



ework GROUP



# Interim Report

## January–June 2023

“In line with our strategy, we focused on strengthening our business model further and streamlining our delivery in order to ensure scalability and profitability.”

# Q2

# This is Ework Group

Ework provides total talent solutions – with a focus on IT/OT, R&D, Engineering and Business Development – and has today more than 13,000 professionals on assignment. We accelerate the growth of our clients' operations by matching highly qualified professionals with assignments that are on the front line of technological development and green transformation. With no in-house professionals, Ework can always find the right skill and focus entirely on developing the client relationship and broadening its network of partners and professionals.

## Broad client portfolio

Ework has many major, strong brands in its client portfolio, with a healthy balance between the public and private sectors and a spread across various industries. Together with a comprehensive offering and thorough experience, Ework supports its clients with talent supply and planning.

## Strong network

With northern Europe's strongest networks of professionals of close to 120,000 specialists, the client has access to the best talent, while the professionals have the opportunity to work on stimulating assignments, either on site with the client or remotely.

## Value creation

Ework has a unique position as a bridge between clients, partners, and professionals. Our business model helps us create a win-win situation over the short and long term for the parties, with increasingly deeper relationships and stronger partnerships throughout the value chain.

# Increased earnings with accelerated business development in a cautious market

In the second quarter, we noted a more cautious market and subdued demand. In line with our strategy, we focused on strengthening our business model further and streamlining our delivery in order to ensure scalability and profitability. We did so from an already robust foundation characterized by strong client engagement and northern Europe's largest network of professionals. Growth and earnings for the quarter were held back by the decline in demand for new assignments.

From Karin Schreil's CEO statement

## Q2 2023 compared with Q2 2022

- Net sales grew by 10.5% to SEK 4,384 million (3,967).
- Operating profit rose 9.0 percent to SEK 38 million (34.9).
- The operating margin (EBIT) was 90 bps (90).
- Profit after financial items increased 21.1 percent to SEK 40.5 million (33.4).
- Order intake decreased by 4.8 percent to SEK 5,492 million (5,771).
- The number of professionals on assignment averaged 13,151 (12,358).
- Earnings after tax and per share after dilution amounted to SEK 1.84 (1.49), an increase of 23.5 percent.

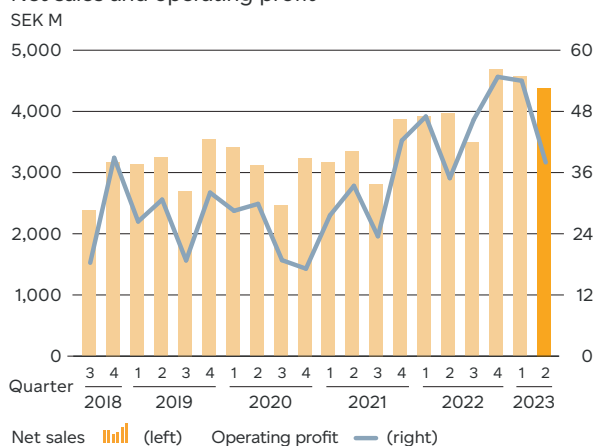
## First half of 2023 compared to 2022

- Net sales grew by 13.4 percent to SEK 8,950 million (7,891).
- Operating profit increased 12.0 percent to SEK 91.7 million (81.9).
- Profit after financial items increased 17.9 percent to SEK 92.5 million (78.4).
- Earnings after tax and per share after dilution amounted to SEK 4.19 (3.54), an increase of 18.4 percent.

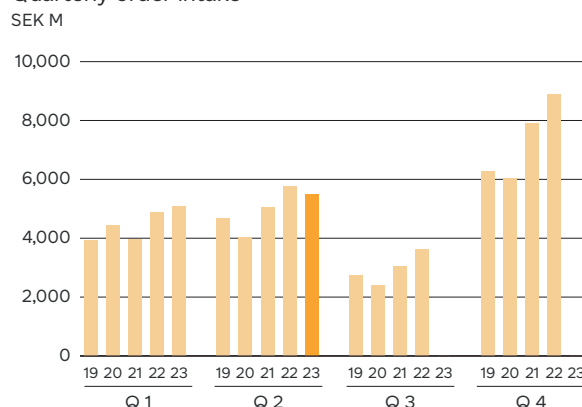
## Outlook

- Ework's belief that the Group will grow more rapidly than the market and report continued improvements to its operating margin for 2023 stands firm.

Net sales and operating profit



Quarterly order intake



## CEO STATEMENT

# Increased earnings with accelerated business development in a cautious market



In the second quarter, we noted a more cautious market and subdued demand. In line with our strategy, we focused on strengthening our business model further and streamlining our delivery in order to ensure scalability and profitability. We did so from an already robust foundation characterized by strong client engagement and northern Europe's largest network of professionals. Growth and earnings for the quarter were held back by the decline in demand for new assignments.

We saw a continuation of the trend from the first quarter, with a relatively cautious market and fewer requests and new assignments compared with last year. The picture was not unequivocal, since some industries and geographies performed better than others, with the automotive industry as a strong segment and telecoms among the weaker ones. With our client base being broader, an increase was noted in the number of extended contracts while the rate of extension has remained stable at high levels and the average contract length has continued to increase.

After the uncertainty around the amended legislation in Norway ebbed, we could report an increased order intake for our Norwegian operations at the same time as we secured a large and strategically important order in the Norwegian public sector. This is proof of our strong position in that market.

All together, we continued to grow more rapidly than the market and delivered an increase in earnings with an EBIT margin on a par with last year without traction from market expansion. Earnings were as expected given the prevailing market climate, while it gave us reason to accelerate measures in line with our strategy and to work harder toward delivering on our long-term goals.

### Honing the value offering and streamlining of deliveries

Given a more subdued market, during the quarter we accelerated the clarification of our value offering and the development of our business model: we produced, sold and implemented new services that add value. Among our clients, we noticed an increased focus on a cost-effective talent supply, compliance with regulations, and security. Our response to this was robust and successful. One solution that we expect will grow more is our capacity – through benchmarking of current deliveries of professionals – to enhance efficiency in the supply chain, lowering costs and increasing yields for our clients.

