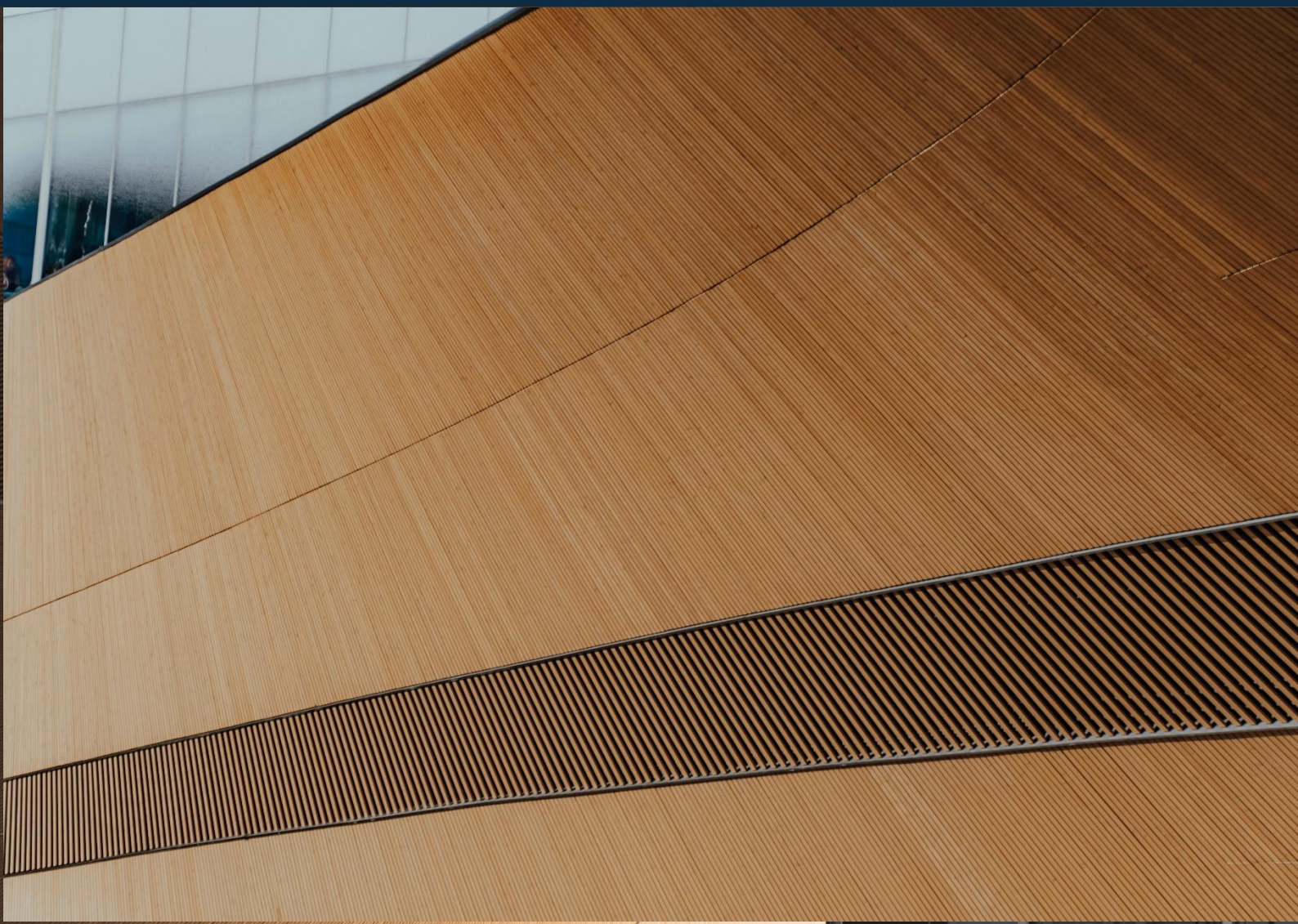


EVLI

Evli Plc
Financial Statements Bulletin
1–12/2022

**A YEAR OF SIGNIFICANT
ARRANGEMENTS WENT FAVORABLY**



A YEAR OF SIGNIFICANT ARRANGEMENTS WENT FAVORABLY

- Evli carried out a successful partial demerger in the spring. In the arrangement, Evli focused on investment services and the banking business was merged with Fellow Finance. Evli is a significant shareholder in Fellow Bank Plc, the new company created by the merger.
- EAB Group Plc merged with Evli at the beginning of October. The transaction further strengthened Evli's position as Finland's leading asset manager.
- The alternative investment funds continued to grow, driven by strong client demand. Over the past two years, Evli has managed to more than double the assets under management in alternative investment funds.

Financial performance January–December 2022

- Net revenue was EUR 96.1 million (Carve-out 1–12/2021: EUR 116.2 million).
- Operating profit was EUR 30.9 million (EUR 56.6 million). Operating profit excluding non-recurring items related to mergers and acquisitions was EUR 37.1 million.
- Operating result of the Wealth Management and Investor Clients segment decreased to EUR 27.4 million (EUR 44.8 million).
- Operating result of the Advisory and Corporate Clients segment decreased to EUR 4.2 million (EUR 7.4 million).
- At the end of December, assets under management amounted to EUR 16.0 billion (EUR 17.5 billion) on a net basis.
- Return on equity was 20.4 percent (50.4%).
- Earnings per share, fully diluted, was EUR 0.81 (EUR 1.58). The corresponding earnings per share excluding non-recurring items related to the corporate transactions was EUR 1.00.
- The Board of Directors proposes that a total of EUR 1.15 per share be distributed to shareholders for the financial year 2022, of which EUR 0.80 per share would be dividends and EUR 0.35 per share would be distributed from the reserve for unrestricted equity.
- The ratio of recurring revenues to operational costs was 123 percent (135%).

Financial performance October–December 2022

- The Group's net revenue was EUR 29.4 million (EUR 35.0 million).
- The Group's operating profit for the period was EUR 5.0 million (EUR 17.0 million). Operating profit excluding non-recurring items related to mergers and acquisitions was EUR 9.8 million.
- Earnings per share, fully diluted, amounted to EUR 0.12 (EUR 0.49). The corresponding earnings per share excluding non-recurring items related to the corporate transactions was EUR 0.26.
- EAB Group Plc merged into Evli Plc on October 1, 2022. The figures of EAB Group Plc are included for the last quarter of the year in the financial statements bulletin.

OUTLOOK FOR 2023

The year 2023 will start in an uncertain mood, due to increased interest rate and inflation fears, risen geopolitical risks and a market downturn.

Evli has managed to strengthen its market position as a result of the corporate transactions made during 2022. With synergies from the arrangements and the non-recurring costs allocated to 2022, we expect the operating result to be well above the comparison period (EUR 30.9 million in 2022).

KEY FIGURES DESCRIBING THE GROUP'S FINANCIAL PERFORMANCE

	1-12/2022	Carve-out 1-12/2021
Income statement key figures		
Net revenue, M€	96.1	116.2
Operating profit/loss, M€	30.9	56.6
Operating profit margin, %	32.1	48.7
Profit/loss excl. non-recurring items related to mergers and acquisitions, M€	37.1	-
Profit/loss for the financial year, M€	25.1	45.5
Profitability key figures		
Return on equity (ROE), %	20.4	50.4
Return on assets (ROA), %	6.8	11.3
Balance sheet key figures		
Equity-to-assets ratio, %	39.1	27.7
Key figures per share		
Earnings per Share (EPS), fully diluted, €	0.81	1.58
Earnings per Share (EPS) excl. non-recurring items related to mergers and acquisitions, fully diluted, €	1.0	-
Dividend per share, €	1.15*	-
Equity per share, €	5.28	-
Share price at the end of the period, €	15.15	-
Other key figures		
Expense ratio (operating costs to net revenue)	0.67	0.52
Recurring revenue ratio, %	123	135
Permanent personnel at the end of the period	294	283
Market value, M€	398.1	-

*The Board of Directors proposal to the Annual General Meeting

CEO MAUNU LEHTIMÄKI

The year 2022 was historically weak for investments. All major asset classes, equities, government bonds and corporate bonds, fell in value as the war in Ukraine, geopolitical tensions, rising energy prices and wildly rampant inflation, plus the policy rate hikes to contain it, all took their toll. The rise in the US dollar also led to higher budget deficits and debt servicing costs in many emerging economies and increased their risk of default. The prices of growth stocks, especially tech companies, which rose to great heights during the era of low interest rates and quantitative easing, fell particularly hard. The few stocks that rose in value were mainly found in the energy and weapons industries.

The weak market development levelled off in the last quarter of the year as investors saw the first signs of a possible slowdown in inflation. Despite this, the normalisation of the interest rate environment, the weakened purchasing power for consumers, as well as global economic uncertainties and the continuation of the war, are all expected to push Europe into a recession during the current year.

