CapMan

Investment Companies
Finland

Solid end to a record year

CapMan reported Q4 adjusted EBIT of EUR 10.1m, in line with Refinitiv consensus. Fee income increased by 9% y/y in Q4, while management fees were down 1% y/y. Despite a more challenging fundraising market, CapMan expects its AuM to increase in 2023; combined with higher-quality AuM, this should support a positive development for underlying EBIT. Multiple funds are expected to reach final closing during H1, while two funds in carry are aiming for further exits. We believe the top management change and proposed change in the Board of Directors could support M&A activity. We derive a fair value range of EUR 3.0-3.6 per CapMan share.

Q4 was in line with consensus expectations

CapMan reported Q4 adjusted EBIT of EUR 10.1m, in line with Refinitiv consensus, supported by EUR 4.1m carry and EUR 4.1m positive fair value changes. Given its good operational performance, fair value changes were positive for all investment areas. Management company fees excluding carry were 10% above our estimate. CapMan appeared confident about its AuM and fee development in 2023, despite a more challenging fundraising environment. The Infra II fund was expected to have a second close in Q1 and a final close in Q2 and the Special Situations fund should reach final close in Q1, while Social Real Estate strategy was expected to reach first close in H1. CapMan has also seen good inflow for its CWS programme. According to the company, demand for funds has remained good, although there have been postponements in allocations. The exit of JAY Solutions will support the margin development for Services and we view its EUR 8m (excluding earn-outs) sale price as good. CapMan announced that the current CEO Joakin Frimodig has been proposed to become Chair of the Board, while the current managing director of CapMan Buyout, Pia Kåll, will take the CEO helm on 15 March. We expect this to boost M&A activity.

Minor underlying estimate revisions

We exclude JAY Solutions from our estimates (divested on 1 February) and slightly raise our management fee estimates owing to higher service fees. We also take a slightly more positive view of carry for 2023E-24E.

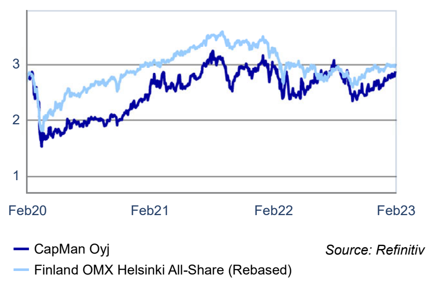
Fair value range of EUR 3.0-3.6

We derive an SOTP-based fair value range of EUR 3.0-3.6. We use 12-14x EV/EBIT for 2024E operating EBIT (excluding carry forwards), 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 we believe fee-based income should continue to develop favourably.

KEY DATA

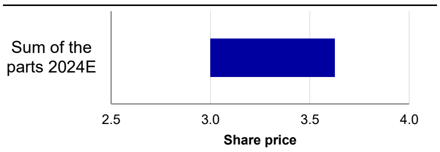
Stock country	Finland
Bloomberg	CAPMAN FH
Reuters	CAPMAN.HE
Share price (close)	EUR 2.89
Free Float	75%
Market cap. (bn)	EUR 0.45/EUR 0.45
Website	www.capman.com
Next report date	28 Apr 2023

PERFORMANCE



Source: Refinitiv

VALUATION APPROACH (EUR/SHARE)



Source: Nordea estimates

ESTIMATE CHANGES

Year	2023E	2024E	2025E
Sales	-1%	-1%	-3%
EBIT (adj)	0%	0%	-2%
EPS (adj.)	2%	2%	-1%

