NewWork

# For a better working life.

Annual Report 2023

# Key figures

| | Unit | 2023 [1] | 2022 [1] | 2021 [1] | 2020 | 2019 |
|---|---|---|---|---|---|---|
| Revenues | in € million | 305.6 | 313.4 | 284.5 | 276.5 | 269.2 |
| Pro forma consolidated revenues | in € million | 305.6 | 313.4 | 284.5 | 276.6 | 269.5 |
| EBITDA | in € million | 92.9 | 104.1 | 97.9 | 87.6 | 87.5 |
| Pro forma EBITDA | in € million | 97.1 | 104.1 | 97.9 | 90.5 | 84.7 |
| EBITDA margin | in % | 30 | 33 | 34 | 32 | 32 |
| Pro forma EBITDA margin | in % | 32 | 33 | 34 | 33 | 31 |
| Consolidated net profit | in € million | 36.9 | 46.1 | 43.3 | 26.1 | 43.2 |
| Pro forma consolidated net profit | in € million | 38.8 | 47.3 | 43.0 | 35.8 | 35.8 |
| Earnings per share | in € | 6.56 | 8.20 | 7.71 | 4.65 | 7.69 |
| Pro forma earnings per share | in € | 6.90 | 8.41 | 7.66 | 6.37 | 6.37 |
| Regular dividend per share | in € | 1.00 [2] | 3.16 | 2.80 | 2.59 | 2.59 |
| Special dividend per share | in € | | 3.56 | 3.56 | | |
| Cash flow from operations | in € million | 61.9 | 79.2 | 85.6 | 81.0 | 79.7 |
| Free cash flow | in € million | 36.0 | 44.1 | 39.5 | 40.8 | 13.4 |
| Equity | in € million | 145.2 | 146.1 | 138.3 | 113.0 | 101.5 |
| XING platform members, total (D-A-CH) | in million | 22.1 | 21.5 | 20.3 | 18.8 | 17.2 |
| InterNations members | in million | 5.0 | 4.6 | 4.2 | 3.9 | 3.7 |
| kununu workplace insights | in million | 10.3 | 8.1 | 6.2 | 4.6 | 3.5 |
| B2B E-Recruiting customers (subscription) | | 14,255 | 14,511 | 13,005 | 12,629 | 12,658 |
| Employees (FTE) | | 1,542 | 1,887 | 1,712 | 1,787 | 1,778 |

[1] *Continuing operations (without XING Events)*

[2] *Proposal to the Annual General Meeting on June 4, 2024*

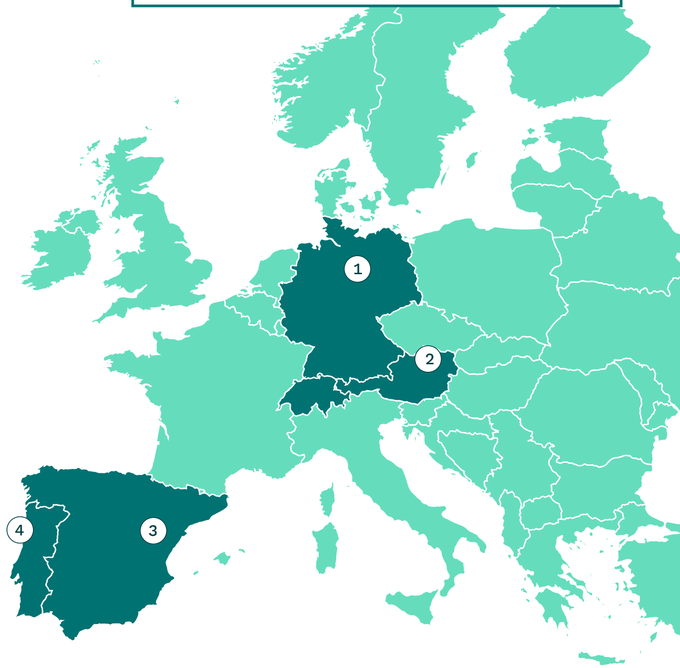
## Our sites

(1) **GERMANY**
Hamburg
Berlin
Munich

(2) **AUSTRIA**
Vienna

(3) **SPAIN**
Barcelona
Valencia

(4) **PORTUGAL**
Porto

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# To our shareholders

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# Company profile

For the past 20 years, 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, the Company offers the vast majority of professionals in German-speaking countries their own digital network.

The Company was renamed XING in 2006 and NEW WORK in 2019. Its commitment to a better world of work is now also reflected in its name, with New Work serving as the visible framework for all corporate activities with which New Work SE helps people and companies to succeed in a changing modern world of work.

The Company has been listed since 2006. The New Work SE Group is headquartered in Hamburg and employs a total of 1,816 [1] staff at the following locations: Berlin, Munich, Vienna, Barcelona, Valencia and Porto. For more information → **new-work.se**

NewWork

HARBOUR FOR:

XING kununu onlyfy by XING InterNations connecting global minds

**Strong brands**

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

[1] *Total number of active and passive employees of the New Work SE Group including trainees, students, interns, and Honeypot and InterNations as of December 31, 2023*

# Letter to our shareholders

**Dear shareholders,**

The 2023 financial year was a highly challenging one for us. Germany is mired in recession, and hardly a day goes by without more news of planned job cuts and rationalization measures. These developments are also leaving their mark on our business, with conditions adversely affecting our financial key performance indicators during the past financial year.

Pro forma revenue was almost in line with the previous year's figure at just under €306 million (previous year: €313 million). At €97 million, pro forma EBITDA was only slightly below the prior-year figure of €104 million. This meant we comfortably achieved our guidance of €92 – 100 million that we updated in May 2023. Pro forma consolidated net profit amounted to just under €39 million (previous year: around €47 million).

Our largest segment, HR Solutions & Talent Access, grew by 5 percent to just over €218 million. This meant that our largest business unit achieved its highest-ever revenue in the Company's history amid a challenging market environment. Revenue in the B2C business fell by 17 percent to just over €73 million as planned due to the strategic repositioning and transformation of XING into a job network.

As a result, we now focus on monetizing via our recruiting solutions. At just under €14 million, revenue in the B2B Marketing Solutions segment was also 17 percent down on the prior-year figure.

*"With its more than 22 million members, we were able to increase its 'recruiter reply rate' by almost 50 percent year-on-year."*

In 2023, we took several important steps to reposition our XING brand from a social network for professional contacts to becoming a job network.

We are already seeing the first fruits of our efforts. With its more than 22 million members, XING was able to increase its "recruiter reply rate" by almost 50 percent year-on-year. This rate is the number of responses that companies looking for staff actively receive via the platform. We were also able to increase the number of applications received on paid XING job advertisements by 179 percent.

In addition, we continued to successfully develop kununu and drive growth. Encouragingly, 2023 was kununu's best year to date, with the employer rating platform recording more website traffic than ever before, growing the number of company profiles by 14 percent, and increasing workplace insights by a formidable 28 percent to well over 10 million.

Positive signals from previous years have encouraged us to keep investing in our brands and XING's repositioning in particular. As new business for our B2B solutions suffered as a result of reluctance on the part of companies due to the recession, the business is not in a position to offset the declines and investment to the extent we had planned.

As a result, we announced to the capital markets in January that we will be launching an investment and restructuring program and focus entirely on our two major brands, XING and kununu, going forward. kununu and XING will be marketplaces offering products and services for both jobseekers and companies. These plans are forcing us to cut around 400 jobs. It is extremely painful to have to bid farewell to so many outstanding and dedicated employees. At the same time, it is essential if we are to set a course for the future of New Work SE.

*"Encouragingly, 2023 was kununu's best year to date."*

To sum up, I would like to emphasize once again that setting New Work SE on a new course in a challenging environment was a major accomplishment in 2023 – one that we achieved with a blend of consistent cost management and ongoing process optimization. And even though the recession is not yet over and a significant economic upturn may still be some way off, at the start of this year we took steps to ensure that we are equipped for the future with a reduced yet effective team. As all of these measures will help us to achieve our goals, we can confirm the 2024 pro forma EBITDA guidance of €55 – 65 million (2023: €97.1 million) that we communicated in January. This significant year-on-year decline is primarily attributable to the drop in revenue caused by our transformation and increased investment in the repositioning of the XING platform. Our initial successes give us confidence that the resulting fall in earnings is only temporary and that we will return to our historic profitability levels from 2026 onwards.

Although New Work SE's revenue and EBITDA did not grow in 2023, it is important to us that you can continue to participate in the Company's development even in this challenging phase. As a result, we are proposing to distribute a dividend of €1.00 per share at the Annual General Meeting on June 4. After all – and I would really like to emphasize this – demographic change is a fact. It will give our business a fresh tailwind, which is why we are setting sail with the restructuring of New Work SE.

Thank you for placing your trust in us.

Kind regards,

**Petra von Strombeck**
Chief Executive Officer (CEO)

# Report of the Supervisory Board

**Dear Shareholders,**

The past financial year was marked by many challenges. In 2023, the global economy had to deal with the aftermath of the pandemic, significant geopolitical tensions and ongoing economic policy challenges. The weak economy adversely affected the labor market in Germany and Austria and hit New Work SE in the midst of realigning the XING platform as a job network. The bleak market environment forced us to adjust our guidance for pro forma revenues and pro forma consolidated EBITDA in May 2023. We ultimately reached the updated forecasts with pro forma revenues of €305.6 million and pro forma EBITDA of €97.1 million.

Aside from its financial key performance indicators, New Work SE also took numerous important steps in the Company's ongoing development and consistently pursued its overarching strategic objective to become the leading recruiting partner for companies. We continue to see significant growth potential created by the employment consequences of the process of demographic change. As a result, the XING and kununu brands are the focus of our future corporate strategy. Both platforms are already leading players in their respective segments with more than 22 million members and hundreds of thousands of employers reviewed. We took the first steps to continue strengthening these brands during the past financial year and will keep investing in repositioning XING and developing kununu during 2024. This investment strategy is accompanied by an organizational restructuring of the Group.

Given the events of the past financial year and the challenges of the current year, and taking into account our current profitability level, we have decided to propose to distribute a reduced dividend of €1.00 per share this year. The Company is aiming to return to its previous level of profitability and dividend practice in the medium term.

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), Group-wide 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 2023. 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, Dr. Jörg Lübcke, Jean-Paul Schmetz, Anette Weber and myself as Chairman.

In the reporting year, the Audit Committee, 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 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.

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 the following members in the reporting year: Jean-Paul Schmetz (Chairman), Dr. Katharina Herrmann, 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), one extraordinary meeting and one additional strategy meeting. In addition, one resolution was passed by circulating written motions for approval. Dr. Lübcke and Jean-Paul Schmetz were unable to attend the extraordinary meeting and were therefore absent. 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 22 exhaustively discussed the annual financial statements, management report, consolidated financial statements, Group management report and dependent company report for the 2022 financial year. As recommended by the Audit Committee and following in-depth deliberations by the auditors, the 2022 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 2023 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 2023 audit. We also approved the planned agenda items and proposed resolutions for the Annual General Meeting on May 24, 2023. We also decided to renew the Management Board contract with Frank Hassler.

In our meeting on May 23, 2023, we addressed updating our company logo in addition to the standard topics. We also decided to terminate the Management Board contract with Jens Pape. In addition, we discussed lease issues and approved restructuring measures under company law. Lastly, we made preparations for the Company's Annual General Meeting on the following day.

At our Supervisory Board meeting on September 21, 2023, we approved the termination of the Management Board contract with Dr. Peter Opdemom and the updating of the Supervisory Board efficiency review. In addition to the standard topics, we also addressed core strategic initiatives.

At an extraordinary meeting on November 13, 2023, we decided to prematurely terminate the lease for the Company's current rented office space and concluded a new lease at the Company's headquarter.

At the meeting on November 30, 2023, 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 then discussed internal Company risk management practices and engaged in our regular dialog with members of the Employee Committee (EC) about the EC's current activities. We also paid attention to core strategic initiatives and intensively discussed the 2024 budget proposed by the Management Board as well as the Management Board's proposal to reorganize the New Work Group. The Supervisory Board delayed making a decision on these topics in order to clarify additional issues.

As part of an extraordinary Supervisory Board meeting on January 11, 2024, we approved the budget proposal for 2024 and the reorganization program after another intense discussion with the Management Board. We also approved the termination of the Management Board contract with Frank Hassler.

The further strategic development of the Company was also discussed at a strategy meeting attended by the Management Board and Supervisory Board on September 20, 2023.

Outside the face-to-face Supervisory Board meetings described, urgent decisions were made by circular resolution. On September 8, 2023, the Supervisory Board decided by circular resolution to conclude a sponsorship agreement for the XING brand for the Baller League newly founded in the fall of 2023, as well as various sports sponsorship agreements for the kununu brand.

### Audit Committee meetings

Over the last year, the Audit Committee held four meetings, specifically on February 16, March 21, September 21 and November 29, 2023. All of its members were present at all meetings. The committee reviewed the financial statements and the consolidated financial statements, discussed auditing issues and general developments in financial reporting and auditing with the auditors, and dealt with internal audit and risk management. 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 2023 annual financial statements were also discussed and decided on with the auditor of the annual financial statements. In this year, too, the Company's future non-financial reporting requirements were a focus topic for the Audit Committee.

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 two in-person meetings over the past financial year. The Committee and its members continually advised the Management Board on technology- and product-related topics outside of its in-person meetings as well. The members were also in regular contact with the members of the product and tech leadership team.

All of its members were present at the meetings. On March 21 and November 29, 2023, the Committee addressed topics relating to IT security and product technology. Product topics included the strategic direction of product development in the B2C business, with a focus being on AI topics and the use of large language models. At meetings, discussions also addressed the overall situation of the Company's tech and product organization.

### Audit of the 2023 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 2023 financial year were audited by KPMG AG, Hamburg, and issued with an unqualified auditor's report. The consolidated financial statements and combined management report of New Work SE for the 2023 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 consolidiated financial statement and the annual financial statement, including the combined 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 20, 2024 and the Supervisory Board's meeting on March 21, 2024 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, the combined management report as well as the consolidated financial statements 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 combined management report of New Work SE and the report on relations with affiliated companies during its meeting on March 21, 2024. 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 next Annual General Meeting on June 4, 2024 to distribute a dividend of around €5.6 million, or €1.00 per share.

### Corporate Governance

Pursuant to the German Corporate Governance Code, the Management Board and the Supervisory Board provide information on Corporate Governance at New Work SE on the Investor Relations section of the New Work 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 work amid the extraordinary challenges posed by the tense political and macroeconomic environment.

Hamburg, March 21 2024

**Martin Weiss**
Chairman of the 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.

## Members of the Management Board

**Petra von Strombeck**
CEO

**Ingo Chu**
CFO

**Frank Hassler**
CSO

## 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

## 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

| | |
|---|---|
| Number of shares | 5,620,435 |
| 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 |

### Basic data on the New Work SE share at a glance

| | 2023 [1] | 2022 [1] | 2021 [1] | 2020 | 2019 |
|---|---|---|---|---|---|
| XETRA closing price at year-end | €78.8 | €152.60 | €217.50 | €280.00 | €292.00 |
| High | €184.40 | €228.00 | €290.50 | €312.00 | €375.50 |
| Low | €65.00 | €115.80 | €197.00 | €164.00 | €229.00 |
| Market capitalization at year-end | €442.9 million | €857.7 million | €1,222.4 million | €1,573.7 million | €1,641 million |
| Average trading volume per day (XETRA) | 1,810 [2] | 3,538 [2] | 2,194 [2] | 4,475 | 4,696 |
| Pro forma earnings per share (diluted) | €6.90 | €8.41 | €7.66 | €6.65 | €6.37 |
| Number of shares | 5,620,435 | 5,620,435 | 5,620,435 | 5,620,435 | 5,620,435 |
| Dividend per share | €1.00 [3] | €3.16 | €2.80 | €2.59 | €2.59 |
| Special dividend per share | | €3.56 | €3.56 | | |

[1] *From continuing operations*

[2] *XETRA and Tradegate*

[3] *Proposal to the Annual General Meeting on June 4, 2024*

**Capital market and share price performance**

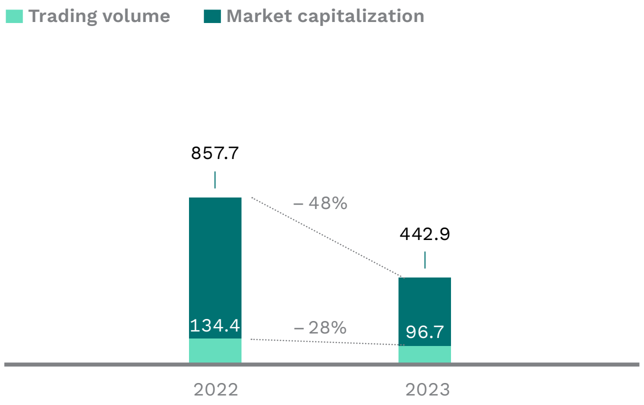
The 2023 trading year was dominated by three factors in particular: Russia's war of aggression against Ukraine, the battle to curb inflation, and rising interest rates. Against this backdrop, the European Central Bank (ECB) steadily raised the key interest rate to 4.5 percent, making fixed-income investments such as call deposit accounts and bonds significantly more attractive once again.

A banking crisis in the spring of 2023 caused Germany's DAX share index to drop to 14,600 points, an annual low it reached again in October. The turning point only came in the fall after the phrase "interest rate pause" started doing the rounds. There was even talk of potentially cutting interest rates. This prompted a turnaround for indices in the final quarter of 2023 to end the year with significant gains. As a result, the DAX rose by around 20 percent during the year, while the SDAX small-cap index where New Work shares are listed also climbed by 17 percent.

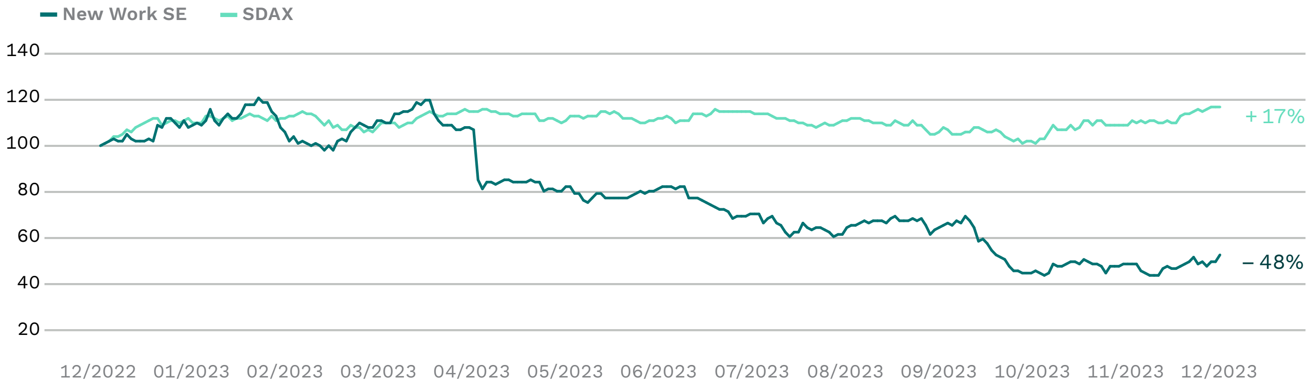
New Work shares delivered a positive performance only in the first four months of 2023. The surprising deterioration in the labor market in the first quarter of 2023 after a very strong 2022 prompted us to adjust our planning to reflect the changing market environment. As a result, we were forced to lower our guidance for 2023 in May 2023, triggering a strong price correction and ultimately resulting in a negative annual performance of 48 percent. We met the guidance for the past financial year updated in May 2023. We then presented our outlook for 2024 to the capital markets in January of the current financial year and outlined our expectations for revenue and earnings performance in 2024 in an ad-hoc release. As the macroeconomic environment remains challenging this year, we do not expect any short-term recovery in the labor market.

At the same time – and as in previous years – we expect a further decline in revenues in the B2C segment, as we no longer focus on direct monetization via paid memberships due to the reorganization of the XING platform and our focus on monetization via our HR Solutions business. We are continuing to steadily transform and reposition the XING platform from a social network to a job network, having already made significant progress in this regard. This transformation requires higher levels of investment and will adversely affect our earnings performance in the short term. Given the progress we have already made, however, we are confident that this reorganization is the right strategic choice. In January 2024, we therefore communicated pro forma EBITDA guidance of €55 – 65 million for the 2024 financial year. We are also aiming to return to historic profitability levels in the medium term with pro forma EBITDA margins of around 30 percent.

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




**Share price performance of New Work SE** in 2023 vs. SDAX



## Analyst coverage

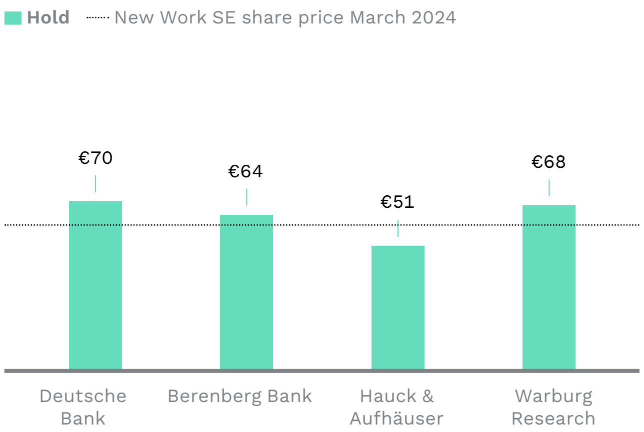
Our shares are regularly monitored by four well-known brokerage firms (coverage). As expected, lowering our guidance for 2023 in May 2023 and communicating our guidance for the 2024 financial year in January 2024 prompted these analysts to adjust their forecasts accordingly. All four brokers currently recommend holding New Work SE shares.

## Shareholder structure of New Work SE

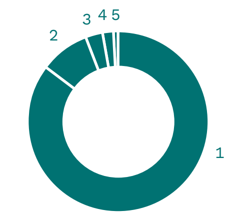
The shareholder structure of New Work SE has changed considerably in the past 12 months, with the proportion of German investors rising from 79.8 percent to 85.4 percent. This expansion of the shareholder base in Germany has largely been accompanied by a decline in the United Kingdom. Our largest US investor, Invesco, increased its shareholding to over 5 percent during the past financial year. The largest shareholder is still Burda Digital with 50.2 percent.

