CapMan

Investment Companies
Finland

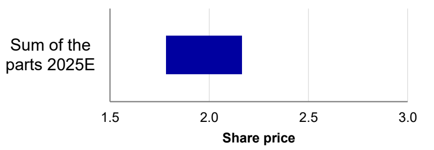
KEY DATA

Stock country	Finland
Bloomberg	CAPMAN FH
Reuters	CAPMAN.HE
Share price (close)	EUR 1.86
Free float	75%
Market cap. (bn)	EUR 0.33/EUR 0.33
Website	www.capman.com
Next report date	07 Nov 2024

PERFORMANCE

Source: LSEG Data & Analytics

VALUATION APPROACH



Source: Nordea estimates

ESTIMATE CHANGES

Year	2024E	2025E	2026E
Sales	-3%	-16%	-17%
EBIT (adj)	-11%	-21%	-24%
EPS (adj.)	-23%	-27%	-32%

Source: Nordea estimates

Nordea IB & Equity - Analysts

Jukka-Pekka Pesonen
Analyst

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Analyst

Funds in focus with a strong balance sheet

Ahead of CapMan's Q3 report due on 7 November, we revise our estimates to reflect the divestment of the CapMan Procurement Services (CaPS) business and we fine-tune Investments and Other segments' estimates. CapMan announced the divestment of CaPS for EUR 75m on 4 October, for which the company will recognise an immediate cash flow impact of roughly EUR 60m in Q4. With focus now sharpened on its core business, we expect CapMan's solid performance to continue, with the fundraising markets gradually improving. For 2024, we model management fee growth of 23% y/y, boosted by the Dasos acquisition, as well as the expected first close of the NRE IV fund by the end of 2024. We derive a new SOTP-based fair value range of EUR 1.8-2.2 (1.9-2.3).

We expect a solid Q3, cash flow boost from divestment in Q4

We model Q3 management fees of EUR 11.9m, up 22% y/y, of which 13pp stems from the Dasos acquisition. For Q3, we pencil in fee profit (adjusted EBIT without carried interest and FV changes) of EUR 5.2m (up 45% y/y), for a margin of 32% (+6pp y/y). For H2, we model EUR 1.6m of carried interest, of which EUR 0.3m we have pencilled in for Q3. We expect EUR 2.4m of positive fair value changes for Q3. The CaPS divestment for EUR 75m (of which CapMan's share is 92.7%), including a EUR 5m earnout consideration, will significantly boost EBIT and cash flow for Q4. We estimate the transaction to have a Q4 EBIT impact of EUR 58.5m and reduce CapMan's net debt to below zero (our estimate: EUR -3.7m in Q4 2024), enabling investments in the Management Company business and a strong dividend payout.

Estimate revisions due to CaPS, underlying estimates intact

Our estimate revisions incorporate the CaPS divestment, and we lower our estimate on positive fair value changes for 2024. We also adjust our estimates based on corporate costs. On the group level, we cut 2024E-26E adjusted EBIT by 11-24% and sales by 3-17%. We lift our 2024E DPS to match the board's preliminary dividend proposal of EUR 0.14 per share.

Fair value range of EUR 1.8-2.2 (1.9-2.3)

We derive a SOTP-based fair value range of EUR 1.8-2.2 (1.9-2.3) based on 2025E. We use 2025E EV/EBIT of 10-12x for the management company (excluding carried interest), 2025E EV/EBIT of 4-6x for the carry forwards and a book value for investments. The CaPS divestment was completed at an EV/EBIT multiple of ~11x on our 2024 estimates, or ~10x using 2025E (including the earnout), while we previously used an EV/EBIT multiple range of EUR 11-13x to value the Service business.

