

EVLI BANK PLC: FINANCIAL REVIEW 1-9/2021

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EVLI

Highlights for the period

FINANCIAL PERFORMANCE

- Fees and commissions grew strongly
- Group level net revenue reached EUR 80.6 million (EUR 51.6 million)
- Operating profit exceeded previous full-year level reaching EUR 36.9 million (EUR 15.5 million)
- Recurring revenue at 136% (128%)

STRATEGY

- AUM reached new all-time high at EUR 16.8 billion
- International AuM reached 30% of Evli funds
- Net subscriptions of alternative funds close to EUR 330 million
- Multiple new alternative product launches planned for Q4
- Incentive business continued to grow strongly

MARKET ENVIRONMENT

- Stock markets have continued on growth trajectory, however showing signs of cooling off towards the end of Q3
- Strong expectations towards global growth as vaccinations proceed and economies open up after COVID-19 lockdowns
- Fears of sudden inflation lingering, central banks however calm

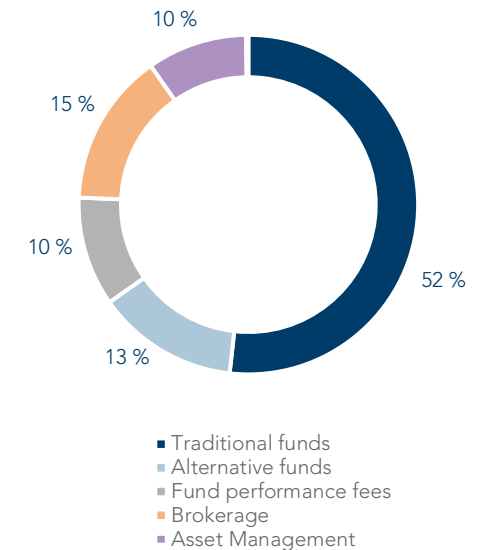
Wealth Management & Investor Clients

- Net revenues increased 43% to EUR 62.7 million (EUR 43.7 million)
- Operating profit increased 90% to EUR 29.7 million (EUR 15.6 million)

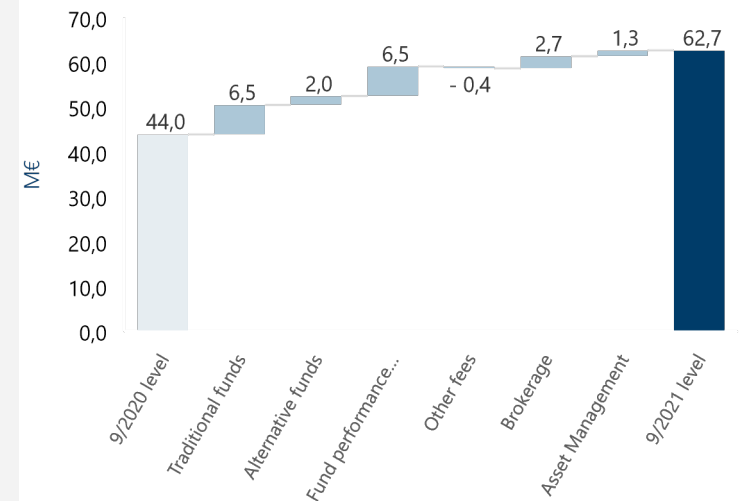
- AUM EUR 16.8 billion (EUR 13.6 billion)
 - Discretionary asset management EUR 5.8 billion (EUR 5.0 billion)
 - Mutual funds EUR 7.6 billion (EUR 6.0 billion)
 - Alternative investment funds EUR 1.4 billion (EUR 1.0 billion)
 - EUR 2.0 billion from subsidiaries and associated companies (EUR 1.6 billion)

- Fundraising to alternatives according to expectations
 - Evli Infrastructure Fund I raised EUR 51 million
 - Evli Impact Forest Fund I raised EUR 32 million
 - Evli Private Equity I raised EUR 67 million
 - Evli Private Debt Fund I raised EUR 59 million
 - Evli Growth Partners II raised EUR 50 million
 - Evli Leverage Loan raised EUR 55 million

