

Best Q2 earnings to date

"Ework is reporting its best second quarter ever after a vigorous recovery on the consulting market. The positive revenue and profitability trend accentuated, and by June, the firm had nearly 11,000 consultants on assignment, the highest number ever. In the quarter, Verama surpassed 70,000 digitally processed tenders. After the pandemic-related downturn of 2020, we've now bounced back above 2019 levels, and earnings are the best to date for a comparable period. Accordingly, Ework has emerged stronger from the pandemic."

From Zoran Covic's CEO's statement

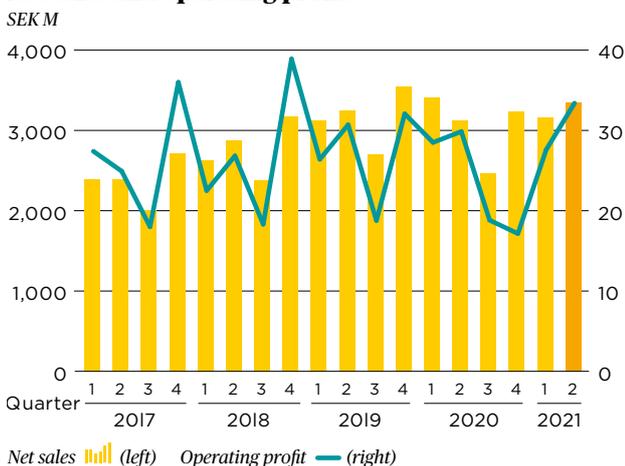
Second quarter 2021 compared to 2020

- Net sales increased by 7% to SEK 3,347 M (3,121). The increase is due to a significant increase in customer demand and successful sales to existing and new customers.
- EBIT increased by 12% to SEK 33.4 M (29.9) following an increase in sales, lower expenses and a larger share of high-margin business.
- Profit after financial items increased by 22% to SEK 31.1 M (25.5).
- Order intake increased by 25% to SEK 5,038 M (4,026).
- The number of consultants on assignment reached a record level of 10,961 in June. The previous record of 10,731 was achieved in December 2019 prior to the corona pandemic.
- Earnings per share after tax before and after dilution were SEK 1.41 (1.18), an increase by 19%.
- In June, Karin Schriel was announced as the new CEO of Ework Group AB and she will begin in December.

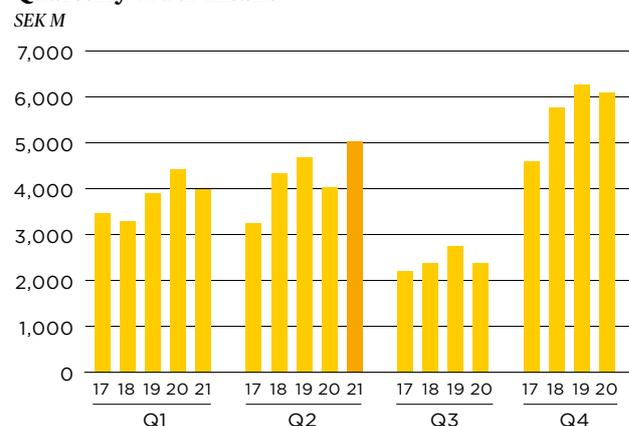
First half-year 2021 compared to 2020

- Net sales decreased by 0.3% to SEK 6,512 M (6,534).
- EBIT increased by 5% to SEK 61.0 M (58.3).
- Profit after financial items increased by 13% to SEK 59.7 M (53.0).
- Earnings per share after tax before and after dilution were SEK 2.70 (2.49), an increase by 8%.

Net sales and operating profit



Quarterly order intake



CEO'S STATEMENT

Our best Q2 to date



Ework is reporting its best second quarter ever after a vigorous recovery on the consulting market. The positive revenue and profitability trend accentuated, and by June, the firm had nearly 11,000 consultants on assignment, the highest number ever. In the quarter, Verama surpassed 70,000 digitally processed tenders. After the pandemic-related downturn of 2020, we've now bounced back above 2019 levels, and earnings are the best to date for a comparable period. Accordingly, Ework has emerged stronger from the pandemic.

