

2021

---

# HALF YEAR REPORT





10 August 2021 at 8:00 AM

## eQ Plc's half year report 2021 – eQ Group's operating profit grew by 81%

### January to June 2021 in brief

- The Group's net revenue during the period was EUR 36.8 million (EUR 23.9 million from 1 Jan. to 30 June 2020).
  - The Group's net fee and commission income was EUR 33.2 million (EUR 24.3 million).
  - The Group's net investment income from own investment operations was EUR 3.6 million (EUR -0.4 million), including the return from private equity and real estate fund investments and liquid fixed income funds.
- The Group's operating profit grew by 81% to EUR 21.1 million (EUR 11.7 million).
- The Group's profit was EUR 16.9 million (EUR 9.4 million).
- The consolidated earnings per share were EUR 0.43 (EUR 0.24).
- The net revenue of the Asset Management segment increased by 36% to EUR 30.9 million (EUR 22.7 million) and the operating profit by 42% to EUR 18.5 million (EUR 13.0 million).
- The net revenue of the Corporate Finance segment was EUR 2.4 million (EUR 1.7 million) and the operating profit was EUR 0.6 million (EUR 0.3 million).
- The net cash flow from the Group's own private equity and real estate fund investment operations was EUR 2.5 million (EUR -0.2 million).

### April to June 2021 in brief

- In the second quarter, the Group's net revenue totalled EUR 18.8 million (EUR 11.9 million from 1 April to 30 June 2020).
  - The Group's net fee and commission income was EUR 17.4 million (EUR 12.7 million).
  - The Group's net investment income from own investment operations was EUR 1.4 million (EUR -0.8 million), including the return from private equity and real estate fund investments and liquid fixed income funds.
- The Group's operating profit grew by 87% to EUR 10.6 million (EUR 5.7 million).
- The Group's profit was EUR 8.5 million (EUR 4.6 million).
- The consolidated earnings per share were EUR 0.22 (EUR 0.12).

| Key ratios   | 1-6/21 | 1-6/20 | Change | 4-6/21 | 4-6/20 | Change | 1-12/20 |
|--|--------|--------|--------|--------|--------|--------|---------|
| Net revenue, Group, M€                                 | 36.8   | 23.9   | 54%    | 18.8   | 11.9   | 58%    | 56.7    |
| Net revenue, Asset Management, M€                      | 30.9   | 22.7   | 36%    | 16.1   | 11.4   | 41%    | 52.8    |
| Net revenue, Corporate Finance, M€                     | 2.4    | 1.7    | 39%    | 1.3    | 1.3    | 4%     | 4.1     |
| Net revenue, Investments, M€                           | 3.5    | -0.4   | 1090%  | 1.4    | -1.0   | 238%   | -0.1    |
| Net revenue, Group administration and eliminations, M€ | 0.0    | -0.2   |        | 0.0    | 0.2    |        | 0.0     |
| Operating profit, Group, M€                            | 21.1   | 11.7   | 81%    | 10.6   | 5.7    | 87%    | 30.8    |
| Operating profit, Asset Management, M€                 | 18.5   | 13.0   | 42%    | 9.6    | 6.6    | 45%    | 32.1    |
| Operating profit, Corporate Finance, M€                | 0.6    | 0.3    | 91%    | 0.4    | 0.4    | -19%   | 1.1     |
| Operating profit, Investments, M€                      | 3.5    | -0.4   | 1090%  | 1.4    | -1.0   | 238%   | -0.1    |
| Operating profit, Group administration, M€             | -1.4   | -1.3   |        | -0.7   | -0.4   |        | -2.4    |
| Profit for the period, M€                              | 16.9   | 9.4    | 80%    | 8.5    | 4.6    | 84%    | 24.6    |



| Key ratios  | 1-6/21 | 1-6/20 | Change | 4-6/21 | 4-6/20 | Change | 1-12/20 |
|---|--------|--------|--------|--------|--------|--------|---------|
| Earnings per share, €   | 0.43   | 0.24   | 76%    | 0,22   | 0,12   | 83 %   | 0.64    |
| Equity per share, €   | 1.48   | 1.33   | 11%    | 1,48   | 1,33   | 11 %   | 1.74    |
| Cost/income ratio, Group, %                                     | 42.4   | 51.0   | -17%   | 43,5   | 52,3   | -17 %  | 45.6    |
| Liquid assets, M€   | 25.4   | 13.8   | 84%    | 25,4   | 13,8   | 84 %   | 36.3    |
| Private equity and real estate fund investments, M€             | 16.7   | 16.1   | 4%     | 16,7   | 16,1   | 4 %    | 15.7    |
| Interest-bearing loans, M€                                      | 0.0    | 0.0    | 0%     | 0,0    | 0,0    | 0 %    | 0.0     |
| Assets under management excluding reporting services, € billion | 8.6    | 7.0    | 23%    | 8,6    | 7,0    | 23 %   | 7.5     |
| Assets under management, € billion                              | 10.7   | 8.5    | 26%    | 10,7   | 8,5    | 26 %   | 9.0     |

## Mikko Koskimies, CEO

COVID-19 started to spread in Western countries in the second quarter of 2020, which led to an extensive closing-down of economies. This year, the sentiment has been different. Vaccination coverage has improved rapidly, and the global economy has begun to recover at huge speed. In Q1 2021, the GDP growth in Europe still remained negative, but in the US, it was already clearly positive. In Q2, IMF published a 6% prognosis for global economic growth in the whole year 2021.

The equity market welcomed the information about accelerating growth. At the same time, worries arose on whether growth would speed up inflation and force actors to cut down monetary stimulus more rapidly than planned. There was upward pressure on above all long-term interest rates in the US, as annual inflation increased to no less than 5%. The message of central banks was clear, however: accelerating inflation is regarded as a temporary phenomenon related to economic recovery that does not require rapid reactions from central banks. Despite strong recovery, the new US president is launching large additional stimulus packages.

In the first half, equity market returns were very good, the return of the global index being almost 17%. Small-caps have even given clearly better returns than this. The fear for inflation raised interest rates, and the interest returns of euro government bonds and interest grade loans were negative in the first half. High yield loans, on the other hand, benefited from the narrowing of the interest rate spread and gave a return of almost 3% since the beginning of the year.

### eQ's growth very strong

eQ's growth was very strong in the first half. The net revenue of the Group during the period under review was EUR 36.8 million and the operating profit EUR 21.1 million. Net revenue grew by 54% and operating profit by as much as 81% on the previous year.

### eQ Asset Management's growth accelerated

eQ Asset Management's result was once more excellent. The net revenue of eQ Asset Management increased by 36% on the first half of the previous year to EUR 30.9 million. The operating profit grew by 42% to EUR 18.5 million. The management fees of traditional asset management as well as performance fees experienced the strongest growth. Part of the performance fees accrued from Amanda IV -private equity fund at the end of the reporting period.

The returns of client portfolios were excellent during the first half. No less than 85% of the funds that eQ manages itself gave better returns than their benchmark indices, and during a three-year period the corresponding figure was 75%. Within the discretionary asset management portfolios, both absolute and relative returns were also exceptionally good. The excellent returns from traditional asset management were complemented by the good real estate and private equity returns.



The first half was also very good with regard to sales, above all for real estate and private equity asset management. Net subscriptions in the eQ Community Properties and Commercial Properties Funds were almost EUR 160 million, and the size of the eQ Residential Fund grew to its target of EUR 100 million. The investment operations of the fund also advanced well. In 2021, private equity assets are raised to the eQ PE XIII US Fund, which already reached a record size of USD 293 million in its June closing. The assets raised to the US PE funds since 2015 total almost USD 700 million. In addition, we have launched three new private equity asset management programmes at the beginning of the year, and the size of two old, renewed programmes has grown markedly.

During the period under review, we made some amendments to the rules of the eQ real estate funds, which entered into force on 15 April. At the same time, we changed the name of the popular eQ Care Fund to eQ Community Properties Fund to better correspond to the use of the properties owned by the fund.

### **Advium's fee income and profit grew**

Advium's net revenue was EUR 2.4 million (EUR 1.7 million) and operating profit EUR 0.6 million (EUR 0.3 million) during the period under review.

During the six-month period, Advium acted as advisor in five transactions. In addition, Advium acted as advisor in two transactions that were published in July. Of these seven transactions, two were real estate transactions and five M&As. In the major transactions, Advium acted as financial advisor to Alma Media, Berner and Rettig.

In the first half of the year, the value of M&As continued to grow globally to an all-time high. The M&A activity was high in Finland as well. The volumes of real estate transactions have not grown in the same manner as those of M&As.

### **The operating profit of the Investments segment excellent**

The operating profit of the Investments segment was EUR 3.5 million (EUR -0,4 million) and the net cash flow was EUR 2.5 million. The balance sheet value of the private equity and real estate fund investments was EUR 16.7 million at the end of June. eQ Plc made an investment commitment of USD 1 million to the eQ PE XIII US private equity fund in January. The considerable increase the M&A activity of unlisted companies had a positive impact on the portfolio's cash flow, value changes and realised profits.

## **Outlook**

The strong market development during the first half supports eQ's business operations.

The outlook for the financial year is still unaltered, and we expect the net revenue and operating profit of the Asset Management segment to grow from the previous year.

\*\*\*

eQ's half year financial report 1 January to 30 June 2021 is enclosed to this release and it is also available on the company website at [www.eQ.fi](http://www.eQ.fi).

eQ Plc

Additional information:

Mikko Koskimies, CEO, tel. +358 9 6817 8799, Antti Lyytikäinen, CFO, tel. +358 9 6817 8741

Distribution: Nasdaq Helsinki, [www.eQ.fi](http://www.eQ.fi), media

eQ Group is a group of companies that concentrates on asset management and corporate finance business. eQ Asset Management offers a wide range of asset management services (including private equity funds and real estate asset management) for institutions and private individuals. The assets managed by the Group total approximately EUR 10.7 billion. Advium Corporate Finance, which is part of the Group, offers services related to mergers and acquisitions, real estate transactions and equity capital markets.

