

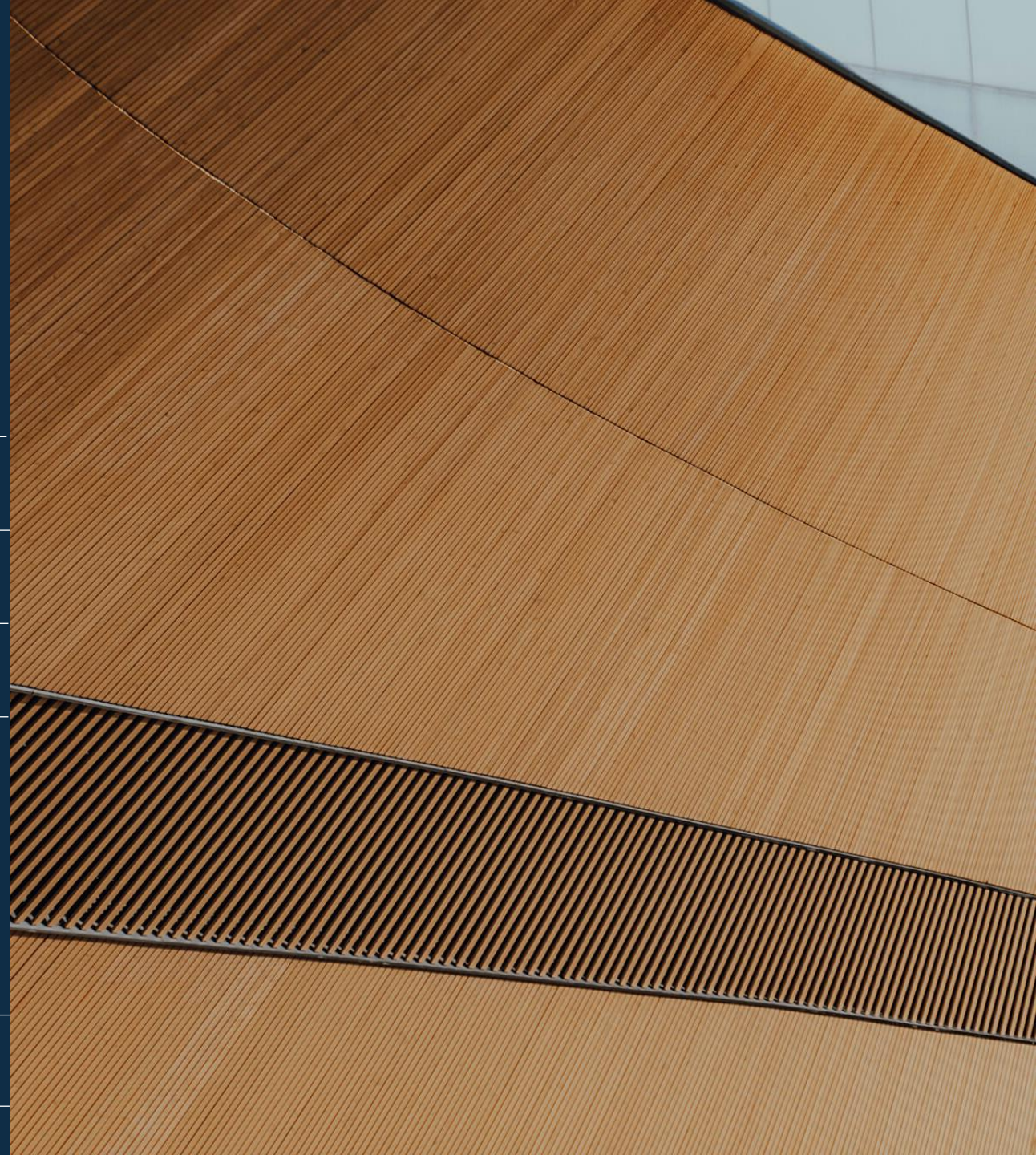
# EVLI

## FINANCIAL REVIEW 1–12/2022



EVLI PLC  
JANUARY 26, 2023

MAUNU LEHTIMÄKI, CEO  
JUHO MIKOLA, CFO



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# EVLI IN BRIEF



# AMBITION

"We want to be the forerunner in responsible wealth management in the Nordics, and in this way help our clients in managing their wealth to support a sustainable future"



# Evli in brief

We see wealth as an engine to drive progress. We draw on our heritage, broad expertise and Nordic values to grow and manage wealth for institutions, corporations and private persons in a responsible way.

