



NEW WORK SE FY 23 earnings presentation

Feb 27, 2024



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Pro-forma results

Results contained in this presentation are partly based on unaudited pro-forma financial results that the Company derived from its preliminary and past financial statements for the indicated periods in order to make these periods comparable and show non-recurring costs.

Cautionary note regarding preliminary results and pro-forma financial results

This presentation contains preliminary results and pro-forma results. The preliminary results may change during their final review. While the Company believes that its pro-forma financial results are reflective of its recurrent trends and the on-going status of its business, there can be no assurance that its pro-forma results will accurately reflect these trends and status and therefore, its investors are urged not to rely solely upon the pro-forma results when making their investing decision and the pro-forma results should always be reviewed together with its actual financial results.



FY 2023:

Updated revenue and Pro-forma EBITDA targets achieved

306m Pro-forma
service revenues

219m Pro-forma service
revenues in HR Solutions
& Talent Access segment

97m Pro-forma
EBITDA

14.3k B2B HR Solutions
customers

32% Pro-forma
EBITDA margin

+2.3m Workplace Insights
@kununu

39m Pro-forma
net income

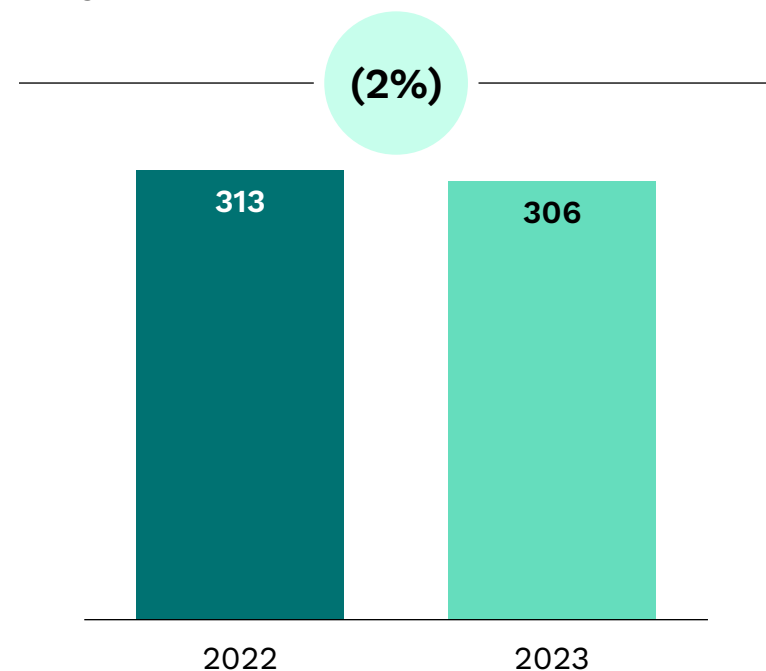
+0.6m New XING profile / CV
registrations



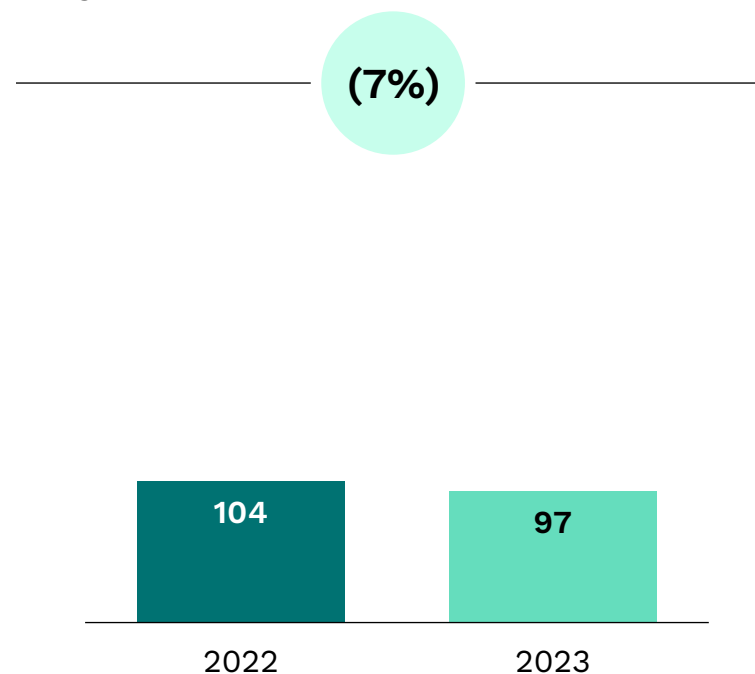
2023:

