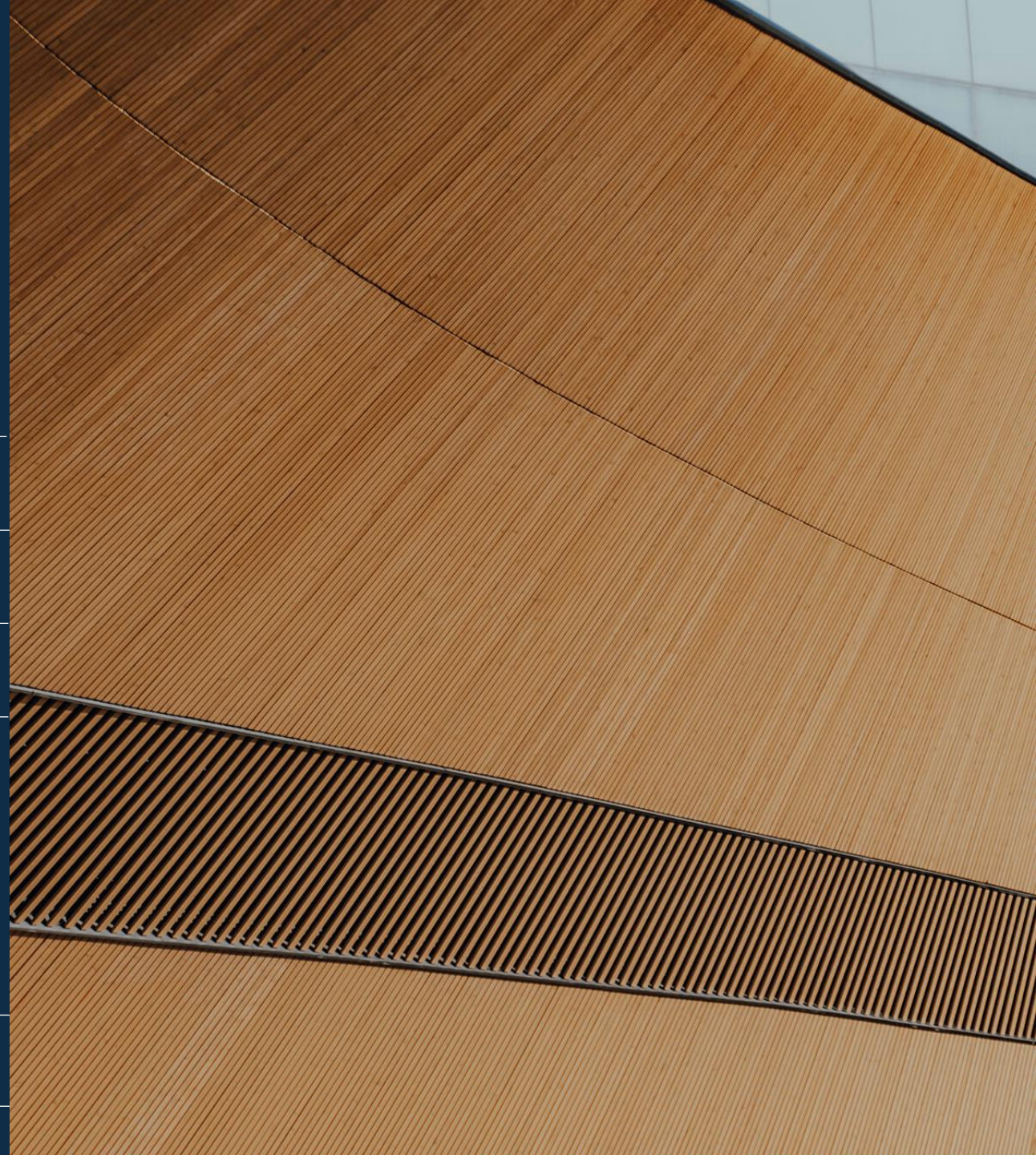


EVLI

EVLI PLC ANNUAL GENERAL MEETING 2023



EVLI PLC
14.3.2023



EVLI

CEO'S REVIEW

14.3.2023

MAUNU LEHTIMÄKI, CEO, EVLI PLC

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AMBITION

"We want to be the forerunner in responsible wealth management in the Nordics, and in this way help our clients in managing their wealth to support a sustainable future"

01

EVLI IN BRIEF

Evli in brief

We see wealth as an engine to drive progress. We draw on our heritage, broad expertise and Nordic values to grow and manage wealth for institutions, corporations and private persons in a responsible way.