Two client segments supported by  
Group Operations

Wealth Management  
and Investor Clients + Advisory and  
Corporate Clients

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FOUNDED IN

# 1985

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LISTED ON NASDAQ HELSINKI MAIN  
LIST

# 2015

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SALES IN NUMBER OF COUNTRIES

# 15

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ASSETS UNDER MANAGEMENT EUR  
(BILLION) SEPTEMBER 30, 2022

# 16.0

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FINLAND THIRD LARGEST FUND  
MANAGEMENT COMPANY

# 3

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EMPLOYEES

# ~300

02

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## STRATEGY HIGHLIGHTS

# 2022 Highlights — Year of transformation

## Financial Performance

Evli's profitability impacted by one-off items related to restructuring

Net revenue EUR 96.1 million  
(EUR 116.2 million)

Operating profit EUR 30.9 million  
(EUR 56.6 million)

Recurring revenue at 123% (135%)

## Strategy

Partial demerger of Evli Bank Plc

Combination of Evli and EAB finalized

Alternative sales positive

Continued growth within design and administration of incentive systems

## Market Environment

Markets stabilized towards end of year, uncertainty remains

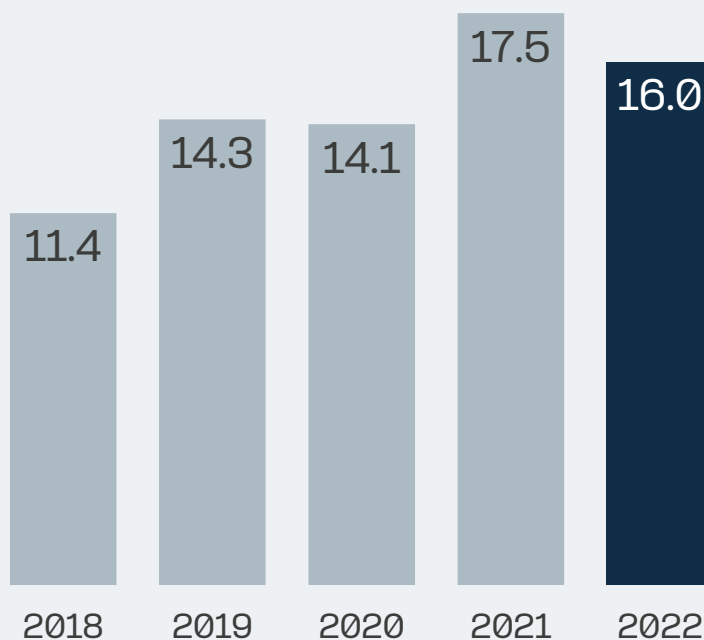
Persistently high core-inflation

Central banks tightening monetary policy

Elevated geopolitical risks due to Russian aggression

# Development of Assets under management

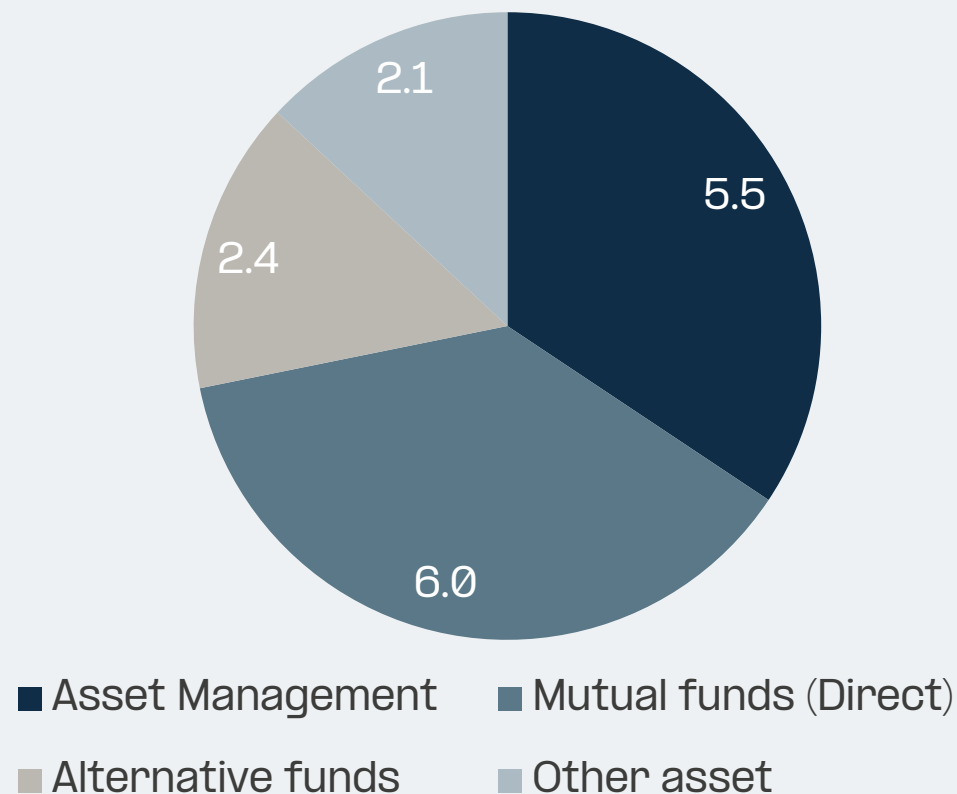
Development of Assets under management, (bn. €)



