

Acquisition of



Honeypot

Conference Call
April 1, 2019

The XING logo, consisting of the word "XING" in white capital letters followed by a stylized yellow and green "X" symbol.

XING

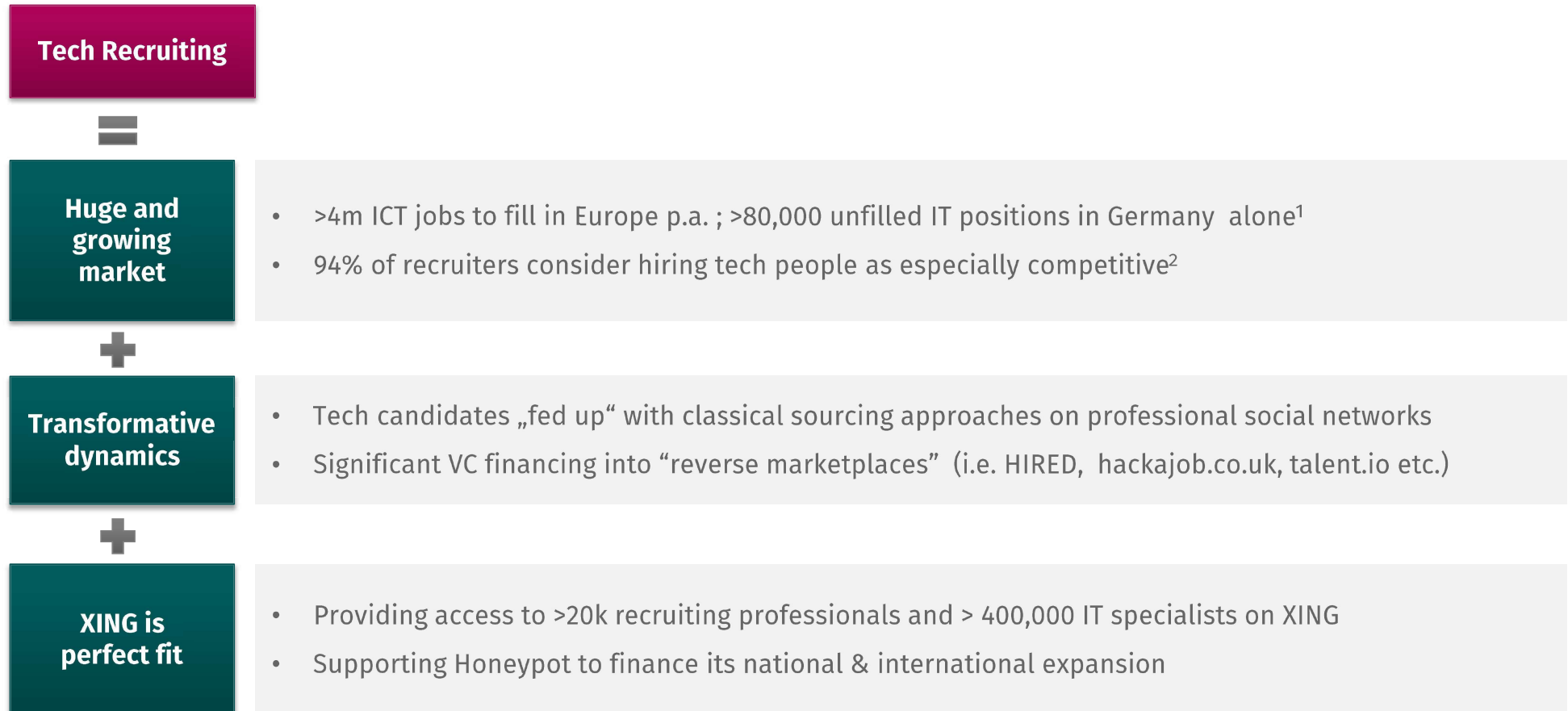


M&A Update Call: Acquisition of Honeypot.io

- Tech talent most desirable target group for employers
- Increasing demand for IT specialists is not to be met in medium-term
- We invest in „tech-recruiting“ – thus strengthening B2C and B2B side
- We continue to execute along our long-term strategy
- Honeypot: Leading career development platform focusing on tech candidates
- Consolidation starts April 1, 2019 – economically effective date is Jan 1, 2019
- Updated revenue & EBITDA targets for 2019 & 2020



