



Eezy Plc

Q4/2021

Financial Statements Bulletin

January–December 2021

Excellent profitability development

In Brief

October–December 2021

- Revenue was EUR 60.5 million (EUR 43.4 million in October–December 2020).
- EBITDA was EUR 5.3 million (3.4).
- EBIT was EUR 3.2 million (1.5) and was 5.2% of revenue.
- Earnings per share was EUR 0.08 (0.02).
- Revenue grew by 39% and EBIT by 116%.
- Business continued to normalize from Corona conditions.

January–December 2021

- Revenue was EUR 203.3 million (EUR 190.6 million in January–December 2020).
- EBITDA was EUR 19.5 million (13.5).
- EBIT was EUR 11.8 million (5.6) and was 5.8% of revenue.
- Earnings per share was EUR 0.31 (0.11).
- EBIT doubled from previous year.

Dividend proposal

Board of Directors proposes a dividend of EUR 0.15 per share, of which EUR 0.10 will be paid in April and EUR 0.05 in October.

Outlook for 2022

Eezy expects revenue to grow and EBIT-% to increase during 2022. The guidance will be made more precise during the year.

Key figures (IFRS)

EUR million, unless otherwise specified	10–12/2021	10–12/2020	1–12/2021	1–12/2020
Revenue	60.5	43.4	203.3	190.6
EBITDA	5.3	3.4	19.5	13.5
EBITDA, %	8.7%	7.8%	9.6%	7.1%
EBIT	3.2	1.5	11.8	5.6
EBIT, %	5.2%	3.4%	5.8%	2.9%
EPS, undiluted, EUR	0.08	0.02	0.31	0.11
EPS, diluted, EUR	0.08	0.02	0.30	0.11
Net debt / EBITDA ¹	-	-	2.4 x	3.1 x
Chain-wide revenue	89.7	67.9	305.5	282.6

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

Our operating profit doubled

"We have learned to cope with Corona, and managed to double our operating profit in 2021, both for the last quarter and for the whole year. We have also progressed with our growth strategy by selected acquisitions. The year as a whole was a success.

Pace accelerated toward year-end

In the last quarter we enjoyed wide growth in our business areas, and grew more rapidly than the markets. The total revenue grew by 39% and our operating profit doubled. Greatest is that almost all growth was organic. The value of the quarter's performance increases further, when taking into account the Corona restrictions that burdened our Horeca business.

In the staffing services both the industrial sector and our franchise chain performed really strongly. In the professional services we achieved an outstanding 82% growth. In line with our strategy, the revenue share of high-margin services grew also in this quarter.

During the quarter we completed two acquisitions that help us in our future growth. In early October we boosted our foreign recruitment capabilities by acquiring Triton. In November we acquired Valmennuskeskus that widens our contact surface to the young people and significantly enlarges our employment training and coaching services to the public sector.

Great year 2021 despite restrictions

I am proud of our organization's ability to adapt to continuous external changes. Although we had a long lock-down in the early part and a shorter lock-down at the end of the year, practically almost all our businesses have still grown strongly and that showed up in our profit. Both the staffing services and the professional services have been top performers. In the third quarter we achieved the highest quarterly profit in Eezy's history, and doubling the full-year profit is a really great achievement.

Profit growth also helps to prove that the continuous improvement of our operations has continued. Even with a small 6% organic growth our fixed costs have scaled. We have used the Corona years to unify and develop our processes. I believe that once the volumes normalize, we can further increase our profitability thanks to the scale benefits.

Refining the strategy

We refined our strategy in December and set our targets for the next few years. We kept our ambitious long-term growth targets intact, but due to Corona we updated the timetable.

Our goal is to double our revenue in the next four years. Our growth expectations are based both on organic growth in the growing markets, and also on acquisitions that help us to accelerate our growth in selected business areas. We

aim to expand our service offering to new services, and the success and well-being of an individual is at the center of our strategy.

The acquisitions done in late 2021 are examples of determined steps in our road forward. With the Triton acquisition we seek a substantial growth in international recruitment, and with Valmennuskeskus our significance in training young people and provider of employment related training and coaching services grew substantially. Both acquisitions help us to solve the acute labor shortage. We want to be the most significant reformer of the working life, so we will continue acquisitions that bring us knowledge, labor and customers and expand our service offering.

The Corona period has also created a digital leap in many of our businesses, and we will increase investments in developing digital services. We aim to further increase automation in the routine tasks, and increase the utilization of data and artificial intelligence for the benefit of our customers and employees.

Finally toward normal

We expect growth in revenue and operating profit from this year. We will provide more precise guidance once the Corona situation stabilizes.

Although the Corona restrictions have once again affected our Horeca business, we believe that the society will widely reopen during the spring. For the first time in the history of the new Eezy we will be able to operate in normal market conditions. Our organization has already shined in special circumstances, so I am really confident and really excited about the forthcoming year."

"In good shape to year 2022"



Sami Asikainen, CEO

Market review

The HR services market relevant to Eezy's business includes staffing services, light entrepreneurship services and selected professional services. Markets are estimated to have contracted temporarily by 15-25% and to have already recovered to near the previous levels. Due to the working life megatrends and the increased need for flexible workforce we expect the markets to continue on growth track.

According to an estimate by management, the size of the entire HR services market in Finland was EUR 3 billion in 2021, of which the staffing services were EUR 2.4 billion. The market size of the relevant recruitment services was somewhat over EUR 100 million. The market size of light entrepreneurship services has been estimated to be approx. EUR 250 million.

According to The Private Employment Agencies Association (HPL), the revenue of the largest companies in the staffing service market increased 26% in November and 7% in January-November compared to last year. According to HPL, the economic outlook in staffing services is good.

The management estimates that also the professional services market is growing again. In the light entrepreneurship services market, the competition has increased due to new actors.

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.

Corona effects

Corona virus has strongly affected our customers and us since spring 2020. The progress of vaccinations and subsequent easing of restrictions during summer 2021 turned the business back to growth.

Corona's effects can be clearly seen in the industrial and construction sectors, which normally generate half of our revenue. The sector as whole has recovered well and enjoys good demand. Importing foreign labor is still difficult.

