

NEW  
WORK  
SE

# Q1-Q3 2022

Interim Report

from January 1 to  
September 30, 2022

WOMEN.FEMME.DONNA

# Consolidated key figures<sup>1</sup>

	Unit	9M 2022	9M 2021	Q3 2022	Q3 2021	Q2 2022
Revenues	in € million	231.3	208.2	78.7	72.1	78.0
Pro forma revenues	in € million	231.3	208.2	78.7	72.1	78.0
EBITDA	in € million	80.6	79.0	27.0	26.4	27.8
Pro forma EBITDA	in € million	80.6	79.0	27.0	26.4	27.8
EBITDA margin	in %	35	38	34	37	36
Pro forma EBITDA margin	in %	35	38	34	37	36
Net profit/loss for the period	in € million	37.7	33.2	14.3	7.0	11.2
Pro forma consolidated net profit/loss for the period	in € million	39.3	33.1	15.0	7.1	11.7
Earnings per share (diluted)	in €	6.70	5.91	2.55	1.24	2.00
Pro forma earnings per share (diluted)	in €	6.99	5.88	2.66	1.26	2.08
Cash flow from operations	in € million	70.5	73.6	16.9	19.8	14.6
Equity	in million	137.8	131.0	137.8	131.0	124.8
XING platform members, D-A-CH	in million	21.3	19.9	21.3	19.9	21.0
InterNations members	in million	4.5	4.1	4.5	4.1	4.4
kununu workplace insights	in million	7.6	5.8	7.6	5.8	7.2
B2B E-Recruiting customers, D-A-CH (subscriptions)	in thousand	14.1	12.8	14.1	12.8	13.7
Employees (FTE)	number	1,791	1,699	1,791	1,699	1,754

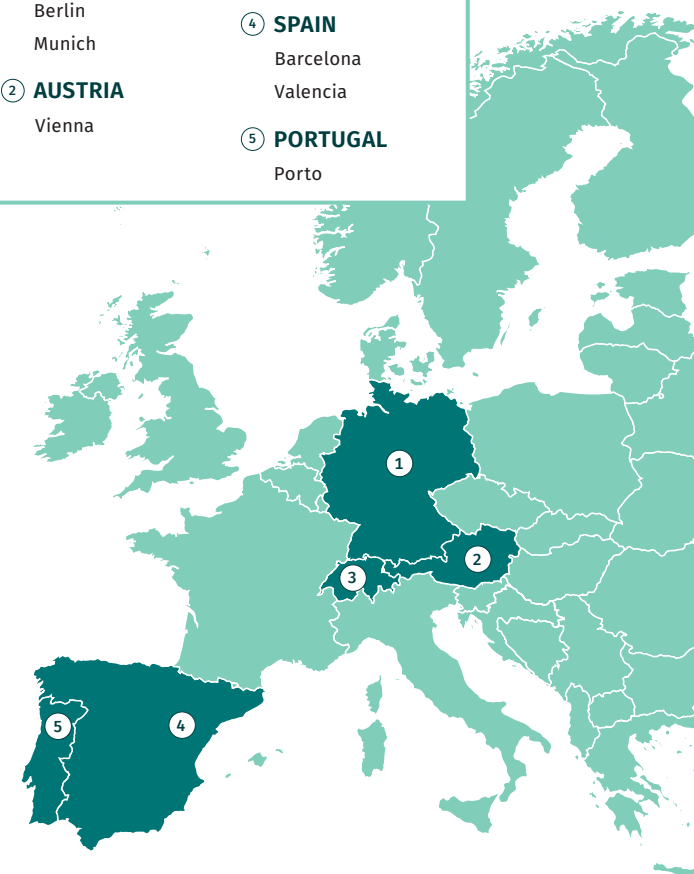
<sup>1</sup> From continuing operations

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- ④ **SPAIN**  
Barcelona  
Valencia
- ⑤ **PORTUGAL**  
Porto



# Company profile

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



HARBOUR FOR

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## Strong brands

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

# To our shareholders

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CEO of New Work SE  
Petra von Strombeck

# Letter from the CEO

## Dear Shareholders,

We live in turbulent times and there seems to be no end to bad news. But I have good news for you. We are currently experiencing a relative disconnect between economic activity and economic forecasts on the one hand and the employment index and job openings on the other. The labor market is showing robustness – the first piece of good news. However, the skills shortage remains one of the most pressing problems in Germany's labor market. Demographic change is having an increasingly dramatic impact and will pose a fundamental challenge for local companies in the long term.

And here the second piece of good news: We are able to remedy this situation with our strong brands like XING, kununu and the new B2B brand onlyfy by XING. And this is precisely where the new strategy that we communicated early this year fits in. We help companies find the skilled professionals they need to grow and be profitable while helping candidates find the right job and improve the quality of their working lives.

In presenting the results of New Work SE for the first nine months of this year, I am delighted to report that this new strategy is starting to produce gratifying results. Our Group's revenues for the reporting period increased by 11 percent year-on-year to €231 million. EBITDA edged up to just under €81 million due to a change in the seasonality of expenses compared with the previous year (for example, significantly lower marketing expenses in the first half of the previous year); we are reaffirming our full-year EBITDA guidance of €104 million. Consolidated net profit climbed by 13 percent to just under €38 million.



At over €39 million, pro forma consolidated net profit adjusted for one-time effects in connection with the remeasurement of investments was up by an impressive 19 percent.

*“The growth driver in the third quarter was again the B2B solutions business.”*

The B2B E-Recruiting segment, which has a pivotal role to play in our realignment, was our primary growth driver. In this segment we offer solutions and services that help companies compete successfully in the face of an increasingly acute skills shortage. Segment revenues rose by 23 percent to over €151 million. The B2C segment saw its revenues slip back to €68 million as expected and in line with our strategy because in our monetarization strategy we are focusing squarely on the high-growth business for HR departments. At over €12 million, revenues in the B2B Marketing Solutions segment were only marginally higher with an increase of 4 percent owing to the restraint shown by advertising customers as a result of the economic situation.

*“With our new B2B brand onlyfy by XING we will systematically further expand our business with HR departments.”*

We successfully launched onlyfy by XING in September of this year. This B2B brand focuses on the fast-growing business with HR departments that is to be systematically expanded. onlyfy by XING brings together all of our HR services and solutions under the new onlyfy one product and provides innovative tools such as the list of suitable candidate recommendations that job advertisers receive at the touch of a button.

The non-financial KPIs involving access to talent also showed an encouraging trend in the reporting period. The XING job network, the biggest talent pool in the German-speaking region, welcomed 1.4 million new members in the period under review. This growth is all the more remarkable when we consider that XING enjoys exceedingly high market penetration and the vast majority of knowledge workers in Germany, Austria, and Switzerland are already signed up to XING. It brings the total number of XING members to 21.3 million.

kununu, the leading employer review platform in the D-A-CH region, lifted the number of workplace insights to 7.6 million, an increase of 32 percent year-on-year. This platform provides users with a variety of additional authentic workplace insights including more than 4.6 million experience reports and over 2.3 million pieces of salary data.

*“kununu also recorded a gratifying growth rate once again.”*

As you can see, New Work SE is well on course even in difficult times. Our alignment is clear and is based on the skills shortage – a megatrend that will be with companies in the German-speaking region for many years to come. Because of this, we are superbly positioned for future growth.

I would like to thank you for placing your trust in us and hope you will continue to give us your support.

