



grupa pracuj

Leading HR Tech platform in Central & Eastern Europe

Presentation of results
for the first three quarters of 2022

pracuj.pl

eRecruiter

robot.ua

(softgarden)

About Grupa Pracuj

First three quarters of 2022 in numbers

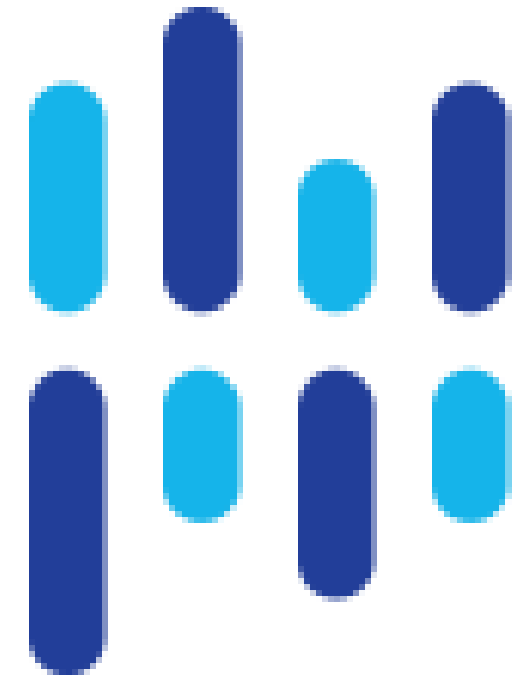
Operating and financial results

Outlook for the future

Grupa Pracuj today



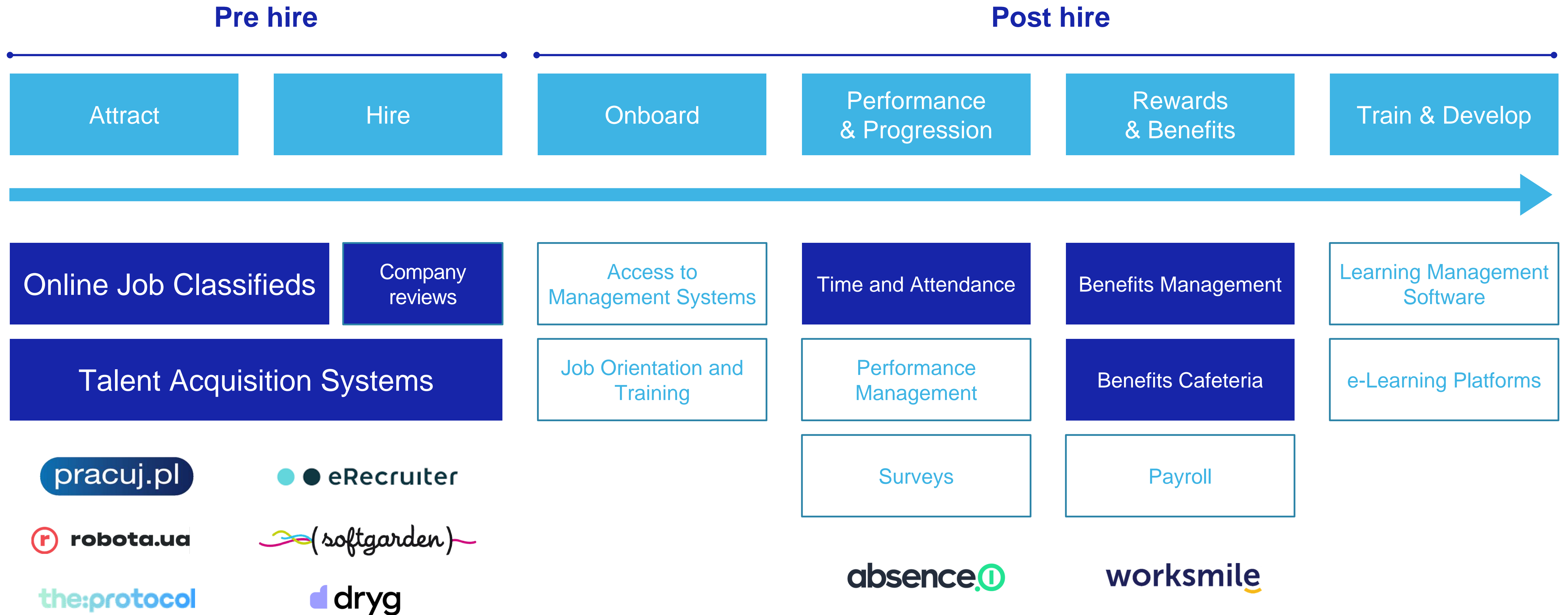
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grupa pracuj



HR Tech Ecosystem



offered by Grupa Pracuj
 currently not offered by Grupa Pracuj

First three quarters of 2022 in numbers



PLN 464m

revenue from contracts
with customers
+35% y/y



PLN 246m

adjusted EBITDA
+23% y/y



53%

adjusted EBITDA
margin

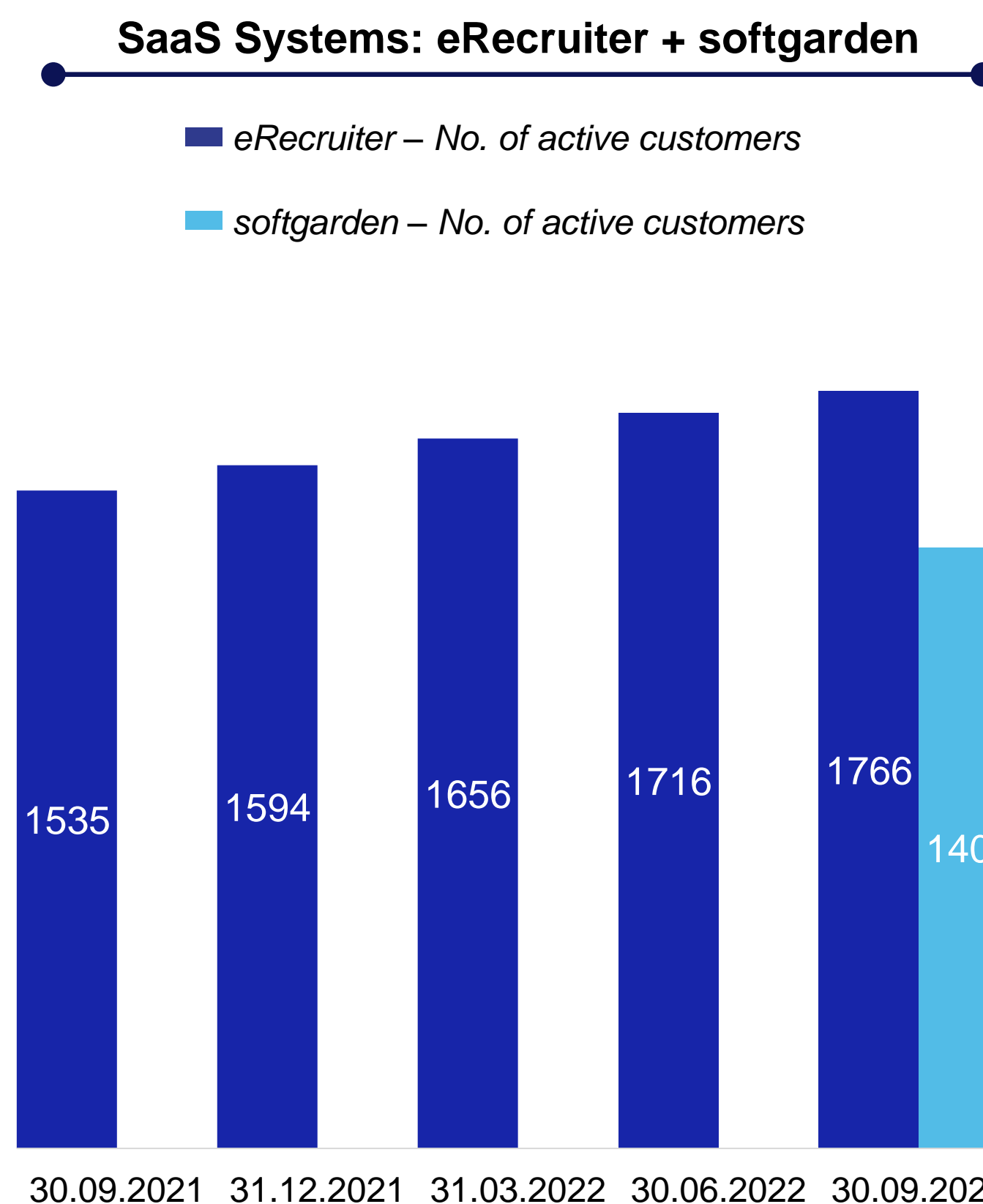
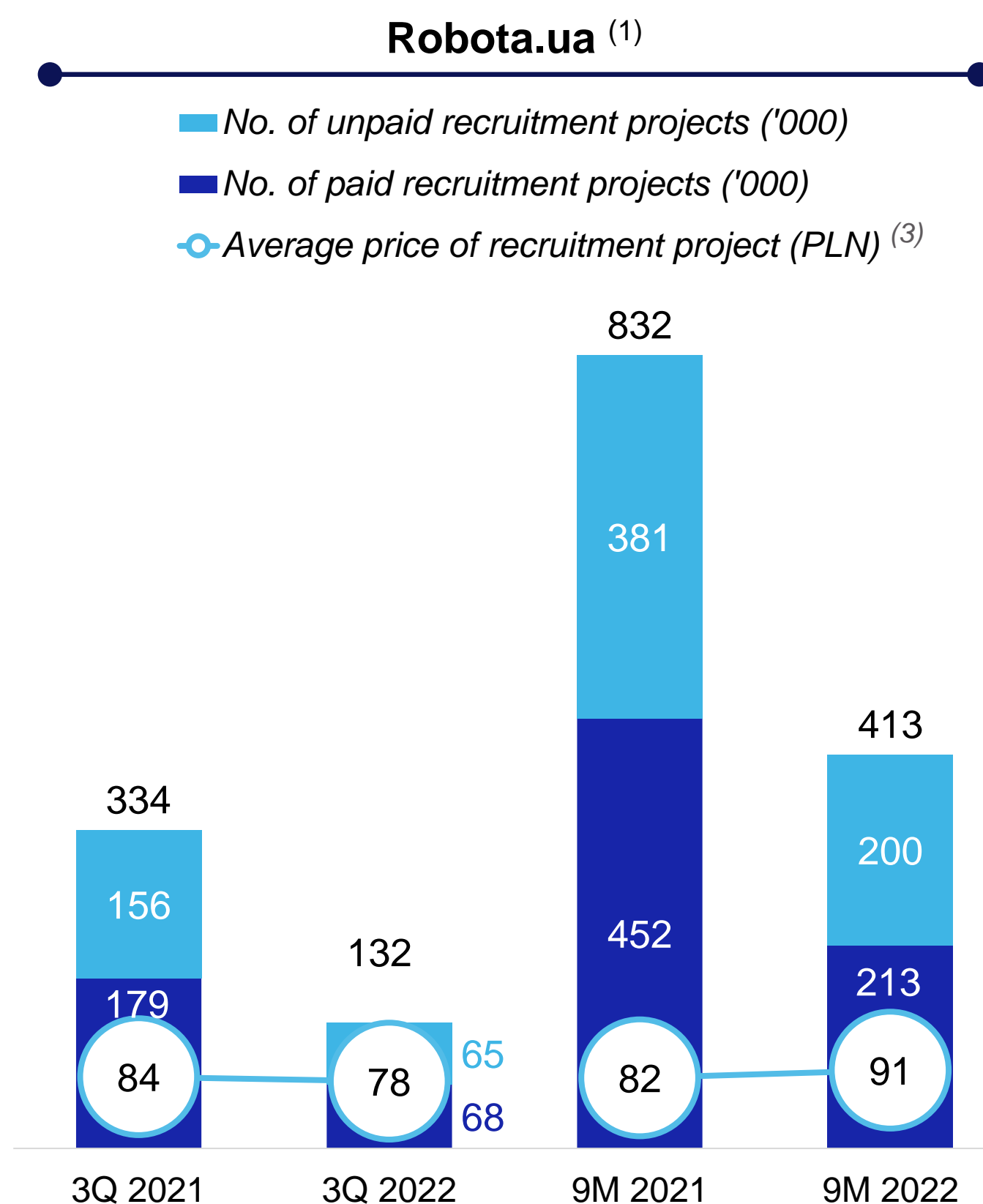
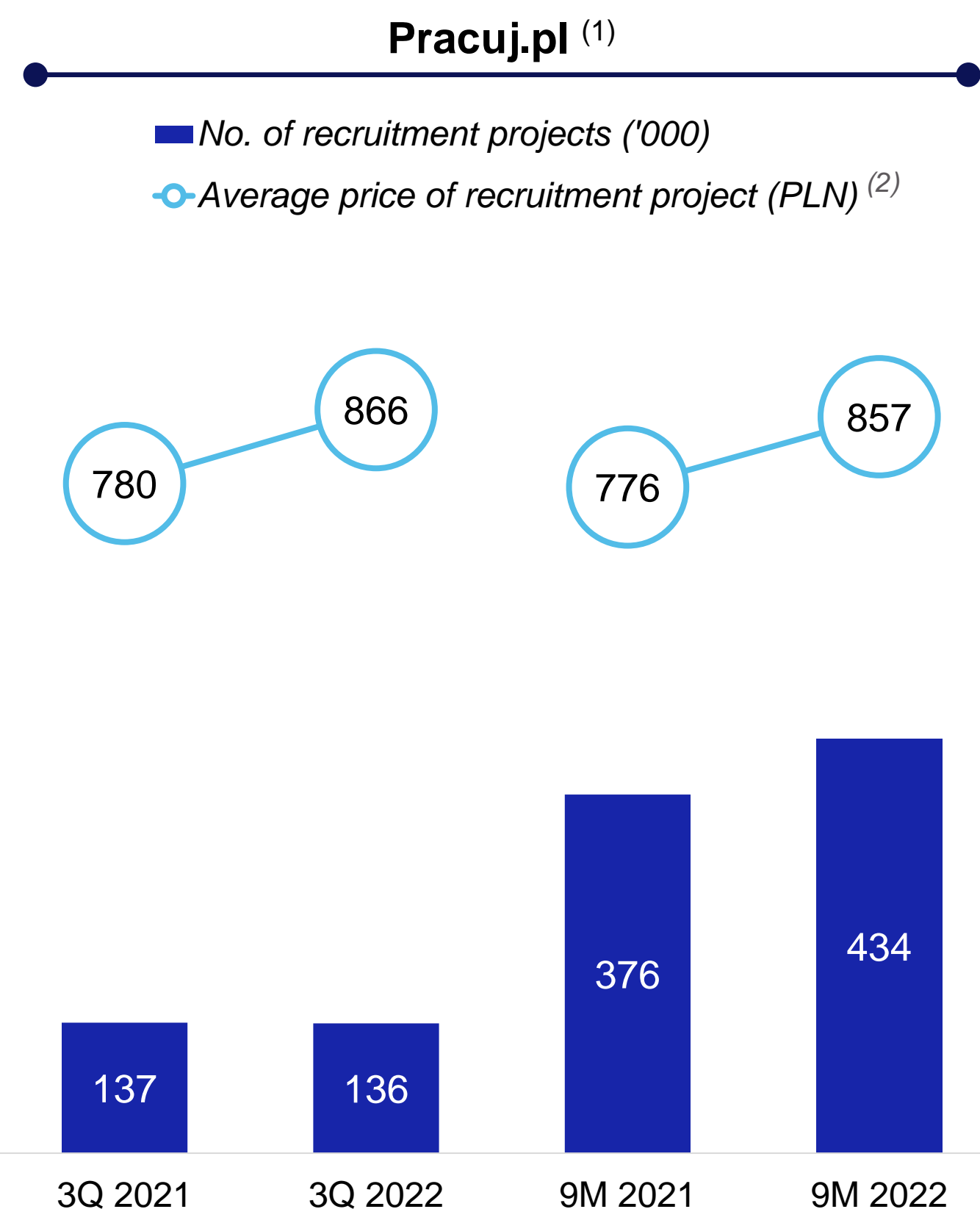


