

Pronounced recovery continues

Ework started 2021 by continuing its pronounced recovery in the first quarter. Positive sales performance, reduced expenses and greater efficiency in our business enabled EBIT of SEK 27.6 M. These earnings are close to the previous year's level despite lower revenue for pandemic-related reasons.

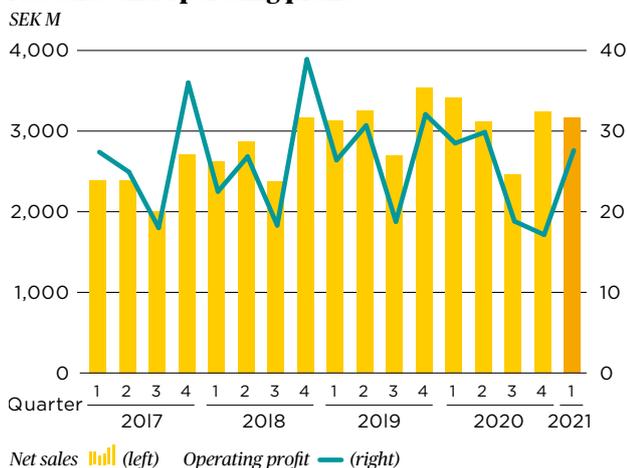
Zoran Covic, CEO

First quarter of 2021 compared to 2020

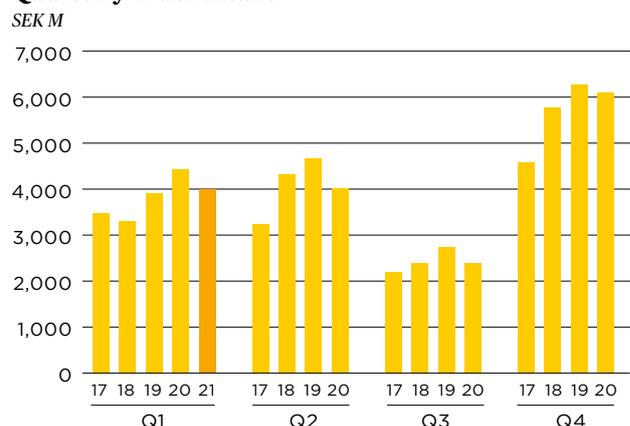
- Net sales down by 7% to SEK 3,165 M (3,413).
- EBIT decreased by 3% to SEK 27.6 M (28.5).
- Profit after financial items rose by 4% to SEK 28.6 M (27.5).
- Order intake down by 10% to SEK 3,991 M (4,426).
- Earnings per share after tax before and after dilution were SEK 1.29 (1.30).

- Earnings were charged with SEK 3.1 M of expenses for organisational changes.
- The Polish operation started reporting as an independent segment.
- The market continued its recovery, with the demand for consulting services increasing quarter on quarter.
- The company's view that sales and earnings can grow in 2021 was reinforced in the quarter.

Net sales and operating profit



Quarterly order intake



CEO'S STATEMENT

Pronounced recovery continues



Ework started 2021 by continuing its pronounced recovery in the first quarter. Positive sales performance, reduced expenses and greater efficiency in our business enabled EBIT of SEK 27.6 M. These earnings are close to the previous year's level despite lower revenue for pandemic-related reasons.

The positive trend in Ework's performance we reported on after the fourth quarter accentuated in the first quarter of the year. The demand for consulting services increased, and the base of consultants on assignment continued to expand. New consultant appointments were a higher share of the sales mix than in the previous year, and the previous quarter. This progress creates the potential for continued positive margin growth in coming quarters.

Our digital business, through our proprietary platform Verama, is another contributor to our improved EBIT margin. It creates benefits that clients appreciate, strengthens our market positioning and rationalises our delivery. Its user base is growing steadily both on the client side and in the supplier portal. Our development expenses were down significantly in the quarter year on year, while we accelerated the amortization of our digital investments.

The cost reductions we reported last year are continuing to plan. It's worth noting that in the quarter, we took SEK 3.1 M of non-recurring expenses for organisational changes.

