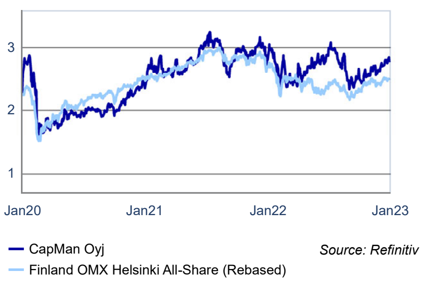
CapMan

Investment Companies
Finland

KEY DATA

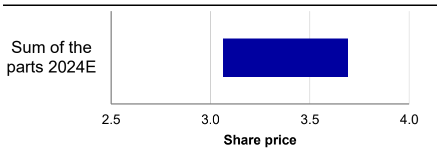
Stock country	Finland
Bloomberg	CAPMAN FH
Reuters	CAPMAN.HE
Share price (close)	EUR 2.78
Free Float	75%
Market cap. (bn)	EUR 0.44/EUR 0.44
Website	www.capman.com
Next report date	02 Feb 2023

PERFORMANCE



Source: Refinitiv

VALUATION APPROACH (EUR/SHARE)



Source: Nordea estimates

ESTIMATE CHANGES

Year	2022E	2023E	2024E
Sales	-4%	-8%	1%
EBIT (adj)	-5%	-14%	3%
EPS (adj.)	-5%	-14%	4%

Source: Nordea estimates

More challenging fundraising year

CapMan will report its Q4 on 2 February. We expect solid underlying performance, while a quiet transaction market could be visible in low carry and fair value changes. Fundraising was successful in 2022, but we expect a more challenging 2023. However, Infra II could benefit relatively from the market situation. Given the continued strong increase in assets under management (AuM) in 2022, we model management fees up 14% for 2023 and expect carry to remain solid for 2023-24. Despite a challenging market environment, we expect fair value changes to remain positive in Q4 and 2023. We derive a SOTP-based fair value range of EUR 3.1-3.7.

We expect a solid Q4

We model Q4 management fees to be EUR 10.4m, down 1% y/y, owing to strong comparison due to the timing of fees. Although the company has not yet exited the NRE fund, we model EUR 2m in carry for Q4 2022E (EUR 1m in Q3 and EUR 0.3m in Q4 2021). A slowdown in the transaction market has likely caused some postponement to exit processes, but we expect the NRE exit in 2023. Infra II fundraising has likely continued favourably, even as we might be seeing the first signs of a more challenging fundraising environment within real estate funds. We model the management company cost base to be down 6% y/y for Q4 2022E. For 2023E, we model a 14% management fee uplift and a 2% cost base increase, driven by stabilising personnel expenses. Despite the market turbulence, we expect fair value changes to remain positive in Q4 and 2023, and we believe that the service business will continue to show strong performance in 2023, too.

We lower underlying EBIT by 3-5% for 2023E-24E

We make minor estimate revisions to our management company underlying estimates and push forward carry expectations from Q4 to 2023 and from 2023 to 2024 owing to slowdown in the market. In addition, we trim our service business growth assumption to 8% for 2023E (previous: 10%). On the whole, we lower underlying EBIT estimates by 3-5% for 2023-24 and leave 2022 estimates intact. We continue to expect EUR 0.16 in DPS for 2022.

Fair value range of EUR 3.1-3.7

We derive a SOTP-based fair value range of EUR 3.1-3.7. We use 12-14x EV/EBIT for 2024E operating EBIT (excluding carry forwards), and 4-6x EV/EBIT for 2024E carry forwards and CapMan's book value for investments. We note the high uncertainty related to fair value changes in particular, while fee-based income should continue to develop favourably, we believe.

Nordea IB & Equity - Analysts
Joni Sandvall
Analyst

Svante Krokfors
Director

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	65.0	78.8	79.0
EBIT (adj)	18.7	19.5	12.0	25.1	12.3	44.6	54.0	41.5	46.2
EBIT (adj) margin	70.0%	55.9%	33.2%	51.1%	28.7%	84.6%	83.1%	52.7%	58.5%
EPS (adj), EUR	0.16	0.10	0.05	0.12	0.03	0.22	0.26	0.19	0.22
EPS (adj) growth	174.6%	-35.8%	-49.7%	127.1%	-72.2%	564.4%	17.2%	-25.0%	12.6%
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	6.5	5.0	4.5
EV/EBIT (adj)	10.7	14.5	18.6	15.0	31.3	11.1	7.9	9.5	7.7
P/E (adj)	7.7	17.0	28.2	19.8	70.2	13.8	11.1	14.8	13.1
P/BV	1.3	2.2	1.9	2.8	3.2	3.7	3.1	3.0	2.8
Dividend yield (ord)	7.2%	6.2%	8.2%	5.5%	6.0%	4.9%	5.6%	6.0%	6.3%
Net debt	21	25	5	16	25	18	0	-6	-13
Net debt/EBITDA	1.1	1.2	0.4	0.8	2.7	1.5	0.0	-0.2	-0.3

