



Evli Plc

INTERIM CARVE-OUT FINANCIAL INFORMATION 1.1.2021-30.9.2021

Table of Contents

Combined income statement.....	2
Combined balance sheet.....	3
Combined cash flow statement.....	5
Carve-out interim financial information – Basis for presentation	6
Segment reporting	7
Notes.....	9

Combined income statement

	1-9 2021	1-9 2020
Fee and commission income	79,6	52,5
Net income from securities transactions	3,3	0,9
Income from equity investments	0,0	0,0
Interest income	1,0	1,1
Other operating income	0,0	0,2
INCOME TOTAL	84,0	54,8
Fee and commission expenses	-2,0	-2,3
Interest expenses	-0,7	-0,8
NET INCOME	81,2	51,6
Administrative expenses		
Personnel expenses	-26,3	-20,9
Other administrative expenses	-11,2	-8,4
Depreciation and amortization on tangible and intangible assets	-3,7	-4,5
Other operating expenses	-0,8	-0,5
Expected credit losses on loans and other receivables	0,0	-0,1
Share of profit or loss of associates	0,5	0,3
OPERATING PROFIT/LOSS	39,7	17,6
Income taxes	-7,5	-3,9
PROFIT / LOSS FOR THE FINANCIAL YEAR	32,2	13,7
Attributable to		
Non-controlling interest	5,4	1,3
Shareholders of parent company	26,8	12,4
PROFIT / LOSS FOR THE FINANCIAL YEAR	32,2	13,7
OTHER COMPREHENSIVE INCOME / LOSS		
Items that are or may be reclassified subsequently to profit or loss		
Foreign currency translation differences - foreign operations	0,2	-0,1
Other comprehensive income/loss	0,2	-0,1
Other comprehensive income after taxes / loss for the year	0,2	-0,1
OTHER COMPREHENSIVE INCOME / LOSS FOR THE YEAR	32,3	13,6
Attributable to		
Non-controlling interest	5,4	1,3
Equity holders of parent company	27,0	12,3

Combined balance sheet

	30.9.2021	30.9.2020	31.12.2020
ASSETS			
Cash	0,0	0,0	0,0
Claims on credit institutions	43,5	26,4	28,0
Claims on the public and public sector entities	107,8	104,2	108,7
Debt securities	0,7	2,7	1,8
Shares and participations	58,8	63,4	57,3
Derivative contracts	17,3	41,4	52,2
Shares and participations in associates	3,0	4,1	4,2
Intangible assets and goodwill	14,2	16,5	16,0
Property, plant and equipment	1,2	1,3	1,3
Right-of-use assets	8,0	3,8	9,7
Other assets	178,9	374,3	154,4
Accrued income and prepayments	1,5	1,8	2,7
Income tax receivables	1,6	2,3	0,5
Deferred tax assets	0,1	0,4	0,1
TOTAL ASSETS	436,7	642,7	436,7
LIABILITIES AND EQUITY			
LIABILITIES			
Liabilities to credit institutions and central banks	62,5	62,6	24,8
Liabilities to the public and public sector entities	0,0	0,0	0,0
Debt securities issued to the public	91,1	124,2	121,1
Derivative contracts and other liabilities held for trading	17,1	41,6	52,5
Other liabilities	127,7	325,1	137,0
Accrued expenses and deferred income	25,2	19,3	21,3
Income tax liability	5,0	2,8	1,8
Deferred tax liabilities	0,0	0,0	0,0
TOTAL LIABILITIES	328,6	575,7	358,5
EQUITY			
Translation difference	0,2	-0,1	0,2
Invested equity and retained earnings	102,2	64,2	75,1
Non-controlling interest	5,7	3,0	3,0
TOTAL EQUITY	108,1	67,0	78,2
TOTAL LIABILITIES AND EQUITY	436,7	642,7	436,7

