

Q1 2021 Financial Results

Supplementary Slides

May 27, 2021



Important Notice

This presentation, and the accompanying oral presentation, contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this presentation, and the accompanying oral presentation, that do not relate to matters of historical fact should be considered forward-looking statements, including, without limitation, statements regarding our expected financial performance and operational performance for the fiscal year ending December 31, 2021, anticipated dividend payments, the consolidation of Skillz, as well as statements that include the words “expect,” “intend,” “plan,” “believe,” “project,” “forecast,” “estimate,” “may,” “should,” “anticipate” and similar statements of a future or forward-looking nature. These forward-looking statements are based on management’s current expectations. Actual results may differ materially from the results predicted or implied by such statements, and our reported results should not be considered as an indication of future performance. The potential risks and uncertainties that could cause actual results to differ from the results predicted or implied by such statements include, among others, significant competition in our markets, our ability to maintain and enhance our brand, our ability to improve our user experience and product offerings, our ability to respond to industry developments, our reliance on Russian Internet infrastructure, macroeconomic and global geopolitical developments affecting the Russian economy or our business, including coronavirus changes in the political, legal and/or regulatory environment, privacy and data protection concerns and our need to expend capital to accommodate the growth of the business, as well as those risks and uncertainties included under the caption “Risk Factors” in our final prospectus in connection with our Annual Report on Form 20-F for the year ended December 31, 2020 as such factors may be updated from time to time in our other filings with the U.S. Securities and Exchange Commission (“SEC”), which is on file with the SEC and is available on the SEC website at www.sec.gov. In addition, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements that we may make. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this presentation are inherently uncertain and may not occur, and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. Accordingly, you should not rely upon forward-looking statements as predictions of future events. In addition, the forward-looking statements made in this presentation relate only to events or information as of the date on which the statements are made in this presentation. Except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. Unless otherwise indicated, information contained in this presentation concerning our industry, competitive position and the markets in which we operate is based on information from independent industry and research organizations, other third-party sources and management estimates. Management estimates are derived from publicly available information released by independent industry analysts and other third-party sources, as well as data from our internal research and are based on assumptions made by us upon reviewing such data, and our experience in, and knowledge of, such industry and markets, which we believe to be reasonable. In addition, projections, assumptions and estimates of the future performance of the industry in which we operate and our future performance are necessarily subject to uncertainty and risk due to a variety of factors, including those described above. These and other factors could cause results to differ materially from those expressed in the estimates made by independent parties and by us.

This presentation includes certain financial measures not presented in accordance with the International Financial Reporting Standards (“IFRS”) including but not limited to, Adjusted EBITDA, Adjusted EBITDA Margin, ARPC, Net Working Capital, Capex, Adjusted Net Income and Net Debt / Adjusted EBITDA. These financial measures are not measures of financial performance in accordance with IFRS and may exclude items that are significant in understanding and assessing our financial results. Therefore, these measures should not be considered in isolation or as an alternative to loss after tax, revenue, gross profit or other measures of profitability, liquidity or performance under IFRS. You should be aware that our presentation of these measures may not be comparable to similarly-titled measures used by other companies, which may be defined and calculated differently. See the appendix for a reconciliation of these non-IFRS measures to the most directly comparable IFRS measure.

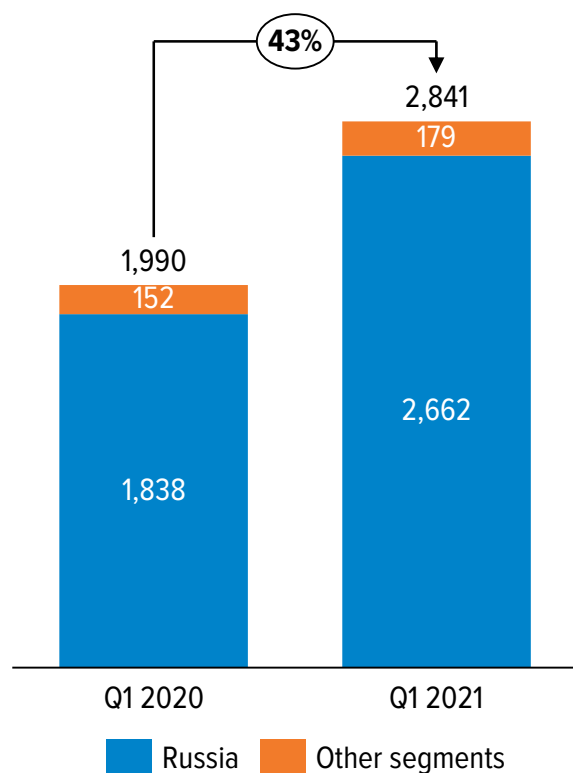
Certain figures in this presentation may not recalculate exactly due to rounding. This is because percentages and/or figures contained herein are calculated based on actual numbers and not the rounded numbers presented.



