



Eezy Plc

Q2/2021

Half-Year Report

January–June 2021

Clear return to growth

In Brief

April–June 2021

- Revenue was EUR 48.0 million (EUR 39.0 million in April–June 2020).
- EBITDA was EUR 5.0 million (1.8).
- EBIT was EUR 3.1 million (-0.5).
- Earnings per share was EUR 0.08 (-0.03).
- Revenue grew by 23% despite the continuing corona pandemic.
- Business volume clearly increased toward the end of the quarter

January–June 2021

- Revenue was EUR 84.6 million (EUR 94.1 million in January–June 2020).
- EBITDA was EUR 7.7 million (4.6).
- EBIT was EUR 4.0 million (0.4).
- Earnings per share was EUR 0.09 (-0.02).
- Despite the difficult conditions, profit has significantly improved along the continued efficiency improvements

Outlook for 2021

Eezy expects revenue to be 190-210 million euro and EBIT to be 11-14 million euro.

Key figures (IFRS)

| EUR million, unless otherwise specified | 4–6/2021 | 4–6/2020 | 1–6/2021 | 1–6/2020 | 1–12/2020 |
|---|----------|----------|----------|----------|-----------|
| Revenue | 48.0 | 39.0 | 84.6 | 94.1 | 190.6 |
| EBITDA | 5.0 | 1.8 | 7.7 | 4.6 | 13.5 |
| EBITDA, % | 10.4% | 4.6% | 9.1% | 4.9% | 7.1% |
| EBIT | 3.1 | -0.5 | 4.0 | 0.4 | 5.6 |
| EBIT, % | 6.4% | -1.4% | 4.7% | 0.5% | 2.9% |
| EPS, undiluted, EUR | 0.08 | -0.03 | 0.09 | -0.02 | 0.11 |
| EPS, diluted, EUR | 0.08 | -0.03 | 0.09 | -0.02 | 0.11 |
| Net debt / EBITDA ¹ | - | - | 2.9 x | 2.7 x | 3.1 x |
| Chain-wide revenue | 73.3 | 59.4 | 129.7 | 137.4 | 282.6 |

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

Good growth in business and profit

"The second quarter brought us a clear turning point. I am especially delighted that we are growing with a wide front in all our units. The good development shows that we have succeeded to implement our growth strategy and that our efficiency is still intact. In addition, the improving economic conditions shows up in all our business operations and the good vaccination pace normalizes the society and our markets. I am really satisfied with the quarterly profit that we achieved even though April was still rather weak due to the restrictions. Luckily June was clearly stronger and growth in the whole quarter was brisk (23%). Thanks to the whole organization that we were able to grow our profit tenfold compared to the last year.

The revenue and profit of Staffing services in brisk growth despite shortages in labour

We estimate that the staffing services market has grown 20-30% compared to the gloomy corona spring of 2020. Our own growth clearly accelerated during the quarter: in April the growth in staffing was below 10%, while in June it was over 20% compared to the last June. The recovery from the corona slump has only begun, compared to the revenue in times before corona. The markets are still 15-20% behind the respective times in 2019. We estimate that our own revenue took a direct hit of over 10 million euro in Q2 due to the restrictions on restaurants and events. The special times and restrictions will continue to impact the revenue during the summer months.

Growth in the staffing services has been wide, and the results of all our teams grew nicely. I am grateful and proud of our organizations' performance after the difficult year. We have succeeded in implementing our strategy of creating a winning organization that succeeds in producing organic growth. Growth has been achieved with increased activities toward customers, acquisition of new customers and by strengthening the organization. In addition to our own units, the franchise entrepreneurs have done a great job. The entrepreneurs operating in 35 locations have clearly outperformed the market and are locally important partners to hundreds of Finnish companies. Nationwide, we have in 1-6/2021 served over 2 000 companies, and approx. 17 000 persons have received salary from Eezy. Our contribution to the employment growth and to the economic growth is significant.

In June the horeca revenue doubled compared to the last year but is still clearly below year 2019. Growth was also limited by the significant labour shortage. Long-lasting restrictions and uncertain future have caused many employees to move to other sectors. The situation is challenging both to us and to our horeca customers, but also a great opportunity to the staffing sector to help the industry to fulfill the workforce needs. We will do quick actions to train new employees. The whole industry needs support in work-based immigration so that the growing shortage can be minimized.

Volume growth in the retail sector has been steady. Our retail team has been developing consistently, and we have

continuously grown for several years. The growth in our market share and our success is based on efficient recruitment process and good delivery reliability. During the last year the growth has been limited by some of our customers having temporarily moved horeca personnel to retail. Additionally, the growth in online shopping has increased the demand for shelving and collecting personnel.

Growth in our largest sector, manufacturing, logistics and construction, has started well in the second quarter. In June we were already clearly ahead last June and also the number of open positions has significantly grown. The focus of our operations has been shifted more toward workforce acquisition and thus to fulfilling the customer needs. The gradually surfacing labour shortage is partially tackled with importing foreign labour, which has continued to meet difficulties due to corona.

The growth in other customer segments and their share of our total sales develops positively, which shows that we can launch new segments profitably. In addition to Eezy Doctors, United and Office to continuously explore possibilities to expand to new sectors.

Professional services continued good growth

Professional services grew 88% in the quarter and their share of our revenue grew to 8%. In addition to the acquisitions last year, the growth was accelerated by the recovery of the headhunting markets as well as growth in employee surveys, trainings and change management services, as companies are preparing to return from corona conditions to the normal life.