We are in a tougher economic situation with high interest rates and a greater focus on terms and conditions for payment. Our PayExpress service for professionals and companies is greatly appreciated, and has accordingly displayed healthy growth. To increase awareness of the service and to allow more professionals to acquaint themselves with it, PayExpress is now pre-selected when we sign contracts.

With business volumes in parts of our operation being lower, during the quarter we also streamlined and increased the scalability of our supply model, as well as adapting our own resources.

The prevailing market situation – and our strong position – has meant that we have seen increased interest from professionals and partners in being part of our network. This is gratifying to see, and it will be an asset going forward as we have noted robust growth in the network during the quarter.

### Stronger position and clear strategy

We are continuing our efforts in line with the strategy that was presented at the beginning of the year. Current initiatives are intended to accelerate our previously established development plan toward becoming a long-term partner that creates more value and is scalable and complete. This is a development plan that makes it possible – even in the more cautious market we saw during the quarter – to deliver on our communicated goals.

We are heading in the right direction, working in line with our strategy, we have a great degree of client engagement with strong brands, we have numerous framework agreements in both the private and public sectors, and we have attractive solutions and add-on services with continued great potential for responding to clear needs in such areas as talent planning, regulatory compliance and benchmarking of costs. Additionally, we have the largest network of professionals in northern Europe. All together, we are in a very strong position for continued long-term growth and increased profitability.

### Outlook

Our focus going forward will continue to be on increased value creation, optimizing our efficiency and adjusting costs according to business volume. The measures we took during the quarter are permanent, and will lead to increased profitability over the long term. With that said, however, and with regard to the weaker indicators and order intake, we foresee a lower level of sales growth over the coming quarters. We may therefore need to take additional measures if demand does not recover going forward.

Our long-term strategy remains firm, as does our previous assessment for 2023 – in which we expect to continue growing more rapidly than the market and to report a continued improvement to the operating margin.

Stockholm, Sweden, July 19, 2023

Karin Schreil, CEO

# Development during the quarter

## The Group's performance

kSEK	April–June 2023	April–June 2022	January–June 2023	January–June 2022	Rolling 4 quarters Jul 2022–Jun 2023	Full-year 2022
Net sales	4,383,890	3,966,751	8,950,469	7,890,812	17,129,611	16,069,954
Operating profit, EBIT	38,042	34,887	91,736	81,883	192,912	183,059
Profit before tax	40,488	33,448	92,473	78,449	189,616	175,592
Profit for the period	31,782	25,808	72,499	61,120	150,568	139,189
Sales growth, %	10.5	18.5	13.4	21.2	13.8	22
Operating margin EBIT, %	0.9	0.9	1.0	1.0	1.1	1.1
Equity	224,898	174,389	224,898	174,389	224,898	260,849
Equity/assets ratio, %	4.9	4.3	4.9	4.3	4.9	5.4
Quick ratio, %	102.7	102.3	102.7	102.3	101.9	103.3
Financial net	2,446	-1,439	737	-3,435	-3,295	-7,467
Average number of employees	337	297	336	297	289	314
Net sales per employee	13,009	13,356	26,638	28,282	59,221	51,178
Earnings per share after dilution	1.84	1.49	4.19	3.54	8.71	8.05

### Market performance and order intake

The market remained cautious, with an increased focus on cost among our clients. Inquiries regarding matched professionals receded during the quarter.

Even though the rate of growth was slower, the assessment is that Ework continued to grow somewhat more robustly than the market in general, for example, driven by our activities in Managed Services.

Order intake fell slightly during the quarter, but this should be viewed in light of last year's high comparison figures. The number of new client contracts decreased but was offset by an increased volume of contract extensions at a greater value, which all together meant that the performance of new and extended contracts was essentially unchanged compared with the year-earlier quarter.

All together, the average hourly rates for professionals increased by 2.7 percent compared with the second quarter of 2022. The rate of increase has thus been dampened somewhat, primarily as a result of greater availability of professionals – project managers, for example.

The proportion of inquiries won in relation to bids submitted – measured using “hit rate” – fell slightly during the quarter as a result of strategy changes among some clients.

### Net sales and profit

The broader client base, higher hourly rates and contract extensions enabled the Group's net sales to increase by roughly 10 percent compared with the second quarter of 2022, despite a more cautious market. Operating profit (EBIT) increased by 9 percent, while the margin was largely unchanged in relation to last year's comparison figures.

Resource adjustments, accelerated development of our strategic initiatives, and a larger number of employees compared with last year all drove costs during the quarter.

The weaker exchange rate of the Swedish krona, compared to the corresponding quarter last year, contributed to the improved financial net.

The resource adjustments and measures we took during the quarter will make it possible under the prevailing market conditions to deliver on our communicated goals regarding growth and operating margins, and to permanently lower our run rate for the remainder of the current strategy period up through 2025.

The number of professionals on assignment averaged 13,151 (12,358), corresponding to an increase of just over 6 percent compared with the year-earlier quarter.

Beginning in 2023, Ework has two operating segments: Market Units Sweden and Market Units Northern & Central Europe (NCE). The comparison figures have thus been restated. In turn, the segments are divided into Market Units.

## Market Units Sweden

SEK M	Order intake		Net sales		MU earnings	
Quarter	Q2 2023	Q2 2022	Q2 2023	Q2 2022	Q2 2023	Q2 2022
Sweden	4,110	4,408	3,265	3,035	60	57
MU Sweden East	1,965	2,201	1,557	1,487	20	21
MU Sweden West	1,106	1,164	897	792	28	23
MU Sweden South	484	438	418	367	8	8
MU Sweden Mid North	554	605	393	390	8	7

### Sweden

The order intake during the quarter was lower compared to the year-earlier quarter, but at the same time there were several bright spots. Satisfied clients and a desire to ensure professional capacity enabled a 10-percent increase in the number of contract extensions.

