



**NEW
WORK
SE**

Q2 2020

Results Presentation

HAMBURG, 6 AUGUST 2020

PETRA VON STROMBECK

CEO SINCE MAY 29, 2020

CEO of Lotto 24

July 2012 – 2019

Member of the Executive Board, Tipp24 SE

July 2011 – July 2012

Consultant

2009 – 2011

Member of the Executive Board, Tipp24 SE

2008 – 2009

Présidente, Serpie SA

2003 – 2007

Head of e-commerce/CRM, Tchibo

1999 – 2003

Head of Advertising, Premiere

1996 – 1999



Clear focus

Do, learn, adjust

Data driven



NEW WORK SE TODAY FABULOUS TEAM & STRONG OPPORTUNITIES

Solid
business
model

Strong
brands &
market
position

Megatrends
& markets
growth
potential

Great team
& culture

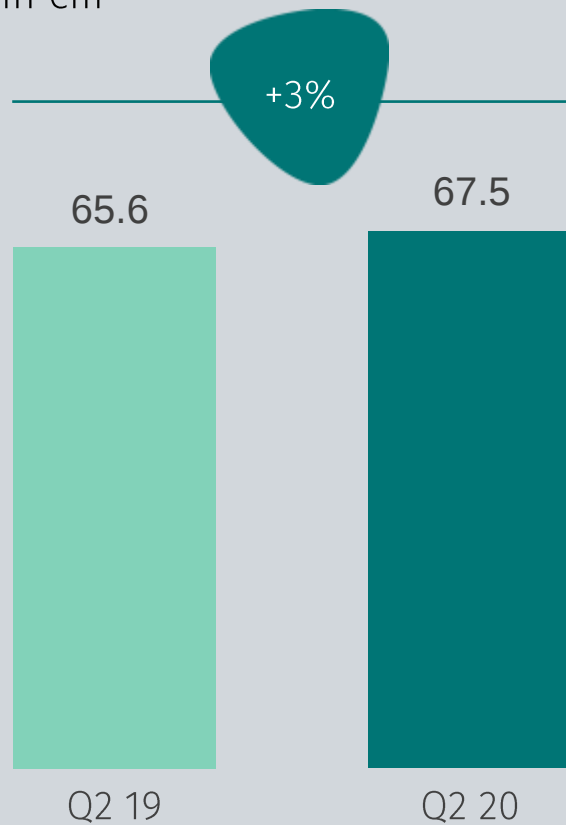
EXECUTIVE SUMMARY Q2 2020

- Group revenues & EBITDA slightly growing despite negative COVID-19 effects
- B2C with stable financials and solid growth in members & content
- B2B business impacted by COVID-19, but still growing yoy
- We confirm our outlook from May 2020:
 - Revenue target: €275-285m
 - EBITDA margin target: ~ 30%

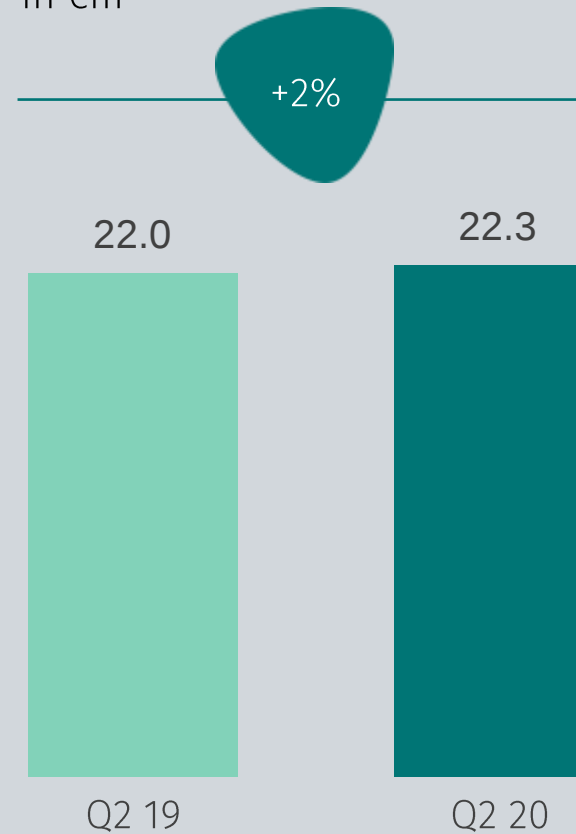


REVENUES & EBITDA SLIGHTLY GROWING DESPITE FIRST FULL “COVID-19-QUARTER”

