

# NEW WORK SE

## Capital markets update

Hamburg, Jan 2024



# Agenda

01 Strategy

02 Reorganization

03 Financials

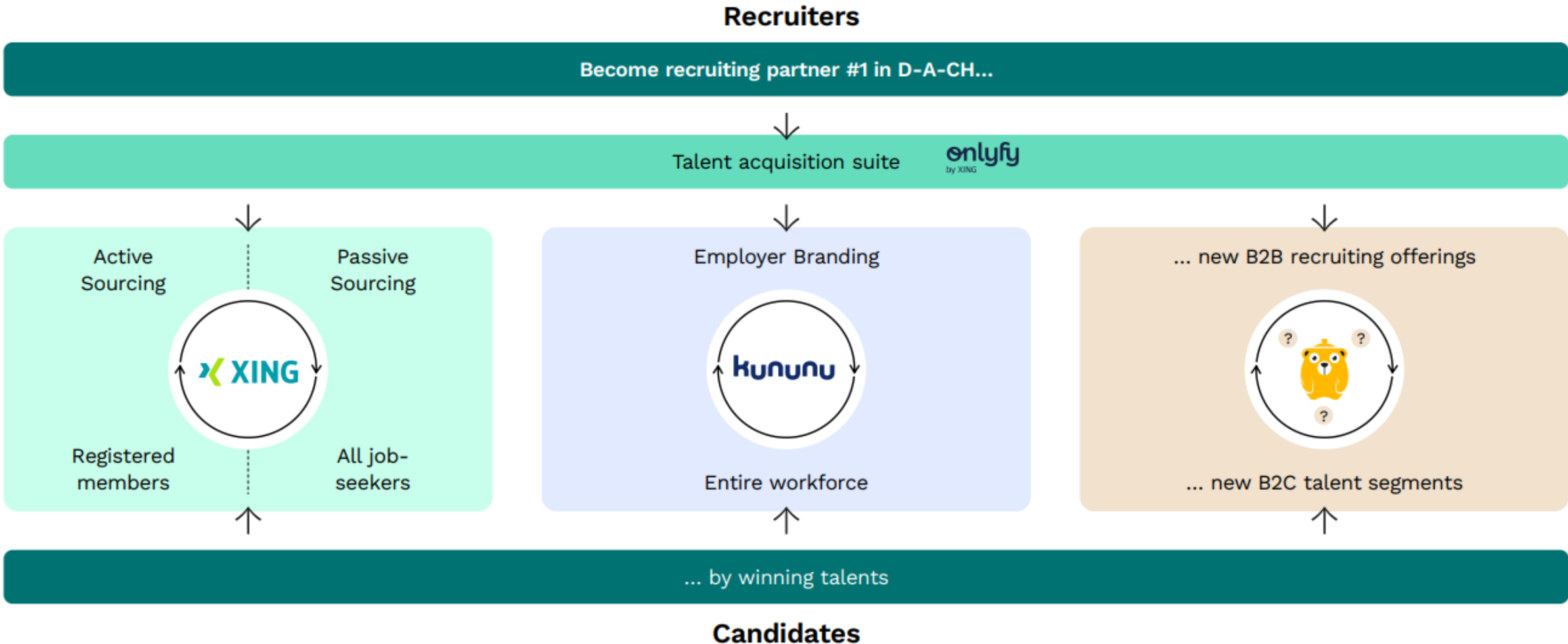


01

# Strategy

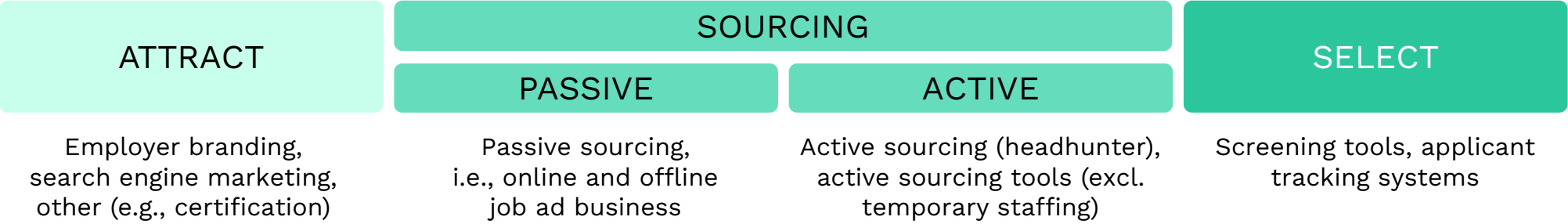


# Recap | New Work SE strategic winning aspiration: become recruiting partner #1 in D-A-CH by winning talents

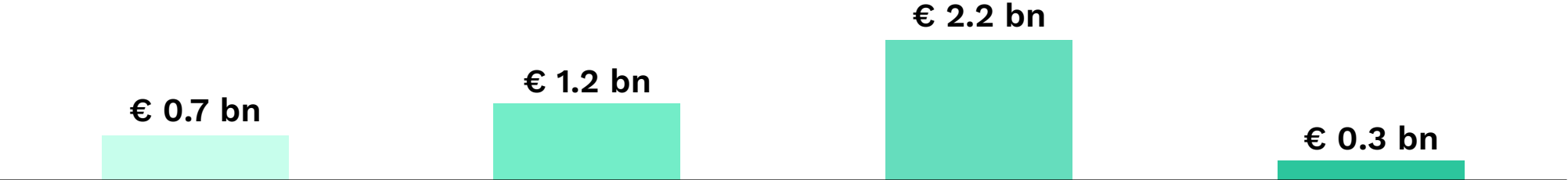


# Recap | New Work SE addressable market: with >5bn€ in est. size, the recruiting market in D-A-CH is huge

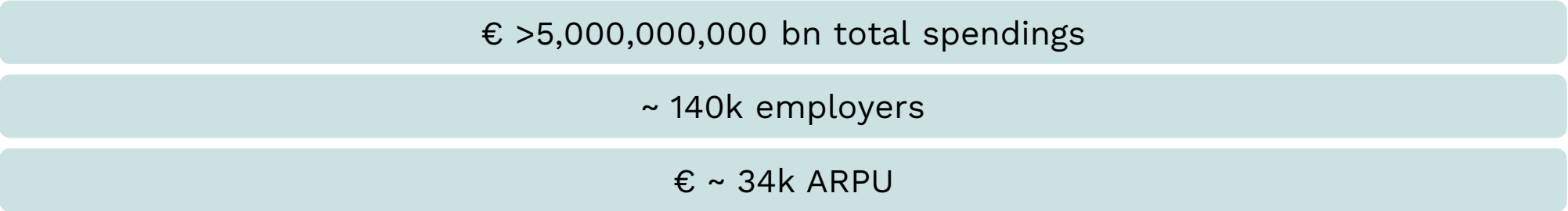
