

## Seeking pickup in growth

CapMan somewhat ambitiously set its sights on doubling AUM over the next five years, but the CMD provided good insight into measures to achieve the target.

### Seeking to double AUM over the next five years

CapMan held its Capital Markets Day 2022 event on September 7<sup>th</sup>. CapMan has somewhat ambitiously set its sights on doubling AUM over the next five years and raised the combined growth objective for the Management Company and Service businesses (excl. carried interest) to more than 15% p.a. on average (prev. >10%). The company is now also more proactively seeking M&A opportunities, which to our understanding would lean towards the investment product scope. CapMan is also clearly making sustainability an even more integral part of its operations and seeking to act as a frontrunner in the industry. CapMan kept its ROE target of over 20% p.a. on average and its objective to pay annually increasing dividends intact, adjusting its equity ratio target to over 50% (prev. >60%).

### Mid-term estimates slightly raised in light of growth target

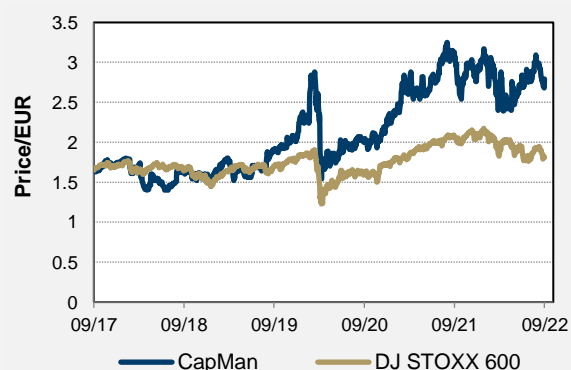
We have made revisions to our mid-term estimates based on the new targets, having raised our AUM growth estimates and Management company business turnover and operating profit estimates accordingly. Reaching the AUM target will in our view require M&A activity at some point in time and continued good traction for private asset allocations. Growth will still rely on further scaling of CapMan's private equity strategies, having successfully built the foundations during the previous strategy period, and new investment products indeed seem to be in the pipeline across the board. The CMD overall acted as a further confidence boost to the investment case and CapMan demonstrated that CapMan is a force to be reckoned with.

### BUY with a target price of EUR 3.4

The CMD further reaffirmed our positive views on CapMan's investment case and demand appears to remain fairly solid overall. Although we have slightly raised our estimates, with the overall market uncertainty we retain our target price of EUR 3.4 and BUY-rating.

## Rating

BUY



Share price, EUR (Last trading day's closing price) 2.79

Target price, EUR 3.4

Latest change in recommendation 29-Apr-21

Latest report on company 05-Aug-22

Research paid by issuer: YES

No. of shares outstanding, '000's 158,055

No. of shares fully diluted, '000's 158,055

Market cap, EURm 441

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 27-Oct-22

Web site [capman.com/shareholders](http://capman.com/shareholders)

Analyst Jerker Salokivi

E-mail [jerker.salokivi@evli.com](mailto:jerker.salokivi@evli.com)

Telephone +358 9 4766 9149

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
2020	43.0	12.3	28.7%	-15.6	0.03	70.6	9.1	31.7	-4.3	0.14
2021	52.8	44.6	84.6%	11.1	0.22	13.9	9.5	11.2	2.3	0.15
2022E	73.6	65.1	88.4%	16.3	0.32	8.6	6.6	7.5	3.7	0.16
2023E	77.8	56.1	72.1%	43.0	0.27	10.3	6.0	8.4	9.8	0.17
2024E	88.1	65.2	73.9%	51.9	0.33	8.6	5.0	6.8	11.8	0.18
Market cap, EURm	441		Gearing 2022E, %	30.4		CAGR EPS 2021-24, %		14.1		
Net debt 2022E, EURm	42		Price/book 2022E	3.2		CAGR sales 2021-24, %		18.6		
Enterprise value, EURm	488		Dividend yield 2022E, %	5.7		ROE 2022E, %		38.9		
Total assets 2022E, EURm	286		Tax rate 2022E, %	12.9		ROCE 2022E, %		28.5		
Goodwill 2022E, EURm	15		Equity ratio 2022E, %	48.3		PEG, P/E 22/CAGR		-59.6		

