

DEMERGER PLAN

1 PARTIES

1.1 Demerging Company

Corporate name:	Evli Bank Plc (“Evli” or the “Demerging Company”)
Business identity code:	0533755-0
Address:	Aleksanterinkatu 19 A, PO Box 1081, 00100 Helsinki, Finland
Registered office:	Helsinki, Finland

The Demerging Company is a public limited liability company, with two (2) classes of shares: class A shares (“**A Shares**”) and class B shares (“**B Shares**”). B Shares are subject to public trading on the official list of Nasdaq Helsinki Ltd (“**Nasdaq Helsinki**”). A Shares are on the date of this Demerger Plan unlisted.

1.2 Receiving Company

Corporate name:	Evli Plc (“New Evli” or the “Receiving Company”)
Business identity code:	To be issued after the registration of the Demerger Plan
Address:	Aleksanterinkatu 19 A, PO Box 1081, 00100 Helsinki, Finland
Registered office:	Helsinki, Finland

The Receiving Company is a public limited liability company to be incorporated in connection with the Demerger. It is intended to apply for the listing of the B Shares in New Evli Plc on the official list of Nasdaq Helsinki.

The Demerging Company and the Receiving Company are hereinafter jointly referred to as the “**Parties**” or the “**Companies Participating in the Demerger**”.

2 DEMERGER

The Board of Directors of Evli Bank Plc proposes that the General Meeting of the company resolve on the partial demerger of Evli, so that the assets and liabilities relating to Evli’s asset management services, custody, clearing and settlement, and trading services and their support services (i.e. the operations falling under the investment services authorisation) will transfer without a liquidation procedure to New Evli, a company to be incorporated in the demerger (the “**Demerger**”), as set forth in this demerger plan (the “**Demerger Plan**”). The Demerging Company will retain the assets and liabilities relating to banking services, i.e. the operations falling under the credit institution licence.

As demerger consideration, the shareholders of Evli Bank Plc shall receive new shares of Evli Bank Plc in proportion to their existing shareholdings. Evli Bank Plc shall not be dissolved as a result of the Demerger.

The Demerger shall be carried out in accordance with Chapter 17 of the Finnish Limited Liability Companies Act (624/2006, as amended) (the “**Finnish Companies Act**”), Chapter 3 of the Finnish Act on Commercial Banks and Other Credit Institutions in the Form of a Limited Company (1501/2001, as amended,

the “**Finnish Act on Commercial Banks**”) and section 52 c of the Finnish Business Income Tax Act (360/1968, as amended).

3 REASONS FOR THE DEMERGER

The purpose of the Demerger is to execute the divestment of Evli’s asset management services, custody, clearing and settlement, and trading services and their support services (the “**Transferring Business**”), so that it will form a new independent group of companies, while the banking business will remain in Evli. The basis of the demerger is, thus, dividing the business into two companies so that the business falling under the investment services authorisation will transfer into one company and the business falling under the credit institution licence will remain in the other. Furthermore, Evli’s business will be developed through a simultaneous merger whereby Fellow Finance Plc will be merged into the Receiving Company immediately after the completion of the Demerger (the “**Merger**”, and the Demerger and the Merger together the “**Comprehensive Arrangement**”).

In the view of the Board of Directors of Evli, the Demerger will, among other things, clarify the business structures, financing and management of the two businesses, increase opportunity to optimise operational efficiency and value creation, clarify the investment options with different risk and growth profiles, strengthen opportunities to develop current and new products and increase competitiveness through specialisation and thus strengthen the conditions for shareholder value creation. The Comprehensive Arrangement will also enable the independent development of the banking business.

4 PROPOSAL FOR THE ARTICLES OF ASSOCIATION AND THE APPOINTMENT OF MEMBERS OF ADMINISTRATIVE BODIES OF THE RECEIVING COMPANY

4.1 Articles of Association of the Receiving Company

A proposal for the Articles of Association of New Evli is contained in [Appendix 1](#) of this Demerger Plan.

4.2 Board of Directors and Auditor of the Receiving Company and Their Remuneration

According to the proposed Articles of Association of New Evli, New Evli shall have a Board of Directors consisting of four (4) to eight (8) members. According to the Articles of Association of New Evli, the term of the members of the Board of Directors shall expire at the end of the next Annual General Meeting following the election.

The number of the members of the Board of Directors of New Evli shall be confirmed and the members of the Board of Directors shall be elected by the Extraordinary General Meeting of Evli resolving on the Demerger. The term of such members of the Board of Directors shall commence on the date of registration of the completion of the Demerger (the “**Effective Date**”) and shall expire at the end of the first Annual General Meeting of New Evli following the Effective Date.

It is proposed that the five (5) members be elected to the Board of Directors of the Receiving Company at the Extraordinary General Meeting considering the Demerger Plan. The term of such members of the Board of Directors shall commence on the Effective Date and shall expire at the end of the first Annual General Meeting of the Receiving Company following the Effective Date. If a person proposed as a member of the board revokes their consent prior to the Effective Date, the company’s Extraordinary General Meeting or the Annual General Meeting to be held in the spring of 2022 will be entitled to elect a new member in their place. Furthermore, the Annual General Meeting of 2022 may resolve to

change the number of board members, and in so doing, also elect new board members.

According to the proposed Articles of Association of New Evli, the Receiving Company shall have one (1) auditor, which shall be an auditing firm approved by the Finnish Patent and Registration Office. The auditor of New Evli shall be elected by the Extraordinary General Meeting of Evli resolving on the Demerger.

Resolutions on the remuneration of the Board of Directors and the auditor of New Evli shall be passed in the Extraordinary General Meeting of Evli resolving on the Demerger. The resolution regarding remuneration can be changed in the 2022 Annual General Meeting if necessary.