**Segments**  
across recruiting  
value chain



**Total spend**  
(DE)\*



**TAM (DE)\***



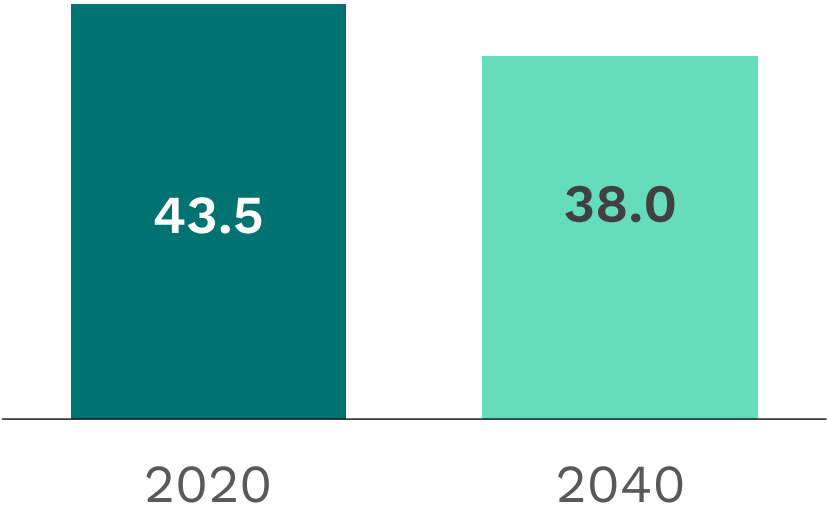
\*Figures relate to DE 2021, only – AT/ CH each provide +10% to +15% potential; arrows indicate expected future growth trend;  
SOURCE: Market model (German Federal Statistical Office, German Federal Labor Agency, Institute of Economics, other studies & reports)