Our strategy is to strengthen our position in all our businesses. The professional services' role in improving our profitability is important. In addition, the impact of our experts in building Eezy's culture and internal development has been significant. I am happy that we build a better Eezy based on the skills of our whole organization.

Our goal is to be the most significant reformer of the working life. In line with our vision we continuously develop and reshape the working life services we offer to our customers and employees by our experienced professional services organization.

Cash flow to be utilized in acquisitions, labour availability and competitiveness

Luckily, we can already see some hope of normal business conditions. We have survived challenging times well, and at the same time we have invested to Eezy's culture and have implemented our organic growth strategy. Strong cash flow and more clear future outlook will enable also inorganic growth.

We seek to improve our competitiveness via acquisitions by e.g. widening the skill base and increasing efficiency. Hopefully we can later this year share some positive news on

that front, and we get new Eezy people to our positive professional team.

We will also continue investments to improve the labour availability. Availability will be improved by investing to e.g. the Eezy brand recognition, importing foreign labour, and digital services. We will also improve competitiveness by investing to the wellbeing, physical activity, and work conditions of our employees.

Toward a good second half of the year

Based on the current view, we are going optimistically to the second half of the year, and we expect substantial growth and good profitability development from the period. Although corona still causes uncertainty to our forecasts, we dare to give guidance for 2021.

We estimate that the revenue will be 190-210 M€ and EBIT will be 11-14 M€. The basic assumption behind the forecast is that no new significant restrictions are introduced and that the society stays open.

Before the year-end we will also update our long-term financial targets and our growth plans."

"Back on the growth path"

Sami Asikainen. CEO



Market review

The HR services market relevant to Eezy's business includes staffing services, light entrepreneurship services (earlier self-employment services) and selected professional services. Markets are estimated to have contracted in 2020 temporarily by 15-25%. Markets are expected to recover to the previous levels when the Corona pandemic retreats. 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 2.5 billion in 2020, of which the staffing services were EUR 2.15 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 200 million.

According to The Private Employment Agencies Association (HPL), the revenue of the largest companies in the staffing service market increased 23% in May, but due to the weak first few months, the market in January–May remained 5% below last year. According to HPL, the economic outlook in staffing services has remained positive. The management estimates that the professional services market has decreased compared to the previous year, but the outlook has improved and the market is growing again. In the light entrepreneurship services market, Corona is the largest factor affecting development, but also 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 easing of restrictions during spring 2021 has clearly decreased the negative effects of corona on us, and our business turned to clear growth compared to the lock-down in spring 2020.

Corona's effects can be clearly seen in the industrial and construction sectors, which normally generate half of our revenue. Customers' activity has clearly increased, although it varies by the area and the customer. Revenue in June was clearly ahead of last year's June. Importing foreign labor is still difficult and the summer 2021 will remain smaller than normally.

The negative impact has been largest in the Horeca sector, which normally generates about one quarter of our revenue. After a weak early part of the year, the volumes strongly picked up toward the end of the second quarter as restrictions were eased at the same time when the busy summer period started. However, summer 2021 will likely still remain smaller than in a normal year.

Volumes in the retail sector have been somewhat over last year. If the horeca employees that were moved temporarily to the retail sector by some of our customers, return to horeca, we expect growth to materialize also in the retail sector.

The vaccinations have progressed well, and restrictions have been eased during the summer, but the fourth corona wave is currently picking up pace. If new restrictions are introduced, the outlook may darken quickly. The fourth corona wave may cause sickness absences especially in the younger population that forms a substantial part of the staffed employees.

If the consumption demand recovers strongly, it is possible that the role of workforce availability increases again, like before corona. Workforce availability problems have already surfaced in the horeca sector, but challenges may grow also on other sectors.

Corona has decreased the demand for professional services, but customer demand has been recovering during the spring.

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

Revenue

April–June

Eezy's revenue amounted to EUR 48.0 million (39.0), increasing by 23% compared to the corresponding period in the previous year.

Revenue increased by 19% in the staffing service area, and the growth increased toward the end of the period. In the professional services area revenue increased by 88% both due to the acquisitions last year and the strengthening of the market. In the light entrepreneurship service area revenue was at the same level as last year.

Eezy's chain-wide revenue amounted to EUR 73.3 million (59.4) increasing by 23%. Franchise fees totaled EUR 1.7 million (1.3). The invoicing volume of light entrepreneurship services was EUR 10.4 million (9.8).

January–June

Eezy's revenue amounted to EUR 84.6 million (94.1), decreasing by 10% compared to the corresponding period in the previous year.

Revenue in the staffing service area was 14 % below last year as Corona decreased volume especially in the Horeca sector and the industrial sector in early 2021. In the professional services area revenue increased by 67% mainly due to the acquisitions last year. In the light entrepreneurship service area revenue decreased by 12%.

Eezy's chain-wide revenue amounted to EUR 129.7 million (137.4) decreasing by 6%. Franchise fees totaled EUR 3.1

million (2.7). The invoicing volume of light entrepreneurship services was EUR 19.1 million (20.5).