PLN 155m

net profit
-27% y/y
(**+9% y/y** excluding
revaluation of
Beamery Inc. in 2021)

- Strong, double-digit growth in revenues despite challenging market situation and ongoing war in Ukraine
- Beginning of consolidation of results of softgarden – a leading HR Tech player in Germany (28% share in 3Q 2022 revenue)
- Good operating results of the Poland segment, including 15% increase y/y in the number of recruitment projects on Pracuj.pl platform (stabilization y/y in 3Q)
- Adjusted EBITDA margin over 50%, despite negative impact of softgarden consolidation
- 9% growth y/y of the net profit of the group (excluding the impact of revaluation of Beamery Inc. in 2021)

Increase in key operating results in Poland

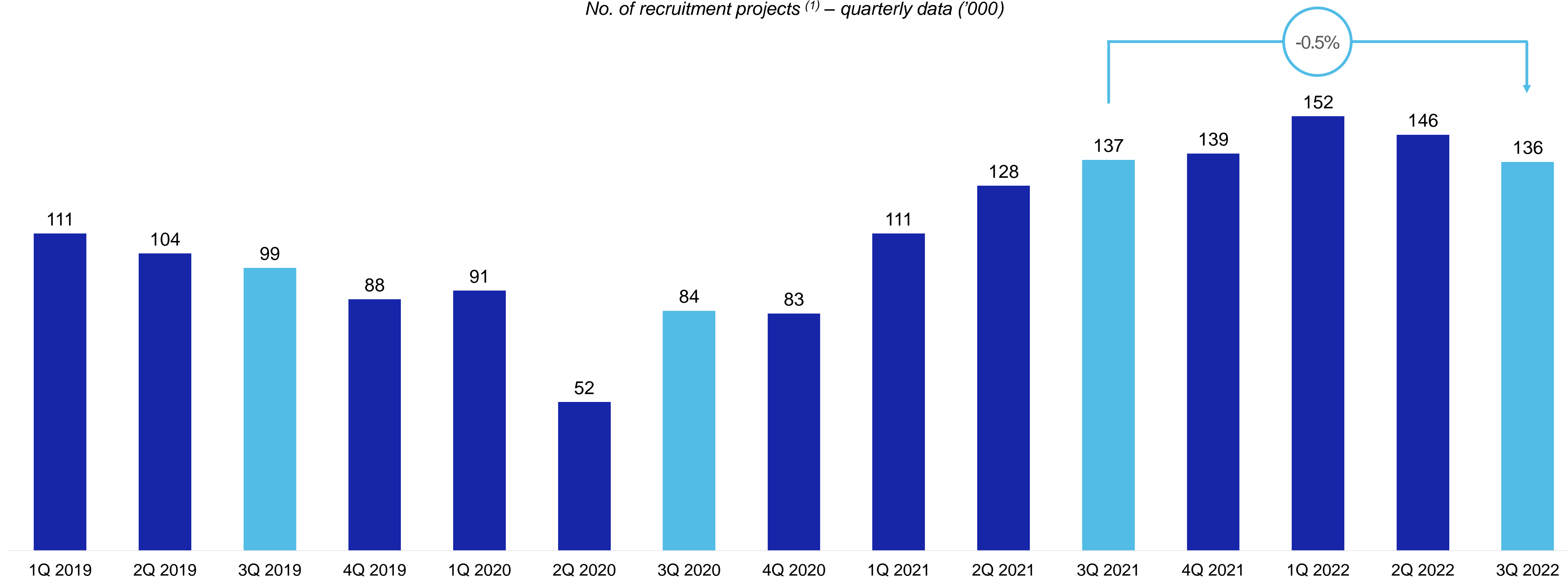


(1) The number of recruitment projects is equal to the number of credits used for placement of job offers on Pracuj.pl or Robota.ua. In the case of Pracuj.pl, one credit may be exchanged for multiple job offers (with the same title but different locations), while in the case of Robota.ua one credit can 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.

Stabilization in the number of recruitment projects on Pracuj.pl

Pracuj.pl

No. of recruitment projects ⁽¹⁾ – quarterly data ('000)

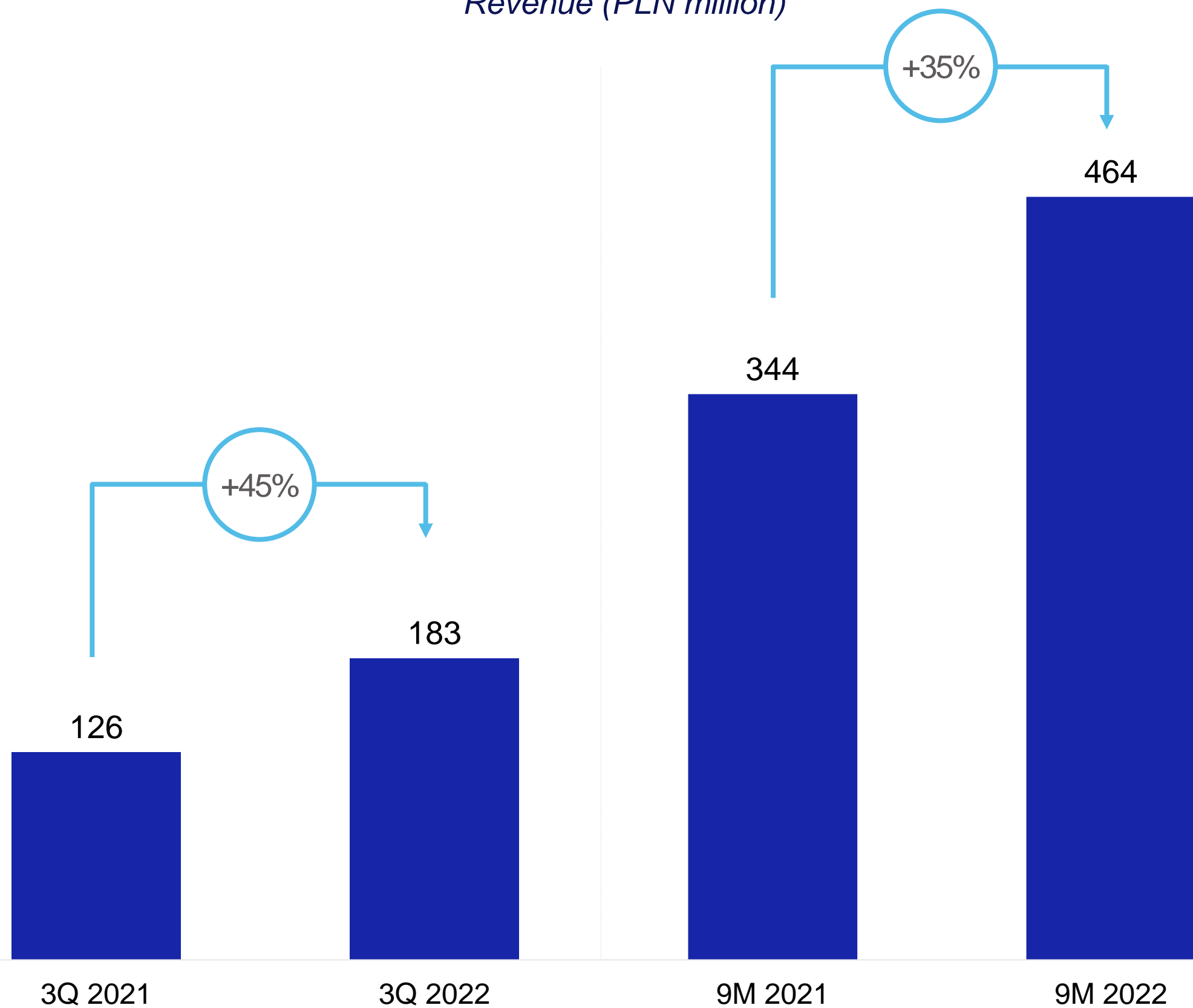


(1) The number of recruitment projects is equal to the number of credits used for placement of job offers on Pracuj.pl. One credit may be exchanged for multiple job offers (with the same title but different locations).