Yours sincerely,



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

# The New Work SE share

## Basic data about the share

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

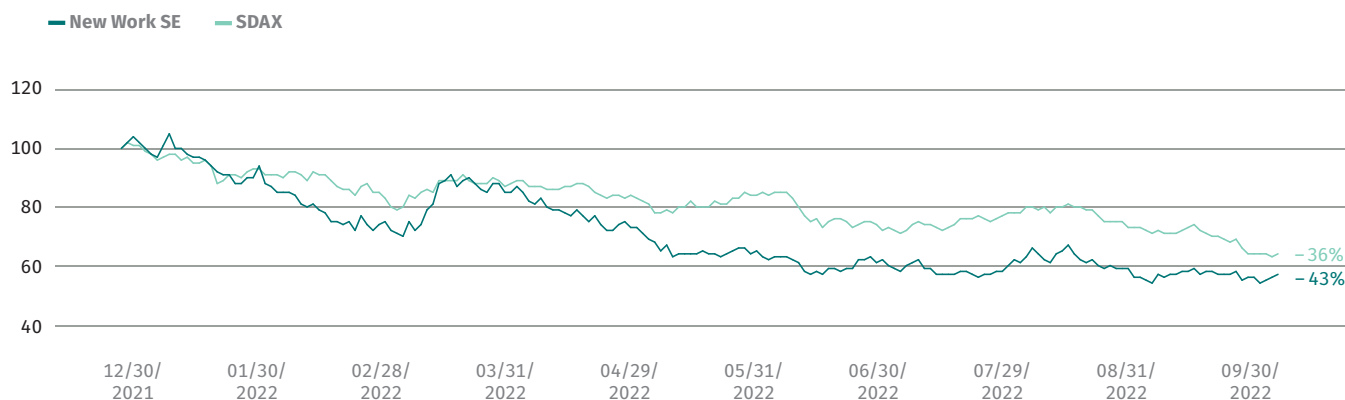
## Key data on the share at a glance

	Q3 2022	Q3 2021
XETRA closing price at the end of the period	€123.60	€212.00
High	€146.00	€272.00
Low	€117.00	€210.00
Market capitalization at the end of the period	€694.7 million	€1,191.5 million
Average trading volume per day (XETRA)	2,853	1,019
Earnings per share from continuing operations	€2.55	€1.24
Pro forma earnings per share from continuing operations	€2.66	€1.26

## Shareholder structure in November 2022



## Share price performance vs. SDAX in the first nine months of 2022



## Analyst recommendations in November 2022

Broker	Analyst	Recommendation	Price target
Berenberg Bank	Catharina Claes	Buy	€172
Deutsche Bank	Nizla Naizer	Hold	€165
Hauck & Aufhäuser	Nicole Winkler	Buy	€231
Pareto Securities	Mark Josefson	Buy	€255
Warburg Research	Marius Fuhrberg	Buy	€253

# Interim Group management report

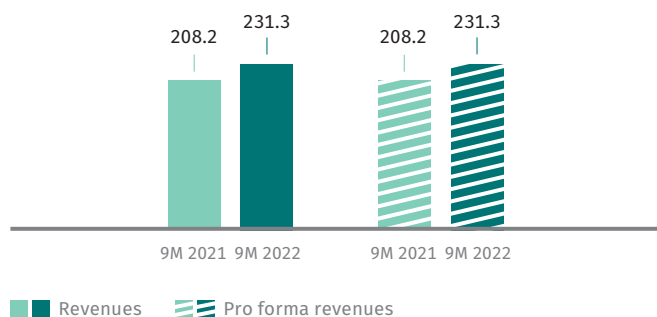
*for the period from  
January 1 to September 30, 2022*

9	Results of operations in the Group
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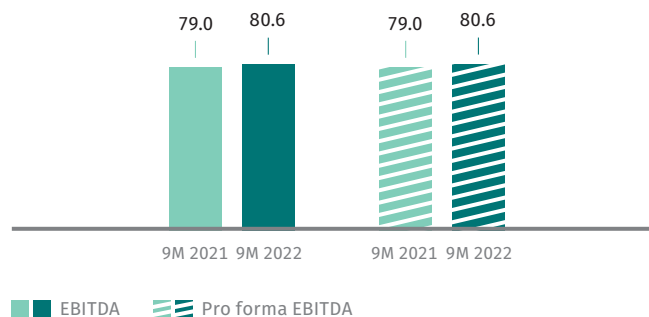


## Results of operations in the Group

### Revenues from continuing operations in € million



### EBITDA from continuing operations in € million



**Note:** Reflecting its strong focus on a new strategy, New Work SE reports the Events business as a discontinued operation. For this reason, all key financial figures presented in the interim consolidated financial statements and management report (in particular those of the B2B Marketing Solutions segment (& Events)) are calculated based on continuing operations and restated retrospectively where necessary.

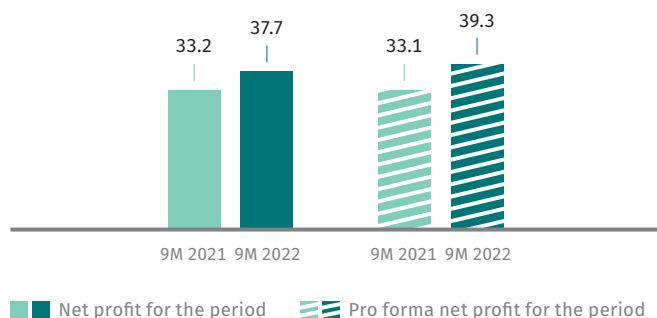
### REVENUES

At €231.3 million, the Group's revenues were 11 percent higher than the prior-year figure of €208.2 million. The double-digit percentage increase is mainly due to continued dynamic growth in the core business of B2B E-Recruiting (+ 23 percent).

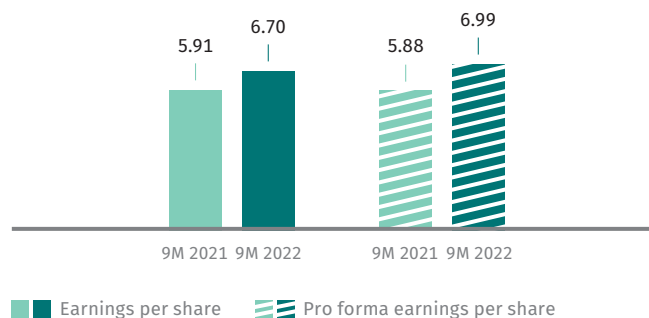
### OWN WORK CAPITALIZED

Own work capitalized in the reporting period amounted to €15.3 million, which is slightly down on the previous year (9M 2021: €17.4 million) This item is composed of personnel expenses, freelancer costs and ancillary costs.

### Net profit for the period from continuing operations in € million



### Earnings per share from continuing operations in €



### PERSONNEL EXPENSES

Personnel expenses increased from €97.0 million in the previous year to €104.4 million in the reporting period. The increase is mainly due to salary adjustments, bonuses and the accelerated expansion of our employee base.

**MARKETING EXPENSES**

At €29.6 million, marketing expenses were up around 26 percent on the prior-year figure. This is due to a change in the seasonality of expenses; there were fewer branding campaigns in the prior-year period, for example. We also made higher investments in performance marketing activities for the XING job market.