Our information on voting shares is based on the voting rights notifications passed onto us by our shareholders.

### **Analyst recommendation and fair value** in March 2024

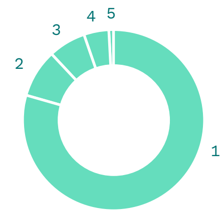



### **Geographical distribution of investors** in March 2024



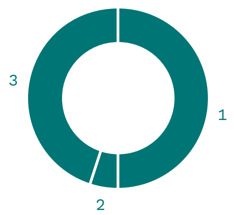

| | |
|---|---|
| 1 — Germany (incl. Burda 50.2%) | 85.4% |
| 2 — USA and Canada | 9.0% |
| 3 — Europe (not incl. Germany and the United Kingdom) | 2.9% |
| 4 — United Kingdom | 1.9% |
| 5 — Rest of the world | 0.8% |

### **Geographical distribution of investors** in March 2023



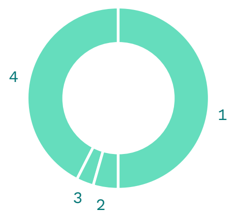

| | |
|---|---|
| 1 — Germany (50.2% Burda Digital SE) | 79.8% |
| 2 — USA and Canada | 8.5% |
| 3 — Europa (not incl. Germany and the United Kingdom) | 6.6% |
| 4 — United Kingdom | 4.5% |
| 5 — Rest of the world | 0.7% |

### **Shareholder structure of New Work SE** in March 2024




| | |
|---|---|
| 1 — Burda Digital SE (GER) | 50.2% |
| 2 — Invesco (US) | 5.0% |
| 3 — Other Investors | 45.0% |

### **Shareholder structure of New Work SE** in March 2023




| | |
|---|---|
| 1 — Burda Digital SE (GER) | 50.2% |
| 2 — Invesco (US) | 4.4% |
| 3 — Allianz Global Investors (GER) | 3.0% |
| 6 — Other investors | 42.4% |

## IR activities

Having resumed face-to-face meetings and discussions with investors in 2022, the Management Board and Investor Relations manager of New Work SE maintained its dialog with the capital markets during the 2023 reporting year. This communication primarily focused on the repositioning of the XING platform from a social network to a job network. We were also forced to lower our pro forma EBITDA guidance from its original range of €108 – 111 million to €92 – 100 million in May 2023 due to the labor market's surprisingly rapid deterioration in the first quarter of 2023. As a result, macroeconomic issues dominated our discussions with investors for the rest of the year, as these factors influence a large part of our core business. Despite challenging environmental conditions and subdued demand for digital recruiting solutions in particular, we look forward to continuing our dialog with existing and potential investors in the 2024 financial year. We are confident that a recovery in labor demand will trigger an acceleration in our growth.

## Annual General Meeting

Our Annual General Meeting was held as an in-person event again for the first time on May 24, 2023, as we welcomed around 50 shareholders and shareholder representatives to our NEW WORK Harbour business premises in Hamburg's HafenCity. Our CEO Petra von Strombeck and CFO Ingo Chu presented developments from the 2022 financial year as well as the first quarter of 2023.

As in previous years, almost all shareholders (90 percent) and their voting rights were represented at the meeting. All of the agenda items – including the distribution of a regular dividend of €3.16 per share as well as a special dividend of €3.56 per share – were accepted and adopted.

For the upcoming Annual General Meeting on June 4, 2024, the Management Board has decided to recommend that the Annual General Meeting reduce the dividend to €1.00. This was already announced in January 2024 when we communicated our outlook and pro forma EBITDA guidance for the 2024 financial year. We are reducing our regular dividend due to the planned decline in revenues in 2024. The Management Board also decided to make additional marketing investments in reorganizing the XING platform in 2024. The Group-wide restructuring program and associated non-recurring expenses for severance payments will also significantly reduce our distributable earnings according to the German Commercial Code (HGB). We plan to return to our previous dividend policy as soon as we return to pre-restructuring profitability levels.

From April 2024, shareholders can obtain further information as well as the invitation and agenda for the upcoming Annual General Meeting in June 2024 at → **https://www.new-work.se/en/investor-relations/annual-general-meetings**.

## Our investor relations media channels

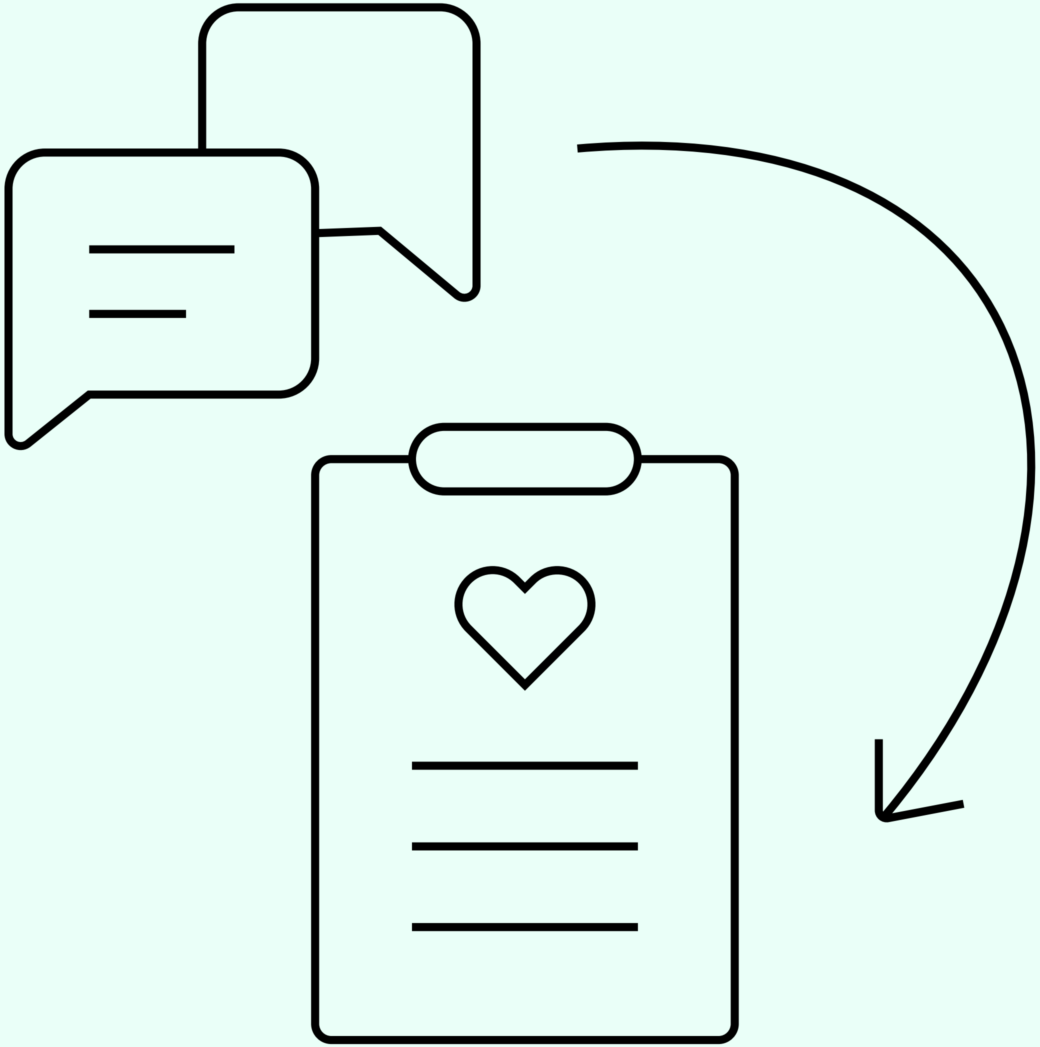
→ **https://www.new-work.se/en/investor-relations**
(IR website of New Work SE)

**X: 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
Germany
Phone: + 49 40 41 91 31 – 793
Fax: + 49 40 41 91 31 – 44

E-mail: ir@new-work.se



# 02 Two strong pillars

XING and kununu are the backbone of our company. Offering innovative products that reach a wide target audience, these platforms meet all the requirements of the labor market.

# Focusing on the “perfect match”

## XING’s transformation to a job network makes it a state-of-the-art marketplace for applicants and businesses

Standing still is not an option in a changing world. Being willing to change the very core of what you do when necessary is fundamental to commercial success. This is why our flagship brand XING is undergoing a decisive transformation from a general professional network to a specialist job network. Together with our focus on XING and kununu, this marks a crucial step towards meeting the current and future demands of the labor market.

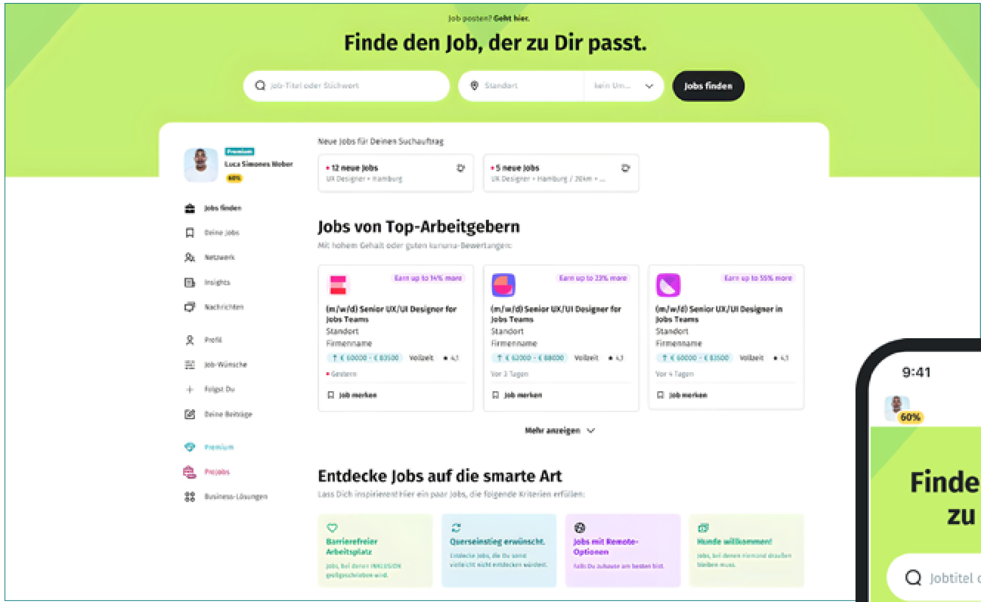
We do not see this as a forced repositioning but as a consistent, positive shift in our corporate strategy that aims to improve how people shape their careers and how companies find talent. As well as reflecting current requirements and trends, this move also positions us as pioneers in a dynamic and developing recruiting environment.

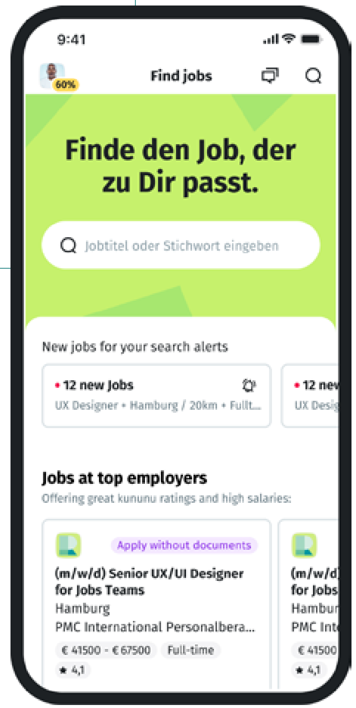


**Eye-catcher:** The current XING advertising campaign is captivating and perfectly tailored to its new audience.

Why did we decide to go ahead with this strategic change? The latest figures speak for themselves. Despite economic uncertainty and global crises, German employees still demonstrate the remarkable attitude they have shown consistently for several years. 37 percent of workers in Germany can imagine changing jobs, with this figure close to 50 percent among the younger generation. This willingness to change exists in a labor market dominated by demographic shifts and a shortage of skilled workers. The German economy could have a shortage of at least three million workers by 2035. With so much demand on both sides, making search processes more efficient and focused for both applicants and companies is vital.

Thomas Kindler, Managing Director of XING, is also quick to stress the importance of this realignment: “The current labor market is favorable for employees, with plenty of vacancies but not enough workers to fill them. The situation and attitudes of the target groups being courted is changing as a result. As a job network, our aim is to help them find the perfect job.” Our redesigned XING app and homepage already offer tailored individual job suggestions at first glance as well as the opportunity to enter personalized job preferences. These new features improve our users’ chances of finding a job that really suits them by up to 70 percent. The significant upturns in all relevant aspects of user behavior suggest that these changes have been well received, with the number of applications to “Top Paid Postings” sent via the XING platform rising by around 180 percent year-on-year in 2023.




**Focused:** The revamped XING website, like the XING app, offers the user a quick overview of interesting job offers.

> *“The current labor market is favorable for employees, with plenty of vacancies but not enough workers to fill them.”*
>
> **Thomas Kindler,** Managing Director of XING

The need for action is just as great on the other side of the job market as companies search for skilled professionals against an unrelenting backdrop of demographic change, with recent studies predicting that recruiting will pick up again as early as the second half of 2024. This is another reason why we firmly believe that we need to continue consistently expanding our range of products and services in this area.

Our work in this area is shaped by a number of challenges. First and foremost, it is crucial in a labor market that favors employees to consolidate all vacancies on a single marketplace. Only by doing this we can offer applicants the best possible choice and ensure that they find the right job.

Secondly, we need as many recruiters as possible on our platform who actively reach out to candidates, as applicants' desire to be contacted in a targeted way will increase even further going forward.

Thirdly, candidates now specifically look to gain insights into companies such as information about their corporate culture or salaries, as applicants no longer simply want any job but one that genuinely suits them. We must ensure that we can offer them this information.

Fourthly, candidates need a network on which to interact with others and gather information about specific companies. It is important that they have the opportunity to learn more about the working conditions at a company first hand.

The fifth challenge is to maintain a dialog with applicants about the things that personally matter to them when searching for a job, such as the option to work from home. It is vital that we also understand what applicants are looking for in the context of our corporate customers and adapt our products accordingly.

If XING is to continue becoming more relevant, it is essential that we use our products and services to respond appropriately to these challenges. After all, we have built up numerous assets not just in 2023 but over the past 20 years that set us apart from our competitors in a changing market. Our most important assignment is to use these attributes to keep aligning our products with the needs of applicants.

# Valuable insights

Jobseekers are looking for transparency and companies are scoring points for authenticity. This is precisely why kununu's wealth of data and deep insights make it a leading partner to both sides of the modern recruiting equation.

**Recognized for excellence:** More and more companies value and use the feedback from their employees provided on kununu.

*"The age of receiving hundreds of applications for each open position is over. Employees can now choose the job they want, and to do that they need detailed information about companies in advance."*

**Nina Zimmermann,** CEO of kununu

Deciding in favor of or against a particular employer is about more than just finding a job. In many cases, it can shape a significant period of an employee's life. It is a decision that needs to be carefully thought out and made with the most precise facts and information possible.

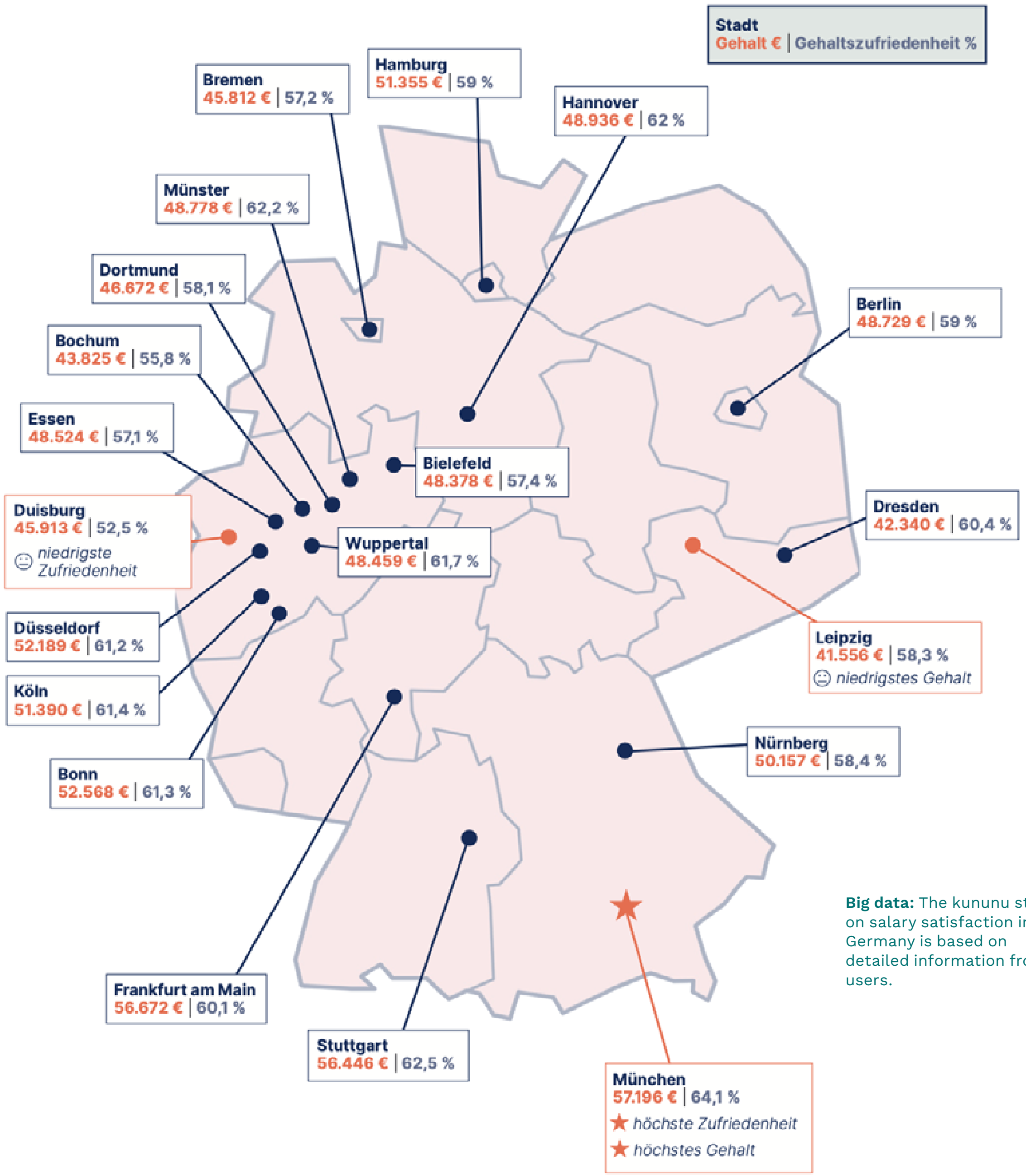
Yet just a few years ago, this information was difficult or even impossible to obtain. Companies were like black boxes, only giving away anything about their inner workings once an applicant became an employee. While many firms still remain guarded during the recruiting process, in doing so they are ignoring an increasingly standard demand for information among jobseekers in recent years, particularly for younger generations. Studies show that more than 70 percent of jobseekers now use application portals to learn more about potential employers.

What's more, they take this information very seriously. Companies with low ratings are often filtered out in the first stage of the process, while one in two candidates decides not to proceed with an application if the ratings are not consistent with a potential employer's public image. These fundamental changes in the application process, with its quest for transparency and authenticity, reflect a labor market in which applicants can be more selective and place an ever-greater emphasis on finding a job that really suits them.

In recent years, our kununu brand has established itself as a major and leading platform in the German-speaking region that is very important for jobseekers.

kununu now provides detailed insights into more than 350,000 companies, including information on their corporate culture, working atmosphere and employee satisfaction. This information is exceptionally valuable in an age where finding a fit between a company's values and an employee's personal convictions is increasingly important, making kununu an essential tool for jobseeking and career planning.

"Although the labor market is currently favorable for employees, many companies have yet to understand that," explained Nina Zimmermann, CEO of kununu. "The age of receiving hundreds of applications for each open position is over. Employees can now choose the job they want, and to do that they need detailed information about companies in advance."




**Big data:** The kununu study on salary satisfaction in Germany is based on detailed information from users.

> *"Although the labor market is currently favorable for employees, many companies have yet to understand that."*
>
> **Nina Zimmermann,** CEO of kununu

Effective communication within a company, flexibility over working hours and locations, and a positive leadership culture are three of the most important factors that make an employer attractive to jobseekers. Good ratings in these areas can decisively influence whether or not someone applies for a vacancy.

The average rating of companies across all of the 13 criteria is 3.69 out of 5 stars, which demonstrates that the ratings provide a balanced picture of an employer. The additional justification provided by reviewers gives users even more detail.

This data, consisting of more than 10 million "workplace insights" is a veritable treasure trove of information that also provides the basis for the extensive studies kununu regularly publishes in partnership with research institutes. kununu's annual "salary checks" and "satisfaction checks" offer a valuable overview of the employment market landscape, as does the Most Wanted Employer award presented by kununu in collaboration with the ZEIT weekly newspaper.

The extent to which having a positive kununu rating is now vital for employers is evident from the experience of those businesses who have been granted kununu's prestigious Top Company seal. They receive almost 20 percent more applications on average than the overall market. Incidentally, only five percent of companies qualify for this seal by achieving outstanding ratings.

Application portals are part of the "new normal" in the world of work, with companies increasingly recognizing their advantages. Ratings on the platform give them feedback from current and former employees, providing them with an insight into strengths and areas for improvement within their own corporate culture.


**Coveted:** The kununu "Most wanted Employer" award, presented jointly with ZEIT, is also "most wanted" among companies.

In an age where skilled workers are scarce and employer branding is becoming increasingly significant, it is vital for companies to build a strong and positive employer brand to help them attract and retain talented professionals.

Companies are even increasingly viewing the challenges of negative ratings as an opportunity for improvement. Recommending that companies create transparency both internally and externally is an important approach to take. Companies that are open to criticism and the desire for change and actively respond to their ratings show their willingness to keep developing and, in doing so, can increase employee satisfaction and foster a positive public image. This is also an important asset for a successful corporate strategy.

Together with XING, where kununu ratings are increasingly used on the job market, we present a 360-degree approach that perfectly meets the needs of all participants in the labor market, from jobseekers to employers.

