



HALF YEAR FINANCIAL REPORT 1-6/2022



EVLI
PLC

MAUNU LEHTIMÄKI, CEO
JUHO MIKOLA, CFO
July 15, 2022



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”

FINLAND'S LEADING ASSET MANAGER

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

Founded in
1985

Listed on Nasdaq
Helsinki main list since
2015

Sales in
15
countries*

Assets Under
Management EUR
14.5
billion**

Finland's
4th
largest fund
management company

Personnel
~250

STRATEGY HIGHLIGHTS

1-6/2022 HIGHLIGHTS – A DIFFICULT MARKET ENVIRONMENT

FINANCIAL PERFORMANCE

- Evli's business developed in line with the weak performance of the capital markets
- Operating income EUR 46.2 million (EUR 55.8 million)
- Operating profit EUR 18.1 million (EUR 26.4 million)
- Recurring revenue at 131% (132%)

STRATEGY

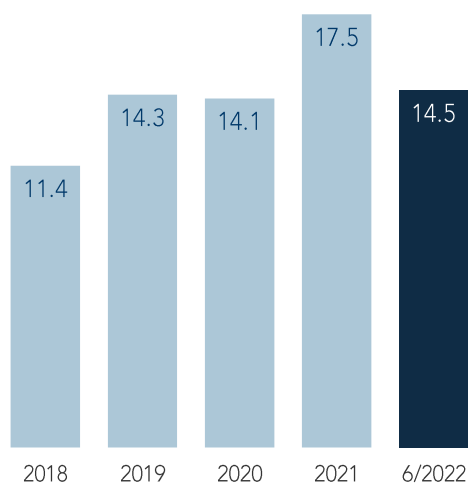
- Combination of Evli and EAB proceeding according to plan
- Sales of alternative investment products positive
- Continued growth within design and administration of incentive systems

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

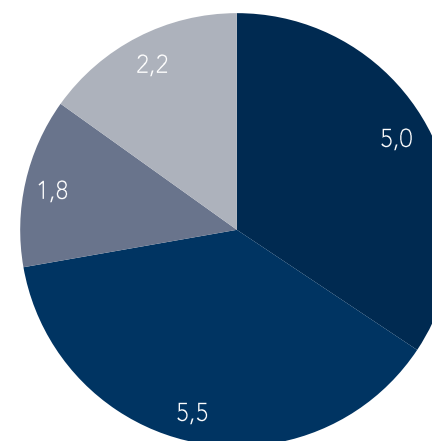
DEVELOPMENT OF ASSETS UNDER MANAGEMENT

Development of assets under management, (bn. €)



7.0%
compounded annual
growth (CAGR)

Assets under management (bn. €)



- Assets under management (bn. €)
- Discretionary asset management
- Mutual funds
- Alternative investment funds

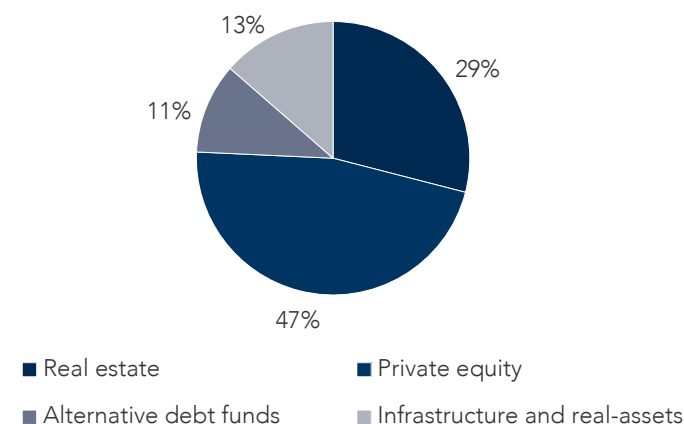
STRATEGIC DEVELOPMENT

- ALTERNATIVE PRODUCTS

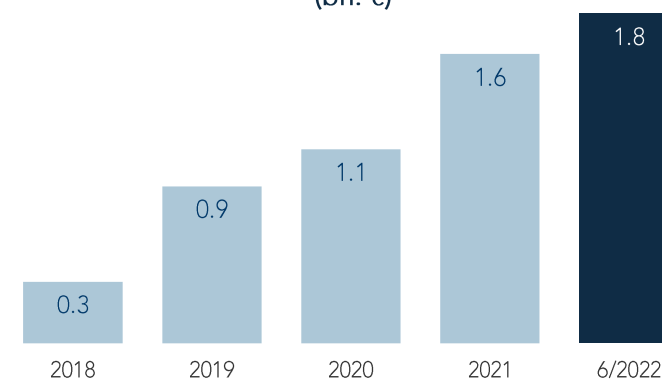
Q2 Fundraising to alternatives EUR 76 million

