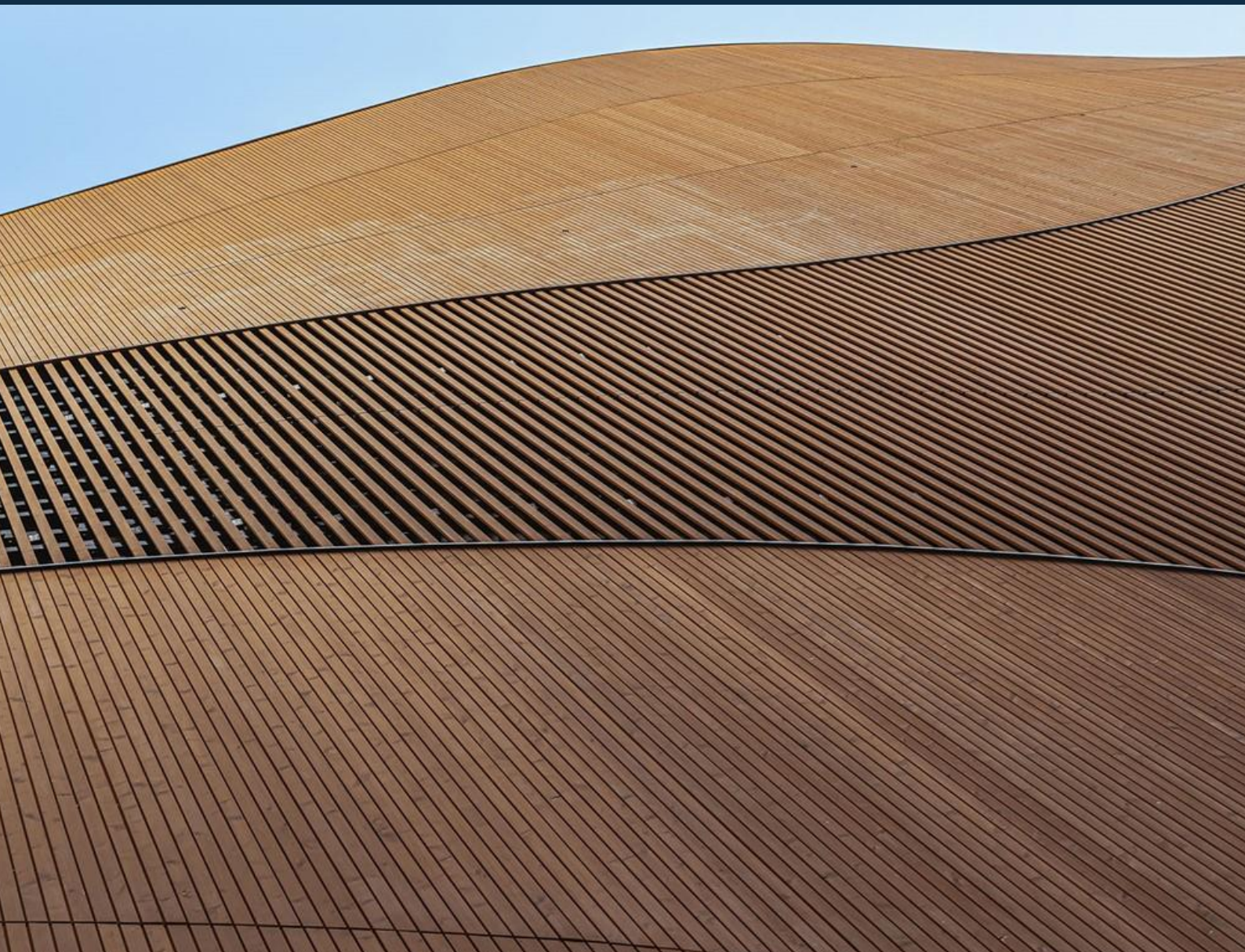


# EVLI

Evli Plc

Financial Statements Bulletin 1–12/2023

GOOD YEAR – OPERATING  
PROFIT UP 30 PERCENT



## GOOD YEAR – OPERATING PROFIT UP 30 PERCENT

### Highlights of the period

- Net revenue and operating profit increased, driven by the acquisition of EAB Group Plc, positive market development, and successful new sales.
- Demand for traditional investment funds increased – Evli attracted the second most fund subscriptions in Finland.
- Recurring revenue’s share of revenue increased further, improving the quality of the result.

### Financial performance January–December 2023

(comparison period 1–12/2022\*)

- Net revenue was EUR 108.7 million (EUR 96.1 million).
- Operating profit was EUR 40.2 million (EUR 30.9 million).
- Operating result of the Wealth Management and Investor Clients segment increased to EUR 33.0 million (EUR 27.4 million).
- Operating result of the Advisory and Corporate Clients segment decreased to EUR 2.7 million (EUR 4.2 million).
- At the end of December, net assets under management amounted to EUR 18.0 billion (EUR 16.0 billion).
- Return on equity was 22.8 percent (20.4%).
- The ratio of recurring revenue to operating costs was 130 percent (123%).
- Earnings per share, fully diluted, were EUR 1.05 (EUR 0.81).
- The Board of Directors proposes that a dividend of EUR 1.16 per share be paid for the financial year 2023 (EUR 1.15 per share consisting of EUR 0.80 per share dividend and EUR 0.35 per share from the reserve for unrestricted equity).

### Financial performance October–December 2023

(comparison period 10–12/2022)

- Net revenue was EUR 30.7 million (EUR 29.4 million).
- Operating profit was EUR 10.9 million (EUR 5.0 million).
- Fully diluted earnings per share amounted to EUR 0.26 (EUR 0.12).

### Outlook for 2024

The business environment is expected to remain uncertain and difficult to predict in 2024. The expansion of geopolitical risks, fears of inflation and interest rates, and concerns about the sustainability of economic growth increase uncertainty in the markets.

Despite the challenging market environment, Evli has succeeded in strengthening its position in the market. Growth has been supported by a wide product range and customer base. Due to our strong position and growth prospects, we estimate that the operating result will be at or above the comparison period.

\* Includes carve-out figures for 1–3/2022

RETURN ON EQUITY

**22.8%**

(20.4%)

RECURRING REVENUE RATIO

**130%**

(123%)

ASSETS UNDER MANAGEMENT (Bn. €)

**18.0**

(16.0)

NET COMMISSIONS (M€)

**100.0**

(92.1)

## KEY FIGURES DESCRIBING THE GROUP'S FINANCIAL PERFORMANCE

	10-12/2023	10-12/2022	1-12/2023	1-12/2022*
<b>Income statement key figures</b>				
Net revenue, M€	30.7	29.4	108.7	96.1
Operating profit/loss, M€	10.9	5.0	40.2	30.9
Operating profit margin, %	35.4	17.2	37.0	32.1
Profit/loss excl. non-recurring items related to mergers and acquisitions, M€				37.1
Profit/loss for the financial year, M€	8.5	4.3	32.0	25.1
<b>Profitability key figures</b>				
Return on equity (ROE), %	-	-	22.8	20.4
Return on assets (ROA), %	-	-	9.0	6.8
<b>Balance sheet key figures</b>				
Equity-to-assets ratio, %	-	-	39.8	39.1
<b>Key figures per share</b>				
Earnings per Share (EPS), fully diluted, €	0.26	0.12	1.05	0.81
Dividend per share, €	-	-	1.16**	1.15***
Equity per share, €	-	-	5.02	5.28
Share price at the end of the period, €	-	-	19.70	15.15
<b>Personnel figures</b>				
Number of permanent employees	-	-	316	294
Number of temporary employees	-	-	38	50
Share of personnel worked in Finland, %	-	-	94	94
<b>Other key figures</b>				
Expense ratio (operating costs to net revenue)	0.63	0.81	0.63	0.67
Recurring revenue ratio, %****	-	-	130	123
Market value, M€	-	-	521.8	389.1

\* Includes carve-out figures for 1-3/2022.

\*\* Board of Directors' proposal to the Annual General Meeting

\*\*\* Dividend approved by the Annual General Meeting 2023. The dividend has been paid on 23.3.2023.

\*\*\*\* The calculation formula has been changed, which has resulted in an update of the previously reported benchmark figure. In the future, discretionary bonus payments will also be included as part of the operating costs.

## CEO MAUNU LEHTIMÄKI

During the last quarter of 2023, the US economy continued to grow strongly, as in the early part of the year, but in Europe growth remained sluggish. However, the slowdown in consumer prices, the growing challenges facing the global economy and more dovish guidance from central banks led to increased expectations for a reduction in market rates. As concerns about recession are piling up, investors anticipate cuts in key interest rates already in the first half of 2024. Increased risks for the economy were posed by increased geopolitical tensions, including the more tense situation in the Middle East, the signs of wobbling in the Western countries' support for Ukraine and the protracted war in Ukraine.

The prices of equities and bonds rose during the last quarter, stimulated by interest rate optimism. The rise in share prices was fastest in the US and emerging markets, with share prices up by over ten percent. In Europe, too, share prices rose by over six percent. Higher-rated Investment Grade bonds as well as lower-rated High Yield bonds continued to develop well, as in the early part of the year. Overall, the year 2023 was profitable for equity and fixed income investors. Big tech companies led the equity market, which was reflected in an up to 45 percent rise in the technology-focused Nasdaq index in 2023. The S&P 500 index, seen to reflect the US economy more broadly, gained 25 percent in a year. In contrast, for real estate investors, the past year was difficult: interest rate rises added to debt servicing costs and lowered the value of properties as return requirements increased. Weakened economic outlook as well as companies' changed needs related to use of space also increased the vacancy rate of offices.

Despite the continued uncertainty in the operating environment, Evli's revenue developed strongly during 2023. Net revenue increased by 13 percent from the corresponding period of the previous year and was EUR 108.7 million (EUR 96.1 million), and operating profit rose over 30 percent and was EUR 40.2 million (EUR 30.9 million). Revenue increased due to increased fund fees in traditional and alternative funds as well as increased commission income in the incentive business.

In the fourth quarter, the Group's net revenue increased by 4.5 percent from the comparison period and was EUR 30.7 million (EUR 29.4 million). Operating profit, in turn, doubled to EUR 10.9 million (EUR 5.0 million). The positive development was due to the increase of commission income from traditional funds. By contrast, commission income from the Corporate Finance unit and brokerage activities remained lower during the quarter than in the previous year because of the slowdown in M&A activity and lower trading volumes.

In January–December, Evli's return on equity was 22.8 percent (20.4%). The ratio of recurring revenue to operational costs was 130 percent (123%). The Group's solvency and liquidity were at an excellent level.

Net revenue in the Wealth Management and Investor Clients segment decreased by two percent in the fourth quarter to EUR 21.4 million (EUR 21.8 million). Client assets under management rose to EUR 18.0 billion (EUR 16.0 billion), driven by positive market development and net subscriptions. Evli Fund Management Company's mutual fund capital, including alternative investment products, was approximately EUR 12.6 billion (EUR 11.1 billion). Net subscriptions of investment funds amounted to approximately EUR 0.1 billion during the quarter, mainly from short-term fixed income funds as well as from domestic and global equity funds.