Combined statement of changes in equity

	Translation difference	Invested equity and retained earnings	Equity attributable to owners of new Evli	Non- controlling interest	Total equity
Equity 1.1.2020	0,0	63,3	63,2	1,7	64,9
Translation difference	0,3		0,3		0,3
Profit/loss for the period		12,4	12,4	1,3	13,7
Dividends to Evli Bank Plc's shareholders		-15,3	-15,3	-1,0	-16,3
Other changes		3,4	3,4	1,0	4,4
Equity transactions with Evli Bank		0,1	0,1	0,0	0,1
Equity 30.9.2020	0,2	63,9	64,1	3,0	67,0
Translation difference	0,0		0,0		0,0
Profit/loss for the period		11,2	11,2	0,6	11,8
Other changes		1,0	1,0	-0,6	0,4
Equity transactions with Evli Bank		-0,8	-0,8		-0,8
Equity 31.12.2020	0,2	75,2	75,4	3,0	78,4
Translation difference	0,0		0,0		0,0
Profit/loss for the period		26,8	26,8	5,4	32,2
Dividends to Evli Bank Plc's shareholders				-1,4	-1,4
Other changes		2,0	2,0	-1,3	0,7
Equity transactions with Evli Bank		-1,7	-1,7		-1,7
Equity 30.9.2021	0,2	102,3	102,5	5,7	108,1

Other changes in 2020 include the accrual of expenses arising from granted retention share programs, which is presented as part of other changes in the retained earnings column. In addition, the share exchange between Evli Awards Management Oy and Alexander Incentives Oy in 2020 and its effect is presented as other changes both in reserve for invested equity and in non-controlling interests.

Other changes in 2021 include, among other things, the accrual of expenses arising from granted retention share programs, which is presented as part of the change in retained earnings and the non-recurring effect related to the acquisition of Alexander Incentives Oy.

Combined cash flow statement

	1-9 2021	1-9 2020
Operating activities		
Operating profit	39,7	17,6
Adjustment for items not included in cash flow	7,7	5,2
Income taxes paid	-3,6	-3,3
Cash flow from operating activities before changes in operating assets and liabilities	43,8	19,5
Changes in operating asset	-20,4	-243,8
Changes in operating liabilities	-40,6	202,3
Cash flow from operating activities	-17,2	-22,1
Investing activities		
Change in intangible asset	-0,4	-0,4
Change in property, plant and equipment	-0,1	-0,1
Cash flow from investing activities	-0,5	-0,6
Financing activities		
Change in Loans from credit institutions	-0,7	18,6
Change in Loans from Evli Bank	38,4	18,9
Equity transactions with Evli Bank	-1,7	0,1
Dividends paid, Evli Bank shareholders	0,0	-15,3
Dividends paid to NCI	-1,4	-1,0
Payments of lease liabilities/IFRS 16	-1,3	-1,6
Cash flow from financing activities	33,2	19,7
Cash and cash equivalents at the beginning of period	28,0	29,4
Cash and cash equivalents at the end of year	43,5	26,4
Change	15,5	-2,9

Cash + claims on credit institutions = cash and cash equivalents.

Carve-out interim financial information – Basis for presentation

Background

The Carve-out interim financial information has been prepared to be included in the prospectus that Evli Bank Plc will publish for the extraordinary shareholders meeting where the owners will decide about the planned demerger and to apply for the new Evli B- shares to be listed on Nasdaq Helsinki Stock Exchange.

The Board of Evli Bank Plc approved on the 30.9.2021 the demerger plan, according to which assets and liabilities related to Evli's asset management, custody, clearing, brokerage and corporate finance activities and the support functions for these mentioned businesses to be transferred to new Evli Plc which will be founded in the demerger.

