

Q3

INTERIM REPORT

JANUARY–SEPTEMBER 2020

eezy

Good performance in difficult environment

In Brief

July–September 2020

- Revenue was EUR 53.1 million (EUR 43.3 million in July–September 2019).
- EBITDA was EUR 5.5 million (2.5).
- EBIT was EUR 3.7 million (1.3).
- Adjusted¹ EBITDA was EUR 6.0 million (5.1).
- Adjusted¹ EBIT was EUR 4.1 million (4.0).
- Earnings per share was EUR 0.10 (0.02).
- Business recovered somewhat during summer.
- Eezy's share started trading on the Nasdaq Helsinki main list in September.

Dividend

Eezy Plc has decided to pay EUR 0.10 per share dividend. Record date is 12 November 2020 and payment date 20 November 2020.

January–September 2020

- Revenue was EUR 147.2 million (EUR 104.2 million in January–September 2019).
- EBITDA was EUR 10.1 million (8.4).
- EBIT was EUR 4.1 million (5.7).
- Adjusted² EBITDA was EUR 10.6 million (11.6).
- Adjusted EBIT was EUR 5.1 million (8.9).
- Earnings per share was EUR 0.08 (0.20).
- Corona crisis has affected the business negatively.

Outlook for 2020

Eezy has on 20 March 2020 cancelled the earlier guidance for year 2020 due to the corona crisis and has not set a new guidance for year 2020.

Key figures (IFRS)

EUR million, unless otherwise specified	7–9/2020	7–9/2019	1–9/2020	1–9/2019	1–12/2019
Revenue	53.1	43.3	147.2	104.2	169.8
EBITDA	5.5	2.5	10.1	8.4	12.6
EBITDA, %	10.4%	5.8%	6.9%	8.1%	7.4%
EBIT	3.7	1.3	4.1	5.7	8.0
EBIT, %	6.9%	3.0%	2.8%	5.5%	4.7%
Adjusted EBITDA	6.0	5.1	10.6	11.6	16.4
Adjusted EBITDA, %	11.3%	11.9%	7.2%	11.1%	9.6%
Adjusted EBIT	4.1	4.0	5.1	8.9	11.8
Adjusted EBIT, %	7.8%	9.2%	3.5%	8.5%	6.9%
EPS, undiluted, EUR	0.10	0.02	0.08	0.20	0.25
EPS, diluted, EUR	0.10	-	0.08	-	0.25
Net debt / Adjusted EBITDA	-	-	2.5 x	3.1 x ³	2.7 x ³
Chain-wide revenue	77.3	74.3	214.7	192.5	285.6

1 In July–September, EUR 0.2 million in personnel expenses relating to severance payments, EUR 0.2 million in listing expenses and EUR 0.1 million in expenses relating to acquisitions, a total of EUR 0.5 million, have been recorded as items affecting comparability.

2 In January–September, EUR 0.5 million write-down of IT systems, EUR 0.2 million in personnel expenses relating to severance payments, EUR 0.2 million in listing expenses, EUR 0.1 million in expenses relating to acquisitions and a capital gain of EUR 0.05 million from divestment of an equity accounted investment, a total of EUR 1.0 million, have been recorded as items affecting comparability. Write-down of IT systems of EUR 0.5 million has not been recorded as items affecting EBITDA and comparability.

3 Adjusted EBITDA is based on estimated pro forma EBITDA of last 12 months.

Eezy goes forward with big leaps

"Corona virus is naturally the largest factor characterizing this year. Despite corona we have steadily implemented our strategy while also successfully accommodated to the current business conditions and have invested in creating platform for our future development.

Successful implementation of our strategy

We have nicely reached the goals set for the integration year 2020. Cornerstones in building new Eezy have been the launch and adoption of the new brand, tuning our organization to operate as one united Eezy, and unifying our IT systems. The impact from the brand work can be seen in the continuous growth of work applications, and almost all our staffing units are now using the same IT system. Thanks to our employees, the integration work has succeeded and a respectful and positive Eezy culture has been born.

Trading on Eezy's share moved to the main list of the Nasdaq Helsinki stock exchange in September. The preparations began already last year, but uncertainty on corona postponed our transfer. Moving to the main list strengthens our growth and emphasizes our position as a central actor in the Finnish work life.

Defensive victory over difficulties

We have survived the corona crisis so far without larger damage, thanks to quick and right-sized reactions in spring. Our business has been running the whole time and we have been able to serve our customers in their changing needs.

Corona has most significantly hit our Horeca sector customers, whose business was stopped in spring. Staffing restarted promisingly in summer, but with clearly smaller than normal volumes. Negative impact is also seen in the import of foreign labor.

In the industrial, construction and logistics sectors the effects vary hugely by region and customer. Lots of customers have also developed positively, although the sector as a whole has contracted. Retail sector has mainly developed positively. We have got new customers and have also been able to transfer Horeca employees to the retail sector.

Corona has clearly decreased the volume of our professional services business, but our customers are gradually continuing normal actions also on that front.

Clearly profitable quarter

In the third quarter, our revenue grew by 23% due to acquisitions done in 2019 and was EUR 53.1 million. We missed a significant amount of revenue due to the small volume of Horeca sector, summer festivals, summer work and foreign labor. We estimate that the lost volume from these sectors was roughly EUR 10 million.

EBIT was EUR 3.7 million, approx. 7% of revenue. We are satisfied with our profitability in these conditions. Our profit development and strong cash position also create basis for dividend distribution.

Prepared for continuing challenges

The near-term outlook is still uncertain, and we do not provide concrete guidance. The business conditions of our customers can change rapidly. In the early autumn the economy seemed to open again, but since then the second wave has made everybody more careful. New restrictions on restaurants have weakened the outlook and the next few months will likely be weak in this sector important for us.

Corona may be with us for a long time, and we all need to learn to cope with it. We aim to continue to react quickly to rapidly changing situations, so that we can ensure our profitability while taking care of our employees, thanks to whom our performance so far has been good, despite everything.

We build our future success

We have maintained a strong cash position during the whole pandemic. This enables also inorganic growth for us. In early October we made two acquisitions that strengthen our professional services business. Flow will genuinely create a coaching and consulting business for us. By combining consulting into Eezy Spirit's research and data, we create a unique unit to develop the Finnish working life. Correspondingly Jaakko Lehto and Promotive support our business development in recruiting and outplacement. I am especially happy that both acquisitions brought us lots of knowledge and experienced managers for key positions in the professional services business.

During the autumn we have renewed our management team, which streamlines our decision making. Increased profitability has enabled us to operate profitably in challenging conditions, so I strongly believe that our skillful and motivated employees will find also new ways to grow together with our customers once the situation normalizes again."

