



Eezy Plc

Q4/2022

Financial Statements Bulletin

January–December 2022

Revenue growth slowed

In Brief

October–December 2022

- Revenue was EUR 62.2 million (EUR 60.5 million in October–December 2021).
- Revenue grew by 3%.
- EBITDA was EUR 4.6 million (5.3).
- EBIT was EUR 2.7 million (3.2) and was 4.3% of revenue (5.2%).
- The impact of higher sick-leave costs was EUR 0.4 million more than in the comparison period.
- Non-recurring costs related to change negotiations and the CEO change were approx. EUR 0.7 million.
- Earnings per share was EUR 0.08 (0.08).

January–December 2022

- Revenue was EUR 247.6 million (EUR 203.3 million in January–December 2021).
- Revenue grew by 22%.
- EBITDA was EUR 18.2 million (19.5*).
- EBIT was EUR 10.0 million (11.8*) and was 4.0% of revenue (5.8%).
- EUR 2.6 million higher sick-leave costs than last year have negatively affected profit.
- Non-recurring costs related to acquisitions, change negotiations and the CEO change were approx. EUR 1.0 million.
- Earnings per share was EUR 0.29 (0.31).

*) 1–12/2021 EBITDA and EBIT included EUR 2.7 million non-recurring income (Corona subsidy EUR 1.0 million, VAT refund EUR 1.7 million).

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 2023

Eezy expects revenue to be approx. EUR 250 million and EBIT-% to grow in 2023.

Key figures (IFRS)

EUR million, unless otherwise specified	10–12/2022	10–12/2021	1–12/2022	1–12/2021
Revenue	62.2	60.5	247.6	203.3
EBITDA	4.6	5.3	18.2	19.5
EBITDA, %	7.5%	8.7%	7.4%	9.6%
EBIT	2.7	3.2	10.0	11.8
EBIT, %	4.3%	5.2%	4.0%	5.8%
EPS, undiluted, EUR	0.08	0.08	0.29	0.31
EPS, diluted, EUR	0.08	0.08	0.28	0.30
Net debt / EBITDA ¹	-	-	2.9 x	2.4 x
Chain-wide revenue	86.4	89.7	351.6	305.5

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

Strong investment into building our future and into profit improvement

“Economic expectations of our main customer segments and the consumer confidence were on a downward trend in the last quarter. In the fourth quarter we still achieved 3 percent growth and revenue was EUR 62 million.

Operating profit was EUR 2.7 million, 4.3 percent of revenue. It is positive for our main business that a shortage of skilled workforce continues on the markets. In the tighter economic situation, our customers have also increased needs for data-based management, successful recruitments and clear strategies and concepts, which helps our professional services to succeed.

In 2022 Eezy's revenue grew to EUR 248 million and growth was 22 percent. Operating profit was EUR 10.0 million in 2022, 4.0 percent of our revenue. Profitability was burdened by clearly higher sick-leave costs, which decreased our profit approx. EUR 2.6 million compared to the previous year.

Challenges being tackled

Last year's largest challenges for us were the high sick-leave rates, personnel turnover and a few units performing weakly. We have analyzed these factors and have launched action plans to fix those.

In late 2022 we adjusted our organization to slower economic growth. We also renewed our sales organization by moving from a sector-based organization to a regional-based one. This helps us to service our customers more efficiently in all parts of Finland to find skilled employees, both in uncertain times and in high-growth periods.

Service offering diversified

In line with our strategy, we have built new business areas to succeed well in varying economic conditions. The staffing services for pharmacies and doctors are examples of expanding our main staffing business to less cyclical areas. Investments into developing our professional services have caused those units to grow significantly. Especially the employment services for the public sector enjoyed a strong growth, as well as the employee experience survey products and consulting services from Eezy Flow. The Light entrepreneur business developed steadily. Regarding acquisitions, we focused on targets that diversify our offering and offer increased value, like Farenta, Siqni and Leidenschaft.

Our diversified customer base both decreases our dependency on a single customer and enables us to keep our employees at customers who continue to do well.

Our franchise business is an important part of our business model and forms an efficient way to operate country-wide, near customers and employees. In autumn Eezy was given the award for the second-best franchise chain in Europe, which makes us proud.