Net revenue in the Advisory and Corporate Clients segment remained at the previous year's level and was EUR 4.9 million (EUR 4.9 million). In the M&A market, the uncertainty of the early part of the year eased towards the end of the year and assignments reached the finish line. Income from the Incentive business was on the previous year's level at EUR 3.2 million (EUR 3.2 million). In accordance with its strategy, the company has succeeded in winning new customers from both Swedish listed companies and Finnish unlisted companies, and the company's overall outlook is good.

The key drivers of Evli's strategy, international sales, and alternative investment products, developed favorably during the quarter. Net subscriptions by international clients amounted to EUR 30 million. International clients accounted for 19 percent (20%) of Evli's total fund capital, including alternative investment products. Sales of alternative investment products continued to increase, and subscriptions and investment commitments totaled EUR 32 million (EUR 120 million).

In the fourth quarter, as part of the responsibility work, Evli continued its research project promoting children's rights and published a Biodiversity Roadmap, which guides our actions to consider biodiversity. In addition, Evli launched a new Article 9 fund Evli Impact Equity.

Helsinki, January 25, 2024

**Maunu Lehtimäki**  
CEO



## MARKET DEVELOPMENT

Despite the market turbulence seen during the autumn, 2023 was a good year from an investor's perspective. The stock markets, which had risen rapidly during the first half of the year, especially in the United States, Europe, and Japan, took a downturn in the third quarter. However, the decline quickly reversed, and valuation levels rose towards the end of the year, despite the weakening outlook for corporate earnings growth. At the same time, the return levels of fixed income investments increased during the year, offering interesting investment opportunities. Despite the rise in valuation levels, uncertainty and risks in the market were high. The continuation of the war in Ukraine, the escalation of the Israeli-Palestinian situation into an attack on Gaza in late autumn, and the subsequent rise in tensions in the Middle East put investors on their toes. In addition to geopolitical risks, concerns were raised about China's weaker-than-expected economic growth, problems plaguing the country's real estate sector and ongoing tensions with the United States. The Nordic real estate market also ran into problems, which led to depreciations in values and a slowdown in trade. This was reflected especially in the operations of real estate funds.

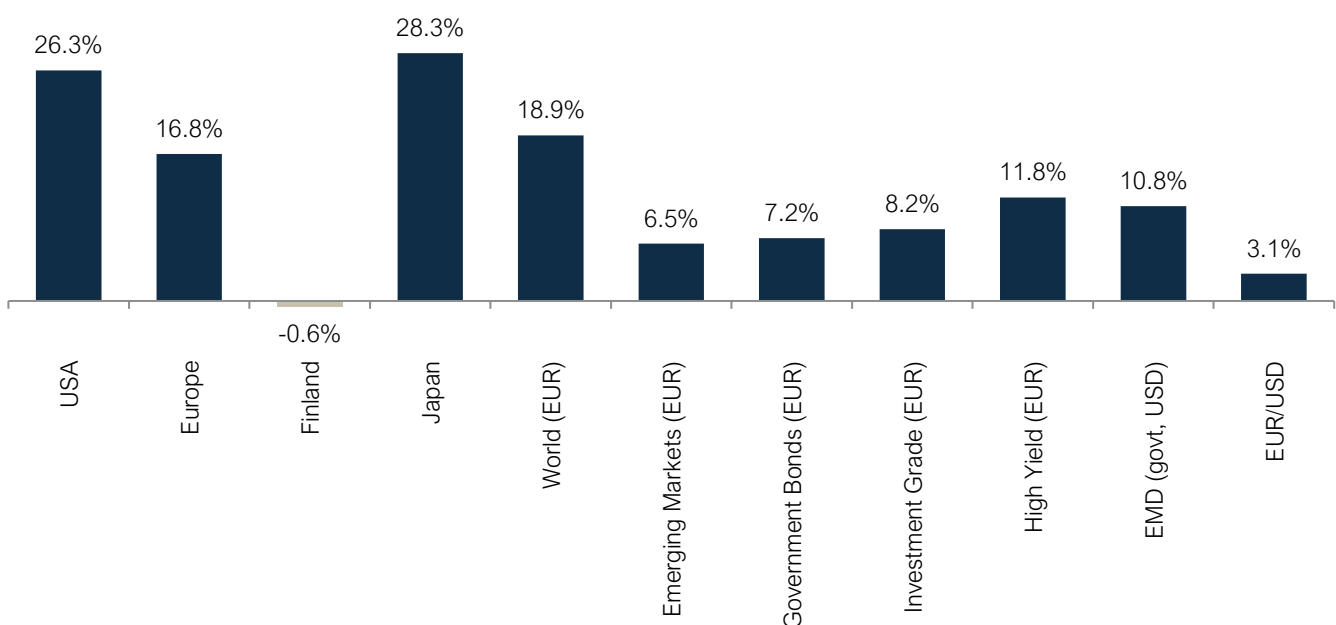
Central banks' interest rate movements have been a significant factor in the development of equity and fixed income markets over the past year. Central banks in Europe and the United States sought to curb accelerating inflation

with rapid interest rate hikes in the early part of the year, while slowing economic growth. Although inflation began to decline at the end of the year, the continued strong economic growth and employment situation in the United States led the Federal Reserve to indicate that a decline in key interest rates was not imminent soon. This was also indicated by the European Central Bank, which stressed that the tightening policy would continue in monetary policy.

In the United States and Europe, investment market development was generally positive, as was in Japan. In Finland, on the other hand, valuation levels declined, weighed down by the price development of the largest, cyclical companies on the stock exchange. U.S. equities (S&P 500) rose 26.3 percent and European equities (Stoxx 600) rose 16.8 percent between January and December. During the same period, Finnish equities (OMX Helsinki Cap) fell by 0.6 percent.

The development of the fixed income markets was also positive during January-December. The value of corporate bonds with a higher credit rating increased by 8.2 percent. Euro area government bond values rose by 7.2 percent. The value of lower-rated high-yield bonds, on the other hand, increased by 11.8 percent. The exchange rate of the euro rose by 3.1 percent against the dollar.

Market performance 1–12/2023



## DEVELOPMENT OF REVENUE AND RESULT

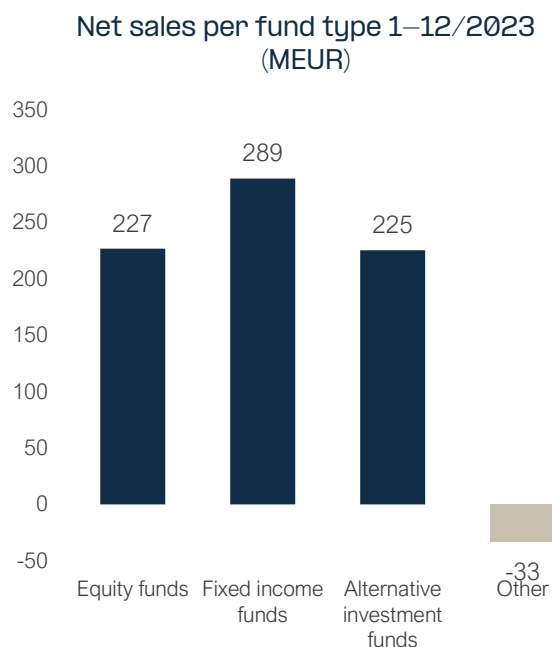
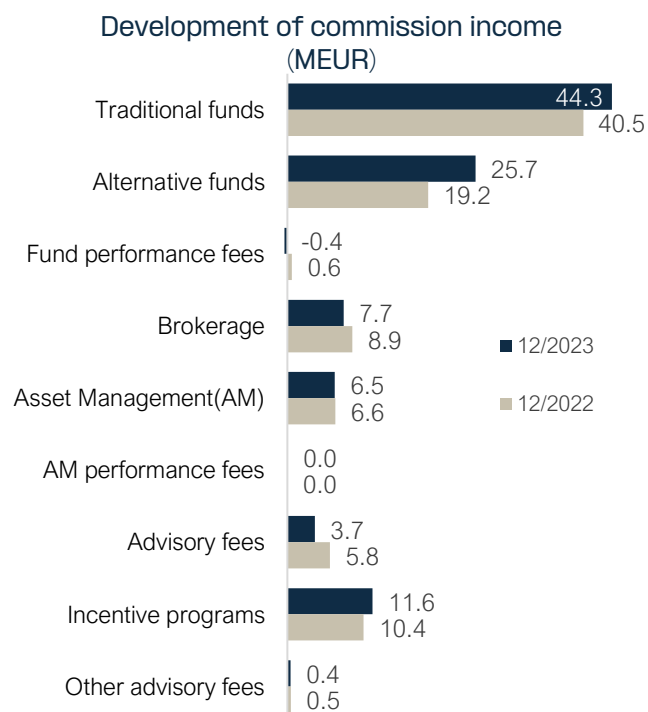
Following the acquisition of EAB Group Plc ("EAB"), successful new sales and positively developed financial markets, Evli Group's net revenue increased by 13 percent from the comparison period's level to EUR 108.7 million (EUR 96.1 million). Performance-related fees during the review period amounted to EUR -0.4 million (EUR 0.6 million). The performance-based fees include a write-down of EUR 0.5 million related to EAB-era fee provisions for Solar Yield Funds and a write-down of EUR 0.9 million in the Evli Residential I fund's carry fee accrual from previous financial years. The Group's net commission income increased nearly by 9 percent from the comparison period to EUR 100.0 million (EUR 92.1 million). Income from own investments amounted to EUR 3.0 million (EUR 3.7 million), including income from securities trading and currency brokerage.

Total costs for the review period, including depreciation and impairment, amounted to EUR 69.2 million (EUR 65.5 million). The increase in expenses is mainly explained by the acquisition of EAB and general inflation. Personnel expenses amounted to EUR 41.0 million (EUR 39.2 million), including an estimate of performance-based bonuses for

the personnel. Other administrative expenses amounted to EUR 21.0 million (EUR 19.6 million). Depreciation, amortizations, and impairments amounted to EUR 5.6 million (EUR 5.8 million) and other operating expenses to EUR 1.6 million (EUR 0.8 million). Impairment losses on other financial assets amounted to EUR -0.8 million, consisting of a write-down of shares in the associated company SAV-Finance Oy (EUR -0.75 million). The share of profit of associates was EUR 0.7 million (EUR 0.3 million). Evli's cost-income ratio was 0.63 (0.67).

Operating profit increased by more than 30 percent year-on-year and was EUR 40.2 million (EUR 30.9 million). The operating profit margin was 37.0 percent (32.1%). The profit for the period under review was EUR 32.0 million (EUR 25.1 million).

Evli presents the result of the valuation of the investment of Alisa Bank Plc as a separate item in the statement of other comprehensive income in accordance with IFRS 9. During the period, the change in value of the investment amounted to EUR -2.3 million.