Split of Wealth Management fees 1-9/2021



Development of Investor client commission

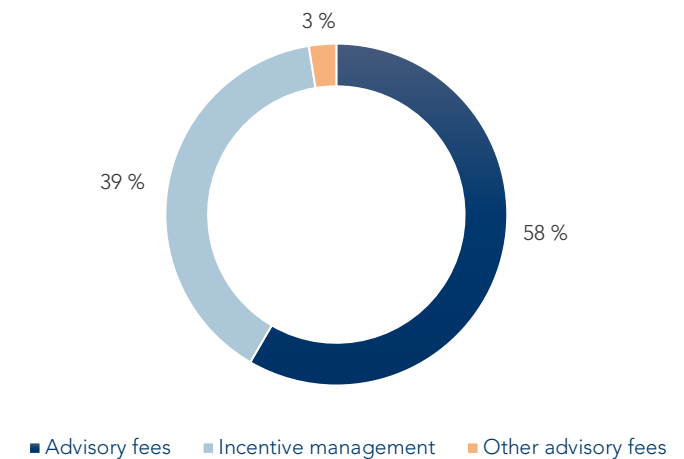


Advisory & Corporate Clients

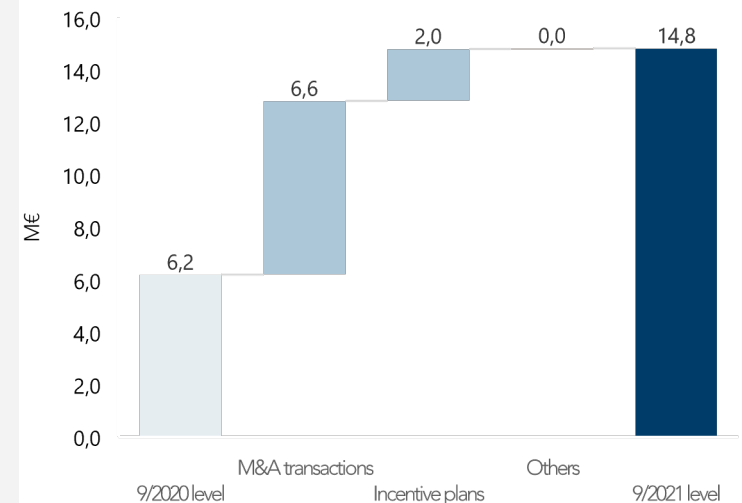
- Net revenues increased 130% to EUR 14.8 million (EUR 6.4 million)
- Operating profit increased to EUR 6.5 million (EUR 1.2 million)
- Corporate Finance advisory fees grew to EUR 8.7 million (EUR 2.0 million)
 - Acted as advisor in 15 published transactions during review period, of which 4 during Q3
 - Client activity has picked up significantly after a difficult year
 - Mandate base on a good level

- Incentive business revenues increased to EUR 5.8 million (EUR 3.8 million)
 - Revenue development driven by an increase in the number of client companies
 - Strategic drive to grow among non-listed and Swedish companies progressing well
 - The company is responsible for the management of some 100 incentive plans and acts as an advisor to about 120 companies in reward-related planning annually

Split of advisory commissions 1-9/2021



Development of advisory commissions

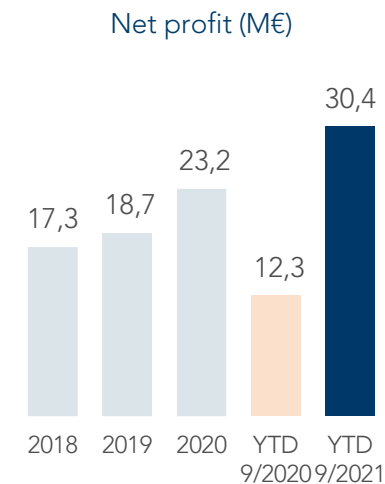
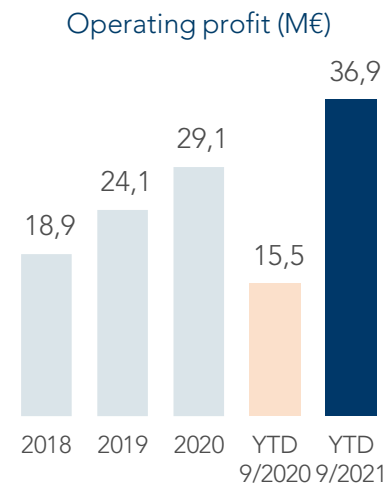
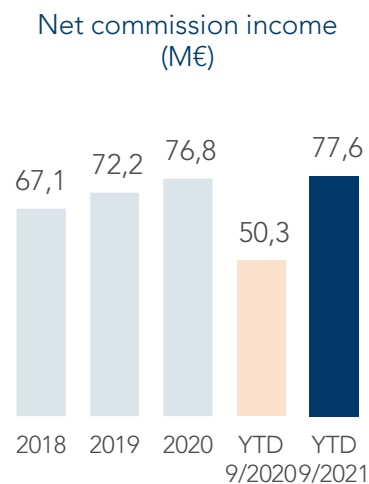
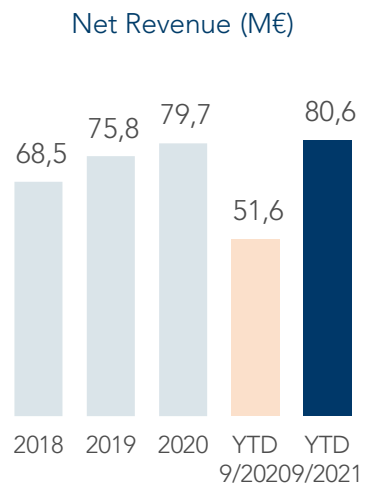