The negative impact has been largest in the Horeca sector, which normally generates about one quarter of our revenue. The volumes strongly picked up during the summer and autumn, but weakened again in December due to Corona restrictions.

Volumes in the retail sector have been mildly growing.

The Corona spike caused by the Omicron variant has since December significantly affected the Horeca sector

Possible sick leaves can increase our cost level.

The role of workforce availability has increased again, like before Corona. Workforce availability problems are expected to grow on the Horeca sector, but challenges are found also on other sectors.

Lengthened crisis may increase customers' financial difficulties, which can lead to credit losses. Our own liquidity is currently good.

Revenue

October–December

Eezy's revenue amounted to EUR 60.5 million (43.4), increasing by 39% compared to the corresponding period in the previous year.

Revenue increased by 37% in the staffing service area. In the professional services area revenue increased by 82% mainly due the strengthening of the market. In the light entrepreneurship service area revenue decreased by 5%.

Eezy's chain-wide revenue amounted to EUR 89.7 million (67.9) increasing by 32%. Franchise fees totaled EUR 2.0 million (1.7). The invoicing volume of light entrepreneurship services was EUR 11.6 million (10.9).

Revenue increased by 37% in the Work and Talent business unit due the Corona recovery in staffing and good growth in recruitment services. In the Growth and Renewal business unit revenue increased by 75% due to both the Corona recovery and the Valmennuskeskus acquisition.

January–December

Eezy's revenue amounted to EUR 203.3 million (190.6), increasing by 7% compared to the previous year.

Revenue in the staffing service area increased by 3%. Growth was limited by the small volumes in Horeca and industrial sectors in the early part of the year. In the professional services area revenue increased by 87% due to both the acquisitions done in the previous year and the organic growth. In the light entrepreneurship service area revenue decreased by 8%.

Eezy's chain-wide revenue amounted to EUR 305.5 million (282.6) increasing by 8%. Franchise fees totaled EUR 7.1 million (6.1). The invoicing volume of light entrepreneurship services was EUR 41.4 million (41.9).

Revenue increased by 5% in the Work and Talent business unit due to weak early part of the year. In the Growth and Renewal business unit revenue increased by 64% due to both the Corona recovery and the acquisitions done.

Revenue by service area

EUR million	10–12/2021	10–12/2020	Change %	1–12/2021	1–12/2020	Change %
Staffing services	51.5	37.5	37%	178.1	173.4	3%
Franchise fees	2.0	1.7	20%	7.1	6.1	16%
Professional services	6.3	3.5	82%	15.7	8.4	87%
Light entrepreneurship services	0.7	0.7	-5%	2.5	2.7	-8%
Total	60.5	43.4	39%	203.3	190.6	7%

Revenue by business unit

EUR million	10–12/2021	10–12/2020	Change %	1–12/2021	1–12/2020	Change %
Work and Talent	55.7	40.7	37%	193.1	184.4	5%
Growth and Renewal	4.7	2.7	75%	10.1	6.2	64%
Total	60.5	43.4	39%	203.3	190.6	7%

Result

October–December

EBITDA was EUR 5.3 million (3.4). Operating profit was EUR 3.2 million (1.5).

Total depreciation, amortization and impairment was EUR 2.1 million, of which EUR 1.0 million was acquisition related amortization. The result before taxes was EUR 2.8 million (1.0) and the result for the period was EUR 2.2 million (0.8). Earnings per share was EUR 0.08 (0.02).

January–December

EBITDA was EUR 19.5 million (13.5). Operating profit was EUR 11.8 million (5.6). Negative impact of Corona was visible in all business areas in the early part of the year. Profitability improved toward the end of the period, as the society normalized along the vaccinations.

Other operating income includes approx. EUR 1.7 million positive impact from change in light entrepreneurship service fee's VAT handling and the Corona subsidy from State treasury totaling EUR 1.0 million.

Total depreciation, amortization and impairment was EUR 7.7 million, of which EUR 4.0 million was acquisition related amortization. The result before taxes was EUR 10.3 million (4.0) and the result for the period was EUR 8.1 million (3.2). Earnings per share was EUR 0.31 (0.11).

Financial position and cash flow

Eezy's consolidated balance sheet on 31 December 2021 amounted to EUR 206.8 million (205.2), of which equity made up EUR 109.1 million (103.7).

As of 31 December 2021, the Group has liabilities to credit institutions amounting to EUR 48.3 million (51.9), of which EUR 43.9 (47.6) was non-current.

Cash balance on 31 December 2021 was EUR 6.1 million (15.4). The Group has overdraft facilities in total of EUR 10.0 million, all of which were unused on 31 December 2021. The remaining positive effect from relaxed due dates on pension payments and taxes was approx. EUR 1 million.

Equity ratio stood at 52.8% (50.6%). The Group's net debt including IFRS16 leasing items on 31 December 2021 amounted to EUR 48.7 million (42.4). Net debt excluding IFRS16 leasing items was EUR 44.2 million (36.4). The net debt/EBITDA ratio was 2.4 x (3.1 x).

Operative free cash flow amounted to EUR 7.4 million (2.2) in October–December and EUR 8.3 million (21.3) in January–December. Tax and pension payments of approx. EUR 9 million, related to Corona actions in 2020, decreased cash flow as planned.

Investments and acquisitions

Eezy's investments in subsidiary shares presented in the cash flow statement amounted to EUR 4.6 million (1.5) in October–December and EUR 4.6 million (2.1) in January–December. Investments include acquisitions of Triton Henkilöstöpalvelut Oy and KK Valmennuskeskus Oy as well as an additional purchase price relating to an earlier acquisition.

On 1 October 2021 Eezy strengthened its recruitment of labour from outside Finland through its purchase of Triton Henkilöstöpalvelut Oy (current Eezy Triton Oy), which imports labour to Finland from several eastern European countries. Triton was established in 2018 and revenue stands at approx. EUR 4 million.

Eezy strengthened its offering to the public sector by acquiring KK Valmennuskeskus Oy (current Eezy Valmennuskeskus Oy) on 1 November 2021. The revenue of Valmennuskeskus is approx. EUR 10 million.

Eezy sold its Swedish subsidiary VMP-Group Sweden AB to Palm & Partners Bemanning AB on 4 January 2021. The

transaction did not significantly impact Eezy's result in 2021.

