



eQ Plc – Half year result 2023

Result presentation 8 August 2023

eQ Group – Key figures



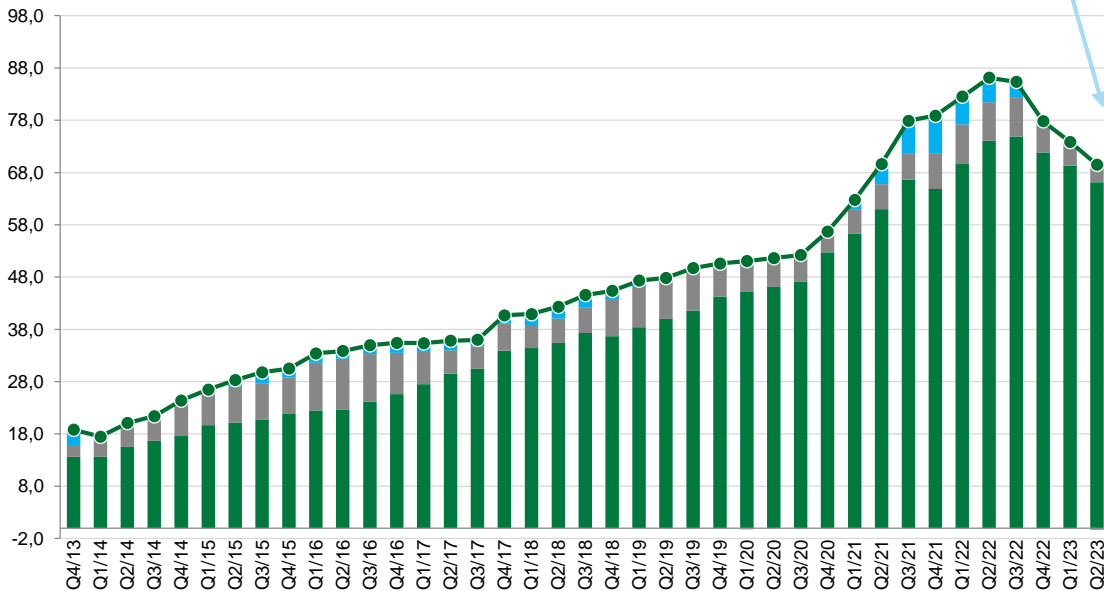
MEUR	1-6/2023	1-6/2022	Change	4-6/2023	4-6/2022	Change	1-12/2022
Net revenue	35.7	44.0	-19 %	18.0	22.4	-20 %	77.8
Operating profit	19.8	27.1	-27 %	9.8	14.1	-30 %	45.7
Profit for the period	15.7	21.5	-27 %	7.8	11.2	-30 %	36.3
Earnings per share (EUR)	0.39	0.54	-28 %	0.19	0.28	-32 %	0.91
Cost/income -ratio, %	44.4	38.4	16 %	45.3	36.9	23 %	41.1
Liquid assets	12.8	22.3	-43 %	12.8	22.3	-43 %	43.8
Investments in PE and RE funds	17.3	19.0	-9 %	17.3	19.0	-9 %	16.8

eQ Group – Rolling 12 months



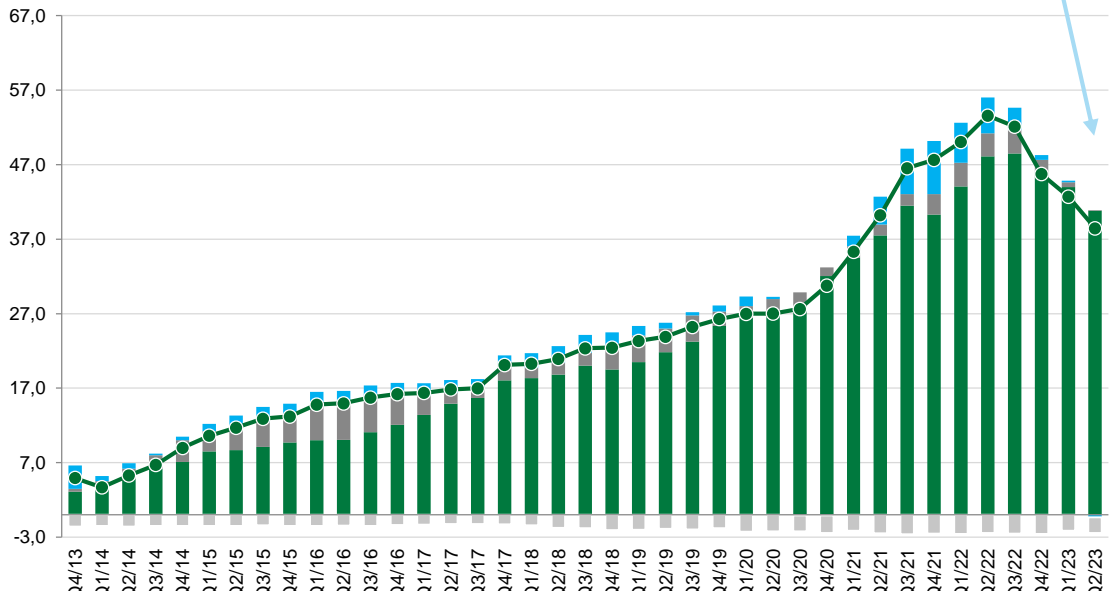
Net revenue development,
rolling 12 months, MEUR