Basis of presentation

The new Evli Carve-out interim financial information for the nine months interim period ended 30.9.2021 has been prepared by consolidating the financial information for other businesses and functions than those businesses that require a credit institution license from Evli Bank Plc group figures. These businesses are the above in the previous section mentioned businesses. Assets, liabilities, revenues, costs and cash flows for these businesses are presented in this Carve-out interim financial information. The interim Carve-out information also include revenues, costs, assets and liabilities in which Evli Bank Plc ("Carve-out parent entity") is the counterparty. The New Evli Group is not a subgroup to Evli Bank Plc and it has not previously prepared consolidated financial statements of its own for internal or external needs. The Board of Evli Bank Plc has approved the Carve-out interim financial information to be published on 7.12.2021.

These Carve-out interim financial information for the nine months period ended on the 30.9.2021 has been prepared in accordance with the IAS 34 standard, as approved by the European Union. When preparing the Carve-out interim financial information, the basis for presentation applied for the Carve-out financial statements for the financial years ended 31.12.2020, 31.12.2019 and 31.12.2018, have also been applied to relevant parts in the Carve-out interim financial information. The information in the Carve-out interim financial information are unaudited.

The New Evli Carve-out interim financial information does not necessarily illustrate the financial position and financial performance which new Evli would have had if it would have been an independent Group and presented its figures as a separate group. The aim of the Carve-out information is not either to illustrate or estimate what the financial performance, financial position or cash flows are in the future.

The Carve-out interim financial information include allocated revenues, costs, assets, liabilities and cash flows that are based on management assessment, assumptions and estimates. The most material estimates, solutions based on assessment and assumptions are related to allocating group costs, cash management, financing allocations and invested equity. According to Evli's management the allocations in the Carve-out interim information are reasonable, but they do not necessarily illustrate the costs and revenues that would have incurred if New Evli would have been a separate unit and prepared its own consolidated financial statements. New Evli does not have other material business transactions with the Carve-out parent entity Evli Bank Plc than financing activities, common insurances, common support functions, common head quarter functions and shared premises.

The Carve-out interim financial information do not include all the information disclosed in annual Carve-out financial statements. This interim financial information should be read together with the financial statements.

Top management of the group do not regularly oversee the distribution of assets and liabilities to the different segments. That is why assets and liabilities are not divided by the operating segments. Group costs include the group costs allocation to the different segments. Group costs include top management costs, certain back-office services, risk management, finance administration, IT, marketing, communications and investor relations, legal and compliance, internal services and human resources. The accounting policies are consistent with the ones used in the Carve-out financial statements for the financial years ended 31.12.2020, 31.12.2019 and 31.12.2018.