Revenue by service area

| EUR million | 4–6/2021 | 4–6/2020 | Change % | 1–6/2021 | 1–6/2020 | Change % | 1–12/2020 |
|---------------------------------|-------------|-------------|------------|-------------|-------------|-------------|--------------|
| Staffing services | 42.0 | 35.2 | 19% | 73.8 | 86.2 | -14% | 173.4 |
| Franchise fees | 1.7 | 1.3 | 39% | 3.1 | 2.7 | 16% | 6.1 |
| Professional services | 3.6 | 1.9 | 88% | 6.6 | 3.9 | 67% | 8.4 |
| Light entrepreneurship services | 0.6 | 0.6 | 0% | 1.1 | 1.3 | -12% | 2.7 |
| Total | 48.0 | 39.0 | 23% | 84.6 | 94.1 | -10% | 190.6 |

Result

April–June

EBITDA was EUR 5.0 million (1.8). Operating profit was EUR 3.1 million (-0.5). Negative impact of Corona was visible in all business areas, both in staffing services and in professional services. Profitability grew toward the end of the period as the business volume grew. A corona subsidy from State treasury totaling EUR 1.0 million is included in the result.

The result before taxes was EUR 2.7 million (-1.0) and the result for the period was EUR 2.1 million (-0.7). Earnings per share was EUR 0.08 (-0.03).

January–June

EBITDA was EUR 7.7 million (4.6). Operating profit was EUR 4.0 million (0.4). Negative impact of Corona was visible in all business areas, both in staffing services and in professional services. Profitability improved toward the end of the period.

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.

The result before taxes was EUR 3.2 million (-0.3) and the result for the period was EUR 2.4 million (-0.2). Earnings per share was EUR 0.09 (-0.02).

Financial position and cash flow

Eezy's consolidated balance sheet on 30 June 2021 amounted to EUR 201.3 million (212.8), of which equity made up EUR 103.5 million (101.1).

As of 30 June 2021, the Group has liabilities to credit institutions amounting to EUR 50.7 million (55.0), of which EUR 46.5 (50.7) was non-current.

Cash balance on 30 June 2021 was EUR 7.3 million (21.3). The Group has overdraft facilities in total of EUR 10.0 million, all of which were unused on 30 June 2021. The remaining positive effect from relaxed due dates on pension payments and taxes was approx. EUR 3 million.

Equity ratio stood at 51.4% (47.5%). The Group's net debt including IFRS16 leasing items on 30 June 2021 amounted to EUR 48.9 million (38.1). Net debt excluding IFRS16 leasing items was EUR 43.5 million (34.0). The net debt/EBITDA ratio was 2.9 x (2.7 x).

Operative free cash flow amounted to EUR 3.9 million (15.5) in April–June and EUR -1.7 million (18.6) in January–June. Tax and pension payments of approx. EUR 7 million, related to corona actions last year, decreased cash flow as planned.

Investments and acquisitions

Eezy sold its Swedish subsidiary VMP-Group Sweden AB to Palm & Partners Bemanning AB on 4 January 2021. The transaction did not generate any significant capital gain.

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.

Investments in tangible and intangible assets totaled EUR 0.6 million (0.5) in April–June and EUR 1.0 million (0.9) in January–June. 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 April–June, Eezy employed an average of 352 (383) and January–June 353 (379) on average people in Group functions and on average 3 171 (2 910) in April–June and 2 752 (3 430) in January–June 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.

Shares and shareholders

On 30 June 2021, Eezy Plc had 24 849 375 (24 849 375) registered shares. The company holds no treasury shares. The company had 2 544 (2 254) shareholders, including nominee registered shareholders.

In January–June 2021, a total of 2 187 335 (1 835 793) shares were traded and the total trading volume was EUR 11.5 million (8.8). During the period, the highest quotation was EUR 6.26 (7.35) and the lowest EUR 4.90 (2.58). The volume-weighted average price of the share was EUR 5.24 (4.78). The closing price of the share at the end of June was EUR 6.22 (3.87) and the market value stood at EUR 154.6 million (96.2).

On 30 June 2021, the members of the Board of Directors and the members of the management team owned a total of 1 496 604 (1 420 671) Eezy shares, corresponding to approximately 6.0% (5.7%) 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 30 June 2021:

| Shareholder | Shares | % |
|-------------------------------------|-------------------|---------------|
| 1. Noho Partners Oyj | 6 274 881 | 25.25 |
| 2. Sentica Buyout V Ky | 6 105 458 | 24.57 |
| 3. Meissa-Capital Oy | 3 223 071 | 12.97 |
| 4. OP Suomi Mikroyhtiöt Fund | 725 000 | 2.92 |
| 5. Asikainen Sami | 414 350 | 1.67 |
| 6. FIM Fenno | 395 232 | 1.59 |
| 7. Evli Suomi Pienyhtiöt Fund | 391 699 | 1.58 |
| 8. Taaleritehdas Mikro Markka Osake | 380 000 | 1.53 |
| 9. Säästöpankki Pienyhtiöt | 322 200 | 1.30 |
| 10. Ilmarinen Mutual Pension | 274 261 | 1.10 |
| 10 largest in total | 18 506 152 | 74.47 |
| Nominee-registered | 1 873 372 | 7.54 |
| Others | 4 469 851 | 17.99 |
| Total | 24 849 375 | 100.00 |

The company has received one flagging notice during the period: The ownership of NoHo Partners Plc decreased below 30%.

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.

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 is unused.

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. The authorization is unused.

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 2021

Eezy expects revenue to be 190-210 million euro and EBIT to be 11-14 million euro.

