

Q3 2023

Quarterly statement

January 1 to September 30, 2023



Consolidated key figures¹

	Unit	9M 2023	9M 2022	Q3 2023	Q3 2022	Q2 2023
Revenues	in € million	227.4	231.3	75.7	78.7	75.8
Pro forma revenues	in € million	227.4	231.3	75.7	78.7	75.8
EBITDA	in € million	65.3	80.6	26.7	27.0	23.1
Pro forma EBITDA	in € million	68.9	80.6	28.1	27.0	22.9
EBITDA margin	in %	29	35	35	34	31
Pro forma EBITDA margin	in %	30	35	37	34	30
Net profit/loss for the period	in € million	30.5	37.7	13.5	14.3	10.0
Pro forma consolidated net profit/loss for the period	in € million	32.4	39.3	14.3	15.0	9.7
Earnings per share (diluted)	in €	5.43	6.70	2.40	2.55	1.78
Pro forma earnings per share (diluted)	in €	5.76	6.99	2.54	2.66	1.72
Cash flow from operations	in € million	58.1	68.8	7.3	16.9	16.7
Equity	in million	138.9	137.8	138.9	137.8	125.4
XING platform members, D-A-CH	in million	22.0	21.3	22.0	21.3	21.9
InterNations members	in million	4.9	4.5	4.9	4.5	4.8
kununu workplace insights	in million	9.8	7.6	9.8	7.6	9.3
B2B E-Recruiting customers, D-A-CH (subscriptions)	in thousand	14.4	14.1	14.4	14.1	14.5
Employees (FTE)	number	1,697	1,791	1,697	1,791	1,827

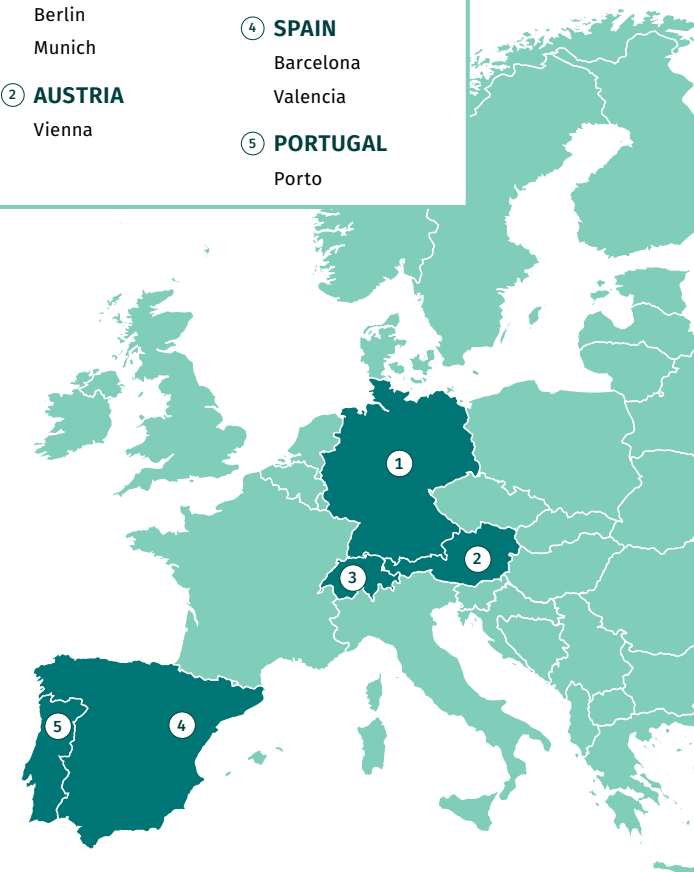
¹ from continuing operations

Contents

- 4 To our shareholders
- 8 Interim Group management report
- 19 Interim consolidated financial statements
- 29 Other information

Our sites

- ① **GERMANY**
Hamburg
Berlin
Munich
- ② **AUSTRIA**
Vienna
- ③ **SWITZERLAND**
Zurich
- ④ **SPAIN**
Barcelona
Valencia
- ⑤ **PORTUGAL**
Porto



Company profile

New Work SE is committed to a better world of work. *///*

With its strong brands such as XING, kununu and onlyfy by XING, combined with the largest talent pool in the D-A-CH region, it competes to be the most important recruiting partner in the German-speaking world. *///* It brings candidates and companies together, enabling employees to lead more satisfying professional lives and helping businesses to achieve greater success by hiring the right talent. *///* Listed since 2006, the Company is headquartered in Hamburg and employs a total of around 1,700 staff at several locations including also Berlin, Vienna and Porto. *///* For more information, see → new-work.se and → nwx.new-work.se



HARBOUR FOR



Strong brands

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

To our shareholders

- 5 Letter from the CEO
- 7 The New Work SE shares



CEO of New Work SE
Petra von Strombeck

Letter from the CEO

Dear shareholders,

Right now, every relevant economic barometer is moving in the same direction: downwards. After a year of recovery in 2022, we sensed very early on in the year that the mood in the economy had changed, at a time when this was not yet entirely foreseeable. We adjusted our annual guidance slightly downwards in early May 2023 so that we could immediately be transparent with you about the impact of these developments on our business. We also acted quickly to adapt our plans to reflect the situation in the market and relieve pressure on operating costs. The good news? These measures are taking effect, enabling us to confirm our pro forma EBITDA guidance of €92-100 million for the 2023 financial year.

Unfortunately, the market situation has not yet improved, and it has become apparent that Germany is in recession. Companies are delaying essential investments that will help them attract skilled staff in the future in order to overcome the economic challenges facing their businesses. This is directly impacting our core business – selling HR solutions. In addition, we are currently in the middle of transforming our XING brand into a job network. Although this transformation is still at a very early stage, one look at our non-financial key performance indicators shows that this fresh focus on jobs is already bearing fruit. For example, we have increased the number of “career interactions” by more than 50 percent year-on-year to over 10 million. At the same time, it is also true that our B2B business cannot offset the systematic decline in B2C revenues as originally planned for the reasons outlined above.

“This fresh focus on jobs is already bearing fruit. For example, we have increased the number of “career interactions” by more than 50 percent year-on-year to over 10 million.”

“Our B2B business grew by 7 percent.”

Nevertheless, it is encouraging to see that our B2B business grew by 7 percent to just over €161 million in the first nine months of this year amid an exceptionally challenging market environment. The B2C business fell by 17 percent to just over €56 million as planned. As I have already mentioned, this is due to the transformation of XING from a broader professional network to a job network and the strategic focus on monetization via HR solutions. Our smallest segment, Marketing Solutions, was negatively impacted by the situation in the advertising market and a decline in ad impressions. As a result, segment revenues fell by 21 percent to just under €10 million. At €227 million, total revenue remained at the same level as the previous year. Pro forma EBITDA fell by 14 percent to just under €69 million, while pro forma consolidated profit was down 18 percent on the previous year at just over €32 million. These results enabled us to confirm the forecast we updated in May.

