



EAB Group Plc  
Half-Year Report  
1-6/2022

## EAB Group Plc's half-year report for January–June 2022

Elite Alfred Berg in brief .....	3
The Group's key figures in brief .....	5
Daniel Pasternack, CEO .....	6
Operating environment .....	7
Development of operating income and result .....	8
Material events during the period .....	9
The Group's outlook for the rest of 2022 .....	9
Personnel .....	10
Changes in group structure during the period .....	10
Shares and share capital .....	11
Shareholders as at 30 June 2022 .....	12
Resolutions of EAB Group Plc's annual general meeting .....	13
Risk management and risk position .....	15
Material events after the review period .....	17
Publication of financial statements bulletin .....	17
Tables .....	18
Notes .....	23

# Elite Alfred Berg in brief

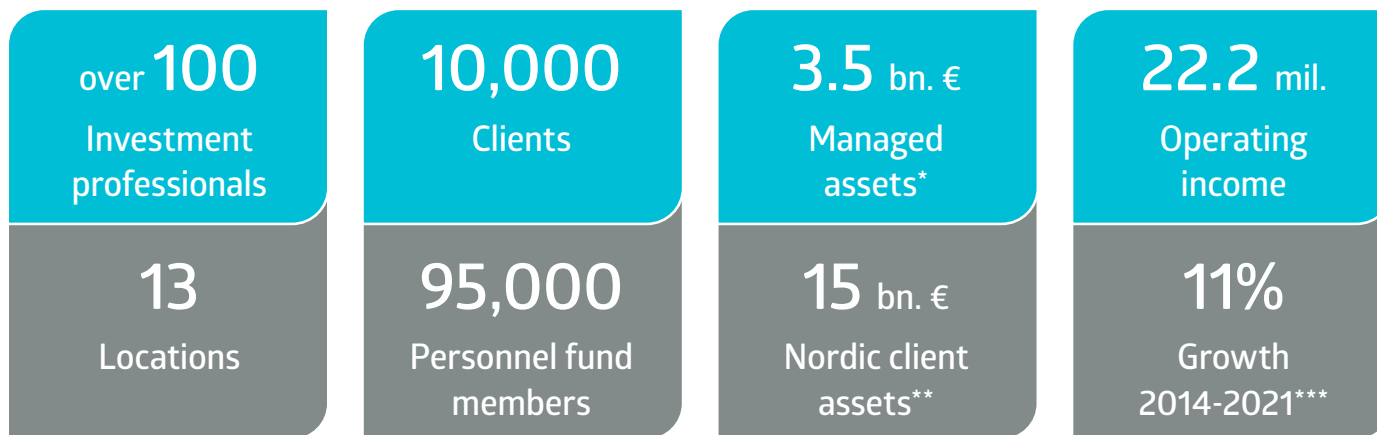
Elite Alfred Berg is an expert in investments that helps private individuals, professional investors and companies in Finland manage their assets comprehensively, systematically, and responsibly. More than 10,000 customers rely on our services to manage assets worth EUR 3.5 billion. We collaborate in portfolio management with Alfred Berg Norway and Sweden. Our combined customer assets in the Nordic countries amount to EUR 15 billion. As the leading provider of personnel funds in Finland, we serve 95,000 personnel fund members. Our customers are served by more than 100 investment professionals in 13 locations around Finland. The Group's parent company, EAB Group Plc, is listed on the Nasdaq Helsinki stock exchange.

Our experts invest both professional and private investors' assets responsibly, actively and in pursuit of good returns. Responsibility and effectiveness are at the heart of our investment activities, because we believe this will enable us to provide our customers with better returns, while creating added value for other stakeholders and the environment. In accordance with our

mission, we invest in the future by investing responsibly. This means that we promote a better future by investing in initiatives and companies that combine good practices and good returns.

Our goal is to achieve the best service experience in our field, based on an expert and personal service. The foundation of our services is getting to know the customer's aims and needs and finding a suitable solution for all their investing requirements. In our investment activities, we utilise our own innovative funds, the funds available from our largest owner BNP Paribas, and open architecture investment solutions. This enables our customers to utilise the full spectrum of the finance markets, from alternative types of property and direct investments in securities to cost-effective index products.

#balanceofgoodandmoney



\* Client assets in Finland

\*\* Combined client assets of Elite Alfred Berg and Alfred Berg Norway and Sweden

\*\*\* The annual growth of comparable operating income 11% CAGR 2014-2021

## EAB Group Plc's half-year report January–June 2022

# The Group's operating income increased by 41%, and its result for the period was EUR 3.3 million

In January–June 2022, the EAB Group's (hereinafter "EAB" or the "Group") operating income increased by 41%, and its result improved by 308% year-on-year as a result of higher operating income. Despite the challenging market situation, the Group's continuing operating income increased further by 4% and was EUR 9.0 million (EUR 8.7 million in the comparison period).

The EAB Group's operating income (IFRS) was EUR 14.8 million in January–June 2022 (EUR 10.5 million in January–June 2021), and its result for the review period was EUR 3.3 million (EUR 0.8 million). The Group's operating profit\* was EUR 4.2 million (EUR 1.1 million). Income from fund management accounted for EUR 10.6 million (EUR 6.3 million) of the operating income, including EUR 4.4 million (EUR 0.3 million) in performance-based fees. Income from asset management and other investment services amounted to EUR 3.0 million (EUR 3.2 million). Income from the service business and other operating income amounted to EUR 1.3 million (EUR 1.1 million).

The figures presented in the stock exchange release are unaudited.

### The Group's financial performance in January–June 2022 (compared with January–June 2021):

- Operating income (IFRS) increased by 41%, totalling around EUR 14.8 million (EUR 10.5 million).
- Comparable operating income\*\* grew by 41% to around EUR 14.7 million (EUR 10.4 million).
- The operating profit\* was around EUR 4.2 million (EUR 1.1 million).
- The result for the period was around EUR 3.3 million (EUR 0.8 million).
- The reported solvency of the Consolidation Group\*\*\* was 196.9%.

The amount of assets under management and insurance assets, including investment commitments to private equity funds, decreased by 7% and was EUR 3,547 million on 30 June 2022 (EUR 3,799 million on 30 June 2021). The decrease in the amount of assets under management and insurance assets was largely due to the decrease in the market in early 2022 and the partial return of equity from some of the Group's real estate funds.

The EAB Group fared well in the first half of 2022, and it adjusted its full-year guidance upwards in June. The Group's business operations continued to perform well during the first half of the year thanks to its continuing operations and exits from assets in certain real estate funds. The systematic cost discipline exercised by the Group in recent years has contributed positively to keeping the growth of expenses very moderate compared to business growth.

Despite the elevated risk caused by the coronavirus pandemic and the war in Ukraine, the Group has performed its debt liabilities without interruptions, and the availability of financing has remained good.

# The Group's key figures in brief

Group's key figures	1-6/2022	1-6/2021	1-12/2021
Operating income, EUR million	14.8	10.5	22.2
Operating profit*, EUR million	4.2	1.1	2.9
Operating profit, % of operating income	28.3	10.8	12.8
Profit for the period, EUR million	3.3	0.8	2.1
Profit for the period, % of operating income	22.2	7.7	9.6
Earnings per share, diluted, EUR	0.24	0.06	0.15
Comprehensive earnings per share, diluted, EUR	0.24	0.06	0.15

Alternative performance measures	1-6/2022	1-6/2021	1-12/2021
Comparable operating income**, EUR million	14.7	10.4	21.9
Adjusted earnings per share****, diluted, EUR	0.22	0.06	0.15
Adjusted comprehensive earnings per share****, diluted, EUR	0.22	0.06	0.15
<b>Profitability indicators</b>			
Return on equity (ROE), %	15.3	4.1	10.7
Return on assets (ROA), %	9.5	2.4	6.4

\* ) IAS 1 Presentation of Financial Statements does not define the concept of operating profit. The Group has defined it as follows: The operating profit is the net sum remaining after employee benefit expenses, other administrative expenses, depreciation and impairment losses, other operating expenses, and impairment losses on receivables have been deducted from the operating income. The operating profit also includes the share of the profit or loss of associates.