In general, the public sector was a strong segment for Sweden, as many clients – both new and old – signed contracts during the quarter. The earlier strong performance in the auto industry also continued, while there were some signs of stabilization in consumer retail with an increase in the number of inquiries at the end of the quarter. Telecoms was one of the weaker industries.

### Sweden East

A sharp focus on costs and more efficient deliveries enabled a slight increase in scalability and profitability. A relatively higher degree of exposure to the weaker retail segment was offset by demand on a level with last year in the public sector, including an extension of a large key contract in Stockholm.

A number of key contracts were also signed in the IT sector during the quarter.

### Sweden West

Net sales increased by just over 13 percent, as a result of factors including a strong performance in the auto industry, which led to a robust expansion of the base of professionals in the segment. A new Managed Service Provider contract with a client in the auto segment enabled further strengthening of the base in the Gothenburg auto cluster. Even though the order intake in the auto industry receded somewhat during the quarter as a result of savings initiatives, the underlying demand was deemed to have remained favorable.

A focus on costs, significant interest among professionals for our service offerings, and new contracts on better terms all enabled increased profitability and improved scalability.

### Sweden South

The order intake increased by 10.5 percent, while net sales rose 14 percent, with strong performance in the public sector and industrial segment being contributing factors. Mix effects in deliveries from professionals pushed the margins downward.

Interest among all of Sweden South's client segments in add-on services, such as Protective Security Services, remained significant. This trend originates in the prevailing security situation as well as increasingly austere requirements from government agencies. The number of inquiries in the tech segment also increased at the end of the quarter.

### Sweden Mid North

The order intake decreased slightly during the quarter, as clients chose to instead prioritize extensions of existing contracts. Additionally, a major client reduced the number of its professionals as part of a savings initiative.

During the quarter, a contract was signed with Inköpsamverkan Mitt, which comprises a half-dozen municipalities in the southern Norrland region. The contract pertains to purchase of resource professionals and services in fields including IT, tech, management and administration. The purpose is to set up a partnership without the lock-in effects that could arise in a more traditional framework agreement procurement, in order to obtain a more flexible delivery of professionals and services that also benefits smaller operators in the market. The contract has a total estimated value of around SEK 100 million.



## Market Units Northern and Central Europe

SEK M	Order intake		Net sales		MU earnings	
Quarter	Q2 2023	Q2 2022	Q2 2023	Q2 2022	Q2 2023	Q2 2022
Northern and Central Europe (NCE)	1,382	1,363	1,119	931	24	21
MU Norway	657	691	488	509	15	14
MU Denmark	322	260	267	169	4	3
MU Poland	285	283	259	164	6	2
MU Finland	118	129	105	90	1	2

### Northern and Central Europe

Net sales increased just over 20 percent, with all market units except Norway showing a positive trend. IT, banks, telecoms and industry were among the segments driving growth.

Growth was clearly strongest in Denmark, but Poland also continued to display healthy growth while in Norway there were signs of stabilization after the new labor market legislation had created some uncertainty in the market for professionals during the spring. In total, NCE's earnings for the quarter improved, primarily as a result of lower costs, increased delivery efficiency and increased sale of add-on services.

#### Norway

Net sales were largely unchanged while order intake increased slightly in local currency compared with last year, despite continued cautiousness in the market after changes to labor market legislation that entered force on April 1 that caused some uncertainty among clients regarding the possibilities for continuing to obtain the talent they need. The number of inquiries was lower compared to the corresponding quarter of 2022, but at the same time stabilized compared with the beginning of the year.

The larger transactions during the quarter included a renewed framework agreement with specialized medical care. The agreement runs for four years and encompasses the provision of specialists in several areas of expertise such as project management, systems development and information security. Ework was one of a few bidders chosen for eight out of a total of ten sub-supplier contracts.

#### Denmark

Denmark displayed an order intake that remained solid, and robust growth in net sales. This growth was driven primarily by services in the Managed Services segment among five key clients in energy, banking, industry and life science. Fast delivery build-up limited profitability in the wake of the increase in business operations and the high rate of growth for Managed Services.

At the base of this positive performance is the trend, noticed earlier in the year, of a growing and increasingly diversified client portfolio, which promoted increased stability and new business opportunities.

#### Poland

Once again, the Polish market displayed robust growth during the quarter, which also had a positive impact on earnings. This trend was driven primarily by IT, banking and the automotive industry, all of which grew significantly compared with the preceding year. At the same time, a focus on costs enabled a boost to profitability and scalability.

However, a slowdown in the market adversely impacted order intake.

Nearshore and remote deliveries were prioritized during the quarter so as to efficiently meet demand. Through existing clients, Ework was thus able to grow further into other, adjacent geographic markets such as Lithuania and the Czech Republic.

#### Finland

Market conditions in Finland deteriorated during the quarter, with more cautious clients, increased cost control and several delayed projects, which led to lower order intake. Net sales increased somewhat during the quarter, but the mix of professionals led to a decrease in profitability.

Among the more important transactions was Ework's partnership with GlobalConnect in Managed Services, which expanded during the quarter to also encompass Finland ahead of GlobalConnect's imminent expansion in the Finnish market. A total of three new framework agreements were signed with clients in the telecoms and IT industries pertaining to both Consulting Services and Managed Services.

## Strategic growth initiatives

Ework is engaged in a number of strategic initiatives to strengthen its strategic position in the middle, as the bridge between partners and professionals, and as a service provider and partner to a number of companies and government authorities in Sweden and the Nordic region. The initiatives are a part of the ongoing efforts to achieve the financial targets, which were announced early in the year, by 2025.

### Service development

The level of activity in the field of service development during the quarter was high. The PayExpress add-on service is a customized payment solution that is intended to facilitate rapid payments to our professionals and partners. To increase awareness of the service and to allow more professionals to acquaint themselves with it, PayExpress is now pre-selected when we sign contracts. In the current market climate, PayExpress is particularly appreciated since it facilitates being paid in three days instead of being owed money for 60 to 90 days or even longer.