SUMMARY TABLE - KEY FIGURES

EURm	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
Total revenue	36.0	49.0	43.0	52.8	67.5	59.4	70.0	66.4	67.4
EBIT (adj)	12.0	25.1	12.3	44.6	55.7	6.7	28.6	32.6	32.0
EBIT (adj) margin	33.2%	51.1%	28.7%	84.6%	82.5%	11.3%	40.9%	49.1%	47.5%
EPS (adj), EUR	0.05	0.12	0.03	0.22	0.27	0.02	0.09	0.12	0.12
EPS (adj) growth	-49.7%	127.1%	-72.2%	564.4%	22.6%	-92.0%	298.1%	44.1%	-5.6%
DPS (ord), EUR	0.12	0.13	0.14	0.15	0.17	0.10	0.14	0.12	0.13
EV/Sales	6.2	7.7	9.0	9.4	6.9	7.0	4.4	4.4	3.9
EV/EBIT (adj)	18.6	15.0	31.3	11.1	8.3	61.9	10.9	9.0	8.3
P/E (adj)	28.2	19.8	70.2	13.8	10.1	107.1	22.1	15.3	16.2
P/BV	1.9	2.8	3.2	3.7	3.0	3.5	2.3	2.3	2.2
Dividend yield (ord)	8.2%	5.5%	6.0%	4.9%	6.3%	4.4%	7.4%	6.4%	6.9%
Net debt	5	16	25	18	37	53	-4	-2	-8
Net debt/EBITDA	0.4	0.8	2.7	1.5	1.8	4.3	0.0	-0.1	-0.2

Source: Company data and Nordea estimates

Estimate revisions

Estimate revisions

Prior to the Q3 report, we revise our estimates to reflect the divestment of CapMan's services business CaPS. The deal is expected to close around 31 October 2024, with no conditions precedent to closing. Otherwise, we fine-tune our estimates on fair value changes in the Investments business (we estimate EUR +8.0m fair value changes for 2024) and fixed costs within the Other segment, reflecting our estimate of the CaPS divestment's impact. We also lift our DPS estimate for 2024 to EUR 0.14, in line with the board's preliminary dividend proposal.

ESTIMATE REVISIONS PRIOR TO THE Q3 2024 REPORT

	New estimates				Old estimates				Difference, %			
EURm	**Q3 2024E**	**2024E**	**2025E**	**2026E**	**Q3 2024E**	**2024E**	**2025E**	**2026E**	**Q3 2024E**	**2024E**	**2025E**	**2026E**
Sales	**16.4**	**70.0**	**66.4**	**67.4**	**16.4**	**72.0**	**79.2**	**81.5**	**0%**	**-3%**	**-16%**	**-17%**
Adj. EBIT	**7.9**	**28.6**	**32.6**	**32.0**	**7.9**	**32.3**	**41.5**	**42.0**	**0%**	**-11%**	**-21%**	**-24%**
Adj. EBIT margin	48.3%	40.9%	49.1%	47.5%	48.3%	44.8%	52.4%	51.5%	0.0pp	-4.0pp	-3.3pp	-4.0pp
Adj. EPS (EUR)	**0.03**	**0.09**	**0.12**	**0.12**	**0.03**	**0.11**	**0.17**	**0.17**	**-7%**	**-23%**	**-27%**	**-32%**
DPS (EUR)		**0.14**	**0.12**	**0.13**		**0.11**	**0.12**	**0.13**		**27%**	**0%**	**0%**
Net sales by segment												
Management company	13.5	59.8	65.8	66.8	13.5	59.8	65.8	66.8	0%	0%	0%	0%
- excluding carried interest	13.3	54.3	58.8	61.8	13.3	54.3	58.8	61.8	0%	0%	0%	0%
- carried interest	0.3	5.4	7.0	5.0	0.3	5.4	7.0	5.0	0%	0%	0%	0%
Services business	2.7	9.7	0.0	0.0	2.7	11.7	12.8	14.1	0%	-17%	-100%	-100%
Other	0.1	0.6	0.6	0.6	0.1	0.6	0.6	0.6	0%	0%	0%	0%
EBIT by segment												
Management company	4.7	20.0	24.6	24.2	4.7	20.0	24.6	24.2	0%	0%	0%	0%
- excluding carried interest	4.4	14.6	17.6	19.2	4.4	14.6	17.6	19.2	0%	0%	0%	0%
- carried interest	0.3	5.4	7.0	5.0	0.3	5.4	7.0	5.0	0%	0%	0%	0%
Services business	1.7	64.1	0.0	0.0	1.7	6.7	7.7	8.8	0%	850%	-100%	-100%
Investments	2.4	7.4	15.0	15.0	2.4	9.0	15.1	15.2	0%	-18%	-1%	-1%
Other	-1.2	-6.7	-7.0	-7.2	-1.2	-5.8	-6.0	-6.2	0%	16%	17%	17%

Source: Nordea estimates

Valuation

Using a sum-of-the-parts valuation, we derive a fair value of EUR 1.8-2.2 (1.9-2.3) per share.