\*\* ) For funds managed on behalf of external partners, comparable operating income is based on net fees, while reported operating income describes gross fees.

\*\*\* ) The Group reports its solvency to the Financial Supervision Authority in accordance with Regulation (EU) No 2034/2019 of the European Parliament and of the Council. The regulation entered into force in 2021. The solvency ratios presented correspond to those reported to the Financial Supervisory Authority and only include Group companies supervised by the Financial Supervisory Authority (EAB Group Plc, EAB Asset Management Ltd and EAB Fund Management Ltd) and the financial services companies EAB Service Ltd and SAV-Rahoitus Oyj.

\*\*\*\* ) Adjusted earnings per share are based on the number of outstanding shares. EAB Group Plc, the parent company of the Group (hereinafter the "Parent company" or the "Company"), held 30,877 treasury shares on 30 June 2022 (37,893 on 30 June 2021). These excess shares are taken into account in the adjusted earnings per share, which present a true and fair view on the Group's earnings per share.

At the end of June 2022, EAB Group had 95 employees (93 on 30 June 2021), of whom 12 had a fixed-term employment contract. There were 51 employees in business operations and asset management, and 44 were working in Group functions (administration, HR, IT, legal, compliance and risk management services, marketing and communications, as well as finance). Our customers were also served by 22 tied agents. The Group had a total of 117 employees or tied agents at the end of the review period.

## Daniel Pasternack, CEO

The first half of 2022 was very exceptional in many ways. The Russia-Ukraine crisis began to escalate in January and, to the dismay of the entire world, escalated into full-scale offensive warfare at the end of February. In addition to the immeasurable human suffering and the destruction of property in Ukraine, the war is having a major negative impact on the global economy and financial markets. So far, it has caused downturn in asset values and accelerated the increase in energy prices, which has strong multiplier effects on the supply of many commodities and on the price development of national economies as a whole.

Against this backdrop, the first half of EAB's financial year went very well. We had already relinquished the direct Russian investments in our emerging market funds in February before the war had even started, and our long-term investments in the production of renewable energy has received an unexpected boost from the market developments. Europe's desire to become self-sufficient in energy production is now accelerating a trend in which we have been strongly involved for a long time as a company. This is naturally reflected in the valuation of companies benefiting from the energy transition and in the demand for investment opportunities.

The result for the last six months was €3.3 million, by far our best ever. Our previous record was €1.3 million during the second half of last year. The strong performance improvement was partly due to significant exits from some real estate funds. Our ongoing business revenue simultaneously remained higher than ever, and we also managed to maintain our planned cost level.

During the period under review, we also prepared our merger with Evli, and the plan was approved at extraordinary general meetings of both companies on 14 July 2022. We have actively and openly sought the best options to grow our business and generate shareholder value. We are very pleased with this outcome. The companies form a complementary whole with harmonious values. Responsible investments and sustainability are the cornerstones of both companies. As a result of the increased resources, larger portfolio and synergies, the merger will excellently serve the interests of our customers and shareholders alike.



# Operating environment

In terms of the financial markets, the first half of the year can be divided into two distinct periods: the period before the war in Ukraine and the period after the start of the war. The long period of positive market sentiment became markedly more negative immediately after the turn of the year, as investors weighed the negative effects of the normalisation of the monetary policy on the economic outlook. It has been argued that as the global economy recovers, the support from central banks will gradually disappear. The markets were and remain quite concerned that in the high inflation environment prevailing at the beginning of the year, the tightening of the monetary policy is taking place too quickly. In turn, this increases the risk that economic activity will weaken and the recovery will slow down even further. Following the start of the war in Ukraine (24 February 2022), the inflation concerns gained significant momentum, as the risks of a prolonged period of high inflation significantly increased. The war started by Russia has had an upward effect on inflation, especially in Europe but also in the rest of the world, because the war causes prices to rise on the commodity markets. Both Ukraine and Russia are among the world's leading exporters of cereals, and Russia is a major producer of aluminium, titanium and nickel, among other raw materials.

Throughout the early part of the year, the financial markets balanced between opposing drivers and themes. On the one hand, macroeconomic data has remained relatively stable despite the war's major impact on the uncertainty regarding growth prospects. On the other hand, galloping inflation has been a major headache for both the bond markets and central banks, as inflation has further reduced the leeway available to central banks. The raising of key interest rates and the winding down of bond purchase programmes are the tools available for the central banks to control the inflation. The risks of a sudden economic slowdown are increasing in both Europe and the US. In addition, the strong COVID-19 measures in China due to the rising rate of infections has further exacerbated industrial bottlenecks and added to the inflationary pressures in an already challenging inflation environment.

Activity on the real estate market has remained at a good level, and there has been little uncertainty of the kind seen in other asset classes. Transaction volumes have remained at a good level, and foreign investors continue to invest in Finnish assets. The rising interest rates and inflation are also major concerns for real estate investors. The rise in interest rates is reflected

as much lower cash flow for leverage investors. On the other hand, the effects of inflation are manifold. The energy-driven cost increases influence many types of building maintenance costs. Construction costs have risen exceptionally sharply, which will be reflected in fewer new project starts in the future, for example. Leases on premises are linked to inflation, which mitigates the impact of the rising interest rates and increased costs. The abundant supply of housing controls rent increases, and lessors often prefer to hold on to good tenants by not raising the rent. Companies have continued to seek new spatial solutions, which has been reflected in higher rental volumes.

The uncertainty caused by the geopolitical situation, the rising inflation and the tightening monetary policy have also put pressure on the recent high transaction volumes and valuation levels of the private markets. The venture capital market is set to fall short of last year's record-breaking volumes. However, the substantial amount of uninvested capital available to private equity funds will increase the volume of new transactions and the opportunity to support portfolio companies. Provided a wider economic crisis is avoided, the more moderate valuation levels may offer attractive expected returns for the selective investor. On the debt side, private credit providers are offering an alternative to the listed market funding channels, and the importance of this alternative is likely to grow again during these uncertain times. On the infrastructure market, the energy sector is a particular focus area. The European energy sector is facing a period of exceptional changes, as the policy and investments are driven not only by the climate targets but also by concerns about security of supply and the striving for self-sufficiency. This will accelerate the ongoing transition towards more fossil-free production, but in the short term, solutions leaning to the opposite direction may also be seen in the name of the security of supply. High electricity prices continue to support new investments in renewable energy and the related infrastructure.

During the first half of 2022, the Group's operating environment changed both as a result of the war in Ukraine and as a result of the increasing inflation expectations and weaker growth prospects. From a regulatory perspective, the Group's operating environment

remained stable, as there were no major regulatory changes except for the implementation of previously decided regulation packages. In particular, the implementation of sustainable finance regulation in the Group's operations and products continued during the first half of the year.

During the first half of the year, the Group's operations were affected by the development of the stock markets and other markets, which decreased the value of almost all asset items. There was also more uncertainty regarding the development of the Finnish economy, which affected investors' risk appetite. Despite the operating environment, the Group's operations developed

more positively than expected. No changes that would have a significant impact on the Group's operations or the demand for its services took place in taxation during the first half of the year.

## Development of operating income and result

During the review period, the EAB Group's comparable operating income increased by 41% year-on-year, amounting to EUR 14.7 million (EUR 10.4 million). The positive trend was mainly due to exits from assets in certain real estate funds while other fees increased despite the challenging global situation.

The Group's continuing operating income (fees from UCITS funds, private equity funds and full-proxy asset management and service income) continued to grow (4%), amounting to EUR 9.0 million (EUR 8.7 million in the comparison period). Due to significant performance-based fees, the share of continuing operating income of the Group's operating income decreased during the review period and was 61% (83% in the comparison period).

