

grupa pracuj

# The Leading HR Technology Platform in Central and Eastern Europe

Presentation of results  
for the 1<sup>st</sup> half of 2022

pracuj.pl

eRecruiter

robot.ua

(softgarden)

## About Grupa Pracuj

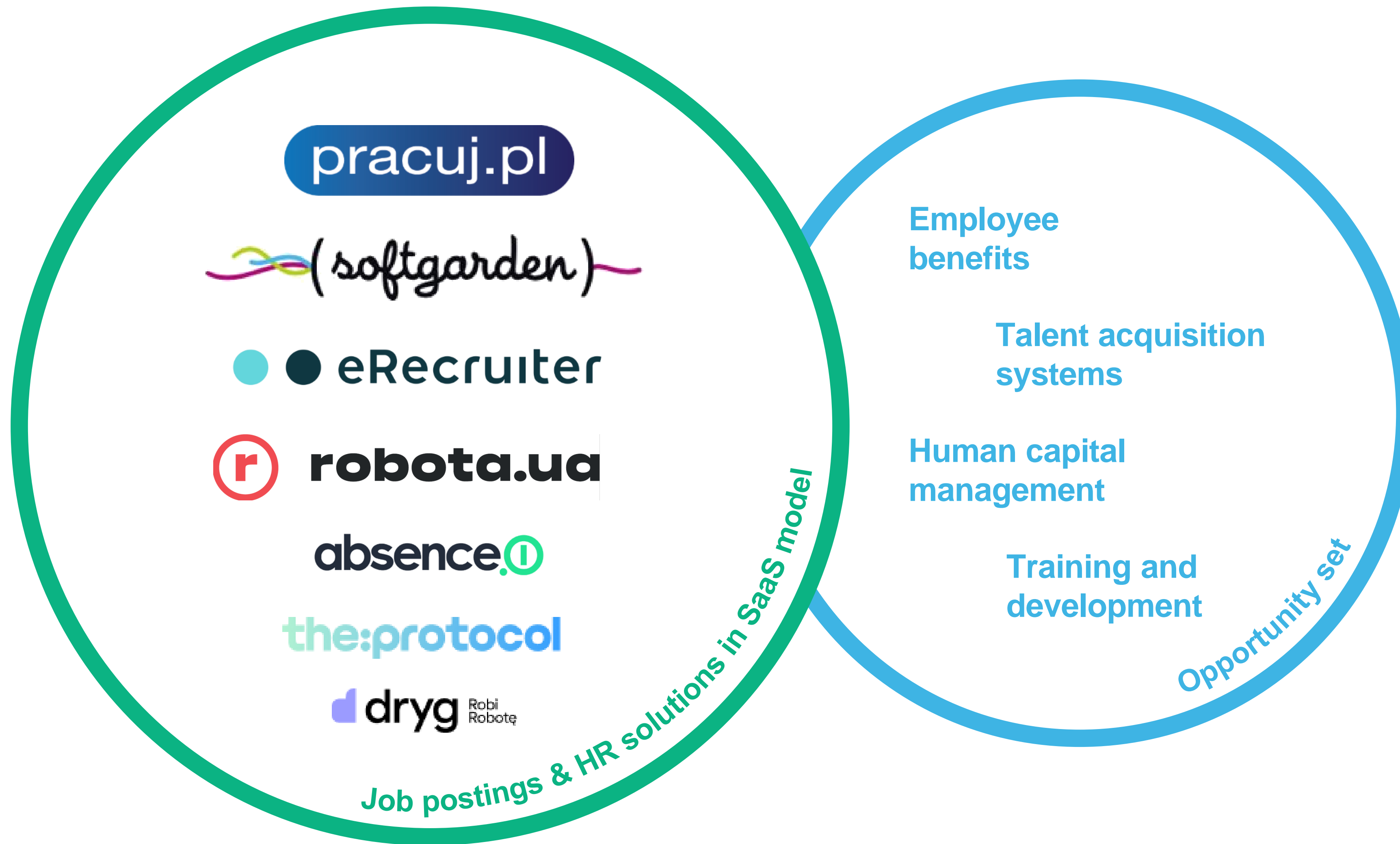
First half of 2022 in numbers

Operating and financial results

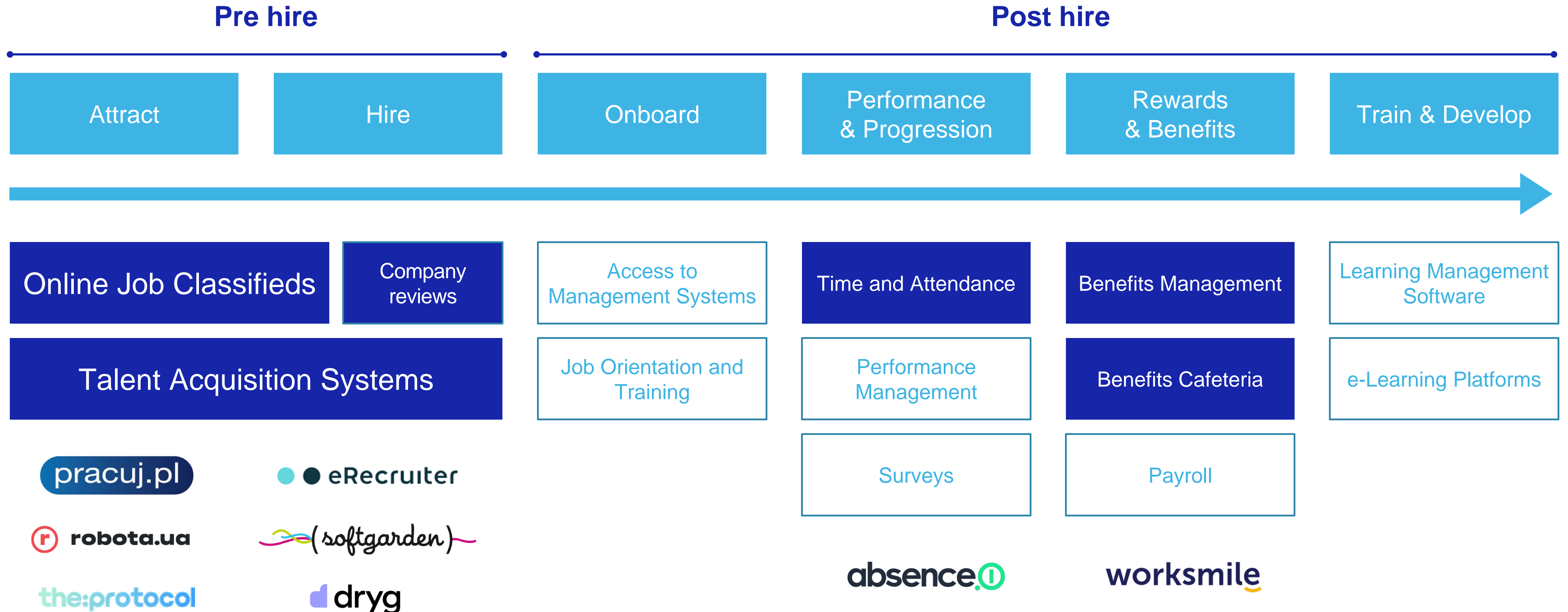
Future outlook

Grupa Pracuj's growth avenues

# Grupa Pracuj now and in the future



# HR Tech Ecosystem

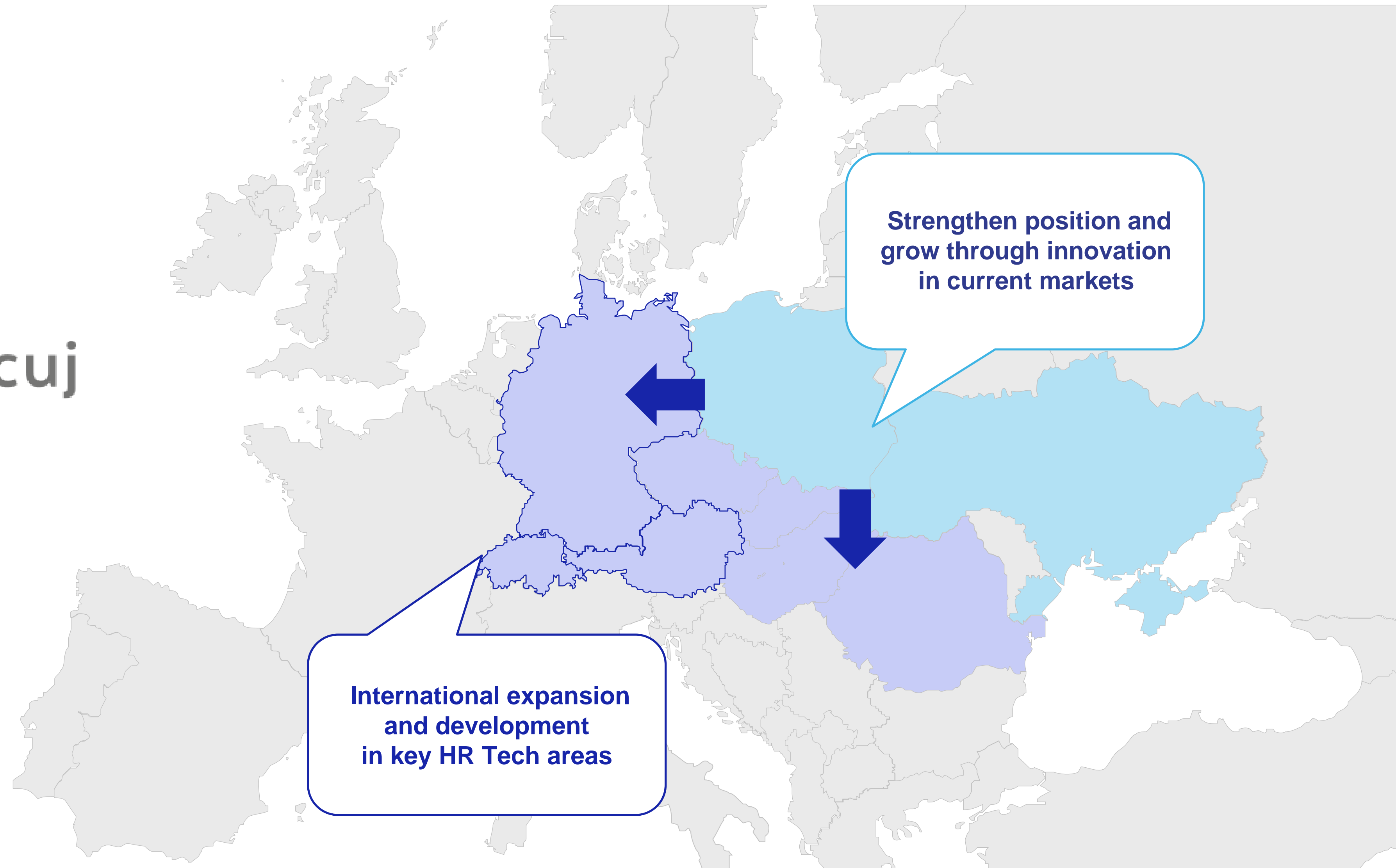


■ offered by Grupę Pracuj    □ currently not offered by Grupa Pracuj

# International expansion



grupa pracuj



# First half of 2022 in numbers



**PLN 280m**

revenue from contracts  
with customers  
**+29% y/y**



**PLN 161m**

adjusted EBITDA  
**+29% y/y**



**57%**

adjusted EBITDA margin

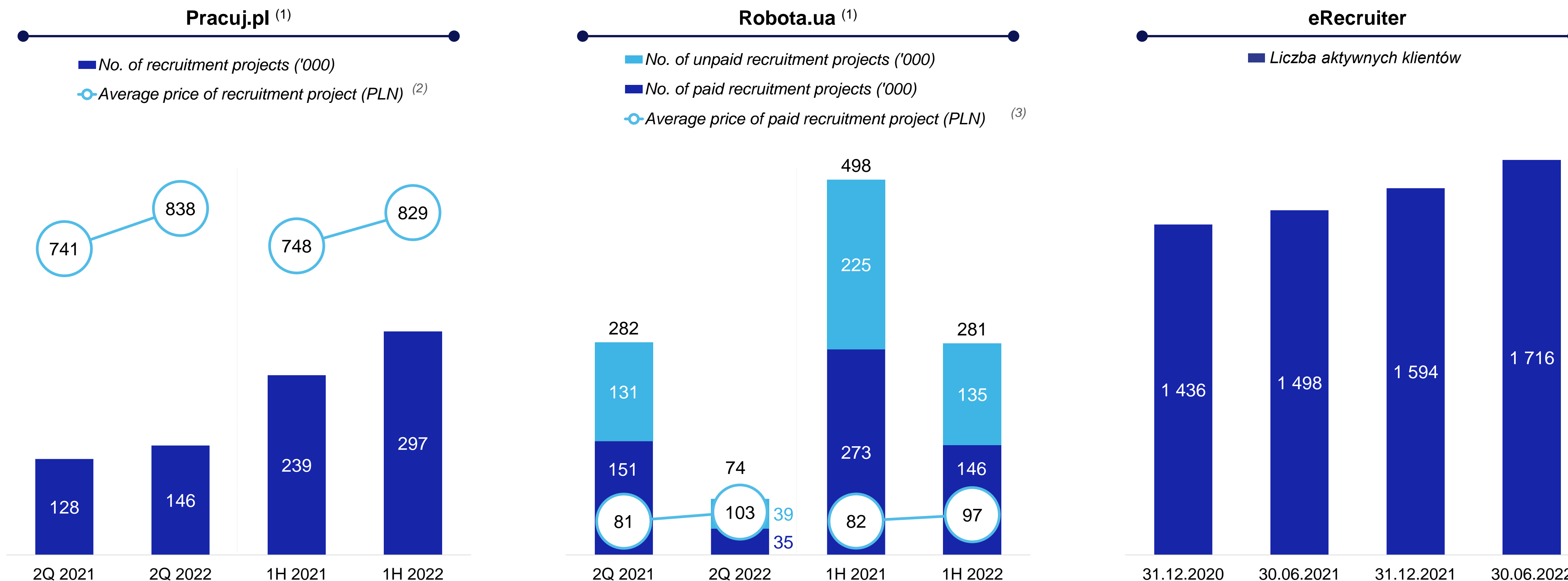


**PLN 102m**

net profit  
**-35% y/y**  
(**+17% y/y** excluding  
revaluation of  
Beamery Inc. in 1H 2021)

- Strong, double-digit growth in revenue despite demanding market situation and ongoing armed conflict in Ukraine
- Very good operating results of the Poland segment, including 24% growth y/y in the number of recruitment projects on Pracuj.pl
- Maintaining adjusted EBITDA margin at high level of 57%
- 17% growth y/y in adjusted net profit of the group (excluding impact of revaluation of Beamery Inc. in 1H 2021)
- Closing of the acquisition of shares in softgarden, a leading HR Tech player in Germany, operating mainly in an SaaS model