- Evli Private Equity I and III raised EUR 33 million
- Evli Private Debt Fund I raised EUR 16 million
- Evli Growth Partners II raised EUR 4 million
- Evli Leverage Loan raised EUR 4 million
- Evli Residential II raised EUR 9 million
- Evli Rental Yield raised EUR 10 million

Alternative assets under management



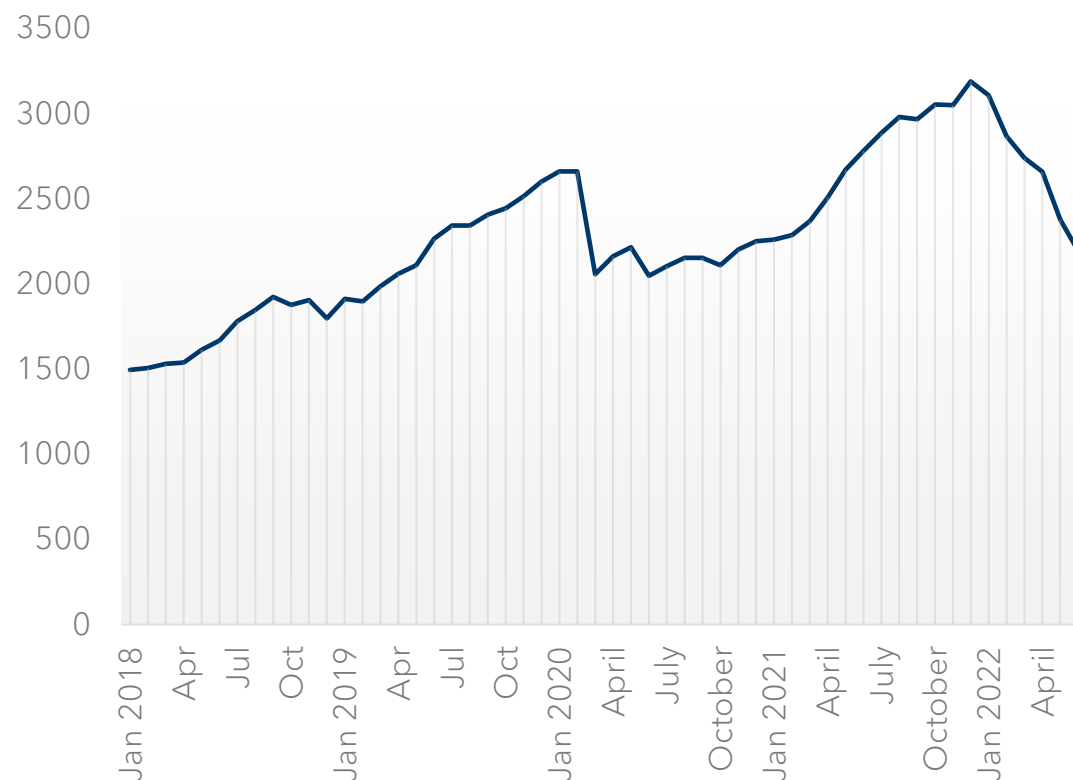
Assets under management in alternative funds (bn. €)



STRATEGIC DEVELOPMENT

- INTERNATIONAL SALES

Development of international sales 2018-Q2/2022



- Current market situation has affected international clients significantly resulting in net redemptions.
- Similar behavior was seen during the beginning of the COVID-19 crisis.
- New strategy implemented for Nordic sales of Alternatives.