Consistent business growth, strong increase in revenue

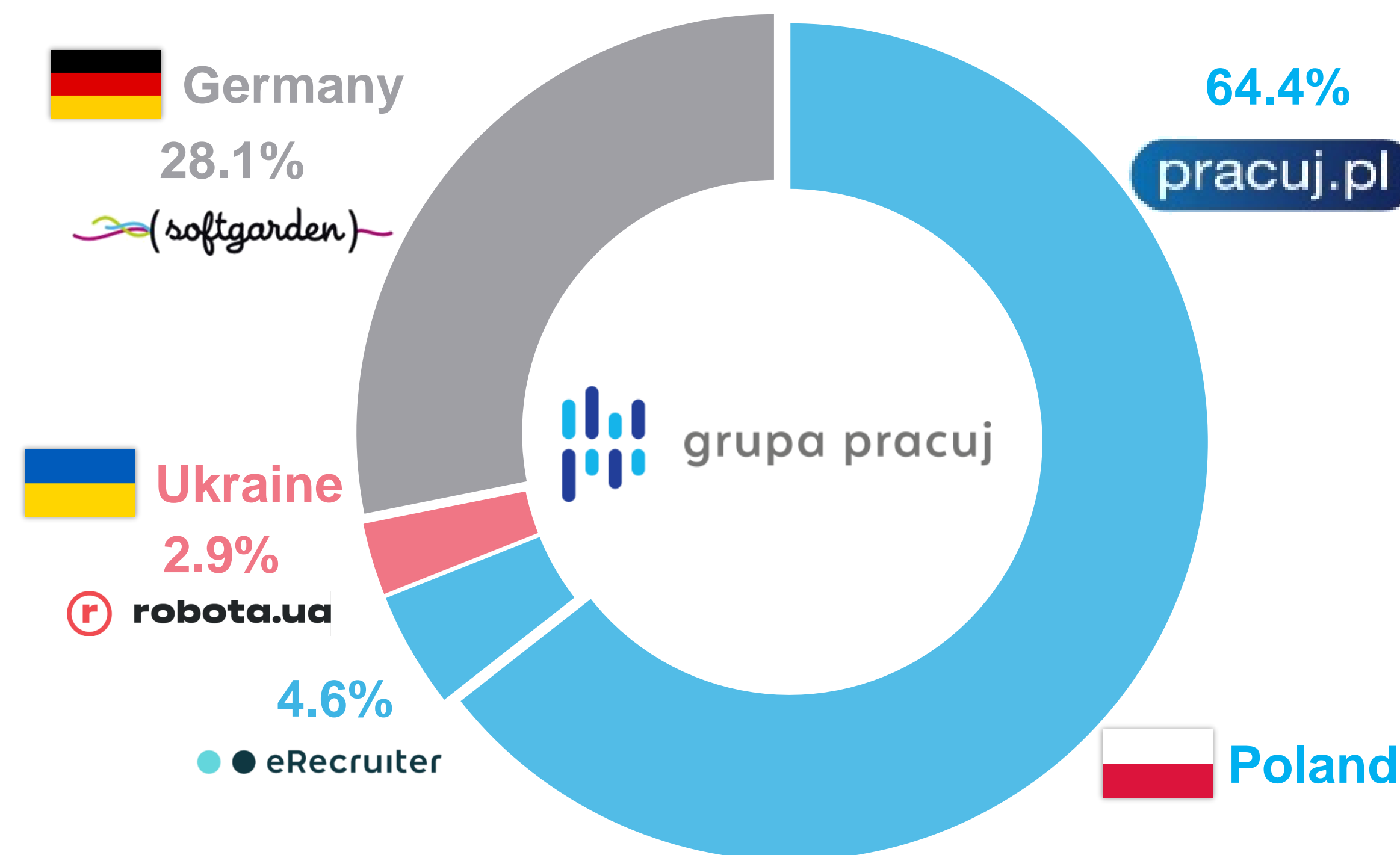
Grupa Pracuj

Revenue (PLN million)