# Recap | Strong structural market tailwind: recruiting demand is driven by a stable and growing talent shortage

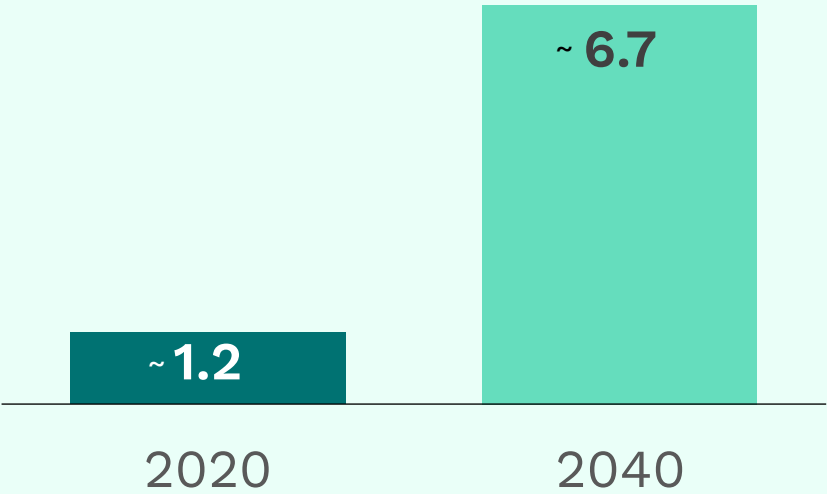
## Shrinking Workforce

in Germany (in m)<sup>1</sup>



## Structural Talent Shortage

unfilled vacancies in Germany (in m)<sup>2</sup>



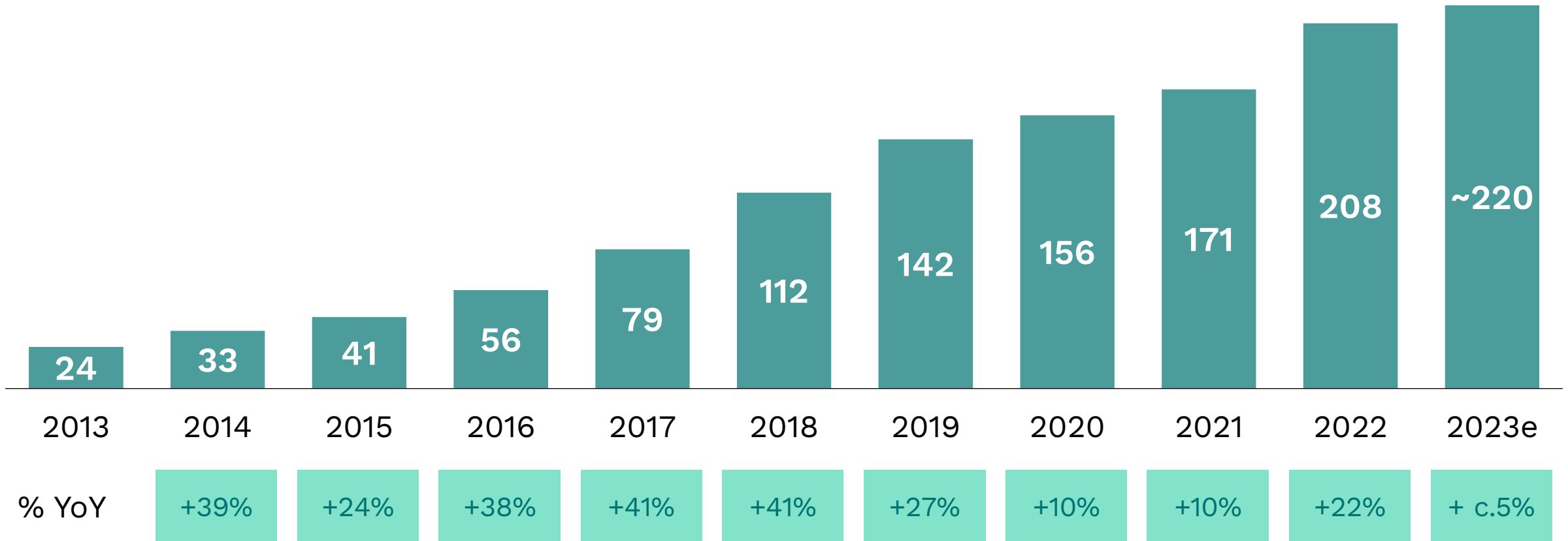
Source 1: IW "Mögliche Entwicklungen des Fachkräftemangels bis zum Jahr 2040", 04/21

Source 2: IAB Q4 2020 & New Work SE estimation based on IW study

# Recap | Our strategy follows historic success: B2B HR solutions revenues as primary growth driver on group-level

## Strong Growth in HR Solutions Revenues

(in € Mio.)



Segment revenues prior to 2018 might deviate with historically reported figures on back of changes in IFRS or restructurings



# Already today, we have a strong right to play – and we're extending our competitive position with focused strategic measures

Focus segments

Brands & competitive strength in 2023

Strategic measures for 2024



SOURCE 1: Representative poll among >600 HR professionals, DE  
SOURCE 2: SimilarWeb (Nov 2022 – Oct 2023, DE)





