

## Strong year behind, more to come

CapMan is set to finish a year of solid performance. With the news on CapMan's NRE fund we have shifted our end of the year carry expectations to 2022 but our views on CapMan remain unchanged.

### CapMan's NRE fund set to enter carry early 2022

CapMan will report its Q4 results on February 3<sup>rd</sup>. We expect to see a steady q/q earnings trend and overall good finish to a year of solid performance. CapMan announced in early January that the CapMan Nordic Real Estate fund had made exits in several properties, with the fund set to start distributing carry after the completion of those transactions. After the transactions the fund will have four assets remaining in Denmark and Sweden. As such, we have shifted most of the carry we had estimated in Q4/21 to Q1/22. Apart from that, our estimates remain essentially intact. We expect an operating profit of EUR 10.7m. During 2021 CapMan has seen y/y comparable earnings improvement across the board, most notably within Investment services due to the weak comparison year. We expect a dividend proposal of EUR 0.15 per share (2020: EUR 0.14), for an implied dividend yield of 5.1%.

### Room for further earnings improvement in 2022

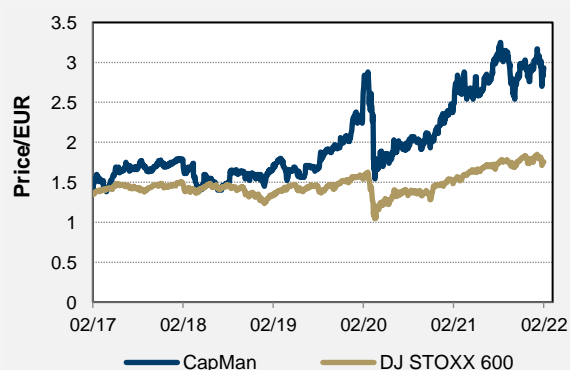
CapMan does not give a numeric guidance and we do not expect one to be given for 2022. We expect carried interest to be a key driver in further earnings improvement, with the NRE fund moving into carry. Growth in AUM is expected to contribute to continued growth in fee-based earnings, with several on-going and planned fundraising projects. Investment returns have been strong during 2021, and we remain more modest in our expectations for 2022.

### BUY with a target price of EUR 3.4

Apart from the shift in carried interest we have made no notable changes to our estimates ahead of the Q4 results. The recent market uncertainty potentially presents some headwind but at the same time the news on carried interest provides an additional confidence factor. We retain our BUY-rating and target price of EUR 3.4.

### Rating

BUY



Share price, EUR (Last trading day's closing price) 2.93

Target price, EUR 3.4

Latest change in recommendation 29-Apr-21

Latest report on company 28-Oct-21

Research paid by issuer: YES

No. of shares outstanding, '000's 156,617

No. of shares fully diluted, '000's 156,617

Market cap, EURm 459

Free float, % 64.0

Exchange rate EUR 1.000

Reuters code CAPMAN.HE

Bloomberg code CAPMAN FH

Average daily volume, EURm 0.25

Next interim report 03-Feb-22

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BUY HOLD SELL

### KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2019	49.0	19.4	39.6%	-0.9	0.09	25.4	7.7	19.4	-0.2	0.13
2020	43.0	12.3	28.7%	-15.6	0.03	70.6	9.1	31.7	-4.3	0.14
2021E	52.6	43.1	82.1%	18.2	0.22	13.6	9.3	11.4	4.0	0.15
2022E	78.3	57.6	73.5%	31.4	0.30	9.9	6.2	8.4	6.8	0.16
2023E	75.5	52.9	70.1%	43.0	0.27	10.8	6.2	8.8	9.4	0.17
Market cap, EURm	459			Gearing 2021E, %	23.3			CAGR EPS 2020-23, %	102.0	
Net debt 2021E, EURm	29			Price/book 2021E	3.7			CAGR sales 2020-23, %	20.6	
Enterprise value, EURm	491			Dividend yield 2021E, %	5.1			ROE 2021E, %	28.5	
Total assets 2021E, EURm	227			Tax rate 2021E, %	10.9			ROCE 2021E, %	21.7	
Goodwill 2021E, EURm	15			Equity ratio 2021E, %	55.1			PEG, P/E 21/CAGR	1.4	

All the important disclosures can be found on the last pages of this report.