**8.9%**

compounded annual growth (CAGR)

Split of Assets under management 2022 (bn. €)



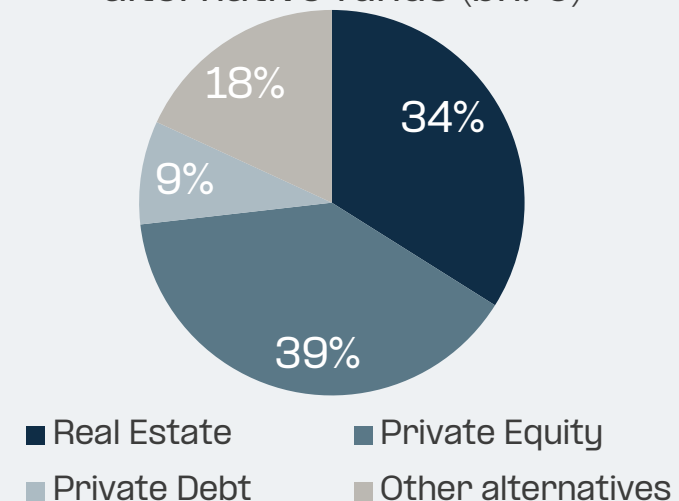


# Strategic Development – Alternative Products

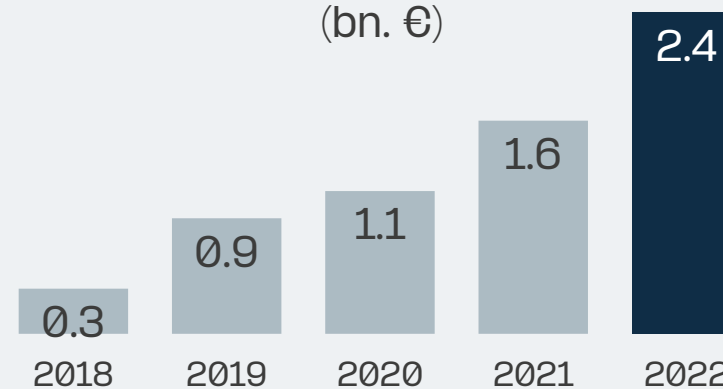
## Q4 Fundraising to alternatives EUR 120 million

- Evli Private Equity I and III raised EUR 61 million
- Evli Infrastructure II raised EUR 31 million
- Evli Leverage Loan raised EUR 5 million
- Evli Residential II raised EUR 5 million
- Other funds combined raised EUR 17 million

Assets under management in  
alternative funds (bn. €)



Development of Assets under  
management in alternative funds  
(bn. €)



# Strategic Development — International Sales



Netflows stabilized  
during H2

# Strategic Development

## – Advisory Services

Corporate Finance advisory fees decreased to EUR 5.8 million (EUR 11.7 million)

- Acted as advisor in 4 transactions during fourth quarter
- Signs of slowdown in client activity as uncertainty in the market remains
- Mandate base on a good level

Revenues from incentive systems increased to EUR 10.4 million (EUR 8.5 million)

- Revenue development driven by:
  - Increase in number of client companies
  - Cross-selling of design and administration
- Strategic drive to grow among non-listed and Swedish companies progressing well
- 130 Incentive plans under administration
- Advisor to about 160 companies in incentive planning
- Business expanded through EAB transaction to cover personnel funds.  
Evli now manages some 90 personnel funds encompassing some 105.000 participants