Eezy Plc
Board of Directors

More information:

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

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

Result publication event:

A Finnish-language briefing for analysts and media will be held on 10 August 2021 at 13.00 Finnish time as a webcast at <https://eezy.videosync.fi/2021-q2-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

Interim Report January–September 2021

9 Nov 2021

Consolidated statement of comprehensive income (IFRS)

(unaudited)

| EUR thousand | 1 Apr – 30 Jun 2021 | 1 Apr – 30 Jun 2020 | 1 Jan – 30 Jun 2021 | 1 Jan – 30 Jun 2020 | 1 Jan – 31 Dec 2020 |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|
| Revenue | 47 999 | 39 048 | 84 598 | 94 139 | 190 637 |
| Other operating income | 1 090 | 165 | 2 926 | 293 | 1 330 |
| Share of result of equity accounted investments | - | - | - | -1 | -1 |
| Materials and services | -1 426 | -880 | -2 665 | -2 439 | -4 444 |
| Personnel expenses | -38 915 | -31 251 | -69 625 | -77 199 | -155 124 |
| Other operating expenses | -3 775 | -5 292 | -7 513 | -10 210 | -18 904 |
| Other depreciation, amortization and impairment losses | -897 | -1 370 | -1 748 | -2 216 | -4 016 |
| IFRS3 amortization ¹ | -1 000 | -963 | -2 000 | -1 926 | -3 914 |
| Operating profit | 3 075 | -542 | 3 974 | 442 | 5 565 |
| Financial income | 24 | 35 | 78 | 99 | 150 |
| Financial expense | -384 | -458 | -819 | -829 | -1 702 |
| Financial income and expenses | -360 | -423 | -741 | -730 | -1 552 |
| Profit before taxes | 2 715 | -965 | 3 233 | -288 | 4 014 |
| Income taxes | -592 | 255 | -820 | 59 | -819 |
| Profit for the period | 2 123 | -710 | 2 413 | -230 | 3 195 |
| Profit attributable to | | | | | |
| Owners of the parent company | 2 000 | -820 | 2 258 | -409 | 2 680 |
| Non-controlling interests | 123 | 110 | 154 | 179 | 515 |
| Profit for the period | 2 123 | -710 | 2 413 | -230 | 3 195 |
| Earnings per share, basic (EUR) | 0.08 | -0.03 | 0.09 | -0.02 | 0.11 |
| Earnings per share, diluted (EUR) | 0.08 | -0.03 | 0.09 | -0.02 | 0.11 |
| Other comprehensive income | | | | | |
| Items that will not be reclassified to profit or loss | | | | | |
| Changes in the fair value of share investments | - | 49 | 3 | -157 | -78 |
| Items that may be reclassified subsequently to profit or loss | | | | | |
| Exchange differences on translating foreign operations | - | 6 | 50 | -0 | 8 |
| Other comprehensive income for the period, net of tax | - | 56 | 52 | -157 | -69 |
| Total comprehensive income for the period | 2 123 | -654 | 2 465 | -387 | 3 126 |
| Total comprehensive income attributable to | | | | | |
| Owners of the parent company | 2 000 | -764 | 2 311 | -568 | 2 611 |
| Non-controlling interests | 123 | 110 | 154 | 182 | 515 |
| Total comprehensive income for the period | 2 123 | -654 | 2 465 | -387 | 3 126 |

¹⁾ The IFRS 3 amortization comprises the amortization made on the recognized fair value adjustments arisen from business combinations.

Consolidated balance sheet (IFRS)

| EUR thousand | 30 Jun 2021 | 30 Jun 2020 | 31 Dec 2020 |
|--|----------------|----------------|----------------|
| ASSETS | | | |
| Non-current assets | | | |
| Goodwill | 128 011 | 125 802 | 127 938 |
| Intangible assets | 28 072 | 29 570 | 29 731 |
| Property, plant and equipment | 6 166 | 6 372 | 6 984 |
| Investments in shares | 240 | 492 | 586 |
| Receivables | 1 168 | 1 460 | 1 227 |
| Deferred tax asset | 1 482 | 1 577 | 374 |
| Total non-current assets | 165 139 | 165 272 | 166 841 |
| Current assets | | | |
| Trade receivables and other receivables | 28 828 | 25 505 | 20 851 |
| Current income tax receivables | 8 | 739 | 0 |
| Cash and cash equivalents | 7 342 | 21 292 | 15 447 |
| Total current assets | 36 179 | 47 536 | 36 298 |
| Assets classified as held for sale | - | - | 2 096 |
| TOTAL ASSETS | 201 318 | 212 808 | 205 235 |
| EQUITY AND LIABILITIES | | | |
| Equity attributable to the owners of the parent company | | | |
| Share capital | 80 | 80 | 80 |
| Reserve for invested unrestricted equity | 106 572 | 106 572 | 106 572 |
| Fair value reserve | - | -82 | -3 |
| Translation differences | - | -54 | -50 |
| Retained earnings | -5 909 | -6 223 | -5 714 |
| Total equity attributable to the owners of the parent company | 100 743 | 100 293 | 100 885 |
| Non-controlling interests | 2 711 | 854 | 2 859 |
| Total equity | 103 454 | 101 147 | 103 744 |
| Non-current liabilities | | | |
| Borrowings | 49 855 | 53 341 | 51 628 |
| Other liabilities | 110 | 100 | 66 |
| Deferred tax liability | 5 167 | 5 671 | 5 504 |
| Total non-current liabilities | 55 133 | 59 112 | 57 198 |
| Current liabilities | | | |
| Borrowings | 6 207 | 5 797 | 6 242 |
| Trade payables and other liabilities | 34 508 | 45 054 | 34 620 |
| Current income tax liabilities | 2 016 | 1 699 | 1 679 |
| Total current liabilities | 42 731 | 52 549 | 42 542 |
| Liabilities directly associated with assets classified as held for sale | - | - | 1 752 |
| Total liabilities | 97 864 | 111 661 | 101 491 |
| TOTAL EQUITY AND LIABILITIES | 201 318 | 212 808 | 205 235 |

