

EVLI

Interim carve-out financial information 1-3/2022

**GOOD RESULT IN A DIFFICULT MARKET
ENVIRONMENT**



GOOD RESULT IN A DIFFICULT MARKET ENVIRONMENT

Evli Plc was created by a partial demerger from Evli Bank Plc on April 2, 2022. In the demerger all assets and liabilities related to Evli Bank Plc's asset management, custody, brokerage, corporate finance activities and supporting functions for these businesses were transferred to a new independent company Evli Plc. This report is based on carve-out figures derived from Evli Bank Plc's consolidated figures as of March 31, 2022. The report presents Evli Group's assets, liabilities, income, expenses and cash flows without banking activities, i.e., as if the company had operated in its current form in January-March 2022.

As the carve-out interim report has been prepared on a carve-out basis, it is not possible to determine key figures on a per share basis, such as earnings per share, for the period presented. Evli Plc has not officially existed as a company and therefore has no share capital, and thus part of Evli's outstanding shares cannot be allocated to it.

For a more detailed description of the effects of the partial demerger on Evli Group's financial information, the presentation of the information and the accounting policies used in its preparation, see the accounting policies set out in the table section of the release and in the carve-out financial statements of Evli Plc, available at [evli.com](https://www.evli.com).

Financial performance January-March 2022

- Operating income was EUR 23.3 million (1-3/2021: EUR 27.3 million)
- Operating profit was EUR 9.7 million (EUR 12.8 million)
- Operating result of the Wealth Management and Investor Clients segment decreased to EUR 9.6 million (EUR 10.6 million)
- Operating result of the Advisory and Corporate Clients segment decreased to EUR 0.8 million (EUR 1.1 million)
- At the end of March, assets under management amounted to EUR 15.8 billion (EUR 15.0 billion) on a net basis
- Return on equity was 33.8 percent (51.2%)
- The ratio of recurring revenues to operational costs was 138 percent (121%)

OUTLOOK FOR 2022

The year 2022 has started in a challenging market, due to heightened interest rate and inflation fears, increased geopolitical risks and a declining market.

Despite increased risks, we estimate that the result for 2022 will be at a good level.

KEY FIGURES DESCRIBING THE GROUP'S FINANCIAL PERFORMANCE

	1-3/2022	1-3/2021
Income statement key figures		
Operating income, M€	23.3	27.3
Operating profit/loss, M€	9.7	12.8
Operating profit margin, %	41.7	46.9
Profit/loss for the financial year, M€	7.7	10.7
Profitability key figures		
Return on equity (ROE), %	33.8	51.2
Return on assets (ROA), %	26.3	21.2
Other key figures		
Expense ratio (operating costs to net revenue)	0.59	0.54
Recurring revenue ratio, %	138	121
Personnel at the end of the period	289	262

CEO MAUNU LEHTIMÄKI

The first quarter ended in a downturn for the capital markets. The values of equity and fixed income investments fell as inflation accelerated, monetary policy tightened, and interest rates rose. Russia's invasion of Ukraine and the subsequent harsh Western sanctions and Russian retaliatory sanctions turned optimism about global economic growth into concerns about slowing growth, especially in Europe, which is dependent on Russian energy. China's strict zero-Covid policy also contributed to growth concerns and made it more difficult to normalise global commodity flows and supply chains.

In the first quarter, Evli's business developed in line with the weak performance of the capital markets. Operating income decreased by 15 percent year-on-year to EUR 23.3 million, while Group operating profit decreased by 24 percent to EUR 9.7 million. Fee and commission income increased in the incentives business and in brokerage but decreased in the Corporate Finance unit. However, the most significant reason for the decline in fee and commission income was the decrease in performance-related fees compared to the previous year. In the first half of the year, Evli's return on equity was almost 34 percent (51%) and recurring income to operating expenses was 138 percent (121%). The Group's solvency and liquidity were at an excellent level.

Operating income in the Wealth Management and Investor Clients segment decreased by 10 percent to EUR 19.9 million. Assets under management rose to EUR 15.8 billion (EUR 15 billion) but fell from EUR 17.5 billion at the turn of the year as a result of the fall in share prices and net redemptions. Evli Fund Management Company's mutual fund capital amounted to EUR 9.5 billion (EUR 9.4 billion), with net redemptions of EUR 428 million, mainly in Nordic and European corporate bonds and European equities. The segment's revenues were positively affected by higher fee income from traditional and alternative funds and increased brokerage fees. The revenue development was negatively affected by a significant decrease in performance-related fees from around EUR 5 million in the comparison period to EUR 0.4 million in the review period.

Operating income in the Advisory and Corporate Clients segment decreased by 11 percent to EUR 3.6 million. Corporate Finance invoicing decreased from the comparison period to EUR 0.7 million (EUR 2.9 million). However, the unit's mandate base is at a good level and prospects for closing mandates are brightening after the shock reaction in the beginning of the year. As in previous years, the incentives business revenues increased to EUR 2.8 million (EUR 2.1 million). The unit won new incentive plan design and administration contracts, and its outlook is good.

After the review period on April 2, 2022, the merger announced in the summer of 2021 was completed, as a result of which Evli Bank Plc was split into a new listed company focusing on asset management and a company continuing the banking operations, to which Fellow Finance Plc was merged. The shares of investment services group Evli Plc were admitted to trading on the main list of the Helsinki Stock Exchange. The implementation was carried out according to the original plans and schedule, and the system conversion, which was critical for operations, was successfully completed.

The key drivers of Evli's strategy, international sales and alternative investment products, showed a mixed performance during the quarter. International sales, with Evli's Nordic corporate bond funds at its core, suffered from rising interest rates in the early part of the year and increased uncertainty due to the war in Ukraine. Redemptions by international clients totalled EUR 300 million and international clients accounted for 23 percent (23%) of Evli's total fund capital, including alternative investment products. In the first quarter, alternative investment products were sold for a total of EUR 126 million (EUR 73 million). Sales were spread across several funds, with the largest subscriptions being for Evli Private Equity I and Evli Private Equity III (around EUR 60 million in total), Evli Residential II (around EUR 17 million) and Evli Impact Forest I (around EUR 13 million). We expect demand for alternative investment products to remain strong for the rest of the year.

During the first quarter, we continued our systematic work to develop responsible investment under the leadership of our new Head of Sustainability, Petra Hakamo, who was appointed on January 1, 2022. Human rights and biodiversity were key themes for development. Climate work continued in line with the 2021 roadmap of climate targets, and our already diverse client reporting on responsibility was expanded in terms of governance and sustainability metrics. Following Russia's invasion in Ukraine, Evli decided to exclude Russia-related investment targets from its investments. Evli also complies with all sanctions against Russia.

After the review period, on April 22, 2022, we announced a letter of intent under which Evli Plc and EAB Group Plc will explore the possibility of combining their operations. The parties aim to sign a merger agreement and other transaction agreements during May 2022. The planned merger is expected to be implemented during the fall 2022.

