

EVLI BANK PLC: FINANCIAL REVIEW 1-3/2021

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EVLI

Q1 Highlights – Excellent quarter

FINANCIAL PERFORMANCE

- Net revenue grew in each segment
- Group level net revenue at EUR 27.1 million (EUR 14.2 million)
- Operating profit grew over five-fold to EUR 11.8 million (EUR 2.1 million)
- Recurring revenue at 117% (118%)

STRATEGY

- AUM reached new alltime high at EUR 15 billion
- After difficult COVID year, growth from international markets
- Net subscriptions to alternative funds over EUR 70 million
- Incentive business attracted customers among non-listed and Swedish clientele
- New ESG reports launched. Evli's funds among the most green in Europe

MARKET ENVIRONMENT

- Stock markets reached all time highs in Q1
- Expectations towards global growth have increased as vaccination proceeds and economies begin to open up again
- Fear of sudden inflation linger, central banks however calm

Wealth Management & Investor Clients

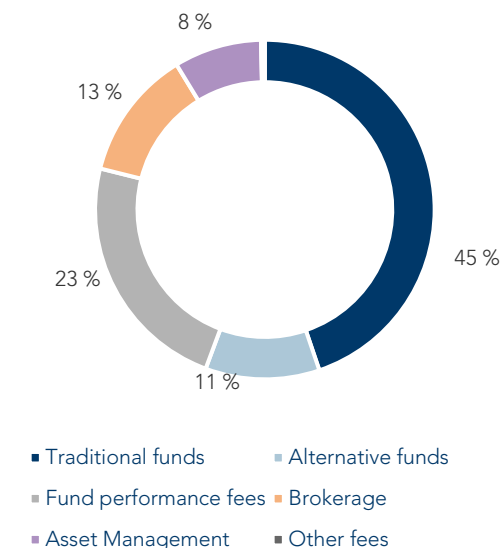
- Net revenues increased 40% to EUR 22.0 million (EUR 15.7 million)
- Operating profit increased 72% to EUR 10.6 million (EUR 6.2 million)

- AUM EUR 15.0 billion (EUR 12.2 billion)
 - Discretionary asset management EUR 5.5 billion (EUR 4.7 billion)
 - Mutual funds EUR 6.5 billion (EUR 5.2 billion)
 - Alternative investment funds EUR 1.2 billion (EUR 0.9 billion)
 - EUR 1.8 billion from subsidiaries and associated companies (EUR 1.4 billion).

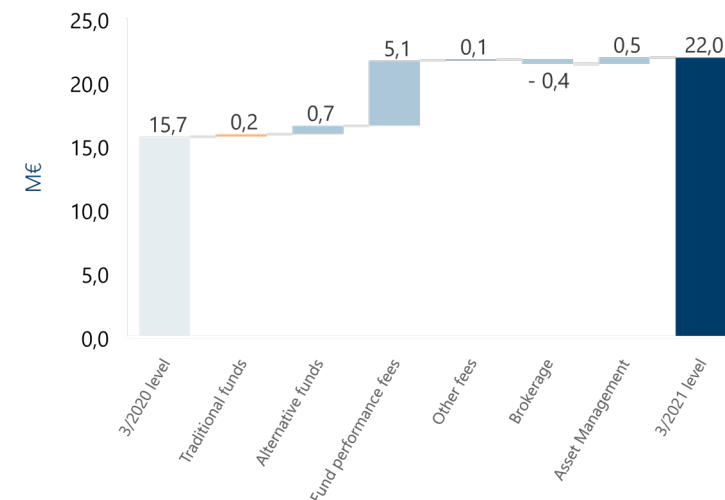
- Fundraising to alternatives according to expectations
 - Evli Infrastructure Fund I raised EUR 20 million in Q1
 - Evli Impact Forest Fund I raised EUR 15 million
 - Evli Private Equity I raised EUR 30 million

- Commission income from brokerage products below previous year levels as sale of structured notes more quiet compared to exceptional comparison period