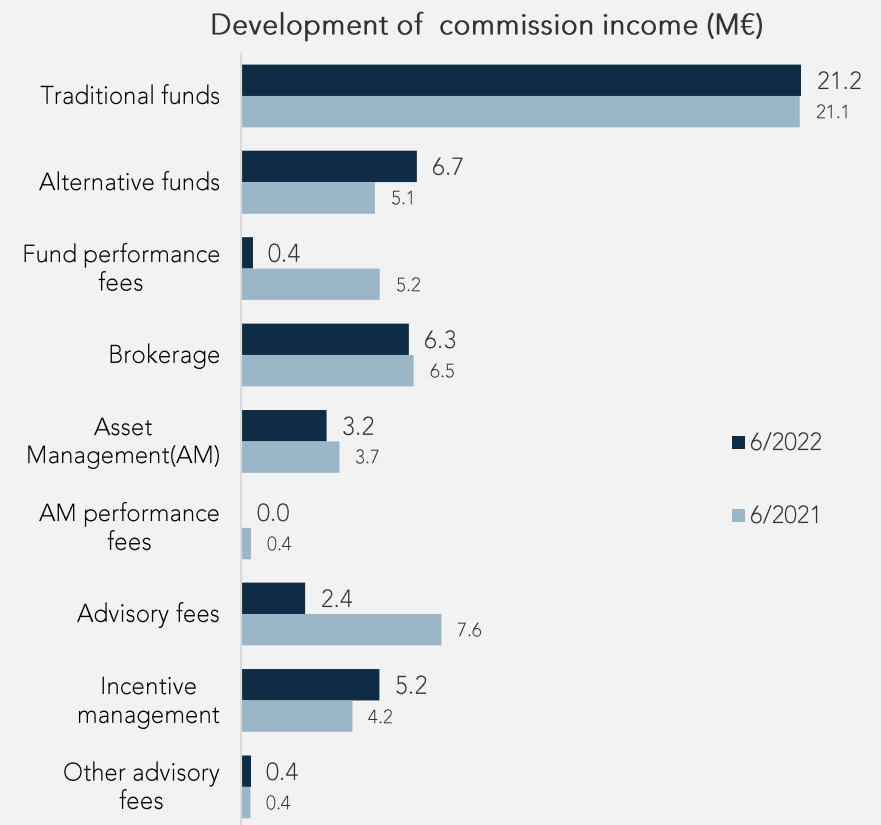
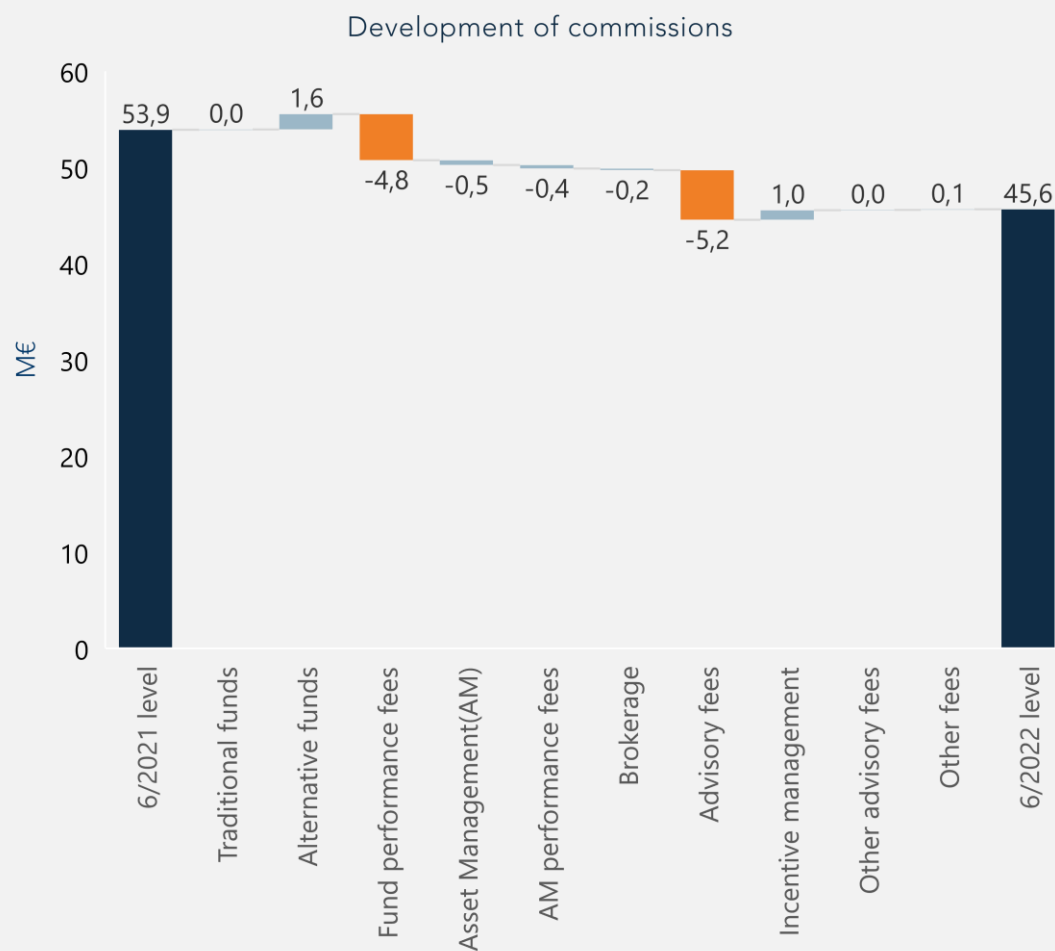
STRATEGIC DEVELOPMENT

- MERGER OF EVLI AND EAB

- The Boards of Directors of Evli and EAB signed the combination agreement and the merger plan in order to combine the companies through a merge on May 31, 2022.
- The extraordinary general meetings of Evli and EAB approved the merger on July 14, 2022
- The combined company would have a strong financial position and good capabilities for future growth according to Evli's strategy:
 - Ability to conduct the companies' current businesses with better operative efficiency enabling the achievement of synergies. Estimated synergy effects EUR ~8 million starting from 2023.
 - A broader range of products and services and a wider range of expertise available to clients
- Extensive planning to be ready for the integration of EAB once the transaction closes on or about October 1, 2022.