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

CapMan	2020	Q1/'21	Q2/'21	Q3/'21	Q4/'21	2021	Q1/'22	Q2/'22	Q3/'22E	Q4/'22E	2022E	2023E	2024E
Management fees	32.9	9.0	9.6	10.7	11.5	40.8	10.4	11.4	11.8	12.2	45.7	51.2	58.9
Sale of services	9.3	2.3	2.0	1.9	2.9	9.2	2.5	3.2	2.9	3.8	12.4	14.2	15.6
Carried interest	0.9	0.0	0.3	2.2	0.3	2.9	1.3	3.2	5.0	6.0	15.5	12.4	13.6
<b>Revenue</b>	<b>43.0</b>	<b>11.3</b>	<b>11.9</b>	<b>14.9</b>	<b>14.7</b>	<b>52.8</b>	<b>14.2</b>	<b>17.7</b>	<b>19.7</b>	<b>22.0</b>	<b>73.6</b>	<b>77.8</b>	<b>88.1</b>
<i>change, %</i>	<i>-12.2%</i>	<i>-5.3%</i>	<i>36.4%</i>	<i>66.9%</i>	<i>9.7%</i>	<i>22.8%</i>	<i>25.7%</i>	<i>48.8%</i>	<i>32.5%</i>	<i>49.7%</i>	<i>39.5%</i>	<i>5.7%</i>	<i>13.3%</i>
Other operating income	0.1	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Materials and services	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	-0.3	-0.1	-0.1	-0.6	-0.7	-0.8
Personnel expenses	-23.9	-6.3	-7.8	-7.5	-9.1	-30.6	-7.3	-10.0	-8.6	-9.5	-35.4	-36.4	-40.0
Other operating expenses	-9.7	-2.7	-2.0	-2.1	-3.1	-10.0	-2.3	-2.6	-2.2	-3.3	-10.4	-11.0	-11.5
Depreciation and amortisation	-1.5	-0.4	-0.4	-0.4	-0.4	-1.6	-0.4	-0.4	-0.4	-0.4	-1.5	-1.6	-1.7
Fair value changes	4.4	8.2	9.6	6.0	10.1	33.9	14.7	9.8	8.0	7.0	39.4	28.0	31.0
<b>Operating profit</b>	<b>12.3</b>	<b>10.1</b>	<b>11.3</b>	<b>10.9</b>	<b>12.2</b>	<b>44.6</b>	<b>18.9</b>	<b>14.1</b>	<b>16.5</b>	<b>15.7</b>	<b>65.1</b>	<b>56.1</b>	<b>65.2</b>
<i>Operating profit margin, %</i>	<i>28.7%</i>	<i>89.6%</i>	<i>95.5%</i>	<i>73.4%</i>	<i>83.2%</i>	<i>84.6%</i>	<i>&gt;100 %</i>	<i>79.8%</i>	<i>83.5%</i>	<i>71.2%</i>	<i>88.4%</i>	<i>72.1%</i>	<i>73.9%</i>
Items affecting comparability	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>Adj. operating profit</b>	<b>12.3</b>	<b>10.1</b>	<b>11.3</b>	<b>10.9</b>	<b>12.2</b>	<b>44.6</b>	<b>18.9</b>	<b>14.1</b>	<b>16.5</b>	<b>15.7</b>	<b>65.1</b>	<b>56.1</b>	<b>65.2</b>
Net financials	-3.1	-0.9	-1.3	-0.8	-1.1	-4.0	-2.6	-1.1	-1.0	-1.0	-5.7	-6.0	-5.1
<b>Pre-tax profit</b>	<b>9.2</b>	<b>9.3</b>	<b>10.1</b>	<b>10.2</b>	<b>11.1</b>	<b>40.6</b>	<b>16.3</b>	<b>13.0</b>	<b>15.5</b>	<b>14.7</b>	<b>59.5</b>	<b>50.1</b>	<b>60.0</b>