Benchmarking is a service with clear added value for our clients, and we are investing more in its development. By analyzing and challenging clients' staffing and business, Ework can help them improve their cost effectiveness – which is of particular interest in the current market.

During the quarter, we further developed our Recruitment Process Outsourcing (RPO) staffing service, based on such factors as input from key clients. A more explicit Total Talent Management offering was also developed, with RPO being a key component for the purpose of continuing to support Norwegian clients with specialists.

We further developed our Advisory Solution, where advisory services in the area of compliance has dominated. Based on a good understanding of regulatory issues, Ework has chosen to take an active role in order to best be able to advise clients on talent issues.

Further resources were brought in to drive the development of Protective Security Services after the significant demand for and interest in these services among larger clients. Additionally, Ework's Remote Sourcing Center can now offer support for near-shoring as a service.

### Development of the professional network

Ework's goal is to attract the best professionals and partners in order to offer the best network of professionals. At the end of the quarter, we had 117,587 partners and professionals (76,259) in our network, corresponding to year-on-year growth of 54 percent. To continue growing our network, we are proactively engaged with several skill practices that are particularly attractive for our clients.

For each skill practice we appoint a practice lead, who takes on the key role of bridge between the client and professional. The practice lead is responsible for understanding client needs, providing support with assignment descriptions, and then providing assistance with finding the person quickly and efficiently. During the quarter, we appointed a practice lead for tech.

### Client value

Development of the six industrial segments\* that were established in the first quarter continued. The effort is aimed at expanding our industrial know-how in order to better support our clients with a talent supply over both the short and long term. We also developed our internal market intelligence hub, where we collect market insights linked to the industrial segments.

In order to add further value for our clients who have specific systems needs, we can use our know-how, our independence and our network to partner with external suppliers in order to create the best overall solution for the client.

### Market expansion

The efforts around our market expansion continued during the quarter in line with the ambition of delivering services without geographic limitations, in full compliance with laws and regulations,

\* Industry segments: Banking, Finance and Insurance; Public sector; Manufacturing, Automotive and Life-science; Consulting, Technology and Telecom; Energy; as well as Retail, Logistics and Services.



since these differ among various geographies. The strategy is to establish new market units in European geographies where demand among existing clients is significant. As a supplement, the plan is to find partners, primarily to cover geographies outside Europe against the background of the continued strengthening of global trends in the market, with more inquiries being received from outside Ework's core markets. During the quarter, the increase in demand for professionals from India was particularly noteworthy, as a result of such factors as attractive costs and good availability of professionals.

Continued market expansion in both new and existing markets is strategically important since a larger volume of active assignments comprises the base for both new business and contract extensions.

## Other disclosures

### Financial position and cash flow

Cash flow from operating activities for the second quarter totaled SEK 40.4 million (-25.6). The improvement was due primarily to better earnings and reduced need for working capital compared to last year when growth was stronger.

Cash flow from financing activities totaled SEK 2.6 million (-30.0).

Ework holds a credit of SEK 550 million (550) from SEB, with accounts receivable as security. Moreover, Ework has a local credit of SEK 300 million (0) for working capital financing in Poland. Total unutilized credit at the end of the period amounted to SEK 442 M (318).

Liquid funds at the end of the quarter totaled SEK 315.5 million (107.5). The equity/assets ratio at the end of the period was 4.9 per cent (4.3).

### Workforce

The average number of employees during the quarter was 337 (297). 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.

### Parent Company

The Parent Company's net sales for the second quarter were SEK 3,277 M (3,035). Profit after financial items was SEK 33.1 M (20.7), and profit after tax was SEK 26.2 M (16.3).

### Scaling

Increased scalability remained in focus during the quarter. In our efforts to develop our business model, during the quarter we focused on greater collaboration across geographic areas, and on increasing the standardization of our deliveries in order to gradually increase both quality and efficiency. As part of this effort we hired a Chief Digital Officer, who is responsible for Ework Group's digital strategy and platform from beginning to end – something that is crucial for supporting future service delivery models.

The Parent Company's equity was SEK 135 M (117) at the end of the quarter, and its equity/assets ratio was 3.7 per cent (4.3).

### Significant risks and uncertainties

Ework's material business risks, for the Group and the Parent Company, consist of reduced demand for professional services, difficulties in attracting and retaining skilled staff, credit risks, and to a lesser extent, currency risks.

Ework's risks are impacted by trends in society and the economy as a whole, as they are by rising interest rate levels and uncertainty around the progress of inflation. These trends could entail a risk of lower demand for professional services. Regulatory decisions and necessary consideration of safety aspects could entail a risk of disruptions to the business, both for Ework's own staff and for professionals on assignment.

For a more detailed review of significant 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. The provision will remain awaiting a new decision.

In Norway, updated work environment legislation concerning freelancers and professionals entered force on April 1, 2023. There may be some continued uncertainty about the effects of the law on the Norwegian market, but it is believed that this will be transitory.

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 11:00 a.m. (CEST) on July 19, 2023, through the agency of the CEO. This interim report has not been audited.

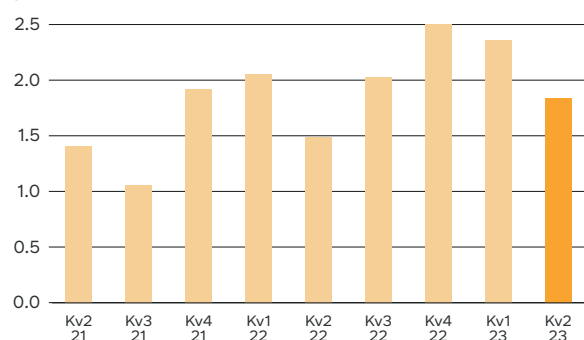
## OWNERS

As of June 30, 2023	No. of shares	Votes & capital
Investment AB Arawak <sup>1)</sup>	6,813,691	39.41
Avanza Pension	3,277,876	18.96
Protector Forsikring ASA	755,267	4.37
Futur Pension Försäkringsaktiebolag	606,591	3.51
Katarina Salén, private and through company	473,962	2.74
Patrik Salén and family, through company	398,000	2.31
Ålandsbanken Abp (Finland), Swedish branch	376,970	2.18
Karin Schreil through company	252,000	1.46
Verdipapirfondet fondsfinans	240,000	1.39
Handelsbanken Liv Forsäkring AB	181,889	1.05
<b>Total</b>	<b>13,376,246</b>	<b>77.38</b>
Others	3,911,029	22.62
<b>Total</b>	<b>17,287,275</b>	<b>100</b>

<sup>1)</sup> Staffan Salén and family 86.2%, Erik Åfors 13.8%.