02

# Combined management report

**for the financial year from January 1 to December 31, 2023**

This report combines the management report of the New Work Group, consisting of New Work SE and its consolidated subsidiaries, and the management report of New Work SE. Unless stated otherwise, the name New Work SE hereinafter refers to the New Work SE Group.

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# 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. 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 use our recruiting and employer branding products and services to position 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 HR Solutions & Talent Access 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 the members and visitors of our end customer destinations kununu and XING to find the right job and the right employer, thus supporting professionals in living happier, more satisfying working lives.

We have also identified several areas where using artificial intelligence (AI) will help us to implement our existing strategy. We will use AI to enhance our existing B2C and B2B products and services and provide our users and customers with significantly better recommendations based on our data, for example. Using AI will also enable us to develop completely new products and services. We are already using AI to make efficiency improvements in areas such as software development.

We bring both key target groups (B2C and B2B) together via the kununu and XING marketplaces under the umbrella of the New Work Group.

For example, more than 22 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 XING's current repositioning as a job network. Job searches are at the heart of this strategic realignment, with jobseekers able to visit XING Jobs in an accessible way without needing to register.

Access to talent via the XING platform is primarily monetized by selling digital recruiting solutions to businesses. This gives employers, HR consultants and recruitment agencies access to more than 22 million potential candidates 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.

New Work SE has another marketplace in the **kununu platform** that brings professionals and employers together outside the XING platform. This platform gives professionals guidance in their search for new job prospects or employers that are a better fit for their own values and requirements. kununu has also gathered several million pieces of salary data for more than 2,000 different jobs in recent years, which means it can also help professionals to optimize their current or potential salary as much as possible.

In turn, companies can use kununu's digital employer branding solutions to present themselves as attractive employers and thus arouse or boost the interest of potential candidates. Especially amid the existing labor shortage, more and more employers rely on a paid kununu employer branding profile to increase their visibility among potential candidates.

We also generate additional revenues by marketing advertising space on the B2C destinations XING and kununu. These revenues are allocated to 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 22 million members and hundreds of thousand employers reviewed.

Our digital employer branding and recruiting solutions also help more than 14,000 companies to enhance their visibility as employers and to fill vacancies with the best possible candidates.

## Business models and internal management system

The core **HR Solutions & Talent Access** segment combines all products for employers looking for access to talent and all products for employees that enable employers to access that talent. This service is monetized through the development, marketing and sale of digital employer branding and recruitment solutions. The costs for accessing talent via the XING and kununu platforms are shown together with the B2B revenues generated from this business.

In the **B2C** operating segment, we report on business with the B2C Premium Memberships and InterNations products, which primarily consists of paid memberships. However, our focus on broad access to talent and monetization via B2B products and services means that monetizing via paid memberships is not part of our strategic focus.

In the **B2B Marketing Solutions** operating segment, we generate revenues by marketing advertising space on the XING platform.

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

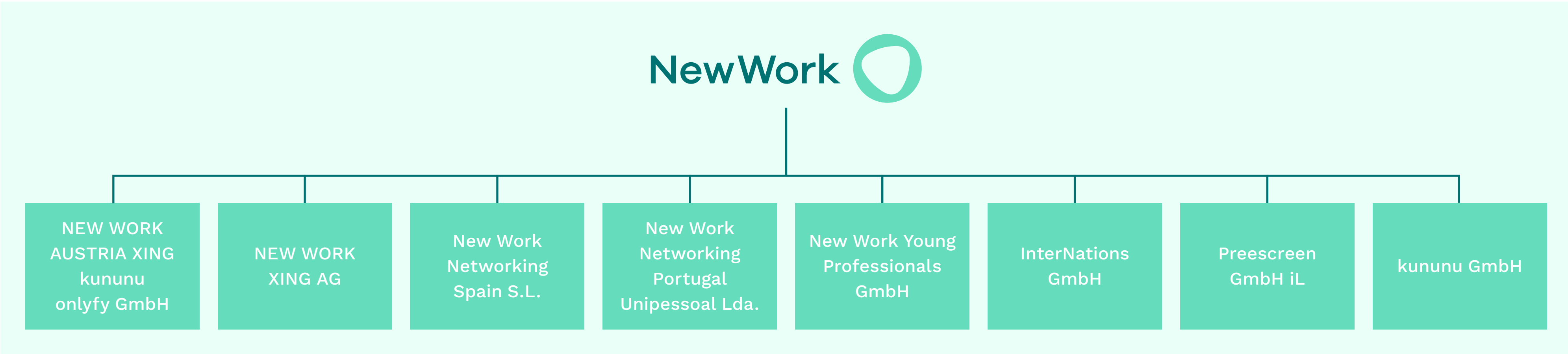
- 1. HR Solutions & Talent Access
- 2. B2C
- 3. B2B Marketing Solutions

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 |
|---|---|---|---|
| **HR Solutions & Talent Access** | Employers/businesses | job ads | Fee per ad |
| | | TalentManager | Annual fee |
| | | kununu Top Company seal | |
| | | onlyfy 360 | |
| | | onlyfy one | |
| | | Employer branding profile | |
| | | TalentService | Fixed fee per search |
| | | Honeypot[1] | Variable and fixed annual fee |
| | Employees/professionals | XING network | Monetization via B2B offers |
| | | kununu platform | |
| **B2C** | Professionals, freelancers, self-employed individuals | Premium membership<br>ProJobs membership | 3- or 12-month fee |
| | Expatriates | InterNations | |
| **B2B Marketing Solutions** | Businesses/advertisers | Native advertising formats | CPC (cost per click)/ CPM (cost per million) |
| | | Video advertising formats | |
| | | Content advertising formats | |
| | | Sponsored mailings | |
| | | Audience network | |

[1] *will be discontinued in 2024*

## Organizational structure of the Group




In the past financial year, New Work SE had a total of eight active investments in companies in and outside Germany. All investees are controlled by New Work SE and are therefore fully consolidated in New Work SE's consolidated financial statements. kununu GmbH was founded in the reporting period. XING Events GmbH and Honeypot GmbH were merged into New Work SE in the reporting period. The liquidation of Prescreen GmbH 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 the financial performance indicators pro forma revenues (per segment) and segment pro forma EBITDA (per segment). The key performance indicators reported in accordance with IFRSs in the consolidated statement of comprehensive income (revenues and EBITDA) in some cases include non-recurring effects. In the combined 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.

## Reconciliation of pro forma income statement and key performance indicators 2023

| in € million | P&L unadjusted 01/01/2023 – 12/31/2023 | Remeasurement of non-operating financial instruments | Restructuring expenses | P&L pro forma 01/01/2023 – 12/31/2023 | P&L pro forma 01/01/2022 – 12/31/2022 | Change in % | Change abs. |
|---|---|---|---|---|---|---|---|
| **Revenues** | **305.6** | **0.0** | **0.0** | **305.6** | **313.4** | **– 2** | **– 7.8** |
| Other operating income | 4.1 | | 0.0 | 4.1 | 3.0 | 36 | 1.1 |
| Other own work capitalized | 24.1 | 0.0 | 0.0 | 24.1 | 20.7 | 16 | 3.3 |
| Personnel expenses | – 152.5 | 0.0 | 3.6 | – 148.9 | – 144.6 | 3 | – 4.3 |
| Marketing expenses | – 43.4 | 0.0 | 0.0 | – 43.4 | – 39.0 | 11 | – 4.5 |
| Other operating expenses | – 42.5 | 0.0 | 0.6 | – 41.9 | – 47.2 | – 11 | 5.4 |
| Impairment losses on financial assets and contract assets | – 2.5 | 0.0 | 0.0 | – 2.5 | – 2.2 | 13 | – 0.3 |
| **EBITDA** | **92.9** | **0.0** | **4.2** | **97.1** | **104.1** | **– 7** | **– 7.0** |
| Depreciation, amortization and impairment losses | – 44.1 | 0.0 | 0.0 | – 44.1 | – 37.9 | 16 | – 6.1 |
| **EBIT** | **48.8** | **0.0** | **4.2** | **53.0** | **66.2** | **– 20** | **– 13.2** |
| Financial result | 2.2 | – 1.3 | 0.0 | 0.9 | – 1.1 | – 182 | 2.0 |
| **EBT** | **51.0** | **– 1.3** | **4.2** | **53.9** | **65.1** | **– 17** | **– 11.2** |
| Taxes | – 14.2 | 0.2 | – 1.1 | – 15.1 | – 17.9 | – 15 | 2.8 |
| **Consolidated net profit** | **36.9** | **– 1.1** | **3.1** | **38.8** | **47.3** | **– 18** | **– 8.5** |
| **Earnings per share in €** | **6.56** | **– 0.2** | **0.6** | **6.90** | **8.41** | **– 18** | **– 1.5** |

### Reconciliation of pro forma income statement and key performance indicators 2022

| in € million | **P&L unadjusted 01/01/2022 – 12/31/2022** | Remeasurement of non-operating financial instruments | **P&L pro forma 01/01/2022 – 12/31/2022** |
|---|---|---|---|
| **Revenues** | **313.4** | **0.0** | **313.4** |
| Other operating income | 3.0 | 0.0 | 3.0 |
| Other own work capitalized | 20.7 | 0.0 | 20.7 |
| Personnel expenses | – 144.6 | 0.0 | – 144.6 |
| Marketing expenses | – 39.0 | 0.0 | – 39.0 |
| Other operating expenses | – 47.2 | 0.0 | – 47.2 |
| Impairment losses on financial assets and contract assets | – 2.2 | 0.0 | – 2.2 |
| **EBITDA** | **104.1** | **0.0** | **104.1** |
| Depreciation, amortization and impairment losses | – 37.9 | 0.0 | – 37.9 |
| **EBIT** | **66.2** | **0.0** | **66.2** |
| Financial result | – 2.8 | 1.7 | – 1.1 |
| **EBT** | **63.4** | **1.7** | **65.1** |
| Taxes | – 17.3 | – 0.6 | – 17.9 |
| **Consolidated net profit** | **46.1** | **1.2** | **47.3** |
| | | | |
| **Earnings per share in €** | **8.20** | **0.21** | **8.41** |

### Non-financial key performance indicators

We employ two non-financial key performance indicators:

- 1. XING members
- 2. Number of corporate subscription customers in the HR Solutions & Talent Access segment

The two key performance indicators are used in the two main segments HR Solutions & Talent Access and B2C.

# Comparison of outlook for 2023 with actual development in financial year 2023

## Financial key performance indicators

### Revenue and earnings targets

When publishing our Q1 report in May 2023, we lowered the guidance for pro forma revenues and pro forma consolidated EBITDA issued in the 2022 Annual Report due to factors including reduced demand for recruiting solutions triggered by the weak market situation. We then met our updated guidance for 2023.

The previous year's forecasts, changes and target achievements of the Group and the individual segments are shown in detail in the following table:

| Financial key performance indicators (Annual Report 2022) | Forecast for 2023 (Annual Report 2022) | Updated 2023 (Q1 Report 2023) | Updated 2023 (Half-year Report 2023) | Actual for 2023 |
|---|---|---|---|---|
| **Group** | | | | |
| Pro forma consolidated revenues | Single-digit percentage growth | **At prior-year level** | No update | – 2% |
| Pro forma consolidated EBITDA | Single-digit percentage growth | **€92– 100 million** | No update | €97.1 million |
| **Segments** | | | | |
| Pro forma revenues, HR Solutions & Talent Access segment | Low double-digit percentage growth | No update | **Single-digit percentage growth** | + 5% |
| Pro forma EBITDA, HR Solutions & Talent Access segment | Low double-digit percentage growth | No update | **At prior-year level** | – 6% |
| Pro forma revenues, B2C segment | Low double-digit percentage decrease | No update | No update | – 17% |
| Pro forma EBITDA, B2C segment | Low double-digit percentage decrease | No update | No update | – 18% |
| Pro forma revenues, B2B Marketing Solutions segment | Single-digit percentage growth | No update | **Low double-digit percentage decrease** | – 17% |
| Pro forma EBITDA, B2C segment | Low to medium double-digit percentage growth | No update | **Mid double-digit percentage decrease** | – 30% |

### Dividend, liquidity and financial targets

We have been pursuing a steady and sustainable dividend policy ever since we began making dividend payments in 2012. Overall, we have already distributed more than €41 per share or more than €230 million to our shareholders in the form of regular and special dividends. Accordingly, in 2023 the Annual General Meeting again followed the joint proposal of the Management Board and Supervisory Board and resolved a regular dividend of €3.16 (2022: €2.80) and a special dividend of €3.56 per no-par value share carrying dividend rights.

New Work SE's business model is fundamentally very cash-generative. However, 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. In January 2024, we published our guidance for financial year 2024 and an outlook until 2026. This guidance includes a planned decline in both revenues and earnings. The drop in earnings is attributable to the fall in revenues, increased investment in XING's ongoing repositioning as a job network, and the further expansion of kununu. New Work SE's accounting profit is also adversely impacted by non-recurring restructuring expenses associated with a significant three-figure reduction in headcount. This reduces New Work SE's ability to distribute a dividend. With this in mind, the Management Board announced on January 11, 2024 that it proposes to temporarily distribute a reduced regular dividend of at least €1 per share until the Group returns to pre-restructuring profitability levels. The Management Board is aiming to return to its previous dividend practice in the medium term.

### Capital expenditures

After an investment volume (CAPEX, excl. M&A transactions) of €28.4 million in 2022, we invested €27.6 million in financial year 2023. As in previous years, capital expenditure was concentrated on internally developed software, amounting to €24.1 million (2022: €21.2 million). The slight increase in investments in internally developed software is mainly due to the increase in development services resulting from the repositioning of XING and the expansion of the kununu product range.

### Non-financial key performance indicators

In our non-financial key performance indicators, we reached our target for members registered on the XING platform. Due to the deteriorating situation in the market and resulting drop in demand for recruiting solutions, we lowered our target for B2B subscription customers when publishing our Q2 report in 2023. We achieved the updated target in 2023.

| Non-financial key performance indicators | Forecast for 2023 (Annual Report 2022) | Updated 2023 (Q1 Report 2023) | Updated 2023 (Half-year Report 2023) | Actual for 2023 |
|---|---|---|---|---|
| Members in the D-A-CH region | Single-digit percentage growth | No update | No update | + 3% |
| Number of subscription-based corporate customers (B2B) | Low double-digit percentage growth | No update | At prior-year level | – 2% |

The forecast in terms of all financial and non-financial key performance indicators for the 2024 financial year is explained in detail in the report on opportunities and risks.

## Corporate Social Responsibility (CSR) [1]

### 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:

- Governance
- Employees
- Products and Services
- Environment
- Society

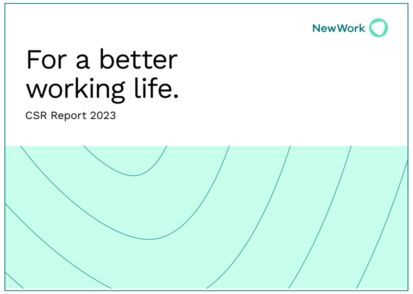
Of these five focus areas, the Governance action area is the cornerstone for our sustainable and responsible practices as part of good governance. We present topics such as laws, policies and compliance as well as our taxonomy-eligible and taxonomy-aligned business activities in a transparent way. The 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) contribute to our corporate vision "for a better working life" and position us for a modern, digital world of work. Even as a non-manufacturing company, preserving the environment and protecting the climate is the focus of our actions. We attach great importance to the responsible use of resources when providing our services.

[1] *unaudited part of the management report*

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:

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

→ CSR Report 2023




The review of our material topics and risks in the reporting period did not result in any changes, as no additional economic activities were identified.

Our CSR Strategy 2025 and the extent to which we have reached our sustainability goals are presented in detail in the latest 2023 CSR Report, which is being published at the same time as the Annual Report at the end of the first quarter of 2024.

## Our strategic action areas and material topics

**Employees**
- Working conditions
- Occupational health and safety
- Human resources development
- Diversity and equal opportunities

**Products and Services**
- Product development and promise
- Information security
- Personal rights and informational self-determination

**Environment**
- Energy and emissions
- Environmental impacts in the supply chain

**Society**
- Contribution to the community

**Foundation: Governance**

## 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 2023 CSR report (Non-financial statement pursuant to Section 315b HGB) which is available at:

**→ https://www.new-work.se/en/investor-relations/corporate-governance**

## Employees

As of December 31, 2023, the New Work Group had 1,542 employees (FTEs) including three Management Board members. This compares to a workforce of 1,887 FTEs as of the end of 2022. On January 11, 2024, we informed the capital market that we would reduce full-time equivalents (FTE) by a significant three-digit number in 2024 as part of the Group restructuring and focusing on the XING and kununu brands.

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

### Macroeconomic environment

In 2023, the global economy faced challenges from the aftermath of the pandemic, significant geopolitical tensions and the ongoing repercussions of the war in Ukraine as well as the sanctions introduced in response to the conflict and the subsequent rise in inflation. While there were regional differences in each national economy's recovery depending on their degree of influence, recovery was generally quite slow. In January 2024, the IMF initially calculated global growth of 3.1 percent for 2023, well below the long-term average of 3.8 percent.

After the rate of inflation rose to 8.8 percent in 2022 according to IMF data, interest rate hikes by major central banks pushed back these price rises in most regions of the world during 2023, with global inflation falling more sharply than expected to 6.8 percent. In the course of this development, the US economy also expanded by 2.5 percent year-on-year and became an important pillar of growth thanks to its economic clout. After overcoming coronavirus lockdown and despite emerging economic risks, China also helped drive growth once more with a rise of 5.2 percent in 2023.

**Economic growth (real GDP) and inflation rate**

| | Growth rate | | Inflation rate | |
|---|---|---|---|---|
| in % vs. prior year | 2023 | 2022 | 2023 | 2022 |
| World | 3.1 | 3.2 | 6.8 | 8.8 |
| USA | 2.5 | 1.6 | 4.1 | 8.0 |
| Eurozone | 0.5 | 3.1 | 5.6 | 8.4 |
| Germany | – 0.3 | 1.5 | 5.9 | 8.7 |
| Japan | 1.9 | 1.7 | 3.2 | 2.5 |
| China | 5.2 | 3.2 | 0.7 | 1.9 |
| Russia | 3.0 | – 3.4 | 5.3 | 13.8 |

*Source: IWF*

The eurozone lagged behind the world's industrial regions with growth of just 0.5 percent. This reflected the poor state of the German economy, where the year was characterized by a 0.3 percent decline in gross national product.

This trend corresponds with the clouded mood in the German economy at the end of the year. The ifo Business Climate Index was down on the previous year at 86.4 points (2022: 88.6 points). One major contributor to this development was the construction industry, which estimates that its economic situation is worse than at any time since 2005.

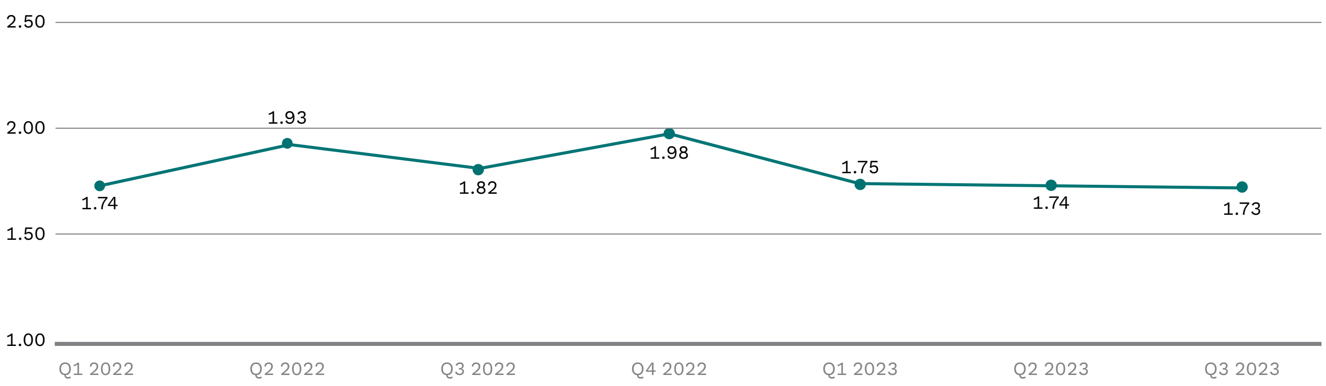
By contrast, there is cautious optimism about the inflation trend in Germany. According to German Federal Statistical Office data, inflation was below the comparable figure for 2022 at 5.9 percent. This was due in particular to government relief measures in the energy sector, while on the other hand food prices increased markedly.

Equity markets, especially in the USA, were swept up in the euphoria surrounding the 'Magnificent Seven', the seven US high-tech giants at the heart of recent AI hype. These stocks achieved returns of more than 100 percent in 2023 and helped the MSCI AC World Index climb by 21.6 percent. After recording highly volatile and uncertain share price performance in a challenging economic environment, the DAX managed to finish the year up 19.7 percent thanks to a year-end rally.

**Sector-specific environment**

The weak economy in Germany also impacted the labor market in 2023, with unemployment and underemployment both rising sharply on an annual average basis and demand for new employees declining noticeably. After the number of vacancies rose to a historic high of 1.98 million at the end of the fourth quarter of 2022 (according to the Institute for Employment Research, or IAB), the picture deteriorated to a surprising extent in the next quarter (Q1 2023), falling to just 1.75 million vacant positions. The number of vacancies then declined further over the next few quarters to reach 1.73 million in the third quarter of 2023, a drop of 13 percent compared to the fourth quarter of 2022. At the same time, the number of unemployed people rose slightly to 2.6 million for an unemployment rate of 5.7 percent (previous year: 5.3 percent). Despite the slowdown in the labor market, the number of employed people still recorded a modest increase to 46.2 million over the course of the year.

**Development of unfilled vacancies (IAB)** in million

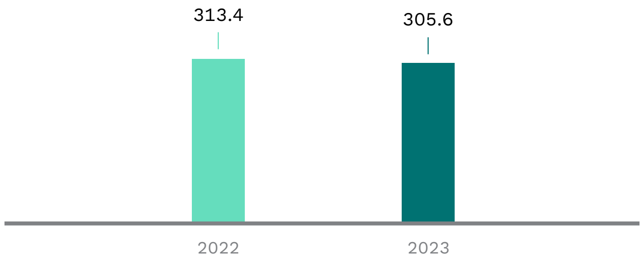



The Austrian economy also slipped into a recession in 2023, with the Austrian National Bank calculating that GDP fell by 0.7 percent due to lower investments and restrained consumption. As in Germany, this also had an impact on the labor market and pushed the ILO unemployment rate from 4.8 percent to 5.3 percent. In Switzerland, however, key economic figures remained stable with an ILO unemployment rate of 4.1 percent.

