



Eezy Plc

Q1/2023

Interim Report

January–March 2023



Profitability improved in first quarter

In Brief

January–March 2023

- Revenue was EUR 52.8 million (EUR 50.9 million in January–March 2022).
- Revenue grew by 4%.
- EBITDA was EUR 3.4 million (2.5).
- EBIT was EUR 1.3 million (0.5) and was 2.5% of revenue (1.0%).
- Earnings per share was EUR 0.02 (0.00).

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	1–3/2023	1–3/2022	1–12/2022
Revenue	52.8	50.9	247.6
EBITDA	3.4	2.5	18.2
EBITDA, %	6.5%	4.9%	7.4%
EBIT	1.3	0.5	10.0
EBIT, %	2.5%	1.0%	4.0%
EPS, undiluted, EUR	0.02	0.00	0.29
EPS, diluted, EUR	0.02	0.00	0.28
Net debt / EBITDA	3.0 x	2.8 x ¹	2.9 x ¹
Chain-wide revenue	73.8	77.0	351.6

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

Profitability improvements in first quarter

“Our most important theme for 2023 is profitability improvement, and we have succeeded in that in the first quarter. EBIT and profitability of the traditionally smallest quarter improved compared to the first quarter of 2022. EBIT was 1.3 million euro (0.5) and was 2.5% of revenue (1.0). This is the highest first quarter EBIT in Eezy’s four-year history.

In the first quarter revenue grew moderately by 4% to 52.8 million euro. Revenue of staffing services, our largest business, grew to 45.4 million euro, +2% compared to first quarter in 2022. In staffing services we experienced strong demand especially in the horeca sector, while the workforce demands in industry and construction sector decreased along the weakened economy, decreasing our revenue. In the Professional services business demand is strong especially in the public sector employment services as well as in the organizational culture research and development services. The revenue of professional services grew to 7.4 million euro in the first quarter (+18%). Strong demand shows that the Finnish companies want to develop their employees and leadership skills also in weaker economic conditions.

Our revenue grew to 1.3 million euro in the first quarter. The first quarter is typically the smallest quarter in our business, so we are happy for this development. The profit improvement stems from the good performance of our regional teams, successful targeting of sales and marketing efforts, and the determined efficiency improvement actions started last fall. We have renewed our pricing and have focused on decreasing sick-leave costs together with our customers. We have adjusted our own organization and cost structure to the weaker economy and refined our processes to be more efficient. Efficiency in sales and marketing work is evidenced by the record high number of applicants for Eezy services and a significantly growth in customer contacts.

Strategy implementation continues

Good result in the first quarter encourages us to continue implementing our strategy as planned. In the short term, we focus on reaching the sales goals for the summer and fall season and on ensuring positive profitability development. In the longer term, we will work for refining the processes and operating models of our winning organization, for developing the skills of our people, and for strengthening our unique Eezy culture. We want to ensure that everybody in our society can find work according to his/her life situation and skills – we help young people to enter working life e.g. via summer job campaigns. Our profitably growing public sector employment services helps people with difficulties to enter the working life. We offer Light entrepreneurship services for those who want to

easily and safely try being entrepreneur and turning their skills to income. We serve our customers more closely than ever through our nation-wide regional network, near the customers. In our professional services business we help our customers to improve the productivity, competitive advantage and employee commitment by surveying the employee and customer experience, by developing the leadership skills and culture, and by helping them in demanding recruitment.

In staffing services many processes have still been manual and work-intensive making the scalability and profitable growth more difficult. To tackle this challenge, we have during the last year strongly invested into developing digital services. We will gradually introduce a new ERP with AI features, which will automate, speed up and simplify the matching of customers and staffed employees. Additionally, the system will improve the efficiency of our whole business process, both from recruitment to salary payment, as well as from order to delivery and invoicing.

In these economically uncertain times, our wide customer base, customer sector portfolio and diversified service offering mitigate the risks from the economic conditions, while the importance of flexible workforce and the commitment of permanent employees for our customers grows. Thanks to the actions above and our professional personnel we can trust that the good performance in the first quarter continues."

“Professional services grew promisingly.”

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 Employment Industry Finland (HELA) association, the revenue of the largest companies in the staffing service market increased approx. 1% in March 2023 and approx. 5% in January–March compared to last year. According to HELA, the economic outlook in HR services have remained weak.

