



Q1
2021

Interim Report

January 1 to March 31, 2021



For the past 18 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, New Work SE today offers the vast majority of professionals in German-speaking countries their own digital network.

The Company was renamed XING in 2006 and New Work SE 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. New Work SE helps people and businesses to be even more successful in a changing modern working world.

The Company has been listed since 2006. The New Work SE Group is headquartered in Hamburg and employs around 1,700 full-time staff at several locations including Munich, Vienna and Porto. For more information → new-work.se



Consolidated key figures

	Unit	Q1 2021	Q1 2020 ¹	Q4 2020 ¹
Revenues	in € million	68.0	68.9	71.6
Pro forma revenues	in € million	68.0	68.9	71.6
EBITDA	in € million	24.9	16.2	25.4
Pro forma EBITDA	in € million	24.9	17.1	24.8
EBITDA margin	in %	37	23	35
Pro forma EBITDA margin	in %	37	25	35
Net profit/loss for the period	in € million	12.1	7.1	-5.4
Pro forma consolidated net profit/loss for the period	in € million	12.0	7.4	5.1
Earnings per share (diluted)	in €	2.15	1.27	-0.95
Pro forma earnings per share (diluted)	in €	2.14	1.32	0.92
Cash flow from operations	in € million	39.7	32.4	15.5
Equity	in million	125.1	108.8	113.0
XING platform members, D-A-CH ²	in million	19.3	17.7	19.0
InterNations members	in million	4.0	3.8	3.9
kununu Workplace Insights	in million	5.0	3.9	4.6
B2B E-Recruiting customers, D-A-CH (subscriptions) ³	in thousand	12.7	12.9	12.6
Employees (FTE)	number	1,698	1,819	1,787

¹ Financial year 2020 from continuing operations. Pro forma reconciliation in the interim Group management report

² New method of presenting XING platform members in the D-A-CH region

³ New counting method for B2B E-Recruiting customers in the D-A-CH region from 2021. Prior-year figures retrospectively restated to ensure comparability

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TO OUR SHAREHOLDERS

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Management Board letter

Dear Shareholders,

New Work SE continued to report stable business performance in the first quarter of this year. At €68.0 million, our (pro forma) revenues remained at a similar level to the prior-year quarter, which was only adversely impacted by coronavirus towards the end of the period. Pro forma EBITDA rose by 46 percent over the same period to around €25 million, while pro forma earnings were 62 percent up on the prior-year period at €12.0 million (Q1 2020: €7.4 million). These increases were due to the restructuring carried out in the fourth quarter as well as cost base reductions.

Looking at the individual segments, revenues in the B2C business fell by 4 percent year-on-year to around €25 million. This was due to declining revenues in our InterNations subsidiary. The world's leading expat network sold fewer paid memberships, as the core benefit of these memberships is access to in-person events that are practically not happening worldwide at the moment. However, our core business with its paid memberships of the XING professional network remained at a similar level to the previous year.

Revenues in the B2B E-Recruiting segment also remained stable year-on-year at €38.1 million. While the first quarter of last year was only impacted by the coronavirus pandemic towards the end of the period, the entire first quarter of 2021 was overshadowed by the crisis.

The B2B Marketing Solutions & Events segment performed well, with revenues in this segment rising by 13 percent to more than €5 million. This performance was primarily driven by an increase in advertising revenues, which is an encouraging sign. By contrast, the offline events business was understandably below previous year's level.

As you can see, the performance of our company remains stable. The encouraging non-financial performance indicators reported by our two major B2C brands, XING and kununu, give us confidence that we will continue to see more of these positive signs in the future. The number of XING members has risen by 1.6 million to 19.3 million since March 2020, while kununu, Europe's leading employer review platform, has now reached 5 million workplace insights (reviews, corporate culture insights and salary information) for the first time, including more than one million salary insights.

Our vision, “For a better working life” is more current than ever. The working lives of many people have changed radically, and the transformation within the entire world of work is now well underway. As well as offering product solutions that help our members and users to lead better professional lives, we are also actively shaping sociopolitical discourse in this area. Despite the considerable restrictions associated with the coronavirus pandemic, we hosted our New Work Experience as an online-only event on 20 April this year. The fact that all tickets for the event sold out within just 48 hours suggests that we struck a particularly resonant chord this year. More than 6,000 participants enjoyed an inspiring and interactive program that included more than 40 masterclasses, keynote speeches and musical performances. Former Siemens Managing Board member Janina Kugel, economics professor Michael Hüther, anthropologist Jitske Kramer and bestselling author John Strelecky were just some of the program’s highlights.

As you can see, New Work SE continues to deliver stable performance and show the first signs of recovery. Our non-financial performance indicators also paint an encouraging picture. What’s more, we believe that our positioning enables us to have our finger on the pulse as the world of work continues its radical transformation. With the results achieved in the first quarter, we are also well on the way to meeting the targets set for 2021 of stable pro forma revenues and pro forma EBITDA of around €90 million. We expect the shortage of skilled workers to make itself felt again shortly. The digital transformation is also advancing at a rapid pace. We are therefore very confident that we will return to double-digit growth rates once the pandemic has been overcome.

With this in mind, I would like to thank you for placing your trust in us. We hope you will continue to give us your support.

