NEW WORK SE

Q2 2023

Half-year report

January 1 to June 30, 2023

Consolidated key figures [1]

	Unit	H1 2023	H1 2022	Q2 2023	Q2 2022	Q1 2023
Revenues	in million €	151.7	152.6	75.8	78.0	75.9
Pro forma revenues	in million €	151.7	152.6	75.8	78.0	75.9
EBITDA	in million €	38.6	53.5	23.1	27.8	15.5
Pro forma EBITDA	in million €	40.8	53.5	22.9	27.8	17.9
EBITDA margin	in %	25	35	31	36	20
Pro forma EBITDA margin	in %	27	35	30	36	24
Net profit/loss for the period	in million €	17.1	23.3	10.0	11.2	7.0
Pro forma consolidated net profit/loss for the period	in million €	18.1	24.3	9.7	11.7	8.4 [2]
Earnings per share (diluted)	in €	3.04	4.15	1.78	2.00	1.25
Pro forma earnings per share (diluted)	in €	3.21	4.33	1.72	2.08	1.50 [2]
Cash flow from operations	in million €	50.8	53.3	16.7	14.4	33.7
Equity	in million	125.4	124.8	125.4	124.8	153.2
XING platform members, D-A-CH	in million	21.9	21.0	21.9	21.0	21.7
InterNations members	in million	4.8	4.4	4.8	4.4	4.7
kununu workplace insights [3]	in million	9.3	7.2	9.3	7.2	8.8
B2B E-Recruiting customers, D-A-CH (subscriptions)	number	14,489	13,679	14,489	13,679	14,493
Employees (FTE)	number	1,827	1,754	1,827	1,754	1,894

[1] *from continuing operations*
[2] *retrospectively restated*
[3] *improved counting method for workplace insights after product update with one-time effect of less than 1 percent on total number*

Contents

Our sites

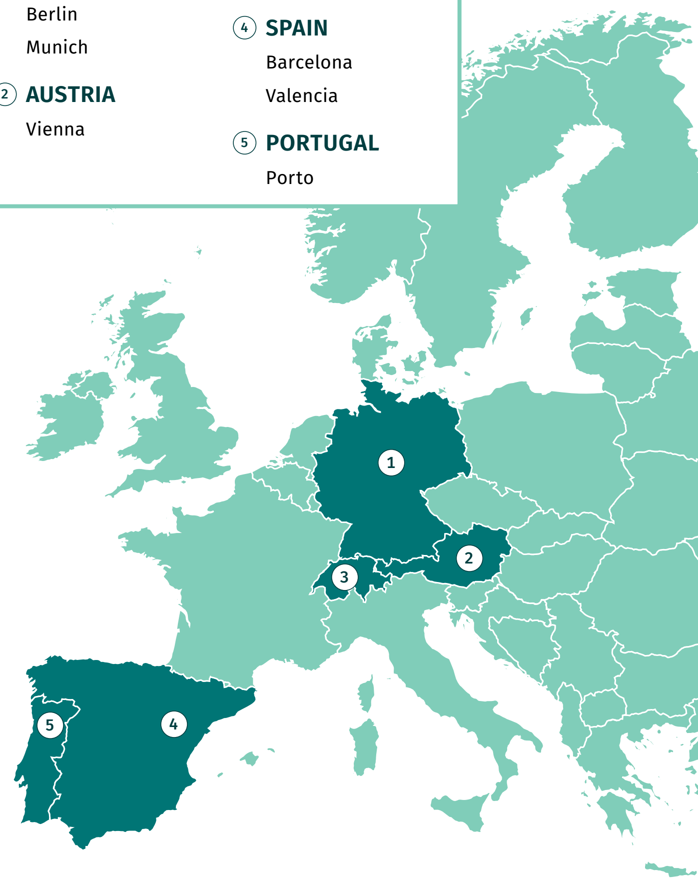
1 **GERMANY**
Hamburg
Berlin
Munich

2 **AUSTRIA**
Vienna

3 **SWITZERLAND**
ZURICH

4 **SPAIN**
Barcelona
Valencia

5 **PORTUGAL**
Porto



Company profile

New Work SE Group is committed to a better world of work. **///** With its strong brands such as XING, kununu and onlyfy by XING, combined with the largest talent pool in the D-A-CH region, it competes to be the most important recruiting partner in the German-speaking world. **///** It brings candidates and companies together, enabling employees to lead more satisfying professional lives and helping businesses to achieve greater success by hiring the right talent. **///** Listed since 2006, the Company is headquartered in Hamburg and employs a total of around 2,000 staff at several locations including also Berlin, Vienna and Porto. **///** For more information, see → **new-work.se** and → **nwx.new-work.se**.

HARBOUR FOR

Strong brands

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

To our shareholders

CEO of New Work SE
Petra von Strombeck

Letter to our shareholders

Dear Shareholders,

Relatively early in the year – and with relevant indices and indicators still signaling an unbroken recovery in the economy and labor market now that the COVID years are finally behind us – we were forced to face up to the fact that the market was deteriorating rapidly. Companies appeared increasingly hesitant to purchase our HR solutions, putting pressure on new business. While some observers were surprised by this development given how healthy the market still appeared to be, the German economy is now generally acknowledged to be in recession as the impact of various challenges – from inflation and energy prices to supply bottlenecks – become apparent wherever you look. Although the shortage of skilled workers is still one of the hottest topics, companies are currently prioritizing a variety of other issues. With this in mind, we were quick to update our guidance. While this is not good news, it is particularly important for us to communicate openly and transparently with capital market participants like you in challenging times.

We can see the effects of the recession in our financial key performance indicators for the first half of 2023, with total pro forma revenues remaining at the previous year's level at just under €152 million. Our pro forma EBITDA fell by 24 percent to €41 million, while pro forma net income for the year declined to €18 million.

Our most lucrative HR Solutions & Talent Access segment succeeded in increasing its revenues by 8 percent to €107 million in the first half of 2023, despite the marked deterioration in the economic situation since the start of the year. The number of B2B subscription customers rose by 810 corporate customers year-on-year. Revenues in the B2C segment declined as expected during the period under review, falling by 16 percent to €38 million. This drop was primarily attributable to the reduced number of paid memberships for the XING brand. This was an anticipated effect of the strategic realignment of the Jobs network, which will concentrate fully on expanding access to talent going forward. Revenues in the B2B Marketing Solutions segment fell by 21 percent to €8 million. This revenue performance reflects how advertising revenues in Germany have trended down since the start of the year.

"The megatrend of a shortage of skilled workers continues unabated. That is why we are continuing to implement our strategy."

Nevertheless, demand for skilled professionals remains high, which is why we were able to generate encouraging and considerable growth in the B2B business compared with the market average. As I have already mentioned, however, companies are much more hesitant to invest in our solutions in order to attract skilled staff, as has been frequently predicted and as we expected, because they currently have different priorities in some cases. Despite this, the shortage of skilled workers megatrend continues unabated, and its dramatic consequences are only now becoming apparent. That is why we continue to consistently implement our strategy based around this megatrend.

As a result, there have been plenty of new developments in the first half of 2023. In the spring, our B2B brand onlyfy by XING released an update to the onlyfy one platform it launched in September last year. This update enhances the efficiency of software designed to support HR managers in their search for talent. As always, ads are published on XING, the largest job network in the German-speaking region with more than a million job advertisements each month.

"kununu was able to achieve the highest growth in his company's history."

The kununu and XING brands play a key role when it comes to accessing talent. The appeal of the kununu platform lies primarily in its accessible and authentic insights and ratings of employers across the D-A-CH region. Thanks to our targeted marketing activities, the number of workplace insights – consisting of employer ratings, salary information and insights into employer culture – rose sharply by 2.1 million, the highest growth in kununu's history.

As it celebrates its 20th anniversary, the XING brand is currently undergoing a phase of transformation in line with the Company's strategic realignment. XING is now fully focused on jobs under the new management of experienced industry expert Thomas Kindler, with the platform continuing to build on its unique strengths as part of these efforts. In addition to offering more jobs than any other provider, XING can also match a candidate's personal preferences to the right company for a variety of different roles as opposed to the conventional matching of vacancies and CVs offered by other providers. As a result, XING is helping an ever-growing number of members to find a job that suits their lifestyle – or be found by one of more than 20,000 recruiters actively searching on the platform.

