

ework Report 2016

INTERIM REPORT 3 JANUARY-SEPTEMBER 2016

Positive progress on a strong consulting market

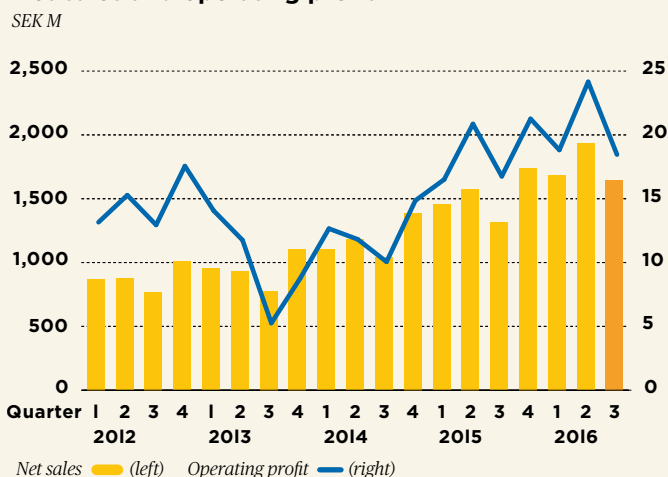
Third quarter 2016 compared to the corresponding period 2015

- Net sales increased by 25% to SEK 1,646 M (1,316).
- Operating profit up by 10% to SEK 19.2 M (17.5).
- Order intake amounted to SEK 1,864 M (1,453), a 28% increase.
- Earnings per share after dilution were SEK 0.88 (0.85).

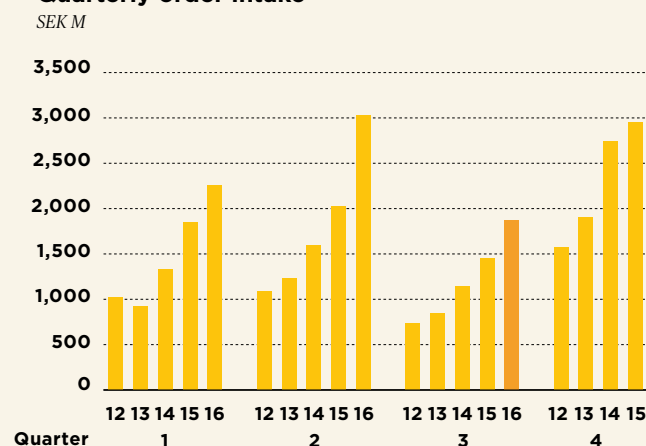
First nine months 2016 compared to the corresponding period 2015

- Net sales increased by 21% to SEK 5,265 M (4,348).
- Operating profit up by 13% to SEK 63.6 M (56.4).
- Earnings per share after dilution were SEK 2.88 (2.61).
- Demand was firm right through the period, with Ework estimating that it won market shares on a growing market.
- Order intake for the first nine months of year was SEK 7,146 M (5,320).

Net sales and operating profit



Quarterly order intake



Positive progress

We're in a really positive business cycle for the consulting sector. Ework expanded on a broad front, and our more recent initiatives in technology consulting, public sector assignments and our Polish operation performed positively.

The consulting market was **really strong** in the third quarter. Demand was positive across most consulting segments where Ework is active. The Ework Barometer survey of September indicated that over 90% of consultants expect the market to remain strong over the coming year.

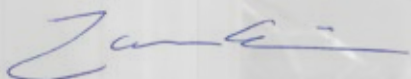
Ework continued to grow across a broad front in the quarter, with net sales up by 25% and order intake by 28%. These are positive outcomes, not least against the background of us comparing against a strong third quarter of the previous year.

To achieve our growth target for 2020, which we announced at the beginning of the year, we increased investing in digitalising and automating, and made some key appointments. This work went as expected. Earnings are in line with our plans for the year. The aim of these initiatives is to keep enhancing our operational efficiency and scalability, for the rapid ongoing expansion that we plan for the coming years.

Meanwhile, we are seeing positive payoffs from our previous efforts. Growth in the comparatively new segment of technology consultants is above our average. Our large-scale public sector assignments are progressing positively and we expect to achieve growing profitability over time. Our Polish business is performing well, with a major framework agreement in the financial sector and over 100 consultants on assignment.

We are continuing to advance Ework's positioning on the consulting market, while our long-term development projects are still going full speed ahead. ■

Zoran Covic, CEO



Stockholm, Sweden, 21 October 2016.



Positive progress on a strong consulting market

Market

The Nordic consulting market remained very strong in the third quarter of the year. Demand was high, or very high, across most skills segments where Ework is active.

Demand growth increased across Ework's consolidated offering, and remained high for consultants for new assignments. Ework judges that it outgrew the consulting market, and thus continued to win market shares. Ework's demand indicators such as assignment enquiries and the orientation of indicated skill segments continued to increase year on year.

The supply of consultants for new assignments was healthy in most in-demand consulting segments, although the number of applicants for new assignments was down year on year. Higher utilisation was also evident in the period through a tendency towards rising consultant pricing. Ework views the markets in Sweden and Denmark as strong. In Norway the private sector remained hesitant, although demand from the public sector was positive. The market in Finland normalised after faintly positive demand growth.