Since the pandemic-related downturn of 2020, the consulting market has turned, and in the quarter, demand demonstrated strength beyond most commentators' expectations. Ework has been able to satisfy clients' increasing needs rapidly, and our revenue and consulting base on assignment have grown markedly.

In these periods of rapid adjustment, Ework's strengths become most evident. We've appointed more consultants on new assignments with clients than ever. Overall, a growing share of our assignments are benefitting from our whole value chain, where we select and find the right consultant for a new assignment. We've secured new business and market shares, demonstrating the power, efficiency and accuracy of our business model.

One key explanation for the positive progress is our digital consulting platform Verama VMS, whose launch started just as the pandemic broke out. Verama helps clients satisfy their consulting needs simply and efficiently—always at the right price. This platform is highly appreciated by clients, while simplifying and streamlining consultants' lives. It's now in production with clients in Sweden, Norway and Denmark. Verama means a fast digitization of customers' tender management and during the quarter it passed 70,000 managed tenders.

The revenue increase for the period was followed by improved earnings performance. EBIT increased by 12% on the second quarter of the previous year, when the pandemic-related downturn was deepest. One important difference to note is that the revenue and earnings trend then was downward, but is now upward. The earnings improvement isn't only due to higher revenue. A high share of new consultant appointments for new assignments is another positive contributor to profitability.

The cost base also remains at a stable level after the previous year's cost reductions. This puts us in a good position as we now selectively focus more resources to address increasing demand and keep growing.

Our subsidiaries are largely progressing to plan. Sweden remains dominant in terms of size, and the market where the strong growth is most visible in absolute terms. Norway is second largest, and still reporting stable revenue and earnings growth. The operations in Poland and Denmark are growing well, but from lower levels. In Poland, we have currency exposure, which means that temporary currency effects can impact our earnings performance, and in the period, these operations reported a small loss after a number of quarters of positive earnings. In Finland, operations are still impacted by poor demand, but here too, we're seeing growing stability and efficiency across our business.

In June, we had the pleasure of naming my successor as CEO of Ework—Karin Schreill, who we introduced in more detail in a press release announcing her appointment. Karin takes up her position later this year, and I'm really confident about handing over the reins to her.

Ework has demonstrated its strengths in good times and bad, not least the past year of pandemic. The firm is well prepared for continued growth, with dedicated, skilled professionals, a competitive client proposition and strong market position. Our potential remains substantial, and I'm certain that Ework has its best times ahead.

Zoran Covic, CEO
Stockholm, Sweden, 16 July 2021

Trend of strengthening demand continues

Market

The positive trend with increased demand for consultants on new assignments was reinforced during the second quarter. After a significant decrease due to the covid pandemic during the second and third quarter of 2020, a positive trend has followed. 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 reached the record level of 10,961 (10,364) in June. A substantial difference is that the number of consultants on assignment is growing this year as opposed to last year when it was declining due to the pandemic. Ework's demand indicators such as the number of requests and number of applying consultants per request suggest a continued high demand for consulting services and a generally high occupancy rate among consultants.

Business model and revenue streams

Ework's digital platform Verama was implemented with a growing number of clients in the quarter, up until now in Sweden, Norway and Denmark. This platform continues to strengthen Ework's position by helping to increase the total business with clients while making the core business more efficient. The latter has enabled Ework to quickly respond to the significant increase in customer demand after last year's decrease due to the pandemic. Sales to new and existing customers has been strong and Ework estimates that it has increased its market share.

A growing base of users of Verama's supplier and consultant modules contributed to a stronger marketplace. Verama makes it easier for consultants to find and manage attractive assignments, which is highly appreciated by the consultants.

The Group's net sales

The Group's net sales increased by 7 percent to SEK 3,347 M (3,121) in the second quarter. Net sales during the first

half-year decreased by 0.3 percent to 6,512 (6,534). The increase during the quarter is explained by a substantial increase in the demand for consulting services and that Ework has been successful in its sales efforts. Our revenue base in the form of consultants on assignments increased during the quarter, whereas it was decreasing last year.

The increase in sales was especially evident in the largest segments Sweden and Norway. Businesses in the smaller segments Denmark and Poland continued to have a positive development while sales in Finland were in line with last year's level.

