



EAB Group Plc's  
Closing Accounts  
1-9/2022

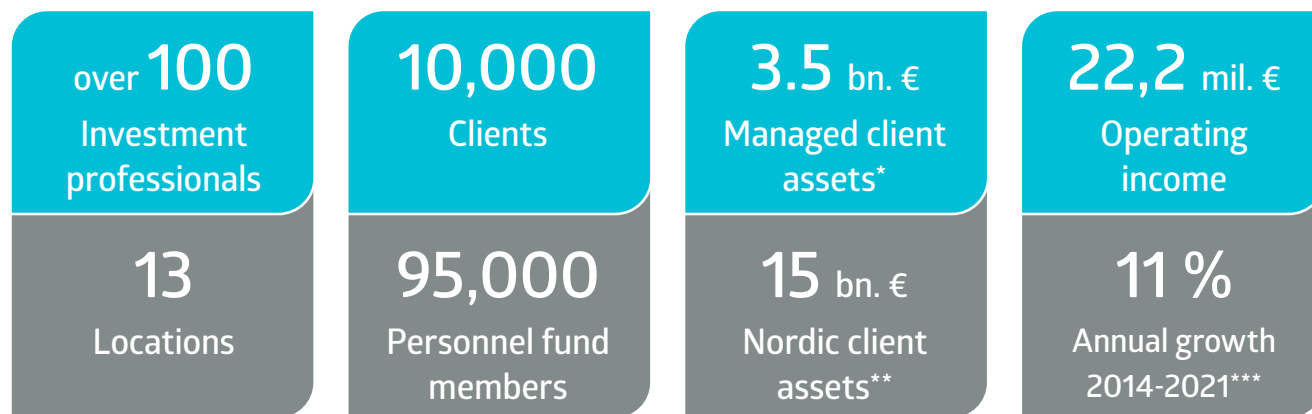
## EAB Group Plc's Closing Accounts 30.9.2022

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# Elite Alfred Berg in brief

Elite Alfred Berg (the EAB Group) was an expert in investments that's mission was to help private individuals, professional investors and companies in Finland manage their assets comprehensively, systematically, and responsibly. The Group had more than 10,000 customers. On behalf of its clients, the Group managed assets worth approximately EUR 3.4 billion. Elite Alfred Berg collaborated in portfolio management with Alfred Berg Norway and Sweden. The combined client assets in the Nordic countries amounted to EUR 15 billion. The Group included the leading provider of personnel funds in Finland, Elite Palkitsemispalvelut Oy, which has 95,000 personnel fund members. At EAB, the customers were 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.

## #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 is now part of Evli Plc

EAB Group Plc merged with Evli Plc on October 1, 2022. The purpose of the merger is to create Finland's leading asset management and investment services company. As a result of the arrangement, the company's clients will have access to an even more comprehensive range of products and services, as well as the combined company's extensive and recognized expert resources.

Evli and EAB are united by their deep commitment to and focus on responsible investing and the provision of sustainable investment solutions. As a result of the merger, Evli will be able to offer an even more extensive range of alternative investment products, digital service solutions, and remuneration and personnel fund services in addition to its comprehensive range of more traditional asset management services. Expert, sales and customer service resources will also be reinforced in Finland.

Evli will continue to distribute BNP Paribas Asset Management's products on an exclusive basis in Finland.

## Result in brief

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### EAB Group Plc's closing accounts January–September 2022

# The Company's operating income increased by 69%, and its result for the period was EUR 1.9 million

In January–September 2022, the EAB Group Plc's (hereinafter "EAB" or the "Company") operating income increased by 69%, and its result improved by 512% year-on-year as a result of higher operating income. The Company's operating income increased mainly due to exits from assets in certain real estate funds and was EUR 8.4 million (EUR 5.0 million in the comparison period).

The Company's operating income was EUR 8.4 million in January–September 2022 (EUR 5.0 million in January–September 2021), and its result for the review period was EUR 1.9 million (EUR 0.3 million). The Company's operating profit was EUR 2.5 million (EUR 0.5 million). Income from parent company fees accounted for EUR 6.1 million (EUR 4.9 million). Performance-based fees from real estate funds amounted to EUR 2.3 million (EUR 0.0 million).

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

- Operating income increased by 69%, totalling around EUR 8.4 million (EUR 5.0 million).
- The operating profit was around EUR 2.5 million (EUR 0.5 million).
- The result for the period was around EUR 1.9 million (EUR 0.3 million).

The Company's business operations continued to perform well during the first three quarters of the year thanks to its continuing operations and exits from assets in certain real estate funds. The systematic cost discipline exercised by the Company in recent years has contributed positively to keeping the growth of expenses very moderate compared to business growth. However, the company reported a noticeable increase in expenses for the reporting period, which was largely due to the preparation for the merger with Evli.

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

## The Group's key figures in brief

Yhtiön tunnusluvut	1-9/2022	1-9/2021
Operating income, EUR million	8.4	5.0
Operating profit, EUR million	2.5	0.5
Operating profit, % of operating income	30.2	10.8
Result for the period, EUR million	1.9	0.3
Result for the period, % of operating income	22.6	6.2
Earnings per share, diluted, EUR	0.14	0.02
Comprehensive earnings per share, diluted, EUR	0.14	0.02
Return on equity (ROE), %	8.3	1.3
Return on assets (ROA), %	4.8	0.7

At the end of September 2022, EAB had 5 employees (19 on 30 September 2021), of whom all had a permanent employment contracts.

## Daniel Pasternack, CEO

The year 2022 has been 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 most of all 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, EAB's business has went very well during the first three quarters of the financial year. 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 first three quarters of the year was €1.9 million, by far our best ever. 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 merger was implemented on 1 October 2022. The merger plan was approved at extraordinary general meetings of both companies on 14 July 2022. We have for long 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

Market development was twofold in the third quarter of 2022. Market recovery began July and lasted until mid-August, when the markets began to decline again and mostly decreased to a level lower than that in July. In July and early August, there were increasing expectations that central banks would tighten their monetary policy more moderately in the autumn. These expectations took a hit when central banks broadly and resolutely signalled their intention to restore price stability at almost any cost and push inflation back to a more sustainable level. Combined with the news about the weakening macroeconomy, this eventually caused the markets to decline. In our opinion, the economic outlook continues to weaken, and the risks of recession are growing. This means that the growth outlook for companies' results for the rest of the year is declining, and there is an increasing risk that growth will be weaker than expected.