The Group's net sales

The Group's net sales for the third quarter were up by 25% to SEK 1,646 M (1,316). All geographical units and most consulting segments contributed to the increase. In the first nine months of 2016, net sales were up by 21% to SEK 5,265 M (4,348). The increase was sourced in the same manner as for the quarter.

The Group's profit

The Group's operating profit increased by 10% to SEK 19.2 M (17.5) in the third quarter 2016. In the first nine months, operating profit was SEK 63.6 M (56.4), a 13% increase.

As in previous quarters, operating profit for the period does include some investments relating to business and process development, executed with the aim of creating the potential for continued growth. This means that operating profit increases somewhat less than net sales.

Profit after financial items was SEK 19.8 M (17.6) for the third quarter 2016, and to SEK 64.8 M (56.4) for the first nine months of the year. Profit after tax was SEK 15.2 M (14.6) for the third quarter and SEK 49.5 M (44.6) for the first nine months of the year.

Comments on progress

Sales progressed positively in the third quarter. Order intake was up by 28% to SEK 1,864 M (1,453). The number of consultants on assignment continue to rise, peaking at 6,640. Takeover contracts and consultants on new assignments generated this increase.

Sweden

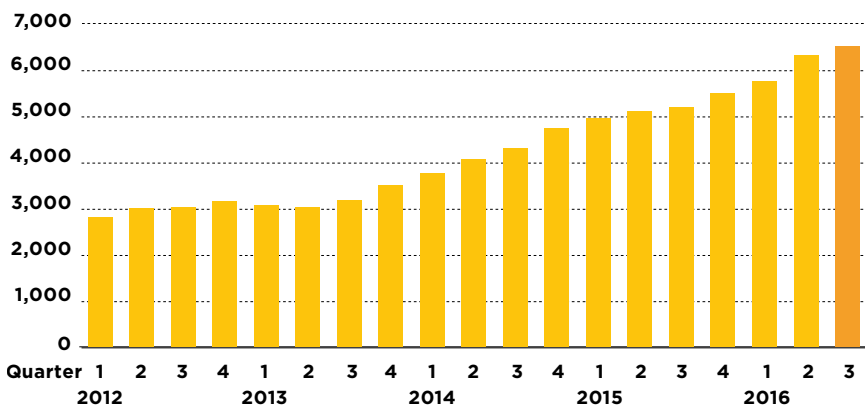
This Swedish operation sustained its positive progress in a robust market. Net sales for the quarter were up by 22% to SEK 1,318 M (1,082). Net sales for the first nine months were up by 20% to SEK 4,315 M (3,588). The growth was broad based, with more recent skills segments such as technology consultants making an about-average contribution.

Operating profit was SEK 15.9 M (17.6) for the third quarter, and SEK 54.9 M (53.1) for the first nine months. The fact that quarterly earnings decreased despite increasing net sales is due to somewhat higher expenses for developing operations.

The Polish operation is still reported under the Sweden segment. This operation progressed positively, with the number of consultants on assignment

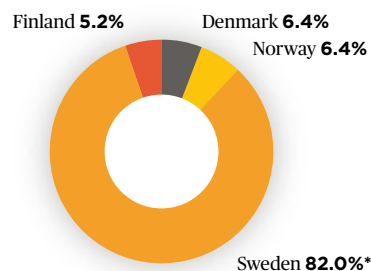
Consultants on assignment

Max. no. of consultants on assignment



Sales by region

First nine months as a percentage of net sales



* Poland is reported under Sweden.

passing 100 for the first time. A major framework agreement was signed with one of the largest financial institutions in Poland.

Denmark

The positive progress of the Danish operation continued on a strong market. Net sales were up by 45% to SEK 122.7 M (84.7 M). Net sales for the first nine months were SEK 338.6 M (256.6), a 32% increase.

Operating profit for the third quarter was SEK 2.5 M (1.8). Operating profit for the first nine months was SEK 5.2 M (5.0).

Norway

The revenues and earnings of the Norwegian operation continued to expand briskly thanks to high demand from the public sector. Net sales in

the quarter rose by 52% to SEK 111.3 M (73.2). For the nine-month period, net sales were SEK 335.4 M (258.0), a 30% increase.

The operating profit/loss was SEK 1.3 M (-0.9) in the quarter and SEK 5.0 M (0.0) for the first nine months.

Finland

The net sales of the Finnish operation rose by 22% in the third quarter to SEK 93.7 M (76.7). Net sales for the first nine months were SEK 276.4 M (245.3), up by 13%.

The operating profit/loss for the quarter was SEK -0.6 M (-1.0) and SEK -1.4 M (-1.7) for the first nine months of the year. The fact that earnings are increasing only marginally despite sales rising remains due to the sales mix.

Financial position

The equity/assets ratio was 5.9% (6.3) at the end of the period. Cash flow from operating activities for the third quarter was SEK -96.3 M (-0.3). Changes in working capital at different reporting dates are mainly due to all payments from clients and consultants being made at month-ends. Accordingly, a modest shift in payments made or received can have a significant effect on cash flow at a specific time.

Cash flow from operating activities in the nine-month period was SEK 57.4 M (-80.9). The group's net interest-bearing assets were SEK 27.1 M (35.8) at the reporting date.

The company has a non-terminable revolving funding facility amounting to SEK 70 M. Accounts receivables have been pledged as collateral for the facility.