69.5



Operating profit development,
rolling 12 months, MEUR

38.5



- Asset Management
- Corporate Finance
- Investments
- Group Administration
- Consolidated

eQ Group – Balance sheet



ASSETS (MEUR)	6/2023		12/2022		LIABILITIES AND EQUITY (MEUR)	6/2023		12/2022	
Liquid assets	0.1	0.0			Other liabilities	6.6	6.8		
Claims on credit institutions	12.3	23.7			Accruals and deferred income	8.8	16.6		
Financial assets					Lease liabilities	5.2	5.6		
Financial securities	0.4	20.1			Income tax liabilities	0.8	0.0		
PE and real estate fund investments	17.3	16.8			TOTAL LIABILITIES	21.4	29.1		
Intangible assets	29.3	29.4			Share capital	11.4	11.4		
Tangible assets	5.2	5.8			Reserve for invested unrestricted equity	24.2	27.1		
Other assets	12.9	14.4			Retained earnings	7.2	7.0		
Accruals and prepaid expenditure	0.6	0.4			Profit (loss) for the period	15.7	36.3		
Income tax receivables	1.5	0.1			TOTAL SHAREHOLDERS' EQUITY	58.5	81.8		
Deferred tax assets	0.2	0.1							
TOTAL ASSETS	79.9	110.9			TOTAL LIABILITIES AND EQUITY	79.9	110.9		

Liquid assets

12.8

MEUR

Private equity and real estate fund investments

17.3

MEUR

Interest-bearing loans

0.0

MEUR

Total capital and the capital requirement ratio

272.8 %



Asset Management

Asset Management – Income statement

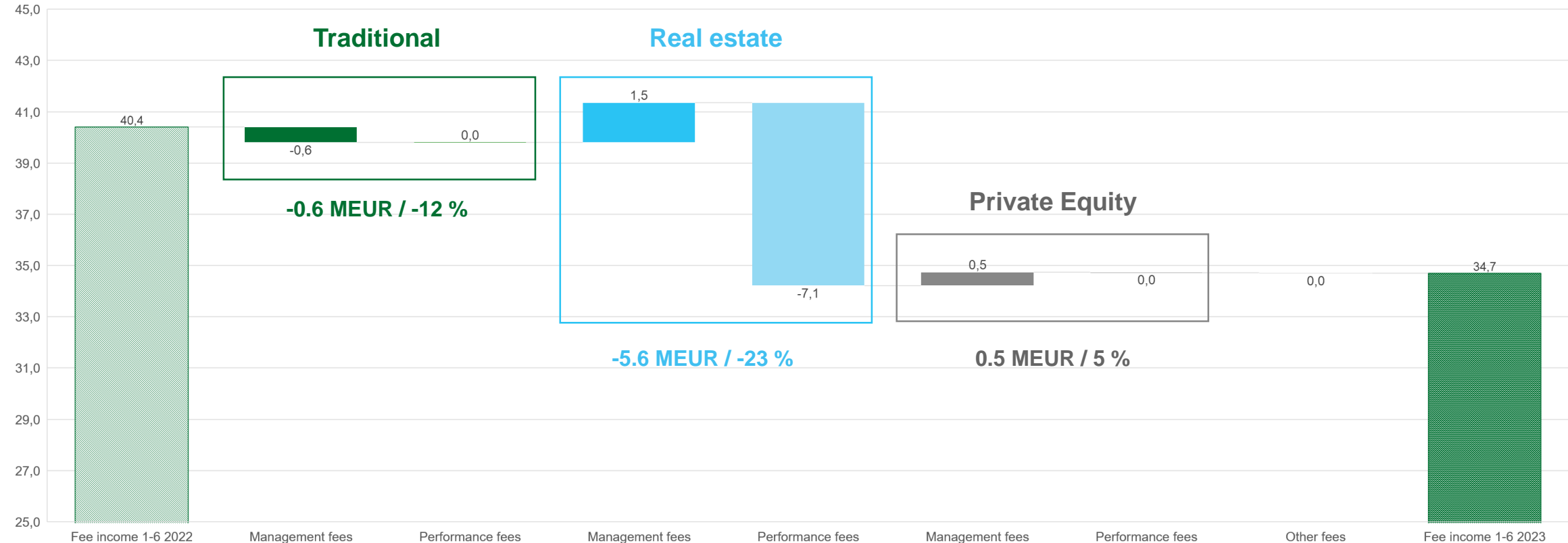


MEUR	1-6/2023	1-6/2022	Change	4-6/2023	4-6/2022	Change	1-12/2022
NET REVENUE	34.4	40.1	-14 %	17.3	20.5	-16 %	71.8
Personnel expenses	-11.0	-12.0	-8 %	-5.8	-6.0	-4 %	-22.0
Other administrative expenses	-0.9	-0.8	9 %	-0.4	-0.4	9 %	-1.8
Depreciation	-0.5	-0.4	34 %	-0.3	-0.2	34 %	-0.9
Other operating expenses	-0.7	-0.6	17 %	-0.4	-0.3	37 %	-1.2
OPERATING PROFIT	21.2	26.3	-19 %	10.5	13.7	-23 %	45.9
Cost/income -ratio, %	38.1	34.3	11 %	39.3	33.3	18 %	36.0