We live in challenging times. I can assure you that we will do everything in our power to consistently push ahead with the transformation of XING, write the next chapters in kununu’s success story, and continue with sales activities in our B2B segments. Of course, costs also remain a key focus, and we stay committed to minimizing the impact of the recession on our business. I will keep you fully informed of our efforts in this area over the next few quarters.

Until then, thank you for placing your trust in us!



Petra von Strombeck
Chief Executive Officer (CEO)

The New Work SE shares

Basic data about the shares

Number of shares	5,620,435
Share capital in €	5,620,435
Share type	Registered shares
IPO	12/07/2006
Ticker	NWO
WKN	NWRK01
ISIN	DE000NWRK013
Transparency level	Prime Standard
Index	SDAX
Sector	Software

Key data on the share at a glance

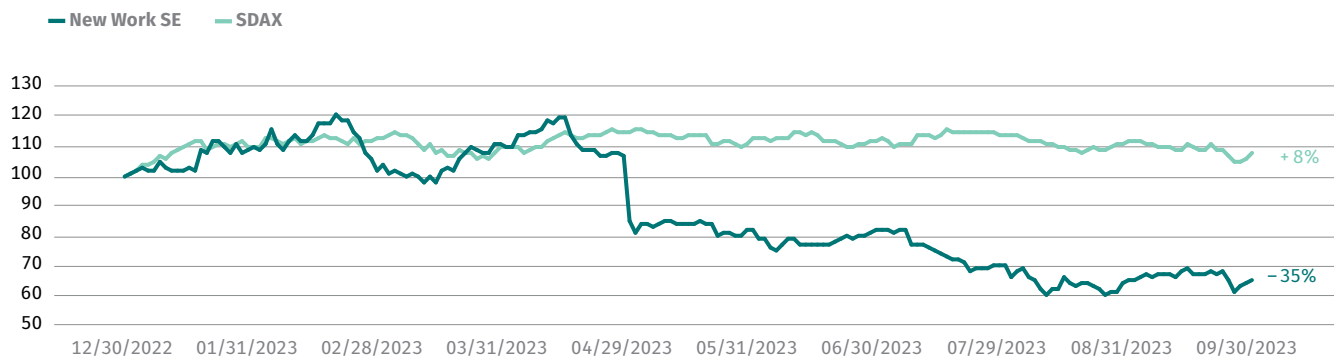
	9M 2023	9M 2022
XETRA closing price at the end of the period	€99.00	€123.60
High	€184.40	€228.00
Low	€92.10	€117.00
Market capitalization at the end of the period	€517.6 million	€657.6 million
Average trading volume per day (XETRA & Tradegate)	€348.9 thousand	€600.0 thousand

Shareholder structure¹



¹ based on the voting rights notifications sent to New Work SE in accordance with section 33ff. German Securities Trading Act (WpHG)

Share price performance vs. SDAX in the first nine months of 2023



Analyst recommendations in November 2023

Broker	Analyst	Recommendation	Price target
Berenberg Bank	Wolfgang Specht	Hold	€95
Deutsche Bank	Nizla Naizer	Hold	€130
Hauck & Aufhäuser	Finn Kemper	Hold	€98
Pareto Securities	Mark Josefson	Buy	€228
Warburg Research	Marius Fuhrberg	Hold	€134

Interim Group management report

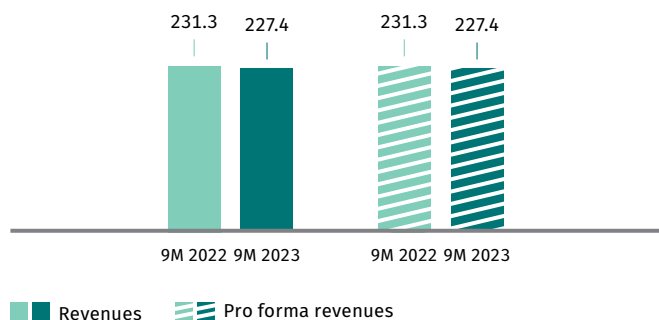
*for the period from
January 1 to September 30, 2023*

9 Net assets, financial position and results of operations of the Group
15 Segment performance

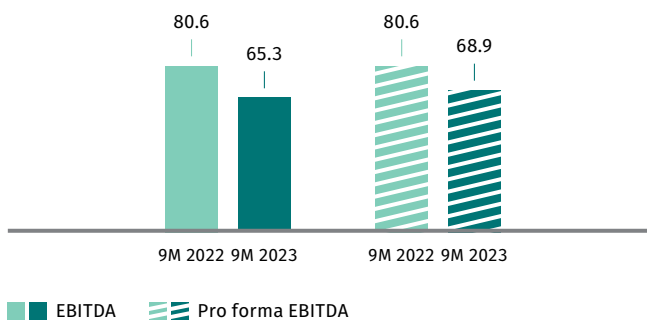
Net assets, financial position and results of operations of the Group

Results of operations

Revenues in € million



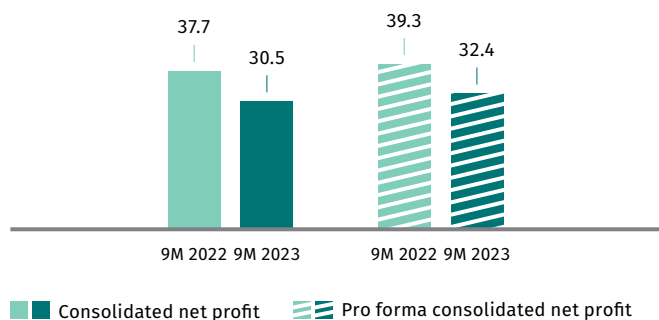
EBITDA in € million



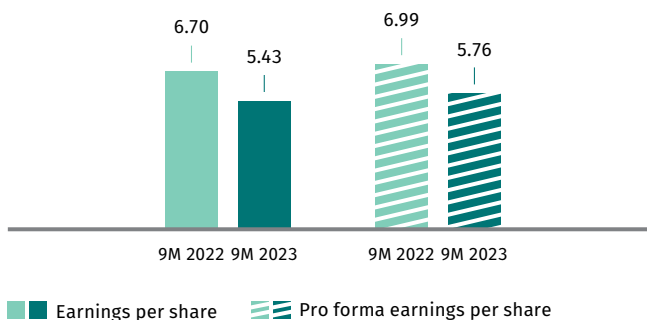
REVENUES

At €227.4 million, the Group's revenues in the reporting period were on a par with the previous year (€231.3 million). It is a trend we expected and forecast. Stagnation in revenues is due to two effects. Firstly, Group sales performance was adversely impacted by a 17 percent decline in sales in the B2C segment caused by factors including the realignment from social network to job network, while growth (+7 percent) in the HR Solutions & Talent Access segment slowed slightly. The slowdown is mainly attributable to the deteriorating market situation as employers are considerably more cautious in hiring new staff in the current market environment. This is why we decided early on (Q1 2023) to introduce cost-cutting measures (e.g. restructuring and no further recruitment) and also implemented a more stringent cost discipline throughout the reporting period. The measures are having a positive effect on the Group's costs, especially in the second half of 2023.