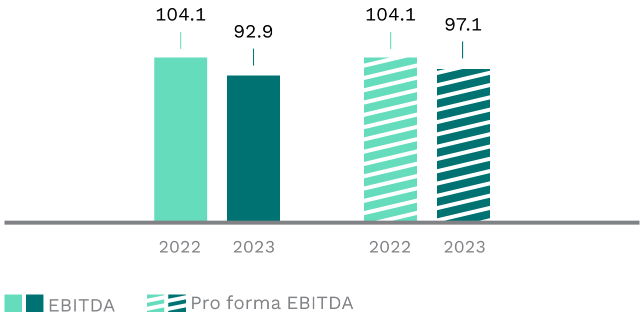
Unemployment in the D-A-CH region remained some way off the 2023 unemployment rate in the EU which, at 6.5 percent, was adversely affected by the challenging situation in labor markets in Spain, Portugal, Italy and France in particular.

## Results of operations in the Group

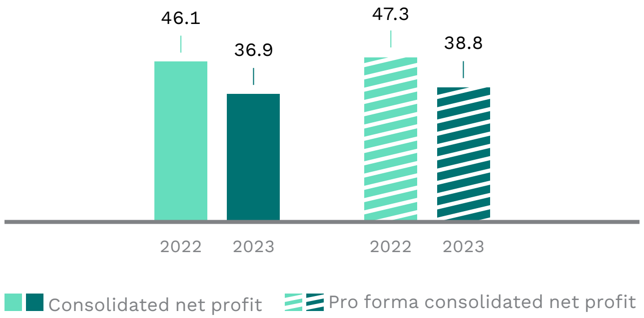
**Revenues** in € million



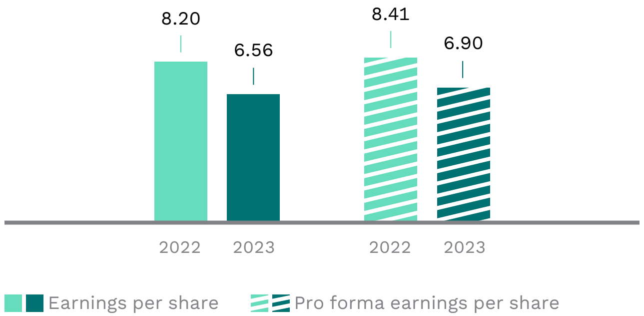

**EBITDA** in € million




**Consolidated net profit** in € million




**Earnings per share** in €




**Note:** Pro forma: Adjustments mainly comprise non-recurring restructuring expenses and one-time effects from the remeasurement of non-operating financial instruments.

Pro forma consolidated revenues and consolidated revenues are identical.

### Revenues

Following dynamic growth in 2022, financial year 2023 got off to a very subdued start. The deteriorating economic conditions very considerably reduced the level of demand for talent. In particular, they adversely impacted our business selling digital recruitment services (passive & active). Moreover, as has been the case in previous years, B2C segment sales declined as planned due to the strategic decision to reposition XING as a job network while deprioritizing B2C monetization. The employer branding business based on kununu achieved significant revenue growth. At €305.6 million, consolidated revenues roughly matched the previous year's level of €313.4 million.

### Other operating income

Other operating income increased by €1.1 million year-on-year, from €3.0 million to €4.1 million. This growth is attributable, in particular, to reversals of impairment losses on leasehold improvements in the amount of €0.7 million, as a result of a sublease agreement for rental space which was signed in the financial year. In addition, as in the previous year this item mainly consists of income from currency translation and various prior-period income.

### Own work capitalized

At €24.1 million, own work capitalized in the past financial year was up 16 percent year-on-year. This was due to an increased volume of development work in connection with XING's repositioning. This item is composed of personnel expenses and freelancer costs and allocable ancillary costs.

### Personnel expenses

The increase in personnel expenses is attributable to salary increases as well as one-off expenses for termination benefits (€3.6 million) – which the pro forma profit has been adjusted for – in connection with the realignment of the XING platform and the consolidation of business units. At the same time, we have pursued a considerably more active cost management strategy to lessen the impact on the cost side of the slowdown in revenue growth which has been apparent since the start of 2023. Personnel expenses increased from €144.6 million to €152.5 million. The personnel expenses ratio (personnel expenses/revenues) is 50 percent and thus slightly higher than in the previous year (46 percent). Excluding the termination benefits (which the pro forma profit has been adjusted for), the personnel expense ratio is 49 percent.

### Marketing expenses

With the start of our realignment of the XING platform from a social network for professionals to a job network, we have significantly increased spending on brand marketing in particular to enhance external awareness of XING's new positioning by means of targeted branding activities. In addition, we have stepped up our investments which aim to boost the performance of job advertisements for our HR clients. We also achieved marketing efficiency gains which have helped us to respond to the weaker revenue trend. As a result, marketing expenses increased by 11 percent from €39.0 million to €43.4 million in the reporting period. As planned, the marketing expenses ratio at 14 percent is higher than the prior-year figure of 12 percent.

### Other operating expenses

Other operating expenses fell by 10 percent in the reporting period, from €47.2 million to €42.5 million. This decline is mainly attributable to significantly stronger cost management in financial year 2023 – triggered by weaker demand for recruitment solutions as a result of the deterioration in the market environment. Savings were achieved in particular in the areas of IT and other services (€– 7.0 million year-on-year) and travel, entertainment and other business expenses (€– 1.5 million year-on-year). There was also a non-recurring negative effect of €0.6 million in financial year 2023 for external consulting services in connection with the corporate restructuring process. At 14 percent, the expense ratio is therefore slightly lower than in the previous year (2022: 15 percent).

### Impairment loss on financial assets

In the past financial year, impairment losses amounted to €2.5 million compared with €2.2 million in the previous year. The slight increase of €0.3 million is mainly due to an increase of €0.2 million in loss allowances on receivables from services.

### EBITDA

Net of all expenses, the operating result (EBITDA) is €92.9 million. This represents an 11 percent decrease on 2022 (€104.1 million). However, compared to the previous year EBITDA in 2023 has been adversely affected by around €4.2 million in non-recurring restructuring expenses. Without these non-recurring effects, pro forma EBITDA in financial year 2023 amounts to €97.1 million, compared to €104.1 million in the previous year, and is thus within the guidance range (updated in May 2023) of €92 – 100 million.

### Depreciation, amortization and impairment losses

Depreciation, amortization and impairment losses rose by 16 percent, from €37.9 million in the previous year to €44.1 million. In the 2023 reporting period, this figure includes €1.8 million (2022: €1.8 million) in depreciation and amortization of assets arising from purchase price allocation (PPA) of past acquisitions. Amortization of internally generated software amounted to €24.0 million (2022: €21.0 million). There were also impairment losses of €4.2 million, mainly on leasehold improvements (€3.9 million). The impairment losses on leasehold improvements have resulted from the shortening of the term of the current lease on account of a new lease signed in the financial year and the related move which is due to take place at the end of the 2025 financial year.

### EBIT

This resulted in earnings before interest and taxes (EBIT) of €48.8 million in 2023 compared with €66.2 million in the previous year, which represents a decrease of 26 percent. The more significant decline compared to EBITDA is due to higher non-cash depreciation, amortization and impairment. Pro forma EBT adjusted for non-recurring items came to €53.0 million in the past financial year compared with €66.2 million in 2022.

### Financial result

At €2.2 million, the financial result in the reporting period was significantly improved on the previous year's figure of €– 2.8 million. This development is mainly due to the non-cash remeasurement of non-operating financial instruments. Whereas remeasurement in financial year 2023 resulted in a gain of €1.3 million, there was a remeasurement loss of €1.7 million in the previous year. The Group also recognized interest on fixed-term deposits amounting to €1.4 million (2022: €0.3 million).

Non-cash interest expenses from the unwinding of discounts on lease obligations (€0.5 million) and other non-cash interest expenses (€0.4 million) also had a negative impact on the financial result.

### Earnings before taxes (EBT)

This resulted in earnings before taxes (EBT) of €51.0 million compared with €63.4 million in the previous year. Pro forma EBT adjusted for non-recurring items came to €53.9 million in the past financial year compared with €65.1 million in 2022.

### Taxes

Current taxes are determined by the Group companies based on the tax laws applicable in their country of domicile. Tax expense amounted to €14.2 million in the reporting period, up from €17.3 million in the prior-year period. At 28 percent, the tax expense ratio was slightly above the previous year's figure of 27 percent. This change is due to tax rate differences. An intercompany cross-border transfer of intangible assets in the previous year 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. 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

The consolidated net profit for 2023 at €36.9 million is significantly lower than the prior-year figure (2022: €46.1 million). This reflects the revenue trend in 2023 – which was weaker than originally planned – as well as the investments in XING and kununu. Accordingly, earnings per share of €6.56 are likewise lower than the prior-year figure of €8.20. The pro forma profit for the 2023 reporting period, adjusted for non-recurring effects, is €38.8 million, compared with a pro forma profit for the previous year of €47.3 million. Pro forma earnings per share also fell from €8.41 in 2022 to €6.90 in 2023.

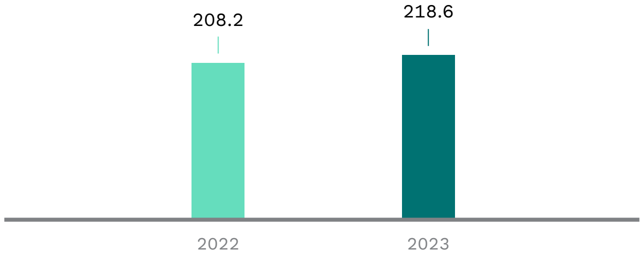
### Dividend distribution

In our announcement published on January 11, 2024, we explained in detail a new outlook and the associated implications for financial year 2024 and the years thereafter. Since we envisage a slight decline in revenues in 2024, as we are increasing our volume of investment in the repositioning of our XING platform and kununu's further growth and since the Group's transformation entails significant restructuring expenses, we expect our ability to pay dividends to decrease. We therefore notified the capital market that the Management Board intends to propose a reduced dividend of at least €1 per share at the coming Annual General Meeting and to temporarily hold to this minimum dividend until pre-restructuring profitability levels are reached again. This 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.

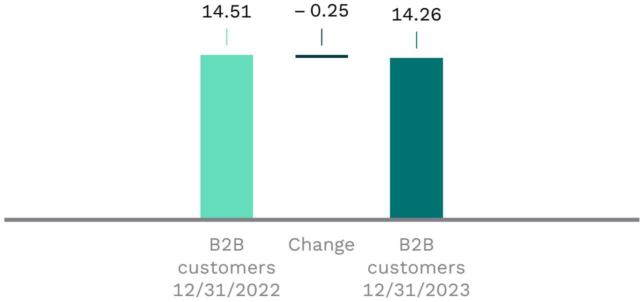
## Segment performance

### HR Solutions & Talent Access segment

**HR Solutions & Talent Access revenues** in € million




**HR Solutions subscription customers (D-A-CH)** in thsd.

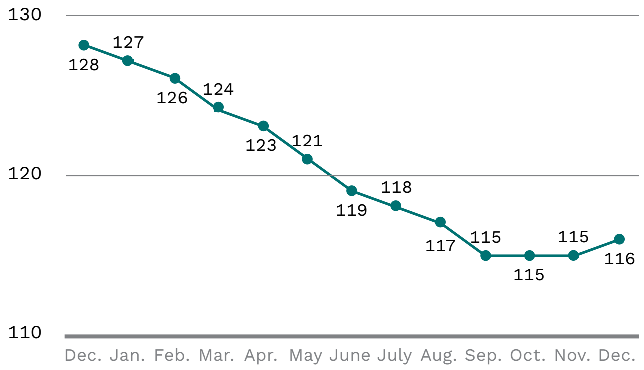


Revenue in our **HR Solutions & Talent Access** core segment grew by 5 percent to €218.6 million in financial year 2023. Segment EBITDA declined by 8 percent from €62.9 million in 2022 to €57.6 million in financial year 2023. This decrease in EBITDA despite a slight rise in revenue reflects the increased volume of investment in the realignment of the XING platform and the resulting higher marketing expenses, e. g. for the ongoing development of our job advertisement business and the relaunch of the XING platform at the end of 2023. We have also increased our level of investment in our employer branding business to further expand kununu's positioning and our product offering. In addition, personnel expenses rose in 2023, primarily due to the expansion of our sales organization at the end of 2022.

The revenue trend is mainly attributable to significant growth in our kununu-based employer branding business. Overall, the number of subscription customers has decreased slightly, by 250 to 14,255 customers at the end of 2023. On average over the year as a whole, the number of customers still was slightly higher than in the previous year.

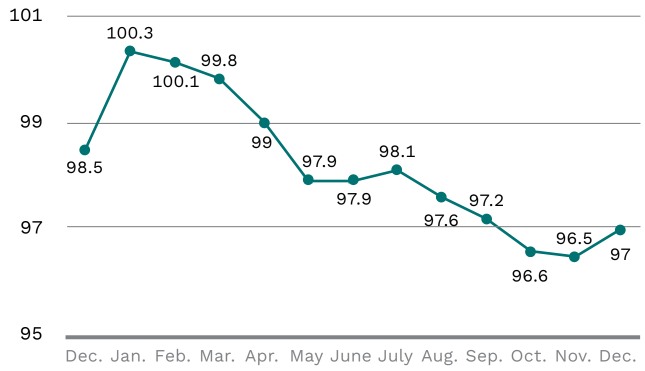
The subdued level of demand for digital recruitment solutions in particular strongly reflects the deterioration in the market environment since the start of 2023. The German economy has been in recession since the first quarter of 2023. A large number of labor market indicators – such as the BA-X Index, the surprising fall in the number of vacancies from Q1 2023 onward and the IAB Labor Market Barometer – illustrate the reasons for the drop in companies' demand for talent.

**Development of demand for labor in Germany (BA-X Index)**



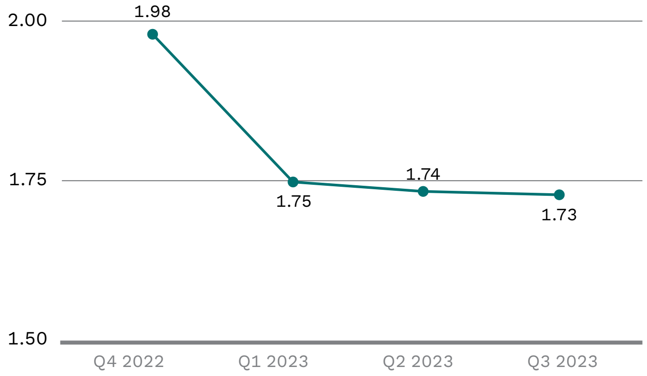

*Source: Federal Employment Agency December 2023*

**IAB Labor Market Barometer**




*Source: Institute for Employment Research (IAB)*

**Development of unfilled vacancies (IAB)** in million



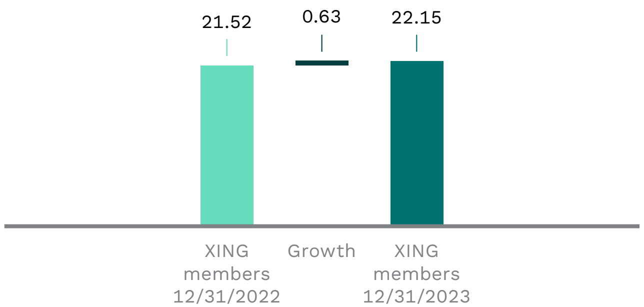

*Source: Institute for Employment Research (IAB)*

*B2B offering expanded*

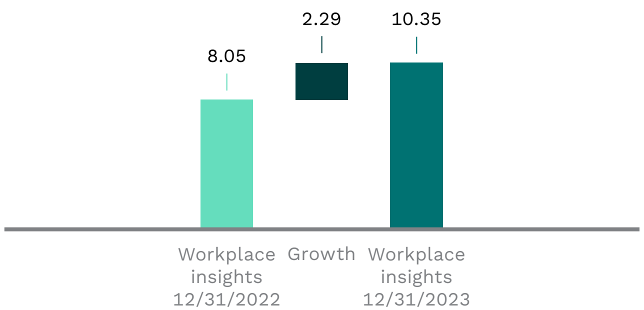
For corporate customers, the focus in the financial year was on innovations in the area of job advertisements. In addition to having the option to post job advertisements not just on XING, since 2023 employers have also been able to publish their ads on up to 900 other job boards. Moreover, with the introduction of our new "Essential" job advert product, for the first time blue-collar vacancies can also be advertised via channels such as Classified Ads and local city portals.

*Talent access grows in 2023*
New Work primarily provides access to potential candidates and talented professionals via its two end customer destinations → **www.xing.com** and → **www.kununu.com**.

**Member growth (D-A-CH)** in million




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




*kununu once again achieves significant workplace insights growth*
kununu, the leading employer review platform in the D-A-CH region, recorded the sharpest increase in workplace insights in the Company's history during the financial year. More than 2.29 million additional insights were published on kununu in financial year 2023 (2022: +1.82 million). This takes the total number of authentic impressions of companies and employers to 10.35 million, including around 5.57 million experience reports, 3.58 million pieces of salary data and 1.20 million insights into employer culture.

Besides a redesigned website, we have begun to display XING job advertisements on kununu as well. Visitors to this rating platform are thus immediately presented with job vacancies at preferred employers.

*XING realignment focuses on jobs*
The membership base on the XING platform operated by New Work SE grew to 22.15 million in financial year 2023.

XING's transformation from a broader professional network to a job network was the primary strategic focus during financial year 2023, and this process is set to continue over the next few years. XING's focus on jobs is made clear from the moment you open the XING app or visit the website. The homepage which was redesigned in financial year 2023 highlights XING Jobs with more than one million vacancies. Moreover, job seekers are now offered new functions which are intended to help them to select and filter vacancies. Our offering at → **www.lebenslauf.com** has also been completely redesigned, and we presented a new resume generator in financial year 2023.

*Developing products further with the help of AI*
Ever since the Company was founded in 2003, we have been using various algorithms to make good matches and generate suitable recommendations. The progress made in developing large language models (LLMs) opens up revolutionary new opportunities for XING, kununu and onlyfy. We are focused on identifying specific applications and offering these to our customers and users in the form of product features. Although we are also targeting internal productivity improvements, we are confident that the greatest added value lies in optimizing how we use our data records. We are in an excellent position to benefit from these new technological developments.

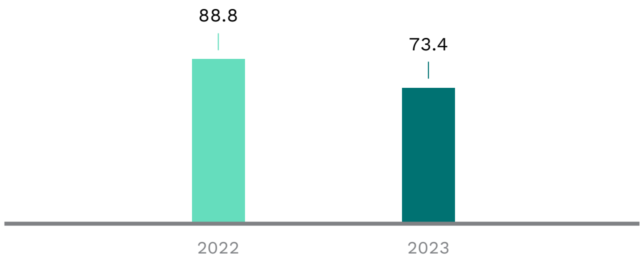
On the **XING platform**, we are focused on providing precise job recommendations. Take our "Similar Jobs" function, for example, which shows users a list of similar positions when they view a particular job advertisement.

On **kununu**, we use AI to turn extensive employer ratings into concise profile summaries. Companies with a high number of ratings can quickly seem overwhelming. With this in mind, we are using AI to generate brief and compelling overviews that summarize key information about a company – adding genuine value for jobseekers.

We are implementing innovative AI processes at **onlyfy**. One of our first AI features helps users to draft job descriptions efficiently and precisely. AI helps to not only create content from scratch but also adhere to corporate language and strike the right tone, making it possible to draft an AI-supported job advertisement in just a click. The onlyfy team is also working on intelligent template systems, customized talent recommendations and advanced CV parsing functions.

### B2C segment

**B2C revenues** in € million



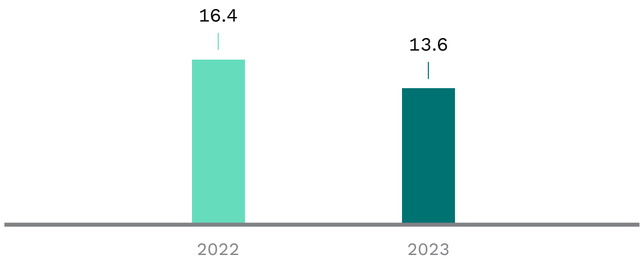

In the **B2C** segment, we report revenues from the sale of paid memberships for end customers. Most of these revenues are generated via XING Premium memberships. This reporting segment also includes the product of our subsidiary InterNations, as it also generates revenues from the sale of paid memberships for international expatriates.

In financial year 2023, as expected segment revenues decreased by 17 percent from €88.8 million to €73.4 million. This decrease is exclusively attributable to the declining volume of business in the area of paid XING Premium memberships. The factors driving this trend include the strategic repositioning of the XING platform from a social network for professionals to a job network. Accordingly, we are focusing on monetarizing talent access via our HR Solutions & Talent Access segment, which in the financial year already accounted for more than 70 percent of Group revenues.

Operating profit in the segment (EBITDA) fell by 21 percent from €50.0 million to €39.3 million. This €10.7 million decrease is attributable to the €15.4 million decline in revenue.

### B2B Marketing Solutions segment

**B2B Marketing Solutions revenues** in € million




In the **B2B Marketing Solutions** operating segment, we generate revenues mainly by marketing advertising space on the XING platform. Revenues in this segment contracted by 17 percent to €13.6 million in financial year 2023. This also led to a decrease in segment EBITDA from €3.1 million to €1.9 million. This trend reflects how online advertising revenues in Germany have been trending down.

### Net assets

Non-current assets decreased by €26.2 million to €211.9 million as of December 31, 2023. This is mainly due to the €11.4 million decrease in investments as a result of the sale of securities amounting to €12.2 million. Right-of-use assets from leases also decreased by €4.8 million, mainly due to depreciation, and leasehold improvements fell by €4.7 million due to impairment losses. The share of non-current assets in total assets at 61 percent remained virtually unchanged year-on-year.

