

## HeadHunter Group PLC Announces Second Quarter 2021 Financial Results

MOSCOW, Russia, August 16, 2021 – HeadHunter Group PLC (Nasdaq: HHR, MOEX: HHRU) announced today its financial results for the quarter ended June 30, 2021. As used below, references to “we,” “our,” “us” or the “Company” or similar terms shall mean HeadHunter Group PLC.

### Second Quarter 2021 Financial and Operational Highlights

(in millions of RUB<sup>(1)</sup> and USD<sup>(2)</sup>)

|   | Three<br>months<br>ended<br>June 30,<br>2021 | Three<br>months<br>ended<br>June 30,<br>2020 | Change <sup>(3)</sup> | Three<br>months<br>ended<br>June 30,<br>2021 |
|---|--|--|-----------------------|--|
|   | RUB  | RUB  |                       | USD <sup>(4)</sup>                           |
| Revenue   | 3,911  | 1,534  | 155.0%                | 54.0   |
| Russia Segments <sup>(6)</sup> Revenue          | 3,593  | 1,421  | 152.8%                | 49.6   |
| Net Income                                      | 1,279  | 239  | 435.1%                | 17.7   |
| Net Income Margin, %                            | 32.7%  | 15.6%  | 17.1 ppts             |  |
| Adjusted EBITDA <sup>(5)(7)</sup>               | 2,264  | 666  | 239.9%                | 31.3   |
| Adjusted EBITDA Margin, % <sup>(5)(7)</sup>     | 57.9%  | 43.4%  | 14.5 ppts             |  |
| Adjusted Net Income <sup>(5)(7)</sup>           | 1,603  | 358  | 347.1%                | 22.1   |
| Adjusted Net Income Margin, % <sup>(5)(7)</sup> | 41.0%  | 23.4%  | 17.6 ppts             |  |

(1) “RUB” or “P” denote Russian Ruble throughout this release.

(2) “USD” or “\$” denote U.S. Dollar throughout this release.

(3) Percentage movements and certain other figures in this release 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.

(4) Dollar translations throughout this release are included solely for the convenience of the reader and were calculated at the exchange rate quoted by the Central Bank of Russia as of June 30, 2021 (RUB 72.3723 to USD 1).

(5) Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income and Adjusted Net Income Margin are non-IFRS measures. See “Use of Non-IFRS Financial Measures” elsewhere in this release for a description of these measures and a reconciliation from the nearest IFRS measure.

(6) Includes our “Russia (hh.ru)” and “Russia (Zarplata.ru)” operating segments revenue.

(7) Beginning from the first quarter of 2021, we modified the presentation of Adjusted EBITDA and Adjusted Net Income, our non-IFRS measures, to exclude the impact of foreign exchange gains and losses. Prior period amounts have been reclassified to conform to this presentation. Please see “Modification of the presentation of Adjusted EBITDA and Adjusted Net Income” and “Use of Non-IFRS Financial Measures” elsewhere in this release.

- Revenue is up 155.0% mostly due to strong demand for candidates driving up the number of paying customers and the average consumption, as well as the low base effect, and the consolidation of acquired subsidiaries.
- Net income is up 435.1% driven by the increase in revenue.
- Adjusted EBITDA is up 239.9% and Adjusted EBITDA Margin is up from 43.4% to 57.9% mainly due to the increase in revenue. Margin expansion in our “Russia (hh.ru)” segment slightly diluted by consolidation of acquired subsidiaries.

(in millions of RUB and USD)

|  | As of<br>June 30,<br>2021 | As of<br>December<br>31, 2020 | Change  | As of<br>June 30,<br>2021 |
|--|---------------------------|-------------------------------|---------|---------------------------|
|  | RUB                       | RUB                           |         | USD                       |
| Net Working Capital <sup>(1)</sup>                   | (4,832)                   | (3,849)                       | 25.5%   | (66.8)                    |
| Net Debt <sup>(1) (3)</sup>                          | 2,592                     | 4,909                         | (47.2)% | 35.8                      |
| Net Debt to Adjusted EBITDA Ratio <sup>(1) (3)</sup> | 0.4x                      | 1.2x                          |         |                           |

(1) Net Working Capital, Net Debt, and Net Debt to Adjusted EBITDA Ratio are non-IFRS financial measures. See “Use of Non-IFRS Financial Measures” elsewhere in this release for calculation of these measures

(2) For the purposes of calculation of this ratio as of June 30, 2021, Adjusted EBITDA is calculated on the last twelve months basis.

(3) In July 2021 we settled ca. RUB 2 billion dividend payable in cash, which affected our Net Debt and Net Debt to Adjusted EBITDA Ratio measures if measured immediately after the payment (see “Dividend” elsewhere in this release).

- Net Working Capital as of June 30, 2021 decreased by ₺983 million, or 25.5%, compared to December 31, 2020, primarily due to (i) an increase in contract liabilities by ₺583 million from customer prepayments, (ii) an increase in trade and other payables (current portion), and (iii) ₺155 million consideration payable for the acquisition of a 9.97% stake in Skillaz.
- Net Debt decreased by ₺2,317 million, or 47.2%, primarily due to cash generated from operating activities (see “Cash Flows”).
- Net Debt to Adjusted EBITDA Ratio decreased from 1.2x to 0.4x, due to the decrease in Net Debt and the increase in Adjusted EBITDA.

Mikhail Zhukov, Chief Executive Officer of HeadHunter Group PLC: *“We had an exceptionally strong quarter, where we demonstrated the scalability of our business model and our commitment to long-term product development. We look forward to remaining the most effective digital recruitment solution for many thousands of clients as they recover from last year’s turbulence and now face an unprecedented labor supply scarcity.”*

### **Acquisition of Zarplata.ru and Skillaz**

In December 2020, we acquired 100% ownership interest in LLC “Zarplata.ru” (“Zarplata.ru”), a job classified platform with a strong footprint in certain Russian regions, such as Siberia and Ural. From January 1, 2021, our statement of income and comprehensive income includes results of Zarplata.ru. This affects year-on-year comparisons of our revenue, operating expenses, and other metrics in 2021. For the purposes of analysis of our key performance indicators, such as the number of paying customers and the average revenue per customer (“ARPC”), we combine our “Russia (hh.ru)” and “Russia (Zarplata.ru)” (collectively “Russia segments”) revenues, as we believe that our combined ARPC and combined number of paying customers allows us to assess better our results and position on Russian online recruitment market, on which both these segments operate.

As of March 31, 2021, we obtained control over LLC “Skillaz”, a Russian HR technology company which automates and enhances recruitment processes by delivering sophisticated and flexible software as a service (“SaaS”) solutions (“Skillaz”), as our call option to acquire a further 40.01% ownership interest in Skillaz (in addition to our 25.01% stake already acquired) became beneficial. On May 26, 2021, we exercised the option and acquired the 40.01% stake, and on June 28, 2021 we acquired additional 9.97%, thus increasing our total ownership interest in Skillaz to 74.99%. From April 1, 2021, our statement of income and comprehensive income includes results of Skillaz. This affects year-on-year comparisons of our revenue and operating expenses in 2021. For the purposes of analysis of our key performance indicators, such as the number of paying customers and the average revenue per customer (“ARPC”), we included Skillaz in our “Other segments”.

### **Modification of the presentation of Adjusted EBITDA and Adjusted Net Income**

Beginning from the first quarter of 2021, we modified the presentation of Adjusted EBITDA and Adjusted Net Income, our non-IFRS measures, to exclude the impact of foreign exchange gains and losses as the nature of such gains and losses is not operational. We believe this revised presentation will provide a better understanding of our operating performance and a more meaningful comparison of our results between periods.

Prior period amounts have been reclassified to conform to this presentation. These changes have no impact on any of the previously reported IFRS results for any periods presented.

The following tables present the effects of the changes on the presentation of non-IFRS measures as reflected in the Company's previous reports:

(in millions of RUB)

|                               | <b>For the three months ended June 30, 2020</b> |  |  |
|-------------------------------|---|--|--|
|                               | <b>Non-IFRS Prior<br/>Presentation</b>          | <b>Net foreign exchange<br/>gain and related<br/>income tax effect</b> | <b>Non-IFRS Revised<br/>Presentation</b> |
| Adjusted EBITDA               | 685   | (19)   | 666                                      |
| Adjusted EBITDA Margin, %     | 44.7%   | (1.3%)   | 43.4%                                    |
| Adjusted Net Income           | 412   | (54)   | 358                                      |
| Adjusted Net Income Margin, % | 26.9%   | (3.5%)   | 23.4%                                    |

(in millions of RUB)

|                               | <b>For the six months ended June 30, 2020</b> |  |  |
|-------------------------------|---|--|--|
|                               | <b>Non-IFRS Prior<br/>Presentation</b>        | <b>Net foreign exchange<br/>gain and related<br/>income tax effect</b> | <b>Non-IFRS Revised<br/>Presentation</b> |
| Adjusted EBITDA               | 1,731   | (95)   | 1,636                                    |
| Adjusted EBITDA Margin, %     | 49.1%   | (2.7%)   | 46.4%                                    |
| Adjusted Net Income           | 1,025   | (85)   | 940                                      |
| Adjusted Net Income Margin, % | 29.1%   | (2.4%)   | 26.7%                                    |

(in millions of RUB)

|                               | <b>For the year ended December 31, 2020</b> |  |  |
|-------------------------------|---|--|--|
|                               | <b>Non-IFRS Prior<br/>Presentation</b>      | <b>Net foreign exchange<br/>gain and related<br/>income tax effect</b> | <b>Non-IFRS Revised<br/>Presentation</b> |
| Adjusted EBITDA               | 4,187                                       | (83)   | 4,104                                    |
| Adjusted EBITDA Margin, %     | 50.6%                                       | (1.1%)   | 49.5%                                    |
| Adjusted Net Income           | 2,733                                       | (50)   | 2,683                                    |
| Adjusted Net Income Margin, % | 33.0%                                       | (0.6%)   | 32.4%                                    |

### **Impact of COVID-19 on Our Operations and Financial Position**

The ongoing COVID-19 pandemic can affect our financial results mostly via decrease in business activity in Russia, especially on the back of measures taken by authorities to curb spread of the disease, such as shelter-in-place orders, non-working days announcements and businesses closures. A decrease in business activity may result in a decrease in a number of job postings advertised by our customers and the number of CV database subscriptions purchased or renewed, leading to a decrease in our revenues.

The most severe restrictions in Russia were in place from March 30, 2020 to May 11, 2020, when a nationwide period of non-working days was introduced, and shelter-in-place orders were in effect in Moscow. This affected our revenue in the end of the first quarter of 2020 and in the second quarter of 2020. A gradual recovery of business activities followed in the third and fourth quarters of 2020, resulting in a recovery in our KPIs.

No such restrictions had been introduced since, except until a period of four working days from May 4, 2021 to May 7, 2021 was announced as a period of non-working days. This was a similar but much smaller measure to the period of non-working days in 2020. Accordingly, we have seen no measurable impact of COVID-19 on our financial results for the second quarter of 2021 and our financial position as of June 30, 2021. Year-to-year comparison of our financial results for the second and, prospectively, third quarter of 2021 is colored by the low base effect of the corresponding periods in 2020. However, our financial position, results and liquidity may be affected in the future by any further adverse developments related to COVID-19.