The Group's earnings

The Group's EBIT for the second quarter increased by 12 percent to SEK 33.4 M (29.9), representing a record-high for the Group in a second quarter. EBIT for the first half-year 2021 increased by 5% to SEK 61.0 M (58.3), also representing a record-high for the Group in the corresponding period. The increase during the quarter is explained by the higher sales. The half-year earnings were also positively impacted by lower expenses due to implemented actions during the previous year.

Expenses related to the development of Ework's digital platform were lower than in the previous year. Since these figures affect comparability, we break down these expenses in the table below.

Net financial income/expense during the quarter amounted to SEK -2.3 M (-4.3), of which interest expenses accounted for SEK -0.9 M (-2.6). Net financial income/expense during the first half-year amounted to SEK -1.3 M (-5.3), of which interest expenses accounted for SEK -2.0 M (-4.3).

Profit after financial items during the quarter amounted to SEK 31.1 M (25.5). Profit after financial items during the first half-year amounted to SEK 59.7 M (53.0). Profit after tax during the quarter amounted to SEK 24.3 M (20.4). Profit after tax during the first half-year amounted to SEK 46.5 M (42.9).

SEK M	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	2020
Expenses for digitalisation	-10.3	-11.6	-22.7	-31.3	-54.7
Capitalised expenses for digitalisation	3.8	4.8	7.6	9.7	18.0
Impact on EBIT of expenses for digitalisation	-6.5	-6.8	-15.1	-21.6	-36.7

Comments on progress

The Group's order intake amounted to SEK 5,038 M (4,026) in the second quarter, confirming that last year's negative trend has been reversed to a positive one. Order intake for the first half-year amounted to SEK 9,028 (8,452). Order intake includes new assignments and extensions.

The number of consultants on assignment in the second quarter reached a record level of 10,961 (10,364) in June. Thereby the previous record, achieved in December 2019 prior to the corona pandemic, was surpassed.

Sweden

The quarter's net sales increased by 7 percent to SEK 2,581 M (2,422). The increase is explained by higher demand and a stronger market position due to increased sales to both existing and new customers. EBIT increased by 34% to SEK 21.9 M (16.3). The increased earnings for the segment have the same explanation as the one provided above for the Group.

Net sales for the first half-year decreased by 3 percent to SEK 4,986 M (5,122). EBIT for the first half-year decreased by 15 percent to SEK 34.3 M (40.2).

Norway

The net sales for the Norwegian operations increased by 9 percent to SEK 407.4 M (372.6). EBIT increased by 21 percent to SEK 10.2 M (8.4). The increase in sales is explained by a stronger market position.

Net sales for the first half-year increased by 13 percent to SEK 835.1 M (736.7). EBIT for the first half-year increased by 47 percent to SEK 19.9 M (13.5).

Denmark

The Danish operations continued its recovery with a positive development for both sales and earnings. Net sales increased by 17 percent to SEK 147.8 M (126.4). EBIT for the quarter increased to SEK 0.7 M (-0.3).

Net sales for the first half-year increased by 17 percent to SEK 288.6 M (246.0). EBIT for the first half-year amounted to SEK 1.0 M (-0.6).

Finland

Net sales for the Finnish operations decreased by 10 percent to SEK 96.9 M (107.7). EBIT decreased to SEK 1.3 M (2.6).

Net sales for the first half-year decreased by 23 percent to SEK 183.2 M (238.5). EBIT during the first half-year decreased by 49 percent to SEK 2.7 M (5.3).

Poland

Net sales for the Polish operations increased by 24 percent to SEK 113.7 M (91.8). EBIT decreased to SEK -0.7 M (2.9).

Net sales for the first half-year increased by 15 percent to SEK 218.3 M (190.3). EBIT during the first half-year decreased to SEK 3.1 M (5.1). The earnings in the Polish operations are impacted by currency effects so the quarterly earnings vary more than the underlying EBIT in local currency. Measures to reduce the effects of the currency exposure will be implemented.

Financial position and cash flow

The equity/assets ratio at the end of the period amounted to 4.3% (5.5). The lower equity/assets ratio is due to dividends being paid to shareholders for both 2019 and 2020 in 2021.