Source: Nordea estimates

Nordea IB & Equity - Analysts
Joni Sandvall
Analyst

Svante Krokfors
Director

SUMMARY TABLE - KEY FIGURES

EURm	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
Total revenue	34.8	36.0	49.0	43.0	52.8	67.5	78.2	78.1	77.0
EBIT (adj)	19.5	12.0	25.1	12.3	44.6	55.7	41.7	46.3	45.3
EBIT (adj) margin	55.9%	33.2%	51.1%	28.7%	84.6%	82.5%	53.4%	59.2%	58.8%
EPS (adj), EUR	0.10	0.05	0.12	0.03	0.22	0.27	0.20	0.22	0.22
EPS (adj) growth	-35.8%	-49.7%	127.1%	-72.2%	564.4%	22.6%	-27.0%	12.3%	-2.1%
DPS (ord), EUR	0.11	0.12	0.13	0.14	0.15	0.17	0.18	0.19	0.20
EV/Sales	8.1	6.2	7.7	9.0	9.4	6.9	5.7	5.3	4.9
EV/EBIT (adj)	14.5	18.6	15.0	31.3	11.1	8.3	10.7	8.9	8.3
P/E (adj)	17.0	28.2	19.8	70.2	13.8	10.1	14.5	12.9	13.2
P/BV	2.2	1.9	2.8	3.2	3.7	3.0	3.1	2.9	2.8
Dividend yield (ord)	6.2%	8.2%	5.5%	6.0%	4.9%	6.3%	6.3%	6.7%	7.0%
Net debt	25	5	16	25	18	37	25	19	15
Net debt/EBITDA	1.2	0.4	0.8	2.7	1.5	1.8	0.7	0.4	0.3

Source: Company data and Nordea estimates

Q4 results and revisions

Writedown burdens Q4 EBIT – DPS higher than expected

CapMan reported Q4 EBIT of 7.5m, 26% below Refinitiv consensus. However, the deviation is fully explained by a EUR 2.6m writedown related to the sale of JAY Solutions.

Investment business EBIT was EUR 3.7m (fair value changes of EUR +4.1m) in Q4, above our estimate of EUR 2.7m (fair value changes of EUR +3.2m). Management company EBIT of EUR 7.6m came in 36% above our estimate, driven by EUR 4.1m in carried interest booking (we expected EUR 2m). When excluding carry-over, management fees came in 10% above our estimate, while EBIT was 3% below.

Service Business EBIT of EUR -1.9m was clearly below our estimate, burdened by a EUR 2.6m writedown related to the sale of JAY Solutions. CapMan sold JAY Solutions on 1 February with EUR 8.5m debt and cash free total consideration (including a EUR 0.5m earn-out).

AuM increased to EUR 5.0bn (EUR 4.9bn in Q3 and up 3% y/y) and the company expects growth to continue in 2023. CapMan has around 30% of capital raised waiting to be deployed, which could open attractive capital allocation opportunities. The company has multiple funds close to carry and expects some of these to enter carry in the next 12 months.

The dividend proposal of EUR 0.17 came in ahead of our expectation and consensus, and is to be paid in two instalments.

In addition, the company announced that the current CEO, Joakim Frimodig, is set to become full-time Chairman of the Board and current managing partner of CapMan Buyout, Pia Kåll, will take the helm on 15 March. We believe the change relates partly to CapMan's new strategy, where M&A is one of the clear objectives in order to increase the scale of the business.

Q3 RESULTS VERSUS EXPECTATIONS

EURm	Actual Q4/22	NDA est. Q4 2022E	Deviation vs. actual		Consensus Q4 2022E	Deviation vs. actual		Actual Q3 2022	q/q	Actual Q4 2021	y/y
Sales	**19.7**	**17.2**	**2.6**	**15%**	**19.1**	**0.7**	**3%**	**15.9**	**24%**	**14.7**	**34%**
Adj. EBIT	**10.1**	**8.3**	**1.7**	**21%**	**10.1**	**0.0**	**0%**	**12.7**	**-21%**	**12.2**	**-18%**
Adj. EBIT margin	51.0%	48.6%		2.4pp	52.9%		-2.0pp	79.7%	-29pp	83.2%	-32.2pp
EPS, EUR	**0.028**	**0.033**	**-0.01**	**-15%**	**0.048**	**-0.02**	-41%	**0.068**	-59%	**0.058**	-51%
DPS	**0.17**	**0.16**	**0.01**	**6%**	**0.16**	**0.01**	6%			**0.150**	13%
Sales											
Management company business	17.1	13.8	3.3	24%				12.6	36%	11.8	45%
- excluding carried interest	12.9	11.8	1.2	10%				11.6	12%	11.5	13%
- carried interest	4.1	2.0	2.1	105%				1.0	302%	0.3	1169%
Services	2.4	3.1	-0.7	-24%				3.1	-24%	2.4	-3%
Other	0.3	0.3	0.0	-3%				0.2	51%	0.5	-36%
Adj. EBIT											
Management company business	7.6	5.6	2.0	36%				4.2	79%	3.2	136%
- excluding carried interest	3.5	3.6	-0.1	-3%				3.2	7%	2.9	20%
- carried interest	4.1	2.0	2.1	105%				1.0	302%	0.3	1169%
Services	0.7	1.4	-0.7	-50%				1.8	-60%	1.2	-38%
Fair value changes, Investments	3.7	2.7	0.9	35%				7.9	-54%	9.6	-62%
Other	-1.9	-1.4	-0.5	35%				-1.3	42%	-1.7	12%