Financial KPIs flat or down YOY on back of weak macro

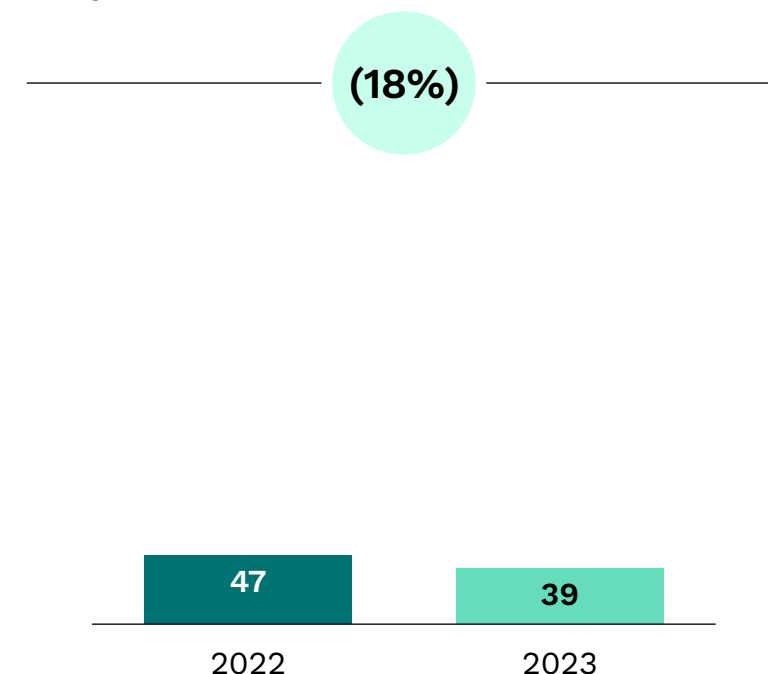
Pro-forma service revenues
in €m



Pro-forma EBITDA
in €m

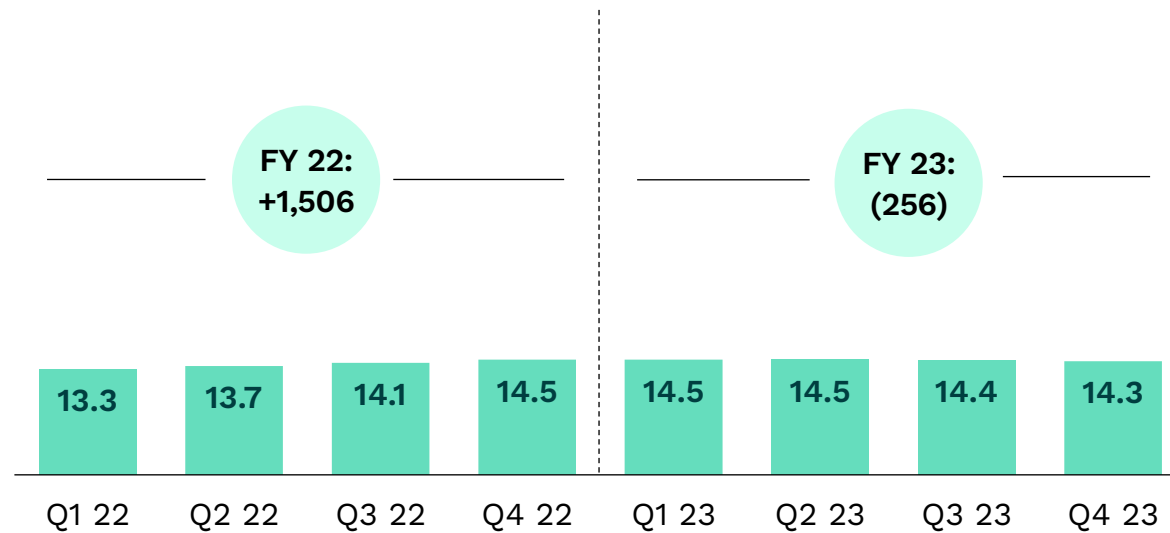


Pro-forma net income
in €m

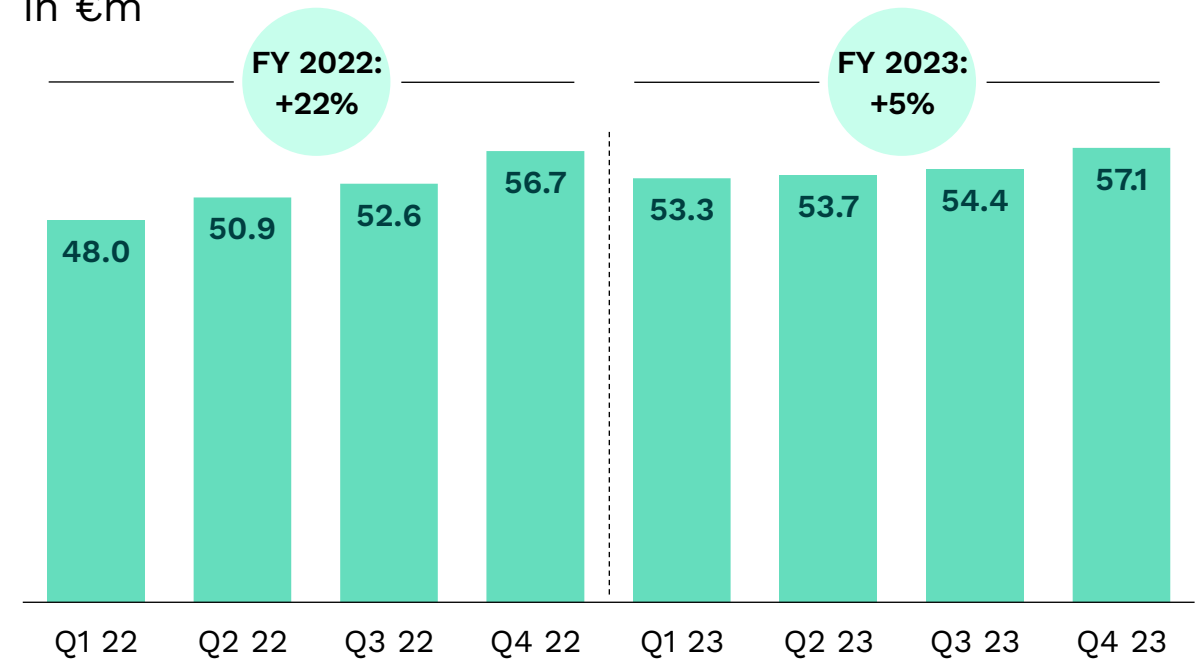


HR solutions & talent access subscription customer base slightly down on back of negative employment market