In other news, in June this year we hosted NWX 23, the leading event in the German-speaking region on the subject of the "future of work". A wide array of speakers and experts inspired the audience at Hamburg's Elbphilharmonie. The first-ever XING job fair attracted talented young professionals, while onlyfy by XING was on hand with an exclusive offer for recruiters. Finally, the kununu brand introduced several items to the agenda that focused on transparency and employer branding. The event enabled NEW WORK SE to highlight its brands' expertise on the "future of work" with the largest reach of any NWX event to date.

As you can see, we are working exceptionally hard to continue along the path we have set out for our Company. The fact that the effects of the recession are reflected in our financial key performance indicators as if they were a seismograph for the German economy is unfortunately unavoidable. Nevertheless, we are resolutely committed to transforming our company and investing in the right areas while at the same time keeping a close eye on costs. To name just one example, we have implemented a Company-wide hiring freeze, and are aiming to return to growth and occupy a leading position among our competitors as soon as the markets have settled down. And, of course, I will be delighted to keep you updated on our progress along the way!

Thank you for placing your trust in us! We hope you will continue to give us your support.

Petra von Strombeck
Chief Executive Officer (CEO)

The New Work SE shares

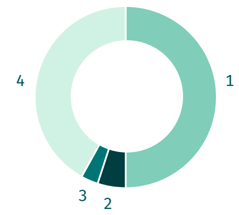
Basic data on the New Work shares

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

Key data on the share at a glance

	H1 2023	H1 2022
XETRA closing price at the end of the period	€123.60	€135.40
High	€184.40	€228.00
Low	€114.60	€123.40
Market capitalization at the end of the period	€694.7 million	€761.0 million
Average trading volume per day (XETRA)	2,048	4,040
Earnings per share	€3.04	€4.15
Pro forma earnings per share	€3.21	€4.33

Shareholder structure in August 2023

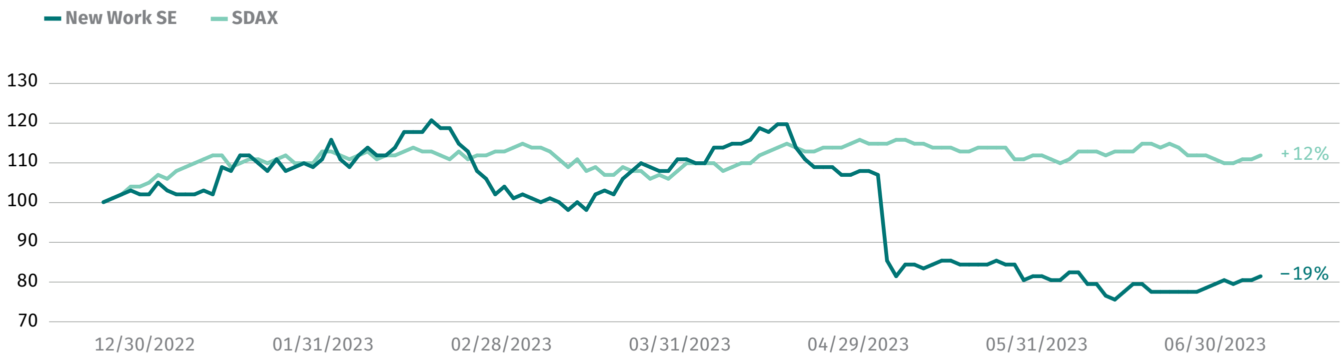


1 — Burda Digital SE (DE)	50.2%
2 — Invesco Ltd. (US)	5.0%
3 — Allianz Global Investors (DE)	3.0%
4 — Other	41.8%

Analyst recommendations in August 2023

Broker	Analyst	Recommendation	Price target
Berenberg Bank	Wolfgang Specht	Hold	€137
Deutsche Bank	Nizla Naizer	Hold	€155
Hauck & Aufhäuser	Nicole Winkler	Hold	€118
Pareto Securities	Mark Josefson	Buy	€228
Warburg Research	Marius Fuhrberg	Hold	€170

Share price performance vs. SDAX in the first half of 2023



Interim Group management report

for the period from January 1 to June 30, 2023

Business and operating environment

Macroeconomic environment

The skepticism expressed about the continued development of the global economy at the start of 2023 was confirmed by the midway point of the year. While most countries have managed to dampen inflation by carefully raising interest rates – a trend that was also supported by declining commodity and food prices – pressure on prices remains considerable in several economies. This includes the Federal Republic of Germany, which increasingly finds itself tackling price-related competitive difficulties.

The German economy has slipped into a period of recession as incoming orders fall sharply, exports shrink and relatively high inflation of 6.4 percent compared to neighboring countries restricts consumption. The ifo business climate index has fallen by 5 points to 88.5 since the first quarter, with the retail and construction sectors driving these negative expectations. The purchasing managers' index (PMI) for the industrial sector in Germany has also trended down significantly to reach 40.6 points, its lowest level in three years.

The equity markets largely diverged from trends in the real markets in the first half of 2023, with the DAX 40 climbing by 16 percent to reach a historic high of more than 16,000 points. These price gains are due to interest rate hopes and persistently high liquidity.

Sector-specific environment

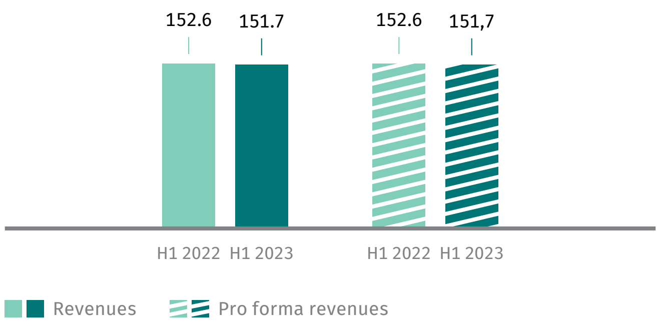
The German labor market also felt the effects of the weak economy by the middle of 2023, with unemployment rising slightly and underemployment falling slightly. According to the Job Vacancy Survey conducted by the Institute for Employment Research (IAB), the number of vacancies in Germany dropped by 11.9 percent to 1.75 million quarter-on-quarter in the first quarter of 2023. While demand for labor is still high, employment prospects have become noticeably gloomier by mid-year.

The number of people in employment rose by 0.8 percent year-on-year to 45.9 million. The unemployment rate calculated by the Employment Agency increased slightly compared to both the previous months and the previous year to 5.7 percent, while the ILO unemployment rate was 2.9 percent.

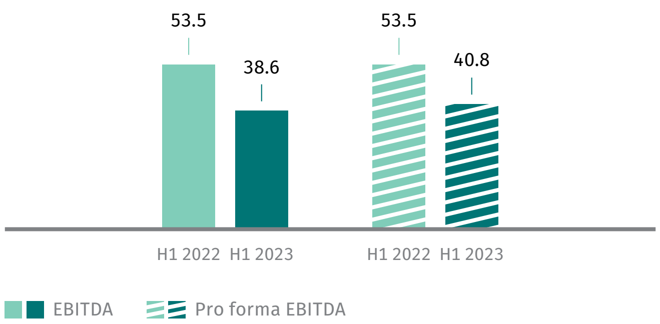
In Austria, as in Switzerland, the labor markets continued to ease in the first half of the year, with the ILO unemployment rate falling to 4.6 percent and 4.1 percent respectively in May 2023. As a result, unemployment rates in the D-A-CH region remain significantly lower than those of the EU as a whole at 5.9 percent.