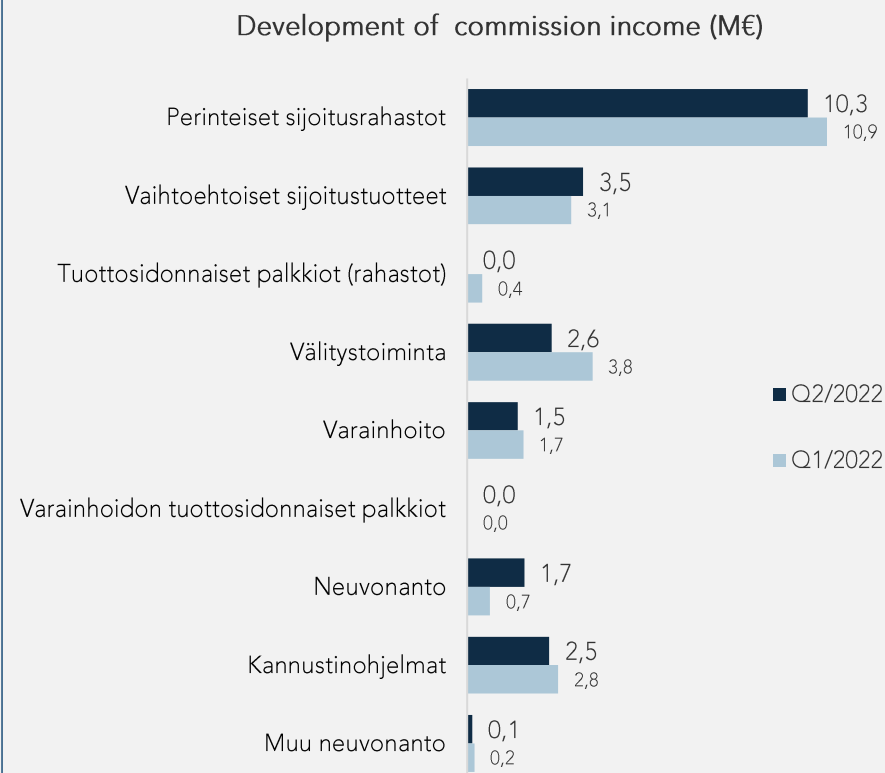
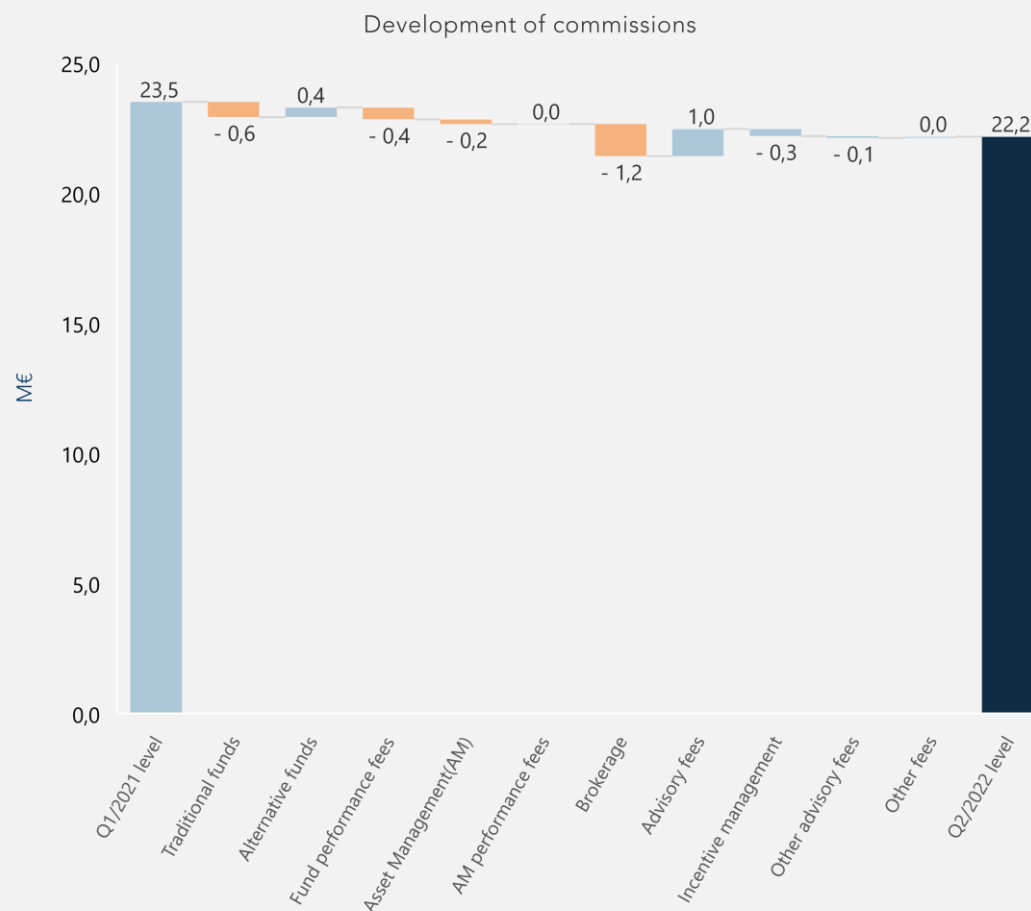
FINANCIAL HIGHLIGHTS