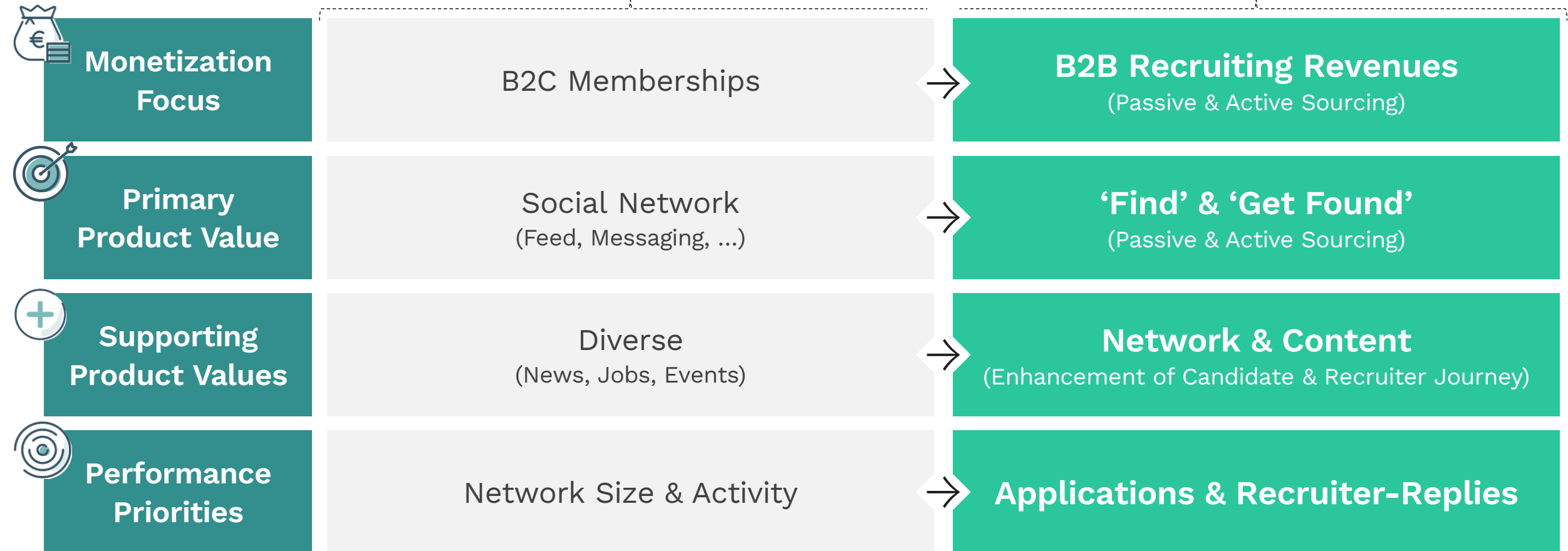
# A XING | We are repositioning XING, building on our historic strength, towards a jobs network to drive NWSE strategy execution

From 'Professional Social Network' to 'Jobs Network'