The year 2022 was particularly significant for Evli with two large and successful M&A transactions. In the spring, Evli carried out a partial demerger. In the transaction, Evli focused on providing investment services and merged its banking operations with Fellow Finance to form a new digital bank, Fellow Bank Plc. Evli is a significant owner of the bank created by the merger. In the autumn, Evli strengthened its position as Finland's leading asset manager by the merger of EAB Group Plc into Evli. The corporate transactions contributed to the negative impact on Evli's profitability during the 2022 financial year, but positive synergies are expected in the coming years.

The weakness in the market and operating environment was reflected in Evli's performance in the fourth quarter. Net turnover decreased by approximately 16 percent to EUR 29.4 million and the Group's operating profit fell by about 70 percent to EUR 5.0 million. Fee income from alternative investment products and the incentive business increased, but fee income from traditional funds and the Corporate Finance unit was well below the previous year. The decline in fee income was driven by lower asset values, increased redemptions, and a slowdown in M&A activity. In addition, the result for the fourth quarter was negatively impacted by non-recurring items related to the merger with EAB Group Plc.

In January-December, Evli's return on equity was 20.4 percent (50.4%). The ratio of recurring income to operating expenses, on the other hand, was 123 percent (135%). The Group's solvency and liquidity were at an excellent level.

Net turnover in the Wealth Management and Investor Clients segment decreased by 17 percent to EUR 75.7

million in the reporting period. Client assets under management, including EAB Group Plc's client assets, decreased to EUR 16 billion (EUR 17.5 billion) due to the weak market development and increased net redemptions. Evli Fund Management Company's mutual fund capital, including alternative investment products, amounted to EUR 11.1 billion (EUR 12.2 billion). Net redemptions of traditional investment funds amounted to around EUR 1 billion during the beginning of the year. Redemptions were mainly in short dated fixed income funds, corporate bond funds and European equities. However, fee income from alternative investment products increased by approximately 50 percent and thus already accounted for around 30 percent of total fund fees.

Net turnover in the Advisory and Corporate Clients segment decreased by 19 percent to EUR 16.4 million. Corporate Finance invoicing fell by over 50 percent from the comparative period to EUR 5.8 million in the quarter (EUR 11.7 million). The mandate base of the Corporate Finance unit is good, and the outlook has brightened to some extent. Income from the Incentive business increased to EUR 10.4 million (EUR 8.5 million). The company has continued to win new incentive plan design and administration clients and the outlook is also good.

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 corporate bond funds at its core, suffered in the first half of the year from rising interest rates and general market uncertainty. Redemptions by international clients amounted to almost EUR 670 million and the share of international clients in total fund capital, including alternative investment products, fell to 20% (27%).

In the fourth quarter, sales of alternative investment products reached a total of EUR 120 million (EUR 153 million). The sales were spread across several funds, with the largest subscription amount coming from the Evli Private Equity III fund.

Responsibility is one of Evli's strategic focus areas. In the fourth quarter, as part of its work to support human rights, Evli launched a research project together with UNICEF Finland to explore how investors and asset managers can promote the fulfilment of children's rights. Evli's work on responsibility was again praised by clients, who rated Evli as the best asset manager in Finland in terms of responsible investing in a survey of institutional clients conducted by SFR Scandinavian Financial Research.

I want to thank our clients, shareholders and my colleagues at Evli. Let's continue our journey together for a better future!

MARKET DEVELOPMENTS

From an investor's perspective, 2022 was anything but a good year. Several years of positive market momentum was turned on its head when Russia launched a war of aggression in Ukraine at the end of February. The war in Europe, combined with surging inflation and rapidly rising interest rates, increased fear and uncertainty about the future. Meanwhile, economic growth was pressured by continued pandemic restrictions in Asia, which resulted in logistical challenges for many industries in terms of production inputs. As a result of the negative operating environment, asset valuations in fixed income, equities and real assets fell and fears of a recession grew.

A major driver behind the accelerating inflation was the explosion in raw material and energy prices following the war launched by Russia. For energy in particular, price pressures increased during the summer and autumn as gas supplies from Russia to Europe declined while each country sought to build up energy reserves for the coming winter. The situation was further complicated by the exceptional weather conditions seen during the year,

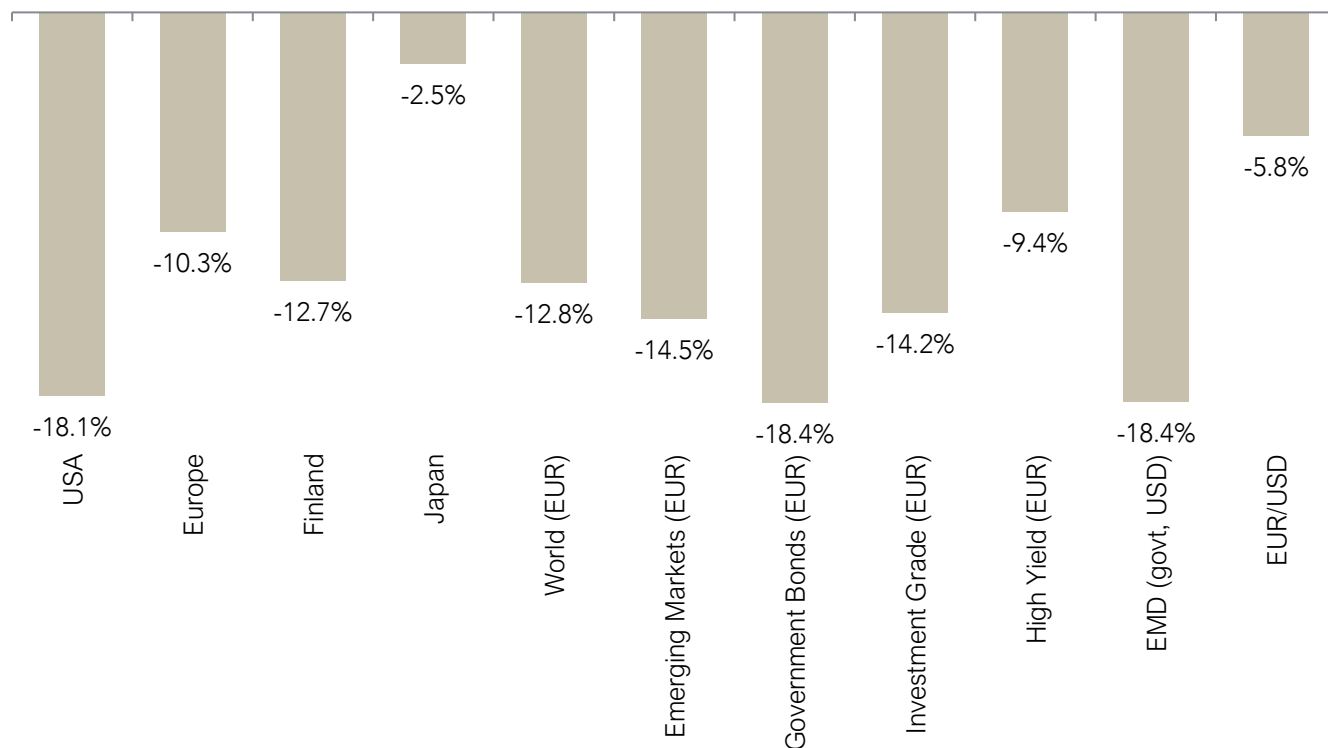
which limited Europe's own energy production. Asia was also hit by weather-related issues, where an exceptionally hot summer forced plant closures and industrial activity to be curtailed.

As inflation rose, the US and European central banks rapidly increased their policy rates, which was reflected in a fall in the value of fixed income investments. Despite these measures, inflation remained high until the end of the year.

In the investment markets, valuation levels fell across the board. In equity markets, US equities (S&P 500) fell by 18.1 percent and European equities (Stoxx 600) by 10.3 percent year-over-year. Over the same period, Finnish shares (OMX Helsinki Cap) fell by 12.7 percent.

The development in fixed income markets was also negative. The value of higher-rated corporate bonds fell by 14.2 percent and euro area government bonds by 18.4 percent. Lower-rated high yield bonds fell by 9.4 percent. The euro depreciated by 5.8 percent against the dollar and reached parity.

Market performance 1-12/2022



DEVELOPMENT OF REVENUE AND RESULT

Reflecting the general market development, Evli Group's net revenue decreased by 17 percent from the comparison period to EUR 96.1 million (EUR 116.2 million). The negative development of net revenue was mainly due to lower fees from advisory business as well as a significant decrease in performance-based fees, which are dependent on the development of investment activities, versus the comparison period. The performance-based fees for the review period amounted to EUR 0.6 million (EUR 15.9 million). The net fee income for the Group fell by 17 percent compared to the comparison period to EUR 92.1 million (EUR 111.7 million). Income from own investment activities amounted to EUR 3.7 million (EUR 3.5 million), including income from securities trading and currency brokerage.