Net sales were down by some 7% on the first quarter of the previous year, but the quarter-on-quarter trend is clearly positive since the previous quarter.

The pandemic remains a challenge for our organisation, with continued high remote working levels. Our staff have shown commendable adaptability, maintaining the pressure of sales and delivery.

The pandemic-related demand downturn on the previous year mainly affected Sweden and Finland, while Denmark and Norway had better exposure to sectors that experienced less impact. Norway's especially positive sales and earnings performance continued to stand out. From this Report onwards, we're reporting Poland separately, which was previously included in the Sweden segment. This vindicates our investment, which has now attained long-term viability, with this operation now well established. Its first-quarter numbers show the brisk progress in Poland continuing.

During the quarter, we initiated a relaunch of PayExpress, a service allowing extended payment terms for clients while consultants can get paid faster. We have identified interesting business opportunities in this area.

In the year-end report of 2020, we expressed the outlook that sales and earnings can grow and further strengthen our market position in 2021. This view was reinforced during the first quarter.

Zoran Covic, CEO
Stockholm, Sweden, 28 April 2021

Increasing demand is a continuing trend

Market

The trend of increasing demand for new consultant appointments that began in the previous year continued in the first quarter, after a short covid-related downturn in the second and third quarters of 2020. The demand for consultant appointments—when Ework is appointed to find the right consultant for an assignment—increased, representing a continued increasing share of the sales mix. The base of consultants on assignment in the quarter peaked at 10,259 (10,542). Ework’s demand indicators suggest a further demand recovery for consulting services.

Business model and revenue streams

We continued to implement Ework’s digital platform Verama with more clients in the quarter, and implementation is now ongoing with clients in three countries. This platform is continuing to consolidate Ework’s positioning to help increase total business with clients. A growing base of users of Verama’s supplier and consultant modules are contributors to the positive progress supporting this marketplace.

The Group’s net sales

The Group’s net sales were SEK 3,165 M (3,413) in the first quarter, down by 7%. The comparison is against a quarter only marginally impacted by effects of the pandemic. Accordingly, the downturn is due to lower demand for consulting services because of the pandemic, and some extent, lower pricing for assignments beginning in the weak second and third quarters 2020, as well as some impact of currency effects. However, pricing has returned to levels established prior to the pandemic, with the sales mix moving in a positive direction, with a growing share of consultant appointments. Our revenue base in the form of consultants on assignments increased, but was still down somewhat on the corresponding point of the previous year.

The Group’s earnings

The Group’s EBIT for the first quarter amounted to SEK 27.6 M (28.5). The earnings reduction is due to lower revenue than the first quarter of the previous year. SEK 3.1 M of expenses for organisational changes were also taken in the quarter. The earnings downturn was limited by a positive transition in the sales mix towards higher-margin business, and a lower cost base than the previous year. The expenses for Ework’s digital initiative decreased in the period, as did capitalized expenses, as illustrated in the following table. However, amortization of previously capitalized development expenditure did increase as planned.

Profit after financial items was SEK 28.6 M (27.5) for the first quarter. Net financial income/expense improved to SEK 1.0 M (-1.0), with interest expenses being SEK -1.1 M (-1.9) of this. Profit after tax was SEK 22.2 M (22.5).

Comments on progress

The Group’s order intake was SEK 3,991 M (4,426) in the first quarter. Order intake includes new assignments and extensions. The number of consultants on assignment in the first quarter peaked at 10,259 (10,542).

Sweden

The Swedish operation progressed positively compared to the previous quarter, with net sales of SEK 2,406 M (2,700).

The downturn on the previous year is due to reduced demand mainly related to the effects of covid-19, and to some extent, residual effects of cost pressure on consulting fees for assignments negotiated in the previous year. Staff reductions and general cost savings took effect in the quarter. The Polish operation, previously reported in the Sweden segment, is now reported independently, and comparative figures have been restated.

EBIT was SEK 12.4 M (18.8).

