



grupa pracuj

Leading HR technology platform in Europe

Presentation of results
for the first quarter of 2023

pracuj.pl

eRecruiter

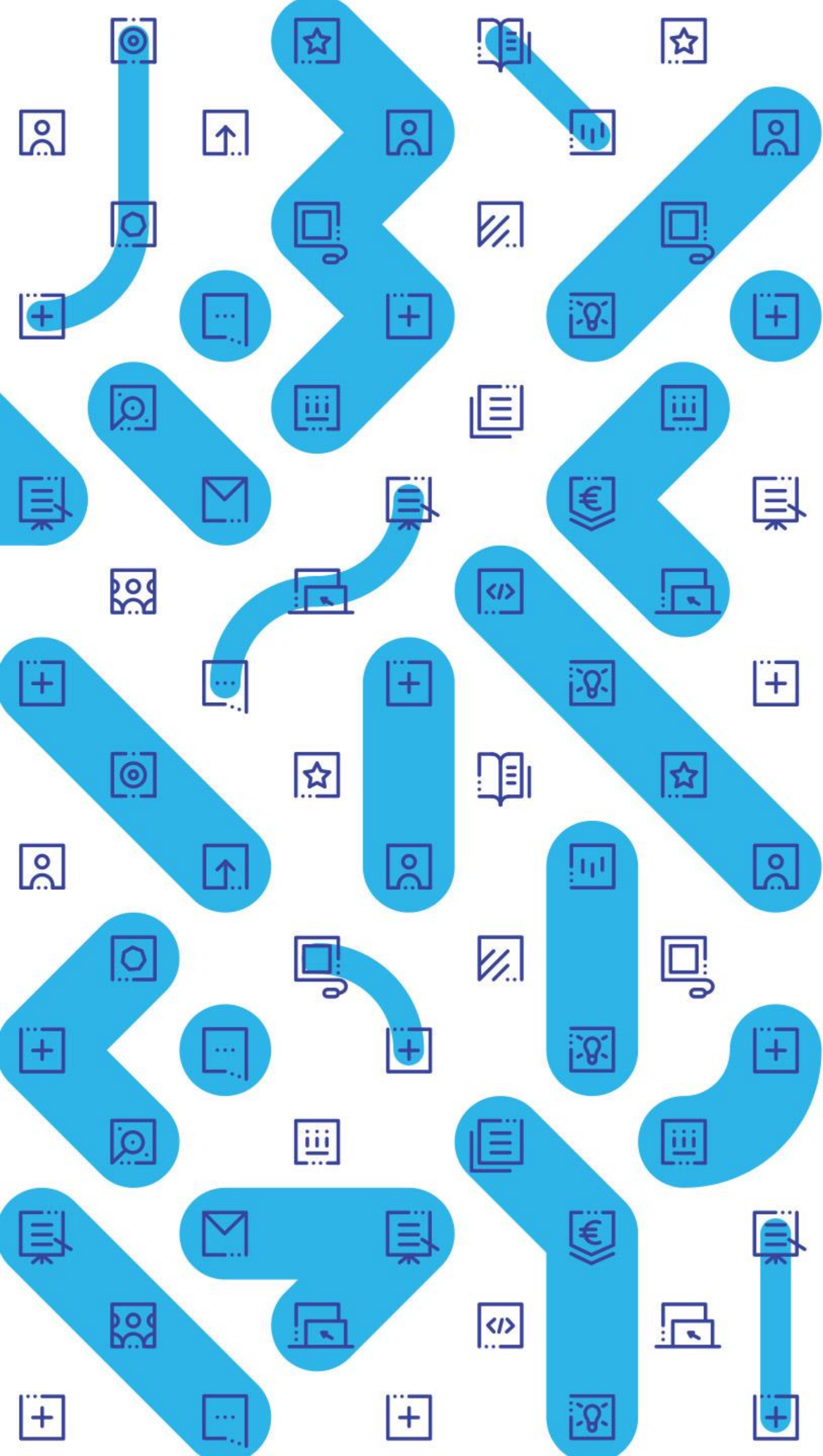
robot.ua

(softgarden)

First quarter of 2023 in numbers

Operating and financial results

Prospects



Grupa Pracuj today

pracuj.pl

the:protocol



robota.ua

grupa pracuj

eRecruiter

(softgarden)

First quarter of 2023 in numbers



PLN 185m
revenue from customer
contracts
+30% y/y



PLN 84m
adjusted EBITDA
+5% y/y



45%
adjusted EBITDA margin

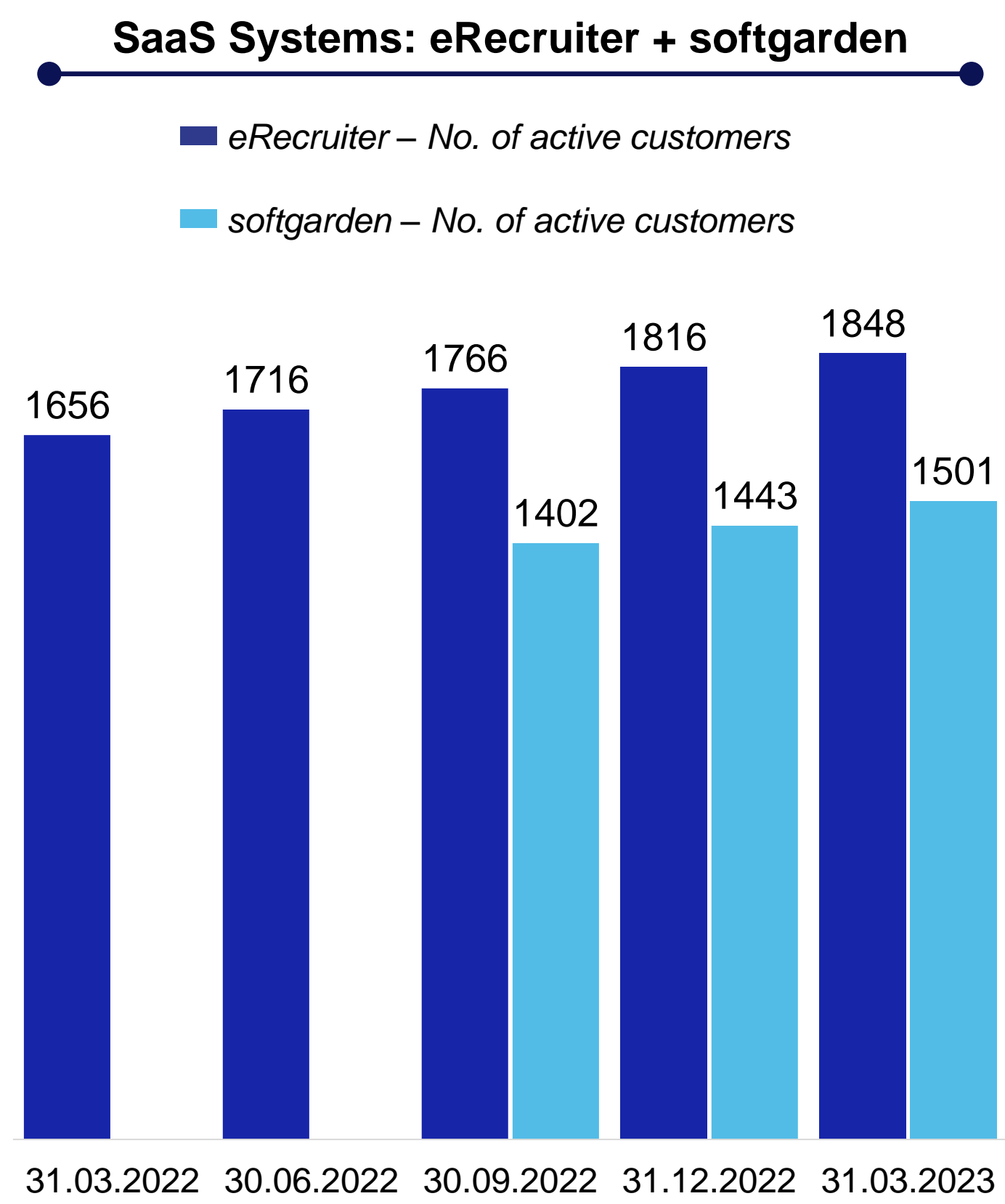
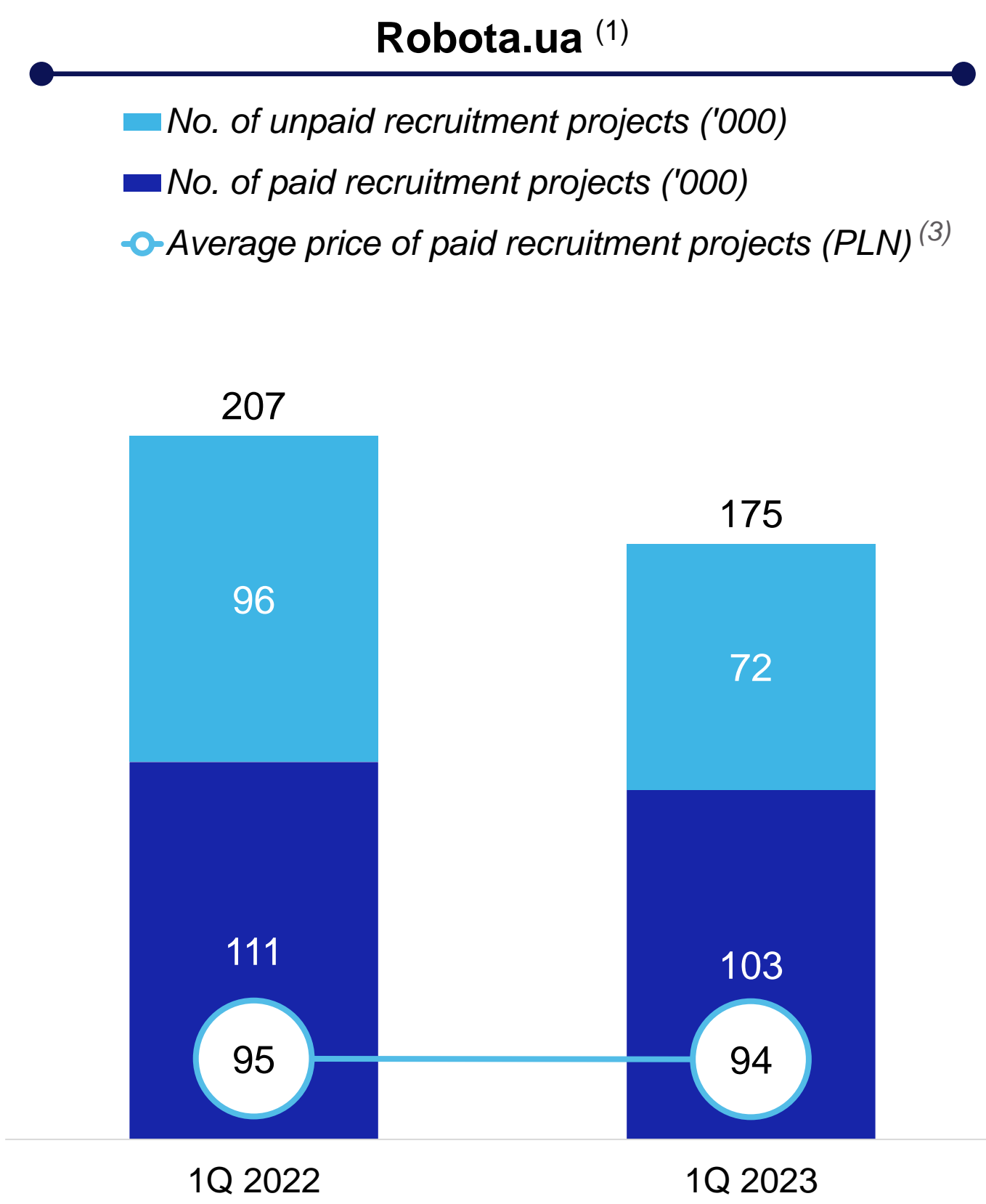
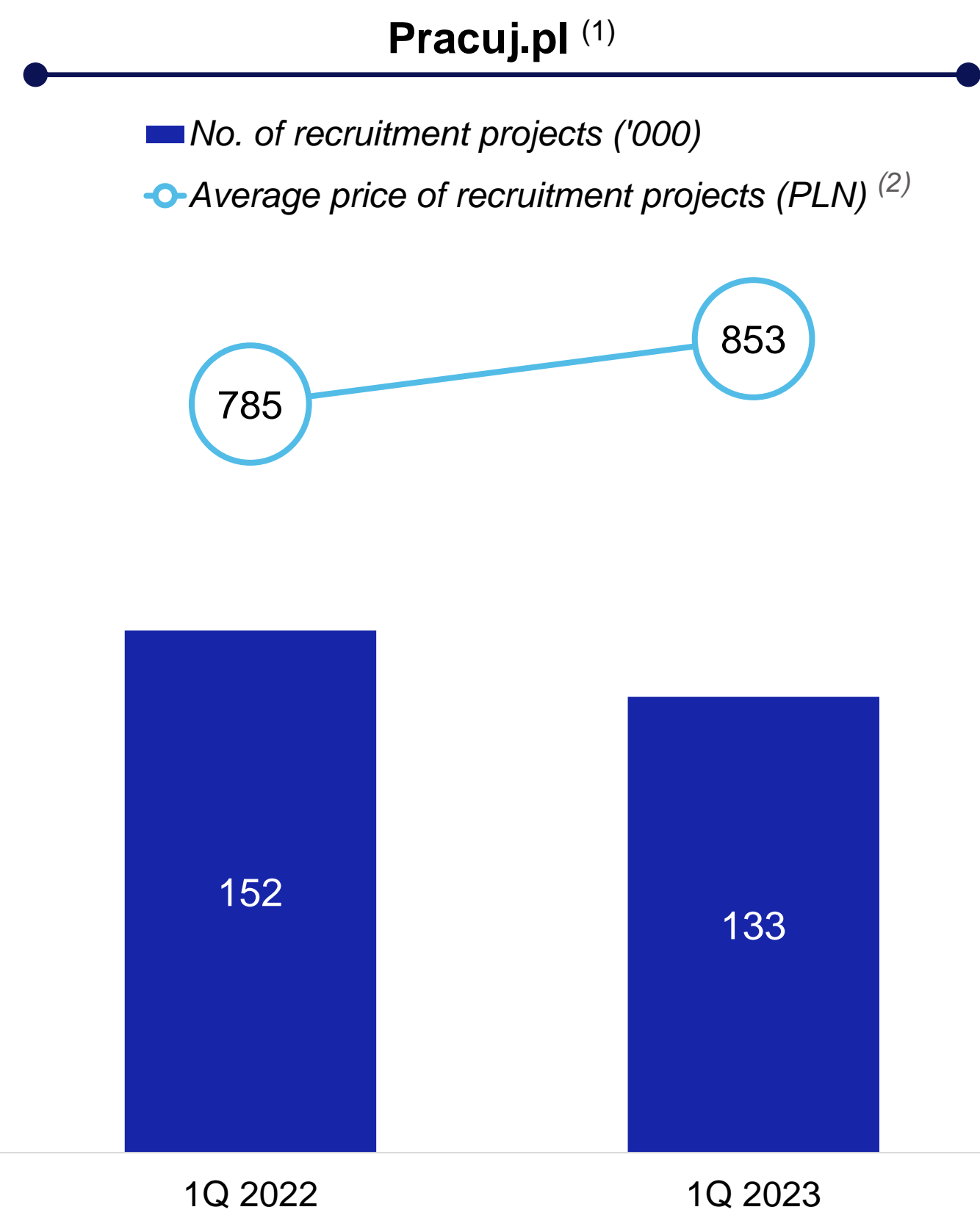


