

# CapMan

## CapMan Plc

### Listing of EUR 40,000,000 Senior Unsecured Fixed Rate Sustainability-Linked Notes Due 2027

#### The Notes were issued in denominations of EUR 1,000

CapMan Plc (the “**Issuer**”) resolved on 6 April 2022 to issue senior unsecured sustainability-linked notes with a principal amount of EUR 40 million (the “**Notes**”) based on the authorisation given by the Issuer’s Board of Directors on 16 March 2022. The Notes were offered for subscription in a minimum amount of EUR 100,000 through a book-building procedure that was carried out on 6 April 2022 (the “**Offering**”). The Notes bear interest initially at the rate of 4.500 per cent per annum. If certain sustainability targets are not met as per 31 December 2023, the initial rate of interest shall be increased by the relevant step-up margin being either 0.25 per cent or 0.50 per cent with effect as of 13 April 2024. The maturity of the Notes is on 13 April 2027, unless the Issuer prepays the Notes in accordance with the terms and conditions of the Notes. This listing prospectus (the “**Prospectus**”) contains information on the Offering and the Notes. The Prospectus has been prepared solely for the purpose of admission to listing of the Notes on the official list of Nasdaq Helsinki Ltd (the “**Helsinki Stock Exchange**”) and does not constitute any offering of the Notes.

Application has been made for the Notes to be admitted to trading on the official list of the Helsinki Stock Exchange (the “**Listing**”), and the Listing is expected to take place on or about 19 April 2022 under the trading code “CAPMJ300012”.

**The validity of this Prospectus expires when the Notes have been admitted to trading on the official list of Helsinki Stock Exchange. The obligation to supplement the Prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when the Prospectus is no longer valid.**

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 1933, as amended (the “**Securities Act**”) or with any securities regulatory authority of any state of the United States. The Notes may not be offered, sold, pledged or otherwise transferred directly or indirectly within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the Securities Act (“**Regulation S**”)), except to a person who is not a U.S. Person (as defined in Regulation S) in an offshore transaction pursuant to Regulation S.

Neither the Issuer nor the Notes have been assigned any credit ratings at the request or with the co-operation of the Issuer in the rating process.

**The Notes may not be a suitable investment for all investors. Investment in the Notes involves certain risks. The principal risk factors that may affect the ability of the Issuer to fulfil its obligations under the Notes are discussed under “Risk Factors” below.**

*Lead Manager:*



## IMPORTANT INFORMATION

This Prospectus has been drawn up in accordance with the Regulation (EU) 2017/1129 of the European Parliament and of the Council, as amended (the “**Prospectus Regulation**”), the Commission Delegated Regulation (EU) 2019/979, the Commission Delegated Regulation (EU) 2019/980, in application of the Annexes 8 and 16 thereof, the Finnish Securities Market Act (14.12.2012/746, as amended, the “**Finnish Securities Market Act**”) and the regulations and guidelines of the FIN-FSA. The FIN-FSA, which is the competent authority for the purposes of the Prospectus Regulation and relevant implementing measures in Finland, has approved the Prospectus (journal number FIVA 22/02.05.04/2022) but assumes no responsibility for the correctness of the information contained herein. The FIN-FSA has only approved this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation and such approval shall not be considered as an endorsement of the qualities of the Notes nor the Issuer. This Prospectus has been drawn up as a simplified prospectus in accordance with Article 14 of the Prospectus Regulation. 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. In accordance with Article 7 of the Prospectus Regulation, a summary has been prepared in English and translated into Finnish. Save for the Company’s audited consolidated financial statements as at and for the financial years ended 31 December 2021 and 31 December 2020 incorporated by reference into this Prospectus, no part of this Prospectus has been audited.

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 acted 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.

Potential investors should rely only on the information contained in this Prospectus, including information incorporated by reference into 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, indicate that the information presented in this Prospectus is correct on any day other than the date of this Prospectus (excluding historical financial information), or that there would not be any changes in the business of CapMan after 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 official list of Helsinki Stock Exchange and such fault or omission may be of material importance to investors, this Prospectus shall be supplemented in accordance with the Prospectus Regulation. 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 a guarantee 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 official list of 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 aforementioned jurisdictions.

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

**MiFID II product governance / Retail clients, professional clients and eligible counterparties target market:** Solely for the purposes of the 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, 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 manufacturer’s 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 manufacturer’s target market assessment) and determining appropriate distribution channels, subject to the distributor’s suitability and appropriateness obligations under MiFID II, as applicable.

## CONTENTS

<b>IMPORTANT INFORMATION</b> .....	<b>II</b>
<b>SUMMARY</b> .....	<b>1</b>
<b>TIIVISTELMÄ</b> .....	<b>6</b>
<b>RISK FACTORS</b> .....	<b>11</b>
<b>RESPONSIBILITY REGARDING THE PROSPECTUS</b> .....	<b>26</b>
<b>INFORMATION DERIVED FROM THIRD PARTY SOURCES</b> .....	<b>26</b>
<b>AVAILABILITY OF THE PROSPECTUS</b> .....	<b>26</b>
<b>NO CREDIT RATING</b> .....	<b>26</b>
<b>NOTICE REGARDING FORWARD-LOOKING STATEMENTS</b> .....	<b>26</b>
<b>NO INCORPORATION OF WEBSITE INFORMATION</b> .....	<b>27</b>
<b>NO CONTROLLING SHAREHOLDERS</b> .....	<b>27</b>
<b>TAXATION</b> .....	<b>27</b>
<b>OTHER INFORMATION</b> .....	<b>27</b>
<b>SECOND PARTY OPINION</b> .....	<b>27</b>
<b>TERMS AND CONDITIONS OF THE NOTES</b> .....	<b>29</b>
<b>OVERVIEW OF THE OFFERING AND THE NOTES</b> .....	<b>44</b>
<b>INFORMATION ABOUT THE ISSUER</b> .....	<b>47</b>
GENERAL .....	47
HISTORY AND DEVELOPMENT .....	47
OVERVIEW OF THE ISSUER .....	49
BUSINESS OVERVIEW / BUSINESS DESCRIPTION .....	49
OPERATING SEGMENTS.....	50
THE IMPACT OF RUSSO-UKRAINIAN WAR ON CAPMAN’S BUSINESS .....	55
ORGANISATIONAL STRUCTURE.....	56
PERSONNEL .....	57
CUSTOMERS .....	57
SUSTAINABILITY .....	57
MARKET OVERVIEW .....	59
LEGAL AND REGULATORY PROCEEDINGS .....	61
MATERIAL AGREEMENTS .....	61
<b>FINANCIAL INFORMATION AND OTHER INFORMATION</b> .....	<b>62</b>
<b>SUMMARY OF RECENT DISCLOSURES</b> .....	<b>75</b>
<b>BOARD OF DIRECTORS, MANAGEMENT AND AUDITORS</b> .....	<b>76</b>
<b>SUMMARY OF THE CAPMAN SUSTAINABILITY-LINKED FINANCE FRAMEWORK</b> .....	<b>84</b>
<b>ARRANGEMENTS WITH THE LEAD MANAGER</b> .....	<b>96</b>
<b>LEGAL MATTERS</b> .....	<b>96</b>
<b>INFORMATION INCORPORATED BY REFERENCE</b> .....	<b>97</b>
<b>DOCUMENTS ON DISPLAY AND AVAILABLE INFORMATION</b> .....	<b>97</b>

## SUMMARY

### Introduction and Warnings

*This summary contains all the sections required by the Prospectus Regulation to be included in a summary for this type of securities and issuer. This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor.*

*An investor investing in the securities could lose all or part of the invested capital. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under applicable law, have to bear the costs of translating the Prospectus before legal proceedings are initiated. CapMan assumes civil liability in respect of this summary including translation thereof only if it is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the securities.*

The contact details of the Issuer are as follows:

Issuer:	CapMan Plc
Address:	Ludviginkatu 6, FI-00130 Helsinki, Finland
Telephone:	+358 (0) 20 720 7500
Business code:	0922445-7
Legal entity identifier (LEI):	743700498L5THNQWVL66

The details of the Notes are as follows:

ISIN:	FI4000519178
Name:	CAPMJ300012

This Prospectus has been approved by the FIN-FSA as the competent authority under the Prospectus Regulation on 13 April 2022.

The identity and contact details of the competent authority, the FIN-FSA, approving the Prospectus are as follows:

Authority:	Financial Supervisory Authority
Address:	P.O. Box 103, FI-00101 Helsinki, Finland
Telephone:	+358 9183 51
Email address:	kirjaamo@finanssivalvonta.fi

### Key Information on the Issuer

#### *Who Is the Issuer of the Securities?*

##### *General*

The business name of the Issuer is CapMan Plc and it is domiciled in Helsinki, Finland. The Issuer is registered with the Finnish Trade Register under business identity code 0922445-7 and legal entity identifier code (LEI) 743700498L5THNQWVL66. The Issuer is a public limited liability company incorporated in Finland and operating under Finnish law.

##### *Principal Activities*

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 and mandates, 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 33 years of operations been involved in the development of numerous companies and real estates and in supporting their sustainable growth. As at 31 December 2021, CapMan managed over EUR 4.5 billion in assets.

### *Major Shareholders*

As at the date of this Prospectus, 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 (749/2012, as amended) and the Issuer is not aware of any arrangement related to the Issuer's ownership the operation of which may result in a change of control of the Issuer.

The following table sets forth the ownership information of the ten largest shareholders of the Issuer as at 28 February 2022:

<b>Shareholder</b>	<b>Number of Shares</b>	<b>Shareholding, %</b>
Silvertärnan Ab	16,226,519	10.36
Ilmarinen Mutual Pension Insurance Company	10,318,326	6.59
Mikko Kalervo Laakkonen	6,378,320	4.07
Oy Inventiainvest Ab	4,286,860	2.74
Varma Mutual Pension Insurance Company	3,675,215	2.35
Joensuun Kauppa ja Kone Oy	3,289,502	2.10
Vesasco Oy	3,088,469	1.97
The State Pension Fund of Finland	2,500,000	1.60
Nordea Funds	2,356,115	1.50
Handelsbanken Funds	2,208,181	1.41
10 largest shareholders total	54,327,507	34.7
Other shares	102,289,786	65.3
From which nominee registered shares	4,859,979	3.1
<b>Total</b>	<b>156,617,293</b>	<b>100.00</b>

### *Key Managing Directors and Statutory Auditors*

The members of the Board of Directors of the Issuer are Andreas Tallberg (Chairman), Mammu Kaario, Catarina Fagerholm, Johan Hammarén, Olli Liitola and Johan Bygge.

The Issuer's Management Group consists of Joakim Frimodig, Atte Rissanen, Heidi Sulin, Antti Kummu, Anna Berglind, Maximilian Marschan, Christian Borgström, Pia Kåll, Mika Matikainen, Ville Poukka and Mari Simula.

The Issuer's statutory auditor is Ernst & Young Oy, Authorized Public Accountant Firm, with Kristina Sandin, Authorized Public Accountant as the auditor with principal responsibility. The Company's consolidated financial statements for the financial year ended 31 December 2021 have been audited by Ernst & Young Oy, with Ulla Nykky, Authorised Public Accountant, as the auditor with principal responsibility.

### ***What Is the Key Financial Information Regarding the Issuer?***

The selected historical key financial information presented below has been derived from CapMan's audited consolidated financial statements as at and for the financial year ended 31 December 2021 and 31 December 2020.

The following table sets forth the key figures of CapMan for the dates and periods indicated:

(EUR thousands)	As at and for the year ended 31 December	
	2021 (audited, unless otherwise indicated)	2020 (audited, unless otherwise indicated)
<b>KEY FIGURES</b>		
Operating profit	44,642	12,339
Interest-bearing net debt	17,801	25,518
Net gearing, %	14,0 <sup>1</sup>	22,5 <sup>1</sup>
Net cash flow from operating activities	11,025	-11,907
Net cash flow from investing activities	19,170	17,461
Net cash flow from financing activities	-22,990	8,784

<sup>1</sup> Unaudited.

CapMan's objective is to pay an annually increasing dividend to its shareholders. The Annual General Meeting decided on 16 March 2022, in accordance with the proposal of the Board of Directors, that a dividend of EUR 0.04 per share and an equity repayment of EUR 0.11 per share from the invested unrestricted equity fund be paid based on the balance sheet adopted for 2021. The total dividend and equity repayment amount to EUR 0.15 per share.

#### ***What Are the Key Risks That Are Specific to the Issuer?***

- Disruptions in the global market and adverse economic developments, such as effects due to the COVID-19 pandemic or Russo-Ukrainian War, may have adverse effects on CapMan's business and results of operations.
- Inauspicious market conditions may have adverse effects on CapMan Group's return of the investment 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 may not necessarily be able to find profitable target investments or it may fail in value creation or realisation of the created value of its investments.
- Given the large amounts of capital involved in CapMan's operations, there is a risk that CapMan Group may be subject to fraudulent activities.
- Risks related to taxation could have adverse effects on CapMan's business, financial condition and results of operations.
- Changes in legislation or failure in compliance could adversely affect the CapMan Group's business operations and increase its costs.
- 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 CapMan Group is dependent on uninterrupted operation and security of information technology systems developed and maintained by third parties.
- CapMan is exposed to liquidity risk.

#### **Key Information on the Securities**

##### ***What Are the Main Features of the Securities?***

The Notes constitute direct, unconditional, unsubordinated, unsecured and unguaranteed obligations of the Issuer ranking *pari passu* among themselves and at least *pari passu* with the unsecured obligations of the Issuer, save for obligations which are preferred by mandatory provisions of law. The Notes are dematerialised securities registered in the Finnish book-entry system maintained by Euroclear Finland Ltd. The ISIN of the Notes is FI4000519178. The currency of the Notes is the euro. The Notes were issued in denominations of EUR 1,000 and the aggregate nominal amount of the issued Notes is EUR 40,000,000. The number of issued Notes is 40,000. The Final Maturity Date (as defined in the Terms and Conditions of the Notes) of the Notes is 13 April 2027.

The Notes bear fixed interest initially at the rate of 4.500 per cent per annum. If certain sustainability targets are not met as per 31 December 2023, the initial rate of interest shall be increased by the relevant step-up margin being either 0.25 or 0.50 per cent with effect as of the beginning of the interest period commencing on 13 April 2024. The interest on the Notes will be paid annually in arrears commencing on 13 April 2023 and thereafter on each 13 April. 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 interest 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 previous interest payment date and ends on (but excludes) the following interest payment date. The last interest period ends on the Redemption Date (as defined in the Terms and Conditions of the Notes). The Noteholders have the right to attend the noteholders' meeting or participate in the written procedure.

The Notes are freely transferable after having been registered into the respective book-entry account.

### ***Where Will the Securities Be Traded?***

Application has been made to have the Notes listed on the Helsinki Stock Exchange.

### ***What Are the Key Risks That Are Specific to the Securities?***

- The Terms and Conditions of 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, incur additional debt or otherwise effect significant transactions that may have a material adverse effect on the Notes and the Noteholders.
- The Terms and Conditions of the Notes allow the Issuer to grant some security without the consent of the Noteholders.
- Following an Event of Default, a Change of Control event or a Demerger Event, the Issuer may have an obligation to redeem and purchase the Notes prior to maturity and the Issuer may not be able to finance such repurchase of the Notes.
- The Issuer has the right to redeem and purchase the Notes prior to maturity.
- Secured creditors will have prior claim to the Issuer's assets that constitute their collateral as compared to the Noteholders.

### **Key Information on the Offer of Securities to the Public and Admission to Trading on a Regulated Market**

#### ***Under Which Conditions and Timetable Can I Invest in This Security?***

The Notes were offered for subscription through a book-building procedure in a minimum amount of EUR 100,000 that was carried out on 6 April 2022. The Notes were not, and will not be, offered to the public. The Notes were issued on 13 April 2022. Application has been made for the Notes to be admitted to trading on the official list of the Helsinki Stock Exchange, and the Listing is expected to take place on or about 19 April 2022.

The Notes may be registered on behalf of the Holders on book-entry accounts and transfers of Notes may only be effected through, and title thereto will only pass upon, registration and transfer in such book-entry accounts.

In connection with the Offering and the Listing, the Issuer expects to pay approximately a total of EUR 0.3 million in fees and expenses. No fees or other payments will be charged to the investor by the Issuer. Account operators may charge fees in accordance with their price lists for the subscription and opening and maintaining of the book-entry account or other custody system and for custody of the Notes.

#### ***Why Is This Prospectus Being Produced?***

This Prospectus is being produced for the listing of the Notes. Furthermore, this Prospectus is being produced in order to enable further financing, to meet the existing and future financing requirements of the Issuer and to lengthen the maturity of the Issuer's loan portfolio. The aggregate net proceeds to the Issuer from the Offering, after deduction of the fees and expenses payable by the Issuer, will be approximately EUR 39.7 million.

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 and general corporate purposes. The net proceeds of the Offering will on 27 April 2022 be used in an amount of EUR 32.5 million for financing the redemption in full of the Existing 2023 Notes (as defined in the Terms and Conditions of the Notes) including accrued and unpaid interest.

***Material Interests***

The interests of the Lead Manager are normal business interests in the financial markets.

The Lead Manager and other entities within the same group and/or its respective affiliates have performed, and may in the future perform, advisory, consulting and/or banking services for CapMan in the ordinary course of their business for which they have received, or will receive, customary fees and expenses. In addition, the Lead Manager or its respective affiliates have acted and may in the future act as arranger or lender under certain facility agreements of CapMan for which they have received, or will receive, customary fees and expenses. The Lead Manager and their respective affiliates may hold long or short positions, and may trade or otherwise effect transactions, for their own account or the accounts of their customers, in debt or equity securities of the Issuer.

## TIIVISTELMÄ

### Johdanto ja varoitukset

*Tämä tiivistelmä sisältää kaikki ne osiot, jotka kyseessä olevasta arvopaperista ja sen liikkeeseenlaskijasta tulee esittää Euroopan parlamentin ja neuvoston asetuksen (EU) 2017/1129 ("Esiteasetus") mukaisesti. Tätä tiivistelmää tulee lukea esitteen johdantona. Sijoittajan tulee perustaa päätöksensä sijoittaa arvopapereihin esitteeseen kokonaisuutena.*

*Arvopapereihin sijoittava sijoittaja voi menettää kaiken tai osan sijoitetusta pääomasta. Jos tuomioistuimessa pannaan vireille esitteeseen sisältyviä tietoja koskeva kanne, kantajana toimiva sijoittaja voi sovellettavan lainsäädännön mukaan joutua ennen oikeudenkäynnin vireillepanoa vastaamaan esitteen käännskustannuksista. CapMan vastaa siviilioikeudellisesti tästä tiivistelmästä vain, jos tiivistelmä luettuna yhdessä esitteen muiden osien kanssa on harhaanjohtava, epätarkka tai epä johdonmukainen tai jos tiivistelmässä ei luettuna yhdessä esitteen muiden osien kanssa anneta keskeisiä tietoja sijoittajien auttamiseksi, kun he harkitsevat sijoittamista arvopapereihin.*

Liikkeeseenlaskijan yhteystiedot ovat seuraavat:

Liikkeeseenlaskijan nimi: CapMan Oyj  
Osoite: Ludviginkatu 6, 00130 Helsinki, Suomi  
Puhelinnumero: +358 (0) 20 720 7500  
Yritys- ja yhteisötunnus: 0922445-7  
Oikeushenkilötunnus (LEI-tunnus): 743700498L5THNQWVL66

Arvopaperia koskevat tiedot ovat seuraavat:

ISIN: FI4000519178  
Arvopaperin nimi: CAPMJ300012

Finanssivalvonta on toimivaltaisena viranomaisena hyväksynyt esitteen Esiteasetuksen mukaisesti 13.4.2022.

Toimivaltaisen viranomaisen eli Finanssivalvonnan, joka hyväksyy tämän esitteen, yhteystiedot ovat seuraavat:

Viranomainen: Finanssivalvonta  
Osoite: PL 103, 00101 Helsinki, Suomi  
Puhelinnumero: +358 9183 51  
Sähköpostiosoite: kirjaamo@finanssivalvonta.fi

### Keskeisiä tietoja liikkeeseenlaskijasta

#### *Kuka on arvopapereiden liikkeeseenlaskija?*

##### *Yleistä*

Liikkeeseenlaskijan rekisteröity toiminimi on CapMan Oyj ("Liikkeeseenlaskija") ja sen kotipaikka on Helsinki. Liikkeeseenlaskija on rekisteröity Patentti- ja rekisterihallituksen ylläpitämään kaupparekisteriin y-tunnuksella 0922445-7 ja oikeushenkilötunnuksella (LEI) 743700498L5THNQWVL66. Liikkeeseenlaskija on julkinen osakeyhtiö, joka on perustettu Suomessa ja siihen sovelletaan Suomen lakia.

##### *Pääasiallinen toiminta*

CapMan tarjoaa laajan kirjon sijoitustuotteita ja asiantuntijapalveluja pääomasijoittajille. CapManin johto arvioi, että CapMan on yksi johtavista pääomasijoittajista pohjoismaisella markkinalla. CapMan-konserni hallinnoi omia pääomarahastojaan ja mandaatteja, tarjoaa palveluja konsernin ulkopuolisille sijoittajille sekä tekee suoria sijoituksia taseestaan. CapMan on 33 toimintavuotensa aikana ollut mukana kehittämässä lukuisia yrityksiä ja kiinteistöjä sekä tukemassa niiden kestävää kasvua. 31.12.2021 CapMan hallinnoi pääomaa yhteensä yli 4.5 miljardia euroa.

### *Suurimmat osakkeenomistajat*

Tämän esitteen päivämääränä, Liikkeeseenlaskijan tiedossa ei ole osakkeenomistajia, joilla olisi arvopaperimarkkinalain (746/2012, muutoksineen) 2 luvun 4 §:n mukainen määräysvalta Liikkeeseenlaskijassa eikä Liikkeeseenlaskija ole tietoinen järjestelyistä, jotka voisivat johtaa määräysvallan muuttumiseen Liikkeeseenlaskijassa.

Alla oleva taulukko kuvaa Liikkeeseenlaskijan kymmenen suurinta osakkeenomistajaa 28.2.2022:

<b>Osakkeenomistaja</b>	<b>Osakkeiden lukumäärä</b>	<b>Osuus osakkeista, %</b>
Silvertämän Ab	16.226.519	10,36
Keskinäinen Eläkevakuutusyhtiö Ilmarinen	10.318.326	6,59
Mikko Kalervo Laakkonen	6.378.320	4,07
Oy Inventiainvest Ab	4.286.860	2,74
Keskinäinen Työeläkevakuutusyhtiö Varma	3.675.215	2,35
Joensuun Kauppa ja Kone Oy	3.289.502	2,10
Vesasco Oy	3.088.469	1,97
Valtion Eläkerahasto	2.500.000	1,60
Nordea Funds	2.356.115	1,50
Handelsbanken Funds	2.208.181	1,41
10 suurinta yhteensä	54.327.507	34,7
Muut	102.289.786	65,3
Hallintarekisteröidyt	4.859.979	3,1
<b>Yhteensä</b>	<b>156.617.293</b>	<b>100,00</b>

### *Johdon avainhenkilöt ja tilintarkastaja*

Liikkeeseenlaskijan hallitukseen kuuluvat Andreas Tallberg (puheenjohtaja), Mammu Kaario, Catarina Fagerholm, Johan Hammarén, Olli Liitola ja Johan Bygge.

Liikkeeseenlaskijan johtoryhmään kuuluvat Joakim Frimodig, Atte Rissanen, Heidi Sulin, Anna Berglund, Maximilian Marschan, Christian Borgström, Pia Kåll, Mika Matikainen, Juha Mikkola, Ville Poukka ja Mari Simula.

Liikkeeseenlaskijan lakisääteinen tilintarkastaja on tilintarkastusyhteisö Ernst & Young Oy, KHT Kristina Sandinin toimiessa päävastuullisena tilintarkastajana. Liikkeeseenlaskijan konsernitilinpäätöksen 31.12.2021 päättäneeltä tilikaudelta on tilintarkastanut tilintarkastusyhteisö Ernst & Young Oy, KHT Ulla Nykky päävastuullisena tilintarkastajana.

### ***Mitä ovat liikkeeseenlaskijaa koskevat keskeiset taloudelliset tiedot?***

Alla esitettävät valikoidut historialliset keskeiset taloudelliset tiedot ovat peräisin CapManin sekä tilintarkastetusta konsernitilinpäätöksistä 31.12.2021 ja 31.12.2020 päättäneiltä tilikausilta.

Seuraavassa taulukossa esitetään CapManin keskeisiä tunnuslukuja ilmoitettuina päivinä ja ajanjaksoina:

<b>(tuhatta euroa)</b>	<b>31.12. ja 31.12. päättynyt vuosi</b>	
	<b>2021</b>	<b>2020</b>
	<b>(tilintarkastettu, ellei toisin ilmoitettu)</b>	<b>(tilintarkastettu, ellei toisin ilmoitettu)</b>
<b>TALOUDELLISET TUNNUSLUVUT</b>		
Liikevoitto	44 642	12 339

Korollinen nettovelka	17 802	25 518
Nettovelkaantumisaste, %	14,0 <sup>1</sup>	22,5 <sup>1</sup>
Liiketoiminnan nettorahavirta	-11 025	11 907
Investointien nettorahavirta	19 170	17 461
Rahoituksen nettorahavirta	-22 990	8 784

<sup>1</sup> Tilintarkastamaton.

CapManin tavoitteena on jakaa vuosittain kasvavaa osinkoa osakkeenomistajilleen. Yhtiökokous päätti 16.3.2022 hallituksen ehdotuksen mukaisesti, että CapMan Oyj:n vuodelta 2021 vahvistetun taseen perusteella jaetaan osinkoa 0,04 euroa osakkeelta sekä sijoitetun vapaan oman pääoman rahastosta pääomanpalautusta 0,11 euroa osakkeelta. Yhteensä osinko ja pääomanpalautus on 0,15 euroa osakkeelta.

### ***Mitkä ovat liikkeeseenlaskijaan liittyvät olennaiset riskit?***

- Markkinahäiriöt ja haitallinen markkinakehitys, esimerkiksi COVID-19 -pandemian tai Venäjän ja Ukrainan sodan vaikutuksista johtuen, saattavat vaikuttaa haitallisesti CapManin liiketoimintaan ja liiketoiminnan tulokseen.
- Epäsuotuisat markkinaolosuhteet saattavat vaikuttaa haitallisesti CapManin sijoitustoiminnan tuottoon.
- Epäonnistuminen uusien rahastojen perustamisessa tai epäonnistunut varainhankinta vastikään perustettuihin rahastoihin saattavat vähentää tulevia hallintapalkkioita sekä voitonjako-osuustuottoja.
- CapMan-konserni ei välttämättä onnistu tuottavien sijoituskohteiden löytämisessä tai sijoitusten arvon kehittämisessä ja sen realisoinnissa.
- Koska CapManin toimintoihin liittyy suuri määrä pääomaa, on mahdollista, että CapMan-konserni joutuu petollisen toiminnan kohteeksi.
- Verotukseen liittyvillä riskeillä saattaa olla haitallisia vaikutuksia CapManin liiketoimintaan, taloudelliseen tilanteeseen sekä liiketoiminnan tulokseen.
- Sääntelymuutokset sekä epäonnistuminen sääntelyn noudattamisessa saattavat vaikuttaa haitallisesti CapMan-konserni liiketoimintaan sekä nostaa sen kustannuksia.
- Epäonnistuminen pätevien työntekijöiden rekrytoinnissa tai avainhenkilöiden menettäminen saattavat häiritä CapManin liiketoimintaa ja sillä voi olla haitallinen vaikutus CapManin taloudelliseen tulokseen.
- CapMan-konserni on riippuvainen sen käyttämien IT-järjestelmien keskeytymättömästä toiminnasta ja niihin liittyvästä kolmansien osapuolten kehittämästä ja ylläpitämästä tietoturvasta.
- CapManiin kohdistuu likviditeettiriski.

### **Keskeiset tiedot arvopapereista**

#### ***Mitkä ovat arvopapereiden keskeiset ominaisuudet?***

Velkakirjat ovat Liikkeeseenlaskijan suoria, ehdottomia, alistamattomia, vakuudettomia ja takaamattomia velvoitteita ("Velkakirjat") tai ("Velkakirjalaina"), 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. Velkakirjat rekisteröidään Euroclear Finland Oy:n ylläpitämään arvo-osuusjärjestelmään eikä niistä anneta fyysisiä velkakirjoja. Velkakirjojen ISIN on FI4000519178. Velkakirjojen valuutta on euro. Velkakirjojen yksikkökoko on 1.000 euroa ja niiden yhteenlaskettu nimellisarvo on 40.000.000 euroa. Velkakirjoja lasketaan liikkeeseen yhteensä 40.000 kappaletta. Velkakirjojen eräpäivä on 13.4.2027.

