



eQ Plc – Result 2023

Result presentation 6th February 2024

eQ Group – Key figures

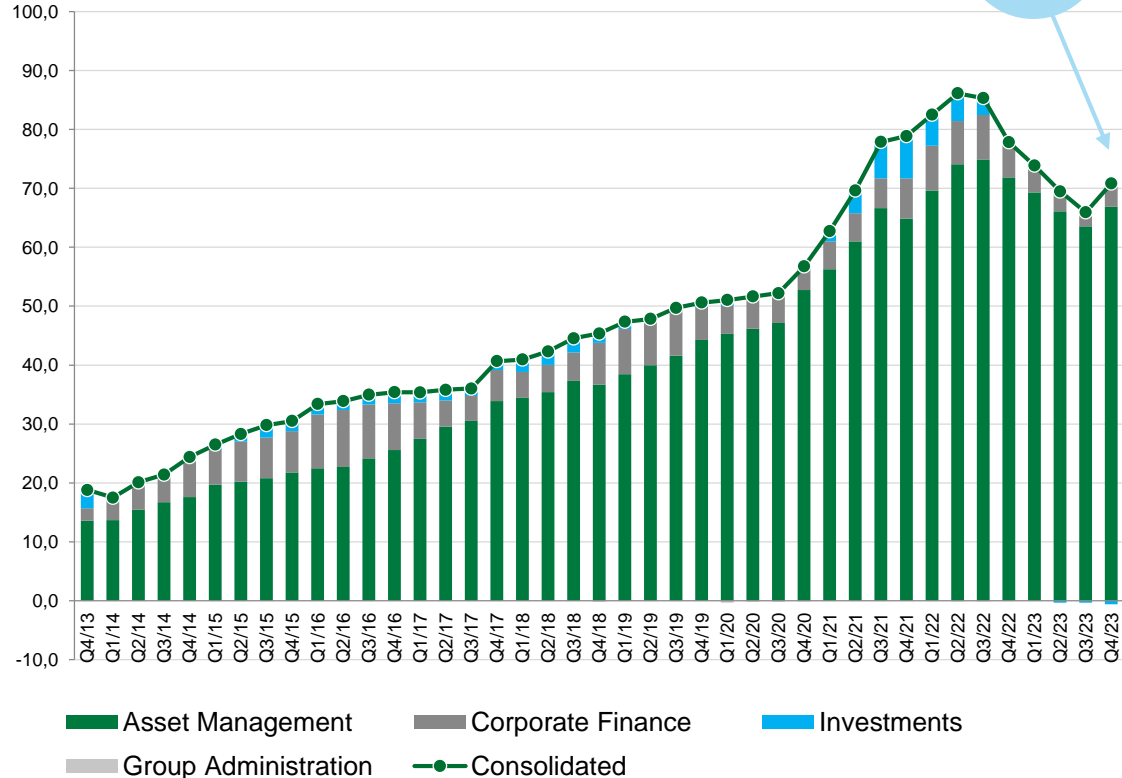


MEUR	1-12/23	1-12/22	Change	10-12/23	10-12/22	Change
Net revenue	70.9	77.8	-9 %	18.5	13.6	36 %
Operating profit	39.7	45.7	-13 %	9.8	6.3	56 %
Profit for the period	31.5	36.3	-13 %	7.8	4.9	57 %
Earnings per share (EUR)	0.78	0.91	-14 %	0.19	0.12	55 %
Cost/income-ratio, %	43.8	41.1	7 %	47.1	53.7	-12 %
Liquid assets	33.4	43.8	-24 %	33.4	43.8	-24 %
Investments in PE and RE funds	16.6	16.8	-2 %	16.6	16.8	-2 %
Dividend proposal/share (EUR)	0.80	1.00	-20 %			

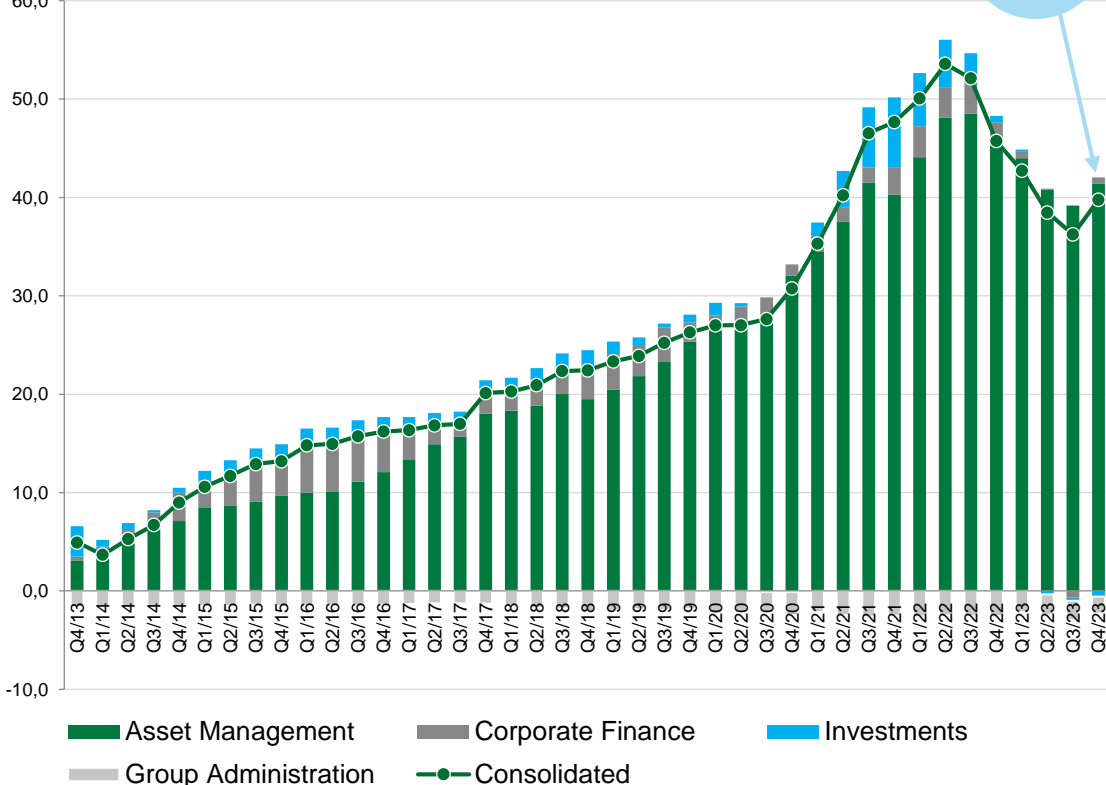
eQ Group – Rolling 12 months



Net revenue development, rolling 12 months, MEUR



Operating profit development, rolling 12 months, MEUR



eQ Group – Balance sheet



ASSETS (MEUR)			LIABILITIES AND EQUITY (MEUR)		
	12/2023	12/2022		12/2023	12/2022
Liquid assets	0.7	0.0	Other liabilities	6.9	6.8
Claims on credit institutions	22.8	23.7	Accruals and deferred income	12.9	16.6
Financial assets			Lease liabilities	5.0	5.6
Financial securities	10.6	20.1	Income tax liabilities	0.0	0.0
PE and real estate fund investments	16.6	16.8	TOTAL LIABILITIES	24.8	29.1
Intangible assets	29.3	29.4	Share capital	11.4	11.4
Tangible assets	4.6	5.8	Reserve for invested unrestricted equity	24.7	27.1
Other assets	15.7	14.4	Retained earnings	7.8	7.0
Accruals and prepaid expenditure	0.4	0.4	Profit (loss) for the period	31.5	36.3
Income tax receivables	0.1	0.1	TOTAL SHAREHOLDERS' EQUITY	75.4	81.8
Deferred tax assets	0.2	0.1			
TOTAL ASSETS	100.3	110.9	TOTAL LIABILITIES AND EQUITY	100.3	110.9

