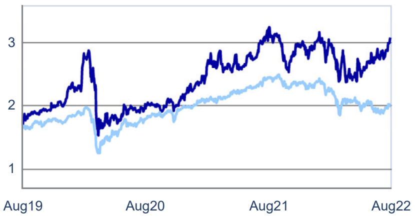
CapMan

Investment Companies
Finland

KEY DATA

Stock country	Finland
Bloomberg	CAPMAN FH
Reuters	CAPMAN.HE
Share price (close)	EUR 3.09
Free Float	75%
Market cap. (bn)	EUR 0.49/EUR 0.49
Website	www.capman.com
Next report date	27 Oct 2022

PERFORMANCE



Source: Refinitiv

VALUATION APPROACH

Source: Nordea estimates

ESTIMATE CHANGES

Year	2022E	2023E	2024E
Sales	-2%	5%	2%
EBIT (adj)	-7%	-1%	-2%
EPS (adj.)	-7%	0%	-1%

Source: Nordea estimates

Nordea Markets - Analysts
Joni Sandvall
Analyst

Svante Krokfors
Director

A solid quarter despite market volatility

CapMan reported Q2 EBIT of EUR 14.1m, 11% above Refinitiv consensus. Q2 was supported by strong fair value changes following completed exits and EUR 3.2m of carry. Fee income was up 25% y/y, while management fees were up 8% y/y. The company expects fee-based profitability to continue its strong growth due to an increase in AuM. Infra II reached first closing after Q2 with EUR 150m of commitments, while CapMan expects the new Social Real Estate fund to reach first closing in H2. In addition to new products, many funds are closing carry and the company expects some of this to start generating carry in the next 12 months. We derive a fair value range of EUR 3.1-3.7 (3.1-3.6) per CapMan share.

AuM growth is expected to continue thanks to new products

CapMan reported Q2 EBIT of EUR 14.1m, 11% above Refinitiv consensus. Management Company EBIT of EUR 6.1m was 31% below our estimate due to lower carry bookings. If we adjust for lower-quality carry, the more important underlying Management Company EBIT was 2% above our estimate. Service Business EBIT of EUR 1.7m was 67% above our forecast and was supported by strong growth in CaPS and JAY Solutions. The company has ramped up its license sales, which we believe should support its own service sales. CapMan recorded EUR 3.2m of carried interest in Q2 (versus our estimate of EUR 6m, and EUR 1.3m in Q1). CapMan has achieved the first closing of its Infra II fund with EUR 150m of commitments (targets EUR 400m), while it expects the next closing in H2. The new Special Real Estate fund was introduced with first closing expected in H2. We expect AuM to reach EUR 5bn in 2022 (versus EUR 4.8bn in Q2) and EUR 5.6bn in 2023.

Slightly negative EBIT revisions due to mix and timing

We lower sales for 2022E by 2% and raise it by 2-5% for 2023E-24E due to hiked Service Business expectations and the timing of carry. However, we cut our management fee estimates and increase our fixed cost assumptions slightly. We cut EBIT by 7% for 2022E and by 1-2% for 2023E-24E. We model EUR 14m in carry in H2 (versus EUR 4.5m in H1) and EUR 7.3m in positive fair value changes (versus EUR 24.4m in H1). Our EBIT estimates are 3% above Refinitiv consensus for 2022 and 5-11% below for 2023-24.

Fair value range of EUR 3.1-3.7

We derive an SOTP-based fair value range of EUR 3.1-3.7 (3.1-3.6). We use 13-15x EV/EBIT for 2023E operating EBIT (excluding carry forwards), 4-6x EV/EBIT for 2023E carry forwards and CapMan's book value for investments. We note high uncertainty related to fair value changes in particular, while fee-based income should continue to develop favourably.