# Growth in key operating results in Poland

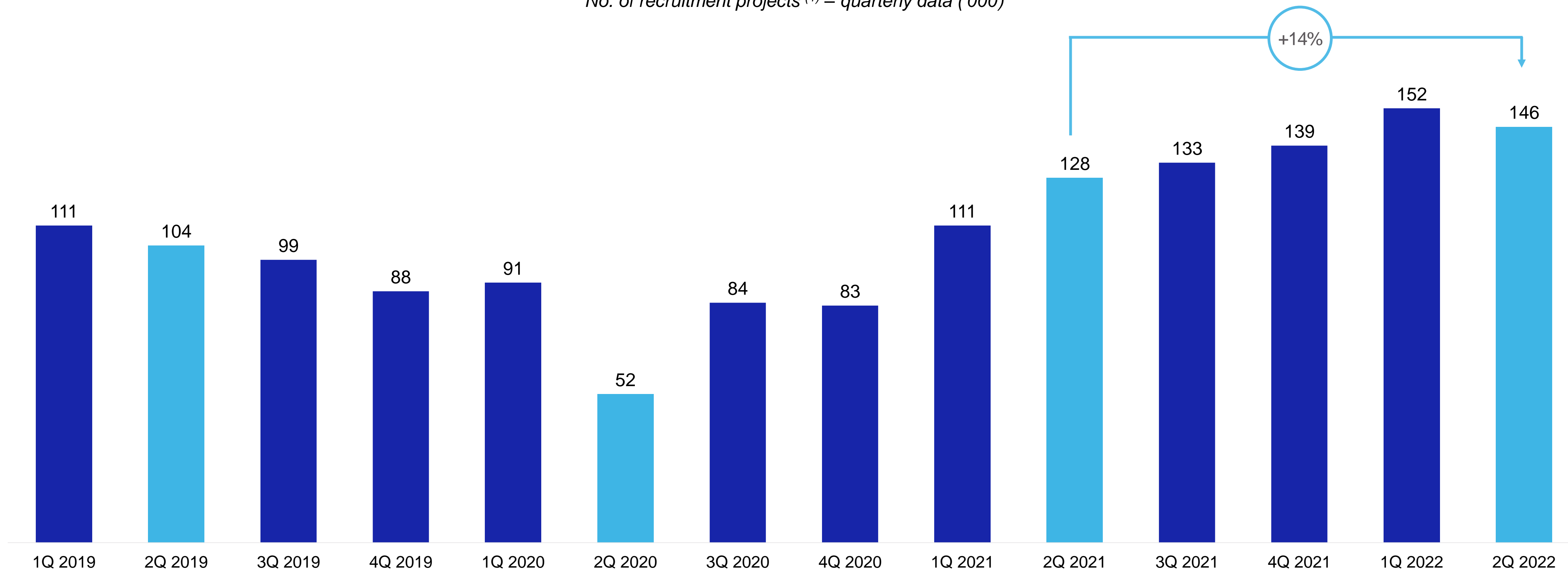


(1) The number of recruitment projects is equal to the number of credits used for placement of job offers on Pracuj.pl or Robota.ua. In the case of Pracuj.pl, one credit may be exchanged for multiple job offers (with the same title but different locations), while in the case of Robota.ua one credit can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

# Recruitment projects on Pracuj.pl

## Pracuj.pl

No. of recruitment projects <sup>(1)</sup> – 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).



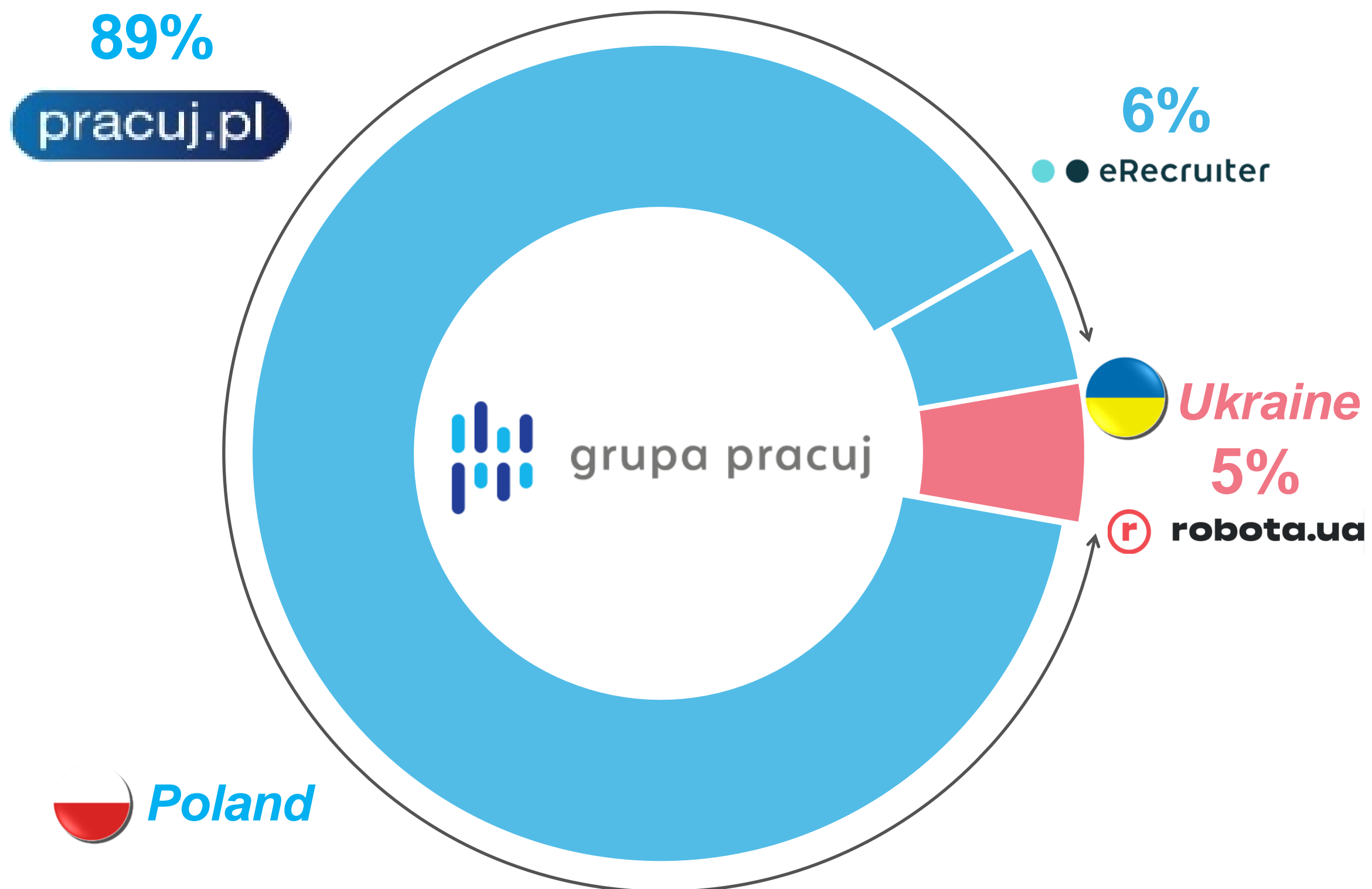
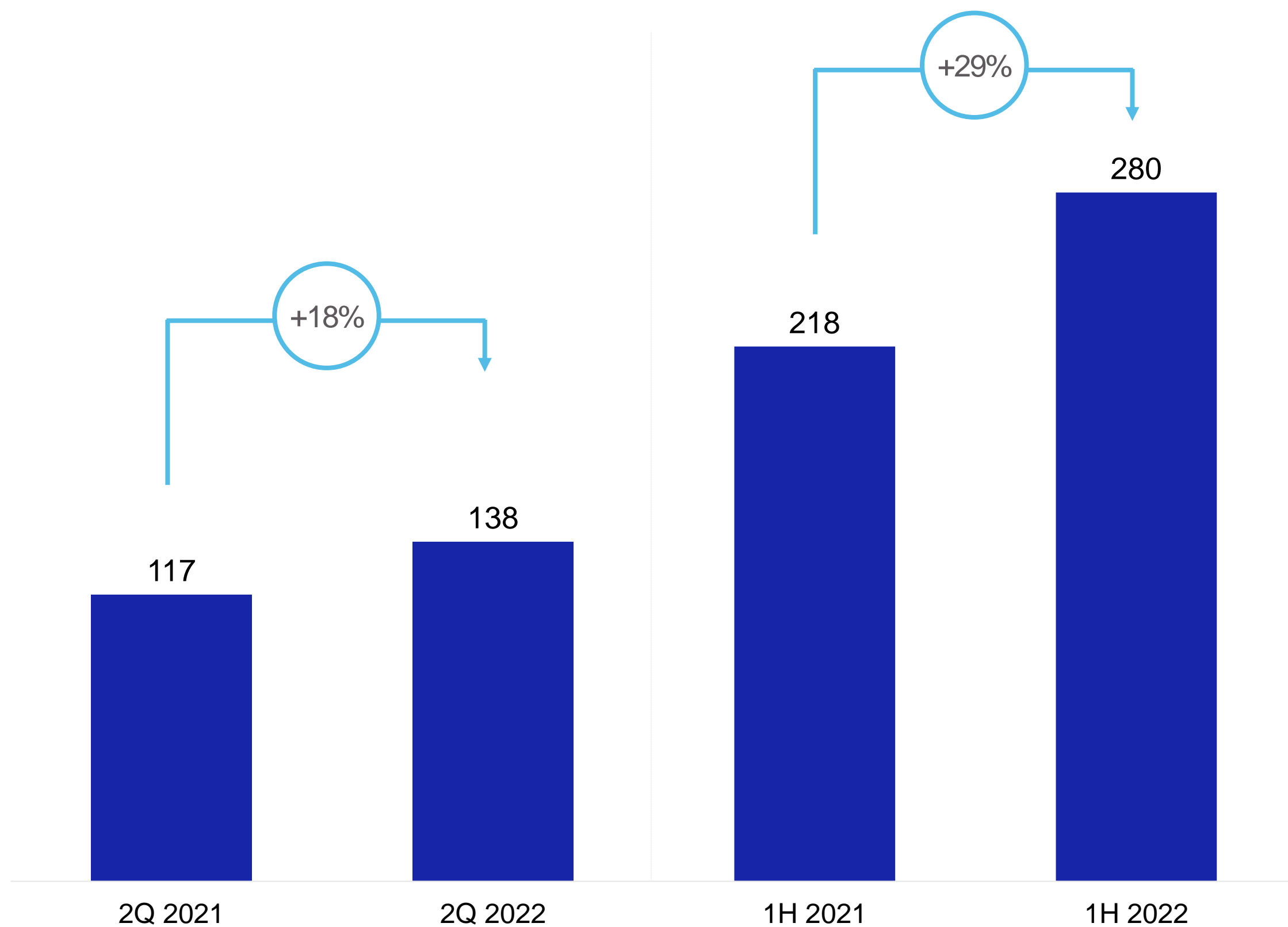
# Consistent business growth, strong increase in revenue