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

Business developments

Weakening economic conditions since late 2022 has clearly decreased the workforce needs of our customers. The impact has been most prominent in industry and construction sectors, where volumes turned down in late 2022. The volume development varies by geographic area and by customer, but the general trend is similar in whole Finland. The revenue of our franchise chain has decreased more than the revenue of Eezy's own units, which reflects the weakened economy in smaller cities.

Horeca sector has developed positively. Volumes have clearly grown compared to last year. Partially this is explained by the COVID restrictions in the first weeks of

2022, but a whole, the workforce demand in the sector has remained strong.

Workforce needs in the retail sector have decreased a bit from last year.

Demand in the professional services area has continued to be good for our whole offering. The development has been positive in almost all units, reflecting the willingness of Finnish companies to invest in their employees.

Revenue

Eezy's revenue amounted to EUR 52.8 million (50.9), increasing by 4% compared to the corresponding period in the previous year.

Revenue increased by 2% in the staffing services area. In the professional services area revenue increased by 18% both due to organic growth and the Leidenschaft/Siqni acquisition in April 2022.

Eezy's chain-wide revenue amounted to EUR 73.8 million (77.0) decreasing by 4%. Franchise fees totaled EUR 1.3 million (1.6). The invoicing volume of light entrepreneurship services was EUR 9.4 million (9.3).

Result

EBITDA was EUR 3.4 million (2.5). Operating profit was EUR 1.3 million (0.5).

Sick-leaves have slightly decreased from last year, but are still higher than historically typical.

Total depreciation, amortization and impairment was EUR 2.1 million (2.0), of which EUR 0.9 million (1.0) was acquisition related amortization. The result before taxes was EUR 0.7 million (0.2) and the result for the period was EUR 0.5 million (0.1). Earnings per share was EUR 0.02 (0.00).

Revenue by service area

EUR million	1–3/2023	1–3/2022	Change %	1–12/2022
Staffing services	45.4	44.7	2%	219.6
Professional services	7.4	6.3	18%	28.4
Common functions and eliminations	-0.1	-0.1	-	-0.4
Total	52.8	50.9	4%	247.6

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

Financial position and cash flow

Eezy's consolidated balance sheet on 31 March 2023 amounted to EUR 210.4 million (212.0), of which equity made up EUR 113.4 million (108.9).

As of 31 March 2023, the Group has liabilities to credit institutions amounting to EUR 52.0 million (56.3), of which EUR 47.6 (51.9) was non-current.

Cash balance on 31 March 2023 was EUR 0.9 million (9.4). The Group has overdraft facilities in total of EUR 10.0 million, all of which were unused on 31 March 2023.

Equity ratio stood at 53.9% (51.4%). The Group's net debt including IFRS16 leasing items on 31 March 2023 amounted to EUR 56.8 million (54.7). Net debt excluding IFRS16 leasing items was EUR 52.1 million (48.9). The net debt/EBITDA ratio was 3.0 x (2.8 x).

Operative free cash flow amounted to EUR -2.7 million (-2.3).

Investments

Investments in tangible and intangible assets totaled EUR 0.7 million (0.4). Investments were mainly related to IT investments.

Employees

Eezy employs people in Group functions and as staffed employees assigned to customer companies. Eezy employed on average of 514 (478) people in Group functions and on average 3 025 (3 092) 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 31 March 2023, Eezy Plc had 25 046 815 (25 046 815) registered shares. The company holds no treasury shares. The company had 2 946 (2 686) shareholders, including nominee registered shareholders.

In January–March 2023, a total of 463 279 (1 035 140) shares were traded and the total trading volume was EUR 1.5 million (6.0). During the period, the highest quotation was EUR 3.31 (6.38) and the lowest EUR 3.18 (4.63). The

volume-weighted average price of the share was EUR 3.27 (5.75). The closing price of the share at the end of March was EUR 3.24 (5.86) and the market value stood at EUR 81.2 million (146.8).

On 31 March 2023, the members of the Board of Directors and the members of the management team owned a total of 397 470 (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 March 2023:

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	919 668	3.67
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	18 315 432	73.12
Nominee-registered	1 812 588	7.24
Others	4 918 795	19.64
Total	25 046 815	100.00

Governance

Annual General Meeting

The Annual General Meeting (AGM) was held after the review period on 13 April 2023.