# eQ PLC'S HALF YEAR REPORT 1 JAN. TO 30 JUNE 2021

## Result of operations and financial position 1 Jan. to 30 June 2021

- The Group's net revenue during the period was EUR 36.8 million (EUR 23.9 million from 1 Jan. to 30 June 2020).
  - The Group's net fee and commission income was EUR 33.2 million (EUR 24.3 million).
  - The Group's net investment income from own investment operations was EUR 3.6 million (EUR -0.4 million), including the return from private equity and real estate fund investments and liquid fixed income funds.
- The Group's operating profit grew by 81% to EUR 21.1 million (EUR 11.7 million).
- The Group's profit was EUR 16.9 million (EUR 9.4 million).
- The consolidated earnings per share were EUR 0.43 (EUR 0.24).
- The net revenue of the Asset Management segment increased by 36% to EUR 30.9 million (EUR 22.7 million) and the operating profit by 42% to EUR 18.5 million (EUR 13.0 million).
- The net revenue of the Corporate Finance segment was EUR 2.4 million (EUR 1.7 million) and the operating profit was EUR 0.6 million (EUR 0.3 million).
- The net cash flow from the Group's own private equity and real estate fund investment operations was EUR 2.5 million (EUR -0.2 million).

## Result of operations and financial position 1 April to 30 June 2021

- In the second quarter, the Group's net revenue totalled EUR 18.8 million (EUR 11.9 million from 1 April to 30 June 2020).
  - The Group's net fee and commission income was EUR 17.4 million (EUR 12.7 million).
  - The Group's net investment income from own investment operations was EUR 1.4 million (EUR -0.8 million), including the return from private equity and real estate fund investments and liquid fixed income funds.
- The Group's operating profit grew by 87% to EUR 10.6 million (EUR 5.7 million).
- The Group's profit was EUR 8.5 million (EUR 4.6 million).
- The consolidated earnings per share were EUR 0.22 (EUR 0.12).

## Operating environment

COVID-19 started to spread in Western countries in the second quarter of 2020, which led to an extensive closing-down of economies. This year, the sentiment has been different. Vaccination coverage has improved rapidly, and the global economy has begun to recover at huge speed. In Q1 2021, the GDP growth in Europe still remained negative, but in the US, it was already clearly positive. In Q2, IMF published a 6% prognosis for global economic growth in the whole year 2021. There were still large differences in both the vaccination coverage and economic growth of the so-called BRIC countries. In China, the infections had been kept under control and vaccinations were advancing at a good pace – economic growth remained very strong. Brazil, Russia and India still suffered from COVID-19, however, which inevitably reflected on the recovery of these economies.

The equity market welcomed the information about accelerating growth. At the same time, worries arose on whether inflation would speed up and force actors to cut down monetary stimulus more rapidly than planned. There was upward pressure on above all long-term interest rates in the US, as annual inflation increased to no less than 5%. The message of central banks was clear, however: accelerating inflation is regarded as a temporary phenomenon related to economic recovery that does not require rapid reactions from central banks. Even though the views on this within the Fed began to crumble a little towards the end of Q2, the bond market – and thereby the equity market – calmed down. In Europe, inflation has increased clearly less, and the ECB has announced that it will keep the monthly purchases and key rates unaltered. Despite strong recovery, the new US president is launching large additional stimulus packages.



In the first half, the equity market returns were very good. The Finnish Stock Exchange rose by 19.5%, the US calculated in euros by 18.7%, Europe by 15.4% and emerging equity markets by 10.9%. The returns of the second quarter were correspondingly Finland 9.6%, the US 7.5%, Europe 6.5% and emerging markets 4.1%.

The fear for inflation raised interest rates, and the interest returns of euro government bonds and interest grade loans were negative in the first half. The return of government bonds was -3.0% and that of IG loans -0.4%. The corresponding returns in the second quarter were -0.7% and 0.3%. High yield loans, on the other hand, benefited from the narrowing of the interest rate spread and gave a return of 2.9% since the beginning of the year (second quarter 1.4%). The corporate loans of emerging countries gave a -0.2% return as euro hedged since the beginning of the year and a 1.6% return in the second quarter.

## Major events during the period under review

eQ Plc's Annual General Meeting was held on 24 March 2021. Nicolas Berner, Georg Ehrnrooth, Timo Kokkila, Lotta Kopra and Tomas von Rettig were re-elected to the Board. Janne Larma was elected as new member. From 1 April 2021, Janne Larma will be the full-time Chair of the Board. Previously he acted as CEO of eQ Plc since 2011. The Deputy Chair of the Board is Georg Ehrnrooth. The decisions by the Annual General Meeting have been presented in a separate chapter below.

eQ Plc's Board appointed Mikko Koskimies CEO of eQ Plc from 1 April 2021. Mikko Koskimies will also continue as Managing Director of eQ Asset Management Ltd after the appointment.

As a result of the changes in the company management, Janne Larma left the Management Team of eQ Group and Mikko Koskimies will act as Chair of the Management Team as of 1 April 2021.

During the period, the number of eQ Plc's shares increased with new shares subscribed for with option rights. The number of shares increased by 45 000 shares on 18 March 2021 and by 715 000 shares on 17 May 2021.

## Group net revenue and result development

During the period under review, the Group's net revenue totalled EUR 36.8 million (EUR 23.9 million from 1 Jan. to 30 June 2020). The Group's net fee and commission income was EUR 33.2 million (EUR 24.3 million). The Group's net investment income from own investment operations was EUR 3.6 million, including the return from private equity and real estate fund investments and liquid fixed income funds (EUR -0,4 million).

The Group's expenses and depreciation totalled EUR 15.7 million (EUR 12.2 million). Personnel expenses were EUR 13.5 million (EUR 10.1 million), other administrative expenses totalled EUR 1.0 million (EUR 0.9 million), and the other operating expenses were EUR 0.6 million (EUR 0.6 million). Depreciation was EUR 0.5 million (EUR 0.5 million). The salary expenses increased from the year before above all due to result-related remuneration. The increase was also influenced by the change in postponed share-based bonuses due to the strong increase in the share price (EUR 1.1 million). Based on regulations in the finance sector, part of the decided bonuses is postponed and bound to eQ's share price.

The Group's operating profit was EUR 21.1 million (EUR 11.7 million) and the profit for the period was EUR 16.9 million (EUR 9.4 million).

## Business areas

### Asset Management

eQ Asset Management offers versatile and innovative asset management services to both institutions and individuals. The Asset Management segment consists of the investment firm eQ Asset Management Ltd and other Group companies engaged in asset management operations, the most important of which is eQ Fund Management Company Ltd.



### *Mutual funds and asset management*

At the end of the period, eQ had 23 traditional mutual funds registered in Finland.

The returns of eQ's fixed income funds varied during the first half of the year as a result of the rise in long interest rates and narrowing of credit risk margins. During the first six months, the best returns came from the eQ Emerging Market Corporate Bond LC and eQ High Yield funds, while the return of the eQ Government Bond fund was negative. The returns of all our fixed income funds exceeded the returns of their benchmark indices, and the eQ Euro Investment Grade, eQ High Yield and eQ Emerging Markets Corporate Bonds Funds gave the best returns.

The returns of all our equity funds were positive during the period, the best returns clearing exceeding 30%. During the six-month period, the eQ Europe Small Cap, eQ Nordic Small Cap and eQ Emerging Markets Divided funds gave the best returns. These funds also gave excellent returns compared with their benchmark indices. The eQ Europe Dividend Fund won the Lipper "Best Nordic Equity Income Fund" award measured by three and five year returns.

Of the funds managed by eQ, no less than 85% surpassed their benchmark indices in the six-month period, and in the past three years, 75% of the funds managed by eQ have surpassed their benchmark indices. The average Morningstar rating of funds managed by eQ was 3.6 stars at the end of the quarter. The returns of the discretionary asset management portfolios that eQ manages varied between approximately +0.6 and +20.5% based on the allocation of the investment portfolio. The return of portfolios that are only invest in Finnish shares was +19.2%. The ESG ratings of the eQ funds are better than the average, and eQ obtained excellent ESG ratings in the 2020 PRI assessment.

### *Private equity*

The first close of the new eQ PE XIII US private equity fund was held at the end of January 2021 at EUR 131 million. In June close, the size of the fund grew to USD 293 million. The assets raised to the US PE funds since 2015 total almost USD 700 million. The eQ PE XIII US Fund makes investments in private equity funds that invest in unlisted small and mid-sized companies in Northern America. During the first half of 2021, eQ also launched three new private equity asset management programmes and the agreements of two old programmes were extended and the investment amounts were expanded. Towards the end of 2020, we raised EUR 36 million to our third fund that invests in the European private credit market, eQ Private Credit III. During the period under review, the size of the eQ Private Credit III fund grew to EUR 54 million.

During the period, eQ's private equity team won the "Best LP, Regional Strategy" award at the 11<sup>th</sup> Private Equity Exchange gala arranged in Paris. eQ was awarded for its Northern European lower midmarket strategy.

eQ's private equity ESG integration and reporting are at an excellent level and the company continues with the development work. At the end of the period, the assets in private equity funds managed by eQ totalled EUR 2 117 million (EUR 1 814 million) and the assets managed under private equity asset management programmes were EUR 1 000 million (EUR 856 million).