REVENUE DEVELOPMENT YTD



REVENUE

DEVELOPMENT Q2 vs Q1

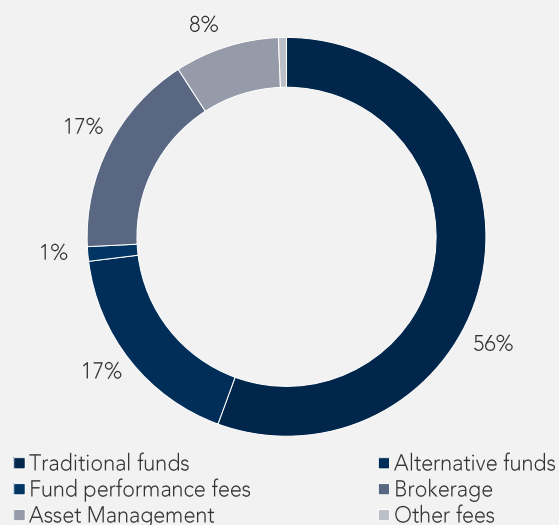


DEVELOPMENT OF OPERATIVE SEGMENTS

Wealth Management & Investor Clients

- Net revenues decreased to EUR 37.5 million (EUR 42.2 million)
- Operating profit decreased to EUR 15.5 million (EUR 19.1 million)

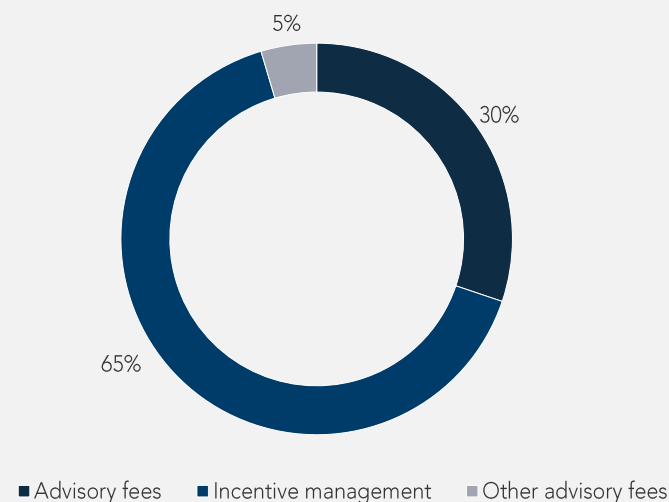
Split of Wealth Management fees 1-6/2022



Advisory & Corporate Clients

- Net revenues decreased to EUR 8.0 million (EUR 11.7 million)
- Operating profit decreased to EUR 2.0 million (EUR 5.7 million)