SUMMARY TABLE - KEY FIGURES

EURm	2016	2017	2018	2019	2020	2021E	2022E	2023E	2024E
Total revenue	26.7	34.8	36.0	49.0	43.0	52.8	74.9	76.9	77.4
EBIT (adj)	18.7	19.5	12.0	25.1	12.3	44.6	60.3	44.6	45.0
EBIT (adj) margin	70.0%	55.9%	33.2%	51.1%	28.7%	84.6%	80.5%	58.0%	58.1%
EPS (adj), EUR	0.16	0.10	0.05	0.12	0.03	0.22	0.29	0.20	0.21
EPS (adj) growth	174.6%	-35.8%	-49.7%	127.1%	-72.2%	564.4%	32.4%	-29.7%	1.2%
DPS (ord), EUR	0.09	0.11	0.12	0.13	0.14	0.15	0.16	0.17	0.18
EV/Sales	7.5	8.1	6.2	7.7	9.0	9.4	6.1	5.5	5.0
EV/EBIT (adj)	10.7	14.5	18.6	15.0	31.3	11.1	7.6	9.5	8.7
P/E (adj)	7.7	17.0	28.2	19.8	70.2	13.8	10.6	15.2	15.0
P/BV	1.3	2.2	1.9	2.8	3.2	3.7	3.2	3.1	3.0
Dividend yield (ord)	7.2%	6.2%	8.2%	5.5%	6.0%	4.9%	5.2%	5.5%	5.8%
Net debt	21	25	5	16	25	18	-5	-12	-17
Net debt/EBITDA	1.1	1.2	0.4	0.8	2.7	1.5	-0.2	-0.4	-0.4

Source: Company data and Nordea estimates

Q2 results and revisions

Solid underlying development and fair value changes

CapMan reported Q2 EBIT of EUR 14.1m, 11% above Refinitiv consensus.

Investment EBIT was EUR 9.6m (fair value changes EUR +9.8m) in Q2 and came in above our estimate of EUR 8.1m (EUR +8.3m fair value changes).

Management Company's EBIT of EUR 6.1m was 31% below our estimate, while Service Business EBIT of EUR 1.7m came 67% above our forecast. CapMan recorded EUR 3.2m carried interest in Q2 (Nordea EUR 6m, after EUR 1.3m in Q1). Hence, if we adjust for lower-quality carry, the more important underlying Management Company's EBIT came in 2% above our estimate, with 6% higher-than-anticipated fees. We believe the company has been conservative with its carry bookings due to multiple exits remaining in the two funds in the carry (NRE and Growth). We note positive development in Services, where sales are generated thanks to long-term contracts. Higher-than-anticipated sales bode well for CapMan because of its high operating leverage.

AuM increased to EUR 4.8bn (EUR 4.7bn in Q1 and up 12% y/y) and the company expects AuM growth to continue in 2022. Its Nordic Real Estate fund started to generate carried interest in Q1, while the Growth Equity 2017 entered carry in Q2. In addition, the company has multiple funds close to carry and expects some of these to enter carry in the next 12 months.

EPS of EUR 0.074 came in above consensus of EUR 0.06.