Results of operations in the Group

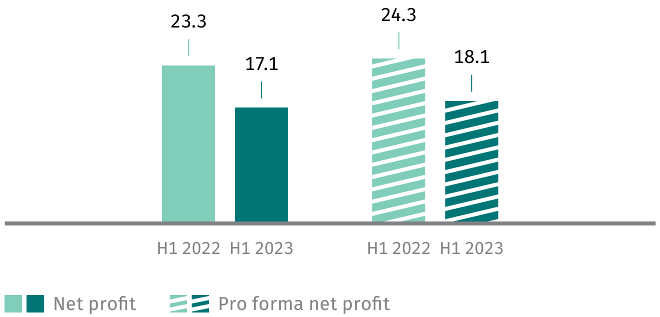
Revenues from continuing operations in € million



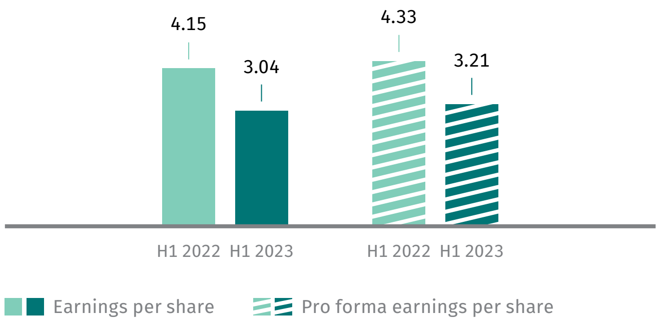
EBITDA from continuing operations in € million



Net profit for the period from continuing operations in € million



Earnings per share from continuing operations in €



REVENUES

At €151.7 million, the Group's revenues were at the same level as the €152.6 million recorded in the prior-year period. This slight decline was primarily due to the ongoing drop in B2C revenues caused by the repositioning of the XING platform. While the HR Solutions business recorded growth of 8 percent despite the weak labor market environment, it was unable to offset the fall in B2C revenues. The smallest segment, Marketing Solutions, saw a decline in revenues due to the market-driven decrease in spending on online advertising.

OWN WORK CAPITALIZED

Own work capitalized in the reporting period amounted to €13.7 million, up on the previous year (H1 2022: €9.9 million) primarily as a result of an increase in development services at onlyfy and kununu. This item is composed of personnel expenses, freelancer costs and ancillary costs.

PERSONNEL EXPENSES

Personnel expenses increased from €70.2 million in the first half of 2022 to €81.9 million in the current financial year. This increase is mainly due to the expansion of the employee base, salary adjustments, and severance payments made in connection with the realignment of the XING platform.

MARKETING EXPENSES

At €25.1 million, marketing expenses were up around 33 percent on the prior-year figure. This was mainly due to higher brand marketing expenses and an increase in performance marketing expenses compared with the prior-year period.

OTHER OPERATING EXPENSES

At €20.9 million, other operating expenses remained at a similar level to the prior-year's figure (H1 2022: €20.4 million).

IMPAIRMENT OF FINANCIAL ASSETS AND CONTRACT ASSETS

At €1.1 million, impairment in the 2023 reporting period also was virtually flat year-on-year (H1 2022: €1.0 million).

EBITDA

In the reporting period, we generated an operating result (EBITDA) of €38.6 million (H1 2022: €53.5 million). Pro forma EBITDA adjusted for non-recurring effects was €40.8 million compared to €53.5 million in the previous year. This 24 percent decline was mainly attributable to the disproportionate rise in personnel expenses as well as a deliberate increase in marketing expenses associated with the realignment of XING and the expansion of our job advertisement business.

DEPRECIATION, AMORTIZATION AND IMPAIRMENT LOSSES

Depreciation, amortization and impairment losses fell by 7 percent from €17.5 million (including €1.3 million in PPA depreciation and amortization) to €16.4 million (including €0.6 million in PPA depreciation and amortization). This slight decrease is mainly due to a lower level of impairment losses recognized on unused platform modules.

FINANCIAL RESULT

At €0.9 million, the financial result in the reporting period was significantly improved on the previous year's figure of €–2.0 million. This change is mainly attributable to the remeasurement of investments measured at fair value. Whereas remeasurement in the reporting period resulted in a gain of €0.7 million, there was a remeasurement loss of €1.4 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 €6.1 million in the reporting period, up from €10.7 million in the prior-year period. It includes minor, negative one-time effects, incurred particularly in the first half of 2023 in connection with the remeasurement of investments and restructuring expenses (€–0.5 million) as well as a decrease in positive one-time effects in connection with the remeasurement of investments in the first half of 2022 (€0.5 million).

CONSOLIDATED NET PROFIT AND EARNINGS PER SHARE

Consolidated net profit in the first half of 2023 amounted to €17.1 million, compared with €23.3 million in the previous year. This gives rise to earnings per share of €3.04, compared with €4.15 in the prior-year period. The pro forma profit for the first half of 2023 adjusted for non-recurring effects is €18.1 million, compared with a pro forma profit for the first half of 2022 of €24.3 million. Pro forma earnings per share fell accordingly from €4.33 (H1 2022) to €3.21 in the first half of 2023.

Pro forma reconciliation H1 2023

in € million	P&L, not adjusted, 01/01/–06/30/2023	Remeasurement of non-operating financial instruments	Restructuring expenses	P&L, pro forma, 01/01/–06/30/2023	P&L, pro forma, 01/01/–06/30/2022	Change in %	Change absolute
Revenues	**151.7**	**0.0**	**0.0**	**151.7**	**152.6**	**–1**	**–0.9**
Other operating income	2.1		0.0	2.1	1.6	37	0.6
Other own work capitalized	13.7	0.0	0.0	13.7	9.9	39	3.9
Personnel expenses	–81.9	0.0	2.1	–79.8	–70.2	14	–9.6
Marketing expenses	–25.1	0.0	0.0	–25.1	–18.9	33	–6.2
Other operating expenses	–20.9	0.0	0.1	–20.8	–20.4	2	–0.4
Impairment losses on financial assets and contract assets	–1.1	0.0	0.0	–1.1	–1.0	10	–0.1
EBITDA	**38.6**	**0.0**	**2.2**	**40.8**	**53.5**	**–24**	**–12.7**
Depreciation, amortization and impairment losses	–16.4	0.0	0.0	–16.4	–17.5	–7	1.2
EBIT	**22.3**	**0.0**	**2.2**	**24.4**	**36.0**	**–32**	**–11.6**
Financial result	0.9	–0.7	0.0	0.2	–0.6	–140	0.8
EBT	**23.2**	**–0.7**	**2.2**	**24.7**	**35.5**	**–30**	**–10.8**
Taxes	–6.1	0.2	–0.7	–6.6	–11.1	–41	4.5
Consolidated net profit	**17.1**	**–0.5**	**1.5**	**18.1**	**24.3**	**–26**	**–6.3**
Earnings per share in €	**3.04**	**–0.09**	**0.26**	**3.21**	**4.33**	**–26**	**–1.1**

Pro forma reconciliation Q2 2023

in € million	P&L, not adjusted, 04/01/–06/30/2023	Remeasurement of non-operating financial instruments	Restructuring expenses	P&L, pro forma, 04/01/–06/30/2023	P&L, pro forma, 04/01/–06/30/2022	Change in %	Change absolute
Revenues	**75.8**	**0.0**	**0.0**	**75.8**	**78.0**	**–3**	**–2.2**
Other operating income	1.4	0.0	0.0	1.4	0.7	97	0.7
Other own work capitalized	6.2	0.0	0.0	6.2	4.7	34	1.6
Personnel expenses	–38.2	0.0	–0.3	–38.4	–35.1	9	–3.3
Marketing expenses	–11.9	0.0	0.0	–11.9	–8.6	38	–3.3
Other operating expenses	–9.4	0.0	0.0	–9.4	–11.1	–15	1.7
Impairment losses on financial assets and contract assets	–0.8	0.0	0.0	–0.8	–0.7	5	0.0
EBITDA	**23.1**	**0.0**	**–0.3**	**22.9**	**27.8**	**–18**	**–4.9**
Depreciation, amortization and impairment losses	–9.2	0.0	0.0	–9.2	–9.9	–8	0.8
EBIT	**14.0**	**0.0**	**–0.3**	**13.7**	**17.9**	**–23**	**–4.2**
Financial result	0.5	–0.3	0.0	0.2	–0.3	–183	0.5
EBT	**14.5**	**–0.3**	**–0.3**	**14.0**	**17.6**	**–21**	**–3.6**
Taxes	–4.5	0.1	0.1	–4.3	–5.9	–27	1.6
Consolidated net profit	**10.0**	**–0.2**	**–0.2**	**9.7**	**11.7**	**–17**	**–2.0**
Earnings per share in €	**1.78**	**–0.04**	**–0.03**	**1.72**	**2.08**	**–17**	**–0.4**

