REPORT OF THE BOARD OF DIRECTORS AND FINANCIAL STATEMENTS

Eezy Plc

1 January –31 December 2023

Contents

Eezy has voluntarily published its financial statements in a PDF-format. Eezy has published the Report of the Board of Directors and the consolidated financial statements as an XHTML document in accordance with the European Single Electronic Format (ESEF) reporting requirements. The ESEF version is the official version of the report. This report is a translation of the Finnish original.

These financial statements must be stored for at least ten years from the end of the financial year, or until 31 December 2033.

The vouchers for the financial year must be stored for at least six years after the end of the year during which the financial year ended, or until 31 December 2029.

Report of the Board of Directors

Market review

The HR services market relevant to Eezy's business includes staffing services, light entrepreneurship services and selected professional services. Due to the working life megatrends and the increased need for flexible workforce we believe in the growth potential of the market.

According to an estimate by management, the size of the entire HR services market in Finland was EUR 3.3 billion in 2023, of which the staffing services were EUR 2.5 billion. The market size of the relevant recruitment services was over EUR 100 million. The invoicing volume of light entrepreneurship services market has been estimated to be approx. EUR 300 million and revenue to be approx. EUR 25-30 million. Market for employment services is estimated to be EUR 130-140 million. Employee experience surveys and consulting services are approx. EUR 150 million.

According to the Employment Industry Finland (HELA) association, the revenue of the largest companies in the staffing service market decreased approx. 15% in December 2023 and in January–December approx. 7% compared to last year. According to HELA, the economic outlook in HR services is weak.

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 common.

Business developments

Weakening economic conditions in 2023 have clearly decreased the workforce needs of many of our customers. The impact has been most prominent in the construction and industry sectors, where volumes have been clearly below last year. The lower workforce needs are visible also in other customer segments, e.g. in horeca sector. Also the retail sector volumes have decreased somewhat.

The development varies by geographic area and by customer, but the general trend is similar in whole Finland. Southern Finland has performed better than other areas. The clear demand decrease in the early part of the year in our franchise areas has leveled toward the year end.

Demand for the professional services has continued moderately good during the whole year. Especially the employment services for the public sector have grown, and additionally the employee experience surveys and training services have grown. However, some business like light entrepreneur services have decreased. Similarly, direct search services have decreased while outplacement services have grown.

Revenue

Eezy's revenue amounted to EUR 219.0 million (247.6), decreasing by 12% compared to the corresponding period in the previous year.

Revenue decreased by 14% in the staffing services area, and the decline was strongest in the industry and construction sectors. In the professional services area revenue increased by 9%, especially thanks to good growth in Employment services.

Eezy's chain-wide revenue amounted to EUR 307.6 million (351.6) decreasing by 13%. Franchise fees totaled EUR 5.2 million (6.3). The invoicing volume of light entrepreneurship services was EUR 38.9 million (42.3).

Revenue by service area

EUR million	1–12/2023	1–12/2022	Change %
Staffing services	188.3	219.6	-14%
Professional services	31.0	28.4	9%
Common functions and eliminations	-0.3	-0.4	-
Total	**219.0**	**247.6**	**-12%**

1 Jan 2023 onwards Eezy reports Staffing services including both group's own staffing unit as well as the franchise fees, and Professional services including also the light entrepreneurship services.

Result

EBITDA was EUR 14.5 million (18.2). Decreased revenue was the main factor lowering the profit. EUR 1.1 million in personnel expenses related to severance payments were recorded in the result.

Operating profit was EUR 4.0 million (10.0). Total depreciation, amortization and impairment was EUR 10.5 million (8.2), of which EUR 5.9 million (4.1) was acquisition related amortization and impairment. Acquisition related impairment of EUR 1.7 million on trademarks and EUR 0.5 million on customer relationships, EUR 2.3 million in total, were recorded.

The result before taxes was EUR 1.4 million (9.1) and the result for the period was EUR 1.0 million (7.5). Earnings per share was EUR 0.03 (0.29).

Financial position and cash flow

Eezy's consolidated balance sheet on 31 December 2023 amounted to EUR 206.7 million (216.7), of which equity made up EUR 109.9 million (113.1).

Long-term financing was renewed in October, so that majority of the loans are due in 2028. As of 31 December 2023, the Group has liabilities to credit institutions amounting to EUR 50.7 million (52.1), of which EUR 48.6 million (47.6) was non-current.

Cash balance on 31 December 2023 was EUR 1.3 million (5.8). The Group has overdraft facilities in total of EUR 10.0 million, all of which were unused on 31 December 2023.

Equity ratio stood at 53.2% (52.2%). The Group's net debt including IFRS16 leasing items on 31 December 2023 amounted to EUR 58.0 million (52.5). Net debt excluding IFRS16 leasing items was EUR 50.4 million (47.3). The net debt/EBITDA ratio was 4.0 x (2.9 x).

Operative free cash flow amounted to EUR 5.9 million (13.9).

Investments and businesses sold

Investments in tangible and intangible assets totaled EUR 2.9 million (3.0). Investments were mainly related to IT investments.

In May, Eezy sold its share of VeggArt's Oy. A capital loss from divestment of EUR 0.1 million and, in March, an impairment on equity accounted investment of EUR 0.1 million was recorded.

Employees

Eezy employs people in Group functions and as staffed employees assigned to customer companies. In October–December, Eezy employed on average of 496 (524) and in January–December 515 (527) people in Group functions and on average 2 920 (3 723) in October–December and 3 183 (3 837) in January–December staffed employees on FTE basis.

Due to the change negotiations that ended in October, and other actions, over 60 group employees left Eezy.

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 light entrepreneurship services are not included in the Group's personnel numbers.

Changes in management

Siina Saksi started work as the CEO on 16 June 2023.

The deputy CEO, director of Professional Services, Pasi Papunen and the HR Director Hanna Lehto left the company on 16 June 2023.

Saara Tikkanen was appointed on 7 September 2023 as HR and Development Director and started work after the review period on 8 January 2024. Substitute HR Director and development director Mikko Innanen left the company on 15 December 2023.

Markus Jussila was appointed as Director of Professional Services on 22 September 2023.

On 24 November 2023 CFO Hannu Nyman resigned and will continue his career at another employer. He will continue at Eezy's service until spring 2024.

On 31 December 2023 the management team includes

- Siina Saksi, CEO
- Hannu Nyman, CFO
- Thomas Hynninen, Director, Staffing services
- Markus Jussila, Director, Professional services
- Päivi Salo, Chief Digital Officer (CDO)
- Marleena Bask, Chief Communication and Marketing Officer

After the review period, on 11 January 2024, Ari Myllyniemi was appointed as interim Director of Staffing services and as member of the management team. Thomas Hynninen left the position of Director, Staffing services and management team.

Joni Aaltonen has been appointed as Eezy Plc's Chief Financial Officer and a member of the Group management team effective from 1 April 2024.

Shares and shareholders

On 31 December 2023, Eezy Plc had 25 046 815 (25 046 815) registered shares. The company holds no treasury shares. The company had 3 411 (2 787) shareholders, including nominee registered shareholders.

In January–December 2023, a total of 3 098 945 (2 656 037) shares were traded and the total trading volume was EUR 7.5 million (12.5). During the period, the highest quotation was EUR 3.55 (6.38) and the lowest EUR 1.53 (3.01). The volume-weighted average price of the share was EUR 2.41 (4.71). The closing price of the share at the end of December was EUR 1.67 (3.12) and the market value stood at EUR 41.8 million (78.1).

On 31 December 2023, the members of the Board of Directors and the members of the management team owned a total of 373 470 (394 470) Eezy shares, corresponding to approximately 1.5% (1.6%) 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.

After the review period the company has received flagging notices: The ownership of NoHo Partners Oyj has decreased below 5%, the ownership of Sentica Buyout V Ky has exceeded 25% and the ownership of Paul Savolainen has exceeded 5%.

Ten largest shareholders as of 31 January 2024:

Shareholder	**Shares**	**%**
1. Sentica Buyout V Ky	7 065 658	28.21
2. Meissa-Capital Oy	3 223 071	12.87
3. SVP-Invest Oy	1 500 000	5.99
4. Evli Suomi Small Cap fund	1 341 126	5.35
5. Op-Suomi Small Cap fund	1 219 668	4.87
6. WestStar Oy	552 464	2.21
7. Visio Allocator fund	500 000	2.00
8. Oy Jobinvest Ltd	410 093	1.64
9. Notacon Oy	331 353	1.32
10. Säästöpankki Small Cap fund	322 200	1.29
10 largest in total	**16 465 633**	**65.74**
Nominee-registered	1 362 181	5.44
Others	7 219 001	28.82
Total	**25 046 815**	**100.00**

Governance

The Corporate Governance Statement and the Remuneration Report are issued separately from the Report of the Board of the Directors, and the documents are available at the company's website.

Annual General Meeting

The Annual General Meeting (AGM) was held on 13 April 2023.

The financial statements and the consolidated financial statements for the financial year 2022 were adopted. The members of the board of directors and the CEOs were discharged from liability for financial year 2022. The remuneration report for governing bodies was approved.

The AGM decided that for the year 2022, a dividend of EUR 0.15 per share be paid in two tranches. The first tranche of the dividend, EUR 0.10 per share and EUR 2.5 million in total, was paid in April 2023. The second tranche of the dividend, EUR 0.05 per share and EUR 1.3 million in total, was paid in October 2023.

Seven members were elected to the board of directors. Tapio Pajuharju, Kati Hagros, Paul-Petteri Savolainen, Jarno Suominen, Mika Uotila and Mikko Wirén were re-elected as members of the board of directors. Maria Pajamo was elected as a new member.

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.

The AGM re-elected the company's auditor KPMG Oy Ab, which has stated that Esa Kailiala, APA, will act as the responsible auditor.

In a formation meeting of the board, held after the AGM, Tapio Pajuharju was elected to continue as the chairman. Mika Uotila (chair), Kati Hagros and Jarno Suominen will be the Audit committee. The Human Resources Committee members will be Maria Pajamo (chair), Tapio Pajuharju and Mikko Wirén.

Valid authorizations

The authorisations given by the AGM on 13 April 2023 are described in detail in the stock exchange release about the AGM's decisions.

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 2 500 000 shares. The authorisation is valid until the end of the annual general meeting of 2024, however, for a maximum of 18 months. The authorization is unused.

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 2 500 000 shares. The authorisation is valid until the end of the annual general meeting of 2024, however, for a maximum of 18 months. The authorization is unused.

Long-term incentive plan

In March, Eezy Plc's board of directors resolved on the fourth earning period of the long-term incentive plan for the company's key employees. The fourth earning period is 24 months, starting on 1 January 2023 and ending on 31 December 2024. The reward criteria for the fourth earning period are based on Eezy Plc's total shareholder return, operating profit percent and an ESG component. A maximum of 256 000 reward shares could be awarded for the fourth earning period.

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.

Poor economic development and high inflation in Finland may have an 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.

Sick leaves may negatively affect Eezy through the sick leaves of either staffed employees or employees in group functions, as well as by disturbing or stopping customers' businesses.

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 2024

Eezy does not give guidance for 2024.

Dividend proposal

The parent company's distributable funds in the financial statement on 31 December 2023 was EUR 123.1 million, of which profit for the financial period was EUR 1.2 million. Board of Directors proposes that no dividend will be distributed for year 2023.

Events after the balance sheet date

After the financial year Ari Myllyniemi was nominated as interim Director, Staffing services and became member of the management team on 11 January 2024. Thomas Hynninen left the position of Director, Staffing services and management team.

After the financial year period the company has received flagging notices: The ownership of NoHo Partners Oyj has decreased below 5%, the ownership of Sentica Buyout V Ky has exceeded 25% and the ownership of Paul Savolainen has exceeded 5%.

Joni Aaltonen has been appointed as Eezy Plc's Chief Financial Officer and a member of the Group management team effective from 1 April 2024.

Helsinki, 14 February 2024

Eezy Plc

Board of Directors

Statement of non-financial information

Eezy’s business

Eezy Group consist of the parent company Eezy Plc and its subsidiaries. Eezy’s business operations are divided into two business areas: The Staffing Services business unit and the Professional Services business unit.

The Staffing Services business unit provides staffing services to customers and employees. In staff leasing, Eezy serves corporate customers, with the employee being in an employment relationship with Eezy and working for the customer company for a specified period. Eezy offers staffing services through its own units as well as through franchisees.

The Professional Services business unit provides staff research, training and development services, business management consulting and coaching as well as recruitment services (executive searches, personnel assessments and outplacement services). The unit also includes preparatory courses for upper secondary school pupils and other students as well as employment services ranging from training and coaching to integration, counselling and rehabilitation services. Eezy’s light entrepreneurship services enable private persons to operate as independent entrepreneurs without having to start their own company, by invoicing their customers through Eezy’s service.

With its extensive range of services, Eezy responds to the changing needs of working life in Finland. Eezy’s diverse and nationwide service network enables the company to serve as a comprehensive partner to customers and individuals.

Good work for everyone

Eezy is a significant employer – we paid wages to approximately 25,000 people in 2023. We offer diverse opportunities for employment and career transitions – from young people to pensioners, immigrants, small business owners, staffed employees and permanent workers.

In 2023, we employed approximately 15,000 people under the age of 30 and 2,000 people over the age of 55. Employing the young as well as people over 55 is significant for our society from the point of view of achieving a high employment rate. We are often the first contact with working life for young people. Thus, Eezy plays a crucial role in ensuring that these youths have a good experience from the very beginning of their career; for example, that job interviews, contracts, shift planning, orientations and salaries are done correctly and on time, and, that a young person is supported in issues related to work and working life.

We educate and coach working life skills through Eezy Employment Services, for example, for those changing careers, immigrants, aspiring entrepreneurs as well as people with difficulties in finding employment. In 2023, we trained approximately 8,000 people, of whom approximately 40% were employed in the open labour market or began studies. Our effectiveness is the best in the industry, and our customers are highly satisfied with our service.

In 2023, we recruited approximately 500 people from abroad to Finland to meet the staffing needs of our customers. The process of recruiting foreign personnel has been audited by a third party. It excludes the possibility of human trafficking and verifies compliance with labour law. Eezy’s ERP system is tied to the validity of work permits and certificates required to perform the work, and the payment of wages requires a personal account number to prevent misuse. Regarding imported labour, we commit our customers to a 12-month work period to ensure that the employee is well settled in Finland. Eezy provides support throughout the employment relationship for both the customer and the employee.

In 2023, Eezy Group employed an average of 515 employees. Including staffed employees, we provided work for an average of 3,698 people in 2023.

Key themes for Eezy's personnel policy are occupational well-being, safety at work, equality and non-discrimination, plus the development of professional competence. A total of 3,730 hours, spread over 497 training days, were used for personnel training in 2023. The focus of the trainings was on strengthening professional skills, especially at Eezy Staffing Services that concentrated on unifying operating methods and developing substance orientation.

The organization's competitiveness was strengthened with trainings that focused on the development of processes and sales, as well as providing coaching for front-line managers. In addition, personnel were trained in current legal issues, for example, knowledge of the annual leave law and collective agreements. The well-being of employees was supported by coaching supervisors in managerial tools, such as early support discussions, to better prevent and manage sickness absences.

In its operations, Eezy follows its equality and non-discrimination plan, in which the focus is on ensuring equality in recruitment, career development and remuneration, reconciling work and family life as well as preventing direct and indirect discrimination. All recruiting personnel is to be trained in the principles of equality and non-discrimination by our legal department in 2024.

Eezy uses a Whistleblowing channel to facilitate the external and internal reporting of suspected misconduct in accordance with the EU’s Whistleblower Directive. In 2023, the channel received approximately 10 notifications, but none of them led to further measures.

Wellbeing at work and a sustainable working life

Eezy's mission is to build good work life and generate growth for Finland by providing services that help contribute to a sustainable and diverse working life as well as a high employment rate. We strive to achieve this through our own work community and together with our customers. Eezy has a wide selection of services related to the development of work communities; employee research, transition assistance, outplacement and recruitment services, as well as coaching for leaders and work communities and company culture design.