Source: Company data, Refinitiv and Nordea estimates

Estimate revisions

We remove JAY Solutions from our estimates, while we take a slightly more positive view on the management company top line. At the group level, we lower our top-line estimate by 1-3% for 2023E-25E, keep 2023E-24E adjusted EBIT intact and lower 2025E adjusted EBIT by 2%. We forecast a EUR 0.01 annual dividend per share increase (EUR 0.17 from 2022).

ESTIMATE REVISIONS FOLLOWING THE Q4 REPORT

	New estimates				Old estimates				Difference, %			
EURm	**Q1 2023E**	**2023E**	**2024E**	**2025E**	**Q1 2023E**	**2023E**	**2024E**	**2025E**	**Q1 2023E**	**2023E**	**2024E**	**2025E**
Sales	**18.8**	**78.2**	**78.1**	**77.0**	**n.a.**	**78.8**	**79.0**	**79.2**	**n.a.**	**-1%**	**-1%**	**-3%**
Adj. EBIT	**10.4**	**41.7**	**46.3**	**45.3**	**n.a.**	**41.5**	**46.2**	**46.2**	**n.a.**	**0%**	**0%**	**-2%**
Adj. EBIT margin	55.0%	53.4%	59.2%	58.8%	n.a.	52.7%	58.5%	58.4%	n.a.	0.7pp	0.7pp	0.5pp
Adj. EPS (EUR)	**0.05**	**0.20**	**0.22**	**0.22**	**n.a.**	**0.19**	**0.22**	**0.22**	**n.a.**	**2%**	**2%**	**-1%**
Net sales by segment												
Management company	16.7	67.7	66.6	64.4	n.a.	65.4	64.3	63.0	n.a.	3%	4%	2%
- excluding carried interest	12.7	52.2	56.1	59.4	n.a.	50.9	54.8	58.0	n.a.	2%	2%	2%
- carried interest	4.0	15.5	10.5	5.0	n.a.	14.5	9.5	5.0	n.a.	7%	11%	0%
Services business	2.1	9.9	10.9	12.0	n.a.	12.8	14.1	15.5	n.a.	-22%	-22%	-22%
Other	0.0	0.6	0.6	0.6	n.a.	0.6	0.6	0.7	n.a.	-2%	-2%	-2%
Adj. EBIT by segment												
Management company	8.5	33.5	31.8	28.3	n.a.	32.5	30.7	28.0	n.a.	3%	3%	1%
- excluding carried interest	4.5	18.0	21.3	23.3	n.a.	18.0	21.2	23.0	n.a.	0%	0%	1%
- carried interest	4.0	15.5	10.5	5.0	n.a.	14.5	9.5	5.0	n.a.	7%	11%	0%
Services business	1.3	6.7	7.6	8.6	n.a.	7.0	7.9	9.1	n.a.	-4%	-4%	-5%
Investments	1.9	7.6	14.0	15.7	n.a.	7.7	14.1	15.9	n.a.	0%	-1%	-1%
Other	-1.5	-6.1	-7.1	-7.3	n.a.	-5.7	-6.6	-6.8	n.a.	7%	8%	8%

Source: Nordea estimates

Valuation

Using a sum-of-the-parts valuation, we derive a fair value range of EUR 3.0-3.6 per share.

