

GetNinjas

EARNINGS RELEASE | 2Q22

August 2022

RESULTS

Results presentation 2Q22

Simultaneous translation

August, 16th 2022

10:00am (NY time) / **11:00am** (SP time)

Zoom: [Click here](#)



Highlights

Operational



PROs base:

4,3 MM

2Q22

[+1,1MM vs 2Q21]



**Active PROs
(LTM):**

188 MIL

2Q22

[+5% vs 2Q21]



**Client
requests:**

1,1 MM

2Q22

[-14% vs 2Q21]



**PROs and CLIs
Satisfaction:**

ReclameAqui: **9,2**

App Store: **4,1**

Play Store: **4,2**

Financials



Net Revenues:

R\$ 13,4MM

2Q22

[-13% vs 2Q21]



Gross Profit:

R\$ 11,8 MM

2Q22

[-16% vs 2Q21]



Net Loss:

-R\$ 8,8 MM

2Q22

[vs. -R\$17,8MM
2Q21]



Cash Burn:

-R\$ 5,8 MM

2Q22

[vs. -R\$ 3,1 MM
1T22]

Message from the management



On 2Q22 GetNinjas kept the **focus on retaining and monetizing the Professionals and Clients** basis built on previous years.

This was a very challenging quarter, with a **~20% reduction on overall internet Search about services** (impacting the whole market). Adding to that, there was also inflation increase (IPCA +12% over the last twelve months) and an even higher increase on constructions costs (INCC +15% LTM), affecting our most relevant category of Home Repair.

That impacted directly our operational metrics, with a reduction of 14% in the volume of Requests on this quarter (vs 1Q21). The increase on construction costs could be seen on Home Repair small relevance reduction on the total of Requests. On the Other hand, we can see the continuous increase on Client recurrence.

The reduction on client requests impacts revenues, specifically the Lead Revenues with a 17% reduction compared to 1Q21. GetNinjas implemented several actions to address it, with a reduction of only 4,5% on monetized Requests, showing a higher efficiency of the platform.

Active Professionals on 2Q22 had a 5% increase vs. 2Q21, even with less investment in this period compared with the previous year.

The Gross Margin had a reduction of 3p.p. (2Q22 x 2Q21), driven by the reclassification of payment costs (credit card and “boleto” fees), that were accounted on expenses on the previous year. Additionally, we have revised the price of some categories that increased the number of transactions on the platform, also contributing to a small increase on costs.

The reduction on the total volume of internet search, increased the “clicks” competition, driving up CPC and CPA. **Despite the increase in costs, we have maintained our expenses stable.**

General and Administrative expenses on 2Q22 had a 56% increased compared to 1Q21. Excluding nonrecurring effects (Strategic Consulting Project), the variation was +31%. **This nonrecurring effect ends on this semester, reducing the cost pressure for the rest of the year.**

The reduction of revenues combined with the maintenance of expenses resulted on an Adjusted EBITDA of -R\$ 12,0 million, vs. -R\$ 19,0 million on 2T21.

We have kept our score on ReclameAqui, with 9.2 by the end of 1Q22. We have improved the indicators of satisfaction and response time, promoting a higher quality service for all users.

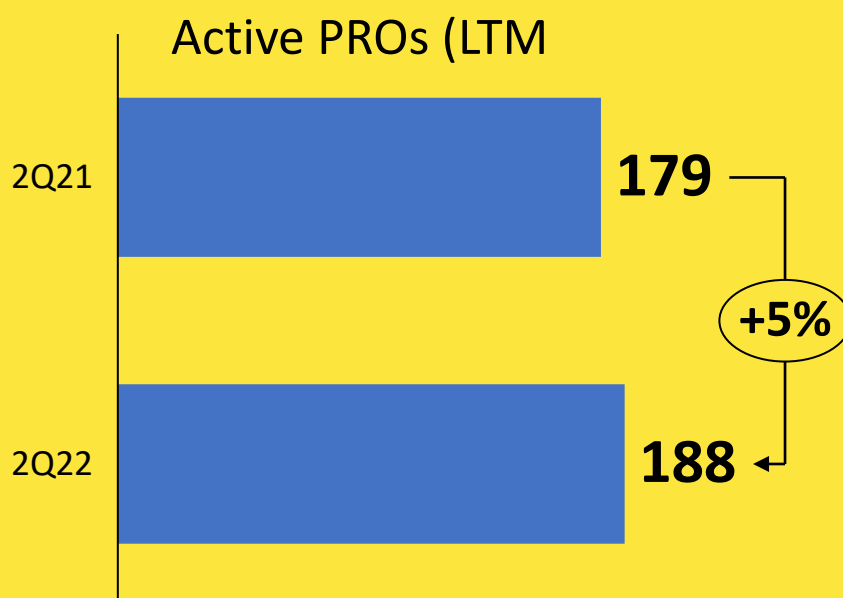
Total employees have reduced from 255 on 1Q22 to 240 on 2Q22. This is the first quarter with a reduction on the total of employees, reflecting a more rigorous cost management without compromising the day-to-day operations.

We maintained the Great Place to Work (GPTW) certification, which reinforces our commitment to developing and engaging a robust team to support the Company's future.