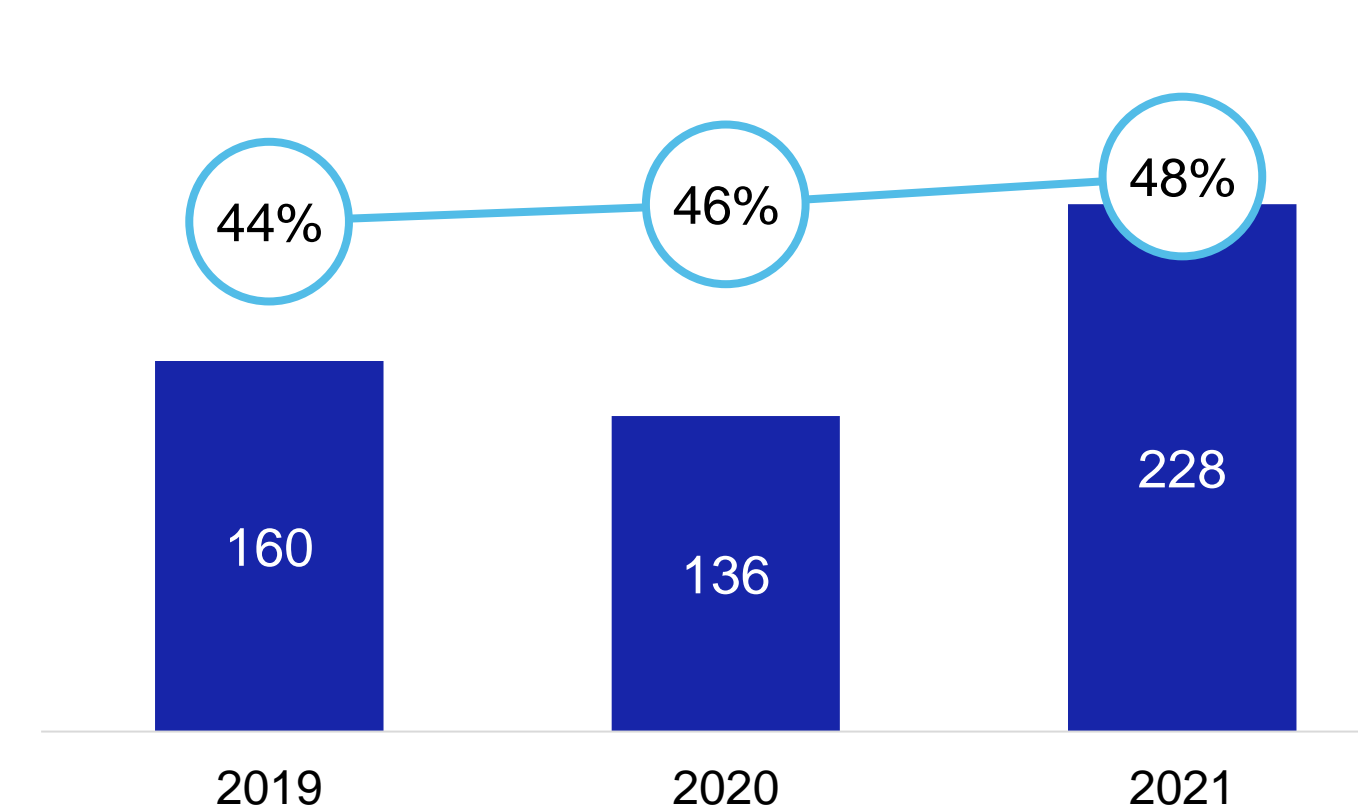
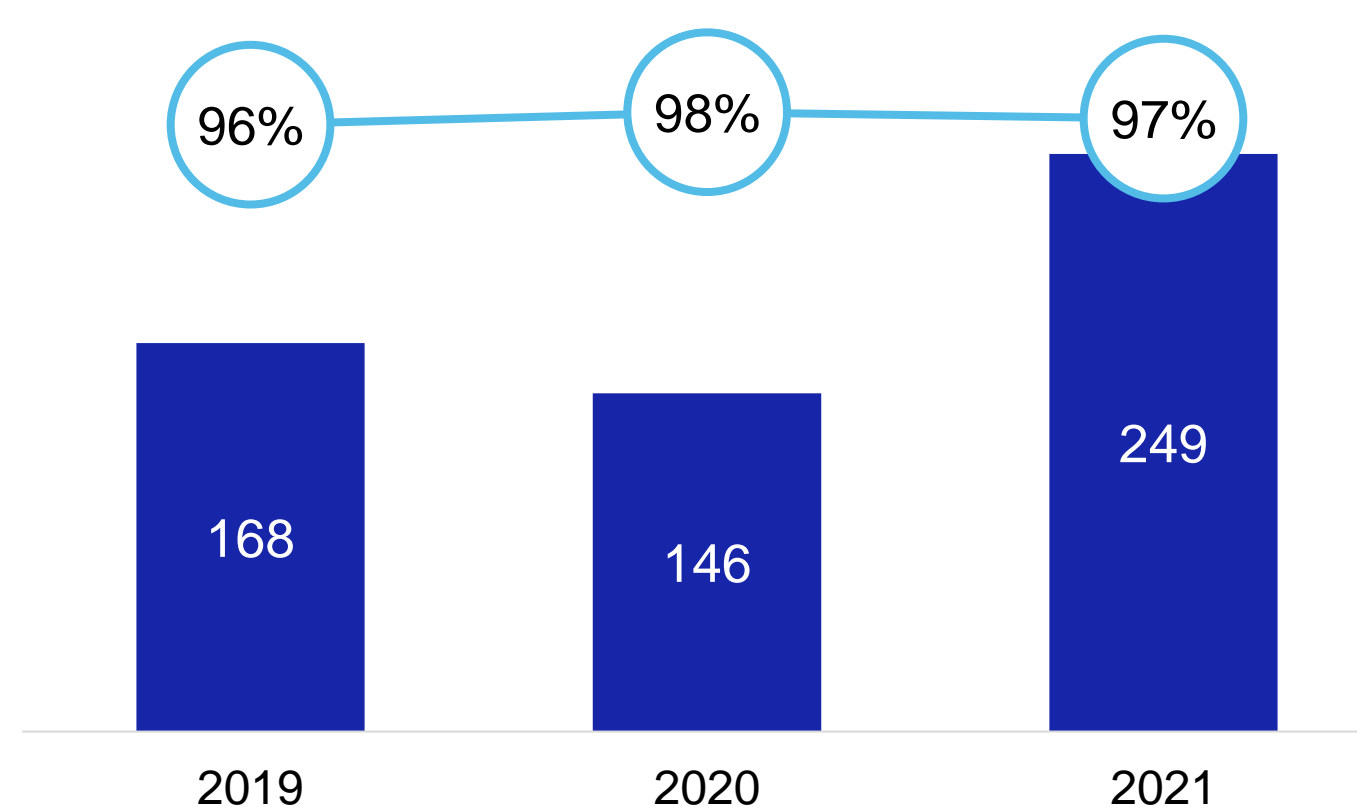
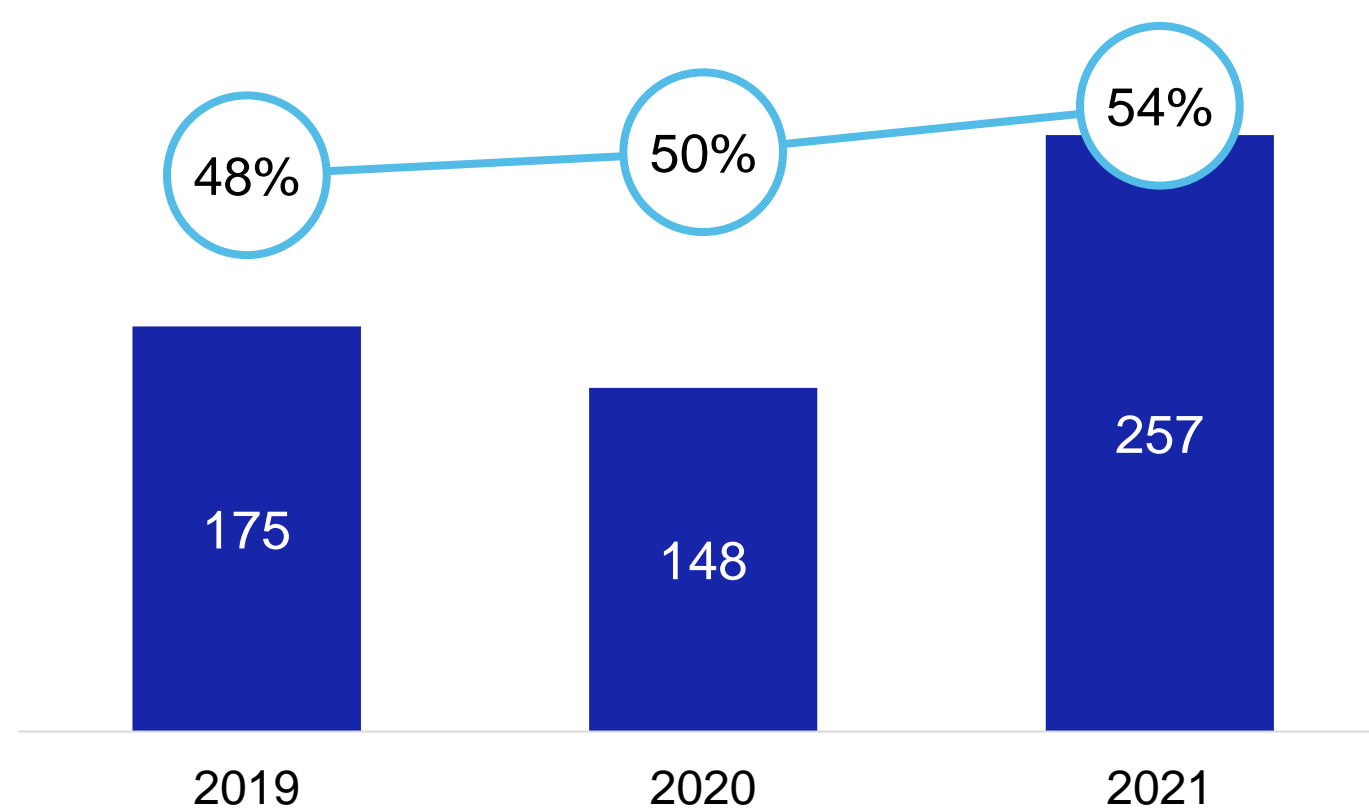
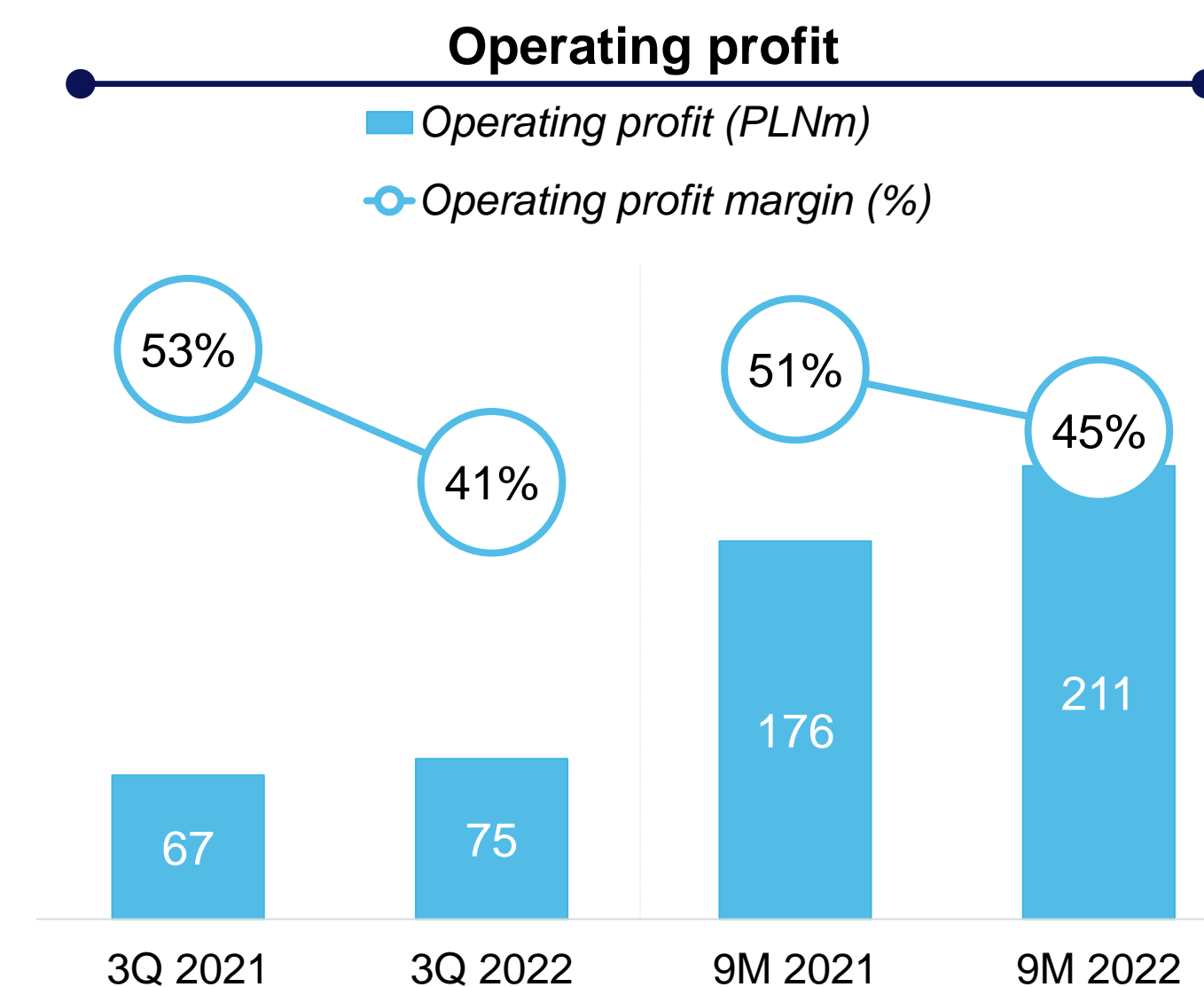
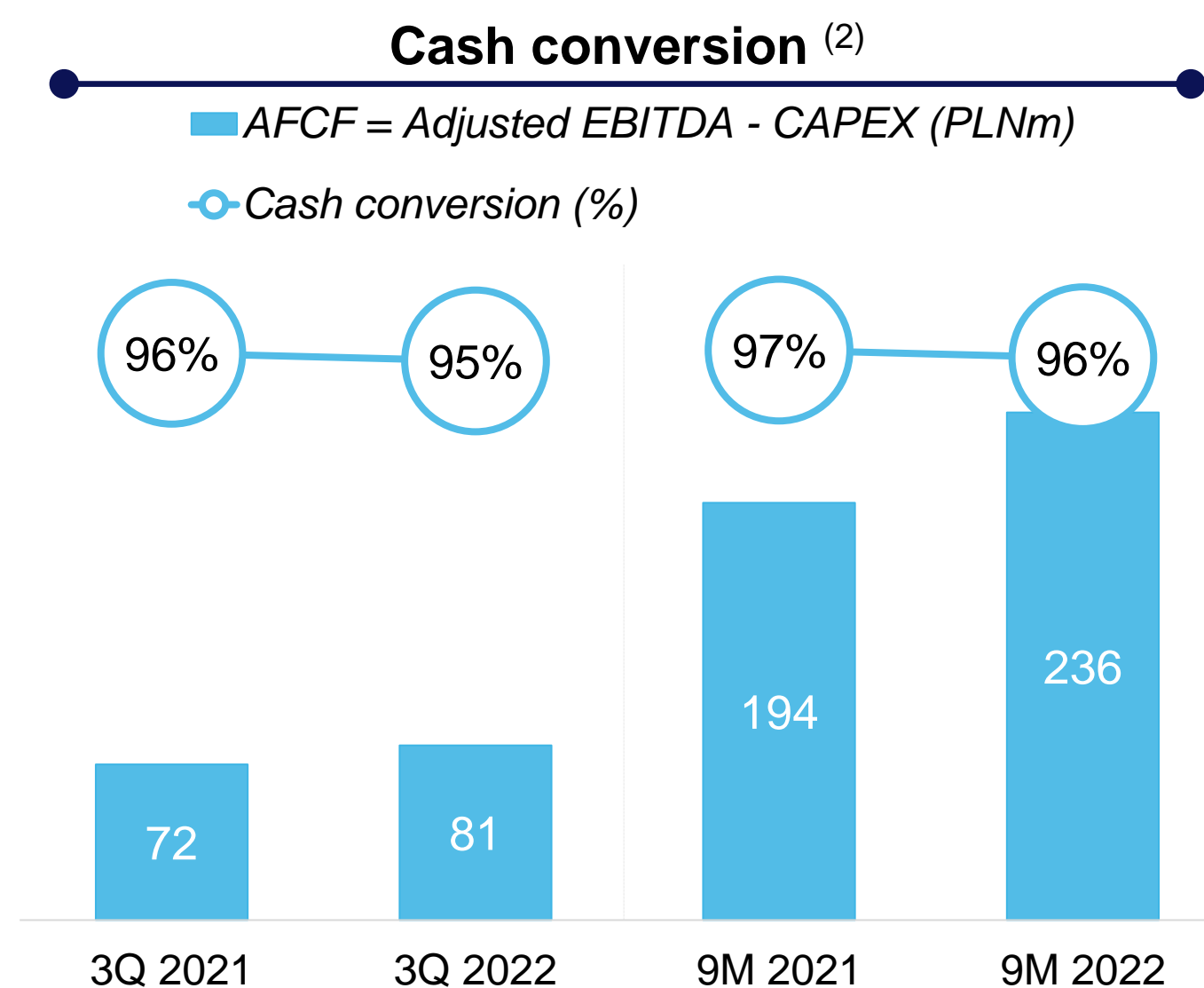
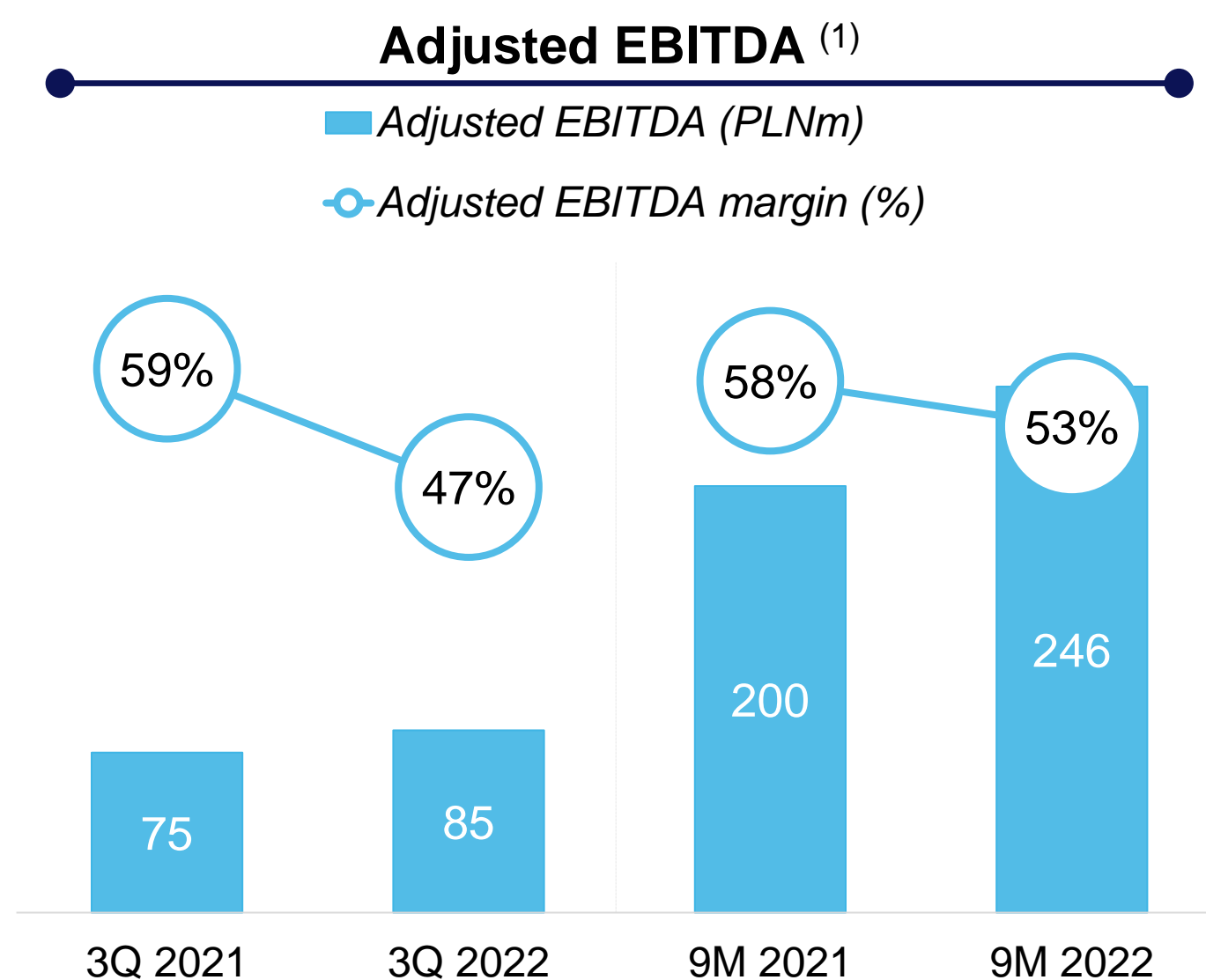