### *Real estate investments*

The net subscriptions in the eQ Finnish Real Estate Fund were EUR 21 million during the period under review. At the end of the quarter, the size of the fund was EUR 676 million, and its real estate property exceeded EUR 1.0 billion. The return of the fund during the first six months was 4.2% and since establishment 8.4% p.a. The fund has more than 2 100 unit holders.

During the period under review, new net subscriptions for EUR 136 million were made in the eQ Community Properties Fund. At the end of the period under review, the size of the fund was EUR 1 252 million and its real estate property was almost EUR 1.4 billion. The return of the fund during the first six months was 4.0% and since establishment 9.0% p.a. The fund has more than 4 400 unit holders.

In May 2020, eQ established a new real estate fund eQ Residential. At the end of 2020, the size of the fund was EUR 75 million, and its final closing was held in May 2021 at EUR 100 million. The investment operations have advanced well, and the fund will invest more than 300 million in residential properties. eQ Residential makes investments in the Helsinki Metropolitan Area, Tampere and Turku. The fund targets



complete residential buildings and aims to manage approximately 1,500 rental units in total. Unlike eQ Community Properties and eQ Finnish Real Estate funds, eQ Residential is restricted to professional investors only in a closed-end fund structure.

During the period under review, we made some amendments to the rules of the eQ real estate funds, which entered into force on 15 April. At the same time, we changed the name of the popular eQ Care Fund to eQ Community Properties Fund to better correspond to the use of the properties owned by the fund.

Overall, eQ's real estate funds had real estate property worth more than EUR 2.5 billion at the end of the period under review, and eQ has become a major Finnish real estate investor. Last year, eQ's real estate funds participated in the GRESB sustainability assessment for the second time, and the results improved clearly.

#### *Assets under management and clients*

The assets managed by eQ Asset Management totalled EUR 10 652 million at the end of the period (EUR 8 973 million on 31 Dec. 2020). Growth during the period was EUR 1 680 million. At the end of the period, the assets managed by mutual funds registered in Finland totalled EUR 3 920 million (EUR 3 439 million), and the assets increased by EUR 481 million during the period under review. The assets managed by the real estate funds totalled EUR 2 028 million (EUR 1 862 million). The assets managed by the private equity funds and asset management programmes totalled EUR 3 118 million (EUR 2 692 million).

| Assets under management, € billion                  | 6/21   | 6/20  | Change | 12/20 | Change |
|---|--------|-------|--------|-------|--------|
| eQ mutual funds                                     | 3 920  | 3 075 | 27%    | 3 439 | 14%    |
| of which eQ equity, fixed income and balanced funds | 1 992  | 1 411 | 41%    | 1 651 | 21%    |
| of which eQ real estate funds                       | 1 928  | 1 664 | 16%    | 1 787 | 8%     |
| Closed-end real estate funds                        | 100    | 33    | 202%   | 75    | 34%    |
| Funds of partners and other asset management        | 1 472  | 1 141 | 29%    | 1 252 | 18%    |
| eQ private equity funds                             | 2 117  | 1 901 | 11%    | 1 814 | 17%    |
| Private equity asset management programmes          | 1 001  | 868   | 15%    | 856   | 17%    |
| Total excl. reporting services                      | 8 610  | 7 018 | 23%    | 7 435 | 16%    |
| Private equity reporting services                   | 2 042  | 1 443 | 41%    | 1 538 | 33%    |
| Total   | 10 652 | 8 461 | 26%    | 8 973 | 19%    |

#### *Result of the Asset Management segment*

During the period under review, the net revenue of the Asset Management segment increased by 36% and the operating profit by 42% to EUR 18.5 million (EUR 13.0 million from 1 Jan. to 30 June 2020).

Performance fees increased markedly to EUR 5.0 million. Part of the performance fees accrued from Amanda IV -private equity fund at the end of the reporting period. Performance fees typically fluctuate strongly per quarter and financial period. The cost/income ratio was 40.1% (42.5%). Calculated as full-time resources, the Asset Management segment had 74 employees at the end of the period under review.

| Asset Management                 | 1-6/21 | 1-6/20 | Change | 4-6/21 | 4-6/20 | Change | 1-12/20 |
|----------------------------------|--------|--------|--------|--------|--------|--------|---------|
| Net revenue, M€                  | 30.9   | 22.7   | 36%    | 16.1   | 11.4   | 41.0%  | 52.8    |
| Operating profit, M€             | 18.5   | 13.0   | 42%    | 9.6    | 6.6    | 45%    | 32.1    |
| Cost/income ratio, %             | 40.1   | 42.5   | -6%    | 40.2   | 41.9   | -4%    | 39.0    |
| Personnel as full-time resources | 74     | 72     | 3%     | 74     | 72     | 3%     | 75      |





| Fee and commission income, Asset Management, M€ | 1–6/21      | 1–6/20      | Change     | 4–6/21      | 4–6/20      | Change     | 1–12/20     |
|---|-------------|-------------|------------|-------------|-------------|------------|-------------|
| <b>Management fees</b>                          |             |             |            |             |             |            |             |
| Traditional asset management                    | 5.1         | 3.9         | 32%        | 2.7         | 1.8         | 46%        | 8.1         |
| Real estate asset management                    | 13.9        | 12.7        | 10%        | 7.1         | 6.3         | 13%        | 25.6        |
| Private equity asset management                 | 6.9         | 6.1         | 13%        | 3.6         | 3.3         | 9%         | 12.5        |
| Management fees, total                          | 25.9        | 22.6        | 15%        | 13.4        | 11.5        | 17%        | 46.3        |
| <b>Performance fees</b>                         |             |             |            |             |             |            |             |
| Traditional asset management                    | 2.5         | 0.2         | 1087%      | 1.0         | 0.0         | 5662%      | 2.7         |
| Real estate asset management                    | 1.9         | -           | n/a        | 1.1         | -           | n/a        | 4.0         |
| Private equity asset management                 | 0.6         | -           | n/a        | 0.6         | -           | n/a        | -           |
| Performance fees, total                         | 5.0         | 0.2         | 2285%      | 2.7         | 0.0         | 15490%     | 6.7         |
| Other fee and commission income                 | 0.3         | 0.1         | 281%       | 0.1         | 0.0         | 76%        | 0.2         |
| <b>Fee and commission income, total</b>         | <b>31.2</b> | <b>22.9</b> | <b>36%</b> | <b>16.2</b> | <b>11.5</b> | <b>41%</b> | <b>53.2</b> |

## Corporate finance

In the Corporate Finance segment, Advium Corporate Finance acts as advisor in mergers and acquisitions, large real estate transactions and equity capital markets.

In the first half of the year, the value of M&As continued to grow globally to an all-time high. The M&A activity was high in Finland as well. The volumes of real estate transactions have not grown in the same manner as those of M&As.

During the six-month period, Advium acted as advisor in five transactions. In addition, Advium acted as advisor in two transactions that were published in July. Of these seven transactions, two were real estate transactions and five M&As. In the major transactions, Advium acted as financial advisor to Alma Media, Berner and Rettig. Alma Media acquired Nettix Oy, the leading marketplace for motor vehicles, from Otava Group for EUR 170 million. Berner Oy acquired a majority stake in Chemigate Oy, a manufacturer of modified starch-based binders and adhesives, and specialty chemicals. Rettig Group signed an agreement to divest Nordkalk Corporation for EUR 500 million. The buyer is SigmaRoc, a UK-based construction materials group listed on the AIM of the London Stock Exchange. The two last-mentioned transactions require approval by competition authorities.

### Result of the Corporate Finance segment

Advium's net revenue during the period under review was EUR 2.4 million (EUR 1.7 million from 1 Jan. to 30 June 2020). The operating profit was EUR 0.6 million (EUR 0.3 million). The segment had 15 employees at the end of the period.

It is typical of corporate finance business that success fees have a considerable impact on invoicing, due to which the result may vary considerably from quarter to quarter.

| Corporate finance                | 1–6/21 | 1–6/20 | Change | 4–6/21 | 4–6/20 | Change | 1–12/20 |
|----------------------------------|--------|--------|--------|--------|--------|--------|---------|
| Net revenue, M€                  | 2.4    | 1.7    | 39%    | 1.3    | 1.3    | 4%     | 4.1     |
| Operating profit, M€             | 0.6    | 0.3    | 91%    | 0.4    | 0.4    | -19%   | 1.1     |
| Cost/income ratio, %             | 73.4   | 80.7   | -9%    | 72.7   | 64.8   | 12%    | 72.3    |
| Personnel as full-time resources | 15     | 16     | -6%    | 15     | 16     | -6%    | 14      |

## Investments

The business operations of the Investments segment consist of private equity and real estate fund investments made from eQ Group's own balance sheet.



During the period, the operating profit of the Investments segment was EUR 3.5 million (EUR -0.4 million from 1 Jan. to 30 June 2020). The recovery from the COVID-19 crisis had a positive impact on the result of the segment. At the end of the period, the fair value of the investments was EUR 16.7 million (EUR 15.7 million on 31 Dec. 2020) and the amount of the remaining investment commitments was EUR 6.6 million (EUR 7.1 million). During the period under review, eQ Plc made a USD 1.0 million investment commitment in the eQ PE XIII US private equity fund.

During the period, the investment objects returned capital for EUR 2.3 million (EUR 0.6 million from 1 Jan. to 30 March 2020) and distributed a profit of EUR 1.7 million (EUR 0.0 million). Capital calls totalled EUR 1.5 million (EUR 0.8 million). The net cash flow from investments during the period was EUR 2.5 million (EUR -0.2 million). The value changes of investments recognised through profit or loss were EUR 1.9 million during the period (EUR -0.3 million).

