

Q3 2021 Financial Results

Supplementary Slides

November 15, 2021



Important notice

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

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

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



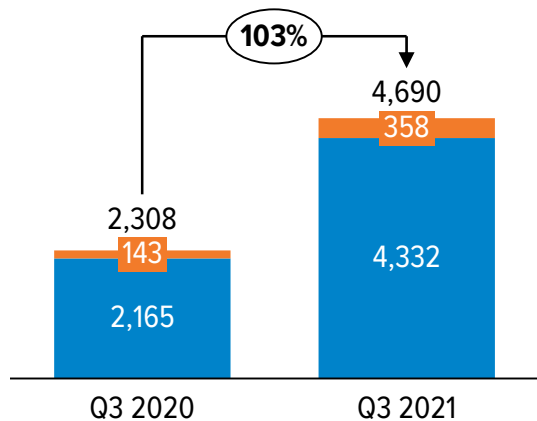
Key financial highlights in Q3 and 9M 2021

Q3 2021

9M 2021

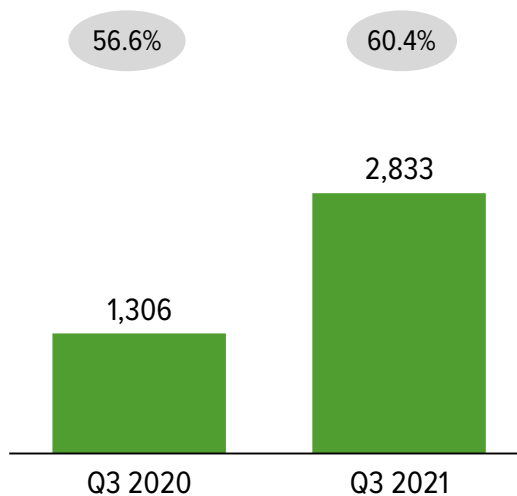
Revenue

RUB mm



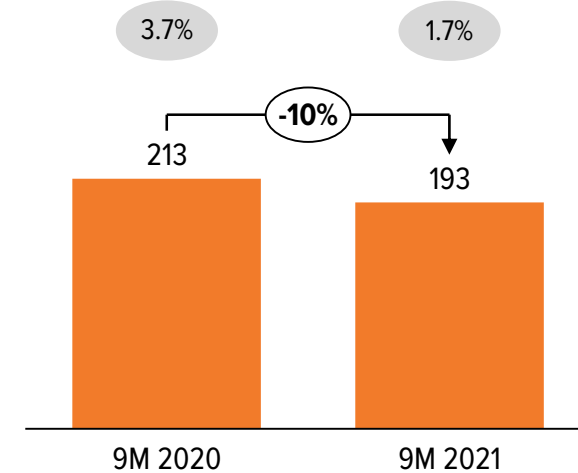
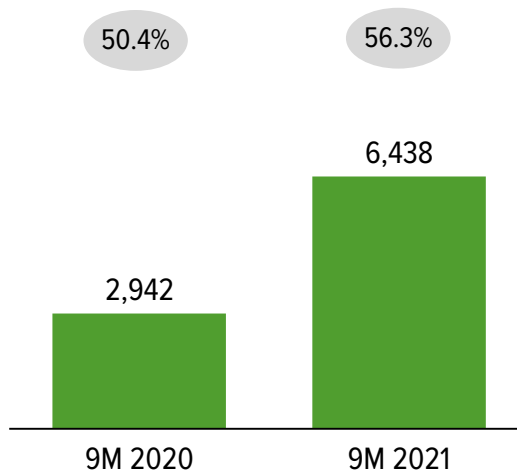
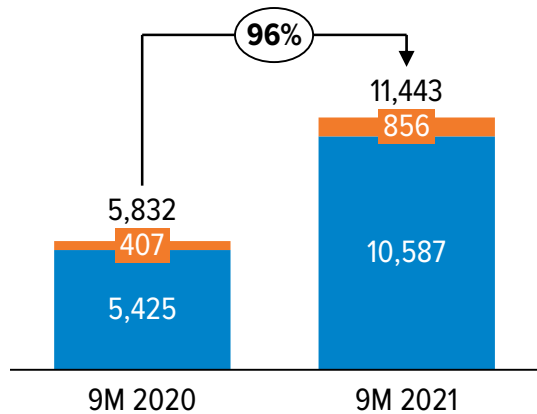
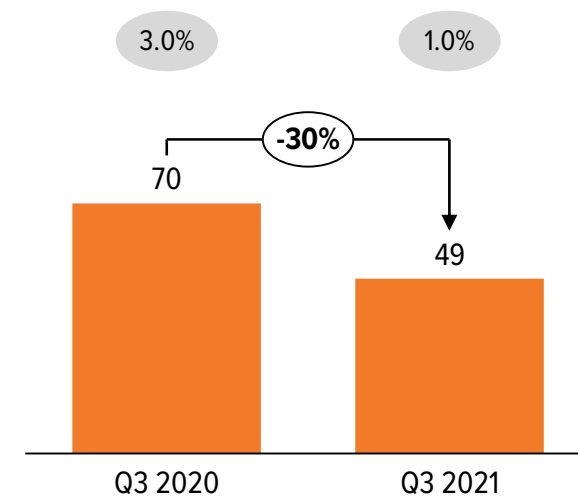
Adjusted EBITDA¹

RUB mm



CAPEX²

RUB mm



Russia Other segments

Adjusted EBITDA Margin, %

As % of Revenue, %

1) Adjusted EBITDA is non-IFRS financial measure. See the appendix of this presentation for a reconciliation of this measure to the nearest IFRS measure.

2) Capital expenditures ("CAPEX") consist of property and equipment additions, capitalized R&D and other additions of intangible assets. Excluding intangible assets identified during purchase price allocation related to Skillaz acquisition.