The Board of Directors of Evli shall make proposals to the Extraordinary General Meeting of Evli resolving on the Demerger concerning the confirmation of the number of members of the Board of Directors, the election of the members of the Board of Directors and the auditor of New Evli as well as their remuneration. The above-mentioned proposals shall not be binding on the Extraordinary General Meeting of Evli resolving on the Demerger.

4.3 CEO of the Receiving Company

The CEO of New Evli shall be appointed by the Board of Directors of Evli prior to the completion of the Demerger. The Board of Directors of the Demerging Company will appoint Mr. Maunu Lehtimäki as the CEO of the Receiving Company.

Maunu Lehtimäki's service agreement, together with all of the rights and obligations thereunder, will transfer to New Evli on the Effective Date.

In the event that the CEO of New Evli resigns or otherwise must be replaced by another person prior to the Effective Date, the Board of Directors of Evli will have the right, until the Effective Date, to appoint a new CEO of New Evli. Thereafter, the Board of Directors of New Evli shall have the right to appoint the CEO of New Evli.

4.4 Articles of Association of the Demerging Company

It is proposed that the Articles of Association of Evli be amended in connection with the registration of completion of the Merger, because some of the proposed amendments relate to the completion of the Merger.

The Demerger process shall not limit the authority of the Demerging Company's General Meeting to resolve on any other amendments to the Demerging Company's Articles of Association.

5 DEMERGER CONSIDERATION AND TIMING OF ITS ISSUE

5.1 Demerger Consideration

The shareholders of the Demerging Company shall receive as demerger consideration one (1) new A Share in New Evli for each A Share owned in Evli and one (1) new B Share in New Evli for each B Share owned in Evli (the "**Demerger Consideration**"), i.e. the Demerger Consideration shall be issued to the shareholders of Evli in proportion to their existing shareholding with a ratio of 1:1.

New Evli has two (2) share classes (A Shares and B Shares). The shares of New Evli do not have a nominal value.

It is intended to apply for the listing of the B Shares in New Evli Plc on the official list of Nasdaq Helsinki.

No other consideration shall be issued to the shareholders of Evli in addition to the above-mentioned Demerger Consideration to be issued in the form of shares in New Evli.

In accordance with Chapter 17, section 16, subsection 3 of the Finnish Companies Act, no Demerger Consideration shall be issued to any treasury shares held by Evli.

5.2 Timing of Issue of the Demerger Consideration

The Demerger Consideration shall be issued to the shareholders of Evli on the Effective Date or as soon as possible thereafter. The Demerger Consideration shall be issued through the book-entry securities system maintained by Euroclear Finland Oy, in such manner that the shares issued by Evli shall be issued using the ratio specified in this Demerger Plan based on the number of shares issued by Evli and registered in the book-entry accounts of Evli's shareholders on the Effective Date. The Demerger Consideration shall be distributed automatically, and no action is required from the shareholders of Evli in relation thereto.

The allocation of the Demerger Consideration is based on the shareholding in Evli on the Effective Date. The final total number of shares in New Evli issued as Demerger Consideration shall be determined on the basis of the number of shares in Evli held by shareholders, other than Evli itself, on the Effective Date. On the date of this Demerger Plan, Evli holds 251,983 B Shares. According to the situation on the date of this Demerger Plan, the total number of shares in New Evli to be issued as Demerger Consideration would therefore be 14,617,664 A Shares and 9,239,773 B shares. The final total number of shares may be affected by, among other things, any changes to the number of shares issued by Evli, including, for example, if Evli issues new shares or acquires its own shares prior to the Effective Date.

6 OPTION RIGHTS AND OTHER SPECIAL RIGHTS ENTITLING TO SHARES

Evli has not issued any option rights or other special rights referred to in Chapter 10, section 1 of the Finnish Companies Act that would entitle their holder to subscribe for shares in Evli.

7 EVLI'S SHARE-BASED INCENTIVE PLANS

Evli has the following share-based incentive plans under which share rewards remain to be paid on the date of this Demerger Plan: share-based incentive plans 2017, 2018, 2019 and 2021.

In relation to the incentive plans, the company has made the following decisions to issue shares and registered them with the Trade Register:

- 5 September 2017 a maximum of 230,000 B Shares
- 8 June 2018 a maximum of 233,000 B Shares
- 14 June 2019 a maximum of 350,000 B Shares
- 8 February 2021 a maximum of 238,000 B Shares

A total of 950,746 B Shares have been allocated to personnel within the limits of the incentive plans. Of these shares, 733,338 shares have yet to be conveyed at the time of signing the Demerger Plan, and the shares have not yet been entered in the Trade Register, but the persons are entitled to receive the shares once the terms of the incentive plans and the requirements of financial regulation have been fulfilled and following a delay period based on financial regulation. At the

effective date of the demerger, 733,338 have yet to be conveyed. In this respect, it is proposed that the incentive plans remain in force following the Demerger in such a way that the share issue resolutions that have been made will remain in force in Evli, and New Evli for its part will make corresponding share issue resolutions, which will enter into force on the Effective Date of the Demerger.

The Board of Directors of Evli may resolve on the impact of the Demerger on such share-based incentive plans in accordance with their terms and conditions prior to the registration of the execution of the Demerger.

The Board of Directors of Evli shall also resolve on any new share-based incentive plans directed at New Evli's personnel until the registration of the completion of the Demerger, after which such plans shall be resolved upon by the Board of Directors of New Evli.

8 OTHER CONSIDERATION

No other consideration shall be issued to the shareholders of Evli in addition to the above-mentioned Demerger Consideration set out in Section 4 to be issued in the form of new shares of New Evli.

9 SHARE CAPITAL OF THE RECEIVING COMPANY

The share capital of New Evli shall be EUR 23,745,459.66.