Income taxes	-2.9	-1.5	-1.2	-0.8	-1.7	-5.2	-2.9	-1.2	-1.9	-1.8	-7.7	-6.5	-7.8
Minority interest	-1.1	-0.3	0.0	-0.4	-0.3	-1.0	-0.1	-0.2	-0.3	-0.3	-1.2	-1.2	-1.2
<b>Profit for the period</b>	<b>6.3</b>	<b>7.5</b>	<b>8.8</b>	<b>9.0</b>	<b>9.0</b>	<b>34.3</b>	<b>13.3</b>	<b>11.6</b>	<b>13.3</b>	<b>12.7</b>	<b>50.6</b>	<b>42.5</b>	<b>51.1</b>
<b>EPS, EUR</b>	<b>0.04</b>	<b>0.05</b>	<b>0.06</b>	<b>0.06</b>	<b>0.06</b>	<b>0.22</b>	<b>0.09</b>	<b>0.07</b>	<b>0.09</b>	<b>0.08</b>	<b>0.32</b>	<b>0.27</b>	<b>0.32</b>
<b>Assets under management</b>	<b>3827</b>	<b>3889</b>	<b>4326</b>	<b>4341</b>	<b>4517</b>	<b>4517</b>	<b>4750</b>	<b>4834</b>			<b>5000</b>	<b>5800</b>	<b>6900</b>
<b>Management Company business</b>	<b>2020</b>	<b>Q1/'21</b>	<b>Q2/'21</b>	<b>Q3/'21</b>	<b>Q4/'21</b>	<b>2021</b>	<b>Q1/'22</b>	<b>Q2/'22</b>	<b>Q3/'22E</b>	<b>Q4/'22E</b>	<b>2022E</b>	<b>2023E</b>	<b>2024E</b>
Revenue	33.7	9.0	9.9	12.9	11.8	43.6	11.7	14.5	16.8	18.2	61.2	63.6	72.5
Operating profit	9.5	2.5	2.4	5.1	3.2	13.2	4.4	6.1	8.2	8.9	27.6	27.3	32.6
<b>Investment business</b>	<b>2020</b>	<b>Q1/'21</b>	<b>Q2/'21</b>	<b>Q3/'21</b>	<b>Q4/'21</b>	<b>2021</b>	<b>Q1/'22</b>	<b>Q2/'22</b>	<b>Q3/'22E</b>	<b>Q4/'22E</b>	<b>2022E</b>	<b>2023E</b>	<b>2024E</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	4.0	7.9	9.4	5.9	9.6	32.7	14.5	9.6	7.8	6.8	38.6	27.2	30.1
<b>Services business</b>	<b>2020</b>	<b>Q1/'21</b>	<b>Q2/'21</b>	<b>Q3/'21</b>	<b>Q4/'21</b>	<b>2021</b>	<b>Q1/'22</b>	<b>Q2/'22</b>	<b>Q3/'22E</b>	<b>Q4/'22E</b>	<b>2022E</b>	<b>2023E</b>	<b>2024E</b>
Revenue	8.6	2.3	2.0	1.9	2.4	8.6	2.5	3.2	2.9	3.3	11.9	13.6	15.0
Operating profit	4.6	1.2	0.7	1.1	1.2	4.2	1.4	1.7	1.7	1.8	6.5	8.0	9.1
<b>Other</b>	<b>2020</b>	<b>Q1/'21</b>	<b>Q2/'21</b>	<b>Q3/'21</b>	<b>Q4/'21</b>	<b>2021</b>	<b>Q1/'22</b>	<b>Q2/'22</b>	<b>Q3/'22E</b>	<b>Q4/'22E</b>	<b>2022E</b>	<b>2023E</b>	<b>2024E</b>
Revenue	0.7	0.0	0.0	0.0	0.5	0.5	0.0	0.0	0.0	0.5	0.6	0.6	0.6
Operating profit	-5.7	-1.4	-1.2	-1.1	-1.7	-5.4	-1.4	-3.3	-1.2	-1.8	-7.6	-6.4	-6.7