**OTHER OPERATING EXPENSES**

Other operating expenses saw a considerable increase in the reporting period by 31 percent year-on-year to €33.4 million (9M 2021: €25.5 million). The main reasons for this increase are the return to normality and the end of lockdowns after the coronavirus crisis. External services (incl. consulting projects) as well as travel and entertainment costs rose year-on-year as a result. Server hosting, administration, traffic and license costs also increased compared to the same period last year. The notes to the financial statements include a detailed table of all items reported under other operating expenses.

**IMPAIRMENT OF FINANCIAL ASSETS AND CONTRACT ASSETS**

In the reporting period, impairment losses amounted to €1.3 million compared with €1.9 million in the prior-year period. The slight decrease is mainly due to a lower level of bad debts.

**EBITDA**

In the reporting period, we generated an operating profit (EBITDA) of €80.6 million (9M 2021: €79.0 million). As there were no extraordinary items in the reporting period, reported EBITDA corresponds to pro forma EBITDA. The lower growth in the first nine months of 2022 is attributable to a change in the cost's seasonality compared to the previous year (marketing expenses were significantly lower in the first half of 2021, for example), the return to normality (travel and entertainment costs, for example) after the coronavirus crisis, and a lower level of capitalization of internal software development costs.

**DEPRECIATION, AMORTIZATION AND IMPAIRMENT LOSSES**

Depreciation, amortization and impairment losses fell by 14 percent from €28.8 million (including €2.0 million in PPA depreciation and amortization) to €24.7 million (including €1.6 million in PPA depreciation and amortization). The slight reduction is mainly attributable to the €3.4 million decrease in finance leasing triggered by the elimination of paying double rent for two locations in Hamburg.

**FINANCIAL RESULT**

At €-3.1 million, the financial result in the reporting period was significantly lower than the previous year's figure of €-0.4 million. Here, two non-recurring factors must be highlighted:

- 1. A non-recurring effect from the remeasurement of investments in the amount of €-2.4 million in the reporting period, and
- 2. a non-recurring effect from the remeasurement of investments in the amount of €0.3 million in the prior-year period.

**TAXES**

Current taxes are determined by the Group companies based on the tax laws applicable in their country of domicile. Tax expense amounted to €15.1 million in the reporting period, up from €16.6 million in the prior-year period. In the reporting period, this item includes minor, positive one-time effects, particularly in connection with the remeasurement of investments (€0.8 million).

**CONSOLIDATED NET PROFIT AND EARNINGS PER SHARE**

Consolidated net profit in the reporting period amounted to €37.7 million, compared with €33.2 million in the prior-year period. This gives rise to earnings per share of €6.70, compared with €5.91 in the prior-year period. The pro forma profit adjusted for non-recurring effects is €39.3 million, compared with a pro forma profit of €33.1 million for the prior-year period. Pro forma earnings per share rose accordingly from €5.88 (9M 2021) to €6.99 in the reporting period. The main reason for this increase is the year-on-year decrease in depreciation, amortization and impairment losses.

**Pro forma reconciliation 9M 2022**

in € million	P&L 01/01/- 09/30/2022	Remeasurement of non-operating financial instruments	P&L pro forma 01/01/- 09/30/2022	P&L pro forma 01/01/- 09/30/2021	Change in %	Change absolute
<b>Revenues</b>	<b>231.3</b>		<b>231.3</b>	<b>208.2</b>	<b>11</b>	<b>23.1</b>
Other operating income	2.6		2.6	1.1	123	1.4
Other own work capitalized	15.3		15.3	17.4	-12	-2.1
Personnel expenses	-104.4		-104.4	-97.0	8	-7.4
Marketing expenses	-29.6		-29.6	-23.4	26	-6.2
Other operating expenses	-33.4		-33.4	-25.5	31	-7.9
Impairment losses on financial assets and contract assets	-1.3		-1.3	-1.9	-33	0.6
<b>EBITDA</b>	<b>80.6</b>		<b>80.6</b>	<b>79.0</b>	<b>2</b>	<b>1.6</b>
Depreciation, amortization and impairment losses	-24.7		-24.7	-28.8	-14	4.1
<b>EBIT</b>	<b>55.9</b>		<b>55.9</b>	<b>50.2</b>	<b>11</b>	<b>5.7</b>
Financial result	-3.1	2.4	-0.7	-0.6	15	-0.1
<b>EBT</b>	<b>52.8</b>	<b>2.4</b>	<b>55.2</b>	<b>49.5</b>	<b>11</b>	<b>5.6</b>
Taxes	-15.1	-0.8	-15.9	-16.5	-3	0.6
<b>Consolidated net profit/loss from continuing operations</b>	<b>37.7</b>	<b>1.6</b>	<b>39.3</b>	<b>33.1</b>	<b>19</b>	<b>6.2</b>
<b>Earnings per share from continuing operations in €</b>	<b>6.70</b>	<b>0.29</b>	<b>6.99</b>	<b>5.88</b>	<b>19</b>	<b>1.1</b>

**Pro forma reconciliation Q3 2022**

in € million	P&L 07/01/– 09/30/2022	Remeasurement of non-operating financial instruments	P&L pro forma 07/01/– 09/30/2022	P&L pro forma 07/01/– 09/30/2021	Change in %	Change absolute
<b>Revenues</b>	<b>78.7</b>		<b>78.7</b>	<b>72.1</b>	<b>9</b>	<b>6.6</b>
Other operating income	1.0		1.0	0.4	119	0.5
Other own work capitalized	5.5		5.5	5.6	–2	–0.1
Personnel expenses	–34.2		–34.2	–30.7	11	–3.5
Marketing expenses	–10.7		–10.7	–10.2	5	–0.5
Other operating expenses	–13.0		–13.0	–10.4	25	–2.6
Impairment losses on financial assets and contract assets	–0.2		–0.2	–0.3	–25	0.1
<b>EBITDA</b>	<b>27.0</b>		<b>27.0</b>	<b>26.4</b>	<b>2</b>	<b>0.6</b>
Depreciation, amortization and impairment losses	–7.1		–7.1	–14.3	–50	7.2
<b>EBIT</b>	<b>19.9</b>		<b>19.9</b>	<b>12.1</b>	<b>64</b>	<b>7.8</b>
Financial result	–1.1	0.9	–0.2	–0.2	–6	0.0
<b>EBT</b>	<b>18.8</b>	<b>0.9</b>	<b>19.7</b>	<b>11.9</b>	<b>66</b>	<b>7.8</b>
Taxes	–4.5	–0.3	–4.8	–4.9	–2	0.1
<b>Consolidated net profit/loss from continuing operations</b>	<b>14.3</b>	<b>0.6</b>	<b>15.0</b>	<b>7.1</b>	<b>112</b>	<b>7.9</b>
<b>Earnings per share from continuing operations in €</b>	<b>2.55</b>	<b>0.11</b>	<b>2.66</b>	<b>1.26</b>	<b>112</b>	<b>1.4</b>

**Pro forma reconciliation 9M 2021**

in € million	P&L 01/01/– 09/30/2021	Remeasurement of non-operating financial instruments	P&L pro forma 01/01/– 09/30/2021
<b>Revenues</b>	<b>208.2</b>		<b>208.2</b>
Other operating income	1.1		1.1
Other own work capitalized	17.4		17.4
Personnel expenses	– 97.0		– 97.0
Marketing expenses	– 23.4		– 23.4
Other operating expenses	– 25.5		– 25.5
Impairment losses on financial assets and contract assets	– 1.9		– 1.9
<b>EBITDA</b>	<b>79.0</b>		<b>79.0</b>
Depreciation, amortization and impairment losses	– 28.8		– 28.8
<b>EBIT</b>	<b>50.2</b>		<b>50.2</b>
Financial result	– 0.4	– 0.3	– 0.6
<b>EBT</b>	<b>49.8</b>	<b>– 0.3</b>	<b>49.5</b>
Taxes	– 16.6	0.1	– 16.5
<b>Consolidated net profit</b>	<b>33.2</b>	<b>– 0.1</b>	<b>33.1</b>
<b>Earnings per share in €</b>	<b>5.91</b>	<b>– 0.03</b>	<b>5.88</b>

