

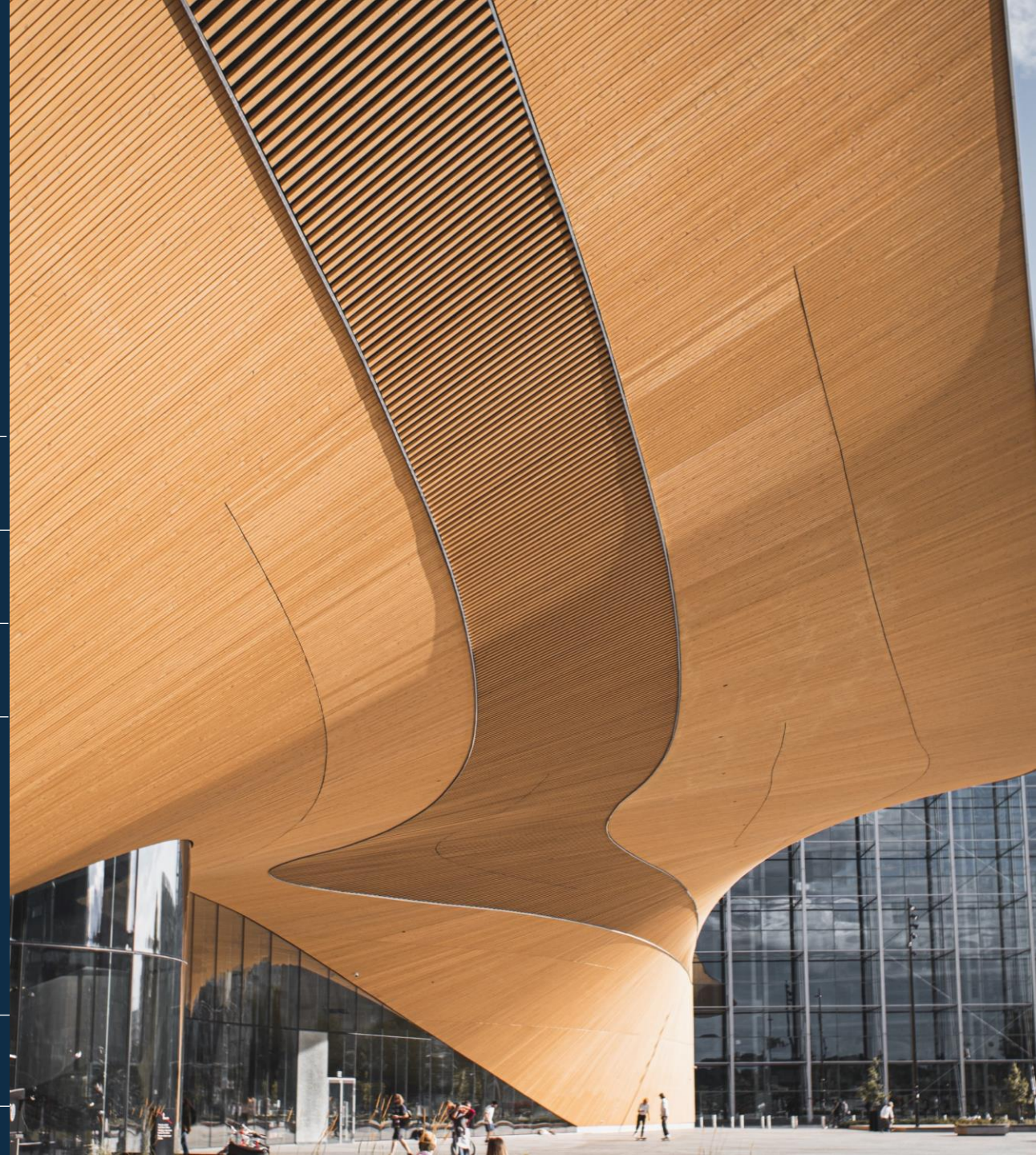
# EVLI

## FINANCIAL REVIEW 1–9/2022



EVLI PLC  
OCTOBER 20, 2022

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

14.4

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FINLAND FOURTH LARGEST FUND  
MANAGEMENT COMPANY

4

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EMPLOYEES

250+

02

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## STRATEGY HIGHLIGHTS

# Q3/2022 Highlights – Market taking its toll

## Financial Performance

Evli's business developed in line with the weak performance of the capital markets

Operating income  
EUR 66.7 million  
(EUR 81.2 million)

Operating profit  
EUR 25.8 million  
(EUR 39.7 million)

Recurring revenue  
at 134% (141%)

## Strategy

Combination of Evli and EAB proceeding according to plan. Merger finalized on October 1, 2022.