PROs

We have kept the focus on **retention and monetization of Professionals**.

It is important to highlight that the number of Active Professionals (those who bought leads) grew by 5% compared to 2Q21. This demonstrates that the activation and retention actions of the Professional base are increasingly efficient.



76% Recurring PROs

Higher retention of Active PROs is the result of several initiatives that were intensified in 2022

CLIs

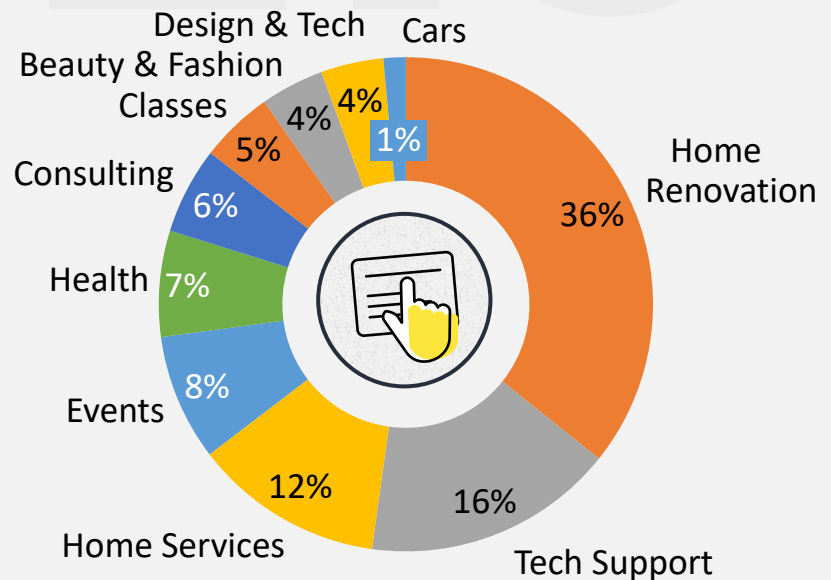
In 2Q22, customers made 1.1 million service requests, a reduction of 14% over 2Q21.

There was a reduction on services search on the internet, combined with a worst economic scenario (higher inflation rates and increase in interest rates), had a negative impact on the volume of requests.

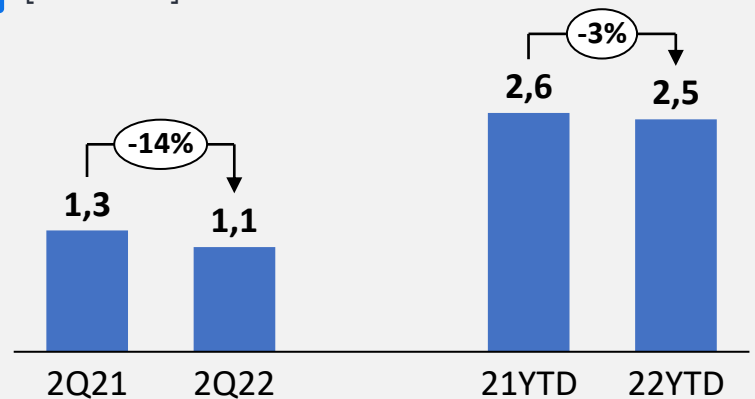
The categories that concentrated the largest volume of requests continue to be **Home Renovation, Technical Assistance** and **Domestic Services**, with little variation in the mix between categories.

55% of Clients were recurring in 2Q22, that is, they had previously made another service request on the platform. It is important to highlight the continuous evolution in Client recurrence.

Requests by category [2Q22 - % total requests]

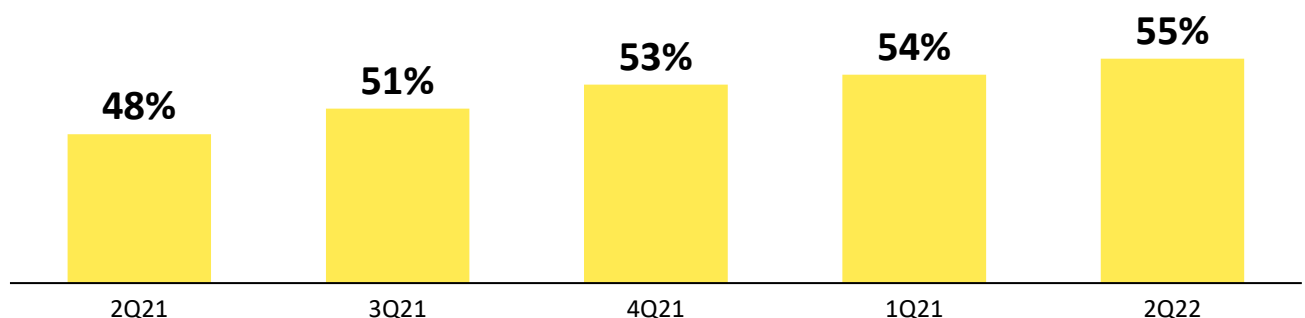


Client requests [# million]



Client recurrence

[% of clients that had already made a request]



GetNinjas Labs



Direct Sales ○○○

This operation started in 1Q22, with the objective to increase PRO activation and to support them in their development using our platform, increasing the recurrence and bundles sales. Preliminary results show that this project can contribute positively to medium- and long-term results, improving conversion rates, increasing the revenue by professional and higher retention rates.