Eezy Flow and Leidenschaft, part of Eezy group, study, design and coach companies for better leadership, company culture, strategies and change capabilities. Well-being individuals and companies create success in working life, and humanly sustainable working life is a tremendous asset for the well-being of our entire society. In 2023, we studied the job satisfaction of more than 200,000 Finnish employees with the PeoplePower® personnel survey. The survey was conducted in 34 different languages. We coached about 20,000 people in areas such as change management and better managerial work.

We use technology, artificial intelligence and data responsibly when building a good work life. We use and develop artificial intelligence and technology to promote a good, equal, diverse and inclusive working life. We are open about the use of artificial intelligence – we make sure that the users of our services can understand what data the AI is using. We also communicate openly when artificial intelligence has been used in our services. Solutions using artificial intelligence are carefully tested and piloted with a limited target group before production use. The data used to train the system is known to identify and correct data-related biases. Artificial intelligence always works under human supervision.

Together with our customers, we ensure safety at work for our own as well as staffed employees. Eezy has an active occupational health and safety committee. It is responsible for the work safety of Eezy's own employees and, in collaboration with our customers, it develops the safety at work for staffed employees. Occupational accidents are monitored together with our occupational health care service provider, based on accident statistics. Developing safety at work was one of our key projects in 2023. Among others, we developed our operating models with our occupational health care and pension insurance companies, especially focusing on strengthening the preventive measures. These include, for example, guidelines for employee orientation about safety at work, the introduction of close call notifications and the active review of hazardous situations. As a result of this work, the frequency of occupational accidents decreased significantly in 2023.

The well-being and commitment to work of Eezy employees is measured regularly via employee research. In addition, the number of sickness absences is monitored. In February 2022, we conducted the Siqni employee experience survey to investigate the most relevant factors for good work life, according to Eezy employees. A strong sense of unity in the workplace, meaningful work tasks, the freedom to work regardless of time and place, and the fact that you can be yourself in the work environment were some of the most important issues for Eezy employees. Of these, the factor "A working environment where you can be yourself" received the best score: an excellent 88/100. This is a good indication of the good sense of community and inclusivity among Eezy personnel.

For Eezy, data protection is an extremely important part of good governance and our sustainability work. Eezy has established a data protection and data security organisation based on the EU's General Data Protection Regulation (GDPR) and the company has operating processes in place to ensure appropriate data protection and data security. Data protection training is part of our orientation programme, and we regularly train our employees on data protection practices. There were 3 security breaches in 2023. None of these posed a high risk to the rights of the data subject and for that reason the incidents were not reported to the Data protection ombudsman, and all cases were promptly rectified in accordance with our process.

Eezy is committed to preventing all forms of corruption, including extortion and bribery. No favours, gifts or benefits are offered or received that could reasonably be expected to influence decision-making within the company.

Eezy has an environmental policy, ratified in 2021, which aims to develop and enhance environmentally friendly actions in the company. As part of the environmental programme, the office premises have extensive recycling facilities, staff are encouraged to use public transport and, if possible, to have remote meetings. In addition to Eezy's own employees, environmental and climate impacts arise from staffed employees' commuting. We are committed to examining the effects of our own operations and those of our value chain on the climate and the environment. We aim for climate targets related to our own operations that comply with the Paris Climate Agreement.

Eezy is committed to adhering to the UN Guiding Principles on Business and Human Rights, as well as the ILO declaration on Fundamental Principles and Rights at work. Eezy is not aware of any human rights violations related to the company's operations during the past or current fiscal year.

Eezy cooperates with trade unions, the public sector and educational institutions. We pay our taxes in Finland and are committed to responsible tax management in accordance with regulations and laws. In 2023, our tax footprint was 127 million euros.

Information in accordance with the EU Taxonomy Regulation

The European Union's Taxonomy Regulation establishes the basis for the EU Taxonomy and is part of the EU's sustainable finance package. Companies are required to disclose information on the share of their revenue, capital expenditure and operational expenditure associated with Taxonomy-eligible operations. Eezy's interpretation is that none of its business operations belong to the sectors covered by the Taxonomy. In other words, 0% of Eezy's revenue, capital expenditure and operational expenditure have been Taxonomy-eligible, both in 2023 and 2022. Therefore, the company has had no Taxonomy-aligned operations in 2023 and 2022.

EUR million	Revenue 2023	Percentage of Taxonomy-eligible revenue in 2023	Percentage of Taxonomy-eligible revenue in 2022
A. Taxonomy-eligible operations	0	0%	0%
B. Non-Taxonomy-eligible operations	219.0	100%	100%
Total	**219.0**		

EUR million	Capital expenditure 2023	Percentage of Taxonomy-eligible capital expenditure in 2023	Percentage of Taxonomy-eligible capital expenditure in 2022
A. Taxonomy-eligible operations	0	0%	0%
B. Non-Taxonomy-eligible operations	8.0	100%	100%
Total	**8.0**		

EUR million	Operational expenditure 2023	Percentage of Taxonomy-eligible operational expenditure in 2023	Percentage of Taxonomy-eligible operational expenditure in 2022
A. Taxonomy-eligible operations	0	0%	0%
B. Non-Taxonomy-eligible operations	0.9	100%	100%
Total	**0.9**		

Helsinki, 14 February 2024

Eezy Plc

Board of Directors

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. 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	2023	2022	2021	2020	2019
Key figures for income statement					
Revenue	218 974	247 596	203 328	190 637	169 784
EBITDA	14 519	18 231	19 492	13 495	12 586
EBITDA margin, %	6.6%	7.4%	9.6%	7.1%	7.4%
EBIT	4 031	10 004	11 812	5 565	8 022
EBIT margin, %	1.8%	4.0%	5.8%	2.9%	4.7%
Earnings per share, basic, EUR	0.03	0.29	0.31	0.11	0.25
Earnings per share, diluted, EUR	0.03	0.28	0.30	0.11	0.25
Weighted average number of outstanding shares, pcs	25 046 815	25 046 815	24 883 655	24 849 375	18 296 109
Weighted average number of outstanding shares, diluted, pcs	25 277 374	25 287 264	25 081 134	24 997 332	18 301 372
Number of outstanding shares at the end of reporting period, pcs	25 046 815	25 046 815	25 046 815	24 849 375	24 849 375
Key figures for balance sheet					
Net debt	58 001	52 466	48 702	42 424	56 513
Net debt excluding IFRS16	50 383	47 307	44 200	36 440	51 887
Net debt/EBITDA	4.0 x	2.9 x [1)]	2.4 x [1)]	2.9 x [1)]	2.7 x [1)]
Gearing, %	52.8%	46.4%	44.6%	40.9%	55.5%
Equity ratio, %	53.2%	52.2%	52.8%	50.6%	48.6%
Equity per share, EUR	4.39	4.51	4.36	4.17	4.10
Key figures for cash flow					
Operative free cash flow	5 898	13 908	6 244	19 269	11 545
Purchase of tangible and intangible assets	-2 899	-2 998	-1 688	-2 096	-1 691
Acquisition of subsidiaries, net of cash acquired	-	-6 125	-4 609	-2 082	-11 417
Operative key figures					
Chain-wide revenue, EUR million	307.6	351.6	305.5	282.6	285.6
Franchise-fees, EUR million	5.2	6.3	7.1	6.1	7.8
Light entrepreneurship invoicing volume, EUR million	38.9	42.3	41.4	41.9	49.9

[1)] EBITDA is based on estimated pro forma EBITDA of last 12 months.

Reconciliation of Certain Alternative Performance Measures

EUR thousand	2023	2022	2021	2020	2019
EBITDA					
EBIT	4 031	10 004	11 812	5 565	8 022
Acquisition related amortization and impairment losses [1)]	5 891	4 061	4 045	3 914	1 645
Other depreciation, amortization and impairment losses	4 597	4 165	3 636	4 016	2 919
Total depreciation, amortization and impairment losses	10 488	8 226	7 680	7 929	4 564
EBITDA	**14 519**	**18 231**	**19 492**	**13 495**	**12 586**
Operative free cash flow					
Cash flows from operating activities before financial items and taxes	11 399	19 494	9 982	23 363	14 752
Purchase of tangible and intangible assets	-2 899	-2 998	-1 688	-2 096	-1 691
Payment of lease liabilities	-2 603	-2 588	-2 050	-1 998	-1 516
Operative free cash flow	**5 898**	**13 908**	**6 244**	**19 269**	**11 545**

[1)] The acquisition related amortization comprises the amortization made on the recognized fair value adjustments arisen from business combinations.

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
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 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 / EBITDA	=	Net debt / 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

Key figures for cash flow

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 - payment of lease liabilities
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) light entrepreneurship 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
Light entrepreneurship invoicing volume	=	Invoicing volume of the light entrepreneurship services

Consolidated financial statements

1 January – 31 December 2023

Consolidated statement of comprehensive income (IFRS)

EUR thousand	Note	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2022
Revenue	3	**218 974**	**247 596**
Other operating income	4	261	347
Share of result of equity accounted investments		-2	7
Materials and services	5	-9 724	-9 379
Personnel expenses	6, 7	-178 326	-202 825
Other operating expenses	8, 9	-16 663	-17 515
Depreciation, amortization and impairment losses	10	-10 488	-8 226
Operating profit		**4 031**	**10 004**
Financial income	11	108	763
Financial expense	11	-2 740	-1 642
Financial income and expenses	11	**-2 632**	**-879**
Profit before taxes		**1 399**	**9 125**
Income taxes	12	-370	-1 654
Profit for the financial year		**1 029**	**7 472**
Comprehensive income for the financial year		**1 029**	**7 472**
Profit attributable to			
Owners of the parent company		645	7 156
Non-controlling interests		384	316
Profit for the financial year		**1 029**	**7 472**
Earnings per share attributable to the owners of the parent company			
Earnings per share, basic (EUR)	23	0.03	0.29
Earnings per share, diluted (EUR)	23	0.03	0.28

The notes are an integral part of the consolidated financial statements.

Consolidated balance sheet (IFRS)

EUR thousand	Note	31 Dec 2023	31 Dec 2022
ASSETS			
Non-current assets			
Goodwill	15	141 654	141 654
Intangible assets	15	23 500	28 284
Property, plant and equipment	16	7 969	5 680
Equity accounted investments	29	-	252
Investments in shares	18	240	240
Receivables	20, 26	1 992	772
Deferred tax asset	19	272	363
Total non-current assets		**175 628**	**177 245**
Current assets			
Trade receivables and other receivables	20, 26	29 574	33 463
Current income tax receivables		212	213
Cash and cash equivalents	21	1 270	5 768
Total current assets		**31 057**	**39 444**
TOTAL ASSETS		**206 684**	**216 690**
EQUITY AND LIABILITIES			
Equity attributable to the owners of the parent company			
Share capital	22	80	80
Reserve for invested unrestricted equity	22	107 876	107 876
Retained earnings	22	-1 819	1 488
Total equity attributable to the owners of the parent company		**106 137**	**109 444**
Non-controlling interests		3 774	3 630
Total equity		**109 911**	**113 074**
Non-current liabilities			
Loans from financial institutions	24, 26	48 568	47 614
Lease liabilities	17, 24, 26	5 215	2 948
Other liabilities	25, 26	23	974
Deferred tax liability	19	3 802	4 875
Total non-current liabilities		**57 609**	**56 411**
Current liabilities			
Loans from financial institutions	24, 26	2 106	4 448
Lease liabilities	17, 24, 26	2 402	2 211
Trade payables and other liabilities	25, 26	34 181	38 954
Current income tax liabilities		475	1 591
Total current liabilities		**39 164**	**47 204**
Total liabilities		**96 773**	**103 615**
TOTAL EQUITY AND LIABILITIES		**206 684**	**216 690**

The notes are an integral part of the consolidated financial statements.

Consolidated cash flow statement (IFRS)

EUR thousand	Note	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2022
Cash flows from operating activities			
Customer payments received		222 674	248 736
Cash paid to suppliers and employees		-211 274	-229 242
Cash flows from operating activities before financial items and taxes		**11 399**	**19 494**
Interest paid		-2 632	-1 518
Interest received		209	80
Other financial items		-24	79
Income taxes paid		-2 467	-3 507
Proceeds from repayments of loans		-	31
Net cash flows from operating activities		**6 486**	**14 657**
Cash flows from investing activities			
Purchase of tangible and intangible assets	15, 16	-2 899	-2 998
Proceeds from sale of tangible assets	16	-	104
Acquisition of subsidiaries, net of cash acquired	14	-	-6 125
Purchase of equity accounted investments	14	-	-245
Disposal of equity accounted investments	29	50	-
Loans granted		-33	-
Proceeds from repayments of loans		33	6
Net cash flows from investing activities		**-2 849**	**-9 257**
Cash flows from financing activities			
Change in non-controlling interests	28	-215	-80
Proceeds from non-current borrowings	24	-	8 000
Repayment of non-current borrowings	24	-	-92
Repayment of current borrowings	24	-1 337	-6 941
Payment of lease liabilities	24	-2 603	-2 588
Dividends paid	22	-3 980	-4 036
Net cash flows from financing activities		**-8 135**	**-5 737**
Net change in cash and cash equivalents		**-4 498**	**-338**
Cash and cash equivalents at the beginning of the financial year		5 768	6 106
Cash and cash equivalents at the end of the financial year		**1 270**	**5 768**

The notes are an integral part of the consolidated financial statements.

Changes in equity (IFRS)

EUR thousand	Note	Attributable to owners of the parent: Share capital	Reserve for invested unrestricted equity	Retained earnings	Total	Non-controlling interests	Total equity
Equity 1 Jan 2023		**80**	**107 876**	**1 488**	**109 444**	**3 630**	**113 074**
Profit for the financial year		-	-	645	645	384	1 029
Total comprehensive income		**-**	**-**	**645**	**645**	**384**	**1 029**
Transactions with owners							
Dividend distribution	22	-	-	-3 757	-3 757	-223	-3 980
Changes in non-controlling interests	28	-	-	-198	-198	-18	-215
Share based payments	7	-	-	3	3	-	3
Total equity 31 Dec 2023		**80**	**107 876**	**-1 819**	**106 137**	**3 774**	**109 911**

EUR thousand	Note	Attributable to owners of the parent: Share capital	Reserve for invested unrestricted equity	Retained earnings	Total	Non-controlling interests	Total equity
Equity 1 Jan 2022		**80**	**107 876**	**-1 857**	**106 099**	**3 037**	**109 136**
Profit for the financial year		-	-	7 156	7 156	316	7 472
Total comprehensive income		**-**	**-**	**7 156**	**7 156**	**316**	**7 472**
Transactions with owners							
Dividend distribution	22	-	-	-3 757	-3 757	-279	-4 036
Changes in non-controlling interests	28	-	-	-38	-38	557	518
Share based payments	7	-	-	-16	-16	-	-16
Total equity 31 Dec 2022		**80**	**107 876**	**1 488**	**109 444**	**3 630**	**113 074**

The notes are an integral part of the consolidated financial statements.

Notes to the Consolidated Financial Statements

1. General information and basis of presentation

Basic information about the Group

Eezy's services include staffing services, professional services as well as light entrepreneurship services. Staffing services are provided through franchisees in addition to Group companies. Services are provided to a broad range of sectors including the hotel and restaurant, retail, manufacturing, construction and health care services sectors.

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, Finland. Eezy Group consist of the parent company Eezy Plc and its subsidiaries.

A copy of the consolidated financial statements is available at the website www.eezy.fi.

The board of directors of Eezy Plc has approved the publication of these financial statements in its meeting on 14 February 2024. According to the Finnish Limited Liability Companies Act, shareholders are authorized to approve or reject the financial statements in the Annual General Meeting held after the publication. The Annual General Meeting can also decide on the amendments of the financial statements.

Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the SIC and IFRIC interpretations in force as at 31 December 2023. International Financial Reporting Standards refer to the standards and their interpretations approved for application in the EU in accordance with the procedure stipulated in the EU Regulation (EC) No. 1606/2002 and embodied in the Finnish Accounting Act and provisions under it. The notes to the consolidated financial statements have also been prepared in accordance with the requirements in Finnish accounting legislation and Community law that complement IFRS regulations.