Two client segments supported by
Group Operations

Wealth Management
and Investor Clients

+

Advisory and
Corporate Clients

FOUNDED IN

1985

LISTED ON NASDAQ HELSINKI MAIN
LIST

2015

SALES IN NUMBER OF COUNTRIES

15

ASSETS UNDER MANAGEMENT EUR
(BILLION) DECEMBER 31, 2022

16.0

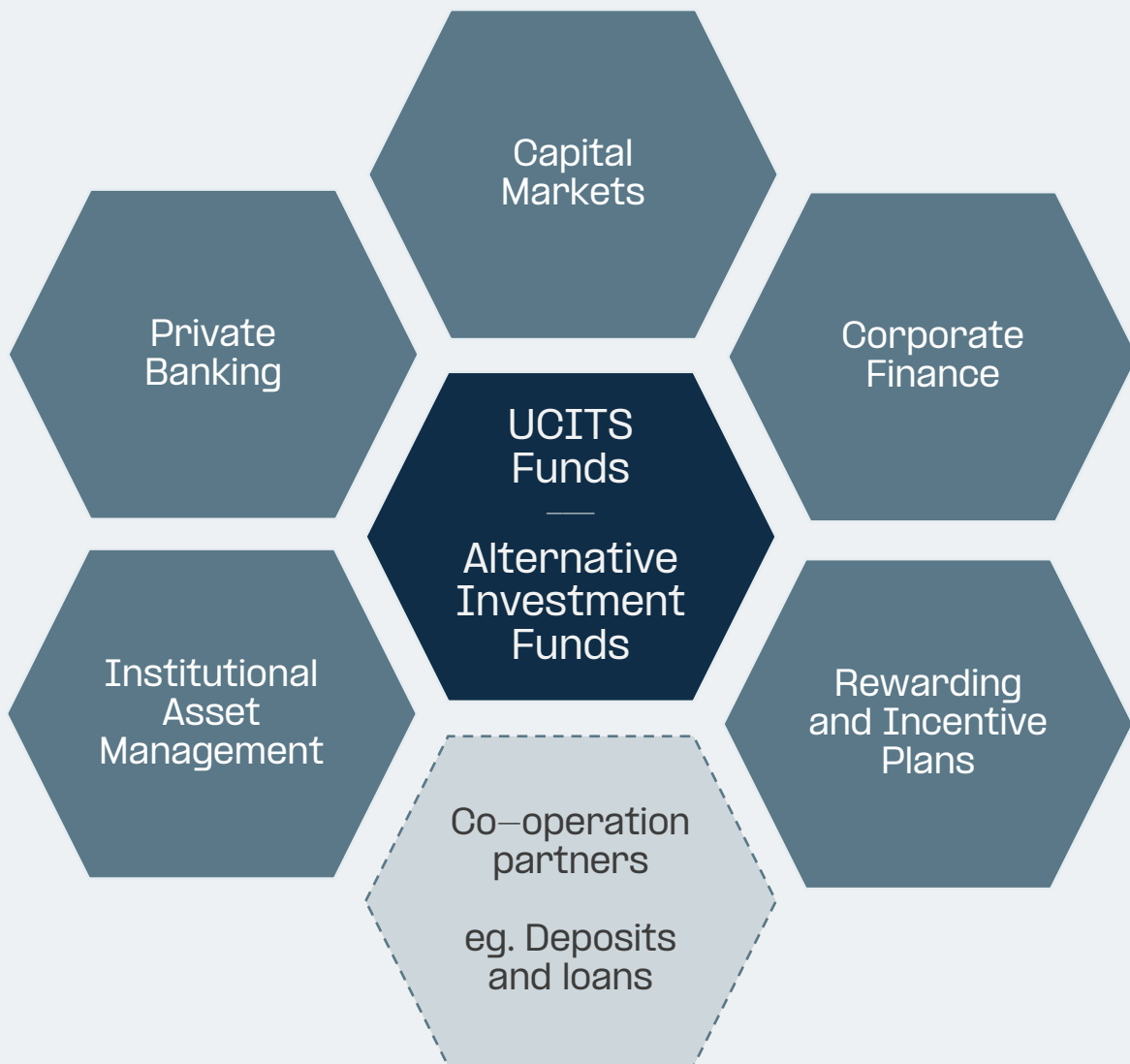
FINLAND THIRD LARGEST FUND
MANAGEMENT COMPANY

3

EMPLOYEES

~300

Asset Management and Funds at the core



EVLI'S BUSINESS MODEL CHARACTERISTICS

Scalability

Growing AUM and management fees without significant increases on costs. Rolling out higher-margin products

Business positioning

Focus on in-house expertise and long-term client relationships facilitates higher profit-margins

A unique brand

The way to differentiate and stand out amongst competitors

Finland's leading asset manager




Investment
products

Finland's best fund management
company 2023¹



Wealth
Management

Top-positions 10 years in a row in
institutional asset management survey²
Finland's most widely used institutional
asset manager²



Rewarding
and Incentive
Plans

Finland's largest designer and administrator of
reward and incentive plans

02

STRATEGY HIGHLIGHTS

2022 Highlights – Year of transformation

Financial Performance

Evli's profitability impacted by one-off items related to restructuring

Net revenue EUR 96.1 million (EUR 116.2 million)

Operating profit EUR 30.9 million (EUR 56.6 million)

