

Key figures

	Unit	2022 ²	2021 ²	2020	2019	2018
Revenues	in € million	313.4	284.5	276.5	269.2	231.5
Pro forma consolidated revenues	in € million	313.4	284.5	276.6	269.5	231.5
EBITDA	in € million	104.1	97.9	87.6	87.5	75.2
Pro forma EBITDA	in € million	104.1	97.9	90.5	84.7	75.2
EBITDA margin	in %	33	34	32	32	32
Pro forma EBITDA margin	in %	33	34	33	31	32
Consolidated net profit	in € million	46.1	43.3	26.1	43.2	31
Pro forma consolidated net profit	in € million	47.3	43.0	35.8	35.8	30.1
Earnings per share	in €	8.20	7.71	4.65	7.69	5.51
Pro forma earnings per share	in €	8.41	7.66	6.37	6.37	5.35
Regular dividend per share	in €	3.16 1	2.80	2.59	2.59	2.14
Special dividend per share	in €	3.561	3.56			3.56
Cash flow from operations	in € million	79.2	85.6	81.0	79.7	73.8
Free cash flow	in € million	44.1	39.5	40.8	13.4	
Equity	in € million	146.1	138.3	113.0	101.5	98.3
XING platform members, total (D-A-CH)	in million	21.5	20.3	18.8	17.2	15.3
InterNations members	in million	4.6	4.2	3.9	3.7	3.3
kununu workplace insights	in million	8.1	6.2	4.6	3.5	2.4
B2B E-Recruiting customers (subscription)		14,511	13,005	12,629	12,658	10,165
Employees (FTE)		1,887	1,712	1,787	1,778	1,439

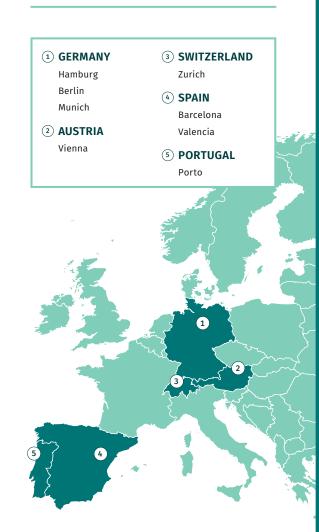
¹ Proposal to the Annual General Meeting on May 24, 2023

² Continuing operations (without XING Events)

Contents

- 3 To our shareholders
- 24 Group management report
- 58 Consolidated financial statements
- 95 Other information

Our sites



Contents

To our shareholders

- 4 Company profile
- 5 Letter to our shareholders
- 7 Staying on track
- 14 Report of the Supervisory Board
- 18 Management Board and Supervisory Board
- 20 The New Work SE share

Company profile

The **New Work SE Group** strives towards a better working world. *III* With strong brands such as XING, kununu and onlyfy by XING, and the largest talent pool in German-speaking countries, it claims the spot of recruiting partner No. 1 in these countries. *III* By bringing candidates and companies together, it guides talents to a more fulfilling working life while simultaneously helping companies to greater success by winning the right talent. *III* The Group has been listed on the Frankfurt stock exchange since 2006, has its headquarters in Hamburg and currently employs around 2,000 people at offices including Berlin, Vienna and Porto. *III* Visit → **new-work.se** and → **nwx.new-work.se** for more information.



Strong brands

Five brands, one goal: to shape the future of work in the interests of people.

Letter to our shareholders



Letter to our shareholders

Dear Shareholders,

The 2022 financial year was a positive one for New Work SE. We were able to achieve all of our targets, including the revenue target we adjusted upwards last August, and return to double-digit growth after the challenging coronavirus years.

Revenue increased by 10 percent to more than €313 million in the 2022 financial year, while operating profit (EBITDA) rose by 6 percent to €104 million. At €46 million, consolidated net profit was also 6 percent higher than in the previous year, with pro forma consolidated net profit adjusted for one-time effects up by as much as 10 percent to over €47 million.

The B2B E-Recruiting segment, which is responsible for around two-thirds of total revenue and thus our largest segment, recorded considerable growth compared to the prior-year period. Segment revenue rose by 22 percent from almost €170 million to just below €208 million, driven by strong demand in the labor market and a shortage of skilled professionals. Revenue in the B2C segment fell to just over €89 million as expected. This is due to our new strategic orientation, which focuses on monetization via the B2B E-Recruiting business. In addition, the robust labor market meant that fewer members took advantage of Premium membership to help them switch jobs. Revenue in the Marketing Solutions segment was on a par with the previous year at just over €16 million. In addition to generating encouraging figures, we also reached several important milestones in both the B2C and B2B business over the past year.

"Our new B2B brand onlyfy by XING helps companies attract skilled staff quickly and efficiently."

Our new B2B brand, onlyfy by XING, has been available to employers in the German-speaking region since September 2022, offering companies a new product platform to help them attract skilled staff quickly and efficiently. The platform provides HR managers with AI-based support when creating job advertisements by automatically generating lists of talented professionals who are XING members and a good fit for the vacancy and company in question. It also automates the dissemination and promotion of job advertisements via various channels and social media outlets.

We are also in the process of repositioning XING, the leading job network in the German-speaking region. In keeping with the new strategy, XING is increasingly about finding the right job or being found by recruiters. Instead of being limited to simply matching resumes with vacancies, the platform's offering allows people with different needs, preferences and personalities to find an environment where they fit best and can be effective. The number of XING members increased by 1.2 million to 21.5 million in 2022. Since the start of 2023, the network's transformation has been driven by new Managing Director Thomas Kindler. At the same time, XING launched the largest advertising campaign in the Company's history. kununu, the leading employer review platform in the German-speaking region, also recorded encouraging growth during the past year, with more than 1.8 million new workplace insights added to the platform by the end of the year. These workplace insights consist of company ratings as well as information on corporate culture, benefits, salaries and the application process. As of the end of 2022, kununu offered its users more than eight million such insights, which are extremely relevant for jobseekers.

"With our recruiting solutions, we are really well positioned to profit from the long-term trends in the labor market."

All of this underscores our goal of becoming the leading recruiting partner in the German-speaking region, providing the best access to talented professionals to create the "perfect match" – a match that gives the individual a happier and more satisfying working life and makes companies more successful.

To make sure you can also benefit from our strong performance, the Management Board of our company is seeking to propose to distribute an increased regular dividend of €3.16 per share to our shareholders at the upcoming Annual General Meeting on May 24, 2023. In addition, a special dividend of €3.56 per share is to be distributed to shareholders. With that, I would like to express my sincere thanks to you for your confidence in New Work SE. While the current economic environment remains challenging, let me assure you that our recruiting solutions mean we are extremely well positioned to profit from the long-term trends in the labor market.

Thank you for placing your trust in us.

Yours sincerely,

Petra von Strombeck Chief Executive Officer (CEO)

Staying on track

200

XING

Gemeinsam•m;

MUNUNU

iting

The challenges facing the economy and society did not diminish in 2022 – quite the opposite, in fact. That's why we have repositioned New Work SE with a sharper focus, a new brand and state-of-the-art products. As a Hamburg-based company, we're used to windy conditions. When strong headwinds develop, sailors and entrepreneurs alike know that it can be difficult to keep pressing forward. You are often forced to correct your course, and even move backwards a little every once in a while. Yet, throughout it all, you keep your eyes firmly fixed on your destination.

We also had to tack against strong winds in 2022, adjusting our course, rethinking steps and changing intermediate stops along the way just to make sure we could pick up speed again at the end of it all.

We were not alone in this task. As if two years of coronavirus were not challenging enough, Russia's war of aggression in Ukraine from February onwards rocked society, politics and the economy in a matter of hours.

As a company, we were not only concerned for all of our colleagues, but also focused on the looming consequences for the economy and world of work. How significant could the economic slump be? How many employees would still want to take the risk of changing jobs when caught in an uncertain position between inflation and exploding costs? How many companies would deviate from a growth path they had only just returned to after the peak of the pandemic?

With this uncertainty still undoubtedly linked to the progress of the war in Ukraine, we have not yet been able to conclusively answer all of these questions. Nevertheless, one of the biggest lessons we have learned over the past year is that the conditions that have been emerging in our sector for some time now are still evident and are even strengthening in some important areas. The shortage of skilled workers has intensified – a problem that will only worsen as members of the baby boomer generation retire over the coming years. Despite currently being at a record level, the number of employees in the German labor market is already declining by around 150,000 people per year.

And now the next, potentially even more serious transformation process can be seen in many sectors as artificial intelligence makes explosive strides in its capabilities and potential applications. Instead of eliminating jobs in its early phases, this AI revolution will in fact boost demand for well-trained specialists even further, particularly in the "digital natives" age group. Coupled with the pressure to digitalize and the uncertain economic outlook, these are daunting tasks that many companies – particularly medium-sized ones – have no comprehensive solutions for.

On the other side of the labor market, some experts have been surprised to see that this political and economic uncertainty has not created an increased need for job stability and continuity among employees; in fact, the opposite is true. Candidates and employees are once again demanding more from their work and thus from their employers beyond salary and career opportunities. Psychologists are recognizing that finding purpose and fulfillment in the professional activities that make up a significant part of an individual's life has become incredibly important, particularly in the wake of the past few crisis-ridden years. The main questions a growing number of people are asking themselves include:

What choice of profession actually suits me?

What do I need to be happy in this job?

Which company is the best fit for me, my needs, preferences and current situation in life? If an individual's current or future employer does not respond positively to these questions and wishes, employees become extremely willing to try something new across almost all age groups and industries. In a major Forsa study conducted on behalf of onlyfy by XING at the end of 2022, almost 40 percent of all respondents were open to switching jobs, with this figure even higher among those aged under 40.

What's more, the speed that digitalization has brought to our everyday lives has considerably raised candidates' expectations about the application process. The younger generations in particular want to communicate with companies as part of a rapid, open and binding process, and preferably via the digital channels they use.

These points have made it even more challenging for many companies to search for reinforcements and retain qualified staff in the long term. "The age of applicant queues and assessment centers is over," said Petra von Strombeck. Previous HR strategies are no longer sufficient for optimizing a candidate's fit for a position or the speed of the overall recruiting process. This means that recruiting is ultimately transforming from being a means to an end to being one of the most important strategic pillars in a company's success. There is huge demand for solutions that facilitate this success. With this in mind, we have decided to focus our business activities entirely on recruiting, which was already our number one revenue driver in recent years. We want to reinforce our position as the most important recruiting partner in the D-A-CH region and expand this position even further over the next few years. To do this, we kickstarted many sustainable innovations and changes during 2022.

Entering a new recruiting age with onlyfy by XING

Unquestionably the most important of these innovations is our new 'onlyfy by XING' B2B brand, which launched in September following intensive preparations, market research and feedback sessions with customers. In addition to bringing successful products and services from XING E-Recruiting and Prescreen together under one roof, onlyfy also expands the portfolio to include entirely new services. In addition, onlyfy allows us to combine all of our B2B offerings under one unified brand.

onlyfy one makes recruiting significantly easier by not only automating workflows and simplifying complex processes but also by using artificial intelligence to support HR managers. For example, the system can suggest matching candidates from more than 21 million members on the XING platform as soon as a company creates a job profile.

Eye-catcher: The launch of our new recruiting platform onlyfy by XING was advertised nationwide with a strong message.



It is about more than offering a smooth and uncomplicated recruiting process for businesses: we also create a positive candidate experience for applicants that includes prompt feedback, transparency and speed. In the future, for example, talented professionals on onlyfy will be able to apply for jobs via WhatsApp if this channel has been approved by the company in question. They also have the option to submit a one-click application using their own XING profile.

Modern recruiting is all about finding the "perfect match." "We don't match CVs to unfilled vacancies; we match personalities with corporate cultures, and we do it in a way that works for both sides," said Petra von Strombeck. The name onlyfy ultimately reflects this approach by combining the words "only" and "simplify".

"We need to get away from thinking as people as 'human resources'," added Stephan Rathgeber, Head of Marketing at onlyfy and co-author of our book New Hiring – A Fresh Awareness of Recruiting. On the one hand, we're talking about head and heart in perfect harmony: Someone might well be the perfect candidate on paper, but if the chemistry's not right, then they're not a good match."

We coined the term 'New Hiring' to describe this interplay between intelligent use of data, innovative tools and the best possible matching because we are confident that it has ushered in a new era of recruiting. onlyfy received consistently positive reactions from visitors and the media when making its first major appearance at the Zukunft Personal Europe trade fair in Cologne in September, while its first customers were also full of praise:

> "onlyfy one is easy to use, intuitive and clearly structured. I got used to it right away. onlyfy also complements our own recruiting processes really well, which makes our work so much easier."

> > Sandro Wolf, HR Manager, Just Spices

"With onlyfy TalentManager by XING, we find who we're really looking for. One particular highlight for us is that we can get an overview of our performance at any time with Recruiter Insights. The TalentRadar also reveals key parameters to help us adjust our search strategy, enabling us to narrow down our search even further."

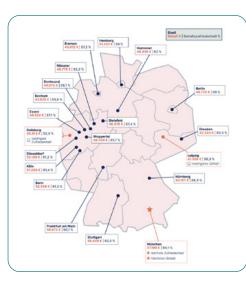
0

Björn Boldt, Teamlead Active Sourcing, About You

For us, onlyfy makes our work easier in so many ways. The predefined best practice settings and templates provide a great starting point and can be perfectly tailored to our needs in just a few steps. The option to fully automate various tasks and communication flows with applicants saves us a huge amount of time and helps us to improve our candidate experience. Communication with all those involved in the application process, particularly individual departments, also works smoothly and with maximum transparency."

> Nico Adorf, Senior Manager Training and evelopment-Team Lead T&D Retail. Snipes

Staying on track





Die Top-10-Jobs mit den höchsten Gehältern

Wer sind die Top-Verdiener:innen in Deutschland?

Partner:in	146.818 €	Programmverantwortliche:r	87.332
Chefarzt/Chefärztin	136.861 €	7 Vertriebsleiter:in	86.143
Werkleiter:in	102.568 €	Pilot:in	85.585
Leitende:r Ingenieur:in	96.636 €	Anwalt/Anwältin	83.752
Kaufmännische:r Leiter:in	94.263 €	Softwarearchitekt:in	82.912

Valuable: The annual kunun salary check offers job seekers and employees transparency about remuneration standards in their profession and region.

Coveted: Companies like to use the kununu seal as proof of good ratings given by employees.

kununu as an attractive employer branding partner

Our other brand, kununu, emphatically demonstrates how a corporate culture boasting elements such as sustainability, fairness, transparency and modern leadership and organizational structures has become the key to success for any modern employer. Headquartered in Vienna, the employer review platform performed exceptionally well once again in 2022. Thanks to our users, who have now provided more than eight million ratings and insights into several hundred thousand companies, kununu is the first port of call in the German-speaking region for jobseekers looking to learn more about their potential new employer. The kununu Culture Compass provides a quick and comprehensive overview of corporate culture in categories such as leadership, strategic direction, interaction with colleagues and work-life balance. Yet jobseekers (and, increasingly, employees keen to get more information about their company's public image) are not the only ones to benefit from these insights, as kununu is now also seen by many companies as a genuine employer branding partner. "According to our observations, the willingness to honestly reappraise and engage in dialog with users has increased significantly," said Nina Zimmermann, CEO of kununu, adding: "Good employer branding is mostly about presenting your company authentically. You have to show the outside world the values on which your company is built, and that means your main priority has to be putting employees at the heart of what you do." A good kununu rating is now seen as a confirmation of the achievements made by HR departments and management right up to the executive level. The most visible sign of this is strong demand for the kununu seal, which was introduced in November 2021 and has already been used as a certificate of quality by more than 2,500 companies.

Anna-Talica Schilling, HR administrator for the town of Goslar, highlighted yet another advantage of this collaboration: "Our kununu employer branding profile gives us greater scope to present ourselves as an attractive employer. Even suitable candidates from outside Goslar are now aware of us." This town in the Harz Mountains also has its own employer profile on XING, where it benefits from the tremendous reach of our community platform. There were also several significant changes to XING during 2022, both on the product side and in terms of personnel, with the appointment of new management. Here again, in the context of our overall strategy, our main task is to increasingly focus on matching jobseekers with employers as effectively as possible as well as promoting job satisfaction on an individual level. As part of these efforts, other XING products and services such as those relating to interactions between its members – either virtually or live at events – were reduced or discontinued.

XING remains the largest jobs and career community in the German-speaking region, with well-researched news, insider analysis and advice that provides its members with comprehensive guidance for their professional lives. Of course, they can also find the role they really want from a wealth of job opportunities that currently includes around 1.3 million vacancies. The company insights, salary and culture information provided by kununu also plays a central role.

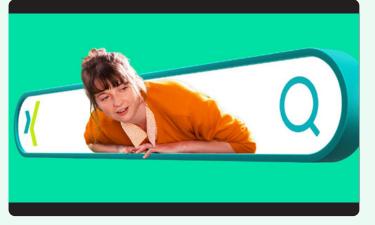
XING also performs an important function on the company side. More than 20,000 recruiters who are active on the platform in turn benefit from the knowledge we have gained from the data of more than 21 million XING users. "Together with kununu's insights, we can analyze quickly and extremely effectively whether what a company offers would be a good fit for a talented professional," explained Petra von Strombeck, adding that the more transparent a company is about its culture, the more likely it is that a job offer will be well suited to a member's individual needs, preferences and personality.



TV spot: → Do your XING!

Spot on: In an elaborate TV and web campaign, XING presented itself as the best address for finding the perfect job.





"We act as a matchmaking service between jobseekers and companies, and that's precisely what sets us apart from other platforms and networks."

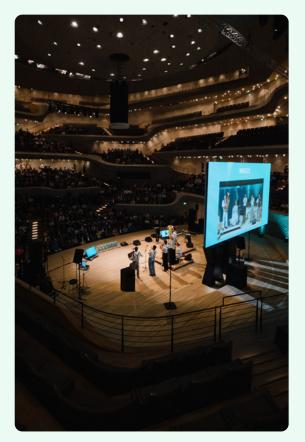
Petra von Strombeck, CEO of New Work SE

NEW WORK SE

Staying on track

Impressive:

The NEW WORK Experience 2022 at Hamburg's Elbphilharmonie underpinned its reputation as an event that is as profound as it is creative.





In-person: For the first time since the onset of the COVID pandemic, face-to-face meetings and talks were possible again at NWX22.

willkommen auf der BRARREZ

Interplay between all brands at NWX23

The new strategy is becoming apparent in many different ways, including in the concept for our main event, the NEW WORK Experience, which will be held in Hamburg on June 14. Last autumn, it was decided that NWX23 will be jointly curated and hosted by experts from XING, onlyfy and kununu for the first time. As part of the program at our Festival for Work and the Future, the brands will each focus on different topics that are precisely tailored to the interests of their respective client bases and promise to provide plenty of specific practical insights. In another change to the event, NWX23 will no longer take place at the Elbphilharmonie concert hall but will instead be held across several interesting locations in Hamburg's Hafencity, including our head office, the NEW WORK Harbour. Last but not least, NWX's target audience has also been expanded. Different ticket categories and packages are available for the first time to ensure that all visitors – from C-level executives to recruiters, jobseekers to students – have an event experience tailored to their individual needs.

In this way, the "new" NWX and its title WORK FORWARD will also be symbolic of New Work SE as a company. After all, the latest set of financial key performance indicators in this report prove that we are also moving forward in our work – despite the occasional headwind.

"WORK FORWARD"

Report of the Supervisory Board

Dear Shareholders,

I am pleased to report that our business performance was positive over the past year, despite a deterioration in the macroeconomic environment triggered by the challenging political situation. New Work's revenues grew by 10 percent across all segments to €313.4 million, while operating profit rose by 6 percent to €104.1 million. These results prove that the Company's products provide its customers and users with solutions that address long-term future trends and remain relevant even in difficult economic conditions. This strong performance over the past financial year means the Company will again be able to distribute a dividend and a special dividend this year.

Aside from its financial key performance indicators, New Work SE has also reached numerous important milestones in the Company's ongoing positive development.

The further growth of the XING platform to now 21.5 million members shows that the leading job network in the Germanspeaking world remains highly relevant. kununu also performed exceptionally well during the past financial year and now boasts more than 8 million company reviews. The new onlyfy product platform, which is designed to provide our corporate customers with optimum support, was successfully launched in September and supports the further growth of our B2B E-Recruiting business, which recorded significant growth of 22 percent during the year under review.

As the Supervisory Board, we exercised with great diligence the duties we are required to perform in accordance with the law and the Articles of Incorporation. We continued to advise the Management Board in its management of the Company, and also diligently monitored the Management Board's written and oral reports and joint meetings. Anette Weber as the Chair of the Audit Committee and I also exchanged information with the Management Board by conducting telephone conferences regularly and visiting the XING premises.

The Management Board regularly informed us in good time with regard to its business policy and strategy, key corporate planning aspects (including financial, investment and HR planning), the course of business, current revenues, earnings and liquidity, the Company's and Group's economic situation (including the risk situation and risk management), Groupwide compliance and business transactions of importance to the Company and Group. The Management Board reported as and when needed and periodically as per the Rules of Procedure imposed upon the Management Board by the Supervisory Board.



Martin Weiss Chairman of the Supervisory Board

When required, we also commissioned external consultants and employees from various departments to assist with our consultations in 2022. We were promptly involved by the Management Board in all major decisions that were of key importance to the Company. In accordance with its Rules of Procedure, the Management Board also presented transactions requiring consent to us Which, following their review and deliberation with the Management Board, were all unanimously approved by us.

Composition of the Supervisory Board

As of the reporting date, the Supervisory Board, which pursuant to Section 96 (1), Section 101 (1) sentence 1 of the German Stock Corporation Act (AktG) in conjunction with item 10.1 of the Articles of Incorporation has six members, consisted of Dr. Johannes Meier (Deputy Chairman), Dr. Katharina Herrmann, (since June 1, 2022) Dr. Jörg Lübcke, Jean-Paul Schmetz, Anette Weber and myself as Chairman. Dr. Andreas Rittstieg left the Supervisory Board effective at the end of the Annual General Meeting on June 1, 2022.

In the reporting year, the Audit Committee, which pursuant to Section 96 (1), Section 101 (1) sentence 1 AktG in conjunction with item 10.1 of the Articles of Incorporation and Article 6 (1) of the Rules of Procedure of the Supervisory Board has three members to be selected from amongst the Supervisory Board members, consisted of Anette Weber (Chairwoman), Dr. Jörg Lübcke and Dr. Johannes Meier (since June 1, 2022). Up until his departure from the Supervisory Board on June 1, 2022, Dr. Andreas Rittstieg was also a member of the Audit Committee.

The Product and Technical Committee, which was set up pursuant to Section 96 (1), Section 101 (1) sentence 1 AktG in conjunction with item 10.1 of the Articles of Incorporation and Article 7 (1) of the Rules of Procedure of the Supervisory Board, had three members in the reporting year: Jean-Paul Schmetz (Chairman), Dr. Johannes Meier and myself. Its composition did not change compared to the previous year.

Supervisory Board meetings

During the financial year ended, the Supervisory Board came together for four regular meetings (one per quarter), on constituent meeting after the Annual General Meeting and a strategy meeting. The Supervisory Board held two meetings via video conference between its regular meetings. Anette Weber (on April 29) and Dr. Jörg Lübcke (on October 4) each excused themselves for their absence from one Supervisory Board meeting. Other than that, all serving members of the Supervisory Board participated in person or via video conference in all meetings and resolutions. Each meeting at which the members met in person involved thorough deliberations on the current state of the business, the Company's KPIs and product initiatives for the B2B and B2C businesses.

We dealt with the following key topics during the reporting period:

The Supervisory Board meeting held on March 24 exhaustively discussed the annual financial statements, management report, consolidated financial statements, Group management report and dependent company report for the 2021 financial year. As recommended by the Audit Committee and following in-depth deliberations by the auditors, the 2021 annual financial statements were adopted by the Supervisory Board. We approved the CSR Report submitted by the Management Board. Other key resolutions adopted by this meeting included the Supervisory Board's approval of the Management Board's recommendation on profit appropriation, and the recommendation by the Company's officers for the choice of annual auditor for the 2022 financial year, to be presented to the Annual General Meeting. In doing so, we followed the recommendations provided by the Audit Committee and proposed to the Annual General Meeting to appoint KPMG to conduct the 2022 audit. We also approved the planned agenda items and proposed resolutions for the Annual General Meeting on June 1, 2022. Furthermore, we intensively discussed the Company's personnel policy.

At the meeting on May 31, 2021, we agreed to extend our Management Board employment contract with CEO Petra von Strombeck. We also discussed the performance of the Events business and agreed to discontinue it. In addition, we approved the conclusion of a contract to procure a marketing automation tool. Lastly, we made preparations for the Company's Annual General Meeting on the following day.

At the Supervisory Board's inaugural meeting held after the Annual General Meeting on June 1, 2022, we held a by-election to appoint members to the committees after the resignation of Dr. Andreas Rittstieg from and the election of Dr. Katharina Herrmann to the Supervisory Board.

At the Supervisory Board meeting on September 23, 2022, we approved two contracts for consultancy services to be provided to the Company. We also discussed in detail the progress of the budget for the following year and, in addition to the standard topics, addressed the future direction of the B2C business in particular. At the meeting on November 30, 2022, we discussed the findings of the annual Supervisory Board efficiency review and unanimously concluded that the review was satisfied with the Supervisory Board's work. We adopted the skills profile and corresponding skills matrix for the composition of the Supervisory Board. We also addressed personnel issues and new core strategic initiatives. Focus areas included the Company's data strategy and the performance of the B2C business in particular. We discussed in detail and approved both the 2023 budget and the 2023-2025 three-year plan presented by the Management Board. Finally, we addressed lease issues and adopted necessary resolutions.

The further strategic development of the Company was also discussed at a strategy meeting attended by the Management Board and Supervisory Board on September 22, 2022.

Outside the face-to-face Supervisory Board meetings described, urgent decisions were taken in meetings held via video conference. In a conference call held on April 29, 2022, the Supervisory Board adopted changes to the long-term incentive program proposed by the Management Board, and on October 4, 2022, the Supervisory Board adopted changes to the short-term incentive program for the leadership team also proposed by the Management Board, and concluded a contract for the provision of services associated with XING's appearances at trade fairs and conferences.

Audit Committee meetings

Over the last year, the Audit Committee held four meetings, specifically on February 17, March 23, September 23 and November 29, 2022. Due to restrictions imposed as a result of the coronavirus pandemic, the meetings on February 17 and March 23 were hybrid meetings held also using video conferencing solutions. All of its members were present at all meetings. The committee reviewed the financial statements and the consolidated financial statements, discussed auditing issues with the auditors, and dealt with internal audit and risk management. The Audit Committee dealt in detail with the proposal on the election of a new auditor for the 2022 Annual General Meeting. The resolutions to approve the annual financial statements and the consolidated financial statements were prepared for the Supervisory Board along with the profit appropriation proposal. The key points of the audit for the 2022 annual financial statements were also discussed and decided on with the auditor of the annual financial statements. Another focus area for the Audit Committee was the Company's future non-financial reporting requirements.

Other recurring topics at Audit Committee meetings included the monitoring of the existing risk management system, the preparation of accounts, the effectiveness of the internal control and compliance systems, and the audit activities of the auditor of the annual financial statements.

Apart from face-to-face meetings, conference calls on business developments were also held monthly between the Audit Committee and the Management Board. The Audit Committee was also available for ad hoc consultation at any time outside face-to-face meetings.

Technical and Product Committee meetings

The Technical and Product Committee held four meetings over the past financial year, either in person or via video conference. All of its members were present at all meetings. On March 23, May 31, and November 29, the Committee addressed IT topics relating to IT security and product technology. Product topics included the strategic direction of product development in the B2C business, a detailed examination of the quality of user data on the XING platform, and the launch of onlyfy one, the new software-as-a-service talent acquisition platform in the Company's corporate customer business. At several meetings, discussions addressed the overall situation of the Company's tech and product organization. The Committee and its members also advised the Management Board on technology- and productrelated topics outside of its face-to-face meetings.

Audit of the 2022 annual financial statements and consolidated financial statements

The annual financial statements, which were prepared by the Management Board in accordance with the rules of German commercial law and the management report of New Work SE for the 2022 financial year were audited by KPMG AG, Hamburg, and issued with an unqualified auditor's report. The consolidated financial statements and Group management report of New Work SE for the 2022 financial year, which were prepared in accordance with the International Financial Reporting Standards (IFRSs) pursuant to Section 315e German Commercial Code, were also issued with an unqualified auditor's report by the auditor. Pursuant to Section 312 AktG, the Management Board has prepared a report on relations with affiliated companies to be prepared by the Management Board due to Burda Digital SE's majority shareholding in New Work SE. The auditors have examined this report and issued the following opinion: "In our opinion, based on the examination which we have carried out in accordance with professional standards,

- → 1. the factual information contained in the report is correct and
- → 2. the consideration given by the Company for the legal transactions referred to in the report was not unreasonably high."