10 ASSETS, LIABILITIES AND EQUITY OF THE DEMERGING COMPANY AND CIRCUMSTANCES IMPACTING THEIR VALUATION

The assets, liabilities and equity of Evli as at 30 June 2021 are derived from Evli's unaudited financial information as at and for the six-months period ended 30 June 2021 attached as Appendix 2 of this Demerger Plan.

In the unaudited financial information, the assets and liabilities of Evli have been booked and valued in compliance with the provisions of the Finnish Accounting Act (1336/1997, as amended) (the "**Finnish Accounting Act**"). Between the above-mentioned date of the financial statements and the date of this Demerger Plan, there have been no substantial changes in the financial status or the liabilities of Evli.

11 ALLOCATION OF THE DEMERGING COMPANY'S ASSETS AND LIABILITIES BETWEEN COMPANIES PARTICIPATING IN THE DEMERGER, INTENDED EFFECT OF THE DEMERGER ON THE BALANCE SHEET OF THE RECEIVING COMPANY AND ACCOUNTING METHODS APPLIED IN THE DEMERGER

11.1 Assets and Liabilities Transferring to the Receiving Company

In the Demerger, the Transferred Business, i.e. all such (including known, unknown and conditional) assets, debts and liabilities (including agreements and undertakings) of Evli existing on the Effective Date that are part of Evli's operations that fall under the investment services authorisation, as well as any items that replace or substitute such items, shall transfer to New Evli.

A proposal regarding the allocation of Evli's assets, debts and liabilities to the Receiving Company in accordance with this Demerger Plan is presented in the preliminary presentation of the balance sheets of Evli and New Evli contained in Appendix 2 of this Demerger Plan.

The assets, debts and liabilities transferring to New Evli include, among other things, the following most significant items:

- (a) The shares in all of the subsidiaries and affiliates owned by Evli, including the following companies:
 - (i) Evli Alexander Incentives Oy;
 - (ii) Aurator Asset Management Ltd;
 - (iii) Evli Corporate Finance AB;
 - (iv) Terra Nova Capital Advisors Ltd;
 - (v) Evli Research Partners Oy;
 - (vi) Evli Investment Solutions Oy;
 - (vii) Evli Life Ltd;
 - (viii) Evli Fund Management Company Ltd;
 - (ix) Northern Horizon Capital A/S;
 - (x) Baltic SME Management B.V.; and
 - (xi) BIF Management Ltd.
- (b) Evli's receivables from and liabilities to its subsidiaries and affiliates transferring to New Evli and their direct or indirect subsidiaries. New Evli shall receive such portion of the cash and cash equivalents of Evli that, according to Evli's assessment, represents an amount that is appropriate for New Evli's operations and working capital needs upon the completion of the Demerger.
- (c) Evli's cash collateral (OTC derivatives), fund investments, granted credit, trading collateral and long-term investments.
- (d) Evli's intangible and tangible assets related to the Transferring Business.
- (e) Trademarks and other intellectual property rights that are part of the Transferring Business (including domain names and any other intellectual property rights held by Evli that belong to the Transferred Business, regardless of whether such rights can be or have been registered).
- (f) The Evli group's liabilities to parties outside the Evli group, including bonds issued by Evli.
- (g) Agreements that concern (a) the personnel in the service of the Evli group at the time of the completion of the Demerger that will transfer to the service of New Evli pursuant to Section 20.3 of this Demerger Plan or (b) the personnel with an employment or service relationship at the time of the completion of the Demerger with a direct or indirect subsidiary of Evli transferring to New Evli in accordance with Section 11.1(a) of this Demerger Plan.
- (h) Tax receivables, debts and liabilities of Evli related to the Transferring Business.
- (i) Derivatives contracts and arrangements entered into by Evli and the rights and obligations related thereto as well as structured bonds.
- (j) Guarantee obligations and liabilities arising out of counterindemnities given to guarantors.
- (k) The contracts relating to the Transferring Business, such as i) customer contracts other than bank account contracts, ii) supplier contracts other than contracts relating to bank account operations and iii) lease agreements for premises.

Evli has only secondary liability set forth in Chapter 17, section 16, subsection 6 of the Finnish Companies Act for all the known, unknown and contingent debts and liabilities that will be transferred to New Evli, unless limitation of secondary

liability has been or will be agreed with the creditor (including exclusion of liability), in which case Evli's liability towards said creditor will be subject to the agreed limitation of liability (or exclusion of liability). Evli shall not be subject to secondary liability, as set forth in Chapter 17, section 16, subsection 6 of the Finnish Companies Act, for any guarantee obligation transferring to New Evli, other than any guarantee obligation that is considered a liability on the Effective Date pursuant to the aforementioned provision.

11.2 Assets and Liabilities Remaining with the Demerging Company in the Demerger

In the Demerger, the banking business falling under the credit institution authorisation, i.e. all such (including known, unknown and conditional) assets, debts and liabilities (including agreements and undertakings) of Evli existing on the Effective Date that relate to the banking business operated by Evli, as well as any items that replace or substitute such items, shall remain with Evli, including, among other things, the following most significant items:

- (a) Customer deposits based on account contracts, including fixed-term deposits and group deposits.
- (b) Loans granted to parties outside the Evli group that have not been specified to be transferring to New Evli in Section 11.1 of this Demerger Plan.
- (c) The portion of the cash and cash equivalents of Evli that, according to Evli's assessment, represents an amount that is appropriate for Evli's operations and working capital needs upon the completion of the Demerger.
- (d) Evli's deposits in central banks.
- (e) Intangible and tangible assets relating to Evli that have not been specified to be transferring to New Evli in Section 11.1 of this Demerger Plan.
- (f) Intellectual property rights owned by Evli (regardless of whether such rights can be or have been registered) that have not been specified to be transferring to New Evli in Section 11.1 of this Demerger Plan, including intellectual property rights relating to banking software developed in house.
- (g) Agreements that concern the personnel in the service of the Evli group at the time of the completion of the Demerger other than (i) the personnel that will transfer to the service of New Evli pursuant to Section 20.3 of this Demerger Plan and (ii) the personnel with an employment or service relationship at the time of the completion of the Demerger with a direct or indirect subsidiary of Evli transferring to New Evli in accordance with Section 11.1(a) of this Demerger Plan.
- (h) Such tax receivables, debts and liabilities of Evli that have not been specified to be transferring to New Evli in Section 11.1 of this Demerger Plan.