At €27.6 million, capital expenditures in financial year 2023 (excluding acquisitions) were down year-on-year (previous year: €28.8 million). Investments in purchased software amounting to €0.4 million in 2023 were lower than amortization of €1.5 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 €24.1 million (previous year: €21.2 million). Internally generated intangible assets were reduced by amortization and impairment losses of €10.5 million (previous year: €11.1 million) resulting from the discontinuation of platform modules that are no longer used.

Goodwill relates to the HR Solutions & Talent Access 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 €11.9 million to €62.0 million (previous year: €74.0 million) is mainly due to the impairment of leasehold improvements and the depreciation of right-of-use assets from leases.

At December 31, 2023, the Group had liquid own funds of €93.1 million (previous year: €98.3 million, including €3.5 million in third-party funds), plus securities for managing temporary excess liquidity amounting to €17.2 million (previous year: €28.4 million).

This represents 27 percent (excluding securities for managing temporary excess liquidity; previous year: 26 percent) or 32 percent including securities for managing temporary excess liquidity (previous year: 34 percent) of the total assets of €348.5 million (previous year: €377.0 million).

At €20.5 million, receivables from services are almost flat year-on-year (previous year: €19.9 million). Receivables from services mainly include receivables from B2B members and membership subscriptions from Premium members.

Other assets fell by €3.3 million to €16.8 million (previous year: €20.1 million). This decrease mainly resulted from the €3.2 million drop in advances paid.

On the liabilities side of the statement of financial position, non-current liabilities decreased from €71.8 million to €64.5 million, mainly due to lower lease liabilities. These fell by €5.4 million to €48.3 million as of the reporting date as a result of scheduled repayments.

Current liabilities decreased by €20.2 million to €138.9 million (previous year: €159.1 million) mainly due to lower contract liabilities (€– 10.2 million), income tax liabilities (€– 7.0 million) and other liabilities (€– 3.7 million). Higher trade accounts payable (€+ 1.4 million) had an offsetting effect.

## Financial position

### Equity and liabilities

As was the case in previous years, New Work SE is financed solely from equity and the Company does not have any bank or other loan liabilities. As of the closing date, the Company's equity ratio amounted to 42 percent compared with 39 percent in 2022.

Current assets and available-for-sale financial assets (including liquid funds) cover 111 percent of current liabilities (previous year: 105 percent).

### Cash flows from operating activities

Cash flows from operating activities of continuing operations amount to €62.0 million for the reporting year, down from €80.7 million in the previous year. This decrease is mainly due to the €11.2 million year-on-year decline in EBITDA. Despite the lower consolidated net profit, tax payments increased from €19.8 million in the previous year to €25.7 million. This was due to tax payments in Austria for the intragroup cross-border transfer of assets implemented in the previous year (€6.8 million). In addition, net working capital rose by €6.1 million (previous year: €4.0 million). The decline in revenues in the B2C segment in the reporting period, in line with expectations, resulted in a €10.3 million decrease in accrued advance customer payments (contract liabilities). On the other hand, the €3.4 million decline in receivables and other assets had a positive impact on net working capital.

### Cash flows from investing activities

The cash flows from investing activities of continuing operations for 2023 amount to €– 16.5 million after €– 28.8 million in the previous year. This reduced outflow is mainly attributable to cash inflows from the sale of investments in the amount of €12.2 million (previous year: €– 0.4 million) and from the reduced volume of investment in property, plant and equipment (€+ 4.8 million on the previous year). On the other hand, payments for development work for our platforms that are eligible for capitalization – in particular, in connection with XING's repositioning – increased from €21.2 million in the previous year to €24.1 million in the financial year.

### Cash flows from financing activities

As in the previous year, cash flows from financing activities in the amount of €– 47.4 million (previous year: €– 42.2 million) were mainly shaped by the distribution of a regular dividend of €17.8 million (previous year: €15.7 million) and a special dividend of €20.0 million (previous year: €20.0 million). Other drivers of cash flows from financing activities were payments for leases in the amount of €9.7 million (previous year: €8.9 million). The Group also recognized lease incentives in the amount of €2.8 million in the previous year. At the end of the financial year, funds thus amounted to €93.1 million (previous year: €98.3 million). Own cash and investments available at short notice amounted to €110.3 million at the end of 2023 (previous year: €126.7 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 €65.6 million, such spending in 2023 was up on the previous year's figure (2022: €63.0 million). The level of capital expenditure sends a clear signal that we will continue to invest in innovations and new product developments. Capital expenditure in 2023 focused on the transformation of the XING platform from a social network for professional contact to a job network, our job advertisement services, the ongoing development of kununu's product offering and our central technological infrastructure.

The total amount capitalized for the development of new products was €24.1 million (2022: €21.2 million) in the past financial year. Amortization of capitalized development costs amounted to €24.0 million (2022: €23.7 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 not satisfied with our performance in financial year 2023. However, in the face of a significant deterioration in the economic environment and the fall in demand, particularly for digital recruitment solutions, we were still able to increase revenues slightly, especially in the core HR Solutions & Talent Access segment. The Company remains profitable overall, and our business model is characterized by low capital intensity. In addition, we have no significant borrowings beyond our existing lease obligations.

Having achieved a significant consolidated profit of €36.9 million (pro forma: €38.8 million), we continue to have a comfortable capital base with which to invest in our business. Nevertheless, we are expecting lower income for 2024 as, in addition to a slight decline in revenues, we are pushing ahead with our Group restructuring and expect this to generate non-recurring costs, and will also be investing even more in the repositioning of the XING platform. While these strategic initiatives will adversely impact our earnings performance in the short term, we expect profits to increase slightly again from 2025 onwards.

## 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 NEW WORK AUSTRIA XING kununu Prescreen GmbH, New Work Young Professionals GmbH, InterNations GmbH, kununu 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**
In accordance with Section 315 (4) HGB, as a publicly traded company, we are obliged to describe the key features of the internal control and risk management system.

We consider the internal control and risk management system to be a comprehensive system, and use the definitions of the Institut der Wirtschaftsprüfer in Deutschland e. V., Düsseldorf, concerning the financial reporting-related internal control system and the risk management system. An internal control system is defined as the principles, procedures, measures and controls which have been introduced by management in the Company, and which are designed to ensure the organizational implementation of the decisions of management 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 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 of the consolidated 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 combined management report. 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 combined 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;

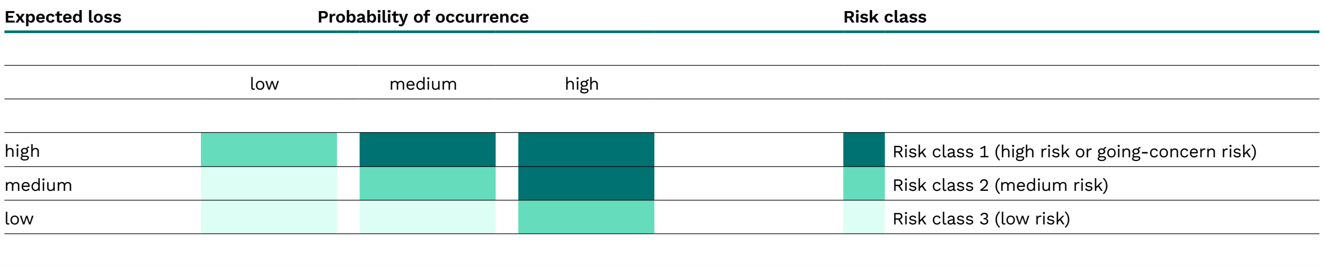
The tasks of the internal audit system for monitoring the internal control and risk management system relevant for the consolidated financial reporting process are not carried out by an "internal audit" staff department; instead, this is the responsibility of the Controlling and Accounting departments. 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.

Unaudited part of the management report: 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 going-concern risk.

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

| | quantitatively | qualitatively |
|---|---|---|
| **Probability of occurrence** | | |
| high | 51 – 100% | at least once per year |
| medium | 11 – 50% | once within 24 months |
| low | 0 – 10% | less frequently than once within 24 months |
| **Expected loss** | | |
| high | more than €4 million | Large damage to the Company's image, large damage for customers |
| medium | more than €1 million to €4 million | Services impacted over a long period of time |
| low | €200 thousand to €1 million | Service impacted in isolated cases |

## 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 (Segment: HR Solutions & Talent Access). 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 (E-Recruiting and Marketing Solutions). Even against the backdrop of the ongoing war in Ukraine and the conflict in Israel and Gaza and their 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 social networks and job recruiting platforms, 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.

New applications for artificial intelligence, particularly the advent of large language models, could prompt new competitors to enter the market, putting pressure on New Work SE's products. We categorize the existing risks posed by AI in the B2B and B2C segment as potential going-concern risks.

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 22 million members, as well as the continued revenue growth in the B2B sector. In view of the countermeasures taken, we therefore do not consider the risks to be going-concern risks, with the exception of the risks related to AI. We continue to categorize the risks presented by innovative AI software and corresponding business models as going-concern risks. Due to the rapid development of artificial intelligence models in the market, it is difficult to predict future technical developments and how they might be used for innovative business models. We counteract these risks by monitoring the market closely and enhancing our own AI-managed business processes to prepare for future developments as effectively as we can.

In the HR Solutions & Talent Access 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. We therefore classify the resulting risks as low.

### 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 can take a response in plenty of time by means of prepared measures and crisis plans in the event of sudden signs of customer losses.

### 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 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 HR Solutions & Talent Access segments accounted for about 8 percent of revenues in the previous financial year, and are therefore 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 these risks not to be going-concern risks but to be predominately medium to low. 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, has been completed. 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.

### 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 risks based on AI technologies, 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 remains assured.

## Report on expected developments and opportunities

### Economic outlook

The challenges facing the global economy grew even further by the end of 2023. In Europe, there is no sign of an end to the war in Ukraine. Tensions in southeast Asia associated with the Taiwan conflict and Chinese claims in the South China Sea continue to simmer. And the outbreak of a military conflict between Israel and Hamas in the Gaza Strip in October 2023 has wide-ranging consequences for the Middle East and poses new threats to world peace. These political tensions have the potential to spark further conflict at a time when the mediating role of international organizations such as the UN is waning and authoritarian structures are becoming increasingly powerful. The threat to maritime traffic in the Red Sea triggered by the Gaza conflict once again highlights how much the global economy depends on functioning supply chains.

Despite these threats, the world economy is proving to be remarkably resilient. Above all, the encouragingly rapid decline in inflation rates has prompted the IMF to predict a smoother transition to fresh global economic growth. According to its projections, growth rates will initially stabilize at 3.1 percent and 3.2 percent in 2024 and 2025 respectively.

In contrast the OECD, which casts an especially critical eye over inflation, concludes that the situation still has significant potential to be explosive as long as price pressures are not averted due to volatile energy prices, and national economies such as Turkey and Argentina are recording extreme rates of inflation. With its onerous debts and a huge and increasingly fragile real estate sector, the Chinese economy also has a part to play in this uncertain outlook, especially given the lack of transparency in these areas. A more pronounced economic slowdown is expected here, with growth of 4.6 percent in 2024. While China could pose an economic risk to the global economy, the USA remains an important pillar as the world's largest national economy, with growth of 2.1 percent (2024) and 1.7 percent (2025) predicted.

In contrast to the USA, Germany has not recovered from the impact of successive crises and upheavals. The Handelsblatt Research Institute (HRI) sees no signs of a dynamic recovery in its economic forecast, anticipating growth of just 0.3 percent for the current year and 0.6 percent in 2025. This makes the HRI significantly more pessimistic than other forecasting institutes who still expect growth rates of up to 1.3 percent.

The equally pessimistic mood among companies is evident from a weak ifo Business Climate Index, which fell to its lowest level since 2022 as it reached 85.2 points in January 2024.

The foreign trade situation is not expected to ease either, as Germany's largest international trading partners are also experiencing difficulties and pursuing their own objectives. As a result, Germany is no longer the powerful engine of the EU economy. The ECB's predicted growth rates of 0.8 percent for 2024 and 1.5 percent for 2025 across all member states suggest that the eurozone will remain on track, led by Ireland, whose IT hubs give it a firm economic foothold of its own.

Like Germany, Austria faces rather flat growth with GDP predicted to increase by 0.6 percent (2024) and 1.7 percent (2025). By contrast, the Swiss economy still has a special status and is set to achieve growth rates of 1.1 percent and 1.7 percent respectively in 2024 and 2025 according to the State Secretariat for Economic Affairs (SECO). However, developments in Germany and China still pose economic risks for Switzerland due to its strong international trade links.

### Expected sector-specific environment

The decline in the number of vacant positions observed over the course of the year suggests a slowdown in demand for employees. However, this trend may be only temporary in light of the demographic factors in Germany. With an increasing birth deficit currently totaling more than 300,000 people each year that can only be temporarily resolved by an increase in net migration, there is likely to be another significant shortage of labor. This development will be exacerbated yet further by the retirement of the baby boomer generation over the coming years.

This is why companies are using every possible option to search for new staff and fill vacant positions.

The already apparent shortage of skilled workers caused by demographic factors will continue over the next few years due to the declining number of trainees and apprentices. As a result, companies need to do everything they can to recruit young people. This issue is compounded by the fact that applying new technology to the world of work requires staff to be more qualified than ever and necessitates comprehensive and cost-intensive training pathways.

This scenario will present considerable challenges when recruiting staff in the years ahead. Demand for automated solutions will increase and the use of generative artificial intelligence will accelerate further. The innovative solutions that New Work SE is actively involved in will make a major contribution in this environment.

### Expected development of New Work SE

The 2023 financial year began with particularly challenging conditions. Germany is slipping into recession, causing many labor market indicators that are also important for us to deteriorate. At the same time, we are repositioning the XING platform as a job network, and will invest more heavily in this process in 2024. We continue to expect B2C revenues to decline further in 2024 due to our focus on monetization via B2B employer branding and recruiting solutions. In the first half of 2024, we will continue to streamline our Group structure by implementing a significant three-figure reduction in full-time equivalents (FTEs) and will adapt our corporate strategy even further by focusing on XING and kununu's core markets. At an organizational level, XING and kununu will no longer be merely C-side business units but will instead become fully-fledged marketplaces capable of managing all products, services and relationships from end-to-end, including on the end customer and corporate customer side. By combining end-to-end marketplaces, we will create a holistic approach to product development, sales and marketing. This shift promises to deliver clearer priority-setting, faster decision-making, reduced friction and increased synergies. These initiatives will have a non-recurring adverse impact on profits in 2024 and will also reduce the Group's ability to distribute a dividend.

We made all of these decisions on January 11, 2024 and communicated them to the capital market.

At the same time, we firmly believe that our existing and well-established recruitment solutions put us in an excellent position to help employers fill jobs better and more quickly today and going forward. 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.

Due to the ongoing recession in Germany and the weak labor market environment, we expect revenues and earnings in 2024 to decrease slightly year-on-year.

#### Revenue and earnings targets

Based on the current environment known to us, we can provide the following outlook for the 2024 revenue and earnings targets for the Group and the main segments. We expect a decline in pro forma consolidated revenues in the low double-digit percentage range after generating revenues of €305.6 million in financial year 2023. Pro forma consolidated EBITDA will decrease by a figure in the mid-double-digit percentage range. The anticipated drop in consolidated revenues is primarily attributable to the planned decline in revenues from XING Premium memberships due to the strategic repositioning of XING (B2C segment) as a job network, a fall in revenues in the Marketing Solutions segment, and a slight drop in revenues in the HR Solutions & Talent Access segment, primarily as a result of the planned discontinuation of Honeypot's products and services in 2024. As a result, the decline in consolidated revenues will also have an adverse impact on the operating result (pro forma consolidated EBITDA). We have also decided to invest significantly more in brand marketing in 2024 than in the previous year in order to alter the perception of XING from a professional social network to a job network and help kununu to grow further. Only part of the positive cost effects expected as a result of the reduction in headcount will come into effect during the 2024 financial year.

| **Financial key performance indicators,** in € million | **Starting point for forecast** | **Forecast for 2024** |
|---|---|---|
| **Group forecast** | | |
| **Pro forma consolidated revenues** | **305.6** | **Low double-digit percentage decrease** |
| **Pro forma consolidated EBITDA** | **97.1** | **Mid double-digit percentage decrease** |
| **Segment forecast** | | |
| Pro forma revenues, HR Solutions & Talent Access segment | 218.6 | Single-digit percentage decline |
| Pro forma EBITDA, HR Solutions & Talent Access segment | 59.0 | Mid double-digit percentage decrease |
| Pro forma revenues, B2C segment | 73.4 | Low double-digit percentage decrease |
| Pro forma EBITDA, B2C segment | 40.7 | Low double-digit percentage decrease |
| Pro forma revenues, B2B Marketing Solutions segment | 13.6 | Low double-digit percentage decrease |
| Pro forma EBITDA, B2B Marketing Solutions segment | 2.1 | Low double-digit percentage decrease |

## Dividend targets

We have been pursuing a steady and sustainable dividend policy ever since we began making dividend payments in 2012. Overall, we have already distributed more than €41 per share or more than €230 million to our shareholders in the form of regular and special dividends. New Work SE's business model is fundamentally very cash-generative. However, 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. In January 2024, we published our guidance for financial year 2024 and an outlook until 2026. This guidance includes a planned decline in both revenues and earnings. The drop in earnings is attributable to the fall in revenues, increased investment in XING's ongoing repositioning as a job network, and the further expansion of kununu. New Work SE's accounting profit is also adversely impacted by non-recurring restructuring expenses associated with a reduction in headcount. This reduces New Work SE's ability to distribute a dividend. With this in mind, the Management Board announced on January 11, 2024 that it proposes to temporarily distribute a reduced regular dividend of at least €1.00 per share until the Group returns to pre-restructuring profitability levels. The remaining net retained profits are to be carried forward to new account. The Management Board is aiming to return to its previous dividend practice in the medium term.

## Liquidity and financial targets

We anticipate cash funds in financial year 2024 excluding extraordinary items such as acquisitions or special dividends to increase slightly.

## Planned capital expenditures

Following a CAPEX volume of €28.7 million in financial year 2023, we anticipate a slight decrease for financial year 2024.

## 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. Given the continued difficult economic environment, we expect a single-digit percentage decline in financial year 2024 (2023: 14.3 thousand).

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 financial year 2024 (2023: 22.1 million).

| **Non-financial key performance indicators** | **Starting point for forecast** | **Forecast for 2024** |
|---|---|---|
| B2C segment: members in the D-A-CH region | 22.1 million | Single-digit percentage growth |
| HR Solutions & Talent Access segment: Number of subscription-based corporate customers (B2B) | 14.3 thousand | Single-digit percentage decline |

## 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, as evidenced, for example, by a higher than anticipated increase in job advertisements in the D-A-CH region, 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 employer branding and 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.

# Annual financial statements of New Work SE

## General principles/preliminary remarks

The New Work Group is shaped essentially by the activities of the parent, New Work SE headquartered in Hamburg.

The subsidiaries of New Work SE operate predominantly on behalf and for the account of New Work SE. New Work SE's business development is generally subject to the same risks and opportunities as that of the New Work Group. Due to the links between New Work SE and its subsidiaries and because of New Work SE's weight within the Group, the outlook for the New Work Group mostly reflects the expectations for New Work SE as well. The above comments applicable to the New Work Group therefore also apply to New Work SE.

The following comments are based on the statutory annual financial statements of New Work SE (the "Company"), which were prepared in accordance with the provisions of the German Commercial Code (HGB) as well as the supplementary provisions of the German Stock Corporation Act (AktG) and audited by the statutory auditor, KPMG AG Wirtschaftsprüfungsgesellschaft, Hamburg. The annual financial statements and the combined management report are published in the Federal Gazette.

## Net assets, financial position and results of operations of the Company

### Results of operations

The Company's results of operations are presented below in the income statement:

| In € thousand | 2023 | 2022 |
|---|---|---|
| Revenues | 297,879 | 305,261 |
| Other operating income | 5,663 | 5,362 |
| Personnel expenses | – 89,982 | – 82,940 |
| Other operating expenses | – 205,698 | – 198,686 |
| Income from investments | 40,284 | 42,000 |
| Expenses from loss absorption | – 2,963 | – 7,846 |
| **Operating result (EBITDA)** | **45,183** | **63,151** |
| Depreciation and amortization of intangible assets and property, plant and equipment | – 12,360 | – 7,618 |
| Depreciation of long-term financial assets | 0 | – 1,500 |
| **Earnings before interest and taxes (EBIT)** | **32,823** | **54,033** |
| Other interest and similar income | 1,680 | 549 |
| Interest and similar expenses | – 391 | – 427 |
| **Earnings before taxes (EBT)** | **34,112** | **54,155** |
| Taxes on income | – 3,394 | – 6,011 |
| **Net income for the year** | **30,718** | **48,144** |

Sales comprise sales from B2B subscription products (employer branding, e-recruiting solutions) and B2C subscription products (XING membership). Following dynamic growth in 2022, financial year 2023 got off to a very subdued start.

The deteriorating economic conditions very considerably reduced the level of demand for talent. In particular, they adversely impacted our business selling digital recruitment services. Nevertheless, the employer branding business based on kununu achieved significant sales growth. Moreover, as has been the case in previous years, B2C segment sales declined as planned due to the strategic decision to reposition XING as a job network while deprioritizing B2C monetization. Sales thus roughly matched the prior-year figure (€305.2 million) at €297.9 million.

Other operating income was more or less on a par with the prior-year figure (€5.4 million) at €5.7 million and resulted mainly from income from the reversal of long-term provisions for personnel expenses, provisions for other expenses and from currency translation.

Personnel expenses rose by €7.1 million to €90.0 million (2022: €82.9 million). In addition to the higher average headcount and salary increases, the rise is also attributable to mergers of several subsidiaries in 2023. This item also includes non-recurring expenses for severance payments (€3.6 million) in connection with the realignment of the XING platform and the consolidation of business units.

Other operating expenses amount to €205.7 million (2022: €198.7 million) and, as in previous years, consist mainly of expenses for IT and other services, marketing expenses, server hosting, administration and traffic expenses, and premises costs. In 2023, this item also includes non-recurring expenses arising from mergers of several subsidiaries in the financial year (€10.4 million).