MARKET DEVELOPMENTS

The year 2022 started with a positive market sentiment, supported by strong economic growth, but the situation changed during the quarter. Although the outlook for economic growth was strong at the beginning of the year, the outlook was clouded by rising inflation and subsequent indications from central banks of their intentions to tighten monetary policy. The US Federal Reserve (Fed) announced possible interest rate hikes and an end to securities purchases. The European Central Bank (ECB) was preparing to cut its purchasing programmes.

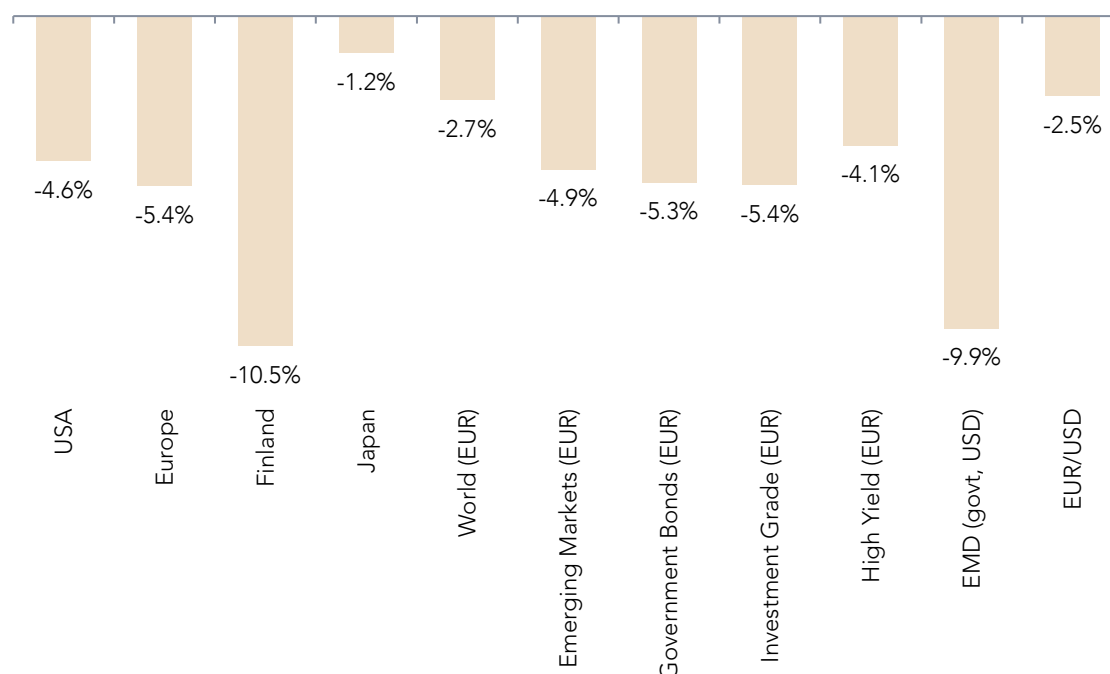
In late February, the capital markets were rocked by the realisation of gradually increasing geopolitical risks as Russia launched a large-scale invasion of Ukraine. The West responded to the war by imposing a series of sanctions on Russian banks, political figures and wealthy individuals. At the same time, European and US companies began to withdraw from Russia. The sanctions were extended several times during the spring.

The ongoing war is having far-reaching effects on economic development, especially in Europe, and many European countries are dependent on Russian energy. In addition, Russia and Ukraine have been important suppliers of agricultural products to the West. In the first quarter, energy prices rose sharply from year-end levels, further fuelling inflation. As the war drags on, the availability of grains and edible oils, among other things, is likely to deteriorate, which will also be reflected in higher prices. At the same time, weakening consumer and industrial confidence will have a negative impact on business prospects.

In stock markets, US shares (S&P 500) fell by 4.6 percent and European shares (Stoxx 600) by 5.4 percent in the first quarter of this year. In the same period, Finnish shares (OMX Helsinki Cap) fell by 10.5 percent.

Fixed income markets were also negative in January-March. Higher-rated corporate bonds fell by 5.4 percent and euro area government bonds by 5.3 percent. In contrast, the lower-rated high yield bonds fell by 4.1 percent. The euro depreciated by 2.5 percent against the dollar.

Market performance 1-3/2022



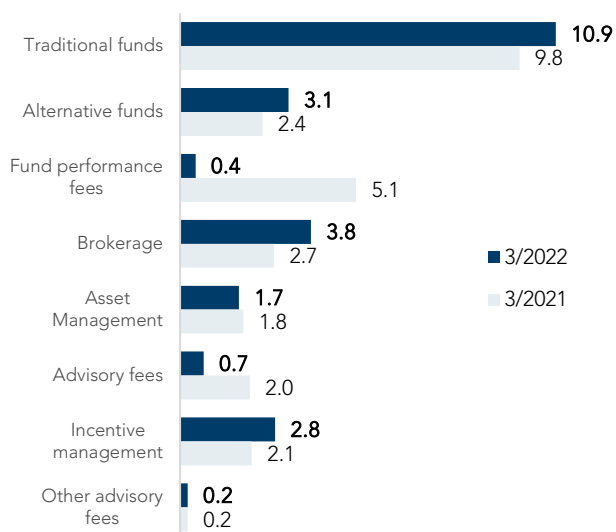
DEVELOPMENT OF REVENUE AND RESULT

Evli Group's operating income decreased by 15 percent from the corresponding level of the previous year, amounting to EUR 23.3 million (EUR 27.3 million 1.1.-31.3.2021). Income from the Group's own investment activities amounted to EUR -0.3 million (EUR 1.2 million) including net income from securities trading, foreign exchange brokerage and interest income from investment loans. The development of operating income was driven especially by the positive development in fund management fees. During the first quarter of the year the performance-related fees decreased compared to the comparison period and were EUR 0.4 million (EUR 5.1 million), which had a negative impact on the development of fee and commission income during the review period.

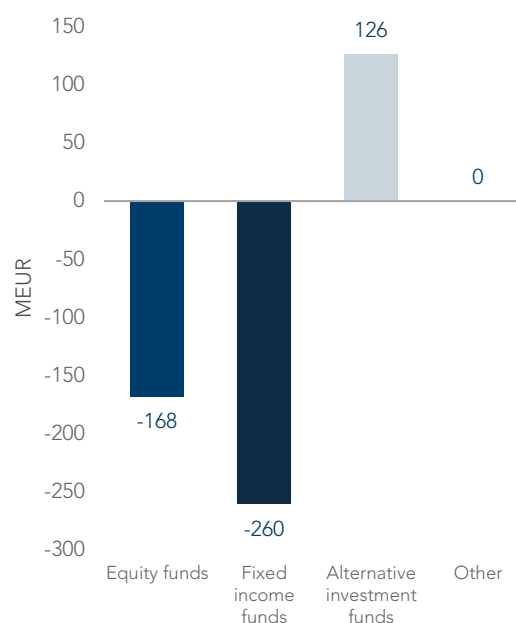
Total costs for the first quarter, including depreciation, amounted to EUR 13.6 million (EUR 14.9 million). The Group's personnel expenses amounted to EUR 8.1 million (EUR 9.3 million), including an estimate of performance bonuses for the personnel. The Group's administrative expenses amounted to EUR 3.8 million (EUR 3.8 million). The Group's depreciation and impairment amounted to EUR 1.3 million (EUR 1.1 million). Other operating expenses were EUR 0.3 million (EUR 0.7 million). Evli's expense/income ratio was 0.59 (0.54).

