



EVLI

EVLI PLC HALF YEAR FINANCIAL REPORT 1–6/2023

JULY 18, 2023

MAUNU LEHTIMÄKI, CEO
JUHO MIKOLA, CFO

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01

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

FOUNDED IN

1985

LISTED ON NASDAQ HELSINKI MAIN
LIST

2015

SALES IN NUMBER OF COUNTRIES

15

ASSETS UNDER MANAGEMENT EUR
(BILLION) JUNE 30, 2023

16.8

FINLAND'S THIRD LARGEST FUND
MANAGEMENT COMPANY

3

EMPLOYEES

~300

Finland's leading asset manager



INVESTMENT PRODUCTS

Finland's best fund management company 2023¹
Best Nordic fund house in the category Small Fund
Companies²

WEALTH MANAGEMENT

Top-positions 11 years in a row in institutional
asset management survey³
Finland's most widely used institutional asset
manager³

REMUNERATION SERVICES

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

02

STRATEGY HIGHLIGHTS

SOLID FIRST HALF OF THE YEAR — NET REVENUE AND OPERATING PROFIT INCREASED AS EXPECTED

Market Environment

Markets recovered, most asset classes in the black, signs of stress in property markets

Inflation concerns easing, core inflation still stubbornly high

Central bank policy tightening soon coming to an end

Geopolitical risks still elevated, some warming up in US–China relations

Financial Performance

The prevailing market uncertainty also reflected on Evli's performance and result

Net revenue EUR 52.2 million
(EUR 46.2 million)

Operating profit EUR 19.1 million
(EUR 18.0 million)

Earnings per Share (EPS)
EUR 0.52
(EUR 0.50)

Strategy

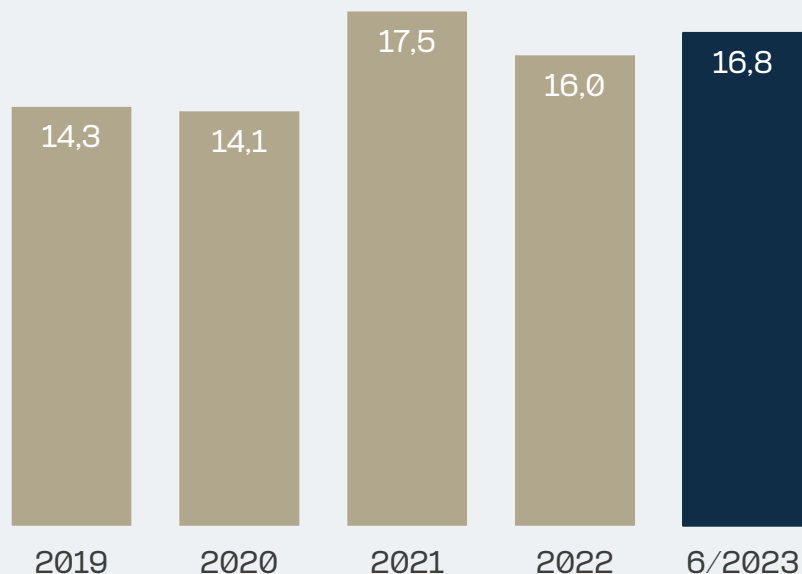
Sales of alternative funds continued to grow

Sales of traditional funds recovered; 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

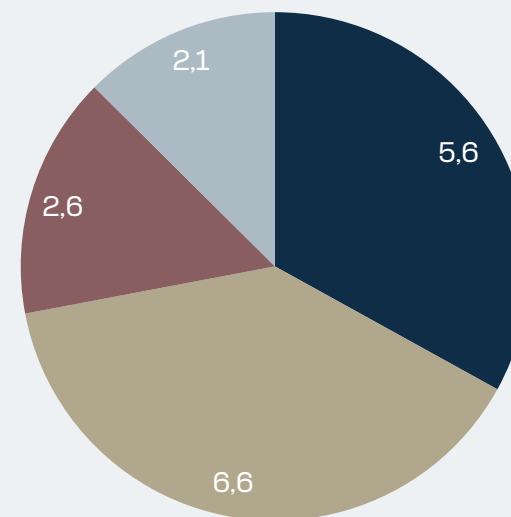
Development of Assets under management, (bn. €)