HR B2B subscription customers



(Pro-forma) segment revenues in €m



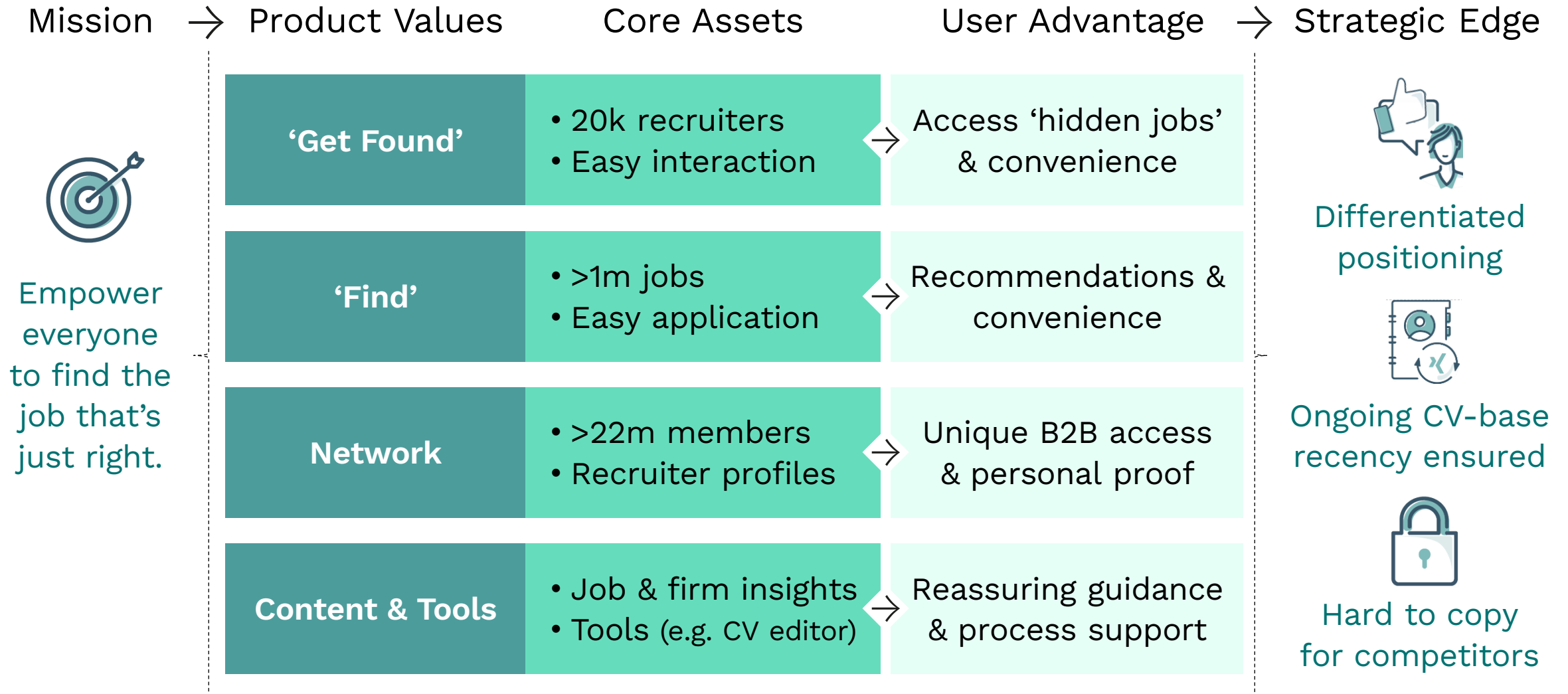
HR Solutions contributes
72% of NW SE group sales

Employer branding based on **kununu** growing **double-digit**
and accounts for more than **1/3** of segment revenues with
over proportional segment EBITDA contribution