Split of Wealth Management fees 1-3/2021



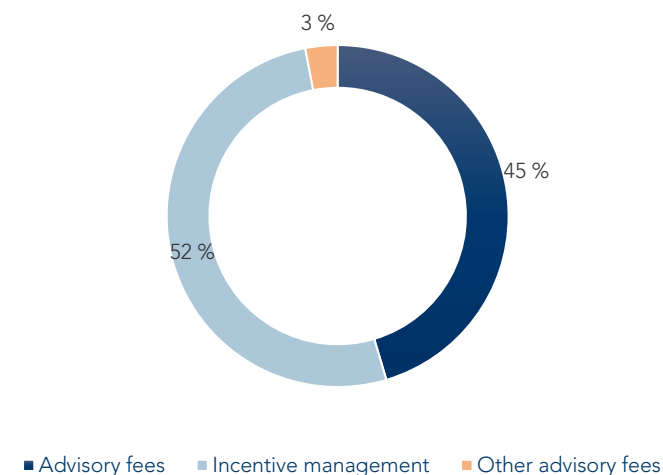
Development of Investor client commission



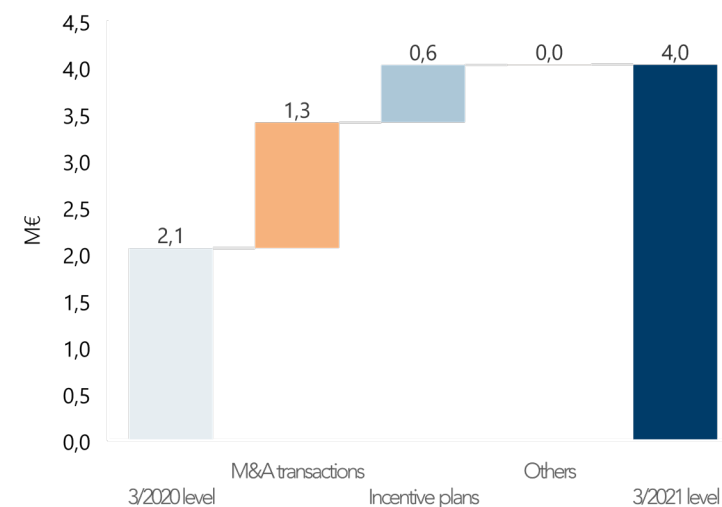
Advisory & Corporate Clients

- Net revenues almost doubled to EUR 4.0 million (EUR 2.1 million)
- Operating profit increased to EUR 1.1 million (EUR 0.4 million)
- Corporate Finance advisory fees grew to EUR 1.8 million (EUR 0.5 million)
 - Acted as advisor in six published transactions during Q1
 - Client activity has picked up significantly after a difficult year
 - Mandate base on a good level
- Incentive business revenues increased to EUR 2.1 million (EUR 1.5 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 90 incentive plans and acts as an advisor to about 100 companies in reward-related planning annually