The Group's operating profit decreased from the corresponding period by 24 percent and was EUR 9.7 million (EUR 12.8 million). Operating profit margin was 41.7 percent (46.9%). The net result for the period considered was EUR 7.7 million (EUR 10.7 million). Due to the weakened result, the Group's return on equity decreased to 33.8 percent (51.2%).

Development of commission income (M€)



Net sales per fund classes 1-3/2022



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 were at the same level as in the comparison period but decreased from the year-end due to the weak market development. At the end of the review period, Evli had EUR 5.5 billion (EUR 5.5 billion) in discretionary asset management assets, which includes both traditional and digital services.

Traditional mutual funds

During the period under review, mutual funds received more redemptions than subscriptions, as a result of which the net sales of the funds remained clearly negative. In cumulative terms, net redemptions of EUR -428 million (EUR 448 million) were made to Evli's mutual funds in January-March. 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 -302 million (EUR 41 million).

The returns of Evli's fixed income funds remained negative during the first quarter of the year due to higher interest rates. The best performing funds in relation to the benchmark index were Evli Emerging Markets Credit and Evli European High Yield. The performance of equity funds was also negative at the beginning of the year due to the general market situation. The Evli Equity Factor USA and Evli Equity Factor Global funds performed best in relation to the benchmark index.

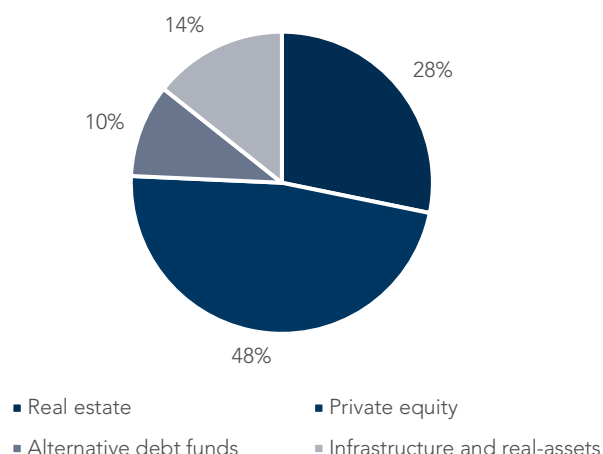
During the first half of the year, 27 percent of Evli's traditional mutual funds outperformed their benchmarks. In a three-year review, 50 percent of mutual funds outperformed the benchmark. Evli's mutual funds had an average Morningstar rating of 3.77 stars at the end of the review period. The combined capital of traditional investment funds managed by the Evli Fund Management Company was EUR 9.5 billion (EUR 9.4 billion). Of this, approximately EUR 2.9 billion was invested in equity funds (EUR 2.9 billion), EUR 6.6 billion in fixed income funds (EUR 6.3 billion) and EUR 0.1 billion in balanced funds (EUR 0.2 billion). At the end of March, EUR 2.6 billion of Evli's fund capital came from clients outside of Finland (EUR 2.4 billion).

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

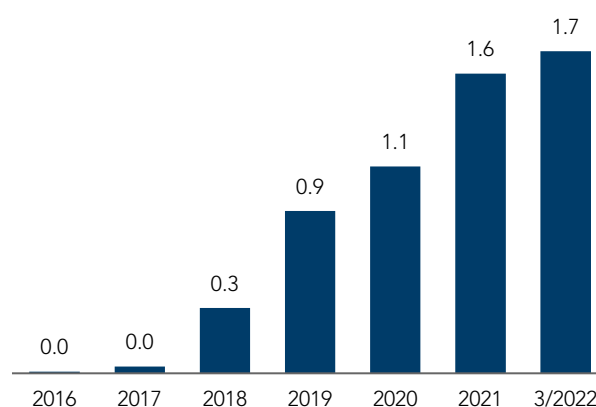
Alternative investment products

Sales of strategically important alternative investment products proceeded as expected. Subscriptions and investment commitments for alternative investment products totalled around EUR 126 million during the first quarter of the year. Of the subscriptions and investment commitments, almost EUR 60 million went to Private Equity products, evenly distributed between the Evli Private Equity Fund I and Evli Private Equity Fund III funds. Launched in late 2021, the Residential Fund II raised about EUR 18 million over the review period. In addition, approximately EUR 8 million of the subscriptions and investment commitments were made to the Evli Growth Partners Fund II, around EUR 13 million to the Evli Impact Forest Fund and almost EUR 11 million to the Evli Private Debt Fund. The non-UCITS fund Evli Rental Yield collected subscriptions of EUR 10 million and Evli Leveraged Loan EUR 7 million.

Alternative assets under management



Assets under Management in alternative investment products 2016 - Q1/2022 (€ bn)



Other investment products

Demand for brokerage products increased compared to the comparison period, for ETF instruments. In contrast, demand for other products did not reach the corresponding level of the comparison period.

Financial performance

In **January-March** the net revenue of the Wealth Management and Investor Clients segment decreased from the comparison period due to the weak market development. The net revenue of the segment decreased by 10 percent from the previous year and was EUR 19.9 million (EUR 22.0 million). The decrease in returns was mainly influenced by the decrease in performance-related fees. The performance-related fees from asset management and funds amounted to EUR 0.4 (EUR 5.1 million).

Key figures - Wealth Management and Investor Clients segment

M€	1-3/2022	1-3/2021	Change, %
Net revenue	19,9	22,0	-10%
Operating profit/loss before Group allocations	12,9	14,2	-9%
Operating profit/loss	9,6	10,6	-10%
Number of personnel	173	163	6%

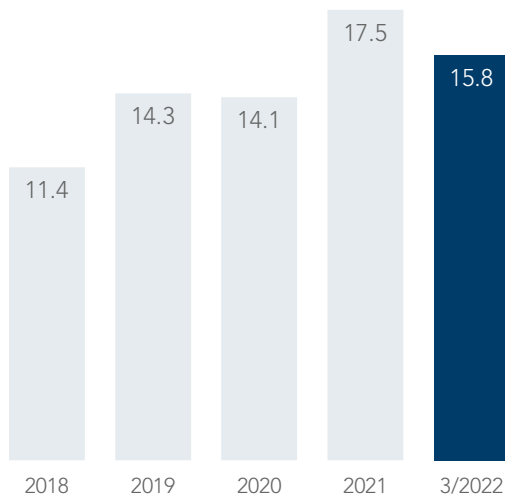
Development of client assets under management

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

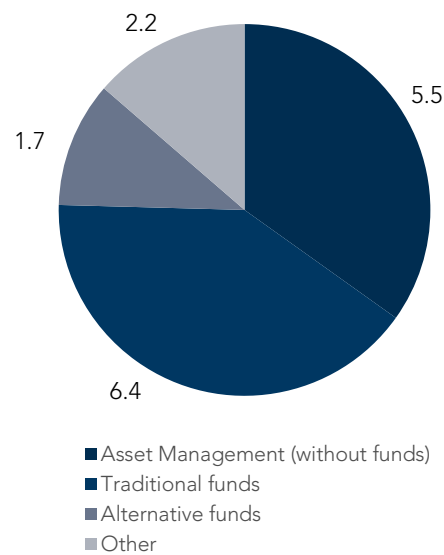
Assets under management decreased from the year-end due to negative net sales and the market development. At the end of March, the Group's total net assets under management amounted to EUR 15.8 billion (EUR 15.0 billion).