Investments in tangible and intangible assets totaled EUR 0.4 million (0.8) in October–December and EUR 1.7 million (2.1) in January–December. Investments in tangible and intangible assets were mainly related to IT investments.

Employees

Eezy employs people in Group functions and as staffed employees assigned to customer companies. In October–December, Eezy employed an average of 437 (359) and in January–December 374 (370) on average people in Group functions and on average 3 860 (2 722) in October–December and 3 320 (3 309) in January–December staffed employees on FTE basis.

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

Changes in management and organisation

The company announced in August changes to the composition of the management team and the organization.

Going forward, the business units are:

- The Work and Talent business unit offers services for staff leasing, recruitment, headhunting and relocation, through our own business units as well as through our franchise units.
- The Growth and Renewal business unit offers organisational and management research and development services as well as training services. It also develops and sells services and platforms that promote the renewal of the working life, such as light entrepreneurship services.

Management team of the Eezy group:

- Sami Asikainen, CEO
- Hannu Nyman, CFO
- Pasi Papunen, Director, Growth and Renewal
- Thomas Hynninen, Director, Work and Talent
- Hanna Lehto, Director, People and Culture
- Isa Merikallio, Content Director
- Päivi Salo, CDO

On 8 December 2021, Pasi Papunen was appointed as an executive vice president.

Shares and shareholders

On 31 December 2021, Eezy Plc had 25 046 815 (24 849 375) registered shares. In the review period, in total 197 440 new shares were issued, of which 45 843 for completing the Eezy Triton acquisition and 151 597 for completing the Eezy Valmennuskeskus acquisition. The company holds no treasury shares. The company had 2 627 (2 625) shareholders, including nominee registered shareholders.

In January–December 2021, a total of 4 046 053 (3 305 350) shares were traded and the total trading volume was EUR 23.7 million (15.6). During the period, the highest quotation was EUR 7.20 (7.35) and the lowest EUR 4.90 (2.58). The volume-weighted average price of the share was EUR 5.85 (4.73). The closing price of the share at the end of December was EUR 5.98 (5.90) and the market value stood at EUR 149.8 million (146.6).

On 31 December 2021, the members of the Board of Directors and the members of the management team owned a total of 1 237 129 (1 433 171) Eezy shares, corresponding to approximately 4.9% (5.8%) of shares and of the votes to which they entitle. The share numbers include the direct holdings of the persons in question and their controlled companies. In addition, Board members are employed in managerial duties by significant shareholders.

Ten largest shareholders as of 31 December 2021:

Shareholder	Shares	%
1. Sentica Buyout V Ky	6 105 458	24.38
2. NoHo Partners Oyj	5 864 745	23.42
3. Meissa-Capital Oy	3 223 071	12.87
4. Evli Finnish Small Cap Fund	1 121 699	4.48
5. OP Finland Micro Cap Fund	572 757	2.29
6. S-Bank Fenno Equity Fund	421 062	1.68
7. Asikainen Sami	414 350	1.65
8. Säästöpankki Small Cap Fund	322 200	1.29
9. Ilmarinen Mutual Pension	274 261	1.09
10. Laine Capital Oy	256 785	1.03
10 largest in total	18 576 388	74.17
Nominee-registered	2 227 952	8.90
Others	4 242 475	16.94
Total	25 046 815	100.00

The company has received flagging notices during the period: The ownership of NoHo Partners Plc has decreased below 25%, and the ownership of Handelsbanken Fonder AB has exceeded 5%.

Governance

Annual General Meeting

The Annual General Meeting (AGM) was held on 13 April 2021. The AGM adopted the Financial Statements for the year 2020.

The AGM decided that for year 2020 a dividend of EUR 0.10 per share is distributed by a resolution of the general meeting. The dividend, EUR 2.5 million in total, was paid on 22 April 2021. In addition, the board of directors was authorised to later decide on a possible dividend of max. EUR 0.05 per share. On 8 December 2021, the board of directors decided on using the authorisation given by the AGM. The dividend of EUR 0.05 per share, EUR 1.3 million in total, was paid on 17 December 2021. The total dividend from year 2020 has been EUR 0.15 per share.

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

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

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

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

Valid authorizations

The authorizations given by the AGM on 13 April 2021 are described in detail in the stock exchange release about the AGM's decisions.

The AGM authorized the board of directors to decide on the distribution of dividends from the company's unrestricted equity so that the amount of dividends to be distributed does not exceed a total of EUR 0.05 per share. The authorization was used on 8 December 2021.

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

meeting of 2022, 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 4 800 000 shares. The authorisation is valid until the end of the annual general meeting of 2022, however, for a maximum of 18 months. Based on the authorization, 45 843 new shares have been issued for the Eezy Triton acquisition and 151 597 shares for the Eezy Valmennuskeskus acquisition.

Long-term incentive plan

In November, Eezy Plc's Board of Directors resolved to amend the terms of the long-term incentive plan for the company's key employees due to the changes in the company's business environment caused by the Coronavirus pandemic. The terms of the long-term incentive plan was amended by extending the duration of the long-term incentive plan by one year until 2026 and adding a new earning period.

The establishment of the long-term incentive plan has been announced on 18 December 2019. No shares were issued for the first and second earning period.

Eezy Plc's Board of Directors has resolved on the third earning period of the long-term incentive plan for the company's key employees. The third earning period is 13 months, starting on 1 December 2021, and ending on 31 December 2022. The reward criteria for the third earning period are based on Eezy Plc's revenue and operating profit margin. There are 18 participants in the long-term incentive plan's third earning period. A maximum of 246 000 reward shares could be awarded for the third 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.

Corona virus and the restrictions related to it may continue to weaken the general economic conditions in Finland. This may negatively affect Eezy by customers' businesses stopping or disturbing, or by customers' financial difficulties. The virus can also directly affect Eezy through the sick leaves of either staffed employees or employees in group functions.

Poor economic development in Finland may have an indirect adverse impact on Eezy's business and result. In

economic downturn it is possible that companies use less staffing services and other HR services offered by Eezy.

Material short-term risks also include tighter competition in the HR and recruitment market, changes in legislation or collective agreements, and the cyclical nature of the business.