Service revenues
in €m

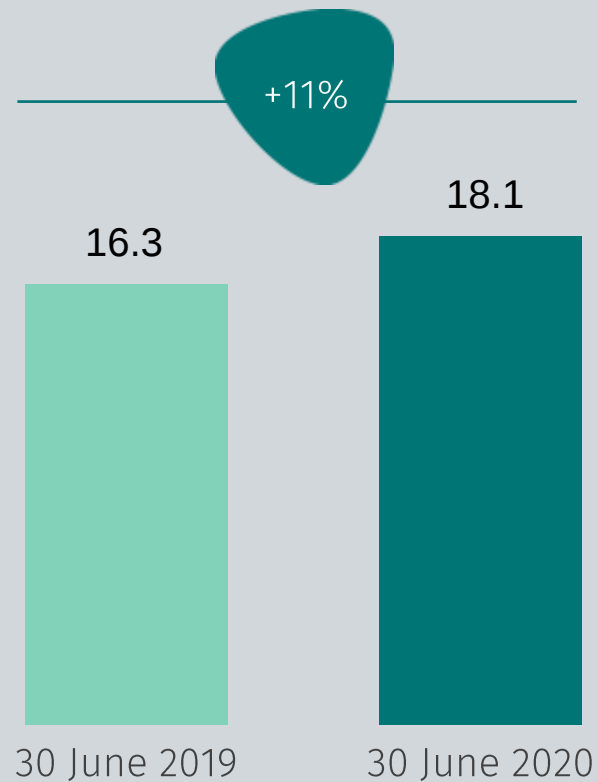


EBITDA
in €m

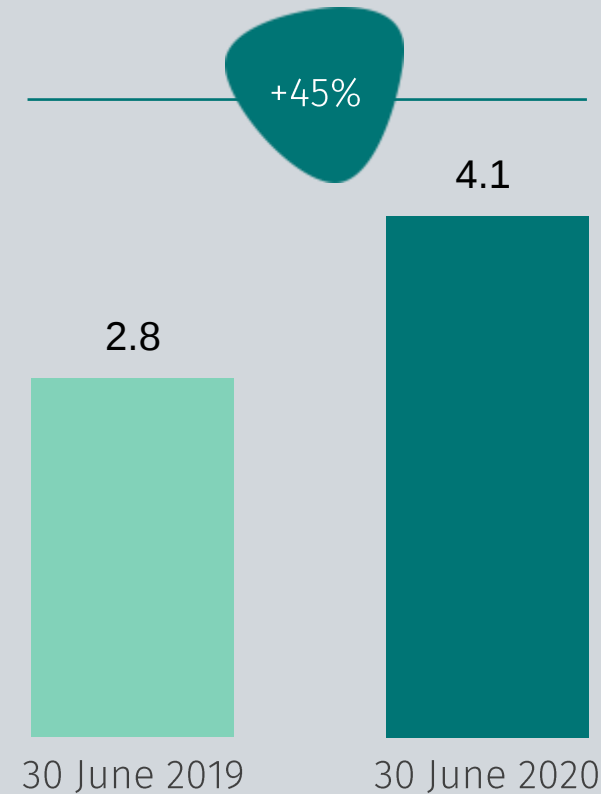


B2C MEMBER BASE AND WORKPLANCE INSIGHTS CONTINUE TO GROW

Member base **XING**
in 000s

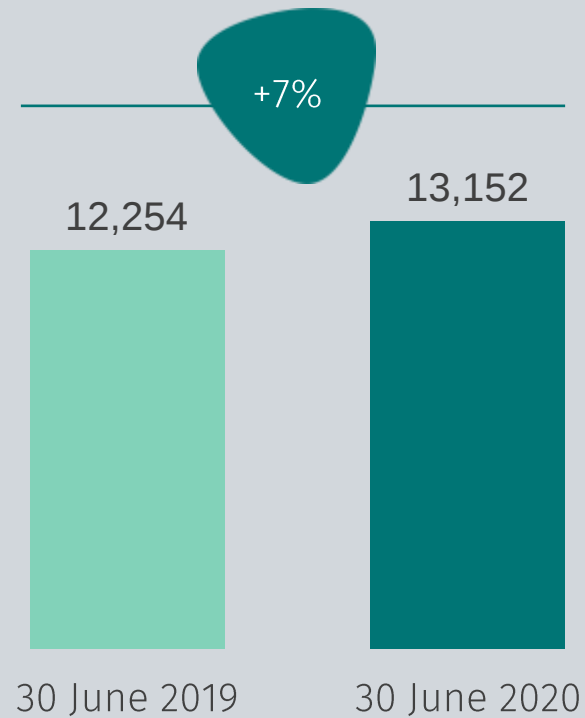


Workplace insights **kununu**
in 000s*

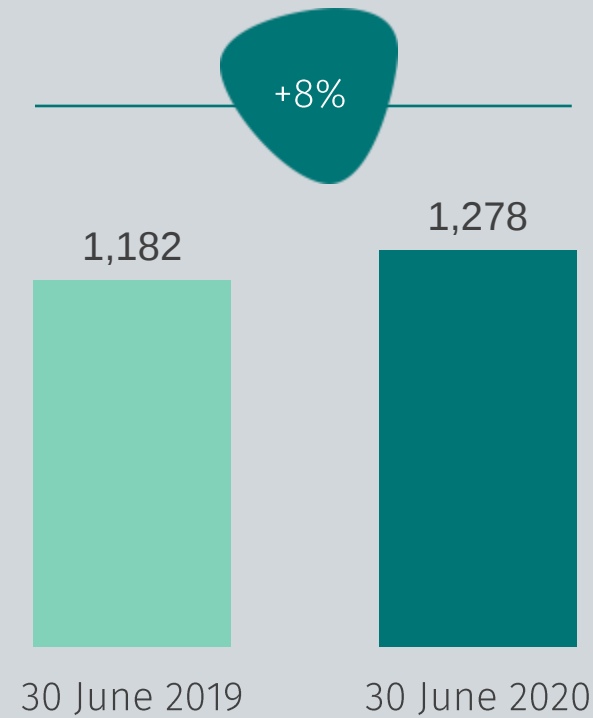


B2B IS GROWING, BUT NEW BUSINESS IS IMPACTED BY COVID-19

B2B customers
(subscription)* **XING**
E-Recruiting



Customers **PRE+SCREEN**



* Excl. Prescreen and Honeypot

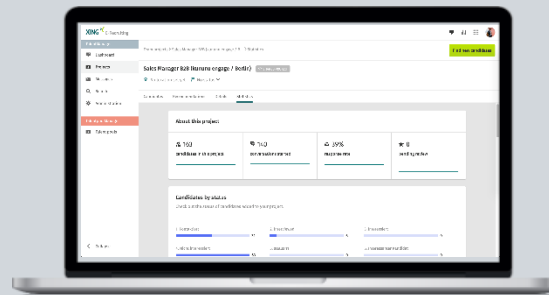
WE KEEP GOING AND ACTIVELY WORK ON IMPROVING MEMBER (B2C) AND CUSTOMER (B2B) SATISFACTION

B2C



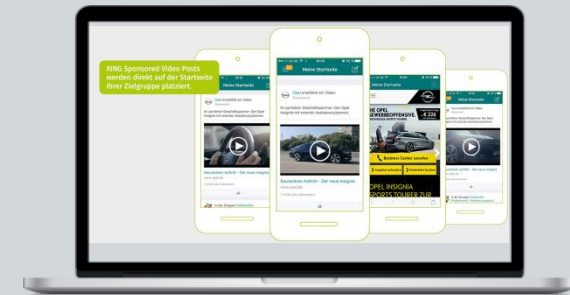
- Premium relaunch (self assessment, Harvard articles & educational content)