Grupa Pracuj

Revenue breakdown in 3Q 2022



Impact of softgarden consolidation on operating profitability



(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

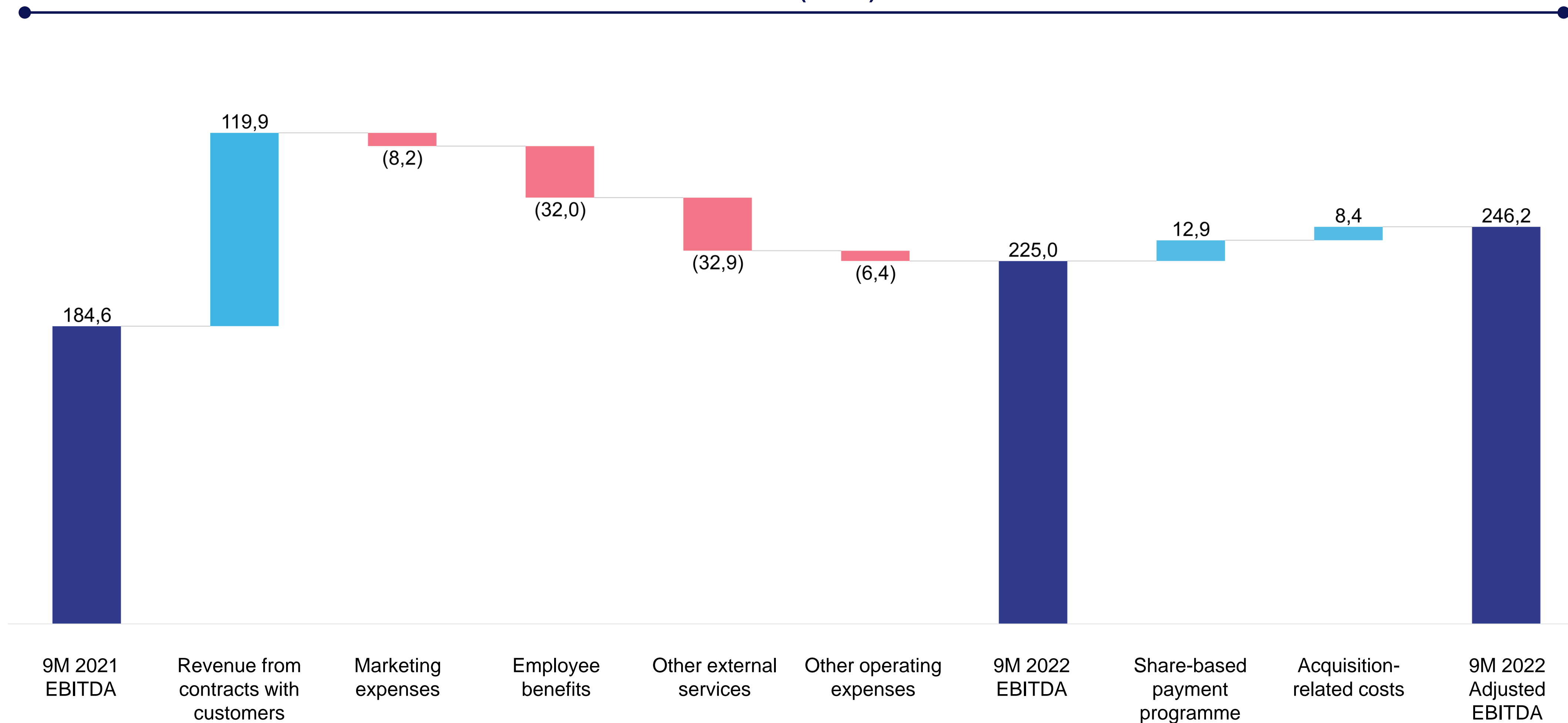
Selected financial results (PLN '000)	3Q 2022	3Q 2021	Change y/y	9M 2022	9M 2021	Change y/y	FY 2021
Revenue from contracts with customers	183,460	126,254	45.3%	463,751	343,848	34.9%	475,113
Poland	126,545	111,339	13.7%	392,705	306,632	28.1%	424,579
Ukraine	5,286	14,915	(64.6%)	19,417	37,216	(47.8%)	50,534
Germany	51,629	-	-	51,629	-	-	-
Operating expenses, incl.:	(108,935)	(59,365)	83.5%	(253,164)	(168,098)	50.6%	(247,605)
<i>Depreciation and amortization</i>	(8,146)	(2,918)	179.2%	(14,378)	(8,838)	62.7%	(12,037)
<i>Marketing expenses</i>	(14,480)	(12,853)	12.7%	(38,422)	(30,188)	27.3%	(54,134)
<i>Other external services</i>	(30,595)	(8,677)	252.6%	(49,226)	(16,323)	201.6%	(24,543)
<i>Employee benefits</i>	(50,810)	(32,780)	55.0%	(137,722)	(105,760)	30.2%	(146,676)
Operating profit	74,525	66,889	11.4%	210,587	175,750	19.8%	227,508
Finance income	4,381	916	378.3%	7,330	88,046	(91.7%)	90,922
Finance costs	(10,603)	(562)	1786.7%	(16,694)	(1,247)	1238.7%	(2,016)
Net finance income / (costs)	(6,222)	354	-	(9,364)	86,799	-	88,906
Share of profit of equity-accounted investees	(405)	2,018	-	(546)	5,285	-	3,133
Profit before tax	67,898	69,261	(2.0%)	200,677	267,834	(25.1%)	319,547
Income tax	(15,277)	(14,715)	3.8%	(45,845)	(55,217)	(17.0%)	(63,864)
Net profit	52,621	54,546	(3.5%)	154,832	212,617	(27.2%)	255,683
Adjusted net profit ⁽¹⁾	52,621	54,546	(3.5%)	154,832	142,074	9.0%	185,140
Selected ratios (PLN'000)	3Q 2022	3Q 2021	Zmiana r/r	9M 2022	9M 2021	Zmiana r/r	FY 2021
EBITDA	82,671	69,807	18.4%	224,965	184,588	21.9%	239,545
EBITDA margin	45.1%	55.3%	(10.2 p.p.)	48.5%	53.7%	(5.2 p.p.)	50.4%
Adjusted EBITDA ⁽²⁾	85,295	74,936	13.8%	246,235	199,696	23.3%	257,338
Adjusted EBITDA margin	46.5%	59.4%	(12.9 p.p.)	53.1%	58.1%	(5.0 p.p.)	54.2%

- Double-digit revenue growth
- Increase in employee benefits due to growth in employment and salaries as well as consolidation of softgarden from 3Q 2022
- Increase in marketing expenses due to implementation of larger number of broad-reach campaigns
- Increase in costs of external services arising from incurring costs related to the acquisition as well as costs of softgarden's acquiring recruitment posts to resell them as part of its multiposting service
- Negative impact of softgarden consolidation on the group's margins

(1) Excluding impact on net profit of revaluation of investment in Beamery Inc. by PLN 70.5 mm. (2) 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.

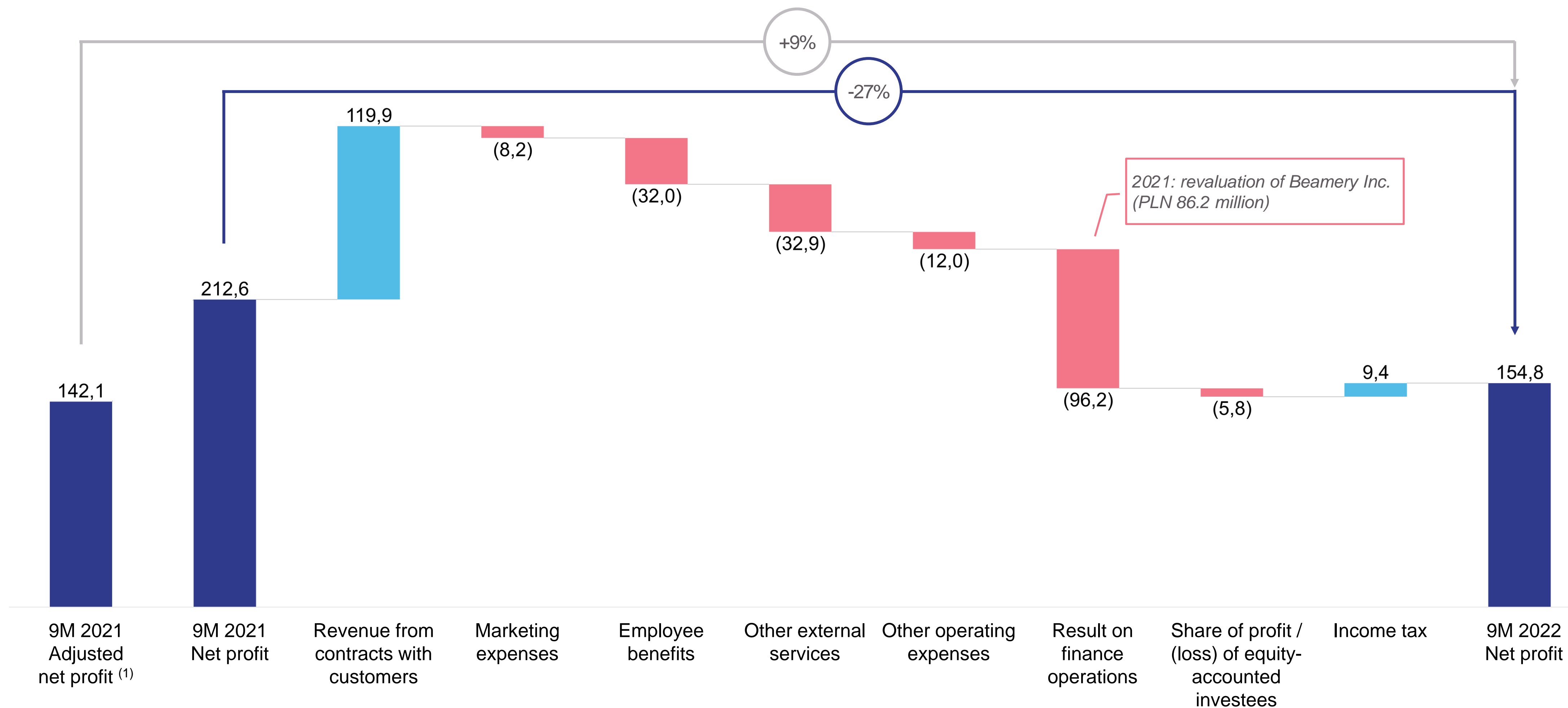
Consolidated EBITDA

EBITDA (PLNm)

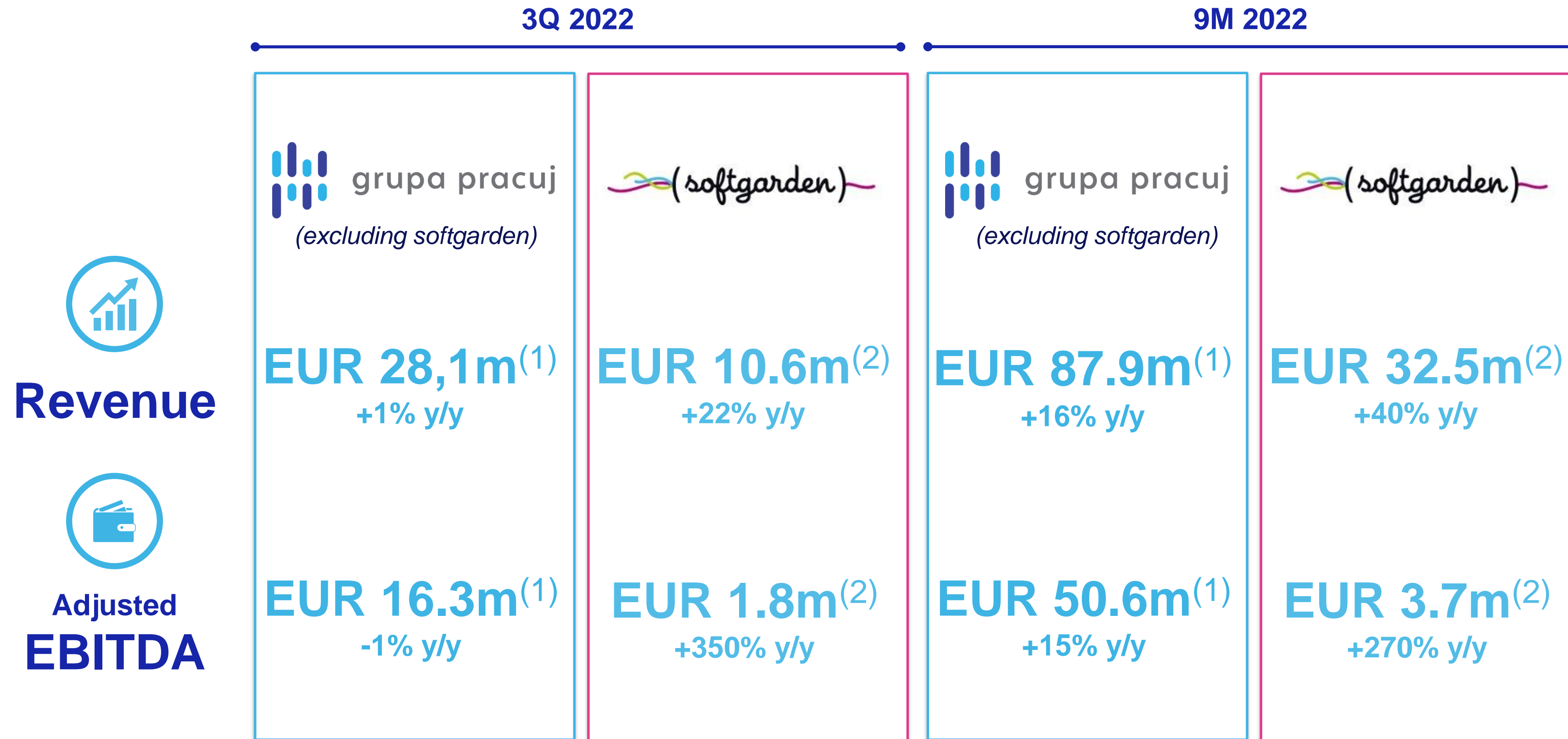


Consolidated net profit

Net profit (PLNm)