Consolidated cash flow statement (IFRS)

| EUR thousand | 1 Apr – 30 Jun 2021 | 1 Apr – 30 Jun 2020 | 1 Jan – 30 Jun 2021 | 1 Jan – 30 Jun 2020 | 1 Jan – 31 Dec 2020 |
|--|------------------------|------------------------|------------------------|------------------------|------------------------|
| Cash flows from operating activities | | | | | |
| Customer payments received | 41 665 | 44 654 | 79 781 | 103 447 | 204 069 |
| Cash paid to suppliers and employees | -37 216 | -28 655 | -80 523 | -83 965 | -180 705 |
| Cash flows from operating activities before financial items and taxes | 4 448 | 15 999 | -742 | 19 482 | 23 363 |
| Interest paid | -400 | -425 | -499 | -479 | -1 627 |
| Interest received | 10 | 14 | 30 | 31 | 66 |
| Other financial items | 8 | 19 | 31 | 33 | 52 |
| Income taxes paid | -107 | -19 | -1 937 | -1 034 | -397 |
| Loans granted | - | -21 | - | -21 | -21 |
| Proceeds from repayments of loans | 8 | 15 | 14 | 50 | 142 |
| Net cash flows from operating activities | 3 968 | 15 583 | -3 102 | 18 062 | 21 579 |
| Cash flows from investing activities | | | | | |
| Purchase of tangible and intangible assets | -550 | -509 | -1 007 | -862 | -2 096 |
| Proceeds from sale of tangible assets | 64 | 102 | 127 | 192 | 332 |
| Acquisition of subsidiaries, net of cash acquired | - | -300 | - | -568 | -2 082 |
| Disposal of subsidiaries | - | - | 500 | - | - |
| Disposal of equity accounted investments | - | - | - | 135 | 135 |
| Proceeds from sale of investments | - | - | 311 | 38 | 41 |
| Proceeds from repayments of loans | 3 | 2 | 4 | 4 | 8 |
| Net cash flows from investing activities | -484 | -706 | -66 | -1 062 | -3 663 |
| Cash flows from financing activities | | | | | |
| Change in non-controlling interests | - | -31 | -41 | -54 | -118 |
| Repayment of current borrowings | -1 116 | -14 | -1 120 | -69 | -3 204 |
| Repayment of non-current borrowings | - | - | - | -79 | -79 |
| Payment of lease liabilities | -492 | -479 | -1 007 | -923 | -1 998 |
| Dividends paid | -2 485 | -294 | -2 768 | -294 | -2 779 |
| Net cash flows from financing activities | -4 093 | -818 | -4 937 | -1 419 | -8 177 |
| Net change in cash and cash equivalents | -610 | 14 059 | -8 105 | 15 581 | 9 739 |
| Cash and cash equivalents at the beginning of the reporting period | 7 952 | 7 224 | 15 447 | 5 710 | 5 710 |
| Effects of exchange rate changes | - | 10 | - | 1 | -1 |
| Cash and cash equivalents at the end of the reporting period | 7 342 | 21 292 | 7 342 | 21 292 | 15 447 |

Changes in equity

| EUR thousand | Attributable to owners of the parent | | | | | | | Non-controlling interests | Total equity |
|--------------------------------------|--------------------------------------|---------------------------------|--------------------|-------------------------|-------------------|----------------|--------------|---------------------------|--------------|
| | Share capital | Reserve for unrestricted equity | Fair value reserve | Translation differences | Retained earnings | Total | | | |
| Equity 1 Jan 2021 | 80 | 106 572 | -3 | -50 | -5 714 | 100 885 | 2 859 | 103 744 | |
| Result for the period | - | - | - | - | 2 258 | 2 258 | 154 | 2 413 | |
| Other comprehensive income: | | | | | | | | | |
| Change in fair value | - | - | 3 | - | - | 3 | - | 3 | |
| Translation differences | - | - | - | 50 | - | 50 | - | 50 | |
| Total comprehensive income | - | - | 3 | 50 | 2 258 | 2 311 | 154 | 2 465 | |
| Transactions with owners | | | | | | | | | |
| Dividend distribution | - | - | - | - | -2 485 | -2 485 | -284 | -2 768 | |
| Changes in non-controlling interests | - | - | - | - | -23 | -23 | -18 | -41 | |
| Share based payments | - | - | - | - | 54 | 54 | - | 54 | |
| Total equity 30 Jun 2021 | 80 | 106 572 | - | - | -5 909 | 100 743 | 2 711 | 103 454 | |

| EUR thousand | Attributable to the owners of the parent | | | | | | | Non-controlling interests | Total equity |
|--------------------------------------|--|---------------------------------|--------------------|-------------------------|-------------------|----------------|--------------|---------------------------|--------------|
| | Share capital | Reserve for 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 | - | - | - | - | -409 | -409 | 179 | -230 | |
| Other comprehensive income: | | | | | | | | | |
| Change in fair value | - | - | -157 | - | - | -157 | - | -157 | |
| Translation differences | - | - | - | -1 | 0 | -0 | - | -0 | |
| Total comprehensive income | - | - | -157 | -1 | 0 | -157 | - | -157 | |
| Transactions with owners | | | | | | | | | |
| Dividend distribution | - | - | - | - | - | - | -294 | -294 | |
| Changes in non-controlling interests | - | - | - | - | -4 | -4 | -59 | -63 | |
| Share based payments | - | - | - | - | 52 | 52 | - | 52 | |
| Other changes | - | - | - | - | 1 | 1 | 1 | 2 | |
| Total equity 30 Jun 2020 | 80 | 106 572 | -82 | -54 | -6 223 | 100 293 | 854 | 101 147 | |