## Operating Segments

For management purposes, we are organized into operating segments based on the geography of our operations or other subdivisions as presented in internal reporting to our chief operating decision-maker (“CODM”). Our operating segments include “Russia (hh.ru),” “Russia (Zarplata.ru),” “Belarus,” “Kazakhstan,” “Skillaz” and other segments. As each segment, other than “Russia (hh.ru)” and “Russia (Zarplata.ru),” individually comprises less than 10% of our revenue, for reporting purposes we combine all segments other than “Russia (hh.ru)” and “Russia (Zarplata.ru)” into the “Other segments” category.

## Customers

We sell our services predominantly to businesses that are looking for job seekers to fill vacancies inside their organizations. We refer to such businesses as “customers.” In Russia, we divide our customers into (i) Key Accounts and (ii) Small and Medium Accounts, based on their annual revenue and employee headcount. We define “Key Accounts” as customers who, according to the Spark-Interfax database, have an annual revenue of ₺2 billion or more or a headcount of 250 or more employees and have not marked themselves as recruiting agencies on their page on our website. We define “Small and Medium Accounts” as customers who, according to the Spark-Interfax database, have both an annual revenue of less than ₺2 billion and a headcount of less than 250 employees and have not marked themselves as recruiting agencies on their page on our website. Our website allows several legal entities and/or natural persons to be registered, each with a unique identification number, under a single account page (e.g., a group of companies). Each legal entity registered under a single account is defined as a separate customer and is included in the number of paying customers metric. Natural persons registered under a single account are assumed to be employees of the legal entities of that account and thus, are not considered separate customers and are not included in the number of paying customers metric. However, in a specific reporting period, if only natural persons used our services under such account, they are collectively included in the number of paying customers as one customer.

## Seasonality

### *Revenue*

We generally do not experience seasonal fluctuations in demand for our services and, prior to COVID-19, our revenue remained relatively stable throughout each quarter. However, our customers are predominately businesses and, therefore, use our services mostly on business days. As a result, our quarterly revenue is affected by the number of business days in a quarter, with the exception of our services that represent “stand-ready” performance obligations, such as subscriptions to access our curriculum vitae (“CV”) database, which are satisfied over the period of subscription, including weekends and holidays.

Public holidays in Russia predominantly fall during the first quarter of each year, which results in lower business activity in that quarter. Accordingly, our first quarter revenue is typically slightly lower than in the other quarters. For example, our first quarter revenue in our “Russia (hh.ru)” segment in 2019 was 21.6% (in 2020, this metric was not indicative due to COVID-19).

The number of business days in a quarter may also be affected by calendar layout in a specific year. In addition, the Government of Russia decides on an annual basis how public holidays that occur on weekends will be reallocated to business days throughout the year as a requirement of the Labor Code of Russia. As a result, the number of business days in a quarter may be different in each year (while the total number of business days in a year usually remains the same). Therefore, the comparability of our quarterly results, including with respect to our revenue growth rate, may be affected by this variance. In addition, when a calendar layout in a specific year provides for several consecutive holidays or a small number of business days between holidays or holidays adjacent to weekends, HR managers of our customers may take short vacations, further contributing to the decrease in business activities in these periods.

The following table illustrates the number of business days by quarter for the years 2019 to 2021. In 2021, compared to 2020, there is one business day less in the first quarter and in the total year, two business days more in the second quarter, and two business days less in the fourth quarter, meaning that a negative

calendar effect is expected in each of the first and fourth quarter, and a positive effect is expected in the second quarter:

|                | Number of business days |            |            | As % of total business days per year |               |               |
|----------------|-------------------------|------------|------------|--------------------------------------|---------------|---------------|
|                | 2021                    | 2020       | 2019       | 2021                                 | 2020          | 2019          |
| First quarter  | 56                      | 57         | 57         | 22.7%                                | 23.0%         | 23.1%         |
| Second quarter | 62                      | 60         | 59         | 25.1%                                | 24.2%         | 23.9%         |
| Third quarter  | 66                      | 66         | 66         | 26.7%                                | 26.6%         | 26.7%         |
| Fourth quarter | 63                      | 65         | 65         | 25.5%                                | 26.2%         | 26.3%         |
| Year           | <b>247</b>              | <b>248</b> | <b>247</b> | <b>100.0%</b>                        | <b>100.0%</b> | <b>100.0%</b> |

The positive effect from two extra working days in the second quarter of 2021 was not meaningful compared to more significant change drivers observed during the quarter.

#### *Operating costs and expenses (exclusive of depreciation and amortization)*

Our operating costs and expenses (exclusive of depreciation and amortization) consist primarily of personnel and marketing expenses. Personnel and marketing expenses, in total, accounted for 78.6% and 76.3% of our total operating costs and expenses (exclusive of depreciation and amortization) for the years ended December 31, 2020 and December 31, 2019, respectively. Most of our marketing and personnel expenses are fixed and not directly tied to our revenue.

Marketing expenses are more volatile in terms of allocation to quarters and are affected by our decisions on how we realize our strategy in a particular year, which can differ from year to year. Therefore, total marketing expenses as a percentage of revenue for a particular quarter may not be fully representative of the whole year. Personnel expenses are relatively stable over the year. However, they are also affected by other dynamics, such as our hiring decisions. Some costs and expenses, such as share-based compensation or foreign exchange gains or losses, can be significantly concentrated in a particular quarter.

As an example, the second quarter segment external expenses in our “Russia (hh.ru)” segment in 2019 and 2020 were 23.1% and 20.9%, respectively, of total “Russia (hh.ru)” segment external expenses for the year.

#### *Net income and Adjusted EBITDA*

Even though our revenue remains relatively stable throughout each quarter, seasonal revenue fluctuations, as described above, affect our net income. As a result of revenue seasonality, our profitability in the first quarter is usually lower than in other quarters and for the full year, because our expenses as a percentage of revenue are usually higher in the first quarter due to lower revenue. Our profitability is also affected by our decisions on timing of expenses, as described above.

#### *Contract liabilities*

Our contract liabilities are mostly affected by the annual subscriptions’ renewal cycle in our Key Accounts customer segment. A substantial number of our Key Accounts renew their subscriptions in the first quarter but prepay us in the fourth quarter of a previous year, as per our normal payment terms. As a result, we receive substantial prepayments from our customers in the fourth quarter which causes a consequential increase in our contract liabilities at the end of that quarter. For example, our contract liabilities as of March 31, June 30, September 30, and December 31, 2020 were ₺2,584 million, ₺2,355 million, ₺2,323 million, and ₺2,785 million, respectively.

#### *Net cash generated from operating activities*

Our net cash generated from operating activities is affected by seasonal fluctuations in business activity as explained in “Revenue” and by substantial prepayments from our customers (see “Contract liabilities”), as well as by our decisions in regard to timing of expenses (see “Operating costs and expenses (exclusive of

depreciation and amortization))), and to a lesser extent by payment terms provided to us by our largest suppliers, such as TV advertising agencies and others.

### Net Working Capital

Our Net Working Capital is primarily affected by changes in our contract liabilities. As our contract liabilities have usually been highest in the fourth quarter, our Net Working Capital has usually been lowest in the fourth quarter. For example, our Net Working Capital of March 31, June 30, September 30, and December 31, 2020 was ₱ (3,130) million, ₱ (2,865) million, ₱ (3,111) million, and ₱ (3,849) million, respectively.

### Second Quarter 2021 Results

Our revenue was ₱3,911 million for the three months ended June 30, 2021 compared to ₱1,534 million for the three months ended June 30, 2020. Revenue for the three months ended June 30, 2021 increased by ₱2,377 million, or 155.0%, while the compound average growth rate<sup>(\*)</sup> (“CAGR”) from 2019 to 2021 in the second quarter of 2021 was 43.4%, reflecting acceleration of growth compared to historical averages. Revenue has increased primarily due to the increase in all key operating metrics across customer segments on the back of strong demand for candidates, as well as due to low base effect, our monetization initiatives, and consolidation of acquired subsidiaries.

The following table breaks down revenue by product for the periods indicated:

| (in thousands of RUB)      | For the three months ended June 30, |                  |                  | Change        |               | CAGR         |
|----------------------------|-------------------------------------|------------------|------------------|---------------|---------------|--------------|
|                            | 2021                                | 2020             | 2019             | 2021/2020     | 2021/2019     | 2019-2021    |
| Bundled Subscriptions      | 1,021,864                           | 524,497          | 554,090          | 94.8%         | 84.4%         | 35.8%        |
| CV Database Access         | 806,933                             | 346,981          | 433,742          | 132.6%        | 86.0%         | 36.4%        |
| Job Postings               | 1,700,108                           | 505,119          | 769,115          | 236.6%        | 121.0%        | 48.7%        |
| Other value-added services | 382,278                             | 157,238          | 144,677          | 143.1%        | 164.2%        | 62.6%        |
| <b>Total revenue</b>       | <b>3,911,183</b>                    | <b>1,533,835</b> | <b>1,901,624</b> | <b>155.0%</b> | <b>105.7%</b> | <b>43.4%</b> |

  

| (in thousands of RUB)      | For the six months ended June 30, |                  |                  | Change       |              | CAGR         |
|----------------------------|-----------------------------------|------------------|------------------|--------------|--------------|--------------|
|                            | 2021                              | 2020             | 2019             | 2021/2020    | 2021/2019    | 2019-2021    |
| Bundled Subscriptions      | 1,788,331                         | 1,102,210        | 1,057,975        | 62.2%        | 69.0%        | 30.0%        |
| CV Database Access         | 1,395,898                         | 817,567          | 819,389          | 70.7%        | 70.4%        | 30.5%        |
| Job Postings               | 2,944,619                         | 1,286,532        | 1,410,986        | 128.9%       | 108.7%       | 44.5%        |
| Other value-added services | 623,449                           | 317,935          | 291,711          | 96.1%        | 113.7%       | 46.2%        |
| <b>Total revenue</b>       | <b>6,752,297</b>                  | <b>3,524,244</b> | <b>3,580,061</b> | <b>91.6%</b> | <b>88.6%</b> | <b>37.3%</b> |

<sup>(\*)</sup> Given low base effect on the back of COVID-19 restrictions in the second quarter of 2020, in addition to year-on-year growth to 2020, we present growth to 2019 and CAGR over two years 2019-2021. We believe that these metrics are useful to assess revenue growth in 2021. Please, note that when commenting on change drivers throughout this release, we are commenting on year-on-year growth to 2020.

We calculate two-year 2019-2021 CAGR as  $((S_1/S_0)^{1/2}-1)*100\%$ , where  $S_0$  and  $S_1$  are values for 2019 and 2021, respectively.