SEK M	Quarter 1, 2021	Quarter 1, 2020	2020	2019
Expenses for digitalisation	-12.4	-19.7	-54.7	-56.5
Capitalised expenses for digitalisation	3.8	5.0	18.0	18.8
Impact on EBIT of expenses for digitalisation	-8.6	-14.8	-36.7	-37.7

Norway

The net sales of the Norwegian operation increased by 17% to SEK 427.7 M (364.0). EBIT rose by 90% to SEK 9.7 M (5.1). The increased sales and earnings are due to continued strong progress of this operation's market position, and continued firm demand from current and new business clients. The Norwegian operation was only marginally impacted by covid-19 due to its exposure to sectors whose effect in the period was limited.

Denmark

The Danish operation's net sales were up by 18% to SEK 140.8 M (119.6). EBIT for the period increased to SEK 0.3 M (-0.3). The Danish operation was still impacted marginally by the effects of covid-19 due to its exposure to sectors whose impact in the period was limited.

Finland

The finish operation's demand was poor, and revenue declined, mainly for pandemic-related reasons. Net sales were SEK 86.3 M (130.8). EBIT amounted to SEK 1.4 M (2.7). The earnings decrease is due to lower revenue, but was countered by organisational measures taken, and focusing on profitability.

Poland

The Polish operation is being reported as an independent segment from this Report onwards. It was previously part of the Sweden segment. Operations progressed positively, with increased sales and EBIT. Net sales rose by 6% to SEK 104.6 M (98.5). EBIT increased by 77% to SEK 3.9 M (2.2).

Financial position and cash flow

The equity/assets ratio at the end of the period was 5.9% (4.6). The higher equity/assets ratio is due to lower capital tied-up because of lower sales than the previous year.

Cash flow from operating activities for the first quarter was SEK 114.0 M (-53.1). Payments from clients and to consultants are at month-ends. A modest shift in payments made or received can have a significant effect on cash flow at a specific time. The company holds a SEK 550 M (550) credit facility for support services for faster payments. Accounts receivable have been pledged as collateral for this facility. The company also has an overdraft facility of SEK 30 M (30).

Total unutilised credit facilities at the end of the period were SEK 431 M (77) due to lower volumes of advance payments, and more active liquidity management.

Workforce

The average number of employees in the quarter was 276 (304). Earnings in the period were charged with SEK 3.1 M of expenses for organisational changes.

Parent Company

The Parent Company's net sales for the first quarter were SEK 2,401 M (2,693). Profit after financial items was SEK 14.5 M (16.7), and profit after tax was SEK 11.5 M (13.1).

The Parent Company's equity was SEK 167.9 M (155.0) at the end of the quarter, and its equity/assets ratio was 6.3% (4.8). In accordance with an EGM resolution, Ework paid a dividend of SEK 2.00 per share to shareholders in the quarter, totalling SEK 34.5 M. Otherwise, and where applicable, the above comments on the Group's financial position also apply to the Parent Company.

Subsequent events

No significant events have occurred after the reporting period.

Significant risks and uncertainty factors

Ework's material business risks, for the Group and Parent Company, consist of reduced demand for consulting services, difficulties in attracting and retaining skilled staff, credit risks, and to a lesser extent, currency risks. Ework's risks are impacted by the current covid-19 pandemic and its effects on wider society and the economy. This means a risk of reduced demand for consulting services. Meanwhile, regulatory decisions and necessary consideration of safety aspects may imply a risk of disruptions in operations, for Ework's own staff and for consultants on assignment.

For a more detailed review of material risks and uncertainties, please refer to Ework's Annual Report.

The Group previously provisioned SEK 7.0 M for a tax dispute in Norway, as stated in previous Interim Reports. Ework has been ordered to pay tax that a supplier overlooked, due to joint and several liability. Ework is considering appealing against this ruling, and has taken action to avoid being affected by similar oversights by suppliers in future.

Other information

The company has two outstanding stock option programmes that are part of an incentive programme for senior managers adopted by the AGM 2017. It resolved to issue a total of 120,000 share warrants per year in the period 2017-2019.

In 2019, 47,600 stock options were issued with an exercise price of SEK 86.84, which mature in 2022. In 2018, 87,500 stock options were issued with an exercise price of SEK 113.66, which mature in 2021.