The annual financial statements and the consolidated financial statement, including the Group management report and the management report, the report on relations with affiliated companies as well as the audit reports of the auditor and the profit appropriation proposal of the Management Board were submitted to the Supervisory Board prior to the Audit Committee's meeting on March 21, 2023 and the Supervisory Board's meeting on March 22, 2023 for them to be reviewed and intensively discussed. The auditors attended Audit Committee and Supervisory Board meetings concerning the submitted documents and reported on the main findings of their audits. They were available to the Supervisory Board at all times in order to answer questions and provide information. As part of auditing the financial statements, the Supervisory Board and Audit Committee also discussed the Management Board's accounting policy and financial planning. Other specific matters discussed with the Management Board and the auditor of the annual financial statements included findings from the audits conducted by the auditor on the agreed key audit matters.

Following the final result of its own review, the Supervisory Board did not have any reservations with regard to the annual financial statements which were submitted, the management report as well as the consolidated financial statements and the Group management report and the report on relations with affiliated companies and, following its own review, approved the results of the auditors concerning the audit of the financial statements and the consolidated financial statements as well as the management report and Group management report of New Work SE and the report on relations with affiliated companies during its meeting on March 22, 2023. The Supervisory Board has approved the annual financial statements prepared by the Management Board and the consolidated financial statements of New Work SE. The annual financial statements of New Work SE have thus been adopted.

The Supervisory Board has conducted a thorough audit and considered all of the arguments in connection with the Management Board's profit appropriation proposal. As a result, a proposal will be submitted to the Annual General Meeting on May 24, 2023 to distribute a regular dividend of \notin 17.8 million or \notin 3.16 – which represents another year-on-year increase – and a special dividend of \notin 20 million or \notin 3.56 per share.

Corporate Governance

Pursuant to the German Corporate Governance Code, the Management Board and the Supervisory Board provide information on Corporate Governance at XING SE on the Investor Relations section of the XING SE website. The Management Board and the Supervisory Board issued the annual Declaration of Conformity as required by law. The Declaration of Conformity and other disclosures in accordance with Section 289a German Commercial Code are available on the XING website at → https://www.new-work.se/ en/investor-relations/corporate-governance. New Work SE complies with almost all of the recommendations of the German Corporate Governance Code and is committed to sound corporate governance as an integral part of management.

Conflicts of interest

No topics or transactions arose in the financial year ended that had the potential to cause conflicts of interest for members of the Management Board or Supervisory Board.

Closing remarks

We would like to thank all of New Work's members and customers as well as its shareholders for the trust they have vested in the Company. We also thank the Management Board and all employees in the New Work Group for their excellent work amid the extraordinary challenges posed by the tense political and macroeconomic environment. Together they have made 2022 a successful financial year.

Hamburg, March 22, 2023

Martin Weiss

Chairman of the Supervisory Board

Management Board and Supervisory Board

Management Board and Supervisory Board

The Management Board of New Work SE is responsible for the corporate strategy and its implementation. The Supervisory Board chaired by Martin Weiss is in close consultation with the Management Board and is involved in important strategic and business decisions.

DECK 2

 The members of the Management Board of New Work SE From left to right:

 Ingo Chu (CFO), Frank Hassler (CSO), Petra von Strombeck (CEO),

 Jens Pape (CTO) and Dr. Peter Opdemom (Board member B2C)
 18 / 103

Management Board and Supervisory Board

MEMBERS OF THE MANAGEMENT BOARD



Petra von Strombeck CEO





Frank Hassler CSO



Dr. Peter Opdemom Board Member B2C (since January 1, 2022)



Jens Pape CTO

MEMBERS OF THE SUPERVISORY BOARD



Martin Weiss Chairman of the Supervisory Board



Dr. Katharina Herrmann



Dr. Jörg Lübcke



Prof. Dr. Johannes Meier



Jean-Paul Schmetz



Anette Weber

The New Work SE shares

The New Work SE shares

Transparency, managing market expectations and ensuring open and continuous dialog form the cornerstones of our communication with the capital market.

Basic data on the New Work share

Basic data on the New Work SE share at a glance

Number of shares	5,620,435
	5,020,455
Share capital in €	5,620,435
Share type	Registered shares
IPO	12/07/2006
ISIN (NEW)	DE000NWRK013
Bloomberg (NEW)	NWO:GR
Reuters (NEW)	NWOn.DE
Transparency level	Prime Standard
Index	SDAX
Sector	Software
Paying agent	Deutsche Bank

	2022	2021	2020	2019	2018
XETRA closing price at year-end	€152.60	€217.50	€280.00	€292.00	€237.50
High	€228.00	€290.50	€312.00	€375.50	€326.00
Low	€115.80	€197.00	€164.00	€229.00	€224.50
Market capitalization at year-end	€858 million	€1,222 million	€1,574 million	€1,641 million	€1,388 million
Average trading volume per day (XETRA)	3,538²	2,194 ²	4,475	4,696	4,840
Pro forma earnings per share (basic)	€8.41³	€7.66³	€6.37	€6.37	€5.35
Number of shares	5,620,435	5,620,435	5,620,435	5,620,435	5,620,435
Regular dividend per share	€3.161	€2.80	€2.59	€2.59	€2.14
Special dividend per share	€3.561	€3.56			€3.56

¹ Proposal to the Annual General Meeting on May 24, 2023

² XETRA und Tradegate

From continuing operations

CAPITAL MARKET AND SHARE PRICE PERFORMANCE

The 2022 trading year was dominated by geopolitical crises and a turnaround in monetary policy. The US Federal Reserve raised its key interest rate four times, while their

European counterparts also introduced key rate hikes after a slight delay. As a result, 2022 was one of the worst trading years for a long time.

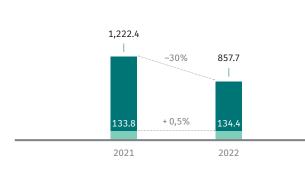
The DAX ended this crisis-ridden year down 12 percent, while the SDAX, where New Work SE shares are listed, closed out the year down 27 percent. Meanwhile, the largest technology exchanges suffered even more painful losses, with the Nasdaq Composite slumping by 34 percent. As a technology stock and small cap, we were impacted by the overall market situation on the stock markets despite recording double-digit revenue growth and increasing pro forma consolidated net profit from €43 million to €47 million in the 2022 financial year. As a result, we also suffered a decline of around one-third in our market capitalization to approximately €860 million.

Share price performance of new work SE in 2022 vs. SDAX



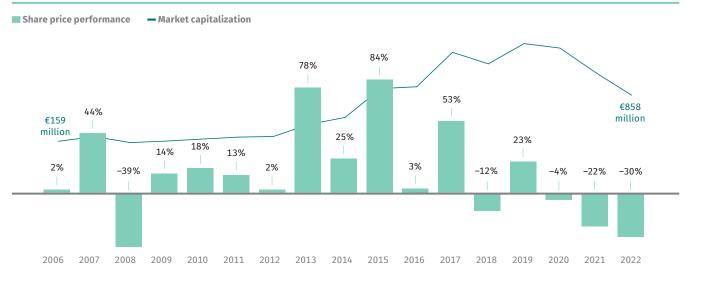
12/2021 01/2022 02/2022 03/2022 04/2022 05/2022 06/2022 07/2022 08/2022 09/2022 10/2022 11/2022 12/2022

Market capitalization and trading volume (XETRA and Tradegate) in € million



Market capitalization

Share price performance and market capitalization since the IPO



Annual Report 2022

Trading volume

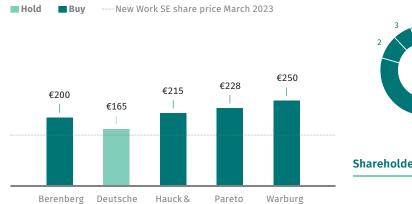
ANALYST COVERAGE

Our shares are being monitored by five well-known brokerage firms (coverage). In light of the sharp increase in interest rates, brokerage firms also raised their discount rate (WACC). This caused the present value of discounted future cash flows to decrease accordingly, while price targets were also adjusted. Four of the five brokers still recommend New Work SE shares as a Buy.

Analyst recommendation and fair value in March 2023

SHAREHOLDER STRUCTURE OF NEW WORK SE

There was no significant change to the geographical distribution of our shareholder structure during the past 12 months. The proportion of US investors fell slightly from 10.9 percent to 8.5 percent over the past financial year. The shares were primarily bought by German investors, increasing their proportion of the shareholder base from 77.1 percent to 79.8 percent since March 2022. The largest shareholder is still Burda Digital with 50.2 percent.



Securities

Research

Aufhäuser

Geographical distribution of investors in March 2023



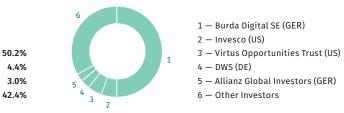
Shareholder structure of New Work SE in March 2023





Shareholder structure of New Work SE in March 2022





Bank

Bank

50.2%

5.5%

5.1%

3.1%

3.0%

33.1%

IR ACTIVITIES

2022 was marked by the resumption of in-person meetings and discussions with existing and potential investors, both in Germany and abroad. After a short break over the New Year, we wasted no time in engaging in dialog with potential and existing investors as part of a virtual investor conference in mid-January. In February 2022, we chose a new, more personal format for unveiling our preliminary results for the 2021 financial year, with Petra von Strombeck and Ingo Chu presenting the preliminary results together with a strategy update as part of an interactive video conference with more than 50 participants. After meeting virtually in other formats, we were able to take part in significantly more in-person meetings with investors at roadshows and conferences from the middle of the year onwards. As part of our investor relations efforts, we place great emphasis on speaking with our loyal existing investors in person at least once a year something we almost fully achieved across more than 200 investor meetings during 2022 - in addition to making contact with potential investors. We look forward to continuing this dialog with our existing and potential investors in the 2023 financial year.

ANNUAL GENERAL MEETING

Our virtual Annual General Meeting took place on June 1, 2022. We broadcast the shareholder meeting live from our new office building, the NEW WORK Harbour, in Hamburg's HafenCity. Our CEO Petra von Strombeck and CFO Ingo Chu presented developments from the 2021 financial year as well as the first quarter of 2022. Almost all shareholders (90 percent) participated in our Annual General Meeting. All of the agenda items – including the distribution of a regular dividend of \in 2.80 per share as well as a special dividend of \in 3.56 per share – were accepted and adopted.

For the upcoming Annual General Meeting on May 24, 2023, the Management Board decided in February 2023 to recommend that the Annual General Meeting increase the regular dividend once again to €3.16 per share and pay a special dividend of €3.56 per share. After being held virtually for the last three years, the Annual General Meeting is set to take place as an in-person event at our HafenCity headquarters in May 2023.

From April 2023, shareholders can obtain further information as well as the invitation and agenda for the upcoming Annual General Meeting in May 2023 at → https://www.new-work.se/ en/investor-relations/annual-general-meetings.

OUR INVESTOR RELATIONS MEDIA CHANNELS

→ https://www.new-work.se/en/investor-relations (IR website of New Work SE)

Twitter: New_Work_SE_IR

(Information and news related to the capital markets)



The New Work SE Investor Relations department is happy to take questions and comments:

New Work SE

Patrick Möller Vice President Investor Relations Am Strandkai 1 20457 Hamburg Phone: + 49 40 41 91 31-793 Fax + 49 40 41 91 31-44

E-mail: ir@new-work.se

Contents

Group management report

for the financial year from January 1 to December 31, 2022

- 25 Strategy and business
- 25 Strategy
- 26 Market positioning
- 27 Business models and internal management system
- 28 Organizational structure of the Group
- 28 Financial and non-financial key performance indicators (internal management system)
- 31 Comparison of outlook for 2022 with actual development in the 2022 financial year
- 32 Corporate social responsibility (CSR)
- 35 Business and operating environment
- 35 Macroeconomic and sector-specific environment
- 44 Management's summary of the Company's economic position
- 45 Risk report
- 50 Management's summary of the Company's risk situation
- 50 Report on expected developments and opportunities
- 54 Legal information

Strategy and business Strategy

Strategy and business

Strategy

The strategic direction of New Work SE is based on sustainable long-term trends and developments in the labor market across the D-A-CH region, with Germany – Europe's largest economy – as the main focus of our activities.

In keeping with our overarching vision "For a better working life", we aim to not only improve the working lives of our users but also help companies to find the right talented individuals who can use their commitment and productivity to deliver success for their employer. We defined the strategy for New Work SE at group level as follows: "Become #1 HR Recruiting Partner in D-A-CH by winning talents".

Conditions in the labor market have changed radically in recent years, particularly in German-speaking countries, as demographic change in particular creates a considerable shortage of talented and skilled professionals. The decline in birth rates over the last few decades means the labor market already has fewer and fewer skilled workers at its disposal – too few, in fact. This trend will be exacerbated further in the coming years. We expect the current shortage of skilled workers in the D-A-CH region to spread to an ever-greater number of sectors and occupations and develop into a general shortage of labor. Without migration and a higher labor force participation rate, the supply of labor will decline by around seven million persons by 2035, according to the Institute for Employment Research (IAB). We are also monitoring the potential impact of artificial intelligence on labor demand.

In this challenging environment for employers, we want to use our recruiting and employer branding products and services to establish ourselves as a capable partner for companies and HR departments, helping them to identify more suitable candidates more quickly and enhance their employer branding. By doing this, we can contribute to the growth and business success of thousands of companies and employers across the D-A-CH region. These activities are recorded in the B2B E-Recruiting segment.

The market for recruiting products and services that we serve is worth around €5 billion in Germany alone, offering numerous opportunities to grow our market share with both our own products and by making acquisitions.

At the same time, we want to help our users and members to find the right job and the right employer via our own destinations such as the kununu and XING platforms in particular, thus enabling professionals to live happier, more satisfying working lives. After all, happy employees mean more successful companies.

We bring the B2C and B2B target groups together via marketplaces under the umbrella of the New Work Group, as we are convinced that this enables both segments to build each other up.

For example, more than 21.5 million people are registered on the **XING platform** to not only gain access to potential business contacts or partners but also be visible to recruiters and recruitment consultants and gain access to the job market via XING. This provides us with an important foundation for strengthening XING's positioning as a job network even further in the future.

In turn, employers can access the largest talent pool in the D-A-CH region (XING platform) directly via our digital recruiting solutions by placing job advertisements (Passive Recruiting) or by actively searching for and approaching candidates (Active Sourcing), enabling them to fill vacancies as quickly and efficiently as possible.

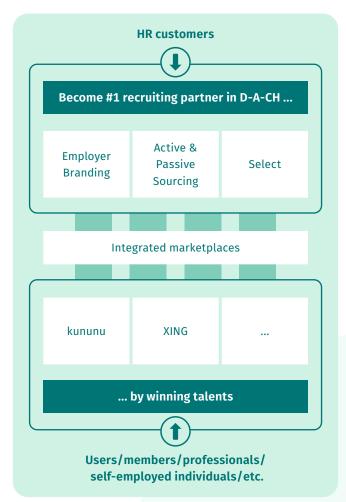
Strategy and business Strategy

Market positioning

By acquiring the **kununu platform**, we have established another marketplace that brings professionals and employers together outside the XING platform. This platforms gives professionals guidance in their search for new job prospects or employers that are a better fit for their own values.

In turn, companies can use our employer branding solutions to present themselves as attractive employers and thus arouse the interest of potential candidates. Especially amid the growing labor shortage and an increase in unfilled vacancies, more and more employers rely on a paid kununu employer branding profile to increase their visibility among potential candidates.

We also monetize access to members and/or users to a lesser extent via the Marketing Solutions segment.



Market positioning

By focusing most of our activities on German-speaking countries (the D-A-CH region), we operate in Europe's largest and strongest economic region. The New Work Group's B2C platforms → www.xing.com and → www.kununu.com are leading players in their respective segments with more than 21.5 million members and hundreds of thousand employers reviewed.

Our digital recruiting solutions also help more than 14,000 companies and employers to fill vacancies with the best possible candidates.

Business models and internal management system

Business models and internal management system

New Work SE operates business models in the B2C segment as well as the two B2B segments of E-Recruiting and Marketing Solutions. Our B2C segment offers professionals services such as → www.kununu.com and → www.xing.com enabling users and members to look for the best possible employer, connect with other professionals and gain a more transparent picture of the opportunities on offer in the labor market. XING members in particular can be identified and approached by companies and employers as potential candidates to fill vacancies. Our B2B solutions primarily help companies and employers to search for suitable candidates and talented professionals for job vacancies or to position themselves as an attractive employer.

The Group management report is structured in accordance with the following reportable segments:

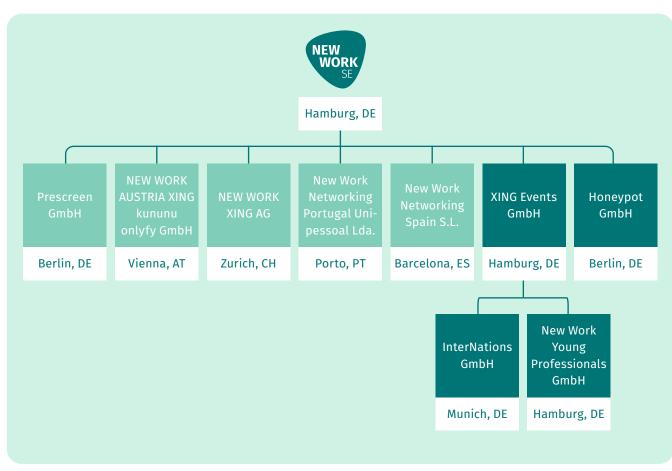
- → 1. B2C
- → 2. B2B E-Recruiting
- → 3. B2B Marketing Solutions

Revenue and EBITDA trends are reported in each segment. Our customers pay for most of our B2C and B2B products and services in advance on the basis of subscription models.

Segment	User group	Product	Monetization	
B2C	Professionals, freelancers, self-employed individuals	Premium membership	— 3- or 12-month fee	
	sett-employed matviduals	ProJobs membership		
		XING platform (network)	via B2B solutions	
		kununu platform	via B2B E-Recruiting solutions	
	Expatriates	InterNations	3- or 12-month fee	
B2B E-Recruiting	Employers/businesses	onlyfy job ads	Fee per ad	
		onlyfy TalentManager		
		kununu Top Company seal	Annual fee	
		onlyfy 360		
		onlyfy one		
		onlyfy employer branding profile		
		onlyfy TalentService	Fixed fee per search	
		Honeypot	Variable and fixed annual fee	
B2B Marketing Solutions	Businesses/Advertisers	Native advertising formats		
		Video advertising formats		
		Content advertising formats	CPC (cost per click)/ CPM (cost per million)	
		Sponsored mailings		
		Audience network		

Organizational structure of the Group Financial and non-financial key performance indicators (internal management system)

Organizational structure of the Group



In the past financial year, New Work SE had a total of nine active investments in companies in and outside Germany, of which seven were direct investments and two were indirect investments through intermediate companies. All investees are controlled by New Work SE and are therefore fully consolidated in New Work SE's consolidated financial statements. In Austria, NEW WORK AUSTRIA XING kununu Prescreen GmbH was renamed NEW WORK AUSTRIA XING kununu onlyfy GmbH. Furthermore, the resolution to liquidate the German Prescreen GmbH was adopted on November 17, 2022. The liquidation has not yet been completed.

Financial and non-financial key performance indicators (internal management system)

Achievement of our strategic objectives is monitored using financial and non-financial key performance indicators. These indicators are regularly compared with targets and a rolling forecast that is reported to the Management Board and Supervisory Board.

ADJUSTED (PRO-FORMA) KEY PERFORMANCE INDICATORS

Management is based on financial performance indicators such as revenues per segment and segment EBITDA. The key performance indicators reported in accordance with IFRSs in the consolidated statement of comprehensive income in some cases include non-recurring effects. In the management report, these reported key performance indicators are therefore adjusted for effects including those arising from changes in the basis of consolidation triggered by M&A, impairment of goodwill, remeasurement of non-operating financial instruments, restructuring and other non-recurring transactions unrelated to operating performance.

Both in the 2022 reporting period and in the previous year, pro forma key figures (sales and EBITDA) were identical to reported key figures.

Financial and non-financial key performance indicators (internal management system)

Reconciliation of pro forma income statement and key performance indicators 2022

In € million	P&L unadjusted 01/01/2022- 12/31/2022	Operating business of discontinued operations (like-for-like)	Change in scope of consolidation (M&A)	Impairment of goodwill	Changes in earn-out liabilities	Remeasurement of non-operat- ing financial instruments	Restructuring expenses	P&L pro forma, 01/01/2022 - 12/31/2022	P&L pro forma, 01/01/2021– 12/31/2021	Change in %	Change Abs.
Revenues	313.4							313.4	284.5	10	28.9
Other operating income	3.0							3.0	1.4	110	1.6
Other own work capitalized	20.7							20.7	21.7	- 5	- 1.0
Personnel expenses	- 144.6							- 144.6	- 131.6	10	- 13.0
Marketing expenses	- 39.0							- 39.0	- 35.3	10	- 3.7
Other operating expenses	-47.2							- 47.2	-40.1	18	- 7.2
Impairment losses on financial assets and contract assets	-2.2							- 2.2	- 2.8	-22	0.6
EBITDA	104.1							104.1	97.9	6	6.2
Depreciation, amortization and impairment losses	- 37.9							- 37.9	- 40.0	- 5	2.0
EBIT	66.2							66.2	57.9	14	8.2
Financial result	-2.8					1.7		- 1.1	- 0.8	29	- 0.2
EBT	63.4					1.7		65.1	57.1	14	8.0
Taxes	- 17.3					- 0.6		- 17.9	- 14.1	27	- 3.8
Consolidated net profit	46.1					1.2		47.3	43.0	10	4.2
Earnings per share in €	8.20					0.2		8.41	7.66	10	0.8

Financial and non-financial key performance indicators (internal management system)

Reconciliation of pro forma income statement and key performance indicators 2021

In € million	P&L unadjusted 01/01/2021- 12/31/2021	Operating business of discontinued operations (like-for-like)	Change in scope of consolidation (M&A)	Impairment of goodwill	Changes in earn-out liabilities	Remeasurement of non-operat- ing financial instruments	Restructuring expenses	Other non-recurring effects	P&L pro forma, 01/01/2021 – 12/31/2021
Revenues	284.5								284.5
Other operating income	1.4								1.4
Other own work capitalized	21.7								21.7
Personnel expenses	- 131.6								- 131.6
Marketing expenses	- 35.3								- 35.3
Other operating expenses	-40.1								-40.1
Impairment losses on financial assets and contract assets	-2.8								- 2.8
EBITDA	97.9					0.0			97.9
Depreciation, amortization and impairment losses	- 40.0								- 40.0
EBIT	57.9					0.0			57.9
Financial result	-0.4					- 0.4			- 0.8
EBT	57.5					- 0.4			57.1
Taxes	- 14.2					0.1			- 14.1
Consolidated net profit	43.3					-0.3			43.0
Earnings per share in €	7.71					- 0.05			7.66

Non-financial key performance indicators

We employ two non-financial key performance indicators:

The two key performance indicators are used in the two main segments B2C and B2B E-Recruiting.

- \rightarrow 1. XING members
- ⇒ 2. Number of corporate subscription customers in the B2B E-Recruiting segment

Comparison of outlook for 2022 with actual development in the 2022 financial year

Comparison of outlook for 2022 with actual development in the 2022 financial year

FINANCIAL KEY PERFORMANCE INDICATORS

Revenue and earnings targets

We met the guidance for pro forma consolidated revenues issued in the 2021 Annual Report and raised in the 2022 Half-year Report. We were also able to meet the guidance for pro forma Group EBITDA and our expectations for pro forma revenues and pro forma EBITDA in the B2B E-Recruiting and B2C reporting segments issued in the 2021 Annual Report and confirmed in the 2022 Half-year Report. Only in our smallest reporting segment, B2B Marketing Solutions, were we unable to achieve our guidance due to the fact that the development of the advertising market did not meet our expectations.

Financial key performance indicators (Annual Report 2021)	Forecast for 2022 (Annual Report 2021)	Updated 2022 (Half-year Report 2022)	Actual for 2022
Group			
Pro forma consolidated revenues	Single-digit percentage growth	Double-digit percentage growth	+10%
Pro forma consolidated EBITDA	Single-digit percentage growth	Single-digit percentage growth	+6%
Segments			
Pro forma revenues, B2C segment	Single-digit percentage decline	Single-digit percentage decline	-9%
Pro forma EBITDA, B2C segment	Double-digit percentage decline	Double-digit percentage decline	- 42%
Pro forma revenues, B2B E-Recruiting segment	Double-digit percentage growth	Double-digit percentage growth	+22%
Pro forma EBITDA, B2B E-Recruiting segment	Double-digit percentage growth	Double-digit percentage growth	+23%
Pro forma revenues, B2B Marketing Solutions segment ¹	Double-digit percentage growth	Double-digit percentage growth	-1%
Pro forma EBITDA, B2B Marketing Solutions segment ¹	Double-digit percentage growth	Single-digit percentage growth	- 16%

¹ Explanation: The B2B Marketing Solutions & Events segment was renamed B2B Marketing Solutions due to the discontinuation of the events and ticketing business

Dividend, liquidity and financial targets

We have pursued a sustainable dividend policy since 2012. Accordingly, in 2022 the Annual General Meeting again followed the joint proposal of the Management Board and Supervisory Board and resolved a regular dividend of \in 2.80 (2021: \notin 2.59) and a special dividend of \notin 3.56 per no-par value share carrying dividend rights. New Work's cash-generative business model enables the Company to pursue a sustainable dividend policy without affecting its business strategy, which is still aimed at achieving growth. We intend to continue to make regular dividend payments in the future.

Capital expenditures

After an investment volume (CAPEX, excl. M&A transactions) of €41.2 million in 2021, we invested €28.4 million in the 2022 financial year (excl. M&A transactions). As in previous years, capital expenditure was concentrated on internally developed software, amounting to €20.7 million (2021: €21.7 million). The year-on-year decline in capital expenditure is mainly due to a higher investment volume in the 2021 financial year caused by the move to our new office building.

Comparison of outlook for 2022 with actual development in the 2022 financial year Corporate social responsibility (CSR)

Non-financial key performance indicators

We met both forecasts in terms of the non-financial key performance indicators.

Non-financial key performance indicators	Forecast for 2022 (Annual Report 2021)	Updated 2022 (Half-year Report 2022)	Actual for 2022	
B2C segment: Members in the D-A-CH region	Single-digit percentage growth	Single-digit percentage growth	+6%	
B2B E-Recruiting segment: Number of subscription-based corporate customers (B2B)	Double-digit percentage growth	Double-digit percentage growth	+12%	

The forecast in terms of all financial and non-financial key performance indicators for the 2023 financial year is explained in detail in the report on opportunities and risks.

Corporate social responsibility (CSR)¹

Our CSR model is based on our corporate vision "For a better working life", which defines our understanding of corporate and social responsibility. Our aim is to shape and promote the future world of work and create a new understanding of the interplay between life, culture and work. People should work in companies that align with their own principles, where they can achieve their full potential and be part of a culture that makes them happy in the term. That is why the shared goal of all of New Work SE's activities and brands is to consistently focus on creating a future world of work for people, businesses and the environment. As we consider our mission to be at the heart of our social responsibility, we want to contribute to achieving the UN Sustainable Development Goals (SDGs).

As part of our CSR strategy, we have set ourselves ambitious sustainability goals in five action areas that we want to achieve by 2025. The Management Board and Supervisory Board of New Work SE adopted this strategy in 2021. When defining this strategy, changes in standards and regulations were taken into account, while environmental, social and economic aspects of material issues for New Work SE were systematically reviewed as part of a stakeholder, business and materiality analysis.

The aim of New Work SE's CSR strategy is to build on our corporate responsibility towards society and the environment. We transparently communicate the results we have achieved by publishing an annual CSR Report.