- XING News traffic +20% yoy w/ 9M followers on > 800 news pages
- New Work Experience launched as virtual NWXnow w/25m impressions

B2B E-Recruiting



- XTP & XTM upgrades (KPI area for projects & pools)
- XING Job manager upgrade (show potential applicants)
- >50% of HR managers expect talent shortage to remain unchanged next 12 months*

B2B Marketing Solutions & Events

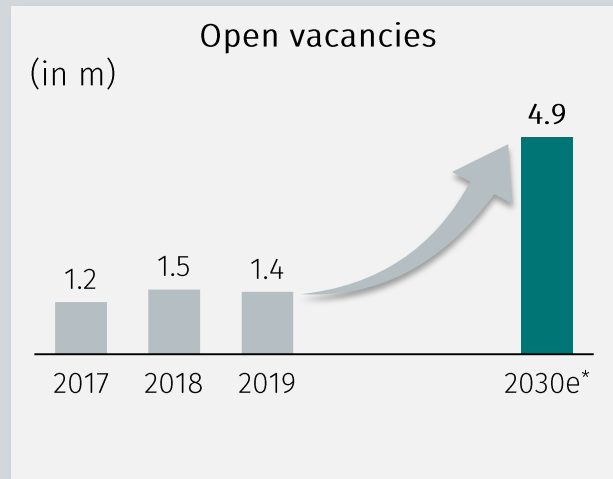


- Launch of self-booking video-ads
- # of online events x6 yoy

RECAP: LONG TERM OUTLOOK UNCHANGED

DEMOGRAPHICS WILL CONTINUE TO TIGHTEN GERMAN LABOUR MARKET

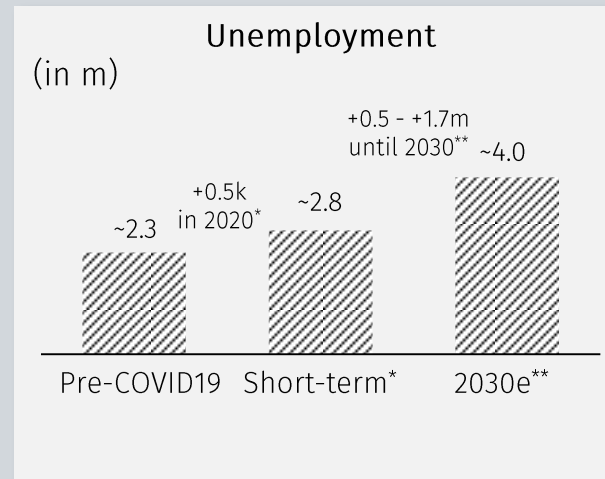
PRE-COVID-19 ASSUMPTIONS



* IAB; Open vacancies estimation 2030 by Korn Ferry

Strong increase in open vacancies expected, resulting in greater demand for employees