Outlook

In its Year-end Report for 2020, Ework stated the following outlook:

“General economic uncertainty related to the global covid-19 pandemic continued to affect Ework’s business, resulting in reduced revenues. However, any effect in the fourth quarter was limited. Ework takes a positive long-term view of its potential to keep growing, and as in previous cyclical downturns, business opportunities that Ework has good potential to exploit may appear. The cost savings of SEK 50 M on 2019 Ework previously reported are expected to take full effect in 2021. The company expects to be able to improve revenue and profitability in 2021 compared to 2020.”

The previously reported cost savings are reiterated.

The company's view that sales and earnings can grow in 2021 was reinforced in the quarter.

Zoran Covic, CEO
Stockholm Sweden, 28 April 2021

This Report has not been subject to review by the company's auditor.

The information disclosed in this Interim Report is mandatory for Ework Group AB (publ) to publish pursuant to the EU's Market Abuse Regulation (MAR). This information was submitted for publication at 10:30 a.m. (CET) on 28 April 2021, through the agency of the CEO.

KEY PERFORMANCE DATA

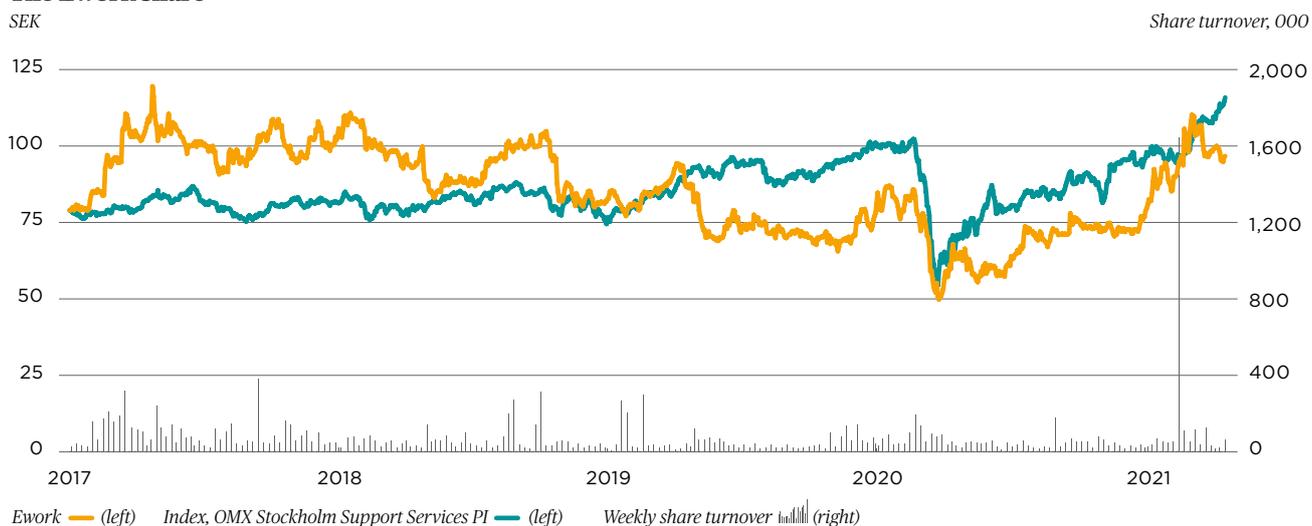
SEK 000	January- March 2021	January- March 2020	Rolling 4 quarters Apr 20-Mar 21	Full year 2020
Net sales	3,165,150	3,412,824	11,990,191	12,237,865
EBIT	27,560	28,480	93,389	94,308
Profit before tax	28,550	27,513	85,961	84,924
Profit for the period	22,220	22,486	69,069	69,335
Sales growth, %	-7.3	9.1	-19.4	-3.0
EBIT margin, %	0.9	0.8	0.8	0.8
Profit margin, %	0.9	0.8	0.7	0.7
Return on equity, %	42.9	53.5	26.9	37.5
Total assets	3,402,875	3,890,597	3,402,875	3,362,601
Equity	201,928	178,154	201,928	212,074
Equity/assets ratio, %	5.9	4.6	5.9	6.3
Acid test ratio, %	103.6	102.5	103.6	103.9
Average number of employees	276	304	277	283
Net sales per employee	11,468	11,234	43,364	43,243
KEY RATIOS PER SHARE				
Earnings per share before dilution, SEK	1.29	1.30	4.01	4.02
Earnings per share after dilution, SEK	1.29	1.30	4.01	4.02
Equity per share before dilution, SEK	11.7	10.3	11.7	12.3
Equity per share after dilution, SEK	11.7	10.3	11.7	12.3
Cash flow from operating activities per share before dilution, SEK	6.61	-3.08	31.65	21.96
Cash flow from operating activities per share after dilution, SEK	6.61	-3.08	31.65	21.96
Number of shares outstanding at end of period before dilution (000)	17,240	17,240	17,240	17,240
Number of shares outstanding at end of period after dilution (000)	17,240	17,240	17,240	17,240
Average number of shares outstanding before dilution (000)	17,240	17,240	17,240	17,240
Average number of shares outstanding after dilution (000)	17,240	17,240	17,240	17,240