Pro forma reconciliation H1 2022

in € million	P&L, not adjusted, 01/01/–06/30/2022	Remeasurement of non-operating financial instruments	P&L, pro forma, 01/01/–06/30/2022
Revenues	**152.6**	**0.0**	**152.6**
Other operating income	1.6	0.0	1.6
Other own work capitalized	9.9	0.0	9.9
Personnel expenses	– 70.2	0.0	– 70.2
Marketing expenses	– 18.9	0.0	– 18.9
Other operating expenses	– 20.4	0.0	– 20.4
Impairment losses on financial assets and contract assets	– 1.0	0.0	– 1.0
EBITDA	**53.5**	**0.0**	**53.5**
Depreciation, amortization and impairment losses	– 17.5	0.0	– 17.5
EBIT	**36.0**	**0.0**	**36.0**
Financial result	– 2.0	1.4	– 0.6
EBT	**34.0**	**1.4**	**35.5**
Taxes	– 10.7	– 0.5	– 11.1
Consolidated net profit	**23.3**	**1.0**	**24.3**
Earnings per share in €	**4.15**	**0.17**	**4.33**

Pro forma reconciliation Q2 2022

in € million	P&L, not adjusted, 04/01/–06/30/2022	Remeasurement of non-operating financial instruments	P&L, pro forma, 04/01/–06/30/2022
Revenues	**78.0**	**0.0**	**78.0**
Other operating income	0.7	0.0	0.7
Other own work capitalized	4.7	0.0	4.7
Personnel expenses	– 35.1	0.0	– 35.1
Marketing expenses	– 8.6	0.0	– 8.6
Other operating expenses	– 11.1	0.0	– 11.1
Impairment losses on financial assets and contract assets	– 0.7	0.0	– 0.7
EBITDA	**27.8**	**0.0**	**27.8**
Depreciation, amortization and impairment losses	– 9.9	0.0	– 9.9
EBIT	**17.9**	**0.0**	**17.9**
Financial result	– 0.9	0.6	– 0.3
EBT	**17.0**	**0.6**	**17.6**
Taxes	– 5.7	– 0.2	– 5.9
Consolidated net profit	**11.2**	**0.4**	**11.7**
Earnings per share in €	**2.00**	**0.08**	**2.08**

Financial and non-financial key performance indicators (internal management system)

We updated our annual guidance when presenting the interim report for the first quarter of 2023 in May 2023.

Following the guidance issued in the 2022 Annual Report, our assessment of the recovery of the market, which deteriorated in the first quarter, had changed. In light of our decision to continue investing in the implementation of our long-term strategy despite these challenges, we had lowered our pro forma revenue and pro forma EBITDA forecasts for the Group in May 2023. While we were expecting single-digit percentage growth up until this point, we updated our forecasts in May 2023. We now expect to generate pro-forma EBITDA in a corridor between €92 million and €100 million in financial year 2023. We also update our guidance on pro forma revenues. The Company now expects revenues for financial year 2023 to be flat year-on-year.

A detailed overview of the changes to our guidance can be found in the report on expected developments and opportunities.

Comparison of H1 2023 vs. 2023 revenue and earnings targets

Financial key performance indicators (Annual Report 2022)	Forecast for 2023 (Annual Report 2022)	Progress H1 2023
Group forecast		
Pro forma consolidated revenues	Single-digit percentage growth	– 1%
Pro forma consolidated EBITDA	Single-digit percentage growth	– 24%
Segment forecast		
Pro forma revenues, HR Solutions & Talent Access segment	Low double-digit percentage growth	+ 8%
Pro forma EBITDA, HR Solutions & Talent Access segment	Low double-digit percentage growth	– 25%
Pro forma revenues, B2C segment	Low double-digit percentage decrease	– 16%
Pro forma EBITDA, B2C segment	Low double-digit percentage decrease	– 18%
Pro forma revenues, B2B Marketing Solutions segment	Single-digit percentage growth	– 21%
Pro forma EBITDA, B2B Marketing Solutions segment	Low to medium double-digit percentage growth	– 91%

Comparison of H1 2023 vs. 2023 full year non-financial targets

Non-financial key performance indicators	Forecast for 2023 (Annual Report 2022)	Progress H1 2023
B2C segment: Members in the D-A-CH region	Single-digit percentage growth	+ 4%
HR Solutions & Talent Access segment: Number of subscription-based corporate customers (B2B)	Low double-digit percentage growth	+ 6%

Net assets

Total assets fell by €10.9 million (– 2.9 percent) to €366.0 million compared to December 31, 2022. The €5.1 million increase in non-current assets to €243.2 million was offset by a €16.1 million decline in current assets to €122.8 million.

The rise in non-current assets was primarily due to the 3 percent increase in intangible assets to €134.4 million. This, in turn, was mainly attributable to growth in internally generated intangible assets, which include the parts of the platform that qualify for capitalization as well as the mobile applications. Capital expenditures on these assets totaled €13.7 million in the first half of 2023. They were offset by amortization of €8.3 million and impairment losses totaling €2.2 million.

Current assets (cash and cash equivalents) fell by €13.5 million, due mainly to higher dividend payments. Other assets also declined by €2.5 million to €17.7 million.

The equity ratio fell from 38.7 percent to 34.3 percent as at June 30, 2023 due to the distribution of regular and special dividends totaling €37.7 million and the increase in trade accounts payable (+€4.3 million) and contract liabilities (+€10.6 million).

Financial position

As was the case in previous years, the Group is financed solely from equity and the Company does not have any bank loans or other such loans. While cash and cash equivalents fell by a total of €10.0 million in the first half of 2023, this figure remained high at €85.5 million as at June 30, 2023.

The change in cash and cash equivalents from continuing operations was due to the following factors:

Cash flows from operating activities amounted to €50.8 million (previous year: €53.6 million). The year-on-year decline in EBITDA (€– 14.9 million) was offset by a €14.3 million reduction in working capital, which fell by €4.3 million more than in the previous year.

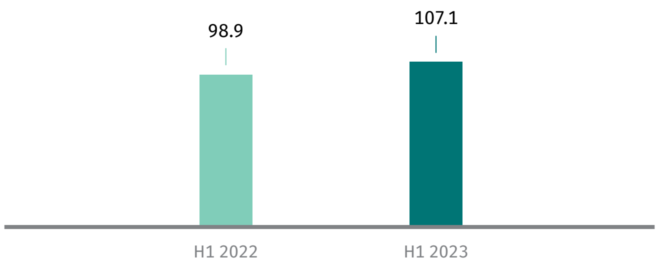
Cash outflows from investing activities totaling €18.0 million (previous year: €13.6 million) were primarily impacted by payments for internally generated software of €13.7 million (previous year: €10.3 million).

Negative cash flows from financing activities of €42.6 million for the first half of 2023 (previous year: €37.6 million) primarily resulted from the distribution of a regular dividend totaling €17.8 million (previous year: €15.7 million) and a special dividend of €20.0 million (previous year: €20.0 million).

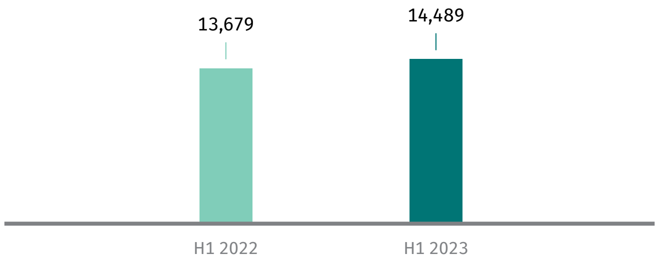
Segment performance

HR SOLUTIONS & TALENT ACCESS SEGMENT

HR Solutions & Talent Access segment revenues in € million



B2B subscription customers



Revenues in the **HR Solutions & Talent Access** segment rose by 8 percent to €107.1 million in the first half of 2023 (H1 2022: €98.9 million). We can be satisfied with this growth, particularly in light of the marked deterioration in the economic situation since the start of the year as well as the weaker labor market environment. Under these circumstances, the number of B2B subscription customers rose by 810 corporate customers compared to the previous year, with the customer base reaching 14,489 by the end of June 2023.

Segment EBITDA declined by 25 percent from €30.1 million to €21.4 million due to slower revenue growth combined with continued investments.