The consolidated financial statements are prepared for a calendar year, which is the financial period of the parent company and the Group companies. The consolidated financial statements are presented in thousands of euros, unless otherwise stated. Additionally, the sum of individual numbers may deviate from the presented sum figure due to rounding differences. The comparative prior year information is presented in brackets after the information for the current financial year. The consolidated financial statements are presented in euros, which is the parent company's functional and presentation currency.

The information in the consolidated financial statements is based on original acquisition costs, except where otherwise stated in the accounting policy.

Segments

Staffing is the core business of the Group and the Group operates in the domestic market. The Board of Directors of the parent company is the chief operating decision maker (CODM) that makes decision on the allocation of resources and reviews the profit or loss. The operations of the Group are managed and reviewed as a whole and therefore the Group has only one segment. The figures that the CODM reviews do not differ materially from the figures presented in the consolidated income statement and balance sheet. No geographical information is presented as the Group operates only in Finland.

Foreign currency items

The consolidated financial statements are presented in euros, which is the parent company's functional and presentation currency. Group's transactions are mainly denominated in euros. Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions.

2. Significant management judgement and estimates

The preparation of consolidated financial statements requires management to use judgement and estimates, which have an impact on the application of the accounting policy and the amounts of significant assets, liabilities, income and expenses. The actual results may differ from these estimates. The changes in accounting estimates are recognized in the financial year in which the change in estimate occurs as well as in future financial years on which they have an impact. Information on significant areas, which include significant estimates, uncertainties and judgement in the application of the accounting policies related to the items in the consolidated financial statements are presented in the following notes:

- Business combinations (note 14)
- Goodwill and intangible assets (note 15)
- Leases (note 17)
- Deferred tax assets and liabilities (note 19)
- Financial risk management (note 26)

Estimates and judgement are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are assumed to be reasonable under the circumstances.

The impact of climate change on estimates and the Group's business operations

Group has assessed that climate change has no significant direct effects, as the Group's business does not involve significant raw material or energy purchases. Climate change causes mainly indirect effects through the climate sensitivities of different customer industries. The Group's wide customer base reduces dependence on individual customers.

The key assumptions of impairment testing

Group assesses on every reporting date if there are indicators of impairment of goodwill. If any signs are detected, the carrying value of goodwill is compared to recoverable amount. The business growth and EBITDA used in goodwill impairment testing are based on management's assessment of the future development considering the general weak economic development as well as the level of inflation and interest rates in Finland and their effect on the economic outlook in HR services. In addition, the increased competition in the personnel service and recruitment market has taken into account. More information on goodwill and intangible assets is provided in note 15.

Financial risk management

The most significant financial risks for Eezy are liquidity risk and credit risk.

Liquidity risk relates to ensuring and maintaining sufficient financing for Eezy. Eezy strives to continuously assess and monitor the amount of financing needed for the business operations, by, among others, performing a monthly analysis on the sales development and investment needs in order to ensure the Group has sufficient liquid assets to finance the operations and to repay the borrowings when they fall due.

Credit risk arises specially from trade receivables. The Group monitors continuously the level of write downs on receivables and changes the models by taking into account existing conditions and forward-looking information.

More information on financial risk management is provided in note 26.

3. Revenue

Eezy's revenue comprises income from staffing services delivered both by group's own staffing units and through the franchise chain, and from professional services including light entrepreneurship services.

In staffing services Eezy provides the customer the resources agreed. 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. 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 offers business support services to their customers. Franchising revenue comprises charges based on cooperation agreements.

In the professional services area, Eezy provides consulting services for organizational development, cultural design, and personnel surveys. Eezy also provides recruitment, aptitude testing, training, and executive search services. Additionally, Eezy provides workforce training, coaching, guiding and rehabilitation services for the public sector as well as entrance examination courses and courses for upper secondary school students for private customers.

Light entrepreneurship services comprise the invoicing and business support services provided to the employee customers and the revenue from light entrepreneurship services comprise the fees collected from the employee customers. With the light entrepreneurship services provided to private persons they can operate as independent entrepreneurs without establishing a company of their own.

Revenue is reported from 1 January 2023 divided into two service areas: Staffing services and Professional services. The revenue from staffing services includes both the group's own staffing services and the franchise fees. The revenue of professional services includes professional services and light entrepreneurship services.

Revenue by service area:

EUR thousand	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2022
Staffing services	188 268	219 642
Professional services	31 030	28 396
Common functions and eliminations	-325	-443
Total revenue	**218 974**	**247 596**

Bad debt provisions related to trade receivables and contractual assets are presented in note 26.

Eezy does not have incremental costs for obtaining a contract or costs to fulfil a contract.

Accounting policy

Revenue recognition

Revenue is recognized when service or goods have been delivered and control is perceived to been transferred to the customer to amount in which Eezy expects to be entitled to based on the customer contract in exchange for the services performed.

Staffing services

In staffing services Eezy signs a contract with the customer, in which the personnel resourced required by the customer are determined, and for which Eezy invoices according to principles defined in the contract. The range of services, contract terms and the length of the contract varies by customers. Assignments are mainly fixed-term contracts.

Staffing services are considered as a series of (distinct) services, as each working hour is a distinct item, services are substantially the same, and have the same pattern of transfer to the customer over time. These series of services are recognized as one performance obligation.

The price for the services is agreed on the customer contract, in which set prices are given for each service. Customer contracts do not include any significant variable consideration. The staffing services are mainly invoiced every two weeks. Typical payment term is 7-14 days net.

Revenue is recognized over time as the customer benefits from the staffing services simultaneously as services are rendered. In addition, Eezy utilizes the practical expedient provided in IFRS 15 and recognizes the revenue for services provided by the reporting date in the amount to which it has a right to invoice.

Franchising

Eezy Group signs cooperation agreements with chain entrepreneurs, which, based on management judgement, comprises the following performance obligations. According to the cooperation agreement, Eezy provides to the local franchisee firstly the franchising right, i.e. the right to sell services using Eezy's business concept and brand and secondly business support services.

According to the cooperation agreement, a local entrepreneur pays a cooperation fee to Eezy which includes the franchising right and business support services. The franchising right is a license as the local entrepreneur is given a right to use Eezy's intellectual property. Revenue is recognized over time. The cooperation charges are payments based on the local entrepreneurs' revenue and/or gross profit and revenue is recognized as the local entrepreneurs' sales occurs. Revenue from the business support services is also recognized over time as the customer simultaneously benefits from the service as Eezy provides it.

Professional services

In the professional services area, Eezy provides consulting services for organizational development, cultural design and personnel surveys. Eezy also provides recruitment, aptitude testing, training, and executive search services. Additionally, Eezy provides workforce training, coaching, guiding and rehabilitation services for the public sector as well as entrance examination courses and courses for upper secondary school students for private customers. Professional services are considered as a series of distinct services, as each working hour is a distinct item, services are substantially the same, and have the same pattern of transfer to the customer over time. Revenue from these services is recognized as services are rendered.

The customer contracts do not include return or refund obligations or specific terms on warranties. Typical payment term agreed in the contract is 14-30 days net.

Light entrepreneurship services

Light entrepreneurship services comprise invoicing and administration services provided to the customers. 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. According to the management only one performance obligation is included in the customer contract: an invoicing service, which includes separate tasks. Although the service includes separate tasks, all are substantially the same, and have the same pattern of transfer to the customer (series of distinct services). Revenue from invoicing service is recognized as services are rendered, i.e. when the client's customer is invoiced.

Contractual assets and liabilities

Contract assets are presented in other current and non-current receivables and related liabilities in current and non-current other liabilities. Receivables that Eezy has an unconditional right to receive, i.e. only the passage of time is required before payment of the consideration is due, are presented as trade receivables.

4. Other operating income

EUR thousand	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2022
Grants received	92	152
Gain on disposal of tangible assets	-	21
Other operating income	169	173
Total	**261**	**347**

5. Materials and services

EUR thousand	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2022
Recruitment costs, purchases and subcontracting	-1 527	-1 987
Rent on premises	-1 084	-821
Other external services	-7 114	-6 571
Total	**-9 724**	**-9 379**

Other external services consist primarily of subcontracting and other services.

6. Personnel expenses

Eezy's personnel expenses consists of wages and salaries, pension and social security expenses and expenses related to the share-based payments. The Group's pension plans are classified as defined contribution plans.

EUR thousand	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2022
Wages and salaries	-146 798	-166 961
Pension expenses	-25 778	-29 578
Share-based payments (note 7)	-6	32
Other social security expenses	-5 744	-6 318
Total	**-178 326**	**-202 825**

Key management remuneration is presented in note 13.

Accounting policy

Pension obligations are classified as defined benefit plans or defined contribution plans. The Group's statutory pension plans in Finland are classified as defined contribution plans. For defined contribution plans, the Group pays contributions to a separate fund, i. e. pension insurance companies. The Group does not have legal or constructive obligations to further payments if the fund does not have sufficient assets to pay the employee benefits related to the employee service from current and prior periods. Contributions to the defined contribution plans are recognized in the income statement in the period to which the contributions relate. Eezy does not have any defined benefit plans.

The average number of employees during the financial year in presented in the table below:

EUR thousand	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2022
Salaried employees	515	527
Workers	3 183	3 837
Total	**3 698**	**4 364**

7. Share-based payments

The Board of Directors of Eezy Plc decided on 17 December 2019 on a long-term share-based compensation plan (LTIP 2019-2026) targeted to key employees. The aim of the incentive plan is to align the objectives of the shareholders and the key personnel in order to increase the value of the company as well as to ensure the execution of business strategy on a long-term basis. In addition, the aim is to engage the key personnel of the company and to offer them a competitive incentive plan based on share ownership and the development of the company's value. The payment of the compensation is subject to the condition that the key employee's employment or service relationship has not been terminated prior to the payment. Additionally, the payment is subject to achieving the set revenue and operating profit margin targets. The amount of compensation paid is subject to the achievement levels of the performance targets.

The share-based incentive plan contains five earning periods. The first 13 months earning period started on 1 December 2019 and ended on 31 December 2020. The second 13 months earning period started on 1 December 2020 and ended on 31 December 2021. The third 16 months earning period started on 1 December 2021 and ends on 31 March 2023. The fourth 24 months earning period starts on 1 January 2023 and ends on 31 December 2024. The fifth 24 months earning period starts on 1 January 2025 and ends on 31 December 2026. The Company's Board of Directors determines the reward criteria and their target levels as well as the employees covered by the incentive plan before the beginning of each earning period.

No shares were issued for the first, second and third earning periods.

On 15 March 2023, Eezy Plc's board of directors resolved on the fourth earning period of the long-term incentive plan for the company's key employees. The fourth earning period is 24 months, starting on 1 January 2023 and ending on 31 December 2024. The reward criteria for the fourth earning period are based on Eezy Plc's total shareholder return, operating profit percent and an ESG component. A maximum of 256 000 reward shares could be awarded for the fourth earning period.

Long-term (2019-2026) share-based compensation plan	**Earning period 1 Jan 2023 – 31 Dec 2024**	**Earning period 1 Dec 2021 – 31 Mar 2023**	**Earning period 1 Dec 2020 – 31 Dec 2021**	**Earning period 1 Dec 2019 – 31 Dec 2020**
Number of shares granted (maximum)	256 000	246 000	179 091	137 210
Number of shares forfeited	86 000	68 000	-	31 008
Number of shares not exercised	-	178 000	179 091	106 202
Number of shares granted as at 31 Dec 2023	170 000	0	0	0
Share price at the beginning of service	3.25	5.92	4.87	6.25
Performance conditions	Service condition Eezy Plc's total shareholder return Operating profit % An ESG component	Service condition Revenue and operating profit %	Service condition Revenue and operating profit	Service condition Revenue growth and operating profit %
Estimated time of payment	March 2025	No payment	No payment	No payment
Payment method	Combination of shares and cash	Combination of shares and cash	Combination of shares and cash	Combination of shares and cash
Number of participants	15	18	8	7

The amount of expenses recognized in the accounting period is EUR 6 (profits 32) thousand, of which EUR 3 (-16) thousand is from the share portion and recognized within the equity. The amount of the liability recognized in the balance sheet is EUR 3 (0) thousand as at 31 December 2023.

Accounting policy

Eezy has a share-based compensation plan where the settlement is a combination of equity and cash. The cost is recognized over the period during which the employee has to remain in the company's payroll in order the award to vest. Cost is recognized from the grant date or the service beginning date, whichever is earlier, until the settlement date.

The component paid as equity (shares) is recognized as an expense measured at the grant date fair value and is not remeasured after the grant date. The performance conditions of the arrangement are non-market conditions and are not taken into account in the grant date fair value but instead are taken into account by adjusting the number of shares that are expected to vest. The expense recognized is based on management's judgement on the likelihood of achieving the performance conditions, and as such the number of shares that are expected to vest. In addition, the expense recognized is impacted by the company's management's estimate on the number of participants in the arrangement that will remain in the company's payroll until the award is settled. The achievement of vesting conditions is estimated at the end of each reporting period and ultimately the amount recognized is based on the number of shares that eventually vest. The cash-settled component is measured at the end of each reporting period and at the liability settlement date. Also, for the cash-settled award, the amount recognized is impacted by the management's estimate on the achievement of performance targets and the number of the participants in the arrangement that will remain in the company's payroll until the award is settled.

The expense on the component settled in shares is recognized as personnel expenses and the corresponding amount is credited in retained earnings. The cash-settled amount is recognized as personnel expenses and as non-current other liabilities in the balance sheet.

8. Other operating expenses

EUR thousand	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2022
Administrative expenses	-3 448	-3 256
IT machinery and software expenses	-3 224	-3 546
Marketing expenses	-3 221	-3 164
Personnel related expenses	-2 941	-2 968
Travelling expenses	-2 074	-2 108
Facility maintenance expenses	-589	-614
Transaction expenses related to acquisitions	-	-273
Credit losses	227	217
Other expenses [1)]	-1 392	-1 803
Total	**-16 663**	**-17 515**

[1)] Other expenses consist of multiple items that are not material separately.

9. Auditors' fees

EUR thousand	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2022
Statutory audit	253	191
Other advisory services	8	6
Tax advisory services	15	9
Other services	33	138
Total	**309**	**344**

Auditor fees include the fees paid to the auditors of each Group company. In 2023, other services include mainly the expenses related to the share-based compensation plan (in 2022, expenses related to acquisitions).

Eezy Plc's auditor is KPMG Oy Ab.

10. Depreciation, amortization and impairment

Depreciation, amortization and impairment by asset class is presented in the table below:

EUR thousand	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2022
Acquisition related amortization		
Trademarks	-351	-338
Customer relationships	-2 955	-2 926
Non-competition agreements	-332	-797
Total	**-3 638**	**-4 061**
Acquisition related impairment		
Trademarks	-1 709	-
Customer relationships	-545	-
Total	**-2 253**	**-**
Total acquisition related amortization and impairment	**-5 891**	**-4 061**
Other intangible assets, amortization and impairment		
Trademarks	-15	-15
IT software	-1 285	-1 307
Development costs	-245	-109
Total	**-1 545**	**-1 432**
Total amortization and impairment, intangible assets	**-7 436**	**-5 493**
Property, plant and equipment, depreciation and impairment		
Buildings	-182	-161
Buildings, right-of-use	-2 349	-2 169
Machinery and equipment	-144	-102
Machinery and equipment, right-of-use	-263	-301
Other	-14	-
Total	**-2 951**	**-2 733**
Equity accounted investments		
Impairment	-100	-
Total	**-100**	**-**
Total other depreciation, amortization and impairment losses [1]	**-4 597**	**-4 165**
Total depreciation, amortization and impairment losses	**-10 488**	**-8 226**

The acquisition related amortization comprises the amortization made on the recognized fair value adjustments arisen from business combinations.

[1] Total other depreciation, amortization and impairment losses is total depreciation, amortization and impairment losses less the acquisition related amortization and impairment.