Increased efficiency through organization and operational models

We have built future success by strong investments on developing our processes and organization, as well as developing new technology, both in the staffing services and in the professional services. During the year we have e.g. started an IT systems renewal that aims to digitalize our staffing business and to grow its automation and scalability. Through the development we will improve the customer experience both for companies and for individual employees. Our goal is to adopt the new system in several phases starting in autumn 2023.

Profitability improvement as primary target

The clear #1 priority for 2023 is to improve profitability. We focus on active sales work, increasing the skills and efficiency of our employees and on sensible money spending. We focus on developing the current businesses, but not forgetting possible acquisitions.

Thanks to our committed and professional personnel, we can increase our EBIT-% during the year 2023. The Board's dividend proposal of EUR 0.15 per share shows confidence in our good future."

“Profitability as #1 priority”

Pasi Papunen,
Interim CEO



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 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 3.4 billion in 2022, of which the staffing services were EUR 2.7 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 over EUR 300 million.

According to The Private Employment Agencies Association (HPL), the revenue of the largest companies in the staffing service market increased approx. 7% in December 2022 and approx. 14% in January–December compared to last year. According to HPL, the economic outlook in staffing services has weakened.

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

Corona virus has strongly affected our business for the last three years. The restrictions related to Corona have ended during the year, but they impacted the early part of the year negatively.

General economic conditions have weakened clearly during the second year-half, which affected some of our businesses. Growth has slowed in most of our business areas, and the revenue has even decreased in some businesses.

Workforce availability is still an important factor for our customers, but the role of staffing services as a provider of flexible workforce has grown again.

Horeca sector developed mainly positively, and the delivery volumes in the sector grew clearly in the early part of the year. We expected even higher growth but missed our growth targets due to workforce shortages.

The negative effects of the general economy have been most visible in our industry and construction sector, where volumes grew in spring, but turned into decline toward the end of the year. The revenue of our franchise chain decreased clearly during the quarter. However, the volume development varies a lot by customer.

The sick-leaves have continued on a higher level than in the earlier years, but the difference to the previous year has during the second year-half not been quite as large as in the first year-half. We estimate that in the near future sick leave costs will remain on a higher level than in the earlier years, and we aim to accommodate into that in our pricing.

Revenue

October–December

Eezy's revenue amounted to EUR 62.2 million (60.5), increasing by 3% compared to the corresponding period in the previous year.

Revenue increased by 2% in the staffing service area. In the professional services area revenue increased by 27% both due to organic growth and the Leidenschaft/Siqni acquisition in April 2022. In the light entrepreneurship service area revenue decreased by 3%.

Eezy's chain-wide revenue amounted to EUR 86.4 million (89.7) decreasing by 4%. Franchise fees totaled EUR 1.3 million (2.0). The invoicing volume of light entrepreneurship services was EUR 11.3 million (11.6).

January–December

Eezy's revenue amounted to EUR 247.6 million (203.3), increasing by 22% compared to the corresponding period in the previous year.

Revenue increased by 19% in the staffing service area. In the professional services area revenue increased by 66% due both organic growth and the Valmennuskeskus acquisition in 2021 and Leidenschaft/Siqni acquisition in April 2022. In the light entrepreneurship service area revenue increased by 2%.

Eezy's chain-wide revenue amounted to EUR 351.6 million (305.5) increasing by 15%. Franchise fees totaled EUR 6.3 million (7.1). The invoicing volume of light entrepreneurship services was EUR 42.3 million (41.4).

Revenue by service area

EUR million	10–12/2022	10–12/2021	Change %	1–12/2022	1–12/2021	Change %
Staffing services	52.2	51.5	2%	212.7	178.1	19%
Franchise fees	1.3	2.0	-33%	6.3	7.1	-11%
Professional services	8.0	6.3	27%	26.1	15.7	66%
Light entrepreneurship services	0.7	0.7	-3%	2.5	2.5	2%
Total	62.2	60.5	3%	247.6	203.3	22%

Result

October–December

EBITDA was EUR 4.6 million (5.3). Operating profit was EUR 2.7 million (3.2). Sick-leave rate has continued high, and their profit impact has been approx. EUR -1.6 million (-1.2). Non-recurring costs related to change negotiations and the CEO change were approx. EUR 0.7 million

Total depreciation, amortization and impairment was EUR 1.9 million (2.1), of which EUR 0.9 million (1.0) was acquisition related amortization. The result before taxes was EUR 2.2 million (2.8) and the result for the period was EUR 2.1 million (2.2). Earnings per share was EUR 0,08 (0.08).