SOTP valuation of EUR 3.0-3.6 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 2024E carry valuation and 12-14x EV/EBIT to value the Services business. From this, we derive a fair value range of EUR 3.0-3.6 per CapMan share. We use CapMan's book value as a proxy for the investment fair value, deduct 2023E net debt and add 2022 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	66.6	31.8	EV/EBIT 9.4x - 11.4x	298 - 361
excluding carried interest	56.1	21.3	EV/EBIT 12x - 14x	256 - 298
carried interest	10.5	10.5	EV/EBIT 4x - 6x	42 - 63
Services business	10.9	7.6	EV/EBIT 12x - 14x	91 - 106
Investment business	-	14.0	Book value Dec 2022	152 - 186
Other	0.6	-7.1	EV/EBIT 10x - 12x	-71 to -85
Total	**78.1**	**46.3**		**470 - 568**
Net debt 2023E				-25
2022 dividends				27
Equity value				471 - 570
Number of shares (m)				157.1
Equity per share, EUR				**3 - 3.6**

Source: Company data and Nordea estimates

DCF valuation suggests EUR 3.2-3.9 per share

In our DCF model, we assume a sales CAGR of 3% for 2023-28, 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 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	540-652	3.4-4.2
(Net debt)	-37	-0.2
Time value	4	0.0
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	**505-617**	**3.2-3.9**

