in a challenging market

- Obtaining a dynamic, growing business in the DACH region
- Increasing the share of HR Tech SaaS in the group's business model and reinforcing this segment in line with the group's growth strategy
- Access to the HR Tech ecosystem in Germany
- Grupa Pracuj as a reliable investor in Western Europe – strong basis for further acquisitions
- Sharing knowledge and experience, product synergies



Share of SaaS revenue in softgarden revenue (net, PLN million)

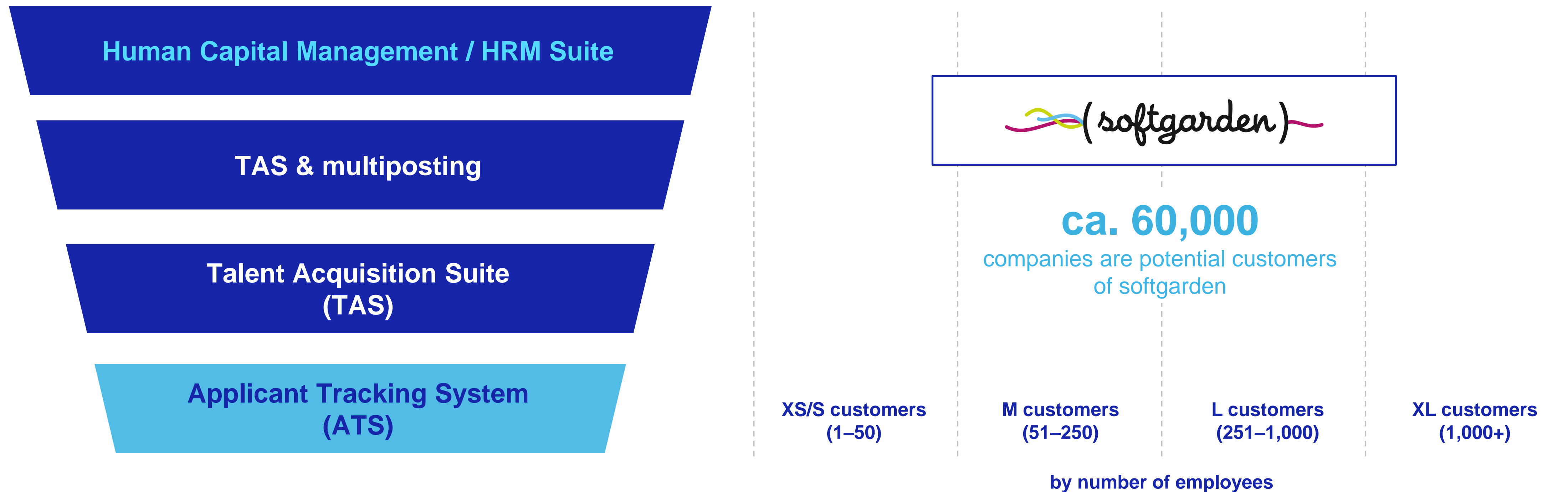


# Potential of the HR technology SaaS market



**softgarden** today:

- **unique combination** of Talent Acquisition Suite with multiposting function on a fragmented market
- comprehensive satisfaction of the customer's needs by **finding the right candidate** and **automation of the whole recruitment process** in one solution



# Strategic directions

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Consistency and discipline

Operating excellence is the foundation of Grupa Pracuj's business



## **GP Way** – operating excellence means:

- Selling and servicing HR clients in high touch model,
- Culture focused on talents engagement and delivering results,
- Discovery, development and monetization of the products
- Entrepreneurial approach





# Growth in revenue to PLN 1bn in 2025+ on an EBITDA margin above 40%

Thanks to **operating excellence** in sales and customer service, creation of new products, development and innovations, and a culture of entrepreneurship characterized by engagement and a focus on achieving results across all areas of our business, we will become **the leading HR technology platform in Europe** delivering solutions based on state-of-the-art technology.