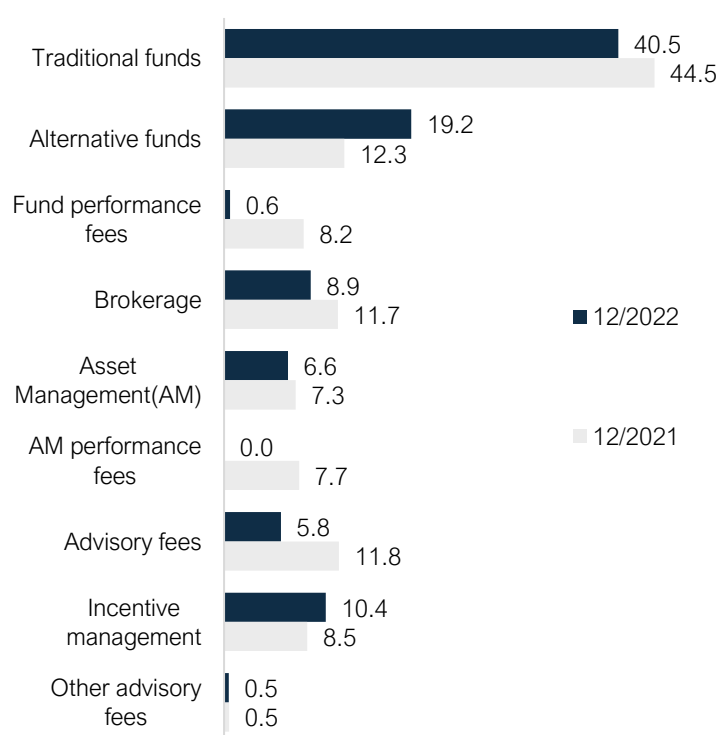
Total costs for the review period, including depreciation and impairment, amounted to EUR 65.5 million (EUR 60.1 million). The costs include EUR 6.3 million of non-recurring costs related to the corporate transactions made during the year, the most significant of which was the merger of EAB Group Plc with Evli in the autumn. The Group's personnel expenses amounted to EUR 39.2 million (EUR 36.6 million), including an estimate of performance bonuses for the personnel. The Group's administrative expenses amounted to EUR 19.6 million (EUR 17.6 million). The Group's depreciation and

impairment amounted to EUR 5.8 million (EUR 4.8 million). Other operating expenses were EUR 0.8 million (EUR 1.3 million). Evli's expense/income ratio was 0.67 (0.52).

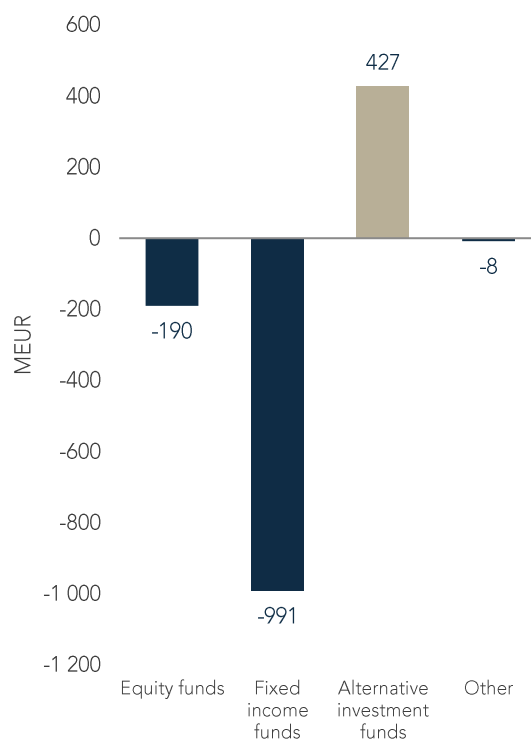
The operating profit decreased from the corresponding period by 46 percent and was EUR 30.9 million (EUR 56.6 million). Operating profit margin was 32.1 percent (48.7%). The operating profit and the operating profit margin excluding non-recurring items were EUR 37.1 million and 39 percent, respectively. The net result for the period considered was EUR 25.1 million (EUR 45.5 million). Due to the weakened result, the Group's return on equity decreased to 20.4 percent (50.4%).

At the beginning of April, Evli Plc was created as a result of a partial demerger. As part of the overall arrangement, Evli made a significant investment in another entity created by the arrangement, Fellow Bank Plc. The investment is of a long-term nature and is not related to the Group's operational activities. For these reasons, the company presents the result of the valuation of the investment as a separate item in the statement of other comprehensive income in accordance with IFRS 9. During the period, the change in value of the investment amounted to EUR -3.4 million.

Development of commission income (MEUR)



Net sales per fund classes 1-12/2022



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 decreased from the level of the comparison period due to the weak market development at the beginning of the year. At the end of the review period, Evli had EUR 5.5 billion (EUR 6.0 billion) in discretionary asset management assets, which includes both traditional and digital services.

According to the Kantar Prospera's "External Asset Management 2022 Finland" survey published in the summer, Evli's institutional asset management was the most used asset manager in Finland. According to the survey, Evli was rated the second-best asset manager in Finland in terms of overall quality. Evli has been ranked in top positions in the survey for 10 consecutive years in terms of overall quality: first in six years and second in four years.

In the institutional asset management survey by SFR published in November, Evli was awarded the "Gold Award" for excellence in asset management services and ranked second in terms of overall quality among large asset management companies. In addition, Evli was awarded for the best responsible investment (ESG) expertise in Finland.

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

The returns of Evli's fixed income funds remained negative in the review period due to higher interest rates. The best performing funds in relation to the benchmark

index were Evli Euro Government Bond and Evli European High Yield. The performance of equity funds was also negative in the review period due to the general market situation. The Evli Japan and Evli Equity Factor USA funds performed best in relation to the benchmark index.

During the review period, 41 percent of Evli's traditional mutual funds outperformed their benchmarks. In a three-year review, 44 percent of the mutual funds outperformed the benchmark. At the end of the review period Evli was ranked as the second-best fund management company in Finland, in Morningstar's qualitative ranking, with 3.77 stars.

The combined capital of traditional investment funds managed by Evli Fund Management Company was EUR 8.6 billion (EUR 10.6 billion). Of this, approximately EUR 2.8 billion was invested in equity funds (EUR 3.4 billion), EUR 5.6 billion in fixed income funds (EUR 7.0 billion) and EUR 0.2 billion in balanced funds (EUR 0.1 billion). At the end of December, EUR 2.2 billion of Evli's fund capital came from clients outside of Finland (EUR 3.3 billion), when regarding direct mutual fund investments.

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

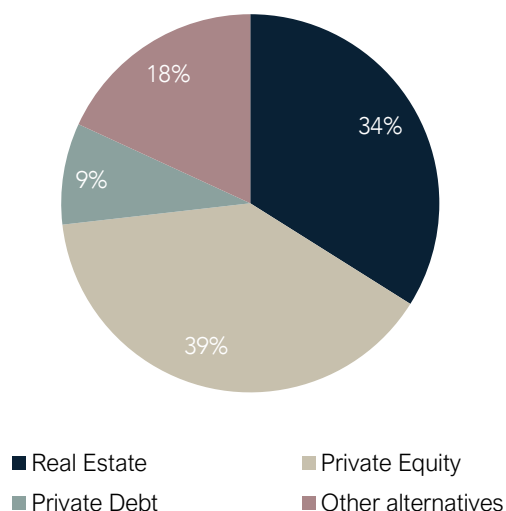
Alternative investment products

The strategically important sales of alternative investment products were in line with expectations during the review period. Evli has been able to respond very well to client demand for alternative investment products for some time, as evidenced by the doubling of assets under management over the past two years.

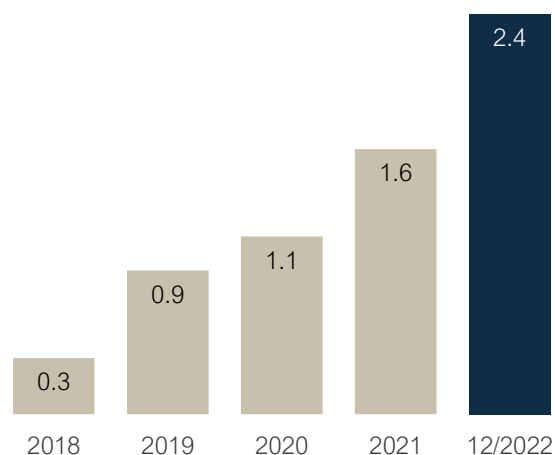
The last quarter of the year was no exception, with demand for the products remaining strong.