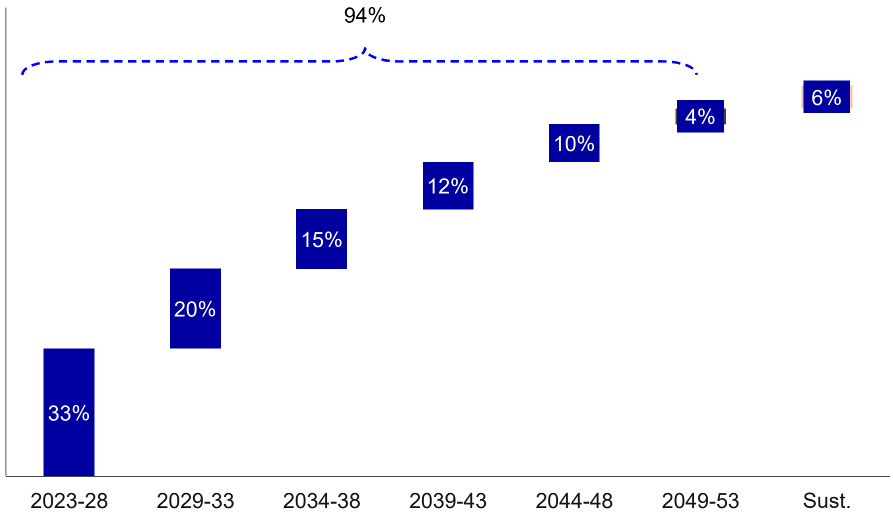
Source: Nordea estimates

DCF ASSUMPTIONS

Averages and assumptions	2023-28	2029-33	2034-38	2039-43	2044-48	2049-53	Sust.
Sales growth, CAGR	3.0%	2.5%	2.5%	2.5%	2.5%	2.5%	
EBIT-margin, excluding associates	58.2%	50.0%	50.0%	50.0%	50.0%	9.7%	
Capex/depreciation, x	1.3	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	2%	2%	2%	2%	2%	2%	
FCFF, CAGR	0.6%	-0.1%	2.5%	2.5%	2.5%	-29.1%	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 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	**2018**	**2019**	**2020**	**2021**	**2022E**	**2023E**	**2024E**	**2025E**
Management Company business	24.2	32.8	30.9	43.6	55.9	67.7	66.6	64.4
-Management fees	22.1	24.7	28.9	36.6	38.8	44.4	47.9	50.8
-Service fees	1.1	1.2	1.2	4.2	7.4	7.8	8.2	8.6
-Carried interest	1.0	6.9	0.9	2.9	9.6	15.5	10.5	5.0
Service business	8.7	15.7	11.4	8.6	11.1	9.9	10.9	12.0
Other	0.6	0.5	0.7	0.5	0.6	0.6	0.6	0.6
Group	**36.0**	**49.0**	**43.0**	**52.8**	**67.5**	**78.2**	**78.1**	**77.0**
Sales growth								
Management Company business	-4%	35%	-6%	41%	28%	21%	-2%	-3%
Service business	56%	81%	-28%	-24%	29%	-11%	10%	10%
Group	**3%**	**36%**	**-12%**	**23%**	**28%**	**16%**	**0%**	**-1%**
Adj. EBIT								
Management Company business	2.8	10.2	9.1	13.2	22.3	33.5	31.8	28.3
-Without carried interest	1.8	3.3	8.2	10.3	12.7	18.0	21.3	23.3
Service business	4.4	9.1	4.9	4.2	3.0	6.7	7.6	8.6
Investment business	6.5	10.2	4.0	32.7	35.7	7.6	14.0	15.7
Other	-1.7	-5.9	-5.7	-5.4	-7.9	-6.1	-7.1	-7.3
Group	**12.0**	**25.1**	**12.3**	**44.6**	**55.7**	**41.7**	**46.3**	**45.3**
-Without fair value changes	6.9	12.8	7.9	10.7	19.2	33.3	31.4	28.7
-Without FV changes and carried interest	5.8	5.9	7.1	7.9	9.5	17.8	20.9	23.7
Adj. EBIT growth								
Management Company business	6%	260%	-11%	45%	69%	50%	-5%	-11%
Service business	94%	109%	-46%	-15%	-28%	122%	13%	13%
Investment business	-63%	58%	n.a.	n.a.	9%	-79%	83%	12%
Group	**-39%**	**110%**	**-51%**	**262%**	**25%**	**-25%**	**11%**	**-2%**
Adj. EBIT margin								
Management Company business	12%	31%	29%	30%	40%	49%	48%	44%
-without carried interest	8%	10%	27%	24%	23%	27%	32%	36%
Service business	50%	58%	43%	48%	27%	67%	69%	72%
Management fee and service fee together	20%	31%	33%	32%	31%	45%	49%	51%
Group	**33%**	**51%**	**29%**	**85%**	**82%**	**53%**	**59%**	**59%**
Investment business								
Invested capital	126.6	129.4	116.6	130.4	169.5	165.0	165.8	167.4
Fair value changes	5.1	12.2	4.4	33.9	36.5	8.5	14.8	16.6
-Return on invested capital	4%	9%	4%	28%	22%	5%	9%	10%
Expenses	-1.2	-2.0	-0.4	-1.2	-0.8	-0.8	-0.8	-0.9
EBIT	**6.5**	**10.2**	**4.0**	**32.7**	**35.7**	**7.6**	**14.0**	**15.7**
Capital under management (EURbn)	**3.0**	**3.2**	**3.8**	**4.5**	**5.0**	**5.5**	**5.8**	**6.0**
-growth y/y	9%	7%	18%	18%	12%	10%	5%	3%

Source: Company data and Nordea estimates

Reported numbers and forecasts

ANNUAL ESTIMATES

EURm	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
Management fees	28.7	27.4	26.6	19.6	22.1	24.7	28.9	36.6	38.8	44.4	47.9	50.8
Carried interest	10.8	4.4	0.0	4.4	1.0	6.9	0.9	2.9	9.6	15.5	10.5	5.0
Sale of services	0.0	0.0	0.0	7.1	10.3	17.4	13.3	13.3	19.1	18.3	19.7	21.2
Dividend & interest income	0.0	0.0	0.0	3.7	2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net sales	**39.5**	**31.8**	**26.7**	**34.8**	**36.0**	**49.0**	**43.0**	**52.8**	**67.5**	**78.2**	**78.1**	**77.0**
sales growth %	33%	-20%	-16%	31%	3%	36%	-12%	23%	28%	16%	0%	-1%
Other operating income	0.0	0.3	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Personnel expenses	-17.8	-17.1	-18.3	-21.4	-19.9	-24.2	-23.9	-30.6	-34.6	-31.9	-33.1	-34.2
Depreciation and amortisation	-0.4	-0.3	-0.3	-1.7	-0.2	-1.4	-1.5	-1.5	-4.2	-1.5	-1.6	-1.6
Other operating expenses	-12.0	-10.6	-12.2	-9.9	-9.1	-12.1	-9.7	-10.0	-12.2	-11.5	-12.0	-12.5
Fair value changes	-3.1	5.2	22.6	17.6	5.1	12.2	4.4	33.9	36.5	8.5	14.8	16.6
EBIT	**6.4**	**9.3**	**18.7**	**19.5**	**12.0**	**19.4**	**12.3**	**44.6**	**53.1**	**41.7**	**46.3**	**45.3**
margin %	16%	29%	70%	56%	33%	40%	29%	85%	79%	53%	59%	59%
Net financials	-1.4	-2.9	-3.1	-3.2	-2.7	-1.8	-3.1	-4.0	-5.5	-4.2	-4.1	-4.0
Income using the equity method*	0.0	0.1	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profit before taxes	4.9	6.4	15.5	16.2	9.3	17.6	9.2	40.6	47.6	37.6	42.2	41.3
Income taxes	-1.0	-0.4	-0.2	-0.8	-0.8	-1.7	-2.9	-5.2	-6.6	-6.8	-7.6	-7.4
Profit for the period	4.0	6.1	15.3	15.5	8.5	15.9	6.3	35.4	41.0	30.8	34.6	33.9
EPS, EUR	**0.03**	**0.06**	**0.16**	**0.10**	**0.06**	**0.09**	**0.03**	**0.22**	**0.25**	**0.20**	**0.22**	**0.22**