CSR STRATEGY

Our CSR strategy defines the priorities of our commitment and sets concrete targets. Our social responsibility efforts focus on the following five action areas:

- → 1. Governance
- ⇒ 2. Employees
- → 3. Products and Services
- → 4. Environment
- → 5. Society

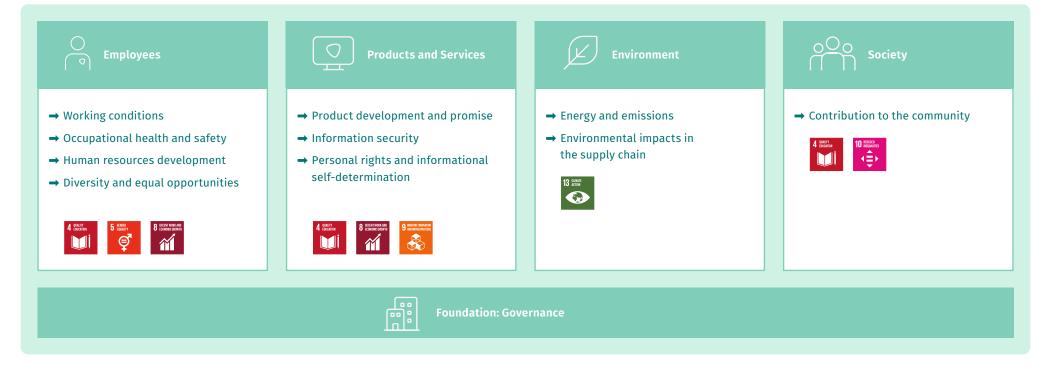
Of these five focus areas, the Governance action area is the cornerstone for our sustainable and responsible practices as part of good governance. We present topics such as laws, policies and compliance as well as our taxonomy-eligible and taxonomy-aligned business activities in a transparent way. The Employees action area is particularly important to us, as it is our greatest asset and one that is at the heart of our company. In particular, the goals and measures for the material topics defined here (see image) \rightarrow page 33, contribute to our corporate vision 'for a better working life' and position us as a pioneer for a modern, digital world of work. We placed greater emphasis on the environment in our strategic process, as we want to contribute to climate change mitigation even though we are a non-manufacturing company.

¹ unaudited part of the management report

Strategy and business Corporate social responsibility (CSR)

To determine the substantive direction and focus of our CSR Strategy 2025, we analyzed the materiality of CSR topics in 2021 to map and prioritize the challenges as things currently stand. In a multi-stage process, we identified topics that are relevant for the direction and refinement of our sustainability strategy. All three relevant dimensions – impact (the impact that New Work SE has on society and the environment), stakeholder relevance and business relevance – were taken into account during this review. The result is ten key topics of particular significance to our business model:

OUR STRATEGIC ACTION AREAS AND KEY TOPICS



Strategy and business Corporate social responsibility (CSR)

The corresponding materiality matrix can be found in the CSR report of New Work SE.

→ CSR Report 2022



Our CSR Strategy 2025 and the extent to which we have reached our sustainability goals are presented in detail in the latest 2022 CSR Report, which is being published at the same time as the Annual Report at the end of the first quarter of 2023.

CSR MANAGEMENT

We established CSR management within the Company in 2017 in order to further develop our action areas and purposefully pursue our goals. A steering committee made up of the Vice President Corporate Communications, the Vice President Investor Relations and a CSR manager coordinates the Company's CSR activities. It prepares roadmap documents to facilitate decisions by the Management Board of New Work SE and takes care of communications with the department managers responsible for implementing the actions.

More detailed information is contained in the 2022 CSR report (Non-financial statement pursuant to Section 315b HGB) which is available at:

 \rightarrow Non-financial statement pursuant to Section 315b HGB

EMPLOYEES

As of December 31, 2022, the New Work Group had 1,887 employees (FTEs) including five Management Board members. This compares to a workforce of 1,712 FTEs as of the end of 2021.

In our CSR report, we discuss employee satisfaction, salary transparency, work-life balance, diversity, health, training and continued professional development (CPD) and the Employee Committee (EC) in detail. Business and operating environment Macroeconomic and sector-specific environment

Business and operating environment

Macroeconomic and sector-specific environment

MACROECONOMIC ENVIRONMENT

Contrary to expectations at the start of the year, 2022 turned out to be a year of crisis. The war in Ukraine that broke out in February rendered all forecasts inaccurate. It took months to adapt to the global disruption to raw materials and food supplies caused by the war and sanctions against Russia.

The resulting price hikes triggered a wave of inflation that particularly impacted Germany, which saw its industrial production capabilities and competitive positioning being severely impacted due to its dependency on Russian natural gas. The situation was further complicated by the fact that supply chain problems caused by the coronavirus pandemic in the previous year had not yet been overcome, an issue that was further exacerbated by China's decision to continue enforcing lockdowns until late autumn 2022 in a bid to tackle the pandemic. The first signs of a slight easing in the economic situation only appeared towards the end of the year thanks to massive economic, financial, monetary and social policy interventions by Western governments. The IMF calculates that the global economy grew by 3.2 percent in 2022, one of the weakest years for growth, after 6.0 percent in the previous year. The global inflation rate rose from 4.7 percent to 8.8 percent in 2022. The extent to which the pandemic and war in Ukraine impacted the global economy can be seen in the following overview of economic growth and inflation.

Economic growth (real GDP) and inflation rate

	Growth	n rate	Inflation rate		
in % vs. prior year	2022	2021	2022	2021	
World	3.2	6.0	8.8	4.7	
USA	1.6	5.7	7.1	4.7	
Eurozone	3.1	5.2	10.1	2.4	
Germany	1.5	2.6	8.6	3.1	
Japan	1.7	1.7	3.8	-0.2	
China	3.2	8.1	1.6	1.0	
Russia	- 3.4	4.7	12.0	6.7	

Sources: IMF and World Bank

In 2022, Germany recorded its highest rate of inflation since the introduction of the euro at 8.6 percent. This was caused by a variety of factors that coincided over the course of the year. While private consumption rose sharply following the lifting of coronavirus protection measures and significant catch-up effects, consumers encountered limited supply due to supply bottlenecks. This trend then intensified sharply due to the leap in commodity prices caused by the war in Ukraine.

Despite this, the mood in the German economy brightened markedly at the end of the year, with the ifo business climate index climbing to 88.6 points in December. After the shock of the war in Ukraine and inflation trends, companies began to view their current situation more positively again as energy policy enabled the situation to stabilize. Business expectations also improved towards the end of the year.

This growing confidence was reflected in the development of economic growth (as measured by real GDP). According to the German Federal Statistical Office's estimates, GDP rose by 1.9 percent during the year under review to slightly exceed even pre-pandemic levels.

Global equity markets were in extremely poor shape in 2022 due to the array of crisis situations. While the DAX slumped by 25 percent to reach a low of around 12,000 points in September, improving economic sentiment meant it recorded a remarkable increase to reach 13,924 points by the end of the year.

Business and operating environment

Macroeconomic and sector-specific environment

SECTOR-SPECIFIC ENVIRONMENT

In 2022, the German labor market was dominated by the pressures and uncertainty of the war in Ukraine, subsequent high levels of inflation and continuing supply chain problems. However, the adverse impact arising from these factors turned out to be milder than feared by the end of the year. Meanwhile, the increasing shortage of labor and skilled professionals in particular intensified further.

The number of open positions rose to a historic high of 1.8 million, exceeding the pandemic-related slump in 2020 by around 1 million job openings, while the annual average number of unemployed people dropped by almost 0.2 million year-on-year to 2.4 million. There are now just 1.3 unemployed people for each vacant position - a record low. The unemployment rate increased slightly year-on-year to 5.4 percent at the end of the year (previous year: 5.1 percent; ILO unemployment rate: 3.0 percent compared to 3.2 percent) due to the recording of Ukrainian refugees. On the other hand, the short-time work rate fell to 0.5 percent (previous year: 2.2 percent) despite the economic pressures caused by an uncertain and more expensive energy supply, reflecting the sustained pressure facing businesses in their search for staff.

The labor market in Austria developed in a similar way to Germany during 2022, with the ILO unemployment rate remaining at the previous year's level of 5.4 percent. The prevailing shortage of labor in Switzerland meant the unemployment rate continued to fall, dropping from 5.1 percent to 4.3 percent.

As in previous years, comparable unemployment rates in the D-A-CH markets were significantly lower than the EU figure of 6.0 percent due to a lack of jobs in Spain and Greece.

RESULTS OF OPERATIONS IN THE GROUP



Earnings per share from continuing operations in €



Note: Pro forma consolidated revenues and pro forma EBITDA 2022 and 2021 and reported consolidated revenues and EBITDA are identical

Macroeconomic and sector-specific environment

2022 was a successful financial year for New Work SE. We have maintained our strategic direction. The growth of our B2B E-Recruiting core segment picked up considerably, and with 21.5 million members at XING and more than 8 million workplace insights, we have also further expanded our strong position from the point of view of access to talent.

Revenues

New Work SE's revenue growth accelerated in the 2022 financial year. While in the previous two financial years 2020 and 2021 we achieved growth of just 2 and 5 percent respectively – as a result of the coronavirus crisis – in the past financial year we met our growth forecasts – which we had raised in August – with a 10 percent increase to €313.4 million. The increased level of demand for digital employer branding and e-recruiting solutions was the core factor which contributed to this. The labor market has staged a significant recovery since mid-2021, as has the demand for suitable candidates.

Other operating income

Other operating income more than doubled by €1.6 million year-on-year, from €1.4 million to €3.0 million. This item mainly includes income from currency translation and prior-period income from letting office space.

Own work capitalized

Own work capitalized in the financial year at €20.7 million was down 5 percent year-on-year. This item is composed of personnel expenses and freelancer costs and allocable ancillary costs.

Personnel expenses

Following the recovery on the labor market and the increased level of demand for our B2B e-recruiting and employer branding solutions, in the past financial year we once again hired new qualified employees (+10 percent year-on-year). Personnel expenses accordingly increased from €131.6 million to €144.6 million. The personnel expenses ratio (personnel expenses/revenues) is 46 percent and thus at the same level as in the previous year.

Marketing expenses

Having reduced our marketing activities during the coronavirus pandemic on account of the muted level of demand, we stepped up our measures again in this area in the past financial year. This growth mainly reflects increased performance marketing activities for job advertisements. Moreover, in 2022 we were once again present at the major HR trade fair "Zukunft Personal" with a large stand, following a break of two years. As a result, marketing expenses increased by 10 percent from €35.3 million to €39.0 million in the reporting period. The marketing expenses ratio at 12 percent is at the same level as in the previous year.

Other operating expenses

Other operating expenses increased by 18 percent from €40.1 million to €47.2 million. This growth is mainly attributable to a €4.2 million year-on-year increase in IT and management services. In addition, travel, entertainment and other business expenses rose by €2.4 million. This reflects a return to normality following significantly reduced costs during the coronavirus pandemic. Overall, at 15 percent the expense ratio is slightly higher than in the previous year (2021: 14 percent). Section 12 of the notes to the financial statements includes a detailed table of all items reported under other operating expenses.

Impairment loss on financial assets

In the past financial year, impairment losses amounted to €2.2 million compared with €2.8 million in the previous year. The decrease is primarily due to a lower level of bad debts (mainly XING Events and InterNations).

EBITDA

Net of all expenses, the operating result (EBITDA) is €104.1 million. This represents an increase of 6 percent on 2021 and is thus in line with the target value predicted in our Annual Report 2021. Since there were not any one-off or extraordinary items which require adjustment, pro forma EBITDA is identical with reported EBITDA.

Depreciation, amortization and impairment losses

Depreciation, amortization and impairment losses fell by 5 percent, from €40.0 million in the previous year to €37.9 million. In the 2022 reporting period, this figure includes €1.8 million (2021: €2.6 million) in depreciation and amortization of assets arising from purchase price allocation (PPA) of past acquisitions. Amortization of internally generated software amounted to €21.0 million (2021: €19.9 million).

EBIT

This resulted in earnings before interest and taxes (EBIT) of €66.2 million in 2022 compared with €57.9 million in the previous year. which represents an increase of 14 percent. As with EBITDA, there are not any one-off or extraordinary EBIT items which require adjustment. Here too, pro forma EBIT is thus identical with reported EBIT.

Macroeconomic and sector-specific environment

Financial result

At €-2.8 million, the financial result in the reporting period was significantly down on the previous year's figure of €-0.4 million. Here, two factors must be highlighted:

- → 1. A non-recurring positive, non-cash effect of €0.4 million related to the remeasurement of non-operating financial instruments in financial year 2021
- → 2. A non-recurring negative , non-cash effect of €1.7 million related to the remeasurement of non-operating financial instruments in financial year 2022

Non-cash interest expenses from rents ($\notin 0.6$ million) and other non-cash interest expenses ($\notin 0.5$ million) also had a negative impact on the financial result.

Earnings before taxes (EBT)

This resulted in earnings before taxes (EBT) of €63.4 million compared with €57.5 million in the previous year. Pro forma EBT adjusted for the non-recurring items in the financial result came to €65.1 million in the past financial year compared with €57.1 million in 2021. This corresponds to an increase of 14 percent.

Taxes

Current taxes are determined by the Group companies based on the tax laws applicable in their country of domicile. Tax expense amounted to ≤ 17.3 million in the reporting period, up from ≤ 14.2 million in the prior-year period. At 27 percent, the tax expense ratio was slightly above the previous year's figure of 25 percent. It should be noted in this context that a non-recurring item related to the termination of the US business from 2019 subsequently reduced the tax expense in 2021 by approximately €3.6 million, which is why the figures for the two years are not comparable. There were also minor non-recurring items in connection with the remeasurement of non-operating financial instruments in the past financial year and the previous year.

Consolidated net profit and earnings per share by continuing operations

Consolidated net profit in 2022 amounted to \notin 46.1 million, compared with \notin 43.3 million in the previous year. This gives rise to earnings per share of \notin 8.20, compared with \notin 7.71 in the prior-year period. The pro forma profit for the 2022 reporting period is \notin 47.3 million, compared with a pro forma profit for the previous year of \notin 43.0 million. Pro forma earnings per share rose accordingly by 10 percent from \notin 7.66 in 2021 to \notin 8.41 in 2022. We would like to point out at this point that pro forma consolidated net profit is the basis relevant for determining the dividend.

Consolidated net loss from discontinued operations

Consolidated net loss in 2022 amounted to \notin 2.8 million, compared with \notin 3.7 million in the previous year.

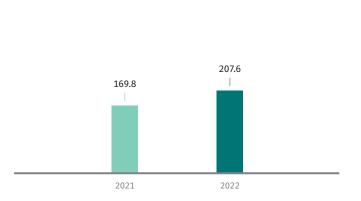
Dividend distribution

We will propose to the next Annual General Meeting to be held on May 24, 2023 that the shareholders be paid a regular dividend of \in 3.16 per share, an increase of \in 0.36 on the previous year's dividend of \in 2.80. We also want to pay a special dividend of \in 3.56 per share is to our shareholders. The profit appropriation proposal will be presented to the AGM for a resolution on the appropriation of net retained profits once the audited annual financial statements have been adopted. Own cash and financial assets available short term amounting to €123.2 million as of the end of 2022 and New Work SE's cash-generative business model enable the Company to pay dividends and distributions in 2023 without impairing its growth prospects.

SEGMENT PERFORMANCE

B2B E-Recruiting segment

Revenues, B2B E-Recruiting in € million



Note: Pro forma segment revenues in 2022 and 2021 are identical to reported segment revenues

Macroeconomic and sector-specific environment

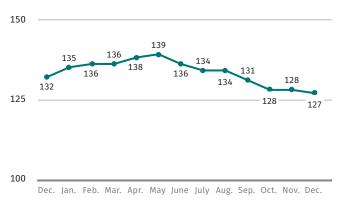
B2B E-Recruiting subscription customers (D-A-CH) in thsd.



Following significantly slower growth in the **B2B E-Recruiting** segment in 2020 and 2021 – triggered by the coronavirus crisis – revenue picked up sharply in the past financial year. The recovery on the labor market prompted increased manpower needs and, as a result, demand for our digital employer branding and recruiting solutions. Segment revenue accordingly rose by 22 percent in the past financial year, from €169.8 million to €207.6 million. In addition to higher average revenue per customer, this increase in revenue also reflects accelerated growth in B2B subscribers. While the customer base had risen by just 376 customers in the previous year – due to the negative impact of the coronavirus pandemic – growth picked up in the 2022 period under review. Overall, we increased the number of B2B E-Recruiting subscription customers by 1,506 companies to 14,511.

Segment EBITDA also recorded growth well in the doubledigits to rise from €114.4 million to €140.2 million during the period under review. Pro forma EBITDA is identical with the reported EBITDA.

Development of demand for labor in Germany (BA-X Index) and unfilled vacancies (IAB)

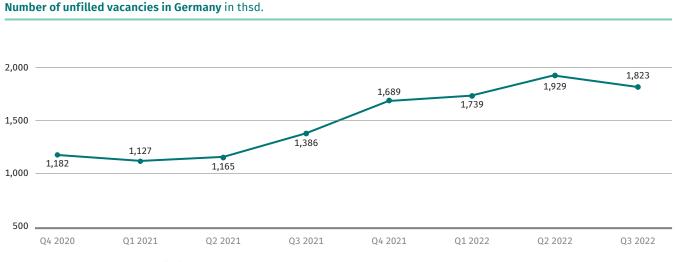


The labor demand trend (BA-X Index) in Germany is a key indicator for our B2B E-Recruiting business. Despite the challenging macroeconomic situation and a deterioration in the ifo business climate index (December 2022: 88.6 points, down from 94.7 points in December 2021), the labor market in our core market of Germany is stable, even if it has fallen slightly from its record highs in the first half of 2022. Demand for talent in Germany is strong despite high inflation, rising energy prices, supply chain problems and the war in Ukraine. The BA-X labor demand index was at 127 points at the end of 2022.

The unfilled vacancies trend in Germany is another indicator of the stable labor market. The strong rise in unfilled vacancies following the end of the coronavirus pandemic illustrates the challenges which many employers in Germany are currently facing. In our opinion, having access to suitable talented professionals and candidates gives employers a decisive competitive edge, due in particular to demographic trends and the associated reduction in the workforce in Germany.

Source: Employment Agency

Macroeconomic and sector-specific environment



for the position. The tool offers AI-based support when creating job advertisements and enables the ads to be published on a wide array of different channels as well as on social media. Jobseekers can also benefit from these simplified processes by applying for roles directly via WhatsApp or at the click of a button using their XING profile.

This SaaS solution is also suitable for small and medium-sized businesses who have not yet fully digitalized their recruiting and who do not have the resources to undertake an expensive search for talent. onlyfy one is to gain additional functionalities going forward to cover the entire employer branding and talent acquisition process via a single solution.

Development of honeypot.io

Honeypot has undergone a major transformation since its acquisition by New Work SE in 2019. We have established a new management team and have switched over our business model from a transaction-based model to one which is based on subscriptions. In 2022, Honeypot improved the user experience for talent by updating its onboarding process. The product development team also invested on the B2B side and developed several new functions for remote hiring, applicant management and collaboration in recruitment teams.

Source: Institute for Employment Research (IAB)

This is why our activities focus on helping companies to find and hire the best possible talented professionals and candidates.

Launch of "onlyfy" by XING as a new brand for recruitment services

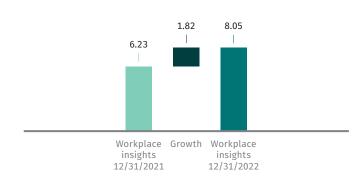
We presented our new B2B brand, onlyfy by XING, at the Zukunft Personal trade fair in Cologne in September 2022. It will strengthen New Work SE's brand portfolio. The new brand was designed to meet the challenges of contemporary recruitment – with the goal of providing companies with rapid and efficient help with hiring skilled workers. The brand's centerpiece is its new "onlyfy one" talent acquisition platform. onlyfy one offers numerous features: For example, HR managers receive suitable candidate recommendations from more than 21 million members across the XING network as soon as they begin drafting a job profile. They can then approach these candidates directly via the system and invite them to apply Business and operating environment Macroeconomic and sector-specific environment

B2C segment

Member growth (D-A-CH) in million



kununu workplace insights (D-A-CH) in million



The **B2C segment** mainly serves the strategic purpose of providing "talent access" for monetarization via digital recruitment solutions (B2B E-Recruiting segment).

Membership growth → www.xing.com

The membership base rose by 1.2 million to around 21.5 million members in the year under review. At the start of 2022, we unveiled the first new features on the XING platform, such as the optimized vertical feed for the desktop version and new search filters for job advertisements (e.g. filtering for remote jobs). We also continued to develop the quality of talent pool profiles on the XING platform during the reporting period. For example, we enhanced our skill algorithms to significantly increase the share of users who enter and update the skills on their profile, because we know that members who give a full account of their skills receive approximately nine times more profile visits from recruiters and are given considerably better job recommendations that fit their resume.

Repositioning of XING as a job network

How can we remain relevant as a partner in our members' professional lives? We asked ourselves this question at the start of the year, in order to define the strategic areas of focus for XING's ongoing development. Moreover, in 2022 we carried out a job happiness study among XING members with Forsa. This study found that almost one in two workers in Germany is open to the idea of changing jobs. For this reason, we believe that we are set to grow in relevance in the area of vocational guidance and can help our talent to achieve a clear picture of their career paths and which companies are right for them. To achieve this goal, in the past financial year we began to transform XING from a networking site for professionals into a job network.

We will provide our members with greater assistance in order to help them find the right job. We will also make available functions such as career path recommendations, since we have a very large volume of matching data: Which companies fit with which profiles? We can thus put together a package which will position us even better as a partner in our members' professional lives.

kununu review platform records strong growth

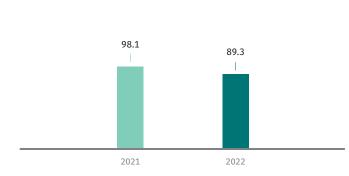
In addition to our \rightarrow www.xing.com networking platform, we also operate \rightarrow www.kununu.com, the largest employer review platform in the D-A-CH region. In the past financial year alone, employees left more than 1.8 million new workplace insights for their current or former employers on \rightarrow www.kununu.com. As a result, the number of experience reports and information about various criteria such as salary, corporate culture and the application process rose by 29 percent year-on-year to 8.1 million (2021: 6.2 million), enabling jobseekers and employees looking to change career to find authentic, detailed and unfiltered insights into the world of work. For example, employees can find out what salary they can expect from a particular job or employer.

In collaboration with the ZEIT Publishing Group, kununu has developed the "Most Wanted Employer" seal and for the first time identified the 1,000 most popular employers in Germany for 2022.

Macroeconomic and sector-specific environment

In the past financial year, kununu expanded even further its marketing of its Top Company seal. Companies must fulfill four criteria to qualify for this seal. By purchasing an annual license, companies can also use this seal outside of their profiles on kununu and XING, for instance.

B2C revenues in € million



Apart from the strategic significance of access to talent, in the B2B segment direct monetarization is achieved mainly via the marketing of paid XING and InterNations memberships.

The **B2C segment** generates around one third of Group revenues. Revenues in this segment fell by around 9 percent from €98.1 million to €89.3 million during the period under review, reflecting our expectations. Pro forma segment revenue is identical with reported revenue. The decrease of around €9 million is mainly due to the fact that fewer Basic members opted for paid Premium membership. There were two main reasons for this. Firstly, the recovery in the labor market and the surge in demand for workers meant that fewer members needed to make use of Premium membership to help them change jobs. Secondly, we decided to further develop the new XING app and make it more user-for the wider customer base, i.e. all 21 million members. This meant that in 2022 there was again less of a focus on monetizing via paid memberships, as we are monetizing widespread access to talented professionals via the B2B E-Recruiting segment, by selling job advertisements or leveraging the XING TalentManager, which more than compensated for the decline in revenues seen with paid memberships.

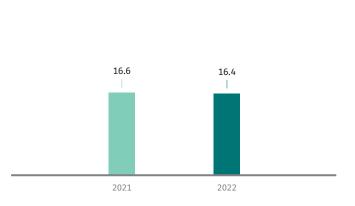
Operating profit in the segment (EBITDA) fell by 42 percent from €35.4 million to €20.6 million. On the one hand, this decrease is attributable to the €9 million decline in revenue. We have also made investments focusing on expanding access to talent such as the marketing campaign carried out at kununu in the first half of 2022. In addition, we have significantly stepped up performance marketing investments for job advertisements. Revenue earned through sales of job advertisements is reported in the B2B E-Recruiting segment. Pro forma EBITDA is identical with the reported EBITDA.

Development of InterNations

Our subsidiary InterNations focuses on expats and people with a global outlook – people who live and work outside of their country of origin or who frequently have international contacts due to the nature of their work. An Albatross membership on → www.internations.org provides members with access to local events, interest groups and online networking in 420 cities worldwide. The range of local events accessible via the platform declined significantly following the outbreak of coronavirus in 2020 and as a result of the lockdowns imposed around the world. This also pushed down the number of fee-paying members. Since the Omicron coronavirus variant was still rampant in many countries in the first few months of 2022 preventing large face-to-face gatherings, this slightly delayed the recovery of InterNations' events business. In 2022, the number of paying members picked up slightly, for the first time in two years. The overall number of members registered worldwide at → www.internations.org even increased significantly, by 388 thousand to 4.6 million expats. In 2021, growth had been 267 thousand.

B2B Marketing Solutions segment

Marketing Solutions revenues in € million



Note: Pro forma segment revenues in 2022 and 2021 are identical to reported segment revenues

Business and operating environment Macroeconomic and sector-specific environment

Since we ended our events business in the 2022 financial year, our third reporting segment exclusively comprises revenue from our Marketing Solutions business. We have accordingly renamed this segment B2B Marketing Solutions.

While the level of demand remained high, particularly following native campaigns in the first half of the year, from the third quarter onward companies were slightly more reticent about allocating their advertising budgets. Segment revenue thus declined slightly, by 1 percent from €16.6 million to €16.4 million. Pro forma segment revenue is identical with reported revenue. Segment EBITDA decreased by 16 percent from €11.3 million to €9.5 million. The reasons for this decline include increased personnel expenses.

Over the course of 2022, we presented our Audience Network product in our Marketing Solutions segment. This product enables our advertising customers to reach their target groups on other platforms as well.

Two features have also been added to the AdManager. One is Save Audiences, which allows our customers to permanently save target groups for future use. We also optimized the AdManager algorithm to play out campaign budgets more effectively over the entire campaign period.

NET ASSETS

Non-current assets decreased by $\leq 12.0 \text{ million}$ (previous year: $\leq 250.1 \text{ million}$) to $\leq 238.2 \text{ million}$ as of December 31, 2022. This is mainly due to the decrease lease assets ($\leq -3.3 \text{ million}$), internally generated software ($\leq -2.5 \text{ million}$), leasehold improvements ($\leq -2.5 \text{ million}$) and purchased software ($\leq -2.0 \text{ million}$). The share of non-current assets in total assets decreased to 63 percent year on year (previous year: 66 percent). As a result, current assets accounted for a higher proportion of total assets, increasing to 37 percent (previous year: 34 percent).

At December 31, 2022, the Group had liquid own and thirdparty funds of \notin 98.3 million (previous year: \notin 90.1 million), plus securities for managing temporary excess liquidity amounting to \notin 28.4 million (previous year: \notin 30.1 million). This represents 26 percent (excluding securities for managing temporary excess liquidity; previous year: 24 percent) or 34 percent including securities for managing temporary excess liquidity (previous year: 32 percent) of the total assets of \notin 377.0 million (previous year: \notin 378.2 million).

Liquid funds as of December 31, 2022 included third-party cash of \in 3.5 million from the discontinued operation XING Events (previous year: \in 3.7 million). The Company has \notin 94.8 million in own cash, which accounts for 25 percent of total assets (previous year: \notin 86.5 million or 23 percent).

The slight decrease in receivables from services by €0.8 million to €19.9 million (previous year: €20.6 million) as of December 31, 2022 is mainly due to lower billings. Receivables from services mainly include receivables from B2B members and membership subscriptions from Premium members.

Other assets rose by €2.9 million to €20.1 million (previous year: €17.3 million). In particular, this growth has resulted from the €3.0 million rise in advances paid as well as a €2.4 million increase in input tax receivables. A one-off receivable included in the previous year due to a lease incentive in the amount of €3.8 million had an offsetting effect.

Current assets increased by \notin 4.0 million to \notin 159.0 million (previous year: \notin 155.0 million), mainly due to higher contract liabilities (\notin +5.3 million) and income tax liabilities (\notin +5.1 million). This was offset by the reduced trade accounts payable (\notin -4.5 million) and lease liabilities (\notin -1.3 million).

At €28.8 million, capital expenditures in the 2022 financial year (excluding acquisitions) were down year-on-year (previous year: €43.3 million). Investments in purchased software amounting to €0.1 million in 2022 were lower than the amortization of €2.8 million.

Internally generated intangible assets include the internally generated parts of the platforms that qualify for capitalization as well as the mobile applications. Capital expenditures totaled €21.2 million (previous year: €23.6 million). Internally generated intangible assets were reduced by amortization and impairment losses of €11.1 million (previous year: €12.3 million) resulting from the discontinuation of platform modules that are no longer used.