4.8%

compounded annual growth
(CAGR, since 31.12.2019)

Split of Assets under management
(bn. €)



■ Asset Management

■ Mutual funds (Direct)

■ Alternative funds

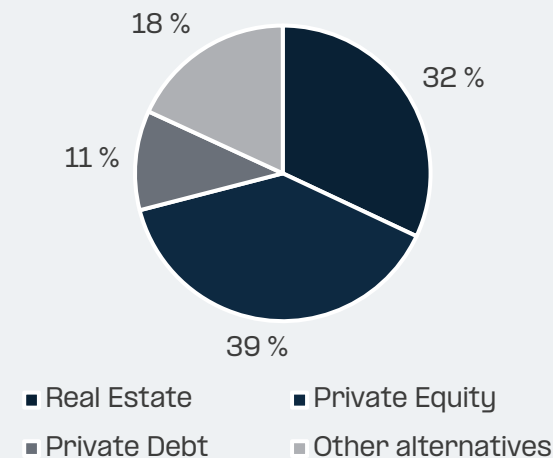
■ Other asset

Alternative funds continued to grow, driven by strong client demand

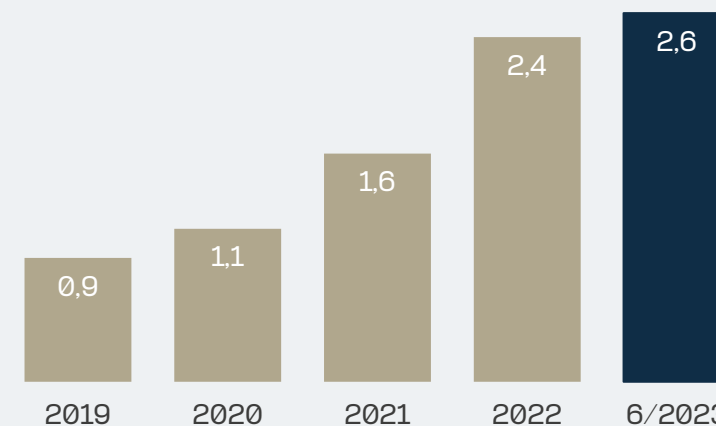
Q2 fundraising to alternatives in excess of EUR 90 million

- Evli Private Debt II raised EUR ~43 million
- Evli Private Equity I raised EUR ~21 million
- Evli Infrastructure II raised EUR ~5 million
- Evli Leverage Loan raised EUR ~14 million
- Project Fourth raised EUR ~10 million

Assets under management in alternative funds
30.6.2023 (bn. €)