The following tables sets forth our revenue, number of paying customers and ARPC, broken down by type of customer and region, for the periods indicated:

|  | For the three months ended |                  |                  | Change        |               | CAGR         |
|--|----------------------------|------------------|------------------|---------------|---------------|--------------|
|  | June 30,                   |                  |                  | 2021/2020     | 2021/2019     | 2019-2021    |
|  | 2021                       | 2020             | 2019             |               |               |              |
| <b>Revenue (in thousands of RUB)</b>         |                            |                  |                  |               |               |              |
| <b>Key Accounts in Russia</b>                |                            |                  |                  |               |               |              |
| <i>Moscow and St. Petersburg</i>             | 875,549                    | 433,024          | 491,334          | 102.2%        | 78.2%         | 33.5%        |
| <i>Other regions of Russia</i>               | 329,932                    | 171,221          | 151,847          | 92.7%         | 117.3%        | 47.4%        |
| <b>Sub-total</b>                             | <b>1,205,481</b>           | <b>604,245</b>   | <b>643,181</b>   | <b>99.5%</b>  | <b>87.4%</b>  | <b>36.9%</b> |
| <b>Small and Medium Accounts in Russia</b>   |                            |                  |                  |               |               |              |
| <i>Moscow and St. Petersburg</i>             | 1,205,294                  | 415,921          | 631,218          | 189.8%        | 90.9%         | 38.2%        |
| <i>Other regions of Russia</i>               | 1,044,849                  | 323,099          | 397,969          | 223.4%        | 162.5%        | 62.0%        |
| <b>Sub-total</b>                             | <b>2,250,143</b>           | <b>739,020</b>   | <b>1,029,187</b> | <b>204.5%</b> | <b>118.6%</b> | <b>47.9%</b> |
| Foreign customers of Russia segment          | 25,499                     | 11,856           | 15,922           | 115.1%        | 60.1%         | 26.6%        |
| Other customers in Russia                    | 111,860                    | 66,353           | 69,446           | 68.6%         | 61.1%         | 26.9%        |
| <b>Total for "Russia" operating segments</b> | <b>3,592,983</b>           | <b>1,421,474</b> | <b>1,757,736</b> | <b>152.8%</b> | <b>104.4%</b> | <b>43.0%</b> |
| Other segments                               | 318,199                    | 112,361          | 143,888          | 183.2%        | 121.1%        | 48.7%        |
| <b>Total revenue</b>                         | <b>3,911,182</b>           | <b>1,533,835</b> | <b>1,901,624</b> | <b>155.0%</b> | <b>105.7%</b> | <b>43.4%</b> |
| <b>Number of paying customers</b>            |                            |                  |                  |               |               |              |
| <b>Key Accounts</b>                          |                            |                  |                  |               |               |              |
| <i>Moscow and St. Petersburg</i>             | 5,227                      | 4,258            | 4,589            | 22.8%         | 13.9%         | 6.7%         |
| <i>Other regions of Russia</i>               | 5,782                      | 4,704            | 4,408            | 22.9%         | 31.2%         | 14.5%        |
| <b>Key Accounts, total</b>                   | <b>11,009</b>              | <b>8,962</b>     | <b>8,997</b>     | <b>22.8%</b>  | <b>22.4%</b>  | <b>10.6%</b> |
| <b>Small and Medium Accounts</b>             |                            |                  |                  |               |               |              |
| <i>Moscow and St. Petersburg</i>             | 89,025                     | 44,719           | 63,092           | 99.1%         | 41.1%         | 18.8%        |
| <i>Other regions of Russia</i>               | 144,950                    | 64,472           | 77,055           | 124.8%        | 88.1%         | 37.2%        |
| <b>Small and Medium Accounts, total</b>      | <b>233,975</b>             | <b>109,191</b>   | <b>140,147</b>   | <b>114.3%</b> | <b>66.9%</b>  | <b>29.2%</b> |
| Foreign customers of Russia segments         | 1,525                      | 540              | 1,893            | 182.4%        | (19.4)%       | (10.2)%      |
| <b>Total for "Russia" operating segments</b> | <b>246,509</b>             | <b>118,693</b>   | <b>151,037</b>   | <b>107.7%</b> | <b>63.2%</b>  | <b>27.8%</b> |
| Other segments, total                        | 16,215                     | 8,523            | 13,190           | 90.2%         | 22.9%         | 10.9%        |
| <b>Total number of paying customers</b>      | <b>262,724</b>             | <b>127,216</b>   | <b>164,227</b>   | <b>106.5%</b> | <b>60.0%</b>  | <b>26.5%</b> |
| <b>ARPC (in RUB)</b>                         |                            |                  |                  |               |               |              |
| <b>Key Accounts</b>                          |                            |                  |                  |               |               |              |
| <i>Moscow and St. Petersburg</i>             | 167,505                    | 101,697          | 107,068          | 64.7%         | 56.4%         | 25.1%        |
| <i>Other regions of Russia</i>               | 57,062                     | 36,399           | 34,448           | 56.8%         | 65.6%         | 28.7%        |
| <b>Key Accounts, total</b>                   | <b>109,500</b>             | <b>67,423</b>    | <b>71,488</b>    | <b>62.4%</b>  | <b>53.2%</b>  | <b>23.8%</b> |
| <b>Small and Medium Accounts</b>             |                            |                  |                  |               |               |              |
| <i>Moscow and St. Petersburg</i>             | 13,539                     | 9,301            | 10,005           | 45.6%         | 35.3%         | 16.3%        |
| <i>Other regions of Russia</i>               | 7,208                      | 5,011            | 5,165            | 43.8%         | 39.6%         | 18.1%        |
| <b>Small and Medium Accounts, total</b>      | <b>9,617</b>               | <b>6,768</b>     | <b>7,344</b>     | <b>42.1%</b>  | <b>31.0%</b>  | <b>14.4%</b> |
| Other segments, total                        | 19,624                     | 13,183           | 10,909           | 48.9%         | 79.9%         | 34.1%        |

In the second quarter of 2021, compared to the second quarter of 2020:

- In our Key Accounts customer segment, revenue has increased by 99.5%, or by 36.9% on a two-year CAGR basis, primarily due to the increase in ARPC.
  - ARPC in our Key Accounts customer segment has increased by 62.4%, or by 23.8% on a two-year CAGR basis. This was driven by the increase in average consumption and, to slightly lower extent, by our monetization improvements. Average consumption was driven mostly by competition for candidates, as the number of jobs advertised has increased more rapidly than the number of job seekers in active search. To sustain a stream of candidates, some customers increased their spending by more frequently renewing their job postings, driving average postings consumption up, which may be a temporary effect depending on future development of job seeker and employer activity. In addition, average postings consumption was driven by slightly elevated number of job postings advertised per employer, which we believe reflects high demand in momentum, but may also be a temporary effect. Monetization improvements mostly related to additional revenues received from top-up contacts within new limited model in subscription products, as well as annual price inflation and gradual reduction in discounts.
  - The number of paying customers in our Key Accounts customer segment has increased by 22.8%, or by 10.6% on a two-year CAGR basis. This was a result of (i) low base effect, when some customers decided not to use our services in the second quarter 2020 due to COVID-19 restrictions, and (ii) new customer acquisitions.
- In our Small and Medium Accounts customer segment, revenue has increased by 204.5%, or by 47.9% on a two-year CAGR basis, driven by the increase in the number of paying customers and the increase in ARPC.
  - The number of paying customers in our Small and Medium Accounts customer segment has increased by 114.3%, or by 29.2% on a two-year CAGR basis. This was driven by (i) low base effect, when some customers decided not to use our services in the second quarter 2020 due to COVID-19 restrictions, (ii) new customer acquisitions, and (iii) the addition of customers of our “Russia (Zarplata.ru)” operating segment. We observe historically high number of new customer onboarding, which we believe is driven by economic recovery, simplifications in customer onboarding requirements that we introduced in 2020, as well as increased adoption of online services on the back of COVID-19.
  - ARPC in our Small and Medium Accounts customer segment has increased by 42.1%, or by 14.4% on a two-year CAGR basis. This was driven primarily by the increase in average postings consumption driven by competition for candidates, due to factors explained above for the Key Accounts customer segment.



The following tables sets forth our revenue, number of paying customers and ARPC, broken down by type of customer and region, for the periods indicated:

|  | For the six months ended |                  |                  | Growth        |               | CAGR         |
|--|--------------------------|------------------|------------------|---------------|---------------|--------------|
|  | June 30,                 |                  |                  | 2021/2020     | 2021/2019     | 2019-2021    |
|  | 2021                     | 2020             | 2019             |               |               |              |
| <b>Revenue (in thousands of RUB)</b>         |                          |                  |                  |               |               |              |
| <b>Key Accounts in Russia</b>                |                          |                  |                  |               |               |              |
| <i>Moscow and St. Petersburg</i>             | 1,518,487                | 928,422          | 928,697          | 63.6%         | 63.5%         | 27.9%        |
| <i>Other regions of Russia</i>               | 589,798                  | 364,174          | 285,586          | 62.0%         | 106.5%        | 43.7%        |
| <b>Sub-total</b>                             | <b>2,108,285</b>         | <b>1,292,596</b> | <b>1,214,283</b> | <b>63.1%</b>  | <b>73.6%</b>  | <b>31.8%</b> |
| <b>Small and Medium Accounts in Russia</b>   |                          |                  |                  |               |               |              |
| <i>Moscow and St. Petersburg</i>             | 2,091,572                | 1,043,680        | 1,198,438        | 100.4%        | 74.5%         | 32.1%        |
| <i>Other regions of Russia</i>               | 1,807,908                | 749,506          | 734,739          | 141.2%        | 146.1%        | 56.9%        |
| <b>Sub-total</b>                             | <b>3,899,480</b>         | <b>1,793,186</b> | <b>1,933,177</b> | <b>117.5%</b> | <b>101.7%</b> | <b>42.0%</b> |
| Foreign customers of Russia segment          | 45,482                   | 27,731           | 30,030           | 64.0%         | 51.5%         | 23.1%        |
| Other customers in Russia                    | 201,679                  | 146,205          | 135,761          | 37.9%         | 48.6%         | 21.9%        |
| <b>Total for "Russia" operating segments</b> | <b>6,254,926</b>         | <b>3,259,718</b> | <b>3,313,251</b> | <b>91.9%</b>  | <b>88.8%</b>  | <b>37.4%</b> |
| Other segments                               | 497,371                  | 264,526          | 266,810          | 88.0%         | 86.4%         | 36.5%        |
| <b>Total revenue</b>                         | <b>6,752,297</b>         | <b>3,524,244</b> | <b>3,580,061</b> | <b>91.6%</b>  | <b>88.6%</b>  | <b>37.3%</b> |
| <b>Number of paying customers</b>            |                          |                  |                  |               |               |              |
| <b>Key Accounts</b>                          |                          |                  |                  |               |               |              |
| <i>Moscow and St. Petersburg</i>             | 5,583                    | 4,937            | 5,013            | 13.1%         | 11.4%         | 5.5%         |
| <i>Other regions of Russia</i>               | 6,229                    | 5,424            | 4,841            | 14.8%         | 28.7%         | 13.4%        |
| <b>Key Accounts, total</b>                   | <b>11,812</b>            | <b>10,361</b>    | <b>9,854</b>     | <b>14.0%</b>  | <b>19.9%</b>  | <b>9.5%</b>  |
| <b>Small and Medium Accounts</b>             |                          |                  |                  |               |               |              |
| <i>Moscow and St. Petersburg</i>             | 117,658                  | 77,861           | 85,493           | 51.1%         | 37.6%         | 17.3%        |
| <i>Other regions of Russia</i>               | 192,856                  | 105,728          | 105,612          | 82.4%         | 82.6%         | 35.1%        |
| <b>Small and Medium Accounts, total</b>      | <b>310,514</b>           | <b>183,589</b>   | <b>191,105</b>   | <b>69.1%</b>  | <b>62.5%</b>  | <b>27.5%</b> |
| Foreign customers of Russia segments         | 1,964                    | 981              | 2,607            | 100.2%        | (24.7)%       | (13.2)%      |
| <b>Total for "Russia" operating segments</b> | <b>324,290</b>           | <b>194,931</b>   | <b>203,566</b>   | <b>66.4%</b>  | <b>59.3%</b>  | <b>26.2%</b> |
| Other segments, total                        | 20,486                   | 15,472           | 17,250           | 32.4%         | 18.8%         | 9.0%         |
| <b>Total number of paying customers</b>      | <b>344,776</b>           | <b>210,403</b>   | <b>220,816</b>   | <b>63.9%</b>  | <b>56.1%</b>  | <b>25.0%</b> |
| <b>ARPC (in RUB)</b>                         |                          |                  |                  |               |               |              |
| <b>Key Accounts</b>                          |                          |                  |                  |               |               |              |
| <i>Moscow and St. Petersburg</i>             | 271,984                  | 188,054          | 185,258          | 44.6%         | 46.8%         | 21.2%        |
| <i>Other regions of Russia</i>               | 94,686                   | 67,141           | 58,993           | 41.0%         | 60.5%         | 26.7%        |
| <b>Key Accounts, total</b>                   | <b>178,487</b>           | <b>124,756</b>   | <b>123,227</b>   | <b>43.1%</b>  | <b>44.8%</b>  | <b>20.4%</b> |
| <b>Small and Medium Accounts</b>             |                          |                  |                  |               |               |              |
| <i>Moscow and St. Petersburg</i>             | 17,777                   | 13,404           | 14,018           | 32.6%         | 26.8%         | 12.6%        |
| <i>Other regions of Russia</i>               | 9,374                    | 7,089            | 6,957            | 32.2%         | 34.7%         | 16.1%        |
| <b>Small and Medium Accounts, total</b>      | <b>12,558</b>            | <b>9,767</b>     | <b>10,116</b>    | <b>28.6%</b>  | <b>24.1%</b>  | <b>11.4%</b> |
| Other segments, total                        | 24,279                   | 17,097           | 15,467           | 42.0%         | 57.0%         | 25.3%        |