At the end of March, assets under discretionary management amounted to EUR 5.5 billion (EUR 5.5 billion). Correspondingly, direct investments in Evli's traditional mutual funds were EUR 6.4 billion (EUR 6.5 billion) at the end of the review period. The assets under management in alternative investment products was EUR 1.7 billion (EUR 1.2 billion). Assets managed through subsidiaries and associated companies increased from the corresponding level of the previous year and were EUR 2.2 million (EUR 1.8 million).

Development of assets under management (€ bn)



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

Despite the market uncertainty, client activity in the advisory business remained high in the first quarter. During the review period, Evli acted as an advisor on six assignments. Despite the high level of activity, net sales in the review period were below the level of the comparison period.

Evli's published orders for the first quarter:

- Lantmännen's acquisition of Coryton
- Roima's acquisition of Logimatic
- Sitowise's acquisition of Mavaconi
- OKQ8's acquisition of Car Wash Center
- Netel's acquisition of Eltek Entreprenad Sverige AB
- Fairness opinion in connection with the merger of Vincit and Bilot

Incentive systems

At the end of the review period, Evli administered around 120 incentive programs, mostly for Finnish companies. The company annually advises more than 150 companies on incentive-related planning. Increasing sales of product and service offerings related to incentive systems to overseas and unlisted companies has progressed well during the first quarter, with the company acquiring several new Nordic listed companies as well as domestic unlisted companies as its clients. Sales to listed Finnish companies also increased, driven by brisk listing activity in 2021.

In the review period, revenues from the incentive systems business were EUR 2.8 million (EUR 2.1 million). The revenue development was positively affected by both the increase in the number of client companies from the comparison period and the cross-selling of incentive design and administration systems. In addition, interest in incentive systems for all employees, such as employee share issues, was higher than before. The first quarter also saw the implementation of share-based remuneration of listed companies' board fees. The growth in net sales during the period under review was relatively strongest in the business related to the design of rewards and incentive plans.

Financial performance

In **January-March**, the net revenue in the Advisory and Corporate Clients segment decreased from the previous year and amounted to EUR 3.6 million (EUR 4.0 million). Revenue growth was negatively impacted by the decrease in advisory fees from M&A transactions. Contrary, commissions in the incentive business continued to grow and rose to a higher level than in the comparison period. Significant fluctuations in revenue from one quarter to the next are typical of the segment's M&A activities.

Key figures - Advisory and Corporate Clients segment

M€	1-3/2022	1-3/2021	Change, %
Net revenue	3.6	4.0	-11%
Operating profit/loss before Group allocations	1.4	1.8	-26%
Operating profit/loss	0.8	1.1	-30%
Number of personnel	75	58	29%

Group operations

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

Financial performance

In **January-March**, the net revenue in the Group Operations segment decreased compared to the previous year and was EUR -0.2 million (EUR 1.3 million).

Key figures – Group operations segment

M€	1-3/2022	1-3/2021	Change, %
Net revenue	-0.2	1.3	-
Operating profit/loss before Group allocations	-4.5	-3.0	-
Operating profit/loss	-0.6	0.7	-
Number of personnel	41	41	0%

RESPONSIBILITY

Responsibility is one of Evli's strategic focus areas. In Evli's most important business area, asset management, responsibility factors are integrated into investment activities, making responsible investment a systematic part of portfolio management. Investments made by Evli's mutual funds are also monitored for potential breaches of standards, and in asset management we engage with companies, both independently and in cooperation with other investors.

Responsible investing

Petra Hakamo was appointed to lead Evli's Responsible Investment team and become Evli's new Head of Sustainability on January 1, 2022. During the first quarter, Evli continued its systematic work to develop responsible investment.

Client-specific ESG reporting was expanded to include indicators related to governance and sustainable development. A ESG report is produced for each client's investments, providing a comprehensive description of the responsibility of investments and the evolution of the ESG indicators. Evli also published an Allocation and Impact Report for the Evli Green Corporate Bond Fund for 2021. The Allocation and Impact Report provides a transparent account of the tangible impact of the fund's investments. In addition, during the first quarter, Evli published an analysis of its funds according to the TCFD (Task Force on Climate-related Financial Disclosures) reporting framework.

In terms of responsible investment, Evli continued its development work, with human rights and biodiversity as key themes for development. Evli also continued its climate work in line with its roadmap of climate objectives. This work was mainly carried out for the development of climate risk management. During the first quarter, Evli decided to exclude Russia as an area to invest in. The exclusion takes into account Russian companies and the Russian state.

In addition, Evli attended fifteen annual general meetings and engaged with four companies. The restrictions in place due to the coronavirus pandemic were taken into account in the attendance of the general meetings, and as a consequence, participation in the meetings took place by issuing a power of attorney along with voting instructions. The engagement cases were on the subject of good corporate governance. Evli also participated as an investor in CDP's 2022 Non-Disclosure Campaign. The CDP is an independent organisation that aims to encourage companies to report and manage their environmental impacts. Evli has been involved in engaging through CDP's Non-Disclosure Campaigns since 2017 and as an investor member of the CDP since 2007.

Evli was also involved in building the ESG toolkit of the Finnish Venture Capital Association, where Evli's Head of Sustainability, Petra Hakamo, served as chair.

Focus areas 2022

Development and continuation of responsible investment practices

EU Taxonomy

Continued work in line with climate targets

Introduction of new sustainability funds

Results 1-3/2022

- Expanded client specific ESG reports
- Evli Green Corporate Bond Allocation and Impact Report 2021 published
- Third TCFD analysis of funds
- Exclusion of Russia as a region in which to invest
- Continued work in line with climate targets
- Attendance at fifteen general meetings
- Engagement with four companies
- Participation in the CDP's 2022 Non-disclosure
- Building the ESG toolkit together with the Finnish Venture Capital Association

BALANCE SHEET AND FUNDING

Evli Group's balance sheet total was EUR 307.4 million (EUR 422.4 million) at the end of March. At the end of the review period, the Evli Group's equity was EUR 81.0 million (EUR 89.4 million). A breakdown of changes in equity during the period is presented in the table section of the release.

At the end of the period, the Group's liquid funds were EUR 82.7 million (EUR 27.3 million) and the amount of liquid mutual fund investments was EUR 13.5 million (EUR 42.7 million). Evli Plc has granted investment loans to its clients. At the end of the review period, loans totalled EUR 47.2 million (EUR 111.7 million). These are presented in the balance sheet under receivables from the public and entities. There were no credit losses during the review period.

Lease liability related to business premises recorded in the balance sheet at the end of the period was EUR 7.0 million (EUR 7.4 million), of which current liabilities accounted for EUR 1.3 million (EUR 1.7 million). Evli Plc has issued structured bonds for a total of EUR 100.0 million (EUR 111.6 million). These form the basis of the Group's long-term debt financing.