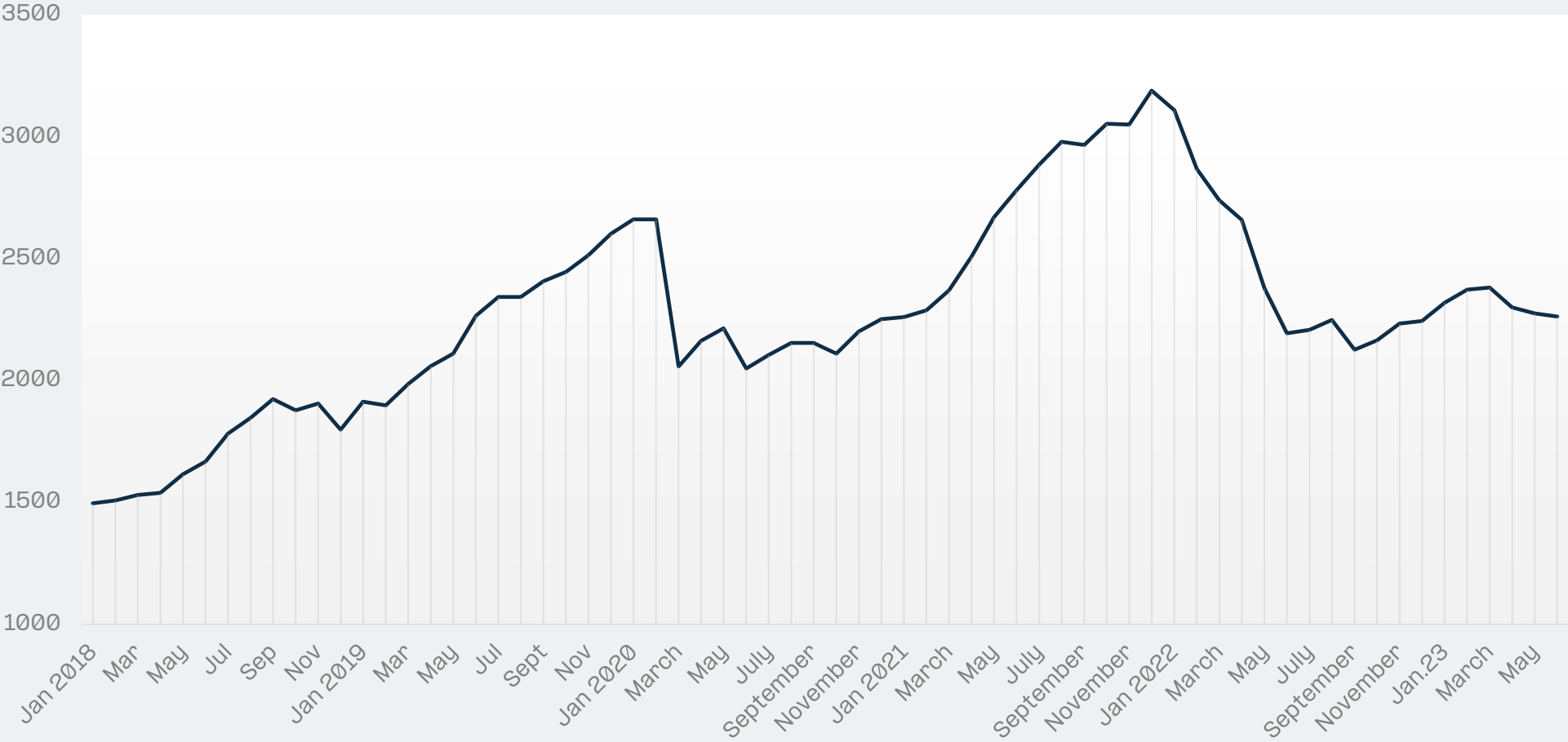


Assets under management in alternative funds (€ billion)



Slight decline in international markets during Q2

Development of international sales 2018–



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

Corporate Finance advisory fees decreased to EUR 1.8 million (EUR 2.4 million)

- Acted as advisor in 3 transaction during second quarter
- Signs of slowdown in client activity as uncertainty in the market remains
- Mandate base on a good level