## Grupa Pracuj

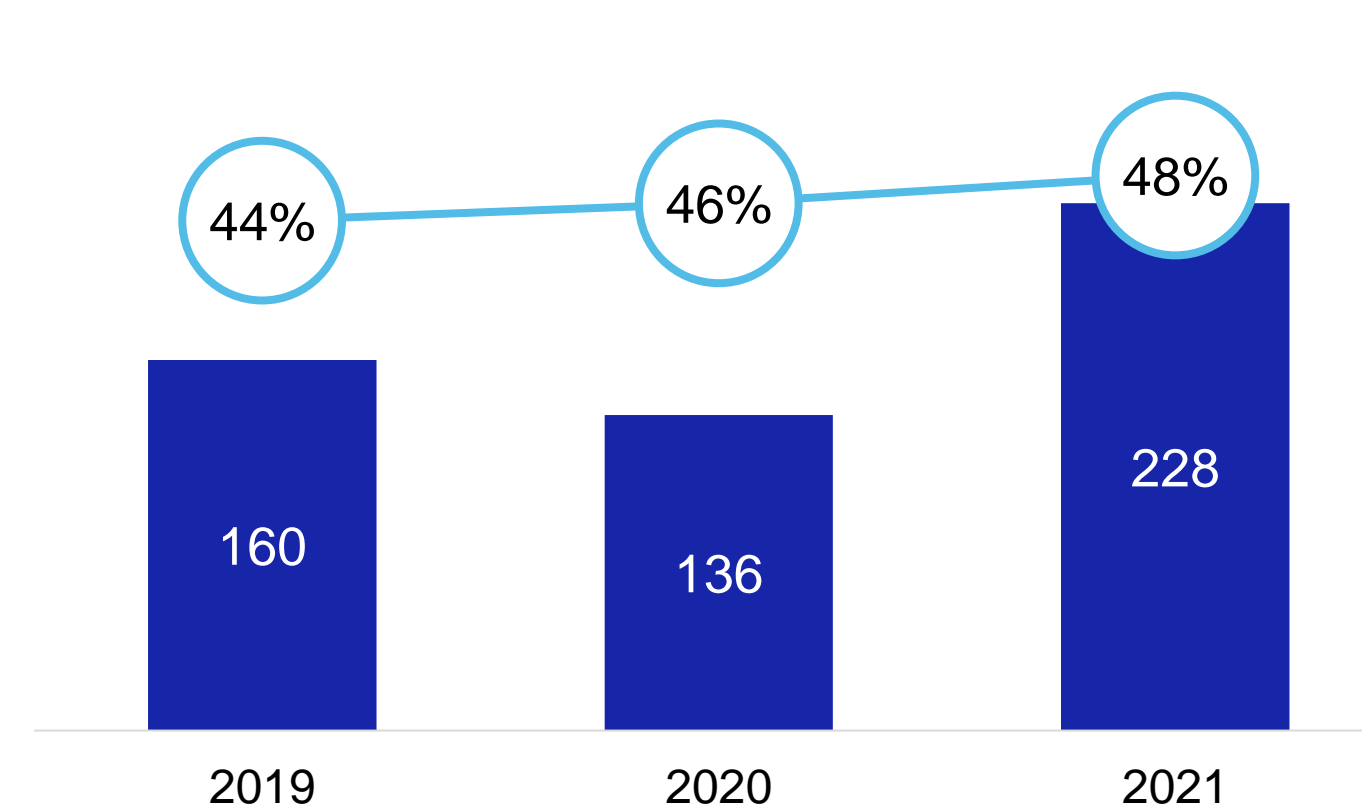
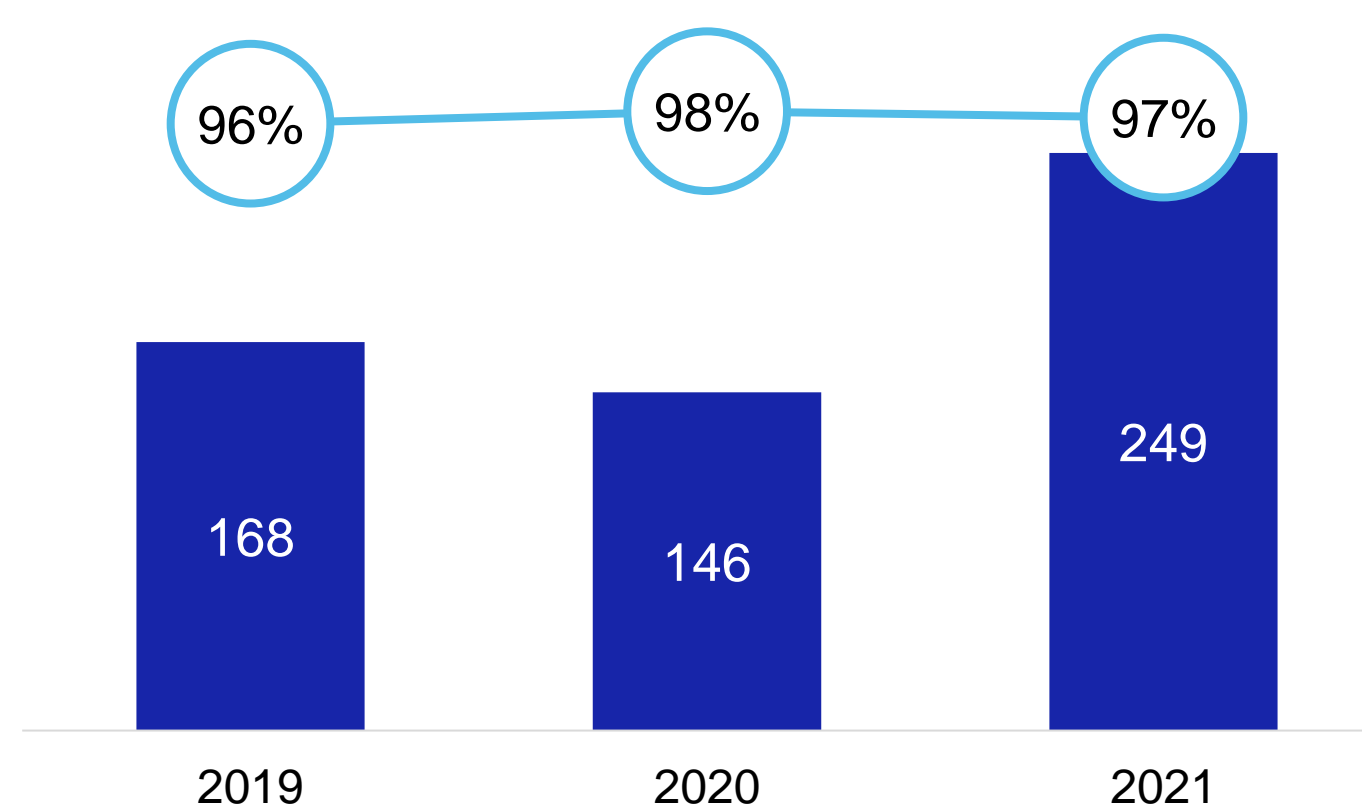
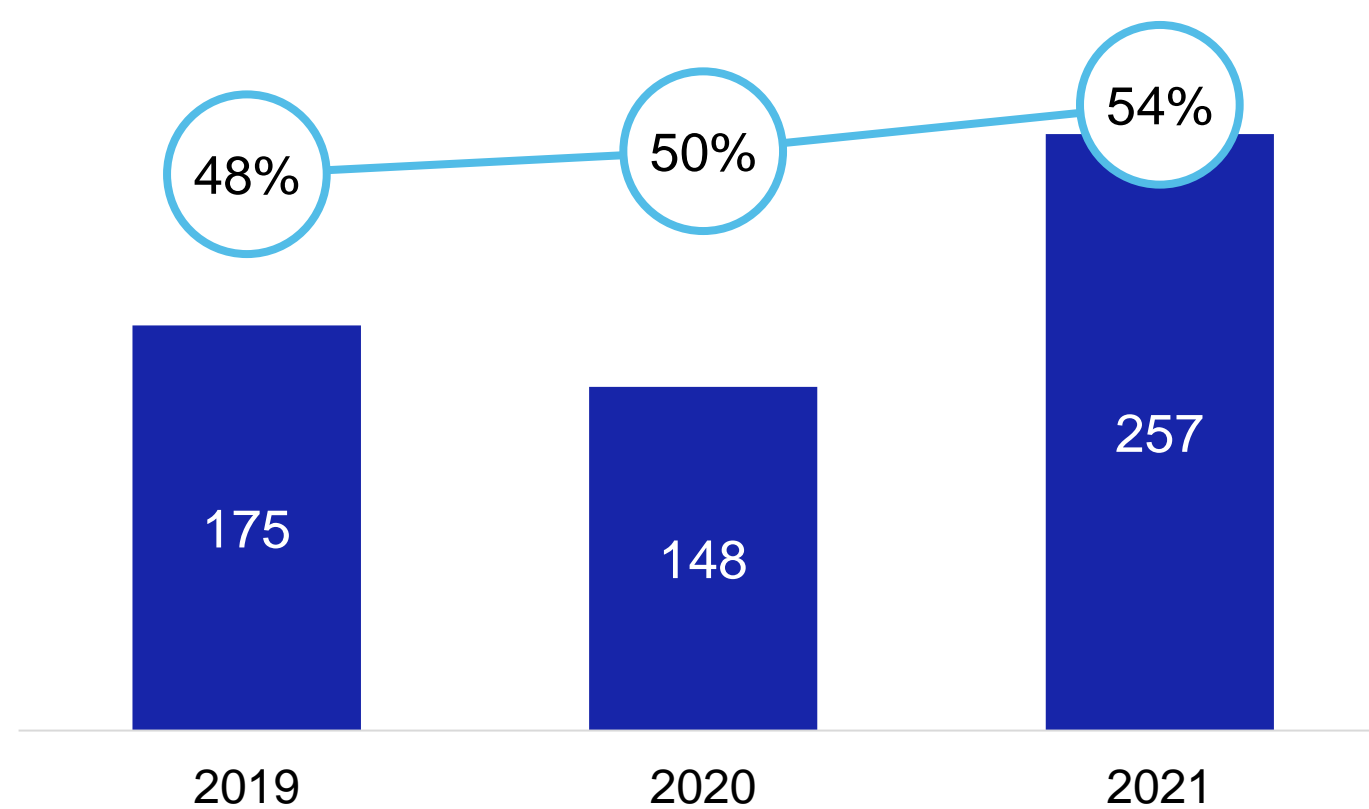
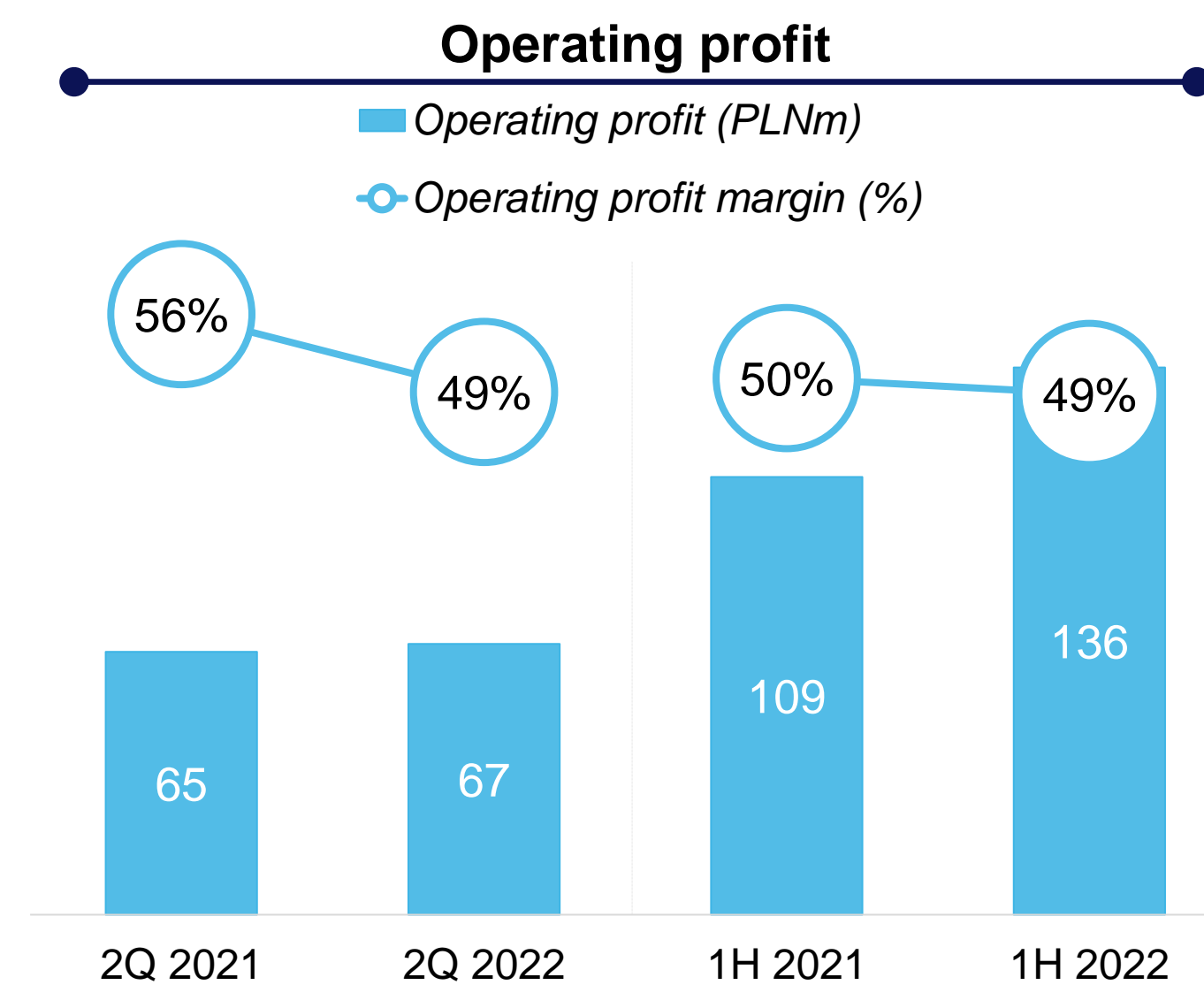
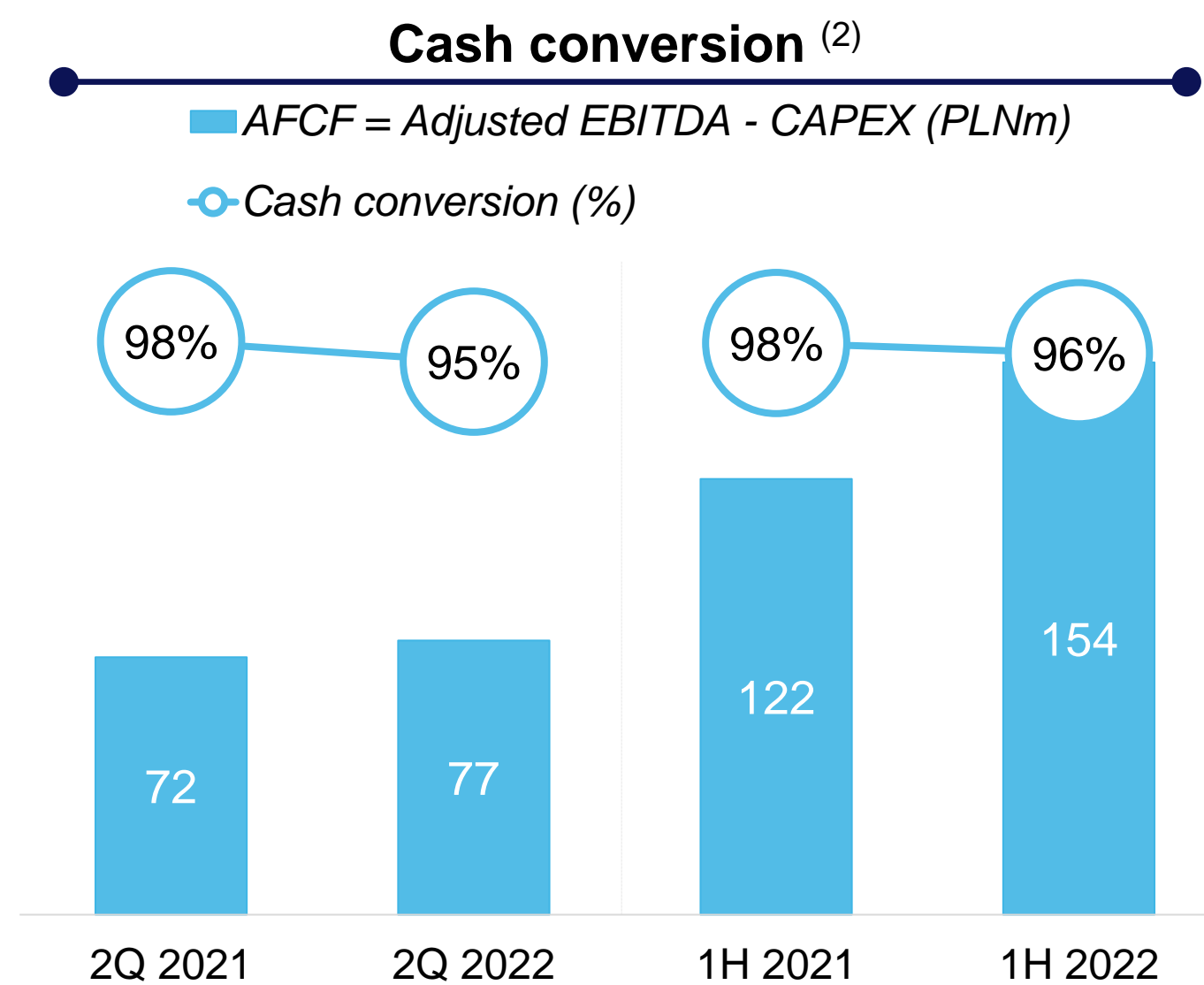
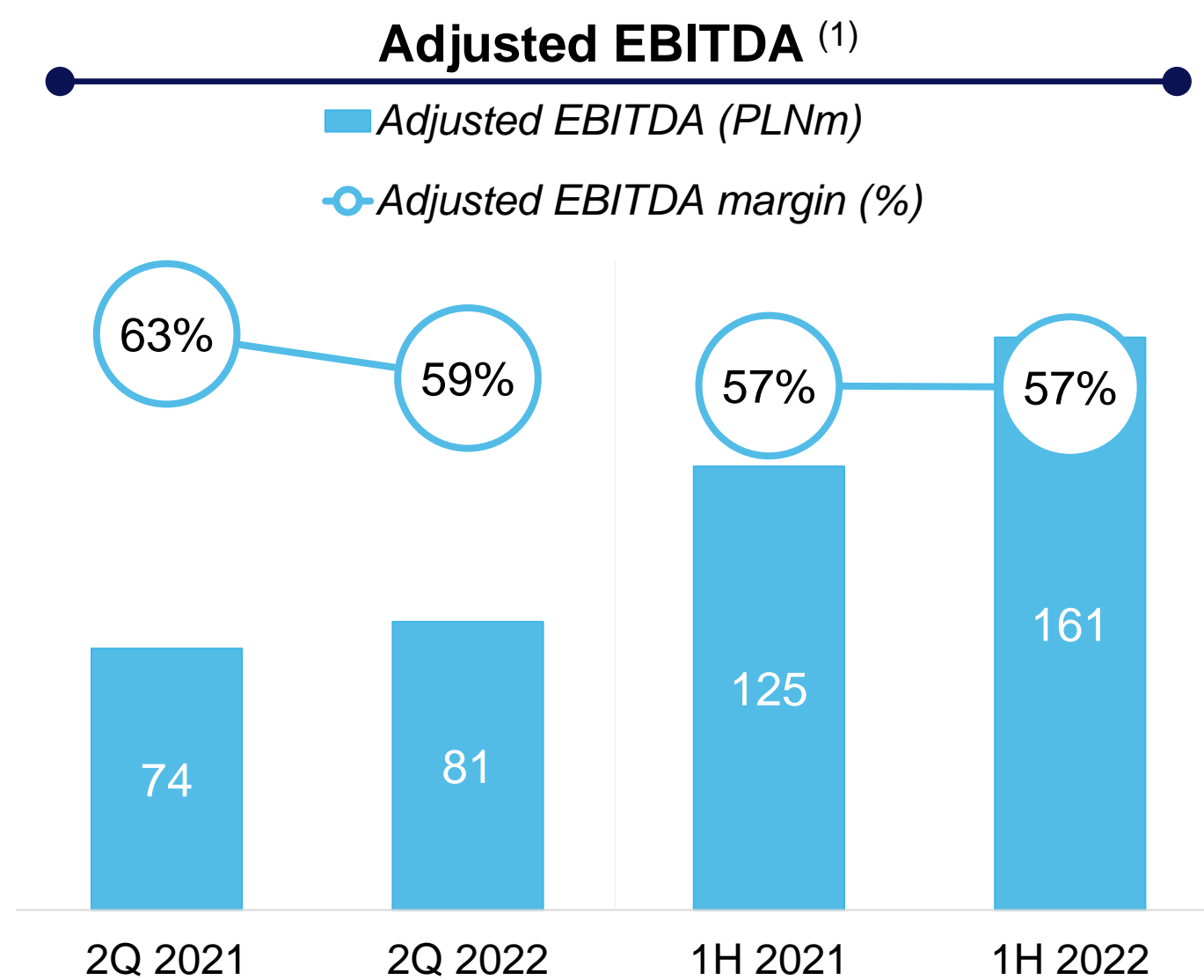
Revenue (PLNm)

