

Eezy Plc Interim report

Q3/2024

Siina Saksi, CEO
Joni Aaltonen, CFO



AGENDA

- Eezy – Maker of a Good Working Life
- Interim report January – September 2024
- Strategy "GoodWork2028" in progress
- Q&A



Eezy as an investment

Eezy operates in a growing market of significant size

- Market size over €3 billion
- The market responds significantly faster than the GDP
- Megatrends in the operating environment boost our business

Eezy has a strong position in the market

The best talent:

- A network of 60.000 satisfied, professional staffed employees throughout Finland

Agile service

- The largest geographical network in Finland
- A superior digital service model for both customers and professionals
- Strong brand, reputation and customer satisfaction
- A responsible employer and partner
- The broadest range of services for working life create value for our wide range of customers

Customer insight:

- A broad customer base in dozens of industries

We aim for a substantial increase in profitability and above-market growth

- Above-market growth in Staffing services
- Doubling the revenue of Professional services
- Significant improvement in profitability
 - Reforming the business model and increasing productivity through technology
 - The economies of scale of revenue growth
 - More profitable and less cyclically volatile service and industry portfolio



Eezy has a broad impact on Finnish working life

A maker of good working life



25 000
staffed employees



1 000
projects in leadership and employee experience development



2 600
personnel assessments



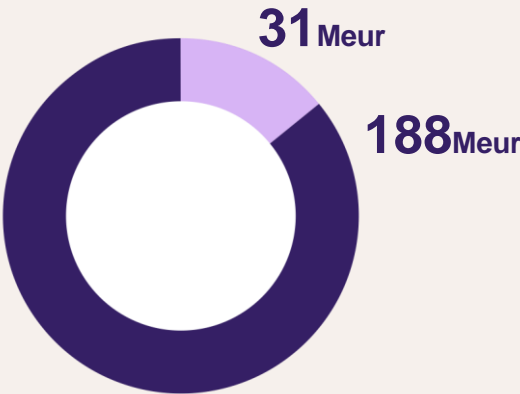
500
group function employees



1 000 000
respondents in employee surveys 2014-2023

revenue
219 Meur (2023)

Chain revenue 308Meur



● Staffing services
● Personnel services

TOP 2

in employee surveys

TOP 2

in staffing services

TOP 3

in employment services

ca **5 000**

Client organisations from dozens of sectors

Strong brand, reputation and customer experience

Source: **LUOTTAMUS & MAINE** *Signi*

Over **25** years of experience in the field



Nationally local

41 offices in different parts of Finland (own + franchises)



Interim report

Q3/2024



Actions to improve profitability progressed in a difficult market situation

- Revenue was EUR 44.9 million (EUR 56.0 million; -20%)
- EBITDA was EUR 3.3 million (4.4); 7.4% of revenue (7.9%)
- EBIT was EUR 1.1 million (2.3); 2.5% of revenue (4.1%)
 - One-time costs July-Sept EUR 1.0 million (0,0), Jan-Sept EUR 1.4 million (0.4)
- EPS was EUR 0.02 (0.05) per share
- Weak demand for staffing and recruitment services, especially in manufacturing and construction, continues to contribute to decline in revenue.
- Lower revenue and one-off costs impact on the EBIT level. The measures to improve profitability and transform operations have advanced, and reduced costs and debt levels.



Measures according to the strategy are moving forward with determination

- The aim of the renewal of operating models is to take Eezy to a new level of profitability by creating an **operationally efficient, competitive and scalable** company.
- Renewal of operating models:
 1. The implementation of AI-powered technology and a significant reduction of manual processes in Staffing services.
 2. Outsourcing 30 financial and HR tasks to a partner. Developing finance and HR functions together with our partner, utilising technology and automation.
 3. More efficient use of office space is progressing. During Q3, more effective use of space in all three main offices has been implemented, negotiations with prospective tenants are ongoing.
 4. Change negotiations completed during Q3.
- We expect to achieve a permanent cost benefit of EUR 2.8 million from these measures, which will be fully realised during 2025.
 - A savings of around €0.8 million for the remainder of 2024.
 - One-off cost of €0.8 million has been recognised for 2024 for the implementation of the renewal of operating models.



Growth from cross-selling our broad portfolio of services



F-Securen kulttuurimatka kirkasti yrityksen arvot, tavoitekulttuurin ja niiden johtamisen

Tietoturvayritys F-Secure halusi muotoilla kulttuurin, joka tukee yrityksen strategiaa, liiketoimintatavoitteita ja vahvuuksia. Eezy Flown ja Leidenschaftin kanssa toteutettu Culture Journey -projekti vahvisti johdon omistajuutta kulttuuriin ja sen johtamiseen.