"Our development this year has been fantastic"

Sami Asikainen, CEO



Market review

The HR services market relevant to Eezy's business includes staffing services, professional services, and self-employment services. According to an estimate by Eezy's management, the size of the entire HR services market in Finland was EUR 2.8 billion in 2019. The share of staffing services of the entire market was EUR 2.4 billion in 2019, so it was clearly the largest service area. The market size of recruitment services was approx. EUR 130 million in 2019. The market size of self-employment services has been estimated to be approximately EUR 190 million.

According to The Private Employment Agencies Association (HPL), the revenue of the largest companies in the staffing service market decreased 20% in August and 16% in January-August. According to HPL, the economic outlook in staffing services continues weak. The management estimates that the professional services market has decreased compared to the previous year. In the self-employment services market, there has been no significant change in addition to Corona.

In Finland, the share of flexible forms of working relative to all work remains significantly lower than in comparable European countries. Management believes that the market will continue its structural growth as flexible forms of working become more prevalent.

Corona effects

Corona virus has affected our customers and us since March. The impact has been largest in the Horeca sector that made about one quarter of our pro-forma revenue last year. Horeca sector's business stopped in spring, started recovery in summer, but new restrictions have slowed down the recovery in autumn. Horeca market is estimated to remain weak for the next few months.

Corona's negative effects are seen also in the industrial and construction sectors, which normally generate almost half of our revenue, but the impact varies a lot by area and customer. Importing foreign labor is still difficult. The developments in industrial sector as a whole is well reflected in the HPL statistics.

There is no certainty on the duration of the crisis and restrictions, or on the recovery pace after the crisis, which makes reliable forecasting of the revenue difficult. The company will adjust the size of the organization to match the needs at each moment.

Lengthening crisis may increase customers' financial difficulties, which can lead to credit losses. We closely monitor our customers' payment practices. Our own liquidity is currently good.

Corona has decreased the demand for professional services, but customer demand is gradually returning to more normal levels.

The crisis may increase unemployment, which may increase demand for employment services, change management and career coaching services.

Revenue

June–September

Eezy's revenue amounted to EUR 53.1 million (43.3), increasing by 23% compared to the corresponding period in the previous year.

Revenue increased by 28% in the staffing service area due to acquisitions done in 2019. Revenue was clearly below our targets due to the impact of the Corona virus especially on the Horeca sector and also on the industrial sector. In the professional services area (earlier: Recruitments and organizational development) revenue decreased by 31%. In the self-employment service area, revenue decreased by 19%.

Of the Group's revenue, 99% came from Finland and the rest was generated in Sweden.

Eezy's chain-wide revenue amounted to EUR 77.3 million (74.3) increasing by 4%. Franchise fees totaled EUR 1.8 million (2.2). The invoicing volume of self-employment services was EUR 10.5 million (13.2).

January–September

Eezy's revenue amounted to EUR 147.2 million (104.2), increasing by 41% compared to the corresponding period in the previous year.

Revenue increased by 52% in the staffing service area due to acquisitions done in 2019. In professional services area revenue decreased by 21%. In the self-employment service area, revenue decreased by 14%.

Of the Group's revenue, 99% came from Finland and the rest was generated in Sweden.

Eezy's chain-wide revenue amounted to EUR 214.7 million (192.5) increasing by 12%. Franchise fees totaled EUR 4.4 million (6.2). The invoicing volume of self-employment services was EUR 31.0 million (36.4).

Revenue by service area

EUR million	7-9/2020	7-9/2019	Change %	1-9/2020	1-9/2019	Change %	1-12/2019
Staffing services	49.6	38.8	28%	135.8	89.4	52%	149.4
Franchise fees	1.8	2.2	-19%	4.4	6.2	-29%	7.8
Professional services	1.0	1.5	-31%	5.0	6.3	-21%	9.4
Self-employment	0.7	0.8	-19%	2.0	2.3	-14%	3.2
Total	53.1	43.3	23%	147.2	104.2	41%	169.8

Result

July–September

EBITDA was EUR 5.5 million (2.5). Operating profit was EUR 3.7 million (1.3). Negative impact of Corona was visible in all business areas. The profitability in professional services was weak as customers postponed projects due to Corona. A corona subsidy from State treasury totaling EUR 0.8 million is included in the result.

Adjusted operating profit was EUR 4.1 million (4.0). EUR 0.2 million in personnel expenses relating to severance payments, EUR 0.2 million in listing expenses and EUR 0.1 million in expenses relating to acquisitions, a total of EUR 0.5 million, have been recorded as items affecting comparability.

The result before taxes was EUR 3.3 million (1.1) and the result for the period was EUR 2.6 million (0.3). Earnings per share was EUR 0.10 (0.02).

January–September

EBITDA was EUR 10.1 million (8.4). Operating profit was EUR 4.1 million (5.7). Negative impact of Corona started to show in March and have been visible in all businesses. The costs related to brand renewal and IT development have contributed negatively to the result of early 2020 by approx. EUR 1.0 million. Mainly in second quarter, temporary layoffs of employees in group functions had positive impact on profit. Write-downs totaling approx. EUR 2.1 million have been made to receivables.

Adjusted operating profit was EUR 5.1 million (8.9). EUR 0.5 million write-down of IT systems, EUR 0.2 million in personnel expenses relating to severance payments, EUR 0.2 million in listing expenses, EUR 0.1 million in expenses relating to acquisitions and a capital gain of EUR 0.05 million from divestment of an equity accounted investment, a total of EUR 1.0 million, have been recorded as items affecting comparability.

The result before taxes was EUR 3.0 million (5.2) and the result for the period was EUR 2.4 million (3.3). Earnings per share was EUR 0.08 (0.20).

Financial position and cash flow

Eezy's consolidated balance sheet on September 30, 2020 amounted to EUR 213.8 million (217.6), of which equity made up EUR 103.7 million (100.4).

As of September 30, 2020, the Group has liabilities to credit institutions amounting to EUR 55.0 million (47.8), of which EUR 50.7 (43.1) was non-current. A short-term debt of EUR 1.7 million to NoHo Partners was paid during the period.

Cash balance was 21.5 million euro on September 30, 2020 (3.8). The Group has overdraft facilities in total of EUR 10.0 million, all of which were unused on September 30, 2020. Relaxed due dates of pension payments and periodical taxes have improved the cash position by approx. EUR 10.2 million.

Equity ratio stood at 48.5% (46.1%). The Group's net debt including IFRS16 leasing items on September 30, 2020 amounted to EUR 38.4 million (62.0). Net debt excluding IFRS16 leasing items was EUR 33.8 million (56.9). The net debt/adjusted EBITDA ratio was 2.5 x (3.1 x).

Operative free cash flow amounted to EUR 0.5 million (1.7) in July–September and EUR 19.1 million (5.4) in January–September.

Investments and acquisitions

Eezy's investments in subsidiary shares presented in the cash flow statement amounted to EUR 0.0 million (0.4) in July–September and EUR 0.6 million (11.0) in January–September, and include additional purchase prices relating to earlier acquisitions.