PLN 53m
net profit
-4% y/y

- Strong, double-digit growth in the group's revenue, mainly due to consolidation of softgarden⁽¹⁾ – a leading HR Tech player in Germany
- Slight decline in revenue in Ukraine while recovering operating profitability, despite tough operating conditions
- Steady growth in number of customers using SaaS services in Poland and Germany
- Adjusted EBITDA margin of 45%
- Net profit similar to 1Q 2022

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

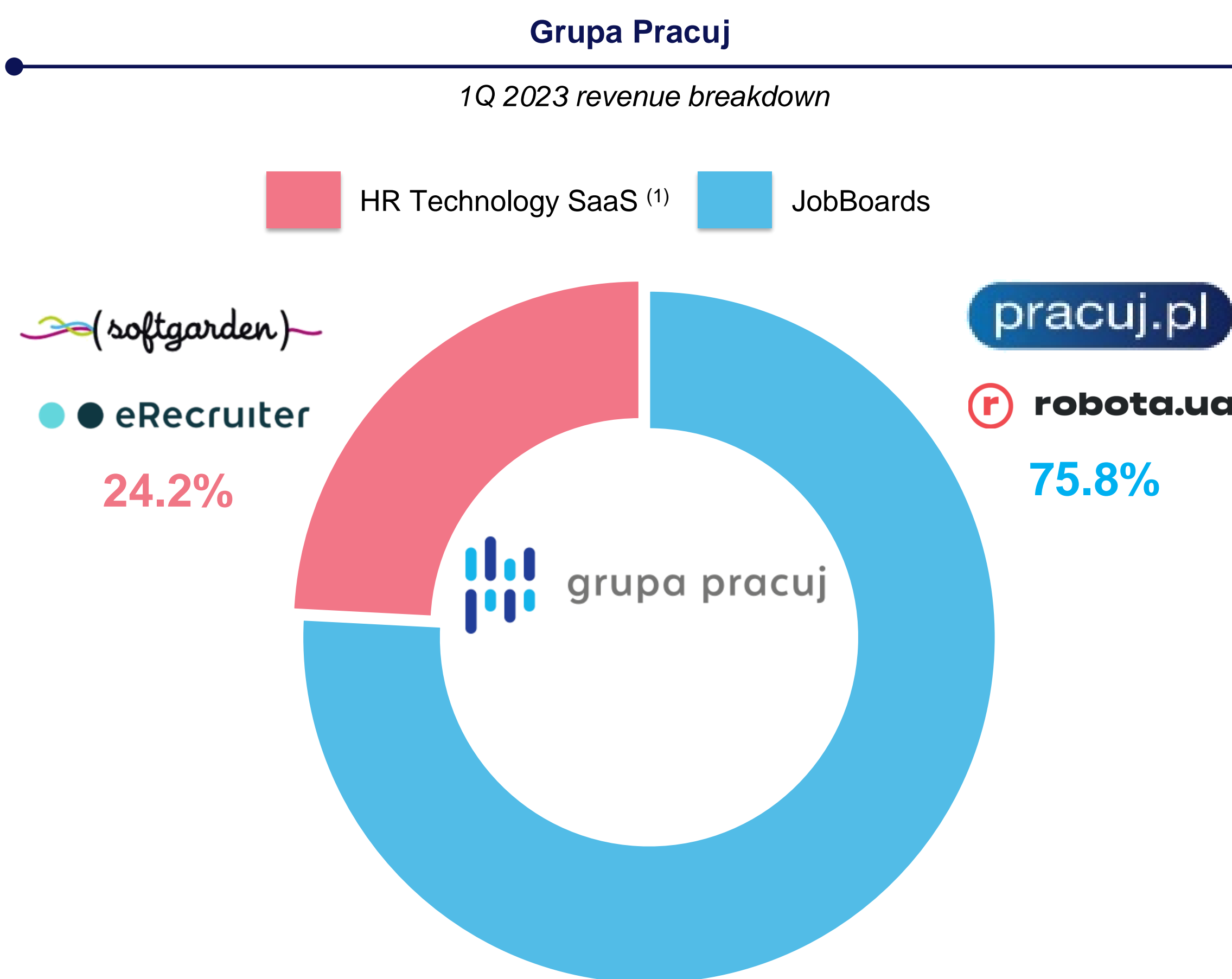
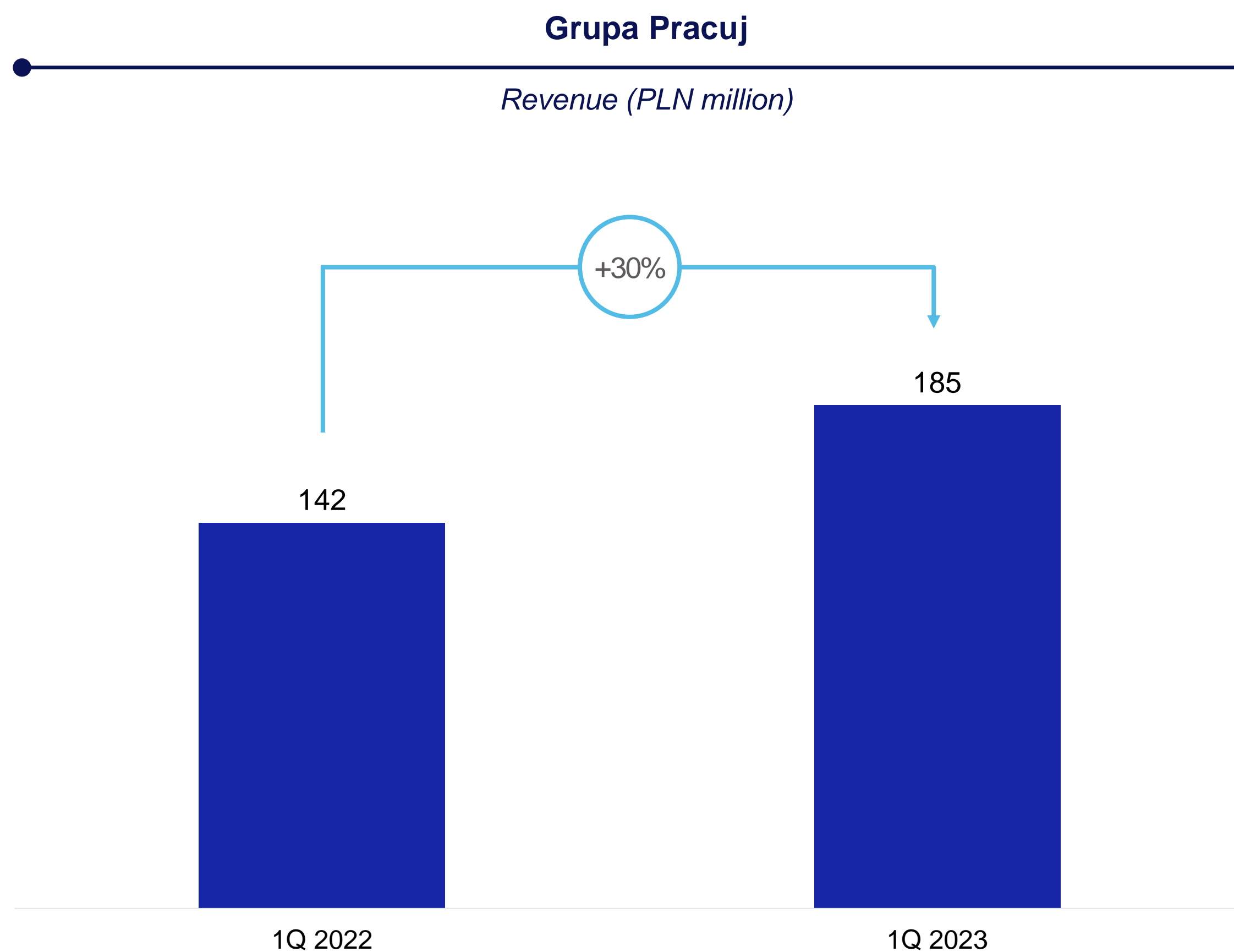
Key operating results