Selected softgarden results compared to Grupa Pracuj results

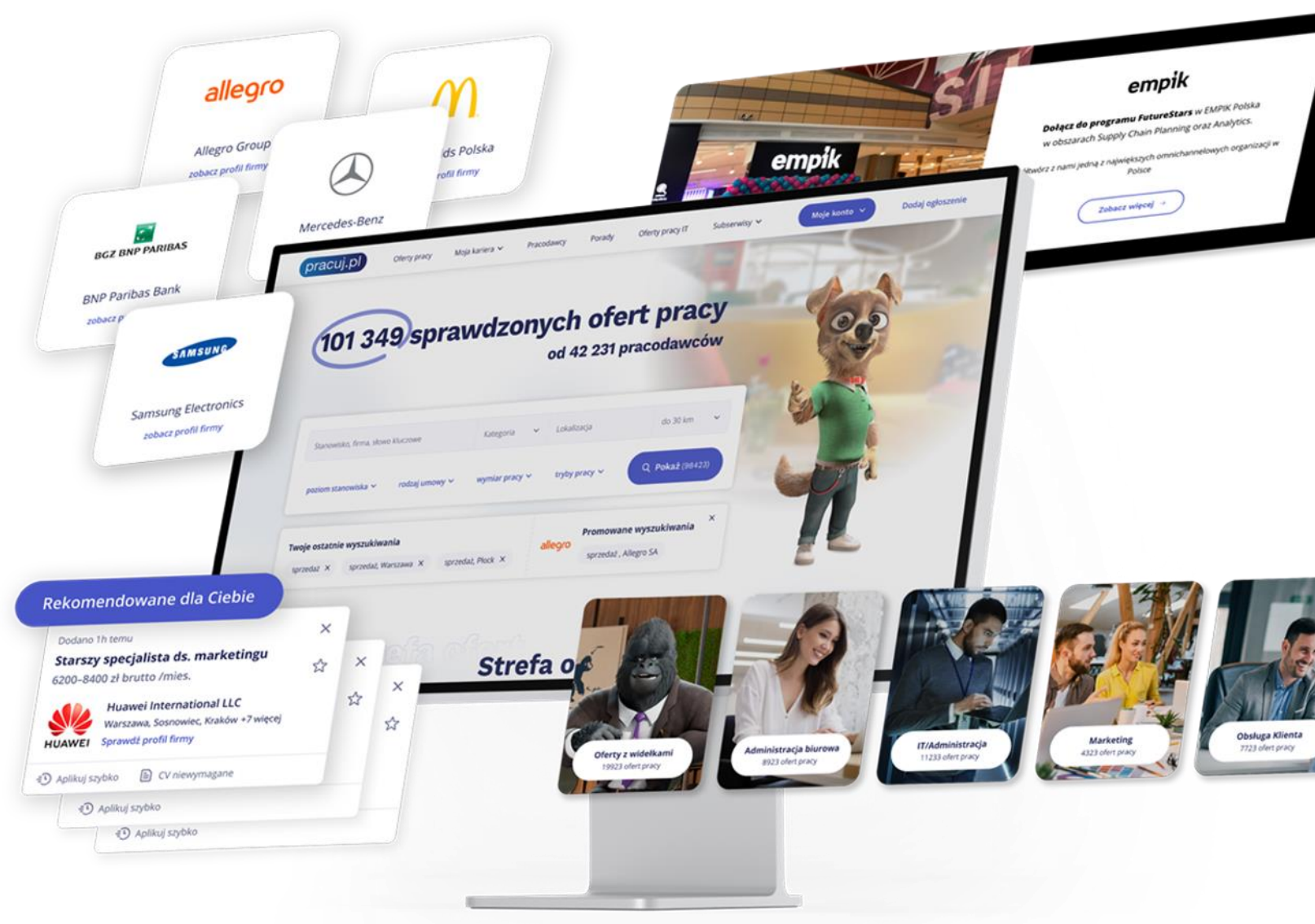


- In the short and mid term we anticipate significantly faster growth in revenues of softgarden than from the recruitment platforms of Grupa Pracuj
- The share of softgarden revenues in the group's combined revenue at 28% in 3Q 2022
- Negative impact of softgarden consolidation on the group's EBITDA margin

(1) Excluding softgarden results; data includes only results of segments Poland and Ukraine (2) IFRS data, unaudited

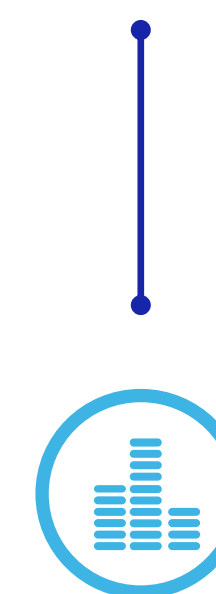
Projects ready for implementation

Pracuj 3.0

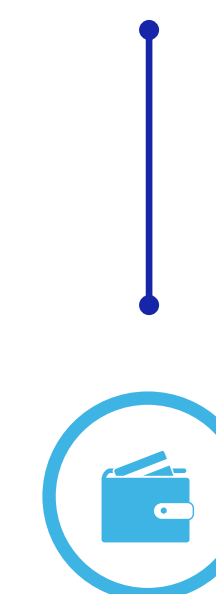


- Development of platform based on data, effective use of AI for building added value for both workers and employers

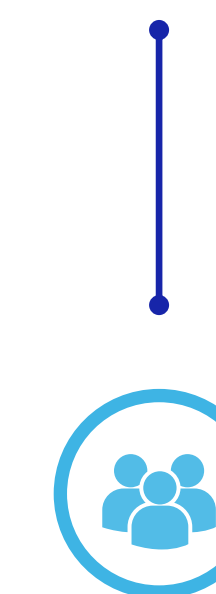
Pricing 3.0



New pricing strategy from 2023



New packages of products and add-ons

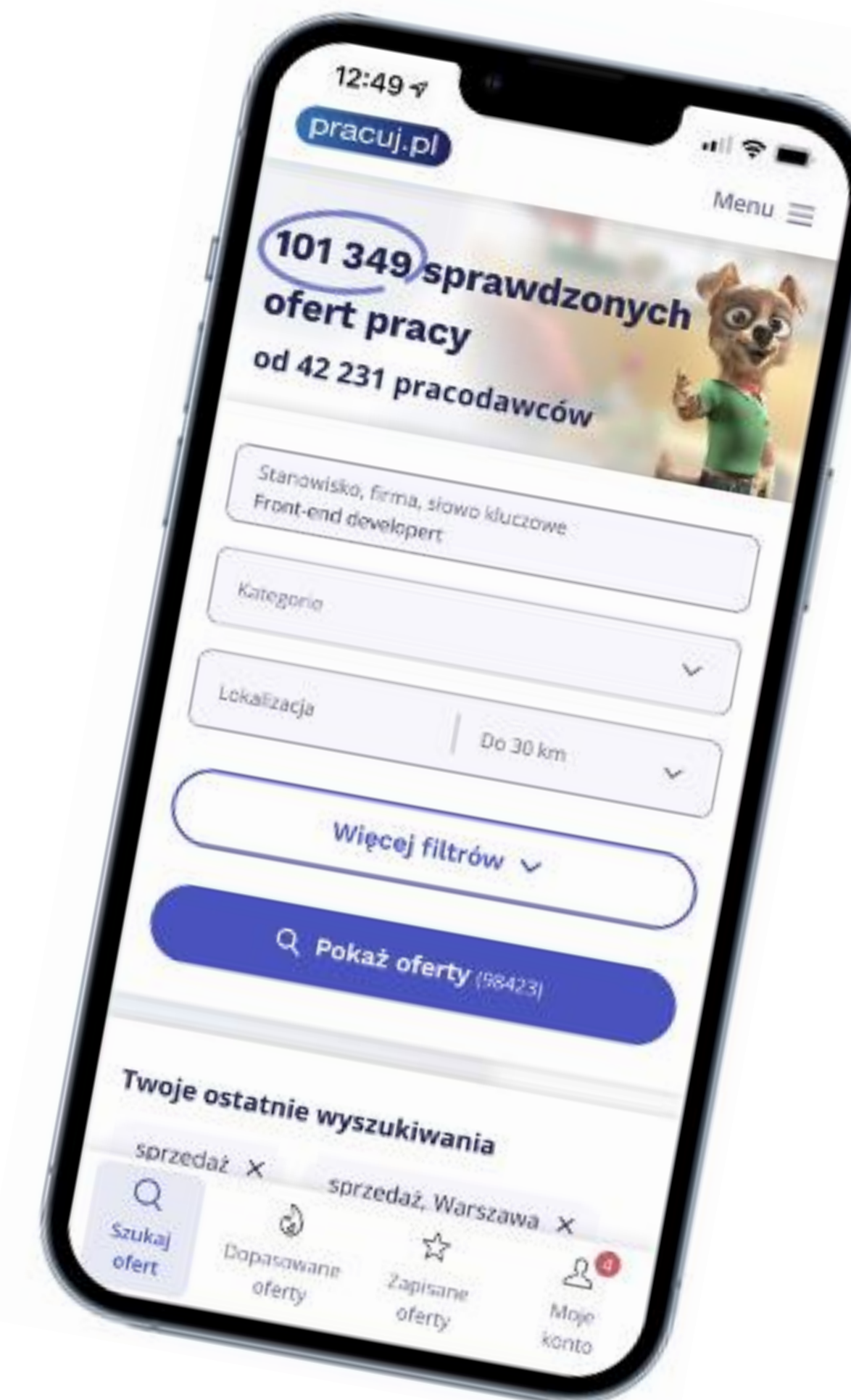


High quality and added value for clients

- New add-ons and packages for all sales channels on Pracuj.pl
- New product range will translate into higher average prices

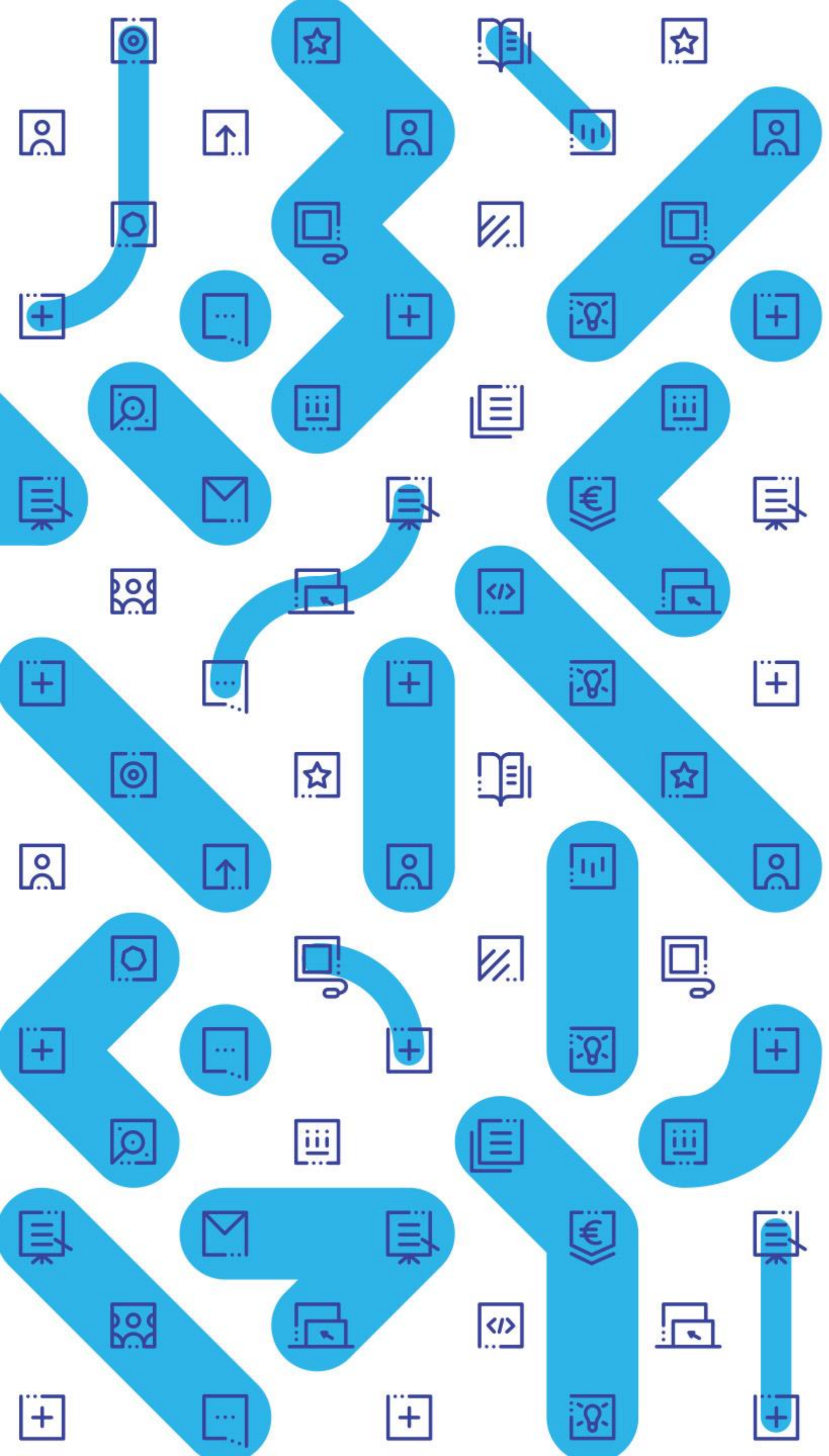
Outlook for the upcoming months

- Labour market awaiting further evolution of the economic situation
- Steady growth in average prices of recruitment projects and services throughout the group
- Expansion of the portfolio of services and products to include AI solutions – tests of new Pracuj.pl platform, new eRecruiter site
- Implementation of first product synergies following the June acquisition – “Career Page Creator” on eRecruiter, service based on softgarden solutions
- Greater candidate engagement through the development of mobile applications of Pracuj Group brands – rising number of CVs transmitted via mobile apps
- Penetration of the SME and micro enterprise market – good reception of Elastic Pricing offer in e-commerce channel



Thank you!