Liquid assets

33.4

MEUR

Private equity and real estate fund investments

16.6

MEUR

Interest-bearing loans

0.0

MEUR

Total capital and the capital requirement ratio

252.8

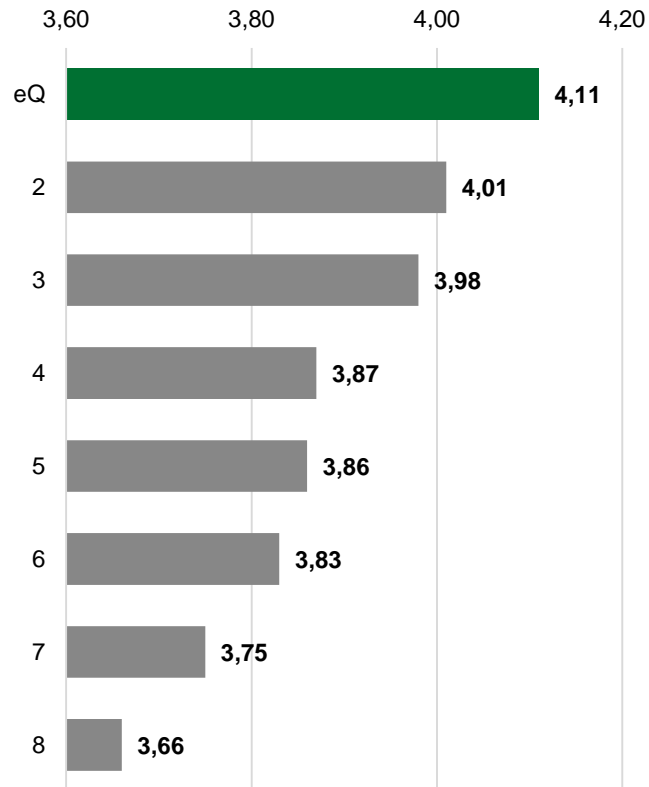


Asset Management

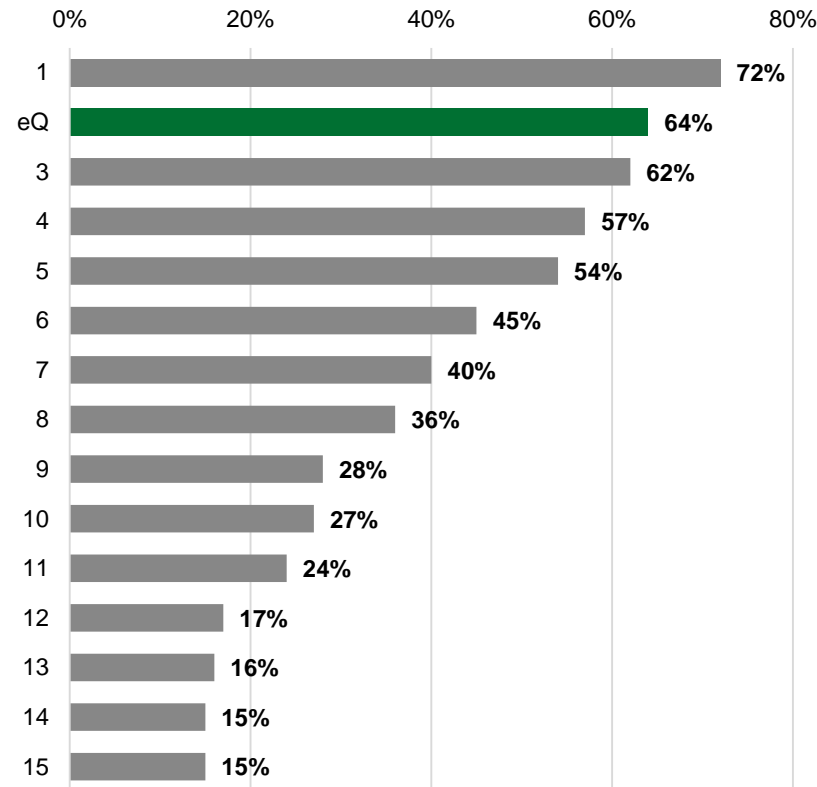
SFR Research 2023



Quality ratings (1-5)



Most used institutional asset managers



SFR 2023: eQ received 1st place in 7/9 categories:

1. Investment performance 3 years
2. Investment performance 12 months
3. Client servicing
4. Clarity of the investment process
5. Resources
6. Ability to take market view
7. Reporting services



AWARDS 2023

Institutional Investment Services

eQ Asset Management Ltd.

PLATINUM AWARD

Asset Managers: Large

SFR Scandinavian Financial Research

Nov 3, 2023

eQ Group's sustainability



eQ Group's sustainability

- eQ Plc is included in the Nasdaq OMX Sustainability Finland index (40 Finnish listed companies)
- eQ Plc has been given the international ISS ESG Prime responsibility rating
- eQ Group's Sustainability Report is part of the Annual Report

Responsible and sustainable investment at eQ Asset Management – Excellent results in PRI reporting

- eQ signed the United Nations' Principles for Responsible Investment (PRI) in 2010
- Better than the median in all reported areas
- The highest classification was achieved for real estate investments, listed shares and corporate loans.

Reported sections 2023	Score (max. 100 %)	Star rating*	Median score %	Median rating
Policy Governance and Strategy	80	★★★★☆	59	★★★★☆
Direct – Listed equity – Active fundamental	95	★★★★★	71	★★★★☆
Direct – Fixed income – Corporate	96	★★★★★	68	★★★★☆
Direct – Real estate	94	★★★★★	62	★★★★☆
Indirect – Private equity	88	★★★★☆	60	★★★★☆
Confidential building measures	100	★★★★★	80	★★★★☆

* PRI's rating scale is based on a star garade (1 star "poor" -> 5 stars "best").