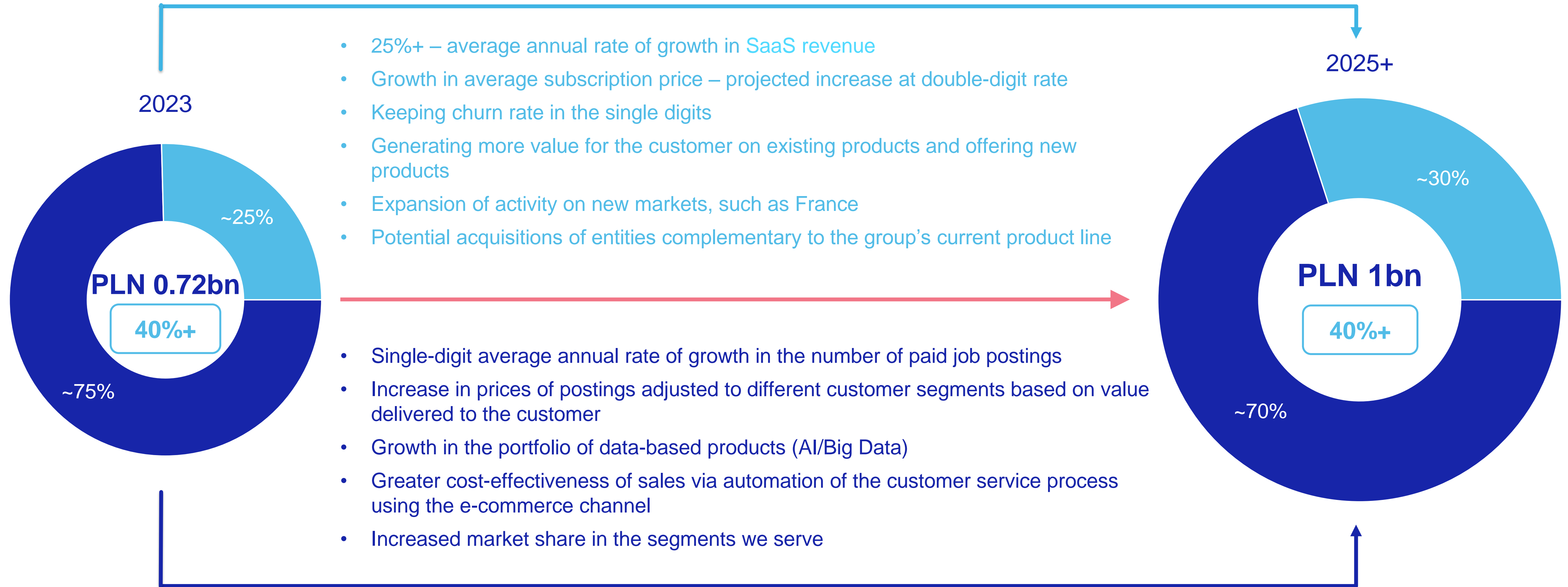




# How do we seek to accomplish this?



## HR technology SaaS (organic growth and selective acquisitions)



### Job classifieds (organic growth)

- Job classifieds
- HR technology Saas
- ☐ % EBITDA margin

## Solid foundations for accelerated growth



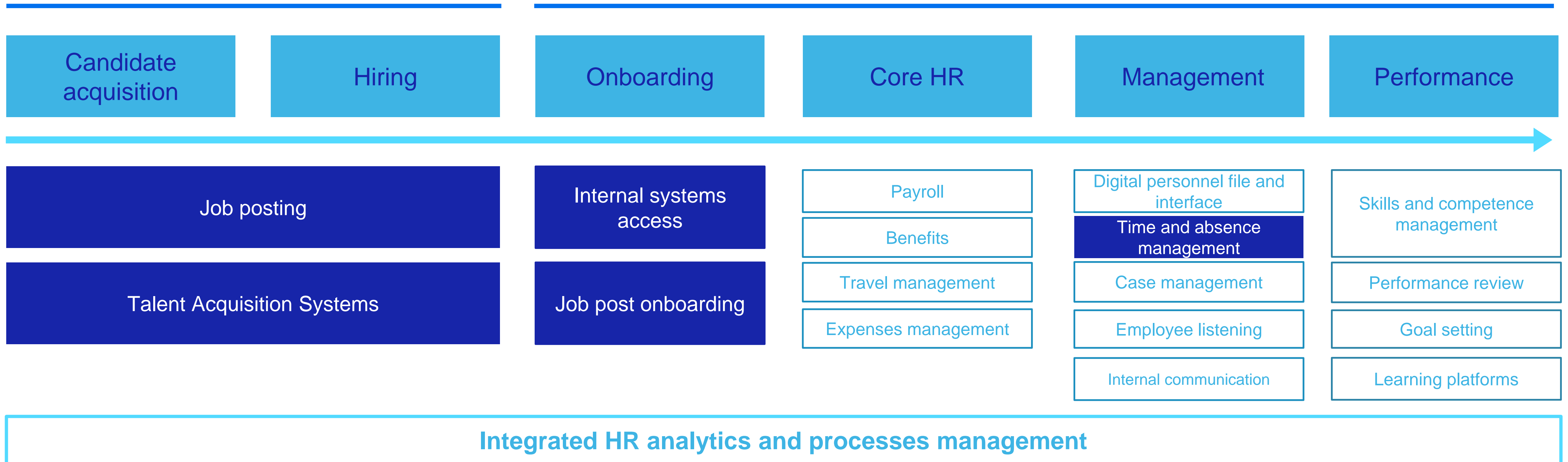
- **Operating efficiency** of the group
- **Cost discipline**
- **Automation** of processes
- **Innovations** and new technologies – rising scale of tech investments in the group
- Potential macroeconomic revival
- High capacity for generating **cash**
- Great opportunities for external financing
- Increased appetite for **acquisitions**