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

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

Seven members were elected to the board of directors. Tapio Pajuharju, Kati Hagros, Paul-Petteri Savolainen,

Jarno Suominen, Mika Uotila and Mikko Wirén were re-elected as members of the board of directors. Maria Pajamo was elected as a new member.

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

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

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

Valid authorizations

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

The AGM authorised the board of directors to decide on the repurchase of the company's own shares using the company's unrestricted equity. The total maximum number of shares to be repurchased under the authorisation shall be 2 500 000 shares. The authorisation is valid until the end of the annual general meeting of 2024, however, for a maximum of 18 months. The authorization is unused.

The AGM authorised the board of directors to decide, in one or more tranches, on the issuance of shares as well as on the issuance of option rights and other special rights entitling to shares as referred to in chapter 10(1) of the Finnish Limited Liability Companies Act. The total maximum number of shares to be issued under the authorisation shall be 2 500 000 shares. The authorisation is valid until the end of the annual general meeting of 2024, however, for a maximum of 18 months. The authorization is unused.

Long-term incentive plan

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

Risks and uncertainties

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

Poor economic development and high inflation in Finland may have an adverse impact on Eezy's business and result. In economic downturn it is possible that companies use less staffing services and other HR services offered by Eezy.

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

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

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

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

Guidance for 2023

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

Events after the review period

On 12 April 2023 Siina Saksi was appointed as Eezy's CEO. Saksi will begin her duties at the latest on 15 August 2023.

The Annual General Meeting was held on 13 April 2023.

Eezy Plc
Board of Directors

More information:

Pasi Papunen, Interim CEO
tel. +358 (0)40 501 3128

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

Result publication event:

A Finnish-language briefing for analysts and media will be held on 9 May 2023 at 13.00 Finnish time as a webcast at <https://eezy.videosync.fi/2023-q1-tulos>

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

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 Jan – 31 Mar 2023	1 Jan – 31 Mar 2022	1 Jan – 31 Dec 2022
Revenue	52 776	50 905	247 596
Other operating income	60	99	347
Share of result of equity accounted investments	-15	-	7
Materials and services	-2 326	-1 919	-9 379
Personnel expenses	-43 245	-42 638	-202 825
Other operating expenses	-3 811	-3 935	-17 515
Depreciation, amortization and impairment losses	-2 096	-2 021	-8 226
Operating profit	1 343	491	10 004
Financial income	-46	42	763
Financial expense	-611	-343	-1 642
Financial income and expenses	-656	-301	-879
Profit before taxes	687	191	9 125
Income taxes	-172	-85	-1 654
Profit for the period	515	105	7 472
Comprehensive income for the period	515	105	7 472
Profit attributable to			
Owners of the parent company	521	76	7 156
Non-controlling interests	-6	29	316
Profit for the period	515	105	7 472
Earnings per share, basic (EUR)	0.02	0.00	0.29
Earnings per share, diluted (EUR)	0.02	0.00	0.28

Consolidated balance sheet (IFRS)

EUR thousand	31 Mar 2023	31 Mar 2022	31 Dec 2022
ASSETS			
Non-current assets			
Goodwill	141 654	134 054	141 654
Intangible assets	27 606	27 320	28 284
Property, plant and equipment	5 156	6 334	5 680
Equity accounted investments	137	-	252
Investments in shares	240	240	240
Receivables	2 476	1 087	772
Deferred tax asset	1 166	1 031	363
Total non-current assets	178 437	170 066	177 245
Current assets			
Trade receivables and other receivables	30 713	32 514	33 463
Current income tax receivables	345	62	213
Cash and cash equivalents	881	9 374	5 768
Total current assets	31 939	41 950	39 444
TOTAL ASSETS	210 376	212 016	216 690
EQUITY AND LIABILITIES			
Equity attributable to the owners of the parent company			
Share capital	80	80	80
Reserve for invested unrestricted equity	107 876	107 876	107 876
Retained earnings	2 014	-1 781	1 488
Total equity attributable to the owners of the parent company	109 970	106 175	109 444
Non-controlling interests	3 422	2 743	3 630
Total equity	113 392	108 918	113 074
Non-current liabilities			
Loans from financial institutions	47 551	51 873	47 614
Lease liabilities	2 606	3 428	2 948
Other liabilities	41	1 981	974
Deferred tax liability	4 716	4 999	4 875
Total non-current liabilities	54 914	62 280	56 411
Current liabilities			
Loans from financial institutions	4 448	4 400	4 448
Lease liabilities	2 050	2 404	2 211
Trade payables and other liabilities	34 535	32 720	38 954
Current income tax liabilities	1 037	1 293	1 591
Total current liabilities	42 069	40 817	47 204
Total liabilities	96 983	103 098	103 615
TOTAL EQUITY AND LIABILITIES	210 376	212 016	216 690