Asset Management – Income statement

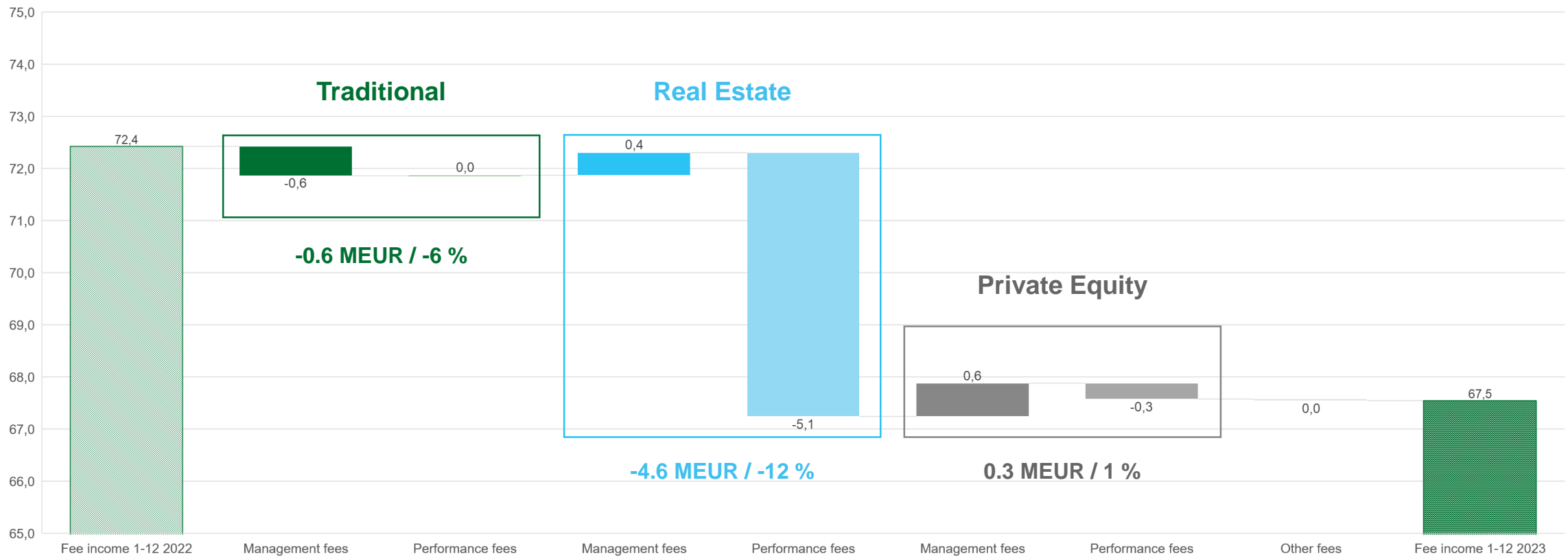


MEUR	1-12/2023	1-12/2022	Change	10-12/2023	10-12/22	Change
NET REVENUE	66.9	71.8	-7 %	16.6	13.3	25 %
Personnel expenses	-21.1	-22.0	-4 %	-5.7	-4.7	21 %
Other administrative expenses	-1.9	-1.8	6 %	-0.6	-0.5	7 %
Depreciation	-1.0	-0.9	13 %	-0.3	-0.3	-9 %
Other operating expenses	-1.4	-1.2	20 %	-0.4	-0.3	41 %
OPERATING PROFIT	41.4	45.9	-10 %	9.7	7.5	30 %
Cost/income -ratio, %	37.9	36.0	5 %	41.5	43.6	-5 %

Asset Management – Fee income change



Asset management fee income change -4.9 MEUR / -7 %

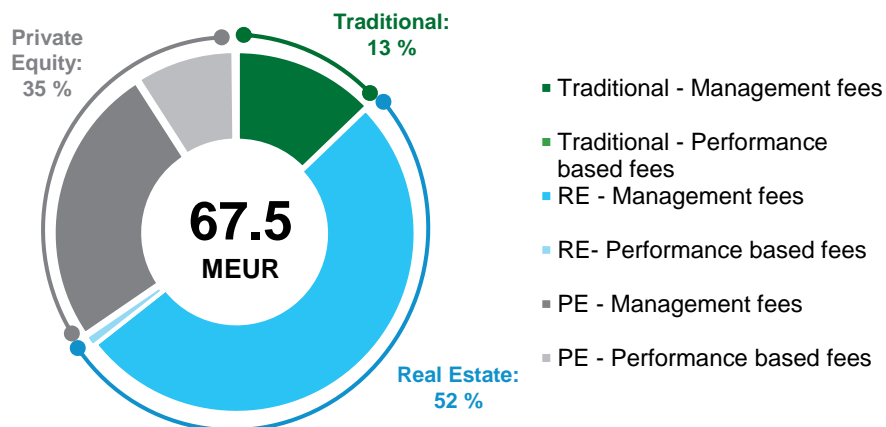


Asset Management – Fee income and Aum

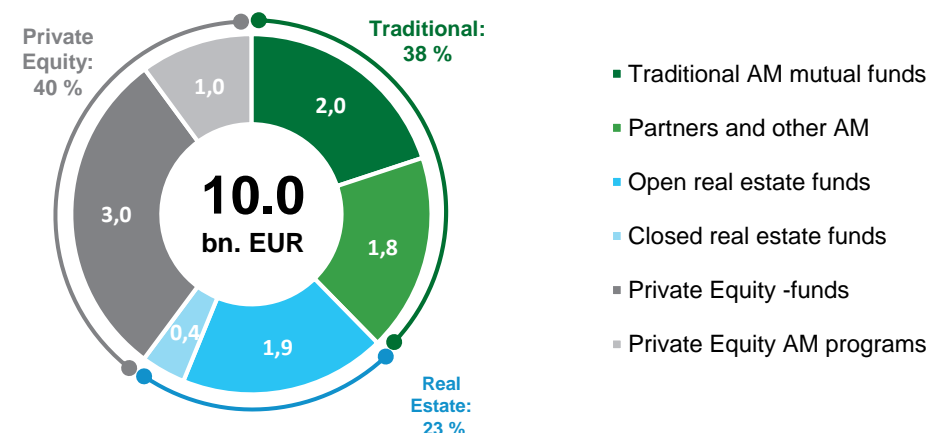


MEUR	1-12/2023	1-12/2022	Change	10-12/2023	10-12/2022	Change
Management fees						
Traditional asset management	8.8	9.4	-6 %	2.2	2.1	6 %
Real estate asset management	35.6	35.1	1 %	8.5	9.4	-9 %
Private equity asset management	17.6	16.9	4 %	4.4	4.3	2 %
Management fees total	62.0	61.5	1 %	15.2	15.8	-4 %
Performance based fees						
Traditional asset management	0.0	0.0	281 %	0.0	0.0	116 %
Real estate asset management	-0.7	4.3	-117 %	0.0	-3.9	-100 %
Private equity asset management	6.1	6.5	-5 %	1.5	1.5	4 %
Performance based fees total	5.4	10.8	-50 %	1.5	-2.5	162 %
Other fees	0.1	0.1	-18 %	0.0	0.0	-8 %
Fee income total	67.5	72.4	-7 %	16.8	13.4	25 %

