



EVLI

# EVLI PLC INTERIM REPORT 1–9/2023

OCTOBER 27, 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) JUNE 30, 2023

17.1

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FINLAND'S THIRD LARGEST FUND  
MANAGEMENT COMPANY

3

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EMPLOYEES

~300

# Finland's leading asset manager



INVESTMENT  
PRODUCTS

Finland's best fund management company 2023<sup>1</sup>  
Best Nordic fund house in the category Small Fund  
Companies<sup>2</sup>

WEALTH  
MANAGEMENT

Top-positions 11 years in a row in institutional  
asset management survey<sup>3</sup>  
Finland's most widely used institutional asset  
manager<sup>3</sup>

REMUNERATION  
SERVICES

Finland's largest designer and administrator of  
reward and incentive plans

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## STRATEGY HIGHLIGHTS

# REVENUE AND OPERATING PROFIT INCREASED ACCORDING TO PLAN

## Market Environment

Economic growth in the US remained strong and Europe avoided a recession

Changes in market expectations of the end to interest rate hikes

Investors interest in fixed-income investments grew

Geopolitical risks still elevated

## Financial Performance

The prevailing market uncertainty impacted on Evli's result

Net revenue EUR 78.0 million  
(EUR 66.7 million)

Operating profit EUR 29.3 million  
(EUR 25.8 million)

Earnings per Share (EPS)  
EUR 0.80  
(EUR 0.71)

## Strategy

Share of alternative funds continued to grow

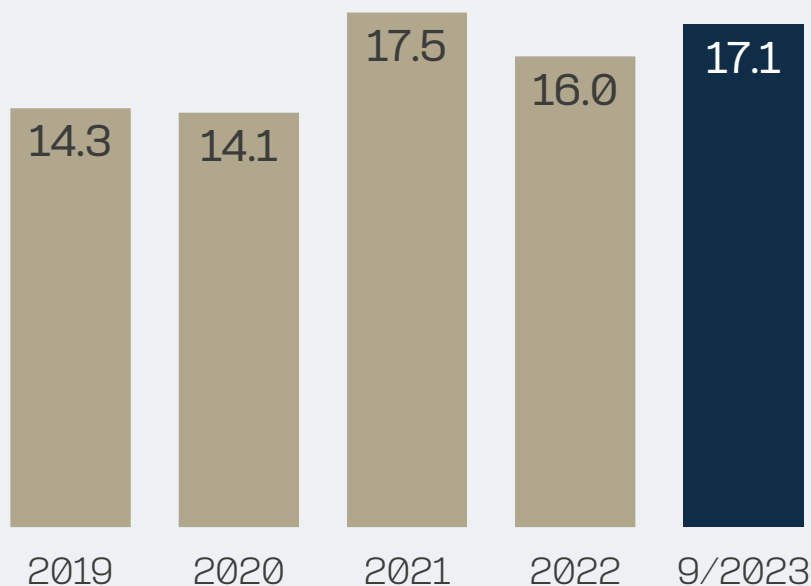
Increased sales of traditional funds; fixed income funds gathering investor interest