Recurring revenue at 123% (135%)

Strategy

Partial demerger of Evli Bank Plc

Combination of Evli and EAB finalized

Alternative sales positive

Continued growth within design and administration of incentive systems

Market Environment

Markets stabilized towards end of year, uncertainty remains

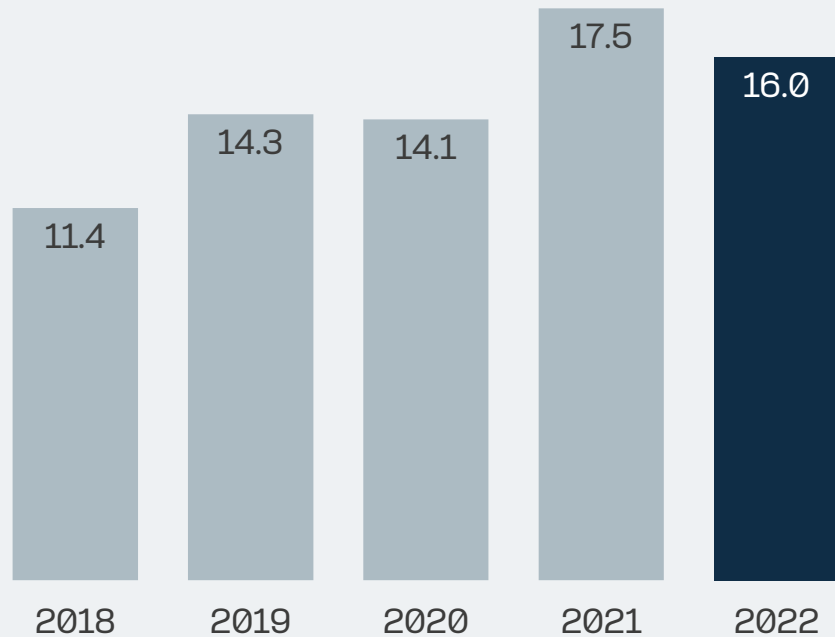
Persistently high core-inflation

Central banks tightening monetary policy

Elevated geopolitical risks due to Russian aggression

Development of Assets Under Management

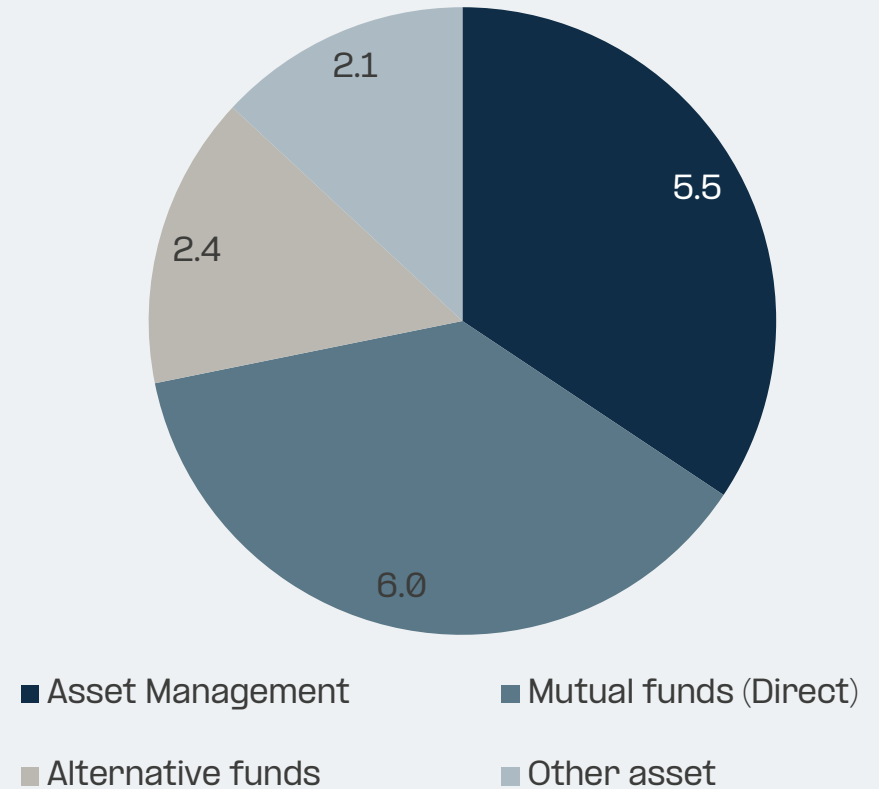
Development of Assets under management,
(bn. €)



8.9%

compounded annual growth (CAGR)