Hamburg, May 6, 2021

Sincerely,



Petra von Strombeck
Chief Executive Officer (CEO)

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	12/07/2006
Ticker	NWO (formerly: O1BC)
WKN	NWRK01 (formerly: XNG888)
ISIN	DE000NWRK013 (formerly: DE000XNG8888)
Transparency level	Prime Standard
Index	SDAX
Sector	Software

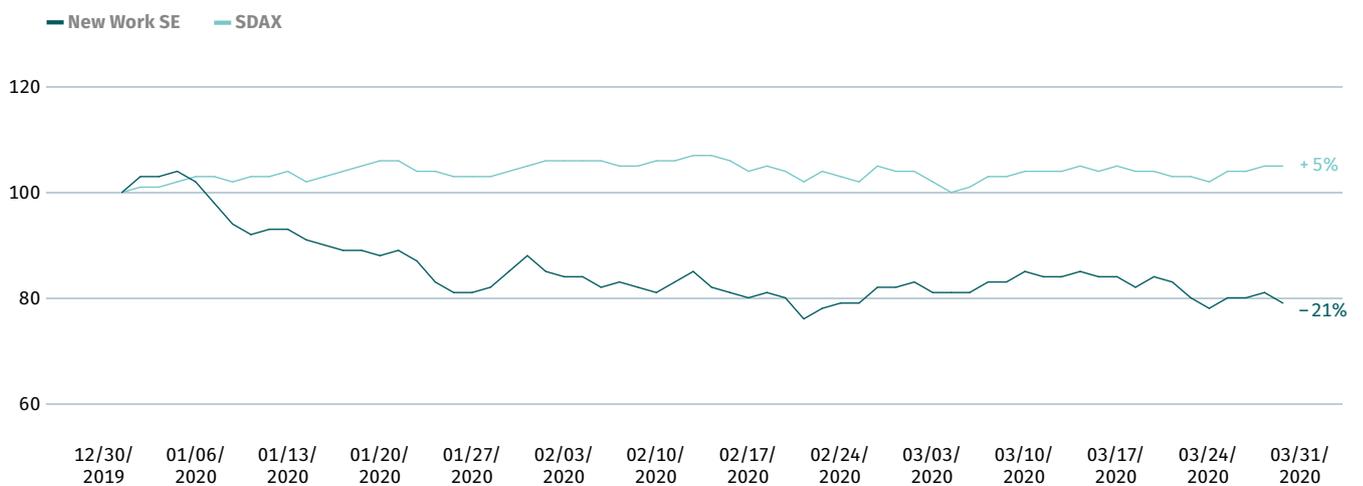
Key data on the share at a glance

	Q1 2021	Q1 2020
XETRA closing price at the end of the period	€221.50	€196.00
High	€290.50	€312.00
Low	€214.00	€164.00
Market capitalization at the end of the period	€1.24 billion	€1.10 billion
Average trading volume per day (XETRA)	3,459	6,370
SDAX ranking		
based on free-float market capitalization	136	121
based on trading volume	155	133
Earnings per share	€2.15	€1.27
Pro forma earnings per share	€2.14	€1.32

Shareholder structure in May 2021



Share price performance vs. SDAX in the first three months of 2021



Analyst recommendations in May 2021

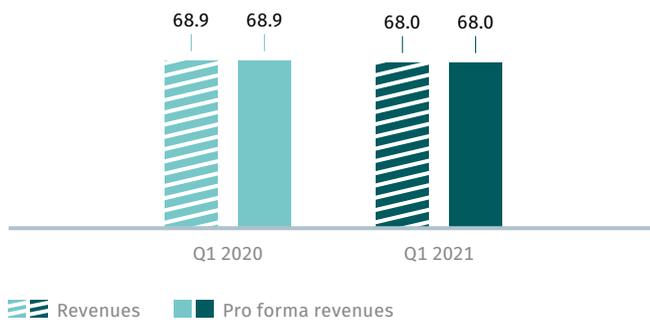
Broker	Analyst	Recommendation	Price target
Berenberg Bank	Sarah Simon	Hold	€225
Deutsche Bank	Nizla Naizer	Hold	€276
Hauck & Aufhäuser	Simon Bentlage	Hold	€220
Pareto Securities	Mark Josefson	Hold	€233
Warburg Research	Marius Fuhrberg	Hold	€233

INTERIM GROUP MANAGEMENT REPORT

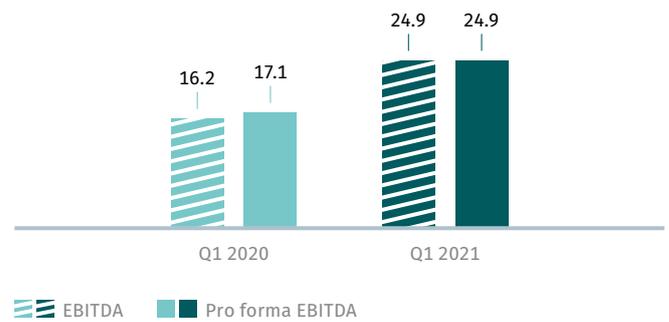
for the period from January 1 to March 31, 2021

Results of operations in the Group

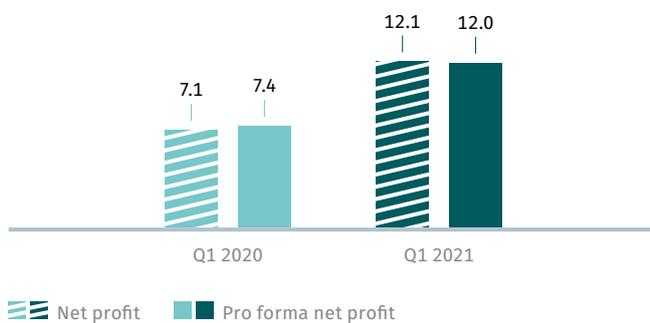
Revenues and pro forma revenues in € million



EBITDA and pro forma EBITDA in € million



Net profit and pro forma net profit in € million



Earnings and pro forma earnings per share in €



REVENUES

At €68.0 million, the Group's revenues remained at a similar level to the prior-year quarter's figure of €68.9 million. It should be noted here that the challenges encountered since the end of the first quarter of 2020 as a result of the coronavirus pandemic particularly affected our offline event business in the Marketing Solutions & Events segment as well as new customer growth in the B2B E-Recruiting segment. The prior-year quarter was only marginally impacted by the coronavirus pandemic, whereas in the Q1 2021 reporting period the full effect of the pandemic is being felt. Under these circumstances, we are satisfied with the stable performance compared with the prior-year quarter.