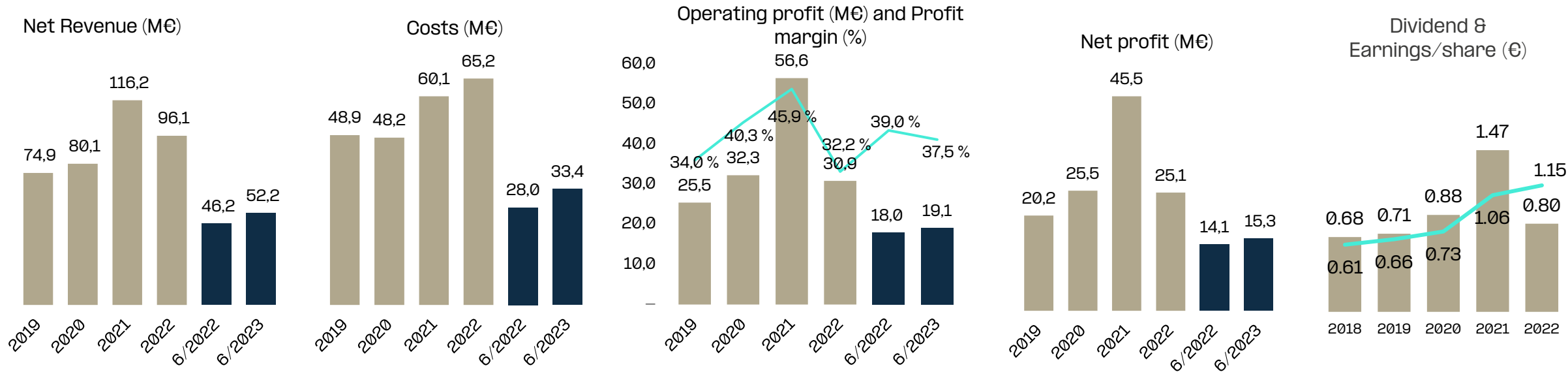
Revenues from remuneration services increased to EUR 6.3 million (EUR 5.2 million)

- 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

03

FINANCIAL HIGHLIGHTS

Financial development 2019–6/2023



RETURN ON EQUITY

22.6%
(28.6%)

RECURRING REVENUE RATIO

128%
(125%)