Key financial highlights

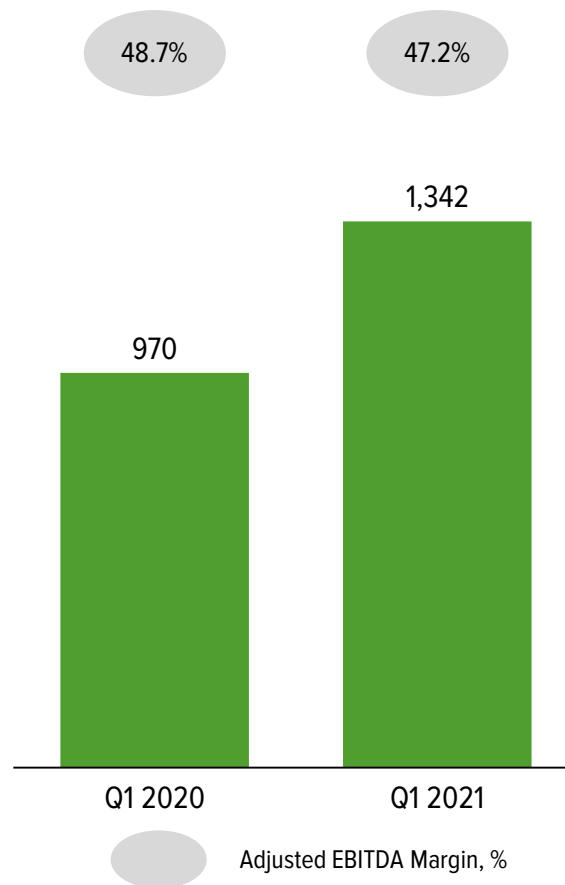
Revenue

RUB mm



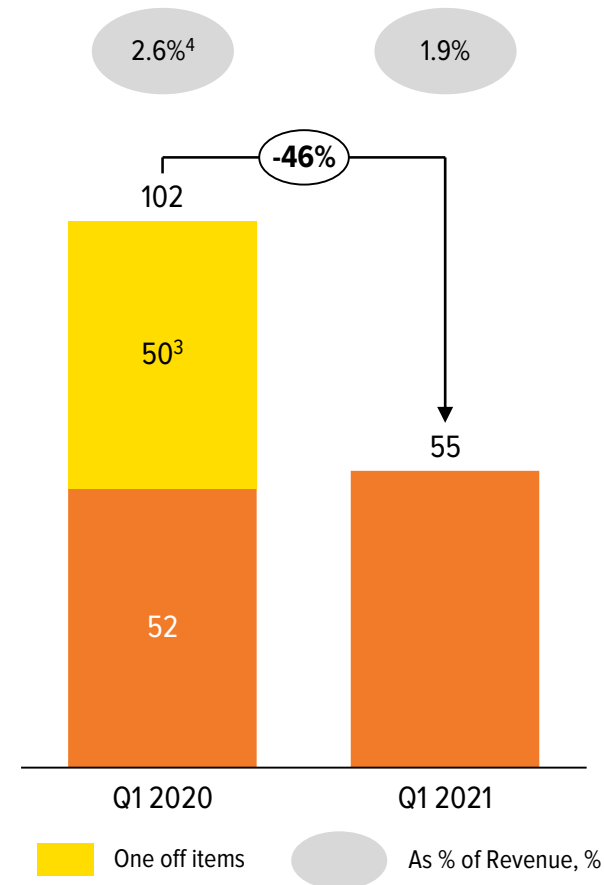
Adjusted EBITDA¹

RUB mm



CAPEX²

RUB mm



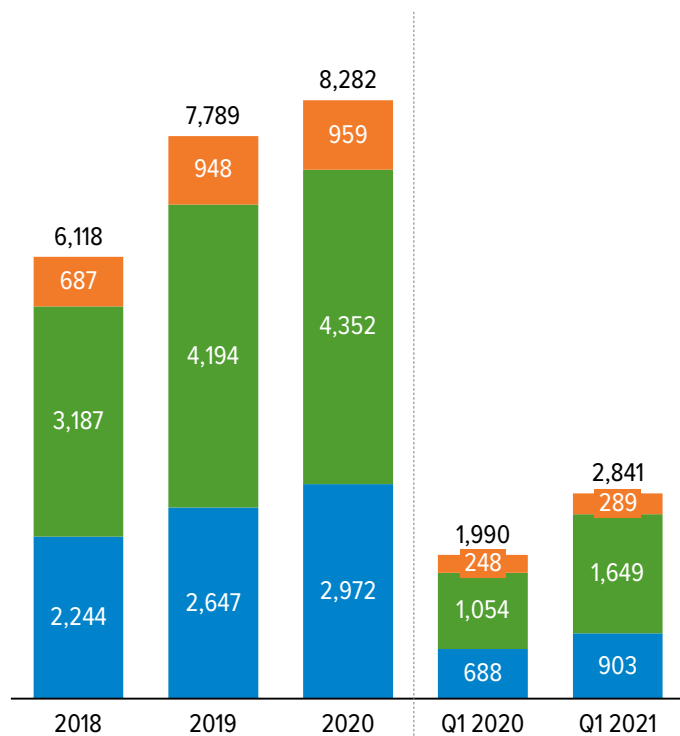
1) Adjusted EBITDA and Adjusted EBITDA margin are non-IFRS measures. See Appendix for a reconciliation to the nearest comparable IFRS measure.
 2) Capital expenditures ("CAPEX") consist of property and equipment additions, capitalized R&D and other additions of intangible assets
 3) Redesign of offices in Moscow and Yaroslavl
 4) Capex as % of revenue excluding one-off effects in 2019 and 2020

Customer base growth

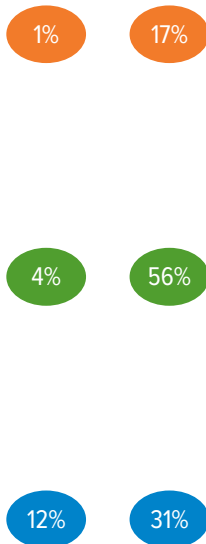
Revenue growth in both client categories

Revenue by Type of Customer

RUB mm

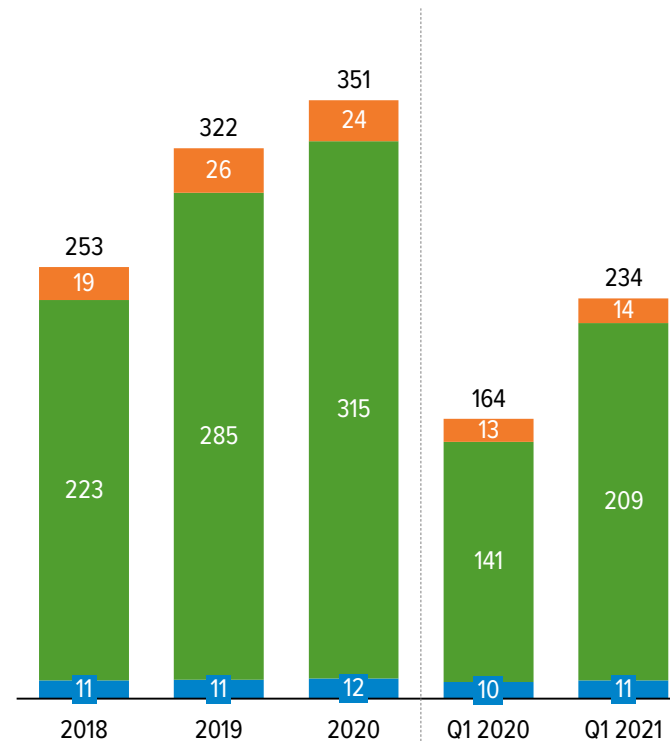


Change, %
2019-2020 Q1 '20-21



Customer Base by Type of Customer

Number of Paying Customers, '000



Change, %
2019-2020 Q1 '20-21



■ Key Accounts ■ Small & Medium Accounts ■ Other¹

1) Other includes foreign customers in Russia, other customers and other segments

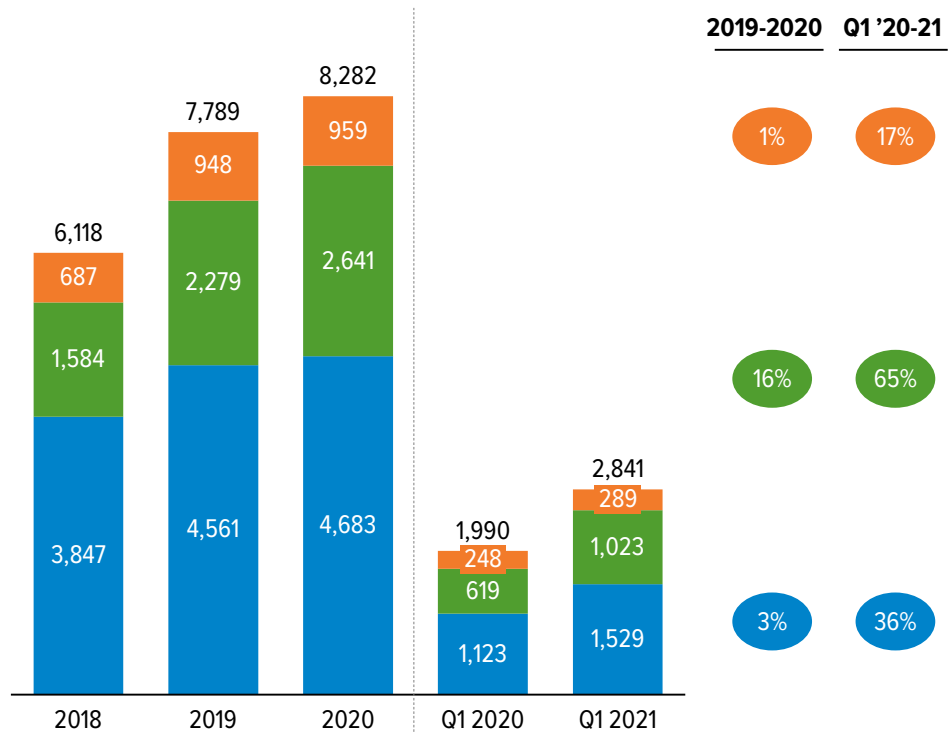


Customer base growth (cont'd)