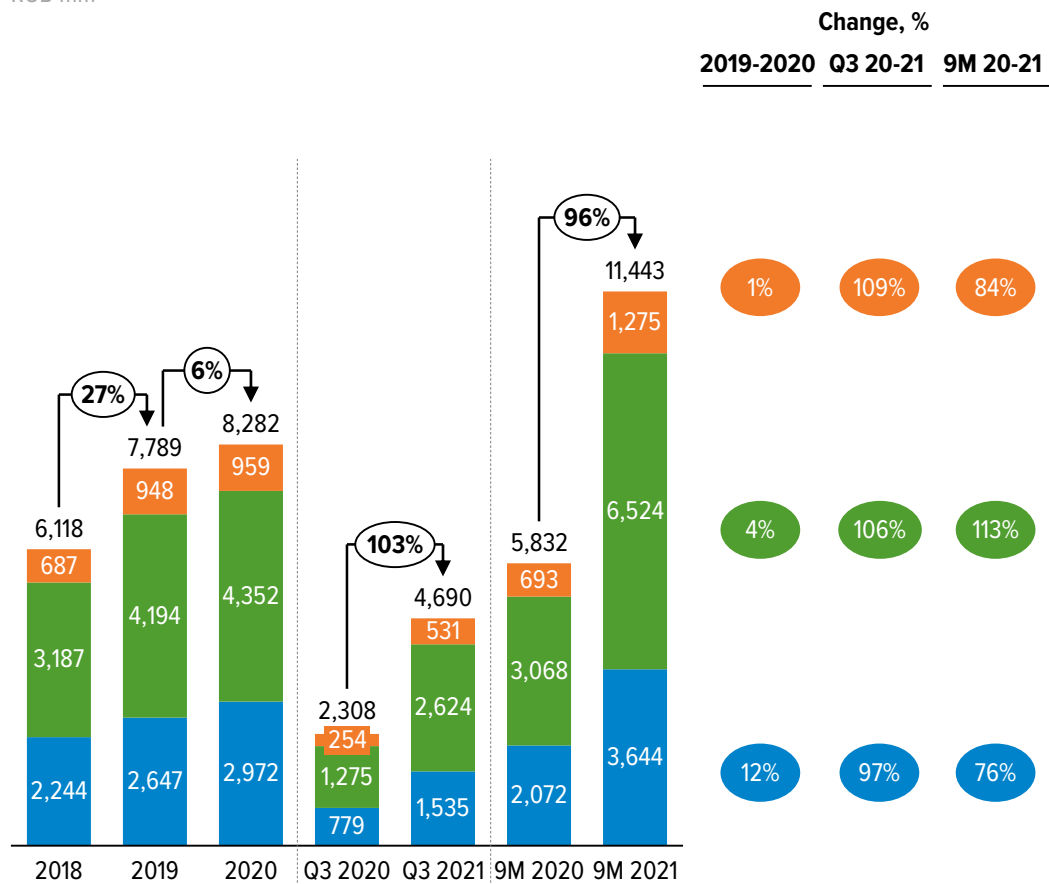


Customer base growth

Solid growth across all client categories

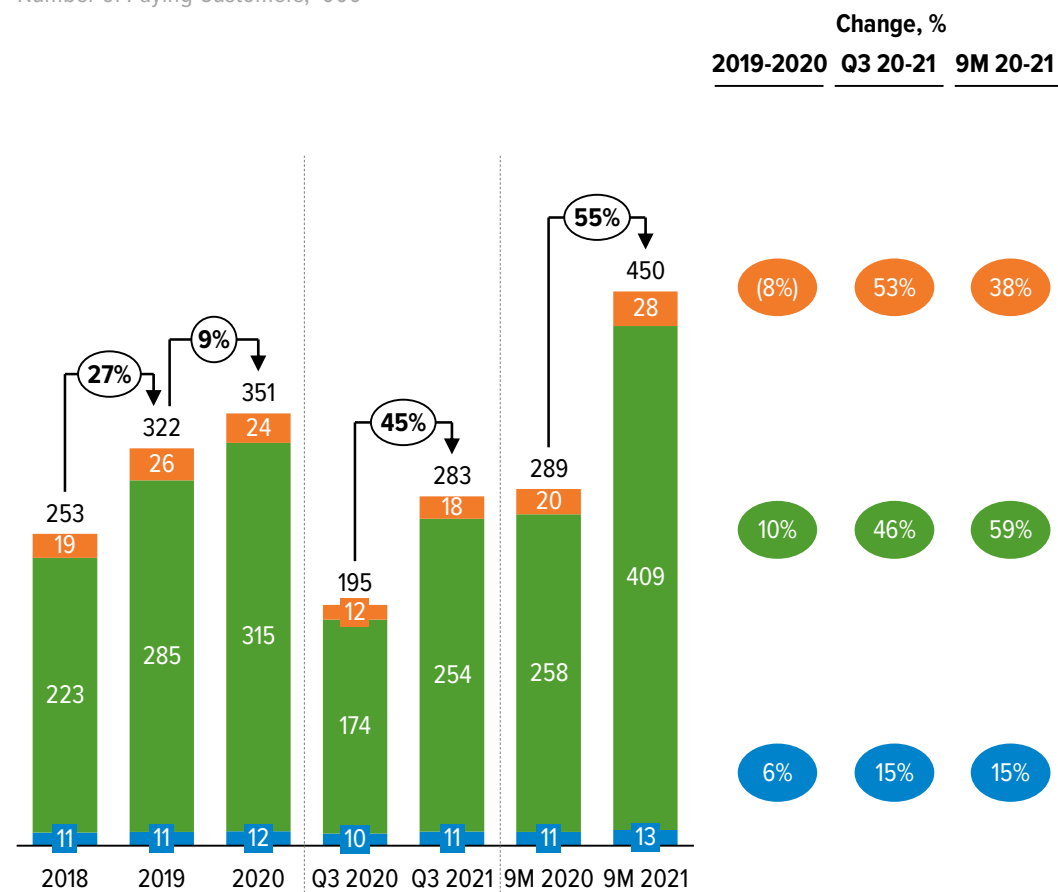
Revenue by Type of Customer

RUB mm



Customer Base by Type of Customer

Number of Paying Customers, '000



Key Accounts Small & Medium Accounts Other¹

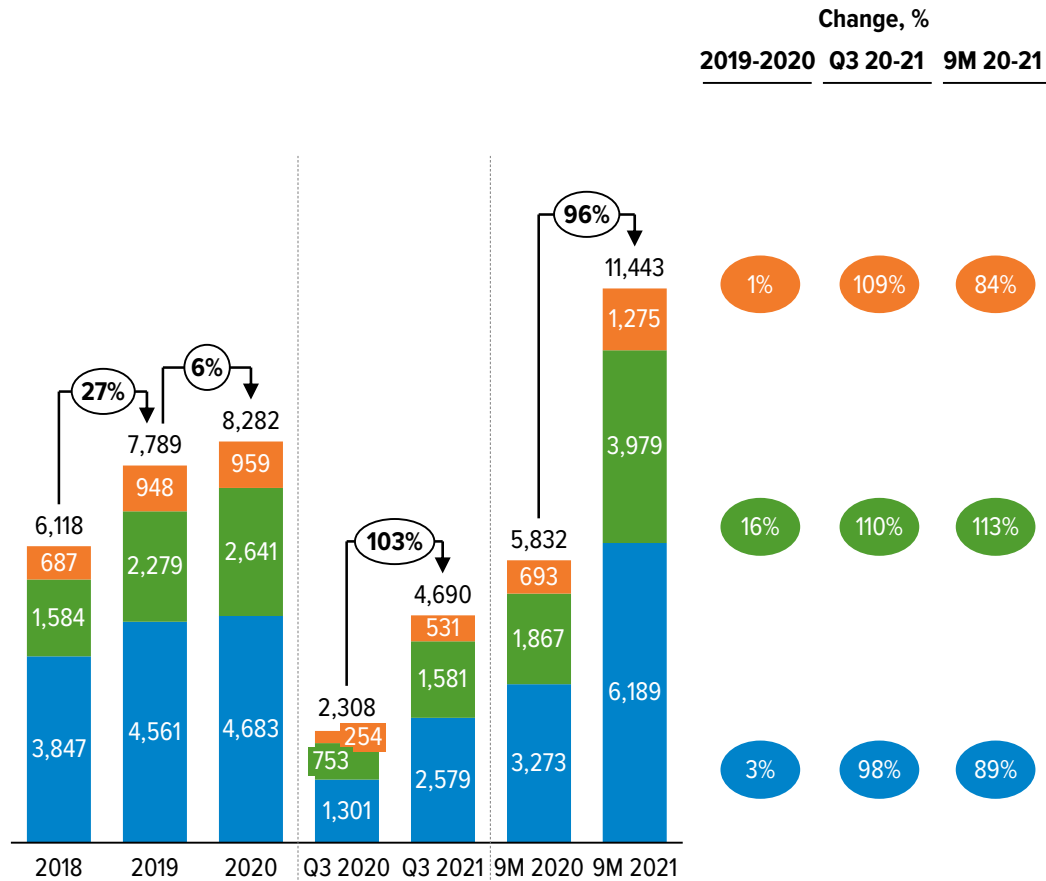
¹⁾ Other includes foreign customers in Russia, other customers and other segments