(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 business growth and revenue diversification

Double-digit year-on-year growth in revenue from subscriptions (SaaS)

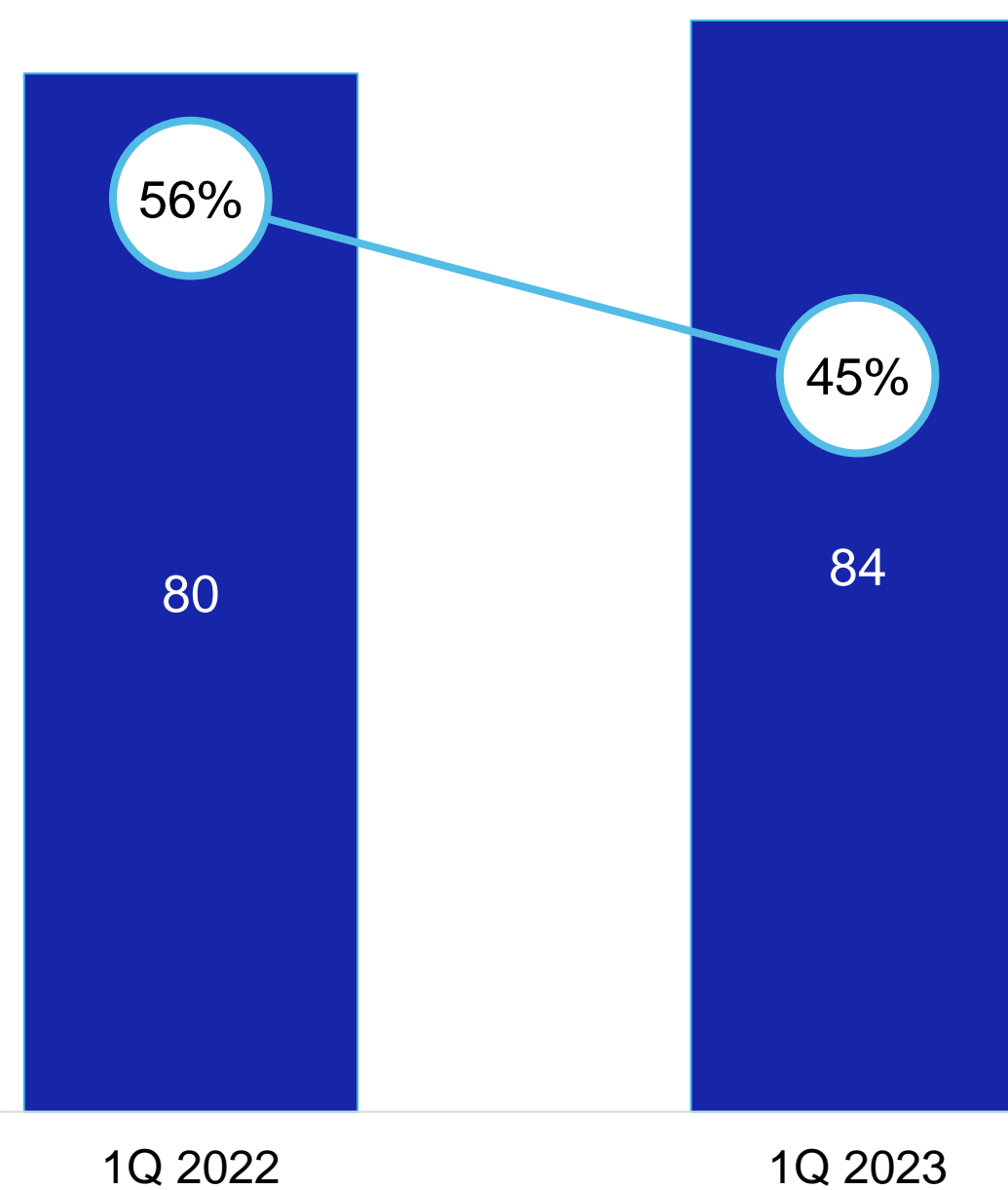


(1) HR Technology SaaS includes eRecruiter and softgarden revenue from subscriptions (SaaS) and softgarden revenue from multiposting, which is recognised in full on a net basis (i.e. less the cost of job offers sold).

Impact of softgarden consolidation on the Group's profitability

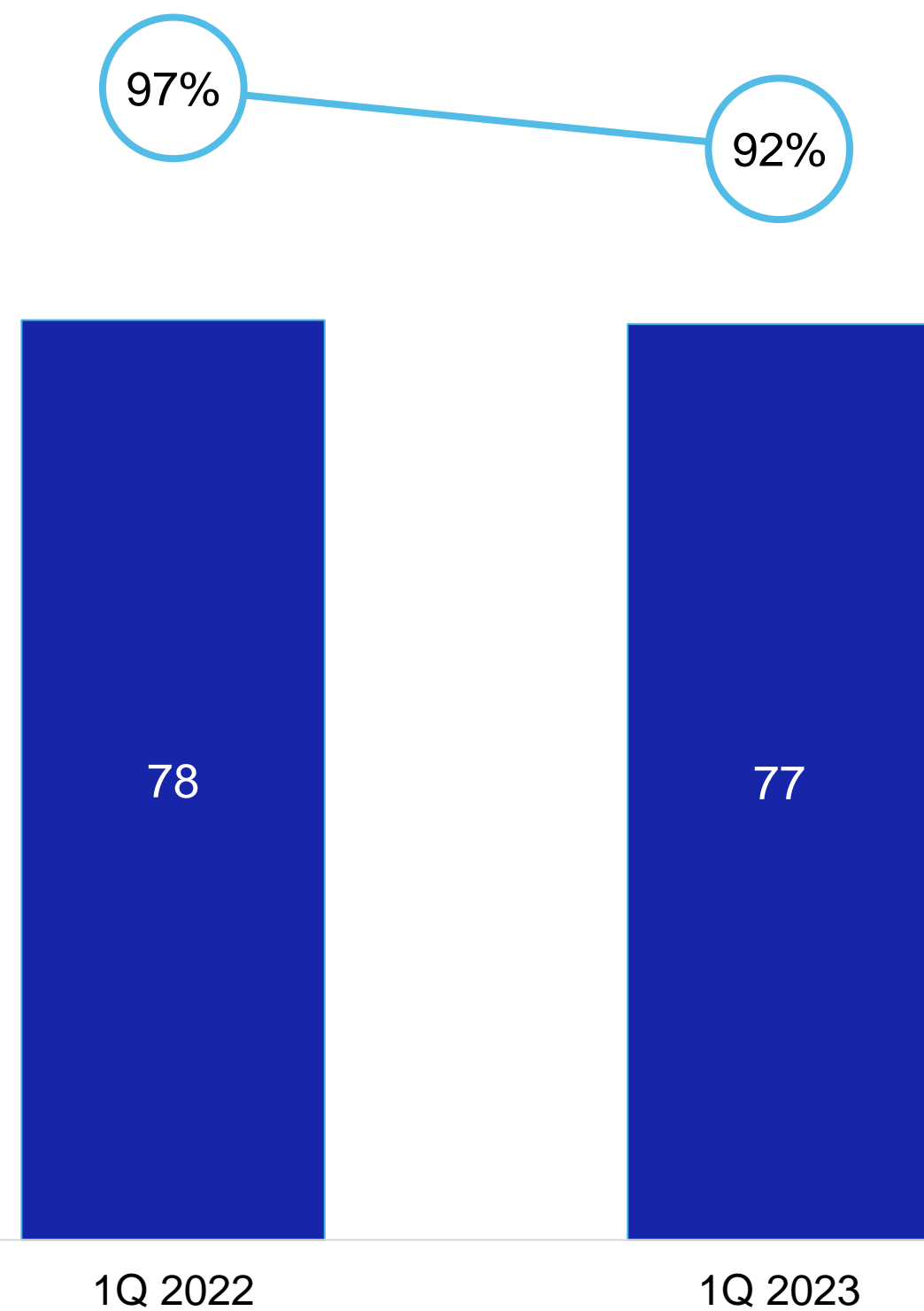
Adjusted EBITDA ⁽¹⁾

- Adjusted EBITDA (PLNm)
- Adjusted EBITDA margin (%)