Fee income 1-12/2023



Assets under management 12/2023



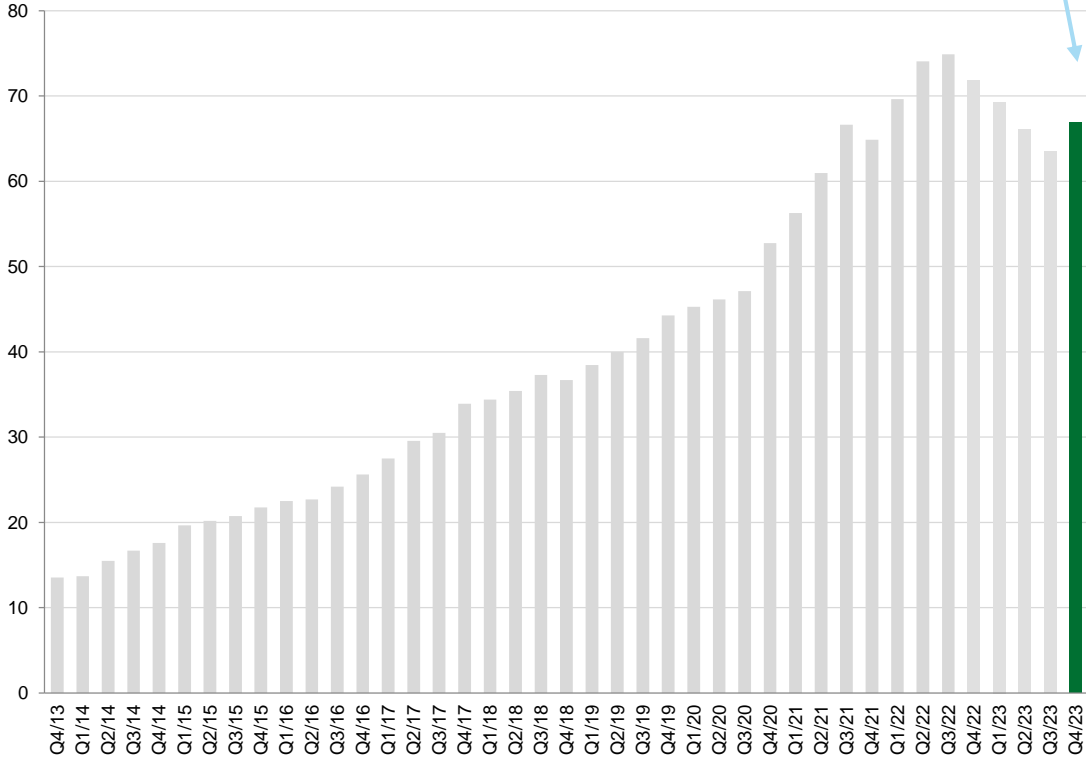
* In addition eQ has 2.9 billion of assets in private equity reporting services, total Aum is EUR 12.9 billion

Asset Management – Rolling 12 months



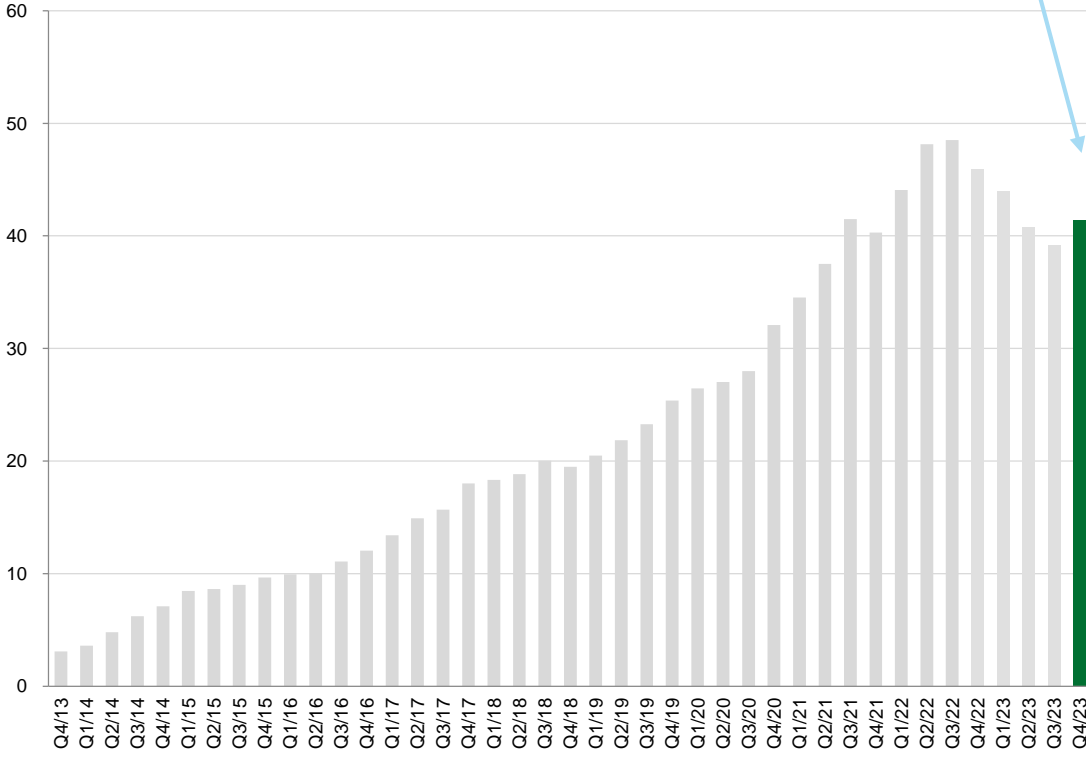
**Net revenue development,
rolling 12 months, MEUR**

66.9



**Operating profit development,
rolling 12 months, MEUR**

41.4



Asset Management – Traditional funds



Gross Return 31.12.2023 Funds	3 month			12 month			3 years p.a.			5 years p.a.			Morning- star	
	Return	Comp.	Diff.	Return	Comp.	Diff.	Return	Comp.	Diff.	Return	Comp.	Diff.		
Fixed income Funds														
eQ Euro Short Term	1,13 %			3,50 %			1,09 %			0,61 %				
eQ Floating Rate	1,37 %	1,01 %	0,36 %	5,80 %	3,03 %	2,77 %	1,56 %	0,70 %	0,86 %	1,33 %	0,27 %	1,06 %	n/a	
eQ Euro Government Bond	6,66 %	7,17 %	-0,51 %	6,49 %	6,71 %	-0,22 %	-4,48 %	-5,54 %	1,06 %	-1,10 %	-1,13 %	0,02 %	☆☆☆☆☆	
eQ Euro Investment Grade	6,18 %	5,54 %	0,64 %	9,94 %	8,01 %	1,93 %	-2,73 %	-2,74 %	0,01 %	0,35 %	0,07 %	0,28 %	☆☆☆☆☆	
eQ High Yield	5,67 %	5,61 %	0,05 %	13,52 %	12,11 %	1,41 %	1,08 %	0,72 %	0,36 %	3,11 %	3,08 %	0,03 %	☆☆☆☆☆	
eQ Emerging markets Corporate Bond HC	4,63 %	5,34 %	-0,71 %	5,35 %	5,39 %	-0,04 %	-2,05 %	-4,89 %	2,84 %	1,71 %	-0,14 %	1,85 %	☆☆☆☆☆	
eQ Emerging Markets Corporate Bond Local Currency	3,67 %			10,89 %			4,02 %			4,41 %			☆☆☆☆☆	
Equity Funds														
eQ Finland	7,31 %	6,39 %	0,92 %	5,18 %	-0,61 %	5,79 %	5,46 %	2,84 %	2,62 %	13,43 %	8,66 %	4,77 %	☆☆☆☆☆	
eQ Nordic Small Cap	12,73 %	14,41 %	-1,68 %	13,90 %	10,25 %	3,65 %	-2,72 %	-0,38 %	-2,33 %	15,00 %	9,30 %	5,70 %	☆☆☆☆☆	
eQ Europe Small Cap Fund	11,48 %	9,72 %	1,76 %	19,44 %	12,74 %	6,70 %	0,44 %	2,66 %	-2,22 %	8,71 %	8,26 %	0,45 %	☆☆☆☆☆	
eQ Europe Dividend	13,48 %	6,44 %	7,04 %	20,58 %	15,83 %	4,75 %	11,64 %	9,47 %	2,17 %	13,34 %	9,84 %	3,51 %	☆☆☆☆☆	
eQ Frontier Markets	-0,65 %	-0,35 %	-0,30 %	9,71 %	7,85 %	1,86 %	9,31 %	2,93 %	6,38 %	6,81 %	4,04 %	2,76 %	☆☆☆☆☆	
eQ Blue Planet	7,75 %	6,79 %	0,96 %	12,98 %	19,60 %	-6,62 %	6,21 %	10,99 %	-4,78 %	13,81 %	13,58 %	0,23 %	☆☆☆☆☆	
eQ Emerging Markets Dividend	5,87 %	3,38 %	2,49 %	16,59 %	6,11 %	10,48 %	5,54 %	-1,79 %	7,33 %	9,15 %	4,40 %	4,75 %	☆☆☆☆☆	
eQ Emerging Markets Small Cap	3,32 %	4,42 %	-1,10 %	19,51 %	19,72 %	-0,21 %	6,82 %	10,14 %	-3,32 %	9,97 %	10,67 %	-0,71 %	☆☆☆☆☆	
eQ Global Fund	7,27 %			16,08 %			7,03 %			9,75 %			☆☆☆☆☆	
Balanced Funds														
eQ Mandate	6,08 %			11,90 %			3,20 %			5,76 %			☆☆☆☆☆	
Average	4,57 %	4,22 %	0,55 %	9,24 %	7,04 %	1,79 %	2,95 %	1,39 %	0,61 %	6,72 %	3,94 %	1,37 %	☆☆☆☆☆	
Funds that have exceeded the comparison index			62 %			69 %			69 %			92 %	(3,3 stars)	