Cash flow from operating activities for the first quarter amounted to SEK -72.2 M (129.1). Payments from clients and to consultants occur at the end of each month. A slight 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 at the end of the period amounted to SEK 386.1 M (151.6) due to lower volumes of advance payments, and more active liquidity management.

Workforce

The average number of employees in the second quarter was 281 (273). The average number of employees is counted based on the number of full-time employees, excluding employees on parental leave, on work leave and long-term sick leave. For the corresponding period in 2020, the average number of employees was reduced by 26 full-time employees due to the short-time work allowance.

Parent Company

The Parent Company's net sales for the second quarter were SEK 2,580 M (2,415). Profit after financial items was SEK 25.3 M (6.9), and profit after tax was SEK 21.6 M (5.4).

The Parent Company's equity was SEK 111.9 M (160.5) at the end of the quarter, and its equity/assets ratio was 4.1% (5.6). The above comments on the Group's financial position also apply to the Parent Company.

Net sales for the first half-year amounted to SEK 4,982 M (5,108). EBIT for the half-year was SEK 31.2 M (32.1).

Subsequent events

No significant events have occurred after the end of 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 to the business, both 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. During the period, the Norwegian Tax Authority decided to overturn the previous decision and the matter has been referred to the first instance. The provision will remain awaiting a new decision.

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 during 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

The outlook stated in the Year-End Report for 2020 and the Interim Report for the first quarter is reiterated. The Group maintains its view that the cost savings carried out during 2020 will remain, that Eworks business opportunities are good and that sales and profitability can improve in 2021 compared to 2020.