## Earnings per share, quarter

SEK



## PER SHARE DATA

kSEK	April-June 2023	April-June 2022	January-June 2023	January-June 2022	Rolling 4 quarters Jul 2022-Jun 2023	Full-year 2022
Earnings per share before dilution, SEK	1.84	1.50	4.19	3.55	8.71	8.07
Earnings per share after dilution, SEK	1.84	1.49	4.19	3.54	8.71	8.05
Equity per share before dilution, SEK	13.01	10.12	13.01	10.12	13.05	15.13
Equity per share after dilution, SEK	13.01	10.09	13.01	10.09	13.01	15.09
Cash flow from operating activities per share before dilution, SEK	2.34	-1.49	7.08	2.52	5.62	6.40
Cash flow from operating activities per share after dilution, SEK	2.34	-1.48	7.08	2.51	5.60	6.38
Number of shares outstanding at end of period before dilution (000)	17,287	17,240	17,287	17,240	17,240	17,240
Number of shares outstanding at end of period after dilution (000)	17,287	17,243	17,287	17,243	17,287	17,287
Average number of shares outstanding before dilution (000)	17,287	17,240	17,287	17,240	17,240	17,420
Average number of shares outstanding after dilution (000)	17,287	17,243	17,287	17,243	17,287	17,287

## CONSOLIDATED STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME

kSEK	Note	April–June 2023	April–June 2022	January–June 2023	January–June 2022	Rolling 4 quarters Jul 2022– Jun 2023	Full-year 2022
<b>Operating income</b>							
Net sales	1	4,383,890	3,966,751	8,950,469	7,890,812	17,129,611	16,069,954
Other operating income		0	61	0	63	15	78
<b>Total operating income</b>		<b>4,383,890</b>	<b>3,966,811</b>	<b>8,950,469</b>	<b>7,890,875</b>	<b>17,129,625</b>	<b>16,070,031</b>
<b>Operating costs</b>							
Cost of professionals on assignment		-4,219,708	-3,823,197	-8,612,139	-7,602,499	-16,480,527	-15,470,888
Work performed by the company for its own use and capitalized		0	3,357	4,359	7,184	15,997	18,823
Other external costs		-33,887	-29,009	-71,251	-55,537	-141,491	-125,777
Personnel costs		-82,361	-73,797	-160,483	-139,839	-299,213	-278,569
Depreciation, amortization and impairment of property, plant & equipment and intangible non-current assets		-9,893	-9,278	-19,219	-18,300	-31,480	-30,561
<b>Total operating costs</b>		<b>-4,345,848</b>	<b>-3,931,924</b>	<b>-8,858,733</b>	<b>-7,808,991</b>	<b>-16,936,714</b>	<b>-15,886,972</b>
<b>EBIT</b>		<b>38,042</b>	<b>34,887</b>	<b>91,736</b>	<b>81,883</b>	<b>192,912</b>	<b>183,059</b>
<b>Profit from financial items</b>							
Net financial items		2,446	-1,439	737	-3,435	-3,295	-7,467
<b>Profit after financial items</b>		<b>40,488</b>	<b>33,448</b>	<b>92,473</b>	<b>78,449</b>	<b>189,616</b>	<b>175,592</b>
Tax		-8,706	-7,640	-19,974	-17,328	-39,049	-36,402
<b>Profit for the period</b>		<b>31,782</b>	<b>25,808</b>	<b>72,499</b>	<b>61,120</b>	<b>150,568</b>	<b>139,189</b>
<b>Other comprehensive income</b>							
Items that have been reclassified, or are reclassifiable, to profit or loss							
Translation differences on translation of foreign operations for the period		5,843	-1,548	3,917	1,417	6,552	4,053
Value changes during the period for cash flow instruments		0	425	0	-203	957	-
Value changes during the period for cash flow instruments transferred to profit for the period		0	-519	0	-664	664	754
<b>Other comprehensive income for the period</b>		<b>5,843</b>	<b>-1,641</b>	<b>3,917</b>	<b>551</b>	<b>8,173</b>	<b>4,807</b>
<b>Comprehensive income for the period</b>		<b>37,625</b>	<b>24,167</b>	<b>76,416</b>	<b>61,671</b>	<b>158,741</b>	<b>143,996</b>
<b>Earnings per share</b>							
before dilution (SEK)		1.84	1.50	4.19	3.55	8.71	8.07
after dilution (SEK)		1.84	1.49	4.19	3.54	8.71	8.05
<b>Number of shares outstanding at end of reporting period:</b>							
before dilution (000)		17,287	17,240	17,287	17,240	17,287	17,240
after dilution (000)		17,287	17,243	17,287	17,243	17,287	17,287
<b>Average number of outstanding shares:</b>							
before dilution (000)		17,287	17,240	17,287	17,240	17,287	17,420
after dilution (000)		17,287	17,243	17,287	17,243	17,287	17,287