Investments in tangible and intangible assets totaled EUR 0.5 million (0.4) in July–September and EUR 1.3 million (1.0) in January–September. Investments in tangible and intangible assets were mainly related to IT investments as well as office premises.

After the review period, Eezy has strengthened the Professional Services area by acquiring Flow Consulting and the businesses of Jaakko Lehto and Promotive.

Employees

Eezy employs people in Group functions and as staffed employees assigned to customer companies. In July–September, Eezy employed an average of 364 and January–September 374 on average (in October–December 2019 an average of 402) people in Group functions and on average 3,580 in July–September and 3,480 in January–September (in October–December 2019 an average of 4,337) staffed employees on FTE basis.

Due to the nature of the staffing service business, Eezy's total number of personnel employed is higher than the number of personnel employed on average. In the calculation of the average number of staffed employees, the work input of the employees has been converted into person-years. The users of self-employment services are not included in the Group's personnel numbers.

Changes in management

It was announced in August that CTO Aki Peiju will leave the company.

Eezy renewed its management model and streamlined its organization structure in September. Laura Santasalo will leave the company. After the change, the renewed management team includes:

- Sami Asikainen, CEO
- Hannu Nyman, CFO
- Tomi Laakso, Director, Staffing services
- Pasi Papunen, Director, Professional services
- Hanna Lehto, Director, Communications and Marketing

Shares and shareholders

On September 30, 2020, Eezy Plc had 24,849,375 (24,849,375) registered shares. The company holds no treasury shares. The company had 2,373 (1,164) shareholders, including nominee registered shareholders.

Trading in Eezy's share on the Nasdaq Helsinki main list started on 9 September 2020. Earlier the share was traded on Nasdaq's First North marketplace.

In January–September 2020, a total of 2,376,273 (1,430,842) shares were traded (in the Helsinki stock exchange main list and First North combined) and the total trading volume was EUR 11.1 million (11.8). During the period, the highest quotation was EUR 7.35 (5.65) and the lowest EUR 2.58 (3.60). The volume-weighted average price of the share was

EUR 4.67 (4.99). The closing price of the share at the end of September was EUR 4.34 (4.96) and the market value stood at EUR 107.8 million (123.3).

On September 30, 2020, the members of the Board of Directors and the members of the management team owned a total of 1,432,671 (1,334,186) Eezy shares, corresponding to approximately 5.8% (5.4%) of shares and of the votes to which they entitle. The share numbers include the direct holdings of the persons in question and their controlled companies. In addition, Board members are employed in managerial duties by significant shareholders.

Ten largest shareholders as of September 30, 2020:

Shareholder	Shares	%
1. Noho Partners Oyj	7,520,910	30.27
2. Sentica Buyout V Ky	6,105,458	24.57
3. Meissa-Capital Oy	3,223,071	12.97
4. Asikainen Sami	404,350	1.63
4. Evli Suomi Pienyhtiöt Fund	388,937	1.57
6. Taaleritehdas Mikro Markka Osake	380,000	1.53
7. Ilmarinen Mutual Pension	274,261	1.10
8. Oy Jobinvest Ltd	259,835	1.05
9. Laine Capital Oy	256,785	1.03
10. Sentica Buyout V Co-Investment Ky	253,068	1.02
10 largest in total	19,066,675	76.73
Nominee-registered	1,878,033	7.56
Others	3,904,667	15.71
Total	24,849,375	100.00

Governance

Annual General Meeting

The Annual General Meeting (AGM) was held on April 21, 2020. The AGM adopted the Financial Statements for the year 2019.

The AGM decided that no dividends be distributed based on the balance sheet to be adopted for 2019 by a resolution of the general meeting, but that the board of directors be authorised to decide on the distribution of dividends from the company's unrestricted equity in one or more tranches so that the amount of dividends to be distributed does not exceed a total of EUR 0.20 per share.

The AGM elected eight members to the Board of Directors. Tapio Pajuharju, Kati Hagros, Liisa Harjula, Timo Laine, Timo Mänty, Paul-Petteri Savolainen, Jarno Suominen and Mika Uotila were re-elected as members of the Board of Directors.

The members of the board of directors will be paid monthly remuneration EUR 4,000 per month for the chairperson of the board and EUR 2,000 per month for all other members of the board each. In addition, for members of the board of directors' committees will be paid a meeting fee of EUR 300 for each committee meeting.

Authorized Public Accountant KPMG Oy Ab was re-elected as the company's auditor. KPMG Oy Ab has informed that Authorized Public Accountant Mr. Esa Kailiala will act as the principal auditor.

In the organization meeting held on the same day, the Board of Directors elected Tapio Pajuharju as its Chairman. Liisa Harjula was elected as Chairman of the Audit Committee and Jarno Suominen and Kati Hagros as members of the Audit Committee.

Valid authorizations

The authorizations given by the AGM on 21.4.2020 are described in detail in the company announcement about the AGM's decisions.

The AGM authorized the board of directors to decide on the distribution of dividends from the company's unrestricted equity in one or more tranches so that the amount of dividends to be distributed does not exceed a total of EUR 0.20 per share.

The AGM authorised the board of directors to decide on the repurchase of the company's own shares using the company's unrestricted equity. The total maximum number of shares to be repurchased under the authorisation shall be 2,400,000 shares. The shares are repurchased in trading organized by Nasdaq Helsinki Oy at a price formed in public trading on the date of repurchase. The authorisation is valid until the end of the annual general meeting of 2021, however, for a maximum of 18 months.

The AGM authorised the board of directors to decide, in one or more tranches, on the issuance of shares as well as on the issuance of option rights and other special rights entitling to shares as referred to in chapter 10(1) of the Finnish Limited Liability Companies Act. The total maximum number of shares to be issued under the authorisation shall be 4,800,000 shares. The authorisation is valid until the end of the annual general meeting of 2021, however, for a maximum of 18 months.

Risks and uncertainties

Eezy's risk management principles are based on the Finnish Corporate Governance Code for Listed Companies. The objective of risk management is to ensure that the group's targets are reached and to safeguard the continuity of operations.

Corona virus and the restrictions related to it may significantly weaken the general economic conditions in Finland. This may negatively affect Eezy by customers'

businesses stopping or disturbing, or by customers' financial difficulties. The virus can also directly affect Eezy through the sick leaves of either staffed employees of employees in group functions.

Poor economic development in Finland may have an indirect adverse impact on Eezy's business and result. In economic downturn it is possible that companies use less staffing services and other HR services offered by Eezy. Material short-term risks also include tighter competition in the HR and recruitment market, changes in legislation or collective agreements, and the cyclical nature of the business.

There are also significant risks related to acquisitions. If the performance of the acquired company does not match expectations, the integration fails, or other targets set for the acquisition are not reached, there may be material effects for Eezy's profitability and financial position.

More information about risk management is available on the company website

Guidance for 2020

Due to the Corona virus, Eezy has not given guidance for year 2020.

