

2020

FINANCIAL STATEMENTS BULLETIN

JANUARY–DECEMBER 2020

eezy

Good operational profitability, synergy goals achieved

In Brief

October–December 2020

- Revenue was EUR 43.4 million (EUR 65.6 million in October–December 2019).
- EBITDA was EUR 3.4 million (4.2).
- EBIT was EUR 1.5 million (2.3).
- Adjusted¹ EBITDA was EUR 3.7 million (4.8).
- Adjusted¹ EBIT was EUR 1.8 million (2.9).
- Earnings per share was EUR 0.02 (0.05).
- Deepening corona situation decreased business volume.

Dividend proposal

Board of Directors proposes a dividend of EUR 0.10 per share and to seek authorization for the Board to later decide on a dividend of max. EUR 0.05 per share.

January–December 2020

- Revenue was EUR 190.6 million (EUR 169.8 million in January–December 2019).
- EBITDA was EUR 13.5 million (12.6).
- EBIT was EUR 5.6 million (8.0).
- Adjusted² EBITDA was EUR 14.3 million (16.4).
- Adjusted² EBIT was EUR 6.9 million (11.8).
- Earnings per share was EUR 0.11 (0.25).
- Corona crisis has affected the business negatively.

Outlook for 2021

EEZY does not give guidance for year 2021. The goal is to give guidance during the first year-half.

Key figures (IFRS)

EUR million, unless otherwise specified	10–12/2020	10–12/2019	1–12/2020	1–12/2019
Revenue	43.4	65.6	190.6	169.8
EBITDA	3.4	4.2	13.5	12.6
EBITDA, %	7.8%	6.4%	7.1%	7.4%
EBIT	1.5	2.3	5.6	8.0
EBIT, %	3.4%	3.5%	2.9%	4.7%
Adjusted EBITDA	3.7	4.8	14.3	16.4
Adjusted EBITDA, %	8.5%	7.3%	7.5%	9.6%
Adjusted EBIT	1.8	2.9	6.9	11.8
Adjusted EBIT, %	4.1%	4.4%	3.6%	6.9%
EPS, undiluted, EUR	0.02	0.05	0.11	0.25
EPS, diluted, EUR	0.02	0.05	0.11	0.25
Net debt / Adjusted EBITDA	-	-	2.9 x	2.7 x ³
Chain-wide revenue	67.9	93.1	282.6	285.6

¹ In October–December, EUR 0.1 million in expenses relating to acquisitions, EUR 0.1 million in personnel expenses relating to severance payments, EUR 0.02 million in listing expenses, a total of EUR 0.3 million, have been recorded as items affecting comparability.

² In January–December, EUR 0.5 million write-down of IT systems, EUR 0.3 million in expenses relating to acquisitions, EUR 0.3 million in personnel expenses relating to severance payments, EUR 0.2 million in listing expenses, and a capital gain of EUR 0.05 million from divestment of an equity accounted investment, a total of EUR 1.3 million, have been recorded as items affecting comparability. Write-down of IT systems of EUR 0.5 million has not been recorded as items affecting EBITDA and comparability.

³ Adjusted EBITDA is based on estimated pro forma EBITDA of last 12 months.

Great performance in difficult conditions

"During year 2020 both Eezy and our customers were tested. The corona pandemic early in the year quickly changed the world and our business conditions, and the situation remained challenging for the whole year. However, the year was not only about difficulties, but it will also be remembered for creating the foundation of the new Eezy, a quick accommodation to Corona and a successful defensive victory. We have reached the development goals set for year 2020 and we start year 2021 from a good position to again seek growth in the post-Corona world.

Fourth quarter profitability improved despite decreased volume

Corona pandemic accelerated and restrictions were again significantly tightened during the fourth quarter. For Eezy the effects were seen especially on the Horeca sector that lost the normal Christmas party season, and in importing foreign labor. We lost approx. 15 M€ revenue on these sectors, corresponding to approx. 70% of our total volume decrease. The impact on other sectors were more moderate, but still visible. In the fourth quarter we made 43 million euro revenue and 1.5 million euro EBIT, to which we are really satisfied. Despite the volume decrease we were able to maintain good EBITDA-% (7.8%) and EBIT-% (3.4%). The performance reflects both the good underlying profitability of our business, as well as the skills and functionality of our organization even in difficult conditions.

Year was a defensive victory

We managed to react well to the first Corona wave in spring. We reacted to temporary layoffs and saving actions to the close-down of the society and we were then able to operate actively during the recovery in late summer. Third quarter was the best quarter, quite normally. Our organization was made more focused and efficient during summer and autumn, which has enabled more profitable business in autumn. For the whole year we made 191 million euro revenue and 5.6 million euro EBIT. Taking the fluctuating demand during the year and the one-off costs into account, we find this as a really good performance.

Development and synergy goals were achieved

We have achieved a significant development leap during the year. We launched a new brand in the beginning of year 2020, and currently use that in all our businesses. Building the brand awareness has just started, but the journey has started well. We have also adopted a common ERP in our staffing services units, which enables increasing efficiency also in future. We have reached our goal of 5 million euro synergies on annual basis, set in late 2019, more rapidly than we originally estimated.

We have executed our growth strategy by strengthening our offering on the professional services area. The acquisitions done in autumn build the foundation both for expanding the recruiting services and the significant growth of personnel and business development services in the next few years.

Moving to the main list of the Nasdaq Helsinki stock exchange in September was a significant step for our shareholders, and also reflects our long-term growth strategy as a reformer of the working life services.

We have also simplified our group structure after the year-end by divesting our Swedish business. This enables us to focus to the Finnish markets that we believe to offer enough growth potential for us.

We start year 2021 from a good position

The first months will likely still be difficult as Corona continues to affect the society in many ways. As the vaccination progresses, we expect the economic activity to quickly recover starting from the summer. The last year has likely created pent-up demand in many sectors, which can lead to rapid growth in the demand for staffed workforce. We do not yet provide revenue or profit guidance on year 2021, but we target to give guidance during the first year-half when we have a more accurate view to the length of the Corona pandemic.