Alternative sales positive

Continued growth within design and administration of incentive systems

## Market Environment

Negative development in capital markets with high volatility

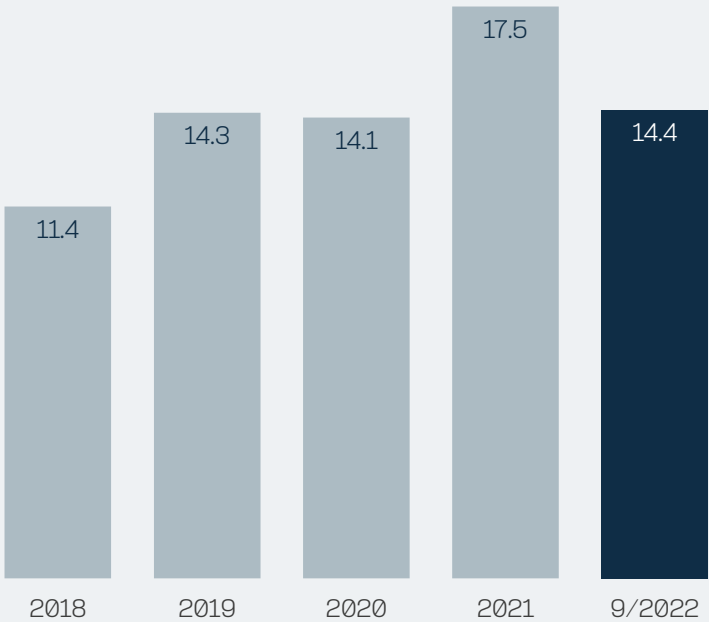
Spiking inflation

Central banks tightening monetary policy

Increasing geopolitical risks following Russia's attack against Ukraine

# Development of Assets under management

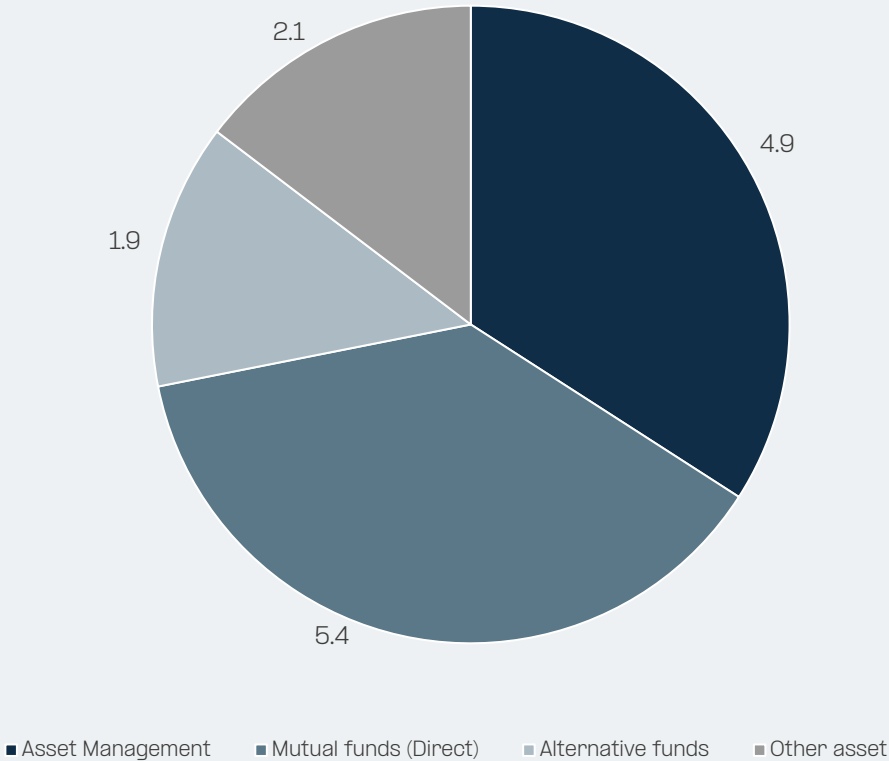
Development of Assets under management, (bn. €)



6.4%

compounded annual growth (CAGR)

Assets under management (bn. €)