## INTERIM FIGURES

EVLI ESTIMATES, EURm	2021Q1	2021Q2	2021Q3	2021Q4	2021	2022Q1	2022Q2	2022Q3E	2022Q4E	2022E	2023E	2024E
Net sales	11.3	11.9	14.9	14.7	52.8	14.2	17.7	19.7	22.0	73.6	77.8	88.1
EBITDA	10.5	11.7	11.3	12.6	46.2	19.3	14.5	16.9	16.1	66.7	57.7	66.8
<i>EBITDA margin (%)</i>	<i>92.8</i>	<i>98.5</i>	<i>76.1</i>	<i>85.9</i>	<i>87.4</i>	<i>135.5</i>	<i>82.2</i>	<i>85.5</i>	<i>73.0</i>	<i>90.6</i>	<i>74.1</i>	<i>75.7</i>
EBIT	10.1	11.3	10.9	12.2	44.6	18.9	14.1	16.5	15.7	65.1	56.1	65.2
<i>EBIT margin (%)</i>	<i>89.6</i>	<i>95.5</i>	<i>73.4</i>	<i>83.2</i>	<i>84.6</i>	<i>132.7</i>	<i>79.8</i>	<i>83.5</i>	<i>71.2</i>	<i>88.4</i>	<i>72.1</i>	<i>73.9</i>
Net financial items	-0.9	-1.3	-0.8	-1.1	-4.0	-2.6	-1.1	-1.0	-1.0	-5.7	-6.0	-5.1
Pre-tax profit	9.3	10.1	10.2	11.1	40.6	16.3	13.0	15.5	14.7	59.5	50.1	60.0
Tax	-1.5	-1.2	-0.7	-1.7	-5.2	-2.9	-1.2	-1.9	-1.8	-7.7	-6.5	-7.8
<i>Tax rate (%)</i>	<i>16.5</i>	<i>12.4</i>	<i>7.1</i>	<i>15.7</i>	<i>12.9</i>	<i>17.7</i>	<i>9.2</i>	<i>12.0</i>	<i>12.0</i>	<i>12.9</i>	<i>12.9</i>	<i>12.9</i>
Net profit	7.5	8.8	9.0	9.0	34.3	13.3	11.6	13.3	12.7	51.0	42.9	51.5
EPS	0.05	0.06	0.06	0.06	0.22	0.08	0.07	0.08	0.08	0.32	0.27	0.33
EPS adjusted (diluted no. of shares)	0.05	0.06	0.06	0.06	0.22	0.08	0.07	0.08	0.08	0.32	0.27	0.33
Dividend per share	0.00	0.00	0.00	0.00	0.15	0.00	0.00	0.00	0.00	0.16	0.17	0.18
<b>SALES, EURm</b>												
Management Company business	9.0	9.9	12.9	11.8	43.6	11.7	14.5	16.8	18.2	61.2	63.6	72.5
Service business	2.3	2.0	1.9	2.4	8.6	2.5	3.2	2.9	3.3	11.9	13.6	15.0
Other & eliminations	0.0	0.0	0.0	0.5	0.5	0.0	0.0	0.0	0.5	0.6	0.6	0.6
Total	11.3	11.9	14.9	14.7	52.8	14.2	17.7	19.7	22.0	73.6	77.8	88.1
<b>SALES GROWTH, Y/Y %</b>												
Management Company business	25.9	52.6	84.5	14.6	41.0	29.3	46.8	30.0	54.5	40.3	3.9	14.0
Service business	-52.5	-10.2	7.1	-5.4	-24.1	11.3	59.1	49.1	35.5	37.6	15.0	10.0
Other & eliminations	57.1	-47.6	-90.0	-11.3	-23.0	-36.4	-9.1	5.0	5.0	3.9	5.0	5.0
Total	-5.3	36.5	66.9	9.7	22.8	25.7	48.8	32.5	49.7	39.5	5.7	13.3
<b>EBIT, EURm</b>												
Management Company business	2.5	2.4	5.1	3.2	13.2	4.4	6.1	8.2	8.9	27.6	27.3	32.6
Investment business	7.9	9.4	5.9	9.6	32.7	14.5	9.6	7.8	6.8	38.6	27.2	30.1
Service business	1.2	0.7	1.1	1.2	4.2	1.4	1.7	1.7	1.8	6.5	8.0	9.1
Other & eliminations	-1.4	-1.2	-1.1	-1.7	-5.4	-1.4	-3.3	-1.2	-1.8	-7.6	-6.4	-6.7
Total	10.1	11.3	10.9	12.2	44.6	18.9	14.1	16.5	15.7	65.1	56.1	65.2
<b>EBIT margin, %</b>												
Management Company business	27.5	24.7	39.1	27.3	30.2	37.6	42.0	48.8	49.0	45.1	42.9	44.9
Service business	52.5	36.9	55.2	48.6	48.4	54.4	52.9	58.5	54.5	55.0	58.9	60.8
Other & eliminations	-12,972.7	-10,990.9	-10,720.0	-340.1	-1,011.6	-19,814.3	-32,780.0	-11,328.6	-334.6	-1,369.7	-1,089.8	-1,089.8
Total	89.6	95.5	73.4	83.2	84.6	132.7	79.8	83.5	71.2	88.4	72.1	73.9