Key performance data

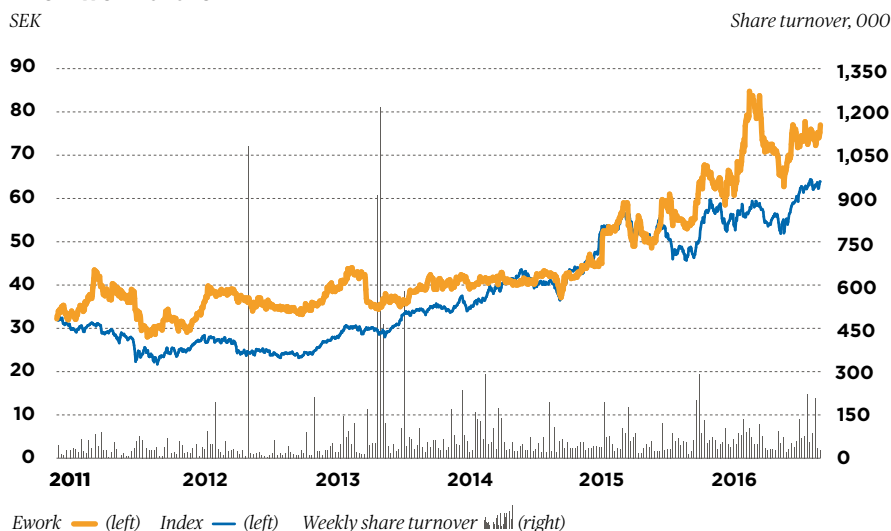
| SEK 000 | July-September 2016 | July-September 2015 | January-September 2016 | January-September 2015 | Rolling 4 quarters October 2015-September 2016 | Full year 2015 |
|---|---------------------|---------------------|------------------------|------------------------|--|----------------|
| Net sales | 1,646,169 | 1,316,388 | 5,265,312 | 4,348,340 | 7,006,051 | 6,089,079 |
| Operating profit, EBIT | 19,196 | 17,519 | 63,646 | 56,427 | 85,624 | 78,405 |
| Profit before tax | 19,801 | 17,552 | 64,794 | 56,402 | 86,250 | 77,858 |
| Profit for the period | 15,227 | 14,620 | 49,516 | 44,615 | 64,568 | 59,667 |
| Sales growth, % | 25.1 | 26.3 | 21.1 | 30.8 | 22.1 | 29.2 |
| Operating margin, EBIT, % | 1.2 | 1.3 | 1.2 | 1.3 | 1.2 | 1.3 |
| Profit margin, % | 1.2 | 1.3 | 1.2 | 1.3 | 1.2 | 1.3 |
| Return on equity, % | 59.1 | 65.8 | 58.6 | 52.9 | 61.0 | 50.0 |
| Total assets | 1,910,665 | 1,569,701 | 1,910,665 | 1,569,701 | 1,910,665 | 1,797,943 |
| Equity | 113,262 | 98,365 | 113,262 | 98,365 | 113,262 | 112,212 |
| Equity/assets ratio, % | 6 | 6 | 6 | 6 | 6 | 6 |
| Acid test ratio, % | 110 | 108 | 110 | 108 | 110 | 111 |
| Average number of employees | 214 | 185 | 211 | 173 | 202 | 176 |
| Net sales per employee | 7,692 | 7,116 | 24,954 | 25,135 | 34,683 | 34,597 |
| Key performance data per share | | | | | | |
| Earnings per share before dilution | 0.89 | 0.86 | 2.90 | 2.61 | 3.76 | 3.49 |
| Earnings per share after dilution | 0.88 | 0.85 | 2.88 | 2.61 | 3.75 | 3.48 |
| Equity per share before dilution | 6.6 | 5.8 | 6.6 | 5.8 | 6.6 | 6.6 |
| Equity per share after dilution | 6.6 | 5.7 | 6.6 | 5.7 | 6.6 | 6.6 |
| Cash flow from operating activities per share before dilution | -5.60 | -0.02 | 3.34 | -4.73 | 2.90 | -5.18 |
| Cash flow from operating activities per share after dilution | -5.60 | -0.02 | 3.34 | -4.73 | 2.90 | -5.16 |
| Number of shares outstanding at end of period before dilution (000) | 17,188 | 17,085 | 17,188 | 17,085 | 17,188 | 17,085 |
| Number of shares outstanding at end of period after dilution (000) | 17,206 | 17,107 | 17,206 | 17,107 | 17,206 | 17,130 |
| Average number of shares outstanding before dilution (000) | 17,119 | 17,018 | 17,096 | 16,995 | 17,094 | 17,018 |
| Average number of shares outstanding after dilution (000) | 17,136 | 17,112 | 17,112 | 17,106 | 17,110 | 17,111 |

Shareholders

| As of 30 September 2016 | No. of shares | Votes and equity |
|--|-------------------|------------------|
| Staffan Salén and family through companies ¹ | 4,689,945 | 27.3% |
| Försäkringsaktiebolaget Avanza Pension | 3,186,699 | 18.5% |
| Investment AB Öresund | 1,722,759 | 10.0% |
| Veralda Investment Ltd | 1,032,705 | 6.0% |
| PSG Micro Cap | 410,261 | 2.4% |
| Patrik Salén and family through companies ^{1,2} | 374,000 | 2.2% |
| Jan Pettersson | 349,000 | 2.0% |
| Claes Ruthberg | 300,000 | 1.7% |
| Unionen | 300,000 | 1.7% |
| Danica pension | 284,017 | 1.7% |
| Total | 12,649,386 | 73.6% |
| Other | 4,538,189 | 26.4% |
| Total | 17,187,575 | 100% |

¹ Salénia AB ² Jippa Investment AB

The Ework share



Workforce

The average number of employees increased to 214 (185) excluding consultants employed on a project basis. The increase is due to higher sales, future-oriented initiatives and the new start-up in Poland.