Consolidated net profit in € million



Earnings per share in €



OWN WORK CAPITALIZED

Own work capitalized in the reporting period amounted to €19.6 million, up €4.3 million on the previous year (9M 2022: €15.3 million). This item is composed of personnel expenses, freelancer costs and ancillary costs.

PERSONNEL EXPENSES

Personnel expenses increased from €104.4 million in the previous year to €118.0 million in the reporting period. The increase is mainly due to the higher average number of employees compared to the previous year as well as adjusted salaries and bonuses. This item also includes non-recurring expenses of €3.6 million for severance payments in connection with the realignment of the XING platform and the consolidation of business units.

MARKETING EXPENSES

At €34.4 million, marketing expenses were up around 16 percent on the prior-year figure (previous year: €29.6 million). This is due to higher expenses for brand marketing and performance marketing activities for XING Jobs.

OTHER OPERATING EXPENSES

In contrast, other operating expenses decreased in the reporting period by 8 percent year-on-year to €30.7 million (previous year: €33.4 million). This decline is due to significantly lower costs for IT services and business management services. The notes to the interim consolidated financial statements include a detailed table of all items reported under other operating expenses.

IMPAIRMENT OF FINANCIAL ASSETS AND CONTRACT ASSETS

Impairment losses (including reversals) on financial assets and contract assets include expenses for bad debts of €1.4 million (previous year: €1.3 million) as well as income from reversals of €0.1 million (previous year: €0.1 million).

EBITDA

In the reporting period, we generated an operating result (EBITDA) of €65.3 million (previous year: €80.6 million). EBITDA adjusted for non-recurring restructuring costs was €68.9 million, down from €80.6 million in the previous year. This decline is attributable to the slowdown in revenue growth and the higher average number of employees compared with the previous year, combined with additional investments in developing, expanding and marketing our HR solutions, and the expansion of talent access via kununu and XING.

DEPRECIATION, AMORTIZATION AND IMPAIRMENT LOSSES

At €24.5 million, depreciation, amortization and impairment losses were on a par with previous year (€24.7 million). This figure includes PPA depreciation and amortization of €0.9 million (previous year: €1.6 million).

FINANCIAL RESULT

At €1.3 million, the financial result in the reporting period was significantly improved on the previous year's figure of €-3.1 million. This change is mainly attributable to the remeasurement of investments measured at fair value and to interest on fixed-term deposits. Whereas remeasurement in the reporting period resulted in a gain of €0.9 million, there was a remeasurement loss of €-2.1 million in the prior-year period.

TAXES

Current taxes are determined by the Group companies based on the tax laws applicable in their country of domicile. Tax expense amounted to €11.6 million in the reporting period, up from €15.1 million in the prior-year period. In the reporting period, this item includes positive one-time effects of €0.8 million, particularly in connection with the restructuring measures taken and the remeasurement of investments. In the previous year, there were minor, negative non-recurring effects in connection with the remeasurement of investments in the amount of €-0.8 million.

CONSOLIDATED NET PROFIT AND EARNINGS PER SHARE

Consolidated net profit in the reporting period amounted to €30.5 million, compared with €37.7 million in the previous year. This gives rise to earnings per share of €5.43, compared with €6.70 in the prior-year period. The pro forma profit adjusted for non-recurring effects is €32.4 million, compared with a pro forma profit of €39.3 million for the prior-year period. Pro forma earnings per share fell accordingly from €6.99 to €5.76 in the reporting period.

Pro forma reconciliation 9M 2023

in € million	P&L, not adjusted, 01/01/– 09/30/2023	Remeasurement of non-operating financial instruments	Restructuring expenses	P&L, pro forma, 01/01/– 09/30/2023	P&L, pro forma, 01/01/– 09/30/2022	Change in %	Change absolute
Revenues	227.4			227.4	231.3	-2	-3.9
Other operating income	2.9			2.9	2.6	13	0.3
Other own work capitalized	19.6			19.6	15.3	28	4.3
Personnel expenses	-118.0		3.5	-114.4	-104.4	10	-10.0
Marketing expenses	-34.4			-34.4	-29.6	16	-4.9
Other operating expenses	-30.7		0.1	-30.7	-33.4	-8	2.7
Impairment losses on financial assets and contract assets	-1.4			-1.4	-1.3	11	-0.1
EBITDA	65.3	0.0	3.6	68.9	80.6	-14	-11.7
Depreciation, amortization and impairment losses	-24.5			-24.5	-24.7	-1	0.2
EBIT	40.8	0.0	3.6	44.4	55.9	-21	-11.5
Financial result	1.3	-0.9		0.4	-0.7	-152	1.1
EBT	42.1	-0.9	3.6	44.8	55.2	-19	-10.4
Taxes	-11.6	0.3	-1.1	-12.4	-15.9	-22	3.5
Consolidated net profit	30.5	-0.6	2.5	32.4	39.3	-18	-6.9
Earnings per share in €	5.43	-0.11	0.4	5.76	6.99	-18	-1.2