CapMan	2019	Q1/'20	Q2/'20	Q3/'20	Q4/'20	2020	Q1/'21	Q2/'21	Q3/'21	Q4/'21E	2021E	2022E	2023E
Management fees	24.9	6.9	5.9	6.6	9.7	29.0	8.0	8.4	9.6	10.2	36.3	40.6	43.1
Sale of services	17.2	5.0	2.5	2.2	3.5	13.1	3.2	3.2	3.1	4.1	13.6	15.5	17.8
Carried interest	6.9	0.1	0.4	0.1	0.3	0.9	0.0	0.3	2.2	0.2	2.7	22.1	14.6
Dividend and interest income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Revenue</b>	<b>49.0</b>	<b>11.9</b>	<b>8.7</b>	<b>8.9</b>	<b>13.4</b>	<b>43.0</b>	<b>11.3</b>	<b>11.9</b>	<b>14.9</b>	<b>14.5</b>	<b>52.6</b>	<b>78.3</b>	<b>75.5</b>
<i>change, %</i>	<i>36.1%</i>	<i>28.6%</i>	<i>-34.8%</i>	<i>-8.2%</i>	<i>-19.2%</i>	<i>-12.2%</i>	<i>-5.3%</i>	<i>36.4%</i>	<i>66.9%</i>	<i>8.0%</i>	<i>22.3%</i>	<i>48.9%</i>	<i>-3.6%</i>
Other operating income	0.0	0.0	0.0	0.1	0.0	0.1	0.0	0.0	0.0	0.0	0.1	0.1	0.1
Personnel expenses	-24.2	-6.3	-5.2	-4.9	-7.5	-23.9	-6.3	-7.8	-7.5	-9.2	-30.8	-32.3	-33.9
Other operating expenses	-12.1	-2.8	-2.2	-1.9	-2.8	-9.7	-2.7	-2.0	-2.1	-3.1	-9.9	-10.4	-10.9
Depreciation and amortisation	-5.6	-0.3	-0.4	-0.3	-0.4	-1.5	-0.4	-0.4	-0.4	-0.5	-1.6	-1.7	-1.7
Fair value changes	12.3	-8.4	3.2	2.6	7.0	4.4	8.2	9.6	6.0	9.0	32.8	23.6	24.0
<b>Operating profit</b>	<b>19.4</b>	<b>-6.0</b>	<b>4.1</b>	<b>4.5</b>	<b>9.7</b>	<b>12.3</b>	<b>10.1</b>	<b>11.3</b>	<b>10.9</b>	<b>10.7</b>	<b>43.1</b>	<b>57.6</b>	<b>52.9</b>
<i>Operating profit margin, %</i>	<i>39.6%</i>	<i>-50.1%</i>	<i>47.5%</i>	<i>50.0%</i>	<i>72.5%</i>	<i>28.7%</i>	<i>89.6%</i>	<i>95.5%</i>	<i>73.4%</i>	<i>74.1%</i>	<i>82.1%</i>	<i>73.5%</i>	<i>70.1%</i>
Items affecting comparability	5.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Adj. operating profit</b>	<b>25.0</b>	<b>-6.0</b>	<b>4.1</b>	<b>4.5</b>	<b>9.7</b>	<b>12.3</b>	<b>10.1</b>	<b>11.3</b>	<b>10.9</b>	<b>10.7</b>	<b>43.1</b>	<b>57.6</b>	<b>52.9</b>
Net financials	-1.8	-0.6	-0.7	-0.7	-1.1	-3.1	-0.9	-1.3	-0.8	-1.0	-3.9	-4.1	-3.9
<b>Pre-tax profit</b>	<b>17.6</b>	<b>-6.5</b>	<b>3.4</b>	<b>3.7</b>	<b>8.6</b>	<b>9.2</b>	<b>9.3</b>	<b>10.1</b>	<b>10.2</b>	<b>9.7</b>	<b>39.2</b>	<b>53.5</b>	<b>49.0</b>
Income taxes	-1.7	-0.9	-0.3	-0.4	-1.4	-2.9	-1.5	-1.2	-0.8	-0.8	-4.3	-5.8	-5.3
Minority interest	-1.9	-0.9	0.2	-0.1	-0.4	-1.1	-0.3	0.0	-0.4	-0.5	-1.2	-1.2	-1.2
<b>Profit for the period</b>	<b>13.9</b>	<b>-8.3</b>	<b>3.3</b>	<b>3.3</b>	<b>6.8</b>	<b>6.3</b>	<b>7.5</b>	<b>8.8</b>	<b>9.0</b>	<b>8.5</b>	<b>33.7</b>	<b>46.4</b>	<b>42.4</b>
EPS, EUR	0.09	-0.05	0.02	0.02	0.04	0.04	0.05	0.06	0.06	0.05	0.22	0.30	0.27
<b>Assets under management</b>	<b>3245</b>	<b>3225</b>	<b>3151</b>	<b>3577</b>	<b>3827</b>	<b>3827</b>	<b>3889</b>	<b>4326</b>	<b>4341</b>	<b>4650</b>	<b>4650</b>	<b>4950</b>	<b>5100</b>
<b>Management Company business</b>	<b>2019</b>	<b>Q1/'20</b>	<b>Q2/'20</b>	<b>Q3/'20</b>	<b>Q4/'20</b>	<b>2020</b>	<b>Q1/'21</b>	<b>Q2/'21</b>	<b>Q3/'21</b>	<b>Q4/'21E</b>	<b>2021E</b>	<b>2022E</b>	<b>2023E</b>
Revenue	32.8	7.9	7.1	7.6	11.1	33.7	9.0	9.9	12.9	11.7	43.6	68.0	63.7
Operating profit	6.0	1.9	1.6	2.1	3.9	9.5	2.5	2.4	5.1	3.1	13.1	36.0	30.1
<b>Investment business</b>	<b>2019</b>	<b>Q1/'20</b>	<b>Q2/'20</b>	<b>Q3/'20</b>	<b>Q4/'20</b>	<b>2020</b>	<b>Q1/'21</b>	<b>Q2/'21</b>	<b>Q3/'21</b>	<b>Q4/'21E</b>	<b>2021E</b>	<b>2022E</b>	<b>2023E</b>
Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating profit	10.2	-8.4	2.8	2.6	7.0	4.0	7.9	9.4	5.9	8.9	32.0	22.7	23.1
<b>Services business</b>	<b>2019</b>	<b>Q1/'20</b>	<b>Q2/'20</b>	<b>Q3/'20</b>	<b>Q4/'20</b>	<b>2020</b>	<b>Q1/'21</b>	<b>Q2/'21</b>	<b>Q3/'21</b>	<b>Q4/'21E</b>	<b>2021E</b>	<b>2022E</b>	<b>2023E</b>
Revenue	15.7	4.1	1.6	1.2	1.7	8.6	2.3	2.0	1.9	2.2	8.4	9.6	11.1
Operating profit	9.1	2.9	0.4	0.6	0.7	4.6	1.2	0.7	1.1	0.7	3.7	4.7	5.9
<b>Other</b>	<b>2019</b>	<b>Q1/'20</b>	<b>Q2/'20</b>	<b>Q3/'20</b>	<b>Q4/'20</b>	<b>2020</b>	<b>Q1/'21</b>	<b>Q2/'21</b>	<b>Q3/'21</b>	<b>Q4/'21E</b>	<b>2021E</b>	<b>2022E</b>	<b>2023E</b>
Revenue	0.5	0.0	0.0	0.1	0.6	0.7	0.0	0.0	0.0	0.6	0.6	0.7	0.7
Operating profit	-5.9	-2.4	-0.7	-0.8	-1.8	-5.7	-1.4	-1.2	-1.1	-1.9	-5.6	-5.9	-6.2