The income of eQ's Investments segment is recognised due to factors independent of the company. Due to this, the segment's result may vary considerably.

| Investments                      | 1–6/21 | 1–6/20 | Change | 4–6/21 | 4–6/20 | Change | 1–12/20 |
|----------------------------------|--------|--------|--------|--------|--------|--------|---------|
| Operating profit, M€             | 3.5    | -0.4   | 1090%  | 1.4    | -1.0   | 238%   | -0.1    |
| Fair value of investments, M€    | 16.7   | 16.1   | 4%     | 16.7   | 16.1   | -4%    | 15.7    |
| Investment commitments, M€       | 6.6    | 7.9    | -16%   | 6.6    | 7.9    | -16%   | 7.1     |
| Net cash flow of investments, M€ | 2.5    | -0.2   | 1542%  | 1.8    | -0.6   | 393%   | 0.6     |

## Balance sheet and capital adequacy

At the end of the period, the consolidated balance sheet total was EUR 81.1 million (EUR 91.5 million on 31 Dec. 2020) and the shareholders' equity was EUR 58.7 million (EUR 67.5 million). During the period, the shareholders' equity was influenced by the profit for the period of EUR 16.9 million, the dividend distribution of EUR -24.9 million, the repayment of equity of EUR -2.3 million from the reserve for invested unrestricted equity, the subscription for new shares with option rights of EUR 1.4 million and the accrued expense of EUR 0.1 million related to the option scheme and enter in shareholders' equity. The changes are specified in detail in the tables attached to this release.

At the end of the period, liquid assets totalled EUR 14.4 million (EUR 21.5 million) and liquid investments in mutual funds EUR 11.0 million (EUR 14.9 million). At the end of the period, the Group's short-term receivables amounted to EUR 7.7 million (EUR 7.6 million).

The lease liability entered in the balance sheet was EUR 1.6 million (EUR 2.0 million) at the end of the period, the share of short-term liabilities being EUR 0.9 million (EUR 0.9 million). Short-term interest-free debt was EUR 20.8 million (EUR 21.9 million). The Group had no interest-bearing loans at the end of the period (EUR - million). eQ's equity to assets ratio was 72.3% (73.8%).

A new IFD/IFR regime for investments firms entered into force on 26 June 2021. eQ Asset Management Ltd, as investment firm, and eQ Plc as the holding company, apply the regulations. According to the new regulations, the most restrictive capital requirement for eQ is defined on the basis of fixed overheads. The Group's CET1 (Common Equity Tier 1) and capital adequacy ratio of the own funds was 23.2% at the end of the period. According to regulations, the absolute minimum requirement for own funds is 8%. At the end of the period, the Group's own funds based on capital adequacy calculations totalled EUR 12.1 million. The minimum capital requirement based on fixed overheads was EUR 4.2 million. Detailed information on the Group's capital adequacy can be found in the tables section.

## Shares and share capital

At the end of the period on 30 June 2021, the number of eQ Plc's shares was 39 632 198 and the share capital was EUR 11 383 873.

During the period under review, the number of eQ Plc's shares increased by 45 000 on 18 March 2021 due to new shares subscribed for with option rights. The subscription price of the new shares totalled EUR 112 050.00. During the period under review, the number of eQ Plc's shares also increased by 715 000



shares subscribed for with option rights 2015. The subscription price of the new shares totalled EUR 1 279 850.00. The entire subscriptions were entered in the reserve for invested unrestricted equity.

The closing price of eQ Plc's share on 30 June 2021 was EUR 25.00 (EUR 16.75 on 31 Dec. 2020). The market capitalisation of the company was thus EUR 990.8 million (EUR 651.1 million) at the end of the period. During the period, 955 089 shares were traded on Nasdaq Helsinki (1 734 664 shares from 1 Jan. to 30 June 2020). In euros, the turnover was EUR 18.3 million (EUR 21.9 million).

## Own shares

On 30 June 2021, eQ Plc held no own shares.

## Shareholders

### Ten major shareholders on 30 June 2021

|                              | Shares     | Share, % |
|------------------------------|------------|----------|
| 1 Fennogens Investements SA  | 7 943 137  | 20.04    |
| 2 Anchor Oy Ab               | 6 058 963  | 15.29    |
| 3 Chilla Capital S.A.        | 6 045 275  | 15.25    |
| 4 Teamet Oy                  | 4 200 000  | 10.60    |
| 5 Oy Cevante Ab              | 1 419 063  | 3.58     |
| 6 Fazer Jan Peter            | 1 298 306  | 3.28     |
| 7 Procurator-Holding Oy      | 793 892    | 2.00     |
| 8 Lavventura Oy              | 700 000    | 1.77     |
| 9 Linnalex Ab                | 631 652    | 1.59     |
| 10 Pinomonte Ab              | 529 981    | 1.34     |
| 10 major shareholders, total | 29 620 269 | 74.74    |
| Nominee registered           | 437 054    | 1.10     |
| Other shares                 | 9 574 875  | 24.16    |
| Total                        | 39 632 198 | 100.00   |

On 30 June 2021, eQ Plc had 7 745 shareholders (7 261 shareholders on 31 Dec. 2020).

## Option schemes

At the end of the financial period, eQ Plc had one option scheme, the Option Scheme 2018. The option scheme is intended as part of the commitment system of the Group's key personnel. The 2015 Option Scheme, which was in force at the beginning of the period under review, has ended during the period. All outstanding options related to the 2015 Option Scheme were exercised as a result of the share subscriptions made.

### Option scheme 2018

At the end of the period, altogether 1 775 000 options had been allocated from option scheme with a purchase price 2018. The subscription period of shares with option rights 2018 will begin on 1 April 2022 and end on 1 April 2024. No options of the option scheme 2018 can any longer be allocated.

The terms and conditions of the option scheme have been published in a stock exchange release of 26 October 2018, and they can be found in their entirety on the company website at [www.eQ.fi](http://www.eQ.fi).

## Decisions by the Annual General Meeting

eQ Plc's Annual General Meeting (AGM), held on Monday 24 March 2021 in Helsinki, decided upon the following:



## **Confirmation of the financial statements**

eQ Plc's AGM confirmed the financial statements of the company, which included the consolidated financial statements, the report by the Board of Directors, and the auditors' report for the financial year 2020.

## **Decision in respect of the result shown on the balance sheet and the distribution of assets from the reserve for invested unrestricted equity**

The AGM confirmed the proposal by the Board of Directors that a dividend of EUR 0.64 per share and a repayment of equity of EUR 0.06 from the reserve for invested unrestricted equity be paid out. The dividend and equity repayment were paid to shareholders who, on the record date for the dividend payment, i.e. 23 March 2021, were recorded in the shareholder register of eQ Plc held by Euroclear Finland Ltd. Payment date of the dividend and equity repayment was 6 April 2021.

## **Discharge from liability to the Board of Directors and the CEO**

The AGM decided to grant discharge from liability to the Board of Directors and the CEO.

## **Remuneration Report for Governing Bodies**

The AGM confirmed the Remuneration Report for Governing Bodies.

## **Remuneration Policy for governing bodies**

The Annual General Meeting adopted the Remuneration Policy for the governing bodies.

## **Number of directors, appointment of directors, and the remuneration of directors**

According to the decision of the AGM, five members shall be elected to eQ Plc's Board of Directors. Nicholas Berner, Georg Ehrnrooth, Timo Kokkila, Lotta Kopra and Tomas von Rettig and Janne Larma as new member were re-elected for a term of office that will end at the close of the next Annual General Meeting. The AGM decided that the directors would receive remuneration as follows: Chair of the Board will receive EUR 5 000, Deputy Chair EUR 4 000 and the other directors EUR 3 000 per month. The Directors will also be paid EUR 500 for each Board meeting that they attend. Travel and lodging costs will be compensated in accordance with the company's expense policy. The persons that were proposed to the Board had announced prior to the AGM that, if elected, they would elect Janne Larma Chair of the Board and Georg Ehrnrooth Deputy Chair of the Board.

## **Auditors and auditors' compensation**

The AGM decided to elect the corporation of authorised public accountants KPMG Oy Ab auditor of the company. The auditor with main responsibility appointed by the company is Tuomas Ilveskoski, APA. It was decided to compensate the auditor according to an invoice approved by eQ Plc.

## **Authorising the Board of Directors to decide on the issuance of shares as well as the issuance of special rights entitling to shares**

The AGM authorised the Board of Directors to decide on a share issue or share issues and/or the issuance of special rights entitling to shares referred to in Chapter 10 Section 1 of the Limited Liability Companies Act, in one or several transactions, comprising a maximum total of 3 500 000 new shares. The amount of the authorisation corresponded to approximately 9.00% of all shares in the company on the date of the notice of the AGM.

The authorisation can be used in order to finance or carry out potential acquisitions or other business transactions, to strengthen the balance sheet and the financial position of the company, to carry out the company's incentive schemes or for any other purposes decided by the Board. Based on the authorisation, the Board shall decide on all matters related to the issuance of shares and special rights entitling to shares



referred to in Chapter 10 Section 1 of the Limited Liability Companies Act, including the recipients of the shares or the special rights entitling to shares and the amount of the consideration to be paid. Therefore, based on the authorisation, shares or special rights entitling to shares may also be issued to certain persons, i.e. in deviation of the shareholders' pre-emptive rights as described in said Act. A share issue may also be executed without payment in accordance with the preconditions set out in the Limited Liability Companies Act. The authorisation cancels all previous corresponding authorisations and is effective until the next AGM, no longer than 18 months, however.

## Personnel and organisation

At the end of the period, the number of Group personnel calculated as full-time resources was 94 (94 persons on 31 December 2020). Calculated as full-time resources, the Asset Management segment had 74 (75) employees and the Corporate Finance segment 15 (14) employees. Group administration had 5 (5) employees.

