

CapMan

Investment Companies
Finland

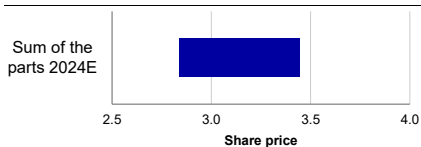
KEY DATA

Stock country	Finland
Bloomberg	CAPMAN.FH
Reuters	CAPMAN.HE
Share price (close)	EUR 2.59
Free Float	75%
Market cap. (bn)	EUR 0.41/EUR 0.41
Website	www.capman.com
Next report date	03 Aug 2023

PERFORMANCE



VALUATION APPROACH (EUR/SHARE)



ESTIMATE CHANGES

Year	2023E	2024E	2025E
Sales	-4%	1%	2%
EBIT (adj)	-29%	-4%	-5%
EPS (adj.)	-31%	-4%	-5%

Source: Nordea estimates

Temporary hiccup

CapMan's Q1 EBIT came in well below Refinitiv consensus expectations due to fair value changes, driven by FX, and the lack of carried interest. Given the weakening of the USD, we see a possibility for further negative fair value changes. The Service business performed better than we expected. Management fees continued to grow well and the company was able to increase AuM slightly despite the volatile market environment. Owing to slower fundraising, closing of Infra II has been postponed to Q3 and first closing of Social Real Estate to H2. We derive a SOTP-based fair value range of EUR 2.8-3.4 (3.0-3.6).

Q1 was burdened by fair value changes and carry

CapMan reported Q1 EBIT of EUR 0.5m, compared to Refinitiv consensus of EUR 11m. The company did not book any carry, whereas we had anticipated EUR 4m. In addition, fair value changes were EUR -2.4m (we had expected EUR 2.1m), driven by a negative USD impact of EUR -4.6m in external funds. Hence, own funds continued to show positive fair value changes, which is encouraging given the challenging market conditions. Importantly, the Management Company business fees were EUR 12.5m, 2% below our estimate and up 20% y/y. Management Company EBIT was 30% below our estimate, mainly due to higher personnel costs, as the company has increased its workforce and variable remuneration was higher than last year. We believe the company can scale up its business with existing personnel. Although CapMan has extended fundraising in Infra II, AuM increased slightly in Q1. However, the pace has cooled down and we expect the situation to have continued after Q1.

Higher cost base visible in estimate revisions

For 2023E, we cut EBIT by 29%, due to the Q1 miss, the expected negative impact from the USD in Q2 and higher operating expenses. For 2024E-25E, we trim EBIT by 4-5% owing to the higher cost base, driven by the Management Company business. We raise our estimates for Services, although this is not enough to offset our negative revisions for the Management Company.

Fair value range of EUR 2.8-3.4

We derive a SOTP-based fair value range of EUR 2.8-3.4 (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 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.

Nordea IB & Equity - Analysts

Joni Sandvall
AnalystSvante 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	75.1	79.2	78.2
EBIT (adj)	19.5	12.0	25.1	12.3	44.6	55.7	29.5	44.3	43.2
EBIT (adj) margin	55.9%	33.2%	51.1%	28.7%	84.6%	82.5%	39.3%	55.9%	55.3%
EPS (adj), EUR	0.10	0.05	0.12	0.03	0.22	0.27	0.13	0.21	0.21
EPS (adj) growth	-35.8%	-49.7%	127.1%	-72.2%	564.4%	22.6%	-49.9%	56.5%	-2.5%
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	5.6	4.9	4.5
EV/EBIT (adj)	14.5	18.6	15.0	31.3	11.1	8.3	14.2	8.7	8.1
P/E (adj)	17.0	28.2	19.8	70.2	13.8	10.1	19.2	12.3	12.6
P/BV	2.2	1.9	2.8	3.2	3.7	3.0	3.0	2.9	2.8
Dividend yield (ord)	6.2%	8.2%	5.5%	6.0%	4.9%	6.3%	6.9%	7.3%	7.7%
Net debt	25	5	16	25	18	37	35	30	28
Net debt/EBITDA	1.2	0.4	0.8	2.7	1.5	1.8	1.2	0.7	0.6

Source: Company data and Nordea estimates

Q1 results and revisions

FX on fair value and carry take their toll

Soft Q1 driven by carry and fair value changes

CapMan reported Q1 EBIT of EUR 0.5m, notably below Refinitiv consensus. The deviation is partly explained by FX impacts on fair value changes and carry, although we also note the strained profitability of its Management Company unit.