As in the previous year, goodwill relates to the B2B E-Recruiting segment at €40.7 million (previous year: €40.7 million) and the B2C segment at €15.4 million (previous year: €15.4 million).

The decrease in property, plant and equipment by ≤ 4.0 million to ≤ 74.0 million (previous year: ≤ 78.0 million) is mainly due to the impairment of leasehold improvements and the depreciation of right-of-use assets.

FINANCIAL POSITION

Equity and liabilities

As was the case in previous years, New Work SE is financed without bank or loan liabilities. As of the closing date, the Company's equity ratio amounted to 39 percent compared with 37 percent in 2021.

Current assets and available-for-sale financial assets (including liquid funds) cover 105 percent of current liabilities (previous year: 102 percent).

Cash flows from operating activities

The cash flows from operating activities of continuing operations for the reporting year amount to €80.7 million, down from €85.6 million in the previous year. The decrease is mainly due to the increase in net working capital of €4.0 million (previous year's decrease of €6.8 million). New Work SE's business model is characterized by a high proportion of revenues paid in advance, which tends to result in a decrease in the level of net working capital. This was not the case in the 2022 financial year, due to several extraordinary items. For instance, in the fourth quarter prepayments in the seven-digit euro range were made for the marketing campaign to mark the start of 2023. In addition, in 2022 we paid trade accounts payable in the seven-digit euro range (€4.5 million decrease in trade accounts payable as of December 31, 2022 by comparison with the end of the previous year), in order to avoid negative interest on a portion of our freely available liquidity. On the other hand, the €0.8 million decrease in receivables for services had a positive impact on net working capital.

Business and operating environment

Macroeconomic and sector-specific environment Management's summary of the company's economic position

Cash flows from investing activities

The cash flows from investing activities of continuing operations for 2022 amount to \in -28.8 million after \in -43.3 million in the previous year. The reasons for the reduced volume of capital expenditures in 2022 included the costs associated with the move to new office buildings in Hamburg and Vienna (office equipment and IT hardware) in 2021 (\in 20.1 million). In addition, an earn-out payment in the amount of \in 2.1 million was made in 2021.

Cash flows from financing activities

During the 2022 financial year, New Work distributed a regular dividend of \in 15.7 million (previous year: \in 14.6 million) and a special dividend of \in 20.0 million (previous year: \in 0 thousand). Own cash and investments available at short notice totaling \in 123.2 million as of the end of 2022 enable the Company to pay dividends on a regular basis without impacting its business strategy, which is aimed at achieving growth. Other drivers of cash flows from financing activities were payments for leases in the amount of \in 8.9 million (previous year: \in 7.7 million), with lease incentives received of \in 2.8 million (grants for the expansion of the new office building in Hamburg) having an offsetting effect (previous year: \in 7.2 million).

Spending on research and product development

Internet companies typically spend a significant portion of their expenses on research and product development (excl. marketing), and XING is no exception. At €52.9 million, spending on research and product development in 2022 was slightly down on the previous year's figure (2021: €58.4 million). The level of capital expenditure sends a clear signal that we will continue to invest in innovations and new product developments in order to achieve a sustained increase in revenue and income. Capital expenditures in 2022 focused on the XING platform and the onlyfy market launch in September 2022.

The total amount capitalized for the development of new products was $\in 20.7$ million (2021: $\in 21.7$ million) in the past financial year. Amortization of capitalized development costs amounted to $\notin 20.9$ million (2021: $\notin 19.9$ million).

Additional disclosures on development costs and changes to the carrying amount for internally developed software is listed in the notes under intangible assets.

Management's summary of the company's economic position

We are highly satisfied with the development of the New Work SE Group in the 2022 financial year and have achieved all of our key goals. The Group has accelerated its revenue growth year-on-year, has increased its profit, remains as profitable as before and continues to boast a cash-generative business model. At the same time, we continue to make consistent and targeted investments in the future, even amid the crisis. Our business model features sustainably high margins, revenues paid mostly in advance and low capital intensity – all without taking on a significant level of financial debt.

Having achieved a clear consolidated profit of €46.1 million (pro forma: €47.3 million), we will continue to have a comfortable capital base to invest in our business and distribute dividends to our shareholders in the future.

Risk report

PRINCIPLES OF RISK MANAGEMENT

Permanent monitoring and management of risks are key tasks of a listed company. For this purpose, New Work SE has implemented the risk early warning system required in accordance with Section 91 (2) AktG and continuously develops it within the context of current market and company developments. As was the case in the previous year, the auditor of the annual financial statements again confirmed the functionality of the system.

Each individual employee is required to avert potential loss from the Company. One of their tasks is to immediately remove all risks in their own area of responsibility and to immediately notify the corresponding risk management contacts at New Work SE in the event of any indications of existing risks or risks which might arise. An essential requirement for such a task is knowledge of the risk management system and maximum risk awareness of each individual employee. For this reason, New Work SE familiarizes its employees with the risk management system using information material and draws their attention to the significance of risk management.

Potential risks are continually identified and analyzed. Identified risks are then systematically evaluated as to their probability of occurrence and the expected potential loss. The persons with risk responsibility and senior executives are questioned with regard to the status of existing risks and the identification of new risks in the course of quarterly risk inventories and status queries. Risks are measured using the gross and net method, which means that the probability of occurrence and the expected loss are estimated both without and by taking into account countermeasures.

The subsidiaries XING Events GmbH, NEW WORK AUSTRIA XING kununu onlyfy GmbH, New Work Young Professionals GmbH, InterNations GmbH and Honeypot GmbH as well as New Work Networking Spain S.L., New Work Networking Portugal Unipessoal Lda. and NEW WORK XING AG have been integrated into the Group's risk management system. Here, potential risks are also continually identified and analyzed, and persons with risk responsibility and senior executives are also questioned with regard to the status of existing risks on a quarterly basis. This integration helps to ensure early recognition too of any risks originating from the operating subsidiaries that may have a negative long-term impact on the Company.

The risk management system covers only risks and countermeasures but not opportunities.

INTERNAL CONTROL SYSTEM

Our internal control system comprises all of the principles, procedures, measures, policies and controls which have been introduced by management in the Company for the purpose of

- → ensuring the effectiveness and profitability of the Company's business (which includes protecting its assets, as well as preventing and detecting any impairment of its assets);
- → ensuring that both the internal and the external financial reporting processes are proper and reliable; and
- → ensuring compliance with all statutory requirements applicable to the Company.

The ICS has been established as an integral part of our centralized and decentralized internal management and monitoring processes with corresponding responsibilities.

The risk management system comprises all organizational rules and measures for recognizing risk and for handling the risks associated with business activities.

The following structures and processes have been implemented at New Work SE with regard to the financial reporting processes and other control and reporting processes of the integrated companies and the Group financial reporting process:

The Management Board of the Group bears overall responsibility for the internal control and risk management system with regard to the financial reporting processes of the integrated companies and the Group financial reporting process. All companies integrated in the consolidated financial statements are involved via a defined management or reporting organization. Within this reporting organization, the Group Management Board is (constantly) provided with information concerning the following measures: Definition of the risk fields which might result in developments posing a threat to the continued existence of the Company as a going concern; risk recognition and risk analysis; risk communication; allocation of responsibilities and tasks; establishment of a monitoring system; and documentation of the measures which have been taken. In addition, this reporting organization defines that material risks are reported immediately to the Group's Management Board when they occur.

The principles, the structure and procedure organization as well as the processes of the internal control and risk management system are summarized in guidelines and organizational instructions throughout the Group; these are adapted and brought into line with current external and internal developments at regular intervals. With regard to the financial reporting processes of the integrated companies and the Group financial reporting process, we consider those features of the internal control and risk management system report to be material that can have a major impact on the Group's financial reporting and the overall tenor of the consolidated financial statements including the Group management. These comprise in particular the following elements:

- → Identification of the main risk fields and control areas which are relevant for the Group-wide financial reporting process;
- Controls for monitoring the Group-wide financial reporting process and the related results at the level of the Group Management Board also at the level of the companies included in the consolidated financial statements;
- Preventative control measures in the financial and accounting systems of the Group and of the companies included in the consolidated financial statements, as well as in operational management processes which generate major information for preparing the consolidated financial statements including the Group management report, including functional segregation and predefined approval processes in relevant areas.
- Measures that ensure proper IT-based processing of Group financial reporting-related items and data;

The tasks of the internal audit system for monitoring the internal control and risk management system are not carried out by an "internal audit" staff department; instead, this is the responsibility of the Controlling and Accounting departments. In this context, the Group also makes use of the expertise of external specialists.

The Group has also implemented a risk management system which comprises measures for identifying and measuring material risks as well as appropriate measures for limiting risk in order to ensure the adequacy of the consolidated financial statements. The Management Board and Supervisory Board also continually look into ways of further optimizing the risk management system processes. Section of management report not subject to statutory audit: In accordance with the recommendations of the 2022 German Corporate Governance Code, the Management Board has examined in detail the appropriateness and effectiveness of the risk and compliance management system and the internal control system and has not identified any significant objections.

RISK ASSESSMENT

Risks are assigned to risk classes based on their estimated probability of occurrence and the expected loss.

We consider a risk that is both very likely to occur and expected to cause a high loss to be a potential goingconcern risk.

Expected loss	P	robability of occurrent	ce	Risk class
	low	medium	high	
high				Risk class 1 (high risk or going-concern risk)
medium				Risk class 2 (medium risk)
low				Risk class 3 (low risk)

The probability of occurrence and the expected loss is based on the following criteria:

quantitatively	qualitatively
·	
51-100%	at least once per year
11-50%	once within 24 months
0-10%	less frequently than once within 24 months
more than €4 million	Large damage to the Company's image, large damage for customers
	Services impacted over a long period of time
€200thousand to €1.0 million	Service impacted in isolated cases
	51-100% 11-50% 0-10% more than €4 million more than €1 mil- lion to € 4 million €200 thousand to

SIGNIFICANT INDIVIDUAL RISKS

In the explanations below, the significant risks identified at New Work SE are aggregated to a greater extent than for internal risk management purposes. Unless otherwise specified, all risks described affect all of the Company's segments to varying degrees.

Social and political risks/Pandemics

The New Work SE Group generates the majority of its revenues and income by marketing digital recruiting solutions for employers (B2B e-Recruiting). Market uncertainties due to social and political instability, for example caused by internal conflicts, terrorist attacks, civil unrest, war or international conflicts or by pandemics / epidemics / highly infectious diseases (e.g. COVID-19 "coronavirus") and natural disasters could have a negative impact on the business activities, financial position and results of operations, cash flows, and revenue and operating profit targets of our B2B business units (B2B E-Recruiting and B2B Marketing Solutions). Even against the backdrop of the ongoing pandemic and the Ukraine war and its economic and social repercussions, we do not consider this risk to be a threat to our continued existence as a going concern, since our business is predominantly based on fixed-term products.

Strategic risks Competition

New Work SE already competes with companies that offer similar services. New competitors might enter the market in the future. Revenues would probably be negatively affected if New Work SE were to lose customers to these current or future competitors. Competitors might be able to capture market share from New Work SE by offering services that are superior to the services offered by New Work SE or through particularly aggressive and successful marketing. In addition, as a result of strategic partnerships between foreign competitors and companies with extensive reach in the D-A-CH region, competitors might be able to penetrate XING's domestic market even more rapidly and exert additional pressure on New Work SE with their prices and services. In the B2C segment, in addition to the direct competition posed by other social networks, companies that are closely related to the sector might also succeed in capturing market share from New Work SE. The increasing availability of mobile devices with Internet capability can also lead to competition from mobile communities. We categorize the competition risk existing in the B2C segment as a potential going-concern risk. The effectiveness of the countermeasures we have taken, such as the continuous enhancement and expansion of our B2C and B2B solutions, is reflected in our market leadership in the D-A-CH region, with currently more than 21 million members, as well as the continued revenue growth in the B2B sector. In view of the countermeasures taken, we therefore do not consider this a going-concern risk but categorize this risk as a medium risk.

In the B2B E-Recruiting segment, companies with extensive reach in the D-A-CH region could enter the market for job advertisements, leading to a decline in traffic. We counteract this risk, which we rate as high, through detailed monitoring and by closely liaising with these companies on potential collaborations and by adapting and refining our product strategy.

Collaboration with service providers, especially in payment and receivables management

The involvement of external service providers and collaboration partners results in a certain reliance on third parties in some areas. This applies to areas such as news, marketing solutions and job advertisements, but especially to receivables management. Because payment defaults would result in loss of revenues, the efficient billing of payments and the entire receivables management are extremely important for the Company. The Company counters this risk, which is considered a low to medium risk, for instance by using the help of legal professionals in designing the respective partnerships with external service providers and collaboration partners. Appropriate contract forms in particular ensure that the reliance is minimized, the necessary service standards are met, and that the risk of technical failures is minimized.

Ad blockers

When selling online advertising, there is a fundamental risk of losses caused by so-called ad blockers. Ad blockers are programs users can install to prevent advertisements from being displayed. Theoretically, widespread use of ad blockers can present a high risk with regard to the direct marketing of advertisements on XING via our self-booking application. However, we believe we are well armed against such losses due to the countermeasures available in this respect – for example, the effects of ad blockers can be minimized using technical and design-related countermeasures. The associated risks are therefore classified as medium.

Market and sales risks

Generally, there is a risk of a significant increase in customer losses due to unforeseen external or internal factors. A weak market environment or the launch of copycat products that use publicly available XING data in particular can result in such a loss of customers. We categorize these risks as medium to high. New Work SE mainly counters them by constantly improving and extending its own services, and also by means of strategic partnerships. In addition, New Work SE permanently monitors the development in user numbers and user sentiment and can take a response in plenty of time by means of prepared measures and crisis plans in the event of sudden signs of negative trends.

Customer support risks

At New Work SE, customer satisfaction enjoys maximum priority not only with regard to financial success. Because of New Work SE's own stringent requirements regarding the quality of its platforms, user expect that the Company will refuse to accept any compromises in terms of quality. This comprises in particular the identification of incorrect profiles and tracing inappropriate or offensive comments or fraudulent activities. We categorize the risks of customer support mostly as low.

As a result of the strong identification of many user with the brand, the Company usually receives direct and rapid feedback with regard to certain processes on its platforms. This means that New Work SE is able to respond promptly where necessary and to avert membership cancellations which would result in losses in terms of revenues.

Financial risks

The subscriptions for B2B E-Recruiting products and the XING Premium memberships offered by New Work SE generate regular cash inflows and provide the Company with adequate liquidity. In addition, New Work SE prepares a liquidity forecast. New Work SE invests its cash and cash equivalents exclusively with banks with high ratings and in short-term deposits. This means that the solvency of the Company is guaranteed at all times. Defaults in the B2C and B2B E-Recruiting segments accounted for about 7 percent of the total revenues in the previous financial year, and is thus not of material significance. We therefore categorize the counterparty credit risk and the liquidity risk as a low risk overall.

Risks arising from the shortage of skilled workers

New Work SE is aware that the market for qualified personnel is strained. As a lack of employees in sales as well as areas such as service and product development could result in a loss of revenues, there is an increased risk here.

By automating sales and service processes and developing an efficient e-commerce platform, we are reducing our dependency on skilled sales professionals. We are also rolling out various initiatives to position New Work SE as an attractive employer, open up new locations and outsource resources. Taking these measures into account, we currently categorize this risk as a medium risk.

IT risks

Risks in network security, hardware and software

For internal purposes and in order to perform its services, New Work SE is dependent on the use of automated processes, the reliability and efficiency of which are, in turn, dependent on the functionality, stability and security of the underlying technical infrastructure. The servers used by New Work SE and the related hardware and software are vital to the success of the Company's business.

The Company's systems, websites, internal processes, and services could be materially impacted by failures or disruptions to its IT systems as a result of physical damage, power outages, system crashes, software problems, malware (such as viruses and worms), operating errors, abuse or malicious attacks (including denial-of-service attacks).

Attacks, operating errors and abuse, for instance, might result in the destruction, alteration or loss of stored data, or might mean that data could be used for unlawful purposes or without approval. These risks include but are not limited to identity theft, credit card fraud or other cases of fraud, advertising emails and spam emails from companies which are not affiliated with New Work SE.

The above problems might cause interruptions to operations which increase operating expenses and considerably damage the Company's reputation. We categorize this risk as a potentially high to going-concern risk.

New Work SE is permanently engaged in ensuring the security of its systems and its network through the ongoing development of its technology and the deployment of its own employees in the area of network security. The measures initiated to date have proven to be effective. In view of the countermeasures taken, we therefore consider this risk not to be a going-concern risk but consider a classification as a medium risk to be appropriate. At the same time, however, the possibility of future breaches cannot be excluded.

Process and organization risks Product development risks

New Work SE aims to achieve constant and proactive improvement of its platforms. The Company is aware that defective or low-quality products and functions can have a considerably negative impact on the Company. We categorize this risk as a high risk. In order to minimize risk, a special team of employees has been set up to test new products and functionalities and has also been made responsible for constant quality assurance. In addition, the process of developing new functionalities and changes on the platforms will usually be accompanied by a process of exchanging information between New Work SE and its customers.

Data protection and personal rights

XING users provide extensive personal data to the Company, trusting that the data will be processed and used for the intended purpose and in compliance with the applicable provisions of the law.

New Work SE's data centers for direct data processing are located in the European Union. In addition, New Work SE commissions selected service providers to process data. This data is accessible to users located both within and outside the European Union. In addition, XING allows its users to transmit personal data worldwide.

If New Work SE or its providers were to violate these statutory provisions on data protection, telecommunications secrecy or the protection of personal rights, it could become the subject of government investigations, data protection orders or claims for damages from customers, including non-pecuniary damages. Under certain circumstances, criminal proceedings or proceedings for administrative offenses could even be initiated against New Work SE or its management. Any violation of data protection regulations and laws designed to protect personal rights or any processing, use or disclosure of data contrary to its intended purpose might also have an adverse effect on the Company's reputation and its ability to sign up new members and to retain the loyalty of existing members. Indeed, this might even mean that the Company will no longer be able to offer and provide some or all of its services temporarily or permanently in some countries. We categorize this risk as a medium to high risk.

New Work SE charges specific employees with the task of monitoring adherence to data protection legislation. Corresponding contractual and, if necessary, technical safety measures are taken to prevent infringements of the law by service providers.

The implementation of the requirements of the EU General Data Protection Regulation (EU GDPR), which came into force on May 25, 2018, was completed in 2019. In addition, amendments to data protection provisions are identified on an ongoing basis in conjunction with the Company's legal advisers, and measures for monitoring and complying with these provisions are reviewed and revised as necessary. The Company reviews potential implications for data protection law of new functionalities of the platform before they are introduced. Such new functionalities are only released if compliance with all relevant data protection regulations is guaranteed.

Risk report Management's summary of the company's risk situation Report on expected developments and opportunities

Mergers and acquisitions

The Company's inorganic growth requires in some cases considerable financial investment and internal allocation of resources, both of which must be carried out extremely carefully within very short planning periods. Incorrect assessment of a target or inadequate post-merger integration might put the desired sustainable value creation in jeopardy. We counteract this risk mainly with coordinated decision-making processes and interdisciplinary processes for integrating new acquisitions into the Group. In view of the countermeasures taken, we consider this risk to be low.

Management's summary of the company's risk situation

In the overall assessment of the Group's risks, the most significant are IT risks as well as the risks attributable to the satisfaction of existing customers and the signing-up of new customers, taking into account compliance of the Group's activities with data protection legislation in particular. Overall, the risks in the Group are manageable. The future of the Company as a going concern is also assured.

Report on expected developments and opportunities

ECONOMIC OUTLOOK

The global economy is facing an array of unpredictable and perilous challenges at the start of 2023: The coronavirus pandemic continues to leave a legacy in the form of supply chain problems that particularly affect trade with Chinese products. There is still no sign of a peaceful resolution to Russia's invasion of Ukraine, which will continue to impact global trade indefinitely, particularly in relation to fossil fuels and food. Only inflation appears to have passed its peak due to the fiscal and monetary policy measures implemented in industrialized nations. In light of all this, the World Bank anticipates global growth of 1.7 percent for 2023 (2022: 3.2 percent) and 2.7 percent for 2024. The IMF is predicting an inflation rate of 6.5 percent for this year (2022: 8.8 percent) and 4.1 percent for 2024.

The German Bundesbank expects Germany's economic output to contract this year without declining significantly. The resolution of acute gas shortages and liquidity policy measures introduced by the government for the benefit of the economy and consumers have helped significantly in stabilizing the German economy. However, inflation is adversely affecting real income, causing prosperity to decline. This combination of factors has already prompted strike threats in the public sector and is dampening exports.

After a drop in economic output in the first half of the year, the Bundesbank anticipates a gradual recovery in the second six months of the year, resulting in a modest overall decline of 0.5 percent for 2023. The Bundesbank then expects growth of 1.7 percent in 2024 and 1.4 percent in 2025. Inflation is predicted to decline to 7.2 percent in the current year and to 2.8 percent by 2025.

All of these estimates are subject to considerable uncertainty as the danger posed by the war in Ukraine is directly impacting political decision-making and poses risks to economic development in Germany, Europe and the wider world. The Austrian economy began the current year in similar circumstances to Germany. The Austrian Ministry of Finance (BMF) expects real GDP to increase by 0.3 percent in the current year and by 1.8 percent in 2024, with inflation predicted to reach 6.5 percent in 2023 and 3.2 percent in 2024.

The forecast issued by Switzerland's panel of economic experts also anticipates well-below-average growth of 1.0 percent this year and 1.6 percent in the following year. These forecasts suggest that all of the D-A-CH economies will perform poorly without slipping into a severe recession.

EXPECTED SECTOR-SPECIFIC ENVIRONMENT

Despite the economic setbacks, the labor market is currently in robust shape as a result of the significant demand for workers. Staff shortages have spread to many sectors, from care and manual trades to IT and now to the industries most heavily affected by the coronavirus pandemic. The Institute for Employment Research (IAB) reports that its labor shortage index has reached a record high. While legislation and a greater sense of social commitment on the part of companies in Germany means a "Big Quit" – an employee-led wave of job resignations like those observed in the USA - is unlikely, the shortage of workers is set to become more severe as the baby boomer generation reaches retirement age. As the general population shrinks, the balance between the working and retired population is likely to become unfavorably skewed. In light of this, the German Council of Economic Experts only expects the unemployment rate to rise slightly to 5.4 percent (ILO unemployment rate: 3.4 percent) for 2023.

Business and operating environment Report on expected developments and opportunities

This adverse demographic trend will intensify further in the future. According to data from management consulting firm Accenture, employment in Germany will peak at almost 46 million people in employment in either 2023 or 2024. After this point, there will be more people leaving employment than entering it. As a result, hiring enough suitably qualified employees will pose a constant challenge over the coming decades.

In light of this, we are confident that digital recruiting and employer branding solutions will become ever more important in the next few years. We believe companies will increasingly focus on taking a personalized approach to building attractive employer brands and addressing the right applicants. We can play a major role in helping companies to identify and hire talented professionals with our onlyfy products and services and by providing access to talent via our market-leading kununu and XING B2C brands.

EXPECTED DEVELOPMENT OF NEW WORK SE

We generated accelerated year-on-year growth of 10 percent during the past financial year. The recovery of the labor market due to the improved macroeconomic environment contributed substantially to this growth.

Although the ifo business climate index in Germany is deteriorating significantly in the short term, our long-term outlook remains positive. This is because we believe there has been no change in the ongoing structural changes in the world of work (labor shortage) and the numerous challenges associated with these, particularly for companies, despite the coronavirus crisis and fears of a recession triggered by the dramatic surge in inflation.

Here too, our existing and well-established recruitment solutions mean we are in an excellent position to help employers fill jobs better and more quickly, and will remain so in future. We already offer employers modern e-recruiting solutions that enable companies to rapidly identify and hire suitable talent via active sourcing on XING, for example. Positioning your employer branding is also increasingly important in times when labor markets are structurally limited. In this respect, we have established the leading destination for professional employer branding in kununu.

As a solution provider, we will continue to be able to benefit from these general conditions and expect revenues and income to rise again in the medium term.

Revenue and earnings targets Reorganization and renaming of the operating segments from 2023

We have refined our strategy even further (see "Strategy and business") and aligned our internal organization with our strategic focus topics over the past 12 months. As a result, from the 2023 financial year onwards we will have a new segment allocation that better reflects our strategy and the performance of our segments.

The previous three operating segments, B2C, B2B E-Recruiting and B2B Marketing Solutions will become B2C, HR Solutions & Talent Access and B2B Marketing Solutions with effect from January 1, 2023. The HR Solutions & Talent Access segment combines all products for employers looking for access to talent and all products for employees that enables them to access that talent. This service is monetized through the development, marketing and sale of digital employer branding and recruitment solutions. Examples include onlyfy one, onlyfy Employer Branding Profile, onlyfy TalentManager, onlyfy Job Ads, onlyfy Talent Service, kununu and the B2B products offered by Honeypot. While we previously reported the costs of employee products for accessing talent in our B2C segment, these costs will now be shown together with the revenues generated from this business. In the B2C operating segment, we will now report on business with the B2C Premium Memberships and InterNations products. The changes made as a result of these adjustments are presented in the table below under "Amended segment allocation".

The expenses for accessing talent via the XING product (XING Access) are allocated to the different segments, as all segments generate revenues via this same talent access. In another change, a formula will be used to shift costs that are centrally managed yet actually attributable to individual business units to the segments in the future, as a result of which the margins of the segments will be more like "full cost margins", whereas previously they were more like "contribution margins". These two effects are presented in the table below under "Amended cost allocation".

Report on expected developments and opportunities

Reconciliation forecast

in € million	Segment name before adjustment	B2C	B2B E-Recruiting	B2B Marketing Solutions	New Work Group
		B2C Paid Memberships,			
		Xing Access, kununu,	onlyfy,	Marketing	
2022 before adjustment	Business units before adjustment	XJM, InterNations	Honeypot	Solutions	
	Segment name after adjustment	B2C	B2B E-Recruiting	B2B Marketing Solutions	New Work Group
	· · · · · · · · · · · · · · · · · · ·	B2C Paid Memberships,	onlyfy, Honeypot, XJM,	Marketing	
2022 after adjustment	Business units after adjustment	InterNations	Xing Access, kununu	Solutions	
2022 before adjustment	Pro forma revenues	89.3	207.6	16.4	313.4
	kununu	- 0.5	0.5		
	Subtotal	- 0.5	0.5	0.0	0.0
2022 after adjustment	Pro forma revenues	88.8	208.2	16.4	313.4
2022 before adjustment	Pro forma segment operating result/EBITDA	20.6	140.2	9.5	104.1
	kununu	13.6	- 13.6		
	XJM	8.9	- 8.9		
	Xing Access	28.0	-28.0		
	Allocation, Xing Access	- 17.4	20.9	- 3.5	0.0
	Changed allocation	2.0	(7 7	2.0	
	of central expenses	- 3.8	- 47.7	- 2.9	0.0
	Subtotal	29.4	- 77.3	- 6.4	0.0
	Pro forma segment				
2022 after adjustment	operating result/EBITDA	50.0	62.9	3.1	104.1

multators, in c million	ior iorecast	rorecast for 2025
Group forecast		
Pro forma		Single-digit
consolidated revenues	313.4	percentage growth
		Single-digit
Pro forma consolidated EBITDA	104.1	percentage growth
Segment forecast		
Pro forma revenues,		Low double-digit
HR Solutions & Talent Access segment	208.2	percentage growth
Pro forma EBITDA,		Low double-digit
HR Solutions & Talent Access segment	62.9	percentage growth
		Low double-digit
Pro forma revenues, B2C segment	88.8	percentage decrease
		Low double-digit
Pro forma EBITDA, B2C segment	50.0	percentage decrease
Pro forma revenues,		Single-digit
B2B Marketing Solutions segment	16.4	percentage growth
Pro forma EBITDA,		Low to medium double-
B2B Marketing Solutions segment	3.1	digit percentage growth

Starting point

for forecast

Forecast for 2023

Based on the current environment known to us, we can provide the following outlook for the 2023 revenue and earnings targets for the Group and the main segments. The forecast is based on the future segment reporting that comes into effect from January 1, 2023. The starting point for these forecasts comes from the reconciliation calculation for the forecast. We want to achieve single-digit percentage growth in pro forma consolidated revenues. Pro forma Group EBITDA is likely to record single-digit percentage growth, as we will invest even more heavily in talent access and expanding XING Jobs in 2023.