11. Financial income and expenses

EUR thousand	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2022
Financial income		
Interest income from receivables	24	80
Other financial income	84	99
Revaluation of debt	-	584
Total	**108**	**763**
Financial expenses		
Interest expenses from borrowings	-2 433	-1 463
Interest expenses from lease liabilities	-213	-136
Other interest expenses	-33	-11
Other financial expenses	-62	-31
Total	**-2 740**	**-1 642**
Total financial income and expenses	**-2 632**	**-879**

12. Income taxes

EUR thousand	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2022
Current income tax expense	-1 359	-2 607
Adjustments to taxes for prior periods	6	62
Total current income tax expenses	**-1 352**	**-2 545**
Change in deferred tax assets	-91	162
Change in deferred tax liabilities	1 074	730
Deferred tax expense/benefit	**983**	**892**
Total income taxes	**-370**	**-1 654**

The reconciliation between income tax expense and tax payable is presented in the table below:

EUR thousand	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2022
Result for the period before taxes	1 399	9 125
Tax calculated at the Finnish tax rate of 20%	-280	-1 825
Tax effect of tax free and non-deductible items:		
Effect of the expenses not deductible for tax purposes [1)]	-105	-56
Effect of the tax-free income	9	11
Recognition of deferred tax assets for previously unrecognized losses	-	155
Adjustments in respect to prior years	6	62
Total income taxes	**-370**	**-1 654**

[1)] Non-deductible items consist mainly of costs related to businesses sold (in 2022, mainly of costs related to acquisitions).

Deferred tax assets and liabilities have been measured using the tax rate of 20%. The effective tax rate of the Group was 26 (18)%.

Accounting policy

The tax expense in profit or loss consist the tax based on the taxable income for the financial year and deferred taxes. Taxes are recognized in the profit or loss, except when they are directly related to the items recognized in equity or other comprehensive income, when the tax impact is also recognized as a corresponding item within equity. Taxes based on the taxable income for the financial year is calculated using the applicable income tax rate in each country. The tax expense for the financial year is adjusted by any taxes related to the previous financial years.

13. Related party transactions

Eezy's related parties include Eezy Plc's members of the board of directors, CEO and substitute CEO, and the group management team, group entities and associated companies and shareholder exercising control or significant influence over the company. In addition, related parties include their close family members and the companies where the above-mentioned persons exercise controlling power. The Group structure is presented in note 27.

Transactions and balances with related parties:

EUR thousand	2023	2022
Communities that hold significant control in community		
Sales	16 364	16 627
Purchases	-392	-103
Trade receivables and other receivables	4 438	2 053
Trade payables and other liabilities	6	-

Related party transactions are made on the same terms and conditions as transactions with independent parties. Related party loans and receivables are presented in notes 20, 25 and 26.

Key management remuneration (accrual basis) is presented below:

Board of Directors remuneration

EUR thousand	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2022
Tapio Pajuharju	52	50
Kati Hagros	25	25
Liisa Harjula, until 13 April 2023	6	25
Timo Laine, until 12 April 2022	-	6
Timo Mänty, until 13 April 2023	6	24
Maria Pajamo, from 13 April 2023	20	-
Paul-Petteri Savolainen	24	24
Jarno Suominen	25	25
Mika Uotila	27	25
Mikko Wiren, from 12 April 2022	27	20
Total	**212**	**224**

Key management wages and salaries
(not including CEO)

EUR thousand	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2022
Wages, salaries and benefits	932	755

CEO remuneration

EUR thousand	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2022
Wages, salaries and benefits		
CEO, until 19 December 2022	-	545
CEO, from 19 December 2022 until 16 June 2023	299	9
CEO, from 16 June 2023	161	-
Total	**460**	**554**

In 2023 and 2022 CEO's remuneration includes termination benefits.

Management compensation
(Board of Directors, CEO, key management)

EUR thousand	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2022
Short-term employee benefits	1 470	1 373
Post-employment benefits	218	193
Termination benefits	182	221
Share-based payments	4	-18
Total	**1 873**	**1 769**

CEO pension obligations and severance compensation

The CEO participates in the statutory Finnish pension scheme (TyEL) under the Employees Pension Act under which the pension is based on the service period and earnings. No specific retirement age has been agreed. The pension expenses recognized was EUR 55 (60) thousand. The CEO's term of notice is six months in case the CEO decides to resign and if the contract is terminated by the company. The CEO will receive normal compensation during the termination period and is not entitled to a separate compensation.

14. Business combinations

Acquisitions 2023

In 2023, there were no acquisitions.

Acquisitions 2022

Acquisition of Eezy Farenta, Eezy Siqni and Eezy Leidenschaft

In line with its strategy, Eezy strengthened its professional staffing services by purchasing the share capital of Farenta Ltd (current Eezy Farenta Ltd) from Oriola Plc on 1 April 2022. Farenta supports around 350 pharmacies yearly with over 300 employees and it is the largest pharmacy staffing service operator in Finland.

In line with its strategy, Eezy strengthened its research and coaching services by acquiring research and business culture companies The Siqnificant Company Ltd (current Eezy Siqni Ltd) and Leidenschaft Ltd (current Eezy Leidenschaft Ltd) on 1 April 2022. The companies will become part of Eezy Flow Ltd, which belongs to the Eezy Group and offers management, strategy, research and change management services. Leidenschaft is Finland's first business culture agency, whose mission is to develop business culture into a real competitive advantage. The Siqnificant Company's product, Siqni, is the world's first tool for gaining employee understanding and measuring employee experience.

EUR thousand	Eezy Farenta	Eezy Siqni and Leidenschaft
Purchase considerations		
Cash consideration	881	5 009
Shares issued	-	599
Total purchase consideration	**881**	**5 608**

Shares of Eezy Flow issued in exchange for Eezy Siqni and Eezy Leidenschaft

The fair value of Eezy Flow shares issued in exchange for Eezy Siqni and Eezy Leidenschaft is EUR 599 thousand.

Fair values of the acquired assets and liabilities assumed in the business combinations at the acquisition date:

EUR thousand	Eezy Farenta	Eezy Siqni and Leidenschaft
ASSETS		
Non-current assets		
Intangible assets	1 048	1 597
Property, plant and equipment	85	34
Receivables	-	67
Total non-current assets	**1 133**	**1 698**
Current assets		
Trade receivables and other receivables	823	793
Cash and cash equivalents	71	44
Total current assets	**894**	**837**
TOTAL ASSETS	**2 028**	**2 535**
LIABILITIES		
Non-current liabilities		
Loans from financial institutions	-	229
Lease liabilities	23	-
Deferred tax liability	165	250
Total non-current liabilities	**188**	**479**
Current liabilities		
Loans from financial institutions	-	147
Lease liabilities	39	46
Trade payables and other liabilities	3 896	753
Current income tax liabilities	-	126
Total current liabilities	**3 935**	**1 072**
TOTAL LIABILITIES	**4 122**	**1 551**

EUR thousand	Eezy Farenta	Eezy Siqni and Leidenschaft
Total net assets acquired	-2 095	984
Goodwill	2 976	4 625
Purchase consideration	**881**	**5 608**

Fair values of the acquired identified intangible assets at the acquisition date:

EUR thousand	Eezy Farenta	Eezy Siqni and Leidenschaft
Customer relationships	486	328
Trademarks	336	168
Non-competition agreements	-	754
Total	**823**	**1 250**

Eezy Farenta

The gross amount of trade receivables at the date of the acquisition was EUR 815 thousand and it was estimated to be fully collectable.

Goodwill arising from the acquisition of Eezy Farenta amounted to EUR 2 976 thousand which comprises mainly workforce, synergies and market position. The goodwill recognized in connection with the acquisition is not tax deductible.

The transaction costs of the acquisition amounted to EUR 61 thousand and are recorded in other operating expenses for the period 2022.

Eezy Siqni and Eezy Leidenschaft

The gross amount of trade receivables at the date of the acquisition was EUR 507 thousand and it was estimated to be fully collectable.

Goodwill arising from the acquisition of Eezy Siqni and Eezy Leidenschaft amounted to EUR 4 625 thousand which comprises mainly workforce, synergies and market position. The goodwill recognized in connection with the acquisition is not tax deductible.

The transaction costs of the acquisition amounted to EUR 203 thousand and are recorded in other operating expenses for the period 2022.

Impact on earnings

Revenue and profit (loss) for the period of the acquired companies from the date of acquisition included in the consolidated financial statements for the financial year 2022:

EUR thousand	Eezy Farenta 1 Apr – 31 Dec 2022	Eezy Siqni and Leidenschaft 1 Apr – 31 Dec 2022
Impact on the Group Revenue and Result		
Revenue	5 308	2 586
Result for the period	-194	407

If the acquisitions had taken place on 1 January 2022, the pro forma consolidated revenue for the financial year from 1 January 2022 to 31 December 2022 would have been EUR 250 166 thousand and pro forma consolidated operating profit would have been EUR 9 914 thousand. The pro forma figures are based on the consolidated revenue and operating profit for the financial year 2022 as well as on the revenue and operating profit of the acquired companies from the beginning of 2022 until the date of the acquisitions. Figures have been adjusted related to the amortizations of intangible assets related to acquisitions, as if acquisitions had been done on 1 January 2022 and additional amortizations recorded since then.

Cash flows from purchase considerations

EUR thousand	Eezy Farenta	Eezy Siqni and Leidenschaft
Cash consideration	881	5 009
Deducted: Cash and cash equivalents acquired	-71	-44
Net cash flow	**810**	**4 965**

Other acquisitions

In June, Eezy increased its ownership in Eezy Valmennuskeskus Ltd by 10% and recorded the paid purchase price EUR 0.3 million against the contingent consideration recorded in 2021. As of a result of this and the revaluation of the remaining contingent debt, the company has recorded EUR 0.6 million to financial income. Eezy Plc owns 90 % of the company. Eezy Valmennuskeskus Ltd has been consolidated by 100-percent to Eezy Group (IFRS) since initial acquisition date.

Eezy made an investment of approx. EUR 0.2 million in minority shareholding of VeggArt’s Oy which specializes in employment services for immigrants.

Divestments in financial year 2023

In May, Eezy sold its share of VeggArt’s Oy. Outside of a capital loss from divestment of EUR 0.1 million and an impairment on equity accounted investment of EUR 0.1 million recorded in March, the sale had no significant impact on Eezy’s result.

Divestments in financial year 2022

During financial year 2022 there were no disposal of subsidiaries.

Accounting policy

The acquisitions are accounted for using the acquisition method. The cost of the acquisition is measured at the fair value of consideration transferred comprising of the fair values of the assets transferred, liabilities incurred to the former owners of the acquired business, equity interests issued as purchase consideration, and the fair value of any contingent consideration arrangement. The excess of the aggregate of the consideration transferred over the fair value of the net identifiable assets acquired is goodwill.

On the acquisition of a subsidiary, fair values are attributed to the identifiable net assets including identifiable intangible assets and contingent liabilities acquired.

Significant management judgement and estimates

The net assets acquired is measured at fair value. The fair value of the net assets acquired is based on market value or estimated expected cash flows (customer relationships, trademarks and non-competition agreements) or the estimated market value of similar assets. Eezy's management has used judgement and made assumptions in the customer relationship and trademark fair value determination, which is based on the management assumptions and estimates of the expected long-term revenue and profitability development, length of the customer relationships and discount rate. In addition to the assumptions mentioned, management has made assumptions on the possible impact of competition to Eezy's business when valuing non-competition agreements. If the estimates and assumptions of the development of the business turns out to be too optimistic, an impairment may be required to be recognized on the assets. The management believes that the estimates and assumptions used are appropriate when determining fair values. The trademarks, customer relationships and non-competition agreements recognized as a result of acquisitions are presented in note 15.

The fair value of the contingent consideration included in the acquisition purchase consideration is determined based on the present value of the expected cash flows. The final purchase consideration may differ from the amount estimated by management and these changes in fair value are recognized in the statement of comprehensive income. The carrying values of the contingent considerations recognized at the balance sheet date are presented in note 25.

15. Goodwill and intangible assets

EUR thousand	Goodwill	Trademarks	IT Software	Customer relation-ships	Non-competition agreements	Develop-ment costs	Intangible assets total
Cost at 1 Jan 2023	141 654	3 692	12 072	28 618	1 622	885	46 889
Additions	-	-	2 404	-	-	291	2 695
Disposals	-	-53	-225	-	-8	-28	-315
Cost at 31 Dec 2023	**141 654**	**3 639**	**14 251**	**28 618**	**1 613**	**1 147**	**49 269**
Accumulated amortization and impairment at 1 Jan 2023	-	-1 047	-7 594	-9 433	-406	-123	-18 603
Disposals	-	53	210	-	8	-	272
Amortization	-	-366	-1 274	-2 955	-332	-245	-5 172
Impairment	-	-1 709	-10	-545	-	-	-2 264
Accumulated amortization and impairment at 31 Dec 2023	**-**	**-3 068**	**-8 669**	**-12 932**	**-729**	**-369**	**-25 767**
Net carrying value at 1 Jan 2023	141 654	2 646	4 477	19 185	1 216	761	28 284
Net carrying value at 31 Dec 2023	**141 654**	**571**	**5 582**	**15 686**	**884**	**778**	**23 500**

EUR thousand	Goodwill	Trademarks	IT Software	Customer relation-ships	Non-competition agreements	Develop-ment costs	Intangible assets total
Cost at 1 Jan 2022	134 054	3 184	9 458	27 804	3 674	515	44 636
Acquisitions	7 600	505	573	814	754	-	2 646
Additions	-	4	2 433	-	-	406	2 843
Disposals	-	-	-430	-	-2 806	-	-3 236
Transfers between classes	-	-	37	-	-	-37	0
Cost at 31 Dec 2022	**141 654**	**3 692**	**12 072**	**28 618**	**1 622**	**885**	**46 889**
Accumulated amortization and impairment at 1 Jan 2022	-	-693	-6 691	-6 507	-2 415	-14	-16 320
Disposals	-	-	403	-	2 806	-	3 210
Amortization	-	-354	-1 307	-2 926	-797	-109	-5 493
Accumulated amortization and impairment at 31 Dec 2022	**-**	**-1 047**	**-7 594**	**-9 433**	**-406**	**-123**	**-18 603**
Net carrying value at 1 Jan 2022	134 054	2 491	2 767	21 297	1 259	501	28 314
Net carrying value at 31 Dec 2022	**141 654**	**2 646**	**4 477**	**19 185**	**1 216**	**761**	**28 284**

Goodwill impairment testing

Goodwill is tested for impairment annually to identify any impairment. In addition, the Group monitors any internal and external indicators to identify any signs for impairment. If signs are detected, the carrying value of goodwill is compared to recoverable amount.

In the goodwill impairment testing, the carrying value of the group of cash generating units (CGU) is compared to the recoverable amount of the CGU. Eezy has one CGU which is the segment defined by the company and is the level used to monitor the goodwill.

If the recoverable amount of the CGU is lower than the carrying value, the difference is recognized as an impairment loss in the statement of comprehensive income. Impairment tests have indicated that the recoverable amount of the CGU exceeds the carrying value and goodwill has not been impaired.

Impairment testing and the key assumptions

The recoverable amount of the CGU is determined using a value-in-use method. Value-in-use is calculated by discounting the future cash flows. The calculation of the recoverable amount is impacted primarily by changes in the forecasted EBITDA, discount rate used and the estimated revenue growth. The business growth and EBITDA are based on management's assessment of the future market demand and environment.

The key assumptions used in the value-in-use calculations:

	31 Dec 2023	31 Dec 2022
The average cumulative increase in revenue, forecast period	5.0%	6.1%
Terminal growth assumption	2.0%	2.0%
Average EBITDA, forecast period	9.6%	10.3%
Forecasted EBITDA, terminal value	10.0%	9.5%
Pre-tax discount rate	11.3%	11.3%

Impairment testing calculations are based on the cash flow forecasts and the budget prepared by the Group's management team and approved by the Board of Directors, including the forecast and terminal periods. A five-year forecast period is used in the impairment testing calculations. The (after-tax) discount rate used is based on the weighted average cost of capital (WACC).