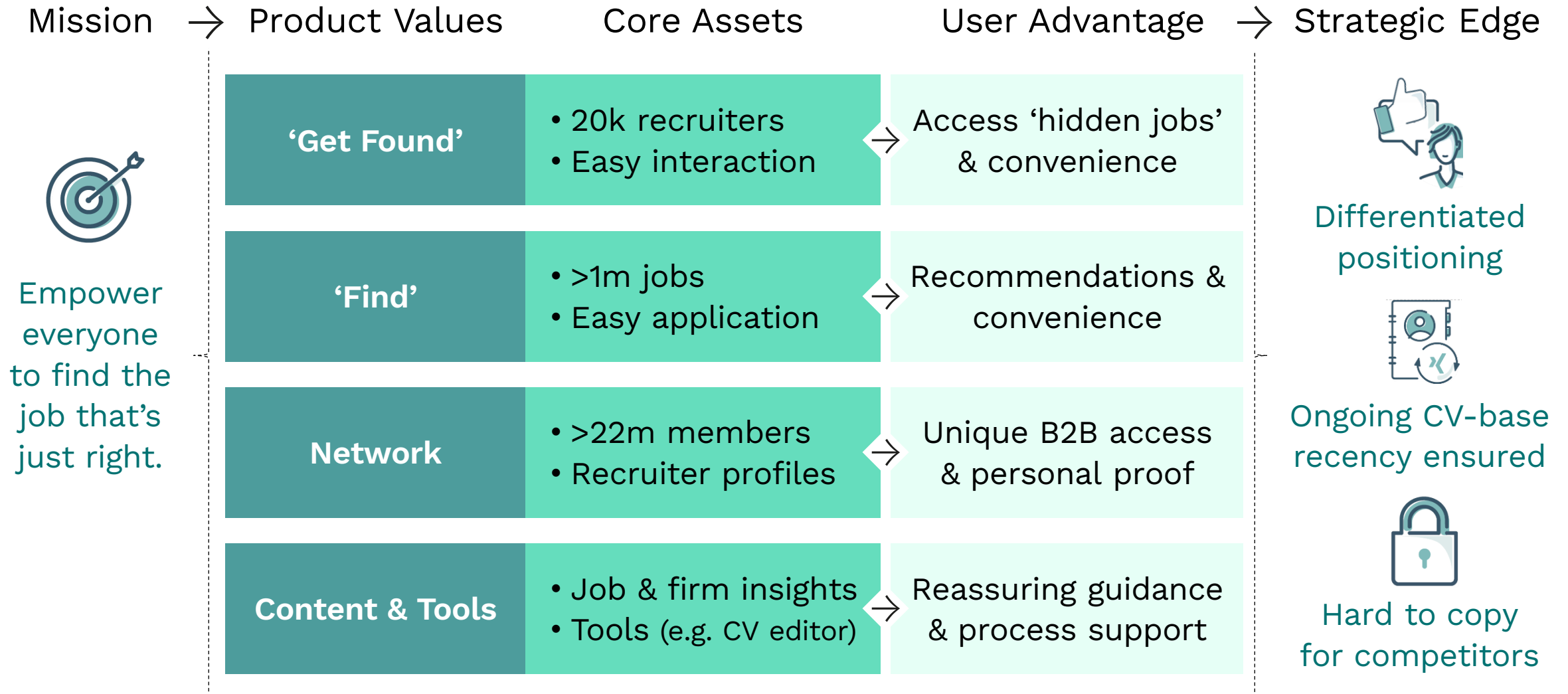
network as main purpose



network as empowering factor



# A XING | New XING 'jobs network' will provide a better job seeker experience, empowering everyone to choose the job that's just right



A **XING** | Ongoing progress across strategic KPIs are demonstrating that XING is successfully executing repositioning strategy



Traffic

**+135%**

'jobs' visits at stable total traffic (~ -1%)

Q4 2023 vs. Q4 22



'Find'

**+179%**

applications on top paid postings

Q4 2023 vs. Q4 2022



'Get Found'

**+50%**

candidate reply rate to recruiters

Nov 2023 vs. Nov 2022



Satisfaction

**+NPS**

1st increase since three years

2023 vs. 2022

**XING's repositioning towards 'jobs network' running successfully!**



# B kununu | We operate the leading platform for workplace insights – thereby catering to a fundamental need of our B2C target group

Fundamental B2C Need

+

Undisputed Leadership

+

Spill-over on B2B Needs

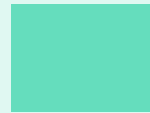


## >70%

of jobseekers inform themselves about employers on review platforms<sup>1</sup>

SOURCE 1: University Innsbruck, WU Wien, IFC FH Krems & Trendence, 2022

2,5



kununu



0,2

Glassdoor

## >10x

in average monthly unique visitors of kununu vs. second biggest competitor<sup>2</sup>

SOURCE 2: SimilarWeb (Nov 2022 – Oct 2023, DE)



## >50%

of jobseekers do not apply if employer-reviews deviate from employers' own statements<sup>1</sup>

SOURCE 1: University Innsbruck, WU Wien, IFC FH Krems & Trendence, 2022



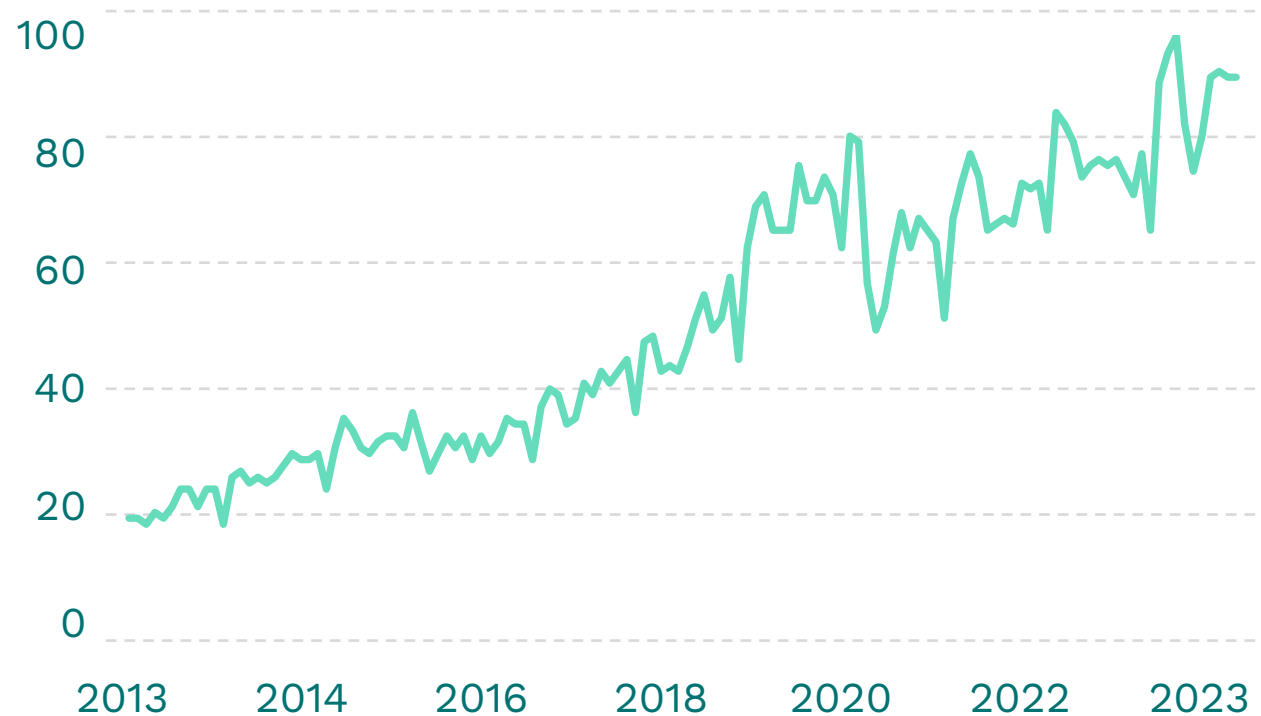
**kununu accounts for ~1/3 of HR solutions business, with above average margin and growth**