PERSONNEL

At the end of March, the Group had 289 employees. The number grew by ten percent from the corresponding period of the previous year. Ninety-two percent of the personnel worked in Finland and eight percent outside Finland.

BUSINESS ENVIRONMENT

The start of the year 2022 has been very challenging in the markets as a result of rising inflation, increased geopolitical risks and declining markets.

Evli already has a strong position among both institutions and wealthy individuals. The prospects for growth in the company's domestic market in Finland are good, especially with the expanded product range.

In line with its strategy, Evli has increasingly invested in the development of international sales and alternative investment products. These are seen as significant sources of growth for the company and as a way to further diversify the company's revenue base. Investments have also been made to achieve greater business scalability.

In terms of international growth, the company's focus is on the Nordic and European markets. In addition to product availability, the streamlining and adaptation of administrative processes and structures to correspond to the standards that investors are accustomed to in other markets are critical for the success of international growth. Evli is excellently placed where international sales are concerned, and the image of a high-quality Nordic fund management boutique is of interest to foreign investors. However, international growth is overshadowed by the uncertainty surrounding Finland's geographical location in the eyes of Central European investors.

Evli sees alternative investment products as another important strategic priority. The company's ambition is to be able to offer a comprehensive range of products from typical, very liquid fixed income funds to real asset and private equity funds. To achieve this goal, Evli has introduced several new products to the market over the last few years, and the company's product offering currently covers a wide range of different asset classes. The Finnish market for alternative investment products is highly competitive. Despite the challenges posed by the operating environment, Evli's aim is to turn alternative investment products into a major source of revenue, with the help of a comprehensive offering and exceptional expertise.

BUSINESS RISKS AND RISK MANAGEMENT

Evli's most significant near-term risk is the impact of market performance on the company's business functions. The Group's result is affected by the development of assets under management, which depends on, among other things, the development of the capital markets. On the other hand, alternative investment products in particular are based on long-term commitments that provide a steady income flow. The development of earnings is also affected by the realisation of income-related fee income tied to the successful management of client assets. Performance-related fees can vary widely from quarter to quarter and from financial year to financial year. The general development of

the market also has an impact on the brokerage business. In the Corporate Finance business, any changes in the market confidence of investors and corporate management may result in the lengthening or termination of projects.

Evli's most significant risks associated with its investment activities are liquidity, market and interest rate risks. These risks are controlled with limits set by Evli's Board of Directors. The limits are constantly monitored. The basis for investments made by the company is that they must not endanger Evli's result or solvency. Evli's investments are very highly diversified, and dependency on a single company is restricted by limiting the size of company-specific investments, for example. Regardless of good monitoring, there is always a certain degree of risk involved in investment activities, which means the return from investment activities can fluctuate significantly from one quarter to the next.

A more detailed description of operational risks is provided in the carve-out financial statements of Evli Plc, available at evli.com.

EVENTS TAKING PLACE AFTER REVIEW PERIOD

Evli Bank Plc and Fellow Finance Plc announced on July 14, 2021, that they had agreed in a combination agreement of an arrangement whereby Evli Bank will demerge through a partial demerger into a new asset management group Evli Plc ("Evli") which will be listed and a company that will carry on Evli Bank's banking services and into which Fellow Finance will merge. The new Evli shares to be issued as demerger consideration were registered in the book-entry accounts of shareholders on April 2, 2022. In connection with the demerger, Evli made an investment of approximately EUR 9.5 million in the Fellow Bank formed in the arrangement. With the investment, Evli became one of Fellow Bank's largest shareholders with a 17.6 percent holding together with Taaleri Plc.

On April 22, 2022, Evli Plc ("Evli") and EAB Group Plc ("EAB") signed a letter of intent, according to which the parties will explore the possibility of Evli and EAB merging their operations. The proposed merger would form one of the leading companies on the Helsinki Stock Exchange offering investment and asset management services to institutional, corporate and private clients. The parties aim to sign the merger plan, the merger agreement and other transaction agreements during May 2022. The planned merger is expected to take place in the fall of 2022.

The Board for Evli Plc that was created in the partial demerger of Evli Bank Plc was elected in the extraordinary shareholder's meeting 22.12.21 and one additional member was elected in the annual general meeting 9.3.2022. The Board of Directors of Evli Plc consist of Henrik Andersin, Fredrik Hacklin, Sari Helander, Robert Ingman, Antti Kuljukka and Teuvo Salminen. Maunu Lehtimäki acts as CEO. The Board and the CEO are responsible for preparing the carve-out interim financial information.

OUTLOOK FOR 2022

The year 2022 has started in a challenging market, due to heightened interest rate and inflation fears, increased geopolitical risks and a declining market.

Despite the increased risks, we estimate that the operating result for 2022 will be at a good level.

Helsinki, May 19, 2022

EVLI PLC
Board of Directors

Additional information:

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evli.com

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Consolidated comprehensive income statement

	1-3/2022	1-3/2021	1-12/2021
Fee and commission income	24.5	26.8	114.4
Net income from securities transactions	-0.3	1.2	3.7
Income from equity investments	0.0	0.0	0.0
Interest income	0.3	0.3	1.4
Other operating income	0.0	0.0	0.2
INCOME TOTAL	24.5	28.3	119.7
Fee and commission expenses	-1.0	-0.8	-2.7
Interest expenses	-0.2	-0.2	-0.8
NET INCOME	23.3	27.3	116.2
Administrative expenses			
Personnel expenses	-8.1	-9.3	-36.6
Other administrative expenses	-3.8	-3.8	-17.6
Depreciation and amortization on tangible and intangible assets	-1.3	-1.1	-4.8
Other operating expenses	-0.3	-0.7	-1.3
Expected credit losses on loans and other receivables	0.0	0.0	0.1
Share of profit or loss of associates	0.0	0.3	0.5
OPERATING PROFIT/LOSS	9.7	12.8	56.6
Income taxes	-2.0	-2.1	-11.2
PROFIT / LOSS FOR THE FINANCIAL YEAR	7.7	10.7	45.5
Attributable to			
Minority interest	0.8	1.8	6.7
Shareholders of parent company	6.9	8.9	38.8
PROFIT / LOSS FOR THE FINANCIAL YEAR	7.7	10.7	45.5
OTHER COMPREHENSIVE INCOME / LOSS			
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences - foreign operations	-0.1	0.1	0.1
Other comprehensive income/loss	-0.1	0.1	0.1
Other comprehensive income after taxes / loss for the year	-0.1	0.1	0.1
OTHER COMPREHENSIVE INCOME / LOSS FOR THE YEAR	7.6	10.9	45.6
Attributable to			
Non-controlling interest	0.8	1.8	6.7
Equity holders of parent company	6.8	9.1	38.9