Source: Company data and 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 2024E EV/EBIT range of 12-14x to value the Management Company business (excluding carry), EV/EBIT of 4-6x for our 2024 carry valuation and 12-14x EV/EBIT to value the Services business. From this, we derive a fair value range of EUR 3.1-3.7 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 2024 ESTIMATES (EURm AND EUR)

Based on 2024 estimates	Sales	EBIT	Valuation method	EV Range
Management company business	64.3	30.7	EV/EBIT 9.5x - 11.5x	293 - 354
excluding carried interest	54.8	21.2	EV/EBIT 12x - 14x	255 - 297
carried interest	9.5	9.5	EV/EBIT 4x - 6x	38 - 57
Services business	14.1	7.9	EV/EBIT 12x - 14x	95 - 111
Investment business	-	14.1	Book value Jun 2022	154 - 188
Other	0.6	-6.6	EV/EBIT 13x - 15x	-85 to -99
Total	**79.0**	**46.2**		**456 - 554**
Net debt 2022E				0
2022E dividends				25
Equity value				481 - 580
Number of shares (m)				157.1
Equity per share, EUR				**3.1 - 3.7**

Source: Company data and Nordea estimates

DCF valuation suggests EUR 3.5-4.2 per share

In our DCF model, we assume a sales CAGR of 5.5% for 2022-27, followed by a 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 in our DCF model. 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	512-634	3.3-4
(Net debt)	-18	-0.1
Time value	54	0.3
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	**546-667**	**3.5-4.2**

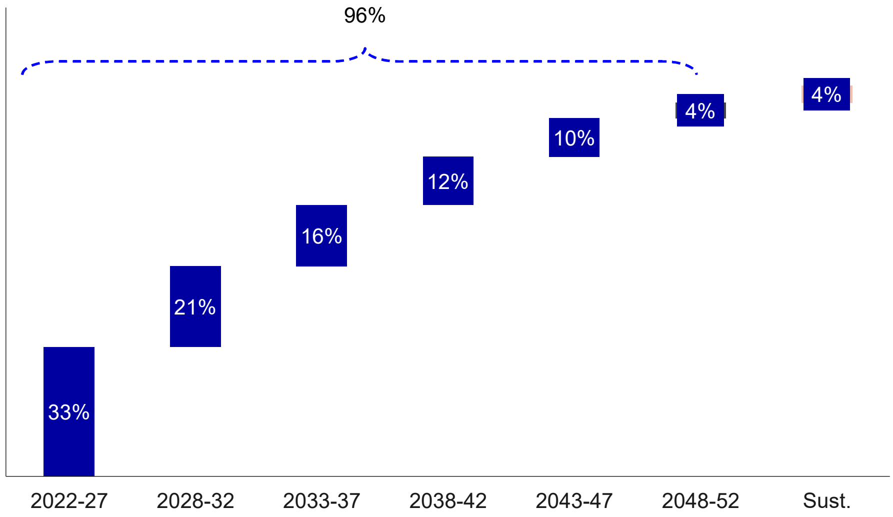
Source: Nordea estimates

DCF ASSUMPTIONS

Averages and assumptions	2022-27	2028-32	2033-37	2038-42	2043-47	2048-52	Sust.
Sales growth, CAGR	6.4%	2.5%	2.5%	2.5%	2.5%	2.5%	
EBIT-margin, excluding associates	60.8%	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	2.6%	2.6%	2.6%	2.6%	2.6%	2.6%	
NWC/sales	-5%	-5%	-5%	-5%	-5%	-5%	
FCFF, CAGR	-2.1%	0.2%	2.5%	2.5%	2.5%	-34.1%	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 its 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 its existing funds will materially affect CapMan's ability to raise money for its subsequent funds.