We have defined as "Back to the growth path" as the main theme for the year. Our primary goal is organic growth, which will be boosted by acquisitions helping us further on our strategic path. The significant decrease of our cost base will help us in positive profit development once the volumes again increase. Although the Corona worries are not yet over, I am pretty confident based on the experiences from 2020. Together with our employees we can react to all possible challenges and maintain our competitiveness."

"Look forward to successful work experiences"

Sami Asikainen,
CEO



Market review

The HR services market relevant to Eezy's business includes staffing services, selected professional services, and self-employment services. According to an estimate by Eezy's management, the size of the entire HR services market in Finland was EUR 2.8 billion in 2019. The share of staffing services of the entire market was EUR 2.4 billion in 2019, so it was clearly the largest service area. The market size of recruitment services was approx. EUR 130 million in 2019. The market size of self-employment services has been estimated to be approximately EUR 200 million. Markets are estimated to have contracted in 2020 temporarily by 15-25%, and they are estimated to recover to the previous levels after the pandemic ends.

According to The Private Employment Agencies Association (HPL), the revenue of the largest companies in the staffing service market decreased 20% in November and 17% in January-November. According to HPL, the economic outlook in staffing services continues weak. The management estimates that the professional services market has decreased compared to the previous year. In the self-employment services market, there has been no significant change in addition to Corona.

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 prevalent.

Corona effects

Corona virus has affected our customers and us since March. The impact has been largest in the Horeca sector that normally makes about one quarter of our revenue. Horeca sector's business stopped in spring, started recovery in summer, but then slowed again toward the end of the year, as worsening corona situation and new restrictions have decreased demand. Horeca market is estimated to remain weak for the next few months.

Corona's negative effects can be clearly seen also in the industrial and construction sectors, which normally generate almost half of our revenue, but the impact varies a lot by area and customer. Importing foreign labor is still difficult.

There is no certainty on the duration of the crisis and the related restrictions, or on the recovery pace after the crisis, which makes reliable forecasting of the revenue difficult. The company will adjust the size of the organization to match the needs at each moment.

Lengthening crisis may increase customers' financial difficulties, which can lead to credit losses. We closely

monitor our customers' payment practices. Our own liquidity is currently good.

Corona has decreased the demand for professional services, but customer demand is gradually recovering.

The crisis may increase unemployment, which may increase demand for employment services, change management and career coaching services.

Revenue

October–December

Eezy's revenue amounted to EUR 43.4 million (65.6), decreasing by 34% compared to the corresponding period in the previous year.

Revenue decreased by 37% in the staffing service area. Revenue was clearly below our targets due to the impact of the Corona virus especially on the Horeca sector and also on the industrial sector. In the professional services area (earlier: Recruitments and organizational development) revenue increased by 12%. The growth stemmed from the acquisitions completed in October 2020. In the self-employment service area revenue decreased by 15%.

Of the Group's revenue, 98% came from Finland and the rest was generated in Sweden.

Eezy's chain-wide revenue amounted to EUR 67.9 million (93.1) decreasing by 27%. Franchise fees totaled EUR 1.7 million (1.6). The invoicing volume of self-employment services was EUR 10.9 million (13.5).

January–December

Eezy's revenue amounted to EUR 190.6 million (169.8), increasing by 12% compared to the corresponding period in the previous year.

Revenue increased by 16% in the staffing service area due to acquisitions done in 2019. In professional services area revenue decreased by 10%. In the self-employment service area, revenue decreased by 15%.

Of the Group's revenue, 98% came from Finland and the rest was generated in Sweden.

Eezy's chain-wide revenue amounted to EUR 282.6 million (285.6) decreasing by 1%. Franchise fees totaled EUR 6.1 million (7.8). The invoicing volume of self-employment services was EUR 41.9 million (49.9).

Revenue by service area

EUR million	10-12/2020	10-12/2019	Change %	1-12/2020	1-12/2019	Change %
Staffing services	37.5	60.0	-37%	173.4	149.4	16%
Franchise fees	1.7	1.6	3%	6.1	7.8	-22%
Professional services	3.5	3.1	12%	8.4	9.4	-10%
Self-employment	0.7	0.9	-15%	2.7	3.2	-15%
Total	43.4	65.6	-34%	190.6	169.8	12%

Result

October–December

EBITDA was EUR 3.4 million (4.2). Operating profit was EUR 1.5 million (2.3). Negative impact of Corona was visible in all business areas. The profitability in professional services was weak as customers postponed projects due to Corona and due to the unit's own business development projects.

Adjusted operating profit was EUR 1.8 million (2.9). EUR 0.1 million in expenses relating to acquisitions, EUR 0.1 million in personnel expenses relating to severance payments, EUR 0.02 million in listing expenses, a total of EUR 0.3 million, have been recorded as items affecting comparability.

The result before taxes was EUR 1.0 million (1.6) and the result for the period was EUR 0.8 million (1.4). Earnings per share was EUR 0.02 (0.05).

January–December

EBITDA was EUR 13.5 million (12.6). Operating profit was EUR 5.6 million (8.0). Negative impact of Corona started to show in March and have been visible in all businesses since then. The costs related to brand renewal and IT development have contributed negatively to the result of early 2020 by approx. EUR 1.0 million. Temporary layoffs of employees in group functions, mainly in the second quarter, had a positive impact of approx. EUR 2.0 million. Write-downs totaling approx. EUR 2.5 million have been made to receivables. A corona subsidy from State treasury totaling EUR 0.8 million is included in the result.

Adjusted operating profit was EUR 6.9 million (11.8). EUR 0.5 million write-down of IT systems, EUR 0.3 million in expenses relating to acquisitions, EUR 0.3 million in personnel expenses relating to severance payments, EUR 0.2 million in listing expenses, and a capital gain of EUR 0.05 million from divestment of an equity accounted investment, a total of EUR 1.3 million, have been recorded as items affecting comparability.

The result before taxes was EUR 4.0 million (6.7) and the result for the period was EUR 3.2 million (4.7). Earnings per share was EUR 0.11 (0.25).

Financial position and cash flow

Eezy's consolidated balance sheet on December 31, 2020 amounted to EUR 205.2 million (209.6), of which equity made up EUR 103.7 million (101.8).

As of December 31, 2020, the Group has liabilities to credit institutions amounting to EUR 51.9 million (55.1), of which EUR 47.6 (51.0) was non-current.