Consolidated balance sheet

ASSETS	31.3.2022	31.3.2021	31.12.2021
Cash and equivalents	0.0	0.0	0.0
Claims on credit institutions	82.7	27.3	47.8
Claims on the public and public sector entities	47.2	111.7	87.4
Debt securities	0.8	2.0	0.7
Shares and participations	20.7	67.9	49.6
Derivative contracts	0.9	35.2	26.4
Shares and participations in associates	4.1	3.1	4.0
Intangible assets and goodwill	13.7	15.4	13.8
Property, plant and equipment	1.0	1.2	1.2
right-of-use assets	7.2	9.2	7.6
Other assets	117.1	146.3	127.1
Accrued income and prepayments	11.4	1.9	2.3
Income Tax receivables	0.5	1.1	0.1
Deferred tax assets	0.1	0.1	0.1
TOTAL ASSETS	307.4	422.4	368.3
LIABILITIES AND EQUITY			
LIABILITIES			
Liabilities to credit institutions and central banks	0.0	40.1	8.6
Debt securities issued to the public	100.0	111.6	91.0
Derivative contracts and other liabilities held for trading	0.9	38.3	26.3
Other liabilities	95.6	118.6	105.4
Accrued expenses and deferred income	26.2	22.5	29.3
direct income tax liability	3.8	1.9	5.5
Deferred tax liabilities	0.0	0.0	0.0
TOTAL LIABILITIES	226.5	333.0	266.1
EQUITY			
Translation difference	-0.1	0.1	0.1
Invested equity and retained earnings	78.9	84.7	96.8
Minority interest	2.2	4.5	5.2
TOTAL EQUITY	81.0	89.4	102.1
TOTAL LIABILITIES AND EQUITY	307.4	422.4	368.3

Consolidated statement of changes in equity

	Translation difference	Invested equity and retained earnings	Equity attributable to owners of new Evli Plc	Non-controlling interest	Total equity
Equity 1.1.2021	0.2	75.1	75.2	3.0	78.2
Translation difference	0.0		0.0		0.0
Profit/loss for the period		8.9	8.9	1.8	10.7
Dividends to Evli Bank Plc's shareholders		0.0	0.0	-0.8	-0.8
Other changes*		1.3	1.3	0.6	1.9
Equity transactions with Evli Bank		-0.5	-0.5	0.0	-0.5
Equity 31.3.2021	0.1	84.7	84.9	4.5	89.4
Translation difference	0.0		0.0		0.0
Profit/loss for the period		29.9	29.9	4.9	34.8
Other changes*		1.5	1.5	-1.9	-0.4
Equity transactions with Evli Bank		-1.9	-1.9		-1.9
Equity 31.12.2021	0.1	96.8	96.9	5.2	102.1
Translation difference	-0.2		-0.2		-0.2
Profit/loss for the period		6.9	6.9	0.8	7.7
Dividends to Evli Bank Plc's shareholders				-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
Equity 31.3.2022	-0.1	78.9	78.8	2.2	81.0

*Other changes from 2021 include the accrual of expenses arising from granted retention programs, which is presented as part of the change in the retained earnings column and a one-off impact from the acquisition of Alexander Incentives Oy.

Segment reporting

The segment information is based on historical information reported to the Board of Evli Bank Plc. During the preparation of carve-out financial statements, information relating to the carve-out businesses (asset management, custody, clearing and brokerage, corporate finance, incentive system administration and support functions) have been separated and presented as carve-out segment information. The business segments consist of business units whose products and services and earnings logic and profitability differ from one another. The business risks related to the business segments are also different. Evli's operations are divided by client type and services into two segments: The Wealth Management and Investor Clients segment and the Advisory and Corporate Clients segment. Operations not included above are classified as Group Operations, and the business segments mentioned above make use of these operations.

31.3.2022 segment income statement	Wealth Management and Investor Clients	Advisory and Corporate Clients	Group Operations	Unallocated	Group
Net Interest Income	0.0	0.0	0.0	0.0	0.0
Commission income and expense. net	19.9	3.6	0.0	0.0	23.5
Net income from securities transactions and foreign exchange dealing	0.0	0.0	-0.3	0.0	-0.3
Other operating income	0.0	0.0	0.0	0.0	0.0
External sales	19.9	3.6	-0.2	0.0	23.3
Inter-segment sales	0.0	0.0	0.0	0.0	0.0
NET REVENUE	19.9	3.6	-0.2	0.0	23.3
Timing of revenue recognition					
Over time	15.9	2.0	0.0	0.0	17.9
At a point of time	3.9	1.6	0.0	0.0	5.6
Segment operating expenses	-6.5	-2.1	-3.5	-0.2	-12.3
Business units operating profit before depreciations and Group allocations	13.4	1.5	-3.7	-0.2	11.0
Depreciation, amortisation and write-down	-0.5	-0.1	-0.8	0.0	-1.3
Impairment losses on loans and other receivables	0.0	0.0	0.0	0.0	0.0
Business units operating profit before Group allocations	12.9	1.4	-4.5	-0.2	9.7
Allocated corporate expenses	-3.3	-0.6	3.9	0.0	0.0
OPERATING PROFIT	9.6	0.8	-0.6	-0.2	9.7
Share of profits (losses) of associates	0.0	0.0	0.0	0.0	0.0
Income taxes*	-1.0	-0.2	-0.8	0.1	-2.0
SEGMENT PROFIT/LOSS	8.6	0.5	-1.3	-0.1	7.7

31.3.2022	Finland	Sweden	Other countries	Group
Net revenue and assets by geography				
Net revenue	21.8	1.1	0.3	23.3
Assets	302.2	4.8	0.4	307.4

31.3.2021 segment income statement	Wealth Management and Investor Clients	Advisory and Corporate Clients	Group Operations	Unallocated	Group
Net Interest Income	0.0	0.0	0.2	0.0	0.1
Commission income and expense, net	22.0	4.0	-0.1	0.0	26.0
Net income from securities transactions and foreign exchange dealing	0.0	0.0	1.2	0.0	1.2
Other operating income	0.0	0.0	0.0	0.0	0.0
External sales	22.0	4.0	1.3	0.0	27.3
Inter-segment sales	0.0	0.0	0.0	0.0	0.0
NET REVENUE	22.0	4.0	1.3	0.0	27.3
Timing of revenue recognition					
Over time	14.7	1.7	-0.5	0.0	15.8
At a point of time	7.7	2.5	0.0	0.0	10.2
Segment operating expenses	-7.9	-2.1	-3.8	0.0	-13.8
Business units operating profit before depreciations and Group allocations	14.2	2.0	-2.6	0.0	13.6
Depreciation, amortisation and write-down	-0.6	-0.1	-0.4	0.0	-1.1
Impairment losses on loans and other receivables	0.0	0.0	0.0	0.0	0.0
Business units operating profit before Group allocations	13.6	1.8	-3.0	0.0	12.5
Allocated corporate expenses	-3.0	-0.7	3.7	0.0	0.0
OPERATING PROFIT	10.6	1.1	0.7	0.0	12.5
Share of profits (losses) of associates	0.0	0.0	0.3	0.0	0.3
Income taxes*	-0.6	-0.3	-1.1	0.0	-2.1
SEGMENT PROFIT/LOSS	10.0	0.8	-0.1	0.0	10.7

31.3.2021	Finland	Sweden	Other countries	Group
Net revenue and assets by geography				
Net revenue	23.1	1.8	2.4	27.3
Assets	412.5	7.3	2.6	422.4