January–December

EBITDA was EUR 18.2 million (19.5). Operating profit was EUR 10.0 million (11.8). The sick leaves' profit impact has been EUR -6.0 million (-3.3). Non-recurring costs related to acquisitions, change negotiations and the CEO change were approx. EUR 1.0 million. A non-recurring income of EUR 1.7 million and a corona subsidy from State treasury totaling EUR 1.0 million were included in the result in comparative period last year.

Total depreciation, amortization and impairment was EUR 8.2 million (7.7), of which EUR 4.1 million (4.0) was acquisition related amortization. The result before taxes was EUR 9.1 million (10.3) and the result for the period was EUR 7.5 million (8.1). Earnings per share was EUR 0.29 (0.31).

Financial position and cash flow

Eezy's consolidated balance sheet on 31 December 2022 amounted to EUR 216.7 million (206.8), of which equity made up EUR 113.1 million (109.1).

In March, a new bank loan of EUR 8.0 million was drawn to finance the acquisitions in April 2022. As of 31 December 2022, the Group has liabilities to credit institutions amounting to EUR 52.1 million (48.3). of which EUR 47.6 (43.9) was non-current.

Cash balance on 31 December 2022 was EUR 5.8 million (6.1). The Group has overdraft facilities in total of EUR 10.0 million, all of which were unused on 31 December 2022.

Equity ratio stood at 52.2% (52.8%). The Group's net debt including IFRS16 leasing items on 31 December 2022 amounted to EUR 52.5 million (48.7). Net debt excluding IFRS16 leasing items was EUR 47.3 million (44.2). The net debt/EBITDA ratio was 2.9 x (2.4 x).

Operative free cash flow amounted to EUR 9.2 million (6.9) in October–December and EUR 13.9 million (6.2) in January–December.

Investments and acquisitions

Eezy's investments in subsidiary shares presented in the cash flow statement amounted to EUR 0.0 million (4.6) in October–December and EUR 6.1 million (4.6) in January–December. Investments include acquisitions of Farenta Oy, The Significant Company Oy and Leidenschaft Oy as well as increasing the ownership in Eezy Valmennuskeskus Ltd.

In line with its strategy, Eezy strengthened its professional staffing services by purchasing the share capital of 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 Significant Company Ltd and Leidenschaft Ltd on 1 April 2022. The companies will become part of Eezy Flow Ltd, which offers management, strategy, research and change management services. Leidenschaft is Finland's first business culture agency, whose mission is to develop business culture into real competitive advantage. The Significant Company's product, Signi, is the world's first tool for gaining employee understanding and measuring employee experience.

Additionally, Eezy made an investment of EUR 0.2 million in minority shareholding of VeggArt's Oy that offers services for immigrants.

Investments in tangible and intangible assets totaled EUR 1.0 million (0.4) in October–December and EUR 3.0 million (1.7) 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 on average of 524 (437) and in January–December 527 (374) people in Group functions and on average 3 723 (3 860) in October–December and 3 837 (3 320) 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

Eezy announced in February 2022 that Content Director Isa Merikallio will leave the management team.

In August, Eezy announced that HR Director Hanna Lehto will start maternity leave. Director Mikko Innanen will act as her substitute and as a member of the management team. Innanen will also continue in his role as the development director.

Marleena Bask started in October as the Chief Marketing and Communications officer as well as a member of the Group management.

Eezy announced on 19 December 2022 that CEO will change and Sami Asikainen will leave the company. The recruitment process of a new CEO has been started and the deputy CEO Pasi Papunen will act as the interim CEO.

On 31 December 2022 the management team members are:

- Pasi Papunen, interim CEO
- Hannu Nyman, CFO
- Thomas Hynninen, Staffing services
- Päivi Salo, CDO
- Marleena Back, CMO
- Mikko Innanen, Development, HR
- (Hanna Lehto, HR, maternity leave)

Shares and shareholders

On 31 December 2022, Eezy Plc had 25 046 815 (25 046 815) registered shares. The company holds no

treasury shares. The company had 2 787 (2 627) shareholders, including nominee registered shareholders.