The overall salaries paid to the employees of eQ Group during the period totalled EUR 13.5 million (EUR 10.1 million from 1 Jan. to 30 June 2020). The salary expenses increased from the year before above all due to result-related remuneration. The increase was also influenced by the change in postponed share-based bonuses due to the strong increase in the share price (EUR 1.1 million). Based on regulations in the finance sector, part of the decided bonuses is postponed and bound to eQ's share price.

## Major risks and short-term uncertainties

The major single risk of the Group is the dependence of the operating income on changes in the external operating environment. The result of the Asset Management segment depends on the development of the assets under management, which is dependent of the development of the capital market, for instance. On the other hand, the management fees of private equity funds and closed real estate funds are based on long-term agreements that produce a stable cash flow. The realisation of the performance fee income that is dependent on the success of the investment operations also influences result development. The performance fees of the asset management operations may consist of performance fees paid by mutual funds and real estate funds, profit shares that private equity funds pay to the management company, and performance fees from asset management portfolios. Performance fees may vary considerably by quarter and financial period.

Success fees, which depend on the number of mergers and acquisitions and real estate transactions and the execution of transactions, have a considerable impact on the result of the Corporate Finance segment. These vary considerably within one year and are dependent on economic trends.

The risks related to the operations of eQ Group's Investments segment are the market risk and currency risk, for instance. Of said risks, the market risk has the greater impact on investments. The company's own investments are well diversified, which means that the impact of one investment made by one individual fund in one single investment object on the return is often small. The income from eQ Group's Investment segment is recognised in different quarters due to factors independent of the company, depending on the exits from funds. The income from investment operations and changes in value may vary considerably from quarter to quarter and financial period.

## Events after the period under review

After the period under review, Advium acted as advisor to Rettig Group as it signed an agreement to divest Nordkalk Corporation for EUR 500 million. The transaction requires approval by competition authorities.

## Outlook

The strong market development during the first half supports eQ's business operations. The outlook for the financial year is still unaltered, and we expect the net revenue and operating profit of the Asset Management segment to grow from the previous year.

eQ Plc  
Board of Directors



## **TABLES**

### **Principles for drawing up the report**

The interim report has been prepared in accordance with IFRS standards and the IAS 34 Interim Reports standard, approved by the EU.

The income of eQ Group's Investments segment is recognised due to factors independent of the company. As a result, the net income from financial assets may vary considerably.

The report has not been audited.



## CONSOLIDATED INCOME STATEMENT, EUR 1 000

|  | 1-6/21        | 1-6/20        | 4-6/21        | 4-6/20        | 1-12/20       |
|--|---------------|---------------|---------------|---------------|---------------|
| Fee and commission income                      | 33 508        | 24 569        | 17 531        | 12 767        | 57 193        |
| Interest income                                | 5             | 0             | 1             | 0             | 1             |
| Net income from financial assets               | 3 595         | -425          | 1 394         | -769          | 32            |
| Operating income, total                        | 37 108        | 24 144        | 18 926        | 11 997        | 57 226        |
| Fee and commission expenses                    | -279          | -222          | -139          | -106          | -459          |
| Interest expenses                              | -10           | -12           | -6            | -6            | -23           |
| <b>NET REVENUE</b>                             | <b>36 818</b> | <b>23 910</b> | <b>18 781</b> | <b>11 886</b> | <b>56 744</b> |
| Administrative expenses                        |               |               |               |               |               |
| Personnel expenses                             | -13 495       | -10 126       | -7 086        | -5 215        | -21 523       |
| Other administrative expenses                  | -994          | -940          | -514          | -405          | -1 979        |
| Depreciation on tangible and intangible assets | -531          | -522          | -265          | -264          | -1 086        |
| Other operating expenses                       | -650          | -641          | -335          | -330          | -1 399        |
| <b>OPERATING PROFIT (LOSS)</b>                 | <b>21 149</b> | <b>11 680</b> | <b>10 581</b> | <b>5 672</b>  | <b>30 757</b> |
| <b>PROFIT BEFORE TAXES</b>                     | <b>21 149</b> | <b>11 680</b> | <b>10 581</b> | <b>5 672</b>  | <b>30 757</b> |
| Income tax                                     | -4 257        | -2 297        | -2 128        | -1 080        | -6 148        |
| <b>PROFIT (LOSS) FOR THE PERIOD</b>            | <b>16 892</b> | <b>9 383</b>  | <b>8 452</b>  | <b>4 592</b>  | <b>24 610</b> |

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

|  | 1-6/21        | 1-6/20       | 4-6/21       | 4-6/20       | 1-12/20       |
|--|---------------|--------------|--------------|--------------|---------------|
| Other comprehensive income:  | -             | -            | -            | -            | -             |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>                                       | <b>16 892</b> | <b>9 383</b> | <b>8 452</b> | <b>4 592</b> | <b>24 610</b> |
| Profit for the period attributable to:   |               |              |              |              |               |
| Equity holders of the parent company   | 16 892        | 9 383        | 8 452        | 4 592        | 24 610        |
| Non-controlling interests  | -             | -            | -            | -            | -             |
| Comprehensive income for the period attributable to:                                   |               |              |              |              |               |
| Equity holders of the parent company   | 16 892        | 9 383        | 8 452        | 4 592        | 24 610        |
| Non-controlling interests  | -             | -            | -            | -            | -             |
| Earnings per share calculated from the profit of equity holders of the parent company: |               |              |              |              |               |
| Earnings per average share, EUR  | 0.43          | 0.24         | 0.22         | 0.12         | 0.64          |
| Diluted earnings per average share, EUR  | 0.41          | 0.23         | 0.21         | 0.11         | 0.60          |



## CONSOLIDATED BALANCE SHEET, EUR 1 000

|   | 30 June 2021  | 30 June 2020  | 31 Dec. 2020  |
|---|---------------|---------------|---------------|
| <b>ASSETS</b>   |               |               |               |
| Liquid assets   | 33            | 69            | 80            |
| Claims on credit institutions                         | 14 394        | 7 935         | 21 372        |
| Financial assets                                      |               |               |               |
| Financial securities                                  | 10 966        | 5 807         | 14 920        |
| Private equity and real estate fund investments       | 16 711        | 16 053        | 15 656        |
| Intangible assets                                     |               |               |               |
| Fair value and brands                                 | 29 212        | 29 212        | 29 212        |
| Client agreements                                     | 258           | 358           | 308           |
| Other intangible assets                               | 189           | 300           | 240           |
| Tangible assets                                       |               |               |               |
| Right-of-use assets                                   | 1 343         | 2 090         | 1 703         |
| Tangible assets                                       | 317           | 310           | 349           |
| Other assets  | 7 128         | 4 318         | 6 969         |
| Accruals and prepaid expenditure                      | 477           | 443           | 544           |
| Income tax receivables                                | 56            | 185           | 55            |
| Deferred tax assets                                   | 54            | 79            | 66            |
| <b>TOTAL ASSETS</b>                                   | <b>81 140</b> | <b>67 160</b> | <b>91 476</b> |
| <b>LIABILITIES AND EQUITY</b>                         |               |               |               |
| <b>LIABILITIES</b>                                    |               |               |               |
| Other liabilities                                     | 5 971         | 5 068         | 5 218         |
| Accruals and deferred income                          | 13 297        | 8 592         | 14 956        |
| Lease liabilities                                     | 1 613         | 2 485         | 2 035         |
| Income tax liabilities                                | 1 581         | 165           | 1 722         |
| Deferred tax liabilities                              | -             | 29            | -             |
| <b>TOTAL LIABILITIES</b>                              | <b>22 462</b> | <b>16 339</b> | <b>23 931</b> |
| <b>EQUITY</b>   |               |               |               |
| Attributable to equity holders of the parent company: |               |               |               |
| Share capital   | 11 384        | 11 384        | 11 384        |
| Reserve for invested unrestricted equity              | 24 247        | 23 783        | 25 190        |
| Retained earnings                                     | 6 156         | 6 271         | 6 362         |
| Profit (loss) for the period                          | 16 892        | 9 383         | 24 610        |
| <b>TOTAL EQUITY</b>                                   | <b>58 678</b> | <b>50 821</b> | <b>67 545</b> |
| <b>TOTAL LIABILITIES AND EQUITY</b>                   | <b>81 140</b> | <b>67 160</b> | <b>91 476</b> |





## CONSOLIDATED CASH FLOW STATEMENT, EUR 1 000

|   | 1-6/2021       | 1-6/2020       | 1-12/2020      |
|---|----------------|----------------|----------------|
| <b>CASH FLOW FROM OPERATIONS</b>  |                |                |                |
| Operating profit  | 21 149         | 11 680         | 30 757         |
| Depreciation and write-downs  | 531            | 522            | 1 086          |
| Interest income and expenses  | 5              | 12             | 22             |
| Transactions with no related payment transactions                             | -1 795         | 449            | 389            |
| Financial assets' cash flow – private equity and real estate fund investments | 803            | -193           | 243            |
| Change in working capital   |                |                |                |
| Business receivables, increase (-) / decrease (+)                             | -92            | -81            | -2 776         |
| Interest-free debt, increase (+) / decrease (-)                               | -2 628         | -4 008         | 2 506          |
| Total change in working capital   | -2 720         | -4 089         | -270           |
| Cash flow from operations before financial items and taxes                    | 17 973         | 8 383          | 32 227         |
| Interests received  | 5              | 0              | 1              |
| Interests paid  | -10            | -12            | -23            |
| Taxes   | -2 664         | -2 304         | -4 542         |
| <b>CASH FLOW FROM OPERATIONS</b>  | <b>15 303</b>  | <b>6 067</b>   | <b>27 663</b>  |
| <b>CASH FLOW FROM INVESTMENTS</b>   |                |                |                |
| Investments in intangible and tangible assets                                 | -32            | -609           | -739           |
| Investments/redemptions in other investments – liquid mutual funds            | 3 982          | 4 084          | -4 916         |
| <b>CASH FLOW FROM INVESTMENTS</b>   | <b>3 950</b>   | <b>3 475</b>   | <b>-5 655</b>  |
| <b>CASH FLOW FROM FINANCING</b>   |                |                |                |
| Dividends paid/equity repayments  | -27 242        | -23 750        | -23 750        |
| Option issue with a subscription price  | -              | -18            | -18            |
| Subscription of new shares  | 1 392          | -              | 1 407          |
| Decrease in the lease liability capital                                       | -428           | -144           | -568           |
| <b>CASH FLOW FROM FINANCING</b>   | <b>-26 279</b> | <b>-23 913</b> | <b>-22 930</b> |
| <b>INCREASE/DECREASE IN LIQUID ASSETS</b>                                     | <b>-7 025</b>  | <b>-14 371</b> | <b>-922</b>    |
| Liquid assets on 1 Jan.   | 21 453         | 22 375         | 22 375         |
| Liquid assets on 30 June/31 Dec.  | 14 428         | 8 004          | 21 453         |

