

CapMan

Continued growth of assets under
management and, fee profit again
at record high

1-6 | 2024 Half-Year Report

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CapMan Plc 1–6 2024 Half-Year Report

Results 1–6 2024

- Assets under management EUR 5.8 billion 30 June 2024 (EUR 5.0 billion 31 December 2023).
- Group turnover was MEUR 36.7 1 January–30 June 2024 (MEUR 31.6 1 January–30 June 2023).
- Fee income was MEUR 32.9 (MEUR 28.8).
- Carried interest was MEUR 3.8 (MEUR 2.8).
- Operating profit was MEUR 12.7 (MEUR 4.7). Comparable operating profit was MEUR 14.4 (MEUR 4.7).
- Fee profit was MEUR 7.0 (MEUR 4.7).
- Diluted earnings per share were 3.0 cents (2.3 cents). Comparable diluted earnings per share were 3.9 cents (2.3 cents).

Significant events

- In March, CapMan Plc completed the acquisition of Dasos Capital Oy.
- In June CapMan announced final tender offer results for its outstanding bond due 2025 and issued a new MEUR 60 sustainability-linked bond

MANAGEMENT COMPANY AND SERVICE BUSINESS

Fee Profit
1–6 2024 €7.0m
Growth 1–6 2024 + €2.3m / +50%
Growth/last three years +17% p.a.

Carried interest

1–6 2024 €3.8m
Growth 1–6 2024 + €1.1m / +38%
Average/last three years €6.4m p.a.

INVESTMENT BUSINESS

Return on investments

Fair value change 1–6 2024 €3.5m / +2%
Fair value of investments 30.6.2024 €162m
Fair value change/last three years +11% p.a.

CEO's comment

After strong growth in the first half of 2024 all key metrics are at record high levels at the end of June. Assets under management are up 16% at EUR 5.8 billion, fee income grew +14% and fee profit grew with +50% to EUR 7.0 million.

Strong growth in management company and service business

Assets under management reached a record EUR 5.8 billion primarily through the acquisition of Dasos Capital and successful final closings of two funds; Nordic Infrastructure II, at EUR 375 million or double the size of the first fund, and Growth III at the fund's hard cap of EUR 130 million. AUM growth is the primary driver for fee income, which correspondingly grew 14% compared to the previous year.

Going forward our outlook remains strong with several funds currently in fundraising, which will contribute to future AUM growth and earnings development. Dasos Sustainable Forest and Wood III continues active fundraising and positive development, the Social Real Estate fund established at the end of last year continues fundraising towards its target of EUR 500 million over the coming years, and in the real estate flagship fund Nordic Real Estate IV we target a first close during 2024 and a target size of EUR 750 million at the final close of the fund.

As a result of growing fee income and improved relative profitability CapMan's fee profit, our most stable and predictable profit component, grew to record levels of EUR 7.0 million, up +50% compared to previous year.

Positive development across investment areas contributing to both future carry potential and positive Investment business development

We continued to deliver good returns to our fund investors by systematically executing the investment strategies also in a more challenging market environment. For the first half year the Infrastructure, Private Equity and Credit funds showed on aggregate strong positive

return development, thus improving our future carry outlook, while development of Real Estate funds has been more flat in line with the still recovering market. Our investment activity across strategies has stayed high. During the first half of the year, we have completed in total seven new platform investments and six exits, which can be compared to the full year median for the past ten years of 13 platform investments and seven exits.

The positive development in our funds also contributed to positive fair value change in the Investment business, i.e., in the investments made from CapMan's own balance sheet. Fair value of the investments into our own funds is up +5.1% during the first half of the year. In total the balance sheet investments' fair value change was +2.2%, as the external fund investments had a negative development during the period. CapMan funds are the main focus of our balance sheet investments, and we are not at the moment considering new external fund investments.

Through our investment activity we are building the society we want to see in the future

Through the investments we do from our funds and the value creation carried out in each asset during our ownership we contribute to building the society we want to see in 2040 and beyond. In April we published our Investments Sustainability Report for 2023, where you can read more about CapMan's integrated approach for sustainability and financial value creation done in our holdings across Real Estate, Infrastructure, Private Equity and Credit.



Pia Kåll
CEO, CapMan Plc

Market environment

According to investment data company Preqin global private market assets under management are estimated to grow 6-10% per year until 2028, i.e., a healthy growth rate although below the peak growth of the past couple of years. Growth is driven by both investors continuing to increase their allocations to the asset class over time and new investors entering the market.

During 2023 the amount of new capital raised to private markets declined from 2021-22 levels. This was a result of a chain reaction, where increased geopolitical uncertainty, fast increase in interest rates and inflation caused re-valuation of certain assets and a general slowdown in transaction activity. With less exits the realised distributions to fund investors dropped to the lowest levels in a decade. Lower cash distributions combined with higher market uncertainty led to a drop in the amount of new capital committed. At the same time the number of

funds raising capital increased, increasing competition for the available capital.

During the first months of 2024 the transaction activity continued on similar levels as the end of 2023. This indicates a somewhat higher activity level than early 2023, but a significant change in market momentum has not yet been seen.

For 2024-25 Preqin estimates aggregated global new capital raised to be on the same level or slightly above 2023 levels, with infrastructure and private equity picking up faster than real estate. Within each of the asset classes current interest rate levels are increasing investor appetite for higher return strategies that are more relying on the managers' active value creation activities and hence have higher return expectations than pure income strategies.

Highlights of active value creation in portfolio

Valokuitunen

CapMan Nordic Infrastructure I fund established Valokuitunen, a Finnish fibre-to-home (FTTH) provider, together with Telia Company in 2020. Since then, CapMan's Infra team has worked closely with the company CEO and management to accelerate growth. In just three years the company has grown to be the Finnish market leader, with a network coverage of more than 300,000 households and number of employees growing from 6 to 130. Value creation activities include establishment of an open access business model, efficient construction costs and an innovative approach to develop one of Finland's most efficient sales organizations. Going forward Valokuitunen's focus continues to deliver profitable growth in the Finnish market.

Solna Kasernen 1

CapMan Nordic Real Estate III Fund acquired Solna Kasernen 1, a historic 26,000 sq. m. property located in the Royal National City Park, next to Haga Slott in Sweden, in 2022, with the plan to transform it into a high-end hotel and full-service office asset. Key value creation activities include an extensive refurbishment with energy efficiency improvements, achieving BREEAM In-Use certification, and a Nature Positive pilot where the asset's green areas are improved. The hotel is set to open after summer 2025, featuring 215 rooms, conference space, a restaurant and state-of-the-art spa facility. In June 2024, CapMan successfully signed a 20-year lease with Nobis hospitality group, marking a significant step in the property's repositioning and underscoring CapMan's active investment strategy to combine sustainable and financial value creation.

CapMan Plc 1–6 2024 Half-Year Report

Group turnover and result in 1–6 2024

Table 1: Group turnover and result in 1–6 2024

€ ('000)	1-6/2024	1-6/2023	Change
Fee income	32,909	28,819	14%
Carried interest	3,819	2,766	38%
Turnover	36,728	31,584	16%
Turnover, internal			
Operating expenses	-27,523	-24,149	14%
Fair value changes	3,531	-2,733	n/a
Operating profit	12,736	4,702	171%
Items impacting comparability	1,622	0	
Comparable operating profit	14,358	4,702	205%
Less:			
Carried interest	-3,819	-2,766	38%
Fair value changes of investments	-3,531	2,733	n/a
Fee profit	7,008	4,670	50%
Result for the period	8,867	4,757	86%
Comparable result for the period	10,366	4,757	118%
Earnings per share, diluted, cents	3.0	2.3	30%
Comparable earnings per share, diluted, cents	3.9	2.3	70%

CapMan Group's turnover totalled MEUR 36.7 in the period spanning 1 January–30 June 2024 (1 January–30 June 2023: MEUR 31.6), up 16% from the comparison period. The growth was driven by both Fee income and Carried interest which grew by 14% and 38%, respectively.

Operating expenses were MEUR 27.5 (MEUR 24.1) with the main items being:

- Material and services MEUR 1.3 (MEUR 0.8).
- Personnel expenses MEUR 17.9 (MEUR 17.0)
- Depreciations and amortisations MEUR 1.1 (MEUR 0.8)
- Other operating expenses MEUR 7.2 (MEUR 5.6).

A large share of the increase in operating expenses was due to items impacting comparability that mainly consist of expenses related to the acquisition of Dasos Capital. Operating expenses less items affecting comparability were 7% above the comparison period at MEUR 25.9 (MEUR 24.1).

- Fair value changes of investments were MEUR +3.5 (MEUR –2.7), corresponding to +2.2% (-1.6%).