Cash balance on December 31, 2020 was EUR 15.4 million (5.7). The Group has overdraft facilities in total of EUR 10.0 million, all of which were unused on December 31, 2020. Relaxed due dates of pension payments and taxes have improved the cash position by approx. EUR 10.2 million.

Equity ratio stood at 50.6% (48.6%). The Group's net debt including IFRS16 leasing items on December 31, 2020 amounted to EUR 42.4 million (56.5). Net debt excluding IFRS16 leasing items was EUR 36.4 million (51.9). The net debt/adjusted EBITDA ratio was 2.9 x (2,7 x).

Operative free cash flow amounted to EUR 2.2 million (7.7) in October–December and EUR 21.3 million (13.1) in January–December.

Investments and acquisitions

Eezy's investments in subsidiary shares presented in the cash flow statement amounted to EUR 1.5 million (0.4) in October–December and EUR 2.1 million (11.4) in January–December. Investments include acquisition of Flow Consulting and additional purchase prices relating to earlier acquisitions.

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

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

Eezy announced on December 11, 2020 the divestment of its Swedish subsidiary VMP Group AB to Palm & Partners Bemanning AB, who operates in the same business in Sweden. The transaction was completed after the review period on January 4, 2021. The assets and liabilities of VMP Group Sweden AB and its subsidiaries has been classified as assets held for sale as at December 31, 2020.

Investments in tangible and intangible assets totaled EUR 0.8 million (0.7) in October–December and EUR 2.1 million (1.7) in January–December. Investments in tangible and intangible assets were mainly related to IT investments as well as office premises.

Employees

Eezy employs people in Group functions and as staffed employees assigned to customer companies. In October–December, Eezy employed an average of 359 and in January–December 370 on average (in October–December 2019 an average of 402) people in Group functions and on average 2,722 in October–December and 3,309 in January–December (in October–December 2019 an average of 4,337) 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 self-employment services are not included in the Group's personnel numbers.

Changes in management

Eezy renewed its management model and streamlined its organization structure in September. Aki Peiju and Laura Santasalo left the company.

After the change, the renewed management team includes:

- Sami Asikainen, CEO
- Hannu Nyman, CFO
- Tomi Laaksola, Director, Staffing services
- Pasi Papunen, Director, Professional services
- Hanna Lehto, Director, Communications and Marketing

Shares and shareholders

On December 31, 2020, Eezy Plc had 24,849,375 (24,849,375) registered shares. The company holds no treasury shares. The company had 2,625 (1,563) shareholders, including nominee registered shareholders.

Trading in Eezy's share on the Nasdaq Helsinki main list started on September 9, 2020. Earlier the share was traded on Nasdaq's First North marketplace.

In January–December 2020, a total of 3,305,350 (3,457,089) shares were traded (in the Helsinki stock exchange main list and First North combined) and the total trading volume was EUR 15.6 million (18.3). During the period, the highest quotation was EUR 7.35 (6.95) and the lowest EUR 2.58 (3.60). The volume-weighted average price of the share was EUR 4.73 (5.33). The closing price of the share at the end of December was EUR 5.90 (6.35) and the market value stood at EUR 146.6 million (157.8).

On December 31, 2020, the members of the Board of Directors and the members of the management team owned a total of 1,433,171 (1,284,186) Eezy shares, corresponding to approximately 5.8% (5.2%) 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 December 31, 2020:

Shareholder	Shares	%
1. Noho Partners Oyj	7,520,910	30.27
2. Sentica Buyout V Ky	6,105,458	24.57
3. Meissa-Capital Oy	3,223,071	12.97
4. Asikainen Sami	404,350	1.63
4. Evli Suomi Pienyhtiöt Fund	392,937	1.58
6. Taaleritehdas Mikro Markka Osake	380,000	1.53
7. Ilmarinen Mutual Pension	274,261	1.10
8. Oy Jobinvest Ltd	259,835	1.05
9. Laine Capital Oy	256,785	1.03
10. Sentica Buyout V Co-Investment Ky	253,068	1.02
10 largest in total	19,070,675	76.75
Nominee-registered	1,763,396	7.10
Others	4,015,304	16.16
Total	24,849,375	100.00

Governance

Annual General Meeting

The Annual General Meeting (AGM) was held on April 21, 2020. The AGM adopted the Financial Statements for the year 2019.

The AGM decided that no dividends be distributed based on the balance sheet to be adopted for 2019 by a resolution of the general meeting, but that the board of directors be authorised to decide on the distribution of dividends from the company's unrestricted equity in one or more tranches so that the amount of dividends to be distributed does not exceed a total of EUR 0.20 per share. The Board decided to use the authorization for dividend distribution and a dividend of EUR 0.10 per share, EUR 2.5 million in total, was paid on November 20, 2020.

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 21.4.2020 are described in detail in the company announcement 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 in one or more tranches so that the amount of dividends to be distributed does not exceed a total of EUR 0.20 per share. The Board of Directors decided to use the authorization of dividend distribution and the dividend EUR 0.10 per share was paid on 20 November.

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 2021, 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 2021, however, for a maximum of 18 months. The authorization is unused.

Long-term incentive plan

In November, Eezy Plc's Board of Directors resolved to amend the terms of the long-term incentive plan for the company's key employees due to the significant changes in the company's business environment caused by the coronavirus pandemic. The terms of the long-term incentive plan was amended by extending the duration of the long-term incentive plan by one year until 2025 and adding a new earning period.

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

Eezy Plc's Board of Directors has resolved on the second earning period of the long-term incentive plan for the company's key employees. The second earning period is 13 months, starting on December 1, 2020, and ending on December 31, 2021. The reward criteria for the second earning period are based on Eezy Plc's revenue and operating profit. There are eight participants in the long-term incentive plan's second earning period. A maximum of 179,091 reward shares could be awarded for the second earning period.

Risks and uncertainties

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

Corona virus and the restrictions related to it may significantly 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 of 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

Due to the Corona pandemic, Eezy does not give guidance for year 2021. The goal is to give guidance during the first year-half.