Detailed estimates

ESTIMATES BY SEGMENT (EURm)

Net sales	**2018**	**2019**	**2020**	**2021**	**2022E**	**2023E**	**2024E**
Management Company business	24.2	32.8	30.9	43.6	52.6	65.4	64.3
-Management fees	22.1	24.7	28.9	36.6	38.8	44.3	47.9
-Service fees	1.1	1.2	1.2	4.2	6.3	6.6	6.9
-Carried interest	1.0	6.9	0.9	2.9	7.5	14.5	9.5
Service business	8.7	15.7	11.4	8.6	11.9	12.8	14.1
Other	0.6	0.5	0.7	0.5	0.6	0.6	0.6
Group	**36.0**	**49.0**	**43.0**	**52.8**	**65.0**	**78.8**	**79.0**
Sales growth							
Management Company business	-4%	35%	-6%	41%	20%	24%	-2%
Service business	56%	81%	-28%	-24%	38%	8%	10%
Group	**3%**	**36%**	**-12%**	**23%**	**23%**	**21%**	**0%**
Adj. EBIT							
Management Company business	2.8	10.2	9.1	13.2	20.3	32.5	30.7
-Without carried interest	1.8	3.3	8.2	10.3	12.8	18.0	21.2
Service business	4.4	9.1	4.9	4.2	6.3	7.0	7.9
Investment business	6.5	10.2	4.0	32.7	34.8	7.7	14.1
Other	-1.7	-5.9	-5.7	-5.4	-7.4	-5.7	-6.6
Group	**12.0**	**25.1**	**12.3**	**44.6**	**54.0**	**41.5**	**46.2**
-Without fair value changes	6.9	12.8	7.9	10.7	18.3	32.9	31.1
-Without FV changes and carried interest	5.8	5.9	7.1	7.9	10.8	18.4	21.6
Adj. EBIT growth							
Management Company business	6%	260%	-11%	45%	54%	61%	-6%
Service business	94%	109%	-46%	-15%	52%	11%	13%
Investment business	-63%	58%	n.a.	n.a.	6%	-78%	84%
Group	**-39%**	**110%**	**-51%**	**262%**	**21%**	**-23%**	**11%**
Adj. EBIT margin							
Management Company business	12%	31%	29%	30%	39%	50%	48%
-without carried interest	8%	10%	27%	24%	24%	28%	33%
Service business	50%	58%	43%	48%	53%	55%	56%
Management fee and service fee together	20%	31%	33%	32%	38%	44%	47%
Group	**33%**	**51%**	**29%**	**85%**	**83%**	**53%**	**59%**
Investment business							
Invested capital	126.6	129.4	116.6	130.4	171.9	167.5	168.6
Fair value changes	5.1	12.2	4.4	33.9	35.7	8.6	15.1
-Return on invested capital	4%	9%	4%	28%	22%	5%	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**	**34.8**	**7.7**	**14.1**
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	38.8	44.3	47.9
Carried interest	2.9	10.8	4.4	0.0	4.4	1.0	6.9	0.9	2.9	7.5	14.5	9.5
Sale of services	0.0	0.0	0.0	0.0	7.1	10.3	17.4	13.3	13.3	18.7	20.0	21.6
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**	**65.0**	**78.8**	**79.0**
sales growth %	9%	33%	-20%	-16%	31%	3%	36%	-12%	23%	23%	21%	0%
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	-33.3	-31.8	-33.1
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	-1.6
Other operating expenses	-11.6	-12.0	-10.6	-12.2	-9.9	-9.1	-12.1	-9.7	-10.0	-11.8	-12.5	-13.1
Fair value changes	1.2	-3.1	5.2	22.6	17.6	5.1	12.2	4.4	33.9	35.7	8.6	15.1
EBIT	**3.3**	**6.4**	**9.3**	**18.7**	**19.5**	**12.0**	**19.4**	**12.3**	**44.6**	**54.0**	**41.5**	**46.2**
margin %	11%	16%	29%	70%	56%	33%	40%	29%	85%	83%	53%	59%
Net financials	-0.7	-1.4	-2.9	-3.1	-3.2	-2.7	-1.8	-3.1	-4.0	-5.0	-3.7	-3.6
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	49.0	37.8	42.6
Income taxes	-0.5	-1.0	-0.4	-0.2	-0.8	-0.8	-1.7	-2.9	-5.2	-7.8	-7.6	-8.5
Profit for the period	1.5	4.0	6.1	15.3	15.5	8.5	15.9	6.3	35.4	41.2	30.3	34.1
EPS, EUR	**-0.01**	**0.03**	**0.06**	**0.16**	**0.10**	**0.06**	**0.09**	**0.03**	**0.22**	**0.26**	**0.19**	**0.22**