The comparable operating profit was MEUR 14.4 (MEUR 4.7) as Fee income, Carried interest, and Fair value changes were all above the comparison period.

Fee profit increased by 50% from the comparison period due to Fee income growth and improving relative profitability and was MEUR 7.0 (MEUR 4.7).

The result for the period was MEUR 8.9 (MEUR 4.8). The comparable result for the period was MEUR 10.4 (MEUR 4.8.)

A quarterly breakdown of turnover and profit, together with turnover, operating profit/loss, and profit/loss by segment for the period, alternative performance measures as well as items affecting comparability are available in the Tables section of this report.

Assets under management as at 30 June 2024

Assets under management refers to the remaining investment capacity of funds and capital already invested at acquisition cost or at fair value when referring to mandates and open-ended funds. Assets under management is calculated based on the capital, which forms the basis for management fees, and includes primarily equity without accounting for the funds' debt. AUM is impacted by fundraising, exits and fair value changes for open-ended funds as well as wealth management.

Assets under management was MEUR 5,842 as at 30 June 2024 (31 December 2023: MEUR 5,005). The increase was mainly due to the acquisition of Dasos Capital, which now forms the Natural Capital investment area. In addition, some MEUR 200 of new capital was raised during the period.

Table 2: Assets under management (incl. funds and mandates)

	30.6.24 (MEUR)	31.12.23 (MEUR)
Real Estate	2,967	2,933
Private Equity & Credit	1,016	1,022
Natural Capital	718	n/a
Infra	656	562
Wealth Management	485	488
Total assets under management	5,842	5,005

Management Company business

In its Management Company business, CapMan manages private asset funds and offers wealth advisory services. Income from the Management company business is derived from management fees, wealth advisory fees, property- and asset management fees, and carried interest received from funds.

Table 3: Management company turnover and result in 1–6 2024

€ ('000)	1-6/2024	1-6/2023	Change
Fee income	26,662	23,355	14%
Carried interest	3,819	2,766	38%
Turnover	30,481	26,121	17%
Turnover, internal		3	
Operating expenses	-19,923	-17,997	11%
Operating profit	10,558	8,126	30%
Items impacting comparability	462	0	
Comparable operating profit	11,021	8,126	36%
Less:			
Carried interest	-3,819	-2,766	38%
Fee profit	7,202	5,361	34%

Fee income grew by 14% driven by management fee growth due to the final closings of CapMan Nordic Infrastructure II and Growth Equity III funds as well as the acquisition of Dasos Capital completed on 1 March 2024.

Carried interest was received mainly due to exits from the Nest 2015 fund. Nearly all investments in the fund have now been exited. In the comparison period, CapMan received Carried interest from the Growth Equity I fund.

Turnover grew by 17% during the period due to both Fee income and Carried interest income growth.

Operating expenses grew by 11%. Most of the growth in operating expenses is explained by the acquisition of Dasos Capital. Comparable operating profit grew to MEUR 11.0 (MEUR 8.1) mainly due to fee income growth.

The fee profit of the segment increased to MEUR 7.2 (MEUR 5.4) driven by fee income growth and improving relative profitability.

Service business

In the Service business, CapMan offers procurement services and distributes software licenses to companies in Finland, Sweden and the Baltics, through CapMan Procurement Services (CaPS). Until 1 February 2023, Service business also included JAY Solutions, which offered reporting and back-office services to investors.

Table 4: Service business turnover and result in 1–6 2024

€ ('000)	1-6/2024	1-6/2023	Change
Fee income	5,924	5,327	11%
Turnover	5,924	5,327	11%
Turnover, internal		44	
Operating expenses	-2,560	-2,355	9%
Operating profit	3,363	3,015	12%
Fee profit	3,363	3,015	12%

Turnover increased by 11% due to the continued strong growth of CaPS. Until 1 February 2023 the segment also included the currently divested JAY Solutions. During the period, CaPS grew by 16% (19 %).

Operating expenses of the Service business grew by 9% mainly due to increased materials and services related operating expenses. The operating profit of the Service business was MEUR 3.4 (MEUR 3.0).

As the segment generates no carried interest or fair value changes, the fee profit equals the operating profit of the segment.

Investment business

Through its Investment business, CapMan invests from its own balance sheet in the private markets asset classes and mainly to its own funds. In addition to own funds, CapMan selectively invests in private market funds managed by external fund managers.

Table 5: Investment business turnover and result in 1–6 2024

€ ('000)	1-6/2024	1-6/2023	Change
Operating expenses	-396	-201	97%
Fair value changes	3,531	-2,733	n/a
Operating profit (loss)	3,136	-2,934	n/a
Comparable operating profit (loss)	3,136	-2,934	n/a
Less:			
Fair value changes of investments	-3,531	2,733	n/a
Fee loss	-396	-201	97%

Fair value changes were MEUR 3.5 (MEUR –2.7), corresponding to a 2.2% (–1.6%) change in fair value during the reporting period.

Investments into funds managed by CapMan developed on average positively contributing MEUR 5.5 (MEUR 3.5), corresponding to a 5.1% (3.1%) change in fair value, mainly due to positive development in private equity funds.

Investments into external funds developed negatively with fair value changes of MEUR -1.9 (MEUR –6.2), corresponding to a change of –3.8% (–10.9%). New external fund investments are currently not planned and thereby the share of external fund investments and their impact on group level fair value changes will decrease over time.

Operating profit for the Investment business was MEUR 3.1 (MEUR –2.9).

Fee loss was MEUR –0.4 (MEUR –0.2). As the segment generates no fee income, the fee profit equals to the operating expenses of the segment.

On 30 June 2024 the fair value of CapMan’s fund investments stood at MEUR 162.2 (MEUR 167.0).

Investments in portfolio companies are valued at fair value in accordance with the International Private Equity and Venture Capital Valuation Guidelines (IPEVG). Investments in real estate and natural capital are valued at fair value based on appraisals made by independent external experts. Valuation of external funds is based primarily on fair values reported by respective external fund managers. Sensitivity analysis by investment area is presented in the Tables section of this report.

Balance sheet and financial position as at 30 June 2024

CapMan’s balance sheet totalled MEUR 288.6 as at 30 June 2024 (30 June 2023: MEUR 254.6), of which goodwill amounted to MEUR 30.6 (MEUR 7.9). Cash in hand and at banks amounted to MEUR 48.9 (MEUR 42.6).

CapMan’s total equity amounted to MEUR 145.0 (MEUR 115.9). The increase in equity was mainly due to the directed share issue related to the acquisition of Dasos Capital completed on 1 March 2024. Interest-bearing net debt amounted to MEUR 58.3 (MEUR 52.5). CapMan’s total interest-bearing debt as at 30 June 2024 is outlined in Table 6.

Table 6: CapMan’s interest bearing debt

	Debt amount 30 June 2024 (MEUR)	Matures latest	Annual interest	Debt amount 31 Dec 2023 (MEUR)
Senior bond (issued in 2020)	4 MEUR	Q4 2025	4.00%	50,0 MEUR
Senior bond (issued in 2022)	40 MEUR	Q2 2027	4.50%	40,0 MEUR
Senior bond (issued in 2024)	60 MEUR	Q2 2029	6.50%	-
Long-term credit facility (available)	(20 MEUR)	Q2 2027	1,725-2,725%	(20 MEUR)

CapMan’s interest bearing debt increased due to the issue of a MEUR 60.0 sustainability-linked bond maturing in 2029. The proceeds of the bond were used for the tender offer of the bond maturing in 2025 and general company purposes.

CapMan’s bonds and long-term credit facility include financing covenants, which are conditional on the company’s equity ratio and net gearing ratio. CapMan honoured all covenants as at 30 June 2024. The senior bonds issued in 2022 and 2024 are linked to sustainability targets. The targets of the 2022 bond were achieved in April 2023.

The Group’s cash flow from operations totalled MEUR 1.2 during the period (MEUR 1.6). CapMan receives management fees from funds semi-annually, in January and July, which is shown under working capital in the cash flow statement.

Cash flow from investments totalled MEUR 8.2 (MEUR 2.1) and includes, inter alia, investments and repaid capital received by the Group. CapMan makes investments mainly through its investment company and its investments and cash on hand are classified as fund investments. Cash flow from financing was MEUR –1.7 (MEUR –17.0).

Sustainability

CapMan's vision is to become the most responsible private assets company in the Nordics. A strategic objective is to integrate sustainability into all operations and implement it in the product offering, fundraising, investment activities, fund management, services and the development of personnel and work environment, among others.