Total costs for the review period, including depreciation and amortisation, amounted to EUR 10.8 million (EUR 9.4 million). Taking account of the expenses related to the performance-based fees recognised as income, the Group's total costs increased by EUR 0.6 million. The increase was due to higher personnel expenses because of an increase in the number of personnel and the performance-based bonuses paid this year for last year's good performance, as well as an increase in administrative expenses, which was largely due to legal and consultancy fees related to the planned merger with Evli. The Group's personnel expenses totalled EUR 5.5 million (EUR 4.0 million), and its administrative expenses amounted to EUR 1.7 million (EUR

1.4 million). While the Group's personnel and administrative expenses increased, its variable fees decreased year-on-year because of smaller one-off subscription fees, totalling EUR 2.0 million (2.5 million). The Group's other operating expenses amounted to EUR 0.4 million (EUR 0.3 million). The Group's depreciation, amortisation and impairment amounted to EUR 1.3 million (EUR 1.3 million). EAB's cost-to-income ratio was 73% (90%).

The Group's operating profit for the first half of the year was EUR 4.2 million (EUR 1.1 million). Its operating profit margin was 28.3% (10.8%). The result for the review period was EUR 3.3 million (EUR 0.8 million).



## Material events during the period

During the period, EAB Group's future steps gained a new direction as Evli and EAB announced the intention to combine their operations.

In March, EAB Group Plc published its Annual Report, Corporate Responsibility Report, Remuneration Report, Remuneration Policy and Corporate Governance Statement for 2021. The Annual Report includes the Board of Directors' report, the financial statements, the Auditor's Report, the Corporate Responsibility Report and the Corporate Governance Statement.

In April, EAB Group Plc transferred without consideration its own shares to current and former key employees of the company. The transfers were related to the payment of deferred variable remuneration and were in accordance with the Company's remuneration scheme.

The Annual General Meeting was held through exceptional arrangements without the presence of the shareholders at the company's premises in Helsinki on 7 April 2022. The shareholders were able to participate in the meeting and exercise their rights only by voting in advance using the centralised proxy representative designated by the company and presenting their counterproposals and questions in advance. The Annual General Meeting authorised the Board to decide on the acquisition or acceptance as pledge of a maximum of 1,300,000 of the Company's shares. In addition, it was approved that the remuneration policy be amended so that the variable remuneration element increased from 200% to 300% of the CEO's fixed-rate salary.

Evli Plc and EAB Group Plc announced on 22 April 2022 that they had signed a letter of intent to investigate the possibility of combining their operations. At the end of May, the Boards of Directors of Evli and EAB signed the Combination Agreement and the Merger Plan in accordance with the letter of intent to combine the companies through a merger. The objective of the Combination is to create a Combined Company that will be one of the leading companies on the Helsinki Stock Exchange to offer investing and wealth management services with a broad expertise, and whose clientele will cover institutions, corporations, and private persons. After the combination, a broader range of products and services and a wider range of expertise will be available to its clients.

At the beginning of June, EAB published the Notice to the Extraordinary General Meeting held at Borenius Attorneys' premises in Helsinki on Thursday 14 July 2022. The EGM resolved on the merger of EAB into Evli through a statutory absorption merger.

At the beginning of June, the Company announced that CFO Roman Cherkasov would move to a new position outside the Group and leave the Executive Group of EAB Group during the last quarter of 2022.

## The Group's outlook for the rest of 2022

The Group's net profit percentage for the entire 2022 financial year is expected to be significantly positive in case the market environment does not significantly worsen during the rest of the year. In accordance with the announcement published on 31 May 2022, the Company has entered into a merger agreement with Evli Plc and the general meetings of EAB Group Plc and Evli Plc have decided on the merger on 14 July 2022. The Company will merge into Evli Plc on 30 September 2022.

## Personnel



At the end of June 2022, EAB Group had 95 employees (93 on 30 June 2021), of whom 12 had a fixed-term employment contract. There were 51 employees in business operations and asset management, and 44 were working in Group functions (administration, HR, IT, legal, compliance and risk management services, marketing and communications, as well as finance). Our customers were also served by 22 tied agents.

The growth of the number of personnel was driven by matters such as a moderate increase in the number of employees in sales and asset management, while there was a slight decrease in the number of employees in other functions. Six permanent employment contracts ended during the first half of the year. Similarly, eight new employees started with permanent employment contracts, and five with fixed-term contracts.

Already at the end of 2021, we returned to a flexible working model, in which each person chooses where to work according to what the most efficient approach is for the job at hand. However, each team has met at the office once or twice a week. To support wellbeing, information sessions and exercises on recovery have been organised alongside daily office workouts and other joint physical activities. In addition to being social activities, they have been observed to improve both physical and mental wellbeing. To support the potential mental stress caused by the prolonged COVID-19 pandemic and the war in Ukraine, we have made low-threshold mental wellbeing support services by Auntie Solutions available to all our employees.

Around 30% of the employees are direct shareholders of EAB Group Plc. More than 60% of the employees own shares in the parent company directly or through the personnel fund.

## Changes in group structure during the period

On 13 May 2022, the Group company EAB Private Equity Oy established a subsidiary called Project Second GP Oy.

# Shares and share capital

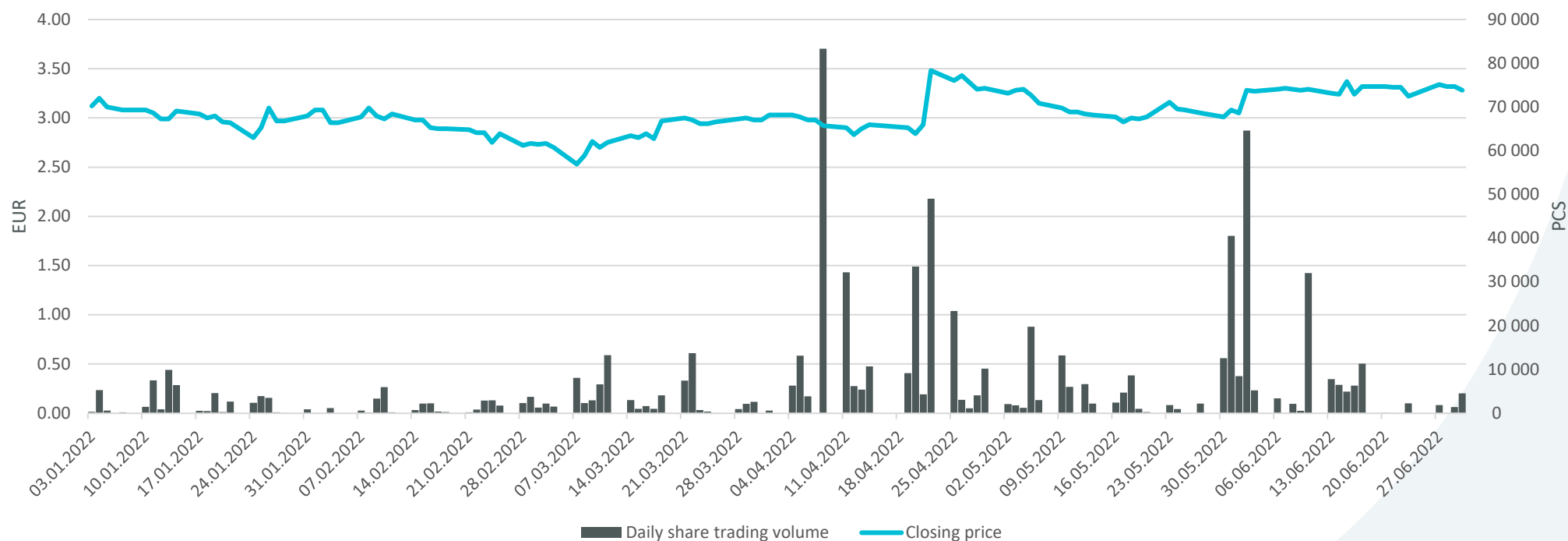
At the end of June 2022, the total number of shares in EAB Group Plc was 13,843,272. The company held 30,877 treasury shares. Its share capital amounted to EUR 730,000 at the end of June 2022. There were no changes in the share capital during the review period.