Pro forma reconciliation Q3 2023

in € million	P&L, not adjusted, 07/01/ 09/30/2023	Remeasurement of non-operating financial instruments	Restructuring expenses	P&L, pro forma, 07/01/ 09/30/2023	P&L, pro forma, 07/01/ 09/30/2022	Change in %	Change absolute
Revenues	75.7	0.0	0.0	75.7	78.7	-4	-3.0
Other operating income	0.7	0.0	0.0	0.7	1.0	-24	-0.2
Other own work capitalized	5.8	0.0	0.0	5.8	5.5	7	0.4
Personnel expenses	-36.1	0.0	1.4	-34.6	-34.2	1	-0.4
Marketing expenses	-9.3	0.0	0.0	-9.3	-10.7	-12	1.3
Other operating expenses	-9.9	0.0	0.0	-9.9	-13.0	-24	3.1
Impairment losses on financial assets and contract assets	-0.3	0.0	0.0	-0.3	-0.2	15	0.0
EBITDA	26.7	0.0	1.4	28.1	27.0	4	1.1
Depreciation, amortization and impairment losses	-8.1	0.0	0.0	-8.1	-7.1	14	-1.0
EBIT	18.5	0.0	1.4	20.0	19.9	0	0.1
Financial result	0.4	-0.2	0.0	0.2	-0.2	-186	0.3
EBT	18.9	-0.2	1.4	20.1	19.7	2	0.4
Taxes	-5.4	0.1	-0.4	-5.8	-4.8	22	-1.1
Consolidated net profit	13.5	-0.2	1.0	14.3	15.0	-4	-0.7
Earnings per share in €	2.40	-0.03	0.17	2.54	2.66	-4	-0.12

Pro forma reconciliation 9M 2022

in € million	P&L, not adjusted, 01/01/– 09/30/2022	Remeasurement of non-operating financial instruments	Restructuring expenses	Other non-recurring effects	P&L, pro forma 01/01/– 09/30/2022
Revenues	231.3				231.3
Other operating income	2.6				2.6
Other own work capitalized	15.3				15.3
Personnel expenses	–104.4				–104.4
Marketing expenses	–29.6				–29.6
Other operating expenses	–33.4				–33.4
Impairment losses on financial assets and contract assets	–1.3				–1.3
EBITDA	80.6	0.0	0.0	0.0	80.6
Depreciation, amortization and impairment losses	–24.7				–24.7
EBIT	55.9	0.0	0.0	0.0	55.9
Financial result	–3.1	2.4			–0.7
EBT	52.8	2.4	0.0	0.0	55.2
Taxes	–15.1	–0.8			–15.9
Consolidated net profit	37.7	1.6	0.0	0.0	39.3
Earnings per share in €	6.70	0.29	0.00	0.00	6.99

Pro forma reconciliation Q3 2022

in € million	P&L, not adjusted, 07/01/– 09/30/2022	Remeasurement of non-operating financial instruments	P&L, pro forma, 07/01/– 09/30/2022
Revenues	78.7	0.0	78.7
Other operating income	1.0	0.0	1.0
Other own work capitalized	5.5	0.0	5.5
Personnel expenses	– 34.2	0.0	– 34.2
Marketing expenses	– 10.7	0.0	– 10.7
Other operating expenses	– 13.0	0.0	– 13.0
Impairment losses on financial assets and contract assets	– 0.2	0.0	– 0.2
EBITDA	27.0	0.0	27.0
Depreciation, amortization and impairment losses	– 7.1	0.0	– 7.1
EBIT	19.9	0.0	19.9
Financial result	– 1.1	0.9	– 0.2
EBT	18.8	0.9	19.7
Taxes	– 4.5	– 0.3	– 4.8
Consolidated net profit	14.3	0.6	15.0
Earnings per share in €	2.55	0.11	2.66

Net assets

Total assets fell by €14.2 million (-3.8 percent) to €362.8 million compared to December 31, 2022. This development is attributable to the €11.0 million decrease in non-current assets to €227.2 million and the €3.2 million decline in current assets to €135.6 million.

The drop in non-current assets was primarily due to the €11.8 million decrease in investments, driven primarily by the sale of financial assets measured at fair value in the amount of €12.2 million. This is contrasted by the increase in internally generated intangible assets, which include the parts of the platform that qualify for capitalization as well as the mobile applications. Capital expenditures on these assets totaled €19.6 million in the first nine months of 2023. They were offset by amortization of non-current assets of €21.7 million and by impairment losses totaling €2.8 million on internally generated software.

The equity ratio fell from 38.7 percent to 38.3 percent as at September 30, 2023 due to the distribution of regular and special dividends totaling €37.8 million, despite the €0.8 million decrease in non-current liabilities and the €6.2 million decrease in current liabilities.

Financial position

As was the case in previous years, the Group is financed solely from equity and the Company does not have any bank loans or other such loans. The change in cash and cash equivalents from continuing operations was due to the following factors:

Cash flows from operating activities amounted to €58.1 million (previous year: €68.8 million). The year-on-year decline in EBITDA by €15.2 million and the €1.1 million reduction in working capital (previous year: cash inflow from the reduction of working capital of €8.6 million) were partially offset by a €3.8 million decrease in tax payments.

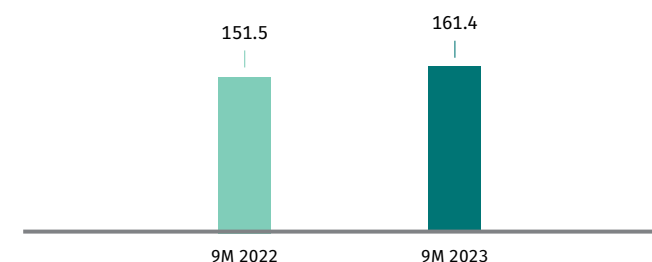
Cash and cash equivalents after investing activities (mainly payments for internally generated software and the acquisition of property, plant and equipment), adjusted for the proceeds from the sale of financial instruments included in cash flows from investing activities (€12,186 thousand), increased by €34.6 million in the reporting period (previous year: €48.1 million), illustrating the cash-generative nature of the Company's business model.

Negative cash flows from financing activities of €45.0 million (previous year: €39.9 million) resulted from the distribution of a regular dividend totaling €17.8 million (previous year: €15.7 million) and a special dividend of €20.0 million (previous year: €20.0 million).

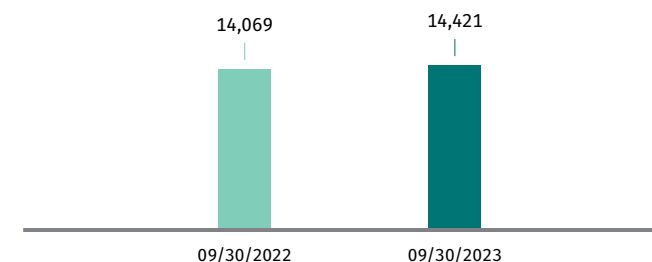
Segment performance

HR SOLUTIONS & TALENT ACCESS SEGMENT

HR Solutions & Talent Access segment revenues in € million



Subscription customers



Revenues in the **HR Solutions & Talent Access** segment rose by 7 percent to €161.4 million in the reporting period (previous year: €151.5 million). This revenue growth is due to the higher number of corporate customers (+ 3 percent to 14,421) over the past 12 months, while average revenue per customer also increased. New Work SE's management believes that the year-on-year slowdown in revenue growth was primarily caused by a lack of clarity in the labor market. The German economy is in recession, with all key labor market indicators, such as the BA-X index or the IAB job barometer, having steadily deteriorated in the reporting period.