In April 2024, CapMan published its Investment Sustainability report for 2023. The report gives information about the sustainability work done in our holdings across real estate, infrastructure, private equity and credit funds as well as wealth management.

In May 2024, CapMan published its new Sustainability-Linked Bond Framework under which it can issue securities with a sustainability-linkage, with KPIs that cover over 90% of CapMan's total emissions. In early June 2024, CapMan issued its second sustainability-linked bond amounting to MEUR 60.

In June 2024, CapMan's board of directors approved the double materiality assessment which takes CapMan one step closer to reaching readiness to report under Corporate Sustainability Reporting Directive (CSRD).

Progress on environmental targets

In January 2024 CapMan made the commitment to achieve net zero emissions by 2040, which includes both CapMan's own operations (Scope 1 and 2) and CapMan's overall real estate and infrastructure assets and portfolio companies (Scope 3).

During the first quarter of 2024 CapMan Real Estate was selected among the first companies globally to participate in the Science Based Targets initiative (SBTi) Buildings pilot test. This puts CapMan on the forefront of

developing tools for decarbonisation of buildings. The emission reduction plan was made during Q1 2024 and submitted to SBTi for feedback.

CapMan is in the process to develop a proprietary Nature positive approach and assessment tool for investment areas, and pilots have been conducted in certain assets and companies to test this approach. CapMan has signed up as an early-adopter of Taskforce for Nature-related Financial Disclosures (TNFD), which is the premier global risk management and disclosure framework for nature.

Progress on social and governance targets

CapMan strives to be a diverse, equal, and inclusive work community. To promote good governance, CapMan has introduced sustainability metrics as part of variable remuneration. Part of the long-term share-based incentives are determined following the achievement of sustainability targets.

CapMan's Management Group with the support of CapMan's internal DEI (diversity, equity and inclusion) working group has continued its systematic work to reach our medium- and long-term diversity targets. During the first months of the year work was done to identify the enablers and possible deterrents to increase the share of women in investment teams by the DEI working group interviewing female investment professionals of different tenures and across investment areas. During the second quarter of 2024 DEI topics were progressed through workshops on inclusive practices within CapMan.

Key figures 30 June 2024

CapMan's return on equity was 13.6% on 30 June 2024 (30 June 2023: 7.4%) and the comparable return on equity was 15.9% (7.4%). Return on investment was 11.0% (4.1%) and the comparable return on investment was 12.5% (4.1%). Equity ratio was 50.7% (45.7%).

According to CapMan's long-term financial targets, the target level for the company's return on equity is on average over 20%. The objective for the equity ratio is more than 50%.

Table 7: CapMan's key figures

	30.6.2024	30.6.2023	31.12.2023
Earnings per share, cents	3.0	2.3	0.8
Diluted, cents	3.0	2.3	0.8
Comparable earnings per share, diluted, cents	3.9	2.3	1.9
Shareholders' equity / share, cents	82.0	73.0	72.6
Share issue adjusted number of shares	170,736,515	158,298,419	158,573,903
Return on equity, % p.a.	13.6	7.4	2.6
Return on equity, comparable, % p.a.	15.9	7.4	4.0
Return on investment, % p.a.	11.0	4.1	2.1
Return on investment, comparable, % p.a.	12.5	4.1	3.0
Equity ratio, %	50.7	45.7	47.8
Net gearing, %	40.2	45.3	45.9

Decisions of the 2024 Annual General Meeting

Decisions of the AGM regarding distribution of funds

CapMan's 2024 AGM decided, in accordance with the proposal of the Board of Directors, that a dividend in the total amount of EUR 0.06 per share, equivalent to a total of approx. MEUR 10.6, would be paid to shareholders based on the balance sheet adopted for 2023. In addition, the AGM authorised the Board of Directors to decide on an additional dividend in the maximum amount of EUR 0.04 per share, equivalent to a total of approx. MEUR 7.1. The authorisation will be effective until the next AGM. The Board of Directors intends to resolve on the additional dividend in its meeting scheduled for 18 September 2024. Decisions regarding the distribution of funds have been described in greater detail in the stock exchange release on the decisions taken by the AGM issued on 27 March 2024.

Decisions of the AGM regarding the composition of the Board

CapMan's 2024 AGM decided that the Board of Directors comprises six (6) members. Mr. Johan Bygge, Ms. Catarina Fagerholm, Mr. Johan Hammarén, Ms. Mammu Kaario, Mr. Olli Liitola and Mr. Joakim Frimodig were elected members of the Board of Directors for a term of office expiring at the end of the next Annual General Meeting.

The Board composition and remuneration have been described in greater detail in the stock exchange releases on the decisions of the AGM and the organisational meeting of the Board issued on 27 March 2024.

Authorisations given to the Board by the AGM

CapMan's 2024 AGM authorised the Board of Directors to decide on the repurchase and/or on the acceptance as pledge of the company's own shares as well as on the issuance of shares and the issuance of special

rights entitling to shares referred to in Chapter 10, Section 1 of the Finnish Companies Act.

The number of own shares to be repurchased and/or accepted as pledge on the basis of the authorisation shall not exceed 14,000,000 shares in total, which on the day of the notice to the Annual General Meeting corresponded to approximately 8.81% (and on the day of the Annual General Meeting to approximately 7.93%) of all shares in the company.

The number of shares to be issued on the basis of the authorisation shall not exceed 14,000,000 shares in total, which on the day of the notice to the Annual General Meeting corresponded to approximately 8.81% (and on the day of the of the Annual General Meeting to approximately 7.93%) of all shares in the company.

The authorisation is effective until the end of the next annual general meeting, however no longer than until 30 June 2025.

Further details on these authorisations can be found in the stock exchange release on the decisions taken by the AGM issued on 27 March 2024.

Authorising the company's Board of Directors to decide on charitable contributions

CapMan's 2024 AGM authorised the Board of Directors to decide on contributions in the total maximum amount of EUR 50,000 for charitable or similar purposes and to decide on the recipients, purposes, and other terms of the contribution. The authorisation is effective until the next annual general meeting.

The decisions of Annual General Meeting are described in a more comprehensive manner in the stock exchange release on the decisions taken by the AGM issued on 27 March 2024.

Shares and shareholders

All shares generate equal voting rights (one vote per share) and rights to a dividend and other distribution to shareholders. CapMan Plc's shares are included in the Finnish book-entry system. During the period CapMan issued 17,672,761 new shares in a directed share issue to the shareholders of Dasos Capital in connection with the acquisition, increasing CapMan's share capital to MEUR 35.2. Consequently, there were two flagging notices during the period. On 1 March 2024 the holdings of shares and voting rights of Hozanium Partners Oy exceeded 5% and the holdings of shares and voting rights of Ilmarinen Mutual Insurance Company fell below 5%.

Table 8: Shares and shareholders

	30 June 2024	30 June 2023
Shares and share capital		
Number of shares outstanding	176,878,210	158,849,387
Share capital, MEUR	35.2	0.7
Company shares		
Number of shares held by CapMan	26,299	26,299
Of all shares and votes	0.01%	0.02%
Market value, EUR	48,916	68,640
Trading and market capitalization		
Close price, EUR	1.86	2.61
Trade-weighted average price, year to date, EUR	2.00	2.78
Intra-year high, EUR	2.36	3.09
Intra-year low, EUR	1.83	2.52
No of shares traded, millions	13.2	9.8
Value of shares traded, MEUR	26.4	27.3
Market capitalization, MEUR	329	414
Shareholders		
Number of shareholders	29,820	31,390

Personnel

CapMan employed 201 people on average in the first half of 2024 (1 January–30 June 2023 average: 179), of whom 149 (131) worked in Finland and the remainder in the other Nordic countries, Luxembourg and the United Kingdom. A breakdown of personnel by country is presented in the Tables section of this report.

Remuneration and incentives

CapMan's variable remuneration consists of short-term and long-term incentive schemes.

The short-term scheme covers all CapMan employees, excluding the CEO of the company, and its key objective is earnings development, for which the Board of Directors has set a minimum target.

CapMan has currently one long-term share-based incentive scheme (Performance Share Plan). The target group of the plan consists of approximately 20 key employees, including the members of the Management Group. The objective of the Performance Share Plan is to align remuneration with CapMan's earnings development and sustainability agenda, to retain the participants in the company's service, and to offer them a competitive reward plan based on owning, earning and accumulating the company's shares.

In the Performance Share Plan the participants commit to shareholder value creation by investing a significant amount in CapMan Plc shares. The prerequisite for receiving a reward from the plan is that a participant allocates newly acquired or previously owned company's shares to the plan. The Board of Directors determines the maximum allocation for each participant.