On 4 April 2022, the Annual General Meeting authorised the parent company’s Board of Directors to start a programme to purchase the company’s own shares. According to the authorisation, the Board may decide on the purchase or acceptance as pledge of a maximum of 1,300,000

shares in the company. At the time of the publication of the half-year report, the company had not yet started the programme to purchase its own shares, and it held 30,877 treasury shares.

At the end of June 2022, a total of 13,843,272 shares in EAB Group Plc were subject to public trading on Nasdaq Helsinki. The share trading volume in January–June was EUR 2,330,626, or 755,816 shares. At the end of June, the closing price of the company’s shares was EUR 3.28. The highest share price during the review period was EUR 3.70 and the lowest was EUR 2.50. At the end of June, EAB Group Plc’s market capitalisation was EUR 45.4 million.

**Share price development and trading volume 1.1.-30.6.2022**



## Shareholders as at 30 June 2022

	Shareholders	Number of shares	% of shares
1	* Skandinaviska Enskilda Banken Ab (publ) Helsinki Branch	2 502 391	18,08
2	Joensuun Kauppa ja Kone Oy	1 518 400	10,97
3	Umo Invest Oy	1 389 921	10,04
4	Nieminen Janne Pentti Antero	1 112 031	8,03
5	Kaaria Jouni Sami Olavi	1 048 543	7,57
6	Gösta Serlachiuksen Taidesäätiö	857 200	6,19
7	Pasternack Daniel	768 103	5,55
8	Juurakko Kari Antero	495 493	3,58
9	Niemi Rami Toivo	487 820	3,52
10	Kiikka Hannu Ilmari	484 182	3,50
11	Sijoitusyhtiö Jenna & Juliet Oy	300 000	2,17
12	KW-Invest Oy	261 949	1,89
13	Westin Victoria Maria	219 498	1,59
14	Vakuutusosakeyhtiö Henki-Fennia	202 571	1,46
15	Kiinteistötahti Oy	161 700	1,17
16	TK Rahoitus Oy	153 271	1,11
17	Kakkonen Kari Heikki Ilmari	150 000	1,08
18	Eläkevakuutusosakeyhtiö Veritas	140 659	1,02
19	Contango Oy	126 570	0,91
20	A-A Transport Oy	91 645	0,66
	<b>20 largest shareholders in total</b>	<b>12 471 947</b>	<b>90,09</b>
	<b>Nominee-registered</b>	<b>2 502 526</b>	<b>18,08</b>
	<b>Others</b>	<b>1 371 325</b>	<b>9,91</b>
	<b>Total</b>	<b>13 843 272</b>	<b>100</b>

\* Nominee-registered

# Resolutions of EAB Group Plc's annual general meeting

EAB Group Plc's Annual General Meeting was held on 7 April 2021 in Helsinki. The meeting was held through exceptional arrangements without the presence of the shareholders.

The following matters were adopted and resolved in the Annual General Meeting:

## Adoption of the financial statements

The financial statement and related consolidated financial statement for the financial year 2021 were adopted.

## Use of the profit shown on the balance sheet and resolution on the payment of dividend

The parent company's distributable funds on the 31.12.2021 totalled EUR 21.2 million of which the profit for the period amounted to EUR 0.1 million. It was resolved that a dividend of EUR 0.11 per share for the financial year 2021 shall be paid. The dividend shall be paid to a shareholder who is registered in the Company's shareholders' register, maintained by Euroclear Finland Ltd, on the record date for payment, 11 April 2022. It was resolved that the dividend is paid on 20 April 2022.

## Resolution on discharge from liability for the members of the Board of Directors and the CEO

The members of the Board of Directors and the Chief Executive Officer were discharged from liability for the financial year 1 January–31 December 2021.

## Remuneration Report for Governing Bodies

The Remuneration Report was approved.

## Resolution on the remuneration of the members of the Board of Directors

The members of the Board of Directors will be paid remuneration as follows:

- Board members independent of the Company are paid EUR 22,500 per term for their service on the Board.
- Chair of the Board is paid EUR 30,000 per term for service on the Board.
- Members of the Audit Committee are paid EUR 2,500 per term for their service in the Audit Committee

Forty (40) % of yearly remuneration is settled with the Company's shares. Remaining amount of remuneration is settled with cash.

Shares for remuneration are acquired from the Helsinki stock exchange during the three months following the date the Company's half-year report is to be published. The Company defrays on expenses following from acquisition of shares. Remuneration for the work of the Audit Committee is paid in cash.

In case the acquisition of shares is not possible for example due the lack of liquidity of the shares at the time and by the mean mentioned above. The portion of the remuneration that cannot be paid in shares may be paid in cash.

The shares acquired for Board members are not to be sold before three years from the purchase, or before the membership of the Board has ended, whichever is later.

## Resolution on the number of members of the Board of Directors

The number of the members of the Board of Directors was confirmed as eight (8).

## Election of the members of the Board of Directors

Helge Arnesen, Julianna Borsos, Therese Cedercreutz, Pasi Kohmo, Janne Nieminen, Topi Piela, Vincent Trouillard-Perrot and Juha Tynkkynen were elected as members of the Board of Directors for a term of office expiring at the close of the next Annual General Meeting

Therese Cedercreutz was appointed as Chair of the Board of Directors.

## Resolution on the remuneration of the Auditor

The elected auditor will be reimbursed in accordance with the auditor' invoice approved by the company.

## Election of the Auditor

Authorised Public Accountant Firm KPMG Oy Ab was elected as the Company's Auditor, with APA Tuomas Ilveskoski as an auditor in charge, until the close of the next Annual General Meeting.

## Authorising the Board of Directors to decide on the acquisition of the Company's own shares

The Board of Directors was authorised to decide on the acquisition or acceptance as pledge, of a maximum of 1,300,000 of the Company's shares (corresponding to 9.39% of the Company's shares).

The shares may be acquired in public trading on the marketplace maintained by Nasdaq Helsinki Ltd, at the market price at the time of the purchase, not in proportion with the shareholdings of the Company's shareholders, using the Company's distributable equity. The acquisitions and the payment of the shares will be executed in accordance with the rules of the marketplace. The Board of Directors may decide on other matters related to the acquisition of Company's own shares.

There must be a weighty economic reason for the acquisition of shares, such as the use of shares or special rights to develop the Company's capital structure, as consideration in corporate acquisitions or other restructuring, to finance investments, as part of the Company's incentive plan or remuneration of board of directors.

The acquisition or acceptance as pledge of Company's own shares will reduce the amount of the Company's reserves of unrestricted equity.

The authorisation is valid until 7 October 2023.

The authorisation superseded the authorisation for acquisition of the Company's own shares issued on 25 March 2021.

## Amendment to the Remuneration Policy for Governing Bodies

It was approved, that the remuneration policy approved at the Annual General Meeting on 22 September 2020, is amended so that the variable remuneration element increases from 200% to 300% of the CEO's fixed-rate salary. It was also approved to remove the obligation to pay the variable remuneration partly in other way than in cash and the obligation to defer the variable remuneration.

The amendments are in accordance with the new remuneration regulations applicable for the Company.

## Risk management and risk position

EAB Group's most significant near-term risks are market risk, operational risk and liquidity risk.

The Group is exposed to a market risk that mainly arises from the market-based investment products and services provided by the Group. A decrease in investors' risk appetite and a more extensive decline in the value of various market-based asset classes would have a negative impact on the amount of assets managed by the Group and on its fee income. The market risk related to the Group's business operations contributes to the probability and impact of the materialisation of the Group's liquidity risk. In accordance with the Group's strategy, the focus in terms of investment products and services in general lies on responsible investment activities and effective management of the sustainability risk.