# Growth areas for Grupa Pracuj



## Pre-hire

## Post-hire



**pracuj.pl**

**robota.ua**

**the:protocol**

eRecruiter **hrlink.pl**

*(softgarden)*

**absence**

■ offered by Grupa Pracuj

□ not currently offered by Grupa Pracuj

# Prospects for 2024

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## Expectations for 2024

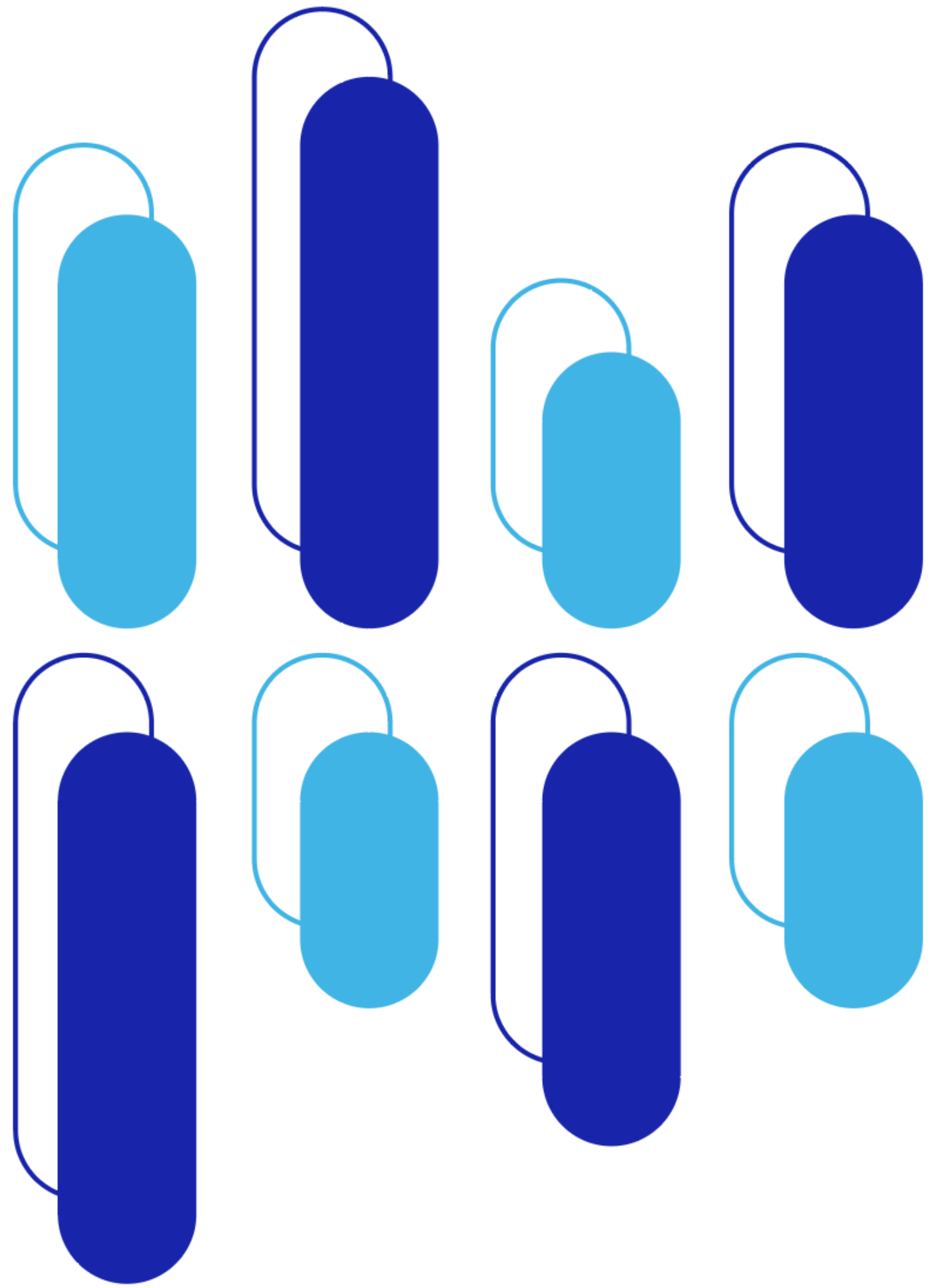


- Single-digit growth in the number of published recruitment projects
- Effective pricing in both areas (job classifieds and SaaS systems) – policy tailored to the market and segment