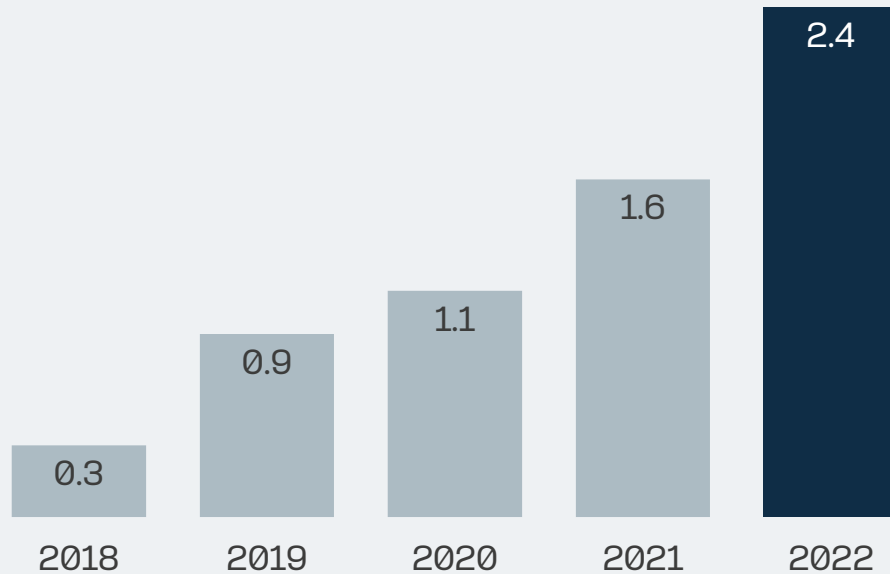
Split of Assets under management 2022 (bn. €)



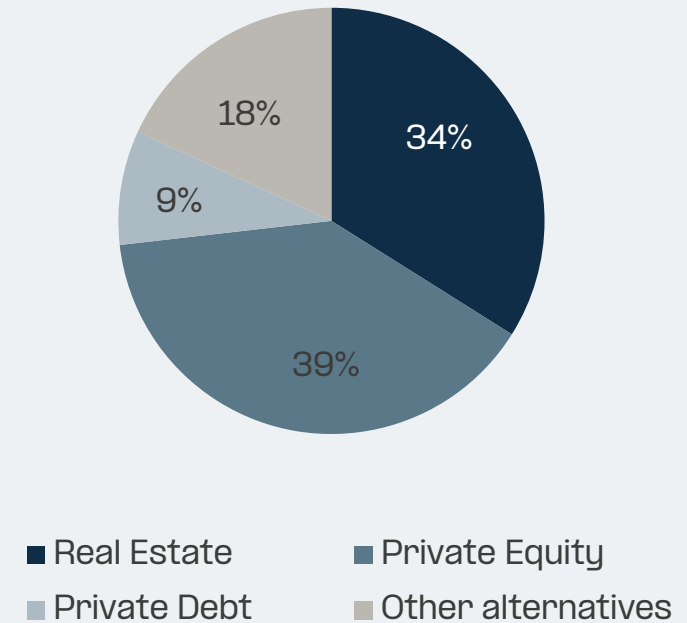
Continued growth of Alternative Products

2022 Fundraising to alternatives almost EUR 500 million

Development of Assets under management in alternative funds (bn. €)