SOTP valuation of EUR 1.8-2.2 (1.9-2.3) per share

We use a 2025E EV/EBIT range of 10-12x to value the Management Company business (excluding carried interest) and EV/EBIT of 4-6x for our 2025E carry valuation. CapMan is divesting its Services business CaPS in Q4 2024, and therefore the value for the business is zero for 2025E. From this, we derive a fair value range of EUR 1.8-2.2 per CapMan share. We use CapMan's book value as a proxy for the investment fair value, deduct 2024E net debt and add expected dividends for 2024E (EUR 0.14 per share, in line with the board's preliminary expectation).

SUM-OF-THE-PARTS VALUATION BASED ON 2025 ESTIMATES (EURm AND EUR)

Based on 2025 estimates	Sales	EBIT	Valuation method	EV Range
Management company business	65.8	24.6	EV/EBIT 8.3x - 10.3x	204 - 253
excluding carried interest	58.8	17.6	EV/EBIT 10x - 12x	176 - 211
carried interest	7.0	7.0	EV/EBIT 4x - 6x	28 - 42
Services business	0.0	0.0	EV/EBIT 11x - 13x	0 - 0
Investment business	-	15.0	Book value Jun 2024	146 - 178
Other	0.6	-7.0	EV/EBIT 9x - 11x	-63 to -77
Total	**66.4**	**32.6**		**287 - 354**
Net debt 2024E				-4
2024E dividends				25
Equity value				315 - 383
Number of shares (m)				176.9
Equity per share, EUR				**1.8 - 2.2**

Source: Company data and Nordea estimates

DCF valuation suggests EUR 2.6-3.2 per share

In our DCF model, we assume a sales CAGR of 2.0% for 2024-29 (decreased from 6.0%, due to CaPS divestment), followed by 2.5% growth in perpetuity, meaning organic growth is roughly the same as the average rate of inflation. We also assume CapMan will have a long-term adjusted EBIT margin of 50%. We use a 4% cost of debt and a 3.5% risk-free interest rate in our DCF model. We also assign a long-term equity weight of 70% in our DCF model. We believe DCF is not particularly well suited for CapMan's valuation, as it is based on assumptions of future, unannounced funds.

WACC COMPONENTS

WACC components	
Risk-free interest rate	3.5%
Market risk premium	4.0%
Forward looking asset beta	nm
Beta debt	0.1
Forward looking equity beta	1.5-2
Cost of equity	9.5-11.5%
Cost of debt	4.0%
Tax-rate used in WACC	20%
Equity weight	70%
WACC	**7.6-9%**

Source: Nordea estimates

DCF VALUE (EURm AND EUR PER SHARE)

DCF value	Value	Per share
NPV FCFF	474-576	2.7-3.3
(Net debt)	-53	-0.3
Time value	39	0.2
Market value of associates	0	0.0
(Market value of minorities)	-2	0.0
Surplus values	0	0.0
(Market value preference shares)	0	0.0
Share based adjustments	0	0.0
Other adjustments	0	0.0
DCF Value	**458-560**	**2.6-3.2**