Asset Management – Fee income change



Asset management fee income change -5.7 MEUR / -14 %

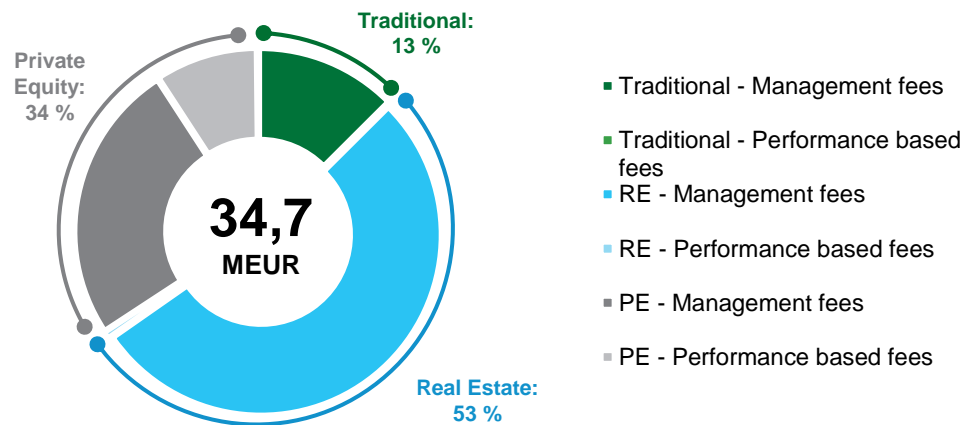


Asset Management – Fee income and Aum

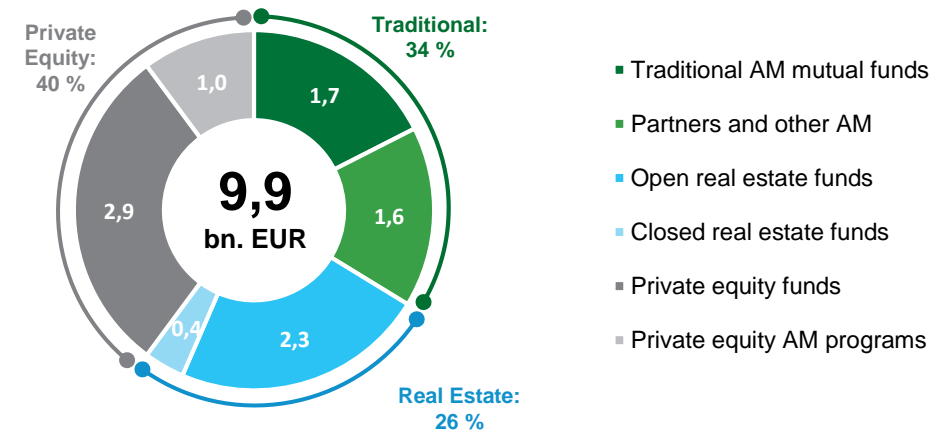


MEUR	1-6/2023	1-6/2022	Change	4-6/2023	4-6/2022	Change	1-12/2022
Management fees							
Traditional asset management	4.3	5.0	-12 %	2.2	2.4	-8 %	9.4
Real estate asset management	18.3	16.8	9 %	9.1	8.6	6 %	35.1
Private equity asset management	8.7	8.2	6 %	4.5	4.3	4 %	16.9
Management fees total	31.3	29.9	5 %	15.8	15.3	3 %	61.5
Performance based fees							
Traditional asset management	0.0	-	n/a	0.0	-	n/a	0.0
Real estate asset management	0.2	7.3	-98 %	0.2	3.9	-96 %	4.3
Private equity asset management	3.1	3.1	0 %	1.5	1.5	-1 %	6.5
Performance based fees total	3.3	10.4	-68 %	1.7	5.4	-69 %	10.8
Other fees	0.1	0.1	-32 %	0.0	0.0	12%	0.1
Fee income total	34.7	40.4	-14 %	17.5	20.7	-15 %	72.4

Fee income 1-6/2023



Assets under management 6/2023



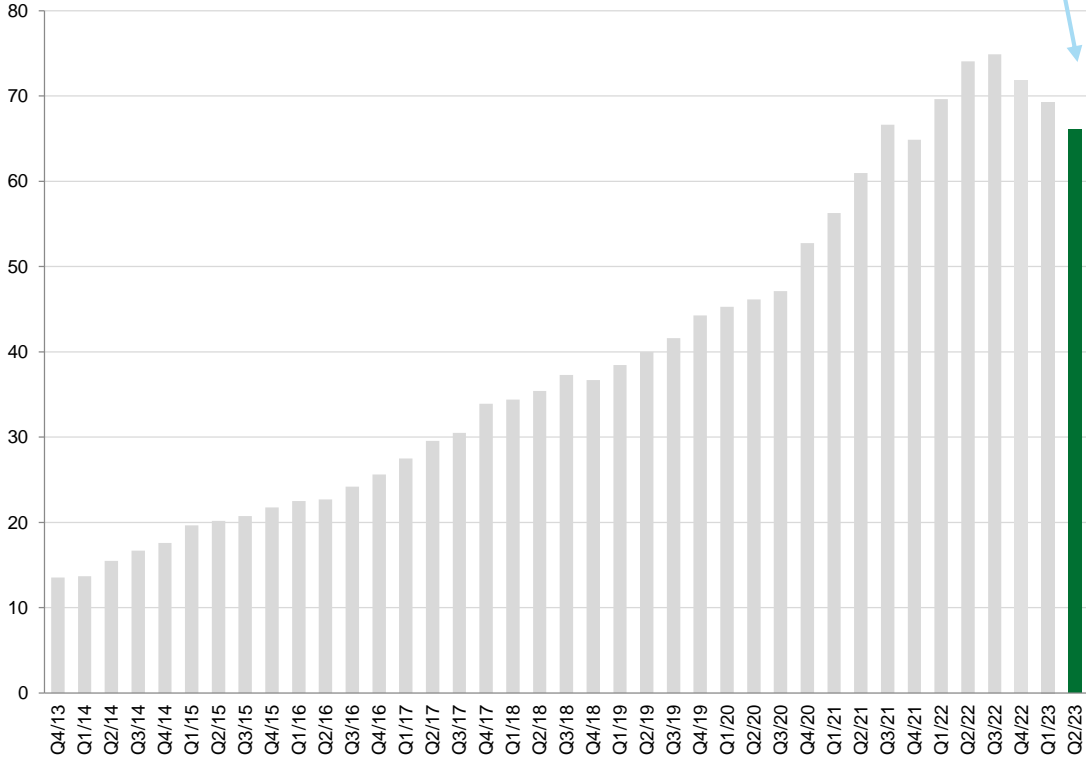
In addition eQ has 2.9 billion of assets in private equity reporting services, total Aum is EUR 13.8 billion