SHAREHOLDERS

As of 31 March 2021	No. of shares	Votes and equity
Investment AB Arawak ¹⁾	7,012,358	40.7%
Försäkringsbolaget Avanza Pension	3,176,383	18.4%
Protector Forsikring ASA	1,726,985	10.0%
Katarina Salén, private and through family companies	473,962	2.7%
Patrik Salén and family through companies	406,500	2.4%
Ålandsbanken, on behalf of shareholders	377,730	2.2%
Claes Ruthberg	180,000	1.0%
Handelsbanken Liv Försäkringsaktiebolag	156,887	0.9%
Nordnet Pensionsförsäkring AB	139,926	0.8%
Dan Berlin	134,859	0.8%
Sub-total	13,785,590	80.0%
Other	3,454,085	20.0%
Total	17,239,675	100.0%

¹⁾ Staffan Salén and family 92.9%, Erik Åfors 7.1%.

The Ework share



Consolidated Statement of Income and Other Comprehensive Income

SEK 000	Note	January- March 2021	January- March 2020	Rolling 4 quarters Apr 20-Mar 21	Full year 2020
Operating income					
Net sales	1	3,165,150	3,412,824	11,990,191	12,237,865
Other operating income		15	20	303	308
Total operating income		3,165,165	3,412,845	11,990,493	12,238,173
Operating costs					
Cost of consultants on assignment		-3,049,249	-3,285,841	-11,567,701	-11,804,293
Work performed by the company for its own use and capitalized		3,818	4,984	16,803	17,969
Other external costs		-22,416	-31,918	-91,261	-100,764
Personnel costs		-61,268	-63,967	-222,707	-225,406
Depreciation, amortisation and impairment of property, plant & equipment and intangible non-current assets		-8,490	-7,622	-32,238	-31,371
Total operating costs		-3,137,605	-3,384,365	-11,897,104	-12,143,865
Earnings before interest and taxes		27,560	28,480	93,389	94,308
Profit from financial items					
Net financial income/expense		990	-967	-7,428	-9,386
Profit after financial items		28,550	27,513	85,961	84,924
Tax		-6,331	-5,027	-16,892	-15,588
Profit for the period		22,220	22,486	69,069	69,335
Other comprehensive income					
<i>Items that have been reclassified, or are reclassifiable, to profit or loss</i>					
Translation differences on translation of foreign operations for the period		2,113	-2,439	-10,816	-15,368
Other comprehensive income for the period		2,113	-2,439	-10,816	-15,368
Comprehensive income for the period		24,333	20,047	58,253	53,967
Earnings per share					
before dilution (SEK)		1.29	1.30	4.01	4.02
after dilution (SEK)		1.29	1.30	4.01	4.02
<i>Number of shares outstanding at end of reporting period:</i>					
before dilution (000)		17,240	17,240	17,240	17,240
after dilution (000)		17,240	17,240	17,240	17,240
<i>Average number of outstanding shares:</i>					
before dilution (000)		17,240	17,240	17,240	17,240
after dilution (000)		17,240	17,240	17,240	17,240