INCOME STATEMENT, EURm	2017	2018	2019	2020	2021	2022E	2023E	2024E
Sales	34.8	36.0	49.0	43.0	52.8	73.6	77.8	88.1
<i>Sales growth (%)</i>	<i>30.6</i>	<i>3.3</i>	<i>36.1</i>	<i>-12.2</i>	<i>22.8</i>	<i>39.5</i>	<i>5.7</i>	<i>13.3</i>
EBITDA	21.2	12.2	25.0	13.9	46.2	66.7	57.7	66.8
<i>EBITDA margin (%)</i>	<i>61.0</i>	<i>33.8</i>	<i>51.0</i>	<i>32.2</i>	<i>87.4</i>	<i>90.6</i>	<i>74.1</i>	<i>75.7</i>
Depreciation	-0.3	-0.2	-1.4	-1.5	-1.5	-1.6	-1.5	-1.6
EBITA	21.0	12.0	23.6	12.3	44.6	65.1	56.1	65.2
Goodwill amortization / writedown	-1.5	0.0	-4.2	0.0	0.0	0.0	0.0	0.0
EBIT	19.5	12.0	19.4	12.3	44.6	65.1	56.1	65.2
<i>EBIT margin (%)</i>	<i>55.9</i>	<i>33.2</i>	<i>39.6</i>	<i>28.7</i>	<i>84.6</i>	<i>88.4</i>	<i>72.1</i>	<i>73.9</i>
Reported EBIT	19.5	12.0	19.4	12.3	44.6	65.1	56.1	65.2
<i>EBIT margin (reported) (%)</i>	<i>55.9</i>	<i>33.2</i>	<i>39.6</i>	<i>28.7</i>	<i>84.6</i>	<i>88.4</i>	<i>72.1</i>	<i>73.9</i>
Net financials	-3.3	-2.7	-1.8	-3.1	-4.0	-5.7	-6.0	-5.1
Pre-tax profit	16.2	9.3	17.6	9.2	40.6	59.5	50.1	60.0
Taxes	-0.8	-0.8	-1.7	-2.9	-5.2	-7.7	-6.5	-7.8
Minority shares	0.0	-0.4	-1.9	-1.1	-1.0	-0.8	-0.8	-0.8
Net profit	15.3	8.1	14.0	5.1	34.3	51.0	42.9	51.5
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	93	88	120	117	131	171	172	172
Goodwill	5	5	15	15	15	15	15	15
Right of use assets	0	3	3	2	1	1	1	1
Inventory	0	0	0	0	0	0	0	0
Receivables	89	57	31	23	25	29	31	35
Liquid funds	23	55	44	58	65	66	70	79
Total assets	211	209	217	219	240	286	291	305
Liabilities								
Shareholder's equity	127	121	127	113	126	136	154	179
Minority interest	0	0	2	1	2	2	2	2
Convertibles	0	0	0	0	0	0	0	0
Lease liabilities	0	3	3	2	1	1	1	1
Deferred taxes	9	3	2	3	5	5	5	5
Interest bearing debt	48	60	57	81	82	107	93	77
Non-interest bearing current liabilities	27	17	20	18	24	34	36	41
Other interest-free debt	1	5	5	1	1	1	1	1
Total liabilities	211	209	217	219	240	286	291	305
<b>CASH FLOW, EURm</b>								
+ EBITDA	21	12	25	14	46	67	58	67
- Net financial items	-3	-3	-2	-3	-4	-6	-6	-5
- Taxes	-2	-3	-5	-4	-3	-8	-6	-8
- Increase in Net Working Capital	-2	-7	-3	-16	5	5	0	1
+/- Other	-18	-4	-16	-3	-33	-1	-1	-1
= Cash flow from operations	-4	-5	0	-12	11	58	45	54
- Capex	-1	2	-6	-3	0	-42	-2	-2
- Acquisitions	0	-8	-1	0	0	0	0	0
+ Divestments	0	0	6	0	0	0	0	0
= Free cash flow	-4	-11	-1	-16	11	16	43	52
+/- New issues/buybacks	-4	2	12	-1	2	-17	0	0
- Paid dividend	-13	-16	-18	-20	-22	-23	-25	-27
+/- Other	-1	56	-5	51	16	25	-14	-16
Change in cash	-22	31	-11	14	7	1	4	9