New Evli has only secondary liability set forth in Chapter 17, section 16, subsection 6 of the Finnish Companies Act for all the known, unknown and contingent debts and liabilities that will remain with Evli, unless limitation of secondary liability has been or will be agreed with the creditor (including exclusion of liability), in which case New Evli's liability towards said creditor will be subject to the agreed limitation of liability (or exclusion of liability). New Evli shall not be subject to secondary liability, as set forth in Chapter 17, section 16, subsection 6 of the Finnish Companies Act, for any guarantee obligation remaining with New Evli, other than any guarantee obligation that is considered a liability on the Effective Date pursuant to the aforementioned provision.

In the case of assets, debts or liabilities relating to the business of both New Evli and Evli and the basis of which formed prior to the registration of the completion

of the Demerger, the Demerging Company and the Receiving Company will be liable for them in accordance with the principle of primacy, i.e. in accordance with which company's business it primarily relates to. If the primacy principle cannot be applied, such asset, debt or liability shall be allocated to the Demerging Company and Receiving Company in the same proportion as the Demerging Company's net assets are divided between the Demerging Company and Receiving Company in the Demerger.

11.3 Valuation of Assets and Liabilities in the Demerger

On the Effective Date, Evli's assets, debts and liabilities related to the Transferred Business allocated to New Evli in this Demerger Plan shall transfer to New Evli. The assets and liabilities of Evli have been booked and valued in accordance with the Finnish Accounting Act. In the Demerger, New Evli shall record the transferring assets and liabilities in its balance sheet at the book values used by Evli on the Effective Date in compliance with the provisions of the Finnish Accounting Act.

The equity to be formed in New Evli in the Demerger, insofar that it exceeds the amount to be recorded into the share capital in accordance with Section 9 of this Demerger Plan, shall be recorded as an increase in retained earnings insofar as retained earnings will be transferred to New Evli, and otherwise as an increase of the reserve for invested unrestricted equity.

The decrease of Evli's net book assets caused by the Demerger, insofar as it exceeds the amounts of the decrease of Evli's share capital and the dissolution of Evli's share premium reserve referred to in Section 12 of this Demerger Plan, shall be recorded as a decrease in Evli's reserve for invested unrestricted equity up to the amount that corresponds to the aggregate amount recorded in the balance sheet of New Evli as an increase of reserve for invested unrestricted equity in accordance with Sections 9 and 11 of this Demerger Plan as well as a decrease in Evli's retained earnings, insofar as retained earnings will be transferred to New Evli.

12 SHARE CAPITAL OF THE DEMERGING COMPANY

On the date of this Demerger Plan, the share capital of Evli is EUR 30,194,097.31. The share capital of Evli is proposed to be decreased in connection with the Demerger by an amount equalling New Evli's share capital, i.e. to EUR 6,448,637.65. The amount by which the share capital of Evli is decreased shall be used to transfer funds to New Evli.

In connection with the Merger, it is also proposed that Evli's share premium reserve of EUR 1,839,268.33 shall be dissolved and a similar amount of assets shall be transferred to New Evli as described in Section 11.3.

13 MATTERS OUTSIDE ORDINARY BUSINESS OPERATIONS

The Demerger process shall not limit Evli's right to decide on matters of Evli and, until the Effective Date, of New Evli (regardless of whether such matters are within the ordinary course of business or not), including, without limitation, the sale and purchase of shares and businesses, corporate reorganisations, distribution of dividend and other unrestricted equity, share issuances, acquisition or disposal of treasury shares, changes in share capital, and making revaluations, internal group transactions and reorganisations.

In addition, Evli is entitled to prepare and decide on the listing of the shares in New Evli on the official list of Nasdaq Helsinki, or on another regulated market as may be resolved by the Board of Directors of Evli, and to take other preparatory actions in relation to the Demerger as referred to in Section 20 of this Demerger Plan as well as other similar actions.

14 CAPITAL LOANS

Evli has not issued any capital loans, as defined in Chapter 12, section 1 of the Finnish Companies Act.

15 CROSS-OWNERSHIP AND TREASURY SHARES

On the date of this Demerger Plan, Evli or its subsidiaries do not hold any shares in New Evli because New Evli shall only be incorporated on the Effective Date.

On the date of this Demerger Plan, Evli holds 251,983 of its own B Shares.

16 BUSINESS MORTGAGES

Evli's assets are not subject to any business mortgages as defined in the Finnish Act on Business Mortgages (634/1984, as amended).

17 SPECIAL BENEFITS OR RIGHTS IN CONNECTION WITH THE DEMERGER

No special benefits or rights, each within the meaning of the Finnish Companies Act, shall be granted in connection with the Demerger to any members of the Board of Directors, the CEOs or the auditors of either Evli or New Evli, or to the auditor issuing a statement on this Demerger Plan.

The remuneration of the auditor issuing a statement on this Demerger Plan is proposed to be paid in accordance with an invoice approved by the Board of Directors of Evli.