In January–December 2022, a total of 2 656 037 (4 046 053) shares were traded and the total trading volume was EUR 12.5 million (23.7). During the period, the highest quotation was EUR 6.38 (7.20) and the lowest EUR 3.01 (4.90). The volume-weighted average price of the share was EUR 4.71 (5.85). The closing price of the share at the end of December was EUR 3.12 (5.98) and the market value stood at EUR 78.1 million (149.8).

On 31 December 2022, the members of the Board of Directors and the members of the management team owned a total of 394 470 (1 237 129) Eezy shares, corresponding to approximately 1.6% (4.9%) 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 2022:

Shareholder	Shares	%
1. Sentica Buyout V Ky	6 105 458	24.38
2. NoHo Partners Oyj	5 139 745	20.52
3. Meissa-Capital Oy	3 223 071	12.87
4. Evli Finnish Small Cap Fund	1 341 126	5.35
5. OP Finland Micro Cap Fund	844 668	3.37
6. Asikainen Sami	414 350	1.65
7. Säästöpankki Small Cap Fund	322 200	1.29
8. WestStar Oy	293 398	1.17
9. Church Pension Fund	282 155	1.13
10. Ilmarinen Mutual Pension	274 261	1.09
10 largest in total	18 240 432	72.83
Nominee-registered	1 954 767	7.80
Others	4 851 616	19.37
Total	25 046 815	100.00

The company has received flagging notices during the period: The ownership of Evli Bank Plc has exceeded 5% and the ownership of Handelsbanken Fonder has decreased below 5%.

Governance

Annual General Meeting

The Annual General Meeting (AGM) was held on 12 April 2022. The AGM adopted the Financial Statements for the year 2021.

The AGM decided that for year 2021 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 2.5 million in total, was paid in April 2022. The second tranche of the dividend, EUR 0.05 per share and EUR 1.3 million in total, was paid in October 2022.

The AGM elected eight members to the board of directors. Tapio Pajuharju, Kati Hagros, Liisa Harjula, Timo Mänty, Paul-Petteri Savolainen, Jarno Suominen and Mika Uotila were re-elected as members of the board of directors. Mikko Wirén was elected as a new member 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. The Board decided to establish a Human Resources Committee which assists the Board by preparing matters pertaining to the remuneration and nomination of the Company's CEO and other management, as well as the Company's remuneration principles. Tapio Pajuharju was elected as Chairman of the Human Resources Committee and Mika Uotila and Mikko Wirén as members of the Human Resources Committee.

Valid authorizations

The authorizations given by the AGM on 12 April 2022 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 2023, 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 2023, however, for a maximum of 18 months. The authorization is unused.

Long-term incentive plan

In March, Eezy Plc's board of directors resolved to extend the third earning period of the long-term incentive plan for the company's key employees, which has been announced in November 2021. The third earning period shall be 16 months, starting on 1 December 2021 and ending on 31 March 2023. According to the previous decision a maximum of 246 000 reward shares could be awarded for the third earning period. The reward criteria for the third earning period are based on Eezy Plc's revenue and operating profit margin. It is currently estimated that no shares will be earned for the 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 2023

Eezy expects revenue to be approx. EUR 250 million and EBIT-% to grow in 2023.

Dividend proposal

The parent company's distributable funds in the financial statement on 31 December 2022 was EUR 125.7 million, of which profit for the financial period was EUR 4.3 million. Board of Directors proposes a dividend of EUR 0.15 per share, of which EUR 0.10 will be paid in April and 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 16 February 2023 at 13.00 Finnish time as a webcast at <https://eezy.videosync.fi/2022-q4-results>

The briefing will be hosted by Interim CEO Pasi Papunen 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://eezy.fi/en/investors/financials/reports-and-presentations/> before the conference. A recording of the audiocast will be available at the same website later.