Q2 RESULTS VERSUS EXPECTATIONS

	Actual	NDA est.	Deviation		Consensus	Deviation		Actual		Actual	
EURm	**Q2/22**	**Q2 2022E**	**vs. actual**		**Q2 2022E**	**vs. actual**		**Q1 2022**	**q/q**	**Q2 2021**	**y/y**
Sales	**17.7**	**19.0**	**-1.3**	**-7%**	**19.3**	**-1.6**	**-9%**	**14.2**	**24%**	**11.9**	**49%**
Adj. EBIT	**14.1**	**15.7**	**-1.6**	**-10%**	**12.7**	**1.4**	**11%**	**18.9**	**-25%**	**11.3**	**24%**
Adj. EBIT margin	79.8%	82.8%		-3.0pp	65.5%		14.3pp	132.7%	-53pp	95.5%	-15.7pp
EPS, EUR	**0.074**	**0.078**	**0.00**	**-6%**	**0.060**	**0.01**	23%	**0.085**	-13%	**0.056**	31%
Sales											
Management company business	14.5	16.7	-2.2	-13%				11.7	24%	9.9	47%
- excluding carried interest	11.4	10.7	0.7	6%				10.4	9%	9.6	18%
- carried interest	3.2	6.0	-2.8	-47%				1.3	143%	0.3	1042%
Services	3.2	2.3	0.9	38%				2.5	25%	2.0	59%
Other	0.0	0.0	0.0	-13%				-0.2	-106%	-0.2	-105%
Adj. EBIT											
Management company business	6.1	8.9	-2.8	-31%				4.4	39%	2.4	150%
- excluding carried interest	2.9	2.9	0.1	2%				3.1	-5%	2.2	35%
- carried interest	3.2	6.0	-2.8	-47%				1.3	143%	0.3	1042%
Services	1.7	1.0	0.7	67%				1.4	22%	0.7	128%
Fair value changes, Investments	9.6	8.1	1.5	19%				14.5	-33%	9.4	3%
Other	-3.3	-2.3	-1.0	45%				-1.4	137%	-1.2	171%

Source: Company data, Refinitiv and Nordea estimates

Estimate revisions

We lower our management fee estimates slightly, while we raise Service's top-line and EBIT estimates owing to higher-than-anticipated licence sales, which should also support own services sales. We postpone EUR 3m of carry from 2022E into 2023E. The NRE fund is still in catch up, while possible exits in both NRE and Growth funds will increase carried interest going forward. On a group level, we lower the 2022E top line by 2% and raise 2023E-24E by 2-5%. We cut 2022E EBIT by 7% and 2023E-24E by 1-2% due to slightly lower fee estimates and somewhat higher cost assumptions.

ESTIMATE REVISIONS FOLLOWING THE Q2 REPORT

	New estimates				Old estimates				Difference, %			
EURm	**Q3 2022E**	**2022E**	**2023E**	**2024E**	**Q3 2022E**	**2022E**	**2023E**	**2024E**	**Q3 2022E**	**2022E**	**2023E**	**2024E**
Sales	**19.8**	**74.9**	**76.9**	**77.4**	**19.3**	**76.7**	**73.5**	**75.9**	**3%**	**-2%**	**5%**	**2%**
Adj. EBIT	**13.1**	**60.3**	**44.6**	**45.0**	**13.7**	**64.6**	**44.9**	**45.8**	**-5%**	**-7%**	**-1%**	**-2%**
Adj. EBIT margin	66.1%	80.5%	58.0%	58.1%	71.3%	84.2%	61.1%	60.3%	-5.2pp	-3.7pp	-3.1pp	-2.2pp
Adj. EPS (EUR)	**0.06**	**0.29**	**0.20**	**0.21**	**0.07**	**0.31**	**0.20**	**0.21**	**-5%**	**-7%**	**0%**	**-1%**
Net sales by segment												
Management company	16.9	62.7	63.2	62.4	17.1	66.6	62.1	63.5	-1%	-6%	2%	-2%
- excluding carried interest	10.9	44.2	50.7	54.9	11.1	45.1	52.6	56.0	-2%	-2%	-4%	-2%
- carried interest	6.0	18.5	12.5	7.5	6.0	21.5	9.5	7.5	0%	-14%	32%	0%
Services business	2.9	11.6	13.0	14.3	2.1	9.6	10.7	11.8	36%	22%	22%	22%
Other	0.0	0.6	0.6	0.6	0.0	0.6	0.6	0.6	0%	0%	0%	0%
Adj. EBIT by segment												
Management company	8.8	30.7	31.2	28.9	9.3	35.2	30.4	30.3	-5%	-13%	3%	-5%
- excluding carried interest	2.8	12.2	18.7	21.4	3.3	13.7	20.9	22.8	-15%	-11%	-11%	-6%
- carried interest	6.0	18.5	12.5	7.5	6.0	21.5	9.5	7.5	0%	-14%	32%	0%
Services business	1.8	6.3	7.4	8.5	1.3	5.2	6.2	7.1	38%	23%	19%	20%
Investments	4.0	30.8	12.5	14.3	4.4	30.7	14.0	14.2	-9%	0%	-11%	0%
Other	-1.5	-7.5	-6.6	-6.7	-1.3	-6.5	-5.7	-5.8	18%	15%	14%	14%

