



CapMan Plc

Listing of EUR 50,000,000 Senior Unsecured Fixed Rate Notes Due 2023

The notes are represented by units in denominations of EUR 1,000

CapMan Plc (the “**Issuer**”) resolved on 4 April 2018 to issue senior unsecured notes with a principal amount of EUR 50,000,000 million (the “**Notes**”) based on the authorisation given by the Issuer’s Board of Directors on 14 March 2018. The Notes were offered for subscription in a minimum amount of EUR 100,000 through a book-building procedure that was carried out on 4 April 2018 (the “**Offering**”). The Notes bear interest at the rate of 4.125 per cent per annum. The maturity of the Notes is on 16 April 2023, unless the Issuer prepays the Notes in accordance with the terms and conditions of the Notes.

The Issuer has applied for the listing of the Notes on the official list of Nasdaq Helsinki Ltd (the “**Helsinki Stock Exchange**”). Public trading in the Notes is expected to commence on or about 19 April 2018 under the trading code “CAPMJ412523”.

This listing prospectus (the “**Prospectus**”) contains information on the Offering and the Notes. This Prospectus has been prepared solely for the purpose of admission to listing of the Notes on the Helsinki Stock Exchange (the “**Listing**”) and does not constitute any offering of the Notes.

An investment in the Notes involves certain risks, see “*Risk Factors*” in this Prospectus.

Besides filing this Prospectus with the Finnish Financial Supervisory Authority (the “**FIN-FSA**”) and the application to the Helsinki Stock Exchange, neither the Issuer nor the Lead Manager (as defined hereafter) have taken any action, nor will they take any action to render the public offer of the Notes or their possession, or the distribution of this Prospectus or any other documents relating to the Notes admissible in any other jurisdiction than Finland requiring special measures to be taken for the purpose of public offer.

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) and the Notes may not be offered or sold, directly or indirectly, within the United States or to, or for the account or benefit of any U.S. person (as such terms are defined in Regulation S under the Securities Act).

Lead Manager:



CERTAIN INFORMATION

This Prospectus has been prepared in accordance with the Finnish Securities Market Act (746/2012, as amended) (the “**Finnish Securities Market Act**”), the Decree of the Finnish Ministry of Finance on the Listing Prospectus referred to in Chapters 3 to 5 of the Finnish Securities Market Act (1019/2012, as amended), the Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council and the amendments thereto concerning information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, as amended (in application of the Annexes IV, V and XXII thereof), and the regulations and guidelines of the FIN-FSA. The FIN-FSA has approved the English language Listing Prospectus (journal number FIVA 10/02.05.04/2018) but assumes no responsibility for the correctness of the information contained herein.

In this Prospectus, any reference to the “**Company**”, “**CapMan**” or “**CapMan Group**” means CapMan Plc and its subsidiaries on a consolidated basis, except where it is clear from the context that the term means CapMan Plc or a particular subsidiary, and except that references and matters relating to the shares and share capital of the Company or matters of corporate governance shall refer to the shares, share capital and corporate governance of CapMan Plc. All references to the “**Issuer**” refer to CapMan Plc, except where the context may otherwise require. This Prospectus has been prepared in English only. However, the summary of this Prospectus has been translated into Finnish. The Issuer is responsible for the correctness of Finnish language translation of the summary.

This Prospectus should be read in conjunction with all documents which are deemed to be incorporated herein by reference and shall be read and construed on the basis that such documents are incorporated and form part of this Prospectus. See “*Information Incorporated by Reference*”.

OP Corporate Bank plc the “**Lead Manager**”) has acted exclusively for CapMan as the arranger and lead manager of the Offering and the Listing. The Lead Manager has not and is not acting for anyone else in connection with the Offering and the Listing and will not be responsible to anyone other than CapMan for providing the protections afforded to its respective clients nor for providing any advice in relation to the Listing or the contents of this Prospectus.

Investors should rely only on the information contained in this Prospectus. Neither CapMan nor the Lead Manager have authorised anyone to provide any information or give any statements other than those provided in this Prospectus. The Lead Manager assumes no responsibility for the accuracy or completeness of the information in this Prospectus and, accordingly, disclaim to the fullest extent permitted by law, any and all liability which it might otherwise be found to have in respect of this Prospectus or any such statement. Delivery of this Prospectus nor any sale made by reference thereto, shall not, under any circumstances, create any implication that there has been no change in the affairs of CapMan since the date of this Prospectus or that the information herein is correct as of any time subsequent to the date of this Prospectus. However, if a fault or omission is discovered in this Prospectus before the admission of the Notes for listing on the Helsinki Stock Exchange and such fault or omission may be of material importance to investors, this Prospectus shall be supplemented in accordance with the Finnish Securities Market Act. Unless otherwise stated, any estimates with respect to market development relating to the CapMan Group or its industry are based upon the reasonable estimates of the Company’s management. Nothing contained in this Prospectus is, or shall be relied upon as, a promise or representation by CapMan or the Lead Manager as to the future. Investors are advised to inform themselves of any stock exchange releases published by CapMan since the date of this Prospectus.

In making an investment decision, each investor should rely on their examination, analysis and enquiry of CapMan and the terms and conditions of the Notes, including the risks and merits involved. Neither CapMan, nor the Lead Manager, nor any of their respective affiliated parties or representatives, has made or is making any representation to any offeree or subscriber of the Notes regarding the legality of the investment by such person. Investors should make their independent assessment of the legal, tax, business, financial and other consequences of an investment in the Notes.

This Prospectus has been prepared solely in connection with the listing of the Notes on the Helsinki Stock Exchange. It does not constitute an offer of securities for sale, or a solicitation of an offer to buy any securities, anywhere in the world.

The distribution of this Prospectus may, in certain jurisdictions, be restricted by law, and this Prospectus may not be used for the purpose of, or in connection with, any offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. No actions have been taken to register or qualify the Notes, or otherwise to permit a public offering of the Notes, in any jurisdiction outside of Finland. CapMan and the Lead Manager expect persons into whose possession this Prospectus comes to inform themselves of and observe all such restrictions. Neither CapMan nor the Lead Manager accept any legal responsibility for any violation by any person, whether or not a prospective purchaser of Notes is aware of such restrictions. In particular the Notes may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into the United States, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa or any other jurisdiction in which it would not be permissible to offer the Notes and this Prospectus may not be sent to any person in the afore-mentioned jurisdictions.

The Notes are governed by Finnish law and any dispute arising in relation to the Notes shall be settled exclusively by Finnish courts in accordance with Finnish law.

MiFID II product governance / Professional investors, ECPs and retail investors target market

Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients and retail clients, each as defined in Directive 2014/65/EU (as amended, “**MiFID II**”) and (ii) all channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

Important – EEA retail investors

The Notes have a fixed rate of interest and the redemption amount is fixed as described in this Prospectus. Accordingly, no key information document pursuant to Regulation (EU) No 1286/2014 (the “**PRIIPs Regulation**”) has been prepared by the Issuer.

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SUMMARY

Summaries are made up of disclosure requirements known as “Elements”. These Elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of “not applicable”.

Section A — Introduction and warnings		
A.1	Warning	<p>This summary should be read as an introduction to the Prospectus. Any decision to invest in the Notes should be based on consideration of the Prospectus as a whole by the investor.</p> <p>Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under applicable law, have to bear the costs of translating this Prospectus before legal proceedings are initiated. CapMan assumes civil liability in respect of this summary and its translation only if it is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus, or if it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in the Notes issued by the Company.</p>
A.2	Consent by the person responsible for drawing up the prospectus to the use of the prospectus	Not applicable.

Section B — Issuer		
B.1	Legal and commercial name	CapMan Plc.
B.2	Domicile/Legal form/Legislation/Country of incorporation	The domicile of CapMan Plc is Helsinki, Finland. CapMan Plc is a public limited liability company incorporated in Finland and operating under Finnish law.
B.4b	Known trends affecting the Issuer and the Issuer’s industries	<p>Private equity investments are part of the alternative asset class. Private equity assets under management have nearly quintupled over the last 15 years and they totaled in approximate of USD 2,490,000 million globally in June 2016 (source: 2017 Preqin Global Private Equity & Venture Capital Report). The low interest rate environment and uncertainty relating to the cyclical nature of the stock market has led to capital flows towards private equity as investors actively seek out investments with alternative return profiles.</p> <p>Private equity investments have played an increasingly important role in investor portfolios in recent years given the fact that the annual returns of private equity investments have been higher compared to public market performance. High activity in the fundraising market continues and reflects the increasing interest for private equity investments. However, the competition for private equity and</p>

		<p>attractive transactions among fund managers has tightened: new investment strategies are being explored from geographical or industrial perspective among fund managers.</p> <p>Further, based on the preliminary market data, transaction volume in the Nordic real estate market amounted to approximately EUR 43,000 million in 2017, which represents a five per cent increase year over year (source: Pangea Property Partners, CapMan Real Estate). The steady increase in transaction volumes across the Nordic region have compressed the yields further. Yield compression has especially impacted secondary assets and the yield gap to prime has decreased.</p>
B.5	Group	<p>The issuer is the parent company of the CapMan Group. CapMan has subsidiaries in Finland, Sweden, Guernsey, Luxembourg, the United Kingdom, and Cyprus. These subsidiaries act as fund management and/or advisory companies for the CapMan Group's funds making direct investments in portfolio companies or in real estate assets. The voting power in most of the subsidiaries is wholly owned by CapMan. CapMan's largest subsidiary is Norvestia Oyj, and Maneq Investments Luxembourg S.à r.l. is CapMan's most significant associated company.</p>
B.9	Profit forecasts and estimates	<p>In its Annual Report for the financial year ended 2017, CapMan has published the following outlook estimate for 2018:</p> <p>CapMan expects fees from services to continue to grow and have an impact on results from the Management Company and Services business in 2018. CapMan's objective is to improve the profitability of Management Company and Services business before carried interest income and any possible items affecting comparability. The return on CapMan's investments have a substantial impact on CapMan's overall result. The development of industries and local economies, inflation development, valuation multiples of peer companies, exchange rates and various other factors outside of CapMan's control influence fair value development of CapMan's overall investments in addition to company and real estate specific development. CapMan's objective is to improve results longer term, taking into account annual fluctuations affecting the business. For these and other above-mentioned reasons, CapMan does not provide numeric estimates for 2018.</p>
B.10	Qualifications in the audit reports	<p>Not applicable. The audit reports on historical financial information incorporated by reference into this Prospectus do not include any qualifications.</p>
B.12	<p>No material adverse change and no significant change statements</p> <p>Selected consolidated financial information</p>	<p>There have been no material adverse changes in the prospects of the Issuer since the date of its last published audited financial statements.</p> <p>There has been no significant change in the financial or trading position of the Issuer since 31 December 2017.</p> <p>The following is a summary of CapMan's consolidated financial information as at and for the financial years ended 31 December 2017 and 31 December 2016. The information in this summary has been derived from CapMan Group's audited consolidated financial statements for the financial year ended 31 December 2017, which has been incorporated into this Prospectus by reference. This information should be read in conjunction with, and is qualified in its entirety by reference to, such financial statements and related notes. CapMan Group's consolidated financial statements have been prepared in accordance with the applicable International Financial Reporting Standards (IFRS) as adopted by the European Union. The information presented in the below tables for the financial years ended 31 December 2017 and 31 December 2016 has been audited.</p>

		For the year ended 31 December	
		2017	2016
		(audited)	
CONSOLIDATED STATEMENT OF INCOME		<i>(EUR in millions)</i>	
Fee income		26.7	26.6
Carried interest		4.4	0.0
Dividend and interest income from financial assets held for trading		3.7	0.0
Turnover		34.8	26.7
Other operating income		0	0.1
Personnel cost		-21.4	-18.3
Depreciation and amortisation		-1.7	-0.2
Other operating expenses		-9.9	-12.2
Fair value gains/losses of investments		17.6	22.6
Operating profit		19.5	18.7
Financial income and expenses		-3.2	-3.1
Share of the income of investments accounted for using the equity method		-0.1	0
Profit before taxes		16.2	15.5
PROFIT FOR THE PERIOD		15.5	15.3
		As at	
		31 December	
		2017	2016
		(audited)	
CONSOLIDATED BALANCE SHEET		<i>(EUR in millions)</i>	
ASSETS			
Non-current assets			
Tangible assets		0.3	0.2
Goodwill		4.5	6.2
Other intangible assets		0.2	0.3
Investments accounted for using the equity method		0.0	0.1
Investments at fair value through profit and loss			
Investments in funds		58.3	51.4
Growth equity investments		28.8	37.9
Other financial assets		0.1	0.2
Investments in joint ventures		4.9	5.4
Receivables		3.1	5.2
Deferred tax assets		1.8	4.9
Total non-current assets		102.1	111.6
Current assets			
Trade and other receivables		8.7	9.9
Financial assets at fair value through profit and loss		77.1	86.2
Cash and bank		23.3	45.0
Total current assets		109.2	141.1
TOTAL ASSETS		211.3	252.7

EQUITY AND LIABILITIES		
Capital attributable to the Company's equity holders		
Share capital	0.8	0.8
Share premium account	39.0	39.0
Other reserves	82.5	97.1
Translation difference	-0.4	-0.1
Retained earnings	4.8	6.2
Total capital attributable to the Company's equity holders		
Non-controlling interests	-0.0	0.0
Total equity	126.7	143.0
Liabilities		
Non-current liabilities		
Deferred tax liabilities	8.6	9.9
Interest-bearing loans and borrowings	45.2	48.1
Other non-current liabilities	0.1	0.1
Total non-current liabilities	53.9	58.1
Current liabilities		
Trade and other payables	26.8	33.3
Interest-bearing loans and borrowings	3.0	18.0
Current income tax liabilities	0.8	0.3
Total current liabilities	30.7	51.7
Total liabilities	84.6	109.7
TOTAL EQUITY AND LIABILITIES	211.3	252.7
	For the year ended	
	31 December	
	2017	2016
	(audited)	
CONSOLIDATED STATEMENT OF CASH FLOWS		
	<i>(EUR in millions)</i>	
Cash flow from operations		
Profit for the financial year	15.5	15.3
Adjustments on cash flow statement	-11.8	-18.5
Change in working capital:		
Change in current non-interest-bearing receivables	-1.8	1.7
Change in current trade payables and other non-interest-bearing liabilities	0	2.9
Interest paid	-3.9	-4.2
Taxes paid	-1.6	-0.3
Cash flow from operations	-3.6	-3.1
Cash flow from investing activities		
Acquisition of subsidiaries	-1.2	6.2
Investments in tangible and intangible assets	-0.3	-0.0
Investments at fair value through profit and loss	32.6	10.8
Long-term loan receivables granted	-0.2	-2.3
Receivables from long-term receivables	2.3	3.1
Dividends received	0.2	18.8
Interest received	0.3	0.7
Cash flow from investing activities	33.7	37.3

Cash flow from financing activities		
Share issue	0.4	0
Proceeds from borrowings	9.0	0
Repayment of borrowings	-42.0	-4.7
Paid withheld tax on dividends	-6.2	0
Dividends paid	-13.0	-6.0
Cash flow from financing activities	-51.8	-10.8
Change in cash and cash equivalents		
Cash and cash equivalents at start of year	45.0	21.6
Cash and cash equivalents at end of year	23.3	45.0
Change in cash and cash equivalents	-21.7	23.4

CapMan uses certain financial measures that are published in addition to IFRS measures. These alternative performance measures include adjusted turnover, adjusted operating profit, adjusted profit for the period, adjusted return on equity (ROE), adjusted return on investment (ROI) and adjusted earnings per share. CapMan presents non-IFRS measures because it believes that they better denote the financial performance of its business and improve the comparability between different financial periods. Alternative performance measures used by companies may differ from company to company and therefore, may not be comparable with other similarly titled measures presented by other companies. The alternative performance measures may also have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of CapMan's financial measures as reported under IFRS.

The following table sets forth non-IFRS performance measures of CapMan as at and for the twelve months ended 31 December 2017 and 31 December 2016:

	As at and for the year ended 31 December		As at and for the year ended 31 December	
	2017	2016	2017	2016
	(audited)		(unaudited)	
KEY FIGURES	Comparable figures			
Earnings per share, cents *	10.4	16.2	13.1	11.2
Diluted, cents *	10.2	16.1	13.0	11.2
Shareholders' equity / share, cents **	87.3	98.6		
Share issue adjusted number of shares	145,179,460	88,382,868		
Number of shares at the end of period	145,625,985	143,313,255		
Number of shares outstanding	145,599,686	143,286,956		
Company's possession of its own shares, end of period	26,299	26,299		
Return on equity, %	11.5	14.7	14.5	9.5
Return on investment, %	10.1	10.9	12.4	8.4
Equity ratio, %	60.0	56.6		
Net gearing, %	19.4	14.5		
Net interest-bearing liabilities, EUR million	24.6	20.8		

* Hybrid bond of EUR 15 million (EUR 15 million as at December 31, 2016) is recognised to equity until its repayment date March 17, 2017. Interest on the hybrid bond (net of tax) for the financial year has been deducted when calculating earnings per share. The share issue adjusted number of shares

includes the shares issued as consideration transferred in the acquisition of Norvestia as of December 19, 2016, when calculating earnings per share under IAS 33.

** Included a hybrid bond of EUR 15 million (EUR 15 million as at December 31, 2016) until March 17, 2017. Calculation of shareholders' equity per share includes all shares issued as consideration in the acquisition of Norvestia.

	As at and for the year ended 31 December	
ITEMS AFFECTING COMPARABILITY AND ALTERNATIVE PERFORMANCE MEASURES	2017	2016
	(unaudited)	
Turnover	34.8 ¹	26.7 ¹
Items affecting comparability		
Reassessment of potential repayment risk to the funds	0.1	2.3
Items affecting comparability, total	0.1	2.3
Adjusted turnover	34.9	29.0
Operating profit	19.5 ¹	18.7 ¹
Items affecting comparability		
Items related to the acquisition of Norvestia, of which:	1.8	-7.1
transaction costs	0.6	2.8
integration related costs	1.2	
gain from a bargain purchase		-13.9
loss from the remeasurement of previous ownership at fair value		4.0
Reassessment of potential repayment risk to the funds	0.1	2.3
Reorganization costs	1.0	
Impairment of goodwill	1.5	
Write-down of a value-added tax receivable		1.0
Insurance compensations		-0.3
Items affecting comparability, total	4.4	-4.2
Adjusted operating profit	23.9	14.5
Profit for the period	15.5 ¹	15.3 ¹
Items affecting comparability		
Items related to the acquisition of Norvestia	1.7	-7.2
Reassessment of potential repayment risk to the funds	0.1	1.8
Reorganization costs	0.8	
Impairment of goodwill	1.5	
Write-down of a value-added tax receivable		1.3
Insurance compensations		-0.2
Items affecting comparability, total	4.0	-4.4
Adjusted profit for the period	19.5	10.9
Earnings per share, cents	10.4 ¹	16.2 ¹
Items affecting comparability, cents	2.8	-5.0
Adjusted earnings per share, cents	13.1	11.2
Earnings per share, diluted, cents	10.2 ¹	16.1 ¹
Items affecting comparability, cents	2.7	-4.9
Adjusted earnings per share, diluted, cents	13.0	11.2

¹ Audited

		<p>Calculation of key ratios</p> <p>Return on equity (ROE), % = $\frac{\text{Profit/loss for the financial year}}{\text{Shareholders' equity (average during the period)}} \times 100$</p> <p>Return on investment (ROI), % = $\frac{\text{Profit/loss for the financial year} + \text{income taxes} + \text{interest expenses and other financial expenses}}{\text{Balance sheet total} - \text{non-interest bearing debts (average during the period)}} \times 100$</p> <p>Equity ratio, % = $\frac{\text{Total Shareholders' equity}}{\text{Balance sheet total} - \text{advances received}} \times 100$</p> <p>Net gearing, % = $\frac{\text{Net interest-bearing liabilities}}{\text{Shareholders' equity}} \times 100$</p> <p>Earnings per share (EPS) = $\frac{\text{Profit/loss for the financial year} - \text{hybrid loan interest}}{\text{Share issue adjusted number of shares (average during the period)}}$</p> <p>Shareholders' equity per share, cents = $\frac{\text{Shareholders' equity}}{\text{Share issue adjusted number of shares at the end of the financial year}}$</p> <p>Dividend per share = $\frac{\text{Dividend paid in the financial year}}{\text{Share issue adjusted number of shares at the end of the financial year}}$</p> <p>Dividend per earnings, % = $\frac{\text{Dividend per share}}{\text{Earnings/share}} \times 100$</p>
B.13	Recent events materially relevant to evaluation of the Issuer's solvency	There are no recent events materially relevant to the evaluation of the Issuer's solvency.
B.14	Dependency of the Issuer on other entities within the group	The Issuer conducts most of its business operations through its subsidiaries.
B.15	Description of the Issuer's principal activities	<p>CapMan is an investment and specialised asset management company serving the private equity industry and its investors on a broad scale. The CapMan Group manages its own private equity funds, provides professional services in the field of private equity investments even outside the borders of the CapMan Group and invests broadly from its balance sheet in the private equity asset class. Today CapMan manages approximately EUR 2,800 million in assets.</p> <p>Previously CapMan had two operating segments: (i) Management company and Services business and (ii) Investment business. On 14 March 2018, the Board of</p>

		<p>Directors resolved to divide CapMan’s business operations into three operating segments, as of the beginning of 2018. The current operating segments include: the Management company business, the Service business and the Investment business. As a fund management company, CapMan mainly manages assets of its customers, i.e. investors, by making investments from the private equity funds, into which funds have been raised mainly from institutional investors, such as pension companies and foundations, or directly from CapMan’s own balance sheet.</p> <p>The CapMan Group’s Service business includes two professional service teams: Scala Fund Advisory and CapMan Procurement Services (CAPS). Under the operating segment of Investment business, CapMan makes investments from its own balance sheet. In addition, the CapMan Group has Finance, Legal, Back Office, IT, Communications, Human Resources and Sales & Fund Investor Relations functions.</p>
B.16	Description of whether the Issuer is directly or indirectly owned or controlled and by whom and nature of such control	Not applicable. To the extent known to CapMan, CapMan is not directly or indirectly owned or controlled by any person.
B.17	Issuer ratings	Not applicable. The Issuer has not commissioned any credit rating for the Notes or for itself.

<i>Section C — Securities</i>		
C.1	Type and class of securities	<p>Senior unsecured fixed rate notes with an aggregate principal amount of EUR 50,000,000.</p> <p>The ISIN code of the Notes is FI4000315676.</p>
C.2	Currency of the securities issue	The currency of the Offering is euro.
C.5	Restrictions on the free transferability of the securities	Not applicable. Each Note will be freely transferable after it has been registered into the respective book-entry account.
C.8	Rights attached to the securities; ranking	<p>The holders of the Notes have the right to attend the Noteholders’ Meeting or the Written Procedure.</p> <p>The Notes constitute direct, unconditional, unsubordinated, unsecured and unguaranteed obligations of the Issuer ranking <i>pari passu</i> among themselves and at least <i>pari passu</i> with the unsecured obligations of the Issuer, save for obligations which are preferred by mandatory provisions of law.</p>
C.9	Interest and yield; name of representative of debt security holders	<p>The Notes bear fixed interest at the rate of 4.125 per cent per annum.</p> <p>The interest on the Notes will be paid semi-annually in arrears commencing on 16 October 2018 and thereafter on each 16 October and 16 April (“Interest Payment Date”) until 16 April 2023 (the “Final Maturity Date”).</p> <p>Interest shall accrue for each interest period from and including the first day of the interest period to (but excluding) the last day of the interest period on the principal amount of Notes outstanding from time to time. For the first interest period shall accrue from (and including) the Issue Date to (but excluding) the first Interest Payment Date. Each consecutive interest period begins on (and includes) the</p>

		<p>previous Interest Payment Date and ends on (but excludes) the following Interest Payment Date. The last interest period ends on the Redemption Date.</p> <p>Interest in respect of the Notes shall be calculated on the basis of the actual number of days elapsed in the relevant interest period divided by 365, or, in the case of a leap year, 366 (Actual / Actual ICMA).</p> <p>At the issue price of 100%, the effective yield of the Notes is 4.168 per cent per annum.</p>
C.10	Explanation on how the interest amount is affected by value of the underlying	Not applicable. The Notes have no derivative component in the interest payment.
C.11	Admission to trading	The Company has made an application for the admission of the Notes to public trading on the Helsinki Stock Exchange, and the Listing is expected to take place on or about 19 April 2018.

<i>Section D — Risks</i>		
D.2	Risks specific to the issuer, its operating environment and business	<p>There are risks relating to the Company as an issuer and to its operating environment and business as well as to the Offering and the Notes issued thereunder. The risk factors relating to the Company as an issuer and to its operating environment and business are listed below. This listing is not exhaustive and additional risks and uncertainties not presently known to the Company, or that the Company currently believes are immaterial, could also impair the Company's business, results of operations and financial condition or an investment in the Company.</p> <p>The risks relating to the Company's operating environment and business operations include the following factors:</p> <ul style="list-style-type: none"> - Disruptions in the global market and adverse economic developments may have adverse effects on CapMan's business and results of operations. - Failure in the establishment of new funds or unsuccessful fundraising of newly established funds may reduce future management fees and carried interest income. - The CapMan Group and the funds managed by it are exposed to market specific risks relating to private equity and real estate investments as well as to risks relating to the different investment strategies on the funds. - Inauspicious market conditions may have adverse effects on CapMan Group's return of the investment operations. - The CapMan Group may not necessarily be able to find profitable investment targets or it may fail in value creation or realisation of the created value of its investments. - CapMan Group's fund agreements include clauses which may lead to CapMan's dismissal and/or obligation to return carried interest income (clawback). - Changes in the fair value of the target investments may have material adverse effects on the CapMan Group's results of operations. - The CapMan Group may not be able to realise carried interest or the realised carried interest may be less than anticipated, which could have material adverse effects on the CapMan Group's result. - Changes in legislation or failure in compliance could adversely affect the CapMan Group's business operations and increase its costs.

		<ul style="list-style-type: none"> - Political, financial and legal risks in the markets on which the CapMan Group operates may adversely affect the CapMan Group's results of operations. - Failure in recruiting qualified persons or loss of key persons could disturb CapMan's business and have an adverse effect on its financial performance. - The activities of the CapMan Group personnel could have adverse effects on its business and financial condition. - Risks related to taxation could have adverse effects on CapMan's business, financial conditions and results of operations. - Conflicts of interest may arise between the CapMan Group companies as well as the customers and the investors. - The CapMan Group is dependent on IT systems developed and maintained by third parties. - Litigations, legal claims or regulatory proceedings may have material adverse effects on the CapMan Group's business or result in unexpected costs. - CapMan Group's insurances may not cover all the risks related to its business. <p>The risks relating to CapMan's financing include the following factors:</p> <ul style="list-style-type: none"> - CapMan is exposed to liquidity risk. - CapMan may not receive financing at competitive terms or at all. - Covenants in the agreements governing CapMan's credit arrangements may restrict CapMan's ability to operate its business in all circumstances. - CapMan's possible extensive indebtedness may have an adverse effect on the Issuer's ability to fulfil its obligations under the Notes as well as on the market price and value of the Notes. - Fluctuations in interest rates may adversely affect the results of operations of CapMan. - Fluctuations in foreign exchange rates may adversely affect the results of operations of CapMan. - Impairment of goodwill may have an adverse effect on the Issuer's ability to fulfil its obligations under the Notes as well as on the market price and value of the Notes. - Future changes in accounting standards may affect CapMan's financial position.
D.3	Risks specific to the securities	<p>There are risks relating the Company as an issuer and to its operating environment and business as well as to the Offering and the Notes issued thereunder. The risk factors relating to the Offering and the Notes issued thereunder are listed below. This listing is not exhaustive and additional risks and uncertainties not presently known to the Company, or that the Company currently believes are immaterial, could also impair the Company's business, results of operations and financial condition or an investment in the Company.</p> <p>The risks relating to the Notes include the following factors:</p> <ul style="list-style-type: none"> - The Notes may not be a suitable investment for all investors. - Investors of the Notes are exposed to credit risk in respect of the Issuer and may forfeit interest and principal amount invested. - Exchange rate risk and exchange controls. - No guarantee or security. - Secured creditors will have prior claim to the Issuer's assets that constitute their collateral as compared to holders of the Notes. - An active trading market for the Notes may not develop.