Attributable to owners of the parent

| EUR thousand | Share capital | Reserve for unrestricted equity | Fair value reserve | Translation differences | Retained earnings | Total | Non- controlling interests | Total equity |
|--------------------------------------|---------------|---------------------------------------|-----------------------|----------------------------|----------------------|----------------|----------------------------------|----------------|
| 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 |
| 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 Half-Year Report

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 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 Half-Year Report in accordance with IAS 34 Interim Financial Reporting. The financial information in the Half-Year Report has been prepared in accordance with International Financial Reporting Standards (IFRS) and the accounting policies comply with the IFRS standards and IFRIC interpretations effective as at 30 June 2021. The accounting policies in Half-Year Report are the same as in Financial Statement 2020.

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

Accounting estimates

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

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

The continuing corona virus pandemic and the measures taken to contain its spread represent the main short-term risk to business operations and the demand environment. 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 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 can be clearly seen also in the industrial and construction sectors, but the impact has varied a lot by area and customer. The ongoing vaccination roll-out and easing of the restrictions have led to visible improvement. Eezy's management has updated business forecasts according to the effects of the pandemic, but the outlook for short-term development taking into account the pace of implementing vaccination programmes, the new waves of corona virus infections and the level of possible new restrictions has been challenging since the operational requirements of our customer can change rapidly.

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 current COVID19 situation as well as the future market demand and environment. Goodwill is tested regularly for impairment. No indications of impairment have been noticed at the time of preparation of the Half-Year Report.

Revenue

Eezy's revenue comprises income from staffing services, professional services and light entrepreneurship services.

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

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

In the professional services area Eezy provides recruitment, aptitude testing, training and development and executive search services to its customers. Additionally, Eezy provides services for organizational development and personnel surveys. Flow acquisition in 2020 increased the share of consulting services of area's revenue.

With the light entrepreneurship services provided to private persons they can operate as independent entrepreneurs without establishing a company of their own. A private individual selling one's own expertise invoices the services provided through Eezy's service and receives the payment agreed with their customer with Eezy's fee deducted from the balance. 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.

Revenue by service area:

| EUR thousand | 1 Apr – 30 Jun 2021 | 1 Apr – 30 Jun 2020 | 1 Jan – 30 Jun 2021 | 1 Jan – 30 Jun 2020 | 1 Jan – 31 Dec 2020 |
|---------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Staffing services | 42 014 | 35 243 | 73 768 | 86 221 | 173 388 |
| Franchise fees | 1 749 | 1 261 | 3 089 | 2 673 | 6 106 |
| Professional services | 3 625 | 1 932 | 6 597 | 3 939 | 8 422 |
| Light entrepreneurship services | 612 | 612 | 1 144 | 1 306 | 2 721 |
| Total revenue | 47 999 | 39 048 | 84 598 | 94 139 | 190 637 |

Business combinations

Acquisitions in 1–6/2021

Acquisition of ValueScout

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 | ValueScout |
|-------------------------------------|-------------------|
| Purchase considerations | |
| Cash consideration | 100 |
| Non-competition agreement | -13 |
| Total purchase consideration | 87 |

Non-competition agreement

Non-competition agreements are treated as part of the transactions and accounted for as separate intangible assets on the balance sheet of Eezy. Non-competition agreement was not considered to be a part of the acquired assets of ValueScout. Therefore EUR 13 thousand has been deducted from the purchase consideration.

Contingent consideration

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 2021–2016.

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

| EUR thousand | ValueScout |
|--------------------------------------|------------|
| ASSETS | |
| Non-current assets | |
| Intangible assets | 21 |
| Total non-current assets | 21 |
| TOTAL ASSETS | 21 |
| LIABILITIES | |
| Non-current liabilities | |
| Deferred tax liability | 7 |
| Total non-current liabilities | 7 |
| TOTAL LIABILITIES | 7 |
| Total net assets acquired | 14 |
| Goodwill | 73 |
| Purchase consideration | 87 |

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

| EUR thousand | ValueScout |
|--------------|------------|
| Trademarks | 21 |
| Total | 21 |

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.

Cash flows from purchase consideration:

| EUR thousand | ValueScout |
|----------------------|-----------------|
| Cash consideration | 87 ¹ |
| Net cash flow | 87 |

¹ EUR 13 thousand paid in cash for the non-competition agreement has been deducted from the cash consideration of EUR 100 thousand.

Acquisitions in 1–6/2020

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

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

Businesses sold**Divestments in 1–6/2021**

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–June 2021.

Divestments in 1–6/2020

Eezy sold its share of 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–June 2020.