Customer base growth (cont'd)

Solid growth across all geographies

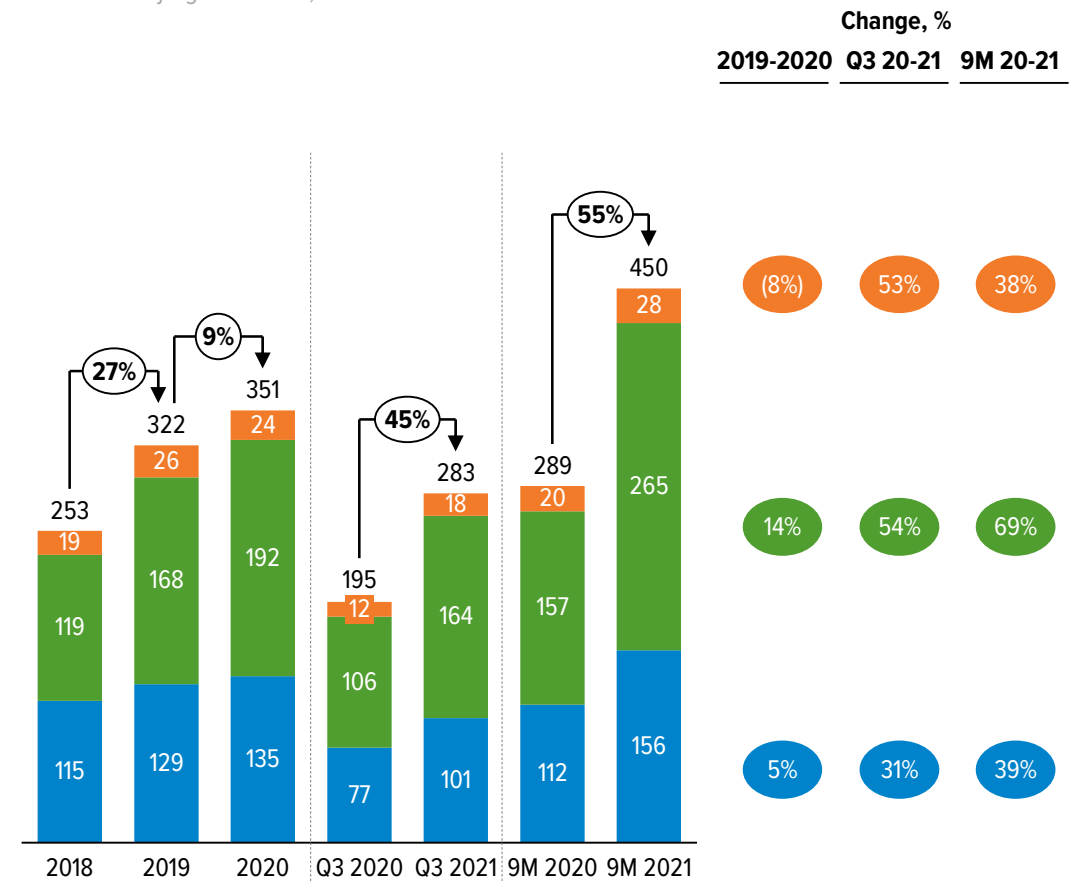
Revenue by Geography

RUB mm



Customer Base by Geography

Number of Paying Customers, '000



■ Moscow & St. Petersburg ■ Other Regions of Russia ■ Other ¹

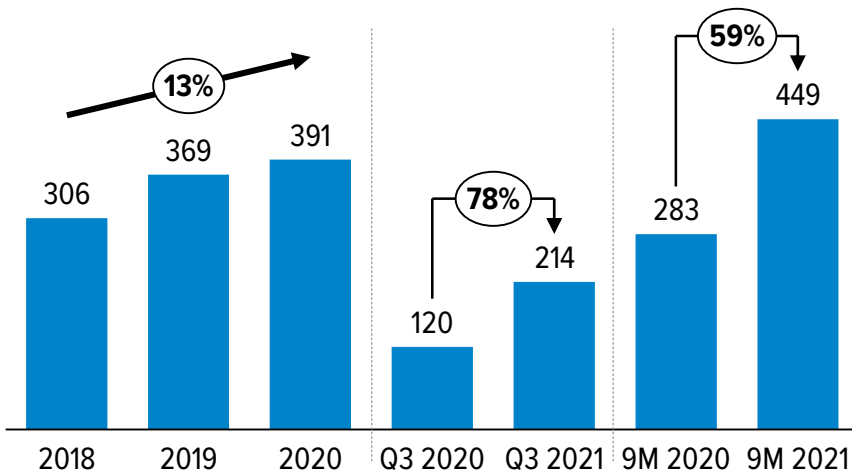
1) Other includes foreign customers in Russia, other customers and other segments