Asset Management – Rolling 12 months



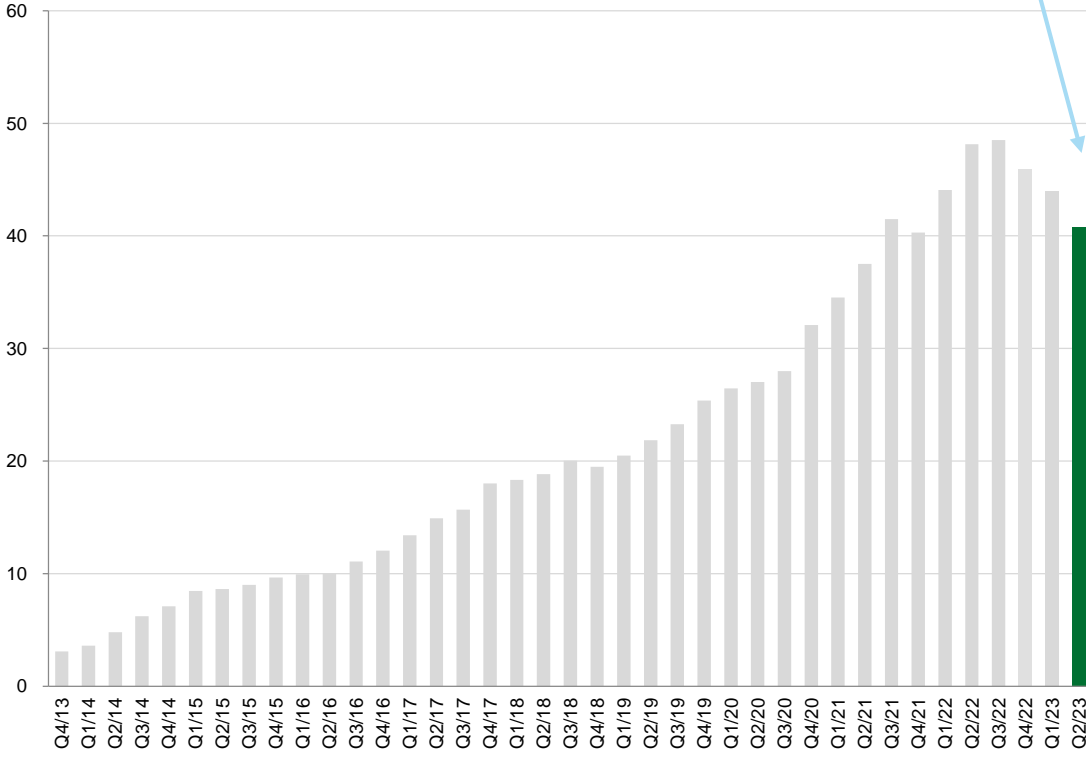
**Net revenue development,
rolling 12 months, MEUR**

66.1



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

40.8



Asset Management – Traditional funds



Fund	3 months			Beginning of the year			3 years p.a.			Morning-star
	Return	Comparison	Diff	Return	Comparison	Diff	Return	Comparison	Diff	
Fixed income Funds										
eQ Euro Short Term	0,79 %			1,38 %			0,39 %			
eQ Floating Rate	1,59 %	0,71 %	0,89 %	3,07 %	1,14 %	1,93 %	1,11 %	0,00 %	1,11 %	no rating
eQ Euro Government Bond	0,11 %	0,09 %	0,02 %	2,24 %	2,10 %	0,15 %	-4,91 %	-6,01 %	1,10 %	☆☆☆☆☆
eQ Euro Investment Grade	1,23 %	0,46 %	0,77 %	2,55 %	2,04 %	0,51 %	-3,17 %	-3,32 %	0,15 %	☆☆☆☆☆
eQ High Yield	1,14 %	1,33 %	-0,19 %	5,15 %	4,40 %	0,75 %	1,64 %	0,98 %	0,67 %	☆☆☆☆☆
eQ Emerging markets Corporate Bond HC	1,23 %	0,09 %	1,14 %	1,06 %	1,62 %	-0,56 %	-1,15 %	-4,16 %	3,01 %	☆☆☆☆☆
eQ Emerging Markets Corporate Bond Local Currency	3,62 %			5,93 %			4,16 %			☆☆☆☆☆
Equity Funds										
eQ Finland	-3,63 %	-4,79 %	1,16 %	0,90 %	-2,76 %	3,66 %	12,54 %	8,51 %	4,04 %	☆☆☆☆☆
eQ Nordic Small Cap	0,96 %	-3,51 %	4,46 %	4,85 %	1,59 %	3,26 %	11,27 %	6,47 %	4,80 %	☆☆☆☆☆
eQ Europe Small Cap Fund	5,78 %	-0,17 %	5,95 %	9,00 %	5,69 %	3,30 %	10,53 %	7,91 %	2,62 %	☆☆☆☆☆
eQ Europe Dividend	0,62 %	2,31 %	-1,69 %	5,71 %	11,12 %	-5,40 %	14,97 %	11,76 %	3,21 %	☆☆☆☆☆
eQ Frontier Markets	4,81 %	1,70 %	3,11 %	6,89 %	2,99 %	3,90 %	14,17 %	4,80 %	9,37 %	☆☆☆☆☆
eQ Blue Planet	3,14 %	6,38 %	-3,25 %	8,52 %	12,58 %	-4,06 %	9,00 %	13,27 %	-4,26 %	☆☆☆☆☆
eQ Emerging Markets Dividend	1,67 %	0,48 %	1,19 %	6,73 %	2,61 %	4,12 %	9,69 %	3,31 %	6,38 %	☆☆☆☆☆
eQ Emerging Markets Small Cap	2,06 %	5,94 %	-3,88 %	10,73 %	8,09 %	2,64 %	8,69 %	14,82 %	-6,14 %	☆☆☆☆☆
eQ Global Fund	3,01 %			8,95 %			10,90 %			☆☆☆☆☆
Balanced Funds										
eQ Mandate	1,93 %			5,58 %			5,05 %			☆☆☆☆☆
Average	1,43 %	0,61 %	0,54 %	4,57 %	2,96 %	0,79 %	6,49 %	3,24 %	1,45 %	☆☆☆☆☆
Funds that have exceeded the comparison index			69 %			77 %			85 %	(3,2 stars)