Consolidated cash flow statement

	1-3 2022	1-3 2021	1-12 2021
Operating activities			
Operating profit	9.7	12.8	56.6
Adjustment for items not included in cash flow	5.4	2.3	13.6
Income taxes paid	-3.9	-1.2	-7.6
Cash flow from operating activities before changes in operating assets and liabilities	11.2	13.9	62.7
Changes in operating asset	70.4	-0.4	59.6
Changes in operating liabilities	-7.2	-26.4	-60.8
Cash flow from operating activities	74.4	-12.9	61.5
Investing activities			
Change in intangible asset	-0.5	-0.1	-0.6
Change in property, plant and equipment	0.0	0.0	-0.2
Cash flow from investing activities	-0.5	-0.1	-0.7
Financing activities			
Change in Loans from credit institutions	-8.6	6.6	7.9
Change in Loans from parent entity	0.0	8.7	-24.1
Equity transactions with the parent entity	-0.8	-0.8	-2.3
Dividends paid. Evli Bank shareholders	-25.3	0.0	-17.4
Dividends paid to NCI	-3.9	-1.9	-3.1
Payments of loan/IFRS 16 Right of use asset	-0.5	-0.3	-1.7
Cash flow from financing activities	-39.0	12.3	-41.0
Cash and cash equivalents at the beginning of period	47.8	28.0	28.0
Cash and cash equivalents at the end of year	82.7	27.3	47.8
Change	34.9	-0.8	19.8

Accounting policies

Evli Plc was created by a partial demerger from Evli Bank Plc on April 2, 2022. In the demerger all assets and liabilities related to Evli Bank Plc's asset management, custody, brokerage, corporate finance activities and supporting functions for these businesses were transferred to a new independent company Evli Plc. This report is based on carve-out figures derived from Evli Bank Plc's consolidated figures as of March 31, 2022. The report presents Evli Group's assets, liabilities, income, expenses and cash flows without banking activities, i.e., as if the company had operated in its current form in January-March 2022.

The carve-out financial statements of Evli Group for the review period are prepared by combining other business activities than those that require a banking license, in principle assets, liabilities, revenues, costs and cash flows related to Wealth Management and Investor Clients business activities and Advisory and Corporate Clients business activities and the supporting functions for these businesses. Evli Plc is not formed from a sub-group of Evli Bank Plc and it has not prepared group financial figures earlier either for external or internal reporting.

These carve-out interim financial information has been prepared in accordance with the IAS 34 standard, as approved by the European Union. When preparing the carve-out interim financial information, the basis for presentation applied for the carve-out financial statements for the financial year ended 31.12.2021, have also been applied to relevant parts in the carve-out interim financial information. The information in the carve-out interim financial information is unaudited.

This carve-out financial information does not necessarily illustrate the financial position and financial performance which Evli Plc would have had if it would have been an independent group and presented its financial information as a separate group. The aim of the carve-out information is not either to illustrate or estimate what the financial performance, financial position or cash flows of Evli Group are in the future.

The carve-out interim financial information includes allocated revenues, costs, assets, liabilities and cash flows that are based on management assessment, assumptions and estimates. The most material estimates, solutions based on assessment and assumptions are related to allocating group costs, cash management, financing allocations and invested equity. According to Evli's management the allocations in the carve-out interim information are reasonable, but they do not necessarily illustrate the costs and revenues that would have incurred if Evli Plc would have been a separate unit and prepared its own consolidated financial statements. Evli Plc does not have other material business transactions with the carve-out parent entity Evli Bank Plc than financing activities, common insurances, common support functions, common head quarter functions and shared premises.

The carve-out interim financial information does not include all the information disclosed in annual carve-out financial statements. This interim financial information should be read together with the financial statements.

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 carve-out financial statements.

Adoption of new and amended standards and interpretations applicable in future financial years

New standards are not expected for the next financial year that would have a significant impact on Evli Group's accounting policies.

The figures are unaudited.

Notes to balance sheet

Debt securities	31.3.2022	31.3.2021	31.12.2021
Bonds, fair value	100.0	111.6	91.0
Debt securities issued to the public	100.0	111.6	91.0

Breakdown by maturity	Maturity: less than 3 months	Maturity: 3-12 months	Maturity: 1-5 years	Maturity: 5-10 years
31.3.2022				
Debt securities issued to the public	5.6	11.4	79.2	3.7
31.3.2021				
Debt securities issued to the public	0.6	2.2	108.8	0.0
31.12.2021				
Debt securities issued to the public	0.9	10.7	75.2	4.2

Changes in issued debt securities	31.3.2022	31.3.2021	31.12.2021
Bonds issued (change)	24.2	0.0	4.2
Bonds Repurchased (change)	14.3	8.9	34.3

Off-Balance sheet commitments	31.3.2022	31.3.2021	31.12.2021
Commitments given to a third party on behalf of a customer	0.0	8.0	0.4
Irrevocable commitments given in favour of a customer	2.2	2.2	2.6
Guarantees on behalf of others	0.0	0.0	0.0
Unused credit facilities	3.8	17.3	18.1

Transactions with related parties	March 2022 Associated companies	March 2021 Associated companies	March 2022 Group management	March 2021 Group management	March 2022 Evli Bank Plc	March 2021 Evli Bank Plc
Sales	0.0	0.0	0.0	0.0	0.0	0.0
Purchases	0.0	0.0	0.0	0.0	0.0	0.1
Receivables	0.0	0.0	0.1	0.5	46.7	19.9
Liabilities	0.0	0.0	0.0	0.0	0.0	32.8

Evli Bank Plc and the associated company Northern Horizon Capital A/S 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 relate parties.

The transactions between management and Evli are typical transactions between an investment firm and its clients. Receivables from management consist of loans issued by normal terms. The arrangements between management and Evli do not differ in terms from other arrangements between Evli and its other clients.

The business transactions Evli has conducted with Evli Bank Plc are presented as related party transactions. Evli Plc finances part of its operations with financing granted by Evli Bank Plc. The purpose is to cover any financing needs related to collateral placement, trading or other day-to-day operations. This funding is presented as a debt to Evli Bank Plc. Evli Group's subsidiaries cash deposits to Evli Bank Plc are presented as receivables from Evli Bank Plc in claims on credit institutions in the balance sheet. There are no other material business transactions between Evli Plc and Evli Bank Plc than these financing activities mentioned above. As of 31.3.2022 Evli had no financing from Evli Bank Plc. The bank account receivables as of 31.3.2022 from Evli Bank Plc does not anymore include deposits from subsidiaries and consists only of Evli Plc's deposit. Evli Bank Plc is Fellow Bank Plc starting April 2, 2022.