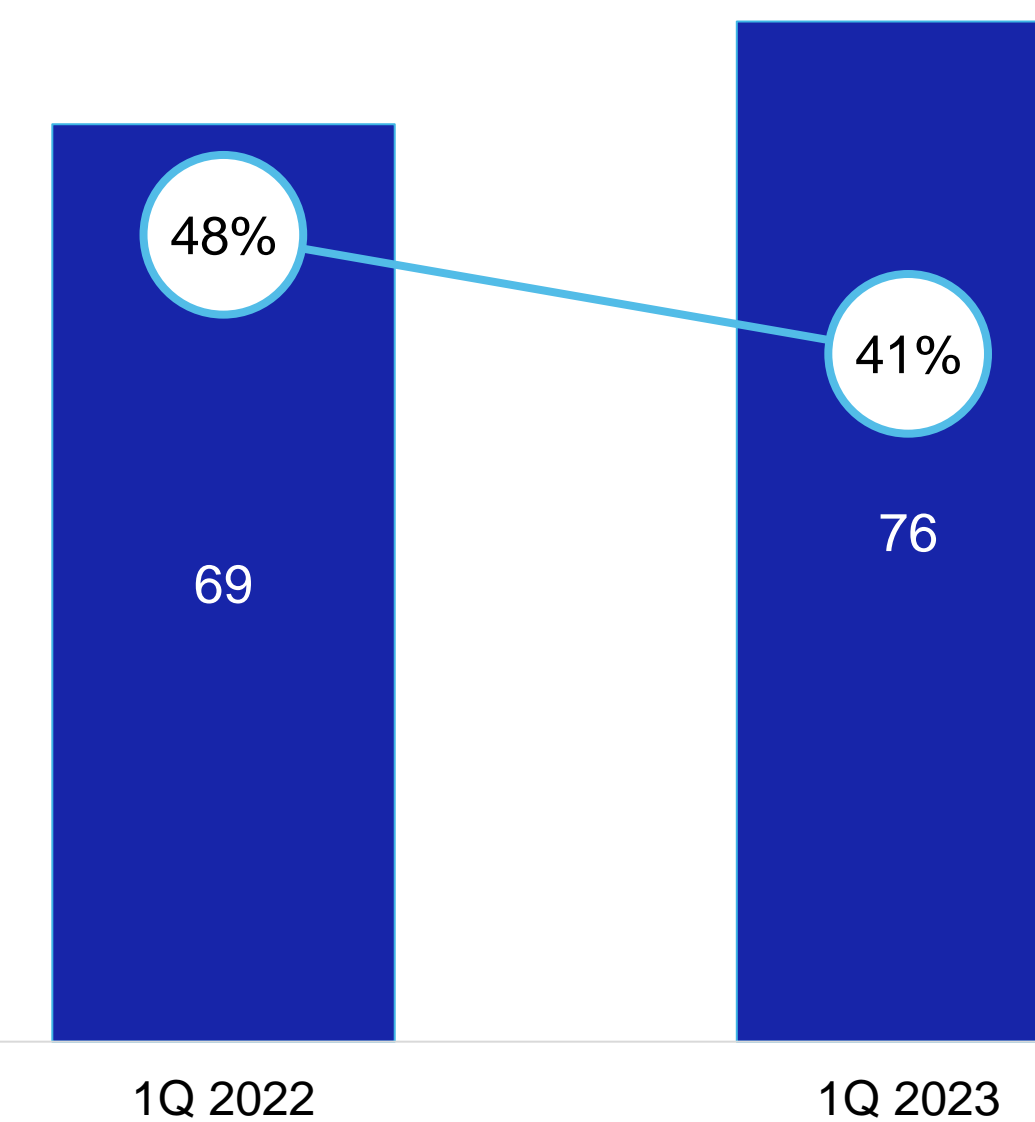
Cash conversion ⁽²⁾

- AFCF = Adjusted EBITDA - CAPEX (PLNm)
- Cash conversion (%)



Operating profit

- Operating profit (PLNm)
- Operating profit 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

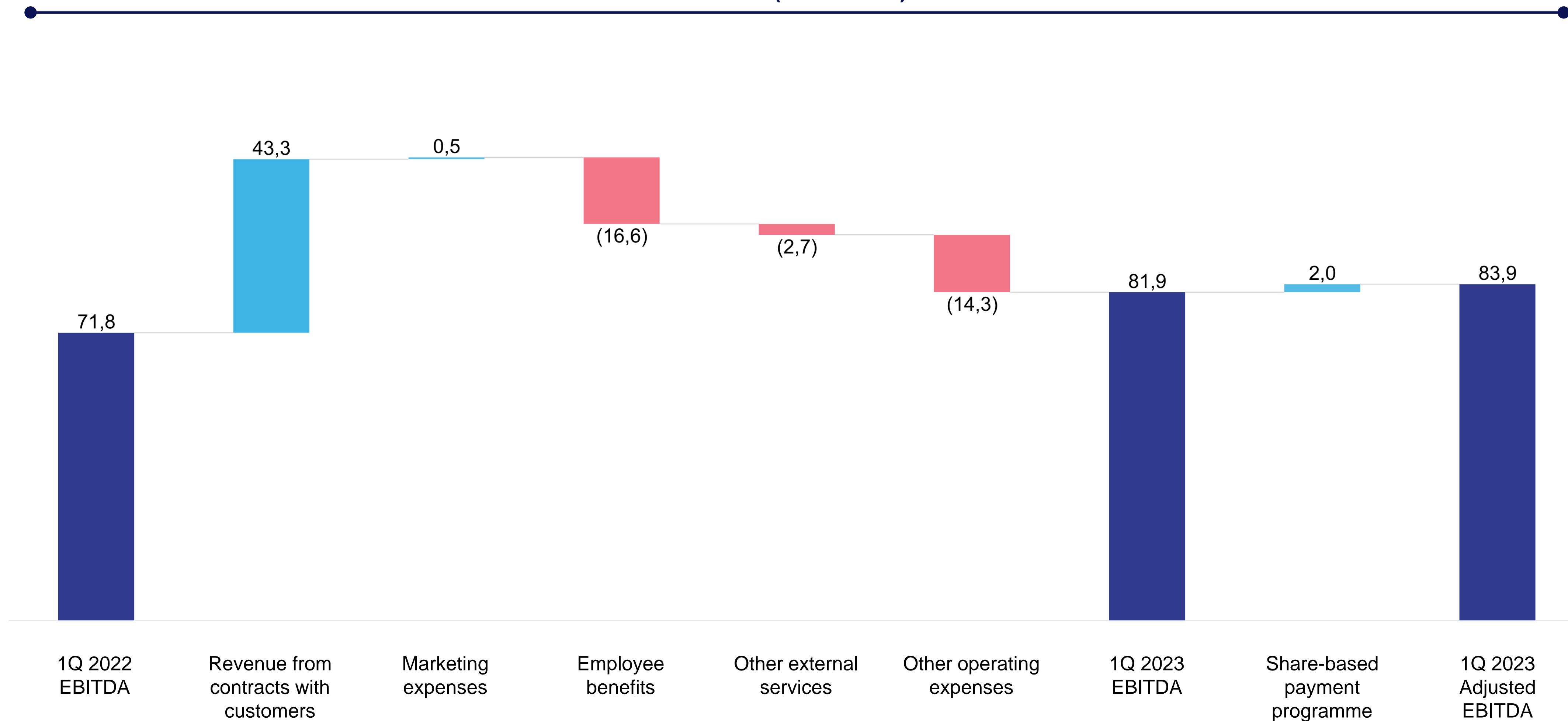
Selected financial results (PLN '000)	1Q 2023	1Q 2022	Change y/y	FY 2022
Revenue from contracts with customers	185,370	142,096	30.5%	608,549
Poland	129,576	131,563	(1.5%)	508,633
Ukraine	9,677	10,533	(8.1%)	25,919
Germany	46,117	-	-	73,997
Operating expenses, incl.:	(108,949)	(73,390)	48.5%	(355,995)
<i>Depreciation and amortization</i>	(5,489)	(3,089)	77.7%	(15,812)
<i>Cost of job offers sold ⁽¹⁾</i>	(13,746)	-	-	(10,830)
<i>Marketing expenses</i>	(14,206)	(14,680)	(3.2%)	(59,449)
<i>Software as services</i>	(3,106)	(1,460)	112.7%	(8,890)
<i>Other external services</i>	(7,998)	(5,265)	51.9%	(39,171)
<i>Employee benefits</i>	(62,766)	(46,158)	36.0%	(212,077)
Operating profit	76,421	68,706	11.2%	252,554
Poland	70,620	69,335	1.9%	250,652
Ukraine	2,311	(629)	-	(6,992)
Germany	3,490	-	-	8,894
Finance income	2,447	1,305	87.5%	6,407
Finance costs	(12,721)	(722)	1,661.9%	(30,868)
Net finance income / (costs)	(10,274)	583	-	(24,461)
Share of profit of equity-accounted investees	906	1,134	(20.1%)	(848)
Profit before tax	67,053	70,423	(4.8%)	227,245
Income tax	(14,299)	(15,388)	(7.1%)	(58,232)
Net profit	52,754	55,035	(4.1%)	169,013

- Clear growth in the group's revenue, mainly due to consolidation of softgarden (from 3Q 2022), offering services in the SaaS model and multiposting services
- Slight decline in revenue and recovery of operating profitability of the Ukraine segment, despite tough operating conditions
- Reflection of the costs of acquisition of job postings by softgarden with the aim of reselling them via multiposting
- Increase in costs of employee benefits due to growth in employment and salaries of staff in Poland and consolidation of softgarden
- Growth in financial costs due to servicing of credit for financing acquisition