Parent Company

The Parent Company's net sales for the third quarter were SEK 1,302 M (1,081). Profit before financial items was SEK 15.7 M (18.4) and profit after tax was SEK 13.2 M (14.4).

The Parent Company's net sales for the first three quarters were SEK 4,290 M (3,588). Profit before financial items was SEK 56.3 M (54.3) and profit after tax was SEK 45.3 M (42.0).

The Parent Company's equity at the end of the third quarter was SEK 105.2 M (96.1) and the equity/assets ratio was 6.5% (7.1).

Material 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. The Company is not aware of any new material business risks in the forthcoming six months. For a more detailed review of material risks and uncertainty factors, please refer to Ework's Annual Report.

Subsequent events

No significant events have occurred after the end of the reporting period.

Outlook

Ework is retaining its financial targets for the period 2016-2020, i.e. of achieving average annual sales growth of 20% and average earnings per share increasing by 20% per year. Essentially, Ework is retaining its judgement of the outlook for 2016 presented in the Year-end Report for 2015.

Ework judges that in future, a growing share of the workforce will operate as consultants. The market's long-term consolidation trend is expected to continue, and is expected to generate positive growth potential for Ework in the period 2016 to 2020.

Ework expects demand on the Nordic consulting market to remain strong in the remainder of 2016 and the consulting market as a whole to grow. This means that the number of new consultant assignments on the market will continue to increase. In addition, new outsourcing deals are anticipated. This trend is expected to generate positive business potential for Ework. Ework has a strong market position and a competitive offering. Accordingly, Ework is expected to continue to outgrow the underlying consulting market on existing geographical markets and in existing skills segments. This means that Ework has the potential to achieve good sales growth with corresponding profit performance in the full year 2016.

Zoran Covic, CEO

Stockholm, Sweden, 21 October 2016

The information disclosed in this Interim Report is mandatory for Ework Group AB (publ) to publish pursuant to the EU Market Abuse Regulation and the Swedish Securities Markets Act. This information will be submitted for publication at 8:00 a.m. (CET) on 21 October 2016 through the agency of the CEO.

EWORK IN THE PUBLIC SECTOR

Assisting Norway's most up-to-date public body

Being perceived as Norway's most up-to-date public body. In pursuit of this vision, the Norwegian State Educational Loan Fund (the Norwegian equivalent of Sweden's CSN) modernised all its IT structures and solutions. Step one was to develop digital services on a new platform for young, mobile students. Step two involved focusing on systems for internal collaboration and communication, including storing data on the cloud. Ework Norway has been delivering the right external competence for this project since spring 2016.

In recent years, the Norwegian State Educational Loan Fund's pioneering digital services development work has attracted attention.

The Fund started its IT initiative by producing a new solution platform for communicating with its end-customers, i.e. students.

"Our 1 million customers are young and 100% of them are mobile communication users. This means we have to offer solutions tailored accordingly. The outcome of our work on new digital solutions was successful—research demonstrates that our customers are very satisfied," re-ports Sigurd Eriksson, the Norwegian State Educational Loan Fund's IT Director.

Once this was complete, our next in step in 2015 was to focus on modernising our IT systems for internal collaboration and communication. Our aim was to streamline the management of information, while simultaneously making it more available. One stage in this process was becoming the first Norwegian public body to plan storing data on the cloud. This also involved extensive legal work.

“

There were some concerns that we would lose competence, but the opposite has been true.

Sigurd Eriksson, IT DIRECTOR OF THE NORWEGIAN STATE EDUCATIONAL LOAN FUND.

Partnering with Ework since spring 2016

The Norwegian State Educational Loan Fund is endeavouring to remain at the leading edge of IT progress—but only if this also results in greater cost-efficiency. Efficiency should also feature in all other parts of our business, such as consultant purchasing. The Fund's some 300 employees are continuously supported by some 25 consultants.

"Previously we had a raft of different providers, which was resource-intensive to administer. This got me thinking about the possibility of using a single provider like Ework, who could give us access to the whole consulting market, while also meaning we had just one counterparty. Good references from other clients persuaded us to adopt the solution after the customary tendering process," continues Sigurd.

"We signed our contract with Ework in April 2016."

"There were some concerns that we would lose competence, but the opposite has been true. We're also freeing up time by cutting the number of interviews. Now, Ework sends us two or three candidates that are all really qualified for the assignment, instead of as previously, meeting and interviewing a far greater number. Another bonus is that we avoid processing paper, and that I can now sign off contracts digitally on my mobile," he adds.

"We now hope to be able to inspire other people to think in new ways." ■

"The outcome of our work on new digital solutions was successful—research demonstrates that our customers are very satisfied," Sigurd Eriksson, IT Director of the Norwegian State Educational Loan Fund.