Result dates

Financial Statements 2022	week 11/2023
Interim Report January–March 2023	9 May 2023
Half-Year Report January–June 2023	8 Aug 2023
Interim Report January–September 2023	7 Nov 2023

Consolidated statement of comprehensive income (IFRS)

(unaudited)

EUR thousand	1 Oct – 31 Dec 2022	1 Oct – 31 Dec 2021	1 Jan – 31 Dec 2022	1 Jan – 31 Dec 2021
Revenue	62 234	60 455	247 596	203 328
Other operating income	82	93	347	3 070
Share of result of equity accounted investments	15	-	7	-
Materials and services	-2 572	-2 283	-9 379	-6 059
Personnel expenses	-50 836	-48 746	-202 825	-165 576
Other operating expenses	-4 275	-4 244	-17 515	-15 270
Depreciation, amortization and impairment losses	-1 944	-2 101	-8 226	-7 680
Operating profit	2 705	3 173	10 004	11 812
Financial income	40	45	763	149
Financial expense	-512	-421	-1 642	-1 614
Financial income and expenses	-473	-376	-879	-1 465
Profit before taxes	2 232	2 797	9 125	10 348
Income taxes	-162	-557	-1 654	-2 266
Profit for the period	2 070	2 240	7 472	8 081
Profit attributable to				
Owners of the parent company	1 968	2 034	7 156	7 601
Non-controlling interests	103	206	316	480
Profit for the period	2 070	2 240	7 472	8 081
Earnings per share, basic (EUR)	0.08	0.08	0.29	0.31
Earnings per share, diluted (EUR)	0.08	0.08	0.28	0.30
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Changes in the fair value of share investments	-	-	-	3
Items that may be reclassified to profit or loss				
Exchange differences on translating foreign operations	-	-	-	50
Other comprehensive income for the period, net of tax	-	-	-	52
Total comprehensive income for the period	2 070	2 240	7 472	8 134
Total comprehensive income attributable to				
Owners of the parent company	1 968	2 034	7 156	7 653
Non-controlling interests	103	206	316	480
Total comprehensive income for the period	2 070	2 240	7 472	8 134

Consolidated balance sheet (IFRS)

EUR thousand	31 Dec 2022	31 Dec 2021
ASSETS		
Non-current assets		
Goodwill	141 654	134 054
Intangible assets	28 284	28 314
Property, plant and equipment	5 680	5 095
Equity accounted investments	252	-
Investments in shares	240	240
Receivables	772	1 152
Deferred tax asset	363	201
Total non-current assets	177 245	169 056
Current assets		
Trade receivables and other receivables	33 463	31 649
Current income tax receivables	213	14
Cash and cash equivalents	5 768	6 106
Total current assets	39 444	37 769
TOTAL ASSETS	216 690	206 825
EQUITY AND LIABILITIES		
Equity attributable to the owners of the parent company		
Share capital	80	80
Reserve for invested unrestricted equity	107 876	107 876
Retained earnings	1 488	-1 857
Total equity attributable to the owners of the parent company	109 444	106 099
Non-controlling interests	3 630	3 037
Total equity	113 074	109 136
Non-current liabilities		
Loans from financial institutions	47 614	43 924
Lease liabilities	2 948	2 527
Other liabilities	974	1 944
Deferred tax liability	4 875	5 190
Total non-current liabilities	56 411	53 586
Current liabilities		
Loans from financial institutions	4 448	4 400
Lease liabilities	2 211	1 975
Trade payables and other liabilities	38 954	35 499
Current income tax liabilities	1 591	2 228
Total current liabilities	47 204	44 102
Total liabilities	103 615	97 688
TOTAL EQUITY AND LIABILITIES	216 690	206 825

Consolidated cash flow statement (IFRS)