Depreciation and amortization of intangible assets and property, plant and equipment rose by €4.8 million to €12.4 million (2022: €7.6 million). The rise in depreciation and amortization is due mainly to charges included only pro rata in the previous year in connection with the acquisition of the Prescreen business during the year and intangible assets acquired through mergers in the financial year. The impairment losses of €1.5 million recognized on long-term financial assets in the previous year were entirely attributable to the investment in New Work XING AG, Zurich, Switzerland.

Net investment income includes income from the same-period recognition of profits and from subsidiaries' profit distributions. It also includes expenses from absorbing the net loss for the financial year of InterNations GmbH, Munich.

EBITDA therefore decreased from €63.2 million in the previous year to €45.2 million in 2023. Unlike in the consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRSs), personnel expenses for internally generated software and right-of-use assets from long-term leases are not recognized as assets and depreciated or amortized over their expected useful lives in the single-entity financial statements in accordance with the provisions of German commercial law. In addition to differences attributable to the basis of consolidation, these are the main effects contributing to the fact that EBITDA is €47.7 million lower than in the consolidated financial statements.

Interest income results from short-term fixed deposits (€1.2 million; previous year: €0.0 million) and long-term securities. In the previous year, this item also included interest income from receivables from affiliated companies. Interest and similar expenses consist mainly of interest expenses for liabilities to affiliated companies.

Depreciation and amortization are €31.7 million lower than the depreciation, amortization and impairment losses recognized in the consolidated financial statements due not only to effects attributable to the basis of consolidation, but also to factors such as hidden reserves realized in the Group on initial consolidation and the fact that internally generated software and right-of-use assets from leases are not recognized as assets as they are in the Group. Moreover, in addition to the financial income presented, investment income from the fair value measurement of investments was also reported within the financial result under IFRSs. As a result of these differences, New Work SE's EBT is only €17 million below Group EBT at €34.1 million.

After deducting all expenses, net income for financial year 2023 comes to €30.7 million (2022: €48.1 million). In the announcement published on January 11, 2024, we explained in detail a new outlook and the associated implications for financial year 2024 and the years thereafter. Further commentary on the repositioning and restructuring can be found in the report on expected developments. The Management Board intends to propose a dividend of at least €1 per share at the coming Annual General Meeting and to temporarily hold to this minimum dividend until pre-restructuring profitability levels are reached again. This 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.

### Net assets

The table below contains the company's summarized balance sheet:

| In € thousand | 12/31/2023 | 12/31/2022 |
|---|---|---|
| **Assets** | | |
| Intangible assets | 28,471 | 28,586 |
| Property, plant and equipment | 11,147 | 13,287 |
| Shares in affiliated companies | 38,646 | 55,152 |
| Long-term securities | 17,530 | 30,023 |
| Trade accounts receivable | 20,100 | 19,466 |
| Receivables from affiliated companies | 2,230 | 331 |
| Other assets and prepaid expenses | 14,763 | 12,870 |
| Bank balances | 79,861 | 79,128 |
| **Total assets** | **212,747** | **238,843** |
| | | |
| **Equity and liabilities** | | |
| Subscribed capital | 5,620 | 5,620 |
| Capital reserves | 31,434 | 31,434 |
| Net retained profits | 49,674 | 56,725 |
| **Total equity** | **86,729** | **93,779** |
| Provisions | 16,226 | 22,588 |
| Trade accounts payable | 5,470 | 3,776 |
| Liabilities to affiliated companies | 6,773 | 10,332 |
| Other liabilities | 4,574 | 7,882 |
| Deferred income | 92,976 | 100,486 |
| **Total liabilities** | **126,019** | **145,064** |
| **Total equity and liabilities** | **212,747** | **238,843** |

Intangible assets are almost unchanged at €28.5 million (2022: €28.6 million). The goodwill acquired in the merger with Honeypot GmbH (€6.0 million) is set against amortization of intangible assets in a similar amount.

Shares in affiliated companies decreased by €16.5 million to €38.6 million (2022: €55.2 million). The year-on-year change is due to the mergers with XING Events GmbH, Hamburg, and Honeypot GmbH, Berlin, in the financial year and the related derecognition of the relevant shares. Due to the merger with XING Events GmbH, Hamburg, the previous indirect equity investment in InterNations GmbH, Munich, was recognized as a direct equity investment.

As before, long-term securities relate to investments in money market funds and structured securities. The decline is the result of securities sold in the financial year.

Receivables from affiliated companies amount to €2.2 million (2022: €0.3 million) and relate to profits recognized, costs paid, and products and services.

Other assets and prepaid expenses (€14.7 million; 2022: €12.9 million) mainly include amounts receivable from the tax office as a result of prepaid corporation, trade and sales tax as well as security deposits. In the previous year, they also included receivables relating to prepayments made for advertising campaigns at the beginning of 2023.

### Financial position

As was the case in previous years, New Work SE is financed without bank or loan liabilities. As of the closing date, the Group's equity ratio was 41 percent (previous year: 39 percent).

At year-end, the Company had own cash funds and available-for-sale securities totaling €97.4 million (2022: €109.2 million). The dividends distributed in the financial year depressed own cash funds by €-37.8 million.

Other provisions decreased to €16.2 million (2022: €22.6 million) and, as in the previous year, comprise provisions for personnel expenses, marketing expenses and other expenses. The decrease is due mainly to lower provisions for tax payments and personnel expenses.

Liabilities to affiliated companies of €6.8 million (2022: €10.3 million) result mainly from central cash management and from the transfer of sales tax from the consolidated sales tax group, of which the Company is the parent.

Deferred income of €93.0 million (2022: €100.5 million) relates to performance obligations acquired by the Company prior to the reporting date as a result of its customers' prepaid member subscriptions and equates to the portion of the obligation required to be performed after the reporting date.

### 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 €51.6 million, spending on research and product development in financial year 2023 exceeded the previous year's figure (€47.9 million) and 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 expenditure in 2023 focused on the transformation of the XING platform from a social network for professional contact into a job network, our job advertisement services and our central technological infrastructure.

## Management's summary of the Company's economic position

We were unable to meet all of our targets in financial year 2023 and therefore cannot be completely satisfied with our business performance. However, in the face of a significant deterioration in the economic environment and the fall in demand, particularly for digital recruitment solutions, we were still able to increase revenues slightly, especially in the core HR Solutions & Talent Access segment. The Company remains profitable overall, and our business model is characterized by low capital intensity. In addition, we have no significant borrowings beyond our existing lease obligations.

We achieved strong net income for the financial year of €30.7 million and therefore still have a comfortable capital base, enabling us to continue to invest in our business.

### The Company's report on risks and opportunities
In all material respects, the Company's operating activities are subject to the same opportunities and risks as those of the Group. As the Company is directly and indirectly a shareholder in all Group companies, it shares in the risks that arise in connection with those companies' operating activities. Management's general risk assessment therefore accords with that of the Group and affects the recoverable amount of long-term financial assets and receivables from affiliated companies in the annual financial statements.

### The Company's report on expected developments
Due in part to the reduced demand for recruitment solutions caused by the weak market environment, we had to lower the guidance on pro forma sales and pro forma Group EBITDA issued in the 2022 Annual Report and publish an updated forecast in the report on the first quarter of 2023 in May. We met these updated forecasts. Sales were roughly in line with the prior-year figure (2022: €305.3 million) at €297.9 million; net income for the financial year came to €30.7 million (2022: €48.1 million).

Due to the nature of the Company's business activities, their future development is closely linked to the development of the Group. We therefore refer to the Group's report on expected developments, which also outlines management's expectations regarding the parent, and in particular to the commentary on the repositioning of the XING platform as a job network and the workforce reductions.

Based on the current environment known to us, we can provide the following outlook for the Company's 2024 sales and earnings targets: We expect sales to decline by a single-digit percentage, net income for the financial year to fall sharply due to the non-recurring items depressing earnings in 2024 and therefore our capacity to distribute dividends to be lower.

### Management Board report on relations with affiliated companies
As set out in Section 312 AktG, the Management Board of New Work SE has prepared a report on relations with affiliated companies, which contains the following final declaration: "We declare that New Work SE received an appropriate consideration for each transaction and measure listed in the report on relations with affiliated companies under the circumstances known to us at the time the transactions were made or the measures taken or not taken."

## 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 declaration
The corporate governance declaration issued in accordance with Section 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.

### Takeover-related disclosures
The following details in accordance with Sections 315a and 289 HGB describe the situation as of December 31, 2023. 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, 2023 (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, 2023 (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, 2023, 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 Association

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 Association as amended on May 24, 2023. In accordance with item 8 (1) of the Articles of Association, the Management Board consists of one or more persons. The Supervisory Board determines the number of members of the Management Board. The Articles of Association 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 Association are made in accordance with the provisions of Sections 179 and 133 AktG. The Company's Articles of Association have not taken advantage of the option of specifying further requirements applicable for changes to the Articles of Association. 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 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 item 19 in conjunction with items 5.3 and 5.4 of the Articles of Association, the Supervisory Board is authorized to make changes to the Articles of Association 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 "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 24, 2023, and in view of the cancellation of the resolution of May 16, 2018, the Management Board was authorized to purchase treasury shares as follows:

*a) Authorization to purchase own shares*

Up to (and including) May 23, 2025, 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 lower of the Company's share capital amounting to €5,620,435.00 at the time at which the resolution is adopted or the share capital existing at the time the authorization is exercised. 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.

1) 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:

1) 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 in return for cash contributions 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 in return for cash contributions to settle conversion or option rights or conversion or option obligations, or tender rights of the issuer arising from convertible and/or warrant 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 in return for cash contributions 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.

2) 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.

3) 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 long-term incentive program for Management Board members of New Work SE dated January 1, 2022, as long as the Company wishes to allocate to the beneficiaries performance share units 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.

4) 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 New Work SE Management Board, this authorization shall apply to the Supervisory Board.

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

6) The treasury shares can be offered for sale, or transferred, to persons who are employed by the Company or an enterprise affiliated with them 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 New Work 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.

7) 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 Association.

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 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 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 10 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 (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 operates as a predominately professional job network via the online platform → **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 2023.

# 03

# Consolidated financial statements

for the financial year
from January 1 to December 31, 2023

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# Consolidated statement of comprehensive income

of New Work SE
for the period from January 1 to December 31, 2023

## Consolidated statement of comprehensive income

| In € thousand | Note no. | 01/01/–12/31/2023 | 01/01/–12/31/2022 |
|---|---|---|---|
| Service revenues | 8 | 305,601 | 313,357 |
| Other operating income | 8 | 4,101 | 3,012 |
| Other own work capitalized | 9 | 24,061 | 20,726 |
| Personnel expenses | 10 | – 152,475 | – 144,569 |
| Marketing expenses | 11 | – 43,444 | – 38,989 |
| Other operating expenses | 12 | – 42,459 | – 47,248 |
| Impairment losses on financial assets | 13 | – 2,462 | – 2,172 |
| **EBITDA** | | **92,923** | **104,117** |
| Depreciation, amortization and impairment losses | 14 | – 44,093 | – 37,947 |
| **EBIT** | | **48,830** | **66,170** |
| Finance income | 15 | 3,123 | 326 |
| Finance costs | 15 | – 917 | – 3,133 |
| **EBT** | | **51,036** | **63,363** |
| Income taxes | 16 | – 14,171 | – 17,294 |
| **Net income/loss from continuing operations** | | **36,865** | **46,069** |
| Post-tax profit or loss of discontinued operations | 17 | – 13 | – 2,807 |
| **CONSOLIDATED NET PROFIT** | | **36,852** | **43,262** |

| In € thousand | Note no. | 01/01/–12/31/2023 | 01/01/–12/31/2022 |
|---|---|---|---|
| **Eearnings per share** | 18 | | |
| Earning per share from continuing operations (basic) | 18 | €6.56 | €8.20 |
| Earning per share from continuing operations (diluted) | 18 | €6.56 | €8.20 |
| Earnings per share (basic) | 18 | €6.56 | €7.70 |
| Earnings per share (diluted) | 18 | €6.56 | €7.70 |
| **CONSOLIDATED NET PROFIT** | | **36,852** | **43,262** |
| Currency translation differences | 19 | 2 | 305 |
| **OTHER COMPREHENSIVE INCOME** | 19 | **2** | **305** |
| **CONSOLIDATED TOTAL COMPREHENSIVE INCOME** | | **36,854** | **43,567** |

# Consolidated statement of financial position

of New Work SE
as of December 31, 2023

## Assets

| In € thousand | Note no. | 12/31/2023 | 12/31/2022 |
|---|---|---|---|
| | | | |
| Intangible assets | | | |
| Purchased software | 20 | 1,630 | 2,770 |
| Internally generated software | 20 | 68,747 | 68,630 |
| Goodwill | 20 | 56,145 | 56,145 |
| Other intangible assets | 20 | 1,823 | 2,703 |
| Property, plant and equipment | | | |
| Leasehold improvements | 20 | 7,826 | 12,483 |
| Other equipment, operating and office equipment | 20 | 11,985 | 14,067 |
| Construction in progress | 20 | 0 | 420 |
| Lease assets | 20 | 42,233 | 47,023 |
| Financial assets | | | |
| Financial assets at amortized cost | 21 | 2,823 | 3,005 |
| Financial assets at fair value | 21 | 17,226 | 28,427 |
| Other non-financial assets | 22 | 0 | 539 |
| Deferred tax assets | 16 | 1,435 | 1,945 |
| **NON-CURRENT ASSETS** | | **211,873** | **238,157** |
| | | | |
| Receivables and other assets | | | |
| Receivables from services | 23 | 20,477 | 19,881 |
| Income tax receivables | 16 | 6,283 | 540 |
| Other assets | 23 | 16,836 | 20,140 |
| Cash and short-term deposits | | | |
| Cash | 23 | 93,077 | 94,800 |
| Third-party cash | 23 | 0 | 3,504 |
| **CURRENT ASSETS** | | **136,673** | **138,865** |
| | | | |
| | | **348,547** | **377,022** |

## Equity and liabilities

| In € thousand | Note no. | 12/31/2023 | 12/31/2022 |
|---|---|---|---|
| | | | |
| Subscribed capital | 24 | 5,620 | 5,620 |
| Capital reserves | 24 | 22,644 | 22,644 |
| Other reserves | 24 | 646 | 643 |
| Retained earnings | 24 | 116,266 | 117,183 |
| **EQUITY** | | **145,176** | **146,091** |
| | | | |
| Deferred tax liabilities | 16 | 13,044 | 12,287 |
| Contract liabilities | 25 | 1,299 | 1,424 |
| Other provisions | 25 | 815 | 626 |
| Lease liabilities | 25 | 48,254 | 53,658 |
| Other liabilities | 25 | 1,063 | 3,847 |
| **NON-CURRENT LIABILITIES** | | **64,475** | **71,842** |
| | | | |
| Trade accounts payable | 26 | 11,339 | 9,971 |
| Lease liabilities | 25 | 4,833 | 6,254 |
| Contract liabilities | 26 | 97,251 | 107,402 |
| Other provisions | 26 | 3,783 | 3,032 |
| Income tax liabilities | 16 | 3,586 | 10,581 |
| Other liabilities | 26 | 18,104 | 21,849 |
| **CURRENT LIABILITIES** | | **138,896** | **159,090** |
| | | | |
| | | **348,547** | **377,022** |

# Consolidated statement of cash flows

of New Work SE
for the period from January 1 to December 31, 2023

## Consolidated statement of cash flows

| In € thousand | Note no. | 01/01/ – 12/31/2023 | 01/01/ – 12/31/2022 |
|---|---|---|---|
| **Earnings before taxes from continuing operations** | | **51,036** | **63,363** |
| Earnings before taxes from discontinued operations | | 7 | – 4,092 |
| **Earnings before taxes** | | **51,043** | **59,271** |
| Amortization and impairment losses on internally generated software | 14 | 23,964 | 23,727 |
| Depreciation, amortization and impairment losses on other fixed assets | 14 | 20,217 | 17,105 |
| Finance income | 15 | – 3,123 | – 326 |
| Finance costs | 15 | 917 | 3,147 |
| **EBITDA** | | **93,017** | **102,924** |
| EBITDA from discontinued operations | | 94 | – 1,192 |
| **EBITDA FROM CONTINUING OPERATIONS** | | **92,923** | **104,117** |
| Interest received | | 1,769 | 322 |
| Taxes paid | | – 25,664 | – 19,827 |
| Non-cash expenses/income | | – 1,134 | 0 |
| Profit/loss from disposal of fixed assets | | – 23 | – 51 |
| Change in receivables and other assets | | 3,418 | – 5,427 |
| Change in liabilities and other equity and liabilities | | – 2,700 | – 5,288 |
| Change in contract liabilities | 25 | – 10,276 | 6,360 |
| Elimination of XING Events third-party obligation | 23 | 3,504 | 180 |
| **Cash flows from operating activities** | | **61,911** | **79,192** |
| Cash flows from operating activities from discontinued operations | | – 116 | – 1,551 |
| **CASH FLOWS FROM OPERATING ACTIVITIES FROM CONTINUING OPERATIONS** | | **62,027** | **80,743** |
| Payment for capitalization of internally generated software | 20 | – 24,081 | – 21,204 |
| Payment for purchase of software | 20 | – 366 | – 750 |
| Payments for purchase of other intangible assets | 20 | 0 | – 51 |
| Proceeds from the disposal of fixed assets | 20 | 283 | 2,390 |
| Payments for purchase of property, plant and equipment | 20 | – 4,610 | – 9,425 |
| Proceeds from disposals of investments | 21 | 12,186 | 4,636 |
| Payments for acquisition of investments | 21 | 0 | – 4,994 |
| **Cash flows from investing activities** | | **– 16,587** | **– 29,398** |
| Cash flows from investing activities from discontinued operations | | – 86 | – 629 |
| **CASH FLOW FROM INVESTING ACTIVITIES FROM CONTINUING OPERATIONS** | | **– 16,501** | **– 28,769** |
| | | | |
| Payment of regular dividend | 24 | – 17,761 | – 15,737 |
| Payment of special dividend | 24 | – 20,009 | – 20,009 |
| Interest paid | | – 1 | – 287 |
| Proceeds from lease incentives | 23 | 0 | 2,805 |
| Payment for leases | 23 | – 9,679 | – 8,945 |
| **Cash flows from financing activities** | | **– 47,449** | **– 42,173** |
| Cash flows from financing activities from discontinued operations | | 0 | – 13 |
| **CASH FLOWS FROM FINANCING ACTIVITIES FROM CONTINUING OPERATIONS** | | **– 47,449** | **– 42,160** |
| | | | |
| Currency translation differences | 23 | 403 | 721 |
| Own funds at the beginning of the period | 23 | 94,800 | 86,459 |
| Change in cash and cash equivalents | 23 | – 1,723 | 8,341 |
| **OWN FUNDS AT THE END OF THE PERIOD** | | **93,077** | **94,800** |
| | | | |
| Third-party funds at the beginning of period | 23 | 3,504 | 3,684 |
| Change in third-party cash and cash equivalents | 23 | – 3,504 | – 180 |
| **OWN FUNDS AT THE END OF THE PERIOD** | | **0** | **3,504** |

# Consolidated statement of changes in equity

of New Work SE
for the period from January 1 to December 31, 2023

## 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 01/01/2022** | | **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** |
| | | | | | | |
| **AS OF 01/01/2023** | | **5,620** | **22,644** | **643** | **117,183** | **146,091** |
| Consolidated net profit | | 0 | 0 | 0 | 36,852 | 36,852 |
| Other comprehensive income | 19 | 0 | 0 | 2 | 0 | 2 |
| **Consolidated total comprehensive income** | | **0** | **0** | **2** | **36,852** | **36,854** |
| Regular dividend for 2022 | 24 | 0 | 0 | 0 | – 17,761 | – 17,761 |
| Special dividend | 24 | 0 | 0 | 0 | – 20,009 | – 20,009 |
| **AS OF 12/31/2023** | | **5,620** | **22,644** | **646** | **116,266** | **145,176** |

# Notes to the consolidated financial statements

for the financial year from January 1 to December 31, 2023

## (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**.

In keeping with its vision "For a better working life", New Work SE aims to not only improve the working lives of its users but also help companies to find the right talented individuals who can use their commitment and productivity to make their employer more successful. Based on this, New Work SE at Group level defined its strategy as follows: "Become #1 Recruiting Partner in D-A-CH, by winning talents".

The consolidated financial statements and the combined management report of New Work SE for the period ending December 31, 2023 were approved for publication by the Management Board on March 21, 2024, and presented to the Supervisory Board of the Company for approval on the same day. The consolidated financial statements and the combined 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, 2023 and which are subject to mandatory adoption.

The consolidated financial statements are prepared in euros, the Group'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 2023

The following accounting standards had to be applied for the first time in financial year 2023:

- IFRS 17 (including amendments to IFRS 17) – Insurance Contracts
- Amendments to IAS 1 and IFRS Practice Statement 2 – Disclosure of Accounting Policies
- Amendments to IAS 8 – Definition of Accounting Estimates

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

- Amendments to IAS 12 – International Tax Reform – Pillar Two Model Rules

  New Work SE applied the amendments following their issue on May 23, 2023. The amendments contain a temporary, mandatory and immediately applicable exception to the accounting for deferred taxes arising from the introduction of global minimum taxation; in addition, information about how the Group is affected by minimum taxation is disclosed in the note under 16. Income taxes.

  The mandatory exception shall be applied retrospectively. However, retrospective application does not have any effect on the consolidated financial statements, as new legislation on the introduction of global minimum taxation was not yet in effect or soon to enter into effect in any of the countries in which the Group operates on December 31, 2022 and no related deferred taxes were recognized at that date.

- Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

  The amendments narrow the scope of the initial recognition exemption by excluding transactions that give rise to equal and offsetting temporary differences, such as in the case of leases and liabilities arising from decommissioning obligations. Deferred tax assets and liabilities are recognized from the beginning of the earliest comparative period presented, with all cumulative effects presented as an adjustment to retained earnings or other components of equity at that date.

In the case of all other transactions, the amendments apply to transactions that occur on or after the beginning of the earliest period presented.

Until now, New Work SE accounted for deferred taxes arising from leases and decommissioning obligations by applying the 'integrally linked' approach, which resulted in a similar outcome to the amendments, apart from the fact that deferred tax assets and liabilities were recognized on a net basis.