IMAGE: KRISTOFER SAMUELSSON

Consolidated Statement of Comprehensive Income

| SEK 000 | Not | July- September 2016 | July- September 2015 | January- September 2016 | January- September 2015 | Rolling 4 quarters Oct.'15 - Sep.'16 | Full year 2015 |
|--|-----|----------------------------|----------------------------|-------------------------------|-------------------------------|--|-------------------|
| Operating income | | | | | | | |
| Net sales | 1 | 1,646,169 | 1,316,388 | 5,265,312 | 4,348,340 | 7,006,051 | 6,089,079 |
| Work performed by the company for its own use and capitalized | | 1,948 | 0 | 6,448 | 0 | 6,448 | 0 |
| Other operating income | | 0 | 2 | 30 | 2 | 49 | 21 |
| Total operating income | | 1,648,117 | 1,316,390 | 5,271,790 | 4,348,342 | 7,012,548 | 6,089,100 |
| Operating costs | | | | | | | |
| Cost of consultants on assignment | | -1,571,069 | -1,251,837 | -5,023,434 | -4,140,509 | -6,682,144 | -5,799,219 |
| Other external costs | | -17,536 | -12,427 | -53,433 | -40,728 | -70,697 | -57,992 |
| Personnel costs | | -40,097 | -34,398 | -130,636 | -110,087 | -173,232 | -152,683 |
| Depreciation, amortisation and impairment of property, plant & equipment and intangible non-current assets | | -219 | -209 | -641 | -591 | -851 | -801 |
| Total operating costs | | -1,628,921 | -1,298,871 | -5,208,144 | -4,291,915 | -6,926,924 | -6,010,695 |
| Operating profit | | 19,196 | 17,519 | 63,646 | 56,427 | 85,624 | 78,405 |
| Profit/loss from financial items | | | | | | | |
| Net financial income/expense | | 605 | 33 | 1,148 | -25 | 626 | -547 |
| Profit after financial items | | 19,801 | 17,552 | 64,794 | 56,402 | 86,250 | 77,858 |
| Tax | | -4,574 | -2,932 | -15,278 | -11,787 | -21,682 | -18,191 |
| Profit for the period | | 15,227 | 14,620 | 49,516 | 44,615 | 64,568 | 59,667 |
| Other comprehensive income/costs | | | | | | | |
| <i>Items that have been reclassified, or are reclassifiable, to profit or loss</i> | | | | | | | |
| Translation differences on translation of foreign operations for the period | | 838 | 168 | 2,632 | -504 | 1,427 | -1,709 |
| Other comprehensive income/costs for the period | | 838 | 168 | 2,632 | -504 | 1,427 | -1,709 |
| Comprehensive income for the period | | 16,065 | 14,788 | 52,148 | 44,111 | 65,995 | 57,958 |
| Earnings per share | | | | | | | |
| before dilution (SEK) | | 0,89 | 0,86 | 2,90 | 2,61 | 3,76 | 3,49 |
| after dilution (SEK) | | 0,88 | 0,85 | 2,88 | 2,61 | 3,75 | 3,48 |
| <i>Number of shares outstanding at end of the reporting period:</i> | | | | | | | |
| before dilution (000) | | 17,188 | 17,085 | 17,188 | 17,085 | 17,188 | 17,085 |
| after dilution (000) | | 17,206 | 17,107 | 17,206 | 17,107 | 17,206 | 17,130 |
| <i>Average number of outstanding shares:</i> | | | | | | | |
| before dilution (000) | | 17,119 | 17,018 | 17,096 | 16,995 | 17,094 | 17,018 |
| after dilution (000) | | 17,136 | 17,112 | 17,112 | 17,106 | 17,110 | 17,111 |

Consolidated Statement of Financial Position

| SEK 000 | 30 September 2016 | 30 September 2015 | 31 December 2015 |
|---|----------------------|----------------------|---------------------|
| Assets | | | |
| Non-current assets | | | |
| Intangible non-current assets | 6,763 | 373 | 313 |
| Property, plant and equipment | 1,838 | 1,597 | 1,419 |
| Non-current receivables | 528 | 497 | 486 |
| Deferred tax asset | 218 | 3,115 | 1,358 |
| Total non-current assets | 9,347 | 5,582 | 3,576 |
| Current assets | | | |
| Accounts receivable—trade | 1,763,989 | 1,472,400 | 1,667,576 |
| Tax receivables | 0 | 5,701 | 0 |
| Prepaid expenses and accrued income | 24,434 | 14,332 | 12,479 |
| Other receivables | 15,740 | 8,665 | 18,734 |
| Cash and cash equivalents | 97,155 | 63,021 | 95,578 |
| Total current assets | 1,901,318 | 1,564,119 | 1,794,367 |
| Total assets | 1,910,665 | 1,569,701 | 1,797,943 |
| Equity and liabilities | | | |
| Equity | | | |
| Share capital | 2,234 | 2,221 | 2,221 |
| Other paid-up capital | 41,967 | 51,494 | 51,494 |
| Reserves | -3,397 | -4,824 | -6,029 |
| Retained earnings including profit for the period | 72,458 | 49,474 | 64,526 |
| Total equity | 113,262 | 98,365 | 112,212 |
| Non-current liabilities | | | |
| Non-current interest-bearing liabilities | 70,020 | 27,203 | 68,590 |
| Total non-current liabilities | 70,020 | 27,203 | 68,590 |
| Current liabilities | | | |
| Accounts payable—trade | 1,677,956 | 1,403,777 | 1,567,447 |
| Tax liabilities | 1,654 | 0 | 484 |
| Other liabilities | 26,302 | 21,530 | 24,301 |
| Accrued expenses and deferred income | 21,471 | 18,826 | 24,909 |
| Total current liabilities | 1,727,383 | 1,444,133 | 1,617,141 |
| Total equity and liabilities | 1,910,665 | 1,569,701 | 1,797,943 |