Source: Company data and Nordea estimates

INTERIM ESTIMATES

EURm	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23E	Q2/23E	Q3/23E	Q4/23E
Management fees	9.3	9.2	9.9	10.4	10.8	11.1	11.4	11.1
Carried interest	1.3	3.2	1.0	4.1	4.0	4.0	4.0	3.5
Sale of services	3.6	5.4	4.9	5.2	4.0	4.5	4.5	5.2
Dividend & interest income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net sales	**14.2**	**17.7**	**15.9**	**19.7**	**18.8**	**19.7**	**19.8**	**19.8**
sales growth %	26%	49%	7%	34%	32%	11%	25%	0%
Other operating income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Personnel expenses	-7.2	-10.0	-7.7	-9.7	-7.5	-7.6	-7.4	-9.4
Depreciation and amortisation	-0.4	-0.4	-0.4	-3.0	-0.4	-0.4	-0.4	-0.4
Other operating expenses	-2.4	-2.9	-3.2	-3.7	-2.7	-2.7	-2.7	-3.3
Fair value changes	14.7	9.8	8.0	4.1	2.1	2.1	2.1	2.1
EBIT	**18.9**	**14.1**	**12.7**	**7.5**	**10.4**	**11.1**	**11.5**	**8.8**
margin %	133%	80%	80%	38%	55%	56%	58%	44%
Net financials	-2.6	-1.1	-0.5	-1.3	-1.0	-1.0	-1.0	-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	16.3	13.0	12.2	6.1	9.4	10.2	10.5	7.5
Income taxes	-2.9	-1.2	-1.4	-1.1	-1.7	-1.8	-1.9	-1.3
Profit for the period	13.3	11.8	10.7	5.1	7.7	8.3	8.6	6.1
EPS, EUR	**0.09**	**0.08**	**0.07**	**0.03**	**0.05**	**0.05**	**0.06**	**0.04**