Proteção Ninja ○○○

In the first quarter of 2022, we made the Ninja Protection available to customers in the South region (PR, SC, RS). This warranty is an additional protection for clients, currently offered at no cost, which provides support in case the service performed is not compliant with the contracted service.

The initial results were positive, with a good acceptance by the clients, volume of protection requests within the forecast, a high-resolution rate and increased satisfaction. As next steps, we should increase communication about this feature, include post-request disclosure for downloading the CLI App, and expand regions where Ninja Protection is offered. In the long term, we believe that Ninja Protection can become a relevant lever to encourage the use of the App and the involvement of Customers in other stages of the hiring journey.



Academia Ninja ○○○

Ninja Academy (Academia Ninja) reached over 38k views and 50k individual users in 2Q22. In the period, there was the creation and implementation of 6 video contents about benefits of using the GetNinjas platform, Entrepreneurship, Business Management and 6 specific contents for two strategic partnerships (PADO and Hubs Contabilidade) about becoming a formal entrepreneur.

We also expanded the use of Academia Ninja content with the CS team, to use the Ninja Academy videos in the service bot. Results have improved, with a retention of 44% in calls, that is, calls that did not require human assistance.

Financials

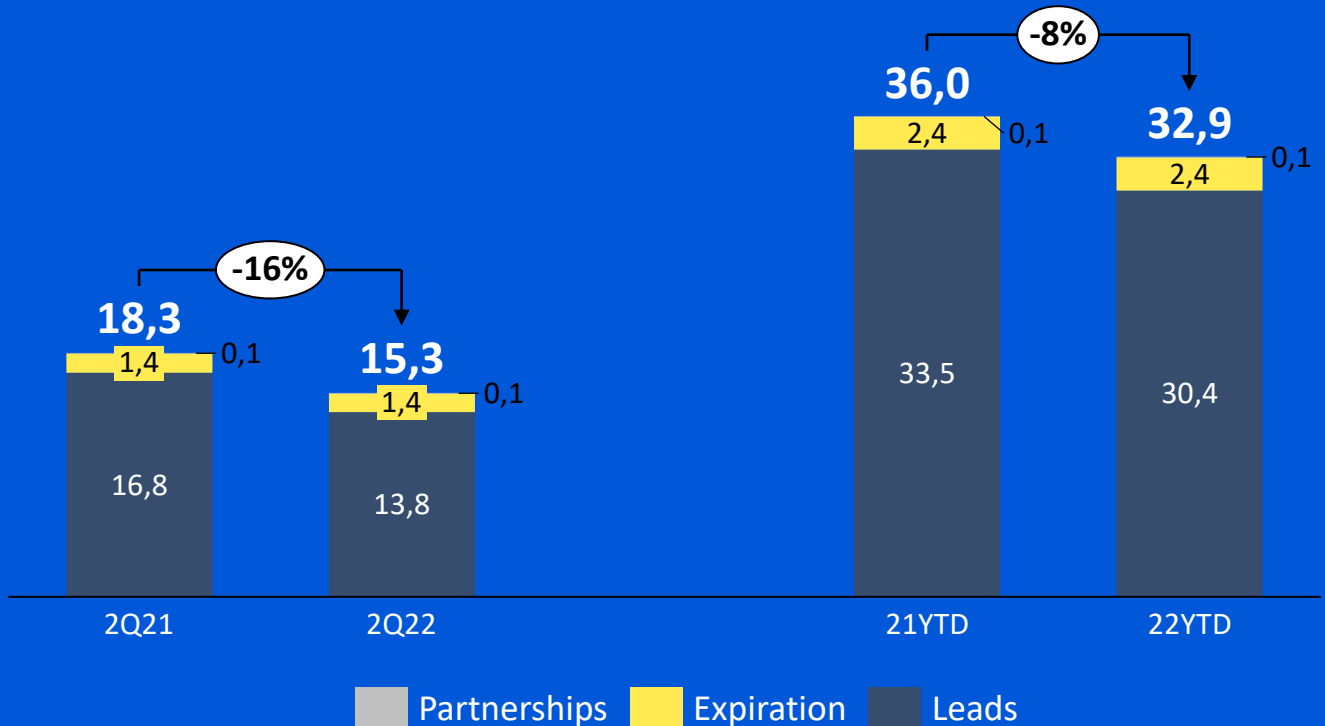
Gross Revenue had a reduction of -8% compared to 1H21 and -16% vs. 1Q21, driven by the reduction of requests. It is important to highlight the breakdown of gross revenue:

Leads: represent 92% of total revenue, with a variation of -9% vs 2H21 and -17% vs. 2Q21. Professionals use their coins to buy the access to leads with information to contact Customers.

Expired: 8% of total revenue, in line with 1S21 and down 6% compared to 2Q21. Coins expire when PROs do not use them for a period of 12 months or due to inactivity in the App after 3 months (this criteria was implemented in 1Q22).

Partnerships: ~1% of the total; the contribution of strategic partnerships goes beyond revenues, generating visibility for GetNinjas and bringing Customers and Professionals with a reduced acquisition cost.