Consolidated cash flow statement (IFRS)

EUR thousand	1 Jan – 31 Mar 2023	1 Jan – 31 Mar 2022	1 Jan – 31 Dec 2022
Cash flows from operating activities			
Customer payments received	54 930	51 765	248 736
Cash paid to suppliers and employees	-56 344	-53 018	-229 242
Cash flows from operating activities before financial items and taxes	-1 414	-1 252	19 494
Interest paid	-81	-62	-1 518
Interest received	11	15	80
Other financial items	17	14	79
Income taxes paid	-1 821	-2 090	-3 507
Proceeds from repayments of loans	-	3	31
Net cash flows from operating activities	-3 288	-3 373	14 657
Cash flows from investing activities			
Purchase of tangible and intangible assets	-650	-416	-2 998
Proceeds from sale of tangible assets	-	50	104
Acquisition of subsidiaries, net of cash acquired	-	-	-6 125
Purchase of equity accounted investments	-	-	-245
Loans granted	-33	-	-
Proceeds from repayments of loans	-	2	6
Net cash flows from investing activities	-683	-364	-9 257
Cash flows from financing activities			
Change in non-controlling interests	-2	-81	-80
Proceeds from non-current borrowings	-	8 000	8 000
Repayment of non-current borrowings	-	-	-92
Repayment of current borrowings	-69	-43	-6 941
Payment of lease liabilities	-650	-591	-2 588
Dividends paid	-196	-279	-4 036
Net cash flows from financing activities	-917	7 006	-5 737
Net change in cash and cash equivalents	-4 887	3 268	-338
Cash and cash equivalents at the beginning of the reporting period	5 768	6 106	6 106
Cash and cash equivalents at the end of the reporting period	881	9 374	5 768

Changes in equity (IFRS)

EUR thousand	Attributable to owners of the parent					Non-controlling interests	Total equity
	Share capital	Reserve for invested unrestricted equity	Retained earnings	Total			
Equity 1 Jan 2023	80	107 876	1 488	109 444	3 630	113 074	
Result for the period	-	-	521	521	-6	515	
Total comprehensive income	-	-	521	521	-6	515	
Transactions with owners							
Dividend distribution	-	-	-	-	-196	-196	
Changes in non-controlling interests	-	-	4	4	-6	-2	
Share based payments	-	-	1	1	-	1	
Total equity 31 Mar 2023	80	107 876	2 014	109 970	3 422	113 392	

EUR thousand	Attributable to owners of the parent					Non-controlling interests	Total equity
	Share capital	Reserve for invested unrestricted equity	Retained earnings	Total			
Equity 1 Jan 2022	80	107 876	-1 857	106 099	3 037	109 136	
Result for the period	-	-	76	76	29	105	
Total comprehensive income	-	-	76	76	29	105	
Transactions with owners							
Dividend distribution	-	-	-	-	-279	-279	
Changes in non-controlling interests	-	-	-37	-37	-44	-81	
Share based payments	-	-	37	37	-	37	
Total equity 31 Mar 2022	80	107 876	-1 781	106 175	2 743	108 918	

EUR thousand	Attributable to owners of the parent					Non-controlling interests	Total equity
	Share capital	Reserve for invested unrestricted equity	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	
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	

Notes to the Interim Report

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

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

Basis of preparation

Eezy Plc has prepared this Interim Report in accordance with IAS 34 Interim Financial Reporting. The financial information in the Interim Report has been prepared in accordance with International Financial Reporting Standards (IFRS) and the accounting policies comply with the IFRS standards and IFRIC interpretations effective as at 31 March 2023. The accounting policies in the Interim Report are the same as in Financial Statements 2022.