## BUSINESS AREAS

### WEALTH MANAGEMENT AND INVESTOR CLIENTS

The Wealth Management and Investor Clients segment offers services to present and future high net worth private individuals and institutions. The comprehensive product and service selection includes asset management services, fund products offered by Evli and its partners, various capital market services and alternative investment products. The segment also includes execution and operations activities that directly support these core activities.

#### Discretionary asset management

Assets under management increased from the level of the comparison period as a result of strong market development. At the end of the review period Evli had EUR 5.7 billion (EUR 5.5 billion) in discretionary asset management assets, which includes both traditional and digital services.

#### Traditional mutual funds

Net subscriptions of EUR 0.5 billion (EUR -1.2 billion) were made to Evli's mutual funds in January-December. According to Evli's strategy, the goal is to increase the international sales of its investment products. In the review period, net subscriptions from foreign investors amounted to EUR -20 million (EUR -0.7 billion).

The returns of all of Evli's fixed income funds developed positively during the review period. Of the funds, the best returns relative to the benchmark index were generated by Evli Short Corporate Bond and Evli Nordic Corporate Bond funds. The return development of almost all equity funds was also positive during the review period, driven by the general market situation. Relative to the benchmark index, the best returns were generated by Evli Finnish Small Cap and Evli GEM funds.

During the period under review, 42 percent of Evli's traditional investment funds performed better than their benchmark index. In a three-year review, 45 percent of mutual funds outperformed the benchmark index. At the end of the review period, Evli was the best in the comparison of management companies by the analysis house Morningstar, receiving 4.00 stars.

The total capital of traditional investment funds managed by the fund management company was EUR 9.9 billion (EUR 8.6 billion). Of this, around EUR 3.5 billion were invested in equity funds (EUR 2.8 billion), EUR 6.3 billion in fixed income funds (EUR 5.6 billion) and EUR 0.2 billion in mixed funds (EUR 0.2 billion). At the end of December, EUR 2.4 billion of Evli's fund capital came from customers outside Finland (EUR 2.2 billion) when direct fund investments are examined.

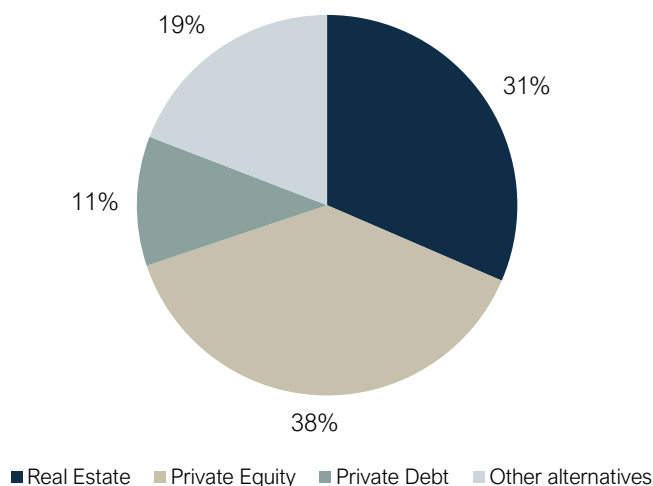
Responsibility is a central part to Evli's asset management. At the end of the review period, the average ESG rating of Evli's funds was "A" (source: MSCI ESG database).

#### Alternative investment products

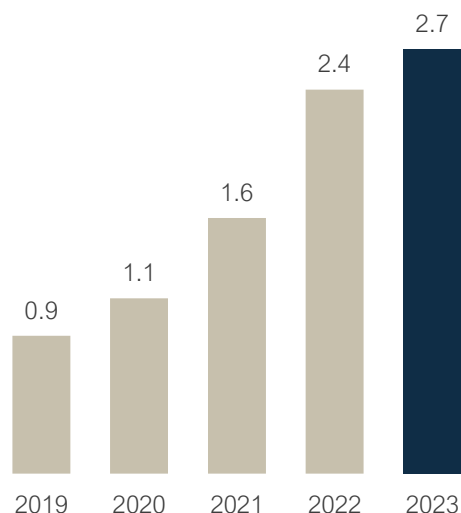
The sales and product development of the strategically important alternative investment products performed well considering the market situation during the review period.

In total, subscriptions and investment commitments to alternative investment products were made in the fourth quarter of the year to the value of approximately EUR 32 million. The subscriptions were mainly directed at Evli Renewable Energy Infrastructure II Fund (approximately EUR 11 million) and Evli Private Debt II (approximately EUR 11 million). Correspondingly, a total of approximately EUR 11 million was redeemed from Evli's real estate funds, most of which was allocated to Evli Rental Income II Fund.

Assets under management in alternative funds 31.12.2023



Assets under management in alternative funds (bn. €)



## Other investment products

During the review period, demand for direct investment products was modest despite the high volatility in the markets. During the review period, commissions from brokerage activities decreased from the comparison period in almost all asset classes.

## Financial performance

In January-December the net revenue of the Wealth Management and Investor Clients segment increased from the comparison period due to good fund development and net sales carried over from the acquisition of EAB. The development of net sales was burdened by clearly lower commission income and lower yield fees than in the comparison period. Net sales increased by 11 percent from the

previous year and were EUR 84.2 million (EUR 75.7 million). During the period under review, performance-related fees from asset management or funds amounted to EUR -0.4 million (EUR 0.6 million).

The operating result increased by 20 percent on the comparison period and was EUR 33.0 million (EUR 27.4 million).

In October-December the net revenue of the Wealth Management and Investor Clients segment decreased by two percent compared to the review period and was EUR 21.4 million (EUR 21.8 million). The figures in the comparison period contained significant fees related to private equity funds, in addition to which the decrease was partly due to write-downs of previously recognized carry fees.

## Key figures – Wealth Management and Investor Clients

M€	10-12/2023	10-12/2022	Change %	1-12/2023	1-12/2022*	Change %
Net revenue	21.4	21.8	-2%	84.2	75.7	11%
Operating profit/loss before Group allocations	10.6	8.1	31%	43.4	38.1	14%
Operating profit/loss	6.7	5.2	30%	33.0	27.4	20%

\* Includes carve-out figures for 1-3/2022



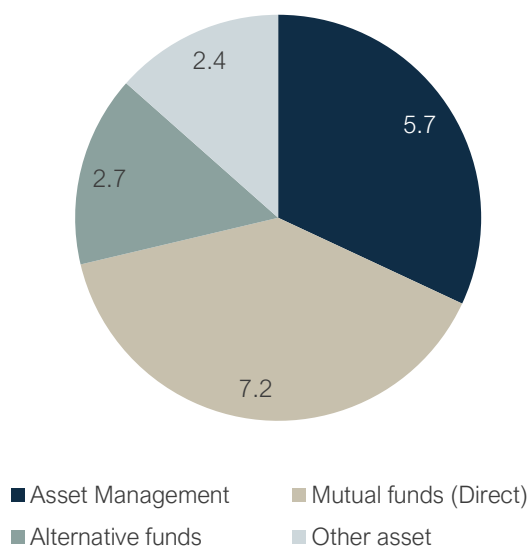
## Development of client assets under management

Client assets under management consist of direct investments in mutual funds, discretionary asset management and assets managed through Evli's subsidiaries and associated companies.

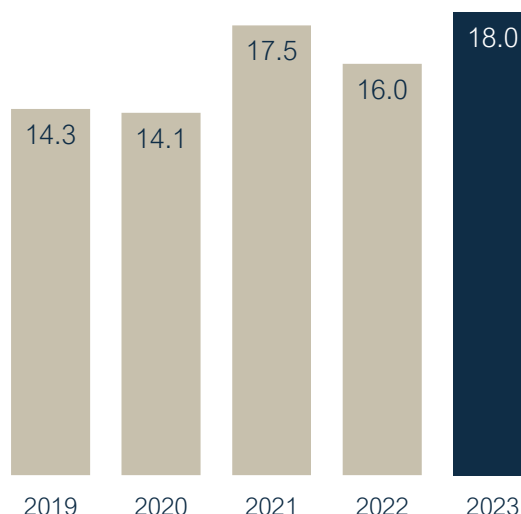
Customer assets under management increased from the comparison period's level due to new sales and positive market development. At the end of December, the Group's total net assets under management stood at EUR 18.0 billion (EUR 16 billion).

At the end of December, the full power of attorney was within the scope of asset management for EUR 5.7 billion (EUR 5.5 billion). Correspondingly, direct investments in Evli's traditional investment funds totaled EUR 7.2 billion (EUR 6.0 billion) at the end of the review period. The assets under management of alternative investment funds amounted to EUR 2.7 billion (EUR 2.4 billion). Assets managed through subsidiaries and associated companies also rose to EUR 2.4 billion (EUR 2.1 billion).

Split of Assets under management  
31.12.2023 (bn. €)



Development of assets under management, (bn. €)



## ADVISORY AND CORPORATE CLIENTS

The Advisory and Corporate Clients segment provides corporate and capital management services, including advisory services on acquisitions and divestments, IPOs and share issues. The segment also provides planning and administration of compensation and incentive plans and corporate analysis services for listed companies.

### M&A transactions

Uncertainty and increased financing costs weighed on the M&A markets well into the autumn, but as the end of the year approached, the situation improved, and assignments reached the finish line. During the last quarter of the year, Evli acted as an advisor in the following assignments:

- Acquisition of Fehling Instrument by Stillen
- Acquisition of Labquality Oy by Merieux Equity Partners
- Sale of Due Compliance to Björn Lunden

- Sale of Restolution Oy

Despite the uncertain market environment, the company's order book is reasonable, and the outlook is favorable.

### Remuneration services

At the end of the review period, the company had over 220 incentive programs or personnel funds under management. Evli annually advises around 150 companies on compensation planning mandates. In the domestic client base, activity remained at a very high level, especially with the implementation of share issues and share savings plans for the entire personnel. Sales to both Swedish listed and domestic unlisted companies also increased during the period. The company's offer base has also grown steadily.

Net revenue of the incentive business during the review period was approximately EUR 12.2 million (EUR 10.2 million). The development of net revenue was positively affected by, among other things, the increase in the number of customer companies from the comparison period and the still growing cross-selling of services. In addition, existing customers' interest in more extensive incentive plans, such as share savings plans for the entire personnel, and communication services continued to grow. The personnel fund business resulting from the acquisition of EAB and the expansion of the business into Sweden also brought growth.

## Financial performance

**In January-December**, the net revenue in the Advisory and Corporate Clients segment decreased by four percent from the previous year and amounted to EUR 15.8 million (EUR 16.4 million). Revenue development was negatively impacted by the decrease in advisory fees received from M&A transactions. Significant fluctuations in revenue from one quarter to the next are typical of the segment's M&A activities.

**In October-December** the Advisory and Corporate Clients segment's net revenue remained unchanged year-on-year and was EUR 4.9 million (EUR 4.9 million).