Velkakirjoille maksetaan kiinteää vuotuista korkoa, joka on lähtökohtaisesti 4,500 prosenttia vuodessa. Jos tiettyjä kestävyystavoitteita ei ole saavutettu 31.12.2023, alkuperäinen korko korotetaan soveltuvalla step-up -marginaalilla, joka on joko 0.25 tai 0.50 prosenttia. Velkakirjoille kertyvä korko maksetaan vuosittain alkaen 13.4.2023 ja tämän jälkeen 13.4. kunakin vuonna ("Koronmaksupäivä"). Velkakirjojen kulloinkin maksamatta olevalle pääomalle kertyy korkoa kultakin korkokaudelta korkokauden ensimmäinen päivä mukaan lukien ja korkokauden viimeinen päivä pois lukien. Ensimmäinen korkokausi alkaa Liikkeeseenlaskupäivänä (kuten määritelty alla) (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 Velkakirjojen takaisinmaksupäivänä. Velkakirjojen haltijoilla on oikeus osallistua velkakirjanhaltijoiden kokoukseen tai kirjalliseen menettelyyn.

Velkakirjat ovat vapaasti vaihdettavissa sen jälkeen, kun ne ovat rekisteröity arvo-osuustilille.

### ***Missä arvopapereilla tullaan käymään kauppaa?***

Velkakirjojen ottamisesta kaupankäynnin kohteeksi pörssilistalle on tehty hakemus Nasdaq Helsinki Oy:lle (**”Helsingin pörssi”**).

### ***Mitkä ovat arvopapereihin liittyvät keskeiset riskit?***

- Velkakirjalainan ehdot eivät suoranaisesti sisällä Liikkeeseenlaskijan toimintaan liittyviä kovenanteja eivätkä rajoita Liikkeeseenlaskijan oikeutta sulautua, myydä omaisuuttaan, hankkia lisävelkaa tai muutoin ryhtyä merkittäviin liiketoimiin, joilla voi olla merkittävä haitallinen merkitys Velkakirjoille tai Velkakirjojen haltijoille.
- Velkakirjalainan ehdot sallivat Liikkeeseenlaskijan antaa tiettyjä vakuuksia ilman Velkakirjojen haltijoiden suostumusta.
- Liikkeeseenlaskijalla voi olla velvollisuus lunastaa ja ostaa Velkakirjalainaa “Event of Default”, “Change of Control” tai “Demerger Event” –tapahtumien jälkeen eikä Liikkeeseenlaskija välttämättä pysty maksamaan Velkakirjalainan takaisinostoa.
- Liikkeeseenlaskijalla on oikeus lunastaa ja ostaa Velkakirjalainaa ennen sen eräpäivää.
- Vakuudellisilla velkojilla on etuoikeus Liikkeeseenlaskijan näille vakuudeksi antamiin varoihin ennen Velkakirjalainan haltijoita.

### **Keskeiset tiedot arvopapereiden yleisölle tarjoamisesta ja kaupankäynnin kohteeksi ottamisesta**

#### ***Mitkä ovat arvopaperiin sijoittamisen edellytykset ja aikataulu?***

Velkakirjat tarjottiin merkittäviksi book-building -menettelyssä 6.4.2022 ja vähimmäismerkintänä oli 100.000 euroa. Velkakirjoja ei ole tarjottu, eikä tulla tarjoamaan, yleisölle. Velkakirjat laskettiin liikkeeseen 13.4.2022 (**”Liikkeeseenlaskupäivä”**). Velkakirjojen ottamisesta kaupankäynnin kohteeksi Helsingin Pörssin pörssilistalle on jätetty hakemus ja Helsingin Pörssin odotetaan ottavan Velkakirjat kaupankäynninkohteeksi 19.4.2022 alkaen.

Velkakirjat voidaan rekisteröidä haltijan nimiin arvo-osuustilille ja Velkakirjat ja niiden omistusoikeus on siirrettävissä ja omistusoikeus merkittävässä vain arvo-osuustilin kautta.

Liikkeeseenlaskijan arvio sille Velkakirjojen liikkeeseenlaskusta ja listalleotosta aiheutuvista kustannuksista on yhteensä noin 0,3 miljoonaa euroa. Liikkeeseenlaskija ei veloita palkkioita tai muita maksuja sijoittajalta. Tilinhoitajayhteisöt voivat veloittaa oman hinnoittelunsa mukaisia palkkioita merkinnästä, tilien avaamisesta, tilien ylläpitämisestä tai muista Velkakirjojen hallintaan liittyvistä järjestelyistä.

#### ***Miksi tämä Esite on laadittu?***

Tämä Esite on laadittu Velkakirjojen listalleottoa varten. Lisäksi tämä Esite on laadittu Liikkeeseenlaskijan lisärahoituksen ja tulevien ja nykyisten rahoitustarpeiden mahdollistamiseksi sekä Liikkeeseenlaskijan lainaportfolion maturiteetin pidentämiseksi. Liikkeeseenlaskijan arvio liikkeeseenlaskusta kerättävien varojen nettomäärästä, kulujen ja palkkioiden vähennysten jälkeen, on noin 39,7 miljoonaa euroa.

Liikkeeseenlaskija tulee käyttämään Velkakirjalainasta saamansa varat, Liikkeeseenlaskusta aiheutuvien kulujen vähentämisen jälkeen, uudelleenrahoittamiseen sekä yleisiin rahoitustarpeisiin. Nettovaroista noin 32,5 miljoonaa euroa käytetään 27.4.2022 Liikkeeseenlaskijan 2023 erääntyvän velkakirjalainan täyden lunastuksen rahoittamiseen mukaan lukien kertyneet maksamattomat korot.

#### ***Olennaiset intressit***

Pääjärjestäjän (OP Yrityspankki Oyj) (**”Pääjärjestäjä”**) intressit ovat tavanomaiset liiketaloudelliset intressit rahoitusmarkkinoilla.

Pääjärjestäjä ja sen kanssa samaan konserniin kuuluvat yhtiöt ja/tai sen lähipiiriyhtiöt ovat kukin tarjonneet ja saattavat tulevaisuudessa tarjota CapManille neuvonanto-, konsultointi- tai pankkipalveluita osana tavanomaista liiketoimintaansa, josta ne ovat saaneet, tai tulevat saamaan, tavanomaiset palkkiot ja kulukorvaukset. Lisäksi

Pääjärjestäjä tai sen lähipiiriin kuuluvat tahot ovat toimineet ja voivat tulevaisuudessa toimia järjestäjinä tai lainanantajina tietyissä CapManin rahoitussopimuksissa, joista ne ovat saaneet, tai tulevat saamaan, tavanomaiset palkkiot ja kulukorvaukset. Pääjärjestäjä tai sen lähipiiryhtiöt saattavat pitää pitkiä tai lyhyitä positioita, ja käydä muutoin kauppaa tai muutoin tehdä transaktioita Liikkeeseenlaskijan velka- tai pääomainstrumenteilla sekä omaan, että asiakkaidensa lukuun.

## 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. Factors possibly affecting an investment decision are also discussed elsewhere in this Prospectus. Each of the risk factors described herein are specific to CapMan and/or the Issuer, as applicable, and should one or more of the risk factors materialize, it may 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, the market price and value of the Notes. This description is based on information and values 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 the factors identified below and in addition, CapMan faces many of the risks inherent to private asset management and investment industry and additional risks and uncertainty factors that are unknown or regarded as minor at the present time may 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. All investors should make their own evaluations of the risks associated with an investment in the Notes and consult their own professional advisers if they consider it necessary.*

*The risk factors are presented below in the following five (5) categories:*

- A. Risks Relating to CapMan's Operating Environment;*
- B. Risks Relating to CapMan's Business Operations;*
- C. Risks Relating to CapMan's Financing;*
- D. Risks Relating to the Notes as Debt Instrument; and*
- E. Risks Relating to the Ranking of the Notes.*

*While the categories are not presented in any order of materiality, within each risk category the most material risks, in the assessment of the Company, taking into account the negative impact on the Company and the probability of their occurrence, are presented first. However, the order in which the risk factors are presented after the first risk factor in each category is not intended to reflect either the relative probability or the potential impact of their materialization.*

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

### **A. Risks Relating to CapMan's Operating Environment**

***Disruptions in the global market and adverse economic developments, such as effects due to the COVID-19 pandemic or Russo-Ukrainian War, 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 companies, real estate and infrastructure. Thus, favourable market development on the Nordic market can be seen as a prerequisite for CapMan's financial performance.

The coronavirus ("COVID-19") pandemic has affected and may continue to affect CapMan's operations. The COVID-19 pandemic impacts CapMan's business through several earnings streams, among others. With regards to management fees, such fees per each fund are determined at the establishment of a fund and are paid to the Company twice per year based on the original fund size, including commitments, over the fund's investment period (generally five years) following which management fees are determined based on the at-cost value of the underlying portfolio. These fees are long-term and highly predictable, and CapMan's management sees little volatility in the near/mid-term. Future management fees are affected mainly by new fundraisings and exits from existing funds. If ongoing fundraising projects are postponed or delayed due to the COVID-19 pandemic, management fee growth prospects may be affected. The COVID-19 pandemic may also have adverse effect to the Company's carried interest income. The increased uncertainty may impact on portfolio values and delay exit processes, which can affect the timing of funds to generate carried interest and its magnitude. Furthermore, as to service business fees, transaction-based fees are more susceptible to market risk and are therefore more volatile.

CapMan's fair value changes of investments consists of both realised and unrealised changes, both of which may be impacted. In fact, the Company saw a sharp decline in the fair value changes of investments during the beginning of 2020 which was mainly attributed to the COVID-19 pandemic (see also "*Changes in the fair value of the target investments may have material adverse effects on the CapMan Group's results of operations*"). As unlisted assets are valued less frequently than listed assets, the impact of short-term market shocks and volatility is in general less pronounced in these asset classes compared to the listed market. According to the management of CapMan, the situation for its portfolio companies has changed frequently during the COVID-19 pandemic and CapMan has carried out actions in the funds' portfolio companies in order to mitigate the effects of the COVID-19 pandemic. However, the emergence of new COVID-19 variants could prolong the pandemic and induce renewed economic disruptions. Since the duration of the COVID-19 pandemic and its future impact on the global market cannot be accurately predicted, the extent to which the COVID-19 pandemic will have a material effect on CapMan's business, financial condition or results of operations is uncertain.

As of late 2021, geopolitical tensions between Russia and Ukraine have escalated considerably. As at the date of this Prospectus, Ukraine is considered to be at war with Russia. As a response, a wide array of economic and other limiting sanctions have been imposed on Russia. The sanctions have considerably altered the import-export relations between Russia and the EU, reducing flow of goods and capital in and out of Russia. The impact of the war to CapMan's business can be assessed via the various income components and balance sheet composition of the CapMan Group. As at the date of this Prospectus, full financial ramifications cannot be accurately estimated as new events of the war unfold daily. The effects of the war on CapMan's earnings streams can be classified either as direct or indirect, with the majority of the impacts being categorizable as indirect, resulting from changes in the overall economy.

CapMan's management foresees limited impact to management fees in the short term as a result of the war, as funds are structured keeping a long-term investment approach in mind, meaning that funds are either closed ended or incentivize for a long-term commitment. In addition to this, management fees would not considerably fluctuate from valuation changes as fees are generally calculated based on the commitment size or cost basis of the fund's underlying investments. As an indirect effect of the crisis, a change in the prevailing economic situation in Europe may impact the fundraising success of CapMan. CapMan's service fees do not have direct linkage to Russia or Ukraine, but changes in the overall economic environment in Europe may have an indirect impact to service fees by altering the activities of business counterparts. The magnitude and timing of carried interest may also be impacted due to the crisis, as the overall market environment may reduce exit valuations or reduce overall investment activity. Despite that CapMan discontinued its Russia based management company operations in 2019, it still has, at the date of this Prospectus, EUR 3.4 million of fair value exposure to the region via investments made to CapMan Russia Fund L.P. in 2007 and CapMan Russia II Fund L.P. in 2013. In addition to such exposure, CapMan has an outstanding investment commitment of EUR 1.1 million to the funds and loan receivables of EUR 1.1 million from Norum Russia Co-Investment Ltd and EUR 0.2 million from CapMan Russia Team Guernsey Ltd. In addition to the direct exposure, CapMan's fund investments have indirect exposure to the crisis based on the development of the overall economic environment in Europe. For more information on the impacts of the Russo-Ukrainian crisis to CapMan, see section "*Information about the Issuer - The impact of Russo-Ukrainian War on CapMan's business*" below.

On a macroeconomic level, adverse economic developments may result from changes in central bank liquidity measures, interest rates, inflation, among other unpredictable events. Such changes may reflect negatively on CapMan's fundraising efforts, performance of investments, and service business performance. CapMan's investors and service business clients may also be impacted, limiting their solvency or capital available for commitment, as well as their need for CapMan provided services. CapMan may not be able to adequately adapt to benefit, or prevent from being negatively impacted, from fluctuations in the economy or a long-term recession.

The materialization of any of these factors may have a material adverse effect on CapMan Group's business, financial condition, results of operations and future prospects and thereby also 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 risk, 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 (see "*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). For example, further reforms regarding Finnish health services may have an effect on the business of, and subsequently on the value of, such portfolio companies of CapMan funds which operate on health care or related business segments, such as Pharmia Oy. Further, economic uncertainty and fluctuations in the market may have a direct impact on the success of the funds managed by CapMan and also on the assets available for investment and solvency of the current and potential investors of the funds.

The market risk related to single investments depends on the market situation of the target investment in question and it affects, among other things, the possibilities to successfully exit the investment. The most common way to exit a private equity investment is to sell the target through a bilateral sale and purchase transaction. Exit from an unlisted company may also be executed through initial public offering. In regard to 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 favourable 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 an investment may take place during a period when investments must be realised at a value significantly lower than their book value, or the realisation of 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 its 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 CapMan fund in question.

Market fluctuations 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 and the funds managed by it are exposed to market specific risks relating to private equity, real estate and infrastructure investments as well as to risks relating to the different investment strategies of 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 and infrastructure. The CapMan Group manages Buyout funds investing in unlisted companies, Real Estate funds investing in real estate, Growth Equity funds investing in Nordic growth companies, Credit funds providing debt financing, Special Situations fund investing in demanding strategic and operational turnarounds, financial restructurings, and corporate carve-outs and Infrastructure funds investing e.g. in energy, transportation and telecommunications assets. Each of these investment markets is associated with market specific risks of their own, as described below, 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, private equity 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, financial standing of their tenants, terms and conditions of leases, cost overruns and construction delays. The risks relating to the Credit funds relate to the credit risk in relation to the borrower's solvency. Risks involved in infrastructure investments typically relate to either the completion risk, which is linked to construction delays, cost overruns or complexity or timing delay caused by bureaucratic formalities, or to the usage risk, which is linked to insufficient demand for the service that the infrastructure asset will provide once it is built. There is also risk relating to debt financing of the investments, as well as often regulatory risk relating for example to regulated pricing of the service offered or investment restrictions in certain types of assets. In addition to the foregoing risks, risks related to any investments in Russia are both financial and political in nature.

Failure in recognising or managing risks relating to existing investment strategies or any new investment strategies that may be established in the future as well as materialisation of any of the abovementioned strategy-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.

## **B. Risks Relating to CapMan's Business 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's business and results of operations are highly dependent on the establishment of new funds and their fundraising. Successful raising of new funds is important for the generation of future management fees and carried interest income. Successful fundraising depends highly on the success of CapMan's investment teams' investment operation. For example, poor performance of investments made by funds managed by 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. According to the management of the Company, management fees are long-term and highly predictable, and there is little volatility to be seen in the future despite the COVID-19 pandemic or the Russo-Ukrainian War. However, the increased uncertainty due to the COVID-19 pandemic and the Russo-Ukrainian War as well as their impacts on value creation and possible delays in exit processes may impact the timing of funds to generate carried interest and its magnitude. Further, the COVID-19 pandemic and the Russo-Ukrainian crisis may lead to delays in the fundraising process, with delays in both first and final closes of the funds. The final impact of these events on the fundraising processes or the generation of management fees and carried interest income is unclear and cannot be accurately assessed at this stage.

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 more attractive than the products and services provided by the CapMan Group. Competitors may for example 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 fund managers and service providers in the field of private investments. Respectively, the CapMan Group may not be able to successfully compete with current or future competitors. Further, products that are of interest to 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 products and 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 include pension funds, insurance companies and other institutional investors. It is possible, that the willingness of these investor groups to invest in CapMan funds might decrease due to regulatory changes in their own business e.g. related to solvency requirements, allocation of their investment portfolios or due to the increased economic instability. It is also possible, that these investor groups increase their direct investments in target assets or that they start to invest in other types of assets or financial instruments.

Failure in establishing of new private funds or successful fundraisings, 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 section 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 may not necessarily be able to find profitable investments 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 investments. Success in investment operations is, however, subject to finding

good investment targets. It is possible that CapMan or the funds managed by the CapMan Group cannot identify attractive target investments that suit their strategies or that they are unable to invest in such targets. It is also possible that the amount of potentially interesting targets may decrease in the future. It is typical for investment operations that some target investments, even if initially considered attractive, do not achieve the objectives set for them or that their returns do not meet the expectations. In addition, some target companies may become bankrupt or subject to other insolvency proceedings. Even though the funds managed by the CapMan Group perform due diligence investigations of target companies, real estate and infrastructure assets before making an investment decision, and also make careful plans on how to develop the target investment and/or its business, there can be no assurance that planned value creation and/or the target exit materialise. 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 given in connection with the exit or materialisation of other obligations included in the transaction agreements. Failure in choosing profitable target investments 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 funds. Fund agreements entered into between the relevant CapMan Group companies and investors usually allow the investors by a certain majority decision to dismiss or exchange the management and/or advisory companies 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 earlier (clawback). The obligation to return carried interest income could arise after carried interest from a fund has already been received and further capital would need to be invested in the same fund with lower returns. Any clawback would typically become payable at the liquidation of the fund. CapMan recognises revenue from carried interest to the extent carried interest is based on realised cash flows and not on valuations of unrealised portfolio, and therefore 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, among others, investment exit timing, exit probability and realisable fair value. CapMan recognises revenue from carried interest, to the extent carried interest is based on realised cash flows and repayment risk is estimated to be low. The clawback risk is measured by using the expected value methodology, i.e. by calculating a probability weighted average of estimated alternative investment exit outcomes. Even though the sufficiency of clawback provision is reviewed quarterly by the management, there can be no assurance that such provision is accurate and sufficient. A realisation of the clawback liability could have a negative impact on CapMan's results of operations.

Further, the fund agreements and investment activities are associated with certain liabilities. Although CapMan pursues to limit such liabilities, e.g. through limitation of liabilities clauses as well as insurances, there can be no assurance that such actions are sufficient to mitigate risks relating to the foregoing liabilities. Further, 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 (see "Information About the Issuer – Operating Segments – Management Company Business – Valuation of Investments" for further details). 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. Due to qualitative nature of the valuation methodologies, valuations are mainly based on CapMan's judgment. Moreover, CapMan has made some investments in funds managed by third parties. The valuations of these investments are based on input and judgment of these parties.

CapMan's earnings model, which is typical for the private equity industry makes predictions of the result and comparisons of financial periods difficult. The 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' target investments, 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. For a fund to transfer to carry, it must have returned 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, but the exact terms vary from fund to fund. 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 regulatory environment. Increasing and tightening regulation may reduce its fee profitability through increased costs of compliance. 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 to comply with laws and regulations may, in addition to financial penalties, 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, for example, revisions or withdrawal of the registrations and permits granted. Additionally, failure in compliance could weaken the reputation of the CapMan Group and lead to its diminished trustworthiness amongst investors, customers and other stakeholders.

CapMan must comply with anti-money laundering and counter terrorist financing regulations and know your customer procedures in its business operations. 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 the investors and their business through know your customer checks and continuous monitoring of transactions, there can be no certainty that CapMan would recognize suspicious or prohibited business operations at all or at the right time, nor that the investors give correct and adequate 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. 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 legal, regulatory and other similar risks relating to such new market areas.

The regulatory changes may also impact target investments of CapMan funds, CapMan's investors or other stakeholders of the CapMan Group. As an example, adverse changes in regulation applicable to CapMan's investors may affect also CapMan Group's business through the investors' diminished ability or interest to invest in private equity. Changes applicable to CapMan funds' target investments, which could potentially lead to weaker performance, may also affect CapMan's financial performance. Further, since CapMan funds have U.S. investors, also the U.S. legislation affects CapMan Group's business.

Financial markets regulation has during the past years undergone several reforms. There is no certainty on what kind of reforms will occur in the future, and the content, schedule, forms of enforcement and interpretations of future regulations remain to be seen. Also, the potential effects of future regulatory reforms on the CapMan Group's business are difficult to predict. Furthermore, despite of the Sustainable Finance Disclosure Regulation (SFDR) and the EU Taxonomy Regulation (EUT) have been entered into force, there are still ambiguities in the applicability and interpretation of such laws, which may create uncertainty and additional challenges for the CapMan Group. Also the Regulation (EU) 2019/2033 on the prudential requirements for investment firms ("IFR") and Directive (EU) 2019/2034 on the prudential supervision of investment firms ("IFD") have been applicable to CapMan Group as of 2021. CapMan Group has taken measures to ensure the compliance with IFR and IFD, but should there be any changes in the legislation in future, such changes could hinder CapMan's ability to deploy capital as freely as before, to recruit and incentivize staff, and have other material adverse impacts on CapMan's operations.

CapMan Group has subsidiaries operating under financial markets regulatory regimes such as AIFMD and MiFID, and holding respective licenses granted by local financial supervisory authorities. These regulated subsidiaries are subject to strict regulation and supervision. CapMan has reserved resources for compliance and risk management, regulatory follow-up, development of internal control system and procedures and for training of its personnel to ensure compliance with the regulatory requirements. These actions may, however, not be sufficient to control the regulatory environment and comply with applicable laws and regulations, 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.

***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 on 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 are 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 them could be costly, time consuming, or even impossible. 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. In addition, having competent personnel in key legal, compliance, risk management and administrative roles is essential for CapMan to run its operations efficiently and to meet the necessary regulatory requirements. The potential difficulties in recruiting or retaining these professionals could lead to diminished performance or loss of licence, thus impacting also the financial performance of the Group.

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, 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 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.

***Given the large amounts of capital involved in CapMan's operations, there is a risk that CapMan Group may be subject to fraudulent activities.***

Since large amounts of capital may flow through CapMan Group's funds, there remains a risk that CapMan Group's employees, consultants, suppliers or other parties may try to engage in fraudulent activities for the purpose of financial gain. In addition to risk of internal fraudulent activities, CapMan Group could also be subject to external fraud attempts. External fraudulent activities could materialise in the form of, among other things, intrusions, cyber-attacks, phishing and other social engineering techniques. Such external fraudulent activities are growing in complexity, sophistication and the number of attempts. Even though CapMan has internal systems in place for preventing, detecting and reacting to both internal and external fraudulent activities, the systems in place may not be sufficient to prevent and detect all fraudulent activities. A failure in recognizing and preventing or reacting sufficiently to fraudulent activities may result in large financial losses and significant reputational damage for CapMan and thus, have a material adverse effect on CapMan Group's business, financial condition and results of operations 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 uninterrupted operation and security of information technology systems developed and maintained by third parties.***

CapMan has become increasingly dependent on information systems and technology. 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. Thus, the performance and reliability of IT systems are critical to CapMan's ability to carry out 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 and, among other things, to the Company's ability to perform its regulatory and other reporting obligations. Further, increased tensions in the international geopolitical situation may increase the risk of cyber attacks on financial institutions, service providers or IT platforms. CapMan may be directly targeted by such attack, or an attack on a third party may impact CapMan's operations. 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 those 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 software. 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.

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

CapMan operates with international investment portfolios and investors. Therefore CapMan and CapMan funds are subject to, and required to comply with, various tax regulation, rules and guidelines imposed by, among others, the European Union and the Finnish tax authorities. The recent political priorities in international taxation highlight the need to ensure that tax is paid where profits and value are generated in order to combat tax fraud and tax

evasion. As a result of these political objectives, the Organisation for Economic Co-operation and Development (OECD) has prepared action plans for initiatives against base erosion and profit shifting (the “**BEPS Action Plans**”). Following the BEPS Action Plans, the European Union has adopted an anti-tax avoidance package and issued directives for fair and efficient corporate taxation in the European Union. Such directives include, among others, the Council Directive (EU) 2016/1164 of 12 July 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal market (so-called anti-tax avoidance directive, “**ATAD I**”), the Council Directive (EU) 2017/952 of 29 May 2017 amending Directive (EU) 2016/1164 as regards hybrid mismatches with third countries (“**ATAD II**”) and the Council Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation and repealing Directive 77/799/EEC (as amended on several occasions, DAC). As the anti-tax avoidance directives set out the minimum level of protection, the Member States may adopt stricter rules when transposing the ATAD I and ATAD II rules into their national laws. Therefore, the implementation of the directives may differ from one Member State to another. On 22 December 2021, the European Commission issued a proposal for a Directive aimed at fighting the use of shell entities and arrangements for tax purposes (“**ATAD III**”). The proposal comes in the form of amendments to ATAD II and to DAC. It is suggested that ATAD III would be transposed into Member States’ national law by 30 June 2023 and come into effect as of 1 January 2024. Further, the European Union has recognized that the anti-tax avoidance regulation may need to be still amended and supplemented in the future.

Even though CapMan always aims to operate its business in compliance with tax legislation and recommendations currently in force, there can be no assurance that any future legislative initiatives will not require CapMan to alter the structure of its funds or operations. Such changes could result in additional costs and decreased profits for CapMan or affect the way CapMan Group carries out its business. Further, any changes in tax rates or tax legislation or possible erroneous interpretations could lead to payment increases or sanctions imposed by the tax authorities, which could, in turn, result in financial losses or reputational adverse effect for CapMan. 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.

***The Issuer may not be successful in complying with the Framework, which may have an adverse effect on the reputation of the CapMan Group.***

The Notes are defined as sustainability-linked bonds according to the Issuer’s sustainability-linked finance framework (the “**Framework**”). There can be no assurance that the CapMan Group will be able to comply with the Framework and meet the sustainability performance targets defined in the Framework. The Issuer may fail to comply with the Framework for several reasons, for example if the Issuer does not have sufficient resources or expertise. If the Issuer fails to comply with the Framework, this may have an adverse effect on the reputation of the CapMan Group.

Furthermore, the Issuer is in the process of linking remuneration of members of the Issuer’s Management Group to sustainability targets in accordance with the Framework. The Issuer may not be successful in including relevant and quantifiable sustainability targets to the remuneration of the Management Group, which may effect on the reputation of the CapMan Group.

The materialization of any of these factors may have a material adverse effect on CapMan Group’s business, financial condition, results of operations and future prospects and thereby also 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 target investment is in economic distress. Further, one CapMan fund may buy/sell investments from/to another CapMan fund. 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. People involved in the management of the funds may sometimes be conflicted for example through their various work assignments and positions or personal holdings.

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 identify and foresee the potential or actual conflicts of interests, or measures to manage the occurrence of such conflicts may not be sufficient. Failure in identifying and dealing with the potential or actual conflicts of interest may e.g. cause reputational harm and expose CapMan to claims for liability. 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.

### **C. Risks Relating to CapMan'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 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 assets, operating cash flow 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. It is a part of CapMan's business model to make long-term commitments of significant size in closed-ended funds. An unforeseen decrease in CapMan's incoming cash flows or a requirement to invest the outstanding commitments earlier than expected could have an adverse effect on CapMan's liquidity, and thus, require CapMan to raise additional capital or to divest some of its investments at less than optimal prices to meet its liquidity needs, which may in turn result in increased financing costs or lower investment income for CapMan and thus 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 result in CapMan not being able to implement its strategy or delay or require CapMan to abandon some or all of its anticipated investments. Further, should the financing markets be further adversely affected by the COVID-19 pandemic or geopolitical conditions, there can be no assurance that the Issuer would continue to have sufficient funding available from the markets on corresponding or more favourable terms than currently in force. Being unable to carry out CapMan's strategy and planned investments may have an adverse effect on CapMan's business, financial condition, results of operations and future prospects.