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. 2015 | 2,207 | 62,526 | -4,320 | 65,999 | 126,412 |
| Comprehensive income for the period | | | | | |
| Profit for the period | | | | 44,615 | 44,615 |
| Other comprehensive income/costs for the period | | | -504 | | -504 |
| Comprehensive income for the period | | | -504 | 44,615 | 44,111 |
| Transactions with the Group's shareholders | | | | | |
| Dividends | | -15,288 | | -61,140 | -76,428 |
| Warrants exercised by staff | 14 | 4,256 | | | 4,270 |
| Closing equity, 30 Sep. 2015 | 2,221 | 51,494 | -4,824 | 49,474 | 98,365 |
| Opening equity, 1 Oct. 2015 | 2,221 | 51,494 | -4,824 | 49,474 | 98,365 |
| Comprehensive income for the period | | | | | |
| Profit for the period | | | | 15,052 | 15,052 |
| Other comprehensive income/costs for the period | | | -1,205 | | -1,205 |
| Comprehensive income for the period | | | -1,205 | 15,052 | 13,847 |
| Closing equity, 31 Dec. 2015 | 2,221 | 51,494 | -6,029 | 64,526 | 112,212 |
| Opening equity, 1 Jan. 2016 | 2,221 | 51,494 | -6,029 | 64,526 | 112,212 |
| Comprehensive income for the period | | | | | |
| Profit for the period | | | | 49,516 | 49,516 |
| Other comprehensive income/costs for the period | | | 2,632 | | 2,632 |
| Comprehensive income for the period | | | 2,632 | 49,516 | 52,148 |
| Transactions with the Group's shareholders | | | | | |
| Dividends | | -13,942 | | -41,584 | -55,526 |
| Warrants exercised by staff | 13 | 4,415 | | | 4,428 |
| Closing equity, 30 Sep. 2016 | 2,234 | 41,967 | -3,397 | 72,458 | 113,262 |

Consolidated Statement of Cash Flows

| SEK 000 | July-September 2016 | July-September 2015 | January-September 2016 | January-September 2015 | Rolling 4 quarters Oct.'15 - Sep.'16 | Full year 2015 |
|--|---------------------|---------------------|------------------------|------------------------|--------------------------------------|----------------|
| Operating activities | | | | | | |
| Profit after financial items | 19,801 | 17,552 | 64,794 | 56,402 | 86,250 | 77,858 |
| Adjustment for items not included in cash flow | 219 | 209 | 641 | 591 | 851 | 801 |
| Income tax paid | -4,254 | -4,220 | -12,923 | -12,789 | -11,186 | -11,052 |
| Cash flow from operating activities before changes in working capital | 15,766 | 13,541 | 52,512 | 44,204 | 75,915 | 67,607 |
| Cash flow from changes in working capital | -112,081 | -13,888 | 4,913 | -125,067 | -26,084 | -156,064 |
| Increase (-)/Decrease (+) in operating receivables | 60,623 | 184,293 | -85,581 | -249,619 | -294,146 | -458,184 |
| Increase (+)/Decrease (-) in operating liabilities | -172,704 | -198,181 | 90,494 | 124,552 | 268,062 | 302,120 |
| Cash flow from operating activities | -96,315 | -347 | 57,425 | -80,863 | 49,831 | -88,457 |
| Investing activities | | | | | | |
| Acquisition of property, plant & equipment | -60 | -140 | -866 | -1,009 | -850 | -993 |
| Acquisition of intangible assets | -1,984 | 0 | -6,598 | -24 | -6,598 | -24 |
| Cash flow from investing activities | -2,044 | -140 | -7,464 | -1,033 | -7,448 | -1,017 |
| Financing activities | | | | | | |
| Warrants exercised | 4,428 | 4,270 | 4,428 | 4,270 | 4,428 | 4,270 |
| Dividend paid to Parent Company shareholders | 0 | 0 | -55,526 | -76,428 | -55,526 | -76,428 |
| Borrowings | 0 | 27,203 | 1,430 | 27,203 | 42,817 | 68,590 |
| Cash flow from financing activities | 4,428 | 31,473 | -49,668 | -44,955 | -8,281 | -3,568 |
| Cash flow for the period | -93,931 | 30,986 | 293 | -126,851 | 34,102 | -93,042 |
| Cash and cash equivalents at beginning of period | 191,357 | 32,333 | 95,578 | 190,506 | 63,021 | 190,506 |
| Exchange rate difference | -271 | -298 | 1,284 | -634 | 32 | -1,886 |
| Cash and cash equivalents at end of period | 97,155 | 63,021 | 97,155 | 63,021 | 97,155 | 95,578 |