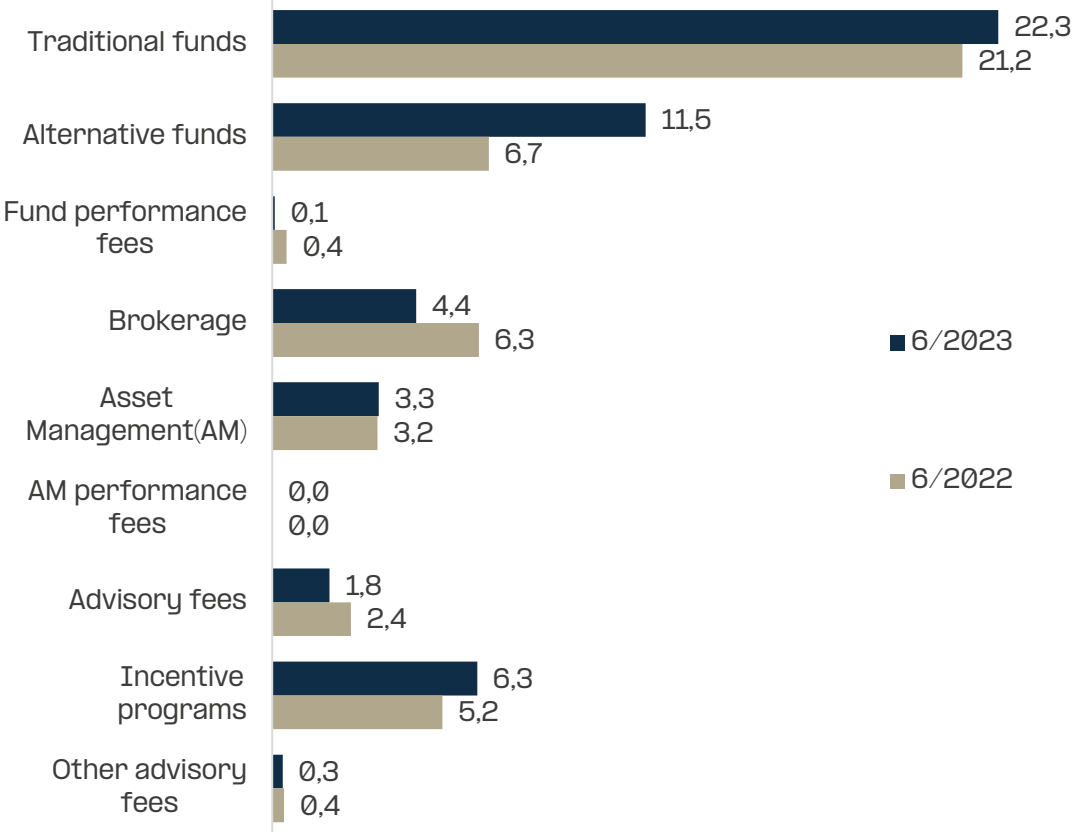
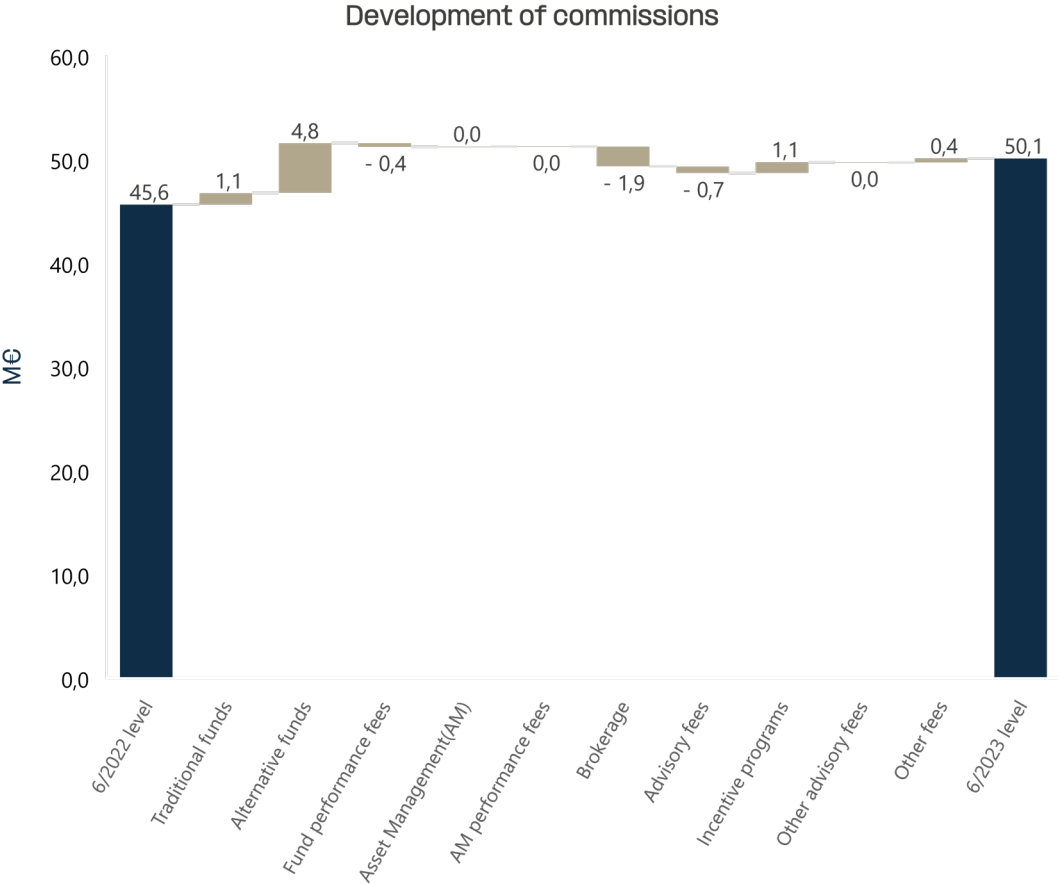
ASSETS UNDER MANAGEMENT (BN. €)

16.8
(14.5)

NET COMMISSIONS (M€)

50.1
(45.6)