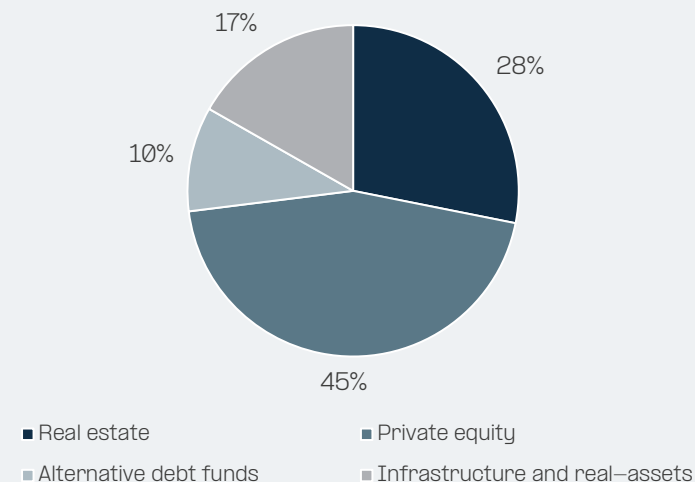


# Strategic Development – Alternative Products

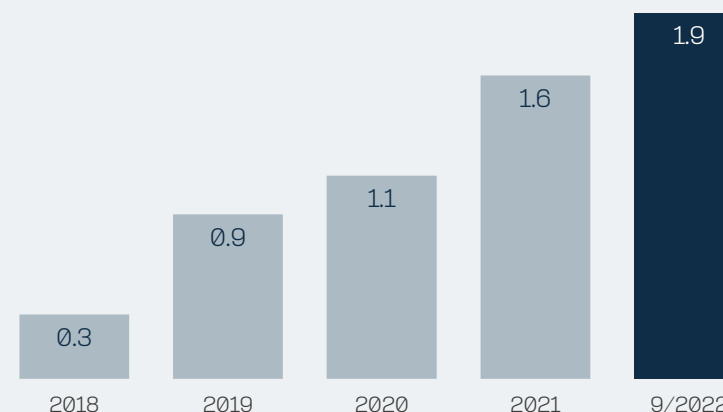
## Q3 Fundraising to alternatives EUR 111 million

- Evli Private Equity I and III raised EUR 36 million
- Evli Infrastructure II first close raised EUR 72 million
- In addition, EUR 4 million was raised to other alternative funds

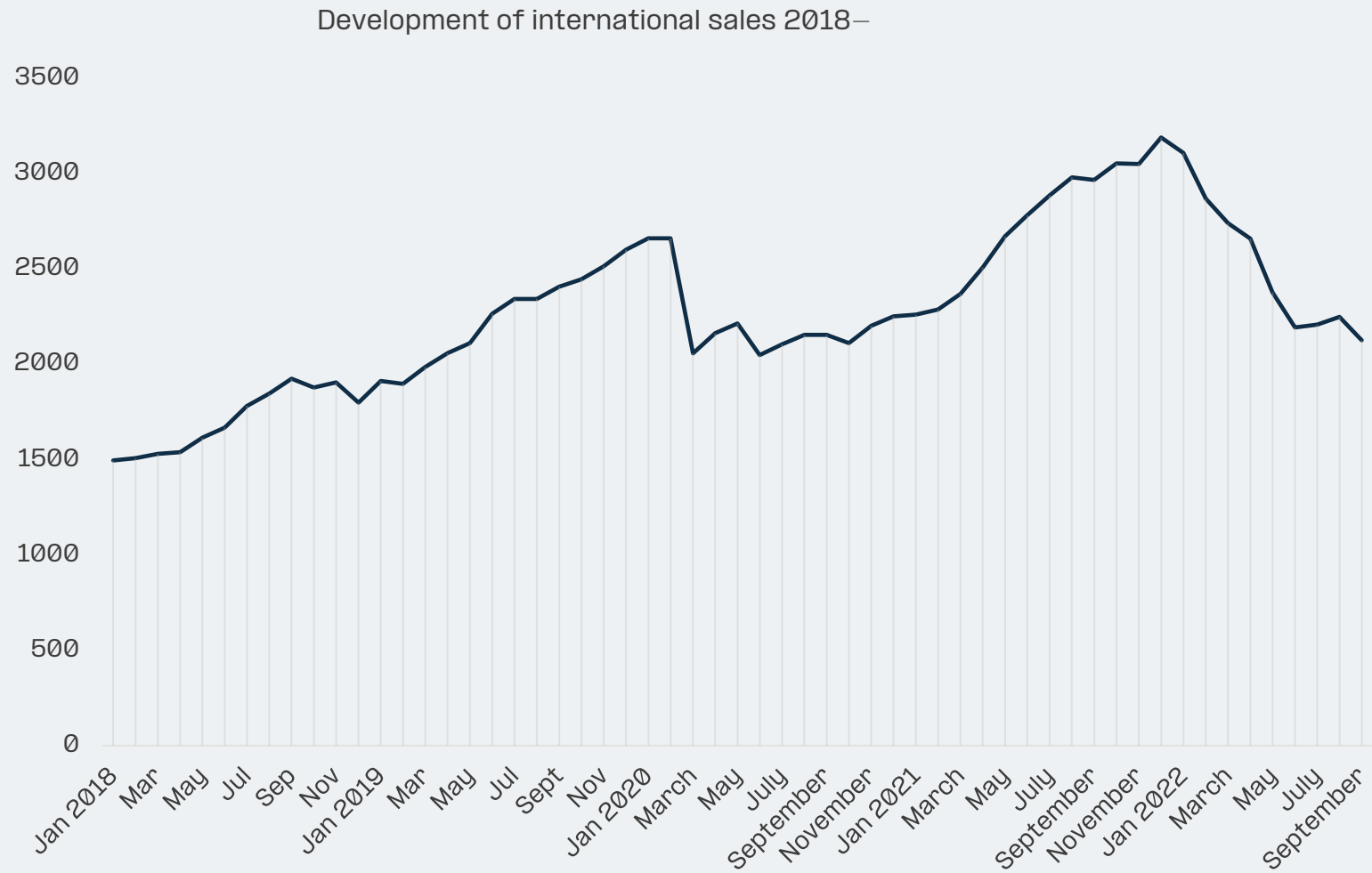
Alternative assets under management



Assets under management in alternative funds (bn. €)