KEY FIGURES	2018	2019	2020	2021	2022E	2023E	2024E
M-cap	216	354	363	476	441	441	441
Net debt (excl. convertibles)	8	16	26	18	42	24	-1
Enterprise value	225	377	391	500	488	470	444
Sales	36	49	43	53	74	78	88
EBITDA	12	25	14	46	67	58	67
EBIT	12	19	12	45	65	56	65
Pre-tax	9	18	9	41	59	50	60
Earnings	8	14	5	34	51	43	51
Equity book value (excl. minorities)	121	127	113	126	136	154	179
<b>Valuation multiples</b>							
EV/sales	6.3	7.7	9.1	9.5	6.6	6.0	5.0
EV/EBITDA	18.5	15.1	28.2	10.8	7.3	8.1	6.7
EV/EBITA	18.9	15.9	31.7	11.2	7.5	8.4	6.8
EV/EBIT	18.9	19.4	31.7	11.2	7.5	8.4	6.8
EV/OCF	-48.1	-1,037.5	-32.8	45.4	8.4	10.5	8.3
EV/FCFF	4.9	23.7	70.9	14.7	21.1	9.3	7.6
P/FCFE	-19.3	-404.4	-23.2	42.9	27.1	10.2	8.5
P/E	26.8	25.4	70.6	13.9	8.6	10.3	8.6
P/B	1.8	2.8	3.2	3.8	3.2	2.9	2.5
Target EV/EBITDA	0.0	0.0	0.0	0.0	8.7	9.8	8.1
Target EV/EBIT	0.0	0.0	0.0	0.0	8.9	10.0	8.3
Target EV/FCF	0.0	0.0	0.0	0.0	35.7	13.1	10.4
Target P/B	0.0	0.0	0.0	0.0	3.9	3.5	3.0
Target P/E	0.0	0.0	0.0	0.0	10.5	12.5	10.4
<b>Per share measures</b>							
Number of shares	147,116	153,755	156,459	156,617	158,055	158,055	158,055
Number of shares (diluted)	147,116	153,755	156,459	156,617	158,055	158,055	158,055
EPS	0.05	0.09	0.03	0.22	0.32	0.27	0.33
Operating cash flow per share	-0.03	0.00	-0.08	0.07	0.37	0.28	0.34
Free cash flow per share	-0.08	-0.01	-0.10	0.07	0.10	0.27	0.33
Book value per share	0.82	0.83	0.72	0.80	0.86	0.97	1.13
Dividend per share	0.12	0.13	0.14	0.15	0.16	0.17	0.18
Dividend payout ratio, %	218.9	143.1	426.1	68.5	49.6	62.7	55.2
Dividend yield, %	8.2	5.6	6.0	4.9	5.7	6.1	6.5
FCF yield, %	-5.2	-0.2	-4.3	2.3	3.7	9.8	11.8
<b>Efficiency measures</b>							
ROE	6.5	11.3	4.3	28.8	38.9	29.5	31.0
ROCE	6.7	10.4	6.4	21.9	28.5	22.6	25.6
<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	157.6	63.2	54.5	47.9	40.0	40.0	40.0
Non-interest bearing liabilities as % of sales	46.7	41.2	41.9	46.0	46.0	46.0	46.0
NWC/sales, %	96.8	12.9	9.6	0.1	-7.3	-7.2	-7.1
Operative CAPEX/sales, %	-5.2	12.0	8.0	0.7	56.7	2.1	2.1
CAPEX/sales (incl. acquisitions), %	-28.6	10.9	7.4	0.7	56.7	2.1	2.1
FCFF/EBITDA	3.8	0.6	0.4	0.7	0.3	0.9	0.9
Net debt/EBITDA, book-weighted	0.7	0.7	1.8	0.4	0.6	0.4	0.0
Debt/equity, market-weighted	0.3	0.2	0.2	0.2	0.2	0.2	0.2
Equity ratio, book-weighted	57.8	59.8	51.8	53.0	48.3	53.4	59.1
Gearing, %	6.9	12.6	22.5	14.0	30.4	15.6	-0.5

**COMPANY DESCRIPTION:** CapMan is a leading Nordic asset management and investment company. CapMan manages over EUR 4.5 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 and reaching carry. Good cash flows and a healthy balance sheet support continued high dividend payouts.