Segment reporting

1.1.-30.9.2021						
	Wealth Management and Investor Clients	Advisory and Corporate Clients	Group Operations	Unallocated	Group	
REVENUE						
Net Interest Income	0,0	0,0	0,3	0,0	0,3	
Commission income and expense, net	62,7	14,8	0,1	0,0	77,5	
Net income from securities transactions and foreign exchange dealing	0,0	0,0	3,3	0,0	3,3	
Other operating income	0,0	0,0	0,0	0,0	0,0	
External sales	62,7	14,8	3,7	0,0	81,2	
Inter-segment sales	0,0	0,0	0,0	0,0	0,0	
Total revenue	62,7	14,8	3,7	0,0	81,2	
Timing of revenue recognition						
Over time	47,5	5,0	-0,6	0,0	51,9	
At a point of time	15,8	9,9	0,0	0,0	25,6	
RESULT						
Segment operating expenses	-25,1	-6,5	-6,8	0,0	-38,3	
Business units operating profit before depreciations and Group allocations	37,6	8,3	-3,0	0,0	42,9	
Depreciation, amortisation and write-down	-1,7	-0,3	-1,7	0,0	-3,7	
Impairment losses on loans and other receivables	0,0	0,0	0,0	0,0	0,0	
Business units operating profit before Group allocations	35,9	8,0	-4,7	0,0	39,2	
Allocated corporate expenses	-6,2	-1,5	7,7	0,0	0,0	
Operating profit including Group allocations	29,7	6,5	3,0	0,0	39,2	
Share of profits (losses) of associates	0,0	0,0	0,5	0,0	0,5	
Income taxes*	-3,3	-1,4	-2,7	0,0	-7,5	
Segment profit/loss after taxes	26,4	5,0	0,7	0,0	32,2	
1.1.-30.9.2020						
	Wealth Management and Investor Clients	Advisory and Corporate Clients	Group Operations	Unallocated	Group	
REVENUE						
Net Interest Income	0,0	0,0	0,3	0,0	0,3	
Commission income and expense, net	43,7	6,4	-0,1	0,3	50,2	
Net income from securities transactions and foreign exchange dealing	0,0	0,0	0,9	0,0	0,9	
Other operating income	0,0	0,1	0,1	0,0	0,2	
External sales	43,7	6,4	1,2	0,2	51,6	
Inter-segment sales	0,0	0,0	0,0	0,0	0,0	
Total revenue	43,7	6,4	1,2	0,2	51,6	
Timing of revenue recognition						
Over time	37,3	4,1	0,0	0,2	41,6	
At a point of time	6,3	2,1	0,0	0,2	8,6	
RESULT						
Segment operating expenses	-21,6	-4,4	-4,5	0,6	-29,8	
Business units operating profit before depreciations and Group allocations	22,1	2,1	-3,3	0,9	21,8	
Depreciation, amortisation and write-down	-2,6	-0,3	-0,4	-1,2	-4,5	
Impairment losses on loans and other receivables	0,0	0,0	-0,1	0,0	-0,1	
Business units operating profit before Group allocations	19,5	1,8	-3,8	-0,3	17,2	
Allocated corporate expenses	-3,9	-0,6	4,5	0,0	0,0	
Operating profit including Group allocations	15,6	1,2	0,7	-0,3	17,2	
Share of profits (losses) of associates	0,0	0,0	0,0	0,3	0,3	
Income taxes*	-2,3	-0,4	-1,2	0,1	-3,9	
Segment profit/loss after taxes	13,3	0,8	-0,5	0,1	13,7	

30.9.2021

Geographical income net income and assets	Finland	Sweden	Other countries	Group
Net revenue	69,5	8,2	3,5	81,2
Assets	422,1	11,0	3,6	436,7

30.9.2020

Geographical income net income and assets	Finland	Sweden	Other countries	Group
Net revenue	48,2	3,0	0,4	51,6
Assets	635,5	6,8	0,4	642,7

Segment information is based on segment information historically reported to Evli Bank Plc's chief operating decision maker (Board of Directors), from which, in connection with the preparation of the carve-out financial statements, operations related to Evli's wealth management, custody, clearing, settlement and brokerage, corporate finance and functions supporting these businesses have been carved out to form separate segment information. The presentation of carve-out segment information is based on Evli Bank Plc's historical presentation of the bank's comprehensive income statement, which differs from the presentation of the investment company's comprehensive income statement used in the carve-out financial statements. In the segment information, the information presented in the line total revenue corresponds to the line net revenue in the statement of comprehensive income, in addition, in the carve-out income statement, the share of participation share is reported prior to operating profit, where as in segment report it is reported after the operating profit. Segments are reported in accordance with the Group's business and geographical segmentation. The business segments consist of business units whose products and services, as well as the earnings logic and profitability, differ from each other. The business risks related to different business segments are also different. Evli's business is divided into two segments based on customer type and services, The Wealth Management and Investor Clients segment and the Advisory and Corporate Clients segment. Operations not included above are classified as Group Operations, and the business segments mentioned above make use of these operations.