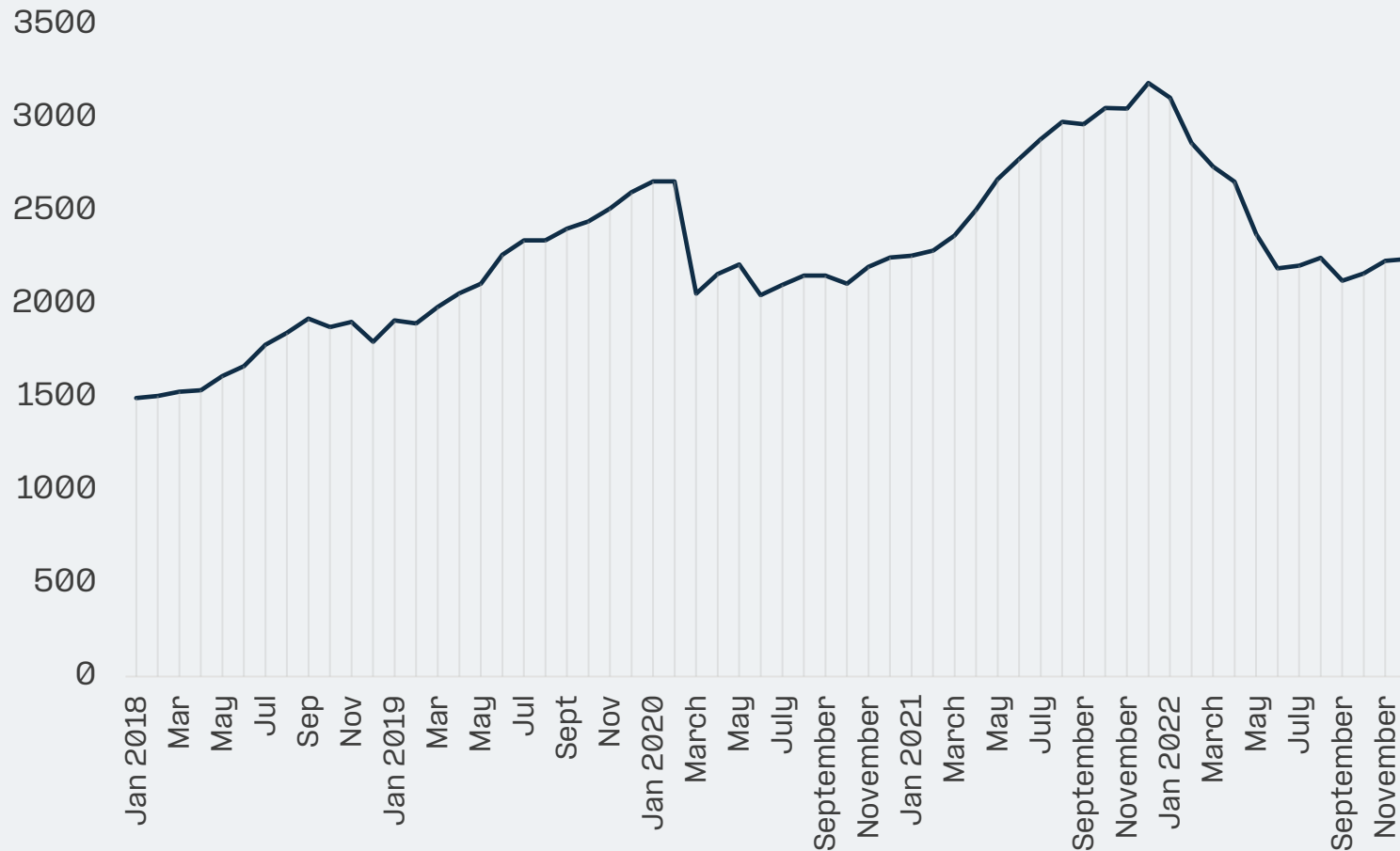


Assets under management in alternative funds (bn. €)



Disappointing year for International Sales

Development of international sales 2018–2022



- Difficult market leading to decreased asset values and increased redemptions
- Client specific reorganization in one country leading to significant redemptions

Mixed performance in Advisory Services

Corporate Finance advisory fees decreased to EUR 5.8 million (EUR 11.7 million)

- Slowdown in client activity due to market uncertainty
- Acted as advisor in 19 transactions (2021: 30 transactions)
- Mandate base on a good level at year end