Zoran Covic, CEO
Stockholm, Sweden 16 July, 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) and the Securities Market Act of Sweden. This information was submitted for publication at 09:40 a.m. (CET) on 16 July 2021, through the agency of the CEO.

KEY PERFORMANCE DATA

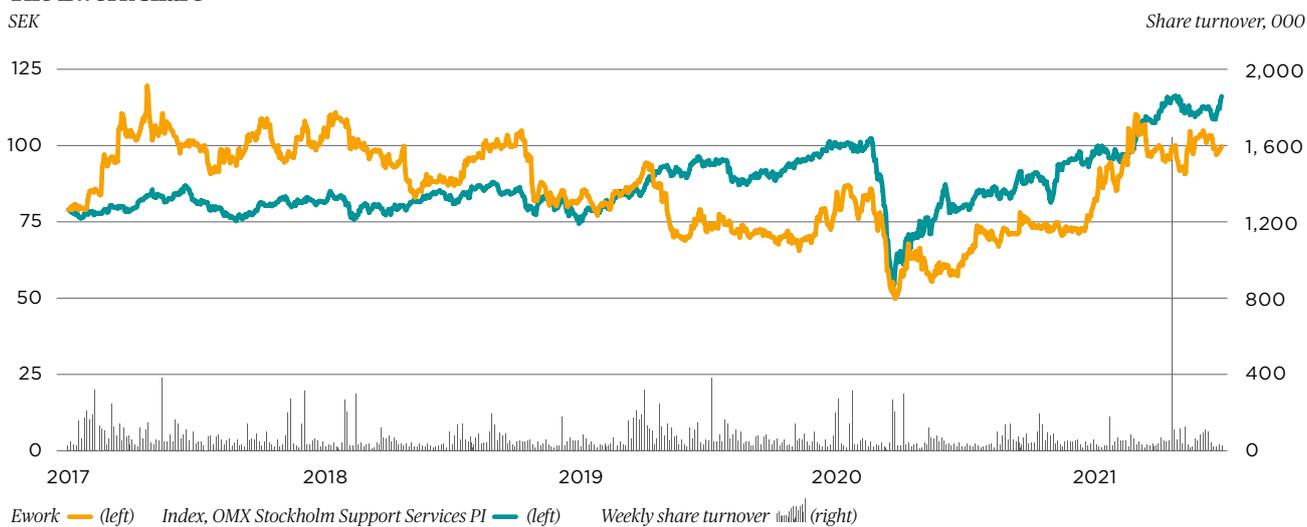
SEK 000	April-June 2021	April-June 2020	January-June 2021	January-June 2020	Rolling 4 quarters Jul. '20-Jun. '21	Full year 2020
Net sales	3,346,638	3,120,914	6,511,787	6,533,738	12,215,915	12,237,865
EBIT	33,410	29,864	60,970	58,344	96,935	94,308
Profit before tax	31,139	25,521	59,690	53,033	91,580	84,924
Profit for the period	24,310	20,406	46,530	42,892	72,973	69,335
Sales growth, %	7.2	-3.9	-0.3	2.5	8.1	-3.0
EBIT margin, %	1.0	1.0	0.9	0.9	0.8	0.8
Profit margin, %	0.9	0.8	0.9	0.8	0.7	0.7
Return on equity, %	54.1	46.8	51.8	49.2	44.8	37.5
Total assets	3,451,579	3,495,317	3,451,579	3,495,317	3,451,579	3,362,601
Equity	147,339	190,918	147,339	190,918	147,339	212,074
Equity/assets ratio, %	4.3	5.5	4.3	5.5	4.3	6.3
Acid test ratio, %	101.9	103.1	101.9	103.1	101.9	103.9
Average number of employees	281	273	279	287	279	283
Net sales per employee	11,910	11,432	23,340	22,766	43,863	43,243
KEY RATIOS PER SHARE						
Earnings per share before dilution, SEK	1.41	1.18	2.70	2.49	4.23	4.02
Earnings per share after dilution, SEK	1.41	1.18	2.70	2.49	4.23	4.02
Equity per share before dilution, SEK	8.5	11.1	8.5	11.1	8.5	12.3
Equity per share after dilution, SEK	8.5	11.1	8.5	11.1	8.5	12.3
Cash flow from operating activities per share before dilution, SEK	-4.19	7.49	2.42	4.41	19.97	21.96
Cash flow from operating activities per share after dilution, SEK	-4.19	7.49	2.42	4.41	19.97	21.96
Number of shares outstanding at end of period before dilution (000)	17,240	17,240	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	17,240	17,240
Average number of shares outstanding before dilution (000)	17,240	17,240	17,240	17,240	17,240	17,240
Average number of shares outstanding after dilution (000)	17,240	17,240	17,240	17,240	17,240	17,240