Financial figures 1-9/2021



EVLI

Financial development 2018-2021



KPIs 30.9.2021

Return on Equity
(Target >15%)

36.7%

Recurring revenue ratio
(target >100%)

136%

Assets Under Management

16.8

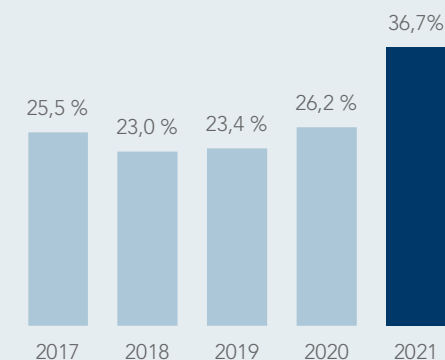
Net Commissions

77.6

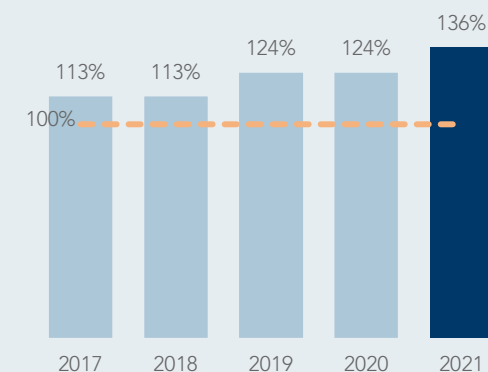
Key figures

	9/2021	9/2020	2020	2019	2018
Profitability key figures					
Return on equity (ROE), %	36,7	19,8	26.2	23.4	23.0
Return on assets (ROA), %	5,3	1,7	2.7	2.1	1.9
Balance sheet key figures					
Equity-to-assets ratio, %	16,7	8,1	12.3	8.9	9.5
Capital adequacy ratio, %	16.1	15,5	15.2	15.1	16.2
Key figures per share					
Earnings per Share (EPS), fully diluted, €	1,02	0,46	0.87	0.71	0.68
Comprehensive Earnings per Share (EPS), fully diluted, €	1,02	0,46	0.88	0.71	0.67
Dividend/share, €	-	-	0.73	0.66	0.61
Equity per share, €	5,01	3,40	3.86	3.40	3.27
Share price at the end of the period, €	24,40	10,00	12.20	10.40	7.28
Other key figures					
Expense ratio	0,54	0,70	0.63	0.68	0.72
Recurring revenue ratio, %	136	128	124	124	113
Personnel at the end of the period	282	258	261	249	254
Market value, M€	588,3	241,1	294.1	248.6	172.5

Return on Equity (%)



Proportion of recurring revenue to operating expenses (%)