### Operating costs and expenses (exclusive of depreciation and amortization)

Operating costs and expenses (exclusive of depreciation and amortization) were ₱1,838 million for the three months ended June 30, 2021, compared to ₱951 million for the three months ended June 30, 2020, representing an increase of ₱887 million, or 93.2%.

The following table sets forth operating costs and expenses (exclusive of depreciation and amortization) for the periods indicated:

| (in thousands of RUB)  | For the three months ended<br>June 30, |                  |              | For the six months ended<br>June 30, |                    |              |
|--|--|------------------|--------------|--------------------------------------|--------------------|--------------|
|  | 2021                                   | 2020             | Change       | 2021                                 | 2020               | Change       |
| Personnel expenses   | (1,053,550)                            | (540,508)        | 94.9%        | (1,899,259)                          | (1,121,745)        | 69.3%        |
| Marketing expenses   | (358,689)                              | (234,394)        | 53.0%        | (800,459)                            | (552,260)          | 44.9%        |
| <i>Other general and administrative expenses:</i>                                |  |                  |              |                                      |                    |              |
| Subcontractors and other expenses related to provision of services               | (112,161)                              | (40,648)         | 175.9%       | (162,564)                            | (77,828)           | 108.9%       |
| Office rent and maintenance  | (74,478)                               | (33,755)         | 120.6%       | (130,702)                            | (80,035)           | 63.3%        |
| Professional services  | (114,111)                              | (37,723)         | 202.5%       | (174,950)                            | (116,870)          | 49.7%        |
| Insurance expense  | (42,903)                               | (43,870)         | (2.2)%       | (88,975)                             | (87,043)           | 2.2%         |
| Hosting and other web-site maintenance   | (22,773)                               | (10,549)         | 115.9%       | (37,233)                             | (22,583)           | 64.9%        |
| Other operating expenses   | (59,195)                               | (9,618)          | 515.5%       | (112,367)                            | (31,320)           | 258.8%       |
| <b>Operating costs and expenses (exclusive of depreciation and amortization)</b> | <b>(1,837,860)</b>                     | <b>(951,065)</b> | <b>93.2%</b> | <b>(3,406,509)</b>                   | <b>(2,089,684)</b> | <b>63.0%</b> |

The following table sets forth operating costs and expenses (exclusive of depreciation and amortization) as percentage of revenue for the periods indicated:

|  | For the three months ended<br>June 30, |              |                | For the six months ended<br>June 30, |              |               |
|--|--|--------------|----------------|--------------------------------------|--------------|---------------|
|  | 2021                                   | 2020         | Change         | 2021                                 | 2020         | Change        |
| Personnel expenses   | 26.9%                                  | 35.2%        | (8.3)%         | 28.1%                                | 31.8%        | (3.7)%        |
| Marketing expenses   | 9.2%                                   | 15.3%        | (6.1)%         | 11.9%                                | 15.7%        | (3.8)%        |
| <i>Other general and administrative expenses:</i>                                |  |              |                |                                      |              |               |
| Subcontractors and other expenses related to provision of services               | 2.9%                                   | 2.7%         | 0.2%           | 2.4%                                 | 2.2%         | 0.2%          |
| Office rent and maintenance  | 1.9%                                   | 2.2%         | (0.3)%         | 1.9%                                 | 2.3%         | (0.3)%        |
| Professional services  | 2.9%                                   | 2.5%         | 0.5%           | 2.6%                                 | 3.3%         | (0.7)%        |
| Insurance expense  | 1.1%                                   | 2.9%         | (1.8)%         | 1.3%                                 | 2.5%         | (1.2)%        |
| Hosting and other web-site maintenance   | 0.6%                                   | 0.7%         | (0.1)%         | 0.6%                                 | 0.6%         | (0.1)%        |
| Other operating expenses   | 1.5%                                   | 0.6%         | 0.9%           | 1.7%                                 | 0.9%         | 0.8%          |
| <b>Operating costs and expenses (exclusive of depreciation and amortization)</b> | <b>47.0%</b>                           | <b>62.0%</b> | <b>(15.0)%</b> | <b>50.4%</b>                         | <b>59.3%</b> | <b>(8.8)%</b> |

### *Personnel expenses*

Personnel expenses for the three months ended June 30, 2021 increased by ₱513 million, or 94.9%, compared to the three months ended June 30, 2020 primarily due to: (i) addition of personnel expenses of Zarplata.ru and Skillaz; (ii) low base effect, including our cost savings initiatives in the second quarter of 2020 not occurring in the second quarter of 2021, and our sales team bonuses reaching bottom-end in the second quarter of 2020 on the back of significant underperformance in revenue relative to sales teams' targets, and top-end in the second quarter of 2021 on the back of significant overperformance relative to the targets; (iii) the increase in headcount by 120 people (not including increase in personnel headcount due to acquisition of Zarplata.ru and Skillaz) from June 30, 2020 to June 30, 2021, primarily in our development, sales and support teams; and (iv) SPO-related and acquisitions-related bonuses in the second quarter of 2021 not occurring in the second quarter of 2020.

Personnel expenses as a percentage of revenue decreased from 35.2% in the second quarter of 2020 to 26.9% in the second quarter of 2021 on the back of the increase in revenue.

Personnel expenses (excluding share-based compensations and other items) as a percentage of revenue decreased from 31.4% in the second quarter of 2020 to 23.1% in the second quarter of 2021 on the back of the increase in revenue. See "Use of Non-IFRS Financial Measures" elsewhere in this release for a reconciliation of personnel expenses (excluding share-based compensations and other items) from the nearest IFRS measure.

Our headcount has increased to 1,280 people as of June 30, 2021 from 832 people as of December 31, 2020, mostly due to addition Zarplata.ru and Skillaz personnel.

### *Marketing expenses*

Marketing expenses increased by ₱124 million, or 53.0%, for the three months ended June 30, 2021 compared to the three months ended June 30, 2020 primarily due to increase in marketing expense in our "Russia (hh.ru)" segment across various channels in line with our marketing strategy, as well as due to addition of marketing expenses of Zarplata.ru.

Marketing expenses as a percentage of revenue decreased from 15.3% in the second quarter 2020 to 9.2% in the second quarter 2021, on the back of the increase in revenue.

### *Other general and administrative expenses*

Total other general and administrative expenses increased by ₱249 million, or 141.6%, primarily due to: (i) the addition of Zarplata.ru and Skillaz other general and administrative expenses; (ii) low base effect, including out cost savings in the second quarter of 2020 not occurring in the second quarter of 2021 and an increase in subcontractor costs in our "Russia (hh.ru)" segment on the back of the increase in revenue from other value-added services; and (iii) SPO-related costs in the second quarter 2021 not occurring in the second quarter of 2020.

Total other general and administrative expenses as a percentage of revenue have decreased to 10.9% in the second quarter 2021 from 11.5% in the second quarter 2020, on the back of the increase in revenue.

Total other general and administrative expenses (excluding items unrelated to our core business activities) as a percentage of revenue were 9.9% in the second quarter of 2021, flat compared to 10.0% in the second quarter of 2020, as the increase in revenue was offset by increase in expenses for the reasons described above. See "Use of Non-IFRS Financial Measures" elsewhere in this release for a reconciliation of other general and administrative expenses (excluding items unrelated to our core business activities) from the nearest IFRS measure.

### **Net foreign exchange gain**

Net foreign exchange gain was ₱9 million for the three months ended June 30, 2021, compared to a ₱19 million for the three months ended June 30, 2020.

## Depreciation and amortization

Depreciation and amortization were ₱289 million for the three months ended June 30, 2021, compared to ₱184 million for the three months ended June 30, 2020. The increase by 57.3% or ₱105 million mainly relates to amortization of intangible assets of Zarplata.ru and Skillaz measured at fair values on acquisition.

## Finance income and costs

Finance income was ₱43 million for the three months ended June 30, 2021 compared to ₱9 million for the three months ended June 30, 2020, primarily due to an increase in interest income on cash deposits.

Finance costs were ₱157 million for the three months ended June 30, 2021, compared to ₱109 million for the three months ended June 30, 2020. The increase of ₱49 million was primarily due to ₱64 million interest accrued on non-convertible bonds issued in the fourth quarter 2020 to finance Zarplata.ru acquisition, partly offset by a decrease in interest accrued on the bank loan due to a decrease in the key rate of the Central Bank of Russia.

## Income tax expense

Income tax expense increased to ₱414 million for the three months ended June 30, 2021 from ₱75 million for the three months ended June 30, 2020, following an increase in revenue resulting in an increase in taxable income.

The effective tax rate was 24.5% for the three months ended June 30, 2021, which is relatively flat compared to 23.9% for the three months ended June 30, 2020.

## Net income, Adjusted EBITDA and Adjusted Net Income

In the three months ended June 30, 2021 compared to the three months ended June 30, 2020, our net income has increased by 435.1% to ₱1,279 million, our Adjusted EBITDA has increased by 239.9% to ₱2,264 million, and our Adjusted Net Income has increased by 347.1% to ₱1,603 million, primarily due to the reasons described above.

## Cash Flows

The following table sets forth the summary cash flow statements for the periods indicated:

(in thousands of RUB)

|  | For the six months ended June 30, |                  |                  |
|--|-----------------------------------|------------------|------------------|
|  | 2021                              | 2020             | Change           |
| Net cash generated from operating activities     | 3,574,071                         | 1,046,862        | 2,527,208        |
| Net cash used in investing activities            | (999,167)                         | (130,699)        | (868,468)        |
| Net cash used in financing activities            | (462,899)                         | (631,369)        | 168,470          |
| <b>Net increase in cash and cash equivalents</b> | <b>2,112,005</b>                  | <b>284,794</b>   | <b>1,827,210</b> |
| Cash and cash equivalents, beginning of period   | 3,367,610                         | 2,089,215        | 1,278,395        |
| Effect of exchange rate changes on cash          | (26,911)                          | 51,913           | (78,823)         |
| <b>Cash and cash equivalents, end of period</b>  | <b>5,452,704</b>                  | <b>2,425,922</b> | <b>3,026,782</b> |

### *Net cash generated from operating activities*

For the six months ended June 30, 2021, net cash generated from operating activities was ₱3,574 million, compared to ₱1,046 million generated for the six months ended June 30, 2020. The change between the periods of ₱2,527 million was primarily driven by: (i) an increase in net income (adjusted for non-cash items and items not affecting cash flow from operating activities), and (ii) an increase in contract liabilities due an increase in advances received from customers.