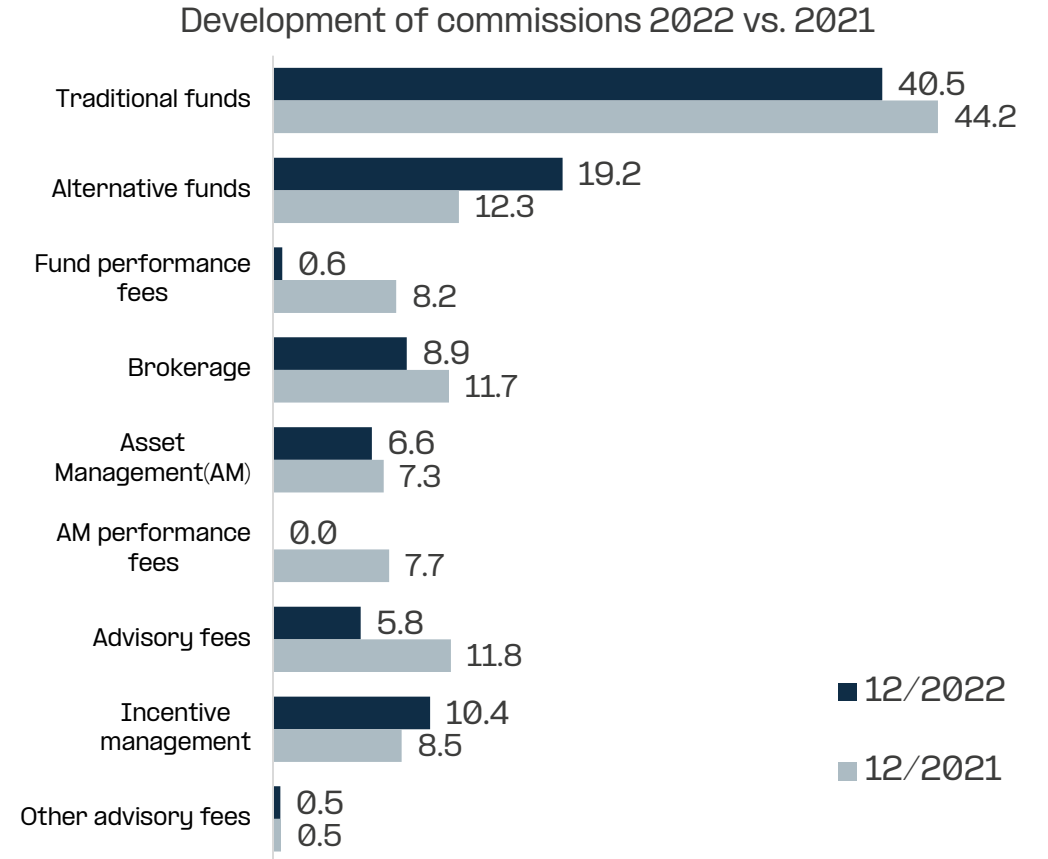
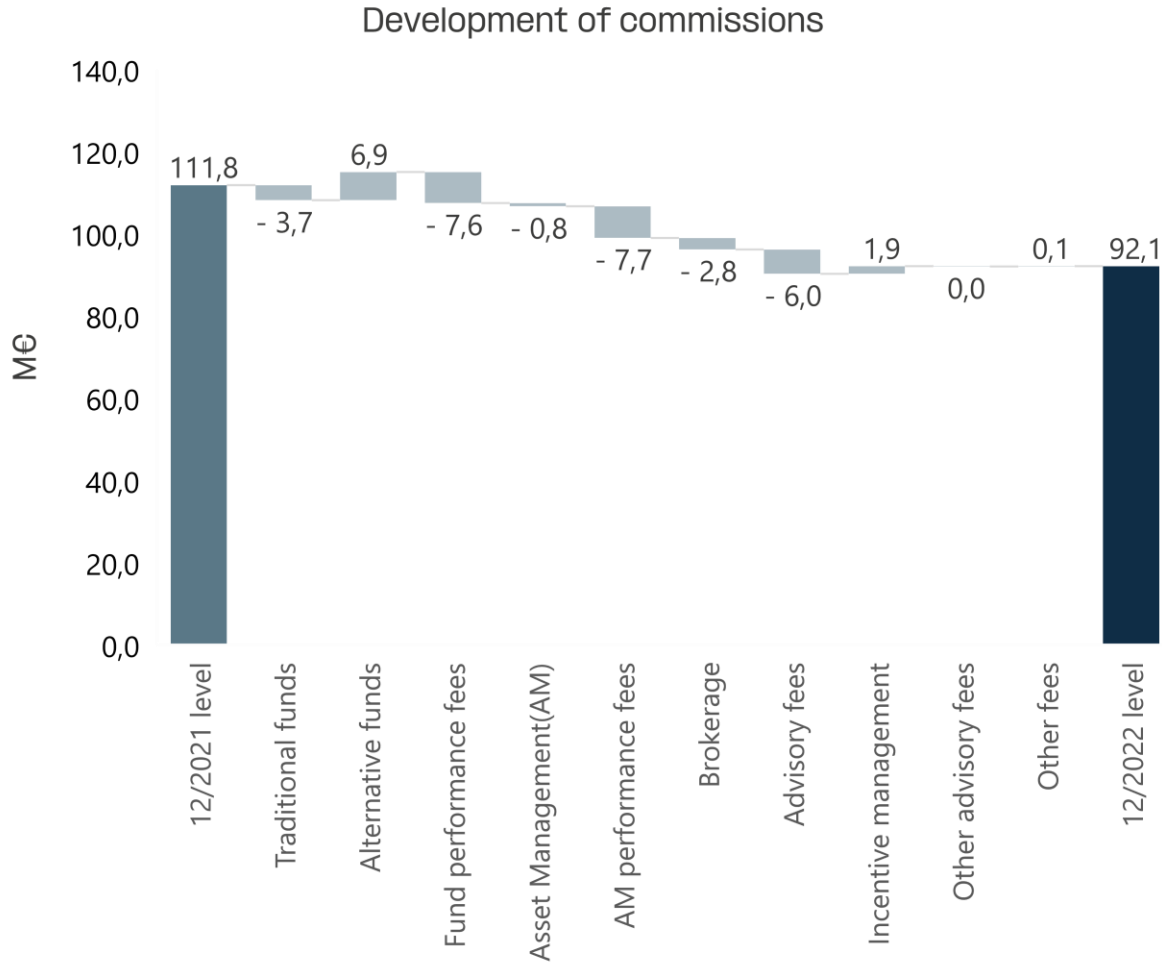
Revenues from incentive plans increased to EUR 10.4 million (EUR 8.5 million)

- Driven by:
 - Increase in number of client companies
 - Cross-selling of design and administration
- Strategic drive to grow among non-listed and Swedish companies progressed well
- Incentive plans under administration grew to 130 (2021: 110)
- Advisor to about 160 companies in incentive planning (2021: 130)
- Acquisition of Elite Palkitsemispalvelut (part of EAB Group Plc) added some 90 personnel funds encompassing some 105.000 participants