21.8.2024 UUTiset

Eezy yhteistyöhön uudistuvan Finlandia-talon kanssa

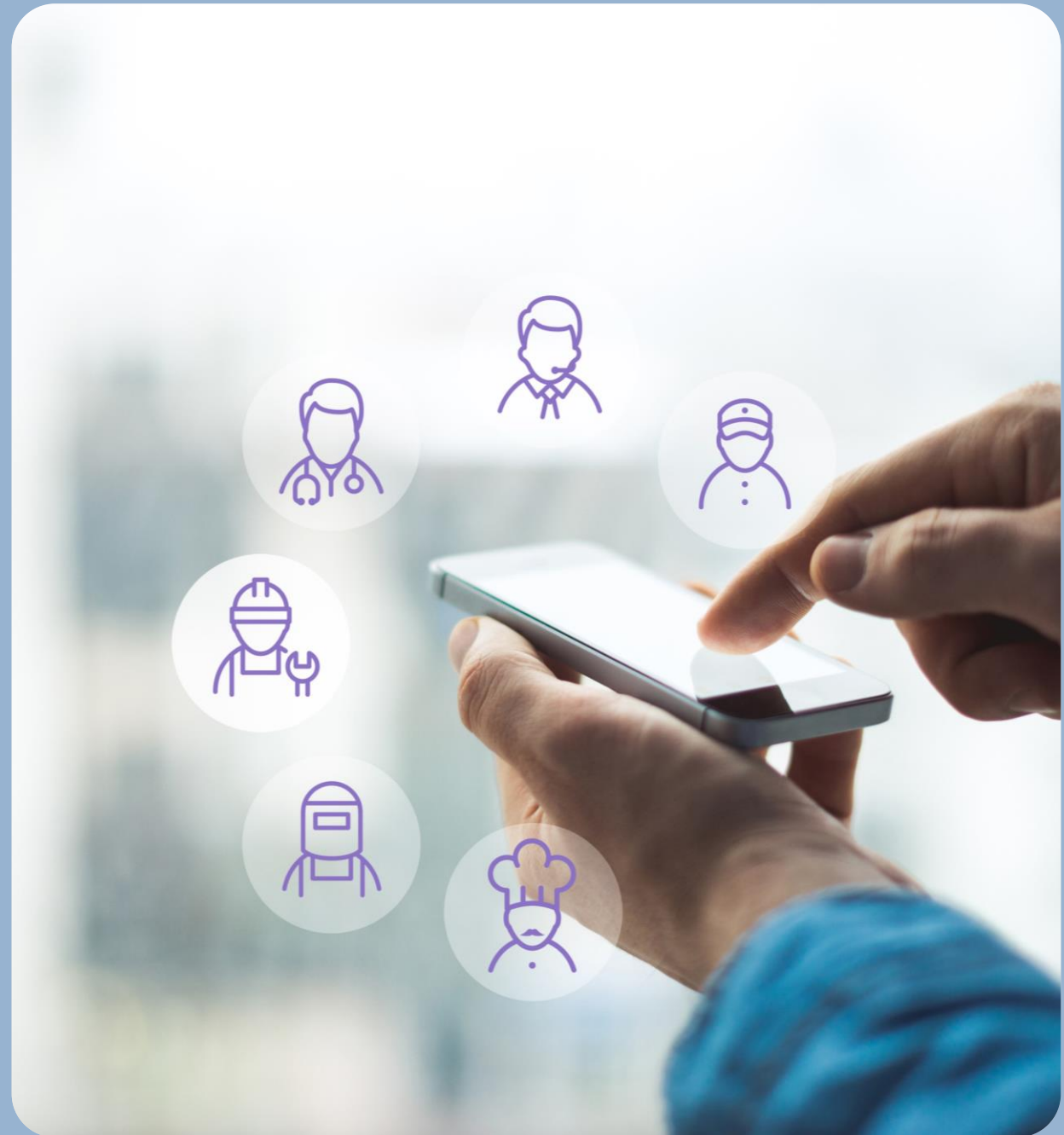
Työelämän asiantuntija Eezy ja Finlandia-talo ovat solmineet yhteistyösopimuksen, joka kattaa uusitun Finlandia-talon ravintolahenkilökunnan...