Consolidated Statement of Financial Position

SEK 000	Note	31 March 2021	31 March 2020	31 December 2020
Assets				
Non-current assets				
Intangible assets		58,943	49,968	57,416
Property, plant and equipment		3,389	5,338	3,791
Right-of-use assets		38,248	54,023	43,839
Deferred tax asset		3,186	1,713	3,149
Non-current receivables		880	1,958	864
Total non-current assets		104,645	112,999	109,060
Current assets				
Accounts receivable		2,846,473	3,414,382	2,748,257
Tax receivables		15,686	6,072	12,294
Other receivables	2	17,476	14,296	18,205
Prepaid expenses and accrued income		170,770	217,945	235,670
Cash and cash equivalents		247,825	124,902	239,115
Total current assets		3,298,229	3,777,598	3,253,541
Total assets		3,402,875	3,890,597	3,362,601
Equity and liabilities				
Equity				
Share capital		2,241	2,241	2,241
Other paid-up capital		59,749	59,749	59,749
Translation reserve		-9,035	1,780	-11,149
Retained earnings including profit for the period		148,974	114,384	161,233
Total equity		201,928	178,154	212,074
Non-current liabilities				
Lease liabilities		17,530	28,149	19,747
Total non-current liabilities		17,530	28,149	19,747
Current liabilities				
Current interest-bearing liabilities		149,148	502,784	215,016
Lease liabilities		16,339	21,273	19,690
Accounts payable		2,878,923	3,060,819	2,764,399
Other liabilities		49,186	21,463	21,691
Accrued expenses and deferred income		89,820	77,955	109,983
Total current liabilities		3,183,416	3,684,294	3,130,779
Total equity and liabilities		3,402,875	3,890,597	3,362,601

Consolidated Statement of Changes in Equity

SEK 000	Share capital	Other paid-up capital	Translation reserve	Retained earnings incl. profit for the period	Total equity
Opening equity, 1 January 2020	2,241	59,749	4,219	91,898	158,107
Comprehensive income for the period					
Profit for the period				22,486	22,486
Other comprehensive income for the period			-2,439		-2,439
Comprehensive income for the period			-2,439	22,486	20,047
Closing equity, 31 March 2020	2,241	59,749	1,780	114,384	178,154
Opening equity, 1 April 2020	2,241	59,749	1,780	114,384	178,154
Comprehensive income for the period					
Profit for the period				46,849	46,849
Other comprehensive income for the period			-12,929		-12,929
Comprehensive income for the period				46,849	46,849
Closing equity, 31 December 2020	2,241	59,749	-11,149	161,233	212,074
Opening equity, 1 January 2021	2,241	59,749	-11,149	161,233	212,074
Comprehensive income for the period					
Profit for the period				22,220	22,220
Other comprehensive income for the period			2,113		2,113
Comprehensive income for the period			2,113	22,220	24,333
Transactions with the Group's shareholders					
Dividends				-34,479	-34,479
Closing equity, 31 March 2021	2,241	59,749	-9,036	148,974	201,928

Consolidated Statement of Cash Flows

SEK 000	January- March 2021	January- March 2020	Rolling 4 quarters Apr 20 – Mar 21	Full year 2020
Operating activities				
Profit after financial items	28,550	27,513	85,961	84,924
Adjustment for non-cash items	8,490	7,622	32,238	31,371
Income tax paid	-9,442	-10,717	-32,329	-33,604
Cash flow from operating activities before changes in working capital	27,598	24,418	85,870	82,691
Cash flow from changes in working capital	86,390	-77,478	459,722	295,854
Increase (-)/decrease (+) in operating receivables	-7,160	-153,033	602,428	456,554
Increase (+)/decrease (-) in operating liabilities	93,550	75,555	-142,706	-160,700
Cash flow from operating activities	113,988	-53,060	545,593	378,544
Investing activities				
Acquisition of property, plant & equipment	-	-717	-263	-980
Acquisition of intangible assets	-3,967	-4,984	-16,952	-17,969
Cash flow from investing activities	-3,967	-5,700	-17,216	-18,950
Financing activities				
Dividend paid to Parent Company shareholders	-34,479	-	-34,479	-
Amortisation of lease liability and borrowings	-71,453	-53,181	-375,390	-357,118
Cash flow from financing activities	-105,932	-53,181	-409,869	-357,118
Cash flow for the period	4,089	-111,941	118,508	2,477
Cash and cash equivalents at beginning of period	239,115	236,587	124,902	236,587
Exchange rate difference	4,621	256	4,415	51
Cash and cash equivalents at end of period	247,825	124,902	247,825	239,115