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

More information about risk management is available on the company website.

Guidance for 2022

Eezy expects revenue to grow and EBIT-% to increase during 2022. The guidance will be made more precise during the year.

Dividend proposal

The parent company's distributable funds in the financial statement on 31 December 2021 was EUR 125.1 million, of which profit for the financial period was EUR 3.2 million. Board of Directors proposes a dividend of EUR 0.15 per share, of which EUR 0.10 will be paid in April and EUR 0.05 in October.

Eezy Plc
Board of Directors

More information:

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Result publication event:

A Finnish-language briefing for analysts and media will be held on 17 February 2022 at 13.00 Finnish time as a webcast at <https://eezy.videosync.fi/2021-q4-tulos>

The briefing will be hosted by CEO Sami Asikainen and CFO Hannu Nyman. During the presentation, there will be an opportunity to ask questions. The presentation material will be available at the company website at <https://sijoittajat.eezy.fi/en/investors/reports-and-presentations/> before the conference. A recording of the audiocast will be available at the same website later.

Result dates

Financial Statements 2021	week 11/2022
Interim Report January–March 2022	10 May 2022
Half-Year Report January–June 2022	9 Aug 2022
Interim Report January–September 2022	8 Nov 2022

Consolidated statement of comprehensive income (IFRS)

(unaudited)

EUR thousand	1 Oct – 31 Dec 2021	1 Oct – 31 Dec 2020	1 Jan – 31 Dec 2021	1 Jan – 31 Dec 2020
Revenue	60 455	43 421	203 328	190 637
Other operating income	93	151	3 070	1 330
Share of result of equity accounted investments	-	-	-	-1
Materials and services	-2 283	-1 416	-6 059	-4 444
Personnel expenses	-48 746	-34 338	-165 576	-155 124
Other operating expenses	-4 244	-4 413	-15 270	-18 904
Depreciation, amortization and impairment losses	-2 101	-1 933	-7 680	-7 929
Operating profit	3 173	1 472	11 812	5 565
Financial income	45	24	149	150
Financial expense	-421	-457	-1 614	-1 702
Financial income and expenses	-376	-433	-1 465	-1 552
Profit before taxes	2 797	1 039	10 348	4 014
Income taxes	-557	-248	-2 266	-819
Profit for the period	2 240	792	8 081	3 195
Profit attributable to				
Owners of the parent company	2 034	555	7 601	2 680
Non-controlling interests	206	237	480	515
Profit for the period	2 240	792	8 081	3 195
Earnings per share, basic (EUR)	0.08	0.02	0.31	0.11
Earnings per share, diluted (EUR)	0.08	0.02	0.30	0.11
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Changes in the fair value of share investments	-	113	3	-78
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translating foreign operations	-	10	50	8
Other comprehensive income for the period, net of tax	-	123	52	-69
Total comprehensive income for the period	2 240	915	8 134	3 126
Total comprehensive income attributable to				
Owners of the parent company	2 034	678	7 653	2 611
Non-controlling interests	206	237	480	515
Total comprehensive income for the period	2 240	915	8 134	3 126

Consolidated balance sheet (IFRS)

EUR thousand	31 Dec 2021	31 Dec 2020
ASSETS		
Non-current assets		
Goodwill	134 054	127 938
Intangible assets	28 314	29 731
Property, plant and equipment	5 095	6 984
Investments in shares	240	586
Receivables	1 152	1 227
Deferred tax asset	201	374
Total non-current assets	169 056	166 841
Current assets		
Trade receivables and other receivables	31 649	20 851
Current income tax receivables	14	0
Cash and cash equivalents	6 106	15 447
Total current assets	37 769	36 298
Assets classified as held for sale	-	2 096
TOTAL ASSETS	206 825	205 235
EQUITY AND LIABILITIES		
Equity attributable to the owners of the parent company		
Share capital	80	80
Reserve for invested unrestricted equity	107 876	106 572
Fair value reserve	-	-3
Translation differences	-	-50
Retained earnings	-1 857	-5 714
Total equity attributable to the owners of the parent company	106 099	100 885
Non-controlling interests	3 037	2 859
Total equity	109 136	103 744
Non-current liabilities		
Loans from financial institutions	43 924	47 630
Lease liabilities	2 527	3 998
Other liabilities	1 944	66
Deferred tax liability	5 190	5 504
Total non-current liabilities	53 586	57 198
Current liabilities		
Loans from financial institutions	4 400	4 247
Lease liabilities	1 975	1 986
Trade payables and other liabilities	35 499	34 630
Current income tax liabilities	2 228	1 679
Total current liabilities	44 102	42 542
Liabilities directly associated with assets classified as held for sale	-	1 752
Total liabilities	97 688	101 491
TOTAL EQUITY AND LIABILITIES	206 825	205 235

Consolidated cash flow statement (IFRS)

EUR thousand	1 Oct – 31 Dec 2021	1 Oct – 31 Dec 2020	1 Jan – 31 Dec 2021	1 Jan – 31 Dec 2020
Cash flows from operating activities				
Customer payments received	59 955	47 708	196 950	204 069
Cash paid to suppliers and employees	-52 183	-44 747	-186 967	-180 705
Cash flows from operating activities before financial items and taxes	7 771	2 961	9 982	23 363
Interest paid	-921	-1 049	-1 497	-1 627
Interest received	25	19	64	66
Other financial items	20	7	67	52
Income taxes paid	-416	363	-2 497	-397
Loans granted	-	-	-	-21
Proceeds from repayments of loans	2	84	43	142
Net cash flows from operating activities	6 481	2 385	6 163	21 579
Cash flows from investing activities				
Purchase of tangible and intangible assets	-361	-781	-1 688	-2 096
Proceeds from sale of tangible assets	47	30	231	332
Acquisition of subsidiaries, net of cash acquired	-4 609	-1 514	-4 609	-2 082
Disposal of subsidiaries	-	-	500	-
Disposal of equity accounted investments	-	-	-	135
Proceeds from sale of investments	-	3	311	41
Proceeds from repayments of loans	185	2	190	8
Net cash flows from investing activities	-4 738	-2 260	-5 065	-3 663
Cash flows from financing activities				
Change in non-controlling interests	-	-	-41	-118
Repayment of current borrowings	-3 207	-3 123	-4 328	-3 204
Repayment of non-current borrowings	-	-	-	-79
Payment of lease liabilities	-543	-563	-2 050	-1 998
Dividends paid	-1 252	-2 485	-4 021	-2 779
Net cash flows from financing activities	-5 003	-6 171	-10 439	-8 177
Net change in cash and cash equivalents	-3 259	-6 047	-9 341	9 739
Cash and cash equivalents at the beginning of the reporting period	9 365	21 493	15 447	5 710
Effects of exchange rate changes	-	1	-	-1
Cash and cash equivalents at the end of the reporting period	6 106	15 447	6 106	15 447