Intangible assets

| EUR thousand | Goodwill | Trademarks | IT software | Customer relationships | Non-competition agreements | Advances paid | Total intangible assets |
|---|----------------|--------------|---------------|------------------------|----------------------------|---------------|-------------------------|
| Cost at 1 Jan 2021 | 127 938 | 2 623 | 8 144 | 26 870 | 3 315 | - | 40 953 |
| Additions | 73 | 33 | 881 | - | 13 | - | 927 |
| Cost at 30 Jun 2021 | 128 011 | 2 656 | 9 025 | 26 870 | 3 328 | - | 41 880 |
| Accumulated amortization and impairment at 1 Jan 2021 | - | -420 | -5 526 | -3 780 | -1 496 | - | -11 222 |
| Amortization | - | -130 | -432 | -1 354 | -524 | - | -2 440 |
| Impairment | - | - | -147 | - | - | - | -147 |
| Accumulated amortization and impairment at 30 Jun 2021 | - | -550 | -6 105 | -5 134 | -2 020 | - | -13 809 |
| Net carrying value at 1 Jan 2021 | 127 938 | 2 203 | 2 619 | 23 090 | 1 819 | - | 29 731 |
| Net carrying value at 30 Jun 2021 | 128 011 | 2 106 | 2 920 | 21 736 | 1 309 | - | 28 072 |
| 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 | -0 | - | - | - | - | - | - |
| Acquisitions | 45 | - | - | - | - | - | - |
| Additions | - | 16 | 456 | - | - | - | 472 |
| Transfers between classes | - | - | - | - | - | -50 | -50 |
| Cost at 30 Jun 2020 | 125 802 | 2 612 | 6 264 | 26 500 | 2 956 | 6 | 38 338 |
| Accumulated amortization and impairment at 1 Jan 2020 | - | -160 | -3 977 | -1 114 | -496 | - | -5 747 |
| Amortization | - | -129 | -541 | -1 326 | -493 | - | -2 489 |
| Impairment | - | - | -531 | - | - | - | -531 |
| Accumulated amortization and impairment at 30 Jun 2020 | - | -290 | -5 050 | -2 440 | -988 | - | -8 767 |
| Net carrying value at 1 Jan 2020 | 125 757 | 2 436 | 1 831 | 25 386 | 2 460 | 56 | 32 169 |
| Net carrying value at 30 Jun 2020 | 125 802 | 2 322 | 1 215 | 24 060 | 1 967 | 6 | 29 570 |

| 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 |
| Additions | 95 | 331 | - | 490 | - | - | 916 |
| Disposals | - | -22 | -110 | -134 | - | - | -266 |
| Revaluation | - | -325 | - | -2 | - | - | -327 |
| Cost at 30 Jun 2021 | 1 174 | 9 599 | 1 536 | 695 | 102 | - | 13 106 |
| Accumulated depreciation and impairment at 1 Jan 2021 | -658 | -3 871 | -959 | -241 | -73 | - | -5 802 |
| Disposals | - | 22 | - | - | - | - | 22 |
| Depreciation | -71 | -932 | -75 | -74 | - | - | -1 152 |
| Impairment | - | - | -10 | - | - | - | -10 |
| Accumulated depreciation and impairment at 30 Jun 2021 | -728 | -4 781 | -1 044 | -315 | -73 | - | -6 941 |
| Net book value at 1 Jan 2021 | 422 | 5 745 | 687 | 100 | 29 | - | 6 984 |
| Net book value at 30 Jun 2021 | 446 | 4 818 | 492 | 380 | 29 | - | 6 166 |

| 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 | - | -1 | -0 | -1 | - | - | -2 |
| Additions | 53 | 161 | 23 | 101 | - | 481 | 819 |
| Disposals | - | - | -190 | - | - | -77 | -267 |
| Revaluation | - | 163 | - | 0 | - | - | 163 |
| Cost at 30 Jun 2020 | 1 014 | 6 732 | 1 780 | 489 | 102 | 960 | 11 077 |
| Accumulated depreciation and impairment at 1 Jan 2020 | -532 | -2 017 | -753 | -233 | -51 | - | -3 585 |
| Translation differences | - | 0 | 0 | -0 | - | - | 0 |
| Depreciation | -58 | -856 | -132 | -52 | -23 | - | -1 121 |
| Accumulated depreciation and impairment at 30 Jun 2020 | -589 | -2 873 | -884 | -285 | -73 | - | -4 704 |
| Net book value at 1 Jan 2020 | 430 | 4 392 | 1 194 | 155 | 52 | 557 | 6 780 |
| Net book value at 30 Jun 2020 | 425 | 3 859 | 895 | 204 | 29 | 960 | 6 372 |

| 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 |
| Business combinations | - | - | 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 | 30 Jun 2021 | | 30 Jun 2020 | | 31 Dec 2020 | |
|---------------------------------|-------------|-------|-------------|-------|-------------|-------|
| | Fair value | Level | Fair value | Level | Fair value | Level |
| Investments in shares, listed | - | 1 | 252 | 1 | 351 | 1 |
| Investments in shares, unlisted | 240 | 3 | 240 | 3 | 235 | 3 |
| Contingent consideration | 142 | 3 | 249 | 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.