Continued growth within design and administration of incentive systems



# Assets under management increased driven by positive market developments and net subscriptions

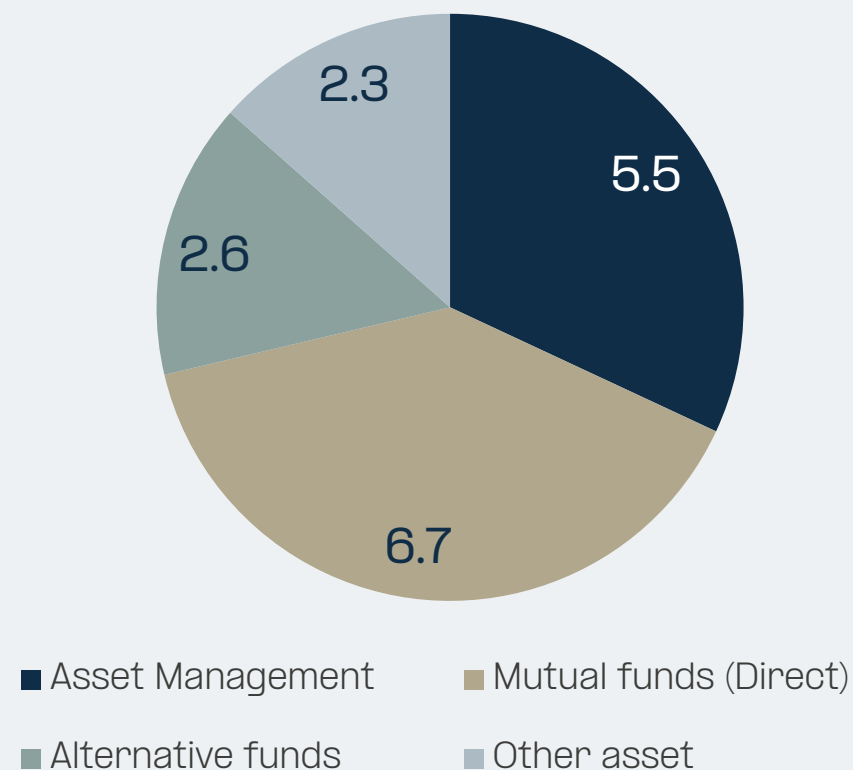
Development of Assets under management, (bn. €)



**5.0%**

compounded annual growth  
(CAGR, since 31.12.2019)

Split of Assets under management  
(bn. €)



# Alternative funds continued to grow, driven by client demand

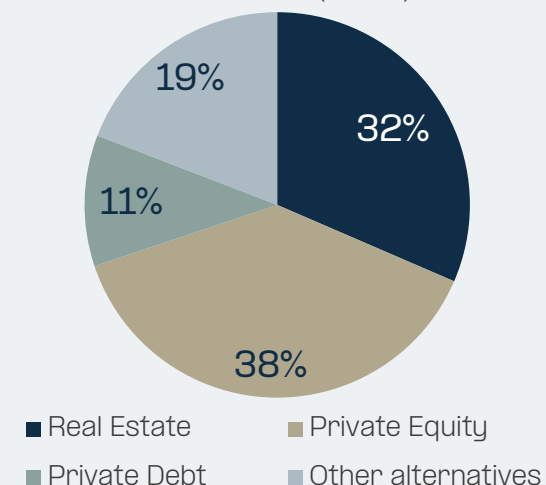
## Q3 fundraising to alternatives around EUR 20 million

- Evli Impact Forest Fund II raised EUR ~16 million
- Evli Leverage Loan fund raised EUR ~4 million
- Evli Infrastructure II raised EUR ~4 million

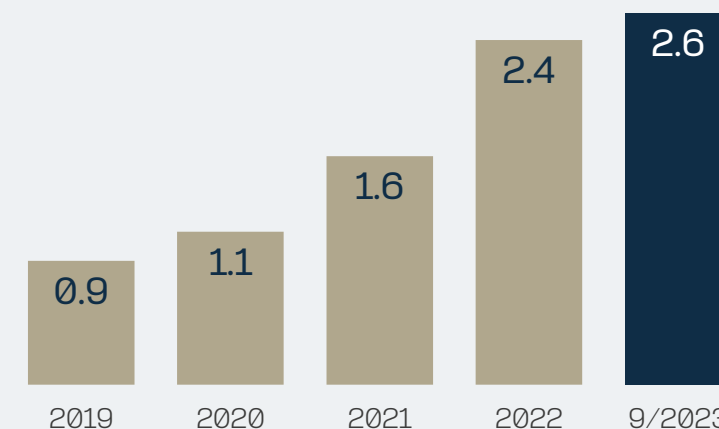
## Q1–Q3 fundraising to alternatives around EUR 196 million

- Evli Private Equity I raised EUR ~51 million
- Evli Private Debt Fund II raised EUR ~43 million
- Evli Leverage Loan fund raised EUR ~31 million
- Evli Infrastructure II raised EUR ~25 million
- Evli Private Equity III raised EUR ~18 million