Ponssen yrityskulttuurimatka asetti suuntaviivat tulevaisuutta varten

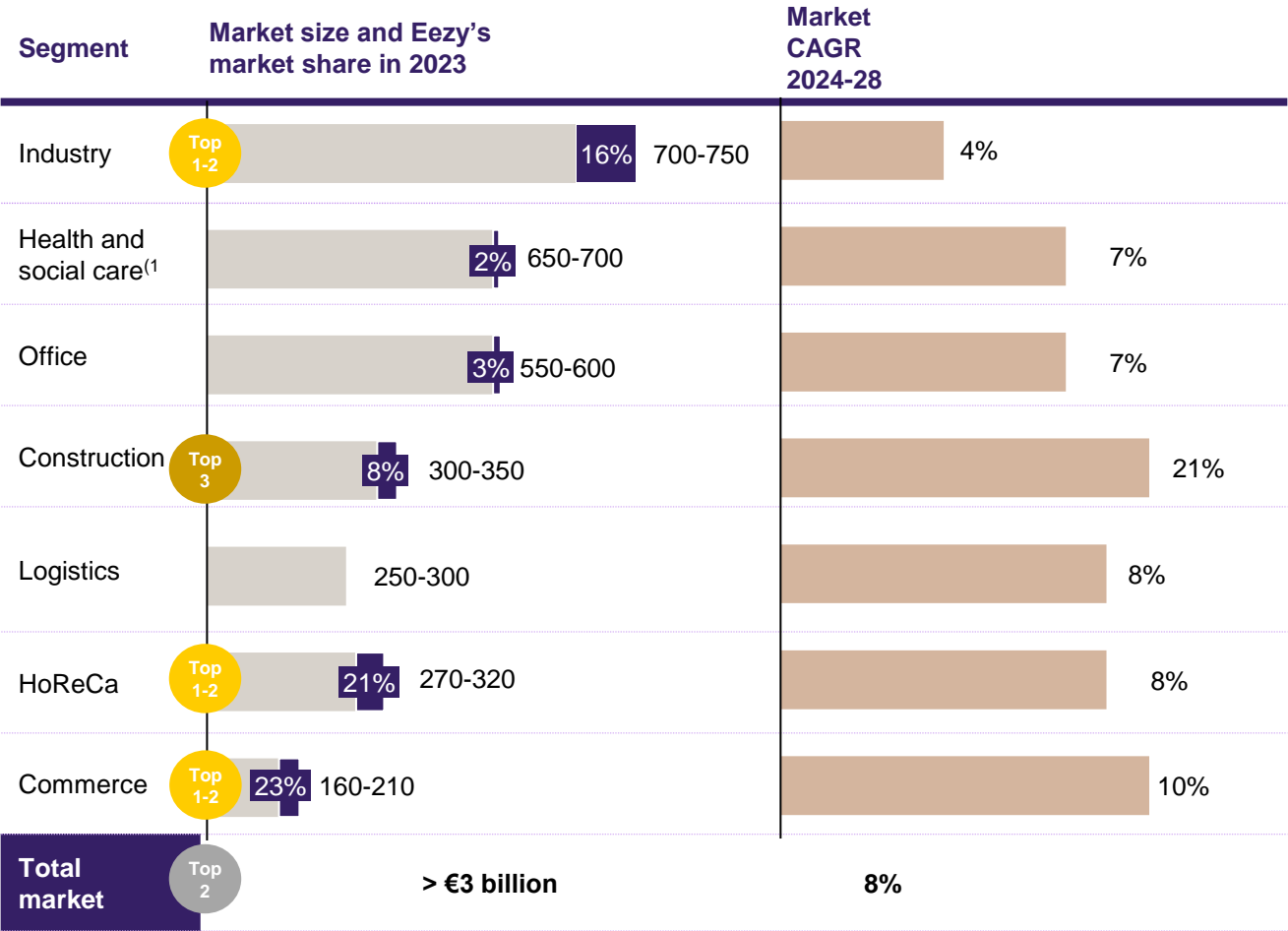
Eezy Flow ja Leidenschaft auttoivat Ponssea määrittelemään suuntaviivat yrityskulttuurimatkalle.

Staffing services



The market for staffing services is about €3 billion and growing

Eezy already has a strong foothold and potential to grow in new sectors



■ Eezy's market share ■ Other

Market size and growth analyses have been made using market penetration, hours worked in each industry and average hourly prices. Sources: Statistics Finland, The Ministry of Economic Affairs and Employment, Finnish National Agency for Education, Bank of Finland, Euroconstruct, Euromonitor, Statista, Hela.