## Key figures – Advisory and Corporate Clients

M€	10–12/2023	10–12/2022	Change %	1–12/2023	1–12/2022*	Change %
Net revenue	4.9	4.9	1%	15.8	16.4	-4%
Operating profit/loss before Group allocations	1.9	1.9	1%	4.5	6.1	-26%
Operating profit/loss	1.2	1.3	-11%	2.7	4.2	-37%

\* Includes carve-out figures for 1–3/2022

## GROUP OPERATIONS

The Group Operations segment includes support functions serving the business areas, such as Information Management, Financial Administration, Marketing, Communications and Investor Relations, Human Resources, and Internal Services. The company's own investment operations and the Group's supervisory functions (Legal and Compliance, Risk Management, and Internal Audit) are also part of Group Operations.

period and was EUR 8.7 million (EUR 4.0 million). The increase was driven by a change in the interest rate environment reflected in the interest margin and by own investment activity.

**In October-December**, the net revenue of the Group Operations segment increased from the corresponding level in the previous year to EUR 4.4 million (EUR 2.7 million). The rise was due to the change in the interest rate environment being reflected in net interest income and own investment activities.

## Financial performance

**In January-December**, the net revenue in the Group Operations segment increased compared to the comparison

## Key figures – Group Operations

M€	10–12/2023	10–12/2022	Change %	1–12/2023	1–12/2022*	Change %
Net revenue	4.4	2.7	65%	8.7	4.0	119%
Operating profit/loss before Group allocations	-1.6	-4.9	67%	-7.7	-13.3	43%
Operating profit/loss	3.0	-1.5	303%	4.5	-0.8	691%

\* Includes carve-out figures for 1–3/2022

## RESPONSIBILITY

Responsibility is one of Evli's strategic focus areas. Responsible operations create long-term value and keep us competitive in the changing global operating environment.

### Responsible investing

In Wealth Management, the company's most significant business area, responsibility factors have been integrated as a systematic part of portfolio management. The investments made by Evli's mutual funds are monitored for possible breaches of standards. In addition, the asset management team engages in influencing the companies it invests in independently and together with other investors.

As part of active ownership, Evli engaged with 13 companies during the fourth quarter of 2023. Engagement was related to suspected violations of norms, companies' climate work and targets, environmental issues, social responsibility in supply chains and the development of companies' responsibility work. Evli also participated in the materiality analyses of the companies, discussed responsibility themes with various stakeholders and actively participated in the consultation discussions with various actors on the disclosure obligation regulation. In addition, Evli joined CDP's annually updated co-engagement initiative, which encourages companies to set science-based climate targets.

During the review period, Evli published a biodiversity roadmap for Wealth Management, which sets the benchmarks for action to take biodiversity into account in 2023–2025. The aim is to gain a better understanding of the impacts of investments on biodiversity, to continue Evli's research on biodiversity and to develop related reporting.

In the field of social responsibility, Evli presented the progress of a research project related to the promotion of children's rights at an event organized by UN Global Compact Finland, Save the Children and UNICEF Finland. As part of the research project, in 2023 Evli was an expert in a benchmark study conducted by UNICEF Finland, considered ways to integrate children's rights more broadly to responsible investment practices, and built sector-specific analysis of children's rights primarily from the perspective of Finnish companies.

Continuous learning and quality play a key role in Evli's investment operations. As part of its systematic development work, Evli organized ESG training days for its portfolio management, which were attended by more than 50 people. The main themes of the training days were climate, biodiversity, and children's rights.

During the review period, Evli's equity and corporate bond funds were granted the ESG4Real certificate, an independent third-party quality assurance for responsible investment practices. In December, Evli's product range expanded with a new Article 9 equity fund Evli Impact Equity. The Fund invests its assets mainly in companies in developed and emerging markets that, based on sustainability and impact analysis, engage in economic activities that are considered to be substantially sustainable and that contribute to selected UN Sustainable Development Goals (SDGs).

Evli's work in the field of responsibility was also recognized by customers. In the SFR client survey, Evli was ranked second among large asset management houses in Finland in terms of responsible investment expertise.

#### Focus areas for responsible investing

- Continuous work towards climate targets
- Research around biodiversity
- Working to promote human rights
- Continuing to deepen ESG integration in portfolio management
- New responsibility themed products
- Following EU sustainable finance legislation

#### Results in responsible investing 10–12/2023

- Engaging directly with 13 companies and participating in companies' materiality analyses
- Joining CDP's Science-Based Targets (SBT) Campaign
- Publishing a Biodiversity Roadmap
- Continuing the research project to promote children's rights
- Ranked second in the SFR customer survey in responsible investment expertise
- ESG4Real certification for Evli's equity and corporate bond funds
- ESG training days for portfolio management
- New Article 9 equity fund Evli Impact Equity

## Responsible employer

Evli is committed to creating responsible and high-quality work-life experiences for its employees and job applicants. Fairness, which encompasses equality, non-discrimination, and diversity, is an integral part of Evli's responsibility.

At Evli, each business unit is responsible for ensuring that responsibility issues are taken into account in their daily work and that all employees are implementing responsibility into practice. Responsible working practices are based on Evli's values: entrepreneurship, valuable relationships, learning, and integrity.

### Focus areas for responsible working life

- Leadership
- Well-being at work and the work environment
- Diversity and equal opportunities
- Continuous personnel development
- Job stability and competitive pay

## BALANCE SHEET AND FUNDING

At the end of December, Evli Group's balance sheet total was EUR 344.7 million (EUR 366.6 million). The Group's equity at the end of the review period stood at EUR 137.2 million (EUR 143.4 million). A breakdown of changes in equity during the period is presented in the tables section of this release.

The Group's cash and cash equivalents at the end of the period stood at EUR 126.0 million (EUR 115.4 million) and liquid investment fund investments totaled EUR 26.0 million (EUR 23.8 million). Evli Plc has granted investment loans to its customers. At the end of the review period, loans drawn totaled EUR 19.2 million (EUR 34.8 million). These are presented in the balance sheet under claims on the public and public sector entities. There were no credit losses during the review period.

The lease liability related to business premises recorded in the balance sheet at the end of the period was EUR 11.3 million (EUR 12.9 million), of which short-term liabilities accounted for EUR 2.4 million (EUR 1.7 million). Evli Plc has

issued structured notes totaling EUR 106.7 million (EUR 106.3 million). These form the basis of the Group's long-term financing together with equity. The company's share capital at the end of December was EUR 53.7 million. There were no changes in the share capital during the review period.

The Group's Common Equity Tier 1 capital per 31.12.2023 was EUR 42.9 million and the Group's own funds in relation to the required minimum capital were 258.2 percent. As an investment firm, Evli Plc complies with the Investment Services Companies' Capital Adequacy Framework (IFD/IFR). The most restrictive capital requirement for Evli at the end of the review period was determined based on fixed overheads. The minimum capital requirement based on fixed overheads was EUR 16.6 million. The Group's equity ratio was 39.8 percent on 31.12.2023. Detailed information on capital adequacy is presented in the tables section of this release.

## CHANGES IN GROUP STRUCTURE

As a result of the directed share issue carried out by Evli's associated company, Northern Horizon Capital A/S, Evli's ownership in the company decreased in the second quarter, being 47 percent at the end of December.

During the fourth quarter, Evli clarified its Group structure by merging the wholly owned group company Thermo

Power Finland Oy into Elite Sijointus Oy. In addition, at the end of the year, Evli Research Partners Oy, which focuses on research services, was transferred from Evli Corporate Finance Ab to the parent company's direct ownership by an internal transaction.

## DECISIONS TAKEN BY THE GENERAL MEETING

Evli Plc's Annual General Meeting, held in Helsinki on March 14, 2023, decided on the following matters:

### **Adoption of the financial statements, use of the profit shown on the balance sheet and the payment of dividend**

Evli Plc's Annual General Meeting approved the financial statements for the financial year 2022. The Annual General Meeting approved the Board of Directors' proposal to pay a dividend for the financial year 2022 for the amount of EUR 0.80 per share, in addition to which EUR 0.35 per share will be distributed from the reserve for invested unrestricted equity. The dividend and the distribution from the reserve for invested unrestricted equity will be paid to shareholders who are entered in the shareholder register maintained by Euroclear Finland Oy on the dividend record date.

### **The release from liability of the members of the Board of Directors and the CEO**

The Annual General Meeting granted release from liability to the Members of the Board of Directors and the CEO for the 2022 financial year.

### **Number of Board members, members, and fees**

The Annual General Meeting decided that the Board of Directors will consist of six (6) members. The present members of the Board of Directors Henrik Andersin, Fredrik Hacklin, Sari Helander, Robert Ingman and Antti Kuljukka were re-elected as members of the Board of Directors and Christina Dahlblom was elected as a new member.

It was decided that the following remuneration shall be paid to the members of the Board of Directors: EUR 5,000.00 per month to the Members of the Board, EUR 6,000.00 per month to the Chairmen of the Board Committees and EUR 7,500.00 per month to the Chairman of the Board.

### **Auditors and auditors' fees**

The auditing firm Ernst & Young Oy (EY) was elected as the company's auditor and Miikka Hietala, Authorized Public Accountant, as the principally responsible auditor. The auditor shall be paid remuneration according to a reasonable invoice approved by the company.

### **Authorizing the Board of Directors to decide on the acquisition of the company's own shares**

The Annual General Meeting authorized the Board of Directors to decide on the acquisition of the company's own series A and series B shares in one or more tranches as follows:

The total number of own series A shares to be acquired may be a maximum of 1,448,515 shares, and the total number of own series B shares to be acquired may be a maximum of 1,179,015 shares. The proposed number of shares represents approximately 10 percent of all the shares of the company on the date of the Notice of the Annual General Meeting.

Based on the authorization, the company's own shares may only be acquired with unrestricted equity.

The Board of Directors will decide how the company's own shares will be acquired. Financial instruments such as derivatives may be used in the purchasing. The company's own shares may be acquired in other proportion than the shareholders' proportional shareholdings (private purchase). Shares may be acquired through public trading at the prevailing market price formed for the series B shares in public trading on the Nasdaq Helsinki Oy on the date of acquisition.

The authorization will replace earlier unused authorizations to acquire the company's own shares. The authorization will be in force until the next Annual General Meeting but no later than until June 30, 2024.

### **Authorizing the Board of Directors to decide on the issuance of shares as well as the issuance of options and other special rights entitling to shares**

The Annual General Meeting authorized the Board of Directors to decide on the issuance of shares and special rights entitling to shares pursuant to Chapter 10, section 1, of the Companies Act in one or more tranches, for a fee or free of charge.

Based on the authorization, the number of shares issued or transferred, including shares received based on special rights, may total a maximum of 2,627,530 series B shares. The proposed number of shares represents approximately 10 percent of all the shares of the company on the date of the Notice of the Annual General Meeting. Of the above-mentioned total number, however, a maximum of 262,753 shares may be used as part of the company's share-based incentive schemes, representing approximately one (1) percent of all the shares of the company on the date of the Notice of the Annual General Meeting.

The authorization will entitle the Board of Directors to decide on all the terms and conditions related to the issuing of shares and special rights entitling to shares, including the right to deviate from the shareholders' pre-emptive subscription rights. The Board of Directors may decide to issue either new shares or any own shares in the possession of the company.