- Growth in the number of active customers in HR technology SaaS and double-digit growth in MRR
- Further expansion of the eRecruiter and softgarden portfolios of services and modules with post-hire solutions
- Development and implementation of AI-based tools and increased investment in new technologies to drive efficiency across the group - strengthening competencies at the group level

# Thank you!

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We welcome your questions

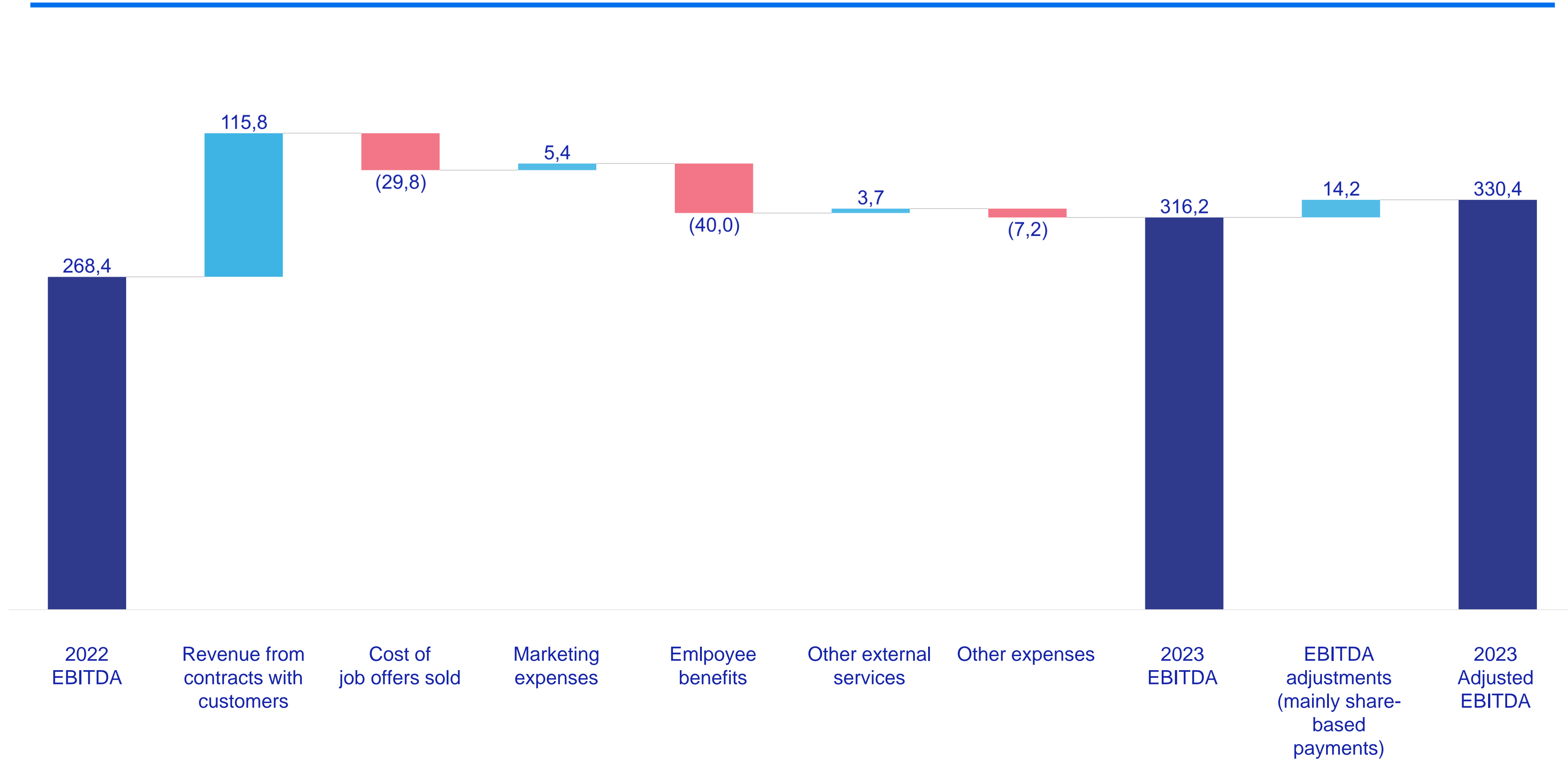


# Appendices

# Consolidated EBITDA



EBITDA (PLN million)