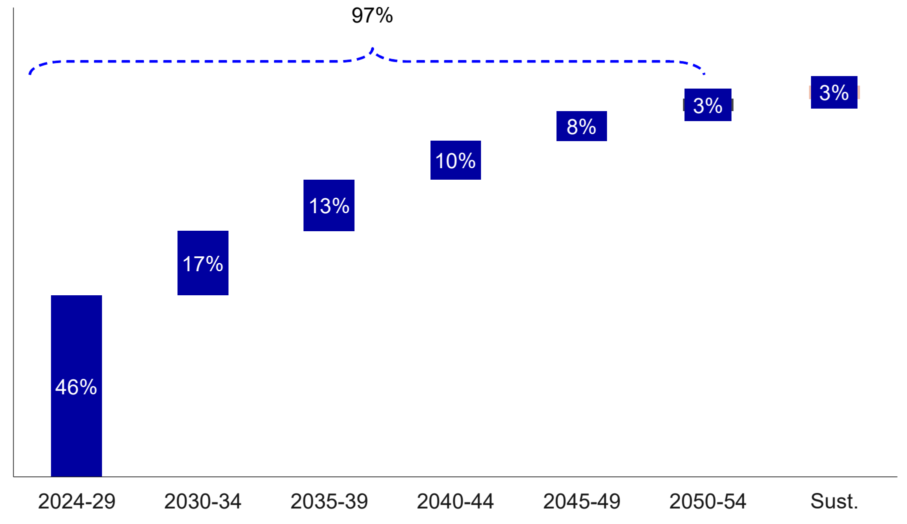
Source: Nordea estimates

DCF ASSUMPTIONS

Averages and assumptions	2024-29	2030-34	2035-39	2040-44	2045-49	2050-54	Sust.
Sales growth, CAGR	2.0%	2.5%	2.5%	2.5%	2.5%	2.5%	
EBIT-margin, excluding associates	60.8%	50.0%	50.0%	50.0%	50.0%	9.0%	
Capex/depreciation, x	0.9	1.0	1.0	1.0	1.0	1.0	
Capex/sales	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
NWC/sales	-9%	-9%	-9%	-9%	-9%	-9%	
FCFF, CAGR	-26.2%	4.2%	2.5%	2.5%	2.5%	-29.9%	2.5%

Source: Nordea estimates

DCF VALUATION DISTRIBUTION



Source: Nordea estimates

Main risks

We believe the greatest risks for CapMan's operations are macroeconomic and market related, as an economic slowdown could hamper the performance of fund companies and thus affect their valuations. Changes in interest rates could affect the company's ability to raise funds, and a slowing transaction market could hinder its ability to make new investments or exit assets. The performance of its existing funds can also materially affect CapMan's ability to raise money for its subsequent funds.

Detailed estimates

ESTIMATES BY SEGMENT (EURm)

Net sales	**2019**	**2020**	**2021**	**2022**	**2023**	**2024E**	**2025E**	**2026E**
Management Company business	32.8	30.9	43.6	55.9	48.2	59.8	65.8	66.8
-Management fees	24.7	28.9	36.6	38.8	39.0	48.1	51.9	54.5
-Service fees	1.2	1.2	4.2	7.4	6.1	6.3	6.9	7.2
-Carried interest	6.9	0.9	2.9	9.6	3.1	5.4	7.0	5.0
Service business	15.7	11.4	8.6	11.1	10.6	9.7		
Other	0.5	0.7	0.5	0.6	0.5	0.6	0.6	0.6
Group	**49.0**	**43.0**	**52.8**	**67.5**	**59.4**	**70.0**	**66.4**	**67.4**
Sales growth								
Management Company business	35%	-6%	41%	28%	-14%	24%	10%	1%
Service business	81%	-28%	-24%	29%	-5%	-9%		
Group	**36%**	**-12%**	**23%**	**28%**	**-12%**	**18%**	**-5%**	**1%**
EBIT								
Management Company business	10.2	9.1	13.2	22.3	12.2	20.0	24.6	24.2
-Without carried interest	3.3	8.2	10.3	12.7	9.1	14.6	17.6	19.2
Service business	9.1	4.9	4.2	3.0	6.0	64.1		
Investment business	10.2	4.0	32.7	35.7	-6.6	7.4	15.0	15.0
Other	-5.9	-5.7	-5.4	-7.9	-6.9	-6.7	-7.0	-7.2
Group (Adj. EBIT)	**25.1**	**12.3**	**44.6**	**55.7**	**6.7**	**28.6**	**32.6**	**32.0**
-Without fair value changes	12.8	7.9	10.7	19.2	12.9	20.6	17.0	16.4
-Without FV changes and carried interest	5.9	7.1	7.9	9.5	9.7	15.2	10.0	11.4
EBIT growth								
Management Company business	260%	-11%	45%	69%	-45%	64%	23%	-2%
Service business	109%	-46%	-15%	-28%	101%	960%		
Investment business	58%	n.a.	n.a.	9%	-119%	-212%	102%	0%
Group	**110%**	**-51%**	**262%**	**25%**	**-88%**	**325%**	**14%**	**-2%**
Adj. EBIT margin								
Management Company business	31%	29%	30%	40%	25%	33%	37%	36%
-without carried interest	10%	27%	24%	23%	19%	24%	27%	29%
Service business	58%	43%	48%	27%	57%	663%		
Management fee and service fee together	31%	33%	32%	31%	31%	136%	34%	35%
Group	**51%**	**29%**	**85%**	**82%**	**11%**	**41%**	**49%**	**47%**
Investment business								
Invested capital	129.4	116.6	130.4	169.5	159.4	155.4	155.9	155.5
Fair value changes	12.2	4.4	33.9	36.5	-6.1	8.0	15.5	15.6
-Return on invested capital	9%	4%	28%	22%	5%	5%	10%	10%
Expenses	-2.0	-0.4	-1.2	-0.8	-0.5	-0.6	-0.6	-0.6
EBIT	**10.2**	**4.0**	**32.7**	**35.7**	**-6.6**	**7.4**	**15.0**	**15.0**
Assets under management (EURbn)	**3.2**	**3.8**	**4.5**	**5.0**	**5.0**	**6.2**	**6.7**	**7.1**
-growth y/y	7%	18%	18%	12%	-1%	23%	9%	6%