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

Value of financial instruments across the three levels of the fair value hierarchy.				
M€	31.3.2022			Ending Balance
Fair value. M€	Level 1	Level 2	Level 3	
Financial assets:				
Shares and participations classified as held for trading	0.0	0.0	0.0	0.0
Shares and participations. other	13.5	0.0	7.2	20.7
Debt securities eligible for refinancing with central banks	0.0	0.0	0.0	0.0
Debt securities	0.0	0.4	0.4	0.8
Positive market values from derivatives	0.0	0.1	0.9	0.9
Total financial assets held at fair value	13.6	0.4	8.4	22.4
Financial liabilities:				
Shares and participations classified as held for trading (liability)	0.0	0.0	0.0	0.0
Negative market values from derivatives	0.0	0.1	0.9	0.9
Total financial liabilities held at fair value	0.0	0.1	0.9	0.9

Value of financial instruments across the three levels of the fair value hierarchy.				
M€	31.3.2021			Ending Balance
Fair value. M€	Level 1	Level 2	Level 3	
Financial assets:				
Shares and participations classified as held for trading	3.1	0.0	0.0	3.1
Shares and participations. other	57.5	0.0	7.3	64.8
Debt securities eligible for refinancing with central banks	0.0	0.0	0.0	0.0
Debt securities	1.3	0.3	0.4	2.0
Positive market values from derivatives	0.0	33.3	1.9	35.2
Total financial assets held at fair value	61.9	33.6	9.6	105.1
Financial liabilities:				
Shares and participations classified as held for trading (liability)	3.3	0.0	0.0	3.3
Negative market values from derivatives	0.0	33.1	1.9	35.0
Total financial liabilities held at fair value	3.3	33.1	1.9	38.3

Value of financial instruments across the three levels of the fair value hierarchy.				
M€	31.12.2021			Ending Balance
Fair value. M€	Level 1	Level 2	Level 3	
Financial assets:				
Shares and participations classified as held for trading	0.0	0.0	0.0	0.0
Shares and participations. other	42.2	0.0	7.4	49.6
Debt securities eligible for refinancing with central banks	0.0	0.0	0.0	0.0
Debt securities	0.0	0.3	0.4	0.7
Positive market values from derivatives	0.0	24.1	2.3	26.4
Total financial assets held at fair value	42.2	24.4	10.1	76.7
Financial liabilities:				
Shares and participations classified as held for trading (liability)	0.0	0.0	0.0	0.0
Negative market values from derivatives	0.0	24.0	2.3	26.3
Total financial liabilities held at fair value	0.0	24.0	2.3	26.3

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.

Derivative contracts

Derivative contracts. 31.3.2022	Remaining maturity			Fair value (+/-)
	Maturity: Less than 1 year	Maturity: 1-5 years	Maturity: 5-15 years	
Nominal value of underlying, gross				
Held for trading				
Interest rate derivatives				
Interest rate swaps	7.2	75.1	2.3	0.0
Equity-linked derivatives				
Futures	4.2	0.0	2.8	0.0
Options bought	0.0	0.0	0.0	0.0
Options sold	0.0	0.0	0.0	0.0
Currency-linked derivatives	41.1	1.8	0.0	0.0
Held for trading. total	52.5	76.8	5.1	0.0
Derivative contracts. total	52.5	76.8	5.1	0.0

Derivative contracts 31.3.2021		Remaining maturity			Fair value (+/-)
Nominal value of underlying, gross	Maturity: Less than 1 year	Maturity: 1-5 years	Maturity: 5-15 years		
Held for trading					
Interest rate derivatives					
Interest rate swaps	4.3	94.0	0.0	0.0	
Equity-linked derivatives					
Futures	0.0	3.4	0.0	0.0	
Options bought	0.0	0.0	0.0	0.0	
Options sold	0.0	0.0	0.0	0.0	
Currency-linked derivatives					
	4957.5	24.0	0.0	0.1	
Held for trading. total	4961.8	121.4	0.0	0.1	
Derivative contracts. total	4961.8	121.4	0.0	0.1	

Derivative contracts. 31.12.2021		Remaining maturity			Fair value (+/-)
Nominal value of underlying, gross	Maturity: Less than 1 year	Maturity: 1-5 years	Maturity: 5-15 years		
Held for trading					
Interest rate derivatives					
Interest rate swaps	4.5	70.5	3.2	0.0	
Equity-linked derivatives					
Futures	2.2	1.0	0.0	0.0	
Options bought	0.0	0.0	0.0	0.0	
Options sold	0.0	0.0	0.0	0.0	
Currency-linked derivatives					
	4073.2	8.3	0.0	0.1	
Held for trading. total	4079.9	79.8	3.2	0.1	
Derivative contracts. total	4079.9	79.8	3.2	0.1	

The interest rate derivatives hedge the interest rate risk in assets and liabilities in the balance sheet.

Currency derivatives comprise commitments made against clients and the associated hedges, and contracts made to hedge currency risk in the balance sheet. The net open risk position of the total amount is small.

Equity derivatives in the banking book hedge the equity risk in equity-linked bonds issued to the public.

Credit loss provision for financial assets measured at amortized cost

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

Balance sheet item. 31.3.2022	Amount	Level 1	Level 2	Level 3	Expected credit loss	Opening balance 1.1. credit loss provision
Receivables from credit institutions	82.7	82.7	0.0	0.0	0.0	0.0
Receivables from public	47.2	46.3	1.0	0.0	0.1	0.1
Receivables from the public; corporate	19.5	19.2	0.3	0.0	0.0	0.0
Receivables from the public; private	27.8	27.1	0.7	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	4.4	4.3	0.1	0.0	0.0	0.0
Off-balance sheet loan commitments	3.8	3.7	0.1	0.0	0.0	0.0
	138.2	137.1	1.1	0.0	0.1	0.1

Balance sheet item. 31.3.2021	Amount	Level 1	Level 2	Level 3	Expected credit loss	Opening balance 1.1. credit loss provision
Receivables from credit institutions	27.3	27.3	0.0	0.0	0.0	0.0
Receivables from public	111.7	109.7	2.0	0.0	0.2	0.2
Receivables from the public; corporate	32.7	31.1	1.6	0.0	0.1	0.1
Receivables from the public; private	78.9	78.5	0.4	0.0	0.1	0.1
Receivables from the public; other	0.0	0.0	0.0	0.0	0.0	0.0
Other receivables	3.4	3.2	0.3	0.0	0.0	0.0
Off-balance sheet loan commitments	17.3	17.2	0.1	0.0	0.0	0.0
	159.7	157.3	2.3	0.0	0.2	0.2

Balance sheet item. 31.12.2021	Amount	Level 1	Level 2	Level 3	Expected credit loss	Opening balance 1.1. credit loss provision
Receivables from credit institutions	47.8	47.8	0.0	0.0	0.0	0.0
Receivables from public	87.4	86.8	0.7	0.0	0.1	0.2
Receivables from the public; corporate	23.6	23.3	0.3	0.0	0.0	0.1
Receivables from the public; private	63.9	63.5	0.4	0.0	0.0	0.1
Receivables from the public; other	0.0	0.0	0.0	0.0	0.0	0.0
Other receivables	4.2	4.1	0.2	0.0	0.0	0.0
Off-balance sheet loan commitments	17.9	17.8	0.1	0.0	0.0	0.0
	157.4	156.5	0.9	0.0	0.1	0.2

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.

For customer credits, six transfers from level 1 to level 2 have been made during the Q1/2022. The bank has one loan payment instalment that is over 90 days late. The expected credit loss is recognized in the income statement.