Assets under management in alternative funds  
30.9.2023 (bn. €)

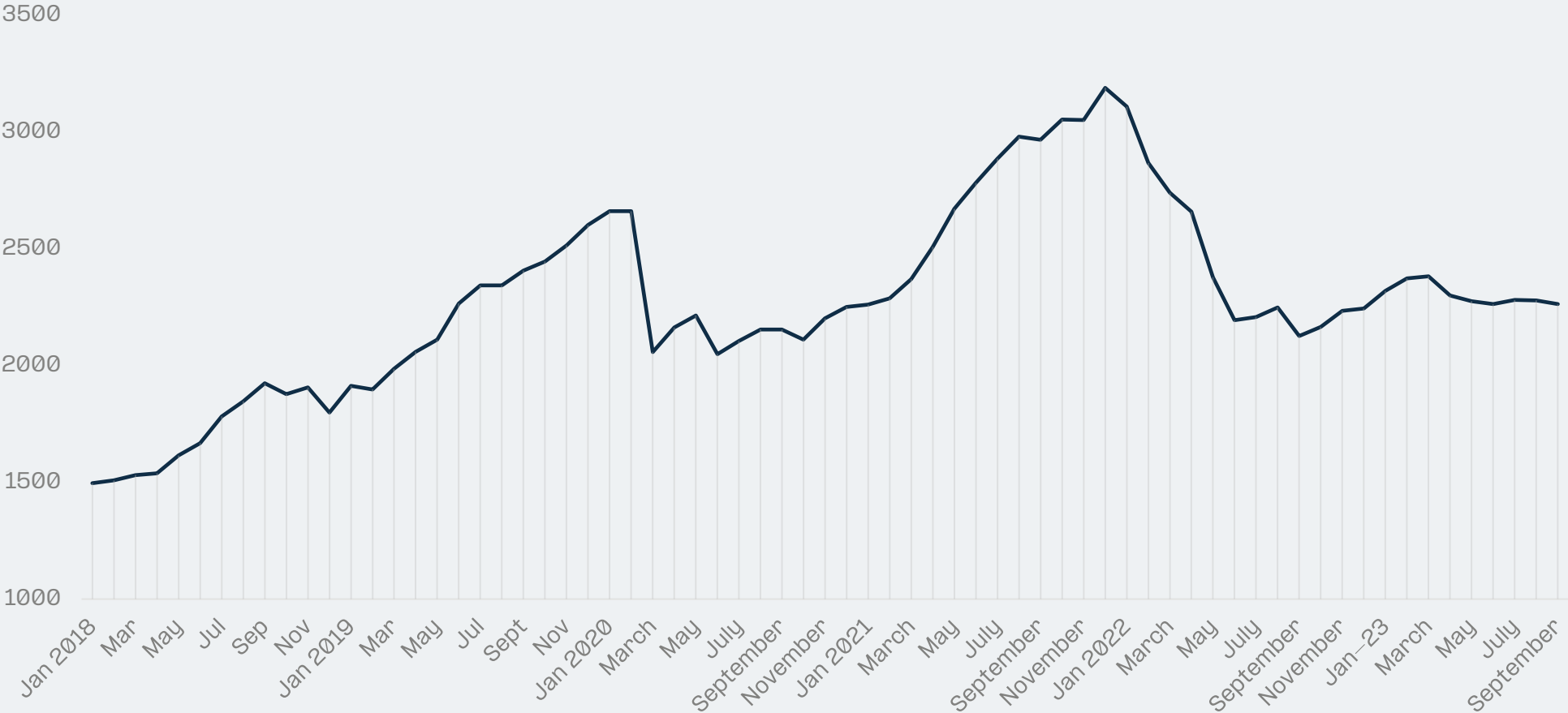


Assets under management in alternative funds (€ billion)



# Slight decline in international markets during Q3

Development of international sales 2018–





Incentive business continued to grow  
— new clients from Finland and Sweden

Corporate Finance advisory fees decreased to EUR 2.0 million (EUR 3.8 million)