Revenue Development



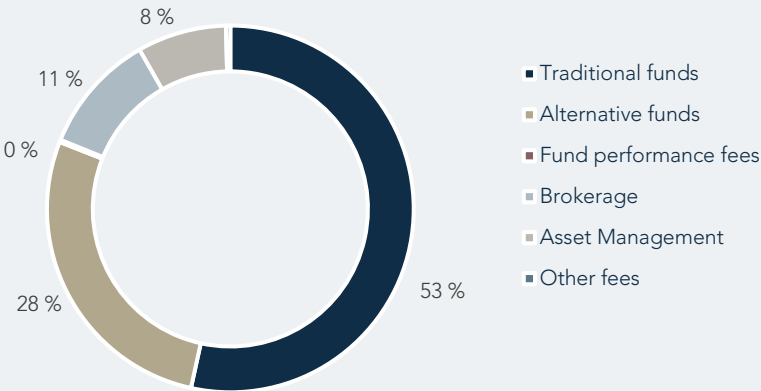
Development of Operative Segments

FINANCIAL HIGHLIGHTS

WEALTH MANAGEMENT & INVESTOR CLIENTS

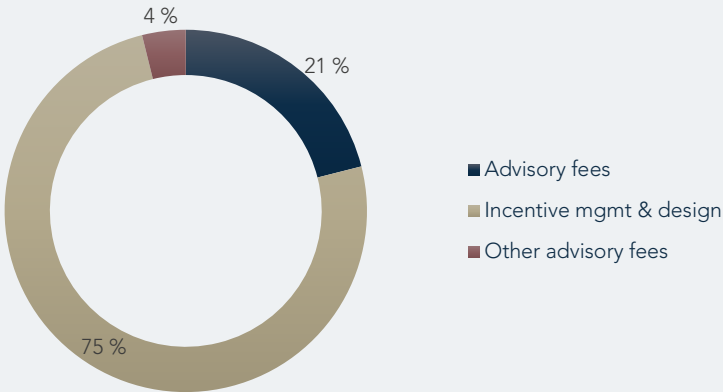
- Net revenues increased to EUR 41.7 million (EUR 37.5 million)
- Operating profit increased to EUR 17.8 million (EUR 15.5 million)

SPLIT OF FEES



ADVISORY & CORPORATE CLIENTS

- Net revenues increased to EUR 8.4 million (EUR 8.0 million)
- Operating profit decreased to EUR 1.8 million (EUR 2.0 million)



Balance Sheet solid

ASSETS. M€	30.6.2023	30.6.2022	LIABILITIES. M€	30.6.2023	30.6.2022
Cash & Claims on credit institutions	98,1	101,8	Liabilities to credit institutions and central banks	1,5	0,0
Claims on the public and public sector entities	28,1	40,2	Debt securities issued to the public	111,7	102,2
Debt securities	2,1	0,1	Derivative contracts and other liabilities held for trading	2,6	0,3
Shares and participations	46,4	27,1	Other liabilities	89,1	151,9
Derivative contracts	2,6	0,3	Accrued expenses and deferred income	25,0	27,5
Shares and participations in associates	5,7	4,1	Direct income tax liability	2,1	4,8
Intangible assets and goodwill	49,1	13,4	Deferred tax liabilities	0,0	0,0
Property, plant and equipment	1,0	1,2	TOTAL LIABILITIES	232,0	286,8
Right-of-use assets	12,0	6,6			
Other assets	105,1	182,4	EQUITY		
Accrued income and prepayments	3,6	3,0	Equity to holders of parent company	123,5	91,4
Income Tax receivables	1,4	0,6	Non-controlling interest in capital	3,4	3,2
Deferred tax assets	3,8	0,8	TOTAL EQUITY	126,9	94,6
TOTAL ASSETS	359,0	381,4			

Balance sheet highlights

- Solid liquidity
- Outstanding loans have decreased according to plan
- Own funds to minimum capital ratio high (264%)