Gross Revenues [R\$ million]



The increase in Leads is related to the **growth in sales of bundles**



Higher retention of PROs results in a drop in the number of expirations



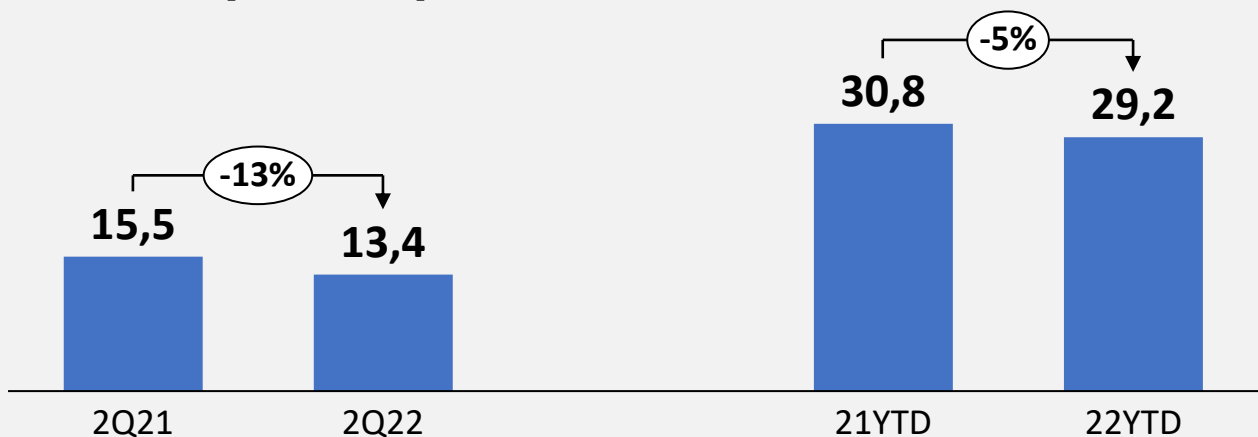
This means that registered **PROs are more active, buying more leads and expiring their coins less**

Financials

Net Revenue

Net Revenue had a reduction of -5% vs 1H21 and -13% vs 2Q21. This result reflects GetNinjas strategy of reducing Marketing investments (-40% vs 1H21) and the adverse economic context (reduction in internet search for services, higher inflation and higher interest rates). On top of that, we have reduced the price on a few categories to increase the number of leads sold to Professionals.

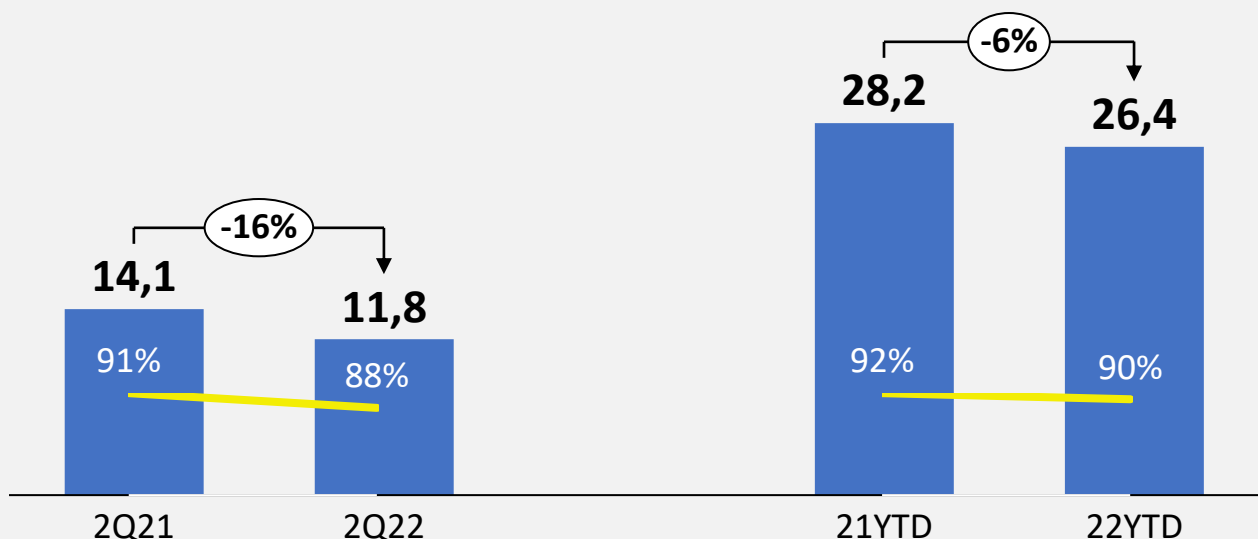
Net Revenue [R\$ million]



Gross Profit

Gross Profit had a reduction of -3p.p. on 2Q22 (vs 2Q21) and -2p.p. (vs 1H21). There is a reclassification of payment costs (credit card and “boleto” fees), that were accounted on expenses on the previous year (for the following quarters it will be on costs). Additionally, we have revised the price of some categories that increased the number of transactions on the platform, also contributing to a small increase on costs.