- No completed projects during the third quarter
- Customer activity remained good, but the readiness to complete projects decreased
- Mandate base is stable and the outlook for the remainder of the year is favourable

Revenues from remuneration services increased to EUR 8.4 million (EUR 7.2 million)

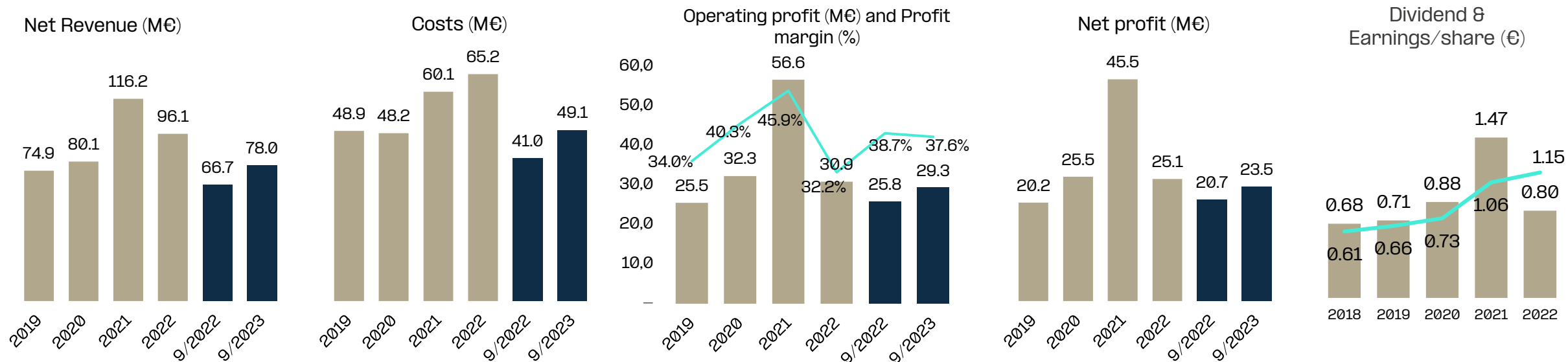
- Positive development driven by:
  - Increase in number of client companies
  - Cross-selling of design and administration
- Strategic drive to grow among non-listed and Swedish companies progressing well
- Incentive plans or personnel funds of some 220 companies under administration
- Advisor to about 150 companies in incentive planning

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# FINANCIAL HIGHLIGHTS

# Financial development 2019–9/2023



RETURN ON EQUITY

22.8%

(27.3%)

RECURRING REVENUE RATIO

133%

(127%)

ASSETS UNDER MANAGEMENT (BN. €)

17.1

(14.4)