		<ul style="list-style-type: none"> - Since the Notes bear a fixed interest rate, their price may fall as a result of changes in the interest rates. - Market value of the Notes may be affected by several factors. - The Issuer has not commissioned any credit rating for the Notes or for itself. - The completion of the transactions relating to the Notes is reliant on Euroclear Finland Ltd's operations and systems. - No assurance as to the impact of change of laws or practices. - The Notes do not, as a rule, contain covenants governing the Issuer's operations and do not limit its ability to merge, effect asset sales or otherwise effect significant transactions that may have a material adverse effect on the Notes and the Noteholders. - The Issuer may have an obligation to redeem and purchase the Notes prior to maturity. - The Issuer has the right to redeem and purchase the Notes prior to maturity. - The Issuer may not be able to finance the repurchase of Notes following a Change of Control Event. - Amendments to the Notes bind all Noteholders. - Rights to payments that have not been claimed within three (3) years are prescribed. - The Notes carry no voting rights at the Issuer's General Meeting of Shareholders. - The Issuer may raise or issue additional debt without the consent of the holders of the Notes. - The Issuer is not obliged to compensate for withholding tax or similar on the Notes. - Lead Manager may have a potential conflict of interest. - Legal investment considerations may restrict certain investments.
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<i>Section E — Offer</i>		
E.2b	Reasons for the Offering and use of proceeds	<p>The aggregate net proceeds to the Company from the Offering, after deduction of the fees and expenses payable by CapMan, will be approximately EUR 49.5 million.</p> <p>The proceeds have on 17 April 2018 been used for refinancing certain existing indebtedness of the Issuer, including the voluntary total redemption of the Issuer's existing EUR 30,000,000 notes due 2019 issued on 15 October 2015, with ISIN code FI4000176466. The remaining proceeds are intended to be used for general corporate purposes.</p>
E.3	Terms and conditions of the Offering	<p>Issuer: CapMan Plc, a public limited company incorporated in Finland.</p> <p>Lead Manager: OP Corporate Bank plc</p> <p>Aggregate principal amount: EUR 50,000,000.</p> <p>Issue date: 16 April 2018.</p> <p>Redemption Date: 16 April 2023.</p> <p>Interest payment dates: Semi-annually in arrears commencing on 16 October 2018 and thereafter each 16 April and 16 October.</p> <p>Interest: 4.125 per cent per annum</p>

		<p>Effective yield of the Notes on the Issue Date: At the issue price of 100%, the effective yield of the Notes is 4.168 per cent per annum.</p> <p>Redemption: At par, bullet, on Final Maturity Date.</p> <p>Voluntary total redemption: The Issuer may redeem all, but not only some, of the outstanding Notes in full:</p> <p>(a) any time from and including the first business day falling 30 months after the Issue Date to but excluding the first business day falling 42 months after the Issue Date at an amount per Note equal to 100 per cent of the Nominal Amount plus 50 per cent. of the Interest Rate (calculated on the Nominal Amount for one year), together with accrued but unpaid Interest;</p> <p>(b) any time from and including the first business day falling 42 months after the Issue Date to, but excluding, the first business day falling 54 months after the Issue date at an amount per Note equal to 100 per cent of the Nominal Amount plus 25 per cent. of the Interest Rate (calculated on the Nominal Amount for one year), together with accrued but unpaid Interest; and</p> <p>(c) any time from and including the first business day falling 54 months after the Issue Date to, but excluding, the Final Maturity Date at an amount per Note equal to 100 per cent of the Nominal Amount plus 12.5 per cent of the Interest Rate (calculated on the Nominal Amount for one year), together with accrued but unpaid Interest.</p> <p>Denominations: Minimum subscription is EUR 100,000 and the denomination of each book-entry unit is EUR 1,000.</p> <p>Use of proceeds: Refinancing certain existing indebtedness of the Issuer, including the voluntary total redemption of the Issuer's existing EUR 30,000,000 notes due 2019 issued on 15 October 2015 as well as general corporate purposes.</p> <p>Status: Senior, unsecured, unsubordinated.</p> <p>Rating: Not applicable.</p> <p>Covenants, mandatory repurchase and events of default: Financial undertaking (equity ratio), information undertakings, change of business, negative pledge, compliance with laws, change of control, demerger event, non-payment, non-compliance, invalidity, ineffectiveness, indebtedness, continuity of business, insolvency proceedings.</p> <p>Listing: The Notes are expected to be listed on the Helsinki Stock Exchange on or about 19 April 2018.</p> <p>Clearing: The Notes are issued in dematerialised form in the Infinity-book-entry securities system of Euroclear Finland Ltd. The registered address of Euroclear Finland Ltd is Urho Kekkosen katu 5 C, FI-00100, Helsinki, Finland.</p> <p>Applicable law: Finnish law.</p> <p>ISIN code: FI4000315676.</p>
E.4	Material interests	<p>Interests of the Lead Managers: Business interest normal in the financial markets. The Lead Manager will be paid a fee by the Issuer in respect of the Offering and issue of the Notes.</p> <p>In addition, the Lead Manager is lender under a facility agreement with the Issuer. The proceeds from the Offering may be used, <i>inter alia</i>, for the prepayment of existing financing under the before-mentioned facility agreement. Further, the Lead Manager may in the future provide investment or other banking services, including financing arrangements, for CapMan in the ordinary course of business.</p>
E.7	Estimated expenses charged to the investor	<p>Not applicable. There are no expenses charged to the investors by the Company.</p>

TIIVISTELMÄ

Tiivistelmät koostuvat sääntelyn edellyttämistä tiedoista, joita kutsutaan nimellä "Osatekijät". Nämä Osatekijät on numeroitu jaksoittain A-E (A.1 – E.7).

Tämä tiivistelmä sisältää kaikki ne Osatekijät, jotka kyseessä olevasta arvopaperista ja sen liikkeeseenlaskijasta tulee esittää. Osatekijöiden numerointi ei välttämättä ole juokseva, sillä kaikkia sääntelyssä lueteltuja osatekijöitä ei arvopaperin tai liikkeeseenlaskijan luonteen vuoksi ole esitettävä tässä tiivistelmässä.

Vaikka arvopaperin tai liikkeeseenlaskijan luonne edellyttäisi jonkin Osatekijän sisällyttämistä tiivistelmään, on mahdollista, ettei kyseistä osatekijää koskevaa merkityksellistä tietoa ole lainkaan. Tällöin osatekijä on kuvattu lyhyesti ja sen yhteydessä mainitaan "ei sovellu".

Jakso A – Johdanto ja varoitukset		
A.1	Varoitus	<p>Tätä tiivistelmää tulee pitää Listalleottoesitteen johdantona. Sijoittajan tulee perustaa Velkakirjoja koskeva sijoituspäätöksensä Listalleottoesitteessä esitettyihin tietoihin kokonaisuutena.</p> <p>Jos tuomioistuimessa pannaan vireille Listalleottoesitteeseen sisältyviä tietoja koskeva kanne, kantajana toimiva sijoittaja voi sovellettavan lainsäädännön mukaan joutua ennen oikeudenkäynnin vireillepanoa vastaamaan Listalleottoesitteen käännöskustannuksista. CapMan vastaa siviilioikeudellisesti tästä tiivistelmästä ja sen käännöksestä vain, jos tiivistelmä on harhaanjohtava, epätarkka tai epäjohdonmukainen luettuna yhdessä Listalleottoesitteen muiden osien kanssa tai jos tiivistelmässä ei anneta yhdessä Listalleottoesitteen muiden osien kanssa keskeisiä tietoja sijoittajien auttamiseksi, kun he harkitsevat sijoittamista Yhtiön Velkakirjoihin.</p>
A.2	Esitteen laatimisesta vastaavan suostumus esitteen käyttöön	Ei sovellu.

Jakso B – Liikkeeseenlaskija		
B.1	Virallinen nimi ja muu liiketoiminnassa käytetty toiminimi	CapMan Oyj.
B.2	Asuinpaikka/ oikeudellinen muoto/sovellettava laki/liikkeeseenlaskijan perustamismaa	CapMan Oyj:n kotipaikka on Helsinki, Suomi. CapMan Oyj on julkinen osakeyhtiö, joka on perustettu Suomessa ja sen toimintaan sovelletaan Suomen lakia.
B.4b	Merkittävimmät mahdolliset tiedossa olevat suuntaukset	<p>Pääomasijoittaminen on osa vaihtoehtoista omaisuusluokkaa. Pääomasijoitusyhtiöiden hallinnoimat pääomat ovat lähes viisinkertaistuneet viimeisen 15 vuoden aikana, ja vuoden 2016 kesäkuussa ne olivat yhteensä noin 2.490 miljardia euroa (lähde: 2017 Preqin Global Private Equity & Venture Capital Report). Alhainen korkoympäristö ja osakemarkkinan syklisyyteen liittyvä epävarmuus ovat johtaneet pääomien liikkumiseen kohti pääomasijoittamista sijoittajien etsiessä vaihtoehtoisia tuottokohteita.</p> <p>Pääomasijoitusten korkeat pääomanpalautukset ovat kasvattaneet pääomasijoitusten suosiota ja niiden osuus sijoittajien salkuissa on myös</p>

		<p>kasvanut viime vuosina. Varainhankintamarkkinoiden korkea aktiviteetti jatkuu ja heijastaa kasvavaa kiinnostusta pääomasijoituksia kohtaan. Kilpailu yksityisestä pääomasta ja kiinnostavista transaktioista rahastonhoitajien keskuudessa kuitenkin kiristyy: rahastonhoitajat tarkastelevat erilaisten sijoitusstrategioiden mahdollisuutta erityisesti maantieteellisestä ja toimialalähtöisestä näkökulmasta.</p> <p>Kiinteistömarkkinan kokonaisvolyymi oli ennakkotietojen mukaan Pohjoismaissa noin 43.000 miljoonaa euroa vuonna 2017. Tämä vastaa noin viiden prosentin kasvua viime vuoteen verrattuna (lähde: Pangea Property Partners, CapMan Real Estate). Sijoitusvolyymien jatkuva kasvu on pitänyt tuottovaatimustasot ennätysalhaalla kaikissa Pohjoismaissa. Tuottovaatimustasojen lasku on kohdistunut erityisesti sekundäärisiin kiinteistöihin, joiden osalta riskipreemio prime-kohteisiin verrattuna on kaventunut.</p>
B.5	Konserni	<p>Liikkeeseenlaskija on CapMan -konsernin emoyhtiö. CapManilla on tytäryhtiötä Suomessa, Ruotsissa, Guernseyllä, Luxemburgissa, Iso-Britanniassa ja Kyproksella. Tytäryhtiöt toimivat konsernin hallinnoimien, kohdeyritys- tai kiinteistösjoiutuksia tekevien rahastojen hallinointiyhtiöinä ja/tai neuvonantajina. CapMan omistaa pääsääntöisesti yhtiöiden äänivallan sataprosenttisesti. CapManin suurin tytäryhtiö on Norvestia Oyj, ja Maneq Investments Luxembourg S.à r.l. on CapManin merkittävin osakkuusyhtiö.</p>
B.9	Tulosennuste ja -arvio	<p>CapMan on julkistanut vuoden 2017 vuosikertomuksessaan seuraavat tiedot koskien näkymääriviotaan vuodelle 2018:</p> <p>CapMan odottaa palveluista saatavien palkkiotuottojen kasvun jatkuvan hallinnointi- ja palveluliiketoiminnan tuloksessa vuoden 2018 aikana. CapManin tavoitteena on hallinnointi- ja palveluliiketoiminnan kannattavuuden paraneminen ennen voitonjako-osuustuottoja sekä mahdollisia vertailukelpoisuuteen vaikuttavia eriä. CapManin sijoitusten tuotoilla on merkittävä vaikutus CapManin kokonaistulokseen. Toimialojen ja kansantalouksien yleinen kehitys, inflaatiokehitys, verrokkiyritysten arvostuskertoimet, valuuttakurssit sekä muut CapManista riippumattomat tekijät sekä kyseisten tekijöiden yhteisvaikutus vaikuttavat CapManin kokonaissijoitusten käypien arvojen kehitykseen sijoituskohteen oman arvonkehityksen lisäksi. CapManin tavoitteena on pitkän aikavälin tulosparannus, huomioiden kuitenkin liiketoimintaan liittyvät vuositaso vaihtelut. Näistä sekä muista yllä kuvatuista syistä CapMan ei anna numeerisia ennusteita vuodelle 2018.</p>
B.10	Tilintarkastuskertomuksessa esitetyt muistutukset	<p>Ei sovellu. Tähän Listalleottoesitteeseen viittaamalla sisällytetyt tilintarkastuskertomukset historiallisesta taloudellisesta informaatiosta eivät sisällä muistutuksia.</p>
B.12	Ei merkittäviä kielteisiä muutoksia eikä merkittäviä muutoksia Keskeiset taloudelliset tiedot	<p>Liikkeeseenlaskijan tulevaisuudennäkymissä ei ole tapahtunut merkittäviä kielteisiä muutoksia viimeisen tarkastetun ja julkaistun tilinpäätöksen päivämäärän jälkeen.</p> <p>Liikkeeseenlaskijan taloudellisessa tai liiketoiminnallisessa asemassa ei ole tapahtunut merkittäviä muutoksia 31.12.2017 jälkeen.</p> <p>Alla on esitetty yhteenveto CapManin konsolidoiduista taloudellisista tiedoista 31.12.2017 ja 31.12.2016 päättyneiltä tilikausilta. Tämän yhteenveton informaatio on johdettu CapMan Konsernin tilintarkastetusta konsernitilinpäätöksestä 31.12.2017 päättyneeltä tilikaudelta, joka on sisällytetty tähän Listalleottoesitteeseen viittaamalla. Tietoja tulee lukea ja tarkastella ainoastaan yhdessä tilinpäätöstietojen ja niiden liitetietojen kanssa. CapMan Konsernin konsernitilinpäätös on laadittu soveltuvien kansainvälisten tilinpäätösstandardien (IFRS) mukaisesti siten, kuin Euroopan Unioni on ne hyväksynyt. Alla olevissa taulukoissa 31.12.2017 ja 31.12.2016 päättyneiltä tilikausilta esitetyt tiedot ovat tilintarkastettuja.</p>

		1.1.–31.12.	
		2017	2016
		(tilintarkastettu)	
		<i>(miljoonaa euroa)</i>	
KONSERNIN TULOSLASKELMA			
Palkkiotuotot		26,7	26,6
Voitonjako-osuustuotot		4,4	0,0
Osinko- ja korkotuotot kaupankäyntitarkoituksessa pidettävistä rahoitusvaroista		3,7	0,0
Liikevaihto		34,8	26,7
Liiketoiminnan muut tuotot		0	0,1
Työsuhde-etuuksista aiheutuvat kulut		-21,4	-18,3
Poistot		-1,7	-0,2
Liiketoiminnan muut kulut		-9,9	-12,2
Sijoitusten käyvän arvon muutokset		17,6	22,6
Liikevoitto		19,5	18,7
Rahoitustuotot ja -kulut		-3,2	-3,1
Osuus pääomaosuusmenetelmällä yhdistettävien sijoitusten tuloksesta		-0,1	0,0
Voitto ennen veroja		16,2	15,5
TILIKAUDEN VOITTO		15,5	15,3
		31.12.	
		2017	2016
		(tilintarkastettu)	
		<i>(miljoonaa euroa)</i>	
KONSERNITASE			
VARAT			
Pitkäaikaiset varat			
Aineelliset käyttöomaisuushyödykkeet		0,3	0,2
Liikearvo		4,5	6,2
Muut aineettomat hyödykkeet		0,2	0,3
Pääomaosuusmenetelmällä yhdisteltävät sijoitukset		0,0	0,1
Käypään arvoon tulosvaikutteisesti kirjattavat sijoitukset			
Rahastosijoitukset		58,3	51,4
Kasvusijoitukset		28,8	37,9
Muut sijoitukset		0,1	0,2
Yhteisyritykset		4,9	5,4
Saamiset		3,1	5,2
Laskennalliset verosaamiset		1,8	4,9
Pitkäaikaiset varat yhteensä		102,1	111,6
Lyhytaikaiset varat			
Myyntisaamiset ja muut saamiset		8,7	9,9
Käypään arvoon tulosvaikutteisesti kirjattavat rahoitusvarat		77,1	86,2
Rahavarat		23,3	45,0
Lyhytaikaiset varat yhteensä		109,2	141,1
VARAT YHTEENSÄ		211,3	252,7
OMA PÄÄOMA JA VELAT			
Emoyhtiön omistajille kuuluva oma pääoma			
Osakepääoma		0,8	0,8
Ylikurssirahasto		39,0	39,0

Muut rahastot	82,5	97,1
Muuntoerot	-0,4	-0,1
Kertyneet voittovarot	4,8	6,2
Emoyhtiön omistajille kuuluva oma pääoma yhteensä		
Määräysvallattomat omistajat	-0,0	0,0
Oma pääoma yhteensä	126,7	143,0
Velat		
Pitkäaikaiset velat		
Laskennalliset verovelat	8,6	9,9
Rahoitusvelat	45,2	48,1
Muut pitkäaikaiset velat	0,1	0,1
Pitkäaikaiset velat yhteensä	53,9	58,1
Lyhytaikaiset velat		
Ostovelat ja muut velat	26,8	33,3
Lyhytaikaiset rahoitusvelat	3,0	18,0
Kauden verotettavaan tuloon perustuvat verovelat	0,8	0,3
Lyhytaikaiset velat yhteensä	30,7	51,7
Velat yhteensä	84,6	109,7
OMA PÄÄOMA JA VELAT YHTEENSÄ	211,3	252,7
	1.1.–31.12.	
	2017	2016
	(tilintarkastettu)	
KONSERNIN RAHAVIRTALASKELMA	<i>(miljoonaa euroa)</i>	
Liiketoiminnan rahavirrat		
Tilikauden voitto	15,5	15,3
Oikaisut tilikauden tulokseen	-11,8	-18,5
Käyttöpääoman muutokset:		
Lyhytaikaisten liikesaamisten muutos	-1,8	1,7
Lyhytaikaisten korottomien velkojen muutos	0	2,9
Maksetut korot	-3,9	-4,2
Maksetut verot	-1,6	-0,3
Liiketoiminnan nettorahavirta	-3,6	-3,1
Investointien rahavirrat		
Tytäryritysten hankinta	-1,2	6,2
Investoinnit aineellisiin ja aineettomiin hyödykkeisiin	-0,3	-0,0
Investoinnit käypään arvoon tulosvaikutteisesti kirjattaviin sijoituksiin (netto)	32,6	10,8
Myönnetyt lainat	-0,2	-2,3
Lainasaamisten takaisinmaksut	2,3	3,1
Saadut osingot	0,2	18,8
Saadut korot investoinneista	0,3	0,7
Investointien nettorahavirta	33,7	37,3
Rahoituksen rahavirrat		
Osakemerkinnät	0,4	0
Lainojen nostot	9,0	0
Lainojen takaisinmaksut	-42,0	-4,7
Osinkojen ennakonpidätysvelan maksu	-6,2	0
Maksetut osingot	-13,0	-6,0

		Rahoituksen nettorahavirta	-51,8	-10,8
		Rahavarojen muutos		
		Rahavarat tilikauden alussa	45,0	21,6
		Rahavarat tilikauden lopussa	23,3	45,0
		Rahavarojen muutos	-21,7	23,4
		<p>CapMan käyttää tiettyjä taloudellisia tunnuslukuja, jotka julkistetaan IFRS-standardien mukaisten tunnuslukujen lisäksi. Vaihtoehtoisia tunnuslukuja ovat oikaistu liikevaihto, oikaistu liikevoitto, oikaistu katsauskauden tulos, oikaistu oman pääoman tuotto (ROE), oikaistu sijoitetun pääoman tuotto (ROI) ja oikaistu osakekohtainen tulos. CapMan esittää muita kuin IFRS-standardien mukaisia tunnuslukuja, koska se katsoo niiden kuvaavan paremmin sen liiketoiminnan taloudellista kehitystä ja parantavan vertailukelpoisuutta eri tilikausien välillä. Käytetyt vaihtoehtoiset tunnusluvut voivat vaihdella eri yhtiöiden välillä ja näin ollen ne eivät välttämättä ole vertailukelpoisia suhteessa muiden yhtiöiden käyttämiin samannimisiin tunnuslukuihin. Vaihtoehtoisiin tunnuslukuihin voi analyysin välineinä liittyä myös rajoituksia, eikä niitä tulisi tarkastella erillisinä tai korvaavina tunnuslukuina suhteessa CapManin käyttämiin IFRS-standardien mukaisiin tunnuslukuihin.</p> <p>Seuraavassa taulukossa esitetään CapManin muita kuin IFRS-standardien mukaisia tunnuslukuja 31.12.2017 ja 31.12.2016 päättyneiltä kahdentoista kuukauden jaksoilta:</p>		
			1.1.–31.12. ja	31.12.
		1.1.–31.12. ja 31.12.	2017	2016
		(tilintarkastettu)		
			2017	2016
			(tilintarkastama	-ton)
			Vertailukelpoiset tunnusluvut	
		TUNNUSLUKUJA		
		Tulos / osake, senttiä *	10,4	16,2
		Tulos / osake, laimennusvaikutuksella oikaistu, senttiä *	10,2	16,1
		Oma pääoma / osake, senttiä **	87,3	98,6
		Osakkeiden osakeantioikaistu lukumäärä	145.179.460	88.382.868
		Osakelukumäärä katsauskauden lopussa	145.625.985	143.313.255
		Ulkona olevien osakkeiden määrä Yrityksen hallussa olevat omat osakkeet kauden lopussa	26.299	26.299
		Oman pääoman tuotto, %	11,5	14,7
		Sijoitetun pääoman tuotto, %	10,1	10,9
		Omavaraisuusaste, %	60,0	56,6
		Nettovelkaantumisaste, %	19,4	14,5
		Korolliset nettovelat, milj. euroa	24,6	20,8
		* Pääomaltaan 15 miljoonan euron (15 milj. euroa 31.12.2016) hybridilaina sisältyi omaan pääomaan 17.3.2017 saakka, jolloin se maksettiin takaisin, ja osakekohtaisen tuloksen laskelmassa		

on vähennetty katsauskaudelle jaksotetut hybridilainan korot verojen jälkeen. Osakekohtaisen tuloksen laskelmassa osakemäärään on sisällytetty yrityshankinnan yhteydessä liikkeeseen lasketut uudet osakkeet IAS 33:n mukaisesti hankintahetkestä 19.12.2016 alkaen.
 ** Sisälsi pääomaltaan 15 miljoonan euron (15 milj. euroa 31.12.2016) hybridilainan 17.3.2017 saakka. Osakekohtaisen oman pääoman laskelmassa osakemäärään on sisällytetty kaikki yrityshankinnan yhteydessä liikkeeseen lasketut uudet osakkeet.

VERTAILUKELPOISUUTEEN VAIKUTTAVAT ERÄT JA VAIHTOEHTOISET TUNNUSLUVUT	1.1.–31.12. ja 31.12. 2017 2017 (tilintarkastamaton)	
Liikevaihto	34,8 ¹	26,7 ¹
Vertailukelpoisuuteen vaikuttavat erät:		
Voitonjako-osuustuottojen takaisinmaksuriskin uudelleenarviointi	0,1	2,3
Vertailukelpoisuuteen vaikuttavat erät yhteensä	0,1	2,3
Oikaistu liikevaihto	34,9	29,0
Liikevoitto	19,5 ¹	18,7 ¹
Vertailukelpoisuuteen vaikuttavat erät:		
Norvestian hankintaan liittyvät erät	1,8	-7,1
Norvestian hankinnasta aiheutuneet menot	0,6	2,8
Norvestian integraatioon liittyvät kulut	1,2	
Edullisesta kaupasta syntyvä voitto		-13,9
Aiemman omistussuuden uudelleenarvostustappio		4,0
Voitonjako-osuustuottojen takaisinmaksuriskin uudelleenarviointi	0,1	2,3
Uudelleenjärjestelykulut	1,0	
Liikearvon arvonalentuminen	1,5	
Arvonlisäverosaamisen alaskirjaus		1,0
Saadut vakuutuskorvaukset		-0,3
Vertailukelpoisuuteen vaikuttavat erät yhteensä	4,4	-4,2
Oikaistu liikevoitto	23,9	14,5
Katsauskauden tulos	15,5 ¹	15,3 ¹
Vertailukelpoisuuteen vaikuttavat erät:		
Norvestian hankintaan liittyvät erät	1,7	-7,2
Voitonjako-osuustuottojen takaisinmaksuriskin uudelleenarviointi	0,1	1,8
Uudelleenjärjestelykulut	0,8	
Liikearvon arvonalentuminen	1,5	
Arvonlisäverosaamisen alaskirjaus		1,3
Saadut vakuutuskorvaukset		-0,2
Vertailukelpoisuuteen vaikuttavat erät yhteensä	4,0	-4,4
Oikaistu katsauskauden tulos	19,5	10,9
Osakekohtainen tulos, senttiä	10,4 ¹	16,2 ¹
Vertailukelpoisuuteen vaikuttavat erät, senttiä	2,8	-5,0
Oikaistu osakekohtainen tulos, senttiä	13,1	11,2
Osakekohtainen tulos, senttiä	10,2 ¹	16,1 ¹
Vertailukelpoisuuteen vaikuttavat erät, senttiä	2,7	-4,9
Oikaistu osakekohtainen tulos, senttiä	13,0	11,2

¹Tilintarkastettu

		Tunnuslukujen laskentakaavat
		$\text{Oman pääoman tuotto (ROE), \%} = \frac{\text{Tilikauden voitto / tappio}}{\text{Oma pääoma (tilikauden keskiarvo)}} \times 100$
		$\text{Sijoitetun pääoman tuotto (ROI), \%} = \frac{\text{Tilikauden voitto / tappio + tuloverot + rahoituskulut}}{\text{Oma pääoma + korolliset rahoitusvelat (tilikauden keskiarvo)}} \times 100$
		$\text{Omavaraisuusaste, \%} = \frac{\text{Oma pääoma}}{\text{Taseen loppusumma – saadut ennakot}} \times 100$
		$\text{Nettovelkaantumisaste, \%} = \frac{\text{Korolliset nettorahoitusvelat}}{\text{Oma pääoma}} \times 100$
		$\text{Tulos / osake (EPS)} = \frac{\text{Tilikauden voitto / tappio – oman pääoman ehtoisen lainan korko}}{\text{Osakkeiden osakeantioikaistu lukumäärä (tilikauden keskiarvo)}}$
		$\text{Osakekohtainen oma pääoma, senttiä} = \frac{\text{Emoyhtiön osakkeenomistajille kuuluva oma pääoma}}{\text{Osakkeiden laimentamaton lukumäärä tilinpäätöspäivänä}}$
		$\text{Osakekohtainen osinko} = \frac{\text{Tilikauden osingonjako}}{\text{Osakkeiden osakeantioikaistu lukumäärä tilinpäätöspäivänä}}$
		$\text{Osinko / tulos, \%} = \frac{\text{Osinko/osake (osakekohtainen osinko)}}{\text{Tulos/osake (osakekohtainen tulos)}} \times 100$
B.13	Viimeaikaiset tapahtumat, jotka ovat ratkaisevia arvioitaessa Liikkeeseenlaskijan maksukykyä	Ei merkittäviä viimeaikaisia tapahtumia, jotka olisivat ratkaisevia arvioitaessa Liikkeeseenlaskijan maksukykyä.
B.14	Liikkeeseenlaskijan riippuvuus muista konserniin kuuluvista yksiköistä	Liikkeeseenlaskija harjoittaa liiketoiminnastaan pääasiassa tytäryhtiöidensä kautta.
B.15	Kuvaus liikkeeseenlaskijan päätoimialoista	<p>CapMan on sijoitus- ja erikoistunut varainhoitoyhtiö, joka palvelee pääomasijoitusmarkkinaa ja sen sijoittajia laajassa mittakaavassa. CapMan Konserni hallinnoi omia pääomasijoitusrahastojaan, tarjoaa pääomasijoittamiseen keskittyviä asiantuntijapalveluita myös konsernirajojensa ulkopuolelle ja sijoittaa taseestaan laajasti pääomasijoitusluokkaan. CapMan hallinnoi noin 2.800 miljoonan euron pääomia tällä hetkellä.</p> <p>CapManilla oli aikaisemmin kaksi liiketoimintasegmenttiä: (i) Hallinnointi- ja palveluliiketoiminta ja (ii) Sijoitustoiminta. 14.3.2018 CapManin hallitus päätti jakaa liiketoimintansa kolmeen liiketoimintasegmenttiin vuoden 2018 alusta lähtien. CapManin nykyiset liiketoimintasegmentit ovat:</p>

		<p>Hallinnointiliiketoiminta, Palveluliiketoiminta ja Sijoitusliiketoiminta. Rahastojen hallinnointiyhtiönä CapMan hallinnoi pääasiassa asiakkaidensa, eli sijoittajien, pääomia tekemällä sijoituksia pääomasijoitusrahastoista, joihin varat on kerätty pääosin institutionaalisilta sijoittajilta, kuten eläkeyhtiöiltä ja -säätiöiltä, tai suoraan CapManin omasta taseesta.</p> <p>CapMan Konsernin Palveluliiketoimintaan kuuluu kaksi palvelutiimiä: Scala Fund Advisory sekä hankintarengas CAPS. Sijoitusliiketoiminnan toimintasegmentti käsittää CapManin omasta taseestaan tekemät sijoitukset. Lisäksi CapMan Konsernilla on taloushallinnon ja henkilöstöhallinnon toiminnot, rahastojen hallinnoinnin back office- ja lakiasiaintoinninnot. IT- ja viestintätoiminnot sekä myynti- & rahastosijoittajasuhdetoinnot.</p>
B.16	Kuvaus siitä, onko liikkeeseenlaskija suoraan tai välillisesti jonkun omistuksessa tai määräysvallassa ja mikä tämä taho on sekä määräysvallan luonteesta	Ei sovellu. Siltä osin kuin CapMan on tietoinen, CapMan ei ole suoraan tai välillisesti kenenkään omistuksessa tai määräysvallassa.
B.17	Liikkeeseenlaskijan luottoluokitukset	Ei sovellu. Liikkeeseenlaskija ei ole antanut toimeksi Velkakirjojen tai itsensä luottoluokittamista.

<i>Jakso C – Arvopaperit</i>		
C.1	Arvopapereiden tyyppi ja laji	Senior-statuksellinen vakuudeton kiinteäkorkoinen velkakirjalaina, jonka kokonaisnimellismäärä on 50.000.000 euroa. Velkakirjojen ISIN-koodi on FI4000315676.
C.2	Arvopapereiden liikkeeseenlaskun valuutta	Velkakirjojen liikkeeseenlaskun valuutta on euro.
C.5	Arvopapereiden vapaata luovutettavuutta koskevat rajoitukset	Ei sovellu. Velkakirjat ovat vapaasti luovutettavissa sen jälkeen, kun ne on kirjattu asianomaiselle arvo-osuustilille.
C.8	Arvopapereihin liittyvät oikeudet; etuoikeusjärjestys	Velkakirjojen haltijoilla on oikeus osallistua Velkakirjanhaltijoiden kokoukseen tai kirjalliseen menettelyyn. Velkakirjat ovat Liikkeeseenlaskijan suoria, ehdottomia, alistamattomia, vakuudettomia ja takaamattomia velvoitteita, jotka ovat samanarvoisia keskenään ja jotka ovat etuoikeusjärjestyksessä vähintään samalla sijalla Liikkeeseenlaskijan vakuudettomien velvoitteiden kanssa, lukuun ottamatta niitä velvoitteita, joilla on etuoikeus pakottavan lain nojalla.
C.9	Korko ja tuotto; velkapapereiden haltijoiden edustajan nimi	Velkakirjoille maksetaan kiinteää vuotuista korkoa, joka on 4,125 prosenttia vuodessa. Velkakirjoille kertyvä korko maksetaan puolivuositain takautuvasti alkaen 16.10.2018 ja tämän jälkeen 16.4. ja 16.10. kunakin vuonna (“ Koronmaksupäivä ”) 16.4.2023 saakka (“ Lopullinen Erääntymispäivä ”).

		<p>Velkakirjojen kulloinkin maksamatta olevalle pääomalle kertyy korkoa kultakin korkokaudelta korkokauden ensimmäinen päivä mukaan lukien ja korkokauden viimeinen päivä pois lukien. Ensimmäinen korkokausi alkaa Liikkeeseenlaskupäivänä (Liikkeeseenlaskupäivä mukaan lukien) ja päättyy ensimmäisenä Koronmaksupäivänä (Koronmaksupäivä pois lukien). Kukin seuraava korkokausi alkaa edeltävänä Koronmaksupäivänä (edeltävä Koronmaksupäivä mukaan lukien) ja päättyy seuraavana Koronmaksupäivänä (seuraava Koronmaksupäivä pois lukien). Viimeinen korkokausi päättyy Takaisinmaksupäivänä.</p> <p>Velkakirjoihin liittyvä korko lasketaan todellisten kuluneiden päivien perusteella relevantilla korkokaudella jaettuna luvulla 365, tai, jos kyseessä on karkausvuosi, jaettuna luvulla 366 (Actual / Actual ICMA).</p> <p>Emissiohinnan ollessa 100 %, velkakirjojen efektiivinen tuotto on 4,168 prosenttia vuodessa.</p>
C.10	Tiedot siitä, kuinka kohde-etuuden arvo vaikuttaa koron määrään	Ei sovellu. Velkakirjoille maksettava korko ei ole yhteydessä johdannaiseen.
C.11	Ottaminen kaupankäynnin kohteeksi	Yhtiö on hakenut Velkakirjojen ottamista julkisen kaupankäynnin kohteeksi Helsingin Pörssissä. Velkakirjat listataan Helsingin Pörssiin arviolta 19.4.2018.