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

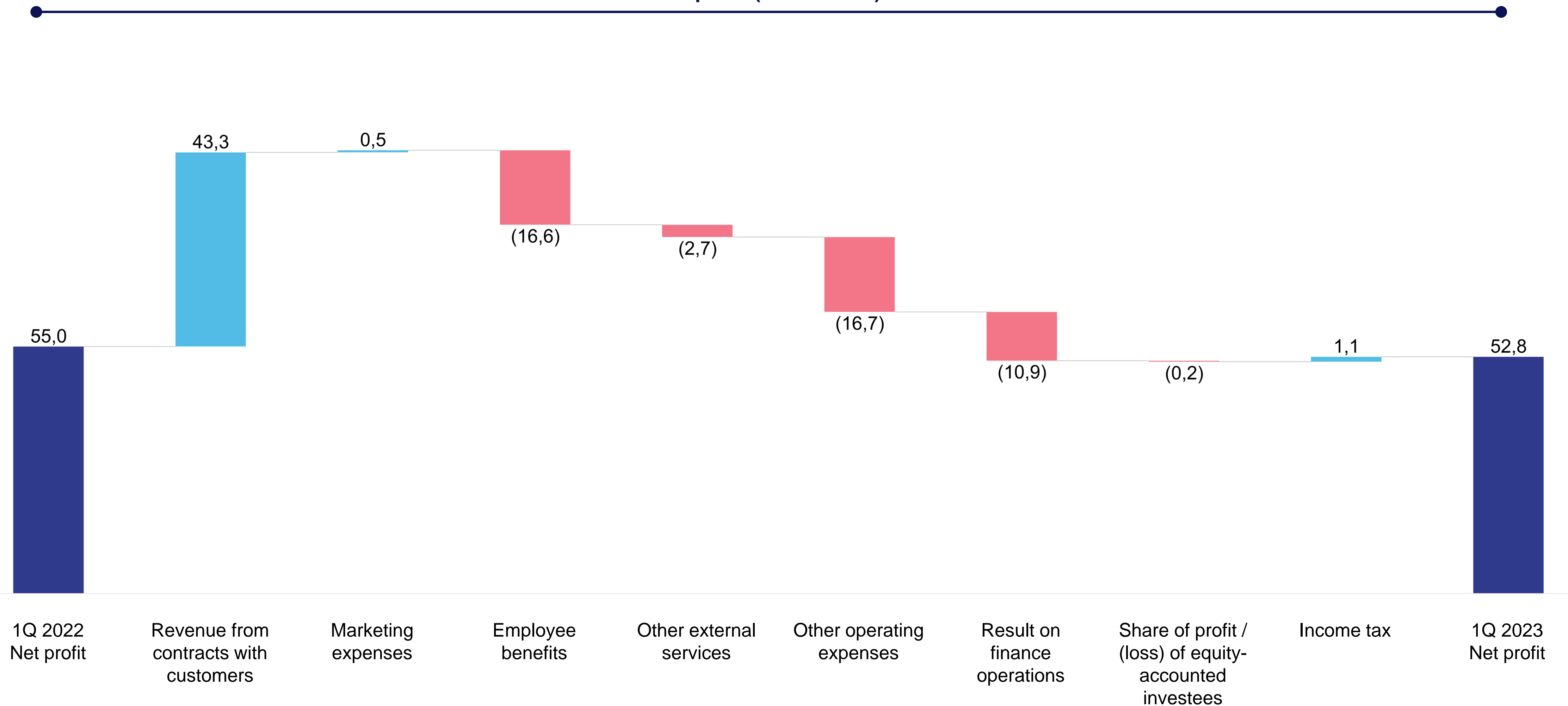
Consolidated EBITDA

EBITDA (PLN million)



Consolidated net profit

Net profit (PLN million)



Actions

- Implementation of first ChatGPT-based solutions (generation of posting content)
- New product offering meeting the needs of diverse customer groups
- Flexible pricing in e-commerce channel enabling higher acquisition of small and micro enterprises
- Innovative solutions raising the intuitiveness and ease of applying for users
- Growing share of mobile platform in applying for postings

Results

- 13% more CVs y/y - higher response rate
- 59% of customers now use e-commerce (self-service)
- 14% y/y increase in customers from micro and SME segment
- Over 1 million CVs, i.e. 30% of all applications each month, transmitted via the mobile platform
- Stable growth in the average price of recruitment projects

Actions

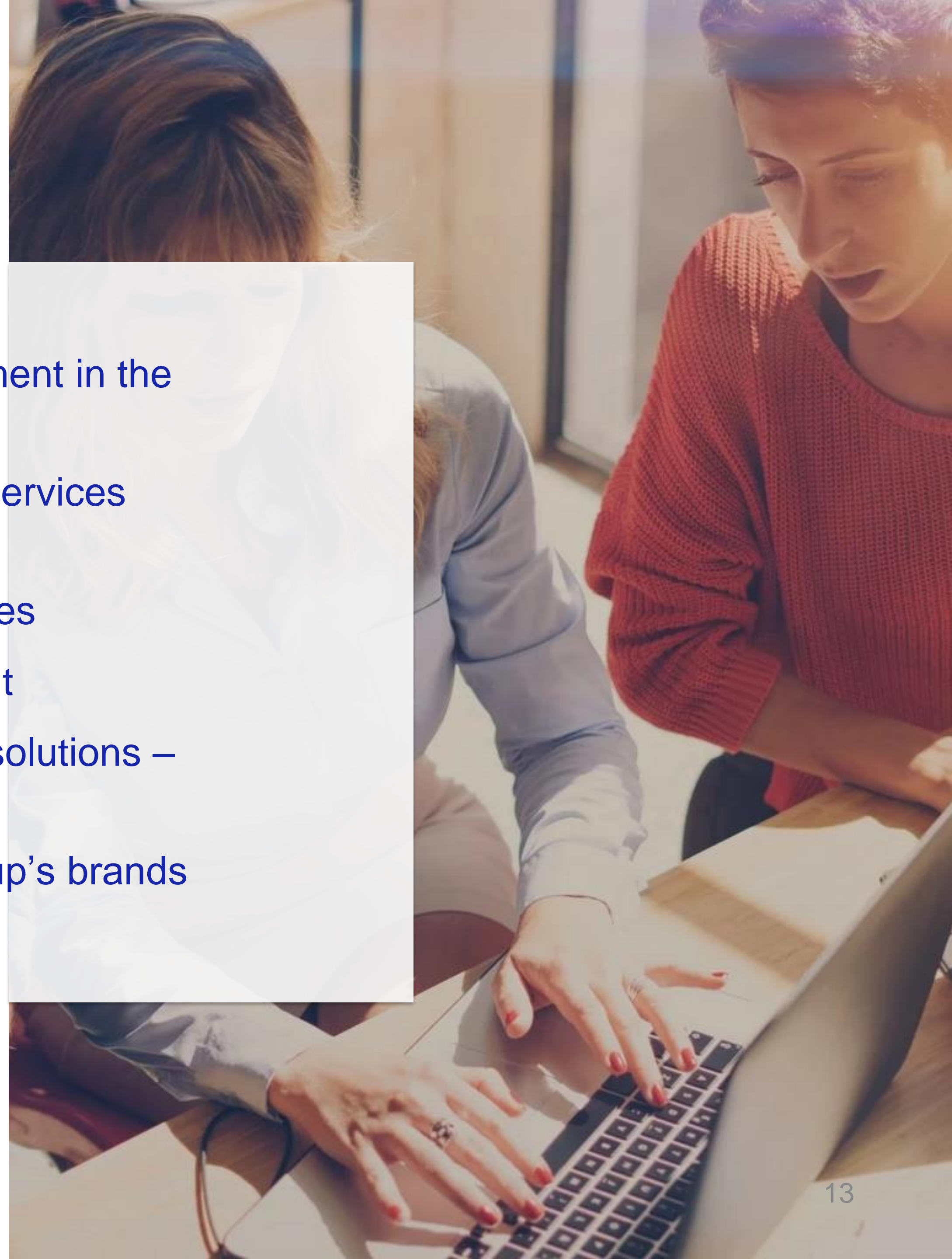
- Implementation of PRO Career Page module in eRecruiter – tool for creating individually tailored career pages, previously available only on softgarden
- Expanding product offering with further solutions streamlining automation of customer service, including ChatGPT
- Introduction of video interview and other tools accelerating recruitment processes, truly making the work of recruiters easier

Results

- Dynamic growth in subscription revenue in SaaS area – over 30% y/y
- Steady double-digit growth in number of subscription customers in the Group – nearly 15% y/y
- Keeping churn to a low level
- Stable growth in average subscription price in the Group
- Steady increase in operating efficiency in HR solutions in the subscription model