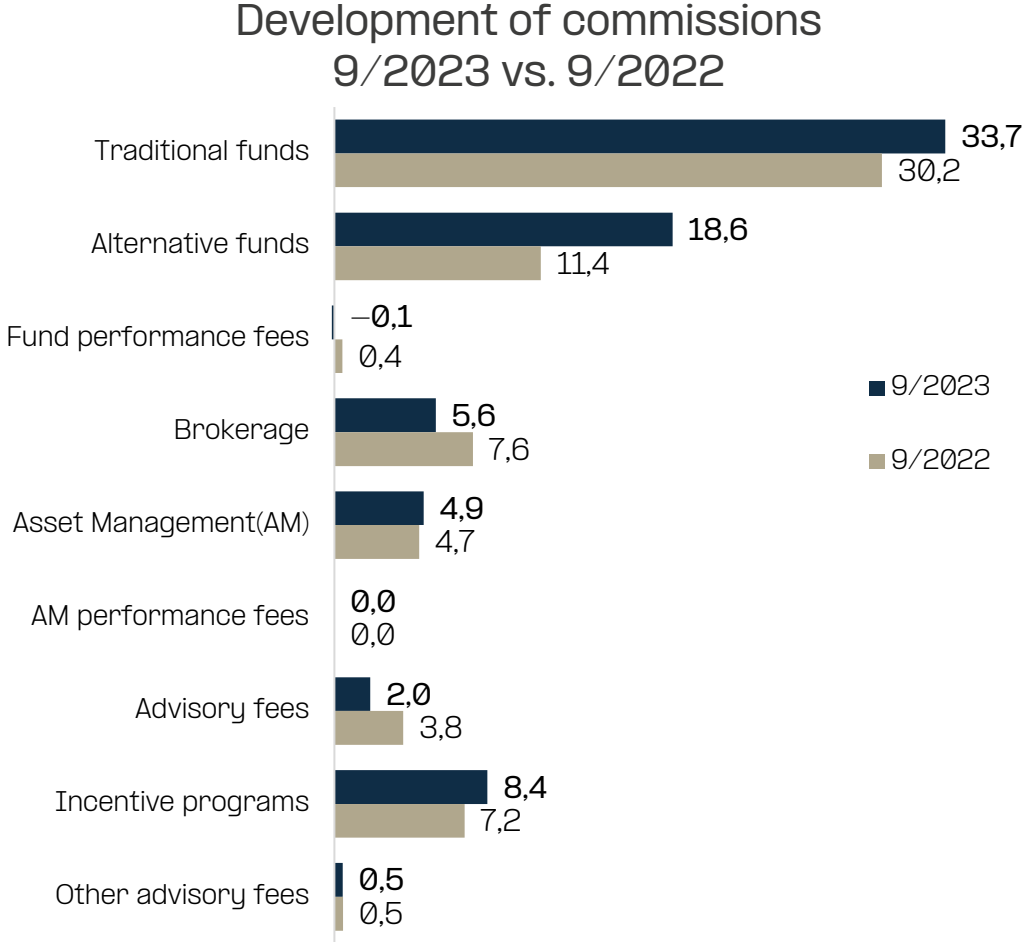
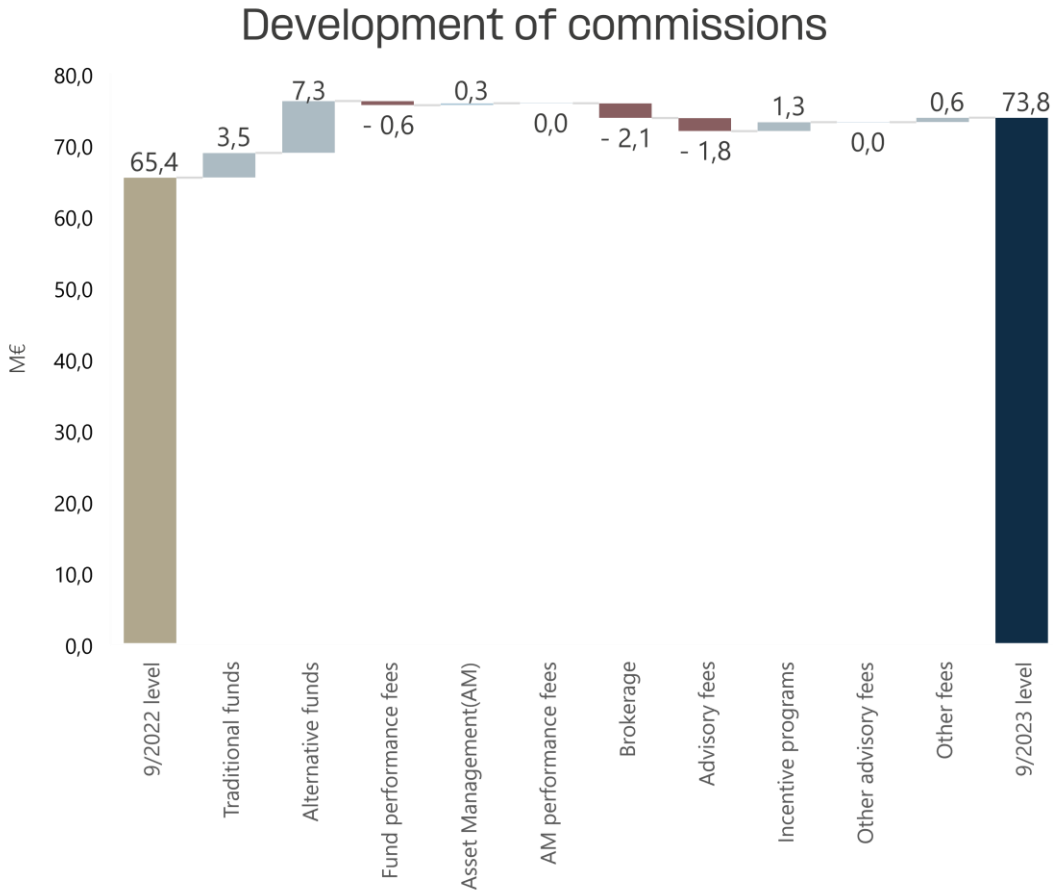
NET COMMISSIONS (M€)