Events after the review period

Eezy Spirit Oy has acquired Flow Consulting on 1 October 2020. Flow is a management consulting and coaching company focusing on change management. Flow renews strategies, concepts, leadership as well as employee and customer experience. Eezy Spirit is the market leader in Finland in employee satisfaction surveys. The intention is to create a strong player in the research, coaching and consulting market in order to respond to the changes in the working life. The combined revenue of the companies was approx. 6 million euro in 2019.

Eezy Personnel acquired on 1 October 2020 the businesses of Jaakko Lehto Executive Search Oy and ProMotive Oy and strengthened its position as one of the largest players in the recruitment, executive search and outplacement markets with approx. 8 million euro combined revenue in 2019.

The Board has decided to use the authorization for dividend distribution. A dividend of EUR 0.10 per share will be paid. The record date is 12.11.2020 and payment date is 20.11.2020.

Eezy Plc
Board of Directors

More information:

Sami Asikainen, CEO
tel. +358 (0)40 700 9915

Hannu Nyman, CFO
tel. +358 (0)50 306 9913

Result publication event:

A Finnish-language briefing for analysts and media will be held on November 10, 2020 at 12.00 in the company premises at Itämerenkatu 3, Helsinki, and can be followed as a webcast at

<https://eezy.videosync.fi/2020-q3-tulokset>

The briefing will be hosted by CEO Sami Asikainen and CFO Hannu Nyman. During the presentation, there will be an opportunity to ask questions. The presentation material will be available at the company website at

<https://sijoittajat.eezy.fi/en/investors/reports-and-presentations/> before the conference. A recording of the audiocast will be available at the same website later.

Result dates

Financial Statements Bulletin January–December 2020	18 Feb 2020
Financial review 2020	week 11/2021
Interim Report January–March 2021	11 May 2021
Half-Year Report January–June 2021	10 Aug 2021
Interim Report January–September 2021	9 Nov 2021

Consolidated statement of comprehensive income (IFRS)

(unaudited)

EUR thousand	1 Jul – 30 Sep 2020	1 Jul – 30 Sep 2019	1 Jan – 30 Sep 2020	1 Jan – 30 Sep 2019	1 Jan – 31 Dec 2019
Revenue	53,077	43,257	147,216	104,150	169,784
Other operating income	886	89	1,179	535	653
Share of result of equity accounted investments	-	-8	-1	-29	-21
Materials and services	-589	-576	-3,028	-1,394	-2,531
Personnel expenses	-43,588	-35,065	-120,786	-84,331	-139,374
Other operating expenses	-4,281	-5,208	-14,491	-10,528	-15,925
Other depreciation, amortization and impairment losses	-883	-740	-3,099	-1,953	-2,915
IFRS3 amortization	-971	-434	-2,897	-718	-1,645
Operating profit	3,651	1,314	4,093	5,732	8,022
Financial income	28	18	126	30	71
Financial expense	-416	-247	-1,245	-594	-1,349
Financial income and expenses	-388	-230	-1,119	-564	-1,279
Profit before taxes	3,263	1,085	2,975	5,168	6,743
Income taxes	-630	-742	-571	-1,914	-2,091
Profit for the period	2,633	342	2,404	3,253	4,652
Other comprehensive income:					
Items that will not be reclassified to profit or loss					
Changes in the fair value of share investments	-34	27	-191	28	71
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translating foreign operations	-1	-2	-1	-8	-5
Other comprehensive income for the period, net of tax	-35	25	-192	20	66
Total comprehensive income for the period	2,598	367	2,211	3,273	4,718
Profit attributable to:					
Owners of the parent company	2,534	288	2,126	3,200	4,540
Non-controlling interests	99	54	278	54	113
Profit for the period	2,633	342	2,404	3,253	4,652
Total comprehensive income attributable to:					
Owners of the parent company	2,502	313	1,933	3,219	4,606
Non-controlling interests	96	54	278	54	113
Total comprehensive income for the period	2,598	367	2,211	3,273	4,718
Earnings per share, basic (EUR)	0.10	0.02	0.08	0.20	0.25
Earnings per share, diluted (EUR)	0.10	-	0.08	-	0.25

Consolidated balance sheet (IFRS)

EUR thousand	Sep 30, 2020	Sep 30, 2019	Dec 31, 2019
ASSETS			
Non-current assets			
Goodwill	125,801	125,757	125,757
Intangible assets	29,670	33,192	32,169
Property, plant and equipment	5,737	7,017	6,780
Equity accounted investments	0	77	85
Share investments	449	647	701
Receivables	1,365	2,177	1,928
Deferred tax asset	1,863	841	275
Total non-current assets	164,885	169,708	167,696
Current assets			
Trade receivables and other receivables	26,988	41,977	35,482
Current income tax receivables	476	2,019	739
Fund investments	-	44	-
Cash and cash equivalents	21,493	3,844	5,710
Total current assets	48,957	47,884	41,931
TOTAL ASSETS	213,843	217,591	209,626
EQUITY AND LIABILITIES			
Equity attributable to the owners of the parent company			
Share capital	80	80	80
Reserve for invested unrestricted equity	106,572	106,572	106,572
Fair value reserve	-116	32	75
Translation differences	-54	-111	-53
Retained earnings	-3,738	-7,140	-5,864
Total equity attributable to the owners of the parent company	102,743	99,433	100,809
Non-controlling interests	946	974	1,024
Total equity	103,689	100,407	101,833
Non-current liabilities			
Borrowings	53,591	55,539	54,186
Other liabilities	100	394	63
Deferred tax liability	5,499	6,240	6,038
Total non-current liabilities	59,190	62,174	60,286
Current liabilities			
Borrowings	6,009	7,675	5,578
Trade payables and other liabilities	42,164	44,487	40,767
Current income tax liabilities	2,790	2,849	1,163
Total current liabilities	50,963	55,011	47,508
Total liabilities	110,153	117,185	107,793
Total equity and liabilities	213,843	217,591	209,626

Consolidated cash flow statement (IFRS)