Investment's EBIT was EUR -2.5m (fair value changes EUR -2.4m) in Q1 and came in well below our estimate of EUR 1.9m (EUR +2.1m fair value changes).

Management Company EBIT of EUR 3.2m came 63% below our forecast, partly explained by EUR 0m in booked carry (we had modelled EUR 4m). When excluding carry, management fees came in 2% below our estimate, while EBIT was 30% lower than our forecast.

Service Business EBIT of EUR 1.5m was above our estimate of EUR 1.3m.

AuM increased slightly to EUR 5.1bn (EUR 5.0bn in Q4 and flat y/y), and the company expects AuM growth to continue in 2023. CapMan raised EUR 110m in new capital during Q1 and notes that it has significant amounts of dry powder (we estimate around 30% of capital raised).

The company has multiple funds close to carry and several exit processes in funds that would generate carry were they to be realised.

Q1 RESULTS VERSUS EXPECTATIONS

EURm	Actual	NDA est.	Deviation		Consensus	Deviation		Actual	Actual		
	Q1/22	Q1 2023E	vs. actual	vs. actual	Q1 2023E	vs. actual	Q4 2022	q/q	Q1 2022	y/y	
Sales	15.1	18.8	-3.7	-20%	17.0	-1.9	-11%	19.7	-23%	14.2	6%
Adj. EBIT	0.5	10.4	-9.8	-95%	11.0	-10.5	-95%	10.1	-95%	18.9	-97%
Adj. EBIT margin	3.5%	55.0%	-51.5pp		64.7%	-61.2pp		51.0%	-47pp	132.7%	-129pp
EPS, EUR	0.002	0.049	-0.05	-96%	0.055	-0.05	-96%	0.03	-94%	0.09	-98%
Sales											
Management company business	12.5	16.7	-4.2	-25%				17.1	-27%	11.7	7%
- excluding carried interest	12.5	12.7	-0.2	-2%				12.9	-4%	10.4	20%
- carried interest	0.0	4.0	-4.0	-101%				4.1	-101%	1.3	-102%
Services	2.6	2.1	0.5	24%				2.4	11%	2.5	4%
Other	0.0	0.0	0.0	227%				0.3	-93%	0.0	243%
Adj. EBIT											
Management company business	3.2	8.5	-5.4	-63%				7.6	-58%	4.4	-28%
- excluding carried interest	3.2	4.5	-1.4	-30%				3.5	-8%	3.1	3%
- carried interest	0.0	4.0	-4.0	-101%				5.2	-101%	1.3	-102%
Services	1.5	1.3	0.1	11%				-1.9	-179%	1.4	7%
Fair value changes, Investments	-2.5	1.9	-4.5	-231%				3.7	-169%	14.5	-118%
Other	-1.6	-1.5	-0.1	8%				-1.9	-18%	-1.4	13%

Source: Company data, Refinitiv and Nordea estimates

Estimate revisions

Lowering 2024E-25E EBIT by 4-5%

We reduce 2023E EBIT by 29%, driven mainly by the Q1 miss and expected USD headwinds on Q2 fair value changes. We expect own operations' fair value changes to remain positive, while forecasting around EUR 2m negative fair value changes from external funds. We take a slightly more cautious view on fund raising owing to market volatility, and raise operating expenses for Management Company. For Service Business, we hike our top-line forecasts decidedly, while revisions to EBIT are more muted owing to higher cost assumptions. On group level, we lower 2024E-25E EBIT by 4-5% with intact carry estimates.