Asset Management – eQ Real Estate funds



eQ Community Properties

- Invests in modern care and social infrastructure properties
- Avg. lease maturity 9 years, vacancy 3%, initial rental yield 5.5 %
- Invested capital: 2 174 MEUR
- Equity (NAV): 1 526 MEUR
- 1-6/2023 net subscriptions: 12 MEUR
- Return 1-6/2023: -1.4 %
- Return from start: 8.3 % p.a.

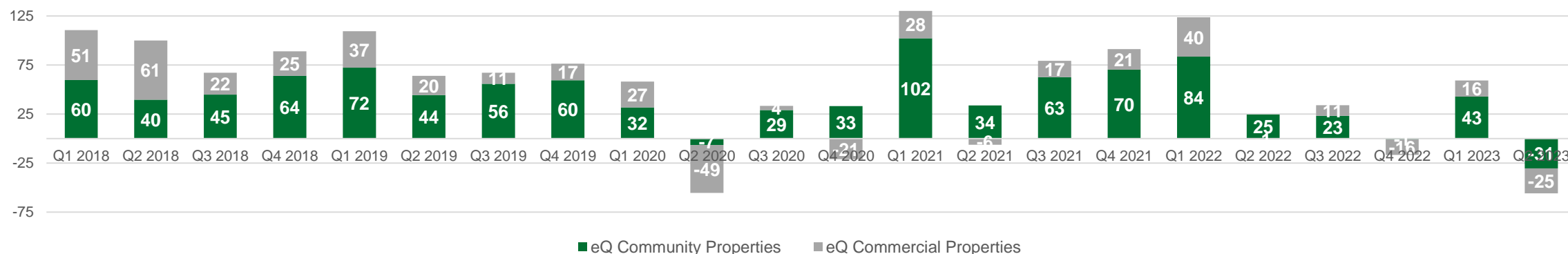
eQ Commercial Properties

- Invests in commercial real estate
- Avg. lease maturity 5 years, vacancy 8%, initial rental yield 6.1 %
- Invested capital: 1 297 MEUR
- Equity (NAV): 735 MEUR
- 1-6/2023 net subscriptions: -9 MEUR
- Return 1-6/2023: -1.9 %
- Return from start : 7.6 % p.a.