The Performance Share Plan includes three performance periods that commenced on 1 April 2022. The first period ended on 31 March 2023, the second period ended on 31 March 2024, and the third period will end on 31 March 2025. The participants may earn a performance-based reward from each of the performance periods and a matching reward from the 2022–2025 period. The rewards from the plan will be paid in company shares in 2024, 2025 and 2026.

The performance-based reward from the Performance Share Plan is based on the company share's Total Shareholder Return, the achievement of sustainability targets and on the continuation of the participant's employment or service upon reward payment. The Board shall resolve whether new shares or existing shares held by the company are given as reward.

More information about the Performance Share Plan can be found on CapMan's website at www.capman.com.

Other significant events in 1–6 2024

On March 1st 2024 CapMan completed the acquisition of Dasos Capital Oy forming the new CapMan Natural Capital investment area and Mr. Olli Haltia, Partner at Natural Capital joined CapMan's Management Group. The acquisition and related directed share issue which the Board of Directors of CapMan decided on March 1st 2024, is described in greater detail on pages 35-36 in the tables section of this report.

On April 26th the CapMan Nordic Infrastructure II fund held its final close reaching EUR 375 million, which is a doubling in size compared to the Infrastructure I fund. On April 30th the CapMan Growth Equity III fund made its final close at EUR 130 million.

In May 2024, CapMan resolved on a directed share issue of 356,062 new shares as payment of the reward shares from the 2022 Performance Share Plan to CapMan Group management and selected key employees.

The reward was earned based on the total shareholder return of CapMan during the 2022 Performance Share Plan's first performance period that commenced on 1 April 2022 and ended on 31 March 2023. The new shares were registered with the Trade Register on 7 May 2024.

In May 2024 CapMan established a new Sustainability-Linked Bond Framework under which it can issue securities with a sustainability-linkage. The selected KPIs cover over 90% of CapMan's total emissions and as such present a strong linkage to CapMan's climate work.

In June 2024 CapMan announced final tender offer results for its outstanding bond due 2025 and issued a MEUR 60 sustainability-linked bond. The proceeds from the new issue were used for the tender offer of the bond due 2025 and general company purposes. The issue of the new bond extends the maturity of CapMan's loan portfolio significantly.

Events after the end of the review period

There were no significant events after the end of the review period.

Significant risks and short-term uncertainties

CapMan faces many different risks and uncertainties which, if realised, could affect its strategic direction, financial position, earnings, operations and reputation. Assessment and management of risks is an integral part of CapMan's ability to conduct its operations in a successful manner. CapMan classifies risks according to various categories and identifies principal risks for each category. CapMan performs an annual review of the risk environment at the end of the financial year and reports on any material developments quarterly. An annual risk assessment and risk descriptions is presented on the website under <https://capman.com/shareholders/risks/>. A summary of risks and observed changes in the short-term risk environment are presented in Table 10.

Table 9: Risk classification, principal risks and short-term changes

Risk classification	Principal risks	Changes in the short-term risk environment
1. Strategic risks	<ul style="list-style-type: none"> • Failure to achieve strategic or performance targets • Failure to select the correct strategy in a competitive environment • Failure to recruit and retain key personnel • Failure to scale the business 	<ul style="list-style-type: none"> • Acquisition of Dasos Capital has been closed during Q1-2024 and integration is ongoing
2. Financial risk	<ul style="list-style-type: none"> • Poor financial performance • Insufficient liquidity position • Failure to obtain financing 	<ul style="list-style-type: none"> • New sustainability-linked bond, issued in Q2 2024, improves liquidity position and extends the financing maturity schedule
3. Market risks	<ul style="list-style-type: none"> • Interest and foreign exchange rate, inflation and asset valuation volatility • Changes in customer preferences • Fluctuations of the transaction market • Failure in fundraising 	<ul style="list-style-type: none"> • CapMan Growth Equity III first and Infra II final closing completed. CapMan Nordic Real Estate IV fundraising is starting.
4. Operational risks	<ul style="list-style-type: none"> • Cyber threats and system errors • Inadequate or failed processes or controls • Corruption, fraud or criminal behaviour • Mistakes 	<ul style="list-style-type: none"> • No changes
5. Regulatory risks	<ul style="list-style-type: none"> • Adverse changes in the regulatory environment 	<ul style="list-style-type: none"> • Increased uncertainty related to changes in tax treatment of carried interest in Sweden, which may impact the private assets industry. However, the direct financial impact on CapMan is estimated to be limited.
6. Sustainability risks	<ul style="list-style-type: none"> • Failure to invest in sustainable assets and ESG related incidents or lack of appropriate ESG approach in portfolio companies • Unreasonable increase in costs to comply with sustainability and reporting requirements 	<ul style="list-style-type: none"> • No changes
7. Reputational risk	<ul style="list-style-type: none"> • Negative public perception 	<ul style="list-style-type: none"> • No changes

Long-term financial objectives

CapMan's distribution policy is to pay sustainable distributions that grow over time. CapMan's objective is to distribute at least 70% of the Group's profit attributable to equity holders of the company excluding the impact of fair value changes, subject to the distributable funds of the parent company. In addition, CapMan may pay out distributions accrued from investment operations, taking into consideration foreseen cash requirements for future investments.

The combined growth objective for the Management Company and Service businesses is more than 15% p.a. on average. The objective for return on equity is more than 20% p.a. on average. CapMan's equity ratio target is more than 50%.

CapMan expects to achieve these financial objectives gradually and key figures are expected to show fluctuations on an annual basis considering the nature of the business.

Outlook estimate for 2024

CapMan's objective is to improve results in the long term, taking into consideration annual fluctuations related to the nature of the business. 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 asset-specific development and exits from 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. For these reasons, CapMan does not provide numeric estimates for 2024.

CapMan estimates assets under management to grow in 2024. The company estimates fee profit also to grow in 2024. These estimations do not include possible items affecting comparability.

Helsinki, 8 August 2024

CAPMAN PLC

Board of Directors

CapMan Group's Interim Report for the period 1 January–30 September 2024 is published on Thursday 7 November 2024.

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Group Statement of comprehensive income (IFRS)

€ ('000)	4-6/24	4-6/23	1-6/24	1-6/23	1-12/23
Management fees	13 401	9 675	23 882	20 443	39 034
Sale of services	4 651	4 016	9 027	8 375	17 204
Carried interest	297	2 792	3 819	2 766	3 126
Turnover	18 349	16 483	36 728	31 584	59 364
Material and services	-715	-504	-1 290	-802	-1 856
Other operating income	6	1	12	78	79
Personnel expenses	-9 419	-8 103	-17 883	-17 032	-33 921
Depreciation, amortisation and impairment	-681	-378	-1 148	-762	-1 491
Other operating expenses	-3 292	-2 985	-7 213	-5 631	-11 362
Fair value changes of investments	1 193	-342	3 531	-2 733	-6 115
Operating profit	5 440	4 173	12 736	4 702	4 697
Financial income and expenses	-1 100	-337	-1 967	-835	-687
Result before taxes	4 340	3 836	10 769	3 867	4 010
Income taxes	-409	151	-1 902	889	-618
Result for the period	3 931	3 987	8 867	4 757	3 392
Other comprehensive income:					
Translation differences	47	-129	-78	-179	11
Total comprehensive income	3 978	3 858	8 789	4 578	3 403
Profit attributable to:					
Equity holders of the company	2 619	3 336	5 111	3 642	1 346
Non-controlling interest	1 311	651	3 756	1 115	2 047
Total comprehensive income attributable to:					
Equity holders of the company	2 667	3 207	5 033	3 463	1 356
Non-controlling interest	1 311	651	3 756	1 115	2 047
Earnings per share for profit attributable to the equity holders of the Company:					
Earnings per share, cents	1,5	2,1	3,0	2,3	0,8
Diluted, cents	1,5	2,1	3,0	2,3	0,8

Group balance sheet (IFRS)

€ ('000)	30.6.24	30.6.23	31.12.23
ASSETS			
Non-current assets			
Tangible assets	3 606	5 564	4 142
Goodwill	30 579	7 886	7 886
Other intangible assets	12 875	44	10
Investments at fair value through profit and loss			
Investments in funds	162 218	167 044	158 907
Other financial assets	508	434	508
Receivables	7 430	5 688	6 525
Deferred income tax assets	2 605	2 587	1 896
	219 821	189 248	179 874
Current assets			
Trade and other receivables	19 124	22 502	20 382
Financial assets at fair value through profit and loss	761	220	275
Cash and bank	48 850	42 599	41 017
	68 735	65 321	61 673
Total assets	288 556	254 569	241 547