Source: Nordea estimates

Valuation

Using a sum-of-the-parts valuation, we derive a fair value range of EUR 3.1-3.7 per CapMan share.

SOTP valuation of EUR 3.1-3.7 per share

We use a 2023E EV/EBIT range of 13-15x to value the Management company business (excluding carry), EV/EBIT of 4-6x for our 2023 carry valuation and 13-15x EV/EBIT to value the Services business. From this, we derive a fair value range of EUR 3.1-3.7 (3.1-3.6) per CapMan share. We use CapMan's book value as a proxy for the investment fair value, deduct 2022E net debt and add 2022E dividends.

SUM-OF-THE-PARTS VALUATION BASED ON 2023 ESTIMATES (EURm AND EUR)

Based on 2023 estimates	Sales	EBIT	Valuation method	EV Range
Management company business	63.2	31.2	EV/EBIT 9.4x - 11.4x	293 - 356
excluding carried interest	50.7	18.7	EV/EBIT 13x - 15x	243 - 281
carried interest	12.5	12.5	EV/EBIT 4x - 6x	50 - 75
Services business	13.0	7.4	EV/EBIT 13x - 15x	96 - 111
Investment business	-	12.5	Book value Jun 2022	149 - 182
Other	0.6	-6.6	EV/EBIT 13x - 15x	-85 to -98
Total	**76.9**	**44.6**		**453 - 551**
Net debt 2022E				5
2022E dividends				25
Equity value				484 - 581
Number of shares (m)				157.1
Equity per share, EUR				**3.1 - 3.7**

Source: Company data and Nordea estimates

DCF valuation suggests EUR 3.4-4.1 per share

In our DCF model, we assume a sales CAGR of 3.4% for 2022-27, followed by a 2.5% growth in perpetuity, meaning that 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 in our DCF model, as the current level is unlikely to persist in the long term. We also assign a long-term equity weight of 70% in our DCF model.

WACC COMPONENTS

WACC components	
Risk-free interest rate	3.0%
Market risk premium	4.0%
Forward looking asset beta	nm
Beta debt	0.1
Forward looking equity beta	1.3-1.8
Cost of equity	8.2-10.2%
Cost of debt	4.0%
Tax-rate used in WACC	20%
Equity weight	70%
WACC	**6.7-8.1%**

Source: Nordea estimates

DCF VALUE (EURm AND EUR)

DCF value	Value	Per share
NPV FCFF	522-640	3.3-4.1
(Net debt)	-18	-0.1
Time value	29	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	**531-649**	**3.4-4.1**