The market downturn in late August was largely due to a speech given by Jerome Powell, Chair of the Board of Governors of the Fed, in Jackson Hole in Wyoming. The general tone of his speech was markedly more aggressive than expected. Powell gave a strong commitment to stopping inflation and warned that he was expecting the Fed to continue interest rate hikes in a way that would cause "some pain" to the US economy. Even after four consecutive interest rate hikes, Powell said it was not the right time to stop the normalisation of monetary policy. Higher interest rates, slower growth and a weaker labour market reduce inflation, but according to the Fed, they also cause pain to households and businesses. September did not alleviate this situation. Instead, central banks' tighter monetary policy and concerns about a recession continued to be the dominating narratives in the investment market.

Caution has increased somewhat in the real estate market. Despite this, the impacts have so far been moderate, and there is no sign of any change in transaction market activity. The rental market has also been active during the autumn. The impacts of higher interest rates or inflation are smaller on industrial, warehouse and commercial properties and office development projects than they are on investments in housing, properties for public use or prime offices. Real estate continues to generate good returns, and active players are being successful in both the property and investment markets.

Partly due to the challenging market situation, corporate acquisition activity is slightly lower than in 2021, and processes have been cancelled or postponed to some extent, but overall activity remains at a good level. The investment commitments collected in new funds by capital investors over the last few years are highly likely to keep activity at a good level in the near future, especially because public listing as an exit method is currently very challenging, as the listing window is practically closed.

During the first three quarters of 2022, the operating environment changed as a result of both the war in Ukraine and 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 adopted regulation packages. In particular, the implementation of sustainable finance regulation in the Group's operations and products continued during the review period.

The development of the stock market and other markets also affected the Group's operations, causing the value of nearly all asset items to decrease. 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 in taxation took place during the first half of the year that would have a significant impact on the Group's operations or the demand for its services.

## Development of operating income and result

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During the review period, the Company's operating income increased by 69% year-on-year, amounting to EUR 8.4 million (EUR 5.0 million). The positive trend was mainly due to exits from assets in certain real estate funds, while other fees grew slightly less.

The fees received from the group's management services continued to grow (24 percent) and amounted to EUR 6.1 million (EUR 4.9 million).

The total costs for the review period, including depreciation and amortisation, amounted to EUR 5.9 million (EUR 4.4 million). The increase in costs was largely due to the merger with Evli (consulting costs, write-offs of fixed assets etc.). The increase in total costs was somewhat compensated by the decrease in personnel costs, which was largely due to the decrease in the number of personnel as most of the Company's personnel was transferred to other group companies at the beginning of this year. The Company's personnel expenses totalled EUR 0.7 million (EUR 1.3 million) and its administrative expenses amounted to EUR 2.0 million (EUR 1.4 million). The Company's other operating expenses amounted to EUR 2.5 million (EUR 0.9 million). The increase was due to write offs of fixed assets and loan receivables, the combined effect of which was EUR 1.3 million. The Company's depreciation, amortisation and impairment amounted to EUR 0.7 million (EUR 0.8 million). EAB's cost-to-income ratio was 70% (90%).

The Company's operating profit for the review period was EUR 2.5 million (EUR 0.5 million). The operating profit margin was 30.2% (10.8%). The result for the review period was EUR 1.9 million (EUR 0.3 million).



## Material events during the period

During the period, EAB Group's future steps gained a new direction as Evli Plc and EAB Group Plc announced the intention to combine their operations. EAB merged with Evli on 1 October 2022.

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 14 July 2022. The EGM resolved on the merger of EAB into Evli through a statutory absorption merger. Additionally, the General Meeting authorised the Board to resolve upon a distribution of dividend.

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.

In August, EAB published the Notice to the second Extraordinary General Meeting held at Borenius' premises in Helsinki on 26 August 2022. The General Meeting resolved to adopt the interim financial statements of the Parent Company and the consolidated financial statements of the Group for the financial period 1 January to 30 June 2022.

In August, the Company's Board of Directors decided on an extra distribution of dividend in accordance with the combination agreement between EAB and Evli. An extra dividend of EUR 0.17 per share was resolved to be distributed as dividend from the Company's retained earnings.

In September, EAB announced that it shall commence change negotiations in accordance with the Co-operation Act, upon request of Evli Plc. The negotiations were informed to involve personnel of EAB Group Plc, EAB Varainhoito Oy, EAB Rahastoyhtiö Oy and Elite Vakuutuspalvelu Oy, which were becoming part of Evli Group.

In the end of September, the Group announced that the conditions of the completion of the Merger had been fulfilled, that the boards of Evli and EAB had decided to register the completion of the Merger with the Finnish Trade Register and that the Merger was to become effective on 1 October 2022.

## Personnel

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There were 5 employees in the Company at the end of September 2022 (at September 30, 2021, the number of employees was 19) and all of them had permanent employment relationships. The decrease in the number of employees was driven by the arrangement made in the EAB Group at the beginning of the year, where part of the personnel was transferred from the parent company to other group companies.

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.