Changes in equity

EUR thousand	Attributable to owners of the parent							Non-controlling interests	Total equity
	Share capital	Reserve for invested unrestricted equity	Fair value reserve	Translation differences	Retained earnings	Total			
Equity									
1 Jan 2021	80	106 572	-3	-50	-5 714	100 885	2 859	103 744	
Result for the period	-	-	-	-	7 601	7 601	480	8 081	
Other comprehensive income:									
Change in fair value	-	-	3	-	-	3	-	3	
Translation differences	-	-	-	50	-	50	-	50	
Other comprehensive income for the period, net of tax	-	-	3	50	-	52	-	52	
Total comprehensive income	-	-	3	50	7 601	7 653	480	8 134	
Transactions with owners									
Dividend distribution	-	-	-	-	-3 737	-3 737	-284	-4 021	
Share issue	-	1 305	-	-	-	1 305	-	1 305	
Changes in non-controlling interests	-	-	-	-	-23	-23	-18	-41	
Share based payments	-	-	-	-	16	16	-	16	
Total equity									
31 Dec 2021	80	107 876	-	-	-1 857	106 099	3 037	109 136	

EUR thousand	Attributable to owners of the parent							Non-controlling interests	Total equity
	Share capital	Reserve for invested unrestricted equity	Fair value reserve	Translation differences	Retained earnings	Total			
Equity									
1 Jan 2020	80	106 572	75	-53	-5 864	100 809	1 024	101 833	
Result for the period	-	-	-	-	2 680	2 680	515	3 195	
Other comprehensive income:									
Change in fair value	-	-	-78	-	-	-78	-	-78	
Translation differences	-	-	-	4	5	8	-	8	
Other comprehensive income for the period, net of tax	-	-	-78	4	5	-69	-	-69	
Total comprehensive income	-	-	-78	4	2 685	2 611	515	3 126	
Transactions with owners									
Dividend distribution	-	-	-	-	-2 485	-2 485	-294	-2 779	
Changes in non-controlling interests	-	-	-	-	-59	-59	1 613	1 554	
Share based payments	-	-	-	-	9	9	-	9	
Other changes	-	-	-	-	1	1	1	2	
Total equity									
31 Dec 2020	80	106 572	-3	-50	-5 714	100 885	2 859	103 744	

Notes to the Financial Statements Bulletin

Eezy Group is a versatile HR services company creating successful work experiences by offering staffing services and light entrepreneurship services as well as a wide range of professional services and training services for the working life.

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

Basis of preparation

Eezy Plc has prepared this Financial Statements Bulletin in accordance with IAS 34 Interim Financial Reporting. The financial information in the Financial Statements Bulletin has been prepared in accordance with International Financial Reporting Standards (IFRS) and the accounting policies comply with the IFRS standards and IFRIC interpretations effective as at 31 December 2021. The accounting policies in the Financial Statements Bulletin are the same as in Financial Statement 2020.

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

Accounting estimates

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

Effect of COVID-19 to accounting estimates and Group's business

The overall impact from COVID-19 on revenue has varied in accordance with the level of restrictions throughout the pandemic. Corona virus pandemic has had a negative effect on both general economic conditions in Finland and internationally as well as customers businesses, which in turn has diminished the demand for staffing and other HR services. Spreading of COVID-19 virus and restrictions and negative effects on customer demand caused by it have affected adversely Eezy's financial result and business especially in the Horeca sector, which is impacted by the restrictions posed on restaurants. Restrictions on travelling have also an impact on importing foreign labor. Corona's negative effects have been clearly seen also in the industrial and construction sectors, but the situation has improved in the second half of 2021. The Omicron variant in late 2021 has again weakened Horeca and increased the risk level. Eezy's management has updated business forecasts according to the effects of the pandemic, but the outlook for short-term development taking into account vaccination coverage, the level of restrictions has been challenging since the operational requirements of our customer can change rapidly, for example due to new variants.

Key assumptions of impairment testing

The business growth and EBITDA used in goodwill impairment testing are based on management's assessment of the speed of recovery from the COVID-19 situation as well as the future market demand and workforce availability. Goodwill is tested regularly for impairment. No indications of impairment have been noticed at the time of preparation of the Financial Statements Bulletin.

Revenue

Eezy's revenue comprises income from staffing services, professional services and 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 recruitment, aptitude testing, training and development and executive search services. Additionally, Eezy provides consulting services for organizational development and personnel surveys. Flow acquisition in 2020 increased the share of consulting services and the Valmennuskeskus acquisition in late 2021 increased the amount of training and coaching services. Valmennuskeskus offers workforce training, coaching, guidance and rehabilitation services 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 by service area:

EUR thousand	1 Oct – 31 Dec 2021	1 Oct – 31 Dec 2020	1 Jan – 31 Dec 2021	1 Jan – 31 Dec 2020
Staffing services	51 451	37 540	178 054	173 388
Franchise fees	2 006	1 676	7 058	6 106
Professional services	6 288	3 456	15 723	8 422
Light entrepreneurship services	710	749	2 493	2 721
Total revenue	60 455	43 421	203 328	190 637

Eezy has two business units. The Work and Talent business unit offers services for staff leasing, recruitment, headhunting and relocation, through its own business units as well as through its franchise units. The Growth and Renewal business unit offers organisational and management research and consulting services, as well as training and coaching services. It also develops and sells services and platforms that promote the renewal of the working life, such as light entrepreneurship services.