Split of advisory commissions 1-3/2021



Development of advisory commissions

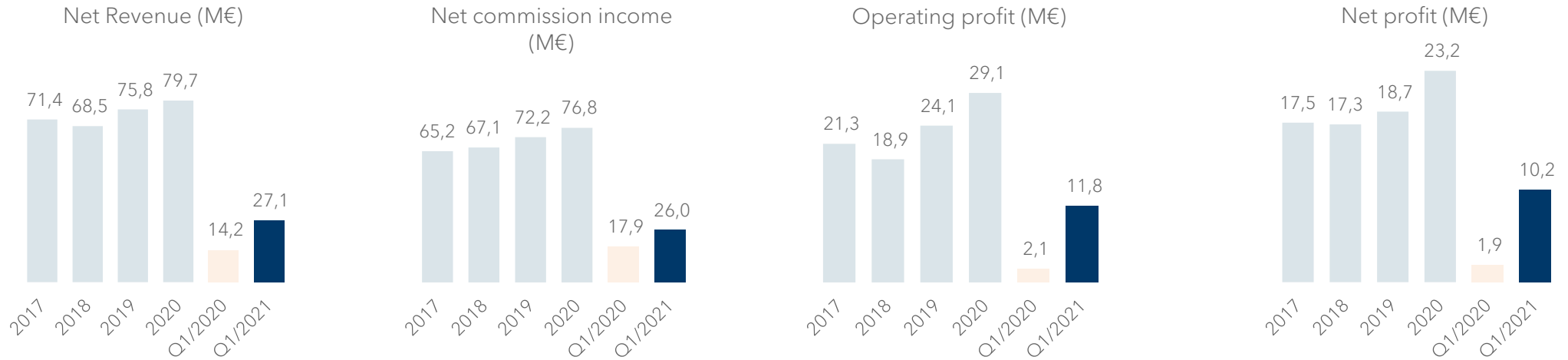


Financial figures 1-3/2021



EVLI

Financial development 2017-2021



KPIs 31.3.2021

Return on Equity
(Target >15%)

40.6%

Recurring revenue ratio
(target >100%)

117%

Assets Under management

15.0

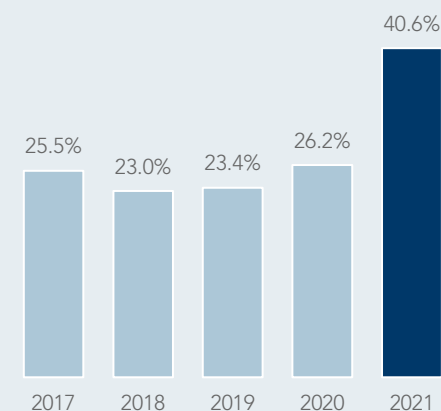
Net Commissions

26.0

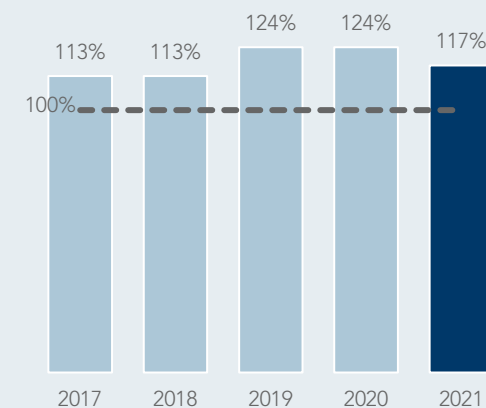
Key figures

	Q1 2021	Q1 2020	2020	2019	2018	2017
Profitability key figures						
Return on equity (ROE), %	40.6	10.1	26.2	23.4	23.0	25.5
Return on assets (ROA), %	5.2	0.7	2.7	2.1	1.9	2.0
Balance sheet key figures						
Equity-to-assets ratio, %	13.2	5.1	12.3	8.9	9.5	7.6
Capital adequacy ratio, %	16.2	14.6	15.2	15.1	16.2	15.0
Key figures per share						
Earnings per Share (EPS), fully diluted, €	0.34	0.07	0.87	0.71	0.68	0.72
Comprehensive Earnings per Share (EPS), fully diluted, €	0.35	0.07	0.88	0.71	0.67	0.69
Dividend/share, €	-	-	0.73	0.66	0.61	0.52
Equity per share, €	4.17	2.80	3.86	3.40	3.27	3.10
Share price at the end of the period, €	16.20	7.40	12.20	10.40	7.28	9.60
Other key figures						
Expense ratio	0.57	0.85	0.63	0.68	0.72	0.70
Recurring revenue ratio, %	117	118	124	124	113	113
Personnel at the end of the period	269	249	261	249	254	240
Market value, M€	390.6	176.9	294.1	248.6	172.5	224.9

Return on Equity (%)



Proportion of recurring revenue to operating expenses (%)