Revenue growth in both geographical divisions

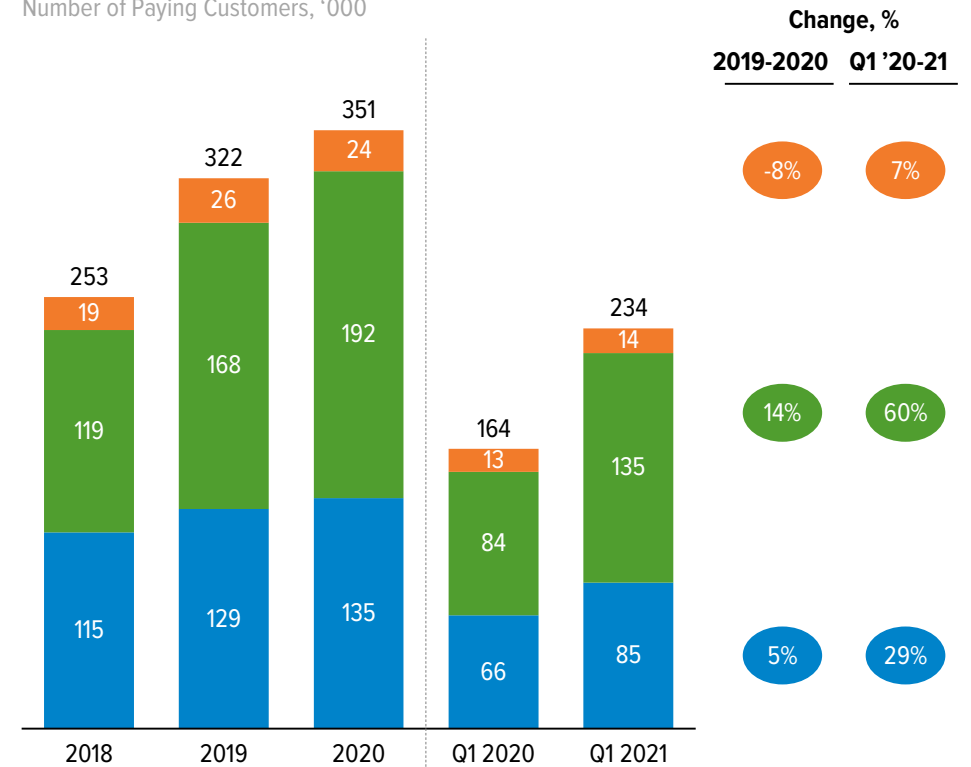
Revenue by Geography

RUB mm



Customer Base by Geography

Number of Paying Customers, '000



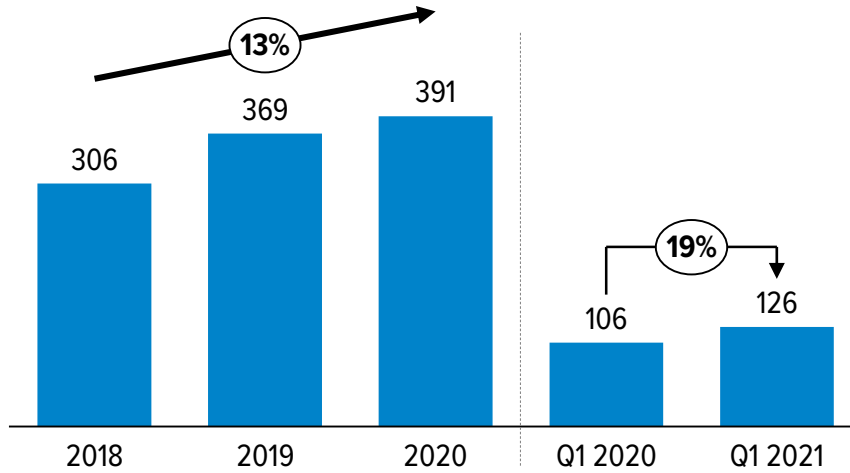
■ Moscow & St. Petersburg ■ Other Regions of Russia ■ Other¹

1) Other includes foreign customers in Russia, other customers and other segments

ARPC development

Moscow & St. Petersburg

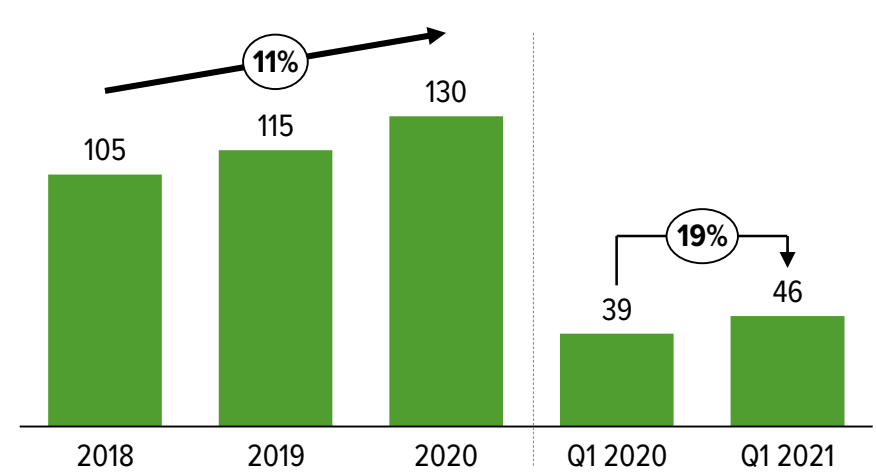
RUB'000



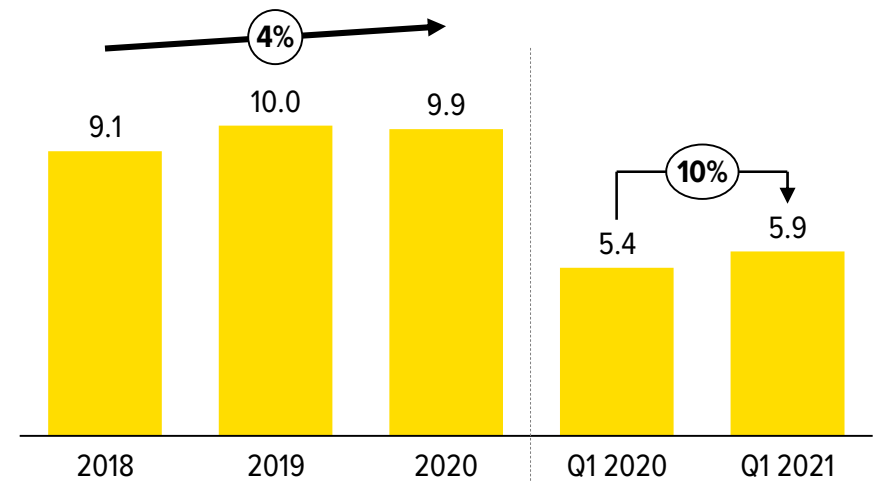
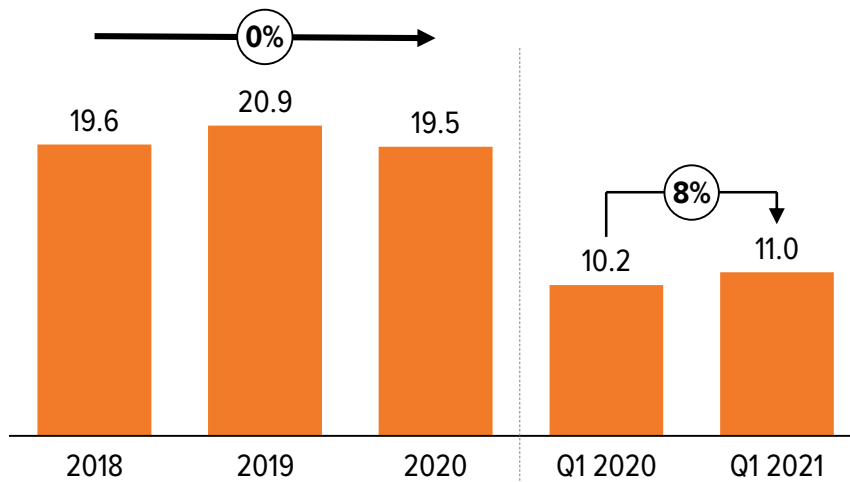
Key Accounts ARPC