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

kSEK	Note	June 30, 2023	June 30, 2022	December 31, 2022
<b>Assets</b>				
<b>Non-current assets</b>				
Intangible assets		65,299	62,470	67,827
Property, plant and equipment		9,043	5,578	9,479
Right-of-use assets		31,716	17,231	41,598
Deferred tax asset		5,802	3,973	5,546
Non-current receivables		5,017	4,643	4,906
<b>Total non-current assets</b>		<b>116,878</b>	<b>93,896</b>	<b>129,356</b>
<b>Current assets</b>				
Accounts receivable		3,739,410	3,565,798	4,122,864
Tax assets		3,062	8,842	0
Other receivables	2	39,333	16,209	24,491
Prepaid expenses and accrued income		331,215	240,374	191,436
Cash and cash equivalents		315,460	107,501	332,007
<b>Total current assets</b>		<b>4,428,480</b>	<b>3,938,725</b>	<b>4,670,798</b>
<b>Total assets</b>		<b>4,545,358</b>	<b>4,032,620</b>	<b>4,800,154</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Share capital		2,247	2,241	2,247
Other paid-up capital		63,877	59,749	63,883
Translation reserve		-1,542	-9,686	-5,435
Retained earnings including profit for the period		160,285	122,085	200,154
<b>Total equity</b>		<b>224,898</b>	<b>174,389</b>	<b>260,849</b>
<b>Non-current liabilities</b>				
Lease liabilities		9,813	7,343	18,036
<b>Total non-current liabilities</b>		<b>9,813</b>	<b>7,343</b>	<b>18,036</b>
<b>Current liabilities</b>				
Current interest-bearing liabilities		408,765	231,972	423,726
Lease liabilities		18,111	8,716	19,726
Accounts payable		3,658,967	3,431,130	3,948,002
Other liabilities		56,519	50,109	44,364
Accrued expenses and deferred income		168,286	128,960	75,673
<b>Total current liabilities</b>		<b>4,310,647</b>	<b>3,850,888</b>	<b>4,521,269</b>
<b>Total equity and liabilities</b>		<b>4,545,358</b>	<b>4,032,620</b>	<b>4,800,154</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

kSEK	Share capital	Other paid-up capital	Translation reserve	Risk reserve	Retained earnings including profit for the period	Total equity
<b>Opening equity, January 1, 2022</b>	<b>2,241</b>	<b>59,749</b>	<b>-9,482</b>	<b>-754</b>	<b>147,163</b>	<b>198,917</b>
<b>Comprehensive income for the period</b>						
Profit for the period					61,120	61,120
Other comprehensive income for the period			1,417	-867		551
<b>Comprehensive income for the period</b>			<b>1,417</b>	<b>-867</b>	<b>61,120</b>	<b>61,671</b>
<b>Transactions with the Group's shareholders</b>						
Dividends					-86,198	-86,198
<b>Closing equity, June 30, 2022</b>	<b>2,241</b>	<b>59,749</b>	<b>-8,065</b>	<b>-1,621</b>	<b>122,086</b>	<b>174,389</b>
<b>Opening equity, July 1, 2022</b>	<b>2,241</b>	<b>59,749</b>	<b>-8,065</b>	<b>-1,621</b>	<b>122,086</b>	<b>174,389</b>
<b>Comprehensive income for the period</b>						
Profit for the period					78,068	78,068
Other comprehensive income for the period			2,636	1,621		4,257
Comprehensive income for the period			2,636	1,621		82,325
<b>Transactions with the Group's shareholders</b>						
Issue upon share subscription via warrants	6	4,127				4,134
Dividends						
<b>Closing equity, December 31, 2022</b>	<b>2,247</b>	<b>63,877</b>	<b>-5,429</b>	<b>0</b>	<b>200,154</b>	<b>260,849</b>
<b>Opening equity, January 1, 2023</b>	<b>2,247</b>	<b>63,877</b>	<b>-5,429</b>	<b>0</b>	<b>200,154</b>	<b>260,849</b>
<b>Comprehensive income for the period</b>						
Profit for the period					69,747	69,747
Other comprehensive income for the period			3,887			3,887
<b>Comprehensive income for the period</b>			<b>3,887</b>		<b>69,747</b>	<b>73,634</b>
<b>Transactions with the Group's shareholders</b>						
Dividends					-112,367	-112,367
<b>Closing equity, June 30, 2023</b>	<b>2,247</b>	<b>63,877</b>	<b>-1,542</b>		<b>157,534</b>	<b>222,116</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

kSEK	April–June 2023	April–June 2022	January–June 2023	January–June 2022	Rolling 4 quarters Jul 2022– Jun 2023	Full-year 2022
<b>Operating activities</b>						
Profit after financial items	40,488	33,448	92,473	78,449	189,616	175,592
Adjustment for non-cash items	9,893	9,278	19,219	18,300	31,480	30,561
Income tax paid	-10,412	-11,077	-23,986	-22,263	-16,299	-14,576
<b>Cash flow from operating activities before changes in working capital</b>	<b>39,969</b>	<b>31,649</b>	<b>87,707</b>	<b>74,486</b>	<b>204,798</b>	<b>191,577</b>
<b>Cash flow from changes in working capital</b>	<b>479</b>	<b>-57,296</b>	<b>34,613</b>	<b>-31,104</b>	<b>-107,931</b>	<b>-81,224</b>
Increase (-)/Decrease (+) in operating receivables	223,049	-56,772	247,091	-300,386	-1,099,743	-776,931
Increase (+)/Decrease (-) in operating liabilities	-222,570	-524	-212,478	269,282	991,813	695,707
<b>Cash flow from operating activities</b>	<b>40,448</b>	<b>-25,647</b>	<b>122,319</b>	<b>43,382</b>	<b>96,867</b>	<b>110,353</b>
<b>Investing activities</b>						
Acquisition of property, plant, & equipment	-128	-693	-2,062	-3,937	-7,862	-9,737
Acquisition of intangible assets	0	-3,357	-4,358	-7,184	-15,997	-18,823
<b>Cash flow from investing activities</b>	<b>-128</b>	<b>-4,050</b>	<b>-6,420</b>	<b>-11,121</b>	<b>-23,859</b>	<b>-28,560</b>
<b>Financing activities</b>						
Dividend paid to Parent Company shareholders	-112,367	-86,198	-112,367	-86,198	-112,367	-86,198
Amortization of lease liability and borrowings	114,971	56,162	-24,835	9,732	375,773	197,771
Realized derivatives	0	0	0	0	-9,533	-9,533
<b>Cash flow from financing activities</b>	<b>2,604</b>	<b>-30,036</b>	<b>-137,203</b>	<b>-76,466</b>	<b>253,873</b>	<b>102,040</b>
<b>Cash flow for the period</b>	<b>42,924</b>	<b>-59,734</b>	<b>-21,303</b>	<b>-164,352</b>	<b>326,881</b>	<b>183,833</b>
Cash and cash equivalents at beginning of period	263,054	172,338	332,007	154,495	107,501	154,495
Exchange rate difference	9,482	-5,104	4,756	-2,789	1,222	-6,321
<b>Cash and cash equivalents at end of period</b>	<b>315,459</b>	<b>107,501</b>	<b>315,459</b>	<b>-12,645</b>	<b>435,603</b>	<b>332,007</b>