EUR thousand	1 Jul – 30 Sep 2020	1 Jul – 30 Sep 2019	1 Jan – 30 Sep 2020	1 Jan – 30 Sep 2019	1 Jan – 31 Dec 2019
Cash flows from operating activities					
Customer payments received	52,535	46,138	156,361	104,678	175,986
Cash paid to suppliers and employees	-51,614	-43,967	-135,958	-98,262	-161,234
	921	2,171	20,403	6,415	14,752
Interest paid	-99	-215	-578	-447	-1,639
Dividends received	-	0	-	2	2
Interest received	15	12	47	48	65
Other financial items	12	-12	45	-106	-182
Income taxes paid	274	-375	-760	-1,425	-1,677
Loans granted	-	-180	-21	-192	-192
Proceeds from repayments of loans	8	182	58	183	193
Net cash from operating activities	1,132	1,583	19,194	4,478	11,323
Cash flows used in investing activities					
Purchase of tangible and intangible assets	-453	-424	-1,315	-985	-1,691
Proceeds from sale of tangible assets	110	-	302	143	266
Acquisition of subsidiaries, net of cash acquired	-	-435	-568	-11,013	-11,417
Disposal of subsidiaries	-	-	-	660	760
Disposal of equity accounted investments	-	-	135	-	-
Purchase of investments	-	-	38	-	44
Proceeds from repayments of loans	2	2	6	400	402
Addition / deduction of current investments	-	-	-	-	-343
Net cash used in investing activities	-341	-857	-1,403	-10,796	-11,980
Cash flows used in / from financing activities					
Proceeds from share issue	-	-	-	1	1
Change in non-controlling interests	-63	-	-118	-	-23
Proceeds from current borrowings	-	-13	-	-	-
Repayment of current borrowings	-11	-120	-80	-186	-6,969
Proceeds from non-current borrowings	-	1,492	-	7,524	62,339
Repayment of non-current borrowings	-	-9	-79	-40	-51,426
Payment of lease liabilities	-513	-365	-1,436	-1,111	-1,516
Dividends paid	-	-3,493	-294	-4,677	-4,677
Net cash used in / from financing activities	-587	-2,507	-2,006	1,513	-2,269
Net change in cash and cash equivalents	204	-1,781	15,785	-4,805	-2,926
Cash and cash equivalents at the beginning of the reporting period	21,292	5,622	5,710	8,645	8,645
Effects of exchange rate changes	-3	3	-2	3	-10
Cash and cash equivalents at the end of the reporting period	21,493	3,844	21,493	3,844	5,710

Changes in equity

EUR thousand	Attributable to owners of the parent							Non-controlling interests	Total equity
	Share capital	Reserve for unrestricted equity	Fair value reserve	Translation differences	Retained earnings	Total			
Equity January 1, 2020	80	106,572	75	-53	-5,864	100,809	1,024	101,833	
Result for the period	-	-	-	-	2,126	2,126	278	2,404	
Other comprehensive income:									
Change in fair value	-	-	-191	-	-	-191	-	-191	
Translation differences	-	-	-	-1	-0	-1	-	-1	
Total comprehensive income	-	-	-191	-1	2,126	1,933	278	2,211	
Transactions with owners									
Dividend distribution	-	-	-	-	-	-	-294	-294	
Changes in non-controlling interests	-	-	-	-	-59	-59	-63	-122	
Share based payments	-	-	-	-	60	60	-	60	
Other changes	-	-	-	-	1	1	1	2	
Total equity Sep 30, 2020	80	106,572	-116	-54	-3,738	102,743	946	103,689	

EUR thousand	Attributable to owners of the parent							Non-controlling interests	Total equity
	Share capital	Reserve for unrestricted equity	Fair value reserve	Translation differences	Retained earnings	Total			
Equity January 1, 2019	80	58,002	4	-7	-7,261	50,818	-	50,818	
Result for the period	-	-	-	-	3,200	3,200	54	3,253	
Other comprehensive income:									
Change in fair value	-	-	28	-	-	28	-	28	
Translation differences	-	-	-	-104	95	-8	-	-8	
Total comprehensive income	-	-	28	-104	3,295	3,219	54	3,273	
Transactions with owners									
Dividend distribution	-	-	-	-	-3,197	-3,197	-	-3,197	
Repayment of capital	-	-1,480	-	-	-	-1,480	-	-1,480	
Share issue	-	50,050	-	-	-	50,050	-	50,050	
Acquisitions	-	-	-	-	-	-	920	920	
Other changes	-	-	-	-	23	23	-	23	
Total equity Sep 30, 2019	80	106,572	32	-111	-7,140	99,433	974	100,407	

EUR thousand	Attributable to the owners of the parent						Non-controlling interests	Total equity
	Share capital	Reserve for invested unrestricted equity	Fair value reserve	Translation differences	Retained earnings	Total		
Equity January 1, 2019	80	58,002	4	-7	-7,261	50,818	-	50,818
Profit for the period	-	-	-	-	4,540	4,540	113	4,652
Other comprehensive income:								
Change in fair value	-	-	71	-	-	71	-	71
Translation differences	-	-	-	-46	41	-5	-	-5
Total comprehensive income	-	-	71	-46	4,581	4,606	113	4,718
Transactions with owners								
Dividend distribution	-	-	-	-	-3,197	-3,197	-	-3,197
Repayment of capital	-	-1,480	-	-	-	-1,480	-	-1,480
Share issue	-	50,050	-	-	-	50,050	-	50,050
Share based payments	-	-	-	-	4	4	-	4
Acquisitions	-	-	-	-	-	-	911	911
Other changes	-	-	-	-	9	9	-	9
Total equity December 31, 2019	80	106,572	75	-53	-5,864	100,809	1,024	101,833

Notes to the Interim Report

Eezy Group provides versatile staffing services and assists employees and employers to find each other. Eezy builds up a working life of dreams together with its employees and customers.

Eezy Plc ("parent company", "Eezy Plc"), the parent company of Eezy Group ("Eezy", "Group") is a Finnish public limited company with a business ID of 2854570-7. The domicile of Eezy Plc is in Helsinki, Finland and the registered postal address is PL 901, 20101 Turku.

Basis of preparation

Eezy Plc has prepared this Interim Report in accordance with IAS 34 Interim Financial Reporting. The financial information in the Interim Report has been prepared in accordance with International Financial Reporting Standards (IFRS) and the accounting policies comply with the IFRS standards and IFRIC interpretations effective as at September 30, 2020. The accounting policies in the Interim Report are the same as in Financial Statement 2019.

The information presented in the Interim Report is unaudited. All figures presented have been rounded and consequently the sum of individual figures may deviate from the presented sum figure.

Accounting estimates

In preparing this Interim Report, management has been required to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

There is no certainty on the duration of the Corona virus crisis and the related restrictions, or on the recovery pace after the crisis, which prevents reliable forecasting of the revenue for the remaining year.

Goodwill is tested regularly for impairment. No indications of impairment have been noticed in the Interim Report.

Revenue

Eezy's revenue comprises income from staffing services, professional services and self-employment services.

In staffing services, Eezy signs a contract with the customer, in which Eezy provides the customer the resources agreed. The customer receives the employees it requires and Eezy invoices the customers based on the contract. Eezy seeks employees through open applications as well as through its own employee pool in order to find an employee fulfilling the customer requirements within a short notice. The employee signs the employment contract with Eezy and Eezy is responsible for all the employer obligations, but work is performed under the customer company's management. Employee contracts are mainly fixed-term contracts, made for varying customer needs and the length of the contract varies from customer to customer. Staffing services' revenue consists of income from services performed and invoiced by Eezy Group companies.

In franchising services, Eezy signs a contract with local franchisees, which gives the local company a right to sell services using Eezy's business concept and brand. Eezy also provides business support services to their customers. Franchising revenue comprises charges based on cooperation agreements.