The gross returns are calculated without the fund's management fee, but after the fund's other running costs and trading costs. The management fee during this period has been 0.2 - 2.5% per year, depending on the fund.

Asset Management – Real estate funds



eQ Community Properties

- Invests in modern care properties and social infrastructure properties
- Avg. lease maturity 9 years, vacancy 4 %, initial rental yield 5.9 %
- Invested capital: 1 825 MEUR
- Equity (NAV): 1 198 MEUR
- 1-12/2023 net subscriptions: -119 MEUR
- Return 1-12/2023: -13.8 %
- Return from start: 6.7 % p.a.

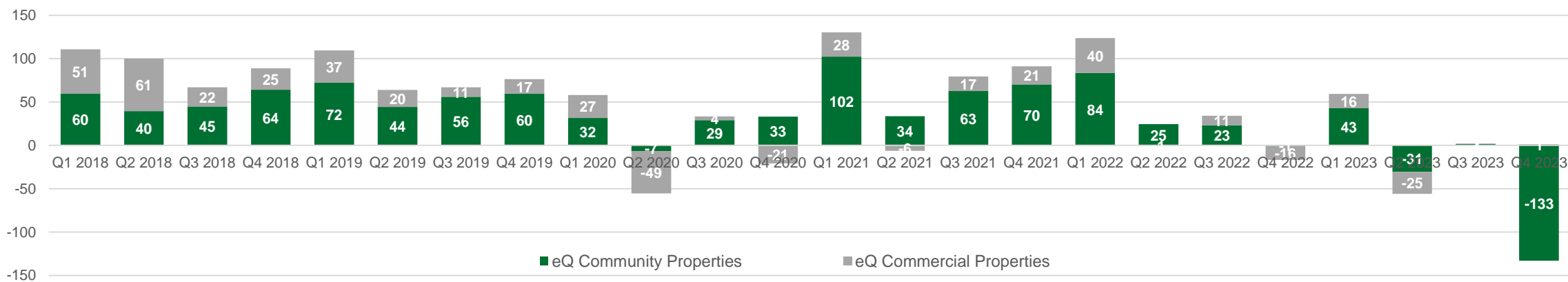
eQ Commercial Properties

- Invests in commercial real estate
- Avg. lease maturity 6 years, vacancy 9 %, initial rental yield 6.3 %
- Invested capital: 1 210 MEUR
- Equity (NAV): 651 MEUR
- 1-12/2023 net subscriptions: -7 MEUR, postponed 31 December 2023 redemptions 50 MEUR
- Return 1-12/2023: -12.7 %
- Return from start: 5.7 % p.a.

eQ Residential

- Closed-end fund only for professional investors – invests in residential properties
- eQ Residential I:
 - Established 5/2020, closed 5/2021
 - Equity (NAV) 100 MEUR, the fund invests about 300 million in residential properties
- eQ Residential II
 - Established 2/2022, closed 12/2022
 - Equity (NAV): 53 MEUR, the fund invests about 150 million in residential properties