### *Net cash used in investing activities*

For the six months ended June 30, 2021, net cash used in investing activities was ₱999 million compared to ₱131 million for the six months ended June 30, 2020. The change between the periods of ₱868 million was mainly due to: (i) ₱556 million (net of cash acquired) paid for acquisition of 40.01% stake in Skillaz in

the second quarter of 2021; (ii) P234 million deferred consideration paid in the first quarter of 2021 for acquisition of Zarplata.ru; (iii) P61 million paid in the second quarter of 2021 for acquisition of 25% in the charter capital of Dream Job LLC (Russia); and (iv) issue of a loan to a third party in May 2021 in the amount of P74 million on market conditions.

#### *Net cash used in financing activities*

For the six months ended June 30, 2021, net cash used in financing activities was P463 million compared to P631 million for the six months ended June 30, 2020. The change between the periods of P168 million was primarily due to the decrease in bank and other loans repaid due to the change in our bank loan amortization schedule in 2020, which was partly offset by the increase of dividends paid to non-controlling interest by P40 million.

#### **Capital Expenditures**

Our additions to property and equipment and intangible assets for the six months ended June 30, 2021 were P699 million compared to P143 million for the six months ended June 30, 2020, representing an increase of P556 million primarily due to acquisition of intangible assets relating to Skillaz in the amount of P552 million.

#### **Dividend**

In July 2021 we have settled the previously announced dividend for the year ended December 31, 2020 of \$0.55 per share representing approximately 75% of our Adjusted Net Income for the year ended December 31, 2020.

#### **2021 RSU Plan**

On July 30, 2021, we established a new HeadHunter Group PLC 2021 Restricted Stock Units Plan (the "2021 RSU Plan") to provide a more straight-forward, predictable, and competitive long-term motivation model to our key talent. Prior to this, our management incentive program has included the 2016 Unit Option Plan (the "2016 Plan"), which is focused mostly on our top management level, , as well as the 2018 Unit Option Plan (the "2018 Plan"). There are no awards remaining for granting under the 2016 Plan and awards outstanding under the 2016 Plan have vesting dates through May 2023. In connection with the establishment of the 2021 RSU Plan, our Board of Directors determined that certain awards previously granted under the 2018 Plan shall be replaced with awards under the 2021 RSU Plan.

Under the 2021 RSU Plan, the Company shall issue restricted stock units ("RSUs") carrying the right to receive either ordinary shares or ADSs representing such ordinary shares. The maximum number of shares provided under the 2021 RSU Plan is 6% of the fully diluted aggregate number of ordinary shares issued and outstanding from time to time. Awards under the 2021 RSU Plan are expected to be granted in tranches during the 4-year period expiring August 1, 2025. Each grant will be subject to approval by our Board of Directors upon the recommendation of our management and the Compensation Committee, based on certain selection criteria. RSUs granted under the 2021 RSU Plan vest over 4-year period commencing on the grant date, with the first vesting occurring on the first anniversary of the grant date. The 2021 RSU Plan will reward, among others, our key talent in development, product, sales and marketing teams.

We plan to fund the 2021 RSU Plan through a combination of a buy-back program, as was recently approved by our shareholders, and new share issuance and allotment.

The establishment of the 2021 RSU Plan had no impact on our financial results for the second quarter of 2021.

#### **Financial Outlook**

The following forward-looking statement reflects our expectations as of August 16, 2021:

We currently expect our revenue to grow in the range of 63% to 68% in year 2021 year-over-year compared to the year 2020.

This outlook reflects our current view, based on the trends that we see at this time, and may change considering market, economic and social developments in jurisdictions in which we operate.

### **Second Quarter 2021 Financial Results Conference Call**

HeadHunter will host a conference call and webcast to discuss its results at 9:00 a.m. U.S. Eastern Time (4:00 p.m. Moscow time, 2:00 p.m. London time) the same day.

We recommend to use the dial-in option only if you would like to ask questions. In this case please dial in at least 15 minutes prior to the call start time and clearly state the requested information. For listen only mode, please use the webcast link. The earnings release can be accessed through our website at <https://investor.hh.ru/>. Following the call, a replay will be available on our website.

### **To participate in the conference call, please use the following details:**

|                                 |                     |
|---------------------------------|---------------------|
| Standard International:         | +44 (0) 2071 928338 |
| UK (local):                     | +44 (0) 8444 819752 |
| UK (toll free):                 | 0800 279 6619       |
| USA (local):                    | +1 646 741 3167     |
| USA (toll free):                | +1 877 870 9135     |
| Russian Federation (local):     | +7 495 249 9851     |
| Russian Federation (toll free): | 810 800 2114 4011   |
| Conference ID:                  | <b>5579793</b>      |

### **Webcast:**

<https://edge.media-server.com/mmc/p/spm5gzm3>

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### **About HeadHunter Group PLC**

HeadHunter is the leading online recruitment platform in Russia and the Commonwealth of Independent States focused on providing comprehensive talent acquisition services, such as access to extensive CV database, job postings (jobs classifieds platform) and a portfolio of value-added services.

## USE OF NON-IFRS FINANCIAL MEASURES

To supplement our consolidated financial statements, which is prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), we present the following non-IFRS<sup>1</sup> financial measures: Adjusted EBITDA, Adjusted Net Income, Adjusted EBITDA Margin, Adjusted Net Income Margin, Adjusted Operating Costs and Expenses (Exclusive of Depreciation and Amortization), Net Working Capital, Net Debt and Net Debt to Adjusted EBITDA Ratio. The presentation of these financial measures is not intended to be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with IFRS. For more information on these non-IFRS financial measures, please see the tables captioned “Reconciliations of non-IFRS financial measures from the nearest comparable IFRS measures”, included following the accompanying financial tables. We define the various non-IFRS financial measures we use as follows:

- “Adjusted EBITDA” as net income/(loss) plus: (1) income tax expense; (2) net interest costs; (3) depreciation and amortization; (4) expenses related to equity-settled awards, including related social taxes; (5) secondary public offering (“SPO”) related costs; (6) transaction costs related to business combinations; (7) insurance expenses related to IPO; (8) (income) from the depositary; (9) net foreign exchange loss gain; (10) (Gain) on remeasurement of previously held interest in equity-accounted investees; (11) net (gain)/loss on financial assets measured at fair value through profit and loss; (12) share of (profit)/loss of equity-accounted investees.
- “Adjusted Net Income” as net income/(loss) plus: (1) ) expenses related to equity-settled awards, including related social taxes; (2) secondary public offering (“SPO”) related costs; (3) transaction costs related to business combinations; (4) insurance expenses related to IPO; (5) (income) from the depositary; (6) net foreign exchange gain; (7) (gain) on remeasurement of previously held interest in equity-accounted investees; (8) net (gain)/loss on financial assets measured at fair value through profit and loss; (9) share of (profit)/loss of equity-accounted investees; (10) amortization of intangible assets recognized in business combinations; (11) tax effect on adjustments.
- “Adjusted EBITDA Margin” as Adjusted EBITDA divided by revenue.
- “Adjusted Net Income Margin” as Adjusted Net Income divided by revenue.
- “Adjusted Operating Costs and Expenses (Exclusive of Depreciation and Amortization)” as operating costs and expenses (exclusive of depreciation and amortization) plus: (1) expenses related to equity-settled awards, including related social taxes; (2) insurance expenses related to IPO; (3) transaction costs related to business combinations; (4) secondary public offering (“SPO”) related costs.
- “Net Working Capital” calculated as a sum of: (1) Trade and other receivables and (2) Prepaid expenses and other current assets; less a sum of: (1) Contract liabilities (current); (2) Trade and other payables (current) and (3) Other current liabilities.
- “Net Debt” calculated as a sum of current and non-current part of Loans and borrowings minus Cash and cash equivalents.
- “Net Debt to Adjusted EBITDA Ratio” calculated by dividing Net Debt by Adjusted EBITDA.

Adjusted EBITDA, Adjusted Net Income, Adjusted EBITDA Margin, Adjusted Net Income Margin and Adjusted Operating Costs and Expenses (Exclusive of Depreciation and Amortization) are used by our management to monitor the underlying performance of the business and its operations. Adjusted EBITDA,

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<sup>1</sup> Denotes International Financial Reporting Standards as issued by the International Accounting Standards Board (“IASB”).

Adjusted Net Income, Adjusted EBITDA Margin, Adjusted Net Income Margin and Adjusted Operating Costs and Expenses (Exclusive of Depreciation and Amortization) are used by different companies for differing purposes and are often calculated in ways that reflect the circumstances of those companies. You should exercise caution in comparing Adjusted EBITDA, Adjusted Net Income, Adjusted EBITDA Margin, Adjusted Net Income Margin and Adjusted Operating Costs and Expenses (Exclusive of Depreciation and Amortization) as reported by us to Adjusted EBITDA, Adjusted Net Income, Adjusted EBITDA Margin, Adjusted Net Income Margin and Adjusted Operating Costs and Expenses (Exclusive of Depreciation and Amortization) as reported by other companies. Adjusted EBITDA, Adjusted Net Income, Adjusted EBITDA Margin, Adjusted Net Income Margin and Adjusted Operating Costs and Expenses (Exclusive of Depreciation and Amortization) are unaudited and have not been prepared in accordance with IFRS or any other generally accepted accounting principles.

Adjusted EBITDA, Adjusted Net Income, Adjusted EBITDA Margin, Adjusted Net Income Margin and Adjusted Operating Costs and Expenses (Exclusive of Depreciation and Amortization) are not measurements of performance under IFRS or any other generally accepted accounting principles, and you should not consider Adjusted EBITDA, Adjusted Net Income, Adjusted EBITDA Margin, Adjusted Net Income Margin and Adjusted Operating Costs and Expenses (Exclusive of Depreciation and Amortization) as alternatives to net income, operating profit or other financial measures determined in accordance with IFRS or other generally accepted accounting principles. Adjusted EBITDA, Adjusted Net Income, Adjusted EBITDA Margin, Adjusted Net Income Margin and Adjusted Operating Costs and Expenses (Exclusive of Depreciation and Amortization) have limitations as analytical tools, and you should not consider them in isolation. Some of these limitations are:

- Adjusted EBITDA, Adjusted Net Income, Adjusted EBITDA Margin, Adjusted Net Income Margin and Adjusted Operating Costs and Expenses (Exclusive of Depreciation and Amortization) do not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments,
- Adjusted EBITDA, Adjusted Net Income, Adjusted EBITDA Margin, Adjusted Net Income Margin and Adjusted Operating Costs and Expenses (Exclusive of Depreciation and Amortization) do not reflect changes in, or cash requirements for, our working capital needs, and
- the fact that other companies in our industry may calculate Adjusted EBITDA, Adjusted Net Income, Adjusted EBITDA Margin, Adjusted Net Income Margin and Adjusted Operating Costs and Expenses (Exclusive of Depreciation and Amortization) differently than we do, which limits their usefulness as comparative measures.