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

The terms and conditions of CapMan's existing EUR 50 million notes and EUR 20 million revolving credit facility agreement include, and financing arrangements in the future may 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 result in increased financing costs for CapMan. Further, 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, which could jeopardise the continued financing for CapMan. Therefore, a failure to comply with covenants in CapMan's

financing arrangements 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'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 financing on corresponding or more favourable financial and other terms than currently in force in order to finance its future working capital needs, investments, acquisitions or other general corporate purposes; (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 unfavourable financial conditions than its competitors, which could weaken the CapMan Group's competitiveness. Although the CapMan Group currently generates sufficient funds from operating cash flow to satisfy its debt service requirements and its equity ratio is above 50 per cent, there can be no assurance that it will maintain such operating cash flow and adequate equity ratio 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 and thus increase CapMan's financing costs.

Further, 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.

If a payment default under the financing terms occurs, certain CapMan Group's creditors 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 revolving credit facility 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 the long term credit facility of EUR 20 million with a floating interest rate. Although CapMan may utilise 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 (primarily Sweden). In addition, CapMan has U.S. dollar (USD)-denominated investments and receivables. As at 31 December 2021, 88 per cent of the CapMan Group's financial assets were in euros, 10 per cent in US dollars, 2 per cent in Swedish krona and under 1 per cent in other currencies. 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 translation 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 2021, CapMan had recorded EUR 15.3 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 would require CapMan to write-down the impairment. Significant impairment of the current or future goodwill could have a material adverse effect on CapMan's reported results of operations or financial condition. Potential impairment of goodwill would, however, have no cash flow impact and thus no immediate impact on CapMan's ability to continue its operations.

#### **D. Risks Relating to the Notes as Debt Instrument**

***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, incur additional debt or otherwise effect significant transactions that may have a material adverse effect on the Notes and the Noteholders.***

The Notes do not, in addition to the rights of creditors in general, contain any covenants concerning the Issuer's financial standing or operations or other 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 7.4 (*Mandatory repurchase due to a Change of Control Event (put option)*)), and Clause 7.5 (*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, incur additional debt 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. Further, there is no restriction on the amount of debt which the Issuer and its Subsidiaries may raise or issue after issuing of the Notes. Any further indebtedness may reduce the amount recoverable by the Noteholders upon winding-up or insolvency of the Issuer, or may worsen the position and priority of the Noteholders in such winding-up or insolvency procedure.

***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. If market interest rates fall, the price of a security with a fixed interest rate typically increases. 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.

***Following an Event of Default, a Change of Control event or a Demerger Event, the Issuer may have an obligation to redeem and purchase the Notes prior to maturity and the Issuer may not be able to finance such repurchase of the Notes.***

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 an Event of Default (see Clause 10 (*Acceleration of the Notes*)), a Change of Control Event (see Clause 7.4 (*Mandatory repurchase due to a Change of Control Event (put option)*)) or a Demerger Event (see Clause 7.5 (*Mandatory repurchase due to a Demerger Event (put option)*)) at a price per Note equal to its nominal

amount plus accrued interest to the date of such repurchase. The source for the funds required 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 an Event of Default, a Demerger Event or a Change of Control event occur, 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. Furthermore, such premature repayment may 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 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 may grant some security without the consent of the Noteholders.***

Except for as set out in Clause 8 (*Negative Pledge*) of the Terms and Condition of the Notes, there is no restriction on the amount of unsecured debt which the Issuer and its Subsidiaries may raise or issue after issuing of the Notes.

So long as any Notes remain outstanding, the Terms and Conditions of the Notes prohibit CapMan from creating any Security over any of its assets, unless prior to or simultaneously therewith CapMan's obligations under the Notes (i) are secured equally and rateably therewith or (ii) have the benefit of such other Security or other arrangement that is approved by a resolution of the Noteholders (by a Noteholders' Meeting or Written Procedure). Furthermore, the Terms and Conditions of the Notes include certain other exceptions to prohibition to create any Security over CapMan's assets. For instance, CapMan may grant any Security securing indebtedness arising under loan or facility agreements and documentation related thereto concluded with credit institutions, institutional investors, credit funds or similar, in case the principal amount does not in aggregate exceed EUR 50,000,000.

Any further indebtedness, whether secured or unsecured, may reduce the amount recoverable by the Noteholders upon winding-up or insolvency of the Issuer, or may worsen the position and priority of the Noteholders in such winding-up or insolvency procedure.

***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 7.3 (*Voluntary total redemption (call option)*) of the Terms and Conditions of the Notes, the Issuer is entitled at any time to redeem the Notes, in whole but not in part, with not less than thirty (30) but no more than sixty (60) calendar days' notice, at a redemption price equal to, (a) in the case of a voluntary redemption occurring before the date falling three (3) months prior to the Final Maturity Date (being the First Call Date) the sum of (i) one hundred (100) per cent of their outstanding principal amount together with any accrued but unpaid interest to but excluding the date of voluntary redemption and (ii) the remaining interest payments from and including the voluntary redemption date to (but excluding) the First Call Date, provided that if the voluntary redemption occurs prior to 31 December 2023 the interest payable would be calculated assuming that the sustainability performance targets would not be met and the maximum margin step-up would occur accordingly, and (b) in the case of a voluntary redemption occurring thereafter at a redemption price equal to one hundred (100) per cent of their outstanding principal amount together with any accrued but unpaid interest to but excluding the date of voluntary redemption.

Furthermore, if the outstanding aggregate principal amount of the Notes is twenty-five (25) per cent or less of the initial aggregate nominal amount of the Notes, the Issuer may, at its option, at any time, redeem all (but not only some) of the outstanding Notes at a price per Note equal to 100 per cent of the Nominal Amount together with accrued but unpaid Interest to, but excluding, the date fixed for redemption, subject to the Issuer having given the Noteholders not less than fifteen (15) nor more than forty-five (45) calendar days' prior notice.

Any early repayment initiated by the Issuer may incur financial losses or damage, among other things, to such

Noteholders who had prepared themselves to have the amount of the Notes invested until the contractual final maturity of the Notes.

***The Terms and Conditions of the Notes may be subject to amendments and decisions by the Noteholders may be made with requisite majority***

Pursuant to Clause 13 (*Noteholders' Meeting*) and Clause 14 (*Written Procedure*) of the Terms and Conditions of the Notes, the Terms and Conditions of the Notes may be amended in certain circumstances with the required consent of a defined majority of the Noteholders. The Terms and Conditions of the Notes contain provisions for the Issuer to convene meetings or instigate written procedures of the Noteholders to consider and vote upon matters affecting the interests of the Noteholders generally. Resolutions passed at such Noteholders' meetings and in such written procedures will bind all Noteholders, including Noteholders who did not attend and vote at the relevant Noteholders' meeting or participate in the relevant written procedure and Noteholders who voted in a manner contrary to the requisite majority. This may incur financial losses, among other things, to all Noteholders, including such Noteholders who did not attend and vote at the relevant Noteholders' meeting or participate in the relevant written procedure and Noteholders who voted in a manner contrary to the requisite 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 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 the Noteholders on amounts due pursuant to the Notes, the Issuer is neither obliged to gross-up or otherwise compensate the Noteholders 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.

#### **E. Risks Relating to the Ranking of the Notes**

***Secured creditors will have prior claim to the Issuer's assets that constitute their collateral as compared to the Noteholders.***

The Issuer's secured debt consists of EUR 20 million long-term credit facility agreement signed in 2021 and maturing in 2024. As at the date of this Prospectus, the Issuer has not withdrawn any loans under the long-term credit facility agreement. 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. It cannot be assured that there will be sufficient assets to pay amounts due on the Notes.

***The Notes will not be obligations of anyone other than the Issuer, they will not be guaranteed and they are unsecured debt instruments in the event of the Issuer's bankruptcy or other insolvency.***

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 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.

***Notes may not be a suitable investment for all investors seeking exposure to assets with sustainability characteristics.***

The Notes are defined as sustainability-linked bonds according to the Framework. The Issuer's failure to comply with the Framework does not constitute an Event of Default under the Terms and Conditions.

Even though the interest rate relating to the Notes is subject to an upward adjustment in certain circumstances specified in the Terms and Conditions, the Notes may fail to satisfy investor's requirements or any future standards for investment in assets with sustainability characteristics and no representation is made by the Issuer or the Lead Manager as to the suitability of the Notes to fulfil environmental or sustainability criteria required by prospective investors. Although the European Central Bank announced on 22 September 2020 that bonds with interest linked to sustainability performance targets will become eligible as collateral for Eurosystem credit operations from 1 January 2021, there is currently no generally accepted definition of, or market consensus as to, what constitutes "sustainability-linked bonds". Further, the Notes will not be marketed as "green bonds" or "social bonds" since the Issuer does not intend to allocate the net proceeds specifically to projects or business activities meeting environmental or sustainability criteria, or be subject to any other limitations associated with green or social bonds.

No assurance is given by the Issuer or the Lead Manager as to the suitability or reliability for any purpose of any opinion (including the opinion provided by ISS ESG confirming the alignment of the Framework with the ICMA's Sustainability-Linked Bond Principles (the "SLBP") (the "**Second Party Opinion**")), report, certification or validation of any third party in relation to the sustainability performance targets referred to in the Framework set to fulfil any sustainability linked and/or other criteria.

The provider of the Second Party Opinion and providers of similar opinions, certifications and validations are not currently subject to any specific regulatory or other regime or oversight. Any such opinion or certification is not, nor should be deemed to be, a recommendation by the Issuer, the Lead Manager, the provider of the Second Party Opinion, or any other person to buy, sell or hold the Notes. Noteholders have no recourse against the Issuer, the Lead Manager or the provider of any such opinion or certification for the contents of any such opinion or certification.

Any withdrawal of any such opinion or certification or any such opinion, certification or validation attesting that the Issuer is not complying in whole or in part with any matters for which such opinion, certification or validation is opining on or certifying on may have a material adverse effect on the value of the Notes and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose. Any such opinion, report or certification is not, nor shall it be deemed to be, incorporated in and/or form part of this Prospectus.

***The Notes include certain triggers linked to sustainability key performance indicators.***

The Notes include certain triggers linked to sustainability key performance indicators, as the Issuer will have (i) science based targets relating to reduction of greenhouse gases approved and published by the Science Based Targets initiative ("**SBTi**") on its website and (ii) targets set by the Board of Directors to the management group's long-term performance share plan 2022-2025 which will be linked to CapMan Group's overall sustainability targets, as defined in the Framework.

The failure to meet such sustainability performance targets on 31 December 2023 will result in an upward adjustment of the interest rate applicable to the Notes, which would increase the Issuer's total cost of funding. Such failure would also expose the CapMan Group to reputational risks. If the Issuer does not reach the sustainability performance targets, this may have a material adverse effect on CapMan Group's business, financial condition, results of operations and future prospects.

## RESPONSIBILITY REGARDING THE PROSPECTUS

This Prospectus has been prepared by CapMan Plc and CapMan Plc accepts responsibility regarding the information contained in this Prospectus. CapMan Plc declares that, to the best of its knowledge, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes 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 has 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 will be available as of 13 April 2022 on the website of the Issuer at, <https://www.capman.com/shareholders/debt-investors/>.

## 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. The Company does not intend to seek rating for the Notes in the future.

## NOTICE REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus contains forward-looking statements about CapMan's business that are not historical facts, but statements about future expectations. Such forward-looking statements are based on CapMan's present plans, estimates, projections and expectations. They are based on certain expectations, which, even though they seem to be reasonable at present, may turn out to be incorrect. Such forward-looking statements are based on assumptions and are subject to various risks and uncertainties. The words such as "aims", "assumes", "believes", "estimates", "expects", "will", "intends", "may", "plans", "should" and similar expressions or negative of such terms identify certain of such forward-looking statements. Other forward-looking statements can be identified in the context in which the statements are made. Forward-looking statements are set forth in a number of places in this Prospectus regarding the future results, plans and expectations with regard to CapMan's business, and on growth, profitability and the general economic conditions to which CapMan is exposed.

Such forward-looking statements involve known and unknown risks, uncertainties and other important factors, and as a result, events described in the forward-looking statements may not occur or may fail to materialize. The section "*Risk Factors*" of this Prospectus presents examples of these and other risks, uncertainties and other factors. Should one or more of these or other risks or uncertainties materialize, or should any underlying assumptions prove to be incorrect, the actual results of operations or financial condition of the Issuer or its ability to fulfil its obligations under the Notes could differ materially from what is described in this Prospectus as anticipated, believed, estimated or expected. Prospective investors should not unduly rely on these forward-looking statements. Numerous factors may cause actual results, realized revenues or performance to differ materially from the results, revenues and performance expressed or implied in the forward-looking statements of CapMan. CapMan does not intend and does not assume any obligation to update any forward-looking statements contained herein or to adjust them in the light of future events or developments unless required by applicable legislation. For additional information on factors that could cause CapMan's actual results of operations, performance or achievements of CapMan to differ materially, see "*Risk Factors*".

## NO INCORPORATION OF WEBSITE INFORMATION

This Prospectus together with the documents incorporated by reference herein are available on CapMan's website at, <https://www.capman.com>. However, any other information presented on CapMan's website or any other website does not form a part of this Prospectus (except for any supplement to the Prospectus and information which has been incorporated by reference into the Prospectus, see section "*Information Incorporated by Reference*"), and the information on such websites has not been scrutinized or approved by the FIN-FSA. Prospective investors should not rely on such information in making their decision to invest in CapMan's securities.

## NO CONTROLLING SHAREHOLDERS

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 arrangement related to the Issuer's ownership the operation of which may result in a change of control of the Issuer.

## TAXATION

Potential investors should be aware that the tax legislation of a potential investor's member state and of the Issuer's country of incorporation may have an impact on the income received from the Notes.

## 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.

## SECOND PARTY OPINION

The Issuer has requested a provider of second party opinions, ISS ESG, to issue a second party opinion (the "**Second Party Opinion**") in relation to the CapMan Sustainability-Linked Finance Framework. The Second Party Opinion is accessible on the website of the Issuer at, <https://www.capman.com/shareholders/debt-investors/>. However, any information on, or accessible through, such website and the information in such Second Party Opinion does not form part of this Prospectus and should not be relied upon in connection with making any investment decision with respect to the Notes.

The Second Party Opinion covers the sustainability credibility of KPI #1 and KPI #2 and calibration of STP #1 and STP #2, the alignment of the Framework with the SLBP administered by ICMA and the consistency of the issuance of the Notes with CapMan's sustainability strategy.

The Second Party Opinion confirms that KPI #1 is relevant, core and material to CapMan's business model and that it will be measurable, quantifiable, externally verifiable and benchmarkable when the sustainability performance targets are formulated. However, due to KPI #1 being forward-looking, it cannot yet be verified. The second party opinion confirms that SPT #1 is ambitious against CapMan's peers in asset management and brokerage sector and that CapMan is committed to align with the Paris Agreement. ISS ESG confirms that there is limited information available to assess the level of ambition of the SPT #1 against past performance.

The Second Party Opinion confirms that KPI #2 is relevant, core and material to CapMan's business model and consistent with its sustainability strategy. KPI #2 is considered to be appropriately measurable, quantifiable and externally verifiable. SPT #2 is ambitious against CapMan's past performance because executive remuneration has not been precisely linked to any ESG objectives. According to the Second Party Opinion, whether the integration of SPT #2 into executive remuneration improves CapMan's ESG performance is dependent on whether the objectives relating to SPT #2 are reached.

According to the Second Party Opinion, both SPT #1 and STP #2 will be set in a clear timeline and they are supported by strategy and action plan. SPT #1 will also be benchmarkable. According to the Second Party Opinion, benchmarking SPT #2 against CapMan's industrial peers and international targets is limited because ESG objectives used by companies differ in terms of scope, scale and materiality.

The Second Party Opinion confirms that the Framework is aligned with the SLBP administered by the ICMA and that the issuance of the Notes contributes to CapMan's sustainability strategy.

## TERMS AND CONDITIONS OF THE NOTES

### CAPMAN PLC EUR 40 MILLION 4.500 PER CENT. SUSTAINABILITY-LINKED NOTES DUE 2027

ISIN code: FI4000519178

*The Board of Directors of CapMan Oyj (the “**Issuer**”) has in its meeting on 16 March 2022 authorised the Issuer’s management to decide on the issue of notes referred to in Paragraph 1 of Section 34 of the Act on Promissory Notes (622/1947, as amended in 746/1993, Fin: velkakirjalaki).*

*Based on the authorization, the Issuer decided to issue senior unsecured notes (the “**Notes**”) on the terms and conditions specified below (the “**Terms and Conditions**”).*

*OP Corporate Bank plc acted as Lead Manager in connection with the offer and issue of the Notes (the “**Lead Manager**”).*

#### **MiFID II product governance / Retail clients, professional clients and eligible counterparties target market**

Solely for the purposes of the 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, professional clients and retail clients, each as defined in 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 manufacturer’s 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 manufacturer’s target market assessment) and determining appropriate distribution channels, subject to the distributor’s suitability and appropriateness obligations under MiFID II, as applicable.

#### **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).

“**Adjusted Equity**” means 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), in the Balance Sheet.

“**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.

“**Balance Sheet**” means, at any time, the balance sheet forming part of the latest consolidated financial statements of the Group (whether audited or unaudited).

“**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 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 Fin: *jakautumissuunnitelma*) according to Chapter 17 Section 5 of the Finnish Companies Act (21.7.2006/624).

“**Equity Ratio**” means the ratio of Adjusted Equity to Total Assets.

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

“**Event of Default**” means an event or circumstance specified in paragraphs (a) to (f) of Clause 10.1.

“**Existing 2023 Notes**” means the notes issued by the Issuer on 16 April 2018.

“**Final Maturity Date**” means 13 April 2027.

“**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 15.

“**Financial Indebtedness**” means (without double counting):

- (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;
- (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**” has the meaning set forth in Clause 7.3.

“**Force Majeure Event**” has the meaning set forth in Clause 18.1.

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

“**Initial Interest Rate**” means 4.500 per cent. *per annum*.

“**Interest**” means the interest on the Notes calculated in accordance with Clauses 6.1 to 6.2.

“**Interest Payment Date**” means 13 April 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 13 April 2023 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.

“**Issue Date**” means 13 April 2022.

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

“**Issuer Agent**” means OP Custody Ltd acting as issuer 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 Issuer Agent in accordance with the regulations of the CSD.

“**Nominal Amount**” has the meaning set forth in Clause 2.6.

“**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 13.

“**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 13.2 or Clause 14.2, 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 7 (*Redemption and repurchase of the Notes*).

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

”**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 a subsidiary within the meaning of Chapter 1, Section 6 of the Accounting Act (1336/1997, as amended, Fin: *kirjanpitolaki*).

”**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.

”**Total Assets**” means the total assets in the Balance Sheet.

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

”**Voluntary Redemption Date**” has the meaning set forth in Clause 7.3.

”**Voluntary Redemption Notice**” has the meaning set forth in Clause 7.3.

”**Written Procedure**” means the written or electronic procedure for decision making among the Noteholders in accordance with Clause 14.

## **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 to eligible counterparties, professional clients and retail clients (each as defined in MiFID II) through a book-building procedure. The subscription period shall commence and end on 6 April 2022. 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.

- 2.3 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.
- 2.4 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 Issuer 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.
- 2.5 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.
- 2.6 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 40,000,000.00. 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.
- 2.7 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.
- 2.8 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 voluntary redemption of the Existing 2023 Notes and general corporate purposes of the Group.

### 4. NOTES IN BOOK-ENTRY FORM

- 4.1 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.
- 4.2 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 Issuer Agent, the Issuer shall (and shall be entitled to do so) promptly obtain such information and provide it to the Issuer Agent, as applicable.
- 4.3 The Issuer Agent shall have the right to obtain information referred to in Clause 4.2 from the CSD in respect of the Notes if so permitted under the regulation of the CSD. The Issuer agrees that the Issuer Agent is at any time on its behalf entitled to obtain information referred to in Clause 4.2 from the CSD in respect of the Notes.
- 4.4 The Issuer shall issue any necessary power of attorney to such persons employed by the Issuer Agent as are notified by the Issuer Agent, in order for such individuals to independently obtain information referred to in Clause 4.2 directly from the CSD in respect of the Notes. The Issuer may not revoke any such power of attorney unless directed by the Issuer Agent or unless consent thereto is given by the Noteholders.

4.5 The Issuer and the Issuer Agent may use the information referred to in Clause 4.2 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.

## 5. PAYMENTS IN RESPECT OF THE NOTES

5.1 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.

5.2 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.

5.3 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.

5.4 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.

## 6. INTEREST

### 6.1 Initial Interest Rate

6.1.1. Subject to clause 6.2, each Note carries Interest at the Initial Interest Rate from (and including) the Issue Date up to (but excluding) the relevant Redemption Date.

6.1.2. 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.

6.1.3. Interest shall be calculated on the “actual/actual ICMA” basis as specified by the International Capital Market Association.

### 6.2. Step-Up Provision

6.2.1. If a Step-Up Event has occurred, then for any Interest Period commencing on or after the Interest Payment Date immediately following the Notification Deadline, the Initial Interest Rate shall be increased by the relevant Step-Up Margin.

6.2.2. During the term of the Notes, zero, one or two Step-Up Events may potentially occur such that the related combination of the Step-Up Margins may be applicable for the remaining term of the Notes. For the avoidance of doubt, each Step-Up Event may only occur once during the term of the Notes, and (once applicable) the relevant Step-Up Margin shall apply for the remaining term of the Notes from the Interest Payment Date immediately following the Notification Deadline.

6.2.3. The Issuer will cause each occurrence of a Step-Up Event and the related increase in the rate of Interest to be notified to the Issuer Agent and the Noteholders in accordance with condition 17, as soon as reasonably practicable after such occurrence and in no event later than the relevant Notification Deadline.

“**Framework**” means the Issuer’s Sustainability-linked Finance Framework dated 4 April 2022.

“**Notification Deadline**” means the date falling 90 days after the Observation Date;

“**Observation Date**” means 31 December 2023.

“**Remuneration Condition**” means the condition that the Issuer will integrate in its management group’s long-term performance share plan for 2022-2025 sustainability targets which are linked to

the Group’s overall sustainability targets as presented in the Framework and publish such targets in accordance with the Framework on its website on or before the Observation Date;

“**Remuneration Event**” shall be deemed to have occurred if the Issuer fails to satisfy the Remuneration Condition on or before the Observation Date;

“**Remuneration Step-Up Margin**” means 0.25 per cent;

“**SBTi**” means the Science Based Targets initiative;

“**Science Based Targets Condition**” means the condition that the Issuer will have science-based targets relating to reduction of greenhouse gases published on its website in accordance with the Framework, approved by the SBTi and published on the SBTi’s website on or before the Observation Date;

“**Science Based Target Event**” shall be deemed to have occurred if the Issuer fails to satisfy the Science Based Targets Condition;

“**Science Based Targets Event Step Up Margin**” means 0.25 per cent.;

“**Step-Up Event**” means Remuneration Event or Science Based Target Event, as applicable; and

“**Step-Up Margin**” means:

- (i) where a Remuneration Event has occurred, the Remuneration Step-Up Margin; or
- (ii) where a Science Based Target Event has occurred, the Science Based Targets Event Step-Up Margin.

## **7. REDEMPTION AND REPURCHASE OF THE NOTES**

### **7.1 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.

### **7.2 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.

### **7.3 Voluntary total redemption (call option)**

7.3.1 The Issuer may, at any time having given, not less than thirty (30) nor more than sixty (60) calendar days’ prior notice (the “Voluntary Redemption Notice”) to the Issuer Agent and to the Noteholders in accordance with Clause 17, redeem all, but not only part, of the aggregate principal amount of the Notes on the relevant date specified for redemption (the “Voluntary Redemption Date”) in the Voluntary Redemption Notice at a redemption price equal to:

- (a) in the case of a Voluntary Redemption Date occurring before the date falling (3) months prior to the Final Maturity Date (such Business Day excluded) (the “First Call Date”), the sum of (i) 100 per cent. of the Nominal Amount of the Notes to be redeemed together with any accrued but unpaid interest to (but excluding) the Voluntary Redemption Date and (ii) the interest payments falling due from and including the Voluntary Redemption Date to (but excluding) the First Call Date, provided that if the Voluntary Redemption Date occurs prior to the Observation Date, the Step-Up Events relating to the Observation

Date shall be deemed having occurred on the Observation Date, and the applicable interest rates for such interest payments shall be calculated in accordance with Clause 6.2.1; or

- (b) in the case of a Voluntary Redemption Date occurring on or after the First Call Date, at an amount equal to 100 per cent. of the Nominal Amount of the Notes to be redeemed together with any accrued but unpaid interest to but excluding the Voluntary Redemption Date.

Any Voluntary Redemption Notice is irrevocable, but may, at the Issuer's discretion, contain one or more conditions precedent. Upon expiry of such notice and fulfilment of the conditions precedent (if any), the Issuer shall redeem the Notes in full at the applicable amounts.

#### **7.4 Mandatory repurchase due to a Change of Control Event (put option)**

7.4.1 The Issuer shall notify the Noteholders upon becoming aware of the occurrence of a Change of Control Event in accordance with Clause 17.

7.4.2 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 7.4.1 (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.

7.4.3 The notice from the Issuer pursuant to Clause 7.4.1 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 7.4.1. The repurchase date must fall no later than forty (40) Business Days after the end of the period referred to in Clause 7.4.2.

7.4.4 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 7.4, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 7.4 by virtue of the conflict.

7.4.5 Any Notes repurchased by the Issuer pursuant to this Clause 7.4 may at the Issuer's discretion be retained, sold or cancelled.

7.4.6 The Issuer shall not be required to repurchase any Notes pursuant to this Clause 7.4, 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 7.4 (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 7.4, 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 7.4 if it has prior to the occurrence of the Change of Control Event delivered a Voluntary Redemption Notice to exercise its right to redeem all of the Notes in accordance with Clause 7.3.

#### **7.5 Mandatory repurchase due to a Demerger Event (put option)**

7.5.1 Upon the publication of a plan to carry out a Demerger Event, the Issuer shall notify the Noteholders and the Issuer Agent of the planned Demerger Event in accordance with Clause 17.

7.5.2 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 7.5.1 (after which time period such right shall lapse).

- 7.5.3 The notice from the Issuer pursuant to Clause 7.5.1 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 7.5.1. The repurchase date must fall no later than forty (40) Business Days after the end of the period referred to in Clause 7.5.2.
- 7.5.4 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 7.5, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 7.5 by virtue of the conflict.
- 7.5.5 Any Notes repurchased by the Issuer pursuant to this Clause 7.5 may at the Issuer's discretion be retained, sold or cancelled.
- 7.5.6 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.

## **7.6 Clean-up call option**

If the outstanding aggregate principal amount of the Notes is twenty-five (25) per cent or less of the initial aggregate nominal amount of the Notes, the Issuer may, at its option, at any time, redeem all (but not only some) of the outstanding Notes at a price per Note equal to 100 per cent. of the Nominal Amount together with accrued but unpaid Interest to, but excluding, the date fixed for redemption, subject to the Issuer having given the Noteholders not less than fifteen (15) nor more than forty-five (45) calendar days' prior notice (which notice shall be irrevocable) in accordance with Clause 17.

## **8. NEGATIVE PLEDGE**

- 8.1 Except as provided under Clause 8.2, the Issuer shall not create or allow to subsist any Security over any of its assets, unless prior to or simultaneously therewith the Issuer's obligations under the Notes;
- (a) are secured equally and rateably therewith; or
  - (b) have the benefit of such other Security or other arrangement that is approved by a resolution of the Noteholders (by a Noteholders' Meeting or Written Procedure).
- 8.2 Clause 8.1 does not apply to any 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 over or affecting any asset acquired by the Issuer after the Issue Date if:
  - (i) the 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 is removed or discharged within six months of the date of acquisition of such asset;
- (e) any Security entered into pursuant to any Finance Document;
- (f) any 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 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 securing indebtedness the principal amount of which (when aggregated with the principal amount of any other indebtedness which has the benefit of 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).

## 9. EQUITY RATIO

- 9.1.1. The Issuer undertakes that the Equity Ratio shall on each Reference Date be at least thirty (30) per cent.
- 9.1.2. The compliance with the Equity Ratio under Clause 0 above shall be calculated in respect of each Reference Date by reference to the Balance Sheet of that Reference Date once published.