Source: CapMan, Evli Research estimates

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC	
Current share price	2.93 PV of Free Cash Flow	347 Long-term growth, %	2.0 Risk-free interest rate, %	2.25
DCF share value	5.10 PV of Horizon value	509 WACC, %	7.9 Market risk premium, %	5.8
Share price potential, %	74.1 Unconsolidated equity	-3 Spread, %	0.5 Debt risk premium, %	2.8
Maximum value	5.6 Marketable securities	47 Minimum WACC, %	7.4 Equity beta coefficient	1.10
Minimum value	4.7 Debt - dividend	-76 Maximum WACC, %	8.4 Target debt ratio, %	30
Horizon value, %	59.5 Value of stock	805 Nr of shares, Mn	156.6 Effective tax rate, %	20

DCF valuation, EURm	2020	2021E	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	Horizon
Net sales	43	53	78	75	77	79	81	83	85	88	89	91
<i>Sales growth, %</i>	-12.2	22.3	48.9	-3.6	2.5	2.5	2.5	2.5	2.5	2.5	2.0	2.0
Operating income (EBIT)	12	43	58	53	54	56	57	58	60	61	62	64
<i>Operating income margin, %</i>	28.7	82.1	73.5	70.1	70.0	70.0	70.0	70.0	70.0	70.0	70.0	70.0
+ Depreciation+amort.	2	1	2	3	3	3	3	3	3	3	3	
EBITDA	14	45	59	56	57	58	60	61	63	64	65	
- Paid taxes	-5	-5	-6	-6	-6	-6	-6	-6	-7	-7	-7	
- Change in NWC	-16	-1	-3	0	0	0	0	0	0	0	0	
<i>NWC / Sales, %</i>	9.6	9.4	10.2	10.2	10.2	10.2	10.3	10.3	10.4	10.4	10.4	
+ Change in other liabs	18	0	0	0	0	0	0	0	0	0	0	
- Operative CAPEX	-3	-14	-11	0	0	0	0	0	0	0	0	
<i>opCAPEX / Sales, %</i>	8.0	30.7	17.6	3.3	3.5	3.5	3.5	3.5	3.5	3.5	3.5	
- Acquisitions	0	0	0	0	0	0	0	0	0	0	0	
+ Divestments	0	0	0	0	0	0	0	0	0	0	0	
- Other items	-3	0	0	0	0	0	0	0	0	0	0	
= FCFF	6	25	39	50	50	51	53	54	55	57	58	1,002
= Discounted FCFF		25	37	43	40	38	36	34	33	31	29	509
= DFCF min WACC		25	37	43	41	39	37	35	34	32	31	579
= DFCF max WACC		25	36	43	40	37	35	34	32	30	28	450

## INTERIM FIGURES

EVLI ESTIMATES, EURm	2020Q1	2020Q2	2020Q3	2020Q4	2020	2021Q1	2021Q2	2021Q3	2021Q4E	2021E	2022E	2023E
Net sales	12.0	8.7	8.9	13.4	43.0	11.3	11.9	14.9	14.5	52.6	78.3	75.5
EBITDA	-5.6	4.5	4.8	10.2	13.9	10.5	11.7	11.3	11.1	44.6	59.4	55.6
<i>EBITDA margin (%)</i>	<i>-47.2</i>	<i>51.9</i>	<i>53.9</i>	<i>75.9</i>	<i>32.2</i>	<i>92.8</i>	<i>98.5</i>	<i>76.1</i>	<i>76.5</i>	<i>84.9</i>	<i>75.8</i>	<i>73.7</i>
EBIT	-6.0	4.1	4.5	9.7	12.3	10.1	11.3	10.9	10.7	43.1	57.6	52.9
<i>EBIT margin (%)</i>	<i>-50.1</i>	<i>47.5</i>	<i>50.0</i>	<i>72.5</i>	<i>28.7</i>	<i>89.6</i>	<i>95.5</i>	<i>73.4</i>	<i>74.1</i>	<i>82.1</i>	<i>73.5</i>	<i>70.1</i>
Net financial items	-0.6	-0.7	-0.7	-1.1	-3.1	-0.9	-1.3	-0.8	-1.0	-3.9	-4.1	-3.9
Pre-tax profit	-6.5	3.4	3.8	8.6	9.2	9.3	10.1	10.2	9.7	39.2	53.5	49.0