The tables at the end of this release provide detailed reconciliations of each non-IFRS financial measure we use from the most directly comparable IFRS financial measure.

We provide earnings guidance on a non-IFRS basis and do not provide earnings guidance on an IFRS basis. A reconciliation of our Adjusted EBITDA Margin guidance to the most directly comparable IFRS financial measure cannot be provided without unreasonable efforts and is not provided herein because of the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliations, including depreciation and amortization, expenses related to equity-settled awards and the other adjustments reflected in our reconciliation of historical non-IFRS financial measures, the amounts of which, could be material.

#### *Adjusted Operating Costs and Expenses (Exclusive of Depreciation and Amortization)*

Adjusted Operating Costs and Expenses (Exclusive of Depreciation and Amortization) is a financial measure not defined under IFRS. We believe that Adjusted Operating Costs and Expenses (Exclusive of Depreciation and Amortization) is a useful metric to assess our operating activities. We excluded expenses incurred in connection with potential financing and strategic transactions, including IPO and SPO- related expenses that are not indicative of our ongoing expenses. We also excluded equity-settled awards as these are non-cash expenses and highly dependent on our share price at the time of equity award grants. Therefore, we believe that it is useful for investors and analysts to see operating costs and expenses financial measures excluding the impact of these charges in order to obtain a clearer picture of our operating



activity. Other companies in our industry may calculate these measures differently than we do, limiting their usefulness as comparative measures. See the tables at the end of this release providing the calculation of Adjusted Operating Costs and Expenses (Exclusive of Depreciation and Amortization).

*Net Working Capital*

Net Working Capital is a financial measure not defined under IFRS. We believe that Net Working Capital is a useful metric to assess our ability to service debt, fund new investment opportunities, distribute dividends to our shareholders and assess our working capital requirements. Other companies in our industry may calculate these measures differently than we do, limiting their usefulness as comparative measures. See the tables at the end of this release providing the calculation of Net Working Capital.

*Net Debt and Net Debt to Adjusted EBITDA Ratio*

Net Debt and Net Debt to Adjusted EBITDA Ratio are financial measures not defined under IFRS. We believe that Net Debt and Net Debt to Adjusted EBITDA Ratio are important measures that indicate our ability to repay outstanding debt. These measures should not be considered in isolation or as a substitute for any standardized measure under IFRS. Other companies in our industry may calculate these measures differently than we do, limiting their usefulness as comparative measures. See the tables at the end of this release providing the calculation of Net Debt and discussion of Net Debt to Adjusted EBITDA Ratio.

## FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this release 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 year ending December 31, 2021, the anticipated impact of the COVID-19 pandemic on our business and results of operations, the sufficiency of our resources and our ability to finance our operations for the foreseeable future, 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 the impact of the COVID-19 pandemic, 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 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”), each of which is on file with the SEC and is available on the SEC website at [www.sec.gov](http://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 release 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 release relate only to events or information as of the date on which the statements are made in this release. 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.

## Unaudited Condensed Consolidated Interim Statement of Income and Comprehensive Income

(in thousands of RUB and USD, except per share amounts)

|   | For the three months<br>ended June 30, |                  |               | For the six months<br>ended June 30, |                  |               |
|---|--|------------------|---------------|--------------------------------------|------------------|---------------|
|   | 2021                                   | 2020             | 2021          | 2021                                 | 2020             | 2021          |
|   | RUB                                    | RUB              | USD           | RUB                                  | RUB              | USD           |
| <b>Revenue</b>  | <b>3,911,183</b>                       | <b>1,533,835</b> | <b>54,043</b> | <b>6,752,298</b>                     | <b>3,524,244</b> | <b>93,299</b> |
| Operating costs and expenses<br>(exclusive of depreciation<br>and amortization)       | (1,837,860)                            | (951,065)        | (25,395)      | (3,406,509)                          | (2,089,684)      | (47,069)      |
| Depreciation and amortization   | (289,316)                              | (183,904)        | (3,998)       | (527,289)                            | (368,310)        | (7,286)       |
| <b>Operating income</b>   | <b>1,784,007</b>                       | <b>398,866</b>   | <b>24,650</b> | <b>2,818,500</b>                     | <b>1,066,250</b> | <b>38,944</b> |
| Finance income  | 43,124                                 | 8,612            | 596           | 112,616                              | 27,770           | 1,556         |
| Finance costs   | (157,227)                              | (108,664)        | (2,172)       | (307,958)                            | (227,497)        | (4,255)       |
| Net foreign exchange gain   | 8,688                                  | 19,455           | 120           | 8,466                                | 94,768           | 117           |
| Other income  | 14,974                                 | 10,907           | 207           | 28,051                               | 20,596           | 388           |
| Share of loss of equity-<br>accounted investees<br>(net of income tax)                | (781)                                  | (15,202)         | (11)          | (5,645)                              | (24,746)         | (78)          |
| Gain on remeasurement of<br>previously held interest in<br>equity accounted investees | –                                      | –                | –             | 223,308                              | –                | 3,086         |
| <b>Profit before income tax</b>   | <b>1,692,785</b>                       | <b>313,974</b>   | <b>23,390</b> | <b>2,877,338</b>                     | <b>957,141</b>   | <b>39,757</b> |
| Income tax expense  | (414,188)                              | (75,030)         | (5,723)       | (668,395)                            | (306,459)        | (9,236)       |
| <b>Net income for the period</b>  | <b>1,278,597</b>                       | <b>238,944</b>   | <b>17,667</b> | <b>2,208,943</b>                     | <b>650,682</b>   | <b>30,522</b> |
| <i>Attributable to:</i>   |  |                  |               |                                      |                  |               |
| Owners of the Company   | 1,259,370                              | 219,285          | 17,401        | 2,158,171                            | 582,748          | 29,820        |
| Non-controlling interest  | 19,227                                 | 19,659           | 266           | 50,772                               | 67,934           | 702           |
| <b>Comprehensive (loss)/income</b>  |  |                  |               |                                      |                  |               |
| <i>Items that are or may be<br/>reclassified subsequently to<br/>profit or loss:</i>  |  |                  |               |                                      |                  |               |
| Foreign currency translation<br>differences   | (14,020)                               | (8,978)          | (194)         | (4,802)                              | 16,540           | (66)          |
| <b>Total comprehensive income,<br/>net of tax</b>                                     | <b>1,264,577</b>                       | <b>229,966</b>   | <b>17,473</b> | <b>2,204,141</b>                     | <b>667,222</b>   | <b>30,456</b> |
| <i>Attributable to:</i>   |  |                  |               |                                      |                  |               |
| Owners of the Company   | 1,246,357                              | 210,696          | 17,221        | 2,152,495                            | 596,708          | 29,742        |
| Non-controlling interest  | 18,220                                 | 19,270           | 252           | 51,646                               | 70,514           | 714           |
| <b>Earnings per share</b>   |  |                  |               |                                      |                  |               |
| Basic (in RUB per share)  | 24.95                                  | 4.37             | 0.34          | 43.06                                | 11.63            | 0.59          |
| Diluted (in RUB per share)  | 24.29                                  | 4.24             | 0.34          | 41.85                                | 11.29            | 0.58          |

## Unaudited Condensed Consolidated Interim Statement of Financial Position

As at

| (in thousands of RUB and USD)                             | June 30,          | December 31,      | June 30,       |
|---|-------------------|-------------------|----------------|
|   | 2021              | 2020              | 2021           |
|   | RUB               | RUB               | USD            |
| <b>Non-current assets</b>                                 |                   |                   |                |
| Goodwill  | 10,658,178        | 9,875,224         | 147,269        |
| Intangible assets   | 3,651,102         | 3,439,959         | 50,449         |
| Property and equipment                                    | 466,363           | 466,725           | 6,444          |
| Equity-accounted investees                                | 60,519            | 129,666           | 836            |
| Right-of-use assets                                       | 184,548           | 215,120           | 2,550          |
| Deferred tax assets                                       | 232,616           | 176,328           | 3,214          |
| Loans issued  | 74,859            | 11,541            | 1,034          |
| Other financial assets                                    | –                 | 25,491            | –              |
| Other non-current assets                                  | 26,651            | 22,176            | 368            |
| <b>Total non-current assets</b>                           | <b>15,354,836</b> | <b>14,362,230</b> | <b>212,165</b> |
| <b>Current assets</b>                                     |                   |                   |                |
| Trade and other receivables                               | 134,482           | 69,120            | 1,858          |
| Indemnification asset                                     | 180,326           | 186,473           | 2,492          |
| Prepaid expenses and other current assets                 | 115,163           | 179,118           | 1,591          |
| Loans issued (current portion)                            | 3,003             | 8,178             | 41             |
| Cash and cash equivalents                                 | 5,452,704         | 3,367,610         | 75,342         |
| <b>Total current assets</b>                               | <b>5,885,678</b>  | <b>3,810,499</b>  | <b>81,325</b>  |
| <b>Total assets</b>                                       | <b>21,240,514</b> | <b>18,172,729</b> | <b>293,490</b> |
| <b>Equity</b>   |                   |                   |                |
| Share capital   | 8,655             | 8,597             | 120            |
| Share premium   | 2,041,570         | 1,987,044         | 28,209         |
| Foreign currency translation reserve                      | (97,816)          | (92,140)          | (1,352)        |
| Retained earnings   | 1,519,316         | 1,536,137         | 20,993         |
| <b>Total equity attributable to owners of the Company</b> | <b>3,471,725</b>  | <b>3,439,638</b>  | <b>47,970</b>  |
| Non-controlling interest                                  | 112,607           | 69,104            | 1,556          |
| <b>Total equity</b>                                       | <b>3,584,332</b>  | <b>3,508,742</b>  | <b>49,526</b>  |
| <b>Non-current liabilities</b>                            |                   |                   |                |
| Loans and borrowings                                      | 7,564,116         | 7,791,326         | 104,517        |
| Lease liabilities   | 127,975           | 164,245           | 1,768          |
| Deferred tax liabilities                                  | 610,547           | 658,970           | 8,436          |
| Contract liabilities                                      | 97,129            | –                 | 1,342          |
| Trade and other payables                                  | 116,628           | 178,607           | 1,612          |
| Provisions  | 77,239            | 87,822            | 1,067          |
| Other non-current liabilities                             | 120,425           | 142,531           | 1,664          |
| <b>Total non-current liabilities</b>                      | <b>8,714,059</b>  | <b>9,023,501</b>  | <b>120,406</b> |
| <b>Current liabilities</b>                                |                   |                   |                |
| Contract liabilities                                      | 3,368,044         | 2,785,402         | 46,538         |
| Trade and other payables                                  | 1,671,891         | 1,273,089         | 23,101         |
| Loans and borrowings (current portion)                    | 480,830           | 485,100           | 6,644          |
| Lease liabilities (current portion)                       | 83,339            | 77,752            | 1,152          |
| Dividends payable   | 2,018,033         | –                 | 27,884         |
| Income tax payable  | 532,749           | 401,733           | 7,361          |
| Provisions (current portion)                              | 745,287           | 578,651           | 10,298         |
| Other current liabilities                                 | 41,952            | 38,759            | 580            |
| <b>Total current liabilities</b>                          | <b>8,942,125</b>  | <b>5,640,486</b>  | <b>123,557</b> |
| <b>Total liabilities</b>                                  | <b>17,656,184</b> | <b>14,663,987</b> | <b>243,963</b> |
| <b>Total equity and liabilities</b>                       | <b>21,240,516</b> | <b>18,172,729</b> | <b>293,490</b> |