73.8

(65.4)



# Revenue Development



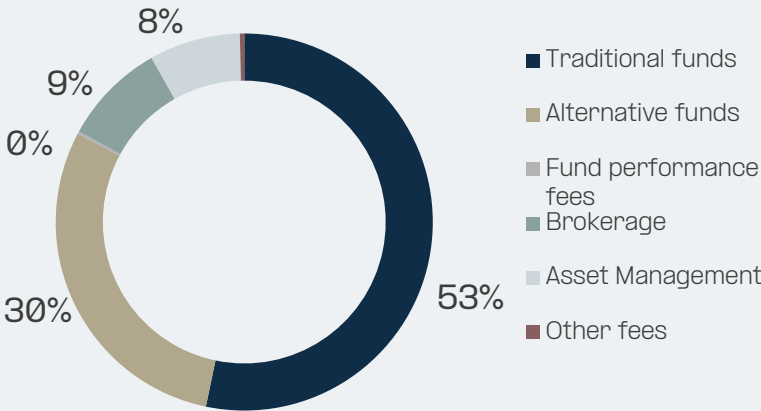
# Development of Operative Segments

## FINANCIAL HIGHLIGHTS

### WEALTH MANAGEMENT & INVESTOR CLIENTS

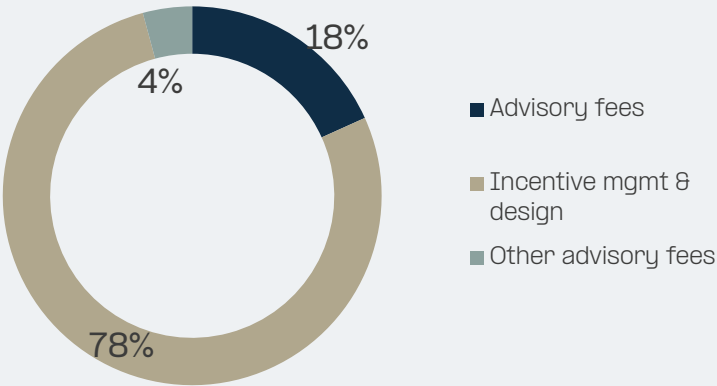
- Net revenues increased to EUR 62.9 million (EUR 53.9 million)
- Operating profit increased to EUR 26.3 million (EUR 22.3 million)

## SPLIT OF FEES



### ADVISORY & CORPORATE CLIENTS

- Net revenues decreased to EUR 10.8 million (EUR 11.5 million)
- Operating profit decreased to EUR 1.5 million (EUR 2.8 million)