Notes

	30.9.2021	30.9.2020	31.12.2020
Equity and debt securities			
Bonds, book value	91,1	124,2	121,1
(Bonds, fair value)	89,8	120,9	119,8

Breakdown by maturity	< 3 months	3-12 months	1-5 years	5-10 years
30.9.2021				
Debt securities issued to the public	0,9	9,2	80,9	-
30.9.2020				
Debt securities issued to the public	0,8	2,3	121,1	-
31.12.2020				
Debt securities issued to the public	1,0	1,9	116,0	2,2

Changes in bonds issued to the public	30.9.2021	30.9.2020	31.12.2020
Bonds issued (change)		27,6	31,7
Bonds Repurchased (change)	30,0	19,7	34,4
Off-Balance sheet commitments			
Commitments given to a third party on behalf of a customer	11,9	8,2	5,4
Irrevocable commitments given in favor of a customer	2,4	1,6	2,3
Guarantees on behalf of others	0,0	0,0	0,0
Unused credit facilities	13,3	10,8	9,6

Transactions with related parties

Transactions with related parties	Associated companies	Associated companies	Group management	Group management	Evli	
					Bank Plc	Evli Bank Plc
Receivables	-	-	0,7	0,7	33,1	21,4
Liabilities	-	-	-	-	62,5	43,3
Sales	-	-	0,0	0,0	-	-
Purchases	-	-	0,0	0,0	0,2	0,1

Evli Bank Plc and the associated company Northern Horizon Capital A/S belong to New Evli's related parties. Also the management of Evli, their immediate family members, companies controlled by management or their immediate family members and the board members of subsidiaries belong to Evli's relate parties.

The transactions between management and Evli are typical transactions between an investment firm and its clients. Receivables from management consist of loans issued by normal terms. The arrangements between management and Evli do not differ in terms from other arrangements between Evli and its other clients.

The business transactions New Evli has conducted with Evli Bank Plc are presented as related party transactions. Evli Bank Plc has funded New Evli's working capital requirements related to brokerage and derivatives business. This funding is presented as a debt to Evli Bank Plc. New Evli's subsidiaries cash

deposits to Evli Bank Plc are presented as receivables from Evli Bank Plc in claims on credit institutions in the balance sheet. There are no other material business transactions between New Evli and Evli Bank Plc than these financing activities mentioned above.

Value of financial instruments across the three levels of the fair value hierarchy, M€

30/09/2021				
	Level 1	Level 2	Level 3	Ending Balance
Financial assets:				
Shares and participations classified as held for trading	0,1	0,0	0,0	0,1
Shares and participations, other	50,8	0,0	7,9	58,8
Debt securities	0,0	0,4	0,4	0,7
Positive market values from derivatives	0,0	15,0	2,3	17,3
Total financial assets held at fair value	50,9	15,3	10,6	76,8
Financial liabilities:				
Shares and participations classified as held for trading (liability)	0,0	0,0	0,0	0,0
Negative market values from derivatives	0,0	14,8	2,3	17,1
Total financial liabilities held at fair value	0,0	14,8	2,3	17,1

30/09/2020				
	Level 1	Level 2	Level 3	Ending Balance
Financial assets:				
Shares and participations classified as held for trading	0,1	0,0	0,0	0,1
Shares and participations, other	56,1	0,0	7,1	63,2
Debt securities	0,0	1,0	1,7	2,7
Positive market values from derivatives	0,0	40,5	0,9	41,4
Total financial assets held at fair value	56,2	41,5	9,8	107,5
Financial liabilities:				
Shares and participations classified as held for trading (liability)	0,0	0,0	0,0	0,0
Negative market values from derivatives	0,0	40,6	0,9	41,6
Total financial liabilities held at fair value	0,0	40,6	0,9	41,6

31/12/2020				
	Level 1	Level 2	Level 3	Ending Balance
Financial assets:				
Shares and participations classified as held for trading	0,1	0,0	0,0	0,1
Shares and participations, other	49,9	0,0	7,2	57,2
Debt securities	0,0	0,6	1,2	1,8
Positive market values from derivatives	0,0	51,1	1,1	52,2
Total financial assets held at fair value	50,0	51,7	9,5	111,3
Financial liabilities:				
Shares and participations classified as held for trading (liability)	0,4	0,0	0,0	0,4
Negative market values from derivatives	0,0	50,9	1,1	52,0
Total financial liabilities held at fair value	0,4	50,9	1,1	52,5

Explanation of fair value hierarchies

Level 1

Fair values measured using quoted prices in active markets for identical instruments.