Notes: 1) Includes doctors, nurses, nursery and pharmacies



Eezy Q3/2024

Demand is still subdued

Staffing services
Q3/24

39.7M€

(-21%)

Staffing services
Q3/23

50.1M€

Staffing services
1-9/24

111.2M€

(-24%)

Staffing services
1-9/23

145.6M€

- Labour demand remains weak, especially in the industry and construction sectors.
- In Southern Finland, the decline in demand remains smaller.
- Horeca's hour volume has declined as turnover in the sector has fallen and labour availability has been good.
- Retail industry hour volume has slightly declined compared to 2023.
- Good work on supply reliability, customer satisfaction and strategic customer relationships. NPS 59 (September, b2b).
- We employed an average of 2 697 staffed employees between 7-9/2024 (FTE).



Professional services



The market for Professional services is around €500m

Growth potential especially in employer experience development and employment services

Recruitment services and Employment services. The fragmented market and stable market growth, combined with Eezy's relatively small market share, provide an opportunity for growth.

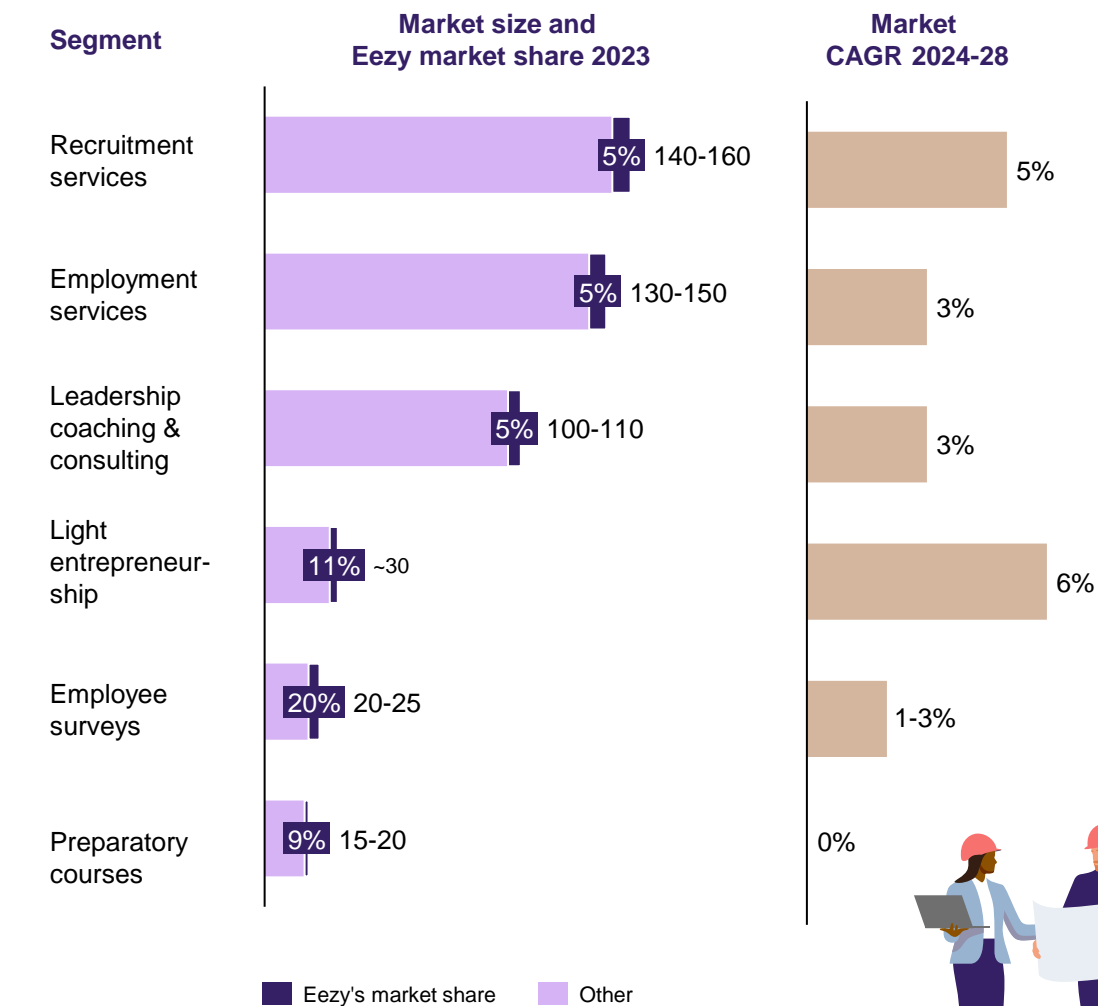
Leadership coaching & consulting. Opportunity to further increase market share.