# Balance Sheet solid

ASSETS. M€	30.9.2023	30.9.2022	LIABILITIES. M€	30.9.2023	30.9.2022
Cash	0.0	0.0	Liabilities to credit institutions and central banks	—	—
Debt securities eligible for refinancing with central banks	—	—	Liabilities to the public and public-sector entities	0.5	0.0
Claims on credit institutions	108.7	126.3	Debt securities issued to the public	104.9	103.3
Claims on the public and public-sector entities	23.0	38.4	Derivative contracts and other trading liabilities	3.0	0.3
Debt securities	2.0	0.0	Other liabilities	115.1	88.2
Shares and participations	43.6	30.7	Accrued expenses and deferred income	28.1	28.9
Participating interests	5.8	4.1	Deferred tax liabilities	0.1	0.0
Derivative contracts	3.0	0.3	<b>TOTAL LIABILITIES</b>	<b>251.7</b>	<b>220.7</b>
Intangible assets	48.7	13.0			
Property, plant and equipment	1.1	1.1	<b>EQUITY</b>		
Other assets	138.4	104.5	Equity to holders of parent company	127.6	96.6
Accrued income and prepayments	4.2	2.2	Non-controlling interest in capital	3.4	4.1
Deferred tax assets	4.4	1.1	<b>TOTAL EQUITY</b>	<b>382.7</b>	<b>321.4</b>
<b>TOTAL ASSETS</b>	<b>382.7</b>	<b>321.4</b>			

## Balance sheet highlights

- Solid liquidity
- Outstanding loans have decreased according to plan
- Own funds to minimum capital ratio high (245%)



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## FOCUS & OUTLOOK

# Focus for 2023

## 1. Fund sales

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

## 2. Customer acquisition and cross sales

- Domestic HNWI, Institutional and Corporates
- Nordic and Europe

## 3. Operational efficiency

- Fine tuning of processes
- System upgrades and improvements





# Outlook for 2023 remains unchanged

## 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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**INVESTOR RELATIONS CONTACTS**

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HEAD OF MARKETING, COMMUNICATIONS & IR  
[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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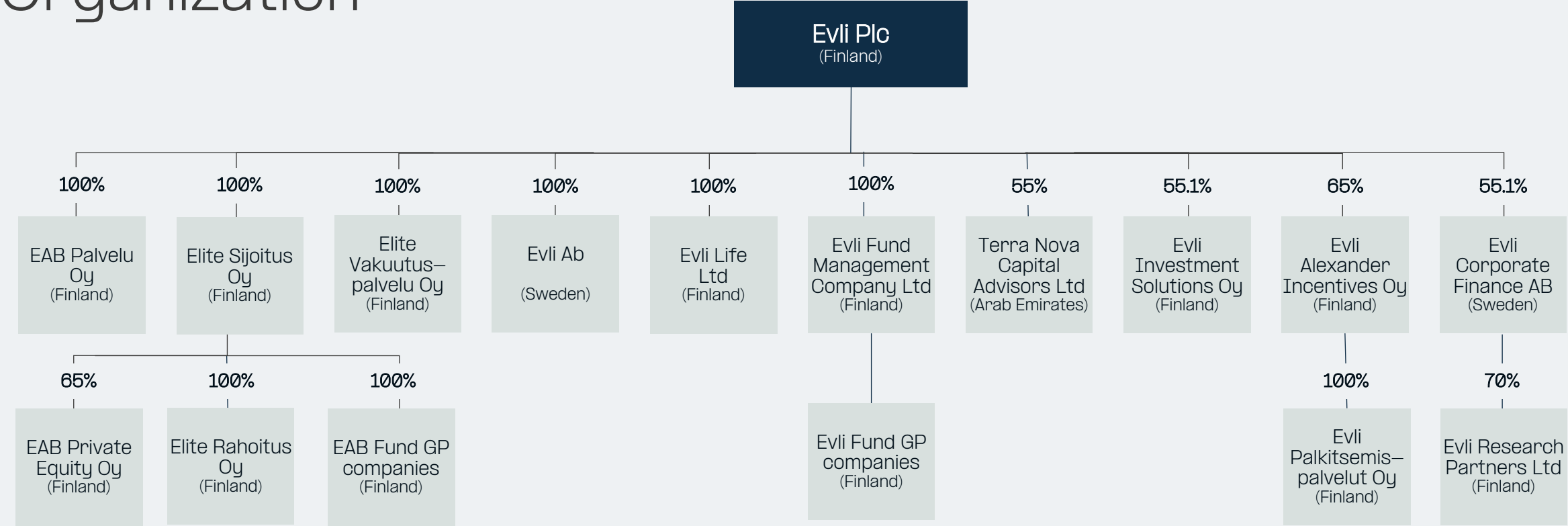
# APPENDICES