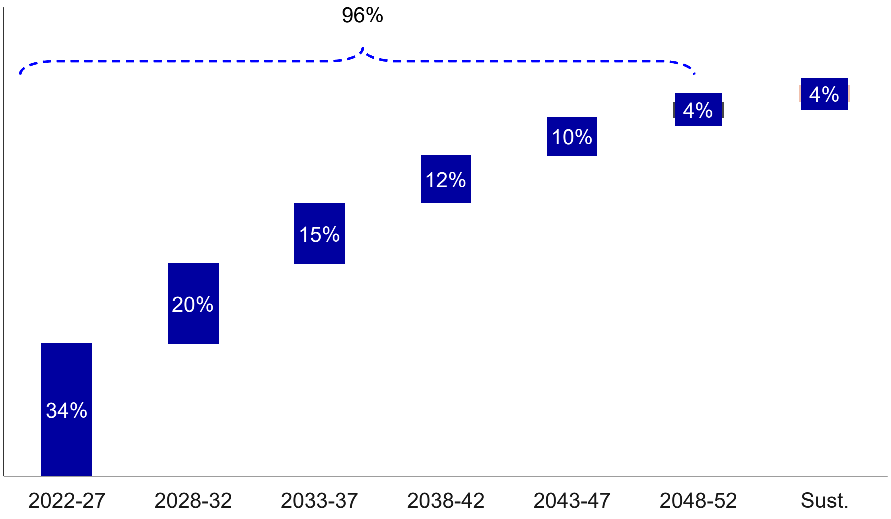
Source: Nordea estimates

DCF ASSUMPTIONS

Averages and assumptions	2022-27	2028-32	2033-37	2038-42	2043-47	2048-52	Sust.
Sales growth, CAGR	3.4%	2.5%	2.5%	2.5%	2.5%	2.5%	
EBIT-margin, excluding associates	62.0%	50.0%	50.0%	50.0%	50.0%	7.0%	
Capex/depreciation, x	1.2	1.0	1.0	1.0	1.0	1.0	
Capex/sales	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	
NWC/sales	-5%	-5%	-5%	-5%	-5%	-5%	
FCFF, CAGR	-4.2%	0.1%	2.5%	2.5%	2.5%	-34.1%	2.5%

Source: Nordea estimates

DCF VALUATION DISTRIBUTION



Source: Nordea estimates

Main risks

We believe that the largest 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 CapMan's ability to make new investments or exit assets. The performance of CapMan's existing funds will materially affect its ability to raise money for its subsequent funds.

Detailed estimates

ESTIMATES BY SEGMENT (EURm)

Segment estimates EURm							
Net sales	**2018**	**2019**	**2020**	**2021**	**2022E**	**2023E**	**2024E**
Management Company business	24.2	32.8	30.9	43.6	62.7	63.2	62.4
-Management fees	22.1	24.7	28.9	36.6	38.5	44.6	48.2
-Service fees	1.1	1.2	1.2	4.2	5.7	6.1	6.7
-Carried interest	1.0	6.9	0.9	2.9	18.5	12.5	7.5
Service business	8.7	15.7	11.4	8.6	11.6	13.0	14.3
Other	0.6	0.5	0.7	0.5	0.6	0.6	0.6
Group	**36.0**	**49.0**	**43.0**	**52.8**	**74.9**	**76.9**	**77.4**
Sales growth							
Management Company business	-4%	35%	-6%	41%	44%	1%	-1%
Service business	56%	81%	-28%	-24%	35%	12%	10%
Group	**3%**	**36%**	**-12%**	**23%**	**42%**	**3%**	**1%**
Adj. EBIT							
Management Company business	2.8	10.2	9.1	13.2	30.7	31.2	28.9
-Without carried interest	1.8	3.3	8.2	10.3	12.2	18.7	21.4
Service business	4.4	9.1	4.9	4.2	6.3	7.4	8.5
Investment business	6.5	10.2	4.0	32.7	30.8	12.5	14.3
Other	-1.7	-5.9	-5.7	-5.4	-7.5	-6.6	-6.7
Group	**12.0**	**25.1**	**12.3**	**44.6**	**60.3**	**44.6**	**45.0**
-Without fair value changes	6.9	12.8	7.9	10.7	28.6	31.1	29.8
-Without FV changes and carried interest	5.8	5.9	7.1	7.9	10.1	18.6	22.3
Adj. EBIT growth							
Management Company business	6%	260%	-11%	45%	132%	2%	-7%
Service business	94%	109%	-46%	-15%	52%	16%	15%
Investment business	-63%	58%	n.a.	n.a.	-6%	-59%	14%
Group	**-39%**	**110%**	**-51%**	**262%**	**35%**	**-26%**	**1%**
Adj. EBIT margin							
Management Company business	12%	31%	29%	30%	49%	49%	46%
-without carried interest	8%	10%	27%	24%	19%	30%	34%
Service business	50%	58%	43%	48%	55%	57%	59%
Management fee and service fee together	20%	31%	33%	32%	37%	45%	48%
Group	**33%**	**51%**	**29%**	**85%**	**80%**	**58%**	**58%**
Investment business							
Invested capital	126.6	129.4	116.6	130.4	168.4	168.8	170.0
Fair value changes	5.1	12.2	4.4	33.9	31.7	13.5	15.2
-Return on invested capital	4%	9%	4%	28%	22%	8%	9%
Expenses	-1.2	-2.0	-0.4	-1.2	-0.9	-0.9	-0.9
EBIT	**6.5**	**10.2**	**4.0**	**32.7**	**30.8**	**12.5**	**14.3**
Capital under management (EURbn)	**3.0**	**3.2**	**3.8**	**4.5**	**5.0**	**5.6**	**5.9**
-growth y/y	9%	7%	18%	18%	12%	11%	5%