In the professional services area, Eezy provides recruitment, aptitude testing, training and development and executive search services to its customers. Additionally, Eezy provides services for organizational development and personnel surveys. Flow acquisition, closed after the review period, increases significantly the share of consulting services of area's revenue.

With the self-employment services provided to private persons they can operate as independent entrepreneurs without establishing a company of their own. A private individual selling one's own expertise, invoices the services provided through Eezy's service and receives the payment agreed with their customer with Eezy's fee deducted from the balance. Self-employment services comprise the invoicing and business support services provided to the employee customers and the revenue from self-employment services comprise the fees collected from the employee customers.

Revenue by service area:

EUR thousand	1 Jul – 30 Sep 2020	1 Jul – 30 Sep 2019	1 Jan – 30 Sep 2020	1 Jan – 30 Sep 2019	1 Jan – 31 Dec 2019
Staffing services	49,628	38,762	135,848	89,364	149,410
Franchise-payments	1,757	2,177	4,430	6,212	7,836
Professional services	1,027	1,498	4,966	6,275	9,355
Self-employment services	666	820	1,972	2,299	3,183
Total revenue	53,077	43,257	147,216	104,150	169,784

Business combinations

Acquisitions in 1–9/2020

Eezy purchased all the shares of Hazana Oy on January 1, 2020. Hazana Oy was previously part of the Eezy franchise chain. Acquisition had no significant impact on the revenue and result of Eezy group in January–September 2020.

In March, Eezy established Eezy United Oy together with minority shareholders. Eezy United shall start employing both current and former athletes. Establishment had no significant impact on the revenue and result of Eezy Group in January–September 2020.

Acquisitions in 1–9/2019

Eezy strengthened its position in the staffing services in the retail industry by acquiring Henkilöstöratkaisu Extraajat Oy. Eezy purchased 100% of the shares. Henkilöstöratkaisu Extraajat Oy offers staffing services nationwide and focuses especially on the customers and employees in the retail industry. Extraajat Oy has been consolidated to Eezy group since February 1, 2019.

Eezy expanded its service offering by acquiring Corporate Spirit Ltd, which is a company that specializes in employee, management and expert surveys as well as organizational development. Corporate Spirit has been consolidated to Eezy group since April 1, 2019. Additional purchase price of EUR 0.3 million was paid in May 2020, exceeding the originate estimate by EUR 0.05 million.

Eezy signed an agreement on July 5, 2019 with NoHo Partners Oyj and the minority shareholders of Smile Henkilöstöpalvelut Oyj to acquire 100% of the shares of Smile Henkilöstöpalvelut Oyj. The transaction was executed as a share exchange, in which the shareholders of Smile Henkilöstöpalvelut Oyj received a total of 10.05 million new shares of Eezy in exchange. Smile has been reported as a part of Eezy Group since September 1, 2019.

The acquisitions have been reported in detail in the financial statements for year 2019.

Businesses sold

Divestments in 1–9/2020

Eezy sold its share of Enjoy Festival Oy on January 31, 2020. Outside of profit from the sale, EUR 0.1 million, the sale had no significant impact on Eezy's result in January–September 2020.

Divestments in 1–9/2019

Eezy sold Alina Hoivatiimi Oy to Norlandia Care Oy in February 2019. Alina is a nationwide franchise chain offering home care, domestic work and home medical care services. Alina Group's revenue in 2018 was EUR 1.5 million and EBITDA EUR 0.2 million. The debt-free cash consideration was EUR 1.5 million. Outside of profit from the sale, EUR 0.3 million, the sale had no significant impact on Eezy's result in January–September 2019.

Intangible assets

EUR thousand	Goodwill	Trademarks	IT software	Customer relationships	Non-competition agreements	Advances paid	Total intangible assets
Cost at January 1, 2020	125,757	2,596	5,808	26,500	2,956	56	37,916
Translation differences	-0	-	-	-	-	-	-
Acquisitions	45	-	-	-	-	-	-
Additions	-	16	1,807	-	-	-	1,823
Transfers between classes	-	6	-	-	-	-56	-50
Cost at September 30, 2020	125,801	2,619	7,615	26,500	2,956	-	39,690

Accumulated amortization and impairment at January 1, 2020	-	-160	-3,977	-1,114	-496	-	-5,747
Disposals	-	-132	-818	-1,989	-739	-	-3,742
Impairment	-	-	-531	-	-	-	-531
Accumulated amortization and impairment at September 30, 2020	-	-356	-5,326	-3,103	-1,235	-	-10,020

Net carrying value at January 1, 2020	125,757	2,436	1,831	25,386	2,460	56	32,169
Net carrying value at September 30, 2020	125,801	2,263	2,289	23,397	1,721	-	29,670

EUR thousand	Goodwill	Trademarks	IT software	Customer relationships	Non-competition agreements	Advances paid	Total intangible assets
Cost at January 1, 2019	59,905	319	4,800	1,670	382	5	7,175
Translation differences	-1	-	-	-	-	-	-
Acquisitions	65,853	2,218	69	24,830	2,574	1	29,692
Additions	-	-	817	-	-	-	817
Disposals	-	-	-52	-	-	-	-52
Cost at September 30, 2019	125,757	2,537	5,634	26,500	2,956	6	37,632

Accumulated amortization and impairment at January 1, 2019	-	-37	-2,926	-9	-6	-	-2,978
Disposals	-	-	8	-	-	-	8
Amortization	-	-54	-721	-452	-243	-	-1,470
Accumulated amortization and impairment at September 30, 2019	-	-91	-3,639	-461	-249	-	-4,441

Net carrying value at January 1, 2019	59,905	282	1,874	1,661	375	5	4,197
Net carrying value at September 30, 2019	125,757	2,446	1,995	26,038	2,706	6	33,192

EUR thousand	Goodwill	Trademarks	IT software	Customer relationships	Non-competition agreements	Advances paid	Total intangible assets
Cost at January 1, 2019	59,905	319	4,800	1,670	382	5	7,175
Translation differences	-1	-	-	-	-	-	-
Acquisitions	65,853	2,218	69	24,830	2,574	51	29,742
Additions	-	60	991	-	-	-	1,051
Disposals	-	-	-52	-	-	-	-52
Cost at December 31, 2019	125,757	2,596	5,808	26,500	2,956	56	37,916
Accumulated amortization and impairment at January 1, 2019	-	-37	-2,926	-9	-6	-	-2,978
Disposals	-	-	8	-	-	-	8
Amortization	-	-124	-1,060	-1,105	-489	-	-2,777
Accumulated amortization and impairment at December 31, 2019	-	-160	-3,977	-1,114	-496	-	-5,747
Net carrying value at January 1, 2019	59,905	282	1,874	1,661	375	5	4,197
Net carrying value at December 31, 2019	125,757	2,436	1,831	25,386	2,460	56	32,169