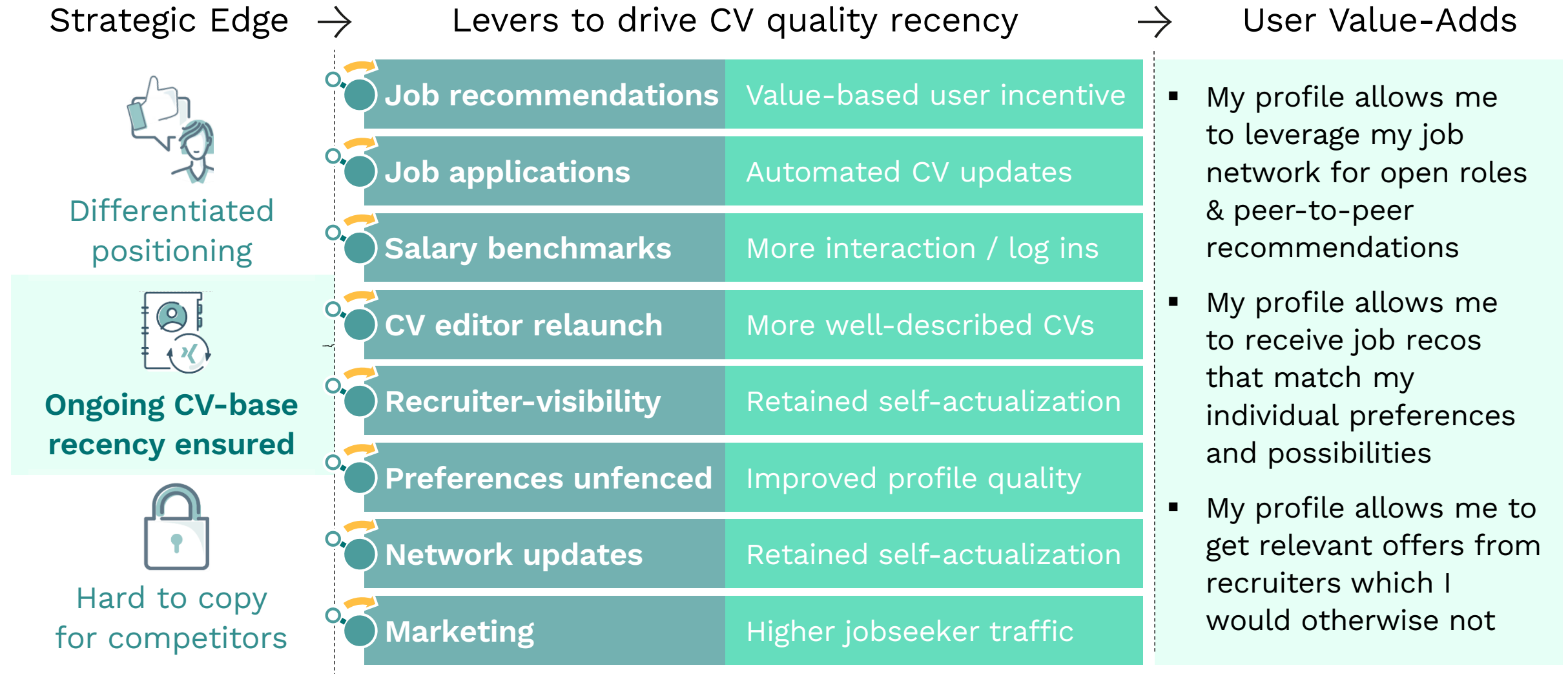
Passive Sourcing:
Job ads **down** given weak macro



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



XING | How XING's repositioned jobs-network ensures to drive number, quality, and recency of profiles to drive B2B monetization



XING | Good progress across strategic KPIs



Traffic

+139%

‘jobs’ visits

Q4 23 vs. Q4 22



‘Find’

+179%

applications on
top paid postings

Q4 23 vs. Q4 22



‘Get Found’

+48%

candidate reply rate
to recruiters

Q4 23 vs. Q4 22



Satisfaction

+NPS

1st increase in
three years

2023 vs. 2022



XING’s repositioning towards ‘jobs network’ running successfully!



XING | branding campaign driving perception shift from social network to jobs-network

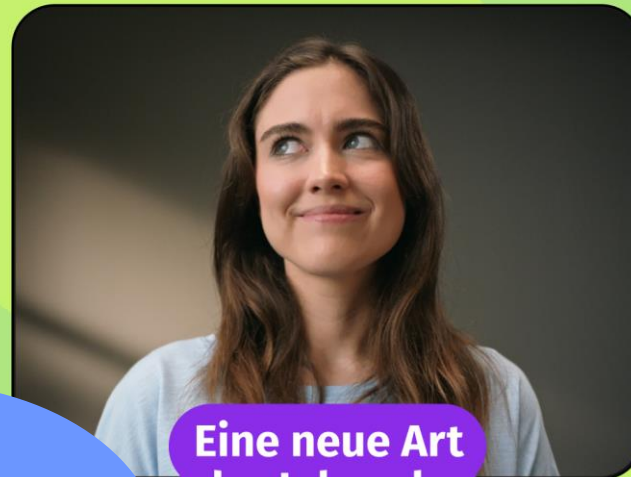
XING branding campaign



Eine neue Art
der Jobsuche



> 300
million
impressions
(January 24)