eQ's open-end real estate funds – net subscriptions, MEUR



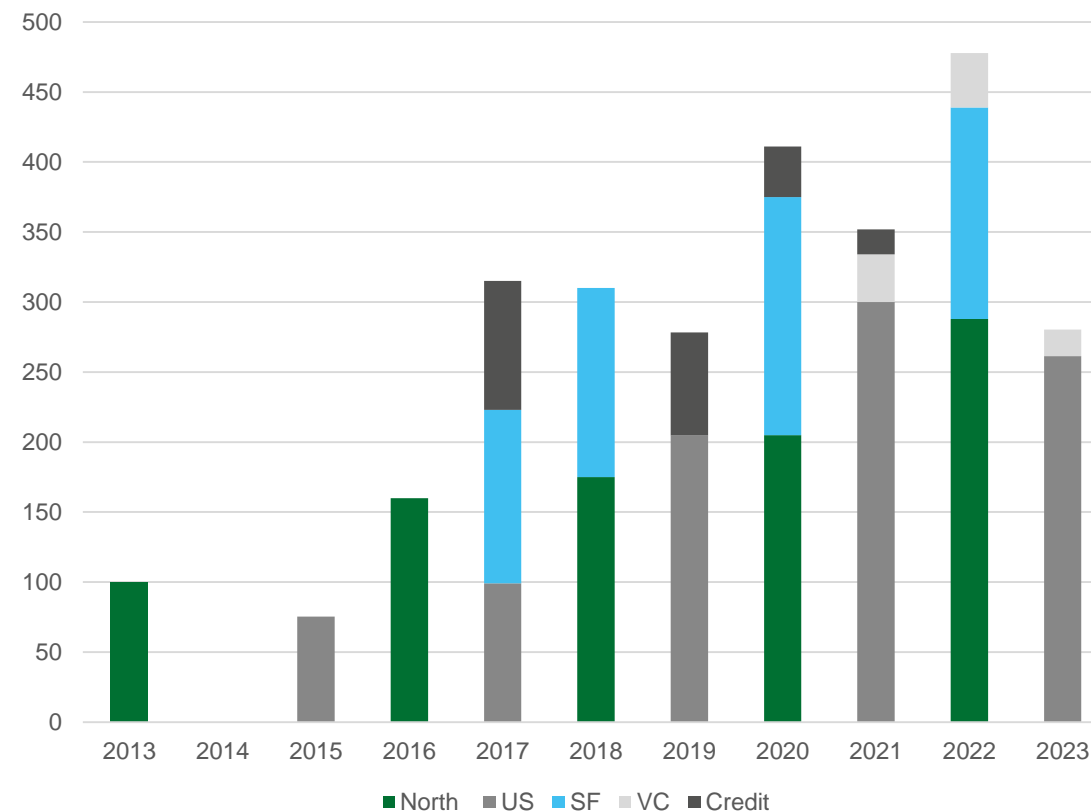
Asset Management – Private Equity



AUM total 3.0 bn EUR

Vintage	Fund	Size	Stage
Fund of funds – Northern Europe			
2022	eQ PE XIV North	288 MEUR	Fully invested
2020	eQ PE XII North	205 MEUR	Fully invested
2018	eQ PE X North	175 MEUR	Fully invested
2016	eQ PE VIII North	160 MEUR	Fully invested
2013	eQ PE VI North	100 MEUR	Fully invested
2007	Amanda IV West	90 MEUR	Fully invested
Fund of funds – North America			
2023	eQ PE XV US	283 MUSD	Investing
2021	eQ PE XIII US	318 MUSD	Fully invested
2019	eQ PE XI US	217 MUSD	Fully invested
2017	eQ PE IX US	105 MUSD	Fully invested
2015	eQ PE VII US	80 MUSD	Fully invested
Fund of funds – Secondary			
2022	eQ PE SF IV	151 MEUR	Fully invested
2020	eQ PE SF III	170 MEUR	Fully invested
2018	eQ PE SF II	135 MEUR	Fully invested
2017	eQ PE SF	124 MEUR	Fully invested
Fund of funds – Eastern Europe			
2011	Amanda V East	50 MEUR	Fully invested
2006	Amanda III Eastern PE	110 MEUR	Fully invested
Fund of funds - Venture Capital			
2023	eQ VC II	20 MUSD	1st close
2021	eQ VC	77 MUSD	Investing
Private Credit			
2020	eQ Private Credit III	54 MEUR	Fully invested
2019	eQ Private Credit II	74 MEUR	Fully invested
2017	eQ Private Credit	92 MEUR	Fully invested

Fundraising, MEUR



PE funds performance based fees 31 Dec 2023



Fund	Fund size	Vintage year	Hurdle rate	Performance fee	eQ's share of the performance fee	Present TVPI	Estimated TVPI	Estimate on reaching the hurdle rate (cash flow)	Estimated catch up share, total MEUR	Estimated future performance fees, total MEUR	Performance fees accrued presently in the fund's value, MEUR ¹⁾
Amanda III	MEUR 110	2006	6.0 %	10.0 %	100 %	1.1x	1.1x	Will not reach	n/a	n/a	n/a
Amanda IV	MEUR 90	2007	8.0 %	7.5 %	100 %	1.5x	1.5x	Has reached	n/a	0.0	0.0
Amanda V	MEUR 50	2011	6.0 %	10.0 %	100 %	1.3x	1.4x	Will not reach	n/a	n/a	n/a
eQ PE VI	MEUR 100	2013	7.0 %	7.5 %	100 %	1.4x	1.7x	2025	2.2	6.4	3.7
eQ PE VII	MUSD 80	2015	7.0 %	7.5 %	45 %	1.7x	2.0x	2025	0.9	3.0	1.9
eQ PE VIII	MEUR 160	2016	7.0 %	7.5 %	100 %	1.6x	1.9x	2025	3.0	12.8	7.1
eQ PE IX	MUSD 105	2017	7.0 %	7.5 %	45 %	1.6x	2.1x	2026	0.9	4.2	2.1
eQ PE X	MEUR 175	2018	7.0 %	7.5 %	100 %	1.3x	1.9x	2027	3.7	13.7	3.3
eQ PE XI	MUSD 217	2019	7.0 %	7.5 %	45 %	1.2x	2.1x	2027	1.7	8.4	1.4
eQ PE XII	MEUR 205	2020	7.0 %	7.5 %	100 %	1.2x	1.8x	After 2028	n/a	14.1	2.0
eQ PE XIII	MUSD 318	2021	7.0 %	7.5 %	45 %	1.0x	1.8x	After 2028	n/a	9.1	n/a
eQ PE XIV	MEUR 288	2022	7.0 %	7.5 %	100 %	n/a	1.8x	After 2028	n/a	18.7	0.1
eQ PE XV	MUSD 283	2023	7.0 %	7.5 %	45 %	n/a	1.8x	After 2028	n/a	7.7	n/a
eQ PE SF II	MEUR 135 ²⁾	2018	10.0 %	10.0 %	100 %	1.3x	1.4x	2026	1.8	1.8	n/a
eQ PE SF III	MEUR 170 ³⁾	2020	10.0 %	10.0 %	100 %	1.4x	1.8x	2026	2.4	9.2	3.6
eQ PE SF IV	MEUR 151 ⁴⁾	2022	10.0 %	10.0 %	100 %	n/a	1.4x	After 2028	n/a	3.2	0.8
PE programmes	MEUR 198	2013-16	8%/12%	7.5%/12%	100 %	n/a	n/a	2025-2027	9.2	25.7	12.4
eQ VC	MUSD 77	2021	7.0 %	7.5 %	45 %	n/a	2.3x	After 2028	n/a	3.5	n/a
Total									26.0	141.5 (130.1 prev. year)	38.4
of which covered by the catch up accrual									26.0	85.3	35.5
catch up share accrued cumulatively by 31 December 2023									11.8		
estimated accrual for 2024									5.4		

The return estimates that eQ has presented are based on assessments obtained from the target funds' management companies regarding the funds that are fully invested and where the investment periods of the target funds have ended. Otherwise the estimates are based on eQ's own assessment model.

1) The amount of the performance fee that eQ would receive, if the investments of the funds were sold at present market value.

2) Capital covered by the performance fee MEUR 75.

3) Capital covered by the performance fee MEUR 104.

4) Capital covered by the performance fee MEUR 71.








Corporate Finance

Corporate Finance – Latest transactions





M&A Transactions and Equity markets




 Suomi Infra
 invested € 30 million for a 15.38 % stake in
 ESL Shipping
 a subsidiary of
 **ASPO**
 Advisor to Aspo
Pending

 **Sonae**
 voluntary public cash tender offer for all shares in
 **Musti** GROUP
 € 868 million
 Fairness Opinion to Musti Group's Board of Directors
November 2023



Fennogens Investments S.A. and Corbis S.A.
 sold their ownership in
 **Caverion**
 to
 Crayfish BidCo Oy
 Advisor to the Sellers
October 2023

 **OTAVA**
 mandatory public cash tender offer for all shares in
 **ALM**
 € 749 million
 Advisor to the Buyer
July 2023



 **Oalixis**
 voluntary public cash tender offer for all shares in
 **uponor**
 € 1,875 million
 Advisor to the Buyer
Cancelled

 **TRILL IMPACT**
 acquired
 **RAKSYSTEMS**
 from
 **MB FUNDS**
 Advisor to the Buyer
September 2022




Real estate transactions


 **Schroders**
 sold
 an office property
 to
 **NIAM**
 Advisor to the Seller
August 2023

 **ESPOO ESBO**
 sold
 a fire station portfolio
 for € 31 million to
 **LÄHITAPIOLA**
 Advisor to the Seller
December 2022