Source: Company data and Nordea estimates

Reported numbers and forecasts

ANNUAL ESTIMATES

EURm	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
Management fees	27.4	26.6	19.6	22.1	24.7	28.9	36.6	38.8	39.0	48.1	51.9	54.5
Carried interest	4.4	0.0	4.4	1.0	6.9	0.9	2.9	9.6	3.1	5.4	7.0	5.0
Sale of services	0.0	0.0	7.1	10.3	17.4	13.3	13.3	19.1	17.2	16.5	7.5	7.8
Dividend & interest income	0.0	0.0	3.7	2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net sales	**31.8**	**26.7**	**34.8**	**36.0**	**49.0**	**43.0**	**52.8**	**67.5**	**59.4**	**70.0**	**66.4**	**67.4**
sales growth %	-20%	-16%	31%	3%	36%	-12%	23%	28%	-12%	18%	-5%	1%
Other operating income	0.3	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.1	58.5	0.0	4.6
Personnel expenses	-17.1	-18.3	-21.4	-19.9	-24.2	-23.9	-30.6	-34.6	-33.9	-35.2	-34.8	-35.9
Depreciation and amortisation	-0.3	-0.3	-1.7	-0.2	-1.4	-1.5	-1.5	-4.2	-1.5	-2.5	-2.4	-2.5
Other operating expenses	-10.6	-12.2	-9.9	-9.1	-12.1	-9.7	-10.0	-12.2	-13.2	-14.0	-12.2	-12.6
Fair value changes	5.2	22.6	17.6	5.1	12.2	4.4	33.9	36.5	-6.1	8.0	15.5	15.6
EBIT	**9.3**	**18.7**	**19.5**	**12.0**	**19.4**	**12.3**	**44.6**	**53.1**	**4.7**	**84.8**	**32.6**	**36.6**
margin %	29%	70%	56%	33%	40%	29%	85%	79%	8%	121%	49%	54%
Net financials	-2.9	-3.1	-3.2	-2.7	-1.8	-3.1	-4.0	-5.5	-0.7	-4.8	-4.7	-4.6
Income using the equity method*	0.1	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profit before taxes	6.4	15.5	16.2	9.3	17.6	9.2	40.6	47.6	4.0	80.0	27.9	32.0
Income taxes	-0.4	-0.2	-0.8	-0.8	-1.7	-2.9	-5.2	-6.6	-0.6	-4.3	-4.7	-5.4
Profit for the period	6.1	15.3	15.5	8.5	15.9	6.3	35.4	41.0	3.4	75.7	23.2	26.6
EPS, EUR	**0.06**	**0.16**	**0.10**	**0.06**	**0.09**	**0.03**	**0.22**	**0.25**	**0.01**	**0.41**	**0.12**	**0.14**