OTHER OPERATING INCOME

Other operating income fell sharply by 35 percent year-on-year to €0.4 million. This is mainly due to a change in reporting (net reporting (2020) versus gross reporting (from 2021) of personnel-related costs). The effect amounts to around €0.3 million and does not impact EBITDA.

OWN WORK CAPITALIZED

Similar to the previous year, own work capitalized in the reporting period amounted to €6.9 million (Q1 2020: €6.6 million) and is composed of personnel expenses, freelancer costs and ancillary costs.

PERSONNEL EXPENSES

Personnel expenses decreased from €36.7 million in the first quarter of 2020 to €35.0 million in the first three months of the current financial year. In the prior-year period, personnel expenses were impacted by around €1.0 million, mainly as a result of the severance payment made to a previous member of the Management Board. The restructuring carried out in the fourth quarter of 2020 and the associated reduction in full-time employees also contributed to the slight year-on-year decrease in personnel expenses.

MARKETING EXPENSES

At €7.5 million, marketing expenses were down around 18 percent on the prior-year figure. This decline should be seen in the context of the pandemic: In addition to a general reluctance for marketing measures in view of the uncertainty surrounding the course of the pandemic in the first few months of 2021 (risk of a third wave after Christmas), the following additional effects should be noted: the optimization of marketing tools, the lack of marketing expenditure for offline events, and the lack of marketing expenditure owing to the discontinuation of kununu engage.

OTHER OPERATING EXPENSES

Other operating expenses saw a considerable drop in the reporting period by 47 percent year-on-year to €6.9 million. The decrease is mainly due to lower travel costs since the onset of the pandemic (end of Q1 2020) and restrictions on holding major events such as our annual Group-wide kick-off event. The notes to the financial statements include a detailed table of all items reported under other operating expenses.

IMPAIRMENT OF FINANCIAL ASSETS

In quarter just ended, impairment losses amounted to €0.9 million compared with €1.0 million in 2020.

EBITDA

In the reporting period, we generated an operating result (EBITDA) of €24.9 million (Q1 2020: €16.2 million). As there were no extraordinary items in the first quarter of 2021, reported EBITDA in Q1 2021 corresponds to pro forma EBITDA. The reported operating result (EBITDA) for the first quarter of 2020 does not reflect actual financial performance due to several one-time effects. We have therefore adjusted the previous year's figure for non-recurring effects and calculated pro forma EBITDA. As a result, the EBITDA of €24.9 million for the first quarter of 2021 was approximately 46 percent higher than the pro forma EBITDA of €17.1 million for the first quarter of 2020.

DEPRECIATION, AMORTIZATION AND IMPAIRMENT LOSSES

Depreciation, amortization and impairment losses fell by 42 percent from €12.6 million (including €0.7 million in PPA depreciation and amortization) to €7.3 million (including €7.2 million in PPA depreciation and amortization). It should be noted here that a non-recurring, non-cash impairment loss of €5.8 million was recognized in depreciation, amortization and impairment losses for the first quarter of 2020 due to the goodwill impairment tests triggered by the coronavirus crisis as of March 31, 2020. Excluding this non-recurring, non-cash effect, depreciation, amortization and impairment losses rose from €6.5 million in Q1 2020 to €7.3 million in the first quarter of 2021.

FINANCIAL RESULT

At €-0.1 million, the financial result in the reporting period was significantly lower than the previous year's figure of €5.6 million. Here, two non-recurring factors must be highlighted:

1. Non-recurring income of €7.4 million from the reassessment of the earn-out in connection with M&A transactions in Q1 2020
2. A non-recurring negative effect from the remeasurement of financial assets in the amount of €-1.5 million in Q1 2020

The first quarter of 2021 includes non-recurring positive effects of €0.1 million in connection with the remeasurement of non-operating financial instruments.

TAXES

Current taxes are determined by the Group companies based on the tax laws applicable in their country of domicile. Tax expense amounted to €5.4 million in the reporting period, up from €2.0 million in the prior-year period.

CONSOLIDATED NET PROFIT AND EARNINGS PER SHARE

Consolidated net profit in the first quarter of 2021 amounted to €12.1 million, compared with €7.1 million in the prior-year period. This gives rise to earnings per share of €2.15, compared with €1.27 in the prior-year period. The pro forma profit for the first quarter of 2021 adjusted for the non-recurring effects outlined is €12.0 million, compared with a pro forma profit for the first quarter of 2020 of €7.4 million. Pro forma earnings per share rose accordingly from €1.32 (Q1 2020) to €2.14 in the first quarter of 2021.

2021 OUTLOOK/FORECAST

Unlike in previous years, we are not expecting any sequential increase in quarterly EBITDA during the current financial year. We continue to expect pro forma EBITDA of approximately €90 million for the current financial year and revenues at the prior-year level.