**Pro forma reconciliation Q3 2021**

in € million	P&L 07/01/– 09/30/2021	Remeasurement of non-operating financial instruments	P&L pro forma 01/01/– 09/30/2021
<b>Revenues</b>	<b>72.1</b>		<b>72.1</b>
Other operating income	0.4		0.4
Other own work capitalized	5.6		5.6
Personnel expenses	– 30.7		– 30.7
Marketing expenses	– 10.2		– 10.2
Other operating expenses	– 10.4		– 10.4
Impairment losses on financial assets and contract assets	– 0.3		– 0.3
<b>EBITDA</b>	<b>26.4</b>		<b>26.4</b>
Depreciation, amortization and impairment losses	– 14.3		– 14.3
<b>EBIT</b>	<b>12.1</b>		<b>12.1</b>
Financial result	– 0.3	0.1	– 0.2
<b>EBT</b>	<b>11.8</b>	<b>0.1</b>	<b>11.9</b>
Taxes	– 4.9	0.0	– 4.9
<b>Consolidated net profit</b>	<b>7.0</b>	<b>0.1</b>	<b>7.1</b>
<b>Earnings per share in €</b>	<b>1.24</b>	<b>0.02</b>	<b>1.26</b>

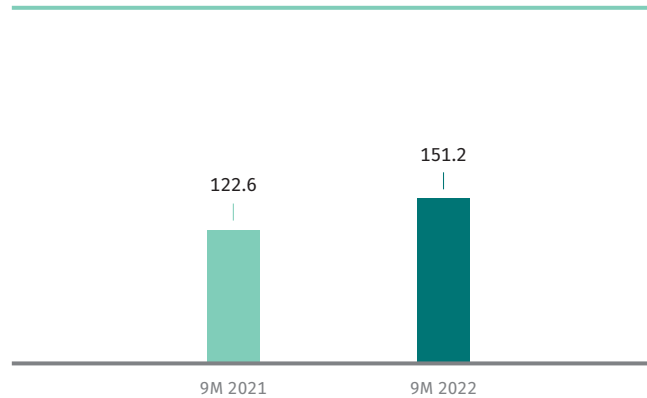
## Segment performance

### B2B E-RECRUITING SEGMENT

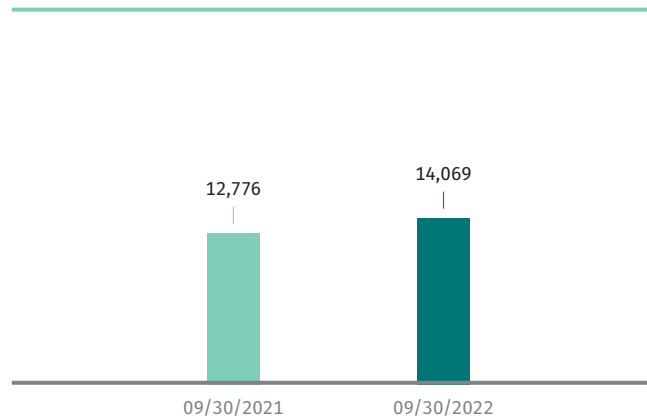
The **B2B E-Recruiting** segment achieved clear double-digit growth despite the deteriorating macroeconomic environment, with segment revenue rising by 23 percent to €151.2 million during the reporting period (9M 2021: €122.6 million). This increase in revenue is partly due to a further acceleration of growth in corporate customers (subscription customers) to more than 14,000 by the end of September, while average revenue per customer also rose markedly.

Segment EBITDA likewise witnessed dynamic growth and improved by 22 percent from €84.1 million to €102.9 million.

### B2B E-Recruiting segment revenues in € million



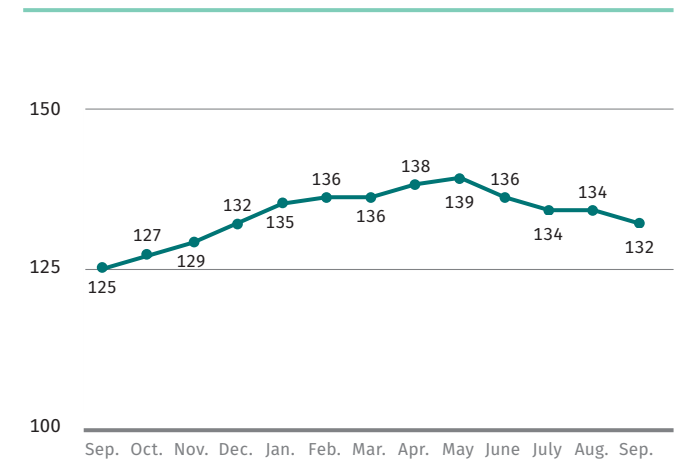
### B2B E-Recruiting subscription customers



### Stable labor market and more unfilled vacancies

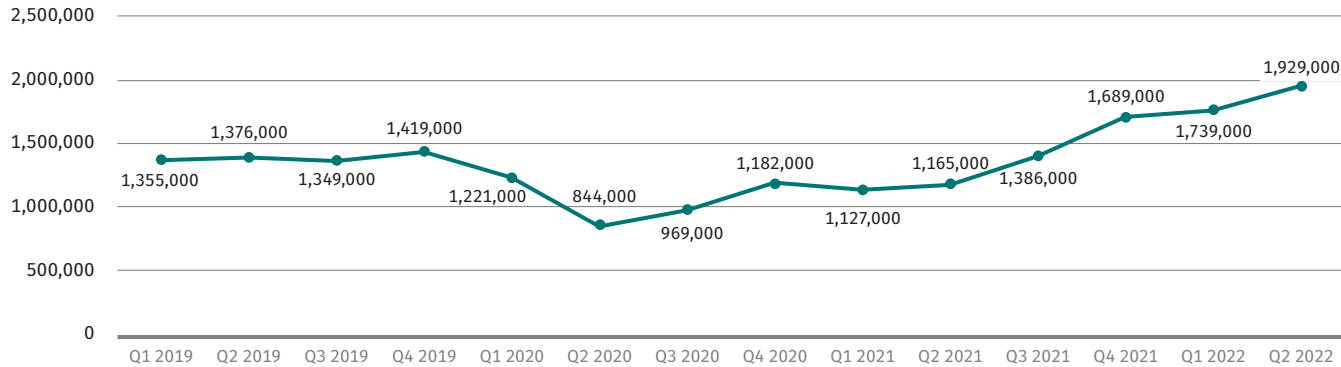
The labor market in our core market of Germany is very stable despite the challenging macroeconomic situation and a further deterioration in the ifo business climate index (September 2022: 84.3 points, down from 99.2 points in the previous year). Demand for talent in Germany is strong despite high inflation, rising energy prices, supply chain problems and the war in Ukraine. At 132 points, the BA-X labor demand index in Germany remains close to its high for the past few years.

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





Number of registered vacant jobs in Germany by quarter



Comparing the second quarters of 2020, 2021 and 2022 with each other reveals a huge jump in the number of vacancies.