Source: Company data and Nordea estimates

INTERIM ESTIMATES

EURm	Q1/23	Q2/23	Q3/23	Q4/23	Q1/24	Q2/24	Q3/24E	Q4/24E
Management fees	10.8	9.7	9.7	8.9	10.5	13.4	11.9	12.3
Carried interest	0.0	2.8	0.3	0.1	3.5	0.3	0.3	1.4
Sale of services	4.4	4.0	3.7	5.1	4.4	4.7	4.2	3.2
Dividend & interest income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net sales	**15.1**	**16.5**	**13.7**	**14.1**	**18.4**	**18.3**	**16.4**	**16.9**
sales growth %	6%	-7%	-14%	-29%	22%	11%	20%	20%
Other operating income	0.1	0.0	0.0	0.0	0.0	0.0	0.0	58.5
Personnel expenses	-8.9	-8.1	-7.0	-9.9	-8.5	-9.4	-7.7	-9.6
Depreciation and amortisation	-0.4	-0.4	-0.4	-0.4	-0.5	-0.7	-0.7	-0.7
Other operating expenses	-2.9	-3.5	-2.5	-4.3	-4.5	-4.0	-2.9	-2.6
Fair value changes	-2.4	-0.3	0.9	-4.3	2.3	1.2	2.4	2.0
EBIT	**0.5**	**4.2**	**4.8**	**-4.8**	**7.3**	**5.4**	**7.6**	**64.5**
margin %	3%	25%	35%	-34%	40%	30%	46%	382%
Net financials	-0.5	-0.3	-0.1	0.3	-0.9	-1.1	-1.4	-1.4
Income using the equity method*	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profit before taxes	0.0	3.8	4.7	-4.5	6.4	4.3	6.2	63.1
Income taxes	0.7	0.2	-1.1	-0.4	-1.5	-0.4	-1.1	-1.3
Profit for the period	0.3	3.3	3.4	-5.7	2.5	2.6	4.6	61.3
EPS, EUR	**0.00**	**0.02**	**0.02**	**-0.04**	**0.02**	**0.01**	**0.03**	**0.35**