The management has determined the following assumptions used in the calculations:

Assumption	Description
Revenue growth	Revenue growth is based on the review period forecast. The impact of the acquisitions completed in the financial year on the Group's revenue has been considered in the growth forecast.
EBITDA	EBITDA is based on the budgeted, forecasted profitability development in the review period as well as expected long-term profitability.
Terminal growth assumption	The growth assumption for the terminal period has been determined as 2% which represents the long-term inflation projections
Discount rate	The discount rate is determined based on peer company analysis.

The forecasted cash flows are based on the existing business of the cash generating unit at the time of testing. Expansion investments have not been taken into account in the cash flow forecast estimates. The Group's cash generating unit provides mainly staffing services.

The management judgement and estimates regarding future have a central role in preparing the impairment testing calculations. The discounted cash flow method used in preparing the calculations requires forecasts and assumptions of which the most significant relate to revenue growth, the development of costs, the level of maintenance investments and changes in the discount rate. The main uncertainty factors in calculations are the general weak economic development as well as the level of inflation and interest rates in Finland and their effect on the economic outlook in HR services. In addition, the increased competition in the personnel service and recruitment market has taken into account. The growth assumption for the terminal period has been determined as 2% which represents the long-term inflation projections. It is possible that the predictions related to the cash flow forecasts are not achieved. As a result, the impairment of goodwill or other assets may have a significantly negative effect on the result and the financial position in the future periods.

The result of impairment testing is assessed by comparing recoverable amount of CGU to carrying value of CGU as follows:

Recoverable amount / Carrying value	Test result
less than 1.0	Impairment
1.0-1.2	Exceeds slightly
1.2-1.5	Exceeds clearly
more than 1.5	Exceeds remarkably

In 2023 and 2022, impairment testing has been performed quarterly. Test result of impairment testing exceeds clearly; therefore no impairment losses have been recognized in any financial periods presented. The management has prepared a sensitivity analysis for the key factors and based on the management estimate none of the reasonably possible changes in the staffing service key assumptions would lead to a situation in which the recoverable amount would be less than the carrying value of the cash generating unit.

Accounting policy

Group's intangible assets comprise mainly goodwill arising from business combinations and other intangible assets identified in connection with the business combinations, such as trademarks, non-competition agreements and customer relationships.

Goodwill

Goodwill arising from business combinations is the excess of the consideration paid, amount of non-controlling interest in the acquired entity and acquisition-date fair value of any previous equity interests in the acquired entity over the fair value of the net identifiable assets acquired. Goodwill represents the consideration paid for the future economic benefits that cannot be separately identified and recognized.

Goodwill is not amortized but is tested for impairment annually and whenever there is an indication that it might be impaired. Impairment loss is immediately recognized in the income statement if the carrying amount exceeds the recoverable amount. Impairment losses on goodwill are not reversed. Goodwill is measured at cost less any accumulated impairment losses incurred.

Trademarks

Eezy has obtained trademarks for the acquired companies in the business combinations. As part of the purchase price allocation a value has been determined for significant trademarks and they are recognized in intangible assets.

IT software

IT software is included in intangible assets and its cost is amortized over the useful life of the software. Cost associated with maintaining the software are recognized as an expense as incurred. Costs directly attributable to the development of new software are capitalized as part of the software. The accounting for cloud computing arrangements depends on whether the cloud-based software classifies as an intangible asset or a service contract which are recognized under other operating expenses.

Customer relationships

In the business combinations, a value has been determined for the existing customer contracts and customer relationships as a part of the purchase price allocation. The value determined in connection with the purchase price allocation has been recognized in intangible assets.

Non-competition agreements

In the business combinations the seller generally agrees to a non-competition agreement related to staffing services for a limited duration. As part of the purchase price allocation a value has been determined for non-competition arrangements and they are recognized in intangible assets.

Development costs

Research expenses are booked as an expense as they are incurred. Development costs are recognized as an intangible asset when the Group can demonstrate that:

- the technical feasibility of completing the intangible asset so that the asset will be available for use or sale,
- the intention is to complete and its ability and intention to use or sell the asset,
- the asset will generate future economic benefits,
- the availability of resources is to complete the asset,
- is the ability to measure reliably the expenditure during development.

The development costs recognized as assets are amortized over their estimated useful lives. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period.

Intangible assets are amortized over the following estimated useful life:

Trademarks	10 years
IT software	3-5 years
Non-competition agreements	2-3 years
Customer relationships	7-10 years
Development costs	3-5 years

The residual value, useful life and amortization method are reviewed at least at each financial year-end and adjusted to reflect the changes in economic benefit expectations.

The amortization of intangible assets is commenced when the asset is ready for its intended use. Amortization is terminated when an intangible asset is classified (or included in the group that is classified) as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

Impairment of tangible and intangible assets

The Group estimates at the end of each balance sheet date if any indications of impairment exist. If such exists, the recoverable amount of the assets is estimated. In addition, the recoverable amount is estimated annually regardless of indications of impairment for the following assets: goodwill, intangible assets with indefinite useful life, and intangible assets under construction. The need for impairment is monitored at the level of cash generating units (CGU) which is the lowest level that is largely independent of the cash inflows from other groups of assets.

The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. The value in use is the estimate of the future cash flows of an asset or cash generating unit which are discounted to present value. The pre-tax rate which represents the market view of time value of money and risks associated to asset or cash generating unit is used as a discount rate.

Impairment loss is recognized if the carrying value of an asset is higher than the recoverable amount. Impairment loss is recognized in profit and loss. The useful life of the asset is reassessed when an impairment loss is recognized.

Impairment is reversed if there is a change in estimates used in determining the recoverable amount of an asset. Impairment is not reversed over the carrying value of the asset without recognition of impairment. An impairment loss recognized for goodwill is not reversed in any circumstances.

Significant management judgement and estimates

Business combinations

In business combinations, management makes estimates related to e.g. future cash flows of an acquired business, fair value adjustments, value and useful life of trademarks and synergies obtained from the acquisition.

Goodwill impairment testing

In the goodwill impairment testing, the carrying value of the group of cash generating units (CGU) is compared to the recoverable amount of the CGU at least annually and when there are indications that it might be impaired. The recoverable amount of the cash generating units is based on value in use calculations. Industry specific factors have been taken into account in the discount rate used.

The recoverable amount used in impairment testing is assessed by using budgets, forecasts and terminal periods and the sensitivity is analyzed for discount rate, profitability, and changes in residual value growth factors. Changes in these estimates or in the structure or number of cash generating units or group of units may cause impairment in the fair value of assets or goodwill. The estimates concern the expected sale prices of services, expected price development of service costs, and discount rate.

The value in use estimates require forecasts and assumptions, of which the most significant concern the revenue growth and development of costs, the level of maintenance investments and changes in the discount rate. It is possible that the predictions related to cash flow forecasts are not achieved. As a result, the impairment of goodwill or other assets may have a significant negative effect on the result and financial position in the future periods.

16. Property, plant and equipment

EUR thousand	Buildings	Buildings, right-of-use	Machinery and equipment	Machinery and equipment, right-of-use	Other	Total
Cost at 1 Jan 2023	884	8 749	1 498	928	102	12 161
Additions	176	4 816	6	236	66	5 300
Disposals	-173	-3 564	-279	-234	-73	-4 323
Revaluation	-	132	-	-192	-	-60
Cost at 31 Dec 2023	**887**	**10 134**	**1 224**	**738**	**95**	**13 078**
Accumulated depreciation and impairment at 1 Jan 2023	-576	-4 246	-1 201	-385	-73	-6 481
Disposals	173	3 564	279	234	73	4 323
Depreciation	-97	-2 349	-61	-263	-14	-2 784
Impairment	-85	-	-82	-	-	-167
Accumulated depreciation and impairment at 31 Dec 2023	**-585**	**-3 032**	**-1 066**	**-415**	**-14**	**-5 110**
Net carrying value at 1 Jan 2023	307	4 503	297	542	29	5 680
Net carrying value at 31 Dec 2023	**302**	**7 102**	**159**	**323**	**81**	**7 969**

EUR thousand	Buildings	Buildings, right-of-use	Machinery and equipment	Machinery and equipment, right-of-use	Other	Total
Cost at 1 Jan 2022	827	7 296	1 481	849	102	10 556
Acquisitions	-	46	58	62	-	166
Additions	57	2 694	41	259	-	3 051
Disposals	-	-1 569	-83	-145	-	-1 798
Revaluation	-	282	-	-97	-	185
Cost at 31 Dec 2022	**884**	**8 749**	**1 498**	**928**	**102**	**12 161**
Accumulated depreciation and impairment at 1 Jan 2022	-415	-3 647	-1 098	-229	-73	-5 462
Disposals	-	1 569	-1	145	-	1 714
Depreciation	-161	-2 169	-102	-301	-	-2 733
Accumulated depreciation and impairment at 31 Dec 2022	**-576**	**-4 246**	**-1 201**	**-385**	**-73**	**-6 481**
Net carrying value at 1 Jan 2022	413	3 650	383	620	29	5 095
Net carrying value at 31 Dec 2022	**307**	**4 503**	**297**	**542**	**29**	**5 680**

Accounting policy

Property, plant and equipment is measured at cost less accumulated depreciation and impairment losses and is recognized in the balance sheet when it is probable that future economic benefits will flow to the Group and costs can be measured reliably.

The cost of property, plant and equipment comprises the expenses directly attributable to the acquisition. The subsequent expenses incurred are recognized in the carrying value of an item of property, plant and equipment or as a separate item if it is probable that future economic benefits will flow to the Group and costs can be measured reliably. Repair and maintenance expenses are recognized in profit or loss as incurred. If an item of property, plant and equipment consists of several separate parts that have different useful life each part is recognized as a separate item.

The Groups property, plant and equipment are depreciated over the estimated useful life. The depreciation periods are 5-8 years.

The residual value and useful life of property, plant and equipment are reviewed at least annually at the balance sheet date and impairment adjustments are made if necessary. The Group estimates if there are any indications for impairment at each balance sheet date. If the carrying value of the asset is greater than the recoverable amount, the carrying value of the asset is reduced to its recoverable amount immediately. An item of property, plant and equipment classified as held for sale in accordance with IFRS 5 is not depreciated.

The gains and losses from the sale of property, plant and equipment are presented in the other operating income or expenses. The gain or loss is determined as a difference between the sales price and carrying value.

17. Leases

Eezy's leases relate primally to premises and cars. The most significant leases are for the premises in the largest cities in which the operations have been centralized. These leases are mainly 3 to 5-year fixed term leases. Leases may include extension options and it is determined on a lease-by-lease basis if the extension option is exercised or not. Smaller premises have been leased for a perpetual term.

Right-of-use assets are presented in note 16.

The following lease liabilities are included in the borrowings in the balance sheet:

Lease liabilities

EUR thousand	31 Dec 2023	31 Dec 2022
Current	2 402	2 211
Non-current	5 215	2 948
Total	**7 618**	**5 159**

The maturity of the lease liabilities is presented in note 26.

The following amounts related to leases are recognized in profit or loss:

EUR thousand	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2022
Depreciation and impairment losses	-2 612	-2 470
Interest expenses from lease liabilities	-213	-136
Lease expenses from short term leases	-108	-183
Lease expenses from leases of low value assets	-749	-712

The total cash outflow for leases in 2023 was EUR 3 672 (3 619) thousand.

Accounting policy

Right-of-use assets are measured at cost comprising the amount of the lease liability and any prepayments. Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term.

Lease liability is initially measured at the commencement of the lease at the present value of the future payments. Lease payments include fixed payments and variable lease payments based on an index, any penalties for terminating the lease if the lease term reflects the termination. Payments for the periods covered by the extension options are included in the lease liability if the lease is reasonably certain to be extended.

Lease payments are discounted using the interest rate implicit in the lease or the lessee's incremental borrowing rate if the interest rate implicit in the lease cannot be readily determined. Eezy's incremental borrowing rate is determined based on financing offers, lease term and economic environment.

Eezy's leases include variable lease payments based on an index which are not included in the measurement of the lease liability until they realize. The lease liability is remeasured when the lease payment based on an index change. A corresponding adjustment is done to the right-of-use asset amount.

Lease payments are allocated between principal and finance cost. The finance cost is expensed over the lease term to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Eezy's leases include lease components and non-lease components. The consideration in the contract is allocated to the lease and non-lease components based on their relative stand-alone prices.

Payments for short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in the result for the period. Short-term leases are leases with a lease term of 12 months of less. Exemption is applied to all classes of underlying assets. Low-value assets comprise IT equipment and machinery and office equipment.

Significant management judgement and estimates

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Otherwise the Group assesses the historical leases and need for replacement leases when determining lease terms.

The lease term is reassessed if a significant event or significant change in circumstances occurs or the Group becomes obliged to exercise or not to exercise an option.

18. Investments in shares

Fair values of investments and the fair value hierarchy levels are presented in the table below:

EUR thousand	31 Dec 2023 Fair value	Level	31 Dec 2022 Fair value	Level
Investments in shares, unquoted	240	3	240	3
Total	**240**		**240**	

The changes in level 3 items are as follows:

	Share investments
1 Jan 2022	240
31 Dec 2022	**240**
31 Dec 2023	**240**

In addition, the Group has contingent consideration liabilities which were classified as level 3 in the fair value hierarchy. More information is presented in notes 14 and 25.

Accounting policy

Share investments are measured at fair value. Eezy's share investments consist of unlisted shares. The fair value of the unlisted shares is determined using valuation models. They are measured at cost when it is determined that the acquisition cost is a reasonable estimate of the fair value.

The financial instruments measured at fair value in the balance sheet are classified based on the following fair value hierarchy levels:

Level 1: The fair value of publicly traded instruments (like listed shares) is based on the quoted year-end market prices of similar assets or liabilities in active markets. The bid price is used as the quoted market price.

Level 2: The fair value of financial instruments that are not traded on the active market is determined with a valuation technique. These techniques maximize the use of observable market data and apply company specific estimates only to a minimal degree. When all significant inputs needed to determine the fair value of the instrument are observable, the instrument is categorized on level 2.

Level 3: If one or several significant inputs are not based on observable market data, the instrument is categorized on level 3. Such instruments include the Company's investments in unlisted shares.

19. Deferred tax assets and liabilities

Deferred taxes are recognized for all temporary differences. The changes in deferred taxes are as follows:

EUR thousand	1 Jan 2023	Recognized in profit or loss	Acquisitions	31 Dec 2023
Deferred tax assets				
Tax losses carried forward	20	55	-	75
Tax losses from the period	155	-105	-	50
Credit loss provision	166	-83	-	82
Leases	1 009	475	-	1 485
Other temporary differences	-	37	-	37
Total	**1 349**	**379**	**-**	**1 729**
Deducted from/against deferred tax liabilities	-986	-470	-	-1 457
Total	**363**	**-91**	**-**	**272**

EUR thousand	1 Jan 2022	Recognized in profit or loss	Acquisitions	31 Dec 2022
Deferred tax assets				
Tax losses carried forward	35	-15	-	20
Tax losses from the period	-	155	-	155
Credit loss provision	143	23	-	166
Leases	854	133	22	1 009
Total	**1 032**	**295**	**22**	**1 349**
Deducted from/against deferred tax liabilities	-830	-133	-22	-986
Total	**201**	**162**	**-**	**363**

EUR thousand	1 Jan 2023	Recognized in profit or loss	Acquisitions	31 Dec 2023
Deferred tax liabilities				
Business combinations	4 865	-1 084	-	3 782
Loans	10	10	-	20
Leases	1 032	482	-	1 513
Total	**5 907**	**-592**	**-**	**5 315**
Deducted from/against deferred tax assets	-1 032	-482	-	-1 513
Total	**4 875**	**-1 074**	**-**	**3 802**

EUR thousand	1 Jan 2022	Recognized in profit or loss	Acquisitions	31 Dec 2022
Deferred tax liabilities				
Business combinations	5 179	-727	415	4 865
Loans	12	-2	-	10
Leases	900	131	22	1 032
Total	**6 092**	**-598**	**22**	**5 907**
Deducted from/against deferred tax assets	-900	-131	-22	-1 032
Total	**5 190**	**-730**	**415**	**4 875**

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and the deferred taxes related to the income tax of the same taxable entity.