Source: Company data and Nordea estimates

INTERIM ESTIMATES

EURm	Q1/21	Q2/21	Q3/21	Q4/21	Q1/22	Q2/22	Q3/22	Q4/22E
Management fees	8.0	8.4	9.6	10.5	9.3	9.2	9.9	10.4
Carried interest	0.0	0.3	2.2	0.3	1.3	3.2	1.0	2.0
Sale of services	3.2	3.2	3.1	3.9	3.6	5.4	4.9	4.8
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**	**15.9**	**17.2**
sales growth %	-5%	36%	67%	10%	26%	49%	7%	17%
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	-7.7	-8.4
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	-3.2	-3.3
Fair value changes	8.2	9.6	6.0	10.1	14.7	9.8	8.0	3.2
EBIT	**10.1**	**11.3**	**10.9**	**12.2**	**18.9**	**14.1**	**12.7**	**8.3**
margin %	90%	95%	73%	83%	133%	80%	80%	49%
Net financials	-0.9	-1.3	-0.8	-1.1	-2.6	-1.1	-0.5	-0.8
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	7.5
Income taxes	-1.5	-1.2	-0.7	-1.7	-2.9	-1.2	-1.4	-2.3
Profit for the period	7.5	8.8	9.0	9.0	13.3	11.8	10.7	5.2
EPS, EUR	**0.05**	**0.06**	**0.06**	**0.06**	**0.09**	**0.08**	**0.07**	**0.03**

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	1.8
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	1.8
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	18.1	21.2	20.4
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	83.3	88.6	95.6
Total current assets	**28.5**	**141.1**	**109.2**	**106.2**	**66.2**	**73.3**	**81.4**	**102.4**	**110.8**	**117.1**
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**	**261.4**	**270.3**	**276.9**
Shareholder equity	65.2	143.0	126.7	120.5	127.4	112.5	125.8	142.6	147.8	155.2
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	2.4	2.4	2.4
Total Equity	**65.2**	**143.0**	**126.7**	**121.0**	**129.5**	**113.3**	**127.4**	**145.1**	**150.2**	**157.6**
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	19.9	23.4	22.7
Other current liabilities	0.0	0.3	0.8	5.1	4.5	1.3	1.0	1.2	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**	**22.1**	**25.8**	**25.1**
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**	**261.4**	**270.3**	**276.9**

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**	**19.9**	**34.5**	**47.8**
Paid taxes	-0.9	-0.3	-1.6	-3.1	-4.6	-4.3	-0.7	-7.8	-7.6	-8.5
Net financials	-4.3	-4.2	-3.9	-2.4	-2.6	-3.2	-0.1	-5.0	-3.7	-3.6
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**	**7.0**	**23.3**	**35.7**
Change in NWC	-3.3	4.6	-1.8	-6.9	-2.5	-15.7	3.2	0.6	0.6	0.0
Cash flow from operations (CFO)	**0.6**	**-3.1**	**-3.6**	**-4.7**	**-0.4**	**-13.8**	**14.7**	**7.6**	**23.9**	**35.7**
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**	**6.9**	**22.9**	**34.7**
Acquisitions and disposals (mainly exits from investments)	-39.6	37.3	34.0	39.7	17.5	4.4	33.9	35.7	8.6	0.0
Free cash flow	**-39.0**	**34.2**	**30.1**	**34.9**	**16.5**	**5.6**	**0.2**	**42.5**	**31.5**	**34.7**
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

Disclaimer and legal disclosures

Origin of the report
This publication or report originates from: Nordea Bank Abp, including its branches Nordea Danmark, Filial af Nordea Bank Abp, Finland, Nordea Bank Abp, filial i Norge and Nordea Bank Abp, filial i Sverige (together "Nordea") acting through their units Nordea Markets and Equity Sales & Research.

Nordea Bank Abp is supervised by the European Central Bank and the Finnish Financial Supervisory Authority and the branches are supervised by the European Central Bank and the Finnish Financial Supervisory Authority and the Financial Supervisory Authorities in their respective countries.

Content of report
This report has been prepared solely by Nordea Markets or Equity Sales & Research.

Opinions or suggestions from Nordea Markets credit and equity research may deviate from one another or from opinions presented by other departments in Nordea. This may typically be the result of differing time horizons, methodologies, contexts or other factors.