Dividend proposal

The parent company's distributable funds in the financial statement on December 31, 2020, was EUR 124.3 million, of which profit for the financial period was EUR 0.9 million. Board of Directors proposes a dividend of EUR 0.10 per share and seeks authorization for the Board to later decide on a dividend of max. EUR 0.05 per share.

Events after the review period

Eezy announced on December 11, 2020 the divestment of its Swedish subsidiary VMP Group Sweden AB to Palm & Partners Bemanning AB, who operates in the same business in Sweden. The transaction was completed after the review period on January 4, 2021. The assets and liabilities of VMP Group Sweden AB and its subsidiaries have been classified as assets held for sale as at December 31, 2020. Net capital gain (including the related costs) from the transaction is preliminarily estimated to be approximately EUR 1.7 million.

Eezy Plc
Board of Directors

More information:

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Result publication event:

A Finnish-language briefing for analysts and media will be held on February 18, 2021 at 13.00 Finnish time as a webcast at

<https://eezy.videosync.fi/2020-q4-tulos>

The briefing will be hosted by CEO Sami Asikainen and CFO Hannu Nyman. During the presentation, there will be an opportunity to ask questions. The presentation material will be available at the company website at

<https://sijoittajat.eezy.fi/en/investors/reports-and-presentations/> before the conference. A recording of the audiocast will be available at the same website later.

Result dates

Financial statements 2020	week 11/2021
Interim Report January–March 2021	11 May 2021
Half-Year Report January–June 2021	10 Aug 2021
Interim Report January–September 2021	9 Nov 2021

Consolidated statement of comprehensive income (IFRS)

(unaudited)

EUR thousand	1 Oct – 31 Dec 2020	1 Oct – 31 Dec 2019	1 Jan – 31 Dec 2020	1 Jan – 31 Dec 2019
Revenue	43,421	65,634	190,637	169,784
Other operating income	151	118	1,330	653
Share of result of equity accounted investments	-	8	-1	-21
Materials and services	-1,416	-1,137	-4,444	-2,531
Personnel expenses	-34,338	-55,043	-155,124	-139,374
Other operating expenses	-4,413	-5,397	-18,904	-15,925
Other depreciation, amortization and impairment losses	-933	-964	-4,016	-2,915
IFRS3 amortization ¹	-1,000	-929	-3,914	-1,645
Operating profit	1,472	2,290	5,565	8,022
Financial income	24	41	150	71
Financial expense	-457	-756	-1,702	-1,349
Financial income and expenses	-433	-715	-1,552	-1,279
Profit before taxes	1,039	1,576	4,014	6,743
Income taxes	-248	-177	-819	-2,091
Profit for the period	792	1,399	3,195	4,652
Profit attributable to:				
Owners of the parent company	555	1,340	2,680	4,540
Non-controlling interests	237	59	515	113
Profit for the period	792	1,399	3,195	4,652
Earnings per share, basic (EUR)	0.02	0.05	0.11	0.25
Earnings per share, diluted (EUR)	0.02	0.05	0.11	0.25
Other comprehensive income:				
Items that will not be reclassified to profit or loss				
Changes in the fair value of share investments	113	43	-78	71
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translating foreign operations	10	3	8	-5
Other comprehensive income for the period, net of tax	123	46	-69	66
Total comprehensive income for the period	915	1,445	3,126	4,718
Total comprehensive income attributable to:				
Owners of the parent company	678	1,387	2,611	4,606
Non-controlling interests	237	59	515	113
Total comprehensive income for the period	915	1,445	3,126	4,718

¹⁾ The IFRS 3 amortization comprises the amortization made on the recognized fair value adjustments arisen from business combinations. IFRS 3 amortization is amortization for acquired identified intangible assets in business combinations.

Consolidated balance sheet (IFRS)

EUR thousand	Dec 31, 2020	Dec 31, 2019
ASSETS		
Non-current assets		
Goodwill	127,938	125,757
Intangible assets	29,731	32,169
Property, plant and equipment	6,984	6,780
Equity accounted investments	0	85
Investments in shares	586	701
Receivables	1,227	1,928
Deferred tax asset	374	275
Total non-current assets	166,841	167,696
Current assets		
Trade receivables and other receivables	20,851	35,482
Current income tax receivables	0	739
Cash and cash equivalents	15,447	5,710
Total current assets	36,298	41,931
Assets classified as held for sale	2,096	-
TOTAL ASSETS	205,235	209,626
EQUITY AND LIABILITIES		
Equity attributable to the owners of the parent company		
Share capital	80	80
Reserve for invested unrestricted equity	106,572	106,572
Fair value reserve	-3	75
Translation differences	-50	-53
Retained earnings	-5,714	-5,864
Total equity attributable to the owners of the parent company	100,885	100,809
Non-controlling interests	2,859	1,024
Total equity	103,744	101,833
Non-current liabilities		
Borrowings	51,628	54,186
Other liabilities	66	63
Deferred tax liability	5,504	6,038
Total non-current liabilities	57,198	60,286
Current liabilities		
Borrowings	6,242	5,578
Trade payables and other liabilities	34,620	40,767
Current income tax liabilities	1,679	1,163
Total current liabilities	42,542	47,508
Liabilities directly associated with assets classified as held for sale	1,752	-
Total liabilities	101,491	107,793
Total equity and liabilities	205,235	209,626

Consolidated cash flow statement (IFRS)