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 | 30 Jun 2021 | 30 Jun 2020 | 31 Dec 2020 |
|---|---------------|---------------|---------------|
| Liabilities in balance sheet for which collaterals given | | | |
| Borrowings, non-current | 46 500 | 50 743 | 47 630 |
| Borrowings, current | 4 229 | 4 249 | 4 247 |
| Total | 50 729 | 54 992 | 51 877 |

| EUR thousand | 30 Jun 2021 | 30 Jun 2020 | 31 Dec 2020 |
|--------------------------------|----------------|----------------|----------------|
| Mortgages on own behalf | | | |
| Company mortgages | 100 000 | 100 000 | 100 000 |
| Property, plant and equipment | 19 | 59 | 51 |
| Total | 100 019 | 100 059 | 100 051 |

Related party transactions

Transactions and balances with related parties:

| EUR thousand | 1 Jan – 30 Jun 2021 | 1 Jan – 30 Jun 2020 | 1 Jan – 31 Dec 2020 |
|--|---------------------|---------------------|---------------------|
| Companies that have significant influence | | | |
| Sales | 2 609 | 3 946 | 9 322 |
| Purchases | -32 | -26 | -87 |
| Trade receivables | 1 464 | 818 | 797 |
| Trade payables and other liabilities | 2 | 1 | 3 |
| Associated companies | | | |
| Loan receivables | 61 | 89 | 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.

Events after the review period

No events after the review period.

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 Apr – 30 Jun 2021 | 1 Apr – 30 Jun 2020 | Change % | 1 Jan – 30 Jun 2021 | 1 Jan – 30 Jun 2020 | Change % | 1 Jan – 31 Dec 2020 |
|--|---------------------|---------------------|----------|---------------------|---------------------|----------|---------------------|
| Key figures for income statement | | | | | | | |
| Revenue | 47 999 | 39 048 | 23% | 84 598 | 94 139 | -10% | 190 637 |
| EBITDA | 4 972 | 1 791 | 178% | 7 722 | 4 584 | 68% | 13 495 |
| EBITDA margin, % | 10.4% | 4.6% | - | 9.1% | 4.9% | - | 7.1% |
| EBIT | 3 075 | -542 | 668% | 3 974 | 442 | 799% | 5 565 |
| EBIT margin, % | 6.4% | -1.4% | - | 4.7% | 0.5% | - | 2.9% |
| Earnings per share, basic, EUR | 0.08 | -0.03 | - | 0.09 | -0.02 | - | 0.11 |
| Earnings per share, diluted, EUR | 0.08 | -0.03 | - | 0.09 | -0.02 | - | 0.11 |
| Weighted average number of outstanding shares, pcs | 24 849 375 | 24 849 375 | - | 24 849 375 | 24 849 375 | - | 24 849 375 |
| Weighted average number of outstanding shares, diluted, pcs | 25 028 466 | 24 986 585 | - | 25 028 466 | 24 986 585 | - | 24 997 332 |
| Number of outstanding shares at the end of reporting period, pcs | - | - | - | 24 849 375 | 24 849 375 | - | 24 849 375 |
| Key figures for balance sheet | | | | | | | |
| Net debt | - | - | - | 48 862 | 38 094 | - | 42 424 |
| Net debt excluding IFRS16 | - | - | - | 43 528 | 33 969 | - | 36 440 |
| Net debt/EBITDA ¹ | - | - | - | 2.9 x | 2.7 x | - | 3.1 x |
| Gearing, % | - | - | - | 47.2% | 37.7% | - | 40.9% |
| Equity ratio, % | - | - | - | 51.4% | 47.5% | - | 50.6% |
| Equity per share, EUR | - | - | - | 4.16 | 4.07 | - | 4.17 |
| Key figures for cash flow | | | | | | | |
| Operative free cash flow | 3 898 | 15 490 | - | -1 749 | 18 620 | - | 21 267 |
| Purchase of tangible and intangible assets | -550 | -509 | - | -1 007 | -862 | - | -2 096 |
| Acquisition of subsidiaries, net of cash acquired | - | -300 | - | - | -568 | - | -2 082 |
| Operative key figures | | | | | | | |
| Chain-wide revenue, EUR million | 73.3 | 59.4 | 23% | 129.7 | 137.4 | -6% | 282.6 |
| Franchise-fees, EUR million | 1.7 | 1.3 | 39% | 3.1 | 2.7 | 16% | 6.1 |
| Light entrepreneurship invoicing volume, EUR million | 10.4 | 9.8 | 6% | 19.1 | 20.5 | -7% | 41.9 |

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

Reconciliation of Certain Alternative Performance Measures

| EUR thousand | 1 Apr – 30 Jun 2021 | 1 Apr – 30 Jun 2020 | 1 Jan – 30 Jun 2021 | 1 Jan – 30 Jun 2020 | 1 Jan – 31 Dec 2020 |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|
| EBITDA | | | | | |
| EBIT | 3 075 | -542 | 3 974 | 442 | 5 565 |
| IFRS3 amortization | 1 000 | 963 | 2 000 | 1 926 | 3 914 |
| Other depreciation, amortization and impairment losses | 897 | 1 370 | 1 748 | 2 216 | 4 016 |
| EBITDA | 4 972 | 1 791 | 7 722 | 4 584 | 13 495 |
| Operative free cash flow | | | | | |
| Cash flows from operating activities before financial items and taxes | 4 448 | 15 999 | -742 | 19 482 | 23 363 |
| Purchase of tangible and intangible assets | -550 | -509 | -1 007 | -862 | -2 096 |
| Operative free cash flow | 3 898 | 15 490 | -1 749 | 18 620 | 21 267 |

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 |