The authorization will replace earlier unused authorizations concerning the issuance of shares as well as the issuance of options and other special rights entitling to shares. The authorization is proposed to be in force until the end of the next Annual General Meeting but no longer than until June 30, 2024.

### **Amendment of the Articles of Association with regard to the arrangements for the General Meeting of Shareholders**

The Annual General Meeting decided to add to the Articles of Association the possibility to alternatively attend the General Meeting remotely during the meeting (hybrid meeting) or without a physical meeting place (remote meeting). The amendment was made to Article 10 (Notice Convening the General Meeting of Shareholders) of the Articles of Association.

New article in the Articles of Association:

“Article 10 § Notice Convening the General Meeting of Shareholders

A notice convening the general meeting of shareholders shall be published on the company's website and as a stock exchange release no earlier than three (3) months before and no later than three (3) weeks prior to the meeting. The notice shall, however, be announced at least nine (9) days before the record date of the general meeting of shareholders. The board of directors may at their discretion decide to publish notice of the general meeting of shareholders in one or several newspapers.

The Board of Directors may decide that a shareholder may also participate in the General Meeting by exercising his/her right to vote by means of a telecommunication link and technical aid before or during the meeting (hybrid meeting). The Board of Directors may also decide that the general meeting is to be held without a meeting venue so that shareholders exercise their decision-making power fully and in a timely manner during the meeting by means of telecommunication and technical aids (remote meeting).”

## SHARES AND SHAREHOLDERS

Evli Plc's total number of shares at the end of December was 26,484,899 shares, of which 14,425,812 were series A shares and 12,059,087 series B shares. The company held no own shares at the end of December 2023.

Pursuant to Section 4 of the Articles of Association, the company converted 18,000 A shares into B shares on May 8, 2023. The converted shares were admitted to public trading on Nasdaq Helsinki on May 9, 2023.

The company decided on April 21, 2022, on a directed share issue without consideration for the reward payments based on the Restricted Share Plans 2018 and 2019. A total of 209,597 new B shares of Evli Plc were entered into the Trade Register on June 27, 2023. The new shares were admitted to public trading on Nasdaq Helsinki on June 28, 2023.

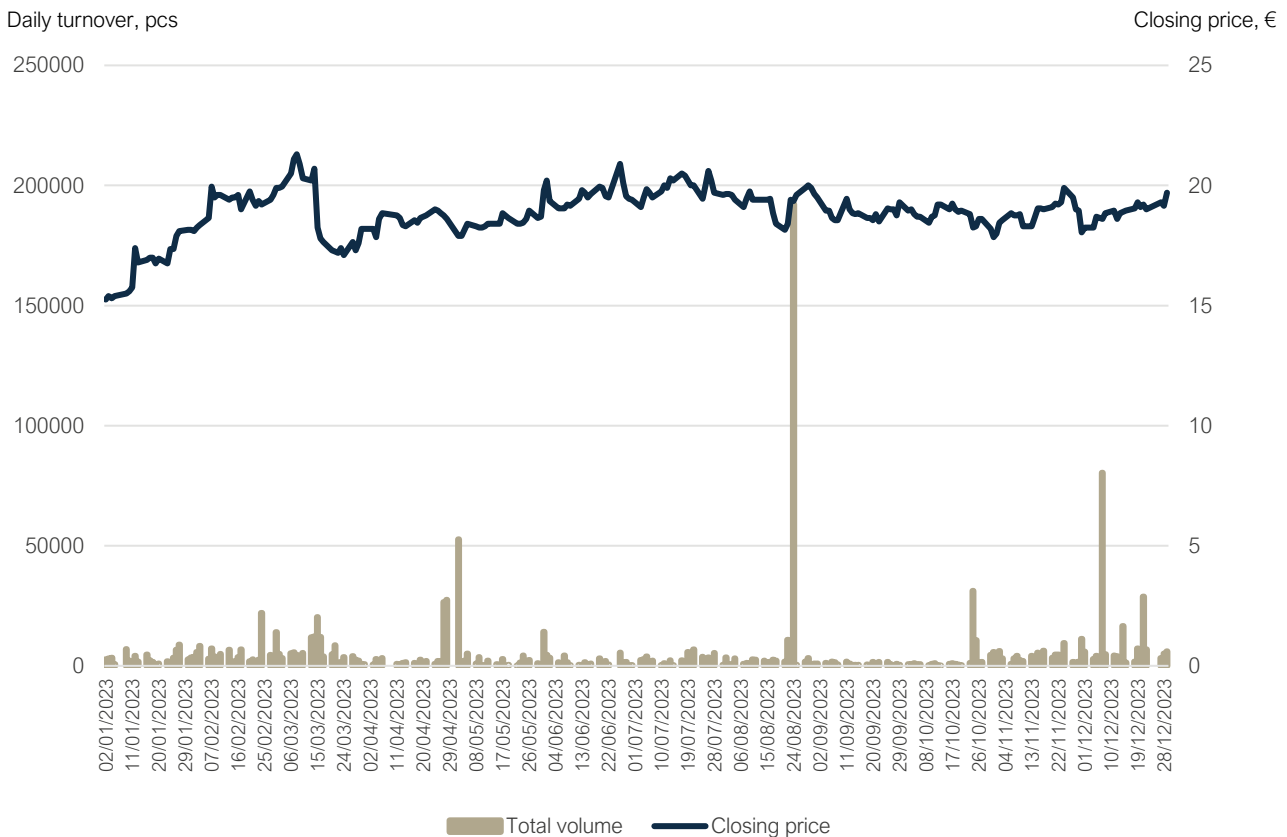
Pursuant to Section 4 of the Articles of Association, the company converted 8,000 A shares into B shares on July 25, 2023. The converted shares were admitted to public trading on Nasdaq Helsinki on July 26, 2023.

Pursuant to Section 4 of the Articles of Association, the company converted 33,336 A shares into B shares on November 10, 2023. The converted shares were admitted to public trading on Nasdaq Helsinki on November 13, 2023.

The closing price of Evli Plc's share on December 31, 2023, was EUR 19.70. The lowest closing price for the period was EUR 15.25 and the highest was EUR 21.30. A total of 1,151,499 Evli Plc shares were traded during the review period. The combined market value of A and B shares was EUR 521.8 million on December 31, 2023. For the purpose of calculating the market value, the A share is valued at the closing price of the B share for the period.

Evli's total number of shareholders was 6,697 at the end of December. Finnish companies owned 53 percent and the shareholding of Finnish private individuals was 27 percent. The remaining 19 percent of the shares were owned by financial and insurance corporations, general government, non-profit-making entities, and foreign investors. The ten largest shareholders are presented on page 34.

Share price development and trading volume (series B shares) from January 1 to December 31, 2023



## BUSINESS RISKS AND RISK MANAGEMENT

The most significant risks for the Group in the near term are the general market development and the impact of the changing operating environment and inflation on Evli's businesses. The performance of the asset management business is mainly influenced by the development of assets under management, which depends on, among others, the development of capital markets and the general demand for investment products. On the other hand, alternative investment products in particular are based on long-term agreements which provide a steady income stream. Profit development is also influenced by the realization of performance-related fee income linked to the successful management of client assets. Performance fees can vary widely from quarter to quarter and from financial year to financial year.

General market developments also have an impact on brokerage and advisory mandates. In the Corporate Finance business, potential changes in market confidence

among investors and corporate managers may lead to project delays or interruptions.

In addition to its core business, Evli has granted investment loans to its clients, as well as owning equity and mutual fund investments. The most significant risks related to its own investment activities are liquidity, market, and interest rate risks. These risks are managed through limits set by Evli Plc's Board of Directors, which are monitored on an ongoing basis. The company's investments are made on the basis that they must not endanger the Group's results or solvency. Despite good supervision, investment activities always involve a certain degree of risk, which may result in significant quarterly fluctuations in the returns from investment activities.

A more detailed description of operational risks is provided in the financial statements of Evli Plc, available at [evli.com/en/investors](https://evli.com/en/investors).

## SUGGESTION FOR DISTRIBUTION OF PROCEEDS

The parent company's distributable assets on December 31, 2023 totaled EUR 50.5 million of which EUR 34.6 million were retained earnings and EUR 15.9 million were in the reserve for invested unrestricted equity. When calculating the distributable assets, the parent company's capitalized development costs of EUR 1.2 million needs to be deducted. The Board of Directors proposes to the Annual General Meeting of Shareholders that a dividend of EUR

1.16 per share be paid. The total proposed dividend calculated according to the number of shares (excluding own shares held by the company) on the balance sheet date is EUR 30.7 million. There have been no major changes in the company's financial position after the end of the financial year. The proposed distribution of profit does not endanger the financial solidity or liquidity of the company.

## EVENTS TAKING PLACE AFTER THE REVIEW PERIOD

There have been no material changes since the review period.



## OUTLOOK FOR 2024

The business environment is expected to remain uncertain and difficult to predict in 2024. The expansion of geopolitical risks, fears of inflation and interest rates, and concerns about the sustainability of economic growth increase uncertainty in the markets.

Despite the challenging market environment, Evli has succeeded in strengthening its position in the market. Growth is supported by a wide range of products and customer base. Due to our strong position and growth prospects, we estimate that the operating result will be at or above the comparison period.

Helsinki, January 25, 2024

EVLI PLC  
Board of Directors

**Additional information:**

Maunu Lehtimäki, CEO, tel. +358 50 553 3000  
Juho Mikola, CFO, tel. +358 40 717 8888

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

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## CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