This is temporarily dampening demand for the digital recruiting solutions we offer.

Segment EBITDA fell by 16 percent from €46.4 million in the prior-year quarter to €38.9 million. It is important to note that we continued to invest in developing and expanding our product offering despite the slowdown in demand. We also increasingly invested in the further development of our job advertisement business and the realignment of the XING platform.

HR Solutions subsegment expands product range *Beyond the office: onlyfy makes recruiting more*

Many people work in jobs that primarily involve physical labor. As energetic go-getters, doers and unsung heroes, these blue-collar workers form the backbone of our infrastructure.

Despite this, they are often neglected by traditional recruiting. Many sectors that predominantly employ people in blue-collar roles are lacking many of the skilled workers they need. A forsa study conducted on behalf of onlyfy by XING shows that 93 percent of companies in the industrial, retail and services sectors are struggling to fill vacancies.

onlyfy by XING wants to help companies find new short-term and long-term employees in the blue-collar segment. This summer, onlyfy joined forces with the kununu and XING brands to launch a campaign spotlighting attractive new products for HR professionals and jobseekers – irrespective of their sector and career path.

Companies can display their job advertisements in places where jobseekers regularly go for information

On the product side, the focus is on innovations in the area of job advertisements. Engagement with external channels means that job advertisements have not only been published for some time now on XING, the largest job network in the German-speaking world, but are also automatically displayed on up to 900 additional job boards on a vast array of recruiting and social media channels. To provide companies who primarily recruit blue-collar workers with more targeted support, we have expanded our job advertisements portfolio to include our new onlyfy one Job Ads Essential product. These special ads are published across different channels such as Classified Ads (formerly eBay Classified Ads) and local city portals according to company requirements.

In addition, onlyfy one Job Ads have also been displayed on kununu since the summer, enabling jobseekers to find vacancies at their employer of choice alongside employee reviews and salary information. This gives employers even greater visibility, with kununu currently recording around 8 million visits each month. Job advertisements on kununu are specifically aimed at target audiences from a wide range of age and occupational groups, from managers and knowledge workers to employees in industry, production, logistics and trades, and those in health and care roles.

Talent Access subsegment records strong growth

New Work primarily provides access to potential candidates and talented professionals via its two end customer destinations → www.kununu.com and → www.xing.com.

kununu workplace insights grow significantly once again by more than 0.7 million

As the leading employer review platform in the D-A-CH region, kununu continues on its growth trajectory. In the reporting period, the number of workplace insights rose by 1.7 million to 9.8 million, including around 5.4 million experience reports and over 3.3 million pieces of salary data. kununu also features approximately 1.1 million insights into employer culture.

Since July, kununu has offered jobseekers a simple new way to keep informed and apply for jobs by enabling them to find vacancies at their employer of choice on kununu alongside employee reviews and salary information. The vacancies in question are onlyfy one Job Ads that are automatically displayed on the employer rating platform.

In August, kununu published its completely redesigned new website. The new design aims to enhance the user experience (particularly on mobile devices), increase engagement, improve brand perception, and ultimately generate more conversions for the core business. kununu wants its new website to bring to life the added value it delivers for users and get them excited about the brand.

Together with content marketing agency C3, kununu offers corporate clients an integrated employer branding, consulting and content package.

In July, kununu published the kununu Sustainability Check 2023, a comprehensive analysis of its own data on environmental sustainability in the world of work. The Sustainability Check evaluated more than 85,000 data points that have either been shared by employees on kununu or collected by kununu in surveys.

Membership base on www.xing.com rises to around 22 million

The membership base on the XING platform operated by New Work SE grew to 22.0 million during the reporting period.

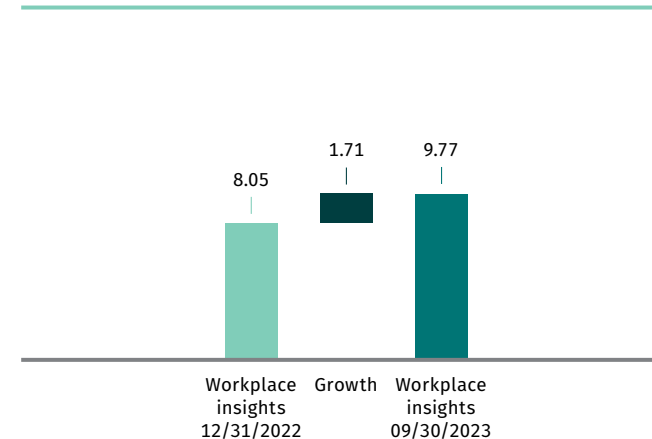
XING’s transformation from a broader professional network to a job network was the primary strategic focus during the period under review. This strategic realignment in its 20th year of existence is XING’s response to a changing market situation created by demographic shifts and a shortage of skilled workers. XING’s future focus on jobs is made clear from the moment you open the app or visit the website.

The redesigned homepage aims to inspire users to take a look at suggestions tailored to them, even if they are not currently actively searching for a new job. Professionals can also find jobs for career changers, or companies offering a unique corporate culture. The new Job Preferences function enables XING members to receive personalized job suggestions based on preferences and profile information they have previously entered. This gives users the opportunity to state even more precisely what matters to them in a potential employer or new job, such as specific salary requirements, the number of hours they want to work each week, favorite employers, or particular job titles. By doing this, active job seekers can improve their chances of seeing the right job recommendations directly on XING by up to 70 percent. With more than 20,000 recruiters on the platform, however, XING also offers exciting possibilities for active and passive job-seekers alike. By filling out their XING profile in full and keeping it up to date, users have the opportunity to be discovered and contacted by one of many HR managers and recruiters before a job advertisement is officially published. More than 20,000 recruiters already use the platform and will be even more prominently involved with XING in the future.

XING Jobs becoming the heart of the platform

With more than a million jobs, XING Jobs is a leader in the German-speaking world across all sectors and career levels. In addition to a wide range of job advertisements, jobseekers also benefit from salary forecasts, interesting information on corporate culture, and employer ratings integrated directly into job postings. All of this is made possible by integrating millions of pieces of anonymous data from kununu to provide genuine insights into a given company.