Accounting policy

Deferred taxes are recognized for all temporary differences between the carrying values and the tax bases. The largest temporary differences arise from the fair value adjustments of assets and liabilities in business combinations, provisions and unused tax losses. Deferred taxes are calculated using the tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be generated against which the deductible temporary difference can be utilized. The recognition criteria of the deferred tax asset is assessed at each balance sheet date.

However, a deferred tax liability is not recognized in situations where a deferred tax liability arises from the initial recognition of goodwill when the transaction is other than a business combination and does not affect the accounting nor the taxable profit or loss at the time of the transaction nor does it create equal taxable or tax-deductible temporary differences.

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset the current tax assets against current tax liabilities, and when the deferred tax assets and liabilities are related to the income tax levied by the same taxation authority either from the same taxable entity or different taxable entities when there is an intention to settle the asset and the liability on a net basis.

Significant management judgement and estimates

Eezy's management uses judgement when recognizing deferred tax assets and liabilities in the balance sheet. Deferred tax assets are recognized on the balance sheet only if the utilization of the assets is seen as more probable than not utilizing the deferred tax assets. Utilization is subject to the future generation of taxable income. Assumptions related to the generation of future taxable profit are based on the management estimates on future cash flows. The Group's ability to generate taxable income is also subject to the general economic situation, financing, competitiveness and regulation environment which are not in the Group's control. These estimates and assumptions involve risks and uncertainty, and thus it is possible that the changes in circumstances will change the expectations which may affect the amount of the deferred tax liabilities and assets recognized as well as other unrecognized tax losses and temporary differences.

20. Trade receivables and other receivables

EUR thousand	31 Dec 2023	31 Dec 2022
Non-current receivables		
Contract-based receivables	1 758	423
Lease guarantees	211	313
Other receivables	22	36
Total non-current receivables	**1 992**	**772**
Current receivables		
Trade receivables	25 845	30 718
Contract-based receivables	714	190
Other loan receivables	-	9
Other receivables	677	537
Accrued income	2 337	2 009
Total current receivables	**29 574**	**33 463**
Total trade receivables and other receivables	**31 566**	**34 235**

Accrued income consists of sales accruals, employer insurance and advance payments.

Trade receivables are measured at the transaction price. The carrying value of the trade receivables and other receivables equals their fair value. Information on the impairment of the trade receivables and other receivables and their credit risk is described in note 26.

21. Cash and cash equivalents

Cash and cash equivalents presented in the balance sheet and cash flow statement consists of cash at bank and in hand. Utilized credit limits are presented as current liabilities. Credit limits are an essential part of the liquidity management. Liquidity risk and its management is described in note 26.

22. Equity

EUR thousand, unless otherwise specified	Shares 1 000 pcs	Share capital	Reserve for invested unrestricted equity	Retained earnings	Total attributable to the owners of the parent company	Non-controlling interests	Total equity
31 Dec 2023	25 047	80	107 876	-1 819	106 137	3 774	109 911
31 Dec 2022	25 047	80	107 876	1 488	109 444	3 630	113 074

Share capital

Eezy Plc has one series of shares and all shares are equally entitled to dividends. One share carries one vote at the general meeting. Eezy's shares are listed on the official list of Nasdaq Helsinki.

Pcs	2023	2022
1 Jan	25 046 815	25 046 815
31 Dec	**25 046 815**	**25 046 815**

Own shares

The Company does not hold its own shares.

Dividends

The Annual General Meeting (AGM) decided on 13 April 2023 that for year 2022 a dividend of EUR 0.15 per share is distributed in two tranches. The first tranche of the dividend, EUR 0.10 per share and EUR 22.5 million in total, was paid on 25 April 2023. The second tranche of the dividend, EUR 0.05 per share and EUR 1.3 million in total, was paid on 26 October 2023.

Board of Directors proposes that no dividend will be distributed for year 2023.

Reserve for invested unrestricted equity

The reserve for invested unrestricted equity includes other investments that by nature are considered as equity and the share subscription price unless it is explicitly decided to be included in the share capital. The changes in the reserve for invested unrestricted equity are presented in the statement of changes in equity.

Accounting policy

Share capital includes only ordinary shares. The incremental costs directly attributable to the issue of new shares or other equity instruments, net of tax, are recognized in equity as a deduction from the proceeds. If company buys back its own equity instruments, the consideration paid is deducted from equity. The dividend payable to the Group's shareholders is recognized in the financial year during which the general meeting has approved the dividend.

23. Earnings per share

	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2022
Profit for the financial year attributable to the owners of the company	644 993	7 156 154
Weighted average number of shares, undiluted	25 046 815	25 046 815
Earnings per share, basic (EUR)	**0.03**	**0.29**
Impact of shares related to the share-based payments plan	230 559	240 449
Weighted average number of shares, diluted	25 277 374	25 287 264
Earnings per share, diluted (EUR)	**0.03**	**0.28**

The number of dilutive shares in 2023 was 230 559 (240 449).

Accounting policy

The basic earnings per share is calculated by dividing the profit (loss) attributable to the owners of the parent company by the weighted average number of shares.

In calculating the diluted earnings per share, the dilution impact of the options and shares granted to employees is taken into consideration. More information on the share-based payments is in note 7.

24. Borrowings

Changes in borrowings divided to changes from financing cash flows and other changes are presented in the table below:

EUR thousand	Loans from financial institutions	Lease liabilities	Total
1 Jan 2022	**48 325**	**4 502**	**52 826**
Proceeds from borrowings	8 000	-	8 000
Repayments of borrowings	-4 633	-2 588	-7 221
Acquisitions	376	108	484
New leases	-	2 953	2 953
Revaluations	-	185	185
Other changes	-5	-1	-6
31 Dec 2022	**52 062**	**5 159**	**57 221**
Repayments of borrowings	-1 337	-2 603	-3 939
New leases	-	5 119	5 119
Revaluations	-	-60	-60
Other changes	-50	2	-48
31 Dec 2023	**50 675**	**7 618**	**58 293**

The company has renewed its long-term financing during October 2023, so that majority of the loans are due in 2028. All previous loans have replaced with these renewed loans. The maturities of Eezy's financing arrangements range from 1 to 5 years.

The Group's loans include covenants defined in the financing agreements. The most important loan covenants are reported to the creditors half yearly (year 2024 quarterly). If the Group does not meet the covenants, the creditor may require an accelerated loan prepayment. During the financial years presented, the Group has met loan related covenants, which relate to net debt ratio and ratio of interest bearing net debt compared to EBITDA.

The Group's loans are denominated in euros, primarily have floating interest rates and a significant part of its loans are linked to the Euribor. The repricing of the loans occurs every 3-6 months. The loan margins vary between 1.95% and 2.45%. The covenants also include terms related to interest rate levels. Half yearly (except year 2024 every three months) the margin can vary between 1.70 % and 2.70% depending on the level of the covenant related to net debt and EBITDA.

The carrying value of the borrowings equals their fair value in the periods presented, as the coupon rates have been on the same level with market rates, and the impact of discounting the future cash flows using the market interest rate at the valuation date is not significant.

The maturities of the borrowings and more information on the interest rate risk and the liquidity risk management is presented in note 26.

Accounting policy

Borrowings are initially recognized at fair value, net of transaction costs incurred. After the initial recognition borrowings are measured at amortized cost using the effective interest method. Borrowings are classified as current liabilities if the Group intends to settle the borrowings during the next 12 months after the reporting date or if the Group does not have an unconditional right to defer the settlement for at least 12 months after the reporting date.

The transaction costs incurred in connection with the borrowings are recognized as interest expenses using the effective interest method.

25. Trade payables and other liabilities

EUR thousand	31 Dec 2023	31 Dec 2022
Non-current liabilities		
Contingent considerations	20	974
Share-based payments	3	-
Total non-current liabilities	**23**	**974**
Current liabilities		
Trade payables	8 058	9 545
Contingent considerations	958	39
VAT liability	7 202	8 672
Personnel related liabilities	3 394	4 090
Other liabilities	250	241
Personnel related accrued expenses	13 239	15 665
Other accrued expense	1 080	702
Total current liabilities	**34 181**	**38 954**
Total trade payables and other liabilities	**34 204**	**39 928**

Accounting policy

Fair values of trade payables and other liabilities equal their carrying values. They are measured at cost or amortized cost apart from contingent considerations which are measured at fair value and recognized in the result for the period as financial income or expense. Fair value is based on management's estimate and it is classified as level 3 in the fair value hierarchy.

26. Financial risk management

The Group's principles of financial risk management have not significantly changed during reporting period. Eezy and its operating activities are exposed to certain financial risks. Financial risk management is a part of the Group's risk management processes and an integral part of Eezy's strategy process, planning process and day-to-day management. Eezy's CEO is responsible for drafting the principles of risk management and for ensuring that the principles are implemented systematically and appropriately. Eezy's Group Management Team is responsible for identifying group level risks. Risk management is reported to Eezy's Board of Directors and the Board confirms the company's principles of risk management.

The most significant financial risks for Eezy are credit risk and liquidity risk. Group treasury monitors the day-to-day liquidity and the CFO is responsible for the long-term liquidity and for monitoring the covenants.

Liquidity risk

Liquidity risk relates to ensuring and maintaining sufficient financing for Eezy. Eezy strives to continuously assess and monitor the amount of financing needed for the business operations, by, among others, performing a monthly analysis on the sales development and investment needs in order to ensure the Group has sufficient liquid assets to finance the operations and to repay the borrowings when they fall due. The CFO analyses the possible need for additional financing.

The Group aims to ensure the availability and flexibility of the Group's financing with sufficient available credit facilities, a balanced debt maturity profile and sufficiently long loan periods as well as by using several financial institutions as counterparties and different forms of financing, when necessary. The Group's financing activities determine the optimal level of cash.

Cash and cash equivalents amounted to EUR 1 270 (5 768) thousand at the end of the financial year, in addition to which the Group had undrawn committed credit limits available totaling to EUR 10 000 (10 000) thousand.

The Group has a long-term senior loan from financial institutions and the financial agreements include the terms of covenants. The breach of covenants may lead to the situation where the creditor may require an accelerated loan prepayment or immediate prepayment. As of 31 December 2023, the Group has non-current loans from financial institutions EUR 48 568 (47 614) thousand and current loans from financial institutions EUR 2 106 (4 448) thousand. The terms and conditions of the loans and related covenants are described in note 24.

The following tables present the contractual maturity analysis of the Group's financial liabilities. The figures are undiscounted and include interest payments and repayments.

EUR thousand	0-6 months	7-12 months	1-3 years	4-5 years	Total contractual cash flows	Carrying value
31 Dec 2023						
Loans from financial institutions	1 940	2 508	12 725	46 417	63 590	50 675
Lease liabilities	1 372	1 320	4 056	1 503	8 251	7 618
Trade payables	8 058	-	-	-	8 058	8 058
Contingent considerations	958	-	20	-	978	978
Total	**12 328**	**3 828**	**16 800**	**47 920**	**80 876**	**67 329**

EUR thousand	0-6 months	7-12 months	1-3 years	4-5 years	Total contractual cash flows	Carrying value
31 Dec 2022						
Loans from financial institutions	1 749	4 757	49 522	14	56 043	52 062
Lease liabilities	1 367	991	2 710	361	5 428	5 159
Trade payables	9 545	-	-	-	9 545	9 545
Contingent considerations	39	-	954	20	1 013	1 013
Total	**12 700**	**5 748**	**53 186**	**395**	**72 029**	**67 779**

Credit risk

Credit risk arises from trade receivables and other receivables. Credit risk also arises from loan receivables and cash and cash equivalents but based on Group's analysis their credit risk is considered immaterial.

The Group's policy defines the creditworthiness requirements for the counterparties. Credit risk management and credit control are centralized in the Group's financial management.

The receivables of certain big customers form credit risk concentrations for the Group. The Group aims to minimize the risks related to the receivables through the terms of payment of the receivables, customer-specific monitoring of trade receivables, effective collection, and checking of the customers' creditworthiness, as well as partly through various collateral arrangements.

During the financial year, the Group has recognized EUR 493 (551) thousand on receivables as credit losses and EUR 304 (882) thousand as reversal of unused amount in profit or loss.

Trade receivables

The staffing service business is based on sales invoiced. It involves a risk of credit losses typical for the nature of the business and the industry. Historically, the level of incurred credit losses on trade receivables has typically been low.

The Group applies the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The Group monitors continuously the level of write downs on receivables and changes the models by taken into account existing conditions and forward-looking information.

The table below presents the changes in the credit loss allowance for the periods presented, the age analysis of trade receivables, and for each age analysis group the recognized impairments and the percentages used:

EUR thousand	Not due	Due 1-30 days	Due 31-60 days	Due 61-90 days	Due 91-180 days	Due over 180 days	Total
31 Dec 2023							
Expected credit loss rate, %	0.2%	0.8%	1.5%	2.0%	10.0%	26.0%	
Carrying value of trade receivables	22 861	2 164	54	85	146	832	26 142
Credit loss provision	**46**	**17**	**1**	**2**	**15**	**216**	**297**

EUR thousand	Not due	Due 1-30 days	Due 31-60 days	Due 61-90 days	Due 91-180 days	Due over 180 days	Total
31 Dec 2022							
Expected credit loss rate, %	0.2%	0.8%	1.5%	2.0%	10.0%	26.0%	
Carrying value of trade receivables	26 347	1 494	234	382	1 030	1 906	31 392
Credit loss provision	**53**	**12**	**4**	**8**	**103**	**496**	**674**

EUR thousand	2023	2022
1 Jan	**674**	**448**
Change in provision	-372	-105
Recognized as credit losses	-310	-551
Unused amount reversed	304	882
31 Dec	**297**	**674**

Trade receivables are written off when there is not a reasonable expectation of recovery. Indicators that there is not a reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group and a failure to make contractual payments for a period of greater than 360 days past due.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Capital management

As a part of their capital management, Eezy's management monitors the borrowings and equity as presented in the consolidated balance sheet. The aim of the Group's capital management (equity vs. debt) is, with the optimal capital structure, to support the business operations by ensuring normal operational prerequisites, and to increase the shareholder value in the long term. Capital management is also driven by the owners' aim to maintain a simple financial structure. Capital needs are primarily fulfilled with long-term debt financing.

The capital structure is adjusted mainly by dividend distributions and share issues. The Group can also decide to sell assets in order to reduce debt. The development of the Group's capital structure is monitored with comparing net debt to adjusted EBITDA, which is reported to the Group management regularly. Net debt is calculated by deducting cash and cash equivalents from non-current and current loans from financial institutions, non-current other liabilities, lease liabilities, current contingent consideration liabilities and current financial liabilities. Adjusted EBITDA is calculated by adding to operating profit the following: depreciation, amortization and impairment losses, and items affecting comparability, such as items relating to acquisitions, closing of business operations, structural reorganization and significant redundancy costs.

Interest rate risk

Interest rate risk means the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's loans primarily have floating interest rates and a significant part of its loans are linked to the Euribor, EUR 17.5 million loan has a fixed interest rate up to November 2024. The Group's floating interest rates loans expose the company to the cash flow interest rate risk. The interest rates of borrowings are described in note 24.

The sensitivity analysis of interest rate risk

At the balance sheet date of 31 December 2023, the effect of variable rate borrowings on the pre-tax profit would have been EUR -/+335 (353) thousand, if the interest rate level had risen or fallen by 1 percentage point.