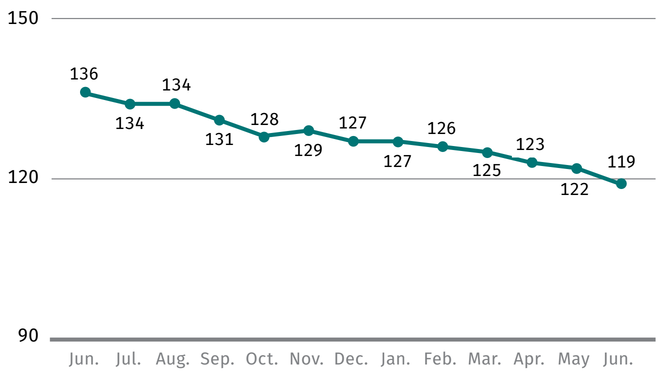
Recession and weak labor market weigh on demand

High inflation, the turnaround in interest rates, an industrial sector unable to offset the slump in consumption, and other factors resulted in another period of negative growth for the German economy in the first quarter of the current financial year after a decline in the fourth quarter of 2022, fulfilling the conditions for a technical recession.

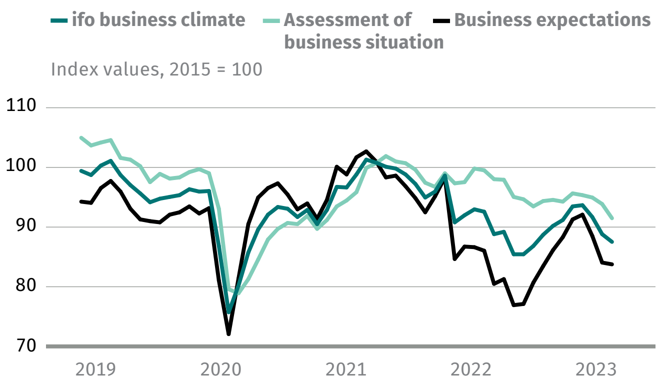
The macro indicators that are particularly important for our HR Solutions business also painted a picture of steady deterioration. Demand for talent in Germany measured using the BA-X Index declined once more, falling from a high of 139 points in May 2022 to 119 points in June 2023.

The ifo business climate index also slumped considerably once more after a brief period of recovery at the start of the year, highlighting the challenging situation German companies now find themselves in.

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



ifo business climate index, Germany[1] (seasonally adjusted)



[1] *Manufacturing, service sector, trade and construction*

Source: ifo Business Survey, June 2023

HR Solutions subsegment

onlyfy one talent acquisition platform expanded to include job advertisements for maximum reach

In spring 2023, onlyfy by XING rolled out the first comprehensive update of the onlyfy one talent acquisition platform launched in September of last year. The new version now enables employers to recruit staff even more efficiently by combining the onlyfy one Application Manager and onlyfy one Job Ads products to offer additional synergies. Companies who use the platform to fill their vacant positions can now benefit from improved functionality. As always, ads are published on XING, the largest job network in the German-speaking region with more than a million job advertisements each month. Immediately after publishing their jobs, employers also automatically receive suitable recommendations from among some 22 million members on the XING job platform and have the option to contact these talented professionals directly via the system.

More than 30 formats specifically targeted to recruiters on offer at New Work Experience

onlyfy by XING played a major role at this year's NEW WORK Experience, contributing decisively to the festival's success by curating more than 30 sessions for recruiters. The majority of these sessions were held at our NEW WORK Harbor headquarters. The onlyfy team devised a varied program specifically tailored to recruiters and HR managers to tackle the overarching issue of NEW HIRING and the question of how to devise recruiting and employer branding strategies that deliver long-term market success.

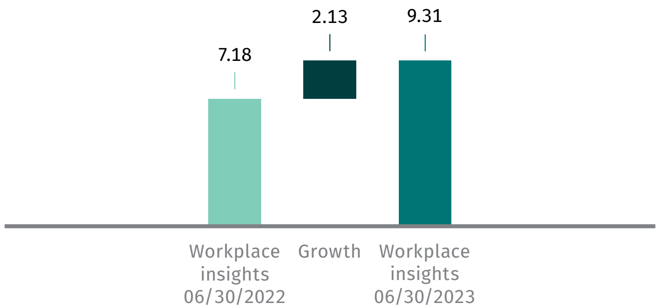
Developments in the Talent Access subsegment with XING and kununu

In the Talent Access subsegment, we report on the latest developments and product innovations at our end client destinations.

kununu increases workplace insights by 30 percent

The appeal of the kununu platform lies primarily in its accessible and authentic insights and ratings of more than 300,000 employers across the D-A-CH region. Thanks to our targeted marketing activities, the number of workplace insights – consisting of employer ratings, salary information and insights into employer culture – rose sharply by 30 percent to 9.3 million, enhancing the platform's appeal even further.

kununu workplace Insights (D-A-CH) in million



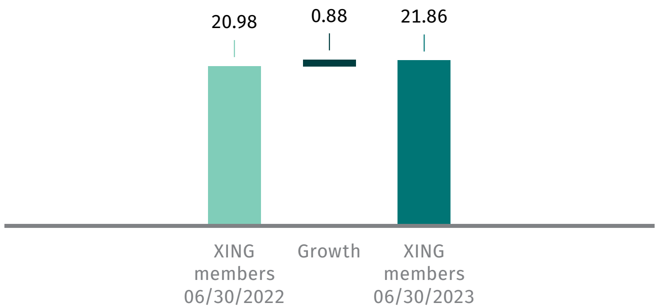
Major out-of-home campaign at kununu

kununu launched its first integrated out-of-home campaign on the topic of salaries by asking the questions "Do you earn what you deserve?" ("Verdienst du, was du verdienst?") and "Does your job pay off?" ("Macht sich dein Job bezahlt?") The campaign focused on the cities of Hamburg and Leipzig, where out-of-home ads combined local greetings (such as "Moin Hamburg" and "Tach Leipzig") with the campaign's main questions while inviting people to compare their salaries on kununu. The campaign was accompanied by a series of street interviews in Hamburg, Leipzig, Berlin, Munich, Cologne, Frankfurt, and Vienna that were posted on TikTok and Instagram. A landing page was created for each of these cities, featuring local salary information such as the average overall salary and salary satisfaction in the city in question. Users can enter their job title into a search box to find detailed comparative information for the relevant city.

Membership base on www.xing.com continues to expand to just under 22 mill

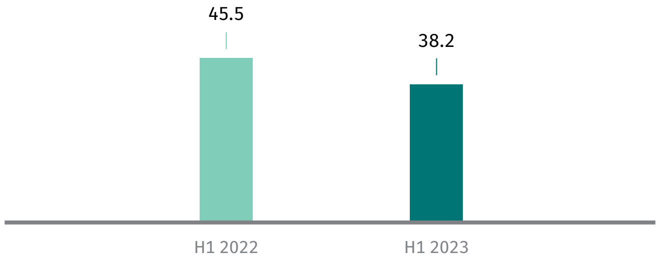
We are currently in the process of realigning our end customer destination **www.xing.com** to become a job network. The number of members registered on the XING platform rose to 21.9 million, an increase of 0.9 million compared to the previous year..

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



B2C SEGMENT

B2C segment revenues in € million



Segment revenues down 16 percent

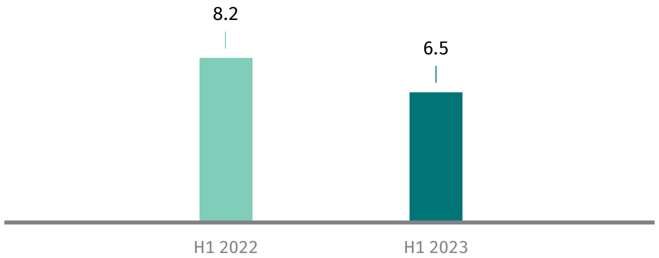
In the **B2C** segment, revenues saw the expected decline of – 16 percent to €38.2 million during the period under review (previous year: €45.5 million).

The decrease is mainly due to a lower number of Premium members. The strategic focus of repositioning the XING brand is not to emphasize direct monetization of B2C users, for example via paid memberships, but monetization via our HR Solutions & Talent Access segment.

Segment EBITDA at €21.1 million contracted by 22 percent year-on-year (H1 2022: €27.0 million). The decrease is mainly due to lower revenues.

B2B MARKETING SOLUTIONS SEGMENT

B2B Marketing Solutions segment revenues in € million



Revenues in the **B2B Marketing Solutions** segment fell by 21 percent to €6.5 million. This revenue performance reflects how advertising revenues in Germany have trended down since the start of the year.

Segment EBITDA declined by 106 percent to €– 0.1 million, due mainly to the drop in revenues (H1 2022: €1.2 million).