ARPC development

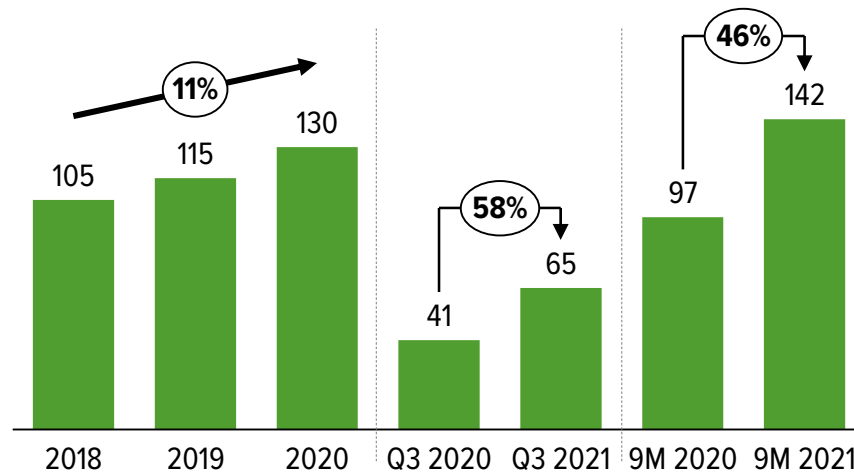
Moscow & St. Petersburg

RUB'000



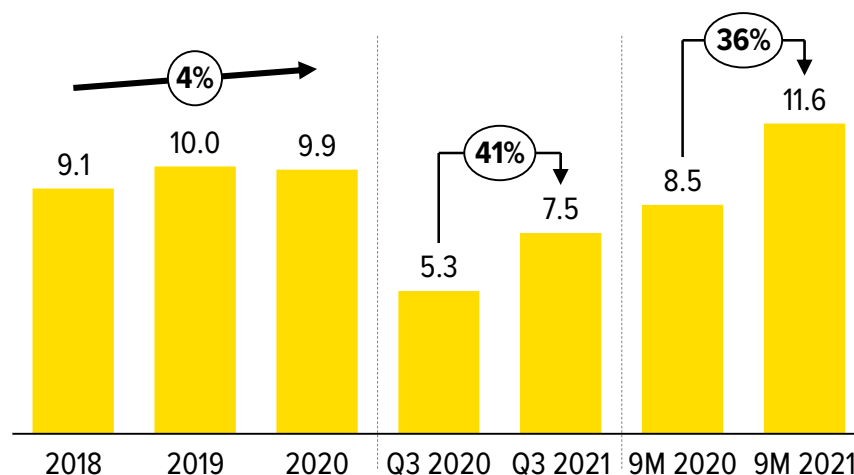
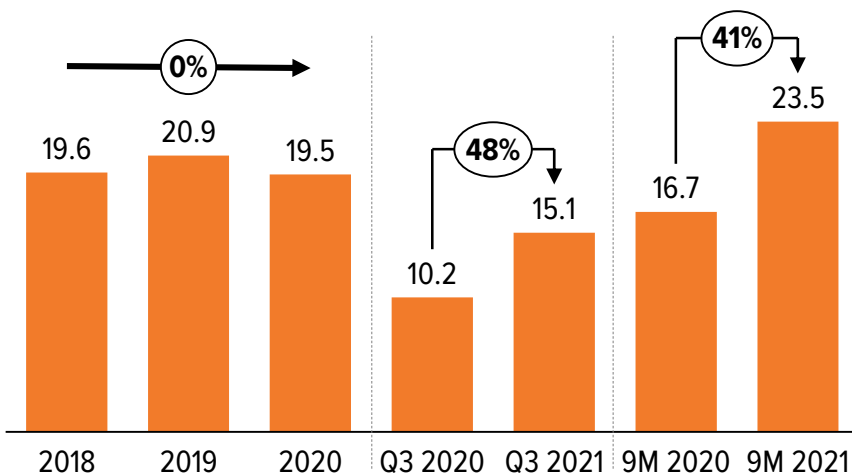
Russian regions

RUB'000



Key Accounts ARPC

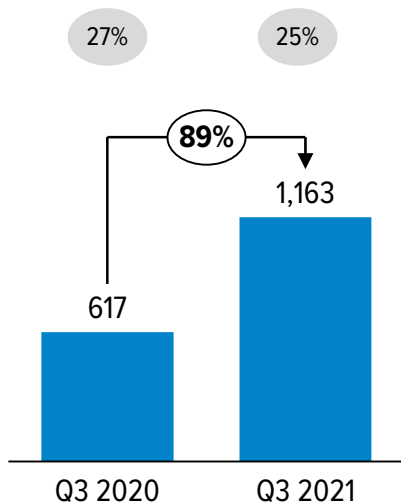
Small and Medium Accounts ARPC



Revenue by product type

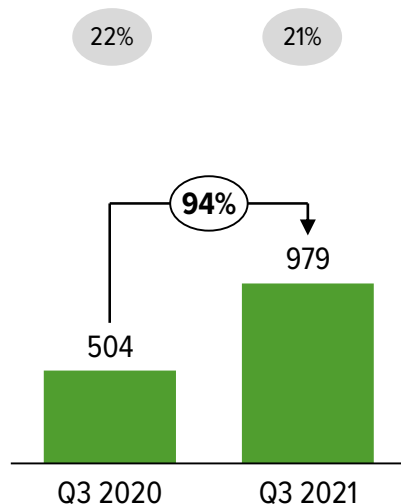
Bundled Subscriptions

RUB mm



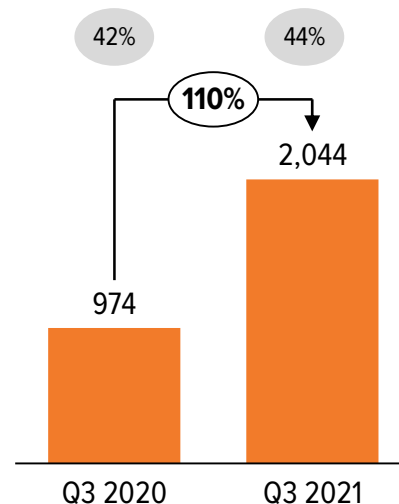
CV Database Access

RUB mm



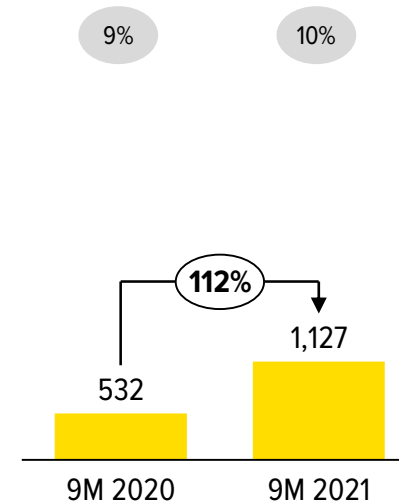
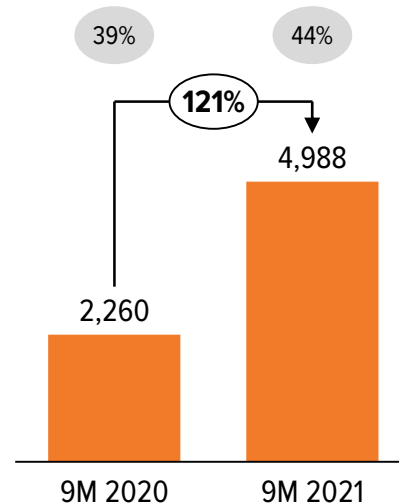
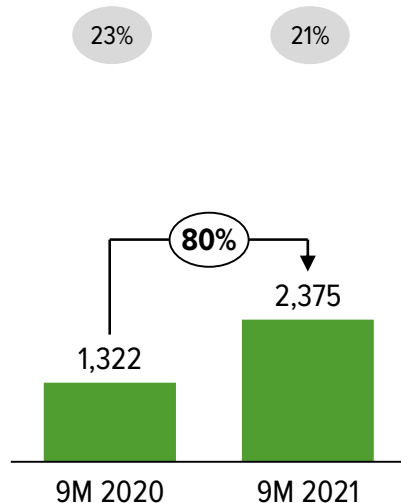
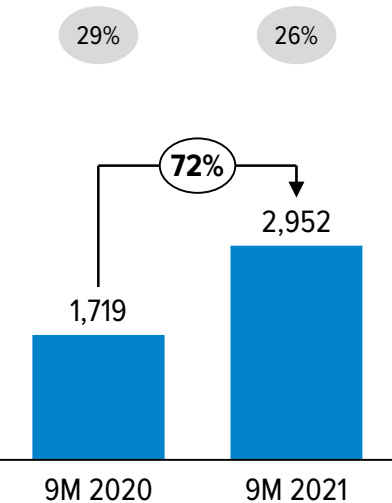
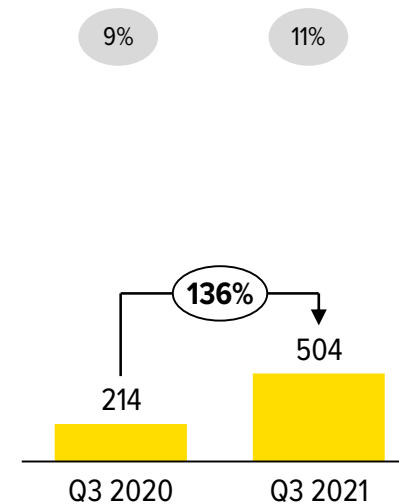
Job Postings