## 10. ACCELERATION OF THE NOTES

- 10.1 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) **Non-Payment:** the Issuer does not pay within five (5) Business Days from the relevant due date any amount payable by it under the Finance Documents, unless the non-payment is caused by a Force Majeure Event described in Clause 18.
  - (b) **Negative Pledge:** the Issuer does not comply with its obligations under Clause 8;
  - (c) **Equity Ratio:** the Issuer does not comply with its obligations under Clause 9;

- (d) **Cross-default:** 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) **Cessation of Business:** the Issuer ceases to carry on its current business in its entirety; or
- (f) **Winding-up and Bankruptcy:** the Issuer has been adjudged into winding-up (Fin: *selvitystila*) or declared bankrupt.

10.2 No Noteholder may accelerate the Notes held by it in accordance with Clause 10.1 above by reference to a specific Event of Default if it has been remedied or waived.

## 11. RIGHT TO ACT ON BEHALF OF A NOTEHOLDER

11.1 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.

11.2 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.

11.3 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 11.1 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.

## 12. DECISIONS BY NOTEHOLDERS

12.1 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.

12.2 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.

12.3 Only a Person who is, or who, directly or indirectly, has been provided with a power of attorney pursuant to Clause 11 (*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 13.2, in respect of a Noteholders' Meeting, or
- (b) at the Record Time on the CSD Business Day specified in the communication pursuant to Clause 14.2, 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.

- 12.4 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 14.2:
- (a) a change to the Initial Interest Rate (other than pursuant to clause 6.2) or the Nominal Amount;
  - (b) a change to the terms dealing with the requirements for Noteholders' consent set out in this Clause 12;
  - (c) 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; and
  - (d) early redemption of the Notes, other than upon an acceleration of the Notes pursuant to Clause 10 (*Acceleration of the Notes*) or as otherwise permitted or required by these Terms and Conditions.
- 12.5 Any matter not covered by Clause 12.4 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 14.2. 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.
- 12.6 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 12.4, and otherwise twenty (20) per cent. of the Adjusted Nominal Amount:
- (a) if at a Noteholders' Meeting, attend the meeting in person, or by telecommunications or other electrical or technical means (or appear through duly authorised representatives); or
  - (b) if in respect of a Written Procedure, reply to the request.
- 12.7 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 13.1) or initiate a second Written Procedure (in accordance with Clause 14.1), 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 12.6 shall not apply to such second Noteholders' Meeting or Written Procedure.
- 12.8 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.
- 12.9 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.
- 12.10 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.

12.11 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.

### **13. NOTEHOLDERS' MEETING**

13.1 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 publishing a notice thereof in accordance with Clause 17. The CSD must be notified of a Noteholders' Meeting in accordance with its rules.

13.2 The notice pursuant to Clause 13.1 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) and (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. 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. At the Issuer's discretion, a Holders' meeting may also be held (or participation to a physical meeting enabled) by telecommunications or other electronic or technical means.

13.3 The Noteholders' Meeting shall be held no earlier than ten (10) Business Days and no later than thirty (30) Business Days from the date when the notice has been published in accordance with Clause 17.

### **14. WRITTEN PROCEDURE**

14.1 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 publishing a notice thereof in accordance with Clause 17. The CSD must be notified of a Written Procedure in accordance with its rules.

14.2 A communication pursuant to Clause 14.1 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 its 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 ten (10) Business Days from the communication pursuant to Clause 14.1). If the voting is to be made electronically, instructions for such voting shall be included in the communication.

14.3 When a consent from the Noteholders representing the requisite majority of the total Adjusted Nominal Amount pursuant to Clauses 12.4 or 12.5 has been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 12.4 or 12.5, as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

### **15. AMENDMENTS AND WAIVERS**

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.

### **16. PRESCRIPTION**

16.1 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.

16.2 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.

## 17. NOTICES

17.1 Noteholders shall be advised of matters relating to the Notes by stock exchange or press releases. Alternatively, the Issuer may deliver notices relating to 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 or delivered in the manner specified in this Clause 17.

17.2 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".

17.3 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 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 or, in the case of e-mail, when actually received in a readable form.

17.4 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.

## 18. FORCE MAJEURE AND LIMITATION OF LIABILITY

18.1 The Issuer or the Issuer 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 or the Issuer Agent and that materially affect operations of any of them;
- (c) any interruption of or delay in any functions or activities of the Issuer or the Issuer 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 or the Issuer 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 Manager or the Issuer Agent,

and any of paragraphs (a) to (e), a "Force Majeure Event".

18.2 The Issuer Agent shall have no liability to the Noteholders if it has observed reasonable care. The Issuer Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.

18.3 Should a Force Majeure Event arise which prevents the Issuer or the Issuer Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.

18.4 The provisions in this Clause 18 apply unless they are inconsistent with the provisions of the Book-Entry System Act which provisions shall take precedence.

**19. 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.

**20. 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 Clause 20 shall not limit the Issuer's right to issue any other notes.

**21. 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.

**22. GOVERNING LAW AND JURISDICTION**

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.

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

## OVERVIEW OF THE OFFERING AND THE NOTES

*This overview is an overview of certain key features of the Offering and the Notes. Any decision by an investor to invest in any Notes should be based on a consideration of this Prospectus as a whole, including the information incorporated by reference herein.*

*Words and expressions in this section shall have the meanings defined in the Terms and Conditions of the Notes unless otherwise stated.*

Issuer:	CapMan Oyj, a public limited liability company incorporated in Finland.
Risk Factors:	Investing in the Notes involves risks. The principal risk factors relating to the Issuer and the Notes are discussed in the section “ <i>Risk Factors</i> ” of this Prospectus.
Ranking of the Notes:	The Notes constitute direct 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.
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:	FI4000519178.
Depository and settlement system:	Euroclear Finland Ltd, Urho Kekkosen katu 5 C, FI-00100, Helsinki, Infinity-system of Euroclear Finland Ltd.
Issue price and effective yield of the Notes:	Issue price of 100 per cent, resulting in effective yield of 4.500 per cent per annum.
Minimum subscription amount:	EUR 100,000.
Denomination of a book-entry unit:	EUR 1,000.
Issue Date:	13 April 2022.
Final Maturity Date:	13 April 2027.
Interest on the Notes:	<p>Initial fixed interest at the rate of 4.500 per cent p.a. If by 31 December 2023 the Issuer fails to achieve one of the Sustainability Performance Targets (as defined below) a margin of 0.25 per cent will be added to the initial interest rate and if the Issuer fails to achieve both of the Sustainability Performance Targets a margin of 0.50 per cent will be added to the initial interest rate, with effect as of the interest period commencing on or after 13 April 2024.</p> <p>The "Sustainability Performance Targets" are:</p> <ol style="list-style-type: none"><li>(1) The Issuer to have science-based targets relating to reduction of greenhouse gases published on its website in accordance with the Framework, approved by the SBTi and published on the SBTi's website on or before 31 December 2023; and</li><li>(2) The Issuer to integrate in its management group's long-term performance share plan for 2022-2025 targets which are linked to the Group's overall sustainability targets as presented in the Framework and to publish such targets in accordance with the Framework on its website on or before 31 December 2023.</li></ol>

Interest on the Notes shall be payable annually in arrears commencing on 13 April 2023 and thereafter on each 13 April until the Notes have been repaid in full.

Redemption:	<p>At par, bullet, on the Final Maturity Date, or earlier upon an Event of Default, a Demerger Event or a Change of Control Event if a Noteholder so requests.</p> <p>The Issuer is entitled to redeem the Notes in full on or after the date falling three (3) months prior to the Final Maturity Date (the "<b>First Call Date</b>"). Before the First Call Date the Issuer is entitled to redeem the Notes in full together with remaining interest accruing until but excluding the First Call Date and should the redemption occur prior to 31 December 2023 the remaining interest would be calculated assuming that the Issuer would not achieve the Sustainability Performance Targets and the maximum step-up margin would become applicable accordingly.</p> <p>In addition, the Issuer is entitled to redeem the Notes in full if the outstanding aggregate principal amount of the Notes is twenty-five (25) per cent or less of the initial aggregate principal amount of the Notes.</p>
Covenants, mandatory repurchase and Events of Default:	Equity Ratio (i.e. ratio of Adjusted Equity to Total Assets) at least thirty (30) per cent, Change of Control Event, Demerger Event, non-payment, cross default, negative pledge, cessation of business, winding-up and bankruptcy.
Issuer Agent:	OP Custody Ltd, Gebhardinaukio 1, FI-00510 Helsinki.
Publication date and investors:	The result of the Offering was announced on 6 April 2022 and the Notes were allocated mainly to institutional investors.
Listing:	Application has been made to have the Notes listed on the official list of the Helsinki Stock Exchange. The Notes are expected to be listed on the official list of Helsinki Stock Exchange on or about 19 April 2022.
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 revolving credit facility agreement (the "<b>Revolving Credit Facility Agreement</b>") with the Issuer. The Lead Manager has also acted as the lead manager in relation to the issuance of the Existing 2023 Notes (as defined in the Terms and Conditions of the Notes). The proceeds from the Offering will on 27 April 2022 be used in the amount of EUR 32.5 million for the financing of the redemption in full of the Existing 2023 Notes including accrued and unpaid interest. 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 total expenses and net proceeds related to the Offering and Listing:	The estimated total expenses incurred in connection with the Offering and Listing amount in aggregate to approximately EUR 0.3 million and the estimated net amount of proceeds of the Offering amount to approximately EUR 39.7 million.
Reason for the issuance of the Notes:	The Issuer's reason for the issuance of the Notes is to use the net proceeds for refinancing certain existing indebtedness of the Issuer and general corporate purposes. The net proceeds of the Offering will on 27 April 2022 be used in an amount of EUR 32.5 million for financing the redemption in full of the Existing 2023 Notes (as defined in the Terms and Conditions of the Notes) including accrued and unpaid interest.

Date of the entry of the  
Notes to the book-entry  
system

Notes subscribed and paid for have been entered by the Issuer Agent to the respective book-entry accounts of the subscribers on 13 April 2022 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 its telephone number is +358 (0) 20 720 7500. The Issuer's legal entity identifier code (LEI) is 743700498L5THNQWVL66.

According to Article 2 of the Issuer's Articles of Association, the Company engages 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 or branch offices in Finland, Sweden, Denmark, Estonia, Guernsey, Luxembourg, the United Kingdom, Norway 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, real estate or infrastructure as well as CapMan Wealth Services, which provides wealth advisory service. The Service business includes two professional service teams: (i) JAY Solutions 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, Compliance, Back Office, IT, Communications, Human Resources, Sustainability and Sales & Fund Investor Relations functions.

### History and Development

CapMan's predecessor, CapMan Capital Management, was established in 1989. In 2001, the Company became the first private equity company listed on the Helsinki Stock Exchange. Between 2001 and 2004, CapMan expanded its business to the other Nordic countries in accordance with its growth strategy. In 2004, the assets under management exceeded EUR 1,000 million. CapMan expanded into Mezzanine and Technology investments in 1995 and Life Sciences investments in 2002.

In summer 2005, CapMan founded its first real estate equity fund in response to growing demand from investors. During the same year, assets under the Group's management increased by 76 per cent with the establishment of new funds. Investment and exit activity was also high. In 2005, CapMan made a total of nine investments in portfolio companies and 18 in real estate. 2006 was one of CapMan's most active exit years and it also made several new investments.

In 2007, CapMan initiated development of its internal service functions. The objective was to promote expansion to new investment areas in the future.

During 2008, the CapMan Group carried out its growth strategy by expanding to Russia and by establishing a CapMan Public Market Fund investing in Nordic listed companies. In 2008, CapMan raised the CapMan Hotels RE Fund and acquired a portfolio of hotel real estate predominantly located in Finland. 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. Despite the global turmoil in the financial markets caused by the financial crisis of 2008, CapMan's portfolio companies developed well. In 2010, CapMan restructured the business to focus on the development and growth of fewer key investment strategies (Buyout, Russia, Public Market and Real Estate).

In 2011, CapMan's Procurement Services, CaPS, was established to drive down CapMan's portfolio companies' costs on non-strategic products and services.

In 2013, CapMan refocused and established its first Nordic Real Estate value-add fund investing in real estate in capital and growth regions in the Nordic countries.

In 2015, CapMan acquired a minority stake in Nasdaq Helsinki listed investment company Norvestia Oyj and became its largest shareholder. CapMan made an exchange offer for the remainder of Norvestia Oyj's securities in 2016 and the redemption was completed in the beginning of 2017. CapMan's shareholder base was transformed following the exchange offer as Norvestia Oyj's shareholders obtained CapMan's shares in exchange for their holdings in Norvestia Oyj. Following the arrangement, CapMan strengthened its balance sheet and added Growth investing as a new investment strategy. In 2016, CapMan was given a large residential real estate investment mandate by a German pension group BVK. CapMan established a new Credit fund, Nest Capital 2015 Fund, that provides Mezzanine financing to Nordic unlisted companies.

In the end of 2017, CapMan established its first open-ended real estate fund CapMan Nordic Property Income Fund with a non-UCITS structure. In December 2017, Scala Fund Advisory was incorporated in order to offer fund advisory services.

In 2018, CapMan Infra was established as a new investment area. CapMan Infra makes majority or minority investments in mid-sized core/core+ infrastructure companies in the energy, transportation and telecommunications sectors in the Nordic countries and offers access to local off-market deals. CapMan Infra's first fund was established in 2018 and it has made six investments to date. The Infra team also manages two investment mandates, Elenia (EUR 70 million) and Wind farm. In addition, in 2018, CapMan established a new Growth fund (EUR 86 million) and a new Nordic value-add real estate fund NRE II (EUR 425 million). Also, CapMan Real Estate expanded its Nordic residential mandate from BVK.

In 2019, CapMan acquired the majority of reporting, analytics and wealth management firm JAM Advisors Oy to complement its service offering. CapMan Buyout established its eleventh fund, CapMan Buyout XI (EUR 190 million at final close in 2021). CapMan commenced co-operation with Nordea Bank regarding the distribution of CapMan Nordic Property Income Fund. CapMan launched a new pan-Nordic hotel real estate fund, CapMan Hotels II Fund, with equity commitments of EUR 368 million, and it acquired as a seed portfolio all the existing assets of CapMan's first hotel fund. CapMan terminated its management company business in Russia and wrote down the entire goodwill of the business as a result.

In 2020, CapMan assisted certain companies through financial challenges resulting from the effects of the COVID-19 pandemic. For this reason, among others, CapMan established CapMan Special Situations, an investment area focused on investing in underperforming or non-core businesses and supports them through financial restructuring and operational turnaround. CapMan Special Situations provides liquidity, financing and expertise to the market by investing in and turning around underperforming, out-of-favour, misunderstood and/or inadequately resourced unlisted businesses, where the root cause of problems can be addressed. CapMan Special Situations partners with management teams, banks and owners of the target companies generating attractive returns to its investors while contributing to the well-being of society.

Further, in 2020, CapMan also established its third Nordic value-add real estate fund CapMan Nordic Real Estate III fund with a target size of EUR 500 million. In line with its predecessor funds, CapMan Nordic Real Estate III makes value-adding investments in office, selective retail and residential real estate in the Nordics. CapMan also established CapMan Growth II fund at EUR 97 million. CapMan Growth II makes minority investments in growing Nordic companies. CapMan Procurement Services CaPS expanded to the Baltic region by establishing a joint venture with BaltCap. CapMan Infra raised EUR 50 million of new co-investment capital for the syndication of its investment in Norled, an operator of ferries and express boats in Norway. Also, CapMan Real Estate continued to expand its Nordic residential mandate from BVK. On the service business side, JAM Advisors was reorganised as a wealth advisory arm (CapMan Wealth Services) and an analytics, reporting and back office arm (JAY Solutions). CapMan ceased to offer fundraising services to private equity managers and the Scala Fund Advisory brand was terminated.

During 2021, CapMan made several investments and exits. CapMan Nordic Real Estate III continued fundraising and it became the largest fund in CapMan's history with EUR 564 million in equity. CapMan Nordic Real Estate III made four investments in Sweden throughout 2021. CapMan also established a new fund, CapMan Residential Fund, investing in Nordic residential real estate which has raised over EUR 500 million in equity in 2021. At establishment, CapMan Residential Fund also signed an agreement to acquire a portfolio of properties in Helsinki for over EUR 500 million. The fund also invested in a portfolio consisting of 12 centrally located properties in Copenhagen. CapMan established an office in Oslo.

## Overview of the Issuer

CapMan is a specialised asset management company serving the private assets industry and its investors on a broad scale through access to the Nordic unlisted market. In the view of CapMan's management, CapMan is one of the leading private assets investors in the Nordic private assets market. The CapMan Group manages private assets funds, provides professional services to investors investing in the asset class and invests from its balance sheet mainly in its own private assets funds in a diversified manner. CapMan has, during its 33 years of operations been involved in the development of numerous companies and real estate. As at 31 December 2021, CapMan managed over EUR 4,500 million in assets and over 20 funds that invest in portfolio companies and real estate.

As a fund management company, CapMan manages investors' assets by making investments from the private equity, real estate and infrastructure funds. CapMan's fund investors are mainly institutional investors, such as pension funds and insurance companies. The investments made by CapMan funds are made either in the form of equity or debt financing.

CapMan's strategy allows it to invest in a variety of sectors and regions. Funds managed by CapMan invest mainly in Nordic companies, real estate and infrastructure assets. CapMan actively develops the funds' portfolio companies, real estate and infrastructure assets in close cooperation with the management of the portfolio companies and real estate tenants.

According to CapMan's management, CapMan's focus is on the Nordic region. Global fundraising combined with a broad focus on private assets and related services, CapMan's impact is beyond its turnover or balance sheet in support of its vision to be a Nordic private assets powerhouse.

## Business Overview / Business Description

### *Private assets 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, real estate, infrastructure or other real assets.

Private equity investments can be made to target companies in different life cycle phases and consequently, the objectives in relation to an investment and its return potential 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.

Credit and private debt are also part of private assets financing. In addition, private equity investments can be made to real estate or other fixed assets, such as infrastructure. CapMan is mainly active in buyout, growth, special situations and credit investments as well as real estate and infrastructure 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 public 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 investment targets and returned after exits.

Following the establishment of a private equity fund, the private equity fund manager sources potential target investments for the fund. Generally, the targets need to fulfil certain criteria in terms of size, industry, location 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. Target investments are usually sourced either through proprietary networks or by participating in auction processes. After a target investment is identified, a

more detailed analysis is performed on its merits. This due diligence analysis usually involves a review of, among others, the target's financial, technical and legal documents, as well as evaluating its commercial attractiveness. The process often includes negotiations with banks to arrange financing. 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 target based on a detailed value creation plan. In addition to providing funding to the target, the manager also supports the target company by providing sector knowledge, operational and strategic experience and access to a wider business/industry network. This usually involves taking one or more board seats.

Private equity funds typically hold their targets 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.

In addition to closed-end private equity funds with a pre-defined term, funds can be structured as open-ended or so-called *evergreen* structures, where the fund may take in additional capital over a longer time period and is not required to sell its assets during a pre-determined time period but can rather manage the assets and optimise the portfolio composition from a longer-term perspective.

### ***Wealth Services***

Wealth advisory services involve advising clients and managing their investments. Investments may be diversified by geography and instrument type and may range from bonds and publicly listed equities to alternative investments.

### ***Investor Services***

Investor services include analytics, reporting and back office services. In order to make well-informed decisions about the risk/reward relationship of an investment and to find the optimal solutions and products, a client's ownership and portfolio is analysed. Risk management, due diligence, back office and reporting of the performance of the portfolio are provided as a stand-alone service or as additional services as part of the wealth services process.

### ***Procurement Services***

Procurement services seek to drive down costs on non-strategic products and services for a network of member companies by combining the procurement volumes of its members and reviewing and address their indirect spend. Indirect spend involves products and services unrelated to the core business of a company where it may lack negotiating power. The objective of the procurement service is to pool procurement streams into larger volumes, obtaining exceptional purchasing prices and offering best in class services and other benefits for its member network.

## **Operating Segments**

### ***General***

CapMan's objective is to offer its investors private equity services with attractive risk-adjusted 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) private investments from the balance sheet. The Group's turnover for the year ended 31 December 2021 totalled EUR 52.8 million (EUR 43.0 million in 2020). The Group's profit before taxes for the year ended 31 December 2021 totalled EUR 40.6 million (EUR 9.2 million in 2020).

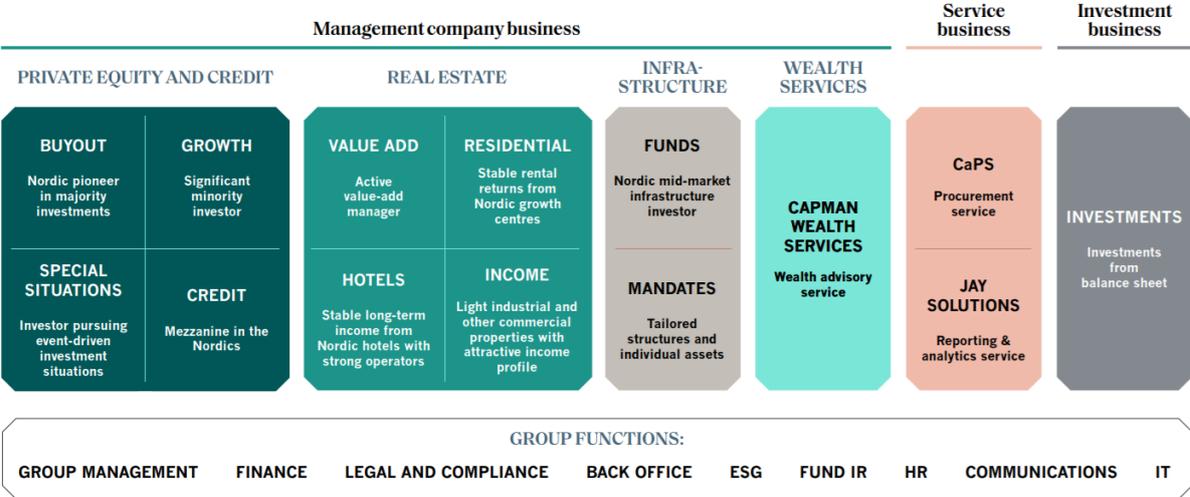
CapMan's operating segments include (i) Management Company, (ii) Services and (iii) Investments. The Management Company business comprises CapMan Group's investing teams managing private funds that invest

in portfolio companies, real estate and infrastructure assets. 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 CapMan and funds’ investment teams. Furthermore, the Management Company business also includes CapMan’s Wealth Service business as of 1 January 2021. Previously CapMan Wealth Service business was reported as part of Service business and comparison year 2020 has been adjusted to reflect the change. Turnover generated by the Management Company business for the year ended 31 December 2021 totalled EUR 43.6 million (EUR 33.7 million in 2020) and operating profit for the year was approximately EUR 13.2 million (EUR 9.5 million in 2020).

The Service business comprises analytics, reporting, back office services and procurement services. Income from the Service business mainly include fees from procurement services (CapMan Procurement Services, CaPS) and analytics and reporting services (JAY Solutions). In addition, Service business included discontinued Scala Fund Advisory that offered private equity advisory and fundraising services to private equity fund managers until the first half of 2020. Turnover generated by the Service business for the year ended 31 December 2021 totalled EUR 8.6 million (EUR 8.6 million in 2020) and operating profit for the year was EUR 4.2 million (EUR 4.6 million in 2020).

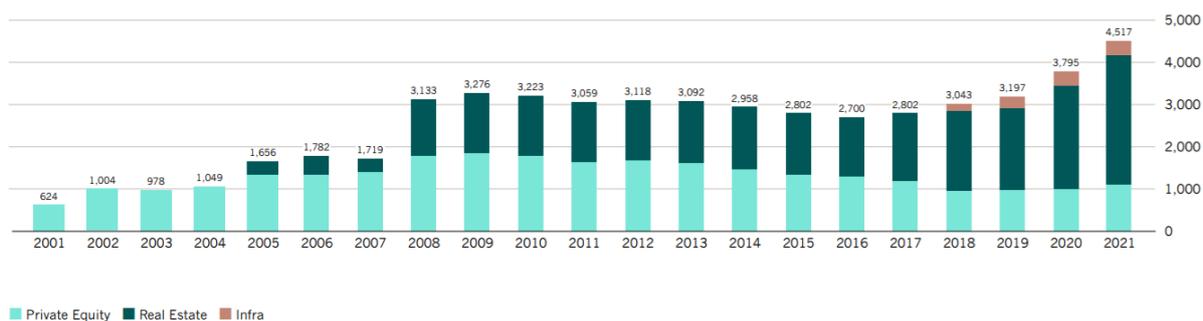
The Investments business comprises fund investments made from CapMan’s balance sheet mainly in funds managed by CapMan, but also selectively in private equity market funds managed by external fund managers, which provide diversification benefits that complement CapMan’s investments into its own funds in terms of strategy and/or geography. Income from the Investment business is derived from realised returns on fund investments and unrealised changes in the fair value of investments. Operating profit for the year ended 31 December 2021 was EUR 32.7 million (EUR 4.0 million in 2020).

The following graph sets forth the overview of CapMan’s strategies and functions:



According to the management of CapMan, the success of CapMan’s strategy is reflected in record assets under management (AUM). The following graph describes the growth of CapMan’s AUM in the time period indicated:

## Assets under management (MC)



CapMan expects the growth in AUM to continue. CapMan's objective is to improve the aggregate profitability of Management Company and Service businesses, excluding possible items affecting comparability. In 2021, CapMan continued raising capital for all of its investment strategies along with fundraising for its existing funds and established three new funds: Nest Capital III Fund, CapMan Special Situations Fund and CapMan Residential Fund.

### Management Company Business

#### General

Under the Management Company business, CapMan carries out its investment strategies and wealth services. The investment areas include focused investment strategies where investment teams are independently responsible for investment activities and the value creation of investments. The investment teams play a central role in the foundation of management fee-generating funds, selecting investments, value creation for portfolio companies, real estate and infrastructure in cooperation with the management of the target companies, tenants of the real estates and the local asset owners, 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 and the increase in infrastructure assets' value is based on providing tailored solutions to local asset owners as they face investment funding pressure or are contemplating asset portfolio restructuring. Each investment strategy is carried out through specialised funds. The members of the investment teams are in the service of CapMan subsidiaries and act independently to further the strategy for each fund.

As at the date of this Prospectus, the three investment areas of CapMan include the following nine strategies:

Private Equity and Credit investments, which include

- i) Minority investments in Nordic growth companies (**Growth**);
- ii) Investments in Nordic mid-sized unlisted companies with prospects to grow (**Buyout**);
- iii) Investments in underperforming or non-core businesses through financial restructuring and operational turnaround (**Special Situations**); and
- iv) Alternative debt financing to Nordic small and mid-sized companies (LBOs, add-on acquisitions, refinancing and recapitalisation) provided by two private debt funds that are advised by an independent partnership of CapMan Group, Nest Capital (**Credit**).

Nordic real estate investments (Real Estate), which include

- v) Value-add investments in mainly office and mixed-use real estate in the capital cities and surrounding areas;
- vi) Investments in hotel real estate;
- vii) Investments in residential real estate; and
- viii) Investments in income-focused logistics and light industrial real estate.

Investments mainly in small and mid-cap infrastructure assets in the energy, transport and digital communications sectors in the Nordics (**Infra**).

According to the management of CapMan, several of the Company’s investment strategies have strong track records resulting in value creation for investors. Some of the most recent investments of CapMan include investments in business transformation company Sofigate Oy, Finnish personal assistance service Suomen Avustajapalvelut, indoor adventure park HopLop, premium marina provider Marinetek, sports supplement company MM Sports and food supplement manufacturer Pharmia in 2021 and Finnish bus operator Koiviston Auto in 2022. Some of the most recent exits include exits from Solera Beverage Group and Real-Machinery Oy in 2021. Furthermore, CapMan’s Growth portfolio company Digital Workforce was listed on the Nasdaq First North Growth Market in 2021.