18 AUTHORISATIONS TO THE BOARD OF DIRECTORS OF NEW EVLI FOLLOWING THE COMPLETION OF THE DEMERGER

18.1 Authorisation to Issue Shares and Special Rights Entitling to Shares in New Evli

The Board of Directors of New Evli is authorised pursuant to this Demerger Plan to decide, following the completion of the Demerger, on the issuance of shares, as well as the issuance of option rights and other special rights entitling to shares pursuant to Chapter 10 of the Finnish Companies Act in one or more tranches either against payment or free of charge, as follows:

- The maximum number of shares to be issued or transferred based on the authorisation, including the shares received on the basis of the special rights, is 2,410,942 B Shares in total. The proposed number of shares corresponds to approximately 10 percent of the total number of shares in the company. However, a maximum of 241,094 shares of the aforementioned maximum amount can be issued for use as part of the company's share-based incentive plans, which amount corresponds to approximately 1 percent of the total number of shares in the company.
- The authorisation will entitle the board of directors to decide on all terms of the issuance of shares and the granting of the special rights entitling to shares, including the right to deviate from the shareholders' pre-emptive subscription right.
- The board of directors can decide to issue either new shares or treasury shares potentially held by the company.

The authorisation is valid until the end of the next Annual General Meeting of New Evli, however, no longer than until 30 June 2022.

18.2 Authorisation to Decide on Acquisition of New Evli's Own Shares

The Board of Directors of New Evli is authorised pursuant to this Demerger Plan to decide, following the completion of the Demerger, on the acquisition of New Evli's own A Shares and B shares in one or more tranches as follows:

- The maximum number A Shares that can be acquired is 1,463,526 shares, and the maximum number of B Shares that can be acquired is 947,416 shares. The proposed number of shares corresponds to approximately 10 percent of the total number of shares in the company.
- The company's own shares can only be repurchased based on the authorisation using the company's unrestricted equity.
- The company's own shares can be repurchased at the price of the B Share determined in public trading on the acquisition date or otherwise on the markets. The Board of Directors will decide on the manner of the repurchase of the company's own shares. The company's own shares can be acquired using derivatives, among other things.
- The company's own shares can be acquired otherwise than in proportion to the shareholdings of the shareholders (directed acquisition). Shares can be repurchased at the price of the B Share determined in public trading organised by Nasdaq Helsinki Ltd on the acquisition date.

The authorisation is valid until the end of the next Annual General Meeting of New Evli, however, no longer than until 30 June 2022.

19 PLANNED REGISTRATION OF THE COMPLETION OF THE DEMERGER

The planned Effective Date, meaning the planned date of registration of the completion of the Demerger, shall be 2 April 2022 (effective registration time approximately at 00:01 a.m.).

The actual Effective Date may change from said planned date, for example, if the circumstances relating to the Demerger require changes with respect to the above-mentioned contemplated timing or if the Board of Directors of Evli otherwise decides to apply for the Demerger to be registered prior to, or after, the Effective Date.

For the avoidance of doubt, Evli's Board of Directors may decide to not make the completion notice if the Comprehensive Arrangement is not completed.

20 OTHER ISSUES

20.1 Listing of the B Shares of the Receiving Company

New Evli will apply for the listing of its B Shares on the official list of Nasdaq Helsinki. The trading in New Evli's shares on Nasdaq Helsinki shall begin on the Effective Date or as soon as reasonably possible thereafter.

The Board of Directors of Evli has the right to resolve on the listing of New Evli's B Shares and to take measures in preparation for the listing, including entering into agreements concerning the listing.

The Demerger will not affect the listing of, or trading in, the shares of Evli.

20.2 Auxiliary Trade Names

In connection with the completion of the Demerger, the auxiliary trade names set out in Appendix 3 will be registered for the Receiving Company.

20.3 Transfer of Employees

Part of the personnel of Evli shall transfer to the service of New Evli at the time of the registration of the completion of the Demerger based on the Demerger or agreements in accordance with decisions made prior to the Effective Date by the Board of Directors or the CEO of Evli. New Evli shall assume the obligations arising out of the employment and service relationships with Evli of the transferring personnel in force on the Effective Date as well as the obligations resulting from the related benefits. The transferring personnel shall transfer to the service of New Evli as existing employees, to the extent possible under applicable law.

The obligations under any group level agreements binding Evli shall transfer, to the extent possible, to New Evli insofar as they concern the employees of New Evli or its directly or indirectly owned subsidiaries.

New Evli shall be responsible for all obligations relating to the personnel transferring to it, such as any wages and fees, tax withholding, accumulated holidays, daily allowances, pension contributions and expense compensations, also to the extent the grounds for such obligations have arisen wholly or partially during the time period preceding the Effective Date but which remain unfulfilled on the Effective Date.

The interests in Evli's personnel fund of the persons transferring to New Evli will be primarily sought to be transferred into a new personnel fund to be established in New Evli.

The Parties undertake to fulfil their notification obligation under Chapter 7 of the Act on Co-operation within Undertakings towards transferring employees and their personnel representatives as required by said act.

20.4 Preparatory Actions

The Board of Directors and the CEO of Evli may take any decisions that fall within their competence under the applicable law and concern their own business as well as take care of the actions in relation to the completion of the Demerger until the Effective Date.

20.5 Right of the Board of Directors and the CEO of the Demerging Company to Act on Behalf of the Receiving Company

As set out in Section 20.4 of this Demerger Plan, prior to the Effective Date, the CEO of Evli may enter into agreements facilitating the separation of the Transferring Business and the initiation of New Evli's operations.

The CEO of Evli may take above-mentioned decisions, enter into agreements and take other actions also on behalf of New Evli.

Prior to the Effective Date, the Board of Directors of Evli may also take all such decisions, enter into agreements and take actions concerning the Transferring Business on behalf of New Evli that fall within its competence under the applicable law.

The rights and obligations of New Evli based on decisions, agreements and other actions taken on behalf of New Evli shall transfer to New Evli on the Effective Date.

20.6 Capacity and Competence of the Receiving Company’s Board of Directors and CEO prior to the Effective Date

Prior to the Effective Date, the Board of Directors and the CEO of New Evli may only take such decisions as are separately assigned in this Demerger Plan to be made by the Board of Directors and the CEO of New Evli or such decisions as the Board of Directors of Evli designates.