Tax	-0.9	-0.3	-0.4	-1.4	-2.9	-1.5	-1.2	-0.7	-0.8	-4.3	-5.8	-5.3
<i>Tax rate (%)</i>	<i>-13.4</i>	<i>9.6</i>	<i>9.5</i>	<i>16.1</i>	<i>31.9</i>	<i>16.5</i>	<i>12.4</i>	<i>7.1</i>	<i>8.0</i>	<i>10.9</i>	<i>10.9</i>	<i>10.9</i>
Net profit	-8.3	3.3	3.3	6.8	5.1	7.5	8.8	9.0	8.5	33.7	46.4	42.4
EPS	-0.05	0.02	0.02	0.04	0.03	0.05	0.06	0.06	0.05	0.22	0.30	0.27
EPS adjusted (diluted no. of shares)	-0.05	0.02	0.02	0.04	0.03	0.05	0.06	0.06	0.05	0.22	0.30	0.27
Dividend per share	0.00	0.00	0.00	0.00	0.14	0.00	0.00	0.00	0.00	0.15	0.16	0.20
<b>SALES, EURm</b>												
Management Company business	7.2	6.5	7.0	10.3	30.9	9.0	9.9	12.9	11.7	43.6	68.0	63.7
Service business	4.8	2.2	1.8	2.6	11.4	2.3	2.0	1.9	2.2	8.4	9.6	11.1
Other & eliminations	0.0	0.0	0.1	0.6	0.7	0.0	0.0	0.0	0.6	0.6	0.7	0.7
Total	12.0	8.7	8.9	13.4	43.0	11.3	11.9	14.9	14.5	52.6	78.3	75.5
<b>SALES GROWTH, Y/Y %</b>												
<i>Management Company business</i>	<i>12.2</i>	<i>1.5</i>	<i>0.3</i>	<i>-21.1</i>	<i>-5.6</i>	<i>25.9</i>	<i>52.6</i>	<i>84.5</i>	<i>13.9</i>	<i>40.8</i>	<i>56.1</i>	<i>-6.3</i>
<i>Service business</i>	<i>66.1</i>	<i>-68.2</i>	<i>-33.6</i>	<i>-18.7</i>	<i>-27.6</i>	<i>-52.5</i>	<i>-10.2</i>	<i>7.1</i>	<i>-14.6</i>	<i>-26.2</i>	<i>15.0</i>	<i>15.0</i>
<i>Other &amp; eliminations</i>	<i>-69.6</i>	<i>-41.7</i>	<i>0.0</i>	<i>30.9</i>	<i>41.2</i>	<i>57.1</i>	<i>-47.6</i>	<i>-90.0</i>	<i>5.0</i>	<i>-9.7</i>	<i>5.0</i>	<i>5.0</i>
Total	28.7	-34.8	-8.2	-19.3	-12.2	-5.3	36.5	66.9	8.0	22.3	48.9	-3.6
<b>EBIT, EURm</b>												
Management Company business	1.9	1.6	2.1	3.6	9.1	2.5	2.4	5.1	3.1	13.1	36.0	30.1
Investment business	-8.4	2.8	2.6	7.0	4.0	7.9	9.4	5.9	8.9	32.0	22.7	23.1
Service business	3.0	0.5	0.6	1.0	5.0	1.2	0.7	1.1	0.7	3.7	4.7	5.9
Other & eliminations	-2.4	-0.7	-0.8	-1.8	-5.7	-1.4	-1.2	-1.1	-1.9	-5.6	-5.9	-6.2
Total	-6.0	4.1	4.5	9.7	12.3	10.1	11.3	10.9	10.7	43.1	57.6	52.9
<b>EBIT margin, %</b>												
<i>Management Company business</i>	<i>25.9</i>	<i>24.5</i>	<i>29.7</i>	<i>34.7</i>	<i>29.4</i>	<i>27.5</i>	<i>24.7</i>	<i>39.1</i>	<i>26.4</i>	<i>30.0</i>	<i>52.9</i>	<i>47.2</i>
<i>Service business</i>	<i>62.2</i>	<i>20.5</i>	<i>35.9</i>	<i>37.2</i>	<i>44.2</i>	<i>52.5</i>	<i>36.9</i>	<i>55.2</i>	<i>31.8</i>	<i>44.0</i>	<i>48.9</i>	<i>53.3</i>
<i>Other &amp; eliminations</i>	<i>-33,814.3</i>	<i>-3,300.0</i>	<i>-850.0</i>	<i>-322.4</i>	<i>-824.9</i>	<i>-12,972.7</i>	<i>-10,990.9</i>	<i>-10,720.0</i>	<i>-319.2</i>	<i>-893.0</i>	<i>-893.0</i>	<i>-893.0</i>
Total	-50.1	47.5	50.0	72.5	28.7	89.6	95.5	73.4	74.1	82.1	73.5	70.1