#### *Funds and Mandates*

The table below sets forth key information of CapMan’s investment funds and mandates, which are part of its current investment strategies and expected to generate carried interest or performance-based fee income to it and which are either in exit and value creation phase or in active investment phase, at the date of this Prospectus:

<b>Fund</b>	<b>Year of establishment</b>	<b>Investment Strategy</b>	<b>Fund Size (EUR, million)</b>
CapMan Residential Fund	2021	Real Estate	514
Nest Capital III Fund	2021	Credit	100
	2021	Special Situations	53
CapMan Special Situations I			
CapMan Nordic Real Estate III	2020	Real Estate	564
CapMan Growth II Fund	2020	Growth	97
CapMan Hotels II	2019	Real Estate	368
CapMan Buyout XI Fund	2019	Buyout	175
CapMan Nordic Infrastructure I Fund	2018	Infra	190
CapMan Nordic Real Estate II	2017	Real Estate	425
CapMan Nordic Property Income Fund	2017	Real Estate	117 (non-UCITS)
CapMan Growth Equity Fund 2017	2017	Growth	86 <sup>1)</sup>
BVK-CapMan Nordic Residential Mandate	2016	Real Estate	Undisclosed
Kokoelmakeskus	2016	Real Estate	19
Nest Capital 2015 Fund	2016	Credit	100
CapMan Buyout X Fund	2013	Buyout	244
CapMan Nordic Real Estate I	2013	Real Estate	273
CapMan Mezzanine V Fund	2010	Credit	95
CapMan Buyout IX Fund	2009	Buyout	295
CapMan Buyout VIII Fund	2006	Buyout	440

<sup>1)</sup> EUR 66 million after the establishment of Growth II Fund.

CapMan’s subsidiary CapMan AIFM Ltd holds a license to act as alternative investment fund manager (“AIFM”) granted by the Finnish Financial Supervisory Authority and acts as an AIFM for those CapMan funds which are required to have a licensed AIFM.

#### *Valuation of Investments*

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.

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 discounted cash flow method especially for infrastructure assets, 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.

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.

#### *Wealth Services*

CapMan offers comprehensive wealth advisory services and private and public market solutions to family offices, institutional investors and high net worth individuals. The wealth advisory activities are supported by the platform provided by JAY Solutions, which enables a transparent look-through and an accurate analysis of each client's overall wealth. Wealth services are offered through CapMan Wealth Services, of which CapMan owns 60 per cent. Wealth Services offer direct access to leading Nordic alternative teams through CapMan Group and an access to a network of third-party alternative managers.

In 2021, CapMan Wealth Services launched a new programme investing in private equity funds together with international private equity assets manager AlpInvest Partners. The program, established in the form of CapMan Wealth Services Investment Partners Fund (CWSIP), invests in sought after US mid-market buyout funds alongside AlpInvest. The tailored product is part of CapMan's strategy to expand and diversify its product portfolio by offering local investors access to the unlisted market also outside the Nordic region. CWSIP makes investments in private equity funds that invest in unlisted mid-sized companies in the US. CWSIP is the first CapMan Wealth Services programme that invests in private markets. As at 31 December 2021, CWSIP has raised approximately USD 90 million.

#### ***Service Business***

##### *Overview*

Professional services offered by CapMan is covered by CapMan's Service business. The Service business serves family offices, institutional investors and high net worth individuals with comprehensive technology-driven reporting, analytics and back office services across the financial services industry. Service business also includes procurement services to growing companies in Finland, Sweden and the Baltics, driving down costs on non-strategic products and services for its member companies. The services are partially operated under separate brands: CapMan Procurement Services (CaPS) and JAY Solutions. Service business was reorganised during 2020, when former investor-focused services provided by Scala Fund Advisory and wealth advisory services provided by JAM Advisors were partially replaced by CapMan Wealth Services. In conjunction with the reorganisation, JAY Solutions was separated from wealth services.

##### *Procurement Services*

CapMan Procurement Services (CaPS) is a purchasing and procurement service driving down costs on non-strategic products and services generating cost savings for its over 200 member companies in Finland and Sweden and over 60 member companies in the Baltic countries. The aggregate turnover of the member countries in Finland and Sweden is some EUR 15,000 million and EUR 1,000 million in the Baltics with over 80,000 and 5,000 employees, respectively. CaPS's offering includes volume-based cost savings, a reporting tool to track contracts and show potential savings, an employee benefit scheme, and sharing of best practices. In addition to volume deals, CaPS services include a digital employee benefit scheme and an ESG reporting system.

##### *Reporting and analytics services*

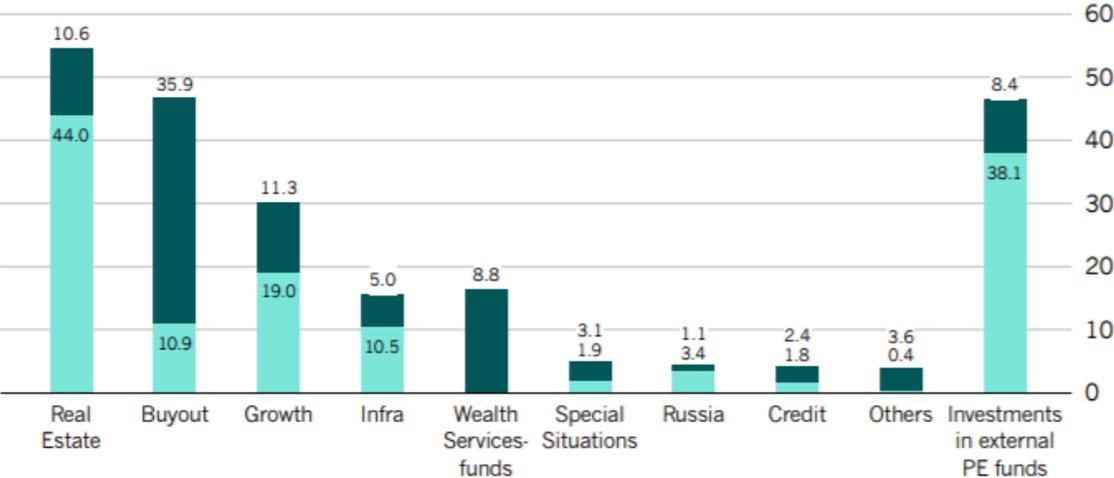
CapMan provides technology-driven reporting, analytics and back office services across the financial services industry through JAY Solutions, of which CapMan owns 60 per cent. The proprietary platform of JAY Solutions visualises a portfolio's wealth at a given moment and provides clients with an objective, reliable and up-to-date view of their entire wealth, regardless of asset location and type. During the last twelve months, JAY Solutions has acquired new customers for their reporting and analytics service offering also among B2B clients.

**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. Depending on the fund size, CapMan’s investments into its own funds are generally from one to five per cent of the fund size. By increasing the investment capacity and optimising the capital structure, CapMan seeks to actively manage its balance sheet.

The following graph describes CapMan’s investments and commitments by type for the financial year 2021:

**Investments and commitments by type, M€**



**The impact of Russo-Ukrainian War on CapMan’s business**

According to the management of the Company, the Russo-Ukrainian crisis may impact CapMan’s business through, among others, the following earnings streams: management fees, carried interest income, service fees and fair value changes of balance sheet investments. The estimated impact varies between different earning streams as follows.

In terms of management fees, the crisis is viewed to have essentially no immediate impact. As management fees are primarily based on the original investor commitment to the fund or the outstanding cost basis of investments, changes in investment values would not affect management fees allocable to CapMan. CapMan’s funds are structured keeping a long-term investment approach in mind, meaning that funds are either closed ended or incentivize for a long-term commitment. Due to this, the fee base of CapMan’s products is expected to be relatively stable in the short-term. As an indirect effect of the crisis, a change in the prevailing economic situation in Europe may impact the fundraising success of the group. A more difficult fundraising environment may result in CapMan products being smaller in size than initially estimated, resulting in reduced management fees in the longer term. Despite this, CapMan expects to see growth in assets under management during 2022.

Carried interest generated by CapMan is viewed to have negligible direct exposure to the crisis. Fund investments, which sale could result in carry, are not located in the conflict region and have either no or limited exposure to the area. Similarly to other income streams, however, potential indirect forces such as changes to the overall market environment in Northern Europe may have an impact. The resulting effect may be seen either via a delay of realizing carried interest income, a reduced amount of such income, or funds may even fail to reach carry altogether. As new events of the crisis unfold each day, it is still too early to determine final impacts of the event.

CapMan’s service fees comprise primarily of a combination of CapMan Procurement Services, JAY Solutions, and CapMan Wealth Services fees. None of these have material direct linkage to Russia or Ukraine in terms of products or services offered, or customer base. Similar to management fees, changes in the overall economic environment in Europe may have an indirect impact to service fees by altering the activities of business counterparts. Particularly non-recurring fees such as transaction fees are most at risk to be impacted from the crisis.

The most significant impacts of the crisis may potentially be seen in fair value changes of CapMan's balance sheet investments. Although CapMan discontinued its Russia based management company operations in 2019, it still has, at the date of this Prospectus, EUR 3.4 million of fair value exposure to the region via investments made to CapMan Russia Fund L.P. in 2007 and CapMan Russia II Fund L.P. in 2013. These funds still have a number of investments in the region, and their fair values may be significantly impacted from the crisis. CapMan also has an outstanding commitment of EUR 1.1 million to the funds and loan receivables of EUR 1.1 million from Norum Russia Co-Investment Ltd and EUR 0.2 million from CapMan Russia Team Guernsey Ltd. In addition to the direct exposure, other CapMan's fund investments may also be impacted based on the development of the overall economic environment.

## Organisational Structure

The parent company of the CapMan Group is CapMan Plc. CapMan has subsidiaries or branches in Finland, Sweden, Denmark, Estonia, Guernsey, Luxembourg, the United Kingdom, and Cyprus. Majority of the subsidiaries act as fund management and/or advisory companies for the CapMan Group's funds making direct investments in portfolio companies, real estate assets or infrastructure 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.

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

		<b>Group's ownership of shares, %</b>	<b>The Issuer's ownership of shares, %</b>
CapMan Capital Management Oy	Finland	100	100
CapMan Sweden AB	Sweden	100	100
CapMan AB	Sweden	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 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
Valo Advisors Oy	Finland	100	100
Valo Fund Management Oy	Finland	100	-
Kokoelmakeskus GP Oy	Finland	100	100
CapMan Growth Equity Oy	Finland	100	-
CapMan Nordic Real Estate Manager II S.A.	Luxembourg	100	100
CapMan Infra Management Oy	Finland	60	60
CapMan Infra Lux Management S.á.r.l.	Luxembourg	60	-
CapMan Growth Equity GP 2017 Oy	Finland	100	100
Scala Fund Advisory Oy	Finland	100	100
CapMan Nordic Infrastructure Manager S.á.r.l.	Luxembourg	100	100
CapMan Infra Lynx GP Oy	Finland	60	-
CapMan Buyout XI GP S.á.r.l.	Luxembourg	100	100
CapMan AIFM Oy	Finland	100	100
Nest Capital III GP Oy	Finland	100	100

CapMan Wealth Services Oy	Finland	60	60
CapMan Procurement Services (CaPS) Oy	Finland	92.7	92.7
CapMan Buyout Management Oy	Finland	70	70
CapMan Hotels II Holding GP Oy	Finland	100	100
JAY Solutions Oy	Finland	60	60
Nest Capital Management AB	Sweden	100	100
CapMan Wealth Services Oy	Finland	60	60
CapMan Special Situations Oy	Finland	65	65
CapMan Special Situations GP Oy	Finland	100	100
CapMan Growth Equity II GP Oy	Finland	100	100
CM III Feeder GP S.á.r.l.	Luxembourg	100	100
Campus Aarhus Propco Aps	Denmark	100	100
CaPS Baltic OÜ	Estonia	60	-
Maneq 2010 AB	Sweden	86	86
Maneq 2009 AB	Sweden	100	100
Maneq 2008 AB	Sweden	100	100
Maneq 2006 AB	Sweden	100	100
Maneq 2005 AB	Sweden	100	100
CapMan Residential Manager SA	Luxembourg	60	60
CMRF Feeder GP S.á.r.l	Luxembourg	60	
CMFR Advisors Oy	Finland	60	60

## Personnel

CapMan employed 161 people on average in 2021 (2020 average: 146), of whom 125 (112) worked in Finland and the remainder in the other Nordic countries, Luxembourg and the United Kingdom. Of CapMan Group's employees approximately 57 per cent work in the investment teams and 18 per cent in teams providing expert services both to the CapMan Group and external parties. In addition, 39 employees (approximately 24 per cent) work in the administration of the CapMan Group and manage CapMan's own investments.

In the view of CapMan's management, the investment professionals working for CapMan's investment teams are among the most experienced ones in the Nordics 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.

## Customers

CapMan's main customers consist of approximately 250 Nordic and international investors, for example reputable Nordic and international pension funds, foundations and family offices, 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 quality 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 and, according to the management of CapMan, CapMan offers significant co-investment opportunities for its investors.

## Sustainability

### *Active ownership approach*

Sustainable value creation with active ownership approach is a key part of CapMan's operations. As a Nordic active and significant owner, CapMan is ideally positioned to drive the change towards well-governed, environmentally and socially sustainable businesses and assets. CapMan aims to make a positive impact through its ability to influence decision-making and activities across the CapMan Group and the funds' portfolio companies and assets. It strives to lead by example for the entire ecosystem consisting of its funds, portfolio companies and assets as well as value chains. CapMan steers its investments towards clear sustainability targets and is actively looking to invest in opportunities that mitigate societal and environmental challenges. CapMan can make the most significant impact through the companies and properties that it owns.

### ***ESG in the investment process***

CapMan's most significant ESG impact is through the investments. CapMan integrates ESG criteria throughout the investment process: from sourcing and screening of potential investments to due diligence and proceeding with the investment decision. ESG findings in the due diligence process are evaluated and integrated in the value creation strategy for the asset if considered material. The value creation process often also includes a sustainability aspect where CapMan seeks to find ways to create value for investors while meeting specific sustainability targets. During the holding period, CapMan follows up on material property and company specific ESG matters and strive to improve fund specific ESG Key Performance Indicators ("KPIs").

CapMan considers adverse impacts on sustainability of its investments. Sustainability factors may impact the revenue and cost structure of target investments directly, or have external impacts, such as impacting the quality of life for community stakeholders or perceived value for customers. Accordingly, sustainability factors may also impact return on investment. CapMan strives to integrate sustainability factors with its general core business, creating a strong culture that drives sustainable practices both at CapMan and in its portfolio companies.

### ***Data collection and transparency***

CapMan gathers data on around 70 ESG KPIs, in line with regulation, key initiatives and market best practice, from its portfolio companies on an annual basis. These KPIs are gathered through a data management platform that enables us to follow up on developments on an asset and fund level and support portfolio companies in establishing their own sustainability strategy and targets. For its properties, CapMan collects or is setting up processes to collect data related to environmental and social KPIs, such as energy efficiency, emissions, waste and tenant satisfaction.

Key metrics are presented in an annual sustainability report, as well as in the quarterly fund reports.

### ***Governance***

As a company listed on Nasdaq Helsinki, CapMan follows the Finnish Corporate Governance Code. CapMan also follows national and EU level regulation on transparency that concerns public companies and financial market participants. CapMan develops and implements compliance procedures and processes in its fund management operations to prevent money laundering and fraud. The identities of all investors in CapMan funds are verified and the source of their funds are identified.

Functioning governance is important, not only for CapMan's own activities, but for the efficacy and credibility of the entire private assets sector. CapMan works to contribute to well-functioning financial markets that channel funds in a sustainable manner also in the future.

### ***ESG targets***

CapMan sets yearly ESG improvement targets for the entire organization. CapMan has committed to the Science Based Targets Initiative Net-Zero Standard. By doing so, CapMan will align its business with the Paris Agreement, a treaty with the goal of limiting the rise in global temperatures to preferably 1.5 degrees. This commitment puts CapMan's investments on a path towards net-zero by linking the greenhouse gas (GHG) emission reduction plan to the latest climate science. CapMan also commits to promoting employee wellbeing and the establishment of diverse and inclusive work communities as part of active value creation. CapMan aims to set gender diversity targets within the management group, at partner level and throughout the CapMan organisation. CapMan has also set targets for the gender diversity for its appointments to boards and management teams for majority owned companies. CapMan also seeks to integrate sustainability targets into executive remuneration for all companies in which CapMan has board representation within a year of acquisition. This strongly aligns the incentives of decision makers with sustainability targets and should ensure actions that prioritise ESG matters, which ultimately should lead to the achievement of Group level sustainability targets.

### ***Organisation of responsibilities***

CapMan Plc's Management Group makes strategic decisions regarding sustainability with the Chief Operating Officer being responsible for the overview and resource allocation on CapMan level. CapMan has a dedicated ESG Director responsible for developing a Group-wide sustainability strategy, including setting sustainability targets and monitoring the development of such targets as well as implementing the sustainability strategy. Every

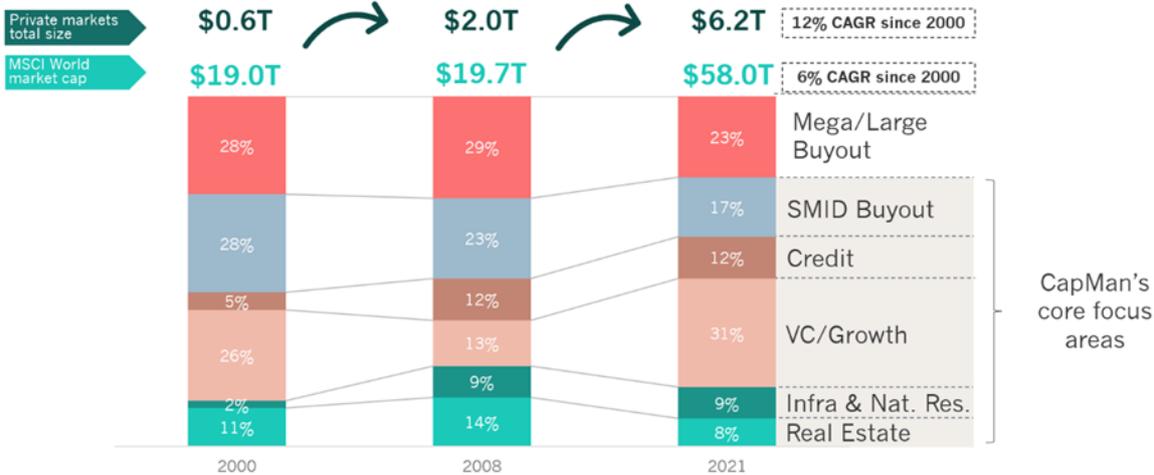
investment area has a designated investment professional responsible for implementing sustainable investment considerations in the corresponding funds and portfolios and work together with case teams, asset management and portfolio company management to identify risks and opportunities related to ESG. Further, CapMan has a dedicated ESG working group with representatives from all investment areas, including Private Equity, Real Estate, and Infrastructure as well as services and other group functions. The purpose of the working group is to share information as well as develop and follow up on joint policies and best practices for implementing sustainable investing at CapMan.

**Market Overview**

*General*

Private asset investments, a part of the alternative asset class, includes, for example, private equity and credit funds, and direct real estate and infrastructure investments. The private asset market has grown over tenfold since the year 2000, and totalled an estimated USD 6.2 trillion globally in September 2021.<sup>1</sup> The low interest rate environment and uncertainty relating to the cyclical nature of the stock market has led to capital flows towards private assets as investors actively seek out investments with alternative return profiles. The increasing interest in private assets can be seen by inspecting how institutional investors’ portfolio allocations to alternative investments has changed over time. In 2008, institutional investors held a 14.7 per cent allocation to alternatives, and a steady rise has led to the respective figure being 21.8 per cent in 2019.<sup>2</sup> The trend can be expected to continue, as according to an investor survey by Preqin in August 2020, 96 per cent of respondents plan to either increase or maintain their allocation by 2025 in private equity, 85 per cent in real estate, 91 per cent in infrastructure, and 91 per cent in private debt.<sup>3</sup>

The following graph describes the growth of private assets markets during time periods indicated<sup>4</sup>:



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. Although public equities have fared well in the past couple of years, with a dollar invested in 2017 being worth USD 1.53 at the end of September 2021, the corresponding figure if invested in private equity would

<sup>1</sup> Hamilton Lane Market Overview 2022, King Midas and the Golden Touch (Published by Hamilton Lane).  
<sup>2</sup> CEM Benchmarking as presented in McKinsey Global Markets Review 2021.  
<sup>3</sup> Preqin Investor Survey August 2020 as presented in Preqin Special Report: The Future of Alternatives 2025.  
<sup>4</sup> Hamilton Lane Market Overview 2022, King Midas and the Golden Touch (Published by Hamilton Lane).

be USD 2.36, equivalent to a return of 136 per cent during the time frame.<sup>5</sup> Private equity investments by Finnish pension insurance companies have returned on average 12.9 per cent per annum during the past 10 years.<sup>6</sup>

Fundraising continues to be strong in the private equity segment, with a forecasted AUM of USD 11.12 trillion by 2026, a considerable increase from its slightly over USD 5 trillion position in 2021. Although some of the other private asset segments may grow faster in percentage terms than Private Equity, the sheer size of the segment makes it a leader in terms of absolute growth. A noticeable trend in the fundraising sphere is that large funds are continuously collecting a larger share of total capital raised. The same can be said of established managers when comparing their share of funds raised to emerging managers. Both of these trends suggest capital consolidation across the industry.<sup>7</sup>

Despite COVID-19 continuing to impact economies, deal and exit values continued their increase in 2021 as managers looked to deploy record amounts of capital. Total private equity deal value reached over USD 800 billion on an annualized basis, which is 70 per cent more than the pre-pandemic figure in 2019. Exit value showed similar results with a 92 per cent increase compared to 2019, reaching USD 767 billion on an annualized basis.<sup>8</sup>

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 and strategies, such as co-investments and secondaries, have become increasingly popular among fund managers' offerings for investors.<sup>9</sup>

Private debt has thrived over the past decade, proven by a decade of AUM growth averaging 13.5 per cent annually. The fundraising success is evident when comparing this to the respective private equity & venture capital and real estate figures of 11.5 per cent and 9.1 per cent. Although fundraising was at record levels in 2020, the capital was raised by fewer, yet larger funds, with the average fund size of experienced managers crossing USD 1 billion during 2021. Direct lending and distressed debt make up about 65 per cent of the asset class, with distressed opportunities gaining increasing traction likely due to perceived increase in deal opportunities resulting from the pandemic.<sup>10</sup>

### Real Estate

Transaction volume in the Nordic real estate market in 2021 grew up to EUR 72 billion, an increase of 67 per cent on 2020. Sweden accounted for the largest component (EUR 35 billion) and the highest year-on-year increase (93 per cent). International buyers continued to represent a significant proportion of transaction totals, particularly in Denmark (71 per cent), whereas in both Sweden and Finland circa 80 per cent of capital was from domestic investors.<sup>11</sup>

Stockholm is characterised by very low vacancy rates in its central business district, limited new supply, and robust tenant demand in established submarkets. The volume of capital chasing limited stock has made competing for deals extremely challenging for investors with prudent underwriting assumptions and limited gearing. Attractive borrowing rates, and the prospect of substantial rent reversions in the best submarkets, have driven investment activity. Whereas COVID-19 has brought an end to the cycle, the lower interest rate environment and "flight to quality" has seen prime yields decline further in 2020 and 2021, albeit maintaining an attractive premium to key rates.<sup>12</sup>

---

<sup>5</sup> Ibid.

<sup>6</sup> Tela: [Returns by Investment Type 2022](#) (read on 22 March 2022).

<sup>7</sup> *2022 Preqin Global Private Equity Report* (Published by Preqin).

<sup>8</sup> Ibid.

<sup>9</sup> Ibid.

<sup>10</sup> *Alternatives in 2022* (Published by Preqin).

<sup>11</sup> *Pangea Property Outlook 2022, Nordics* (Published by Pangea Property Partners).

<sup>12</sup> CapMan Real Estate.

In Copenhagen, Helsinki and Oslo the office markets all experienced strong demand and rental growth over the last 3 years. Both Copenhagen and Oslo had record years in terms of transaction volumes. Office yields remain relatively low, although Helsinki saw some uplifts during 2021.<sup>13</sup>

New infrastructure in the Nordic capital cities is creating interesting opportunities around key transport hubs, e.g. flexible multi-purpose work units. Meanwhile, the population demographics, supported by the well-funded public services in the Nordic countries, provided an attractive context for emerging “living” sectors such as senior housing and city-centre micro apartments.<sup>14</sup>

### Infra

Unlisted infrastructure investments are sought out by investors due to its perceived stability in times of economic uncertainty. Infrastructure ensures the provision of crucial services for society, making it able to perform in both stronger and weaker economic times. The asset class is viewed to have proved its investment thesis over the past few years since having achieved growth and maturity following the financial crisis of 2008. Europe is viewed to have been, and to remain, the center of the energy transition movement, with large amounts of capital to be deployed in renewable energy focused investments.<sup>15</sup>

Infrastructure has been the highest growing asset class over the past 10 years, with an annual growth rate of 15.1 per cent. The strategy is forecasted to reach USD 1.87 trillion in AUM by 2026, overtaking real estate as the largest real asset class. Much of recent years growth has come from infrastructure debt and the strong growth of value added strategies, spreading AUM across the strategy’s risk spectrum. As evidence to this, value added funds overtook core-plus to become the largest sub-strategy by AUM in 2021. As inflation is anticipated to rise across regions, investors may look toward strategies that provide a higher real return. With 2020 being a poorer performing year for infrastructure, 2021 showed signs of recovery.<sup>16</sup>

As ESG factors in private capital markets become more relevant, the emerging opportunity for the infrastructure asset class cannot be overstated. Fund managers must have high ESG standards not only to meet investor needs but also government policy, which is highly intertwined with infrastructure investment as it plays a central role in combatting climate change through energy transition.<sup>17</sup>

### **Legal and Regulatory Proceedings**

The Group may become involved from time to time in claims and legal proceeding arising in the ordinary course of its business. At the date of this Prospectus, there are no governmental, legal, arbitration or administrative proceedings (including any proceedings which are pending or threatened of which the Issuer is aware) against or affecting the Issuer or any of its subsidiaries which may have or may have had in the past 12 months a significant effect on the Issuer and/or on the financial position or profitability of the Group, as a whole.

### **Material Agreements**

There are no contracts (other than the agreements entered into in the ordinary course of business) that have been entered into by any member of the Group that are, or may be, material or which contain any provision under which any member or the Group has any obligation or entitlement that is material to the Issuer’s ability to fulfil its obligations under the Notes.

---

<sup>13</sup> Ibid.

<sup>14</sup> Ibid.

<sup>15</sup> *2022 Preqin Global Infrastructure Report* (Published by Preqin).

<sup>16</sup> *Alternatives in 2022* (Published by Preqin).

<sup>17</sup> Ibid.

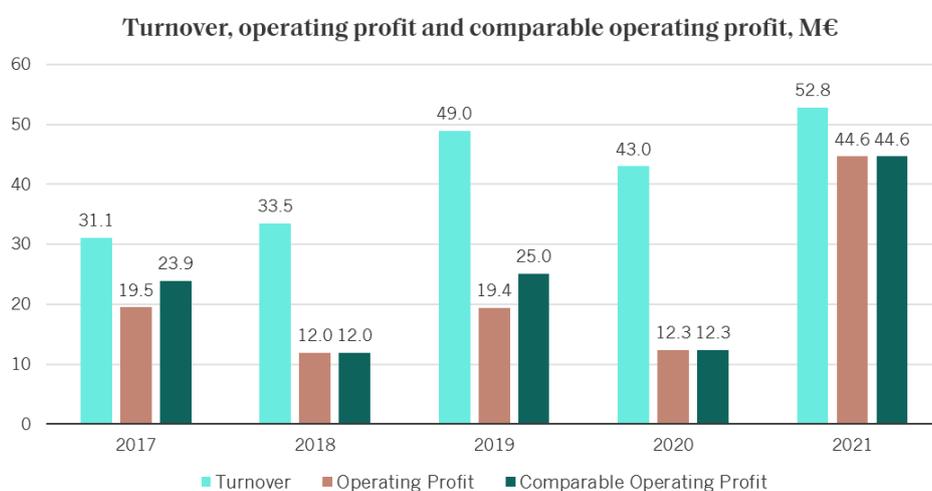
## FINANCIAL INFORMATION AND OTHER INFORMATION

### Historical Financial Information

The financial information presented in this Prospectus has been derived from CapMan's audited consolidated financial statements as at and for the financial year ended 31 December 2021 and 31 December 2020, prepared in accordance with the International Financial Reporting Standards (IFRS). The Company's audited consolidated financial statements as at and for the financial years ended 31 December 2021 and 31 December 2020 are incorporated into this Prospectus by reference. Save for the Company's audited consolidated financial statements as at and for the financial years ended 31 December 2021 and 31 December 2020, no part of this Prospectus has been audited.