On the product side, we focused on improving our AdManager reporting (including flexible settings in the customized dashboard view and expanding various KPIs for both campaigns and individual ads) and implementing an AI-based generator for improved ad copy (the AI makes suggestions on how an ad can be optimized to achieve a better click rate).

Report on opportunities, risks and expected developments

Report on expected developments

ECONOMIC OUTLOOK

The situation in the global economy remains challenging in mid-2023. The aftermath of the pandemic and the repercussions of sanctions introduced in response to the war in Ukraine, as well as uncertainty surrounding the supply of food and raw materials, have affected almost every country and left their mark in the form of inflation. The growth spurts triggered by the sudden early reopening of the Chinese market after the pandemic and strong consumer demand in the USA at the start of the year fizzled out as central banks pursued a restrictive monetary policy to curb high levels of inflation. The World Bank still expects the global economy to expand by 2.1 percent in the current year after recording growth of 3.1 percent in 2022. While inflationary pressures will persist, they are expected to ease over time due to dwindling demand and falling commodity prices. Based on this scenario, the World Bank predicts that growth will recover slightly to 2.4 percent from 2024 onwards. This uncertainty about future global economic development is reflected in the marked differences in the OECD's forecast, which anticipates growth of 2.7 percent and 2.9 percent respectively this year and next. According to this model, inflation will drop from 6.6 percent to 4.3 percent in 2024.

The Handelsblatt Research Institute (HRI) has lowered its economic forecast for Germany, and now expects economic output to fall by 0.7 percent in the current year before rising slightly by 0.7 percent in 2024. The Federal Republic's overall economic output is predicted to return to 2019's pre-pandemic levels in 2024. The average annual inflation rate will reach 5.4 percent in 2023 and 3.0 percent in 2024, which means it will still not return to the ECB's target figure of 2.0 percent. With wages rising rapidly in a robust labor market, the Bundesbank has issued a more optimistic mid-year 2023 forecast, predicting growth of 1.2 percent in 2024 and 1.3 percent in 2025.

The European Central Bank expects the eurozone to generate economic growth of 0.9 percent during the current year, rising to 1.5 percent and 1.6 percent respectively over the next two years. Austria will grow by a modest 0.5 percent in the current year, with growth predicted to climb to 1.7 percent in 2024. According to forecasts from the State Secretariat for Economic Affairs (SECO), the Swiss economy is expected to remain robust and stable, growing by 1.1 percent and 1.5 percent respectively in 2023 and 2024.

EXPECTED SECTOR-SPECIFIC ENVIRONMENT

Many countries are experiencing a significant increase in living costs as a result of the war in Ukraine, leading to the highest inflation in a decade.

In Germany, momentum in the labor market has weakened considerably, with companies in numerous sectors reluctant to hire new staff. The ifo Employment Barometer continued to decline in the industrial and retail sectors in particular, sinking to 97.1 points – its lowest level since the pandemic year of 2020. A reduction in the number of vacancies in Germany is also apparent. According to management estimates, the number of vacant positions is likely to remain in decline in the second half of 2023, a trend that will continue to adversely impact the labor market and weigh on demand for recruiting products. We expect demand for labor to increase again during the next financial year.

Challenges within the recruiting sector will mount in the medium term due to the shortage of skilled workers in the economy triggered by demographic change. The increasing digitalization of the economy will boost demand for personalized solutions designed to rapidly overcome existing relevant skills gaps in dealing with artificial intelligence. HR solutions such as those offered by New Work SE have the opportunity to make a particularly significant contribution to development and to resolving these skills shortages. In our opinion, the generative artificial intelligence revolution currently getting underway is likely to attract particular attention in the future.

Its influence on the labor market will lead to significant changes, and the general view is that this will primarily increase the quality requirements of jobs but not necessarily the number of jobs on offer.

UPDATED GUIDANCE ON REVENUE AND EARNINGS TARGETS

In February 2023, we communicated the targets for financial year 2023 and again announced them with the publication of the annual report in March 2023. We lowered our Group guidance when presenting the interim report for the first quarter of 2023 in May 2023. We expect pro forma revenues to reach a similar level to the previous year and pro forma Group EBITDA of between €92 million and 100 million. Our segment guidance has also been adjusted accordingly. In light of the labor market slowdown in our core HR Solutions & Talent Access segment, we only anticipate single-digit percentage growth in pro forma revenue as well as pro forma segment EBITDA at the previous year's level due to additional investing activities. We have made further adjustments to our guidance for the Marketing Solutions segment. Due to factors including the already apparent fall in online advertising spend in Germany, we now anticipate a decline in pro forma revenue in the lower double digit percentage range, which equates to a mid-double-digit percentage drop in pro forma segment EBITDA. As this segment only comprises 6 percent of revenue, however, it has hardly any impact on the Group's key performance indicators. All of these targets could change again if the recession and economic downturn in Germany in particular have a stronger-than-expected impact on labor demand or adversely affect the search for new employees.

Guidance on 2023 revenue and earnings targets

Financial key performance indicators	Forecast for 2023 (Annual Report 2022)	New forecast for 2023 (Half-year Report 2023)
Group forecast		
Pro forma consolidated revenues	Single-digit percentage growth	At prior-year level
Pro forma consolidated EBITDA	Single-digit percentage growth	€92–€100 million
Segment forecast		
Pro forma revenues, HR Solutions & Talent Access segment	Low double-digit percentage growth	Single-digit percentage growth
Pro forma EBITDA, HR Solutions & Talent Access segment	Low double-digit percentage growth	At prior-year level
Pro forma revenues, B2C segment	Low double-digit percentage decrease	Low double-digit percentage decrease
Pro forma EBITDA, B2C segment	Low double-digit percentage decrease	Low double-digit percentage decrease
Pro forma revenues, B2B Marketing Solutions segment	Single-digit percentage growth	Low double-digit percentage decrease
Pro forma EBITDA, B2B Marketing Solutions segment	Low to medium double-digit percentage growth	Low double-digit percentage decrease

Guidance on non-financial targets for the full year 2023

In light of the weakened labor market, we have also lowered our expectations for non-financial key performance indicators such as the contract customer base in the HR Solutions & Talent Access segment and are planning for a customer base at the previous year's level by the end of the current financial year.

Non-financial key performance indicators	Forecast for 2023 (Annual Report 2022)	New forecast for 2023 (Half-year Report 2023)
B2C segment: Members in the D-A-CH region	Single-digit percentage growth	Single-digit percentage growth
HR Solutions & Talent Access segment: Number of subscription-based corporate customers (B2B)	Low double-digit percentage growth	At prior-year level

Risk report

For the most part, there were no changes to the risk assessment compared to the risks presented in the 2022 Annual Report. Reference is therefore made to the risk report presented in the Annual Report.

In addition to the risks presented in the 2022 Annual Report, a new going-concern risk relating to the threats posed by disruptive new artificial intelligence (AI)-based tools and business practices was identified in the first half of the year.

We are carefully monitoring the market to ensure that we can react quickly, and are already working on our own new AI-supported services for our B2B and B2C products.

Report on opportunities

In addition to the risks to our company associated with AI, there are also plenty of new opportunities for us as a provider of digital recruiting solutions. AI can offer innovative approaches to make the recruiting process more efficient, precise and user-friendly for both applicants and employers.

We have already launched the first new AI-supported services for our B2C users and are continually working on new services to improve our products for both B2B and B2C customers.

Apart from the opportunities outlined above, there are no changes to the opportunities presented in the 2022 Annual Report.