- Amendments to IAS 1 and Practice Statement 2 – Disclosure of Accounting Policies

  The amendments did not have any effect on New Work SE's reporting.

### II. Standards issued but not yet effective:

The following new or amended standards have been issued but are not yet effective:

| Initial application | New or amended standards |
|---|---|
| January 1, 2024: | Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback |
| | Amendments to IAS 1:<br>▶ Classification of Liabilities as Current or Non-current (January 2020), Deferral of Effective Date (July 2020)<br>▶ Non-current Liabilities with Covenants |
| still to be decided: | Amendments to IAS 7 and IFRS 7 – Supplier Financing Arrangements |
| | Amendments to IAS 21 – Lack of Exchangeability |
| | Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture |

We do not expect the amendments listed above to have a material effect on New Work SE'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 12/31/2023 in % | Equity interest 12/31/2022 in % | Held by | Initial consolidation |
|---|---|---|---|---|---|---|
| 1 | New Work SE (parent company) | Hamburg | | | | |
| 2 | Honeypot GmbH [1] | Berlin | – | 100 | 1 | 2018 |
| 3 | InterNations GmbH [2] | Munich | 100 | 100 | 1 | 2017 |
| 4 | NEW WORK AUSTRIA XING kununu onlyfy 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 [3] | Hamburg | 100 | 100 | 1 | 2016 |
| 9 | XING Events GmbH [1] | Hamburg | – | 100 | 1 | 2011 |
| 10 | Prescreen GmbH i.L. [3] | Berlin | 100 | 100 | 1 | 2017 |
| 11 | Kununu GmbH | Hamburg | 100 | – | 1 | 2023 |

*[1] In the financial year, the companies were merged with New Work SE by merger agreement dated July 4, 2023. The merger became effective upon entry in the commercial register of New Work SE on August 23, 2023.*

*[2] A profit transfer agreement is in place with the respective parent company. The entities avail themselves of the exemption under Section 264 (3) German Commercial Code (HGB).*

*[3] A guarantee statement of New Work SE exists. The entities avail themselves of 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 HR Solutions & Talent Access core segment is generated through the development, marketing and sale of digital employer branding and recruitment solutions. Customers generally make advance payments. 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 B2C segment is mainly realized through paid memberships (Premium Memberships). 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 Marketing Solutions & Events segment is recognized at the time the service is performed and mainly relates to the marketing of advertising space on the XING platform. 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.

### Other comprehensive income

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.

### Lease 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
- 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, credit card payments, 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 SE recognizes loss allowances for expected credit losses (ECL) for

- financial assets measured at amortized cost,
- contract assets, and
- 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

Segment reporting uses the management approach in accordance with the guidance of IFRS 8. This sets out that 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 **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. The costs for accessing talent via the XING and kununu platforms are shown together with the B2B revenues generated from this business.

In the **B2C** segment, we report on business with the B2C Premium Memberships and InterNations products, which primarily consist of paid memberships. This service is monetized via paid memberships.

The **B2B Marketing Solutions** segment addresses advertising customers. This service is monetized via advertising revenue.

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. 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, proportionate administrative and other expenses). Expenses that are not directly attributable to a segment (for example non-allocable portions of administrative expenses) are presented in the reconciliation statement.

The segment revenues and results for the period under review are shown in the following tables[1]:

| In € thousand | HR Solutions & Talent Access | | B2C | | B2B Marketing Solutions | | Total segments | | New Work Group | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| **Revenues** | **218,568** | **208,165** | **73,387** | **88,775** | **13,647** | **16,417** | **305,601** | **313,357** | **305,601** | **313,357** |
| Segment expenses | – 160,967 | – 145,259 | – 34,052 | – 38,797 | – 11,706 | – 13,340 | – 206,725 | – 197,395 | – 206,725 | – 197,395 |
| **Segment operating result** | **57,601** | **62,906** | **39,335** | **49,978** | **1,941** | **3,077** | **98,876** | **115,962** | **98,876** | **115,962** |
| Other income/expenses | | | | | | | | | – 5,953 | – 11,845 |
| **EBITDA** | | | | | | | | | **92,923** | **104,117** |

[1] *The previous year's segment expenses and results were restated. The segment expenses and results are presented using the allocation key for central, directly allocable costs used from 2023.*

Revenues by geographical region are distributed as follows:

| In € thousand | 01/01/ – 12/31/2023 | 01/01/ – 12/31/2022[1] |
|---|---|---|
| Germany | 266,125 | 275,127 |
| Austria/Switzerland | 24,216 | 24,890 |
| International | 15,260 | 13,340 |
| | **305,601** | **313,357** |

[1] *restated*

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 €199,941 thousand (previous year: €223,243 thousand) relate to Germany, with €10,498 thousand (previous year: €12,969 thousand) relating to other countries.

# (C) Consolidated statement of comprehensive income disclosures

## 8. Total operating income

In the reporting period, total operating income was €309,702 thousand (previous year: €316,369 thousand).

In financial year 2023, revenues amounted to €305,601 thousand (previous year: €313,357 thousand). The breakdown of revenues and the corresponding development according to business units and regions are shown in segment reporting. Revenues include €2,075 thousand (previous year: €2,296 thousand) in revenue from barter deals.

Revenues in financial year 2023 included prior-period revenues from contract liabilities amounting to €107,402 thousand (previous year: €102,114 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/ – 12/31/2023 | 01/01/ – 12/31/2022 |
|---|---|---|
| Income from currency translation | 1,807 | 1,739 |
| Income from the reversal of impairment losses on fixed assets | 732 | 0 |
| Prior-period income | 694 | 582 |
| Income from non-cash benefits | 222 | 21 |
| Earnings from returned bank transfers and dunning fees | 210 | 263 |
| Other | 435 | 406 |
| | **4,101** | **3,012** |

In financial year 2023, an impairment loss previously recognized on leasehold improvements was reversed in the amount of €732 thousand (previous year: €0 thousand). These were eliminated from cash flow from operations in the “Non-cash expenses/income” item in the statement of cash flows.

## 9. Own work capitalized

Own work capitalized breaks down as follows:

| In € thousand | 01/01/ – 12/31/2023 | 01/01/ – 12/31/2022 |
|---|---|---|
| Personnel expenses | 22,433 | 18,201 |
| Freelancer expenses | 549 | 1,504 |
| Ancillary costs | 1,079 | 1,021 |
| | **24,061** | **20,726** |

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/ – 12/31/2023 | 01/01/ – 12/31/2022 |
|---|---|---|
| Wages and salaries | 121,068 | 118,736 |
| Social security contributions (employer portion) | 24,645 | 21,844 |
| Termination benefits | 5,425 | 1,676 |
| Pension costs (defined-contribution plan) | 1,094 | 999 |
| Change in share-based payment | 887 | 206 |
| Change in provisions for vacation | -981 | 133 |
| Other | 338 | 975 |
| | **152,475** | **144,569** |

The increase in personnel expenses (+ 5 percent compared to the previous year) is mainly due to salary increases and higher termination benefits compared to the previous year.

## 11. Marketing expenses

Marketing expenses are broken down as follows:

| In € thousand | 01/01/ – 12/31/2023 | 01/01/ – 12/31/2022 |
|---|---|---|
| Marketing costs | 35,229 | 29,750 |
| Sales commissions | 6,457 | 6,565 |
| Events | 1,758 | 2,674 |
| | **43,444** | **38,989** |

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/ – 12/31/2023 | 01/01/ – 12/31/2022 |
|---|---|---|
| Server hosting, administration and traffic | 13,488 | 10,914 |
| IT services, management services | 11,804 | 18,790 |
| Occupancy expenses | 4,863 | 3,853 |
| Other personnel expenses | 2,183 | 2,166 |
| Travel, entertainment and other business expenses | 1,908 | 3,381 |
| Training costs | 1,110 | 1,621 |
| Payment transaction costs | 1,078 | 1,208 |
| Legal consulting fees | 1,023 | 762 |
| Exchange rate loss | 948 | 937 |
| Financial statements preparation and auditing costs | 764 | 753 |
| Telephone/cell phone/postage/courier | 700 | 687 |
| Accounting fees | 686 | 586 |
| Insurance and contributions | 559 | 513 |
| Expenses attributable to prior periods | 541 | 310 |
| Supervisory Board remuneration | 323 | 323 |
| Office supplies | 122 | 326 |
| Rents/leases | 16 | 119 |
| Other | 343 | 0 |
| | **42,459** | **47,248** |

In the reporting period, €16 thousand (previous year: €119 thousand) in expenses for renting of low-value assets were recognized. In addition, €270 thousand (previous year: €354 thousand) in occupancy expenses related to the short-term 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 €7,074 thousand (previous year: €6,331 thousand) in depreciation of lease assets and impairment losses of €3,898 thousand on leasehold improvements resulting from the conclusion of a new lease and the related move scheduled for the end of financial year 2025. Impairment losses of €10,547 thousand (previous year: €11,056 thousand) were recognized on internally generated software. Due to the change in the estimate of the useful life described in note 20 Intangible assets, amortization was €2,762 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/ – 12/31/2023 | 01/01/ – 12/31/2022 |
|---|---|---|
| Finance income | 3,123 | 326 |
| Finance costs | – 917 | – 3,133 |
| | **2,206** | **– 2,807** |

Finance income results mainly from interest on fixed-term deposits amounting to €1,426 thousand (previous year: €322 thousand) and, in the amount of €1,293 thousand, from the increase in the fair values of securities (previous year: finance costs of €1,745 thousand). Finance costs include €542 thousand (previous year: €586 thousand) from the unwinding of discounts on lease liabilities and €308 thousand (previous year: €322 thousand) from losses on the disposal of securities. A further €58 thousand (previous year: €111 thousand) is attributable to the unwinding of discounts on provisions and liabilities.

## 16. Income taxes

### Taxes recognized in profit or loss

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

| In € thousand | 01/01/ – 12/31/2023 | 01/01/ – 12/31/2022 |
|---|---|---|
| Corporation tax (including solidarity surcharge) | 10,945 | 22,164 |
| Trade tax | 2,509 | 2,814 |
| Deferred taxes | 1,266 | -8,542 |
| Taxes, previous years | -549 | 859 |
| | **14,171** | **17,294** |

An amount of €8,699 thousand (previous year: €17,940 thousand) of the corporation tax of €10,945 thousand (previous year: €22,164 thousand) was incurred outside Germany. The decrease results from an intercompany cross-border transfer of intangible assets in the previous 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/ – 12/31/2023 | 01/01/ – 12/31/2022 |
|---|---|---|
| Intercompany disclosure of hidden reserves | 1,294 | – 8,463 |
| Recognition of tax losses carried forward | 490 | 655 |
| Contract assets | 417 | – 563 |
| Goodwill identified for tax purposes | 74 | 86 |
| Recognition/amortization of internally developed software | 38 | – 814 |
| Amortization of brand/domain | 0 | – 64 |
| Amortization of customer relations | – 12 | – 88 |
| Amortization of acquired technology | – 82 | – 197 |
| Termination benefits | – 316 | – 2 |
| Lease assets/liabilities | – 438 | 322 |
| Other | – 198 | 585 |
| | **1,266** | **– 8,542** |

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

| In € thousand | 01/01/ – 12/31/2023 | 01/01/ – 12/31/2022 |
|---|---|---|
| Earnings before taxes (EBT) | 51,036 | 63,363 |
| Expected tax result | 16,472 | 20,451 |
| Tax effects attributable to | | |
| Different foreign tax rates | – 3,102 | – 5,292 |
| Tax rate reductions | – 21 | 152 |
| Outside basis differences | 508 | 739 |
| Tax-free income | 0 | 0 |
| Taxes, previous years | – 549 | 859 |
| Non-deductible expenses | 863 | 385 |
| **ACTUAL TAX RESULT** | **14,171** | **17,294** |

## Theoretical tax rate

The theoretical tax rate is determined as follows:

| In % | 12/31/2023 | 12/31/2022 |
|---|---|---|
| Corporation tax including solidarity surcharge (effective) | 15.83 | 15.83 |
| Trade tax rate | 16.45 | 16.45 |
| **THEORETICAL TAX RATE** | **32.28** | **32.28** |

## Changes in deferred taxes in the statement of financial position

Deferred tax assets are broken down as follows:

| In € thousand | 12/31/2023 | 12/31/2022 |
|---|---|---|
| Intangible assets | 7,169 | 8,463 |
| Contract assets | 1,907 | 1,469 |
| Tax benefit, kununu US LLC | 1,416 | 1,906 |
| Goodwill identified for tax purposes | 805 | 879 |
| Termination benefits | 565 | 249 |
| Financial assets at fair value | 98 | 515 |
| Other | 135 | 135 |
| **DEFERRED TAX ASSETS** | **12,095** | **13,615** |

Deferred tax liabilities are broken down as follows:

| In € thousand | 12/31/2023 | 12/31/2022 |
|---|---|---|
| Intangible assets | | |
| Internally developed software | 22,192 | 22,154 |
| Customer relations | 378 | 390 |
| Software and licenses | 64 | 146 |
| Costs to obtain a contract | 963 | 826 |
| Financial assets at fair value | 0 | 0 |
| Other | 106 | 441 |
| **DEFERRED TAX LIABILITIES** | **23,704** | **23,958** |
| **NET DEFERRED TAX ASSETS/LIABILITIES** | **– 11,609** | **– 10,342** |

Deferred tax assets amounting to €10,660 thousand (previous year: €11,422 thousand) were netted against deferred tax liabilities.

In the previous year, deferred taxes for termination benefits were presented as deferred tax liabilities and reclassified into deferred tax assets. The adjustment does not result in any changes in the netted amount of deferred tax assets and liabilities for 2022.

### OECD Pillar Two model rules

The Group falls within the scope of the OECD's Pillar Two model rules. In Germany, the jurisdiction in which New Work SE is domiciled, the Pillar Two legislation has been enacted and will enter into effect on January 1, 2024 (Minimum Taxation Act). As the minimum tax legislation was not yet in effect at the reporting date, the Group is not currently subject to a tax charge in this respect.

The legislation requires the Group to pay a top-up tax per country in the amount of the difference between the GloBE effective tax rate and the minimum rate of 15 percent. All Group companies are subject to an effective tax rate of more than 15 percent, with the exception of New Work XING AG, which is domiciled in Switzerland. As a result of the de minimis test, however, this entity is exempt from a minimum tax.

The Group is still making an assessment of the effects of Pillar Two after the legislation enters into effect. Due to the complexity of applying the legislation and calculating GloBE income, the quantitative effects of the enacted legislation cannot yet be estimated reliably and, even for entities with an effective tax rate of over 15 percent, Pillar Two could therefore give rise to tax effects.

## 17. Discontinued operation

In the previous year, the Management Board made the decision to discontinue the Events business and presented it as a discontinued operation in accordance with IFRS 5.

## 18. Earnings per share

Earnings per share are determined as follows:

| | 2023 | 2022 |
|---|---|---|
| Consolidated profit or loss attributable to the shareholders of New Work SE in € thousand | 36,852 | 43,262 |
| Consolidated profit or loss from continuing operations attributable to the shareholders of New Work SE in € thousand | 36,865 | 46,069 |
| 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 | €6.56 | €7.70 |
| Basic/diluted earnings per share – continuing operations | €6.56 | €8.20 |

## 19. Other comprehensive income

Other comprehensive income includes exchange rate differences arising from the translation of foreign financial statements of €2 thousand (previous year: €305 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 €24,061 thousand (previous year: €20,726 thousand) was capitalized as internally generated intangible assets in financial year 2023, including €14,907 thousand with construction in progress (previous year: €13,381 thousand), because the criteria set out in IAS 38 were satisfied. The development work mainly concerned various projects to reposition XING as a jobs network and expand the kununu product range. As a result of determining the value in use, amortization and impairments of internally generated software include impairment losses of €10,547 thousand (previous year: €11,056 thousand) on platform components no longer used. As was the case in the previous year, no reversals of impairment losses were recognized.

At the beginning of financial year 2023, the useful life of the XING platform was fixed at a further five years until December 31, 2027. As of the previous year's reporting date, the useful life was assumed to run until December 31, 2026. As a result, amortizations in the 2023 financial year were €2,762 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, 2023. 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 €65,580 thousand (previous year: €63,003 thousand).

Mandatory annual impairment testing for goodwill was performed as of the end of the 2023 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 HR Solutions & Talent Access 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.

Due to a legal and organizational reorganization carried out in financial year 2023, the Honeypot goodwill was reallocated to HR Solutions & Talent Access. This means that, unlike in the previous year, a separate impairment test cannot be carried out.

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.

#### HR Solutions & Talent Access

The recoverable amount of the HR Solutions & Talent Access 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 long-term 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 HR Solutions & Talent Access segment.

#### InterNations

The recoverable amount of the cash-generating unit InterNations 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 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 unit is 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 this unit 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.

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:

| | HR Solutions & Talent Access | | InterNations | |
|---|---|---|---|---|
| In % | 12/31/2023 | 12/31/2022 | 12/31/2023 | 12/31/2022 |
| Discount rate (before taxes) | 12.2 | 12.9 | – | – |
| Discount rate (after taxes) | – | – | 8.3 | 9.8 |
| Sustainable growth rate | 2.5 | 2.5 | 2.5 | 2.5 |
| Sustainable EBITDA margin [1] | 31.0 | 54.0 | 29.0 | 29.0 |

[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 two 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. In financial year 2022, an impairment loss of €771 thousand was recognized on leasehold improvements due to the lower utilization of the rental space and plans to sublease unused rental space. In financial year 2023, this impairment loss was reversed, as office space on the sixth floor of the NEW WORK Harbour was subleased.

In addition, an impairment loss of €3,898 thousand was recognized on leasehold improvements due to the shortening of the lease term as a result of a lease signed in the financial year and the related move at the end of financial year 2025.

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 | | | | | | Depreciation, amortization and impairment losses | | | | | | Carrying amounts | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| In € thousand | 01/01/2023 | Additions | Disposals | Reclassifications | Currency differences | 12/31/2023 | 01/01/2023 | Additions from depreciation and amortization | Additions from impairments | Disposals | Impairment loss reversals | 12/31/2023 | 12/31/2023 | 12/31/2022 |
| **1. INTANGIBLE ASSETS** | | | | | | | | | | | | | | |
| 1. Purchased software | 40,678 | 356 | – 1 | 0 | 0 | 41,033 | – 37,908 | – 1,496 | 0 | 1 | 0 | – 39,402 | 1,630 | 2,770 |
| 2. Internally generated software | 201,189 | 24,061 | 0 | 0 | 0 | 225,250 | – 132,559 | – 13,397 | – 10,547 | 0 | 0 | – 156,503 | 68,747 | 68,630 |
| 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 | 25,546 | 0 | – 257 | 0 | 0 | 25,288 | – 22,843 | – 808 | 0 | 185 | 0 | – 23,466 | 1,823 | 2,702 |
| | **360,684** | **24,416** | **– 258** | **0** | **0** | **384,842** | **– 230,436** | **– 15,701** | **– 10,547** | **186** | **0** | **– 256,497** | **128,345** | **130,248** |
| **2. PROPERTY, PLANT AND EQUIPMENT** | | | | | | | | | | | | | | |
| 1. Leasehold improvements | 19,246 | 228 | 0 | 215 | 1 | 19,690 | – 6,763 | – 1,934 | – 3,898 | 0 | 732 | – 11,864 | 7,826 | 12,483 |
| 2. Other equipment, operating and office equipment | 51,441 | 2,985 | – 2,863 | 0 | 4 | 51,567 | – 37,375 | – 4,650 | – 256 | 2,699 | 0 | – 39,582 | 11,985 | 14,066 |
| 3. Construction in progress | 420 | 0 | – 205 | – 215 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 420 |
| 4. Lease assets | 93,791 | 2,318 | 0 | 0 | 0 | 96,109 | – 46,768 | – 7,108 | 0 | 0 | 0 | – 53,876 | 42,233 | 47,023 |
| | **164,898** | **5,531** | **– 3,068** | **0** | **5** | **167,366** | **– 90,906** | **– 13,692** | **– 4,154** | **2,699** | **732** | **– 105,321** | **62,044** | **73,993** |
| **TOTAL** | **525,582** | **29,947** | **– 3,326** | **0** | **5** | **552,208** | **– 321,342** | **– 29,392** | **– 14,701** | **2,885** | **732** | **– 361,818** | **190,389** | **204,241** |

| | Cost | | | | | | Depreciation, amortization and impairment 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** | **39,927** | **751** | **0** | **0** | **0** | **40,678** | **– 35,185** | **– 2,723** | **0** | **0** | **0** | **– 37,908** | **2,770** | **4,743** |
| 1. Purchased software | 179,984 | 21,205 | 0 | 0 | 0 | 201,189 | – 108,831 | – 12,673 | – 11,056 | 0 | 0 | – 132,559 | 68,630 | 71,153 |
| 2. Internally generated software | 93,271 | 0 | 0 | 0 | 0 | 93,271 | – 37,126 | 0 | 0 | 0 | | – 37,126 | 56,145 | 56,145 |
| 3. Goodwill | 25,495 | 50 | 0 | 0 | 1 | 25,546 | – 21,803 | – 1,040 | 0 | 0 | 0 | – 22,843 | 2,703 | 3,692 |
| 4. Other intangible assets | 338,677 | 22,006 | 0 | 0 | 1 | 360,684 | – 202,944 | – 16,436 | – 11,056 | 0 | 0 | – 230,436 | 130,248 | 135,733 |
| **2. PROPERTY, PLANT AND EQUIPMENT** | **18,933** | **147** | **– 33** | **198** | **2** | **19,246** | **– 3,991** | **– 2,003** | **– 771** | **0** | **1** | **– 6,763** | **12,483** | **14,942** |
| 1. Leasehold improvements | 46,190 | 6,271 | – 1,022 | 0 | 2 | 51,441 | – 34,017 | – 4,236 | 0 | 878 | 0 | – 37,375 | 14,066 | 12,174 |
| 2. Other equipment, operat-ing and office equipment | 618 | 0 | 0 | – 198 | 0 | 420 | 0 | 0 | 0 | 0 | 0 | 0 | 420 | 618 |
| 3. Construction in progress | 90,729 | 3,188 | – 128 | 0 | 2 | 93,791 | – 40,449 | – 6,331 | 0 | 16 | – 4 | – 46,768 | 47,023 | 50,280 |
| 4. Lease assets | 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** |

### Lease 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, 2023. New Work SE recognizes changes in fair value in finance income and finance costs.