Revenue by business unit:

EUR thousand	1 Oct – 31 Dec 2021	1 Oct – 31 Dec 2020	1 Jan – 31 Dec 2021	1 Jan – 31 Dec 2020
Work and Talent	55 744	40 730	193 138	184 417
Growth and Renewal	4 711	2 691	10 190	6 220
Total revenue	60 455	43 421	203 328	190 637

Business combinations

Acquisitions 2021

Acquisition of Eezy Valmennuskeskus, Eezy Triton and ValueScout

Eezy strengthened its offering to the public sector by acquiring KK Valmennuskeskus Oy (current Eezy Valmennuskeskus Oy) on 1 November 2021. The revenue of Valmennuskeskus is approx. EUR 10 million.

On 1 October 2021 Eezy strengthened its recruitment of labour from outside Finland through its purchase of Triton Henkilöstöpalvelut Oy (current Eezy Triton Oy), which is a company that recruits labour from several eastern European countries. Eezy Triton Oy was established in 2018 and revenue stands at approx. EUR 4 million.

Eezy strengthened its research business by acquiring ValueScout research method business on 1 June 2021. ValueScout is a research method which examines emotional experience and finds hidden growth potential in customer, brand and personnel experience.

EUR thousand	Eezy Valmennuskeskus	Eezy Triton	ValueScout
Purchase considerations			
Cash consideration	3 781	894	100
Shares issued	999	306	-
Contingent consideration	1 868	-	-
Total purchase consideration	6 647	1 200	100

Shares issued in exchange for Eezy Valmennuskeskus and Eezy Triton

The fair value of Eezy shares issued in exchange for Eezy Valmennuskeskus is EUR 999 thousand based on the number of 152 thousand shares and subscription price of EUR 6.5867 (volume weighted average price in 22–28 October 2021).

The fair value of Eezy shares issued in exchange for Eezy Triton is EUR 306 thousand based on the number of 46 thousand shares and subscription price of EUR 6.6750 (volume weighted average price in 27–29 September 2021).

Contingent considerations of acquiring Eezy Valmennuskeskus and Value Scout

Eezy acquired a 80% majority of the shares of Eezy Valmennuskeskus on 1 November 2021. According to the terms of the acquisition, both Eezy and the non-controlling interests of Eezy Valmennuskeskus have the right to execute trade over remaining 20% of the shares of Eezy Valmennuskeskus in 2024. The purchase price of the shares that Eezy may acquire later is based on the profitability of Eezy Valmennuskeskus in 2022–2023. Because of the sell and purchase options in the agreement, Eezy Valmennuskeskus has been consolidated by 100-percent to Eezy Group since 1 November 2021, and contingent consideration measured at fair value of EUR 1 868 thousand has been recorded for the purchase price of the non-controlling interest.

There is an additional contingent consideration included in the acquisition agreement of ValueScout, which is determined based on the sales margin for the period of 1 June 2021 – 30 May 2026. According to the company's management estimate, EUR 79 thousand represents the fair value of the additional purchase consideration at the time of acquisition. Based on the terms of the agreement, the seller does not have the right to access the contingent consideration if the key management person is not employed at the period of the contingent consideration. Therefore, the purchase consideration of EUR 79 thousand will be accounted for as personnel expense for the work performed after the acquisition during 2021–2026.

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

EUR thousand	Eezy Valmennuskeskus	Eezy Triton	ValueScout
ASSETS			
Non-current assets			
Intangible assets	2 127	165	34
Property, plant and equipment	24	-	-
Receivables	256	-	-
Total non-current assets	2 407	165	34
Current assets			
Trade receivables and other receivables	1 709	441	-
Current income tax receivables	14	-	-
Cash and cash equivalents	3	122	-
Total current assets	1 726	563	-
TOTAL ASSETS	4 133	728	34

EUR thousand	Eezy Valmennuskeskus	Eezy Triton	ValueScout
LIABILITIES			
Non-current liabilities			
Loans from financial institutions	557	-	-
Deferred tax liability	354	33	7
Total non-current liabilities	911	33	7
Current liabilities			
Loans from financial institutions	239	-	-
Trade payables and other liabilities	1 098	505	-
Current income tax liabilities	265	6	-
Total current liabilities	1 602	510	-
TOTAL LIABILITIES	2 513	543	7
Total net assets acquired	1 620	185	27
Goodwill	5 027	1 016	73
Purchase consideration	6 647	1 200	100

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

EUR thousand	Eezy Valmennuskeskus	Eezy Triton	ValueScout
Customer relationships	934	-	-
Trademarks	506	-	21
Non-competition agreements	329	165	13
Total	1 769	165	34

Eezy Valmennuskeskus

The gross amount of trade receivables at the date of the acquisition was EUR 929 thousand and it was estimated to be fully collectable.

Goodwill arising from the acquisition of Eezy Valmennuskeskus amounted to EUR 5 027 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 163 thousand and are recorded in other operating expenses for the period 2021.

Eezy Triton

The gross amount of trade receivables at the date of the acquisition was EUR 341 thousand and it was estimated to be fully collectable.

Goodwill arising from the acquisition of Eezy Triton amounted to EUR 1 016 thousand which comprises mainly workforce, synergies and network of subcontractors. The goodwill recognized in connection with the acquisition is not tax deductible.

The transaction costs of the acquisition amounted to EUR 113 thousand and are recorded in other operating expenses for the period 2021.

ValueScout

Goodwill arising from the acquisition of ValueScout amounted to EUR 73 thousand which comprises mainly research method and know-how related to it. There were no transaction costs related to the acquisition.

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 2021:

EUR thousand	Eezy Valmennuskeskus 1 Nov – 31 Dec 2021	Eezy Triton 1 Oct – 31 Dec 2021
Impact on the Group Revenue and Result		
Revenue	1 581	705
Result for the period	142	46

If the acquisitions had taken place on 1 January 2021, the pro forma consolidated revenue for the financial year from 1 January 2021 to 31 December 2021 would have been EUR 214 272 thousand and pro forma consolidated operating profit would have been EUR 12 480 thousand. The pro forma figures are based on the consolidated revenue and operating profit for the financial year 2021 as well as on the revenue, EBITDA and operating profit of the acquired companies from the beginning of 2021 until the dates of the acquisitions. The amounts have been adjusted by taking into consideration the amortization of the acquired intangible assets as if the acquisitions had taken place on 1 January 2021 and additional amortization had begun at that point.