Parent Company Income Statement

SEK 000	January- March 2021	January- March 2020	Rolling 4 quarters Apr 20-Mar 21	Full year 2020
Operating income				
Net sales	2,401,481	2,692,764	9,187,960	9,479,243
Work performed by the company for its own use and capitalized	3,818	4,984	16,803	17,969
Other operating income	7,134	8,679	24,459	26,004
Total operating income	2,412,432	2,706,426	9,229,222	9,523,216
Operating costs				
Cost of consultants on assignment	-2,326,300	-2,601,695	-8,903,170	-9,178,564
Other external costs	-28,264	-40,565	-116,612	-128,914
Personnel costs	-43,706	-45,612	-158,362	-160,267
Depreciation, amortisation and impairment of property, plant & equipment and intangible non-current assets	-2,779	-1,721	-9,336	-8,278
Total operating costs	-2,401,049	-2,689,593	-9,187,480	-9,476,023
Earnings before interest and taxes	11,383	16,833	41,743	47,193
Profit/loss from financial items				
Dividends from participations in subsidiaries	-	-	22,845	22,845
Other interest income and similar items	3,917	1,954	3,901	1,939
Interest expense and similar items	-755	-2,087	-14,537	-15,870
Profit after financial items	14,545	16,701	53,952	56,107
Tax	-3,002	-3,642	-6,573	-7,213
Profit for the period *	11,543	13,059	47,379	48,894

* Profit for the period is consistent with comprehensive income for the period.

Parent Company Balance Sheet

SEK 000	31 March 2021	31 March 2020	31 December 2020
Assets			
Non-current assets			
Intangible assets	58,794	49,968	57,416
Property, plant and equipment	2,290	3,648	2,629
Financial assets			
Other non-current receivables	94	633	94
Participations in Group companies	34,215	34,215	34,215
Total financial assets	34,309	34,848	34,309
Total non-current assets	95,393	88,464	94,354
Current assets			
Accounts receivable	2,184,761	2,752,935	2,218,477
Receivables from Group companies	140,781	167,160	141,559
Tax receivables	22,154	8,546	18,228
Other receivables	44	655	64
Prepaid expenses and accrued income	136,328	168,366	197,633
Cash and bank balances	106,207	35,954	67,074
Total current assets	2,590,275	3,133,617	2,643,035
Total assets	2,685,668	3,222,081	2,737,389
Equity and liabilities			
Equity			
Restricted equity			
Share capital (17,239,675 shares with par value of SEK 0.13)	2,241	2,241	2,241
Statutory reserve	6,355	6,355	6,355
Development fund	58,466	49,458	57,088
Total restricted equity	67,062	58,054	65,685
Non-restricted equity			
Share premium reserve	9,518	9,518	9,518
Retained earnings	79,801	74,395	66,764
Profit for the period	11,543	13,059	48,894
Total non-restricted equity	100,862	96,971	125,176
Total equity	167,925	155,025	190,861
Current liabilities			
Liabilities to credit institutions	149,148	502,784	215,016
Accounts payable	2,250,143	2,475,932	2,221,241
Liabilities to Group companies	5,030	6,640	5,260
Other liabilities	36,311	14,207	14,613
Accrued expenses and deferred income	77,113	67,492	90,398
Total current liabilities	2,517,744	3,067,056	2,546,528
Total equity and liabilities	2,685,668	3,222,081	2,737,389

ACCOUNTING POLICIES

The Interim Report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and appropriate provisions of the Swedish Annual Accounts Act. The Interim Report for the Parent Company has been prepared in accordance with chapter 9 of the Swedish Annual Accounts Act, on interim financial reporting.