Source: Company data and Nordea estimates

Reported numbers and forecasts

ANNUAL ESTIMATES

EURm	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Management fees	26.9	28.7	27.4	26.6	19.6	22.1	24.7	28.9	36.6	38.5	44.6	48.2
Carried interest	2.9	10.8	4.4	0.0	4.4	1.0	6.9	0.9	2.9	18.5	12.5	7.5
Sale of services	0.0	0.0	0.0	0.0	7.1	10.3	17.4	13.3	13.3	17.9	19.7	21.7
Dividend & interest income	0.0	0.0	0.0	0.0	3.7	2.5	0.0	0.0	0.0	0.0	0.0	0.0
Net sales	**29.8**	**39.5**	**31.8**	**26.7**	**34.8**	**36.0**	**49.0**	**43.0**	**52.8**	**74.9**	**76.9**	**77.4**
sales growth %	9%	33%	-20%	-16%	31%	3%	36%	-12%	23%	42%	3%	1%
Other operating income	0.0	0.0	0.3	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0
Personnel expenses	-15.6	-17.8	-17.1	-18.3	-21.4	-19.9	-24.2	-23.9	-30.6	-33.5	-32.1	-33.4
Depreciation and amortisation	-0.7	-0.4	-0.3	-0.3	-1.7	-0.2	-1.4	-1.5	-1.5	-1.6	-1.6	-1.7
Other operating expenses	-11.6	-12.0	-10.6	-12.2	-9.9	-9.1	-12.1	-9.7	-10.0	-11.2	-12.0	-12.5
Fair value changes	1.2	-3.1	5.2	22.6	17.6	5.1	12.2	4.4	33.9	31.7	13.5	15.2
EBIT	**3.3**	**6.4**	**9.3**	**18.7**	**19.5**	**12.0**	**19.4**	**12.3**	**44.6**	**60.3**	**44.6**	**45.0**
margin %	11%	16%	29%	70%	56%	33%	40%	29%	85%	80%	58%	58%
Net financials	-0.7	-1.4	-2.9	-3.1	-3.2	-2.7	-1.8	-3.1	-4.0	-5.9	-4.6	-4.5
Income using the equity method*	0.0	0.0	0.1	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profit before taxes	2.0	4.9	6.4	15.5	16.2	9.3	17.6	9.2	40.6	54.4	40.0	40.5
Income taxes	-0.5	-1.0	-0.4	-0.2	-0.8	-0.8	-1.7	-2.9	-5.2	-8.7	-8.0	-8.1
Profit for the period	1.5	4.0	6.1	15.3	15.5	8.5	15.9	6.3	35.4	45.7	32.0	32.4
EPS, EUR	**-0.01**	**0.03**	**0.06**	**0.16**	**0.10**	**0.06**	**0.09**	**0.03**	**0.22**	**0.29**	**0.20**	**0.21**