# Strategic Development — International Sales



– Current market situation has affected international clients significantly resulting in net redemptions

# Strategic Development

## – Advisory Services

### – Corporate Finance advisory fees decreased to EUR 3.8 million (EUR 9.0 million)

- Acted as advisor in 5 transactions during third quarter
- Signs of slowdown in client activity as uncertainty in the market remains
- Mandate base on a good level

### – Revenues from design and administration of incentive systems increased to EUR 7.2 million (EUR 5.8 million)

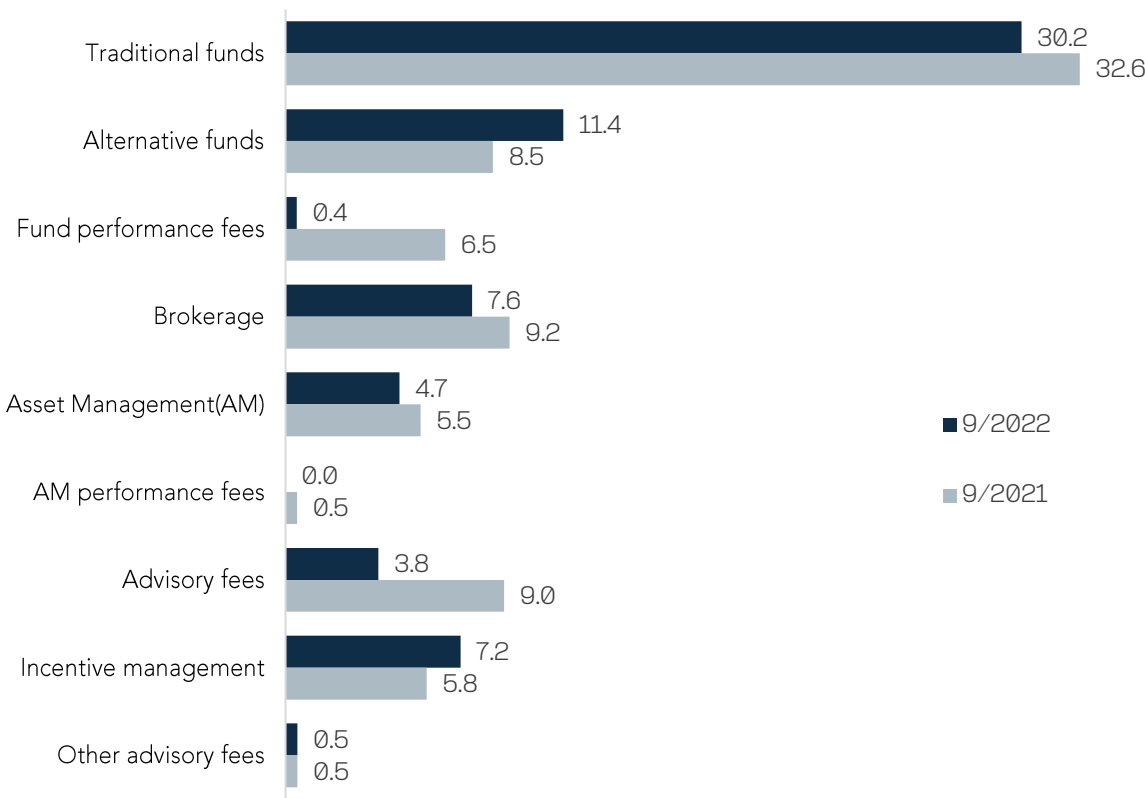
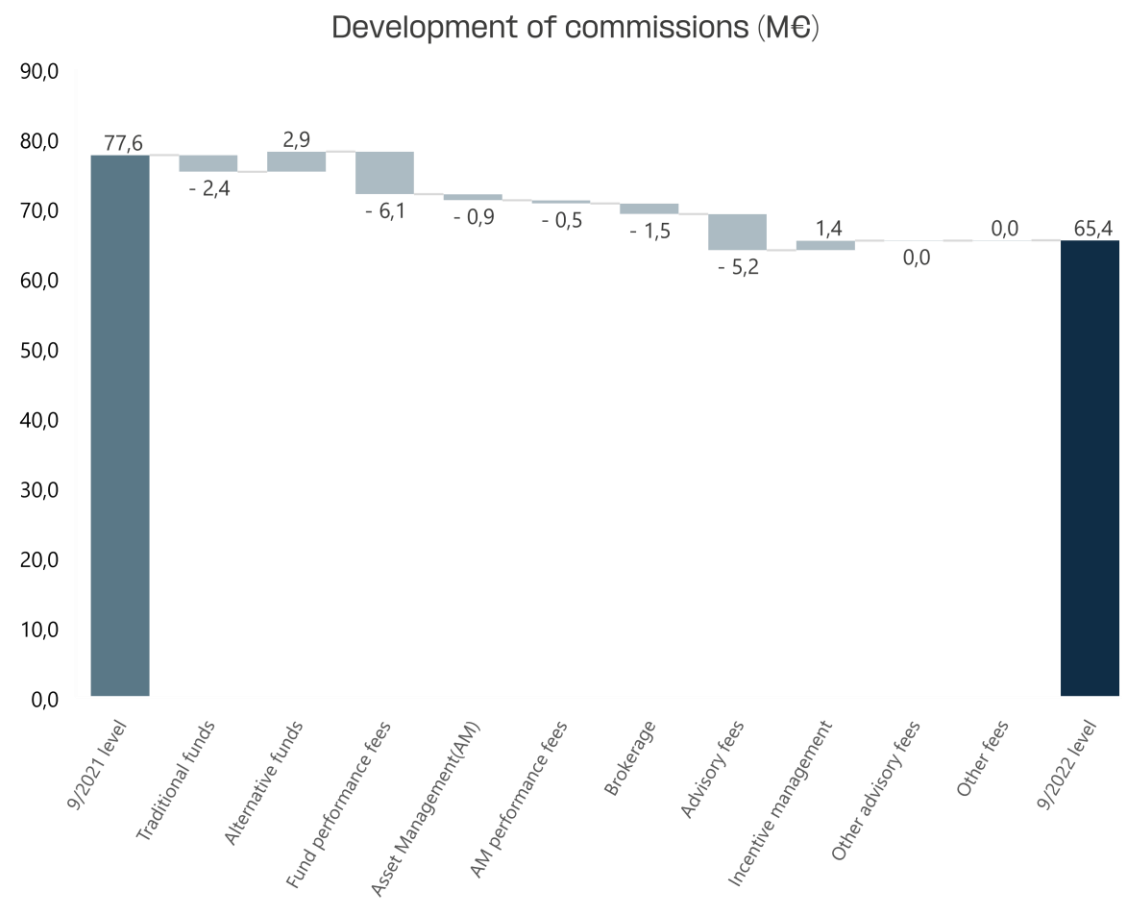
- Revenue development driven by an increase in the number of client companies and cross-selling of design and administration
- Strategic drive to grow among non-listed and Swedish companies progressing well
- 130 Incentive plans under administration
- Advisor to about 160 companies in incentive planning