27. Group structure

Subsidiaries belonging to the Group as at 31 December 2023 are presented in the table below:

Subsidiary	Domicile	Group ownership portion, %
Eezy VMP Oy	Helsinki	100%
Eezy Bework Oy	Helsinki	100%
Castanea Oy	Helsinki	100%
Eezy Conrator Oy	Helsinki	100%
Eezy Sonire Oy	Helsinki	100%
Eezy Staffservice Oy	Helsinki	100%
Workcontrol Oy	Helsinki	100%
Eezy Kevytyrittäjät Oy	Helsinki	100%
Eezy Personnel Oy	Tampere	100%
Eezy Palvelut Etelä Oy	Helsinki	100%
Eezy Palvelut Itä Oy	Helsinki	100%
Eezy Palvelut Länsi Oy	Helsinki	100%
Eezy Palvelut Pohjoinen Oy	Helsinki	100%
Eezy Kauppa Etelä-Suomi Oy	Helsinki	100%
Eezy Kauppa Helsinki Oy	Helsinki	100%
Eezy Kauppa Suomi Oy	Helsinki	100%
Eezy Kauppa Pirkanmaa Oy	Helsinki	100%
Eezy Kauppa Uusimaa Oy	Helsinki	100%
Eezy Kauppa Länsi Oy	Helsinki	100%
Eezy Flow Oy	Helsinki	70.10%
Eezy Siqni Oy	Helsinki	100%
Eezy Leidenschaft Oy	Helsinki	100%
Eezy Henkilöstöpalvelut Oy	Tampere	100%
Eezy Job Services Oy	Tampere	100%
Doctors by Eezy Oy	Tampere	80.75%
Eezy Office Oy	Tampere	100%
Eezy Events Oy	Tampere	100%
Eezy Services Itä Oy	Kuopio	100%
Eezy MMS Oy	Kuortane	100%
Eezy Industries Pohjanmaa Oy	Kuortane	100%
Eezy Industries Pirkanmaa Oy	Tampere	100%
Eezy Pohjanmaa Oy	Kuortane	100%
Eezy Palvelut Uusimaa Oy	Tampere	100%
Smile Palvelut Pohjoinen Oy	Tampere	100%
Eezy Services Etelä Oy	Tampere	100%
Eezy Palvelut Pirkanmaa Oy	Tampere	100%
Eezy Jobs Etelä Oy	Tampere	100%
Eezy Industries Etelä Oy	Espoo	100%
Eezy Industries Itä Oy	Jyväskylä	100%
Eezy Teollinen Etelä Oy	Helsinki	100%
Eezy Services Pohjanmaa Oy	Tampere	100%
Eezy Jobs Pohjanmaa Oy	Tampere	100%
Eezy Jobs Pirkanmaa Oy	Tampere	100%
Eezy Jobs Länsi Oy	Tampere	100%
Eezy Import Oy	Tampere	80.00%
Eezy Staffing Oy	Tampere	100%
Eezy Industries Länsi-Suomi Oy	Tampere	100%
Eezy United Oy	Helsinki	100%
Eezy Shine Oy	Helsinki	100%
Eezy Valmennuskeskus Oy	Helsinki	90.00%
Eezy Farenta Oy	Helsinki	100%

These consolidated financial statements consist of Eezy Plc, the parent company of the Group, and all subsidiaries over which the parent company has control. Acquisitions that have impacted the Group structure are presented in note 14.

Accounting policy

Eezy Plc owns 90 % of Eezy Valmennuskeskus Ltd. Because of the sell and purchase options in the agreement, Eezy Valmennuskeskus has been consolidated by 100-percent to Eezy Group (IFRS) since initial acquisition date.

Subsidiaries are entities over which the Group has control. The group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to eliminate share ownership between the Group companies. The acquisition cost exceeding the fair value of the net identifiable assets acquired is recorded as goodwill. If the acquisition cost is less than the fair value of the net identifiable assets of the business acquired, the difference is recognized directly as income in the result of the period.

The acquisition related costs, other than those associated with the issue of debt or equity securities, are expensed as incurred. Any contingent consideration payable is recognized at fair value at the acquisition date, and classified as a financial liability or equity. The contingent consideration classified as a financial liability is remeasured to fair value at each balance sheet date and changes in fair value are recognized in the result for the period. The contingent consideration classified as equity is not remeasured. Any non-controlling interests in the acquired entity is measured at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. The valuation policy is determined on an acquisition-by-acquisition basis.

Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies applied by the Group.

The profit (loss) for the period and total comprehensive income for the period attributable to the owners of the parent company and non-controlling interests are presented in the consolidated statement of comprehensive income. Total comprehensive income for the period is allocated to non-controlling interests although this would result in a negative non-controlling interest. Non-controlling interests in the equity is presented as a separate line item in the balance sheet as part of equity. Changes in the ownership of the subsidiaries that do not result in a loss of control are treated as transactions with equity owners of the Group. In a business combination achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date and any gains or losses arising is recognized in the result for the period. When the Group loses the control in a subsidiary, any retained interest in the entity is remeasured to its fair value at the date when the control ceases and the difference arising from the measurement is recognized in profit or loss.

28. Changes in the non-controlling interests

Company in which interests are acquired	Acquisition date	Acquired share	New ownership interest	Purchase consideration (EUR thousand)	Change in non-controlling interests (EUR thousand)	Change in retained earnings (EUR thousand)
2023						
Eezy United Oy						
Eezy United Jyväskylä Oy	20 Mar 2023	10%	100%	1	5	-6
Eezy United Tampere Oy	20 Mar 2023	10%	100%	1	-11	10
Eezy Henkilöstöpalvelut Oy						
Eezy United Oy	28 Apr 2023	30%	100%	213	-23	-190
Eezy Henkilöstöpalvelut Oy						
Eezy Shine Oy	3 May 2023	33%	100%	0	12	-12
2022						
Eezy Henkilöstöpalvelut Oy						
Doctors by Eezy Oy	27 Jan 2022	4.75%	80.75%	79	-44	-37

Eezy United Jyväskylä Oy and Eezy United Tampere Oy merged to Eezy United Oy on 31 August 2023.

29. Investments in associates

EUR thousand	2023	2022
Cost at 1 Jan	**252**	**-**
Acquisitions	-	245
Impairments	-100	-
Divestments	-150	-
Share of the result of associates	-2	7
Cost at 31 Dec	**-**	**252**

In May, Eezy sold its share of VeggArt’s Oy. Outside of a capital loss from divestment of EUR 0.1 million and an impairment on equity accounted investment of EUR 0.1 million recorded in March, the sale had no significant impact on Eezy’s result.

30. 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 a used as a comprehensive guarantee for liabilities on the bank accounts included in the cash pool agreement.

EUR thousand	31 Dec 2023	31 Dec 2022
Liabilities in balance sheet for which collaterals given		
Loans from financial institutions, non-current	48 568	47 614
Loans from financial institutions, current	2 106	4 448
Total	**50 675**	**52 062**

EUR thousand	31.12.2023	31.12.2022
Mortgages on own behalf		
Company mortgages	100 000	100 000
Total	**100 000**	**100 000**

The shares of Eezy VMP Oy, Eezy Henkilöstöpalvelut Oy, Eezy Valmennuskeskus Oy and Eezy Farenta Oy are pledged to existing and future financial institution loans on the balance sheet dates.

More information on business combinations is presented in note 14.

Accounting policy

A contingent liability is a possible obligation that has arisen from past events and whose existence is confirmed only by the occurrence of uncertain future events not wholly in the control of the Group. A contingent liability is also a present obligation whose settlement probably does not require an outflow of resources, and the amount cannot be measured reliably. A contingent liability is presented in the notes of the consolidated financial statements.

31. New standards

New and amended standards and accounting policies applied in the financial year ended 31 December 2023

Group has applied following new and amended standards and accounting policies from 1 January 2023 onwards. These have not had a significant impact on consolidated financial statements 2023.

Disclosure of Accounting Policies – Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements (effective for financial years beginning on or after 1 January 2023)
The amendments clarify the application of materiality to disclosure of accounting policies.

Definition of Accounting Estimates – Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (effective for financial years beginning on or after 1 January 2023)
The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates, with a primary focus on the definition of and clarifications on accounting estimates.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12 Income Taxes
(effective for financial years beginning on or after 1 January 2023)
The amendments narrow the initial recognition exemption (IRE) and clarify that the exemption does not apply to transactions such as leases and decommissioning obligations which give rise to equal and offsetting temporary differences.

Adoption of new and amended standards in future financial years

Group estimates that adoption of published new and amended standards listed below in future financial years will not have a significant impact on consolidated financial statements.

Lease Liability in a Sale and Leaseback – Amendments to IFRS 16 Leases (effective for financial years beginning on or after 1 January 2024, early application is permitted)
The amendments introduce a new accounting model for variable payments and will require seller-lessees to reassess and potentially restate sale-and-leaseback transactions entered into since the implementation of IFRS 16 in 2019.

Amendments to IAS 1 Presentation of Financial Statements Classification of Liabilities as Current or Non-current Date; Classification of Liabilities as Current or Non-current – Deferral of Effective Date; Non-current Liabilities with Covenants
(effective for financial years beginning on or after 1 January 2024, early application is permitted)
The amendments are to promote consistency in application and clarify the requirements for determining if a liability is current or non-current. The amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. The amendments require to disclose information about these covenants in the notes to the financial statements. The amendments also clarify transfer of a company's own equity instruments is regarded as settlement of a liability. Liability with any conversion options might affect classification as current or non-current unless these conversion options are recognized as equity under IAS 32.

** = not yet endorsed for use by the European Union as of 31 December 2023*

32. Events after the balance sheet date

After the financial year Ari Myllyniemi was nominated as interim Director, Staffing services and became member of the management team on 11 January 2024. Thomas Hynninen left the position of Director, Staffing services and management team.

After the financial year the company has received flagging notices: The ownership of NoHo Partners Oyj has decreased below 5%, the ownership of Sentica Buyout V Ky has exceeded 25% and the ownership of Paul Savolainen has exceeded 5%.

Joni Aaltonen has been appointed as Eezy Plc's Chief Financial Officer and a member of the Group management team effective from 1 April 2024.

Parent company financial statements

1 January – 31 December 2023

Parent company income statement (FAS)

EUR	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2022
Revenue	**9 225 974.84**	**13 905 949.54**
Other operating income	277 393.41	49 262.19
Materials and services	-4 573.20	0.00
Personnel expenses		
Wages and salaries	-3 111 646.79	-3 559 074.72
Social security expenses		
Pension expenses	-481 330.27	-568 546.45
Other social security expenses	-118 479.25	-134 385.15
Social security expenses	-599 809.52	-702 931.60
Personnel expenses	-3 711 456.31	-4 262 006.32
Depreciation, amortization and impairment losses		
Depreciation and amortization according to plan	-83 435.23	-82 788.68
Impairment on non-current assets	-8 139.29	0.00
Depreciation, amortization and impairment losses	-91 574.52	-82 788.68
Other operating expenses	-7 675 359.95	-8 555 631.87
Operating profit (loss)	**-1 979 595.73**	**1 054 784.86**
Financial income and expenses		
Income from investments in group companies	0,00	80 000.00
Other interest income and other financial income		
From other companies	238.48	24.34
From group companies	1 426 395.94	1 777 361.53
Interest expenses and other financial expenses		
To other companies	-2 521 554.91	-1 462 712.65
To group companies	0.00	0.00
Financial income and expenses	-1 094 920.49	394 673.22
Profit (loss) before appropriations and taxes	**-3 074 516.22**	**1 449 458.08**
Appropriations		
Group contribution	4 600 000.00	4 015 000.00
Appropriations	4 600 000.00	4 015 000.00
Income taxes		
Taxes for the financial year and previous financial years	-307 429.28	-1 114 925.76
Income taxes	-307 429.28	-1 114 925.76
Profit (loss) for the financial year	**1 218 054.50**	**4 349 532.32**

Parent company balance sheet (FAS)

EUR	31 Dec 2023	31 Dec 2022
ASSETS		
Non-current assets		
Intangible assets		
Intangible rights	49 473.23	24 440.75
Goodwill	0.00	0.00
Other non-current expenditures	240 553.83	199 513.52
Total intangible assets	290 027.06	223 954.27
Tangible assets		
Machinery and equipment	48 839.36	65 119.15
Total tangible assets	48 839.36	65 119.15
Investments		
Holdings in group companies	165 406 373.58	165 406 373.58
Total investments	165 406 373.58	165 406 373.58
Total non-current assets	**165 745 240.00**	**165 695 447.00**
Current assets		
Non-current receivables		
Receivables from group companies	5 150 000.00	4 500 000.00
Other non-current receivables	19 171.64	19 171.64
Total non-current receivables	5 169 171.64	4 519 171.64
Current receivables		
Trade receivables	0.00	4 602.20
Receivables from group companies	24 703 738.05	32 726 213.15
Other receivables	7 656.26	1.18
Prepayments and accrued income	540 197.61	273 385.27
Total current receivables	25 251 591.92	33 004 201.80
Cash at bank and in hand	1 139 811.05	5 634 685.21
Total current assets	**31 560 574.61**	**43 158 058.65**
TOTAL ASSETS	**197 305 814.61**	**208 853 505.65**
EQUITY AND LIABILITIES		
Equity		
Share capital	80 000.00	80 000.00
Reserve for invested unrestricted equity	110 507 409.02	110 507 409.02
Retained earnings	11 402 748.89	10 810 238.82
Profit (loss) for the financial year	1 218 054.50	4 349 532.32
Total equity	**123 208 212.41**	**125 747 180.16**
Liabilities		
Non-current liabilities		
Liabilities to credit institutions	48 452 664.00	47 222 216.00
Other non-current liabilities	0.00	0.00
Total non-current liabilities	48 452 664.00	47 222 216.00
Current liabilities		
Liabilities to credit institutions	1 880 664.00	4 222 224.00
Trade payables	416 291.74	501 830.82
Liabilities to group companies	22 225 361.67	29 445 579.83
Other liabilities	126 793.93	361 522.39
Accruals and deferred income	995 826.86	1 352 952.45
Total current liabilities	25 644 938.20	35 884 109.49
Total liabilities	**74 097 602.20**	**83 106 325.49**
TOTAL EQUITY AND LIABILITIES	**197 305 814.61**	**208 853 505.65**

Parent company cash flow statement (FAS)

EUR	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2022
Cash flow from operating activities		
Cash receipts from customers	9 962 628.77	13 689 393.39
Cash paid to suppliers and employees	-11 590 677.09	-13 434 387.83
Cash flow from operating activities before financial items and taxes	**-1 628 048.32**	**255 005.56**
Interest and expenses paid from other operating financial expenses	-2 372 406.95	-1 357 305.22
Dividends received	0.00	80 000.00
Interest received from operating activities	2 397 036.27	1 881 005.56
Other financial expenses paid	-104 241.15	-13 098.16
Direct taxes paid	-860 225.38	-1 138 755.04
Net cash from operating activities	**-2 567 885.53**	**-293 147.30**
Cash flow from investing activities		
Investments in tangible and intangible assets	-143 424.02	-176 689.00
Proceeds from sale of tangible assets	0.00	62 766.00
Investments in subsidiaries	0.00	-1 297 339.18
Net cash from investing activities	**-143 424.02**	**-1 411 262.18**
Cash flow from financing activities		
Repayment of current loans and borrowings	-1 111 112.00	-4 222 224.00
Group cash pool	-2 530 430.36	4 512 677.43
Proceeds from non-current loans	0.00	8 000 000.00
Dividends paid	-3 757 022.25	-3 757 022.25
Granted loans	0.00	-5 450 000.00
Group contribution received and paid	4 015 000.00	2 500 000.00
Proceeds from repayment of loans	1 600 000.00	150 000.00
Net cash from financing activities	**-1 783 564.61**	**1 733 431.18**
Net increase/decrease in cash and cash equivalents	**-4 494 874.16**	**29 021.70**
Cash and cash equivalents at beginning of financial year	5 634 685.21	5 605 663.51
Cash and cash equivalents at end of financial year	**1 139 811.05**	**5 634 685.21**

Notes to the Parent Company Financial Statements

Notes to accounting principles for financial statements

Accounting principles for financial statements

The financial statements are prepared in accordance with Accounting Act on the information presented in the financial statements.

Valuation and recognition principles and methods

Intangible assets held under non-current assets are carried at cost consisting of related expenditures less amortization according to plan. Tangible assets are carried at cost consisting of related variable expenditures less depreciation according to plan.