# B kununu | Strong historic trajectory was continued and exceeded in in 2023 – indicating further growth potential going forward

Strong Historic Trajectory since Acquisition...

**google trend as brand success-indicator<sup>1</sup>**



<sup>1</sup>SOURCE: google trends, DE



... Continued in 2023

**unparalleled growth on large base**

**>92m<sup>2</sup>**  
**Platform sessions**  
**+16% YoY**



**>350k**  
**Employer profiles**  
**+14% YoY**



**>10m**  
**Workplace insights**  
**+27% YoY**



<sup>2</sup>SOURCE: google analytics



02

# Reorganization



# In 2024, we will double down on strategy execution by restructuring and transforming the organization while improving cost structure

## Core Strategic Measures in 2024

## NWSE Winning Aspiration



### Full focus on proven core brands XING & kununu

transition from ‚B2C only‘ to fully-fledged marketplaces, including decisive marketing-investments to further strengthen positionings



### Wind-down of other activities & investments

discontinuation of new investments into onlyfy brand development and Honeypot standalone brand



### Reorganization of org structure from top to bottom

re-org and reduction of exec board & workforce by ~400 FTEs to eliminate redundancies and increase efficacy



### Streamlining towards operational efficiency

improved strategic and operative steering & processes, new setup for product & tech, increased focus on eCommerce



**Become  
recruiting partner #1  
by winning talents**

03

# Financials





# Recap |

We confirm our pro-forma EBITDA guidance 2023 of € 92-100m

Guidance May 2023

Update 2023FY

UPDATED OUTLOOK 2023 

FOR 2023, WE NOW EXPECT A REVENUE ON PREVIOUS YEAR'S LEVEL (PREVIOUSLY: "SINGLE DIGIT PERCENTAGE GROWTH") AND A PRO-FORMA EBITDA OF € 92-100M (PREVIOUSLY: € 108-111M) AS WE WILL CONTINUE TO INVEST IN TALENT ACCESS (KUNUNU & XING) AND ONLYFY THROUGHOUT 2023 DESPITE SHORT-TERM MARKET HEADWINDS