## POLAND

- GDP growth of 0.2% y/y in 2023<sup>(1)</sup>; projected GDP growth of 2.9% in 2024 and 3.3% in 2025<sup>(2)</sup>
- Unemployment rate of 5.1% (or 2.7% by EU definition) as of December 2023<sup>(3)</sup>; projected unemployment rate of 5.2% (or 2.8% by EU definition) in 2024<sup>(2)(8)</sup>
- Salary growth in the enterprise sector of 11.5% y/y in Q4 2023<sup>(3)</sup>; projected salary growth of 9.8% in 2024<sup>(2)</sup>
- Average CPI inflation of 11.4% in 2023; CPI declines to 6.2% y/y in December 2023, to 3.9% in January 2024 and to 2.8% in February 2024<sup>(1)</sup>
- NBP reference rate of 5.75% since October 2023<sup>(4)</sup>

## UKRAINE

- Real GDP growth of 5.7% in 2023, following<sup>33</sup> decline of 28.8% in 2022<sup>(5)</sup>; projected real GDP growth of 3.6% in 2024 and 5.8% in 2025<sup>(5)</sup>
- Unemployment rate of 16.1% as of December 2023<sup>(6)</sup>
- Average CPI of 12.8% in 2023; expected CPI of 7.0% in 2024

## GERMANY

- Decline in GDP of 0.3% in 2023<sup>(7)</sup>; projected GDP growth of 0.5% in 2024 and 1.6% in 2025<sup>(9)</sup>
- Unemployment rate of 3.1% as of December 2023<sup>(7)</sup>; projected unemployment rate of 3.2% in 2024<sup>(8)</sup>
- Average CPI inflation of 5.9% in 2023<sup>(7)</sup>; CPI declines to 3.7% y/y in December 2023 and to 2.9% in January 2024<sup>(7)</sup>

(1) Statistics Poland, flash estimate, January 2024

(2) National Bank of Poland Macroeconomic Survey, December 2023

(3) Statistics Poland, Eurostat

(4) National Bank of Poland

(5) National Bank of Ukraine, Inflation Report, January 2024

(6) Centre for Economic Strategy (<https://ces.org.ua>), January 2024

(7) German Federal Statistical Office (Destatis)

(8) European Commission, Autumn 2023 Economic Forecast, November 2023

(9) International Monetary Fund, World Economic Outlook Update, January 2024

# Balance sheet and cashflows



Selected financial data (PLN '000)	31 December 2023	31 December 2022	Change
<b>Total assets</b>	<b>1,027,478</b>	<b>1,018,215</b>	<b>0.9%</b>
Non-current assets, including:	753,333	800,157	(5.9%)
Goodwill	446,128	481,209	(7.3%)
Current assets, including:	274,145	218,058	25.7%
Cash and cash equivalents	163,756	109,538	49.5%
<b>Total equity and liabilities</b>	<b>1,027,478</b>	<b>1,018,215</b>	<b>0.9%</b>
<b>Equity</b>	<b>361,953</b>	<b>310,956</b>	<b>16.4%</b>
<b>Non-current liabilities, including:</b>	<b>285,530</b>	<b>341,119</b>	<b>(16.3%)</b>
Bank loans	239,295	303,168	(21.1%)
<b>Current liabilities, including:</b>	<b>379,995</b>	<b>366,140</b>	<b>3.8%</b>
Bank loans	23,543	63,492	(62.9%)
Lease liabilities	10,472	10,942	(4.3%)
Other financial liabilities	8,076	4,171	93.6%
Employee benefits	29,785	23,618	26.1%
Trade payables	35,650	32,809	8.7%
Other payables	15,384	16,765	(8.2%)
Current tax liabilities	15,432	5,923	160.5%
Contract liabilities	241,653	208,420	15.9%
<b>Cash flows (PLN '000)</b>	<b>2023</b>	<b>2022</b>	<b>Change</b>
Net cash flows from operating activities	322,906	239,019	35.1%
Net cash flows from investing activities	(22,141)	(517,650)	(95.7%)
Net cash flows from financing activities	(246,514)	203,332	-
<b>Total net cash flows</b>	<b>54,250</b>	<b>(75,299)</b>	<b>-</b>

# Grupa Pracuj share price compared to the mWIG40 in 2023