Level 2

Fair values measured using directly or indirectly observable inputs, other than those included in level 1.

Level 3

Fair values measured using inputs that are not based on observable market data.

Level 1 of the hierarchy includes listed shares, mutual funds and derivatives listed on exchanges, and debt securities that are traded in active OTC- and public markets. Shares and participations classified in level 3 are usually instruments which are not publicly traded, like venture capital funds, real estate funds, equities and equity rights.

Derivative valuations for level 3 instruments contain inputs (volatility and dividend estimate) which are not directly observable in the market. The values are calculated with pricing models widely in use, like Black-Scholes. Valuations received from the counterparty of the OTC trade are classified as level 3 valuations. There is no significant change in the option fair values, if the volatility estimates are changed to publicly obtained historical volatilities.

Debt securities valuations that are obtained from markets that are not fully active, have a fair value level hierarchy of 2. Level 3 valuations for debt securities are valuations for illiquid securities that are received directly from the arranger of the issue, or the valuation is calculated by the company.

Derivatives

30/09/2021

Overall effect of risks associated with derivative contracts

Nominal value of underlying, gross

Remaining maturity	Maturity: Less than 1 year	Maturity: 1-5 years	Maturity: 5-15 years	Maturity: Fair value (+/-)
Held for trading				
Interest rate derivatives				
Interest rate swaps	4,9	73,6	0,0	0,0
Equity-linked derivatives				
Futures	0,1	3,4	0,0	0,0
Options bought	0,0	0,0	0,0	0,0
Options sold	0,0	0,0	0,0	0,0
Currency-linked derivatives	3938,5	8,3	0,0	0,1
Held for trading, total	3943,5	85,3	0,0	0,1
Derivative contracts, total	3943,5	85,3	0,0	0,1

30/09/2020

Overall effect of risks associated with derivative contracts

Nominal value of underlying, gross

Remaining maturity	Maturity: Less than 1 year	Maturity: 1-5 years	Maturity: 5-15 years	Maturity: Fair value (+/-)
Held for trading				
Interest rate derivatives				
Interest rate swaps	1,6	107,5	0,0	0,0
Equity-linked derivatives				
Futures	1,5	3,4	0,0	0,0
Options bought	2,7	0,0	0,0	0,0
Options sold	2,7	0,0	0,0	0,0
Currency-linked derivatives	4639,1	28,8	0,0	-0,1
Held for trading, total	4647,6	139,7	0,0	-0,1
Derivative contracts, total	4647,6	139,7	0,0	-0,1

31/12/2020

Overall effect of risks associated with derivative contracts

Nominal value of underlying, gross

Remaining maturity	Maturity: Less than 1 year	Maturity: 1-5 years	Maturity: 5-15 years	Maturity: Fair value (+/-)
Held for trading				
Interest rate derivatives				
Interest rate swaps	2,1	100,7	2,2	0,0
Equity-linked derivatives				
Futures	0,7	3,4	0,0	0,0
Options bought	0,0	0,0	0,0	0,0
Options sold	0,0	0,0	0,0	0,0
Currency-linked derivatives				
	4555,2	32,1	0,0	0,1
Held for trading, total	4558,0	136,1	2,2	0,1
Derivative contracts, total	4558,0	136,1	2,2	0,1

The interest rate derivatives hedge the interest rate risk in assets and liabilities in the balance sheet.