EXPECTED COVID-19 EFFECT

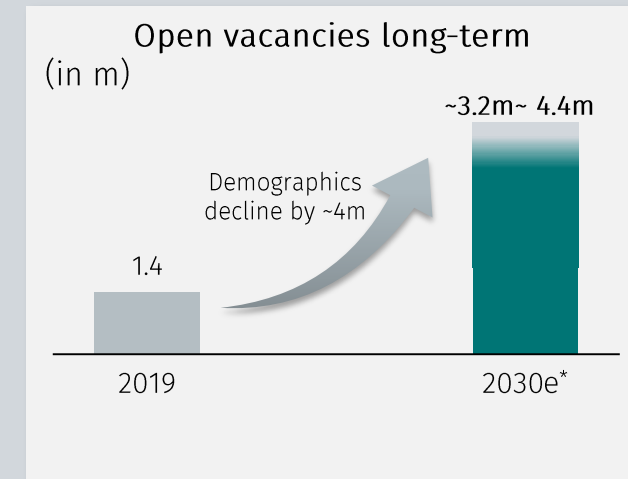


* IAB on development of unemployment rates in 2020

** Management assumption for worst case scenario

COVID-19 is causing an economic dip and increasing unemployment rates

POST-COVID-19 ASSUMPTIONS



* Management assumption

Impact of COVID-19 expected to be overcompensated by demographics

CLOSING REMARKS

- New Work SE is in good shape
- Resilience due to ~80% subscription revenues
- Brand positioning around New Work more relevant than ever
- Structural drivers (demographics & skilled labor talent scarcity) will support our long-term strategy
- We confirm our 2020 revenue outlook of € 275 – 285m and our ~30% EBITDA margin target

Capital markets update & deep dive on New Work SE strategy planned for Q1 2021



Q2 2020 FINANCIAL HIGHLIGHTS

- XING MEMBERS & KUNUNU WORKPLACE INSIGHTS CONTINUE TO GROW
- STABLE REVENUES W/ +3% TO € 67.5M YOY
- STABLE EBITDA W/ +2% TO € 22.3M YOY
- OPERATING CASH FLOW OF € 11.6M
- FY OUTLOOK FROM MAY CONFIRMED
 - Revenues € 275-285m
 - EBITDA margin ~30%

Q2 2020: REVENUES +3% YOY; EBITDA +2% YOY

	Q2 2020*	Q2 2019	Q2 2020 vs. Q2 2019	Q1 2020**	Q2 2020 vs. Q1 2020
	Abs.	Abs.	Rel.	Abs.	Rel.
Service revenues	67.5	65.5	3%	68.9	(2%)
Other operating income	0.4	0.6	(25%)	0.6	(31%)
Capitalized own work	7.2	6.5	11%	6.6	10%
Costs before capitalization	(52.8)	(50.6)	4%	(60.1)	(12%)
EBITDA	22.3	22.0	2%	15.9	40%
Margin	33%	34%	(0%pt)	23%	10%pts
D&A	(8.2)	(6.7)	24%	(12.3)	(33%)
Financial result	2.8 (0.2)	(0.4)***	N/A	5.6	(51%)
Taxes	(4.8) (4.4)	(5.0)	(4%)	(2.0)	140%
Net income	12.1 9.4	9.9	21%	7.2	68%
EPS	2.15 1.68	1.77	21%	1.28	68%

* Q2 2020 distorted by xo effects. See pro-forma P&L Q2 2020 (Backup)

** Q1 2020 distorted by several xo effects. See Pro-forma P&L Q1 2020 (Backup)

*** Negative one time effect due to change of earn-out-provisions of € (0.2m)

Adjusted for changes in earn-out liabilities and changes in value of financial assets