Source: Company data and Nordea estimates

INTERIM ESTIMATES

EURm	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22E	Q4/22E
Management fees	8.0	8.4	9.6	10.5	9.3	9.2	9.6	10.4
Carried interest	0.0	0.3	2.2	0.3	1.3	3.2	6.0	8.0
Sale of services	3.2	3.2	3.1	3.9	3.6	5.4	4.2	4.7
Dividend & interest income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net sales	**11.3**	**11.9**	**14.9**	**14.7**	**14.2**	**17.7**	**19.8**	**23.2**
sales growth %	-5%	36%	67%	10%	26%	49%	33%	57%
Other operating income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Personnel expenses	-6.3	-7.8	-7.5	-9.1	-7.2	-10.0	-7.8	-8.5
Depreciation and amortisation	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4
Other operating expenses	-2.7	-2.0	-2.1	-3.1	-2.4	-2.9	-2.7	-3.2
Fair value changes	8.2	9.6	6.0	10.1	14.7	9.8	4.2	3.1
EBIT	**10.1**	**11.3**	**10.9**	**12.2**	**18.9**	**14.1**	**13.1**	**14.2**
margin %	90%	95%	73%	83%	133%	80%	66%	61%
Net financials	-0.9	-1.3	-0.8	-1.1	-2.6	-1.1	-0.9	-1.3
Income using the equity method*	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profit before taxes	9.3	10.1	10.2	11.1	16.3	13.0	12.2	12.8
Income taxes	-1.5	-1.2	-0.7	-1.7	-2.9	-1.2	-2.2	-2.4
Profit for the period	7.5	8.8	9.0	9.0	13.3	11.8	10.0	10.4
EPS, EUR	**0.05**	**0.06**	**0.06**	**0.06**	**0.09**	**0.08**	**0.06**	**0.07**

Source: Company data and Nordea estimates

BALANCE SHEET

EURm	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
Intangible assets	6.7	6.5	4.8	4.8	16.1	16.0	15.8	15.8	15.8	15.8
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	0.5	0.3	0.2	0.1	0.8	0.7	0.5	0.5	0.5	0.5
of which goodwill	6.2	6.2	4.5	4.7	15.3	15.3	15.3	15.3	15.3	15.3
Tangible assets	0.2	0.2	0.3	0.3	2.5	1.7	0.8	0.9	1.3	1.7
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	0.2	0.2	0.3	0.3	2.5	1.7	0.8	0.9	1.3	1.7
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	0.1	0.1	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	0.0	0.0	0.2	0.0	0.0	0.0	0.0
Deferred tax assets	4.4	4.9	1.8	2.0	3.7	2.4	1.8	1.8	1.8	1.8
Other non-interest bearing assets	47.2	51.4	58.3	80.6	118.6	116.1	130.0	130.0	130.0	130.0
Other non-current assets	62.5	48.6	37.0	12.1	9.4	9.1	10.5	10.5	10.5	10.5
Total non-current assets	**121.1**	**111.6**	**102.1**	**99.8**	**150.4**	**145.5**	**158.8**	**159.0**	**159.4**	**159.8**
Inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	6.6	9.8	8.7	12.6	10.8	14.0	15.2	20.9	20.6	20.0
Other current assets	0.3	86.2	77.1	39.0	10.8	0.3	0.0	0.0	0.0	0.0
Cash and bank	21.6	45.0	23.3	54.5	43.7	58.0	65.2	88.3	94.9	100.2
Total current assets	**28.5**	**141.1**	**109.2**	**106.2**	**66.2**	**73.3**	**81.4**	**110.2**	**116.6**	**121.3**
Assets held for sale	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total assets	**149.6**	**252.7**	**211.3**	**206.0**	**216.5**	**218.8**	**240.3**	**269.1**	**275.9**	**281.0**
Shareholder equity	65.2	143.0	126.7	120.5	127.4	112.5	125.8	147.9	154.8	160.4
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	0.0	0.0	0.4	2.1	0.7	1.6	1.7	1.7	1.7
Total Equity	**65.2**	**143.0**	**126.7**	**121.0**	**129.5**	**113.3**	**127.4**	**149.6**	**156.5**	**162.2**
Deferred tax	2.0	9.9	8.6	3.3	2.2	2.7	4.6	4.6	4.6	4.6
Long term interest bearing debt	69.4	48.1	45.2	49.7	59.1	82.6	82.0	82.0	82.0	82.0
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	0.0	0.1	0.1	0.2	0.2	6.9	7.6	7.6	7.6	7.6
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	**71.3**	**58.1**	**53.9**	**53.2**	**61.4**	**92.3**	**94.2**	**94.2**	**94.2**	**94.3**
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	13.1	33.3	26.8	16.8	20.2	11.1	16.7	23.0	22.8	22.2
Other current liabilities	0.0	0.3	0.8	5.1	4.5	1.3	1.0	1.4	1.4	1.4
Short term interest bearing debt	0.0	18.0	3.0	10.0	0.5	0.4	0.5	0.5	0.5	0.5
Total current liabilities	**13.1**	**51.7**	**30.7**	**31.9**	**25.6**	**13.3**	**18.7**	**25.3**	**25.2**	**24.6**
Liabilities for assets held for sale	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total liabilities and equity	**149.6**	**252.7**	**211.3**	**206.0**	**216.5**	**218.8**	**240.3**	**269.1**	**275.9**	**281.0**