Pro forma reconciliation Q1 2021

In € million	P&L, not adjusted 01/01-03/31/2021	Operating business of discontinued operations (like-for-like)	Changes in the basis of consolidation (M&A)	Impairment of goodwill	Changes in earn-out liabilities	Remeasurement of non-operating financial instruments	Restructuring expenses	P&L, pro forma 01/01-03/31/2021	P&L, pro forma 01/01-03/31/2020	Change	Change
Revenues	68.0	0						68.0	68.9	-1%	-0.9
Other operating income	0.4	0						0.4	0.6	-35%	-0.2
Other own work capitalized	6.9	0						6.9	6.6	4%	0.3
Personnel expenses	-35.0	0					0.00	-35.0	-35.7	-2%	0.8
Marketing expenses	-7.5	0						-7.5	-9.2	-18%	1.7
Other operating expenses	-6.9	0					0.00	-6.9	-13.1	-47%	6.2
Impairment losses on financial assets and contract assets	-0.9							-0.9	-1.0	-1%	0.0
EBITDA	24.9	0	0.0	0.0	0.0	0.0	0.0	24.9	17.1	46%	7.8
Depreciation, amortization and impairment losses	-7.3	0						-7.3	-6.5	12%	-0.8
EBIT	17.6	0	0.0	0.0	0.0	0.0	0.0	17.6	10.6	67%	7.1
Financial result	-0.1					-0.1		-0.2	-0.3	-36%	0.1
EBT	17.5	0	0.0	0.0	0.0	-0.1	0.0	17.4	10.3	70%	7.2
Taxes	-5.4					0.0		-5.4	-2.8	89%	-2.5
Consolidated net profit	12.1	0	0.0	0.0	0.0	-0.1	0.0	12.0	7.4	62%	4.6
Earnings per share	2.15	0	0.0	0.0	0.0	0.0	0.0	2.14	1.32	62%	0.8

Pro forma reconciliation Q1 2020

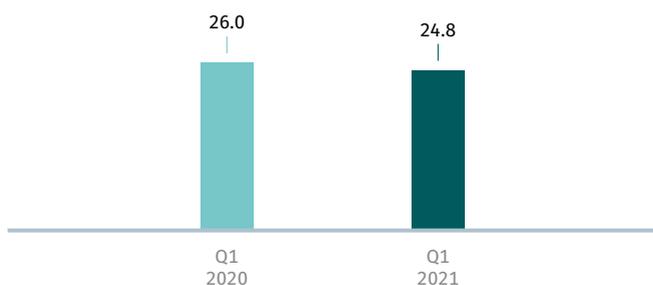
In € million	P&L, not adjusted 01/01/– 03/31/2020	Operating business of discontinued operations (like-for-like)	Changes in the basis of consolidation (M&A)	Impairment of goodwill	Changes in earn-out liabilities	Remeasurement of non-operating financial instruments	Other non-recurring effects ¹	P&L, pro forma 01/01/– 03/31/2020
Revenues	68.9	0.0						68.9
Other operating income	0.6	0.0						0.6
Other own work capitalized	6.6	0.0						6.6
Personnel expenses	-36.7	-0.2					1.2	-35.7
Marketing expenses	-9.1	-0.1						-9.2
Other operating expenses	-13.1	0.0						-13.1
Impairment losses on financial assets and contract assets	-1.0	0.0						-1.0
EBITDA	16.2	-0.2	0.0	0.0	0.0	0.0	1.2	17.1
Depreciation, amortization and impairment losses	-12.6	0.3	5.8					-6.5
EBIT	3.5	0.1	5.8	0.0	0.0	0.0	1.2	10.6
Financial result	5.6	0.0			-7.4	1.5		-0.3
EBT	9.1	0.1	5.8	0.0	-7.4	1.5	1.2	10.3
Taxes	-2.0	0.0				-0.5	-0.4	-2.8
Consolidated net profit	7.1	0.1	5.8	0.0	-7.4	1.0	0.8	7.4
Earnings per share	1.27	0.0	1.0	0.0	-1.3	0.2	0.1	1.32

¹ Restated for presentation in accordance with IFRS 5

Segment performance

B2C SEGMENT

B2C segment revenues in € million



Segment revenue down 4 percent due to pandemic

In the **B2C** segment, revenues fell slightly by 4 percent to €24.8 million during the period under review (previous year: €26.0 million). It should be noted here that we are comparing the first quarter of 2021 – a period fully impacted by the coronavirus crisis – with the first quarter of 2020, which was only affected by the negative consequences of the pandemic towards the end of the quarter.

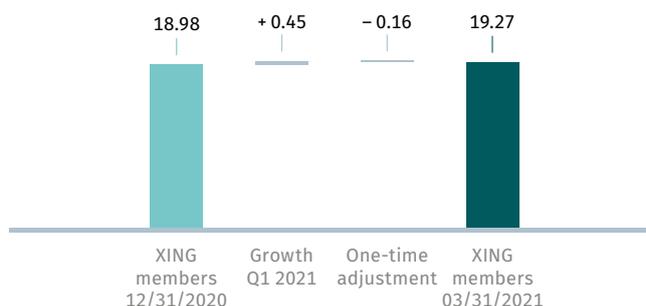
The slight decline is mainly attributable to the drop in revenues of our subsidiary Internations triggered by the pandemic. The world's leading expat network sold fewer paid memberships, as the core benefit of these memberships is access to in-person network events. As a result, this subsegment recorded a significant year-on-year revenue decline in the first quarter. However, the core business with paid XING memberships remained at a similar level to the previous year.

Segment profitability with EBITDA of €11.0 million was up approx. 30 percent year-on-year (Q1 2020: €8.5 million). This increase was driven by a forward-looking adjustment of cost structures and a reduction in marketing expenses.