ESTIMATE REVISIONS FOLLOWING THE Q1 REPORT

EURm	New estimates				Old estimates				Difference, %			
	Q2 2023E	2023E	2024E	2025E	Q2 2023E	2023E	2024E	2025E	Q2 2023E	2023E	2024E	2025E
Sales	19.7	75.1	79.2	78.2	19.7	78.2	78.1	77.0	0%	-4%	1%	2%
Adj. EBIT	8.2	29.5	44.3	43.2	11.1	41.7	46.3	45.3	-26%	-29%	-4%	-5%
Adj. EBIT margin	41.5%	39.3%	55.9%	55.3%	56.5%	53.4%	59.2%	58.8%	-15.0pp	-14.1pp	-3.3pp	-3.6pp
Adj. EPS (EUR)	0.04	0.13	0.21	0.21	0.05	0.20	0.22	0.22	-29%	-31%	-4%	-5%
Net sales by segment												
Management company	17.0	63.3	66.3	64.0	17.1	67.7	66.6	64.4	-1%	-6%	-1%	-1%
- excluding carried interest	13.0	51.8	55.8	59.0	13.1	52.2	56.1	59.4	-1%	-1%	-1%	-1%
- carried interest	4.0	11.5	10.5	5.0	4.0	15.5	10.5	5.0	0%	-26%	0%	0%
Services business	2.8	11.2	12.3	13.5	2.6	9.9	10.9	12.0	8%	13%	13%	13%
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	8.3	28.4	30.8	27.3	8.8	33.5	31.8	28.3	-6%	-15%	-3%	-4%
- excluding carried interest	4.3	16.9	20.3	22.3	4.8	18.0	21.3	23.3	-11%	-6%	-4%	-4%
- carried interest	4.0	11.5	10.5	5.0	4.0	15.5	10.5	5.0	0%	-26%	0%	0%
Services business	1.6	6.8	7.7	8.8	1.7	6.7	7.6	8.6	-7%	1%	2%	2%
Investments	-0.1	1.0	13.4	15.0	2.0	7.6	14.0	15.7	-105%	-86%	-4%	-5%
Other	-1.6	-6.6	-7.7	-7.9	-1.4	-6.1	-7.1	-7.3	15%	9%	8%	8%

Source: Nordea estimates

Valuation

Using a sum-of-the-parts valuation, we derive a fair value range of EUR 2.8-3.4 per share.

SOTP valuation of EUR 2.8-3.4 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 2.8-3.4 per CapMan share. We use CapMan's book value as a proxy for the investment fair value, deduct 2023E net debt and add 2023 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	66.3	30.8	EV/EBIT 9.3x - 11.3x	286 - 348
excluding carried interest	55.8	20.3	EV/EBIT 12x - 14x	244 - 285
carried interest	10.5	10.5	EV/EBIT 4x - 6x	42 - 63
Services business	12.3	7.7	EV/EBIT 12x - 14x	92 - 108
Investment business	-	13.4	Book value March 2023	151 - 184
Other	0.6	-7.7	EV/EBIT 10x - 12x	-77 to -92
Total	79.2	44.3		453 - 548
Net debt 2023E				-35
2023 dividends				28
Equity value				446 - 541
Number of shares (m)				157.1
Equity per share, EUR				2.8 - 3.4

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 4.2% 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	527-639	3.3-4
(Net debt)	-37	-0.2
Time value	15	0.1
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	503-615	3.2-3.9