Dividend targets

Financial key performance indicators. in € million

We have been pursuing a sustainable dividend policy since 2012. In the current financial year, we plan to propose to the Annual General Meeting to be held on May 24, 2023 that a dividend of $\notin 3.16$ per no-par value share carrying dividend rights be paid for the financial year ended. In addition, a special dividend of $\notin 3.56$ per share is to be distributed. The profit appropriation proposal will be presented to the AGM for a resolution on the appropriation of net retained profits once the audited annual financial statements have been

Report on expected developments and opportunities

adopted. The proposed dividend involves a total payout of €37.8 million. Own cash and available-for-sale securities totaling €123.2 million as of the end of 2022 and New Work's cash-generative business model enable the Company to pay dividends on a regular basis, without impairing our long-term growth prospects. We intend to continue to make regular dividend payments.

Liquidity and financial targets

We anticipate cash funds in the 2023 financial year excluding extraordinary items such as acquisitions or special dividends to increase.

Planned capital expenditures

Following a CAPEX volume of €28.8 million in the 2022 financial year (2021: €41.2 million), we anticipate a slight increase for the 2023 financial year.

Forecast of non-financial key performance indicators

Relationships with corporate customers are one of the most important measures in the HR Solutions & Talent Access segment because the segment's revenue and earnings performance significantly depends on them. For this reason, the number of corporate customers with subscriptions is expected to record a low double-digit percentage increase in the 2023 financial year (2022: +12 percent).

We also use the number of XING members to measure the development of Talent Access. Our objective is to grow the number of XING members in the D-A-CH region in the single-digit percentage range in the 2023 financial year (2022: +6 percent).

Non-financial key performance indicators	Forecast for 2023
B2C segment: Members in the D-A-CH region	Single-digit percentage growth
HR Solutions & Talent Access segment: Number of subscription-based corporate customers (B2B)	Low double-digit percentage growth

REPORT ON OPPORTUNITIES

In addition to numerous risks that result from operating in an extremely dynamic technology environment, there are also opportunities that may arise as a result of rapidly changing conditions and new structural trends. Alongside risk management, therefore, opportunity management is also an integral part of our business activities aimed at steadily increasing our enterprise value, safeguarding and expanding our competitive position, and achieving our goals.

Our opportunity management focuses heavily on the business units' individual strategies. Market developments and trends along with the competitive environment are discussed at regular meetings between the Management Board and the divisional managers regarding business performance, and the resulting opportunities for the business units are assessed. Any opportunities identified are discussed with the individual business units as part of the planning and controlling process in order to perform a qualitative and quantitative assessment. One of the tasks of the business units themselves is to identify strategic opportunities in their respective submarkets and to develop measures for product development and its focus from these. The opportunities are listed below in order of importance.

Opportunities presented by marcroeconomic trends

The economic conditions affect the development of our business to varying degrees. As our assessment of the future development of the results of operations is based on the assumptions about economic developments described in the management report, a substantial improvement or a faster than expected recovery of the economy could have a positive influence on our business activities. Furthermore, our e-recruiting offerings in particular could become more attractive, and as a result the targets presented in this report could be exceeded, if the lack of workers becomes even worse, baby boomers retire from the workforce at a faster pace or employees are more willing to change jobs.

Opportunities presented by product development and innovation

New Work SE is a company focused on growth. Our business success therefore depends to a large extent on our speed of innovation and ability to implement ideas when developing and refining products and services for our members and corporate customers. Continuous process improvements and the efficient use of our development resources as well as identification of important trends might provide further opportunities for improving growth rates. If we make progress in this area faster than expected and establish relevant offerings for our customers even faster, this would have additional positive effects on New Work SE's revenues and earnings development.

Opportunities presented by faster penetration of important growth markets

Thanks to our digital e-recruiting solutions for companies in particular, we operate in what remains a structural growth market in which changes in the world of work (digitalization and shortage of labor) could offer us numerous opportunities, particularly in the future, if the B2B E-Recruiting products and services introduced by New Work SE can achieve market penetration more quickly than planned. Other opportunities will also arise by establishing new and/or additional e-recruiting offerings more quickly than planned (e.g. through M&A transactions).

Overall, the penetration of key growth markets at a faster pace than projected provides a wealth of opportunities for New Work SE, especially given the low level of penetration in the respective markets up to now. Further opportunities could be provided by the establishment of new sources of revenues or business models, which have not yet been budgeted for.

Legal information

The following Section mainly contains information and explanations in accordance with Sections 315a and 289a of the German Commercial Code (HGB). This information relates to company law structures and other legal relationships.

CORPORATE GOVERNANCE STATEMENT

The corporate governance statement issued in accordance Sections 315d and 289f HGB has been published on our website at → https://www.new-work.se/en/investor-relations/ corporate-governance. It contains a description of how the Management Board and Supervisory Board operate, the declaration of conformity in accordance with Section 161 of the German Stock Corporation Act (AktG), and information on key corporate governance practices.

REMUNERATION REPORT

Business and operating environment

Legal information

Report on expected developments and opportunities

The remuneration report details the amount and structure of Management Board earnings, and summarizes the principles used as the basis for the remuneration of the New Work SE Management Board. It also contains information on the principles and amount of Supervisory Board remuneration. The remuneration report also includes information concerning the shareholdings of the Management Board and of the Supervisory Board.

TAKEOVER-RELATED DISCLOSURES

The following details in accordance with Section 315a HGB describe the situation as of December 31, 2022. The following explanation of this information also meets the requirements of an explanatory report as per Section 176 (1) line 1 of the German Companies Act (AktG).

Share capital

The share capital of the Company amounted to €5,620,435 on December 31, 2022 (previous year €5,620,435), and consists of 5,620,435 no-par value shares with a notional amount of €1.00 each. The share capital is fully paid in. All shares have the same rights.

Treasury shares

The Company itself held no treasury shares of New Work SE as of December 31, 2022 (previous year: none). This corresponds to 0 percent (previous year: 0 percent) of the Company's share capital.

Restrictions on voting rights or on the transfer of shares

The Management Board is not aware of any restrictions in terms of voting rights or share transfers.

Shareholders with more than 10 percent of the Company's voting rights

As of December 31, 2022, the Company was aware that Burda Digital SE, Munich, held 50.24 percent of New Work SE's voting rights. The Company is not in possession of any further information or notifications in accordance with Sections 33 et seq. of the German Securities Trading Act (WpHG) concerning shareholders who directly and/or indirectly hold more than 10 percent of the capital and voting rights.

Appointment and dismissal of members of Management Board/changes to the Articles of Incorporation

Any appointment and dismissal of members of the Management Board is subject to Sections 84, 85 AktG as well as item 8 of the Articles of Incorporation as amended on June 1, 2022. In accordance with item 8 (1) of the Articles of Incorporation, the Management Board consists of one or more persons. The Supervisory Board determines the number of members of the Management Board. The Articles of Incorporation do not include any special rules for the appointment and dismissal of individual or all members of the Management Board. Any such appointment or dismissal is the responsibility of the Supervisory Board.

Changes to the Articles of Incorporation are made in accordance with the provisions of Sections 133 and 179 AktG. The Company's Articles of Incorporation have not taken advantage of the option of specifying further requirements applicable for changes to the Articles of Incorporation. Unless required otherwise by law, the resolutions of the Annual General Meeting shall be passed with a simple majority of the votes cast. In the event that the law stipulates a capital Business and operating environment Legal information

majority in addition to the majority vote, resolutions shall be passed with a simple majority of the share capital represented at the time the resolution was passed. In accordance with items 5.3 to 5.4 and 19 of the Articles of Incorporation, the Supervisory Board is authorized to make changes to the Articles of Incorporation to the extent that they only relate to their wording.

Powers of the Management Board to issue and buy back shares

The powers of the Management Board of the Company to issue or repurchase shares are all based on corresponding authorization resolutions of the Annual General Meeting, the contents of which are detailed in the following.

Authorized and contingent capital

Authorized and contingent capital are described in Note 24, "Equity" in the notes to the consolidated financial statements.

Authorization to purchase own shares

Pursuant to the resolution of the Annual General Meeting of May 16, 2018, and in view of the cancellation of the resolution of May 23, 2014, the Management Board was authorized to purchase treasury shares as follows:

a. Authorization to purchase own shares

Until May 15, 2023, the Management Board is authorized, with the approval of the Supervisory Board, to purchase treasury shares for up to a total of 10 percent of the Company's share capital amounting to €5,620,435.00 at the time at which the resolution is adopted. The shares purchased in this way, together with other treasury shares which are owned by the Company or which are attributable to the Company in accordance with Sections 71a et seq. AktG must not at any time exceed 10 percent of the share capital. Furthermore, the prerequisites of Section 71 (2) sentences 2 and 3 AktG must be observed. This authorization must not be exercised for the purpose of trading treasury shares. The authorization may be exercised in whole or in part, once or on multiple occasions, to pursue one or more purposes.

b. Types of purchase

The Management Board may decide to purchase the shares (1) via the stock exchange or (2) by means of a public offer directed at all shareholders or a public invitation to the shareholders directed at all shareholders to submit offers to sell the shares.

 If the shares are purchased via the stock exchange, the amount per share paid by the Company (excluding ancillary purchase costs) must not exceed by more than 10 percent nor fall below by more than 20 percent the average of the closing prices of the Company's shares of the same class in Xetra trading (or an equivalent successor system) for the last five trading days on the Frankfurt Stock Exchange prior to entering into the obligation to purchase.

2) If the shares are acquired via a public offer to purchase shares directed to all shareholders or a public invitation to submit offers to sell shares directed to all shareholders, then the purchase price offered or limits on the purchase price range per share (excluding ancillary purchase costs) must not exceed by more than 10 percent nor fall below by more than 20 percent the average of the closing prices of the Company's shares of the same class in Xetra trading (or an equivalent successor system) for the last five trading days on the Frankfurt Stock Exchange prior to the date of publication of the public offer or the public invitation to submit offers to sell the shares. If there are considerable changes to the relevant price after the publication of a purchase offer or a public invitation to submit offers to sell the shares, the purchase offer or the invitation to submit offers to sell the shares can be adjusted. In this case, the applicable price is the closing price of the Company's shares of the same class in Xetra trading (or an equivalent successor system) on the last trading day on the Frankfurt Stock Exchange prior to publication of the adjustment; the 10 percent limit for exceeding and the 20 percent limit for falling below this price must be applied to this amount. The volume of the purchase offer or the invitation to submit offers to sell shares can be limited. To the extent that the entire volume of the purchase offer or the offers submitted by shareholders in response to an invitation to submit offers to sell the shares exceeds or falls below this volume. the purchase of shares or acceptance of offers must be in relation to the shares offered. Preferential purchase or preferential acceptance of lower numbers of up to 100 tendered shares of the Company per shareholder and commercial rounding to avoid fractions of shares can be stipulated. The purchase offer or the invitation to submit offers to sell the shares may specify further conditions.

c. Use of treasury shares

With the approval of the Supervisory Board, the Management Board is authorized to use the treasury shares purchased on the basis of this or an earlier authorization for all lawful purposes, and in particular for the following purposes:

 The treasury shares may be sold for cash consideration in ways other than via the stock exchange or on the basis of an offer to all shareholders if the purchase price to be paid in cash is not significantly lower than the market price of the already listed shares with essentially the same rights. The number of shares sold in this way must not exceed 10 percent of the share capital, either at the time at which Business and operating environment Legal information

this authorization becomes effective or at the time at which this authorization is exercised. Other shares which have been sold or issued by disapplying pre-emptive rights during the life of this authorization upon the direct or corresponding application of Section 186 (3) sentence 4 AktG must be offset against this maximum limit. Shares which have to be issued for serving option and/or conversion rights or conversion obligations arising from convertible bonds and/or option bonds or stock options, to the extent that these bonds or stock options have been issued during the life of this authorization by disapplying pre-emptive rights upon corresponding application of Section 186 (3) Clause 4 AktG, also have to be offset in relation to the maximum limit;

2) The acquired treasury shares can be sold in ways other than via the stock exchange or by way of an offer to all shareholders if the shares can be sold in return for cash payment at a price that does not fall significantly below the stock exchange price of the Company's shares of the same class at the time of sale. The applicable stock exchange price within the meaning of the preceding is the average of the closing prices of the Company's shares of the same class in Xetra trading (or an equivalent successor system) for the last five trading days on the Frankfurt Stock Exchange prior to entering into the obligation to sell the shares. Shareholder pre-emptive rights are disapplied. This authorization is applicable only under the condition that the treasury shares sold while disapplying pre-emptive rights in accordance with Sections 71(1) No. 8 sentence 5 half-sentence 2 and 186(3) sentence 4 AktG may not exceed a total of 10 percent of the share capital, either at the time the authorization enters into force or - if this amount is lower - at the time it is exercised. The following

are to be counted against the aforementioned 10 percent limit: (i) new shares issued while disapplying pre-emptive rights during the term of this authorization up to its exercise from authorized capital in accordance with Sections 203(1) sentence 1 and (2) sentence 1 and 186(3) sentence 4 AktG, (ii) those shares issued or to be issued to settle conversion or option rights or conversion or option obligations, or tender rights of the issuer arising from convertible and/or option bonds, profit-participation rights and/or income bonds (or a combination of these instruments) ("bonds"), insofar as the bonds are issued while disapplying pre-emptive rights during the term of this authorization up to its exercise in accordance with Sections 221(4) sentence 2 and 186(3) sentence 4 AktG. and (iii) treasury shares that were sold while disapplying pre-emptive rights during the term of this authorization up to its exercise in accordance with Sections 71(1) No. 8 sentence 5 half-sentence 2 and 186(3) sentence 4 AktG. Shares applied to the limit are no longer included in the limit if authorizations to issue new shares from authorized capital, to issue bonds, or to sell treasury shares are re-issued by the Annual General Meeting by applying Section 186(3) sentence 4 AktG accordingly after exercise of such authorizations that led to the shares being applied to the limit.

3) The treasury shares may be sold in return for a non-cash consideration, in particular for the purpose of acquiring companies, parts of companies, other assets or in connection with business combinations, or for the purpose of acquiring receivables, rights or industrial property rights including copyrights and know-how.

- 4) The treasury shares can be used to settle pre-emptive rights to shares of the Company which have been allocated or which were granted or will be granted to members of the Management Board of the Company, selected senior executives, other key members of staff and employees of the Company, as well as members of management, selected senior executives, other key members of staff and employees of enterprises which are affiliated with the Company in accordance with Section 15 AktG as part of the share price-based shadow share program of XING SE (now: New Work SE) dated November 29, 2012, and the long-term incentive program for Management Board members of XING SE (now: New Work SE) dated January 27, 2014, as long as the Company wishes to allocate to the beneficiaries shadow shares through shares according to this program. If members of the Company's Management Board are beneficiaries in the above cases, the Supervisory Board shall decide on whether to use treasury shares to serve pre-emptive rights.
- 5) The treasury shares can be used to settle conversion or option rights or conversion or option obligations, or tender rights of the issuer arising from bonds with conversion or option rights, or conversion or option obligations, or tender rights of the issuer relating to shares of the Company. If treasury shares are to be transferred to members of the XING SE Management Board, this authorization shall apply to the Supervisory Board.
- 6) The treasury shares can be used to grant a pre-emptive right to the holders or creditors of bonds with conversion or option rights or conversion or option obligations, or tender rights of the issuer to shares of the Company in the scope to which they would be entitled after exercise of

Business and operating environment Legal information

these conversion or option rights or after settlement of these conversion or option obligations or the tender of shares as a shareholder.

7) The treasury shares can be offered for sale, or transferred, to persons who are employed by the Company or an enterprise affiliated with the Company in accordance with Section 15 AktG. They may also be offered for sale or transferred to members of the Management Board of the Company or members of the management of an enterprise affiliated with the Company in accordance with Section 15 AktG.

If members of the XING SE Management Board are beneficiaries, the Supervisory Board is responsible for selecting the beneficiaries and determining the volume of shares to be granted to them.

8) The treasury shares may be canceled without such cancellation or the performance of such action requiring a further resolution of the Annual General Meeting. They may also be canceled in a simplified procedure without a capital reduction by adjusting the proportionate theoretical interest of the other no-par value shares in the Company's share capital. If the shares are canceled using the simplified procedure, the Management Board is authorized to adjust the number of shares in the Articles of Incorporation.

The shareholders' pre-emptive rights relating to the treasury shares purchased on the basis of this authorization are disapplied if these shares are used in accordance with the authorizations detailed under (1) to (6). The total number of treasury shares sold while disapplying pre-emptive rights under the authorizations in accordance with (1) to (6) may not (notwithstanding the limitation in a)) exceed 20 percent of the share capital, either at the time the authorization enters into force or - if this amount is lower - at the time it is exercised. The following are to be counted against the aforementioned 20 percent limit: (i) new shares issued while disapplying pre-emptive rights during the term of this authorization up to its exercise from authorized capital and (ii) those shares issued or to be issued to settle bonds, insofar as the bonds were issued while disapplying the pre-emptive rights of shareholders during the term of this authorization up to its exercise and (iii) treasury shares that are sold while disapplying pre-emptive rights during the term of this authorization up to its exercise based on another authorization. Insofar as and to the extent to which, after exercise of an authorization to disapply pre-emptive rights that led to shares being counted against the aforementioned 20 percent limit, the Annual General Meeting re-issues this authorization to disapply pre-emptive rights, the shares will no longer be included in the limit. All of the authorizations mentioned above may be exercised by the Company in whole or in partial amounts, once or on multiple occasions, to pursue one or more purposes. The authorizations - with the exception of the authorization to cancel treasury shares - can also be exercised by entities dependent on the Company or entities which are majority owned by the Company or by third parties acting for their account or for the account of the Company.

COMPENSATION AGREEMENTS OF THE COMPANY WITH MEMBERS OF THE MANAGEMENT BOARD OR EMPLOYEES IN THE EVENT OF A TAKEOVER BID

In the event of a change in control, New Work SE grants the Management Board member Ingo Chu the right to be released from the director's contract provided other requirements are met. In the event of the justified exercise of this right, the affected Management Board member is entitled to settlement of all remuneration components (basic salary, variable remuneration, remuneration from the Shadow Share Program and/or Long-term Incentive Plan), the total amount of which is subject to the severance cap as recommended by item G.13 of the German Corporate Governance Code.

FURTHER DISCLOSURES

The other information required in accordance with Section 315a sentence 1 HGB relates to circumstances which do not exist at New Work SE. There are no holders of shares with special rights conferring control powers, nor are there any voting right controls attributable to employees owning a share of the Company's capital, nor are there any major agreements which are subject to the condition of a change of control following a takeover bid.

LEGAL FACTORS

The Company largely operates as a job network via the online platform \rightarrow www.xing.com where millions of people enter their personal details along with their CV. It is therefore imperative that New Work SE provides its registered users with a secure and trustworthy environment. The legislation in place in Germany, in particular German privacy law, sets the standard for how XING handles its users' sensitive data.

AUDITOR OF THE FINANCIAL STATEMENTS

Since the audit of the 2022 consolidated and annual financial statements, New Work SE has been audited by KPMG AG Wirtschaftsprüfungsgesellschaft, Hamburg branch office. The responsible partner for the 2022 audit of the consolidated and annual financial statements is Stefanie Hagenmüller. She has held this position since 2022.

Contents

Consolidated financial statements

for the financial year from January 1 to December 31, 2022

- 59 Consolidated statement of comprehensive income
- 60 Consolidated statement of financial position
- 61 Consolidated statement of cash flows
- 62 Consolidated statement of changes in equity
- 63 Notes to the consolidated financial statements
- 63 (A) Principles and methods
- 71 (B) Segment reporting
- 73 (C) Consolidated statement of comprehensive income disclosures
- 78 (D) Consolidated statement of financial position disclosures
- 88 (E) Other disclosures

Consolidated statement of comprehensive income

of New Work SE

for the period from January 1 to December 31, 2022

Consolidated statement of comprehensive income

In € thousand	Note no.	01/01/-12/31/2022 01/0	1/-12/31/20211
Continuing operations			
Service revenues	8	313,357	284,507
Other operating income	8	3,012	1,432
Other own work capitalized	9	20,726	21,709
Personnel expenses	10	- 144,569	- 131,598
Marketing expenses	11	- 38,989	- 35,338
Other operating expenses	12	- 47,248	- 40,054
Impairment losses on financial assets	13	- 2,172	- 2,782
EBITDA		104,117	97,876
Depreciation, amortization and impairment losses	14	- 37,947	- 39,952
EBIT		66,170	57,924
Finance income	15	326	617
Finance costs	15	-3,133	- 1,027
EBT		63,363	57,514
Income taxes	16	- 17,294	- 14,208
Net income/loss from continuing operations		46,069	43,307
Post-tax profit or loss of discontinued operations	17	- 2,807	- 3,700
CONSOLIDATED NET PROFIT		43,262	39,607

In € thousand	Note no.	01/01/-12/31/2022	01/01/-12/31/20211	
Earning per share from continuing operations (basic)	18	8.20€	7.71€	
Earning per share from continuing operations (diluted)	18	8.20€	7.71€	
Earnings per share (basic)	18	7.70€	7.05€	
Earnings per share (diluted)	18	7.70€	7.05€	
CONSOLIDATED NET PROFIT		43,262	39,607	
Currency translation differences	19	305	208	
OTHER COMPREHENSIVE INCOME	19	305	208	
CONSOLIDATED TOTAL COMPREHENSIVE INCOME		43,567	39,815	

¹ restated

Equity and liabilities

Consolidated statement of financial position

of New Work SE as of December 31, 2022

Assets

In € thousand	Note no.	12/31/2022	12/31/2021
Intangible assets			
Purchased software	20	2,770	4,743
Internally generated software	20	68,630	71,153
Goodwill	20	56,145	56,145
Other intangible assets	20	2,703	3,692
Property, plant and equipment			
Leasehold improvements	20	12,483	14,942
Other equipment, operating and office equipment	20	14,067	12,174
Construction in progress	20	420	618
Lease assets	20	47,023	50,280
Financial assets			
Financial assets at amortized cost	21	3,005	3,032
Financial assets at fair value	21	28,427	30,136
Other non-financial assets	22	539	580
Deferred tax assets	16	1,945	2,617
NON-CURRENT ASSETS		238,157	250,112
Receivables and other assets	_		
Receivables from services		19,881	20,637
Income tax receivables		540	0
Other assets		20,140	17,277
Cash and short-term deposits			
Cash	23	94,800	86,459
Third-party cash	23	3,504	3,684
CURRENT ASSETS		138,865	128,057
		377,022	378,169

thousand	Note no.	12/31/2022	12/31/2021
Subscribed capital	24	5,620	5,620
Capital reserves	24	22,644	22,644
Other reserves	24	643	338
Retained earnings	24	117,183	109,667
UITY		146,091	138,270
Deferred tax liabilities	16	12,287	21,501
Contract liabilities	25	1,424	352
Other provisions	25	626	680
Lease liabilities	25	53,658	58,014
Other liabilities	25	3,847	4,310
N-CURRENT LIABILITIES		71,842	84,857
Trade accounts payable	26	9,971	14,446
Lease liabilities	25	6,254	7,559
Contract liabilities	26	107,402	102,114
Other provisions	26	3,032	3,224
Income tax liabilities	26	10,581	5,440
Other liabilities	26	21,849	22,260
RRENT LIABILITIES		159,090	155,043

378,169

377,022

Consolidated statement of cash flows

of New Work SE for the period from January 1 to December 31, 2022

Consolidated statement of cash flows

In € thousand	Note no.	01/01/-12/31/2022	01/01/-12/31/2021
Earnings before taxes from continuing operations		63,363	57,514
	Earnings before taxes from discontinued operations		- 5,463
Earnings before taxes		- 4,092 59,271	52,051
Amortization and write-downs of internally generated software	14	23,727	24,544
Depreciation, amortization and impairment losses on other fixed assets	14	17,105	20,255
Finance income	15	-326	-617
Finance costs	15	3,147	1,045
BITDA		102,924	97,278
BITDA from discontinued operations		- 1,192	- 598
EBITDA FROM CONTINUING OPERATIONS		104,117	97,876
Interest received		322	207
Taxes paid		- 19,827	- 19,539
Loss / Profit from disposal of fixed assets		-51	315
Change in receivables and other assets		- 5,427	- 5,733
Change in liabilities and other equity and liabilities		- 5,288	2,274
Change in contract liabilities	25	6,360	10,868
Elimination of XING Events third-party obligation	23	180	- 52
Cash flows from operating activities		79,192	85,617
Cash flows from operating activities from discontinued operations		- 1,551	6
CASH FLOWS FROM OPERATING ACTIVITIES ROM CONTINUING OPERATIONS		80,743	85,611
Payment for capitalization of internally generated software	20	- 21,204	-23,632
Payment for purchase of software	20	- 750	- 1,013
Payments for purchase of other intangible assets	20	- 51	-29
Proceeds from the disposal of fixed assets	20	2,390	1,482

In € thousand	Note no.	01/01/-12/31/2022	01/01/-12/31/2021
Payments for purchase of property, plant and equipment	20	- 9,425	- 20,133
Proceeds from disposals of investments		4,636	0
Payments for acquisition of investments		- 4,994	0
Payments for acquisition of consolidated companies (less funds acquired)	20	0	-2,100
Cash flows from investing activities		- 29,398	- 45,424
Cash flows from investing activities from discontinued operations		- 629	-2,145
CASH FLOW FROM INVESTING ACTIVITIES FROM CONTINUING OPERATIONS		- 28,769	- 43,279
Payment of regular dividend	24	- 15,737	- 14,557
Payment of special dividend	24	- 20,009	0
Interest paid		- 287	- 488
Proceeds from lease incentives	23	2,805	7,214
Payment for leases	23	- 8,945	- 7,719
Cash flows from financing activities		-42,173	- 15,549
Cash flows from financing activities from discontinued operations		-13	- 161
CASH FLOWS FROM FINANCING ACTIVITIES FROM CONTINUING OPERATIONS		-42,160	- 15,388
Currency translation differences	23	721	318
Change in cash and cash equivalents	23	8,341	24,962
Own funds at the beginning of the period		86,459	61,497
OWN FUNDS AT THE END OF THE PERIOD		94,800	86,459
Third-party funds at the beginning of period	23	3,684	3,632
Change in third-party cash and cash equivalents	23	- 180	52
THIRD-PARTY FUNDS AT THE END OF THE PERIOD		3,504	3,684

Consolidated statement of changes in equity

of New Work SE for the period from January 1 to December 31, 2022

Consolidated statement of changes in equity

In € thousand	Note no.	Subscribed capital	Capital reserve	Reserve for currency translation differences	Retained earnings	Total equity
AS OF 01/01/2021		5.620	22.644	130	84.617	113.011
Consolidated net profit		0	0	0	39.607	39.607
Other comprehensive income	19	0	0	208	0	208
Consolidated total comprehensive income		0	0	208	39.607	39.815
Regular dividend for 2020	24	0	0	0	- 14.557	- 14.557
AS OF 12/31/2021		5.620	22.644	338	109.667	138.270
AS OF 01/01/2022		5.620	22.644	338	109.667	138.270
Consolidated net profit		0	0	0	43.262	43.262
Other comprehensive income	19	0	0	305	0	305
Consolidated total comprehensive income		0	0	305	43.262	43.567
Regular dividend for 2021	24	0	0	0	- 15.737	- 15.737
Special dividend	24	0	0	0	-20.009	- 20.009
AS OF 12/31/2022		5.620	22.644	643	117.183	146.091

Notes to the consolidated financial statements

of New Work SE for the financial year from January 1 to December 31, 2022

(A) Principles and methods

1. Information on the Company

The registered office of New Work SE is located at Am Strandkai 1, 20457 Hamburg, Germany; the Company is registered at the Amtsgericht (local court) Hamburg under HRB 148078. The Company's parent is Burda Digital SE, Munich, Germany, and the ultimate parent company of New Work SE since December 18, 2012 has been Hubert Burda Media Holding Kommanditgesellschaft, Offenburg, Germany, whose consolidated financial statements are available at www.unternehmensregister.de.

Hubert Burda Media Holding Kommanditgesellschaft is controlled by Prof. Dr. Hubert Burda, Offenburg, Germany. The next higher-level parent company that prepares consolidated financial statements is Burda Gesellschaft mit beschränkter Haftung, Offenburg, Germany, whose consolidated financial statements are available at www.unternehmensregister.de.

New Work SE has been committed to promoting a better working life with a wide range of brands, products and services. Founded as the OpenBC professional network, New Work SE today mainly offers digital employer branding and recruiting solutions for businesses. The consolidated financial statements and the Group management report of New Work SE for the period ending December 31, 2022 are approved for publication by the Management Board on March 22, 2023, and presented to the Supervisory Board of the Company for approval on the same day. The consolidated financial statements and the group management report are published in the electronic Company Register.