SHAREHOLDERS

As of 30 June 2021	No. of shares	Votes and equity
Investment AB Arawak ¹⁾	7,016,358	40.7%
Försäkringsbolaget Avanza Pension	3,219,275	18.7%
Protector Forsikring ASA	1,736,160	10.1%
Katarina Salén, private and through family company	473,962	2.7%
Patrik Salén and family through company	406,500	2.4%
Ålandsbanken, on behalf of shareholders	377,730	2.2%
Claes Ruthberg	170,000	1.0%
Handelsbanken Liv Försäkringsaktiebolag	157,037	0.9%
Dan Berlin	134,859	0.8%
Nordnet Pensionsförsäkring AB	129,504	0.8%
Sub-total	13,821,385	80.2%
Other	3,418,290	19.8%
Total	17,239,675	100.0%

¹⁾ Staffan Salén and family 86.2%, Erik Åfors 13.8%.

The Ework share



Consolidated Statement of Income and Other Comprehensive Income

SEK 000	Note	April-June 2021	April-June 2020	January- June 2021	January- June 2020	Rolling 4 quarters Jul. '20-Jun. '21	Full year 2020
Operating income							
Net sales	1	3,346,638	3,120,914	6,511,787	6,533,738	12,215,915	12,237,865
Other operating income		-	2,799	15	2,819	-2,496	308
Total operating income		3,346,638	3,123,713	6,511,802	6,536,557	12,213,419	12,238,173
Operating costs							
Cost of consultants on assignment		-3,225,918	-3,008,206	-6,275,167	-6,294,046	-11,785,413	-11,804,293
Work performed by the company for its own use and capitalized		3,826	4,752	7,643	9,736	15,877	17,969
Other external costs		-21,441	-24,335	-43,857	-56,254	-88,367	-100,764
Personnel costs		-61,223	-58,205	-122,491	-122,172	-225,725	-225,406
Depreciation, amortisation and impairment of property, plant & equipment and intangible non-current assets		-8,471	-7,854	-16,961	-15,477	-32,855	-31,371
Total operating costs		-3,313,228	-3,093,848	-6,450,833	-6,478,213	-12,116,483	-12,143,865
Earnings before interest and taxes		33,410	29,864	60,970	58,344	96,935	94,308
Profit from financial items							
Net financial income/expense		-2,271	-4,343	-1,280	-5,311	-5,355	-9,386
Profit after financial items		31,139	25,521	59,690	53,033	91,580	84,924
Tax		-6,829	-5,114	-13,160	-10,141	-18,607	-15,588
Profit for the period		24,310	20,406	46,530	42,892	72,973	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		-1,320	-7,642	793	-10,081	-4,494	-15,368
Other comprehensive income for the period		-1,320	-7,642	793	-10,081	-4,494	-15,368
Comprehensive income for the period		22,990	12,764	47,323	32,811	68,479	53,967
Earnings per share							
before dilution (SEK)		1.41	1.18	2.70	2.49	4.23	4.02
after dilution (SEK)		1.41	1.18	2.70	2.49	4.23	4.02
Number of shares outstanding at end of reporting period							
before dilution (000)		17,240	17,240	17,240	17,240	17,240	17,240
after dilution (000)		17,240	17,240	17,240	17,240	17,240	17,240
Average number of outstanding shares							
before dilution (000)		17,240	17,240	17,240	17,240	17,240	17,240
after dilution (000)		17,240	17,240	17,240	17,240	17,240	17,240

Consolidated Statement of Financial Position

SEK 000	Note	30 June 2021	30 June 2020	31 December 2020
Assets				
Non-current assets				
Intangible assets		60,337	53,184	57,416
Property, plant and equipment		2,987	4,743	3,791
Right-of-use assets		32,860	52,913	43,839
Deferred tax asset		3,038	3,306	3,149
Non-current receivables		814	1,888	864
Total non-current assets		100,037	116,034	109,060
Current assets				
Accounts receivable		3,026,929	3,072,608	2,748,257
Tax receivables		18,396	7,518	12,294
Other receivables	2	14,675	17,618	18,205
Prepaid expenses and accrued income		161,590	116,600	235,670
Cash and cash equivalents		129,953	164,940	239,115
Total current assets		3,351,542	3,379,283	3,253,541
Total assets		3,451,579	3,495,317	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		-10,356	-5,862	-11,149
Retained earnings including profit for the period		95,705	134,790	161,233
Total equity		147,339	190,918	212,074
Non-current liabilities				
Lease liabilities		15,415	26,037	19,747
Total non-current liabilities		15,415	26,037	19,747
Current liabilities				
Current interest-bearing liabilities		193,902	428,398	215,016
Lease liabilities		13,048	22,309	19,690
Accounts payable		2,933,890	2,724,965	2,764,399
Other liabilities		49,869	41,799	21,691
Accrued expenses and deferred income		98,115	60,892	109,983
Total current liabilities		3,288,825	3,278,362	3,130,779
Total equity and liabilities		3,451,579	3,495,317	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 Jan. 2020	2,241	59,749	4,219	91,898	158,107
Comprehensive income for the period					
Profit for the period				42,892	42,892
Other comprehensive income for the period			-10,081		-10,081
Comprehensive income for the period			-10,081	42,892	32,811
Closing equity, 30 June 2020	2,241	59,749	-5,862	134,790	190,918
Opening equity, 1 July 2020	2,241	59,749	-5,862	134,790	190,918
Comprehensive income for the period					
Profit for the period				26,443	26,443
Other comprehensive income for the period			-5,287		-5,287
Comprehensive income for the period				26,443	21,156
Closing equity, 31 Dec. 2020	2,241	59,749	-11,149	161,233	212,074
Opening equity, 1 Jan. 2021	2,241	59,749	-11,149	161,233	212,074
Comprehensive income for the period					
Profit for the period				46,530	46,530
Other comprehensive income for the period			793		793
Comprehensive income for the period			793	46,530	47,323
Transactions with the Group's shareholders					
Dividends				-112,058	-112,058
Closing equity, 30 June 2021	2,241	59,749	-10,356	95,706	147,339