Jakso D – Riskit		
D.2	Liikkeeseenlaskijaan, sen toimintaympäristöön ja liiketoimintaan liittyvät riskit	<p>Yhtiöön liikkeeseenlaskijana ja sen toimintaympäristöön ja liiketoimintaan sekä Liikkeeseenlaskuun ja sen kohteena oleviin Velkakirjoihin liittyy riskitekijöitä. Yhtiöön liikkeeseenlaskijana ja sen toimintaympäristöön ja liiketoimintaan liittyvät riskitekijät on lueteltu jäljempänä. Tämä luettelo ei ole tyhjentävä, ja myös riskit tai epävarmuustekijät, joista Yhtiö ei tällä hetkellä ole tietoinen tai joita se juuri nyt pitää epäolennaisina, saattavat vaikuttaa haitallisesti Yhtiön liiketoimintaan, tulokseen ja taloudelliseen asemaan tai Yhtiöön tehtyyn sijoitukseen.</p> <p>Yhtiön toimintaympäristöön ja sen liiketoimintaan liittyvät riskit sisältävät seuraavat tekijät:</p> <ul style="list-style-type: none"> - Kansainvälisten markkinoiden häiriöt sekä epäsuotuisa taloudellinen kehitys voivat vaikuttaa haitallisesti CapManin liiketoimintaan ja liiketoiminnan tulokseen. - Epäonnistuminen uusien rahastojen perustamisessa tai niiden varainhankinnassa voi vähentää tulevia hallinnointipalkkioita ja voitonjako-osuustuottoja. - CapMan Konserni ja sen hallinnoimat rahastot altistuvat pääoma- ja kiinteistösijoituksille ominaisille sekä rahastojen eri sijoitusstrategioihin liittyville riskeille. - Epäsuotuisilla markkinaolosuhteilla voi olla haitallinen vaikutus CapMan Konsernin sijoitustoimintojen tuottoihin. - CapMan Konserni ei välttämättä kykene löytämään tuottavia sijoituskohteita tai se voi epäonnistua sijoitusten arvonluonnissa tai arvonluonnin realisoimisessa. - CapMan Konsernin rahastosopimukset sisältävät ehtoja, jotka voivat johtaa CapManin irtisanomiseen ja/tai velvollisuuteen palauttaa voitonjako-osuustuottoja (clawback).

	<ul style="list-style-type: none"> - Sijoituskohteiden käypien arvojen muutoksilla voi olla olennaisen haitallinen vaikutus CapManin liiketoiminnan tulokseen. - CapMan Konserni ei välttämättä kykene realisoimaan voitonjako-osuustuottoja tai realisoituneet voitonjako-osuustuotot voivat olla odotettua pienemmät, millä voi olla olennaisen haitallinen vaikutus CapMan Konsernin tulokseen. - Lainsäädännön muutokset tai lainsäädännön ja/tai sisäisten valvontakäytäntöjen noudattamatta jättäminen voivat vaikuttaa haitallisesti CapMan Konsernin liiketoiminnan tulokseen ja kasvattaa sen kustannuksia. - Poliittiset, taloudelliset ja oikeudelliset riskit, jotka liittyvät markkinoihin, joilla CapMan Konserni toimii, voivat vaikuttaa haitallisesti CapMan Konsernin liiketoiminnan tulokseen. - Pätevien henkilöiden rekrytoimisessa epäonnistuminen tai avainhenkilöiden menettäminen voivat häiritä CapManin liiketoimintaa ja vaikuttaa haitallisesti sen taloudelliseen tulokseen. - CapMan Konsernin henkilöstön harjoittama toiminta voi vaikuttaa haitallisesti CapManin liiketoimintaan ja taloudelliseen asemaan. - Verotukseen liittyvillä riskeillä voi olla haitallinen vaikutus CapManin liiketoimintaan, taloudelliseen asemaan sekä liiketoiminnan tulokseen. - CapManin konserniyhtiöiden sekä CapManin ja sen asiakkaiden ja sijoittajien välille voi muodostua intressitiriitoja. - CapMan Konserni on riippuvainen sivullisten kehittämistä ja ylläpitämistä IT-järjestelmistä. - Oikeudenkäynneillä, oikeudellisilla vaatimuksilla tai hallinnollisilla menettelyillä voi olla olennaisen haitallinen vaikutus CapMan Konsernin liiketoimintaan tai tulokseen tai ne voivat johtaa odottamattomiin kustannuksiin. - CapMan Konsernin vakuutusturva ei välttämättä kata kaikkia sen liiketoimintaan liittyviä riskejä. <p>CapManin rahoitukseen liittyvät riskit sisältävät seuraavat tekijät:</p> <ul style="list-style-type: none"> - CapMan on altistunut likviditeettiriskille. - CapMan ei välttämättä saa rahoitusta kilpailukykyisin ehdoin tai lainkaan. - CapManin luottojärjestelyjä koskeviin sopimuksiin sisältyvät kovenantit saattavat rajoittaa CapManin kykyä harjoittaa liiketoimintaansa kaikissa olosuhteissa. - CapManin mahdollisella laajamittaisella velkaantumisella voi olla haitallinen vaikutus Liikkeellelaskijan kykyyn suoriutua Velkakirjojen mukaisista velvoitteistaan samoin kuin Velkakirjojen markkinahintaan ja -arvoon. - Korkotason vaihtelut saattavat vaikuttaa epäedullisesti CapManin liiketoiminnan tulokseen. - Valuuttakurssien vaihtelut saattavat vaikuttaa epäedullisesti CapManin liiketoiminnan tulokseen. - Liikearvon alentumisella voi olla haitallinen vaikutus Liikkeellelaskijan kykyyn suoriutua Velkakirjojen mukaisista velvoitteistaan samoin kuin Velkakirjojen markkinahintaan ja -arvoon. - Tulevat tilinpäätösstandardien muutokset saattavat vaikuttaa CapManin taloudelliseen asemaan.
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<p>D.3</p>	<p>Arvopapereille ominaiset riskit</p>	<p>Yhtiöön Liikkeeseenlaskijana ja sen toimintaympäristöön ja liiketoimintaan sekä Liikkeeseenlaskuun ja sen kohteena oleviin Velkakirjoihin liittyy riskitekijöitä. Liikkeeseenlaskuun ja sen kohteena oleviin Velkakirjoihin liittyvät riskitekijät on lueteltu jäljempänä. Tämä luettelo ei ole tyhjentävä, ja myös riskit tai epävarmuustekijät, joista Yhtiö ei tällä hetkellä ole tietoinen tai joita se juuri nyt pitää epäolennaisina, saattavat vaikuttaa haitallisesti Yhtiön liiketoimintaan, tulokseen ja taloudelliseen asemaan tai Yhtiöön tehtyyn sijoitukseen.</p> <p>Liikkeeseenlaskuun ja sen kohteena oleviin Velkakirjoihin liittyvät riskit sisältävät seuraavat tekijät:</p> <ul style="list-style-type: none"> - Velkakirjat eivät välttämättä sovellu sijoituskohteena kaikille sijoittajille. - Sijoittajat altistuvat Liikkeeseenlaskijaa koskevalle luottoriskille ja saattavat menettää koron ja sijoitetun pääoman. - Valuuttakurssiriski ja valuuttakontrolli. - Ei vakuutta tai takausta. - Vakuusvelkojilla on Velkakirjojen haltijoihin verrattuna parempi oikeus Liikkeeseenlaskijan omaisuuteen, joka on heillä vakuutena. - Velkakirjoille ei välttämättä muodostu aktiivisia jälkimarkkinoita. - Koska Velkakirjoille on asetettu kiinteä korko, niiden hinta saattaa laskea markkinakorkojen muuttuessa. - Useat tekijät voivat vaikuttaa Velkakirjojen markkina-arvoon. - Liikkeeseenlaskija ei ole antanut toimeksi Velkakirjojen tai itsensä luottoluokittamista. - Velkakirjoihin liittyvien transaktioiden toteutuminen riippuu Euroclear Finland Oy:n toiminnasta ja järjestelmästä. - Ei ole varmuutta velkakirjoihin liittyvien lakien tai käytäntöjen muuttumisen vaikutuksista. - Velkakirjat eivät lähtökohtaisesti sisällä Liikkeeseenlaskijan liiketoimintaan liittyviä kovenanteja eivätkä rajoita Liikkeeseenlaskijan oikeutta sulautua, toteuttaa liiketoimintakauppoja tai muutoin toteuttaa merkittäviä transaktioita, joilla saattaa olla olennaisen epäedullinen vaikutus Velkakirjoihin ja Velkakirjanhaltijoihin. - Liikkeeseenlaskijalla voi olla velvollisuus lunastaa tai ostaa Velkakirjat ennen niiden erääntymistä. - Liikkeeseenlaskijalla on oikeus lunastaa tai ostaa Velkakirjat ennen niiden erääntymistä. - Liikkeeseenlaskija ei välttämättä kykene rahoittamaan Velkakirjojen takaisinostoa määräysvallan vaihtumisen yhteydessä. - Velkakirjoihin tehtävät muutokset sitovat kaikkia Velkakirjanhaltijoita. - Oikeus vastaanottaa maksuja Velkakirjojen perusteella lakkaa, mikäli niitä ei ole kolmen (3) vuoden sisällä vaadittu. - Velkakirjat eivät anna äänioikeutta Liikkeeseenlaskijan yhtiökokouksissa. - Liikkeeseenlaskija voi ottaa lisävelkaa ilman Velkakirjojen haltijoiden suostumusta. - Liikkeeseenlaskijalla ei ole velvollisuutta korvata Velkakirjoihin liittyvää lähdeveroa tai muuta vastaavaa veroa. - Pääjärjestäjällä voi olla mahdollinen intressikonflikti. - Sijoitusten laillisuutta koskevat säädökset saattavat rajoittaa joitakin sijoituksia.
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Jakso E – Tarjous

E.2b	Syyt tarjoamiseen ja varojen käyttö	<p>Liikkeeseenlaskun kokonaisnettotuotot Yhtiölle sille maksettavaksi tulevien maksujen ja kulujen jälkeen tulevat olemaan noin 49,5 miljoonaa euroa.</p> <p>Liikkeeseenlaskijan Liikkeellelaskusta saamat tuotot on 17.4.2018 käytetty Liikkeeseenlaskijan eräiden olemassa olevien velkojen uudelleenrahoittamiseen, kuten Liikkeeseenlaskijan olemassa olevien, vuonna 2019 eräänntyvien ja 15.10.2015 liikkeeseen laskettujen 30.000.000 miljoonan euron velkakirjojen (ISIN-koodi FI4000176466) vapaaehtoiseen lunastamiseen. Muut varat on tarkoitus käyttää muihin yleisiin rahoitustarpeisiin.</p>
E.3	Tarjousehdot	<p>Liikkeeseenlaskija: CapMan Oyj, Suomessa perustettu julkinen osakeyhtiö.</p> <p>Pääjärjestäjä: OP Yrityspankki Oyj</p> <p>Lainan yhteenlaskettu nimellisarvo: 50.000.000 euroa.</p> <p>Liikkeeseenlaskupäivä: 16.4.2018.</p> <p>Takaisinmaksupäivä: 16.4.2023.</p> <p>Koronmaksupäivät: Puolivuosittain jälkikäteisesti 16.10.2018 alkaen ja tästä lähtien kunakin 16.4. ja 16.10.</p> <p>Korko: 4,125 prosenttia vuodessa.</p> <p>Velkakirjojen efektiivinen tuotto Liikkeeseenlaskupäivänä: Emissiohinnan ollessa 100 %, velkakirjojen efektiivinen tuotto on 4,168 prosenttia.</p> <p>Takaisinmaksu: Nimellisarvosta, kertalyhenteisesti, Lopullisena Eräänntymispäivänä.</p> <p>Vapaaehtoinen lunastaminen: Liikkeeseenlaskija voi lunastaa kaikki, mutta ei vain osaa Velkakirjoista</p> <p>(a) milloin tahansa ensimmäisestä pankkipäivästä 30 kuukauden kuluttua Liikkeeseenlaskusta (kyseinen pankkipäivä mukaan lukien) ja ennen kuin 42 kuukautta Liikkeeseenlaskupäivästä on kulunut (kyseinen pankkipäivä pois lukien) maksamalla Velkakirjan nimellispääoman lisätynä 50 prosenttia Korosta (laskettuna nimellispääomalle yhdeltä vuodelta) sekä kertyneen, mutta maksamattoman Koron;</p> <p>(b) milloin tahansa ensimmäisestä pankkipäivästä 42 kuukauden kuluttua Liikkeeseenlaskusta (kyseinen pankkipäivä mukaan lukien) ja ennen kuin 54 kuukautta Liikkeeseenlaskupäivästä on kulunut (kyseinen arkipäivä pois lukien) maksamalla Velkakirjan nimellispääoman lisätynä 25 prosenttia korosta (laskettuna nimellispääomalle yhdeltä vuodelta) sekä kertyneen, mutta maksamattoman Koron;</p> <p>(c) milloin tahansa ensimmäisestä pankkipäivästä 54 kuukauden kuluttua Liikkeeseenlaskusta (kyseinen pankkipäivä mukaan lukien) ja ennen Lopullista Eräänntymispäivää (Lopullinen Eräänntymispäivä pois lukien) maksamalla Velkakirjan nimellispääoman lisätynä 12,5 prosenttia Korosta (laskettuna nimellispääomalle yhdeltä vuodelta) sekä kertyneen, mutta maksamattoman Koron.</p> <p>Merkinnät: Minimimerkintä on 100.000 euroa ja arvo-osuuden yksikkö on 1.000 euroa.</p> <p>Varojen käyttötarkoitus: Liikkeeseenlaskijan olemassa olevien velkojen uudelleen rahoittaminen, kuten vuonna 2019 eräänntyvien ja 15.10.2015 liikkeeseen laskettujen 30 miljoonan euron velkakirjojen vapaaehtoinen lunastaminen sekä muut yleiset rahoitustarpeet.</p> <p>Lainan etuoikeusasema: Senior-statuksellinen, vakuudeton, alistamaton.</p> <p>Luottoluokitus: Ei sovellu.</p> <p>Kovenantit ja ennenaikaisen takaisinoston ja eräänntymisen edellytykset: Taloudelliset velvoitteet (omavaraisuusaste), tiedonantovelvoitteet,</p>

		<p>liiketoiminnan muutokset, panttaamattomuussitoumus, lakien noudattaminen, määräysvallan vaihtuminen, jakautuminen, maksulaiminlyönnit, velvoitteiden noudattamatta jättäminen, pätemättömyys, tehottomuus, velkaantuneisuus, liiketoiminnan jatkuminen sekä maksukyvyttömyysmenettelyt.</p> <p>Listaaminen: Velkakirjat listataan Helsingin Pörssiin arviolta 19.4.2018.</p> <p>Selvitys: Velkakirjat lasketaan liikkeeseen arvo-osuuksina Euroclear Finland Oy:n Infinity-arvo-osuusjärjestelmässä. Euroclear Finland Oy:n rekisteröity osoite on Urho Kekkosen katu 5 C, 00100 Helsinki, Suomi.</p> <p>Sovellettava laki: Suomen laki.</p> <p>ISIN- koodi: FI4000315676.</p>
E.4	Olellaiset intressit	<p>Pääjärjestäjän intressit: Finanssimarkkinoilla normaali liiketoiminnallinen intressi. Liikkeeseenlaskija maksaa Pääjärjestäjälle palkkion Velkakirjojen tarjoamisesta ja Liikkeeseenlaskusta.</p> <p>Lisäksi Pääjärjestäjä on lainanantajana Liikkeeseenlaskijan lainasopimuksessa. Liikkeeseenlaskusta saadut tuotot voidaan käyttää muun muassa CapManin olemassa olevien velkojen ennakaiseen takaisinmaksuun mukaan lukien edellä mainitun lainasopimuksen mukaiset velat. Pääjärjestäjä saattaa tulevaisuudessa tarjota CapManille myös sijoitus- tai pankkipalveluita, mukaan lukien rahoitusjärjestelyt, tavanomaisen liiketoiminnan puitteissa.</p>
E.7	Arvioidut kustannukset, jotka veloitetaan sijoittajalta	<p>Ei sovellu. Yhtiö ei veloita kustannuksia sijoittajilta.</p>

RISK FACTORS

Investors considering investment in the Notes should carefully review the information contained in this Prospectus and, in particular, the risk factors described below and in the stock exchange releases to be published by the Issuer after the Listing. Factors possibly affecting the investment decision are also discussed elsewhere in this Prospectus. Should one or more of the risks described herein, or any other risk, materialise, it may have a material adverse effect on CapMan Group's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes. This description is based on the information known and assessed at the time of preparing this Prospectus, and, therefore, the description of the risk factors is not necessarily exhaustive. The risks involved in an investment in the Notes are not limited to those identified below and the sequence in which the following risk factors are listed is not an indication of their likelihood to occur or of the extent of their commercial consequences. All investors should make their own evaluations of the risks associated with an investment in the Notes and consult with their own professional advisers if they consider it necessary.

The capitalised words and expressions in this section shall have the meanings defined in “*Terms and Conditions of the Notes*”.

Risks Relating to the Issuer's Operating Environment and Business Operations

Disruptions in the global market and adverse economic developments may have adverse effects on CapMan's business and results of operations.

Uncertain economic development, disruptions in financial markets and adverse economic conditions in Finland, in the European Union as well as in other countries may affect CapMan's business and results of operations. The CapMan Group operates mainly in the investment and asset management business where economic developments play a crucial role in generation of income. CapMan has three operational segments: Management company business, Service business and Investment business. All segments derive their income to a large extent from the value development of unlisted Nordic and Russian companies and Nordic real estate. Thus, favourable market development on the Nordic and Russian market can be seen as a prerequisite for CapMan's financial performance.

During the last years, the uncertain global economic and financial market conditions have had an adverse effect on the general business conditions and lowered market confidence. Despite the measures taken by various governmental and regulatory authorities as well as central banks around the world, uncertainty of economic development remains. In addition, geopolitical tensions, for example between Russia and Ukraine, and related events such as imposed international sanctions, may have a material adverse effect on general economic conditions. Furthermore, the upcoming exit of the United Kingdom from the European Union may have a material adverse effect on general economic conditions in the European Union. A risk of further exits from the European Union prevails and the risk of general breakup of the Eurozone cannot be excluded. The inauguration of the new president of the United States in early 2017 has created uncertainty regarding the economic and foreign political approaches of the United States. Although at least the European economy has been resuming growth, it is still difficult to make predictions as to how the general economic conditions will develop, as they are impacted by many factors such as macro movements of the financial markets.

Also the functioning of the financial markets has improved recently, but there can be no assurance of the duration of this market turn. Even though the liquidity enhancing measures of central banks have increased stability in the markets, changes in these measures may cause insecurity. Additionally, these activities may increase the risk of inflation following economic growth. This may, in turn, have adverse indirect and secondary effects on CapMan's economic situation and CapMan may not be able to take advantage of the possibilities created by the fluctuations in the economy or to adapt to a long-term recession or depression. The economic uncertainty may have a direct impact on the success of the investment operations of the funds managed by CapMan, the capital available for investments or solvency of the current and potential investors of the funds, as well as market demand for services provided by CapMan. Also, price changes in share, interest, currency and real estate markets caused by the uncertainty on the financial market have a direct impact on the value of CapMan Group's investment assets and their annual return. The uncertainty of the equity market in particular is a risk to future returns from investment operations as a result of, for example, potential changes in valuations and general market changes in share prices have an impact on the fair values of the portfolio companies. Further, the historically low interest rates creates insecurity on the market. Should the interest rates rise, this could cause significant decreases in the valuation rates or reduce the investors' interest towards private equity and real estate investments as asset classes. The low returns of investment activities may also lead to unsuccessful fundraising for new funds. Further, it is typical of the private

equity industry that a proportion of investments are financed with debt financing. If an investment is highly leveraged, the valuation of the fund investment can fluctuate significantly within a short period if market multiples change.

The potential consequences of international financial and economic problems on virtually all business organisations are significant and complex and may include, to one degree or another, among other things, lower earnings, inability to obtain necessary credit, inability to satisfy obligations in debt and other arrangements, inability to meet financial obligations and inability to retain key staff. It is difficult to make accurate predictions as to how market conditions or macroeconomic situation will develop globally and materialisation of any of the above risks and a general economic downturn could have a material adverse effect on CapMan Group's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Failure in the establishment of new funds or unsuccessful fundraising of newly established funds may reduce future management fees and carried interest income.

The CapMan Group's business and results of operations are highly dependent on the establishment of new private equity funds and their fundraising. Successful raising of new funds is important in the generation of management fees and carried interest income in the future. Successful fundraising depends highly on the previous success of the CapMan's investment teams' investment operation. For example, poor performance of investments made by funds managed by the CapMan as well as increasing competition together with other reasons that are independent of CapMan may make it more difficult to raise funds from new or current investors in the future.

It is possible that new competitors enter the market, that new markets open up to CapMan's current or potential investors or that new products or services are introduced to the market which are better than the products and services provided by the CapMan Group, or that the investors will find new products and services more interesting. Competitors may also be able to offer services or products at a lower cost. Furthermore, it may be possible that CapMan's status as a listed company reduces some investors' interest in investing in funds managed by the CapMan Group. It is also possible that potential increased level of consolidation in the investment business in the future may lead to potential investors centralising their investments to a smaller group of substantial service providers in the field of private equity investments. Respectively, the CapMan Group may not be able to successfully compete with current or future competitors. Further, investments that interest investors may change over the time as a result of investors' decisions to allocate their investments to different asset classes or changes in regulations regarding investment operations and markets. Should the field of investment business and its competition change in future, it is possible that relationships between CapMan and its investors are terminated due to the lack of need for services provided by CapMan, financial or commercial distress of the investors, structural changes or the fact that the services provided by the CapMan Group no longer respond to the investors' needs relating to the timing or the cost levels of the services.

The most significant investors investing in funds managed by the Group are specific investor groups, such as pension funds, insurance companies and other institutional investors. It is possible, that the willingness of these significant investor groups to invest in the new funds of the CapMan Group, might decrease due to regulatory changes in their own business or in their solvency requirements or due to the increased economic instability. It is also possible, that these investor groups begin to make direct, instead of indirect, investments in the target companies and real estate or that they start to invest in other types of assets or financial instruments.

Failure in establishing of new private equity funds or successful fundraising to the funds managed by the CapMan Group, tightening competition in the private equity market, or materialisation of other circumstances affecting successful fundraising of funds managed by CapMan together with other risk factors mentioned in this sections or other reasons not dependent on the CapMan Group may complicate the fundraising from new or current investors in the future. Unsuccessful fundraising to new funds could have a material adverse effect on CapMan Group's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

The CapMan Group and the funds managed by it are exposed to market specific risks relating to private equity and real estate investments as well as to risks relating to the different investment strategies on the funds.

The private equity funds managed by the CapMan Group invest, according to their investment strategies, in unlisted target companies and shares of listed companies within different industries as well as in real estate. The CapMan Group manages Buyout funds investing in unlisted companies, Real Estate funds investing in real estate,

a Growth fund investing in Nordic growth companies, Credit funds providing debt financing and Russia funds investing mainly in minority shares in companies located in Russia. Each of these investment markets are associated with market specific risks of their own, which could, if materialised, significantly impact CapMan's business and its financial performance.

Private equity investments are generally subject to a risk of non-liquidity which, among other things, leads to uncertainty in the realisation of any increase in value, risks relating to general economic development and the market situation and risks relating to the economy and political situation in countries where target companies are domiciled or other investments are made. In addition, growth and buyout investments are typically associated with risks relating to the attractiveness of the target companies' field of business, the development of the target companies and debt financing granted to the target companies. As to real estate investments, the risks are typically linked to the location of the property and financial risks linked to the debt financing of the real estate. The risks relating to the Credit funds relate to the credit risk in relation to the borrower's solvency. Risks related to investments in Russia, are both financial and political in nature.

Further, CapMan has recently established a new investment strategy, CapMan Infra, and aims to establish a new CapMan Infra fund investing in infrastructure assets in the energy, transport and telecommunications sectors during year 2018. Failure in recognising or managing risks relating to infrastructure investments or other new investment strategies that may be established in the future as well as materialisation of any of the abovementioned market specific risks could have a material adverse effect on CapMan Group's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Inauspicious market conditions may have adverse effects on CapMan Group's return of the investment operations.

Investment operations carried out by CapMan are subject to general market risks, which refers to the risk of loss resulting from changes in the market values of the investments. Market values of CapMan's investments can change because of, for example, fluctuations in the equity, fixed income, currency and real estate markets, and such changes have a direct impact on the value of the CapMan Group's investment assets and their annual return. Changes in market values impact the result of CapMan's operations through the appreciations of its investment assets. Changes in the equity markets also influence the valuation of unlisted portfolio companies because the valuation methods used by funds include the share values of comparable listed companies. Moreover, different political initiatives (such as the Finnish health, social services and regional government reform) or certain decisions and resolutions (for example decisions regarding public procurement) may have an impact on the appreciations of target investments of the Group (Please see risk factor "*Changes in the fair value of the target investments may have material adverse effects on the CapMan Group's results of operations*" for further details). Further, economic uncertainty and fluctuations in the market may have a direct impact on the success of the funds administered by CapMan and also on the assets available for investment and solvency of the current and potential investors of the funds.

Uncertainty in the equity market in particular is a risk to future returns from investment operations as a result of, for example, potential changes in valuations. General market changes in share prices have an impact on the fair values of portfolio companies. Under IFRS, these valuations can be short-term in nature and do not necessarily reflect the long-term returns of a fund. Further, the historically low interest rates in addition to the fluctuation on the equity market create uncertainty on the future income of the investment operations. Also failure in current investment operations may impair fundraising of new funds and thus, have adverse effects on future returns.

The market risk related to single investments depends on the market situation of the investment target in question and its effects on the possibilities to successfully exit from the investment. The most common way to exit a private equity investment is to sell the target through a bilateral buyout or real estate transaction. Exit from an unlisted company may also be executed through initial public offering. In regard of illiquid investments, there is no certainty that the fair value of such an investment will be achieved especially if the current market situation is not favorable for listing of shares or exiting a target investment through a trade sale. Due to fixed-term nature of the funds and the illiquid nature of the investments, an exit from a target investment may take place during a period when investments must be realised at a fair value significantly lower than their book value, or the realisation of target investments may not be possible at all due to the economic situation or unstable financial markets, in which case the fund would not be able to distribute the expected profit to investors or the fund manager. The values of growth investments, in particular, can vary significantly within short periods if changes occur in the peer group or

in potential buyers' interest in the company. Consequently, there is no assurance that at the time of an exit the value of the investment would be favourable to the fund in question of CapMan Group.

In addition to the abovementioned market risks, CapMan has been increasingly exposed to risks associated with direct investments following the acquisition of Norvestia Oyj's shares ("Norvestia") through public exchange offer consummated in the end of 2016. Risks relating to direct investments include, for example, risk of failure in value creation and/or exit of individual investments, risk of not having sufficient liquid assets to make investments, risks associated with off-balance sheet commitments arising in connection with investment activities as well as risk of failure of diversification of investments. Also credit risk relating to counterparties' failure to meet their commitments included in the money market investments and bonds have increased as a consequence of the acquisition.

Market fluctuation and realisation of market risks could have a material adverse effect on CapMan Group's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

The CapMan Group may not necessarily be able to find profitable investment targets or it may fail in value creation or realisation of the created value of its investments.

Successful investments are central to CapMan Group's financial performance due to, among others, carried interest and other income generated by such investment. Success in investment operations is, however, subject to finding good investment targets both for direct investments and in fund management. It is possible that CapMan or the funds managed by the CapMan Group cannot identify attractive investment targets that suit their strategies or that they are unable to invest in such targets. It is also possible that the amount of potentially interesting investments may decrease in the future. It is typical for investment operations that some target investments, even if considered attractive, do not achieve the targets set for them or that their return does not meet expectations. In addition, some target companies may become bankrupt or subject to other insolvency proceedings. Even though the private equity funds managed by the CapMan Group perform due diligence investigations of unlisted companies and real estate that are potentially suitable target investments before making an investment decision, and also make careful plans on how to develop the target investment and/or its business, it is possible that for some other reason value creation and/or the target exit does not succeed. There may also arise circumstances following an exit in which CapMan is obliged to return the earned income partially or in whole due to, for example, breach of warranties or representations granted in connection with the finalisation of the exit transaction or materialisation of other obligations included in the transaction agreements. Such failure in choosing profitable investment targets or in the realisation of the created value could have a material adverse effect on CapMan Group's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

CapMan Group's fund agreements include clauses which may lead to CapMan's dismissal and/or obligation to return carried interest income (clawback).

The CapMan Group companies act as management and/or advisory companies for private equity funds. The fund agreements entered into between the management companies and investors usually allow the investors by a certain majority decision to dismiss or exchange the management and/or advisory company as a consequence of a breach of contract or even without any particular reason. Dismissal of any of the CapMan Group companies or termination of a fund agreement would significantly affect the management fees and the carried interest income received by the CapMan Group.

Further, the Group companies managing a fund may in certain circumstances, pursuant to the terms of the fund agreement, be obliged to return the carried interest income they have received (clawback). The obligation to return carried interest income typically applies when, according to the final distribution of funds, the carried interest income received by the fund management company exceeds the carried interest it is entitled to under a fund agreement when the fund expires. CapMan recognises revenue from carried interest to the extent carried interest is based on realised cash flows and repayment risk is estimated to be very low. Recognition may be made once CapMan is entitled to carried interest, it has received a confirmation on the amount and CapMan is relatively close to receiving it in cash. Accordingly, if the carried interest income is returned based on a clawback condition, this would in turn have a negative impact on CapMan's result to the extent the potential clawback provision would not be sufficient.

Potential repayment risk to the funds is estimated by the management at each reporting date. The estimate includes significant management estimates relating to investment exit timing, exit probability and realisable fair value. The clawback risk is measured by using the expected value method, i.e. by calculating a probability weighted average of estimated alternative investment exit outcomes. CapMan has recorded a EUR 7.6 million clawback provision for the CapMan Real Estate I KY fund. Even though the sufficiency of the provision is reviewed quarterly by the management, the actual amount will only be known after all target investments of the fund have been liquidated. The realisation of the clawback liability can occur, for example, if there are recallable distributions or if representations and warranties have been given by the vendor in the sale and purchase agreement when the fund is towards the end of its lifecycle. Any realisation of the clawback liability would have a negative cash flow impact and it is possible that the provision made is not sufficient.