04

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

THANK YOU



INVESTOR RELATIONS CONTACTS

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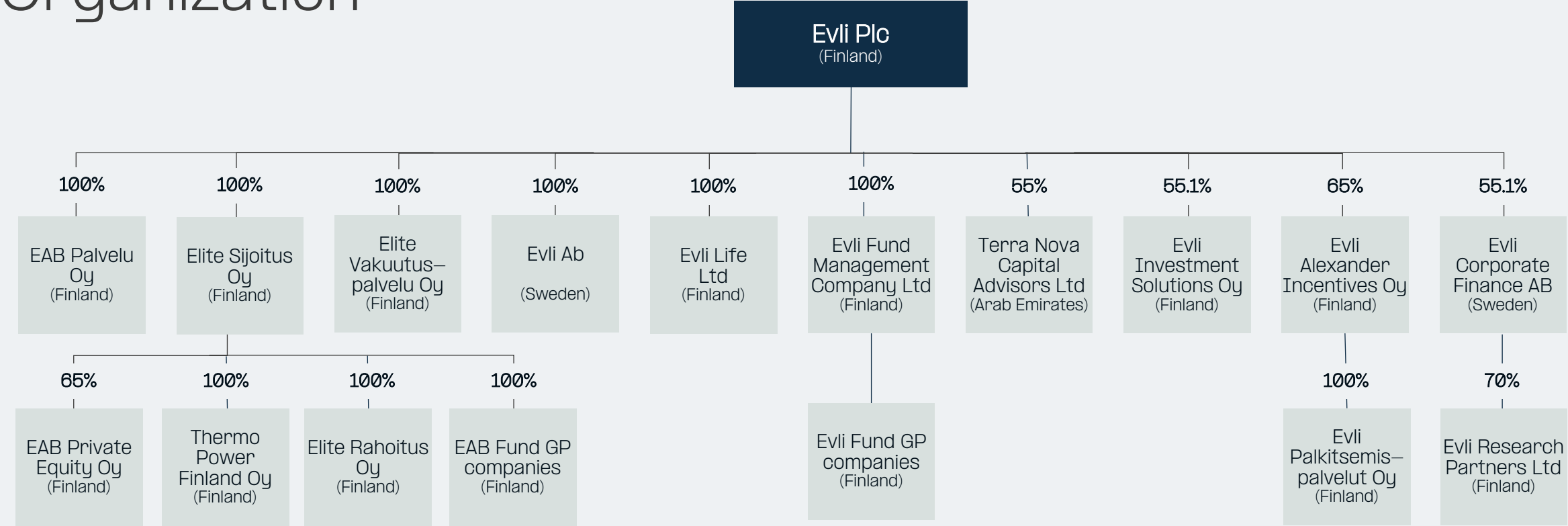
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APPENDICES

Consolidated Comprehensive Income Statement

M€	4-6/2023	4-6/2022	1-6/2023	1-6/2022	1-12/2022
Fee and commission income			24.9	24.5	95.4
Net income from securities transactions			1.0	-0.3	3.7
Income from equity investments			0.0	0.0	0.0
Interest income			1.2	0.3	1.6
Other operating income			0.0	0.0	0.1
INCOME TOTAL			27.1	24.5	100.9
Fee and commission expenses			-0.6	-1.0	-3.3
Interest expenses			-0.7	-0.2	-1.5
NET INCOME			25.7	23.3	96.1
Administrative expenses					
Personnel expenses			-10.2	-8.1	-39.2
Other administrative expenses			-4.9	-3.8	-19.6
Depreciation and amortization on tangible and intangible assets			-1.3	-1.3	-5.1
Other operating expenses			-0.3	-0.3	-0.8
Expected credit losses on loans and other receivables			0.0	0.0	-0.7
Share of profit or loss of associates			0.0	0.0	0.3
OPERATING PROFIT/LOSS			9.4	9.7	30.9
Income taxes			-1.9	-2.0	-5.8
PROFIT / LOSS FOR THE FINANCIAL YEAR			7.5	7.7	25.1
Attributable to					
Minority interest			0.4	0.8	4.3
Shareholders of parent company			7.0	6.9	20.7
PROFIT / LOSS FOR THE FINANCIAL YEAR			7.5	7.7	25.1

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

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.



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

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

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