During the period under review, the situation in both the stock and bond markets has been challenging. The more volatile situation of the capital markets reflects the challenges, escalated situations and negative events in the real economy and geopolitics. The outlook for listed companies and investors has been obscured by the strong rise in the inflation rate in the United States and Europe, which is the result of an especially sharp increase in the cost of raw materials, food and energy following the military operation launched by Russia, as well as the continuing difficulties in the supply chains for consumer goods and related components. Central banks in these economic areas have responded to the galloping inflation by tightening or announcing that they will tighten their monetary policy in the near future. However, the actions by central banks, such as the raising of key interest rates and the winding down of purchase programmes, which in themselves are aimed at preventing overheating of the economy and stabilising the financial markets in the longer term, have created uncertainty and volatility in the stock and bond markets during the period under review and also increased the risk of a recession. These factors causing instability have also reduced the confidence of consumers and businesses in any positive economic developments.

In the wake of Russia's military operation, the EU member states have started to make a strong effort to break their dependence on Russia for energy. To promote this, the European Commission launched the REPowerEU programme, announced in May, which is to offer the EU member states more than €200 billion in funding for renewable energy investments and

energy mix transformations by 2027. The EU is under intense pressure to transform its energy mix, and a decision has been made to phase out a significant proportion of Russian energy imports by the end of 2022. The substantial financial package aims to ensure the smoothest possible transition to renewable energy in the EU member states while reducing the risk of the transition by making the use of fossil energy less attractive.

The transition to renewable energy and the related substantial financing are naturally also geared towards the climate change mitigation targets, and the EU will continue to lead the way in this respect for the other economic areas of the world. In the investment markets, capital is likely to be increasingly directed towards sustainable investment solutions, although the military operation in Europe and its widespread consequences have created a risk of a dampening or even reversal of the trend, at least in the short term.

In China, economic growth has continued to slow, and the latest wave of COVID-19 that swept across the country did not help. The country's tight COVID restrictions on its citizens have caused bottlenecks in the supply chains of consumer goods and hampered the country's economic development. The problems in the Chinese real estate sector have not disappeared either, with demand in the property market remaining relatively weak, and large developers still facing financing difficulties. As a centrally planned economy, China has continued to support its real estate sector through various support measures such as the lowering of interest rates for mortgages, but further measures will probably be required to ensure a sufficient recovery in demand for new apartments and properties and to maintain reasonable liquidity among developers. At a more general level, to maintain adequate economic growth in the country, the central government swiftly removing the tight COVID restrictions as soon as epidemiologically possible is the key. Massive financial stimuli to households and businesses on top of what has already been provided will probably be necessary if China is to be redirected to a more normal operating environment and a more accustomed pace of economic growth.

Demand for alternative investment solutions remained strong over the period under review, despite a downturn from last year's high fundraising levels. Alternative investments have offered investors return opportunities that are at least in part independent of developments on the stock and bond markets. The increased market fluctuation during the period under review has kept demand for this type of investments alive. The equity market fear factor should also serve as a risk level indicator for riskier alternative investments such as those in start-up and growth companies. It seems likely that capital will increasingly start to shift from riskier to safer investments if the economic growth conditions continue to weaken and the fear factor starts to increase from the level at the end of the period under review.

A significant part of the Group's operating income is market-determined. If realised, the risks described above could have a significant impact on the fee income from the Group's market-based services and products, in particular. Regarding the sustainability risks, the impact could also be significantly reflected in the profitability and turnover of the alternative investment solutions offered by the Group. The Group will continue to shift its business focus from market-based investment products and services to alternative investment solutions. The alternative investment solutions will dilute the negative impact of a realisation of the potential market risks and market decline on the Group's operating income and result.

The Group's operations are exposed to considerable operational risks, which mainly consist of factors related to information systems and information security, as well as factors related to internal processes. The Group acknowledges the significance of the operational risks and is continuously developing methods to manage them. The Group identifies, assesses, measures and monitors the operational risks in relation to its defined risk appetite. The Group takes a proactive approach to the avoidance of the operational risks to keep the impact of the risks at a level within the scope of the risk appetite.

The market and operational risks to which the Group is subjected are actively and proactively managed in accordance with internal risk management principles. The risks and assessments of their potential effects are an integral part of the Group's solvency management and the related risk profiling.

The Group's liquidity risk arises from an imbalance of cash flows. Liquidity risk refers to the risk that the Group's liquid cash assets and the availability of additional financing are not

sufficient to cover its business needs. The purpose of the Group's effective liquidity position management is to maintain sufficient liquid assets in such a way that financing for the Group's business operations is continuously ensured and that the Group is able to fulfil its payment obligations regardless of external factors and factors dependent on other market operators.

The Group limits its liquidity risk by regularly monitoring the liquidity position of the Group and each Group company. The Group also maintains and regularly accumulates a buffer of unencumbered liquid assets in case of a quick and unexpected weakening of the liquidity position. At the end of the period under review, the Group's funding package included €1,000,000 in undrawn credit to secure the Group's liquidity position.

With continuity planning, the Group prepares for any future disruptions in the operating environment. Based on modelling carried out at the end of the period under review, the Group's liquidity and solvency level will also remain safe in the event of a significant market disturbance. The Group has handled its debt liabilities without disturbances, and the availability of financing has remained good.

A Crisis Team as defined in the Group's continuity plan will be activated whenever the situation requires it, aiming to guide the Group's operations safely through disruptions and emergencies. During these exceptional circumstances, the continuity of the operations has been secured by an extensive remote working capacity and a switch to working from home, managed by the Crisis Team. The Crisis Team closely monitors the Group's operating environment and assesses the impact of disturbances on the Group's operations. The development of the Group's resources and the level of working capacity are also subject to continuous monitoring. The organisation of the Group's operations is actively guided during disturbances by internal guidelines based on continuous situation assessments and scenario analyses carried out by the Crisis Team, as well as on official guidelines and recommendations.

For more information about the risks related to the Group's business operations and the monitoring of these risks, please see the Group's annual report.



## Material events after the review period

---

During the review period, the Company prepared for a merger with Evli Plc. The merger plan was approved by both companies at their extraordinary general meetings on 14 July 2022. Between 1 July 2022 and 5 August 2022, there were no events with a material impact on the Group's or its parent company's position.

## Publication of financial statements bulletin

---

As indicated by a stock exchange release published on 31 May 2022, the company has signed a merger agreement with Evli Plc, and the general meetings of EAB Group Plc and Evli Plc decided on the merger in July. The estimated date of the merger with Evli Plc is 30 September 2022, which means that the company will no longer publish any financial statements for 2022. Evli Plc's financial disclosure schedule is available on the Evli website at [www.evli.com/en/investors/investor-calendar](http://www.evli.com/en/investors/investor-calendar).

### **EAB GROUP PLC**

Board of Directors

#### **More information:**

EAB Group Plc

Daniel Pasternack, CEO

+358 50 569 3416

[daniel.pasternack@eabgroup.fi](mailto:daniel.pasternack@eabgroup.fi)

Therese Cedercreutz, Chair of Board of Directors

+358 40 544 2502

[therese.cedercreutz@milton.com](mailto:therese.cedercreutz@milton.com)

## CONSOLIDATED COMPREHENSIVE INCOME STATEMENT, IFRS

EUR million	1-6/2022	1-6/2021	1-12/2021
Fee income	14.8	10.5	22.1
Income from equity investments	0.0	0.0	0.0
Other operating income	0.0	0.1	0.1
<b>REVENUE TOTAL</b>	<b>14.8</b>	<b>10.5</b>	<b>22.2</b>
Fee expenses	-2.0	-2.5	-4.5
<b>Administrative expenses</b>			
Personnel expenses	-5.5	-4.0	-8.6
Other administrative expenses	-1.7	-1.4	-3.0
Depreciation and amortization tangible and intangible assets	-1.3	-1.3	-2.5
Other operating expenses	-0.4	-0.3	-0.8
Expected credit loss at amortized cost	0.1	0.0	-0.1
Share of associates' profit/loss	0.1	0.0	0.2
<b>OPERATING PROFIT (LOSS)</b>	<b>4.2</b>	<b>1.1</b>	<b>2.9</b>
Interest income	0.0	0.0	0.1
Interest expenses	-0.1	-0.2	-0.3
Income taxes	-0.8	-0.2	-0.5
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>3.3</b>	<b>0.8</b>	<b>2.1</b>
<b>COMPREHENSIVE INCOME / LOSS FOR THE PERIOD</b>	<b>0.8</b>	<b>-0.8</b>	<b>0.3</b>
Attributable to			
Equity holders of parent company	3.3	0.8	2.1
Non-controlling interest	0.0	0.0	0.1
<b>COMPREHENSIVE INCOME / LOSS FOR THE PERIOD</b>	<b>3.3</b>	<b>0.8</b>	<b>2.1</b>
Earning/share (EPS), diluted	0.24	0.06	0.15
Comprehensive earning/share (EPS), diluted	0.24	0.06	0.15