Russian Regions

RUB'000



Small and Medium Accounts ARPC



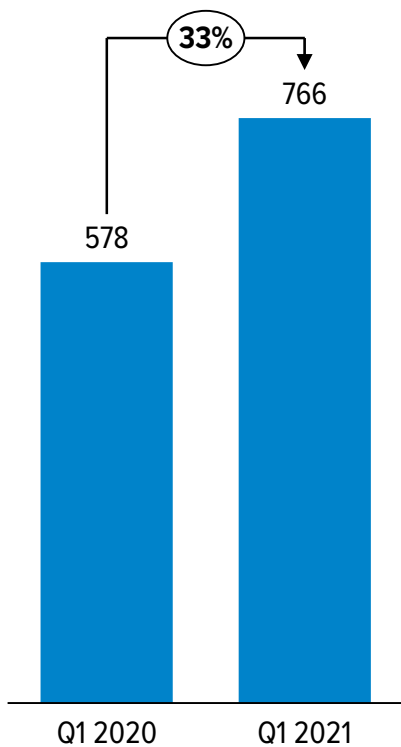
Revenue by product type

Bundled Subscriptions

RUB mm

29%

27%

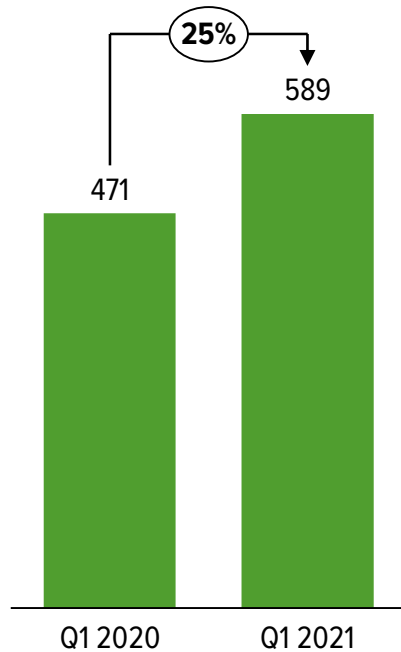


CV Database Access

RUB mm

24%

21%

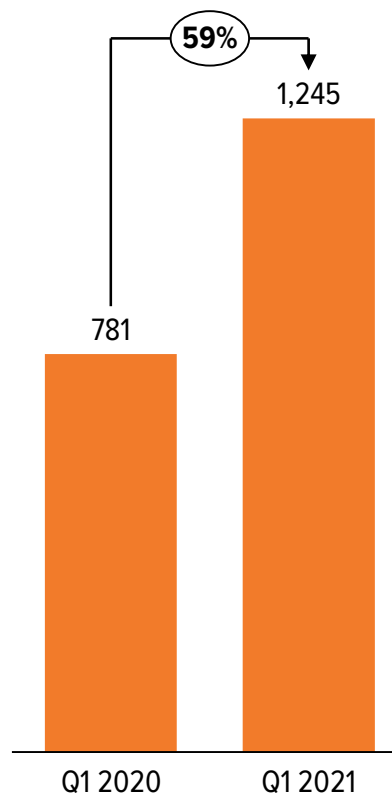


Job Postings

RUB mm

39%

44%

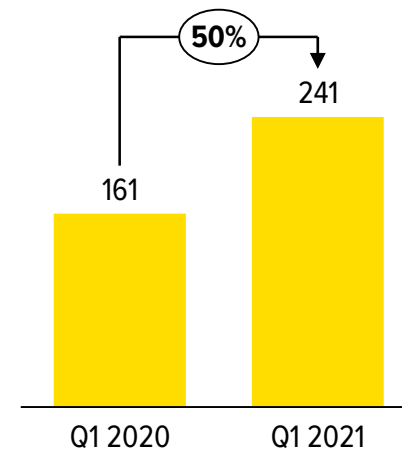


Other VAS

RUB mm

8%

8%

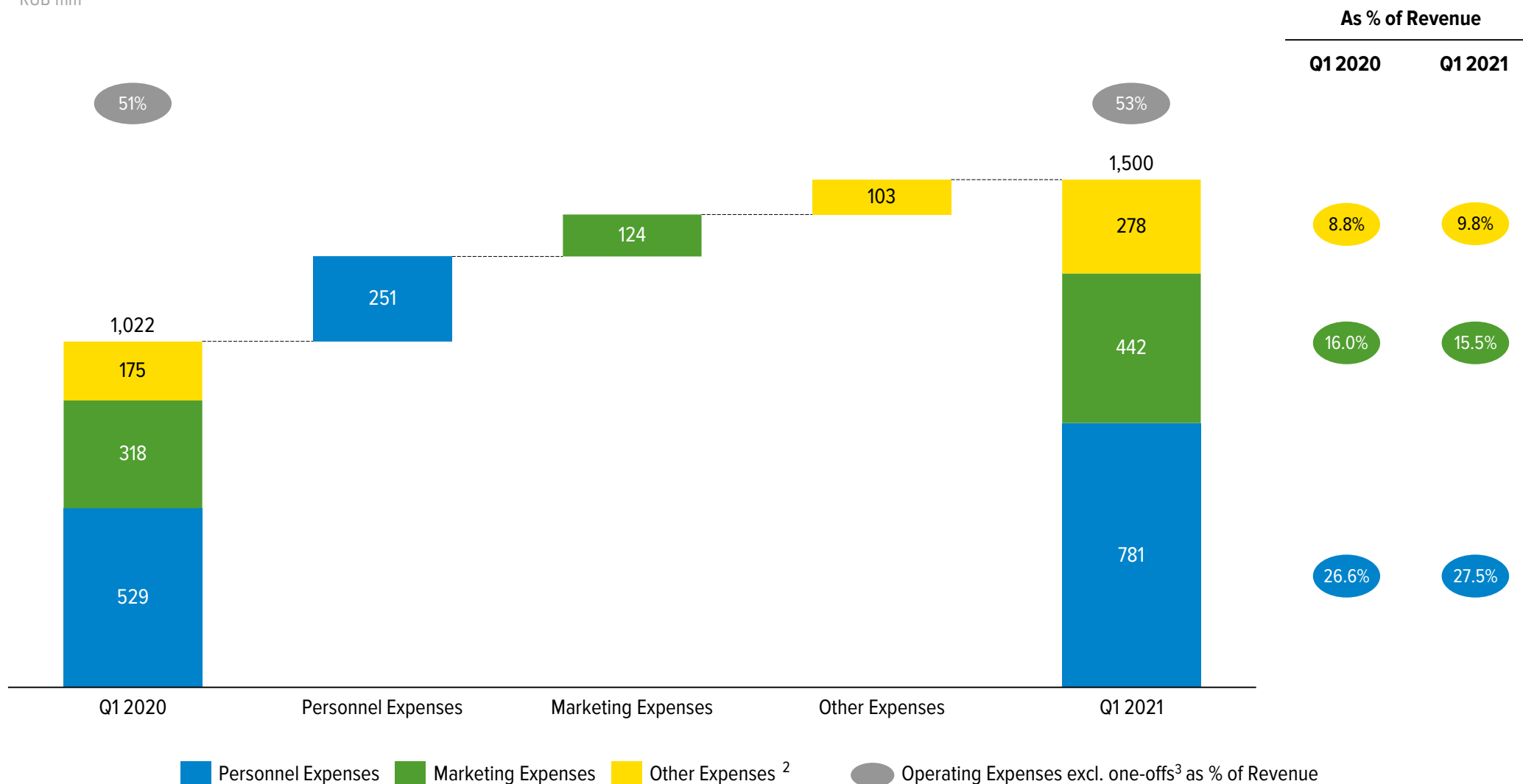


Share in revenue, %

Operating costs

Operating Expenses Dynamics¹

RUB mm

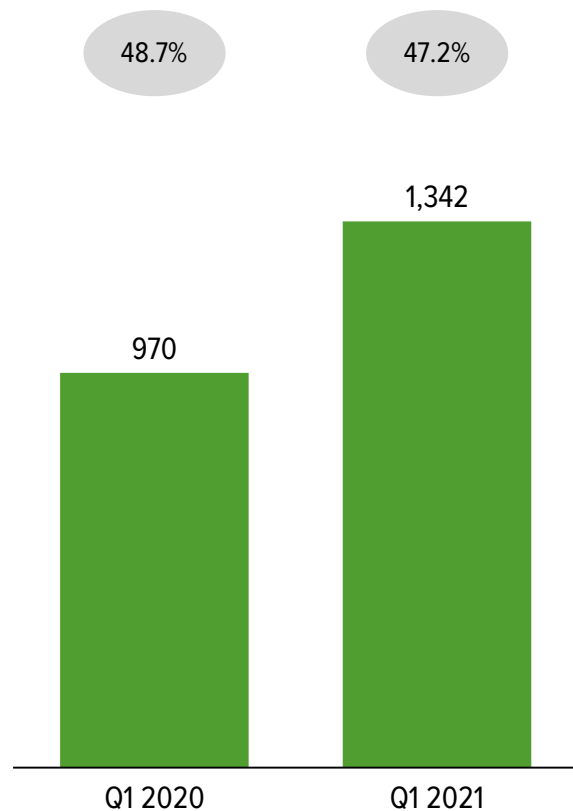


1) Exclusive of depreciation and amortization, Equity-settled awards, including related social taxes, IPO-related costs, Insurance cover related to IPO and Other income/(loss) not related to underlying business activities
 2) Including office rent and maintenance, subcontractor and other costs related to provision of services, hosting and other website maintenance, professional services and other operating expenses
 3) One-off expenses include Equity-settled awards, including related social taxes, SPO-related costs, Insurance cover related to IPO and Other income/(loss) not related to underlying business activities