Subscriptions and commitments to alternative investment products totalled approximately EUR 120 million during the fourth quarter. Of the subscriptions and commitments, approximately EUR 61 million were allocated to private equity products. Evli Infrastructure II fund raised a total of approximately EUR 31 million in commitments in its second closing. EAB Private Equity Oy, a private equity firm, raised approximately EUR 9 million for a co-investment project launched in the last quarter of the year. A total of around EUR 18 million was raised for other alternative funds.

Split of Assets under Management in alternative investment products



Assets under Management in alternative investment products (bn. €)



Other investment products

The challenging market environment was also reflected in the commissions received from brokerage of other investment products. During the period under review, commissions from brokerage activities fell from the comparison period.

Financial performance

In **January-December** the net revenue of the Wealth Management and Investor Clients segment decreased from the comparison period due to the weak market

development, the fund redemptions, and lower performance-based fees. The net revenue of the segment decreased by 17 percent from the previous year and was EUR 75.7 million (EUR 91.4 million). The performance-based fees from asset management and funds amounted to EUR 0.6 (EUR 15.9 million).

In **October-December** the net revenue of the Wealth Management and Investor Clients segment decreased by 24 percent compared to the review period and was EUR 21.8 million (EUR 28.7 million). The decrease in revenue was mainly due to clearly lower performance-based fees compared to the comparison.

Key figures – Wealth Management and Investor Clients segment

M€	1-12/2022	Carve-out 1-12/2021	Change %	10-12/2022	Carve-out 10-12/2021	Change %
Net revenue	75.7	91.4	-17%	21.8	28.7	-24%
Operating profit/loss before Group allocations	38.1	53.8	-29%	8.1	17.8	-55%
Operating profit/loss	27.4	44.8	-39%	5.2	14.9	-65%

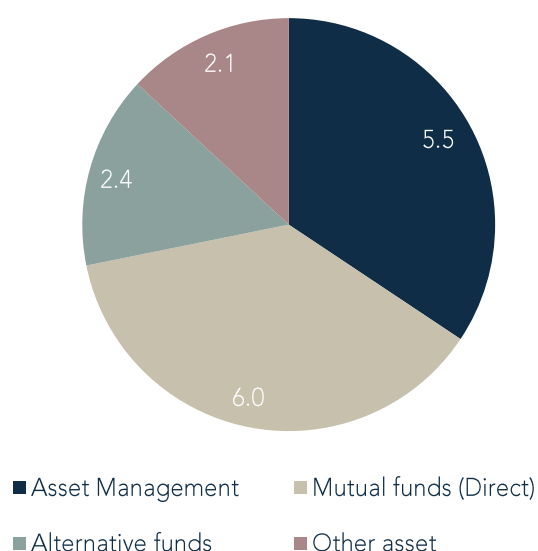
Development of client assets under management

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

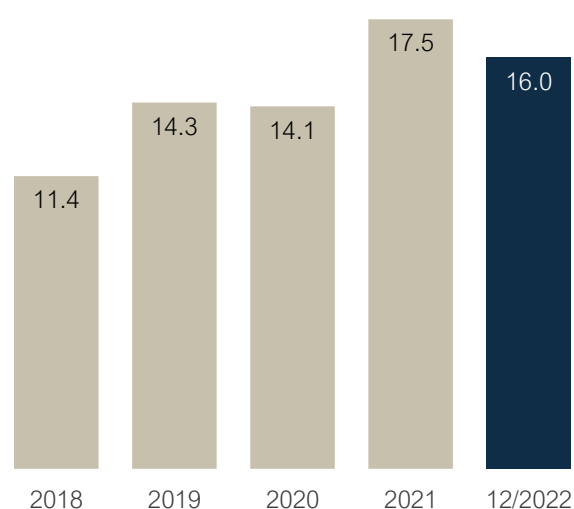
Assets under management decreased from the comparison period due to negative net sales and the market development. At the end of December, the Group's total net assets under management amounted to EUR 16.0 billion (EUR 17.5 billion).

At the end of December, assets under discretionary management amounted to EUR 5.5 billion (EUR 6.0 billion). Correspondingly, direct investments in Evli's traditional mutual funds were EUR 6.0 billion (EUR 7.6 billion) at the end of the review period. The assets under management in alternative investment products was EUR 2.4 billion (EUR 1.6 billion). Assets managed through subsidiaries and associated companies stayed at the previous year's level and were EUR 2.1 billion (EUR 2.1 billion).

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

Client activity in the advisory business decreased clearly due to the challenging market environment. In particular, fundraising transactions were cancelled or postponed to the future. Despite all that, the company's order book is at a good level and the outlook for the future is favorable.

Evli's announced mandates for the fourth quarter:

- Sale of NSS Group to Sobro
- Acquisition of Parttrap by Roima Intelligence.

Incentive plans

At the end of the review period, the company had around 130 incentive plans under administration. Evli annually advises around 120 companies on compensation design mandates. In the Finnish client base, activity remained at a very high level in listed companies, especially with the implementation of employee share issues and employee share savings plans for the entire personnel. Also, sales to both Swedish listed and domestic unlisted companies increased during the period.

Net revenue for the Incentives business for the review period was EUR 10.4 million (EUR 8.5 million), positively impacted by both the increase in the number of client companies compared to the reference period and the continued growth in cross-selling of solutions for incentive design and administration. In addition, the interest of existing clients in more comprehensive incentive plans, such as all employee share saving

plans, continued to grow. The merger of Evli and EAB Group Plc further strengthened Evli's position as the leading remuneration expert in Finland. In the arrangement, the activities of Elite Palkitsemispalvelut Oy, which mainly focus on the establishment and administration of personnel funds, were combined with the incentive business of Evli. As a result, Evli now manages personnel or remuneration funds also for around 90 companies, covering approximately 105,000 fund members.

Financial performance

In **January-December**, the net revenue in the Advisory and Corporate Clients segment decreased from the

previous year and amounted to EUR 16.4 million (EUR 20.2 million). The net revenue was negatively impacted especially by the decrease in advisory fees from M&A transactions. By contrast, 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.

In **October-December** the net revenue of the Advisory and Corporate Clients segment decreased from the comparison period and was EUR 4.9 million (EUR 5.4 million). The decrease in net revenue was due to lower M&A fees than in the comparison period.

Key figures – Advisory and Corporate Clients segment

M€	1–12/2022	Carve-out 1–12/2021	Change %	10–12/2022	Carve-out 10–12/2021	Change %
Net revenue	16.4	20.2	-19%	4.9	5.4	-10%
Operating profit/loss before Group allocations	6.1	9.6	-37%	1.9	1.6	14%
Operating profit/loss	4.2	7.4	-43%	1.3	0.9	47%

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-December**, the net revenue in the Group Operations segment decreased compared to the previous year and was EUR 4.0 million (EUR 4.6 million).

In **October-December**, the net revenue of the Group Operations segment increased compared to the comparison period and was EUR 2.7 million in total (EUR 0.9 million).

Key figures – Group Operations segment

M€	1–12/2022	Carve-out 1–12/2021	Change %	10–12/2022	Carve-out 10–12/2021	Change %
Net revenue	4.0	4.6	-13%	2.7	0.9	193%
Operating profit/loss before Group allocations	-13.6	-7.3	86%	-4.9	-2.5	94%
Operating profit/loss	-1.0	4.0	-126%	-1.5	1.1	-239%

PERSONNEL

At the end of December, Evli had 294 (250) permanent employees. In addition, the Group employed 50 (36) temporary employees including trainees and summer

workers. 94 percent (92%) of the personnel worked in Finland and six percent (8%) outside Finland.

RESPONSIBILITY

Responsibility is one of Evli's strategic focus areas. In asset management, the company's most important business area, responsibility factors are integrated into investment activities and responsible investment is therefore a systematic part of portfolio management. The investments made by Evli's mutual funds are monitored for potential breaches of standards, and the asset management team works independently and together with other investors to influence companies.

Responsible investing

During the fourth quarter, as part of its human rights work, Evli launched a research project together with UNICEF Finland to explore how investors and asset managers can promote children's rights. Evli also joined as endorser the PRI Advance initiative, where investors take joint action on human rights and social issues.

During the fourth quarter, Evli also launched two Article 8 funds, the Evli Nordic Small Cap equity fund and a global infrastructure fund, Evli Infrastructure Fund II, with a robust ESG process. In addition, the merger between Evli and EAB Group expanded Evli's product range among others with the EAB Renewable Energy Infrastructure Fund II (Article 9), which invests in European renewable energy projects.