eQ Residential

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

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



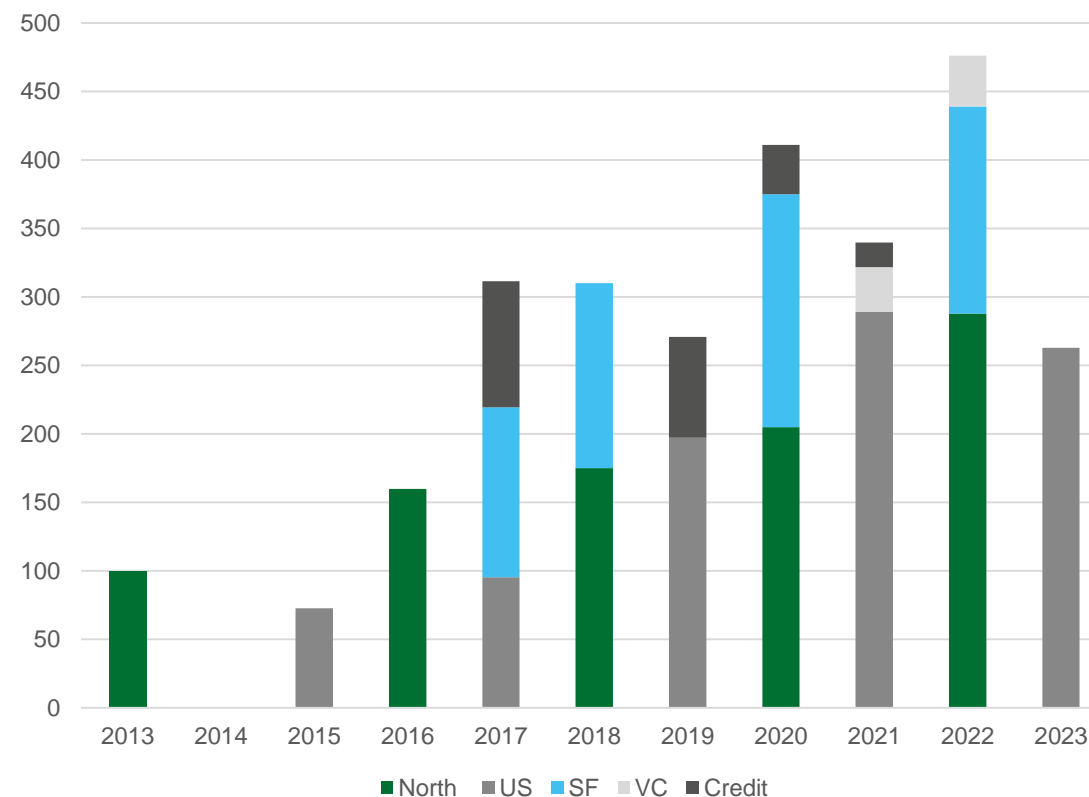
Asset Management – Private Equity



AUM total EUR 2.9 bn EUR

Vintage	Fund	Size	Stage
Fund of funds – Northern Europe			
2022	eQ PE XIV North	288 MEUR	Investing
2020	eQ PE XII North	205 MEUR	Fully invested
2018	eQ PE X North	175 MEUR	Fully invested
2016	eQ PE VIII North	160 MEUR	Fully invested
2013	eQ PE VI North	100 MEUR	Fully invested
2007	Amanda IV West	90 MEUR	Fully invested
Fund of funds – North America			
2023	eQ PE XV US	263 MUSD	3rd close
2021	eQ PE XIII US	318 MUSD	Fully invested
2019	eQ PE XI US	217 MUSD	Fully invested
2017	eQ PE IX US	105 MUSD	Fully invested
2015	eQ PE VII US	80 MUSD	Fully invested
Fund of funds – Secondary			
2022	eQ PE SF IV	151 MEUR	Investing
2020	eQ PE SF III	170 MEUR	Fully invested
2018	eQ PE SF II	135 MEUR	Fully invested
2017	eQ PE SF	124 MEUR	Fully invested
Fund of funds – Eastern Europe			
2011	Amanda V East	50 MEUR	Fully invested
2006	Amanda III Eastern PE	110 MEUR	Fully invested
Fund of funds - Venture Capital			
2021	eQ VC	77 MUSD	Investing
Private Credit			
2020	eQ Private Credit III	54 MEUR	Fully invested
2019	eQ Private Credit II	74 MEUR	Fully invested
2017	eQ Private Credit	92 MEUR	Fully invested

Annual fundraising, MEUR



2023: third close of eQ PE XV US -fund, fundraising ongoing




Corporate Finance

Corporate Finance – Latest transactions



M&A Transactions and Equity markets

OTAVA
mandatory public cash tender offer for all shares in



€ 749 million

Advisor to the Buyer
Pending

Oalixis
voluntary public cash tender offer for all shares in

Uponor

€ 1,875 million

Advisor to the Buyer
Cancelled


BainCapital
Security Trading, Fennogens and Corbis
voluntary public cash tender offer for all shares in