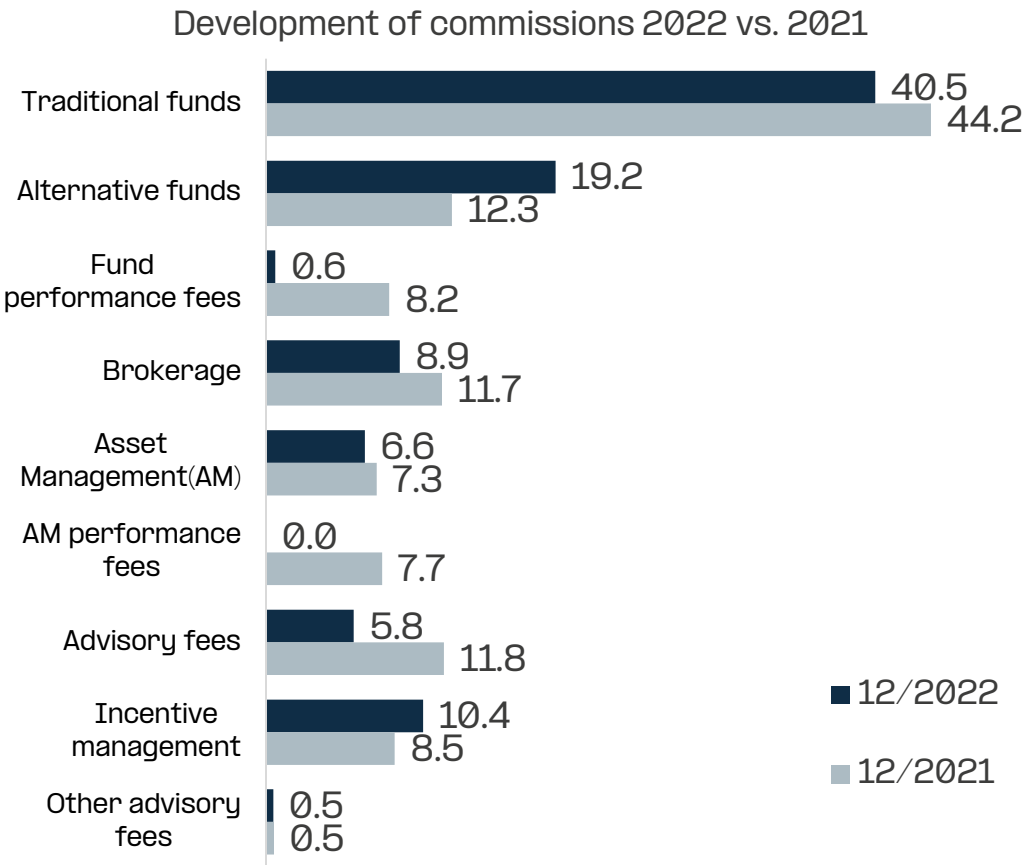
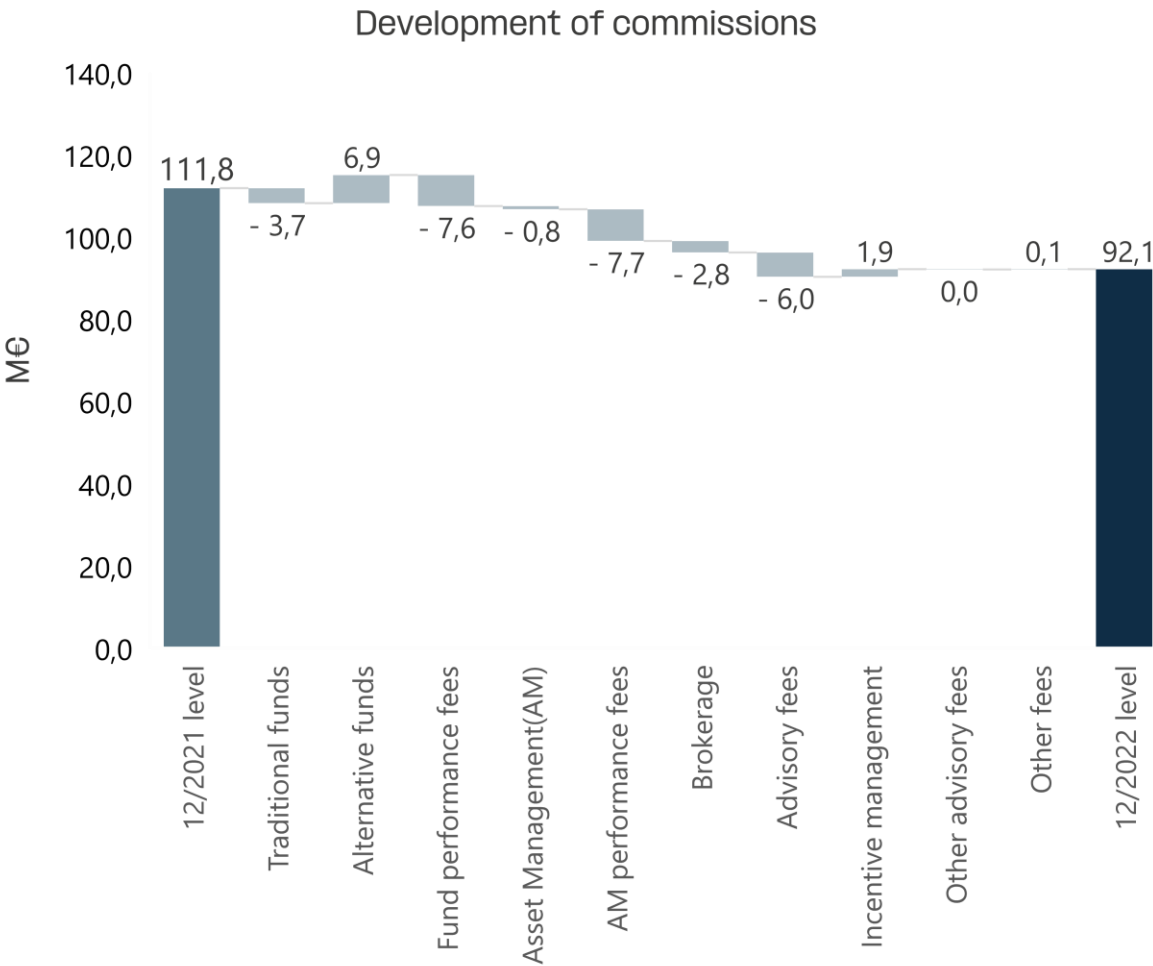