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

Accounting estimates

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

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

In staffing services Eezy provides the customer the resources agreed. Eezy seeks employees through open applications as well as through its own employee pool in order to find an employee fulfilling the customer requirements within a short notice. The employee signs the employment contract with Eezy and Eezy is responsible for all the employer obligations, but work is performed under the customer company's management. Staffing services' revenue consists of income from services performed and invoiced by Eezy Group companies.

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

In the professional services area, Eezy provides consulting services for organizational development, cultural design, and personnel surveys. Eezy also provides recruitment, aptitude testing, training, and executive search services. Additionally, Eezy provides workforce training, coaching, 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 is reported from 1 January 2023 divided into two service areas: Staffing services and Professional services. The revenue from staffing services includes both the group's own staffing services and the franchise fees. The revenue of professional services includes professional services and light entrepreneurship services.

Revenue by service area:

EUR thousand	1 Jan – 31 Mar 2023	1 Jan – 31 Mar 2022	1 Jan – 31 Dec 2022
Staffing services	45 396	44 706	219 642
Professional services	7 447	6 328	28 396
Common functions and eliminations	-68	-129	-443
Total revenue	52 776	50 905	247 596

Intangible assets

EUR thousand	Goodwill	Trademarks	IT software	Customer relationships	Non-competition agreements	Development costs	Total intangible assets
Cost at 1 Jan 2023	141 654	3 692	12 072	28 618	1 622	885	46 889
Additions	-	-	550	-	-	72	622
Cost at 31 Mar 2023	141 654	3 692	12 622	28 618	1 622	956	47 510
Accumulated amortization and impairment at 1 Jan 2023	-	-1 047	-7 594	-9 433	-406	-123	-18 603
Amortization	-	-92	-334	-739	-83	-53	-1 300
Accumulated amortization and impairment at 31 Mar 2023	-	-1 138	-7 928	-10 172	-489	-176	-19 903
Net carrying value at 1 Jan 2023	141 654	2 646	4 477	19 185	1 216	761	28 284
Net carrying value at 31 Mar 2023	141 654	2 554	4 694	18 447	1 133	780	27 606

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
Additions	-	3	173	-	-	185	361
Disposals	-	-	-403	-	-623	-	-1 026
Cost at 31 Mar 2022	134 054	3 187	9 228	27 804	3 051	700	43 971

Accumulated amortization and impairment at 1 Jan 2022	-	-693	-6 691	-6 507	-2 415	-14	-16 320
Disposals	-	-	403	-	623	-	1 026
Amortization	-	-79	-296	-710	-245	-27	-1 357
Accumulated amortization and impairment at 31 Mar 2022	-	-772	-6 584	-7 217	-2 037	-41	-16 651

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 Mar 2022	134 054	2 415	2 644	20 587	1 014	659	27 320

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

Property, plant and equipment

EUR thousand	Buildings	Buildings right-of-use	Machinery and equipment	Machinery and equipment right-of-use	Other	Total
Cost at 1 Jan 2023	884	8 749	1 498	928	102	12 161
Additions	22	-	4	65	-	90
Disposals	-	-	-	-55	-	-55
Revaluation	-	146	-	-64	-	82
Cost at 31 Mar 2023	906	8 895	1 501	873	102	12 278
Accumulated depreciation and impairment at 1 Jan 2023	-576	-4 246	-1 201	-385	-73	-6 481
Disposals	-	-	-	55	-	55
Depreciation	-29	-577	-20	-70	-	-696
Accumulated depreciation and impairment at 31 Mar 2023	-606	-4 823	-1 220	-400	-73	-7 123
Net book value at 1 Jan 2023	307	4 503	297	542	29	5 680
Net book value at 31 Mar 2023	300	4 072	281	473	29	5 156
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
Additions	18	1 855	-	105	-	1 978
Disposals	-	-	-36	-	-	-36
Revaluation	-	11	-	-49	-	-38
Cost at 31 Mar 2022	846	9 161	1 445	905	102	12 460
Accumulated depreciation and impairment at 1 Jan 2022	-415	-3 647	-1 098	-229	-73	-5 462
Disposals	-41	-534	-23	-68	-	-666
Accumulated depreciation and impairment at 31 Mar 2022	-455	-4 181	-1 121	-297	-73	-6 127
Net book value at 1 Jan 2022	413	3 650	383	620	29	5 095
Net book value at 31 Mar 2022	391	4 980	324	608	29	6 334

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

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 Mar 2023		31 Mar 2022		31 Dec 2022	
	Fair value	Level	Fair value	Level	Fair value	Level
Investments in shares, unlisted	240	3	240	3	240	3
Contingent consideration	998	3	1 981	3	1 013	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.