## Grupa Pracuj

1H 2022 revenue breakdown



# High operating margin



(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 2022	2Q 2021	Change y/y	1H 2022	1H 2021	Change y/y	FY 2021
<b>Revenue from contracts with customers</b>	<b>138,195</b>	<b>116,706</b>	<b>18.4%</b>	<b>280,291</b>	<b>217,594</b>	<b>28.8%</b>	<b>475,113</b>
Operating expenses, incl.:	(70,839)	(51,376)	37.9%	(144,229)	(108,733)	32.6%	(247,605)
<i>Depreciation and amortization</i>	(3,143)	(3,048)	3.1%	(6,232)	(5,920)	5.3%	(12,037)
<i>Marketing expenses</i>	(9,262)	(4,581)	102.2%	(23,942)	(17,335)	38.1%	(54,134)
<i>Other external services</i>	(13,366)	(4,145)	222.5%	(18,631)	(7,646)	143.7%	(24,543)
<i>Employee benefits</i>	(40,754)	(37,073)	9.9%	(86,912)	(72,980)	19.1%	(146,676)
<b>Operating profit</b>	<b>67,356</b>	<b>65,330</b>	<b>3.1%</b>	<b>136,062</b>	<b>108,861</b>	<b>25.0%</b>	<b>227,508</b>
Finance income	2,090	86,848	(97.6%)	3,117	87,130	-96.4%	90,922
Finance costs	(5,815)	(238)	2343.3%	(6,259)	(685)	813.7%	(2,016)
<b>Net finance income / (costs)</b>	<b>(3,725)</b>	<b>86,610</b>	<b>-</b>	<b>(3,142)</b>	<b>86,445</b>	<b>-</b>	<b>88,906</b>
Share of profit of equity-accounted investees	(1,275)	1,799	-	(141)	3,267	-	3,133
<b>Profit before tax</b>	<b>62,356</b>	<b>153,739</b>	<b>(59.4%)</b>	<b>132,779</b>	<b>198,573</b>	<b>(33.1%)</b>	<b>319,547</b>
Income tax	(15,180)	(31,022)	(51.1%)	(30,568)	(40,502)	(24.5%)	(63,864)
<b>Net profit</b>	<b>47,176</b>	<b>122,717</b>	<b>(61.6%)</b>	<b>102,211</b>	<b>158,071</b>	<b>(35.3%)</b>	<b>255,683</b>
<b>Adjusted net profit <sup>(1)</sup></b>	<b>47,176</b>	<b>52,174</b>	<b>(9.6%)</b>	<b>102,211</b>	<b>87,528</b>	<b>16.8%</b>	<b>185,140</b>

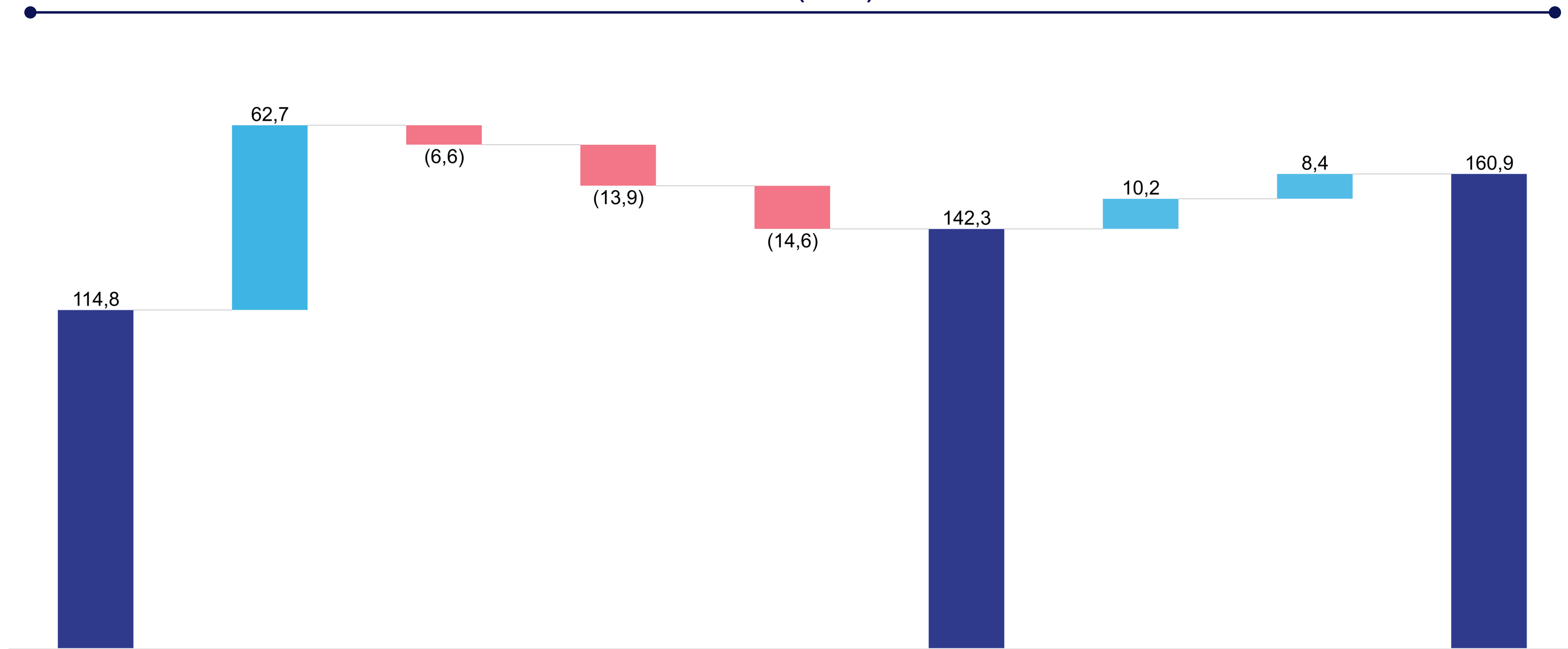
Selected ratios (PLN'000)	2Q 2022	2Q 2021	Change y/y	1H 2022	1H 2021	Change y/y	FY 2021
<b>EBIT</b>	<b>67,356</b>	<b>65,330</b>	<b>3.1%</b>	<b>136,062</b>	<b>108,861</b>	<b>25.0%</b>	<b>227,508</b>
EBIT margin	48.7%	56.0%	(7.3 p.p.)	48.5%	50.0%	(1.5 p.p.)	47.9%
<b>EBITDA</b>	<b>70,499</b>	<b>68,378</b>	<b>3.1%</b>	<b>142,294</b>	<b>114,781</b>	<b>24.0%</b>	<b>239,545</b>
EBITDA margin	51.0%	58.6%	(7.6 p.p.)	50.8%	52.8%	(2.0 p.p.)	50.4%
<b>adjusted EBITDA <sup>(2)</sup></b>	<b>81,084</b>	<b>73,507</b>	<b>10.3%</b>	<b>160,940</b>	<b>124,760</b>	<b>29.0%</b>	<b>257,338</b>
adjusted EBITDA margin	58.7%	63.0%	(4.3 p.p.)	57.4%	57.3%	0.1 p.p.	54.2%

- Strong, double-digit growth in revenue
- Increase in employee benefits in connection with rise in employment and salaries
- Increase in marketing expenses as a result of realization of more broad-range campaigns
- Increase in costs of external services mainly due to incurring acquisition-related costs
- High-margin business model—adjusted EBITDA margin of about 57%

(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)