In Q2 2022, over one million more jobs were posted than in the crisis year of 2020.

Source: IAB Job Survey, as of August 2022

In September, the job index collated by the Institute for Employment Research (IAB) reached a new all-time high with more than 1.9 million unfilled vacancies (Q2 2022).

The situation in the labor market remains particularly challenging for companies. In our opinion, having access to suitable talented professionals and candidates gives employers a decisive competitive edge, due in particular to demographic

trends and the associated reduction in the workforce in Germany. This is precisely why our activities focus on helping companies to find and hire the best possible talented professionals and candidates.

With this in mind, we unveiled our new B2B brand onlyfy at Zukunft Personal Europe, Germany's largest human resources trade fair, in Cologne in September.

Hello, onlyfy: new brand successfully launched at Zukunft Personal Europe



Zukunft Personal Europe has played a significant role in the success of New Work SE for many years. In mid-September this year, Europe's largest trade fair for the human resources sector returned to its usual format for the first time since the outbreak of the pandemic, with more than 16,000 visitors gathering at the Koelnmesse exhibition center. Of around 500 exhibitors, one in particular stood out: onlyfy. It was impossible to ignore the many posters advertising it in and around the exhibition center, as well as its imposing 320 sqm stand, all heralding the launch of onlyfy, New Work SE's new brand specially designed to meet the recruiting challenges of today.

By combining the expertise, products and services of XING E-Recruiting and Prescreen, onlyfy is powered by tried-and-tested brands. As an integrated, modern brand for recruiting solutions with a consistent strategy, onlyfy is now our “one face to the customer” for corporate customers. We have developed onlyfy to be our core recruiting brand, bringing together all of our products along the entire recruiting value chain.

The technical centerpiece of this product offering is the **onlyfy one** talent acquisition platform, the first integrated recruiting solution that helps companies to unearth and retain the right talent by bringing active sourcing, passive sourcing and efficient applicant tracking together in one place.

#### **onlyfy complements XING and kununu to bolster our strategic realignment**

By unveiling our new brand, we are aiming to expand a B2B business that has been growing for many years, with B2B solutions now making up more than two-thirds of our revenue. A strong brand like onlyfy underlines our commitment to being the number one recruiting partner for companies in German-speaking countries (the D-A-CH region).

#### **New Hiring: new realities need new recruiting solutions**

The idea behind the development of this brand was to reflect a labor market where demand now outstrips supply and a growing shortage of skilled workers is triggering a fundamental shift. In this situation, unearthing suitable talent now gives companies a crucial competitive edge. The onlyfy one talent acquisition platform helps companies to search for suitable candidates in a quick, uncomplicated and efficient way and makes recruiting easier by not only automating workflows and simplifying complex process but also by using AI to support HR managers. As a result, recruiting becomes New Hiring. Recruiting is all about finding the perfect match – people who are a perfect cultural and professional fit for the company in question. We want to make that process easier. The name onlyfy reflects this approach by combining the words “only” and “simplify”. Less of a process, more of an experience: Winning the one and only. We simplify that.

onlyfy one also offers an array of unique features. For example, HR managers receive suitable candidate recommendations from more than 21 million members across the XING network as soon as they begin drafting a job profile. They can then approach these candidates directly via the system and invite them to apply for the position. The tool offers AI-based support when creating job advertisements and enables the ads to be published on a wide array of different channels as well as on social media. Jobseekers can also benefit from these simplified processes by applying for roles directly via WhatsApp or at the click of a button using their XING profile.

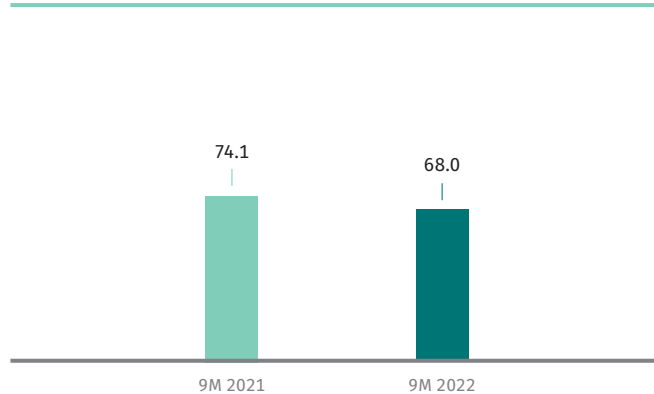
A transparent application process for specialist departments and managers as well as feedback every step of the way all help to ensure a smooth “candidate journey”, giving recruiters time to focus on what really matters – people.

This intuitive SaaS solution is also suitable for small and medium-sized businesses who have not yet fully digitalized their recruiting and who do not have the resources to undertake an expensive search for talent.

onlyfy one was launched in September, with new modules being added all the time. The Company’s existing products will continue under the new brand name, including onlyfy Talent Manager, onlyfy TalentpoolManager (as part of onlyfy TalentManager Pro only), onlyfy Job Ads, onlyfy TalentService, onlyfy Employer Branding Profile and onlyfy 360Grad. New functionality has been added to this solution to give companies with onlyfy Job Ads greater reach and draw more attention to their advertisements. As a result, job advertisements will now be published – automatically and on a data-driven basis – on other relevant job platforms as well as social media channels.

**B2C SEGMENT**

**B2C segment revenues in € million**



**Segment revenue down 8 percent**

In the **B2C** segment, revenues saw the expected decline of – 8 percent to €68.0 million during the period under review (previous year: €74.1 million).

The decrease is mainly due to a lower number of Premium members. One of the reasons for this trend was the fact that the continued recovery in the labor market and the surge in demand for workers (BA-X Index) meant that fewer members needed to make use of a Premium membership to help them change jobs. Furthermore, our strategic focus is not to emphasize direct monetization of B2C users, for example via paid memberships, but monetization via our B2B E-Recruiting. The B2C segment is mostly about expanding access to talent.

**kununu workplace insights grow significantly once again by 1.8 million**

As the leading employer review platform in the D-A-CH region, **kununu** also continues on its growth trajectory. The number of authentic workplace insights on kununu rose considerably once again, growing by more than 1.8 million (+ 32 percent) to 7.6 million. This includes more than 4.6 million experience reports and over 2.3 million pieces of salary data.

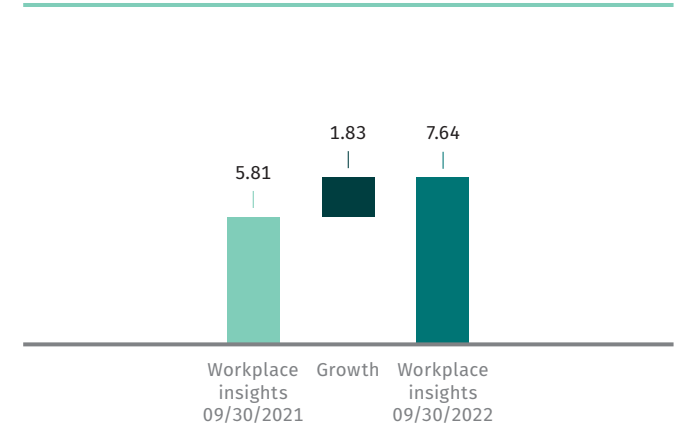
Segment profitability was down 39 percent on the previous year’s figure with EBITDA of €19.2 million (9M 2021: €31.3 million). The decrease is mainly due to the decline in revenues, a slightly lower level of capitalized software development costs in the B2C segment, investments in expanding access to talent (onlyfy JobManager), and the marketing campaign carried out at kununu in the 2022 reporting period.