Light entrepreneurship. Small market size and fierce price competition limit Eezy's growth potential.

Employee surveys. Traditional surveys have a small market size, Eezy has the capacity to develop products that significantly increase the size of the market.

Preparatory courses for students (university, university of applied sciences, etc.).

Small market size and weak market growth limit Eezy's growth potential.



Eezy Q3/2024

A reasonable achievement in a challenging market

Professional
services Q3/24

5.4M€

(-10%)

Professional
services Q3/23

6.0M€

Professional
services 1-9/24

21.3M€

(-1%)

Professional
services 1-9/23

21.5M€

- The poor economic climate has reduced demand, especially for headhunting services and organisational culture design. There is much demand for personal assessments and transition security services.
- Client decisions on research products have been delayed, with the volume of bids still high.
- Light entrepreneur services in slight decline, affected by the downturn of the construction sector and overall market situation.
- Good work with developing service concepts and co-managing customer relationships.



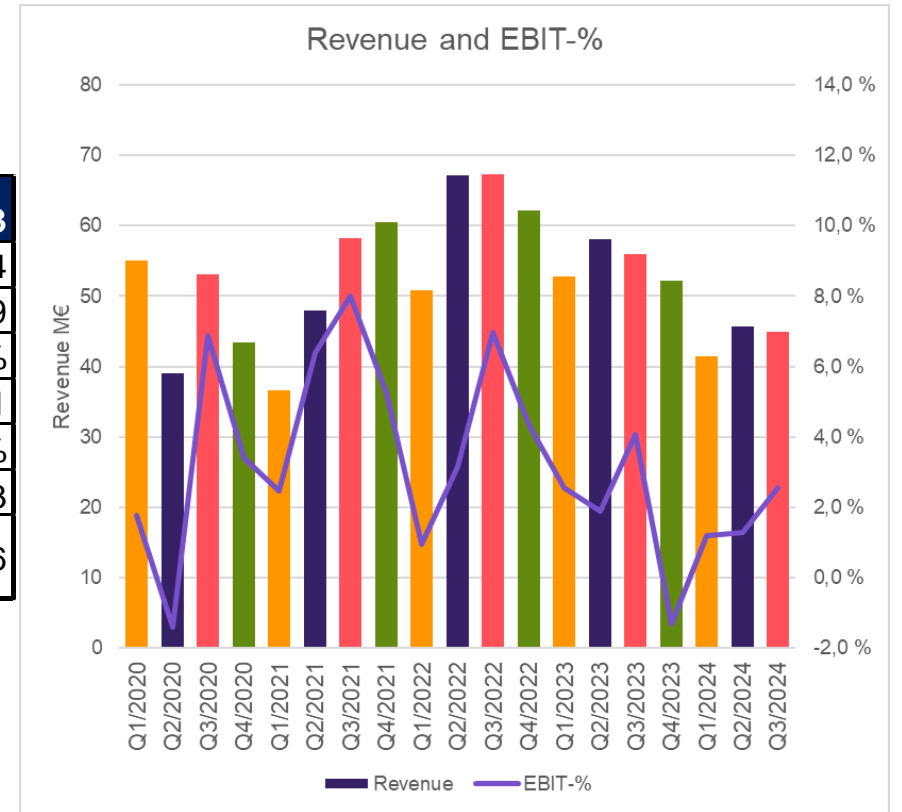
Financial information



Key figures

Eezy Q3/2024

EUR thousand	7-9/2024	7-9/2023	Change	1-9/2024	1-9/2023	Change	2023
Revenue	44 945	55 959	-20%	132 109	166 842	-21%	218 974
EBITDA	3 316	4 399	-25%	7 992	10 952	-27%	14 519
EBITDA %	7.4%	7.9%		6.0%	6.6%		6.6%
EBIT	1 143	2 282	-50%	2 228	4 722	-53%	4 031
EBIT %	2.5%	4.1%		1.7%	2.8%		1.8%
EPS, EUR per share	0.02	0.05		0.02	0.08		0.03
Chain-wide revenue, EUR million	66.5	78.9	-16%	193.9	233.9	-17%	307.6