03

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## FINANCIAL HIGHLIGHTS

# Revenue Development

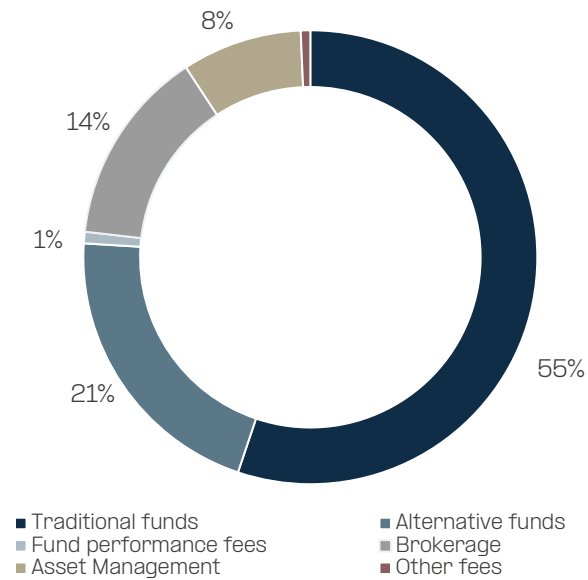


# Development of Operative Segments

## Wealth Management & Investor Clients

- Net revenues decreased to EUR 53.9 million (EUR 62.8 million)
- Operating profit decreased to EUR 22.3 million (EUR 29.8 million)

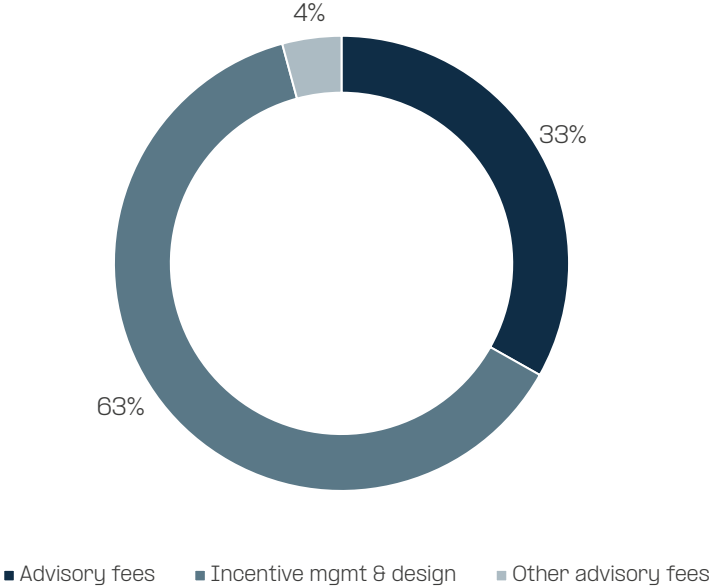
Split of Wealth Management fees 1–9/2022