03

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## FINANCIAL HIGHLIGHTS

# Revenue Development

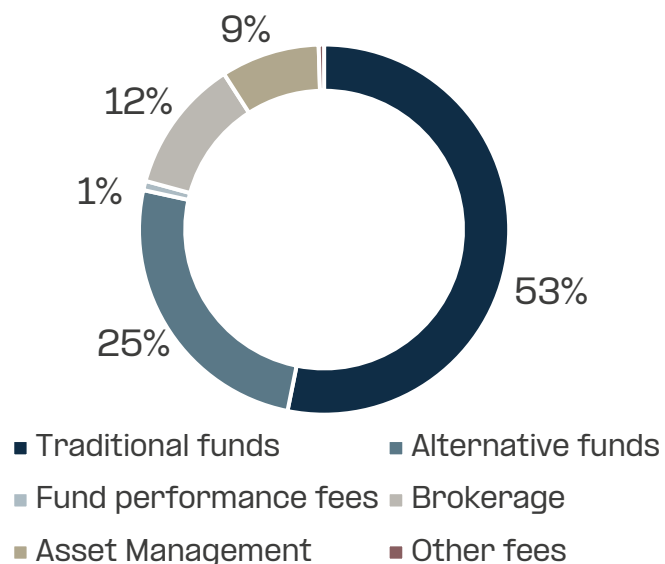


# Development of Operative Segments

## Wealth Management & Investor Clients

- Net revenues decreased to EUR 75.7 million (EUR 91.4 million)
- Operating profit decreased to EUR 27.4 million (EUR 44.8 million)

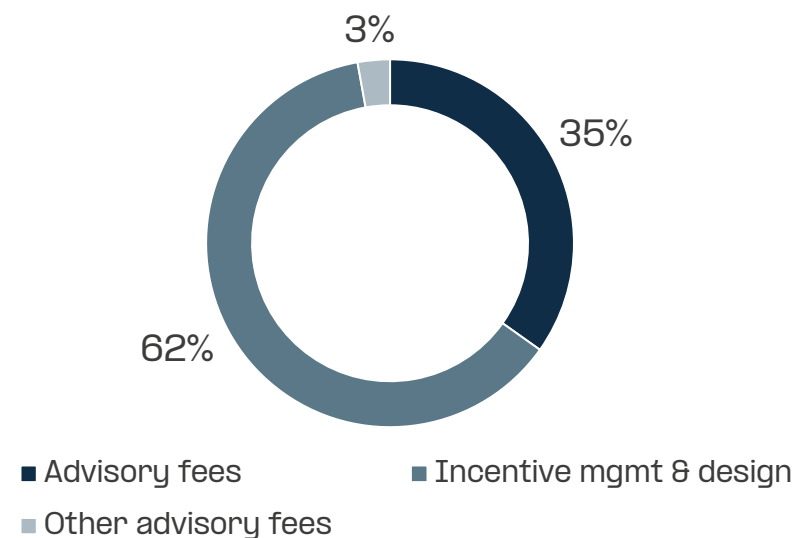
Split of Wealth Management fees  
1–12/2022