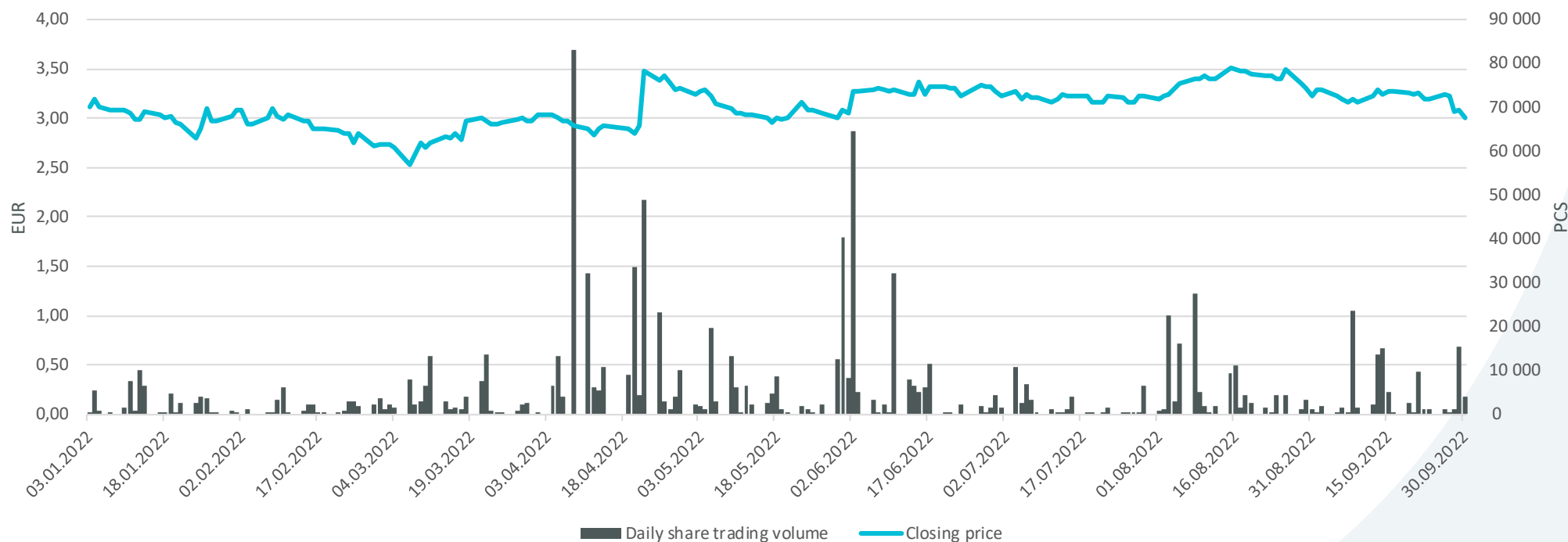
# Shares and share capital

At the end of September 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 September 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 have decided on the purchase or acceptance as pledge of a maximum of 1,300,000 shares in the company. At the time of the closing accounts, the company held 30,877 treasury shares.

At the end of September 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–September was EUR 3,213,152, or 1,024,387 shares. At the end of September, the closing price of the company’s shares was EUR 3.01. The highest share price during the review period was EUR 3.70 and the lowest was EUR 2.50. At the end of September, EAB Group Plc’s market capitalisation was EUR 41.7 million.

**Share price development and trading volume 1.1.–30.9.2022**



## Shareholders as at 30 September 2022

	Shareholders	Number of shares	% of shares
1	* Skandinaviska Enskilda Banken Ab (publ) Helsinki Branch	2,489,192	17.98
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	3.5
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	Kakkonen Kari Heikki Ilmari	150,000	1.08
17	TK Rahoitus Oy	145,000	1.05
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>12,450,477</b>	<b>89.94</b>
	<b>Nominee-registered</b>	<b>2,489,266</b>	<b>17.98</b>
	<b>Others</b>	<b>1,392,795</b>	<b>10.06</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.

# Resolutions of EAB Group Plc's Extraordinary General Meetings

## Extraordinary General Meeting 14.7.2022

**EAB Group Plc's ("EAB") Extraordinary General Meeting was held 14 July 2022 in Helsinki, Finland. The General Meeting approved the merger of EAB and Evli Plc ("Evli") and authorised the Board of Directors to resolve upon an extra distribution of dividend in accordance with the proposals of the Board of Directors to the General Meeting.**

### Resolution on the merger

The General Meeting resolved to approve the merger plan regarding the merger of EAB and Evli and the merger of EAB into Evli in accordance with the merger plan. Pursuant to the merger plan, EAB will be merged into Evli through a statutory absorption merger pursuant to Chapter 16 of the Finnish Companies Act whereby all assets and liabilities of EAB would be transferred without a liquidation procedure to Evli in a manner described in more detail in the merger plan. The contemplated merger has been described in more detail in the stock exchange release published by EAB on 31 May 2022.

Pursuant to the merger plan, the shareholders of EAB shall receive as merger consideration 0.172725 new series B shares in Evli for each share they hold in EAB and a cash consideration for a total amount of EUR three (3) million, which shall be equally distributed between the EAB shares subject to the merger, i.e. which are outstanding on the last trading day before the completion date of the merger.

The planned effective date of the merger is 1 October 2022, but the effective date may change as described in the merger plan, depending on the satisfaction of the conditions for the merger, among other things.

No redemption claims in accordance with Chapter 16, Section 13 of the Finnish Companies Act regarding the redemption of the merging company's shareholders shares were presented at the General Meeting.

## Resolution to authorise the Board of Directors to resolve upon an extra distribution of dividend

Pursuant to the combination agreement between EAB and Evli, EAB may distribute dividend to its shareholders before the completion date of the merger up to a maximum aggregate amount of EUR 2.35 million, yet, however, no more than such an amount that can be distributed by EAB without resulting in a failure to meet the statutory requirements on capital adequacy applicable to it.

The General Meeting resolved to authorise the Board of Directors of EAB to resolve, before the completion of the merger, upon a distribution of dividend not exceeding a total of EUR 2.35 million, which would be paid from the company's retained earnings. The authorisation is in force until the opening of the next Annual General Meeting of the company.

EAB will separately publish its Board of Directors' resolution to distribute dividend based on the authorisation and will simultaneously confirm the applicable record and payment dates. The dividends paid on the basis of the authorisation will be paid to the shareholders who are registered as shareholders in the company's shareholders' register on the record date of the distribution of dividends.