2. Basis of preparation

The consolidated financial statements of New Work SE (referred to hereinafter as "New Work" or "the Company") have been prepared in accordance with the International Financial Reporting Standards (IFRSs) as published by the International Accounting Standards Board (IASB) and the additional provisions of commercial law stipulated by Section 315e (1) of the German Commercial Code (HGB). Due consideration has been given to all IFRSs and IFRICs which were adopted by the EU Commission as of December 31, 2022 and which are subject to mandatory adoption. The consolidated financial statements are prepared in euros, the Company's functional currency. Unless otherwise specified, all figures have been rounded up or down to the nearest thousand euros (€ thousand). The tables and figures included may therefore contain rounding differences.

The consolidated statement of comprehensive income has been prepared using the total cost (nature of expense) method and a one-statement approach.

3. Changes in accounting policies

I. FINANCIAL REPORTING STANDARDS AMENDED OR EFFECTIVE IN FINANCIAL YEAR 2022

The following accounting standards had to be applied for the first time in financial year 2022:

- → Amendments to IFRS 16 COVID-19-Related Rent Concessions beyond 30 June 2021
- → Amendments to IFRS 3 Business Combinations: Reference to the Conceptual Framework
- → Amendment to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use
- → Amendments to IAS 37 Onerous Contracts Cost of Fulfilling a Contract
- → Annual Improvements to IFRS Standards 2018 2020 Cycle

The changes listed above did not affect the reporting of New Work SE.

II. STANDARDS ISSUED BUT NOT YET EFFECTIVE

The following new or amended standards are relevant to the business activities of the Group and had been issued but were not yet effective by the time the consolidated financial statements of New Work were published:

Initial application	New or amended standards			
January 1, 2023:	Amendments to IFRS 17 – Initial Application of IFRS 17 and IFRS 9			
	Amendments to IAS 12 – Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction			
	Amendments to IAS 1– Disclosure of Accounting Policies			
	Amendments to IAS 8– Definition of Accounting Estimates			
	IFRS 17 – Insurance Contracts (including amendments to IFRS 17)			
Still to be decided:	Amendments to IAS 1 – Presentation of Financial Statements			
	Amendments to IFRS 16 – Leases: Lease Liability in a Sale and Leaseback			

We do not expect the amendments listed above to have a material effect on New Work's reporting.

4. Basis of consolidation and principles of consolidation

BASIS OF CONSOLIDATION

In addition to New Work SE, the consolidated financial statements include the subsidiaries that are controlled by New Work SE as the parent company. Control is being assumed if the parent company can exercise control over the investee, is exposed to variable returns from the equity investment and can influence the amount of the returns due to its control. Control is assumed if the parent company directly or indirectly holds more than half of the voting rights of the subsidiary, unless it can clearly be shown that this holding does not constitute control. The subsidiaries are consolidated from the time at which the Group acquires control, and are no longer consolidated after the time at which the Group no longer exercises control. The question of whether or not the Group controls an investee is reassessed when facts or circumstances indicate that one or more of the stated criteria have resulted in a change of control.

If necessary, the annual financial statements of the subsidiaries are adjusted to align their accounting policies to the methods used in the Group. All intercompany balances, transactions, income and expenses as well as all results of intercompany transactions are eliminated in full. The basis of consolidation in the consolidated financial statements comprises the following companies:

	Entity	Domicile	Equity interest 12/31/2022 %	Equity interest 12/31/2022 %	Held by	Initial consolidation
_1	New Work SE (parent company)	Hamburg				
2	Honeypot GmbH ¹	Berlin	100	100	1	2019
3	InterNations GmbH ¹	Munich	100	100	9	2017
4	NEW WORK AUSTRIA XING kununu onlyfy GmbH (formerly NEW WORK AUSTRIA XING kununu Prescreen GmbH)	Vienna, Austria	100	100	1	2013
5	New Work Networking Spain S.L.	Barcelona, Spain	100	100	1	2007
6	New Work Networking Portugal Unipessoal Lda.	Porto, Portugal	100	100	1	2017
7	NEW WORK XING AG	Zurich, Switzerland	100	100	1	2016
8	New Work Young Professionals GmbH ²	Hamburg	100	100	9	2016
9	XING Events GmbH ¹	Hamburg	100	100	1	2011
10	Prescreen GmbH ²	Berlin	100	100	1	2017

¹ A profit transfer agreement is in place with the respective parent company. The entities avail themselves from the exemption under section 264 (3) German Commercial Code (HGB).

² A guarantee statement of New Work SE exists. The entities avail themselves from the exemption under section 264 (3) German Commercial Code (HGB).

5. Material estimates

Preparation of the consolidated financial statements to a limited extent requires management to make assumptions and estimates that affect the reported amounts of assets and liabilities, income and expenses, as well as contingent liabilities. Although these estimates are made in accordance with the best knowledge of management and with due consideration being given to all available knowledge, actual results may differ from these estimates. Information about estimates and assumptions which may give rise to a significant risk of a need for a material adjustment of the carrying amounts of the reported assets and liabilities within the next financial year has been provided in connection with the following accounting policies in particular: impairment of goodwill, cf. section (D) 20 – Intangible assets. In addition, estimates and assumptions are made for the purpose of determining whether intangible assets and the useful lives of intangible assets and property, plant and equipment, which are subject to an annual review, is eligible for capitalization. The actual figures may differ from the estimates. Changes are recognized in the income statement at the time at which better information becomes available, cf. section (D) 20 – Intangible assets.

6. Foreign currency translation

Transactions in a currency other than the functional currency of an entity are stated in the functional currency at the middle spot exchange rate on initial recognition. At the end of the reporting period, the Company measures foreign currency monetary assets and liabilities in the functional currency at the middle spot exchange rate at that date. New Work recognizes foreign currency gains and losses on these measurements in profit or loss. Foreign currency non-monetary items in the consolidated statement of financial position are translated using historical exchange rates.

7. Significant accounting policies

GENERAL

Discontinued operation

A discontinued operation is a component of the Group's business whose operation and cash flows can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographical area of operations,
- → Is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- → is a subsidiary acquired exclusively with a view to resale.

An operation is classified as discontinued upon disposal or discontinuation or as soon as the operation meets the criteria to be classified as held for sale, if this is the case earlier.

When an operation is classified as a discontinued operation, the statement of comprehensive income for the comparative year is restated as if the operation had been discontinued from the beginning of the comparative year. For more information, see note 17 Discontinued operation.

STATEMENT OF COMPREHENSIVE INCOME

Revenues

Income in the B2C segment is mainly realized through paid memberships (such as Premium and ProJobs). Customers generally make an advance payment. This is recognized over the service period using the straight-line method in view of the proportional duration of the relevant contract. All prepayments received for periods after the reporting date are listed as contract liabilities in the statement of financial position; revenue is recognized in the subsequent periods. The payment term is usually 30 days.

Income in the B2B e-recruiting segment is mainly generated by B2B solutions for recruitment. Our B2B solutions primarily help companies and employers to search for suitable candidates and talented professionals for job vacancies or to position themselves as an attractive employer. Customers generally make an advance payment. This is recognized over the service period using the straight-line method in view of the proportional duration of the relevant contract. All prepayments received for periods after the reporting date are listed as contract liabilities in the statement of financial position; revenue is recognized in the subsequent periods. The payment term is usually 7 or 30 days.

Income in the B2B Marketing Solutions & Events segment is recognized at the time the service is performed and mainly relates to the marketing of advertising formats. The payment term is usually 30 days. Revenue is measured at the fair value of the consideration received or receivable. In the case of barter transactions, revenue is measured at the fair value of the consideration received according to IFRS 13.

The currency reserve in other comprehensive income can be reclassified to profit or loss in subsequent periods.

STATEMENT OF FINANCIAL POSITION

Business combinations

The Company recognizes business acquisitions using the acquisition method, which leads to the recognition of goodwill in the event of a positive difference. Goodwill acquired during a business combination is initially recognized at cost; it refers to the additional costs of the business combination in excess of the share of the Group in the net present value of identifiable assets, less liabilities and contingent liabilities. Transaction costs are immediately expensed. Contingent consideration is measured at fair value at the time of acquisition. As long as the contingent consideration is not classified as equity, changes in the fair value are recognized in profit or loss.

Intangible assets

In accordance with IAS 38 and SIC-32, intangible assets which arise from the development of a single project can only be recognized if the Group can demonstrate the technical feasibility for completing the project for internal use or sale; the intent to complete the project so that the asset can be used internally or sold; that the asset will generate a future economic benefit; that the resources for completing the project are available; and outputs can be reliably measured. Expenses that do not meet these criteria are recognized in profit or loss. After the first-time application of development costs, the asset is recognized at cost less accumulated amortization and accumulated impairments. All capitalized development costs of the platforms are amortized over a five-year period using the straight-line method.

The recoverable amount of the development costs is subjected to an impairment test at least once a year, provided that the asset has not yet been used or if there are any indications of impairment over the course of the year. Intangible assets are tested for impairment as soon as there are any indications of impairment. The amortization period, the residual values and amortization method of an intangible asset with a finite useful life are reviewed regularly, at least once each financial year. Expenses for the purchase of software and other intangible assets are recognized and written down over their expected useful life of three to nine years using the straight-line method. Amortization begins at the time at which the intangible asset can be used.

There is no material interest that is directly attributable to the acquisition or production of a qualifying asset and thus could be capitalized as part of the cost of that asset, which is why no such interest has been capitalized.

In accordance with IFRSs, goodwill is not amortized over its economic service life. The Company is required to test goodwill for impairments at least once a year, provided there are no indications of potential impairments. If there are indications of impairment, goodwill must be tested immediately for impairment. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (CGUs) which will conceivably benefit from the synergies of the combination from the date of acquisition. Impairment is determined by calculating the recoverable amount of the CGU to which the goodwill has been allocated. If the recoverable amount of the CGU is less than the carrying amount, an impairment loss is recognized. Even if in future periods the recoverable amount exceeds the carrying amount of the CGU to which the goodwill has been allocated, impairment losses recognized on goodwill are not reversed.

The impairment test of goodwill requires an estimate to be made of the recoverable amount of the CGU to which the goodwill has been allocated. The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use. Fair value less costs to sell is the amount obtainable from the sale of an asset in an arm's length transaction, less costs to sell. Value in use is generally calculated on the basis of estimated future cash flows expected to arise from the continuing use of an asset and its disposal at the end of its useful life, using the discounted cash flow method. Cash flows are derived from the business plans and reflect current developments. They are discounted to the date of the impairment test using risk-equivalent capitalization rates.

Property, plant and equipment

In accordance with IAS 16, property, plant and equipment is recognized at cost less straight-line depreciation over a useful life of three years (IT equipment) to 13 years (office equipment) and cumulative impairment losses. Leasehold improvements are generally depreciated over the shorter of their useful life and the lease term. The carrying amounts, useful lives and depreciation methods are revised and adjusted at the close of the financial year, if necessary. Rent subsidies received are reported under deferred income or, in the case of a lease incentive received, deducted from the right-of-use asset.

Non-financial assets and lease liabilities

The right-of-use assets recognized in lease assets typically cover a period of one to ten years, with New Work often holding an extension option. The precise terms and conditions of the agreements vary depending on the country and the leased property. If a lease contains extension or termination options for the lessee or the lessor, these are taken into account, provided they are reasonably certain to be exercised or not to be exercised at the reporting date; termination options held by the lessor are always regarded as not exercised.

When a leased object becomes available, the lease is carried as a right-of-use asset and a related liability. Each lease amount is divided into a depreciation charge and interest expense. The interest expense is recognized in profit or loss over the term of the lease. The right-of-use asset is depreciated over the shorter of the useful life or the term of the lease.

The amount of the lease asset is determined as follows:

- → The amount of the initial measurement of the lease liability
- → any lease payments made before the commencement date
- ightarrow any initial direct costs incurred by the lessee
- → any estimated cost of restoring the site.

As a result, the asset is depreciated on a straight-line basis over the expected useful life under depreciation and impairment losses and the discounted liability is unwound in the financial result. When the lease liability is being determined, the following payments are considered:

- → fixed payments to the lessor
- → variable lease payments that depend on an index
- → amounts to be payable by the lessee under residual value guarantees
- → Exercise price of a purchase option if it is reasonably certain that this will be exercised
- Payments of penalties for terminating the lease it is reasonably certain that this option will be exercised

Lease payments are generally discounted using term- and currency-specific incremental borrowing rates, as the interest rate implicit in the lease cannot usually be determined. Interest is shown in cash flows from operating activities and the principal repayment in cash flows from financing activities.

Leases with terms of up to one year and leases of low-value assets continue to be recognized as an expense. Costs incurred to achieve the condition intended by New Work and asset retirement obligations will continue to be presented under leasehold improvements.

Financial assets and liabilities

New Work's financial assets principally comprise securities, receivables from services, rent deposits and receivables from credit card payments as well as cash and cash equivalents.

Financial assets are not reclassified following their initial recognition, unless the Group changes its business model for management of financial assets. In this case, all affected financial assets will be reclassified on the first day of the reporting period following the change of business model.

A financial asset will be measured at amortized cost if both of the following conditions are fulfilled and it has not been designated at fair value in profit or loss:

- → It is held within the scope of a business model whose purpose is to hold financial assets in order to collect the contractual cash flows.
- The contractual terms of the financial asset result on defined dates in cash flows which exclusively constitute principal and interest payments on the outstanding capital amount.

All financial assets not measured at amortized cost are measured at fair value with changes in value recognized in profit or loss.

All financial instruments whose fair value is shown in the financial statements, are classified according to the following hierarchy levels in accordance with IFRS 13:

- Level 1: Fair values that are determined using prices quoted in active markets.
- Level 2: Fair values that are determined using valuation techniques whose inputs which are relevant for the fair value are based on directly or indirectly observable market data.
- Level 3: Fair values that are determined using valuation techniques whose inputs which are relevant for the fair value are not based on observable market data.

At the initial recognition of securities, they are measured at fair value. Net gains and losses (including any interest or dividend income) are recognized in profit or loss. Securities are subsequently measured at fair value with changes in value in profit or loss.

Receivables from services and credit card payments as well as rent deposits and cash and cash equivalents are classified and measured at amortized cost (taking into account the effective interest method, if applicable). The same is true for trade accounts payable and certain other liabilities.

Receivables from services are recognized from the date on which they have arisen. All other financial assets are first recognized on the trading day on which the Company becomes a counterparty according to the contractual provisions of the instrument.

At their initial recognition, receivables from services are recognized at the cost of the transaction, in the amount of the unconditional consideration. If they include significant financing components, then they must instead be recognized at fair value. They will subsequently be recognized at amortized cost according to the effective interest method less loss allowance.

Financial liabilities are generally recognized at amortized cost.

Noncurrent and current liabilities from contingent purchase prices are carried at fair value with changes recognized in profit or loss. The fair value is determined based on recognized actuarial models. Settlement date accounting is used for all regular way purchases and sales of financial assets. Financial assets are derecognized if (i) the contractual rights to cash flows from the financial asset no longer exist, or (ii) the Group retains the right to generate cash flows from the asset but is obliged to pay these cash flows immediately to a third party as part of a transfer agreement, or (iii) the right to generate cash flows from the financial assets is transferred and either (a) all material risks and opportunities are transferred or (b) all material risks and opportunities are neither transferred nor retained, but the right of control over the asset has been transferred.

The fair value of financial assets or liabilities almost matches their carrying amounts.

Cash and cash equivalents are defined as short-term, highly liquid financial investments with a maximum term of three months and which may be converted into fixed cash amounts at any time and are subject to only minor fluctuations in value.

New Work recognizes loss allowances for expected credit losses (ECL) for

- → Financial assets measured at amortized cost
- → Contract assets
- → Other receivables

The loss allowance is measured according to the amount of the credit losses expected over the relevant term, except for the following loss allowances which are measured according to the expected twelve-month credit loss:

- Debt instruments with only a minor risk of default as of the reporting date
- Other debt instruments and bank balances for which the default risk has not significantly increased since their initial recognition

Loss allowances on receivables for services and for contract assets are always measured according to the amount of the credit loss expected over the relevant term.

In determining whether the default risk for a financial asset has increased significantly since its initial recognition and in order to estimate expected credit losses, New Work SE uses appropriate and reliable information which is relevant and may be obtained without incurring disproportionate costs or delay. This encompasses quantitative and qualitative information and analyses which are based on the Group's past experience and well-founded assessments, including forward-looking information.

A financial asset will be considered to be non-performing if the debtor is unlikely to be able to meet in full its loan commitment to the Group or if the Group is obliged to pursue measures such as the realization of collateral (if available). The Group assumes that a financial asset is deemed to have defaulted if it is past due for more than 90 days. Expected credit losses are measured at the present value in the context of the defaults and are discounted by the effective interest rate for the financial asset. The Group assumes that the default risk of a financial asset has increased significantly if it is past due for more than 30 days.

On each reporting date, New Work SE assesses whether financial assets at amortized cost are credit-impaired. A financial asset will be credit-impaired in case of one or more events adversely affecting the expected future cash flows of this financial asset.

Indicators of credit-impaired status for a financial asset include the following, observable data:

- → Significant financial difficulties of the debtor
- → Breach of contract, such as a default or past-due event
- → Restructuring of a loan or credit by the Group which it would not otherwise consider
- Probability of the debtor entering bankruptcy or other reorganization proceedings
- Disappearance of an active market for a security on account of financial difficulty

Impairment losses on financial assets measured at amortized cost will be deducted from the gross carrying amounts of the assets.

The gross carrying amount of a financial asset will be written off if, in the Group's reasonable opinion, there is no prospect of this financial asset being realized either in whole or in part.

Rent deposits and receivables from credit card payments can be converted into fixed cash amounts at any time and are subject to only insignificant fluctuations in value.

Taxes

Current tax assets and liabilities for current and previous periods are shown with the expected amount. The amount is calculated on the basis of the tax rates and laws applicable as of the reporting date of the given period.

Deferred taxes result from temporary differences between the carrying amount of an asset or a liability in the statement of financial position and its tax assessment base as well as from tax loss carryforwards. They are calculated using the balance sheet liability method, and are based on the application of the tax rates expected in the individual countries at the time of realization. These are based on the legal regulations applicable or announced on the reporting date. The effect of changes to tax law which affect deferred tax assets and deferred tax liabilities must be recognized in the statement of comprehensive income in the period in which the change is essentially implemented. Tax assets resulting from tax losses carried forward are recognized to the extent that it is probable in the near future that there will be a tax result against which the tax losses carried forward can be offset. The deferred tax assets are tested annually to establish whether they are realizable.

The Group offsets current tax assets and liabilities and deferred tax assets and liabilities if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Share-based payment

Share-based entitlements at New Work are generally cash-settled. The fair value is calculated at the grant date and recognized as an expense over the vesting period. It is determined using the market price of New Work shares. Changes in fair value are recognized in profit or loss. New Work has an option to settle through shares which, according to current planning, will not be exercised.

Provisions

The amount recognized as a provision is calculated by discounting the expected future cash flows using a pre-tax interest rate that reflects current market assessments of the time value of money and the risks specific to the liability. Unwinding of discounts is presented as a finance cost.

(B) Segment reporting

REPORTABLE SEGMENTS

The segment reporting uses the management approach in accordance with the guidance of IFRS 8. This sets out that the segment reporting must be aligned with the internal reporting to the chief operating decision maker. It shall also contain information that is regularly provided to the chief operating decision maker to make decisions about resource allocation for the individual divisions of the Group. In keeping with the Group's internal organization, the segment reporting is broken down into the Group's operating segments. The B2C segment serves the members of our social networking platforms who use xing.com, kununu.com or internations.org to network with other professionals, find a suitable job, obtain information about potential employers, or read about career-related topics. The services in this segment are monetized mainly through paid memberships (for example Premium, ProJobs, Albatross).

The B2B E-Recruiting segment serves employers and companies that seek access to employees and talent. This service is monetized through the development, marketing and sale of digital employer branding and recruitment solutions. Examples include onlyfy one, onlyfy Employer Branding Profile, onlyfy TalentManager, onlyfy Job Ads, onlyfy TalentService and the B2B products offered by Honeypot.

The B2B Marketing Solutions segment addresses advertising customers. This service is monetized via advertising revenue. We discontinued our business with event organizers in this segment in financial year 2022.

Assets, liabilities and investments are not segmented on the basis of the operating segments because these indicators are not used as control parameters at segment level. Segment data is calculated on the basis of the accounting policies applied in the consolidated financial statements. Costs are allocated to the originating divisions. Business transactions between the segments are conducted on an arm's length basis. As the measure of segment earnings New Work uses the operating result for the segment, calculated as gross profit or loss less costs that are directly attributable to the segment (staff, marketing, development and other expenses). Expenses that are not directly attributable to a segment (for example central IT, administrative and ancillary rental expenses) are presented in the reconciliation statement, along with impairment losses and reversals of impairments and the operating result from central functions that do not constitute a segment.

Extraordinary items and items arising from purchase price allocation are eliminated. Adjusted extraordinary items include restructuring expenses, gains/losses on disposal, impairment losses, and other non-operating expenses or income. The segment revenues and results for the period under review are shown in the following tables:

In€thousand	B20	B2C		B2B E-Recruiting		B2B Marketing Solutions Tota		int		ation of gment expenses	New Work Group	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Revenues	89,321	98,118	207,618	169,800	16,417	16,589	313,357	284,507	0	0	313,357	284,507
Intragroup revenues	0	0	0	0	0	53	0	53	0	- 53	0	0
Total revenues	89,321	98,118	207,618	169,800	16,417	16,641	313,357	284,560	0	- 53	313,357	284,507
Intragroup segment expenses	0	- 53	0	0	0	0	0	- 53	0	53	0	0
Other segment expenses	- 68,713	- 62,683	- 67,387	- 55,374	- 6,957	- 5,331	- 143,057	- 123,389	0	0	-143,057	- 123,389
Segment operating result	20,608	35,382	140,231	114,426	9,460	11,311	170,300	161,119	0	0	170,300	161,119
Other income/expenses											-66,182	-63,242
EBITDA											104,118	97,877

Revenues by geographical region are distributed as follows:

In € thousand	01/01/2022- 12/31/2022	01/01/2021- 12/31/2021 ¹
Germany	275,127	242,773
Austria/Switzerland	24,890	23,154
International	13,340	18,580
	313,357	284,507

Geographical distribution is made based on the domicile of the service recipient. The Company is not reliant on major customers because a significant percentage of Group revenues is not generated with any single customer.

Non-current assets (excluding deferred tax assets) amounting to €223,243 thousand (previous year: €230,676 thousand) relate to Germany, with €12,969 thousand (previous year: €16,819 thousand) relating to other countries.

1 restated

(C) Consolidated statement of comprehensive income disclosures

8. Total operating income

In the reporting period, total operating income was €316,369 thousand (previous year: €285,939 thousand).

In financial year 2022, revenues amounted to €313,357 thousand (previous year: €284,507 thousand). The breakdown of revenues and the corresponding development according to business units and regions are shown in segment reporting. Revenues include €2,296 thousand (previous year: €2,871 thousand) in revenue from barter deals.

Revenues in financial year 2022 included prior-period revenues from contract liabilities amounting to €102,114 thousand (previous year: €91,534 thousand). The transaction price corresponds to the amount of contractual liabilities.

The following table breaks down the main items of other operating income:

in € thousand		01/01/2022- 01/01/2021- 12/31/2022 12/31/2021 ¹	
Income from currency translation	1,740	579	
Prior-period income	582	316	
Income from returned bank transfers and dunning fees	263	175	
Income from employee transactions	21	0	
Other	406	362	
	3,012	1,432	

¹ restated

Other income mainly includes income from disposals of property, plant and equipment. In the previous year, other income mainly included income from benefits in kind and the reimbursement of sales commissions.

9. Own work capitalized

Own work capitalized breaks down as follows:

in€thousand	01/01/2022- 01/01/2021- 12/31/2022 12/31/2021 ¹	
Personnel expenses	18,201	19,382
Freelancer expenses	1,504	1,218
Ancillary costs	1,021	1,109
	20,726	21,709

1 restated

Ancillary costs mainly include expenses for rent and IT equipment.

10. Personnel expenses

The following table breaks down the personnel expenses:

in€thousand	01/01/2022- 12/31/2022	01/01/2021- 12/31/2021 ¹
Wages and salaries	118,736	108,517
Social security contributions (employer portion)	21,844	19,683
Termination benefits	1,676	2,110
Pension costs (defined-contribution plan)	999	898
Change in share-based payment	206	384
Change in provisions for vacation	133	- 90
Other	974	96
	144,569	131,598

restated

Personnel expenses rose from €131,598 thousand by €12,971 thousand to €144,569 thousand (+ 10 percent). The increase in expenses is due mainly to the higher number of people employed on full-time basis by the Group.

11. Marketing expenses

Marketing expenses are broken down as follows:

in € thousand	01/01/2022- 12/31/2022	01/01/2021- 12/31/2021 ¹
Marketing costs	29,750	29,556
Sales commissions	6,565	5,321
Events	2,674	461
	38,989	35,338

1 restated

Marketing costs include, in particular, costs of online advertising, traditional display advertising, TV advertising as well as trade fair costs.

12. Other operating expenses

The following table breaks down the primary items of other operating expenses:

in € thousand		01/01/2021- 12/31/2021 ¹
IT services, management services	18,790	14,557
Server hosting, administration and traffic	10,914	8,751
Occupancy expenses	3,853	4,299
Travel, entertainment and other business expenses	3,381	1,014
Other personnel-related costs	2,166	2,626
Training costs	1,621	1,767
Payment transaction costs	1,208	1,381
Legal consulting fees	762	964
Financial statements preparation and auditing costs	753	619
Telephone/cell phone/postage/courier	687	693
Accounting fees	586	636
Insurance and contributions	513	533
Office supplies	326	715
Supervisory Board remuneration	323	280
Expenses attributable to prior periods	310	444
Currency losses	294	213
Rents/leases	119	132
Other	642	430
	47,248	40,054

restated

In the reporting period, €119 thousand (previous year: €132 thousand) in expenses for renting of low-value assets were recognized. In addition, €354 thousand (previous year: €145 thousand) in occupancy expenses related to the shortterm renting of office space and employee apartments.

13. Impairment loss on financial assets

The impairment loss on financial assets mainly results from changes in the expected credit loss model.

14. Depreciation, amortization and impairment losses

Depreciation, amortization and impairment losses include €6,331 thousand (previous year: €9,681 thousand) in depreciation of lease assets and impairment losses of €771 thousand (previous year: €0) on leasehold improvements due to lower occupancy of rental space and the planned subletting of unused rental space. Impairment losses of €11,056 thousand (previous year: €12,373 thousand) were recognized on internally generated software in continuing operations. Due to the change in the estimate of the useful life described in note 20 (Intangible assets), amortization was €3,432 thousand lower; this will be recognized in later periods.

15. Finance income and finance costs

The financial result can be broken down as follows:

in € thousand	01/01/2022- 12/31/2022	01/01/2021- 12/31/2021 ¹
Finance income	326	617
Finance costs	-3,133	- 1,027
	- 2,807	-410

1 restated

Finance income results from income from securities. Finance costs mainly include expenses of €2,068 thousand from lower fair values and losses on disposal of securities to manage temporary liquidity. Finance costs include €586 thousand (previous year: €643 thousand) from the unwinding of discounts on lease liabilities, and €111 thousand (previous year: €57 thousand) from the unwinding of discounts on provisions and liabilities.

16. Income taxes

The income taxes for the reporting period are broken down as follows:

in € thousand	01/01/2022- 12/31/2022	01/01/2021- 12/31/2021 ³
Corporation tax (including solidarity surcharge)	22,164	11,519
Trade tax	2,814	6,564
Deferred taxes	- 8,542	-4,254
Taxes, previous years	859	387
	17,294	14,208

1 restated

An amount of €17,940 thousand (previous year: €3,509 thousand) of the corporation tax of €22,164 thousand (previous year: €11,519 thousand) was incurred outside Germany. The increase results from an intercompany cross-border transfer of intangible assets in the financial year, which led to the taxation of hidden reserves outside Germany and will be compensated for in future years through higher write-downs in the German tax accounts. The following table shows the breakdown of the deferred taxes in the statement of comprehensive income.

in € thousand	01/01/2022- 12/31/2022	01/01/2021- 12/31/2021
Intercompany disclosure of hidden reserves	- 8,463	0
Recognition/amortization of internally developed software	-814	- 294
Goodwill identified for tax purposes	86	102
Recognition of tax losses carried forward	655	-2,561
Contract assets	- 563	171
Amortization of brand/domain	- 64	- 132
Amortization of customer relations	- 88	- 85
Amortization of acquired technology	- 197	- 372
Lease assets/liabilities	322	- 1,051
Other	583	- 32
	- 8,542	- 4,254

The following overview reconciles the expected tax expense with the actual tax expense:

in € thousand		01/01/2021- 12/31/2021 ¹
Earnings before taxes (EBT)	63,363	57,514
Expected tax result	20,451	18,566
Tax effects attributable to		
different foreign tax rates	- 5,292	- 1,046
Tax rate reductions	152	0
Outside basis differences	739	- 77
Tax benefits and loss carryforwards	0	- 3,942
Taxes, previous years	859	378
Non-deductible expenses	385	330
ACTUAL TAX RESULT	17,294	14,208

The theoretical tax rate is determined as follows:

Deferred tax liabilities are broken down as follows:

in€thousand	12/31/2022	12/31/2021
Intangible assets		
Internally developed software	22,154	22,968
Customer relations	390	478
Software and licenses	146	343
Costs to obtain a contract	826	869
Financial assets at fair value	0	48
Other	192	0
DEFERRED TAX LIABILITIES	23,709	24,706

Deferred tax assets amounting to €11,422 thousand (previous year: €3,205 thousand) were netted against deferred tax liabilities.