## Unaudited Condensed Consolidated Interim Statement of Cash Flows

For the six months ended

(in thousands of RUB and USD)

|   | <u>June 30, 2021</u> | <u>June 30, 2020</u> | <u>June 30, 2021</u> |
|---|----------------------|----------------------|----------------------|
|   | <u>RUB</u>           | <u>RUB</u>           | <u>USD</u>           |
| <b>OPERATING ACTIVITIES:</b>  |                      |                      |                      |
| <b>Net income for the period</b>  | <b>2,208,943</b>     | <b>650,682</b>       | <b>30,522</b>        |
| <i>Adjusted for non-cash items and items<br/>not affecting cash flow from operating activities:</i> |                      |                      |                      |
| Depreciation and amortization   | 527,289              | 368,310              | 7,286                |
| Net finance costs   | 195,342              | 199,727              | 2,699                |
| Net foreign exchange gain   | (8,466)              | (94,768)             | (117)                |
| Gain on remeasurement of previously held interest in<br>equity accounted investees                  | (223,308)            | –                    | (3,086)              |
| Other non-cash items  | 496                  | (2,104)              | 7                    |
| Management incentive agreement, including social taxes  | 179,274              | 106,547              | 2,477                |
| Share grant to the Board of Directors   | 10,761               | 10,757               | 149                  |
| Share of loss of equity-accounted investees,<br>net of income tax                                   | 5,645                | 24,746               | 78                   |
| Income tax expense  | 668,395              | 306,459              | 9,236                |
| Change in trade receivables and other operating assets  | (475)                | 31,707               | (7)                  |
| Change in contract liabilities  | 513,533              | (14,405)             | 7,096                |
| Change in trade and other payables  | 444,479              | (154,814)            | 6,142                |
| Change in other liabilities   | (26,016)             | (17,504)             | (359)                |
| Income tax paid   | (640,343)            | (158,586)            | (8,848)              |
| Interest paid   | (281,478)            | (209,892)            | (3,889)              |
| <b>Net cash generated from operating activities</b>   | <b>3,574,071</b>     | <b>1,046,862</b>     | <b>49,385</b>        |
| <b>INVESTING ACTIVITIES:</b>  |                      |                      |                      |
| Acquisition of subsidiaries, net of cash acquired   | (790,044)            | –                    | (10,916)             |
| Acquisition of equity-accounted investee  | (61,300)             | –                    | (847)                |
| Acquisition of intangible assets  | (60,381)             | (42,223)             | (834)                |
| Acquisition of property and equipment   | (90,909)             | (103,946)            | (1,256)              |
| Loans issues  | (73,997)             | (11,541)             | (1,022)              |
| Interest received   | 77,464               | 27,011               | 1,070                |
| <b>Net cash used in investing activities</b>  | <b>(999,167)</b>     | <b>(130,699)</b>     | <b>(13,806)</b>      |
| <b>FINANCING ACTIVITIES:</b>  |                      |                      |                      |
| Other loans received  | 735                  | –                    | 10                   |
| Bank loans and other borrowings origination fees paid   | (43,615)             | –                    | (603)                |
| Bank and other loans repaid   | (273,660)            | (540,000)            | (3,781)              |
| Payment for lease liabilities   | (39,381)             | (24,394)             | (544)                |
| Dividends paid to non-controlling interest  | (106,978)            | (66,975)             | (1,478)              |
| <b>Net cash used in financing activities</b>  | <b>(462,899)</b>     | <b>(631,369)</b>     | <b>(6,396)</b>       |
| <b>Net (decrease)/increase in cash and cash equivalents</b>   | <b>2,112,005</b>     | <b>284,794</b>       | <b>29,183</b>        |
| Cash and cash equivalents, beginning of period  | 3,367,610            | 2,089,215            | 46,532               |
| Effect of exchange rate changes on cash   | (26,911)             | 51,913               | (372)                |
| <b>Cash and cash equivalents, end of period</b>   | <b>5,452,704</b>     | <b>2,425,922</b>     | <b>75,342</b>        |

## Reconciliations of non-IFRS financial measures from the nearest comparable IFRS measures

Reconciliation of EBITDA and Adjusted EBITDA from net income, the most directly comparable IFRS Financial measure:

| (in thousands of RUB)   | For the three months ended<br>June 30, |                | For the six months ended<br>June 30, |                  |
|---|--|----------------|--------------------------------------|------------------|
|   | 2021                                   | 2020           | 2021                                 | 2020             |
| <b>Net income</b>   | <b>1,278,597</b>                       | <b>238,944</b> | <b>2,208,943</b>                     | <b>650,682</b>   |
| <i>Add the effect of:</i>   |  |                |                                      |                  |
| Income tax expense  | 414,188                                | 75,030         | 668,395                              | 306,459          |
| Net interest costs  | 114,103                                | 100,052        | 229,850                              | 199,727          |
| Depreciation and amortization   | 289,316                                | 183,904        | 527,289                              | 368,310          |
| <b>EBITDA</b>   | <b>2,096,204</b>                       | <b>597,930</b> | <b>3,634,477</b>                     | <b>1,525,178</b> |
| <i>Add the effect of:</i>   |  |                |                                      |                  |
| Equity-settled awards,<br>including related social taxes <sup>(1)</sup>                           | 90,135                                 | 57,973         | 155,241                              | 110,033          |
| SPO-related costs <sup>(2)</sup>  | 76,021                                 | 7,268          | 78,121                               | 22,188           |
| Transaction costs related to business<br>combinations <sup>(3)</sup>                              | 23,090                                 | 156            | 24,644                               | 11,275           |
| Insurance cover related to IPO <sup>(4)</sup>   | –                                      | 15,939         | –                                    | 54,772           |
| Income from depository <sup>(5)</sup>   | (13,555)                               | (8,978)        | (26,016)                             | (17,504)         |
| Net foreign exchange gain <sup>(6)</sup>  | (8,688)                                | (19,455)       | (8,466)                              | (94,768)         |
| Gain on remeasurement of previously held<br>interest in equity accounted investees <sup>(7)</sup> | –                                      | –              | (223,308)                            | –                |
| Gain on financial asset measured at fair value<br>through profit or loss <sup>(8)</sup>           | –                                      | –              | (34,508)                             | –                |
| Share of loss of equity-accounted investees <sup>(9)</sup>  | 781                                    | 15,202         | 5,645                                | 24,746           |
| <b>Adjusted EBITDA</b>  | <b>2,263,988</b>                       | <b>666,035</b> | <b>3,605,830</b>                     | <b>1,635,920</b> |

- (1) Represents non-cash expenses related to equity-settled awards issued in accordance with the Management Incentive Agreement, and equity-settled share-based awards issued to board members and related social taxes, which are payable as a result of us becoming Russian tax resident in June 2019.
- (2) Reflects legal, accounting, and other professional fees incurred in connection with our secondary public offering that took place in June 2020 and July 2021.
- (3) Reflects transaction costs mostly related to the acquisition of Zarplata.ru in December 2020 and Skillaz in March 2021.
- (4) Subsequent to and in connection with the IPO, in May 2019 we purchased a one-year insurance policy for \$2.7 million, of which we allocated \$2.4 million to the cover related to our IPO, which we believe does not relate to our ordinary course of business, and \$250 thousand to directors' and officers' insurance in the ordinary course of business, based on the estimate of our insurance provider. The cost of this insurance policy is expensed over the policy term on a pro-rata time basis and thus recurs in the reporting periods during its term. We renew our D&O policy annually. Due to a decrease in IPO-related risks over time, we believe that our D&O insurance expense from the second 12-month period commenced May 9, 2020 mostly relates to our ordinary course of business.
- (5) In connection with our IPO, we have signed the Deposit Agreement, in accordance with which we shall receive income from our depository over the five-year period from the date of the IPO, provided that we meet certain covenants as specified in the Deposit Agreement. We believe that this income does not relate to our ordinary course of business.
- (6) Foreign exchange gains or losses do not relate to our operating activities.
- (7) Reflects gain on remeasurement of the previously held interest in LLC "Skillaz" at fair value as at the acquisition date as of March 31, 2021.
- (8) Represents change in fair value of the call option to purchase an additional 40.01% ownership interest in LLC Skillaz.
- (9) We believe that share of profit or loss in equity-accounted investees is not indicative of our core operating performance.

Reconciliation of Adjusted Net Income from net income, the most directly comparable IFRS Financial measure:

|   | For the three months ended<br>June 30, |                | For the six months ended<br>June 30, |                |
|---|--|----------------|--------------------------------------|----------------|
|   | 2021                                   | 2020           | 2021                                 | 2020           |
| <b>Net income</b>   | <b>1,278,597</b>                       | <b>238,944</b> | <b>2,208,943</b>                     | <b>650,682</b> |
| <i>Add the effect of:</i>   |  |                |                                      |                |
| Equity-settled awards,<br>including related social taxes <sup>(1)</sup>                           | 90,135                                 | 57,973         | 155,241                              | 110,033        |
| SPO-related costs <sup>(2)</sup>  | 76,021                                 | 7,268          | 78,121                               | 22,188         |
| Transaction costs related to business<br>combinations <sup>(3)</sup>                              | 23,090                                 | 156            | 24,644                               | 11,275         |
| Insurance cover related to IPO <sup>(4)</sup>   | –                                      | 15,939         | –                                    | 54,772         |
| Income from depository <sup>(5)</sup>   | (13,555)                               | (8,978)        | (26,016)                             | (17,504)       |
| Net foreign exchange gain <sup>(6)</sup>  | (8,688)                                | (19,455)       | (8,466)                              | (94,768)       |
| Gain on remeasurement of previously held<br>interest in equity accounted investees <sup>(7)</sup> | –                                      | –              | (223,308)                            | –              |
| Loss/(gain) on financial asset measured at fair<br>value through profit or loss <sup>(8)</sup>    | –                                      | 2,642          | (34,508)                             | 2,642          |
| Share of loss of equity-accounted investees <sup>(9)</sup>  | 781                                    | 15,202         | 5,645                                | 24,746         |
| Amortization of intangible assets recognized<br>in business combinations <sup>(10)</sup>          | 192,313                                | 103,947        | 337,002                              | 207,894        |
| Tax effect on adjustments <sup>(11)</sup>   | (35,734)                               | (55,140)       | (64,672)                             | (32,268)       |
| <b>Adjusted Net Income</b>  | <b>1,602,960</b>                       | <b>358,498</b> | <b>2,452,626</b>                     | <b>939,692</b> |