In accordance with the stock exchange release of EAB published on 29 June 2022, EAB is expected to hold an Extraordinary General Meeting in or about August or September 2022 to consider the interim financial statements for the payment of the dividend under the combination agreement and the merger plan. The Board of Directors of the company will later resolve on the convening of said Extraordinary General Meeting and will publish a notice to such meeting separately. The Board of Directors of the company is expected to resolve on the dividend distribution after such Extraordinary General Meeting.

## Extraordinary General Meeting 26.8.2022

**EAB Group Plc's ("EAB") Extraordinary General Meeting was held 26 August 2022 in Helsinki, Finland. The General Meeting resolved to adopt the interim financial statements of the parent company and the consolidated financial statements of the group for the financial period 1 January to 30 June 2022.**

## Risk management and risk position

EAB Group's most significant risks have been market risk, operational risk and liquidity risk.

The Group has been 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 have, when realised, had 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 has contributed 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 has been 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 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 during spring 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 ensure sufficient liquidity among developers. At a more general level, to maintain adequate economic growth in the country, the central government swiftly removing the extreme COVID restrictions 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 slight 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 has been market-determined. If realised, the risks described above could have a significant impact on the fee income from 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. The alternative investment solutions has diluted 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 have been exposed to considerable operational risks, which have mainly consisted of factors related to information systems and information security, as well as factors related to internal processes. The Group has acknowledged the significance of the operational risks and has been continuously developing methods to manage them. The Group has identified, assessed, measured and monitored the operational risks in relation to its defined risk appetite. The Group has been taking a proactive approach to the avoidance of operational risk materialization 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 has been subjected have been actively and proactively managed in accordance with internal risk management principles. The risks and assessments of their potential effects have been an integral part of the Group's solvency management and the related risk profiling.

The Group's liquidity risk has arisen 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 has been 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 has been limiting its liquidity risk by regularly monitoring the liquidity position of the Group and each Group company. The Group has also maintained and regularly accumulated 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 €3,000,000 in undrawn credit to secure the Group's liquidity position.

With continuity planning, the Group has been preparing for any future disruptions in the operating environment. 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 has been activated whenever the situation has required it, aimed 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 has closely monitored the Group's operating environment and assessed the impact of disturbances on the Group's operations. The development of the Group's resources and the level of working capacity have also been subject to continuous monitoring. The organisation of the Group's operations has been 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.

EAB Group Plc merged with Evli Plc on 1 October 2022. For more information about the risks related to Evli Group's business operations and the monitoring of these risks, please see Evli Group's annual report.

## Profit distribution

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On 30 September 2022, the Company's distributable assets amounted to EUR 20.0 million, of which EUR 1.9 million was profit from this accounting period. The Board of Directors proposes profit for the period should be retained in shareholders' equity.

### **EAB GROUP PLC**

Board of Directors

#### **More information:**

EAB Group Plc

Daniel Pasternack, CEO

+358 50 569 3416

daniel.pasternack@eabgroup.fi

Therese Cedercreutz, Chair of Board of Directors

+358 40 544 2502

therese.cedercreutz@miltton.com

# Closing accounts 30.9.2022

## Statement of income

Million euros	Note	1.1. - 30.9.2022	1.1. - 30.9.2021
<b>INCOME FROM INVESTMENT SERVICES</b>			
Operating income	1	8.4	4.9
Income from equity investments	2	0.0	0.0
Sales proceeds from non-current assets	3	0.0	0.0
Other operating income	3	0.0	0.1
<b>TOTAL OPERATING INCOME</b>		<b>8.4</b>	<b>5.0</b>
<b>Administrative expenses</b>			
Personnel expenses	4		
Salaries and fees		-0.6	-1.1
Indirect personnel costs			
Pension costs		0.0	-0.2
Other indirect personnel costs		0.0	-0.1
Other administrative expenses		-2.0	-1.4
Depreciation and impairment on tangible and intangible assets	5	-0.7	-0.8
Other operating expenses	6	-2.5	-0.9
<b>OPERATING PROFIT (LOSS)</b>		<b>2.5</b>	<b>0.5</b>
Interest income	7	0.0	0.0
Interest expenses	8	-0.2	-0.2
Income taxes	9	-0.5	-0.1
<b>PROFIT (LOSS) FOR THE FINANCIAL PERIOD</b>		<b>1.9</b>	<b>0.3</b>

## Balance sheet

Million euros	Note	30.9.2022	31.12.2021
<b>ASSETS</b>			
Receivables from credit institutions	10	0.0	0.0
Receivables from the public and public sector entities	11	10.1	13.5
Other participations	12	0.0	0.0
Shares and holdings in Group companies	13	21.8	21.8
Receivables from Group companies – subordinated loans	14	1.8	1.8
Holdings in associated companies		1.5	1.5
Intangible assets	15	1.1	2.0
Tangible assets	16	0.0	0.1
Share issue receivables	17	0.1	0.1
Other assets	18	0.1	0.1
Accrued income and prepayments	19	0.1	0.5
Deferred tax assets	20	0.0	0.5
<b>ASSETS TOTAL</b>		<b>36.7</b>	<b>42.0</b>
<b>LIABILITIES</b>			
<b>LIABILITIES</b>			
Credit institution liabilities	21	4.8	4.7
Other liabilities	22	9.9	13.0
Accrued expenses and advances received	23	0.2	0.6
<b>EQUITY</b>	24		
Share capital		0.7	0.7
Unrestricted reserves			
Reserve for invested unrestricted equity		21.0	21.0
Retained earnings (loss)		-1.8	1.9
Profit (loss) for the financial period		<b>1.9</b>	<b>0.1</b>
<b>LIABILITIES TOTAL</b>		<b>36.7</b>	<b>42.0</b>