RUB mm



Other VAS

RUB mm



Share in revenue, %



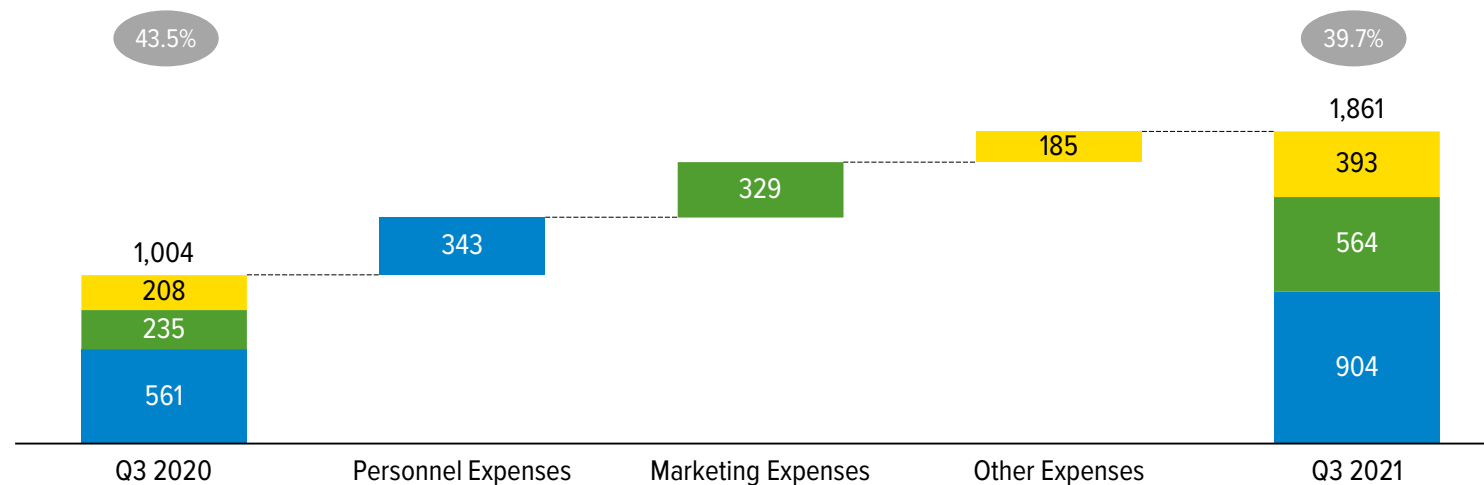
Operating costs

Operating Expenses Dynamics¹

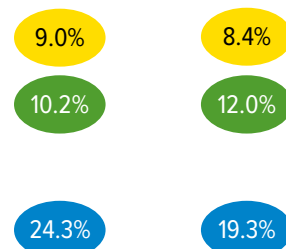
RUB mm

As % of Revenue

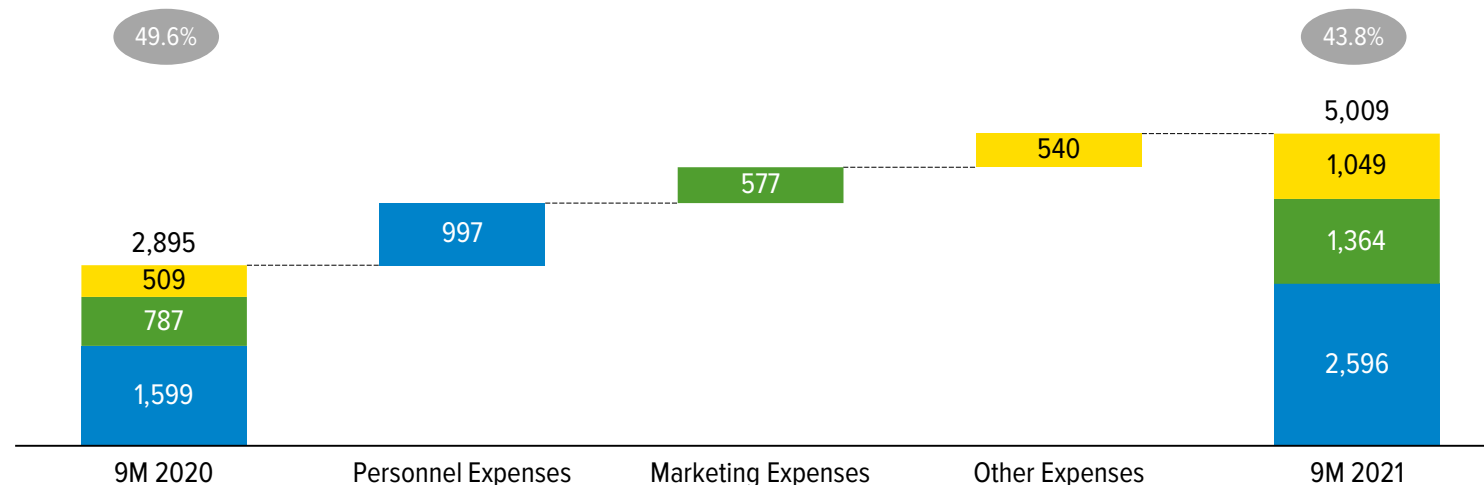
Q3 2021



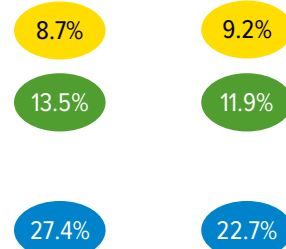
Q3 2020 Q3 2021



9M 2021



9M 2020 9M 2021



■ Personnel Expenses
 ■ Marketing Expenses
 ■ Other Expenses²
 Operating Expenses excl. one-offs³ as % of Revenue



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

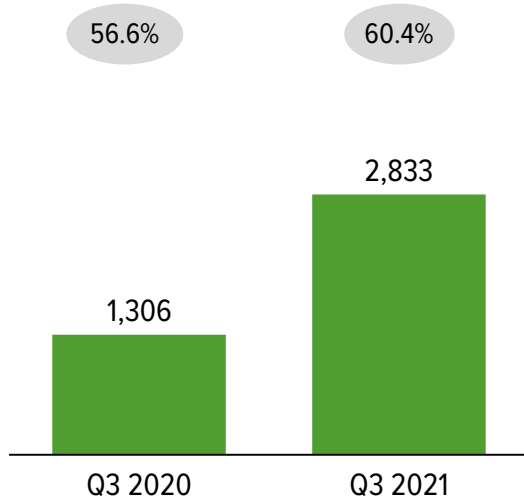
Adjusted EBITDA and other cash flow items