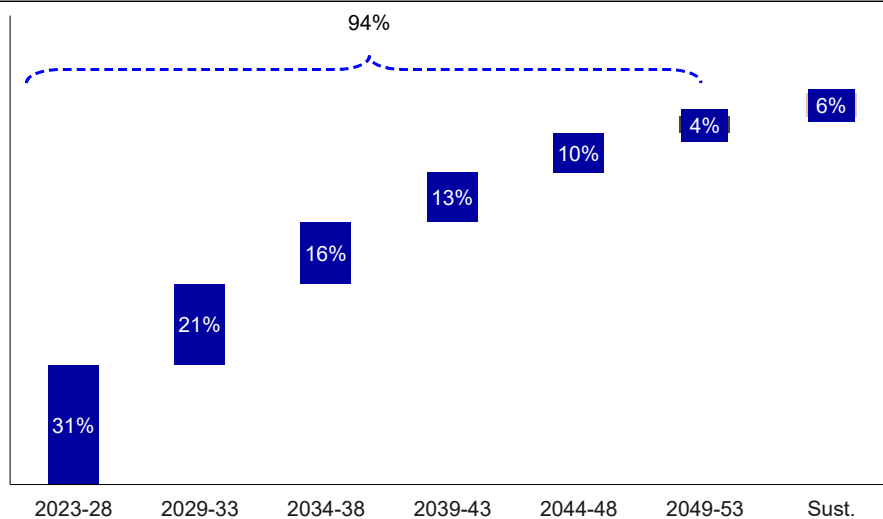
Source: Nordea estimates

DCF ASSUMPTIONS

Averages and assumptions	2023-28	2029-33	2034-38	2039-43	2044-48	2049-53	Sust.
Sales growth, CAGR	4.2%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
EBIT-margin, excluding associates	53.2%	50.0%	50.0%	50.0%	50.0%	50.0%	9.5%
Capex/depreciation, x	1.3	1.0	1.0	1.0	1.0	1.0	1.0
Capex/sales	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
NWC/sales	2%	2%	2%	2%	2%	2%	2%
FCFF, CAGR	5.3%	1.1%	2.5%	2.5%	2.5%	-29.4%	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	63.3	66.3	64.0
-Management fees	22.1	24.7	28.9	36.6	38.8	44.1	47.7	50.5
-Service fees	1.1	1.2	1.2	4.2	7.4	7.7	8.1	8.5
-Carried interest	1.0	6.9	0.9	2.9	9.6	11.5	10.5	5.0
Service business	8.7	15.7	11.4	8.6	11.1	11.2	12.3	13.5
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	75.1	79.2	78.2
Sales growth								
Management Company business	-4%	35%	-6%	41%	28%	13%	5%	-3%
Service business	56%	81%	-28%	-24%	29%	1%	10%	10%
Group	3%	36%	-12%	23%	28%	11%	5%	-1%
Adj. EBIT								
Management Company business	2.8	10.2	9.1	13.2	22.3	28.4	30.8	27.3
-Without carried interest	1.8	3.3	8.2	10.3	12.7	16.9	20.3	22.3
Service business	4.4	9.1	4.9	4.2	3.0	6.8	7.7	8.8
Investment business	6.5	10.2	4.0	32.7	35.7	1.0	13.4	15.0
Other	-1.7	-5.9	-5.7	-5.4	-7.9	-6.6	-7.7	-7.9
Group	12.0	25.1	12.3	44.6	55.7	29.5	44.3	43.2
-Without fair value changes	6.9	12.8	7.9	10.7	19.2	27.7	30.0	27.3
-Without FV changes and carried interest	5.8	5.9	7.1	7.9	9.5	16.2	19.5	22.3
Adj. EBIT growth								
Management Company business	6%	260%	-11%	45%	69%	27%	9%	-12%
Service business	94%	109%	-46%	-15%	-28%	125%	14%	14%
Investment business	-63%	58%	n.a.	n.a.	9%	-97%	1185%	12%
Group	-39%	110%	-51%	262%	25%	-47%	50%	-2%
Adj. EBIT margin								
Management Company business	12%	31%	29%	30%	40%	45%	47%	43%
-without carried interest	8%	10%	27%	24%	23%	27%	31%	35%
Service business	50%	58%	43%	48%	27%	61%	63%	65%
Management fee and service fee together	20%	31%	33%	32%	31%	43%	47%	49%
Group	33%	51%	29%	85%	82%	39%	56%	55%
Investment business								
Invested capital	126.6	129.4	116.6	130.4	169.5	158.4	158.6	159.5
Fair value changes	5.1	12.2	4.4	33.9	36.5	1.9	14.3	15.9
-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	1.0	13.4	15.0
Capital under management (EURbn)								
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%	8%	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	44.1	47.7	50.5
Carried interest	10.8	4.4	0.0	4.4	1.0	6.9	0.9	2.9	9.6	11.5	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	19.5	21.0	22.7
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	75.1	79.2	78.2
sales growth %	33%	-20%	-16%	31%	3%	36%	-12%	23%	28%	11%	5%	-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	-33.2	-34.3	-35.4
Depreciation and amortisation	-0.4	-0.3	-0.3	-1.7	-0.2	-1.4	-1.5	-1.5	-4.2	-1.5	-1.5	-1.6
Other operating expenses	-12.0	-10.6	-12.2	-9.9	-9.1	-12.1	-9.7	-10.0	-12.2	-12.7	-13.3	-13.9
Fair value changes	-3.1	5.2	22.6	17.6	5.1	12.2	4.4	33.9	36.5	1.9	14.3	15.9
EBIT	6.4	9.3	18.7	19.5	12.0	19.4	12.3	44.6	53.1	29.5	44.3	43.2
margin %	16%	29%	70%	56%	33%	40%	29%	85%	79%	39%	56%	55%
Net financials	-1.4	-2.9	-3.1	-3.2	-2.7	-1.8	-3.1	-4.0	-5.5	-3.6	-3.5	-3.4
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	26.0	40.8	39.8
Income taxes	-1.0	-0.4	-0.2	-0.8	-0.8	-1.7	-2.9	-5.2	-6.6	-4.7	-7.3	-7.2
Profit for the period	4.0	6.1	15.3	15.5	8.5	15.9	6.3	35.4	41.0	21.3	33.5	32.6
EPS, EUR	0.03	0.06	0.16	0.10	0.06	0.09	0.03	0.22	0.25	0.13	0.21	0.21