## Advisory & Corporate Clients

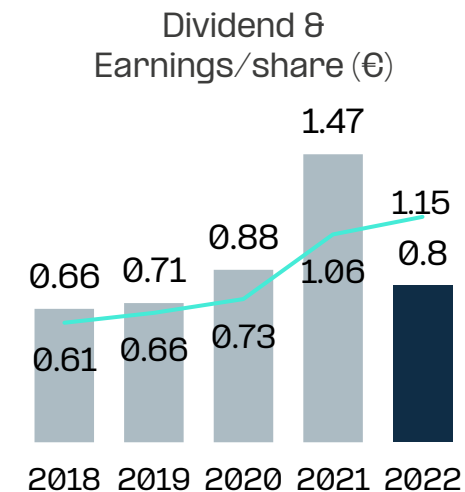
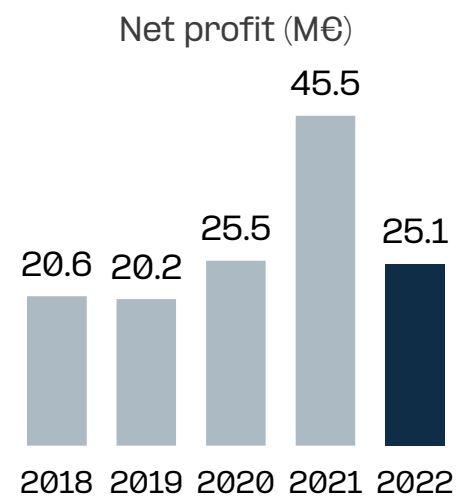
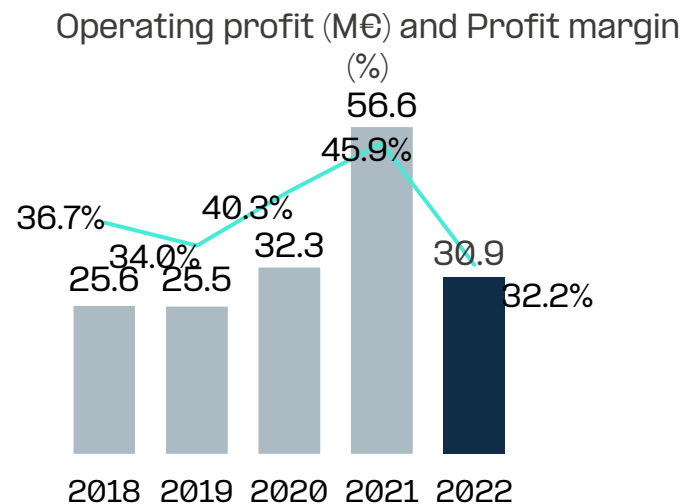
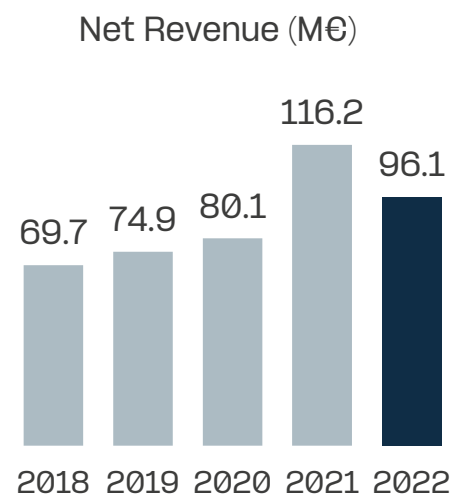
- Net revenues decreased to EUR 16.4 million (EUR 20.2 million)
- Operating profit decreased to EUR 4.2 million (EUR 7.4 million)

Split of advisory commissions  
1–12/2022





# Financial development 2018–2022



RETURN ON EQUITY  
(TARGET 25%)

20.4%

RECURRING REVENUE RATIO  
(TARGET 130%)

123%

ASSETS UNDER MANAGEMENT

16.0

NET COMMISSIONS

92.1

# Consolidated Comprehensive Income Statement

| M€  | 10-12/2022  | Carve-out<br>10-12/2021 | 1-12/2022    | Carve-out<br>1-12/2021 |
|---|-------------|-------------------------|--------------|------------------------|
| Fee and commission income                                       | 27.7        | 34.9                    | 95.4         | 114.4                  |
| Net income from securities transactions                         | 2.3         | 0.4                     | 3.7          | 3.7                    |
| Income from equity investments                                  | 0.0         | 0.0                     | 0.0          | 0.0                    |
| Interest income   | 0.9         | 0.3                     | 1.6          | 1.4                    |
| Other operating income  | 0.1         | 0.2                     | 0.1          | 0.2                    |
| <b>INCOME TOTAL</b>   | <b>31.0</b> | <b>35.8</b>             | <b>100.9</b> | <b>119.7</b>           |
| Fee and commission expenses                                     | -1.0        | -0.7                    | -3.3         | -2.7                   |
| Interest expenses   | -0.6        | 0.0                     | -1.5         | -0.8                   |
| <b>NET INCOME</b>   | <b>29.4</b> | <b>35.0</b>             | <b>96.1</b>  | <b>116.2</b>           |
| Administrative expenses   |             |                         |              |                        |
| Personnel expenses  | -15.0       | -10.3                   | -39.2        | -36.6                  |
| Other administrative expenses                                   | -6.9        | -6.3                    | -19.6        | -17.6                  |
| Depreciation and amortization on tangible and intangible assets | -1.5        | -1.1                    | -5.1         | -4.8                   |
| Other operating expenses  | -0.4        | -0.4                    | -0.8         | -1.3                   |
| Expected credit losses on loans and other receivables           | -0.7        | 0.0                     | -0.7         | 0.1                    |
| Share of profit or loss of associates                           | 0.0         | 0.1                     | 0.3          | 0.5                    |
| <b>OPERATING PROFIT/LOSS</b>                                    | <b>5.0</b>  | <b>17.0</b>             | <b>30.9</b>  | <b>56.6</b>            |
| Income taxes  | -0.7        | -3.7                    | -5.8         | -11.2                  |
| <b>PROFIT / LOSS FOR THE FINANCIAL YEAR</b>                     | <b>4.3</b>  | <b>13.3</b>             | <b>25.1</b>  | <b>45.5</b>            |
| Attributable to   |             |                         |              |                        |
| Minority interest   | 1.1         | 1.3                     | 4.3          | 6.7                    |
| Shareholders of parent company                                  | 3.2         | 12.0                    | 20.7         | 38.8                   |
| <b>PROFIT / LOSS FOR THE FINANCIAL YEAR</b>                     | <b>4.3</b>  | <b>13.3</b>             | <b>25.1</b>  | <b>45.5</b>            |