Evli's climate targets working committee focused on clear next steps for 2023. During the last quarter of the year, Evli engaged with 13 companies related to climate targets. This included both new companies and companies that were also engaged in 2021. Evli also attended two general meetings. The general meetings were attended by voting in advance.

Evli also continued its biodiversity-related research work towards the end of the year and signed the global COP15 initiative calling on governments to give financial institutions a stronger mandate to align their financial activities with biodiversity targets. The COP15 signatories also called for coordinated action by governments to tackle climate change and biodiversity loss worldwide, and for the adoption of an ambitious Global Biodiversity Framework at COP15 in Montreal.

During the fourth quarter, Evli's responsible investment also scored well in external evaluations. Evli was awarded the "Responsible Investment Award 2022" in the SFR client survey for the best responsible investment expertise among the major asset management companies in Finland. In the SFR survey, Finnish institutional investors evaluate 18 asset management companies based on 11 quality criteria, such as investment performance, investment process, resources, and ESG integration.

Focus areas 2022

Development of responsible investment practices

EU's Sustainable Finance Legislation

Continued work in line with climate targets

Introduction of new sustainability funds

Results 10–12/2022

- Launch of a research project with UNICEF to promote children's rights
- Joining as an endorser the PRI Advance initiative on human rights
- Launch of new equity and alternative fund and expansion of product range
- Engaging with 13 companies
- Attending two general meetings
- Signature of the Global Biodiversity Initiative COP15
- Recognition of the "Responsible Investment Award 2022" in the SFR customer survey.

BALANCE SHEET AND FUNDING

The Group's balance sheet total at the end of December was EUR 366.6 million (EUR 368.3 million). The Group's equity at the end of the review period was EUR 143.4 million (EUR 102.1 million). A breakdown of the changes in equity during the period is given in the table section of the release.

At the end of the period, the Group's cash and cash equivalents amounted to EUR 115.4 million (EUR 47.8 million) and liquid mutual fund investments to EUR 23.8 million (EUR 42.7 million). Evli Plc has granted investment loans to its clients. At the end of the review period, the loans totalled EUR 34.8 million (EUR 87.4 million). These are disclosed in the balance sheet under "Receivables from the public and entities ". There were no credit losses during the review period.

The lease liability recognised in the balance sheet for business premises at the end of the period was EUR 12.9 million (EUR 7.6 million), of which short-term liabilities amounted to EUR 1.7 million (EUR 1.7 million).

Evli Plc has issued structured bonds for a total amount of EUR 106.3 million (EUR 91.0 million), which together with equity form the basis of the Group's long-term debt financing. At the end of December, the company's share capital amounted to EUR 53.7 million. The share capital was increased by EUR 30 million in the EAB arrangement.

The group's core capital (CET 1) as at December 31, 2022, was EUR 42.3 million and the group's own funds to minimum capital ratio was 257.2 percent. As an investment services company, Evli Plc complies with the Investment Firm Regulation and Directive (IFR/IFD). The most restrictive capital requirement for Evli at the end of the reporting period was determined on the basis of fixed overhead costs. The minimum capital requirement based on fixed overhead costs was EUR 16.4 million. The Group's equity ratio was 39.1 percent at December 31, 2022. Detailed information on capital adequacy is provided in the table section of the release.

DECISIONS TAKEN BY THE EXTRAORDINARY GENERAL MEETING

Evli Plc's Extraordinary General Meeting held on July 14, 2022 approved Evli Plc's ("Evli") and EAB Group Plc's arrangement pursuant to which EAB group's parent company EAB Group Plc, and its fully owned subsidiary EAB Asset Management Ltd will merge into Evli.

Merger, Evli and EAB Group Plc

To carry out the combination, the General Meeting resolved to approve the statutory absorption merger of EAB Group into Evli as set forth in the merger plan ("the Merger Plan") approved and signed by the Board of Directors of the companies, dated and published on May 31, 2022, as well as registered with the Trade Register on June 2, 2022, and the proposals of the Board of Directors for the execution of the plan regarding following matters:

- a) issuance of shares of Evli as merger consideration to the shareholders of EAB Group Plc, and
- b) increase of share capital

The contemplated effective date of the merger is October 1, 2022. The effective date of the merger can still change in accordance with the merger plan.

According to the Merger Plan, EAB Group Plc will merge into Evli by way of statutory absorption merger whereby all assets and liabilities of EAB Group Plc are transferred to Evli without a liquidation procedure in accordance with the Merger Plan.

In addition to other matters described in the Merger Plan, the resolution on the merger included, among

other things, the following key matters described more detail in the Merger Plan:

- a) Merger consideration
Pursuant to the Merger Plan, the shareholders of EAB Group Plc will receive as merger consideration 0.172725 new class B shares in Evli for each share they own in EAB Group Plc and a cash consideration for a total amount of EUR three (3) million, which shall be equally distributed between the outstanding shares of EAB Group Plc.
- b) Increase of share capital
The General Meeting resolved pursuant to the Merger Plan to increase the share capital of Evli by EUR 30,000,000 in connection with the registration of the completion of the merger. After the increase, the share capital of Evli is EUR 53,745,459.66.

Merger, Evli and EAB Asset Management Ltd

The General Meeting resolved to approve the statutory absorption merger of EAB Asset Management Ltd into Evli as set forth in the merger plan approved and signed by the Board of Directors of the companies, dated and published on May 31, 2022, as well as registered with the Trade Register on June 2, 2022. As the Evli and EAB Asset Management Ltd merger is completed after the merger of Evli and EAB Group Plc has been completed, EAB Asset Management Ltd shall be a fully owned subsidiary of Evli at the time of the completion and no merger consideration shall be issued.

SHARES AND SHAREHOLDERS

Evli Plc was created by a partial demerger from Evli Bank Plc on April 2, 2022. Trading in Evli Plc's Series B shares began on the main list of Nasdaq Helsinki on April 4, 2022.

Evli Plc's total number of shares at the end of December was 26,275,302 shares, of which 14,485,148 were series A shares and 11,790,154 series B shares. The company held no own shares at the end of December 2022.

The closing price of Evli Plc's share on December 31, 2022, was EUR 15.15. The lowest closing price for the year was EUR 14.95 and the highest was EUR 19.90. A

total of 641,637 Evli Plc shares were traded during April to December. The combined market value of A and B shares was EUR 398.1 million. For the purpose of calculating the market value, the A share is valued at the closing price of the B share for the period.

Evli's total number of shareholders was 6,595 at the end of December. Finnish companies owned 53 percent and the shareholding of Finnish private individuals was 28 percent. The remaining 19 percent of the shares were owned by financial and insurance corporations, general government, non-profit-making entities and foreign investors. The ten largest shareholders are presented on page 35.

Share price development and trading volume (series B shares) from April 4 to December 31, 2022



BUSINESS RISKS AND RISK MANAGEMENT

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

General market developments also have an impact on brokerage and advisory mandates. In the Corporate Finance business, potential changes in market confidence among investors and corporate managers may lead to project delays or interruptions.

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

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

CHANGES IN GROUP STRUCTURE

During the last quarter of the year, EAB Group Plc merged with Evli Plc, further strengthening Evli's position as Finland's leading asset manager. As a result of the arrangement, EAB Asset Management Ltd was also merged into Evli Plc. EAB Fund Management Ltd was merged into Evli Fund Management Company Ltd. At the very end of the year, Aurator Asset Management Ltd, a wholly owned subsidiary of Evli, was also merged into Evli Plc. The purpose of the mergers was to simplify the group structure. Previous changes during the year are described in the company's interim reports, which are available at evli.com.

SUGGESTION FOR DISTRIBUTION OF PROCEEDS

The parent company's distributable assets on December 31, 2022 totalled EUR 54,845,301.93 of which EUR 29,720,987.61 were retained earnings and EUR 25,124,314.32 were in the reserve for invested unrestricted equity. The Board of Directors proposes to the Annual General Meeting of Shareholders that a dividend of EUR 0.80 per share be paid, in addition to which a maximum of EUR 0.35 per share will be distributed from the reserve for invested unrestricted equity. The total proposed dividend calculated according to the number of shares (excluding own shares held by the company) on the balance sheet date is EUR 30,216,597.30.

There have been no major changes in the company's financial position after the end of the financial year. The proposed distribution of profit does not endanger the financial solidity or liquidity of the company.

KNOWN PROPOSALS TO THE ANNUAL GENERAL MEETING

The shareholders, representing approximately 80 percent of the votes of the company's shares, propose that a total of six (6) members be elected to the Board of Directors of Evli at the Annual General Meeting in spring 2023, Henrik Andersin, Fredrik Hacklin, Sari Helander, Robert Ingman and Antti Kuljukka as continuing members and Christina Dahlblom as a new member. Teuvo Salminen has announced that he is no longer available to serve on the Board of Directors of Evli.