Q2: B2C AND B2B E-RECRUITING SEGMENT MARGINS UP; MARKETING SOLUTIONS & EVENTS STRONGLY IMPACTED BY COVID-19

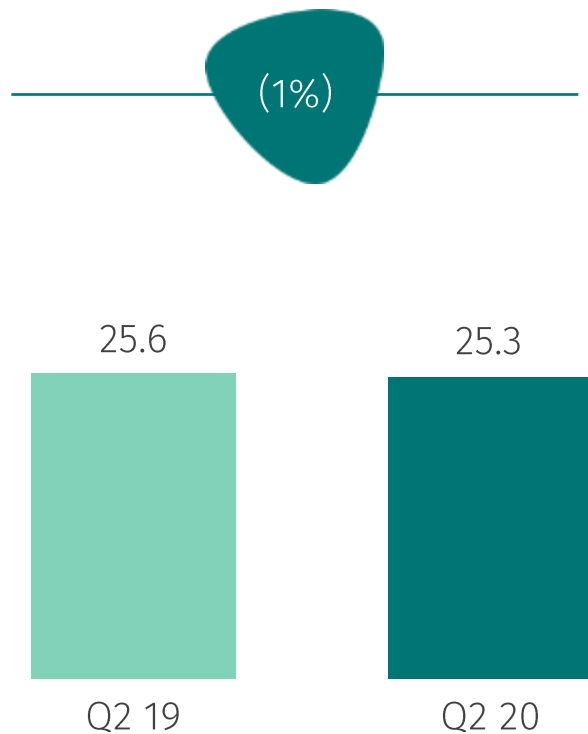
	Segment EBITDA Q2 2020	Q2 2020 Margin	Q2 2019 Margin	▲ Comment
B2C	8.4	33%	29%	Termination / reduction of adjacent product investments
B2B E-Recruiting	26.0	69%	66%	Slower cost growth on back of COVID-19
B2B Marketing Solutions & Events	0.5	12%	35%	Strongest negative COVID-19 effects
kununu International	(0.1)	Neg	Neg	
Tech, Central Services & Other	(12.5)	Neg	Neg	
Total EBITDA	22.3	33%	34%	

*EBITDA Margin = EBITDA / Service Revenue

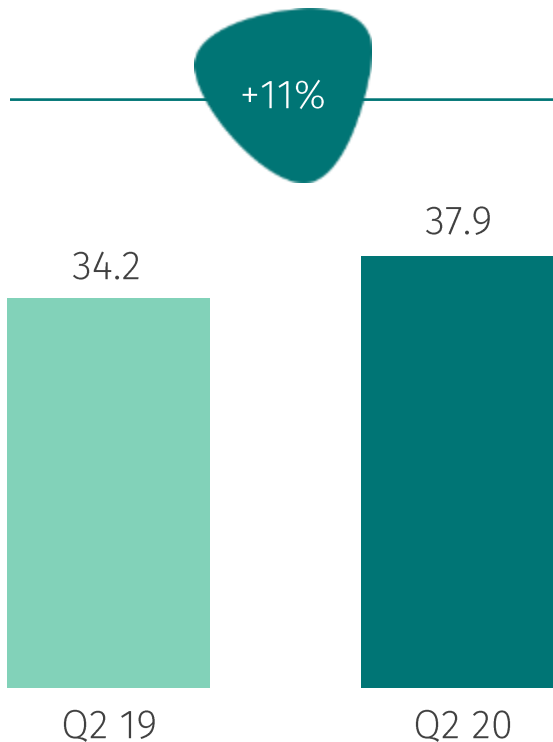
Rounding differences possible

Q2 2020: B2C DRIVEN BY COVID-19 EFFECTS AT INTERNATIONALS; B2B E-RECRUITING UP YOY; MARKETING SOLUTIONS & EVENTS IMPACTED BY COVID-19