Consolidated Statement of Cash Flows

SEK 000	April-June 2021	April-June 2020	January- June 2021	January- June 2020	Rolling 4 quarters Jul. '20-Jun. '21	Full year 2020
Operating activities						
Profit after financial items	31,139	25,520	59,690	53,033	91,580	84,924
Adjustment for non-cash items	8,471	7,854	16,961	15,477	32,855	31,371
Income tax paid	-9,195	-7,410	-18,637	-18,127	-34,114	-33,604
Cash flow from operating activities before changes in working capital	30,416	25,964	58,013	50,383	90,322	82,691
Cash flow from changes in working capital	-102,606	103,095	-16,216	25,617	254,021	295,854
Increase (-)/decrease (+) in operating receivables	-179,199	420,503	-186,359	267,470	2,725	456,554
Increase (+)/decrease (-) in operating liabilities	76,593	-317,408	170,143	-241,853	251,296	-160,700
Cash flow from operating activities	-72,190	129,060	41,797	76,000	344,343	378,544
Investing activities						
Acquisition of property, plant & equipment	-28	231	-28	-486	-522	-980
Acquisition of intangible assets	-3,829	-4,752	-7,796	-9,736	-16,029	-17,969
Cash flow from investing activities	-3,857	-4,521	-7,824	-10,221	-16,552	-18,950
Financing activities						
Dividend paid to Parent Company shareholders	-77,579	-	-112,058	-	-112,058	-
New loans and amortisation of lease liability and loans	38,580	-80,549	-32,873	-133,730	-256,261	-357,118
Realized derivatives	1,570	-	1,570	-	1,570	-
Cash flow from financing activities	-37,429	-80,549	-143,361	-133,730	-366,750	-357,118
Cash flow for the period	-113,476	43,990	-109,388	-67,951	-38,959	2,477
Cash and cash equivalents at beginning of period	247,825	124,902	239,115	236,587	164,940	236,587
Exchange rate difference	-4,395	-3,952	226	-3,696	3,971	51
Cash and cash equivalents at end of period	129,953	164,940	129,953	164,940	129,953	239,115

Parent Company Income Statement

SEK 000	April-June 2021	April-June 2020	January- June 2021	January- June 2020	Rolling 4 quarters Jul. '20-Jun. '21	Full year 2020
Operating income						
Net sales	2,580,248	2,414,796	4,981,729	5,107,560	9,353,412	9,479,243
Work performed by the company for its own use and capitalized	3,826	4,752	7,643	9,736	15,877	17,969
Other operating income	7,187	10,106	14,321	18,785	21,539	26,004
Total operating income	2,591,261	2,429,654	5,003,693	5,136,080	9,390,829	9,523,216
Operating costs						
Cost of consultants on assignment	-2,497,354	-2,337,709	-4,823,654	-4,939,404	-9,062,814	-9,178,564
Other external costs	-27,955	-31,061	-56,219	-71,626	-113,507	-128,914
Personnel costs	-43,301	-43,742	-87,007	-89,354	-157,921	-160,267
Depreciation, amortisation and impairment of property, plant & equipment and intangible non-current assets	-2,754	-1,876	-5,533	-3,597	-10,214	-8,278
Total operating costs	-2,571,364	-2,414,388	-4,972,413	-5,103,980	-9,344,456	-9,476,023
Earnings before interest and taxes	19,897	15,266	31,280	32,100	46,373	47,193
Profit/loss from financial items						
Dividends from participations in subsidiaries	7,334	-	7,334	-	30,180	22,845
Other interest income and similar items	-1,196	-826	2,721	1,128	3,532	1,939
Interest expense and similar items	-743	-7,505	-1,498	-9,592	-7,775	-15,870
Profit after financial items	25,292	6,935	39,838	23,636	72,309	56,107
Tax	-3,718	-1,504	-6,720	-5,146	-8,787	-7,213
Profit for the period *	21,574	5,431	33,118	18,490	63,522	48,894