EUR thousand	1 Oct – 31 Dec 2022	1 Oct – 31 Dec 2021	1 Jan – 31 Dec 2022	1 Jan – 31 Dec 2021
Cash flows from operating activities				
Customer payments received	65 052	59 955	248 736	196 950
Cash paid to suppliers and employees	-54 197	-52 183	-229 242	-186 967
Cash flows from operating activities before financial items and taxes	10 855	7 771	19 494	9 982
Interest paid	-1 001	-921	-1 518	-1 497
Interest received	17	25	80	64
Other financial items	21	20	79	67
Income taxes paid	-561	-416	-3 507	-2 497
Proceeds from repayments of loans	2	2	31	43
Net cash flows from operating activities	9 334	6 481	14 657	6 163
Cash flows from investing activities				
Purchase of tangible and intangible assets	-955	-361	-2 998	-1 688
Proceeds from sale of tangible assets	0	47	104	231
Acquisition of subsidiaries, net of cash acquired	-	-4 609	-6 125	-4 609
Disposal of subsidiaries	-	-	-	500
Purchase of equity accounted investments	-	-	-245	-
Proceeds from sale of investments	-	-	-	311
Proceeds from repayments of loans	1	185	6	190
Net cash flows from investing activities	-955	-4 738	-9 257	-5 065
Cash flows from financing activities				
Change in non-controlling interests	-	-	-80	-41
Proceeds from non-current borrowings	-	-	8 000	-
Repayment of non-current borrowings	0	-	-92	-
Repayment of current borrowings	-3 154	-3 207	-6 941	-4 328
Payment of lease liabilities	-671	-543	-2 588	-2 050
Dividends paid	-1 252	-1 252	-4 036	-4 021
Net cash flows from financing activities	-5 077	-5 003	-5 737	-10 439
Net change in cash and cash equivalents	3 302	3 259	-338	-9 341
Cash and cash equivalents at the beginning of the reporting period	2 466	9 365	6 106	15 447
Cash and cash equivalents at the end of the reporting period	5 768	6 106	5 768	6 106

Changes in equity (IFRS)

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 2022	80	107 876	-	-	-1 857	106 099	3 037	109 136	
Result for the period	-	-	-	-	7 156	7 156	316	7 472	
Other comprehensive income:									
Change in fair value	-	-	-	-	-	-	-	-	
Translation differences	-	-	-	-	-	-	-	-	
Other comprehensive income for the period, net of tax	-	-	-	-	-	-	-	-	
Total comprehensive income	-	-	-	-	7 156	7 156	316	7 472	
Transactions with owners									
Dividend distribution	-	-	-	-	-3 757	-3 757	-279	-4 036	
Changes in non-controlling interests	-	-	-	-	-38	-38	557	518	
Share based payments	-	-	-	-	-16	-16	-	-16	
Total equity									
31 Dec 2022	80	107 876	-	-	1 488	109 444	3 630	113 074	

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	

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 2022. The accounting policies in the Interim Report are the same as in Financial Statements 2021.

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.

The business growth and EBITDA used in goodwill impairment testing are based on management's assessment of the future development considering the general poor economic development and high inflation in Finland due to e.g indirect effects of the Russia's offensive war. The economic development has taken into account also the effect of possible sick leaves and the availability of labor in competition in the personnel service and recruitment market. Goodwill is tested regularly for impairment.

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 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, guidance, and rehabilitation services to 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 by service area:

EUR thousand	1 Oct – 31 Dec 2022	1 Oct – 31 Dec 2021	1 Jan – 31 Dec 2022	1 Jan – 31 Dec 2021
Staffing services	52 232	51 451	212 699	178 054
Franchise fees	1 347	2 006	6 292	7 058
Professional services	7 964	6 288	26 069	15 723
Light entrepreneurship services	690	710	2 536	2 493
Total revenue	62 234	60 455	247 596	203 328

Business combinations

Acquisitions 2022

Acquisitions 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 Significant 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 Significant 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 Eezy 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 combination at the acquisition date

EUR thousand	Eezy Farenta	Eezy Siqni and Eezy 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
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 Eezy 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 Eezy 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, EBITDA and operating profit of the acquired companies from the beginning of 2022 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 2022 and additional amortization had begun at that point.

Cash flows from purchase considerations

EUR thousand	Eezy Farenta	Eezy Siqni and Eezy 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 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.

Acquisitions 2021

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.

The acquisitions have been reported in detail in the financial statements for year 2021.

Businesses sold

Divestments 2022

During review period there were no divestments.

Divestments 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.

Intangible assets

EUR thousand	Goodwill	Trademarks	IT software	Customer relationships	Non-competition agreements	Development costs	Total intangible assets
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

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

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 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 book value
at 1 Jan 2022

	413	3 650	383	620	29	5 095
Net book value at 31 Dec 2022	307	4 503	297	542	29	5 680

EUR thousand	Buildings	Buildings right-of-use	Machinery and equipment	Machinery and equipment right-of-use	Other	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

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 2022		31 Dec 2021	
	Fair value	Level	Fair value	Level
Investments in shares, unlisted	240	3	240	3
Contingent consideration	1 013	3	1 981	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 12 April 2022. The AGM decided that for year 2021 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 2.5 million in total, was paid in April 2022. The second tranche of the dividend, EUR 0.05 per share and EUR 1.3 million in total, was paid in October 2022.