Property, plant and equipment

EUR thousand	Buildings	Buildings, right-of-use	Machinery and equipment	Machinery and equipment, right-of-use	Other	Advances paid	Total
Cost at January 1, 2020	962	6,409	1,947	388	102	557	10,366
Translation differences	-	-3	-1	-2	-	-	-6
Additions	73	1,149	22	122	-	578	1,944
Disposals	-	-	-266	-	-	-1,135	-1,400
Revaluation	-	138	-	0	-	-	138
Cost at September 30, 2020	1,035	7,693	1,702	508	102	-	11,040
Accumulated depreciation and impairment at January 1, 2020	-532	-2,017	-753	-233	-51	-	-3,585
Translation differences	-	1	1	1	-	-	3
Depreciation	-86	-1,350	-183	-80	-23	-	-1,722
Accumulated depreciation and impairment at September 30, 2020	-618	-3,366	-935	-312	-73	-	-5,304
Net book value at January 1, 2020	430	4,392	1,194	155	52	557	6,780
Net book value at September 30, 2020	416	4,327	767	197	29	-	5,737

EUR thousand	Buildings	Buildings, right-of-use	Machinery and equipment, right-of-use	Machinery and equipment, right-of-use	Other	Advances paid	Total
Cost at January 1, 2019	516	3,009	1,106	381	100	-	5,113
Translation differences	-	-8	-2	-7	-	-	-17
Acquisitions	272	1,577	871	15	2	325	3,062
Additions	-	2,495	51	-	-	64	2,610
Subsidiaries sold	-	-	-	-13	-	-	-13
Disposals	-	-746	-84	-	-	-	-830
Revaluation	-	77	-	-	-	-	77
Cost at September 30, 2019	788	6,404	1,942	376	102	389	10,001
Accumulated depreciation and impairment at January 1, 2019	-500	-692	-484	-123	-23	-	-1 822
Translation differences	-	2	1	1	-	-	4
Subsidiaries sold	-	-	-	23	-	-	23
Depreciation	-6	-906	-150	-106	-21	-	-1,189
Accumulated depreciation and impairment at September 30, 2019	-500	-1,596	-633	-205	-44	-	-2,984
Net book value at January 1, 2020	17	2,317	622	258	77	-	3,291
Net book value at September 30, 2019	282	4,808	1,309	171	59	389	7,017

EUR thousand	Buildings	Buildings, right-of-use	Machinery and equipment, right-of-use	Machinery and equipment, right-of-use	Other	Advances paid	Total
Cost at January 1, 2019	516	3,009	1,106	381	100	-	5,113
Translation differences	-	-3	-1	-3	-	-	-7
Acquisitions	272	1,577	877	15	2	325	3,069
Additions	174	2,495	176	9	-	231	3,085
Subsidiaries sold	-	-	-	-13	-	-	-13
Disposals	-	-746	-212	-	-0	-	-958
Revaluation	-	77	-	-	-	-	77
Cost at December 31, 2019	962	6,409	1,947	388	102	557	10,366
Accumulated depreciation and impairment at January 1, 2019	-500	-692	-484	-123	-23	-	-1,822
Translation differences	-	0	1	0	-	-	1
Subsidiaries sold	-	-	-	23	-	-	23
Disposals	-	-	-1	-	-	-	-1
Depreciation	-32	-1,325	-268	-134	-28	-	-1,786
Accumulated depreciation and impairment at December 31, 2019	-532	-2,017	-753	-233	-51	-	-3,585
Net book value at January 1, 2020	17	2,317	622	258	77	-	3,291
Net book value at December 31, 2019	430	4,392	1,194	155	52	557	6,780

Financial assets and liabilities measured at fair value

Below is presented the fair value hierarchy of the financial instruments recognized at fair value.

EUR thousand	Sep 30, 2020		Sep 30, 2019		Dec 31, 2019	
	Fair value	Level	Fair value	Level	Fair value	Level
Share investments, listed	209	1	404	1	458	1
Share investments, unlisted	240	3	243	3	243	3
Fund investments	-	2	44	2	-	2
Contingent consideration	263	3	1 767	3	943	3

During the reporting period, there were no transfers between hierarchy levels 1, 2 or 3.

The fair values of the financial assets and liabilities measured at amortized cost are not materially different from the carrying values.

Commitments and contingencies

Eezy has a group cash pooling arrangement managed by Eezy Plc and the arrangement includes all subsidiaries. All current and future cash pool receivables are used as a comprehensive guarantee for liabilities on the bank accounts included in the cash pool agreement.

EUR thousand	Sep 30, 2020	Sep 30, 2019	Dec 31, 2019
Liabilities in balance sheet for which collaterals given			
Borrowings, non-current	50,741	43,134	51,040
Borrowings, current	4,249	4,622	4,069
Total	54,991	47,756	55,109

EUR thousand	Sep 30, 2020	Sep 30, 2019	Dec 31, 2019
Mortgages on own behalf			
Company mortgages	100,000	61,700	100,000
Property, plant and equipment	55	90	174
Total	100,055	61,790	100,174

Related party transactions

Transactions and balances with related parties:

EUR thousand	1 Jan – 30 Sep 2020	1 Jan – 30 Sep 2019	1 Jan – 31 Dec 2019
Sales	7,822	1,400	6,997
Purchases	-67	-6	-91
Interests	-	-	-
Trade receivables	1,208	1,713	2,084
Trade payables and other liabilities	5	6,351	2,062

Eezy has an office lease contract with a company controlled by a member of a related party. Related party transactions are made on the same terms and conditions as transactions with independent parties.

Events after the review period

Eezy Spirit Oy has acquired Flow Consulting on 1 October 2020. Flow is a management consulting and coaching company focusing on change management. Flow renews strategies, concepts, leadership as well as employee and customer experience. Eezy Spirit is the market leader in Finland in employee satisfaction surveys. The intention is to create a strong player in the research, coaching and consulting market in order to respond to the changes in the working life. The combined revenue of the companies was approx. 6 million euro in 2019.

Eezy Personnel acquired on 1 October 2020 the businesses of Jaakko Lehto Executive Search Oy and ProMotive Oy and strengthened its position as one of the largest players in the recruitment, executive search and outplacement markets with approx. 8 million euro combined revenue in 2019.

The Board has decided to use the authorization for dividend distribution. A dividend of EUR 0.10 per share will be paid. The record date is 12.11.2020 and payment date is 20.11.2020.

Key figures, their calculation and reconciliations

Eezy presents selected key figures which relate to the performance and financial position of the company. All these key figures are not measures defined in the IFRS and they are thus considered as alternative performance measures.

Alternative performance measures should not be viewed in isolation and they are not substitutes to the key figures presented in the audited financial statements. The companies do not calculate alternative performance measures in a uniform way, and thus the alternative performance measures presented by Eezy may not be comparable with the similarly named key figures presented by other companies.