Adjusted EBITDA and other cash flow items

Adjusted EBITDA¹

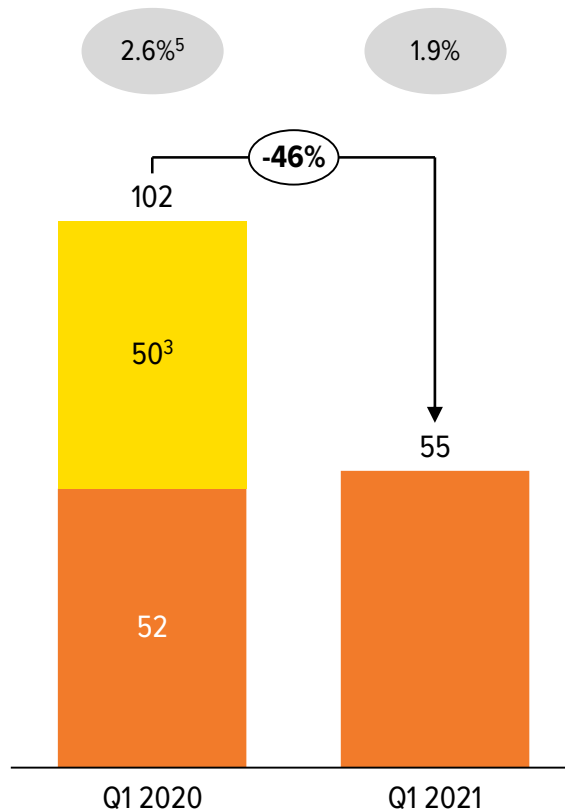
RUB mm



Adjusted EBITDA Margin, %

CAPEX²

RUB mm

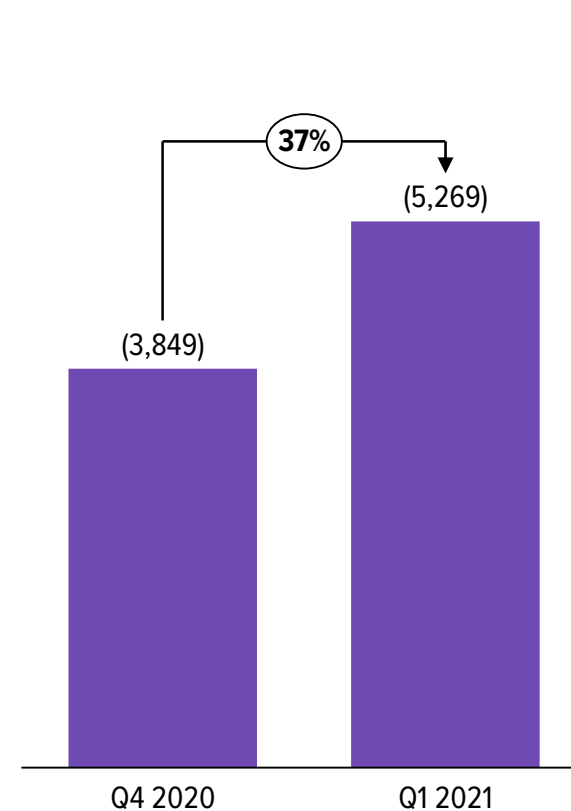


One off items³

As % of Revenue⁵, %

Net Working Capital⁴

RUB mm



1) Adjusted EBITDA and Adjusted EBITDA margin are non-IFRS measures. See Appendix for a reconciliation to the nearest comparable IFRS measure.

2) Capital expenditures ("CAPEX") consist of property and equipment additions, capitalized R&D and other additions of intangible assets

3) Redesign of offices in Moscow and Yaroslavl

4) Net Working Capital calculated as trade and other receivables plus prepaid expenses less contract liabilities less trade and other payables. Net Working Capital is a non-IFRS financial measure. See Appendix for a description of these measure and a reconciliation to the nearest IFRS measure.

5) Capex as % of revenue excluding one-off effects in 2020

Financial Leverage

Net Debt¹ to Adjusted EBITDA ratio¹ has declined from 1.2x as of 2020 YE to 0.7x as of Q1 2021 on the back of strong operating cash flow

Leverage Dynamics

RUB mm



1) Net Debt and Net Debt to Adjusted EBITDA Ratio, adj. EBITDA on twelve months basis are non-IFRS financial measures. See Appendix
 2) Net of cash acquired
 3) Including acquisition of intangible assets and property, plant and equipment
 4) Including, inter alia, effect of forex on cash

Proposal for Dividend of \$0.55 per Share (ca. 75% of adj. Net Income)

	<u>In RUB</u>	<u>In US\$¹</u>
Adjusted Net Income in 2020, mm	2,733	37.0
Proposed Dividend Payments as % of Adjusted Net Income	75%	75%
Total Dividend Payments, mm	2,050	27.8
Dividend per Share ²	40.5	0.55

1) Assuming \$RUB FX rate of 73.8757 as of December 31, 2020

2) The dividend record date is 7-June-2021, and we intend to pay the dividend on or before 21-june-2021

Skillaz Consolidation



Skillaz is a Strategic Opportunity to Expand HeadHunter Scope Over the Whole Recruitment Value Chain



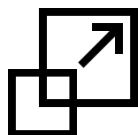
Attractive SaaS Business Model



- Subscription based revenue with limited churn



- Predictable revenue streams from license and new module integrations



- Highly scalable model with great operating leverage potential

Leading Positions in the Underpenetrated Market



- 50% market share with leading tech edge to strengthen position



- ATS market CAGR 2018-2020 of 67% with further growth potential as demand for automation will grow



- Total addressable market of ca. 10 Rub bn with low penetration of modern solutions

Clear Operational Synergies with HeadHunter Sourcing



- ATS metrics as real time barometer can signal required product improvements



- Deeper dive into corporate recruitment process to drive retention



- Increase number of contact points with clients to defense market positions



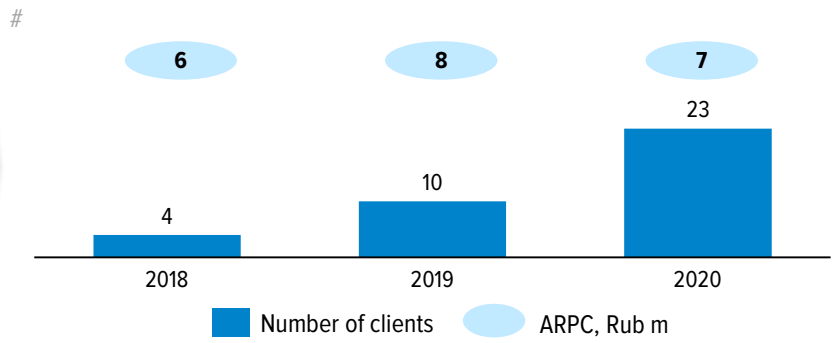
- Being integrated with HH, our ATS system will possess strong competitive advantage to dominate the ATS market and extend our TAM