## PARENT COMPANY INCOME STATEMENT

kSEK	April–June 2023	April–June 2022	January–June 2023	January–June 2022	Rolling 4 quarters Jul 2022– Jun 2023	Full-year 2022
<b>Operating income</b>						
Net sales	3,267,724	3,034,675	6,630,991	5,971,330	12,668,510	12,008,849
Work performed by the company for its own use and capitalized	0	3,357	4,359	7,184	15,997	18,823
Other operating income	9,641	9,589	18,248	17,873	40,123	39,749
<b>Total operating income</b>	<b>3,277,365</b>	<b>3,047,621</b>	<b>6,653,597</b>	<b>5,996,387</b>	<b>12,724,631</b>	<b>12,067,421</b>
<b>Operating costs</b>						
Cost of professionals on assignment	-3,158,514	-2,935,082	-6,409,255	-5,774,881	-12,247,805	-11,613,431
Other external costs	-32,816	-35,157	-70,657	-68,090	-141,110	-138,542
Personnel costs	-57,017	-53,034	-107,991	-97,420	-199,421	-188,851
Depreciation, amortization and impairment of property, plant & equipment and intangible non-current assets	-4,823	-3,747	-9,095	-7,264	-17,115	-15,284
<b>Total operating costs</b>	<b>-3,253,170</b>	<b>-3,027,020</b>	<b>-6,596,998</b>	<b>-5,947,655</b>	<b>-12,605,451</b>	<b>-11,956,108</b>
<b>EBIT</b>	<b>24,194</b>	<b>20,601</b>	<b>56,599</b>	<b>48,733</b>	<b>119,179</b>	<b>111,313</b>
<b>Profit from financial items</b>						
Dividends from participations in subsidiaries	0	0	0	0	21,144	21,144
Other interest income and similar items	13,306	2,176	17,378	4,843	28,161	15,626
Interest expense and similar items	-4,363	-2,110	-7,183	-4,287	-15,789	-12,892
<b>Profit after financial items</b>	<b>33,137</b>	<b>20,668</b>	<b>66,795</b>	<b>49,289</b>	<b>152,695</b>	<b>135,190</b>
Tax	-6,946	-4,366	-13,938	-10,297	-27,434	-23,793
<b>Profit for the period*</b>	<b>26,191</b>	<b>16,302</b>	<b>52,856</b>	<b>38,992</b>	<b>125,261</b>	<b>111,396</b>

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

## PARENT COMPANY BALANCE SHEET

kSEK	June 30, 2023	June 30, 2022	December 31, 2022
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets	65,299	62,470	67,827
Property, plant and equipment	7,564	4,822	8,798
Financial assets			
Other non-current receivables	3,750	3,788	3,750
Participations in Group companies	34,240	34,240	34,240
<b>Total financial assets</b>	<b>37,990</b>	<b>38,028</b>	<b>37,990</b>
<b>Total non-current assets</b>	<b>110,853</b>	<b>105,320</b>	<b>114,616</b>
<b>Current assets</b>			
Accounts receivable	2,748,954	2,723,670	3,162,283
Receivables from Group companies	140,599	157,282	133,801
Tax assets	1,529	15,759	1,611
Other receivables	0	0	2
Prepaid expenses and accrued income	263,614	174,718	133,458
Cash and bank balances	154,887	22,185	170,809
<b>Total current assets</b>	<b>3,309,583</b>	<b>3,093,613</b>	<b>3,601,964</b>
<b>Total assets</b>	<b>3,420,436</b>	<b>3,198,934</b>	<b>3,716,580</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Restricted equity			
Share capital (17,287,275 shares with par value of SEK 0.13)	2,247	2,241	2,247
Statutory reserve	6,355	6,355	6,355
Development fund	65,503	62,436	67,892
<b>Total restricted equity</b>	<b>74,105</b>	<b>71,032</b>	<b>76,495</b>
<b>Non-restricted equity</b>			
Share premium reserve	14,707	9,518	13,645
Retained earnings	-6,600	-2,696	-8,152
Profit for the period	52,856	38,992	111,396
<b>Total non-restricted equity</b>	<b>60,963</b>	<b>45,814</b>	<b>116,890</b>
<b>Total equity</b>	<b>135,068</b>	<b>116,846</b>	<b>193,384</b>
<b>Current liabilities</b>			
Liabilities to credit institutions	294,765	231,972	326,183
Accounts payable	2,815,858	2,691,811	3,096,494
Liabilities to Group companies	2,091	4,808	333
Other liabilities	36,060	38,069	46,743
Accrued expenses and deferred income	136,594	115,428	53,441
<b>Total current liabilities</b>	<b>3,285,367</b>	<b>3,082,087</b>	<b>3,523,195</b>
<b>Total equity and liabilities</b>	<b>3,420,436</b>	<b>3,198,934</b>	<b>3,716,580</b>

## 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.

Accounting policies and calculation methods are unchanged from those applied in the annual report for 2022.

### Note 1 Operating segments

The Group's operations are divided into operating segments based on the parts of operations monitored by the Company's chief operating decision-maker, known as the management approach.

As a link in strategic development and the associated development of management and organization, as of 2023 the Group monitors the operation based on two segments: Market Units **Sweden** and Market Units **Northern and Central Europe** (NCE), respectively. In that connection, the comparison figures have been restated.