1 restated

The effects from tax loss carryforwards in the previous year resulted from previously unrecognized deferred taxes on tax credits (particularly relating to kununu US LLC), which will be utilized in subsequent years over a period of seven years up to and including 2026.

In %	12/31/2022	12/31/2021
Corporation tax including solidarity surcharge (effective)	15.83	15.83
Trade tax rate	16.45	16.45
THEORETICAL TAX RATE	32.28	32.28

Deferred tax assets are broken down as follows:

in € thousand	12/31/2022	12/31/2021
Intangible assets	8,463	0
Tax benefit, kununu US LLC	1,906	2,561
Contract assets	1,469	1,792
Goodwill identified for tax purposes	879	965
Financial assets at fair value	515	0
Other	135	504
DEFERRED TAX ASSETS	13,367	5,822

17. Discontinued operation

In the reporting period, the Management Board made the decision to discontinue the Events business and present it as a discontinued operation in accordance with IFRS 5. The prioryear figures in the consolidated statement of comprehensive income and the consolidated statement of cash flows have been restated accordingly to present the discontinued operations separately from continuing operations. Revenues included €5,166 thousand (previous year: €6,536 thousand) and expenses €6,841 thousand (previous year: €9,057 thousand) from discontinued operations. An amount of €670 thousand relates to non-recurring expenses (termination benefits, one-off payments and consulting costs) in connection with the discontinued operation. Of the depreciation of €2,886 thousand (previous year: €4,847 thousand), €2,497 thousand (previous year: €3,524 thousand) was attributable to an extraordinary write-down on internally developed software. The profit or loss before tax of the discontinued operation amounts to €-4,094 thousand (previous year: €-5,463 thousand). Income taxes for the discontinued operation amounted to €-1,286 thousand (previous year: €-1,764 thousand). Basic/ diluted earnings per share arising from the discontinued operation amounted to €-0.50 (previous year: €-0.66).

18. Earnings per share

Earnings per share are determined as follows:

	2022	2021
Consolidated profit or loss attributable to the shareholders of New Work SE in € thousand	43,262	39,607
Consolidated profit or loss from continuing operations attributable to the shareholders of New Work SE in € thousand	46,069	43,307
Weighted average number of issued shares (basic and diluted)	5,620,435	5,620,435
Consolidated earnings per share attributable to the shareholders of New Work SE		
Earnings per share basic/diluted	€7.70	€7.05
Basic/diluted earnings per share – continuing operations	€8.20	€7.71

19. Other comprehensive income

Other comprehensive income includes exchange rate differences arising from the translation of foreign financial statements of €305 thousand (previous year: €208 thousand). These may be reclassified to profit or loss under certain conditions.

(D) Consolidated statement of financial position disclosures

20. Non-current assets

INTANGIBLE ASSETS

As of the reporting date, the intangible assets include brand rights, the customer base, purchased software as well as internally generated software and goodwill.

Internally generated software in the amount of €21,205 thousand (previous year: €23,632 thousand) was capitalized as internally generated intangible assets in financial year 2022, including €13,381 thousand with construction in progress (previous year: €23,441thousand), because the criteria set out in IAS 38 were satisfied. The development work mainly concerned various projects to develop the new XING mobile platform. As a result of determining the value in use, amortization and impairments of internally generated software include impairment losses of €11,056 thousand (previous year: €12,273 thousand) on platform components no longer used. As was the case in the previous year, no reversals of impairment losses charged on internally generated software were recognized. Impairment losses on acquired software in the reporting year amounted to €0 thousand (previous year: €0 thousand). As was the case in the previous year, no reversals of impairment losses were recognized.

At the beginning of financial year 2022, the useful life of the XING platform was fixed at a further five years until December 31, 2026. As of the previous year's reporting date, the useful life was assumed to run until December 31, 2025.

As a result, amortizations in the 2022 financial year were €3,432 thousand lower; these will be recognized in later periods. The remaining useful life of the internally developed web site is thus 48 months as of December 31, 2022. Modules that are no longer active are written down for impairment by regularly reviewing the platform modules that have been activated.

The research and development costs recognized in profit or loss, which do not meet the capitalization criteria of IAS 38, amounted to €52,893 thousand (previous year: €58,438 thousand).

Mandatory annual impairment testing for goodwill was performed as of the end of the 2022 financial year.

Goodwill in the amount of €40,709 thousand (unchanged from the previous year) from the acquisition of Prescreen GmbH (€21,201 thousand), Honeypot GmbH (€6,366 thousand), Intelligence Competence Center (Deutschland) AG (€6,059 thousand), BuddyBroker AG (€4,914 thousand) and kununu GmbH (2,169 thousand) were allocated to the B2B E-Recruiting segment for purposes of impairment testing. The segment is generally the group of cash-generating units in which the goodwill is monitored for internal management purposes.

A separate impairment test was carried out for the goodwill of \notin 6,366 thousand (unchanged from the previous year) allocated to the Honeypot cash-generating unit.

A separate impairment test was carried out for the goodwill of €15,435 thousand (unchanged from the previous year) allocated to the InterNations cash-generating unit.

B2B E-Recruiting

The recoverable amount of the B2B E-Recruiting segment has been determined on the basis of the calculation of the value in use. We have used cash flow forecasts for this calculation which are based on the actual operating results as well as a business plan approved by the management. In measuring value in use as the recoverable amount, the Company projected cash flows for the next five years based on past experience, the most recent operating results, and management's best estimate of future developments, as well as market participants' expectations. The result projected on the basis of these estimates is largely influenced by price trends in the competitive environment and expected economic developments. The value in use is mainly determined by the final value (present value of the perpetual annuity) that is particularly sensitive to changes in the assumptions about the longterm growth rate, the gross margin and the discount rate. The EBITDA growth rates in the detailed planning period take external macroeconomic data into account and are assumed to be in the double-digit percentage range for the B2B E-Recruiting segment.

InterNations and Honeypot

The recoverable amount of the cash-generating units Inter-Nations and Honeypot has been determined on the basis of the calculation of the fair value less costs to sell, which was estimated using discounted cash flows. The fair values determined for the cash-generating units have been allocated to Level 3 of the hierarchy levels for fair values. The future cash flows are based on the actual operating results as well as specific estimates which refer to a detailed planning period. For the terminal value, the cash surpluses are estimated while taking into consideration the development of revenues and earnings. In measuring fair value less costs to sell as the recoverable amount, the Company projected cash flows for the next seven to eleven years based on past experience, the most recent operating results, and management's best estimate of future developments, as well as market participants' expectations. The cash-generating units are active in a relatively young market for which significant growth rates are predicted in the near future. For this reason, a longer and more detailed planning period is necessary than would be the case for a "settled" unit. The increased default risk for these units is taken into account by means of statistically observable survival rates. The value in use is mainly determined by the present value of the terminal value, which is particularly sensitive to changes in the assumptions about the long-term growth rate, the discount rate and the long-term EBITDA margin.

The EBITDA growth rates in the detailed planning period take external macroeconomic data into account and are assumed to be in the double-digit percentage range for the InterNations and Honeypot cash-generating units. The following assumptions apply to the calculation of the recoverable amount based on the cash-generating units' value in use or fair value less costs to sell:

	B2B E-Rec	B2B E-Recruiting		tions	Honeypot		
In %	12/31/2022	12/31/2021	12/31/2022	12/31/2021	12/31/2022	12/31/2021	
Discount rate (before taxes)	12.9	11.1	-	-	-	-	
Discount rate (after taxes)	-	-	9.8	7.4	7.8	8.9	
Sustainable growth rate	2.5	2.0	2.5	2.0	2.5	2.0	
Sustainable EBITDA margin ¹	54.0	63.0	29.0	28.0	22.0	22.0	

¹ Before income from own work capitalized

The discount rate is a pre-tax or post-tax figure (WACC); it reflects current market assessments of the risks specific to the segments and is based on the weighted average cost of capital of the respective companies in the peer group.

The Management Board assumes that both revenues and the EBITDA margin can be increased in all cash-generating units in the future. The impairment test did not reveal any indication of impairment. Within the scope of a sensitivity analysis for the cash-generating units, to which significant goodwill has been allocated, a one percentage point increase in the discounting rates (after tax) combined with a five-percent decrease in the sustainable EBITDA margin or a one percentage point decrease in the long-term growth rate has been assumed. On this basis, New Work has determined that an impairment loss would not result for any of the three cash-generating units.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of IT hardware, other operating and office equipment, leasehold improvements and lease assets. Leasehold improvements were depreciated in the amount of €771thousand (previous year: €0) in the financial year due to lower utilization of the rental spaces and planned subletting of unused rental spaces.

The following table (figures in € thousand) shows the changes in fixed assets pursuant to IAS 16 and IAS 38:

Consolidated statement of changes in fixed assets

			Cost	t				Depreciatio	on, amortizatior	and impairm	ent losses		Carrying amounts	
in€thousand	01/01/2022	Additions	Disposals	Reclassi- fications	Currency differences	12/31/2022	01/01/2022	Additions from depreciation and amortization	Additions from impairments	Disposals	Currency differences	12/31/2022	12/31/2022	12/31/2021
1. INTANGIBLE ASSETS														
1. Software and licenses	39,927	751	0	0	0	40,678	- 35,185	-2,723	0	0	0	- 37,908	2,770	4,743
2. Internally generated software	179,984	21,205	0	0	0	201,189	- 108,831	- 12,673	-11,056	0	0	-132,559	68,630	71,153
3. Goodwill	93,271	0	0	0	0	93,271	- 37,126	0	0	0	0	-37,126	56,145	56,145
4. Other intangible assets	25,495	50	0	0	1	25,546	-21,803	- 1,040	0	0	0	- 22,843	2,702	3,692
	338,677	22,006	0	0	0	360,684	- 202,944	- 16,436	- 11,056	0	0	- 230,436	130,248	135,733
2. PROPERTY, PLANT AND EQUIPMENT														
1. Leasehold improvements	18,933	147	- 33	198	2	19,246	- 3,991	- 2,003	-771	0	1	-6,763	12,483	14,942
2. Other equipment, operating and office equipment	46,190	6,271	- 1,022	0	2	51,441	-34,017	-4,236	0	878	0	- 37,375	14,066	12,174
3. Construction in progress	618	0	0	- 198	0	420	0	0	0	0	0	0	420	618
4. Lease assets	90,729	3,188	-128	0	2	93,791	- 40,449	-6,331	0	16	- 4	-46,768	47,023	50,280
	156,470	9,606	- 1,184	0	6	164,898	- 78,457	- 12,569	-771	894	-3	-90,906	73,993	78,014
TOTAL	495,147	31,612	- 1,184	0	7	525,582	-281,401	- 29,005	-11,827	894	-3	-321,342	204,241	213,747

Consolidated statement of changes in fixed assets

			Cost	t				Depreciatio	on, amortization	and impairm	ent losses		Carrying amounts	
in € thousand	01/01/2021	Additions	Disposals	Reclassi- fications	Currency differences		01/01/2021	Additions from depreciation and amortization	Additions from impairments	Disposals	Currency differences	12/31/2021	12/31/2021	12/31/2020
1. INTANGIBLE ASSETS														
1. Software and licenses	38,914	1,028	- 15	0	0	39,927	- 32,039	- 3,145	0	0	-1	- 35,185	4,743	6,875
2. Internally generated software	156,352	23,632	0	0	0	179,984	- 84,287	-24,544	- 12,373	0	0	-108,831	71,153	72,065
3. Goodwill	93,271	0	0	0	0	93,271	- 37,126	0	0	0	0	-37,126	56,145	56,145
4. Other intangible assets	25,481	29	0	0	- 15	25,495	- 20,497	- 1,306	0	0	0	-21,803	3,692	4,984
	314,018	24,689	-15	0	-15	338,677	- 173,948	- 28,994	- 12,373	0	-1	- 202,944	135,733	140,069
2. PROPERTY, PLANT AND EQUIPMENT		·												
1. Leasehold improvements	4,936	2,329	0	11,669	-1	18,933	- 2,988	- 1,003	0	0	0	-3,991	14,942	1,948
2. Other equipment, operating and office equipment	40,636	9,591	-4,622	586	0	46,190	-32,735	- 4,653	0	3,373	-2	-34,017	12,174	7,901
3. Construction in progress	4,509	8,364	0	- 12,255	0	618	0	0	0	0	0	0	618	4,509
4. Lease assets	89,072	2,108	- 452	0	0	90,729	- 30,300	- 10,149	0	0	0	- 40,449	50,280	58,772
	139,154	22,391	- 5,074	0	-1	156,470	- 66,023	- 15,805	0	3,373	-2	- 78,457	78,014	73,130
TOTAL	453,171	47,080	- 5,089	0	-1	495,147	- 239,971	- 44,799	- 12,373	3,373	-3	-281,401	213,747	213,199

NON-FINANCIAL ASSETS AND LEASE LIABILITIES

The incremental borrowing rate used to discount lease assets and lease liabilities is between 0.38 percent and 1.31 percent for the current leases. The leases have terms between one and eight years. Each lease is assessed individually.

21. Investments

FINANCIAL ASSETS

As in the previous year, financial assets at amortized cost only consist of security deposits.

New Work SE acquired several funds in 2017 for the purpose of investing excess liquidity and shows these as financial assets at fair value. The fair values of the instruments, all of which are allocated to Level 1, correspond to their nominal values, multiplied by the prices prevailing on December 31, 2022. New Work SE recognizes changes in fair value in finance income and finance costs.

22. Other non-financial assets

The other non-financial assets mainly include prepayments for software maintenance and licenses.

23. Current assets

FORDERUNGEN AUS DIENSTLEISTUNGEN

As was the case in the previous year, receivables arising from New Work services recognized as of December 31, 2022, were due within one year.

At the end of the year, the following loss allowances were recognized in relation to receivables from services:

in € thousand	12/31/2022	12/31/2021
Total amount of receivables from services	21,843	22,413
Loss allowances on receivables	- 1,962	- 1,775
RECEIVABLES FROM SERVICES	19,881	20,637

Under receivables from services, the impairment losses were determined due to the receivables being past due, taking into account future-related information if necessary, and the following loss allowances were recognized:

12/31/2022	Not yet due	Past due < 30 days	Past due < 90 days	Past due > 90 days	Total
Impairment ratio	1.2%	5.5%	27.7%	42.9%	9.0%
Gross carrying amount (in € thousand)	9,328	8,554	2,066	1,896	21,843
Impairment (in € thousand)	-108	- 468	- 572	-814	- 1,962

12/31/2021	Not yet due	Past due < 30 days	Past due < 90 days	Past due > 90 days	Total
Impairment ratio	1.90%	8.10%	13.60%	39.60%	7.90%
Gross carrying amount (in € thousand)	10,563	8,438	1,761	1,651	22,413
Impairment (in € thousand)	-202	- 679	-240	- 654	- 1,775

In financial year 2022, previously impaired receivables of €76 thousand (previous year: €121 thousand) were recognized in profit or loss.

OTHER ASSETS

The following table shows the composition of other assets:

in€thousand	12/31/2022	12/31/2021
Customer acquisition costs ¹	5,269	4,471
Deferred cost	4,719	4,662
Deductible input tax	4,659	2,226
Advances paid	3,205	192
Receivables due from credit card companies	1,201	1,032
Receivables from taxes	0	537
Other assets	1,086	4,157
	20,140	17,277

Other assets include creditors with debit balances in the amount of €712 thousand (previous year: €355 thousand). The prior-year figure included a lease incentive relating to the NEW WORK Harbour in the amount of €3,338 thousand. Customer acquisition costs of €5,269 thousand (previous year: €4,471 thousand) only include directly attributable costs to obtain a contract. They comprise sales commission paid to employees and agencies. In the portfolio approach, capitalized costs to obtain a contract are amortized on a straightline basis over a period of ten months. The following table shows the amount recognized and the annual straight-line amortization.

Shown as contract assets in the previous year

in € thousand	Amount recognized 2022	Amortization 2022	Amount recognized 2021	Amortization 2021
Personnel expenses	5,879	4,991	4,588	3,954
Marketing expenses	882	972	760	866

CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of the reporting date consisted of bank balances of €81,802 thousand (previous year: €94,258 thousand), cash equivalents of €20,000 thousand (previous year: €0 thousand) and cash-in-hand of €7 thousand (previous year: €4 thousand). Bank balances include a figure of €3,504 thousand (previous year: €3,684 thousand) relating to third-party cash held by XING Events, which it received from event customers and which are available for payment to event organizers.

24. Equity

SUBSCRIBED CAPITAL

The share capital amounted to $\leq 5,620,435$ as of December 31, 2022 (previous year: $\leq 5,620,435$) and is composed of 5,620,435 no-par value registered shares with a notional value of ≤ 1.00 each. All of the subscribed capital is fully paid in. All shares have the same rights.

TREASURY SHARES

As in the previous year, the Company did not hold any treasury shares as of the reporting date.

AUTHORIZED CAPITAL 2018

Pursuant to the resolution of the Annual General Meeting of May 16, 2018, the Management Board has been authorized, with the approval of the Supervisory Board, to increase the share capital of the Company by up to €2,810,217.00 until (and including) May 15, 2023, by way of issuing, on one or more occasions, new no-par-value registered shares in return for cash and/or non-cash contributions (Authorized Capital 2018). The number of shares must be increased in the same ratio as the share capital. A pre-emptive right must be granted to the shareholders. The new shares can also be taken up by one or more credit institutions specified by the Management Board on condition that they are offered to the shareholders (indirect pre-emptive right). The Management Board however is authorized, with the approval of the Supervisory Board, to disapply the pre-emptive right of shareholders:

(1) in order to settle fractional amounts;

- (2) if the shares are issued in return for a non-cash contribution, in particular for the purpose of acquiring companies, parts of companies, other assets or in connection with business combinations, or for the purpose of acquiring receivables, rights or industrial property rights including copyrights and know-how;
- (3) if the shares of the Company are issued in return for a noncash contribution and if the issue price of each share is not significantly lower than the market price of the shares which are already listed and which essentially carry the same rights at the time at which the issue price is definitively fixed. This authorization is applicable only under the condition that the new shares issued while disapplying pre-emptive rights in accordance with Sections 203(1) sentence 1 and (2) sentence 1 and 186(3) sentence 4 AktG may not exceed a total of 10 percent of the share capital, either at the time this authorization enters into force or – if this amount is lower – at the time this authorization is exercised. The following are to be counted against the aforementioned 10 percent limit
 - (i) new shares issued while disapplying pre-emptive rights during the term of this authorization up to its exercise on the basis of another authorization from authorized capital in accordance with Sections 203(1) sentence 1 and (2) sentence 1 and 186(3) sentence 4 AktG,

- (ii) those shares issued or to be issued to settle conversion or option rights or conversion or option obligations, or tender rights of the issuer arising from convertible and/or option bonds, profit-participation rights and/or income bonds (or a combination of these instruments) ("bonds"), insofar as the bonds are issued while disapplying pre-emptive rights during the term of this authorization up to its exercise in accordance with Sections 221(4) sentence 2 and 186(3) sentence 4 AktG, and
- (iii) treasury shares that were sold while disapplying pre-emptive rights during the term of this authorization up to its exercise in accordance with Sections 71(1) No. 8 sentence 5 half-sentence 2 and 186(3) sentence 4 AktG. Shares applied to the limit are no longer included in the limit if authorizations to issue new shares from authorized capital, to issue bonds, or to sell treasury shares are re-issued by the Annual General Meeting by applying Section 186(3) sentence 4 AktG accordingly after exercise of such authorizations that led to the shares being applied to the limit.
- (4) if the shares are issued to settle conversion or option rights or conversion or option obligations, or tender rights of the issuer arising from bonds with conversion or option rights, or conversion or option obligations, or tender rights of the issuer relating to shares of the Company;

- (5) to the extent it is necessary to grant a pre-emptive right to the holders or creditors of bonds with conversion or option rights or conversion or option obligations, or tender rights of the issuer to shares of the Company in the scope to which they would be entitled after exercise of these conversion or option rights or after settlement of these conversion or option obligations or the tender of shares as a shareholder;
- (6) if the shares are offered to employees of the Company and/or employees and/or members of management of a company which is affiliated with the Company in accordance with Section 15 AktG or if the shares are transferred to such persons. The new shares can also be issued to a credit institution or equivalent company, which takes up the shares with the undertaking to forward them exclusively to the relevant beneficiaries. The number of shares issued in this way while disapplying pre-emptive rights must not exceed 2 percent of the share capital, either at the time at which this authorization becomes effective or at the time at which this authorization is exercised.

The overall amount of new shares issued while disapplying pre-emptive rights under the aforementioned authorizations from Authorized Capital 2018 may not exceed 20 percent of the share capital, either at the time this authorization enters into force or – if this amount is lower – at the time this authorization is exercised. The following are to be counted against the aforementioned 20 percent limit

- (i) new shares issued while disapplying pre-emptive rights during the term of this authorization up to its exercise on the basis of another authorization from authorized capital,
- (ii) hose shares issued or to be issued to settle conversion or option rights or conversion or option obligations, or tender rights of the issuer arising from bonds to the extent that the bonds were issued while disapplying pre-emptive rights of shareholders during the term of this authorization up to its exercise, and
- (iii) treasury shares that were sold while disapplying pre-emptive rights during the term of this authorization up to its exercise. Insofar as and to the extent to which, after exercise of an authorization to disapply pre-emptive rights that led to shares being counted against the aforementioned 20 percent limit, the Annual General Meeting re-issues this authorization to disapply pre-emptive rights, the shares will no longer be included in the limit.

The Management Board is authorized, with the approval of the Supervisory Board, to define the contents of the share rights, the details of the capital increase as well as the conditions of the share issue, and in particular the issue amount.

The Supervisory Board is authorized to amend the wording of the Articles of Incorporation based on the use of authorized capital or once the period of the authorization has ended.

The Management Board has not yet made use of this authorization.

CONTINGENT CAPITAL 2018

The share capital of the Company has been increased by up to €1,124,087.00 out of contingent capital by issuing up to 1,124,087 new no-par-value registered shares (Contingent Capital 2018). The contingent capital increase is implemented only to the extent that the holders of convertible and/or option bonds issued by New Work SE and its Group companies until May 15, 2023 based on the authorization adopted by the Annual General Meeting on May 16, 2018, exercise their conversion or option rights or to the extent that conversion and option obligations arising from such bonds are fulfilled and no other forms of fulfillment are used. Provided that they are created before the start of the Annual General Meeting, the new shares participate in profit from the start of the preceding financial year. Otherwise, they will participate in profit from the start of the financial year in which they are created. The Management Board is authorized, with the approval of the Supervisory Board, to fix the further details for carrying out the contingent capital increase. As of December 31, 2022, no shares have been issued out of Contingent Capital 2018.

As of December 31, 2022, no valid stock options requiring share-based settlement had been issued to employees, senior executives and the Management Board - the same as in the previous year.

CAPITAL RESERVES

The capital reserves mainly comprise the premium from the cash capital increases.

As of December 31, 2022, the capital reserves pursuant to HGB amounted to €31,434 thousand (previous year: €31,434 thousand), of which €48 thousand is freely available in accordance with Section 272(2) no. 4 HGB and results from the capital reduction approved in 2011.

OTHER RESERVES

The other reserves include the effects attributable to currency translation of the financial statements of foreign subsidiaries.

OTHER

Under German stock corporation law, the dividend eligible for distribution to shareholders is based on the net retained profits which New Work SE disclosed in its annual financial statements prepared in accordance with the regulations of the German Commercial Code. Based regular on a resolution adopted by the Annual General Meeting on June 1, 2022, a regular dividend of €2.80 per share (2020: €2.59 per share) and a special dividend of €3.56 (2020: €0 per share) was paid for the 2021 financial year. With 5,620,435 shares carrying dividend rights, this corresponds to a total payout in 2022, including the special dividend, of €35,746 thousand (2021: €14,557 thousand).

Own cash and securities to manage temporary liquidity in the amount of €123,227 thousand as of December 31, 2022, and the Group's cash-generative business model enable the Company to pay dividends on a regular basis without changing its business strategy, which is aimed at achieving growth. Subject

to the approval of the Supervisory Board, we will therefore propose to the next Annual General Meeting to be held on May 24, 2023 that the shareholders be paid a regular dividend of €3.16 per share (previous year: €2.80). This corresponds to a payout of €17,761 thousand. We also propose a special dividend of €3.56 per share (previous year: €3.56), resulting in a special distribution of €20,009 thousand. The remaining net retained profits of €18,956 thousand is to be carried forward to new account.

25. Non-current liabilities / provisions

CONTRACT LIABILITIES

The non-current contract liabilities in the amount of €1,424 thousand (previous year: €352 thousand) include member subscriptions for future periods in our B2C business and products in the B2B E-Recruiting segment with a remaining term of one to two years.

OTHER PROVISIONS

For assessing the amounts of the provisions, management focuses on the past experience for figures from similar transactions and takes account of all indications arising from events up to the point at which the consolidated financial statements are prepared. The other non-current provisions are broken down as follows:

LEASE LIABILITIES

The lease liabilities comprise only leases for office space. In the reporting year, non-current lease liabilities amounted to €53,658 thousand (previous year: €58,014 thousand), while current lease liabilities amounted to €6,254 thousand (previous year: €7,559 thousand). Lease liabilities amounted to €59,912 thousand as of December 31, 2022 (previous year: €61,069 thousand).

Overall, leases resulted in a cash outflow of \notin 9,886 thousand in the past financial year (previous year: \notin 8,642 thousand). This item includes payments for leases in the amount of \notin 8,945 thousand (previous year: \notin 7,719 thousand), interest on lease liabilities in the amount of \notin 586 thousand (previous year: \notin 645 thousand) and payments for short-term leases in the amount of \notin 354 thousand (previous year: \notin 280 thousand).

If the longest possible contract renewal options were exercised, the potential future lease payments would give rise to a lease liability of €86,458 thousand.

OTHER LIABILITIES

Other non-current liabilities of €3,847 thousand (previous year: €4,310 thousand) mainly include obligations arising from share-based payment; see also section E, Disclosures on the stock option plan and share-based payment in accordance with IFRS 2.

26. Current liabilities/ provisions

TRADE ACCOUNTS PAYABLE

As was the case in the previous year, all trade accounts payable recognized as of the reference date December 31, 2022 were due within one year (€9,971 thousand; previous year: €14,446 thousand). The trade accounts payable are not interest-bearing, and are generally due within ten to 30 days.

CONTRACT LIABILITIES

New Work generates a significant share of revenues under a prepaid business model from online fixed-term products. Due to the contractual arrangements billed mostly on an annual basis, contract liabilities increase with growing revenues at the end of the year. In the reporting period, these increased by €5,288 thousand to €107,402 thousand. They are extinguished using the straight-line method over the term of the contract.

In the reporting period, $\leq 102,114$ thousand in revenues were recognized that in the prior-year period were reported as contract liabilities.

	680	84	0	0	30	626
Other provisions	13	13	0	0	13	13
Asset retirement obligations	667	71	0	0	17	613
Non-current provisions						
			·			
in € thousand	01/01/2022	Use	Reversal	Unwinding of discounts	Addition	12/31/2022

OTHER PROVISIONS

For assessing the amounts of the provisions, management focuses on the past experience for figures from similar transactions and takes account of all indications arising from events up to the point at which the consolidated financial statements are prepared. The other current provisions are broken down as follows:

OTHER LIABILITIES

in € thousand

The other liabilities are recognized at their settlement value, and are broken down as follows:

12/31/2022 12/31/2021

in € thousand	01/01/2022	Use	Reversal	Unwinding of discounts	Addition	12/31/2022
Current provisions						
Financial statements preparation and auditing costs	845	546	76	0	530	753
Personnel expenses	1,806	1,341	465	0	1,488	1,488
Legal and consulting costs	225	187	38	0	442	442
Other contributions	347	262	0	0	263	348
	3,224	2,336	579	0	2,723	3,032

OTHER CURRENT LIABILITIES	21,848	22,260
Miscellaneous liabilities	2,326	3,207
Liabilities for Supervisory Board remuneration	323	280
Debtors with credit balances	966	469
VAT liabilities	1,549	213
Liabilities of XING Events due to event organizers ¹	4,061	4,729
Liabilities from personnel expenses	12,624	13,361

Other provisions for personnel expenses in the amount of 1,488 thousand € (previous year: €1,806 thousand) relates to share-based payment of €795 thousand.