Prospects for the upcoming quarters

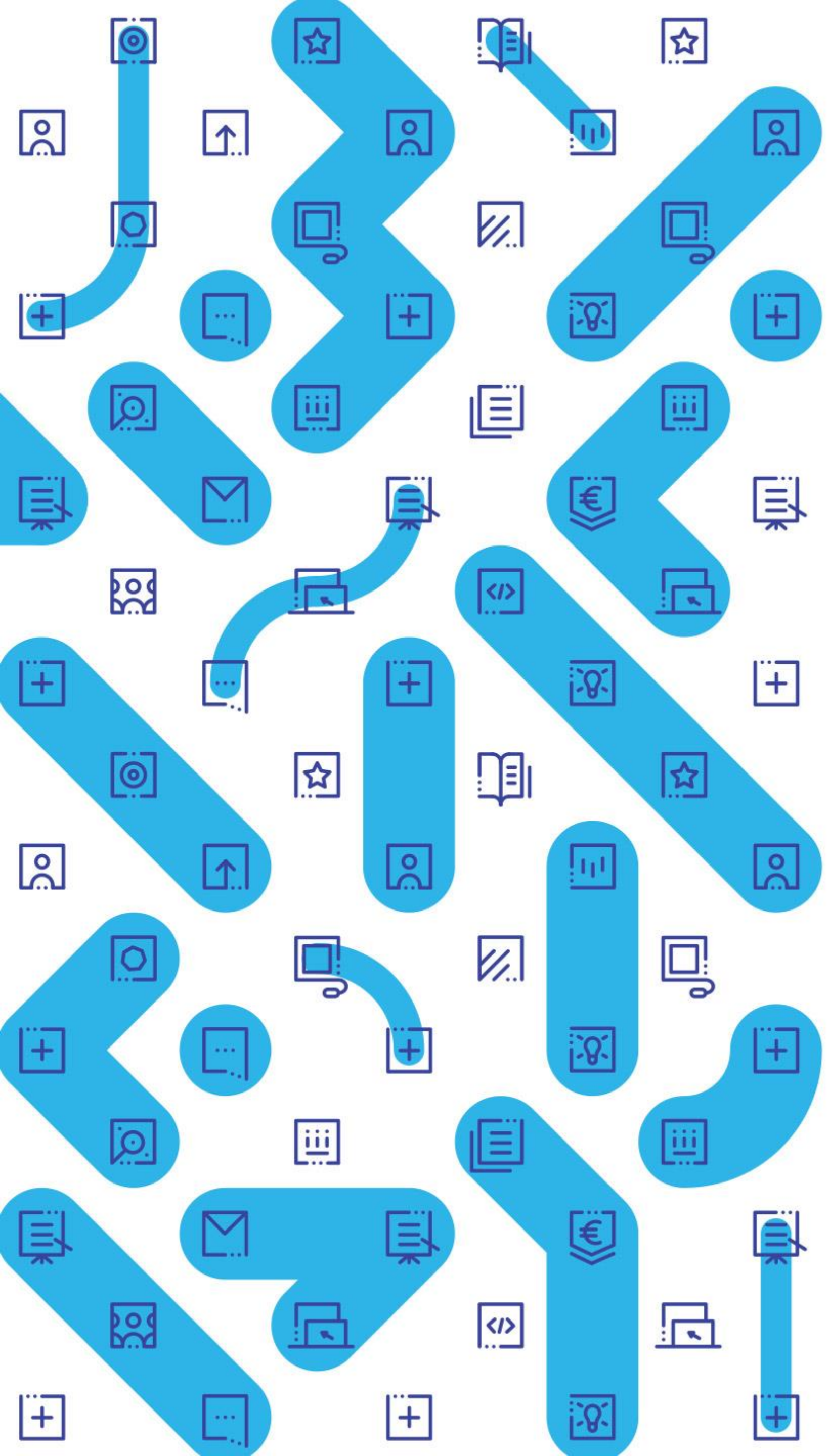
- Moderate slowdown in recruitment in anticipation of improvement in the economic situation
- Steady growth in average prices of recruitment projects and services throughout the group
- Growing share of revenue from SaaS services in total revenues
- Increase in market share in SME and micro business segment
- Expansion of portfolio of services and products to include AI solutions – across all of the group's brands
- Implementation of further product synergies between the group's brands



Thank you!

Q&A

We invite your questions



Appendices

Balance sheet and cashflows

Selected financial data (PLN '000)	31 March 2023	31 December 2022	Change
Total assets	1,132,171	1,022,673	10.7%
Non-current assets, including:	805,018	804,615	0.1%
Goodwill	530,797	532,432	(0.3%)
Current assets, including:	327,153	218,058	50.0%
Cash and cash equivalents	186,959	109,538	70.7%
Total equity and liabilities	1,132,171	1,022,673	10.7%
Equity	367,253	315,414	16.4%
Non-current liabilities, including:	324,108	341,119	(5.0%)
Bank loans	287,080	303,168	(5.3%)
Current liabilities, including:	440,810	366,140	20.4%
Bank loans	63,615	63,492	0.2%
Lease liabilities	12,048	10,942	10.1%
Other financial liabilities	6,652	4,171	59.5%
Employee benefits	21,838	23,618	(7.5%)
Trade payables	61,186	32,809	86.5%
Other payables	14,501	16,765	(13.5%)
Current tax liabilities	11,069	5,923	86.9%
Contract liabilities	249,901	208,420	19.9%
Cash flows (PLN '000)	1Q 2023	1Q 2022	Change
Net cash flows from operating activities	110,204	71,329	54.5%
Net cash flows from investing activities	(6,269)	(12,539)	(50.0%)
Net cash flows from financing activities	(26,541)	(2,293)	1,057.3%
Total net cash flows	77,394	56,497	37.0%

- High capacity to generate cash
- Proposed dividend for 2022: PLN 1.50 per share (total of PLN 102.4 million)

POLAND

- Decline in GDP by 0.2% y/y in 1Q 2023⁽¹⁾
- Anticipated GDP growth of 0.7% in 2023 and 2.7% in 2024⁽²⁾
- Unemployment rate of 5.4% at end of March 2023,⁽³⁾ projected unemployment rate of 5.5% in 2023⁽⁴⁾
- Salary growth of 14.2% y/y in 1Q 2023⁽³⁾
- CPI inflation of 14.4% in April 2023,⁽³⁾ projected average annual inflation in 2023 of 11.7%⁽²⁾ – 12.5%⁽⁴⁾
- NBP reference rate of 6.75% since September 2022, projected annual level of interest rates in 2023 of 6.69%⁽⁴⁾

UKRAINE

- Projected growth of real GDP of 2.0% in 2023,⁽⁵⁾ after decline of 29.1% in 2022⁽⁶⁾
- Consumer inflation at the rate of 17.9% in April 2023,⁽⁶⁾ projected average annual inflation in 2023 of 14.8%⁽⁵⁾

GERMANY

- GDP growth (at steady prices) of 0.2% y/y in 1Q 2023⁽⁷⁾
- Projected GDP growth of 0.2% in 2023 and 1.4% in 2024⁽²⁾
- Consumer inflation at rate of 7.2% y/y in April 2023,⁽⁷⁾ projected average annual inflation in 2023 of 6.8%⁽²⁾
- Unemployment in March 2023 of 2.9%,⁽⁷⁾ projected unemployment rate in 2023 of 3.2%⁽²⁾

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

(2) European Commission economic forecasts, Spring 2023, May 2023

(3) Statistics Poland, April–May 2023

(4) National Bank of Poland Macroeconomic Survey, central forecast, March 2023

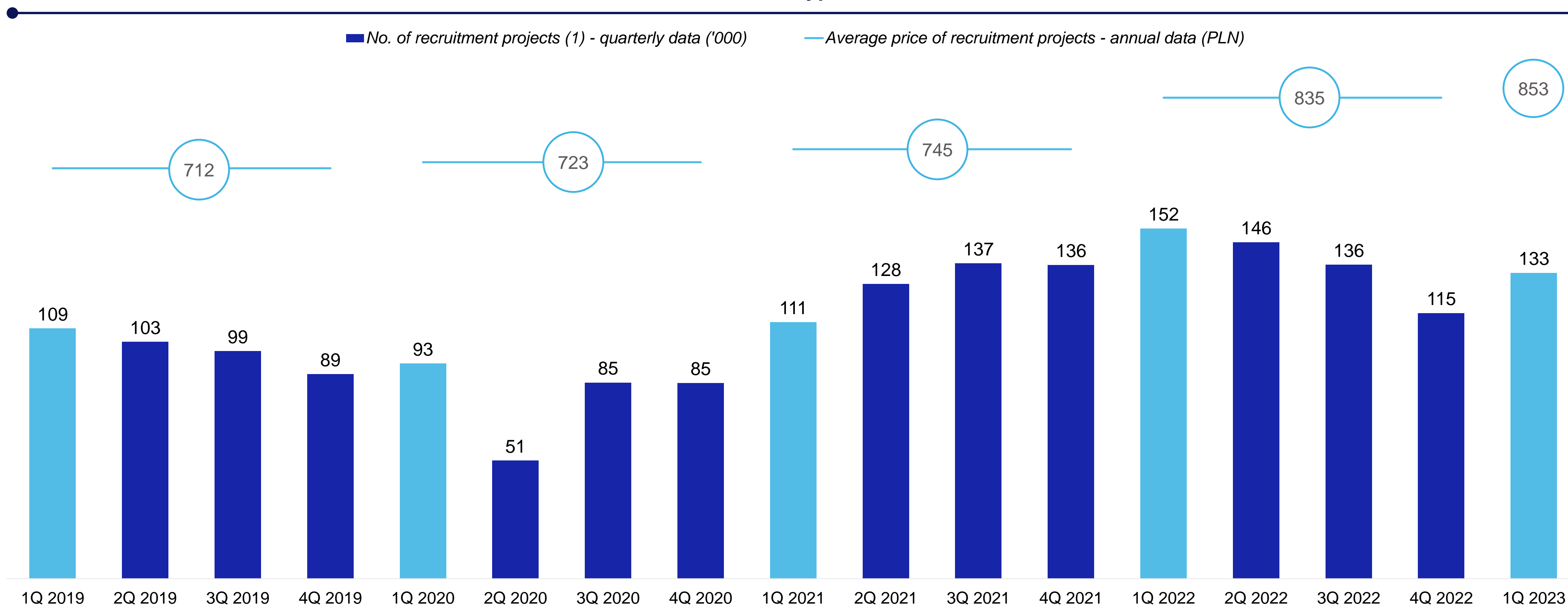
(5) National Bank of Ukraine, May 2023

(6) State Statistics Service of Ukraine, April–May 2023

(7) German Federal Statistical Office (Destatis), April–May 2023

Increase in average price of recruitment projects on Pracuj.pl

Pracuj.pl



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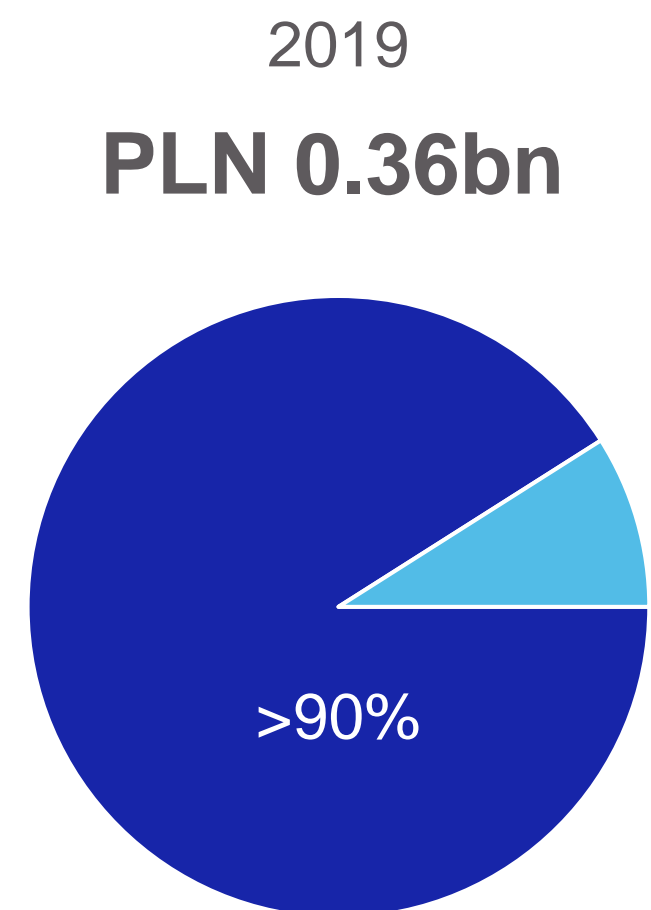
Strategic goal: market leader with PLN 1bn revenues