Further, the fund agreements and investment activities are associated with certain liabilities, which CapMan has aimed to limit through limitation of liabilities clauses as well as insurances. However, such liabilities, dismissal of CapMan in accordance with a fund agreement or obligation to return earned carried interest income could, if materialised, have a material adverse effect on CapMan Group's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Changes in the fair value of the target investments may have material adverse effects on the CapMan Group's results of operations.

The valuation of CapMan funds' investments is based on international valuation guidelines that are widely used and accepted within the industry and among investors. CapMan always aims at valuing its funds' investments at their actual value. Fair value is the best estimate of the price that would be received by selling an asset in an orderly transaction between market participants on the measurement date.

Changes in fair values of the investments have a significant impact on CapMan Group's result. Forecasting fair values of target investments and funds and their movements is extremely difficult and is based on the market situation at the time of valuation and assumptions regarding the future development of target investments, which might be inaccurate and which might not materialise as expected or at all. Therefore, fair values might change significantly, which, in turn, has a significant impact on the CapMan Group's result of operations and financial condition. In addition, the realised profit of an investment may deviate significantly from the valuation done at certain moment.

Determining the fair value of fund investments for funds investing in portfolio companies is carried out using International Private Equity and Venture Capital Valuation Guidelines (IPEVG). In estimating fair value for an investment, CapMan applies a technique or techniques that is/are appropriate in light of the nature, facts, and circumstances of the investment in the context of the total investment portfolio. In doing this, current market data and several inputs, including the price at which an investment was acquired, the nature of the investment, local market conditions, trading values on public exchanges for comparable securities, current and projected operating performance, and financing transactions subsequent to the acquisition of the investment, are evaluated and combined with market participant assumptions. In selecting the appropriate valuation technique for each particular investment, consideration of those specific terms of the investment that may impact its fair value is required. Different methodologies may be considered. The most applied methodologies at CapMan include the price of recent investments, which is typically applied in the case of new investments, and the earnings multiple valuation technique, whereby public peer group multiples are used to estimate the value of a particular investment. CapMan always applies a discount to peer group multiples, due to e.g. limited liquidity of the investments. Due to qualitative nature of the valuation methodologies, they are mainly based on CapMan's judgment.

Investments in real estate funds that the Group manages are valued at fair value based on appraisals made by independent external experts, who follow the domestic valuation standards and International Valuation Standards ("IVS"). The method most appropriate to the use of the property, or a combination of such methods, is always applied.

CapMan's earnings model, which is typical for the private equity industry makes predictions of the result and comparisons of financial periods difficult. Therefore, changes in fair values may cause significant changes in CapMan Group's result over different reporting periods, which in turn could have a material adverse effect on CapMan Group's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

The CapMan Group may not be able to realise carried interest or the realised carried interest may be less than anticipated, which could have material adverse effects on the CapMan Group's result.

Carried interest income received from the funds managed by CapMan has a significant impact on CapMan's result. CapMan receives carried interest income through finalised exits from the funds' investment targets, including target companies and/or real assets, if the fund is already in carry or will transfer to carry as a consequence of the exit. Once a fund transfers to carry, it must return to the investors of the fund the paid-in capital and the preferred return (so called hurdle rate), which is the minimum annual return the investors are entitled to before the fund manager may begin receiving carried interest. The hurdle rate is typically around eight per cent. The timings of exits and the amount of potential carried interest income are difficult to forecast. Delay in the estimated timing of realisation of the carried interest income, realisation in an amount less than estimated or the possible obligation to return carried interest income (clawback) may result in considerable changes in CapMan Group's result over different reporting periods, which could have a material adverse effect on CapMan Group's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Changes in legislation or failure in compliance could adversely affect the CapMan Group's business operations and increase its costs.

Compliance with laws and regulations, internal procedures and procedures in customer relationships as well as ethical principles is a prerequisite for CapMan Group's business. Regulation generally applicable to all business operations or regulation relating to, for example, financial services and securities markets in particular may be introduced or relevant authorities may take such actions or impose requirements, which could all affect CapMan's business operations adversely. Further, interpretations of laws or regulations may change. New regulation or changes in interpretation may require the CapMan Group to increase its administrative resources or to adapt its business or strategies to a new legal environment. Increasing and tightening regulation may reduce its fee incomes and increase need for internal supervision. It is not necessarily possible to cover the increases in costs deriving from such changes with fund management fees. It is also possible that CapMan misinterprets or fails to comply with certain laws, decrees or other regulation applicable to its business. Failure in compliance may, in addition to financial losses, cause other consequences, such as warnings or remarks passed by competent authorities. Changes in the CapMan Group's business or regulation applicable to its business may also require filing of new permits or registrations and in certain circumstances, operations not complying with respective regulation may lead to revisions or withdrawal of the registrations and permits granted or to other sanctions. Additionally, failure in compliance could weaken the reputation of the CapMan Group and lead to its diminished trustworthiness amongst investors, customers and other stakeholders.

The CapMan Group's business includes complying with anti-money laundering and counter terrorist financing regulations and Know Your Customer procedures. Further, CapMan must recognise potential suspicious or prohibited business operations and avoid doing business with parties subject to sanctions. Even though CapMan investigates information relating to each investor and their business through Know Your Customer checks and continuous monitoring of transactions, it is possible that CapMan does not recognize suspicious or prohibited business operations at all or at the right time, and it is also possible that the investors give incorrect or inadequate information about themselves or their business operations. Non-compliance with anti-money laundering and counter terrorist financing regulations and Know Your Customer procedures and other regulations may cause the CapMan Group direct losses in the form of sanctions and liability for damage and indirect losses in the form of reputation risk.

The regulatory changes may also be directed at the investment targets of the funds managed by CapMan, CapMan's investors or other stakeholders of the CapMan Group and adverse changes in, for example, certain regulation affecting CapMan's substantial investors may indirectly affect also CapMan Group's business through diminished ability to invest in private equity. Moreover, changes directed at CapMan's investment targets, which could potentially lead to their financial losses, affect also CapMan's financial performance.

Regulation relating to the financial market has during the past years undergone several reforms. There is no certainty what kind of reforms will occur in the future, and content, schedule, the forms of enforcement and established interpretations of future regulation remains to be seen. Also the potential effects of future reforms on the CapMan Group's business are difficult to predict. In addition to the national and European regulatory changes, also the U.S. legislation in particular affects CapMan Group's business.

CapMan complies with its risk management principles and it has reserved resources for the compliance function, the development of internal control and procedures and for training of its personnel. The Legal & Compliance function of the Company constantly follows regulatory changes. These actions may, however, not be sufficient to control the regulatory environment and materialisation of any of the above mentioned risks could have a material adverse effect on CapMan Groups's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Political, financial and legal risks in the markets on which the CapMan Group operates may adversely affect the CapMan Group's results of operations.

The CapMan Group and the funds managed by it have significant investments outside Finland, mainly in the Nordics and Russia. These investments are exposed to risks caused by political, financial, legal and societal changes in the specific investment market. In addition to global adverse economic developments, decreased economic growth in a specific market may negatively affect CapMan's investments in that specific market. It is also possible, that CapMan Group's subsidiaries or associated companies, investors or customers become subject to international sanctions and other actions restricting CapMan's business in certain markets. Also, the CapMan Group may strive to expand its operations to new market areas in the future and there is a risk that it would be unable to recognise and manage risks relating to such new market areas.

Materialisation of any of the above risks may have a material adverse effect on CapMan Group's business, financial condition, results of operations and future prospects and thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Failure in recruiting qualified persons or loss of key persons could disturb CapMan's business and have an adverse effect on its financial performance.

CapMan's success is strongly based on its ability to recruit, develop, motivate and retain highly skilled employees at every level of its organisation. Further, CapMan's financial performance is partly dependent of its key persons and other personnel and their ability to contribute to its financial performance. CapMan's key persons include in particular its management but also investment professionals working for the investment teams and respectively, the risks relating to the loss of CapMan's key persons is linked especially to the management, but also to the experts and key persons of the investment teams in CapMan Group's service. Loss of managers with special expertise relating to CapMan and its field of business could undermine the efficiency, financial position and profitability of CapMan's operations. Replacing of them could be costly and time consuming. In addition to managers, the investment professionals working for CapMan's investment teams have long term experience from the field of investment business and investment teams are independently responsible for investment activities and the value creation of investments. The loss of certain of its investment professionals could lead to declined results, loss of certain significant customers or other disruptions in CapMan's operations, development and successful growth of its business. CapMan Group's reputation as an attractive employer may also suffer among the investment professionals if the CapMan Group is unable to retain its key employees.

Further, fund agreements typically include certain terms and conditions constraining the fund's investment activities in case of departure of a key person until the key person has been replaced. Should the key person not be replaced in due course, it is possible that the investment period of such investment team ends and that the fund cannot make any new investments. This may reduce the management fees and negatively affect the generation of carried interest income. Additionally, because of the key persons' significant role in the fund management, loss of key persons could also adversely affect CapMan's ability to establish new funds.

A failure by CapMan to recruit, motivate, develop and retain highly skilled employees at every level of its organisation could have a material adverse effect on CapMan Groups's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

The activities of the CapMan Group personnel could have adverse effects on its business and financial condition.

Effectiveness and flawless processes and systems are one of the cornerstones of CapMan Group's business operations. Ineffectiveness or failure of processes and systems may, however, occur. Since CapMan's business operations are driven by its employees, human errors or employees' negligence, carelessness or deliberate violation

of guidelines, rules and provisions concerning themselves and/or CapMan Group are possible. Human errors may occur for instance in connection with the valuation of investments, value calculation of funds, billing, calculation of management fees and carried interest income and valuation of the balance sheet items. It is also possible, that the CapMan Group's erroneous operation is a result of the faultiness or defectiveness of the used or provided information.

The possible wrongdoings by CapMan's personnel could include, for example, situations where CapMan is bound to agreements which exceed permitted limits or contain prohibited risks, an employee breaches binding contractual obligation or such unauthorised or unsuccessful acts that could lead to unforeseen and uncontrollable risks. Any such failure or wrongdoing by the CapMan Group's employees could cause financial losses and significant damage to the CapMan Group's reputation and could weaken its ability to retain its current customers and to compete for new customers.

Despite continuous control, it may not be possible to prevent or identify human errors and wrongdoings by employees, and the precautionary measures taken against them, such as employee training, invoice approval procedures and whistleblowing systems, are not always sufficient. The above-mentioned risks, if materialised, could have a material adverse effect on the CapMan Group's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Risks related to taxation could have adverse effects on CapMan's business, financial conditions and results of operations.

CapMan's taxation risk is related to changes in tax rates or tax legislation or possible erroneous interpretations, and the materialisation of the risk could lead to payment increases or sanctions imposed by the tax authorities, which could, in turn, result in financial losses. Even though CapMan invests resources in the management of taxation risks, the materialisation of the above risks could have an adverse effect on CapMan Group's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Conflicts of interest may arise between the CapMan Group companies as well as the customers and the investors.

There may arise conflicts of interests in the CapMan Group's business between the group companies, funds and fund investors. For example, several funds managed by the CapMan Group may want to invest in the same target or the parties invested in the same target may during the investment have dissenting interests in relation to the development of the investment, especially if the investment target is in economic distress. There may also arise conflicts of interest in the CapMan Group's service business, for example in case the customer of the CapMan Group's services business is a competitor of the CapMan Group simultaneously. Managing such potential or actual conflicts of interest in advance is essential to the CapMan Group in order to maintain its trustworthiness and reputation amongst its investors and customers. However, it is possible that the CapMan Group is unable to foresee certain potential conflicts of interests or measures to manage the occurrence of such may not be sufficient. The risks relating to the conflicts of interest may, if materialised, have a material adverse effect on CapMan Group's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

The CapMan Group is dependent on IT systems developed and maintained by third parties.

Well-functioning IT systems are of great importance in the CapMan Group's business. CapMan uses IT systems for, among others, services provided to investors, communications, reporting, investment activities, assessment of funds, risk management and monitoring of its business operations. The CapMan Group has defined procedures, principles, and methods for identifying, evaluating, controlling, and reporting risks related to malfunctions and interruptions of the IT systems. However, these measures may be insufficient to prevent certain types of interruptions which can be either unforeseen or out of CapMan's control, such as maintenance breaks, defaults of IT suppliers, power cuts, data security breaches, natural disasters and wrongdoings committed by CapMan's employees. CapMan's IT systems are also exposed to cyber threats that may result in interruption of CapMan's operation. Material interruptions or serious malfunctions in the operation of its IT systems may impair and weaken CapMan's business, result of operations and financial position.

Certain of CapMan's operations in particular are dependent on IT systems developed by third parties and it is not certain that these third parties will continue to develop and maintain its IT systems. Moreover, inability of these third parties to fulfil their contractual obligations or termination of such contractual relationships may result in interruption of CapMan's critical functions, and, in turn, require CapMan to find replacing IT systems or softwares. Interruptions in the functioning of CapMan's IT systems may result in financial loss, liabilities towards investors, measures taken by authorities or loss of reputation, which could have a material adverse effect on CapMan Group's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Litigations, legal claims or regulatory proceedings may have material adverse effects on the CapMan Group's business or result in unexpected costs.

CapMan Group may become involved in, or a subject of, legal or regulatory proceedings or claims relating to its operations. It is inherently difficult to predict the outcome of legal, regulatory and other adversarial proceedings or claims, and there can be no assurance as to the outcome of such proceedings or claims, whether existing or arising in the future. Any unfavourable judgment against CapMan Group in relation to any legal or regulatory proceedings or claims or settlement could have a material adverse effect on CapMan Group's financial condition, results of operations and future prospects, and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

CapMan Group's insurances may not cover all the risks related to its business.

CapMan has insured its business operations by maintaining real estate damage, general liability and private equity insurances considered to be consistent with industry practices. However, under CapMan's insurance agreements, certain events may not be insured, and under certain circumstances, the insurance company is not obliged to compensate a damage in full or at all. CapMan has no insurance coverage against such damage that is not insurable or against which there is no insurance available at financially reasonable terms or at all. Also the services provided by the CapMan Group are associated with risks relating to negligence, carelessness or deliberate violation by its employees, which may not be covered by the insurances.

Notwithstanding CapMan's current insurance coverage, it is possible that the occurrence of an insurance event causes losses in excess of limits specified under the relevant insurance policy or that the insurance compensation may be subject to material deductibles. Further, insurance companies may reject CapMan's claims for damages entirely or partly and even if the insurance would cover direct damages in full, indirect damages, such as loss of turnover, may not necessarily be covered. Moreover, it is not certain that CapMan's current insurance coverage will not be terminated or that it will be available in the future at financially reasonable terms. Materialisation of any of the above risks could have a material adverse effect on CapMan Group's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Risks Relating to the Issuer's and the CapMan Group's Financing

CapMan is exposed to liquidity risk.

The main elements of CapMan's cash flow are the management fees and carried interest income, in addition to which capital calls to funds in which CapMan has made commitments and the proceeds received from fund investments impact the cash flow. Whereas management fees received from funds are based on long-term agreements and are relatively predictable for the coming 12 months, the timing and receipt of carried interest generated by funds is uncertain and contribute to volatility of the CapMan Group's cash flow. Further, the cash flow is affected by changes in investment and exit activity and a single investment or exit may have a significant effect on the CapMan's cash flow.

Although the management of CapMan monitors, on a regular basis, cash flow forecasts and liquidity position of the CapMan Group and, as at the date of this Prospectus, believes that the CapMan Group's capital structure and credit facilities provide sufficient liquidity to conduct the CapMan Group's business, there can be no assurance that the estimates prove to be accurate or, in case of unexpected liquidity needs, that CapMan is able to ensure adequate liquidity at competitive terms, or at all. Should any of the above factors materialise, this could have a material adverse effect on the CapMan Group's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as on the market price and value of the Notes.

CapMan may not receive financing at competitive terms or at all.

Uncertainty in the financial markets may result in that the price of the financing needed by CapMan to carry out its business will increase and that it will be less readily available. CapMan aims to reduce the risk relating to the availability of financing by maintaining CapMan's reputation as a trustworthy debtor among its creditors. However, there can be no assurance that CapMan would not encounter difficulties in raising funding and, as a result, lack the access to capital it needs, which in turn may have an adverse effect on CapMan's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

CapMan's ability to make scheduled payments on its debt is subject to general economic, financial, competitive, market, regulatory and other factors that may be beyond its control. There can be no assurance that CapMan's operations will continue to generate sufficient cash flow to allow it to service its debt, to fund its working capital or to engage in future acquisitions. Failure to do so could have a material adverse effect on CapMan's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Covenants in the agreements governing CapMan's credit arrangements may restrict CapMan's ability to operate its business in all circumstances.

Credit agreements entered into by CapMan include, and may in the future include, certain standard financial and other covenants. CapMan's ability to satisfy these covenants may be affected by events beyond its control and there can be no assurance that it will be able to comply with such covenants in the future. In the event that CapMan fails to comply with these covenants and in order to avoid an event of default, CapMan would be required to obtain a waiver from its creditors, renegotiate its agreements governing its indebtedness or repay or refinance borrowings, which could have a material adverse effect on CapMan's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes. No assurance can be given that CapMan would be able to renegotiate or refinance these agreements on terms that are acceptable to it, if at all.

CapMan's possible extensive indebtedness may have an adverse effect on the Issuer's ability to fulfil its obligations under the Notes as well as on the market price and value of the Notes.

CapMan requires, and expects to continue to require, a significant amount of liquidity and capital resources to finance its business. Possible extensive indebtedness, whether secured or unsecured, may have a significant effect on the operations of the CapMan Group, such as (i) limit the CapMan Group's ability to raise additional finance on corresponding or more favorable financial and other terms than currently in force in order to finance its future working capital needs, investments, acquisitions or other general operative needs; (ii) require that a considerable part of the cash flow from operating activities of the CapMan Group be used for payments of the principal and interests of the debts, which would reduce the assets and cash flows available for operating activities and development of the operations; and (iii) make the CapMan Group more exposed to unfavorable financial conditions than its competitors, which could weaken the CapMan Group's competitiveness. Although the CapMan Group currently generates sufficient funds from operating cash flows to satisfy its debt service requirements and its capacity to obtain new financing is adequate, there can be no assurance that it will maintain such cash flows and adequate financial structure in the future. Breach of any of the debt covenants included in the CapMan Group's financing documents or the inability to comply with the required financial ratios could result in a default under the CapMan Group's debt obligations. This could result in the need to renegotiate the CapMan Group's financing as a result of which the terms of financing may weaken.

If any payment default occurs, the CapMan Group's creditor may elect to declare all of the CapMan Group's outstanding borrowings, together with accrued interest and fees, to be immediately due and payable. In such circumstances, the creditors under the CapMan Group's credit agreements also have the right to terminate any commitments to provide further financing.

Should any of the above factors materialise, this could have a material adverse effect on the CapMan Group's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as on the market price and value of the Notes.

Fluctuations in interest rates may adversely affect the results of operations of CapMan.

CapMan's exposure to interest rate risk arises primarily from its long-term liabilities. Although CapMan utilises floating-interest and floating-to-fixed interest rate swaps to manage its cash flow related interest rate risk and aims to restore at least half of the CapMan Group's interest rate risk to fixed rates, a portion of CapMan's indebtedness bears interest at variable rates. An increase in the interest rates on CapMan's indebtedness may increase its costs of financing which in turn could have an adverse effect on CapMan's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Fluctuations in foreign exchange rates may adversely affect the results of operations of CapMan.

CapMan has subsidiaries outside the Eurozone with equity exposed to movements in foreign currency exchange rates (Sweden and the United Kingdom). Even though CapMan considers the currency exchange rate risk to be relatively limited and hence, does not hedge currency, there is a risk that the fluctuations in the currency exchange rates have a negative impact on the CapMan Group's financial conditions. Further, CapMan reports its financial results in euro and is consequently subject to currency conversion risk when the financial statements of foreign subsidiaries are translated into euro amounts in the consolidated financial statements. Consequently, increases and decreases in the value of the euro versus other currencies will affect the amount of these items in CapMan's consolidated financial statements, even if their value has not changed in their original currency. Currency items in CapMan's financial statements are valued at the average exchange rates quoted on the last day of each reporting period. These conversions could result in significant changes in CapMan's results of operations from period to period. Hence, adverse fluctuations in foreign exchange rates may, have an adverse effect on the CapMan Group's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as on the market price and value of the Notes.

Impairment of goodwill may have an adverse effect on the Issuer's ability to fulfil its obligations under the Notes as well as on the market price and value of the Notes.

As of 31 December 2017, CapMan had recorded EUR 4.5 million of goodwill. The assumptions surrounding the testing, however, may have a notable impact on the value of goodwill on the relevant testing date. Changes in the assumptions could result in impairment of goodwill, which, in turn, could have a material adverse effect on CapMan's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Future changes in accounting standards may affect CapMan's financial position.

Future changes in the International Financial Reporting Standards (the "IFRS") may affect the financial statements of CapMan. For example, the CapMan Group expects the standard IFRS 16 – the New Leases Standard, effective for financial years beginning on 1 January 2019, to impact the accounting treatment of its lease contracts related to its facilities by increasing non-current assets and net gearing and decreasing the equity ratio. In the income statement, other operating expenses are expected to decrease by annual rental expenses, whereas depreciation and finance costs are expected to increase. The new IFRS 16 standard as well as any other future changes in accounting standards not presently known could have an adverse effect on CapMan's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes.

Risks Relating to the Notes

The Notes may not be a suitable investment for all investors.

Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in or incorporated by reference into this Prospectus;
- ii) understand thoroughly the Terms and Conditions of the Notes;

- iii) reach an investment decision only after careful consideration of the information contained in or incorporated by reference into this Prospectus;
- iv) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- v) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes; and
- vi) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Investors of the Notes are exposed to credit risk in respect of the Issuer and may forfeit interest and principal amount invested.

Investors in the Notes are exposed to a credit risk in respect of the Issuer. The investor's possibility to receive interest payments and payments of principal under the Notes is thus dependent on the Issuer's ability to fulfil its payment obligations, which, in turn, is to a large extent dependent on developments in the Issuer's business and financial performance. Should the Issuer become insolvent during the term of the Notes, an investor may forfeit interest payable on, and the principal amount of, the Notes in whole or in part. An investor is solely responsible for the economic consequences of its investment decisions.

Exchange rate risk and exchange controls.

The Issuer will pay principal and interest on the Notes in euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit other than euro (the "**Investor's Currency**"). These include the risk that exchange rates may significantly change (including changes due to devaluation of euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. As a result, investors may receive less interest or principal than expected.

No guarantee or security.

The Notes will not be obligations of anyone other than the Issuer and they will not be guaranteed by any other person or entity. No one other than the Issuer will accept any liability whatsoever in respect of any failure by the Issuer to pay any amount due under the Notes.

The Notes are unsecured debt instruments and the holders of the Notes (the "**Noteholders**") would be unsecured creditors in the event of the Issuer's bankruptcy or reorganisation proceedings. Accordingly, in addition to that any adverse change in the financial condition or prospects of the Issuer may have a material adverse effect on the liquidity of the Notes, and may result in a material decline in their market price, such adverse change may endanger the probability that the Noteholders will receive the prompt and full payment, when due, for principal, interest and/or any other amounts and items payable to the Noteholders pursuant to the Notes from time to time.

Secured creditors will have prior claim to the Issuer's assets that constitute their collateral as compared to holders of the Notes.

The Notes will not be secured by any assets. The Terms and Conditions permit the Issuer to incur additional secured indebtedness in the future subject to certain limitations. In the event of any liquidation of assets of the Issuer in any bankruptcy, liquidation or dissolution, holders of secured indebtedness will have a prior claim to those assets that constitute their collateral. In any of the foregoing events, it cannot be assured that there will be sufficient assets to pay amounts due on the Notes.

An active trading market for the Notes may not develop.

The Notes constitute a new issue of securities by the Issuer. Prior to the Listing, there is no public market for the Notes. Although application has been made to list the Notes on the Helsinki Stock Exchange, no assurance can be given that such application will be approved. In addition, listing of the Notes will not guarantee that a liquid public market for the Notes will develop and, even if such a market were to develop, neither the Issuer nor the Lead Manager are under any obligation to maintain such market. In the absence of a secondary market, Notes may be

difficult to sell at a satisfactory market price and the investor should be aware that he/she may realise a loss upon sale if Notes are sold prior to the redemption date. The liquidity and the market prices of the Notes can be expected to vary with changes in market and economic conditions, the financial condition and prospects of the Issuer as well as many other factors that generally influence the market prices of securities. Such factors may significantly affect the liquidity and the market prices of the Notes, which may trade at a discount to the price at which the Noteholders purchased the Notes.

There can be no assurance that an active trading market for the Notes will develop, or, if one does, that it will be maintained. If an active trading market for the Notes does not develop or is not maintained, it may result in a material decline in the market price of the Notes, and the liquidity of the Notes may be adversely affected. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Further, if additional and competing products are introduced in the markets, this may also result in a material decline in the market price and value of the Notes.

Since the Notes bear a fixed interest rate, their price may fall as a result of changes in the interest rates.

The Notes bear interest on their outstanding principal at a fixed interest rate. A holder of a security with a fixed interest rate is exposed to the risk that the price of such security could fall as a result of changes in the market interest rate. Market interest rates follow the changes in general economic conditions, and are affected by, among many other things, demand and supply for money, liquidity, inflation rate, economic growth, central banks' benchmark rates, implied future rates, and changes and expectations related thereto.

While the nominal compensation rate of a security with a fixed interest rate is fixed during the term of such security or during a certain period of time, current interest rates on capital markets (market interest rates) typically change continuously. In case market interest rates increase, the market price of such a security typically falls, until the yield of such security is approximately equal to the market interest rates. If market interest rates fall, the price of a security with a fixed interest rate typically increases, until the yield of such a security is approximately equal to market interest rates. Consequently, the Noteholders should be aware that movements of market interest rates may result in a material decline in the market price of the Notes and can lead to losses for the Noteholders if they sell the Notes.

Market value of the Notes may be affected by several factors.

The market value of the Notes will be affected by the creditworthiness of the Issuer and a number of additional factors, including, but not limited to, the value of the reference rate, its volatility and market interest and yield rates. The value of the Notes depends on a number of interrelated factors, including economic, financial and political events in Finland or elsewhere, including factors affecting capital markets generally and the stock exchanges on which the Notes are traded. The price at which a Noteholder may be able to sell the Notes may from time to time be at a discount, which could be substantial, from the issue price or the purchase price paid by such Noteholder.

The Issuer has not commissioned any credit rating for the Notes or for itself.

Neither the Issuer nor the Notes nor any other long-term indebtedness of the Issuer are currently rated by any rating agency nor is it the current intention of the Issuer to request any such rating. One or more independent credit rating agencies may independently assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A rating or the absence of a rating is not a recommendation to buy, sell or hold securities.

The completion of the transactions relating to the Notes is reliant on Euroclear Finland Ltd's operations and systems.

The Notes are issued in the book-entry securities system of Euroclear Finland Ltd, and consequently, no physical securities will be issued. The Notes are dematerialised securities and title to the Notes is recorded and transfers of the Notes are effected only through the relevant entries in the book-entry system and registers maintained by Euroclear Finland Ltd and its account operators. Therefore, timely and successful completion of transactions relating to the Notes depends on the fact that the book-entry securities system is operational. Any malfunction or delay in the book-entry securities systems or failure by any party to the system may result in the transaction not to take place as expected or to be delayed, which may cause financial losses or damage to the holders of the Notes whose rights depended on the timely and successful completion of the transaction. The Issuer and third parties will not assume any responsibility for the timely and full functionality of the book-entry securities system. Payments under the Notes will be made in accordance with the laws governing the book-entry securities system, the rules of

Euroclear Finland Ltd and the Terms and Conditions of the Notes. For purposes of payments under the Notes, it is the responsibility of each holder of the Notes to maintain with its respective book-entry account operator up to date information on applicable bank accounts.

No assurance as to the impact of change of laws or practices.

The Notes are governed by the laws of Finland, as in force from time to time. Finnish laws (including but not limited to tax laws) and regulations governing the Notes may change during the validity of the Notes, and new judicial decisions can be given and administrative practices take place. No assurance can be given as to the impact of any such possible change of laws or regulations, or new judicial decision or administrative practice taking place after the date of this Prospectus. Hence, if materialised, such event may have a material adverse effect on CapMan's business, financial condition, results of operations and future prospects and, thereby, the Issuer's ability to fulfil its obligations under the Notes as well as the market price and value of the Notes. Such event may also cause material financial losses or damage to the Noteholders.

The Notes do not, as a rule, contain covenants governing the Issuer's operations and do not limit its ability to merge, effect asset sales or otherwise effect significant transactions that may have a material adverse effect on the Notes and the Noteholders.

As a rule, the Notes do not contain provisions designed to protect Noteholders from a reduction in the creditworthiness of the Issuer. In particular, the Terms and Conditions of the Notes do not, except for the conditions relating to Change of Control Event (see Clause 8.4 (*Mandatory repurchase due to a Change of Control Event (put option)*)), and Clause 8.5 (*Mandatory repurchase due to a Demerger Event (put option)*) of the Terms and Conditions of the Notes) which grant the Noteholders the right of repayment of the Notes in certain limited circumstances, restrict the Issuer's ability to enter into a merger, asset sale or other significant transaction that could materially alter its existence, jurisdiction of organisation or regulatory regime and/or its composition and business. In the event the Issuer was to enter into such a transaction, Noteholders could be materially and adversely affected. Furthermore, the Change of Control Event clause does not restrict any of the current shareholders of the Issuer from disposing any or all of their shareholdings.

The Issuer may have an obligation to redeem and purchase the Notes prior to maturity.

As specified in the Terms and Conditions of the Notes, the Noteholders are entitled to demand premature repayment of the Notes in the case of a Change of Control Event and a Demerger Event. Such premature repayment may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes to such Noteholders who elect not to exercise their right to have their Notes prematurely repaid as well as the market price and value of such Notes.

The Issuer has the right to redeem and purchase the Notes prior to maturity.

As specified in the Terms and Conditions of the Notes, the Issuer may at any time purchase Notes in any manner and at any price prior to maturity. Only if such purchases are made by a tender offer, such tender offer must be available to all Noteholders alike on equal terms. The Issuer is entitled to cancel, dispose of or hold the purchased Notes at its discretion. Consequently, a Noteholder offering Notes to the Issuer in connection with such purchases may not receive the full invested amount. Further, a Noteholder may not have the possibility to participate in such purchases. The purchases, whether by tender offer or otherwise, may have a material adverse effect on the Issuer's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Notes to such Noteholders who do not participate in the purchases as well as the market price and value of such Notes.