Source: Company data and Nordea estimates

BALANCE SHEET

EURm	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
Intangible assets	6.5	4.8	4.8	16.1	16.0	15.8	8.0	1.0	1.0	1.0
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	0.3	0.2	0.1	0.8	0.7	0.5	0.1	0.1	0.1	0.1
of which goodwill	6.2	4.5	4.7	15.3	15.3	15.3	7.9	0.9	0.9	0.9
Tangible assets	0.2	0.3	0.3	2.5	1.7	0.8	2.6	7.1	7.6	8.1
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	0.3	0.3	2.5	1.7	0.8	2.6	7.1	7.6	8.1
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	0.0	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	0.0	0.2	0.0	0.0	0.0	0.0	0.0
Deferred tax assets	4.9	1.8	2.0	3.7	2.4	1.8	1.8	1.8	1.8	1.8
Other non-interest bearing assets	51.4	58.3	80.6	118.6	116.1	130.0	169.1	169.1	169.1	169.1
Other non-current assets	48.6	37.0	12.1	9.4	9.1	10.5	6.0	6.0	6.0	6.0
Total non-current assets	**111.6**	**102.1**	**99.8**	**150.4**	**145.5**	**158.8**	**187.4**	**184.9**	**185.4**	**185.9**
Inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	9.8	8.7	12.6	10.8	14.0	15.2	20.7	22.4	21.6	20.6
Other current assets	86.2	77.1	39.0	10.8	0.3	0.0	0.1	0.1	0.1	0.1
Cash and bank	45.0	23.3	54.5	43.7	58.0	65.2	55.6	67.7	73.5	77.6
Total current assets	**141.1**	**109.2**	**106.2**	**66.2**	**73.3**	**81.4**	**77.4**	**91.2**	**96.3**	**99.3**
Assets held for sale	0.0	0.0	0.0	0.0	0.0	0.0	5.8	0.0	0.0	0.0
Total assets	**252.7**	**211.3**	**206.0**	**216.5**	**218.8**	**240.3**	**270.5**	**276.1**	**281.7**	**285.2**
Shareholder equity	143.0	126.7	120.5	127.4	112.5	125.8	140.1	144.2	150.5	155.0
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	0.0	0.4	2.1	0.7	1.6	2.1	2.1	2.1	2.1
Total Equity	**143.0**	**126.7**	**121.0**	**129.5**	**113.3**	**127.4**	**142.1**	**146.3**	**152.6**	**157.1**
Deferred tax	9.9	8.6	3.3	2.2	2.7	4.6	8.4	8.4	8.4	8.4
Long term interest bearing debt	48.1	45.2	49.7	59.1	82.6	82.0	91.9	91.9	91.9	91.9
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	0.1	0.2	0.2	6.9	7.6	7.3	7.3	7.3	7.3
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	**58.1**	**53.9**	**53.2**	**61.4**	**92.3**	**94.2**	**107.6**	**107.6**	**107.6**	**107.7**
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	33.3	26.8	16.8	20.2	11.1	16.7	18.4	20.6	19.8	18.7
Other current liabilities	0.3	0.8	5.1	4.5	1.3	1.0	0.5	0.6	0.6	0.5
Short term interest bearing debt	18.0	3.0	10.0	0.5	0.4	0.5	0.6	0.6	0.6	0.6
Total current liabilities	**51.7**	**30.7**	**31.9**	**25.6**	**13.3**	**18.7**	**20.0**	**22.3**	**21.5**	**20.4**
Liabilities for assets held for sale	0.0	0.0	0.0	0.0	0.0	0.0	0.7	0.0	0.0	0.0
Total liabilities and equity	**252.7**	**211.3**	**206.0**	**216.5**	**218.8**	**240.3**	**270.5**	**276.1**	**281.7**	**285.2**

Source: Company data and Nordea estimates

CASH FLOW STATEMENT

EURm	2016	2017	2018	2019	2020	2021	2022	2023E	2024E	2025E
EBITDA (excludes fair value changes)	**-3.7**	**3.6**	**7.0**	**8.5**	**9.4**	**12.2**	**20.7**	**34.8**	**47.8**	**46.9**
Paid taxes	-0.3	-1.6	-3.1	-4.6	-4.3	-2.6	-3.1	-6.8	-7.6	-7.4
Net financials	-4.2	-3.9	-2.4	-2.6	-3.2	-4.0	-4.0	-4.2	-4.1	-4.0
Other adjustments to reconcile cash flow	0.4	0.0	0.7	0.8	0.0	0.0	0.0	0.0	0.0	0.0
Funds from operations (FFO)	**-7.8**	**-1.8**	**2.2**	**2.1**	**2.0**	**5.7**	**13.6**	**23.9**	**36.2**	**35.5**
Change in NWC	4.6	-1.8	-6.9	-2.5	-15.7	4.5	-10.3	0.5	0.0	0.0
Cash flow from operations (CFO)	**-3.1**	**-3.6**	**-4.7**	**-0.4**	**-13.8**	**10.2**	**3.4**	**24.4**	**36.2**	**35.5**
Capital Expenditure	0.0	-0.3	-0.1	-0.6	-0.4	-0.1	-0.3	-1.0	-1.0	-1.0
Free Cash Flow before A&D	**-3.1**	**-3.9**	**-4.8**	**-0.9**	**-14.1**	**10.1**	**3.0**	**23.4**	**35.2**	**34.5**
Acquisitions and disposals (mainly exits from investments)	37.3	34.0	39.7	17.5	4.4	33.9	36.5	8.5	0.0	0.0
Free cash flow	**34.2**	**30.1**	**34.9**	**16.5**	**5.6**	**30.2**	**8.5**	**39.8**	**35.2**	**35.0**
Dividend paid	-6.0	-13.0	-16.1	-19.0	-21.9	-22.2	-25.1	-26.7	-28.3	-29.8

Source: Company data and Nordea estimates

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