## Cash flow statement

Million euros	1.1. - 30.9.2022	1.1. - 30.9.2021
<b>CASH FLOW FROM OPERATIONS</b>		
Financial period result	1.9	0.3
Adjustments to the financial period result		
Depreciation according to plan	0.7	0.8
Other adjustments	0.0	0.0
Financial income and expenses	0.2	0.1
Taxes	0.5	0.1
Change in working capital		
Current non-interest-bearing receivables	5.6	-7.2
Non-current non-interest-bearing receivables	-1.6	0.1
Non-interest-bearing current liabilities	-5.2	11.3
Change in working capital, total	-1.2	4.1
Cash flow from operations before financial items	2.1	5.5
Paid interests and fees	-0.2	-0.2
Interest received	0.1	0.0
<b>CASH FLOW FROM OPERATIONS</b>	<b>2.1</b>	<b>5.3</b>
<b>CASH FLOW FROM INVESTMENTS</b>		
Investments in tangible and intangible assets	0.3	-0.4
Investments in subsidiaries and associates	0.0	-1.5
Repayments of loan receivables	0.0	0.0
Proceeds from the disposal of investments	0.0	0.0
<b>CASH FLOW FROM INVESTMENTS</b>	<b>0.3</b>	<b>-2.0</b>

Million euros	1.1. - 30.9.2022	1.1. - 30.9.2021
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Redemption of minority interests	0.0	0.0
Granted loans / Received repayments of loans	-0.4	6.3
Dividends paid	-3.9	-0.7
Withdrawals of short-term credit	1.7	-8.0
Withdrawals of long-term credit	0.2	0.0
Repayments of short-term credit	0.0	-0.9
Repayments of long-term credit	-1.9	0.0
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>-4.2</b>	<b>-3.3</b>
Change in cash and cash equivalents	-1.9	0.0
Cash and cash equivalents of merged companies	0.0	0.0
Cash and cash equivalents at the beginning of the period	0.0	0.1
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>-1.9</b>	<b>0.1</b>

# Notes to the company's financial statements

## Accounting policies

1. Accounting policies of the company

## Notes to the income statement

1. Operating income
2. Income from equity investments
3. Other operating income
4. Administrative expenses
5. Depreciation, amortisation and impairment on tangible and intangible assets
6. Breakdown of other operating expenses
7. Interest income
8. Interest expenses
9. Income taxes

## Notes to the balance sheet

10. Receivables from credit institutions
11. Receivables from the public and public sector entities
12. Other participations
13. Holdings in Group companies
14. Receivables from Group companies, subordinated loans
15. Intangible assets
16. Tangible assets
17. Share issue receivables
18. Other assets
19. Accrued income and prepayments
20. Deferred tax assets
21. Credit institution liabilities
22. Other liabilities
23. Accrued expenses and advances received
24. Equity

## Other notes

25. Balance sheet items denominated in national and foreign currency
26. Guarantees and commitments
27. Related party transactions

## Principles of preparing the financial statements

### Basic company information

EAB Group Plc is domiciled in Helsinki, and its registered address is Kluuvikatu 3, 00100 Helsinki.

EAB Group Plc's financial statements have been prepared in accordance with the Finnish Accounting Standards (FAS).

The parent company has operated as the Group's administrative parent company from 2019 onwards without the investment firm licence.

### Income recognition principles

Income is recognised on an accrual basis when the outcome can be estimated reliably. Recognition on an accrual basis is based on estimates of income and expenses. Shares and holdings in companies belonging to the same group are valued at acquisition cost. Interest income and expenses are allocated on an accrual basis.

### Deferred tax

Deferred tax assets have been calculated based on the confirmed losses of previous years and the taxable profit for the financial year. Deferred taxes are calculated using the most recent tax rate in force.

### Valuation of non-current assets

Tangible and intangible assets are valued at cost less depreciation according to plan and impairment.

Development costs for major system projects which generate income over three or more years are entered in the balance sheet as development costs. Other development costs are recognised as an annual expense in the year in which they are incurred.

### Depreciation according to plan by category of asset:

Fixed asset	Service life (years)	
Development expenditure	4 and 5	straight-line depreciation
Licences	3	straight-line depreciation
Computer program	4 and 5	straight-line depreciation
Renovation expenses	5	straight-line depreciation
Machinery and equipment	declining-balance depreciation 25 %	

### Items denominated in foreign currency

Transactions denominated in foreign currency are marked in the operating currency at the exchange rate of the transaction date. The exchange rate differences of any receivables or liabilities arising on the transaction date have been recognised in the income statement.

### Events during the review period

In connection with the merger, it has been determined that the tangible assets have no longer any value, and these have been written down.

Intangible assets other than M-Files and OneFactor, which use will still continue after the merger, have also been written down.

The company has written down loan receivables of 727,000 euros and interest receivables of 140,463.28 euros.

## Notes to the income statement

Million euros

	30.9.2022	30.9.2021
<b>1. LIIKETOIMINNAN TUOTOT</b>		
Hallintoveloitustuotot konserniyhtiöiltä	8.4	4.9
<b>Liiketoiminnan tuotot konserniyhtiöiltä yhteensä</b>	<b>8.4</b>	<b>4.9</b>
<b>2. TUOTOT OMAN PÄÄOMAN EHTOISISTA SIOITUKSISTA</b>		
Voitto-osuudet rahastoista	0.0	0.0
<b>Tuotot oman pääoman ehtoisista sijoituksista yhteensä</b>	<b>0.0</b>	<b>0.0</b>
<b>3. LIIKETOIMINNAN MUUT TUOTOT</b>		
Hallintoveloitustuotot konserniyhtiöiltä	0.0	0.0
Myyntivoitot pysyvistä vastaavista	0.0	0.0
Muut tuotot	0.0	0.0
<b>Liiketoiminnan tuotot yhteensä</b>	<b>0.0</b>	<b>0.1</b>