INCOME STATEMENT, EURm	2016	2017	2018	2019	2020	2021E	2022E	2023E
Sales	26.7	34.8	36.0	49.0	43.0	52.6	78.3	75.5
<i>Sales growth (%)</i>	<i>-16.0</i>	<i>30.6</i>	<i>3.3</i>	<i>36.1</i>	<i>-12.2</i>	<i>22.3</i>	<i>48.9</i>	<i>-3.6</i>
EBITDA	18.9	21.2	12.2	25.0	13.9	44.6	59.4	55.6
<i>EBITDA margin (%)</i>	<i>71.0</i>	<i>61.0</i>	<i>33.8</i>	<i>51.0</i>	<i>32.2</i>	<i>84.9</i>	<i>75.8</i>	<i>73.7</i>
Depreciation	-0.3	-0.3	-0.2	-1.4	-1.5	-1.5	-1.8	-2.7
EBITA	18.7	21.0	12.0	23.6	12.3	43.1	57.6	52.9
Goodwill amortization / writedown	0.0	-1.5	0.0	-4.2	0.0	0.0	0.0	0.0
EBIT	18.7	19.5	12.0	19.4	12.3	43.1	57.6	52.9
<i>EBIT margin (%)</i>	<i>70.0</i>	<i>55.9</i>	<i>33.2</i>	<i>39.6</i>	<i>28.7</i>	<i>82.1</i>	<i>73.5</i>	<i>70.1</i>
Reported EBIT	18.7	19.5	12.0	19.4	12.3	43.1	57.6	52.9
<i>EBIT margin (reported) (%)</i>	<i>70.0</i>	<i>55.9</i>	<i>33.2</i>	<i>39.6</i>	<i>28.7</i>	<i>82.1</i>	<i>73.5</i>	<i>70.1</i>
Net financials	-3.1	-3.3	-2.7	-1.8	-3.1	-3.9	-4.1	-3.9
Pre-tax profit	15.5	16.2	9.3	17.6	9.2	39.2	53.5	49.0
Taxes	-0.2	-0.8	-0.8	-1.7	-2.9	-4.3	-5.8	-5.3
Minority shares	0.0	0.0	-0.4	-1.9	-1.1	-1.2	-1.2	-1.2
Net profit	14.3	15.3	8.1	14.0	5.1	33.7	46.4	42.4
Cash NRIs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-cash NRIs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>BALANCE SHEET, EURm</b>								
Assets								
Fixed assets	95	93	88	120	117	131	142	142
Goodwill	6	5	5	15	15	15	15	15
Right of use assets	0	0	3	3	2	3	4	4
Inventory	0	0	0	0	0	0	0	0
Receivables	101	89	57	31	23	28	42	41
Liquid funds	45	23	55	44	58	47	70	67
Total assets	253	211	209	217	219	227	276	272
Liabilities								
Shareholder's equity	128	127	121	127	113	124	147	165
Minority interest	0	0	0	2	1	1	1	1
Convertibles	15	0	0	0	0	0	0	0
Lease liabilities	0	0	3	3	2	3	4	4
Deferred taxes	10	9	3	2	3	3	3	3
Interest bearing debt	66	48	60	57	81	73	87	66
Non-interest bearing current liabilities	33	27	17	20	18	22	33	32
Other interest-free debt	0	1	5	5	1	1	1	1
Total liabilities	253	211	209	217	219	227	276	272
<b>CASH FLOW, EURm</b>								
+ EBITDA	19	21	12	25	14	45	59	56
- Net financial items	-3	-3	-3	-2	-3	-4	-4	-4
- Taxes	0	-2	-3	-5	-4	-4	-6	-5
- Increase in Net Working Capital	5	-2	-7	-3	-16	-1	-3	0
+/- Other	-23	-18	-4	-16	-3	-1	-1	-1
= Cash flow from operations	-3	-4	-5	0	-12	34	45	45
- Capex	-2	-1	2	-6	-3	-16	-14	-2
- Acquisitions	0	0	-8	-1	0	0	0	0
+ Divestments	0	0	0	6	0	0	0	0
= Free cash flow	-5	-4	-11	-1	-16	18	31	43
+/- New issues/buybacks	70	-4	2	12	-1	0	0	0
- Paid dividend	-6	-13	-16	-18	-20	-22	-23	-25
+/- Other	-35	-1	56	-5	51	-8	15	-20
Change in cash	23	-22	31	-11	14	-11	23	-3