Cash flows from purchase considerations during the financial year 2021

EUR thousand	Eezy Valmennuskeskus	Eezy Triton	ValueScout
Cash consideration	3 781	894	100
Deducted: Cash and cash equivalents acquired	-3	-122	-
Net cash flow	3 778	772	100

Acquisitions in 2020

Eezy Flow Oy (prev. Eezy Spirit Oy) acquired Flow Consulting on 1 October 2020. Flow Consulting is a management consulting and coaching company focusing on change management. Flow Consulting renews strategies, concepts, leadership as well as employee and customer experience. Eezy Flow is the market leader in Finland in employee satisfaction surveys. The intention is to create a strong player in the research, coaching and consulting market in order to respond to the changes in the working life.

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

In March 2020 Eezy established Eezy United Oy together with minority shareholders. Eezy United employs both current and former athletes.

Eezy purchased all the shares of Hazana Oy in January 2020. Hazana Oy was previously part of the Eezy franchise chain.

The acquisitions have been reported in detail in the financial statements for year 2020.

Businesses sold

Divestments in 2021

Eezy sold its Swedish subsidiary VMP-Group Sweden AB to Palm & Partners Bemanning AB on 4 January 2021. The sale had no significant impact on Eezy's result in January–December 2021.

Divestments in 2020

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

Intangible assets

EUR thousand	Goodwill	Trademarks	IT software	Customer relationships	Non-competition agreements	Development costs	Total intangible assets
Cost at 1 Jan 2021	127 938	2 623	8 144	26 870	3 315	-	40 953
Acquisitions	6 116	527	16	934	508	342	2 327
Additions	-	34	1 298	-	-	174	1 506
Disposals	-	-	-	-	-150	-	-150
Cost at 31 Dec 2021	134 054	3 184	9 458	27 804	3 674	515	44 636
Accumulated amortization and impairment at 1 Jan 2021	-	-420	-5 526	-3 780	-1 496	-	-11 222
Disposals	-	-	-	-	150	-	150
Amortization	-	-273	-1 008	-2 727	-1 068	-14	-5 090
Impairment	-	-	-157	-	-	-	-157
Accumulated amortization and impairment at 31 Dec 2021	-	-693	-6 691	-6 507	-2 415	-14	-16 320
Net carrying value at 1 Jan 2021	127 938	2 203	2 619	23 090	1 819	-	29 731
Net carrying value at 31 Dec 2021	134 054	2 491	2 767	21 297	1 259	501	28 314

EUR thousand	Goodwill	Trademarks	IT software	Customer relationships	Non-competition agreements	Advances paid	Total intangible assets
Cost at 1 Jan 2020	125 757	2 596	5 808	26 500	2 956	56	37 916
Translation differences	-1	-	-	-	-	-	-
Acquisitions	2 353	-	-	370	360	-	730
Additions	-	21	2 336	-	-	-	2 357
Classification as held for sale	-173	-	-	-	-	-	-
Transfers between classes	-	6	-	-	-	-56	-50
Cost at 31 Dec 2020	127 938	2 623	8 144	26 870	3 315	-	40 953
Accumulated amortization and impairment at 1 Jan 2020	-	-160	-3 971	-1 114	-496	-	-5 740
Amortization	-	-260	-1 024	-2 666	-1 001	-	-4 951
Impairment	-	-	-531	-	-	-	-531
Accumulated amortization and impairment at 31 Dec 2020	-	-420	-5 526	-3 780	-1 496	-	-11 222
Net carrying value at 1 Jan 2020	125 757	2 436	1 831	25 386	2 460	56	32 169
Net carrying value at 31 Dec 2020	127 938	2 203	2 619	23 090	1 819	-	29 731

Property, plant and equipment

EUR thousand	Buildings	Buildings right-of-use	Machinery and equipment	Machinery and equipment right-of-use	Other	Advances paid	Total
Cost at 1 Jan 2021	1 080	9 616	1 646	341	102	-	12 786
Acquisitions	-	-	24	-	-	-	24
Additions	137	624	25	690	-	-	1 476
Disposals	-390	-2 198	-214	-185	-	-	-2 987
Revaluation	-	-746	-	3	-	-	-743
Cost at 31 Dec 2021	827	7 296	1 481	849	102	-	10 556

Accumulated depreciation and impairment at 1 Jan 2021	-658	-3 871	-959	-241	-73	-	-5 802
Disposals	390	2 198	-	185	-	-	2 773
Depreciation	-147	-1 858	-129	-173	-	-	-2 307
Impairment	-	-116	-10	-	-	-	-126
Accumulated depreciation and impairment at 31 Dec 2021	-415	-3 647	-1 098	-229	-73	-	-5 462

Net book value at 1 Jan 2021	422	5 745	687	100	29	-	6 984
Net book value at 31 Dec 2021	413	3 650	383	620	29	-	5 095

EUR thousand	Buildings	Buildings right-of-use	Machinery and equipment	Machinery and equipment right-of-use	Other	Advances paid	Total
Cost at 1 Jan 2020	962	6 409	1 947	388	102	557	10 366
Translation differences	-	0	0	-1	-	-	-0
Acquisitions	-	-	4	-	-	-	4
Additions	119	3 403	26	122	-	578	4 248
Disposals	-	-24	-296	-	-	-1 135	-1 454
Classification as held for sale	-	-215	-36	-152	-	-	-403
Revaluation	-	42	-	-17	-	-	25
Cost at 31 Dec 2020	1 080	9 616	1 646	341	102	-	12 786

Accumulated depreciation and impairment at 1 Jan 2020	-539	-2 017	-753	-233	-51	-	-3 592
Translation differences	-	-1	-0	0	-	-	-1
Classification as held for sale	-	106	36	97	-	-	239
Depreciation	-119	-1 914	-242	-105	-23	-	-2 403
Impairment	-	-45	-	-	-	-	-45
Accumulated depreciation and impairment at 31 Dec 2020	-658	-3 871	-959	-241	-73	-	-5 802