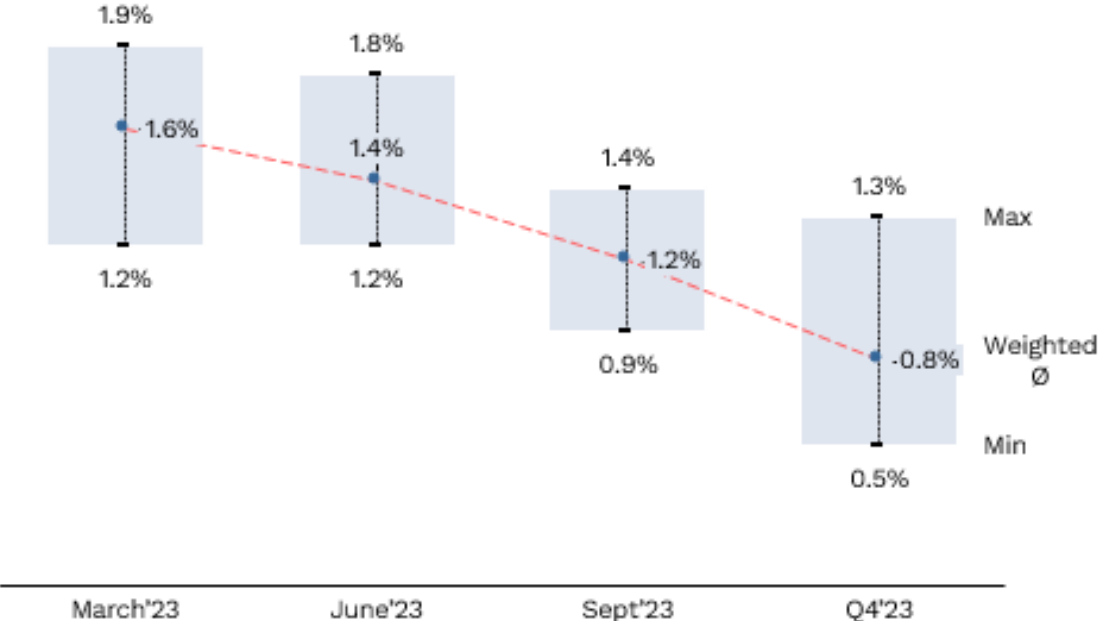


**pro-forma EBITDA  
guidance for 2023 of  
€ 92-100m confirmed**

# Looking into 2024, the short-term outlook into macro environment poses a rather difficult structural headwind

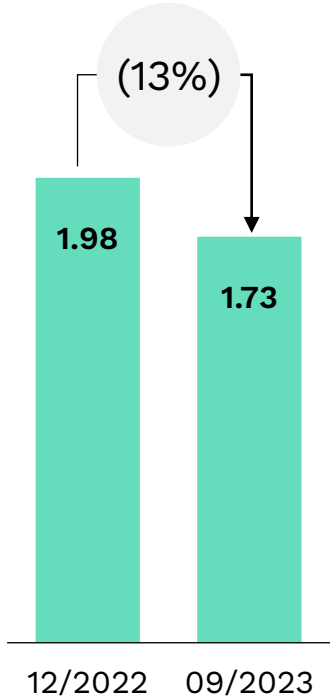
Expected GDP Growth Outlook 2024 (in %)¹ + Employment Market Development²

**Outlook lowered with each prognosis by all institutes**

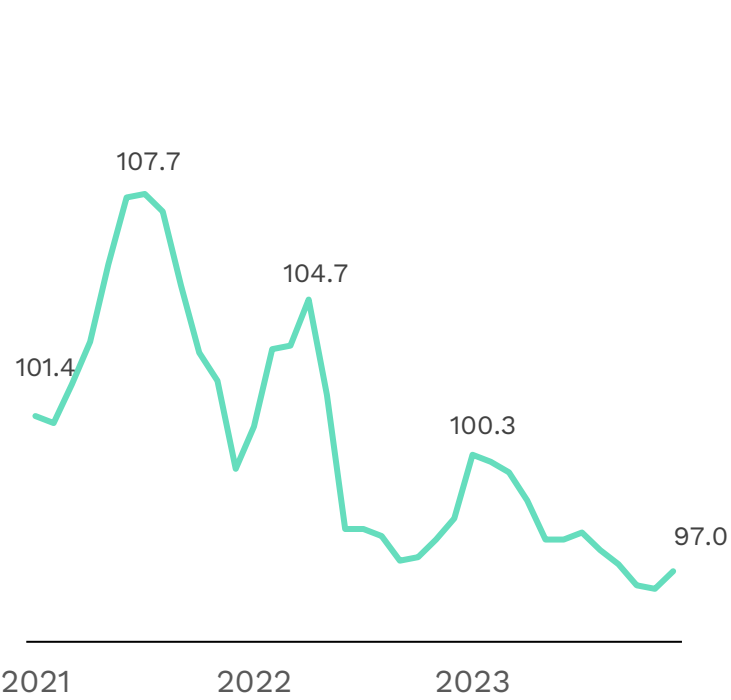


SOURCES 1: Included institutes: ifo, EU, HWWI, OECD, IfW, RWI, IWH, OECD, Gem.-Diagnose, Bundesregierung, IAB

**Unfilled positions (DE)**



**IAB barometer (DE, Index: 90 = very bad, 110: very good)**



SOURCES 2: BA, IAB, KfW



# Guidance 2024 | Pro-forma EBITDA of € 55-65m driven by revenues, accelerated investments & cost savings from restructuring