Trade, loan and other receivables held under current assets are carried at the lower of nominal value and probable value.

Recognition priciples and methods

Cost of intangible and tangible assets held under non-current assets is amortized/depreciated in accordance with a pre-determined plan by applying the maximum amortization/depreciation allowed under the Finnish Business Tax Act (BTA). The cost of an asset, less its residual value, is depreciated/amortized over its estimated useful life.

Asset	Estimated useful life, years	Depreciation/amortization: percentage and method
Other non-current expenditures	5-10	10% or 20% straight line method
Machinery and equipment	approx. 8	maximum depreciation allowed under BTA
IT software	5	20% straight line method

Foreign currency transactions

The receivables in foreign currencies are translated into Finnish currency using the exchange rate quoted on the balance sheet date.

Notes to parent company

Eezy Plc, domicile Helsinki, is the parent company of the Eezy group.
A copy of the consolidated financial statements of the Eezy group is available from the Finnish patent and registration office.

Notes to the personnel and management

Average number of personnel during the financial year:

	2023	2022
Salaried employees	36	49
Total	**36**	**49**

Auditor’s fees

KPMG Oy Ab

EUR	2023	2022
Statutory audit	196 040.76	142 689.21
Other advisory services	33 404.50	5 918.70
Tax advisory services	15 315.00	9 135.00
Other services	8 181.40	105 829.66
Total	**252 941.66**	**266 572.57**

Notes to assets

Intangible assets

EUR	Intangible rights	Other non-current expenditures	Other intangible assets	Goodwill	Total
Cost at 1 Jan 2023	34 089.75	262 031.30	26 500.00	0.00	322 621.05
Additions	37 340.91	0.00	104 026.61	0.00	141 367.52
Disposals	-6 200.00	-62 504.01	0.00	0.00	-68 704.01
Cost at 31 Dec 2023	**65 230.66**	**199 527.29**	**130 526.61**	**0.00**	**395 284.56**
Accumulated amortization and impairment losses at 1 Jan 2023	-9 649.00	-89 017.78	0.00	0.00	-98 666.78
Accumulated amortization on disposals and reclassifications	6 200.00	62 504.01	0.00	0.00	68 704.01
Amortization	-6 508.43	-53 395.53	-7 251.48	0.00	-67 155.44
Impairment	-5 800.00	-2 339.29	0.00		-8 139.29
Accumulated amortization and impairment losses at 31 Dec 2023	**-15 757.43**	**-82 248.59**	**-7 251.48**	**0.00**	**-105 257.50**
Book value 1 Jan 2023	24 440.75	173 013.52	26 500.00	0.00	223 954.27
Book value at 31 Dec 2023	**49 473.23**	**117 278.70**	**123 275.13**	**0.00**	**290 027.06**

EUR	Intangible rights	Other non-current expenditures	Other intangible assets	Goodwill	Total
Cost at 1 Jan 2022	34 089.75	209 125.80	0.00	100 000.00	343 215.55
Additions	0,00	52 905.50	26 500.00	3 058.50	82 464.00
Disposals	0.00	0.00	0.00	-103 058.00	-103 058.50
Cost at 31 Dec 2022	**34 089.75**	**262 031.30**	**26 500.00**	**0.00**	**322 621.05**
Accumulated amortization and impairment losses at 1 Jan 2022	-3 746.82	-43 275.18	0.00	-5 833.31	-52 855.31
Accumulated amortization on disposals and reclassifications	0.00	0.00	0.00	15 270.82	15 270.82
Amortization	-5 902.18	-45 742.60	0.00	-9 437.51	-61 089.29
Accumulated amortization and impairment losses at 31 Dec 2022	**-9 649.00**	**-89 017.78**	**0.00**	**0.00**	**-98 666.78**
Book value 1 Jan 2022	30 342.93	165 850.62	0.00	94 166.69	290 360.24
Book value at 31 Dec 2022	**24 440.75**	**173 013.52**	**26 500.00**	**0.00**	**223 954.27**

Tangible assets

EUR	Machinery and equipment	Total
Cost at 1 Jan 2023	148 994.43	148 994.43
Additions	0.00	0.00
Cost at 31 Dec 2023	**148 994.43**	**148 994.43**
Accumulated depreciation and impairment losses at 1 Jan 2023	-83 875.28	-83 875.28
Depreciation	-16 279.79	-16 279.79
Accumulated depreciation and impairment losses at 31 Dec 2023	**-100 155.07**	**-100 155.07**
Book value at 1 Jan 2023	65 119.15	65 119.15
Book value at 31 Dec 2023	**48 839.36**	**48 839.36**

EUR	Machinery and equipment	Total
Cost at 1 Jan 2022	107 535.43	107 535.43
Additions	41 459.00	41 459.00
Cost at 31 Dec 2022	**148 994.43**	**148 994.43**
Accumulated depreciation and impairment losses at 1 Jan 2022	-62 168.89	-62 168.89
Depreciation	-21 706.39	-21 706.39
Accumulated depreciation and impairment losses at 31 Dec 2022	**-83 875.28**	**-83 875,28**
Book value at 1 Jan 2022	45 366.54	45 366.54
Book value at 31 Dec 2022	**65 119.15**	**65 119.15**

Investments

EUR	Investments in Group companies	Total
Cost at 1 Jan 2023	165 406 373.58	165 406 373,58
Additions	0.00	0.00
Cost at 31 Dec 2023	**165 406 373.58**	**165 406 373.58**
Book value at 1 Jan 2023	165 406 373.58	165 406 373.58
Book value at 31 Dec 2023	**165 406 373.58**	**165 406 373.58**

EUR	Investments in Group companies	Total
Cost at 1 Jan 2022	115 909 034.40	115 909 034.40
Additions	49 497 339.18	49 497 339,18
Cost at 31 Dec 2022	**165 406 373.58**	**165 406 373,58**
Book value at 1 Jan 2022	115 909 034.40	115 909 034.40
Book value at 31 Dec 2022	**165 406 373.58**	**165 406 373,58**

Prepayments and accrued income

EUR	31 Dec 2023	31 Dec 2022
Other accrued income	410 626.89	273 385.27
Tax receivables	129 570.72	0.00
Prepayments and accrued income	**540 197.61**	**273 385.27**

Notes to equity and liabilities

Changes in equity

EUR	2023	2022
RESTRICTED EQUITY		
Share capital at 1 Jan	80 000.00	80 000.00
Share capital at 31 Dec	**80 000.00**	**80 000.00**
TOTAL RESTRICTED EQUITY	**80 000.00**	**80 000.00**
UNRESTRICTED EQUITY		
Reserve for invested unrestricted equity at 1 Jan	110 507 409.02	110 507 409.02
Reserve for invested unrestricted equity at 31 Dec	**110 507 409.02**	**110 507 409.02**
Retained earnings at 1 Jan	15 159 771.14	14 567 261.07
Dividend distribution	-3 757 022.25	-3 757 022.25
Retained earnings at 31 Dec	**11 402 748.89**	**10 810 238.82**
Profit (loss) for the financial year	**1 218 054.50**	**4 349 532.32**
TOTAL UNRESTRICTED EQUITY	**123 128 212.41**	**125 667 180.16**
TOTAL EQUITY	**123 208 212.41**	**125 747 180.16**

Specification of distributable funds

EUR	31 Dec 2023
Retained earnings	11 402 748.89
Profit (loss) for the financial year	1 218 054.50
Reserve for invested unrestricted equity	110 507 409.02
Total unrestricted equity	**123 128 212.41**
TOTAL DITRIBUTABLE FUNDS	**123 128 212.41**

Notes to Report of the Board of Directors according to Limited Liability Companies Act

Share capital of the company:

Share capital	2023	2022
Number of shares	25 046 815	25 046 815

The company has one share class, and each share entitles to one vote in the General Meetings. The shares carry no limitations on voting. The shares in the company do not have a nominal value. All Eezy's shares carry equal rights to dividends and other distributions of funds by the company (including distributions of assets in the event of the liquidation of the company).

Dividend proposal

Board of Directors proposes that no dividend will be distributed for year 2023.

Accruals and deferred income

EUR	31 Dec 2023	31 Dec 2022
Accrued interests of the loans from financial institutions	245 639.68	200 732.87
Accrued income taxes	0.00	423 225.38
Personnel related accrued expenses	642 475.66	718 611.52
Other accrued expenses	107 711.52	10 382.68
Accruals and deferred income	**995 826.86**	**1 352 952.45**

Collaterals and commitments

EUR	31 Dec 2023	31 Dec 2022
LIABILITIES, MORTGAGES AND SHARES AS COLLATERALS		
Liabilities to credit institutions, other mortgage as collateral	50 333 328.00	51 444 440.00
Liabilities to credit institutions	**50 333 328.00**	**51 444 440.00**
LIABILITIES, MORTGAGES AND SHARES AS COLLATERALS	**50 333 328.00**	**51 444 440.00**
MORTGAGE AND SHARES, COLLATERAL FOR LIABILITIES TO CREDIT INSTITUTIONS		
Company mortgage given to collateral for liabilities to credit institutions	100 000 000.00	100 000 000.00
Other mortgage, collateral for liabilities to credit institutions	**100 000 000.00**	**100 000 000.00**
Book value of pledged shares, collateral for liabilities to credit institutions	165 406 373.58	160 107 914.32
Pledged shares	**165 406 373.58**	**160 107 914.32**
MORTGAGE AND SHARES, COLLATERAL FOR LIABILITIES TO CREDIT INSTITUTIONS	**265 406 373.58**	**260 107 914.32**
COLLATERALS GIVEN ON OWN BEHALF		
Guarantees	543 380.80	183 177.91
Collaterals given	**543 380.80**	**183 177.91**
COLLATERALS GIVEN ON OWN BEHALF	**543 380.80**	**183 177.91**
COLLATERALS GIVEN ON BEHALF OF GROUP COMPANIES		
Guarantees	10 543 380.80	10 760 524.40
Collaterals given	**10 543 380.80**	**10 760 524.40**
COLLATERALS GIVEN ON BEHALF OF GROUP COMPANIES	**10 543 380.80**	**10 760 524.40**
COLLATERALS	**276 493 135.18**	**271 051 616.63**
COMMITMENTS AND OTHER OBLIGATIONS		
Rental liabilities, payable in less than one year	1 877 373.84	453 403.96
Rental liabilities, payble in more than one year	4 737 832.84	5 052 261.55
Rental liabilities	**6 615 206.68**	**5 505 665.51**
Lease obligations, payable in less than one year	116 814.17	83 577.57
Lease obligations, payble in more than one year	93 690.87	80 888.06
Lease obligations	**210 505.05**	**164 465.63**
COMMITMENTS	**6 825 711.73**	**5 670 131.14**

Signatures to the Financial Statements and Report of the Board of Directors

Helsinki, 14 February 2024

Tapio Pajuharju
Chair of the Board of Directors

Kati Hagros
Member of the Board of Directors

Maria Pajamo
Member of the Board of Directors

Paul-Petteri Savolainen
Member of the Board of Directors

Jarno Suominen
Member of the Board of Directors

Mika Uotila
Member of the Board of Directors

Mikko Wirén
Member of the Board of Directors

Siina Saksi
CEO

Auditor’s note

An auditor’s statement has been issued today on the complete audit.

Helsinki, 14 February 2024

KPMG Oy Ab

Esa Kailiala
Authorized Public Accountant

Auditor’s Report

This document is an English translation of the Finnish auditor’s report. Only the Finnish version of the report is legally binding.

To the Annual General Meeting of Eezy Oyj

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Eezy Oyj (business identity code 2854570-7) for the year ended 31 December, 2023. The financial statements comprise the consolidated balance sheet, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, including material accounting policy information, as well as the parent company’s balance sheet, income statement, statement of cash flows and notes.

In our opinion

- the consolidated financial statements give a true and fair view of the group’s financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU
- the financial statements give a true and fair view of the parent company’s financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report submitted to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

In our best knowledge and understanding, the non-audit services that we have provided to the parent company and group companies are in compliance with laws and regulations applicable in Finland regarding these services, and we have not provided any prohibited non-audit services referred to in Article 5(1) of regulation (EU) 537/2014. The non-audit services that we have provided have been disclosed in note 9 to the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Materiality

The scope of our audit was influenced by our application of materiality. The materiality is determined based on our professional judgement and is used to determine the nature, timing and extent of our audit procedures and to evaluate the effect of identified misstatements on the financial statements as a whole. The level of materiality we set is based on our assessment of the magnitude of misstatements that, individually or in aggregate, could reasonably be expected to have influence on the economic decisions of the users of the financial statements. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for qualitative reasons for the users of the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The significant risks of material misstatement referred to in the EU Regulation No 537/2014 point (c) of Article 10(2) are included in the description of key audit matters below.

We have also addressed the risk of management override of internal controls. This includes consideration of whether there was evidence of management bias that represented a risk of material misstatement due to fraud.

THE KEY AUDIT MATTER	HOW THE MATTER WAS ADDRESSED IN THE AUDIT
Revenue recognition (EUR 219.0 million) (Accounting policies for the consolidated financial statements and note 3)	
- Eezy Group's revenue comprises income from staffing services, professional services as well as light entrepreneurship services. - The amount and timing of recognition of reportable revenues depend on range of services, contract terms and conditions, and contract term. - Revenue recognition involves a risk of revenue being recognized in the financial statements in the incorrect period or at inaccurate amount.	- We evaluated the appropriateness of the company's revenue recognition policies applied and tested related internal controls in place. - We verified the accuracy of revenue recognition by testing on a sample basis that the service provided and the related invoice were recognized in the appropriate period in accordance with the contract terms, among others. In respect of trade receivables we examined doubtful receivables. - Furthermore, we inspected credit notes and controls over credit note approval and recognition.
Valuation of consolidated goodwill (EUR 141.7 million) and subsidiary shares in parent company's financial statements (EUR 165.4 million) (Accounting policies for the consolidated financial statements, note 15 and notes to the parent company financial statements)	
- At the balance sheet date 31 December 2023 goodwill totaled EUR 141.7 million, representing approximately 69% of the consolidated total assets. The subsidiary shares, EUR 165.4 million, account for approximately 84% for the parent company's total assets. - Consolidated goodwill is not amortised but is tested at least annually for impairment. Valuation of subsidiary shares is tested in connection with the goodwill impairment testing. - Group management is responsible for preparing impairment tests. The calculations use discounted future cash flow forecasts in which management makes significant judgments over revenue growth rate, discount rate and long-term growth rate underlying the projections. - Preparation of impairment testing calculations requires management make significant judgments and estimates about the future.	- We assessed the appropriateness of the cash flow forecasts and discount rates used in the calculations. We analysed critically the management assumptions underlying the future cash flow forecasts. - We utilized our own valuation specialists that assessed the technical accuracy of the calculations and compared the assumptions used to market and industry information. - In the year-end audit we considered the appropriateness and adequacy of the notes provided on goodwill, subsidiary shares and impairment testing calculations.

Interest-bearing liabilities (EUR 58.3 million)
(Notes 24 and 26 to the consolidated financial statements)

- At the financial year-end 2023 the consolidated interest-bearing liabilities totaled EUR 58.3 million, representing approximately 28 % of the consolidated equity and liabilities.
- Eezy Oyj has renewed its long-term loan contracts during October 2023 and most of the loans will mature in the year 2028.

- As part of the year-end audit procedures, we reconciled the interest-bearing liability balances to external confirmations.
- We considered the appropriateness of the notes concerning the interest-bearing liabilities.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Reporting Requirements

Information on our audit engagement

We have been appointed as auditors by the Annual General Meeting, and our appointment represents a total period of uninterrupted engagement of seven years. Eezy Oyj has been a public interest entity since 9.9.2020.

Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. We have obtained the report of the Board of Directors prior to the date of this auditor's report, and the Annual Report is expected to be made available to us after that date. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to the report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Helsinki 14.2.2024

KPMG OY AB

ESA KAILIALA
Authorised Public Accountant, KHT