Q3 2021

9M 2021

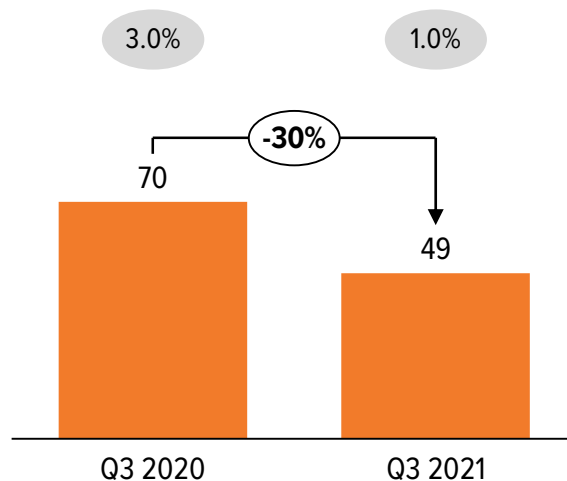
Adjusted EBITDA¹

RUB mm



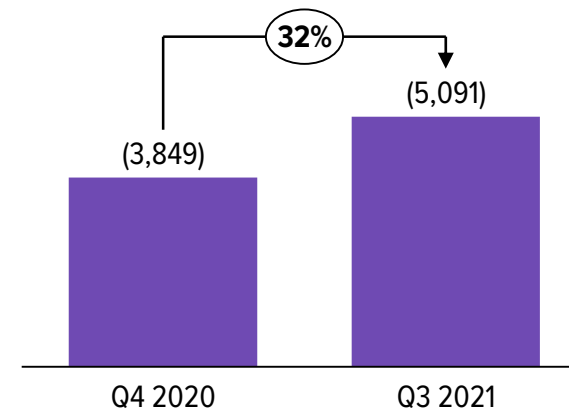
CAPEX²

RUB mm



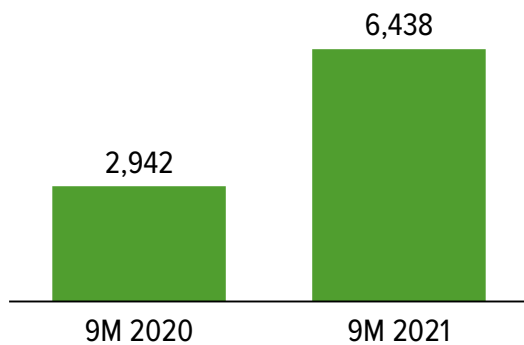
Net Working Capital³

RUB mm



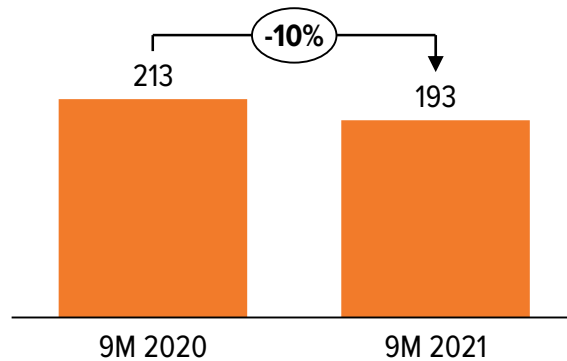
50.4%

56.3%



3.7%

1.7%



Adjusted EBITDA Margin, %

As % of Revenue, %

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

2) Capital expenditures ("CAPEX") consist of property and equipment additions, capitalized R&D and other additions of intangible assets. Excluding intangible assets identified during purchase price allocation related to Skillaz acquisition.

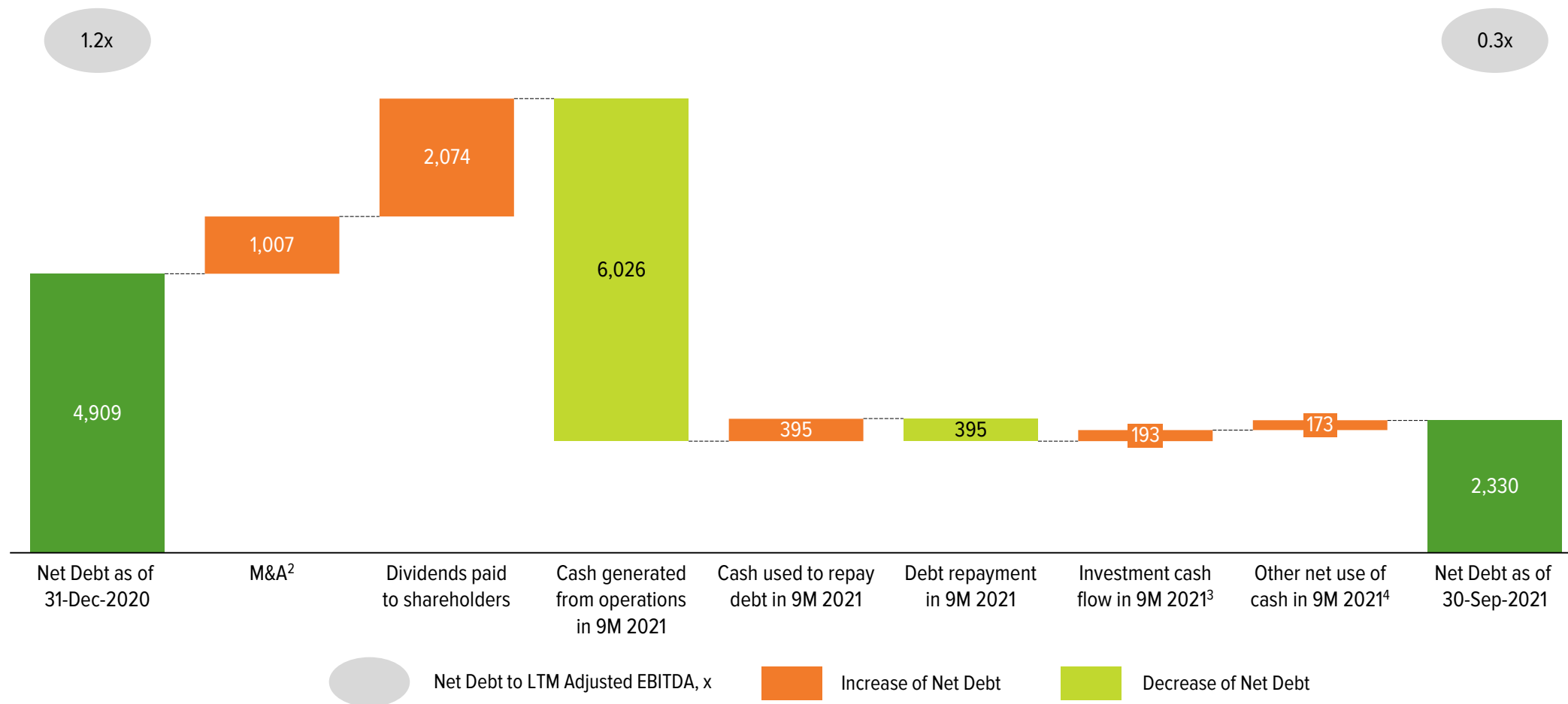
3) Net Working Capital calculated as trade and other receivables plus prepaid expenses less contract liabilities less trade and other payables. Net Working Capital is a non-IFRS financial measure. See Appendix for a description of these measure and a reconciliation to the nearest IFRS measure.