### Certain Financial Information

CapMan's turnover and operating profit was at record levels in 2021. The following graphs describe CapMan's turnover, operating profit and comparable operating profit over the years indicated<sup>18</sup>:

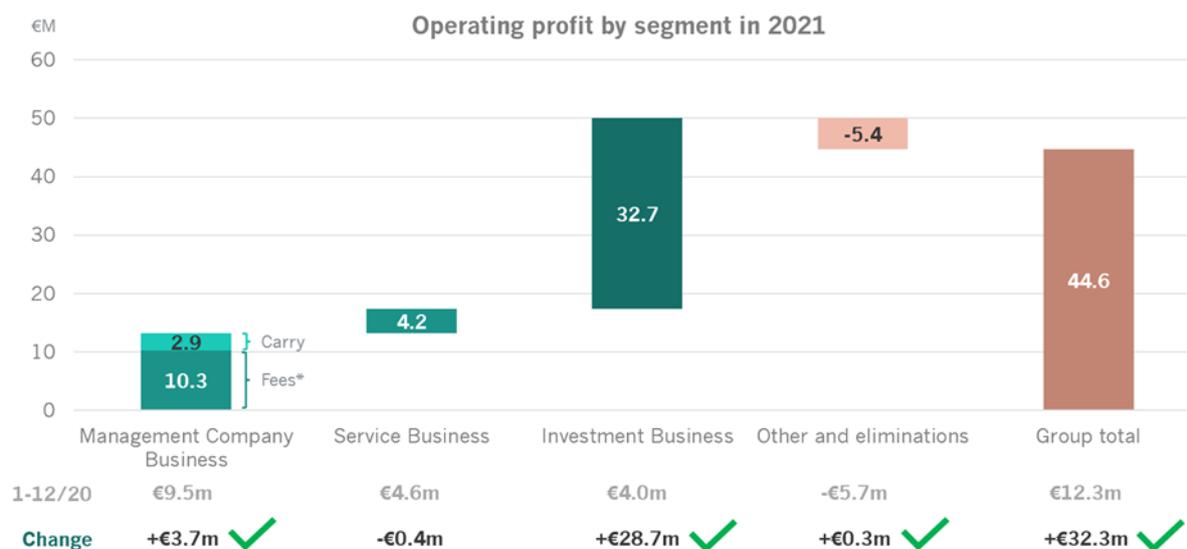


A view of CapMan's operating profit by segment for 2021 can be seen on the following graph, with figures for 2020 and respective changes between the two shown for comparison<sup>19</sup>:

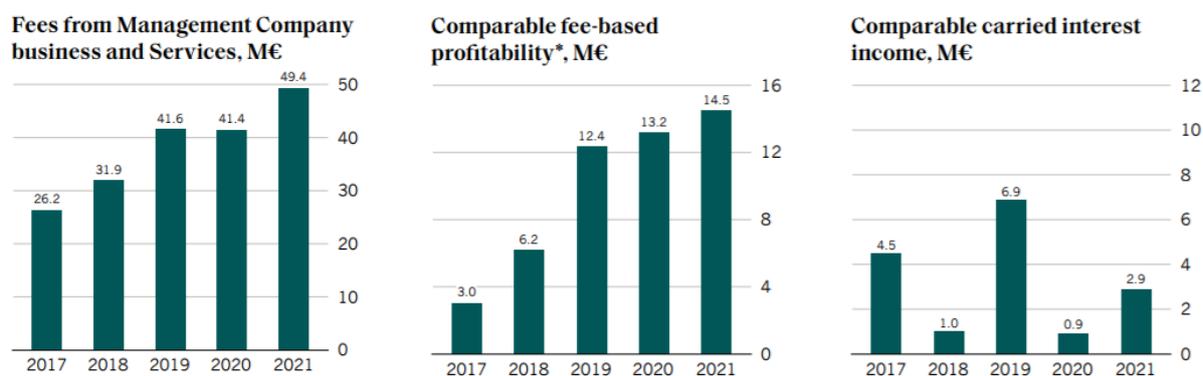
---

<sup>18</sup> Turnover for financial years 2019, 2020 and 2021 are based on audited financial statements. As of 2019, CapMan changed its accounting policy regarding classification of dividend and interest income from financial assets held for trading, and turnover for comparison years 2017-18 have been restated and are therefore unaudited. Operating profit is based on audited financial statements and comparable operating profit is based on unaudited financial information.

<sup>19</sup> Graph figures for 2021 are based on audited segment information presented in CapMan's Annual Report for 2021. Figures for 2020 are based on unaudited restated segment information, as CapMan changed its segment composition as of 1 January 2021 and restated previous year's figures accordingly. "Fees" referred to in the graph are calculated as Management Company Operating Profit - Carried interest. Carry refers to Carried interest.



CapMan's fees from Management Company and Service Business have increased by approximately 17 per cent p.a. between 2017-2021, while the comparable fee-based profitability has increased already five consecutive years. The year-to-year variation in the realisation of carried interest is significant, according to the management of CapMan. The following graph describes the development of fees, fee profitability and comparable carried interest income for the periods indicated<sup>20</sup>:

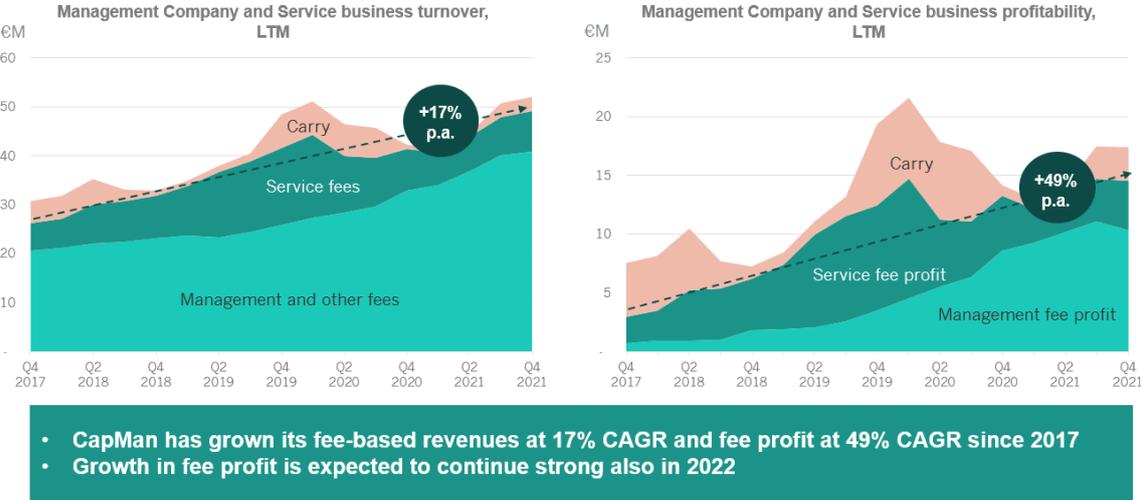


\* Comparable operating profit of Management Company and Service Business excl. carried interest. Figures for all years are unaudited.

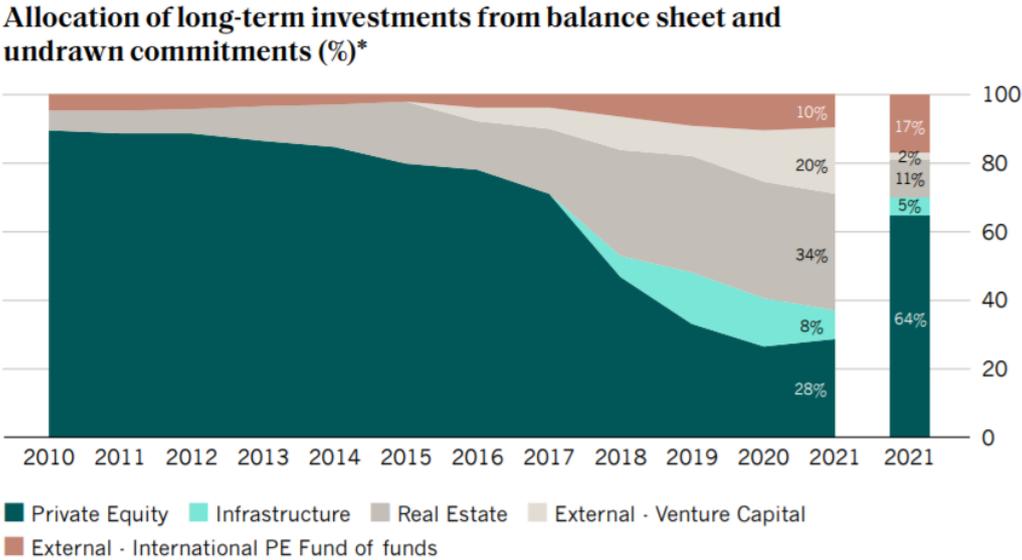
According to the management of CapMan, CapMan's growing management fee base provides stability. Further, high share of recurring and predictable fee income over the market cycles fully covers CapMan's fixed costs, i.e. operating expenses excluding bonuses, share-based payment and items impacting comparability. Management fee income is relatively predictable over the funds' life cycle, as it is based on long-term contracts with investors and is typically dependent on the fund size or investors' commitments made. CapMan's fee-based revenues measured by CAGR (Compound Annual Growth Rate) have grown 17 per cent and its fee profit has almost quintupled in

<sup>20</sup> Based on Annual Report for FY2021. Fees from Management Company and Service Business for financial years 2019, 2020 and 2021 are based on audited financial statements. As of 2019, CapMan changed its accounting policy regarding classification of dividend and interest income from financial assets held for trading, and turnover for comparison years 2017-18 have been restated and are therefore unaudited. Comparable operating profit is based on unaudited financial information. Comparable fee-based profitability and Comparable carried interest income are unaudited and their calculation is presented below in sections "– Calculation of Performance Measures" and "– Reconciliation of Certain Alternative Performance Measures".

four years. The following graphs describe the revenue and comparable fee profit mix of CapMan during recent years<sup>21</sup>:



The following graph illustrates CapMan’s allocation of long-term investments from balance sheet and undrawn commitments<sup>22</sup>:



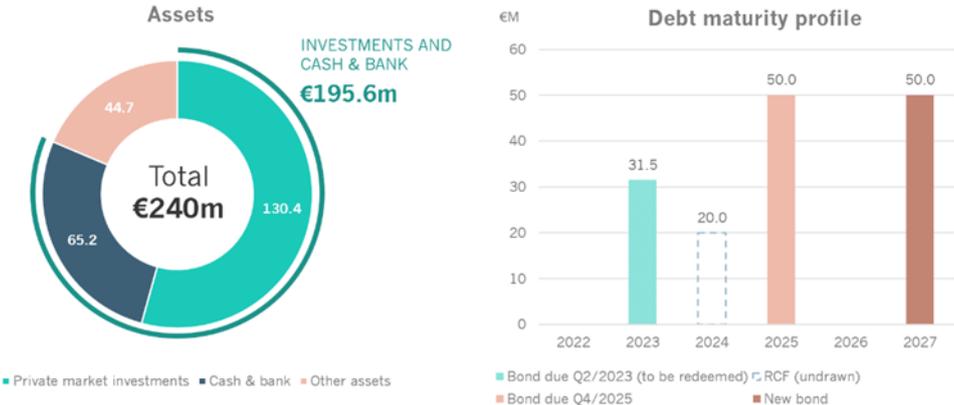
\* The table shows the allocation of fund investments from balance sheet from 2010 onwards as well as undrawn commitments as of 31 December 2021.

<sup>21</sup> Graphs are based on unaudited comparable segment information presented in CapMan’s Interim Reports for years 2017-21.  
<sup>22</sup> Figures for years 2020-21 are based Notes 31g) and 28 of CapMan’s audited consolidated financial statements for FY2021. Figures for years 2018-19 are based on Notes 31g) and 28 of CapMan’s audited consolidated financial statements for FY2019. Figures for years 2016-17 are based on Notes 33g) and 30 of CapMan’s audited consolidated financial statements for FY2017. Figures for years 2014-15 are based on Notes 17 and 28 of CapMan’s audited consolidated financial statements for FY2015. Figures for years 2012-13 are based on Notes 16 and 29 of CapMan’s audited financial statements for FY2013. Figures for years 2010-11 are based on Notes 26 and 29 of CapMan’s audited financial statements for FY2011.

According to the management of CapMan, CapMan has a strong financial position. CapMan’s equity ratio target is more than 60 per cent. The following graph describes CapMan’s equity ratio during the years indicated<sup>23</sup>:



The following graph describes CapMan’s asset structure and debt maturity profile as at the date of this Prospectus, reflecting the issue of the Notes and the redemption of the Existing 2023 Notes that will take place on 27 April 2022<sup>24</sup>:



**Financial Objectives and Future Outlook**

According to CapMan’s financial statement for the financial year ended 31 December 2021, CapMan’s objective is to pay an annually increasing dividend to its shareholders. The combined growth objective for the Management Company and Service businesses is more than 10 per cent p.a. on average. The objective for return on equity is more than 20 per cent p.a. on average. CapMan’s equity ratio target is more than 60 per cent.

The following outlook is included in CapMan’s financial statement for the financial year ended 31 December 2021:

“CapMan expects to achieve these financial objectives gradually and key figures are expected to show fluctuation on an annual basis considering the nature of the business. CapMan estimates capital under management to continue

<sup>23</sup> Figures are unaudited and based on Annual Reports for years 2017-2021.  
<sup>24</sup> Asset structure and debt maturity profile based on audited FY21 financial statements taking into account the issue of the Notes and the redemption of the Existing 2023 Notes that will take place on 27 April 2022.

growing in 2022. CapMan's objective is to improve the aggregate profitability of Management Company and Service businesses. These estimations do not include possible items affecting comparability.

Carried interest income from funds managed by CapMan and the return on CapMan's investments have a substantial impact on CapMan's overall result. In addition to portfolio company and asset-specific development and exits from portfolio companies and assets, various factors outside of the portfolio's and CapMan's control influence fair value development of CapMan's overall investments as well as the magnitude and timing of carried interest.

CapMan's objective is to improve results in the longer term, taking into consideration annual fluctuations related to the nature of the business. For these and other reasons mentioned above, CapMan does not provide numeric estimates for 2022. Items affecting comparability are described in the Tables section of this report."

*The above statements include forward-looking statements. These statements are not guarantees of future financial performance of CapMan. CapMan's actual results and financial position could differ materially from those expressed or implied by these forward-looking statements as a result of many factors. The Issuer cautions prospective investors not to place undue reliance on these forward-looking statements.*

CapMan confirms that the above information on the profit forecast has been properly prepared on the basis stated that is both comparable with CapMan's historical financial information and consistent with CapMan's accounting principles. The profit forecast is the best considered view and understanding at the time based on the forecasts and estimates received. The key factors affecting revenue and operating loss, that the Issuer can affect, are management fees and sale of services and the development of personnel and other operating expenses. Factors outside the control of CapMan that affect the above-mentioned forward-looking statements are mostly related to duration of the COVID-19 pandemic and the measures to fight the pandemic as well as the geopolitical atmosphere.

	<b>For the financial year ended 31 December</b>	
	<b>2021</b>	<b>2020</b>
	<b>(audited)</b>	<b>(audited)</b>
<b>CONSOLIDATED STATEMENT OF INCOME</b>		
<b>EUR thousand</b>		
Management fees	36,585	28,995
Sale of services	13,341	13,122
Carried interest	2,858	873
<b>Turnover</b>	<b>52,784</b>	<b>42,989</b>
Other operating income	22	97
Personnel expenses	-30,632	-23,916
Depreciation and amortisation	-1,476	-1,503
Other operating expenses	-9,969	-9,728
Fair value changes of investments	33,912	4,398
<b>Operating profit</b>	<b>44,642</b>	<b>12,339</b>
Financial income and expenses	-4,042	-3,120
<b>Result before taxes</b>	<b>40,600</b>	<b>9,219</b>
Income taxes	-5,239	-2,941
<b>Result for the period</b>	<b>35,362</b>	<b>6,278</b>

	As at 31 December	
	2021 (audited)	2020 (audited)
<b>CONSOLIDATED BALANCE SHEET</b>		
<b>EUR thousand</b>		
<b>ASSETS</b>		
<b>Non-current assets</b>		
Tangible assets	1,754	2,619
Goodwill	15,314	15,314
Other intangible assets	459	725
Investments at fair value through profit and loss		
Investments in funds	130,011	116,066
Other financial assets	393	191
Receivables	10,066	9,084
Deferred income tax assets	1,836	2,439
<b>Total non-current assets</b>	<b>159,834</b>	<b>146,438</b>
<b>Current assets</b>		
Trade and other receivables	15,223	14,017
Financial assets at fair value through profit and loss	0	312
Cash and bank	65,207	58,002
<b>Total current assets</b>	<b>80,429</b>	<b>72,331</b>
<b>TOTAL ASSETS</b>	<b>240,263</b>	<b>218,768</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital attributable the Company's equity holders</b>		
Share capital	772	772
Share premium account	38,968	38,968
Other reserves	52,718	71,416
Translation difference	-286	-247
Retained earnings	33,607	1,616
<b>Total capital attributable to the Company's equity holders</b>	<b>125,778</b>	<b>112,524</b>
Non-controlling interests	1,616	742
<b>Total equity</b>	<b>127,394</b>	<b>113,266</b>
<b>Non-current liabilities</b>		
Deferred income tax liabilities	4,627	2,703
Interest-bearing loans and borrowings	82,038	82,612
Other non-current liabilities	7,552	6,936
<b>Total non-current liabilities</b>	<b>94,217</b>	<b>92,250</b>

<b>Current liabilities</b>		
Trade and other payables	16,722	11,075
Interest-bearing loans and borrowings	970	908
Current income tax liabilities	959	1,269
<b>Total current liabilities</b>	<b>18,652</b>	<b>13,252</b>
<b>Total liabilities</b>	<b>112,869</b>	<b>105,502</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>240,263</b>	<b>218,768</b>

**For the year ended 31  
December**

	<b>2021 (audited)</b>	<b>2020 (audited)</b>
<b>CONSOLIDATED STATEMENT OF CASH FLOWS</b>		
<b>EUR thousand</b>		
<b>Cash flow from operations</b>		
Result for the financial period	35,362	6,278
Adjustments for:		
Share-based payments	787	1,919
Depreciation and amortisation	1,476	1,503
Fair value changes of investments	-33,912	-4,398
Financial income and expenses	4,042	3,120
Income taxes	5,239	2,941
Other non-cash items	32	-76
Adjustments, total	-22,337	5,009
Change in working capital:		
Change in current non-interest-bearing receivables	-1,545	-3,169
Change in current trade payables and other non-interest-bearing liabilities	6,087	-12,551
Interest paid	-3,971	-3,197
Taxes paid	-2,571	-4,277
<b>Cash flow from operations</b>	<b>11,025</b>	<b>-11,907</b>
<b>Cash flow from investing activities</b>		
Acquisition of subsidiaries	231	-255
Proceeds from sale of subsidiaries	221	7
Investments in tangible and intangible assets	-140	-389
Investments at fair value through profit and loss	17,522	17,670
Long-term loan receivables granted	-144	-410
Proceeds from long-term receivables	1,389	673
Interest received	91	166
<b>Cash flow from investing activities</b>	<b>19,170</b>	<b>17,461</b>
<b>Cash flow from financing activities</b>		
Share issue	90	447
Proceeds from borrowings	140	69,724
Repayment of long-term loan	0	-38,590

Payment of lease liabilities	-976	-942
Dividends paid and return of capital	-22,244	-21,854
<b>Cash flow from financing activities</b>	<b>-22,990</b>	<b>8,784</b>
<b>Change in cash and cash equivalents</b>	<b>7,205</b>	<b>-14,337</b>
Cash and cash equivalents at start of year	58,002	43,665
<b>Cash and cash equivalents at end of year</b>	<b>65,207</b>	<b>58,002</b>

As at and for the year ended 31 December

<b>KEY FIGURES</b>	<b>2021</b> <b>(audited, unless</b> <b>otherwise indicated)</b>	<b>2020</b> <b>(audited, unless</b> <b>otherwise indicated)</b>
Turnover	52,8	43,0
Management fees	36,6	29,0
Sale of services	13,3	13,1
Carried interest	2,9	0,9
Other operating income	0,0	0,1
Operating expenses	-42,1	-35,1
Fair value gains/losses of investments	33,9	4,4
Operating profit	44,6	12,3
Operating profit, comparable	44,6 <sup>1</sup>	12,3 <sup>1</sup>
Financial income and expenses	-4,0	-3,1
Profit before taxes	40,6	9,2
Profit for the financial year	35,4	6,3
Earnings per share, cents	21,9	3,3
Diluted earnings per share, cents	21,4	3,3
Comparable diluted earnings per share, cents	21,4 <sup>1</sup>	3,3 <sup>1</sup>
Shareholders' equity / share, cents	81,4 <sup>1</sup>	72,7 <sup>1</sup>
Dividend/share, cents	15,0 <sup>1</sup>	14,0 <sup>1</sup>
Dividend/earnings, %	68,5 <sup>1</sup>	424,2 <sup>1</sup>
Average share issue adjusted number of shares during the financial year	156,580	155,797
Number of shares at year-end ('000)	156,617 <sup>1</sup>	155,459 <sup>1</sup>
Number of shares outstanding ('000)	156,591 <sup>1</sup>	156,433 <sup>1</sup>
Own shares ('000)	26	26
Return on equity, %	29,4 <sup>1</sup>	5,2 <sup>1</sup>
Return on investment, %	21,2 <sup>1</sup>	6,3 <sup>1</sup>
Equity ratio, %	53,3 <sup>1</sup>	51,9 <sup>1</sup>
Net gearing, %	14,0 <sup>1</sup>	22,5 <sup>1</sup>
Dividends and return on capital paid	23,5	21,9
Personnel	161	146

<sup>1</sup> Unaudited.

## 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.

For detailed calculation formulas of key ratios used in the financial statements incorporated to this Prospectus by reference, see page 49 of the Annual Report 2021 and the notes to the financial statements as at and for the financial year ended 31 December 2021. Alternative performance measures used in this Prospectus and their calculation formulas are specified below in section “*Calculation of Performance Measures*”. Numbers and measures used for calculating the alternative performance measures presented in this Prospectus and as specified in “*Calculation of Performance Measures*” below, are available, for the financial year 2019, in the financial statements incorporated into this Prospectus by reference. Reconciliations for certain alternative performance measures for the financial years 2017-2021 are set out in section “*Reconciliation of Certain Alternative Performance Measures*” below.

Part of the 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 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. Based on the above, no undue reliance should be placed on the alternative performance measures presented in this Prospectus.

### Calculation of Performance Measures

The values used for the calculation of the performance measures set out below are included in the audited financial statements incorporated into this Prospectus by reference, unless otherwise indicated. The performance measures not included in the audited financial statements are unaudited.

Items affecting comparability <sup>(1)</sup>	=	See section “ <i>Reconciliation of Certain Alternative Performance Measures</i> ”
Comparable operating profit <sup>(1)</sup>	=	Operating profit – Items affecting comparability
Fee profit <sup>(1)</sup>	=	Operating profit of Management Company and Service business – carried interest
Comparable fee profit/	=	Operating profit of Management Company and Service business – carried interest
Comparable fee-based profitability <sup>(1)</sup>	=	(excl. items affecting comparability)
Comparable carried interest income <sup>(1)</sup>	=	Carried interest income less reassessment of potential repayment risk to the funds
Recurring revenue and Recurring turnover <sup>(1)</sup>	=	Revenue from customer contracts recognised over time
Fee-based revenue <sup>(1)</sup>	=	Management fee and sale of services of Management Company and Service business
Compound Annual Growth Rate (CAGR) <sup>(1)</sup>	=	

$$\left( \frac{\text{Last twelve months of the measure at the end of the measurement period}}{\text{Last twelve months of the measure at the beginning of the measurement period}} \right)^{1/\text{years}} - 1$$

Return on equity (ROE), % <sup>(1)</sup>	=	$\frac{\text{Profit/loss for the financial year}}{\text{Shareholders' equity (average during the period)}} \times 100$
Return on investment (ROI), % <sup>(1)</sup>	=	$\frac{\text{Profit/loss for the financial year} + \text{income taxes} + \text{interest expenses and other financial expenses}}{\text{Balance sheet total} - \text{non-interest bearing debts (average during the period)}} \times 100$
Equity ratio, % <sup>(1)</sup>	=	$\frac{\text{Total Shareholders' equity}}{\text{Balance sheet total} - \text{advances received}} \times 100$
Net gearing, % <sup>(1)</sup>	=	$\frac{\text{Net interest-bearing liabilities}}{\text{Shareholders' equity}} \times 100$
Earnings per share (EPS) <sup>(1)</sup>	=	$\frac{\text{Profit/loss for the financial year} - \text{hybrid loan interest}}{\text{Share issue adjusted number of shares (average during the period)}}$

$$\text{Shareholders' equity per share, cents}^{\text{1}} = \frac{\text{Shareholders' equity}}{\text{Share issue adjusted number of shares at the end of the financial year}}$$

<sup>1</sup> Unaudited.

### ***Reconciliation of Certain Alternative Performance Measures***

The below table reconciles the Operating profit to the Comparable operating profit and presents the items affecting comparability for the periods presented (unaudited unless otherwise stated):

	<b>For the financial year ended 31 December</b>				
<b>EUR million</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Operating profit <sup>1</sup>	44.6	12.3	19.4	12.0	19.5
Items affecting comparability:					
Acquisition related costs			1.1		1.8
Donations			0.3		
Impairment of goodwill			4.2		1.5
Reorganisation costs					1.0
Reassessment of potential repayment risk to the funds					0.1
<b>Items affecting comparability, total</b>	<b>-</b>	<b>-</b>	<b>5.7</b>	<b>-</b>	<b>4.4</b>
<b>Comparable operating profit</b>	<b>44.6</b>	<b>12.3</b>	<b>25.0</b>	<b>12.0</b>	<b>23.9</b>

<sup>1</sup> Audited.

The below table reconciles Carried interest income to Comparable carried interest income for the periods presented (unaudited unless otherwise stated):

	<b>For the financial year ended 31 December</b>				
<b>EUR million</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Carried interest income <sup>1</sup>	2.9	0.9	6.9	1.0	4.4
Reassessment of potential repayment risk to the funds	-	-	-	-	0.1
<b>Comparable carried interest income</b>	<b>2.9</b>	<b>0.9</b>	<b>6.9</b>	<b>1.0</b>	<b>4.5</b>

<sup>1</sup> Audited.

The below table reconciles Operating profit of Operating Segments Management Company Business and Service Business to Comparable fee-based profitability for the periods presented (unaudited unless otherwise stated):

	<b>For the financial year ended 31 December</b>				
<b>EUR million</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Operating profit of Operating Segments:					
Management Company Business <sup>1</sup>	13.2	9.5	6.0	2.8	2.7
Service Business <sup>1</sup>	4.2	4.6	9.1	4.4	2.3

<b>Operating profit of the above Operating Segments, total</b>	<b>17.4</b>	<b>14.1</b>	<b>15.1</b>	<b>7.2</b>	<b>4.9</b>
Items affecting comparability:					
Impairment of goodwill	-	-	4.2	-	1.5
Reorganisation costs	-	-	-	-	1.0
<b>Items affecting comparability, total</b>	<b>-</b>	<b>-</b>	<b>4.2</b>	<b>-</b>	<b>2.5</b>
<b>Comparable operating profit of above Operating Segments</b>	<b>17.4</b>	<b>14.1</b>	<b>19.3</b>	<b>7.2</b>	<b>7.4</b>
Less: Carried interest income	-2.9	-0.9	-6.9	-1.0	-4.4
<b>Comparable fee-based profitability</b>	<b>14.5</b>	<b>13.2</b>	<b>12.4</b>	<b>6.2</b>	<b>3.0</b>

<sup>1</sup> Audited for financial years 2021, 2019 and 2018. Years 2020 and 2017 based on unaudited restated segment information.

### No Material Adverse Change in the Prospects

Since 31 December 2021, the last day of the financial period in respect of which the most recently audited financial statements of the Company have been prepared, there has been no material adverse change in the prospects of the Company or of the Group.

### No Significant Change in the Financial Performance or Financial Position

There has been no significant change in the financial performance or the financial position of the Company or the Group since 31 December 2021, which is the end of the last financial period for which an audited financial report has been published.