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

Parent Company Balance Sheet

SEK 000	30 June 2021	30 June 2020	31 December 2020
Assets			
Non-current assets			
Intangible assets	60,185	53,184	57,416
Property, plant and equipment	1,970	3,308	2,629
Financial assets			
Other non-current receivables	38	633	94
Participations in Group companies	34,215	34,215	34,215
Total financial assets	34,253	34,848	34,309
Total non-current assets	96,407	91,340	94,354
Current assets			
Accounts receivable	2,338,237	2,479,965	2,218,477
Receivables from Group companies	135,730	161,811	141,559
Tax receivables	25,365	13,971	18,228
Other receivables	63	286	64
Prepaid expenses and accrued income	129,764	86,111	197,633
Cash and bank balances	36,370	33,439	67,074
Total current assets	2,665,528	2,775,584	2,643,035
Total assets	2,761,936	2,866,924	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	59,972	52,735	57,088
Total restricted equity	68,568	61,331	65,685
Non-restricted equity			
Share premium reserve	9,518	9,518	9,518
Retained earnings	717	71,118	66,764
Profit for the period	33,118	18,490	48,894
Total non-restricted equity	43,352	99,126	125,176
Total equity	111,921	160,457	190,861
Current liabilities			
Liabilities to credit institutions	193,902	428,398	215,016
Accounts payable	2,328,064	2,188,100	2,221,241
Liabilities to Group companies	4,178	4,322	5,260
Other liabilities	37,718	32,954	14,613
Accrued expenses and deferred income	86,153	52,694	90,398
Total current liabilities	2,650,015	2,706,467	2,546,528
Total equity and liabilities	2,761,936	2,866,924	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 the Interim Report for the first quarter 2021, 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

Second quarter 2021 compared to second quarter 2020

SEK 000	Sweden Apr-Jun		Norway Apr-Jun		Denmark Apr-Jun		Finland Apr-Jun		Poland Apr-Jun		Total Apr-Jun	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Income from clients	2,580,747	2,422,388	407,419	372,621	147,789	126,387	96,936	107,715	113,747	91,804	3,346,638	3,120,914
Profit per segment	32,725	26,502	12,129	11,351	1,508	287	2,060	3,246	322	3,036	48,744	44,422
Group-wide expenses	-10,839	-10,164	-1,950	-2,964	-777	-632	-731	-650	-1,036	-148	-15,333	-14,558
EBIT	21,886	16,338	10,179	8,387	732	-345	1,328	2,595	-714	2,888	33,410	29,864
Net financial items	-	-	-	-	-	-	-	-	-	-	-2,271	-4,343
Profit/loss for the period before tax											31,139	25,521

First half-year 2021 compared to first half-year 2020

SEK 000	Sweden Jan-Jun		Norway Jan-Jun		Denmark Jan-Jun		Finland Jan-Jun		Poland Jan-Jun		Total Jan-Jun	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Income from clients	4,986,477	5,122,231	835,145	736,653	288,589	246,013	183,246	238,525	218,330	190,317	6,511,787	6,533,738
Profit per segment	57,592	60,182	24,071	17,618	2,577	656	4,204	6,771	5,316	5,377	93,759	90,604
Group-wide expenses	-23,309	-25,089	-4,211	-4,127	-1,593	-1,276	-1,500	-1,456	-2,175	-312	-32,788	-32,260
EBIT	34,283	40,158	19,860	13,491	983	-620	2,704	5,314	3,140	5,065	60,970	58,344
Net financial items	-	-	-	-	-	-	-	-	-	-	-1,280	-5,311
Profit/loss for the period before tax											59,690	53,033

Note 2 Financial instruments valued at fair value

SEK 000	30 June 2021				30 June 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 ¹⁾			597	597			-	-

¹⁾ The item is included in other receivables in the Group's consolidated statement of financial position.

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
Earnings per share	Profit for the period in relation to the number of outstanding shares before dilution at period-end. Defined in IAS 33.
Equity/assets ratio	Reported equity in relation to reported total assets at period-end. Metric illustrating interest rate sensitivity and financial stability.
Equity per share	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.
Operating margin, EBIT	EBIT in relation to net sales.
Profit margin	Profit after financial items in relation to net sales.
Quick ratio	Current assets in relation to current liabilities.
Return on equity	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.
Sales growth	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 firm has framework agreements with over 170 leading corporations in most sectors, and approximately 11,000 consultants on assignment. Ework's head office is in Stockholm. Its shares are listed on Nasdaq Stockholm.

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Forthcoming financial reports

Interim Report July-September 2021	20 October 2021
Year-end Report 2021	10 February 2022

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