	30.9.2022	30.9.2021
<b>4. ADMINISTRATIVE EXPENSES</b>		
<b>Personnel costs</b>		
Salaries and fees	-0.6	-1.1
Pension costs	0.0	-0.2
Other personnel costs	0.0	-0.1
<b>Personnel costs total</b>	<b>-0.7</b>	<b>-1.3</b>
<b>Average number of personnel</b>		
During the financial period, the company employed employees	5	23
<b>Other administrative expenses</b>		
IT equipment and software costs	-0.9	-0.9
Administrative services	-0.7	-0.2
Others	-0.4	-0.3
<b>Other administrative expenses, total</b>	<b>-2.0</b>	<b>-1.4</b>
<b>Total administrative expenses</b>	<b>-2.7</b>	<b>-2.7</b>

	30.9.2022	30.9.2021
<b>5. DEPRECIATION AND IMPAIRMENT ON TANGIBLE AND INTANGIBLE ASSETS</b>		
Depreciation of development costs according to plan	-0.6	-0.6
Depreciation of intangible rights according to plan	0.0	-0.1
Depreciation of IT software according to plan	0.0	0.0
Depreciation of renovations according to plan	0.0	0.0
Depreciation of machinery and equipment	0.0	0.0
<b>Depreciation and impairment on tangible and intangible assets, total</b>	<b>-0.7</b>	<b>-0.8</b>



## Notes to the income statement

Million euros

	30.9.2022	30.9.2021
<b>6. OTHER OPERATING EXPENSES</b>		
Rent costs	-0.6	-0.7
Supervision fees	0.0	0.0
Other expenses	-1.8	-0.2
<b>Other operating expenses, total</b>	<b>-2.5</b>	<b>-0.9</b>
<b>7. INTEREST INCOME</b>		
Interest income on receivables from public and public sector entities	0.0	0.0
Other interest income	0.0	0.0
<b>Total interest income</b>	<b>0.0</b>	<b>0.0</b>
<b>8. INTEREST EXPENSES</b>		
Other interest expenses	-0.2	-0.2
<b>Total interest expenses</b>	<b>-0.2</b>	<b>-0.2</b>
<b>9. INCOME TAXES</b>		
Change in deferred tax assets	-0.5	-0.1
<b>Total income taxes</b>	<b>-0.5</b>	<b>-0.1</b>

## Notes to the balance sheet

Million euros

	30.9.2022	31.12.2021
<b>10. RECEIVABLES FROM CREDIT INSTITUTIONS</b>		
From Finnish credit institutions	0.0	0.0
<b>Total receivables from credit institutions</b>	<b>0.0</b>	<b>0.0</b>
<b>11. RECEIVABLES FROM THE PUBLIC AND PUBLIC SECTOR ENTITIES</b>		
Loan receivables Group	7.6	4.9
Trade receivables Group	2.5	7.8
<b>Receivables from Group companies, total</b>	<b>10.1</b>	<b>12.7</b>
Loan receivables	0.0	0.7
Sales receivables	0.0	0.0
<b>Receivables from others, total</b>	<b>0.0</b>	<b>0.7</b>
<b>Receivables from the public and public sector entities, total</b>	<b>10.1</b>	<b>13.5</b>
<b>12. OTHER PARTICIPATIONS</b>		
Other participations 1 Jan	0.0	0.0
<b>Book value at the end of the period</b>	<b>0.0</b>	<b>0.0</b>
<b>13. HOLDINGS IN GROUP COMPANIES</b>		
Shares of Group companies 1 Jan	21.8	21.8
Additions	0.0	0.0
Decreases	0.0	0.0
<b>Book value at the end of the period</b>	<b>21.8</b>	<b>21.8</b>
<b>14. RECEIVABLES FROM GROUP COMPANIES - SUBORDINATED LOANS</b>		
Subordinated loans	1.8	1.8
<b>Receivables from Group companies – subordinated loans total</b>	<b>1.8</b>	<b>1.8</b>

## Notes to the balance sheet

Million euros

	30.9.2022	31.12.2021
<b>15. INTANGIBLE ASSETS</b>		
<b>Development expenditure</b>		
Acquisition cost 1 Jan	5.5	4.8
Additions	0.3	0.7
Decreases	-0.4	0.0
Acquisition cost at the end of the period	5.4	5.5
Accumulated depreciation 1 Jan	-3.6	-2.7
Depreciation during the period	-0.6	-0.9
Accumulated depreciation at the end of the period	-4.3	-3.6
<b>Book value at the end of the period</b>	<b>1.1</b>	<b>1.8</b>
<b>Intangible rights</b>		
Acquisition cost 1 Jan	0.4	0.4
Additions	0.0	0.0
Acquisition cost at the end of the period	0.4	0.4
Accumulated depreciation 1 January	-0.3	-0.3
Depreciation during the period	0.0	-0.1
Accumulated depreciation at the end of the period	-0.4	-0.3
<b>Book value at the end of the period</b>	<b>0.0</b>	<b>0.0</b>

	30.9.2022	31.12.2021
<b>Long-term expenditure</b>		
<b>Renovation expenses</b>		
Acquisition cost 1 Jan	0.3	0.3
Additions	-0.1	0.0
Acquisition cost at the end of the period	0.3	0.3
Accumulated depreciation 1 Jan	-0.3	-0.2
Depreciation during the period	0.0	-0.1
Accumulated depreciation at the end of the period	-0.3	-0.3
<b>Book value at the end of the period</b>	<b>0.0</b>	<b>0.1</b>
<b>Computer software</b>		
Acquisition cost 1 Jan	0.0	0.0
Additions	0.0	0.0
Decreases	0.0	0.0
Acquisition cost at the end of the period	0.0	0.0
Accumulated depreciation 1 Jan	0.0	0.0
Depreciation during the period	0.0	0.0
Depreciation of disposals	0.0	0.0
Accumulated depreciation at the end of the period	0.0	0.0
<b>Book value at the end of the period</b>	<b>0.0</b>	<b>0.0</b>
<b>Other long-term expenditure</b>		
Acquisition cost 1 Jan	0.1	0.1
Additions	0.0	0.0
Acquisition cost at the end of the period	0.1	0.1
Accumulated depreciation 1 Jan	-0.1	-0.1
Depreciation during the period	0.0	0.0
Accumulated depreciation at the end of the period	-0.1	-0.1
<b>Book value at the end of the period</b>	<b>0.0</b>	<b>0.1</b>
<b>Long-term expenditure, total</b>	<b>0.0</b>	<b>0.2</b>
<b>Intangible assets, total</b>	<b>1.1</b>	<b>2.0</b>