Hamburg, August 14, 2023

The Management Board

Petra von Strombeck   Ingo Chu

Frank Hassler   Dr. Peter Opdemom

Jens Pape

Interim consolidated financial statements

for the period from Januar 1 to June 30, 2023

Consolidated statement of comprehensive income

of New Work SE
for the period from January 1 to June 30, 2023

Consolidated statement of comprehensive income

In € thousand	Note no.	01/01/–06/30/2023	01/01/–06/30/2022	01/04/–06/30/2023	01/04/–06/30/2022
Continuing operations					
Service revenues	3	151,720	152,610	75,793	78,032
Other operating income	4	2,130	1,567	1,384	706
Other own work capitalized		13,749	9,869	6,233	4,665
Personnel expenses	5	– 81,917	– 70,194	– 38,156	– 35,100
Marketing expenses		– 25,062	– 18,900	– 11,932	– 8,639
Other operating expenses	6	– 20,880	– 20,398	– 9,421	– 11,117
Impairment losses on financial assets	7	– 1,103	– 1,005	– 760	– 722
EBITDA		**38,637**	**53,549**	**23,140**	**27,825**
Depreciation, amortization and impairment losses	8	– 16,363	– 17,537	– 9,157	– 9,936
EBIT		**22,274**	**36,012**	**13,983**	**17,889**
Finance income	9	1,239	25	694	0
Finance costs	9	– 306	– 2,002	– 152	– 939
EBT		**23,207**	**34,035**	**14,526**	**16,950**
Income taxes		– 6,140	– 10,687	– 4,495	– 5,728
Net income/loss from continuing operations		**17,067**	**23,350**	**10,031**	**11,222**
Post-tax profit or loss of discontinued operations		– 5	– 1,010	– 60	– 777
CONSOLIDATED NET PROFIT		**17,062**	**22,340**	**9,971**	**10,445**

In € thousand	Note no.	01/01/–06/30/2023	01/01/–06/30/2022	01/04/–06/30/2023	01/04/–06/30/2022
Earning per share					
Earning per share from continuing operations (basic)		€3.04	€4.15	€1.78	€2.00
Earning per share from continuing operations (diluted)		€3.04	€4.15	€1.78	€2.00
Earnings per share (basic)		€3.04	€3.98	€1.77	€1.86
Earnings per share (diluted)		€3.04	€3.98	€1.77	€1.86
CONSOLIDATED NET PROFIT		**17,062**	**22,340**	**9,971**	**10,445**
Currency translation differences		– 1	– 65	– 3	25
OTHER COMPREHENSIVE INCOME		**– 1**	**– 65**	**– 3**	**25**
CONSOLIDATED TOTAL COMPREHENSIVE INCOME		**17,061**	**22,275**	**9,968**	**10,470**

Consolidated statement of financial position

of New Work SE
as of June 30, 2023

Assets

In € thousand	Note no.	06/30/2023	12/31/2022
Intangible assets			
Purchased software		1,936	2,770
Internally generated software	8	74,097	68,630
Goodwill		56,145	56,145
Other intangible assets	8	2,222	2,703
Property, plant and equipment			
Leasehold improvements	8	12,546	12,483
Other equipment, operating and office equipment	8	14,017	14,067
Construction in progress	8	0	420
Lease assets	8	46,760	47,023
Financial assets			
Financial assets at amortized cost	12	2,964	3,005
Financial assets at fair value	12	29,135	28,427
Other non-financial assets		1,455	539
Deferred tax assets		1,964	1,945
NON-CURRENT ASSETS		**243,241**	**238,157**
Receivables and other assets			
Receivables from services	7	19,842	19,881
Income tax receivables		441	540
Other assets		17,676	20,140
Cash and short-term deposits			
Cash		84,836	94,800
Third-party cash		0	3,504
CURRENT ASSETS		**122,795**	**138,865**
		366,036	**377,022**

Equity and liabilities

In € thousand	Note no.	06/30/2023	12/31/2022
Subscribed capital	10	5,620	5,620
Capital reserves	10	22,644	22,644
Other reserves	10	643	643
Retained earnings	10	96,476	117,183
EQUITY		**125,383**	**146,091**
Deferred tax liabilities		14,779	12,287
Contract liabilities		1,453	1,424
Other provisions		626	626
Lease liabilities		52,947	53,658
Other liabilities		2	3,847
NON-CURRENT LIABILITIES		**69,807**	**71,842**
Trade accounts payable		14,285	9,971
Lease liabilities		5,685	6,254
Contract liabilities		117,971	107,402
Other provisions		2,652	3,032
Income tax liabilities		7,729	10,581
Other liabilities		22,524	21,849
CURRENT LIABILITIES		**170,846**	**159,090**
		366,036	**377,022**

Consolidated statement of cash flows

of New Work SE
for the period from Januar 1 to June 30, 2023

Consolidated statement of cash flows

In € thousand	Note no.	01/01/–06/30/2023	01/01/–06/30/2022
Earnings before taxes from continuing operations		**23,207**	**34,035**
Earnings before taxes from discontinued operations		5	– 1,490
Earnings before taxes		**23,212**	**32,545**
Amortization and write-downs of internally generated software	7	8,282	10,695
Depreciation, amortization and impairment losses on other fixed assets	7	8,160	8,005
Finance income	8	– 1,239	– 25
Finance costs	8	306	2,013
EBITDA		**38,722**	**53,233**
EBITDA from discontinued operations		85	– 316
EBITDA from continuing operations		38,637	53,549
Interest received		481	25
Taxes paid		– 6,430	– 6,896
Loss/Profit from disposal of fixed assets		28	– 24
Change in receivables and other assets		1,516	– 625
Change in liabilities and other equity and liabilities		2,220	– 1,772
Change in contract liabilities		10,598	12,390
Elimination of XING Events third-party obligation		3,504	– 3,070
Cash flows from operating activities		**50,640**	**53,261**
Cash flows from operating activities from discontinued operations		– 145	– 326
CASH FLOWS FROM OPERATING ACTIVITIES FROM CONTINUING OPERATIONS		**50,784**	**53,587**
Payment for capitalization of internally generated software		– 13,749	– 10,307
Payment for purchase of software		18	– 60
Payments for purchase of other intangible assets		– 2	0
Payments for purchase of property, plant and equipment		186	72
Proceeds from disposals of investments		– 4,549	– 3,514
Payments for acquisition of investments		0	4,636
Payments for acquisition of consolidated companies		0	– 4,994
Payments for acquisition of consolidated companies (less funds acquired)		0	0
Cash flows from investing activities		**– 18,096**	**– 14,168**
Cash flows from investing activities from discontinued operations		– 80	– 574
CASH FLOW FROM INVESTING ACTIVITIES FROM CONTINUING OPERATIONS		**– 18,017**	**– 13,596**
Payment of regular dividend	10	– 17,761	– 15,737
Payment of special dividend	10	– 20,009	– 20,009
Interest paid		0	– 235
Proceeds from lease incentives		0	– 4,466
Payment for leases		– 4,877	2,805
Cash flows from financing		**– 42,647**	**– 37,643**
Cash flows from financing activities from discontinued operations		0	– 11
CASH FLOWS FROM FINANCING ACTIVITIES FROM CONTINUING OPERATIONS		**– 42,647**	**– 37,631**
Currency translation differences		139	– 9
Own funds at the beginning of the period		94,800	86,458
Change in cash and cash equivalents		– 9,964	1,442
OWN FUNDS AT THE END OF THE PERIOD		**84,836**	**87,900**
Third-party funds at the beginning of period		3,504	3,684
Change in third-party cash and cash equivalents		– 3,504	3,070
THIRD-PARTY FUNDS AT THE END OF THE PERIOD		0	6,754

Consolidated statement of changes in equity

of New Work SE
for the period from January 1 to June 30, 2023

Consolidated statement of changes in equity

In € thousand	Note no.	Subscribed capital	Capital reserves	Reserve for currency translation differences	Retained earnings	Total equity
AS OF 01/01/2022		**5,620**	**22,644**	**338**	**109,667**	**138,270**
Consolidated net profit		0	0	0	43,262	43,262
Other comprehensive income		0	0	305	0	305
Consolidated total comprehensive income		**0**	**0**	**305**	**43,262**	**43,567**
Regular dividend for 2021	10	0	0	0	– 15,737	– 15,737
Special dividend	10	0	0	0	– 20,009	– 20,009
AS OF 31/12/2022		**5,620**	**22,644**	**643**	**117,183**	**146,091**
AS OF 01/01/2023		**5,620**	**22,644**	**643**	**117,183**	**146,091**
Consolidated net profit		0	0	0	17,061	17,062
Other comprehensive income		0	0	– 1	0	– 1
Consolidated total comprehensive income		**0**	**0**	**– 1**	**17,062**	**17,061**
Regular dividend 2022		0	0	0	– 17,761	– 17,761
Special dividend		0	0	0	– 20,009	– 20,009
AS OF 06/30/2023		**5,620**	**22,644**	**643**	**96,476**	**125,383**

Notes to the interim consolidated financial statements

of New Work SE
for the period from January 1 to June 30, 2023

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.