As of December 31, 2023, the funds with a fair value of €17,226 thousand (previous year: €28,427 thousand) were presented as investments. The decline in the carrying amount is the result of the sale of a fund in the amount of €12,186 thousand. This sale transaction resulted in a loss of €308 thousand in financial year 2023. The loss has been included in finance costs.

## 22. Other non-financial assets

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

## 23. Current assets

### Receivables from services

As was the case in the previous year, receivables arising from New Work services recognized as of December 31, 2023, 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 | 12/31/2023 | 12/31/2022 |
|---|---|---|
| Total amount of receivables from services | 22,697 | 21,843 |
| Loss allowances on receivables | – 2,220 | – 1,962 |
| **RECEIVABLES FROM SERVICES** | **20,477** | **19,881** |

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:

| 12/31/2023 | Not yet due | Past due < 30 days | Past due < 90 days | Past due > 90 days | Total |
|---|---|---|---|---|---|
| Impairment ratio | 1.0% | 4.3% | 20.4% | 25.5% | **9.8%** |
| Gross carrying amount (in € thousand) | 8,667 | 5,627 | 4,953 | 3,451 | **22,697** |
| Impairment (in € thousand) | – 85 | – 241 | – 1,012 | – 881 | **– 2,220** |

| 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** |

In financial year 2023, previously impaired receivables of €83 thousand (previous year: €76 thousand) were recognized in profit or loss.

### Other assets

The following table shows the composition of other assets:

| In € thousand | 12/31/2023 | 12/31/2022 |
|---|---|---|
| Deductible input tax | 6,317 | 4,659 |
| Customer acquisition costs | 6,020 | 5,269 |
| Deferred cost | 4,270 | 4,719 |
| Advances paid | 33 | 3,205 |
| Receivables due from credit card companies | 0 | 1,201 |
| Receivables due from personnel | 0 | 1 |
| Other assets | 198 | 1,086 |
| | **16,836** | **20,140** |

Other assets include creditors with debit balances in the amount of €28 thousand (previous year: €712 thousand). Customer acquisition costs of €6,020 thousand (previous year: €5,269 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 straight-line basis over a period of ten months. The following table shows the amount recognized and the annual straight-line amortization.

| In € thousand | Amount recognized 2023 | Amortization 2023 | Amount recognized 2022 | Amortization 2022 |
|---|---|---|---|---|
| Personnel expenses | 5,800 | 5,213 | 5,879 | 4,991 |
| Marketing expenses | 1,018 | 854 | 882 | 972 |

### Cash and cash equivalents

Cash and cash equivalents as of the reporting date consisted of bank balances of €20,932 thousand (previous year: €81,802 thousand), cash equivalents of €72,142 thousand (previous year: €20,000 thousand) and cash-in-hand of €3 thousand (previous year: €7 thousand). Bank balances include a figure of €0 thousand (previous year: €3,504 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 of the Company amounted to €5,620,435 on December 31, 2023 (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

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

### Authorized Capital 2023

Pursuant to the resolution of the Annual General Meeting of May 24, 2023, the Management Board has been authorized, with the approval of the Supervisory Board, to increase the share capital of the Company by up to €1,124,087 until May 23, 2028, by way of issuing, on one or more occasions, new no-par-value registered shares of common stock in return for cash and/or non-cash contributions (Authorized Capital 2023). The number of shares must be increased in the same ratio as the share capital. Shareholders generally have a pre-emptive right to the new shares. The pre-emptive right may also be granted indirectly if the new shares are taken up by one or more credit institutions or entities equivalent to them pursuant to Section 186 (5) sentence 1 AktG on condition that they are offered to the shareholders for subscription (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) to the extent necessary to exclude any fractional amounts from the pre-emptive right;

(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 cash 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 in return for a cash contribution 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 warrant bonds, profit-participation rights and/or income bonds (or a combination of these instruments) ("bonds"), insofar as the bonds are issued in return for cash 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 in return for cash 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 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 suitable credit institution 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 it is exercised.

The overall amount of new shares issued while disapplying pre-emptive rights under the aforementioned authorizations from Authorized Capital 2023 may not exceed 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 on the basis of another authorization from authorized capital,

(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 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 10 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 2023

The share capital has been increased by up to €1,124,087 by issuing up to 1,124,087 no-par value registered shares from contingent capital (Contingent Capital 2023). The contingent capital increase serves to grant shares to holders or creditors of convertible and/or warrant bonds, profit participation rights and/or income bonds (or combinations of those instruments) (hereinafter together “bonds”) issued in the period to May 23, 2028 in accordance with the authorization adopted at the Annual General Meeting on May 24, 2023 under agenda item 8. The contingent capital increase is only to be carried out to the extent that conversion or option rights arising from such bonds are exercised or the issuer’s conversion or option obligations or right of tender arising from such bonds are fulfilled and insofar as treasury shares or new shares arising from the use of authorized capital are not used for the purposes of settlement.

New no-par value registered shares may only be issued from contingent capital at a conversion or option price that meets the specifications of the authorization adopted at the Annual General Meeting on May 24, 2023 under agenda item 8. New no-par value registered shares carry dividend rights from the beginning of the financial year in which they are created as a result of option or conversion rights being exercised or the issuer’s conversion or option obligations or tender rights being fulfilled. To the extent permitted by law and with the approval of the Supervisory Board, the Management Board may specify dividend rights attaching to new shares other than as set out in Section 60 (2) AktG, including for a financial year already ended.

As of December 31, 2023, no shares have been issued out of Contingent Capital 2023.

As of December 31, 2023, 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, 2023, 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 May 24, 2023, a regular dividend of €3.16 per share (2021: €2.80 per share) and a special dividend of €3.56 per share (2021: €3.56 per share) was paid for the 2022 financial year. With 5,620,435 shares carrying dividend rights, this corresponds to a total payout in 2023, including the special dividend, of €37,769 thousand (2022: €35,746 thousand).

We have been pursuing a steady and sustainable dividend policy ever since we began making dividend payments in 2012. Overall, we have already distributed more than €41 per share or more than €230 million to our shareholders in the form of regular and special dividends. Accordingly, in 2023 the Annual General Meeting again followed the joint proposal of the Management Board and Supervisory Board and resolved a regular dividend of €3.16 (2022: €2.80) and a special dividend of €3.56 per no-par value share carrying dividend rights. New Work SE’s business model is fundamentally cash-generative. However, 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. In January 2024, we published our guidance for financial year 2024 and an outlook until 2026. This guidance includes a planned decline in both revenues and earnings. The drop in earnings is attributable to the fall in revenues, increased investment in XING’s ongoing repositioning as a job network, and the further expansion of kununu. This also diminishes New Work SE’s ability to distribute a dividend. With this in mind, the Management Board announced on January 11, 2024 that it proposes to temporarily distribute a reduced dividend of at least €1.00 per share until the Group returns to pre-restructuring profitability levels.

The remaining net retained profits are to be carried forward to new account. The Management Board is aiming to return to its previous dividend practice in the medium term.

## 25. Non-current liabilities / provisions

### Contract liabilities

The non-current contract liabilities in the amount of €1,299 thousand (previous year: €1,424 thousand) include member subscriptions for future periods in our B2C business and products in the HR Solutions & Talent Access 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:

| In € thousand | 01/01/2023 | Use | Reversal | Unwinding of discounts | Addition | 12/31/2023 |
|---|---|---|---|---|---|---|
| **Non-current provisions** | | | | | | |
| Asset retirement obligations | 613 | 0 | 91 | 3 | 283 | 802 |
| Other provisions | 13 | 0 | 0 | 0 | 0 | 13 |
| | **626** | **0** | **91** | **3** | **283** | **815** |

### Lease liabilities

Overall, leases resulted in a cash outflow of €9,798 thousand in the past financial year (previous year: €9,299 thousand). This item comprises payments for long-term leases in the amount of €9,679 thousand (previous year: €8,945 thousand) and short-term leases in the amount of €119 thousand (previous year: €354 thousand). The payments for long-term leases include interest from lease liabilities amounting to €542 thousand (previous year: €586 thousand).

If the longest possible contract renewal options were exercised, the potential future lease payments would give rise to a lease liability of €70,004 thousand.

### Other liabilities

Other non-current liabilities of €1,063 thousand (previous year: €3,847 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, 2023 were due within one year (€11,339 thousand; previous year: €9,971 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 decreased by €10,151 thousand to €97,251 thousand. They are extinguished using the straight-line method over the term of the contract.

In the reporting period, €107,402 thousand in revenues were recognized that in the prior-year period were reported as contract liabilities.

## 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:

| In € thousand | 01/01/2023 | Use | Reversal | Unwinding of discounts | Addition | 12/31/2023 |
|---|---|---|---|---|---|---|
| **Current provisions** | | | | | | |
| Financial statements preparation and auditing costs | 753 | 582 | 26 | 0 | 535 | 681 |
| Personnel expenses | 1,488 | 6,032 | 398 | 0 | 7,538 | 2,596 |
| Legal and consulting costs | 442 | 799 | 189 | 0 | 720 | 175 |
| Other contributions | 348 | 289 | 3 | 0 | 275 | 331 |
| | **3,032** | **7,702** | **616** | **0** | **9,068** | **3,783** |

Other provisions for personnel expenses include €556 thousand for share-based payment.

## Income tax liabilities

Corporation tax liabilities and trade tax liabilities of €3,586 thousand (previous year: €10,581 thousand) were reported as of December 31, 2023.

## Other liabilities

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

| In € thousand | 12/31/2023 | 12/31/2022 |
|---|---|---|
| Liabilities from personnel expenses | 9,596 | 12,624 |
| VAT liabilities | 2,500 | 1,549 |
| Liabilities due to event organizers [1] | 1,475 | 4,061 |
| Debtors with credit balances | 1,211 | 966 |
| Liabilities for Supervisory Board remuneration | 323 | 323 |
| Miscellaneous liabilities | 2,999 | 2,326 |
| **OTHER CURRENT LIABILITIES** | **18,104** | **21,848** |

[1] *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 for 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, 2023, funds consist of liquid funds of €20,935 thousand (previous year: €74,800 thousand) and a term deposit (cash equivalent) of €72,142 thousand (previous year: €20,000 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 €542 thousand (previous year: €586 thousand) from the unwinding of discounts on payment obligations under leases. The amount paid for leases is recognized in cash flows from financing activities and amounts to €9,679 thousand (previous year: €8,945 thousand). The change in lease liabilities includes non-cash effective of €2,309 thousand (previous year: €3,074 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, 12/31/2023 | 5,168 | 8,687 | 24,138 | 16,758 | 54,750 | – 1,663 | 53,087 |
| Contractual payment obligations from leases, 12/31/2022 | 8,979 | 6,130 | 23,820 | 23,240 | 62,169 | – 2,257 | 59,912 |

Payment obligations as of the reporting date mentioned above included the contractual payments for the NEW WORK Harbour (registered office of New Work SE) through to the end of the contract term. The lease term has been shortened to end at the end of 2025 as a result of the contract assignment agreement that became effective in February (see “Significant events after the reporting period”). A new lease of office space commencing in the fourth quarter of 2025 was signed in the reporting period. This is expected to give rise to cash outflows of €22,564 thousand over the expected lease term. The annual lease payments will fall significantly as a result of the move.

### 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 amounted to €110,423 thousand as of December 31, 2023.

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.

### Classes of financial instruments

The following financial instruments existed as of the reporting date:

| In € thousand | Measurement category [1] | 12/31/2023 | 12/31/2022 |
|---|---|---|---|
| Non-current financial assets at amortized cost | Amortized cost | 2,823 | 3,005 |
| Non-current financial assets at fair value | FAFVtPL | 17,226 | 28,427 |
| Current receivables from services | Amortized cost | 20,477 | 19,881 |
| Current other assets | Amortized cost | 6 | 1,201 |
| Cash and cash equivalents | Amortized cost | 93,077 | 98,304 |
| Non-current lease liabilities | Amortized cost | 48,254 | 53,658 |
| Current trade accounts payable | Amortized cost | 11,339 | 9,971 |
| Current lease liabilities | Amortized cost | 4,833 | 6,254 |
| Current other liabilities | Amortized cost | 3,586 | 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.

### 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 €1,907 thousand (previous year: €1,739 thousand). Expenses from exchange rate effects had an offsetting effect of €948 thousand (previous year: €937 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 (€1,764 thousand) would go up or down by €18 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 €119 thousand (previous year: €108 thousand) on the basis of an average investment volume of €118,577 thousand (previous year: €123,505 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 due from companies in the HR Solutions & Talent Access business or members in the B2C business) 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 €2,462 thousand (previous year: €2,172 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 €20,477 thousand is equal to the carrying amount of the receivables (previous year: €19,881 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 0 (previous year: 101.68) percent. Overall, personnel expenses of €0 thousand (previous year: €504 thousand) for cash-settled share-based payment were recognized in the income statement for the 2023 financial year. Liabilities of €1,618 thousand (previous year: €4,599 thousand) were recognized as of December 31, 2023 for entitlements arising from the long-term incentive programs, taking into account the share price performance. Of this amount, €556 thousand relates to current liabilities (previous year: €795 thousand) and €1,062 thousand to non-current liabilities (previous year: €3,804 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 2023 in € | Number of shadow shares/PSUs in 2023 | Average exercise price per shadow share in 2022 in € | Number of shadow shares in 2022 |
|---|---|---|---|---|
| As of January 1 | 152.60 | 28,517 | 218.50 | 15,097 |
| Granted in the financial year for 2021 | – | – | 173.48 | 9,841 |
| Granted in the financial year for 2022 | – | – | 160.55 | 8,010 |
| Granted in the financial year for 2023 | 140.85 | 12,957 | – | – |
| Exercised in the financial year | 159.67 | 5,370 | 171.03 | 4,431 |
| As of December 31 | 78.80 | 36,104 | 152.60 | 28,517 |

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 12/31/2023 | Shadow shares 12/31/2022 |
|---|---|---|---|---|
| 2019 | 2023 | 287,26 | – | 5,370 |
| 2020 | 2024 | 243,53 | 5,296 | 5,296 |
| 2021 | 2025 | 173,48 | 9,841 | 9,841 |
| 2022 | 2025 | 160,55 | 8,010 | 8,010 |
| 2023 | 2026 | 140,85 | 12,957 | – |
| Average remaining contractual term of the shadow shares/PSUs outstanding at the end of the reporting period | | | 2.11 | 2.08 |

## Relations with related parties

### Management Board and Supervisory Board

The Management Board and the Supervisory Board received total remuneration of €2,556 thousand and €323 thousand (previous year: €4,292 thousand and €323 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 €2,056 thousand (previous year: €3,064 thousand), while benefits payable in the long term totaled €0 thousand (previous year: €1,228 thousand). To reflect the change in value in claims to date to cash-settled share-based payment, an amount of €1,796 thousand was credited to personnel expenses in the financial year (previous year: €1,030 thousand credited to personnel expenses). Total remuneration includes a long-term incentive (LTI) in the form of a performance share plan. In financial year 2023, the members of the Management Board received a preliminary allocation of 0 (phantom) performance shares (previous year: 8,010) with a grant date fair value of €0 thousand (previous year: €1,680 thousand). Total remuneration of the Management Board members in accordance with Section 315e in conjunction with Section 314 (1) No. 6a HGB amounted to €2,556 thousand (previous year: €4,744 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 2023 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 €22,619 thousand (previous year: €18,760 thousand) in dividend payments.

Services in the amount of €158 thousand (previous year: €276 thousand) were provided to affiliated companies of Burda Media Holding Kommanditgesellschaft, Offenburg, Germany. Services purchased from affiliated companies totaled €1,118 thousand (previous year: €737 thousand).

Additions to property, plant and equipment from affiliated companies totaled €758 thousand (previous year: €1,769 thousand). The receivables from services show net amounts of €163 thousand (previous year: €210 thousand) due from affiliated companies, and the trade accounts payable show net amounts of €338 thousand (previous year: €927 thousand) due to affiliated companies.

## Number of employees

During financial year 2023, the New Work Group had an average of 1,921 employees (previous year: 1,956), of whom 1,451 were full-time and 470 were part-time staff or temporary office staff (previous year: 1,482 full-time and 474 part-time or as temporary office staff).

As of December 31, 2023, the Group had a total of 1,787 employees (previous year: 2,065), of whom 1,340 were full-time and 447 were part-time staff or temporary office staff (previous year: 1,550 full-time and 515 part-time or temporary office staff).

## 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**
Executive
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 (until January 16, 2024)

Other Supervisory Board posts/memberships in control bodies:

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

**Dr. Katharina Herrmann,**
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

**Prof. Dr. Johannes Meier**
Managing Director, Xi GmbH, Gütersloh, Germany

Other Supervisory Board posts/memberships in control bodies:

- Member of the Supervisory Board, Nederlandse Gasunie NV, Groningen, Netherlands
- Chairman of the Advisory Board, Mercator Foundation, Essen, Germany
- Member of the Advisory Board, Meridian Foundation, Essen, Germany
- Managing Director, Unicef Germany, Cologne, Germany

**Jean-Paul Schmetz**
Chief Scientist, Hubert Burda Media Holding KG, Munich, Germany

Other Supervisory Board posts/memberships in control bodies:

- None

**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 2023 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**
CCO, Kressborn, Germany

Supervisory Board posts/memberships in control bodies:

- None

**Dr. Peter Opdemom**
Board Member B2C, Bonn, Germany
(until October 15, 2023)

Supervisory Board posts/memberships in control bodies:

- None

**Jens Pape**
CTO, Hamburg, Germany
(until August 31, 2023)

Supervisory Board posts/memberships in control bodies:

- None

## Fees and services of KPMG AG and affiliated companies

In financial year 2023, costs of €273 thousand (previous year: €254 thousand) were recognized for auditing services (of which €26 thousand is attributable to affiliated companies of the KPMG group) (previous year: €26 thousand). In addition, expenses for other assurance services amounting to €47 thousand (previous year: €0 thousand) and for other services amounting to €20 thousand (previous year: €0 thousand) were recognized.

## 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 €20,000. 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 2024, 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.new-work.se/en/investor-relations/corporate-governance**).

## Significant events after the reporting period

On January 11, 2024, the Supervisory Board of New Work SE approved the comprehensive transformation of the organizational structure put forward by the Management Board. The focus on the XING and kununu brands and the substantial transformation of the organizational structure associated with this will result in a significant triple-digit reduction in headcount. The financial effects are estimated to be in the low double-digit millions of euros.

Due to the contract assignment agreement between New Work SE, the former lessor and the buyer/new lessor of the NEW WORK Harbour (registered office of New Work SE) that became effective upon its entry in the land register in February 2024, the remaining lease term has been shortened to end in December 2025 rather than February 2031. It is estimated that the remeasurement of the lease liability and the right-of-use asset required as a result of this will have an effect on the net assets of New Work SE in financial year 2024 in the low double-digit millions of euros.

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

Hamburg, March 21, 2024

The Management Board

Petra von Strombeck Ingo Chu Frank Hassler

# 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 combined 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 21, 2024

The Management Board

Petra von Strombeck    Ingo Chu    Frank Hassler

# Independent Auditor’s Report

**To New Work SE, Hamburg**

## Report on the Audit of the Consolidated Financial Statements and of the Combined 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 2023, 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 2023, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the combined management report of New Work SE for the financial year from 1 January to 31 December 2023.

In accordance with German legal requirements, we have not audited the content of those components of the combined 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 [Handelsgesetzbuch: 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 2023, and of its financial performance for the financial year from 1 January to 31 December 2023, and
- the accompanying combined management report as a whole provides an appropriate view of the Group’s position. In all material respects, this combined 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 combined management report does not cover the content of those components of the combined 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 combined management report.

### Basis for the Opinions

We conducted our audit of the consolidated financial statements and of the combined 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 combined 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 combined 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 2023. 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 in the HR Solutions & Talent Access segment

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 the HR Solutions & Talent Access segment in financial year 2023 amounted to EUR 218.6 million, accounting for 72% of the group's total revenues.

The HR Solutions & Talent Access segment combines all products for employers seeking access to talent and all products for employees through which this access to talent is achieved. With products which include prepayments by the customer 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 in the HR Solutions & Talent Access segment 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 HR Solutions & Talent Access segment 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 in the HR Solutions & Talent Access segment, including the implemented controls for system changes and interfaces between relevant IT systems.

We assessed the applicable point in time and the amount of revenue and contract liabilities recognised in the HR Solutions & Talent Access 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 HR Solutions & Talent Access 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 in the HR Solutions & Talent Access segment 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 combined management report, whose content was not audited:

- the combined separate non-financial report, which is referred to in the combined management report,
- the combined corporate governance statement referred to in the combined management report, and
- information extraneous to combined management report 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 combined management report information audited for content and our auditor's report thereon.

Our opinions on the consolidated financial statements and on the combined 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 combined 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 combined 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 combined 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 combined 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 combined 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 combined management report.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the combined 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 combined 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 combined 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 combined 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 combined 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 combined 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 combined 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 combined 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 combined 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 combined 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 combined 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 combined management report (hereinafter the "ESEF documents") contained in the electronic file „NWSE_Konzernabschluss_31122023“ (SHA256-Hash Value: 0CE7A74A8E976D88FFD-F1E25B534DFC3738086AD7405D56B739DF536EF-D1EC22) 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 combined 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 combined 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 combined management report for the financial year from 1 January to 31 December 2023 contained in the "Report on the Audit of the Consolidated Financial Statements and the combined 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 combined 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 combined 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 combined 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 24 May 2023. We were engaged by the Supervisory Board on 21 September 2023. 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 combined management report as well as the examined ESEF documents. The consolidated financial statements and combined 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 combined 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

| | |
|---|---|
| [signature] | [signature] |
| Hagenmüller | von der Decken |
| [German Public Auditor] | [German Public Auditor] |

# Financial calendar

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|---|---|
| Publication of the annual financial report 2023 | March 21, 2024 |
| Publication of the Q1 quarterly financial report | May 7, 2024 |
| Annual General Meeting | June 4, 2024 |
| Publication of the half-year financial report | August 6, 2024 |
| Publication of the Q3 quarterly financial report | November 6, 2024 |

# Publishing information and contact

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

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*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 → **www.new-work.se/en/investor-relations/reports**.*

NewWork

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