## CONSOLIDATED COMPREHENSIVE INCOME STATEMENT, IFRS

EUR million	1-6/2022	7-12/2021	1-6/2021	7-12/2020	1-6/2020
Fee income	14.8	11.7	10.5	9.9	8.6
Income from equity investments	0.0	0.0	0.0	0.0	0.0
Other operating income	0.0	0.0	0.1	0.1	0.1
<b>REVENUE TOTAL</b>	<b>14.8</b>	<b>11.7</b>	<b>10.5</b>	<b>10.0</b>	<b>8.7</b>
Fee expenses	-2.0	-2.0	-2.5	-2.4	-2.6
<b>Administrative expenses</b>					
Personnel expenses	-5.5	-4.7	-4.0	-3.3	-3.5
Other administrative expenses	-1.7	-1.6	-1.4	-1.6	-1.6
Depreciation and amortization tangible and intangible assets	-1.3	-1.3	-1.3	-1.3	-1.4
Other operating expenses	-0.4	-0.4	-0.3	-0.3	-0.3
Impairment losses on other financial assets	0.1	-0.1	0.0	0.0	0.0
Share of profit of loss of associates	0.1	0.1	0.0	0.4	-0.1
<b>OPERATING PROFIT (LOSS)</b>	<b>4.2</b>	<b>1.7</b>	<b>1.1</b>	<b>1.4</b>	<b>-0.8</b>
Interest income	0.0	0.0	0.0	0.1	0.0
Interest expenses	-0.1	-0.2	-0.2	-0.3	-0.2
Income taxes	-0.8	-0.3	-0.2	-0.2	0.2
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>3.3</b>	<b>1.3</b>	<b>0.8</b>	<b>1.0</b>	<b>-0.8</b>
<b>TOTAL COMPREHENSIVE INCOME / LOSS FOR THE PERIOD</b>	<b>3.3</b>	<b>1.3</b>	<b>0.8</b>	<b>1.0</b>	<b>-0.8</b>
Total comprehensive income attributable to:					
Equity holders of parent company	3.3	1.3	0.8	1.0	-0.8
Non-controlling interest	0.0	0.1	0.0	0.0	0.0
<b>TOTAL COMPREHENSIVE INCOME / LOSS FOR THE PERIOD</b>	<b>3.3</b>	<b>1.3</b>	<b>0.8</b>	<b>1.0</b>	<b>-0.8</b>
Earning/share (EPS)	0.24	0.09	0.06	0.07	-0.06
Comprehensive earning/share (EPS), diluted	0.24	0.09	0.06	0.07	-0.06

## CONSOLIDATED BALANCE SHEET, IFRS

EUR million	30.6.2022	30.6.2021	31.12.2021
<b>ASSETS</b>			
Cash and cash equivalents	1.4	1.7	2.4
Trade receivables	6.6	9.1	7.0
Investments	1.9	1.0	1.4
Shares and units of associates	2.2	1.9	2.1
Intangible assets	12.1	12.6	12.4
Tangible assets	2.4	2.6	2.5
Share issue receivables	0.1	0.1	0.1
Other assets	4.2	0.1	0.1
Accrued income and prepayments done	2.5	2.4	2.9
Deferred tax assets	2.1	3.0	2.5
<b>TOTAL ASSETS</b>	<b>35.7</b>	<b>34.6</b>	<b>33.4</b>
<b>LIABILITIES AND EQUITY CAPITAL</b>			
<b>LIABILITIES</b>			
Liabilities to credit institutions	3.7	5.5	4.6
Derivatives	0.0	0.0	0.0
Other liabilities	4.9	4.1	3.7
Accrued expenses and prepayments received	4.6	4.8	4.3
Deferred tax liabilities	0.2	0.2	0.2
<b>LIABILITIES TOTAL</b>	<b>13.3</b>	<b>14.6</b>	<b>12.8</b>
<b>EQUITY</b>			
Share capital	0.7	0.7	0.7
Reserve for unrestricted equity	20.9	20.8	20.8
Retained earnings	0.7	-1.6	-1.1
<b>TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF PARENT COMPANY</b>	<b>22.3</b>	<b>19.9</b>	<b>20.5</b>
Non-controlling interest	0.0	0.0	0.1
<b>TOTAL EQUITY</b>	<b>22.4</b>	<b>19.9</b>	<b>20.6</b>
<b>LIABILITIES AND EQUITY</b>	<b>35.7</b>	<b>34.6</b>	<b>33.4</b>

## CONSOLIDATED STATEMENT OF CASH FLOW, IFRS

EUR million	1-6/2022	1-6/2021	1-12/2021
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit/loss for the financial year	3.3	0.8	2.1
Adjustments for:			
Depreciation and amortization	1.3	1.3	2.5
Interest income and expenses	0.1	0.1	0.2
Non-cash operating activities	-0.1	0.0	-0.2
Income taxes	0.8	0.2	0.5
Change in net working capital			
Increase (-), decrease (+) of receivables	-3.4	-1.2	0.4
Increase (+), decrease (-) of non-interest-bearing liabilities	1.1	0.9	0.3
Change in net working capital	-2.3	-0.3	0.7
Paid interest expenses	-0.1	0.0	-0.3
Received interest income	0.0	0.0	0.0
Paid/received income taxes	0.0	0.2	0.0
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2.9</b>	<b>2.2</b>	<b>5.6</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Investments in tangible and intangible assets	-0.6	-0.5	-1.2
Investments in other investments	-0.5	-0.1	-0.5
Acquired subsidiaries less of financial assets at the time of acquisition	0.0	0.0	
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-1.1</b>	<b>-0.7</b>	<b>-1.6</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Payments of lease liabilities	-0.4	-0.4	-0.8
Capital repayments paid	-1.5	0.0	-0.7
Acquisition of shares of non-controlling-interest	0.0	0.0	0.0
Increase (-), decrease (+) of loans granted	0.0	0.0	0.3
Dividends paid	0.0	0.0	0.0
Repayment of loans	-0.9	0.0	-0.9
Withdrawals of loans	0.0	0.0	0.0
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>-2.8</b>	<b>-0.4</b>	<b>-2.1</b>
CASH AT THE BEGINNING OF THE PERIOD	2.4	0.6	0.6
CHANGE IN CASH	-1.0	1.2	1.8
CASH AT THE END OF THE PERIOD	1.4	1.7	2.4

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

EUR million	Total equity attributable to equity holders of the parent company				Non-controlling-interest	Total equity
	Share capital	Reserve for un-restricted equity	Retained earnings	Total		
<b>Equity 1.1.2022</b>	<b>0,7</b>	<b>20,8</b>	<b>-1,1</b>	<b>20,5</b>		<b>20,5</b>
Comprehensive profit for the financial year						
Profit (loss) for the financial year			3,3	3,3	0,0	3,4
Transactions with the owner of the company						
Dividends / Capital repayments paid			-1,5	-1,5		-1,5
Acquisition of own shares				0,0		0,0
Sale of own shares		0,0		0,0		0,0
Other changes		0,0	0,0	0,0		0,0
Changes of shareholding in subsidiaries						
Acquisition of shares of non-controlling-interest, that didn't result in a change of controlling			0,0	0,0		0,0
<b>Equity 30.6.2022</b>	<b>0,7</b>	<b>20,9</b>	<b>0,7</b>	<b>22,3</b>		<b>22,4</b>