€ ('000)	30.6.24	30.6.23	31.12.23
EQUITY AND LIABILITIES			
Capital attributable the Company's equity holders			
Share capital	35 198	772	772
Share premium account	38 968	38 968	38 968
Other reserves	21 114	21 102	21 114
Translation difference	-646	-760	-570
Retained earnings	47 451	54 654	52 914
Total capital attributable to the Company's equity holders	142 085	114 735	113 197
Non-controlling interests	2 964	1 160	1 928
Total equity	145 049	115 895	115 125
Non-current liabilities			
Deferred income tax liabilities	8 336	6 375	5 991
Interest-bearing loans and borrowings	105 741	93 718	92 470
Other non-current liabilities	484	6 370	484
	114 561	106 463	98 945
Current liabilities			
Trade and other payables	18 551	28 254	24 155
Interest-bearing loans and borrowings	1 392	1 422	1 386
Current income tax liabilities	9 003	2 535	1 936
	28 946	32 211	27 477
Total liabilities	143 507	138 675	126 422
Total equity and liabilities	288 556	254 569	241 547

Group Statement of Changes in Equity

€ ('000)	Attributable to the equity holders of the Company						Non-controlling interests
	Share capital	Share premium	Other reserves	Translation differences	Retained earnings	Total	
Equity on 1 January 2023	772	38 968	35 425	-582	65 473	140 056	2 088
Result for the year					3 642	3 642	1 115
Other comprehensive income for the year							
Currency translation differences				-179		-179	
Total comprehensive income for the year				-179	3 642	3 463	1 115
Performance Share Plan					-1 654	-1 654	
Dividends and return of capital			-14 323		-12 807	-27 130	-2 043
Equity on 30 June 2023	772	38 968	21 102	-760	54 654	114 735	1 160
Equity on 1 January 2024	772	38 968	21 114	-570	52 914	113 197	1 928
Result for the year					5 111	5 111	3 756
Other comprehensive income for the year							
Currency translation differences				-78		-78	
Total comprehensive income for the year				-78	5 111	5 033	3 756
Directed share issue related to business combination	34 427					34 427	58
Performance Share Plan					-301	-301	
Dividends and return of capital					-10 943	-10 943	-3 657
Transactions with non-controlling interests					672	672	878
Other changes				2	-2	0	
Equity on 30 June 2024	35 198	38 968	21 114	-646	47 451	142 085	2 964

Statement of cash flow (IFRS)

€ ('000)	1-6/24	1-6/23	1-12/23
Cash flow from operations			
Result for the financial period	8 867	4 757	3 392
Adjustments for:			
Share-based payments	276	463	970
Depreciation and amortisation	1 148	762	1 491
Fair value changes of investments	-3 531	2 733	6 115
Financial income and expenses	1 967	835	687
Income taxes	1 902	-889	618
Other non-cash items	1 633	-130	-214
Adjustments, total	3 395	3 775	9 666
Change in working capital:			
Change in current non-interest-bearing receivables	-1 337	2 103	6 319
Change in current trade payables and other non-interest-bearing liabilities	-3 730	-5 292	-263
Interest paid	-3 130	-1 911	-4 373
Taxes paid	-2 826	-1 847	-2 658
Cash flow from operations	1 239	1 584	12 084
Cash flow from investing activities			
Acquisition of subsidiaries, net of cash	1 487		-207
Proceeds from sale of subsidiaries		4 202	4 202
Investments in tangible and intangible assets		-17	-26
Investments at fair value through profit and loss	6 752	-884	172
Long-term loan receivables granted	-1 487	-1 376	-1 522
Proceeds from long-term receivables	870	0	47
Interest received	575	196	786
Cash flow from investing activities	8 197	2 123	3 452
Cash flow from financing activities			
Proceeds from borrowings	59 668		11
Repayment of long-term loan	-46 151		
Payment of lease liabilities	-627	-570	-1 165
Dividends paid and return of capital	-14 600	-16 395	-29 194
Cash flow from other financing items		-17	31
Cash flow from financing activities	-1 710	-16 982	-30 317
Change in cash and cash equivalents	7 727	-13 275	-14 782
Cash and cash equivalents at beginning of period	41 017	55 944	55 944
Translation difference	106	-70	-146
Cash and cash equivalents at end of period	48 850	42 599	41 017

Accounting principles

This unaudited half-year report is prepared in accordance with IAS 34 (Interim Financial Reporting) using the same accounting policies and methods of computation as in the previous annual financial statements.

Figures in the accounts have been rounded and consequently the sum of individual figures can deviate from the presented sum figure.

Items affecting comparability and alternative performance measures

CapMan uses alternative performance measures to denote the financial performance of its business and to improve the comparability between different periods. Alternative performance measures do not replace performance measures in accordance with the IFRS and are reported in addition to such measures. 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 'comparable'. Such alternative performance measures are, for example, comparable operating profit, comparable profit for the period, and comparable earnings per share. In addition, CapMan discloses alternative performance measures that have been derived from the beforementioned comparable performance measures by further adding or deducting some income statement items that have been adjusted to exclude possible items impacting comparability. This kind of alternative performance measure is fee profit, which is comparable operating profit or loss deducted with carried interest and fair value changes of investments.

Items affecting comparability are, among others, material items related to mergers and acquisitions, such as amortisation and impairment of intangible assets recognised in the purchase price allocation, or costs related to major development projects, such as reorganisation costs. Items impacting comparability include also material gains or losses related to the acquisition or disposals of business units, material gains or losses related to the acquisition or disposal of intangible assets, material expenses related to decisions by authorities and material gains or losses related to reassessment of potential repayment risk to the funds.

Segment information

CapMan has three operating segments: the Management company business, Service business and Investments business.

In its **Management Company business**, CapMan manages private equity funds and offers wealth advisory services. Private equity funds are invested by its partnership-based investment teams. Investments are mainly Nordic unlisted companies, real estate, infrastructure and natural resource assets. CapMan raises capital for the funds from Nordic and international investors. CapMan Wealth Services offer comprehensive wealth advisory services related to the listed and unlisted market to smaller investors, such as family offices, smaller institutions and high net worth individuals. Income from the Management company business is derived from fee income and carried interest received from funds. The fee income include management fees related to CapMan's position as a fund management company, fees from other services closely related to fund management and fees from wealth advisory services.

In the **Service business**, CapMan offers procurement services and distributes software licences to companies in Finland, Sweden and the Baltics, through CapMan Procurement Services (CaPS). In the comparison year, until February 1, 2023, Service business also included JAY Solutions, which offered reporting and back office services to investors.

Through its **Investment business**, CapMan invests from its own balance sheet in the private equity asset class and mainly to its own funds. Income in this business segment is generated by changes in the fair value of investments and realised returns following exits and periodic returns, such as interest and dividends.

Other includes the corporate functions not allocated to operating segments. These functions include part of the activities of group accounting, corporate communications, group management and costs related to share-based payment. Other also includes the eliminations of the intersegment transactions.

Segment information 4-6/2024

€ ('000)	Management company business	Service business	Investment business	Other	Total
Fee income	14 820	3 060		172	18 052
Carried interest	297				297
Turnover	15 117	3 060		172	18 349
Turnover, internal					
Materials and services		-715			-715
Other operating income	5	1		0	6
Personnel expenses, of which	-6 375	-509	-94	-2 441	-9 419
Salaries and bonuses	-6 375	-509	-94	-2 387	-9 364
Share-based payment				-54	-54
Depreciation, amortisation and impairment	-581	-22	-3	-76	-681
Other operating expenses	-2 185	-101	-69	-936	-3 292
Internal service fees	-1 687	-38		1 725	0
Fair value changes of investments			1 193		1 193
Operating profit	4 295	1 675	1 027	-1 556	5 440
Items impacting comparability:					
Purchase price allocation amortisations	339				339
Items impacting comparability, total	339				339
Comparable operating profit	4 634	1 675	1 027	-1 556	5 780
Financial items					-1 100
Income taxes					-409
Result for the period					3 931

€ ('000)	Management company business	Service business	Investment business	Other	Total
Items impacting comparability:					
Purchase price allocation amortisations					272
Items impacting comparability, total					272
Comparable result for the period					4 202
Earnings per share, cents					1,5
Items impacting comparability, cents					0,1
Comparable earnings per share, cents					1,6
Earnings per share, diluted, cents					1,5
Items impacting comparability, cents					0,2
Comparable earnings per share, diluted, cents					1,7
Fee profit:					
Comparable operating profit	4 634	1 675	1 027	-1 556	5 780
Less:					
Carried interest	-297				-297
Fair value changes of investments			-1 193		-1 193
Fee profit	4 337	1 675	-166	-1 556	4 290
Timing of revenue recognition from customer contracts:					
Services transferred over time	14 720	3 060		172	17 951
Services transferred at a point in time	398				398
Revenue from customer contracts, external	15 117	3 060		172	18 349