The information provided herein is not intended to constitute and does not constitute investment advice nor is the information intended as an offer or solicitation for the purchase or sale of any financial instrument. The information contained herein has no regard to the specific investment objectives, the financial situation or particular needs of any particular recipient. Relevant and specific professional advice should always be obtained before making any investment or credit decision

Opinions or ratings are based on one or more methods of valuation, for instance cash flow analysis, use of multiples, behavioural technical analyses of underlying market movements in combination with considerations of the market situation and the time horizon. Key assumptions of forecasts or ratings in research cited or reproduced appear in the research material from the named sources. The date of publication appears from the research material cited or reproduced. Opinions and estimates may be updated in subsequent versions of the report, provided that the relevant company/issuer is treated anew in such later versions of the report.

Validity of the report
All opinions and estimates in this report are, regardless of source, given in good faith, and may only be valid as of the stated date of this report and are subject to change without notice.

No individual investment or tax advice
The report is intended only to provide general and preliminary information to investors and shall not be construed as the basis for any investment decision. This report has been prepared by Nordea Markets or Equity Sales & Research as general information for private use of investors to whom the report has been distributed, but it is not intended as a personal recommendation of particular financial instruments or strategies and thus it does not provide individually tailored investment advice, and does not take into account the individual investor's particular financial situation, existing holdings or liabilities, investment knowledge and experience, investment objective and horizon or risk profile and preferences. The investor must particularly ensure the suitability of an investment as regards his/her financial and fiscal situation and investment objectives. The investor bears the risk of losses in connection with an investment.

Before acting on any information in this report, it is recommendable to consult (without being limited to) one's financial, legal, tax, accounting, or regulatory advisor in any relevant jurisdiction.

The information contained in this report does not constitute advice on the tax consequences of making any particular investment decision. Each investor shall make his/her own appraisal of the tax and other financial merits of his/her investment.

Sources
This report may be based on or contain information, such as opinions, estimates and valuations which emanate from: Nordea Markets' or Equity Sales & Research analysts or representatives, publicly available information, information from other units of Nordea, or other named sources.

To the extent this publication or report is based on or contain information emanating from other sources ("Other Sources") than Nordea Markets or Equity Sales & Research ("External Information"), Nordea Markets or Equity Sales & Research has deemed the Other Sources to be reliable but neither Nordea, others associated or affiliated with Nordea nor any other person, do guarantee the accuracy, adequacy or completeness of the External Information.

Limitation of liability
Nordea or other associated and affiliated companies assume no liability as regards to any investment, divestment or retention decision taken by the investor on the basis of this report. In no event will Nordea or other associated and affiliated companies be liable for direct, indirect or incidental, special or consequential damages (regardless of whether being considered as foreseeable or not) resulting from the information in this report.

Risk information
The risk of investing in certain financial instruments, including those mentioned in this report, is generally high, as their market value is exposed to a lot of different factors such as the operational and financial conditions of the relevant company, growth prospects, change in interest rates, the economic and political environment, foreign exchange rates, shifts in market sentiments etc. Where an investment or security is denominated in a different currency to the investor's currency of reference, changes in rates of exchange may have an adverse effect on the value, price or income of or from that investment to the investor. Past performance is not a guide to future performance. Estimates of future performance are based on assumptions that may not be realized. When investing in individual shares, the investor may lose all or part of the investments.

Conflicts of interest
Readers of this document should note that Nordea Markets or Equity Sales & Research has received remuneration from the company mentioned in this document for the production of the report. The remuneration is not dependent on the content of the report.

Nordea, affiliates or staff in Nordea, may perform services for, solicit business from, hold long or short positions in, or otherwise be interested in the investments (including derivatives) of any company mentioned in the report.

To limit possible conflicts of interest and counter the abuse of inside knowledge, the analysts of Nordea Markets and Equity Sales & Research are subject to internal rules on sound ethical conduct, the management of inside information, handling of unpublished research material, contact with other units of Nordea and personal account dealing. The internal rules have been prepared in accordance with applicable legislation and relevant industry standards. The object of the internal rules is for example to ensure that no analyst will abuse or cause others to abuse confidential information. It is the policy of Nordea that no link exists between revenues from capital markets activities and individual analyst remuneration. Nordea and the branches are members of national stockbrokers' associations in each of the countries in which Nordea has head offices. Internal rules have been developed in accordance with recommendations issued by the stockbrokers associations. This material has been prepared following the Nordea Conflict of Interest Policy, which may be viewed at www.nordea.com/mifid.
Please find a list of all recommendations disseminated by Nordea Equities during the preceding 12-month period here: https://research.nordea.com/compliance

Distribution restrictions
The securities referred to in this report may not be eligible for sale in some jurisdictions. This report is not intended for, and must not be distributed to private customers in the UK or the US or to customers in any other jurisdiction where restrictions may apply.