1H 2021 EBITDA

Increase in revenue from contracts with customers

Increase in marketing expenses

Increase in employee benefits

Increase in other operating expenses

1H 2022 EBITDA

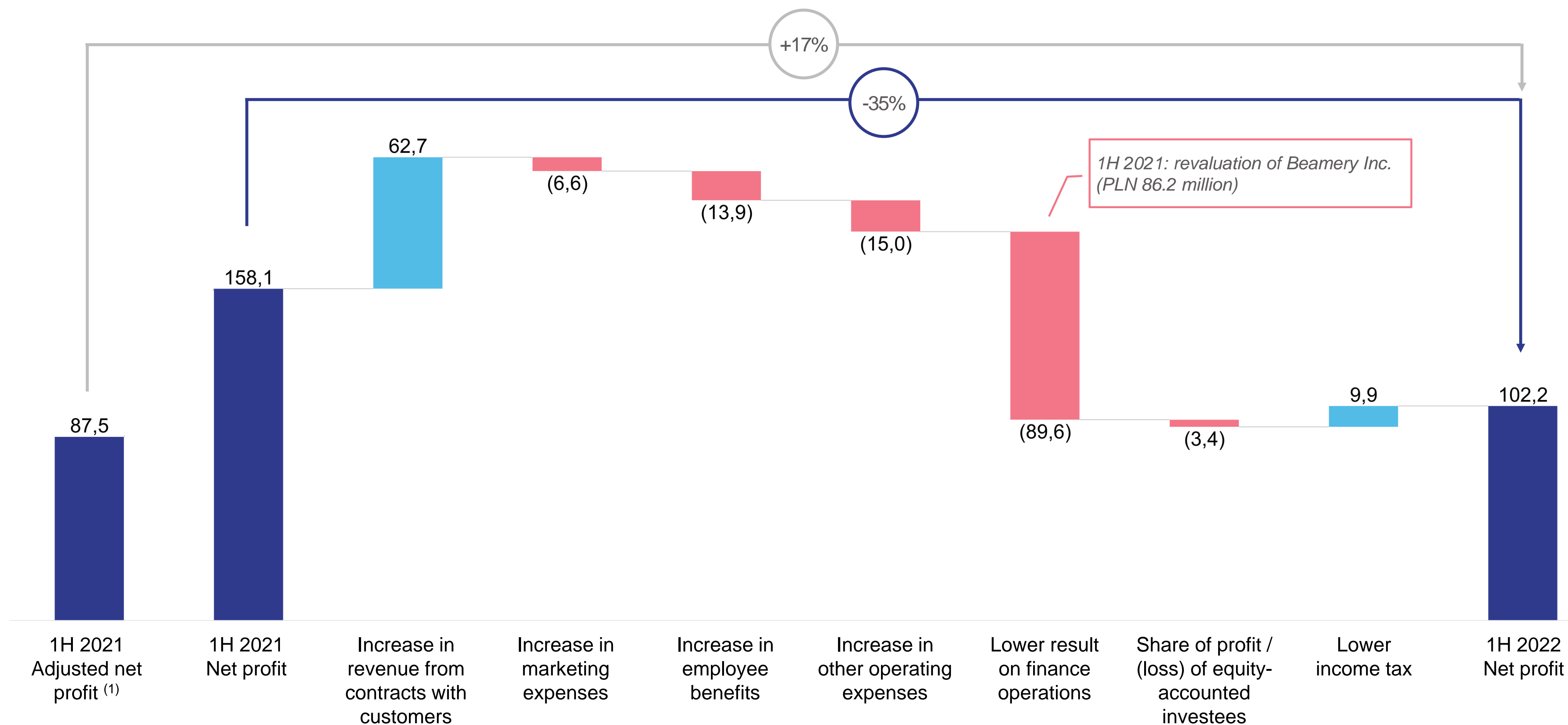
Share-based payment programme

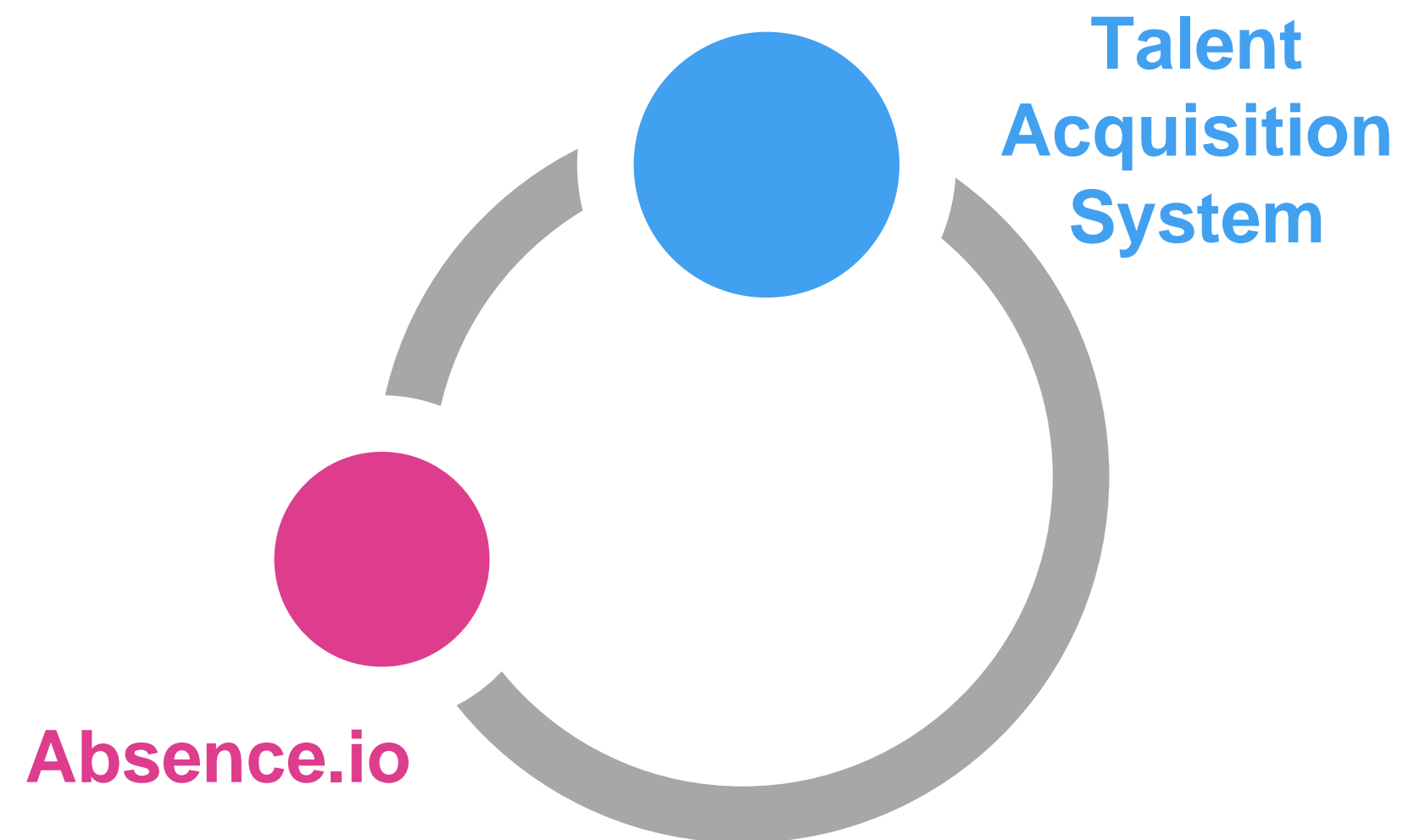
Acquisition-related costs

1H 2022 Adjusted EBITDA

# Consolidated net profit

## Net profit (PLNm)





*“We empower companies to attract, hire & retain the most suitable candidates”*

## Recruiting software

- CV management
- Career site
- Employer reviews
- Employee referrals

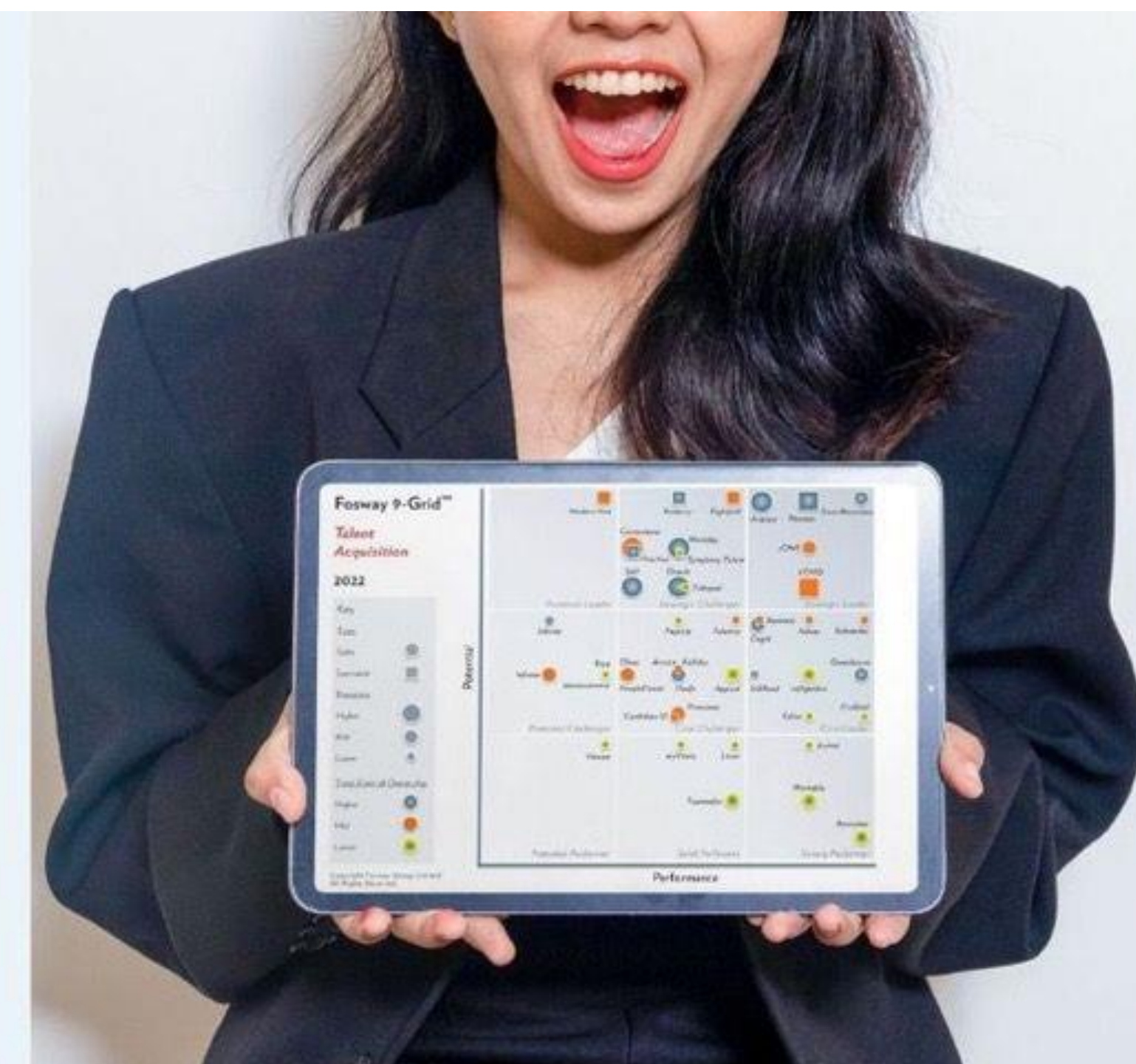
## Advantages for employers

- More and better applications
- Shorter time-to-hire
- Greater appeal of the employer's brand
- Cutting recruitment costs



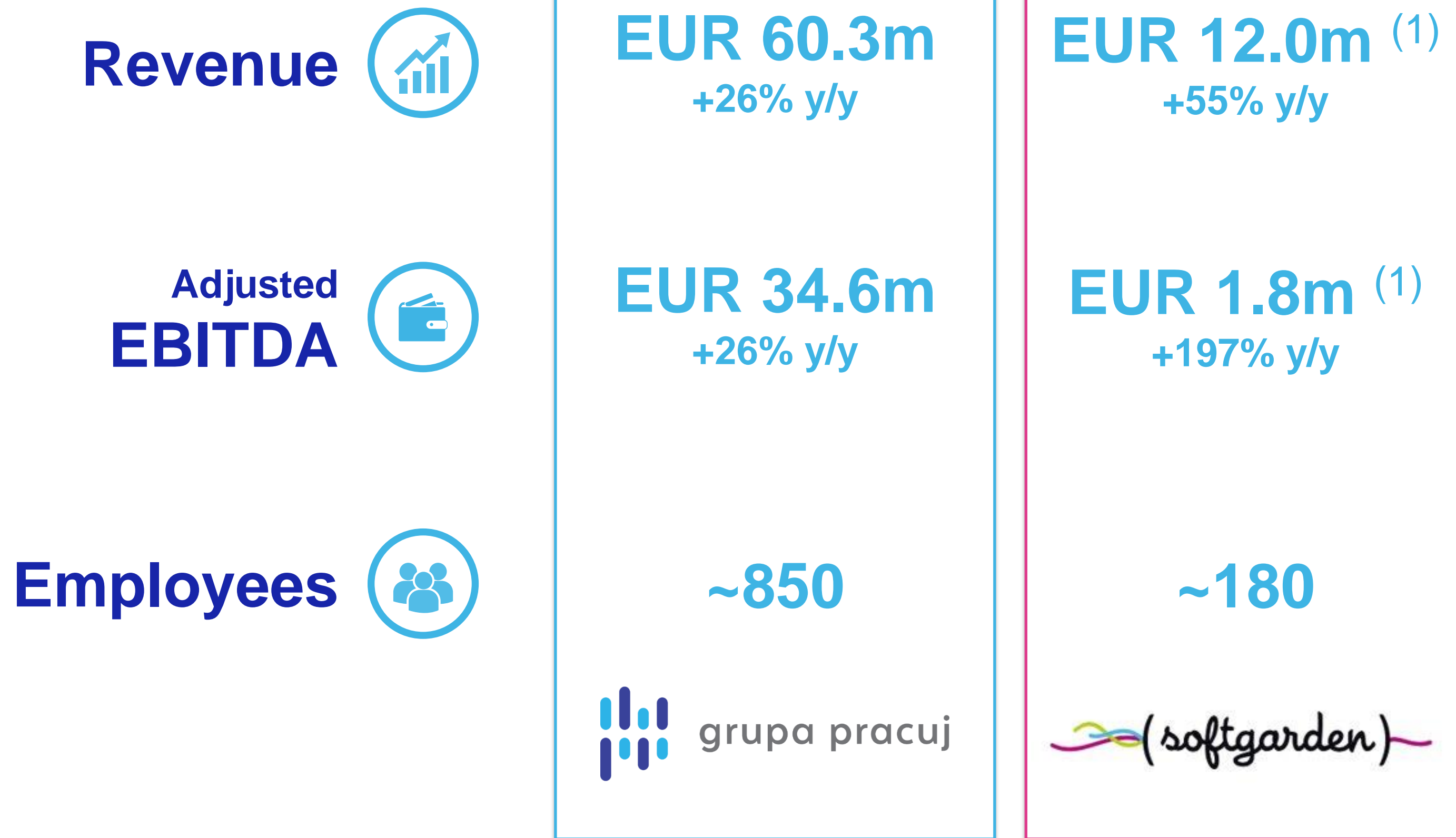


**softgarden has been awarded Core Leader in this year's Fosway Group 9-Grid™ for Talent Acquisition**



# Selected softgarden results<sup>(1)</sup> compared to Grupa Pracuj results

1H 2022

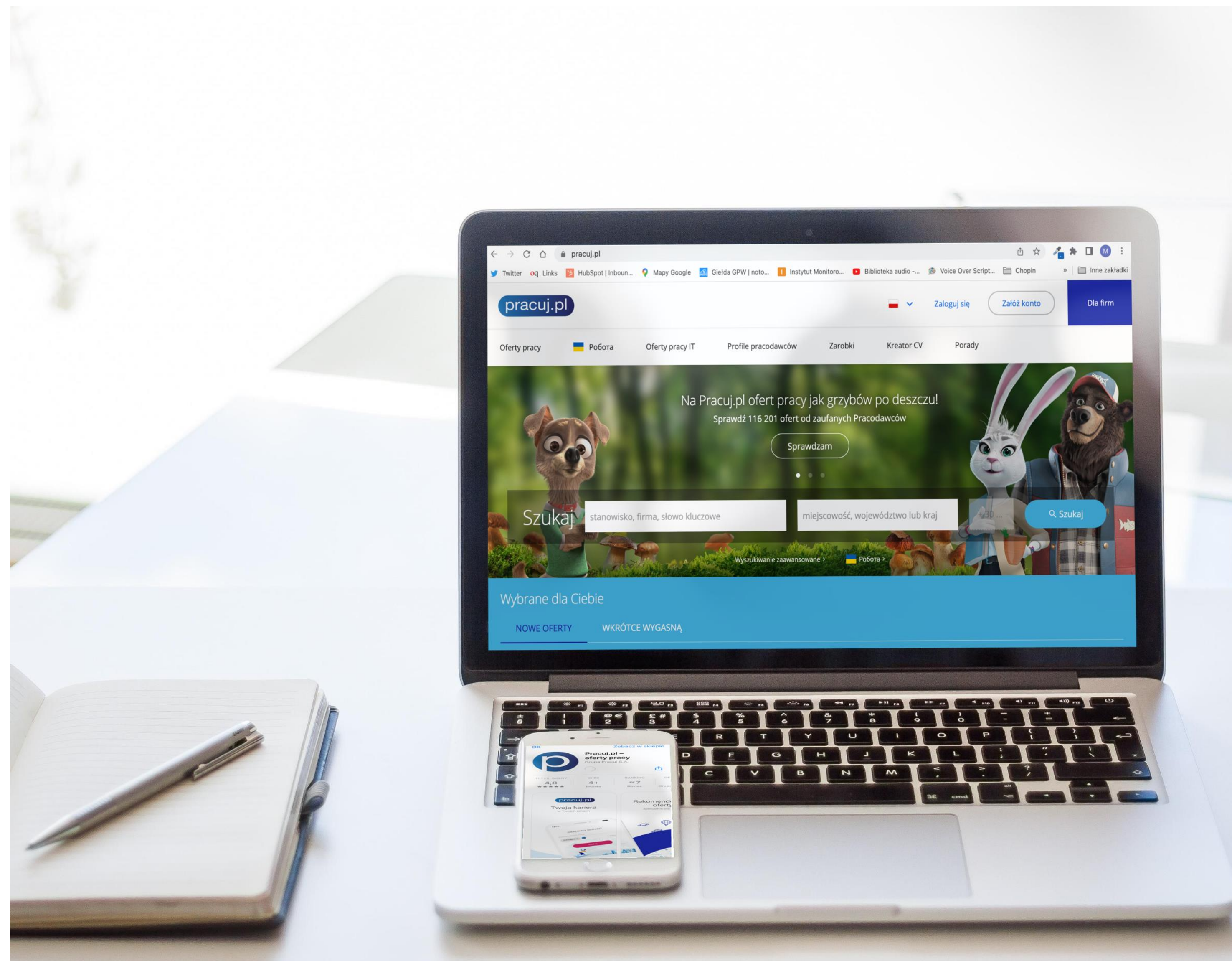


- In the short and medium term, significantly faster revenue growth is anticipated for softgarden than for recruitment platforms of Grupa Pracuj
- After consolidation begins, softgarden revenue is anticipated to represent over 15% of the group's total revenue
- In the short term, the consolidation of softgarden is expected to have a slight negative impact on the group's EBITDA margin