Prior to the Effective Date, the Board of Directors of New Evli may, however, take without separate direction from the Board of Directors of Evli decisions with regard to New Evli that concern representation rights (authorisations to sign for the company, rights of representation per procuram and other authorisations), bank accounts and the necessary agreements and documents relating to the administration of a listed company, such as the working order of the Board of Directors and insider guidelines. The Board of Directors of Evli may also take such decisions concerning New Evli prior to the Effective Date. The rights and obligations under these decisions shall transfer to New Evli on the Effective Date.

With respect to the Comprehensive Arrangement, the Parties have undertaken that the Board of Directors of New Evli will decide prior to the Effective Date to subscribe for shares in the share issue arranged by Evli. New Evli will subscribe for new shares issued in the share issue with a total of EUR 8,952,830.24. The shares will be paid for and entered into the Trade Register on the Effective Date after the completion of the Demerger and the Merger to be carried out after it has been registered in the Trade Register.

20.7 Agreements and Undertakings and Cooperation in Transfer of Rights and Obligations; Intra-Group Arrangements

All agreements and undertakings, and the rights and obligations pertaining thereto, relating to the Transferred Business shall transfer to New Evli in accordance with this Demerger Plan on the Effective Date. If the transfer of an agreement or an undertaking is subject to the consent of the contracting party or a third party, the Companies Participating in the Demerger shall use their best efforts to obtain such consent. If such consent has not been received by the Effective Date, Evli shall remain as the party to such agreement or undertaking but New Evli shall fulfil the obligations related to such agreement or undertaking on its own behalf, at its own responsibility and at its own risk in Evli’s name and, correspondingly, New Evli shall receive the benefits related to such agreement or undertaking in a manner separately agreed by the Companies Participating in the Demerger.

Both Evli and New Evli shall be obligated to provide to each other all the reports and confirmations, as requested by the other company, that are required for the confirmation and recording of the transfer of rights and obligations under this Demerger Plan, such as reports on the transfer of assets, debts and liabilities potentially required by authorities or financial institutions.

20.8 Intellectual Property Rights of New Evli

Evli shall procure that, following the completion of the Demerger, it shall not use any trade name, trademark or other intellectual property right that includes the word “Evli” or that may otherwise be confused with Evli’s trade name, trademarks or other intellectual property rights.

20.9 Costs and Remuneration

Unless the Companies Participating in the Demerger separately agree otherwise or unless it is stipulated otherwise in this Demerger Plan (including Section 11), the following shall be applied to the allocation of the costs and remuneration related to the Demerger between the Parties:

- (a) Evli shall be responsible for the costs and remuneration that relate directly to the Demerger process and its completion, however, New Evli shall be responsible for the costs to the extent they have not been accounted for in the balance sheet prepared for the Effective Date;
- (b) New Evli shall be responsible for the costs relating to the listing of shares of New Evli and the creation of the shares in the book-entry securities system to the extent that the costs have not been accounted for in the balance sheet prepared for the Effective Date;
- (c) New Evli shall be responsible for the costs relating to starting up the operations of New Evli to the extent that the costs have not been accounted for in the balance sheet prepared for the Effective Date; and
- (d) The Companies Participating in the Demerger shall each be responsible for one-half of the costs and remuneration that cannot be allocated based on Subsections (a)–(c) above or that are not directly related to the operations of either of the Companies Participating in the Demerger and that have not been accounted for in the balance sheet prepared for the Effective Date.

20.10 Accounting Material

The accounting material of Evli shall remain in the ownership of Evli. However, insofar as such accounting material concerns the business of New Evli, New Evli shall have the right to obtain access to said material free of separate charge, including the right to make notes based on the documentation, make copies thereof and save it in electronic media, during ordinary office hours.

20.11 Language Versions

This Demerger Plan (including any applicable appendices) is an unofficial English language translation of the original document, which has been prepared and executed in Finnish. The English version has been drafted solely for information purposes. Should any discrepancies exist between the Finnish and the English versions, the Finnish version shall prevail.

20.12 Dispute Resolution

Any dispute, controversy or claim between the Companies Participating in the Demerger arising out of or relating to this Demerger Plan, or the breach, termination or validity thereof, shall be finally settled by arbitration in accordance with the Arbitration Rules of the Finland Chamber of Commerce. The seat of arbitration shall be Helsinki, Finland. For clarity, it is noted that this arbitration clause has also been entered into on behalf of, and shall be binding upon, New Evli.

21 OTHER ISSUES

The Board of Directors of Evli is authorised to decide on technical amendments to this Demerger Plan or its appendices as may be required by authorities or as considered appropriate by the Board of Directors of Evli in its discretion. The Board of Directors of Evli may resolve to not complete the Demerger if at any time prior to the completion of the Demerger there exists in the view of the Board of Directors of Evli material grounds due to which such non-completion would be in the best interest of Evli and its shareholders.

[Signature page to follow]

This Demerger Plan has been executed in three (3) identical counterparts, one (1) for the Demerging Company, one (1) for the Receiving Company, and one (1) for the registration authority.

In Helsinki, on 30 September 2021

EVLI BANK PLC

Henrik Andersin
Chairperson of the Board

Fredrik Hacklin
Member of the Board

Sari Helander
Member of the Board

Robert Ingman
Member of the Board

Teuvo Salminen
Member of the Board

APPENDICES TO THE DEMERGER PLAN

Appendix 1 Proposal for the Articles of Association of the Receiving Company

Appendix 2 Preliminary presentation of the balance sheets of the Demerging Company and the Receiving Company

Appendix 3 A list of auxiliary trade names to be registered for the Receiving Company

APPENDIX 1 – Proposal for the Articles of Association of the Receiving Company

ARTICLES OF ASSOCIATION OF EVLI PLC

1 Company's Business Name and Domicile

The company's business name is Evli Oyj, in English Evli Plc and in Swedish Evli Abp.