## Notes to the balance sheet

Million euros

	30.9.2022	31.12.2021
<b>16. TANGIBLE ASSETS</b>		
<b>Machinery and equipment</b>		
Acquisition cost 1 Jan	0.7	0.7
Additions	0.0	0.0
Decreases	-0.1	0.0
Acquisition cost 31 Dec	0.6	0.7
Accrued depreciation according to plan 1 Jan	-0.6	-0.5
Depreciation during the period	0.0	0.0
Depreciation of disposals	0.0	0.0
Accrued depreciation according to plan 31 Dec	-0.6	-0.6
<b>Book value 31 Dec</b>	<b>0.0</b>	<b>0.1</b>
<b>Other tangible assets</b>	0.0	0.0
<b>Tangible assets, total</b>	<b>0.0</b>	<b>0.1</b>
<b>17. SHARE ISSUE RECEIVABLES</b>		
Personnel	0.1	0.1
Tied agents	0.0	0.0
<b>Share issue receivables, total</b>	<b>0.1</b>	<b>0.1</b>
<b>18. OTHER ASSETS</b>		
Individual-specific	0.0	0.0
Rental deposit	0.1	0.1
Other receivables	0.0	0.0
<b>Other assets, total</b>	<b>0.1</b>	<b>0.1</b>

	30.9.2022	31.12.2021
<b>19. ACCRUED INCOME AND PREPAYMENTS</b>		
Accrued income, Group	0.0	0.1
<b>Accrued income from Group companies, total</b>	<b>0.0</b>	<b>0.1</b>
Tax receivables	0.0	0.0
Prepayments	0.0	0.1
Other accrued income		
Fees charged from funds to be founded	0.0	0.0
Accrued interest	0.0	0.1
Other receivables	0.1	0.1
<b>Accrued income from others, total</b>	<b>0.1</b>	<b>0.4</b>
<b>Accrued income, total</b>	<b>0.1</b>	<b>0.5</b>
<b>20. DEFERRED TAX ASSETS</b>		
Confirmed losses for 2014-2020	-2.4	-2.6
Taxable result for the financial period	2.4	0.2
<b>Confirmed losses, total</b>	<b>0.0</b>	<b>-2.4</b>
<b>Deferred tax assets for losses 20%</b>	<b>0.0</b>	<b>0.5</b>
<b>21. CREDIT INSTITUTION LIABILITIES</b>		
Liabilities to credit institutions, 1 Jan	4.7	5.6
Additions	2.0	0.0
Decreases	-1.9	-0.9
<b>Credit institution liabilities, total</b>	<b>4.8</b>	<b>4.7</b>
Proportion of liabilities to credit institutions falling due within the next 12 months	2.0	1.9

## Notes to the balance sheet

Million euros

	30.9.2022	31.12.2021
<b>22. OTHER LIABILITIES</b>		
Trade payables Group	5.4	10.3
Other liabilities Group	4.0	2.2
<b>Other liabilities to Group companies, total</b>	<b>9.4</b>	<b>12.5</b>
Trade payables	0.1	0.2
Personnel-related liabilities	0.4	0.1
Value-added tax liabilities	0.0	0.1
Other liabilities	0.0	0.0
<b>Other liabilities to others, total</b>	<b>0.5</b>	<b>0.4</b>
<b>Other liabilities, total</b>	<b>9.9</b>	<b>13.0</b>
<b>23. ACCRUED EXPENSES AND ADVANCES RECEIVED</b>		
Personnel-related liabilities	0.2	0.3
Other liabilities	0.0	0.2
<b>Accrued expenses and advances received, total</b>	<b>0.2</b>	<b>0.6</b>
<b>TOTAL LIABILITIES</b>	<b>14.9</b>	<b>18.2</b>

	30.9.2022	31.12.2021
<b>24. EQUITY</b>		
Balance sheet item-by-item breakdown of increases and decreases in equity items during the financial year		
<b>Share capital</b>		
Share capital 1 Jan	0.7	0.7
<b>Share capital at end of period</b>	<b>0.7</b>	<b>0.7</b>
<b>Reserve for invested unrestricted equity</b>		
Reserve for invested unrestricted equity 1 Jan	21.0	21.0
Paid capital returns	0.0	0.0
Treasury shares acquisitions	0.0	0.0
Disposal of treasury shares	0.0	0.0
<b>Reserve for invested unrestricted equity at end of period</b>	<b>21.0</b>	<b>21.0</b>
<b>Retained earnings from previous financial years</b>		
Retained earnings	2.0	2.6
Dividends	-3.9	-0.7
<b>Retained earnings from previous financial years, total</b>	<b>-1.8</b>	<b>1.9</b>
<b>Profit for the period</b>	<b>1.9</b>	<b>0.1</b>
<b>TOTAL EQUITY</b>	<b>21.8</b>	<b>23.8</b>
<b>Distributable unrestricted equity</b>		
Invested unrestricted equity reserve	21.0	21.0
Profit (loss) from previous financial years	2.0	2.6
Dividends	-3.9	-0.7
Profit (loss) for the financial period	1.9	0.1
Development expenditure	-1.1	-1.8
<b>Distributable unrestricted equity</b>	<b>20.0</b>	<b>21.2</b>

## Notes to the balance sheet

Million euros

	30.9.2022	31.12.2021
<b>25. BALANCE SHEET ITEMS DENOMINATED IN DOMESTIC AND FOREIGN CURRENCIES</b>		
Receivables from credit institutions, domestic currency	0.0	0.0
Other assets, domestic currency	26.6	28.5
<b>Total</b>	<b>26.6</b>	<b>28.5</b>
Liabilities to the public and public sector entities, domestic currency	14.9	18.2

### Pension liabilities of the investment firm

Pension provision for employees is organised through a pension insurance company.