Eine neue Art
der Jobsuche



Baller League Sponsoring



<https://ballerleague.xing.com/>



kununu | Focused investments in new HR products and improved user experience through leveraging AI for kununu consumers

Job ads @kununu

The screenshot shows the kununu website's job search interface. At the top, there's a navigation bar with 'Jobs' selected. Below it, a search bar prompts for 'Jobtitel, Skill oder Arbeitsort...'. A filter sidebar on the left shows '133.060 Jobs' and various filters like 'Kununu Score' and 'Beschäftigungsform'. The main job listing is for 'Enterprise Architect:in ICE-IT' at Deutsche Bahn AG, located in Frankfurt am Main. It includes details like 'Vollzeit', 'Transport/Verkehr/Logistik', and a 'Zur Arbeitgeber-Website' button. Below the job listing, there's a section for 'Was kununu User:innen über diesen Arbeitgeber sagen' showing a 3.8 Kununu Score and 73% Weiterempfehlung. Further down, 'Geschätztes Gehalt' is displayed as 'Zu diesem Beruf haben wir derzeit leider keine Daten. Arbeitest du als Enterprise IT Architect? Teile dein Gehalt mit uns - natürlich anonym - und trage zur Gehaltstransparenz bei!'. At the bottom, 'Was die Firma über den Job sagt' provides a detailed description of the role and company goals.

AI Summarizer @kununu

The screenshot displays the kununu profile for 'New Work SE'. It shows various tabs like 'Übersicht', 'Bewertungen (325)', 'Gehälter (256)', 'Jobs (10)', 'Firmenkultur (194)', and 'Fragen'. The 'Mitarbeiter:innen-Zufriedenheit' section lists ratings for 'Karriere & Gehalt' (4.1), 'Unternehmenskultur' (4.4), 'Arbeitsumgebung' (4.4), and 'Vielfalt' (4.6). A text box explains that since 2010, 325 employees and applicants have rated the company with an average of 4.4 points, which is higher than the industry average of 4.1 points for 'Internet'. A link 'Alle 325 Bewertungen entdecken' is provided. The 'AI-generierte Zusammenfassung' section, marked as 'Beta' and 'Letzt aktualisiert am 1.2.2024', contains a summary of the company's strengths and challenges. It highlights flexible working hours, home office options, and a good work-life balance, while also noting criticism regarding transparency and communication during restructurings. The summary also mentions that the salary is perceived as average, benefits are good, and the modern office is a plus, but there is dissatisfaction with low starting salaries and limited salary increases. Finally, it notes that career opportunities are seen as limited, especially due to budget cuts for further education, and that the pressure at the workplace often leads to a stronger sense of community.

Top company seal @kununu



kununu | kununu ending 2023 on an all-time-high setting another record year

Fundamental B2C Need + Undisputed Leadership = Unparalleled growth

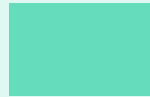


>70%

of jobseekers inform themselves about employers on review platforms¹

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

30m



kununu



5m

Glassdoor

6x

in average monthly unique visitors of kununu vs. second biggest competitor²

²SOURCE: SimilarWeb (2022 vs 2023, DE)

>92m
Platform sessions³
+16% YoY



>350k
Employer profiles
+14% YoY



>10m
Workplace insights
+28% YoY



³SOURCE: google analytics



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**

Results FY 2023



Agenda

- Revenues of € 305.6m
- We keep growing our talent access through XING and kununu
- Pro-forma EBITDA at € 97.1m
- Regular dividend recommendation of 1€ per share as announced on Jan 11



2023 P&L: € 305.6M revenues and € 92.9M EBITDA

	2023		2022		2023 vs. 2022		2023 vs. 2022
	Abs.		Abs.		Rel.		Abs.
Service revenues	305.6		313.4		(2%)		(7.8)
Other operating income	4.1		3.0		+36%		1.1
Capitalized own work	24.1		20.7		+16%		3.3
Costs before capitalization	(240.8)	(236.7)	(233.0)		(3%)		(7.9)
EBITDA	92.9	97.1	104.1		(11%)		(11.2)
Margin	30%	32%	33%		(3%pts)		(3%pts)
D&A	(44.1)		(37.9)		(16%)		(6.1)
Financial result	2.2	0.9	(2.8)	(1.1)	179%		5.0
Taxes	(14.2)	(15.1)	(17.3)	(17.9)	18%		3.1
Net income	36.9	38.8	46.1	47.3	(20%)		(9.2)
EPS	6.56	6.90	8.20	8.41	(20%)		(1.64)



Pro-forma

Rounding differences possible



Segment EBITDA:

HR Solutions & Talent Access down given deliberate investments

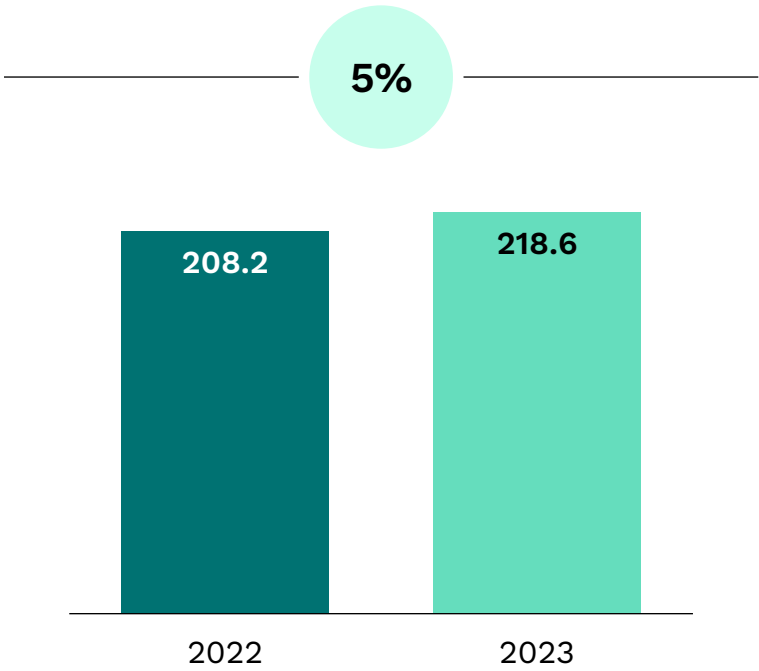
	Segment EBITDA 2023	2023 Margin	Segment 2022	2022 Margin
HR Solutions & Talent Access	57.6	26%	62.9	30%
B2C	39.3	54%	50.0	56%
B2B Marketing Solutions	1.9	14%	3.1	19%
Tech, Central Services & Other	(6.0)		(11.8)	
Total EBITDA	92.9	30%	104.1	33%

Rounding differences possible

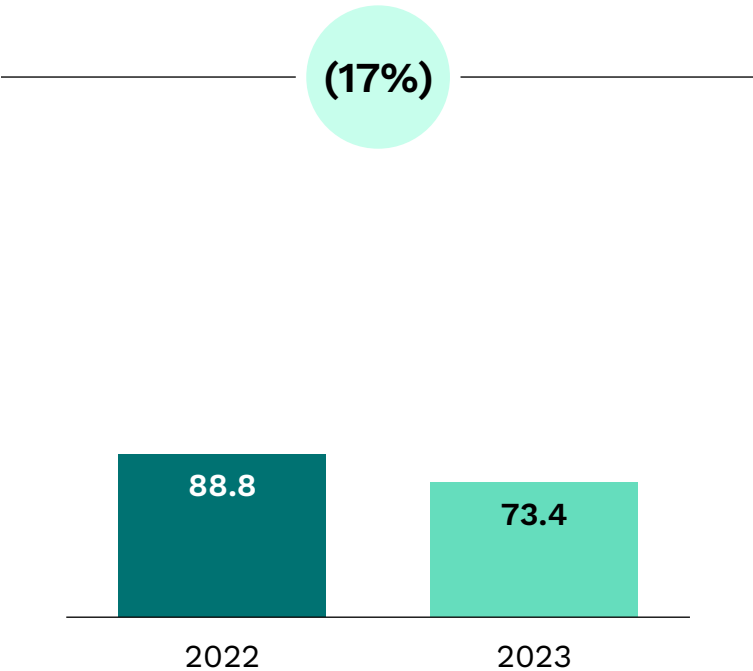


2023 service revenues: HR Solutions growing despite bad macro situation; B2C down given focus on Talent Access and B2B monetization