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 and on 28 March 2022 to extend the third earning period of the incentive plan.

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 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 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 summer 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. It is currently estimated that no shares will be earned for the period.

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 2022	31 Dec 2021
Liabilities in balance sheet for which collaterals given		
Borrowings, non-current	47 614	43 924
Borrowings, current	4 448	4 400
Total	52 062	48 325

EUR thousand	31 Dec 2022	31 Dec 2021
Mortgages on own behalf		
Company mortgages	100 000	100 000
Property, plant and equipment	-	16
Total	100 000	100 016

Related party transactions

Transactions and balances with related parties:

EUR thousand	1 Jan – 31 Dec 2022	1 Jan – 31 Dec 2021
Companies that have significant influence		
Sales	16 627	10 566
Purchases	-103	-257
Trade receivables	2 053	2 016
Trade payables and other liabilities	-	10

Related party transactions are made on the same terms and conditions as transactions with independent parties.

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 2022	1 Oct – 31 Dec 2021	Change %	1 Jan – 31 Dec 2022	1 Jan – 31 Dec 2021	Change %
Key figures for income statement						
Revenue	62 234	60 455	3%	247 596	203 328	22%
EBITDA	4 649	5 274	-12%	18 231	19 492	-6%
EBITDA margin, %	7.5%	8.7%	-	7.4%	9.6%	-
EBIT	2 705	3 173	-15%	10 004	11 812	-15%
EBIT margin, %	4.3%	5.2%	-	4.0%	5.8%	-
Earnings per share, basic, EUR	0.08	0.08	-	0.29	0.31	-
Earnings per share, diluted, EUR	0.08	0.08	-	0.28	0.30	-
Weighted average number of outstanding shares, pcs	25 046 815	24 948 197	-	25 046 815	24 883 655	-
Weighted average number of outstanding shares, diluted, pcs	25 270 793	25 179 616	-	25 287 264	25 081 134	-
Number of outstanding shares at the end of reporting period, pcs	-	-	-	25 046 815	25 046 815	-
Key figures for balance sheet						
Net debt	-	-	-	52 466	48 702	-
Net debt excluding IFRS16	-	-	-	47 307	44 200	-
Net debt/EBITDA ¹	-	-	-	2.9 x	2.4 x	-
Gearing, %	-	-	-	46.4%	44.6%	-
Equity ratio, %	-	-	-	52.2%	52.8%	-
Equity per share, EUR	-	-	-	4.51	4.36	-
Key figures for cash flow						
Operative free cash flow	9 229	6 867	-	13 908	6 244	-
Purchase of tangible and intangible assets	-955	-361	-	-2 998	-1 688	-
Acquisition of subsidiaries, net of cash acquired	-	-4 609	-	-6 125	-4 609	-
Operative key figures						
Chain-wide revenue, EUR million	86.4	89.7	-4%	351.6	305.5	15%
Franchise fees, EUR million	1.3	2.0	-33%	6.3	7.1	-11%
Light entrepreneurship invoicing volume, EUR million	11.3	11.6	-2%	42.3	41.4	2%

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 2022	1 Oct – 31 Dec 2021	1 Jan – 31 Dec 2022	1 Jan – 31 Dec 2021
EBITDA				
EBIT	2 705	3 173	10 004	11 812
Acquisition related amortization ¹⁾	910	1 043	4 061	4 045
Other depreciation, amortization and impairment losses	1 034	1 058	4 165	3 636
Total depreciation, amortization and impairment losses	1 944	2 101	8 226	7 680
EBITDA	4 649	5 274	18 231	19 492
Operative free cash flow				
Cash flows from operating activities before financial items and taxes	10 855	7 771	19 494	9 982
Purchase of tangible and intangible assets	-955	-361	-2 998	-1 688
Payment of lease liabilities	-671	-543	-2 588	-2 050
Operative free cash flow	9 229	6 867	13 908	6 244

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