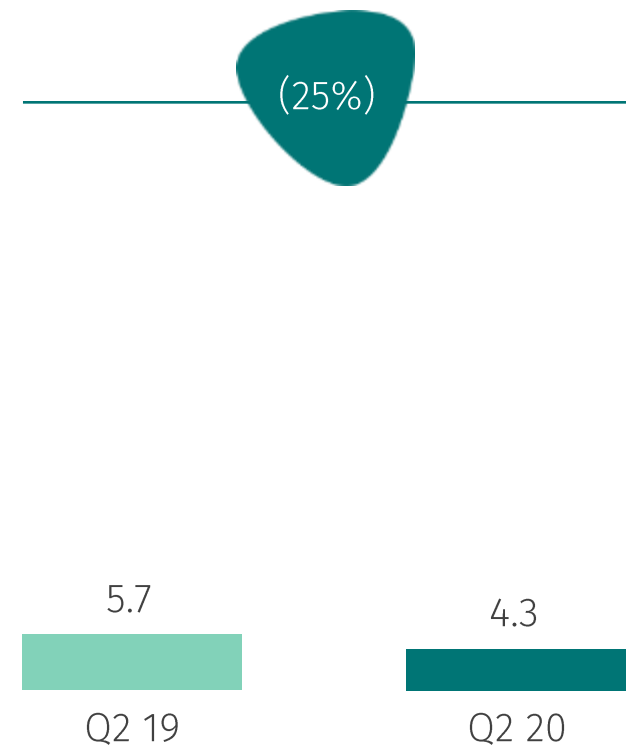
B2C



B2B E-Recruiting



B2B Marketing Solutions & Events

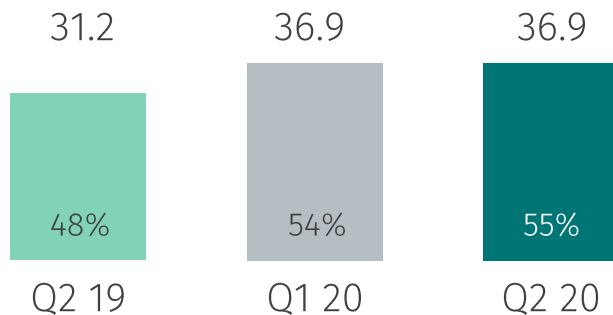


Q2 2020 COST DEVELOPMENT

Personnel

in € m and in % of revenues

+18%

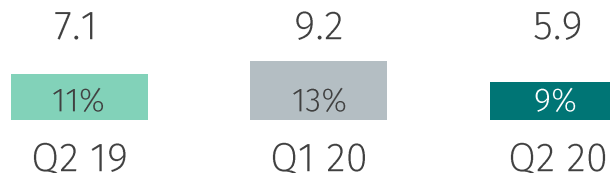


- + 158 FTEs yoy
- Investment in product/tech org & sales/marketing

Marketing

in € m and in % of revenues

(17%)

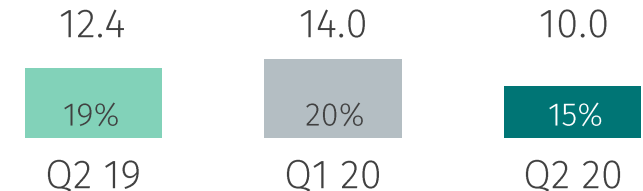


- Online display & social media
- SEM
- B2B E-Recruiting media campaign

Other expenses

in € m and in % of revenues

(19%)



- External services (fewer freelancers yoy)
- Server hosting
- Payment processing
- Travel & entertain (down due to COVID-19)
- Other

Q2 2020: OPERATING CASH FLOW OF € 11.6M

	Q2 2020	Q2 2019	Q2 2020 vs. Q2 2019	Q1 2020	Q2 2020 vs. Q1 2020
	Abs.	Abs.	Abs.	Abs.	Abs.
EBITDA	22.3	22.0	0.4	15.9	6.4
Interest / tax / other	(3.7)	(2.5)	(1.2)	(2.0)	(1.7)
Change in net working capital	(7.0)	(1.7)	(5.3)	18.4	(25.4)
Non-cash changes from changes in basis of consolidation	0.0	(1.4)	1.4	0.0	0.0
Operating cash flow excl. organiser cash	11.6	16.4	(4.7)	32.4	(20.7)
Investment – operating	(9.5)	(9.1)	(0.3)	(9.2)	(0.3)
Investment – acquisitions & joint venture	(0.7)	(22.5)	21.9	0.0	(0.7)
Investment – financial assets	0.0	0.0	0.0	0.0	0.0
Interests paid, lease liabilities, FX rate diff. & rest	(1.6)	(1.3)	(0.3)	(1.5)	(0.2)
Cash-flow excl. dividends & organiser cash	(0.1)	(16.6)	16.5	21.7	(21.9)
Regular dividend	(14.6)	(12.0)	(2.6)	0.0	(14.6)
Special dividend	0.0	(20.0)	20.0	0.0	0.0
Cash-flow excl. organiser cash	(14.7)	(48.7)	34.0	21.7	(36.4)
Effects organiser cash	(1.5)	(1.0)	(0.5)	(0.7)	(0.8)
Cash-flow incl. organiser cash	(16.2)	(49.7)	33.5	21.0	(37.3)

THANK YOU
FOR YOUR ATTENTION.



HARBOUR FOR

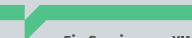
XING 

XING 
Marketing
Solutions

XING 
Events

XING 
E-Recruiting

 **InterNations**
connecting global minds

**Hallo
Freelancer**

Ein Service von XING

kununu 

kununu 
engage

PRESCREEN

 **Honeypot**

BACKUP

Q1 2020 PRO-FORMA P&L: 12% EBITDA GROWTH VS PRO-FORMA Q1 2019

	Q1 2020 reported	Honeypot Start-up losses	CSO severance payment	COVID-19 Impairment	Earn-Out adjustments M&A Transactions	IFRS changes in value of financial assets	Q1 2020 Pro-Forma	Q1 2019 Pro-Forma	Q1 2020 Pro-Forma vs. Q1 2019 Pro-Forma
	Abs						Abs.		Rel
Service revenues	68.9	0.6					68.3	62.6	9%
Other operating income	0.6	0.0					0.6	1.1	(44%)
EBITDA	15.9	(1.7)	(1.2)				18.8	16.9	12%
D&A	(12.3)	(0.4)		(5.8)			(6.1)	(5.9)	(3%)
Financial result	5.6	(0.2)			7.4	(1.5)	(0.1)	(0.3)	60%
Taxes	(2.0)	0.8	0.4			0.5	(3.6)	(3.7)	2%
Net income	7.2	(1.6)	(0.8)	(5.8)	7.4	(1.0)	9.0	7.0	29%
EPS	1.28	(0.28)	(0.14)	(1.03)	1.31	(0.18)	1.60	1.25	29%