Gross Profit [in R\$ million] and **Gross Margin** [% of net Revenue]



Financials

Commercial and Marketing expenses

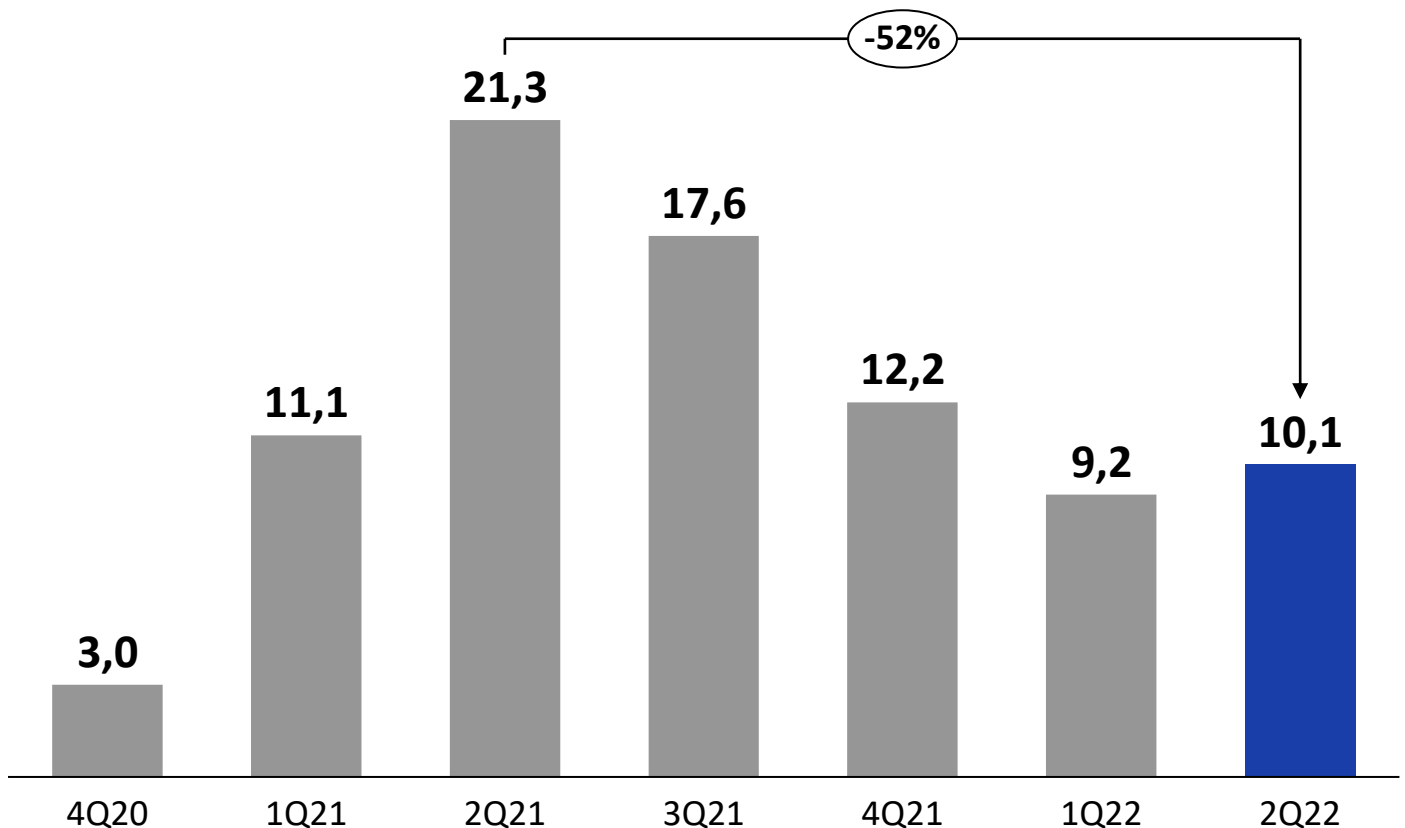
Marketing investments had a reduction of -52% vs 2Q21 and -40% vs 1H21.

There was a reduction of ~20% on overall Search for services on the internet. **Higher competition for click implies on na increase of CPC and CPA.**

Despite the increase in the unit cost of searches, we have maintained our expenses stable and had a lower impact (proportionally) on revenues.

We believe the current level of investments) is healthier for the sustainable development of our business.

Commercial and Marketing expenses [R\$ million]



After the optimization phase, we are gradually increasing the marketing investments

Financials

General and Administrative Expenses

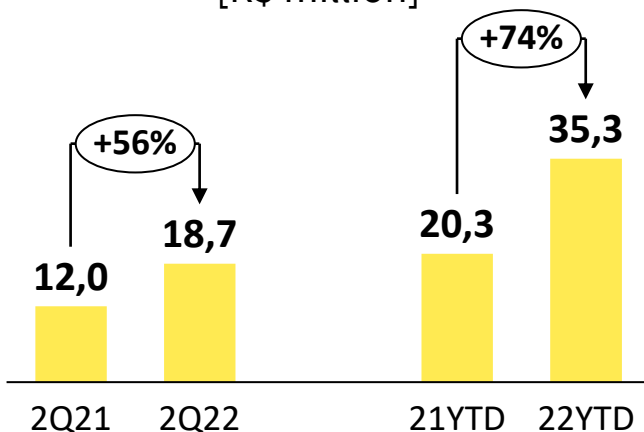
General and Administrative expenses had an increase of 56% on 2Q22 (vs 2Q21).