Parent Company Income Statement

| SEK 000 | July-September 2016 | July-September 2015 | January-September 2016 | January-September 2015 | Rolling 4 quarters Oct.'15 - Sep.'16 | Full year 2015 |
|--|---------------------|---------------------|------------------------|------------------------|--------------------------------------|-------------------|
| Operating income | | | | | | |
| Net sales | 1,302,267 | 1,081,219 | 4,289,541 | 3,587,902 | 5,738,176 | 5,036,537 |
| Work performed by the company for its own use and capitalized | 1,948 | 0 | 6,448 | 0 | 6,448 | 0 |
| Other operating income | 3,366 | 3,041 | 10,442 | 9,237 | 12,781 | 11,576 |
| Total operating income | 1,307,581 | 1,084,260 | 4,306,431 | 3,597,139 | 5,757,405 | 5,048,113 |
| Operating costs | | | | | | |
| Cost of consultants on assignment | -1,247,347 | -1,030,629 | -4,106,172 | -3,424,844 | -5,489,964 | -4,808,636 |
| Other external costs | -14,773 | -9,921 | -44,953 | -34,086 | -59,663 | -48,796 |
| Personnel costs | -29,600 | -25,186 | -98,520 | -83,417 | -130,657 | -115,554 |
| Depreciation, amortisation and impairment of property, plant & equipment and intangible non-current assets | -161 | -161 | -481 | -467 | -642 | -628 |
| Total operating costs | -1,291,881 | -1,065,897 | -4,250,126 | -3,542,814 | -5,680,926 | -4,973,614 |
| Operating profit | 15,700 | 18,363 | 56,305 | 54,325 | 76,479 | 74,499 |
| Profit/loss from financial items | | | | | | |
| Other interest income and similar items | 1,360 | 106 | 2,447 | 25 | 2,628 | 206 |
| Interest expense and similar items | -120 | 0 | -390 | -309 | -1,515 | -1,434 |
| Profit after financial items | 16,940 | 18,469 | 58,362 | 54,041 | 77,592 | 73,271 |
| Tax | -3,760 | -4,110 | -13,035 | -12,081 | -17,380 | -16,426 |
| Profit for the period * | 13,180 | 14,359 | 45,327 | 41,960 | 60,212 | 56,845 |

* Profit for the period corresponds to comprehensive income for the period.

Parent Company Balance Sheet

| SEK 000 | 30 September 2016 | 30 September 2015 | 31 December 2015 |
|--|----------------------|----------------------|---------------------|
| Assets | | | |
| Non-current assets | | | |
| Intangible non-current assets | 6,763 | 372 | 313 |
| Property, plant and equipment | 1,000 | 944 | 832 |
| Financial non-current assets | | | |
| Other non-current receivables | 45 | 45 | 45 |
| Participations in Group companies | 22,084 | 20,972 | 22,072 |
| Total financial non-current assets | 22,129 | 21,017 | 22,117 |
| Total non-current assets | 29,892 | 22,333 | 23,262 |
| Current assets | | | |
| Accounts receivable—trade | 1,454,766 | 1,254,486 | 1,466,885 |
| Receivables from Group companies | 28,770 | 19,940 | 22,390 |
| Tax receivables | 0 | 4,566 | 0 |
| Other receivables | 502 | 421 | 5,952 |
| Prepaid expenses and accrued income | 11,599 | 7,135 | 6,922 |
| Cash and bank balances | 74,104 | 35,044 | 64,555 |
| Total current assets | 1,569,741 | 1,321,592 | 1,566,704 |
| Total assets | 1,599,633 | 1,343,925 | 1,589,966 |
| Equity and liabilities | | | |
| Equity | | | |
| Restricted equity | | | |
| Share capital (17,085,075 shares with par value of SEK 0.13) | 2,234 | 2,221 | 2,221 |
| Statutory reserve | 6,355 | 6,355 | 6,355 |
| Development fund | 6,448 | 0 | 0 |
| Total restricted equity | 15,037 | 8,576 | 8,576 |
| Non-restricted equity | | | |
| Share premium reserve | 51,296 | 45,535 | 45,535 |
| Retained earnings | -6,448 | 0 | 0 |
| Profit for the period | 45,327 | 41,960 | 56,845 |
| Total non-restricted equity | 90,175 | 87,495 | 102,380 |
| Total equity | 105,212 | 96,071 | 110,956 |
| Non-current liabilities | | | |
| Liabilities to credit institutions | 70,020 | 27,203 | 68,590 |
| Total non-current liabilities | 70,020 | 27,203 | 68,590 |
| Current liabilities | | | |
| Accounts payable—trade | 1,386,353 | 1,189,448 | 1,375,339 |
| Tax liabilities | 1,067 | 0 | 794 |
| Other liabilities | 23,279 | 19,578 | 20,098 |
| Accrued expenses and deferred income | 13,702 | 11,625 | 14,189 |
| Total current liabilities | 1,424,401 | 1,220,651 | 1,410,420 |
| Total equity and liabilities | 1,599,633 | 1,343,925 | 1,589,966 |

Accounting principles

The Interim Report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and the appropriate provisions of the Swedish

Annual Accounts Act. The Interim Re-port for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act. The same accounting principles and basis

of calculation have been applied as in the Annual Report for 2015. The operations in Poland are reported in the Sweden segment for the present.