Income statement

EUR thousand	7-9/2024	7-9/2023	1-9/2024	1-9/2023	2023
Revenue	44 945	55 959	132 109	166 842	218 974
Other operating income	173	71	304	222	261
Share of result of equity accounted investments	-	-	-	-2	-2
Materials and services	-1 701	-2 026	-6 452	-7 046	-9 724
Personnel expenses	-36 879	-45 594	-108 111	-136 790	-178 326
Other operating expenses	-3 222	-4 011	-9 858	-12 274	-16 663
Depreciation, amortisation and impairment	-2 173	-2 117	-5 763	-6 229	-10 488
EBIT	1 143	2 282	2 228	4 722	4 031
Financial income	50	53	621	49	108
Financial expenses	-901	-661	-2 529	-1 931	-2 740
Financial income and expenses	-851	-608	-1 909	-1 882	-2 632
Profit (loss) before taxes	292	1 673	320	2 840	1 399
Income taxes	36	-330	107	-619	-370
Profit attributable to non-controlling interests	-62	34	-39	146	384
Profit attributable to owners of the parent company	389	1 310	466	2 075	645

- The result is particularly affected by the decrease in the share of the industry and construction sectors in the staffing services which has weakened the profitability.
- On the other hand, the profitability was improved by the lower personnel expenses of group employees and other operating expenses.
- EUR 0.4 million impairment related to the premises, EUR 0,4 million personnel expenses related to severance payments and EUR 0,2 million in other one-time costs related to the renewal of operating model, total EUR 1.0 million were recorded in the result in Q3.
- Employees Q3 FTE:
 - Group functions 442 (515)
 - Staffed employees 2697 (3 289)
- Acquisition related amortization approx. EUR 0.8 million (EUR 0.9 million in Q3 2023)

Balance sheet

EUR thousand	9/2024	9/2023	2023
ASSETS			
Goodwill	141 654	141 654	141 654
Intangible assets	22 330	26 245	23 500
Tangible assets	5 862	3 844	7 969
Long-term receivables and investments	3 453	4 049	2 504
Non-current assets	173 300	175 793	175 628
Current receivables	27 413	33 117	29 786
Cash and cash equivalents	135	291	1 270
Current assets total	27 548	33 408	31 057
ASSETS TOTAL	200 848	209 201	206 684
EQUITY AND LIABILITIES			
Total equity attributable to shareholders of the parent company	106 335	107 573	106 137
Non-controlling interests	2 821	3 536	3 774
Total equity	109 156	111 109	109 911
Non-current liabilities total	52 714	52 736	57 609
Current liabilities total	38 978	45 356	39 164
EQUITY AND LIABILITIES TOTAL	200 848	209 201	206 684

- Goodwill and intangible assets approx. EUR 164.0 million
 - Goodwill impairment testing did not detect any signs for impairment.
- In January–September, Eezy increased its holdings in Doctors by Eezy Oy to 100%, in Eezy Import Oy to 85% and in Eezy Flow Oy in 73,06%.
- Equity EUR 109.2 million
 - Equity ratio 54.3%
- Net debt EUR 57.9 million
 - excluding IFRS 16: EUR 51.7 million

Balance sheet key figures

EUR thousand	9/2024	6/2024	12/2023	09/2023
Net debt	57 866	60 006	58 001	54 908
Net debt excluding IFRS16	51 740	53 135	50 383	51 473
Net debt / EBITDA	5.0 x	4.7 x	4.0 x	3.5 x
Gearing, %	53.0%	54.9%	52.8%	49.4%
Equity ratio, %	54.3%	53.1%	53.2%	53.1%
Equity per share, EUR	4.36	4.37	4.39	4.44

- The total amount of net debt has decreased compared to June 2024.
- 1-9/2024 one-time costs of EUR 1.4 million recorded in the result.



Cash flow statement

EUR thousand	7-9/2024	7-9/2023	1-9/2024	1-9/2023	2023
Cash flows from operating activities					
Customer payments received	48 347	57 969	135 413	167 596	222 674
Cash paid to suppliers and employees	-44 450	-55 426	-129 426	-161 752	-211 274
Cash flows from operating activities before financial items and taxes	3 897	2 543	5 987	5 844	11 399
Financial items paid and received	-515	86	-1 902	-558	-2 447
Income taxes paid	-29	-346	-877	-2 530	-2 467
Net cash flows from operating activities	3 353	2 283	3 208	2 756	6 486
Net cash flows from investing activities	-784	-607	-2 570	-2 027	-2 849
Net cash flows from financing activities	-2 570	-1 524	-1 773	-6 206	-8 135
Net change in cash and cash equivalents	-1	152	-1 135	-5 477	-4 498
Cash and cash equivalents at the beginning of the reporting period	136	139	1 270	5 768	5 768
Cash and cash equivalents at the end of the reporting period	135	291	135	291	1 270

- Operative free cash flow EUR 2.5 million in Q32024 (Q32023 EUR 1.3 million).
- Investments Q32024 were mainly related to IT investments.
- Net cash flows from financing activities include the use of overdraft facilities EUR 2.6 million.