Caverion


€ 1,092 million

Advisor to the Buyer
Cancelled

TRILL IMPACT
acquired




from



Advisor to the Buyer
September 2022

BERNER
Group company




acquired a majority in

Finnamyli

Advisor to the Buyer
July 2022

Lifeline Ventures, the founders and other investors
sold

AKKURATE⁺
to



Advisor to the Sellers
June 2022

Real estate transactions


sold

a fire station portfolio
for € 31 million to



Advisor to the Seller
December 2022

Kymsote
KIINTEISTÖT
sold

a hospital property
to

HEMSÖ



Advisor to the Seller
October 2022


sold

an office property in Helsinki
to



Advisor to the Seller
July 2022

 
HGR
Property Partners
formed a

Joint Venture to develop the Keilaniemi area

Advisor to the Parties
June 2022


sold

Espoo Hospital
for € 295 million to

LähiTapiola Yhteiskunta-kiinteistöt Suomi Ky

Advisor to the Seller
March 2022

Schroders
sold

an office property in Helsinki
to

eQ Community Properties

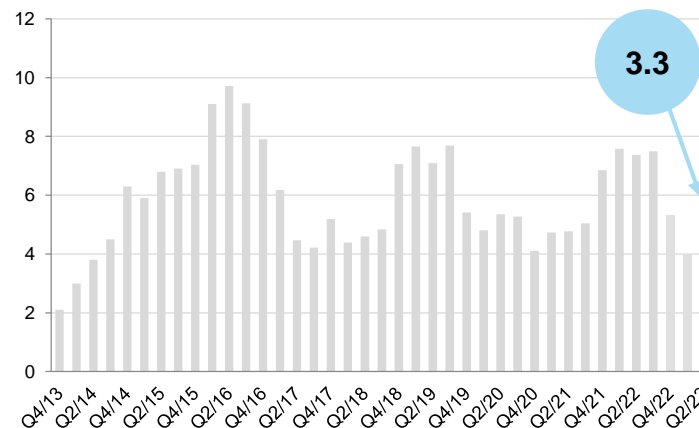
Advisor to the Seller
July 2021

Corporate Finance – Key figures

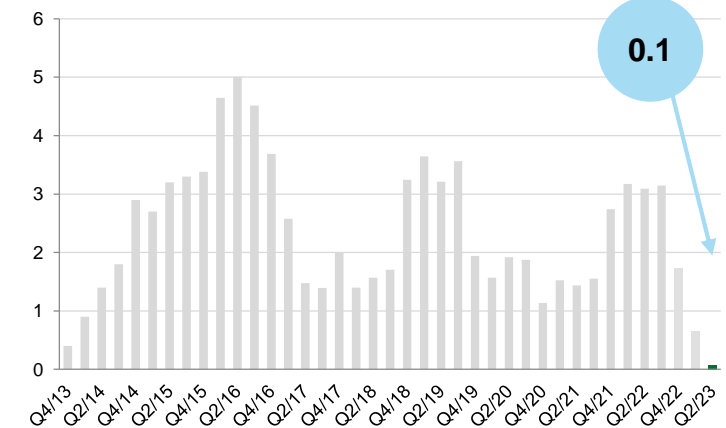


MEUR	1-6/2023	1-6/2022	Change	4-6/2023	4-6/2022	Change	1-12/2022
NET REVENUE	0.9	2.9	-70 %	0.4	1.1	-62 %	5.4
Personnel expenses	-1.2	-1.6	-25 %	-0.6	-0.7	-17 %	-2.9
Other administrative expenses	-0.2	-0.2	21 %	-0.1	-0.1	0 %	-0.4
Depreciation	-0.1	-0.1	-2 %	-0.0	-0.0	-2 %	-0.2
Other operating expenses	-0.1	-0.1	0 %	-0.0	-0.0	13 %	-0.1
OPERATING PROFIT	-0.7	1.0	-168 %	-0.3	0.3	-205 %	1.7
Cost/income -ratio, %	176.5	66.0	167 %	168.9	74.8	126 %	67.7

Net revenue development, rolling 12 months, MEUR



Operating profit development, rolling 12 months, MEUR





Investments

Investments – Key figures



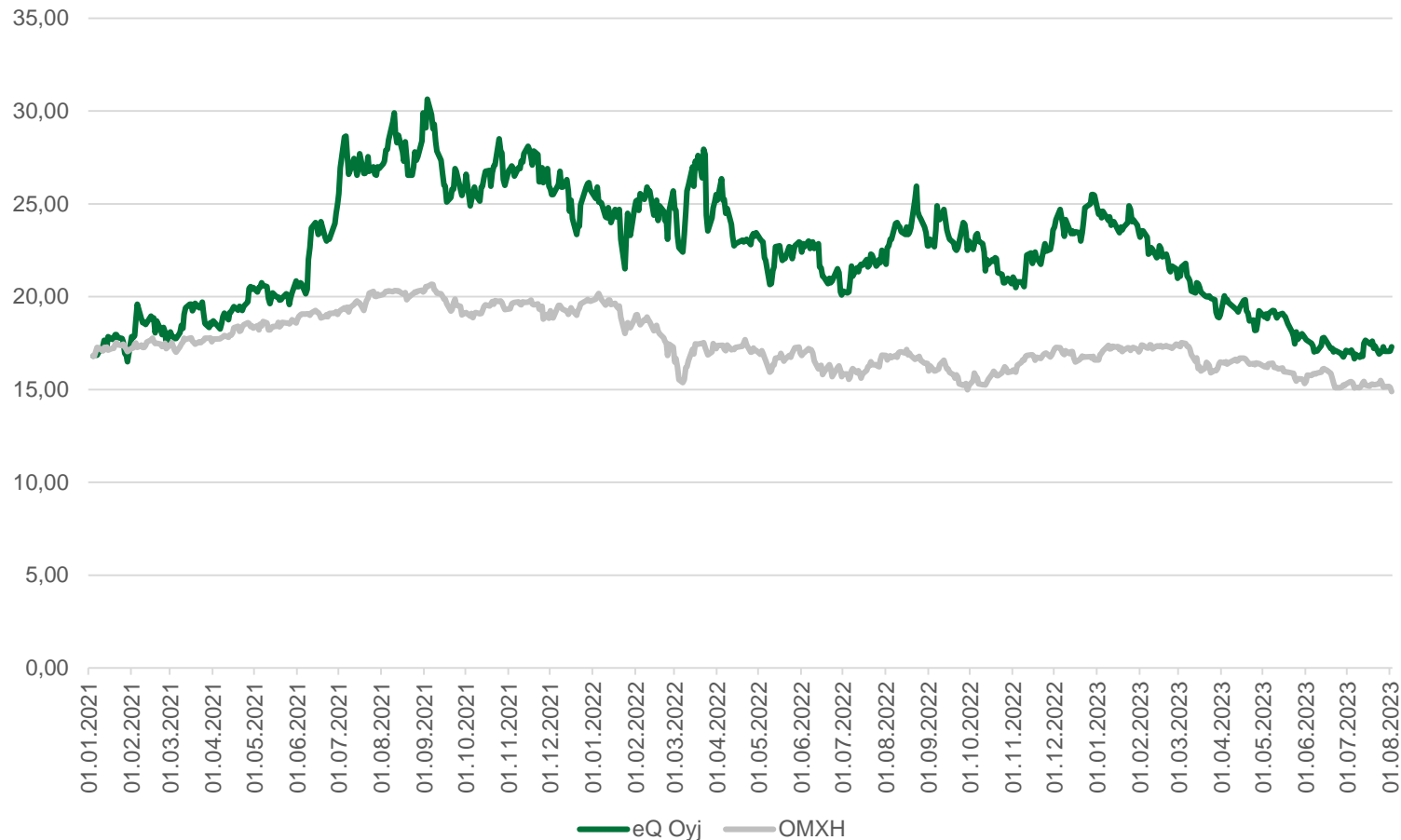
MEUR	1-6/2023	1-6/2022	4-6/2023	4-6/2022	1-12/2022
Returned capital (excl. profit)	0.6	1.6	0.2	1.4	2.9
Distribution of profits	0.3	0.5	0.1	0.0	2.0
Capital calls	-1.2	-1.2	-0.8	-0.6	-2.1
Net cash flow	-0.2	1.0	-0.5	0.8	2.8
Market value	17.3	19.0	17.3	19.0	16.8
Investment commitments	7.3	8.5	7.3	8.5	7.5
Profit and loss					
Distribution of profits	0.3	0.5	0.1	0.0	2.0
Value changes recognized through p&l	-0.1	0.7	0.2	0.8	-1.2
Group internal management fee	-0.1	-0.1	-0.0	-0.0	-0.2
Profit of the Investments-segment	0.1	1.2	0.2	0.8	0.7