## CHANGE IN CONSOLIDATED SHAREHOLDERS' EQUITY, EUR 1 000

| Equity attributable to equity holders of the parent company |               |  |                   |         |              |
|---|---------------|--|-------------------|---------|--------------|
|   | Share capital | Reserve for invested unrestricted equity | Retained earnings | Total   | Total equity |
| Shareholders' equity on 1 Jan. 2020                         | 11 384        | 26 482                                   | 27 251            | 65 117  | 65 117       |
| Profit (loss) for the period                                |               |  | 9 383             | 9 383   | 9 383        |
| Other comprehensive income                                  |               |  |                   |         |              |
| Financial assets  |               |  | -                 | -       | -            |
| Total comprehensive income                                  |               |  | 9 383             | 9 383   | 9 383        |
| Dividend/equity repayment                                   |               | -2 682                                   | -21 069           | -23 750 | -23 750      |
| Option issue with a subscription price                      |               | -18                                      |                   | -18     | -18          |
| Options granted, cost accrual                               |               |  | 89                | 89      | 89           |
| Shareholders' equity on 30 June 2020                        | 11 384        | 23 783                                   | 15 654            | 50 821  | 50 821       |
| Shareholders' equity on 1 Jan. 2021                         | 11 384        | 25 190                                   | 30 972            | 67 545  | 67 545       |
| Profit (loss) for the period                                |               |  | 16 892            | 16 892  | 16 892       |
| Other comprehensive income                                  |               |  |                   |         |              |
| Financial assets  |               |  | -                 | -       | -            |
| Total comprehensive income                                  |               |  | 16 892            | 16 892  | 16 892       |
| Dividend/equity repayment                                   |               | -2 335                                   | -24 907           | -27 242 | -27 242      |
| Subscription of shares                                      |               | 1 392                                    |                   | 1 392   | 1 392        |
| Options granted, cost accrual                               |               |  | 91                | 91      | 91           |
| Shareholders' equity on 30 June 2021                        | 11 384        | 24 247                                   | 23 047            | 58 678  | 58 678       |



## FEE AND COMMISSION INCOME, GROUP, EUR 1 000

|                                  | 1-6/21 | 1-6/20 | 4-6/21 | 4-6/20 | 1-12/20 |
|----------------------------------|--------|--------|--------|--------|---------|
| Asset management fees            |        |        |        |        |         |
| Management fees                  |        |        |        |        |         |
| Traditional asset management     | 5 119  | 3 877  | 2 697  | 1 848  | 8 118   |
| Real estate asset management     | 13 877 | 12 654 | 7 127  | 6 298  | 25 615  |
| Private equity asset management  | 6 827  | 6 012  | 3 577  | 3 289  | 12 375  |
| Management fees, total           | 25 823 | 22 543 | 13 401 | 11 434 | 46 108  |
| Performance fees                 |        |        |        |        |         |
| Traditional asset management     | 2 465  | 208    | 1 012  | 18     | 2 717   |
| Real estate asset management     | 1 883  | -      | 1 122  | -      | 4 014   |
| Private equity asset management  | 603    | -      | 603    | -      | -       |
| Performance fees, total          | 4 951  | 208    | 2 737  | 18     | 6 731   |
| Other fee and commission income  | 341    | 89     | 65     | 37     | 238     |
| Asset management fees total      | 31 115 | 22 840 | 16 203 | 11 489 | 53 076  |
| Corporate finance fees           | 2 392  | 1 728  | 1 328  | 1 278  | 4 117   |
| Fee and commission income, total | 33 508 | 24 569 | 17 531 | 12 767 | 57 193  |

## NET INCOME FROM FINANCIAL ASSETS, GROUP, EUR 1 000

|   | 1-6/21 | 1-6/20 | 4-6/21 | 4-6/20 | 1-12/20 |
|---|--------|--------|--------|--------|---------|
| Private equity and real estate fund investment operations |        |        |        |        |         |
| Profit distribution of funds                              | 1 691  | 19     | 971    | -      | 326     |
| Changes in fair value and losses                          | 1 858  | -295   | 419    | -944   | -257    |
| Total   | 3 549  | -276   | 1 390  | -944   | 69      |
| Other investment operations                               |        |        |        |        |         |
| Changes in fair value                                     | 28     | -65    | 3      | 259    | 48      |
| Sales profit/loss   | 18     | -84    | -      | -84    | -84     |
| Total   | 46     | -149   | 3      | 175    | -36     |
| Net income from financial assets, total                   | 3 595  | -425   | 1 394  | -769   | 32      |

## FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES, EUR 1 000

|   | 30 June 2021 |            | 30 June 2020 |            | 31 Dec. 2020 |            |
|---|--------------|------------|--------------|------------|--------------|------------|
|   | Fair value   | Book value | Fair value   | Book value | Fair value   | Book value |
| Financial assets                                |              |            |              |            |              |            |
| Investments                                     |              |            |              |            |              |            |
| Private equity and real estate fund investments | 16 711       | 16 711     | 16 053       | 16 053     | 15 656       | 15 656     |
| Financial securities                            | 10 966       | 10 966     | 5 807        | 5 807      | 14 920       | 14 920     |
| Accounts receivable and other receivables       | 335          | 335        | 1 100        | 1 100      | 1 378        | 1 378      |
| Liquid assets                                   | 14 428       | 14 428     | 8 004        | 8 004      | 21 453       | 21 453     |
| Total   | 42 440       | 42 440     | 30 964       | 30 964     | 53 406       | 53 406     |
| Financial liabilities                           |              |            |              |            |              |            |
| Accounts payable and other liabilities          | 185          | 185        | 245          | 245        | 139          | 139        |
| Lease liabilities                               | 1 613        | 1 613      | 2 485        | 2 485      | 2 035        | 2 035      |
| Total   | 1 798        | 1 798      | 2 729        | 2 729      | 2 174        | 2 174      |

The table shows the fair values and book values of financial assets and liabilities per balance sheet item. The assessment principles of fair values are presented in the accounting principles. The original book value of accounts receivable and accounts payable corresponds to their fair value, as the impact of discounting is not essential taking into account the maturity of the receivables and liabilities.

### Value of financial instruments across the three levels of the fair value hierarchy

|   | 30 June 2021 |         | 30 June 2020 |         | 31 Dec. 2020 |         |
|---|--------------|---------|--------------|---------|--------------|---------|
|   | Level        |         | Level        |         | Level        |         |
|   | 1            | Level 3 | 1            | Level 3 | 1            | Level 3 |
| Financial assets                                |              |         |              |         |              |         |
| Private equity and real estate fund investments | -            | 16 711  | -            | 16 053  | -            | 15 656  |
| Financial securities                            | 10 966       | -       | 5 807        | -       | 14 920       | -       |
| Total   | 10 966       | 16 711  | 5 807        | 16 053  | 14 920       | 15 656  |

Level 3 reconciliation: Private equity and real estate fund investments

| 1-6/2021                                     |        |
|--|--------|
| Opening balance on 1 Jan. 2021               | 15 656 |
| Calls  | 1 457  |
| Returns                                      | -2 259 |
| Value change and loss through profit or loss | 1 858  |
| Closing balance on 30 June 2021              | 16 711 |

| 1-6/2020                                     |        |
|--|--------|
| Opening balance on 1 Jan. 2020               | 16 156 |
| Calls  | 825    |
| Returns                                      | -632   |
| Value change and loss through profit or loss | -295   |
| Closing balance on 30 June 2020              | 16 053 |



| 1-12/2020                                    |        |
|--|--------|
| Opening balance on 1 Jan. 2020               | 16 156 |
| Calls  | 1 567  |
| Returns                                      | -1 809 |
| Value change and loss through profit or loss | -257   |
| Closing balance on 31 Dec. 2020              | 15 656 |

Level 1 comprises liquid assets the value of which is based on quotes in the liquid market. A market where the price is easily available on a regular basis is regarded as a liquid market.

The fair values of level 3 private equity funds are based on the value of the fund according to the management company of the private equity fund and their use in widely used valuation models. Private equity fund investments are valued in accordance with a practice widely used in the sector, International Private Equity and Venture Capital Guidelines. The fair values of level 3 real estate fund investments are based on the value of the fund according to the management company. The valuation of real estate owned by a fund is based on a value defined by an external valuer. During the period under review, no transfers took place between the levels of the fair value hierarchy.