M€	10-12/ 2023	10-12/ 2022	1-12/ 2023	1-12/ 2022*
Fee and commission income	26.8	27.7	102.9	95.4
Net income from securities transactions	1.0	2.3	3.0	3.7
Income from equity investments	0.1	0.0	0.1	0.0
Interest income	4.5	0.9	8.8	1.6
Other operating income	0.1	0.1	0.8	0.1
<b>INCOME TOTAL</b>	<b>32.5</b>	<b>31.0</b>	<b>115.7</b>	<b>100.9</b>
Fee and commission expenses	-0.6	-1.0	-2.9	-3.3
Interest expenses	-1.2	-0.6	-4.1	-1.5
<b>NET INCOME</b>	<b>30.7</b>	<b>29.4</b>	<b>108.7</b>	<b>96.1</b>
Administrative expenses				
Personnel expenses	-11.6	-15.0	-41.0	-39.2
Other administrative expenses	-6.1	-6.9	-21.0	-19.6
Depreciation and amortization on tangible and intangible assets	-1.3	-1.5	-4.8	-5.1
Other operating expenses	-0.3	-0.4	-1.6	-0.8
Expected credit losses on loans and other receivables	0.0	0.0	0.0	0.0
Impairment losses on other financial assets	-0.8	-0.7	-0.8	-0.7
Share of profit or loss of associates	0.2	0.0	0.7	0.3
<b>OPERATING PROFIT/LOSS</b>	<b>10.9</b>	<b>5.0</b>	<b>40.2</b>	<b>30.9</b>
Income taxes	-2.4	-0.7	-8.2	-5.8
<b>PROFIT / LOSS FOR THE FINANCIAL YEAR</b>	<b>8.5</b>	<b>4.3</b>	<b>32.0</b>	<b>25.1</b>
<b>Attributable to</b>				
Minority interest	1.4	1.1	3.3	4.3
Shareholders of parent company	7.1	3.2	28.8	20.7
<b>PROFIT / LOSS FOR THE FINANCIAL YEAR</b>	<b>8.5</b>	<b>4.3</b>	<b>32.0</b>	<b>25.1</b>
<b>OTHER COMPREHENSIVE INCOME / LOSS</b>				
Items that are or may be reclassified subsequently to profit or loss				
Foreign currency translation differences - foreign operations	-0.1	0.2	-0.1	-0.6
Items that may not be reclassified subsequently to profit or loss				
Fair value change of financial instruments recognized in OCI	-2.7	0.3	-2.9	-3.4
Deferred taxes	0.5	0.0	0.6	0.7
<b>Other comprehensive income/loss</b>	<b>-2.3</b>	<b>0.4</b>	<b>-2.5</b>	<b>-3.3</b>
Other comprehensive income after taxes / loss for the year	-2.3	0.4	-2.5	-3.3
<b>OTHER COMPREHENSIVE INCOME / LOSS FOR THE YEAR</b>	<b>6.3</b>	<b>4.7</b>	<b>29.6</b>	<b>21.7</b>
<b>Attributable to</b>				
Non-controlling interest	1.4	1.1	3.3	4.3
Equity holders of parent company	4.8	3.6	26.3	17.4
Earnings per share (EPS), fully diluted (EUR)	0.26	0.12	1.05	0.81
Earnings per share (EPS), undiluted (EUR)	0.27	0.12	1.09	0.83

\* Includes carve-out figures for 1-3/2022

## QUARTERLY CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

M€	10–12/2023	7–9/2023	4–6/2023	1–3/2023	10–12/2022
Fee and commission income	26.8	24.8	26.4	24.9	27.7
Net income from securities transactions	1.0	1.0	0.1	1.0	2.3
Income from equity investments	0.1	0.0	0.0	0.0	0.0
Interest income	4.5	1.6	1.5	1.2	0.9
Other operating income	0.1	0.7	0.0	0.0	0.1
<b>INCOME TOTAL</b>	<b>32.5</b>	<b>28.1</b>	<b>28.0</b>	<b>27.1</b>	<b>31.0</b>
Fee and commission expenses	-0.6	-1.1	-0.5	-0.6	-1.0
Interest expenses	-1.2	-1.1	-1.1	-0.7	-0.6
<b>NET INCOME</b>	<b>30.7</b>	<b>25.9</b>	<b>26.4</b>	<b>25.7</b>	<b>29.4</b>
Administrative expenses					
Personnel expenses	-11.6	-9.1	-10.0	-10.2	-15.0
Other administrative expenses	-6.1	-5.2	-4.9	-4.9	-6.9
Depreciation and amortization on tangible and intangible assets	-1.3	-1.1	-1.1	-1.3	-1.5
Other operating expenses	-0.3	-0.4	-0.7	-0.3	-0.4
Expected credit losses on loans and other receivables	0.0	0.0	0.0	0.0	0.0
Impairment losses on other financial assets	-0.8	0.0	0.0	0.0	-0.7
Share of profit or loss of associates	0.2	0.0	0.0	0.4	0.0
<b>OPERATING PROFIT/LOSS</b>	<b>10.9</b>	<b>10.2</b>	<b>9.8</b>	<b>9.4</b>	<b>5.0</b>
Income taxes	-2.4	-2.0	-1.9	-1.9	-0.7
<b>PROFIT / LOSS FOR THE FINANCIAL YEAR</b>	<b>8.5</b>	<b>8.2</b>	<b>7.8</b>	<b>7.5</b>	<b>4.3</b>
<b>Attributable to</b>					
Minority interest	1.4	0.6	0.8	0.4	1.1
Shareholders of parent company	7.1	7.6	7.0	7.0	3.2
<b>PROFIT / LOSS FOR THE FINANCIAL YEAR</b>	<b>8.5</b>	<b>8.2</b>	<b>7.8</b>	<b>7.5</b>	<b>4.3</b>
<b>OTHER COMPREHENSIVE INCOME / LOSS</b>					
Items that are or may be reclassified subsequently to P&L					
Foreign currency translation differences - foreign operations	-0.1	0.1	0.0	0.0	0.2
Items that may not be reclassified subsequently P&L					
Fair value change of financial instruments recognized in OCI	-2.7	-0.5	0.6	-0.3	0.3
Deferred taxes	0.5	0.1	-0.1	0.1	0.0
<b>Other comprehensive income/loss</b>	<b>-2.3</b>	<b>-0.4</b>	<b>0.5</b>	<b>-0.3</b>	<b>0.4</b>
Other comprehensive income after taxes / loss for the year	-2.3	-0.4	0.5	-0.3	0.4
<b>OTHER COMPREHENSIVE INCOME / LOSS FOR THE YEAR</b>	<b>6.3</b>	<b>7.9</b>	<b>8.3</b>	<b>7.1</b>	<b>4.7</b>
<b>Attributable to</b>					
Non-controlling interest	1.4	0.6	0.8	0.4	1.1
Equity holders of parent company	4.8	7.3	7.5	6.7	3.6

## CONSOLIDATED BALANCE SHEET

M€	31.12.2023	31.12.2022
<b>ASSETS</b>		
Cash	0.0	0.0
Claims on credit institutions	126.0	115.4
Claims on the public and public sector entities	19.2	34.8
Debt securities	2.0	2.0
Shares and participations	42.5	41.3
Derivative contracts	5.9	0.4
Shares and participations in associates	5.2	5.7
Intangible assets and goodwill	48.7	49.6
Property, plant and equipment	1.1	1.1
Right-of-use assets	11.3	12.9
Other assets	74.4	95.7
Accrued income and prepayments	3.4	3.3
Income Tax receivables	1.3	1.0
Deferred tax assets	3.6	3.4
<b>TOTAL ASSETS</b>	<b>344.7</b>	<b>366.6</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
Liabilities to credit institutions and central banks	3.4	0.0
Debts to institutions	0.0	0.5
Debt securities issued to the public	106.7	106.3
Derivative contracts and other liabilities held for trading	6.0	0.4
Other liabilities	61.8	81.6
Accrued expenses and deferred income	27.3	32.1
Income tax liabilities	2.4	2.1
Deferred tax liabilities	0.0	0.0
<b>TOTAL LIABILITIES</b>	<b>207.6</b>	<b>223.2</b>
<b>EQUITY</b>		
Equity to holders of parent company	133.0	138.7
Non-controlling interest in capital	4.1	4.7
<b>TOTAL EQUITY</b>	<b>137.2</b>	<b>143.4</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>344.7</b>	<b>366.6</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

M€	Share Capital	Fair value reserve	Translation difference	Fund of invested unrestricted equity	Retained earnings	Equity attributable to the owners of parent entity	Non-controlling interest	Total equity
<b>Equity 31.12.2021</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>	<b>96.8</b>	<b>96.9</b>	<b>5.2</b>	<b>102.1</b>
Translation difference			-0.2			-0.2		-0.2
Profit/loss for the period					6.9	6.9	0.8	7.7
Distributions					-25.3	-25.3	-3.9	-29.1
Other changes					1.1	1.1	0.0	1.1
Equity transactions with Evli Bank					-0.6	-0.6		-0.6
<b>Equity 1.4.2022</b>	<b>0.0</b>	<b>0.0</b>	<b>-0.1</b>	<b>0.0</b>	<b>78.9</b>	<b>78.8</b>	<b>2.2</b>	<b>81.0</b>
Translation difference			-0.4			-0.4	-0.3	-0.6
Profit/loss for the period					13.9	13.9	3.5	17.3
Distributions							-0.3	-0.3
Fair value adjustment of Alisa Bank shares, net		-2.7				-2.7		-2.7
Other changes				0.0	0.7	0.7	-0.4	0.3
EAB Group Plc merger 1.10.2022	30.0				8.9	38.9		38.9
Effect of demerger 2.4.2022	23.7			26.7	-40.8	9.6		9.6
<b>Equity 31.12.2022</b>	<b>53.7</b>	<b>-2.7</b>	<b>-0.5</b>	<b>26.6</b>	<b>61.5</b>	<b>138.7</b>	<b>4.7</b>	<b>143.4</b>
Translation difference			-0.1			-0.1	0.0	-0.1
Profit/loss for the period					28.8	28.8	3.3	32.0
Distributions				-9.2	-21.0	-30.2	-3.5	-33.7
Fair value adjustment of Alisa Bank Plc shares		-2.3				-2.3		-2.3
Other changes				0.0	-1.7	-1.7	-0.4	-2.1
<b>Equity 31.12.2023</b>	<b>53.7</b>	<b>-5.1</b>	<b>-0.6</b>	<b>17.5</b>	<b>67.5</b>	<b>133.0</b>	<b>4.1</b>	<b>137.2</b>

The comparison period 2022 is prepared in part (1-3/2022) according to carve-out principles also including equity transactions with Evli Bank according to the principles described in the carve-out financial statements.

Other changes include the accrual of expenses arising from granted incentive programs.

The effect of the demerger in equity EUR 9.6 million is the difference between the equity calculated in accordance with the carve-out financial statements accounting policies and the equity allocated to Evli Plc in accordance with the distribution plan.