 **Kymsote KIINTEISTÖT**
 sold
 a hospital property
 to
 **HEMSÖ**
 Advisor to the Seller
October 2022

 **CROMWELL EUROPEAN REAL ESTATE**
 sold
 an office property in Helsinki
 to
 **TALLBERG**
 Advisor to the Seller
July 2022

 **ILMARINEN**  **YIT**
 **HGR** Property Partners
 formed a
 Joint Venture to develop the Keilaniemi area
 Advisor to the Parties
June 2022

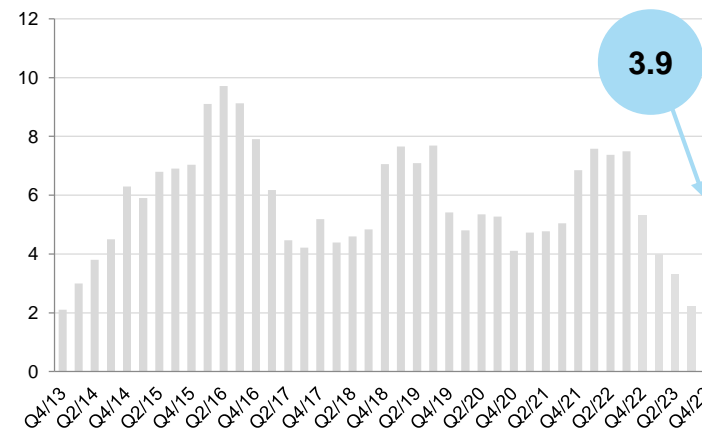
 **ESPOO ESBO**
 sold
 Espoo Hospital
 for € 295 million to
 LähiTapiola Yhteiskunta-kiinteistöt Suomi Ky
 Advisor to the Seller
March 2022

Corporate Finance – Key figures

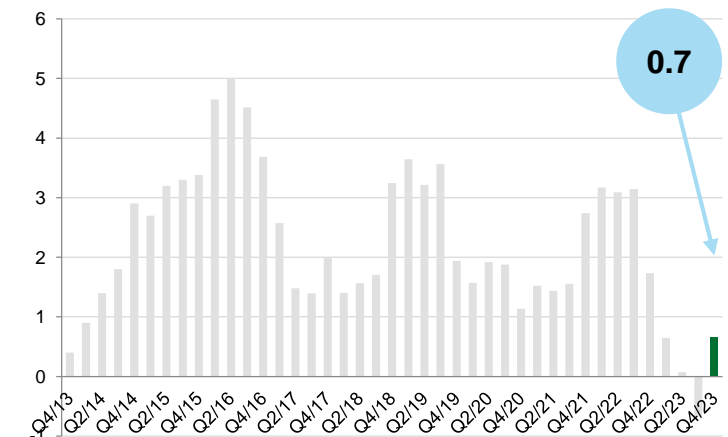


MEUR	1-12/2023	1-12/2022	Change	10-12/2023	10-12/2022	Change
NET REVENUE	3.9	5.4	-27 %	2.7	1.0	163 %
Personnel expenses	-2.6	-2.9	-11 %	-1.0	-0.6	53 %
Other administrative expenses	-0.3	-0.4	-11 %	-0.1	-0.1	2 %
Depreciation	-0.2	-0.2	-1 %	-0.0	-0.0	-2 %
Other operating expenses	-0.1	-0.1	-5 %	-0.0	-0.0	-15 %
OPERATING PROFIT	0.7	1.7	-62 %	1.6	0.2	631 %
Cost/income -ratio, %	83.0	67.7	23 %	42.8	79.4	-46 %

Net revenue development, rolling 12 months, MEUR



Operating profit development, rolling 12 months, MEUR





Investments

Investments – Key figures



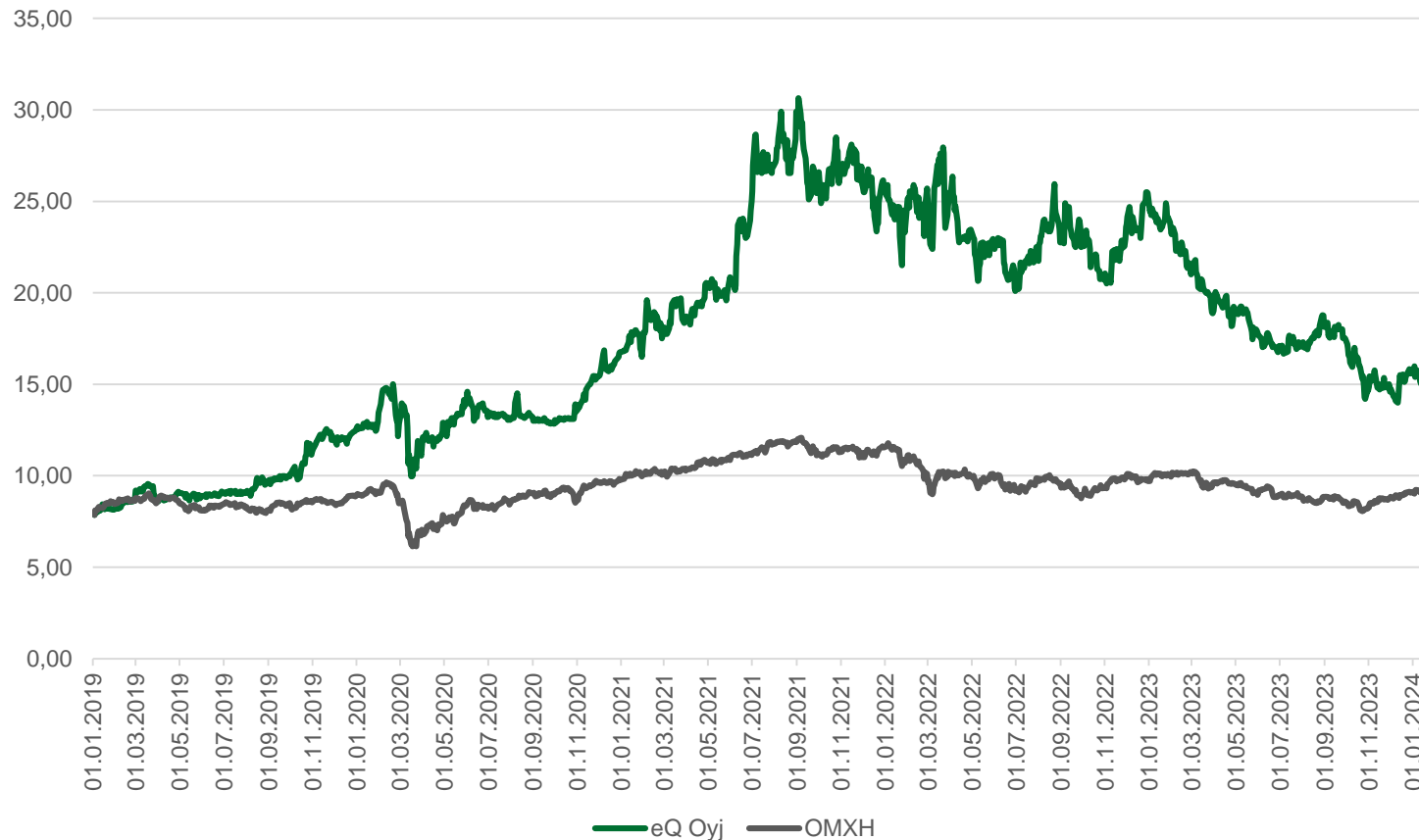
MEUR	1-12/2023	1-12/2022	10-12/2023	10-12/2022
Returned capital (excl. profit)	1.4	2.9	0.2	0.2
Distribution of profits	0.8	2.0	0.2	0.8
Capital calls	-2.3	-2.1	-0.8	-0.4
Net cash flow	-0.2	2.8	-0.4	0.5
Market value	16.6	16.8	16.6	16.8
Investment commitments	7.2	7.5	7.2	7.5
Profit and loss				
Distribution of profits	0.8	2.0	0.2	0.8
Value changes recognized through p&l	-1.2	-1.2	-1.2	-1.4
Group internal management fee	-0.2	-0.2	-0.0	-0.0
Profit of the Investments-segment	-0.6	0.7	-1.0	-0.7