EUR thousand	1 Oct – 31 Dec 2020	1 Oct – 31 Dec 2019	1 Jan – 31 Dec 2020	1 Jan – 31 Dec 2019
Cash flows from operating activities				
Customer payments received	47,708	71,309	204,069	175,986
Cash paid to suppliers and employees	-44,747	-62,930	-180,705	-161,234
Cash flows from operating activities before financial items and taxes	2,961	8,379	23,363	14,752
Interest paid	-1,049	-1,192	-1,627	-1,639
Dividends received	-	-	-	2
Interest received	19	17	66	65
Other financial items	7	-76	52	-182
Income taxes paid	363	-251	-397	-1,677
Loans granted	-	-	-21	-192
Proceeds from repayments of loans	84	10	142	193
Net cash flows from operating activities	2,385	6,887	21,579	11,323
Cash flows from investing activities				
Purchase of tangible and intangible assets	-781	-678	-2,096	-1,691
Proceeds from sale of tangible assets	30	123	332	266
Acquisition of subsidiaries, net of cash acquired	-1,514	-404	-2,082	-11,417
Disposal of subsidiaries	-	99	-	760
Disposal of equity accounted investments	-	44	135	-
Purchase of investments	3	-	41	44
Proceeds from repayments of loans	2	2	8	402
Addition / deduction of current investments	-	-343	-	-343
Net cash flows from investing activities	-2,260	-1,156	-3,663	-11,980
Cash flows from financing activities				
Proceeds from share issue	-	-	-	1
Change in non-controlling interests	-	-23	-118	-23
Repayment of current borrowings	-3,123	-6,783	-3,204	-6,969
Proceeds from non-current borrowings	-	54,815	-	62,339
Repayment of non-current borrowings	-	-51,386	-79	-51,426
Payment of lease liabilities	-563	-491	-1,998	-1,516
Dividends paid	-2,485	-	-2,779	-4,677
Net cash flows from financing activities	-6,171	-3,868	-8,177	-2,269
Net change in cash and cash equivalents	-6,047	1,863	9,739	-2,926
Cash and cash equivalents at the beginning of the reporting period	21,493	3,844	5,710	8,645
Effects of exchange rate changes	1	3	-1	-10
Cash and cash equivalents at the end of the reporting period	15,447	5,710	15,447	5,710

Changes in equity

EUR thousand	Attributable to owners of the parent						Non-controlling interests	Total equity
	Share capital	Reserve for invested unrestricted equity	Fair value reserve	Translation differences	Retained earnings	Total		
Equity January 1, 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 Dec 31, 2020	80	106,572	-3	-50	-5,714	100,885	2,859	103,744

EUR thousand	Attributable to the owners of the parent						Non-controlling interests	Total equity
	Share capital	Reserve for invested unrestricted equity	Fair value reserve	Translation differences	Retained earnings	Total		
Equity January 1, 2019	80	58,002	4	-7	-7,261	50,818	-	50,818
Profit for the period	-	-	-	-	4,540	4,540	113	4,652
Other comprehensive income:								
Change in fair value	-	-	71	-	-	71	-	71
Translation differences	-	-	-	-46	41	-5	-	-5
Total comprehensive income	-	-	71	-46	4,581	4,606	113	4,718
Transactions with owners								
Dividend distribution	-	-	-	-	-3,197	-3,197	-	-3,197
Repayment of capital	-	-1,480	-	-	-	-1,480	-	-1,480
Share issue	-	50,050	-	-	-	50,050	-	50,050
Share based payments	-	-	-	-	4	4	-	4
Acquisitions	-	-	-	-	-	-	911	911
Other changes	-	-	-	-	9	9	-	9
Total equity December 31, 2019	80	106,572	75	-53	-5,864	100,809	1,024	101,833

Notes to the Financial Statements Bulletin

Eezy Group provides versatile staffing services and assists employees and employers to find each other. Eezy builds up a working life of dreams together with its employees and customers.

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

Basis of preparation

Eezy Plc has prepared this Financial Statements Bulletin in accordance with IAS 34 Interim Financial Reporting. The financial information in the Financial Statements Bulletin has been prepared in accordance with International Financial Reporting Standards (IFRS) and the accounting policies comply with the IFRS standards and IFRIC interpretations effective as at December 31, 2020. The accounting policies in the Financial Statements Bulletin are the same as in Financial Statement 2019. The Board of Directors of Eezy Plc has approved this Financial Statements Bulletin in its meeting on February 17, 2021.

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

Accounting estimates

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

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

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 and may also reduce the demand for staffing services provided by the Group and for HR services provided by others. 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, which normally generate almost half of our revenue, but the impact varies a lot by area and customer. Eezy's management has updated business forecasts according to the effects of the pandemic, but the outlook for short-term development 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 financial statements.

Revenue

Eezy's revenue comprises income from staffing services, professional services and self-employment 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, closed after the review period, increases significantly the share of consulting services of area's revenue.

With the self-employment 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. Self-employment services comprise the invoicing and business support services provided to the employee customers and the revenue from self-employment services comprise the fees collected from the employee customers.

Revenue by service area:

EUR thousand	1 Oct – 31 Dec 2020	1 Oct – 31 Dec 2019	1 Jan – 31 Dec 2020	1 Jan – 31 Dec 2019
Staffing services	37,540	60,046	173,388	149,410
Franchise-payments	1,676	1,624	6,106	7,836
Professional services	3,456	3,080	8,422	9,355
Self-employment services	749	884	2,721	3,183
Total revenue	43,421	65,634	190,637	169,784

Business combinations

Acquisitions 2020

Acquisition of Flow Consulting, Jaakko Lehto Executive Search and ProMotive

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

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

EUR thousand	Flow Consulting	Jaakko Lehto Executive Search	Promotive
Purchase consideration			
Cash consideration	1,406	75	75
Subsidiary shares issued	1,676	-	-
Non-competition agreement	-351	-4	-4
Total purchase consideration	2,731	71	71

Shares of Eezy Spirit Oy issued in exchange for Flow Consulting

The fair value of Eezy Spirit shares issued in exchange for Flow Consulting is EUR 1,676 thousand.

Flow Consulting, Jaakko Lehto Executive Search and ProMotive non-competition agreements

Non-competition agreements included in the share purchase agreements are treated as part of the transactions and accounted for as separate intangible assets on the balance sheet of Eezy. Non-competition agreements were not considered to be a part of the acquired assets of Flow Consulting, Jaakko Lehto Executive Search or ProMotive. Therefore EUR 351 thousand have been

deducted from the purchase consideration of Flow Consulting, EUR 4 thousand from the purchase consideration of Jaakko Lehto Executive Search and EUR 4 thousand from the purchase consideration of ProMotive.

Contingent consideration of acquiring Jaakko Lehto Executive Search

There is an additional contingent consideration included in the acquisition agreement of Jaakko Lehto Executive Search, which is determined based on the EBITDA for the periods of January 1 – December 31, 2021, January 1 – December 31, 2022 and January 1 – December 31, 2023. According to the company's management estimate, EUR 301 thousand represents the fair value of the additional purchase consideration at the time of acquisition. Based on the terms of the agreement, the sellers do not have the right to access the contingent consideration if none of the key management personnel of Jaakko Lehto Executive Search is employed at the payment date of part of the contingent consideration. Therefore, the purchase consideration of EUR 301 thousand will be accounted for as personnel expenses for the work performed after the acquisition during 2021-2023. In case the EBITDA is below the level agreed on the agreement, the additional purchase consideration will not be paid.