Excluding nonrecurring effects (Strategic Consulting Project), the variation was +31%. **This nonrecurring effect ends on this semester, reducing the cost pressure for the rest of the year.**

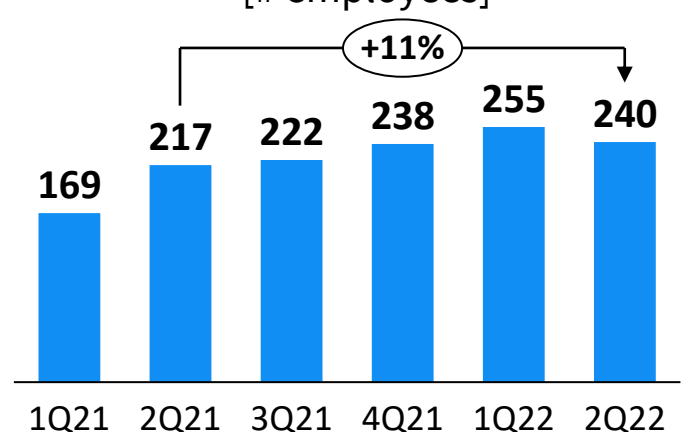
Compared to 2Q21, there was an increase of 28 employees in Tech and Product.

We are more rigorous on new hires and on replacing open positions, with a higher cost control without impacting the operation of the company. This is the first quarter with a reduction on total employees.

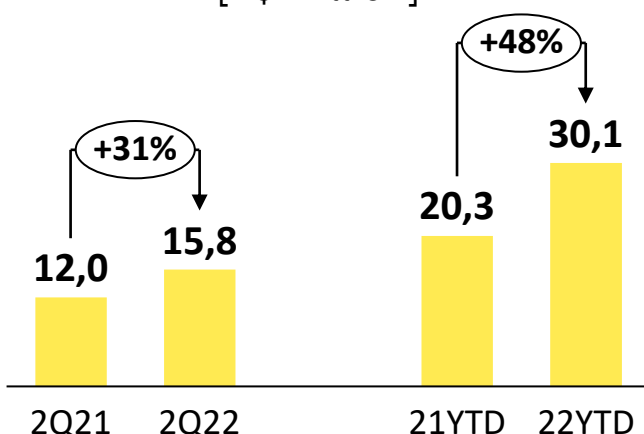
Total G&A
[R\$ million]



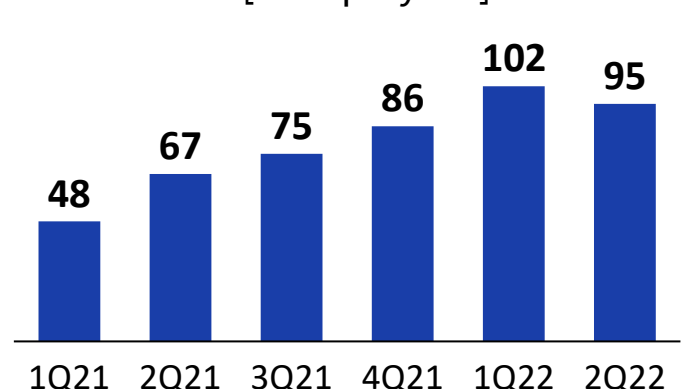
Total Employees
[# employees]



G&A (recurring)
[R\$ million]



Tech and Product Employees
[# employees]



Financials

EBITDA and Net Profit (Loss)

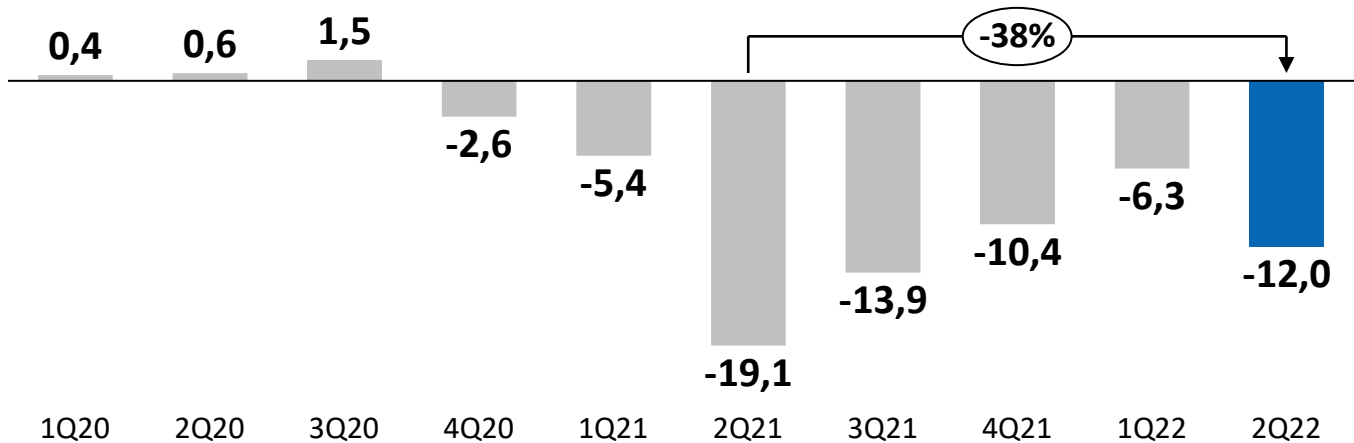
On 2Q22 we had an Adjusted EBITDA of R\$12,0 million, 38% below 2Q21 (of -R\$19,1 million).