Note 1 on the financial statements

The Group's operating segments

January-September 2016 compared to the corresponding period 2015

| SEK 000 | Sweden Jan-Sep | | Finland Jan-Sep | | Denmark Jan-Sep | | Norway Jan-Sep | | Total Jan-Sep | |
|--|----------------|---------------|-----------------|---------------|-----------------|--------------|----------------|-----------|---------------|---------------|
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| Income from clients | 4,314,916 | 3,588,452 | 276,426 | 245,275 | 338,557 | 256,584 | 335,413 | 258,029 | 5,265,312 | 4,348,340 |
| Profit per segment | 94,512 | 87,779 | 1,936 | 1,732 | 8,955 | 7,566 | 7,874 | 2,645 | 113,277 | 99,722 |
| Group-wide expenses | -39,608 | -34,707 | -3,372 | -3,398 | -3,737 | -2,573 | -2,914 | -2,617 | -49,631 | -43,295 |
| Operating profit/loss | 54,904 | 53,072 | -1,436 | -1,666 | 5,218 | 4,993 | 4,960 | 28 | 63,646 | 56,427 |
| Net financial items | - | - | - | - | - | - | - | - | 1,148 | -25 |
| Profit/loss for the period before tax | | | | | | | | | 64,794 | 56,402 |

Third quarter 2016 compared to the corresponding period 2015

| SEK 000 | Sweden Jan-Sep | | Finland Jan-Sep | | Denmark Jan-Sep | | Norway Jan-Sep | | Total Jan-Sep | |
|--|----------------|---------------|-----------------|-------------|-----------------|--------------|----------------|-------------|---------------|---------------|
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| Income from clients | 1,318,465 | 1,081,769 | 93,659 | 76,670 | 122,713 | 84,747 | 111,332 | 73,202 | 1,646,169 | 1,316,388 |
| Profit per segment | 27,849 | 27,953 | 256 | 152 | 3,977 | 2,696 | 2,305 | -104 | 34,387 | 30,697 |
| Group-wide expenses | -11,935 | -10,399 | -835 | -1,122 | -1,462 | -861 | -959 | -796 | -15,191 | -13,178 |
| Operating profit/loss | 15,914 | 17,554 | -579 | -970 | 2,515 | 1,835 | 1,346 | -900 | 19,196 | 17,519 |
| Net financial items | - | - | - | - | - | - | - | - | 605 | 33 |
| Profit/loss for the period before tax | | | | | | | | | 19,801 | 17,552 |

Auditor's report

To the Board of Directors of Ework Group AB (publ)

Corporate ID no. 556587-8708

Introduction

We have conducted a review of the Interim Report of Ework Group AB (publ) as of 30 September 2016, and the nine-month period that concluded on this date. The Board of Directors and CEO are responsible for the preparation and presentation of this Interim Report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on the Interim Report based on our review.

Focus and scope of review

We have conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is significantly limited in scope compared to the focus and scope of an audit conducted in accordance with the International Standards on Accounting (ISA) and generally accepted auditing standards in Sweden. The procedures performed in

a review do not allow us to obtain a level of assurance that would make us aware of all significant matters that might have been identified in an audit. Therefore, the conclusion expressed based on a review does not provide the same level of assurance as a conclusion expressed on the basis of an audit.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the Interim Report has not been prepared, in all material respects, for the group in accordance with IAS 34 and the Swedish Annual Accounts Act and for the parent company in accordance with the Annual Accounts Act.

Mattias Johansson
Authorised Public Accountant
KPMG AB

Stockholm, Sweden, 21 October 2016

Definitions

A number of measures and key indicators appearing in the Interim Report are defined below. Most should be considered generally accepted, and of such nature that they could be expected to be presented in this Interim Report to give a view of the Group's results of operations, profitability and financial position. Most measures and key indicators are directly reconcilable with the financial statements.

Consultants on assignment

The number of consultants working on active full or part-time assignments

Earnings per share

Profit after tax in relation to the number of shares.

Equity per share

Equity in relation to the number of shares outstanding before dilution at the end of the period.

Interest-bearing assets

Cash and cash equivalents.

Net interest-bearing assets

Cash and cash equivalents less non-interest-bearing liabilities

Operating margin, EBIT

Operating profit in relation to net sales.

Operating profit, EBIT

Operating profit

Order intake

Ordered net sales on new or extended consulting assignment contracts in the period.

Profit margin

Profit before tax in relation to net sales.

Quick ratio

Current assets in relation to current liabilities.

Return on equity

Profit after tax in relation to average equity.

Sales growth

Net sales for the period less net sales for the comparative period in relation to net sales for the comparative period.

Working capital

Current assets less current liabilities.

Ework Group is a market-leading, independent consultant provider active in northern Europe focusing on IT, telecom, technology and business development. With no consultants employed, Ework is able to match each assignment with appropriate competence from the whole market impartially. 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 160 leading corporations in most sectors, while simultaneously managing 6,000 consultants on assignment. Ework's headquarters are in Stockholm, Sweden. Ework's shares are quoted on Nasdaq Stockholm.

ework

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Reporting calendar

17 February 2017

Year-end Report 2016

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