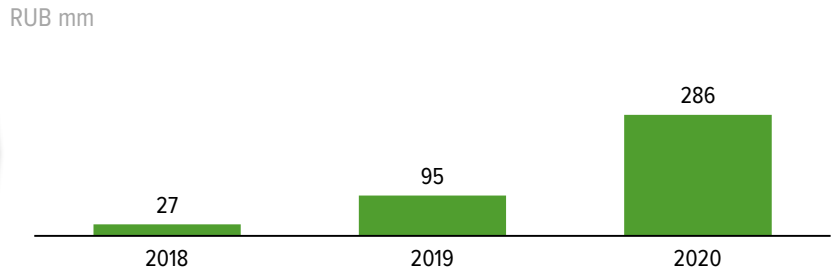
- Skillaz to become an HR Tech hub for integration and development of new products

Highly Predictable Business Model

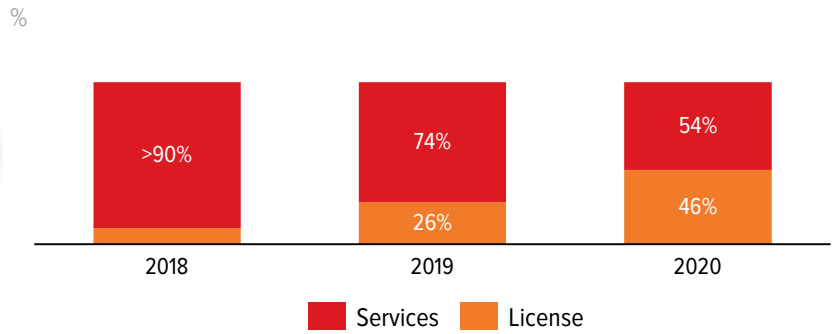
1
Client Base Evolution and Average Check



2
Contract Volume Evolution

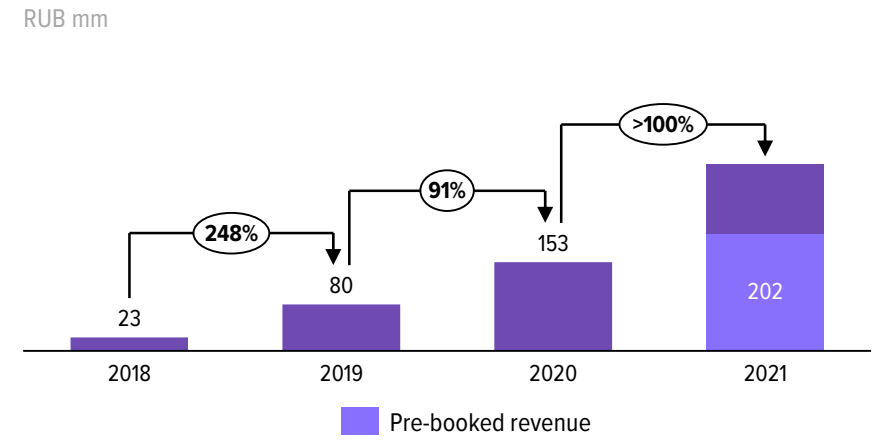


3
Growing Share of SaaS License Revenue



Source: Company data

Strong and Predictable Revenue Extension

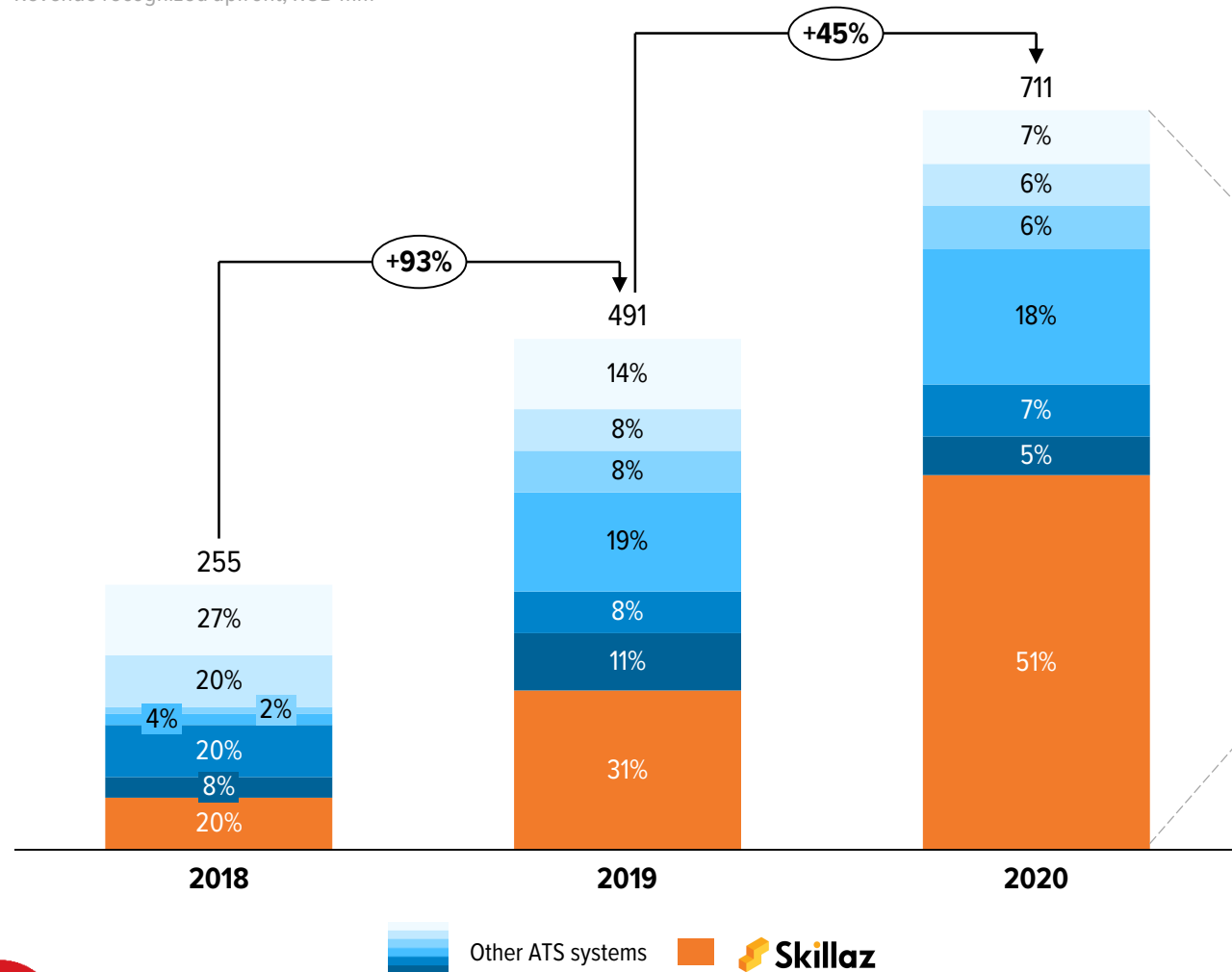


ATS Addressable Market

Skillz to capture increasing adoption of recruitment automation solutions and benefit from client migration from old-fashioned tools and proprietary solutions