Profit and Loss Statement

M€	7-9/2021	7-9/2020	1-9/2021	1-9/2020	Change, %	2020	2019	2018
Net interest	0,0	-0,1	0,1	0,2	-25%	0.2	0.3	0.7
Net commissions	23,7	16,8	77,6	50,2	54%	76.8	72.2	67.1
Net income from securities trading and FX	1,1	1,8	2,9	1,0		2.4	3.2	0.7
Other operative income	0,0	0,1	0,0	0,2	-	0.2	0.1	0.1
NET REVENUE	24,8	18,7	80,6	51,6	56%	79.7	75.8	68.5
Personnel expenses	-7,5	-7,5	-27,0	-21,6	25%	-30.5	-30.4	-27.9
General expenses	-3,7	-2,6	-11,8	-9,1	30%	-12.5	-14.0	-15.9
Depreciations and amortizations	-1,3	-1,5	-3,7	-4,5	-16%	-5.7	-3.5	-2.1
Other operative expenses	-0,2	-0,2	-1,2	-0,9	34%	-1.7	-3.7	-3.6
Impairment losses	0,0	0,0	0,0	-0,1		-0.1	-0.1	0.0
NET OPERATING PROFIT/LOSS	12,1	6,9	36,9	15,5	139%	29.1	24.1	18.9
Share of profit/loss of associates	0,2	0,2	0,5	0,3		0.4	-0.6	2.6
Taxes	-1,7	-1,4	-7,0	-3,5		-6.3	-4.9	-4.2
PROFIT/LOSS FOR THE PERIOD	10,5	5,6	30,4	12,3		23.2	18.7	17.3
Attributable to								
Non-controlling interest	1,0	0,7	5,4	1,3		1.9	1.4	1.3
Equity holders of parent company	9,5	4,9	25,0	11,0		21.3	17.3	16.0

Balance Sheet

ASSETS, M€	30.9.2021	30.9.2020	LIABILITIES, M€	30.9.2021	30.9.2020
Liquid assets	310,7	350,0	Liabilities to credit institutions and central banks	0,0	19,3
Debt securities eligible for refinancing with central banks	33,5	33,9	Liabilities to the public and public-sector entities	391,1	441,2
Claims on credit institutions	87,2	79,1	Debt securities issued to the public	91,1	134,2
Claims on the public and public-sector entities	108,8	105,0	Derivative contracts and other trading liabilities	17,1	41,6
Debt securities	0,7	30,2	Other liabilities	96,6	293,5
Shares and participations	58,8	63,4	Accrued expenses and deferred income	30,2	22,3
Participating interests	3,0	4,1	Deferred tax liabilities	0,0	0,0
Derivative contracts	17,3	41,4	LIABILITIES TOTAL	626,1	952,1
Intangible assets	14,2	16,5			
Property, plant and equipment	1,4	1,4	Equity to holders of parent company	119,7	80,9
Other assets	112,5	306,2	Non-controlling interest in capital	5,7	3,0
Accrued income and prepayments	3,2	4,3	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	751,5	1 036,0
Deferred tax assets	0,1	0,4			
TOTAL ASSETS	751,5	1 036,0			

Focus in Q4/2021

1. Multiple product launches planned for Q4
2. Developing alternative sales in Sweden
3. Preparations for EGM on the partial demerger of banking entity and asset management group

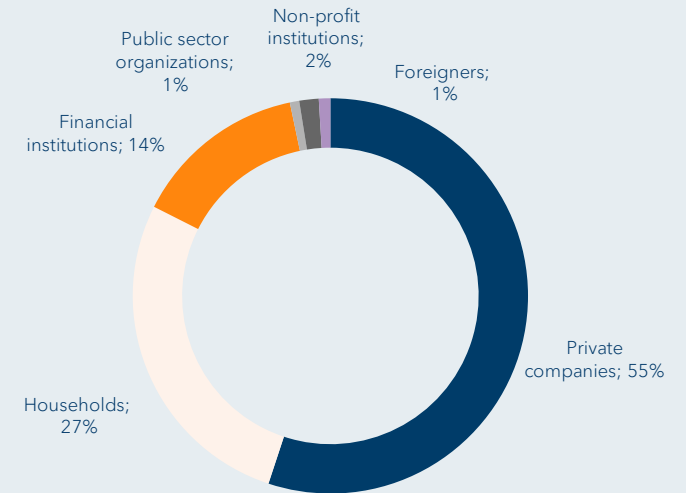


Share price development and trading volume

Share price development and trading volume* 1.1.2021-30.9.2021



Breakdown of shareholdings by owner group
30.9.2021**



Listed on Nasdaq Helsinki 2015

Market cap M€ 588.3***

Registered shareholders 5,725***

Source: Nasdaq OMX Helsinki
*Series B shares **Excluding 2% nominee registered ***30.9.2021

Outlook for 2021 maintained

We expect 2021 profit to clearly exceed previous years level

➤ Supporting factors

- Assets under management at all time high
- More stable alternative investments grown to form a good part of assets under management
- Increased customer demand towards Evli's products and services

➤ Challenges

- Risks related to common stock and fixed-income markets remain
- Potential decrease in asset values would impact negatively company's profitability
- Uncertainty related to advisory fees and development of Evli's own investment portfolio