Net book value at 1 Jan 2020	430	4 392	1 194	155	52	557	6 780
Net book value at 31 Dec 2020	422	5 745	687	100	29	-	6 984

Financial assets and liabilities measured at fair value

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

EUR thousand	31 Dec 2021		31 Dec 2020	
	Fair value	Level	Fair value	Level
Investments in shares, listed	-	1	351	1
Investments in shares, unlisted	240	3	235	3
Contingent consideration	1 981	3	-	3

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

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

Dividend payments

The Annual General Meeting (AGM) was held on 13 April 2021. The AGM decided that for year 2020 a dividend of EUR 0.10 per share is distributed by a resolution of the general meeting. The dividend, EUR 2.5 million in total, was paid on 22 April 2021. In addition, the board of directors was authorised to later decide on a possible dividend of max. EUR 0.05 per share. On 8 December 2021, the board of directors decided on using the authorisation given by the AGM. The dividend of EUR 0.05 per share, EUR 1.3 million in total, was paid on 17 December 2021. The total dividend from year 2020 has been EUR 0.15 per share.

Share based payments

The Board of Directors of Eezy Oyj decided on 17 December 2019 on a long-term share-based compensation plan (LTIP 2019-2026) targeted to key employees and on 30 November 2021 to amend the terms due to the changes in the company's business environment caused by the Coronavirus pandemic. The terms of the long-term incentive were amended by extending the duration of the long-term incentive plan by one year until 2026 and adding a new earning period.

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 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 13 months earning period started on 1 December 2021 and ends on 31 December 2022. 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 and second earning periods.

From the third period a maximum of 246 000 shares can be paid as compensation. The compensation will be paid to the key personnel in the spring of 2023. 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 Board of Directors has the right to pay the compensation in shares, cash or as a combination of these. Based on management's judgement, the compensation will be paid as a combination of shares and cash.

Commitments and contingencies

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

EUR thousand	31 Dec 2021	31 Dec 2020
Liabilities in balance sheet for which collaterals given		
Borrowings, non-current	43 924	47 630
Borrowings, current	4 400	4 247
Total	48 325	51 877

EUR thousand	31 Dec 2021	31 Dec 2020
Mortgages on own behalf		
Company mortgages	100 000	100 000
Property, plant and equipment	16	51
Total	100 016	100 051

Related party transactions

Transactions and balances with related parties:

EUR thousand	1 Jan – 31 Dec 2021	1 Jan – 31 Dec 2020
Companies that have significant influence		
Sales	10 566	9 322
Purchases	-257	-87
Trade receivables	2 016	797
Trade payables and other liabilities	10	3
Associated companies		
Loan receivables	-	61

Related party transactions are made on the same terms and conditions as transactions with independent parties. Eezy had an office lease contract with a company controlled by a member of a related party until December 2020.

Key figures, their calculation and reconciliations

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

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

Key figures

EUR thousand unless otherwise specified	1 Oct – 31 Dec 2021	1 Oct – 31 Dec 2020	Change %	1 Jan – 31 Dec 2021	1 Jan – 31 Dec 2020	Change %
Key figures for income statement						
Revenue	60 455	43 421	39%	203 328	190 637	7%
EBITDA	5 274	3 405	55%	19 492	13 495	44%
EBITDA margin, %	8.7%	7.8%	-	9.6%	7.1%	-
EBIT	3 173	1 472	116%	11 812	5 565	112%
EBIT margin, %	5.2%	3.4%	-	5.8%	2.9%	-
Earnings per share, basic, EUR	0.08	0.02	-	0.31	0.11	-
Earnings per share, diluted, EUR	0.08	0.02	-	0.30	0.11	-
Weighted average number of outstanding shares, pcs	24 948 197	24 849 375	-	24 883 655	24 849 375	-
Weighted average number of outstanding shares, diluted, pcs	25 179 616	25 039 283	-	25 081 134	24 997 332	-
Number of outstanding shares at the end of reporting period, pcs	-	-	-	25 046 815	24 849 375	-
Key figures for balance sheet						
Net debt	-	-	-	48 702	42 424	-
Net debt excluding IFRS16	-	-	-	44 200	36 440	-
Net debt/EBITDA ¹	-	-	-	2.4 x	3.1 x	-
Gearing, %	-	-	-	44.6%	40.9%	-
Equity ratio, %	-	-	-	52.8%	50.6%	-
Equity per share, EUR	-	-	-	4.36	4.17	-
Key figures for cash flow						
Operative free cash flow	7 411	2 179	-	8 295	21 267	-
Purchase of tangible and intangible assets	-361	-781	-	-1 688	-2 096	-
Acquisition of subsidiaries, net of cash acquired	-4 609	-1 514	-	-4 609	-2 082	-
Operative key figures						
Chain-wide revenue, EUR million	89.7	67.9	32%	305.5	282.6	8%
Franchise-fees, EUR million	2.0	1.7	20%	7.1	6.1	16%
Light entrepreneurship invoicing volume, EUR million	11.6	10.9	6%	41.4	41.9	-1%

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

Reconciliation of Certain Alternative Performance Measures

EUR thousand	1 Oct – 31 Dec 2021	1 Oct – 31 Dec 2020	1 Jan – 31 Dec 2021	1 Jan – 31 Dec 2020
EBITDA				
EBIT	3 173	1 472	11 812	5 565
Acquisition related amortization ¹⁾	1 043	1 000	4 045	3 914
Other depreciation, amortization and impairment losses	1 058	933	3 636	4 016
Total depreciation, amortization and impairment losses	2 101	1 933	7 680	7 929
EBITDA	5 274	3 405	19 492	13 495
Operative free cash flow				
Cash flows from operating activities before financial items and taxes	7 771	2 961	9 982	23 363
Purchase of tangible and intangible assets	-361	-781	-1 688	-2 096
Operative free cash flow	7 411	2 179	8 295	21 267

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 the balance sheet

Net debt	=	Interest bearing liabilities - interest-bearing receivables - cash at bank and in hand
Net debt excluding IFRS16	=	Net debt - IFRS 16 items
Net debt / 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

Cash flow key figures

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

Operative key figures

Chain-wide revenue	=	Consolidated revenue + revenue of chain franchisees – franchise fees (and other significant internal chain revenue) 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