INCOME TAX LIABILITIES

Corporation tax liabilities and trade tax liabilities of €10,581 thousand (previous year: €5,440 thousand) were reported as of December 31, 2022.

Liabilities to XING Events organizers are financial liabilities

Liabilities for personnel expenses comprise share-based payment (for more information see section E, Disclosures on the stock option plan and share-based payment in accordance with IFRS 2) as well as bonuses and incentive payments, provisions for outstanding vacation, provisions for termination benefits and other personnel obligations as well as social security liabilities. Other liabilities include liabilities for other third-party services.

(E) Other disclosures

ADDITIONAL INFORMATION ON THE CONSOLIDATED STATEMENT OF CASH FLOWS

As of December 31, 2022, funds consist of liquid funds of €74,800 thousand (previous year: €86,459 thousand) and a term deposit (cash equivalent) of €20,000 thousand (previous year: €0 thousand). Funds consist mainly of bank balances.

The other non-current financial assets (measured at fair value) concern securities for managing temporary excess liquidity. Cash in- and outflows are shown under cash flows from investing activities. Finance costs include non-cash interest expense of €586 thousand (previous year: €643 thousand) from lease payments and are recognized in cash flow from operating activities. The amount paid for leases is recognized in cash flows from financing activities and amounts to €8,945 thousand (previous year: €7,719 thousand). Cash flows from financing activities also include a lease incentive relating to the NEW WORK Harbour office building in the amount of €2,805 thousand (previous year: €7,214 thousand).

CONTINGENT LIABILITIES AND FINANCIAL OBLIGATIONS

As was the case last year, there were no contingent liabilities, e.g. arising from guarantees, as of the reporting date. There is no significant purchase order commitment for intangible assets or property, plant and equipment; this is also applicable for long-term obligations to purchase assets. The determination as to whether an agreement includes a lease is based on the financial content of the agreement at the time at which this agreement is concluded, and involves an assessment as to whether fulfillment of the contractual agreement depends on the use of a certain asset or certain assets, and whether the agreement confers a right to use the asset.

Leases have been taken out by the Group for business premises. The agreements have an average term of between four and nine years, and there is an option for them to be extended.

The maturities of lease liabilities as defined by IFRS 16 are as follows:

in € thousand	Up to 1 year	1-2 years	2–5 years	More than 5 years	Total contract payments	Discount	Carrying amount of liabilities
Contractual payment obligations from leases, 12/31/2022	8,979	6,130	23,820	23,240	62,169	- 2,257	59,912
Contractual payment obligations from leases, 12/31/2021	9,147	8,703	21,247	28,883	67,980	-2,407	65,573

PRINCIPLES OF RISK MANAGEMENT

The Management Board of the Company is responsible for the development and supervision of the Group risk management system. The Management Board has tasked the Legal department with the monitoring and development of the Group's risk management policies. The Legal department regularly reports to the Management Board on its activities. The Group's risk management policies have been developed in order to identify and analyze the risks for the Group with the aim of introducing appropriate risk limits and controls and monitoring the development of risks and compliance with limits. The risk management policies and the risk management system are regularly reviewed to enable the Group to reflect any changes in market conditions and the Group's activities. The existing training and management standards as well as the related processes are intended to safeguard an effective control environment in which all of the Group's employees understand their respective tasks and responsibilities.

The Audit Committee monitors, on the one hand, the Management Board's compliance with the Group risk management policies and processes and, on the other, the effectiveness of the risk management system in terms of the risks which the Group is exposed to. Moreover, there are no material risk concentrations in respect of the risks outlined below.

CAPITAL RISK MANAGEMENT AND NET DEBT

The Group manages its capital with the aim of ensuring that all companies in the Group are able to operate on the basis of the going concern principle while also optimizing income, where applicable also by using debt. Own cash and securities to manage temporary excess liquidity in the amount of €123,227 thousand as of December 31, 2022, and the Group's cash-generative business model enable the Company to pay dividends on a regular basis without changing its business strategy, which is aimed at achieving growth. New Work's liabilities also include contract liabilities that, due to the business model, do not lead directly to an outflow of cash. New Work SE has no significant borrowings and therefore does not require external capital. The financial liabilities exclusively stem from contingent purchase price obligations.

CLASSES OF FINANCIAL INSTRUMENTS

The following financial instruments existed as of the reporting date:

in € thousand	Measurement category ¹	12/31/2022	12/31/2021
Non-current financial assets at amortized cost	Amortized cost	3,005	3,032
Non-current financial assets at fair value	FAFVtPL	28,427	30,136
Current receivables from services	Amortized cost	19,881	20,637
Current other assets	Amortized cost	1,201	1,032
Cash and cash equivalents	Amortized cost	98,304	90,143
Non-current lease liabilities	Amortized cost	53,658	58,014
Current trade accounts payable	Amortized cost	9,971	14,446
Current lease liabilities	Amortized cost	6,254	7,559
Current other liabilities	Amortized cost	10,581	5,440

¹ FAFVtPL = Financial assets at fair value through profit or loss

All of the non-current financial assets at fair value are classified as Level 1 financial instruments. Their purpose is to manage excess liquidity.

For all financial assets and liabilities, the fair values, to the extent that they can be determined, almost match their carrying amounts. As was the case in the previous year, no financial assets were used as collateral for liabilities of the Group in the financial year.

EXCHANGE RATE AND INTEREST RATE MANAGEMENT

In the reporting period, the Group was exposed to the volatility of the Swiss franc; the volatility of the US dollar was of secondary importance. Income from exchange rate effects amounted to €1,739 thousand (previous year: €733 thousand). Expenses from exchange rate effects had an offsetting effect of €937 thousand (previous year: €262 thousand). Revenues are generated mainly in euros.

Bank deposits are held with various financial institutions. The Group is exposed to market risks (currency, interest rate or other price risks). The financial assets at fair value are determined by numerous factors. The bank balances in Swiss francs (€4,556 thousand) would go up or down by €46 thousand in the event of a 1 percent exchange rate change.

With regard to consolidated earnings before tax, a change in interest rates will primarily have an impact on cash. If interest rates had increased by 100 basis points during the reporting period, interest income/expense would have changed by €124 thousand (previous year: €108 thousand) on the basis of an average investment volume of €123,505 thousand (previous year: €107,567 thousand).

CREDIT AND FAIR VALUE RISK MANAGEMENT

Credit risk is defined as the risk of a loss to the Group which is incurred if a contracting party fails to meet its contractual obligations. The Group defines fair value risk as the risk of changes in the value of financial assets. Material financial assets only existed as of the reporting date in the form of subscription claims against users of the XING platform (receivables from services from members in Network/Premium or companies in E-Recruiting) as well as bank balances (cash and cash equivalents). The Group uses the simplified approach under IFRS 9 to measure expected credit losses, which means that the lifetime expected credit losses are used for all trade accounts receivable.

Impairment losses on financial assets of €2,172 thousand (previous year: €2,782 thousand) were recognized in profit or loss.

With regard to the receivables, the risk is reduced by the fact that most of the receivables consist of a large number of relatively minor amounts, of less than €10 thousand in each case. As of the reporting date, the remaining term of all these receivables was less than one year. The maximum counterparty credit risk of €19,881 thousand is equal to the carrying amount of the receivables (previous year: €20,637 thousand).

In the case of bank balances, reputable commercial banks rated AAA to A3 are used for investment and payments. The remaining term of the bank balances is less than three months.

The Group believes that current counterparty credit and fair value risks are low. As was the case last year, there were no defaults in relation to cash and cash equivalents.

ASSESSMENT OF THE EXPECTED CREDIT LOSSES FOR CORPORATE CUSTOMERS

The Group applies proven default estimates and allocates each risk to a default risk classification on the basis of data which has been found to predict the applicable loss risk.

LIQUIDITY RISK MANAGEMENT

The Group manages liquidity risks by holding appropriate liquidity reserves and also by constantly monitoring the forecast and actual cash flows. The maturities of financial assets and liabilities are constantly monitored. Lease liabilities are specified in more detail in the section "Contingent liabilities and financial obligations".

As a result of the current bank balances and securities available to manage temporary excess liquidity, there are no major liquidity risks. No credit lines with banks exist as of the reporting date.

DISCLOSURES ON THE STOCK OPTION PLAN AND SHARE-BASED PAYMENT IN ACCORDANCE WITH IFRS 2

Through the granting of performance share units (PSUs) as part of a long-term incentive program for the Management Board and certain executives, a remuneration component is used that takes account of the performance of the Company's shares and therefore provides a sustainable, long-term incentive for the individuals participating in the plan. The PSUs from the LTI are a virtual replication of shares to be allocated to the participants in annual tranches. The number of PSUs to be allocated in an annual tranche corresponds to the allocation amount calculated annually divided by the average closing price of the Company's shares over the 50 trading days immediately preceding the beginning of the respective financial year following the allocation. The annual allocation amount depends on the achievement of quantitative corporate goals that are stipulated by the Supervisory Board as part of its three-year plan in advance for the relevant financial year in the three-year plan, currently Group EBT and consolidated revenues (incl. other operating income). Following a performance period of three years (executives) or a performance period of three years plus a waiting period of one more year (Management Board) after allocation, the beneficiary acquires an entitlement to a cash payment tied to the share price or, at the Company's discretion, to the allocation of New Work SE shares. In addition, the beneficiary is paid dividends applicable to real shares in the amount corresponding to the allocated PSUs, if any, for the three preceding financial years ("cumulative dividend"). If cash is paid, then the total amount paid is limited to four times the relevant allocation amount of the respective tranche of PSUs. If the payment is settled in shares, then the number of shares to be granted is equal to the number of PSUs allocated. If the total of the share price at the time of exercise and the cumulative dividend is greater than four times the relevant allocation amount of the respective tranche of PSUs, then the number of shares granted is equivalent to four times the allocation amount. In the past, the current LTI was only satisfied through cash settlement.

The other liabilities for the current financial year are determined on the basis of the fair value for the phantom stocks granted in that year based on a target achievement level of 101.68 (previous year: 105.86) percent. Overall, personnel expenses of \in 504 thousand (previous year: \in 1,077 thousand) for cash-settled share-based payment were recognized in the income statement for the 2022 financial year. Liabilities of \notin 4,599 thousand (previous year: \notin 4,852 thousand) were recognized as of December 31, 2022 for entitlements arising from the long-term incentive programs, taking into account the share price performance. Of this amount, \notin 795 thousand relates to current liabilities (previous year: €1,035 thousand) and €3,804 thousand to non-current liabilities (previous year: €3,817 thousand). The following table shows an overview of shadow shares (until 2021) and performance share units (PSUs) (from 2022) granted under the plan:

	Average exercise price per shadow share/ PSU in 2022 in €		Average exercise price per shadow share in 2021 in €	Number of shadow shares in 2021
As of January 1	218.50	15,097	280.00	14,415
Granted in the financial year for 2021	173.48	9,841	243.53	5,296
Granted in the financial year for 2022	n/a	8,010		
Exercised in the financial year	171.03	4,431	244.25	4,614
As of December 31	152.60	28,517	218.50	15,097

No shadow shares/PSUs expired in the periods presented. Shadow shares/PSUs outstanding at year-end have the following expected expiry dates and exercise prices:

Grant date	Expiry date	Exercise price in €	Shadow shares/PSUs, December 31, 2022	Shadow shares, December 31, 2021
2018	2022	290.55	-	4,431
2019	2023	287.26	5,370	5,370
2020	2024	243.53	5,296	5,296
2021	2025	173.48	9,841	
2022	2025	n/a	8,010	-
 Average remaining contractual term of the shadow shares/				
PSUs outstanding at the end of the reporting period			2.08	2.05

RELATIONS WITH RELATED PARTIES

Management Board and Supervisory Board

The Management Board and the Supervisory Board received total remuneration of €4,292 thousand and €323 thousand (previous year: €5,215 thousand and €320 thousand) for their work in the financial year ended. Of this amount, benefits payable to the Management Board in the short term (excluding termination benefits) amounted to €3,064 thousand (previous year: €3,508 thousand), while benefits payable in the long term totaled €1,228 thousand (previous year: €1,707 thousand). To reflect the change in value in claims to date to cash-settled share-based payment, an amount of €1,030 thousand was credited to personnel expenses in the financial year (previous year: €880 thousand credited to personnel expenses). Total remuneration includes a long-term incentive (LTI) in the form of a performance share plan. In financial year 2022, the members of the Management Board received a preliminary allocation of 8,010 (phantom) performance shares (previous year: 9,841). The fair value of this preliminary allocation of (phantom) performance shares amounted to €1,680 thousand (previous year: €1,613 thousand) at the grant date. Total remuneration of the Management Board members in accordance with Section 315e in conjunction with Section 314 (1) No. 6a HGB amounted to €4,744 thousand (previous year: €5,121 thousand). Further information is included in the remuneration report pursuant to Section 162 AktG.

Related parties

Since December 18, 2012, Burda Digital SE, Munich (a subsidiary of Hubert Burda Media Holding Kommanditgesellschaft, Offenburg; controlled by Prof. Dr. Hubert Burda, Offenburg) has held more than 50 percent of the share capital of New Work SE. New Work SE is accordingly a dependent company in accordance with Section 312 (1) Clause 1 in conjunction with Section 17 (2) AktG. Because a control agreement does not exist between New Work SE and Hubert Burda Media Holding Kommanditgesellschaft, Offenburg, the Management Board of New Work SE prepares a report regarding relations with affiliated companies in accordance with Section 312 (1) Clause 1 AktG. In the 2022 financial year, New Work SE or the companies controlled by it and Hubert Burda Media Holding Kommanditgesellschaft, Offenburg, or its affiliated companies as in the previous year purchased products and services from each other subject to arm's length conditions.

The shareholder Burda Digital SE, Munich, received €18,760 thousand (previous year: €7,280 thousand) in dividend payments.

Services in the amount of €276 thousand (previous year: €499 thousand) were provided to affiliated companies of Burda Media Holding Kommanditgesellschaft, Offenburg, Germany. Services purchased from affiliated companies totaled €737 thousand (previous year: €1,083 thousand). The receivables from services show net amounts of €210 thousand (previous year: €191 thousand) due from affiliated companies, and the trade accounts payable show net amounts of €927 thousand (previous year: €459 thousand) due to affiliated companies.

NUMBER OF EMPLOYEES

During financial year 2022, New Work had an average of 1,956 employees (previous year: 1,864), of whom 1,550 were fulltime and 515 were part-time staff or temporary office staff (previous year: 1,431 full-time and 433 part-time or as temporary office staff), as well as five Management Board members (previous year: five). As of December 31, 2022, the Group had a total of 2,065 employees (previous year: 1,869), of whom 1,482 were full-time and 474 were part-time staff or temporary office staff (previous year: 1,436 full-time and 411 part-time or temporary office staff), as well as five Management Board members (previous year: five).

NOTIFICATIONS RECEIVED IN ACCORDANCE WITH SECTION 33 WPHG

With regard to the notification obligation in accordance with Section 33 WpHG, please refer to the comments in the notes to the annual financial statements of New Work SE.

MEMBERS OF THE SUPERVISORY BOARD

The following persons served on the Supervisory Board of the Company in the year under review:

Martin Weiss

Chief Executive Officer (Chairman of the Executive Board) of Hubert Burda Media Holding Geschäftsführung SE and member of Board of Directors of Burda Digital SE, Munich

Other Supervisory Board posts/ memberships in control bodies:

→ Chairman of the Board, Immediate Media Co. Ltd., London, United Kingdom

Dr. Katharina Herrmann, since June 1, 2022

Director of Hubert Burda Media Holding Geschäftsführung SE and member of Board of Directors of Burda Digital SE, Munich

Other Supervisory Board posts/memberships in control bodies:

→ none

Dr. Jörg Lübcke

Managing Director, Barcare GmbH, Munich, Germany

Other Supervisory Board posts/ memberships in control bodies:

- → Member of the Advisory Board of Cyberport GmbH, Dresden, Germany
- → Member of the Supervisory Board of INO24 AG, Pleidelsheim (until March 31, 2022)

Prof. Dr. Johannes Meier

Managing Director Xi GmbH, Gütersloh, Germany

Other Supervisory Board posts/ memberships in control bodies:

- → Member of the Advisory Board of the Meridian Foundation, Essen, Germany
- → Chairman of the Advisory Board of the Mercator Foundation, Essen, Germany
- → Member of the Supervisory Board of N.V. Nederlandse Gasunie, Groningen, Netherlands

Dr. Andreas Rittstieg, until June 1, 2022

Member of the Board of Directors of Hubert Burda Media Holding Geschäftsführung SE, Offenburg, Germany

Other Supervisory Board posts/ memberships in control bodies:

- Member of the Supervisory Board of Brenntag SE, Mühlheim an der Ruhr, Germany
- → Member of the Board of Directors of Hubert Burda Media Holding Geschäftsführung SE, Offenburg, Germany
- → Member of the Administrative Board of Kühne Holding AG, Schindellegi, Switzerland
- → Member of the Advisory Board of Huesker Holding GmbH, Gescher, Germany

Jean-Paul Schmetz

Chief Scientist, Hubert Burda Media Holding KG, Munich, Germany

Other Supervisory Board posts/ memberships in control bodies:

→ Member of the Supervisory Board (Conseil de Surveillance) of EDITIONS NUIT ET JOUR, Montrouge, France

Anette Weber

Group CFO, Bucherer AG, Lucerne, Switzerland

Other Supervisory Board posts/ memberships in control bodies:

→ Non-Executive Board Member, GN Store Nord, Copenhagen, Denmark

MEMBERS OF THE MANAGEMENT BOARD

In the 2022 financial year, the following persons were appointed to the Management Board:

Petra von Strombeck CEO, Hamburg, Germany

Supervisory Board posts/ memberships in control bodies: none

Ingo Chu CFO, Hamburg, Germany

Supervisory Board posts/ memberships in control bodies: none

Frank Hassler

CSO, Kressborn, Germany

Supervisory Board posts/ memberships in control bodies: none

Dr. Peter Opdemom Board Member B2C, Bonn

Supervisory Board posts/ memberships in control bodies: none

Jens Pape

CTO, Hamburg, Germany

Supervisory Board posts/ memberships in control bodies: none

FEES AND SERVICES OF KPMG AG AND AFFILIATED COMPANIES

In financial year 2022, costs of €254 thousand (previous year: €341 thousand to PricewaterhouseCoopers GmbH) were recognized for auditing services (of which €26 thousand is attributable to affiliated companies of the KPMG group) (previous year: €60 thousand, PwC group). No audit-related consulting services were used in the year under review.

DIRECTORS' DEALINGS

In accordance with Article 19 of the Market Abuse Regulation (MAR), members of the Management Board and Supervisory Board are subject to a legal requirement for disclosing the acquisition or disposal of shares of New Work SE or related financial instruments if the value of the transactions carried out within a calendar year by the member and the member's related parties is equal to or exceeds the figure of €5,000. The transactions reported to New Work SE had been properly disclosed, and can be downloaded from the Company's website (→ https://www.new-work.se/en/investor-relations/ new-work-se-share/).

STATEMENT CONCERNING THE CORPORATE GOVERNANCE CODE

In March 2023, the Management Board and the Supervisory Board of New Work SE published the statement specified in accordance with Section 161 AktG and made it available by publishing it on the Company's web site (→ https://www.newwork.se/en/investor-relations/corporate-governance/).

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

No further reportable events of significance for New Work SE occurred after the reporting period.

Hamburg, March 22, 2023

The Management Board

Petra von Strombeck

Ingo Chu

Frank Hassler

Dr. Peter Opdemom

Responsibility statement

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group.

Hamburg, March 22, 2023

The Management Board

Petra von Strombeck Ingo Chu

Frank Hassler Dr. Peter Opdemom

Jens Pape

Independent Auditor's Report

To New Work SE, Hamburg

Report on the Audit of the Consolidated Financial Statements and of the Group Management Report

OPINIONS

We have audited the consolidated financial statements of New Work SE, Hamburg, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from 1 January to 31 December 2022, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the group management report of New Work SE for the financial year from 1 January to 31 December 2022.

In accordance with German legal requirements, we have not audited the content of those components of the group management report specified in the "Other Information" section of our auditor's report. In our opinion, on the basis of the knowledge obtained in the audit,

- → the accompanying consolidated financial statements comply, in all material respects, with the IFRSs as adopted by the EU, and the additional requirements of German commercial law pursuant to Section 315e (1) HGB [Handels-gesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2022, and of its financial performance for the financial year from 1 January to 31 December 2022, and
- → the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the group management report does not cover the content of those components of the group management report specified in the "Other Information" section of the auditor's report.

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and the group management report.

BASIS FOR THE OPINIONS

We conducted our audit of the consolidated financial statements and of the group management report in accordance with Section 317 HGB and the EU Audit Regulation No 537/2014 (referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2)(f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the group management report.

KEY AUDIT MATTERS IN THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Revenue recognition cut-off

The accounting policies are disclosed in the notes to the consolidated financial statements in note (A) 7. II. and (C) 8.

The Financial Statement Risk

The Group's revenue in financial year 2022 amounted to EUR 313.4 million.

With products which include prepayments by the customer, such as Premium and ProJobs memberships or B2B solutions for recruitment, revenue is recognised on a straight-line basis with due regard to the proportional duration of the relevant contract over the performance period. Prepayments received for periods after the reporting date are recognised in the statement of financial position under the line item "contract liabilities".

The revenue line item, which is material in terms of its amount, is subject to risk due to the complexity of the systems and processes required for recognition and allocation. In view of the above, there is the risk for the consolidated financial statements that revenue in the reporting year is overstated and consequently not recorded on an accrual basis.

Our Audit Approach

In the course of our audit, we assessed the design, setup and effectiveness of internal controls relating to order acceptance as well as the conclusion of the contract, invoicing through to recognition and allocation of revenue in the general ledger.

In addition, with the involvement of specialists, we assessed the relevant IT systems for invoicing as well as other relevant systems which assist in the recognition and allocation of revenue, including the implemented controls for system changes and interfaces between relevant IT systems.

As part of our analytical procedures, we assessed the development and recognition of revenue on an accrual basis as well as the contract liabilities using the cash inflows for the financial year. Furthermore, we assessed the applicable point in time and the amount of revenue and contract liabilities recognised in the B2B E-Recruiting segment by reconciling invoices to the related orders and proof of performance. This was based on revenue for the financial year selected using a statistical procedure from a subset identified on the basis of risk factors. Moreover, we examined all revenue recognised by users selected on the basis of risk.

In addition, balance confirmations were obtained for trade receivables in the B2B E-Recruiting segment not yet settled as at the reporting date, which were selected on the basis of a statistical procedure. In cases where obtaining balance confirmations remained unsuccessful, we conducted alternative audit procedures by reconciling revenue to the underlying orders, contracts, invoices and proofs of performance.

Our Observations

New Work SE's approach to revenue recognition cut-off is appropriate.

OTHER INFORMATION

The Management Board and/or the Supervisory Board are responsible for the other information. The other information comprises the following components of the group management report, whose content was not audited:

- → the combined separate non-financial report, which is referred to in the group management report,
- → the combined corporate governance statement referred to in the group management report, and
- information extraneous to management reports and marked as unaudited.

The other information also includes the remaining parts of the annual report. The other information does not include the consolidated financial statements, the group management report information audited for content and our auditor's report thereon.

Our opinions on the consolidated financial statements and on the group management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon. In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group management report information audited for content or our knowledge obtained in the audit, or
- → otherwise appears to be materially misstated.

RESPONSIBILITIES OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE GROUP MANAGEMENT REPORT

The Management Board is responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the Management Board is responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error. In preparing the consolidated financial statements, the Management Board is responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the Management Board is responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the Management Board is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE GROUP MANAGEMENT REPORT

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report. We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- → Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems.
- Evaluate the appropriateness of accounting policies used by the Management Board and the reasonableness of estimates made by the Management Board and related disclosures.

- → Conclude on the appropriateness of the Management Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- → Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.

- → Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.
- → Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.
- → Perform audit procedures on the prospective information presented by the Management Board in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the Management Board as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other Legal and Regulatory Requirements

REPORT ON THE ASSURANCE ON THE ELECTRONIC RENDERING OF THE CONSOLIDATED FINANCIAL STATEMENTS AND THE GROUP MANAGEMENT REPORT PREPARED FOR PUBLICATION PURPOSES IN ACCORDANCE WITH SECTION 317 (3A) HGB

We have performed assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the consolidated financial statements and the group management report (hereinafter the "ESEF documents") contained in the electronic file "NewWork SE KA KLB-2022-12-31.zip" (SHA256-Hash Value: f3ea22a7d232cb8f1177a70857c8a549868e1e86119c2cf-81bee492c4bf6699d) made available and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the group management report into the ESEF format and therefore relates neither to the information contained in these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and the group management report contained in the electronic file made available, identified above and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying group management report for the financial year from 1 January to 31 December 2022 contained in the "Report on the Audit of the Consolidated Financial Statements and the Group Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

We conducted our assurance work on the rendering of the consolidated financial statements and the group management report contained in the file made available and identified above in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW AsS 410 (06.2022)). Our responsibility in accordance therewith is further described below. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QS 1). The Company's Management Board is responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the group management report in accordance with Section 328 (1) sentence 4 item 1 HGB and for the tagging of the consolidated financial statements in accordance with Section 328 (1) sentence 4 item 2 HGB.

In addition, the Company's Management Board is responsible for such internal control that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgement and maintain professional scepticism throughout the assurance work. We also:

→ Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.

- → Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- → Evaluate the technical validity of the ESEF documents, i.e. whether the file made available containing the ESEF documents meets the requirements of the Commission Delegated Regulation (EU) 2019/815, as amended as at the reporting date, on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and the audited group management report.
- → Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL), in accordance with the requirements of Articles 4 and 6 of Commission Delegated Regulation (EU) 2019/815, as amended as at the reporting date, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

FURTHER INFORMATION PURSUANT TO ARTICLE 10 OF THE EU AUDIT REGULATION

We were elected as group auditor at the Annual General Meeting on 1 June 2022. We were engaged by the Supervisory Board on 23 August 2022. We have been the group auditor of New Work SE without interruption since financial year 2022.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the Audit Committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Other matter - Use of the Auditor's Report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited group management report as well as the examined ESEF documents. The consolidated financial statements and group management report converted to the ESEF format – including the versions to be entered in the company register – are merely electronic renderings of the audited consolidated financial statements and the audited group management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents made available in electronic form.

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Stefanie Hagenmüller.

Hamburg, 22 March 2023

KPMG AG

Wirtschaftsprüfungsgesellschaft

Hagenmüller von der Decken Wirtschaftsprüferin Wirtschaftsprüfer [German Public Auditor] [German Public Auditor]

Financial calendar Publishing information and contact

Financial calendar

Publication of the annual financial report 2022 Publication of the Q1 quarterly financial report Annual General Meeting Publication of the half-year financial report Publication of the Q3 quarterly financial report

March 22, 2023 May 4, 2023 May 24, 2023 August 14, 2023 November 9, 2023

Publishing information and contact

For Annual Reports, Interim Reports and current financial information, please contact:

Publisher

New Work SE

Am Strandkai 1 20457 Hamburg Germany Phone: + 49 40 41 91 31–793 Fax: + 49 40 41 91 31–44

Chefredakteur Patrick Möller (Vice President Investor Relations)

Consulting, concept and design Silvester Group www.silvestergroup.com

Photo credits New Work SE/Raimar von Wienskowski For press inquiries and current information, please contact:

Corporate Communications

Marc-Sven Kopka Phone: + 49 40 41 91 31-763 Fax: + 49 40 41 91 31-44 Email: presse@new-work.se

Further editors

Thorsten Ginsel Johannes Greef Ralf Klassen Marc Sven Kopka Nghi Nguyen Linda Nikiel Christian Schmidt René Springer Christoph Stanek

Rounding differences may occur

This Annual Report is available in both German and English.

In the event of diversity in interpretation, the German version shall prevail. Both versions and further press information are available for download at → https://www.new-work.se/en/investor-relations/reports.



HARBOUR FOR

XING

ku∩u∩u

Onlyfy

🤨 Honeypot



New Work SE Am Strandkai 1 20457 Hamburg Germany Phone: + 49 40 41 91 31-793 Fax: + 49 40 41 91 31-44 ir@new-work.se