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

EUR thousand	Flow Consulting	Jaakko Lehto Executive Search	ProMotive
ASSETS			
Non-current assets			
Intangible assets	346	11	14
Property, plant and equipment	5	-	-
Receivables	9	-	-
Total non-current assets	359	11	14
Current assets			
Trade receivables and other receivables	495	-	-
Cash and cash equivalents	168	-	-
Total current assets	663	-	-
TOTAL ASSETS	1,023	11	14
LIABILITIES			
Non-current liabilities			
Deferred tax liability	139	3	4
Total non-current liabilities	139	3	4
Current liabilities			
Trade payables and other liabilities	295	-	-
Current income tax liabilities	41	-	-
Total current liabilities	336	-	-
TOTAL LIABILITIES	476	3	4
Total net assets acquired	547	8	10
Goodwill	2,184	64	61
Purchase consideration	2,731	71	71

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

EUR thousand	Flow Consulting	Jaakko Lehto Executive Search	ProMotive
Customer relationships	346	11	14
Total	346	11	14

Flow Consulting

The gross amount of trade receivables at the date of the acquisition was EUR 494 thousand and it was estimated to be fully collectable.

Goodwill arising from the acquisition of Flow Consulting amounted to EUR 2,184 thousand which comprises mainly workforce, synergies, market position and the expertise in its field of business. The goodwill recognized in connection with the acquisition is not tax deductible.

The transaction costs of the acquisition amounted to EUR 154 thousand and are recorded in other operating expenses for the period 2020.

Jaakko Lehto Executive Search

Goodwill arising from the acquisition of Jaakko Lehto Executive Search amounted to EUR 64 thousand which comprises mainly workforce, synergies, market position and the expertise in its field of business.

There were no transaction costs related to the acquisition.

ProMotive

Goodwill arising from the acquisition of ProMotive amounted to EUR 61 thousand and it comprises mainly workforce, synergies, market position and the expertise in its field of business.

There were no transaction costs related to the acquisition.

Impact on earnings

Revenue and profit (loss) for the period of the acquired companies from the date of acquisition included in the consolidated financial statements for the financial year 2020:

EUR thousand	Flow Consulting 1 Oct – 31 Dec 2020
Impact on the Group Revenue and Result	
Revenue	677
Result for the period	-58

If the acquisitions had taken place on January 1, 2020, the pro forma consolidated revenue for the financial year from January 1, 2020 to December 31, 2020 would have been EUR 192,375 thousand and pro forma consolidated operating profit would have been EUR 5,855 thousand. The pro forma figures are based on the consolidated revenue and operating profit for the financial year 2020 as well as on the revenue, EBITDA and operating profit of the acquired companies from the beginning of 2020 until the dates of the acquisitions. The amounts have been adjusted by taking into consideration the amortization of the acquired intangible assets as if the acquisitions had taken place on January 1, 2020 and additional amortization had begun at that point.

Cash flows from purchase considerations during the financial year 2020

EUR thousand	Flow Consulting	Jaakko Lehto Executive Search	ProMotive
Cash consideration	1,055 ¹	71 ²	71 ³
Deducted: Cash and cash equivalents acquired	-168	-	-
Net cash flow	887	71	71

- 1) EUR 351 thousand paid in cash for the non-competition agreement has been deducted from the cash consideration of EUR 1,406 thousand.
- 2) EUR 4 thousand paid in cash for the non-competition agreement has been deducted from the cash consideration of EUR 75 thousand.
- 3) EUR 4 thousand paid in cash for the non-competition agreement has been deducted from the cash consideration of EUR 75 thousand.

Other

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 financial year 2020.

In March, Eezy established Eezy United Oy together with minority shareholders. Eezy United shall start employing both current and former athletes.

Acquisitions in 2019

Eezy strengthened its position in the staffing services in the retail industry by acquiring Henkilöstöratkaisu Extraajat Oy. Eezy purchased 100% of the shares. Henkilöstöratkaisu Extraajat Oy offers staffing services nationwide and focuses especially on the customers and employees in the retail industry. Extraajat Oy has been consolidated to Eezy group since February 1, 2019.

Eezy expanded its service offering by acquiring Eezy Spirit Ltd (previously Corporate Spirit Ltd), which is a company that specializes in employee, management and expert surveys as well as organizational development. Eezy Spirit has been consolidated to Eezy group since April 1, 2019. Additional purchase price of EUR 0.3 million was paid in May 2020, exceeding the originate estimate by EUR 0.05 million.

Eezy signed an agreement on July 5, 2019 with NoHo Partners Oyj and the minority shareholders of Smile Henkilöstöpalvelut Oyj to acquire 100% of the shares of Smile Henkilöstöpalvelut Oyj. The transaction was executed as a share exchange, in which the shareholders of Smile Henkilöstöpalvelut Oyj received a total of 10.05 million new shares of Eezy in exchange. Smile has been reported as a part of Eezy Group since September 1, 2019.

The acquisitions have been reported in detail in the financial statements for year 2019.

Businesses sold

Divestments in 2020

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

Eezy announced on December 11, 2020 the divestment of its Swedish subsidiary VMP Group AB to Palm & Partners Bemanning AB, who operates in the same business in Sweden. The transaction was completed after the review period on January 4, 2021. The assets and liabilities of VMP Group Sweden AB and its subsidiaries has been classified as assets held for sale as at December 31, 2020.

EUR thousand	Dec 31, 2020	Dec 31, 2019
Assets classified held for sale		
Goodwill	173	-
Tangible assets	172	-
Trade receivables and other receivables	572	-
Cash and cash equivalents	1,179	-
Assets classified as held for sale total	2,096	-
Liabilities directly associated with assets classified as held for sale		
Lease liabilities	177	-
Trade payables and other liabilities	1,575	-
Liabilities directly associated with assets classified as held for sale total	1,752	-

Divestments in 2019

Eezy sold Alina Hoivatiimi Oy to Norlandia Care Oy in February 2019. Alina is a nationwide franchise chain offering home care, domestic work and home medical care services. Alina Group's revenue in 2018 was EUR 1.5 million and EBITDA EUR 0.2 million. The debt-free cash consideration was EUR 1.5 million. Outside of profit from the sale, EUR 0.3 million, the sale had no significant impact on Eezy's result in January–September 2019.