(1) Preliminary management data, unaudited

# Prospects for the upcoming months

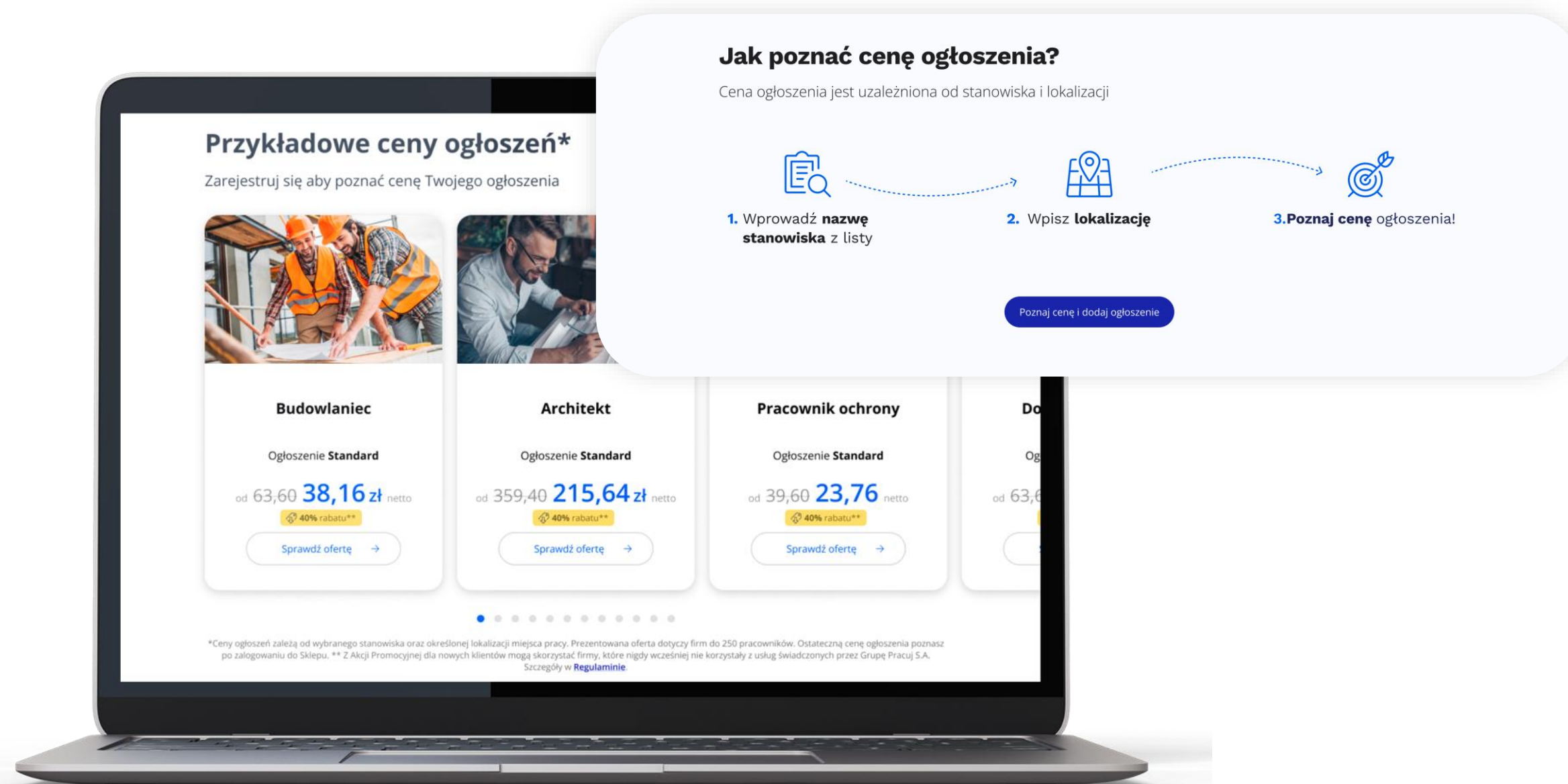
- Stabilization of the number of recruitment projects year-on-year (high base in 2021)
- Steady growth in average prices of recruitment projects (following changes in January 2022). Advanced work on new price list
- Steady growth in portfolio of products and functionalities, including use of AI solutions
- Exploitation of product synergies between the brands of the group and sharing of knowhow between business segments





# Prospects for the upcoming months

## Elastic Pricing in the eCommerce channel



**Jak poznać cenę ogłoszenia?**  
Cena ogłoszenia jest uzależniona od stanowiska i lokalizacji

1. Wprowadź **nazwę stanowiska** z listy
2. Wpisz **lokalizację**
3. **Poznaj cenę** ogłoszenia!

Poznaj cenę i dodaj ogłoszenie

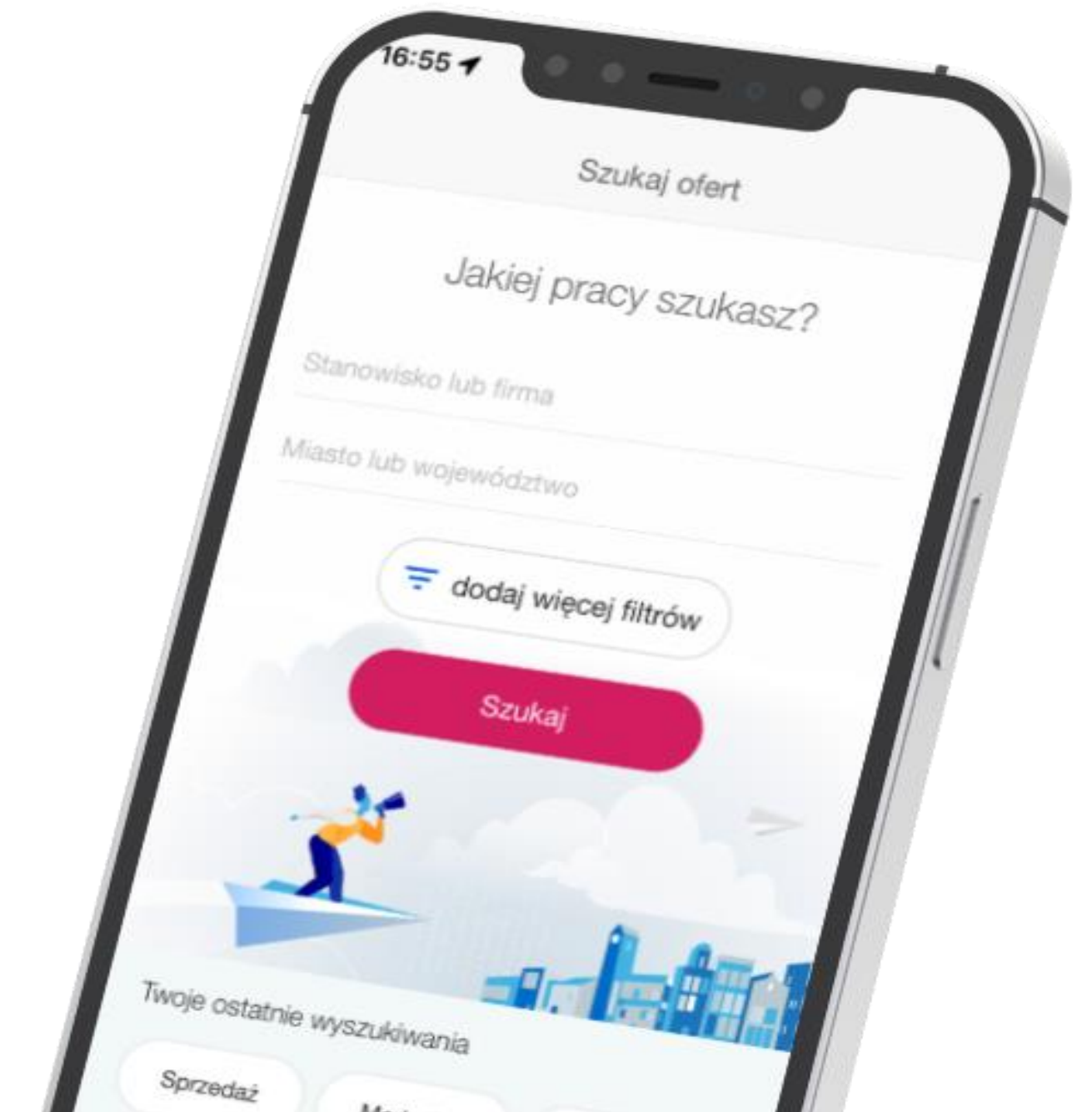
**Przykładowe ceny ogłoszeń\***  
Zarejestruj się aby poznać cenę Twojego ogłoszenia

Stanowisko	Cena ogłoszenia Standard
Budowlaniec	od 63,60 <b>38,16 zł</b> netto (40% rabatu)**
Architekt	od 359,40 <b>215,64 zł</b> netto (40% rabatu)**
Pracownik ochrony	od 39,60 <b>23,76 zł</b> netto (40% rabatu)**

\*Ceny ogłoszeń zależą od wybranego stanowiska oraz określonej lokalizacji miejsca pracy. Prezentowana oferta dotyczy firm do 250 pracowników. Ostateczną cenę ogłoszenia poznasz po zalogowaniu do Sklepu. \*\*Z Akcji Promocyjnej dla nowych klientów mogą skorzystać firmy, które nigdy wcześniej nie korzystały z usług świadczonych przez Grupę Pracuj S.A. Szczegóły w Regulaminie.

- Implementation of mechanism for elastic pricing
- Greater affordability of Pracuj.pl product line for micro, small and medium-sized enterprises

## Mobile app

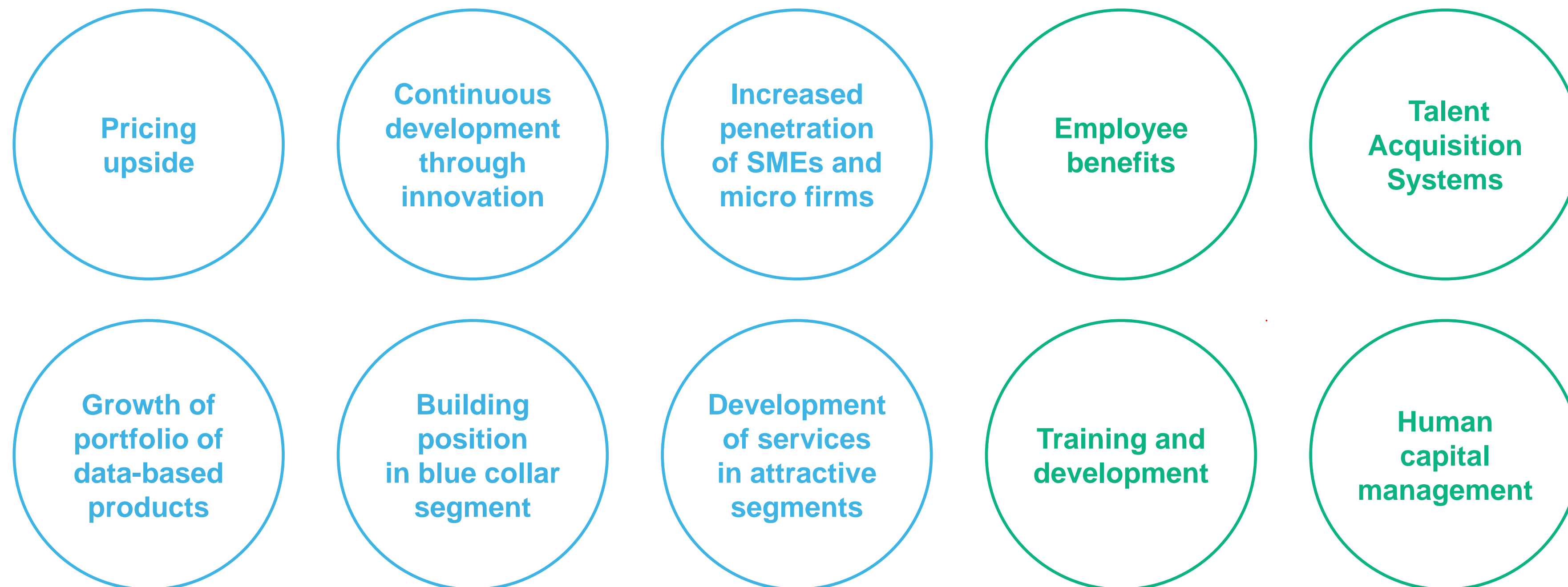


- > 0.5m downloads of app in 1H 2022
- Ratings: 4.8 (iOS), 4.3 (Android)
- 30% of CVs from mobile app

## 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 <sup>(1)</sup>
- The market is expected to grow at a CAGR of 5.8% in years 2022–2028 <sup>(1)</sup>