- During the period under review, eQ Plc made a USD 1.0 million investment commitment in the eQ PE XV US -fund and USD 1.0 million investment commitment in the eQ VC II -fund.



eQ's share, outlook and summary

Share price development and market cap



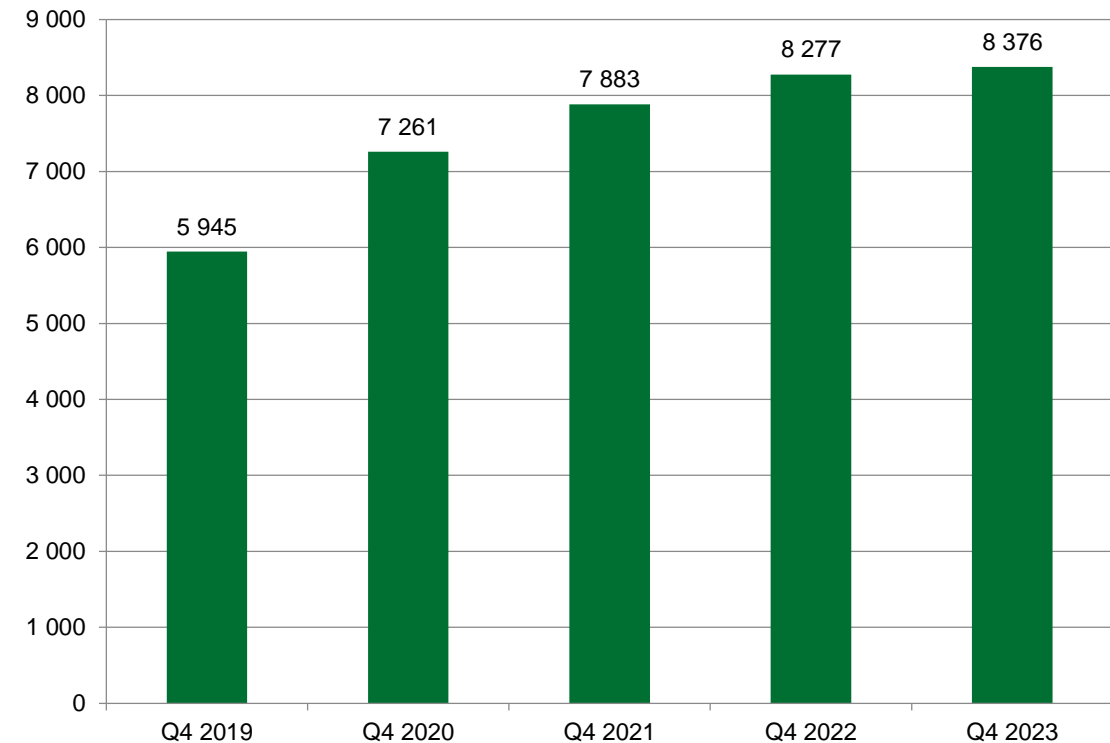
- The closing price of eQ Plc's share on 31 December 2023 was EUR 15.58 (EUR 25.45 on 31 Dec. 2022). The market capitalisation of the company was thus EUR 634.8 million (EUR 1,028.9 million) at the end of the period.
- During the period, 1 113 557 shares were traded on Nasdaq Helsinki (1 947 634 shares from 1 Jan. to 31.12.2022). In euros, the turnover was EUR 21.2 million (EUR 45.9 million).

Shareholders 31 December 2023



	Shares	% of shares
1 Fennogens Investments S.A.	7 962 605	19.54
2 Rettig Group Oy Ab	6 206 706	15.23
3 Chilla Capital S.A.	6 165 904	15.13
4 Teamet Oy	4 250 000	10.43
5 Oy Cevante Ab	1 419 063	3.48
6 Fazer Jan Peter	1 314 185	3.23
7 Procurator-Holding Oy	793 892	1.95
8 Lavventura Oy	700 000	1.72
9 Keskinäinen Eläkevakuutusyhtiö Ilmarinen	697 500	1.71
10 Linnalex Ab	631 652	1.55
10 largest shareholders total	30 141 507	73.97
Nominee registered	367 303	0.90
Other shares	10 236 888	25.12
In total	40 745 698	100.00

The number of shareholders



Outlook



The asset management market in Finland has grown strongly, and eQ's growth has outpaced the market. We estimate that the long-term outlook for growth in the asset management market and for eQ in Finland is still good.

For eQ's real estate funds, 2023 was a difficult year due to an increase of the yields resulting from a strong rise in the interest rate level. As yields rose, values of properties clearly declined. Also, net subscriptions in funds were negative. The limited availability of real estate financing also contributed to a significant decrease in real estate transactions. With regard to the real estate funds, we expect 2024 to be a challenging year, although the long-term outlook for growth is good. Sales of eQ's Private Equity products has continued to be strong, and the desire of Finnish asset management clients to increase Private Equity allocations in their portfolios will continue to support the growth of eQ's Private Equity products. We also anticipate a growth in performance fees from 2025 onwards, due to the predicted transfer of several Private Equity products to a performance fee stage. eQ's competitive position in traditional asset management products and discretionary asset management is good thanks to excellent returns on investments. We believe that traditional asset management has great potential for growth in future years, considering however its characteristic short-term variation according to market conditions.

eQ has updated its disclosure policy and, as a rule, will not issue a result forecast for the Asset Management segment in the future but instead describe its outlook in a general manner. Results in the Corporate Finance and Investments segments are largely dependent on factors beyond the company's control, which is why no result forecast has been issued for these segments before.

Summary



MEUR	1-12/2023	1-12/2022	Change	10-12/2023	10-12/2022	Change
Net revenue	70.9	77.8	-9 %	18.5	13.6	36 %
Operating profit	39.7	45.7	-13 %	9.8	6.3	56 %
Profit for the period	31.5	36.3	-13 %	7.8	4.9	57 %
Earnings per share (EUR)	0.78	0.91	-14 %	0.19	0.12	55 %
Cost/income-ratio, %	43.8	41.1	7 %	47.1	53.7	-12 %
Liquid assets	33.4	43.8	-24 %	33.4	43.8	-24 %
Investments in PE and RE funds	16.6	16.8	-2 %	16.6	16.8	-2 %
Dividend proposal/share (EUR)	0.80	1.00	-20 %			



**eQ Plc Q1 2024 interim report will
be published on
Tuesday 23rd of April 2024**