## SEGMENT REPORTING

31.12.2023 Segment income statement, M€	Wealth Management and Investor Clients	Advisory and Corporate Clients	Group Operations	Unallocated	Group
Net Interest Income	0.0	0.0	4.8	0.0	4.8
Commission income and expense, net	84.2	15.8	0.0	0.0	100.0
Net income from securities transactions and foreign exchange dealing	0.0	0.0	3.2	0.0	3.2
Other operating income	0.0	0.0	0.8	0.0	0.8
External sales	84.2	15.8	8.7	0.0	108.7
Inter-segment sales	0.0	0.0	0.0	0.0	0.0
<b>NET REVENUE</b>	<b>84.2</b>	<b>15.8</b>	<b>8.7</b>	<b>0.0</b>	<b>108.7</b>
Timing of revenue recognition					
Over time	77.4	8.1	0.0	0.0	85.6
At a point of time	6.8	7.6	0.0	0.0	14.4
Segment operating expenses	-39.3	-10.8	-13.6	0.0	-63.6
<b>Business units operating profit before depreciations and Group allocations</b>	<b>44.9</b>	<b>5.0</b>	<b>-4.9</b>	<b>0.0</b>	<b>45.1</b>
Depreciation, amortization and write-down	-1.6	-0.5	-2.7	0.0	-4.8
Impairment losses on loans and other receivables	0.0	0.0	-0.7	0.0	-0.7
Share of profits (losses) of associates	0.0	0.0	0.7	0.0	0.7
<b>Business units operating profit before Group allocations</b>	<b>43.4</b>	<b>4.5</b>	<b>-7.7</b>	<b>0.0</b>	<b>40.2</b>
Allocated corporate expenses	-10.4	-1.8	12.2	0.0	0.0
<b>OPERATING PROFIT</b>	<b>33.0</b>	<b>2.7</b>	<b>4.5</b>	<b>0.0</b>	<b>40.2</b>
Income taxes*	0.0	0.0	0.0	-8.2	-8.2
<b>SEGMENT PROFIT/LOSS</b>	<b>33.0</b>	<b>2.7</b>	<b>4.5</b>	<b>-8.2</b>	<b>32.0</b>

31.12.2022 Segment income statement, M€	Wealth Management and Investor Clients	Advisory and Corporate Clients	Group Operations	Unallocated	Group
Net Interest Income	0.0	0.0	0.1	0.0	0.1
Commission income and expense, net	75.7	16.4	0.0	0.0	92.1
Net income from securities transactions and foreign exchange dealing	0.0	0.0	3.7	0.0	3.7
Other operating income	0.0	0.0	0.1	0.0	0.1
External sales	75.7	16.4	4.0	0.0	96.1
Inter-segment sales	0.0	0.0	0.0	0.0	0.0
<b>NET REVENUE</b>	<b>75.7</b>	<b>16.4</b>	<b>4.0</b>	<b>0.0</b>	<b>96.1</b>
Timing of revenue recognition					
Over time	67.1	7.5	0.0	0.0	74.5
At a point of time	8.5	9.0	0.0	0.0	17.6
Segment operating expenses	-35.6	-9.9	-14.1	0.0	-59.7
<b>Business units operating profit before depreciations and Group allocations</b>	<b>40.0</b>	<b>6.5</b>	<b>-10.1</b>	<b>0.0</b>	<b>36.4</b>
Depreciation, amortization and write-down	-1.2	-0.4	-3.5	0.0	-5.1
Impairment losses on loans and other receivables	-0.7	0.0	0.0	0.0	-0.7
Share of profits (losses) of associates	0.0	0.0	0.3	0.0	0.3
<b>Business units operating profit before Group allocations</b>	<b>38.1</b>	<b>6.1</b>	<b>-13.3</b>	<b>0.0</b>	<b>30.9</b>
Allocated corporate expenses	-10.7	-1.9	12.6	0.0	0.0
<b>OPERATING PROFIT</b>	<b>27.4</b>	<b>4.2</b>	<b>-0.8</b>	<b>0.0</b>	<b>30.9</b>
Income taxes*	0.0	0.0	0.0	-5.8	-5.8
<b>SEGMENT PROFIT/LOSS</b>	<b>27.4</b>	<b>4.2</b>	<b>-0.8</b>	<b>-5.8</b>	<b>25.1</b>

\* The presentation of taxes has been changed from the published comparative period. Taxes are no longer allocated to segments and are presented in the column unallocated.



## CONSOLIDATED CASH FLOW STATEMENT

M€	1-12/2023	1-12/2022
<b>Operating activities</b>		
Operating profit	40.2	30.9
Adjustment for items not included in cash flow	5.4	11.2
Income taxes paid	-6.9	-9.8
<b>Cash flow from operating activities before changes in operating assets and liabilities</b>	<b>38.7</b>	<b>32.2</b>
Changes in operating asset	32.2	83.0
Changes in operating liabilities	-26.7	-7.3
<b>Cash flow from operating activities</b>	<b>44.1</b>	<b>107.9</b>
<b>Investing activities</b>		
Merger cash consideration	0.0	-3.0
Dividends from associated companies	0.3	0.2
Change in intangible asset	-1.4	-0.8
Change in property, plant and equipment	0.0	0.0
<b>Cash flow from investing activities</b>	<b>-1.0</b>	<b>-3.6</b>
<b>Financing activities</b>		
Change in Loans from credit institutions	3.3	-13.4
Change in Loans from parent entity Evli Bank**	0.0	0.0
Equity transactions with the parent entity Evli Bank**	0.0	9.6
Dividends paid	-30.2	-25.3
Dividends paid to NCI	-3.5	-4.2
Payments of loan/IFRS 16 Right of use asset	-2.1	-2.1
<b>Cash flow from financing activities</b>	<b>-32.5</b>	<b>-35.4</b>
Cash and cash equivalents at the beginning of period	115.4	47.8
Cash received in merger	-	1.3
Cash and cash equivalents at the end of period	126.0	115.4
<b>Change</b>	<b>10.6</b>	<b>68.8</b>

Cash and cash equivalents = Cash and equivalents and claims on credit institutions

\* Includes carve-out figures for 1-3/2022

\*\* Items from the comparative periods which are based on carve-out principles. The 9.6 million in 2022 is the difference between the equity in the carve-out financial statements and the actual split of equity in the demerger agreement.

## CAPITAL ADEQUACY

M€	IFR, 31.12.2023 Evli-Group
Total equity	137.2
Common Equity Tier 1 capital (CET 1) before deductions	137.2
Deductions from CET 1. total	-94.2
Intangible assets	-48.7
Profit for the financial year	-28.0
Other deductions	-17.6
<b>Common Equity Tier 1 capital (CET1)</b>	<b>42.9</b>
Additional Tier 1 capital (AT1)	
<b>Additional Tier 1 capital (T1 = CET1 + AT1)</b>	<b>42.9</b>
Tier 2 capital (T2)	
<b>Total own funds (TC = T1 + T2)</b>	<b>42.9</b>
Own funds requirement (IFR)	
Fixed overhead costs requirement	16.6
K-factor requirement	4.1
Minimum requirement	0.75
<b>Total requirement (most restrictive)</b>	<b>16.6</b>
CET1 compared to total requirement (%)	258.2
T1 compared to total requirement (%)	258.2
Total own funds compared to total requirement (%)	258.2
<b>Total risk weighted assets</b>	<b>207.7</b>
CET1 compared to risk weighted assets (%)	20.7
T1 compared to risk weighted assets (%)	20.7
Total own funds compared to risk weighted assets (%)	20.7
<b>Excess own funds compared to total requirement</b>	<b>26.3</b>

## ACCOUNTING POLICIES

Evli Plc's Interim Report has been prepared in accordance with the IAS 34 standard, as approved by the European Union. Evli Plc was created by a partial demerger from Evli Bank Plc on April 2, 2022. In the partial demerger all assets, liabilities and contingent liabilities related to Evli Bank's asset management, custody, clearing and brokerage and corporate finance businesses and supporting activities were transferred to a new independent company called Evli Plc, which was established in the partial demerger ("Demerger"). This report contains carve-out figures for the period January 1, 2022 to March 31, 2022 derived from the consolidated figures of Evli Bank Plc as of March 31, 2022. When preparing the carve-out interim financial information. The basis for presentation applied for the carve-out financial statements for the financial year ended 31.12.2022, have also been applied to relevant parts in the carve-out interim financial information.

The report does not include all the information disclosed in annual financial statements. This interim financial information should be read together with the group's financial statements.

The top management of the group do not regularly oversee the distribution of assets and liabilities to the different segments. That is why assets and liabilities are not divided by the operating segments. Group costs include the group costs allocation to the different segments. Group costs include top management costs, certain back-office services, risk management, finance administration, IT, marketing, communications and investor relations, legal and compliance, internal services and human resources. The accounting policies are consistent with the ones used in the annual financial statements.

The figures are unaudited.

## NOTES TO BALANCE SHEET

### Commission income

	10-12/2023	10-12/2022	1-12/2023	1-12/2022*
<b>Revenue recognized over time</b>				
Traditional funds	10.7	10.3	44.3	40,5
Alternative funds	7.1	7.8	25.7	19,2
Asset Management (AM)	2.1	2.1	7.4	7,0
Incentive management, administration	1.9	2.0	7.7	7,2
Paid research fees	0.0	0.0	0.4	0,5
<b>Revenue recognized over time, total</b>	<b>21.7</b>	<b>22.2</b>	<b>85.6</b>	<b>74.4</b>
<b>Revenue recognized at point in time</b>				
Fund performance fees	-0.3	0.2	-0.4	0,6
Brokerage	1.7	1.1	7.2	8,7
AM performance fees	0.0	0.0	0.0	0,0
Incentive management, design	1.3	1.2	4.0	3,2
Corporate Finance fees	1.8	2.0	3.7	5,8
Other fees	-0.1	-0.1	-0.1	-0,7
<b>Revenue recognized at point in time, total</b>	<b>4.5</b>	<b>4.5</b>	<b>14.4</b>	<b>17.7</b>
<b>Total net commission income</b>	<b>26.2</b>	<b>26.6</b>	<b>100.0</b>	<b>92.1</b>

\* Includes carve-out figures for 1-3/2022

## Debt securities

	31.12.2023	31.12.2022
Bonds. fair value*	106.7	106.3
Debt securities issued to the public	106.7	106.3

\* The issued bonds include derivatives which are presented separately in the balance sheet. All derivatives as of 31.12.2023 are connected to issued bonds and fully hedged. The group has no open market risk related to the fair value change of the underlying asset class.

## Breakdown by maturity

M€	Maturity: less than 3 months	Maturity: 3–12 months	Maturity: 1–5 years	Maturity: over 5 years
Debt securities issued to the public				
31.12.2023	6.0	11.6	79.3	9.4
31.12.2022	6.6	11.8	85.9	1.7

## Changes in issued debt securities

M€	31.12.2023	31.12.2022
Bonds issued (change)	34.1	30.9
Bonds Repurchased (change)	23.7	16.0

## Off–Balance sheet commitments

M€	31.12.2023	31.12.2022
Investment commitment	2.8	2.8
Unused credit facilities	2.6	3.7

## Transactions with related parties

M€	31.12.2023 Associated companies	31.12.2022 Associated companies	31.12.2023 Group management	31.12.2022 Group management
Sales	0.0	0.0	0.0	0.0
Purchases	0.2	0.2	0.0	0.0
Receivables	1.0	0.0	0.0	0.0
Liabilities	0.0	0.0	0.0	0.0

The associated company Northern Horizon Capital A/S, SAV-Rahoitus Oyj and Ahti Invest Oy belong to Evli Plc's ("Evli") related parties. Also, the management of Evli, their immediate family members, companies controlled by management or their immediate family members and the board members of subsidiaries belong to Evli's related parties. For the comparison period, related parties also included Evli Bank Plc in the carve-out analysis.

The transactions between management and Evli are typical transactions between an investment firm and its clients.