### Share Capital and Ownership Structure

As at the date of this Prospectus, the Issuer has issued a total of 156,617,293 shares and has a registered share capital of EUR 771,586.98 which is fully paid. 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.

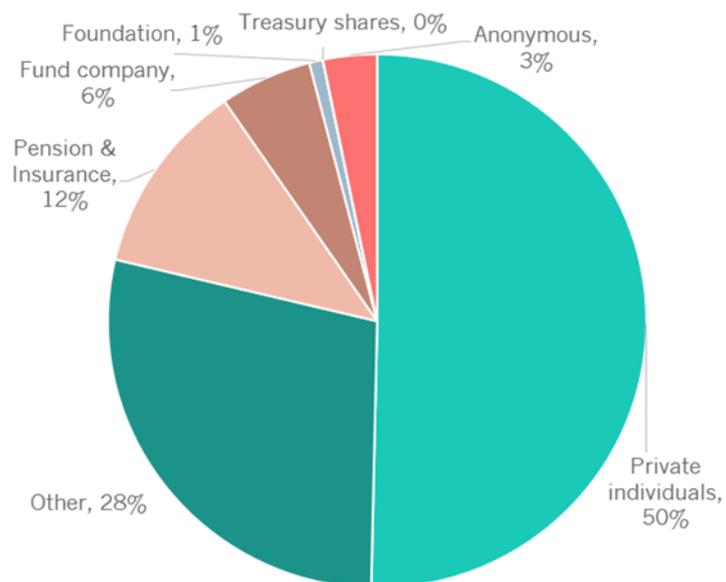
As at 28 February 2022, there were altogether 28,617 holders of shares in the Issuer, of which ten largest shareholders are listed below with their respective ownership participation percentage. The Issuer holds a total of 26,299 of its own shares representing approximately 0,02 per cent of shares and voting rights.

The following table sets forth the ownership information of the ten largest shareholders of the Issuer as at 28 February 2022:

<b>Shareholder</b>	<b>Number of Shares</b>	<b>Shareholding, %</b>
Silvertärnan Ab	16,226,519	10.36
Ilmarinen Mutual Pension Insurance Company	10,318,326	6.59
Mikko Laakkonen	6,378,320	4.07
Oy Inventiainvest Ab	4,286,860	2.74
Varma Mutual Pension Insurance Company	3,675,215	2.35
Joensuun Kauppa ja Kone Oy	3,289,502	2.10
Vesasco Oy	3,088,469	1.97
The State Pension Fund of Finland	2,500,000	1.60
Nordea Funds	2,356,115	1.50
Handelsbanken Funds	2,208,181	1.41
10 largest shareholders total	54,327,507	34.7
Other shares	102,289,786	65.3

From which nominee registered shares	4,859,979	3.1
<b>Total</b>	<b>156,617,293</b>	<b>100.00</b>

The following graph describes the ownership distribution of CapMan's shares as at 28 February 2022:



## SUMMARY OF RECENT DISCLOSURES

*The following summary sets forth information disclosed by CapMan pursuant to the Market Abuse Regulation (EU) No 596/2914 ("MAR") as well as certain other information disclosed by the Company pursuant to the rules of Helsinki Stock Exchange, over the last 12 months preceding the date of this Prospectus, which is to the Issuer's knowledge still relevant as at the date of this Prospectus. The summary does not discuss periodic financial reporting nor other disclosure obligations not pertaining to MAR such as annual and interim reports or notifications of change in major ownership. Therefore, the summary is not exhaustive and does not discuss all stock exchange releases issued by the Issuer during the above-mentioned period of time.*

### **Voluntary total redemption of notes due 2023**

On 4 April 2022, the Issuer announced to be considering issuance of sustainability-linked notes. At the same time, the Issuer announced that it will redeem in full its outstanding senior unsecured callable fixed rate notes due 2023 (ISIN: FI4000315676) (the "**Existing Notes**") in accordance with Clause 8.3 of the terms and conditions of the Existing Notes (the "**Voluntary Total Redemption**"). The Voluntary Total Redemption is conditional on the successful issuance of the new notes. The announcement constituted a notice of the voluntary redemption of the Existing Notes to the holders of the Existing Notes in accordance with the terms and conditions of the Existing Notes.

## 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 the rules and recommendations of the Helsinki Stock Exchange as applicable to listed companies. As a Finnish listed company, the Issuer complies with the Finnish Corporate Governance Code 2020 as published by the Finnish Securities Market Association effective as of 1 January 2020. CapMan does not deviate from any single recommendation of the Corporate Governance 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 governing bodies of the Company, including 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.

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.

### 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 six members elected by the 2022 Annual General Meeting of shareholders: Andreas Tallberg, Mammu Kaario, Catarina Fagerholm, Johan Hammarén, Olli Liitola and Johan Bygge. Under a decision taken by the Board of Directors, the majority of the Board of Directors shall be independent of the Company. In addition, at least two members shall also be independent of the Company's significant shareholders. In its organizational meeting on 16 March 2022, the Board of Directors assessed the independence of its members and concluded that the committees fulfil the independence requirements of the Finnish Corporate Governance Code 2020 for listed companies (see also "*Conflicts of Interest*" below).

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 convene the general meetings of shareholders;
- to appoint and dismiss the CEO;
- to supervise management;
- to approve strategic and financial objectives;
- to approve the budget;
- to decide on establishment of new CapMan funds and the level of CapMan's own commitments therein;
- to decide on 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 organization;
- 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 organized;
- 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:

<b>Name:</b>	<b>Background:</b>
<p><b>Andreas Tallberg</b></p> <p>Born 1963, M.Sc. (Econ.),</p> <p><b>Chairman of the Board (2017–)</b></p> <p><b>Chairman of the Remuneration Committee</b></p>	<p><i>Rothschild &amp; Co</i>, Senior Advisor (2017–)</p> <p><i>Oy G.W. Sohlberg AB</i>, CEO (2007–), Chairman of the Board (2020–)</p> <p><i>EQT</i>, Senior Partner (1996–2006)</p> <p><b>Memberships in other Boards of Directors and positions of trust:</b></p> <p><i>Realia Group Oy</i>, Chairman of the Board (2021–)</p> <p><i>Parmaco Group Oy</i>, Chairman of the Board (2019–2021)</p> <p><i>Mehiläinen Konserni Oy</i>, Chairman of the Board (2018–)</p> <p><i>Rothschild &amp; Co Nordic AB</i>, Board Member (2017–)</p> <p><i>Oy Nissala Ab</i>, Chairman of the Board (2010–)</p> <p><i>Wulff-Yhtiöt Oyj</i>, Member of the Board (2015–2018)</p> <p><i>Detection Technology Oyj</i>, Chairman of the Board (2007–2018)</p> <p><i>Glaston Oyj Abp</i>, Chairman of the Board (2007–2018)</p> <p><i>StaffPoint Holding Oy</i>, Chairman of the Board (2008–2017)</p> <p><i>TG Group Oy</i>, Chairman of the Board (2014–2016)</p> <p><i>Svenska Handelsbanken AB (publ)</i>, Branch Operation in Finland, Board Director (2008–2015)</p> <p><i>Lite-On Mobile Corporation</i>, Deputy Chairman of the Board (2007–2013)</p> <p><i>Perlos Oyj</i>, Chairman of the Board (2007)</p>
<p><b>Mammu Kaario</b></p> <p>Born 1963, LL.M., MBA</p> <p><b>Deputy Chairman of the Board (2018–)</b></p> <p><b>Member of the Board since 2017</b></p> <p><b>Chairman of the Audit Committee</b></p>	<p><i>Partnera Oy</i>, CEO (2016–2017)</p> <p><i>Korona Invest Oy</i>, Investment Director (2011–2016)</p> <p><i>Unicus Oy</i>, Partner (2005–2010)</p> <p><i>Conventum Corporate Finance Ltd</i>, Partner (2002–2005)</p> <p><b>Memberships in other Boards of Directors and positions of trust:</b></p> <p><i>Saka Finland Group Oy</i>, Chairman of the Board (2021–)</p> <p><i>Puulo Oyj</i>, Member of the Board (2021–)</p> <p><i>Ilmastorahasto Oy</i>, Member of the Board (2021–)</p> <p><i>Epec Oy</i>, Member of the Board (2021–)</p> <p><i>Gofore Oyj</i>, Member of the Board (2020–)</p> <p><i>Lapti Oyj</i>, Member of the Board (2018–)</p> <p><i>Aspo Oyj</i>, Vice Chairman of the Board (2012–)</p> <p><i>Ponsse Oyj</i>, Vice Chairman of the Board (2010–)</p> <p><i>Makai Holding Oy</i>, Chairman of the Board (2005–)</p> <p><i>Tosuka Holding Oy</i>, Deputy Member of the Board (1998–)</p> <p><i>Robit Oyj</i>, Vice Chairman of the Board (2017–2022)</p> <p><i>Virala Acquisition Company Oyj</i>, Vice Chairman of the Board (2021–2021)</p> <p><i>Nordic ID Oyj</i>, Member of the Board (2019–2021)</p> <p><i>PerusTerveys Suomi Oy</i>, Chairman of the Board (2017–2020)</p> <p><i>SstatzZ Oy</i>, Member of the Board (2015–2020)</p> <p><i>Suomen Hoivatilat Oyj</i>, Member of the Board (2016–2018)</p> <p><i>Pilke päiväkodit Oy</i>, Chairman of the Board (2012–2016)</p> <p><i>Invalidiliiton Asumispalvelut Oy</i>, Member of the Board (2012–2015)</p> <p><i>Enfo Oyj</i>, Member of the Board (2010–2015)</p>

	<p><i>FIBAN</i>, Member of the Board (2011–2012)  <i>Unicus Ltd</i>, Member of the Board (2010–2011)  <i>Esperi Care Ltd</i>, Member of the Board (2006–2010)</p>
<p><b>Catarina Fagerholm</b></p> <p>Born 1963, M.Sc. (Econ)</p> <p><b>Member of the Board (2018–)</b></p> <p><b>Member of the Audit Committee, Member of the Remuneration Committee</b></p>	<p><i>Instru Optiikka Oy</i>, CEO (2007–2018)  <i>BSH Kodinkoneet Oy</i>, Managing Director (1998–2006)  <i>BSH Hausgeräte Northern Europe</i>, Member of Management Team (1998–2006)  <i>Electrolux / AEG Major Appliances</i>, Country Manager, Brand Director (1996–1998)</p> <p><b>Memberships in other Boards of Directors and positions of trust:</b>  <i>Byggmax Group AB (publ)</i>, Member of the Board (2021–)  <i>Lekolar Group AB</i>, Member of the Board (2021–)  <i>Attendo AB Publ, Sweden</i>, Member of the Board (2016–), Chairman of Audit Committee (2017–)  <i>Restel Oy</i>, Member of the Board (2015–)  <i>Valo Eye Hospital Ltd</i>, Member of the Board (2017–2019)  <i>Finnish Commerce Federation</i>, Member of the Board (2013–2018)  <i>Instrumentarium Optika Ou, Estonia</i>, Member of the Board (2007–2018)  <i>Altia Oyj</i>, Member of the Board (2008–2015), Vice Chairman of the Board, Chairman of Audit Committee (2010–2015)  <i>Atasun Optik, Turkey</i>, Member of the Board (2012–2014)  <i>Plantagen Oy</i>, Member of the Board (2005–2008)  <i>Rahapaja Oy</i>, Member of the Board (1998–2008)  <i>Plantasjen ASA, Norway</i>, Member of the Board (2004–2007)</p>
<p><b>Johan Hammarén</b></p> <p>Born 1969, LL.M., B.Sc. (Econ.)</p> <p>Member of the Board (2020–)</p>	<p><i>Oy Hammarén &amp; Co Ab</i>, Managing Director (2019–)  <i>JAM Advisors Oy</i>, managerial positions (2012–2018)  <i>Fondia Oyj</i>, managerial positions (2006–2012)  <i>Nokia Corporation</i>, Legal Director (2000–2006)</p> <p><b>Memberships in other Boards of Directors and positions of trust:</b>  <i>Smartblock Oy</i>, Member of the Board (2020–2021)  <i>Silvertärnan Ab</i>, Member of the Board (2020–)  <i>Pieni Kirahvi Oy Ab (Kanniston Leipomo)</i>, Member of the Board (2019–)  <i>PK Mechanicus Oy Ab</i>, Chairman of the Board (2019–)  <i>Aktia Bank Plc</i>, Member of the Board (2019–)  <i>Oy Hammarén &amp; Co Ab</i>, Member of the Board (2018–)  <i>Naava Group Oy</i>, Vice Chairman of the Board (2015–)  <i>Life Annuity Institution Hereditas Ltd</i>, Member of the Board (2011–)  <i>Fondia Oyj</i>, Member of the Board (2006–)  <i>Tecnotree Corporation</i>, Member of the Board (2007–2017)  <i>Cabforce Oy</i>, Member of the Board (2013–2015)  <i>Aspocomp Group Oyj</i>, Member of the Board (2007–2015)  <i>Beneq Oy</i>, Member of the Board (2006–2013)</p>
<p><b>Olli Liitola</b></p> <p>Born 1957, M.Sc. (Eng.)</p> <p><b>Member of the Board (2019–)</b></p>	<p><i>CapMan Group</i>, several managerial positions (1991–2017)</p> <p><b>Memberships in other Boards of Directors and positions of trust:</b>  <i>Harvia Group Plc</i>, Chairman of the Board (2014–)  <i>Tapaus Oy</i>, Chairman of the Board (2014–)</p> <p><i>Lunawood Oy</i>, Chairman of the Board (2012–2020)  <i>NICE Entertainment Group Oy</i>, Member of the Board (2008–2013)  <i>Pretax Oy</i>, Member of the Board (2000–2010)</p>

	<p><i>PPTH Norden Oy</i>, Chairman of the Board (2000–2006)  <i>Puulämpö Yhtiöt Oy</i>, Chairman of the Board (1997–2006)</p>
<p><b>Johan Bygge</b>   Born 1956, BA (Econ.)   <b>Member of the Board (2021–)</b>   <b>Member of the Audit Committee</b></p>	<p><i>EQT AB</i>, COO and several senior advisory positions (2011–2019)  <i>Investor AB</i>, CFO (2007–2011)  <i>Capio</i>, CFO, EVP (2007–2007)  <i>AB Electrolux</i>, EVP, CFO, Controller and various other leadership positions (1987–2006)  <i>Ericsson</i>, Deputy Group Treasurer, Deputy Group Controller (1983–1987)  <i>Arthur Andersen &amp; Co.</i>, Auditor (1982–1983)</p> <p><b>Memberships in other Boards of Directors and positions of trust:</b>  <i>Guard Therapeutics</i>, Chairman of the Board (2021–)  <i>Scandi Standard</i>, Chairman of the Board (2021–)  <i>Praktikertjänst</i>, Member of the Board (2021–)  <i>AP3</i>, Swedish National Pension fund, Vice Chairman of the Board (2019–)  <i>Lantmännen EK För</i>, Member of the Board (2019–)  <i>SNS Förtroenderåd</i>, Member of the Board (2015–)  <i>Getinge AB</i>, Member of the Board (2007–)  <i>Nobina AB</i>, Chairman of the Board (2020–2022)</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 16 March 2022, the Board of Directors resolved to establish Audit and Remuneration Committees.

#### *Audit Committee*

As at the date of this Prospectus, the Audit Committee consists of Mammu Kaario (chairman), Catarina Fagerholm and Johan Bygge. 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 financial position of the Company;
- monitoring and assessment of the financial reporting process;
- monitoring and assessment of the company's internal control and risk management systems and compliance processes;
- monitoring and assessment of the most significant financial and tax risks;
- review of the Company's Corporate Governance Statement;
- 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;
- other communications with the auditor;
- preparing the proposal for resolution on the election of the auditor;
- defining the principles concerning the monitoring and assessment of related party transactions;
- monitoring and assessment of the processes and risks relating to IT security;
- evaluation of the use and presentation of alternative performance measures; and
- monitoring and assessment of any special issues allocated by the Board and falling within the competence of the audit committee.

### *Remuneration Committee*

As at the date of this Prospectus, the Remuneration Committee consists of Andreas Tallberg (chairman), Catarina Fagerholm and Olli Liitola. 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 duty of the Remuneration Committee is to assist the Board of Directors by preparing the decisions of the Board of Directors concerning:

- CEO appointment and remuneration;
- Company's executive remuneration principles and individual situations as required; and
- Company's overall principles for total compensation structure.

The Committee shall further contribute to:

- securing the objectivity and transparency of the decision-making regarding remuneration issues in the Company;
- the systematic alignment of remuneration principles and practice with company strategy and its long-term and short-term goals; and
- the appointment of the executives of the Company.

In addition to the above-mentioned tasks, the Remuneration Committee prepares the Company's Remuneration Policy and Remuneration Report for governing bodies.

### **Shareholders' Nomination Board**

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.

As at the date of this Prospectus, the Shareholders' Nomination Board consist of the following persons: Stefan Björkman, CEO of Föreningen Konstsamfundet r.f., representing Silvertärnan Ab, Mikko Mursula, Chief Investment Officer, Ilmarinen Mutual Pension Insurance Company, Ari Tolppanen, Oy Inventiainvest Ab, and Mikko Kalervo Laakkonen.

### **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 Frimodig, 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:

<b>Name:</b>	<b>Background:</b>
<p><b>Joakim Frimodig</b> Born 1978, BA (Oxon)</p> <p><b>CEO (2017–)</b> Joined CapMan in 2016</p>	<p><i>CapMan Plc</i>, Member of the Management Group (2016–) <i>Summa Capital Oy</i>, Deputy Managing Partner (2004–2015)</p> <p><b>Memberships in other Boards of Directors and positions of trust:</b> <i>GoGolf Oy</i>, Member of the Board (2020–) <i>Plugit Finland Oy</i>, Member of the Board (2017–) <i>Studentwork Sharper Oy</i>, Member of the Board (2015–2017) <i>Inderes Oy</i>, Member of the Board (2014–2015) <i>Summa Capital Oy</i>, Member of the Board (2007–2015)</p>
<p><b>Atte Rissanen</b> Born 1987, M.Sc. (Econ.)</p> <p><b>CFO (2022–)</b> Joined CapMan in 2017</p>	<p><i>CapMan Plc</i>, Member of the Management Group (2022–) <i>CapMan Plc</i>, Director, Strategy and Business Development (2019–2021), Manager, Strategy and Business Development (2017–2019) <i>Summa Capital</i>, M&amp;A (2015–2017) <i>Ernst &amp; Young Finland</i>, Corporate Finance, Analyst (2011–2012), Senior Analyst (2012–2014), Manager (2014–2014) <i>Corporate Advisor Group Oy</i>, Analyst (2010–2011)</p>
<p><b>Heidi Sulin</b> Born 1979, LL.M.</p> <p><b>COO (2021–)</b> Joined CapMan in 2021</p>	<p><i>CapMan Plc</i>, Member of the Management Group (2021–) <i>Hartwall Capital Oy Ab</i>, COO, Head of Support (2020–2021), Interim CEO, General Counsel (2018–2020), General Counsel (2016–2018) <i>CapMan Plc</i>, General Counsel (2007–2016) <i>Hannes Snellman Attorneys Ltd.</i>, Associate Lawyer (2003–2007)</p>
<p><b>Anna Berglind</b> Born 1974, M.Sc. (Soc.)</p> <p><b>Head of People and Culture (2018–)</b> Joined CapMan in 2018</p>	<p><i>CapMan Plc</i>, Member of the Management Group (2018–) <i>Mandatum Life</i>, Vice President, Human Resources (2013–2018), HR Manager (2010–2013) <i>Mandatum Life Insurance Baltic SE</i>, Member of Supervisory Board (2016–2017) <i>Seure Henkilöstöpalvelut Oy</i>, Employment Manager (2009–2010), HR Manager (2008–2009), Recruit Manager (2007–2008)</p>
<p><b>Maximilian Marschan</b> Born 1974, M.Sc. (Econ.)</p> <p><b>Managing Partner, CaPS (2018–)</b> Joined CapMan in 2009</p>	<p><i>CapMan Plc</i>, Member of the Management Group (2019–) <i>CapMan for Good Foundation</i>, Member of the Board (2019–) <i>Metsä Tissue</i>, Vice President, North Eastern Europe, Consumer Division (2010) <i>Lumene Group</i>, Vice President (2006–2009) <i>TeliaSonera</i>, Vice President, Sales (B2B) (2000–2006)</p>
<p><b>Christian Borgström</b> Born 1971, M.Sc. (Econ.)</p> <p><b>Managing Partner, CapMan Wealth Services (2019–)</b> Joined CapMan in 2019</p>	<p><i>CapMan Plc</i>, Member of the Management Group (2019–) <i>CapMan Wealth Services</i>, Managing Partner (2019–) <i>JAM Advisors</i>, Managing Partner (2012–2019) <i>EFG International</i>, Executive Director (2011–2012) <i>Nordea Bank S.A.</i>, Associate Director (2006–2011)</p> <p><b>Memberships in other Boards of Directors and positions of trust:</b> <i>Stiftelsen Rudolf och Emelie Gesellius fond sr</i>, Member or the Board (2020–) <i>Helsinki Bourse Club</i>, Member of the Board (2019–) <i>Wilhelm och Else Stockmanns stiftelse sr.</i>, Member of the Board (2018–) <i>GWS</i>, Member of the Board (2018–) <i>Stiftelsen Leon och Alice Borgströms minne sr.</i>, Member of the Board (2016–) <i>Oy Nordic Medcom Ab</i>, Member of the Board (2016–) <i>Stiftelsen Pro Helsingfors sr.</i>, Member of the Board (2015–)</p>

	<p><i>Hélenè och Walter Grönqvist stiftelse sr.</i>, Member of the Board (2015–)  <i>Lisi Wahls stiftelse för studieunderstöd sr.</i>, Member of the Board (2011–)</p>
<p><b>Pia Kåll</b>  Born 1980, M.Sc. (Eng.)</p> <p><b>Managing Partner, Buyout (2017–)</b>  Joined CapMan in 2016</p>	<p><i>CapMan Plc</i>, Member of the Management Group (2017–)  <i>Outotec Plc</i>, Member of the Executive Board (2013–2015)  <i>McKinsey &amp; Company, Inc.</i>, Associate Principal (2006–2013)</p> <p><b>Memberships in other Boards of Directors and positions of trust:</b>  <i>DEN Group Oy</i>, Member of the Board (2021–)  <i>PDSVision</i>, Member of the Board (2020–)  <i>Forenom</i>, Chairman of the Board (2017–)  <i>YrkesAkademin</i>, Member of the Board (2016–)  <i>CoTPL 1 Oy (former Bright Group Oy)</i>, Member of the Board (2016–)  <i>Pohjolan Design-Talo Oy</i>, Member of the Board (2016–2017)</p>
<p><b>Mika Matikainen</b>  Born 1975, M.Sc. (Econ.), M.Sc. (Soc.)</p> <p><b>Managing Partner, Real Estate (2010–)</b>  Joined CapMan in 2006</p>	<p><i>CapMan Plc</i>, Member of the Management Group (2010–)  <i>UBS Investment Bank</i>, Analyst (2004–2006)  <i>Hewlett-Packard Oy</i>, Business Controller (1999–2002 and 2003–2004)</p>
<p><b>Antti Kummu</b>  Born 1976, M.Sc, CFA</p> <p><b>Managing Partner, Growth (2021–)</b>  Joined CapMan in 2017</p>	<p><i>CapMan Plc</i>, Member of the Management Group (2021–)  <i>CapMan Plc</i>, Managing Partner, CapMan Growth (2021–), Partner, Growth (2017–2021)  <i>Touhula Varhaiskasvatus Oy</i>, CFO (2015–2017)  <i>Coronaria Hoitoketju Oy</i>, Director, M&amp;A (2015–2015)  <i>Finnish Industry Investment Ltd</i>, Director, Team Leader, Buyouts and Investment Programmes (2013–2015), Director, Team Leader, Buyout and M&amp;A (2011–2013), Investment Director (2007–2011), Investment Manager (2004–2006)  <i>Finnvera Oyj</i>, Development Manager (2002–2004), Business Analyst (2001–2002), Financial Planner (1999–2000)</p> <p><b>Memberships in other Boards of Directors and positions of trust:</b>  <i>Suomen Avustajapalvelut Oy</i>, Chairman of the Board (2021–)  <i>Silmäasema Oy</i>, Chairman of the Board (2019–)  <i>Aste Helsinki Oy</i>, Chairman of the Board (2019–)  <i>Finnish Minerals Group</i>, Chairman of the Board (2018–)  <i>Coronaria Oy</i>, Member of the Board (2017–)  <i>Insplan Oy</i>, Member of the Board (2020–2021)  <i>RealMachinery Oy</i>, Member of the Board (2018–2021)  <i>Touhula Varhaiskasvatus oy</i>, Member of the Board (2015–2017)  <i>Aker Arctic Technology Inc.</i>, Member of the Board (2014–2015)  <i>Holiday Club Resorts Oy</i>, Member of the Board (2010–2014)  <i>Lamor Corporation</i>, Member of the Board (2012–2014)</p>
<p><b>Ville Poukka</b>  Born 1981, M.Sc. (Econ.)</p> <p><b>Managing Partner, Infra (2017–)</b></p>	<p><i>CapMan Plc</i>, Member of the Management Group (2018–)  <i>Danske Bank Corporate Finance</i>, Various positions, most recently Managing Director, Head of Energy and Infrastructure (2006–2017)</p> <p><b>Memberships in other Boards of Directors and positions of trust:</b>  <i>Nydalen Energi AS</i>, Chairman of the Board (2020–)  <i>Loviisan Lämpö Oy</i>, Chairman of the Board (2020–2021)  <i>Norled AS</i>, Member of the Board (2019–)</p>
<p><b>Mari Simula</b></p>	<p><i>CapMan Plc</i>, Member of the Management Group (2017–)</p>

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

### 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.

The members of the Board of Directors, apart from Johan Hammarén, are independent of the Company and its significant shareholders. Johan Hammarén is non-independent of Silvertärnan Ab, a significant shareholder of the Company, and non-independent of the Company due to his employment with a group company within the past three years.

### Auditors

The consolidated financial statements of the Company for the financial year ended 31 December 2021 incorporated in this Prospectus by reference have been audited by Ernst & Young Oy, under the supervision of principal auditor Ulla Nykky, Authorised Public Accountant.

CapMan's Annual General Meeting of shareholders resolved on 16 March 2022, in accordance with a recommendation of the Audit Committee of the Board of Directors, to elect Ernst & Young Oy as auditor of the Company. Kristina Sandin, Authorised Public Accountant, will act as the principal auditor. The business address of the principal auditor is Alvar Aallon katu 5 C, FI-00100 Helsinki, Finland. Kristina Sandin is registered in the auditor register in accordance with Chapter 6 Section 9 in the Finnish Auditing Act (1141/2015, as amended).

## SUMMARY OF THE CAPMAN SUSTAINABILITY-LINKED FINANCE FRAMEWORK

*The following is a summary of the CapMan Sustainability-Linked Finance Framework published on 4 April 2022 and available on the Issuer's website: <https://www.capman.com/shareholders/debt-investors/>.*

### 1. Sustainability at CapMan

As active owners, funds managed by CapMan can drive sustainability and change on a broad scale. CapMan's governing principle is to add to the enrichment of society. This applies to returns from CapMan's investments but also to how CapMan makes these returns and what the compound effects are for a broad group of stakeholders.

As of 31 December 2021, CapMan's portfolio companies employ a total of 13,000 people with a combined turnover of EUR 2.2 billion. CapMan also manages real estate with a combined area of 1,300,000 square meters and approx. 6,500 tenants in total. CapMan's assets under management amount to EUR 4.5 billion. CapMan has implemented its new ESG strategy, which integrates sustainability factors more systematically into all CapMan's activities. CapMan commits to actions that limit global warming in line with the boundaries established by the Paris Agreement. CapMan also commits to promoting employee wellbeing and the establishment of diverse and inclusive work communities as part of active value creation.

In the beginning of 2022 CapMan has made an environmental commitment to set Science Based Targets in line with a 1.5°C scenario as well as other ESG improvement targets. CapMan has updated its ESG KPIs in line with market best practice. These KPIs are gathered through a data management platform that enables CapMan to follow up on developments on an asset and fund level and support portfolio companies in establishing its own sustainability strategy and targets.

#### CapMan's approach to investing sustainably

CapMan manages EUR 4.5 billion in assets on behalf of institutional investors. The returns from CapMan's funds contribute to the well-being of more than 10 million pension beneficiaries around the world.