In addition, in accordance with Clause 8.3 (*Voluntary total redemption (call option)*) of the Terms and Conditions of the Notes, the Issuer is entitled to redeem all, but not only some, of the outstanding Notes in full (i) any time from and including the First Call Date to, but excluding, the Second Call Date at an amount per Note equal to 100 per cent of the Nominal Amount plus 50 per cent of the Interest Rate (calculated on the Nominal Amount for one year), together with accrued but unpaid Interest; (ii) any time from and including the Second Call Date to, but excluding, the Third Call Date at an amount per Note equal to 100 per cent of the Nominal Amount plus 25 per cent of the Interest Rate (calculated on the Nominal Amount for one year), together with accrued but unpaid Interest; and (iii) any time from and including the Third Call Date to, but excluding, the Final Maturity Date at an amount per Note equal to 100 per cent. of the Nominal Amount plus 12.5 per cent. of the Interest Rate (calculated on the Nominal Amount for one year), together with accrued but unpaid Interest. Any such early redemption by

the Issuer may incur financial losses or damage, among other things, to such holders of Notes who had prepared themselves to have the amount of the Notes invested until the contractual final maturity of the Notes.

Furthermore, in case at least 75 per cent of the aggregate nominal principal amount of the Notes has been repurchased pursuant to a demand by the holders of the Notes based on a Change of Control Event or a Demerger Event, the Issuer is entitled to repurchase the remaining outstanding Notes at a price per Note equal to 100 per cent of the nominal amount of the Note together with accrued but unpaid interest by notifying the holders of the Notes of such prepayment. Such early repayment initiated by the Issuer may incur financial losses or damage, among other things, to such holders of the Notes who had prepared themselves to have the amount of the Notes invested until the contractual final maturity of the Notes.

The Issuer may not be able to finance the repurchase of Notes following a Change of Control Event.

Upon a Change of Control Event, the holders of Notes are entitled to demand repurchase of the Notes at a price per Note equal to its nominal amount plus accrued interest to the date of such repurchase. The source for any repurchase required as a result of any such event will be available cash or cash generated from operating activities or other sources, including borrowings, sales of assets, sales of equity or funds provided by subsidiaries of the Issuer. If a Change of Control Event occurs, there can be no assurance that the Issuer will have or will be able to generate sufficient funds to repurchase the Notes that have been requested to be repurchased.

Amendments to the Notes bind all Noteholders.

The Terms and Conditions may be amended in certain circumstances, with the required consent of a defined majority of the holders of the Notes. The Terms and Conditions contain provisions for calling meetings of the holders of the Notes or arranging procedures in writing to consider matters affecting the interests of the holders of the Notes generally. These provisions permit defined majorities to bind all holders of the Notes including holders of the Notes who did not attend and vote at the relevant meeting or participate in the procedure in writing and holders of the Notes who voted in a manner contrary to the majority.

Rights to payments that have not been claimed within three (3) years are prescribed.

In case any payment under the Notes has not been claimed within three (3) years from the original due date thereof, the right to such payment shall become void. Such prescription may incur financial losses to such Noteholders who have not claimed payment under the Notes within the prescription time of three (3) years.

The Notes carry no voting rights at the Issuer's General Meeting of Shareholders.

The Notes carry no voting rights with respect to shareholders meetings of the Issuer. Consequently, the Noteholders, unless they are also shareholders, cannot influence any decisions by the Issuer's shareholders concerning, for instance, the capital structure of the Issuer, which could impact the Issuer's ability to make payments on the Notes, or any decisions by the Issuer to redeem the Notes.

The Issuer may raise or issue additional debt without the consent of the holders of the Notes.

The Issuer and its subsidiaries may incur additional debt in the future. Incurring additional debt permitted under the Terms and Conditions may reduce the amount recoverable by the holders of the Notes upon winding-up or insolvency of the Issuer.

The Issuer is not obliged to compensate for withholding tax or similar on the Notes.

In the event of any withholding tax, public levy or similar is imposed in respect of payments to holders of Notes on amounts due pursuant to the Notes, the Issuer is neither obliged to gross-up or otherwise compensate holders of Notes for the lesser amounts the holders of Notes will receive as a result of the imposition of withholding tax or similar nor entitled to a premature redemption of the Notes.

Lead Manager may have a potential conflict of interest.

The Lead Manager and its affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and its affiliates in the ordinary course of business. In addition, in the ordinary course of their business activities, the Lead Manager and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or Issuer's affiliates. The Lead Manager or its affiliates that have a lending relationship with the Issuer may hedge their credit exposure to the Issuer in a manner consistent with their customary risk management policies. The Lead Manager and its affiliates may hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes to be issued hereunder. Any such short positions could adversely affect future trading prices of Notes to be issued hereunder. The Lead Manager and its affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Legal investment considerations may restrict certain investments.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Notes are legal investments for it, (ii) Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

RESPONSIBILITY REGARDING THE PROSPECTUS

The Issuer has furnished the information in this Prospectus and accepts responsibility for the completeness and accuracy of the information presented herein. The Issuer declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

INFORMATION DERIVED FROM THIRD PARTY SOURCES

This Prospectus contains information about CapMan's markets and CapMan's competitive position therein. Where certain information contained in this Prospectus has been derived from third party sources, such as industry publications, such sources have been identified therein. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable, but the correctness and completeness of such information is not guaranteed. Information compiled and published by third parties has been referred to in this Prospectus under section "*Information about the Issuer*". CapMan confirms that such third party information has been accurately reproduced herein and as far as CapMan is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. However, CapMan or the Lead Manager have not independently verified, and cannot give any assurances as to the appropriateness of, such information. Should this Prospectus contain market data or market estimates in connection with no source has been presented, such market data or market estimate is based on CapMan's management's estimates.

AVAILABILITY OF THE PROSPECTUS

This Prospectus is available as of 18 April 2018 on the website of the Issuer at www.capman.com/investors and at the offices of the Issuer at Ludviginkatu 6, FI-00130 Helsinki, Finland, Finland.

For the avoidance of doubt, other than the parts of the documents incorporated by reference (see "*Information incorporated by reference*"), the contents of CapMan's website or any other website do not form a part of this Prospectus, and prospective investors should not rely on such information in making their decision to invest in the Notes.

NO CREDIT RATING

The Issuer or the Notes have not been assigned any credit ratings at the request or with the co-operation of the Issuer in any rating process.

FORWARD-LOOKING STATEMENTS

Certain statements in this Prospectus, including but not limited to certain statements set forth under "*Summary*", "*Risk Factors*", "*Information about the Issuer*" and "*Financial Information and Prospects*" are based on the beliefs of CapMan's corporate management as well as assumptions made by and information currently available to it, and such statements may constitute forward-looking statements. The words "believe", "expect", "anticipate", "intend" or "plan" and similar expressions identify such forward-looking statements.

Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of CapMan, or industry results, to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Examples of these risks, uncertainties and other factors include, but are not limited to those discussed in section "*Risk Factors*" in this Prospectus including the following: general economic and business conditions; changes in the competitive market situation; ability to obtain financing on terms that are favourable or consistent with CapMan's expectations; the impact of changes in operating and financing costs, including changes in interest rate level; legislative and judicial developments; and fluctuations in the market price of the Notes. The above examples are not exhaustive and new risks emerge from time to time. In addition to factors that may be described elsewhere in this Prospectus, the factors discussed under "*Risk Factors*" could cause CapMan's actual results of operations or its financial condition to differ materially from those expressed in any forward-going statement. Should one or more of these or other risks or uncertainties materialise, or should any underlying assumptions prove to be incorrect, the actual results of operations or financial condition of CapMan or its ability to fulfil its obligations under the Notes could differ materially from those described herein as anticipated, believed, estimated or expected.

The Issuer does not intend, and does not assume any obligation, to update any forward-looking statements contained herein unless required to do so by applicable legislation.

ALTERNATIVE PERFORMANCE MEASURES

CapMan uses certain financial measures, which, in accordance with the “Alternative Performance Measures” guidelines of the European Securities and Markets Authority (ESMA), are not financial measures of historical or future financial performance, financial position, or cash flows, defined or specified in IFRS and are, therefore, considered alternative performance measures. CapMan uses alternative performance measures as additional information to financial measures presented in the consolidated statement of income, consolidated balance sheet and consolidated statement of cash flows prepared in accordance with IFRS. The alternative performance measures do not replace performance measures in accordance with the IFRS nor should they be viewed in isolation or as a substitute to the IFRS financial measures.

The alternative performance measures used by CapMan include (i) adjusted turnover, (ii) adjusted operating profit, (iii) adjusted profit for the period, (iv) adjusted return on equity (ROE), (v) adjusted return on investment (ROI), and (vi) adjusted earnings per share. For detailed calculation formulas, please see section “*Selected Consolidated Financial Information – Calculation of Key Ratios*”.

Alternative performance measures, as such are presented, are derived from performance measures as reported in accordance with the IFRS by adding or deducting the items affecting comparability and they will be nominated as adjusted. Items affecting comparability are, among others, material items related to mergers and acquisitions or major development projects, material gains or losses related to the acquisition or disposals of business units, material gains or losses related to the acquisition or disposal of intangible assets, material expenses related to decisions by authorities and material gains or losses related to reassessment of potential repayment risk to the CapMan’s funds. CapMan believes that alternative performance measures better denote the financial performance of its business and improve the comparability between different financial periods. Further, CapMan believes that alternative performance measures provide the Company’s management, investors, market analysts and other parties with considerable additional information relating to CapMan’s financial condition, results of operations and cash flows.

Alternative performance measures used by companies may differ from company to company and the calculation formulas used by companies may not be uniform. Therefore, the alternative performance measures used by CapMan may not be comparable with other similarly titled measures presented by other companies. Furthermore, the alternative performance measures may not be indicative of CapMan’s historical results of operations and are not meant to be predictive of future prospects.

OTHER INFORMATION

Financial information set forth in a number of tables in this Prospectus has been rounded. Accordingly, in certain instances, the sum of the numbers in a column or row may not conform exactly to the total figure given for that column or row. In addition, certain percentages presented in the tables in this Prospectus reflect calculations based upon the underlying information prior to rounding and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

In this Prospectus, references to “euro” or “EUR” are to the currency of the member states of the EU participating in the European Economic and Monetary Union and references to “U.S. dollar” or “USD” are to the lawful currency of the United States.

TERMS AND CONDITIONS OF THE NOTES

**TERMS AND CONDITIONS FOR
CAPMAN OYJ
EUR 50,000,000.00
SENIOR UNSECURED CALLABLE FIXED RATE NOTES
ISIN: FI4000315676**

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1. DEFINITIONS AND CONSTRUCTION

1.1 Definitions

In these terms and conditions (the “**Terms and Conditions**”):

“**Accounting Principles**” means international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC on the application of international accounting standards (or as otherwise adopted or amended from time to time, except where specifically stated to refer to such standards as in force on the Issue Date).

“**Adjusted Equity**” means, at any time, the aggregate of (i) the consolidated shareholders’ equity of the Group and (ii) the principal amount drawn under any hybrid loan or capital loan (Fin: *pääomalaina*) by any member of the Group (without double counting, if applicable).

“**Adjusted Nominal Amount**” means the Total Nominal Amount less the Nominal Amount of all Notes owned by a Group Company, irrespective of whether such Group Company is directly registered as owner of such Notes.

“**Affiliate**” means, in relation to any specified Person, another Person directly or indirectly controlling or being controlled by or under direct or indirect common control with such specified Person. For the purpose of this definition, “control” when used with respect to any Person means the power to direct the management or policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “controlling” and “controlled” have meanings correlative to the foregoing.

“**Book-Entry Securities System**” means the Infinity system being part of the book-entry register maintained by the CSD or any other replacing book-entry securities system.

“**Book-Entry System Act**” means the Finnish Act on Book-Entry System and Clearing Operations (Fin: *Laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* 348/2017, as amended).

“**Business Day**” means a day on which the deposit banks are generally open for business in Helsinki and any TARGET Day.

“**Business Day Convention**” means the first following day that is a CSD Business Day.

“**Change of Control Event**” means the occurrence of an event or series of events whereby one or more Persons, not being the present shareholders (or an Affiliate of the present shareholders), acting in concert (Fin: *yksissä tuumin toimiminen*), acquire control over the Issuer and where “control” means (a) acquiring or controlling, directly or indirectly, more than 50 per cent of the total voting rights represented by the shares of the Issuer (being votes which are capable of being cast at general meetings of shareholders), or (b) the right to, directly or indirectly, appoint or remove at least a majority of the members of the board of directors of the Issuer;

“**CSD**” means Euroclear Finland Oy, business identity code 1061446-0, Urho Kekkosen katu 5 C, 00101 Helsinki, Finland or any entity replacing the same as a central securities depository.

“**CSD Business Day**” means a day on which the Book-Entry Securities System is open in accordance with the regulations of the CSD.

“**Demerger Event**” means that the Issuer applies for a registration of the draft terms of Demerger (in Finnish: *jakautumissuunnitelma*) according to Chapter 17 Section 5 of the Finnish Companies Act (21.7.2006/624).

“**Euro**” and “**EUR**” means the single currency of the participating member states in accordance with the legislation of the European Community relating to Economic and Monetary Union.

“**Event of Default**” means an event or circumstance specified in paragraphs (a) to (f) of Clause 11.1.

“**Existing Notes**” means the notes issued by the Issuer on 15 October 2015.

“**Final Maturity Date**” means 16 April 2023.

“**Finance Documents**” means these Terms and Conditions and any document by which these Terms and Conditions are amended or any part thereof waived in compliance with Clause 17.

“**Financial Indebtedness**” means:

- (a) moneys borrowed;
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Accounting Principles, be treated as a balance sheet liability (other than any liability in respect of a lease or hire purchase contract which would, in accordance with the Accounting Principles in force as at the Issue Date, have been treated as an operating lease);
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (f) any amount raised under any other transaction (including any forward sale or purchase agreement) of a type not referred to in any other paragraph of this definition having the commercial effect of a borrowing;
- (g) any derivative transactions entered into in connection with protection against or benefit from fluctuation in any rate or price (and when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount) shall be taken into account;
- (h) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank financial institution; and
- (i) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (h) above.

“**First Call Date**” means the first CSD Business Day falling thirty (30) months after the Issue Date.

“**Force Majeure Event**” has the meaning set forth in Clause 19.1.

“**Group**” means the Issuer and its Subsidiaries from time to time (each a “**Group Company**”).

“**Interest**” means the interest on the Notes calculated in accordance with Clauses 7.1 to 7.3.

“**Interest Payment Date**” means 16 April and 16 October of each year or, to the extent such day is not a CSD Business Day, the CSD Business Day following from the application of the Business Day Convention. The first Interest Payment Date for the Notes shall be 16 October 2018 and the last Interest Payment Date shall be the relevant Redemption Date.

“**Interest Period**” means (i) in respect of the first Interest Period, the period from (and including) the Issue Date to (but excluding) the first Interest Payment Date, and (ii) in respect of subsequent Interest Periods, the period from (and including) an Interest Payment Date to (but excluding) the next succeeding Interest Payment Date (or a shorter period if relevant). An Interest Period shall not be adjusted by application of the Business Day Convention.

“**Interest Rate**” means 4.125 per cent. *per annum*.

“**Issue Date**” means 16 April 2018.

“**Issuer**” means CapMan Plc, a public limited liability company incorporated under the laws of Finland with business identity code 0922445-7.

“**Issuing Agency Agreement**” means the agreement dated 5 April 2018 regarding services related to the Notes entered into by and between the Issuer and the Issuing Agent in connection with the issuance of the Notes (as amended and restated from time to time).

“**Issuing Agent**” means OP Corporate Bank plc acting as issue agent (Fin: *liikkeeseenlaskijan asiamies*) and paying agent of the Notes for and on behalf of the Issuer, or any other party replacing the same as Issuing Agent in accordance with the regulations of the CSD.

“**Nominal Amount**” has the meaning set forth in Clause 2.4.

“**Noteholder**” means a person registered on a Book-Entry Account as holder or who is otherwise entitled to receive payment in respect of the Notes.

“**Noteholders’ Meeting**” means a meeting among the Noteholders held in accordance with Clause 14 (*Noteholders’ Meeting*).

“**Notes**” means debt instruments, each for the Nominal Amount and of the type referred to in paragraph 1 of Section 34 of the Act on Promissory Notes (Fin: *Velkakirjalaki 622/1947*, as amended) (Fin: *joukkovelkakirja*) and which are governed by and issued under these Terms and Conditions.

“**Person**” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, unincorporated organisation, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality.

“**Record Time**” means:

- (a) in relation to a payment of Interest, default interest and/or redemption of the Notes when such payment is made through the Book-Entry Securities System, the end of the first Business Day prior to, as applicable, (i) an Interest Payment Date, (ii) the day on which default interest is paid, or (iii) a Redemption Date;
- (b) in relation to a Noteholders’ Meeting and Written Procedure, the end of the Business Day specified in the communication pursuant to Clause 14.2 or Clause 15.2, as applicable; and
- (c) otherwise, the end of the fifth CSD Business Day prior to another relevant date.

“**Redemption Date**” means the date on which the relevant Notes are to be redeemed or repurchased in accordance with Clause 8 (*Redemption and repurchase of the Notes*).

“**Relevant Market**” means the Helsinki Stock Exchange maintained by Nasdaq Helsinki Ltd.

“**Reference Date**” means the last date of each financial quarter as reported by the Issuer.

“**Second Call Date**” means the first CSD Business Day falling forty-two (42) months after the Issue Date.

“**Security**” means a mortgage, charge, pledge, lien, security assignment or other security interest securing any obligation of any Person, or any other agreement or arrangement having a similar effect.

“**Subsidiary**” means, in relation to any Person, any Finnish or foreign legal entity (whether incorporated or not), in respect of which such Person, directly or indirectly, (i) owns shares or ownership rights representing more than fifty (50) per cent. of the total number of votes held by the owners, (ii) otherwise controls more than fifty (50) per cent. of the total number of votes held by the

owners, (iii) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body, or (iv) exercises control as determined in accordance with the international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC on the application of international accounting standards (or as otherwise adopted or amended from time to time).

“**TARGET2**” means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system.

“**TARGET Day**” means any day on which TARGET2 is open for the settlement of payments in euro.

“**Third Call Date**” means the first CSD Business Day falling fifty-four (54) months after the Issue Date.

“**Total Assets**” means the total assets of the Group.

“**Total Nominal Amount**” means the aggregate Nominal Amount of all the Notes outstanding at the relevant time.

“**Written Procedure**” means the written or electronic procedure for decision making among the Noteholders in accordance with Clause 15 (*Written Procedure*).

1.2 Construction

1.2.1 Unless a contrary indication appears, any reference in these Terms and Conditions to:

- (a) “**assets**” includes present and future properties, revenues and rights of every description;
- (b) “**guarantee**” means any guarantee, letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any Person or to make an investment in or loan to any Person or to purchase assets of any Person where, in each case, such obligation is assumed in order to maintain or assist the ability of such Person to meet its indebtedness;
- (c) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
- (d) an Event of Default is continuing if it has not been remedied or waived;
- (e) a provision of law is a reference to that provision as amended or re-enacted;
- (f) words denoting the singular number shall include the plural and vice versa; and
- (g) a time of day is a reference to Helsinki time.

1.2.2 When ascertaining whether a limit or threshold specified in Euro has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against Euro for the previous Business Day, as published by the European Central Bank on its website (www.ecb.int). If no such rate is available, the most recent rate published by the European Central Bank shall be used instead.

1.2.3 No delay or omission of any Noteholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.

2. ISSUANCE, SUBSCRIPTION AND STATUS OF THE NOTES

2.1 The Notes are denominated in Euro and each Note is constituted by these Terms and Conditions.

2.2 The Notes are offered for subscription in a minimum amount of EUR 100,000 mainly to domestic and international institutional investors through a book-building procedure (*private placement*). The

subscription period shall commence and end on 4 April 2018. Bids for subscription shall be submitted to OP Corporate Bank plc, Gebhardinaukio 1, FI-00510 Helsinki, tel. +358 10 252 7970, during the subscription period and within regular business hours.

Subscriptions made are irrevocable. All subscriptions remain subject to the final acceptance by the Issuer. The Issuer may, in its sole discretion, reject a subscription in part or in whole. The Issuer shall decide on the procedure in the event of over-subscription.

After the final allocation and acceptance of the subscriptions by the Issuer each investor that has submitted a subscription shall be notified by the Issuer whether and, where applicable, to what extent such subscription is accepted. Subscriptions notified by the Issuer as having been accepted shall be paid for as instructed in connection with the subscription. Notes subscribed and paid for shall be entered by the Issuing Agent to the respective book-entry accounts of the subscribers on a date advised in connection with the issuance of the Notes in accordance with the Finnish legislation governing book-entry system and book-entry accounts as well as regulations and decisions of the CSD.

- 2.3 By subscribing for Notes, each initial Noteholder, and, by acquiring Notes, each subsequent Noteholder (i) agrees that the Notes shall benefit from and be subject to the Finance Documents and (ii) agrees to be bound by these Terms and Conditions and the other Finance Documents.
- 2.4 The nominal amount (Fin: *arvo-osuuden yksikkökoko*) of each Note is EUR 1,000 (the “Nominal Amount”). The aggregate nominal amount of the Notes is EUR 50,000,000.00. The number of the notes is 50,000. All Notes are issued on the Issue Date on a fully paid basis at an issue price of 100 per cent. of the Nominal Amount.
- 2.5 The Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among them.
- 2.6 Each Note is freely transferable after it has been registered into the respective book-entry account of a Noteholder but the Noteholders may be subject to purchase or transfer restrictions with regard to the Notes, as applicable, under local laws to which a Noteholder may be subject. Each Noteholder must ensure compliance with such restrictions at its own cost and expense.

3. USE OF PROCEEDS

The Issuer shall use the proceeds from the issue of the Notes, less the costs and expenses incurred by the Issuer in connection with the issue of the Notes, for refinancing certain existing indebtedness of the Issuer, including the Existing Notes, and general corporate purposes of the Group.

4. CONDITIONS FOR DISBURSEMENT

- 4.1 The Noteholders shall pay the net proceeds from the issuance of the Notes to the Issuer on the later of (i) the Issue Date and (ii) the day on which the Issuing Agent has received the following, in form and substance satisfactory to it:
- (a) these Terms and Conditions and the Issuing Agency Agreement duly executed by the parties thereto;
 - (b) a copy of a resolution from the board of directors of the Issuer approving the issue of the Notes and authorising specified person(s) to approve and execute any documents and take any other action necessary to consummate such issue; and
 - (c) evidence that the Person(s) who has/have signed these Terms and Conditions, the Issuing Agency Agreement and any other documents in connection therewith on behalf of the Issuer is/are duly authorised to do so.
- 4.2 The Issuing Agent may assume that the documentation delivered to it pursuant to Clause 4.1 is accurate, correct and complete unless it has actual knowledge that this is not the case, and the Issuing Agent does not have to verify the contents of any such documentation.

5. NOTES IN BOOK-ENTRY FORM

- 5.1 The Notes will be issued in dematerialised form in the Book-Entry Securities System in accordance with the Book-Entry System Act and regulations of the CSD and no physical notes will be issued.
- 5.2 Each Noteholder consents to the Issuer having a right to obtain information on the Noteholders, their contact details and their holdings of the Notes registered in the Book-Entry Securities System, such as information recorded in the lists referred to in paragraphs 2 and 3 of Section 3 of Chapter 4 of the Book-Entry System Act kept by the CSD in respect of the Notes and the CSD shall be entitled to provide such information upon request. At the request of the Issuing Agent, the Issuer shall (and shall be entitled to do so) promptly obtain such information and provide it to the Issuing Agent, as applicable.
- 5.3 The Issuing Agent shall have the right to obtain information referred to in Clause 5.2 from the CSD in respect of the Notes if so permitted under the regulation of the CSD. The Issuer agrees that the Issuing Agent is at any time on its behalf entitled to obtain information referred to in Clause 5.2 from the CSD in respect of the Notes.
- 5.4 The Issuer shall issue any necessary power of attorney to such persons employed by the Issuing Agent as are notified by the Issuing Agent, in order for such individuals to independently obtain information referred to in Clause 5.2 directly from the CSD in respect of the Notes. The Issuer may not revoke any such power of attorney unless directed by the Issuing Agent or unless consent thereto is given by the Noteholders.
- 5.5 The Issuer and the Issuing Agent may use the information referred to in Clause 5.2 only for the purposes of carrying out their duties and exercising their rights in accordance with these Terms and Conditions with respect to the Notes and shall not disclose such information to any Noteholder or third party unless necessary for the before-mentioned purposes.

6. PAYMENTS IN RESPECT OF THE NOTES

- 6.1 Any payments under or in respect of the Notes pursuant to these Terms and Conditions shall be made to the Person who is registered as a Noteholder at the Record Time prior to an Interest Payment Date or other relevant due date in accordance with the Finnish legislation governing the Book-Entry Securities System and book-entry accounts as well as the regulations of the CSD.
- 6.2 If, due to any obstacle affecting the CSD, the Issuer cannot make a payment, such payment may be postponed until the obstacle has been removed. Any such postponement shall not affect the Record Time.
- 6.3 The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax, public levy or the similar.
- 6.4 All payments to be made by the Issuer pursuant to these Terms and Conditions shall be made without (and free and clear of any deduction for) set-off or counterclaim.

7. INTEREST

- 7.1 Subject to Clause 10.7, each Note carries Interest at the Interest Rate from (and including) the Issue Date up to (but excluding) the relevant Redemption Date.
- 7.2 Interest accrues during an Interest Period. Payment of Interest in respect of the Notes shall be made to the Noteholders on each Interest Payment Date for the preceding Interest Period.
- 7.3 Interest shall be calculated on the “actual/actual ICMA” basis as specified by the International Capital Market Association.
- 7.4 If the Issuer fails to pay any amount payable by it on its due date, default interest shall accrue on the overdue amount from (and including) the due date up to (but excluding) the date of actual payment at a rate which is one (1) percentage points higher than the Interest Rate. Accrued default interest shall

not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Issuing Agent or the CSD, in which case the Interest Rate shall apply instead.

8. REDEMPTION AND REPURCHASE OF THE NOTES

8.1 Redemption at maturity

The Issuer shall redeem all of the outstanding Notes in full on the Final Maturity Date with an amount per Note equal to the Nominal Amount together with accrued but unpaid Interest. If the Final Maturity Date is not a CSD Business Day, then the redemption shall occur on the CSD Business Day determined by application of the Business Day Convention.

8.2 Issuer's purchase of Notes

The Issuer may at any time and at any price purchase any Notes on the market or in any other way, provided that if purchases are made through a tender offer, the possibility to tender must be made available to all Noteholders on equal terms. The Notes held by the Issuer may at the Issuer's discretion be retained, sold or cancelled by the Issuer.

8.3 Voluntary total redemption (call option)

8.3.1 The Issuer may redeem all, but not only some, of the outstanding Notes in full:

- (a) any time from and including the First Call Date to, but excluding, the Second Call Date at an amount per Note equal to 100 per cent. of the Nominal Amount plus 50 per cent. of the Interest Rate (calculated on the Nominal Amount for one year), together with accrued but unpaid Interest;
- (b) any time from and including the Second Call Date to, but excluding, the Third Call Date at an amount per Note equal to 100 per cent. of the Nominal Amount plus 25 per cent. of the Interest Rate (calculated on the Nominal Amount for one year), together with accrued but unpaid Interest; and
- (c) any time from and including the Third Call Date to, but excluding, the Final Maturity Date at an amount per Note equal to 100 per cent. of the Nominal Amount plus 12.5 per cent. of the Interest Rate (calculated on the Nominal Amount for one year), together with accrued but unpaid Interest.

8.3.2 Redemption in accordance with Clause 8.3.1 shall be made by the Issuer giving not less than fifteen (15) Business Days' notice to the Noteholders. Any such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon expiry of such notice and the fulfilment of the conditions precedent (if any), the Issuer is bound to redeem the Notes in full at the applicable amounts.

8.4 Mandatory repurchase due to a Change of Control Event (put option)

8.4.1 Upon the occurrence of a Change of Control Event, each Noteholder shall have the right to request that all, or only some, of its Notes be repurchased at a price per Note equal to 100 per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of twenty (20) Business Days following a notice from the Issuer of the Change of Control Event pursuant to Clause 9.1.2 (after which time period such right shall lapse). However, such period may not start earlier than upon the occurrence of the Change of Control Event.

8.4.2 The notice from the Issuer pursuant to Clause 9.1.2 shall specify the repurchase date that is a CSD Business Day and include instructions about the actions that a Noteholder needs to take if it wants Notes held by it to be repurchased. If a Noteholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer shall, or shall procure that a Person designated by the Issuer will, repurchase the relevant Notes and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to Clause 9.1.2. The repurchase

date must fall no later than forty (40) Business Days after the end of the period referred to in Clause 8.4.1.

- 8.4.3 The Issuer shall comply with the requirements of any applicable securities laws and regulations in connection with the repurchase of Notes. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 8.4, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 8.4 by virtue of the conflict.
- 8.4.4 Any Notes repurchased by the Issuer pursuant to this Clause 8.4 may at the Issuer's discretion be retained, sold or cancelled.
- 8.4.5 The Issuer shall not be required to repurchase any Notes pursuant to this Clause 8.4, if a third party in connection with the occurrence of a Change of Control Event offers to purchase the Notes in the manner and on the terms set out in this Clause 8.4 (or on terms more favourable to the Noteholders) and purchases all Notes validly tendered in accordance with such offer. If the Notes tendered are not purchased within the time limits stipulated in this Clause 8.4, the Issuer shall repurchase any such Notes within five (5) Business Days after the expiry of the time limit. The Issuer shall not be required to repurchase any Notes pursuant to this Clause 8.4 if it has exercised its right to redeem all of the Notes in accordance with Clause 8.3 prior to the occurrence of the Change of Control Event.
- 8.4.6 If Notes representing more than seventy-five (75) per cent of the aggregate nominal principal amount of the Notes have been repurchased pursuant to this Clause 8.4, the Issuer is entitled to repurchase all the remaining outstanding Notes at the price stated in Clause 8.4.1 above by notifying the remaining Noteholders of its intention to do so no later than fifteen (15) Business Days after the latest possible repurchase date pursuant to Clause 8.4.2. Such prepayment may occur at the earliest on the tenth CSD Business Day following the date of such notice.