Source: Company data and Nordea estimates

BALANCE SHEET

EURm	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
Intangible assets	4.8	4.8	16.1	16.0	15.8	8.0	7.9	46.9	46.9	46.9
of which R&D	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
of which other intangibles	0.2	0.1	0.8	0.7	0.5	0.1	0.0	0.0	0.0	0.0
of which goodwill	4.5	4.7	15.3	15.3	15.3	7.9	7.9	46.9	46.9	46.9
Tangible assets	0.3	0.3	2.5	1.7	0.8	2.6	3.1	2.7	2.4	2.0
of which machinery & plant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
of which property	0.3	0.3	2.5	1.7	0.8	2.6	3.1	2.7	2.4	2.0
of which land	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Shares associates	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest bearing assets	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.0	0.0	0.0
Deferred tax assets	1.8	2.0	3.7	2.4	1.8	1.8	1.9	1.9	1.9	1.9
Other non-interest bearing assets	58.3	80.6	118.6	116.1	130.0	169.1	158.9	94.4	94.4	94.4
Other non-current assets	37.0	12.1	9.4	9.1	10.5	6.0	7.0	7.0	7.0	7.0
Total non-current assets	**102.1**	**99.8**	**150.4**	**145.5**	**158.8**	**187.4**	**178.8**	**152.9**	**152.6**	**152.3**
Inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	8.7	12.6	10.8	14.0	15.2	20.7	20.4	23.3	21.5	21.1
Other current assets	77.1	39.0	10.8	0.3	0.0	0.1	0.3	0.3	0.3	0.3
Cash and bank	23.3	54.5	43.7	58.0	65.2	55.6	41.0	110.5	105.0	110.9
Total current assets	**109.2**	**106.2**	**66.2**	**73.3**	**81.4**	**77.4**	**62.7**	**135.3**	**127.9**	**133.4**
Assets held for sale	0.0	0.0	0.0	0.0	0.0	5.8	0.0	0.0	0.0	0.0
Total assets	**211.3**	**206.0**	**216.5**	**218.8**	**240.3**	**270.5**	**241.5**	**288.2**	**280.5**	**285.7**
Shareholder equity	126.7	120.5	127.4	112.5	125.8	140.1	113.2	138.2	135.1	139.0
of which preferred stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
of which Equity part of hybrid debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minority interest	0.0	0.4	2.1	0.7	1.6	2.1	1.9	6.7	8.2	9.7
Total Equity	**126.7**	**121.0**	**129.5**	**113.3**	**127.4**	**142.1**	**115.1**	**144.8**	**143.3**	**148.7**
Deferred tax	8.6	3.3	2.2	2.7	4.6	8.4	6.0	6.0	6.0	6.0
Long term interest bearing debt	45.2	49.7	59.1	82.6	82.0	91.9	92.5	105.4	101.5	101.5
Non-current liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pension provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other long-term provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other long-term liabilities	0.1	0.2	0.2	6.9	7.6	7.3	0.5	0.5	0.5	0.5
Convertible debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Shareholder debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Hybrid debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total non-current liabilities	**53.9**	**53.2**	**61.4**	**92.3**	**94.2**	**107.6**	**98.9**	**111.9**	**108.0**	**108.0**
Short-term provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts payable	26.8	16.8	20.2	11.1	16.7	18.4	24.2	27.8	25.7	25.4
Other current liabilities	0.8	5.1	4.5	1.3	1.0	0.5	1.9	2.3	2.2	2.2
Short term interest bearing debt	3.0	10.0	0.5	0.4	0.5	0.6	0.9	0.9	0.9	0.9
Total current liabilities	**30.7**	**31.9**	**25.6**	**13.3**	**18.7**	**20.0**	**27.5**	**31.5**	**29.3**	**29.0**
Liabilities for assets held for sale	0.0	0.0	0.0	0.0	0.0	0.7	0.0	0.0	0.0	0.0
Total liabilities and equity	**211.3**	**206.0**	**216.5**	**218.8**	**240.3**	**270.5**	**241.5**	**288.2**	**280.5**	**285.7**

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

EURm	2017	2018	2019	2020	2021	2022	2023	2024E	2025E	2026E
EBITDA (excludes fair value changes)	**3.6**	**7.0**	**8.5**	**9.4**	**12.2**	**20.7**	**12.3**	**87.3**	**35.0**	**39.1**
Paid taxes	-1.6	-3.1	-4.6	-4.3	-2.6	-3.1	-2.7	-4.3	-4.7	-5.4
Net financials	-3.9	-2.4	-2.6	-3.2	-4.0	-4.0	-4.4	-4.8	-4.7	-4.6
Other adjustments to reconcile cash flow	0.0	0.7	0.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Funds from operations (FFO)	**-1.8**	**2.2**	**2.1**	**2.0**	**5.7**	**13.6**	**5.3**	**78.2**	**25.6**	**29.0**
Change in NWC	-1.8	-6.9	-2.5	-15.7	4.5	-10.3	6.1	1.0	-0.3	0.1
Cash flow from operations (CFO)	**-3.6**	**-4.7**	**-0.4**	**-13.8**	**10.2**	**3.4**	**11.3**	**79.2**	**25.2**	**29.1**
Capital Expenditure	-0.3	-0.1	-0.6	-0.4	-0.1	-0.3	0.0	-1.0	-1.0	-1.0
Free Cash Flow before A&D	**-3.9**	**-4.8**	**-0.9**	**-14.1**	**10.1**	**3.0**	**11.3**	**78.2**	**24.2**	**28.1**
Acquisitions and disposals (mainly exits from investments)	34.0	39.7	17.5	4.4	33.9	36.5	-6.1	0.0	0.0	0.0
Free cash flow	**30.1**	**34.9**	**16.5**	**5.6**	**30.2**	**8.5**	**15.5**	**137.9**	**24.2**	**28.1**
Dividend paid	-13.0	-16.1	-19.0	-21.9	-22.2	-25.1	-29.2	-15.8	-24.7	-21.2

Source: Company data and Nordea estimates

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