Currency derivatives comprise commitments made against clients and the associated hedges, and contracts made to hedge currency risk in the balance sheet. The net open risk position of the total amount is small.

Equity derivatives in the banking book hedge the equity risk in equity-linked bonds issued to the public.

IFRS 9 – Credit loss provision for financial assets measured at amortized cost

Items to be measured according the IFRS 9 standard, expected credit losses

Financial assets measured at amortized cost and accounts receivable

30/09/2021

Balance sheet item	Amount	Level 1	Level 2	Level 3	Expected credit loss	Opening balance 1.1., credit loss provision
Receivables from credit institutions	43,5	43,5	-	-	-	-
Receivables from public	107,8	107,1	0,7	-	0,1	0,2
Receivables from the public;						
corporate	30,1	29,8	0,3	-	0,1	0,1
Receivables from the public; private	77,7	77,3	0,4	-	0,1	0,1
Receivables from the public; other	-	-	-	-	-	-
Other receivables	3,9	3,9	-	-	0,0	0,0
Off-balance sheet loan commitments	13,1	13,1	-	-	-	0,0
	168,3	167,6	0,7	-	0,1	0,2

30/09/2020

Balance sheet item	Amount	Level 1	Level 2	Level 3	Expected credit loss	Opening balance 1.1., credit loss provision
Receivables from credit institutions	26,4	26,4	-	-	-	-
Receivables from public	104,2	102,0	1,9	0,3	0,2	0,1
Receivables from the public; corporate	29,6	28,1	1,5	-	0,1	0,0
Receivables from the public; private	74,6	73,9	0,4	0,3	0,2	0,1
Receivables from the public; other	-	-	-	-	-	-
Other receivables	1,9	1,9	-	-	0,0	0,0
Off-balance sheet loan commitments	10,8	10,8	-	-	0,0	0,0
	143,3	141,1	1,9	0,3	0,3	0,1

31/12/2020

Balance sheet item	Amount	Level 1	Level 2	Level 3	Expected credit loss	Opening balance 1.1., credit loss provision
Receivables from credit institutions	28,0	28,0	-	-	-	-
Receivables from public	108,7	106,8	1,9	-	0,2	0,1
Receivables from the public; corporate	31,3	29,8	1,5	-	0,1	-
Receivables from the public; private	77,4	77,0	0,4	-	0,1	0,1
Receivables from the public; other	-	-	-	-	-	-
Other receivables	2,2	2,2	-	-	-	-
Off-balance sheet loan commitments	9,6	9,5	0,2	-	-	-
	148,5	146,5	2,2	-	0,2	0,1

The assets are classified as Level 1 if the receivable is low risk or the credit risk of the receivable has not grown materially since the date of issuing the item. If the credit risk for a financial asset has increased materially since the issuing date, the asset will be transferred to level 2. Individual loans whose values have verifiably declined are recognized in level 3.

The expected credit loss is a probability-weighted calculation formula in which the parameters used are probability of default and the potential total loss when the receivable's collateral is realized. The parameters are generally measured on group levels, and financial assets are classified of assets with similar risks and collateral. The probability of default of counterparties is primarily measured with statistical data based on the relative amount of problem receivables in the credit stock on a national level. The Group has no assets in the 'measured at fair value through comprehensive income' group, and the debt securities are not valued at amortized cost.

For customer credits, three transfers from level 2 to level 1 have been made during 2021, total sum 1.3 M€. The bank has one loan payment instalment that is over 90 days late

Eight loan receivables have been transferred from level 1 to level 2 during 2020, and three loan receivables have been transferred from level 2 back to level 1. The bank had one loan payment instalment that is over 90 days late.

Events after the balance sheet date

Evli Bank Plc's Board of Directors decided on October 1, 2021 to pay a dividend of EUR 0.73 per share for the financial year 2020 in accordance with the authorization given by the Annual General Meeting 2021, a total of approximately EUR 17.4 million.