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

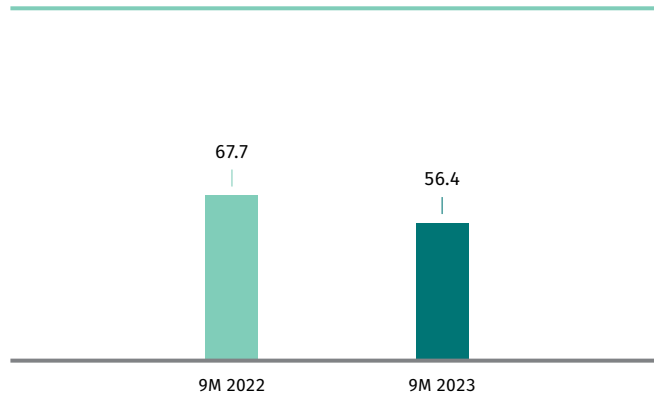


Member and user growth (D-A-CH) in million



B2C SEGMENT

B2C segment revenues in million



Segment revenues down 17 percent

In the **B2C** segment, we primarily report revenues from the sale of paid memberships for end customers. This segment also includes the subsidiary InterNations, as it also generates revenues from the sale of paid memberships.

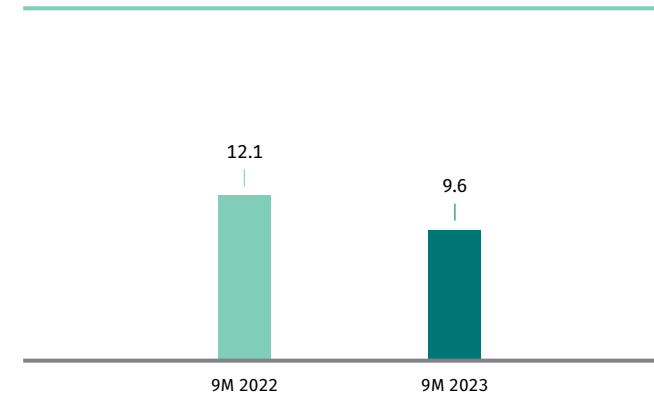
Revenues saw the expected decline of –17 percent to €56.4 million during the period under review (previous year: €67.7 million).

The decrease is mainly due to a lower number of Premium members. By pursuing a strategy of enhancing access to talent and repositioning its platform from a professional social network to a job network, XING is shifting its focus away from directly monetizing B2C users via paid subscriptions. Our strategic focus is on monetizing talent access through our HR Solutions & Talent Access segment.

Segment profitability was down 21 percent on the previous year's figure with EBITDA of €31.1 million (previous year: €39.6 million). The decrease is mainly due to lower revenues.

B2B MARKETING SOLUTIONS SEGMENT

B2B Marketing Solutions segment revenues in € million



Revenues in the **B2B Marketing Solutions** segment in the reporting period fell by 21 percent to €9.6 million (previous year: €12.1 million). This revenue performance reflects the negative trend in advertising revenues seen in Germany since the start of the year.

Segment EBITDA declined to €0.7 million, mainly as a result of the drop in revenues (previous year: €2.3 million).

Interim consolidated financial statements

*for the period from
January 1 to September 30, 2023*

- 20 Consolidated statement of comprehensive income
- 21 Consolidated statement of financial position
- 22 Consolidated statement of cash flows
- 23 Consolidated statement of changes in equity
- 24 Condensed notes to the consolidated financial statements

Consolidated statement of comprehensive income

of New Work SE
for the period from January 1 to September 30, 2023

Consolidated statement of comprehensive income

In € thousand	Note no.	01/01- 09/30/2023	01/01- 09/30/2022	07/01- 09/30/2023	07/01- 09/30/2022
Continuing operations					
Service revenues	2	227,372	231,295	75,653	78,685
Other operating income	3	2,884	2,551	754	984
Other own work capitalized		19,576	15,319	5,828	5,450
Personnel expenses	4	-117,974	-104,428	-36,057	-34,235
Marketing expenses		-34,408	-29,558	-9,346	-10,658
Other operating expenses	5	-30,750	-33,352	-9,872	-12,955
Impairment losses on financial assets	6	-1,389	-1,255	-286	-250
EBITDA		65,311	80,572	26,673	27,021
Depreciation, amortization and impairment losses	7	-24,504	-24,654	-8,141	-7,117
EBIT		40,807	55,918	18,532	19,904
Finance income	8	2,070	134	831	108
Finance costs	8	-755	-3,240	-448	-1,238
EBT		42,122	52,812	18,915	18,774
Income taxes		-11,586	-15,141	-5,446	-4,453
Net income/loss from continuing operations		30,536	37,671	13,469	14,321
Post-tax profit or loss of discontinued operations	22	-2,536	27	-1,525	
CONSOLIDATED NET PROFIT		30,558	35,135	13,496	12,796

In € thousand	Note no.	01/01- 09/30/2023	01/01- 09/30/2022	07/01- 09/30/2023	07/01- 09/30/2022
Earning per share					
Earning per share from continuing operations (basic)		5.43 €	6.70 €	2.40 €	2.55 €
Earning per share from continuing operations (diluted)		5.43 €	6.70 €	2.40 €	2.55 €
Earnings per share (basic)		5.43 €	6.25 €	2.40 €	2.28 €
Earnings per share (diluted)		5.43 €	6.25 €	2.40 €	2.28 €
CONSOLIDATED NET PROFIT		30,558	35,135	13,496	12,796
Currency translation differences		19	134	19	200
OTHER COMPREHENSIVE INCOME		19	134	19	200
CONSOLIDATED TOTAL COMPREHENSIVE INCOME		30,577	35,269	13,515	12,996

Consolidated statement of financial position

of New Work SE
as of September 30, 2023

Assets

In € thousand	Note no.	09/30/2023	12/31/2022
Intangible assets			
Purchased software		1,647	2,770
Internally generated software	7	75,840	68,630
Goodwill		56,145	56,145
Other intangible assets	7	2,041	2,703
Property, plant and equipment			
Leasehold improvements	7	12,047	12,483
Other equipment, operating and office equipment	7	13,010	14,067
Construction in progress	7	0	420
Lease assets	7	44,941	47,023
Financial assets			
Financial assets at amortized cost	11	2,784	3,005
Financial assets at fair value	11	16,868	28,427
Other non-financial assets		0	539
Deferred tax assets		1,867	1,945
NON-CURRENT ASSETS		227,190	238,157
Receivables and other assets			
Receivables from services	6	19,079	19,881
Income tax receivables		493	540
Other assets		19,471	20,140
Cash and short-term deposits			
Cash		96,585	94,800
Third-party cash		0	3,504
CURRENT ASSETS		135,628	138,865
		362,818	377,022