The company has organised a tender for the audit of the Evli Group. On the basis of the tender, the Board of Directors proposes to the Annual General Meeting that the auditing firm Ernst & Young Oy (EY) be elected as auditor for the financial year 2023, with Miikka Hietala (APA) as auditor-in-charge..

OUTLOOK FOR 2023

The year 2023 will start in an uncertain mood, due to increased interest rate and inflation fears, risen geopolitical risks and a market downturn.

Evli has managed to strengthen its market position as a result of the corporate transactions made during 2022. With synergies from the arrangements and the non-recurring costs allocated to 2022, we expect the operating result to be well above the comparison period (EUR 30.9 million in 2022).

Helsinki, January 26, 2023

EVLI PLC

Board of Directors

Additional information:

Maunu Lehtimäki, CEO, tel. +358 50 553 3000

Juho Mikola, CFO, tel. +358 40 717 8888

evli.com

TABLES AND ANNEXES TO THE FINANCIAL STATEMENTS BULLETIN

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CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

M€	Carve-out		Carve-out	
	10-12/2022	10-12/2021	1-12/2022	1-12/2021
Fee and commission income	27.7	34.9	95.4	114.4
Net income from securities transactions	2.3	0.4	3.7	3.7
Income from equity investments	0.0	0.0	0.0	0.0
Interest income	0.9	0.3	1.6	1.4
Other operating income	0.1	0.2	0.1	0.2
INCOME TOTAL	31.0	35.8	100.9	119.7
Fee and commission expenses	-1.0	-0.7	-3.3	-2.7
Interest expenses	-0.6	0.0	-1.5	-0.8
NET INCOME	29.4	35.0	96.1	116.2
Administrative expenses				
Personnel expenses	-15.0	-10.3	-39.2	-36.6
Other administrative expenses	-6.9	-6.3	-19.6	-17.6
Depreciation and amortization on tangible and intangible assets	-1.5	-1.1	-5.1	-4.8
Other operating expenses	-0.4	-0.4	-0.8	-1.3
Expected credit losses on loans and other receivables	0.0	0.0	0.0	0.1
Impairment losses on other financial assets	-0.7	-	-0.7	-
Share of profit or loss of associates	0.0	0.1	0.3	0.5
OPERATING PROFIT/LOSS	5.0	17.0	30.9	56.6
Income taxes	-0.7	-3.7	-5.8	-11.2
PROFIT / LOSS FOR THE FINANCIAL YEAR	4.3	13.3	25.1	45.5
Attributable to				
Minority interest	1.1	1.3	4.3	6.7
Shareholders of parent company	3.2	12.0	20.7	38.8
PROFIT / LOSS FOR THE FINANCIAL YEAR	4.3	13.3	25.1	45.5
OTHER COMPREHENSIVE INCOME / LOSS				
<i>Items that are or may be reclassified subsequently to profit or loss</i>				
Foreign currency translation differences - foreign operations	0.2	0.0	-0.6	0.1
<i>Items that may not be reclassified subsequently to profit or loss</i>				
Fair value change of financial instruments recognized in OCI	0.3	0.0	-3.4	0.0
Deferred taxes	0.0	0.0	0.7	0.0
Other comprehensive income/loss	0.4	0.0	-3.3	0.1
Other comprehensive income after taxes / loss for the year	0.4	0.0	-3.3	0.1
OTHER COMPREHENSIVE INCOME / LOSS FOR THE YEAR	4.7	13.3	21.7	45.6
Attributable to				
Non-controlling interest	1.1	1.3	4.3	6.7
Equity holders of parent company	3.6	12.0	17.4	38.9
Earnings per share (EPS), fully diluted (EUR)	0.12	0.49	0.81	1.58
Earnings per share (EPS), undiluted (EUR)	0.12	0.50	0.83	1.63

QUARTERLY CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

M€	10-12/ 2022	7-9/ 2022	4-6/ 2022	Carve-out 1-3/2022	Carve-out 10-12/2021
Fee and commission income	27.7	20.5	22.7	24.5	34.9
Net income from securities transactions	2.3	0.6	1.0	-0.3	0.4
Income from equity investments	0.0	0.1	-0.1	0.0	0.0
Interest income	0.9	0.3	0.1	0.3	0.3
Other operating income	0.1	0.0	0.0	0.0	0.2
INCOME TOTAL	31.0	21.6	23.8	24.5	35.8
Fee and commission expenses	-1.0	-0.7	-0.6	-1.0	-0.7
Interest expenses	-0.6	-0.3	-0.3	-0.2	0.0
NET INCOME	29.4	20.5	22.9	23.3	35.0
Administrative expenses					
Personnel expenses	-15.0	-7.7	-8.4	-8.1	-10.3
Other administrative expenses	-6.9	-3.9	-5.0	-3.8	-6.3
Impairment charges on goodwill	-1.5	-1.2	-1.2	-1.3	-1.1
Depreciation and amortization on tangible and intangible assets	-0.4	-0.1	0.0	-0.3	-0.4
Other operating expenses	0.0	0.0	0.0	0.0	0.0
Expected credit losses on loans and other receivables	0.0	0.0	0.0	0.0	0.0
Impairment losses on other financial assets	-0.7	0.0	0.0	0.0	0.0
Share of profit or loss of associates	0.0	0.2	0.0	0.0	0.1
OPERATING PROFIT/LOSS	5.0	7.8	8.3	9.7	17.0
Income taxes	-0.7	-1.1	-2.0	-2.0	-3.7
PROFIT / LOSS FOR THE FINANCIAL YEAR	4.3	6.7	6.3	7.7	13.3
Attributable to					
Minority interest	1.1	1.4	1.0	0.8	1.3
Shareholders of parent company	3.2	5.3	5.4	6.9	12.0
PROFIT / LOSS FOR THE FINANCIAL YEAR	4.3	6.7	6.3	7.7	13.3
OTHER COMPREHENSIVE INCOME / LOSS					
<i>Items that are or may be reclassified subsequently to P&L</i>					
Foreign currency translation differences - foreign operations	0.2	-0.3	-0.3	-0.1	0.0
<i>Items that may not be reclassified subsequently P&L</i>					
Fair value change of financial instruments recognized in OCI	0.3	-1.0	-2.6	0.0	0.0
Deferred taxes	0.0	0.2	0.5	0.0	0.0
Other comprehensive income/loss	0.4	-1.1	-2.4	-0.1	0.0
Other comprehensive income after taxes / loss for the year	0.4	-1.1	-2.4	-0.1	0.0
OTHER COMPREHENSIVE INCOME / LOSS FOR THE YEAR	4.7	5.6	3.9	7.6	13.3
Attributable to					
Non-controlling interest	1.1	1.4	1.0	0.8	1.3
Equity holders of parent company	3.6	4.2	2.9	6.8	12.0

CONSOLIDATED BALANCE SHEET

M€	31.12.2022	Carve-out 31.12.2021
ASSETS		
Cash and equivalents	0.0	0.0
Claims on credit institutions	115.4	47.8
Claims on the public and public sector entities	34.8	87.4
Debt securities	2.0	0.7
Shares and participations	41.3	49.6
Derivative contracts	0.4	26.4
Shares and participations in associates	5.7	4.0
Intangible assets and goodwill	49.6	13.8
Property, plant and equipment	1.1	1.2
Right-of-use assets	12.9	7.6
Other assets	95.7	127.1
Accrued income and prepayments	3.3	2.3
Income Tax receivables	1.0	0.1
Deferred tax assets	3.4	0.1
TOTAL ASSETS	366.6	368.3
LIABILITIES AND EQUITY		
LIABILITIES		
Liabilities to credit institutions and central banks	0.0	8.6
Debts to institutions	0.5	-
Debt securities issued to the public	106.3	91.0
Derivative contracts and other liabilities held for trading	0.4	26.3
Other liabilities	81.6	105.4
Accrued expenses and deferred income	32.1	29.3
Income tax liabilities	2.1	5.5
Deferred tax liabilities	0.0	0.0
TOTAL LIABILITIES	223.2	266.1
EQUITY		
Equity to holders of parent company	138.7	96.9
Non-controlling interest in capital	4.7	5.2
TOTAL EQUITY	143.4	102.1
TOTAL LIABILITIES AND EQUITY	366.6	368.3