KEY FIGURES	2017	2018	2019	2020	2021E	2022E	2023E
M-cap	258	216	354	363	459	459	459
Net debt (excl. convertibles)	25	8	16	26	29	21	3
Enterprise value	283	225	377	391	491	482	464
Sales	35	36	49	43	53	78	75
EBITDA	21	12	25	14	45	59	56
EBIT	19	12	19	12	43	58	53
Pre-tax	16	9	18	9	39	53	49
Earnings	15	8	14	5	34	46	42
Equity book value (excl. minorities)	127	121	127	113	124	147	165
<b>Valuation multiples</b>							
EV/sales	8.1	6.3	7.7	9.1	9.3	6.2	6.2
EV/EBITDA	13.3	18.5	15.1	28.2	11.0	8.1	8.4
EV/EBITA	13.5	18.9	15.9	31.7	11.4	8.4	8.8
EV/EBIT	14.5	18.9	19.4	31.7	11.4	8.4	8.8
EV/OCF	-78.0	-48.1	-1,037.5	-32.8	14.3	10.7	10.2
EV/FCFF	10.8	4.9	23.7	70.9	19.9	12.3	9.3
P/FCFE	-60.0	-19.3	-404.4	-23.2	25.2	14.6	10.7
P/E	13.1	26.8	25.4	70.6	13.6	9.9	10.8
P/B	2.0	1.8	2.8	3.2	3.7	3.1	2.8
Target EV/EBITDA	0.0	0.0	0.0	0.0	12.6	9.3	9.7
Target EV/EBIT	0.0	0.0	0.0	0.0	13.0	9.6	10.1
Target EV/FCF	0.0	0.0	0.0	0.0	30.8	17.7	12.5
Target P/B	0.0	0.0	0.0	0.0	4.3	3.6	3.2
Target P/E	0.0	0.0	0.0	0.0	15.8	11.5	12.5
<b>Per share measures</b>							
Number of shares	145,600	147,116	153,755	156,459	156,617	156,617	156,617
Number of shares (diluted)	145,600	147,116	153,755	156,459	156,617	156,617	156,617
EPS	0.10	0.05	0.09	0.03	0.22	0.30	0.27
Operating cash flow per share	-0.02	-0.03	0.00	-0.08	0.22	0.29	0.29
Free cash flow per share	-0.03	-0.08	-0.01	-0.10	0.12	0.20	0.27
Book value per share	0.87	0.82	0.83	0.72	0.79	0.94	1.05
Dividend per share	0.11	0.12	0.13	0.14	0.15	0.16	0.17
Dividend payout ratio, %	104.9	218.9	143.1	426.1	69.6	53.9	62.7
Dividend yield, %	6.2	8.2	5.6	6.0	5.1	5.5	5.8
FCF yield, %	-1.7	-5.2	-0.2	-4.3	4.0	6.8	9.4
<b>Efficiency measures</b>							
ROE	12.0	6.5	11.3	4.3	28.5	34.2	27.2
ROCE	10.1	6.7	10.4	6.4	21.7	26.2	22.3
<b>Financial ratios</b>							
Inventories as % of sales	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Receivables as % of sales	255.5	157.6	63.2	54.5	53.7	53.7	53.7
Non-interest bearing liabilities as % of sales	77.0	46.7	41.2	41.9	41.9	41.9	41.9
NWC/sales, %	176.1	96.8	12.9	9.6	9.4	10.2	10.2
Operative CAPEX/sales, %	1.9	-5.2	12.0	8.0	30.7	17.6	3.3
CAPEX/sales (incl. acquisitions), %	1.9	-28.6	10.9	7.4	30.7	17.6	3.3
FCFF/EBITDA	1.2	3.8	0.6	0.4	0.6	0.7	0.9
Net debt/EBITDA, book-weighted	1.2	0.7	0.7	1.8	0.7	0.4	0.1
Debt/equity, market-weighted	0.2	0.3	0.2	0.2	0.2	0.2	0.1
Equity ratio, book-weighted	60.0	57.8	59.8	51.8	55.1	53.7	60.9
Gearing, %	19.7	6.9	12.6	22.5	23.3	14.3	2.0