Membership base continues to expand to 19.3 million

The XING platform operated by New Work SE remains on a growth trajectory. The membership base has risen by 1.6 million to 19.3 million since March 2020. We counted 290 thousand new members to the platform in the first quarter. It should be noted here that we removed around 164 thousand members with insufficient profile information at the start of the new calendar year. Excluding this non-recurring, membership base-reducing effect, membership growth in the first quarter remained at a similar level to the previous year at 454 thousand (Q1 2020: 478 thousand).

Member growth (D-A-CH) in million



XING content offering grows significantly due to coronavirus crisis

The XING News editorial team also made a strong start to the new year by collaborating with a series of prominent guest writers. From Bill and Melinda Gates' exclusive opinion piece for XING to interviews with bestselling authors such as Noah Yuval Harari and the first German woman in space, Suzanna Randall, the editorial team set the tone and offered perspectives on the issues facing business and the world of work over the next few years.

The weekly focus topics in XING's new **Zukunft.machen** format were particularly well received. The editorial team also hosted their first Live Lunch Talk with XING Insiders and users on the subject of "purpose".

XING Insiders, including legendary Olympic swimmer Michael Gross and management consultant Bernd Slaghuis, have also made their mark with contributions to XING and have strengthened the brand when their contributions are cited not only on the platform itself but also in publications such as SPIEGEL and Handelsblatt.

The "Topics of the Day" ("Themen des Tages") feature introduced in January, in which the XING editorial team focus on specific issues relating to the world of work, have proved particularly popular among our users.

kununu workplace insights pass five-million mark for the first time

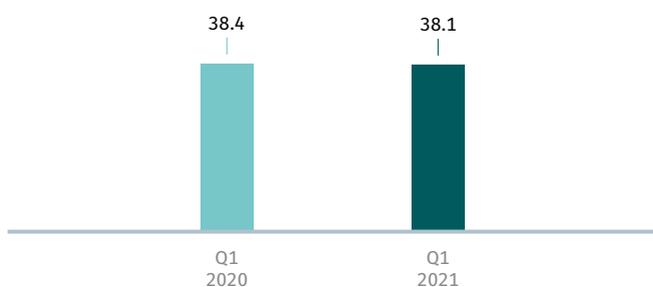
kununu (www.kununu.com) continued to significantly expand its range of content in the first three months of the year, thus enhancing its reach and appeal as the leading employer review platform in the German-speaking market. As a result, interested individuals can now find more than five million reviews and helpful insights into more than 400,000 employers on the platform.

This sharp increase was due to factors such as the dynamic rise in salary information insights, which passed the one-million mark for the first time during the first quarter. In many companies, salary is still a major taboo that is not discussed. However, it is important for employees to be paid fairly. kununu's salary information enables employees and jobseekers to answer two of the most important questions facing them at any point in their career: what am I worth, and am I being paid fairly? Unlike other salary databases, kununu enables employees to view salary ranges for specific roles at individual companies.

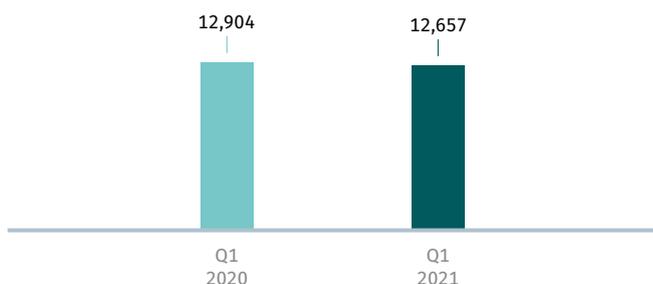
kununu's combination of employer reviews, corporate culture information and salary details allows employees to determine more accurately whether or not a particular company is right for them. More than one million salary insights for more than 37,000 companies in the German-speaking market were submitted on kununu by the end of March.

B2B E-RECRUITING SEGMENT

B2B E-Recruiting segment revenues in € million



B2B E-Recruiting (subscription) – customers



Revenues in the **B2B E-Recruiting** segment reached a similar level to the previous year at €38.1 million (Q1 2020: €38.4 million) and remained stable despite the negative impact of the coronavirus pandemic. It should be noted here that we are comparing the first quarter of 2021 – a period fully impacted by the coronavirus crisis – with the first quarter of 2020, which was only affected by the negative consequences of

the pandemic towards the end of the quarter. The outbreak of the pandemic caused a considerable slowdown in new customer growth in particular. As a result, the B2B E-Recruiting subscriber base has fallen slightly from 12,904 to 12,657 customers since the start of the pandemic in the first quarter of 2020. In the first quarter, we succeeded in stabilizing the customer base compared with the previous quarter (Q4 2020) for the first time since the onset of the pandemic.

Segment EBITDA also remained virtually unchanged from the previous year's level, rising by around 1 percent year-on-year from €26.5 million to €26.8 million.

Being open to change in the age of coronavirus: employees are ready for something new

At the start of the year, we published the results of the sixth survey conducted by Forsa on attitudes to change among employees in Germany, Austria and Switzerland. The study also examined the factors that determined whether employees were for or against change. The latest round of results were significantly influenced by the pandemic. A total of 2,010 employees in Germany (n = 1,004), Austria (n = 505) and German-speaking Switzerland (n = 501) participated in Forsa's representative survey, which was commissioned by XING E-Recruiting.