Segment information 4-6/2023

€ ('000)	Management company business	Service business	Investment business	Other	Total
Fee income	10 871	2 707		113	13 691
Carried interest	2 792				2 792
Turnover	13 663	2 707		113	16 483
Turnover, internal					
Materials and services		-504			-504
Other operating income		1		0	1
Personnel expenses, of which	-5 524	-483	-31	-2 065	-8 103
Salaries and bonuses	-5 524	-483	-31	-1 775	-7 813
Share-based payment	0			-290	-290
Depreciation, amortisation and impairment	-264	-33	-4	-77	-378
Other operating expenses	-1 677	-115	-21	-1 171	-2 985
Internal service fees	-1 232	-32		1 263	
Fair value changes of investments			-342		-342
Operating profit	4 966	1 541	-398	-1 937	4 173
Financial items					-337
Income taxes					151
Result for the period					3 987

€ ('000)	Management company business	Service business	Investment business	Other	Total
Earnings per share, cents					2,1
Earnings per share, diluted, cents					2,1
Fee profit:					
Operating profit	4 966	1 541	-398	-1 937	4 173
Less:					
Carried interest	-2 792				-2 792
Fair value changes of investments			342		342
Fee profit	2 174	1 541	-56	-1 937	1 723
Timing of revenue recognition from customer contracts:					
Services transferred over time	10 714	2 707		113	13 534
Services transferred at a point in time	2 949				2 949
Revenue from customer contracts, external	13 663	2 707		113	16 483

Segment information 1-6/2024

€ ('000)	Management company business	Service business	Investment business	Other	Total
Fee income	26 662	5 924		323	32 909
Carried interest	3 819				3 819
Turnover	30 481	5 924		323	36 728
Turnover, internal					
Materials and services		-1 290			-1 290
Other operating income	5	2		5	12
Personnel expenses, of which	-12 205	-961	-251	-4 466	-17 883
Salaries and bonuses	-12 205	-961	-251	-4 190	-17 607
Share-based payment				-276	-276
Depreciation, amortisation and impairment	-933	-43	-6	-166	-1 148
Other operating expenses	-4 037	-189	-139	-2 848	-7 213
Internal service fees	-2 753	-79		2 832	0
Fair value changes of investments			3 531		3 531
Operating profit	10 558	3 363	3 136	-4 321	12 736
Items impacting comparability:					
Purchase price allocation amortisations	453				453
Reorganisation costs	10			103	113
Acquisition related expenses				1 056	1 056
Items impacting comparability, total	462			1 159	1 622
Comparable operating profit	11 021	3 363	3 136	-3 162	14 358
Financial items					-1 967
Income taxes					-1 902
Result for the period					8 867

€ ('000)	Management company business	Service business	Investment business	Other	Total
Items impacting comparability:					
Purchase price allocation amortisations					362
Reorganisation costs					90
Acquisition related expenses					1 046
Items impacting comparability, total					1 499
Comparable result for the period					10 366
Earnings per share, cents					3,0
Items impacting comparability, cents					0,9
Comparable earnings per share, cents					3,9
Earnings per share, diluted, cents					3,0
Items impacting comparability, cents					0,9
Comparable earnings per share, diluted, cents					3,9
Fee profit:					
Comparable operating profit	11 021	3 363	3 136	-3 162	14 358
Less:					
Carried interest	-3 819				-3 819
Fair value changes of investments			-3 531		-3 531
Fee profit	7 202	3 363	-396	-3 162	7 008
Timing of revenue recognition from customer contracts:					
Services transferred over time	26 432	5 924		323	32 679
Services transferred at a point in time	4 049				4 049
Revenue from customer contracts, external	30 481	5 924		323	36 728

Segment information 1-6/2023

€ ('000)	Management company business	Service business	Investment business	Other	Total
Fee income	23 355	5 327		137	28 819
Carried interest	2 766				2 766
Turnover	26 121	5 327		137	31 584
Turnover, internal	3	44		-46	
Materials and services		-802			-802
Other operating income		59		19	78
Personnel expenses, of which	-11 654	-1 041	-124	-4 212	-17 032
Salaries and bonuses	-11 654	-1 041	-124	-3 749	-16 568
Share-based payment	0			-463	-463
Depreciation, amortisation and impairment	-535	-84	-8	-135	-762
Other operating expenses	-3 374	-426	-69	-1 762	-5 631
Internal service fees	-2 434	-62		2 496	
Fair value changes of investments			-2 733		-2 733
Operating profit	8 126	3 015	-2 934	-3 504	4 702
Financial items					-835
Income taxes					889
Result for the period					4 757

€ ('000)	Management company business	Service business	Investment business	Other	Total
Earnings per share, cents					2,3
Earnings per share, diluted, cents					2,3
Fee profit:					
Operating profit	8 126	3 015	-2 934	-3 504	4 702
Less:					
Carried interest	-2 766				-2 766
Fair value changes of investments			2 733		2 733
Fee profit	5 361	3 015	-201	-3 504	4 670
Timing of revenue recognition from customer contracts:					
Services transferred over time	22 980	5 327		137	28 444
Services transferred at a point in time	3 141				3 141
Revenue from customer contracts, external	26 121	5 327		137	31 584

Segment information 1-12/2023

€ ('000)	Management company business	Service business	Investment business	Other	Total
Fee income	45 108	10 606		524	56 238
Carried interest	3 126				3 126
Turnover	48 234	10 606		524	59 364
Turnover, internal	3	44		-46	
Materials and services		-1 856			-1 856
Other operating income		60		19	79
Personnel expenses, of which	-23 548	-1 899	-346	-8 129	-33 921
Salaries and bonuses	-23 548	-1 899	-346	-7 160	-32 952
Share-based payment	0			-970	-970
Depreciation, amortisation and impairment	-1 048	-127	-14	-302	-1 491
Other operating expenses	-6 648	-637	-139	-3 938	-11 362
Internal service fees	-4 781	-143		4 923	0
Fair value changes of investments			-6 115	0	-6 115
Operating profit (loss)	12 212	6 048	-6 614	-6 949	4 697
Items impacting comparability:					
Reorganisation costs	1 466			12	1 478
Acquisition related expenses				566	566
Items impacting comparability, total	1 466			577	2 043
Comparable operating profit (loss)	13 678	6 048	-6 614	-6 372	6 740
Financial items					-687
Income taxes					-618
Result for the period					3 392

€ ('000)	Management company business	Service business	Investment business	Other	Total
Items impacting comparability:					
Reorganisation costs					1 179
Acquisition related expenses					566
Items impacting comparability, total					1 744
Comparable result for the period					5 137
Earnings per share, cents					0,8
Items impacting comparability, cents					1,1
Comparable earnings per share, cents					1,9
Earnings per share, diluted, cents					0,8
Items impacting comparability, cents					1,1
Comparable earnings per share, diluted, cents					1,9
Fee profit:					
Comparable operating profit (loss)	13 678	6 048	-6 614	-6 372	6 740
Less:					
Carried interest	-3 126				-3 126
Fair value changes of investments			6 115		6 115
Fee profit (loss)	10 552	6 048	-499	-6 372	9 729
Timing of revenue recognition from customer contracts:					
Services transferred over time	44 445	10 606		524	55 576
Services transferred at a point in time	3 788				3 788
Revenue from customer contracts, external	48 234	10 606		524	59 364

Acquisition of Dasos Capital

On 21 December 2023, CapMan signed an agreement regarding the acquisition of all the shares of Dasos Capital Oy from the company's current shareholders. The acquisition was completed on March 1, 2024, following the approvals by the Finnish Competition and Consumer Authority and the Finnish Financial Supervisory Authority as well as consents from certain investors of certain funds managed by Dasos. The purchase price was paid by executing a directed issue of 17,672,761 new CapMan shares to the owners of Dasos Capital Oy, representing approximately 10.0% ownership in CapMan, and by a preliminary cash consideration of MEUR 3.2 based on estimated closing accounts.

Fair value of the issued shares amounted to MEUR 34.4 on the acquisition date, based on the closing price of EUR 1.948 per share, and will be recognised in the share capital. Cash consideration will be adjusted in Q3 2024 based on the final closing accounts. In addition, CapMan has committed to paying an additional earn-out consideration of a maximum MEUR 5 based on management fee turnover incurred in 2025 and 2026, payable when the management fees of the funds managed by Dasos exceed certain limits. The additional consideration will be paid later in 2026 and 2027 in CapMan's shares.