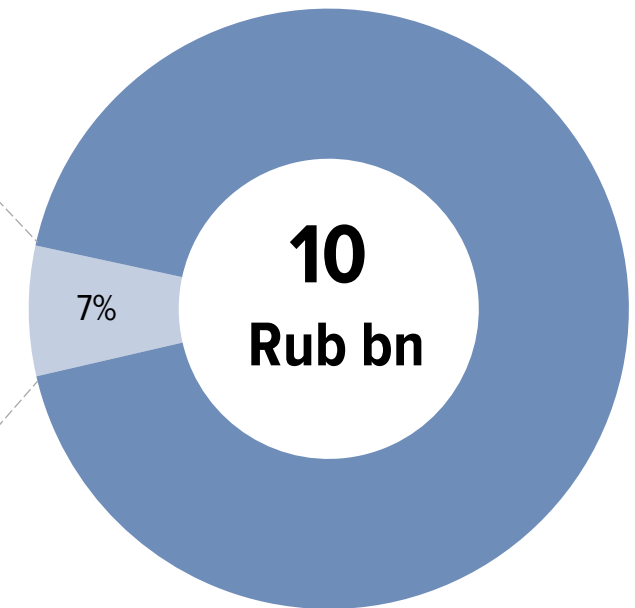
Skillz Market Share Evolution

Revenue recognized upfront, RUB mm

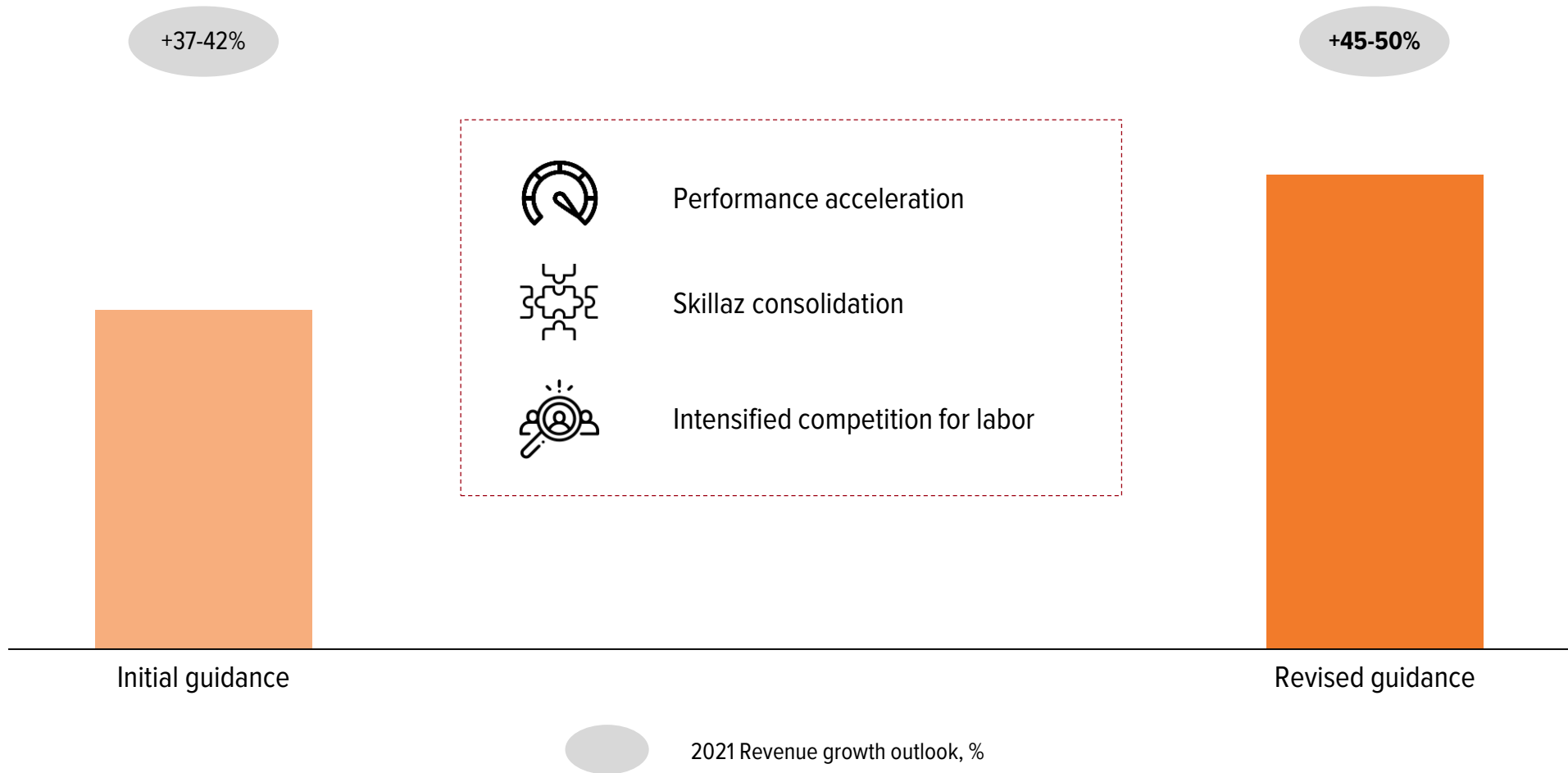


Low Penetration of ATS in Russia

Total addressable market, RUB bn



Revised Revenue Growth Outlook for 2021



Our guidance for FY 2021 reflects our current view, based on the trends we see, assumes no new material acquisitions or disposals and does not take into account any impact stemming from the Covid-19 pandemic, as it is not possible to assess what, if any, impact these may have on our operations at this time.

Appendix

Income Statement

in thousands of RUB

	Q1 2020	Q1 2021
Revenue	1,990,409	2,841,115
<i>growth, y-o-y</i>	<i>18.6%</i>	<i>42.7%</i>
Operating costs and expenses (exclusive of depreciation and amortization)	(1,138,619)	(1,568,649)
<i>as % of revenue</i>	<i>-57.2%</i>	<i>-55.2%</i>
Personnel Expenses	(581,237)	(845,709)
<i>as % of revenue</i>	<i>-29.2%</i>	<i>-29.8%</i>
Marketing Expenses	(317,866)	(441,770)
<i>as % of revenue</i>	<i>-16.0%</i>	<i>-15.5%</i>
Other Operating Expenses ²	(239,516)	(281,170)
<i>as % of revenue</i>	<i>-12.0%</i>	<i>-9.9%</i>
Depreciation and amortization	(184,406)	(237,973)
<i>as % of revenue</i>	<i>-9.3%</i>	<i>-8.4%</i>
Operating income	667,384	1,034,493
Finance income	19,158	69,492
Finance costs	(118,833)	(150,731)
Other income	9,689	13,077
Gain on remeasurement of previously held interest in equity accounted associates		223,308
Net foreign exchange loss	75,313	(222)
Share of loss of equity-accounted investees (net of income tax)	(9,544)	(4,864)
Profit before income tax	643,167	1,184,553
Income tax expense	(231,429)	(254,207)
<i>Effective tax rate</i>	<i>36.0%</i>	<i>21.5%</i>
Net income for the period	411,738	930,346

Adjusted EBITDA and Adjusted Net Income

in thousands of RUB

Reconciliation of EBITDA and Adjusted EBITDA from net income

	Q1 2020	Q1 2021
Net income	411,738	930,346
<i>Add the effect of:</i>		
Income tax expense	231,429	254,207
Net interest costs	99,675	115,747
Depreciation and amortization	184,406	237,973
EBITDA	927,248	1,538,273
<i>Add the effect of:</i>		
Equity-settled awards, including related social taxes	52,060	65,106
Other income/(loss) not related to underlying business activities	26,039	
Insurance cover related to IPO	38,832	–
Income from depository	(8,526)	(12,462)
Share of loss of equity-accounted investees	9,544	4,864
One-off litigation settlements and legal costs		3,654
Net foreign exchange loss/(gain)	(75,313)	222
(Gain) on remeasurement of previously held interest in equity accounted associates		(223,308)
(Gain) on financial asset measured through profit or loss		(34,508)
Adjusted EBITDA	969,884	1,341,841
Adjusted EBITDA margin	48.7%	47.2%

Reconciliation of Adjusted Net Income from net income

	Q1 2020	Q1 2021
Net income	411,738	930,346
<i>Add the effect of:</i>		
Equity-settled awards, including related social taxes	52,060	65,106
Other income/(loss) not related to underlying business activities	26,039	
Insurance cover related to IPO	38,832	–
Income from depository	(8,526)	(12,462)
Share of loss of equity-accounted investees	9,544	4,864
Amortization of intangible assets recognized upon the Acquisition	103,947	144,689
Tax effect on adjustments	22,873	(20,789)
One-off litigation settlements and legal costs		3,656
Net foreign exchange loss/(gain)	(75,313)	222
(Gain) on remeasurement of previously held interest in equity accounted associates		(223,308)
(Gain) on financial asset measured through profit or loss		(34,508)
Adjusted Net Income	581,194	849,667
Adjusted Net Income margin	29.2%	29.9%