- Q1 2020 adjusted for Honeypot related effects (impairment, change in earn-outs and start-up losses) & redundancy payments for board member Alastair Bruce and changes in the value of financial assets
- Q1 2019 adjusted for one-time effect related to new office rental agreement, the kununu US step up and changes in value of financial assets

Q2 2020 PRO-FORMA P&L: 2% EBITDA GROWTH VS PRO-FORMA Q2 2020

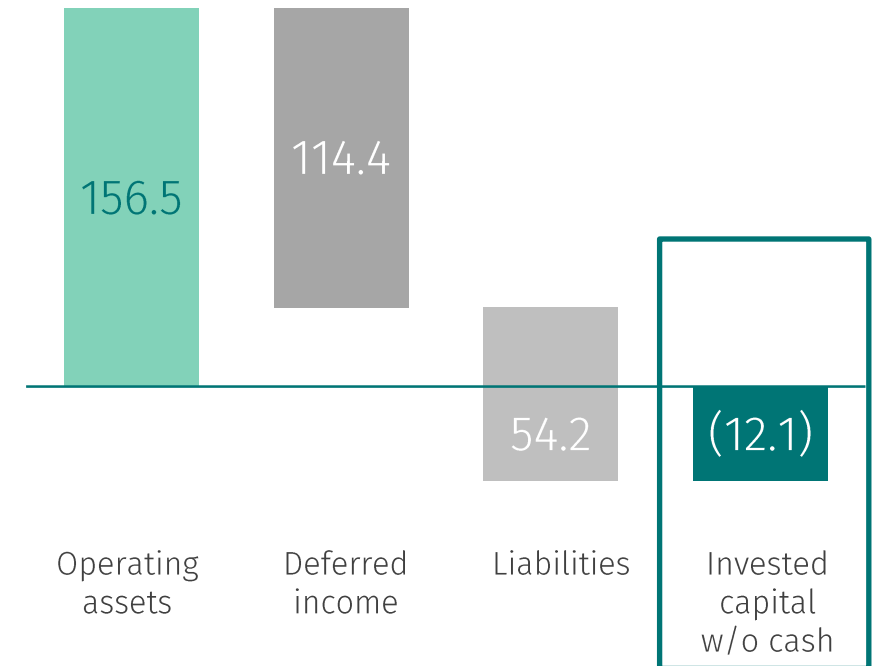
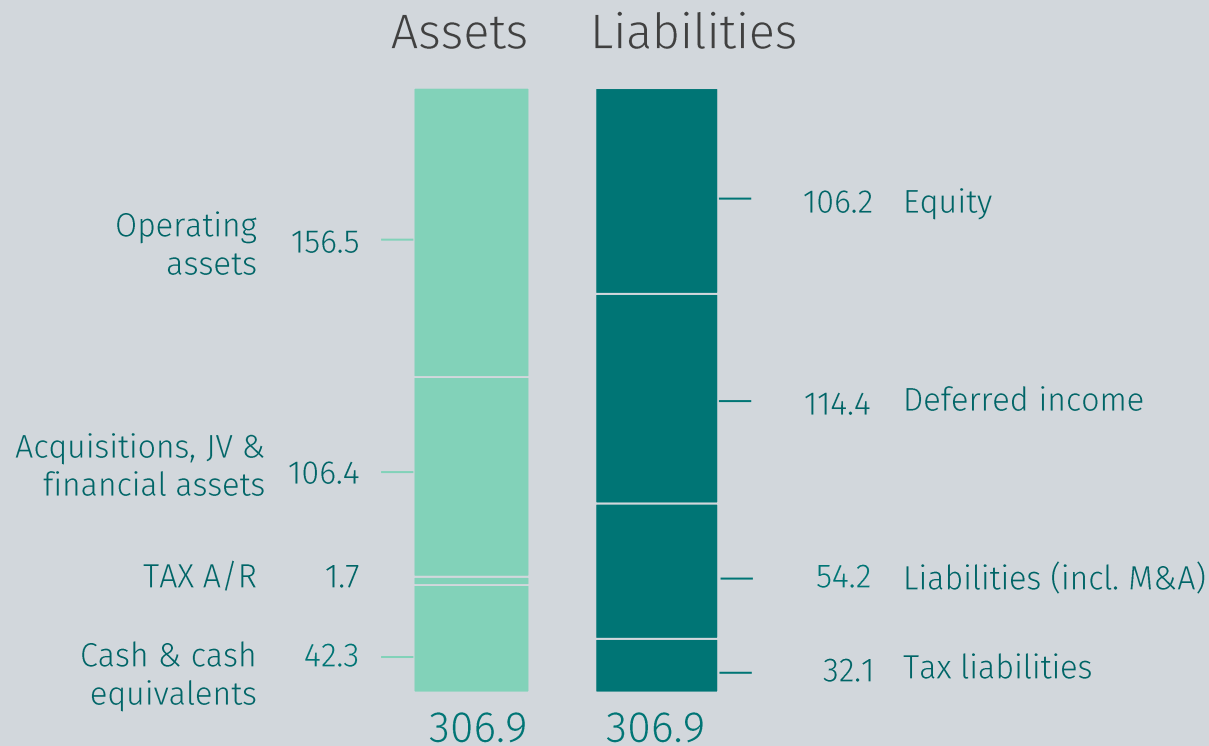
	Q2 2020 reported	Earn-Out adjustments M&A Transactions	IFRS changes in value of financial assets	Q2 2020 Pro-Forma	Q2 2019 Pro-Forma	Q1 2020 Pro- Forma vs. Q1 2019 Pro-Forma
	Abs.	Abs.	Abs.	Abs.	Abs.	Rel.
Service revenues	67.5			67.5	65.5	3.0%
Other operating income	0.4			0.4	0.6	(25%)
EBITDA	22.3			22.3	22.0	1.7%
D&A	(8.2)			(8.2)	(6.7)	(23.6%)
Financial result	2.8	(1.9)	(1.1)	(0.2)	(0.3)	30.5%
Taxes	(4.8)		0.3	(4.4)	(4.9)	9.9%
Net income	12.1	(1.9)	(0.7)	9.4	10.0	(6.1%)
EPS	2.15	(0.34)	(0.13)	1.68	1.79	(6.1%)