Profit and Loss Statement

M€	1-3/2021	1-3/2020	2020	2019	2018	2017
Net interest	0.1	0.0	0.2	0.3	0.7	0.9
Net commissions	26.0	17.9	76.8	72.2	67.1	65.2
Net income from securities trading and FX	1.0	-3.7	2.4	3.2	0.7	4.9
Other operative income	0.0	0.0	0.2	0.1	0.1	0.4
NET REVENUE	27.1	14.2	79.7	75.8	68.5	71.4
Personnel expenses	-9.6	-6.6	-30.5	-30.4	-27.9	-28.9
General expenses	-3.9	-3.6	-12.5	-14.0	-15.9	-15.1
Depreciations and amortizations	-1.1	-1.5	-5.7	-3.5	-2.1	-2.3
Other operative expenses	-0.7	-0.2	-1.7	-3.7	-3.6	-3.9
Impairment losses	0.0	-0.2	-0.1	-0.1	0.0	0.0
NET OPERATING PROFIT/LOSS	11.8	2.1	29.1	24.1	18.9	21.3
Share of profit/loss of associates	0.3	0.2	0.4	-0.6	2.6	0.6
Taxes	-1.9	-0.4	-6.3	-4.9	-4.2	-4.3
PROFIT/LOSS FOR THE PERIOD	10.2	1.9	23.2	18.7	17.3	17.5
Attributable to						
Non-controlling interest	1.8	0.3	1.9	1.4	1.3	0.8
Equity holders of parent company	8.4	1.6	21.3	17.3	16.0	16.7

Balance Sheet

ASSETS, M€	31.3.2021	31.3.2020	LIABILITIES, M€	31.3.2021	31.3.2020
Liquid assets	350.9	454.6	Liabilities to credit institutions and central banks	7.3	48.9
Debt securities eligible for refinancing with central banks	37.1	46.4	Liabilities to the public and public-sector entities	415.9	671.9
Claims on credit institutions	63.5	101.7	Debt securities issued to the public	121.6	151.7
Claims on the public and public-sector entities	112.6	110.2	Derivative contracts and other trading liabilities	38.3	107.5
Debt securities	2.0	163.7	Other liabilities	80.8	262.7
Shares and participations	67.9	42.4	Accrued expenses and deferred income	24.5	17.8
Participating interests	3.1	4.0	Deferred tax liabilities	0.0	0.0
Derivative contracts	35.2	107.6	LIABILITIES TOTAL	688.5	1,260.4
Intangible assets	15.4	13.3	Equity to holders of parent company	100.6	66.2
Property, plant and equipment	1.4	1.8	Non-controlling interest in capital	4.5	1.4
Other assets	101.3	277.0	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	793.6	1,327.9
Accrued income and prepayments	3.2	3.9			
Deferred tax assets	0.1	1.4			
TOTAL ASSETS	793.6	1,327.9			