EUR million	Total equity attributable to equity holders of the parent company				Non-controlling-interest	Total equity
	Share capital	Reserve for un-restricted equity	Retained earnings	Total		
<b>Equity 1.1.2021</b>	<b>0,7</b>	<b>20,8</b>	<b>-2,5</b>	<b>19,1</b>		<b>19,1</b>
Comprehensive profit for the financial year						
Profit (loss) for the financial year			0,8	0,8		0,8
Transactions with the owner of the company						
Dividends / Capital repayments paid				0,0		0,0
Acquisition of own shares		0,0		0,0		0,0
Sale of own shares		0,0		0,0		0,0
Other changes		0,0	0,0	0,0		0,0
Changes of shareholding in subsidiaries						
Acquisition of shares of non-controlling-interest, that didn't result in a change of controlling			0,0	0,0		0,0
<b>Equity 30.6.2021</b>	<b>0,7</b>	<b>20,8</b>	<b>-1,6</b>	<b>19,9</b>		<b>19,9</b>

# Notes

---

## 1. Accounting principles

The interim financial report was prepared in accordance with IAS 34 (Interim Financial Reporting), as adopted by the EU.

The Group's financial statements bulletin prepared in accordance with the International Financial Reporting Standards (IFRS) and the IAS 34 Interim Financial Reporting standard.

EAB Group's Chief Operating Decision Maker (CODM) is the Chief Executive Officer. Due to EAB Group's business model, nature of activities and governance structure, the reportable operating segment is the entire group. The Chief Operating Decision Maker assesses the profitability of operations at the level of the Group as a whole.

The figures presented in the financial statements bulletin are unaudited.

All figures have been rounded and consequently the sum of individual figures may deviate from the sum figure presented.

### Discretion used by management

The preparation of the financial statements in accordance with the IFRSs requires management to make estimates and assumptions that affect the valuation of the reported assets and liabilities and other information, such as contingent liabilities and the recognition of income and expenses in the income statement. The estimates are based on the management's best knowledge of current events and actions, and actual results may differ from the estimates.

The most significant areas where the Group's management has used discretion in the application of the accounting principles are related to the principles for the recognition of income from fees and carried interest income in particular. In addition, management has used discretion pertaining to assumptions used in impairment testing, the valuation of assets and liabilities and in recognising provisions for other uncertain risks or uncertain tax consequences.

## 2. New oncoming standards

There is not expected significant standard changes in the coming financial year, which will be expected effect to the accounting principles of group financial statement.

### 3. Key figures and formulas of key figures

#### Key figures

EUR million	1-6/2022	1-6/2021	1-12/2021
Operating income	14.8	10.5	22.2
Operating profit*	4.2	1.1	2.9
Operating profit, % of operating income	28.3	10.8	12.8
Profit for the period	3.3	0.8	2.1
Profit for the period, % of operating income	22.2	7.7	9.6
Earning/share (EPS), diluted	0.24	0.06	0.15
Comprehensive earning/share (EPS), diluted	0.24	0.06	0.15
<b>Alternative performance measures</b>			
Comparable operating income**	14.7	10.4	21.9
EBITDA	5.4	2.4	5.4
EBITDA, % of operating income	37.1	23.1	24.6
Earning per share capital, EUR	1.62	1.44	1.48
Return of equity (ROE), %	15.3	4.1	10.7
Return of assets (ROA), %	9.5	2.4	6.4
Equity ratio, %	62.6	57.7	61.4
Gearing ratio, %	22.5	30.9	22.1
Expense/income ratio, %	72.7	90.4	88.4
<b>Personnel and share data</b>			
Number of employees, end of period	95	93	89
Number of shares outstanding, end of period (1,000)	13,843	13,843	13,843
Number of shares outstanding, end of period, diluted (1,000)	13,812	13,805	13,806
Average number of shares (1,000)	13,843	13,843	13,843
Average number of shares (1,000), diluted	13,809	13,799	13,800

\* ) The accounting standard IAS 1 – Presentation of Financial Statements does not define the concept of operating profit. The Group has defined it as follows: Operating profit is the net amount of net operating income less employee benefits expense, other administrative costs, depreciation and impairments, other operating expenses and impairments on assets. Operating profit also includes a share of the profit or loss of associated companies.

\*\* ) Comparable operating income is based on net fees pertaining to funds administered on behalf of external parties, whereas reported operating income show these fees in gross terms.



## Formulas for key figures

### Operating profit, % of operating income

$$\frac{\text{Operating profit}}{\text{Operating income}} \times 100$$

### EBITDA, % of operating income

$$\frac{\text{Operating profit} + \text{Depreciation and amortization}}{\text{Operating income}} \times 100$$

### Earning/share (EPS), EUR not diluted and diluted

$$\frac{\text{Profit for the financial period to equity holders of parent company}}{\text{Adjusted number of shares, average over the financial period without own shares}}$$

### Equity per share

$$\frac{\text{Total equity attributable to equity holders of parent company}}{\text{Adjusted number of shares, average over the financial period without own shares}}$$

### Return of equity (ROE), %

$$\frac{\text{Tilikauden tulos}}{\text{Oma pääoma keskimäärin}} \times 100$$

### Koko pääoman tuotto (ROA), %

$$\frac{\text{Profit for the financial period}}{\text{Total equity on average}} \times 100$$

### Gearing ratio, %

$$\frac{\text{Total equity}}{\text{Total balance sheet}} \times 100$$

### Cost/income ratio, %

$$\frac{\text{Fee expenses} + \text{Interest expenses} + \text{Administrative expenses} + \text{Depreciation and amortization} + \text{Other operating expenses}}{\text{Operating income total} + \text{Share of associates' profit/loss (net)} + \text{Interest income}} \times 100$$

## 4. Breakdown of revenues

The assessment of contracts with a customer and recognition of operating income is based on a five-step model determining when and in which amount revenues are recognised. The model is based on the identification of the contract with a customer, identification of the performance obligations, determination of the transaction price, allocation of the transaction price and recognition of revenue. The Group's transaction prices are mainly fixed. Revenue from services is recognised when service is being rendered (over time) or after the service has been rendered (a single point in time).

A more detailed breakdown of the operating income categories is presented in the table. Most of the income from funds is recognised over time while service-related revenue is recognised on a single date after the service has been rendered.

EAB Group's income consists mainly of the asset and fund management fees. Part of the received fees is refunded to customers in the form of fee refunds. As a result, the asset and fund management fees and fee refunds included in the net income are recorded on a monthly

basis and are mainly invoiced in either one or three months periods. The fees are typically calculated over time based on the assets under management and the agreed fee percentage.

Fees from the sale of insurance products are recognized at one point in time when the contract is started.

EAB Group recognises revenue from carried interest when a fund has transferred to carry and to the extent carried interest is based on realised cash flows and management has estimated it being highly probable that there is no risk of repayment of carried interest back to the fund. Carried interest is recognised when EAB Group is entitled to it by the reporting date, has received a confirmation on the amount and is relatively close to receiving it in cash.

Carried interest is earned based on the same performance obligation as the management fee and is a variable consideration, which is subject to the "highly probable" constraint. The clawback risk is measured by using the expected value method, i.e. by calculating a probability weighted average of estimated alternative investment exit outcomes.

<b>Breakdown of operating income</b>	<b>1-6/2022</b>	<b>1-6/2021</b>	<b>1-12/2021</b>
Fees from UCITS funds	3.4	3.5	7.5
Fees from AI funds	2.8	2.5	5.5
Performance-based fees	4.4	0.3	0.9
Fees from discretionary wealth management	0.8	0.8	1.7
Fees from the sale of insurance products	0.5	0.4	0.8
Other investments service and brokerage incomes	1.7	2.0	3.5
Service income	1.3	1.0	2.2
Other income	0.0	0.1	0.1
<b>Total</b>	<b>14.8</b>	<b>10.5</b>	<b>22.2</b>

<b>Timing of performance obligations</b>	<b>1-6/2022</b>	<b>1-6/2021</b>	<b>1-12/2021</b>
A point in time	3.4	3.4	6.6
Over time	11.4	7.1	15.6
<b>Total</b>	<b>14.8</b>	<b>10.5</b>	<b>22.2</b>

## 5. Changes in group structure

On 13 May 2022, the Group company EAB Private Equity Oy established a subsidiary called Project Second GP Oy.