**Membership base on www.xing.com rises to around 21.3 million**

The membership base on the XING platform operated by New Work SE grew to 21.3 million during the reporting period. This means we have added almost 1.4 million new members to the platform since September 2021.

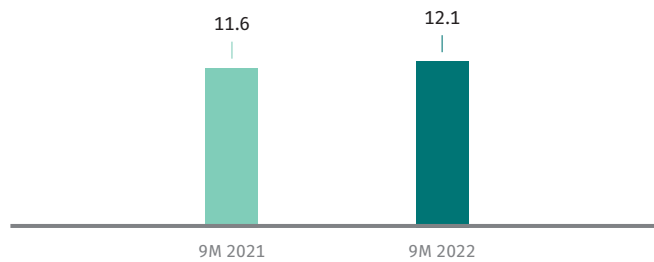
On the product side, we continued to develop the quality of talent pool profiles on the XING platform during the reporting period. For example, we enhanced our skill algorithms to significantly increase the share of users who enter and update the skills on their profile, because we know that members who give a full account of their skills receive approximately nine times more profile visits from recruiters and are given considerably better job recommendations that fit their resume.

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



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



**B2B MARKETING SOLUTIONS SEGMENT****B2B Marketing Solutions segment revenues in € million**

The **B2B Marketing Solutions** segment posted slight revenue growth of 4 percent, lifting revenues to €12.1 million.

Segment EBITDA narrowed by 12 percent to €6.9 million, due to reasons including higher marketing and personnel expenses (9M 2021: €7.9 million).

Factors including fears of a recession prompted companies to be slightly more reticent about allocating their advertising budgets compared to the previous year.

The Marketing Solutions business transferred events customers into its own business as part of the closure of the XING Events business at the end of the year.

# Interim consolidated financial statements

*for the period from January 1 to September 30, 2022*

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# Consolidated statement of comprehensive income

of New Work SE  
for the period from January 1 to September 30, 2022

## Consolidated statement of comprehensive income

In € thousand	Note no.	01/01- 09/30/2022	01/01- 09/30/2021 <sup>1</sup>	07/01- 09/30/2022	07/01- 09/30/2021 <sup>1</sup>
<b>Continuing operations</b>					
Service revenues	3	231,295	208,207	78,685	72,052
Other operating income		2,551	1,143	984	450
Other own work capitalized		15,319	17,372	5,450	5,558
Personnel expenses		-104,428	-97,027	-34,235	-30,735
Marketing expenses		-29,558	-23,380	-10,658	-10,164
Other operating expenses	4	-33,352	-25,478	-12,955	-10,401
Impairment loss on financial assets and contract assets	5	-1,255	-1,863	-250	-334
<b>EBITDA</b>		<b>80,572</b>	<b>78,974</b>	<b>27,021</b>	<b>26,425</b>
Depreciation, amortization and impairment losses	6	-24,654	-28,790	-7,117	-14,323
<b>EBIT</b>		<b>55,918</b>	<b>50,184</b>	<b>19,904</b>	<b>12,102</b>
Finance income	7	134	617	108	235
Finance costs	7	-3,240	-996	-1,238	-520
<b>EBT</b>		<b>52,812</b>	<b>49,805</b>	<b>18,774</b>	<b>11,817</b>
Income taxes		-15,141	-16,594	-4,453	-4,854
<b>NET INCOME/LOSS FROM CONTINUING OPERATIONS</b>		<b>37,671</b>	<b>33,216</b>	<b>14,321</b>	<b>6,963</b>

In € thousand	Note no.	01/01- 09/30/2022	01/01- 09/30/2021 <sup>1</sup>	07/01- 09/30/2022	07/01- 09/30/2021 <sup>1</sup>
Post-tax profit or loss of discontinued operations	8	-2,536	-1,000	-1,525	-421
<b>Consolidated net profit</b>		<b>35,135</b>	<b>32,216</b>	<b>12,796</b>	<b>6,542</b>
<b>Earnings per share</b>					
Earnings per share from continuing operations (basic)		€6.70	€5.91	€2.55	€1.24
Earnings per share from continuing operations (diluted)		€6.70	€5.91	€2.55	€1.24
Earnings per share (basic)		€6.25	€5.91	€2.28	€1.24
Earnings per share (diluted)		€6.25	€5.91	€2.28	€1.24
<b>CONSOLIDATED NET PROFIT</b>		<b>35,135</b>	<b>32,216</b>	<b>12,796</b>	<b>6,542</b>
Currency translation differences		134	325	200	-84
<b>OTHER COMPREHENSIVE INCOME</b>		<b>134</b>	<b>325</b>	<b>200</b>	<b>-84</b>
<b>CONSOLIDATED TOTAL COMPREHENSIVE INCOME</b>		<b>35,269</b>	<b>32,541</b>	<b>12,996</b>	<b>6,458</b>

<sup>1</sup> Restated



# Consolidated statement of financial position

of New Work SE  
to September 30, 2022

## Assets

In € thousand	Note no.	09/30/2022	12/31/2021
<b>Intangible assets</b>			
Purchased software		2,794	4,743
Internally generated software		71,186	71,153
Goodwill		56,145	56,145
Other intangible assets		2,899	3,692
<b>Property, plant and equipment</b>			
Leasehold improvements		13,733	14,942
Other equipment, operating and office equipment		12,205	12,174
Construction in progress		438	618
Lease assets		48,724	50,280
<b>Financial assets</b>			
Financial assets at amortized cost		3,037	3,032
Financial assets at fair value		28,102	30,136
Other non-financial assets		314	580
Deferred tax assets		2,617	2,617
<b>NON-CURRENT ASSETS</b>		<b>242,194</b>	<b>250,112</b>
<b>Receivables and other assets</b>			
Receivables from services	5	22,062	20,637
Contract assets		4,878	4,471
Other assets		9,494	12,806
<b>Cash and short-term deposits</b>			
Cash		95,565	86,459
Third-party cash		6,141	3,684
<b>CURRENT ASSETS</b>		<b>138,140</b>	<b>128,057</b>
		<b>380,334</b>	<b>378,169</b>

## Equity and liabilities

In € thousand	Note no.	09/30/2022	12/31/2021
<b>Equity</b>			
Subscribed capital	9	5,620	5,620
Capital reserves	9	22,644	22,644
Other reserves	9	473	338
Retained earnings	9	109,056	109,667
<b>EQUITY</b>		<b>137,793</b>	<b>138,270</b>
<b>Liabilities</b>			
Deferred tax liabilities		12,498	21,501
Contract liabilities		964	352
Other provisions		676	680
Lease liabilities		55,372	58,014
Other liabilities		3,020	4,310
<b>NON-CURRENT LIABILITIES</b>		<b>72,530</b>	<b>84,857</b>
<b>Current liabilities</b>			
Trade accounts payable		11,136	14,446
Lease liabilities		6,652	7,559
Contract liabilities		112,473	102,114
Other provisions		2,749	3,224
Income tax liabilities		13,498	5,440
Other liabilities		23,503	22,260
<b>CURRENT LIABILITIES</b>		<b>170,011</b>	<b>155,043</b>
		<b>380,334</b>	<b>378,169</b>