# Balance Sheet

| ASSETS, M€                                      |              |              | LIABILITIES, M€   |              |              |
|---|--------------|--------------|---|--------------|--------------|
|   | 31.12.2022   | 31.12.2021   |   | 31.12.2022   | 31.12.2021   |
| Cash and equivalents                            | 0.0          | 0.0          | Liabilities to credit institutions and central banks        | 0.0          | 8.6          |
| Claims on credit institutions                   | 115.4        | 47.8         | Debts to institutions                                       | 0.5          | —            |
| Claims on the public and public sector entities | 34.8         | 87.4         | Debt securities issued to the public                        | 106.3        | 91.0         |
| Debt securities                                 | 2.0          | 0.7          | Derivative contracts and other liabilities held for trading | 0.4          | 26.3         |
| Shares and participations                       | 41.3         | 49.6         | Other liabilities   | 81.6         | 105.4        |
| Derivative contracts                            | 0.4          | 26.4         | Accrued expenses and deferred income                        | 32.1         | 29.3         |
| Shares and participations in associates         | 5.7          | 4.0          | Direct income tax liability                                 | 2.1          | 5.5          |
| Intangible assets and goodwill                  | 49.6         | 13.8         | Deferred tax liabilities                                    | 0.0          | 0.0          |
| Property, plant and equipment                   | 1.1          | 1.2          | <b>TOTAL LIABILITIES</b>                                    | <b>223.2</b> | <b>266.1</b> |
| right-of-use assets                             | 12.9         | 7.6          | <b>EQUITY</b>   |              |              |
| Other assets                                    | 95.7         | 127.1        | Equity to holders of parent company                         | 138.7        | 96.9         |
| Accrued income and prepayments                  | 3.3          | 2.3          | Non-controlling interest in capital                         | 4.7          | 5.2          |
| Income Tax receivables                          | 1.0          | 0.1          | <b>TOTAL EQUITY</b>   | <b>366.6</b> | <b>368.3</b> |
| Deferred tax assets                             | 3.4          | 0.1          |   |              |              |
| <b>TOTAL ASSETS</b>                             | <b>366.6</b> | <b>368.3</b> |   |              |              |



04

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## FOCUS & OUTLOOK

# Focus for 2023

## 1. Operational efficiency

- One Evli (finalizing integration of EAB)
- Fine tuning of processes
- System upgrades and improvements

## 2. Customer acquisition and cross sales

- Domestic HNWI, Institutional and Corporates
- Nordic and Europe

## 3. Fund sales

- Continued alternative growth
- Fixed income and value back in vogue





# Outlook for 2023

## CURRENT YEAR TARGET:

Evli has managed to strengthen its market position as a result of the corporate transactions made during 2022. With synergies from the arrangements and the non-recurring costs allocated to 2022, we expect the operating result to be well above the comparison period (EUR 30.9 million in 2022).

## LONG TERM TARGETS:

- Significant growth of AUM (EUR 30 billion) over the long-term
- EBIT margin of 30%
- High return on equity (25%)
- Recurring revenue ratio in excess of 130%.



# EVLI

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# THANK YOU

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[IR@EVLI.COM](mailto:IR@EVLI.COM)

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# EVLI



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[evli.com](https://evli.com)



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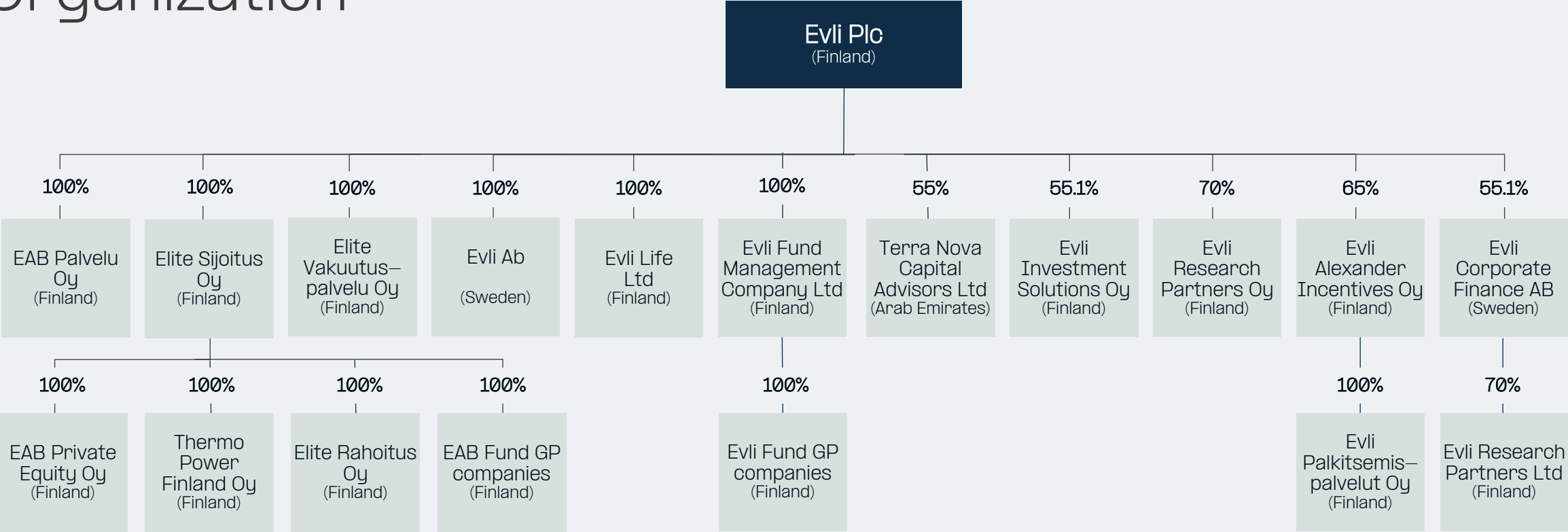
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# APPENDICES