**COMPANY DESCRIPTION:** CapMan is a leading Nordic asset management and investment company. CapMan manages over EUR 4.0 billion in assets. The company mainly manages investors' assets but also makes direct investments from its balance sheet, mainly into own funds. Current investments strategies cover Buyout, Growth Equity, Real Estate, Infra, Credit and Special situations. CapMan also has a growing service business that includes procurement activities, reporting and analysis services and fund management services.

**INVESTMENT CASE:** CapMan is set to continue to grow its earnings and increase earnings stability. An important driver is the increase in fee-based profitability through growth in capital under management, while still being able to maintain a sound cost structure. Additional earnings potential in the upcoming years is offered by the outlook of several of CapMans funds approaching carry. Good cash flows and a healthy balance sheet support continued high dividend payouts.

OWNERSHIP STRUCTURE	SHARES	EURm	%
Silvertärnan Ab	16,226,519	47.544	10.4%
Ilmarinen Mutual Pension Insurance Company	10,318,326	30.233	6.6%
Laakkonen Mikko Kalervo	6,378,320	18.688	4.1%
Oy Inventiainvest AB	4,286,860	12.560	2.7%
Varma Mutual Pension Insurance Company	3,675,215	10.768	2.3%
Joensuun Kauppa ja Kone Oy	3,289,502	9.638	2.1%
Vesasco Oy	3,088,469	9.049	2.0%
The State Pension Fund	2,500,000	7.325	1.6%
Nordea Funds	2,345,639	6.873	1.5%
Handelsbanken Funds	2,193,707	6.428	1.4%
Ten largest	54,302,557	159.106	35%
Residual	102,314,736	299.782	65%
Total	156,617,293	458.889	100%

**EARNINGS CALENDAR**

February 03, 2022	FY 2021 Results
April 28, 2022	Q1 report
August 04, 2022	Q2 report
October 27, 2022	Q3 report