The survey showed that, despite the considerable uncertainty caused by the pandemic, 33 percent of all Germans in gainful employment were open to changing jobs in 2021 – although 86 percent also said that they are very or somewhat satisfied with their current role. Even more interestingly, these figures have remained constant compared to previous years. In Austria, 37 percent of people in gainful employment said they were open to a job change, while this figure rose to more than one in two people in the German-speaking part of Switzerland (54 percent). As in Germany, the vast majority of respondents in Austria (82 percent) and German-speaking Switzerland (87 percent) stated that they were satisfied with their current role.

Targeted content for public sector HR managers

In the first quarter of the year, XING E-Recruiting also placed a particular focus on the segment-specific target group of public sector HR managers. Five million Germans, or around one in ten, are employed in the public sector, making the state the country's largest employer. The shortage of skilled workers is particularly acute in this area and is already equivalent to 300,000 employees. This gap is expected to grow to more than 800,000 workers by 2030.

XING E-Recruiting has developed a variety of different initiatives specifically for this target group. We worked with Statista to publish an industry report that is free to access. The report provides interested parties with information on the current situation in the public administration sector in German-speaking countries as well as recommended action for recruiters. The key component of the report is the results of a Statista survey conducted exclusively for the industry dossier. The survey aimed to gain an insight into external perceptions of the public sector as an employer. Participants rated the public sector according to 12 criteria, including work-life balance and flexible working hours. Respondents also indicated their preferences when searching for jobs and during the application process.

Order recruitment solutions online

At the end of last year, XING launched an online shop at recruiting.xing.com, giving customers the opportunity to order recruitment solutions independently at any time. Potential buyers can now choose from a portfolio of four products: the employer branding profile, XING TalentManager, XING TalentpoolManager and XING job advertisements. The online shop is constantly being expanded and optimized to offer buyers a comfortable and optimal shopping experience.

B2B MARKETING SOLUTIONS & EVENTS SEGMENT

Segment revenues B2B Marketing Solutions & Events in € million



The **B2B Marketing Solutions & Events** segment was most severely affected by the restrictions imposed as a result of the coronavirus pandemic (lockdowns, event bans). The event business in particular was down by as much as 70 percent year-on-year at times during the past year. In the first quarter of 2021, the segment recorded a positive sales trend again for the first time since the start of the pandemic, with revenue rising by 13 percent to €5.2 million (Q1 2020: €4.6 million). This positive performance is primarily due to the significant recovery of the Marketing Solutions subsegment.

This recovery in revenues also led to an improvement of earnings, with segment EBITDA increasing to €2.6 million (Q1 2020: €0.9 million).

Developments in the Marketing Solutions subsegment

The advertising industry is preparing for the post-lockdown era. The COVID-19 crisis has had hardly any impact on demand. Although there is still weak demand for event campaigns due to lockdown, this can be more than offset by advertising revenues for products and services. Agencies are recording significant order intake for native and video formats in particular. Campaign pricing is 20 percent above the previous year's level.

The subsegment launched two new features in the first quarter. We are giving large agencies the opportunities to connect their booking systems directly to XING AdManager via our interface (API). And our content marketing product, XING Sponsored Articles, can now be ordered as a user-centric targeting product within its existing environment.

Developments in the Events subsegment

There has been a new feature for hybrid events in XING EventManager since March. While hybrid events could still help to restart the events industry this year, their complex organization can be challenging. This includes dividing registration for online and offline participants. XING EventManager now makes this part of the process quick and easy. When creating an event, event planners simply click to select "hybrid", enter the venue and a link to the online event tool of their choice, and their event site is created – with tickets offered in two categories at different prices. Participants either receive an entry ticket or access details for the online tool depending on their selection. EventManager recognizes the relevant platform and adjusts the emails accordingly.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

for the period from January 1 to March 31, 2021

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Consolidated statement of comprehensive income

of New Work SE
for the period from January 1 to March 31, 2021

Consolidated statement of comprehensive income

In € thousand	Note no.	01/01/- 03/31/2021	01/01/- 03/31/2020 ¹
Continuing operations			
Service revenues	3	67,968	68,854
Other operating income	4	396	605
Other own work capitalized		6,860	6,568
Personnel expenses		-34,980	-36,720
Marketing expenses		-7,488	-9,128
Other operating expenses	5	-6,913	-13,062
Impairment losses on financial assets and contract assets	6	-940	-953
EBITDA		24,903	16,165
Depreciation, amortization and impairment losses	7	-7,281	-12,623
EBIT		17,622	3,542
Finance income	8	121	7,395
Finance costs	8	-229	-1,816
EBT		17,514	9,120
Income taxes		-5,414	-1,990
NET INCOME/LOSS FROM CONTINUING OPERATIONS		12,100	7,130
Post-tax profit or loss of discontinued operations		0	70
CONSOLIDATED NET PROFIT		12,100	7,200
Earnings per share from continuing operations (basic)		€2.15	€1.27
Earnings per share from continuing operations (diluted)		€2.15	€1.27
Earnings per share (basic)		€2.15	€1.28
Earnings per share (diluted)		€2.15	€1.28
CONSOLIDATED NET PROFIT		12,100	7,200
Currency translation differences		13	43
OTHER COMPREHENSIVE INCOME		13	43
CONSOLIDATED TOTAL COMPREHENSIVE INCOME		12,113	7,243

¹ Restated

Consolidated statement of financial position

of New Work SE
as of March 31, 2021

Assets

In € thousand	Note no.	03/31/2021	12/31/2020
Intangible assets			
Purchased software		6,349	6,875
Internally generated software		76,279	72,065
Goodwill		56,145	56,145
Other intangible assets		4,638	4,984
Property, plant and equipment			
Leasehold improvements		1,826	1,948
Other equipment, operating and office equipment		7,353	7,901
Construction in progress		8,121	4,509
Lease assets		56,546	58,772
Financial assets			
Financial assets at amortized cost		2,030	2,051
Financial assets at fair value	11	29,819	29,726
Other non-financial assets		520	485
Deferred tax assets		83	205
NON-CURRENT ASSETS		249,709	245,666
Receivables and other assets			
Receivables from services		21,386	18,028
Contract assets		4,009	3,711
Other assets		5,724	8,420
Cash and short-term deposits			
Cash		92,332	61,497
Third-party cash		4,814	3,632
CURRENT ASSETS		128,265	95,288
		377,974	340,954