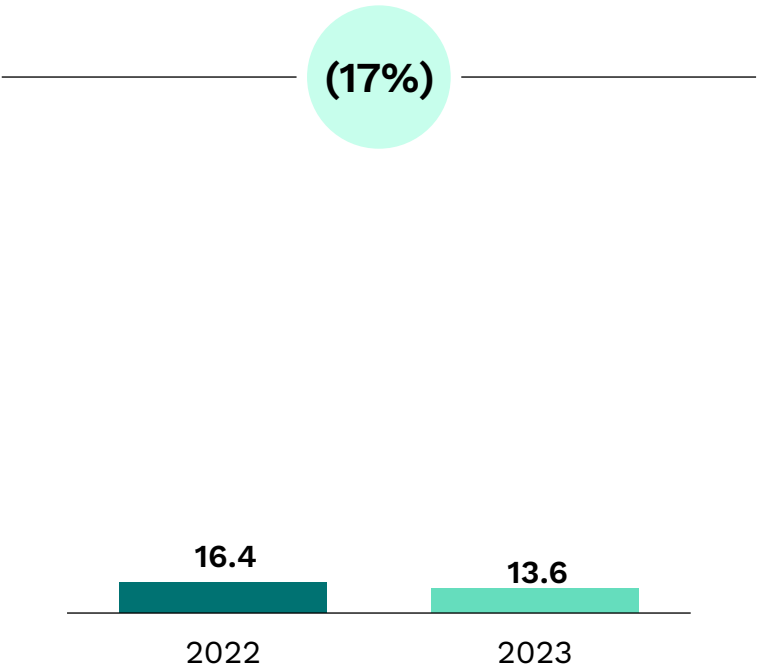
HR Solutions & Talent Access



B2C



B2B Marketing Solutions



Rounding differences possible



2023: Free cash flow (before dividends) of € 36.0m

	2023	2022	2023 vs. 2022	2023 vs. 2022
	Abs.	Abs.	Rel.	Abs.
EBITDA from continued operations	92.9	104.1	(11%)	(11.1)
Interest / tax / other	(24.7)	(19.6)	(26%)	(5.1)
Change in net working capital	(6.5)	(4.0)	(61%)	(2.5)
▲ Discontinued operations	(0.1)	(1.4)	107%	1.5
Operating cash flow excl. organizer cash	61.9	79.2	(22%)	(17.3)
Investment – operating	(28.7)	(28.4)	(1%)	(0.3)
Investment – financial assets	12.2	(0.4)		12.5
Lease liabilities, FX rate diff. & rest	(9.3)	(5.7)	(63%)	(3.6)
▲ Discontinued operations	(0.1)	(0.6)	(87%)	0.6
Cash flow before dividends	36.0	44.1	(18%)	(8.0)
Regular dividend	(17.8)	(15.7)	(13%)	(2.0)
Special dividend	(20.0)	(20.0)	0%	0.0
Cash flow	(1.7)	8.3		(10.1)

Rounding differences possible



Q4 results 2023



Q4 23: Revenues of € 75.7; Pro-forma EBITDA of € 28.1m

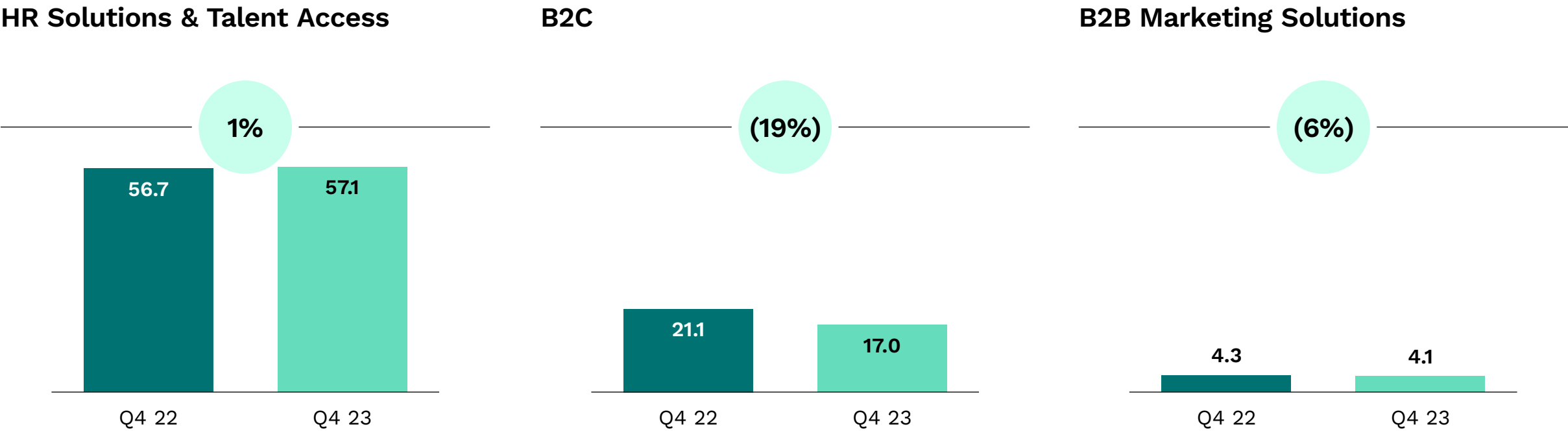
	Q4 2023		Q4 2022		Q4 23 vs. Q4 22		Q3 2023		Q4 23 vs. Q3 23	
	Abs.		Abs.		Rel.		Abs.		Rel.	
Service revenues	78.2		82.1		(5%)		75.7		3%	
Other operating income	1.2		0.5		164%		0.7		64%	
Capitalized own work	4.5		5.4		(17%)		5.8		(23%)	
Costs before capitalization	(56.3)	(55.8)	(64.4)		13%		(55.5)	(54.1)	(1%)	
EBITDA	27.6	28.1	23.5		17%		26.7	28.1	3%	
Margin	35%	36%	29%		7%pts		35%	37%	(0%pt)	
D&A	(19.6)		(13.3)		(47%)		(8.1)		(141%)	
Financial result	0.9	0.5	0.3	(0.3)	198%		0.4	0.2	133%	
Taxes	(2.6)	(2.7)	(2.2)	(2.0)	(20%)		(5.4)	(5.8)	52%	
Net income	6.3	6.4	8.4	8.0	(25%)		13.5	14.3	(53%)	
EPS	1.12	1.14	1.49	1.42	(25%)		2.40	2.54	(53%)	

■ Pro-forma

Rounding differences possible



Q4 23 service revenues: HR Solutions & talent Access segment on previous years level – accounting for >70 % of total group sales



Rounding differences possible



Dividend |

We will recommend a regular dividend of 1€ per share

Recap from January 11, 2024:

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



We will propose a regular dividend of 1 € per share


Guidance 2024 |

Pro-forma EBITDA of € 55-65m


Recap from January 11, 2024:

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


Core P&L drivers in 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

→

Guidance 2024



pro-forma EBITDA guidance of € 55-65m

We confirm our pro-forma EBITDA guidance from January 2024

23 New Work SE FY 23 Preliminary Results

Thank you for your attention.