This publication or report may be distributed in the UK to institutional investors by Nordea Bank Abp London Branch of 6th Floor, 5 Aldermanbury Square, London, EC2V 7AZ, which is under supervision of the European Central Bank, Finanssivalvonta (Financial Supervisory Authority) in Finland and subject to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority in the United Kingdom. Details about the extent of our regulation by the Financial Conduct Authority and Prudential Regulation Authority are available from us on request.

Nordea Bank Abp (“Nordea”) research is not “globally branded” research. Nordea research reports are intended for distribution in the United States solely to “major U.S. institutional investors,” as defined in Rule 15a-6 under the Securities Exchange Act of 1934. Any transactions in securities discussed within the research reports will be chaperoned by Nordea Securities LLC (“Nordea Securities”), an affiliate of Nordea and a SEC registered broker dealer and member of FINRA. Nordea Securities does not employ research analysts and has no contractual relationship with Nordea that is reasonably likely to inform the content of Nordea research reports. Nordea makes all research content determinations without any input from Nordea Securities.

The research analyst(s) named on this report are not registered/qualified as research analysts with FINRA. Such research analyst(s) are also not registered with Nordea Securities and therefore may not be subject to FINRA Rule 2241 or FINRA Rule 2242 restrictions on communications with a subject company, public appearances and trading securities held by a research analyst account.

Analyst Shareholding

Nordea analysts do not hold shares in the companies that they cover.
No holdings or other affiliations by analysts or associates.

Fair value and sensitivity

We calculate our fair values by weighting DCF, DDM, SOTP, asset-based and other standard valuation methods. Our fair values are sensitive to changes in valuation assumptions, of which growth, margins, tax rates, working capital ratios, investment-to-sales ratios and cost of capital are typically the most sensitive.
It should be noted that our fair values would change by a disproportionate factor if changes are made to any or all valuation assumptions, owing to the non-linear nature of the standard valuation models applied (mentioned above). As a consequence of the standard valuation models we apply, changes of 1-2 percentage points in any single valuation assumption can change the derived fair value by as much as 30% or more. All research is produced on an ad hoc basis and will be updated when the circumstances require it.

Marketing Material

This research report should be considered marketing material, as it has been commissioned and paid for by the subject company, and has not been prepared in accordance with the regulations designed to promote the independence of investment research and it is not subject to any legal prohibition on dealing ahead of the dissemination of the report. However, Nordea Markets analysts are according to internal policies not allowed to hold shares in the companies/sectors that they cover.

Market-making obligations and other significant financial interest

Nordea has no market-making obligations in CapMan Oyj shares.

As of 25/01/2023, Nordea Abp holds no positions of 0.5% or more of shares issued

As of the publication of this report, the issuer does not hold a position exceeding 5% of the total shares issued in Nordea Abp.

Investment banking transactions

In view of Nordea's position in its markets readers should assume that the bank may currently or may in the coming three months and beyond be providing or seeking to provide confidential investment banking services to the company/companies

Issuer Review

This report has not been reviewed by the Issuer prior to publication.

Completion Date

26 Jan 2023, 01:46 CET

Nordea Bank Abp	Nordea Bank Abp, filial i Sverige	Nordea Danmark, Filial af Nordea Bank Abp, Finland	Nordea Bank Abp, filial i Norge
Nordea IB & Equity Division, Equity Research Visiting address: Aleksis Kiven katu 7, Helsinki FI-00020 Nordea Finland	**Nordea IB & Equity Division, Equity Research** Visiting address: Smålandsgatan 17 SE-105 71 Stockholm Sweden	**Nordea IB & Equity Division, EquityResearch** Visiting address: Grønjordsvej 10 DK-2300 Copenhagen S Denmark	**Nordea IB & Equity Division, Equity Research** Visiting address: Essendropsgate 7 N-0107 Oslo Norway
Tel: +358 9 1651 Fax: +358 9 165 59710	Tel: +46 8 614 7000 Fax: +46 8 534 911 60	Tel: +45 3333 3333 Fax: +45 3333 1520	Tel: +47 2248 5000 Fax: +47 2256 8650
Reg.no. 2858394-9 Satamaradankatu 5 Helsinki			