8.5 Mandatory repurchase due to a Demerger Event (put option)

- 8.5.1 Upon the publication of a plan to carry out a Demerger Event, the Issuer shall notify the Noteholders of the planned Demerger Event in accordance with Clause 9.1.4.
- 8.5.2 Each Noteholder shall have the right to request that all, or only some, of its Notes be repurchased at a price per Note equal to 100 per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of twenty (20) Business Days following a notice from the Issuer of the Demerger Event pursuant to Clause 9.1.4 (after which time period such right shall lapse).
- 8.5.3 The notice from the Issuer pursuant to Clause 9.1.4 shall specify the repurchase date that is a CSD Business Day and include instructions about the actions that a Noteholder needs to take if it wants Notes held by it to be repurchased. If a Noteholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer shall, or shall procure that a Person designated by the Issuer will, repurchase the relevant Notes and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to Clause 9.1.4. The repurchase date must fall no later than forty (40) Business Days after the end of the period referred to in Clause 8.5.2.
- 8.5.4 The Issuer shall comply with the requirements of any applicable securities laws and regulations in connection with the repurchase of Notes. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 8.5, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 8.5 by virtue of the conflict.
- 8.5.5 Any Notes repurchased by the Issuer pursuant to this Clause 8.5 may at the Issuer's discretion be retained, sold or cancelled.
- 8.5.6 If Notes representing more than seventy-five (75) per cent of the aggregate nominal principal amount of the Notes have been repurchased pursuant to this Clause 8.5, the Issuer is entitled to repurchase all the remaining outstanding Notes at the price stated in Clause 8.5.2 above by notifying the remaining Noteholders of its intention to do so no later than twenty (20) Business Days after the latest possible

repurchase date pursuant to Clause 8.5.3. Such prepayment may occur at the earliest on the tenth CSD Business Day following the date of such notice.

8.5.7 Any Noteholder, whether or not it elects to exercise the right to require prepayment in the case of a Demerger Event, is deemed to have waived any and all statutory rights under applicable Finnish law to oppose the Demerger in its capacity as a Noteholder. The Noteholders have by these terms and conditions irrevocably authorised the Issuer to represent them with respect to the Finnish Trade Register in order to withdraw any notices opposing the Demerger.

9. INFORMATION TO NOTEHOLDERS

9.1 Information from the Issuer

9.1.1 The Issuer will make the following information available to the Noteholders by publication on the website of the Issuer:

- (a) as soon as the same become available, but in any event within 120 days after the end of each financial year, its audited consolidated financial statements for that financial year and annual report;
- (b) as soon as the same become available, but in any event within 90 days after the end of each quarter of its financial year, its unaudited consolidated financial statements or the year-end report (Fin: *tilinpäätöstiedote*) (as applicable) for such period; and
- (c) any other information required to be disclosed under the Finnish Securities Markets Act (Fin: *Arvopaperimarkkinalaki* 746/2012, as amended) and the rules and regulations of the Relevant Market.

9.1.2 The Issuer shall immediately notify the Noteholders upon becoming aware of the occurrence of a Change of Control Event.

9.1.3 The Issuer shall within five (5) Business Days after publishing its financial statements in accordance with paragraphs (a) and (b) of Clause 9.1.1 (for the purpose of confirming that no Event of Default is continuing), submit to the Noteholders a compliance certificate in the form of Appendix 1 (Form of compliance certificate) hereto (i) (when and as applicable) setting out calculations and figures as to whether the financial undertaking referred to in Clause 10.5 (Financial undertakings) is met and (ii) containing a confirmation that no Event of Default is continuing (or if an Event of Default is continuing, what steps have been taken to remedy it).

9.1.4 The Issuer shall immediately notify the Noteholders and the Agent upon publishing a plan for the implementation of a Demerger Event. Such notice must be published no later than on the date that the announcement of the Demerger Event is published in the Finnish Official Gazette (in Finnish: *Virallinen Lehti*).

9.1.5 The Issuer shall immediately notify the Noteholders upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide each Noteholder with such further information as it may reasonably request in writing following receipt of such notice.

10. GENERAL UNDERTAKINGS

10.1 General

The Issuer undertakes to (and shall, where applicable, procure that the other Group Companies will) comply with the undertakings set forth in this Clause 10 for so long as the Notes remain outstanding.

10.2 Change of business

The Issuer shall procure that no substantial change is made to the general nature of the business of the Group from that carried on at the Issue Date.

10.3 Negative pledge

In this Clause 10.3, “**Quasi-Security**” means an arrangement or transaction referred to in paragraphs (b) to (d) of Clause 10.3.1 below.

10.3.1 Except as provided under Clause 10.3.2, the Issuer shall not:

- (a) create or allow to subsist any Security over any of its assets;
- (b) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or reacquired by the Issuer;
- (c) sell, transfer or otherwise dispose of any of its receivables on recourse terms; or
- (d) enter into any other preferential arrangement having a similar effect,

in respect of any Quasi-Security, in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.

10.3.2 Clause 10.3.1 does not apply to any Security or (as the case may be) Quasi-Security listed below:

- (a) any netting or set-off arrangement entered into by the Issuer in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances;
- (b) any payment or close out netting or set-off arrangement pursuant to any hedging transaction entered into by the Issuer for the purpose of:
 - (i) hedging any risk to which the Issuer is exposed in its ordinary course of business; or
 - (ii) its interest rate or currency management operations which are carried out in the ordinary course of business;
- (c) any lien or other security interest arising by operation of law and in the ordinary course of business;
- (d) any Security or Quasi-Security over or affecting any asset acquired by the Issuer after the Issue Date if:
 - (i) the Security or Quasi-Security was not created in contemplation of the acquisition of that asset by the Issuer;
 - (ii) the principal amount secured has not been increased in contemplation of or since the acquisition of that asset by the Issuer; and
 - (iii) the Security or Quasi-Security is removed or discharged within six months of the date of acquisition of such asset;
- (e) any Security or Quasi-Security entered into pursuant to any Finance Document;
- (f) any Security or Quasi-Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to the Issuer in the ordinary course of business;

- (g) any Security or Quasi-Security securing indebtedness arising under loan or facility agreements and documentation related thereto concluded with credit institutions, institutional investors, credit funds or similar, the principal amount of which does not in aggregate exceed EUR 50,000,000 (or its equivalent in another currency or currencies); and
- (h) any Security or Quasi-Security securing indebtedness the principal amount of which (when aggregated with the principal amount of any other indebtedness which has the benefit of Security or Quasi-Security given by the Issuer other than any permitted under paragraphs (a) to (g) above) does not exceed EUR 5,000,000 (or its equivalent in another currency or currencies).

10.4 Compliance with laws

The Issuer shall comply with all laws and regulations to which it may be subject from time to time, if failure so to comply would materially impair its ability to perform its payment obligations under the Notes.

10.5 Financial undertaking

10.5.1 The Issuer undertakes that the ratio of Adjusted Equity to Total Assets shall on each Reference Date be at least thirty (30) per cent. calculated in accordance with the calculation principles set out in this Clause 10.5.

10.5.2 The ratio of Adjusted Equity to Total Assets shall be calculated in respect of each Reference Date in accordance with the Accounting Principles and by reference to the latest financial statements published pursuant to paragraphs (a) and (b) of Clause 9.1.1., and using Reference Date values for balance sheet items.

11. ACCELERATION OF THE NOTES

11.1 If an Event of Default occurs, any Noteholder may by written notice to the Issuer declare the principal amount of the Notes held by it, together with interest and any other amounts then accrued on those Notes, prematurely due and payable ten (10) Business Days from the date that such notice is presented or at such later date as the relevant Noteholder determines, if:

- (a) the Issuer does not pay on the due date any amount payable by it under the Finance Documents, unless the non-payment:
 - (i) is caused by technical or administrative error; and
 - (ii) is remedied within five (5) Business Days from the due date;
- (b) the Issuer does not comply with any terms or conditions of the Finance Documents (other than those terms referred to in paragraph (a) above), unless the non-compliance:
 - (i) is capable of remedy; and
 - (ii) is remedied within twenty (20) Business Days of the earlier of any Noteholder giving notice and the Issuer becoming aware of the non-compliance;
- (c) any Finance Document becomes invalid, ineffective or varied (other than in accordance with the provisions of the Finance Documents), and such invalidity, ineffectiveness or variation has a detrimental effect on the interests of the Noteholders;
- (d) any Financial Indebtedness of the Issuer is not paid when due nor within any originally applicable grace period, or is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described), provided that no Event of Default will occur under this paragraph (d) if (i) any relevant payment to be made is contested in good faith and as long as it has not resulted in a payment obligation of the Issuer (confirmed by a court, arbitral tribunal or a government authority or (ii) the aggregate

amount of Financial Indebtedness referred to herein is less than EUR 5,000,000 (or its equivalent in other currencies);

- (e) the Issuer ceases to carry on its current business in its entirety; or
- (f) the Issuer has been adjudged into winding-up (Fin: *selvitystila*) or declared bankrupt.

11.2 No Noteholder may accelerate the Notes held by it in accordance with Clause 11.1 above by reference to a specific Event of Default if it is no longer continuing.

11.3 In the event of an acceleration of Notes in accordance with this Clause 11, the Issuer shall redeem those Notes at an amount per Note equal to 100 per cent. of the Nominal Amount.

12. RIGHT TO ACT ON BEHALF OF A NOTEHOLDER

12.1 If any Person other than a Noteholder wishes to exercise any rights specifically allocated to Noteholders under the Finance Documents, it must obtain a power of attorney from the Noteholder or a successive, coherent chain of powers of attorney starting with the Noteholder and authorising such Person or provide other evidence of ownership or authorisation satisfactory to the Issuer.

12.2 A Noteholder may issue one or several powers of attorney to third parties to represent it in relation to some or all of the Notes held by it. Any such representative may act independently under the Finance Documents in relation to the Notes for which such representative is entitled to represent the Noteholder and may further delegate its right to represent the Noteholder by way of a further power of attorney.

12.3 The Issuer shall only have to examine the face of a power of attorney or other evidence of authorisation that has been provided to it pursuant to Clause 12.1 and may assume that it has been duly authorised, is valid, has not been revoked or superseded and that it is in full force and effect, unless otherwise is apparent from its face or is otherwise notified to the Issuer.

13. DECISIONS BY NOTEHOLDERS

13.1 Decisions by the Noteholders on a matter relating to the Finance Documents shall (at the option of the party requesting the decision) be dealt with at a Noteholders' Meeting or by way of a Written Procedure.

13.2 Any request from the Issuer or a Noteholder (or Noteholders) representing at least ten (10) per cent. of the Adjusted Nominal Amount (such request may only be validly made by a Person who is a Noteholder on the Business Day immediately preceding the day on which the request is received by the Issuer and shall, if made by several Noteholders, be made by them jointly) for a decision by the Noteholders on a matter relating to the Finance Documents shall be directed to the Issuer and dealt with at a Noteholders' Meeting or by way of a Written Procedure, as determined in the request for a decision.

13.3 Only a Person who is, or who, directly or indirectly, has been provided with a power of attorney pursuant to Clause 12 (*Right to act on behalf of a Noteholder*) from a Person who is registered as a Noteholder:

- (a) at the Record Time on the CSD Business Day specified in the communication pursuant to Clause 14.2, in respect of a Noteholders' Meeting, or
- (b) at the Record Time on the CSD Business Day specified in the communication pursuant to Clause 15.2, in respect of a Written Procedure,

may exercise voting rights as a Noteholder at such Noteholders' Meeting or in such Written Procedure in respect of Notes held by such Person at the relevant Record Time, provided that the relevant Notes are included in the Adjusted Nominal Amount.

13.4 The following matters shall require the consent of Noteholders representing at least seventy-five (75) per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders'

Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 15.2:

- (a) a change to the terms of any of Clause 2.1, and Clauses 2.5 and 2.6;
- (b) a change to the Interest Rate or the Nominal Amount;
- (c) a change to the terms dealing with the requirements for Noteholders' consent set out in this Clause 13;
- (d) a change of issuer, an extension of the tenor of the Notes or any delay of the due date for payment of any principal or interest on the Notes;
- (e) a mandatory exchange of the Notes for other securities; and
- (f) early redemption of the Notes, other than upon an acceleration of the Notes pursuant to Clause 11 (*Acceleration of the Notes*) or as otherwise permitted or required by these Terms and Conditions.

13.5 Any matter not covered by Clause 13.4 shall require the consent of Noteholders representing more than fifty (50) per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 15.2. This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority.

13.6 Quorum at a Noteholders' Meeting or in respect of a Written Procedure only exists if a Noteholder (or Noteholders) representing at least fifty (50) per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 13.4, and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:

- (a) if at a Noteholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
- (b) if in respect of a Written Procedure, reply to the request.

13.7 If a quorum does not exist at a Noteholders' Meeting or in respect of a Written Procedure, the Issuer shall convene a second Noteholders' Meeting (in accordance with Clause 14.1) or initiate a second Written Procedure (in accordance with Clause 15.1), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Noteholders' consent. The quorum requirement in Clause 13.6 shall not apply to such second Noteholders' Meeting or Written Procedure.

13.8 Any decision which extends or increases the obligations of the Issuer, or limits, reduces or extinguishes the rights or benefits of the Issuer, under the Finance Documents shall be subject to the Issuer's consent.

13.9 The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Noteholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Noteholders that consent at the relevant Noteholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.

13.10 A matter decided at a duly convened and held Noteholders' Meeting or by way of a Written Procedure is binding on all Noteholders, irrespective of them being present or represented at the Noteholders' Meeting or responding in the Written Procedure.

13.11 Information about decisions taken at a Noteholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Noteholders and published on the website of the Issuer, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes

from the relevant Noteholders' Meeting or Written Procedure shall at the request of a Noteholder be sent to it by the Issuer.

14. NOTEHOLDERS' MEETING

14.1 The Issuer may convene a Noteholders' Meeting, and shall no later than five (5) Business Days after receipt of a valid request from the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons), by sending a notice thereof to the CSD and each Noteholder.

14.2 The notice pursuant to Clause 14.1 shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Noteholders), (iv) a specification of the CSD Business Day at the end of which a Person must be registered as a Noteholder in order to be entitled to exercise voting rights at the meeting and (v) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Noteholders' Meeting. Should prior notification by the Noteholders be required in order to attend the Noteholders' Meeting, such requirement shall be included in the notice.

14.3 The Noteholders' Meeting shall be held no earlier than ten (10) Business Days and no later than thirty (30) Business Days from the date of the notice.

15. WRITTEN PROCEDURE

15.1 The Issuer may instigate a Written Procedure, and shall no later than five (5) Business Days after receipt of a valid request from the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons), by sending a communication to the CSD and each Person who is registered as a Noteholder at the Record Time prior to the date on which the communication is sent.

15.2 A communication pursuant to Clause 15.1 shall include (i) each request for a decision by the Noteholders, (ii) a description of the reasons for each request, (iii) a specification of the CSD Business Day at the end of which a Person must be registered as a Noteholder in order to be entitled to exercise voting rights, (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, and (v) the stipulated time period within which the Noteholder must reply to the request (such time period to last at least fifteen (15) Business Days from the communication pursuant to Clause 15.1). If the voting is to be made electronically, instructions for such voting shall be included in the communication.

15.3 When a consent from the Noteholders representing the requisite majority of the total Adjusted Nominal Amount pursuant to Clauses 13.4 or 13.5 has been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 13.4 or 13.5, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

16. AMENDMENTS AND WAIVERS

16.1 An amendment to the Finance Documents shall take effect on the date determined by the Noteholders Meeting or in the Written Procedure, as the case may be.

17. PRESCRIPTION

17.1 The right to receive payment of the principal of or interest on the Notes shall be prescribed and become void three (3) years from the date on which such payment became due.

17.2 If a limitation period is duly interrupted in accordance with the Finnish Act on Limitations (Fin: *Laki velan vanhentumisesta* 728/2003, as amended), a new limitation period of at least three (3) years will commence.

18. NOTICES

18.1 Notices

- 18.2 Noteholders shall be advised of matters relating to the Notes by (i) a notice published on the official website of the Issuer, and/or (ii) with a stock exchange release. Alternatively, the Issuer may deliver notices on the Notes in writing directly to the Noteholders at the address appearing on the list of the Noteholders provided by the CSD. Any such notice shall be deemed to have been received by the Noteholders when published in the manner specified in this Condition 19.
- 18.3 Any notice or other communication to be made under or in connection with the Finance Documents to the Issuer, shall be given to the address registered with the Finnish Trade Register on the Business Day prior to dispatch and designated “To the attention of Chief Financial Officer”.
- 18.3.1 Any notice or other communication made by one Person to another under or in connection with the Finance Documents shall be in English and sent by way of courier, e-mail, personal delivery or letter and will become effective, in the case of courier or personal delivery, when it has been left at the address specified in Clause 21.1.1 or, in the case of letter, three (3) Business Days after being deposited postage prepaid in an envelope addressed to the address specified in Clause 21.1.1 or, in the case of e-mail, when actually received in a readable form.
- 18.3.2 Failure to send a notice or other communication to a Noteholder or any defect in it shall not affect its sufficiency with respect to other Noteholders.

19. FORCE MAJEURE AND LIMITATION OF LIABILITY

- 19.1 The Issuer, the Issuing Agent or the Paying Agent shall not be responsible for any losses of the Noteholders resulting from:
- (a) action of any authorities, war or threat of war, rebellion or civil unrest;
 - (b) disturbances in postal, telephone or electronic communications or the supply of electricity which are due to circumstances beyond the reasonable control of the Issuer, the Issuing Agent or the Paying Agent and that materially affect operations of any of them;
 - (c) any interruption of or delay in any functions or activities of the Issuer, the Issuing Agent or the Paying Agent as a result of fire or other similar disaster;
 - (d) any industrial action, such as strike, lockout, boycott or blockade affecting materially the activities of the Issuer, the Issuing Agent or the Paying Agent even if it only affects part of the employees of any of them and whether any of them is involved therein or not; or
 - (e) any other similar force majeure or hindrance which makes it unreasonably difficult to carry on the activities of the Issuer, the Joint Lead Managers, the Issuer Agent or the Paying Agent,
- and any of paragraphs (a) to (e), a “**Force Majeure Event**”.
- 19.2 The Issuing Agent shall have no liability to the Noteholders if it has observed reasonable care. The Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.
- 19.3 Should a Force Majeure Event arise which prevents the Issuer or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.
- 19.4 The provisions in this Clause 19 apply unless they are inconsistent with the provisions of the Book-Entry System Act which provisions shall take precedence.

20. LISTING

Following the issue of the Notes, an application will be made to have the Notes listed on the official list of the Helsinki Stock Exchange maintained by Nasdaq Helsinki Ltd.

21. FURTHER ISSUES OF NOTES

The Issuer may from time to time, without the consent of or notice to the Noteholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest on them, the issue price and/or the minimum subscription amount thereof) by increasing the maximum principal amount of the Notes or otherwise. For the avoidance of doubt, this Condition 21 shall not limit the Issuer's right to issue any other notes.

22. INFORMATION

Copies of the documents relating to the Notes shall be available for inspection during regular office hours at the office of (i) the Issuer at Ludviginkatu 6, FI-00130, Helsinki; and (ii) OP Corporate Bank plc, Gebhardinaukio 1, FI-00510 Helsinki, Finland.

23. GOVERNING LAW AND JURISDICTION

23.1 These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Finland.

23.2 Any disputes relating to the Notes shall be settled in the first instance at the District Court of Helsinki (Fin: *Helsingin käräjäoikeus*).

APPENDIX 1 (Form of compliance certificate)

COMPLIANCE CERTIFICATE

To: [Noteholder]
From: CapMan Oyj as Issuer
Place and In [●], on the [●] day of [●] 201[●]
date:

Dear Madams/Sirs,

We refer to the senior, unsecured and unsubordinated fixed rate notes issued by us on 16 April 2018 with an aggregate nominal amount of EUR 50,000,000 (the “Notes”).

1. We refer to the Terms and Conditions of the Notes. This is a compliance certificate. Terms defined in the Terms and Conditions of the Notes have the same meaning when used in this compliance certificate unless given a different meaning in this compliance certificate.
2. We confirm that the ratio of Adjusted Equity to Total Assets is [●].
3. [We confirm that no Event of Default is continuing.]*
4. This compliance certificate is governed by Finnish law.

CAPMAN OYJ
as Issuer

By:

* If this statement cannot be made, the certificate shall identify any Event of Default that is continuing and the steps, if any, being taken to remedy it.

ADDITIONAL INFORMATION ON THE ISSUE OF THE NOTES

Form of the Notes:	Securities in dematerialised, book-entry form issued in the Infinity-book-entry securities system maintained by Euroclear Finland Ltd.
ISIN Code of the Notes:	FI4000315676
Depository and settlement system:	Euroclear Finland Ltd, Urho Kekkosen katu 5 C, FI-00100, Helsinki, Infinity-system of Euroclear Finland Ltd.
Rate of interest on the Notes:	4.125 per cent per annum.
Issue price and effective yield of the Notes:	Issue price of 100 per cent, resulting in effective yield of 4.168 per cent per annum.
Issuing Agent:	OP Corporate Bank plc, Gebhardinaukio 1, FI-00510 Helsinki.
Publication date and investors:	The result of the Offering was announced on 4 April 2018 and the Notes were allocated mainly to institutional investors.
Listing:	The Notes are expected to be listed on the Helsinki Stock Exchange.
Estimated time of Listing:	On or about 19 April 2018.
Interests of the participants of the Offering:	<p>Interests of the Lead Manager: Business interest normal in the financial markets. The Lead Manager will be paid a fee by the Issuer in respect of the Offering and issue of the Notes.</p> <p>In addition, the Lead Manager is lender under a facility agreement with the Issuer. The proceeds from the Offering may be used, <i>inter alia</i>, for the prepayment of existing financing under the before-mentioned facility agreement. Further, the Lead Manager may in the future provide investment or other banking services, including financing arrangements, for CapMan in the ordinary course of business.</p>
Estimated net amount of the proceeds:	The aggregate net proceeds to the Company from the Offering, after deduction of the fees and expenses payable by the Company, will be approximately EUR 49.5 million.
Use of proceeds:	The proceeds have on 17 April 2018 been used for refinancing certain existing indebtedness of the Issuer, including the voluntary total redemption of the Issuer's existing EUR 30,000,000 notes due 2019 issued on 15 October 2015, with ISIN code FI4000176466. The remaining proceeds are intended to be used for general corporate purposes.
Date of the entry of the Notes to the book-entry system	Notes subscribed and paid for have been entered by the Issuing Agent to the respective book-entry accounts of the subscribers on 16 April 2018 in accordance with the Finnish legislation governing book-entry system and book-entry accounts as well as regulations and decisions of Euroclear Finland Ltd.

INFORMATION ABOUT THE ISSUER

General

The business name of the Issuer is CapMan Oyj, in English CapMan Plc. CapMan is a public limited liability company incorporated in Finland on 28 April 1993, and organised under the laws of Finland. CapMan is registered in the Finnish Trade Register under business identity code 0922445-7 and it is domiciled in Helsinki, Finland. The Issuer's registered address is Ludviginkatu 6, FI-00130 Helsinki, Finland and telephone number is (+358) 207 207 500.

According to Article 2 of the Issuer's Articles of Association, the object of the Company is to engage in capital fund management, portfolio and property management and in advising and consulting services related to these; owning, buying and selling securities; owning real estate as well as to engage in financing and other investment activities, industrial activities and company brokerage. The Company may exercise the above mentioned activities either directly or through subsidiaries or affiliated companies. Furthermore, the Company acts as the administrative unit of the CapMan Group and is in charge of the financing, marketing, administration and other corresponding activities of its subsidiaries.

CapMan Plc is the parent company of the CapMan Group, which comprises the Issuer and its subsidiaries and associated companies. CapMan has subsidiaries in Finland, Sweden, Guernsey, Luxembourg, the United Kingdom and Cyprus. The CapMan Group has three operating segments: the Management company business, the Service business and the Investment business. The Management company business manages funds that invest in portfolio companies or real estate. The Service business includes two professional service teams: (i) Scala Fund Advisory and (ii) CapMan Procurement Services (CAPS). Under the operating segment of Investment business, CapMan makes investments from its own balance sheet. In addition, the CapMan Group has Finance, Legal, Back Office, IT, Communications, Human Resources and Sales & Fund Investor Relations functions.

History and Overview of the Issuer

History and Development

CapMan's predecessor, CapMan Capital Management, was established in 1989 and the first fund, Finnventure Fund I, was established in 1990. In 1993, the entrepreneurial partners and first employees of CapMan acquired all shares of CapMan Capital Management from its owners at that time. During the mid-1990's, CapMan significantly increased its private equity business and new funds were established annually. In 1995, CapMan expanded into offering mezzanine financing in addition to equity financing. Investment activities were extended to cover investments in the field of technology.

In 2001, the Company became the first private equity company listed on the Helsinki Stock Exchange and the quotation of CapMan's B-shares took place on 2 April 2001. At that time, CapMan was one of the first listed private equity management companies globally. Subsequently, several international alternative asset class management companies have been listed.

Between 2001 and 2004, CapMan expanded its business to the other Nordic countries in accordance with its growth strategy published in connection with the listing. In April 2001, CapMan acquired the Danish Nordic Private Equity Group and in 2002 Swedestart Management AB, a Swedish private equity company specialised in technology and life science investments. The Nordic growth strategy was finalised in 2004 when CapMan opened an office in Norway, which was later on closed. In 2004, the value of the funds managed by CapMan exceeded EUR 1,000 million.

In 2005, CapMan established its first real estate private equity fund to respond to investors' growing demand. During 2005, as a result of the newly established private equity funds, funds under the CapMan Group's management increased by 76 per cent. In 2005, CapMan invested in nine portfolio companies and 18 properties. During 2006, CapMan finalised several profitable exits and made multiple new investments. In 2007, CapMan made a profitable exit from the Real Estate I property portfolio and also initiated active development of the CapMan service platform to support investment teams' expansions into new areas. During 2008, the CapMan Group carried out its strategy by expanding to Russia and by establishing a CapMan Public Market Fund investing in Nordic listed companies.

By 2009, CapMan had operated in the private equity market for 20 years, and established its position as one of the leading actors in the Nordics and Russia. The financial crisis caused global turmoil in the financial markets but the target companies of CapMan handled the challenges well. In 2010, the investment teams made 13 new investments and exited from 10 companies and one property. In 2011, CapMan published its new strategy and the vision and mission of the CapMan Group. In May 2011, CapMan decided to close its office in Denmark and focus on the development and growth of the investment business in its central areas of investments (Buyout, Russia, Public Market and Real Estate). In accordance with the strategy, CapMan also decided not to establish any new independent technology and life science funds but to focus on developing the value of their existing portfolio companies. In 2011, CapMan's Procurement Services, CAPS, was established to drive down CapMan's portfolio companies' costs on non-strategic products and services.

During 2013, CapMan established its tenth Buyout fund, second Russia fund and fourth Nordic real estate fund.

In January 2016, CapMan's fund advisory team was organised as a separate business, Scala Fund Advisory, offering private equity advisory and fundraising services to private equity fund managers and investors in the alternative asset class. In May 2016, CapMan established a EUR 100 million Nordic private debt fund and Nest Capital (formerly CapMan Credit), an independent investment partnership within the CapMan Group, became the advisor to the fund.

In the end of 2016, CapMan increased its holding in Norvestia from 28.7 per cent, acquired in 2015 from Kaupthing, to 92.5 per cent by consummating a voluntary public exchange offer for all of Norvestia's shares and securities entitling to shares. In the beginning of 2017, CapMan commenced redemption proceedings in order to redeem the remaining Norvestia shares from the minority shareholders. In June 2017, the arbitral tribunal appointed by the Redemption Committee of the Finnish Central Chamber of Commerce confirmed in its decision CapMan's right to redeem the minority shares in Norvestia and the right to obtain the title to the Norvestia's shares by posting a security approved by the arbitral tribunal for the payment of the redemption price and the interest and the penalty interest accruing thereon. In October 2017, the arbitral tribunal rendered its decision of the redemption price of the shares held by minority shareholders in Norvestia. Following the decision of the arbitral tribunal, CapMan completed the tender offer and acquired title to all Norvestia shares in accordance with Chapter 18, Section 6 of the Limited Liability Companies Act.

In the end of 2017, CapMan established the first open-ended real estate fund CapMan Nordic Property Income Fund with a non-UCITS structure. In December 2017, CapMan also extended its investment areas by establishing a new fund focusing on minority investments in unlisted companies with strong growth potential in order to respond to the investors' demand for active minority investments and to the significant demand for structured growth equity instruments. The investors of the growth equity fund are, among others, entrepreneurs who want to support Finnish entrepreneurship. In conjunction with the establishment of the EUR 86 million Growth Fund, CapMan sold its shares in six growth companies to the fund for EUR 26.6 million and made a corresponding equity commitment into the fund. The objective of the growth equity investment activities is to fund unlisted target companies with strong growth potential, to make significant minority investments worth of more than one million euro in them and, as an active investor, to develop their value so as to achieve returns in excess of the market average. The establishment of the new fund reflects the Issuer's growth strategy a crucial component of which is the launching of new business areas and products. Further, during 2017, another new investment area, CapMan Infra, was launched and CapMan aims to establish a new CapMan Infra fund during year 2018. Key target sectors of infrastructure investments are energy, transportation and telecommunications.

In December 2017, Scala Fund Advisory was incorporated in order to make it possible for Scala to focus on its core business, expedite its growth and to clarify its market position in the service business.

Other Recent Events

On 20 March 2018, the Issuer announced that it was going to voluntarily redeem all of the Issuer's outstanding EUR 30,000,000 notes due 2019 issued on 15 October 2015, with ISIN code FI4000176466 (the "**Outstanding Notes**") in accordance with the terms and conditions of the Outstanding Notes. A notice to the holders of the Outstanding Notes was given on 20 March 2018 and the Outstanding Notes were redeemed on 17 April 2018.

Overview of the Issuer

CapMan is an investment and specialised asset management company serving the private equity industry and its investors on a broad scale. In the view of CapMan's management, CapMan is one of the leading private equity investors in the Nordic private equity market. The CapMan Group manages its own private equity funds, provides professional services in the field of private equity investments even outside the borders of the CapMan Group and invests broadly from its balance sheet in the private equity asset class. CapMan has, during its 28 years of operations been involved in the development of numerous companies and real estates and in supporting their sustainable growth. Today CapMan manages approximately EUR 2,800 million in assets.

As a fund management company, CapMan mainly manages assets of its customers, i.e. investors, by making investments from the private equity funds, into which funds have been raised mainly from institutional investors, such as pension companies and foundations, or directly from CapMan's own balance sheet. In addition to investments made from the private equity funds, CapMan's business also includes making direct investments from its own balance sheet. The investments made by CapMan Group are made either in the form of equity or debt financing.

CapMan's business model allows it to invest in a variety of sectors and regions. Through either direct investments or investments from its funds, CapMan invests mainly in Nordic and Russian companies and real estate. CapMan actively develops its portfolio companies and real estates in close cooperation with the management of the portfolio companies and tenants of the real estate.

Business Overview

Private equity investments

The private equity industry started to evolve in the Nordic region in the late 1980's when several private equity houses, including CapMan, were established. Private equity companies manage funds, which typically invest in unlisted companies or real estate.