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



eQ's share, outlook and summary

Share price development and market cap



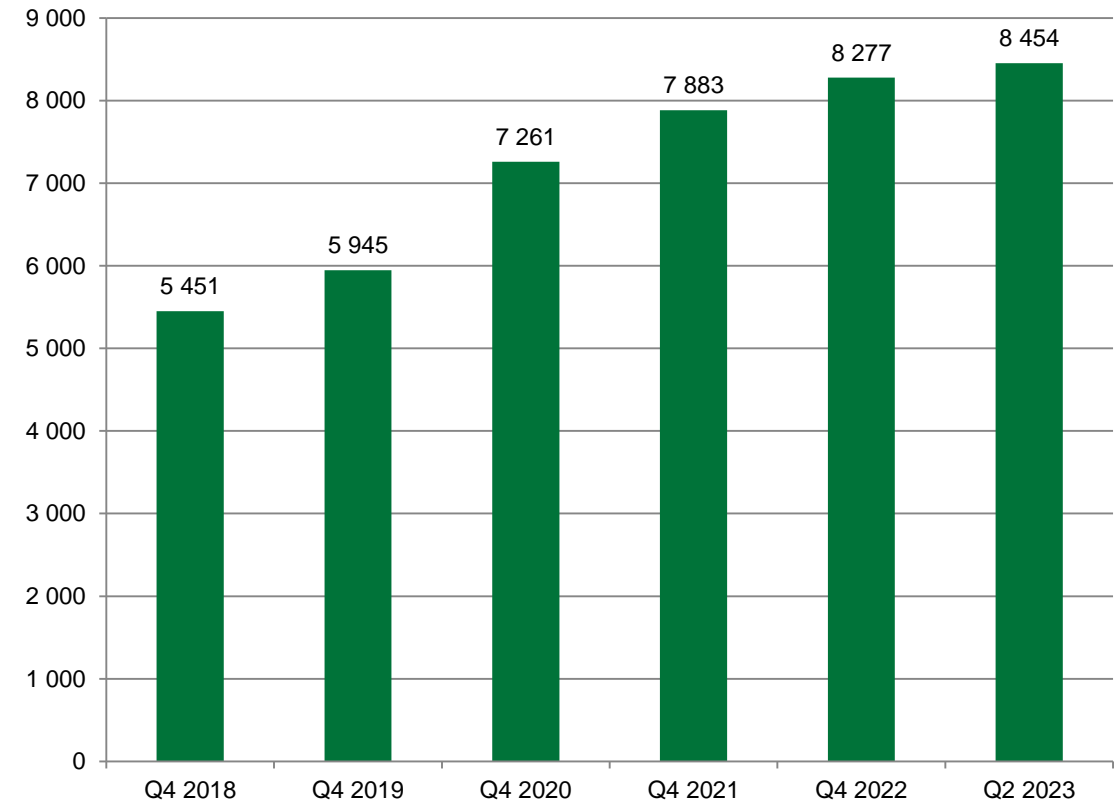
- The market capitalisation of eQ Plc was EUR 694.7 million (EUR 1,028.9 million 31 Dec 2022) at the end of the period under review.
- During the period, 654,365 shares were traded on Nasdaq Helsinki (1 224,101 shares from 1 Jan. to 30 June 2022). In euros, the turnover was EUR 13.8 million (EUR 28.8 million).

Shareholders 30 June 2023



	Shares	% of shares
1 Fennogens Investments S.A.	7 962 605	19.60
2 Rettig Group Oy Ab	6 206 706	15.28
3 Chilla Capital S.A.	6 165 904	15.18
4 Teamet Oy	4 250 000	10.46
5 Oy Cevante Ab	1 419 063	3.49
6 Fazer Jan Peter	1 314 185	3.23
7 Procurator-Holding Oy	793 892	1.95
8 Lavventura Oy	700 000	1.72
9 Keskinäinen Eläkevakuutusyhtiö Ilmarinen	697 500	1.72
10 Linnalex Ab	631 652	1.55
10 largest shareholders total	30 141 507	74.20
Nominee registered	376 728	0,93
Other shares	10 106 463	24.88
In total	40 429 698	100.00

The number of shareholders



Outlook



As for sales, the year 2022 was very good for eQ Asset Management. In June 2023, the eQ PE XV US private equity fund grew to USD 263 million in its third closing. This strengthens our view that demand will continue to be strong among investor, above all for private equity investment products. The returns of real estate funds are linked to the development of yields. Due to the rise of the yields, no performance fee is expected to accrue from the real estate funds from the year 2023. The performance fees of private equity funds will, on the other hand, be at the same level due to the catch up accrual.

Consequently, we expect the net revenue and operating profit of the Asset Management segment in 2023 to be at the same level as last year. In accordance with our disclosure policy, we do not issue profit guidance for the Corporate Finance and Investments segments. The results of these segments are highly dependent on factors that are not dependent on the company. Therefore, their operating profits may vary considerably and are difficult to foresee.

Summary



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Q3 2023 interim report will be
released on
Tuesday 24 October 2023