CapMan's activity also shapes the Nordic communities where CapMan invests. Functioning private assets markets that are driven by active value creation benefit the society as a whole.

CapMan follows in its investment operations the Principles of Responsible Investing to which CapMan became a signatory in 2012. CapMan's PRI scorecard based on the latest available assessment of its 2020 report provided CapMan with an A+ score for private equity, infrastructure and real estate and an A score for responsible investment strategy and governance on a scale of 'A+ to E'.

CapMan also takes into account UN Sustainable Development Goals that are relevant for a particular investment strategy or fund. CapMan further co-operates with NGOs and networks that promote responsible investment and business practices.

#### ESG in the investment process

CapMan's most significant impact on the development of ESG factors is through its investments. CapMan integrates ESG criteria throughout the investment process: from sourcing and screening of potential investments to due diligence and proceeding with the investment decision. ESG findings in the due diligence process are evaluated and integrated in the value creation strategy for the asset if considered material. The value creation process often also includes a sustainability aspect where CapMan seeks to find ways to create value for investors while meeting specific sustainability targets. Please see Picture 1 and Table 1 below for additional information.

The investment case responsible person is responsible for integrating ESG issues throughout the investment process. The work is facilitated by a designated person responsible for developing and implementing the ESG framework for each investment area. ESG issues are managed in the following phases of the investment process.

#### Organisation of responsibilities

CapMan Plc's Management Group makes strategic decisions regarding sustainability with the Chief Operating Officer being responsible for the overview and resource allocation on CapMan level. CapMan has a dedicated ESG Director responsible for developing a Group-wide sustainability strategy. Every investment area has a

designated investment professional responsible for implementing sustainable investment considerations in the corresponding funds and portfolios and work together with case teams, asset management and portfolio company management to identify risks and opportunities related to ESG. Further, CapMan has a dedicated ESG working group with representatives from all investment areas.

**Picture 1: Overview of the investment process**



**Table 1: ESG measures in the investment process**

A3 Phase: Sourcing and Screening	A2 Phase: Due Diligence	A1 Phase up to signing and Closing of Investment	Ownership and Value Creation	Exit
<ul style="list-style-type: none"> <li>• CapMan implements a sustainable investment framework in the screening process for investments.</li> <li>• CapMan also conducts negative screening, which means that CapMan does not invest in certain industries or practices.</li> <li>• In order to move forward with the investment, the governance model for the investment must be such that CapMan can implement changes if any sustainability-related red flags arise in the screening process.</li> </ul>	<ul style="list-style-type: none"> <li>• ESG due diligence is preceded by materiality analysis in order to devote resources to the most relevant topics from a company and societal perspective.</li> <li>• Universal topics are included as part of the ESG due diligence across all investments, such as the elimination of child or forced labour.</li> </ul>	<ul style="list-style-type: none"> <li>• ESG value creation opportunities and potential issues are documented and an initial action plan is developed.</li> <li>• Initial metrics to monitor ESG performance are identified.</li> </ul>	<ul style="list-style-type: none"> <li>• Active ownership is the basis for the value creation phase of the investment. Active ownership provides agency to drive change.</li> <li>• During the value creation phase, CapMan identifies value creation initiatives that also have a value building impact from an environmental, social or governance perspective.</li> <li>• CapMan rolls out portfolio level ESG initiatives based on the fit with its sustainable investment goals.</li> </ul>	<ul style="list-style-type: none"> <li>• Ownership change is part of a continuum for the business or the asset. All value creation and asset management activities through the lifecycle of the investments are targeted at managing and decreasing risk and improving value for the purpose of improving the attractiveness of the business or asset at exit.</li> <li>• CapMan describes ESG improvements completed during its ownership and highlight areas for further development for the new owner.</li> </ul>

**CapMan’s sustainability programme and sustainability targets**

CapMan’s sustainability strategy centres around its role as an active owner. CapMan steers its investments towards clear sustainability targets.

Three tracks define CapMan’s environmental, social and governance approach and focus. CapMan also monitors other areas that are of relevance for some of its portfolio companies and real estate through established processes and ESG KPIs.

Picture 2:



**Environment**

CapMan wants to help its companies, assets and ultimately its stakeholders in transitioning towards a carbon-neutral society through positioning its portfolio companies and assets on a path towards net-zero GHG emissions. To achieve this, CapMan has committed to the Science Based Targets initiative (SBTi). CapMan commits to and has set SBTs as a private assets firm and thereby places its investments on a scientifically verified path towards net-zero greenhouse gas emissions. SBTs are short and long-term GHG emissions reduction targets that are informed by independent climate science, ensuring that a company’s emissions are in line with the Paris Agreement 1.5°C scenario.

Longer term, CapMan is looking into how to systematically include life cycle analysis throughout CapMan and its portfolio companies and properties and to adopt a circular economy approach.

*Environmental targets for 2022*

CapMan’s targets

- Commit to 1.5°C aligned Science Based Targets, followed by a net-zero commitment

CapMan’s investments targets

- Commit to 1.5°C aligned Science Based Targets, followed by a net-zero commitment
- Increase nr of Sustainable Building Certifications (for Real Estate)
- Increase nr of green leases (for new larger leases for Real Estate)
- Reduce water consumption (for Real Estate)

**Social**

CapMan wants to be part of building companies to be proud of, that employees are proud to work for and that customers want to frequent and promote. CapMan also wants that its real estates attract high-quality tenants.

CapMan believes that this creates value in the companies and makes the assets more valuable for future owners as well.

### *Social targets for 2022*

#### CapMan's targets

- Employee satisfaction eNPS survey above 40
- Create policy & process for diversity and inclusion

#### CapMan's investments targets

- Employee satisfaction surveyed above 3.5 out of 5 (for PE and Infra)
- Yearly tenant engagement on social and environmental matters with focus on commercial tenants (for Real Estate)
- Improve tenant satisfaction (for Real Estate)

### **Governance**

CapMan considers that creating a diverse and inclusive business broadens the competence. CapMan focuses especially on diversity within decision-makers both at CapMan and in its portfolio companies, and in the adequacy of training and development opportunities throughout the CapMan organisation.

CapMan also seeks to integrate sustainability objectives into executive remuneration for all companies where CapMan has board representation.

### *Governance targets for 2022*

#### CapMan's targets

- Develop employee remuneration to include ESG targets
- Develop a process to reach equal gender representation in the Management Group, at partner level and throughout the organization

#### CapMan's investments targets

- Appoint max 70 per cent of any gender to boards & management teams
- Sustainability objectives integrated into executive remuneration in all new majority owned companies within a year of acquisition (for PE and Infra)
- GRESB reporting for the following funds: CMNRE II, CMNRE III, CMNPI, CMHRE and CMRF (for Real Estate)

### **Promotion of the UN Sustainable Development Goals**

The United Nations (UN) Sustainable Development Goals (SDGs) provide a global framework for addressing the most urgent social and environmental challenges. CapMan recognizes its role in promoting the SDGs. CapMan has identified the following SDGs as central to its business. CapMan describes the link between its activities and the SDGs in its annual sustainability-focused publication.



#### **5-5 Ensure full participation in leadership and decision making**

Although private equity is a historically male dominated industry, CapMan Buyout is one of few Buyout investment managers in the Nordics headed by a woman. CapMan Buyout and CapMan Growth monitor the management and board compositions of its portfolio companies.

CapMan is a founding member of the Nordic chapter of Level 20, a network promoting equality and inclusion in the private equity sector.

## CapMan's targets aligned with the SDG

### CapMan's targets

- Develop a process to reach equal gender representation in the Management Group, at partner level and throughout the organization

### CapMan's investments targets

- Appoint max 70 per cent of any gender to boards & management teams (for PE and Infra)



#### **7-2 Increase global percentage of renewable energy**

#### **7-3 Double the improvement in energy efficiency**

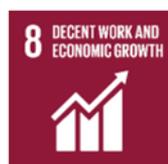
Energy is one of three key sectors in which CapMan Infra invests and an energy assessment analysis is always made prior to investments. CapMan Infra's investments include a wind farm in Sweden, as well as an electricity distribution network and district heating and cooling. CapMan is part of the shift towards low-carbon infrastructure.

CapMan Real Estate conducts energy assessments on its larger investments, including an assessment on the switch to green energy.

## CapMan's targets aligned with the SDG

### CapMan's investments targets

- Increase nr of Sustainable Building Certifications (for Real Estate)
- Increase nr of green leases (for new larger leases) (for Real Estate)



#### **8-1 Sustainable economic growth**

#### **8-2 Diversify innovate and upgrade for economic productivity**

#### **8-3 Promote development-oriented policies that support job creation and growing enterprises**

CapMan Buyout, CapMan Growth and CapMan Infra portfolio companies contribute to employment and economic growth in the Nordic countries. Labour practices are discussed in board meetings and companies are encouraged to implement policies that also cover the supply chain.

## CapMan's targets aligned with the SDG

### CapMan's targets

- Employee satisfaction eNPS survey above 40

### CapMan's investments targets

- Employee satisfaction surveyed above 3.5
- Metric to follow: job creation



#### **9-1 Develop sustainable, resilient and inclusive infrastructures**

#### **9-3 Increase access to financial services and markets**

#### **9-4 Upgrade all industries and infrastructures for sustainability**

CapMan Growth invests in knowledge intensive businesses driven by innovation that create new industries, professions, and jobs. CapMan Infra invests in the backbone of Nordic societies

through investments in energy, transportation, and telecommunications companies. Investments have a sustainable foundation through e.g. replacement of carbon-intensive solutions or through the strengthening of public infrastructure networks.



### **11-2 Affordable and sustainable transport systems**

### **11-3 Inclusive and sustainable urbanization**

CapMan Real Estate and CapMan Infra contribute to the establishment of sustainable cities and societies in the Nordics. This includes investing alongside existing public transport infrastructure, converting existing building stock into new use with a public purpose and contributing to a lower carbon footprint of office and retail properties.

### **CapMan's targets aligned with the SDG**

CapMan's investments targets

- Yearly tenant engagement on social and environmental matters with focus on commercial tenants (for Real Estate)
- Improve tenant satisfaction (for Real Estate)



### **13-2 Integrate climate change measures into policies and planning**

CapMan has committed to the Science Based Targets initiative (SBTi) to set targets for greenhouse gas (GHG) emission reductions that align its business with the Paris Agreement. CapMan Real Estate follows the energy consumption of its properties. CapMan Infra's investments in the transport sector are centered on reducing its climate impact. CapMan's Procurement Service CaPS encourages all supplier partners to report its CO2 emissions in an effort to increase transparency of the supply chain.

### **CapMan's targets aligned with the SDG**

CapMan's targets and investment targets

- Commit to 1.5°C aligned Science Based Targets, followed by a net-zero commitment



### **16-5 Substantially reduce corruption and bribery**

Ensuring a strong governance for both CapMan Plc, the funds under management as well as portfolio companies and assets is a prerequisite of conducting business. As part of the value creation and management process, CapMan establishes and formalises governance practices for its portfolio companies and assets.

CapMan's operations include extensive KYC and AML procedures that it implements at the establishment of new funds as well as during the life of the funds.

### **CapMan's targets aligned with the SDG**

CapMan's targets

- Develop employee remuneration to include ESG targets

CapMan's investments targets

- Sustainability objectives integrated into executive remuneration in all new majority owned companies within a year of acquisition (for PE and Infra)
- GRESB reporting for the following funds: CMNRE II, CMNRE III, CMNPI, CMHRE and CMRF (for Real Estate)

## Networks and external initiatives

CapMan works in cooperation with several external organisations in order to engage and further the discussion around sustainable investing.



### PRI

The PRI is the world's leading independent proponent of responsible investment. The Principles were launched in April 2006 at the New York Stock Exchange following an initiative by the United Nations. Since then the number of signatories has grown from 100 to over 2,300 institutional investors and organisations. The PRI is supported by, but not part of, the United Nations.

CapMan became a signatory of the Principles in 2012. CapMan reports to the PRI annually regarding how CapMan applies the principles in its activities. The report is publicly available on the PRI website as well as CapMan's website.



### Level 20

Level 20 was founded in the UK in 2015 to promote equality and inclusion within the private equity industry. The name refers to an objective that at least 20 per cent of senior investment professionals should be women. CapMan has been part of establishing the Nordic chapter of the organization.



### CapMan for Good

CapMan for Good is an independent foundation established by CapMan in 2019. The purpose of CapMan for Good is to support entrepreneurship, education and other activities in order to increase well-being in disadvantaged parts of society. The foundation operates mainly in the Nordic countries but may also act globally.



### Invest Europe

CapMan is a member of Invest Europe (formerly EVCA). Invest Europe is the world's largest association of private capital providers and it represents Europe's private equity, venture capital and infrastructure investment firms, as well as its investors, including some of Europe's largest pension funds and insurers. Invest Europe's members take a long-term approach to investing in privately-held companies.



### GRESB

GRESB is a mission-driven and industry-led organization that provides actionable and transparent environmental, social and governance (ESG) data for real assets, including real estate and infrastructure, to financial markets. GRESB collects, validates, scores and benchmarks ESG data to provide business intelligence, engagement tools and regulatory reporting solutions for investors, asset managers and the wider industry.



### Science Based Targets initiative

CapMan has committed to the Science Based Targets initiative (SBTi) to set targets for greenhouse gas (GHG) emission reductions that align CapMan's business with the Paris Agreement. The SBTi is a collaboration between CDP, the United Nations Global Compact, World Resources Institute and the World Wide Fund for Nature. The SBTi drives ambitious climate action in the private sector by enabling companies to set science-based emissions reduction targets. SBT show companies how much and how quickly they need to reduce their GHG emissions to prevent the worst effects of climate change.

## 2. Sustainability-Linked Finance Framework

By setting up a Sustainability-Linked Finance Framework (the Framework), CapMan strives to integrate sustainability features in its funding. The Framework will also contribute to awareness around CapMan's commitment to its goals, as well as offer an opportunity to communicate with investors and other market participants about its work within this area in a dedicated and frequent manner.

The Framework has been established in accordance with the Sustainability-Linked Bond Principles (SLBP) 2020 as administered by ICMA.<sup>25</sup> Substantially similar core components are outlined under the Sustainability Linked Loan Principles 2021, published by the LMA in connection with sustainability linked loans.<sup>26</sup>

CapMan can under the Framework issue securities, including but not limited to bonds, with a sustainability-linkage. "Sustainability-Linked Bonds" are determined in the Framework as follows:

"Sustainability-Linked Bonds (SLBs) are any type of bond instrument for which the financial and/or structural characteristics can vary depending on whether the issuer achieves predefined Sustainability/ESG objectives. In that sense, issuers are thereby committing explicitly (including in bond documentation) to future improvements in sustainability outcome(s) within a predefined timeline that are relevant, core and material to their overall business. SLBs are a forward-looking performance-based instrument. The proceeds of SLBs are intended to be used for general purposes; hence, the use of proceeds is not a determinant in its categorization."

The following five components form the basis of CapMan's Framework:

1. Selection of Key Performance Indicators (KPIs)
2. Calibration of Sustainability Performance Targets (SPTs)
3. Security characteristics
4. Reporting
5. Verification

### 2.1. Selection of Key Performance Indicators (KPIs)

CapMan has selected the following KPIs, which is core, relevant, and material to its business and measures the sustainability improvements of CapMan:

#### **KPI #1: GHG EMISSIONS REDUCTION PATHWAY VALIDATED BY SBTi**

CapMan will seek to have its science-based targets ("SBTs") approved by the Science Based Target initiative ("SBTi"). This metric is measurable, quantifiable and externally verifiable.

Rationale: CapMan wants to help its companies, assets and ultimately its stakeholders transition towards a carbon-neutral society through positioning its portfolio companies and assets on a path towards net-zero GHG emissions. To achieve this, CapMan has committed to the Science Based Targets initiative (SBTi) Net-Zero Standard. Following the SBTi Private Equity Sector Guidance, CapMan commits to and sets SBTs as a private assets firm and thereby place its investments on a scientifically verified path towards net-zero greenhouse gas emissions.

CapMan believes that strong ESG performance is reflected in strong financial performance, a link that is extensively supported by international research.

#### **KPI #2: SUSTAINABILITY OBJECTIVES INTEGRATED INTO THE VARIABLE REMUNERATION OF CAPMAN MANAGEMENT GROUP**

CapMan will seek to integrate sustainability objectives into the variable remuneration of CapMan's Management Group. Sustainability objectives to be integrated to the share plan 2025 are envisaged to include the following:

---

<sup>25</sup> [International Capital Markets Association SLB 2020.](#)

<sup>26</sup> [Loan Market Association SLLP 2021.](#)

Set science-based targets for climate, have the targets validated by the Science Based Targets Initiative and thereafter follow the emission reduction plan;

- Keep the CapMan Plc employee satisfaction eNPS survey above 40 on a yearly basis;
- Include relevant and quantifiable ESG targets in the CapMan Plc employee bonus programme. ESG targets should count for minimum 5 per cent of the total bonus potential;
- Set percentage targets on gender diversity within Management Group, at partner level and throughout the CapMan Plc organization and reach the targets by end of March 2025. The targets will support the long-term ambition of not having any gender representing more than 60 per cent.

These metrics are measurable, quantifiable and externally verifiable.

- Rationale: CapMan aims at maintaining attractive, competitive, fair, and sustainable remuneration which strives to achieving strategic business objectives in short-term and especially in the long-term. By including sustainability objectives into the Management Group's variable remuneration, CapMan will clearly align the incentives of decision makers with sustainability targets and ensure actions that prioritise ESG matters, which ultimately leads to the achievement of Group level sustainability targets.

## 2.2. Calibration of Sustainability Performance Targets (SPTs)

### SPT #1: GHG EMISSIONS REDUCTION PATHWAY VALIDATED BY SBTi

**Sustainability Performance Targets:** CapMan will seek to have its science-based targets (“SBTs”) approved by the Science Based Target initiative (“SBTi”).

**Sustainability Performance Target Trigger:** Whether CapMan is referenced by the SBTi as having approved and published GHG emission reduction targets before or by 31 December 2023 as the target observation date at which the performance of KPI #1 against SPT #1 is observed.

CapMan is committed to getting approved targets by 31 December 2023 at the latest as (i) CapMan applied to the SBTi at the beginning of 2022 (formal commitment date 3 February 2022, (ii) the official SBTi guidelines for Private Equity sector were published in November 2021 and (iii) CapMan has up to 24 months to submit and publish the validated SBTs on the SBTi website.

**Strategy to achieve the Sustainability Performance Target:** CapMan is in the process of developing the SBTs. CapMan needs to gather its scope 1 and 2 GHG emission data from 2021. It needs to evaluate which of the voluntary scope 3 categories to include in the target setting (category 1-14). Regarding scope 3 category 15, CapMan’s investments, CapMan will align the scope with the SBTi Private Equity Sector Guidance. For private equity and infrastructure, the targets will be based on the share of portfolios by invested capital that will have set SBTs short term and long term. For real estate, it is about reducing GHG emissions by X % per square meter floor area covering short term and long term. CapMan is working with a third-party consultant to develop the SBTs.

**Risks to the achievement of the target:** Potential delays in the process of submitting SBTs and getting approval by the SBTi.

### SPT #2: CAPMAN WILL INTEGRATE SUSTAINABILITY OBJECTIVES INTO THE VARIABLE REMUNERATION OF CAPMAN MANAGEMENT GROUP

**Sustainability Performance Targets:** The board will integrate sustainability targets to the Management Group’s long-term performance share plan which will be linked to CapMan Group’s overall sustainability targets. For the performance share plan 2022-2025 targets are envisaged to include the following:

- Set science-based targets for climate, have the targets validated by the Science Based Targets initiative and thereafter follow the emission reduction plan;
- Keep the CapMan Plc employee satisfaction eNPS survey above 40 on a yearly basis;
- Include relevant and quantifiable ESG targets in the CapMan Plc employee bonus programme. ESG targets should count for minimum 5% of the total bonus potential;

- Set percentage targets on gender diversity within Management Group, at partner level and throughout the CapMan Plc organization and reach the targets by end of March 2025. The targets will support the long-term ambition of not having any gender representing more than 60%.

These metrics are measurable, quantifiable and externally verifiable. The progress of the targets will be monitored by the Board of Directors on an annual basis after the targets are set during the entire duration of the performance share plan. The share reward related to the targets will be determined at the end of the performance share plan by the Board of Directors depending on reaching the targets. The targets mentioned above are all related to the long-term targets of aligning CapMan's business with the 1.5 degree scenario based in science, keeping employee satisfaction at a high level, ensuring that ESG is implemented throughout the organization and reaching equal gender diversity throughout the organization, with no gender representing more than 60%. The Board of Directors will use an external third party for the purpose of verifying that the targets are reached at their discretion.

As of March 2022, the Management Group is composed of CapMan's CEO, COO, CFO, Head of People and Culture, Head of Fund Investor Relations and the Heads of the following investment teams: Real Estate, Infrastructure, Buyout, Growth and CWS, as well as the Head of CaPS. The Management Group represents over 90 % of CapMan's AUM.

With the current share price of CapMan, the euro value of the maximum performance share reward linked to achieving the 2025 sustainability-targets for Management Group members would correspond to over 20 per cent of their annual fixed compensation for 2022.

**Sustainability Performance Target Trigger:** CapMan Management Group members will have integrated sustainability objectives in the long-term performance share plan 2022-2025 by 31 December 2023 as the target observation date at which the performance of KPI #2 against SPT #2 is observed.

**Strategy to achieve the Sustainability Performance Target:** CapMan's performance share plan 2022-2025 includes a share reward component earned on the basis of achieving targets that will be aligned with CapMan's overall sustainability linked-targets. CapMan will set concrete sustainability goals for the duration of the performance share plan during the next twelve months in order for the Board to set the targets by the observation date.

**Risks to the achievement of the target:** Potential delays in setting sustainability goals for the duration of the performance share plan would not allow the Board to integrate the targets into the performance share plan by the observation date.

### 2.3. Securities characteristics

The financial characteristics of any securities issued under the Framework will be specified in the documentation governing such securities including but not limited to the KPIs, SPTs, along with the year in which the relevant SPT is to be achieved (the Reference Year) and the potential change in the characteristics of such securities.

#### 2.3.1. Trigger Events

The occurrence of any of the following events (the Trigger Events) will trigger a change to the financial characteristics of the relevant securities as described in 2.3.2 below.

- CapMan has not achieved the applicable SPT relating to the KPI for the relevant Reference Year as reported on or before the Reporting End Date following the end of such Reference Year, or
- CapMan's reporting does not meet the requirements set out in Section 2.4 (Reporting) of the Framework in all material respects, or
- the verification of the SPT in accordance with section 2.6 (Verification) of the Framework has not been provided and made public by the Reporting End Date (as defined below).

The "Reporting End Date" for any KPI shall be the date falling 90 days after the respective KPI's target observation date.

### **2.3.2. Changes in securities characteristics**

The occurrence of a Trigger Event will result in a coupon step-up or increase in the redemption price applying to the relevant securities from the first day of the next interest period immediately following the Reporting End Date for the relevant Reference Year until maturity of the relevant security.

The size of the step-up applicable to the coupon or the increase of the redemption price will be specified in the securities documentation for each respective security issued under the Framework.

For the avoidance of doubt, if in respect of any securities issued under the Framework, the Company has achieved the relevant SPT for the Reference Year, and reporting and verification for the KPI and SPT have been provided and made public in accordance with the reporting and verification sections of the Framework, the financial characteristics of the relevant securities issued by CapMan under the Framework shall remain unchanged.

For any securities issued under the Framework, a Trigger Event impacting the financial characteristics of the securities may only occur once during the tenor of the relevant securities.

The KPIs and SPTs set out in the Framework will remain applicable throughout the tenor of any securities issued under the Framework, regardless of any changes to CapMan's sustainability strategy. Any new or updated Sustainability-Linked Finance Framework, in relation with any subsequent capital markets transactions, shall not have any implications on the securities issued under the Framework.

### **2.4. Reporting**

CapMan will provide relevant reporting on the progress made in respect of the KPIs, and (in relation to any Reference Years only) the achievement or not of the applicable SPTs set out in the security specific documentation. Such reporting shall be made publicly available on an annual basis in a Sustainability-Linked Finance Progress Report and in any case for any date/period relevant for assessing the SPT performance leading to a potential adjustment of the financial and/or structural characteristics of securities issued hereunder. The Sustainability-Linked Finance Progress Report shall be published on CapMan's web page no later than the Reporting End Date after the end of the year being reported on. For the avoidance of doubt, a failure to report does not trigger a step-up after the reporting end date for that year.

The Sustainability-Linked Finance Progress Report will contain all the relevant information needed to assess if any changes to the security characteristics are to be made.

### **2.5. Verification**

In order to provide transparency to investors and in alignment with the SLBP, CapMan will ensure an external and independent verification by a qualified external reviewer with relevant expertise, as outlined in the Voluntary Guidelines for External Reviews developed by the Green and Social Bond Principles, of its actual performance level against each SPT for each KPI. The verification shall be conducted with limited assurance by the external reviewer. CapMan has the discretion to change the external reviewer subject to fulfilling the requirements set out herein. The ex-ante reviewer of the Sustainability-Linked Finance Framework shall differ from the ex-post reviewer.

The verification of the actual performance relative to the SPTs shall be made public together with CapMan's Sustainability-Linked Finance Progress Report on the company's webpage no later than the Reporting End Date in each year as set out in section 2.3 (Security Characteristics) and specified in the security specific documentation for as long as any securities issued under the Framework remain outstanding. The verification, together with the Sustainability-Linked Finance Progress Report, will form the basis for evaluating any change in the financial characteristics of any securities issued under the Framework as described in the section 2.3 (Security Characteristics).

Failure to provide the ex-post verification before the Reporting End Date in any year up to and including the year following the Reference Year for any securities issued under the Framework, shall result in an automatic adjustment in the financial characteristics of such securities as outlined in the security specific documentation.

### **Amendments to the framework**

CapMan will review the Framework from time to time, including its alignment to updated versions of the relevant principles as and when they are released, with the aim of adhering to best practices in the market. CapMan will also review the Framework in case of material changes in the perimeter, methodology, and in particular KPIs and/or the SPT's calibration. Such review may result in the Framework being updated and amended. The updates, if not minor in nature, will be subject to the prior approval of a qualified provider of second party opinion. Any future updated version of the Framework that may exist will either keep or improve the current levels of transparency and reporting disclosures, including the corresponding review by an External Verifier. The updated Framework, if any, will be published on CapMan's website and will replace the current Framework.

## **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 the Revolving Credit Facility Agreement. The Lead Manager also acted as the lead manager in relation to the issuance of the Existing 2023 Notes (as defined in the Terms and Conditions of the Notes). The proceeds from the Offering will on 27 April 2022 be used in the amount of EUR 32.5 million for the financing of the redemption in full the Existing 2023 Notes including accrued and unpaid interest. 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 audited consolidated financial statements for the financial year ended 31 December 2021 and 31 December 2020 as well as the reports of the Board of Directors for the financial year 2021 and 2020 as set out below are incorporated into and form part of the Prospectus by reference. The non-incorporated information in the documents incorporated by reference is not relevant for investors or can be found elsewhere in the Prospectus. The referenced documents are available on the Company's website at, <https://www.capman.com/shareholders/financial-reports/>.

<b>Document</b>	<b>Information by reference</b>
<u><a href="#">Annual Report 2021</a></u>	Audited consolidated financial statements and the auditor's report for the financial year ended 31 December 2021 and the report of the Board of Directors for the financial year 2021, pages 37 to 105.
<u><a href="#">Annual Report 2020</a></u>	Audited consolidated financial statements and the auditor's report for the financial year ended 31 December 2020 and the report of the Board of Directors for the financial year 2020, pages 32 to 105.

## DOCUMENTS ON DISPLAY AND AVAILABLE INFORMATION

In addition to the documents incorporated by reference, the Issuer's Articles of Association are available on the Company's website at, <https://www.capman.com/shareholders/governance/>.

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. All annual reports, interim reports and stock exchange releases are published in Finnish and English. Such information will be available on the Issuer's website at, <https://www.capman.com/shareholders/>.

**THE COMPANY**

**CapMan Plc**  
Ludviginkatu 6  
FI-00130 Helsinki  
Finland

**LEAD MANAGER**

**OP Corporate Bank plc**  
Gebhardinaukio 1  
FI-00510 Helsinki  
Finland

**LEGAL ADVISER TO THE COMPANY**

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