Revenues of Grupa Pracuj

● JobBoards ● HR technology Saas

XX% Adjusted EBITDA margin

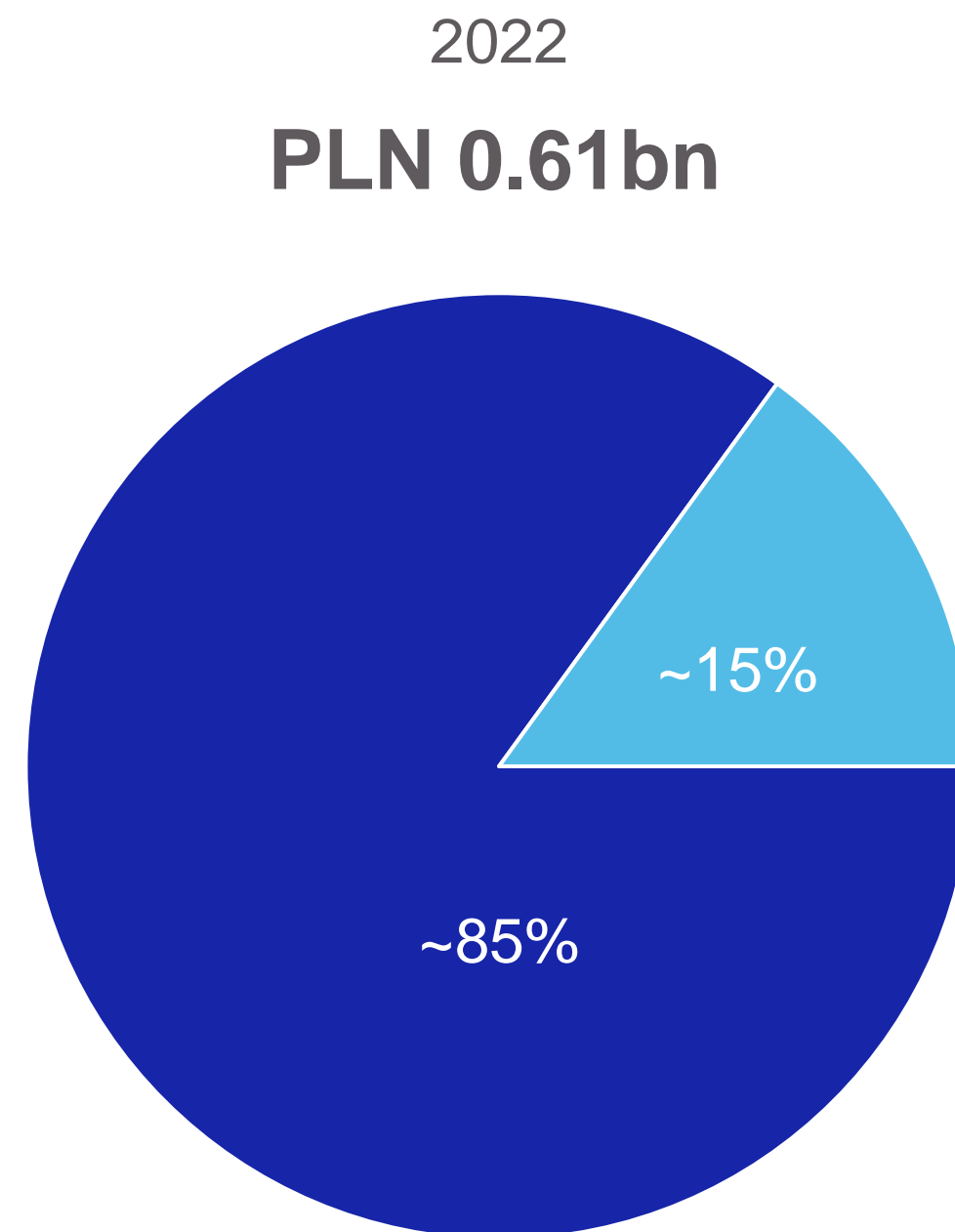
2025 +
PLN 1bn



48%

- eRecruiter
- **robota.ua**
- **pracuj.pl**

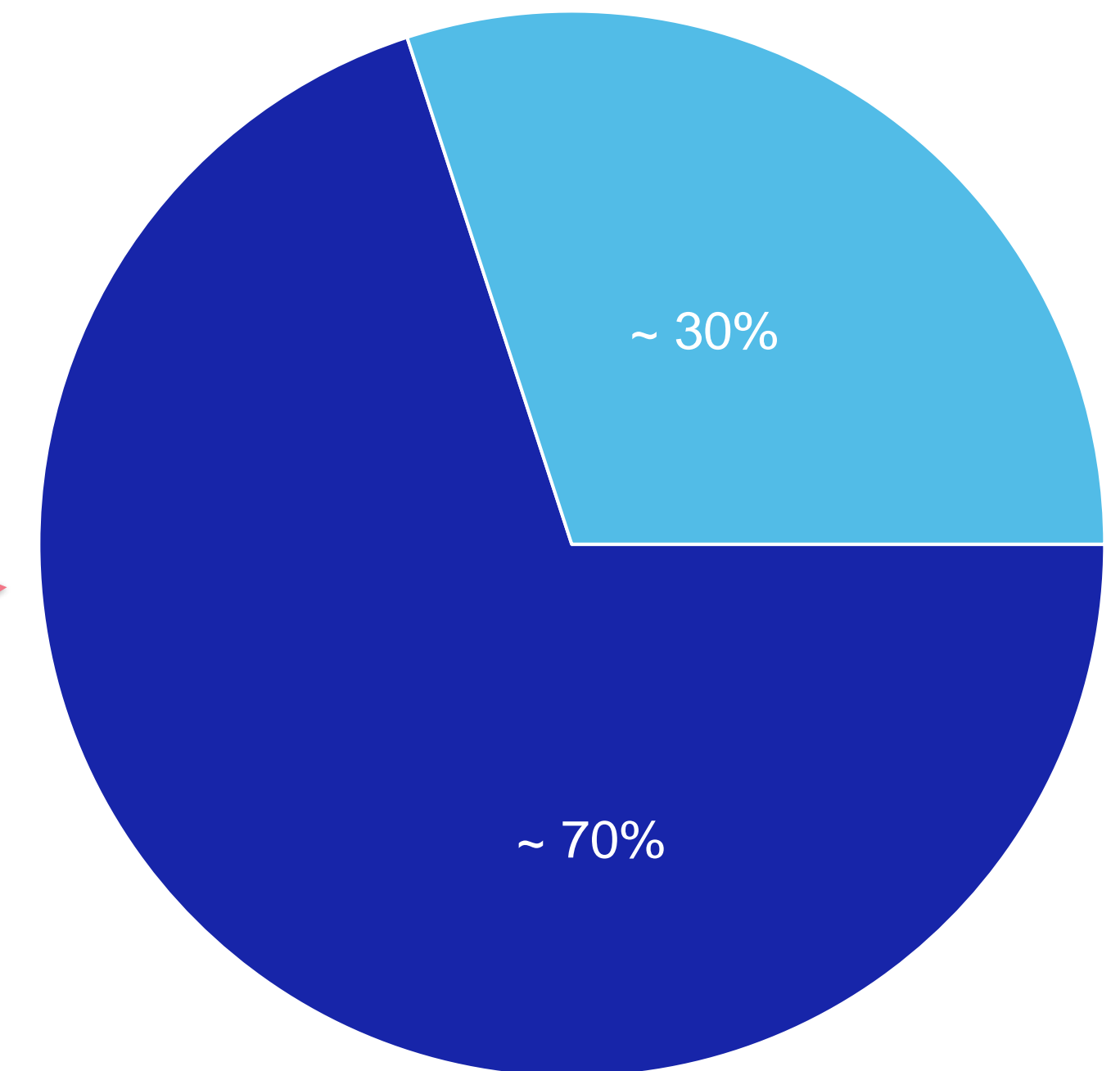
CAGR
> 20%



50%

-
- eRecruiter
- **robota.ua**
- **pracuj.pl**

CAGR
~18%



> 40%

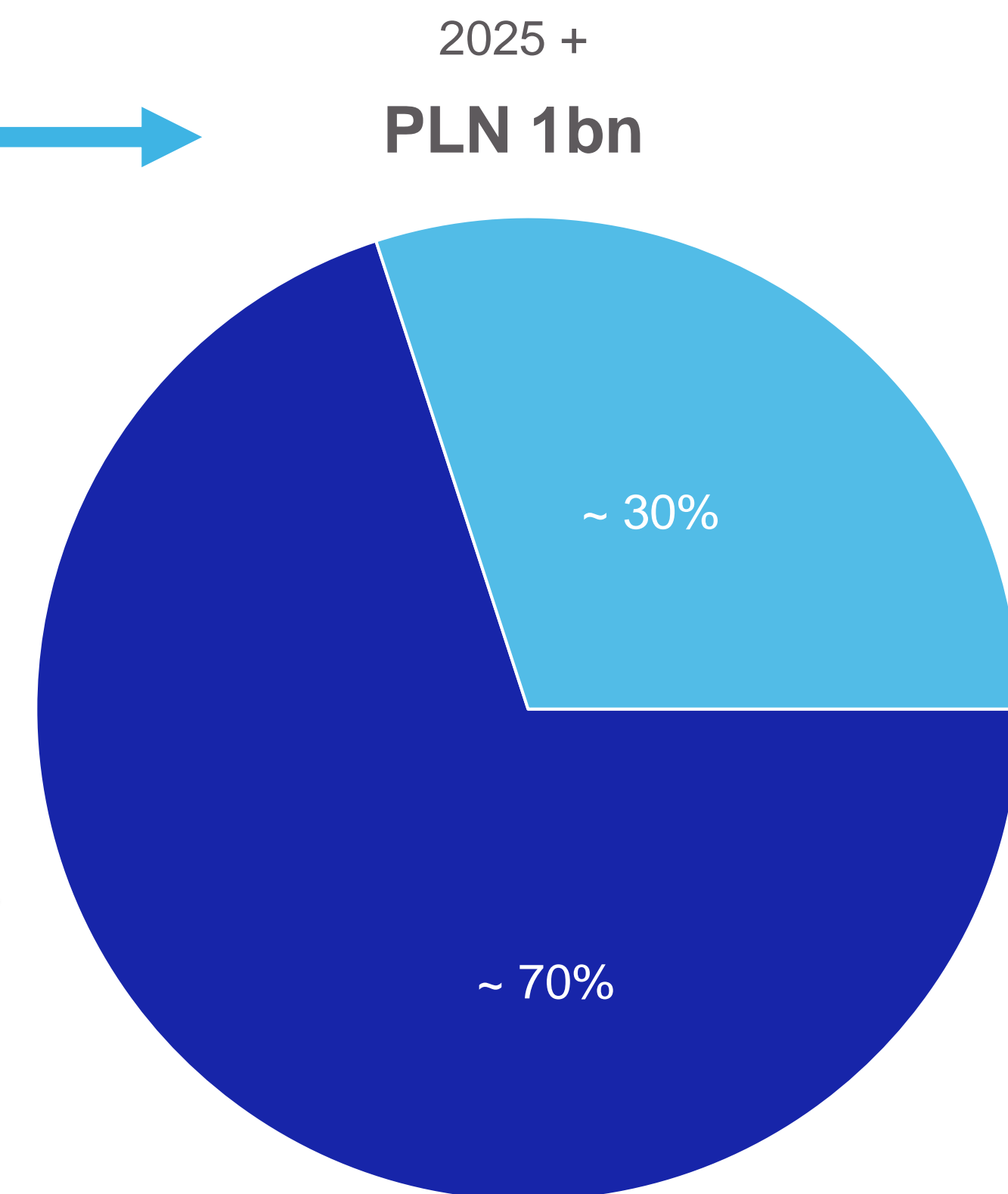
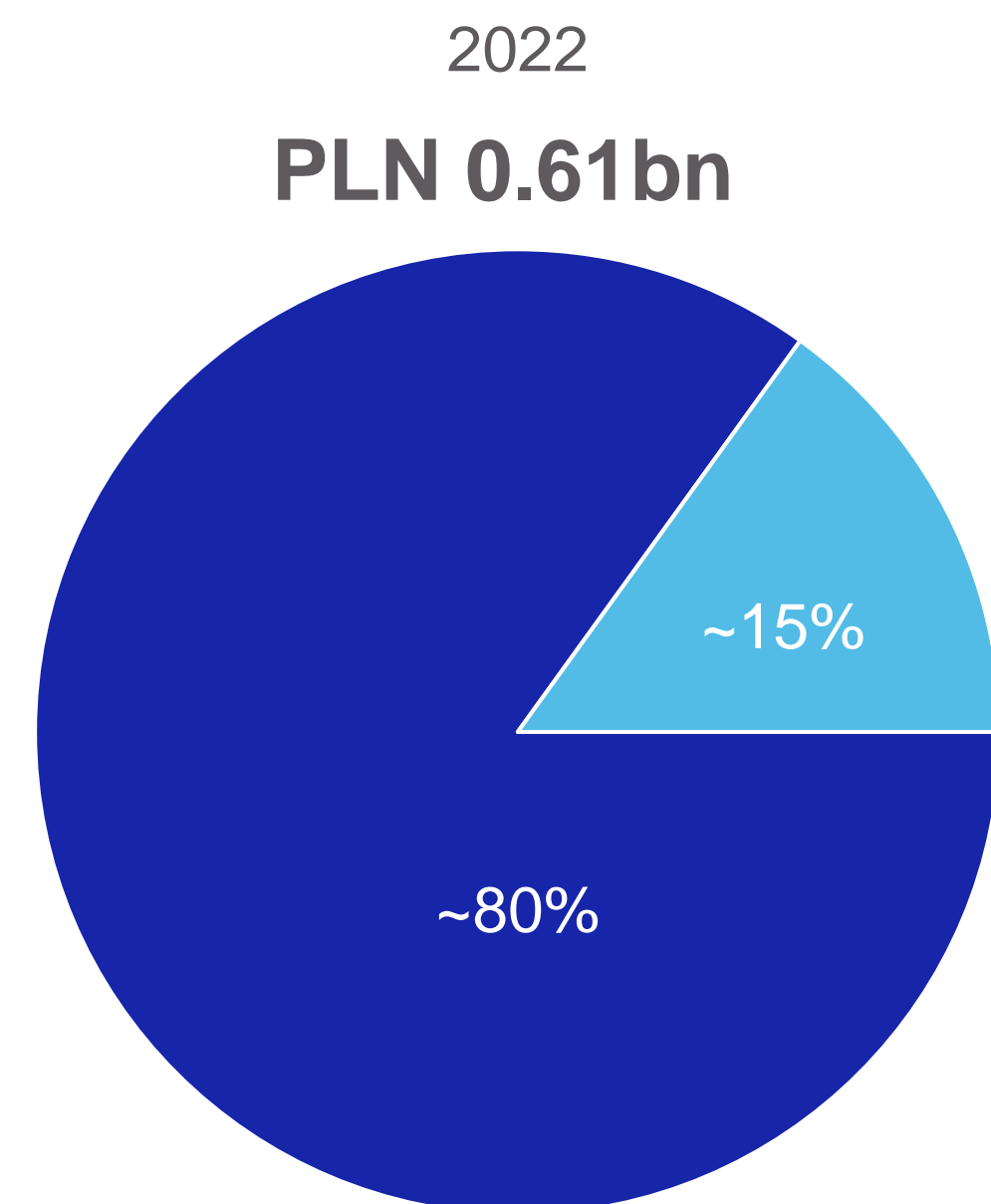
- - eRecruiter
 - **robota.ua**
 - **pracuj.pl**
- + DACH

How will we do it?

HR technology SaaS (organic growth and selective acquisitions)

- 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)