Equity and liabilities

In € thousand	Note no.	09/30/2023	12/31/2022
Subscribed capital	9	5,620	5,620
Capital reserves	9	22,644	22,644
Other reserves	9	662	643
Retained earnings	9	109,972	117,183
EQUITY		138,899	146,091
Deferred tax liabilities		15,961	12,287
Contract liabilities		1,685	1,424
Other provisions		626	626
Lease liabilities		51,025	53,658
Other liabilities		1,908	3,847
NON-CURRENT LIABILITIES		71,205	72,046
Trade accounts payable		9,177	9,971
Lease liabilities		5,284	6,254
Contract liabilities		109,190	107,402
Other provisions		3,958	3,032
Income tax liabilities		6,140	10,581
Other liabilities		18,965	21,849
CURRENT LIABILITIES		152,714	158,886
		362,818	377,022

Consolidated statement of cash flows

of New Work SE
for the period from January 1 to September 30, 2023

Consolidated statement of cash flows

In € thousand	Note no.	01/01/ – 09/30/2023	01/01/ – 09/30/2022
Earnings before taxes from continuing operations		42,122	52,812
Earnings before taxes from discontinued operations		13	- 3,745
Earnings before taxes		42,135	49,067
Amortization and write-downs of internally generated software	7	12,367	15,763
Depreciation, amortization and impairment losses on other fixed assets	7	12,219	11,742
Finance income	8	- 2,070	- 134
Finance costs	8	755	3,253
EBITDA		65,406	79,691
EBITDA from discontinued operations		95	- 881
EBITDA from continuing operations		65,311	80,572
Interest received		1,073	133
Taxes paid		- 12,247	- 16,045
Non-cash expenses/income		- 1,103	0
Profit from disposal of fixed assets		- 1	- 26
Change in receivables and other assets		2,266	- 427
Change in liabilities and other equity and liabilities		- 3,225	- 1,960
Change in contract liabilities		2,049	10,971
Elimination of XING Events third-party obligation		3,504	- 2,457
Cash flows from operating activities		57,722	69,881
Cash flows from operating activities from discontinued operations		- 328	1,126
CASH FLOWS FROM OPERATING ACTIVITIES FROM CONTINUING OPERATIONS		58,050	68,754
Payment for capitalization of internally generated software		- 19,577	- 15,796
Payment for purchase of software		- 23	- 91
Payments for purchase of other intangible assets		- 21	- 7

In € thousand	Note no.	01/01/ – 09/30/2023	01/01/ – 09/30/2022
Payments for purchase of property, plant and equipment		232	125
Proceeds from disposals of investments		- 4,073	- 4,876
Proceeds from the sale of financial instruments		12,186	4,636
Payments to acquire financial instruments		0	- 4,994
Cash flows from investing activities		- 11,276	- 21,004
Cash flows from investing activities from discontinued operations		- 76	- 591
CASH FLOW FROM INVESTING ACTIVITIES FROM CONTINUING OPERATIONS		- 11,199	- 20,413
Payment of regular dividend	9	- 17,761	- 15,737
Payment of special dividend	9	- 20,009	- 20,009
Interest paid		0	- 284
Proceeds from lease incentives		0	2,805
Payment for leases		- 7,264	- 6,707
Cash flows from financing		- 45,033	- 39,932
Cash flows from financing activities from discontinued operations		0	- 13
CASH FLOWS FROM FINANCING ACTIVITIES FROM CONTINUING OPERATIONS		- 45,033	- 39,918
Currency translation differences		371	162
Own funds at the beginning of the period		94,800	86,458
Change in cash and cash equivalents		1,785	9,107
OWN FUNDS AT THE END OF THE PERIOD		96,585	95,565
Third-party funds at the beginning of period		3,504	3,684
Change in third-party cash and cash equivalents		- 3,504	2,457
THIRD-PARTY FUNDS AT THE END OF THE PERIOD		0	6,141

Consolidated statement of changes in equity

of New Work SE
for the period from January 1 to September 30, 2023

Consolidated statement of changes in equity

In € thousand	Subscribed capital	Capital reserves	Reserve for currency translation differences	Retained earnings	Total equity
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	0	0	305	0	305
Consolidated total comprehensive income	0	0	305	43,262	43,567
Regular dividend for 2021	0	0	0	-15,737	-15,737
AS OF 31/12/2022	5,620	22,644	643	117,183	146,091
AS OF 01/01/2023	5,620	22,644	643	117,183	146,091
Consolidated net profit	0	0	0	30,558	30,558
Other comprehensive income	0	0	19	0	19
Consolidated total comprehensive income	0	0	19	30,558	30,577
Regular dividend 2021	0	0	0	-17,761	-17,761
Special dividend	0	0	0	-20,009	-20,009
AS OF 09/30/2023	5,620	22,644	662	109,972	138,899

Condensed notes to the consolidated financial statements

of New Work SE
for the period from January 1 to September 30, 2023

1. Basis of preparation of the financial statements and accounting policies

These condensed interim consolidated financial statements for the period ending on September 30, 2023, have been prepared in accordance with the International Financial Reporting Standard for interim financial reporting (IAS 34) as adopted by the EU. The condensed interim consolidated financial statements do not contain all of the information required for full annual consolidated financial statements, and should therefore be read in conjunction with the consolidated financial statements as of December 31, 2022.

The reporting period began on January 1, 2023, and ended on September 30, 2023. The corresponding prior-year period began on January 1, 2022, and ended on September 30, 2022. The interim consolidated financial statements and the interim group management report of the Company were approved for publication on November 9, 2023, by the Management Board.

The accounting policies applied in principle to these condensed interim consolidated financial statements are consistent with those used for the consolidated financial statements as of December 31, 2022. These interim financial statements have not been audited by the auditor, nor have they been subjected to a review.

Unless indicated otherwise, all amounts are rounded to the nearest thousand euros (€ thousand). Rounding differences may occur in the tables due to mathematical reasons.

2. Segment information

We have been reporting with a new segment structure since January 1, 2023. For further information, please refer to the consolidated financial statements as of December 31, 2022.