Dasos Capital Oy is a leading timberland and natural capital investment asset manager in Europe and a significant player globally. Dasos focuses on managing sustainable timberland investments, natural sites and forest carbon sinks, as well as developing value in Europe and emerging markets. The investors in the funds managed by Dasos are domestic and foreign institutions, mainly pension and insurance companies. The acquisition supports CapMan's vision of becoming the most responsible private asset company in the Nordics and significantly promotes CapMan's strategic objective to increase assets under management to EUR 10 billion during the ongoing strategy period.

The provisional goodwill arising from the acquisition is MEUR 22.7 and is mainly attributable to Dasos' professional workforce, future customers and products, CapMan's cross-selling opportunities, and synergies.

As of the acquisition date, March 1, 2024, Dasos Capital has been consolidated into CapMan's consolidated financial statements in full and reported as part of CapMan's reportable segment Management Company Business. Consolidated income statement includes MEUR 1.7 of turnover and MEUR 0.4 of net profit from Dasos Capital as of March 1, 2024. Had Dasos Capital been consolidated from January 1, 2024, consolidated income statement would show combined turnover of MEUR 37.6 and combined net profit of MEUR 9.2.

The expenses arising from the acquisition, MEUR 1.6, have been included in Other operating expenses of the consolidated income statement and allocated to Other segment and classified as items impacting comparability in the segment reporting. Thereof, MEUR 1.1 has been recorded in the current period and MEUR 0.6 in the previous year. The purchase price allocation is provisional.

The following table summarises the provisional consideration, the fair value of identifiable assets acquired and liabilities assumed at the acquisition date, and the provisional goodwill.

€ ('000)	Fair value
Consideration	
Share consideration (17,672,761 x EUR 1.948)	34 427
Cash consideration, provisional	3 218
Total consideration, provisional	37 644
ASSETS	
Non-current assets	
Customer-related intangibles	13 071
Marketing-related intangibles	254
Machinery and equipment	3
Fund investments at fair value through profit and loss	3 219
	16 546
Current assets	
Receivables and accruals	988
Cash and cash equivalents	10 373
	11 361
Total assets	27 907

€ ('000)	Fair value
LIABILITIES	
Non-current liabilities	
Deferred tax liabilities	2 949
	2 949
Current liabilities	
Trade payables and accruals	2 170
Current tax liabilities	7 779
	9 949
Total liabilities	12 898
Non-controlling interest ("NCI")*	58
Net assets (excl. goodwill)	14 951
Total consideration, provisional	37 644
Goodwill, provisional	22 693

*measured at proportionate share of acquiree's identifiable net assets

The below table specifies the cash flow impact of the acquisition, reflected in cash flow from investing activities:

€ ('000)	Fair value
Cash consideration, provisional	-3 218
Transaction costs	-1 572
Net cash acquired with the subsidiary	10 373
Acquisition of subsidiaries, net of cash	5 583

Income taxes

The Group's income taxes in the Income Statements are calculated on the basis of current taxes on taxable income and deferred taxes. Deferred taxes are calculated on the basis of all temporary differences between book value and fiscal value.

Dividends and repayment of capital

The Annual General Meeting, held on 27 March 2024, decided that a dividend of EUR 0.06 per share, totalling EUR 10.6 million, will be paid for the financial year 2023 in one instalment. The dividend was paid on April 9, 2024. The Annual General Meeting also authorised the Board of Directors to decide on an additional dividend in the maximum of EUR 0.04 per share, which would total EUR 7.1 million. The Board of Directors intends to resolve on the additional dividend in its meeting scheduled for September 18, 2024.

For the financial year 2022, dividend and repayment of invested unrestricted equity fund amounted to EUR 0.17 per share or EUR 26.9 million in total. Dividend and equity repayment was paid in two instalments, the first of which, amounting to EUR 14.2 million, was paid on March 23, 2023, and the second of which, amounting to EUR 12.7 million, was paid on September 22, 2023.

Financial assets measured at fair value through profit and loss

Fair value hierarchy of financial assets measured at fair value at 30 June 2024

	Level 1	Level 2	Level 3	Total
Investments in funds				
at Jan 1	980		157 927	158 907
Additions			7 050	7 050
Acquisition of a subsidiary			3 219	3 219
Distributions	-589		-6 969	-7 558
Disposals			-3 706	-3 706
Fair value gains/losses			3 781	3 781
Transfers*	526			526
at the end of period	916		161 302	162 218
Other investments				
at Jan 1	482	0	25	508
at the end of period	482	0	25	508
Current financial assets at FVTPL	761	0		761

* Change of cash and cash equivalents of the subsidiary CapMan Fund Investments SICAV-SIF, classified as fund investments and transfer of fund investments consisting only of cash from Level 3 to Level 1.

The different levels have been defined as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets

Level 2 - Other than quoted prices included within Level 1 that are observable for the asset, either directly (that is, as price) or indirectly (that is, derived from prices).

Level 3 - The asset's value that is not based on observable market data

Investments in funds include the subsidiary, CapMan Fund Investments SICAV-SIF, with a fair value of EUR 105.9 million at the end of the reporting period. The fair valued included EUR 0.6 million of cash.

Fair value hierarchy of financial assets measured at fair value at 31 December 2023

	Level 1	Level 2	Level 3	Total
Investments in funds				
at Jan 1	1 197		167 866	169 063
Additions			18 097	18 097
Distributions			-17 615	-17 615
Disposals			-3 975	-3 975
Fair value gains/losses			-5 926	-5 926
Transfers*	-217		-520	-737
at the end of period	980		157 927	158 907
Other investments				
at Jan 1	408	0	25	434
Additions	46			46
Fair value gains/losses	28			28
at the end of period	482	0	25	508
Current financial assets at FVTPL	159	116		275

* Change of cash and cash equivalents of the subsidiary CapMan Fund Investments SICAV-SIF, classified as fund investments and transfer of fund investments consisting only of cash from Level 3 to Level 1.

The different levels have been defined as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets

Level 2 - Other than quoted prices included within Level 1 that are observable for the asset, either directly (that is, as price) or indirectly (that is, derived from prices).

Level 3 - The asset that is not based on observable market data

Investments in funds include the subsidiary, CapMan Fund Investments SICAV-SIF, with a fair value of EUR 100.9 million at the end of the reporting period.. The fair valued included EUR 0.1 million of cash.

Sensitivity analysis of Level 3 investments at 30 June 2024

Investment area	Fair Value MEUR, 30 June 2024	Valuation methodology	Unobservable inputs	Used input value (weighted average)	Change in input value	Fair value sensitivity
Private Equity	47.8	Peer group	Peer group earnings multiples	EV/EBITDA 2024 11.7x	+/- 10%	+/- 5.0 MEUR
			Discount to peer group multiples	20 %	+/- 10%	-/+ 1.4 MEUR
Real Estate	38.5	Valuation by an independent valuer	FX rate	EUR/SEK 11.3595	+/-1%	-/+ 0.1 MEUR
				EUR/DKK 7.4575	+/-1%	-/+ 0.1 MEUR
				EUR/NOK 11.3965	+/-1%	-/+ 0.0 MEUR
Infra	12.0	Discounted cash flows	Terminal value	EV/EBITDA 14.9x	+/- 5%	+/- 1.2 MEUR
			Discount rate; market rate and risk premium	13 %	+/- 100 bps	-/+ 1.9 MEUR
Credit	5.4	Discounted cash flows	Discount rate; market rate and risk premium	9 %	+/- 100 bps	-0.2 MEUR / value change based on a change in the discount rate is not booked
Natural Capital	3.2	Valuation by an independent valuer	Wood prices	na	+/- 2.5%	+/- 0.3 MEUR
			Discount rate	4 %	+0.3%	-/+ 0.9 MEUR
Investments in funds-of-funds	18.1	Reports from PE fund management company	FX rate	EUR/USD 1.0705	+/-1%	-/+ 0.2 MEUR
Investments in external venture capital funds	36.2	Reports from PE fund management company				

Sensitivity analysis of Level 3 investments at 31 December 2023*

Investment area *	Fair Value MEUR, 31 Dec 2023	Valuation methodology	Unobservable inputs	Used input value (weighted average)	Change in input value	Fair value sensitivity
Private Equity	46.6	Peer group	Peer group earnings multiples	EV/EBITDA 2023 10.5x	+/- 10%	+/- 4.9 MEUR
			Discount to peer group multiples	21 %	+/- 10%	-/+ 1.3 MEUR
Real Estate	40.4	Valuation by an independent valuer	FX rate	EUR/SEK 11.0960	+/- 1%	-/+ 0.1 MEUR
				EUR/DKK 7.4529	+/- 1%	-/+ 0.1 MEUR
				EUR/NOK 11.2405	+/- 1%	-/+ 0.0 MEUR
Infra	10.1	Discounted cash flows	Terminal value	EV/EBITDA 15.1x	+/- 5%	+/- 1.1 MEUR
			Discount rate; market rate and risk premium	13 %	+/- 100 bps	-/+ 1.9 MEUR
Credit	6.0	Discounted cash flows	Discount rate; market rate and risk premium	10 %	+/- 100 bps	- 0.1 MEUR / value change based on a change in the discount rate is not booked
Investments in funds-of-funds	16.0	Reports from PE fund management company	FX rate	EUR/USD 1.1050	+/- 1%	-/+ 0.2 MEUR
Investments in external venture capital funds	38.7	Reports from PE fund management company				

*Changes made to the grouping of investment areas

CapMan has made some investments also in funds that are not managed by CapMan Group companies. The fair values of these investments in CapMan's balance sheet are primarily based on the valuations by the respective fund managers. No separate sensitivity analysis is prepared by CapMan for these investments. However, CapMan evaluates the significant investments individually and makes adjustments to them if necessary. Separate sensitivity analysis is prepared by CapMan for these adjustments.