# Consolidated statement of cash flows

of New Work SE  
for the period from January 1 to September 30, 2022

## Consolidated statement of cash flows

In € thousand	Note no.	01/01- 09/30/2022	01/01- 09/30/2021 <sup>1</sup>	07/01- 09/30/2022	07/01- 09/30/2021 <sup>1</sup>
<b>Earnings before taxes</b>		<b>52,812</b>	<b>49,805</b>	<b>18,777</b>	<b>11,815</b>
Amortization and write-downs of internally generated software	6	12,989	13,425	3,395	8,202
Depreciation, amortization and impairment losses on other fixed assets	6	11,665	15,365	3,722	6,121
Finance income	7	-134	-617	-109	-235
Finance costs	7	3,240	996	1,238	520
<b>EBITDA</b>		<b>80,572</b>	<b>78,974</b>	<b>27,023</b>	<b>26,423</b>
Interest received		133	108	108	83
Taxes paid		-16,046	-12,454	-9,149	-6,751
Loss/Profit from disposal of fixed assets		-25	-148	-2	-71
Change in receivables and other assets		-51	138	485	-103
Change in liabilities and other equity and liabilities		-5,096	-2,858	-166	-2,037
Change in contract liabilities		11,028	9,877	-1,369	-2,984
<b>Cash flows from operating activities of continuing operations</b>		<b>70,516</b>	<b>73,635</b>	<b>16,930</b>	<b>14,560</b>
Cash flows from operating activities discontinued operations	8	-635	-899	-310	-416
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>69,881</b>	<b>72,736</b>	<b>16,619</b>	<b>14,144</b>
Payment for capitalization of internally generated software		-15,277	-16,929	-5,483	-5,497
Payment for purchase of software		-65	-198	-23	-150
Payments for purchase of other intangible assets		20	0	-6	-32
Proceeds from the disposal of fixed assets		123	201	53	44

In € thousand	Note no.	01/01- 09/30/2022	01/01- 09/30/2021 <sup>1</sup>	07/01- 09/30/2022	07/01- 09/30/2021 <sup>1</sup>
Payments for purchase of property, plant and equipment		-4,853	-14,632	-1,355	-4,459
Proceeds from the sale of financial assets		4,636	0	0	0
Acquisition of other financial assets		-4,994	0	0	0
Payments for acquisition of consolidated companies (less funds acquired)		0	-2,100	0	0
<b>Cash flows from investing activities of continuing operations</b>		<b>-20,409</b>	<b>-33,658</b>	<b>-6,815</b>	<b>-10,094</b>
Cash flows from investing activities of discontinued operations	8	-595	-1,731	-21	-484
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>-21,004</b>	<b>-35,389</b>	<b>-6,836</b>	<b>-10,578</b>
Payment of regular dividend		-15,737	-14,557	0	0
Payment of special dividend		-20,009	0	0	0
Interest paid		-270	-222	-46	-101
Proceeds from lease incentives		2,805	7,204	0	0
Payment for leases		-6,707	-4,934	-2,241	-1,893
<b>Cash flows from financing activities of continuing operations</b>		<b>-39,918</b>	<b>-12,509</b>	<b>-2,287</b>	<b>-1,993</b>
Cash flows from financing activities of discontinued operations		-13	-3	-2	-1
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>-39,932</b>	<b>-12,512</b>	<b>-2,289</b>	<b>-1,995</b>
Currency translation differences		162	130	170	137
Change in cash and cash equivalents		9,107	24,965	7,665	1,708
Own funds at the beginning of the period		86,458	61,497	87,900	84,754
<b>OWN FUNDS AT THE END OF THE PERIOD<sup>1</sup></b>		<b>95,565</b>	<b>86,462</b>	<b>95,565</b>	<b>86,462</b>

<sup>1</sup> Restated

# Consolidated statement of changes in equity

of New Work SE  
for the period from January 1 to September 30, 2022

## Consolidated statement of changes in equity

In € thousand	Subscribed capital	Capital reserves	Reserve for currency translation differences	Retained earnings	Total equity
<b>AS OF 01/01/2021</b>	<b>5,620</b>	<b>22,644</b>	<b>130</b>	<b>84,617</b>	<b>113,011</b>
Consolidated net profit	0	0	0	32,216	32,216
Other comprehensive income	0	0	325	0	325
<b>Consolidated total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>325</b>	<b>32,216</b>	<b>32,541</b>
Regular dividend for 2020	0	0	0	-14,557	-14,557
<b>AS OF 09/30/2021</b>	<b>5,620</b>	<b>22,644</b>	<b>455</b>	<b>102,276</b>	<b>130,995</b>
<b>AS OF 01/01/2022</b>	<b>5,620</b>	<b>22,644</b>	<b>338</b>	<b>109,667</b>	<b>138,270</b>
Consolidated net profit	0	0	0	35,135	35,135
Other comprehensive income	0	0	134	0	134
<b>Consolidated total comprehensive income</b>	<b>0</b>	<b>0</b>	<b>134</b>	<b>35,135</b>	<b>35,269</b>
Regular dividend for 2021	0	0	0	-15,737	-15,737
Special dividend	0	0	0	-20,009	-20,009
<b>AS OF 09/30/2022</b>	<b>5,620</b>	<b>22,644</b>	<b>473</b>	<b>109,056</b>	<b>137,793</b>

# Notes to the interim consolidated financial statements

for the period from January 1 to September 30, 2022

## 1. Information on the Company and the Group

The registered office of New Work SE (hereafter also referred to as “the Company” or “the Group”) 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. 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.

Operating the leading social network for business professionals in the German-speaking market, among others, the Group gives advice and support to its members during the upheavals in the world of work. In an environment marked by a shortage of skilled workers, digitalization, and changes in values, XING helps its approximately 21 million members achieve as harmonious a work/life balance as possible. The Group generates its revenues primarily from fee-based products for end customers and businesses. It is a model in which customers pay for most of the services provided in advance.

## 2. Basis of preparation of the financial statements and accounting policies

These condensed interim consolidated financial statements for the period ending on September 30, 2022, have been prepared in accordance with the International Financial Reporting Standard for interim financial reporting (IAS 34) as adopted by the EU. The condensed interim consolidated financial statements do not contain all of the information required for full annual consolidated financial statements, and should therefore be read in conjunction with the consolidated financial statements as of December 31, 2021.

The reporting period began on January 1, 2022, and ended on September 30, 2022. The corresponding prior-year period began on January 1, 2021, and ended on September 30, 2021. The interim consolidated financial statements and the interim group management report of the Company were approved for publication on November 10, 2022, by the Management Board.

The accounting policies applied in principle to these condensed interim consolidated financial statements are consistent with those used for the consolidated financial statements as of December 31, 2021. These interim financial statements have not been audited by the auditor, nor have they been subjected to a review.

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.

The amortization period, the residual values and the amortization method used for finite-lived intangible assets are reviewed regularly. The review of the remaining useful lives in the reporting period revealed that the useful life of the XING platform had been extended by a further twelve months to December 31, 2026. Unless indicated otherwise, all amounts are rounded to the nearest thousand euros (€ thousand). Rounding differences may occur in the tables due to mathematical reasons.

Due to the discontinuation of the Events segment (application of IFRS 5), the prior-year comparatives in the statement of comprehensive income and the statement of cash flows have been restated accordingly.