We welcome your questions



Appendices

Selected operating results Jan.–Sept. 2022



434,000
recruitment projects
+15% y/y

PLN 857
average price of
recruitment projects
+11% y/y

57,700
active customers
+20% y/y

413,000
recruitment projects
-50% y/y

PLN 91
average price of paid
recruitment projects
+10% y/y

1,770
active customers
+15% y/y

1,400
active customers

Balance sheet and cashflows

Selected financial data (PLN '000)	30 September 2022	31 December 2021	Change
Total assets	1,030,265	499,705	106.2%
Non-current assets, including:	827,469	227,271	264.1%
Goodwill	551,471	-	
Current assets, including:	202,796	272,434	(25.6%)
Cash and cash equivalents	84,508	184,836	(54.3%)
Total equity and liabilities	1,030,265	499,705	106.2%
Equity	307,438	249,157	23.4%
Non-current liabilities, including:	362,235	51,212	607.3%
Bank loans	318,908	-	-
Current liabilities, including:	360,592	199,336	80.9%
Bank loans	63,396	-	-
Lease liabilities	12,685	9,191	38.0%
Other financial liabilities	2,590	7,097	(63.5%)
Employee benefits	19,589	14,860	31.8%
Trade payables	34,722	15,770	120.2%
Other payables	21,477	15,999	34.2%
Current tax liabilities	5,765	5,197	10.9%
Contract liabilities	200,368	131,222	52.7%
Cash flows (PLN '000)	9M 2022	9M 2021	Change y/y
Net cash flows from operating activities	186,147	153,461	21.3%
Net cash flows from investing activities	(515,417)	(18,600)	2671.1%
Net cash flows from financing activities	228,877	(120,513)	-
Total net cash flows	(100,393)	14,348	-

- High capacity to generate cash
- Increase in bank loans as a result of drawing on funds from opened credit line (PLN 400m) for partial financing of softgarden acquisition
- Dividend paid in 3Q 2022 in the amount of PLN 136.5m, i.e. PLN 2 per share

Selected financial data related to operations in Ukraine

Selected financial results in 9M 2022 (PLN '000)	Segment Poland	Segment Ukraine	Segment Germany	Intra segment adjustments	Total
External revenue	392,705	19,417	51,629	-	463,751
Other operating income	900	31	291	-	1,222
Inter-segment revenue	46	75	-	(121)	-
Segment revenue	393,651	19,523	51,920	(121)	464,973
Depreciation and amortization	(7,122)	(2,153)	(5,103)	-	(14,378)
Operating expenses other than depreciation and amortization	(172,245)	(24,895)	(42,989)	121	(240,008)
Operating profit / (loss)	214,284	(7,525)	3,828	-	210,587

Assets (PLN '000)	Robota International TOV's assets as of 30 September 2022	Group's assets as of 30 September 2022
Intangible assets	17	30 477
Property, plant and equipment	1,968	12 977
Right-of-use assets	3,520	19 031
Deferred tax assets	4,191	52 475
Trade receivables	3,988	69 828
Other non-financial assets	1,798	969
Cash and cash equivalents	8,560	84 508

Zobowiązania (tys. PLN)	Group's liabilities related to operations in Ukraine as of 30 September 2022	Group's liabilities as of 30 September 2022
Non-current lease liabilities	3,699	13,335
Current lease liabilities	2,424	12,685
Employee benefits	2,046	19,589
Trade payables	373	34,722
Other payables	753	21,477
Contract liabilities	22,440	200,368

In addition, the Group's assets include equity-accounted investees, which conduct operating activities in Ukraine, and as of 30 September 2022 they amounted to PLN 15,410,000. Moreover, the Group has a put option liability to non-controlling shareholders of Robota International TOV. This liability as of 30 September 2022 amounted to PLN 9,396,000.

POLAND

- GDP growth in 3Q 2022 of 3.5% y/y (Statistics Poland flash estimate)
- Anticipated GDP growth in FY 2022 of 3.8%⁽¹⁾ – 3.9%⁽²⁾ y/y
- Estimated unemployment rate of 5.1%⁽³⁾
- High rate of growth in salaries, at 14.5%⁽⁴⁾
- Average annual inflation of 13.3%⁽²⁾ – 14.6%⁽⁴⁾
- Anticipated growth in interest rates to 7.5%⁽⁵⁾ – 8.0%⁽⁶⁾ (currently 6.75%)

UKRAINE

- Decline in GDP in 3Q 2022 of 30% y/y (estimates of State Statistics Service)
- Projected economic decline in FY 2022 of 32% (according to National Bank of Ukraine)

GERMANY

- GDP growth in 3Q 2022 of 1.1% y/y and 0.3% q/q (estimates of Federal Statistical Office)
- Anticipated GDP growth for FY 2022 of 1.6% y/y (European Commission estimates)
- Average annual inflation of 8.8% (European Commission estimates)

(1) IMF forecast, October 2022

(2) World Bank forecasts, October 2022

(3) Ministry of Family and Social Policy reading for October 2022

(4) Statistics Poland, data for September 2022

(5) NBP Macroeconomic Survey, October 2022

(6) Goldman Sachs forecast, September 2022

Growth drivers of the German TAS market

Market size

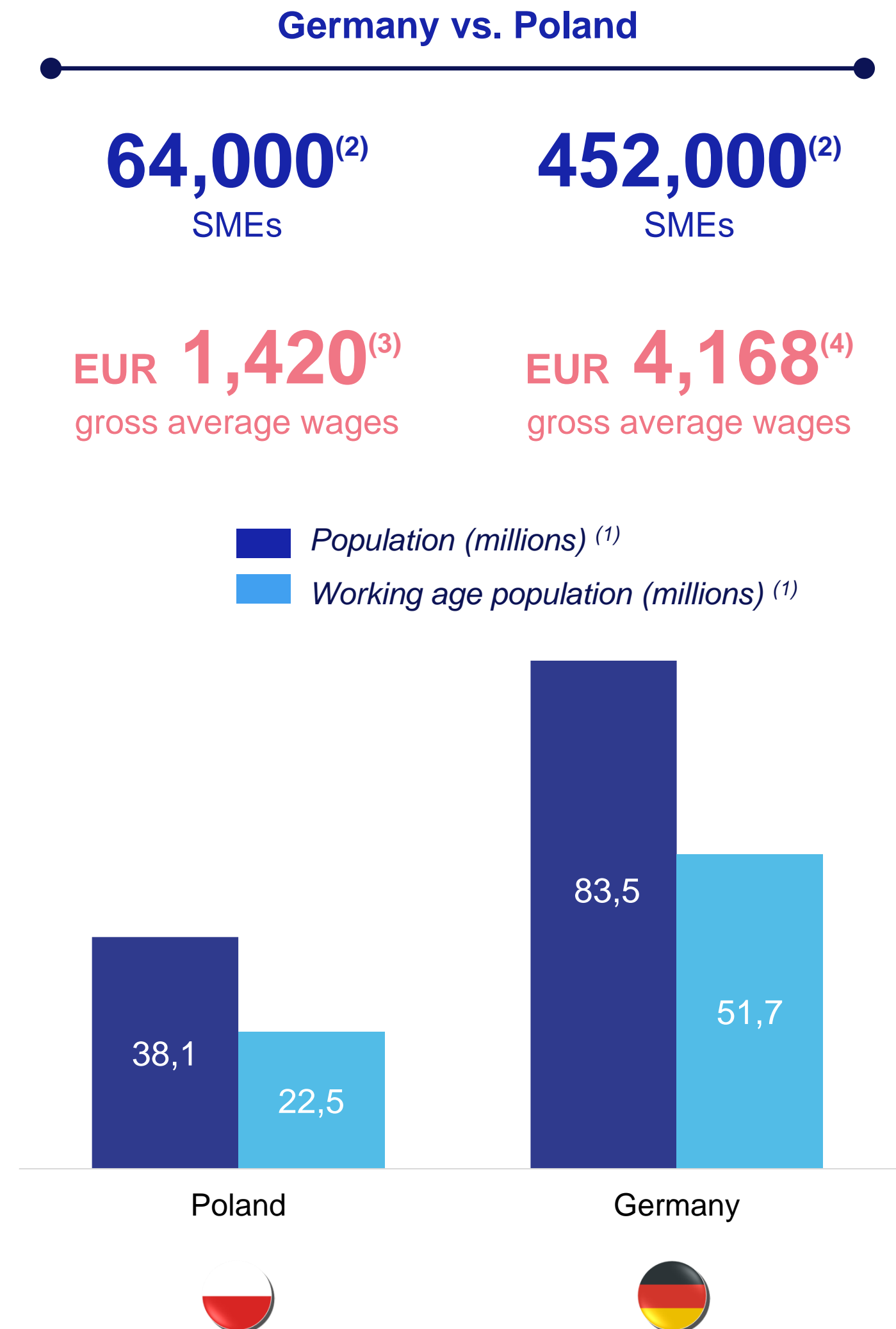
- The German TAS market is large and fast growing. This growth has been partly driven by one-off factor of GDPR, but clear long-term trends in improving propositions and SME adoption are supportive of future growth
- Germany's strong economy (6 times larger than Poland's in terms of GDP) and low unemployment rate translate into a growing demand for employees, resulting in a strong focus on the candidate acquisition process and use of supporting tools

Competitive landscape

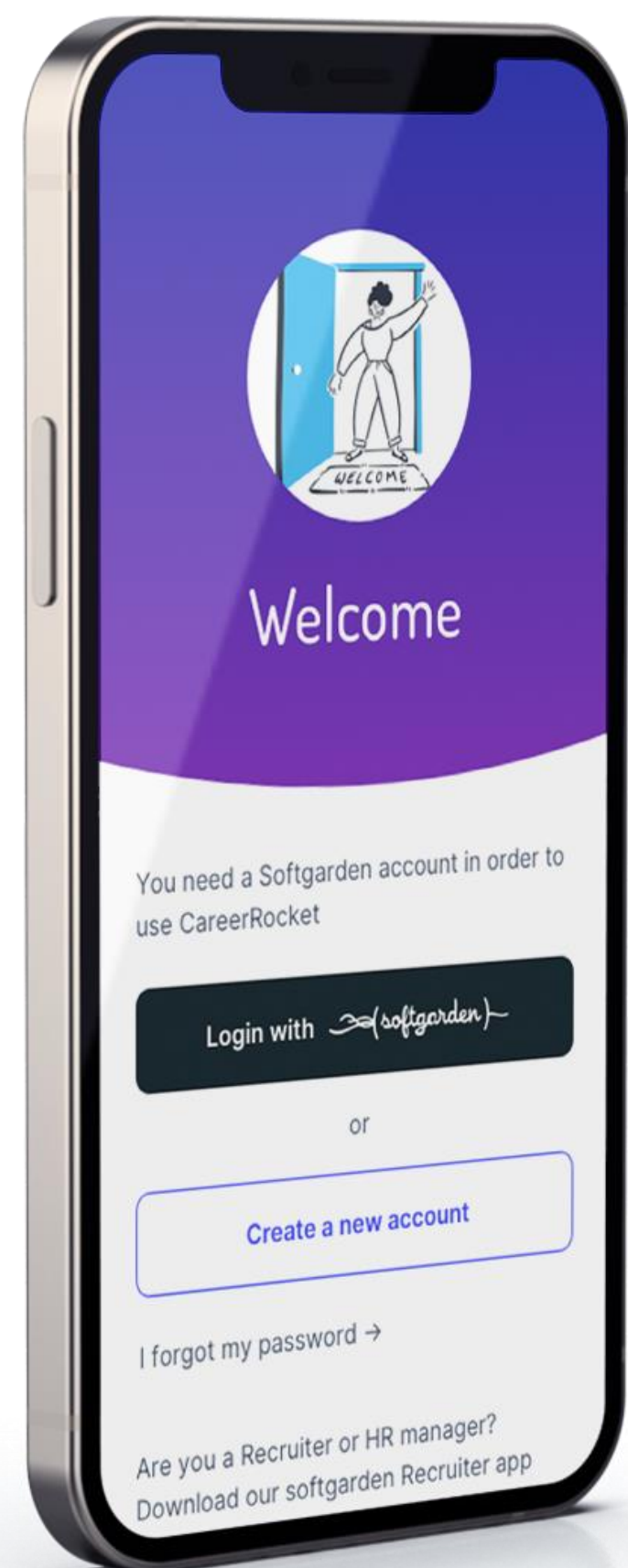
- The German market is highly competed but fragmented
- The most important is to cover the market with one of the TAS leaders, which tend to offer end-to-end solutions