Financial leverage

Net Debt¹ to LTM Adjusted EBITDA ratio¹ has declined from 1.2x as of 2020 YE to 0.3x as of Q3 2021 on the back of strong operating cash flow

Leverage Dynamics

RUB mm



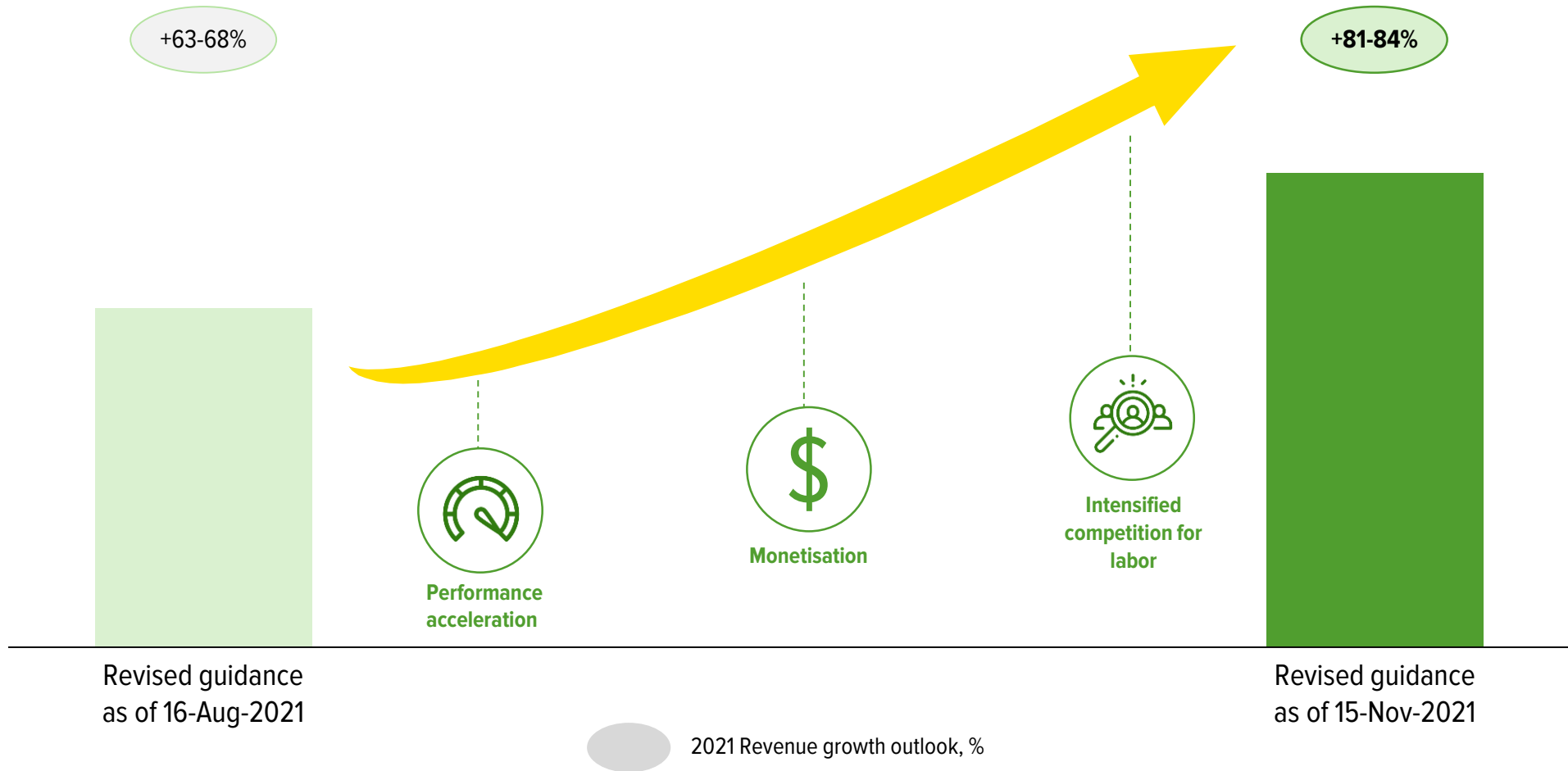
1) Net Debt and Net Debt to Adjusted EBITDA Ratio, adj. EBITDA on twelve months basis are non-IFRS financial measures. See Appendix for a reconciliation to the nearest comparable IFRS measure.

2) Including, inter alia, payments for acquisition of Zarplata and Skillaz

3) Including acquisition of intangible assets and property, plant and equipment

4) Including, inter alia, effect of forex on cash, payment for lease liabilities and dividends paid to non-controlling interest

Revised revenue growth outlook for 2021



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

Appendix

Income Statement

in thousands of RUB

	Q3 2020	Q3 2021	9M 2020	9M 2021
Revenue	2,308,201	4,690,404	5,832,445	11,442,702
<i>growth, y-o-y</i>	7.7%	103.2%	1.9%	96.2%
Operating costs and expenses (exclusive of depreciation and amortization)	(1,182,820)	(2,004,796)	(3,272,504)	(5,411,305)
<i>as % of revenue</i>	-51.2%	-42.7%	-56.1%	-47.3%
Personnel Expenses	(649,869)	(1,048,358)	(1,771,614)	(2,947,616)
<i>as % of revenue</i>	-28.2%	-22.4%	-30.4%	-25.8%
Marketing Expenses	(234,768)	(563,698)	(787,028)	(1,364,157)
<i>as % of revenue</i>	-10.2%	-12.0%	-13.5%	-11.9%
Other Operating Expenses	(298,183)	(392,740)	(713,862)	(1,099,532)
<i>as % of revenue</i>	-12.9%	-8.4%	-12.2%	-9.6%
Depreciation and amortization	(187,187)	(258,950)	(555,497)	(786,239)
<i>as % of revenue</i>	-8.1%	-5.5%	-9.5%	-6.9%
Operating income	938,194	2,426,658	2,004,444	5,245,158
Finance income	14,667	56,583	42,437	169,199
Finance costs	(92,569)	(172,589)	(320,066)	(480,547)
Other income	13,358	18,803	33,954	46,854
Gain on remeasurement of previously held interest in equity accounted investees				223,308
Net foreign exchange (loss)/gain	(10,294)	(9,899)	84,474	(1,433)
Share of loss of equity-accounted investees (net of income tax)	(14,030)	(2,708)	(38,776)	(8,353)
Profit before income tax	849,326	2,316,848	1,806,467	5,194,186
Income tax expense	(263,987)	(548,214)	(570,446)	(1,216,609)
<i>Effective tax rate</i>	31.1%	23.7%	31.6%	23.4%
Net income for the period	585,339	1,768,634	1,236,021	3,977,577

Adjusted EBITDA and Adjusted Net Income

Reconciliation of EBITDA and Adjusted EBITDA to Net Income

in thousands of RUB

	Q3 2020	Q3 2021	9M 2020	9M 2021
Net income	585,339	1,768,634	1,236,021	3,977,577
<i>Add the effect of:</i>				
Income tax expense	263,987	548,214	570,446	1,216,609
Net interest costs	77,902	116,006	277,629	345,856
Depreciation and amortization	187,187	258,950	555,497	786,239
EBITDA	1,114,415	2,691,804	2,639,593	6,326,281
<i>Add the effect of:</i>				
Equity-settled awards, including related social taxes	56,929	136,269	166,963	291,509
Transaction costs related to business combinations	6,115	(2,030)	17,390	22,613
Insurance cover related to IPO			54,772	
Income from depository	(11,636)	(15,940)	(29,141)	(41,955)
SPO-related costs	116,120	9,904	138,307	88,025
Share of loss of equity-accounted investees	14,030	2,708	38,776	8,353
Net foreign exchange gain	10,294	9,899	(84,474)	1,433
Gain on remeasurement of previously held interest in equity accounted investees				(223,308)
Gain on financial asset measured at fair value through profit or loss				(34,508)
Adjusted EBITDA	1,306,267	2,832,614	2,942,186	6,438,443
Adjusted EBITDA margin	56.6%	60.4%	50.4%	56.3%