„Tech“ is the most desirable recruiting vertical and the market for hiring tech talents currently facing a structural shift



¹ Eurostat, StackOverflow, Bitkom
² Jobvite Recruiter Nation report

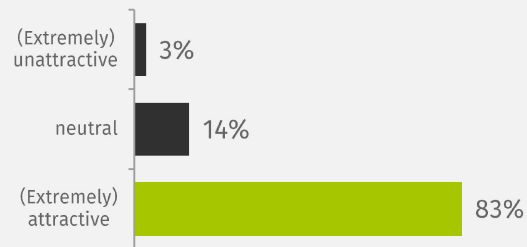


Investing in “tech recruiting” is a compelling growth opportunity for XING as it adds value to our C- and B-side mission

A strategic investment in tech recruiting...

...allows us to deliver very fast on an articulated user need

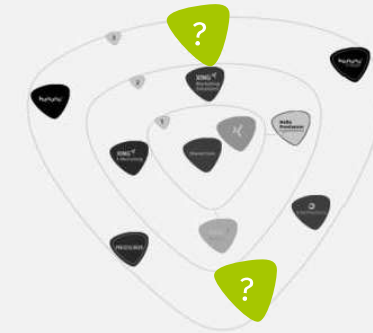
The concept of a “reversed” job marketplace for software engineers is...



Source: Gelszus; n=101 tech professionals

- XING is the most known (87%) and most used (53%) channel for job search in D-A-CH for tech professionals
- XING today has ~400.000 profiles with above average engagement metrics
- 83% of tech professionals consider a „reversed marketplace“ model extremely attractive
- 75% would prefer such a model over searching on XING or LinkedIn

...allows growth beyond the D-A-CH market



- Tech recruiting (for top talent) is a proven international playing field
- XING is committed to invest into business models that are not dependent on the core XING platform, but will benefit from its existence – and related B2B businesses
- Winning the European market is significantly more likely with a strong D-A-CH position

Tech sourcing is undoubtedly the biggest single pain point for recruiters due to the structural supply/demand gap



Honeypot, a leading career development platform focusing on technical candidates – www.honeypot.io

Vision

- **B2C:** „Get job offers from Europe’s best tech companies“
- **B2B:** „Hire the best developers from around the globe“

Organization & Management

- Founded in 2015 by Kaya Taner & Emma Tracey
- HQ in Berlin
- 50 employees

Metrics 2019e

- ~1,500 B2B customers (03/19)
- ~100,000 tech talents (03/19)
- ~€5-6 m revenue
- ~ -€5 m EBITDA





Candidate-led recruitment: Jobs come to candidates

Closed Marketplace:

All candidates do a technical review (only 10% pass the test)

Reverse Recruitment:

Companies apply to candidates (not the other way around)

Active Candidates: Candidates are only visible when really looking for a new job

Monetization: Honeypot charges 15-18% commission of first year salary – when candidate is hired

The screenshot shows a candidate profile for Jordan Forshey, a Fullstack Developer. The profile includes a profile picture, name, and a brief bio. It also features sections for 'About' (Professional experience, Contract, Earliest start date, EU work permit, Wants to work in, Languages), 'Ideal roles & experience' (FullstackEngineer, FrontendEngineer, Data Engineer), 'My previous working experiences include:' (Full Stack Web Development Team Lead, Full Stack Web Development, Business Analyst at Google), and 'Skills' (web apps, typescript, python, javascript, angular). On the right side, there is an 'Invite for interview' section with a dropdown menu for 'Select template', a 'Salary' input field, a 'Message' input field, and buttons for 'EXPAND' and 'SEND INVITE'.



Strong strategic fit, investment mode in 2019/2020

Attractive long-term economics

Key structure of the deal

- Acquisition of 100% of the shares
- Purchase price:
 - Initial payment of €22 m
 - Maximum earn-out up to €35 m (until 2022)

Financial implications

- Most important player in D-A-CH, but still early in development and investment mode
- Investments planned for growth in D-A-CH and selected int. markets in 2019/2020
- Consolidation from April 1st, 2019
- Allocation in B2B E-Recruiting segment
- EBITDA impact in 2019/2020: - €4-5 m
- Profitability expected from 2021 on with attractive long-term economics

Outlook XING SE after Honeypot acquisition:

- 2019 group EBITDA of ~€84 m
- 2020 group EBITDA of ~€100 m

Thank you
for your attention.

XING^X