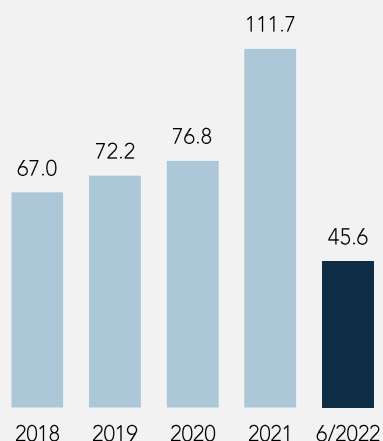
Split of advisory commissions 1-6/2022



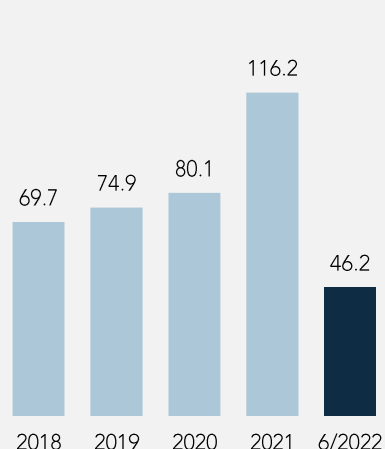
FINANCIAL DEVELOPMENT

2018-Q2/2022

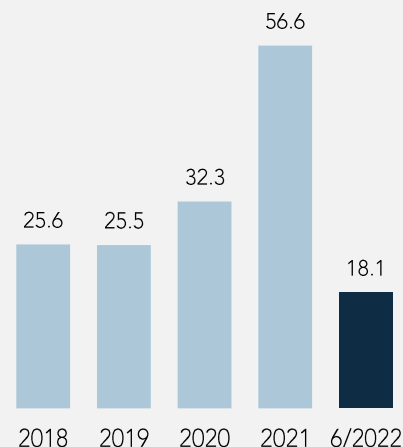
Net commission income (M€)



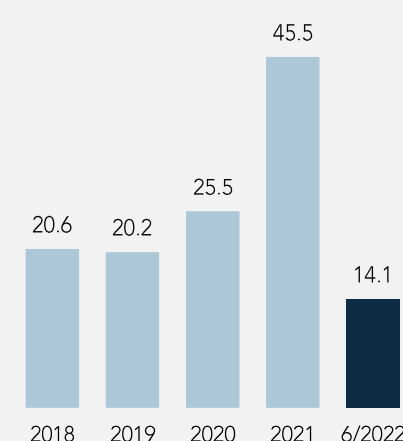
Net Revenue (M€)



Operating profit (M€)



Net profit (M€)



KPIs 30.6.2022

Return on Equity
(Target >25%)

28.6%

Recurring revenue ratio
(target >130%)

131%

Assets Under
Management (Bn. €)

14.5

Net Commissions (M€)

45.6

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

M€	4-6/2022	4-6/2021	1-6/2022	1-6/2021	1-12/2021
Fee and commission income	22.7	28.5	47.2	55.3	114.4
Net income from securities transactions	1.0	0.7	0.7	1.8	3.7
Income from equity investments	-0.1	0.0	-0.1	0.0	0.0
Interest income	0.1	0.4	0.4	0.7	1.4
Other operating income	0.0	0.0	0.0	0.0	0.2
INCOME TOTAL	23.8	29.5	48.3	57.8	119.7
Fee and commission expenses	-0.6	-0.7	-1.6	-1.4	-2.7
Interest expenses	-0.3	-0.3	-0.5	-0.6	-0.8
NET INCOME	22.9	28.5	46.2	55.8	116.2
Administrative expenses					
Personnel expenses	-8.4	-9.7	-16.5	-18.9	-36.6
Other administrative expenses	-5.0	-3.9	-8.8	-7.6	-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	-1.4	-2.5	-2.4	-4.8
Other operating expenses	0.0	-0.1	-0.3	-0.8	-1.3
Expected credit losses on loans and other receivables	0.0	0.1	0.0	0.1	0.1
Share of profit or loss of associates	0.0	0.0	0.0	0.3	0.5
OPERATING PROFIT/LOSS	8.3	13.6	18.1	26.4	56.6
Income taxes	-2.0	-3.5	-4.0	-5.6	-11.2
PROFIT / LOSS FOR THE FINANCIAL YEAR	6.3	10.1	14.1	20.8	45.5
Attributable to					
Minority interest	1.0	2.6	1.8	4.4	6.7
Shareholders of parent company	5.4	7.5	12.3	16.4	38.8
PROFIT / LOSS FOR THE FINANCIAL YEAR	6.3	10.1	14.1	20.8	45.5