## 6. Book values of financial assets and liabilities by measurement categories

30.6.2022 EUR million	At fair value through the statement of income	Measured at amortised cost of financial assets	Measured at amortised cost of financial liabilities	Book values total
<b>Assets</b>				
Cash and cash equivalents		1.4		<b>1.4</b>
Trade receivables		6.6		<b>6.6</b>
Shares and units	1.9			<b>1.9</b>
Share issue receivables		0.1		<b>0.1</b>
<b>Total assets</b>	<b>1.9</b>	<b>8.2</b>	<b>0.0</b>	<b>10.1</b>
<b>Liabilities</b>				
Liabilities to credit institutions			3.7	<b>3.7</b>
Other liabilities incl. lease liabilities			2.3	<b>2.3</b>
Accounts payable			0.9	<b>0.9</b>
<b>Total liabilities</b>	<b>0.0</b>	<b>0.0</b>	<b>6.9</b>	<b>6.9</b>

Fair value levels 30.6.2022 EUR million	Level 1	Level 2	Level 3	Fair values total
<b>Assets</b>				
Cash and cash equivalents		1.4		<b>1.4</b>
Trade receivables		6.8		<b>6.8</b>
Shares and units	1.9			<b>1.9</b>
Share issue receivables		0.1		<b>0.1</b>
<b>Total assets</b>	<b>1.9</b>	<b>8.4</b>	<b>0.0</b>	<b>10.3</b>
<b>Liabilities</b>				
Liabilities to credit institutions		3.7		<b>3.7</b>
Other liabilities incl. lease liabilities		2.3		<b>2.3</b>
Accounts payable		0.9		<b>0.9</b>
<b>Total liabilities</b>	<b>0.0</b>	<b>6.9</b>	<b>0.0</b>	<b>6.9</b>

30.6.2021 EUR million	At fair value through the statement of income	Measured at amortised cost of financial assets	Measured at amortised cost of financial liabilities	Book values total
<b>Assets</b>				
Cash and cash equivalents		1.7		1.7
Trade receivables		9.1		9.1
Shares and units	1.0			1.0
Share issue receivables		0.1		0.1
<b>Total assets</b>	<b>1.0</b>	<b>11.0</b>	<b>0.0</b>	<b>12.0</b>
<b>Liabilities</b>				
Liabilities to credit institutions			5.5	5.5
Other liabilities incl. lease liabilities			2.4	2.4
Accounts payable			0.9	0.9
<b>Total liabilities</b>	<b>0.0</b>	<b>0.0</b>	<b>8.8</b>	<b>8.8</b>

Fair value levels 30.6.2021 EUR million	Level 1	Level 2	Level 3	Fair values total
<b>Assets</b>				
Cash and cash equivalents		1.8		1.8
Trade receivables		9.1		9.1
Shares and units	1.0			1.0
Share issue receivables		0.1		0.1
<b>Total assets</b>	<b>1.0</b>	<b>11.0</b>	<b>0.0</b>	<b>12.1</b>
<b>Liabilities</b>				
Liabilities to credit institutions		5.6		5.6
Other liabilities incl. lease liabilities		2.4		2.4
Subordinated loans		0.9		0.9
<b>Total liabilities</b>	<b>0.0</b>	<b>8.9</b>	<b>0.0</b>	<b>8.9</b>

### Level 1

Unadjusted quoted prices in active markets for identical assets.

### Level 2

The fair values of level 2 instruments are based to a significant degree on other input data than quoted prices included in level 1, but nevertheless data that are observable for the asset or liability item concerned either directly or indirectly.

### Level 3

Level 3 comprises financial instruments whose fair value is determined on the basis of input data concerning the asset or liability item, which are not based on observable market data but to a significant degree on management judgment and its application to generally accepted valuation models.

Level 1 comprises financial instruments whose market price is readily and regularly available from the stock exchange, market information service or supervisory authority. Level 1 financial instruments are shares in private equity or real estate funds.

Level 2 values are based on input market prices readily and regularly available from the stock exchange, broker, market information service system, market information service provider or supervisory authority. Level 2 financial instruments include fixed-income securities and over-the-counter (OTC) derivatives classified as financial assets/liabilities at fair value through profit or loss.

Level 3 includes financial instruments whose fair value is wholly or partly estimated using valuation methodologies relying on non-observable market data. Management discretion is used in the valuation of assets in accordance with the accounting principles.

## 7. Off-balance-sheet commitments

	30.6. 2022	30.6. 2021
Undrawn credit facilities	1.0	1.0

## 8. Related-party transactions

The company's related parties include entities with significant control over the company, its subsidiaries, associates, members of the Board of Directors and Executive Group, including the CEO and Deputy CEO. In addition, related parties include the close family members of persons belonging to related parties and entities controlled solely or jointly by a person belonging to related parties.

### Related-party transactions with the company's related parties

	1-6/2022	1-6/2021
Sales		
To subsidiaries and associates	0.0	0.0
To company's key personnel	0.0	0.0
<b>Total sales to related parties</b>	<b>0.0</b>	<b>0.0</b>
Purchases		
From company's key personnel	0.8	0.4
<b>Total purchases from related parties</b>	<b>0.8</b>	<b>0.4</b>
Trade receivables		
From subsidiaries and associates	0.0	0.0
From company's key personnel	0.0	0.0
<b>Total trade receivables</b>	<b>0.0</b>	<b>0.0</b>
Loans and interest income receivables		
From subsidiaries and associates	0.6	0.5
From company's key personnel	0.0	0.1
<b>Total loans and interest income receivables</b>	<b>0.6</b>	<b>0.6</b>
Loans and interest payable		
From subsidiaries and associates	0.5	0.4
<b>Total loans and interest payable</b>	<b>0.5</b>	<b>0.4</b>
Other receivables		
From company's key personnel	0.0	0.0
<b>Total other receivables</b>	<b>0.0</b>	<b>0.0</b>
Trade payables		
To company's key personnel	0.0	0.3
<b>Total trade payables</b>	<b>0.0</b>	<b>0.3</b>

#### HEAD OFFICE

##### HELSINKI

Kluuvikatu 3 (3rd Floor)  
00100 HELSINKI, FINLAND

#### OTHER OFFICES

##### HÄMEENLINNA

Innopark, Vankanlähde 7  
13100 Hämeenlinna

##### JOENSUU

Siltakatu 12 B  
80100 Joensuu

##### JYVÄSKYLÄ

Kauppakatu 18 C  
40100 Jyväskylä

##### KUOPIO

Puijonkatu 19 A  
70100 Kuopio

##### LAHTI

Aleksanterinkatu 17 A  
15110 Lahti

##### LAPPEENRANTA

Oksasenkatu 8 B  
53100 Lappeenranta

##### OULU

Kirkkokatu 17 B  
90100 Oulu

##### SEINÄJOKI

Kalevankatu 9 B  
60100 Seinäjoki

##### TAMPERE

Keskustori 5 C  
33100 Tampere

##### TURKU

Linnankatu 9 B  
20100 Turku

##### VAASA

Vaasanpuistikko 13  
65100 Vaasa

##### VANTAA

Äyritie 8 E  
01510 Vantaa

#### Elite Alfred Berg

Kluuvikatu 3 (3rd Floor), 00100 Helsinki, Finland

**PHONE** +358 201 558 610

**WWW** [eabgroup.fi](http://eabgroup.fi)

**E-MAIL** [customerservice@eabgroup.fi](mailto:customerservice@eabgroup.fi)