03

FINANCIAL HIGHLIGHTS

Revenue Development

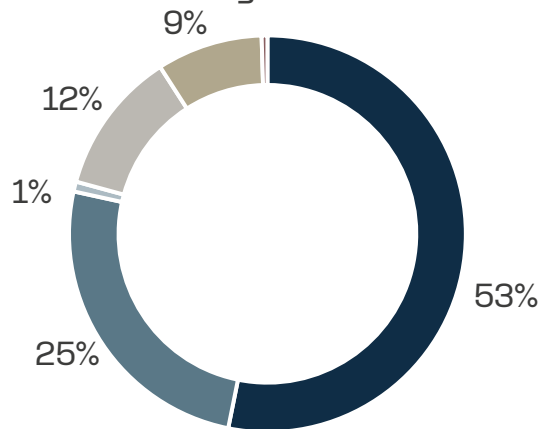


Development of Operative Segments

Wealth Management & Investor Clients

- Net revenues decreased to EUR 75.7 million (EUR 91.4 million)
- Operating profit decreased to EUR 27.4 million (EUR 44.8 million)

Split of Wealth Management fees 1–12/2022

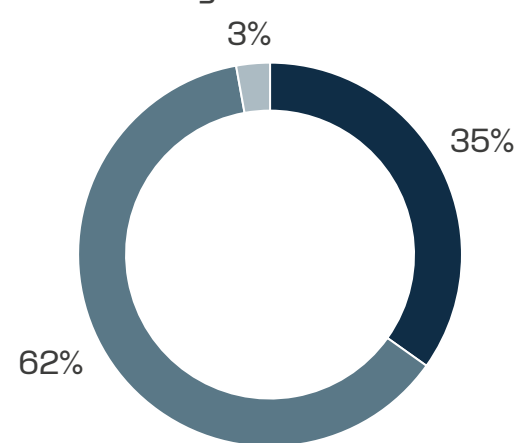


- Traditional funds
- Alternative funds
- Fund performance fees
- Brokerage
- Asset Management
- Other fees

Advisory & Corporate Clients

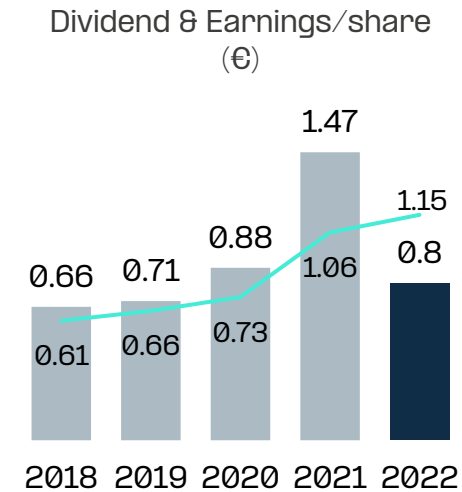
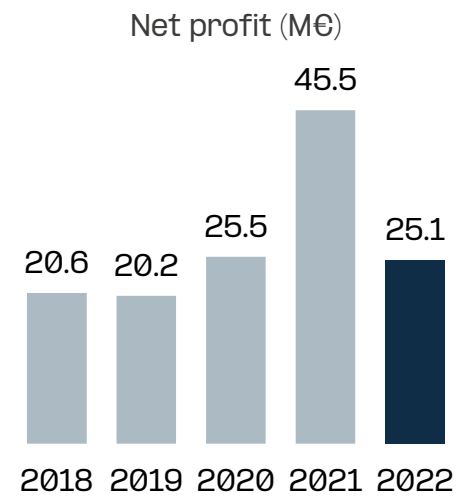
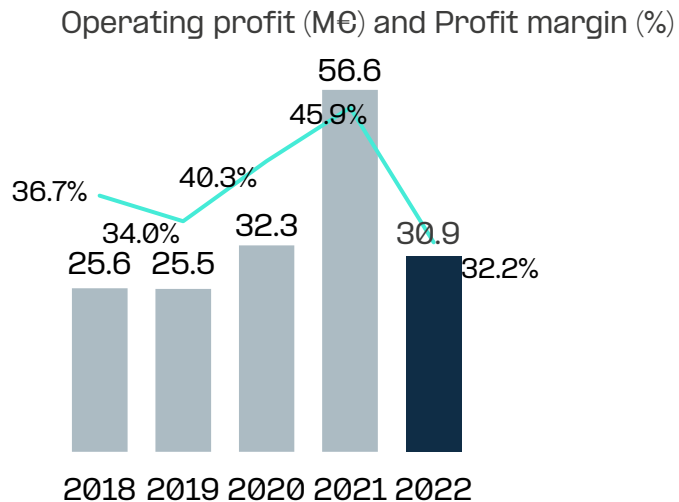
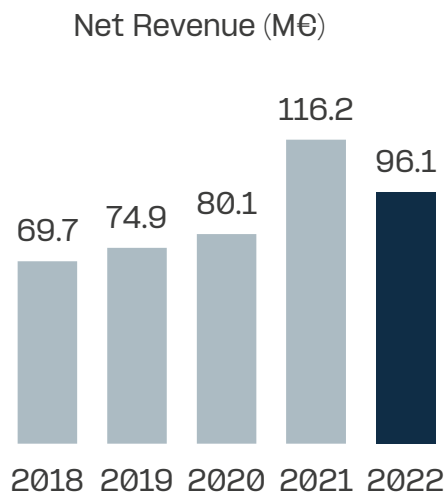
- Net revenues decreased to EUR 16.4 million (EUR 20.2 million)
- Operating profit decreased to EUR 4.2 million (EUR 7.4 million)