## 26. GUARANTEES AND COMMITMENTS

### Leasing liabilities

Payable in the next financial year	0.0	0.0
Payable in subsequent financial years	0.0	0.0
<b>Total</b>	<b>0.0</b>	<b>0.1</b>

The agreements are 3-year leases and do not include a redemption clause.

Rent liabilities	0.7	0.6
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The company's rental and leasing liabilities are ordinary office lease liabilities and equipment and car lease liabilities.

### Pledges

Company mortgages	7.5	7.5
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The company mortgages have been pledged for a loan from Oma Savings Bank Plc.

## 27. RELATED PARTY TRANSACTIONS

Related party transactions can be found in the notes to the Group consolidated financial statements.

## 27. RELATED PARTY TRANSACTIONS

The EAB Group's related parties include the partner company, subsidiaries, associated companies, and key persons in the group's management: Board members and the group's management team including the CEO. In addition to those mentioned above, their spouses and other close family members are considered related parties. Related parties also refer to companies in which the aforementioned persons have control or significant influence.

2022 Business with related parties	Key persons in management	Associated companies
Sales	0.0	0.0
Purchases	0.0	
Tied agent remuneration	0.0	
Lease agreements	0.0	
Granted loans	0.0	0.0

2021 Business with related parties	Key persons in management	Associated companies
Sales	0.0	0.0
Purchases	0.0	
Tied agent remuneration	0.0	
Lease agreements	0.0	
Granted loans	0.0	0.0

The company granted a share subscription loan for the company's management and key persons in 2018 in connection with the employee issue. The annual interest of the share subscription loan is 4%, and the debt is reduced evenly in every calendar quarter for five years. The debtor has the right to settle their debt before the due date. The debtor has pledged their shares of EAB Group Plc against the loan.

The share subscription loans have been specified in Annex 17. Share issue receivables.

Management employment benefits	2022	2021
Short-term employment benefits	-0.5	-0.5
Other long-term benefits		
Share-based fees		
Management employment benefits, total	-0.5	-0.5

Management employment benefits include salaries, fees, fringe benefits, payment-based pension costs, and other social costs.

## Notes to the balance sheet

### Million euros

Management salaries per person	2022	2021
Pasternack, Daniel (CEO)	-0.2	-0.2
Management team excluding the CEO	-0.3	-0.3
<b>Management team salaries, total</b>	<b>-0.5</b>	<b>-0.5</b>

The CEO and deputy CEO have the right to a statutory pension, and their retirement age is defined in accordance with the statutory employee pension scheme. In 2022, the CEO's statutory pension cost was 0.0 million euros (0.0 million euros in 2021).

Board's fees	2022	2021
Cedercreutz, Therese	0.0	0.0
Nieminen, Janne		
Tynkkynen, Juha	0.0	0.0
Trouillard-Perrot, Vincent		
Piela, Topi	0.0	0.0
Kohmo, Pasi	0.0	0.0
Arnesen, Helge		
Borsos, Julianna	0.0	0.0
<b>Board's fees, total</b>	<b>-0.1</b>	<b>-0.1</b>

Board members independent of the company receive 22,500 euros per year for working on the Board. The chair of the Board receives 30,000 euros as an annual reward for the term of office for working on the Board. The Adit Committee members receive 2,500 euros as an annual reward for the term of office.

Fees paid to the audit firm	2022	2021
KPMG	0.0	0.0
<b>Financial audit in total</b>	<b>0.0</b>	<b>0.0</b>

Other than financial audit services	2022	2021
KPMG	0.0	0.0
<b>Advisor services in total</b>	<b>0.0</b>	<b>0.0</b>

## List of accounting ledgers and materials

### ACCOUNTING LEDGERS

Document type	Storage method
Financial statements and balance sheet specifications	Bound
List of accounts	Electronic archive
Journal	Electronic archive
General ledger	Electronic archive
Sales ledger	Electronic archive
Purchases ledger	Electronic archive

Accountor Finago software as a complete solution includes accounting, electronic banking, sending and receiving of purchase and sales invoices, and archiving.

### DOCUMENT TYPES AND STORAGE METHOD

Document type	Storage method
Purchase invoices	Electronic archive
Sales invoices	Electronic archive
Account statements	Electronic archive
Memos	Electronic archive
Payroll	Electronic archive

## Signatures to the report of the board of directors and financial statements

Helsinki, 11.11.2022

**Therese Cedercreutz**  
Chair of the Board of Directors

**Helge Arnesen**  
Board member

**Julianna Borsos**  
Board member

**Pasi Kohmo**  
Board member

**Janne Nieminen**  
Board member

**Topi Piela**  
Board member

**Vincent Trouillard-Perrot**  
Board member

**Juha Tynkkynen**  
Board member

**Daniel Pasternack**  
CEO

## Auditor's note

A report on the audit carried out has been issued today.

Helsinki, 11.11.2022

KPMG Oy Ab  
Authorised Public Accountants

**Tuomas Ilveskoski**  
Authorised Public Accountant

# Auditor's Report

## To the Meeting of Shareholders of EAB Group Oyj

EAB Group Oyj (business identity code 1918955-2) has prepared final accounts for the financial period ending in the registration of the merger implementation on 30 September, 2022. The final accounts comprise the financial statements and the report of the Board of Directors.

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of EAB Group Oyj (business identity code 1918955-2) for the year ended 30 September, 2022. The financial statements comprise the parent company's balance sheet, income statement, cash flow statement and notes.

In our opinion, the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

### Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are independent of the parent company in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the appropriateness of using the accounting principles based on the going concern of the operations, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to cease operations, or there is no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the final accounts.



As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Other Reporting Requirements

### Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

If, based on the work we have performed, we conclude that there is a material misstatement of the report of the Board of Directors, we are required to report that fact. We have nothing to report in this regard.

Helsinki, 11 November 2022

**KPMG OY AB**

**TUOMAS ILVESKOSKI**

Authorised Public Accountant, KHT

#### 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)