In € thousand	HR Solutions & Talent Access		B2C		B2B Marketing Solutions		Total segments		New Work Group	
	01/01/- 09/30/2023	01/01/- 09/30/2022	01/01/- 09/30/2023	01/01/- 09/30/2022	01/01/- 09/30/2023	01/01/- 09/30/2022	01/01/- 09/30/2023	01/01/- 09/30/2022	01/01/- 09/30/2023	01/01/- 09/30/2022
Revenues	161,432	151,502	56,378	67,715	9,563	12,078	227,372	231,295	227,372	231,295
Other segment expenses	-122,556	-105,133	-25,267	-28,136	-8,898	-9,828	-156,721	-143,097	-156,721	-143,097
Segment operating result	38,876	46,369	31,111	39,579	665	2,250	70,652	88,198	70,652	88,198
Other operating income/expenses									-5,340	-7,627
EBITDA									65,311	80,572

Revenues by region

In € thousand	01/01/- 09/30/2023	01/01/- 09/30/2022
Germany	197,947	199,429
Austria/Switzerland	17,863	18,590
International	11,562	13,276
	227,372	231,295

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 and financial assets) amounting to €198,888 thousand (December 31, 2022: €191,811 thousand) relate to Germany, with €6,783 thousand (December 31, 2022: €12,969 thousand) relating to other countries.

3. Other operating income

Other operating income in the amount of €2,884 thousand (previous year: €2,551 thousand) relates to write-ups on leasehold improvements of €732 thousand, which were eliminated from cash flow from operations in the "Non-cash expenses/income" item in the statement of cash flows.

4. Personnel expenses

Personnel expenses rose from €104,428 thousand by €13,546 thousand to €117,974 thousand (+ 13 percent).

The increase in expenses is due mainly to the higher average number of employees in the reporting period, salary adjustments and bonuses. Personnel expenses also include non-recurring expenses of €3.6 million for severance payments in connection with the realignment of the XING platform and the consolidation of business units.

5. Other operating expenses

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

In € thousand	01/01- 09/30/2023	01/01- 09/30/2022
Server hosting, administration and traffic	9,951	7,245
IT services, management services	8,475	13,487
Occupancy expenses	3,502	2,871
Other personnel expenses	1,486	1,643
Travel, entertainment and other business expenses	1,412	2,304
Training costs	832	1,096
Legal consulting fees	737	429
Payment transaction costs	711	992
Exchange rate losses	705	408
Telephone/cell phone/postage/courier	538	503
Accounting fees	530	506
Expenses attributable to prior periods	509	164
Insurance and contributions	429	409
Financial statements preparation and auditing costs	343	533
Supervisory Board remuneration	243	239
Office supplies	103	228
Rents/leases	71	82
Other	172	213
TOTAL	30,750	33,352

6. Impairment losses on financial assets and contract assets

Impairment losses (including reversals) on financial assets and contract assets include expenses for bad debts of €1,387 thousand (previous year: €1,315 thousand) as well as income from reversals of €63 thousand (previous year: €60 thousand).

Receivables from services are impaired as follows:

	Not yet due	Past due < 30 days	Past due < 90 days	Past due > 90 days	Total
09/30/2023					
Impairment ratio	0.7%	3.1%	31.3%	27.5%	9.2%
Gross carrying amount (in € thousand)	8,229	6,044	4,036	2,516	20,825
Impairment (in € thousand)	-57	-184	-962	-543	-1,746
12/31/2022					
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

The impairment figure includes both specific valuation allowances and anticipated defaults of the total receivables from services.

7. Development of non-current assets

At €205,671 thousand, non-current assets as of September 30, 2023 were at the level of the previous year. Additions mainly related to internally generated assets in the amount of €19,577 thousand.

At €24,504 thousand, depreciation, amortization and impairment losses were at the level of the previous year. The main item here was amortization on internally generated intangible assets in the amount of €12,367 thousand.

8. Financial result

Finance income totaling €2,070 thousand mainly includes €934 thousand in remeasurement income from available-for-sale securities (previous year: expenses of €2,070 thousand) and €890 thousand in interest on fixed-term deposits (previous year: €2 thousand). Finance costs totaling €755 thousand (previous year: €3,240 thousand) are mainly attributable to the unwinding of discounts on lease liabilities in the amount of €414 thousand (previous year: €445 thousand).

9. Equity

As of September 30, 2023, the Group had share capital of €5,620,435 (December 31, 2022: €5,620,435). As previously, the Company does not hold any treasury shares.

Based on a resolution adopted by the Annual General Meeting on May 24, 2023, a regular dividend of €17,761 thousand, or €3.16 (previous year: €2.80) per share and a special dividend of €20,009 thousand, or €3.56 (previous year: €3.56) per share was distributed.

The Group's cash-generative business model as well as its own cash and available-for-sale securities amounting to €113,453 thousand as of September 30, 2023 enable the Company to pay dividends on a regular basis.

10. Related parties

Please refer to the consolidated financial statements as of December 31, 2022, for further information about related parties. From the perspective of the Group, no significant changes with respect to the Burda Group occurred until September 30, 2023.

There were no claims against members of the Management Board and the Supervisory Board as of September 30, 2023.

11. Financial instruments

The following classes of financial instruments existed as of the reporting date:

In € thousand	IFRS 9 measurement categories	09/30/2023	12/31/2022
Non-current financial assets at amortized cost	Amortized cost	2,784	3,005
Non-current financial assets at fair value	FAFVtPL ¹	16,868	28,427
Current receivables from services	Amortized cost	19,079	19,881
Current other assets	Amortized cost	6	1,201
Cash and cash equivalents	Amortized cost	96,585	98,304
Non-current lease liabilities	Amortized cost	51,025	53,658
Current trade accounts payable	Amortized cost	9,177	9,971
Current lease liabilities	Amortized cost	5,284	6,254
Current other liabilities	Amortized cost	6,140	10,581

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.

12. Significant events after the interim reporting period

No events which will have a significant impact on the course of business of the Group have occurred since the end of the reporting period.

Hamburg, November 9, 2023

The Management Board

Petra von Strombeck

Ingo Chu

Frank Hassler

Financial calendar

Preliminary dates

Publication of preliminary results for 2023	Februar 27, 2024
Publication of the Q1 2024 financial report	May 7, 2024
Annual General Meeting (in-person)	June 4, 2024
Publication of the 2024 half-year financial report	August 6, 2024
Publication of the Q3 2024 financial report	November 6, 2024

OUR SOCIAL MEDIA CHANNELS

→ www.new-work.se/en/investor-relations
(New Work SE – Investor Relations Website)

→ nwx.new-work.se
(New Work Experience & Magazin)

Twitter: New_Work_SE_IR
(Information and news related to the capital markets)

Twitter: NewWork_SE
(Topics and news related to the Company in general – German only)

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

Editor-in-chief

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

Rounding differences may occur.

This interim financial report is available in both German and English.

Both versions and further press information are available for download at
→ www.new-work.se/en/investor-relations



HARBOUR FOR



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