Outlook for 2024

- The year has continued in a low economic cycle, and our clients' views on their needs for workforce and capacity to invest still remain uncertain.
- In previous economic turnarounds, our industry has reacted swiftly to changing conditions.

Eezy does not give guidance for 2024.

The Eezy logo is displayed in a stylized, lowercase font. The letters 'ee' are in a dark blue color, while the 'zy' is in a lighter blue color. The logo is centered within a large, light gray circle. The background of the slide is a blurred image of an office interior with warm lighting.

#GoodWork2028

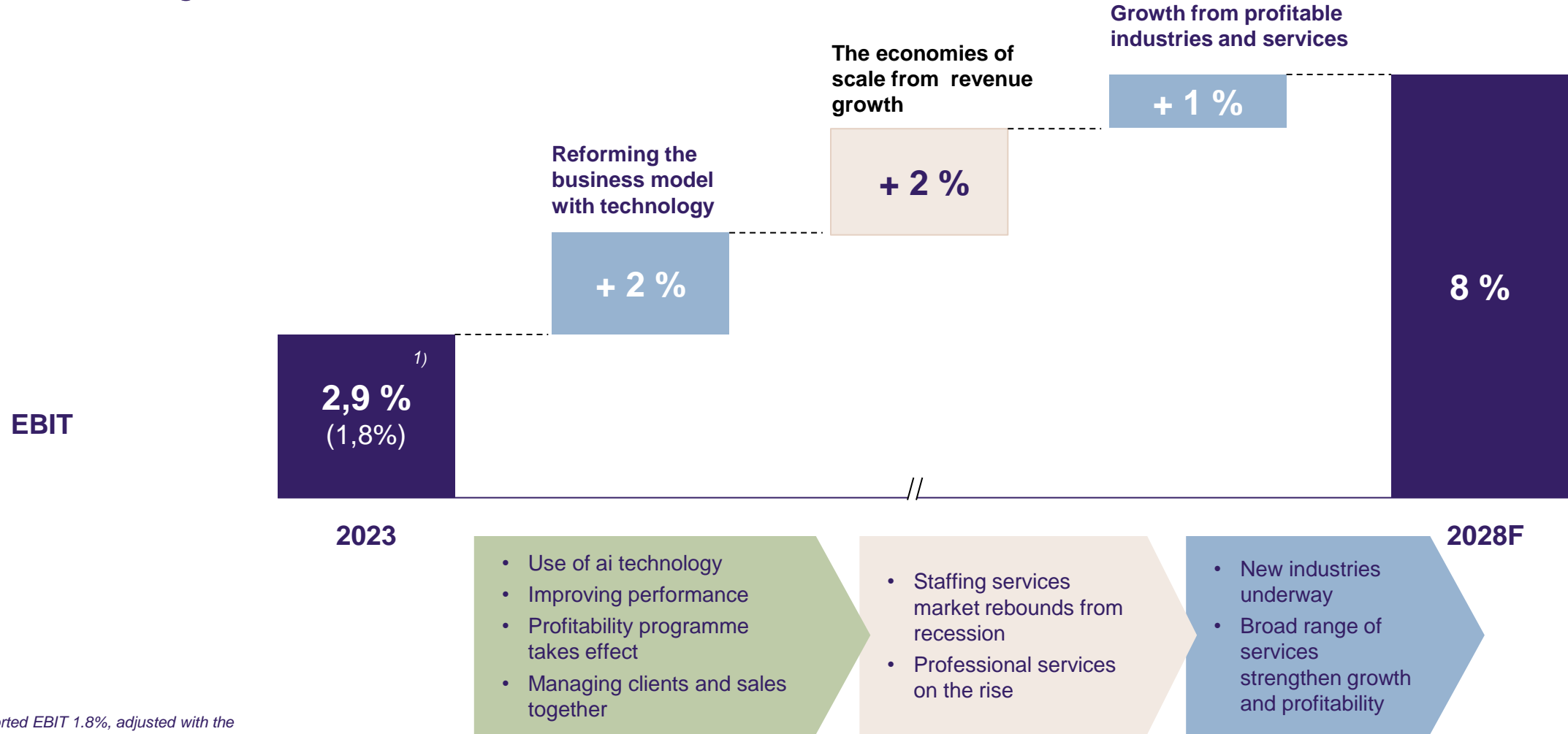
Taking the strategy forward

Focus on *Making a good working life*, together



Improving performance and growth - key priorities for the strategy period

How do we get to 8% EBIT level?