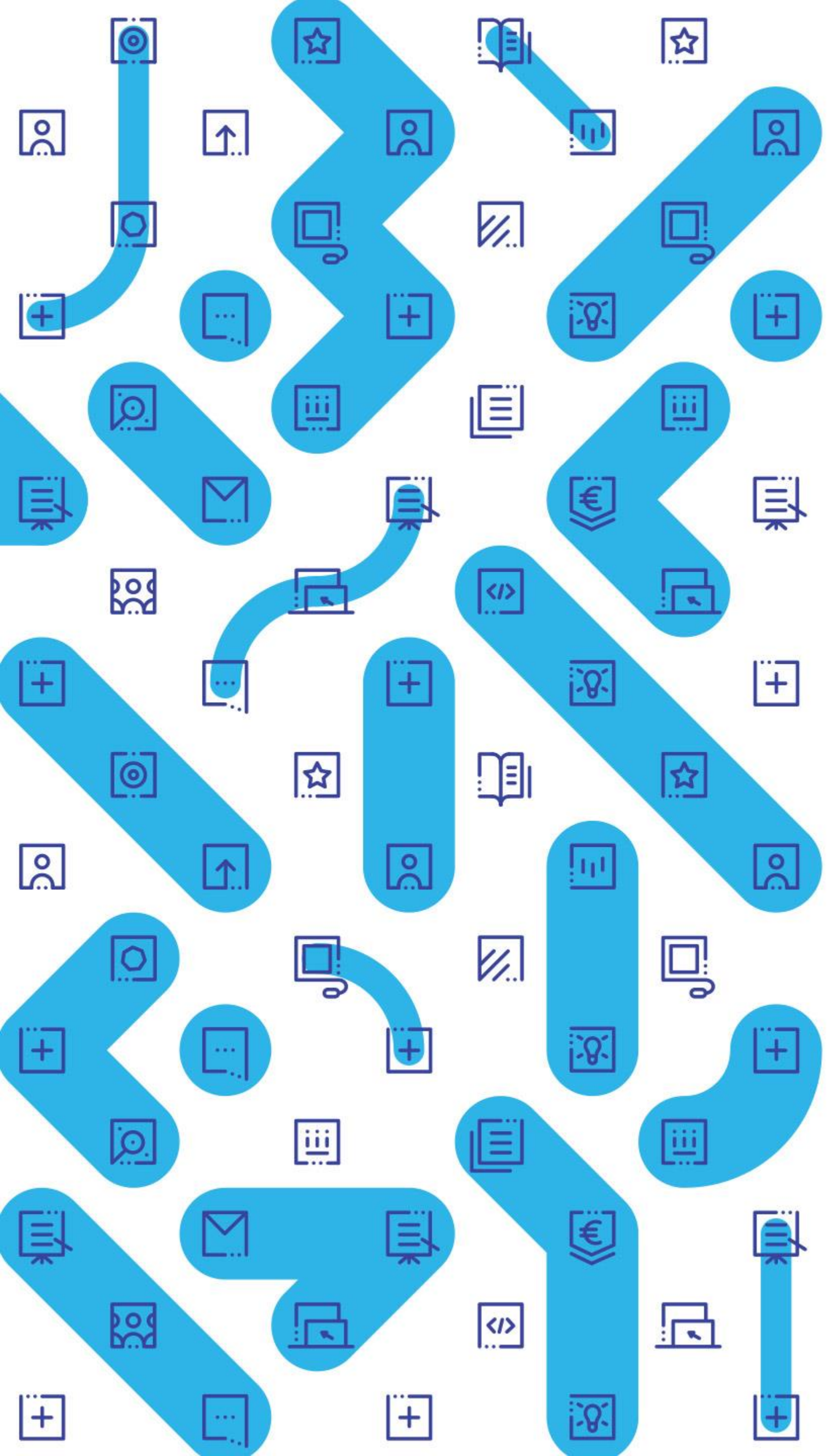
## Further international expansion and selective acquisitions

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

Thank you

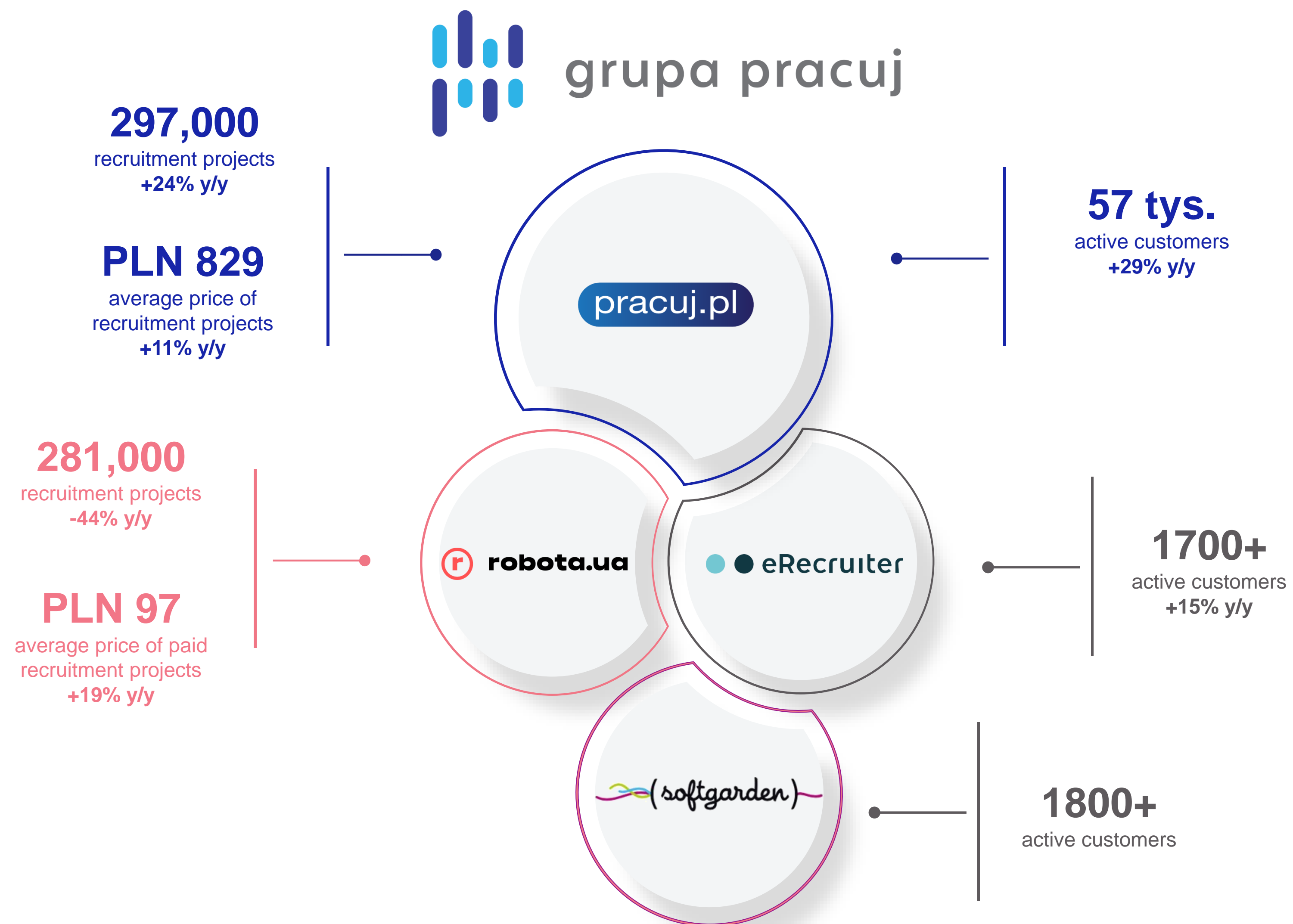
Q&A

We invite your questions



# Appendices

# Selected operating data in 1H 2022



# Balance sheet and cash flows

Selected financial data (PLN '000)	30.06.2022	31.12.2021	Change
<b>Total assets</b>	<b>1,150,474</b>	<b>499,705</b>	<b>130.2%</b>
Non-current assets, including:	816,526	227,271	259.3%
Goodwill	560,041	-	
Current assets, including:	333,948	272,434	22.6%
Cash and cash equivalents	201,710	184,836	9.1%
<b>Total equity and liabilities</b>	<b>1,150,474</b>	<b>499,705</b>	<b>130.2%</b>
<b>Equity</b>	<b>228,195</b>	<b>249,157</b>	<b>(8.4%)</b>
<b>Non-current liabilities, including:</b>	<b>378,523</b>	<b>51,212</b>	<b>639.1%</b>
Bank loans	334,693	-	-
<b>Current liabilities, including:</b>	<b>543,756</b>	<b>199,336</b>	<b>172.8%</b>
Bank loans	63,463	-	-
Lease liabilities	9,697	9,191	5.5%
Other financial liabilities	2,590	7,097	(63.5%)
Employee benefits	45,174	14,860	204.0%
Trade payables	49,537	15,770	214.1%
Other payables	24,233	15,999	51.5%
Dividend liabilities	136,530	-	-
Current tax liabilities	5,219	5,197	0.4%
Contract liabilities	207,313	131,222	58.0%
<b>Cash flows (PLN '000)</b>	<b>1H 2022</b>	<b>1H 2021</b>	<b>Zmiana r/r</b>
Net cash flows from operating activities	145,585	115,044	26.6%
Net cash flows from investing activities	(521,416)	(14,355)	3532.3%
Net cash flows from financing activities	392,692	(114,098)	-
<b>Total net cash flows</b>	<b>16,861</b>	<b>(13,409)</b>	<b>-</b>

- High capacity for generating cash
- Increase in bank loans as a result of drawing down funds from opened credit line (PLN 400m) for partial financing of softgarden acquisition
- Approved distribution of dividend of PLN 136.5m, i.e. PLN 2 per share (payment date 30 September 2022)

# Selected financial data related to operations in Ukraine

Selected financial results in 1H 2022 (PLN '000)	Segment Poland	Segment Ukraine	Intra segment adjustments	Total
<b>External revenue</b>	<b>266,160</b>	<b>14,131</b>	-	<b>280,291</b>
Other operating income	578	139	-	717
Inter-segment revenue	25	67	(92)	-
<b>Segment revenue</b>	<b>266,763</b>	<b>14,337</b>	<b>(92)</b>	<b>281,008</b>
Depreciation and amortization	(4,645)	(1,587)	-	(6,232)
Operating expenses other than depreciation and amortization	(119,283)	(19,523)	92	(138,714)
<b>Operating profit / (loss)</b>	<b>142,835</b>	<b>(6,773)</b>	-	<b>136,062</b>
<b>Assets (PLN '000)</b>	<b>Robota International TOV's assets as of 30 June 2022</b>		<b>Group's assets as of 30 June 2022</b>	
Intangible assets		25		26,623
Property, plant and equipment		2,525		13,717
Right-of-use assets		6,137		17,956
Deferred tax assets		4,758		37,266
Trade receivables		4,580		78,966
Other non-financial assets		2,679		16,080
Cash and cash equivalents		11,897		201,710
<b>Zobowiązania (tys. PLN)</b>	<b>Group's liabilities related to operations in Ukraine</b>		<b>Group's liabilities</b>	
Non-current lease liabilities		4 479		13 838
Current lease liabilities		2 887		9 697
Employee benefits		2 692		45 174
Trade payables		721		49 537
Other payables		881		24 233
Contract liabilities		27 793		207 313

In addition, the Group's assets include equity-accounted investees, which conduct operating activities in Ukraine, and as of 30 June 2022 they amounted to PLN 15,674 thousand. Moreover, the Group has a put option liability to non-controlling shareholders of Robota International TOV. This liability as of 30 June 2022 amounted to PLN 9,396 thousand.

## POLAND

- GDP growth in 2Q 2022 of 5.3% y/y (Statistics Poland flash estimate)
- Anticipated GDP growth for full-year 2022 of 3.9%<sup>(1)</sup> – 5.2%<sup>(2)</sup> y/y
- Estimated unemployment rate of 5.1%<sup>(3)</sup>
- High pace of salary growth, at 10.9%<sup>(3)</sup>
- Average annual inflation of 12.2%<sup>(2)</sup> – 14.2%<sup>(4)</sup>
- Anticipated increase in interest rates to 7.5%<sup>(5)</sup> – 8.0%<sup>(6)</sup> (currently 6.75%)

## UKRAINE

- Decline in GDP in 2Q 2022 by 37.2% y/y (estimates by State Statistics Service)
- Forecast economic decline in full-year 2022 of 33.2% (according to Ukrainian Ministry of Economy)

## GERMANY

- GDP growth in 2Q 2022 of 1.7% y/y and 0.1% q/q (estimates by Federal Statistical Office)
- Anticipated GDP growth for FY 2022 of 1.4% y/y<sup>(2)</sup>
- Average annual inflation of 7.9%<sup>(2)</sup>

(1) Forecasts by World Bank (June 2022) and Fitch Ratings (September 2022)

(2) European Commission, Summer 2022 Economic Forecast, July 2022

(3) Results of NBP Macroeconomic Survey, June 2022 round

(4) National Bank of Poland projection, July 2022

(5) Fitch Ratings forecast, September 2022

(6) Goldman Sachs forecast, September 2022



# Growth drivers of the German TAS market

## Market size

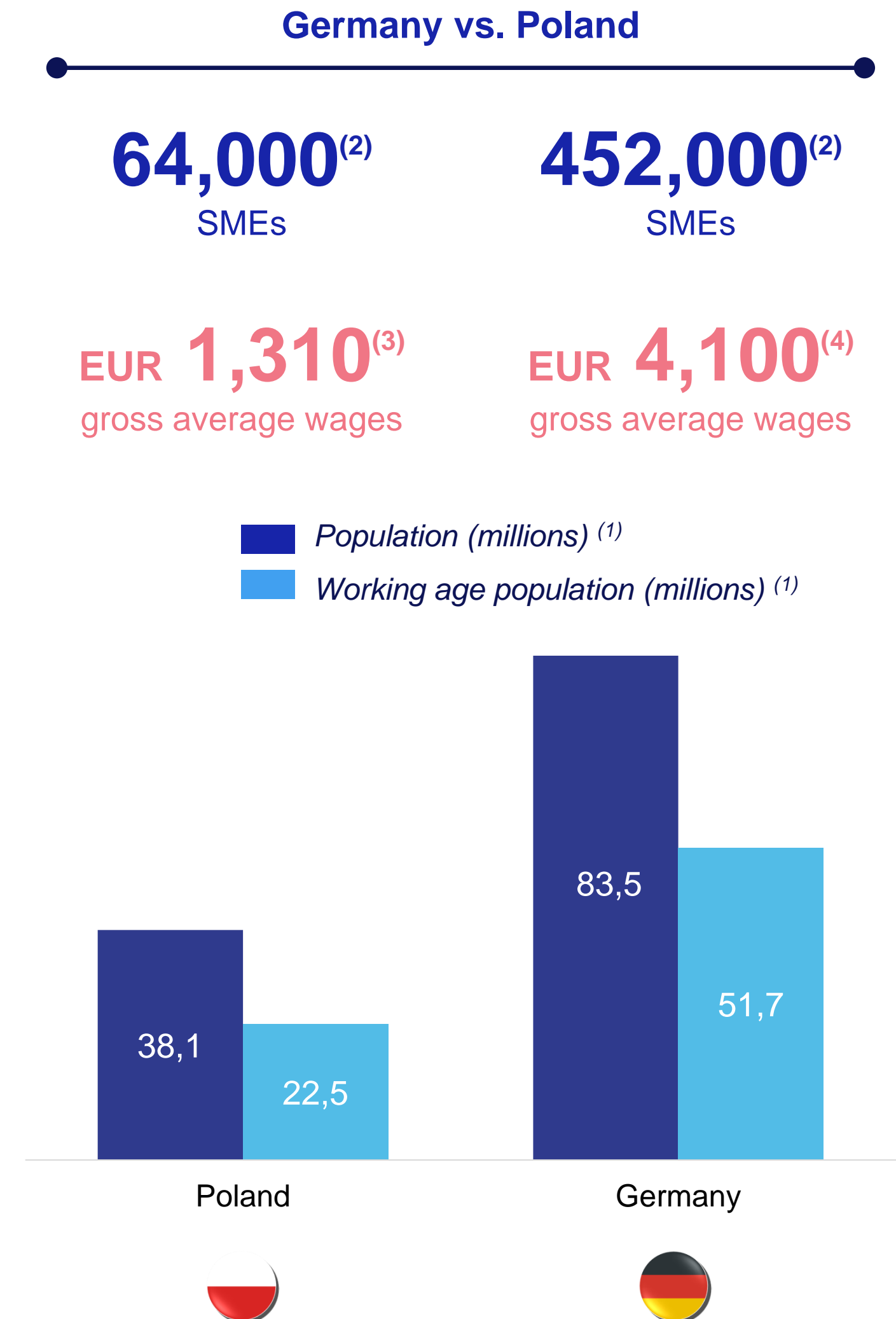
- The German TAS market is large and fast growing. This growth has been partly driven by one-off factor of GDPR, but clear long-term trends in improving propositions and SME adoption are supportive of future growth
- Germany's strong economy (6 times larger than Poland's in terms of GDP) and low unemployment 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