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

EURm	2015	2016	2017	2018	2019	2020	2021	2022E	2023E	2024E
EBITDA (excludes fair value changes)	**4.4**	**-3.7**	**3.6**	**7.0**	**8.5**	**9.4**	**12.2**	**30.2**	**32.8**	**46.6**
Paid taxes	-0.9	-0.3	-1.6	-3.1	-4.6	-4.3	-0.7	-8.7	-8.0	-8.1
Net financials	-4.3	-4.2	-3.9	-2.4	-2.6	-3.2	-0.1	-5.9	-4.6	-4.5
Other adjustments to reconcile cash flow	4.6	0.4	0.0	0.7	0.8	0.0	0.0	0.0	0.0	0.0
Funds from operations (FFO)	**3.9**	**-7.8**	**-1.8**	**2.2**	**2.1**	**2.0**	**11.4**	**15.6**	**20.2**	**34.1**
Change in NWC	-3.3	4.6	-1.8	-6.9	-2.5	-15.7	3.2	1.0	0.1	0.0
Cash flow from operations (CFO)	**0.6**	**-3.1**	**-3.6**	**-4.7**	**-0.4**	**-13.8**	**14.7**	**16.6**	**20.3**	**34.1**
Capital Expenditure	0.0	0.0	-0.3	-0.1	-0.6	-0.4	-0.1	-0.8	-1.0	-1.0
Free Cash Flow before A&D	**0.6**	**-3.1**	**-3.9**	**-4.8**	**-0.9**	**-14.1**	**14.6**	**15.9**	**19.3**	**33.1**
Acquisitions and disposals (mainly exits from investments)	-39.6	37.3	34.0	39.7	17.5	4.4	33.9	31.7	13.5	0.0
Free cash flow	**-39.0**	**34.2**	**30.1**	**34.9**	**16.5**	**5.6**	**0.2**	**47.5**	**32.7**	**33.1**
Dividend paid	-5.2	-6.0	-13.0	-16.1	-19.0	-21.9	-9.8	-23.5	-25.1	-26.7

Source: Company data and Nordea estimates

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Completion Date

04 Aug 2022, 22:12 CET

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