Key figures

EUR thousand, unless otherwise specified	1 Jul – 30 Sep 2020	1 Jul – 30 Sep 2019	Change %	1 Jan – 30 Sep 2020	1 Jan – 30 Sep 2019	Change %	1 Jan – 31 Dec 2019
Key figures for income statement							
Revenue	53,077	43,257	23%	147,216	104,150	41%	169,784
EBITDA	5,505	2,488	121%	10,090	8,402	20%	12,586
EBITDA margin, %	10.4%	5.8%	-	6.9%	8.1%	-	7.4%
EBIT	3,651	1,314	178%	4,093	5,732	-29%	8,022
EBIT margin, %	6.9%	3.0%	-	2.8%	5.5%	-	4.7%
Items affecting comparability	482	2,644	-	1,001	3,173	-	3,777
Items affecting EBITDA and comparability	482	2,644	-	470	3,173	-	3,777
Adjusted EBITDA	5,987	5,133	17%	10,559	11,575	-9%	16,363
Adjusted EBITDA margin, %	11.3%	11.9%	-	7.2%	11.1%	-	9.6%
Adjusted EBIT	4,133	3,959	4%	5,094	8,905	-43%	11,799
Adjusted EBIT margin, %	7.8%	9.2%	-	3.5%	8.5%	-	6.9%
Earnings per share, basic, EUR	0.10	0.02	-	0.08	0.20	-	0.25
Earnings per share, diluted, EUR	0.10	-	-	0.08	-	-	0.25
Weighted average number of outstanding shares, pcs	24,849,375	18,622,635	-	24,849,375	16,087,682	-	18,296,109
Weighted average number of outstanding shares, diluted, pcs	24,976,642	-	-	24,983,247	-	-	18,301,372
Number of outstanding shares at the end of reporting period, pcs	-	-	-	24,849,375	24,849,375	-	24,849,375
Key figures for balance sheet							
Net debt	-	-	-	38,370	61,969	-	56,513
Net debt excluding IFRS16	-	-	-	33,775	56,926	-	51,887
Net debt / Adjusted EBITDA (net leverage)	-	-	-	2.5 x	3.1 x ¹	-	2.7 x ¹
Gearing, %	-	-	-	37.0%	61.7%	-	55.5%
Equity ratio, %	-	-	-	48.5%	46.1%	-	48.6%
Equity per share, EUR	-	-	-	4.17	4.04	-	4.10

¹ Adjusted EBITDA is based on estimated combined pro forma EBITDA of last 12 months.

EUR thousand, unless otherwise specified	1 Jul – 30 Sep 2020	1 Jul – 30 Sep 2019	Change %	1 Jan – 30 Sep 2020	1 Jan – 30 Sep 2019	Change %	1 Jan – 31 Dec 2019
Key figures for cash flow							
Operative free cash flow	468	1,747	-	19,088	5,430	-	13,061
Purchase of tangible and intangible assets	-453	-424	-	-1,315	-985	-	-1,691
Acquisition of subsidiaries, net of cash acquired	-	-435	-	-568	-11,013	-	-11,417
Operative key figures							
Chain-wide revenue, EUR million	77.3	74.3	4%	214.7	192.5	12%	285.6
Franchise-fees, EUR million	1.8	2.2	-19%	4.4	6.2	-29%	7.8
Self-employment invoicing volume, EUR million	10.5	13.2	-21%	31.0	36.4	-15%	49.9

Reconciliation of Certain Alternative Performance Measures

EUR thousand	1 Jul – 30 Sep 2020	1 Jul – 30 Sep 2019	1 Jan – 30 Sep 2020	1 Jan – 30 Sep 2019	1 Jan – 31 Dec 2019
EBITDA and adjusted EBITDA					
EBIT	3,651	1,314	4,093	5,732	8,022
Depreciation, amortization and impairment losses	1,854	1,174	5,996	2,671	4,564
EBITDA	5,505	2,488	10,090	8,402	12,586
Items affecting EBITDA and comparability	482	2,644	470	3,173	3,777
Adjusted EBITDA	5,987	5,133	10,559	11,575	16,363
Adjusted EBIT					
EBIT	3,651	1,314	4,093	5,732	8,022
Items affecting comparability	482	2,644	1,001	3,173	3,777
Adjusted EBIT	4,133	3,959	5,094	8,905	11,799
Operative free cash flow					
Cash flows from operating activities before financial items and taxes	921	2,171	20,403	6,415	14,752
Purchase of tangible and intangible assets	-453	-424	-1,315	-985	-1,691
Operative free cash flow	468	1,747	19,088	5,430	13,061

Calculation of key figures

Key figures for income statement

EBITDA	=	Operating profit + Depreciation, amortization and impairment losses
EBITDA margin, %	=	EBITDA / Revenue x100
Operating profit (EBIT)	=	Operating profit
Operating profit margin, %	=	Operating profit / Revenue x100
Items affecting comparability	=	Material items outside the scope of ordinary operations relating to, among others, acquisitions, listing, closing of business operations, structural reorganization and significant redundancy costs
Adjusted EBITDA	=	EBITDA + Items affecting EBITDA and comparability
Adjusted EBITDA margin, %	=	Adjusted EBITDA / Revenue x100
Adjusted operating profit (EBIT)	=	Operating profit + Items affecting comparability
Adjusted operating profit margin, %	=	Adjusted operating profit / Revenue x100
Earnings per share, basic	=	Profit for the period attributable to the owners of the parent company / Weighted average number of outstanding shares
Earnings per share, diluted	=	Profit for the period attributable to the owners of the parent company / Weighted average number of outstanding shares taking into account obligations arising from potential dilutive share issues of the Parent Company in the future

Key figures for the balance sheet

Net debt	=	Interest bearing liabilities - interest-bearing receivables - cash at bank and in hand
Net debt excluding IFRS16	=	Net debt - IFRS 16 items
Net debt / Adjusted EBITDA (net leverage)	=	Net debt / Adjusted EBITDA
Gearing	=	Net debt / Equity x100
Equity ratio	=	Equity / (Total equity and liabilities – advances received) x100
Equity per share	=	Equity / Number of outstanding shares at the end of reporting period

Cash flow key figures

Operative free cash flow	=	Cash flow from operating activities presented in the cash flow statement before financing items and taxes – purchase of tangible and intangible assets
Purchase of tangible and intangible assets	=	Investments in tangible and intangible assets presented in the cash flow statement
Acquisition of subsidiaries, net of cash acquired	=	Acquired shares of subsidiaries presented in the cash flow statement

Operative key figures

Chain-wide revenue	=	Consolidated revenue + revenue of chain franchisees – franchise fees (and other significant internal chain revenue) + self-employment invoicing volume to the extent it is excluded from consolidated revenue
Franchise fees	=	Fees paid by franchisees based on revenue and/or gross profit + initial fees
Self-employment invoicing volume	=	Invoicing volume of the self-employment services