Financial Results had a positive variation of R\$ 6,8 million, from R\$ 1,4 million on 2Q21 to R\$ 8,2 million on 2Q22.

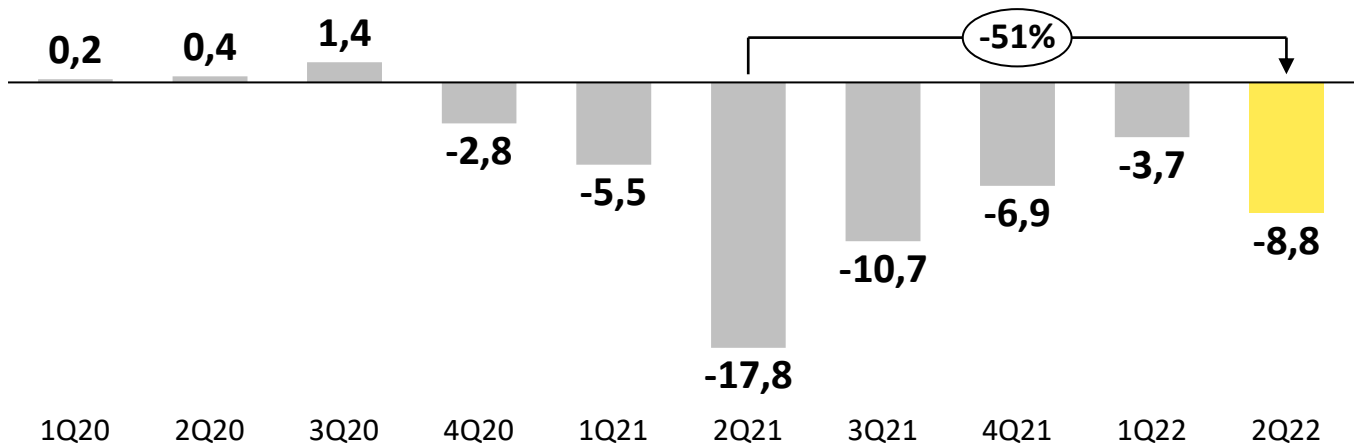
GetNinjas had a Net Loss of R\$ 8,8 million on 2Q22, compared to a Net Loss of R\$ 17,8 million on 2Q21, an improvement of 51%.

The reduction on Commercial Expenses (-52% on Marketing investments) and the increase of financial results were the key drivers on the variation of 2Q22 compared to 2Q21.

Adjusted EBITDA [R\$ millions]



Net Profit (Loss) [R\$ millions]

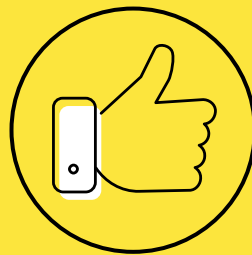


Users Approval

ReclameAQUI

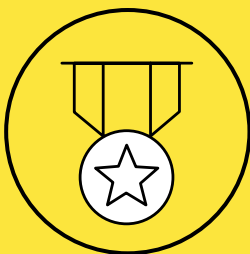
GetNinjas continues to maintain outstanding scores on **Reclame AQUI**. GetNinjas has a solution rate of more than 95%, with a reputation score of 9.2 (a high score among large companies in different sectors), 85% of respondents indicated that they would do business again and maintained the RA1000 BADGE.

In addition, we have evolved internal processes to bring ease and agility to our users, with **optimization of Backoffice SLAs for 2 days (second level of service)**, **33% reduction in solution time in social media channels** and **First Call Resolution (FCR) of 82%**.



9,2/10

Reputation score
(ReclameAqui)



95%

Solution rate



85%

Clients would do business again



ESG

Environmental, Social and Governance

The GetNinjas business model, which connects Professionals and Customers through technology, is **in essence a generator of social, economic and environmental impact.**

On 2Q22 we have maintained our focus on bringing more diversity to GetNinjas. In addition to the opportunities available on our recruiting site, we have created a talent pool focused on people with disabilities, black, 50+ and LGBTQIA+ community.

Today, women represent 48%, and black and brown people represent 30% of the Company's total employees.

Another important social impact project is the Academia Ninja, which makes video training content available in an exclusive environment for self-employed

professionals registered on the platform, free of charge.

Since the start of this initiative, we had more than 700k unique users and have included 19 new content videos on this semester.

The strategic partnership with PADO will develop 10 new content videos for Academia Ninja, focused on capacitating professionals to install and do maintenance on digital locks.