## Advisory & Corporate Clients

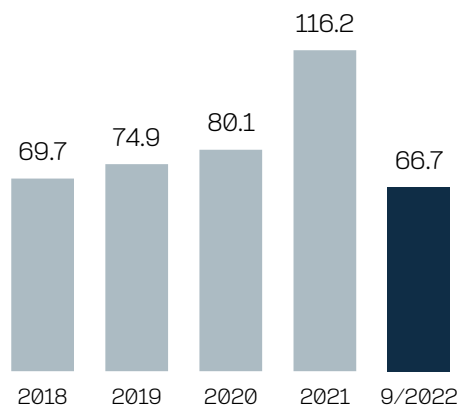
- Net revenues decreased to EUR 11.5 million (EUR 14.8 million)
- Operating profit decreased to EUR 2.8 million (EUR 6.5 million)

Split of advisory commissions 1–9/2022

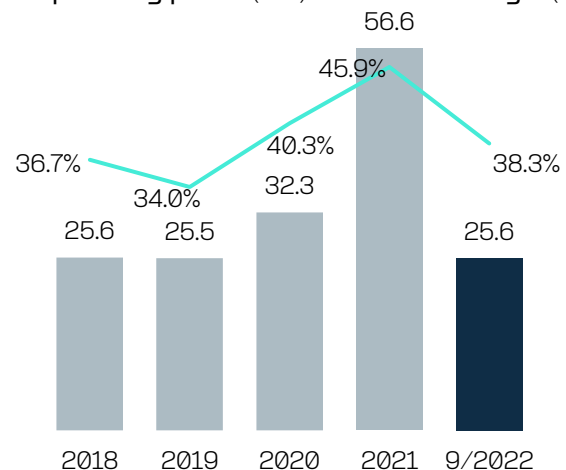


# Financial development 2018–Q3/2022

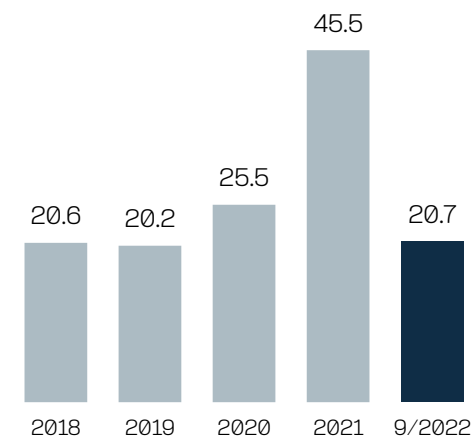
Net Revenue (M€)



Operating profit (M€) and Profit margin (%)



Net profit (M€)



RETURN ON EQUITY  
(TARGET >15%)

27.3%

RECURRING REVENUE RATIO  
(TARGET >100%)

134%

ASSETS UNDER MANAGEMENT

14.4

NET COMMISSIONS

65.4

# Consolidated Comprehensive Income Statement

M€	7-9/2022	7-9/2021	1-9/2022	1-9/2021	1-12/2021
Fee and commission income	20.5	24.3	67.7	79.6	114.4
Net income from securities transactions	0.6	1.5	1.3	3.3	3.7
Income from equity investments	0.1	0.0	0.0	0.0	0.0
Interest income	0.3	0.3	0.7	1.0	1.4
Other operating income	0.0	0.0	0.1	0.0	0.2
<b>INCOME TOTAL</b>	<b>21.6</b>	<b>26.1</b>	<b>69.9</b>	<b>84.0</b>	<b>119.7</b>
Fee and commission expenses	-0.7	-0.6	-2.3	-2.0	-2.7
Interest expenses	-0.3	-0.2	-0.9	-0.7	-0.8
<b>NET INCOME</b>	<b>20.5</b>	<b>25.4</b>	<b>66.7</b>	<b>81.2</b>	<b>116.2</b>
Administrative expenses					
Personnel expenses	-7.7	-7.3	-24.2	-26.3	-36.6
Other administrative expenses	-3.9	-3.6	-12.7	-11.2	-17.6
Impairment charges on goodwill	0.0	0.0	0.0	0.0	0.0
Depreciation and amortization on tangible and intangible assets	-1.2	-1.3	-3.7	-3.7	-4.8
Other operating expenses	-0.1	0.0	-0.5	-0.8	-1.3
Expected credit losses on loans and other receivables	0.0	0.0	0.0	0.0	0.1
Share of profit or loss of associates	0.2	0.2	0.3	0.5	0.5
<b>OPERATING PROFIT/LOSS</b>	<b>7.8</b>	<b>13.3</b>	<b>25.8</b>	<b>39.7</b>	<b>56.6</b>
Income taxes	-1.1	-1.9	-5.1	-7.5	-11.2
<b>PROFIT / LOSS FOR THE FINANCIAL YEAR</b>	<b>6.7</b>	<b>11.4</b>	<b>20.7</b>	<b>32.2</b>	<b>45.5</b>
Attributable to					
Minority interest	1.4	1.0	3.2	5.4	6.7
Shareholders of parent company	5.3	10.4	17.5	26.8	38.8
<b>PROFIT / LOSS FOR THE FINANCIAL YEAR</b>	<b>6.7</b>	<b>11.4</b>	<b>20.7</b>	<b>32.2</b>	<b>45.5</b>