- (1) Represents non-cash expenses related to equity-settled awards issued in accordance with the Management Incentive Agreement, and equity-settled share-based awards issued to board members and related social taxes, which are payable as a result of us becoming Russian tax resident in June 2019.
- (2) Reflects legal, accounting, and other professional fees incurred in connection with our secondary public offering that took place in June 2020 and July 2021.
- (3) Reflects transaction costs mostly related to the acquisition of Zarplata.ru in December 2020 and Skillaz in March 2021.
- (4) Subsequent to and in connection with the IPO, in May 2019 we purchased a one-year insurance policy for \$2.7 million, of which we allocated \$2.4 million to the cover related to our IPO, which we believe does not relate to our ordinary course of business, and \$250 thousand to directors' and officers' insurance in the ordinary course of business, based on the estimate of our insurance provider. The cost of this insurance policy is expensed over the policy term on a pro-rata time basis and thus recurs in the reporting periods during its term. We renew our D&O policy annually. Due to a decrease in IPO-related risks over time, we believe that our D&O insurance expense from the second 12-month period commenced May 9, 2020 mostly relates to our ordinary course of business.
- (5) In connection with our IPO, we have signed the Deposit Agreement, in accordance with which we shall receive income from our depository over the five-year period from the date of the IPO, provided that we meet certain covenants as specified in the Deposit Agreement. We believe that this income does not relate to our ordinary course of business.
- (6) Foreign exchange gains or losses do not relate to our operating activities.
- (7) Reflects gain on remeasurement of the previously held interest in LLC "Skillaz" at fair value as at the acquisition date as of March 31, 2021.
- (8) Represents change in fair value of the call option to purchase an additional 40.01% ownership interest in LLC Skillaz and other movements in fair values of financial assets measured at fair value through profit and loss in 2020 that are not indicative of our underlying business performance.
- (9) We believe that share of profit or loss in equity-accounted investees is not indicative of our core operating performance.
- (10) As a result of the acquisition of 100% ownership interest in HeadHunter in 2016, acquisition of 100% ownership interest in Zarplata in 2020 and acquisition of 65.02% ownership interest of Skillaz in 2021 we recognized the following intangible assets: (i) trademark and domain names in the amount of P2,010,242 thousand, (ii) non-contractual customer relationships in the amount of P2,692,905 thousand, (iii) CV database in the amount of P720,909 thousand, (iv) website software in the amount of P587,366, and (v) other software, licenses and other in the amount of P3,550 thousand which have a useful life of 10 years, 2-10 years, 2-10 years, 3 years and 1 year, respectively.
- (11) Represents income tax on taxable or deductible adjustments.

Reconciliation of Adjusted Operating Costs and Expenses (Exclusive of Depreciation and Amortization) from operating costs and expenses (exclusive of depreciation and amortization), the most directly comparable IFRS financial measure:

|   | For the three months ended June 30, 2021 |                    |                    |                    |
|---|--|--------------------|--------------------|--------------------|
| (in thousands of RUB)   | Personnel expenses                       | Marketing expenses | Other G&A expenses | Total              |
| <b>Operating costs and expenses (exclusive of depreciation and amortization)</b>          | <b>(1,053,550)</b>                       | <b>(358,689)</b>   | <b>(425,621)</b>   | <b>(1,837,860)</b> |
| <i>Add the effect of:</i>   |  |                    |                    |                    |
| Equity-settled awards, including social tax <sup>(1)</sup>                                | 90,135                                   | –                  | –                  | <b>90,135</b>      |
| Transaction costs related to business combinations <sup>(3)</sup>                         | 23,090                                   | –                  | –                  | <b>23,090</b>      |
| SPO-related costs <sup>(4)</sup>  | 38,138                                   | –                  | 37,883             | <b>76,021</b>      |
| <b>Adjusted Operating Costs and Expenses (Exclusive of Depreciation and Amortization)</b> | <b>(902,187)</b>                         | <b>(358,689)</b>   | <b>(387,738)</b>   | <b>(1,648,614)</b> |

|   | For the three months ended June 30, 2020 |                    |                    |                  |
|---|--|--------------------|--------------------|------------------|
| (in thousands of RUB)   | Personnel expenses                       | Marketing expenses | Other G&A expenses | Total            |
| <b>Operating costs and expenses (exclusive of depreciation and amortization)</b>          | <b>(540,508)</b>                         | <b>(234,394)</b>   | <b>(176,163)</b>   | <b>(951,065)</b> |
| <i>Add the effect of:</i>   |  |                    |                    |                  |
| Equity-settled awards, including social tax <sup>(1)</sup>                                | 57,973                                   | –                  | –                  | <b>57,973</b>    |
| Insurance cover related to IPO <sup>(2)</sup>   | –  | –                  | 15,939             | <b>15,939</b>    |
| Transaction costs related to business combinations <sup>(3)</sup>                         | –  | –                  | 156                | <b>156</b>       |
| SPO-related costs <sup>(4)</sup>  | –  | –                  | 7,268              | <b>7,268</b>     |
| <b>Adjusted Operating Costs and Expenses (Exclusive of Depreciation and Amortization)</b> | <b>(482,535)</b>                         | <b>(234,394)</b>   | <b>(152,800)</b>   | <b>(869,729)</b> |

- (1) Represents non-cash expenses related to equity-settled awards issued in accordance with the Management Incentive Agreement, and equity-settled share-based awards issued to board members and related social taxes, which are payable as a result of us becoming a Russian tax resident in June 2019.
- (2) Subsequent to and in connection with the IPO, in May 2019 we purchased a one-year insurance policy for \$2.7 million, of which we allocated \$2.4 million to the cover related to our IPO, which we believe does not relate to our ordinary course of business, and \$250 thousand to directors' and officers' insurance in the ordinary course of business, based on the estimate of our insurance provider. The cost of this insurance policy is expensed over the policy term on a pro-rata time basis and thus recurs in the reporting periods during its term. We renew our D&O policy annually. Due to a decrease in IPO-related risks over time, we believe that our D&O insurance expense from the second 12-month period commenced May 9, 2020 mostly relates to our ordinary course of business.
- (3) Reflects transaction costs mostly related to the acquisition of Zarplata.ru in December 2020 and Skillaz in March 2021.
- (4) Reflects legal, accounting, and other professional fees incurred in connection with our secondary public offerings that took place in July 2020 and June 2021.

We believe that Net Working Capital is a useful metric to assess our ability to service debt, fund new investment opportunities, distribute dividends to our shareholders and assess our working capital requirements. Calculation of our Net Working Capital is presented in the table below:

| (in thousands of RUB)                     | As of<br>June 30, 2021 | As of<br>December 31, 2020 |
|---|------------------------|----------------------------|
| Trade and other receivables               | 134,482                | 69,120                     |
| Prepaid expenses and other current assets | 115,163                | 179,118                    |
| Contract liabilities                      | (3,368,044)            | (2,785,402)                |
| Trade and other payables                  | (1,671,891)            | (1,273,090)                |
| Other current liabilities                 | (41,952)               | (38,758)                   |
| <b>Net Working Capital</b>                | <b>(4,832,242)</b>     | <b>(3,849,012)</b>         |



We believe that Net Debt and Net Debt to Adjusted EBITDA Ratio are important measures that indicate our ability to repay outstanding debt. Calculation of our Net Debt is presented in the table below:

| (in thousands of RUB)                  | <u>As of<br/>June 30, 2021</u> | <u>As of<br/>December 31, 2020</u> |
|--|--------------------------------|------------------------------------|
| Loans and borrowings                   | 7,564,116                      | 7,791,326                          |
| Loans and borrowings (current portion) | 480,830                        | 485,100                            |
| Cash and cash equivalents              | <u>(5,452,704)</u>             | <u>(3,367,610)</u>                 |
| <b>Net Debt</b>                        | <b>2,592,242</b>               | <b>4,908,816</b>                   |

We calculate our Net Debt to Adjusted EBITDA Ratio by dividing Net Debt by Adjusted EBITDA:

| (in thousands of RUB, except ratio) | <u>As of June 30,<br/>2021</u> | <u>As of<br/>December 31,<br/>2020</u> |
|-------------------------------------|--------------------------------|--|
| Net Debt                            | 2,592,242                      | 4,908,816                              |
| Adjusted EBITDA                     | 6,073,624                      | 4,103,715                              |
| Net Debt to Adjusted EBITDA Ratio   | 0.4x                           | 1.2x                                   |

Calculation of Adjusted EBITDA on the last twelve months basis as of June 30, 2021:

| (in thousands of RUB)  | <u>RUB</u>              |
|--|-------------------------|
| <b>Adjusted EBITDA for the year ended December 31, 2020<sup>(1)</sup></b>  | <b>4,103,715</b>        |
| Less Adjusted EBITDA for the six months ended June 30, 2020 <sup>(1)</sup> | (1,635,920)             |
| Add Adjusted EBITDA for the six months ended June 30, 2021                 | <u>3,605,830</u>        |
| <b>Adjusted EBITDA on the last twelve months basis as of June 30, 2021</b> | <b><u>6,073,625</u></b> |

- (1) Beginning from the first quarter of 2021, we modified the presentation of Adjusted EBITDA and Adjusted Net Income, our non-IFRS measures, to exclude the impact of foreign exchange gains and losses. Prior period amounts have been reclassified to conform to this presentation. Please see "Modification of the presentation of Adjusted EBITDA and Adjusted Net Income" and "Use of Non-IFRS Financial Measures" elsewhere in this release.

Reconciliation of EBITDA and Adjusted EBITDA for the year ended December 31, 2020 from net income, the most directly comparable IFRS Financial measure:

| (in thousands of RUB)   | <b>For the year ended<br/>December 31,<br/>2020</b> |
|---|---|
| <b>Net income</b>   | <b>1,885,825</b>                                    |
| <i>Add the effect of:</i>   |   |
| Income tax expense  | 685,772   |
| Net interest costs  | 350,216   |
| Depreciation and amortization   | 750,558   |
| <b>EBITDA</b>   | <b>3,672,371</b>                                    |
| <i>Add the effect of:</i>   |   |
| Equity-settled awards,<br>including related social taxes <sup>(1)</sup> | 249,286   |
| SPO-related costs <sup>(2)</sup>  | 151,087   |
| Insurance cover related to IPO <sup>(3)</sup>                           | 54,772  |
| Income from depository <sup>(4)</sup>                                   | (41,617)  |
| Net foreign exchange gain <sup>(5)</sup>                                | (83,030)  |
| Transaction costs related to business combinations <sup>(6)</sup>       | 51,665  |
| Share of loss of equity-accounted investees <sup>(7)</sup>              | 49,181  |
| <b>Adjusted EBITDA</b>  | <b>4,103,715</b>                                    |

- (1) Represents non-cash expenses related to equity-settled awards issued in accordance with the Management Incentive Agreement, and equity-settled share-based awards issued to board members and related social taxes, which are payable as a result of us becoming Russian tax resident in June 2019.
- (2) Reflects legal, accounting, and other professional fees incurred in connection with our secondary public offering that took place in July 2020.
- (3) Subsequent to and in connection with the IPO, in May 2019 we purchased a one-year insurance policy for \$2.7 million, of which we allocated \$2.4 million to the cover related to our IPO, which we believe does not relate to our ordinary course of business, and \$250 thousand to directors' and officers' insurance in the ordinary course of business, based on the estimate of our insurance provider. The cost of this insurance policy is expensed over the policy term on a pro-rata time basis and thus recurs in the reporting periods during its term. We renew our D&O policy annually. Due to a decrease in IPO-related risks over time, we believe that our D&O insurance expense from the second 12-month period commenced May 9, 2020 mostly relates to our ordinary course of business.
- (4) In connection with our IPO, we have signed the Deposit Agreement, in accordance with which we shall receive income from our depository over the five-year period from the date of the IPO, provided that we meet certain covenants as specified in the Deposit Agreement. We believe that this income does not relate to our ordinary course of business.
- (5) Foreign exchange gains or losses do not relate to our operating activities.
- (6) Reflects transaction costs related to the acquisition of Zarplata.ru in December 2020.
- (7) We believe that share of profit or loss in equity-accounted investees is not indicative of our core operating performance.