Reconciliation of Adjusted Net Income to Net Income

in thousands of RUB

	Q3 2020	Q3 2021	9M 2020	9M 2021
Net income	585,339	1,768,634	1,236,021	3,977,577
<i>Add the effect of:</i>				
Equity-settled awards, including related social taxes	56,929	136,269	166,963	291,509
Transaction costs related to business combinations	6,115	(2,030)	17,390	22,613
Insurance cover related to IPO			54,772	
Income from depository	(11,636)	(15,940)	(29,141)	(41,955)
Share of loss of equity-accounted investees	14,030	2,708	38,776	8,353
Amortization of intangible assets recognized in business combinations	103,947	159,538	311,840	496,540
Tax effect on adjustments	3,664	(18,189)	(28,602)	(82,861)
SPO-related costs	116,120	9,904	138,307	88,025
Loss/(gain) on financial asset measured at fair value through profit or loss	5,782		8,424	(34,508)
Net foreign exchange gain	10,294	9,899	(84,474)	1,433
Gain on remeasurement of previously held interest in equity accounted investees				(223,308)
Adjusted Net Income	890,584	2,050,793	1,830,276	4,503,418
Adjusted Net Income margin	38.6%	43.7%	31.4%	39.4%

Net Working Capital and Net Debt

Calculation of Net Working Capital

in thousands of RUB

	December 31, 2020	September 30, 2021
Trade and other receivables	69,120	212,058
Prepaid expenses and other current assets	179,118	271,973
Contract liabilities	(2,785,402)	(3,622,897)
Trade and other payables	(1,273,090)	(1,847,521)
Other current liabilities	(38,758)	(104,964)
Net Working Capital	(3,849,012)	(5,091,351)

Calculation of Net Debt

in thousands of RUB

	December 31, 2020	September 30, 2021
Loans and borrowings	7,791,326	7,453,702
Loans and borrowings (current portion)	485,100	483,940
Cash and cash equivalents	(3,367,610)	(5,607,984)
Net Debt	4,908,816	2,329,658

Calculation of Net Debt to Adjusted EBITDA Ratio

in thousands of RUB

	December 31, 2020	September 30, 2021
Net Debt	4,908,816	2,329,658
Adjusted EBITDA	4,103,715	7,599,972
Net Debt to Adjusted EBITDA Ratio	1.2x	0.3x

Cash Flow Statement

in thousands of RUB

	9M 2020	9M 2021
OPERATING ACTIVITIES:		
Net income for the period	1,236,021	3,977,577
<i>Adjusted for non-cash items and items not affecting cash flow from operating activities:</i>		
Depreciation and amortization	555,497	786,239
Net finance costs	277,629	311,348
Net foreign exchange gain	(84,474)	1,433
Other non-cash items	(4,307)	3,163
Management incentive agreement	179,009	319,349
Share grant to Board	16,259	16,015
Share of loss of equity-accounted investees, net of income tax	38,776	8,353
Gain on remeasurement of previously held interest in equity accounted investees		(223,308)
Income tax expense	570,446	1,216,609
Change in trade receivables and other operating assets	40,568	(235,302)
Change in contract liabilities	(52,575)	743,417
Change in trade and other payables	65,716	769,258
Change in other liabilities	(29,141)	10,532
Income tax paid	(570,906)	(1,241,740)
Interest paid	(289,572)	(436,987)
Net cash generated from operating activities	1,948,946	6,025,956
INVESTING ACTIVITIES:		
Acquisition of equity-accounted investees		(61,300)
Acquisition of intangible assets	(57,570)	(82,040)
Acquisition of property and equipment	(140,255)	(111,105)
Acquisition of subsidiaries, net of cash acquired		(556,208)
Loans issues	(19,235)	(73,997)
Payment of deferred consideration for the acquisition of subsidiary		(233,836)
Repayment of loans issued		3,203
Interest received	36,536	131,993
Net cash used in investing activities	(180,524)	(983,290)
FINANCING ACTIVITIES:		
Bank loan and other loans received	4,615,000	6,300
Bank loans and other borrowings origination fees paid	(52,762)	(43,615)
Bank and other loans repaid	(5,276,447)	(395,107)
Dividends paid to shareholders	(1,885,441)	(2,073,893)
Payment for lease liabilities	(41,710)	(60,202)
Dividends paid to non-controlling interest	(94,214)	(106,978)
Acquisition of non-controlling interest		(155,177)
Contribution from non-controlling interest	44	
Net cash used in financing activities	(2,735,530)	(2,828,672)
Cash and cash equivalents, beginning of period	2,089,215	3,367,610
Net increase/(decrease) in cash and cash equivalents	(967,108)	2,213,994
Effect of exchange rate changes on cash	197,821	26,380
Cash and cash equivalents, end of period	1,319,928	5,607,984

Balance Sheet

in thousands of RUB

December 31, 2020 Revised

September 30, 2021

ASSETS

Non-current assets

Goodwill ¹	9,881,100	10,631,711
Intangible assets ¹	3,386,265	3,495,997
Property and equipment	466,725	435,529
Equity-accounted investees	129,666	57,811
Right-of-use assets	215,120	164,455
Deferred tax assets	176,328	302,384
Loans issued	11,541	76,196
Other non-current assets	22,176	25,447
Other financial assets	25,491	
Total non-current assets	14,314,412	15,189,530

Current assets

Indemnification asset	186,473	181,294
Trade and other receivables	69,120	212,058
Prepaid expenses and other current assets	179,118	271,973
Cash and cash equivalents	3,367,610	5,607,984
Loans issued (current portion)	8,178	7
Total current assets	3,810,499	6,273,316
Total assets	18,124,911	21,462,846

EQUITY AND LIABILITIES

Equity

Share capital	8,597	8,655
Share premium	1,987,044	2,134,195
Foreign currency translation reserve	(92,140)	(92,407)
Retained earnings	1,536,137	3,236,251
Total equity attributable to owners of the Company	3,439,638	5,286,694
Non-controlling interest	69,104	131,995
Total equity	3,508,742	5,418,689

Non-current liabilities

Loans and borrowings	7,791,326	7,453,702
Lease liabilities	164,245	107,907
Deferred tax liabilities ¹	611,152	539,631
Trade and other payables	178,607	106,705
Other non-current liabilities	142,531	150,528
Contract liabilities		77,407
Provisions	87,822	99,793
Total non-current liabilities	8,975,683	8,535,673

Current liabilities

Contract liabilities	2,785,402	3,622,897
Provisions (current portion)	578,651	793,667
Trade and other payables	1,273,089	1,847,521
Loans and borrowings (current portion)	485,100	483,940
Lease liabilities (current portion)	77,752	82,602
Income tax payable	401,733	572,893
Other current liabilities	38,759	104,964
Total current liabilities	5,640,486	7,508,484

Total liabilities	14,616,169	16,044,157
Total equity and liabilities	18,124,911	21,462,846

¹⁾ Amounts for referenced lines do not correspond to the consolidated financial statements for the year ended December 31, 2020 and reflect adjustments made in respect to the finalization of the purchase price allocation related to Zarplata.ru acquisition



Glossary

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

Arman Arutyunian

Investor Inquiries

investor@hh.ru