Private equity investments can be made to target companies in different life cycle phases and consequently, the objectives in relation to the investment and potential benefits of private equity investor also vary. Private equity investments are usually divided into the following categories based on the life cycle phase of the target company:

- **Seed/early stage investments:** Financing for development and commercialisation of a business concept.
- **Venture Capital:** Minority/majority investments in early stage or expansion ventures.
- **Growth Capital:** Typically minority investments in companies with major growth potential.
- **Buyout:** Acquisition of a controlling interest in a company together with the operative management or an outside management group.
- **Special situations:** Investments in distressed companies or companies operating in an industry with major changes.

In addition, private equity investments can be made to real estate or other fixed assets, such as infrastructure. CapMan is mainly active in buyout and growth investments as well as real estate investments.

The private equity investment process starts from private equity fund managers raising capital from institutional investors to establish private equity funds. Typically, investors include both private and state pension funds, funds of funds, life insurance companies, foundations and other institutions. Often the fund manager also commits capital to the newly established fund. Private equity funds are typically organised as limited partnerships with a life cycle of approximately ten years. Capital is called from investors when investments are made into portfolio companies and returned after exits. The fund manager acts as an advisor to the fund making the investment and exit proposals and developing the investment targets during the ownership period.

Following the establishment of a private equity fund, the private equity fund manager maps potential investment targets for the fund. Generally, the targets need to fulfil certain criteria in terms of size, industry and life cycle phase in accordance with the fund's strategy. In addition, the fund manager evaluates the attractiveness of each potential target based on its value creation and exit potential. Investment targets are usually sourced either through proprietary networks or by participating in auction processes. After an investment target is identified, a more detailed analysis on the business is performed. This due diligence analysis usually involves going through the company's financial and legal documents, as well as evaluating its commercial attractiveness. Negotiations with

banks to arrange financing are also initiated at this stage. Provided that bank financing is available and due diligence findings support the investment, final negotiations regarding the transaction are initiated.

Once the investment is made, the private equity fund manager starts developing the company based on a detailed value creation plan. In addition to financial capital, the manager supports the target company by providing sector knowledge, operational and strategic experience and access to a wider business/industry network. This usually involves taking a seat in the target company's board. Value creation during the investment process is usually based on growth and improving profitability of the companies.

Private equity investors are temporary owners. Consequently, a portfolio company is usually held between 4 to 6 years, during which the value creation plan is being implemented in cooperation with the management team. There are several alternatives available for the private equity fund to exit the investment. Most commonly exits take place via (i) trade sale to an industrial buyer, (ii) secondary sale to another private equity fund, (iii) listing through initial public offering, or (iv) sale to the management group. Once the exit is finalised, the committed initial capital and realised returns from the investment are returned to the fund investors.

Direct Investments

In addition to private equity investments from funds, investment activities may also be exercised directly from the balance sheet. Direct investments can be made both in market instruments, such as shares and bonds, and in unlisted investment targets, such as unlisted companies or real estate. The objective of market investments is to achieve the optimal return on a risk-adjusted basis by investing in accordance with the current market conditions.

Direct investments may consist of equity or debt investments in unlisted targets, such as companies with high growth potential that could create a significant increase in value and consequently generate profit. Each investment is customised according to the business and the needs of the owners. The cooperation is performed at management level and by regularly communicating with all parties important for the development of the business.

Because of the so called *evergreen* structure of the direct investments, they usually have no time limit. The useful life of the investment is determined by the progress of value creation. An increase in value may be realised by selling to an industrial buyer or an investor or through initial public offering. The timing of the exit is determined by the market situation and the estimates of the potential increase in value in relation to the entire investment portfolio.

Operating Segments

General

CapMan's objective is to offer its investors private equity services with attractive returns and innovative solutions as well as to offer value adding services for professional investment partnerships, growth-oriented companies and real estate tenants. In order to deliver on its objective, the business of CapMan has been structured around three business areas: (i) investment partnerships, (ii) professional services, and (iii) investments from their balance sheet into private equity.

Previously CapMan had two operating segments: (i) the Management company and Services business and (ii) Investment business. On 14 March 2018, the Board of Directors resolved to divide its business operations into three operating segments, as of the beginning of 2018. The current operating segments include (i) Management company business, (ii) Service business and (iii) Investment business. The Management company business comprises the CapMan Group's investing teams managing the equity funds that invest in portfolio companies or real estate. Income from the Management company business is derived from fees and carried interest income received from funds. The fees include management fees related to CapMan's position as a fund management company and fees from other services closely related to fund management. Carried interest income refers to the distribution of the profits of a successful private equity fund among fund investors and the fund manager responsible for the fund's investment activities. In CapMan's case, carried interest income is split between the Issuer and funds' investment teams.

The Service business comprises, among others, fundraising and advisory services, purchasing activities and other services related to fund management to both internal and external customers. Income from the Service business mainly include fees from CapMan Procurement Services (CAPS) and fundraising advisory services (Scala).

The Investment business comprises fund investments made from CapMan's balance sheet, growth equity investments, investments in funds managed by CapMan's associated company Maneq Investments Luxembourg S.à r.l. and investments in associated companies as well as short-term market investments held for trading. Income from the Investment business is derived from realised returns on fund investments and unrealised changes in the fair value of investments.

Management Company Business

Under the Management company business, CapMan carries out its business area of investment partnerships, which is based on an idea of focused investment strategies where partnerships are independently responsible for investment activities and the value creation of investments. The investment partnerships play a central role in the foundation of management fee-generating funds, selecting investments, value creation for portfolio companies and real estate in cooperation with the management of the target companies and tenants of the real estates, the formation of carried interest income and carrying out exit projects. In the portfolio companies, the value creation is based on growth, increase of profitability and cash flows and strengthening the strategic position whereas the increase in real estate's value is based on, for example, developing the real estate to better reflect the needs of the tenants. The partnership model refers to an operations model where the investment teams act independently. The members of the investment teams are in the service of the CapMan subsidiaries. Each investment area is carried out through the specialised funds of the Group.

The six investment areas of CapMan currently include:

- i) Minority investments in Nordic growth companies (**Growth Equity**);
- ii) Investments in Nordic mid-sized unlisted companies with prospects to grow (**Buyout**);
- iii) Nordic real estate investments including office, retail, hotel and residential properties (**Real Estate**);
- iv) Alternative debt financing to Nordic small and mid-sized companies provided by two private debt funds that are advised by an independent partnership of CapMan Group, Nest Capital (**Credit**);
- v) Investments in Russian small and mid-sized companies with growth potential in such sectors that benefit from Russia's domestic demand (**Russia**); and
- vi) Investments mainly in small and mid-cap infrastructure assets in the energy, transport and telecommunications sectors in the Nordics (**Infra**).

Further, CapMan has two investment strategies, CapMan Technology and CapMan Life Science, in place, which do not make new investments but focus on developing the value of their existing portfolio companies.

The table below sets forth key information of CapMan's investment funds, which are part of its current investment strategies and expected to generate carried interest income to it and which are either in exit and value creation phase or in active investment phase:

Fund	Year of establishment	Investment Strategy	Original Fund Size (EUR, million)
CapMan Growth Equity Fund 2017	2017	Growth	86
CapMan Nordic Real Estate II	2017	Real Estate	425
Nordic Property Income Fund	2017	Real Estate	25
Kokoelmakeskus	2016	Real Estate	19
Nest Capital 2015 Fund	2016	Credit	100
CapMan Buyout X Fund	2013	Buyout	244
CapMan Russia II Fund	2013	Russia	99
CapMan Nordic Real Estate I	2013	Real Estate	273
CapMan Mezzanine V Fund	2010	Credit	95
CapMan Buyout IX Fund	2009	Buyout	295
CapMan Hotels RE	2008	Real Estate	875
CapMan Russia Fund	2007	Russia	118
CapMan Buyout VIII Fund	2006	Buyout	440
CapMan Real Estate II	2006	Real Estate	600
CapMan Real Estate I	2005	Real Estate	500

The Management and Services business of CapMan also includes management of alternative investment funds in accordance with the Directive 2011/61/EU of the European Parliament and of the Council. In March 2017, the Finnish Financial Supervisory Authority granted CapMan Real Estate Ltd, a fund manager company specialised in real estate investments, a license to act as an alternative investment fund manager (“AIFM”). Currently CapMan Real Estate Ltd is acting as an AIFM for two real estate funds. CapMan Nordic Real Estate II FCP-RAIF is a closed-end fund based in Luxembourg. Finland-based CapMan Nordic Property Income Fund in turn is an open-ended special investment fund targeting steady cash flow from real estate located in the Nordic growth cities. It is open for subscriptions four times per year.

Service Business

Professional services offered by CapMan is covered by CapMan’s Service business. The Service business serves private equity industry stakeholders enabling successful fundraising, fund management and centralised purchasing services for CapMan’s internal as well as external customers, such as growth companies, investors investing in assets classes and the management companies operating in the private equity market. The services are partially operated under separate brands: Scala Fund Advisory and CapMan Procurement Services (CAPS).

Scala Fund Advisory, established in 2014, is an independent partnership within the CapMan Group, which offers private equity advisory and fundraising services to private equity fund managers as well as secondary services and market analysis to institutional investors globally. Scala Fund Advisory has offices in London, Stockholm and Helsinki. The Scala team has been responsible for fundraising and investor relations at CapMan for more than 15 years and it has a diverse know-how of fundraising, investor relations and the development of the private equity market.

CapMan Procurement Services (CAPS) is a purchasing and procurement service driving down costs on non-strategic products and services generating cost savings for its member companies including, for example, growth companies, fund management and back office service teams.

Investment Business

CapMan invests also from its own balance sheet mainly to the funds managed by the CapMan Group but also to other strategic investment targets. CapMan’s Investment business comprises fund investments made from CapMan’s balance sheet, growth equity investments, investments in Maneq funds and investments in associated companies as well as short-term market investments held for trading. Depending on the fund size, CapMan’s investments into its own funds are generally from one to five per cent of the funds’ size. By increasing the investment capacity and optimising the capital structure, CapMan seeks to actively manage its balance sheet.

Further, following the acquisition of Norvestia’s shares, CapMan carries out its market investment strategy. Market investments are made mainly in Nordic listed shares with focus on value shares, funds and bonds.

Organisational Structure

The parent company of the CapMan Group is CapMan Plc. CapMan has subsidiaries in Finland, Sweden, Guernsey, Luxembourg, the United Kingdom, and Cyprus. These subsidiaries act as fund management and/or advisory companies for the CapMan Group’s funds making direct investments in portfolio companies or in real estate assets. The Issuer conducts most of its business operations through its subsidiaries. The voting power in most of the subsidiaries is wholly owned by CapMan. CapMan’s largest subsidiary is Norvestia, and Maneq Investments Luxembourg S.à r.l. is CapMan’s most significant associated company.

The following table sets forth the subsidiaries owned by CapMan either directly or indirectly at the date of this Prospectus:

		The CapMan Group's ownership of shares, %	The Issuer's owner- ship of shares, %
CapMan Capital Management Oy	Finland	100	100
CapMan Sweden AB	Sweden	100	100
CapMan AB	Sweden	100	100
CapMan Norway AS	Norway	100	100
CapMan (Guernsey) Limited	Guernsey	100	100
CapMan Mezzanine (Guernsey) Limited	Guernsey	100	100
CapMan (Guernsey) Buyout VIII GP Limited	Guernsey	100	100
CapMan (Sweden) Buyout VIII GP AB	Sweden	100	100
CapMan Classic GP Oy	Finland	100	100
CapMan Real Estate Oy	Finland	100	100
Dividum Oy	Finland	100	100
CapMan RE I GP Oy	Finland	100	100
CapMan RE II GP Oy	Finland	100	100
CapMan (Guernsey) Life Science IV GP Limited	Guernsey	100	100
CapMan (Guernsey) Technology 2007 GP Limited	Guernsey	100	100
CapMan (Sweden) Technology Fund 2007 GP AB	Sweden	100	100
CapMan Hotels RE GP Oy	Finland	100	100
CapMan Public Market Manager S.A.	Luxembourg	100	100
CapMan Private Equity Advisors Limited	Cyprus	100	100
CapMan (Guernsey) Russia GP Limited	Guernsey	100	100
CapMan (Guernsey) Investment Limited	Guernsey	100	100
CapMan (Guernsey) Buyout IX GP Limited	Guernsey	100	100
CapMan Fund Investments SICAV-SIF	Luxembourg	100	100
CapMan Mezzanine V Manager S.A.	Luxembourg	100	100
CapMan (Guernsey) Buyout X GP Limited	Guernsey	100	100
CapMan (Guernsey) Russia II Limited	Guernsey	100	100
Maneq 2012 AB	Sweden	100	100
CapMan Nordic Real Estate Manager S.A.	Luxembourg	100	100
CapMan Buyout X GP Oy	Finland	100	100
CapMan Endowment GP Oy	Finland	100	100
CapMan Collection Oy	Finland	100	100
CapMan Real Estate UK Limited	United Kingdom	100	-
Nest Capital 2015 GP Oy	Finland	100	100
Dividum AB	Sweden	100	-
Valo Advisors Oy	Finland	100	100
Valo Fund Management Oy	Finland	100	-
Kokoelmakeskus GP Oy	Finland	100	100
Norvestia Oyj	Finland	100	100
Norventures Oy	Finland	100	-
CapMan Growth Equity Oy	Finland	100	-
CapMan Nordic Real Estate Manager II S.A.	Luxembourg	100	100
CapMan Infra Management Oy	Finland	80	80
CapMan Infra Lux Management S.á.r.l.	Luxembourg	80	-
CapMan Lynx Holding SCA	Luxembourg	80	-
CapMan Lynx S.á.r.l.	Luxembourg	80	-
CapMan Growth Equity GP 2017 Oy	Finland	100	100
Scala Fund Advisory Oy	Finland	60	60

Personnel

In the end of 2017, the CapMan Group had a total of 118 employees (108 in the end of 2016) of whom 74 (69 in the end of 2016) worked in Finland. The remainder of the employees were located in the other Nordic countries, Russia, Luxembourg and the United Kingdom. The number of the Issuer's employees was 36 in the end of 2017 (32 in the end of 2016). Of CapMan Group's employees approximately 68 per cent work in the investment teams and 11 per cent in teams providing expert services both to the CapMan Group and external parties. In addition, 26 employees (approximately 22 per cent) work in the administration of the CapMan Group.

In the view of CapMan's management, the investment professionals working for CapMan's investment teams are the most experienced ones in the Nordics and Russia and CapMan invests in continuous orientation, development, education as well as well-being of its employees in accordance with the CapMan Group's HR strategy.

Additionally, CapMan has compensation schemes in place for its employees consisting of both short-term and long-term compensation schemes. The short-term compensation scheme covers all the employees of the CapMan Group and its central objective is earnings per share, for which the Board of Directors has set a minimum target. Short-term bonuses for investment teams are based on the result of the Management company business for their respective investment partnership, and the minimum level of earnings per share provides the basis for receiving bonuses.

The long-term compensation scheme consists of carried interest payable to investment teams and stock option programmes for CapMan's key personnel. The carried interest payable to investment teams is based on the success of investments made in corresponding funds. The arrangement is in line with international industry practice and the aim is to combine the interests of the investors and investment professionals and to commit the investment professionals to the CapMan Group in the long-term by requiring a significant investment into the respective fund.

In January 2018, the Board of Directors resolved to establish a new additional Performance Share Plan 2018–2021 for the management and selected key employees of the CapMan Group. The participants are committed to shareholder value creation by investing a significant amount into the Issuer's share, which is the prerequisite for the participation in the plan. The aim of the new long-term incentive plan is to retain the plan participants at CapMan Group's service, and to offer them a competitive reward plan based on owning, earning and accumulating the Company's shares. The performance period will commence on 1 April 2018 and end on 31 March 2021. The participants may earn a matching reward and a performance-based reward from the performance period. The performance-based reward from the plan is based on the company share's Total Shareholder Return (TSR) and on a participant's employment or service upon reward payment.

Further, at the end of the financial year 2017, the Issuer had two stock option programmes, Option Programme 2013 and Stock Option Programme 2016, in place as part of its incentive and commitment arrangements for key personnel. The Board of Directors has annually decided on the distribution of stock options to key personnel employed or recruited by the CapMan Group. However, following the decision to establish the Performance Share Plan 2018–2021, CapMan will not grant new options from the ongoing option plans 2013 and 2016. For further information about the stock option programmes, please see "*Share Capital and Ownership Structure – Option Programmes*".

Customers

CapMan's main customers consist of approximately 120 Nordic and international institutional investors who have invested in funds managed by CapMan. Pension funds and insurance companies are among the largest investors. Most of the CapMan's fund investors have invested in more than one CapMan fund.

CapMan has over the years put an increasing emphasis on building long-term relationships with its institutional investors. CapMan is also determined to further broaden and extend the reach of its international investor community. In the view of CapMan's management, relationships with the fund investors are best built by providing superior returns and by constantly increasing the professionalism of the investor services. Through CapMan's transparent approach, it aims to build trust among the investors. CapMan's own fund investments are important in aligning its interests with those of the institutional investors.

CapMan reports to its fund investors on the status of its funds in compliance with fund agreements, InvestEurope guidelines, applicable legislation, accounting regulations, and other statutory requirements. The funds' investments in portfolio companies are valued in accordance with IPEV-guidelines, while the valuation of real

estate investments is based on assessments provided by independent external experts. The reporting typically takes place quarterly, but the frequency may vary in line with the fund agreements.

Market Overview

General

Private equity investments are part of the alternative asset class, which includes also, for example, hedge funds and direct real estate investments. Private equity assets under management have nearly quintupled over the last 15 years and they totaled in approximate of USD 2,490,000 million globally in June 2016.¹ The low interest rate environment and uncertainty relating to the cyclical nature of the stock market has led to capital flows towards private equity as investors actively seek out investments with alternative return profiles. According to an investor survey by Preqin, 39 per cent of respondents plan to increase their allocations in private equity, 36 per cent in real estate, 50 per cent in infrastructure and 62 per cent in private debt.² Geographically, the strongest investor appetite is from Asia.³

Private Equity

Private equity investments have played an increasingly important role in investor portfolios in recent years given the fact that the annual returns of private equity investments have been higher compared to public market performance. Especially the buyout market, which represents 57 per cent of the global private equity industry, looks set to be the destination of significant investor allocations in the coming years. According to Preqin survey, buyout funds have had the best and most stable performance globally compared to other alternative asset classes.⁴

The 10-year median net return of European buyout funds was 11 per cent per annum, which was seven percentage points higher compared to a comparable stock market index.⁵ Private equity investments by Finnish pension insurance companies have returned on average 10 per cent per annum during the past 10 years.⁶

High activity in the fundraising market continues and reflects the increasing interest for private equity investments. Year 2017 reached a record-breaking level in terms of global fundraising market. Similar activity was previously seen in the first half of 2008. On the other hand, the number of established funds decreased compared to the previous year and to six earlier years.⁷

The competition for private equity and attractive transactions among fund managers has tightened: new investment strategies are being explored from geographical or industrial perspective among fund managers. Along with traditional fund launches, the alternative structures, such as co-investments, are becoming more popular in fund managers offerings for investors.⁸

Global buyout market activity slowed down in 2017 compared to previous year in terms of number of deals completed while the value of deals increased slightly compared to previous year.⁹

Fundraising for private debt funds reached record-levels in 2017. Debt funds were established faster and the target sizes of the funds were exceeded clearly. Direct lending funds were most numerous during the financial year.¹⁰

¹ 2017 Preqin Global Private Equity & Venture Capital Report.

² Preqin Investor Outlook Alternative Assets H2 2017.

³ Preqin Special Report: Private Equity Fund Manager Outlook H2 2017.

⁴ Preqin Private Equity and Venture Capital Spotlight September 2017.

⁵ Bain & Company Global Private Equity report 2017.

⁶ Tela 2016.

⁷ Preqin Q4 2017 Fundraising update.

⁸ Preqin Special Report: Private Equity Fund Manager Outlook H2 2017.

⁹ 2017 Preqin Buyout Deals and Exits.

¹⁰ Preqin Q4 2017 Fundraising update.

Real Estate

Based on the preliminary market data, transaction volume in the Nordic real estate market amounted to approximately EUR 43,000 million in 2017, which represents a five per cent increase year over year.¹¹ The acquisition of Sponda completed by Blackstone has increased the real estate transaction volume in 2017. The value of the transaction was approximately EUR 3,800 million.

The steady increase in transaction volumes across the Nordic region have compressed the yields further. Yield compression has especially impacted secondary assets and the yield gap to prime has decreased. In Sweden, prime offices traded at 3.3 per cent while cap rates for retail properties stood at 4.3 per cent as of the last three months of 2017.¹² In Denmark, prime office and retail yields stood around 4.0 per cent and 3.0 per cent, respectively, at the end of the quarter.¹³ Also, the Finnish property investment market has remained strong during the review period with prime yields ranging between 3.5 per cent (office) and 3.8 per cent (retail).

The Nordic occupancy markets have benefitted from the macro-economic growth and positive momentum has continued leading to decreasing vacancies and rent hikes. During 2017, occupancy activity has notably increased in the Helsinki and Copenhagen Metropolitan Areas which have previously suffered from high market vacancy.¹⁴

Infra

Infrastructure investments have attracted a growing number of investors in the wake of the financial crisis. The reasons for their appeal include the prevailing low interest rates as well as the operating environment, which is driven by global megatrends such as urbanisation and the need for cleaner energy.

In 2017, the infrastructure asset class continued to grow and reached new heights. Assets under management reached a record USD 418,000 million as at June 2017, bolstered by another successful year of fundraising. Sixty-nine funds secured an aggregate of USD 65,000 million, with this figure expected to exceed the 2016 fundraising total as more data becomes available. Capital concentration among a small number of managers continued in 2017: 42 per cent of the aggregate capital raised in 2017 was secured by the five largest funds closed in the year, compared to 45 per cent in 2016.¹⁵

Legal Proceedings

There are no governmental, legal, arbitration or administrative proceedings against or affecting the Issuer or any of its subsidiaries (and no such proceedings are pending or threatened of which the Issuer is aware) during a period covering at least the previous 12 months which have or may have in the recent past, individually or in the aggregate, significant effects on the profitability or the financial position of the Issuer or of the CapMan Group taken as a whole.

Further, the Issuer's management is not aware of any facts or circumstances which could reasonably be expected to lead any material claims being made against the CapMan Group in the foreseeable future that could, individually or in the aggregate, have significant effects on the profitability or the financial position of the Issuer or of the CapMan Group taken as a whole.

Agreements Outside the Ordinary Course of Business

The Issuer has not, outside the ordinary course of its business, entered into any material contracts which could result in CapMan or any of its subsidiaries or associated companies being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to the holders of the Notes.

¹¹ Pangea Property Partners, CapMan Real Estate.

¹² CapMan Real Estate.

¹³ Sadolin&Albaek Newsletter Q3 2017, CapMan Real Estate.

¹⁴ KTI, CapMan Real Estate.

¹⁵ Preqin.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The following is a summary of CapMan's consolidated financial information as at and for the financial years ended 31 December 2017 and 31 December 2016. The information in this summary has been derived from CapMan Group's audited consolidated financial statements for the financial year ended 31 December 2017, which has been incorporated into this Prospectus by reference. This information should be read in conjunction with, and is qualified in its entirety by reference to, such financial statements and related notes. CapMan Group's consolidated financial statements have been prepared in accordance with the applicable International Financial Reporting Standards (IFRS) as adopted by the European Union. The information presented in the below tables for the financial years ended 31 December 2017 and 31 December 2016 has been audited.

	For the year ended 31 December	
	2017	2016
	(audited)	
	(EUR in millions)	
CONSOLIDATED STATEMENT OF INCOME		
Fee income	26.7	26.6
Carried interest	4.4	0.0
Dividend and interest income from financial assets held for trading	3.7	0.0
Turnover	34.8	26.7
Other operating income	0	0.1
Personnel cost	-21.4	-18.3
Depreciation and amortisation	-1.7	-0.2
Other operating expenses	-9.9	-12.2
Fair value gains/losses of investments	17.6	22.6
Operating profit	19.5	18.7
Financial income and expenses	-3.2	-3.1
Share of the income of investments accounted for using the equity method	-0.1	0
Profit before taxes	16.2	15.5
PROFIT FOR THE PERIOD	15.5	15.3
	As at 31 December	
	2017	2016
	(audited)	
	(EUR in millions)	
CONSOLIDATED BALANCE SHEET		
ASSETS		
Non-current assets		
Tangible assets	0.3	0.2
Goodwill	4.5	6.2
Other intangible assets	0.2	0.3
Investments accounted for using the equity method	0.0	0.1
Investments at fair value through profit and loss		
Investments in funds	58.3	51.4
Growth equity investments	28.8	37.9
Other financial assets	0.1	0.2
Investments in joint ventures	4.9	5.4
Receivables	3.1	5.2
Deferred tax assets	1.8	4.9
Total non-current assets	102.1	111.6

Current assets		
Trade and other receivables	8.7	9.9
Financial assets at fair value through profit and loss	77.1	86.2
Cash and bank	23.3	45.0
Total current assets	109.2	141.1
TOTAL ASSETS	211.3	252.7
EQUITY AND LIABILITIES		
Capital attributable to the Company's equity holders		
Share capital	0.8	0.8
Share premium account	39.0	39.0
Other reserves	82.5	97.1
Translation difference	-0.4	-0.1
Retained earnings	4.8	6.2
Total capital attributable to the Company's equity holders		
Non-controlling interests	-0.0	0.0
Total equity	126.7	143.0
Liabilities		
Non-current liabilities		
Deferred tax liabilities	8.6	9.9
Interest-bearing loans and borrowings	45.2	48.1
Other non-current liabilities	0.1	0.1
Total non-current liabilities	53.9	58.1
Current liabilities		
Trade and other payables	26.8	33.3
Interest-bearing loans and borrowings	3.0	18.0
Current income tax liabilities	0.8	0.3
Total current liabilities	30.7	51.7
Total liabilities	84.6	109.7
TOTAL EQUITY AND LIABILITIES	211.3	252.7

For the year ended
31 December
2017 **2016**
(audited)
(EUR in millions)

CONSOLIDATED STATEMENT OF CASH FLOWS		
Cash flow from operations		
Profit for the financial year	15.5	15.3
Adjustments on cash flow statement	-11.8	-18.5
Change in working capital:		
Change in current non-interest-bearing receivables	-1.8	1.7
Change in current trade payables and other non-interest-bearing liabilities	0	2.9
Interest paid	-3.9	-4.2
Taxes paid	-1.6	-0.3
Cash flow from operations	-3.6	-3.1
Cash flow from investing activities		
Acquisition of subsidiaries	-1.2	6.2
Investments in tangible and intangible assets	-0.3	-0.0
Investments at fair value through profit and loss	32.6	10.8

Long-term loan receivables granted	-0.2	-2.3
Receivables from long-term receivables	2.3	3.1
Dividends received	0.2	18.8
Interest received	0.3	0.7
Cash flow from investing activities	33.7	37.3
Cash flow from financing activities		
Share issue	0.4	0
Proceeds from borrowings	9.0	0
Repayment of borrowings	-42.0	-4.7
Paid withheld tax on dividends	-6.2	0
Dividends paid	-13.0	-6.0
Cash flow from financing activities	-51.8	-10.8
Change in cash and cash equivalents		
Cash and cash equivalents at start of year	45.0	21.6
Cash and cash equivalents at end of year	23.3	45.0
Change in cash and cash equivalents	-21.7	23.4

CapMan uses certain financial measures that are published in addition to IFRS measures. These alternative performance measures include adjusted turnover, adjusted operating profit, adjusted profit for the period, adjusted return on equity (ROE), adjusted return on investment (ROI) and adjusted earnings per share. CapMan presents non-IFRS measures because it believes that they better denote the financial performance of its business and improve the comparability between different financial periods. Alternative performance measures used by companies may differ from company to company and therefore, may not be comparable with other similarly titled measures presented by other companies. The alternative performance measures may also have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of CapMan's financial measures as reported under IFRS.

The following table sets forth non-IFRS performance measures of CapMan as at and for the twelve months ended 31 December 2017 and 31 December 2016:

	As at and for the year ended 31 December		As at and for the year ended 31 December	
	2017 (audited)	2016	2017 (unaudited)	2016 (unaudited)
KEY FIGURES			Comparable figures	
Earnings per share, cents *	10.4	16.2	13.1	11.2
Diluted, cents *	10.2	16.1	13.0	11.2
Shareholders' equity / share, cents **	87.3	98.6		
Share issue adjusted number of shares	145,179,460	88,382,868		
		143,313,25		
Number of shares at the end of period	145,625,985	5		
		143,286,95		
Number of shares outstanding	145,599,686	6		
Company's possession of its own shares, end of period	26,299	26,299		
Return on equity, %	11.5	14.7	14.5	9.5
Return on investment, %	10.1	10.9	12.4	8.4
Equity ratio, %	60.0	56.6		
Net gearing, %	19.4	14.5		
Net interest-bearing liabilities, EUR million	24.6	20.8		

* Hybrid bond of EUR 15 million (EUR 15 million as at December 31, 2016) is recognised to equity until its repayment date March 17, 2017. Interest on the hybrid bond (net of tax) for the financial year has been deducted when calculating earnings per share. The share issue adjusted number of shares includes the shares issued as consideration transferred in the acquisition of Norvestia as of December 19, 2016, when calculating earnings per share under IAS 33.

** Included a hybrid bond of EUR 15 million (EUR 15 million as at December 31, 2016) until March 17, 2017. Calculation of shareholders' equity per share includes all shares issued as consideration in the acquisition of Norvestia.