## PRIVATE EQUITY AND REAL ESTATE FUND INVESTMENTS, EUR 1 000

| Market value                   | 30 June 2021  | 31 Dec. 2020  |
|--------------------------------|---------------|---------------|
| Funds managed by eQ:           |               |               |
| Private equity funds of funds: |               |               |
| eQ PE XIII US LP               | -             | -             |
| eQ PE XII North LP             | 137           | 22            |
| eQ PE XI US LP                 | 229           | 87            |
| eQ PE X North LP               | 425           | 282           |
| eQ PE IX US LP                 | 756           | 565           |
| eQ PE VIII North LP            | 2 316         | 1 980         |
| eQ PE VII US LP                | 2 269         | 1 903         |
| eQ PE VI North LP              | 1 976         | 2 161         |
| Amanda V East LP               | 4 225         | 4 296         |
| Amanda IV West LP              | 676           | 697           |
| Amanda III Eastern PE LP       | 1 162         | 1 830         |
| Total                          | 14 170        | 13 823        |
| Real estate funds:             |               |               |
| eQ Residential                 | 95            | 43            |
| Funds managed by others:       |               |               |
| Large buyout funds             | 908           | 754           |
| Midmarket funds                | 468           | 378           |
| Venture funds                  | 1 071         | 658           |
| <b>Total</b>                   | <b>16 711</b> | <b>15 656</b> |



## REMAINING INVESTMENT COMMITMENTS OF PRIVATE EQUITY AND REAL ESTATE FUND INVESTMENTS, EUR 1 000

| Investment commitment          | 30 June 2021 | 31 Dec. 2020 |
|--------------------------------|--------------|--------------|
| Funds managed by eQ:           |              |              |
| Private equity funds of funds: |              |              |
| eQ PE XIII US LP               | 844          | 0            |
| eQ PE XII North LP             | 880          | 980          |
| eQ PE XI US LP                 | 607          | 711          |
| eQ PE X North LP               | 513          | 638          |
| eQ PE IX US LP                 | 265          | 400          |
| eQ PE VIII North LP            | 522          | 736          |
| eQ PE VII US LP                | 252          | 424          |
| eQ PE VI North LP              | 312          | 477          |
| Amanda V East LP               | 488          | 645          |
| Amanda IV West LP              | 427          | 427          |
| Amanda III Eastern PE LP       | 273          | 348          |
| Total                          | 5 383        | 5 786        |
| Real estate funds:             |              |              |
| eQ Residential                 | 890          | 950          |
| Funds managed by others:       |              |              |
| Large buyout funds             | 132          | 132          |
| Midmarket funds                | 211          | 211          |
| Venture funds                  | 0            | 0            |
| <b>Total</b>                   | <b>6 616</b> | <b>7 079</b> |



## SEGMENT INFORMATION, EUR 1 000

| 1-6/2021                                       | Asset<br>Man. | Corporate<br>Finance | Invest-<br>ments | Other  | Elimin-<br>ations | Group<br>total |
|--|---------------|----------------------|------------------|--------|-------------------|----------------|
| Fee and commission income                      | 31 115        | 2 392                | -                | -      |                   | 33 508         |
| From other segments                            | 75            | -                    | -                | -      | -75               | -              |
| Interest income                                | -             | -                    | -                | 5      |                   | 5              |
| Net income from financial assets               | -             | -                    | 3 549            | 46     |                   | 3 595          |
| Other operating income                         | -             | -                    | -                | -      |                   | -              |
| From other segments                            | -             | -                    | -                | 38     | -38               | -              |
| Operating income, total                        | 31 190        | 2 392                | 3 549            | 90     | -113              | 37 108         |
| Fee and commission expenses                    | -275          | -                    | -                | -4     |                   | -279           |
| To other segments                              | -             | -                    | -75              | -      | 75                | -              |
| Interest expenses                              | -6            | -2                   | -                | -3     |                   | -10            |
| NET REVENUE                                    | 30 910        | 2 391                | 3 474            | 83     | -38               | 36 818         |
| Administrative expenses                        |               |                      |                  |        |                   |                |
| Personnel expenses                             | -10 865       | -1 504               | -                | -1 126 |                   | -13 495        |
| Other administrative expenses                  | -744          | -105                 | -                | -184   | 38                | -994           |
| Depreciation on tangible and intangible assets | -393          | -87                  | -                | -51    |                   | -531           |
| Other operating expenses                       | -454          | -60                  | -                | -135   |                   | -650           |
| OPERATING PROFIT (LOSS)                        | 18 454        | 635                  | 3 474            | -1 413 | 0                 | 21 149         |
| Income tax                                     |               |                      |                  | -4 257 |                   | -4 257         |
| PROFIT (LOSS) FOR THE PERIOD                   |               |                      |                  | -5 670 |                   | 16 892         |

| 1-6/2020                         | Asset<br>Man. | Corporate<br>Finance | Invest-<br>ments | Other | Elimin-<br>ations | Group<br>total |
|----------------------------------|---------------|----------------------|------------------|-------|-------------------|----------------|
| Fee and commission income        | 22 840        | 1 728                | -                | -     |                   | 24 569         |
| From other segments              | 75            | -                    | -                | -     | -75               | -              |
| Interest income                  | -             | -                    | -                | -     |                   | -              |
| Net income from financial assets | -             | -                    | -276             | -149  |                   | -425           |
| Other operating income           | -             | -                    | -                | -     |                   | -              |
| From other segments              | -             | -                    | -                | 38    | -38               | -              |
| Operating income, total          | 22 915        | 1 728                | -276             | -111  | -113              | 24 144         |
| Fee and commission expenses      | -218          | -                    | -                | -4    |                   | -222           |
| To other segments                | -             | -                    | -75              | -     | 75                | -              |
| Interest expenses                | -7            | -2                   | -                | -2    |                   | -12            |
| NET REVENUE                      | 22 690        | 1 726                | -351             | -117  | -38               | 23 910         |



| 1-6/2020  | Asset<br>Man. | Corporate<br>Finance | Invest-<br>ments | Other         | Elimin-<br>ations | Group<br>total |
|---|---------------|----------------------|------------------|---------------|-------------------|----------------|
| Administrative expenses                           |               |                      |                  |               |                   |                |
| Personnel expenses                                | -8 171        | -1 109               | -                | -846          |                   | -10 126        |
| Other administrative expenses                     | -678          | -142                 | -                | -159          | 38                | -940           |
| Depreciation on tangible and intangible<br>assets | -387          | -84                  | -                | -52           |                   | -522           |
| Other operating expenses                          | -446          | -59                  | -                | -136          |                   | -641           |
| <b>OPERATING PROFIT (LOSS)</b>                    | <b>13 008</b> | <b>333</b>           | <b>-351</b>      | <b>-1 309</b> | <b>0</b>          | <b>11 680</b>  |
| Income tax  |               |                      |                  | -2 297        |                   | -2 297         |
| <b>PROFIT (LOSS) FOR THE PERIOD</b>               |               |                      |                  | <b>-3 606</b> |                   | <b>9 383</b>   |

| 4-6/21  | Asset<br>Man. | Corporate<br>Finance | Invest-<br>ments | Other         | Elimin-<br>ations | Group<br>total |
|---|---------------|----------------------|------------------|---------------|-------------------|----------------|
| Fee and commission income                         | 16 203        | 1 328                | -                | -             |                   | 17 531         |
| From other segments                               | 38            | -                    | -                | -             | -38               | -              |
| Net income from currency operations               | -             | -                    | -                | -             |                   | -              |
| Interest income                                   | -             | -                    | -                | 1             |                   | 1              |
| Net income from financial assets                  | -             | -                    | 1 390            | 3             |                   | 1 394          |
| Other operating income                            | -             | -                    | -                | -             |                   | -              |
| From other segments                               | -             | -                    | -                | 19            | -19               | -              |
| <b>Operating income, total</b>                    | <b>16 240</b> | <b>1 328</b>         | <b>1 390</b>     | <b>24</b>     | <b>-57</b>        | <b>18 926</b>  |
| Fee and commission expenses                       | -137          | -                    | -                | -2            |                   | -139           |
| To other segments                                 | -             | -                    | -38              | -             | 38                | -              |
| Interest expenses                                 | -3            | -1                   |                  | -2            |                   | -6             |
| <b>NET REVENUE</b>                                | <b>16 100</b> | <b>1 327</b>         | <b>1 353</b>     | <b>20</b>     | <b>-19</b>        | <b>18 781</b>  |
| Administrative expenses                           |               |                      |                  |               |                   |                |
| Personnel expenses                                | -5 688        | -840                 | -                | -558          |                   | -7 086         |
| Other administrative expenses                     | -380          | -50                  | -                | -104          | 19                | -514           |
| Depreciation on tangible and intangible<br>assets | -195          | -44                  | -                | -26           |                   | -265           |
| Other operating expenses                          | -233          | -32                  | -                | -70           |                   | -335           |
| <b>OPERATING PROFIT (LOSS)</b>                    | <b>9 604</b>  | <b>362</b>           | <b>1 353</b>     | <b>-738</b>   | <b>0</b>          | <b>10 581</b>  |
| Income tax  |               |                      |                  | -2 128        |                   | -2 128         |
| <b>PROFIT (LOSS) FOR THE PERIOD</b>               |               |                      |                  | <b>-2 866</b> |                   | <b>8 452</b>   |