Core P&L drivers in 2024

Guidance 2024

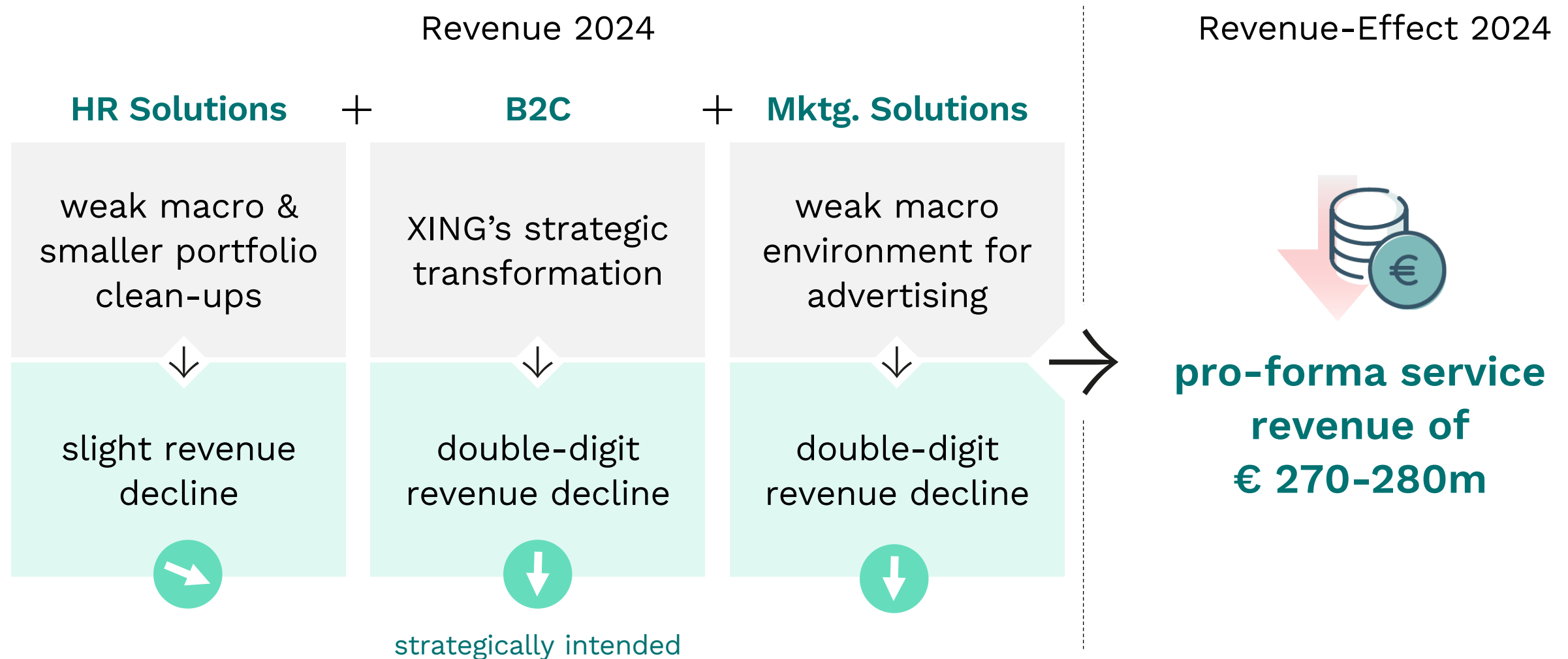
-  **Revenues declining**  
macro situation & ongoing transformation from B2C to B2B monetization
-  **Accelerated investments**  
doubling down on strategy execution in light of strong 2023 achievements
-  **Reorganization**  
organizational transformation from top to bottom to improve strategic efficacy & cost base



**pro-forma  
EBITDA guidance  
of € 55-65m**

aiming to return to margins of >30% & topline growth by doubling down on strategy in 2024

# Revenues 2024 impacted by macro, portfolio cleanups and ongoing transformation of monetization



# Cost development (I): driven by accelerated investments in XING and kununu...

Doubling down on proven core brands' strategies

Cost-Effects 2024 ff.

**XING**

**A**  
continuing XING's  
successful repositioning  
towards 'jobs network'



increased marketing invest  
to support brand awareness,  
consideration & preference



**kununu**

**B**  
further strengthening &  
expanding kununu's leading  
#1 market position



increased invest to further  
grow 2<sup>nd</sup> most important  
recruiting marketplace



**NWSE cost structure  
will become more  
marketing-oriented**



# Cost development (II): ... improving cost structure by reorganization

## Strategic Reorganization & Transformation

## Financial Impact

### Rationale & Objectives



double down on strategy execution towards reaching winning aspiration while sustainably improving cost structure

### Measures

- Full focus on core brands
- Wind-down other invests
- Streamlining operations
- Exhaustive re-org (~400 FTE)



**Restructuring costs in 2024**



**Partial personnel savings in 2024**



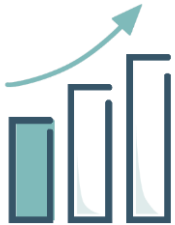
**Full personnel savings in 2025ff.**

Personnel cost quota to decline



# We aim to continue paying out dividends, but need to reduce them to a minimum level during transition due to local GAAP bottleneck

History of strong dividend distribution



- **NWSE policy of continuous and sustainable dividend payment**

- Since 2011 ~ € 250m in dividends paid or >40€ per share
- No decrease in regular dividend until today

Dividend-bottleneck by local GAAP



- **Restructuring costs reduce local GAAP earnings (HGB) during strategic transition**

- Local GAAP retained earnings determine dividend capacity – not IFRS retained earnings
- Local GAAP retained earnings structurally lower than IFRS

Implications on dividends during strategic transition



**We aim to continue dividend payouts during transition at minimum level of €1 per share**







# Thank you for your attention.

HARBOUR FOR:





# Investor relations

## Contact details



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### **ESG topics**

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