- Q2 2020 adjusted for changes in earn-out provisions and IFRS changes in value of financial assets
- Q2 2019 adjusted for IFRS changes in value of financial assets & changes in earn-out provisions

NEGATIVE INVESTED CAPITAL FROM SHAREHOLDERS' PERSPECTIVE

Excl. event organiser cash and NWC

in €m



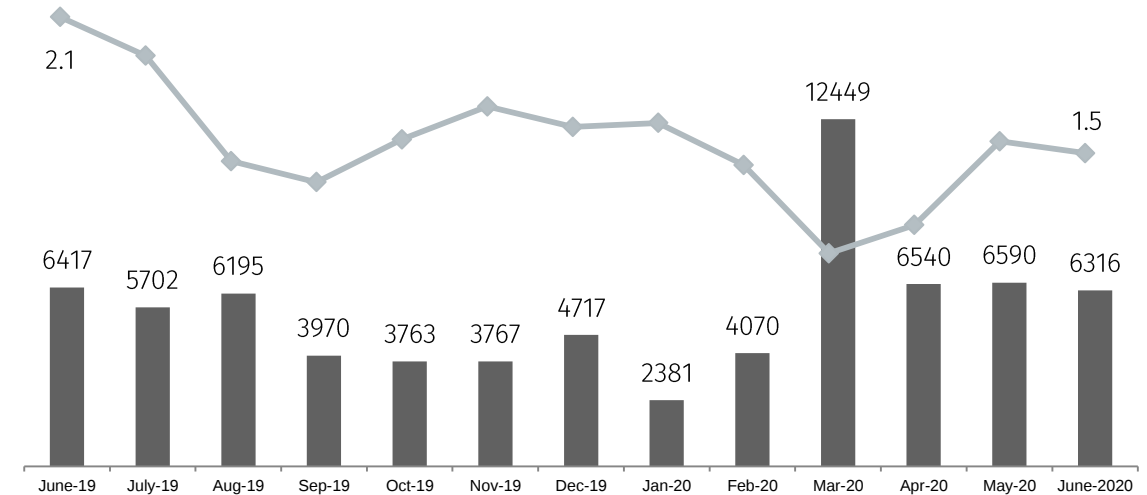
CONSENSUS, INVESTOR INFORMATION & CONTACT DETAILS

NEW WORK SE CONSENSUS & IR STATS

Consensus collected by IR	2020e	2021e	2022e
Service revenues	279	299	334
EBITDA	83	95	107
Margin	30%	32%	32%
D&A	-23	-26	-26
EBIT	45	56	66
Margin	16%	18%	20%
Net income	31	36	43
EPS in €	5.56	6.45	7.78
DPS in €	2.40	2.76	3.19

Analyst coverage	Berenberg, Commerzbank, Deutsche Bank, Hauck & Aufhäuser, MM Warburg, Pareto Securities
Shares	5,620,435

Average trading volume per day (XETRA) & market cap (in €bn)



Burda Digital SE (DE)	50.0 %
Oppenheimer (US)	4.7 %
DWS (DE)	3.1 %
Mawer (CAN)	3.0 %
Allianz Global Investors (DE)	3.0 %
Rest	36.2 %

Numbers based on last filing – current shareholdings can differ
Rounding differences possible

INVESTOR RELATIONS

CONTACT DETAILS & SOCIAL MEDIA CHANNELS



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