The company is domiciled in Helsinki.

2 Line of Business

The company practices offering investment and ancillary services as defined in the Finnish Act on Investment Services in accordance with its licence.

3 Shares

The Company has class A shares and class B shares. The shares have no nominal value.

Each A share confers twenty (20) votes at a general meeting of shareholders and each B share one (1) vote.

An A share can be converted into a B share by using a one-to-one (1:1) conversion ratio. This can be done at the request of the shareholder and, in the case of nominee registered shares, at the request of the custodian entered into the book-entry system.

A written demand concerning conversion addressed to the company must state how many shares are to be converted and the book-entry account in which the book-entries corresponding to the shares have been entered.

The company may request that an entry restricting the shareholder's right of transfer shall be entered in the book-entry account of the shareholder for the duration of the conversion procedure. The company shall notify the trade register of the changes in the number of shares in the share classes. The conversion request can be made at any time, but not after the board of directors has made a decision to convene the general meeting of shareholders. A request made between said decision and the following general meeting of shareholders shall be considered as delivered and it will be dealt with after the general meeting of shareholders and the possible record date following it. For carrying out the conversion, the company will charge the shareholder a fee decided by the board of directors.

Trade register notification regarding the conversion will be done at least twice a year at a time decided by the board of directors.

A demand concerning the conversion can be cancelled up and until a notification regarding the conversion has been delivered to the trade register.

After the cancellation, the company will request that the possible entry regarding restriction on the shareholder's right of transfer be removed from the book-entry account.

An A share will be converted into a B share when a record of this has been made in the trade register.

Registration of the conversion will be notified to the party who has presented the conversion demand and to the book-entry registrar.

The board of directors will, if necessary, decide on more detailed conversion process.

4 Book-Entry System

The shares of the company have been registered in the book-entry system.

5 Board of Directors and Chairman of the Board

The company's board of directors comprises of a minimum of four (4) and a maximum of eight (8) members whose term of office shall end at the conclusion of the first annual general meeting of the shareholders following the election. The board of directors shall annually at the first board meeting held following the annual general meeting of the shareholders elect a chairman and deputy chairman amongst the board members.

6 CEO

The company has a CEO elected by the board of directors. The company's board of directors may elect a deputy CEO.

7 Representation

The company is represented by the members of the board of directors and the CEO, two (2) acting jointly.

The board of directors may grant a designated person procuration rights or the right to represent the company together with a member of the board of directors, the CEO or another person authorized to represent the company.

8 Financial Year

The company's financial year is a calendar year.

9 Auditor

The company shall have one (1) auditor, which is an auditing firm approved by the Finnish Patent and Registration Office with a responsible auditor who shall be an authorised public accountant (KHT). The auditor's term of office ends at the conclusion of the annual general meeting of shareholders held following the appointment.

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.

11 Registration to Attend

In order to participate in the general meeting of shareholders, a shareholder must notify the company of the intention to attend the meeting no later than on the date mentioned in the notice convening the general meeting, which may not be earlier than (10) days before the meeting.

Annual General Meeting of Shareholders

The annual general meeting of shareholders must be held yearly on a date decided by the board of directors within six (6) months from the end of the financial year, at the latest.

The annual general meeting of shareholders shall resolve on:

1. The adoption of the financial statements, which includes the adoption of the consolidated financial statements;
2. The use of the profit shown on the adopted balance sheet;
3. Discharging the members of the board of directors and the CEO from liability;
4. The number, remuneration and election of the members of the board of directors;
5. The remuneration and election of the auditor or auditors;
6. The approval of the remuneration policy, if necessary;
7. The approval of the remuneration report; and
8. Other matters to be discussed in the meeting in accordance with the articles of association or the notice convening the general meeting.

Disputes

Any disputes relating to the application of the Finnish Limited Liability Companies Act shall be settled through arbitration instead of the district court in accordance with the rules of the Arbitration Institute of the Finland Chamber of Commerce by one (1) arbitrator. The arbitration proceedings shall take place in Helsinki.

**APPENDIX 2 – Preliminary presentation of the balance sheets of the
Demerging Company and the Receiving Company**

EUR, million	Evli Bank Plc 30.6.2021	Transactions prior to Effective Date	Evli Bank Plc prior to Demerger	Evli Bank Plc after Demerger	Receiving company New Evli Plc	Transactions concerning New Evli Plc conditional on the Demerger	New Evli Plc after Demerger
ASSETS							
Cash and equivalents	322,7	42,2	364,9	364,9	0,0		0,0
Debt securities eligible for refinancing with central banks	32,1	-32,1	0,0	0,0	0,0		0,0
Claims on credit institutions	68,9	22,5	91,4	32,0	59,4	-9,0	50,5
Claims on the public and public sector entities	106,8	0,0	106,8	0,9	105,9		105,9
Debt securities	1,3	0,0	1,3	0,0	1,3		1,3
Shares and participations	82,1	-32,7	49,5	0,0	49,5	9,0	58,4
Derivative contracts	17,6	0,0	17,6	0,0	17,6		17,6
Intangible assets and goodwill	5,8	0,0	5,8	0,0	5,8		5,8
Property, plant and equipment	1,0	0,0	1,0	0,0	1,0		1,0
Other assets	74,9	0,0	74,9	0,0	74,9		74,9
Accrued income and prepayments	1,1	0,0	1,1	0,1	1,0		1,0
Deferred tax assets	0,0	0,0	0,0	0,0	0,0		0,0
TOTAL ASSETS	714,3	0,0	714,3	397,9	316,4	0,0	316,4
LIABILITIES AND EQUITY							
LIABILITIES							
Liabilities to credit institutions and central banks	4,1	0,0	4,1	0,5	3,6		3,6
Liabilities to the public and public sector entities	418,7	0,0	418,7	390,8	27,8	-27,8	0,0
Debt securities issued to the public	101,1	0,0	101,1	0,0	101,1		101,1
Derivative contracts and other liabilities held for trading	17,5	0,0	17,5	0,0	17,5		17,5
Other liabilities	68,0	0,0	68,0	0,0	68,0	27,8	95,9
Accrued expenses and deferred income	7,2	0,0	7,2	0,2	7,1		7,1
Deferred tax liabilities	0,0	0,0	0,0	0,0	0,0		0,0
TOTAL LIABILITIES	616,5	0,0	616,5	391,5	225,0	0,0	225,0
EQUITY							
Share capital	30,2	0,0	30,2	6,4	23,7		23,7
Share premium fund	1,8	0,0	1,8	0,0	0,0		0,0
Fund of invested non- restricted equity	23,3	0,0	23,3	0,0	25,1		25,1
Retained earnings	42,5	0,0	42,5	0,0	42,5		42,5
TOTAL EQUITY	97,8	0,0	97,8	6,4	91,4	0,0	91,4
TOTAL LIABILITIES AND EQUITY	714,3	0,0	714,3	397,9	316,4	0,0	316,4