BALANCE SHEET

ASSETS	30.6.2022	30.6.2021	LIABILITIES	30.6.2022	30.6.2021
Cash and equivalents	0.4	0.0	Liabilities to credit institutions and central banks	0.0	53.1
Claims on credit institutions	101.4	33.2	Liabilities to the public and public sector entities	0.0	0.0
Claims on the public and public sector entities	40.2	105.3	Debt securities issued to the public	102.2	101.1
Debt securities	0.1	1.3	Derivative contracts and other liabilities held for trading	0.3	17.5
Shares and participations	27.1	59.5	Other liabilities	151.9	105.4
Derivative contracts	0.3	17.6	Accrued expenses and deferred income	27.5	24.3
Shares and participations in associates	4.1	2.8	direct income tax liability	4.8	4.4
Intangible assets and goodwill	13.4	14.9	Deferred tax liabilities	0.0	0.0
Property, plant and equipment	1.2	1.5			
right-of-use assets	6.6	8.3	TOTAL LIABILITIES	286.8	305.7
Other assets	182.4	153.7			
Accrued income and prepayments	3.0	4.5			
Income Tax receivables	0.6	1.4	EQUITY	30.6.2022	30.6.2021
Deferred tax assets	0.8	0.1	Equity to holders of parent company	91.4	93.5
TOTAL ASSETS	381.4	404.0	Non-controlling interest in capital	3.2	4.9
			TOTAL EQUITY	94.6	98.3

FOCUS FOR THE REMAINING YEAR

1. Indicated merger and subsequent integration with EAB Group
2. Continue customer acquisition among private and institutional clients
3. Continue active sales efforts internationally, especially Nordics
4. Scale existing alternative products
5. Expansion of incentive business (EAI) domestically and internationally.