# Balance Sheet

ASSETS, M€	30.9.2022	30.9.2021	LIABILITIES, M€	30.9.2022	30.9.2021
Cash and equivalents	0.0	0.0	Liabilities to credit institutions and central banks	0.0	62.5
Claims on credit institutions	126.2	43.5	Debt securities issued to the public	103.3	91.1
Claims on the public and public sector entities	38.4	107.8	Derivative contracts and other liabilities held for trading	0.3	17.1
Debt securities	0.0	0.7	Other liabilities	88.2	127.7
Shares and participations	30.7	58.8	Accrued expenses and deferred income	23.9	25.2
Derivative contracts	0.3	17.3	direct income tax liability	5.0	5.0
Shares and participations in associates	4.1	3.0	Deferred tax liabilities	0.0	0.0
Intangible assets and goodwill	13.0	14.2	<b>TOTAL LIABILITIES</b>	<b>220.7</b>	<b>328.6</b>
Property, plant and equipment	1.1	1.2	<b>EQUITY</b>		
right-of-use assets	6.1	8.0	Equity to holders of parent company	96.6	102.4
Other assets	98.4	178.9	Non-controlling interest in capital	4.1	5.7
Accrued income and prepayments	1.5	1.5	<b>TOTAL EQUITY</b>	<b>100.7</b>	<b>108.1</b>
Income Tax receivables	0.7	1.6			
Deferred tax assets	1.1	0.1			
<b>TOTAL ASSETS</b>	<b>321.4</b>	<b>436.7</b>			

04

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## FOCUS & OUTLOOK

# Focus for the remaining year

## 1. Integration with EAB Group

- Clients
- Personnel (change negotiations)
- Processes

## 2. Scale alternative products

- Currently open
- New vintages
- Nordic sales

## 3. Opportunities for fund sales

- Fixed income funds (in current environment)



# Outlook for 2022

## CURRENT YEAR TARGET:

Despite increased risks, we expect result for 2022 to be at a good level.

## 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



Evli (in Finnish)  
Evli Fund Management Company (in English)



Evli (in Finnish)  
Evli Fund Management Company (in English)