HARBOUR FOR:



Investor relations

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<https://www.new-work.se/en/investor-relations>

ESG topics

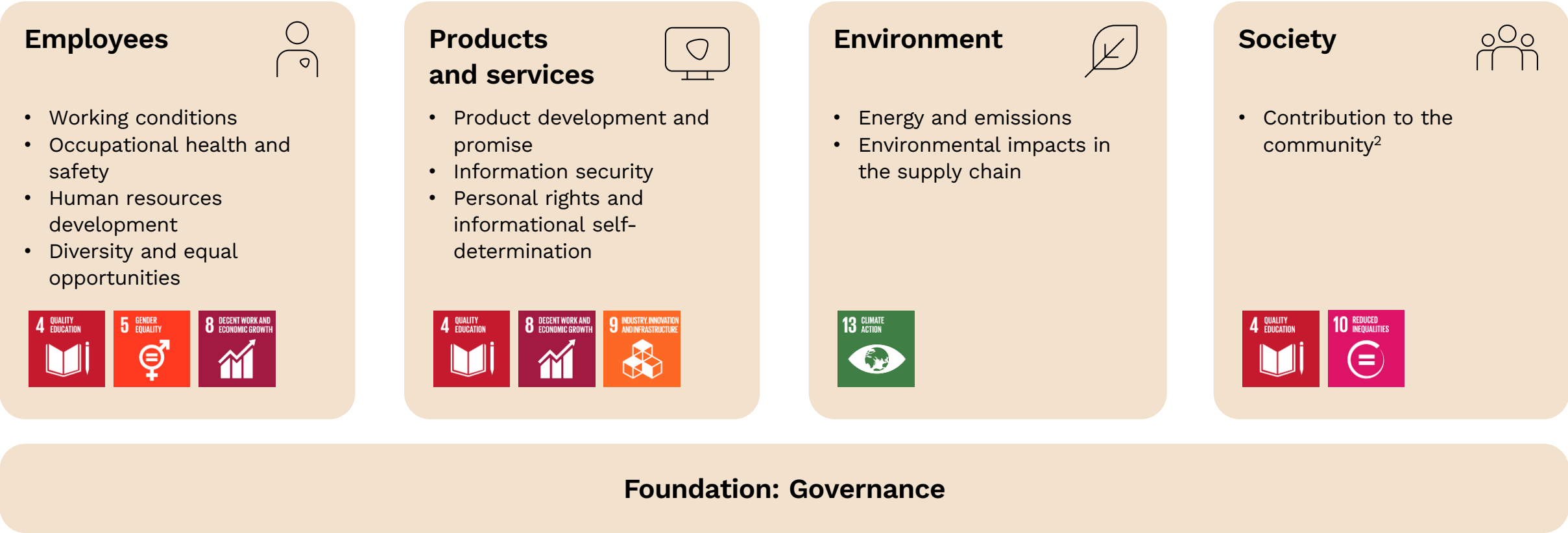
<https://www.new-work.se/en/Company-About-New-Work-SE/csr>

ESG @ NEW WORK SE



ESG @ New WORK SE

Our strategic action areas and material topics



The review of our materiality analysis revealed that respecting human rights and fighting corruption and bribery are not material topics for New Work SE under the CSR-RUG. That's why we are not reporting any plans pertaining to these issues under the German Commercial Code.


² Not identified as a material topic in the materiality analysis; due to its high strategic relevance for New Work SE, this topic's relevance was upgraded and the topic was included in the CSR roadmap.



ESG @ New WORK SE

Our goals for 2025 at a glance

Employees



Recommendation rate
≥ 80%
kununu overall score ≥ 4.0 on average for the year

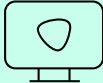
Maintain the quality
of content in our offers supporting the
physical and mental health of employees

Internal recommendation rate for our
seminars and training courses
≥ 60%

Annual
180°
feedback
to strengthen and
enhance leadership
skills

Equal opportunity & diversity
are very important to us as an employer. We aim to achieve an
annual average kununu score of ≥ 4 by 2025.

Products and Services



≥ 50%
of the job ads on XING will be integrated into the
kununu Culture Score.

kununu Workplace
Insights **≥ 9.6 million**
the 2021 number of 4.8 million is expected to more
than double by 2025

**Tested
security**
to protect our
systems

Planning of at least
**2 internal
audits/year**
to be carried out from 2025
Contents: company
technologies and practices
that impact user data

Society



Develop a method
to measure and strengthen our
**personal and
social added value**

Environment



Climate-neutral operation of
100%
of all data centers
and cloud services from 2025

Climate neutrality¹
Long-term: define net zero target

¹ Climate neutrality means that when carbon emissions cannot be avoided by a company these are offset by high-quality carbon reduction certificates (certified climate change mitigation projects).