**We support organizations  
in the recruitment, retention and development of  
their staff**

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

**To achieve this, we use the most efficient and  
modern technologies**



# Our values



**Customer**  
In focus



**Respect**  
for diversity



**Courage to**  
act and to learn  
from mistakes



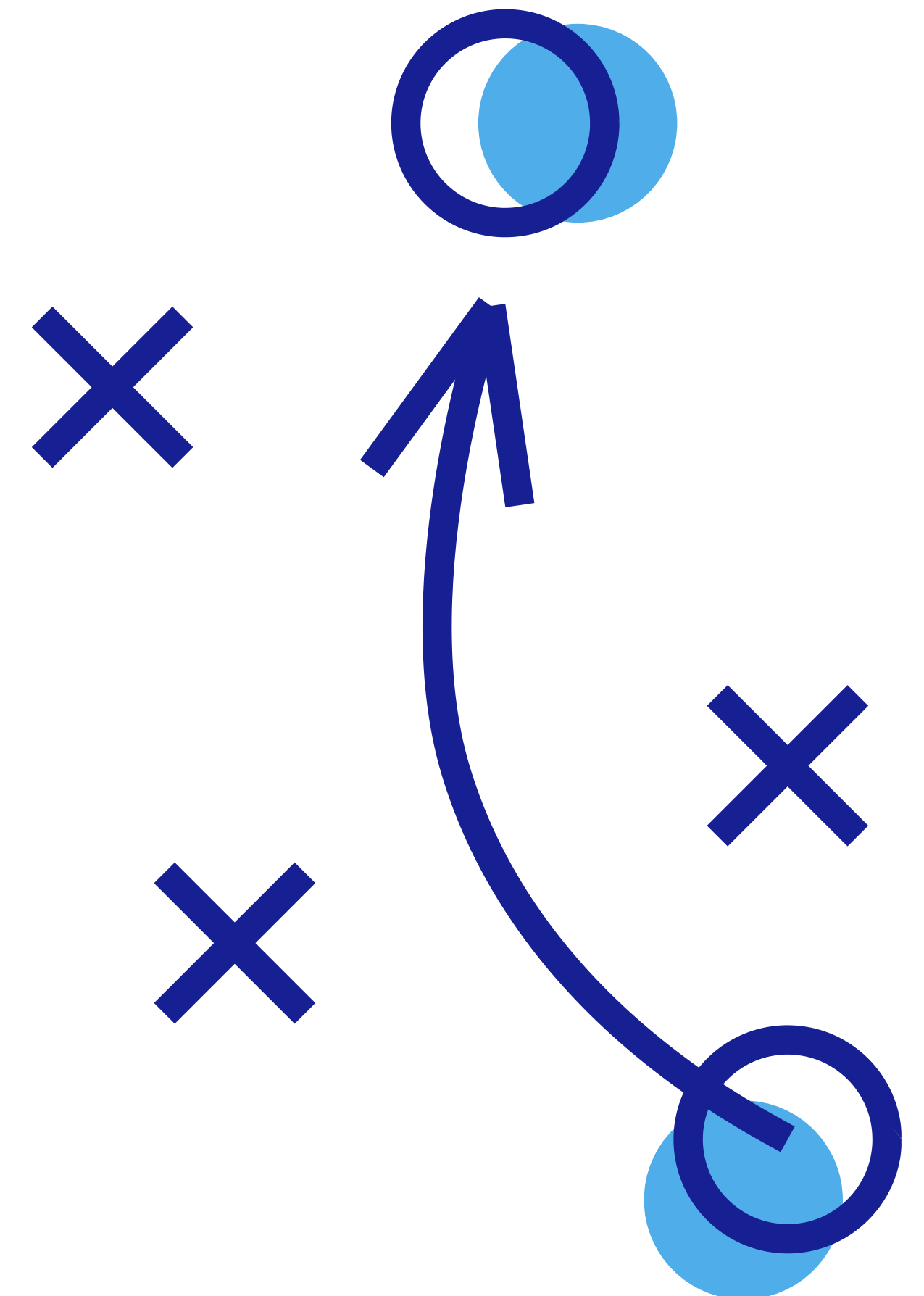
**Joy**  
at work 😊



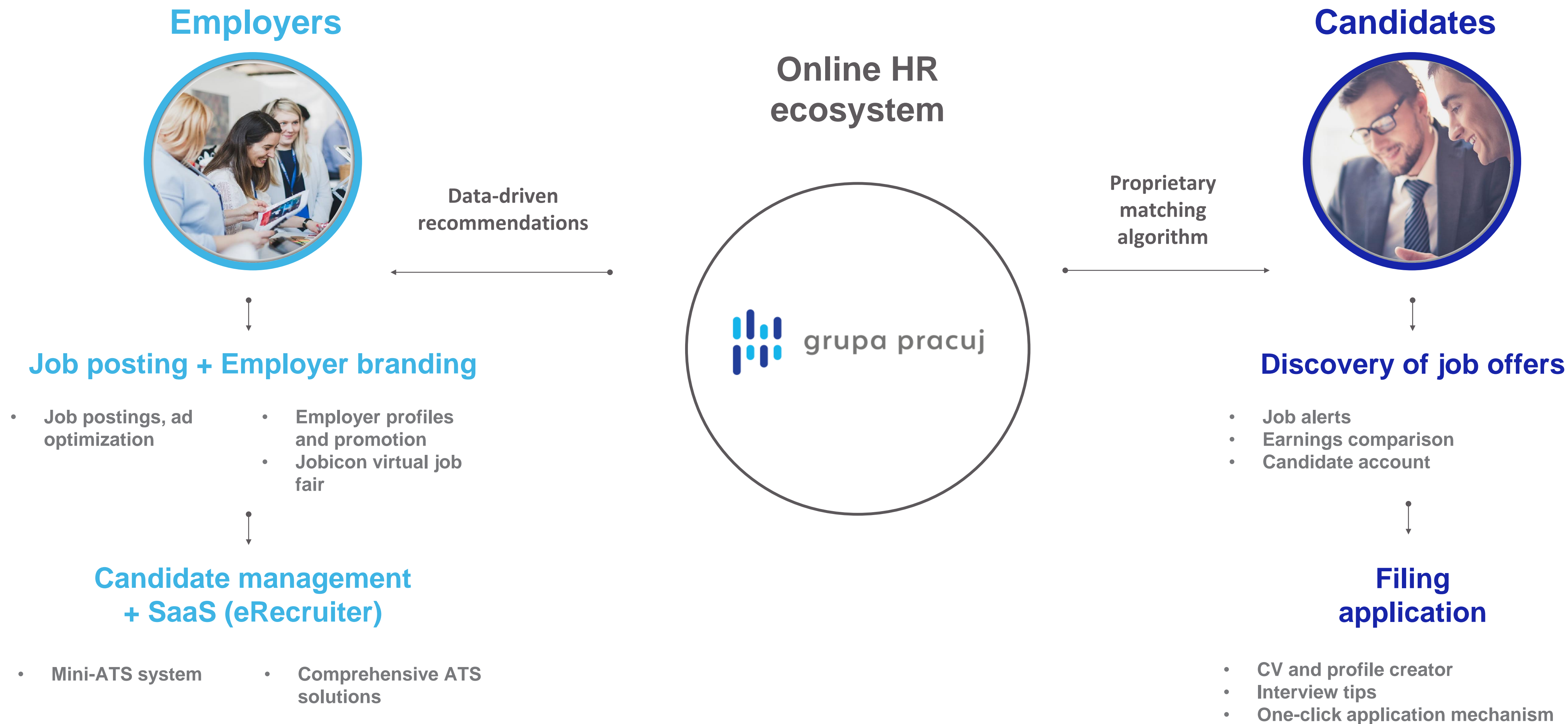
**Responsibility**  
for my work and  
company's goals

# Strategic growth directions

- 1** Being the platform of first choice for recruitment of staff in the white-collar segment and in selected industries in Poland
- 2** Steady reinforcement of position on existing markets
- 3** Obtaining, integrating and expanding HR Tech solutions with an emphasis on SaaS
- 4** Shaping corporate culture to achieve established aims and engage staff
- 5** Increasing the efficiency of Grupa Pracuj



# Our business model

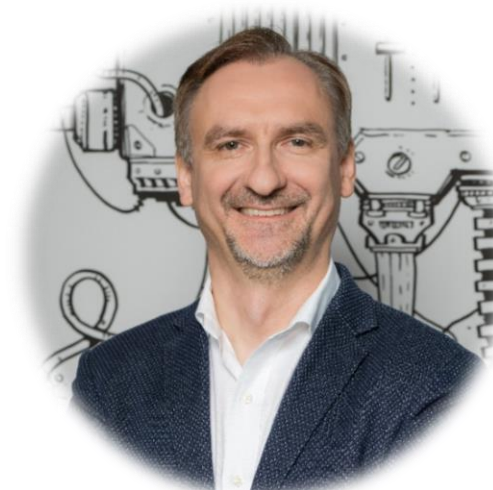




**Przemysław Gacek**  
CEO and cofounder

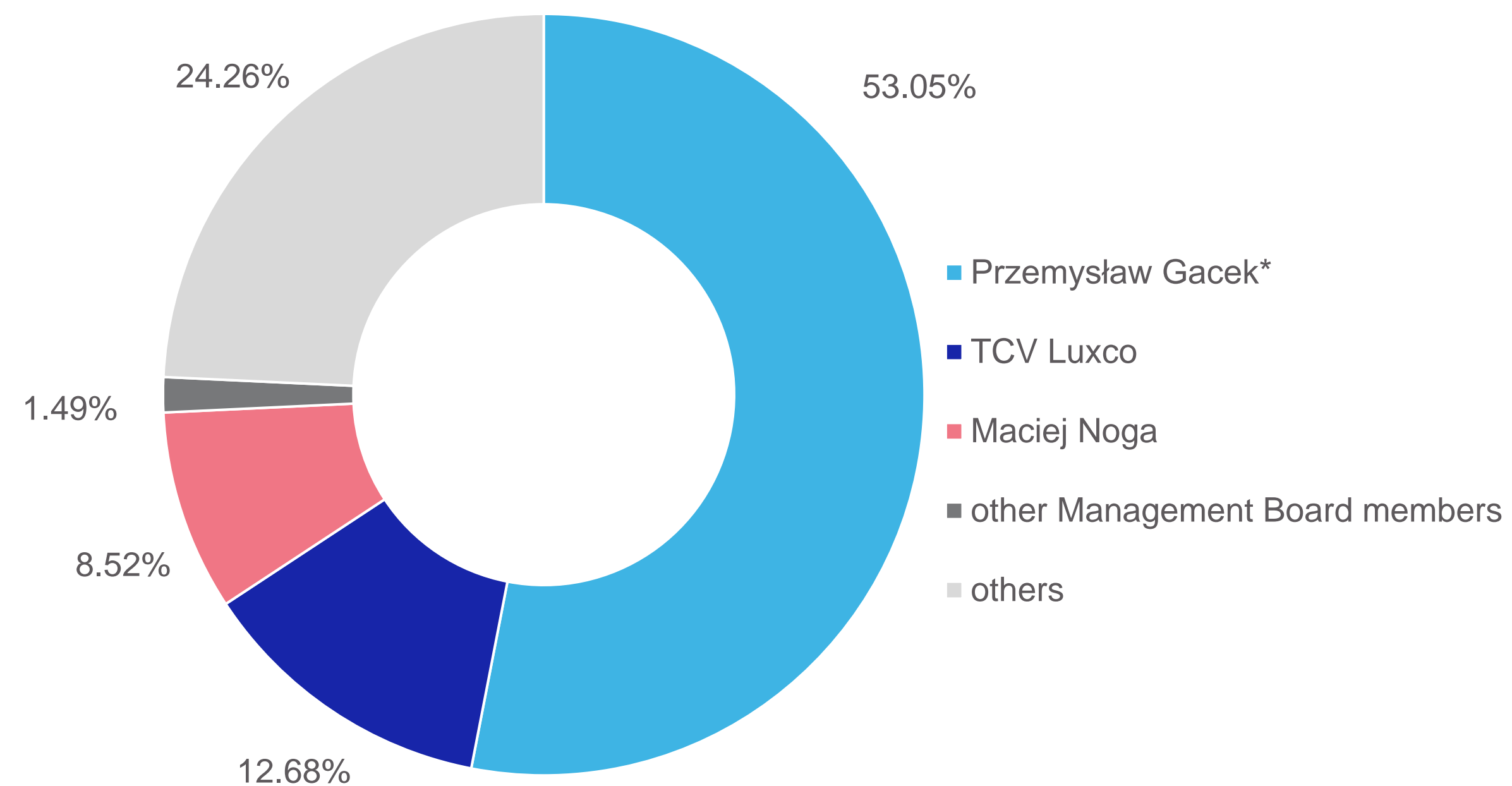


**Rafał Nachyna**  
COO



**Gracjan Fiedorowicz**  
CFO

**Shareholder structure**  
(as of 30 June 2022)



\* Directly and indirectly via Frascati Investments sp. z o.o., which is controlled by Przemysław Gacek, and also reflecting shares held by persons deemed to be in an agreement referred to in Art. 87(1)(5) of the Act on Public Offerings and Conditions for Introduction of Financial Instruments into an Organized System of Trading and on Public Companies.