Grupa Pracuj in 2025 +

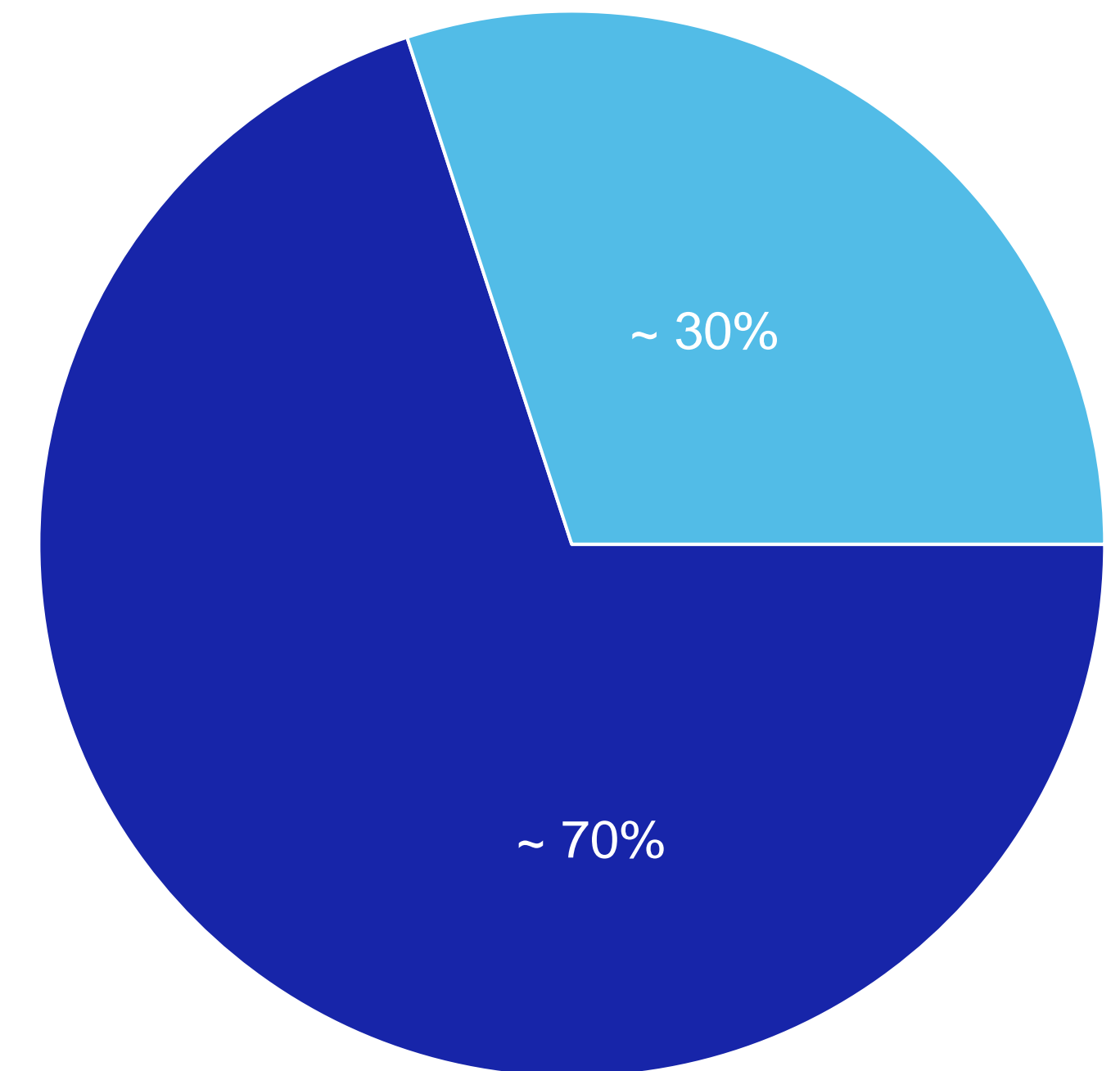


2025 +

PLN 1bn

Leading HR technology platform in Europe:

- **Leader in online recruitment (recruitment sites) in Poland and Ukraine**
- **Biggest TAS in Poland and DACH region**
- Diversified sources of revenue - recruitment platforms and HR technology SaaS (acquisitions, including in the post-hire area)
- On the path to obtaining ~50% of total revenue from HR technology SaaS area within 5–6 years



> 40% Adjusted EBITDA margin



Grupa Pracuj: Leading HR technology platform in Europe