Intangible assets

EUR thousand	Goodwill	Trademarks	IT software	Customer relationships	Non-competition agreements	Advances paid	Total intangible assets
Cost at January 1, 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 December 31, 2020	127,938	2,623	8,144	26,870	3,315	-	40,953
Accumulated amortization and impairment at January 1, 2020	-	-160	-3,971	-1,114	-496	-	-5,740
Amortizations	-	-260	-1,024	-2,666	-1,001	-	-4,951
Impairment	-	-	-531	-	-	-	-531
Accumulated amortization and impairment at December 31, 2020	-	-420	-5,526	-3,780	-1,496	-	-11,222
Net carrying value at January 1, 2020	125,757	2,436	1,831	25,386	2,460	56	32,169
Net carrying value at December 31, 2020	127,938	2,203	2,619	23,090	1,819	-	29,731

EUR thousand	Goodwill	Trademarks	IT software	Customer relationships	Non-competition agreements	Advances paid	Total intangible assets
Cost at January 1, 2019	59,905	319	4,800	1,670	382	5	7,175
Translation differences	-1	-	-	-	-	-	-
Acquisitions	65,853	2,218	69	24,830	2,574	51	29,742
Additions	-	60	991	-	-	-	1,051
Disposals	-	-	-52	-	-	-	-52
Cost at December 31, 2019	125,757	2,596	5,808	26,500	2,956	56	37,916
Accumulated amortization and impairment at January 1, 2019	-	-37	-2,926	-9	-6	-	-2,978
Disposals	-	-	8	-	-	-	8
Amortization	-	-124	-1,060	-1,105	-489	-	-2,777
Accumulated amortization and	-	-160	-3,977	-1,114	-496	-	-5,747

**impairment at
December 31, 2019**

Net carrying value at January 1, 2019	59,905	282	1,874	1,661	375	5	4,197
Net carrying value at December 31, 2019	125,757	2,436	1,831	25,386	2,460	56	32,169

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 January 1, 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 December 31, 2020	1,080	9,616	1,646	341	102	-	12,786
Accumulated depreciation and impairment at January 1, 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 December 31, 2020	-658	-3,871	-959	-241	-73	-	-5,802
Net book value at January 1, 2020	430	4,392	1,194	155	52	557	6,780
Net book value at December 31, 2020	422	5,745	687	100	29	-	6,984

EUR thousand	Buildings	Buildings, right-of-use	Machinery and equipment	Machinery and equipment, right-of-use	Other	Advances paid	Total
Cost at January 1, 2019	516	3,009	1,106	381	100	-	5,113
Translation differences	-	-3	-1	-3	-	-	-7
Acquisitions	272	1,577	877	15	2	325	3,069
Additions	174	2,495	176	9	-	231	3,085
Subsidiaries sold	-	-	-	-13	-	-	-13
Disposals	-	-746	-212	-	-0	-	-958
Revaluation	-	77	-	-	-	-	77
Cost at December 31, 2019	962	6,409	1,947	388	102	557	10,366
Accumulated depreciation and impairment at January 1, 2019	-500	-692	-484	-123	-23	-	-1,822

Translation differences	-	0	1	0	-	-	1
Subsidiaries sold	-	-	-	23	-	-	23
Disposals	-	-	-1	-	-	-	-1
Depreciation	-32	-1,325	-268	-134	-28	-	-1,786
Accumulated depreciation and impairment at December 31, 2019	-532	-2,017	-753	-233	-51	-	-3,585
Net book value at January 1, 2019	17	2,317	622	258	77	-	3,291
Net book value at December 31, 2019	430	4,392	1,194	155	52	557	6,780

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	Dec 31, 2020		Dec 31, 2019	
	Fair value	Level	Fair value	Level
Investments in shares, listed	351	1	458	1
Investments in shares, unlisted	235	3	243	3

In addition, 31 December 2019 the Group had contingent consideration liabilities which were classified as level 3 in the fair value hierarchy. During the reporting period, there were no transfers between hierarchy levels 1, 2 or 3.

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

Dividend payments

The Annual General Meeting (AGM) was held on April 21, 2020. The AGM decided that no dividends be distributed based on the balance sheet to be adopted for 2019 by a resolution of the general meeting, but that the board of directors be authorised to decide on the distribution of dividends from the company's unrestricted equity in one or more tranches so that the amount of dividends to be distributed does not exceed a total of EUR 0.20 per share. The Board decided to use the authorization for dividend distribution and a dividend of EUR 0.10 per share, EUR 2.5 million in total, was paid on November 20, 2020.

Share based payments

The Board of Directors of Eezy Oyj decided on December 17, 2019 on a long-term share-based compensation plan (LTIP 2019-2025) targeted to key employees and on November 19, 2020 to amend the terms due to the significant changes in the company's business environment caused by the coronavirus pandemic. The terms of the long-term incentive were amended by extending the duration of the long-term incentive plan by one year until 2025 and adding a new earning period.

The aim of the incentive plan is to align the objectives of the shareholders and the key personnel in order to increase the value of the company as well as to ensure the execution of the post-acquisition integration and business strategy on a long-term basis. In addition, the aim is to engage the key personnel of the company and to offer them a competitive incentive plan based on share ownership and the development of the company's value.

The share-based incentive plan contains four earning periods. The first 13 months earning period started on December 1, 2019 and ended on December 31, 2020. The second 13 months earning period started on December 1, 2020 and ends on December 31, 2021. The third 24 months earning period starts on January 1, 2022 and ends on December 31, 2023. The fourth 24 months earning period starts on January 1, 2024 and ends on December 31, 2025. 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 earning period.