### 3. Segment information

In € thousand	B2C		B2B E-Recruiting		B2B Marketing Solutions		Total segments		New Work Group	
	01/01- 09/30/2022	01/01- 09/30/2021	01/01- 09/30/2022	01/01- 09/30/2021	01/01- 09/30/2022	01/01- 09/30/2021	01/01- 09/30/2022	01/01- 09/30/2021	01/01- 09/30/2022	01/01- 09/30/2021
<b>Revenues (from third parties)</b>	67,990	74,076	151,227	122,555	12,078	11,576	231,295	208,207	231,295	208,207
Other segment expenses	-48,827	-42,726	-48,278	-38,441	-5,135	-3,675	-102,240	-84,841	-102,240	-84,841
<b>Segment operating result</b>	<b>19,163</b>	<b>31,350</b>	<b>102,949</b>	<b>84,115</b>	<b>6,943</b>	<b>7,901</b>	<b>129,055</b>	<b>123,366</b>	<b>129,055</b>	<b>123,366</b>
Other operating income/expenses									-48,484	-44,390
<b>EBITDA</b>									<b>80,571</b>	<b>78,975</b>

#### Revenues by region

In € thousand	01/01- 09/30/2022	01/01- 09/30/2021
D-A-CH	218,019	195,680
International	13,276	12,527
	<b>231,295</b>	<b>208,207</b>

The Company is not reliant on major customers because a significant percentage of Group revenues is not generated with any single customer.

As of September 30, 2022, the non-current assets (excl. deferred tax assets and other financial assets) of €233,989 thousand are attributable to the D-A-CH region (December 31, 2021: €239,613 thousand).

## 4. Other operating expenses

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

In € thousand	01/01- 09/30/2022	01/01- 09/30/2021
IT services, management services	13,487	8,824
Server hosting, administration and traffic	7,245	5,895
Occupancy expenses	2,871	2,708
Travel, entertainment and other business expenses	2,304	349
Other personnel expenses	1,643	1,272
Training costs	1,096	957
Payment transaction costs	992	1,075
Financial statements preparation and auditing costs	533	358
Accounting fees	506	461
Telephone/cell phone/postage/courier	503	548
Legal consulting fees	429	817
Insurance and contributions	409	408
Exchange rate losses	408	280
Supervisory Board remuneration	239	199
Office supplies	228	453
Expenses attributable to prior periods	164	449
Rents/leases	82	90
Other	213	337
<b>TOTAL</b>	<b>33,352</b>	<b>25,478</b>

## 5. Impairment losses on financial assets and contract assets

Impairment losses (including reversals) on financial assets and contract assets include expenses for bad debts of €1,315 thousand (previous year: €1,529 thousand) as well as income from reversals of €60 thousand (previous year: €76 thousand).

Receivables from services are impaired as follows:

09/30/2022	Not yet due	Past due < 30 days	Past due < 90 days	Past due > 90 days	Total
Impairment ratio	1.1%	4.7%	17.0%	20.3%	6.9%
Gross carrying amount (in € thousand)	9,468	7,899	3,706	2,630	23,703
Impairment (in € thousand)	-107	-373	-628	-533	-1,641

12/31/2021	Not yet due	Past due < 30 days	Past due < 90 days	Past due > 90 days	Total
Impairment ratio	1.9%	8.1%	13.6%	39.6%	7.9%
Gross carrying amount (in € thousand)	10,563	8,438	1,761	1,651	22,413
Impairment (in € thousand)	-202	-679	-240	-654	-1,775

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



## 6. Depreciation, amortization and impairment losses

Effective at the start of the 2022 financial year, the useful life of internally generated software was extended by a further twelve months to December 31, 2026. This led to the recognition of lower amortization of €1,829 thousand than as stipulated in the previous amortization schedule, which will be recognized in later periods.

## 7. Financial result

Finance costs mainly include €2,070 thousand in remeasurement expenses from available-for-sale securities (previous year: €509 thousand) and €445 thousand (previous year: €489 thousand) from the unwinding of discounts on lease liabilities.

## 8. Discontinued operation

In the reporting period, the Management Board decided to close the XING Events division at the end of the financial year. The Events business is presented as a discontinued operation in accordance with IFRS 5. The prior-year figures in the consolidated statement of comprehensive income and the consolidated statement of cash flows have been restated accordingly to present the discontinued operations separately from continuing operations.

Post-tax profit or loss of discontinued operations contains revenues of €4,001 thousand (prior-year period: €4,412 thousand) and expenses of €6,537 thousand (prior-year period: €5,407 thousand). EBITDA of the discontinued operations amounts to €881 thousand (prior-year period: €400 thousand).

## 9. Equity

As of September 30, 2022, the Group had share capital of €5,620,435 (December 31, 2021: €5,620,435). As previously, the Company does not hold any treasury shares.

Based on a resolution adopted by the Annual General Meeting on June 1, 2022, a regular dividend of €15.7 million, or €2.80, (previous year: €2.59) per share and a special dividend of €20.0 million, or €3.56, (previous year: €0) was distributed.

Own cash and available-for-sale securities of €123.7 million as of September 30, 2022, and the Group's cash-generative business model enable the Company to pay dividends on a regular basis without changing its business strategy, which is aimed at achieving growth.

## 10. Related parties

Please refer to the consolidated financial statements as of December 31, 2021, for further information about related parties. From the perspective of the Group, no significant changes with respect to the Burda Group occurred until September 30, 2022.

There were no claims against members of the Management Board and the Supervisory Board as of September 30, 2022.

## 11. Financial instruments

The Group acquired various securities in financial year 2017 for the purpose of investing excess liquidity. The fair values of these instruments, all of which are assigned to Level 1, correspond to their notional values multiplied with the prices quoted as of September 30, 2022.

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

In € thousand	Measurement category <sup>1</sup>	09/30/2022	12/31/2021
Non-current financial assets at amortized cost	Amortized cost	3,037	3,032
Non-current financial assets at fair value	FLFVtPL	28,102	30,136
Current receivables from services	Amortized cost	22,062	20,637
Current other assets	Amortized cost	9,494	12,806
Cash	Amortized cost	101,706	90,143
Current trade accounts payable	Amortized cost	11,136	14,446
Current other liabilities	Amortized cost	13,498	5,440

<sup>1</sup> FLFVtPL = Financial liabilities at fair value through profit or loss

## 12. Significant events after the interim reporting period

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

Hamburg, November 10, 2022

The Management Board

Petra von Strombeck

Ingo Chu

Frank Hassler

Dr Peter Opdemom

Jens Pape

# Financial calendar<sup>1</sup>

Publication of preliminary results for 2022	February 23, 2023
Publication of the 2022 Annual Report and the 2022 CSR Report	March 22, 2023
Publication of the Q1 2023 financial report	May 4, 2023
Annual General Meeting	May 24, 2023
Publication of the 2023 half-year financial report	August 10, 2023
Publication of the Q3 2023 financial report	November 9, 2023

<sup>1</sup> Preliminary dates

## Our social media channels

[www.new-work.se/en/investor-relations](http://www.new-work.se/en/investor-relations)  
(New Work SE – Investor Relations Website)

[nwx.new-work.se/](http://nwx.new-work.se/)  
(New Work Experience)

Twitter: [New\\_Work\\_SE\\_IR](https://twitter.com/New_Work_SE_IR)  
(Kapitalmarktbezogene Themen und Neuigkeiten)

Twitter: [NewWork\\_SE](https://twitter.com/NewWork_SE)  
(Unternehmensübergreifende Themen und Neuigkeiten)

# Publishing information and contact

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*Rounding differences may occur.*

*This interim financial 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](http://www.new-work.se/en/investor-relations).*



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