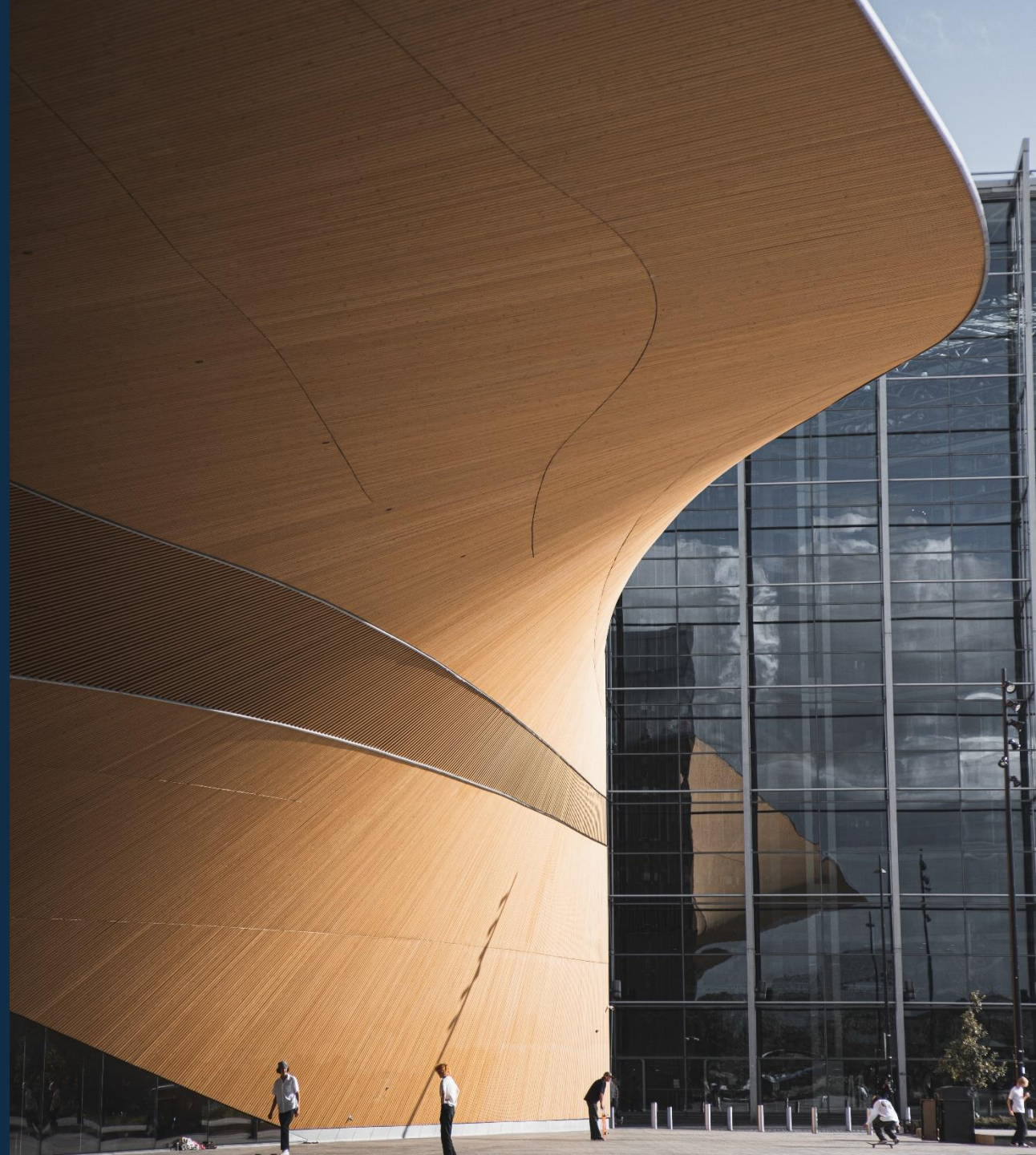
Evli (in Finnish)  
Evli Fund Management Company (in English)



evli.ouj (in Finnish)



evli.com



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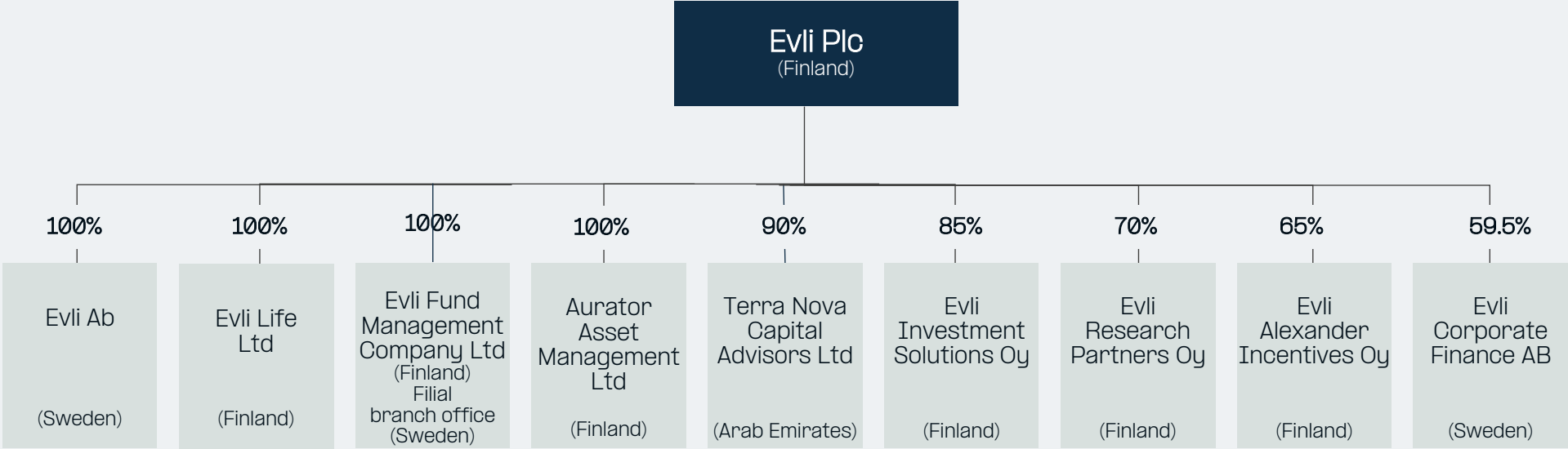
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# APPENDICES

# Organization



Group associated companies

COMPANY	COUNTRY	OWNER-SHIP
Northern Horizon Capital A/S	Denmark	50%

# 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.