Net Working Capital and Net Debt

Calculation of Net Working Capital

in thousands of RUB	December 31, 2020	March 31, 2021
Trade and other receivables	69,120	95,982
Prepaid expenses and other current assets	179,118	145,040
Contract liabilities	(2,785,402)	(3,495,800)
Trade and other payables	(1,273,090)	(1,973,102)
Other current liabilities	(38,758)	(40,662)
Net Working Capital	(3,849,012)	(5,268,542)

Calculation of Net Debt

in thousands of RUB	December 31, 2020	March 31, 2021
Loans and borrowings	7,791,326	7,678,085
Loans and borrowings (current portion)	485,100	512,038
Cash and cash equivalents	(3,367,610)	(4,833,839)
Net Debt	4,908,816	3,356,284

Calculation of Net Debt to Adjusted EBITDA Ratio

in thousands of RUB	December 31, 2020	March 31, 2021
Net Debt	4,908,816	3,356,284
Adjusted EBITDA	4,103,715	4,475,672
Net Debt to Adjusted EBITDA Ratio	1.2x	0.7x

Cash Flow Statement

in thousands of RUB

	Q1 2020	Q1 2021
OPERATING ACTIVITIES:		
Net income for the period	411,738	930,346
<i>Adjusted for non-cash items and items not affecting cash flow from operating activities:</i>		
Depreciation and amortization	184,406	237,973
Net finance costs	99,675	81,239
Net foreign exchange loss	(75,313)	222
Other non-cash items	(724)	(617)
Management incentive agreement	53,506	66,591
Share grant to Board	5,319	5,433
Share of profit of equity-accounted investees, net of income tax	9,544	4,864
Gain on remeasurement of previously held interest in equity accounted associates		(223,308)
Income tax expense	231,429	254,207
Change in trade receivables and other operating assets	(7,029)	14,097
Change in contract liabilities	210,117	671,946
Change in trade and other payables	(63,828)	285,757
Change in other liabilities	(8,526)	(12,462)
Income tax paid	(100,762)	(266,002)
Interest paid	(7,190)	(137,712)
Net cash generated from operating activities	942,362	1,912,576
INVESTING ACTIVITIES:		
Payment of deferred consideration for the acquisition of subsidiary		(233,836)
Acquisition of subsidiary, net of cash acquired		66,524
Acquisition of intangible assets	(27,083)	(43,598)
Acquisition of property and equipment	(81,695)	(14,279)
Interest received	7,554	29,274
Net cash used in investing activities	(101,224)	(195,915)
FINANCING ACTIVITIES:		
Bank loan origination and restructuring fees		(41,971)
Bank and other loans repaid		(121,447)
Payment for lease liabilities	(10,445)	(19,440)
Dividends paid to non-controlling interest	(48,447)	(74,971)
Net cash used in financing activities	(58,892)	(257,830)
Cash and cash equivalents, beginning of period	2,089,215	3,367,610
Net increase/(decrease) in cash and cash equivalents	782,246	1,458,830
Effect of exchange rate changes on cash	232,877	7,399
Cash and cash equivalents, end of period	3,104,338	4,833,839

Balance Sheet

in thousands of RUB

	December 31, 2020	March 31, 2021
ASSETS		
Non-current assets		
Goodwill	9,875,224	10,669,381
Intangible assets	3,439,959	3,856,940
Property and equipment	466,725	442,332
Equity-accounted investees	129,666	
Right-of-use assets	215,120	196,863
Deferred tax assets	176,328	224,658
Loans issued to equity-accounted investees	11,541	–
Other non-current assets	22,176	26,982
Other financial assets	25,491	
Total non-current assets	14,362,230	15,417,156
Current assets		
Indemnification asset	186,473	188,624
Trade and other receivables	69,120	95,982
Prepaid expenses and other current assets	179,118	145,040
Cash and cash equivalents	3,367,610	4,833,839
Loans issued to equity-accounted investees	8,178	3,224
Total current assets	3,810,499	5,266,709
Total assets	18,172,729	20,683,865
EQUITY AND LIABILITIES		
Equity		
Share capital	8,597	8,597
Share premium	1,987,044	2,015,613
Foreign currency translation reserve	(92,140)	(84,803)
Retained earnings	1,536,137	2,434,938
Total equity attributable to owners of the Company	3,439,638	4,374,345
Non-controlling interest	69,104	156,771
Total equity	3,508,742	4,531,116
Non-current liabilities		
Loans and borrowings	7,791,326	7,678,085
Lease liabilities	164,245	144,706
Deferred tax liabilities	658,970	634,230
Trade and other payables	178,607	118,727
Other non-current liabilities	142,531	131,812
Contract liabilities		134,004
Provision	87,822	99,747
Total non-current liabilities	9,023,501	8,941,311
Current liabilities		
Contract liabilities	2,785,402	3,495,800
Provisions	578,651	649,101
Trade and other payables	1,273,089	1,973,102
Loans and borrowings (current portion)	485,100	512,038
Lease liabilities (current portion)	77,752	79,199
Income tax payable	401,733	461,535
Other current liabilities	38,759	40,662
Total current liabilities	5,640,486	7,211,437
Total liabilities	14,663,987	16,152,748
Total equity and liabilities	18,172,729	20,683,865

Glossary

Terminology	Definition
Acquisition	Acquisition of all of the outstanding equity interests of Headhunter FSU Limited from Mail.Ru Group Limited by Elbrus Capital and GS ESSG
Adjusted EBITDA	We define Adjusted EBITDA as net income/(loss), plus: (i) income tax expense; (ii) interest expense/(income); (iii) depreciation and amortization; (iv) transaction costs related to business combinations; (v) (gain)/loss on the disposal of subsidiary; (vi) transaction costs related to disposal of subsidiary; (vii) expenses related to equity-settled share-based awards, including social tax; (viii) IPO-related costs; (ix) insurance expenses related to the IPO; (x) (income) from the depository; (xi) one-off litigation settlement and related legal costs; (xii) share of (profit)/loss of equity-accounted investees and (xiii) SPO-related costs; (xiv) net foreign exchange loss/(gain)
Adjusted EBITDA margin	Adjusted EBITDA as % of Revenue
Adjusted Net Income	We define Adjusted Net Income as net income/(loss), plus: (i) transaction costs related to business combinations; (ii) (gain)/loss on the disposal of a subsidiary; (iii) transaction costs related to the disposal of a subsidiary; (iv) expenses related to equity-settled share-based awards, including social tax; (v) IPO-related costs; (vi) insurance expenses related to the IPO; (vii) (income) from the depository; (viii) one-off litigation settlement and related legal costs; (ix) share of (profit)/loss of equity-accounted investees; (x) amortization of intangible assets recognized upon the Acquisition; (xi) the tax effect of the adjustment described in (x), (xii) net gain on financial assets measured at fair value through profit and loss and (xiii) SPO-related costs; (xiv) net foreign exchange loss/(gain)
Adjusted Net Income margin	Adjusted Net Income as % of revenue
ARPC	Average revenue per customer, defined as total revenue divided by the number of paying customers for the period
Capex	For HH consists of property and equipment additions, additions arising from internal development and other additions of intangible assets
EBITDA	For HH is defined as net income or net loss plus: (1) income tax expense; (2) net interest income or expense; and (3) depreciation and amortization
KA	Key Accounts, customers who, according to the Spark-Interfax database, have an annual revenue of RUB2 Bn or more or a headcount of 250 or more employees and have not marked themselves as recruiting agencies on their page on our website
Net Working Capital	Trade receivables plus prepaid expenses and other current assets minus contract liabilities minus trade and other payables
Russian Regions	For HH includes all regions in Russia except for Moscow and St. Petersburg
SMA	Small and Medium Accounts, customers who, according to the Spark-Interfax database, have both an annual revenue of less than RUB2 Bn and a headcount of less than 250 employees and have not marked themselves as recruiting agencies on their page on our website
UMV	Average unique monthly visitors, or the average of unique visitors during a calendar month
VAS	Value-added services

Roman Safiyulin

Head of Investor Relations

r.safiyulin@hh.ru