## Value of financial instruments across the three levels of the fair value hierarchy

Fair value 31.12.2023, M€	Level 1	Level 2	Level 3	Ending Balance
<b>Financial assets</b>				
Shares and participations classified as held for trading	0.9	0.0	0.0	0.9
Shares and participations. other	28.6	0.0	13.0	41.6
Debt securities eligible for refinancing with central banks	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	2.0	2.0
Positive market values from derivatives	0.0	0.0	5.9	5.9
<b>Total financial assets held at fair value</b>	<b>29.6</b>	<b>0.0</b>	<b>20.9</b>	<b>50.5</b>
<b>Financial liabilities</b>				
Shares and participations classified as held for trading	0.0	0.0	0.0	0.0
Negative market values from derivatives	0.0	0.0	6.0	6.0
<b>Total financial liabilities held at fair value</b>	<b>0.0</b>	<b>0.0</b>	<b>6.0</b>	<b>6.0</b>

Fair value 31.12.2022, M€	Level 1	Level 2	Level 3	Ending Balance
<b>Financial assets</b>				
Shares and participations classified as held for trading	0.2	0.0	0.0	0.2
Shares and participations. other	29.3	0.0	11.8	41.1
Debt securities eligible for refinancing with central banks	0.0	0.0	0.0	0.0
Debt securities	0.0	0.0	2.0	2.0
Positive market values from derivatives	0.0	0.0	0.4	0.4
<b>Total financial assets held at fair value</b>	<b>29.5</b>	<b>0.0</b>	<b>14.3</b>	<b>43.8</b>
<b>Financial liabilities</b>				
Shares and participations classified as held for trading	0.0	0.0	0.0	0.0
Negative market values from derivatives	0.0	0.0	0.4	0.4
<b>Total financial liabilities held at fair value</b>	<b>0.0</b>	<b>0.0</b>	<b>0.4</b>	<b>0.4</b>

## Changes in level 3 instruments

1.1.–31.12.2023	Unlisted shares and participations	Private Equity and Real Estate funds	Debt securities	OTC derivatives	OTC
Initial balance 1.1	2.3	9.5	2.0	0.4	0.4
Purchases	-	2.4	-	0.0	0.0
Sales	-0.1	-	-	0.0	0.0
Fair value change	0.0	-1.1	0.0	5.5	5.6
Ending balance 30.9.	2.2	10.8	2.0	5.9	6.0

1.1.–31.12.2022	Unlisted shares and participations	Private Equity and Real Estate funds	Debt securities	OTC derivatives	OTC
Initial balance 1.1	0.2	6.6	0.4	2.3	2.3
Purchases	2.1	1.9	2.0	0.0	0.0
Sales	0.0	-	-0.4	0.0	0.0
Fair value change	0.0	1.1	0	-1.9	-1.9
Ending balance 31.12.	2.3	9.5	2.0	0.4	0.4

## Explanation of fair value hierarchies

### Level 1

Fair values measured using quoted prices in active markets for identical instruments.

### Level 2

Fair values measured using directly or indirectly observable inputs, other than those included in level 1.

### Level 3

Fair values measured using inputs that are not based on observable market data.

Level 1 of the hierarchy includes listed shares, mutual funds and derivatives listed on exchanges, and debt securities that are traded in active OTC- and public markets.

Shares and participations classified in level 3 are usually instruments which are not publicly traded, like venture capital funds, real estate funds, equities and equity rights. Derivatives in level 2 are forwards whose values are calculated with inputs like quoted interest rates and currency rates. Derivative valuations for level 3 instruments contain inputs (volatility and dividend estimate) which are not directly observable in the market. The values are calculated with pricing models widely in use, like Black-Scholes. Valuations received from the counterparty of the OTC trade are classified as level 3 valuations. There is no significant change in the option fair values, if the volatility estimates are changed to publicly obtained historical volatilities. Debt securities valuations that are obtained from markets that are not fully active, have a fair value level hierarchy of 2, Level 3 valuations for debt securities are valuations for illiquid securities that are received directly from the arranger of the issue, or the valuation is calculated by Evli.

## Change in fair value of financial instruments that are valued in other comprehensive income

On April 2, 2022, Evli Plc was created as a result of a partial demerger. As part of the overall arrangement, Evli made a significant investment in another entity created by the arrangement, Fellow Bank Plc (Fellow Bank Plc is Alisa Bank Plc starting April 21, 2023). The investment is of a long-term nature and is not related to the Group's operational activities. For these reasons, the company presents the result of the valuation of the investment as a separate item in the statement of comprehensive income in accordance with IFRS 9. The table below illustrates the impact of the revaluation on the Group's statement of comprehensive income for the period. The shares are included in other shares level 1.

Share purchase price 1.4.2022: (€/share)	0.5856
Number of shares: (amount)	15.288.303.00
Initial acquisition. market value: (€ million)	9.0
Share price 31.12.2022 (€/share):	0.36
Number of shares: (amount)	15.288.303.00
Market value 31.12.2022: (€ million)	5.5
Share price 31.12.2023 (€/share):	0.1716
Number of shares: (amount)	15.288.303.00
Market value 30.9.2023: (€ million)	2.6
Change in value for the review period: (€ million) (Market value 31.12.2023 – Market value 31.12.2022)	-2.9
Calculated tax effect of value change: (€ million)	0.6
Profit impact of the valuation after taxes: (€ million)	-2.3



## Credit loss provision for financial assets measured at amortized cost

Items to be measured according to the IFRS 9 standard, expected credit losses.  
Financial assets measured at amortized cost and accounts receivables.

Balance sheet item 31.12.2023, M€	Amount	Level 1	Level 2	Level 3	Expected credit loss	Opening balance 1.1. credit loss provision
Receivables from credit institutions	126.0	126.0	0.0	0.0	0.0	0.0
Receivables from public	19.2	18.4	0.6	0.3	0.0	0.1
Receivables from the public; corporate	8.2	8.1	0.1	0.0	0.0	0.0
Receivables from the public; private	11.1	10.3	0.4	0.3	0.0	0.0
Receivables from the public; other	0.0	0.0	0.0	0.0	0.0	0.0
Other receivables	9.4	9.1	0.3	0.0	0.0	0.0
Off-balance sheet loan commitments	2.6	2.5	0.1	0.0	0.0	0.0
	<b>31.2</b>	<b>30.0</b>	<b>0.9</b>	<b>0.3</b>	<b>0.1</b>	<b>0.1</b>

Balance sheet item 31.12.2022, M€	Amount	Level 1	Level 2	Level 3	Expected credit loss	Opening balance 1.1. credit loss provision
Receivables from credit institutions	115.4	115.4	0.0	0.0	0.0	0.0
Receivables from public	34.8	32.6	2.2	0.0	0.1	0.1
Receivables from the public; corporate	13.7	13.7	0.0	0.0	0.0	0.0
Receivables from the public; private	21.0	18.8	2.2	0.0	0.0	0.0
Receivables from the public; other	0.0	0.0	0.0	0.0	0.0	0.0
Other receivables	10.1	10.0	0.1	0.0	0.0	0.0
Off-balance sheet loan commitments	3.7	3.7	0.0	0.0	0.0	0.0
	<b>164.0</b>	<b>161.7</b>	<b>2.3</b>	<b>0.0</b>	<b>0.1</b>	<b>0.1</b>

The assets are classified as level 1 if the receivable is low risk or the credit risk of the receivable has not grown materially since the date of issuing the item. If the credit risk for a financial asset has increased materially since the issuing date, the asset will be transferred to level 2. Individual loans whose values have verifiably declined are recognized in level 3.

The expected credit loss is a probability-weighted calculation formula in which the parameters used are probability of default and the potential total loss when the receivable's collateral is realized. The parameters are generally measured on group levels, and financial assets are classified of assets with similar risks and collateral. The probability of default of counterparties is primarily measured with statistical data based on the relative amount of problem receivables in the credit stock on a national level. For sales receivables, a simplified procedure is used. The Group has no assets in the measured at fair value through comprehensive income' group, and the debt securities are not valued at amortized cost.

From 1.1. to 31.12.2023, there has been one transfer from level 1 to level 2, one transfer from level 1 to level 3 and one transfer from level 2 to level 3 for lending. One of the loans transferred to level 3 has been paid during the fourth quarter. Evli has payments on one loan that are overdue by 90 days. The expected credit losses are recognized in the profit and loss account.

## Calculation of key ratios

### IFRS key ratios

Net revenue	=	From Income Statement. Includes gross returns, deducted by interest and commission expenses.	
Profit/loss for the financial year	=	From Income Statement	
Earnings per Share (EPS), undiluted	=	$\frac{\text{Profit for the year after taxes attributable to the shareholders of Evli Plc}}{\text{Average number of shares outstanding during the reporting period}}$	x 100
Earnings per Share (EPS), diluted	=	$\frac{\text{Profit for the year after taxes attributable to the shareholders of Evli Plc}}{\text{Average number of shares outstanding during the period including option rights issued through share-based incentive plans}}$	x 100

### Alternative key ratios

Operating profit/loss	=	Net revenue – administrative expenses – depreciation, amortization and impairment – other operating expenses +- share of results of associates	
Return on equity (ROE), %	=	$\frac{\text{Profit / Loss for financial year}}{\text{Equity capital and minority interest (average of the figures for the beginning and at the end of the year)}}$	x 100
Return on assets (ROA), %	=	$\frac{\text{Profit / Loss for financial year}}{\text{Average total assets (average of the figures for the beginning and at the end of the year)}}$	x 100
Equity-to-assets ratio, %	=	$\frac{\text{Equity}}{\text{Balance sheet total}}$	x 100
Expense ratio as earnings to operating costs	=	$\frac{\text{Administrative expenses + depreciation and impairment charges+ other operating expenses}}{\text{Net interest income + net commission income + net income from securities transactions and foreign exchange dealing + other operating income}}$	
Equity per share	=	$\frac{\text{Equity attributable to the shareholders of the Group}}{\text{Number of shares at the end of the period}}$	
Recurring revenue to operating costs ratio	=	$\frac{\text{Revenue from time-based contracts*}}{\text{All operative expenses}}$	
Dividend per share	=	Dividend paid or proposed for the financial year	
Market value	=	Number of shares at the end of the period x closing price	

\* Wealth management fees, management fees from mutual funds, corporate analysis, incentive plan administration fees, custody fees and net interest margin

## Ten largest shareholders on December 31, 2023

	A shares	B shares	Shares total	% of all shares	Votes total	% of votes
1. Oy Prandium Ab	3,803,280	950,820	4,754,100	17.95	77,016,420	25.62
2. Oy Scripo Ab	3,803,280	950,820	4,754,100	17.95	77,016,420	25.62
3. Ingman Group Oy Ab	1,860,000	905,000	2,765,000	10.44	38,105,000	12.68
4. Oy Fincorp Ab	2,319,780	330,394	2,650,174	10.01	46,725,994	15.55
5. Lehtimäki Jyri Maunu Olavi	533,728	117,031	650,759	2.46	10,791,591	3.59
6. Moomin Characters Oy Ltd	0	609,810	609,810	2.30	609,810	0.20
7. Tallberg Claes	369,756	32,588	402,344	1.52	7,427,708	2.47
8. Hollfast John Erik	328,320	71,680	400,000	1.51	6,638,080	2.21
9. Danske Invest Finnish Equity Fund	0	286,940	286,940	1.08	286,940	0.10
10. Umo Invest Oy	0	240,074	240,074	0.91	240,074	0.08

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