The financial information presented in this illustrative balance sheet has been derived from Evli Bank Plc's unaudited balance sheet on 30 June 2021 prepared in accordance with the Finnish Accounting Act, the regulations and instructions of the Financial Supervisory Authority and good accounting practice.

The column headed "Transactions prior to Effective Date" in the above balance sheet takes into account the following events which are intended to illustrate Evli's balance sheet position at the time of the demerger and which are considered to have a material impact on the assets and liabilities of the companies to be formed in the demerger or their presentation:

- 1) Due to the nature of the business, bond investments related to banking operations will be sold before the completion of the Demerger and thus EUR 32.1 million of debt securities eligible for refinancing with central banks have been adjusted to cash and equivalents line item as if those bond investments had been sold on 30 June 2021.
- 2) In order to achieve the liquidity position required by the Demerger, the Company will sell certain investments made in liquid mutual funds before the completion of the Demerger and thus EUR 32.7 million has been adjusted from shares and participations, of which EUR 10.2 million is transferred to cash and equivalents and EUR 22.5 million to claims on credit institutions, as if those investments had been sold on 30 June 2021.

For the sake of clarity, the above adjustments are based on the situation on 30 June 2021 and these transactions may realise with different amounts.

The column "Transactions concerning New Evli Plc conditional on the Demerger" of the illustrative balance sheet above takes into account the following events that will be carried out in connection with the completion of the Demerger:

- 1) As part of the demerger and merger plans, the New Evli Plc has committed to subscribe for new shares in Fellow Bank Plc, which will be formed through the merger, for a total of EUR 9.0 million. The share subscription is presented in the illustrative balance sheet as an increase in the line item shares and participations and as a decrease in the line item claims on credit institutions.
- 2) Re-classification of EUR 27.8 million in cash collaterals related to New Evli Plc's asset management business from liabilities to the public and public sector entities into other liabilities, taking into account that New Evli Plc will not engage in banking business as a result of the demerger.

On 22 September 2021, Evli Bank Plc announced that on 1 October 2021 Evli Bank Plc's Board of Directors will decide on the payment of an annual dividend in accordance with the authorization given by the 2021 Annual General Meeting, of a maximum of EUR 0.73 per share. The illustrative balance sheet does not take into account the possible dividend distribution decision of the Board of Directors, which, if implemented in accordance with the maximum amount, would amount to EUR 17.6 million. A potential dividend will reduce retained earnings and the company's cash and equivalents.

In the illustrative balance sheet, the assets and liabilities related to personnel included in assets and liabilities have been allocated to the companies forming in the demerger based on an estimate.

The final demerger will take place based on the balance sheet values at the Effective Date. The illustrative unaudited balance sheet information described above is therefore only indicative and the final balance sheet values may thus change and differ significantly from what has been presented above.

*) The share capital of the Demerging Company Evli Bank Plc is proposed to be decreased by EUR 23.7 million to EUR 6.4 million and the share premium fund of EUR 1.8 million is proposed to be dissolved. The amount by which Evli Bank Plc's share capital is proposed to be decreased and the amount arising from the dissolution of the share premium fund will be used to distribute the funds to New Evli Plc. To the extent that the book value of the net assets transferred to New Evli Plc exceeds the above-mentioned share capital decrease and dissolution of the share premium fund, Evli Bank Plc's fund for invested non-restricted equity and retained earnings will be decreased by that amount.

**) In the demerger, the equity formed for New Evli Plc in excess of the amount to be recognized in share capital in accordance with section 9 of this Demerger Plan is recognized as an increase in retained earnings to the extent that retained earnings are transferred to New Evli Plc and in other respects as an increase in fund for invested non-restricted equity.

APPENDIX 3 – A list of auxiliary trade names to be registered for the Receiving Company

In connection with the execution of the Demerger, the following auxiliary trade names are to be registered for the Receiving Company:

Auxiliary trade name	Activities carried out under the auxiliary trade name
Evli Corporate Finance	Mergers and acquisitions, capital market transactions and related consultancy
Evli Varainhoito Evli Kapitalförvaltning (Swedish translation) Evli Asset Management (English translation)	Asset management as well as investment and financial consultancy concerning investment objects
Evli Rahamarkkinat Evli Penningsmarknad (Swedish translation)	Securities dealing, debt instrument brokerage, market making of debt instruments and arrangement of issues as well as related consultancy
Evli Fixed Income Securities	Securities dealing, debt instrument brokerage, market making of debt instruments and arrangement of issues as well as related consultancy