The accounting policies and computation methods are unchanged compared to those applied in the annual accounts for 2020.

Because the operations in Poland are now well established, from this Report onwards, these operations are reported as an independent operating segment. They were previously reported in the Sweden segment. The comparative figures in the Sweden segment have been reinstated accordingly.

Note 1 The Group's operating segments

First quarter 2021 compared to first quarter 2020

SEK 000	Sweden Jan-Mar		Norway Jan-Mar		Denmark Jan-Mar		Finland Jan-Mar		Poland Jan-Mar		Total Jan-Mar	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Income from clients	2,405,730	2,699,843	427,726	364,032	140,801	119,626	86,310	130,810	104,583	98,513	3,165,150	3,412,824
Profit per segment	24,867	33,681	11,942	6,267	1,068	369	2,144	3,525	4,994	2,341	45,015	46,182
Group-wide expenses	-12,471	-14,925	-2,261	-1,163	-816	-644	-768	-806	-1,139	-164	-17,455	-17,702
EBIT	12,397	18,756	9,681	5,104	252	-275	1,376	2,719	3,854	2,177	27,560	28,480
Net financial items	-	-	-	-	-	-	-	-	-	-	990	-967
Profit/loss for the period before tax											28,550	27,513

Note 2 Financial instruments valued at fair value

SEK 000	January-March 2021				January-March 2020			
	Carrying amount		Fair value		Carrying amount		Fair value	
	Valued at fair value through profit or loss		Level 2		Valued at fair value through profit or loss		Level 2	
Financial assets								
Currency derivatives			3,796	3,796			-	-

Fair value is determined on the basis of quoted prices.

Carrying amount of accounts receivable, accrued income, cash and cash equivalents, accounts payable, current interest-bearing liabilities and other liabilities constitute a reasonable approximation of fair value.

DEFINITIONS

Ework Group utilises a number of financial metrics in Interim Reports and Annual Reports that are not defined according to IFRS, known as alternative performance measures, according to ESMA (the European Securities and Markets Authority) guidelines.

A number of metrics and key indicators appearing in

Interim Reports and the Annual Report are defined below. Most should be considered generally accepted, and of such nature that they could be expected to be presented in Interim Reports and the Annual Report to convey a view of the Group's results of operations, profitability and financial position.

Key indicator	Definition and usage
<i>Earnings per share</i>	Profit for the period in relation to the number of outstanding shares before dilution at period-end. Defined in IAS 33.
<i>Equity/assets ratio</i>	Reported equity in relation to reported total assets at period-end. Metric illustrating interest rate sensitivity and financial stability.
<i>Equity per share</i>	Equity in relation to the number of shares outstanding before dilution at the end of the period. Metric illustrating shareholders' proportion of total net assets per share.
<i>Operating margin, EBIT</i>	EBIT in relation to net sales.
<i>Profit margin</i>	Profit after financial items in relation to net sales.
<i>Acid test ratio</i>	Current assets in relation to current liabilities.
<i>Return on equity</i>	Profit for the period in relation to average equity in the period. Return on equity is restated at an annualized rate in interim reporting. A profitability metric that illustrates returns on the capital shareholders invested in operations in the period.
<i>Sales growth</i>	Net sales for the period less net sales for the comparative period in relation to net sales for the comparative period.

Ework Group is a market-leading and independent consultant provider operating in northern Europe, which focuses on IT, telecom, technology, and business development. Without having consultants employed, Ework can impartially match every assignment with the right competence from the whole market. Ework was founded in Sweden in 2000, and is now active in Sweden, Denmark, Norway, Finland and Poland. The company has framework agreements with over 170 leading corporations in most sectors, and approximately 10,000 consultants on assignment. Ework's head office is in Stockholm. Its shares are listed on Nasdaq Stockholm.

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Financial calendar

Interim Report, April-June 2021	16 July 2021
Interim Report, July-September 2021	20 October 2021

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