# Consolidated Comprehensive Income Statement

M€	7-9/2023	7-9/2022	1-9/2023	1-9/2022	1-12/2022
Fee and commission income	26.4	22.7	76.1	67.7	95.4
Net income from securities transactions	0.1	1.0	2.0	1.3	3.7
Income from equity investments	0.0	-0.1	0.0	0.0	0.0
Interest income	1.5	0.1	4.3	0.7	1.6
Other operating income	0.0	0.0	0.8	0.1	0.1
<b>INCOME TOTAL</b>	<b>28.0</b>	<b>23.8</b>	<b>83.2</b>	<b>69.9</b>	<b>100.9</b>
Fee and commission expenses	-0.5	-0.6	-2.3	-2.3	-3.3
Interest expenses	-1.1	-0.3	-2.9	-0.9	-1.5
<b>NET INCOME</b>	<b>26.4</b>	<b>22.9</b>	<b>78.0</b>	<b>66.7</b>	<b>96.1</b>
Administrative expenses					
Personnel expenses	-10.0	-8.4	-29.4	-24.2	-39.2
Other administrative expenses	-4.9	-5.0	-15.0	-12.7	-19.6
Depreciation and amortization on tangible and intangible assets	-1.1	-1.2	-3.5	-3.7	-5.1
Other operating expenses	-0.7	0.0	-1.3	-0.5	-0.8
Expected credit losses on loans and other receivables	0.0	0.0	0.0	0.0	-0.7
Share of profit or loss of associates	0.0	0.0	0.4	0.3	0.3
<b>OPERATING PROFIT/LOSS</b>	<b>9.8</b>	<b>8.3</b>	<b>29.3</b>	<b>25.8</b>	<b>30.9</b>
Income taxes	-1.9	-2.0	-5.8	-5.1	-5.8
<b>PROFIT / LOSS FOR THE FINANCIAL YEAR</b>	<b>7.8</b>	<b>6.3</b>	<b>23.5</b>	<b>20.7</b>	<b>25.1</b>
Attributable to					
Minority interest	0.8	1.0	1.8	3.2	4.3
Shareholders of parent company	7.0	5.4	21.7	17.5	20.7
<b>PROFIT / LOSS FOR THE FINANCIAL YEAR</b>	<b>7.8</b>	<b>6.3</b>	<b>23.5</b>	<b>20.7</b>	<b>25.1</b>



# Organization



Group associated companies

COMPANY	COUNTRY	OWNER-SHIP
Northern Horizon Capital A/S	Denmark	47%
Ahti Invest Oy	Finland	30%
SAV-Rahoitus Oyj	Finland	46.3%

# 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

INVESTMENT PRODUCTS  
AND SERVICES  
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



Mona von Weissenberg

INSTITUTIONAL  
CLIENTS  
M.SC. (ECON.)  
JOINED EVLI IN 2022

# 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.



Christina Dahlblom

MEMBER OF THE BOARD OF  
DIRECTORS  
BORN 1978

- Member of the Board of Directors of Evli Plc since March 14, 2023
- Entrepreneur, Flo Co
- Professor of Practice, Hanken School of Economics
- Vice–Chairman of the Board at Nuorten yrittäjyys ja talous NYT ry, Chair of the Board at Nuori Yrittäjyys ry, and Member of the Boards at Viking Line Oyj and Hive Helsinki Sr
- 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

# Board of Directors 2/2



Sari Helander

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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



Robert Ingman

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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 Speed Skating Association, Elo Mutual Pension Insurance Company, Turvallisuuden tukisäätiö, Jääkärisäätiö and Finance Finland, and Vice–Chairman of the delegation of the Finnish Orienteering Federation
- Independent of the company and of significant shareholders