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

M€	Share Capital	Fair value reserve	Translation difference	Fund of invested unrestricted equity	Retained earnings	Equity attributable to the owners of parent entity	Non-controlling interest	Total equity
Equity 31.12.2020	0.0	0.0	0.2	0.0	75.1	75.2	3.0	78.2
Translation difference			-0.1			-0.1		-0.1
Profit/loss for the period					38.8	38.8	6.7	45.5
Dividends					-17.4	-17.4	-3.1	-20.5
Other changes					1.5	1.5	-1.3	0.1
Equity transactions with Evli Bank					-1.1	-1.1		-1.1
Equity 31.12.2021	0.0	0.0	0.1	0.0	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					-25.3	-25.3	-3.9	-29.1
Fair value adjustment of Fellow Bank Plc shares					1.1	1.1	0.0	1.1
Other changes					-0.6	-0.6		-0.6
Equity 1.4.2022	0.0	0.0	-0.1	0.0	78.9	78.8	2.2	81.0
Translation difference			-0.4			-0.4	-0.3	-0.6
Profit/loss for the period					13.9	13.9	3.5	17.3
Dividends							-0.3	-0.3
Fair value adjustment of Fellow Bank Plc shares		-2.7				-2.7		-2.7
Other changes				0.0	0.7	0.7	-0.4	0.3
EAB Group Plc merger 1.10.2022	30.0				8.9	38.9		38.9
Effect of demerger 2.4.2022	23.7			26.7	-40.8	9.6		9.6
Equity 31.12.2022	53.7	-2.7	-0.5	26.6	61.5	138.7	4.7	143.4

Comparative periods are prepared according to carve-out principles, also taking into account equity transactions with Evli Bank according to the principles described in the carve-out financial statements.

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.

Other changes for 2022 include the recognition of equity in accordance with IFRS 2.

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

SEGMENT REPORTING

31.12.2022 segment income statement. M€	Wealth Management and Investor Clients	Advisory and Corporate Clients	Group Operations	Unallocated	Group
Net Interest Income	0.0	0.0	0.1	0.0	0.1
Commission income and expense. net	75.7	16.4	0.0	0.0	92.1
Net income from securities transactions and foreign exchange dealing	0.0	0.0	3.7	0.0	3.7
Other operating income	0.0	0.0	0.1	0.0	0.1
External sales	75.7	16.4	4.0	0.0	96.1
Inter-segment sales	0.0	0.0	0.0	0.0	0.0
NET REVENUE	75.7	16.4	4.0	0.0	96.1
Timing of revenue recognition					
Over time	67.1	7.5	0.0	0.0	74.5
At a point of time	8.5	9.0	0.0	0.0	17.6
Segment operating expenses	-35.6	-9.9	-14.1	0.0	-59.7
Business units operating profit before depreciations and Group allocations	40.0	6.5	-10.1	0.0	36.4
Depreciation. amortisation and write-down	-1.2	-0.4	-3.5	0.0	-5.1
Impairment losses on loans and other receivables	-0.7	0.0	0.0	0.0	-0.7
Business units operating profit before Group allocations	38.1	6.1	-13.6	0.0	30.6
Allocated corporate expenses	-10.7	-1.9	12.6	0.0	0.0
OPERATING PROFIT	27.4	4.2	-1.0	0.0	30.6
Share of profits (losses) of associates	0.0	0.0	0.3	0.0	0.3
Income taxes	0.0	0.0	0.0	-5.8	-5.8
SEGMENT PROFIT/LOSS	27.4	4.2	-0.8	-5.8	25.1

31.12.2021 Carve-out segment income statement. M€	Wealth Management and Investor Clients	Advisory and Corporate Clients	Group Operations	Unallocated	Group
Net Interest Income	-0.1	0.0	0.7	0.0	0.6
Commission income and expense. net	91.5	20.2	0.0	0.0	111.7
Net income from securities transactions and foreign exchange dealing	0.0	0.0	3.8	0.0	3.7
Other operating income	0.0	0.0	0.2	0.0	0.2
External sales	91.4	20.2	4.6	0.0	116.2
Inter-segment sales	0.0	0.0	0.0	0.0	0.0
NET REVENUE	91.4	20.2	4.6	0.0	116.2
Timing of revenue recognition					
Over time	64.3	6.5	0.0	0.0	70.8
At a point of time	27.2	13.7	0.0	0.0	40.9
Segment operating expenses	-35.5	-10.2	-9.7	0.0	-55.4
Business units operating profit before depreciations and Group allocations	56.0	10.1	-5.2	0.0	60.9
Depreciation. amortisation and write-down	-2.2	-0.4	-2.2	0.0	-4.8
Impairment losses on loans and other receivables	0.0	0.0	0.1	0.0	0.1
Business units operating profit before Group allocations	53.8	9.6	-7.3	0.0	56.1
Allocated corporate expenses	-9.0	-2.3	11.3	0.0	0.0
OPERATING PROFIT	44.8	7.4	4.0	0.0	56.1
Share of profits (losses) of associates	0.0	0.0	0.5	0.0	0.5
Income taxes*	0.0	0.0	0.0	-11.2	-11.2
SEGMENT PROFIT/LOSS	44.8	7.4	4.5	-11.2	45.5

*The presentation of income taxes has changed from previously reported. Taxes are not anymore allocated to segments and are reported in the column unallocated.

CONSOLIDATED CASH FLOW STATEMENT

M€	1-12 2022	Carve-out 1-12 2021
Operating activities		
Operating profit	30.9	56.6
Adjustment for items not included in cash flow	11.2	11.9
Income taxes paid	-9.8	-7.6
Cash flow from operating activities before changes in operating assets and liabilities	32.2	61.0
Changes in operating asset	83.0	59.6
Changes in operating liabilities	-7.3	-60.8
Cash flow from operating activities	107.9	59.8
Investing activities		
Merger cash consideration	-3.0	
Dividends from associated companies	0.2	1.7
Change in intangible asset	-0.8	-0.6
Change in property, plant and equipment	0.0	-0.2
Cash flow from investing activities	-3.6	1.0
Financing activities		
Change in Loans from credit institutions	-13.4	7.9
Change in Loans from parent entity Evli Bank*	0.0	-24.1
Equity transactions with the parent entity Evli Bank*	9.6	-2.5
Dividends paid	-25.3	-17.4
Dividends paid to NCI	-4.2	-3.1
Payments of loan/IFRS 16 Right of use asset	-2.1	-1.7
Cash flow from financing activities	-35.4	-41.0
Cash and cash equivalents at the beginning of period	47.8	28.0
	1.3	
Cash and cash equivalents at the end of period	115.4	47.8
Change	68.8	19.8

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

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

CAPITAL ADEQUACY

M€	IFR, 31.12.2022 Evli-Group
Total equity	143.4
Common Equity Tier 1 capital (CET 1) before deductions	143.4
Deductions from CET 1. total	-101.1
Intangible assets	-49.6
Profit for the financial year	-25.1
Other deductions	-26.4
Common Equity Tier 1 capital (CET1)	42.3
Additional Tier 1 capital (AT1)	
Additional Tier 1 capital (T1 = CET1 + AT1)	42.3
Tier 2 capital (T2)	
Total own funds (TC = T1 + T2)	42.3
Own funds requirement (IFR)	
Fixed overhead costs requirement	16.4
K-factor requirement	3.7
Minimum requirement	0.75
Total requirement (most restrictive)	16.4
CET1 compared to total requirement (%)	257.2 %
T1 compared to total requirement (%)	257.2 %
Total own funds compared to total requirement (%)	257.2 %
Total risk weighted assets	205.4
CET1 compared to risk weighted assets (%)	20.6 %
T1 compared to risk weighted assets (%)	20.6 %
Total own funds compared to risk weighted assets (%)	20.6 %
Excess own funds compared to total requirement	25.8

ACCOUNTING POLICIES

Evli Plc's Half Year Financial Report has been prepared in accordance with the IAS 34 standard, as approved by the European Union. Evli Plc was created by a partial demerger from Evli Bank Plc on July 2, 2022. In the partial demerger, all assets, liabilities and contingent liabilities related to Evli Bank's asset management, custody, clearing and brokerage and corporate finance businesses and supporting activities were transferred to a new independent company called Evli Plc, which was established in the partial demerger ("Demerger"). This report contains carve-out figures for the period January 1, 2022, to March 31, 2022, derived from the consolidated figures of Evli Bank Plc as at March 31, 2022. When preparing the carve-out interim financial information, the basis for presentation applied for the carve-out financial statements for the financial year ended 31.12.2021, have also been applied to relevant parts in the carve-out interim financial information.

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

The figures are unaudited.

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.