| 4-6/20   | Asset<br>Man. | Corporate<br>Finance | Invest-<br>ments | Other  | Elimin-<br>ations | Group<br>total |
|--|---------------|----------------------|------------------|--------|-------------------|----------------|
| Fee and commission income                      | 11 489        | 1 278                | -                | -      |                   | 12 767         |
| From other segments                            | 38            | -                    | -                | -      | -38               | -              |
| Net income from currency operations            | -             | -                    | -                | -      |                   | -              |
| Interest income                                | -             | -                    | -                | 0      |                   | 0              |
| Net income from financial assets               | -             | -                    | -944             | 175    |                   | -769           |
| Other operating income                         | -             | -                    | -                | -      |                   | -              |
| From other segments                            | -             | -                    | -                | 19     | -19               | -              |
| Operating income, total                        | 11 526        | 1 278                | -944             | 194    | -57               | 11 997         |
| Fee and commission expenses                    | -104          | -                    | -                | -2     |                   | -105           |
| To other segments                              | -             | -                    | -38              | -      | 38                | -              |
| Interest expenses                              | -4            | -1                   | -                | -1     |                   | -6             |
| NET REVENUE                                    | 11 419        | 1 277                | -981             | 191    | -19               | 11 886         |
| Administrative expenses                        |               |                      |                  |        |                   |                |
| Personnel expenses                             | -4 095        | -716                 | -                | -404   |                   | -5 215         |
| Other administrative expenses                  | -296          | -40                  | -                | -89    | 19                | -405           |
| Depreciation on tangible and intangible assets | -196          | -42                  | -                | -26    |                   | -264           |
| Other operating expenses                       | -221          | -30                  | -                | -80    |                   | -330           |
| OPERATING PROFIT (LOSS)                        | 6 612         | 449                  | -981             | -408   | 0                 | 5 672          |
| Income tax                                     |               |                      |                  | -1 080 |                   | -1 080         |
| PROFIT (LOSS) FOR THE PERIOD                   |               |                      |                  | -1 488 |                   | 4 592          |

| 1-12/2020                                      | Asset<br>Man. | Corporate<br>Finance | Invest-<br>ments | Other  | Elimin-<br>ations | Group<br>total |
|--|---------------|----------------------|------------------|--------|-------------------|----------------|
| Fee and commission income                      | 53 077        | 4 117                | -                | -      |                   | 57 193         |
| From other segments                            | 150           | -                    | -                | -      | -150              | -              |
| Net income from currency operations            | -             | -                    | -                | -      |                   | -              |
| Interest income                                | -             | -                    | -                | 1      |                   | 1              |
| Net income from financial assets               | -             | -                    | 69               | -36    |                   | 32             |
| Other operating income                         | -             | -                    | -                | -      |                   | -              |
| From other segments                            | -             | -                    | -                | 77     | -77               | -              |
| Operating income, total                        | 53 227        | 4 117                | 69               | 41     | -227              | 57 226         |
| Fee and commission expenses                    | -451          | -                    | -                | -8     |                   | -459           |
| To other segments                              | -             | -                    | -150             | -      | 150               | -              |
| Interest expenses                              | -14           | -4                   | -                | -5     |                   | -23            |
| NET REVENUE                                    | 52 761        | 4 112                | -81              | 29     | -77               | 56 744         |
| Administrative expenses                        |               |                      |                  |        |                   |                |
| Personnel expenses                             | -17 433       | -2 373               | -                | -1 716 |                   | -21 523        |
| Other administrative expenses                  | -1 475        | -288                 | -                | -293   | 77                | -1 979         |
| Depreciation on tangible and intangible assets | -800          | -182                 | -                | -104   |                   | -1 086         |
| Other operating expenses                       | -981          | -133                 | -                | -285   |                   | -1 399         |
| OPERATING PROFIT (LOSS)                        | 32 072        | 1 137                | -81              | -2 370 | 0                 | 30 757         |
| Income tax                                     |               |                      |                  | -6 148 |                   | -6 148         |
| PROFIT (LOSS) FOR THE PERIOD                   |               |                      |                  | -8 517 |                   | 24 610         |



The fee and commission income of the Asset Management segment from other segments comprises the management fee income from eQ Group's own investments in private equity funds. The corresponding expenses are allocated to the Investments segment. Under the item Other, income from other segments comprises the administrative services provided by Group administration to other segments and the undivided interest income and expenses. The item Other also includes the undivided personnel, administration and other expenses allocated to Group administration. The taxes not distributed to the segments are also presented under the item Other.

The highest operative decision-making body does not follow assets and liabilities at segment level, due to which the Group's assets and liabilities are not presented as divided between the segments.

## PROFIT DEVELOPMENT OF SEGMENTS PER QUARTER, EUR 1 000

|  | Q2/21  | Q1/21  | Q4/20  | Q3/20  | Q2/20  |
|--|--------|--------|--------|--------|--------|
| <b>Asset Management</b>                |        |        |        |        |        |
| Net revenue                            | 16 100 | 14 809 | 18 130 | 11 941 | 11 419 |
| Operating profit                       | 9 604  | 8 850  | 11 290 | 7 773  | 6 612  |
| <b>Corporate finance</b>               |        |        |        |        |        |
| Net revenue                            | 1 327  | 1 063  | 1 372  | 1 014  | 1 277  |
| Operating profit                       | 362    | 273    | 440    | 365    | 449    |
| <b>Investments</b>                     |        |        |        |        |        |
| Net revenue                            | 1 353  | 2 121  | 585    | -316   | -981   |
| Operating profit                       | 1 353  | 2 121  | 585    | -316   | -981   |
| <b>Other segments and eliminations</b> |        |        |        |        |        |
| Net revenue                            | 1      | 44     | 48     | 59     | 171    |
| Operating profit                       | -738   | -676   | -767   | -294   | -408   |
| <b>Group total</b>                     |        |        |        |        |        |
| Net revenue                            | 18 781 | 18 037 | 20 136 | 12 698 | 11 886 |
| Operating profit                       | 10 581 | 10 568 | 11 549 | 7 528  | 5 672  |
| Profit for the period                  | 8 452  | 8 439  | 9 214  | 6 012  | 4 592  |



## CAPITAL ADEQUACY, EUR 1 000

|   | IFR<br>30 June<br>2021<br>eQ Group | CRR<br>31 Dec.<br>2020<br>eQ Group |
|---|------------------------------------|------------------------------------|
| Equity  | 58 678                             | 67 545                             |
| Common equity tier 1 (CET 1) before deductions                                      | 58 678                             | 67 545                             |
| Deductions from CET 1   |                                    |                                    |
| Intangible assets   | -29 660                            | -29 761                            |
| Unconfirmed profit for the period   | -16 892                            | -24 610                            |
| Dividend proposal by the Board*   | 0                                  | -2 601                             |
| Common equity tier 1 (CET1)   | 12 127                             | 10 574                             |
| Additional tier 1 (AT1)   | 0                                  | 0                                  |
| Tier 1 (T1 = CET1 + AT1)  | 12 127                             | 10 574                             |
| Tier 2 (T2)   | 0                                  | 0                                  |
| Total capital (TC = T1 + T2)  | 12 127                             | 10 574                             |
| Own funds requirement according to the most restrictive requirement                 |                                    |                                    |
| Fixed overhead requirement  | 4 190                              | -                                  |
| Risk-weighted items total – Total risk exposure                                     | 52 376                             | 58 830                             |
| of which credit risk  | -                                  | 54 064                             |
| of which market risk - currency risk  | -                                  | 4 766                              |
| of which risk due to fixed expenses   | 52 376                             | -                                  |
| Common equity tier 1 (CET1) / risk weights, %                                       | 23.2%                              | 18.0%                              |
| Tier 1 (T1) / risk weights, %   | 23.2%                              | 18.0%                              |
| Total capital (TC) / risk weights, %  | 23.2%                              | 18.0%                              |
| Excess of total capital compared with the minimum level (8% capital adequacy ratio) | 7 936                              | 5 867                              |
| Excess of total capital compared with the target level (10% capital adequacy ratio) | 6 889                              | 4 691                              |

\*The dividend and equity repayment proposed by the Board exceeding the profit for the period.

A new IFD/IFR regime for investment firms entered into force on 26 June 2021. eQ Asset Management Ltd, as investment firm, and eQ Plc as the holding company, apply the regulations. The comparison information on capital adequacy has been presented according to the previous regulations (CRD/CRR).



## GROUP KEY RATIOS

|   | 30 June<br>2021 | 30 June<br>2020 | 31 Dec.<br>2020 |
|---|-----------------|-----------------|-----------------|
| Profit (loss) for the period to the equity holders of the parent company, EUR 1 000 | 16 892          | 9 383           | 24 610          |
| Earnings per average share, EUR   | 0.43            | 0.24            | 0.64            |
| Diluted earnings per average share, EUR   | 0.41            | 0.23            | 0.60            |
| Equity per share, EUR   | 1.48            | 1.33            | 1.74            |
| Equity per average share, EUR *)  | 1.50            | 1.33            | 1.76            |
| Return on investment, ROI % p.a.  | 52.1            | 31.1            | 35.9            |
| Return on equity, ROE % p.a.  | 53.5            | 32.4            | 37.1            |
| Equity to assets ratio, %   | 72.3            | 75.7            | 73.8            |
| Cost/income ratio, Group, %   | 42.4            | 51.0            | 45.6            |
| Share price at the end of the period, EUR   | 25.00           | 13.20           | 16.75           |
| Market value, EUR million   | 990.8           | 505.7           | 651.1           |
| Personnel calculated as full-time resources at the end of the period                | 94              | 93              | 94              |

\*) Weighted average number of shares outstanding.

eQ applies the guidelines of the European Securities and Markets Authority, ESMA, on alternative performance measures. An alternative performance measure is a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework (IFRS). eQ presents alternative measures in order to describe the financial development of its operations. Capital adequacy performance measures are presented based on European legislation concerning companies in the finance sector. The calculation principles and formulae of the key ratios are presented in the company's 2020 financial statements, which are available on the company website at [www.eQ.fi](http://www.eQ.fi). The key ratios presented by eQ can be directly calculated with the calculation formulae based on the information in the income statement, balance sheet and notes thereto.

## COMMITMENTS

On 30 June 2021, eQ's remaining investment commitments in private equity funds totalled EUR 6.6 million (EUR 7.1 million on 31 Dec. 2020). Other commitments at the end of the period totalled EUR 0.0 million (EUR 0.0 million on 31 Dec. 2020).