The changes in the peer group earnings multiples and the peer group discounts are typically opposite to each other. Therefore, if the peer group multiples increase, a higher discount is typically applied. Because of this, a change in the peer group multiples may not in full be reflected in the fair values of the fund investments.

The valuations are based on euro. If portfolio company's reporting currency is other than euro, P&L items used in the basis of valuation are converted applying the average foreign exchange rate for corresponding year and the balance sheet items are converted applying the rate at the time of reporting. Changes in the foreign exchange rates, in CapMan's estimate, have no significant direct impact on the fair values calculated by peer group multiples during the reporting period.

The valuation of CapMan funds' investment is based on international valuation guidelines that are widely used and accepted within the industry and among investors. CapMan always aims at valuing 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 nature of the investment, local market conditions, trading values on public exchanges for comparable securities, current and projected operating performance, and the financial situation 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 available market price for actively traded (quoted) investments, earnings multiple valuation technique, whereby public peer group multiples are used to estimate the value of a particular investment, and the Discounted Cash Flows method, whereby estimated future cash flows and the terminal value are discounted to the present by applying the appropriate risk-adjusted rate. CapMan always applies a discount to peer group multiples, due to e.g. limited liquidity of the investments. Due to the qualitative nature of the valuation methodologies, the fair values are to a considerable degree based on CapMan's judgment.

The Group has a Risk and Valuation team, which monitors the performance and the price risk of the investment portfolio (financial assets entered at fair value through profit or loss) independently and objectively of the investment teams. The Risk and Valuation team is responsible for reviewing the monthly reporting and forecasts for portfolio companies. Valuation proposals are examined by the Risk and Valuation team and subsequently reviewed and decided by the Valuation Committee, which comprises at least Valuation Controller, Risk Manager and at least one CapMan AIF Manager's Board of Directors. The portfolio company valuations are reviewed in the Valuation Committee on a quarterly basis. The valuations are back tested against realised exit valuations, and the results of such back testing are reported to the Audit and Risk Committee annually.

Investments in real estate are valued at fair value based on appraisals made by independent external experts, who follow International Valuation Standards (IVS). The method most appropriate to the use of the property is always applied, or a combination of such methods. For the most part, the valuation methodology applied is the discounted cash flow method, which is based on significant unobservable inputs. These inputs include the following:

Future rental cash inflows	Based on the actual location, type and quality of the properties and supported by the terms of any existing lease, other contracts or external evidence such as current market rents for similar properties;
Discount rates	Reflecting current market assessments of the uncertainty in the amount and timing of cash flows;
Estimated vacancy rates	Based on current and expected future market conditions after expiry of any current lease;
Property operating expenses	Including necessary investments to maintain functionality of the property for its expected useful life;
Capitalisation rates	Based on actual location size and quality of the properties and taking into account market data at the valuation date;
Terminal value	Taking into account assumptions regarding maintenance costs , vacancy rates and market rents.

The investments in natural capital funds that CapMan manages are valued based on appraisals made in cooperation with independent appraisers with specific experience in the valuation of investments in timberland assets. The main forest valuation approaches include income approach where the value is the net present value of expected cash flows discounted at a current market rate, cost approach where the value is based on historical investment cost of the forest asset (land cost, planting and management cost etc.) and market approach where the value is based on the transaction values of comparable forest assets.

Seasonal nature of business

Carried interest income is accrued on an irregular schedule depending on the timing of exits.

An exit may have an appreciable impact on the Group's result for the full financial year.

Average personnel

By country	30.6.24	30.6.23	31.12.23
Finland	149	131	133
Sweden	29	27	28
Denmark	12	9	10
Norway	2	2	2
Luxembourg	3	3	3
United Kingdom	8	7	7
In total	201	179	183

Contingent liabilities

€ ('000)	30.6.24	30.6.23	31.12.23
Securities and other contingent liabilities	61 224	61 368	61 239
Remaining commitments to funds	79 971	81 534	85 190
Remaining commitments by investment area			
Buyout	13 494	18 505	17 941
Credit	2 978	4 159	3 127
Russia	1 066	1 066	1 066
Real Estate	6 284	6 651	5 916
Other	1 489	2 181	1 489
Funds of funds	245	245	245
Growth equity	16 908	9 225	19 243
Infra	11 777	11 125	10 151
Special Situations	4 060	4 507	4 507
Natural Capital	43		
CapMan Wealth Services funds	15 345	17 343	15 511
External funds-of-funds	3 645	3 680	3 703
External venture capital funds	2 636	2 847	2 290
In total	79 971	81 534	85 190

Derivatives

€ ('000)	30.6.24	30.6.23	31.12.23
Fair value of derivatives			
Foreign exchange forwards	-30	70	116
Nominal amounts of derivatives			
Foreign exchange forwards	4 869	5 798	5 320

CapMan uses short-term derivatives to hedge against currency changes incurred to its foreign currency denominated trade receivables. Derivatives have been valued at market value on the reporting date and are reported in current assets or liabilities. CapMan does not apply hedge accounting.

Related parties

Transactions with related parties

In the reporting period, CapMan granted a long-term loan of EUR 747 thousand and a short-term loan of EUR 170 thousand with a fixed interest rate to Noelia Invest AB, a controlled entity of Mika Koskinen, member of the Management Group. Noelia Invest AB used the loans to subscribe shares issued by CapMan Wealth Services Oy, a subsidiary of CapMan Plc. In the previous year, CapMan recorded fees, totalling approximately EUR 7 thousand, for financial and legal services to Momea Invest Oy, a controlled entity of Olli Liitola, member of the Board of Directors of CapMan Plc.

Loan and interest receivables from related parties

1 000 EUR	30.6.24	30.6.23	31.12.23
Non-current	1 008	235	242
Current	172		

Commitments to related parties

€ ('000)	30.6.24	30.6.23	31.12.23
Loan commitments	89	102	98

Turnover and profit quarterly

Year 2024

MEUR	1-3/24	4-6/24	1-6/24
Turnover	18,4	18,3	36,7
Management fees	10,5	13,4	23,9
Sales of services	4,4	4,7	9,0
Carried interest	3,5	0,3	3,8
Material and services	-0,6	-0,7	-1,3
Other operating income	0,0	0,0	0,0
Operating expenses	-12,9	-13,4	-26,2
Fair value changes of investments	2,3	1,2	3,5
Operating profit	7,3	5,4	12,7
Financial income and expenses	-0,9	-1,1	-2,0
Result before taxes	6,4	4,3	10,8
Result for the period	4,9	3,9	8,9

Year 2023

MEUR	1-3/23	4-6/23	7-9/23	10-12/23	1-12/23
Turnover	15,1	16,5	13,7	14,1	59,4
Management fees	10,8	9,7	9,7	8,9	39,0
Sales of services	4,4	4,0	3,7	5,1	17,2
Carried interest	0,0	2,8	0,3	0,1	3,1
Material and services	-0,3	-0,5	-0,5	-0,5	-1,9
Other operating income	0,1	0,0	0,0	0,0	0,1
Operating expenses	-12,0	-11,5	-9,3	-14,0	-46,8
Fair value changes of investments	-2,4	-0,3	0,9	-4,3	-6,1
Operating profit (loss)	0,5	4,2	4,8	-4,8	4,7
Financial income and expenses	-0,5	-0,3	-0,1	0,3	-0,7
Result before taxes	0,0	3,8	4,7	-4,5	4,0
Result for the period	0,8	4,0	3,6	-5,0	3,4