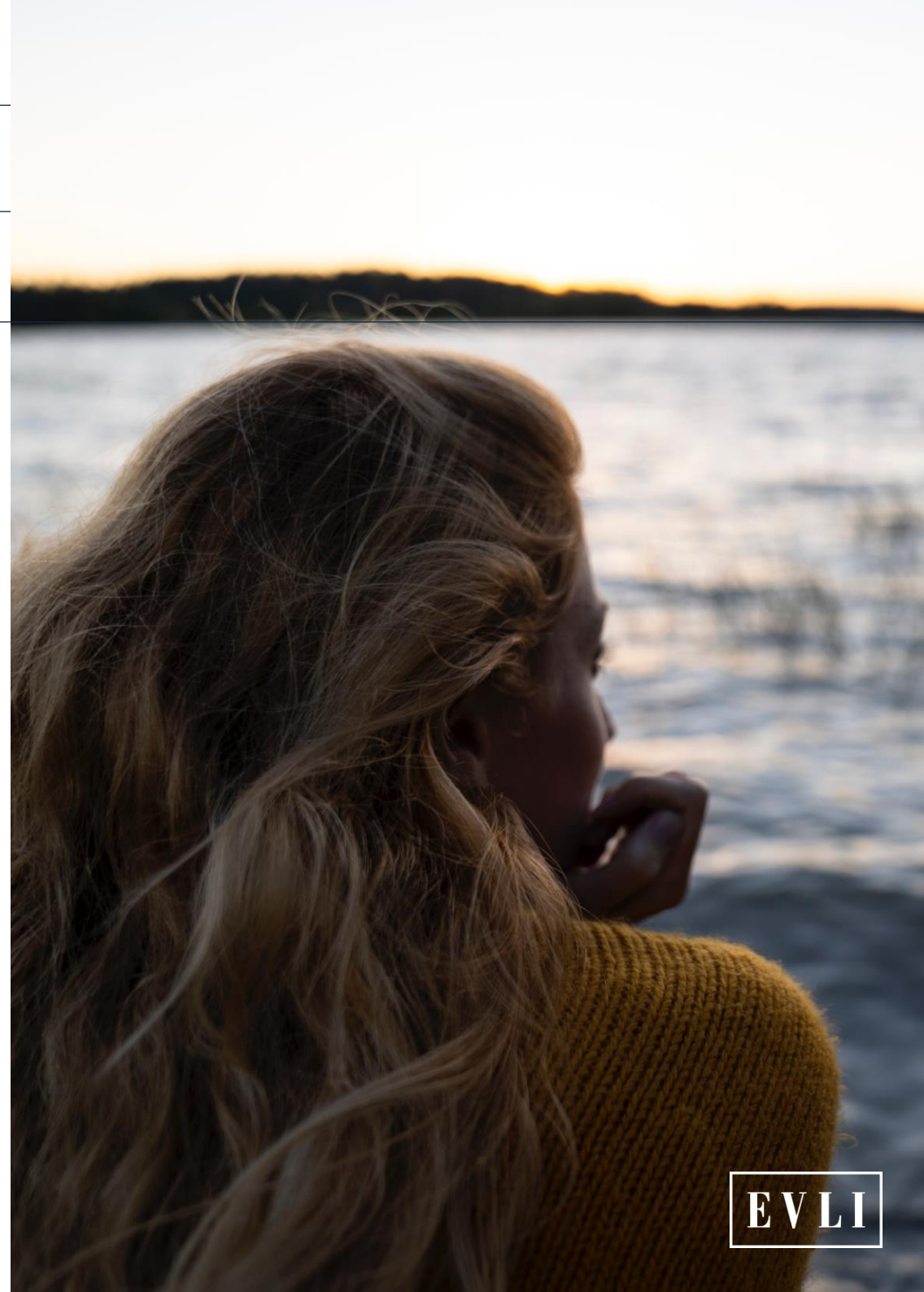
OUTLOOK FOR 2022

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%

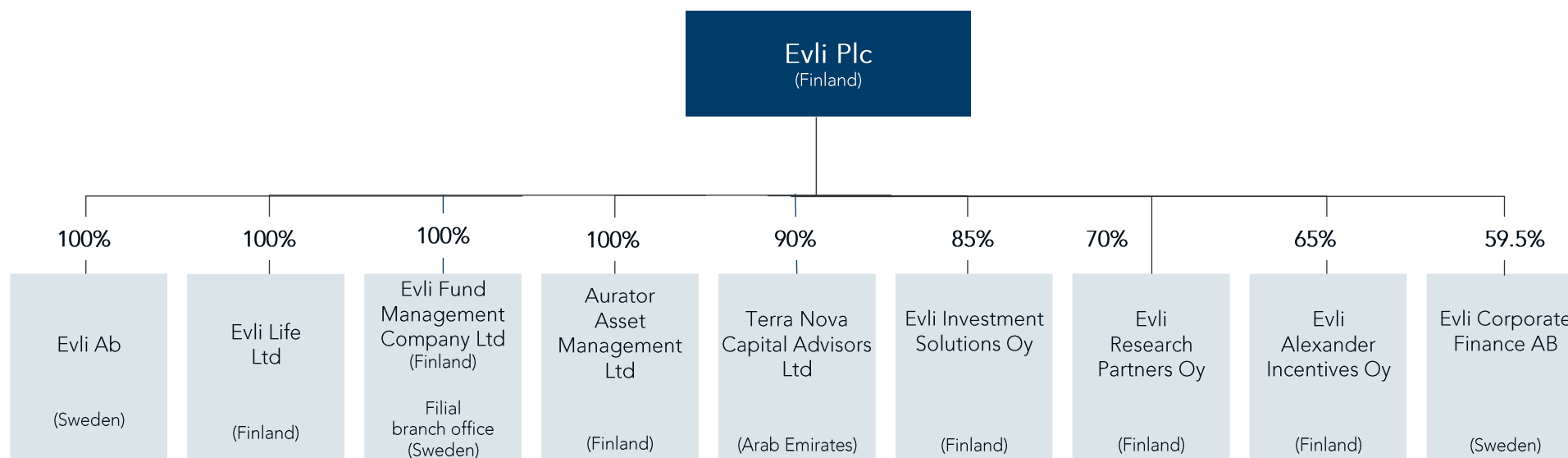


THANK
YOU!

EVLI

APPENDICES

GROUP STRUCTURE



Group associated companies

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

EXECUTIVE GROUP



Maunu Lehtimäki, born 1967
Chief Executive Officer
M.Sc. (Econ.)
Joined Evli in 1996



Mari Etholén, born 1973
HR and Legal Affairs
LLM
Joined Evli in 2001



Panu Jousimies, born 1969
Execution and Operations
M.Sc. (Econ.)
Joined Evli in 1997



Kim Pessala, born 1969
Institutional clients
M.Sc. (Econ.)
Joined Evli in 1995



Juho Mikola, born 1981
*Chief Financial Officer,
deputy to the CEO*
M.Sc. (Econ.)
Joined Evli in 2004



Esa Pensala, born 1974
Private Clients
M.Sc. (Tech.)
Joined Evli in 2001



Mikael Thunved, born 1965
Corporate Finance
B.Sc. (Econ.)
Joined Evli in 2002

BOARD OF DIRECTORS



Henrik Andersin, born 1960

- Chairman of the Board of Directors
- Member of the Board of Directors of Evli Plc since April 2, 2022
- Member of the Board of Directors of 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.



Robert Ingman, born 1961

- Member of the Board of Directors of Evli Plc since April 2, 2022
- Member of the Board of Directors of 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.



Fredrik Hacklin, born 1978

- Member of the Board of Directors of Evli Plc since April 2, 2022
- Member of the Board of Directors of 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.



Antti Kuljukka, 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



Sari Helander, born 1967

- Member of the Board of Directors of Evli Plc since April 2, 2022
- Member of the Board of Directors of 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.



Teuvo Salminen, born 1954

- Member of the Board of Directors of Evli Plc since April 2, 2022
- Member of the Board of Directors of 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.