New Work SE has been committed to promoting a better working life with a wide range of brands, products and services. It acts as a central management and control holding company for the subsidiaries. The Group generates its revenues primarily from fee-based products for end customers (B2C) and businesses (B2B). Customers generally make advance payments which are recognized over the service period using the straight-line method in view of the proportional duration of the relevant contract.

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

These condensed interim consolidated financial statements for the period ending on June 30, 2023, 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, 2022.

The reporting period began on January 1, 2023, and ended on June 30, 2023. The corresponding prior-year period began on January 1, 2022, and ended on June 30, 2022. The interim consolidated financial statements and the interim group management report of the Company were approved for publication by the Management Board on May 4, 2023.

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, 2022. 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 resulted in an extension of the useful life of the platform by a further twelve months to December 31, 2027.

Unless indicated otherwise, all amounts are rounded to the nearest thousand euros (€ thousand). Rounding differences may occur in the tables due to mathematical reasons.

3. Segment information

We have been reporting with a new segment structure since January 1, 2023. For further information, please refer to the consolidated financial statements as of December 31, 2022.

In thousand €	HR Solutions & Talent Access		B2C		B2B Marketing Solutions		Total segments		New Work Group	
	01/01/– 06/30/2023	01/01/– 06/30/2022	01/01/– 06/30/2023	01/01/– 06/30/2022	01/01/– 06/30/2023	01/01/– 06/30/2022	01/01/– 06/30/2023	01/01/– 06/30/2022	01/01/– 06/30/2023	01/01/– 06/30/2022
Revenues	**107,073**	**98,862**	**38,157**	**45,518**	**6,490**	**8,230**	**151,720**	**152,610**	**151,720**	**152,610**
Other segment expenses	– 85,719	– 68,803	– 17,047	– 18,558	– 6,563	– 7,044	– 109,329	– 94,405	– 109,329	– 94,405
Segment operating result	**21,354**	**30,059**	**21,109**	**26,960**	**– 73**	**1,186**	**42,391**	**58,205**	**42,391**	**58,205**
Other operating income / expenses									– 3,753	– 4,656
EBITDA									**38,637**	**53,549**

Revenues by region

In thousand €	01/01/– 06/30/2023	01/01/– 06/30/2022
Germany	125,532	131,382
Austria / Switzerland	12,791	12,525
International	13,397	8,703
	151,720	**152,610**

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

Non-current assets (excluding deferred tax assets and financial assets) amounting to €196,647 thousand (December 31, 2022: €191.811 thousand) relate to Germany, with €12,531 thousand (December 31, 2022: €12,969 thousand) relating to other countries.

4. Other operating income

Other operating income in the amount of €2,130 thousand (previous year: €1,567 thousand) relates to write-ups on leasehold improvements of €731 thousand.

5. Personnel expenses

Personnel expenses rose from €70,194 thousand by €11,723 thousand to €81,917 thousand (+17 percent). The increase in expenses is due mainly to the higher number of people employed on a full-time basis by the Group and to restructuring measures.

6. Other operating expenses

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

In thousand €	01/01/–06/30/2023	01/01/–06/30/2022
Server hosting, administration and traffic	6,467	4,279
IT services, management services	6,098	8,209
Occupancy expenses	2,107	1,907
Travel, entertainment and other business expenses	1,032	1,907
Other personnel expenses	987	804
Training costs	678	734
Payment transaction costs	482	728
Exchange rate losses	440	488
Legal consulting fees	397	202
Expenses attributable to prior periods	374	223
Telephone/cell phone/postage/courier	373	333
Accounting fees	360	338
Financial statements preparation and auditing costs	344	309
Insurance and contributions	289	276
Supervisory Board remuneration	162	162
Office supplies	91	122
Rents/leases	48	52
Other	151	101
TOTAL	**20,880**	**20,398**

7. Impairment losses on financial assets and contract assets

Impairment losses (including reversals) on financial assets and contract assets include expenses for bad debts of €1,144 thousand (previous year: €1,047 thousand) as well as income from reversals of €41 thousand (previous year: €42 thousand).

Receivables from services are impaired as follows:

06/30/2023	Not yet due	Past due < 30 days	Past due < 90 days	Past due > 90 days	Total
Impairment ratio	1.0%	4.3%	26.4%	54.1%	**8.9%**
Gross carrying amount (in € thousand)	9,962	7,471	3,007	1,339	**21,779**
Impairment (in € thousand)	–95	–322	–795	–725	**–1,937**

12/31/2022	Not yet due	Past due < 30 days	Past due < 90 days	Past due > 90 days	Total
Impairment ratio	1.2%	5.5%	27.7%	42.9%	**9.0%**
Gross carrying amount (in € thousand)	9,328	8,554	2,066	1,896	**21,843**
Impairment (in € thousand)	–108	–468	–572	–814	**–1,962**

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

8. Development of fixed assets

At €207,723 thousand, fixed assets in the first half of 2023 were at the level of the previous year. Additions mainly related to internally generated intangible assets in the amount of €13,749 thousand and lease assets in the amount of €3,300 thousand. The additions to operating and office equipment in the amount of €2,471 thousand are offset by disposals in the amount of €424 thousand.

Effective at the start of the 2023 financial year, the useful life of internally generated software was extended by a further twelve months to December 31, 2027. This led to the recognition of lower amortization of €1,381 thousand than as stipulated in the previous amortization schedule, which will be recognized in later periods.

Overall, depreciation, amortization and impairment losses decreased slightly year-on-year by €1,174 thousand to €16,363 thousand. The main factors here were amortization on internally generated intangible assets in the amount of €8,282 thousand, on lease assets in the amount of €3,563 thousand and on operating and office equipment in the amount of €2,100 thousand.

9. Financial result

Finance income mainly includes €708 thousand in remeasurement income from available-for-sale securities (previous year: expenses of €1,121 thousand) and €280 thousand (previous year: €298 thousand) from the unwinding of discounts on lease liabilities.

10. Equity

As of June 30, 2023, the Group had share capital of €5,620,435 (December 31, 2022: €5,620,435). As previously, the Company does not hold any treasury shares.

Based on a resolution adopted by the Annual General Meeting on May 24, 2023, a regular dividend of €17,761 thousand, or €3.16, (previous year: €2.80) per share and a special dividend of €20,009 thousand, or €3.56, (previous year: €3.56) was distributed.

The Group’s cash-generative business model as well as its own cash and available-for-sale securities amounting to €113,971 thousand as of June 30, 2023 enable the Company to pay dividends on a regular basis.

11. Related parties

Please refer to the consolidated financial statements as of December 31, 2022, for further information about related parties. From the perspective of the Group, no significant changes with respect to the Burda Group occurred until June 30, 2023.

There were no claims against members of the Management Board and the Supervisory Board as of June 30, 2023.

12. Financial instruments

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

In thousand €	IFRS 9 measurement categories	06/30/2023	12/31/2022
Non-current financial assets at amortized cost	Amortized cost	2,964	3,005
Non-current financial assets at fair value	FAFVtPL[1]	29,135	28,427
Current receivables from services	Amortized cost	19,842	19,881
Current other assets	Amortized cost	762	1,201
Cash and cash equivalents	Amortized cost	84,836	98,304
Non-current lease liabilities	Amortized cost	52,947	53,658
Current trade accounts payable	Amortized cost	14,285	9,971
Current lease liabilities	Amortized cost	5,685	6,254
Current other liabilities	Amortized cost	7,729	10,581

[1] *FAFVtPL = Financial assets at fair value through profit or loss*

All of the non-current financial assets at fair value are classified as Level 1 financial instruments. Their purpose is to manage excess liquidity.

For all financial assets and liabilities, the fair values, to the extent that they can be determined, almost match their carrying amounts. As was the case in the previous year, no financial assets were used as collateral for liabilities of the Group in the financial year.

13. 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, August 14, 2023

The Management Board

Petra von Strombeck   Ingo Chu

Frank Hassler   Dr. Peter Opdemom

Jens Pape

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting standards for interim financial reporting, the condensed interim consolidated financial statements comply with the principles of proper accounting and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group in the remaining months of the financial year.

Hamburg, August 14, 2023

The Management Board

Petra von Strombeck	Ingo Chu
Frank Hassler	Peter Opdemom
Jens Pape	

Financial calendar

Publication of the Q3 financial report	November 9, 2023

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