ITEMS AFFECTING COMPARABILITY AND ALTERNATIVE PERFORMANCE MEASURES	As at and for the year ended 31 December	
	2017	2016
	(unaudited)	
Turnover	34.8 ¹	26.7 ¹
Items affecting comparability		
Reassessment of potential repayment risk to the funds	0.1	2.3
Items affecting comparability, total	0.1	2.3
Adjusted turnover	34.9	29.0
Operating profit	19.5 ¹	18.7 ¹
Items affecting comparability		
Items related to the acquisition of Norvestia, of which:	1.8	-7.1
transaction costs	0.6	2.8
integration related costs	1.2	
gain from a bargain purchase		-13.9
loss from the remeasurement of previous ownership at fair value		4.0
Reassessment of potential repayment risk to the funds	0.1	2.3
Reorganization costs	1.0	
Impairment of goodwill	1.5	
Write-down of a value-added tax receivable		1.0
Insurance compensations		-0.3
Items affecting comparability, total	4.4	-4.2
Adjusted operating profit	23.9	14.5
Profit for the period	15.5 ¹	15.3 ¹
Items affecting comparability		
Items related to the acquisition of Norvestia	1.7	-7.2
Reassessment of potential repayment risk to the funds	0.1	1.8
Reorganization costs	0.8	
Impairment of goodwill	1.5	
Write-down of a value-added tax receivable		1.3
Insurance compensations		-0.2
Items affecting comparability, total	4.0	-4.4
Adjusted profit for the period	19.5	10.9
Earnings per share, cents	10.4 ¹	16.2 ¹
Items affecting comparability, cents	2.8	-5.0
Adjusted earnings per share, cents	13.1	11.2
Earnings per share, diluted, cents	10.2 ¹	16.1 ¹
Items affecting comparability, cents	2.7	-4.9
Adjusted earnings per share, diluted, cents	13.0	11.2

¹Audited

Calculation of key ratios:

Return on equity (ROE), %	=	$\frac{\text{Profit/loss for the financial year}}{\text{Shareholders' equity (average during the period)}}$	x 100
Return on investment (ROI), %	=	$\frac{\text{Profit/loss for the financial year} + \text{income taxes} + \text{interest expenses and other financial expenses}}{\text{Balance sheet total} - \text{non-interest bearing debts (average during the period)}}$	x 100
Equity ratio, %	=	$\frac{\text{Total Shareholders' equity}}{\text{Balance sheet total} - \text{advances received}}$	x 100
Net gearing, %	=	$\frac{\text{Net interest-bearing liabilities}}{\text{Shareholders' equity}}$	x 100
Earnings per share (EPS)	=	$\frac{\text{Profit/loss for the financial year} - \text{hybrid loan interest}}{\text{Share issue adjusted number of shares (average during the period)}}$	
Shareholders' equity per share, cents	=	$\frac{\text{Shareholders' equity}}{\text{Share issue adjusted number of shares at the end of the financial year}}$	
Dividend per share	=	$\frac{\text{Dividend paid in the financial year}}{\text{Share issue adjusted number of shares at the end of the financial year}}$	
Dividend per earnings, %	=	$\frac{\text{Dividend per share}}{\text{Earnings/share}}$	x 100

FINANCIAL INFORMATION AND PROSPECTS

Historical financial information

The audited consolidated financial statements of CapMan as at and for the years ended 31 December 2017 and 31 December 2016 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union. The audited consolidated financial statements of CapMan as at and for the years ended 31 December 2017 and 31 December 2016 have been incorporated into this Prospectus by reference. See “*Information Incorporated by Reference*”.

No Significant Change in the Issuer’s Financial or Trading Position

There has been no significant change in the financial or trading position of the Issuer since 31 December 2017.

Prospects

In its Annual Report for the financial year ended 2017, CapMan has published the following outlook estimate for 2018:

CapMan expects fees from services to continue to grow and have an impact on results from the Management Company and Services business in 2018. CapMan’s objective is to improve the profitability of Management Company and Services business before carried interest income and any possible items affecting comparability. The return on CapMan’s investments have a substantial impact on CapMan’s overall result. The development of industries and local economies, inflation development, valuation multiples of peer companies, exchange rates and various other factors outside of CapMan’s control influence fair value development of CapMan’s overall investments in addition to company and real estate specific development. CapMan’s objective is to improve results longer term, taking into account annual fluctuations affecting the business. For these and other above-mentioned reasons, CapMan does not provide numeric estimates for 2018.

There have been no material adverse changes in the prospects of the Issuer since the date of its last published audited financial statements.

BOARD OF DIRECTORS, MANAGEMENT AND AUDITORS

General

In its decision making and administration, CapMan applies the Finnish Companies Act, Finnish Securities Markets Act and other legal regulations and rules governing public limited companies in Finland and the Company's articles of association. CapMan also follows Helsinki Stock Exchange's rules and recommendations as applicable to listed companies. As a Finnish listed company, CapMan complies with the Finnish Corporate Governance Code 2015 as published by the Finnish Securities Market Association. CapMan does not deviate from any single recommendation of the code.

Pursuant to the provisions of the Finnish Companies Act and the Issuer's articles of association, responsibility for the control and management of CapMan is divided between the General Meeting of shareholders, the Board of Directors and the Chief Executive Officer (CEO). Shareholders participate in the control and management of CapMan through resolutions passed at the General Meetings of shareholders. The General Meetings of shareholders are generally convened upon notice given by the Board of Directors. In addition, General Meetings of shareholders are held when requested in writing by an auditor of the Issuer or by shareholders representing at least one-tenth of all the outstanding shares of the Issuer.

Board of Directors

Under CapMan's articles of association, the Board of Directors must have at least three and no more than nine members. The term of office of a member of the Board of Directors commences from the General Meeting of shareholders in which the director was elected and ends at the conclusion of the subsequent Annual General Meeting of shareholders. The articles of association do not contain any restrictions on the election of the members of the Board of Directors. The Board of Directors elects the Chairman and Deputy Chairman from amongst its members. The Board of Directors convenes in approximately ten regular meetings a year.

At the date of this Prospectus, the Board of Directors is composed of five members elected by the 2018 Annual General Meeting of shareholders: Andreas Tallberg, Ari Tolppanen, Mammu Kaario, Catarina Fagerholm and Eero Heliövaara. Under a decision taken by the Board of Directors, at least three members of the Board of Directors shall be independent of the company. In addition, at least two of these three members shall also be independent of the company's significant shareholders. The Board of Directors has in its organising meeting on 14 March 2018 assessed its members' independence of the company and of its significant shareholders. Andreas Tallberg, Catarina Fagerholm, Eero Heliövaara and Mammu Kaario are independent of both the company and its significant shareholders. Ari Tolppanen is independent of the company's significant shareholders but non-independent of the company.

Under the Finnish Companies Act and CapMan's articles of association, the Board of Directors is responsible for the administration of the Company and the proper organisation of its operations. The Board of Directors is also responsible for the appropriate arrangement of the control of the Company's accounts and finances. The Board of Directors has confirmed a written charter for its work, which describes the main tasks and duties, working principles and meeting practices of the Board of Directors as well as an annual self-evaluation of the Board of Directors. In accordance with the charter, the main duties of the Board of Directors are:

- To appoint and dismiss the CEO;
- To supervise management;
- To approve strategic goals;
- To decide on establishment of new CapMan funds and the level of CapMan's own commitments therein;
- To decide on the fund investments to other than CapMan funds and direct investments exceeding EUR 5 million;
- To decide on the major changes in the business portfolio;
- To ensure that the company has a proper organisation;
- To ensure the proper operation of the management system;
- To approve annual financial statements and interim reports;
- To ensure that the supervision of the accounting and financial management is properly organised;
- To ensure that the business complies with relevant rules and regulations;
- To approve the principles of corporate governance, internal control, risk management and other essential policies and practices;

- To decide on the CEO's remuneration and on the remuneration policy to be followed for other executives and CapMan's key employees; and
- To confirm the central duties and operating principles of Board committees.

At the date of this Prospectus, the Board of Directors of the Issuer consists of the following persons:

Name:	Background:
<p>Andreas Tallberg Born 1963, M.Sc. (Econ.), Chairman of the Board (2017–)</p>	<p>Oy G.W. Sohlberg AB , CEO (2007–) Rothchild Holding AB, Board Member (2017 –) TG Group Oy, Chairman of the Board (2014–2016) Oy Nissala Ab, Chairman of the Board (2010 –) Wulff-Yhtiöt Oyj, Member of the Board (2015 – 2018) StaffPoint Holding Oy, Chairman of the Board (2008 – 2017) Svenska Handelsbanken AB (publ), Branch Operation in Finland, Board Director (2008–2015) Lite-On Mobile Corporation, Deputy Chairman of the Board (2007–2013) Detection Technology Oyj, Chairman of the Board (2007 – 2018) Glaston Oyj Abp, Chairman of the Board (2007 – 2018) Perlos Oyj, Chairman of the Board (2007) EQT, Senior Partner (1996–2006)</p>
<p>Ari Tolppanen Born 1953, M.Sc. (Eng.) Member of the Board (2013–)</p>	<p>CapMan Plc, Founder CapMan Plc, Senior Advisor (2016–) Prodeko Ventures Oy, Member of the Board (2015–) Kämp Collection Hotels Oy, Chairman of the Board (2014–) Oy Investinvest Ab, Chairman of the Board (1988–) Aristo Invest Oy, Chairman of the Board (1985–) Esperi Care Oy, Vice Chairman of the Board (2014–2016) Bright Group Oy, Member of the Board (2008–2016) CapMan Plc, Senior Partner (2005–2016) Renideo Group Oy, Member of the Board (2014–2015) Esperi Care Oy, Chairman of the Board (2010–2014) Nice Entertainment Group Oy, Member of the Board (2008–2013) Access Capital Partners Group SA, Member of the Board (2007–2013) OneMed Group, Chairman of the Board (2006–2010) CapMan Plc, Chairman of the Board (2005–2010) Access Capital Partners, Chairman of the Supervisory Board (1999–2010) CapMan Plc, CEO (1989–2005) European Private Equity and Venture Capital Association, Chairman (2000–2001) Huurre Group, CEO (1985–1989) Huurre Group, Deputy Chief Executive Officer (1982–1985) Nordfilm Oy, CEO (1978–1982) Pohjola-Norden, Project Manager (1973–1978)</p>
<p>Mammu Kaario Born 1963, LL.M., MBA Member of the Board (2017–)</p>	<p>Aspo Oyj, Member of the Board (2012 –) Makai Holding Oy, Member of the Board (2005 –) PerusTerveys Suomi Oy, Chairman of the Board (2017 –) Ponsse Oyj, Member of the Board (2010 –) Robit Oyj, Member of the Board (2017 –) SstatzZ Oy, Chairman of the Board (2015 –) Tosuka Holding Oy, Deputy Member of the Board (1998 –) Partnera Oy, CEO (2016–2017) Korona Invest Oy, Investment Manager (2011–2016) Unicus Oy, Partner (2006–2010)</p>
<p>Catarina Fagerholm Born 1963, M.Sc. (Econ)</p>	<p>Instru Optiikka Oy, Managing Director (2007–)</p>

<p>Member of the Board (2018–)</p>	<p>Attendo AB Publ, Sweden, Member of the Board (2016-), Chairman of Audit Committee (2017–) Restel Oy, Member of the Board (2015–) Finnish Commerce Federation, Member of the Board (2012–) Altia Oyj, Member of the Board (2008-2015), Vice Chairman of the Board, Chairman of Audit Committee (2010–2015) Instrumentarium Optika Ou, Estonia, Member of the Board (2007-) Valo Eye Hospital Ltd, Member of the Board (2017-) Atasun Optik, Turkey, Member of the Board (2012–2014) Plantagen Oy, Member of the Board (2005–2008) Plantasjen ASA, Norway, Member of the Board (2004–2007) Rahapaja Oy, Member of the Board (1998–2008) BSH Kodinkoneet Oy, Managing Director (1998–2006) BSH Hausgeräte Northern Europe, Member of Management Team (1998–2006) Electrolux/AEG, Country Director, Brand Director, Finland, Russia, Baltic Countries (1996–1998) Amer Group Oy, Several managerial positions (1987–1996)</p>
<p>Eero Heliövaara Born 1956, M.Sc. (Econ.), M.Sc. (Tech.)</p> <p>Member of the Board (2018–)</p>	<p>Lympha Touch Ltd, Member of the Board (2010–) Finnish Foundation of Economic Education, Member of the Board (2002–) Foundation of the Finnish Cancer Institute, Vice Chairman (2009–) Prime Minister’s Office, Ownership Steering Department, Director General (2013–2017) Solidium Oy, Member of the Board (2013 – 2016) Paulig Ltd, Vice Chairman of the Board (2010–2014) Finnish Foundation of Share Promotion, Chairman of the Board 2010–2014) Paulig Ltd, Member of the Board (2009–2014) Finnish Foundation of Share Promotion, Member of the Board (2000–2014) eQ Plc, Member of the Board (2011–2013) Realia Group Ltd, Member of the Board (2011–2013) SRV Group Plc, President and CEO (2006–2009) Pohjola Group Plc, President and CEO (2001–2005) Ilmarinen Mutual Pension Insurance Copmany, Executive Vice President and CIO (1998–2001) Merita Asset Management Ltd, Managing Director (1996–1998) Merita Bank, Private Banking, First Vice President (1994–1996) Union Bank of Finland International S.A., Managing Director (1991–1994) Arctos Capital Ltd, Managing Director (1987–1991) Spontel Ltd, Financial Director (1985–1987) Industrialisation Fund of Finland Ltd, Financial Analyst (1982–1985)</p>

Board Committees

The Board committees provide assistance to the Board of Directors by preparing matters falling within the competence of the Board of Directors. The Board Committees are generally established at the organising meeting of the Board of Directors to be held after the Annual General Meeting of shareholders. At the organising meeting, the Board of Directors elects the committee members for the same term as the Board of Directors. As a general rule, each committee shall have at least three members.

The Board of Directors shall confirm the charters of the committees and the committees shall deliver the minutes of held meetings to the Board of Directors. The committees do not have autonomous decision making power. In its organising meeting held on 14 March 2018, the Board of Directors resolved to establish Audit and Remuneration Committees. Pursuant to the resolution of the Annual General Meeting 2018, the former Nomination Committee was replaced by the Shareholders’ Nomination Board.

Audit Committee

As at the date of this Prospectus, the Audit Committee consists of Mammu Kaario, who was elected as chairman of the Audit Committee in the organising meeting of the Board of Directors held on 14 March 2018, and Catarina Fagerholm and Eero Heliövaara, who were elected as the other members of the Audit Committee.

The Audit Committee has been established to improve the efficient preparation of matters pertaining to financial reporting and supervision of the Company. The main duties of the Audit Committee include:

- Monitoring the reporting process of financial statements;
- Supervising the financial reporting process;
- Monitoring the efficiency of the company's internal control and risk management systems;
- Reviewing the description of the main features of the internal control and risk management systems pertaining to the financial reporting process;
- Monitoring the statutory audit of the financial statements and consolidated financial statements;
- Evaluating the independence of the statutory auditor or audit company, particularly the provision of related services; and
- Preparing the proposal for resolution on the election of the auditor.

Remuneration Committee

As at the date of this Prospectus, the Remuneration Committee consists of Andreas Tallberg, who was elected as chairman of the Remuneration Committee in the organising meeting of the Board of Directors held on 14 March 2018, and Catarina Fagerholm and Ari Tolppanen, who were elected as other members of the Remuneration Committee. The Remuneration Committee has been established to improve the efficient preparation of matters pertaining to the remuneration and appointment of the CEO and other executives of CapMan as well as the remuneration policy covering the other personnel of CapMan. The main duties of the Remuneration Committee is to assist the Board of Directors by preparing the decisions of the Board of Directors concerning CEO remuneration, the company executive remuneration principles and individual situations as required as well as CapMan's overall principles for compensation structure. The Remuneration Committee shall further contribute to the appointment of the executives, securing objectivity and transparency in CapMan's decision-making concerning remuneration and systematic alignment of the remuneration principles with CapMan's long-term and short-term strategy.

Shareholders' Nomination Board

CapMan's Annual General Meeting of shareholders resolved on 14 March 2018, in accordance with a proposal by the Board of Directors, to establish a Shareholders' Nomination Board to prepare future proposals concerning the election and remuneration of the members of the Board of Directors and remuneration of the members of the Committees of the Board of Directors to the next Annual General Meetings and, if needed, to Extraordinary General Meetings.

The Shareholders' Nomination Board consists of representatives nominated by each of the four largest shareholders and the Chairman of the Board of Directors as an expert member. The Chairman of the Board of Directors shall not take part in the decision-making of the Shareholders' Nomination Board. The right to nominate a representative shall be vested with the four shareholders who hold the largest share of voting rights in the Company based on their shareholdings registered in the Company's shareholders' register maintained by Euroclear Finland Ltd on the first working day of September preceding the Annual General Meeting of shareholders. The Chairman of the Board of Directors shall convene the first meeting of each term of office of the Shareholders' Nomination Board and the representative of the largest shareholder shall be nominated as the Chairman of the Shareholders' Nomination Board, unless otherwise decided by the Shareholders' Nomination Board. When the Shareholders' Nomination Board has been nominated, the company publishes its composition by a stock exchange release.

CEO and Management Group

The Company's Board of Directors appoints the Chief Executive Officer (CEO). The CEO's service terms and conditions are specified in writing in the CEO's service contract, which is approved by the Board of Directors. The CEO manages and supervises the Company's business operations according to the Finnish Companies Act and in compliance with the instructions and authorisations issued by the Board of Directors. The CEO shall see to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner. Generally, the CEO is independently responsible for the operational activities of the company and for day-to-day decisions on business activities and the implementation of these decisions. The CEO appoints the heads of business areas. The Board of Directors approves the recruitment of the CEO's immediate subordinates. The CEO cannot be elected as Chairman of the Board. At the date of this Prospectus, the CEO of the Issuer is Joakim Fridmodig, who was elected as CEO in September 2017.

The Management Group of CapMan prepares and coordinates matter's relating to the company's business. The main tasks of the Management Group consist of (i) coordination of team strategy, fundraising, resources as well as marketing and brand issues, (ii) implementation of decisions by the Board of Directors and the CEO/ Management Group, (iii) giving input by providing information for the decision-making and participation in related discussions, and (iv) spreading information within the teams as agreed in the Management Group.

At the date of this Prospectus, the Management Group consist of the following persons:

Name:	Background:
Joakim Fridmodig Born 1978, BA (Oxon) CEO (2017–) Joined CapMan in 2016	CapMan Plc, Member of the Management Group (2016–) Plugit Finland Oy, Member of the Board (2017–) The Creative Family Oy, Member of the Board (2015–2017) Studenwork Sharper, Member of the Board (2015–2017) Boldhold Oy, Chairman of the Board (2007–) Summa Capital Oy, Deputy Managing Partner (2004–2015) Inderes Oy, Member of the Board (2014–2015) Summa Capital Oy, Member of the Board (2007–2015) Kontoret Finland Oy, Member of the Board (2013–2014)
Niko Haavisto Born 1972, M.Sc. (Business) CFO (2010–) Joined CapMan in 2010	CapMan Plc, Member of the Management Group (2010–) Oriola-KD Oyj, Director of Financial Control and Planning (2006–2010) GE Healthcare Finland Oy, Financial Controller (2005–2006) PricewaterhouseCoopers Oy, Authorised Public Auditor (1999–2005)
Pia Käll Born 1980, M.Sc. (Eng.) Managing Partner (2017–) Joined CapMan in 2016	CapMan Plc, Managing Partner (2017–) Outotec Plc, Member of the Executive Board (2013–2015) McKinsey & Company, Inc., Associate Principal (2006–2013)
Mika Matikainen Born 1975, M.Sc. (Econ.), M.Soc.Sc. Managing Partner (2010–) Joined CapMan in 2006	CapMan Plc, Head of CapMan Real Estate (2011–) CapMan Plc, Member of the Management Group (2010–) Lian Holding Oy, Chairman of the Board (2006–) UBS Investment Bank, Analyst (2004–2006) Hewlett-Packard Oy, Business Controller (1999–2002 and 2003–2004)
Juha Mikkola Born 1961, B.Sci MBA Managing Partner (2017–) Joined CapMan in 2017	CapMan Plc, Managing Partner in Capman Growth Equity (2017–) Norvestia Oyj, Head Growth Equity Team (2011–2017) Digital Workforce Services Oy, Member of the board, (2017–) Aste Holding Oy, CoB (2013–) Coronaria Oy, CoB (2012–2017) Idean Oy, Member of the board (2014–2017)

<p>Mari Simula Born 1982, M.Sc. (Eng.)</p> <p>Head of Fund Investor Relations (2017–) Joined CapMan in 2007</p>	<p>CapMan Plc, Head of Fund Investor Relations and Member of the Management Group (2017–) Scala Fund Advisory Ltd., Partner, Co-Founder (2016–2017) CapMan Plc, Partner, Fund Advisory (2015–2016) CapMan Plc, Business Development and Investor Relations Director (2013–2015) CapMan Plc, Sales and Marketing Director (2011–2013) CapMan Plc, Sales and Marketing Manager (2009–2011) CapMan Plc, Fundraising and IR Analyst (2007–2009) The Research Institute of the Finnish Economy (Etna), Researcher (2005–2006)</p>
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Business address

The business address of the members of the Board of Directors, the CEO and other members of the Management Group is CapMan Plc, Ludviginkatu 6, FI-00130 Helsinki, Finland.

Absence of conflicts of interest

The members of the Board of Directors, the CEO or other members of the Management Group do not have any conflicts of interest between their duties relating to the Company and their private interests and/or their other duties.

Auditors

The consolidated financial statements of the Company for the financial years ended 31 December 2017 and 31 December 2016 incorporated in this Prospectus by reference have been audited by PricewaterhouseCoopers Oy. The consolidated financial statements of the Company for the financial year ended 31 December 2016 have been audited under the supervision of principal auditor Mikko Nieminen, Authorised Public Accountant, and the consolidated financial statements for the financial year ended 31 December 2017 under the supervision of principal auditor Lauri Kallaskari, Authorised Public Accountant.

CapMan's Annual General Meeting of shareholders resolved on 14 March 2018, in accordance with a recommendation of the Audit Committee of the Board of Directors, to elect Ernst & Young Oy as auditor of the Company. Ulla Nyykky, Authorised Public Accountant, will act as the principal auditor. The business address of the principal auditor is Alvar Aallon katu 5 C, 00100 Helsinki, Finland.

SHARE CAPITAL AND OWNERSHIP STRUCTURE

As at the date of this Prospectus, the Issuer has issued a total of 146,201,925 shares and has a registered share capital of EUR 771,586.98 which is fully paid. Following the consummation of the public exchange offer for all of Norvestia Oyj's shares, CapMan's A shares were converted into series B shares and the Articles of Association were amended accordingly in line with the resolution of the Extraordinary General Meeting held on 8 December 2016. Consequently, the Issuer currently has one share class. At the General Meeting of shareholders, one share carries one vote and all shares generate equal rights to dividend and other distributions to shareholders made by the Issuer.

Major Shareholders

As at 31 March 2018, there were altogether 17,585 holders of shares in the Issuer, of which ten largest shareholders are listed below with their respective ownership participation percentage. The Issuer holds a total of 26,299 of its own shares representing approximately 0.02 per cent of shares and voting rights.

Shareholder	Number of Shares	Shareholding, %
Ilmarinen Mutual Pension Insurance Company	10,898,500	7.45
Mandatum Life Insurance Company Limited	10,737,228	7.34
Oy Inventiainvest Ab ¹	7,024,794	4.81
Laakkonen Mikko Kalervo	6,378,320	4.36
Varma Mutual Pension Insurance Company	3,675,215	2.51
Joensuun Kauppa ja Kone Oy	3,511,853	2.40
Vesasco Oy	3,088,469	2.11
The State Pension Fund of Finland	2,500,000	1.71
Heiwes Oy ² + Heikki Westerlund	2,222,156	1.52
Winsome Oy ³ + Tuomo Raasio	2,130,043	1.46
10 largest shareholders total	52,166,578	35.68
Other shares	94,035,347	64.32
From which nominee registered shares	10,012,172	6.85
Total	146,201,925	100.00

¹ Controlling power in Oy Inventiainvest Ab is exercised by Ari Tolppanen.

² Controlling power in Heiwes Oy is exercised by Heikki Westerlund. In addition to 2,094,480 shares owned by Heiwes Oy, Heikki Westerlund personally owns 127,676 shares in the Issuer.

³ Controlling power in Winsome Oy is exercised by Tuomo Raasio. In addition to 2,076,299 shares owned by Winsome Oy, Tuomo Raasio personally owns 53,744 shares in the Issuer.

To the extent known to the Issuer, the Issuer is not directly or indirectly owned or controlled by any person for the purposes of Chapter 2, Section 4 of the Finnish Securities Markets Act, and the Issuer is not aware of any agreements or arrangement, related to the Issuer's ownership, which may result in a change of control of the Issuer.

Option and Share Programmes

CapMan has currently in place two effective stock option programmes, Stock Option Programme 2013 and Stock Option Programme 2016, as part of the incentive and commitment program for key personnel of the CapMan Group. The Annual General Meetings held on 20 March 2013 and 16 March 2016 approved the terms and conditions of the Programmes and the Board of Directors decides annually on the distribution of stock options to the key personnel employed or recruited by the CapMan Group.

The maximum number of stock options issued under the Stock Option Programme 2013 will be 4,230,000, which will carry an entitlement to subscribe to a maximum of 4,230,000 new shares. The programme is divided into A, B, and C series, each of which covers a maximum of 1,410,000 option entitlements. The subscription period for 2013A began on 1 May 2016 and will end on 30 April 2019 and the subscription period for 2013B options began

on 1 May 2017 and will end on 30 April 2019. Respectively, the subscription period for 2013C options will begin on 1 May 2018 and it will end on 30 April 2020. Receivables from shares subscribed to under these options will be entered into the company's reserve for invested unrestricted equity. A total of 1,325,000 stock option entitlements under the Option Programme 2013A, a total of 1,268,333 stock option entitlements under the Option Programme 2013B and a total of 1,227,291 stock option entitlements under the Option Programme 2013C had been allocated by 31 December 2017. A total of 10,196 new shares had been subscribed to with 2013A options and a total of 5,054 new shares to with 2013B options as of 31 December 2017. Further, during the first quarter of 2018, additional 423,473 new shares have been subscribed to with 2013A options and 452,467 new shares to with 2013B options.

The maximum number of stock options issued under Option Programme 2016 will be 4,230,000, which will carry an entitlement to subscribe to a maximum of 4,230,000 new shares. The programme is divided into A, B, and C series, each of which covers a maximum of 1,410,000 option entitlements. The subscription period for 2016A options will begin on 1 May 2019, that for 2016B options on 1 May 2020 and that for 2016C options on 1 May 2021. Receivables from shares subscribed to under these options will be entered into the company's reserve for invested unrestricted equity. In December 2017, a total of 873,958 stock option entitlements under the Option Programme 2016A were allocated to CapMan's management and key personnel in line with the Option Programme 2016.

In addition, the Board of Directors resolved on 31 January 2018 to establish a new additional Performance Share Plan 2018–2021 for the management and selected key employees of the CapMan Group. The new plan includes one performance period commencing on 1 April 2018 and ending on 31 March 2021. The participants may earn a matching reward and a performance-based reward from the performance period. The rewards to be paid on the basis of the performance period amount up to a maximum of approximately 6.0 million shares of the Issuer, indicating a maximum dilution of 4.0 per cent. Following the decision to establish the Performance Share Plan 2018–2021, CapMan will not grant new options from the ongoing option plans 2013 and 2016.

TAXATION

The following is a general description addressing only the Finnish withholding tax treatment of income arising from the Notes. This summary is based on the laws, regulations and published case law in full force and effect in Finland and the interpretation thereof as at the date of this Prospectus, which may be subject to change in the future, potentially with retroactive effect. Investors should be aware that the comments below are of a general nature and do not constitute legal or tax advice and should not be understood as such. The comments below relate only to the position of persons who are the beneficial owners of the Notes. Prospective investors are therefore advised to consult their own qualified advisors so as to determine, in the light of their individual situation, the tax consequences of the acquisition, holding, redemption, sale or other disposition of the Notes.

Non-resident Holders of the Notes

Payments made by or on behalf of the Issuer to persons not resident in Finland for tax purposes and who do not engage in trade or business through a permanent establishment or a fixed place of business in Finland may be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Republic of Finland or by any municipality or other political subdivision or taxing authority thereof or therein.

Resident Holders of the Notes

Corporates

Payments made by or on behalf of the Issuer to corporates resident in Finland for tax purposes may be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of the Republic of Finland or by any municipality or other political subdivision or taxing authority thereof or therein.

Individuals and Estates

Interest and any similar payments, e.g., interest compensation (in Finnish *jälkimarkkinahyvitys*), made to individuals or estates resident in Finland are generally subject to advance withholding of income tax. To the extent any payments under the Notes would be classified as capital gain for Finnish income tax purposes, such payments would not be subject to advance withholding of income tax.

The withholding liability should primarily lie with a possible paying agent or other intermediary (such as a financial institution) effecting the payment to the holder of the Notes, if the paying agent or intermediary is resident in Finland for tax purposes or the payment is made through a Finnish permanent establishment of a non-resident paying agent or intermediary.

Transfer Taxation

A transfer of the Notes is not subject to Finnish transfer taxation.

ARRANGEMENTS WITH THE LEAD MANAGER

OP Corporate Bank plc is acting as Lead Manager of the Offering. The Company has entered into agreements with the Lead Manager with respect to certain services to be provided by the Lead Manager in connection with the Offering. The Lead Manager will be paid a fee by the Issuer in respect of the Offering and issue of the Notes.

In addition, the Lead Manager is lender under a facility agreement with the Issuer. The proceeds from the Offering may be used, inter alia, for the prepayment of existing financing under the before-mentioned facility agreement. Further, the Lead Manager may in the future provide investment or other banking services, including financing arrangements, for CapMan in the ordinary course of business.

LEGAL MATTERS

Certain legal matters in connection with the Offering have been passed upon for CapMan by Roschier, Attorneys Ltd.

INFORMATION INCORPORATED BY REFERENCE

The Company's financial results for the financial years ended 31 December 2017 and 31 December 2016 are incorporated in and form part of this Prospectus by reference. The non-incorporated information in the documents incorporated by reference is not relevant for investors or can be found elsewhere in this Prospectus. The referenced documents are available for inspection at the offices of the Company at Ludviginkatu 6, FI-00130 Helsinki, Finland, as well as on the Company's website at www.capman.com/investors.

Document	Information by reference
Annual Report 2017, pages 46–99	Financial Statements for the year 2017
Annual Report 2017, page 100–102	Auditor's Report for the year 2017
Annual Report 2016, pages 23–140	Financial Statements for the year 2016
Annual Report 2016, page 167–174	Auditor's Report for the year 2016

DOCUMENTS ON DISPLAY AND AVAILABLE INFORMATION

In addition to the documents incorporated by reference, the Company's Finnish language articles of association and extract from the Finnish Trade Register may be inspected at the head office of the Company, CapMan Plc, Ludviginkatu 6, FI-00130 Helsinki, Finland on weekdays from 9:00 am to 4:00 pm Finnish time. In order to ensure best possible service, persons wishing to examine the documents referred to in this section are kindly requested to notify the Company of their visit in advance by telephone (+358) 207 207 500.

The Company will publish annual reports, including audited consolidated financial statements, quarterly interim financial information and other information as required by the Finnish Securities Market Act and the rules of the Helsinki Stock Exchange. Such information will be available on the Company's website at www.capman.com/investors.

THE COMPANY

CapMan Plc
Ludviginkatu 6
FI-00130 Helsinki
Finland

LEAD MANAGER

OP Corporate Bank plc
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FI-00510 Helsinki
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LEGAL ADVISER TO THE COMPANY

Roschier, Attorneys Ltd.
Kasarmikatu 21 A
FI-00130 Helsinki
Finland