Share based payments

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

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

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

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

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 Mar 2023	31 Mar 2022	31 Dec 2022
Liabilities in balance sheet for which collaterals given			
Borrowings, non-current	47 551	51 873	47 614
Borrowings, current	4 448	4 400	4 448
Total	51 999	56 273	52 062

EUR thousand	31 Mar 2023	31 Mar 2022	31 Dec 2022
Mortgages on own behalf			
Company mortgages	100 000	100 000	100 000
Property, plant and equipment	-	15	-
Total	100 000	100 015	100 000

Related party transactions

Transactions and balances with related parties:

EUR thousand	1 Jan – 31 Mar 2023	1 Jan – 31 Mar 2022	1 Jan – 31 Dec 2022
Companies that have significant influence			
Sales	3 272	2 313	16 627
Purchases	-53	-28	-103
Trade receivables and other receivables	3 827	2 146	2 053
Trade payables and other liabilities	11	2	-
Associated companies			
Loan receivables	33	-	-

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

Events after the review period

On 12 April 2023 Siina Saksi was appointed as Eezy's CEO. Saksi will begin her duties at the latest on 15 August 2023.

The Annual General Meeting was held on 13 April 2023.

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 Jan – 31 Mar 2023	1 Jan – 31 Mar 2022	Change %	1 Jan – 31 Dec 2022
Key figures for income statement				
Revenue	52 776	50 905	4%	247 596
EBITDA	3 439	2 512	37%	18 231
EBITDA margin, %	6.5%	4.9%	-	7.4%
EBIT	1 343	491	173%	10 004
EBIT margin, %	2.5%	1.0%	-	4.0%
Earnings per share, basic, EUR	0.02	0.00	-	0.29
Earnings per share, diluted, EUR	0.02	0.00	-	0.28
Weighted average number of outstanding shares, pcs	25 046 815	25 046 815	-	25 046 815
Weighted average number of outstanding shares, diluted, pcs	25 279 104	25 292 815	-	25 287 264
Number of outstanding shares at the end of reporting period, pcs	25 046 815	25 046 815	-	25 046 815
Key figures for balance sheet				
Net debt	56 772	54 721	-	52 466
Net debt excluding IFRS16	52 116	48 880	-	47 307
Net debt/EBITDA	3.0 x	2.8 x ¹	-	2.9 x ¹
Gearing, %	50.1%	50.2%	-	46.4%
Equity ratio, %	53.9%	51.4%	-	52.2%
Equity per share, EUR	4.53	4.35	-	4.51
Key figures for cash flow				
Operative free cash flow	-2 713	-2 259	-	13 908
Purchase of tangible and intangible assets	-650	-416	-	-2 998
Acquisition of subsidiaries, net of cash acquired	-	-	-	-6 125
Operative key figures				
Chain-wide revenue, EUR million	73.8	77.0	-4%	351.6
Franchise fees, EUR million	1.3	1.6	-18%	6.3
Light entrepreneurship invoicing volume, EUR million	9.4	9.3	1%	42.3

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

Reconciliation of Certain Alternative Performance Measures

EUR thousand	1 Jan – 31 Mar 2023	1 Jan – 31 Mar 2022	1 Jan – 31 Dec 2022
EBITDA			
EBIT	1 343	491	10 004
Acquisition related amortization ¹⁾	910	1 029	4 061
Other depreciation, amortization and impairment losses	1 186	992	4 165
Total depreciation, amortization and impairment losses	2 096	2 021	8 226
EBITDA	3 439	2 512	18 231
Operative free cash flow			
Cash flows from operating activities before financial items and taxes	- 1 414	-1 252	19 494
Purchase of tangible and intangible assets	-650	-416	-2 998
Payment of lease liabilities	-650	-591	-2 588
Operative free cash flow	-2 713	-2 259	13 908

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