We also have an initiative with Fundação Dom Cabral, which has been evolving since 2021, and have more than 1,000 professionals training on the Pra>Frente Play platform – a way to offer professional development free of charge to professionals in the GetNinjas base with high quality content developed by FDC.



Appendix

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1 - Financial Statements

Income Statement (R\$' K)	2Q22	1Q22	Δ	2Q21	Δ
NET REVENUE	13.413	15.828	-15%	15.485	-13%
OPERATING COSTS	(1.599)	(1.244)	29%	(1.370)	17%
GROSS PROFIT	11.814	14.584	-19%	14.115	-16%
GROSS MARGIN	88%	92%	-4p.p.	91%	-3p.p.
EXPENSES	(28.814)	(25.472)	13%	(33.347)	-14%
COMMERCIAL EXPENSES	(10.136)	(9.163)	11%	(21.319)	-52%
G&A EXPENSES	(18.735)	(16.592)	13%	(12.016)	56%
OTHER REVENUES AND EXPENSES	57	283	-80%	(12)	-557%
FINANCIAL RESULT	8.202	7.215	14%	1.386	492%
INCOME BEFORE TAXES	(8.798)	(3.673)	140%	(17.847)	-51%
TAXES ANS CS	-	-	-	-	-
NET INCOME (LOSS)	(8.798)	(3.673)	140%	(17.847)	-51%

2 - EBITDA

EBITDA Reconciliation (R\$' K)	2Q22	1Q22	Δ	2Q21	Δ
NET INCOME (LOSS)	(8.799)	(3.673)	140%	(17.846)	-51%
(-) FINANCIAL RESULT	(8.202)	(7.215)	14%	(1.386)	492%
(-) DEPRECIATION	225	133	69%	92	144%
(-) INCOME TAX	-	-	-	-	-
EBITDA	(16.776)	(10.755)	56%	(19.140)	-12%
(-) STOCK OPTION PLAN	1.835	2.202	-17%	-	-
(-) NON RECURRING EXPENSES	2.981	2.223	34%	-	-
ADJUSTED EBITDA	(11.960)	(6.330)	89%	(19.140)	-38%

3 – Balance Sheet

Balance Sheet			
Assets (R\$'000)	2Q22	2Q21	Δ
Current	292.135	333.370	-12%
Cash and cash equivalents; investments	284.398	325.728	-13%
Accounts receivable	3.988	5.515	-28%
Recoverable taxes	2.982	1.628	83%
Advances to suppliers	34	23	50%
Other assets	733	477	54%
Noncurrent	10.736	1.494	619%
Property, Plant and Equipament	5	59	-92%
Immobilized	2.256	1.434	57%
Rights of use	1.225	-	0%
Intangible	7.250	-	-
Total Assets	302.871	334.864	-10%
Liabilities and Shareholders' Equity (R\$'000)			
Current	23.285	30.026	-22%
Trade accounts payable	9.650	19.030	-49%
Tax liabilities	471	776	-39%
Labor liabilities	7.011	4.795	46%
Advances from customers	4.110	4.324	-5%
Accounts payable	2.006	1.102	82%
Lease	37	-	-
Noncurrent	1.275	19	6568%
Provisions	7	19,12	-63%
Lease	1268	0	-
Shareholders' Equity	278.311	304.818	-9%
Capital	364.666	368.051	-1%
Accumulated losses	(93.329)	(63.233)	48%
Other reserves	6.974	-	-
Total Liabilities and Shareholders' Equity	302.871	334.864	-10%

Appendix

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4 - Cash Flow

Statement of Cash Flow (R\$'000)	2Q22	2Q21	Δ
Net income (loss)	(8.799)	(17.847)	-51%
Noncash items:	2.103	97	2067%
Depreciation and amortization	225	93	143%
Provision for contingencies	6	5	33%
Fixed-asset write-off	-	-	-
Income (loss) from exchange rate gains (losses) and monetary variations	-	-	-
Stock options plan	1.835	-	-
Interest on loans and leases	37	-	-
Increase/(decrease)in asset and liability accounts	3.182	14.011	-77%
Accounts receivable	1.239	1.369	-9%
Recoverable taxes	(715)	(1.023)	-30%
Advances to suppliers	(2)	(4)	-55%
Other assets	(58)	2.025	-103%
Trade accounts payable	1.098	9.188	-88%
Tax liabilities	(195)	486	-140%
Labor liabilities	815	1.438	-43%
Advances from customers	120	127	-5%
Accounts payable	880	405	117%
Other liabilities	-	-	-
Cash from operating activities	(3.514)	(3.739)	-6%
Income Tax and Social Contribution	-	-	-
Cash from investing activities	(2.248)	(444)	406%
Acquisition of fixed assets	(372)	(444)	-16%
Acquisition of intangible assets	(1.876)	-	-
Cash from financing activities	-	293.839	-
Related-party transactions	-	-	-
Lease payments	-	-	-
Capital contribution	-	321.285	-
IPO expenses	-	(27.446)	-
Increase/(decrease) in cash and cash equivalents	(5.763)	289.656	-102%
Cash and cash equivalents at beginning of period	290.161	36.073	704%
Cash and cash equivalents at end of period	284.398	325.728	-13%

GetNinjas

RESULTS | 2T2022

August, 2022

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