Growth possibilities

- TAS in Germany is a highly strategic direction, especially amongst SMEs



Growing importance of mobile applications

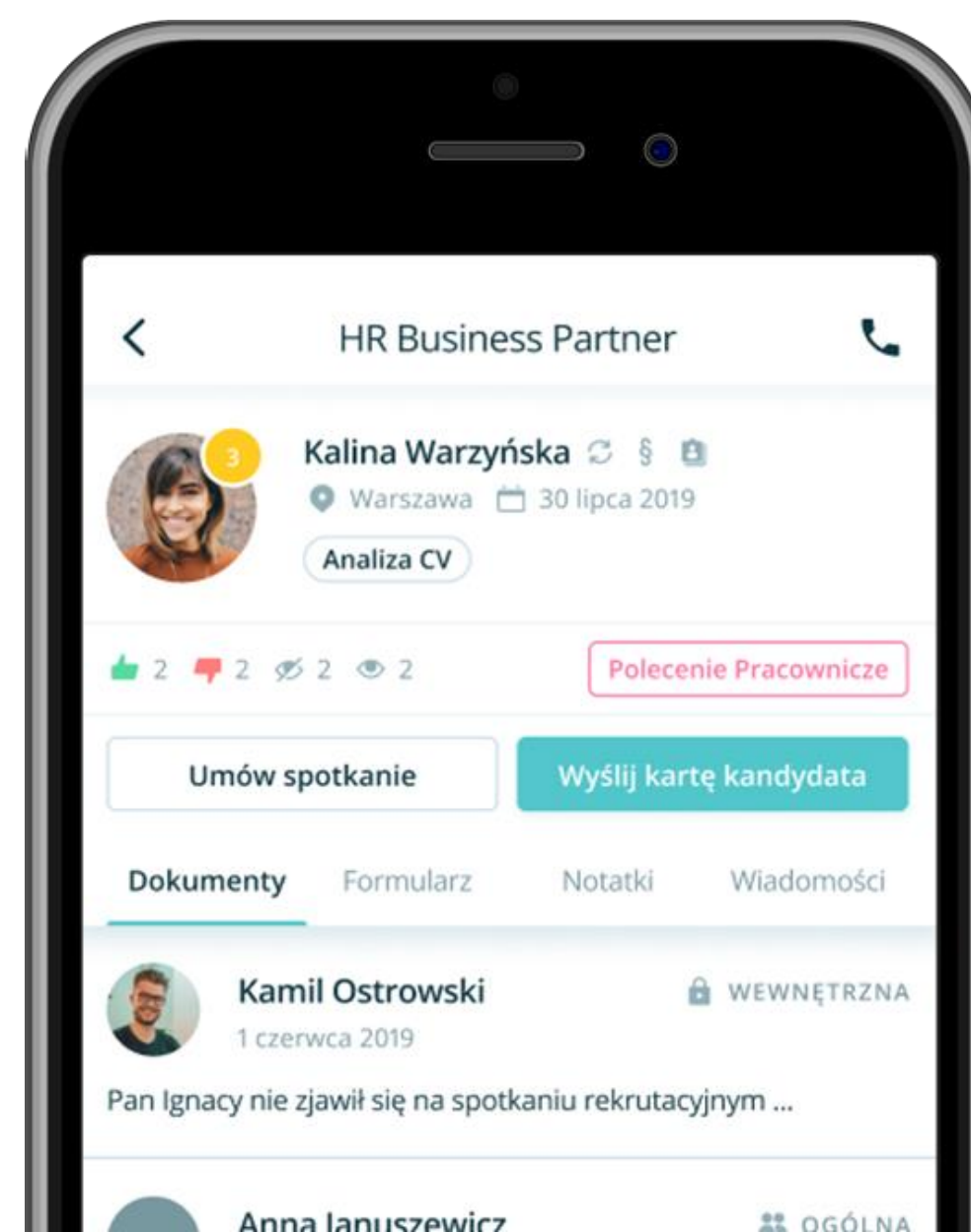


softgarden

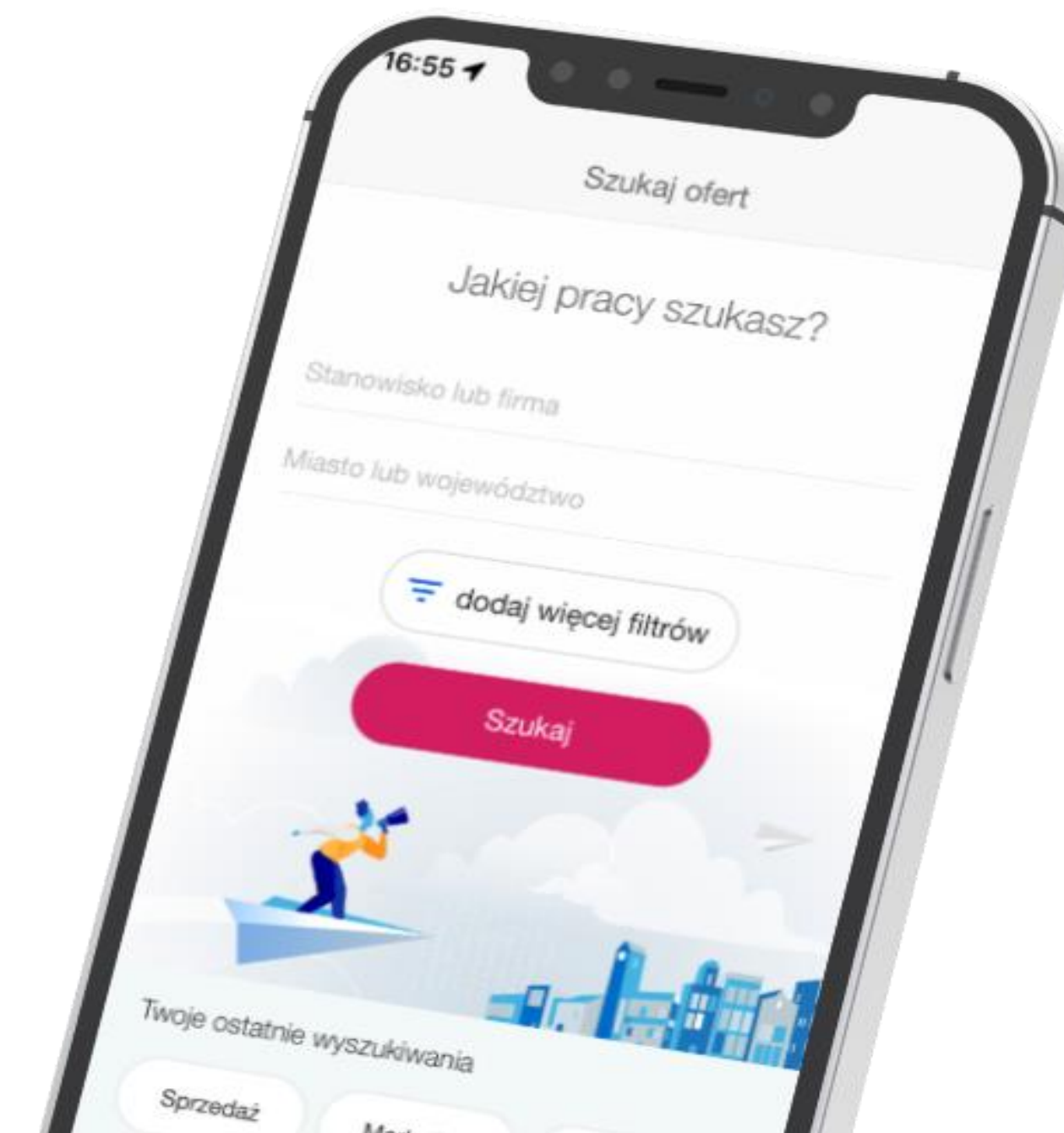
- >4,000 users monthly, i.e. 15% of all users (candidates)
- New functionalities from 2023

eRecruiter

- >1,000 active users (employers)
- Full communications with candidates



Pracuj.pl

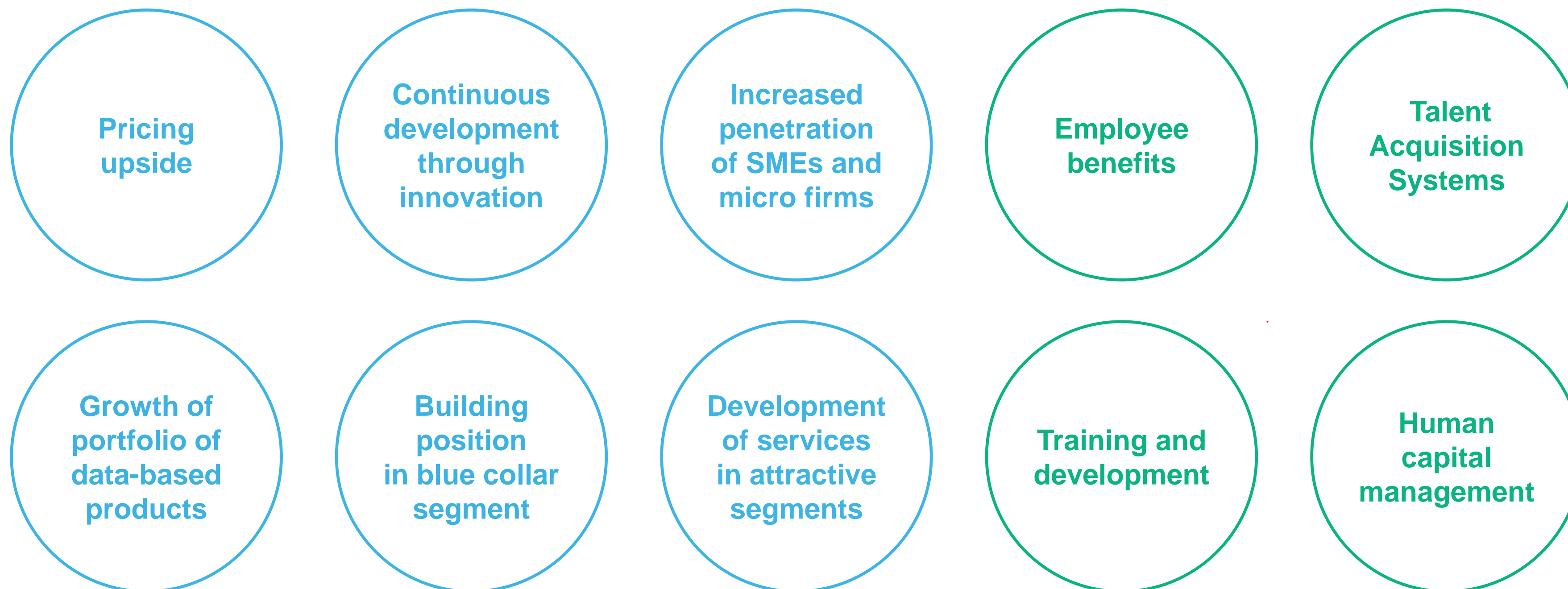


- >0.5 million users
- 1 million CVs transmitted from the mobile app (>30% of all CVs)
- Ratings: 4.8 (iOS), 4.5 (Android)

Growth in core business

HR Technology

- The value of the global and steadily growing HR Tech market is expected to reach USD 35.6 billion in 2028 ⁽¹⁾
- The market is expected to grow at a CAGR of 5.8% in years 2022–2028 ⁽¹⁾



Further international expansion and selective acquisitions

(1) Source: SkyQuest report: Global Human Resource (HR) Technology Market, July 2022

International expansion