Executive management monitors the results of operations, returns and cash flow generated by the different segments of the Group. Each operating segment has a manager who is responsible for operations and who regularly reports the outcome of the operating segment's operation and the need for resources to executive management.

The segments are the same as the operations and conduct sales of Ework's total service offering in their respective geographic markets.

In turn, the segments are divided into Market Units. The respective segments have operational responsibility for their income statements, down to the level of the segment's operating profit. Sales and operating profit per Market Unit are presented on a voluntary basis below.

Segment earnings do not include central costs for executive management and Group functions (Finance, HR, Marketing, Strategic Sales, and Legal) and development costs for the digital platform.

The accounting policies that are applied in segment reporting differ from IFRS on one point. Segment earnings include the costs of the financing solutions that Ework offers its clients. These costs are recognized in the Group's profit or loss, according to IFRS, as interest expenses in net financial items.

Internal pricing between the Group's various operating segments is based on the arm's-length principle, i.e. between parties that are mutually independent, well-informed and with an interest in the transactions being executed.

Operating segments Q2 2023 (2022)	Market Units Sweden	Market Units Northern & Central Europe	Total segments	Central costs	Difference in accounting policies	Eliminations	Total IFRS
External income	3,265 (3,035)	1,119 (931)	4,384 (3,967)				4,384 (3,967)
Internal income	10 (10)	7 (16)	16 (25)			-16 (-25)	
<b>MU earnings</b>	<b>60 (57)</b>	<b>24 (21)</b>	<b>84 (78)</b>				
<b>Operating profit, EBIT</b>				<b>-51 (-44)</b>	<b>5 (1)</b>		<b>38 (35)</b>
Net financial items					-5 (-1)		2 (-1)
<b>Profit before tax</b>							<b>40 (33)</b>
<sup>a)</sup> Of which depreciation/ amortization							
<sup>a)</sup> of which interest expenses							

Operating segments January–June 2023 (2022)	Market Units Sweden	Market Units Northern & Central Europe	Total segments	Central costs	Difference in accounting policies	Eliminations	Total IFRS
External income	6,636 (5,977)	2,315 (1,914)	8,950 (7,891)				8,950 (7,891)
Internal income	18 (18)	19 (31)	37 (49)			-37 (-49)	0
<b>MU earnings</b>	<b>135 (118)</b>	<b>54 (46)</b>	<b>188 (164)</b>				
<b>Operating profit, EBIT</b>				<b>-106 (-84)</b>	<b>10 (2)</b>		<b>92 (82)</b>
Net financial items					-10 (-2)		1 (-3)
<b>Profit before tax</b>							<b>93 (78)</b>
<sup>a)</sup> Of which depreciation/ amortization							
<sup>a)</sup> of which interest expenses							

Market Units 2023	Sales Q2	MU earnings Q2		
Market Unit East	1,557 (1,487)	20 (21)	3,186 (2,912)	50 (43)
Market Unit Mid North	393 (390)	8 (7)	792 (811)	18 (16)
Market Unit West	897 (792)	28 (23)	1,823 (1,542)	57 (48)
Market Unit South	418 (367)	8 (8)	834 (712)	17 (16)
<b>Market Unit Sweden*</b>	<b>3,265 (3,035)</b>	<b>60 (57)</b>	<b>6,636 (5,977)</b>	<b>135 (118)</b>
Market Unit Denmark	267 (169)	4 (3)	526 (339)	9 (6)
Market Unit Norway	488 (509)	15 (14)	1,061 (1,075)	32 (30)
Market Unit Finland	105 (90)	1 (2)	215 (182)	4 (4)
Market Unit Poland	259 (164)	6 (2)	512 (318)	12 (6)
<b>Market Units Northern &amp; Central Europe*</b>	<b>1,119 (931)</b>	<b>24 (21)</b>	<b>2,315 (1,914)</b>	<b>54 (46)</b>

\*Sweden and NCE also including overhead costs for Management of the segments

## Note 2 Financial instruments measured at fair value

kSEK	January-June 2023			January-June 2022		
	Carrying amount		Fair value	Carrying amount		Fair value
	Measured at fair value through profit or loss	Measured at fair value via other comprehensive income	Level 2	Measured at fair value through profit or loss	Measured at fair value via other comprehensive income	Level 2
<b>Financial liabilities/ assets</b>						
Currency derivatives	-	-	-	-1,290	-1,620	-2,910

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 OF KEY PERFORMANCE DATA

Ework Group utilizes 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 performance data 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 performance data	Definition of usage
<b>Sales growth</b>	Net sales for the period less net sales for the comparative period in relation to net sales for the comparative period.
<b>Operating margin, EBIT</b>	Operating profit (EBIT) in relation to net sales.
<b>Profit margin</b>	Profit after financial items in relation to net sales.
<b>Return on equity</b>	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 that shareholders invested in operations during the period.
<b>Equity/assets ratio</b>	Reported equity in relation to reported total assets at the end of the period. Metric illustrating interest rate sensitivity and financial stability.
<b>Quick ratio</b>	Current assets in relation to current liabilities.
<b>Earnings per share</b>	Profit for the period in relation to the number of outstanding shares before dilution at the end of the period. Defined in IAS 33.
<b>Equity per share</b>	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.
<b>MU earnings</b>	The earnings for the market units differs from Operating profit (EBIT) since it does not include central costs for executive management, Group functions and development of the digital platform. MU earnings are less interest expenses for financing solutions, which are recognized as net financial items in the consolidated financial statements.

Ework Group AB (publ) provides total talent solutions, with a focus on IT/OT, R&D, Engineering and Business Development and has today just over 13,000 independent professionals on assignment. Ework partners with clients in both the private and the public sector, and with professionals to create sustainable talent supply chains. Ework was founded in Sweden in 2000 and operates in Sweden, Denmark, Norway, Finland, and Poland with its head office in Stockholm. Ework's shares are listed on Nasdaq Stockholm.

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