Source: Company data and Nordea estimates

INTERIM ESTIMATES

EURm	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23	Q2/23E	Q3/23E	Q4/23E
Management fees	9.3	9.2	9.9	10.4	10.8	11.0	11.1	11.3
Carried interest	1.3	3.2	1.0	4.1	0.0	4.0	4.0	3.5
Sale of services	3.6	5.4	4.9	5.2	4.4	4.7	4.6	5.7
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	15.1	19.7	19.7	20.5
sales growth %	26%	49%	7%	34%	6%	12%	24%	4%
Other operating income	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0
Personnel expenses	-7.2	-10.0	-7.7	-9.7	-8.9	-8.2	-7.7	-8.5
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	-2.9	-3.1	-3.0	-3.7
Fair value changes	14.7	9.8	8.0	4.1	-2.4	0.1	2.0	2.2
EBIT	18.9	14.1	12.7	7.5	0.5	8.2	10.7	10.2
margin %	133%	80%	80%	38%	3%	41%	54%	50%
Net financials	-2.6	-1.1	-0.5	-1.3	-0.5	-1.0	-1.0	-1.2
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	0.0	7.2	9.7	9.0
Income taxes	-2.9	-1.2	-1.4	-1.1	0.7	-1.3	-1.8	-2.4
Profit for the period	13.3	11.8	10.7	5.1	0.8	5.9	8.0	6.7
EPS, EUR	0.09	0.08	0.07	0.03	0.00	0.04	0.05	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	8.2
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	8.2
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	185.5	186.0
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	21.5	21.9	20.9
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	58.2	62.6	65.0
Total current assets	141.1	109.2	106.2	66.2	73.3	81.4	77.4	80.9	85.6	87.1
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	265.8	271.1	273.0
Shareholder equity	143.0	126.7	120.5	127.4	112.5	125.8	140.1	134.7	139.6	142.6
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	136.7	141.7	144.7
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	19.8	20.0	19.0
Other current liabilities	0.3	0.8	5.1	4.5	1.3	1.0	0.5	0.5	0.6	0.6
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	21.4	21.7	20.7
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	265.8	271.1	273.0

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	29.2	45.8	44.8
Paid taxes	-0.3	-1.6	-3.1	-4.6	-4.3	-2.6	-3.1	-4.7	-7.3	-7.2
Net financials	-4.2	-3.9	-2.4	-2.6	-3.2	-4.0	-4.0	-3.6	-3.5	-3.4
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	20.9	35.0	34.2
Change in NWC	4.6	-1.8	-6.9	-2.5	-15.7	4.5	-10.3	0.5	-0.1	0.0
Cash flow from operations (CFO)	-3.1	-3.6	-4.7	-0.4	-13.8	10.2	3.4	21.5	34.9	34.2
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	20.5	33.9	33.2
Acquisitions and disposals (mainly exits from investments)	37.3	34.0	39.7	17.5	4.4	33.9	36.5	1.9	0.0	0.0
Free cash flow	34.2	30.1	34.9	16.5	5.6	30.2	8.5	30.3	33.9	33.7
Dividend paid	-6.0	-13.0	-16.1	-19.0	-21.9	-22.2	-25.1	-26.7	-28.5	-30.2

Source: Company data and Nordea estimates

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