From the second period a maximum of 179,091 shares can be paid as compensation. The compensation will be paid to the key personnel in the spring of 2022. The payment of the compensation is subject to the condition that the key employee's employment or service relationship has not been terminated prior to the payment. Additionally, the payment is subject to achieving the set revenue and operating profit targets. The amount of compensation paid is subject to the achievement levels of the performance targets. The Board of Directors has the right to pay the compensation in shares, cash or as a combination of these. Based on management's judgement, the compensation will be paid as a combination of shares and cash.

Commitments and contingencies

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

EUR thousand	Dec 31, 2020	Dec 31, 2019
Liabilities in balance sheet for which collaterals given		
Borrowings, non-current	47,630	51,040
Borrowings, current	4,247	4,069
Total	51,877	55,109

EUR thousand	Dec 31, 2020	Dec 31, 2019
Mortgages on own behalf		
Company mortgages	100,000	100,000
Property, plant and equipment	51	174
Total	100,051	100,174

Related party transactions

Transactions and balances with related parties:

EUR thousand	1 Jan – 31 Dec 2020	1 Jan – 31 Dec 2019 ¹
Companies that have significant influence		
Sales	9,322	6,997
Purchases	-87	-91
Trade receivables	797	2,084
Trade payables and other liabilities	3	2,062
Associated companies		
Loan receivables	61	93

¹ During financial year 2019 related party transactions have arisen mainly after Smile-acquisition, period from 1 Sep to 31 Dec 2019.

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

Events after the balance sheet date

Eezy announced on December 11, 2020 the divestment of its Swedish subsidiary VMP Group AB to Palm & Partners Bemanning AB, who operates in the same business in Sweden. The transaction was completed after the review period on January 4, 2021.

Key figures, their calculation and reconciliations

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

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

Key figures

EUR thousand, unless otherwise specified	1 Oct – 31 Dec 2020	1 Oct – 30 Dec 2019	Change %	1 Jan – 31 Dec 2020	1 Jan – 31 Dec 2019	Change %
Key figures for income statement						
Revenue	43,421	65,634	-34%	190,637	169,784	12%
EBITDA	3,405	4,183	-19%	13,495	12,586	7%
EBITDA margin, %	7.8%	6.4%	-	7.1%	7.4%	-
EBIT	1,472	2,290	-36%	5,565	8,022	-31%
EBIT margin, %	3.4%	3.5%	-	2.9%	4.7%	-
Items affecting comparability	290	604	-	1,290	3,777	-
Items affecting EBITDA and comparability	290	604	-	759	3,777	-
Adjusted EBITDA	3,695	4,787	-23%	14,254	16,363	13%
Adjusted EBITDA margin, %	8.5%	7.3%	-	7.5%	9.6%	-
Adjusted EBIT	1,762	2,894	-39%	6,856	11,799	-42%
Adjusted EBIT margin, %	4.1%	4.4%	-	3.6%	6.9%	-
Earnings per share, basic, EUR	0.02	0.05	-	0.11	0.25	-
Earnings per share, diluted, EUR	0.02	0.05	-	0.11	0.25	-
Weighted average number of outstanding shares, pcs	24,849,375	24,849,375	-	24,849,375	18,296,109	-
Weighted average number of outstanding shares, diluted, pcs	25,039,283	24,870,255	-	24,997,332	18,301,372	-
Number of outstanding shares at the end of reporting period, pcs	-	-	-	24,849,375	24,849,375	-
Key figures for balance sheet						
Net debt	-	-	-	42,424	56,513	-
Net debt excluding IFRS16	-	-	-	36,440	51,887	-
Net debt / Adjusted EBITDA (net leverage)	-	-	-	2,9 x	2.7x ¹	-
Gearing, %	-	-	-	40.9%	55.5%	-
Equity ratio, %	-	-	-	50.6%	48.6%	-
Equity per share, EUR	-	-	-	4.17	4.10	-

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

EUR thousand, unless otherwise specified	1 Oct – 31 Dec 2020	1 Oct – 30 Dec 2019	Change %	1 Jan – 31 Dec 2020	1 Jan – 31 Dec 2019	Change %
Key figures for cash flow						
Operative free cash flow	2,179	7,701	-	21,267	13,061	-
Purchase of tangible and intangible assets	-781	-678	-	-2,096	-1,691	-
Acquisition of subsidiaries, net of cash acquired	-1,514	-404	-	-2,082	-11,417	-
Operative key figures						
Chain-wide revenue, EUR million	67.9	93.1	-27%	282.6	285.6	-1%
Franchise-fees, EUR million	1.7	1.6	3%	6.1	7.8	-22%
Self-employment invoicing volume, EUR million	10.9	13.5	-19%	41.9	49.9	-16%

Reconciliation of Certain Alternative Performance Measures

EUR thousand	1 Oct – 31 Dec 2020	1 Oct – 30 Dec 2019	1 Jan – 31 Dec 2020	1 Jan – 31 Dec 2019
EBITDA and adjusted EBITDA				
EBIT	1,472	2,290	5,565	8,022
Depreciation, amortization and impairment losses	1,933	1,893	7,929	4,564
EBITDA	3,405	4,183	13,495	12,586
Items affecting EBITDA and comparability	290	604	759	3,777
Adjusted EBITDA	3,695	4,787	14,254	16,363
Adjusted EBIT				
EBIT	1,472	2,290	5,565	8,022
Items affecting comparability	290	604	1,290	3,777
Adjusted EBIT	1,762	2,894	6,856	11,799
Operative free cash flow				
Cash flows from operating activities before financial items and taxes	2,961	8,379	23,363	14,752
Purchase of tangible and intangible assets	-781	-678	-2,096	-1,691
Operative free cash flow	2,179	7,701	21,267	13,061

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
Items affecting comparability	=	Material items outside the scope of ordinary operations relating to, among others, acquisitions, listing, closing of business operations, structural reorganization and significant redundancy costs
Adjusted EBITDA	=	EBITDA + Items affecting EBITDA and comparability
Adjusted EBITDA margin, %	=	Adjusted EBITDA / Revenue x100
Adjusted operating profit (EBIT)	=	Operating profit + Items affecting comparability
Adjusted operating profit margin, %	=	Adjusted 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 / Adjusted EBITDA (net leverage)	=	Net debt / Adjusted 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) + self-employment 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
Self-employment invoicing volume	=	Invoicing volume of the self-employment services