Focus in Q2 2021

1. Alternative investment funds – introduction of new asset classes

- Grow products that are open, develop and introduce new products

2. International sales

- Emphasis on leveraging existing markets
- Building our presence in Sweden

3. Strengthening our position in the domestic market

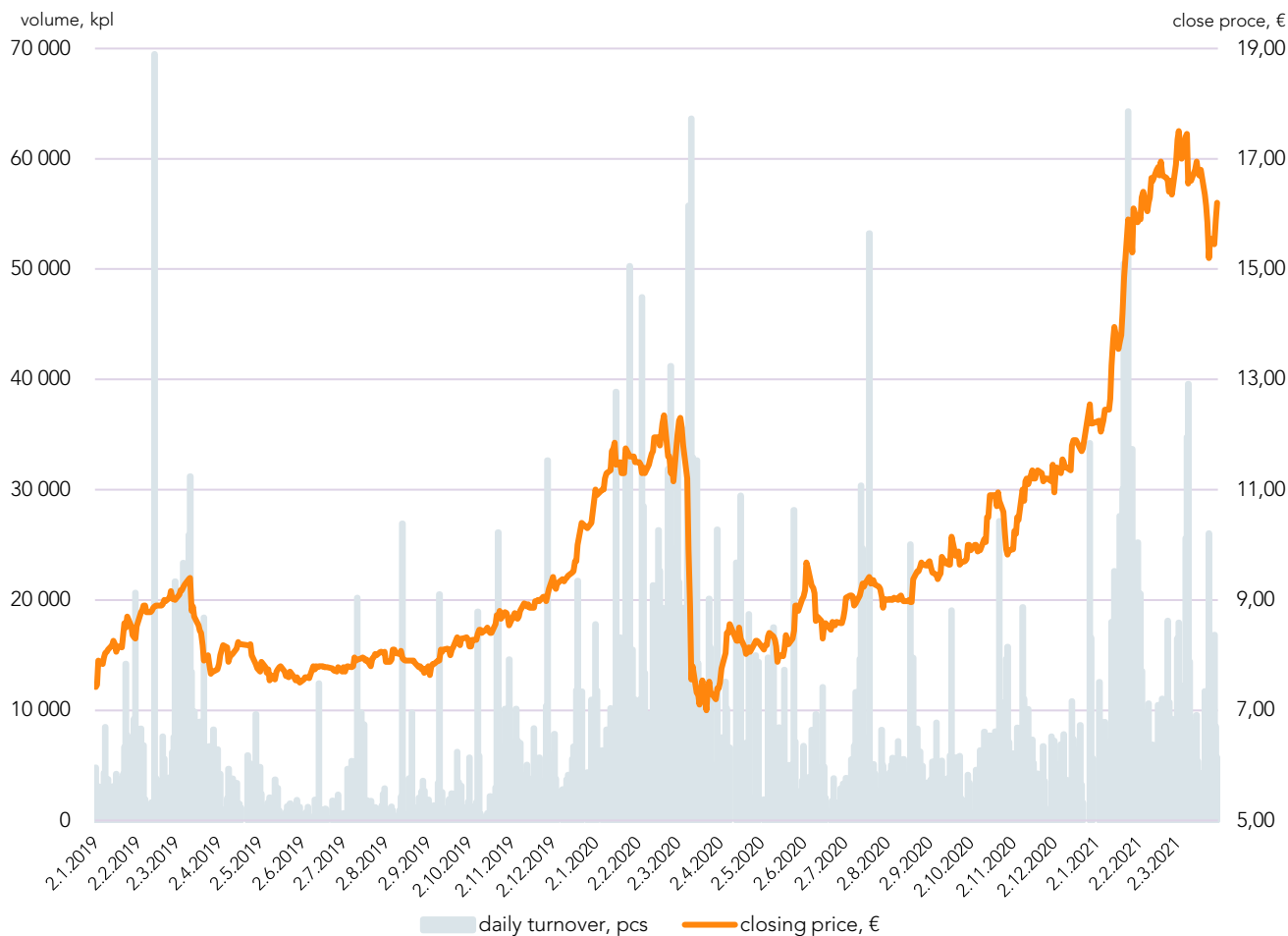
- Increase client base both among private and institutional clients
- Broadening incentive offering towards non-listed companies and cross sales among existing clients

4. Decision based on strategy review of banking business

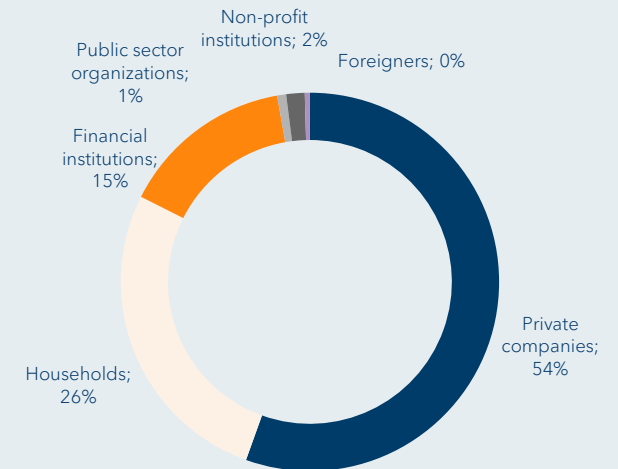


Share Price Development and Trading Volume

Share price development and trading volume* 1.1.2019-31.3.2021



Breakdown of shareholdings by owner group
31.3.2021**



Listed on Nasdaq Helsinki 2015

Market cap M€ 390.6***

Registered shareholders 5,484***

Outlook for 2021

We expect 2021 profit to exceed previous years level

➤ Supporting factors

- Assets under management at new 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



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