Split of advisory commissions 1–12/2022



- Advisory fees
- Incentive mgmt & design
- Other advisory fees

Financial development 2018–2022



RETURN ON EQUITY
(TARGET 25%)

20.4%

RECURRING REVENUE RATIO
(TARGET 130%)

123%

ASSETS UNDER MANAGEMENT

16.0

NET COMMISSIONS

92.1

Consolidated Comprehensive Income Statement

M€	EVLI GROUP		EVLI PLC, PARENT COMPANY
	1-12/2022	Carve-out 1-12/2021	1-12/2022
Fee and commission income	95.4	114.4	25.7
Net income from securities transactions	3.7	3.7	4.3
Income from equity investments	0.0	0.0	0.2
Interest income	1.6	1.4	1.3
Other operating income	0.1	0.2	11.2
INCOME TOTAL	100.9	119.7	42.7
Fee and commission expenses	-3.3	-2.7	-2.6
Interest expenses	-1.5	-0.8	-1.2
NET INCOME	96.1	116.2	38.9
Administrative expenses			
Personnel expenses	-39.2	-36.6	-19.6
Other administrative expenses	-19.6	-17.6	-10.6
Depreciation and amortization on tangible and intangible assets	-5.1	-4.8	-4.6
Other operating expenses	-0.8	-1.3	-1.7
Expected credit losses on loans and other receivables	-0.7	0.1	0.0
Share of profit or loss of associates	0.3	0.5	0.0
OPERATING PROFIT/LOSS	30.9	56.6	2.3
Income taxes	-5.8	-11.2	-0.4
PROFIT / LOSS FOR THE FINANCIAL YEAR	25.1	45.5	2.0
Attributable to			
Minority interest	4.3	6.7	
Shareholders of parent company	20.7	38.8	
PROFIT / LOSS FOR THE FINANCIAL YEAR	25.1	45.5	

Balance Sheet

ASSETS, M€	EVLI GROUP		EVLI PLC, PARENT COMPANY
	31.12.2022	31.12.2021	31.12.2022
Cash and equivalents	0.0	0.0	0.0
Claims on credit institutions	115.4	47.8	68.7
Claims on the public and public sector entities	34.8	87.4	55.0
Debt securities	2.0	0.7	2.0
Shares and participations	41.3	49.6	39.1
Derivative contracts	0.4	26.4	0.4
Shares and participations in associates	5.7	4.0	29.1
Intangible assets and goodwill	49.6	13.8	20.1
Property, plant and equipment	1.1	1.2	0.8
Right-of-use assets	12.9	7.6	0.0
Other assets	95.7	127.1	77.4
Accrued income and prepayments	3.3	2.3	1.3
Income Tax receivables	1.0	0.1	0.7
Deferred tax assets	3.4	0.1	0.0
TOTAL ASSETS	366.6	368.3	294.7

LIABILITIES, M€	EVLI GROUP		EVLI PLC, PARENT COMPANY
	31.12.2022	31.12.2021	31.12.2022
Liabilities to credit institutions and central banks	0.0	8.6	0.0
Debts to institutions	0.5	–	0.0
Debt securities issued to the public	106.3	91.0	106.3
Derivative contracts and other liabilities held for trading	0.4	26.3	0.4
Other liabilities	81.6	105.4	66.0
Accrued expenses and deferred income	32.1	29.3	16.0
Direct income tax liability	2.1	5.5	0.0
Deferred tax liabilities	0.0	0.0	0.0
TOTAL LIABILITIES	223.2	266.1	188.8
EQUITY			
Equity to holders of parent company	138.7	96.9	103.8
Non-controlling interest in capital	4.7	5.2	2.0
TOTAL EQUITY	143.4	102.1	105.9
TOTAL LIABILITIES & EQUITY	366.6	368.3	294.7

04

FOCUS & OUTLOOK

Focus for 2023

1. Operational efficiency

- One Evli (finalizing integration of EAB)
- Fine tuning of processes
- System upgrades and improvements

2. Customer acquisition and cross sales

- Domestic HNWI, Institutional and Corporates
- Nordic and Europe

3. Fund sales

- Continued alternative growth
- Fixed income and value back in vogue



Outlook for 2023

CURRENT YEAR TARGET:

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

LONG TERM TARGETS:

- Significant growth of AUM (EUR 30 billion) over the long-term
- EBIT margin of 30%
- High return on equity (25%)
- Recurring revenue ratio in excess of 130%.



EVLI

THANK YOU



EVLI



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