NOTES TO BALANCE SHEET

Illustrative consolidated income statement without non-recurring costs related to corporate restructuring**

M€	1-12/2022	Non-recurring costs	1-12/2022 excl. non-recurring costs
Fee and commission income	95.4		95.4
Net income from securities transactions	3.7		3.7
Income from equity investments	0.0		0.0
Interest income	1.6		1.6
Other operating income	0.1		0.1
INCOME TOTAL	100.9		100.9
Fee and commission expenses	-3.3		-3.3
Interest expenses	-1.5		-1.5
NET INCOME	96.1		96.1
Administrative expenses			
Personnel expenses	-39.2	3.3	-35.9
Other administrative expenses	-19.6	2.3	-17.3
Impairment of goodwill	0.0		0.0
Depreciation and amortization on tangible and intangible assets	-5.1		-5.1
Other operating expenses	-0.8		-0.8
Expected credit losses on financial assets carried at amortised cost	0.0		0.0
Expected credit losses on loans and other receivables	-0.7	0.7	0.0
Share of profit or loss of associates	0.3		0.3
OPERATING PROFIT/LOSS	30.9	6.3	37.1
Income taxes	-5.8	-1.3	-7.0
PROFIT / LOSS FOR THE FINANCIAL YEAR	25.1	5.0	30.1
Attributable to			
Minority interest	4.3		4.3
Shareholders of parent company	20.7	5.0	25.8
PROFIT / LOSS FOR THE FINANCIAL YEAR	25.1	5.0	30.1
Earnings per share (EPS). fully diluted (EUR)	0.81		1.00
Earnings per share (EPS). undiluted (EUR)	0.83		1.03

*Non-recurring legal services, consulting, auditing and IT costs related to the partial demerger and the EAB merger.

**This is not financial information regarding interim reports in accordance with the IAS 34 standard. The purpose of the illustrative income statement is to show the impact of non-recurring costs related to business arrangements on the group's financial profitability during the review period. Evli has incurred non-recurring costs for legal services, consulting, auditing and information system development in connection with the partial demerger and the merger of EAB Group Plc implemented during the review period. Regarding the integration work related to the merger, non-recurring costs can also be expected in the last quarter of the year.

Commission income

M€	10-12/2022	Carve-out 10-12/2021	1-12/2022	Carve-out 1-12/2021
Revenue recognized over time				
Traditional funds	10.3	11.6	40.5	44,2
Alternative funds	7.8	3.8	19.2	12,3
Asset Management (AM)	2.1	2.0	7.0	7,9
Incentive management. administration	2.0	1.5	7.2	6,1
Paid research fees	0.0	0.0	0.5	0,5
Revenue recognized over time. total	22,2	19.0	74.4	70.9
Revenue recognized at point in time				
Fund performance fees	0.2	1.6	0.6	8,2
Brokerage	1.1	2.3	8.7	11,4
AM performance fees	0.0	7.2	0.0	7,7
Incentive management. design	1.2	1.2	3.2	2,5
Corporate Finance fees	2.0	2.8	5.8	11,8
Other fees	-0.1	-0.1	-0.7	-0,8
Revenue recognized at point in time. total	4,5	15.1	17.7	40.8
Total net commission income	26,7	34.1	92.1	111.7

Debt securities

M€	31.12.2022	Carve-out 31.12.2021
Bonds, fair value	106.3*	91.0
Debt securities issued to the public	106.3	91.0

*The issued bonds include derivatives which are presented separately in the balance sheet. All derivatives as of 30.9.2022 are connected to issued bonds and fully hedged. The group has no open market risk related to the fair value change of the underlying asset class.

Breakdown by maturity

M€		Maturity: less than 3 months	Maturity: 3- 12 months	Maturity: 1-5 years	Maturity: 5- 10 years
Debt securities issued to the public	31.12.2022	6.6	11.8	85.9	1.7
	31.12.2021	0.9	10.7	75.2	4.2

Changes in issued debt securities

M€	31.12.2022	Carve-out 31.12.2021
Bonds issued (change)	30.9	4.2
Bonds Repurchased (change)	16.0	34.3

Off-Balance sheet commitments

M€	31.12.2022	Carve-out 31.12.2021
Commitments given to a third party on behalf of a customer	-	0.4
Irrevocable commitments given in favour of a customer	2.8	2.6
Guarantees on behalf of others	-	0.0
Unused credit facilities	3.7	18.1

Transactions with related parties

M€	31.12.2022 Associated companies	31.12.2021 Associated companies	31.12.2022 Group management	31.12.2021 Group management	31.12.2022 Evli Bank Plc	31.12. 2021 Evli Bank Plc
Sales	-	-	-	-	-	-
Purchases	-	-	-	-	-	0.1
Receivables	-	-	-	0.7	-	39.8
Liabilities	-	-	-	-	-	-

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

The transactions between management and Evli are typical transactions between an investment firm and its clients. 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 in the comparison period which 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 30.6.2022 Evli had no financing from Evli Bank Plc. Evli Bank Plc is Fellow Bank Plc starting July 2. 2022.

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

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

Fair value. M€	Carve-out 31.12.2021			Ending Balance
	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	24.3	10.1	76.6
Financial liabilities:				
Shares and participations classified as held for trading	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.

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

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

Share purchase price 1.4.2022: (€/share)	0.5856
Number of shares: (amount)	15.288.303.00
<hr/>	
Initial acquisition, market value: (€ million)	9.0
Share price 30.9.2022 (€/share):	0.36
Number of shares: (amount)	15.288.303.00
<hr/>	
Market value 30.6.2022: (€ million)	5.5
Change in value for the review period: (€ million) (Market value 30.9.2022 - acquisition price)	-3.4
Calculated tax effect of value change: (€ million)	0.7
<hr/>	
Profit impact of the valuation after taxes: (€ million)	-2.7

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

Credit loss provision for financial assets measured at amortized cost

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

Balance sheet item. Carve-out 31.12.2021. M€	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, eight transfer from level 1 to level 2 have been made during 1.1-31.12.2022. There are no payment instalments that are over 90 days late. The expected credit loss is recognized in the income statement.

Calculation of key ratios

IFRS key ratios

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

Alternative key ratios

Operating profit/loss	Net revenue - administrative expenses - depreciation, amortisation and impairment - other operating expenses +/- share of results of associates
Operating profit/loss excluding non-recurring items related to mergers and acquisitions	Operating profit less non-recurring items related to corporate restructuring (see separate annex for details)
Return on equity (ROE). %	= $\frac{\text{Profit / Loss for financial year}}{\text{Equity capital and minority interest (average of the figures for the beginning and at the end of the year)}} \times 100$
Return on assets (ROA). %	= $\frac{\text{Profit / Loss for financial year}}{\text{Average total assets (average of the figures for the beginning and at the end of the year)}} \times 100$
Equity-to-assets ratio. %	= $\frac{\text{Equity}}{\text{Balance sheet total}} \times 100$
Expense ratio as earnings to operating costs	= $\frac{\text{Administrative expenses + depreciation and impairment charges+ other operating expenses}}{\text{Net interest income + net commission income + net income from securities transactions and foreign exchange dealing + other operating income}}$
Equity per share	= $\frac{\text{Equity attributable to the shareholders of the Group}}{\text{Operating expenses of the company, excluding the reservation for personnel bonuses for the review period}}$
Recurring revenue to operating costs ratio	= $\frac{\text{Revenue from time-based contracts*}}{\text{All operative expenses excluding reservation for personnel bonuses for the review period}}$
Dividend per share	= Dividend paid or proposed for the financial year
Market value	= Number of shares at the end of the period x closing price
Osakekohtainen tulos (EPS) ilman yrittäjärjestelyjen kertaeriä. laimennettu	= $\frac{\text{Operating profit less one-off items for corporate restructuring}}{\text{Average number of shares outstanding during the reporting period including option rights issued through share-based incentive plans}}$

* Management, analysis, custody and client interest margin income from wealth management, fund savings and incentive plans

Ten largest shareholders December 31, 2022

	A-shares	B-shares	Shares total	% of all shares	Votes total	% of votes
1. Oy Prandium Ab	3,803,280	950,820	4,754,100	18.1	77,016,420	25.6
2. Oy Scripo Ab	3,803,280	950,820	4,754,100	18.1	77,016,420	25.6
3. Ingman Group Oy Ab	1,860,000	800,000	2,660,000	10.1	38,000,000	12.6
4. Oy Fincorp Ab	2,319,780	323,694	2,643,474	10.1	46,719,294	15.5
5. Lehtimäki Jyri Maunu	533,728	171,031	704,759	2.7	10,845,591	3.6
6. Moomin Characters Oy	0	411,235	411,235	1.6	411,235	0.1
7. Tallberg Claes	369,756	32,588	402,344	1.5	7,427,708	2.5
8. Hollfast John Erik	328,320	71,680	400,000	1.5	6,638,080	2.2
9. Joensuun Kauppa ja Kone Oy	0	262,265	262,265	1.0	262,265	0.1
10. Umo Invest Oy	0	240,074	240,074	0.9	240,074	0.1