# Organization



Group associated companies

| COMPANY                      | COUNTRY | OWNER-SHIP |
|------------------------------|---------|------------|
| Northern Horizon Capital A/S | Denmark | 50%        |
| Ahti Invest Oy               | Finland | 30%        |

# Executive Group



Maunu Lehtimäki

CEO  
M.SC. (ECON.)  
JOINED EVLI IN 1996



Mari Etholén

HR AND LEGAL AFFAIRS  
LLM  
JOINED EVLI IN 2001



Panu Jousimies

EXECUTION &  
OPERATIONS  
M.SC. (ECON.)  
JOINED EVLI IN 1997



Kim Pessala

INSTITUTIONAL  
CLIENTS  
M.SC. (ECON.)  
JOINED EVLI IN 1995



Juho Mikola

CFO,  
DEPUTY TO THE CEO  
M.SC. (ECON.)  
JOINED EVLI IN 2004



Esa Pensala

PRIVATE CLIENTS  
M.SC. (TECH.)  
JOINED EVLI IN 2001



Mikael Thunved

CORPORATE FINANCE  
B.SC. (ECON.)  
JOINED EVLI IN 2002

# Board of Directors 1/2



Henrik Andersin

CHAIRMAN OF THE BOARD OF  
DIRECTORS  
BORN 1960

- Member of the Board of Directors of Evli Plc since April 2, 2022 (Evli Bank Plc 1985–April 1, 2022 (excluding 2002–2006))
- Chairman of the Board of Directors of Oy Scripo Ab
- Not independent of the company and of significant shareholders.



Fredrik Hacklin

MEMBER OF THE BOARD OF  
DIRECTORS  
BORN 1978

- Member of the Board of Directors of Evli Plc since April 2, 2022 (Evli Bank Plc 2019–April 1, 2022)
- Professor, Director and Member of Executive Committee at ZHAW School of Management and Law, Zurich. Associate professor at ETH Zurich
- Independent of the company and of significant shareholders.



Sari Helander

MEMBER OF THE BOARD OF  
DIRECTORS  
BORN 1967

- Member of the Board of Directors of Evli Plc since April 2, 2022 (Evli Bank Plc 2019–April 1, 2022)
- CFO, Ramirent Group
- Member of the Boards of Directors of Enersense International Plc and Netum Group Plc
- Independent of the company and of significant shareholders.



# Board of Directors 2/2



Robert Ingman

MEMBER OF THE BOARD OF  
DIRECTORS  
BORN 1961

- Member of the Board of Directors of Evli Plc since April 2, 2022 (Evli Bank Plc 2010–April 1, 2022)
- Chairman of the Boards of Directors of Ingman Group Oy Ab, Ingman Finance Oy Ab, Ingman Development Oy Ab, Digia Oyj, Etteplan Oy, Halti Oy and Qt Group Ltd
- Independent of the company.



Antti Kuljukka

MEMBER OF THE BOARD OF  
DIRECTORS  
BORN 1961

- Member of the Board of Directors of Evli Plc since April 2, 2022
- CEO, Fennia Group
- Member of the Boards of Directors of Finnish Figure Skating Association, Elo Mutual Pension Insurance Company, Turvallisuuden tukisäätiö, Jääkärisäätiö and Finance Finland. Vice-Chairman of the delegation of the Finnish Orienteering Federation
- Independent of the company and of significant shareholders



Teuvo Salminen

MEMBER OF THE BOARD OF  
DIRECTORS  
BORN 1954

- Member of the Board of Directors of Evli Plc since April 2, 2022 (Evli Bank Plc 2010–April 1, 2022)
- Chairman of the Board of Directors of Glaston Oyj and T2H Oy
- Member of the Boards of Directors of Cargotec Oyj and 3Step It Group Oy
- Independent of the company and of significant shareholders.