1) Reported EBIT 1.8%, adjusted with the impairment of trademarks and customer relationships

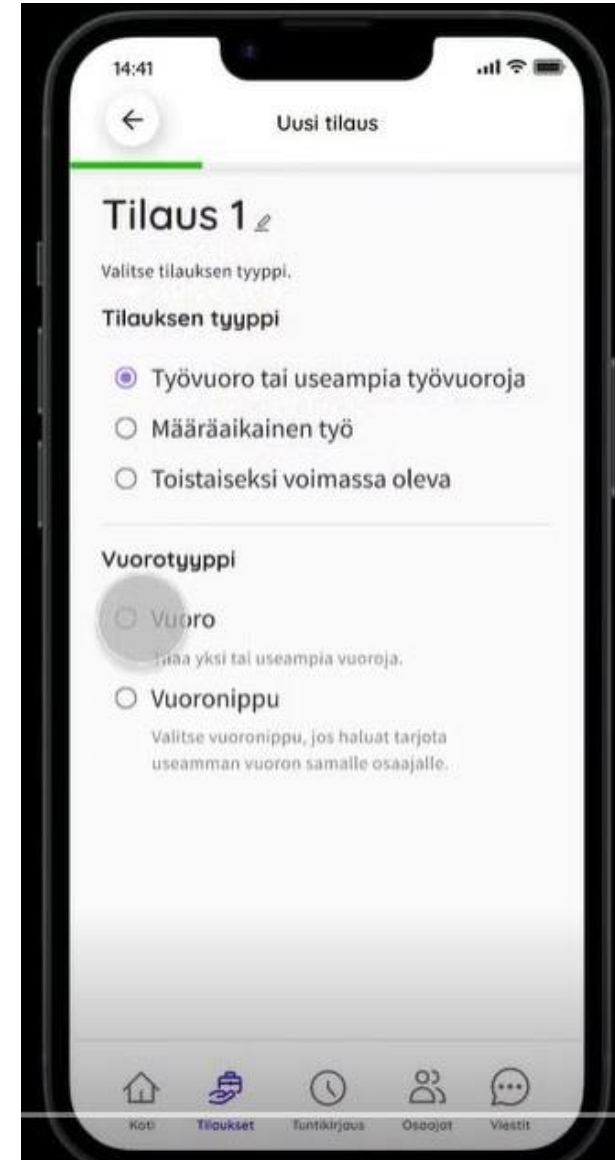


ERP project takes a giant leap forward

- The Staffing services ERP project is moving ahead at a fast pace.
- In the third quarter, we have taken major leaps in system development, enabling the system to be deployed with a wide range of functionalities and high volumes.
- At the beginning of November, we brought the large masses of workers and customers in the horeca sector in Southern Finland into the system. We are also introducing a significant number of new functionalities.

” One advantage of the app is that I can see the shifts that have been made for us in the past and the information about them. It makes it easier to find the right person. Especially in the evening, it's great to be able to open a shift yourself.

Petra Saarela, Assistant Restaurant Manager, ISS



MISSION
MAKER OF A
GOOD
WORKING
LIFE



VISION
LET'S MAKE
WORK A
HAPPY
MATTER

Long-term financial targets 2028



Staffing:
Faster revenue growth than the staffing market growth



Professional Services:
Doubling the revenue



EBIT (EBIT) margin: 8 per cent in 2028

Competitive advantage



Best talent



Customer insight



Agile service

Labor shortage

Technology & AI

Working life transformation

Sources for profitable growth

Leveraging nation-wide strength

Focus on social & health care and office sectors

Scaling of foreign workforce

Efficiency & cross-selling from productized services

Increasing productivity by use of technology and AI

M&A opportunities

Keys to success

THE PROWAY



YES WE CAN



AI TO WORK



WITH GOOD INTENTIONS

ALWAYS THE PROWAY

PLAY YOUR PEER ONES BETTER

100% RESPONSIBILITY

Q&A



Thank You!