Consolidated statement of cash flows

of New Work SE
for the period from January 1 to March 31, 2021

Consolidated statement of cash flows

In € thousand	01/01 – 03/31/2021	01/01 – 03/31/2020 ¹
Earnings before taxes	17,514	9,120
Amortization and write-downs of internally generated software	2,661	2,210
Depreciation, amortization and impairment losses on other fixed assets	4,619	10,413
Finance income	-121	-7,395
Finance costs	229	1,816
EBITDA	24,903	16,165
Interest received	28	26
Taxes paid	-2,006	-2,016
Profit from disposal of fixed assets	-90	-17
Change in receivables and other assets	-974	493
Change in liabilities and other equity and liabilities	-654	-266
Non-cash changes from changes in basis of consolidation	0	0
Change in contract liabilities	19,714	17,521
Elimination of XING Events third-party obligation	-1,182	698
Cash flows from operating activities of continuing operations	39,738	32,606
Cash flows from operating activities discontinued operations	0	-228
CASH FLOWS FROM OPERATING ACTIVITIES	39,738	32,378
Payment for capitalization of internally generated software	-6,567	-6,568
Payment for purchase of software	-248	-350
Payments for purchase of other intangible assets	0	-6
Proceeds from the disposal of fixed assets	117	33
Payments for purchase of property, plant and equipment	-3,896	-2,270
Payments for acquisition of consolidated companies (less funds acquired)	0	0
Cash flows from investing activities of continuing operations	-10,595	-9,160
Cash flows from investing activities of discontinued operations	0	0
CASH FLOW FROM INVESTING ACTIVITIES	-10,595	-9,160

¹ Restated

Consolidated statement of cash flows (continued)

In € thousand	01/01/– 03/31/2021	01/01/– 03/31/2020 ¹
Interest paid	–50	–45
Proceeds from lease incentives	3,259	0
Payment for leases	–1,493	–1,363
Cash flows from financing activities of continuing operations	1,716	–1,408
Cash flows from financing activities of discontinued operations	0	–131
CASH FLOWS FROM FINANCING ACTIVITIES	1,716	–1,539
Currency translation differences	–24	62
Change in cash and cash equivalents	30,835	21,741
Own funds at the beginning of the period	61,497	35,231
OWN FUNDS AT THE END OF THE PERIOD²	92,332	56,972
Third-party funds at the beginning of period	3,632	4,813
Change in third-party cash and cash equivalents	1,182	–698
THIRD-PARTY FUNDS AT THE END OF THE PERIOD	4,814	4,115

¹ Restated

² Funds consist of liquid funds.

Consolidated statement of changes in equity

of New Work SE
for the period from January 1 to March 31, 2021

Consolidated statement of changes in equity

In € thousand	Subscribed capital	Capital reserves	Reserve for currency translation differences	Retained earnings	Total equity
AS OF 01/01/2020	5,620	22,644	213	73,057	101,534
Consolidated net profit	0	0	0	7,200	7,200
Other comprehensive income	0	0	43	0	43
Consolidated total comprehensive income	0	0	256	7,200	7,243
AS OF 03/31/2020	5,620	22,644	256	80,258	108,777
AS OF 01/01/2021	5,620	22,644	130	84,617	113,011
Consolidated net profit	0	0	0	12,100	12,100
Other comprehensive income	0	0	13	0	13
Consolidated total comprehensive income	0	0	13	12,100	12,113
AS OF 03/31/2021	5,620	22,644	143	96,717	125,124

Notes to the interim consolidated financial statements

for the period from January 1 to March 31, 2021

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 Dammtorstraße 30, 20354 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 19 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 our 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 March 31, 2021, 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, 2020.

The reporting period began on January 1, 2021, and ended on March 31, 2021. The corresponding prior-year period began on January 1, 2020, and ended on March 31, 2020. The interim consolidated financial statements and the interim group management report of the Company were approved for publication by the Management Board on May 5, 2021.

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, 2020. 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, 2025.

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 kununu International segment (application of IFRS 5), the prior-year comparatives have been restated accordingly.

3. Segment information

In € thousand	B2C		B2B E-Recruiting		B2B Marketing Solutions & Events		Total segments		Consolidation of intersegment revenues/expenses		New Work Group	
	01/01/ 03/31/ 2021	01/01/ 03/31/ 2020	01/01/ 03/31/ 2021	01/01/ 03/31/ 2020	01/01/ 03/31/ 2021	01/01/ 03/31/ 2020	01/01/ 03/31/ 2021	01/01/ 03/31/ 2020			01/01/ 03/31/ 2021	01/01/ 03/31/ 2020
Revenues (from third parties)	24,805	25,953	38,055	38,386	5,108	4,515	67,968	68,854	0	0	67,968	68,854
Intragroup revenues	0	0	0	0	101	97	101	97	-101	-97	0	0
Total revenues	24,805	25,953	38,055	38,386	5,208	4,612	68,068	68,952	-101	-97	67,968	68,854
Intragroup segment expenses	-101	-97	0	0	0	0	-101	-97	101	97	0	0
Other segment expenses	-13,664	-17,316	-11,216	-11,930	-2,595	-3,716	-27,474	-32,961	0	0	-27,474	-32,961
Segment operating result	11,041	8,540	26,839	26,457	2,613	897	40,493	35,893	0	0	40,493	35,893
Other operating income/expenses											-15,590	-19,728
EBITDA											24,903	16,165

Revenues by region

In € thousand	01/01/ 03/31/2021	01/01/ 03/31/2020
D-A-CH	63,978	65,770
International	3,990	3,084
	67,968	68,854

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

As was the case as of December 31, 2020, the non-current assets (excl. deferred tax assets and other financial assets) of €216,458 thousand (December 31, 2020: €210,899 thousand) are attributable to the D-A-CH region.