OWNERSHIP STRUCTURE	SHARES	EURm	%
Silvertärnan Ab	16,226,519	45.272	10.3%
Ilmarinen Mutual Pension Insurance Company	10,318,326	28.788	6.5%
Laakkonen Mikko Kalervo	6,478,320	18.075	4.1%
Oy Inventiainvest AB	4,011,860	11.193	2.5%
Varma Mutual Pension Insurance Company	3,675,215	10.254	2.3%
Joensuun Kauppa ja Kone Oy	3,289,502	9.178	2.1%
Vesasco Oy	3,088,469	8.617	2.0%
The State Pension Fund	2,500,000	6.975	1.6%
Momea Invest Oy	2,150,000	5.999	1.4%
Laakkonen Hannu	1,992,742	5.560	1.3%
Ten largest	53,730,953	149.909	34%
Residual	104,324,015	291.064	66%
Total	158,054,968	440.973	100%

**EARNINGS CALENDAR**

October 27, 2022

Q3 report

**OTHER EVENTS****COMPANY MISCELLANEOUS**

CEO: Joakim Frimodig

Ludviginkatu 6, 4 fl. 01300 Helsinki

CFO: Atte Rissanen

Tel: +358 207 207 500

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, %	$\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes}}{\text{Shareholder's equity} + \text{minority interest} + \text{taxed provisions (average)}}$		

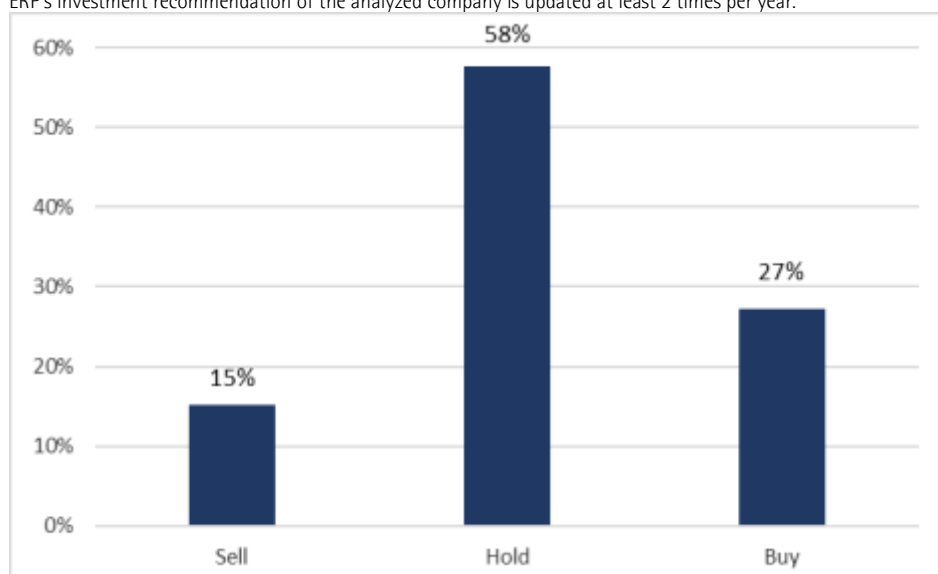
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Target price compared to share price	Recommendation
< -10 %	SELL
-10 – (+10) %	HOLD
> 10 %	BUY

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

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**Contact information****SALES, TRADING AND RESEARCH****Equity, ETF and Derivatives Sales**

Joachim Dannberg	+358 9 4766 9123
Ari Laine	+358 9 4766 9115
Kimmo Lilja	+358 9 4766 9130

**Trading**

Lauri Vehkaluoto (Head)	+358 9 4766 9120
Pasi Väisänen	+358 9 4766 9120
Antti Kässi	+358 9 4766 9120
Miika Ronkanen	+358 9 4766 9120

**Structured Investments**

Heikki Savijoki	+358 9 4766 9726
Aki Lakkisto	+358 9 4766 9123

**Equity Research**

Arttu Heikura	+358 40 082 8098
Joonas Ilvonen	+358 44 430 9071
Jerker Salokivi	+358 9 4766 9149

**Evli Investment Solutions**

Johannes Asuja	+358 9 4766 9205
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**EVLI PLC**  
Aleksanterinkatu 19 A  
P.O. Box 1081  
FIN-00101 Helsinki, FINLAND  
Phone +358 9 476 690  
Internet www.evli.com  
E-mail firstname.lastname@evli.com

**EVLI PLC,  
STOCKHOLMSFILIAL**  
Regeringsgatan 67 P.O. Box 16354  
SE-103 26 Stockholm  
Sverige  
stockholm@evli.com  
Tel +46 (0)8 407 8000