**OTHER EVENTS**

March 16, 2022	AGM
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IR: Linda Tierala	

## DEFINITIONS

P/E	$\frac{\text{Price per share}}{\text{Earnings per share}}$	EPS	$\frac{\text{Profit before extraord. items and taxes} - \text{income taxes} + \text{minority interest}}{\text{Number of shares}}$
P/BV	$\frac{\text{Price per share}}{\text{Shareholders' equity} + \text{taxed provisions per share}}$	DPS	Dividend for the financial period per share
Market cap	Price per share * Number of shares	OCF (Operating cash flow)	EBITDA – Net financial items – Taxes – Increase in working capital – Cash NRIs ± Other adjustments
EV (Enterprise value)	Market cap + net debt + minority interest at market value – share of associated companies at market value	FCF (Free cash flow)	Operating cash flow – operative CAPEX – acquisitions + divestments
EV/Sales	$\frac{\text{Enterprise value}}{\text{Sales}}$	FCF yield, %	$\frac{\text{Free cash flow}}{\text{Market cap}}$
EV/EBITDA	$\frac{\text{Enterprise value}}{\text{Earnings before interest, tax, depreciation and amortization}}$	Operative CAPEX/sales	$\frac{\text{Capital expenditure} - \text{divestments} - \text{acquisitions}}{\text{Sales}}$
EV/EBIT	$\frac{\text{Enterprise value}}{\text{Operating profit}}$	Net working capital	Current assets – current liabilities
Net debt	Interest bearing debt – financial assets	Capital employed/Share	$\frac{\text{Total assets} - \text{non-interest bearing debt}}{\text{Number of shares}}$
Total assets	Balance sheet total	Gearing	$\frac{\text{Net debt}}{\text{Equity}}$
Div yield, %	$\frac{\text{Dividend per share}}{\text{Price per share}}$	Debt/Equity, %	$\frac{\text{Interest bearing debt}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}$
Payout ratio, %	$\frac{\text{Total dividends}}{\text{Earnings before extraordinary items and taxes} - \text{income taxes} + \text{minority interest}}$	Equity ratio, %	$\frac{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}{\text{Total assets} - \text{interest-free loans}}$
ROCE, %	$\frac{\text{Profit before extraordinary items} + \text{interest expenses} + \text{other financial costs}}{\text{Balance sheet total} - \text{non-interest bearing debt (average)}}$	CAGR, %	Cumulative annual growth rate = Average growth per year
ROE, %	$\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes}}{\text{Shareholder's equity} + \text{minority interest} + \text{taxed provisions (average)}}$		



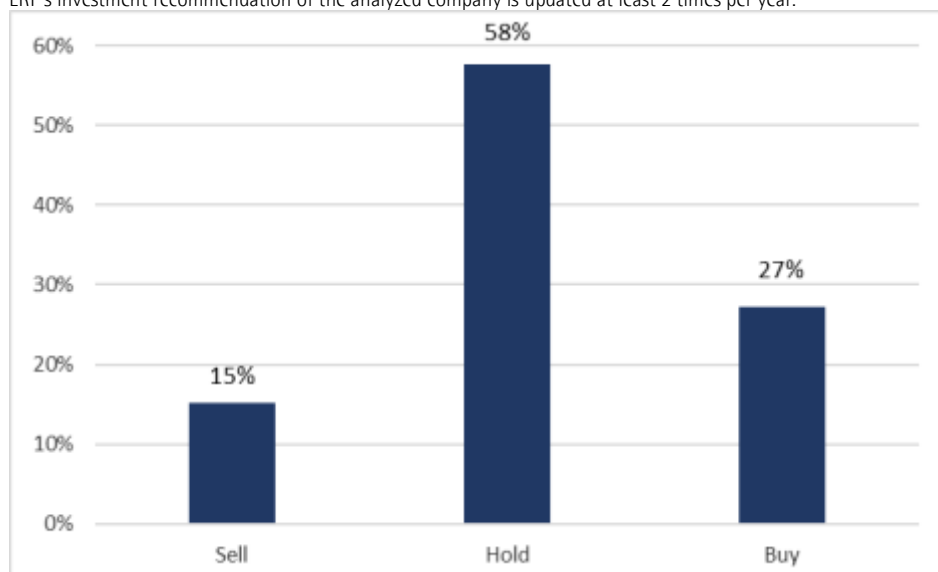
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Investment recommendations are defined as follows:

Target price compared to share price	Recommendation
< -10 %	SELL
-10 – (+10) %	HOLD
> 10 %	BUY

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Name(s) of the analyst(s): Salokivi

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