4. Other operating income

Other operating income includes income of €107 thousand (previous year: €141 thousand) from currency translation and income from the disposal of equipment in the amount of €105 thousand (previous year: €26 thousand).

5. Other operating expenses

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

In € thousand	01/01- 03/31/2021	01/01- 03/31/2020 ¹
IT services, management services	1,891	2,955
Server hosting, administration and traffic	1,889	1,797
Occupancy expenses	789	860
Payment transaction costs	455	712
Other personnel expenses	311	3,770
Training costs	275	451
Telephone/cell phone/postage/courier	189	217
Exchange rate losses	181	72
Accounting fees	168	246
Expenses attributable to prior periods	160	250
Insurance and contributions	152	175
Legal consulting fees	139	189
Financial statements preparation and auditing costs	123	114
Supervisory Board remuneration	77	81
Rents/leases	51	84
Travel, entertainment and other business expenses	35	834
Office supplies	14	122
Other	13	132
TOTAL	6,913	13,062

¹ Restated

6. Impairment losses on financial assets and contract assets

Impairment losses (including reversals) on financial assets and contract assets include expenses for bad debts of €940 thousand (previous year: €987 thousand) as well as income from reversals of €44 thousand (previous year: €34 thousand).

Receivables from services are impaired as follows:

03/31/2021 In € thousand	Not yet due	Past due < 30 days	Past due < 90 days	Past due > 90 days	Total
Impairment ratio	1.4%	6.9%	31.0%	57.2%	11.5%
Gross carrying amount	10,021	9,843	1,899	2,396	24,159
Impairment	-137	-676	-689	-1,521	-2,773

12/31/2020 In € thousand	Not yet due	Past due < 30 days	Past due < 90 days	Past due > 90 days	Total
Impairment ratio	1.2%	6.3%	26.0%	43.3%	11.3%
Gross carrying amount	6,491	9,271	2,000	2,556	20,318
Impairment	-78	-587	-519	-1,106	-2,290

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

7. Depreciation, amortization and impairment losses

Effective at the start of the 2020 financial year, the useful life of internally generated software was extended by a further twelve months to December 31, 2025. This led to the recognition of lower amortization of €665 thousand than as stipulated in the previous amortization schedule, which will be recognized in later periods.

Depreciation, amortization and impairment losses in the previous year included an impairment loss of €5,797 thousand on goodwill from the acquisition of honeypot GmbH.

8. Financial result

Finance income in the previous year mainly included income of €6,719 thousand from reassessing the earn-out from the acquisition of Honeypot GmbH, which became necessary due to an adjustment of the revenue and EBITDA forecast made at that time.

The remeasurement of available-for-sale assets resulted in finance income of €93 thousand (previous year: €1,478 thousand).

9. Equity

As of March 31, 2021, the Group had share capital of €5,620,435 (December 31, 2020: €5,620,435). As previously, the Company does not hold any treasury shares.

The Management Board and the Supervisory Board will propose to the Annual General Meeting on May 19, 2021 to distribute a regular dividend of €14.6 million, or €2.59 (previous year: €2.59) per share.

Own cash and available-for-sale securities of €122.2 million as of March 31, 2021, 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, 2020, for further information about related parties. From the perspective of the Group, no significant changes with respect to the Burda Group occurred until March 31, 2021.

There were no claims against members of the Management Board and the Supervisory Board as of March 31, 2021.

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 March 31, 2021.

The financial liabilities assigned to Level 3 include obligations from contingent purchase prices (earn-out obligations).

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

In € thousand	Measurement category ¹	03/31/2021	12/31/2020
Non-current financial assets at amortized cost	Amortized cost	2,030	2,051
Non-current financial assets at fair value	FVtPL	29,819	29,726
Current receivables from services	Amortized cost	7,978	18,028
Current other assets	Amortized cost	5,724	8,420
Cash	Amortized cost	97,146	65,129
Current trade accounts payable	Amortized cost	8,212	10,830
Current financial liabilities at fair value	FLFVtPL	2,100	2,100
Current other liabilities	Amortized cost	9,837	8,278

¹ LaR = Loans and receivables; AfS = Available-for-sale financial assets; FLAC = Financial liabilities at amortized cost; FLFVtPL = Financial liabilities at fair value through profit or loss FVOCI = Financial assets at fair value through other comprehensive income

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, May 6, 2021

The Management Board

Petra von Strombeck Dr. Patrick Alberts

Ingo Chu Frank Hassler

Jens Pape

Financial calendar

Publication of the Q1 financial report	May 6, 2021
Annual General Meeting (online only)	May 19, 2021
Publication of the half-year financial report	August 5, 2021
Publication of the Q3 financial report	November 4, 2021

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(New Work SE – Investor Relations website)

nwx.new-work.se/
(New Work Experience)

Twitter: [New_Work_SE_IR](https://twitter.com/New_Work_SE_IR)
(Information and news related to the capital markets)

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